



Delek Group

Updates regarding Credit Facilities

May 7, 2020

Tel Aviv, May 7, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) (“the Company”) provides an update further to the report dated April 30, 2020 (ref. no.2020-01-042810), which is included in this report by way of reference, concerning a temporary injunction that the court issued ex-parte following the petition of Delek Energy Systems Ltd (“Delek Energy”), ordering an Israeli bank (“the Bank”) to refrain from realizing the participation units of Delek Drilling Limited Partnership (“the Units”) pledged to secure the credit provided by the Bank of NIS 100 million (“the Temporary Injunction”). In addition, this update is further to the description of the credit facilities and loans of the Company and its staff companies brought in section 1.16 of Chapter A of the Company’s 2019 Periodic Report, published on May 5, 2020 (ref. no. 2020-01-043356), included in this report by way of reference (“the Periodic Report”). The update is as follows:

1. In respect of credit facility no. 4 provided to Delek Energy, on May 6, 2020 the Tel-Aviv District Court ruled to dismiss the petition filed by Delek Energy against the Bank, and cancelled the Temporary Injunction that prevented the Bank from realizing the pledged Units.

The court rules that implementation of its decision be delayed until May 14, 2020 for an appeals process to take place, subject to and immediately following Delek Energy depositing an autonomous bank guarantee for NIS 50 million to secure possible damages to the Bank, and ruled that until the actual deposit, implementation would not be delayed. On account of the late hour when the Company learned of the court decision, it was not possible to issue an autonomous bank guarantee, so the Company deposited NIS 50 million in cash in the Company’s account mortgaged to the Bank in place of the said bank guarantee.

2. In respect of credit facilities no. 2 and no. 5 provided by an Israeli bank to the Company and to Delek Energy, respectively, and detailed in the table in section 1.16(A) of Chapter A of the Periodic Report, it is noted that on May 6, 2020, the Company and Delek Energy signed mutual guarantees, so that the Company pledged to the bank in respect of credit facility no. 5 granted to Delek Energy, and Delek Energy pledged to the bank in respect of credit facility no. 2 granted to the Company. Each of the credit facilities is guaranteed with participation units of Delek Drilling Limited Partnership that is owned by Delek Energy.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on May 7, 2020

About The Delek Group

Delek Group is an independent E&P company with activities in the UK North Sea and the East Mediterranean. Delek Group has significant holdings in the Leviathan and Tamar natural gas reservoirs in the East Mediterranean (Israel’s territorial water), with reserves and resources of more than 30 TCF and annual production of approximately 20 BCM. These reservoirs are a major natural gas supplier to the growing markets of Israel, Egypt and Jordan and Delek continues to lead the region’s development into a major natural gas export hub. Through its wholly owned subsidiary Ithaca, Delek Group holds high-quality oil and natural gas assets in the UK North Sea totaling more than 270 million barrels of oil equivalent (boe) and producing about 27 million boe per year. Delek Group is one of Israel’s largest and most prominent companies with a consistent track record of growth. Its shares are traded on the Tel Aviv Stock Exchange (DLEKG:IT) And its ADRs are traded on the US OTC market (DGRLY:US).

For more information on Delek Group please visit www.delek-group.com

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