



Petition to Approve Filing of Class Action Against Delek Yam Maagan (2011) Ltd, a Subsidiary

April 30, 2020

Tel Aviv, April 30, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) (“the Company”) announces that on April 27, 2020 it received a petition to approve a class action filed in the Haifa District Court against a subsidiary of the Company, Delek Yam Maagan 2011 Ltd (“Delek Yam Maagan”), another company that purchased the land in trust for the subsidiary, and against the directors of these companies, two of whom are senior officers of the Company.

The petition was filed by the Zalul Environmental Association and two private petitioners. According to the petitioners, the respondents, jointly and severally, owe compensation to the general public in Israel (that is considered a “group” in its meaning in the application and as described below) for their alleged responsibility for pollution of the ground water and marine environment through the existence of hazardous and pollutant materials on the area purchased by the subsidiary in 2011, located south of the town of Akko, on a site where the Electrochemical Industries Company had previously operated (“the Site”). According to the petitioners, these materials are continuing to pollute the land of the Site while at the same time dripping into the environment, harming the ground water, sea water, animal life and the natural assets.

According to the petitioners, since Delek Yam Maagan purchased the Site (in 2011), responsibility was transferred to it for the damage caused on account of the materials left on the Site from the time it was acquired; this type of materials continues to leak or drip in the period since the Site was transferred to its control. The petitioners also claim the since the subsidiary acquired control of the Site, responsibility was transferred to it to take actions to prevent continued pollution and to clean up the land.

The group represented in the petition is defined as all residents and citizens of Israel who make use of the services of the coastal environment of Akko - or any other group that the court will determine. The petition stipulates an amount of NIS 2.5 million as the compensation claimed for the damage that the petitioners allege was caused to the group on account of the continuing pollution in the period in which the Site has been under the control of Delek Yam Maagan. Similarly, the petitioners are seeking to oblige the respondents for payment of all the costs of rehabilitation, estimated by them in hundreds of millions of shekels, and are also stipulating environmental damages for which they claim the respondents are obliged to pay the public compensation. Part of the compensation elements have not been specified in the petition and therefore it is impossible to know what the exact amount of the claim is. However, it is evident from the petitioners’ claims that compensation for the public in addition to the cost of rehabilitation, will also come to hundreds of millions of shekels.

Similarly, the claim also includes an order directed to the respondents requiring them to take steps to prevent pollution including the preparation of a plan for pollution prevention. The application does not specify the actions required as part of these remedies, and it is not possible to estimate their cost.

Delek Yam Maagan will study the details of the application together with its legal counsel.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on April 30, 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

Contact

Investors

Limor Gruber

Head of Investor Relations

Delek Group Ltd.

Tel: +972 50 523 9233

Limorg@delek-group.com