



Change in Interest Rates Due to Change in Rating of Company's Debentures

March 25, 2020

Tel Aviv, March 25, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announces that further to the rating report published on March 23, 2020 (ref. no. 2020-01-028470) ("Date of Lowering Rating"), in which Midroog Ltd ("Midroog") lowered the rating of the Company's Debentures (Series B13, B18, B19, B31, B33 and B34) from a rating of A2.il to Ca.il ("Midroog Notice"), and in accordance with section 1B of the trust deeds of the Debentures (Series B31, B33 and B34), which were published on February 19, 2015, July 27, 2015 and February 11, 2018 ("Trust Deeds for Series B31, B33 and B34")¹, as follows:

1. From the publication date of the Midroog Notice the annual interest rates borne by the unpaid principal of the Debentures (Series B31, B33 and B34) will increase by 1%, for the period commencing from the publication date of the Midroog Notice by Midroog until full repayment of the balance of the unpaid principal of the Debentures (Series B31, B33 and B34) or until the rating is raised, whichever is the earlier (in accordance with and subject to the provisions of the Trust Deeds for Series B31, B33 and B34).
2. The actual interest rates that will be borne on the balance of principal of the Debentures (Series B31, Series B33 and Series B34), for the interest period ended on the publication date of the Midroog Notice, are 0.39%, 0.57% and 1.03% respectively (the interest rate is calculated based on 365 days in the year).
3. The annual interest rates that will be borne on the balance of principal of the Debentures (Series B31, Series B33 and Series B34) from the Date of Lowering the Rating until the next actual interest payment date, as applicable, are 2.16%, 1.12% and 1.47%, respectively (the interest rate is calculated based on 365 days in the year).
4. The weighted interest rates that the Company will pay to the holders of Debentures (Series B31, Series B33 and Series B34), at the next interest payment date, as applicable, arising from sections 2 and 3 are 2.55%, 1.69% and 2.50% respectively.
5. The annual interest rates reflected from the weighted interest rates of Debentures (Series B31, Series B33 and Series B34) are 5.10%, 3.38% and 5.00% respectively.
6. The annual interest rates for coming periods of Debentures (Series B31, B33 and B34) are 5.3%, 3.8% and 5.48% respectively. Similarly, the half-yearly interest rates for the following periods of Debentures (Series B31, B33 and B34) are 2.65%, 1.9% and 2.74% respectively (half-yearly interest is calculated as annual interest divided in two).
7. In respect of the Trust Deed for Debentures (Series B34), the Company complies with the financial covenants described in section 5.4 of the Trust Deed as detailed in the Company's consolidated financial statements as of September 30, 2019, which were published on November 28, 2019 (ref. no. 2019-01-103617). There has been no change in the interest rate for the Company's compliance with the said covenants.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on March [25], 2020.

About The Delek Group

Delek Group is an independent E&P and the pioneering visionary behind the development of the natural gas reservoirs in the East Med. With major finds in the Levant Basin, including the Leviathan (21.4 TCF) and Tamar (11.2 TCF) reservoirs and others, Delek is leading the region's development into a major natural gas export hub. In addition, Delek has been expanding internationally with a focus on high-potential opportunities in the North Sea. 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 (TASE: DLEKG) and are part of the TA 35 Index.

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

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¹ (Ref. nos. 2015-01-034825, 2016-01-091834 and 2018-01-013936), respectively.