



Sale of IDE Holdings Ltd

March 16, 2020

Tel Aviv, March 16, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announced the following:

1. Further to items in the press, the Company announces that a wholly owned subsidiary of the Company signed a sales agreement for the balance of the Company's holdings of 20% in IDE Holdings Ltd ("the Shares to be Sold" and "IDE" respectively) in consideration of NIS 164 million in cash, which is to be paid to the Company by March 27, 2020, subject to fulfillment of the contingent terms specified below: the buyer is a partnership being set up, Alpha Water 3 Limited Partnership ("the Partnership"), whose General Partner is the General Partner that currently manages the Alpha Water Partnerships that prior to implementation of the transaction hold 80% of the IDE shares.
2. The transaction is expected to be completed by March 27, 2020 and is subject to fulfillment of several contingent terms stipulated in the sales agreement, including: receipt of the applicable approvals from the limited partners of the Partnership being established; receipt of approvals from regulatory bodies, as required; notice to the bodies that provided guarantees to IDE, insofar as the approval or notice are required; that there should not be a materially adverse change during the interim period.
3. In the Company's opinion, at this stage, if the transaction is completed it is not expected to have a material impact on the Company's financial statements.

Warning of forward looking information - The Company's estimates concerning completion of the transaction, fulfillment of the contingent terms, and the transfer of the consideration are forward looking information in the meaning of the Securities Law, 1968, for which there can be no certainty that they will take place, in whole or in part, especially there is no certainty that the contingent terms under the sales agreement will be fulfilled. These estimates are based and dependent, *inter alia*, on factors over which the Company has no control, and they therefore may not come about in the manner described in this report.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on March 16, 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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