



Update on Amendment to Deeds of Trust - Status of Liens in Favor of Bond Holders

Tel Aviv, November 10, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announces that further to the Company's Immediate Report dated September 16, 2020 (ref. no. 2020-01-102231) concerning the status of the creation of liens in favor of the Company's bond holders and further to what was stated in the Immediate Report dated October 28, 2020 (ref. no. 2020-01-117066) concerning full repayment of bank debts and release of the lien on all the participation units in Delek Drilling Limited Partnership ("Participation Units") that were pledged in favor of the banks and concerning completion of the offering of bonds secured by overriding royalties from the Leviathan Project for USD 180 million ("the Offering") and transfer of the consideration from the Offering to the trustees of the Company's bond holders ("Trustees of the Bond Holders"), the Company announces as follows:

1. The Lien according to section 6.1.1 of the Amendment to the Deeds of Trust between the Company and the Trustees of the Bond Holders valid from June 17, 2020 ("Amendment to the Deed") has been updated in accordance with the provisions of section 7 of the Amendment to the Deed such that as of this date 469,525,877 Participation Units have been deposited in the accounts of the Trustees of the Bond Holders, representing 40% of all the Participation Units.
2. A lien according to section 6.1.4 of the Amendment to the Deed has been signed and submitted for registration at the Registrar of Companies.
3. It should be noted that as part of the completion of the Offering, the liens registered in favor of the bond holders under section 6.1.5 of the Amendment to the Deed (liens on rights to overriding royalties from the Leviathan Project) have been stricken, and accordingly what was stated in section 3 of the Immediate Report dated September 16, 2020 (ref. no. 2020-01-102231) concerning non-registration of the lien on the overriding royalty from the Leviathan field in the Petroleum Register in accordance with the Petroleum Law, 1952, as of this date is no longer applicable.

In accordance with and subject to the provisions of section 5.4 of the Amendment to the Deed, and after the Company has completed the transfer of the consideration from the Offering to the Trustees of the Bond Holders, and after the Company has completed the lien on up to 40% of the Participation Units, it is the Company's intention to make use (as permitted according to the provisions of the Amendment to the Deed) of part of the consideration received as a result of completion of the transaction for the sale of the shares of Delek, The Israel Fuel Corporation Ltd in the amount of NIS 107 million¹ for a payment to BNP Paribas ("BNP"), and to that end, immediately following completion of registration of the liens with the Registrar of Companies, the Company will instruct the Trustees of the Bond Holders to transfer the said amount from the pledged Trustees' account to the account of BNP. The Company confirms that all the terms stipulated in section 5.4 of the Amendment to the Deed have been fulfilled in order to make the said transfer to BNP (including in respect of registration of the lien for the overriding royalty from the Leviathan Project, and in this matter see section 3 of this Immediate Report).

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on November 10, 2020.

¹ In accordance with section 5.4 of the Amendment to the Deed, the Company will be entitled to use the balance of the proceeds from the sale of the shares of Delek Israel after repayment of the outstanding balance to the banks, in an amount that will not exceed USD 50 million for repayment to BNP, subject to fulfillment of the terms in section 5.4 of the Amendment to the Deed.

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 capacity of more than 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 approximately 260 million barrels of oil equivalent (boe) and producing more than 20 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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