

Sale of Shares of Delek, The Israel Fuel Corporation Ltd – Update

Tel Aviv, January 15, 2021. Delek Group (TASE: DLEKG) (“the Company”) announces that further to the Company’s Immediate Report dated October 18, 2020 (ref. no. 2020-01-113067) and of October 26, 2020 (ref. no. 2020-01-116238) concerning the transaction for the sale of 70% of Delek, The Israel Fuel Corporation Ltd (“Delek Israel”) to Lahav L. R. Real Estate Ltd (“Lahav”) and to BGM Ltd, on February 14, 2021 the parties agreed upon the following:

1. Lahav will pay its share in the deferred consideration, namely half the deferred consideration, in the amount of NIS 37,500,000, by February 18, 2021 and will transfer it to the Company (instead of the last date stipulated in the amendment to the agreement, June 30, 2021).
2. In addition, Lahav has provided notice of exercise for 189,086 shares out of the option shares, which represent 1.666% of Delek Israel’s issued capital (“the Purchased Option Shares”). In consideration for purchase of the Purchased Option Shares, Lahav will pay the Company by February 18, 2021 a total amount of NIS 12.5 million.
3. Payment of the balance of the deferred consideration (in the amount of NIS 37.5 million) and the dates of exercise of the balance of option shares granted the purchasers in respect of the balance of 3.34% of Delek Israel’s issued and paid-up capital will be in accordance with the dates stipulated in the sales agreement, namely by June 30, 2021.
4. The total consideration Lahav will pay the Company by Thursday, February 18, 2021 for advancing the payment and for the partial exercise of the option as stated in sections 1 and 2 above, amounts to NIS 50 million.
5. After making payment of the consideration as detailed in sections 1 and 2 above, the Company will hold (through Delek Petroleum Ltd) 33.34% of the shares of Delek Israel.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on January 15, 2021.

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 major natural gas suppliers 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 about 25 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).

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

Contact

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