

Delek Group Ltd.

April 13, 2021

Attention

Securities Authority Tel Aviv Stock Exchange Ltd.

22 Kanfei Nesharim St. 2 Ahuzat Bayit St.

Jerusalem

Tel Aviv

Re: **Immediate statement regarding the convening of an annual and special general meeting of Delek Group Ltd.**

Pursuant to the Companies Law – 1999 ("Companies Law"), the Securities Regulations (Periodic and Immediate Statements) – 1970 ("Statement Regulations") and the Companies Regulations (Notice and Announcement of a General Meeting and a Class Meeting in Public Company and Adding Subjects to the Agenda) – 2000, Delek Group Ltd. (the "Company") hereby announces the convening of an annual and special general meeting of the Company's shareholders (the "General Meeting" or the "Meeting"), as set forth in this statement (the "Statement") as follows:

1. **General Meeting**

Location and date of the Meeting

The Meeting will take place at the Company's offices on Wednesday, May 5, 2021 at 12:00 on 19 Abba Eban St., Herzliya.

2. **Meeting agenda**

2.1. **Discussion of the financial statements and the directors' report as at December 31, 2020**

Discussion of the Company's financial statements and directors' report for the year ending on December 31, 2020. It is possible to view the Company's financial statements and the directors' report for the year ending on December 31, 2020, which are included in the Company's periodic statement for 2020 that was published on March 31, 2021 (Reference No. 2021-01-052227) on the distribution website of the Securities Authority, at: www.magna.isa.gov.il and on the TASE website, at: maya.tase.co.il ("Company's 2020 Periodic Statement").

2.2. **Approval to change the Company's auditor**

It is proposed to approve the appointment of the accounting firm Brightman, Almagor, Zohar & Co. (the "New Auditor") as the Company's auditor, beginning from the date of approval by the General Meeting and until the date of the next annual Meeting of the Company and consent by the Company's Board of Directors to determine its fee. This will be instead of the accounting firm Kost Forer Gabbay & Kasierer (the "Current Auditor"), whose term will end on the date that the appointment of the New Auditor is approved.

2.2.1. The Audit Committee and the Board of Directors of the Company approved the appointment of the New Auditor instead of the Current Auditor; ending its term is not related to circumstances that are of interest to the Company's shareholders.

2.2.2. Pursuant to the provisions of Section 162(b) to the Companies Law, the Current Auditor was given a reasonable opportunity to express its opinion before the Company's Audit Committee, and the Current Auditor waived this right.

2.2.3. The Company's Board of Directors invited the Current Auditor to participate in the Meeting if it so desires and to present its position in this regard.

2.2.4. The Audit Committee and the Board of Directors of the Company held a discussion, prior to summoning the General Meeting pursuant to this Statement, and decided to recommend termination of the engagement with the Current Auditor at the Meeting, and to appoint the New Auditor in its place, *inter alia*, due to the following reasoning:

- 2.2.4.1. Changing the Current Auditor of the Company after an extended period of over 20 years is proper and reasonable, *inter alia*, to ensure the propriety of the control and audit procedures of the Company.
- 2.2.4.2. Changing the Current Auditor is a good decision reached out of considerations such as refreshment, effectivity and propriety of the audit procedures, not due to a fault related to the auditing process;
- 2.2.4.3. The Audit Committee and Board of Directors of the Company are satisfied with the qualifications of the New Auditor, as possessing the necessary capabilities, knowledge, reputation and experience to audit the Company, *inter alia*, in light of the nature of the Company's operations.

Text of the proposed resolution ("Resolution No. 1"): "To end the term of the Current Auditor of the Company, the accounting firm Kost Forer Gabbay & Kasierer, and to appoint the accounting firm Brightman, Almagor, Zohar & Co. as the auditor of the Company as of the date of approval by the General Meeting and until the next Annual General Meeting of the Company is convened, and to authorize the Board of Directors of the Company to determine its fee."

2.3. **Reappointment of Mr. Ehud Erez as a Company director**

Mr. Ehud Erez served as a director at the Company from July 1, 2020 ("Mr. Erez"). Mr. Erez was appointed as director by the Board of Directors of the Company on June 28, 2020 pursuant to Article 72 of the Company's articles of incorporation (see the Company's immediate statement dated June 29, 2020, Reference No.: 2020-01-059848). The appointment is valid until the end of this Annual Meeting.

For information regarding Mr. Erez, pursuant to Regulation 26 to the Statement Regulations, see Chapter D to the Company's 2020 periodic statement.

Mr. Erez's affidavit pursuant to Section 224b to the Companies Law is attached as **Appendix A** to this Statement.

Text of the proposed resolution ("Resolution No. 2"): "To reappoint Mr. Ehud Erez as a director at the Company as of the date of this General Meeting."

3. **Majority required for approving the resolutions:**

The majority required for approving **Resolution No. 1 and Resolution No. 2** on the agenda is a regular majority of the shareholders present and authorized to vote at the Meeting and who are voting at the Meeting, personally or via a power of attorney, without including the abstaining votes.

4. **Date of Record and proof of ownership:**

The date that determines voting rights pursuant to Section 182 to the Companies Law is Sunday, April 25, 2021, at the time that trading is closed on the Tel Aviv Stock Exchange ("Date of Record").

5. **Manner of voting**

A shareholder registered in the Shareholders Register of the Company is entitled to vote at the General Meeting personally or via an agent. A shareholder pursuant to Section 177(1) to the Companies Law (meaning – a person who has a share registered on his behalf with a member, and that share is included in the shares listed in the Shareholders Register under a listing company) ("Unregistered Shareholder") is entitled to vote at the General Meeting personally, via an agent, or via an electronic ballot that is transferred to the Company through an electronic voting system that operates pursuant to Article B of Chapter G'2 of the Securities Law – 1968 ("Electronic Voting System" and "Electronic Ballot," respectively).

6. **Legal quorum and postponed meeting date**

6.1. No discussion may be commenced at a general meeting unless a legal quorum is present, and no resolution may be accepted unless the legal quorum is present at the time of the vote regarding the resolution. A legal quorum is formed when at least two shareholders who jointly

hold at least 25% of the voting rights at the Company are present, personally or via their agents, within half an hour of the time scheduled for beginning the General Meeting.

- 6.2. If, half an hour after the time scheduled for beginning the General Meeting, a legal quorum is not present, the General Meeting will be postponed by seven days, at the same time and location. If a legal quorum is not present at the postponed Meeting half an hour after the time scheduled for the Meeting, the meeting will be held with any number of participants. At the postponed Meeting, only topics included on the agenda of the original General Meeting will be raised for discussion.

7. Agent for voting

- 7.1. Any Company shareholder who is entitled to participate and vote at the Meeting is entitled to appoint an agent to vote on its behalf, signed by the principal or an agent on its behalf, and if the principal is a company, the power of attorney may be signed in the same manner that the company signs other binding documents, and attorney confirmation regarding the authority of the signatories to bind the company should be attached.
- 7.2. Any power of attorney should be worded pursuant to the Company's articles of incorporation or in any other accepted manner that satisfies the Company's Board of Directors, and it should be deposited at the Company's registered offices no later than 24 hours prior to the time of the General Meeting or postponed Meeting at which the agent intends to vote by virtue of this power of attorney. The letter of appointment will also be valid in respect of a postponed Meeting of the General Meeting to which the letter of appointment refers, unless otherwise noted in the letter of appointment.

8. Electronic Ballot

As aforementioned, Unregistered Shareholders are also entitled to vote via the Electronic Voting System. Voting via the Electronic Voting System will be permitted until six (6) hours prior to the time that the General Meeting is scheduled to convene – meaning, by Wednesday, May 5, 2021 at 6:00 AM.

9. Confirmation of ownership

- 9.1. Unregistered Shareholders are only entitled to participate in the General Meeting if they provide the Company, prior to the General Meeting, with original confirmation from the member with whom their right to the share is listed regarding their ownership of Company shares on the Date of Record, pursuant to the form in the addendum to the Companies Regulations (Proof of Ownership of a Share for Voting at the General Meeting) – 2000 ("Confirmation of Ownership"), or if the Company is sent Confirmation of Ownership via the Electronic Voting System.
- 9.2. An Unregistered Shareholder is entitled to receive the Confirmation of Ownership from the member through which it holds its shares, at the branch of the member or by post to its address, in consideration of the delivery fee only, if it requests such, on condition that this request is provided in advance for a specific securities account.
- 9.3. Moreover, an Unregistered Shareholder is entitled to order that its Confirmation of Ownership is sent to the Company via the Electronic Voting System.

10. Changes to the agenda; final date for a shareholder to submit a request to include a topic on the agenda

- 10.1. After publication of this statement of summons, there may be changes to the agenda, including the addition of a topic to the agenda; position notices may be published, and it will be possible to review the updated agenda and the position notices on the Company's statements published on the TASE website, at maya.tase.co.il, and on the distribution website of the Securities Authority, at www.magna.isa.gov.il.
- 10.2. A request from a shareholder to include a topic on the agenda of the General Meeting, pursuant to Section 66(b) to the Companies Law, may be submitted to the Company up to three days after the General Meeting summons. In the event that such a request is submitted,

the topic may be added to the agenda and its details will appear on the distribution website. In such a case, the Company will publish a corrected summons statement, no later than seven days after the last date for submission of shareholder requests to include a topic on the agenda, as aforementioned. It is clarified that publication of an updated agenda does not constitute a change of the Date of Record as set in the notice of summons for the Meeting.

11. **Details of the Company's representative on matters related to the Immediate Statement**

The Company's representative on matters related to this Statement is Adv. Meital Avital Ratzon of 19 Abba Eban Street, Herzliya Pituach, telephone: 09-8638592; fax: 09-8638577; e-mail: meitala@delek-group.com .

12. **Document perusal**

The full text of the proposed resolutions may be viewed at the Company's offices on 19 Abba Eban Street, Herzliya, subject to any law, from Sunday to Thursday during the regular work hours, by prior appointment (by telephone: 09-8638592), until the date that the General Meeting is convened.

Delek Group Ltd.

Statement signed by:

Tamir Poliker, Executive VP and CFO

And Leora Pratt Levin, Chief Legal Counsel and Corporate Secretary

Appendix A

April 13, 2021

Attention

Delek Group Ltd.

Re: **Affidavit of candidate for position of director at a public company**

I, the undersigned, Ehud Erez, bearer of Identity No. 053615845, a candidate for the position of director at Delek Group Ltd. (the "**Company**"), hereby declare as follows:

This affidavit is provided pursuant to the requirements set forth in the Companies Law – 1999 ("**Companies Law**") and pursuant to the definitions and terms set forth therein.

1. I possess the necessary qualifications and the ability to dedicate the appropriate time to perform the duty of a director at the Company, considering, *inter alia*, the unique needs of the Company and its size.
2. The following is information regarding my qualifications (including my education and professional experience) to serve as a director at the Company:

Education:

Accountant and director at the following companies: Southern Properties Capital Ltd., MRR Thirteen Limited, Extell Limited, Amos Luzon Development and Energy Group Ltd., Sprinkle Ltd., Udi Erez Assets Ltd.

Graduate of Hebrew University – Economy and Accounting.

Professional experience over the past five years:

Director at several companies

Chair of Elad Group Ltd.

3. "A director with accounting and financial expertise"¹ is someone who, due to his education, experience and qualifications, possesses a high level of skills and understanding of corporate-accounting matters and financial statements in a manner that enables him to deeply understand the Company's financial statements and to raise discussions regarding the manner in which the financial data is presented;

I hereby declare that, due to my education and/or experience and/or qualifications, I believe that I possess a high level of skills and understanding of the matters set forth below²:

Accounting issues and accounting audit issues characteristic of the industry in which the Company operates and of companies of the Company's size and composition;

The roles of the auditor and its duties;

Preparation of financial statements and their approval pursuant to the Companies Law and the Securities Law – 1968;

None of the above;

¹ As defined in Section 1 to the Companies Regulations (Conditions and Criteria for a Director with Accounting and Financial Expertise and for a Director with Professional Qualifications) – 2005.

² Mark in the appropriate places.

In light of the aforementioned, I am qualified, to the best of my knowledge, to serve as a director with accounting and financial expertise:

Yes

No

4. I am capable of reading and understanding financial statements³:

Yes

No

5. I was not convicted of any of the offenses set forth below:

- 5.1. Offenses under Sections 290 to 297, 392, 415, 418 to 420, and 422 to 428 to the Penal Code – 1977, and under Sections 52c, 52d, 53(a) and 54 to the Securities Law – 1968.
 - 5.2. Conviction in a court outside of Israel for offenses of bribery, fraud, offenses of corporate executives or offenses of exploitation of inside information.
 - 5.3. I was not convinced by a judgment, as defined in Section 255(b) to the Companies Law, of an offense that is not listed above, regarding which the court ruled that due to its nature, severity or circumstances, I am not eligible to serve as a director of a public company.
 - 5.4. Any other offense set forth by the Justice Minister by virtue of Section 226(c) to the Companies Law.
6. Enforcement measures were not imposed on me by an administrative enforcement committee prohibiting me from serving as a director at the Company.
 7. I am an adult resident of Israel, I am not incompetent, and I have not declared bankruptcy that has not been dismissed.
 8. If any of the conditions required for my service as a director of the Company ceases to exist, or if there is a cause of action for discontinuing my service as a director, I will immediately notify the Company of such and my service will be discontinued on the date that the notice is provided.
 9. I hereby declare that all of the above is true and all of the information and details included in this affidavit are precise and complete. In addition, I declare that I am unaware of any material detail whatsoever that does not appear in this affidavit which could influence my service at the Company.
 10. I am aware that my candidacy is being raised for approval based on this affidavit and that this affidavit will be published and kept at the Company's registered offices for perusal by any person.

Respectfully,

Name: Ehud Erez

Date: April 13, 2021

Signature: Ehud Erez [Signature]

³ Mark in the appropriate places.