This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original

Israel Corporation Ltd.

Registrar's Number: 520028010

Form T053
(Public)

Transmission via Magna: September 15, 2022

Reference: 2022-01-095523

To:
The Securities Authority
www.isa.gov.il

To:
The Tel Aviv Stock Exchange Ltd.
www.tase.co.il

Immediate Report of an Event or Matter Outside the Corporation's Normal Course of Business

Regulation 36 of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

Report on: ☐ A report whose submission was delayed.

Nature of the Event: *Completion of the transaction for the sale of shares of Oil Refineries Ltd. to Petrochemical Group.*

1. *Attached herewith is a report of a completion of the transaction for the sale of shares of Oil Refineries Ltd. to Petrochemical Group.*

   Report regarding completion of transaction for the sale of Bazan shares.pdf

2. The date and time at which the corporation first learned of the event or matter:
   - September 15, 2022, at 18:00 p.m.
   - ○ ______________________

A report that was delayed in accordance with Regulation 36(b):

3. If the report was delayed – please provide the reason why its submission was delayed:

   ____

4. On the date of ______ at the time of ______, the impediment to the report was removed.
5. ☐ The company is a shell company, as this term is defined in the rules and regulations of the Stock Exchange.

Details of the authorized signatories on behalf of the corporation:

	Name of the authorized signatory	**Position**
1.	*Adv. Maya Alcheh-Kaplan*	*Other* *Vice President, General Counsel & Company Secretary*
2.	*Sagi Kabla*	*CFO* ___________________________

The name of the authorized signatory to the report and the name of the authorized electronic signatory: Maya Alcheh-Kaplan
Position: Vice President, General Counsel & Company Secretary
Date of signature: September 15, 2022.

The reference numbers of previous documents in the matter (the reference does not constitute incorporation by reference):

2022-01-031423 ***2022-01-049240*** ***2022-01-074737***

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Date of update of form structure: September 13, 2022

The securities of the corporation are listed for trading on the Tel Aviv Stock Exchange.
Short name: Israel Corporation
Address: P.O.B. 20456, Tel Aviv 61204 Tel: 03-6844517, 03-6844500, Fax: 03-6844587
Email: MAYAAK@ISRAELCORP.COM

Previous names of the reporting entity: The Israel Corporation Ltd.

Name of electronic reporter: Maya Alcheh-Kaplan
His *[sic]* position: Vice President, General Counsel & Company Secretary, Name of Employer Company:
23 Aranha St., Tel Aviv, 61204, Tel: 03 – 6844517, Fax: 03 – 6844587, E-mail: mayaak@israelcorp.com

September 15, 2022

To:
The Securities Authority
www.isa.gov.il

To:
The Tel Aviv Stock Exchange Ltd.
www.tase.co.il

Dear Sir/Madam,

Re: **Immediate Report: Completion of the transaction for the sale of shares of Oil Refineries Ltd. to Petrochemical Group**

Further to an immediate report dated April 17, 2022 (the "**Original Report**")[1], regarding Israel Corporation Ltd.'s (the "**Company**") engagement in an agreement (the "**Sale Agreement**") with the Hagag Group Real Estate Entrepreneurship Ltd. (the "**Hagag Group**") and a wholly-owned subsidiary, for the sale of 534,953,382 shares of Oil Refineries Ltd. (which is known by the Hebrew acronym "Bazan") ("**Bazan**"), which constitute 16.687% of its issued share capital (the "**Shares**"), and an immediate report dated June 16, 2022,[2] regarding a notice received from Israel Petrochemical Enterprises Ltd. and Petroleum Capital Holdings Ltd. (hereinafter, collectively: the "**Petrochemical Group**") regarding the exercise of a right of first refusal in connection with the sale of the above-mentioned Shares, according to the provisions of the control agreement dated June 5, 2009 (as amended from time to time), between the Company and Petrochemical Group (the "**Control Agreement**"), the Company hereby reports that after Petrochemical Group provided to the Company the documentation and endorsements regarding the receipt of Permit from the Israeli Prime Minister and the Israeli Minister of Finance, according to the Government Companies Order (Declaration of the State's Vital Interests in Bazan), 5767-2007, on September 15, 2022, the transaction of the sale of the Shares to Petrochemical Group was completed by virtue of exercise of the right of first refusal.

The Shares were sold in exchange for a total amount of 553,775,000NIS which reflects, as stated in the Original Report and in the Sale Agreement, a price per share of 1.10 NIS, net of a dividend of 0.0648 NIS per share, that was paid by Bazan to its shareholders on May 15, 2022. In addition, starting from the completion of the transaction, Petrochemical Group is granted with an option to purchase up to 234,125,576 additional shares of Bazan from the Company, which constitute approximately 7.3% of Bazan's issued share capital, which the Company granted to qualified investors an option to purchase them, as stated in the Company's Immediate Report dated November 9, 2021 (in the event that such qualified investors will not exercise the full option granted to them). The aforesaid option is for the period, and in the

[1] Reference no. 2022-01-049240, incorporated herein by reference.
[2] Reference no. 2022-01-074737, incorporated herein by reference.

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exercise price and terms as detailed in the Original Report and as included in the Sale Agreement, including the Company's commitment that up until the expiration of the option's exercise period, , the Company will vote, subject to the applicable law (including the of good faith and the duty of fairness applicable to the Company vis-à-vis Bazan and its shareholders), by virtue of all of the option shares that it owns, for the appointment of the directors who will be nominated to the Board of Directors of Bazan by Petrochemical Group, and also for other proposed resolutions proposed by Bazan's Board of Directors (with the exception of transactions in which Petrochemical Group has a personal interest).

The sale of the Shares to Petrochemical Group was executed without Company's representations regarding Bazan, and the Agreement contains provisions with respect to a mutual waiver of claims and demands of the parties towards each other, as well as towards Bazan (and any entity on their behalf respectively), including in connection with the Control Agreement and with the relations between the parties as shareholders in Bazan.

Further to the aforesaid in the Original Report, the Board of Directors of the Company has decided on the date of this report on a distribution of total amount of approximately 276,888,000 NIS, which constitutes approxmately half of the amount received by the Company in exchange for the shares, as a cash dividend to the shareholders of the Company. The Company will submit a separate report in this regard, as required.

Sincerely yours,

Israel Corporation Ltd.

The name of the authorized signatory to the report and the name of the authorized electronic signatory: Maya Alcheh-Kaplan
Position: Vice President, General Counsel & Company Secretary
Date of signature: September 15, 2022.