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

Israel Corporation Ltd.

Registrar's Number: 520028010

Form T-053
(Public)

Transmission via Magna: February 9, 2023

Reference: 2023-01-015624

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

Results of an offering must be reported on Form T20, and not on this form.
Reporting on the rating of bonds or the rating of a corporation must be submitted on Form T125.

Report on: ☐ A report whose submission was delayed.

Nature of the Event: *Sale of shares of Oil Refineries Ltd. (known by the Hebrew acronym "Bazan")*

1. *Attached herewith is a report on the sale of shares of Oil Refineries Ltd. (known by the Hebrew acronym "Bazan").*

   isa.pdf_2023מכירתמניותבזןפברואר9ב

2. The date and time at which the corporation first learned of the event or matter:
   - February 9, 2023, at 9:00 a.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* ______________________

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

Explanation: Pursuant to Regulation 5 of the Periodic and Immediate Reporting Regulations, 5730-1970, a report that is submitted pursuant to these Regulations shall be signed by the signatories authorized to sign on behalf of the corporation. The ISA Staff's position on this matter is available on the ISA's website: ***please click here*.**

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: February 9, 2023.

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

Date of update of form structure: December 29, 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
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

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

February 9, 2023

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

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

Dear Sir/Madam,

Immediate Report: Sale of Shares of Oil Refineries Ltd. *(known by the Hebrew acronym "Bazan")*

1. Further to the Company's Reports dated November 9, 2021 and November 11, 2021[1] regarding a transaction for the sale of approximately 9% of the shares of Oil Refineries Ltd. (known by the Hebrew acronym "Bazan") (hereinafter: "**Bazan**"), which were owned by a number of accredited investors (hereinafter: the "**Purchasers**"), in which the Company granted a call option to each one of the Purchasers (hereinafter: the "**Options**") for the purchase of additional ordinary shares of Bazan from the Company during a period of 22 months from the date of the sale, in a total scope constituting approximately 7.3% of Bazan's issued and paid-up share capital, at an exercise price of NIS 1.15 per share (subject to a dividend and adjustments) (hereinafter: the "**Underlying Shares**"), the Company hereby reports that on February 9, 2023, agreement was reached with the Purchasers regarding the exercise of the entirety of the Options, which will be implemented on February 13, 2023 (hereinafter: the "**Exercise Date**"), prior to the expiration of the exercise period.

2. The adjusted exercise price of the Options on the Exercise Date is approximately NIS 1.02 per share, and taking into account the early exercise and a discount that has been granted to the Purchasers, the exercise price of the Options will be approximately NIS 0.97 per share, so that in total, in consideration of the exercise of the entirety of the Options and the purchase of the Underlying Shares, the Purchasers will pay the Company the total amount of approximately NIS 227 million (equivalent to approximately US $65 million, according to the exchange rate on February 8, 2023).

3. Upon completion of the sale of the entirety of the Underlying Shares to the Purchasers, as aforesaid, the Company shall no longer hold any shares of Bazan.

[1] (Reference Nos.: 2021-01-164844 and 2021-01-165924). See also Section 15.3 of the Company's Periodic Report for 2021 (Reference No.: 2022-01-034903).

4. Pursuant to and in connection with the exercise of the Options as aforesaid, the Company hereby reports that subject to the completion of the sale of the Underlying Shares and the actual receipt of the consideration thereof by the Company, the Board of Directors of the Company intends to consider adopting a buyback plan for shares of the Company during 2023, in a scope of approximately half of the amount of the consideration that will be received by the Company in respect of the sale of the Underlying Shares, as aforesaid, at such time, upon such terms and conditions, in such scope and for such period as will be determined by the Board of Directors of the Company on the date of the adoption of said buyback plan, and while taking into consideration the Company's plans and needs, its business environment, its financial position, and its liabilities as it shall have at that time.

It is hereby clarified that the resolution regarding the adoption of the buyback plan, if passed, the scope, terms and conditions, timing and manner of implementation thereof, are all subject to the Company's sole discretion, while taking into account the entirety of the circumstances of the matter and the market conditions, and while taking into account, *inter alia*, the considerations as set forth above, and also, subject to the satisfaction of all of the conditions therefor, as set forth in the law, including the criteria for distribution as set forth in the Companies Law, 5759-1999. It is also emphasized that this notice with respect to the intention to adopt the buyback plan, does not contain any undertaking to the Company's shareholders and/or any third party whatsoever, to adopt a buyback plan and/or it does not derogate from the Company's power to pass a resolution on this matter, and/or it does not require the Company to make an actual purchase of the Company's shares, in any quantity, in any scope or for any amount whatsoever, and the Company is entitled not to pass a resolution on the adoption of a buyback plan and/or not to purchase any shares at all and/or to purchase shares in a lower scope than that which will be approved, if any, and all as the Company shall deem fit, and while taking into account, *inter alia*, the aforesaid considerations.

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: February 9, 2023.