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 Number: 520028010

Form T53 (Public)

Date of Transmission: 9/11/2021

Reference: 2021-01-164844

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

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

Immediate Report on an event or matter that deviates from the normal business of the corporation

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

The Nature of the Event: *Sale of shares of **Bazan***

1. T*he Company hereby reports that on November 9, 2021, the Company entered into agreements for the sale of ordinary shares of Oil Refineries Ltd. ("Bazan") held by the Company which constitutes approximately 9% of Bazan's issued and outstanding share capital (the "Sold Shares") to a Several Qualified Entities (as this term defined in section 1 to the Securities Regulations (Manner of Offering Securities to the Public) 5767-2007 (the "Purchasers"). The sale of the shares as mentioned will be executed in exchange for total amount of approximately 262.5 million NIS (Equivalent to approximately 84.6 million US Dollars, at the exchange rate as of November 8, 2021) (an amount that reflects a price of 0.91 NIS per one Bazan's share).*

   In this context, the Company granted to each one of the Purchasers (in addition to the Sold Shares; each one according to the rate of its holding in the Sold Shares as mentioned), without additional consideration payment, a purchase options ("Options") (which will not be registered for trade and will not be transferable and/or commercialized in any way), to purchase additional ordinary shares of Bazan from the Company, for a period of 22 months from the date of the sale, in a total rate of approximately 7.3% of Bazan's issued and outstanding share capital, in exchange of exercise price of 1.15 NIS per share (Subject to adjustments, according to the Tel Aviv Stock Exchange rules). In addition, in this connection, the Company has imposed a restriction on itself regarding the execution of actions in the securities of Bazan held by the Company for a fixed period, under specified conditions.

   After the selling of the Sold Shares, the company will hold ordinary shares of Bazan which constitutes 23.99% of Bazan's issued and outstanding share capital, and subject to the full exercise of the Options as mentioned, the Company will hold ordinary shares which constitutes 16.69% of Bazan's issued and outstanding share capital (the Sold Shares and the shares derived from the Options are "free shares" which are not included in the controlling shares).

As a result of this said transaction, the company estimates that a loss of 269 million US Dollars net will be recorded (a loss in a total amount of 281 million US Dollars in the third quarter of 2021 and a profit in the fourth quarter of 2021 of 12 million US Dollars (which includes the Company's share in the equity profits/losses of Bazan)).

The date when the event first became known to the corporation: *November 9, 2021* Time*: 17:00*.

Details of the authorized signatories to sign on behalf of the corporation:

	Name	**Position**
1	Maya Alcheh Kaplan	Other Vice President, Legal Counsel and Company's Secretary
2	Sagi Kabla	Chief Financial Officer

Name of report authorized signatory and name of authorized electronic signatory: Maya Alcheh Kaplan
Position: Vice President, Legal Counsel and Company's Secretary.
Signature date: 9/11/2021.

Securities of the corporation are listed in the Tel Aviv Stock Exchange
Abbreviated name: Israel Corporation
Address: P.O.B. 20456, Tel Aviv 61204 Tel: 03-6844517, 03-6844500, Fax: 03-6844587
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Previous Name of Reporting Entity: Israel Corporation Ltd.

Name of Electronic Reporter: Maya Alcheh Kaplan. Position: Vice President, Legal Counsel and Company's Secretary. Name of Employing Company Name:
Address: Aranha 23, Tel Aviv 61204. Tel: 03-6844517, Fax: 03-6844587, e-mail: mayaak@israelcorp.com