

CELLCOM ISRAEL ANNOUNCES FILING LAWSUIT AGAINST SHARING NETWORK PARTNER

Netanya, Israel – February 8, 2021 – Cellcom Israel Ltd. (NYSE: CEL) (TASE: CEL) (hereinafter: the "Company") announced today that following its previous announcements regarding Marathon 018 Xfone Ltd.'s, or Xfone, the Company's cellular sharing network partner, breach of its monthly payment obligations under the sharing network agreement and annulment notice of the agreement which Company rejects, the Company filed today a lawsuit against Xfone and its controlling shareholder for the enforcement of the network sharing agreement and payment of unpaid monthly payments in the amount of approximately NIS 34 million, with the Tel-Aviv District Court. The Company further filed for an interim injunction to prevent Xfone from entering any contradicting agreement to the network sharing agreement with the Company.

At this stage, the Company cannot assess the outcome of the proceedings.

For additional details regarding the materiality of the network sharing agreement on the Company's results, see the Company's 2019 annual report on Form 20-F, dated March 23, 2020, under "Item 3. Risk Factors - Our network sharing agreements consideration constitute a significant portion of our revenues" and Item 4. Information on the Company – B. Business Overview – Networks and Infrastructure – Network sharing agreements" and the Company's current reports on Form 6-K dated November 16, December 9, 2020 and January 31, 2021.

About Cellcom Israel

Cellcom Israel Ltd., established in 1994, is a leading Israeli communications group, providing a wide range of communications services. Cellcom Israel is the largest Israeli cellular provider, providing its cellular subscribers with a broad range of services including cellular telephony, roaming services, text and multimedia messaging, advanced cellular and data services and other value-added services in the areas of mobile office, data protection etc., based on Cellcom Israel's technologically advanced infrastructure. The Company operates advanced networks enabling high-speed broadband and advanced multimedia services. Cellcom Israel offers nationwide customer service including telephone customer service, retail stores, and service and sale centers. Cellcom Israel further provides OTT TV services, internet infrastructure and connectivity services and international calling services, as well as landline telephone services in Israel. Cellcom Israel's shares are traded both on the New York Stock Exchange (CEL) and the Tel Aviv Stock Exchange (CEL). For additional information please visit the Company's website <http://investors.cellcom.co.il>.

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