

September 30, 2021

To Israel Securities Authority (to be delivered via MAGNA)

To whom it may concern,

**Re: Immediate Report on the Convening of an Extraordinary General Meeting**

1. In accordance with the provisions of the Companies Act 1999, (hereinafter the "Law" or the "Companies Law") and in accordance with the Securities Regulations (Periodic and Immediate Statements) 1970, (hereinafter the "Reporting Regulations"), Tefron Ltd. (hereinafter the "Company") is pleased to hereby announce a special general meeting of the Company to be held on Thursday, **November 4, 2021, at noon 12:00**, at the offices of M. Firon & Co., Law Offices & Notary, located at 2 Hashlosha St. (Adgar 360 Building), floor 19, Tel Aviv.

**2. The agenda and the full text of the proposed resolution**

On October 17, 2021 the tenure of Mrs. Bruria Sofrin as an external director of the Company shall be completed.

It is proposed to appoint Mr. Aviram Lahav to serve as an external director of the Company (hereinafter: "**Mr. Lahav**") as of the date of approval of his tenure at the general meeting of the Company to be convened in accordance with this report on November 4, 2021.

Mr. Lahav signed a declaration in accordance with Section 241 of the Companies Law, which is attached to this immediate report, and includes also his business CV.

Mr. Lahav was assessed by the Company's Board of Directors at its meeting on September 30, 2021 as having accounting and financial expertise, in accordance with the provisions of the Companies Regulations (Terms and Conditions for a Director of an Accounting and Financial Expertise and a Director of a Professional Qualification), 5766 – 2005. It is noted that Mr. Lahav has served as an external director of the Company of an accounting and financial expertise up to August 25, 2019.

Details regarding Mr. Lahav, in accordance with Regulation 26 of the Reporting Regulations:

<b>Name</b>	<b>Aviram Lahav</b>
ID no.	056115876
Date of Birth	November 30, 1959
Address	Hamitnadev 21, Tel Aviv 69690
Citizenship	Israeli
Membership in Board Committees	Upon his appointment, shall serve as a member of the Audit and Compensation Committee
Is he an External Director	Yes, an External Director of an Accounting and

	Financial Expertise
Is he an employee of the Company, a subsidiary or an affiliate	No
Date of Commencement of Tenure	November 4, 2021
Main Occupation in the last five years	Since 2010 he has served as CFO of Adama Agricultural Solutions Ltd. (formerly Makhteshim Industries - Agan Ltd.) (hereinafter: "Adama"), and since 2020 he has also served as CEO of Adama; In addition, since 2017 he has served as CFO of Adama Ltd., which is Adama's parent company, and since 2020 he has served as Deputy CEO of Adama Ltd.; In the years 2009 - 2010 he served as CEO of Synergy Cables Ltd.; In the years 2006 - 2008 he served as CEO of Delta Galil Industries Ltd.
Other companies in which he serves as a director	Director of subsidiaries of Adama
Education	BA Accounting and Economy, Hebrew University of Jerusalem. Certified accountant
Is he a family relative of an interested party of the Company	No
Whether he is a director whom the Company considers to have accounting and financial expertise in order to comply with the minimum number determined by the Board of Directors under section 92(a)(12) of the Companies Law	Yes

**Proposed resolution:** To appoint Mr. Aviram Lahav as external director of the Company as of November 4, 2021.

### **3. The majority required**

The majority required for approval of the resolution on the agenda of the meeting is a simple majority of the shareholders of the Company who are personally present at the meeting or through their proxies, provided that: (A) the votes of the majority at the general meeting will include a majority of the votes of shareholders, who are not controlling shareholders or with a personal interest in the approval of the appointment, excluding personal interest that is not a result of relationship with the controlling shareholder, who participate in the vote; The total votes of the shareholders shall not take abstentions into account; (B) the total of opposition votes amongst the shareholders referred to in subsection (A) shall not exceed two percent of the total voting rights in the company.

It is noted that the number of Company shares held by the controlling shareholder shall not grant the controlling shareholder the majority required to determine the result of the proposed resolution on the agenda.

#### **4. Meeting and voting procedures**

##### **a. The quorum and adjourned meeting**

The quorum for opening the discussion at the general meeting is two (2) or more shareholders (who own fully paid shares) present in person or by proxy or by written proxy, respectively, who hold at least twenty-five (25%) of the voting rights.

If half an hour has passed from the time set for the meeting and there is no quorum, the meeting shall be adjourned automatically, and set to the same day and same time the next week, or to a day, hour and place as determined by the Chairman with the consent of a majority of the voting right holders who are present in person or by proxy or by written proxy at the meeting, and who vote on the issue of the date of the adjourned meeting. The company shall announce by an immediate report on the adjournment of the meeting and the date in which the adjourned meeting will be held. The quorum at the adjourned meeting shall be two (2) shareholders present in person or by proxy or by written proxy, respectively, who hold at least twenty-five (25%) of the voting rights.

##### **b. The effective date for determining shareholders eligibility to attend and vote at the general meeting**

The effective date for determining the entitlement of a shareholder to attend and vote at the General Meeting is the close of trading on Wednesday, October 6, 2021 (the "Effective Date").

If you hold an "American Share" i.e. a share of the company that is not "an Israeli share", as this term is defined below, in order to vote at the meeting, please see the instructions specified in the voting letter published at the Company's website [www.tefron.com](http://www.tefron.com).

"Israeli share" - a share of the Company, which complies with one of the following options: (a) the share is registered in the Israeli register of shareholders of the company (for the avoidance of doubt, a share of the company which is registered in the American register of shareholders of the company, run by "American Stock Transfer & Trust Company", is not an "Israeli share"); Or (b) the share is register to a shareholder in accordance with Article 177 (1) of the Companies Law, i.e., the share is registered with a TASE member (of the Tel Aviv Stock Exchange Ltd.), and that share is included among the shares registered in the Israeli register of shareholders of the Company in the name of the registering company of Bank Hapoalim Ltd. (hereinafter the "unregistered shareholder").

##### **c. Voting**

Shareholders are entitled to vote in respect of the resolution that is on the agenda of the Meeting in person, or by proxy or by Voting Slip within the meaning of Article 87 of the Law, which is attached to this

summons (the "Voting Slip"). In addition, unregistered shareholder is also entitled to vote by electronic voting form that will be transferred to the company in the electronic voting system at [Http://votes.isa.gov.il](http://votes.isa.gov.il), operating under Article B of Chapter G2 of the Securities Law, 1968 ("Electronic Voting", "Electronic Voting System", "Electronic Voting Form" and "Securities Law", respectively).

**d. Proxy for voting**

A shareholder may appoint a proxy to vote in his place, who does not have to be a shareholder. A letter of authorization for the appointment of the proxy shall be drafted in accordance with company's Articles of Association provisions. The authorization letter shall be submitted to the Chairman of the meeting or to the offices of the Company (to the CFO, Mr. Gregory Davidson), and has to reach the Company's offices at least two hours prior to the convening of the meeting. The Chairman of the meeting shall have the power to receive letters of authorization received even after that time up to the beginning of the meeting.

**e. Certificate of ownership**

An unregistered shareholder is entitled to attend the general meeting only if he provides the Company, before the General Meeting, an original certificate from the Stock Exchange member with whom his right to share is registered, concerning his ownership of shares in the company on the effective date, depending on the form in the addendum to the Companies Law (Proof of Ownership of a Share for Voting at a General Meeting) 2000, ("Certificate of Ownership") or, alternatively, by sending the company a Certificate of Ownership using the electronic voting system. In this respect, it should be noted that an electronic message approved under section 44K5 of the Securities Act on the subject of user data in the electronic voting system - shall be treated as a Certificate of Ownership with regard to all shareholders included therein.

An unregistered shareholder is entitled to receive Certificate of Ownership from the TASE member through which he holds his shares, at a branch of the TASE member or by mail to his address for postage costs only, if so requested. A request in this matter should be made in advance to a specific securities account.

Furthermore, a shareholder not registered may order that his Certificate of Ownership will be transferred to the Company through its electronic voting system.

**f. Voting in writing by means of a Voting Slip and position notices**

A shareholder is entitled to vote in respect of the resolutions on the agenda of the meeting by means of a Voting Slip. In this respect, the vote of a shareholder who voted using a Voting Slip shall be considered as if he was present and participated in the meeting. Voting using a

Voting Slip of a shareholder wishing to vote using a Voting Slip instead of participating in the meeting in person or by proxy, shall be made on the second part of the Voting Slip attached to this report.

The URLs of the Securities Authority Tel Aviv Stock Exchange Ltd. where the Voting Slip and position notices can be found, within the meaning of Section 88 of the Companies Law, are: the distribution site of the Securities Authority [Http://www.magna.isa.gov.il](http://www.magna.isa.gov.il) (the "Distribution Site"), Tel Aviv Stock Exchange Ltd. website <http://maya.tase.co.il>. Shareholders may apply directly to the Company and receive the Voting Slip and position notices, if any.

A Stock Exchange member shall send by e-mail, free of charge, a link to the Voting Slip and position notices on the Distribution Site, to any shareholder who is not registered in the Register of Shareholders and whose shares are registered with a member of that TASE member, unless the shareholder has notified the stock exchange member that he is not interested in receiving such a link, provided that the notice is given regarding a specific securities account and prior to the effective date.

The Voting Slip must be delivered to the offices of the Company (together with the ownership certificate) up to 4 hours prior to the convening of the meeting. In this regard, the delivery date is the date on which the Voting Slip and the documents attached to it arrive at the Company's offices.

Furthermore, a non-registered shareholder is entitled to produce his Certificate of Ownership through the electronic voting system as said in Subsection E above.

The deadline for submitting position notices is up to 10 days before convening the meeting, namely until October 25, 2021.

A Voting Slip that is not accompanied by a Certificate of Ownership (or, alternatively, a Certificate of Ownership is not produced using the electronic voting system) shall be void.

**g. E-Voting Slip**

As stated above, an unregistered shareholder may also vote through an electronic voting system. Voting by an electronic Voting Slip shall be allowed up to 6 hours before convening the General Meeting (or until an earlier date to be determined by the Securities Authority, provided it does not exceed 12 hours before the convening of the meeting) (the "System Closure Time"). Electronic voting shall be subject to change or cancelation until the System Closure Time and cannot be changed through the system after that time.

**h. General instructions**

A shareholder may contact the Company's registered office and after proving his identity, withdraw the Voting Slip and certificate of ownership up to 24 hours prior to the convening of the meeting.

It is noted that in accordance with Article 83 (d) of the Companies Law, if a shareholder voted in more ways than one, his later vote shall be counted, where for this matter the vote of a shareholder in person or by proxy shall be deemed to be later than a vote using the electronic voting system.

**i. Reviewing Voting Slips**

One or more shareholders holding shares representing five percent or more of the total voting rights in the company, and anyone holding such aforesaid percentage of voting rights not held by the controlling shareholder, is entitled, after the convening of the general meeting, to review the Voting Slips and voting records using the electronic voting system that reached the company, as set out in Article 10 of the Companies Regulations (Voting in Writing and Position Notices) 2005.

**5. Adding a subject on the agenda**

A shareholder, one or more, who has at least one percent of the voting rights at the General Meeting may request from the Board, until 7 days after summoning the meeting, to include a subject on the agenda of the general meeting, provided that it is appropriate for discussion at the general meeting. If the Board finds that aforesaid subject is appropriate to be discussed at a general meeting, the Company shall publish an amended summons report with an amended voting slip, as needed, and no later than seven days after the last date for submitting shareholder's request for the inclusion of a subject on the agenda, as aforesaid.

**6. Reviewing Documents**

A copy of this immediate report and its appendices will be available for review at the Company's offices Sunday to Thursday during normal working hours after prior appointment by telephone: 04-9900881, until the date of convening the meeting, as well as at the ISA website at [www.magna.isa.gov.il](http://www.magna.isa.gov.il).

Sincerely yours,

**Tefron Ltd.**

By Mr. Arnon Tiberg, Chairman of the Board  
and Mr. Gregory Davidson, CFO