

TEFRON LTD

("the Company")

December 6, 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 Concerning the Convening of an Annual General Meeting

In accordance with the Provisions of the Companies Law – 1999 (hereinafter: "**the Law**" or "**the Companies Law**") and in accordance with the Securities Regulations (Periodic and Immediate Reports) – 1970 (hereinafter: "**the Reporting Regulations**"), the Company is pleased to hereby announce the convening of an *Annual* General Meeting of the Company, which will take place on Tuesday, December 27, 2022 at 12:00 PM (Israeli time) at the offices of the law firm M. Firon & Co., 2 Hashlosa Street, Tel Aviv.

1. The topics on the agenda and the full text of the proposed resolutions:

- a. Discussion of the audited financial reports of the Company for the year ended December 31, 2021.

Text of the proposed resolution:

The General Meeting took note of the audited financial reports of the Company for the year ended December 31, 2021.

- b. The reappointment of the accounting firm of Deloitte Brightman Almagor Zohar and Co., as the auditor of the Company and authorizing the Board of Directors to determine the fees thereof.

For details regarding the scope of work and the fees of the Company's auditor for 2021, for the auditing services as well as other services, see Clause 11 of the Board of Directors Report for 2021, which constitutes as an integral part of the Company's Periodic Report for 2021, which was published on March 14, 2022, Reference Number 2022-01-029935 (hereinafter: the "**Periodic Report**").

The Audit Committee of the Company has held a discussion regarding the auditing services rendered by the auditor, and afterwards provided the Company's Board of Directors with its recommendation to the reappointment of the accounting firm Deloitte Brightman Almagor Zohar and Co., as the auditor of the Company. The aforementioned discussion in the Audit Committee included various aspects of the auditor's work, during which the Committee discussed, among other things, the types of services provided by the auditor to the Company, the experience and expertise of the auditor in auditing corporations similar to the Company in terms of type and size, while taking into account

the scope and areas of activity thereof as well as the risks inherent in its activity , the terms of the contract with him, his independence, his commitment to the quality of the audit and the inputs dedicated to the audit procedure considering the size of the Company and its nature.

In addition, the Audit Committee was satisfied that the fees to be paid to the auditor in respect of his activities in 2022, based on the scope of the auditing process and its complexity, is reasonable, proportionate, and acceptable. The fee for the year 2022 is determined in accordance with the scope of expected working hours based on the scope and complexity of the auditing process and following negotiations between the Company's management and the auditor.

In addition, the Company's management provided the Audit Committee with a review regarding the current interface used by the auditor, the working methods, the nature of the discussions, the cooperation with other external consultants and his ability to identify the risks and material issues as well as the solutions provided by him as part of the audit.

In accordance with the Audit Committee's recommendation, and following a discussion on the matter, the Company's Board of Directors decided to recommend to the General Meeting of the Company's shareholders to approve the reappointment of the auditor.

Text of the proposed resolution:

To reappoint the accounting firm of Deloitte Brightman Almagor Zohar and Co., as the auditor of the Company until the next Annual General Meeting of the Company and to authorize the Board of Directors to determine the fees thereof.

- c. The reappointment of the following serving directors, who are not external directors: Messrs. Ben Lieberman, Martin Lieberman and Yossi Shachak, as well as appointing Mr. Eytan Stiassnie as a director who is not an external director, and this until the end of the next Annual General Meeting of the Company. These directors along with the external directors will comprise the Company's Board of Directors.

The directors' statements, as required under Section 224b of the Law, are attached to this Immediate Report.

The vote on the appointment of each director will be conducted separately.

There has been no change in the details provided in respect of the directors Ben Lieberman, Martin Lieberman and Yossi Shachak, according to Regulation 26 of the Reporting Regulations, since the publication of the Periodic Report.

Details in respect of Mr. Eytan Stiassnie in accordance with Regulation 26 of the Reporting Regulations:

Name	Eytan Stiassnie
I.D. No.	054307194
Date of Birth	16/07/1956

Address	6 Albert Schweizer St., Haifa 3499506
Citizenship	Israeli
Membership in Board Committees	Audit and Remuneration Committees
Is he an External Director?	No
Is he an employee of the corporation, a subsidiary or a related company?	No
Date of commencement of service	Upon the approval of the meeting, on December 27, 2022.
Main occupation in the last five years	2021 – 2022 – CEO - Ecology for Protected Community Ltd. 2019 – 2020 – Managing Director - Municipality of Haifa 2017 – 2018 – CEO - A.L. Filters Ltd.
Other corporations in which he serves as a director	Shachak Elevators and Agencies Ltd.
Education	Bachelor's Degree, Industrial & Management Engineering (Information Technology), Technion.
Is he a family member of another interested party in the corporation?	No
Is he a director who the Company views as having accounting and financial expertise in order to meet the minimum number requirement determined by the Board, pursuant to Section 92(a)(12) of the Companies Law	No

Text of the proposed resolution:

To reappoint the following serving directors, who are not external directors: Messrs. Ben Lieberman, Martin Lieberman and Yossi Shachak, as well as appointing Mr. Eytan Stiassnie as a director who is not an external director, and this until the end of the next Annual General Meeting of the Company.

2. The Quorum for Holding the Meeting and Deferred Meeting

The quorum for opening the discussion at the General Meeting is two (2) shareholders or more (whose shares have been fully paid), attending the meeting in person or via a proxy, as applicable, and holding at least twenty five (25%) of the voting rights in the Company.

If half an hour has passed from the time that was scheduled for the meeting and a quorum hasn't been established, the meeting shall be deferred for the exact same day and hour in the forthcoming week, or to a different day, hour and place as determined by the Chairman of the meeting, with the agreement of the majority of the holders of the voting rights attending the

meeting in person or via a proxy, or via a voting card and voting in the matter of the date of the deferred meeting. The Company shall announce the deferral of the meeting and date thereof through an immediate report. The quorum in the deferred meeting shall be two (2) shareholders attending the meeting in person or via a proxy, as applicable, and holding at least twenty five (25%) of the voting rights in the Company.

3. The Required Majority for the Approval of the Resolutions on the Agenda

The required majority at the General Meeting for the purpose of approving the resolutions set forth above, which are on the agenda of the meeting, is an ordinary majority of the votes of the shareholders who are present at the meeting, who are entitled to vote and have voted thereat.

It should be noted that the rate of holdings of the controlling shareholders in the Company's shares will give the controlling shareholders the majority required to decide on the resolutions on the agenda.

4. The Meeting and Voting Procedures

a. The Record Date for Determining the Eligibility of the Shareholders to Participate and Vote at the General Meeting

The record date for determining the eligibility of a shareholder of the Company to participate and vote at the General Meeting, is the end of the trade day on Tuesday, December 13, 2022 (hereinafter: **"the Record Date"**).

If you are an owner of an "American Share", meaning: a Company's share that is not an "Israeli Share", as this term is defined as follows, in order to vote at the meeting, please see the voting instructions detailed on the voting card which can be found on the Company's internet site whose address is: www.tefron.com.

"An Israeli Share"- A Company's share that fulfills one of the following: (a) The share is registered on the Company's Israeli shareholder register (for the purpose of clarity, a Company's share which is registered on the Company's American shareholder register, that is managed by the American Stock Transfer & Trust Company, is not "an Israeli Share"); or (b) The share is registered in favor of the shareholder pursuant to Section 177(1) of the Companies Law, meaning, the share is registered with a member of the Stock Exchange (Tel Aviv Stock Exchange Ltd.) and the aforesaid share is included in the shares registered on the Company's Israeli shareholder register in the name of the Registration Company of Bank Hapoalim Ltd. (hereinafter: **"Unregistered Shareholder"**).

b. The Manner of Voting

The Shareholders are entitled to vote regarding the resolution which is on the Meeting's agenda, in person or via a proxy and via an electronic voting card that will be transferred to the Company through the electronic voting system at the address <http://votes.isa.gov.il>, which operates according to Article Two of Chapter Seven "B" of the Securities Law, 1968 ("**Electronic Voting**", "**Electronic Voting System**" and "**Electronic Voting Card**", respectively).

(1) A Proxy to the Voting

A shareholder is entitled to appoint a proxy to vote in his place, who is not necessarily a shareholder of the Company. The letter of authorization regarding the appointment of the proxy must be conducted in accordance with the Company's regulations. The letter of authorization must be delivered to the Chairman of the meeting or to the Company's offices (to the CFO of the Company, Mr. Gregory Davidson), while making sure the aforementioned letter of authorization would arrive to the Company's offices at least two hours prior to the convening of the meeting. The Chairman of the meeting shall have the authority to receive letters of authorization which shall be delivered even after the aforementioned appointed time and till the beginning of the meeting.

(2) An Electronic Voting Card

As aforementioned, an Unregistered Shareholder is also entitled to vote through the Electronic Voting System. Voting via an Electronic Voting Card shall be permitted from the end of the Record date and up to six hours prior to the convening of the General Meeting (or until an earlier date which shall be determined by the Securities Authority, as long as it is no more than 12 hours prior to the convening of the meeting) (the "**System Lock Date**"). the Electronic Voting may be changed or canceled until the System Lock Date, and no one shall be able to change it through the system after this date.

(3) General Provisions

It should be noted that in accordance with Section 83(d) of the Companies Law, if a shareholder has voted in more ways than one, the later vote shall be counted, while concerning this matter a vote of a shareholder in person or via a proxy shall be considered as a later vote to the vote submitted through the Electronic Voting System.

c. Proof of Ownership

An Unregistered Shareholder shall be entitled to attend the General Meeting only if he will provide the Company, prior to the General Meeting, with an original proof of ownership from the member of the Stock Exchange with whom his right to the share is registered, regarding his ownership of the Company's shares on the Record Date, in accordance with the form in the Schedule to the Companies Regulations (Proof of Ownership of a Share for Voting at a General Meeting), 2000 ("**Proof of Ownership**") or alternatively by sending the Company a Proof of Ownership through the Electronic Voting System, in this matter, it shall be noted that an electronic message approved in accordance with Section 44k5 of the Securities Law concerning the Electronic Voting System's user data – shall be viewed as a Proof of Ownership for each shareholder included therein.

An Unregistered Shareholder is entitled to receive the Proof of Ownership from the member of the Stock Exchange through whom he holds his shares, at the branch of the member of the Stock Exchange or by mail to his address, paying only the postage fees, if he has asked for it. A request in this matter would be given in advance for a specific securities account. In addition, an Unregistered Shareholder may instruct that his Proof of Ownership be sent to the Company through the Electronic Voting System.

d. Adding an Item to the Agenda

A shareholder, one or more, who holds at least one percent of the voting rights at the General Meeting, may ask the Board, up to 3 days after the date of the convening of the meeting, to include an item on the agenda of the General Meeting provided that the item is an appropriate item to be discussed at the General Meeting. In such a case the Company shall publish an amended immediate report and this no later than seven days after the last date for submitting a shareholder's request for adding an item to the agenda, as stated above.

5. Reviewing the Documents

A copy of this immediate report together with the addendums thereto shall be made available for review at the Company's offices, at the Industrial Area of Teradion, Misgav, Sunday to Thursday during normal working hours, after making prior arrangement through telephone: 04-9900881; and this until the date of the convening of the meeting, as well as on the Securities Authority's website at the address: www.magna.isa.gov.il.

Respectfully,
Tefron Ltd.

Signed by:

Mr. Ben Lieberman, CEO
Mr. Gregory Davidson, CFO