



NextFerm Technologies Ltd.

January 30, 2023

Attn:

Israel Securities Authority

Via MAGNA

Attn:

Tel Aviv Stock Exchange Ltd.

Via MAGNA

Ladies and Gentlemen,

Re: Invitation to the Company's Extraordinary General Meeting

Pursuant to the Israel Companies Law, 1999 (the “**Companies Law**”), the Securities Regulations (Periodic and Immediate Reports), 1970 (the “**Report Regulations**”), the Securities Regulations (Private Securities Placement of a Listed Company), 2000, and the report regarding the convention of the Company's extraordinary general meeting in accordance with the Companies Regulations (Notice and Advertisement of a General Meeting and Class Meeting of a Public Company and Adding an Agenda Item), 2000, the Company hereby announces that at 09:00AM on 14, February, 2023, the Company's extraordinary general meeting will convene through video conference via Zoom, which can be accessed through the link: <https://us02web.zoom.us/j/85471204532?from=addon>. To receive an access code please send an email to Mr. Yossi Ohana together with a copy of your ID card or certificate of incorporation or other form of identification, to the Company's satisfaction together with proof of ownership as of the Date of Record (as specified below in Section 6).

1. The agenda item and summary of the proposed resolution

Background

As stated in Note 1(b) to the Company's financial report as of September 30, 2022, published on November 22, 2022 (reference no.: 2022-01-111804), at the current stage of its activity, the Company depends on raising external financing for its continued activity. In light of the decrease in the share price on the stock exchange and in order for the Company to have flexibility in raising capital even at the current share prices, the Company's board of directors decided to increase the Company's authorized share capital as detailed below.

It will be clarified that as of the date of this report, no decision has yet been made on raising capital, its timing or conditions.

Nothing in this report constitutes an offer to the public to purchase the Company's securities and/or an invitation to make offers to purchase the Company's securities.

2. **Summary of the proposed resolution**

Increasing the Company's authorized share capital

As of the date of this Resolution, the Company's registered share capital is ILS 300,000, divided into 30,000,000 ordinary shares with a par value of ILS 0.01 per share.

The proposed resolution:

To increase the Company's authorized share capital by ILS 8,700,000 divided into 870,000,000 ordinary shares with a par value of ILS 0.01 per share; whereby the Company's authorized share capital shall be total ILS 9,000,000 divided into 900,000,000 ordinary shares with a par value of ILS 0.01 per share.

3. **The majority required to approve the agenda items**

An ordinary majority of the shareholders participating in the vote is required to approve the general meeting's agenda item.

As of the date of the report, the Company does not have a controlling shareholder.

4. **Legal quorum and an adjourned meeting**

A legal quorum for the general meeting shall be constituted in the presence, in person or by proxy, of one or more shareholders holding at least 33% of the Company's voting rights. In the event a legal quorum is still not in attendance within half an hour from the time scheduled for the general meeting to commence, the general meeting shall be postponed to the same day of the following week, at the same time and place, or at a later time, if so stated in the notice of the general meeting. If a legal quorum is not in attendance within half an hour from the time the Adjourned Meeting was scheduled to convene, then the general meeting shall be held with any number of participants whatsoever.

5. **Date of record**

The Date of Record to determine the entitlement of the Company's shareholders to vote at the general meeting, as stated in Section 182(b) of the Companies Law, is at the end of the trading day on February 9, 2023 (the "Date of Record").

6. **Ways to vote at the general meeting and position statements**

- 6.1. Shareholders may participate in the general meeting and vote thereat either personally, via proxy or through the electronic voting system.
- 6.2. Pursuant to the Companies Regulations (Proving Ownership of a Share for Voting at the General Meeting), 2000 (the "Ownership Regulations"), a shareholder who wishes to vote at the general meeting, who is registered to hold a share with a TASE member, where such share is included among the Company shares recorded in the shareholder register in the name of the

nominee company, shall provide the Company with an approval from the TASE member with whom their right to a share has been registered, of their ownership of the share on the Date of Record, in accordance with Form 1 of the Schedule to the Ownership Regulations. Unregistered shareholders may also instruct the TASE member to send their confirmation of ownership to the Company via the electronic voting system.

- 6.3. The URL of the Israel Securities Authority's distribution site (the "**Distribution Site**") and the URL of the Tel Aviv Stock Exchange Ltd.'s website, where it is possible to access the position statements, as defined in Section 88 of the Companies Law, are: www.magna.isa.gov.il and www.maya.tase.co.il, respectively.
- 6.4. Voting through the electronic voting system will be possible from the Date of Record until six hours before the time the general meeting is scheduled to commence.
- 6.5. A shareholder interested in participating and voting at the general meeting without physically attending the general meeting may furnish a power of attorney to participate and vote at the general meeting at least 48 hours prior to the time scheduled for the general meeting to commence, at the Company's office at 2 HaYetzirah St., Yokneam Illit and concurrently by email: yossio@nextferm.com.
- 6.6. One or more shareholders holding shares representing five percent or more of the Company's total voting rights (i.e., 719,869 shares) are entitled to view the voting records through the electronic voting system that was sent to the Company as detailed in Regulation 10 of the Companies Regulations (Voting in Writing and Position Statements), 2005.
- 6.7. A shareholder's request to include an item on the general meeting's agenda pursuant to Section 66(b) of the Companies Law and in accordance with Regulation 5A(b) of the Notice and Announcement Regulations shall be sent to the Company up to three days following the publication of this report. In the event that requests are made for the Company to include items on the general meeting's agenda, it is possible that this may result in items being added to the agenda. The updated agenda and position statements (if any) can be viewed on the ISA and TASE Distribution Sites.

7. Details of the Company's representative handling the invitation

The Company's representative to deal with this invitation is Adv. Debi Berenson of Meitar | Law Offices, 16 Abba Hillel rd., Ramat Gan. Tel: 03-6103155; Fax: 03-6103111; Email: Debib@meitar.com.

8. Review of documents

It is possible to view the full version of the proposed resolutions at the Company's offices, 2 HaYetzirah St., Yokneam Illit, during ordinary working hours, after scheduling an appointment with Mr. Yossi Ohana (yossio@nextferm.com) up to the date of the general meeting.

Respectfully,

Nextferm Technologies Ltd.

By:

Boaz Noy, CEO and Director

Yossi Ohana, CFO