

# DELTA GALIL INDUSTRIES LTD

**Registry Number:** 520025602

**To:** Israel Securities Authority  
**To:** Tel Aviv Stock Exchange Ltd.  
Form Number: T081 (Public)  
Transmitted via MAGNA: 20/08/2025  
Israel Securities Authority: [www.isa.gov.il](http://www.isa.gov.il)  
Tel Aviv Stock Exchange: [www.tase.co.il](http://www.tase.co.il)  
Reference: 2025-01-062198

## Immediate Report on Cash Dividend Distribution for Securities

Regulation 37(a) of the Securities Regulations (Periodic and Immediate Reports), 1970

1. We hereby report that on the date 20/08/2025, it was decided to pay a dividend.
2. Record date (ex-date): 28/08/2025

Payment date: 09/09/2025

3. Payment details:
  - Dividend distributed by an Israeli resident company (for the composition of the dividend sources and tax rates, see section 7a)
  - Dividend distributed by a real estate investment trust (for the composition of the dividend sources and tax rates, see section 7c)

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Eligible Security Number	Security Name	Dividend Amount per Security	Dividend Amount Currency	Payment Currency	Representative Rate for Payment Date	Individual Tax %	Corporate Tax %
627034	Delta Ordinary Share	0.3065	Dollar	NIS	08/09/2025	25	0

- Dividend distributed by a foreign resident company (tax rates see section 7b)

## Section 2 (empty fields)

Security Number	Security Name	Gross Amount per Security	Currency	Overseas Tax %	Convention Tax %	Individual Tax Balance in Israel %	Corporate Tax Balance in Israel %
_____	_____	_____	_____	_____	_____	_____	_____

Amount to be Paid in Israel per Security	Payment Currency	Representative Rate for Payment Date	Actual Individual Tax Rate in Israel %	Actual Corporate Tax Rate in Israel %
_____	_____	_____	_____	_____

Note: The dividend amount to be paid must be specified with up to 7 decimal places when the dividend amount currency is NIS, and up to 5 decimal places when the dividend amount currency is another currency.

4. The total amount of dividend to be paid is: 8,000,062 Dollar \_\_\_\_\_.
5. The corporation's retained earnings as defined in section 302 of the Companies Law, 1999, after the distribution subject to this report, are: 622,608,000 Dollar \_\_\_\_\_.
6. Dividend distribution approval process:

The dividend distribution was approved by the company's board of directors on 20/08/2025 after it was satisfied that the distribution meets the profit test and the solvency test, as defined in section 302 of the Companies Law, 1999 ("distribution tests"), that the distribution is made from the surplus balance, and that there is no reasonable concern that the distribution will prevent the company from meeting its existing and expected liabilities, known at the time of the decision, when they become due. In accordance with the Israel Securities Authority's guidance on "Disclosure upon decision to distribute a dividend", see below for further details regarding the parameters examined by the board in approving the dividend distribution, including the board's examination regarding the company's compliance with the distribution tests and with the restrictions undertaken by the company under the debenture deeds (Series 1 and Series 6). The amount approved is the amount per share, with the board noting that if company securities are exercised up to the record date, the total dividend amount will be updated.

The above distribution is not subject to court approval under section 303 of the Companies Law: No

The final dividend amount per share is subject to changes due to \_\_\_\_\_.

Note: The final dividend amount per share can be updated up to 2 trading days before the record date.

7. The withholding tax rates detailed below are for the purpose of withholding tax by stock exchange members.

**7a. Composition of dividend sources distributed by an Israeli resident company from shares and financial instruments, excluding REIT funds.**

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	% of Dividend	Individuals	Companies	Foreign Residents
Income subject to corporate tax (1)	100	25%	0%	25%
Income originating overseas (2)	0	25%	23%	25%
Income from approved/preferred enterprise (3)	0	15%	15%	15%
Income from Irish privileged enterprise up to 2013 (4)	0	15%	15%	4%
Income from Irish privileged enterprise from 2014 (5)	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Income from approved agricultural/tourism enterprise (6)	0	20%	20%	20%
Income from approved/preferred enterprise that submitted waiver notice (7)	0	15%	0%	15%
Distribution classified as capital gain	0	25%	23%	0%
Distribution by Participating unit	0	0	0	0
Other	0	0	0	0

Explanation:

(1) Income subject to corporate tax - income from profit distribution or dividend originating from income produced or accrued in Israel, received directly or indirectly from another entity subject to corporate tax.

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- (2) Income originating overseas is income produced or accrued abroad and not taxed in Israel.
- (3) Including income from a preferred tourism enterprise with a selection/operation year up to 2013.
- (4) Irish privileged enterprise with a selection year up to 2013.
- (5) Irish privileged enterprise with a selection year from 2014 onwards.
- (6) Including income from a preferred tourism enterprise with a selection/operation year from 2014 onwards.
- (7) Approved or preferred enterprise that submitted a waiver notice by 30.6.2015, after corporate tax was deducted.

**7b. Dividend distributed by a foreign resident company**

	Individuals	Companies	Foreign Residents
Dividend distributed by a foreign resident company	25%	23%	0%

**7c. Dividend distributed by a real estate investment trust**

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	% of Dividend	Individuals (1)	Companies	Foreign Resident Companies	Exempt Trust Fund	Pension Fund (2)
From real estate appreciation, capital gain, and depreciation (3)	_____	25%	23%	23%	0%	0%
Other taxable income (e.g., rent)	_____	47%	23%	23%	23%	0%
From income-producing real estate for rental housing	_____	20%	20%	20%	0%	0%
Income taxed by the fund (4)	_____	25%	0%	25%	0%	0%
Extraordinary income	_____	70%	70%	70%	60%	70%
Other	_____	_____	_____	_____	_____	_____
Weighted withholding tax %	100%	_____	_____	_____	_____	_____

(1) Individuals - including taxable trust fund income, foreign resident individuals.

(2) Pension fund for pension, provident, or compensation as defined in the Income Tax Ordinance, as well as a foreign pension fund resident in a reciprocating country.

(3) From real estate appreciation or capital gain, except from the sale of real estate held for a short period, and from income in the amount of depreciation expenses.

(4) Distribution from income taxed by the fund under section 64A4(e).

8. Number of the corporation's dormant securities not entitled to dividend payment and for which a waiver letter must be provided to receive the dividend payment: 822,124

9. Effect of the dividend distribution on convertible securities:

- The company has no convertible securities
- The dividend distribution has no effect on the convertible securities
- The effect of the dividend distribution on the convertible securities is as follows:

Security Name	Security Number	Remarks
Delta F	6270086	The current exercise price will be multiplied by the ex-rate of the share and divided by the closing price of the share on the trading day before the ex-date. _____

10. Recommendations and decisions of the directors regarding the dividend distribution according to Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 1970:

Below are details regarding the examination conducted by the board of directors in connection with the decision to distribute the above-mentioned dividend: a. The company's board of directors examined the company's compliance with the profit test, solvency test, and distribution restrictions set forth in section 302(a) of the Companies Law, 1999, as well as restrictions set forth in the debenture deeds (Series 1 and Series 6), and following this examination, approved the company's compliance with these tests regarding the said dividend distribution. b. Regarding compliance with the profit test, the board approved the said dividend distribution based on the company's surplus balance as of June 30, 2025, which exceeds the approved distribution amount. c. Regarding compliance with the solvency test, the board considered the following: data on the company's financial position as of June 30, 2025, including data on the company's liquid balances and financial debt; the company's unused bank credit lines; projected cash flow for 2025-2028; summary of dividend distribution restrictions as set forth in the debenture deeds (Series 1 and Series 6) and financial data related to these restrictions; and calculations regarding the financial covenants to which the company is subject. Following the above examination, the board approved that the company meets the solvency test regarding the said distribution. d. The board also considered the restrictions on dividend distribution as set forth in the debenture deeds (Series 1 and Series 6) and financial data related to these restrictions. This included the company's equity as of 30.6.2025 before and after the dividend distribution; the amount of profits in the 12 months ending 30.6.2025; the amount of profits considering only surpluses accumulated from 30.6.2013 and above 100 million USD; the company's net financial debt to EBITDA ratio (before and after the proposed distribution); and details of the financial capital to CAP ratio. The board approved that the said distribution complies with the detailed restrictions set forth in the debenture deeds (Series 1 and Series 6). e. In the board's assessment, the dividend distribution will not materially adversely affect the company's financial position, including its capital structure, leverage level, liquidity, and its ability to continue operating in its current business format. f. The board does not rely on the company's ability to realize assets or on financial sources derived from companies held by the company. g. The board does not rely on distribution from profits arising from the revaluation of the fair value of the company's financial assets or financial instruments, if any. h. The expected data and estimates mentioned in sections c and e above are forward-looking information as defined in the Securities Law, 1986, based on the analysis of the data detailed in section c above conducted by the company. These expectations and estimates may not materialize, in whole or in part, or may materialize in a materially different manner than expected, among other things, due to changes in economic markets in Israel and worldwide, in capital market conditions, in exchange rates, and in the various markets in which the company operates, which may affect the company's operations and results.



**Authorized signatories for the corporation:**

#	Signatory Name	Position
1	Yaniv Lecker	CFO

Explanation: According to Regulation 5 of the Periodic and Immediate Reports Regulations (1970), a report submitted under these regulations must be signed by those authorized to sign on behalf of the corporation. The staff's position on the matter can be found on the Authority's website: [Click here](#).

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**Securities of the corporation are listed for trading on the Tel Aviv Stock Exchange**

Form structure update date: 15/07/2025

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Company website: [www.deltagalil.com](http://www.deltagalil.com)

Previous names of the reporting entity:

Electronic signatory name: Lecker Yaniv Yitzhak

Position: CFO

Employer company name:

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Phone: 076-8177064

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Email: [Yaniv.Lecker@deltagalil.com](mailto:Yaniv.Lecker@deltagalil.com)

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**Glossary:**

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- controlling shareholder
- regarding
- commercial papers
- par value
- security
- warrant
- warrants
- results
- partnership
- technology
- ordinary share
- dividend
- agorot
- Participating unit

**Note:** No images were present in the original document.