

ELRON

Translation of Immediate Report Filed by Elron on June 4, 2019 with the Israeli Securities Authority

Further to the immediate report of Elron Electronic Industries Ltd. (the “**Company**”) dated June 3, 2019, whereby the Company is examining the possibility to conduct an offering of the Company’s shares, the Company hereby notifies as follows:

1. On June 4, 2019, the Company conducted a tender to solicit early commitments from qualified investors (as defined under the Israeli Securities Regulations (Manner of Offering Securities to the Public), 5767-2007) in connection with a possible offering of the Company’s shares by way of a unified public offering, that will be in accordance with a shelf offering report that the Company may publish based on the Company’s shelf prospectus dated February 25, 2019.
2. The shares were offered to the qualified investors in units of 100 shares each, by way of a tender for the unit’s price (the “**Tender**”).
3. Bids with an early commitment to purchase 124,238 units in total including 12,423,800 shares were received in the Tender, of which the Company accepted early commitments to purchase 120,838 units including 12,083,800 shares in a total amount of approximately NIS 69 million (a full allotment (100%) to bidders who placed orders at the closing price in the Tender), at a minimum price per unit of NIS 575, which price shall constitute the minimum price at the public offering (insofar conducted).
4. It shall be emphasized that the final price per unit at the Tender will be determined in the public offering to be conducted by the Company, insofar conducted, by way of a unified offer based on a shelf offering report (insofar published), which will further determine the other terms of the offering.

It shall be clarified that, as of the date of this immediate report, there is no certainty that the offering will take place, or as to its timing, scope and terms which have not been conclusively determined, and nothing in this report and/or in the execution of the aforementioned Tender for the qualified investors, shall be deemed as an indication or as an undertaking by the Company, to carry out the aforesaid offering. The execution of the offering is subject to, among others, suitable market conditions and the receipt of all approvals required under applicable law, including the final approval by the Company’s Board of Directors and TASE approval. Insofar as the Company shall resolve to carry out the offering, it shall publish a shelf offering report in accordance with applicable law, which will include all of the binding terms of the offering, including the amount of shares offered and the minimum price.

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Nothing in this report shall constitute a solicitation to purchase securities or a solicitation to make offers for their purchase.

**Sincerely,
Elron Electronic Industries Ltd.**

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