

ELRON

Translation of Immediate Report Filed by Elron on December 30, 2019 with the Israeli Securities Authority

Tel-Aviv, December 30, 2019 – Elron Electronic Industries Ltd. (“Elron”) (TASE:ELRN) hereby announces with respect to BrainsGate Ltd. (“BrainsGate”) as follows:

Further to the description set forth under Section 24 of "Part I – Description of Corporation's Business" in Elron's annual periodic report for 2018, published on March 18, 2019, BrainsGate updated Elron that it notified the FDA of its intention to submit its PMA marketing approval application during January 2020.

BrainsGate’s above estimates are forward-looking in nature, as such term is defined in the Israeli Securities Law, 5728-1968, and are based on information existing in BrainsGate as of date of filing of this Immediate Report. These estimates, in whole or in part, may not materialize, or may materialize in a manner materially different than expected. The principal factors that may affect this are directives and determinations by regulatory authorities, unforeseen regulatory difficulties, regulatory developments and changes in fields of operation, developments in the fields in which BrainsGate operates, failure to meet its goals, and modifications in its business plan, goals and/or strategy.

BrainsGate is approximately 30% held by Elron.