

ELRON

Translation of Immediate Report Filed by Elron on February 26, 2020 with the Israeli Securities Authority

Tel-Aviv, February 26, 2020 – Elron Electronic Industries Ltd. (“Elron”) (TASE:ELRN) hereby announces with respect to CartiHeal (2009) Ltd. ("CartiHeal") as follows:

In response to publications in the Israeli media regarding CartiHeal, Elron hereby updates that to the best of its knowledge, CartiHeal is examining different possibilities for financing its operations, yet clarifies that no decision has been taken by CartiHeal's board of directors to conduct a public offering and as of now, the preferred option is to pursue private financing.

CartiHeal'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 CartiHeal as of the date of filing 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 modifications in the business plan, goals and/or strategy, developments in the fields in which CartiHeal operates, unforeseen developments in the course of the clinical trial and the trial results, failure to meet goals, inability to realize technologies, or if any risk associated with the course of the trial and its results occurs.

CartiHeal is approximately 29% held by Elron.