

# ELRON

## **Translation of Immediate Report Filed by Elron Electronic Industries Ltd (the "Company") on November 22, 2020 with the Israeli Securities Authority**

Following the Company's immediate reports of September 29, 2020 and October 26, 2020, regarding the effects of various legal proceedings conducted in the Tel Aviv-Yafo District Court (the "Court ") relating, inter alia, to the appointment of receivers (including the trustee of IDB Development Corporation Ltd. appointed as temporary receiver) (collectively the "Officers ") on the controlling shares in Discount Investment Corporation Ltd. (the controlling shareholder of the Company ("DIC")), as well as regarding agreements reached in connection with the results of the invitation process to submit offers for the purchase of the controlling shares in DIC published by the Officers, the Company hereby updates that on November 20, 2020, DIC reported that the Court's decision was given, in which the Court approved the offer by Mega Or Holdings Ltd. to purchase the shares of DIC constituting approximately 82% of DIC's issued share capital.

The Company further updates that on November 21, 2020, a copy of the receivers' letter was sent to Mr. Eduardo Elsztain's legal representative, in which the receivers approached Mr. Eduardo Elsztain, Mr. Alejandro Elsztain, Mr. Saul Zang, Ms. Diana Elsztain, and Mario Blejer (Messrs. Eduardo Elsztain and Saul Zang serve as directors of the Company – the "Directors"), and demanded that they resign from their office in the DIC group companies, including, the resignation of the Directors from their office as directors of the Company.