



Translation of Immediate Report Filed by Elron on May 10, 2022 with the Israeli Securities

Authority

Re: Sale of CartiHeal - Update

Tel-Aviv, May 10, 2022 – Elron Ventures Ltd. (the “Company”) (TASE: ELRN), further to Section 23, and in particular Section 23.15, of “Part I – Description of Corporation's Business” in the Company’s annual periodic report for 2021 with regard to the investment and option transaction for the sale of CartiHeal (2009) Ltd. (“CartiHeal”) to Bioventus (the "Transaction") and further to the immediate release dated April 4, 2022 regarding the exercise by Bioventus of its option to acquire CartiHeal, incorporated herein by reference, the Company updates that Bioventus approached CartiHeal requesting to negotiate certain amendments to the outline of the Transaction.

Following Bioventus’ request, the parties are negotiating the requested amendments.

CartiHeal is 27% held by Elron (25% on a fully diluted basis).

It is clarified that there is no assurance as to the Transaction’s consummation or the timing thereof.

The reason why the submission of the report was delayed:

The report regarding the aforementioned discussions with Bioventus was delayed in accordance with Regulation 36(b) of the Regulations due to the assessment of Elron and CartiHeal, which was based, inter alia, on information provided to them by Bioventus, that prior disclosure of the information could harm discussions with Bioventus and their results of operation or could adversely affect the Transaction.

The date and time the corporation first became aware of the event or matter:

04/05/2022 at 8:00

Date and time the reporting delay was lifted:

10/05/2022 at 8:30