

ELRON

Translation of Immediate Report Filed by Elron Electronic Industries Ltd. (TASE: ELRN) (the "Company") on June 6, 2019 with the Israeli Securities Authority

In accordance with the provisions of Section 30 of the Israeli Securities Law, 5728-1968 and the provisions of the Israeli Securities Regulations (Notification of Prospectus' Offering Results), 5730-1969, the Company hereby announces the results of the offering of the Company's shares, pursuant to a shelf offering report dated June 5, 2019 (ISA ref. no. 2019-01-056161) (the "**Shelf Offering Report**"), published pursuant to a shelf prospectus dated February 25, 2019.

1. Pursuant to the Shelf Offering Report, the Company offered securities to the public as follows:

Up to 15,104,800 ordinary registered shares of par value NIS 0.003 each, offered in 151,048 units (the "**Unit**" or "**Units**", as the case may be) to the public by way of a uniform public offering pursuant to the Israeli Securities Regulations (Manner of Offering Securities to the Public), 5767-2007, by way of a tender for the unit price (the "**Tender**"), with the composition and minimum price of each Unit being as follows:

Amount of Securities	Total
100 shares	NIS 575
Total minimum price per Unit	NIS 575

Notwithstanding the aforesaid, the Company determined under the Shelf Offering Report that insofar as the number of bids that are accepted (the "**Accepted Quantity**") in the Tender will exceed 13,321,700 shares (the "**Maximum Issued Quantity**"), then the following shall apply: (a) the Company will specify, in the report on the results of the tender, the Accepted Quantity and the surplus above the Maximum Issued Quantity (the "**Surplus Quantity**"); (b) there shall be no allotment of the Surplus Quantity (solely), and no funds shall be collected for the Surplus Quantity (solely); (c) the allotment to bidders whose bids were accepted in the tender in accordance with the provisions of Section 3.5 of the Shelf Offering Report, will be made according to the ratio (pro-rata) between the Maximum Issued Quantity and the Accepted Quantity.

2. The subscription list for the purchase of the Units offered to the public in the Tender began on June 6, 2019 at 09:30 and ended at 17:00 on the same day.
3. Below are the results of the public offering pursuant to the Shelf Offering Report:
 - 3.1. A total of 77 bids to purchase 134,713 Units (including 13,471,300 shares) amounting to approximately NIS 77.5 million were received in the Tender, with some received

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pursuant to an early commitment made by qualified investors, as detailed under Section 4.1 of the Shelf Offering Report (the “**Early Commitment**”).

- 3.2. The Unit’s price determined in the Tender was NIS 575 (the “**Uniform Price**”).
- 3.3. In accordance with the terms of the Shelf Offering Report and due to the Maximum Issued Quantity restriction set forth under Section 1 above, 133,217 Units which include 13,321,700 shares were allotted as follows:
 - 3.3.1. 18 bids to purchase 119,338 units received from qualified investors through the Early Commitment, at a price higher than the Uniform Price, were accepted such that each of them received 98.9% of their bid (i.e. 118,012 units).
 - 3.3.2. 56 bids to purchase 13,675 units received from the public at a price higher than the Uniform Price, were accepted such that each of them received 98.9% of their bid (i.e. 13,524 units).
 - 3.3.3. 1 bid to purchase 1,500 units received from a qualified investor through the Early Commitment at the Uniform Price, were accepted such that each of them received 98.9% of its bid (i.e. 1,483 units).
 - 3.3.4. 2 bids to purchase 200 units received from the public at the Uniform Price, were accepted such that each of them received 98.9% of their bid (i.e.198 units).
 - 3.3.5. The Surplus Quantity, as defined under Section 1 above, amounted to 149,600 shares.
4. The immediate proceeds (gross) that the Company will receive amount to approximately NIS 76.6 million.
5. The shares offering pursuant to the Shelf Offering Report was not secured by underwriting.

The Company thanks the investors for their participation in the offering pursuant to the Shelf Offering Report.

**Sincerely,
Elron Electronic Industries Ltd.**