

ELRON

Translation of Reports Filed by Elron with the Israeli Securities Authority Regarding Changes in the Holdings of Interested Parties

Elron Electronic Industries Ltd. (“**Elron**”) has reported the following transactions of its shares by the following related parties and officers to the Israel Securities Authority based on a report provided to it by each party:

1. On June 10, 2019, Discount Investment Corporation Ltd (“**DIC**”) purchased 8,603,400 ordinary shares, NIS0.003 par value each (the “**Ordinary Shares**”) of Elron in Elron’s offering pursuant to a prospectus, at a price per share of NIS5.75. Following the aforementioned purchase, DIC holds 26,294,982 Ordinary Shares of Elron representing approximately 61.06% of Elron’s issued and outstanding share capital and 58.66% on a fully diluted basis

2. On June 10, 2019, Epsilon Underwriting and Issuing Ltd purchased 170,600 Ordinary Shares, of Elron in Elron’s offering pursuant to a prospectus, at a price per share of NIS5.6337. On June 11, 2019, Epsilon Underwriting and Issuing Ltd sold 12,673 Ordinary Shares at a price per share of NIS5.6337. Following the aforementioned purchase and sale, Epsilon Underwriting and Issuing Ltd holds 157,927, Ordinary Shares of Elron representing approximately 0.36% of Elron’s issued and outstanding share capital and 0.35% on a fully diluted basis

3. On June 10, 2019, Ari Bronshtein purchased 41,200 Ordinary Shares, of Elron in Elron’s offering pursuant to a prospectus, at a price per share of NIS5.75. Following the aforementioned purchase, Ari Bronshtein holds 0.10% of Elron’s issued and outstanding share capital and 1.34% of Elron’s issued and outstanding share capital on a fully diluted basis¹.

4. On June 10, 2019, Zvi Slovin purchased 41,100 Ordinary Shares, of Elron in Elron’s offering pursuant to a prospectus, at a price per share of NIS5.75. Following the aforementioned purchase, Zvika Slovin holds Ordinary Shares of Elron representing approximately 0.10% of Elron’s issued and outstanding share capital and 1.05% of Elron’s issued and outstanding share capital on a fully diluted basis.²

5. On June 10, 2019, Yaron Elad purchased 43,000 Ordinary Shares, of Elron in Elron’s offering pursuant to a prospectus, at a price per share of NIS5.75. Following the aforementioned purchase, Yaron Elad holds approximately 0.10% of Elron’s issued and outstanding share capital and 0.73% of Elron’s issued and outstanding share capital on a fully diluted basis.³

6. On June 10, 2019, Zohar Rozenberg purchased 8,200 Ordinary Shares, of Elron in Elron’s offering pursuant to a prospectus, at a price per share of NIS5.75. Following the aforementioned purchase, Zohar

¹ 1 For the purpose of the fully diluted percentage, it is clarified that this assumes the maximum exercise and the maximum percentage holding of shares and voting rights deriving therefrom based on the assumption of the exercise at the maximum, rate (as described in the Immediate Report on the private offering published on November 21, 2018) in light of the net exercise mechanism. In practice, the holdings may be lower to the extent that the exercise will be at a price lower than the said maximum rate.

² For the purpose of the fully diluted percentage, it is clarified that this assumes the maximum exercise and the maximum percentage holding of shares and voting rights deriving therefrom based on the assumption of the exercise at the maximum rate (as described in the Immediate Report on the shareholders meeting published on November 21, 2018) in light of the net exercise mechanism. In practice, the holdings may be lower to the extent that the exercise will be at a price lower than the said maximum rate.

³ See Footnote 2

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Rozenberg holds approximately 0.02% of Elron's issued and outstanding share capital and 0.65% of Elron's issued and outstanding share capital on a fully diluted basis.⁴

7. On June 10, 2019, Niv Levy purchased 34,600 Ordinary Shares, of Elron in Elron's offering pursuant to a prospectus, at a price per share of NIS5.75. Following the aforementioned purchase, Niv Levy holds approximately 0.08% of Elron's issued and outstanding share capital and 0.53% of Elron's issued and outstanding share capital on a fully diluted basis⁵.

⁴ See Footnote 2

⁵ See Footnote 2