

**Translation of Immediate Report Filed by Elron on June 1, 2026, with the Israeli  
Securities Authority**

**Re: Approval of RDC's principal investment plan as well as examination of the  
possibility of issuing bonds and/or warrants**

Further to Section 20.6 of Chapter A (Description of the Corporate Business) of the Company's Periodic Report for 2025, which was published on March 18, 2026 (Reference No.: 2026-01-023758), Elron Ventures Ltd. (hereinafter: "the Company" or "Elron") hereby announces the following:

**1. RDC 's investment plan in principle**

1.1. The Company's Board of Directors approved an investment plan in principle for RDC Rafael Development Company Ltd. (hereinafter: "RDC") , a subsidiary of Elron, which holds 50.1% of the issued and outstanding share capital and voting rights in it, and the balance of whose holdings are held by Rafael Advanced Defense Systems Ltd. (hereinafter: "Rafael") , with a total scope of up to \$300 million over a period of approximately three years, with the program being funded half by Elron and the other half by Rafael. (henceforth: "The Investment Plan"). This is for the purpose of executing mergers and acquisitions (M&A) to acquire control of dual-use technology companies for the defense and civilian markets, alongside RDC's ongoing operations. The plan is also subject to approval by Rafael's Board of Directors.

1.2. Under the Investment Plan, the Company's Board of Directors approved an initial investment budget in the amount of up to \$100 million (the Company's share is \$50 million), with this decision also subject, as stated, to the approval of Rafael's Board of Directors, and there can be no assurance that such approval will be granted. It is clarified that the remainder of the Investment Plan amount, to the extent that it is realized, is subject to additional decisions and approvals, from time to time, and there is no certainty that the plan will be realized in full, to the extent stated or at all. In addition, the realization of the plan, in whole or in part, is conditional, among other things, on locating suitable sources of financing.

**2. Examining the possibility of issuing bonds and warrants**

2.1. For the purpose of implementing the Investment Plan as detailed in Section 1 above, the Company hereby updates that it is examining the possibility of issuing to the public a series of debentures (which are not convertible into shares of the Company, and are not secured by any collateral) and, together with it, a new series of warrants (convertible into ordinary shares of the Company) may also be issued, with the series being listed for trading on the Tel Aviv Stock Exchange Ltd., according to a shelf offering report that will be published (if and to the extent that it is published) under the Company's shelf prospectus, published on December 15,

2025, bearing the date December 16, 2025 (reference number: 2025-01-099896) ("Debentures", "Warrants", respectively).

- 2.2. It is further clarified that as of this date, the execution of the offering, the structure of the offering, the date of the offering, its scope and terms have not yet been finally determined, and the offering, if and to the extent that it is carried out, will be in accordance with the terms that will be determined in the Shelf Offering Report and the binding wording of the trust deed that will be included in the Shelf Offering Report, if and to the extent that it is published.
- 2.3. Nothing in this immediate report shall create any obligation on the part of the Company to issue bonds and/or warrants. The filing of the shelf offering report and the execution of the offering, if and to the extent that it is executed, are subject, inter alia, to the discretion of the Company, including the decision of the Company's Board of Directors, including in connection with the execution of the offering, its timing, terms, scope and structure of the offering and in connection with the shelf offering report and the trust deed; to receiving all approvals required by law, including obtaining approval from the Tel Aviv Stock Exchange Ltd. for the listing for trading of the bonds to be offered and the warrants, to the extent that they are offered together with them and the shares that will result from them; and to publishing a shelf offering report. In addition, the execution of the offering depends on market conditions. There is no certainty as to the actual execution of the said offering, its scope, terms and date of execution.

The information included in this report with respect to the Investment Plan, including its scope, implementation, method of financing and the execution of transactions thereunder, as well as with respect to the Company's examination of a possible offering, including the actual consummation thereof, its timing, terms and scope, constitutes forward-looking information, as defined in the Israeli Securities Law .5728-1968 ,Such information is based on the Company's assessments and intentions as of the date of this report, and may not materialize, in whole or in part, or may materialize in a manner different than described above, including due to failure to obtain the required approvals, failure to identify suitable financing sources, changes in market conditions, failure to identify or complete suitable transactions, and the realization of any of the risk factors applicable to the Company's business.

It is clarified that nothing in this immediate report constitutes an offer to the public to purchase the Company's securities and/or an invitation by the Company to make offers to purchase the Company's securities, and no securities may be purchased pursuant to it.

**Date and time the corporation first became aware of the event or matter:** May 31, 2026, at 18:50