

**Translation of Immediate Report Filed by Elron on July 30, 2025 with the Israeli
Securities Authority**

RE : Agreement for the Sale of Cynerio

Tel Aviv, July 30, 2025 – Further to its immediate report dated July 27, 2025, Elron Ventures Ltd. (TASE: ELRN) ("Elron" or the "Company") hereby announces that on July 30, 2025, a binding agreement (the "Agreement") was signed between Cynerio Ltd. ("Cynerio") and its shareholders, including RDC (as defined below), and Axonius Inc., a Delaware company ("Axonius"), and its subsidiary Axonius Solutions Ltd. (the "Purchaser") for the sale of all of Cynerio's share capital to the Purchaser (the "Transaction").

Cynerio secures connected medical device from cyber threats in healthcare organizations, and is held, among others, by RDC - Rafael Development Company Ltd. ("RDC"), a 50.1% owned subsidiary of Elron. RDC held approximately 15% of Cynerio's share capital on a fully diluted basis.

Pursuant to the Transaction, RDC will receive consideration in Axonius equity only. The shares to be received by RDC are preferred shares which are expected to constitute approximately 0.6% of the equity interests in Axonius on a fully diluted basis. Of the consideration in Axonius equity described above, an amount of approximately 12% is expected to be deposited in escrow for a period of 12 months from the date of completion of the Transaction, primarily to secure certain indemnification obligations of the sellers in the Transaction towards the Purchaser, as is customary in transactions of this type. An amount of approximately 1% is expected to be deposited in escrow for a period of 90 days from the date of completion of the Transaction in connection with financial adjustments to be made after the completion of the Transaction. The Transaction is expected to be completed in the near future.

Based on the enterprise value of approximately \$2.6 billion (post-money) derived from the price of Axonius's preferred shares in its most recent financing round in March 2024 (which was an extension of its financing round in 2022), the shares that RDC will receive are valued at approximately \$15.2 million. However, it should be noted that the economic value of the shares that RDC will receive may have changed since this financing round.

As a result of the Transaction, RDC is expected to recognize in its financial statements a gain equal to the fair value of the Axonius shares it will hold, to be assessed in a valuation with the assistance of an external appraiser, less the balance of RDC's investment in Cynerio in its financial statements as of the date of completion of the Transaction (and the gain attributable to Elron's shareholders will be approximately half of the gain that RDC will record). As of December 31, 2024, the balance of RDC's investment in Cynerio in its financial statements amounted to approximately \$0.6 million, and by the date of signing the agreement, RDC had invested an additional \$1.5 million in Cynerio. As of today, the Company does not believe that the Axonius shares RDC will receive are a material asset for the Company.

Axonius is a cybersecurity company that provides a platform for managing and securing digital assets in organizations. The Transaction is expected to enable Axonius to address growing customer demand for a single, unified platform to manage and secure the entire clinical environment, from IT infrastructure to connected medical devices.

The forecasted data and estimates noted above are forward-looking information, as defined in the Israel Securities Law 5728-1968, based on the Company's and Cynerio's estimates as of this date, the realization of which is uncertain, or which may be realized differently than expected, among other things, because they depend on developments in connection with the Axonius shares, the completion of the Transaction, and the external valuation as stated above. Therefore, there is no certainty as to the Transaction's outcomes and various impacts on the Company and its reports.

Reason for delay in submitting the report:

The Company reported on the negotiations and the non-binding term sheet entered into by Cynerio on July 27, 2025, following media reports. The reporting of certain details of the Transaction was delayed in accordance with Regulation 36(b) of the Israeli Securities (Periodic and Immediate Reports) Regulations, 1970, due to the Company's assessment, based among other things on information provided to it by Cynerio and the Purchaser, that publishing the details prior to the signing of the binding agreement could prevent the agreement from being entered into and the Transaction from taking place.

On July 30, 2025, at 08:41, the restriction on reporting was lifted.