

Elron Ventures Ltd.
(the "Company")

December 1, 2022

Israel Securities Authority
22 Kanfei Nesharim Street
Jerusalem 9546434
(Via Magna)

Tel Aviv Stock Exchange Ltd.
2 Ahuzat Bayit Street
Tel-Aviv 6525216
(Via Magna)

Re: Immediate Report on the Convening of an Annual General Meeting of the Shareholders of the Company

An immediate report is hereby made (the "**Report**") in accordance with the Israel Companies Law, 5759-1999 (the "**Companies Law**"), the Israel Securities Law, 5728-1968 (the "**Securities Law**"), the Israel Securities Regulations (Immediate and Periodic Reports), 5730-1970 (the "**Report Regulations**"), the Israel Companies Regulations (Notice and Announcement of General Meetings and Class Meetings in a Public Company and the Addition of an Issue to the Agenda), 5760-2000 (the "**Notice and Announcement Regulations**"), concerning the summoning of an annual general meeting of the shareholders of the Company, which will be held on **December 28, 2022**, at 15:30 (Israel time), in the Company's offices at ToHa Tower, 114 Yigal Alon St., 27th Floor, Tel Aviv, Israel, whose agenda shall consist of the items described in this Report below.

1. Issues on the Agenda and Summary of the Resolutions Proposed Thereon:

1.1. Item 1 - Election of Directors Who Hold Office at the Company (and Are Not External Directors)

Proposed Resolution: To re-appoint the following directors, in addition to the external directors who hold office at the Company: Dan Hoz (chairman), Nataly Mishan Zakai, Eyal Eshed and Shalom Turgeman (independent director), as directors of the Company for an additional term to commence on the date their appointment is approved by the general meeting being summoned according to this Report, and to end on the date of the Company's next annual general meeting.

Each nominee shall be voted for separately.

The nominees to be directors at the Company, as listed above, have provided the Company with declarations in accordance with Section 224B of the Companies Law, of which copies are attached as **Annex A and B** to this immediate report.

Details of the directors nominated for re-appointment

Name:	Dan Hoz
ID No:	027860824
Date of Birth:	10.07.1970
Address for service of process:	HaHita 8, Bnei-Atarot
Citizenship:	Israel
Membership on board of directors' committees:	No
Is he/she an external director or an independent director:	No
Accounting and financial expertise; professional competency or an expert external director:	Accounting and financial expertise
Director is an employee of the Company, any subsidiary, associate company of the Company or of a related party:	No
Date in which became director:	08.06.2021 (commencement of service as Chairman of the Board: 14.11.2021)
Education:	BA in Accounting and Economics, Ben-Gurion University MBA in Business, Ben-Gurion University
Occupation over the last 5 years:	CEO, Mentor Graphics Israel Ltd, from 2017 VP, Siemens Digital Industries Software, from 2017
Serve as a Director in other companies:	Director in AlphaVee
a family member of other related party in the Company	No

Name:	Nataly Mishan Zakai
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ID No:	031781180
Date of Birth:	08.09.1974
Address for service of process:	ToHa Tower, 114 Yigal Alon St, Tel Aviv
Citizenship:	Israel
Membership on board of directors' committees:	No
Is he/she an external director or an independent director:	No
Accounting and financial expertise; professional competency or an expert external director:	No
Director is an employee of the Company, any subsidiary, associate company of the Company or of a related party:	CEO, Discount Investment Corporation Ltd, the Company's controlling shareholder CEO, Property and Building Corporation Ltd. (since 1.7.2022)
Date in which became director:	09.08.2022
Education:	LLB, Tel Aviv University LLM, in Commercial Law, Tel Aviv University
Occupation over the last 5 years:	Legal Counsel, Harel Investments in Insurance and Financial Services Ltd (August 2014 to May 2022) Chairman, Harel's Pension and Provident Funds group companies (until May 2022) CEO, Discount Investment Corporation Ltd. (since July 2022) CEO, Property and Building Corporation Ltd. (since July 2022)
Serve as a Director in other companies:	Chairman, Cellcom Israel Ltd Chairman, Mehadrin Ltd. Director, Gav-Yam Lands Corporation Ltd. Director, Epsilon Investments House Ltd. Director, Epsilon Underwriting & Issuing Ltd. Director in additional private companies held by Property and

	Building Corporation Ltd.
A family member of other related party in the Company	No

Name:	Eyal Eshed
ID No:	024641185
Date of Birth:	02.01.1970
Address for service of process:	HaTamar 18, Bnei-Atarot
Citizenship:	Israel
Membership on board of directors' committees:	No
Is he/she an external director or an independent director:	No
Accounting and financial expertise; professional competency or an expert external director:	Accounting and financial expertise
Director is an employee of the Company, any subsidiary, associate company of the Company or of a related party:	No
Date in which became director:	April 5 2022
Education:	BA Computer Science, Reichmann University (IDC), Herzliya EMBA by Northwestern University of Chicago and Tel Aviv University.
Occupation over the last 5 years:	Co-Founder & CEO, SpeakingPal (since 2009) Co-Founder& Chairman, Indusify (2017 until 2021)
Serve as a Director in other companies:	SpeakingPal Ltd.
A family member of other related party in the Company	No

Name:	Shalom Turgeman
ID No:	059214452
Date of Birth:	28.05.1965
Address for service of process:	ToHA Building, 114 Yigal Alon, Tel Aviv
Citizenship:	Israel
Membership on board of directors' committees:	Audit committee and compensation committee
Is he/she an external director or an independent director:	Independent director
Accounting and financial expertise; professional competency or an expert external director:	No
Director is an employee of the Company, any subsidiary, associate company of the Company or of a related party:	No
Date in which became director:	7.12.2020
Education:	Master of Business Administration (EMBA), Tel Aviv University Graduate of Political Science, and Islamic studies and the Middle East, the Hebrew University
Occupation over the last 5 years:	Managing Partner in an Israeli-Chinese investment fund GEOC (from 2013 until today); Consultant in Israeli consulting company EOC (from 2009 until today)
Serve as a Director in other companies:	No
A family member of other related party in the Company	No

1.2. Item 2 – **Reappointment of the Company's Auditors and Authorization of the Company's Board of Directors and Audit Committee, Insofar Required, to Determine the Fees Thereof**

The Company implements the proposed directors' code of conduct to enhance

the quality of the financial statements audit (best practice) published by the Securities Authority in October 2021, and has further established a procedure for the appointment of the Company's auditors and for determining the fees thereof. In this respect, on November 8, 2022, the audit committee received the Company's auditors' explanations with respect to the capabilities and expertise of the audit team, its compliance with the independence rules applying on the auditors and the efforts allocated for the audit. In addition, the audit committee discussed the proposed reappointment of the auditors, learned about the company's management position, including in relation to the auditors' fee and scope of work, and has recommended to reappoint the auditors. Such recommendation was approved by the Company's board of directors in its meeting on November 13, 2022. The auditing firm is reputable, is considered one of the leading accounting firms in Israel and is one of the Big 4. In accordance with the Company's articles of association, the auditors' fee for audit work shall be determined by the board of directors. The board of directors shall report the auditors' fee to the general meeting of shareholders.

Proposed Resolution: Reappointment of the accounting firm Kesselman & Kesselman (PwC) as the Company's auditors for an additional term until the Company's next annual general meeting, and to authorize the Company's Board of Directors and Audit Committee, insofar required, to determine their fees as auditors.

1.3. Item 3 - **Report to the Annual General Meeting on the Auditors' Fees for 2021**

No resolution is required on this matter.

1.4. Item 4 – **Discussion on the Company's Annual Reports for 2021**

No resolution is required on this matter.

2. **Record Date**

The record date entitling a shareholder to participate in and vote at the general meeting, in accordance with Section 182 of the Companies Law, is on December 8, 2022 (henceforth: the "**Record Date**"). If there is no trading on the Record Date, the record date will be the last trading day preceding such date.

3. **Legal Quorum and Adjourned Meeting**

A legal quorum shall be constituted when at least two shareholders, holding collectively more than 33.3% of the issued shares conferring voting rights in the Company, are present in person or by proxy, within half an hour from the time set for the meeting to begin. If a quorum is not present in the general meeting within half an hour from the time set for the meeting to begin, the meeting shall stand adjourned to next week on the same day at the same time and place. If a legal quorum is not present at the adjourned meeting within half an hour from the time set for the meeting, then one shareholder, holding at least 25% of the issued share capital of the Company, present in person or by proxy, shall constitute a legal quorum.

4. **Required Majority**

The required majority for the approval of the proposed resolutions set forth in Sections 1.1 and 1.2 above is a majority of the shareholders who are entitled to vote and who voted at the meeting, in person or by proxy (including via ballot) or through the internet voting system.

To the best of the Company's knowledge, as of the date of this Report, the Company's controlling shareholder, Discount Investment Corporation Ltd., a public company whose shares are traded in the Tel Aviv Stock Exchange Ltd and which information is available to the public¹, holds approximately 60.08% of the Company's outstanding share capital and voting rights, a holding percentage that confers the controlling shareholder the required majority for the approval of the issues on the agenda.

5. **Manner of Voting**

5.1. A shareholder of the Company is entitled to vote in person, to appoint a proxy, who may participate in the general meeting and vote on such shareholder's behalf (in accordance with the Company's Articles of Association) and is entitled to vote via ballot or through the internet voting system.

5.2. A document appointing a proxy ("**Letter of Appointment**") as well as an original power of attorney authorizing the execution of the Letter of Appointment (if any), must be deposited in the Company's registered offices at least 48 hours prior to the Record Date. The Letter of Appointment must specify the full names of the appointing shareholder and the proxy voting on such shareholder's behalf as they appear in the Registrar of Companies or Identity Card (as applicable), their corporation number or identification number (as applicable), and their place of incorporation or country of passport issue (as applicable).

5.3. In accordance with the Israel Companies Regulations (Proof of Share Ownership for Voting at the General Meeting), 5760-2000, a shareholder whose share is registered with a TASE member and such share is included in the Company's Shareholders Register in the name of the nominee company, who wishes to vote at the meeting, will provide the Company with proof of ownership of the share as of the Record Date, obtained from the TASE member with whom the share is registered, as required by said regulations.

6. **Confirmation of Ownership**

A shareholder whose shares are registered with a TASE member is entitled to receive ownership confirmation from such TASE member, at the TASE member's branch or via post to his address, upon request, provided such request was made in advance for a specific securities account. According to the Israel Companies Regulations (Voting in Writing and Position Statements) 5766-2005 (the "**Voting**

¹ For additional details regarding the holdings of Discount Investments Corporation Ltd., see immediate report on the related parties' and senior officers' holdings, published by the Company on October 12, 2022 (ref. no. 2022-01-102444)

Regulations"), an authorized electronic message according to Section 44K5 of the Securities Law which concerns the data of the internet voting system's users, is tantamount to a confirmation of ownership regarding every shareholder included therein.

7. Voting via the Internet Voting System

- 7.1. A non-registered shareholder may also vote on the resolutions on the agenda by submitting a ballot via the internet voting system as defined in the Voting Regulations (henceforth: "**Electronic Ballot**").
- 7.2. A shareholder whose share is registered with a TASE member is entitled to receive an identifying number and access code as well as additional information related to the meeting from the TASE member, and following a secure identification process may vote via the internet voting system. A shareholder who votes by Electronic Ballot is not required to provide the Company with a certificate of ownership in the manner specified above.
- 7.3. The Electronic Ballot will open for voting at the end of the Record Date. Voting via the internet voting system will close **6 hours prior to the time set for the meeting** (i.e., by **December 28, 2022, at 09:30**), at which time the internet voting system will be closed.
- 7.4. The electronic voting may be amended or cancelled up until the internet voting system is closed, after which it will not be possible to change it via the internet voting system. Should a shareholder vote via more than one method, the later vote will be counted. In this regard, a vote cast in person or by proxy will be considered to have been cast later than a vote cast by Electronic Ballot.

8. Changes in the agenda; the deadline for submission of a request to add an issue to agenda by a shareholder

After the publication of this Report, there may be changes in the agenda, including adding an issue to the agenda. In such a case, it will be possible to review the latest agenda and position statements in the Company's reports that will be published on the Distribution Website and on the TASE Website.

A shareholder's request under section 66(b) of the Companies Law to include an issue in the agenda of the General Meeting shall be furnished to the Company up to seven (7) days after the general meeting is convened. If such a request is made, the issue may be added to the agenda and its details will appear on the Distribution Website. In such a case, the Company will publish a revised summon no later than seven days after the deadline for the submission of a shareholder's request to include an issue on the agenda, as stated above.

9. Inspection of Documents

A copy of this Report, the relevant documents pertaining to the resolutions on the agenda, and the proposed resolutions are available for inspection at the Company's offices at ToHa Tower, 114 Yigal Alon St., 27th Floor, Tel Aviv, Israel after prior

coordination with the Company's secretariat, at 972-3-6075555, Sunday through Thursday (excluding holidays and the eves of holidays) between 09:00 and 16:00, until the date of the meeting, as well as on the Distribution Website and on the TASE Website.

In addition, this English translation of this Report will appear also on the Company's website at:

<https://www.elron.com>.

**Sincerely,
Elron Ventures Ltd.**

Identity of the signatories to the report on behalf of the Company and their role:

Yaron Elad, CEO

Niv Levy, CFO

Annex A – Affidavits of the proposed directors (available on request)

Annex B – Affidavit of the proposed independent director (available on request).