

Translation of Immediate Report Filed by Elron on October 5, 2026, with the Israeli Securities Authority

Re: Update Regarding Controlling Shareholders Loan

Further to the immediate report published by the Company on August 31, 2026 [Reference No. 2026-01-081726], concerning an update received from its controlling shareholder, Arieli EL Ltd. (hereinafter: "Arieli"), regarding media reports about the status of a loan obtained by Arieli from an institutional lender against a pledge of its shares in the Company (hereinafter: the "Controlling Shareholder's Lender") and the steps Arieli is taking to resolve the matter, the Company hereby reports that it was copied on letters exchanged between legal counsel representing shareholders of Arieli, on behalf of Ms. Lisyah Bahar Manoah (who serves as Chairperson of the Company's Board of Directors), on the one hand, and on behalf of Mr. Evan Yonatan Renov and Mr. Ariel Bentov (who serve as directors of the Company), on the other hand (hereinafter: the "Letters"). The Letters raised various allegations, substantially all of which are unrelated to the Company's business and are not directed at the Company, including allegations concerning the state of affairs with the Controlling Shareholder's Lender.

Following receipt of the Letters, the Company approached counsel who, to the best of its knowledge, is authorized to represent Arieli, requesting a response and an update regarding the foregoing. Counsel informed the Company that Arieli had transferred a substantial sum to the Controlling Shareholder's Lender, thereby reducing the loan-to-value (LTV) ratio of the debt, and that, accordingly, the deadline for repayment of the debt and/or cure of the breaches had been extended until the end of October 2026. Counsel further stated that Arieli is working to settle the outstanding debt, in the hope that the matter will be resolved during the coming month.

The information contained in this report includes, among other things, forward-looking information, as defined in the Securities Law, which may or may not materialize for various reasons.