

**ELBIT IMAGING ANNOUNCES THE SIGNING OF AN AGREEMENT FOR THE SALE OF UP TO 25% OF THE SHARE CAPITAL OF ELBIT MEDICAL LTD.**

**Tel Aviv, Israel, February 7, 2019, Elbit Imaging Ltd. (TASE, NASDAQ: EMITF) ("Elbit" or the "Company")** announced today that it has signed a Share Purchase Agreement ("**SPA**") with an SPV related to the Exigent Capital Group ("**SPV**") for the sale of between 3,760,417 ordinary shares of Elbit Medical Technologies Ltd. ("**Elbit Medical**") (1.6% of its outstanding share capital) and 57,968,760 ordinary shares of Elbit Medical (25% of its outstanding share capital) (the "**Maximum Quantity**").

Under the terms of the SPA, the SPV is to purchase an aggregate number of between 3,760,417 and 28,984,380 shares of Elbit Medical for a price per share of NIS 0.96 (\$0.26 based on the NIS-US\$ representative rate of exchange as of today) on or before March 18, 2019 (the "**Initial Closing**").

During the period from the Initial Closing until May 13, 2019, the SPV may purchase additional shares up to the Maximum Quantity (including the shares purchased at the Initial Closing), for a price per share of NIS 1.02 (\$0.28 based on the NIS-US\$ representative rate of exchange as of today) ("**Per Share Price**"), but it is not obligated to do so.

If, prior to May 13, 2019, the Company receives a binding, irrevocable offer from a third party to acquire Elbit Medical shares for a price per share (the "**Offer Price**") at least 7.5% higher than the Per Share Price, then the SPV shall have the right of first refusal ("**Right of First Refusal**").

In addition, in such event, the SPV shall have the right to tag-along with such sale of shares to the offeror. In the event that the SPV does not exercise its Right of First Refusal, the SPV shall be entitled to compensation as specified in the SPA.

As previously disclosed, under a previous Share Purchase Agreement, dated August 7, 2018 (the "**Previous SPA**"), the Company has sold to entities related to Exigent Capital Group a total of 60,087,537 shares of Elbit Medical, constituting approximately 26% of the Elbit Medical's issued and outstanding share capital.

The parties also amended the three-year voting agreement (that was signed together with the Previous SPA) regarding the appointment of directors in Elbit Medical.

During the term of the amended voting agreement, commencing May 13, 2019, each party shall have a right of first offer with respect to any sale of shares by the other party, subject to certain exceptions.

*This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be preceded by the words "intends," "may," "will," "plans," "expects," "anticipates," "projects," "predicts," "estimates," "aims," "believes," "hopes," "potential" or similar words and includes relating to the possibility of completing the transaction with the SPV. Forward-looking statements are based on certain assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company's control, and cannot be*

*predicted or quantified and consequently, actual results may differ materially from those projected, expressed or implied in the forward-looking statements. Such risks and uncertainties include, without limitation, the risk that the SPV will be unable to complete the transaction and purchase Elbit Medical shares. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission (SEC), including the Company's Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 27, 2018. Any forward-looking statements contained in this press release speaks only as of the date of this press release, and we caution existing and prospective investors not to place undue reliance on such statements. Such forward-looking statements do not purport to be predictions of future events or circumstances, and therefore, there can be no assurance that any forward-looking statement contained in this press release will prove to be accurate. We undertake no obligation to update or revise any forward-looking statements.*

**About Elbit Imaging Ltd.**

Elbit Imaging Ltd. operates in the following principal fields of business: (i) medical industries through our indirect holdings in Insightec Ltd. and Gamida Cell Ltd.; and (ii) land in India which is designated for sale (and which was initially designated for residential projects).

**For Further Information:**

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