



THE TRENDLINES GROUP LTD.

(Incorporated in Israel)

(Company Registration No. 513970947)

Questions and Answers Provided by the Trendlines Group Ahead of Upcoming Annual General Meeting and Special General Meeting

The Board of Directors (“**Board**”) of The Trendlines Group Ltd. (“**Trendlines**” or the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to address questions received from shareholders prior to the upcoming annual general meeting for its financial year ended 31 December 2020 (“**AGM 2021**”) and the special general meeting (“**SGM 2021**”) to be held by way of electronic means on 22 April 2021. It is customary for shareholders to utilize the annual general meetings and special general meetings of the Company as an opportunity to direct questions to the Company’s management with respect to the recently published [Annual Report 2020](#) or regarding the resolutions to be presented at the [AGM 2021](#) and the [SGM 2021](#).

The questions received from shareholders as at 13 April 2021 and the Company’s response to these questions are as follows:

- 1. With regards to the plans for dual primary listing in Tel Aviv, what valuation metrics (e.g. price to book ratio) can we expect? What will be the size and price guidance of the planned issuance of shares? Will management commit to an issuance price which is much closer to NAV? The previous placement exercise was supposed to have raised adequate capital to cover at least a couple of years. If we were to add the proceeds from the sale of ApiFix and this latest sale, the Company has no need to raise additional capital other than to facilitate the dual listing exercise.**

The proposed dual primary listing on the Tel Aviv Stock Exchange (“**TASE**”) is being examined and will continue to be considered for all factors until such time as the Board determines to proceed with or terminate the listing plan. Offering size, price guidance, and valuation metrics have not yet been decided. Announcements relative to these matters will be made on SGXNET as and when appropriate.

Our decision to examine a listing and offering on the TASE was taken in consideration of, inter alia, the following:

- The Israeli capital market is attractive for technology companies and has garnered growing interest from institutional investors.

- Listings on both the SGX-ST and TASE provide access to two different equity markets and provides more convenient trading options for investors.
- The proposed TASE listing may strengthen fund-raising opportunities, broaden our shareholder base, and provide an additional source of capital to support growth.

The need to raise more capital and why this should be considered:

- Being in a position to make follow-on investments in a portfolio company that we identify as having great potential is critical to our business model profits. This gives us the opportunity of investing larger sums at critical stages, keeping our equity high and achieving greater gains at exit events or IPOs.
- Competition for deal flow is growing. Having more capital to invest makes us more competitive.
- As “insider” investors, we can take advantage of our position as informed investors.
- Follow-on investing reduces dilution of our holdings and increases our profit in an exit event.
- Being able to participate in an investment round signals commitment to potential co-investors.
- Shortening the time to close an investment round allows portfolio company management to focus on the development of the business instead of consuming energy with fund-raising activities.
- Having the capital on hand enables greater pre-inflection investment at lower company valuations, giving us a bigger slice of the pie at a lower cost.

2. With the Company’s inability to generate distributable profits, why are the co-Chairs and CEOs paid S\$1 million?

The Board and the Board’s Remuneration Committee have determined that our CEOs play a critical role in building and leading the Group. We are currently invested in ~58 portfolio companies which consists of young companies that require experienced managerial attention.

The CEOs’ salaries are benchmarked to comparable companies. In evaluating the compensation terms for the CEOs, the Remuneration Committee and the Board reviewed benchmark information relating to the compensation of chief executive officers and, separately, on chairmen of the boards of directors of peer group companies. The evaluation was based on surveys conducted by an independent international professional services firm (the “**Benchmark Information**”). The Remuneration Committee and Board have determined that the proposed CEO compensation package for the financial year ended 31 December 2020 is in line with the Benchmark Information.

BY ORDER OF THE BOARD

Haim Brosh

Chief Financial Officer and Joint Company Secretary

19 April 2021

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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GENERAL ANNOUNCEMENT::QUESTIONS AND ANSWERS AHEAD OF UPCOMING AGM AND SGM

Issuer & Securities

Issuer/ Manager

THE TRENDLINES GROUP LTD.

Securities

THE TRENDLINES GROUP LTD. - IL0011328858 - 42T

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Questions and Answers Ahead of Upcoming AGM and SGM

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Submitted By (Co./ Ind. Name)

Haim Brosh

Designation

Joint Company Secretary