CIRCULAR DATED 07 JANUARY 2019

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action that you should take, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of The Trendlines Group Ltd. (the "**Company**") represented by physical share certificate(s), you should at once hand this Circular, together with the Notice of Special General Meeting and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this Circular. This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms. Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).



The Trendlines Group Ltd.

(Incorporated in Israel)
(Company Registration No. 513970947)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

1. **RE-ELECTION OF EXTERNAL DIRECTORS, NAMELY PROFESSOR HANG CHANG CHIEH AND MS. ELKA NIR**

2. **APPROVAL OF THE MANAGEMENT BY OBJECTIVES PLAN FOR THE COMPANY'S CHIEF EXECUTIVE OFFICERS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019**

3. **RENEWAL AND AMENDMENT OF THE COMPANY'S COMPENSATION POLICY**

4. **PROPOSED AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION**

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	:	11 February 2019 at 2:00 p.m. (Singapore time)
Date and time of Special General Meeting	:	13 February 2019 at 2:00 p.m. (Singapore time)
Venue of Special General Meeting	:	Suntec City Convention Centre, Meeting Room 327, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593

CONTENTS

		Page
DEFINITIONS		3
LETTER TO SHAREHOLDERS		6
I.	**INTRODUCTION**	6
II.	**RE-ELECTION OF EXTERNAL DIRECTORS**	6
III.	**APPROVAL OF THE MBO PLAN FOR THE CEOS FOR FY2019**	9
IV.	**RENEWAL AND AMENDMENT OF THE COMPANY'S COMPENSATION POLICY**	11
V.	**PROPOSED AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION**	13
VI.	**THE SPECIAL GENERAL MEETING AND SHAREHOLDERS' APPROVAL**	16
VII.	**RECOMMENDATION**	18
VIII.	**DIRECTORS' RESPONSIBILITY STATEMENT**	18
IX.	**DOCUMENTS AVAILABLE FOR INSPECTION**	18
NOTICE OF SPECIAL GENERAL MEETING		19
APPENDIX A		21
APPENDIX B		29
APPENDIX C		39
PROXY FORM		

DEFINITIONS

In this Circular, unless the context otherwise requires, the following expressions have the following meanings:

"**Articles of Association**" or the "**AOA**"	The articles of association of the Company (as amended from time-to-time)
"**Audit Committee**"	The audit committee of the Company
"**Board**" or the "**Board of Directors**"	The board of directors of the Company as at the date of this Circular
"**Catalist**"	The Catalist Board of the SGX-ST
"**Catalist Rules**"	The SGX-ST Listing Manual Section B: Rules of Catalist
"**CEOs**"	The Company's Chief Executive Officers, namely Messrs. David Todd Dollinger and Stephen Louis Rhodes
"**Circular**"	This circular to Shareholders dated 07 January 2019
"**Companies Law**"	Israel's Companies Law 5759-1999 (as amended from time-to-time)
"**Company**"	The Trendlines Group Ltd.
"**Compensation Policy**"	A compensation policy with respect to the terms of office and employment of the Executives and Directors, adopted by the Shareholders on 2 August 2016.
"**Controlling Shareholder(s)**"	A "controlling shareholder" is defined in the Companies Law as a shareholder with the ability to direct the activities of the company, other than by virtue of being a director or holding any other position with the company. A shareholder is presumed to be a controlling shareholder if the shareholder holds 50.0% or more of the "means of control" in the company. The term "means of control" is defined under the Israeli Securities Law as voting rights in a company's general meeting or the right to appoint the directors of the company or its general manager. With respect to certain matters, a controlling shareholder is deemed to include a shareholder that holds 25.0% or more of the voting rights in a public company if no other shareholder holds more than 50.0% of the voting rights in such company
"**Director(s)**"	The director(s) of the Company as at the date of this Circular
"**Disinterested Majority**"	A majority that includes at least a majority of the shares held by all Shareholders who are not Controlling Shareholders and who do not have a personal interest in such resolution, present and voting at such meeting (and without including any abstaining votes) or the total number of shares of non-Controlling Shareholders and shareholders who do not have a personal interest in such resolution voting against the resolution does not exceed 2.0% of the aggregate voting rights in the Company
"**Executives**"	Office Holders, excluding Non-Executive Directors

"**Expense Reduction Plan**"	The expense reduction plan implemented by the Company in order to reduce its operating expenses for the financial year ended 31 December 2018, as further described in the Company's announcement dated 30 October 2017
"**Exit Event**"	The occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events with respect to a portfolio company: (i) a sale or other conveyance of all or substantially all of the assets of the portfolio company (including the grant of an exclusive license covering all or substantially all of the intellectual property rights of the portfolio company not in the ordinary course of business); (ii) a sale or other disposition of at least fifty percent (50%) of the outstanding securities of the portfolio company; (iii) a merger, consolidation or similar transaction following which the portfolio company is not the surviving corporation
"**External Director**"	Defined in pages 297-300 to the Offer Document
"**FY2019**"	The financial year ending 31 December 2019
"**IPO**"	The initial public offering by the Company for the admission of the Company's Shares for trading on the Catalist of the SGX-ST
"Key Management Personnel"	The CEO, Executives and other persons having authority and responsibility for planning, directing and controlling the activities of the Company
"**MBO**"	Management by Objectives, which is a management model that aims to improve performance of an organization by clearly defining objectives for a specific period of time
"Non-Executive Director"	A Director of the Company not holding office in an executive capacity in the Company at the date of this Circular
"**Offer Document**"	The Company's Offer Document registered with the SGX-ST on 16 November 2015 in connection with the Company's IPO
"**Office Holder**"	Executive Director, Chief Executive Officer, Key Management Personnel, and any senior executive directly subordinate to the Chief Executive Officer
"**Remuneration Committee**"	The remuneration committee of the Company
"**Remuneration Regulations**"	As promulgated under the Companies Law
"**SGM**"	The special general meeting of the Company to be held at Suntec City Convention Centre, Meeting Room 327, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 13 February 2019 at 2:00 p.m. (Singapore time), or any adjournment thereof
"**SGX-ST**"	Singapore Exchange Securities Trading Limited

"**Shares**"	The Company's ordinary share(s) in the registered share capital of the Company with a par value of NIS 0.01 per share
"**Shareholder(s)**"	The holder(s) of the Company's Share(s) in the registered share capital of the Company
"Special Majority"	A simple majority of votes of the Shareholders which satisfies one of the following conditions (i) such majority is a Disinterested Majority; or (ii) the total number of shares of non-Controlling Shareholders and shareholders who do not have a personal interest in such election (other than a personal interest which is not derived from a relationship with a controlling shareholder) voting against the resolution does not exceed 2.0% of the aggregate voting rights in the Company
"NIS" and "cents"	New Israel Shekel dollar and cents, respectively
"SGD" and "cents"	Singapore dollars and cents, respectively
"US$" and "cents"	United States dollars and cents, respectively

The terms "**Depositor**", "**Depository**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore or any statutory modification thereof, as the case may be.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

The headings in this Circular are inserted for convenience purposes only and shall be ignored in construing this Circular.

Unless stated otherwise, any reference to a time of day in this Circular shall be a reference to Singapore time.

The Trendlines Group Ltd.

(Incorporated in Israel)
(Company Registration No. 513970947)

Board of Directors

David Todd Dollinger	(Chairman and Chief Executive Officer)
Stephen Louis Rhodes	(Chairman and Chief Executive Officer)
Zeev Bronfeld	(Non-Executive Director)
Elka Nir	(Lead Independent Director)
Stephen Philip Haslett	(Independent Director)
Hang Chang Chieh	(Independent Director)

Registered Office:

17 T'chelet Street
Misgav Industrial Park
2017400, Israel

07 January 2019

To: The Shareholders of The Trendlines Group Ltd.

Dear Sir/Madam,

I. INTRODUCTION

The Directors are proposing to convene the SGM to be held on Wednesday, 13 February 2019 at 2.00 p.m. to seek Shareholders' approvals in relation to the following matters:

1. Re-election of External Directors, namely Professor Hang Chang Chieh ("Professor Hang") and Ms. Elka Nir ("Ms. Nir");

2. Approval of the Management by Objectives plan for the Company's CEOs for FY2019;

3. Renewal and amendment of the Company's Compensation Policy; and

4. Proposed amendment to the Articles of Association.

The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the matters set out above and to seek Shareholders' approval at the SGM as set out in the Notice of SGM on pages 19-20 of this Circular.

The Sponsor and the SGX-ST takes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this Circular.

II. RE-ELECTION OF EXTERNAL DIRECTORS

Under the Companies Law, the shareholders of public companies must elect, by a Special Majority, at least two (2) members of the board of directors who qualify as "External Directors" under the Companies Law. Each External Director is appointed for a term of three (3) years, which may be extended for two (2) additional terms of three (3) years each, subject to the requirement of the Companies Law. In addition, under the Companies Law, all of the External Directors of a company must serve on its Audit Committee and Remuneration Committee, and at least one External Director must serve on each other committee of the Board of Directors.

Ms. Nir and Professor Hang are the Company's External Directors under the Companies Law. The current term of office of both Ms. Elka Nir and Professor Hang Chang Chieh will expire on February 24, 2019. The Board is pleased to inform the Shareholders that Ms. Elka Nir and Professor Hang Chang Chieh, have been nominated to serve as the Company's External Directors in accordance with the Companies Law for an additional period of three (3) years.

Under the Companies Law, at least one (1) of the External Directors must have "accounting and financial expertise" and the rest of the External Directors must have either "professional competence" or "accounting and financial expertise". The conditions and criteria for a director qualifying as having accounting and financial expertise or professional competence are set out in regulations adopted under the Companies Law. The Board is charged with determining whether a director possesses accounting and financial expertise or professional qualifications. For further details regarding the requirements of the Companies Law relative to appointment of an External Director, please refer to pages 294-300 of the Offer Document.

Under the Companies Law, a resolution to appoint External Directors must be adopted by a Special Majority of the votes cast at a general meeting.

According to the Remuneration Regulations, External Directors are generally entitled to an annual fee, a participation fee for each meeting of the Board or any committee of the Board of Directors on which he or she serves as a member, and reimbursement of travel expenses for participation in a meeting which is held outside of the External Director's place of residence. The minimum, fixed and maximum amounts of the annual and participation fees are set forth in the Remuneration Regulations, based on the classification of a company according to the amount of its capital. A company may also compensate an External Director in shares or rights to purchase shares, other than convertible debentures which may be converted into shares, subject to certain limitations.

According to the Remuneration Regulations, the remuneration of External Directors will not be amended throughout the three-year period during which he or she is in office.

The Board, at its meeting held on 2 November 2015, and Shareholders, at the general meeting held on 11 November 2015, resolved that during their first term of service as External Directors, the External Directors shall receive remuneration in the form of the fixed amounts of the annual fees set forth in the Remuneration Regulations and the same participation fees per meeting paid to them up to the date of convening this SGM, based on the classification of the Company according to the size of its capital, currently: NIS 49,380 (approximately SGD 18,035 based on the SGD/NIS Exchange Rate as of 23 December 2018 as an annual fee, NIS 2,575 (approximately SGD 940 based on the SGD/NIS Exchange Rate as of 23 December 2018) as in-person participation fee, NIS 1,545 (approximately SGD 564 based on the SGD/NIS Exchange Rate as of 23 December 2018) for conference call participation, NIS 1,287.50 (approximately SGD 470 based on the SGD/NIS Exchange Rate as of 23 December 2018) for written resolutions, and reimbursement of travel expenses for participation in a meeting which is held outside of the External Director's place of residence. The Directors are also entitled to indemnification and exculpation from the Company as detailed in pages 275-281 of the Offer Document. The Company's Remuneration Committee and Board, at their separate meetings held 8 November 2018, resolved that the External Directors shall continue to receive remuneration in the form of such fixed amounts.

Based on, inter alia, the business and working experience of each of the proposed External Directors as described below, the Board has determined that Ms. Nir has "accounting and financial expertise" and Professor Hang has "professional competence" as required under the Companies Law. If re-elected, Ms. Nir will remain as Lead Independent Director, Chairman of the Company's Audit Committee and Remuneration Committee and a member of the Company's Nominating Committee, and Professor Hang will remain as a member of the Company's Audit Committee, Remuneration Committee and Nominating Committee. Both Ms. Nir and Professor Hang will be considered independent for the purpose of Rule 704(7) of the Catalist Rules. There are no relationships (including immediate family relationships) between Ms. Nir and the other Directors, or the Company, or its 10% Shareholders. Also, there are no relationships (including immediate family relationships) between Professor Hang and the other Directors, or the Company, or its 10% shareholders. Ms. Nir and Professor Hang have abstained from voting on any board resolution in respect of their proposed re-appointment as an External Director of the Company.

The Company's Nominating Committee (with Ms. Nir and Professor Hang abstaining from all discussions and decisions concerning their respective appointments) has reviewed, at its meeting held on 8 November 2018, the experience, independence, and the past and contemplated contribution of each of Ms. Nir and Professor Hang and resolved that each of Ms. Nir and Professor Hang provide to the Company beneficial service and advice. Moreover, given the Company's nature of business and scope of activities, and the fact that the Company is a company incorporated under Israeli law, managed in Israel, and listed on the Catalist of SGX-ST, and considering the specific expertise, and understanding expected from and provided by each of Ms. Nir and Professor Hang, the Company's Nomination Committee is of the opinion that the Company and its Shareholders shall benefit from the service of each of Ms. Nir and Professor Hang as External Directors of the Company.

Ms. Nir's bio

Ms. Nir is the founder and CEO of E.LeadIN Ltd., a company that provides business, strategy, marketing, strategic alliances, and investment consultancy services. In addition, she is the CEO of Carmel Ltd. (the economic corporation of Haifa University, Israel), where she is responsible for, among other things, leading commercial and business activities and where she founded and serves as the CEO of Carmel Innovations Ltd., a microfund that invests in projects from Haifa University, Israel. She holds directorships in Carmel Innovations Ltd.'s subsidiaries as well as in several other companies. She served as the VP marketing, sales, and customer support at a subsidiary of GE Medical before joining General Electric Medical, Israel, as their VP engineering and research. She was the COO and director of development and operations at Biosense Webster (Israel), Ltd., a subsidiary of Johnson & Johnson. She was the managing director and general partner of Giza Venture Capital Fund ("Giza VC Fund"), a venture capital fund that invests in innovative high-tech and life sciences companies and where she was a member of Giza VC Fund's investment committee and had strong connections to its global investors, specifically in Asia. Ms. Nir served as a board director and investment committee member at Van Leer Technology Ventures, a technological incubator that invests in innovative medical and information technology companies. She received her BSc in computer sciences from the Technion Israel Institute of Technology and her diploma (magna cum laude) in business administration from the University of Haifa, Israel

Professor Hang's bio

Professor Hang is currently the executive director of the Institute for Engineering Leadership at the National University of Singapore ("NUS"), a position he has served in since its founding in 2011. Professor Hang worked as a computer and systems technologist in the Shell Eastern Petroleum Company (Singapore) and the Shell International Petroleum Company (The Netherlands) from 1974 to 1977 before joining NUS. Professor Hang served in various positions in NUS, including the Vice-Dean of Engineering, head of the Department of Electrical Engineering and Deputy Vice Chancellor (Research and Business Ventures). Professor Hang was seconded to the Agency for Science, Technology and Research ("A*STAR") and acted as A*STAR's executive deputy chairman. Upon completion of the secondment to A*STAR, Professor Hang returned to NUS in January 2004 as the Founding Director of the Centre for Management of Science and Technology, Faculty of Engineering. He served as the founding head, Division of Engineering & Technology Management, Faculty of Engineering, NUS, from 2007 to 2016. Professor Hang has served as a board member of several public organizations, including his appointment as the founding deputy chairman of Singapore's National Science and Technology Board, founding chairman of the Intellectual Property Office of Singapore, founding chairman of the IP Academy of Singapore, and a member of the board of trustees of the Singapore Institute of Technology. Professor Hang received his PhD in control engineering from the University of Warwick and a BEng (Hons) from NUS.

Announcements of appointment which provide further information on Ms. Nir and Professor Hang in accordance with Appendix 7F of the Catalist Rules are attached to this Circular as **Appendix A**.

III. APPROVAL OF THE MBO PLAN FOR THE CEOs FOR FY2019

Under the Companies Law, Israeli public companies are required to seek the approval of the Remuneration Committee and Board, and a Disinterested Majority of the Shareholders[1] for CEO terms of office, including bonus plans. Where the Company's CEOs meet their targets for FY2019, any bonus payments proposed to be made to the CEOs following the bonus plan approval of the SGM, must additionally be brought for approval in FY2019 before the Company's Remuneration Committee (comprised entirely of independent directors and the Board without the presence of the CEOs).

At their separate Remuneration and Board meetings held on 8 November 2018, the Remuneration Committee and Board have approved, in accordance with the provisions of the Companies Law and the Compensation Policy, a program of Management by Objectives for all office holders of the Company, including the Company's CEOs (the "**2019 MBO Plan**"). The 2019 MBO Plan was established following a comprehensive process and in-depth discussions, including benchmarks provided by the Company's external remuneration consultants, Ernst & Young (Israel) Ltd. ("EY Israel"), and reflects a management model that aims to improve performance of an organization by clearly defining management objectives for a specific period of time.

Messrs. Dollinger and Rhodes have abstained from voting on any Board resolution in respect of the 2019 MBO Plan.

The CEOs' terms of employment and office are detailed in pages 271-275 of the Offer Document. As announced by the Company on 30 October 2017, the CEOs agreed to reduce their salaries by 20% (also applicable to the salary rates used for calculation of the Operational Bonuses under the CEO MBO Plan as detailed below), as part of the Expense Reduction Plan. To date, the Expense Reduction Plan has succeeded in significantly reducing the Company's operating expenses and is expected to meet the original expense reduction expectations, reducing the Company's operating expenses for FY2018 by approximately US$1.3 million.

In light of the foregoing successful results of the Expense Reduction Plan, the Company's Remuneration Committee and Board authorized the update of the CEOs salaries such that half of the monthly salary amount which had been reduced shall be reinstated as of 1 January 2019.

It is important to note that even if the conditions of the 2019 MBO Plan are met, payment of any Operational Bonuses to the CEOs will be subject to the approval of the Company's Remuneration Committee and Board, which shall be granted—if at all—only after taking account, inter alia, the Company's financial state at such applicable time. Consistent with the Company's Strategic Review and Expense Reduction Plan as announced on 30 October 2017, to date, although the targets of the 2017 MBO Plan has been partially met, the Company's Board of Directors and Remuneration Committee have not approved any payment of Operational Bonuses in respect of such targets met in FY2017 to any of the Company's Office Holders (including the CEOs). Such amounts due in respect of the FY2017 targets previously met, have been accrued and may be paid at a later time, if and as may be approved by the Company's Remuneration Committee and Board taking account, inter alia, the Company's financial state at such applicable time.

Under the 2019 MBO Plan, the Office Holders' annual bonus is comprised of two parts: (i) an operational annual bonus, to be determined in accordance with the achievement of predetermined annual Company and personal objectives (the "**Operational Bonus**"); and (ii) an exit bonus, to be granted in the event of an exit and determined as a percentage of the amount of such exit (the "**Exit Bonus**"). In accordance with the provisions of the Companies Law and the Compensation Policy, the 2019 MBO Plan structure is designed to align the interests of the Office Holders with those of its Shareholders, and to correspond to the Company's goals and objectives; accordingly, the 2019 MBO Plan is designed to further encourage exit events, in accordance with the Company's strategy and objectives going forward.

[1] However, if the compensation arrangement is not approved by the Shareholders, the Remuneration Committee and Board may override the Shareholders' decision and nonetheless approve the arrangement, following further discussion of the matter and for detailed reasons in accordance with the Companies Law.

Operational Bonus:

Under the 2019 MBO Plan, it is proposed that, in accordance with the Compensation Policy, the CEOs' annual bonus for FY2019 (the "**CEO MBO Plan**") shall be comprised as follows:

The payment to each of the CEOs for achieving 100% of their targets shall be equal to two and a half (2.5) monthly salaries of each CEO (i.e., equivalent to ~US$51,111[2]) (the "**CEO MBO Target**") and shall be comprised of the following (the "**Targets**"):

80% in measurable objectives: (i) Admission of a minimum number of new portfolio companies to incubators (16% of the CEO MBO Target); (ii) Portfolio value net increase (28% of the CEO MBO Target); (iii) A minimum number of incubator companies raising follow-on rounds including a minimum % of such investment contributed by third party investors (28% of the CEO MBO Target); and (iv) increase of assets under management (8% of the CEO MBO Target) (together the **"Measurable Objectives").**

Following the end of the calendar year, the actual achievements of the Company for that calendar year shall be measured against the Measurable Objectives, and the total score of the results shall set the bonus as follows:

Achievement of 100% of the Measurable Objectives, will entitle 100% payment for the Operational Bonus relating to the Measurable Objectives;

Achievement above 100% of any of the Measurable Objectives will increase the Operational Bonus for such Measurable Objectives in accordance with its applicable mechanism pre-determined by the Remuneration Committee and Board (provided that in no event shall the Operational Bonus payment to either CEO exceed the Operational Bonus Cap as defined below); and

Achievement below 100% of any of the Measurable Objectives (but above the Operational Bonus Threshold as defined below) will decrease the Operational Bonus for such Measurable Objectives in accordance with its applicable mechanism as shall be pre-determined by the Remuneration Committee and Board.

20% in non-measurable objectives as determined by the Remuneration Committee and Board.

In accordance with the Compensation Policy, the Board determined a payment threshold for payment of Operational Bonuses to the Office Holders, including the CEOs, for each year. Under such threshold determined in the 2019 MBO Plan, in the event that achievement of the Targets result in an accumulated score of less than seventy percent (70%) of CEO MBO Target (the "**Operational Bonus Threshold**"), no Operational Bonuses shall be paid to the Company's CEOs. In addition, in accordance with the Compensation Policy which stipulates that the Operational Bonus shall be capped as determined by the Board, but shall in no event exceed one hundred and fifty percent (150%) of the CEO MBO Target of each CEO, the Board has determined that the Operational Bonus paid to each of the CEOs under the 2019 MBO Plan shall not exceed one hundred and thirty percent (130%) of the CEO MBO Target of each CEO (the "**Operational Bonus Cap**").

Exit Bonus

Under the Compensation Policy, the Remuneration Committee and Board shall be authorized, in addition to any annual Operational Bonus, to grant, in connection with an Exit Event in one of the Group's portfolio companies with a cash payment, to all of the Office Holders together, of: (1) up to 5% of the proceeds received by the Group as a result of any Exit Event if such proceeds are up to US $7,000,000; and (2) up to 7.5% of the proceeds received by the Group as a result of any Exit Event for any excess amount above US $7,000,000.

[2] The amount was computed based current NIS salary, according to the applicable exchange rate as of 23 December 2018 being NIS 3.76 to US$1, and may be subject to fluctuations in the applicable exchange rate upon the actual payment.

In accordance with the Compensation Policy, the Remuneration Committee and Board have determined that the Exit Bonus to each of the CEOs (under the aggregate Exit Bonus for all office holders of the Company as set forth under the 2019 MBO Plan in accordance with the aggregate Exit Bonus cap under the Company's Compensation Policy) shall be as follows: (1) approximately 0.7% of the accumulated annual proceeds received by the Group as a result of any Exit Event consummated during FY2019 if such proceeds are up to US $10,000,000; and (2) approximately 1% of the accumulated annual proceeds received by the Group as a result of any Exit Event if such amount exceeds US $10,000,000; provided that such payment to each of the CEOs shall in no event exceed the lower of (i) 1.8% of the accumulated annual proceeds received by the Group as a result of any Exit Event; or (ii) 100% of such CEO's annual base salary.

Without derogating from the foregoing, the payment of any Operational Bonus and/ or Exit Bonus to the Company's CEOs under the CEO MBO Plan shall in each case be subject to applicable provisions under the Company's Compensation Policy and the CEO MBO Plan which regulate the circumstances under which such bonuses may be approved – including thresholds under which such bonuses shall not be granted and other provisions for the cancellation or reduction of bonuses, as may be decided by the Remuneration Committee, and shall, in addition to the foregoing, be subject to the approval of the Company's Remuneration Committee and Board, which shall be granted – if at all – only after taking account, inter alia, the Company's financial state at such applicable time; similarly, to date, in light of the Company's financial state, the Company's Board of Directors and Remuneration Committee have not approved any payment of Operational Bonuses in respect of FY2017 to any of the Company's Office Holders including the CEOs (but rather accrued the applicable amounts payable thereunder as an expense in the Company's books for FY2017, as described above).

IV. RENEWAL AND AMENDMENT OF THE COMPANY'S COMPENSATION POLICY

Pursuant to the Companies Law, companies incorporated under the laws of Israel, whose shares are listed for trade on a stock exchange or have been offered to the public in or outside of Israel, such as the Company, are required to adopt a policy governing the compensation of "Office Holders".

On 2 August 2016, the Shareholders approved the Company's Compensation Policy.

In general, according to the Companies Law, the Compensation Policy is required to be recommended for approval by the Remuneration Committee, followed by the approval of the Board and finally by the Shareholders of the Company (by a Special Majority), in order to set the principles and thresholds under which the Remuneration Committee and the Board will be able to determine the appropriate remuneration to an Office Holder. To date, the actual total compensation granted to the Company's Office Holders is significantly lower than the thresholds set in the Compensation Policy. The Compensation Policy must be reviewed from time to time by the Remuneration Committee and the Board, in order to consider its adequacy, and must be reapproved in accordance with the above-mentioned approval process at least once every three years.

Pursuant to the Companies Law, as amended, the Compensation Policy must comply with specified criteria and guidelines and, in general, be based on, after considering, among others, the following factors: (i) promoting the Company's objectives, business plans and long-term policy; (ii) creating appropriate incentives for the Executives and Directors, considering, among others, the Company's risk management policy; and (iii) the Company's size and nature of operations.

Following review by the Remuneration Committee and by the Board of the Compensation Policy and of applicable benchmark materials, and following consideration of the framework required for appropriately incentivizing the Company's executives, and after taking into consideration the state of the Company and its business plan, the Remuneration Committee and Board have determined that the provisions of the Compensation Policy should remain the same except for a technical

change referring to a reference to the Singapore Code of Corporate Governance 2018 (instead of the Singapore Code of Corporate Governance 2012). For avoidance of doubt, save for those provisions that are now part of the Catalist Rules, the Code of Corporate Governance 2018 will only be applicable for the Company's annual report for FY2019, to be published by April 2020 and subsequent annual reports thereafter.

The proposed amendment to the Compensation Policy in section 1.2.9 is as follows:

"The Policy is guided by the principles set forth by the Law and takes into consideration the provisions of the Singapore Code of Corporate Governance 2018, as amended from time to time".

The updated Compensation Policy is attached to this Circular as Appendix B. If the updated Compensation Policy is adopted by the Shareholders in the SGM, it shall be in force and effect for a period of three years commencing as of the date of its approval at this SGM. If the proposed updated Compensation Policy is not approved, then the current Compensation Policy shall continue to be in full force and effect for the duration of the three-year period that commenced as of August 2, 2016, the date of its original approval by our shareholders.

In determining the various elements of the compensation, the Company has used data and benchmarks provided in November 2018 by EY Israel that targeted peer companies in the Company's industry on a global basis (the "**2018 Benchmark**").

The following is a brief overview of the Compensation Policy and is qualified by reference to the full text thereof:

- Global Strategy Guidelines: The Company's business success largely relies on the excellence of its human resources at all levels. In particular, the Company believes that the Company's ability to achieve its goals requires it to recruit, motivate and retain a high quality and experienced leadership team (including Directors). Therefore, the Company believes in creating a comprehensive, customized compensation policy for the Office Holders which shall enable the Company to attract and retain highly qualified senior leaders.

- Compensation instruments: Fixed components, which shall include annual base salary and benefits; Variable components, which may include: cash incentives and equity-based compensation; Separation package; Directors & Officers (D&O) Insurance, exculpation and indemnification; and other components, which may include among others: change in control payment, special bonus, signing or retention bonus, exit bonus, relocation benefits, study opportunities, leave of absence, etc.

- Fixed Compensation: The Compensation Policy provides guidelines and criteria for determining the fixed compensation of the Office Holders, which includes an annual base salary and benefits for Executives.

- Cash incentives: The Compensation Policy provides for MBO payments, which are cash payments to the Executives that vary based on the Company's and unit's performance and on each Executive's individual performance and contribution to the Company, in accordance with rules or formulae for calculation of the MBO payment once actual achievement of the objectives is known (as predetermined annually by the Board and Remuneration Committee), and subject to the guidelines and criteria, including caps, set forth in the Compensation Policy. In addition, the Compensation Policy provides for payment of an Exit Bonus (as defined herein) in connection with an Exit Event (as such term is defined in the Compensation Policy) relative to the Company's portfolio companies, as may be approved by the Board and Remuneration Committee and in the amount which shall be calculated based on the proceeds actually received by the Company as a result of such Exit Event as set forth in the Compensation Policy and subject to the terms and caps determined therein for such Exit Bonus.

- Equity-Based Compensation: The Compensation Policy provides for the provision of equity-based compensation in the form of options to purchase shares, which may be awarded to Executives and Directors pursuant to the guidelines and criteria, including caps on the equity value of such grants, as set forth in the Compensation Policy.

- Separation Package: The Compensation Policy provides guidelines for determining advance notice period and separation packages for Executives, including caps thereon.

- Others: The Compensation Policy provides guidelines and criteria for additional compensation components, which includes relocation, leave of absence and one-time cash or equity incentives.

- Clawback Policy: The Compensation Policy provides that in the event of an accounting restatement, the Company shall be entitled to seek reimbursement from Executives and Directors of any payment made due to erroneous restated data that would not otherwise have been paid or in exceptional circumstances of misconduct resulting in financial loss to the Company.

- Director Remuneration: The Compensation Policy provides guidelines for providing compensation to Directors.

- Indemnification Exculpation and Insurance: The Compensation Policy provides guidelines and criteria for providing Executives and Directors with indemnification, exculpation and insurance.

V. PROPOSED AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION

In conjunction with the Company's listing on Catalist and following the approval of the Shareholders at a special general meeting held on 11 November 2015, the Company had adopted the AOA.

Under the Companies Law and in accordance with the provisions of the AOA, any amendment of the AOA, except with respect to limited specific articles of the AOA which are not relevant to the proposed amendment, shall require approval by a simple majority of the Shareholders.

The Catalist Rules had been amended on 31 March 2017 to allow listed companies to send documents, including notices, circulars and annual reports, using electronic communications to shareholders ("**Electronic Communications**"), if there is express consent from shareholders.

Accordingly, in order to update the AOA with respect to procedures for using Electronic Communications for sending notices of meetings, circulars and annual reports to the Shareholders as set out in the Catalist Rules, it is proposed to amend Article 71 of the AOA, as follows:

1. Proposed Amendments to the AOA

1.1 In conjunction with the Company's listing on Catalist and following the approval of the Shareholders at a special general meeting held on 11 November 2015, the Company had adopted the AOA. The Company had on 2 August 2016 updated its AOA to align with the changes of the Companies Law regarding procedures for the publication of meeting notices on the Company's website.

1.2 The SGX-ST had on 31 March 2017 amended the Catalist Rules to allow listed companies to undertake electronic communications (in respect of sending of notices, circulars and annual reports) with its shareholders, provided the issuer has obtained consent, whether express, deemed or implied, from the relevant shareholder.

1.3 The Company is accordingly proposing to amend its AOA to align it with the Catalist Rules. The proposed amendments to the AOA, struck through for deletions and underlined for insertions, are set out in **Appendix C** of this Circular and are subject to Shareholders' approval based **on a simple majority** requirement. If approved by the Shareholders, the proposed amendments will become effective immediately after the SGM.

1.4 Summary of Amendments to AOA in Compliance with the Catalist Rules

The following is a summary of the principal proposed amendments to the AOA and should be read in conjunction with **Appendix C** of this Circular.

Article 71:

It is proposed that Article 71 be amended to provide for the electronic transmission of documents (including notices, circulars and annual reports) following the introduction of simplified procedures for the sending of documents electronically pursuant to Part IV of Chapter 12 of the Catalist Rules as set out in **Appendix C** of this Circular. Companies can, subject to certain safeguards, make use of these simplified procedures where a shareholder has given express, implied or deemed consent for the company to do so in accordance with the constitution of the company. The Company regards express consent as being given where a Shareholder gives notice in writing to the Company that he consents to having documents transmitted to him via electronic communications.

Rule 1206(1) of the Catalist Rules provides that there is deemed consent ("**Deemed Consent**") from a shareholder where:

(a) the Articles of Association or another constituent document of the issuer:

(i) provides for the use of electronic communications;

(ii) specifies the manner in which electronic communications is to be used; and

(iii) specifies that the shareholder will be given an opportunity to elect within a specified period of time, whether to receive such document by way of electronic communications or as a physical copy; and

(b) the issuer has separately notified the shareholder directly in writing on at least one occasion of the following:

(i) that the shareholder has a right to elect, within a time specified in the notice from the issuer, whether to receive documents in either electronic or physical copies;

(ii) that if the shareholder does not make an election, documents will be sent to the shareholder by way of electronic communications;

(iii) the manner in which electronic communications will be used is the manner specified in the articles of association or other constituent document of the issuer;

(iv) that the election is a standing election, but that the shareholder may make a fresh election at any time; and

(v) until the shareholder makes a fresh election, the election that is conveyed to the issuer last in time prevails over all previous elections as the shareholder's valid and subsisting election in relation to all documents to be sent.

Rule 1206(2) of the Catalist Rules provides that a shareholder has given implied consent ("**Implied Consent**") where the Articles of Association or other constituent document of the issuer:

(a) provides for the use of electronic communications;

(b) specifies the manner in which electronic communications is to be used; and

(c) provides that the shareholder shall agree to receive such document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such document.

Notwithstanding Catalist Rule 1206, Catalist Rule 1207 provides that an issuer is still required to send certain documents to shareholders by way of physical copies. Such documents are as follows:

(a) forms or acceptance letters that shareholders may be required to physically complete;

(b) notice of meetings, excluding circulars or letters referred in that notice;

(c) notices and documents relating to take-over offers and rights issues; and

(d) notices under Catalist Rules 1208 and 1209.

Rule 1208 of the Catalist Rules also provides that when an issuer uses electronic communications to send a document to a shareholder, the issuer shall inform the shareholder as soon as practicable of how to request a physical copy of that document from the issuer. The issuer shall provide a physical copy of that document upon such request.

Rule 1209 of the Catalist Rules provides that if the issuer uses website publication as the form of electronic communications, the issuer shall separately provide a physical notification to shareholders notifying of the following:

(a) the publication of the document on the website;

(b) if the document is not available on the website on the date of notification, the date on which it will be available;

(c) the address of the website;

(d) the place on the website where the document may be accessed; and

(e) how to access the document.

The amended Article 71 provides *inter alia* that:

(a) documents may be sent to Shareholders using electronic communications either to a Shareholder's current address (which may be an email address) or by making it available on a website;

(b) in relation to Deemed Consent, the Directors may decide to give Shareholders an opportunity to elect to opt out of receiving such document by way of electronic communications, and a Shareholder is deemed to have consented to receive such document by way of electronic communications if he was given such an opportunity but failed to opt out within the specified time, unless otherwise provided under applicable laws. Any election or deemed election by a Shareholder is a standing election but the Shareholder may make a fresh election to receive such document as a physical copy at any time. Until the Shareholder makes a fresh election, the election or deemed election that was last in time shall prevail;

(c) in relation to Implied Consent, a Shareholder who has not given express consent may nonetheless be implied to have agreed to receive such document by way of electronic communications and shall not have a right to elect to receive a physical copy of such document, unless otherwise provided under applicable laws; and

(d) the delivery or service of documents by electronic means shall not apply to certain prescribed documents (e.g. any notice or document relating to any take-over offer or rights issue of the Company).

The amended Article 71 additionally provides for when service is affected in the case of documents sent by electronic communications. In particular, where a document is made available on a website, it is deemed served on the date on which the document is first made available on the website, unless otherwise provided under the Catalist Rules and/or other applicable laws or regulations or procedures. The amendments to Article 71 will enable greater efficiency and cost savings in the transmission of documents from the Company to the Shareholders. The Company will comply with the requirements of the Catalist Rules if and when it decides to transmit notices and documents electronically to its Shareholders.

The proposed amendment to the AOA does not influence the publication of notices, circulars or annual reports to the holders of American Depositary Receipts in the United States of America according to the AOA and applicable law.

Save for the above proposed amendment to the AOA, the provisions in the Company's current AOA (attached as Appendix C) remain unchanged.

VI. THE SPECIAL GENERAL MEETING AND SHAREHOLDERS' APPROVAL

The SGM will be held on Wednesday, 13 February 2019 at 2:00pm at Suntec City Convention Centre Meeting Room 327, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593. The notice convening the SGM is set out on pages 19-20 of the Circular. At the SGM, ordinary resolutions will be proposed for the following:

1. To consider and approve the re-election of External Directors;

2. To consider and approve the proposed MBO Plan for the CEOs for FY2019;

3. To consider and approve the renewal and amendment of the Company's Compensation Policy; and

4. To consider and approve the proposed amendment to the AOA.

As at the date of the Circular, no Shareholder is required to abstain from voting on the proposed resolutions at the SGM.

Only Shareholders of record at the close of business on 8 February 2019, being the record date for determining those Shareholders eligible to vote at the SGM, are entitled to notice of and to vote at the SGM and any postponements or adjournments thereof. All Shareholders are cordially invited to attend the SGM in person. A Shareholder entitled to attend and vote at the SGM is entitled to appoint a proxy to attend and vote in the Shareholder's stead. A proxy need not be a Shareholder of the Company. Any Shareholder who holds more than one share shall be entitled to appoint a proxy with respect to all or some of its Shares or appoint more than one proxy, provided that the instrument appointing a proxy shall include the number of Shares with respect to which it was issued and only one proxy shall be appointed with respect to any one Share.

Form of an instrument appointing a proxy, which may be used to vote at the SGM, is enclosed.

The instrument appointing a proxy (and the power of attorney or other authority, if any, under which such instrument has been signed) shall be delivered, not less than forty eight (48) hours before the time fixed for the SGM at which the person named in the instrument proposes to vote, to the Company's registered office at 17 T'chelet Street, Misgav Industrial Park, 2017400 Israel **or** the Company's Singapore Share Registrar and Share Transfer Office, Boardroom Corporate & Advisory Services Pte. Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, **or** by e-mail to Mr. Haim Brosh, Joint Company Secretary, at haim@trendlines.com. Notwithstanding the above, the chair of the SGM shall have the right to waive the time requirement provided above with respect to all instruments of proxies and to accept any and all instruments of proxy until the beginning of the SGM.

Indication of personal interest

Each Shareholder voting on resolutions 1, 2 and 3 is required to indicate whether or not he is a Controlling Shareholder or has a personal interest in the proposed resolutions.

Under the Companies Law, in general, a person will be deemed to be a Controlling Shareholder if that person has the power to direct the activities of the Company, otherwise than by reason of being a director or other office holder of the Company, and a person is deemed to have a personal interest if any member of the Shareholder's immediate family, or the immediate family of a Shareholder's spouse, has a personal interest in the adoption of the proposal. In addition, you are deemed to have a personal interest if a company that is affiliated with you, other than The Trendlines Group Ltd., has a personal interest in the adoption of the proposal. Such company is a company in which you or a member of your immediate family serves as a director or chief executive officer, has the right to appoint a director or the chief executive officer, or owns 5% or more of the outstanding Shares. However, you are not deemed to have a personal interest in the adoption of the proposal if your interest in such proposal arises solely from your ownership of our Shares, or from a matter that is not related to a relationship with a Controlling Shareholder.

Please note that as of the date hereof, to the best knowledge of the Company, there is no Controlling Shareholder as defined under the Companies Law.

According to a recent Israeli court ruling, a shareholder must positively inform the Company whether or not such shareholder has a personal interest in a proposal which is subject to approval by a Disinterested Majority, as in the case of proposed resolution. Your failure to check the box on the proxy form indicating that you have no personal interest or that you are not a Controlling Shareholder will require the Company to assume that you have a personal interest in the proposed resolution.

The Company cannot assume that a shareholder who signs and returns a proxy form without a specific indication as to the lack of personal interest of such shareholder has no personal interest with respect to the proposed resolution. If you believe that you, or a related party of yours, is a Controlling Shareholder or possesses a personal interest with respect to the proposed resolutions and you wish to participate in the vote on the proposed resolution, you should not indicate in the appropriate box that there exists no personal interest on the enclosed proxy form. If you hold your shares through a bank, broker or Controlling Shareholder or other nominee and believe that you possess a personal interest and you wish to participate in the vote on the proposed resolution, you should not indicate in the appropriate box that there exists no personal interest on the enclosed proxy form. If you hold your shares through a bank, broker or other nominee and believe that you possess a personal interest in the approval of the proposed resolution, you may also contact the representative managing your account, who could then contact us on your behalf.

VII. RECOMMENDATION

The Board believes that the resolutions in relation to (i) the re-election of External Directors (with each of Ms. Elka Nir and Professor Hang Chang Chieh abstaining from making any recommendation in respect of his/her re-election in respect of resolution number 1); (ii) the Proposed MBO Plan for the CEOs for FY2019; (iii) the renewal and amendment of the Company's Compensation Policy; and (iv) the Proposed Amendment to the AOA (collectively, the "**Proposed Resolutions**"), are in the best interests of the Company and its Shareholders as a whole and, accordingly, recommends that the Shareholders vote in favor of the aforementioned resolutions at the SGM (with Messrs. David Todd Dollinger and Stephen Louis Rhodes abstaining from making any recommendation in respect of resolutions number 2 and 3).

VIII. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, collectively and individually, accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Resolutions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/ or reproduced in this Circular in its proper form and context.

IX. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 17 T'chelet Street, Misgav Industrial Park, 2017400 Israel or the Company's Singapore Share Registrar and Share Transfer Office, Boardroom Corporate & Advisory Services Pte. Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 during normal business hours from the date of this Circular up to and including the date of the SGM:

1. The Compensation Policy; and

2. The AOA.

Yours faithfully,
For and on behalf of the Board of Directors of The Trendlines Group Ltd.

David Todd Dollinger and Stephen Louis Rhodes,
Chief Executive Officers and Chairmen of the Board

THE TRENDLINES GROUP LTD.

(Incorporated in Israel)
(Company Registration No. 513970947)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the "**SGM**") of The Trendlines Group Ltd. (the "**Company**") will be held at Suntec City Convention Centre Meeting Room 327, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 13 February 2019 at 2:00 p.m. (Singapore time) for the purpose of considering and, if thought fit, approving the following matters:

AS ORDINARY RESOLUTION

1. To consider and approve the re-election of Ms. Elka Nir and Professor Hang Chang Chieh to serve as the External Directors of the Company.

Please refer to the Circular of the Company dated 7 January 2019 for further information regarding the proposed resolution

2. To consider and approve the proposed MBO Plan for the Company's CEOs for FY2019.

Please refer to the Circular of the Company dated 7 January 2019 for further information regarding the proposed resolution.

3. To consider and approve the adoption of the amended Compensation Policy.

Please refer to the Circular of the Company dated 7 January 2019 for further information regarding the proposed resolution

4. To consider and approve the proposed amendment to the AOA.

Please refer to the Circular of the Company dated 7 January 2019 for further information regarding the proposed resolution

By Order of the Board of
THE TRENDLINES GROUP LTD.

Haim Brosh
Joint Company Secretary
7 January 2019

Only shareholders of record at the close of business on 8 February 2019, being the record date for determining those shareholders eligible to vote at the SGM, are entitled to notice of and to vote at the SGM and any postponements or adjournments thereof.

All shareholders are cordially invited to attend the SGM in person. A shareholder entitled to attend and vote at the SGM is entitled to appoint a proxy to attend and vote in the shareholder's stead. A proxy need not be a shareholder of the Company.

Any shareholder who holds more than one share shall be entitled to appoint a proxy with respect to all or some of its shares or appoint more than one proxy, provided that the instrument appointing a proxy shall include the number of shares with respect to which it was issued and only one proxy shall be appointed with respect to any one share.

Form of an instrument appointing a proxy, which may be used to vote at the SGM is enclosed.

The instrument appointing a proxy (and the power of attorney or other authority, if any, under which such instrument has been signed) shall be delivered to the Company's registered office at 17 T'chelet St., Misgav Industrial Park, Israel or the Company's Singapore Share Registrar and Share Transfer Office, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, or by e-mail to Mr. Haim Brosh, Joint Company Secretary, at haim@trendlines.com not less than forty eight (48) hours before the time fixed for the SGM at which the person named in the instrument proposes to vote. Notwithstanding the above, the chair of the SGM shall have the right to waive the time requirement provided above with respect to all instruments of proxies and to accept any and all instruments of proxy until the beginning of the SGM.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the SGM and/or any adjournment thereof, a member of the Company or a Depositor, as the case may be (i) consents to the collection, use and disclosure of the member or Depositor's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the SGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the SGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member or a Depositor discloses the personal data of the member or Depositor's proxy(ies) and/or representative(s) to the Company (or its agents), the member or Depositor has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member or Depositor will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member or Depositor's breach of warranty.

APPENDIX A
APPENDIX 7F OF THE CATALIST RULES

Details required under Appendix 7F of the Catalist Rules	**Ms. Elka Nir**	**Prof. Hang Chang Chieh**
Date of Initial Appointment Date of last re-appointment (if applicable)	15 October 2015 Not Applicable	15 October 2015 Not Applicable
Age	57	70
Country of principal residence	Israel	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board is of the view that Ms. Elka Nir has the requisite qualification and expertise for the role of Lead Independent Director and Chairperson of the Remuneration Committee and Audit Committee of The Trendlines Group Ltd	The Board is of the view that Prof. Hang Chang Chieh has the requisite qualification and expertise for the role of External Director of The Trendlines Group Ltd
Whether appointment is executive, and if so, the area of responsibility	Non-executive and independent	Non-executive and Independent
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Director / Chairman of the Remuneration Committee and Audit Committee of The Trendlines Group Ltd.	External and Independent Director
Professional qualifications	- Bachelor of Science (B.Sc.) In Computer Sciences - Diploma in Business Administration (Magna Cum Laude)	- PhD in Control Engineering - BEng (Hons) in Electrical Engineering
Working experience and occupation(s) during the past 10 years	Jul 2013 to date CEO - Carmel Ltd. Director and CEO - Carmel Innovations and its subsidiaries Jan 2012 to date Founder and CEO - E.LeadIN Ltd. Jan 2012 to Jan 2015 Director - Van Leer Technology Ventures Jerusalem. Chairperson of several of Van Leer Technology Ventures' portfolio companies Dec 2006 to Dec 2011 Managing Director and General Partner - Giza Venture Capital Fund	2011 to date Executive Director – National University of Singapore (NUS) 2007- 2016 Founding Head, Division of Engineering and Technology Management, Faculty of Engineering - NUS 2004 to 2007 Founding Director of the Centre for Management of Science and Technology, Faculty of Engineering – NUS

	Jan 2003 to Jan 2007 Chief Operating Officer (COO), Director of Development and Operations - Biosense Webster (IL), Ltd, a subsidiary of Johnson & Johnson	2001 to 2003 A*STAR's Executive Deputy Chairman - Agency for Science, Technology and Research("A*STAR")
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code - *"principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations.*	Present commitments - CEO - Carmel Ltd., Carmel Innovations and its subsidiaries - Founder, CEO and Executive Director- E.LeadIN Ltd. - Executive Director - Carmel Innovations - Non-Executive Director - ArtsAvit Ltd - Non-Executive Director - ProteKt (MemoFit) Ltd - Non-Executive Director - Carevature Ltd - Non-Executive Director - CanCuRx Ltd. - Non-Executive Independent external director - Hadasit Bio-Holdings Ltd. - Non-Executive Director - SpalaRx Ltd - Executive Director- CA Innovations 2 - Board member- Israel Advanced Technology Industries (non-profit corporation)	Present commitments - Executive Director -Temasek Foundation Nurtures CLG Ltd. - Non-Executive Director -National University of Singapore (NUS)

# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8) Past (for the last 5 years)	Past commitments - Non-Executive and Independent Director - BATM Advanced Communications Ltd. - Non-Executive Director - Bonfix Ltd. - Non-Executive Director - Laryngoport Ltd. - Non-Executive Director - Van Leer Technology Ventures - Non-Executive Director- EyeYon Medical Ltd - Non-Executive Director - Biological Signal Processing Ltd. - Non-Executive Director - Pine Biotech - Non-Executive Director - IceCure Medical Ltd. - Non-Executive Director - Colospan (Cologuard) - Director - BioExecutiveForum (non-profit corporation)	
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: -	No	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No

(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of an issuer listed on the Exchange? (Yes/No) If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	**Not applicable, this is a re-election of a director.**	**Not applicable, this is a re-election of a director.**

APPENDIX B
THE COMPENSATION POLICY

1. Overview

1.1. Definitions

Company	The Trendlines Group Ltd.
Law	The Israeli Companies Law 5759-1999 and any regulations promulgated under it, as amended from time to time.
Remuneration Committee	A committee appointed in accordance with the Law.
CEO	Chief Executive Officer(s) of the Company.
Office Holder	Director, CEO, Key Management Personnel, and any senior executive directly subordinate to the CEO all as defined in Section 1 of the Law.
Executive	Office Holder, excluding non-executive directors.
Executive Director	Director who is also an executive of the Company.
Key Management Personnel	The CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Company.
Non-Executive Director	Director who is not an executive of the Company.
Terms of Office and Employment	Terms of office or employment of an Executive or a Director, including the grant of an exculpation, an undertaking to indemnify, indemnification or insurance, Separation Package, and any other benefit, payment or undertaking to provide such payment, granted in light of such office or employment, all as defined in section 1 of the Law.
Total Cash Compensation	The total annual cash compensation of an Executive, which shall include the total amount of: (i) the annual base salary; and the annual cash target incentive (i.e. the Target MBO as defined below).
Equity Value	The value of the total annual Equity Based Components, valued using the same methodology utilized in the Company's financial statements.

1.2. Global Strategy Guidelines

1.2.1. Our Company creates and develops medical and agricultural technology companies with a view towards a successful exit in the marketplace. Further information regarding the Company's business activity may be found in the Company's filings with the SGXNET.

1.2.2. Our vision and business strategy is directed towards growth, value creation, profitability and innovation, all with a long term perspective.

1.2.3. We strongly believe that our business success is much reliant on the excellence of our human resources at all levels. In particular we believe that the company's ability to achieve its goals requires us to recruit, motivate and retain a high quality and experienced leadership team (including directors).

1.2.4. Therefore, we believe in creating a comprehensive, customized compensation policy for our Office Holders (the "Policy"), which shall enable us to attract and retain highly qualified senior leaders. Moreover, the Policy shall motivate our senior leaders to perform to the full extent of their abilities and to achieve ongoing targeted results in addition to a high level of business performance, aligned with our business strategy while insuring our Office Holders are not incentivized to take excessive risks which may be detrimental to long-term shareholder value.

1.2.5. The Policy sets forth our philosophy regarding the Terms of Office and Employment of our Office Holders and is designed to allow us to be responsive to marketplace changes with respect to compensation levels and pay practices.

1.2.6. The Policy is tailored to ensure a compensation which balances performance targets and time horizons through rewarding business results, long-term performance and strategic decisions.

1.2.7. The Policy provides our Remuneration Committee and our Board of Directors with adequate measures and flexibility, to tailor each of our Executive's compensation package, based among others on geography, business tasks, role, seniority, and skills.

1.2.8. The Policy shall provide the Board of Directors with guidelines as to exercising its discretion under the Company's equity plans.

1.2.9. The Policy is guided by the principles set forth by the Law and takes into consideration the provisions of the Singapore Code of Corporate Governance 2018, as amended from time to time.

1.3. Principles of the Policy

1.3.1. The Policy shall guide the Company's management, Remuneration Committee and Board of Directors with regard to the Office Holders' compensation.

1.3.2. The CEOs are entitled to make changes to the compensation terms of Office Holders who are executives directly subordinate to them, provided however, that such changes are not material and within the boundaries set forth in this Compensation Policy. For the purposes of this Section 1.3.2, A change will be deemed to be non-material with respect to a certain calendar year if it does not exceed 10% of the aggregate value of the Total Cash Compensation and Equity Value for such calendar year.

1.3.3. The Policy shall be reviewed from time to time by the Remuneration Committee and the Board of Directors, to ensure its compliance with applicable laws and regulations as well as market practices, and its conformity with the Company's targets and strategy. As part of this review, the Board of Directors will analyze the appropriateness of the Policy in advancing achievement of its goals, considering the implementation of the Policy by the Company during previous years.

1.3.4. Any proposed amendment to the Policy shall be brought up for the approval of the Shareholders of the Company and the Policy as a whole shall be re-approved by the Shareholders of the Company as required by Law.

1.3.5. Our Policy shall be global, but its implementation shall be aligned with local practices and legal requirements and with our intention to treat our Executives fairly and consistently on a global basis.

1.3.6. The approval procedures of Terms of Office and Employment as well as back-up data shall be documented in detail and such documentation shall be kept in the Company's offices for at least seven years following approval.

1.3.7. The compensation of each Office Holder shall be taxed and subject to mandatory or customary deductions and withholdings, in accordance with the applicable local laws.

1.4. Remuneration Committee Independence

Our Remuneration Committee will be comprised of at least three members of our Board of Directors. Each member of our Remuneration Committee must meet any required independence requirements established under applicable law.

2. Executive Compensation

2.1. When examining and approving Terms of Office and Employment, the Remuneration Committee and Board members shall review the following factors and shall include them in their considerations and reasoning:

2.1.1. Executive's education, skills, expertise, professional experience and specific achievements.

2.1.2. Executive's role, scope of responsibilities and location.

2.1.3. Executive's previous compensation.

2.1.4. The Company's performance and general market conditions.

2.1.5. The ratio between the cost of an Executive's compensation, including all components of the Executive's Terms of Office and Employment, and the cost of salary of the Company's employees in particular with regard to the average and median ratios, and the effect of such ratio on work relations inside the Company as defined by the Law.

2.1.6. Comparative information, as applicable, as to former Executives in the same position or similar positions, as to other positions with similar scopes of responsibilities inside the Company, and as to Executives in peer companies globally spread. The peer group shall include not less than 8 companies similar, to the extent possible, in parameters that include, among others, total revenues, market cap, industry and number of employees. The comparative information, as applicable, shall address the base salary, target cash incentives and equity and will rely also on comparative information provided by external compensation consultants.

2.2. The compensation of each Executive shall be composed of some or all of the following components:

2.2.1. Fixed components, which shall include, among others: base salary and benefits;

2.2.2. Variable components, which may include: cash incentives and equity-based compensation;

2.2.3. A separation package;

2.2.4. Directors & Officers (D&O) Insurance, exculpation, indemnification; and

2.2.5. Other components, which may include among others: change in control payment, special bonus, signing or retention bonus, exit bonus, relocation benefits, study opportunities, leave of absence, etc.

2.3. The plan for Executives compensation mix shall be comprised of, some or all, of the following components:

Compensation Component	**Purpose**	**Compensation Objective Achieved**
Annual base salary	Provide annual cash income based on the level of responsibility, individual qualities, past performance inside the Company, and past experience inside and outside the Company.	• Individual role, scope and capability based compensation; and • Market competitiveness.
Performance-based cash incentive compensation	Motivate and incentivize the individual towards reaching Company, unit and individual's periodical and long-term goals and targets.	• Reward periodical accomplishments; • Align Executive' objectives with Company, unit and individual's objectives; and • Market competitiveness.
Long-term equity-based Compensation	Align the interests of the individual with the Shareholders of the Company, by creating a correlation between the Company's success and the value of the individual's holdings	• Company performance-based compensation; • Reward long-term objectives; • Align individual's objectives

2.4. The compensation package shall be reviewed with respect to each Executive once a year, or as may be required from time to time

2.5. Fixed Compensation

2.5.1. Base Salary

2.5.1.1. Our Remuneration Committee and Board of Directors shall determine, from time to time, the target percentile, and/or range of percentiles, that our Executives' base salary shall meet, with respect to the peer group companies as aforesaid.

2.5.1.2. The base salary is intended to provide annual cash income based on the level of responsibility, individual qualities, past performance inside the Company, and past experience inside and outside the Company.

2.5.1.3. The annual base salary for each Executive shall be determined by our Remuneration Committee and Board of Directors.

2.5.2. Benefits

2.5.2.1. Benefits granted to Executives shall include any mandatory benefit under applicable law, as well as:

- Pension plan/ Executive insurance as customary in each territory.

- Additional benefits may be offered as part of the general employee benefits package ((Private medical insurance disability and life insurance, transportation (including Company car and reimbursement of all related expenses or, alternatively, reimbursement of expenses for a private vehicle, which shall not exceed the cost of the company vehicle and all related costs), communication & media, loss of working capacity insurance, Israeli education fund, mandatory allocations such as recuperation pay (Dmei Havra'a), etc.)) all in accordance with the local practice of the Company. Executives who serve outside of Israel may be entitled to benefits in accordance with customs and practices applicable in such country of service for Executives of similar rank.

2.5.2.2. An Executive will be entitled to sick days and other special vacation days (such as recreation days), as required under local standards and practices.

2.5.2.3. An Executive will be entitled to vacation days (or redemption thereof), in correlation with the Executive's seniority and position in the Company (generally up to 30 days annually), subject to the minimum vacation days requirements per country of employment as well as the local national holidays.

2.5.2.4. Additional benefits, with an aggregate value that shall not exceed 10% of an Executive's annual base salary (such limitation upon the additional benefits not relating to any relocation).

2.6. Variable Components

2.6.1. When determining the variable components as part of an Executive's compensation package, the contribution of the Executive to the achievement of the Company's goals, revenues, profitability and other key performance indicators ("KPIs") shall be considered, taking into account, among others, the Company's long term perspective and the Executive's position.

2.6.2. Variable compensation components shall be comprised of cash components which shall be mostly based on measurable criteria and on equity components, all taking into consideration a long-term perspective.

2.6.3. Our Board of Directors shall be authorized to reduce or cancel any cash incentive under circumstances which the Board of Directors deems, at its absolute discretion, to be exceptional.

2.7. Cash Incentives

2.7.1. Management by Objectives ("MBO") Plan

2.7.1.1. MBOs are incentive cash payments to the Executives that vary based on the Company's and unit's performance and on such Executive's individual performance and contribution to the Company.

2.7.1.2. For each calendar year, our Remuneration Committee and Board of Directors shall adopt an MBO plan, which will set forth, for each Executive, objectives, a corresponding target MBO payment (which shall be referred to as the "Target MBO"), and the rules or formula for calculation of the MBO payment once actual achievement of the objectives is known.

2.7.1.3. The Remuneration Committee and Board of Directors may include in the MBO plan predetermined thresholds, caps, multipliers, accelerators and decelerators to corelate an Executive's MBO payments with actual achievements.

2.7.1.4. The MBO Target of each Executive shall be calculated as a percentage of such Executive's annual base salary, which shall not exceed 6 months base salary for each Executive.

2.7.1.5. The annual MBO payment for each Executive in a given year shall be capped as determined by our Board of Directors, but in no event shall exceed 150% of such Executive's Target MBO.

2.7.1.6. At least 50% of the objectives shall be measurable. Such objectives may include, among others, one or more of the following, with respect to the Executive:

- Company's / Unit's Revenues;
- Company's / Unit's Operating Income;
- Pre-tax profits above previous fiscal year;
- Fundraising goals;
- Budget coherence and cost savings;
- KPIs;
- EPS;
- The achievement of predefined targets;
- KPIs relating to portfolio companies;
- Admission of new portfolio companies; and
- Joint ventures and other strategic partnerships

With respect to our CEOs – only a non-substantial portion of up to 20% of the objectives or up to 3 monthly base salaries may be based on non- measurable criteria.

Such non-measurable criteria may be determined with respect to each Executive other than the CEOs - by our CEOs with the approval of our Remuneration Committee and our Board of Directors, and with respect to our CEOs - by our Remuneration Committee and our Board of Directors without the presence of the CEOs.

2.7.1.7. The objectives, as well as their weight, shall be determined in accordance with the Executive's position, the Executive's individual roles, and the Company's and Unit's long-term and short-term objectives. The measurable objectives for a CEO shall include one or more financial objectives, constituting at least 50% of the measurable objectives.

2.7.1.8. In the event that the Company's targets are amended by the Board of Directors during a particular year, the Board of Directors shall have the authorization to determine whether, and in which manner, such amendment shall apply to the MBO plan.

2.7.1.9. The Board of Directors shall annually determine a threshold with respect to the Company's objective targets under which no MBO payments shall be distributed.

2.7.1.10. Adjustment to Company and/or Unit objective targets may be made, when applicable, following major acquisitions, divesture, organizational changes or material change in the business environment.

2.7.1.11. In the event that with respect to a certain year the Board deems that it is required under the circumstances to do so, the Board may decide not to make any MBO payments or to reduce the MBO payments, even if the MBO targets were achieved.

2.7.2. Exit Event Bonus

Our Remuneration Committee and Board of Directors shall be authorized, in addition to any annual MBO payment, to grant, in connection with an Exit Event in one of the Company's portfolio companies, a cash payment to all of our Executives together, of:

(1) up to 5% of the proceeds actually received by the Company as a result of any individual Exit Events if such proceeds are up to US$7,000,000; and

(2) up to 7.5% of the proceeds actually received as a result of any Exit Event for any excess amount above US$7,000,000 (the "Exit Bonus Pool"), provided that such payment shall not exceed with respect to each individual Executive the lower of: (i) 1.8% of the Exit Bonus Pool; or (ii) 100% of such Executives annual base salary. In the event that any of the proceeds payable to the Company as a result of an Exit Event consist of contingent payments, instalments, earn outs, royalties, or proceeds placed in escrow, such proceeds shall also be included for the purpose of determining the entitlement for the Exit Event bonus, provided that such amounts shall only entitle a bonus thereon upon such amounts being actually received by the Company.

"Exit Event" – means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events with respect to a portfolio company: (i) a sale or other conveyance of all or substantially all of the assets of the portfolio company (including the grant of an exclusive license covering all or substantially all of the intellectual property rights of the portfolio company not in the ordinary course of business); (ii) a sale or other disposition of at least fifty percent (50%) of the outstanding securities of the portfolio company; (iii) a merger, consolidation or similar transaction following which the portfolio company is not the surviving corporation;

2.8. Equity Based Compensation

2.8.1. The Company shall grant its Executives, from time to time, equity based compensation, which shall consist of options to purchase shares of the Company ("Equity Based Components"), under any existing or future equity plan (as may be adopted by the Company), and subject to any applicable law. The Company believes that it is not in its best interest to limit the exercise value of Equity Based Components.

2.8.2. Equity Based Components provide incentives in a long-term perspective and shall be granted under the most recent equity plan of the Company that defines the terms of these grants to all of the Company's employees. Our equity based components shall be in accordance with and subject to the terms of our existing or future equity plan and shall vest gradually in instalments, throughout a period which shall not be shorter than 3 years with at least a 1 year cliff.

2.8.3. In determining the Equity Based Components granted to each Executive, our Remuneration Committee and our Board shall consider the factors specified in section 2.2 hereinabove, and in any event its Equity Value at the time of grant shall not exceed: (i) with respect to each of the CEOs – 150% of each of their annual base salaries; and (ii) with respect to each of the other Executives – 100% of each such Executive's annual base salary.

2.8.4. In the event of a Merger Transaction (as such terms are defined in the Company's most recent equity plan, currently the Trendlines Group Ltd. 2015 Global Share Option Plan (the "Option Plan")), unvested equity-based compensation may be accelerated as determined by the Board of Directors.

2.9. Separation Package

2.9.1. Executives may be entitled to an advance notice period in accordance with existing agreements and in the absence of provisions in the agreements, as determined by the law. In any event, the advance notice period shall not exceed 6 months; during said notice period, Executives may be required to continue to fulfill their duties, unless the Company decides to release them from this obligation.

2.9.2. The following criteria shall be taken into consideration by our Remuneration Committee and our Board of Directors when determining an Executive's Separation Package: the duration of employment of the Executive, the terms of employment, the Company's performance during such term, the Executive's contribution to achieving the Company's goals and revenues and the circumstances of the separation.

2.9.3. Other than payments required under any applicable law, local practices, vesting of outstanding options, transfer or release of pension funds, manager's insurance policies etc. - the maximum Separation Package of each Executive shall not exceed the value of 100% of his annual Total Cash Compensation. Separation Package shall include any payment and/or benefit paid to an Executive in connection with such Executive's separation, as defined in Section 1 of the Law.

2.10. Others

2.10.1. Relocation – additional compensation per local practices and law may be granted to an Executive under relocation circumstances. Such benefits may include reimbursement for out of pocket one time payments and other ongoing expenses, such as housing allowance home leave visit, etc., in accordance with the Company's relocation practices, approved by the Remuneration Committee and Board of Directors.

2.10.2. Leave of absence – an Executive shall be treated in accordance with pay practices in the relevant country, which may also have an effect on base salary and MBO payments, and vesting of equity in accordance with the Company's Equity plans.

2.10.3. Our Remuneration Committee and our Board of Directors may approve, from time to time, with respect to any Executive, if they deem to be required under special circumstances or in case of a special contribution to, or achievement for the Company, including in cases of retention or attraction of an Executive, M&A events, major financing events and other major company achievements, the grant of a onetime cash or equity incentive, of up to 50% of the Executive's annual base salary.

2.11. Clawback Policy

2.11.1. In the event of a restatement of the Company's financial results, we shall seek from our Office Holders reimbursement of any payment made due to erroneous restated data, with regards to each Office Holder's Terms of Office and Employment that would not otherwise have been paid or in exceptional circumstances of misconduct resulting in financial loss to the Company. The reimbursement shall be limited to such payments made during the 3-year period preceding the date of restatement. The above shall not apply in case of restatements that reflect the adoption of new accounting standards, transactions that require retroactive restatement (e.g., discontinued operations), reclassifications of prior year financial information to conform with the current year presentation, or discretionary accounting changes.

2.11.2. Our Remuneration Committee and Board of Directors shall be authorized not to seek recovery to the extent that (i) to do so would be unreasonable or impracticable or; (ii) there is low likelihood of success under governing law versus the cost and effort involved;

3. Director Remuneration:

3.1. Executive Directors shall not be entitled to any remuneration with respect to their service as direcotrs of the Company, and shall only be entitled to the compensation provided to them in their capacity as Executives.

3.2. The compensation of our external directors shall be determined, approved and capped in accordance with the Law.

3.3. The compensation of our non-executive directors who are not external directors with respect to their service as directors of the Company and/or its private subsidiary(ies), shall be approved by the Compensation Committee, the Board and if required by Law, by our shareholders.

3.4. In setting the compensation of our external directors and non-executive directors, the Remuneration Committee shall consider, among others, parameters it deems necessary in order to attract and retain highly skilled and experienced Directors.

3.5. Any equity-based compensation that may be granted to our external directors and our non-executive directors shall be granted under the existing or future equity plan of the Company. Equity based compensation granted to each of our external directors and non- executive directors shall not exceed US$50,000.

3.6. The Company may repay Director's reasonable travel, hotel and other expenses expended by them in attending board meetings and performing their functions as directors of the Company.

4. Indemnification, Exculpation and Insurance

4.1. The Office Holders shall be entitled to the same directors and officer's indemnification of up to the maximum amount permitted by law, to an exculpation, in accordance with the terms and conditions approved by the Company, and to directors and officer's liability insurance as shall be approved by the Remuneration Committee, Board of Directors and our shareholders, all in accordance with any applicable law and the Company's articles of association.

4.2. We shall be authorized to provide our directors and officers with liability insurance policies with an aggregare coverage of up to $50,000,000, plus 20% additional coverage for claims- related costs, and a premium that shall not exceed US$120,000. Our liability insurance policies may include coverage extensions with respect to the implementation of ADR (American Depository Receipts) plans and/or issuances of shares or ADRs or other securities to be traded at the SGXNET or outside of Israel (including in the U.S).

4.3. The policy shall cover the directors and officers liability with respect to claims filed in Israel and abroad, in accordance with international law and jurisdictions. The policy shall also cover civil actions against the Company (in distinction from only covering claims against the directors and officers themselves) with respect to the purchase or sale of the Company's securities traded at the SGXNET and/or at the OTC markets (Entity Coverage). The terms of the policy shall be identical with respect to all directors and officers.

4.4. Our Remuneration Committee shall be authorized to: (i) increase the coverage purchased, and/or the premium paid for such policies, by up to 15% in any year, as compared to the previous year, or cumulatively for a number of years; (ii) with respect to a specific material transaction or a series of related transactions, constituting together a material transaction - to the extent such insurance coverage is required in the opinion of our Remuneration Committee, in order to provide adequate coverage for our directors and officers with respect to such a transaction – to purchase coverage in amounts of up to 3 times the then existing limit of coverage, with costs of up to 3 times the then existing limit of premium amounts; in both (i) and (ii) - without an additional shareholders' approval, if and to the extent permitted under the Law.

5. General

5.1. The Remuneration Committee and our Board of Directors shall be authorized to approve a deviation of up to 15% from any limits, caps or standards detailed in this Policy, and such deviation shall be deemed to be in alignment with this policy.

5.2. This Policy is set as guidance for the Company's relevant organs with respect to matters involving the compensation of its Office Holders, and is not intended to, and shall not, confer upon any of the Office Holders, any rights with respect to the Company.

APPENDIX C
THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The proposed amendments to the Articles of Association of the Company ("AOA") are set out below. It is proposed that the following articles in the AOA be amended in the following manner where (i) text in strikethrough indicates deletions; and (ii) text in underlined and bold indicates additions to the AOA.

Article 71. Notices

(a) All notices and other communications made pursuant to these Articles shall be in writing. Any written notice or other document may be served by the Company upon any Shareholder either personally, or by facsimile transmission, or by e-mail or by sending it by prepaid mail (airmail or overnight air courier if sent to an address on a different continent from the place of mailing) addressed to such Shareholder at his address (post address, facsimile number or e-mail address) as described in the Shareholders Register or such other address as he may have designated in writing for the receipt of notices and other documents. Such designation may include a broker or other nominee holding shares at the instruction of the Shareholder. Proof that an envelope containing a notice was properly addressed, stamped and mailed shall be conclusive evidence that notice was given. A declaration of an authorised person on behalf of the stock transfer agent of the Company or other distribution agent stating that a notice was mailed to a Shareholder will suffice as proof of notice for purposes of this Article. Any written notice or other document may be served by any Shareholder upon the Company by tendering the same in person to the Secretary of the Company or the General Manager of the Company at the principal office of the Company, or by facsimile transmission, or by sending it by prepaid registered mail (airmail or overnight air courier if posted outside Israel) to the Company at its Registered Office. Any such notice or other document **served on the Company** shall be deemed to have been served (i) in the case of mailing, three (3) business days after it has been posted (five (5) business days if sent internationally), or when actually received by the addressee if sooner than three business days or five business days, as the case may be, after it has been posted; (ii) in the case of overnight air courier, two (2) business day**s** following the day sent, with receipt confirmed by the courier, or when actually received by the addressee if sooner than two **(2)** business days after it has been sent; (iii) in the case of personal delivery, on the date such notice was actually tendered in person to such Shareholder (or to the Secretary or the General Manager); (iv) in the case of facsimile transmission, on the date on which the sender receives automatic electronic confirmation by the recipient's facsimile machine that such notice was received by the addressee; or (v) in the case of electronic mail, one **(1)** business day after being sent via electronic mail or when actually received by the addressee. If a notice is, in fact, received by the addressee, it shall be deemed to have been duly served, when received, notwithstanding that it was defectively addressed or failed, in some respect, to comply with the provisions of this sub-Article 71(a).

A Shareholder may change or supplement the address for service of any notice pursuant to these Articles, or designate additional addresses, facsimile numbers and email addresses for the purposes of this Article 71 by giving the Company a written notice of the new contact details in the manner set forth above.

(b) All notices to be given to the Shareholders shall, with respect to any share to which persons are jointly entitled, be given to whomever of such persons is named first in the Shareholders Register, and any notice so given shall be sufficient notice to the holders of such share.

(c) Any Shareholder whose address is not set forth in the Shareholders Register, and who shall not have designated in writing an address for the receipt of notices, shall not be entitled to receive any notice from the Company. If notice is given in more than one of the manners specified above, it shall be deemed to have been received on the earliest date on which it is deemed to have been delivered, as provided above.

(d) Notwithstanding anything to the contrary herein and subject to applicable law: notice by the Company of a General Meeting which is published in two (2) daily newspapers in the State of Israel, or on the Company's website, if at all, shall be deemed to have been duly given on the date of such publication to any Shareholder whose address as registered in the Shareholders Register (or as designated in writing for the receipt of notices and other documents) is located in the State of Israel.

Notwithstanding anything to the contrary herein and subject to applicable law: notice by the Company of a General Meeting which is published in one **(1)** daily newspaper in Singapore or in one **(1)** international wire service shall be deemed to have been duly given on the date of such publication to any Shareholder whose address as registered in the Shareholders Register (or as designated in writing for the receipt of notices and other documents) is located outside the State of Israel.

(e) The mailing date, actual transmission or delivery date or publication date or notice date and the date of the General Meeting shall not be counted as part of the days comprising any notice period.

(f) Notwithstanding anything to the contrary contained herein and subject to the provisions of the Israeli Companies Law, notice to a Shareholder shall be deemed to have been duly delivered if notice is provided in any manner prescribed by applicable law.

(g) Any Shareholder, Director or any other person entitled to receive notice in accordance with these Articles or under applicable law, may waive notice, in advance or retroactively, in a particular case or type of cases or generally, and if so, notice will be deemed as having been duly delivered, and all proceedings or actions for which the notice was required will be deemed valid.

(h) For purposes of this Article 71 "business day" means Sunday to Thursday, inclusive, with the exception of holidays and official days of rest in the State of Israel.

(i) **Without prejudice to the provisions of this Article 71, but subject otherwise to any applicable law, any document (including, without limitation, notices, circulars and annual reports) which is required or permitted to be given, sent or served under applicable law or under these Articles by the Company, or by the Directors, to a Shareholder may be given, sent or served using electronic communications:**

i. **to the current address of that person (which may be an email address); or**

ii. **by making it available on a website prescribed by the Company from time to time, in accordance with the provisions of these Articles and any applicable law and at the discretion of the Directors**.

(j) **Express Consent: For the purposes of sub-Articles 71(a) and 71(i) above, the Company may send such document by way of such electronic communications to a Shareholder, if there is express consent from that Shareholder.**

(k) **Deemed Consent: For the purposes of sub-Articles 71(a) above, the Directors may, at their discretion, give a Shareholder an opportunity to elect within a specified period of time whether to receive such document by way of electronic communications or as a physical copy, and such Shareholder shall be deemed to have consented to receive such document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such document, unless otherwise provided under Applicable Laws. Any election or deemed election by a Shareholder pursuant to this sub-Article 71(k) is a standing election but the Shareholder may make a fresh election at any time, provided that until the Shareholder makes a fresh election, the election or deemed election that is conveyed to the Company last in time prevails over all previous elections as that Shareholder's valid and subsisting election in relation to all documents to be sent.**

(l) **Implied Consent: For the purposes of sub-Articles 71(a) and 71(i) above, a Shareholder shall be implied to have agreed to receive such document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such document, unless otherwise provided under applicable law.**

(m) **Sub-Articles 71(i) to 71(l) above shall not apply to such documents which are excluded from being given, sent or served by electronic communications or means pursuant to applicable law, unless permitted by the applicable laws or the Exchange Listing Rules.**

(n) **Where a document is sent by electronic communications, the Company shall inform the Shareholder as soon as practicable of how to request a physical copy of that document from the Company. The Company shall provide a physical copy of that document upon such request.**

(o) **Where the Company uses website publication as the form of electronic communications, the Company shall separately provide a physical notification to Shareholders notifying of the following:**

i. **the publication of the document on the website;**

ii. **if the document is not available on the website on the date of notification, the date on which it will be available;**

iii. **the address of the website;**

iv. **the place on the website where the document may be accessed; and**

v. **how to access the document.**

(p) **Where a document is given, sent or served by electronic communications:**

i. **to the current address of a person pursuant to sub-Articles 71(a) and 71(i), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under applicable law; or**

ii. **by making it available on a website pursuant to sub-Article 71(d), it shall be deemed to have been duly given, sent or served on the date on which the document is first made available on the website, or unless otherwise provided under applicable law.**

This page has been left blank intentionally.

PROXY FORM

THE TRENDLINES GROUP LTD.

(Incorporated in Israel)
(Company Registration No. 513970947)

PROXY FORM

I/We _____ NRIC/Passport no. _____ of _____,

being a shareholder/shareholders of THE TRENDLINES GROUP LTD. (the "**Company**"), hereby appoint

Name	Address	NRIC/Passport No	No. of Shares

and/or (delete as appropriate)

Name	Address	NRIC/Passport No	No. of Shares

or failing him/her, the Chairman of the special general meeting of the Company ("**SGM**") or one of the Company's Joint Secretaries, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the SGM to be held at Suntec City Convention Centre Meeting Room 327, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 13 February 2019 at 2:00 p.m.(Singapore time) and at any adjournment thereof.

The resolutions put to vote at the SGM shall be decided by poll.

To exercise all your votes "For" or "Against" or "Abstain" on the resolutions as set out in the Notice of SGM, indicate with a tick "√" in the spaces provided. Alternatively, please indicate the number of votes as appropriate. If a "√" is not marked in either column or a "√" is marked in both columns, the vote shall be disqualified.

No.	Resolution	For	Against[1]	Abstain[1]	I am a Controlling Shareholder or have a personal interest in the proposed resolution	
					Yes*	No**
1.	To consider and approve the re-election of Ms. Elka Nir to serve as an External Director of the Company.					
	To consider and approve the re-election of Professor Hang Chang Chieh to serve as an External Director of the Company.					
2.	To consider and approve the proposed Management By Objectives Plan for the Company's Chief Executive Officers, Messrs. David Todd Dollinger and Stephen Louis Rhodes for FY2019.					
3.	To consider and approve the adoption of the amended Compensation Policy.					
4.	To consider and approve the proposed amendment to the Articles of Association.				Irrelevant	

Dated this _____ day of _____ 2019

Total Number of Shares Held

_____

Signature(s) of Shareholder(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register, you should insert that number. If you have Shares registered in your name in the Shareholders Register of the Company, you should insert that number. If you have Shares entered against your name in the Depository Register and shares registered in your name in the Shareholders Register, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.

2. The instrument of proxy shall be duly signed by the appointer or his duly authorized attorney or, if such appointer is a company or other corporate body, under its common seal or stamp or the hand of its duly authorized signatory(ies), agent(s) or attorney(s). The Board may demand that the Company be provided with written confirmation, to its satisfaction, that the signatory(ies), agent(s) or attorney(s) have the authority to bind the corporate body of the appointing Shareholder.

3. The Companies Law requires that each Shareholder voting on the proposed resolutions 1-3 to indicate whether or not he or she is a Controlling Shareholder or has a personal interest in such proposed resolutions. For a complete discussion regarding control and personal interest, and how to indicate whether you are a Controlling Shareholder or have personal interest in these proposed resolutions, please see Paragraph VI of the Circular, under the caption “Indication of personal interest”.

4. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the Shareholder, being the appointer, is not shown to have Shares entered against his name in the Depository Register as at **8 February 2019, the record date for determining those Shareholders eligible to vote at the SGM**, as certified by the Depositor.