CIRCULAR DATED 25 OCTOBER 2019

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

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

If you have sold or transferred all your shares in the capital of The Trendlines Group Ltd. ("**Company**") represented by physical share certificate(s), you should immediately forward this Circular together with the Notice of Special General Meeting and the accompanying Proxy Form immediately 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 the transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This Circular has not been examined or approved by the SGX-ST. The SGX-ST assumes 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, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

This Circular does not constitute an offer to sell or a solicitation of an offer to buy shares nor shall there be any sale of any shares in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under any securities laws of such jurisdiction. This Circular is issued to Shareholders (as defined herein) solely for the purpose of providing Shareholders with the information pertaining to, and seeking Shareholders' approval for the resolutions to be proposed at the Special General Meeting. Shareholders are authorised to use this Circular solely for the purpose of considering the approvals sought. Persons to whom a copy of this Circular has been issued shall not circulate to any other person, reproduce or otherwise distribute this Circular or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Circular and/or transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Circular comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

trendlines
medical • agtech • labs

THE TRENDLINES GROUP LTD.

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

CIRCULAR TO SHAREHOLDERS IN RELATION TO

(1) THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 84,693,994 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S$0.1050 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY NINE (9) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE SHAREHOLDERS OF THE COMPANY AS AT A BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED; AND

(2) THE POTENTIAL TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO LIBRAE HOLDINGS LIMITED ARISING FROM THE ALLOTMENT AND ISSUE OF EXCESS RIGHTS SHARES (AS DEFINED HEREIN) PURSUANT TO THE RIGHTS ISSUE.

Financial Adviser to the Rights Issue

PRIME^n Partners

PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200207389D)

IMPORTANT DATES AND TIMES:

Last Date and Time for lodgement of Proxy Forms	:	17 November 2019 at 2.00 p.m. (Singapore time)
Date and Time of Special General Meeting	:	19 November 2019 at 2:00 p.m. (Singapore time)
Place of Special General Meeting	:	Meeting Room 302, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires:

"1H"	:	The six-month financial period ended or, as the case may be, ending 30 June
"ADR"	:	The Company's Level 1 American Depositary Receipt, each of which represents 50 Shares
"ADR Depositary"	:	The Bank of New York Mellon
"ADR Holders"	:	Holders of the Company's Level 1 American Depositary Receipts held through the ADR Depositary
"ARE"	:	Application and acceptance form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotment of Rights Shares under the Rights Issue
"ARS"	:	Application and acceptance form for Rights Shares to be issued to purchasers of the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
"ATM"	:	Automated teller machine(s) of a Participating Bank
"Articles of Association"	:	The articles of association of the Company, as amended, modified or supplemented from time to time
"Authority"	:	Monetary Authority of Singapore
"Board"	:	The board of Directors of the Company
"Books Closure Date"	:	Subject to Shareholders' approval of the Rights Issue being obtained, the date and time to be determined by the Directors at and on which the Register of Members and share transfer books of the Company will be closed to determine the provisional allotments of Rights Shares of the Entitled Shareholders under the Rights Issue
"Catalist Rules"	:	Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
"CDP"	:	The Central Depository (Pte) Limited
"Circular"	:	This circular to Shareholders dated 25 October 2019 in respect of the Rights Issue
"Closing Date"	:	The date and time to be determined by the Directors, being the last date and time for acceptance and/or excess application and payment, and renunciation and payment of the Rights Shares under the Rights Issue
"Code"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"Companies Law"	:	The Israeli Companies Law 5759-1999, as amended, modified or supplemented from time to time
"Company"	:	The Trendlines Group Ltd.
"Controlling Shareholder"	:	As defined in the Catalist Rules, a person who holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company (unless otherwise determined by the SGX-ST) or in fact exercises control over the Company

"Directors"	:	The directors of the Company for the time being
"Electronic Application"	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM of a Participating Bank in accordance with the terms and conditions of the Offer Information Statement
"Entitled Depositors"	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
"Entitled Scripholders"	:	Shareholders whose (i) share certificates are not deposited with CDP; (ii) Shares are registered in their own names; and (iii) registered addresses are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
"Entitled Shareholders"	:	Entitled Depositors and Entitled Scripholders
"EPS"	:	Earnings per Share
"Excess Rights Shares"	:	Additional Rights Shares in excess of an Entitled Shareholder's provisional allotments of Rights Shares under the Rights Issue
"Existing Share Capital"	:	The existing issued and paid-up share capital of the Company of 712,360,797 Shares as at the Latest Practicable Date
"Foreign Shareholders"	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents
"FY"	:	Financial year ended or, as the case may be, ending 31 December
"Group"	:	The Company and its subsidiaries
"Irrevocable Undertaking"	:	The irrevocable undertaking given by Librae Holdings Limited to the Company, details of which are set out in Section 2.7 of this Circular
"Issue Price"	:	The issue price of the Rights Shares, being S$0.1050 for each Rights Share
"Latest Practicable Date"	:	The latest practicable date prior to the printing of this Circular, being 11 October 2019
"LH"	:	Librae Holdings Limited
"LPS"	:	Loss per Share
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Maximum Subscription Scenario"	:	For illustrative purposes, the scenario under which the maximum number of Rights Shares will be issued pursuant to the Rights Issue as set out in Section 2.3 of this Circular

"Minimum Subscription Scenario"	:	For illustrative purposes, the scenario under which the minimum number of Rights Shares will be issued pursuant to the Rights Issue as set out in Section 2.3 of this Circular
"NTA"	:	Net tangible assets
"Offer Information Statement"	:	The offer information statement referred to in Section 277 of the SFA, together with the PAL, the ARE, the ARS, and all other accompanying documents (where applicable, including any supplement or replacement document thereof to be issued by the Company and to be lodged with the Authority in connection with the Rights Issue)
"PAL"	:	The provisional allotment letter to be issued to Entitled Scripholders, setting out the provisional allotment of Rights Shares of Entitled Scripholders under the Rights Issue
"Participating Bank"	:	A bank that will be participating in the Rights Issue by making available its ATMs to Entitled Depositors and persons purchasing the "nil-paid" Rights through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares and/or applications for Excess Rights Shares, and to be set out in the Offer Information Statement in due course
"Placement"	:	The placement of 103,619,048 new Shares to LH at a placement price of S$0.1050 per Share as announced by the Company on 22 July 2019 and completed on 6 August 2019
"Potential Transfer of Controlling Interest"	:	The potential transfer of controlling interest to LH arising from the allotment and issue of Excess Rights Shares to LH pursuant to the Rights Issue
"Proposed Resolutions"	:	Collectively, the resolutions being proposed in relation to the Rights Issue and the Potential Transfer of Controlling Interest as set out in Section 1.1 of this Circular
"Proxy Form"	:	The proxy form in respect of the SGM as attached to this Circular
"Register of Members"	:	The register of members of the Company
"Rights"	:	The "nil-paid" rights (evidenced by the provisional allotments of Rights Shares)
"Rights Announcement"	:	The announcement dated 26 September 2019 made by the Company in relation to the Rights Issue
"Rights Issue"	:	The proposed renounceable non-underwritten rights issue of up to 84,693,994 Rights Shares at the Issue Price, on the basis of one (1) Rights Share for every nine (9) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
"Rights Shares"	:	Up to 84,693,994 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
"Securities Account"	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
"SFA"	:	Securities and Futures Act (Cap. 289) of Singapore, as amended, modified or supplemented from time to time

"SGM"	:	The special general meeting of the Company, notice of which is set out in this Circular
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Share Registrar"	:	Boardroom Corporate & Advisory Services Pte. Ltd.
"Shareholders"	:	Registered holders of Shares except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean the Depositors whose securities accounts are credited with Shares
"Shares"	:	Ordinary shares in the capital of the Company
"Share Options"	:	Options to subscribe for new Shares granted pursuant to share option schemes or plans implemented by the Company
"Substantial Shareholder"	:	A person (including a corporation) who holds directly or indirectly 5% or more of the issued share capital of the Company
Currencies, units and others		
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively
"**US$**"	:	United States dollars
"**%**"	:	Per centum or percentage

The expression "**subsidiaries**" shall have the meaning ascribed to it in the Companies Law.

The terms "**Depositor**", "**Depository**", "**Depository Agent**", "**Depository Register**" and "**Sub-Account Holder**" shall have the meanings ascribed to them, respectively, in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Code or the Catalist Rules, or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act, the SFA, the Code or the Catalist Rules, or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

Any reference in this Circular to "**we**", "**our**", "**us**" or their other grammatical variations is a reference to our Company, or our Group, or any member of our Group, as the context requires.

THE TRENDLINES GROUP LTD.

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

Board of Directors		**Registered Office:**
David Todd Dollinger	(Chairman and Chief Executive Officer)	The Trendlines Building,
Stephen Louis Rhodes	(Chairman and Chief Executive Officer)	Misgav Business Park
Zeev Bronfeld	(Non-Independent Non-Executive Director)	17 T'chelet Street
Elka Nir	(Lead Independent Director)	M.P. Misgav 2017400
Stephen Philip Haslett	(Independent Director)	Israel
Hang Chang Chieh	(Independent Director)	

25 October 2019

To: The Shareholders of The Trendlines Group Ltd.

Dear Sir/Madam,

(1) THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 84,693,994 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S$0.1050 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY NINE (9) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE SHAREHOLDERS OF THE COMPANY AS AT A BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED; AND

(2) THE POTENTIAL TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO LIBRAE HOLDINGS LIMITED ARISING FROM THE ALLOTMENT AND ISSUE OF EXCESS RIGHTS SHARES (AS DEFINED HEREIN) PURSUANT TO THE RIGHTS ISSUE.

1. INTRODUCTION

1.1 SGM

The Directors are convening the SGM to be held on Tuesday, 19 November 2019 to seek Shareholders' approval in relation to:

(a) the Rights Issue ("**Ordinary Resolution 1**"); and

(b) the Potential Transfer of Controlling Interest ("**Ordinary Resolution 2**");

(collectively, the "**Proposed Resolutions**").

Shareholders should note that the passing of the Proposed Resolutions are inter-conditional. This means that if either the ordinary resolution in relation to the Rights Issue or the ordinary resolution in relation to the Potential Transfer of Controlling Interest is not passed, the Company will not proceed with the Rights Issue. In order for the Company to proceed with the Rights Issue, the Proposed Resolutions need to be approved by Shareholders at the SGM.

1.2 **Circular**

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Resolutions to be tabled at the SGM. The SGX-ST assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this Circular.

2. THE RIGHTS ISSUE

2.1 **Introduction**

The Company announced the Rights Issue on 26 September 2019. In the announcement, it was stated that the Rights Issue was subject to, *inter alia*, the approval of the Shareholders, which will be sought at the SGM.

In view of the Irrevocable Undertaking, further details of which are set out in Section 2.7 of this Circular, and taking into consideration the costs of engaging an underwriter and having to pay commission in relation to the underwriting, the Company has decided to proceed with the Rights Issue on a non-underwritten basis. The Rights Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules. The Company has appointed PrimePartners Corporate Finance Pte. Ltd. as the financial adviser ("**Financial Adviser**") to the Rights Issue.

2.2 **Basis of the Rights Issue**

The Rights Issue is proposed to be offered on a renounceable and non-underwritten basis by the Company. Pursuant thereto, the Company will issue up to 84,693,994 Rights Shares in the capital of the Company at an issue price of S$0.1050 for each Rights Share, on the basis of one (1) Rights Share for every nine (9) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

The Rights Shares are payable in full upon acceptance and/or application, and will upon allotment and issuance, rank *pari passu* in all respects with the existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

Entitled Shareholders will be entitled to participate in the Rights Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses. Please see Section 2.6 of this Circular for further information on eligibility to participate in the Rights Issue.

Entitled Shareholders will be provisionally allotted the Rights Shares on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or in the case of Entitled Depositors, trade their provisional allotments of the Rights Shares on the Official List of the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

The basis of allotting any Excess Rights Shares will be determined at the absolute discretion of the Directors. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and the Substantial Shareholders (including LH) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank **last in priority** for the rounding of odd lots and allotment of excess Rights Shares. The Company will also not make any allotment and issuance of any excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

2.3 **Size of the Rights Issue**

As at the Latest Practicable Date, the Company has an existing issued and paid-up share capital comprising 712,360,797 Shares. Save for 49,885,153 outstanding Share Options which are exercisable into 49,885,153 Shares, the Company does not have any outstanding warrants or convertible securities. None of the outstanding Share Options are held by LH.

For illustrative purposes only, based on the Existing Share Capital and:

(a) assuming (i) all of the outstanding Share Options are exercised on or prior to the Books Closure Date; and (ii) all the Entitled Shareholders subscribe and pay for their pro-rata entitlements of Rights Shares, the Company will issue 84,693,994 Rights Shares ("**Maximum Subscription Scenario**") and the resultant enlarged issued and paid-up share capital of the Company in the Maximum Subscription Scenario will be 846,939,944 Shares; and

(b) assuming (i) none of the outstanding Share Options are exercised on or prior to the Books Closure Date; (ii) LH subscribes for its entitlement of Rights Shares and such number of Rights Shares which are not subscribed for or otherwise taken and/or applied for by the other Entitled Shareholders ("**Excess Rights Shares**") pursuant to the Irrevocable Undertaking; and (iii) none of the other Entitled Shareholders subscribe for their pro-rata entitlements of Rights Shares, the Company will issue 78,617,143 Rights Shares ("**Minimum Subscription Scenario**") and the resultant enlarged issued and paid-up share capital of the Company in the Minimum Subscription Scenario will be 790,977,940 Shares.

2.4 **Principal Terms of the Rights Issue**

Basis of provisional allotment	:	One (1) Rights Share for every nine (9) existing Shares standing to the credit of the Securities Account of the Entitled Depositors or held by the Entitled Scripholders, as the case may be, as at the Books Closure Date, fractional entitlements to be disregarded. The ratio of one (1) Rights Share for every nine (9) existing Shares was arrived at after taking into consideration (i) the Company's funding needs; and (ii) LH's commitment under the Irrevocable Undertaking.
Number of Rights Shares	:	For illustrative purposes only, based on the Existing Share Capital, the Company will issue: (a) 84,693,994 Rights Shares in the Maximum Subscription Scenario; and (b) 78,617,143 Rights Shares in the Minimum Subscription Scenario.
Rights Shares Issue Price	:	S$0.1050 for each Rights Share, payable in full on acceptance and/or application. The Issue Price represents premia of approximately: (a) 19.3% over the closing price of S$0.0880 per Share for trades done on the Catalist on 26 September 2019 (being the last trading day on which the Shares were traded prior to the Rights Announcement); and

(b) 24.2% over the theoretical ex-rights price of S$0.0845 per Share calculated using the following formula:

T= (A + B) / C

where:

A = the Company's market capitalisation based on the closing price of S$0.0880 per Share on the Catalist on 26 September 2019, being the last trading date on which the shares were traded prior to the Rights Announcement

B = the gross proceeds from the Rights Issue assuming the completion of the Rights Issue under the Maximum Subscription Scenario based on the Existing Share Capital of 712,360,797 Shares and the 49,885,153 new Shares issued pursuant to the exercise of the Share Options

C = the enlarged issued share capital of the Company under the Maximum Subscription Scenario of 846,939,944 Shares

In arriving at the Issue Price, the Company took into consideration the fact that the Issue Price would more closely approximate the Company's value as it was supported by the Placement to LH at S$0.1050 per Share, which represented a premium of 34.6% over the volume weighted average price ("**VWAP**") and last traded price of the full market day prior to the date of the subscription agreement.

The Board is of the view that the relatively substantial shareholding stake of 14.55% in the Company resulting from the Placement (at a premium over the Company's VWAP) demonstrates the belief and support of LH in the Company and its prospects.

Notwithstanding that the current market price is lower than the Issue Price, the current average trading volume of the Company's shares is low and Shareholders who wish to obtain further equity participation in the Company may not be able to purchase Shares from the market at the current market price.

Status of Rights Shares : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.

Eligibility of Shareholders to participate in the Rights Issue : Please refer to Section 2.6 of this Circular.

Listing of the Rights Shares : The Company has submitted an application through the Sponsor to the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Catalist. An appropriate announcement will be made by the Company upon the receipt of the listing and quotation notice including the conditions that may be required to be fulfilled.

Trading of the Rights Shares : Upon the listing and quotation of the Rights Shares on the Catalist, the Rights Shares will be traded under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of the Rights Shares (that is, less than 100 Shares) and who wish to trade in odd lots on the SGX-ST should note that they are able to trade odd lots of Shares in board lots of one (1) Share on the unit share market of the SGX-ST.

Trading of "nil-paid" Rights : Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST can do so during the trading period for the "nil-paid" Rights.

Acceptance, excess application and payment procedures : Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce their provisional allotments of the Rights Shares and are eligible to apply for Excess Rights Shares.

Acceptances of provisional allotment of Rights Shares and (if applicable) applications for Excess Rights Shares, under the Rights Issue may only be made:

(a) in the case of Entitled Scripholders, on the PAL;

(b) in the case of Entitled Depositors, on the ARE or by way of an Electronic Application through an ATM of a Participating Bank; and

(c) in the case of persons purchasing provisional allotments of Rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore, on the ARS.

Provisional allotments which are not taken up for any reason shall be aggregated and used to satisfy the applications for Excess Rights Shares or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. Excess Rights Shares will be allotted in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company, subject to applicable laws, the Catalist Rules and the Irrevocable Undertaking.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots. Directors and substantial shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of the Company, including LH, will rank **last in priority** for the rounding of odd lots and the allotment of Excess Rights Shares.

The Company will also not make any allotment and issue of any Excess Rights Shares that will result in a transfer of controlling interests in the Company unless otherwise approved by Shareholders in a general meeting.

Please refer to the Offer Information Statement and the relevant forms, to be despatched by the Company to the Entitled Shareholders in due course subject to, *inter alia*, the Rights Issue being approved by the Shareholders at the SGM, for more information on the acceptance, excess application and payment procedures.

Irrevocable Undertaking	:	Please refer to Section 2.7 of this Circular.
Non-underwritten	:	The Rights Issue will not be underwritten. In view of the Irrevocable Undertaking, further details of which are set out in Section 2.7 of this Circular, and the savings in underwriting costs which the Company will enjoy, the Company has decided to proceed with the Rights Issue on a non-underwritten basis. The Rights Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.
Option to scale down	:	Depending on the level of subscription for the Rights Shares, the Company will, if necessary, and upon the approval of the SGX-ST, scale down a Shareholder's application to subscribe for the Rights Issue to avoid placing the relevant Shareholder and parties acting in concert with it in the position of incurring a mandatory bid obligation under the Code as a result of other Shareholders not taking up their Rights Shares entitlements fully. For the avoidance of doubt, the option to scale down shall not apply to LH's application to subscribe for the Rights Shares and Excess Rights Shares pursuant to the Irrevocable Undertaking.
Fractional entitlements	:	Fractional entitlements to the Rights Shares, will be disregarded in arriving at the Entitled Shareholders' entitlement and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and used to satisfy excess applications for the Rights Shares, or to be disposed of, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.
Governing Law	:	Laws of Singapore

The terms and conditions of the Rights Issue are subject to (i) such changes as the Directors may deem fit; and (ii) the approval of Shareholders at the SGM. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement to be lodged with the SGX-ST, acting as an agent on behalf of the Authority and despatched by the Company to Entitled Shareholders in due course, subject to, *inter alia*, the Rights Issue and the Potential Transfer of Controlling Interest being approved by Shareholders at the SGM.

2.5 **Conditions for the Rights Issue**

Shareholders should note that the Rights Issue is subject to, *inter alia*, the following conditions:

(a) the approval of Shareholders for the Rights Issue being obtained at the SGM to be convened;

(b) the approval of Shareholders for the Potential Transfer of Controlling Interest being obtained at the SGM to be convened;

(c) the receipt of the listing and quotation notice from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Catalist and such approval not having been withdrawn or revoked on or prior to the completion of the Rights Issue, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and

(d) the lodgement of the Offer Information Statement together with all other accompanying documents (if applicable) pursuant to the SFA with the SGX-ST, acting as agent on behalf of the Authority.

As set out in Section 1.1, Shareholders should note that the passing of the Proposed Resolutions are inter-conditional. This means that if either the ordinary resolution in relation to the Rights Issue or the ordinary resolution in relation to the Potential Transfer of Controlling Interest is not passed, the Company will not proceed with the Rights Issue.

The Company has submitted an application to the SGX-ST, through the Sponsor, for the dealing in, listing of and quotation for the Rights Shares on the Catalist. An appropriate announcement will be made in due course when the Company receives the listing and quotation notice for the dealing in, listing of and quotation for the Rights Shares on the Catalist.

The Offer Information Statement will be lodged with the SGX-ST, acting as agent on behalf of the Authority and despatched to Entitled Shareholders in due course.

2.6 **Eligibility of Shareholders to Participate in the Rights Issue**

(a) Entitled Shareholders

Entitled Shareholders will be eligible to participate in the Rights Issue and to receive the Offer Information Statement together with the ARE or the PAL, as the case may be, and other accompanying documents at their respective Singapore addresses. Entitled Depositors who do not receive the Offer Information Statement and the ARE may obtain them from CDP during the period from the date the Rights Issue commences up to the Closing Date. Entitled Scripholders who do not receive the Offer Information Statement and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date. They are at liberty to accept (in full or in part), or decline or otherwise renounce or, in the case of Entitled Depositors only, trade their provisional allotments of the Rights Shares on the SGX-ST (during the provisional allotment trading period prescribed by the SGX-ST), and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. For the avoidance of doubt, only Entitled Shareholders (and not purchasers of the provisional allotment of Rights Shares traded on the SGX-ST during the provisional allotment trading period or the renouncees of Entitled Shareholders) shall be entitled to apply for additional Rights Shares.

All fractional entitlements to the Rights Shares will be disregarded in arriving at the entitlements of the Entitled Shareholders and will, together with the entitlements not allotted or taken up for any reason, be aggregated and issued to satisfy applications, if any, for Excess Rights Shares, or dealt with in such manner as the Directors in their absolute discretion deem fit. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots and the Directors and the substantial shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, including LH, will rank **last in priority** for the rounding of odd lots and the allotment of Excess Rights Shares.

All dealings in and transactions of the Rights through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs for the Rights Issue which are issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

The procedures for, and the terms and conditions applicable to, acceptances, splitting and/or renunciation of the Rights Shares and sales of the Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement to be despatched by the Company to the Entitled Shareholders in due course.

Entitled Shareholders with registered addresses outside Singapore who wish to participate in the Rights Issue should provide CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents, at least three (3) Market Days prior to the Books Closure Date.

(i) Entitled Scripholders

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered Singapore mailing addresses with the Share Registrar. Entitled Scripholders are reminded that any request to the Share Registrar to update their records or effect any change in the address must reach Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least three (3) Market Days before the Books Closure Date.

Entitled Scripholders are encouraged to open Securities Accounts if they have not already done so and to deposit such share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the Rights. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the twelfth (12^{th}) Market Day from the date of lodgement of the share certificates with CDP or such later date as CDP may determine.

(ii) Entitled Depositors

Entitled Depositors should note that all notices and documents will be sent to their last registered Singapore addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or to effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, at least three (3) Market Days before the Books Closure Date.

(b) <u>Foreign Shareholders</u>

The Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and the accompanying documents will not be despatched to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**").

It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside Singapore wishing to take up their provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares under the Rights Issue to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith,

including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this section are intended as a general guide only and any Foreign Shareholder who is in doubt as to his position should consult his professional advisers without delay.

The Offer Information Statement, PALs and AREs will not be sent to, and Rights will not be credited to Securities Accounts of, Shareholders with registered addresses in the United States or other jurisdictions outside Singapore or to their agent or intermediary outside Singapore, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this Circular, the Offer Information Statement, the PAL, ARE or ARS and/or a credit of Rights or Rights Shares to a Securities Account in any territory other than Singapore may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such PAL, ARE or ARS and/or accept any credit of Rights or Rights Shares to a Securities Account unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such PAL, ARE or ARS and/or credit of Rights or Rights Shares to a Securities Account could lawfully be used or accepted, and any transaction resulting from such use or acceptance could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Circular, the Offer Information Statement, the PAL, ARE or ARS must be treated as sent for information only and should not be copied or redistributed.

Persons (including, without limitation, custodians, nominees and trustees) receiving a copy of this Circular, the Offer Information Statement, and/or the PAL, ARE or ARS or whose Securities Account is credited with Rights or Rights Shares should not distribute or send the same or transfer Rights or Rights Shares in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If the Offer Information Statement, the PAL, ARE or ARS or a credit of Rights or Rights Shares is received by any person in any such territory, or by his agent or nominee, he must not seek to take up the Rights or Rights Shares, renounce such PAL, ARE or ARS or transfer the Rights or the Rights Shares unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who forwards this Circular, the Offer Information Statement, or the PAL, ARE or ARS or transfers Rights or Rights Shares into any such territories (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section as well as relevant sections of the Offer Information Statement.

The Company reserves the right to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation or warranty. The Company further reserves the right to reject any acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares where it believes, or has reason to believe, that such acceptances and (if applicable) applications may violate the applicable legislation of any jurisdiction.

Foreign Shareholders will not be allowed to participate in the Rights Issue. Accordingly, no provisional allotment of Rights Shares will be made to Foreign Shareholders and no purported acceptance or application for Rights Shares by Foreign Shareholders will be valid.

The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotments of Rights Shares

through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore as at the Books Closure Date and who have not, at least three (3) market days prior to the Books Closure Date, provided to the Share Registrar or CDP, as the case may be, addresses in Singapore for service of notice and documents ("Foreign Purchasers"). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

For the avoidance of doubt, even if a Foreign Shareholder has provided a Singapore address as aforesaid, the offer of Rights and/or Rights Shares to him will be subject to compliance with applicable securities laws outside Singapore.

(c) Treatment of Un-allotted Rights of Foreign Shareholders

If it is practicable to do so, the Company may, at its absolute discretion, arrange for the rights to subscribe for the Rights Shares ("**Rights**"), which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the Catalist as soon as practicable after commencement of trading in "nil-paid" Rights. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the expenses expected to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register maintained by CDP as at the Books Closure Date and sent to them at their own risk by ordinary post, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Financial Adviser, CDP or the Share Registrar and their respective officers in connection therewith.

If such provisional allotments of Rights Shares cannot be or are not sold on the Catalist as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be issued to satisfy excess applications or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Financial Adviser, CDP or the Share Registrar and their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders. However, the Company reserves the right to make similar arrangements for the Rights which would otherwise have been allotted to certain Entitled Shareholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights commence, where the beneficial holders of such Rights are restricted or prohibited by the laws of the jurisdiction in which they are located or resident from participating in the Rights Issue.

Notwithstanding anything herein, Shareholders and any other person receiving the Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulatory or legal requirements in such territory.

(d) ADR Holders

The Offer Information Statement and its accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. As ADR Holders hold ADRs through the ADR Depositary who, in turn, holds Shares represented by such ADRs through its Singapore custodian(s) ("**ADR Depositary Singapore Custodian**"), the Offer Information Statement and the accompanying documents will be despatched to the ADR Depositary Singapore Custodian but will not be despatched to ADR Holders or the ADR Depositary for practical reasons and in order to avoid any violation of the securities legislation applicable in the United States.

Provisional allotments of Rights Shares will be made to the ADR Depositary Singapore Custodian. Accordingly, ADR Holders who wish to participate in the Rights Issue must do so through the ADR Depositary and, in turn, the ADR Depositary Singapore Custodian. Such ADR Holders should provide the appropriate instructions early in order for the ADR Depositary and the ADR Depositary Singapore Custodian to make the relevant acceptance and (if applicable) application by the Closing Date.

2.7 **Irrevocable Undertaking**

As at the Latest Practicable Date, LH has an interest (actual or deemed) in 103,619,048 Shares ("**Existing LH Shares**"), representing in aggregate approximately 14.55% of the Existing Share Capital.

To show support for the Rights Issue and to demonstrate its commitment to and confidence in the Company, LH had on 24 September 2019, given an Irrevocable Undertaking pursuant to which it has irrevocably represented, warranted and undertaken to the Company, *inter alia*:

(a) that it will not sell, transfer, assign, give, grant any interest over or otherwise dispose of any of the Existing LH Shares prior to the Books Closure Date;

(b) to fully subscribe and/or procure subscription for all of its entitlement of 11,513,227 Rights Shares based on the Existing LH Shares as at the Books Closure Date under the Rights Issue;

(c) to fully subscribe and/or procure subscription for up to 67,103,916 Rights Shares which are not subscribed for or otherwise taken up and/or applied for by the other Entitled Shareholders, on the basis that it will rank last in priority for the allotment of Excess Rights Shares which are not taken up by the other Entitled Shareholders; and

(d) to vote and/or procure the voting of, all of its shareholding, whether held directly or indirectly, in favour of the resolution in relation to the Rights Issue in order to procure the passing of the resolution for the Rights Issue to be tabled at the SGM.

The Irrevocable Undertaking is subject to and conditional upon the following:

(a) if, to perform its obligations under the Irrevocable Undertaking, LH will be in breach of any applicable laws or regulations or of an order of a court of competent jurisdiction or regulatory body issued after the date hereof, upon the date such law, regulation or order is issued;

(b) the receipt of the listing and quotation notice of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares under the Rights Issue on the Catalist and such approval not being withdrawn or revoked as at the completion of the Rights Issue, and if such approval is granted to such conditions, such conditions being acceptable to the Company;

(c) the Rights Issue being approved by the Shareholders at the SGM to be convened;

(d) the Potential Transfer of Controlling Interest being approved by the Shareholders at the SGM to be convened; and

(e) the lodgement of the Offer Information Statement, together with all other accompanying documents (if applicable), by the Company in respect of the Rights Issue with the SGX-ST, acting as agent on behalf of the Authority,

(collectively, the "**Undertaking Conditions**").

If any of the Undertaking Conditions are not fulfilled by 1730 hours (Singapore time) on 31 March 2020, the Irrevocable Undertaking shall terminate.

LH has additionally furnished a written confirmation from a financial institution that it has sufficient financial resources to fulfil its obligations under the Irrevocable Undertaking.

2.8 **Rationale for the Rights Issue and Use of Proceeds**

As announced by the Company on 6 August 2019, the Company had completed the Placement of 103,619,048 new Shares to LH at a placement price of S$0.1050 per Share. As such, the Directors believe that the Rights Issue will provide Shareholders with the opportunity to obtain further equity participation in the Company by subscribing for the Rights Shares at the same price as the Placement. In addition, the proceeds from the Rights Issue will enable the Company to finance the working capital requirements of the Company and its subsidiaries as well as investments into new, prospective or existing portfolio companies.

The estimated net proceeds ("**Net Proceeds**") arising from the Rights Issue, after deducting estimated expenses of approximately S$150,000, are expected to be approximately S$8.74 million in the Maximum Subscription Scenario and approximately S$8.10 million in the Minimum Subscription Scenario. The Company intends to fund all the expenses in relation to the Rights Issue by internal resources.

For illustrative purposes only, the table below sets out the proposed use of Net Proceeds by the Company based on the Maximum Subscription Scenario and the Minimum Subscription Scenario:

Purpose		**Maximum Subscription Scenario**		**Minimum Subscription Scenario**	
		% of Net Proceeds	**S$'million**	**% of Net Proceeds**	**S$'million**
1)	Direct and indirect investments into new, prospective or existing portfolio companies	70	6.12	70	5.67
2)	General working capital	30	2.62	30	2.43
	Total	**100**	8.74	**100**	8.10

The above allocations are based on the Maximum Subscription Scenario and the Minimum Subscription Scenario only and are subject to certain assumptions. In the event that the Net Proceeds falls in between the Maximum Subscription Scenario and the Minimum Subscription Scenario, the Company will make the necessary announcements on the revised allocations once the final Net Proceeds have been determined. It is anticipated that the allocations will not deviate significantly from the above illustrations.

Pending deployment of the Net Proceeds, such Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets or marketable securities or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed, and provide a status report on the use of the Net Proceeds in the interim and full-year financial statement announcements and in the annual report of the Company, until such time the proceeds have been fully utilised. Where there is a material deviation in the use of Net Proceeds, the Company will announce the reason(s) for such deviation.

In relation to the Net Proceeds which are set aside for general working capital purposes, the Company will disclose a breakdown with specific details on the use of the Net Proceeds for working capital in announcements and annual reports.

2.9 **Adequacy of Working Capital**

As at the Latest Practicable Date, the Directors are of the opinion that, after taking into account the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the above, the purpose of the Rights Issue is to meet its anticipated general working capital and investment and acquisitions requirements. The Directors are further of the opinion that, after taking into consideration the Group's present bank facilities and the Net Proceeds (based on the Minimum Subscription Scenario), that the working capital available to the Group is sufficient to meet its present requirements.

Based on the reasonable opinion of the Directors as at the Latest Practicable Date and in view of the Irrevocable Undertaking, there is no minimum amount which must be raised from the Rights Issue taking into consideration the intended use of the Net Proceeds.

2.10 **Books Closure Date**

Subject to Shareholders' approval of the Rights Issue at the SGM being obtained, the Books Closure Date for the purpose of determining the Entitled Shareholders' entitlements under the Rights Issue will be announced at a later date.

2.11 **Financial Information of the Group**

Selected audited consolidated financial information of the Group for FY2016, FY2017 and FY2018 and selected unaudited consolidated financial information of the Group for 1H2018 and 1H2019 are set out in Appendix A to this Circular. Such selected financial information include the Group's income statement, statement of financial position, statement of cash flow and the working capital position as well as a review thereof, and should be read together with the annual reports, the consolidated audited accounts and consolidated financial statements of the Group for the relevant periods and the related notes thereto, which are available on the website of the SGX-ST at www.sgx.com.

3. FINANCIAL EFFECTS OF THE RIGHTS ISSUE

The pro forma financial effects of the Rights Issue set out below are purely for illustrative purposes only and are not necessarily indicative of or a projection of the actual future financial performance or financial position of the Group after completion of the Rights Issue.

The pro forma financial effects of the Rights Issue have been computed based on the latest audited consolidated financial statements of the Group for FY2018. The financial effects of the Rights Issue under both the Maximum Subscription Scenario and Minimum Subscription Scenario are presented herein after taking into account the following assumptions:

(a) for the purposes of computing the financial effects of the Rights Issue on the NTA per Share and gearing of the Group, the Rights Issue is assumed to have been completed on 31 December 2018 and based on the exchange rate of US$1:S$1.40; and

(b) for the purposes of computing the financial effects of the Rights Issue on the LPS of the Group, the Rights Issue is assumed to have been completed on 1 January 2018 and based on the exchange rate of US$1:S$1.40. The future effect of the Rights Issue on the Group's earnings will in turn depend on the returns earned from such deployment of the net proceeds from the issue of the Rights Shares and is not determinable at this point in time.

3.1 **Share Capital**

	Minimum Subscription Scenario		**Maximum Subscription Scenario**	
	No. of Shares	**S$'000**	**No. of Shares**	**S$'000**
As at the Latest Practicable Date	712,360,797	105,399	712,360,797	105,399
Add: new Shares to be issued from exercise of Share Options	-	-	49,885,153	5,411
Add: Rights Shares to be issued	78,617,143	8,255	84,693,994	8,893
Less: estimated expenses of the Rights Issue	-	(150)	-	(150)
Resultant enlarged issued share capital	790,977,940	113,504	846,939,944	119,553

3.2 **NTA per Share**

	Minimum Subscription Scenario	**Maximum Subscription Scenario**
	As at 31 December 2018	**As at 31 December 2018**
NTA before the Rights Issue (US$'000)	85,958	85,958
NTA before the Rights Issue (S$'000)	120,341	120,341
Add: Adjustments for Net Proceeds from the Rights Issue (S$'000)	8,105	8,743
Adjusted NTA after the Rights Issue (S$'000)	**128,446**	**129,084**
Before the Rights Issue		
Number of Shares	608,741,749	608,741,749
NTA per Share before the Rights Issue (cents)	19.77	19.77
After the Rights Issue		
Number of Shares after the Rights Issue	687,358,892	693,435,743
Adjusted NTA per Share after the Rights Issue (cents)	18.69	18.62

3.3 **LPS**

	Minimum Subscription Scenario	Maximum Subscription Scenario
	FY2018	FY2018
Net loss attributable to Shareholders (US$'000)	(6,121)	(6,121)
Net loss attributable to Shareholders (S$'000)	(8,569)	(8,569)
Before the Rights Issue		
Number of Shares before the Rights Issue	608,741,749	608,741,749
LPS before the Rights Issue (cents)	(1.41)	(1.41)
After the Rights Issue		
Number of Shares after the Rights Issue	687,358,892	693,435,743
Adjusted LPS after the Rights Issue (cents)	(1.25)	(1.24)

3.4 **Gearing**

	Minimum Subscription Scenario	Maximum Subscription Scenario
	As at 31 December 2018	As at 31 December 2018
Before the Rights Issue		
Total borrowings before the Rights Issue (US$'000)	2,974	2,974
Total borrowings before the Rights Issue (S$'000)	4,164	4,164
Shareholders' equity before the Rights Issue (US$'000)	85,958	85,958
Shareholders' equity before the Rights Issue (S$'000)	120,341	120,341
Gearing before the Rights Issue (times)	0.035	0.035
After the Rights Issue		
Total borrowings after the Rights Issue (S$'000)	4,164	4,164
Add: Net Proceeds from Rights Issue (S$'000)	8,105	8,743
Adjusted Shareholders' equity after the Rights Issue (S$'000)	128,446	129,084
Gearing after the Rights Issue (times)	0.032	0.032

4. THE POTENTIAL TRANSFER OF CONTROLLING INTEREST

4.1 Information on LH

LH is a company organized under the laws of British Virgin Islands held by Geneva Trust Company (GTC) SA as Trustees of The Tchenguiz Three Trust (the "**Trust**"), the sole discretionary beneficiary of which is Mr. Vincent Tchenguiz.

In the past three years, the Trust has diversified its investments with an increased focus on biotechnology and green technologies, and built a US$350 million technology venture capital portfolio managed by a strong tech investment team. Many of the Trust's investments are focused on Europe, Israel and the United States in incubators, venture funds, and several medical companies in Israel.

Zeev Bronfeld has known Mr. Vincent Tchenguiz through Capital Nature. Capital Nature is an investment firm focused on funding and accelerating early-stage ventures as well as academic research in renewable energy in Israel, and holds a less than 20% shareholding interest in two Israeli companies which the Company's non-executive Director, Zeev Bronfeld, is a minority shareholder holding less than 5% of the shares in each of them. Zeev Bronfeld is also a non-executive director in one of them. Mr. Vincent Tchenguiz is a beneficiary of a discretionary trust that owns less than 30% of Capital Nature and is not considered to be a controlling shareholder in Capital Nature.

4.2 Potential Transfer of Controlling Interest to LH

As at the Latest Practicable Date, LH is interested (actual or deemed) in 103,619,048 Shares representing in aggregate approximately 14.55% of the Existing Share Capital.

For illustrative purposes only, based on the terms of the Rights Issue and the Irrevocable Undertaking:

(a) assuming (i) only LH subscribes for its pro-rata entitlement of the Rights Shares; and (ii) no other Entitled Shareholder subscribes for the Rights Shares such that LH subscribes for such number of Excess Rights Shares pursuant to the Irrevocable Undertaking, and further assuming that:

  (A) no outstanding Share Options are exercised before the Books Closure Date, LH will hold 182,236,191 Shares representing an interest of approximately 23.04% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue; and

  (B) all outstanding Share Options are exercised before the Books Closure Date, LH will hold 182,236,191 Shares representing an interest of approximately 21.67% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue; and

(b) assuming that all the Entitled Shareholders subscribe for their pro-rata entitlements of Rights Shares, and further assuming that:

  (A) no outstanding Share Options are exercised before the Books Closure Date, LH will hold 115,132,275 Shares representing an interest of approximately 14.55% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue; and

  (B) all outstanding Share Options are exercised before the Books Closure Date, LH will hold 115,132,275 Shares representing an interest of approximately 13.59% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue.

Accordingly, depending on the level of subscription for the Rights Shares and/or Excess Rights Shares by Entitled Shareholders, LH will become a Controlling Shareholder if LH's shareholding interest increases to more than 15.0% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue.

Pursuant to Rule 803 of the Catalist Rules, the Company must not issue securities to transfer a controlling interest without prior approval of Shareholders in general meeting. Accordingly, the Company will be seeking Shareholders' approval for the Potential Transfer of Controlling Interest to LH arising from the allotment and issue of Excess Rights Shares at the SGM.

LH and its associates will abstain from voting on Ordinary Resolution 2 relating to the Potential Transfer of Controlling Interest to LH at the SGM.

As set out in Section 1.1, Shareholders should note that the passing of the Proposed Resolutions are inter-conditional. This means that if the ordinary resolution in relation to the Potential Transfer of Controlling Interest is not passed, the Company will not proceed with the Rights Issue.

For the avoidance of doubt, Shareholders should note that LH does not become a Controlling Shareholder upon the passing of the ordinary resolution in relation to the Potential Transfer of Controlling Interest. Depending on the level of subscription for the Rights Shares and/or Excess Rights Shares by Entitled Shareholders, LH will become a Controlling Shareholder only when LH's shareholding interest increases to more than 15.0% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company (except for LH who has provided the Irrevocable Undertaking) has any direct or indirect interest in the Rights Issue (other than through their respective shareholdings in the Company).

5.1 Shareholding effects of the Rights Issue

The shareholding effects of the Rights Issue as set out below are for illustrative purposes only and based on assumptions set out herein, and do not reflect the actual position of the Shareholders after the completion of the Rights Issue:

	As at the Latest Practicable Date[1]				After completion of the Rights Issue							
					Minimum Subscription Scenario[2]				Maximum Subscription Scenario[3]			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors												
David Todd Dollinger	13,456,040	1.89%	6,163,522[4][5]	0.87%	13,456,040	1.70%	6,163,522[4][5]	0.78%	29,698,853[6]	3.51%	6,848,356	0.81%
Stephen Louis Rhodes	13,456,040	1.89%	6,163,522[4][5]	0.87%	13,456,040	1.70%	6,163,522[4][5]	0.78%	29,698,853[6]	3.51%	6,848,356	0.81%
Zeev Bronfeld	72,732,416	10.21%	-	-	72,732,416	9.20%	-	-	80,813,795	9.54%	-	-
Elka Nir	-	-	-	-	-	-	-	-	-	-	-	-
Stephen Philip Haslett	-	-	-	-	-	-	-	-	-	-	-	-
Hang Chang Chieh	-	-	-	-	-	-	-	-	-	-	-	-
Substantial Shareholders												
Amos & Daughter Investments and Properties Ltd.	39,182,452	5.50%	-	-	39,182,452	4.95%	-	-	43,536,057	5.14%	-	-
Librae Holdings Limited	103,619,048	14.55%	-	-	182,236,191	23.04%	-	-	115,132,275	13.59%	-	-
Vincent Tchenguiz[7]	-	-	103,619,048	14.55%	-	-	182,236,191	23.04%	-	-	115,132,275	13.59%
Geneva Trust Company (GTC) S.A. as Trustee of the Tchenguiz Three Trust[7]	-	-	103,619,048	14.55%	-	-	182,236,191	23.04%	-	-	115,132,275	13.59%
Geneva Holding Company (GHC) S.A.[7]	-	-	103,619,048	14.55%	-	-	182,236,191	23.04%	-	-	115,132,275	13.59%
Rodney Simon Hodges[7]	-	-	103,619,048	14.55%	-	-	182,236,191	23.04%	-	-	115,132,275	13.59%
Richard John Batten Hillier[7]	-	-	103,619,048	14.55%	-	-	182,236,191	23.04%	-	-	115,132,275	13.59%
The Bank of New York Mellon [8]	68,608,301	9.63%	-	-	68,608,301	8.67%	-	-	76,231,445	9.00%	-	-
The Bank of New York Mellon Corporation[9]	-	-	68,608,301	9.63%	-	-	68,608,301	8.67%	-	-	76,231,445	9.00%

	As at the Latest Practicable Date[1]				After completion of the Rights Issue							
					Minimum Subscription Scenario[2]				Maximum Subscription Scenario[3]			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Other Shareholders												
Trendlines Venture Management Ltd.	231,020	0.03%	-	-	231,020	0.03%	-	-	256,688	0.03%	-	-
Trendlines Venture Partners L.P.	94,118	0.01%	-	-	94,118	0.01%	-	-	104,575	0.01%	-	-
Other Public Shareholders	400,981,362	56.29%			400,981,362	50.69%			471,467,403	55.67%		
Total	**712,360,797**	**100.00%**			**790,977,940**	**100.00%**			**846,939,944**	**100.00%**		

Notes:

(1) The shareholding interest is calculated based on the total issued and paid-up share capital of the Company comprising 712,360,797 Shares as at the Latest Practicable Date.

(2) The shareholding interest is calculated based on the total enlarged issued and paid-up share capital of the Company comprising 790,977,940 Shares in the Minimum Subscription Scenario.

(3) The shareholding interest is calculated based on the total enlarged issued and paid-up share capital of the Company comprising 846,939,944 Shares in the Maximum Subscription Scenario.

(4) Each of David Todd Dollinger and Stephen Louis Rhodes are deemed interested in the 231,020 Shares held by Trendlines Venture Management Ltd. by virtue of their directorships and indirect controlling shareholding interest. As Trendlines Venture Management Ltd. is the general partner of Trendlines Venture Partners L.P., David Todd Dollinger and Stephen Louis Rhodes are each also deemed interested in the 94,118 Shares held by Trendlines Venture Partners L.P..

(5) David Todd Dollinger is deemed interested in the 5,838,384 Shares held by Meitav Dash Trust Limited for the benefit of David Todd Dollinger. Stephen Louis Rhodes is deemed interested in the 5,838,384 Shares held by Meitav Dash Trust Limited for the benefit of Stephen Louis Rhodes.

(6) Each of David Todd Dollinger and Stephen Louis Rhodes is assumed to have exercised 13,272,928 Share Options for new Shares on or prior to the Books Closure Date and fully subscribed for each of their respective entitlements.

(7) The entire share capital of LH is held by Geneva Trust Company (GTC) S.A. ("**GTC**") as Trustee of The Tchenguiz Three Trust (the "**Trust**"), the sole discretionary beneficiary of which is Vincent Tchenguiz. As Trustee of the Trust, GTC has the authority to dispose of or to exercise control over the disposal of, the Trust's assets, which includes the entire share capital of LH and the 103,619,048 Shares of the Company held by LH. GTC is a wholly owned subsidiary of Geneva Holding Company (GHC) S.A. ("**GHC**"). Each of Rodney Simon Hodges and Richard John Batten Hillier holds more than 20% of the share capital of GHC.

(8) The Bank of New York Mellon ("**BNYM**") is the ADR Depositary and holds these Shares on behalf of the ADR Holders. As BNYM has submitted a Form 3 Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities under the Securities and Futures (Disclosure of Interests) Regulations 2012 ("**Form 3**") to the Company on 16 September 2019, it has been named as a Substantial Shareholder of the Company. However, BNYM has confirmed in its Form 3 that it does not control these Shares and acts only as required by the governing terms of the ADR program on the instructions of the issuer or the ADR Holders as applicable.

(9) The Bank of New York Mellon Corporation is deemed interested in the shares held by BNYM by virtue of it being the 100% shareholder of BNYM.

6. SPECIAL GENERAL MEETING

The SGM, notice of which is set out in this Circular, will be held at Suntec Singapore Convention & Exhibition Centre Meeting Room 302, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Tuesday, 19 November 2019 at 2.00 p.m. for the purpose of considering and, if thought fit, passing the ordinary resolutions set out in the Notice of SGM.

Shareholders should note that Ordinary Resolution 1 (relating to the Rights Issue) and Ordinary Resolution 2 (relating to the Potential Transfer of Controlling Interest) as set out in the Notice of SGM are inter-conditional. This means that if any one of the resolutions is not approved, the other resolution would not be duly passed.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Abstention from Voting

LH and its associates will abstain from voting at the SGM on the ordinary resolution relating to the Potential Transfer of Controlling Interest.

7.2 Appointment of Proxies

Shareholders who are unable to attend the SGM and wish to appoint a proxy to attend and vote at the SGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at The Trendlines Building, Misgav Business Park,17 T'chelet Street, M.P. Misgav 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 not less than forty eight (48) hours before the time appointed for the SGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the SGM if he finds that he is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked. Notwithstanding the above, the Chairman 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.

7.3 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the SGM and to speak and vote thereat unless his name appears on the Depository Register as at **14 November 2019**, being the record date for determing those Shareholders eligible to vote at the SGM.

8. DIRECTORS' RECOMMENDATIONS

Shareholders, in deciding whether to vote in favour of the Proposed Resolutions, should read carefully the terms and conditions, rationale and financial effects of the Rights Issue and the Potential Transfer of Controlling Interest. In giving the recommendations below, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

8.1 Rights Issue

The Directors, having considered, *inter alia*, the terms and rationale for the Rights Issue, are of the opinion that the Rights Issue is in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating thereto to be proposed at the SGM.

8.2 Potential Transfer of Controlling Interest

The Directors, having considered, *inter alia*, the terms and rationale for the Potential Transfer of Controlling Interest, are of the opinion that the Potential Transfer of Controlling Interest is in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating thereto to be proposed at the SGM.

9. 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 Rights Issue, the Potential Transfer of Controlling Interest, 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 the 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 the Circular in its proper form and context.

10. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

The Financial Adviser confirms that, having made reasonable enquiries and to the best of the Financial Adviser's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Rights Issue, the Potential Transfer of Controlling Interest, the Company and its subsidiaries, and the Financial Adviser is not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Financial Adviser has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

11. CONSENT

PrimePartners Corporate Finance Pte. Ltd., the Financial Adviser, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

12. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the registered office of the Company at The Trendlines Building, Misgav Business Park, 17 T'chelet Street, M.P. Misgav 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:

(a) the annual reports of the Company for FY2016, FY2017 and FY2018;

(b) the Articles of Association of the Company;

(c) the Irrevocable Undertaking; and

(d) the letter of consent referred to in Section 11 of this Circular.

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

David Todd Dollinger and Stephen Louis Rhodes
Chairmen and Chief Executive Officers
25 October 2019

CONSOLIDATED INCOME STATEMENTS

The consolidated income statements of the Group for FY2016, FY2017 and FY2018, 1H2018 and 1H2019 are set out below:

	FY2016 Audited US$'000	FY2017 Audited US$'000	FY2018 Audited US$'000	1H2018 Unaudited US$'000	1H2019 Unaudited US$'000
Income					
Gain (loss) from change in fair value of investments in Portfolio Companies	(8,041)	9,399	(6,046)	(2,778)	(1,395)
Income from services to Portfolio Companies	4,178	4,904	5,760	2,794	2,498
Group's share of losses of companies accounted for under the equity method, net	(175)	(167)	-	-	-
Gain from disposal of investment accounted for under the equity method	2,068	-	-	-	-
Income from contracted R&D services	1,139	473	476	118	278
Financial income	473	665	1,248	369	256
Other income	432	355	360	311	26
Total income	74	15,629	1,798	814	1,663
Expenses					
Operating, general and administrative expenses	8,664	8,579	6,395	3,116	3,128
Marketing expenses	390	354	404	225	88
R&D expenses, net	875	1,111	1,057	489	653
Financial expenses	79	10	428	70	611
Total expenses	10,008	10,054	8,284	3,900	4,480
Income (loss) before income taxes	(9,934)	5,575	(6,486)	(3,086)	(2,817)
Tax benefit (income tax expenses)	3,356	(1,643)	168	(27)	664
Net income (loss)	(6,578)	3,932	(6,318)	(3,113)	(2,153)
Other comprehensive income (loss):					
Amounts that will be or that have been reclassified to profit or loss when specific conditions are met:					
Gain (loss) from cash flow hedges	(24)	90	(161)	(157)	126
Total comprehensive income (loss)	(6,602)	4,022	(6,479)	(3,270)	(2,027)
Net income (loss) attributable to:					
Equity holders of the Company	(6,578)	3,863	(6,121)	(2,998)	(1,948)
Non-controlling interests	-	69	(197)	(115)	(205)
	(6,578)	3,932	(6,318)	(3,113)	(2,153)

	FY2016 Audited US$'000	FY2017 Audited US$'000	FY2018 Audited US$'000	1H2018 Unaudited US$'000	1H2019 Unaudited US$'000
Total comprehensive profit (loss) attributable to:					
Equity holders of the Company	(6,602)	3,953	(6,282)	(3,155)	(1,822)
Non-controlling interests	-	69	(197)	(115)	(205)
	(6,602)	4,022	(6,479)	(3,270)	(2,027)
Net earnings (loss) per Share attributable to equity holders of the Company (US$):					
Basic net earnings (loss)	(0.01)	0.01	(0.01)	n.m.	n.m.
Diluted net earnings (loss)	(0.01)	0.01	(0.01)	n.m.	n.m.

A review of the operations, business and financial performance of the Group is set out below:

FY2017 vs FY2016

The profit before income taxes in FY2017 was US$5.6 million as compared to the loss before income tax in FY2016 of US$9.9 million. The increase in profit amounted to US$15.5 million which was mainly due to the gain from change in fair value of investments in Portfolio Companies. The gain in fair value of investments in Portfolio Companies was US$9.4 million in FY2017 as compared to a loss of US$8.0 million in FY2016 was mainly due to:

(i) an increase of US$13.9 million in the fair market value of various Portfolio Companies mainly as a result of the completion of fund-raising exercises at favourable terms to the Company, and general commercial or technological progress demonstrated in some Portfolio Companies in FY2017;

(ii) a gain of US$2.3 million from exit of two Portfolio Companies; and

(iii) a gain of US$1.9 million in the fair value of the Most Valuable Portfolio Company (as defined in the Company's offer document dated 16 November 2015) due to commercial progress.

The increase in profit before income taxes in FY2017 was partially offset by the absence of the US$2.1 million gain from the one-off disposal of investment accounted for under the equity method in FY2016.

FY2018 vs FY2017

The loss before income taxes in FY2018 was US$6.5 million as compared to the income before income taxes of US$5.6 million in FY2017, mainly due to the loss from change in fair value of investments in Portfolio Companies. The loss in fair value of investments in Portfolio Companies was US$6.0 million in FY2018 as compared to a gain of US$9.4 million in FY2017 was mainly due to:

(i) An aggregate net decrease of US$8.1 million in the fair value of Stimatix GI due to the initial revenues of Stimatix GI being lesser than previously projections arising from the product's staggered launch, despite that B. Braun's launch of the Stimatix product remains on track, and further due to a tax ruling under which Stimatix GI agreed to pay a higher overall tax rate which tax payment is deferred until the royalties are actually received, rather than an immediate tax on the estimated full value of royalties.

(ii) A decrease of approximately US$2.6 million in the fair market value of various Portfolio Companies mainly as a result of the completion of fund-raising exercises at less favourable terms to the Company, and general commercial or technological difficulties demonstrated in some Portfolio Companies in FY2018; and

(iii) the write-off of five Portfolio Companies of US$3.2 million as a result of lack of funding in those companies.

The decrease in profit before income taxes in FY2018 amounting to a loss before income taxes was partially offset by the savings of US$2.2 million due to the Group's cost reduction plan for FY2018 announced in October 2017.

1H2019 vs 1H2018

The loss before income taxes in 1H2019 was US$2.8 million as compared to a loss of US$3.1 million in 1H2018, mainly due to a gain from change in fair value of investments in Portfolio Companies of US$1.4 million.

The decrease in loss before income taxes was partially offset by an increase of US$0.5 million due to an increase in the fair value of the loans received from the Israel Innovation Authority and due to the exchange rate difference between the US$ and the New Israeli Shekel.

STATEMENT OF FINANCIAL POSITION

The statement of financial position of the Group as at 31 December 2016, 31 December 2017, 31 December 2018 and 30 June 2019 are set out below:

	31 December 2016 Audited	31 December 2017 Audited	31 December 2018 Audited	30 June 2019 Unaudited
	US$'000	US$'000	US$'000	US$'000
Assets				
Current Assets:				
Cash and cash equivalents	6,977	8,747	8,136	8,176
Short-term bank deposits	9,225	10,730	2,728	90
Accounts and other receivables	895	716	605	355
Short-term loans to Portfolio Companies	212	229	363	235
Total Current Assets	17,309	20,422	11,832	8,856
Non-current Assets:				
Investments in Portfolio Companies	83,701	96,800	97,226	95,641
Investments in companies accounted for under the equity method	1,080	-	-	-
Right of use asset	-	-	-	2,427
Property, plant and equipment, net	515	1,050	952	849
Total Non-current Assets	85,296	97,850	98,178	98,917
Total Assets	102,605	118,272	110,010	107,773
Liabilities and Equity				
Current Liabilities:				
Lease liability	-	-	-	374
Trade and other payables	1,377	2,225	1,745	1,364
Deferred revenues	3,827	3,970	3,630	2,536
Total Current Liabilities	5,204	6,195	5,375	4,274
Long-term Liabilities:				
Deferred revenues	2,166	1,352	1,393	402
Loans from the Israel Innovation Authority	4,392	3,830	2,974	3,291
Lease liability	-	-	-	2,203
Other long-term liabilities	144	186	177	189
Deferred taxes, net	12,498	13,844	13,676	13,011
Total Long-term Liabilities	19,200	19,212	18,220	19,096

	31 December 2016 Audited	31 December 2017 Audited	31 December 2018 Audited	30 June 2019 Unaudited
	US$'000	US$'000	US$'000	US$'000
Equity				
Equity attributable to equity holders of the Company:				
Share capital	1,315	1,601	1,601	1,601
Share premium	55,316	65,028	65,282	65,714
Reserve from hedges	(24)	66	(95)	31
Reserve from share-based payment transactions	4,384	4,477	4,252	3,835
Retained earnings	17,176	21,039	14,918	12,970
Total	78,167	92,211	85,958	84,151
Non-controlling interests	34	654	457	252
Total Equity	78,201	92,865	86,415	84,403
Total Liabilities and Equity	102,605	118,272	110,010	107,773

Review of statement of financial position as at 31 December 2016

The total assets of the Group amounted to US$102.6 million as at 31 December 2016 and mainly comprised investments in Portfolio Companies of US$83.7 million (81.6%). The total liabilities of the Group amounted to US$19.2 million and mainly comprised deferred taxes of US$12.5 million (51.2%).

Equity attributable to equity holders of the Company amounted to US$78.2 million as at 31 December 2016.

Review of statement of financial position as at 31 December 2017

The total assets of the Group increased by US$15.7 million (15.3%) from US$102.6 million as at 31 December 2016 to US$118.3 million as at 31 December 2017. This was mainly due to the increase of cash and cash equivalents and short-term deposits resulting from the allotment completion in October 2017, and the increase in the fair value of the investment in Portfolio Companies.

As at 31 December 2017, equity attributable to equity holders of the Company amounted to US$92.2 million, representing an increase of US$14.0 million from US$78.2 million as at 31 December 2016. The increase was mainly due to the completion the allotment and issuance of shares for net proceeds of US$9.8 million and the net income of US$3.9 million in FY2017.

Review of statement of financial position as at 31 December 2018

The total assets decreased by US$8.3 million (7.0%) from US$118.3 million as at 31 December 2017 to US$110.0 million as at 31 December 2018. This was mainly due to US$8.0 million reduction in short-term bank deposits which were used primarily to finance current operations and investments.

The equity attributable to equity holders of the Company decreased US$6.3 million from US$92.2 million as at 31 December 2017 to US$85.9 million as at 31 December 2018. The decrease was mainly due to the losses sustained by the Group which resulted in a reduction in retained earnings of US$6.1 million.

Review of statement of financial position as at 30 June 2019

The total assets decreased by US$2.2 million (2.0%) from US$110.0 million as at 31 December 2018 to US$107.8 million as at 30 June 2019. The decrease was due to the fall in the investments in Portfolio Companies of US$1.6 million and the withdrawal of short-term deposits in the amount of US$2.6 million. The decrease in total assets was offset by the initial adoption of IFRS 16, which resulted in the booking of the right of use of the facilities (future rent cost) as an asset (right of use assets) in the amount of US$2.4 million.

The equity attributable to equity holders of the Company decreased US$1.8 million from US$86.0 million as at 31 December 2018 to US$84.2 million as at 30 June 2019 arising mainly from the losses suffered by the Group in FY2018.

CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flow of the Group for FY2016, FY2017, FY2018 and 1H2019 are set out below:

	FY2016 Audited US$'000	FY2017 Audited US$'000	FY2018 Audited US$'000	1H2019 Unaudited US$'000
Cash flows from operating activities				
Net (loss) profit	(6,578)	3,932	(6,318)	(2,153)
Adjustments to reconcile net loss to net cash used in operating activities:				
Adjustments to the profit or loss items:				
Depreciation	170	183	288	390
Income tax expenses (tax benefits)	(3,356)	1,643	(168)	(664)
Loss (gain) from changes in fair value of investments in Portfolio Companies	8,041	(9,399)	6,046	2,502
Financial expense (income), net	(652)	(151)	(1,206)	487
Income from services to Portfolio Companies	(3,922)	(4,288)	(4,952)	(2,057)
Share-based payments	645	248	29	15
Group's share of loss of company accounted for under the equity method, net	175	167	-	-
Gain from disposal of company accounted for under the equity method, net	(2,068)	-	-	-
Changes in asset and liability items:				
(Increase) decrease in short-term loans to Portfolio Companies	(142)	(17)	(134)	128
(Increase) decrease in accounts and other receivables	(491)	269	(68)	250
(Decrease) increase in trade and other payables	299	484	(388)	(255)
(Decrease) increase in other long-term liabilities	92	42	(9)	12
	(1,209)	(10,819)	(562)	808
Proceeds from sale of investment in Portfolio Company	1,470	2,444	-	-
Investments in Portfolio Companies	(3,376)	(2,502)	(1,725)	(915)
	(1,906)	(58)	(1,725)	(915)
Cash received (paid) during the year for:				
Interest	80	(76)	212	(27)
Income taxes	(105)	(297)	-	-
Dividend income	897	-	-	-
	872	(373)	212	(27)
Net cash used in operating activities	(8,821)	(7,318)	(8,393)	(2,287)

	FY2016 Audited US$'000	FY2017 Audited US$'000	FY2018 Audited US$'000	1H2019 Unaudited US$'000
Cash flows from investing activities				
Purchase of property, plant and equipment	(144)	(441)	(192)	(47)
Proceeds from (investment in) bank deposits and short-term bank deposits, net	7,265	(1,505)	8,002	2,638
Proceeds from sale of company accounted for under the equity method	2,068	-	-	-
Consolidation of Trendlines Medical Singapore[(a)]	-	1,544	-	-
Deconsolidation of subsidiary[(b)]	-	-	(145)	-
Investments in companies accounted for under equity method	(868)	-	-	-
Net cash provided by (used in) investing activities	8,321	(402)	7,665	2,591
Cash flow from financing activities				
Repayment of lease liability	-	-	-	(355)
Issuance of shares, net	-	9,843	-	-
Loans received from the Israel Innovation Authority	479	106	186	173
Loans repaid to the Israel Innovation Authority	-	(459)	(69)	(82)
Net cash provided by financing activities	479	9,490	117	(264)
Increase (decrease) in cash and cash equivalents	(21)	1,770	(611)	40
Cash and cash equivalents at the beginning of the period	6,998	6,977	8,747	8,136
Cash and cash equivalents at the end of the period	6,977	8,747	8,136	8,176

Notes:

(a) Consolidation of Trendlines Medical Singapore:

Property, plant and equipment, net	-	(284)	-	-
Current liabilities	-	364	-	-
Non-controlling interests	-	551	-	-
Derecognition of investment accounted for under the equity method	-	913	-	-
	-	1544	-	-

		FY2016 Audited US$'000	FY2017 Audited US$'000	FY2018 Audited US$'000	1H2019 Unaudited S$'000
(b)	Deconsolidation of subsidiary:				
	Accounts and other receivables	-	-	(18)	-
	Property, plant and equipment, net	-	-	(2)	-
	Investments in Portfolio Companies, net	-	-	830	-
	Trade and other payables	-	-	92	-
	Deferred revenues			(472)	
	Gain from revaluation of investment resulting from deconsolidation of subsidiary	-	-	(285)	-
		-	-	145	-
Non-cash transactions					
Right of use asset recognised against lease liability		-	-	-	2,666
Investments in Portfolio Companies in consideration for future services (deferred revenues)		-	3,642	4,747	-

FY2016

Net cash used in operating activities of US$8.8 million in FY2016 was mainly due to a net loss of approximately US$6.6 million and adjustments for items such as (i) loss from changes in fair value of investments in Portfolio Companies of US$8.0 million; (ii) income from services to Portfolio Companies of US$3.9 million; and (iii) investments in Portfolio Companies of US$3.4 million.

Net cash provided by investing activities of US$8.3 million in FY2016 was mainly due to the proceeds from bank deposits and short term investments of US$7.3 million and proceeds from a sale of a company accounted for under the equity method of US$2.1 million, offset by investments in Trendlines Medical Singapore of approximately US$0.9 million.

Net cash provided by financing activities of US$0.5 million in FY2016 was wholly due to the long-term loans received from the Israeli Innovation Authority.

FY2017

Net cash used in operating activities of US$7.3 million in FY2017 was mainly due to a net income of US$3.9 million and adjustments for items such as (i) gain from changes in fair value of investments in Portfolio Companies of US$9.4 million; and (ii) income from services to Portfolio Companies of US$4.3 million.

Net cash used in investing activities of US$0.4 million in FY2017 was due to the consolidation of Trendlines Medical Singapore of US$1.5 million which was offset by the investments of US$1.5 million in bank deposits and short term investments and the purchase of property, plant and equipment of US$0.4 million.

Net cash provided by financing activities of US$9.5 million in FY2017 was mainly due to the completion of the placement which raised net proceeds of US$9.8 million.

FY2018

Net cash used in operating activities of US$8.4 million in FY2018 was mainly due to a net loss of US$6.3 million and adjustments for items such as (i) loss from changes in fair value of investments in Portfolio Companies of US$6.0 million; and (ii) income from services to Portfolio Companies of approximately US$5.0 million.

Net cash provided by investing activities of US$7.7 million in FY2018 was mainly due to proceeds from sale of short-term bank deposits of US$8.0 million.

Net cash provided by financing activities of US$0.1 million in FY2018 was wholly due to the net loans received from the Israel Innovation Authority.

1H2019

Net cash used in operating activities of US$2.3 million in 1H2019 was mainly due to a net loss of US$2.2 million and adjustments for items such as (i) loss from changes in fair value of investments in Portfolio Companies of US$2.5 million; (ii) income from services to Portfolio Companies of US$2.1 million; and (iii) investments in Portfolio Companies of US$0.9 million.

Net cash provided by investing activities of US$2.6 million in 1H2019 was mainly due to proceeds from sale of short-term bank deposits of US$2.6 million.

Net cash used in financing activities of US$0.3 million in 1H2019 was due to repayment of lease liability of US$0.4 million upon adoption of the IFRS 16, and partially offset by the net loans received from the Israel Innovation Authority.

WORKING CAPITAL

The working capital of the Group as at 31 December 2016, 31 December 2017, 31 December 2018 and 30 June 2019 are set out below:

	31 December 2016	31 December 2017	31 December 2018	30 June 2019
US$'000	**Audited**	**Audited**	**Audited**	**Unaudited**
Total Current Assets	17,309	20,422	11,832	8,856
Total Current Liabilities	5,204	6,195	5,375	4,274
Net Working Capital	12,105	14,227	6,457	4,582

As at 31 December 2017 compared to 31 December 2016

The increase in net working capital of US$2.1 million from US$12.1 million as at 31 December 2016 to US$14.2 million as at 31 December 2017 was mainly due to the increase in cash and cash equivalents and short-term bank deposits amounting to US$3.3 million as a result of the completion of the placement which raised net proceeds of US$9.8 million and maturing bank deposits.

As at 31 December 2018 compared to 31 December 2017

The decrease in net working capital of US$7.8 million, from US$14.2 million as at 31 December 2017 to US$6.5 million as at 31 December 2018 was mainly due to the decrease in short-term bank deposits of US$8.0 million as a result of the withdrawal of short-term bank deposits, the proceeds of which was used for operating activities.

As at 30 June 2019 compared to 31 December 2018

The decrease in net working capital of US$1.9 million, from US$6.5 million as at 31 December 2018 to US$4.6 million as at 30 June 2019 was mainly due to the withdrawal of short-term bank deposits of approximately US$2.6 million to finance operating activities.

THE TRENDLINES GROUP LTD.

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

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting of The Trendlines Group Ltd. ("**Company**") will be held at Suntec Singapore Convention & Exhibition Centre Meeting Room 302, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Tuesday, 19 November 2019 at 2.00 p.m. (Singapore time) for the purpose of considering and, if thought fit, passing the following ordinary resolution(s):

ORDINARY RESOLUTION 1: THE PROPOSED RIGHTS ISSUE

That subject to and contingent upon the passing of Ordinary Resolution 2, the renounceable non-underwritten rights issue of up to 84,693,994 new ordinary shares in the capital of the Company ("**Rights Shares**") at an issue price of S$0.1050 per Rights Share ("**Issue Price**"), on the basis of one (1) Rights Share for every nine (9) existing ordinary shares in the capital of the Company (each, a "**Share**") held by shareholders of the Company ("**Shareholders**") as at a time and date as the Directors may, in its absolute discretion, determine ("**Books Closure Date**"), fractional entitlements to be disregarded, be and is hereby approved and authority be and is hereby given to the Directors or any of them to:

(a) create and issue up to 84,693,994 Rights Shares at the Issue Price for each Rights Share;

(b) provisionally allot and issue up to 84,693,994 Rights Shares at the Issue Price for each Rights Share on the basis of one (1) Rights Share for every nine (9) Shares held by Shareholders as at the Books Closure Date, on the terms and conditions set out below and/or otherwise on such terms and conditions (including the basis of provisional allotments of the Rights Shares) as the Directors may in their absolute discretion deem fit:

(i) the provisional allotments of the Rights Shares under the Rights Issue shall be made on a renounceable basis to Shareholders whose names appear in the Register of Members of the Company or the records of The Central Depository (Pte) Limited ("**CDP**") as at the Books Closure Date ("**Entitled Shareholders**") with registered addresses in Singapore or who have, at least three (3) Market Days prior to the Books Closure Date, provided to the CDP or the share registrar of the Company ("**Share Registrar**"), as the case may be, addresses in Singapore for the service of notices and documents. The provisional allotments of the Rights Shares are not intended to be offered and sold to persons located, resident or with a registered address in the United States or any jurisdiction in which the Rights Issue may not be lawfully made;

(ii) no provisional allotment of the Rights Shares shall be made in favour of Shareholders with registered addresses outside Singapore as at the Books Closure Date, and who have not, at least three (3) Market Days prior to the Books Closure Date, provided to the CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices or documents ("**Foreign Shareholders**");

(iii) the provisional allotment of the Rights Shares which would otherwise accrue to Foreign Shareholders shall be disposed of by the Company in such manner and on such terms and conditions as the Directors shall deem fit for the purpose of renouncing the provisional allotments relating thereto to purchasers thereof and to pool and thereafter distribute the net proceeds, if any, thereof (after deducting all expenses) proportionally among such Foreign Shareholders in accordance with their respective shareholdings as at the Books Closure Date provided that if the amount to be distributed to any single or joint Foreign Shareholder is less than S$10.00, such amount shall instead be retained or dealt with for the sole benefit of the Company;

(iv) the provisional allotment of the Rights Shares not taken up or allotted for any reason shall be used to satisfy applications for Excess Rights Shares (if any) or allotted or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company; and

(v) the Rights Shares when issued and fully paid up will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distribution that may be declared or paid the record date for which falls before the date of issue of the Rights Shares,

(c) the Directors or any of them be and are hereby authorised to fix the Books Closure Date in their absolute discretion; and

(d) the Directors or any of them be and are hereby authorised to take such steps, complete and do all such acts, matters and things as they may consider necessary or expedient for the purposes of or in connection with the Rights Issue (including but not limited to amending, finalising, approving and executing all such documents as may be required in connection with the Rights Issue), make such amendments to the terms of the Rights Issue and exercise such discretion as the Directors or any of them may in their absolute discretion deem fit, advisable or necessary in connection with all or any of the above matters.

ORDINARY RESOLUTION 2: THE POTENTIAL TRANSFER OF CONTROLLING INTEREST TO LIBRAE HOLDINGS LIMITED

That subject to and contingent upon the passing of Ordinary Resolution 1, approval be and is hereby given as follows:

(a) approval be and is hereby given for the allotment and issuance by the Company of Excess Rights Shares to Librae Holdings Limited ("**LH**") on and subject to the terms of the Rights Issue, where the issuance of such Excess Rights Shares constitute a transfer of controlling interest in the Company to LH pursuant to Rule 803 of the Catalist Rules; and

(b) the Directors or any of them be and are hereby authorised to take such steps, complete and do all such acts, matters and things as they may consider necessary or expedient for the purposes of or to give effect to this Ordinary Resolution 2 and implement and exercise such discretion as the Directors or any of them may in their absolute discretion deem fit, advisable or necessary in connection with all or any of the above matters.

By Order of
the Board of Directors of
The Trendlines Group Ltd.

Haim Brosh
Joint Company Secretary
25 October 2019

Notes:

1. 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.

2. 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.

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

4. 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 The Trendlines Building, Misgav Business Park, 17 T'chelet Street, M.P. Misgav 2017400, 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 Chairman 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.

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THE TRENDLINES GROUP LTD.

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

PROXY FORM

I/We_____ (NRIC / Passport No./ Company Registration No.) _____

of _____ (Address)

being a member/members of The Trendlines Group Ltd. ("**Company**"), hereby appoint:

Name	Address	NRIC/ Passport Number	No. of Shares
And/or (delete as appropriate)			
Name	**Address**	**NRIC/ Passport Number**	**No. of Shares**

or failing him/her, the Chairman of the Special General Meeting ("**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 of the Company to be held at Suntec Singapore Convention & Exhibition Centre Meeting Room 302, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Tuesday, 19 November 2019 at 2.00 p.m. (Singapore time) and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the ordinary resolution to be proposed at the SGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any matter arising at the SGM and at any adjournment thereof.

No.	Resolution	For	Against	Abstain
1.	To approve the proposed Rights Issue			
2.	To approve the Potential Transfer of Controlling Interest to Librae Holdings Limited			

*If you wish to exercise all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2019

Total No. of Shares Held

_____

Signature(s) of member(s)/Common Seal of corporate member

IMPORTANT:
PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS 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 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 **14 November 2019**, the record date for determining those Shareholders eligible to vote at the SGM, as certified by the CDP.

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.