

THE TRENDLINES GROUP LTD.

(Incorporated in Israel)

(Company Registration No. 513970947)

**GRANT OF WAIVER FROM APPLYING THE DEFINITION
OF “SUBSIDIARY” OR “ASSOCIATED COMPANY” UNDER THE CATALIST RULES
TO THE PORTFOLIO COMPANIES**

The board of directors (the “**Board**”) of The Trendlines Group Ltd. (the “**Company**” and together with its subsidiaries and associated companies, the “**Group**”) wishes to inform that the Company had, through its sponsor, applied to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for a waiver from applying the definition of “subsidiary” or “associated company” under the Listing Manual Section B: Rules of the Catalist of the SGX-ST (the “**Catalist Rules**”) to the medical and agricultural technology companies in which the Group creates, invests in and develops with a view toward successful exit in the marketplace (the “**Portfolio Companies**”) (the “**Waiver**”).

The Waiver is sought by the Company as the Group’s Portfolio Companies are not part of the Group and do not contribute to the Group’s business. The Group is also unable to control or unilaterally influence any decision-making or significant financial or operational policies in the Portfolio Companies. Further, the financials of the Portfolio Companies are typically not consolidated with or equity accounted for in the financials of the Company, but rather, are recorded as investments held at fair value.

The Board is pleased to announce that, the SGX-ST had, in its letter dated 24 February 2017, advised that it has no objection to granting the Company the Waiver, subject to the following conditions:

- (i) In general, the principle of the materiality test under Catalist Rule 703¹ (“**Materiality Test**”) must be applied to all the Portfolio Companies and its impact to the Company, which will form the basis for the consideration for all applicable rules under Chapter 7 of the Catalist Rules. The Audit Committee and the Board should assess all relevant information to consider if the Materiality Test is applicable and whether a disclosure is warranted;
- (ii) With regard to Catalist Rules 704(16) and (17), the Materiality Test applies to all the Portfolio Companies. Should an announcement be required, the Audit Committee and the Board shall take guidance from Catalist Rule 1010² in terms of what applicable information will need to be disclosed and assess the feasibility of the disclosure of the information specifically required by Catalist Rules 1010(3) and (5) to be included in the announcement;
- (iii) Where shareholders of the Company are offered a specific entitlement in a new issues of securities in a Portfolio Company or in the securities of a Portfolio Company about to be floated under Catalist Rule 807³, the Sponsor should inform and check with SGX on the application of Catalist Rule 807 to such Portfolio Company;
- (iv) The Company will be required to comply with Chapter 9⁴ of the Catalist Rules for the Portfolio Companies;

¹ Chapter 7 of the Catalist Rules on Continuing Obligations.

² Chapter 10 of the Catalist Rules on Acquisitions and Realisations.

³ Chapter 8 of the Catalist Rules on Changes in Capital.

⁴ Chapter 9 of the Catalist Rules on Interested Person Transactions.

- (v) The Company's acquisitions and disposals of its interest in the Portfolio Companies, where these acquisitions and disposals are in the Company's ordinary course of business or of a revenue nature, will not be subject to the requirements under Chapter 10 of the Catalist Rules, save for the transactions that are classified as a very substantial acquisition or reverse takeover pursuant to Catalist Rule 1015;
- (vi) The submission to the SGX-ST, the Sponsor's written confirmation that the Waiver will not result in the Sponsor being inconsistent with its application of the Catalist Rules in the oversight of the Company;
- (vii) The Company announcing the Waiver, the reasons for the Waiver and the conditions as required under Rule 106 of the Catalist Rules; and
- (viii) The submission to the SGX-ST, the Company's written confirmation that the Waiver does not contravene any laws and regulations governing the Company and the Articles of Association of the Company.

The Board wishes to highlight that the Waiver as set out above will no longer apply in respect of any Portfolio Company in the event that (a) there is a change in the Group's business model as an incubator/passive investor; or (b) if the Group has control over the Portfolio Companies (regardless of its equity interests).

The Company and the Company's sponsor will provide the written confirmations as listed in items (vi) and (viii) above to the SGX-ST in due course.

**BY ORDER OF THE BOARD
THE TRENDLINES GROUP LTD.**

Yosef Ron,
Joint Company Secretary

27 February 2017

*The Trendlines Group Ltd. (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 26 November 2015. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.