THE TRENDLINES GROUP LTD.
(Incorporated In Israel)
(Company Number: 513970947)

Notice of Proposed Technical Merger of a Wholly owned Subsidiary of the Company into the Company

The board of directors (the "**Board**") of The Trendlines Group Ltd. (the **"Company**" or the "**Surviving Company**", and together with its subsidiaries, the "**Group**") wishes to announce that on 19 November 2024, its Board resolved to merge the Company's wholly owned subsidiary, Trendlines Investments Israel Ltd. (the "**Absorbed Company**"), in an absorption-type merger (the "**Merger**"), for operational, administrative, financial, and tax reasons, as of 31 December 2024, subject to the fulfillment of certain predetermined conditions as detailed below.

The Merger will be carried out in accordance with the provisions of the Israeli Companies Law, which does not require approval of a general meeting of shareholders of the Company or of the Absorbed Company. Upon completion of the Merger, the Absorbed Company will be dissolved, without liquidation, and its shares will be cancelled.

Prior to the completion of the Merger, and as a precondition to it, the Absorbed Company will transfer the franchise granted to it by the Israel Innovation Authority previously known as the Office of the Chief Scientist of Israel's Ministry of Economy ("**IIA**") to the Company (the "**Transfer**"). The transfer of the franchise to the Company is conditional upon the approval of the IIA.

1. Purpose of the Merger

The proposed Merger will enhance the organizational structure of the Company and the Group, reducing management costs, improving management efficiency, optimizing utilization of the Company's and the Group assets, organizational and managerial resources, and the tax structure of the Company and the Group.

The Absorbed Company is a wholly owned subsidiary of the Company, and its financial statements have been included in the scope of the consolidated financial statements of the Group. The proposed Merger may have a positive impact on the tax expenses and deferred tax liabilities of the Company in the long run (from the financial period ending 31 December 2027 onwards) but will not have a material impact on the operations and financial status of the Company and the Group nor will it be detrimental to the interests of the Company and its shareholders, in particular its minority shareholders. The positive impact refers to the utilization of the carry forward of losses[1] from the Absorbed Company.

2. Outline of the Merger

1) Timeline

Merger resolution by the Board of Directors	19 November 2024
Date of the Merger agreement	19 November 2024
Date of Merger (effective date for tax purposes)	31 December, 2024
Estimated date for fulfillment of preconditions of Merger	31 March, 2025

[1] The carry forward losses refer to the reduction of potential taxable profits due to existing losses.

2) Method of the Merger
Absorption-type Merger with the Company. The Absorbed Company will be dissolved.

3) Allotment of shares and other assets upon the Merger
As this Merger involves a wholly owned subsidiary of the Company, there will be no allotment of shares or delivery of any other consideration as a result of this Merger.

4) Handling of the Absorbed Company's share options and bonds with share options
Not applicable.

5) Preconditions of the Merger
The proposed Merger is subject to the fulfillment of the following conditions:
(a) The IIA shall approve the transfer of the franchise granted to the Absorbed Company to the Company ("**IIA Approval**");
(b) The transfer of all of the Absorbed Company's assets and liabilities to the Surviving Company;
(c) The Israeli Companies Registrar shall approve the Merger; and
(d) Any other approval(s) required for the Merger (if any) shall be received.

6) Status of the Company after the Merger
After this Merger, there will be no change to the Company name, location, title and name of the representative, business areas, capital, and account closing date.

7) Future Outlook
The impact of the Merger on the consolidated net tangible assets and/or earnings per share of the Group (**"Financial Impact"**) can only be assessed upon receipt of the IIA Approval. Notwithstanding, the future impact of the Merger on the Group's financial position, if any, is expected to be positive due to the reasons set out in section 1.

The Absorbed Company will cease to be a wholly owned subsidiary of the Group following the fulfilment of preconditions in section 5.

The Company will make further announcements on the Merger including the details of the Transfer and the Financial Impact, if any, via SGXNET as and when there are any material updates.

None of the directors or substantial shareholders of the Company have any interest, direct or indirect, in the Merger, other than through their shareholding interest in the Company.

BY ORDER OF THE BOARD
The Trendlines Group Ltd.
Haim Brosh
Chief Executive Officer and Interim Chief Financial Officer
19 November 2024

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

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