

THE TRENDLINES GROUP LTD.
(Company Registration No. 513970947)
(Incorporated in Israel)
(the “**Company**”)

**SUMMARY OF ALL QUESTIONS AND ANSWERS DEALT WITH DURING
THE COMPANY’S ANNUAL GENERAL MEETING (“AGM”) HELD ON 23 APRIL 2025.**

Questions were addressed by:

- Mr Sin Boon Ann – Independent and Non-Executive Director (the “**Chair for the AGM**”)
- Mr Haim Brosh – Executive Director, and Chief Executive Director (“**ED/CEO**”)
- Professor Low Teck Seng – Independent and Non-Executive Director (“**ID**”)

Feedback / Comment from Shareholder : *I am a long-term shareholder since the Company’s IPO. Understand that under the Israeli Companies Law, the audited financial statements are only required to be approved by the Board of Directors and shareholders’ approval is not required. However, I think it is a good corporate governance practice to include a resolution in the Notice of AGM for shareholders to approve and adopt the Company’s annual audited financial statements and give shareholders an opportunity to ask questions on the financials.*

Question 1 : One of the main concerns is that from the time of IPO to current date, Trendlines has not delivered any successful big exits nor declared dividends to the shareholders. Trendlines needs to be more transparent and share further insight information on its 43 portfolio companies, in particular, those that are not performing well and facing financial issues. Alternatively, Management to consider reducing trimming its number of portfolio companies and focus on a smaller pool of promising portfolio to drive and deliver more successful exits.

Response from the ED/CEO (Mr Haim Brosh) : I too share the frustration of the shareholders that we have not delivered success. I believe the strategy which we have started focusing on over the past year and a half will lead us to big exits of some of the portfolio companies. You are correct to point out that managing over 43 portfolio companies can be overwhelming, and that is why we intend to channel our focus and efforts specifically on a few very successful portfolio companies with high potential and promising outlook to achieve exits within a reasonable period of time.

We want to be patient for our shareholders and allow these portfolio companies to reach their maximum potential before we sell them for good returns.

Response from the Chair for the AGM (Mr Sin Boon Ann) : To sum up on Mr Haim’s response, the nature of investments into start-ups is very challenging and uncertain -- you will be very lucky if the first startup investing succeeds tremendously and it takes time to hit a big one. Therefore, whether 47 or 43 portfolio companies on hand - the overall number does not matter much.

We are very prudent in managing our financial commitment in these start-ups and determined to focus on bringing promising portfolio companies to exit. The Board’s duty is to the Company and its shareholders, and we are putting some pressure on ourselves to closely monitor the portfolio companies and get things moving in the right direction.

Appendix A

Summary of Question and Answers dealt with at the AGM held on 23 April 2025

Question 2 : **Regarding the misappropriation of funds from its Singapore subsidiary, Trendlines Agrifood Innovation Centre Pte Ltd - it is disappointing to hear of such incident given that Trendlines is relatively a small company. Noted Trendlines' explanation on the measures undertaken as well as the mitigation actions implemented by the Audit Committee and Board to prevent the occurrence of a similar incident in future, shouldn't an adequate internal audit function with appropriate internal control measures have been put in place since day-one? Under Singapore listing requirements, it is mandatory to have an internal auditor and carry-out internal audit review annually. Board and Management of Trendlines must make sure such incident does not happen again, as it is a distraction from the Company's operational performance.**

Response from the Chair for the AGM (Mr Sin Boon Ann) : The Board members are also equally disappointed over the recent incident. You can be assured that the Board and Management view this issue very seriously and have dedicated substantial time, resources and held numerous meetings relating to this matter. The Board members are determined and will ensure such incidents do not happen again under our watch.

Question 3 : **Considering that the Company is in loss position, does it have sufficient cash-flow or is there any plans to raise funds?**

Response from the ED/CEO (Mr Haim Brosh) : Based on our current financial position, there is sufficient cash-flow. No decision has been made as yet on fund raising exercises.

Response from the Chair for the AGM (Mr Sin Boon Ann) : As a portfolio investing company, we have to consider both our operating expenses as well as our investment commitments in these portfolio companies. We will have to walk-the-talk with the other investors of our investee companies, as well as their requirement and expectation. We are a very careful Board and will be discipline, prudent and do our best to ensure the Company is financially viable.

Feedback / Comment from Shareholder : ***I am shareholder of Trendlines since day one. I like to share some of my thoughts regarding the Company's exit plans. I have studied your portfolio companies and some of these have very high potential over long run. Therefore, don't rush to sell some of these portfolio companies, as they can fetch a much higher exit value/price than current.***

Although it is frustrating, I'm okay for the Board to take its time to sell the investments in such high potential portfolio companies. I wish the Board all the best.

Response from the Chair for the AGM (Mr Sin Boon Ann) : We certainly have to thank all our shareholders who have been patient with us since the IPO. It is important for us to access these portfolio companies accurately and strike a balance.

Response from the ID (Professor Low) : In light of the recent changes in global trade, in particular, USA's ban on synthetic colouring, there will be a huge shift in demand for natural colouring as well as changes in regulatory requirements in future. This shift is likely to contribute a significant and positive impact on some of our portfolio companies.

Response from the ED/CEO (Mr Haim Brosh) : We are on the right timing/track with some of our portfolio companies (such as Phytolon), and just need to be a little more patient in order to reap the full potential and benefits of our investments for our shareholders. We also urge our

Appendix A

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shareholders to follow/read-up on our least popular portfolio companies, some of which are in the business of doing good for the humanities.

Question 4 : **Reference is made to pages 8 and 15 of the Annual Report -- it is stated that the Company's investment in portfolio companies comprises 35 portfolio companies presented at fair value, not including the 12 consolidated Singapore based companies, which are not subject to independent valuations and do not appear in our financial statements as investment in portfolio companies.**

There are no "sales or cost of goods sale" items in the Profit and Loss Statement – does this mean the 12 consolidated Singapore based companies have not reached their commercialisation stage yet?

Response from the ED/CEO (Mr Haim Brosh) : Yes, correct – these 12 are all young companies. Out of which 4 have been shelved but since the companies still exist – we refer to them as 12 companies in total.

The remaining 8 active companies have not reached commercialisation stage.

Question 5 : **Are the consolidated Singapore based companies only contributing towards the Group's operating expenses?**

Response from the ED/CEO (Mr Haim Brosh) : Yes, only contributing towards the operating expenses – not generating any revenue yet.

Question 6 : **On page 14 of the Annual Report under Business Review on Trendlines investment in Israel – it is stated that the ability of Israeli portfolio companies to secure funding had been affected by the war situation there and also during FY2024, there was a US\$2.3 million write-off from two portfolio companies due to lack of funding. Since there is funding pressure on the Israeli-side for the portfolio companies, how does the Board and Management see the trend of write-off and write-down such Israeli portfolio companies going forward?**

Response from the ED/CEO (Mr Haim Brosh) : Globally it is not easy to raise money for the type of portfolio companies we have, and it is even more difficult to raise money for Israeli companies because of all kinds of either political or other issues. Despite all the challenges, we are very proud to show that FY2024 was a record year of fundraising for our portfolio companies (not including Trendlines and its controlling shareholders' investment). Furthermore, the write-down of US\$2.3 million was not due to the war situation in Israel. It was due to the general difficulties that those specific portfolio companies had in raising funds.

Appendix A

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Question 7 : **Reference is made to page 147 of the Annual Report – there are 4 types of valuation methodologies being applied to determine the IFRS fair value of the Company’s investment in its portfolio companies, including key determinants. Based on the IFRS fair valuation table disclosed on pages 12 and 13 of the Annual Report, it appears that valuation for certain clusters of the portfolio has declined (e.g. digitization and robotics, cardiology and neurology, home health-care clusters, etc.) Can we have more color on the key determinants that can contribute towards the valuation?**

Response from the ED/CEO (Mr Haim Brosh) : We cannot pick and choose any one particular methodology to be applied to a specific portfolio company. It is determined based on the principles of the respective methodologies as required under IFRS standards, depending on the age of the companies, development status and whether or not is ready for commercialisation etc.

Response from the Chair for the AGM (Mr Sin Boon Ann) : Valuation is carried out independently by an external professional firm. The Company or its Board has no say in deciding on which methodology to be applied nor its outcome.

Question 8 : **The Company has a cash balance of US\$4.973 million, out of which there is misappropriation of US\$2.1 million?**

Response from the ED/CEO (Mr Haim Brosh) : This is not how it should be calculated - the misappropriation amount of US\$2.1 million has already been deducted out and is not in this cash balance.

Question 9 : **Is the Company facing any liquidity crisis due to the funds that were misappropriated?**

Response from the ED/CEO (Mr Haim Brosh) : No, the Company is not facing a liquidity crisis. The amount misappropriated from the Trendlines Agrifood Fund and one of the portfolio companies will need to be reimbursed to them and these cash calculations need to come out of the cash balance.

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