Trendlines 2020 Half-Year Results:
Portfolio Value Including Exit Proceeds Hits US$122.9 Million

Misgav, Israel and Singapore, 11 August 2020 – The Trendlines Group Ltd. (the "**Company**" and together with its subsidiaries, **"Trendlines"** or the "**Group**"), the Israel- and Singapore-based investment company focused on building value through early-stage, high growth, innovation-based medical and agrifood technologies, announced its results for the half year ended 30 June 2020 **("H1 2020")** today.

H1 2020 Group Financial Highlights:
As at 30 June 2020 unless otherwise noted

- Fair Value of Portfolio: US$88.5 million (31.12.2019: US$102.8 million)
- Net of Stimatix GI write-down and ApiFix Ltd. acquisition by OrthoPediatrics Corp (the "ApiFix Exit"), portfolio fair value increased by US$4.3 million
- Total Cash, short- & long-term deposits, and receivables: US$27.8 million (31.12.2019: US$19.4 million)
- Net loss: US$4.1 million (H1 2019: Net loss US$2.2 million)
- Book value of US$95.9 million as at 30.06.2020 (31.12.2019: US$99.8 million)
- NAV per share US$0.12; S$ 0.17 (31.12.19: US$0.13; S$ 0.18)
- Twenty-seven (27) portfolio companies raised a total of more than US$27 million

H1 2020 Results

Despite the economic impact that COVID-19 has had on the world, Trendlines' portfolio company ApiFix Ltd. completed an exit, and OrthoSpin Ltd. completed a second Johnson & Johnson Innovation led financing round, both in the first week of April. Portfolio companies in commercialization stage have faced challenges in bringing their products to market due to lockdowns, travel restrictions, and slowdowns of regular and elective medical procedures.

The fair value of the Group's portfolio at 30 June 2020 was US$88.5 million, a decrease of 13.89% compared to the fair value of the Group's portfolio of US$102.8 million as at 31 December 2019. The decrease was mainly due to the acquisition of ApiFix Ltd. by OrthoPediatrics Corps in April 2020, which resulted in the removal of ApiFix Ltd from the Group's portfolio. Based on the terms of the ApiFix Exit, ApiFix was valued at approximately US$13.7 million at fair value. The total portfolio value does not include the value of 11 portfolio companies that are consolidated for reporting purposes.

The fair value of Stimatix GI decreased by US$4.8 million due to the initial revenues of Stimatix GI being lower than previous projections, this, in part, is a result of the product's staggered launch. We further note that introducing new products into the medical market at this time, due to the Covid-19 crisis, is particularly challenging.

Net of the Stimatix GI write-down and the ApiFix Exit, the fair value of the Group's portfolio increased by US$4.3 million.

There was an aggregate increase of US$5.9 million in the fair value of various portfolio companies based on factors such as the terms on which each portfolio company completed its fund raising exercises and each portfolio company's commercial or technological progress and an increase of US$2.8 million as a result of investments in portfolio companies and the establishment of one additional portfolio company.

The increase was partially offset by a decrease of approximately US$2.7 million in the fair value of various portfolio companies, mainly as a result of the completion of fund raising exercises at less favorable terms to the Company and general commercial or technological difficulties of some portfolio companies in H1 2020; and the write-off of three 3 portfolio companies of approximately US$1.9 million as a result of lack of funding in those companies.

Current assets were US$16.6 million as at 30 June 2020, compared to US$19.5 million as at 31 December 2019. The decrease is mainly due to the utilization of cash for investment in portfolio companies and operating activities in H1 2020. At the same time, total cash, short- & long-term deposits and receivables increased to US$26.7 million compared to US$18.7 million as at 31 December 2019.

We reported numerous new items on our balance sheet in H1 2020. Marketable securities of US$7.7 million is an asset in the form of shares from the ApiFix Exit. OrthoPediatrics Corp shares are listed on the NASDAQ. Long-term receivables of US$4.8 million are the guaranteed future payments on the ApiFix Exit and contingent receivables represent the present value of risk-adjusted earnout from the ApiFix Exit.

The net assets of the Group as at 30 June 2020 were US$95.9 million compared to US$99.8 million as at 31 December 2019 and US$62.7 million as at 30 June 2015 at the Company's listing.

Corporate/Business Developments in H1 2020:

- ApiFix Ltd. was acquired by OrthoPediatrics Corp.
- Johnson & Johnson Innovation led its 2nd funding round of US$5 million in portfolio company OrthoSpin Ltd.
- Trendlines Agrifood Fund Pte. Ltd. invested in three companies – Equinom Ltd. Insectta Ltd. and Saturas Ltd.
- We established two new medical portfolio companies, one in Israel and one in Singapore – Senter Care Ltd., based on products in development through Trendlines Labs, and STEP Pte. Ltd., continuing development of a Trendlines Labs invention, in the Trendlines Medical Singapore incubator.
- Twenty-seven (27) portfolio companies raised a total of more than US$27 million.

Developments Post H1 2020

- We expanded our in-house innovation activities to Singapore with the establishment of Trendlines Labs Singapore.
- Trendlines expanded its activities in Shanghai with the establishment of Trendlines Medical Shanghai Innovation Center.

Commenting on corporate progress, Chairman and CEO Steve Rhodes remarked, "The Covid-19 coronavirus has had a significant impact on world economic growth during 2020. While we have not experienced a material impact on our activities, we have seen the impact of the pandemic on various aspects of our business and that of our portfolio companies.

“As a first response to the pandemic we reviewed the 2020 budgets and plans of all our portfolio companies with the objective of reducing expenses and increasing their financial runway during these uncertain times. We are cautiously optimistic that the impact will not be significant in most cases.”

Focusing on the Group's business strategy, Chairman and CEO Todd Dollinger said, “The Company remains committed to investing in medical and agrifood technologies and now, more than ever, believes that the continued need for new and improved products in these fields represents both investment and liquidity opportunities for the Company. The Covid-19 crisis has drawn much media and investor attention to our investment areas of healthcare and food; we believe that, in the long run, this increased interest in our fields of investment will be beneficial to our portfolio companies and to the Group.”

For full financial information, please see our announcement to the SGX: Unaudited Financial Statement for the Half Year Ended 30 June 2020. Management will present the financial results and business developments for H1 2020 on a video conference call on Wednesday, 12 August 2020 at 15:30 Singapore time. Register here for the conference call. A recording of the call will be made available on Trendlines’ investor website.

About The Trendlines Group Ltd.
Trendlines is an investment company that invents, discovers, invests in, and incubates innovation-based medical and agrifood technologies to fulfill its mission to improve the human condition. As intensely hands-on investors, Trendlines is involved in all aspects of its portfolio companies from technology development to business building. Trendlines’ shares are traded on the Singapore Stock Exchange (SGX: 42T) and in the United States as an American Depositary Receipt (ADR) on the OTCQX International (OTCQX: TRNLY).

-The End-

Investor Contact Information
Israel
Shira Zimmerman, The Trendlines Group
shira@trendlines.com
Tel: +972.72.260.7000

Singapore
Reyna MEI, Financial PR
reyna@financialpr.com.sg
Tel: +65.6438.2990

This press release has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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)