




## Issuer &amp; Securities

Issuer/ Manager	THE TRENDLINES GROUP LTD.
Securities	THE TRENDLINES GROUP LTD. - IL0011328858 - 42T
Stapled Security	No

## Announcement Details

Announcement Title	Unaudited Financial Results Announcement
Date & Time of Broadcast	25-Feb-2016 00:05:47
Status	New
Announcement Sub Title	Full Yearly Results
Announcement Reference	SG160225OTHR0RB3
Submitted By (Co./ Ind. Name)	Yosef Ron
Designation	Joint Company Secretary
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	<p>Please see attached.</p> <p>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").</p> <p>This presentation 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 the above said documents.</p> <p>This presentation has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of the same, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the above said documents.</p> <p>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.</p>

## Additional Details

For Financial Period Ended	31/12/2015
Attachments	<p><a href="#">Trendlines – Investor Presentation.pdf</a></p> <p></p> <p></p> <p></p>

Like

# Creating & Developing Companies To Improve the Human Condition



**Todd Dollinger and Steve Rhodes**  
Chairmen and CEOs

February 2016

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# I. Overview & Business Model





# The Trendlines Incubators: Innovation Commercialization

The Trendlines Group discovers, invests in, incubates and provide services to life science companies in the fields of medical and agricultural technologies.



## Israeli Government-Franchised Incubators

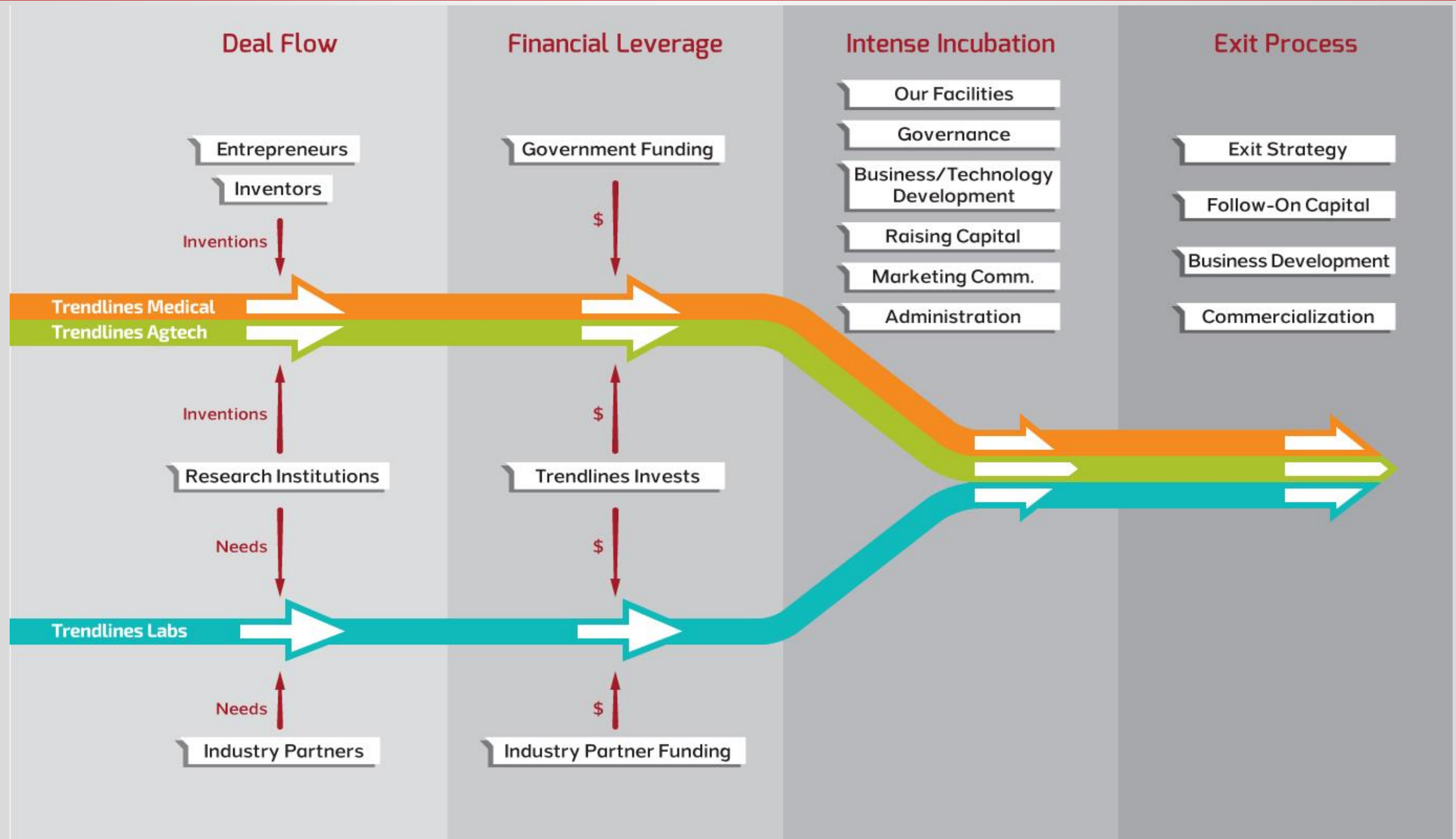
Invest in life sciences companies



## Internal Innovation Centre

Invents and develops technologies to address unmet market needs

# Innovation Management According to Trendlines



# The Trendlines Group at a Glance

**2007:** Established in Israel  
**2015:** Listed on SGX Catalist  
Ticker: 42T

## Early-Stage Investors in

- Medical technologies
- Agriculture and food technologies

**46** Portfolio Companies (31.12.15)

Portfolio Value: **US\$ 85.8 million** (31.12.15)

Current Assets: **US\$ 24.0 million** (31.12.15)

**2** Best Incubator Awards

**5** Outstanding Start-Up of the Year Awards

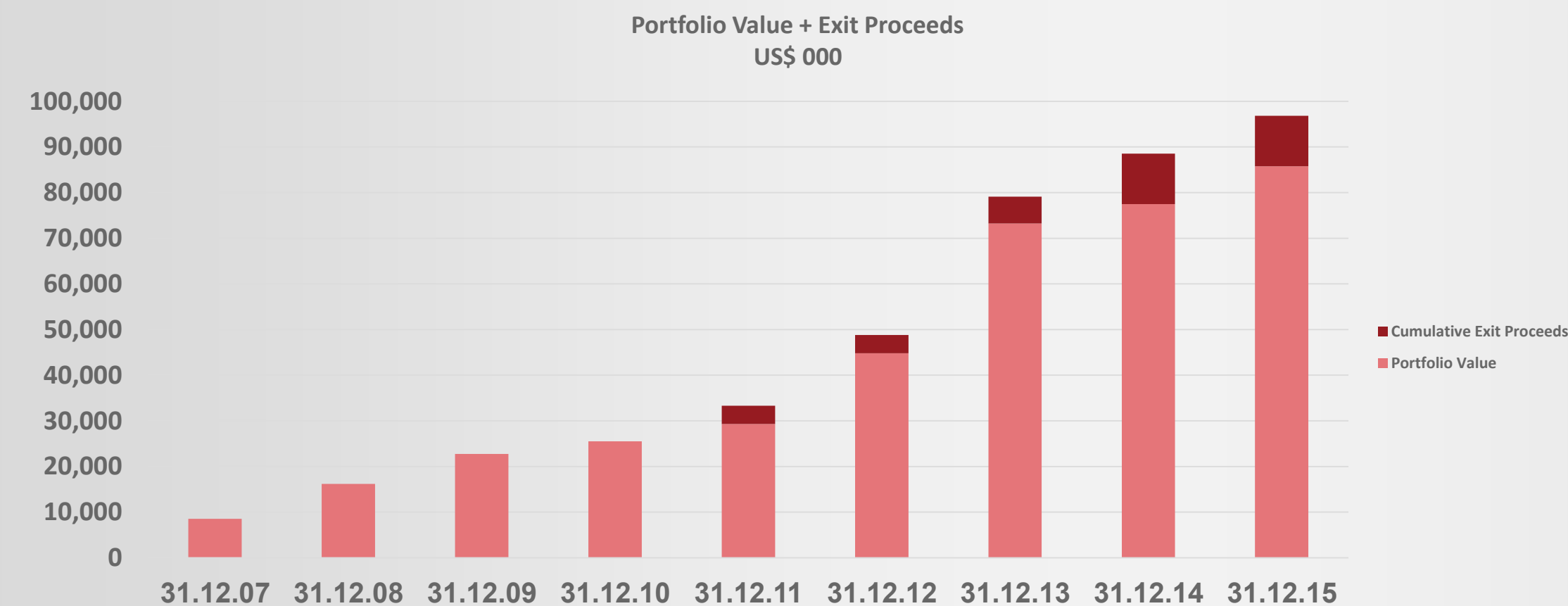
508,741,749 shares outstanding  
Avg. daily volume (last 90 days, 22.2.16) —  
4.16 million shares

Market Cap (19.2.16) —  
US\$ 76.2 million

### Key Shareholders (31.12.15)

3 Directors	21.86%
B. Braun	<u>4.23%</u>
	26.09%

# Financial Overview

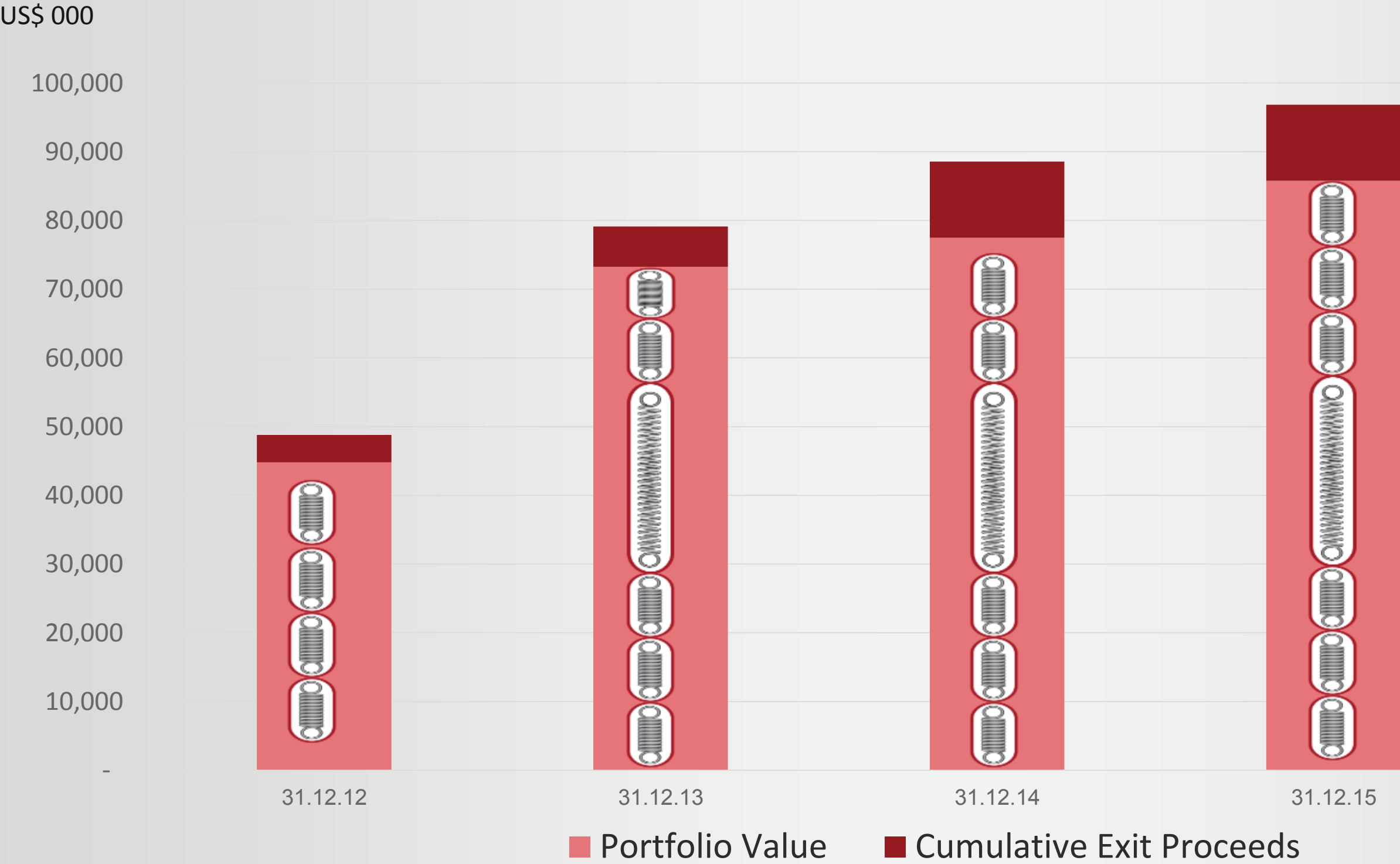


## Summary P&L US\$ 000

	2012	2013	2014	31.12.2015
Total Income	13,768	29,707	8,553	9,939
Total Expenses	5,158	6,798	11,408	7,938
Income/(Loss) before Income Taxes & non-recurring, non-cash expenses	8,610	22,909	(2,855)	2,001
Non-recurring, non-cash expenses				3,775
Income/(Loss) before income taxes	8,610	22,909	(2,855)	(1,774)



# Consistently Building Value



# Innovation Management: A Unique Business Model

The Trendlines Group is an early-stage investor – we start companies.

- We are **not** a venture capital firm
  - No management fees
  - No carried interest
- Cash investment + substantial in-kind investment
- Deeply involved in all aspects of our companies



~500 deals reviewed annually

## Sources of Deal Flow

Israel, United States; expanding to Singapore, China, and more

- Entrepreneurs
- Inventors
- Universities and research institutions
- Needs identified by industry partners

## Our Advantages

- Successes = strong reputation in the market
- Unparalleled support = unique value proposition
- Professional team
- Strategic partners

## What We Look For

- Leaders with passion and commitment
- Unmet needs
- Unique, innovative technologies



# The Trendlines Group: Government Leverage Mitigates Risk

## Government funding leverages our capital.

Israeli government typical new company grant:

Agtech: **NIS 2.125 million** (~US\$ 543,000)

Medical: **NIS 2.550 million** (~US\$ 652,000)



Trendlines' typical cash investment:

Agtech: **NIS 375,000** (~US\$ 96,000) per company

Medical: **NIS 450,000** (~US\$ 115,000) per company



Trendlines' in-kind investment:

Additional **~US\$ 450,000** per company over two-year period



Typical Agtech investment: ~ US\$ 1.1 million

Typical Medical investment: ~ US\$ 1.2 million

## Israeli Government Grants

- No equity to Government
- No government rights to intellectual property
- Grants directly to portfolio companies
- Sales royalty: grant plus interest
- Additional payments at exit if intellectual property moved overseas

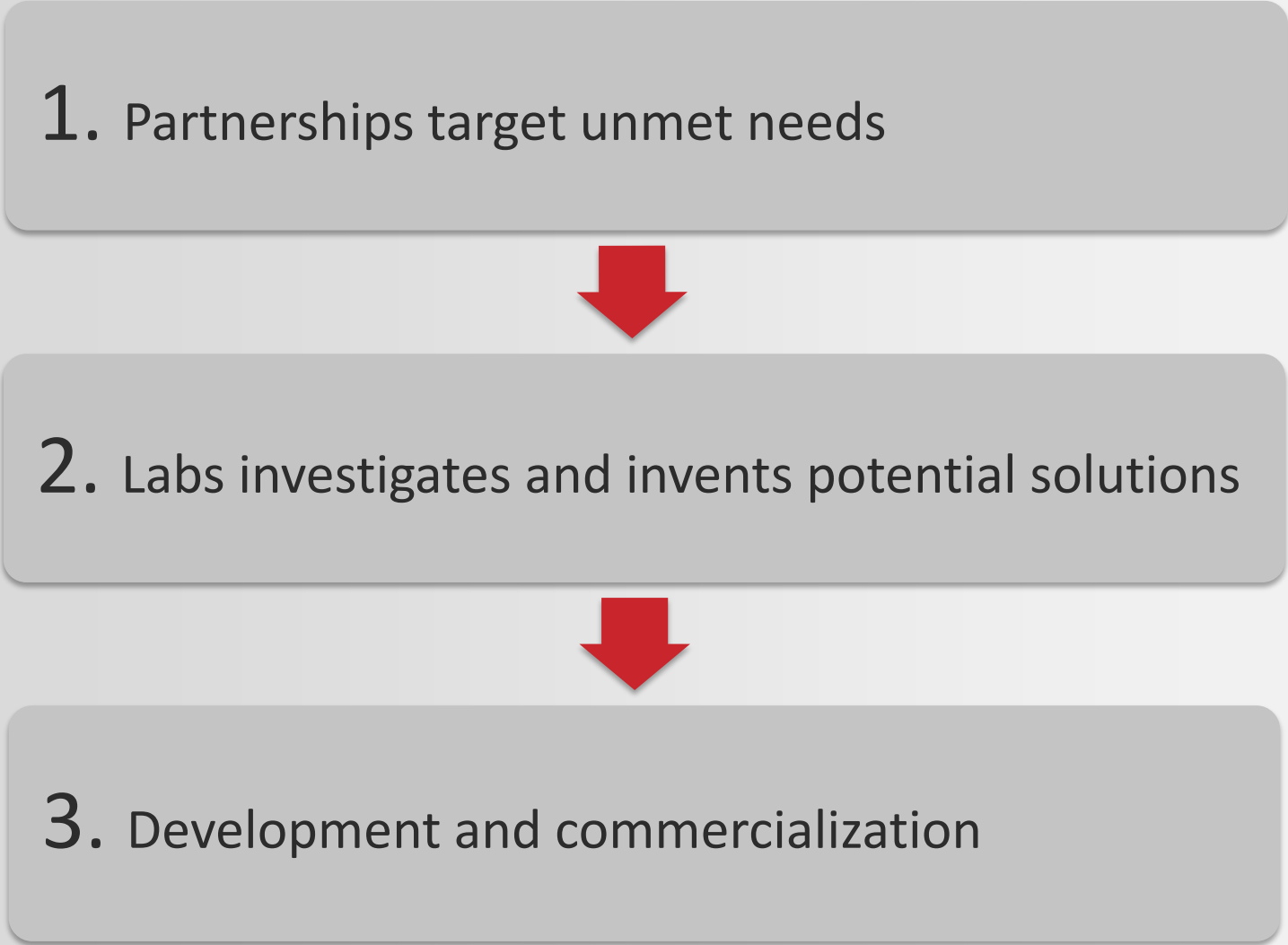
## Israeli Government Oversight

Government conducts audits and requires:

- Quarterly financial report and semi-annual qualitative report for each company that receives funding
- Annual government audits of incubators



## Strategic Partnering: 3-Stage Process



## Trendlines Labs’ Portfolio – Overview

Field	Invention	Dev. Status
Urology	Reduced infection-risk Foley catheter	Prototype
Infection Control	Gloves to improve hand hygiene compliance	Prototype
Neurology	Disposable surgical endoscope	Concept
Women’s Health/Gynecology	Delaying pre-term birth	Prototype
	Urinary stress incontinence support device	Initial clinical trial
Men’s Health	Prostate cancer screening system	Preclinical trial
Diagnostics	Low-cost dehydration monitor	Initial trial
	Improved biopsy needle	In vitro demonstration

# Trendlines' Expertise: Birth to Success at High Speed



## II. Strengths



# Trendlines' Strengths

## Strong Management Team and Track Record

- Our team understands global markets and bridges cultures to build businesses
- Track record to executing exit strategies for portfolio companies

## Extensive Network of Relationships

- Quality deal flow
- Strategic partnerships
- Investor relationships

## Strong Reputation and Brand

- Trendlines Medical twice named best incubator in Israel
- Five portfolio companies named best start-ups of the year

## Physical Facilities and Intensive Support Provided to Portfolio Companies

- Intense support by staff of 35+ allows portfolio companies to focus on developing technology, product and markets, reducing risk and increasing chances of success

## Effective Use of Funds

- Portfolio companies located in Trendlines' facilities and extensively supported through their first years
- Leverage portfolio investments with non-dilutive funding



# Trendlines' Founders: Decades of Company-Building Experience



**Todd Dollinger**

Chairman & CEO  
The Trendlines Group

Chairman, Trendlines Medical



**Steve Rhodes**

Chairman & CEO  
The Trendlines Group

Chairman, Trendlines Agtech

- |             |   |
|-------------|---|
| <b>1991</b> | Managed Israeli medical device start-up   |
| <b>1993</b> | Established business development consultancy                                      |
| <b>2007</b> | Founded The Trendlines Group<br>Acquired two incubators                           |
| <b>2010</b> | Portfolio companies ETVIEW and FlowSense go public on the Tel-Aviv Stock Exchange |
| <b>2011</b> | Established Trendlines Labs<br>Covidien acquires PolyTouch                        |
| <b>2013</b> | Baxter acquires FlowSense<br>Teleflex acquires Innolap                            |
| <b>2014</b> | OPKO acquires Inspiro<br>Additional undisclosed exit                              |
| <b>2015</b> | Singapore IPO   |

# Trendlines' Management Team: Experienced and Entrepreneurial



**Eran Feldhay, M.D.**

CEO, Trendlines Medical

Former GM, McKesson Israel



**Nitza Kardish, Ph.D.**

CEO, Trendlines Agtech

Former CEO, Clal Life Sciences



**Yosi Hazan**

CEO, Trendlines Labs

Former GM, Biosense Webster (J&J company)



**Moshe Katzenelson**

VP, International Incubators

Former CEO, two start-up incubators



**Gabi Heller**

Chief Financial Officer

Former CFO, Walden Israel Ventures



**Yossi Ron**

Chief Operating Officer

Former CEO, Trendlines Agtech

# Strategic Partners

## B. BRAUN

### Invested S\$ 7.1 million in IPO

#### Proposed Collaboration

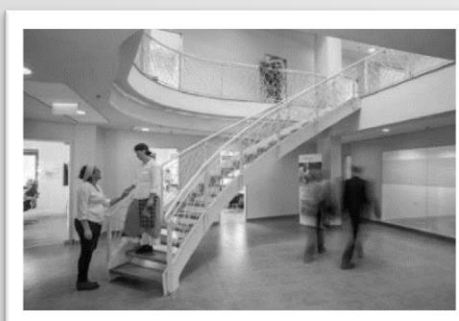
- Establishing mutual deal flow
- Identifying potential new investments
- Establishment of accelerators and incubators
- New technology and product development

## Trendlines Labs Partnerships

- The Chaim Sheba Medical Center
- Rambam Health Care Campus
- Mor Research Applications Ltd.
- U.S.- and Japan-based multinational corporations

## B. BRAUN

- German privately held company founded 1839
- Global sales : €5.43 billion
- 54,000 employees in 62 locations
- Supplies global healthcare markets: anaesthesia, cardiology, extra corporeal blood treatment, surgery
- Provides services for hospitals, general practitioners and homecare sector





# Strong Reputation and Brand

- **Two** portfolio companies, FlowSense and ETView, taken public on the TASE
- **Five** portfolio companies (including FlowSense) acquired by or sold assets to multinational corporations



\* As at 31 December 2015

\*\* Awarded to Trendlines Medical by Israel's Office of the Chief Scientist ("OCS")

\*\*\* Awarded to the portfolio companies by the OCS



# III. Portfolio & Financial Highlights



# Building Value Over Time

Initial Invest.	Company	Technology Dev.	Technology Proven	Follow-On Capital	Clinical/Field Trials	Commercialization	Exits (by Company Start Date)
2008	<b>NeuroQuest</b>						
	Nephera						
	<b>VivoText</b>						
2009	Breezy						 Est. 2009   IPO 2010
	<b>ETView</b>						
	<b>Stimatix GI</b>						
	<b>IonMed</b>						
	Mantissa						
2010	SolChip						 Est. 2009   Exit 2013
	<b>MediValve</b>						
	Magdent						
	ProArc Medical						
	Liola						
2011	Advanced Mem-Tech						 Est. 2010   Exit 2014
	<b>Leviticus Cardio</b>						
	<b>ApiFix</b>						
	LapSpace Medical						
	GreenSpense						
2012	MiRobot						 Est. 2012   Exit 2013
	CoreBone						
	EdenShield						
	Endobetix						
	SiL Vascular						
2013	Gordian Surgical						
	Catalyst AgTech						
	BioFishency						
	Saturas						
	<b>Omeq Medical</b>						
2014	VisiDome						
	STS Medical						
	Valentis						
	Metabolic Robots						
	<b>Arcuro Medical</b>						
2015	Virentes						
	Vensica Medical						
	Fidmi Medical						
	VIAqua Therapeutics						
	Escala Medical						
2015	OrthoSpin						
	Enolog Technologies						
	ElastiMed						
	Neopterix Solutions						
2015	Zeev Implants						
	Tandem Technologies						

One of our 10 most valuable portfolio companies as of 31 December 2015

List of companies as at 31 December 2015; 17 written-off portfolio companies and 2 companies established before September 2007 not listed. IPO indicates reverse mergers into public companies.

# Most Valuable Portfolio Companies

Total estimated **fair market value** of our **10 most valuable** portfolio companies: approximately **US\$59.6\*million**, representing **69.5% of total portfolio value** of approximately **US\$85.8\*million** as of **31 December 2015**.

Company Name	Initial Investment	% Owned (Fully Diluted)
ApiFix Ltd.	2011	29.42
Arcuro Medical Ltd.	2013	42.59
ET View Medical Ltd.	2008	27.86
IonMed Ltd.	2009	28.8
Leviticus Cardio Ltd.	2010	29.27
MediValve Ltd.	2010	31.66
NeuroQuest Ltd.	2008	30.75
Omeq Medical Ltd.	2013	42.89
Stimatix GI Ltd.	2009	27.17
VivoText Ltd.	2008	26.22

\*Including FV of investments in companies accounted for under the equity method in the amount of US\$1,329

# The Trendlines Group: Exit Transactions

Year	Company	Description	Acquirer	Estimated Return (1)
2011	PolyTouch Ltd.	Trade sale; company was three years old at time of sale	Covidien	6.7X
2013	Innolap Surgical Ltd.	Trade sale; company was <i>eight months old</i> at time of sale	Teleflex	3.2X
2013	FlowSense Ltd.	Trade sale; company was four years old at time of sale	Baxter International	4.0X
2014	Inspiro Ltd.	Trade sale; company was four years old at time of sale	OPKO	8.8X
2014	Most Valuable Portfolio Company(3)	Asset sale; company was five years old at time of sale	Undisclosed(3)	66.9X(2)

## Notes:

(1) Estimated return represents the multiples on the exit proceeds to our investment (net of OCS funding) in the exited company, which comprises (i) our initial cash investment; (ii) additional investments through estimated value of the provision of services; and/or (iii) our estimated overhead expenses incurred in relation to the exited company.

(2) Based on the estimated fair value when the agreement was executed compared to our investment at that point in time.

(3) Unable to disclose due to confidentiality obligations.



# The Trendlines Group: Exit Transactions

- Jefferies Equity Research: “We value ALM on a Fair Market Value (FMV) basis.”  
(30 October 2014)
- Four LSE-traded companies

## Price to Portfolio (FMV)\*

- |                                  |             |
|----------------------------------|-------------|
| • Allied Minds (LSE:ALM)         | 2.21        |
| • Imperial Innovations (LSE:IVO) | 1.82        |
| • IP Group (LSE:IPO)             | 2.96        |
| • PureTech Health (LSE:PRTC)     | <u>1.59</u> |

## Average Price to Portfolio

2.14

## Trendlines Price to Portfolio

0.89

\*Based on market cap at 19.2.16, divided by last available Portfolio Value

- **Industry Comparables – Price to Book** (as at 5 January 2016)
    - 661 health care products companies – average Price/Book: **3.56**
    - 403 farming and agriculture companies\* – average Price/Book: **2.20**
- Trendlines Price to Book** (19.2.16) **0.91**

Source: Prof. Aswath Damodaran, New York University, 5 January 2016 -  
[http://people.stern.nyu.edu/adamodar/New\\_Home\\_Page/datacurrent.html](http://people.stern.nyu.edu/adamodar/New_Home_Page/datacurrent.html)

# The Trendlines Group: Financial Highlights

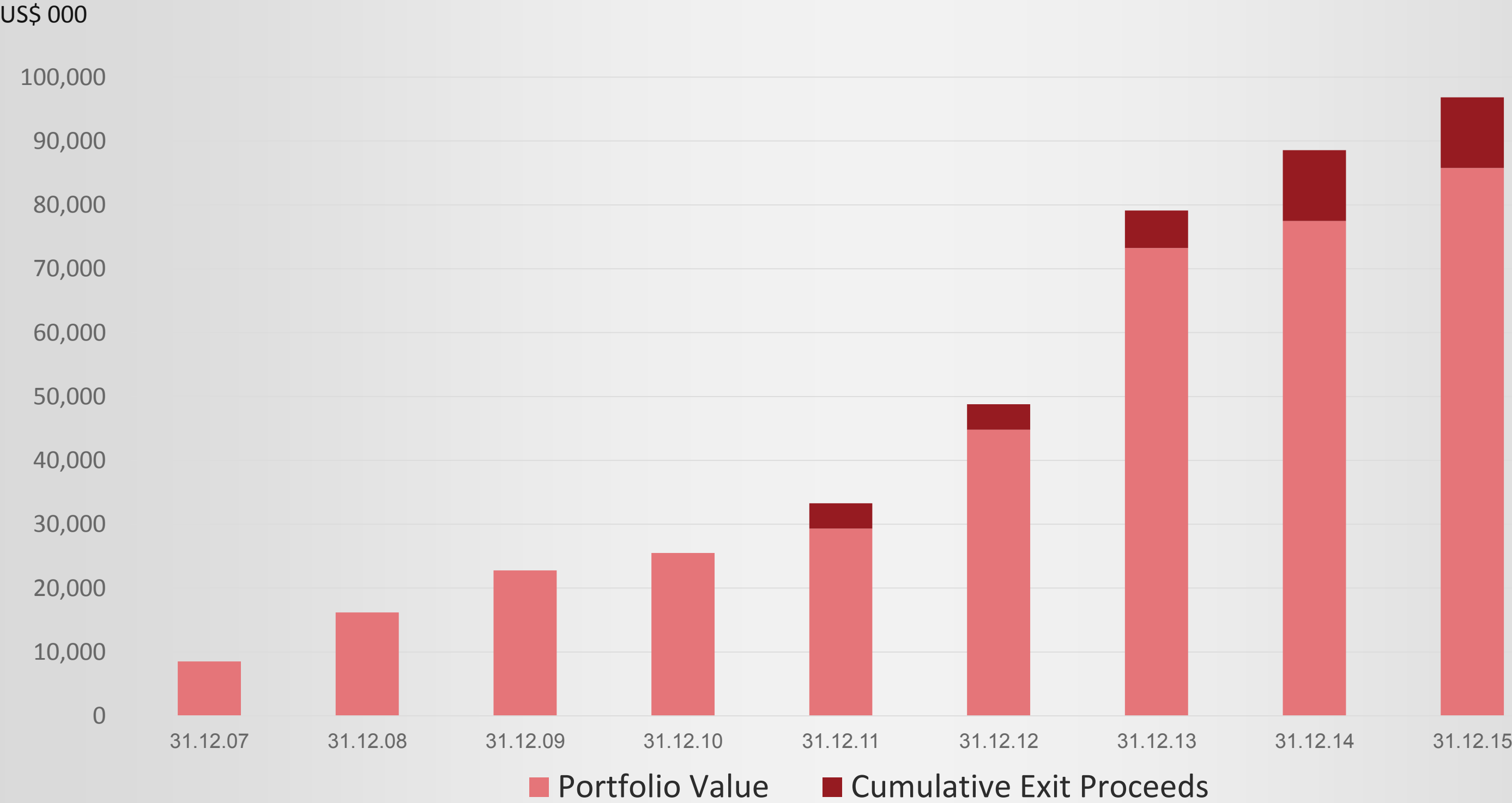
(US\$ 000)

	2013 (audited)	2014 (audited)	2015 (unaudited)
Total Portfolio Fair Value*	74,639	77,494	85,776

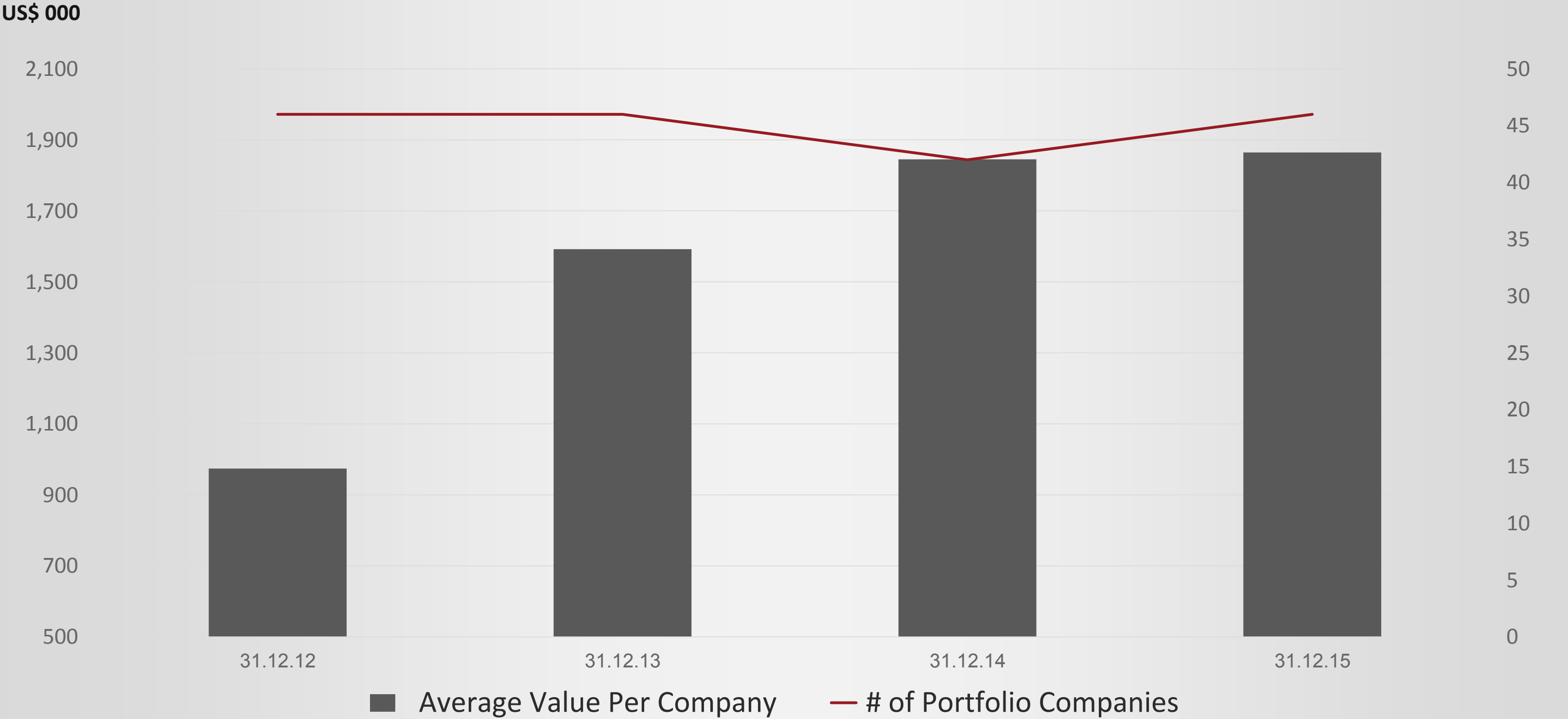
	2012 (audited)	2013 (audited)	2014 (audited)	2015 (unaudited)
Total Income	13,768	29,707	8,553	9,939
Total Expenses before Non-recurring, Non-cash item	5,158	6,798	11,408	7,938
Income/(Loss) before Income Tax and Non-recurring, non-cash item	8,610	22,909	(2,855)	2,001
Non-recurring, Non-cash item				3,775
Income/(Loss) before Income Taxes	8,610	22,909	(2,855)	(1,774)
Earnings per Share (US\$)	0.021	0.054	(0.01)	(0.01)

\* Includes fair market value of assets carried at equity value

# Consistently Building Value



# Consistently Building Value





## IV. Growth Drivers & Strategy



# Medical & Agricultural Business Drivers

## Health and Agriculture

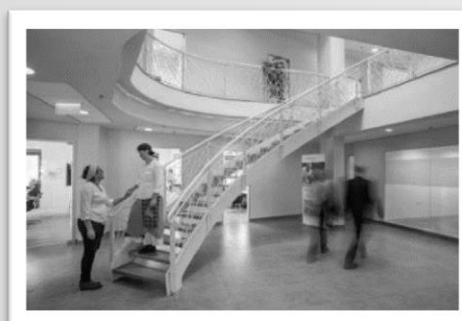
- Tremendous growth prospects

## Medical Technologies

- Growing global population
- Aging global population
- Growth of emerging markets: an increase in health awareness/demand for medical services

## Agricultural Technologies

- Increasing global demand for food
- Environmental challenges: demand for innovative and sustainable agricultural technologies
- Innovations in complementary fields: mobile, information technology, and energy can have significant impact on agritech



# The Trendlines Group: Business Strategies and Future Plans

## Follow-on Investments in Portfolio Companies

- Accelerate portfolio company development
- Demonstrate support and confidence
- Limit dilution

## Expansion into New Markets

- Exploring international opportunities, including in Singapore and China

## Expansion of Trendlines Labs

- Invest in selected technologies to accelerate market entry
- Intensify marketing and business development efforts
- Add agritech component
- Establish companies from Trendlines Labs' inventions

## Intense Support / Increase Number of Portfolio Companies

- Focus on core business of creating and developing companies
- Increase number of portfolio companies by 50% over three years





# V. Selected Portfolio Companies





# Trendlines' Portfolio: Improved Quality of Life for Ostomates

## Stimatix GI



Low-profile ostomy appliances allow voluntary evacuation and eliminates the need to wear a traditional ostomy pouch

### Ideation

Trendlines identified surgeon-inventor

### Investment & Intense Support

- Active guidance in market research, business development, investment banking, governance, marketing
- Trendlines recruited company CEO
- Company chairman: Trendlines board member
- Raised \$6.3 million in two rounds

### Achievements

- Received CE and FDA approval within 3 years
- Completed 30-patient European study
- Named Best Start-Up by Israeli government

**Revenue Stage**

# Trendlines' Portfolio: Natural, Nontoxic Bio-Insecticide

## EdenShield



Natural, nontoxic insect control system for greenhouse crops, ornamentals, and cannabis that, when applied to screens, reduces insect attraction; based on extracts of plants endemic to Israel's semi-desert region

### Ideation

Trendlines identified inventor

### Investment & Intense Support

Active guidance in marketing, business development, investment banking

### Achievements

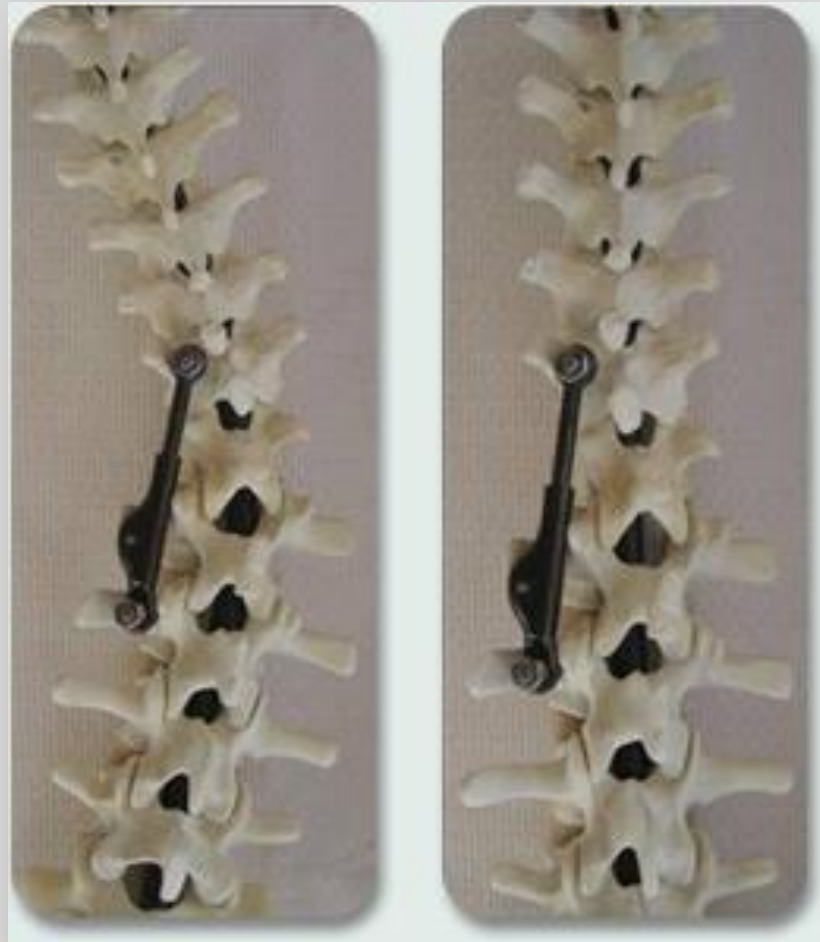
- Independent tests show substantial reduction in insect damage in treated greenhouses
- Two products in market, and three more in pipeline
- Launched greenhouse product: Israel, Europe, Africa, and United States

**Revenue Stage**



# Trendlines' Portfolio: Incremental Scoliosis Treatment System

## ApiFix



Less invasive scoliosis correction system incorporates a miniature ratchet mechanism for gentle, incremental corrections over time

### Ideation

Identified serial entrepreneur-spine expert

### Investment & Intense Support

- Company chairman is a Trendlines' board member
- Raised \$3.5 million in two rounds

### Achievements

- Completed over 65 successful surgeries
- Some patients more than three years post surgery
- CE mark, commercial sales
- Named Best Start-Up by Israeli government 2013

**Revenue Stage**

# Trendlines' Portfolio: Water Treatment System for Aquaculture

## BioFishency



Cost-effective, all-in-one water treatment system for reduced water use and improved yields in land-based aquaculture. Operates with all existing aquaculture systems: extensive, intensive, and recirculated

### Ideation

Trendlines identified inventor

### Investment & Intense Support

- Active guidance in marketing, business development, investment banking
- Connected with potential partners in target markets
- Prepared for investor meetings and events

### Achievements

- Successful tests showed more than doubled production and up to 85% reduction in water consumption
- Sales launched – first units installed in Israel, Philippines, Bangladesh

**Revenue Stage**



# Trendlines' Portfolio: Visualization of the Upper Airway

## ETView



World's only lung isolation system that allows continuous, real-time visualization of the upper airway in a disposable device

## Investment & Intense Support

- Trendlines' CEO serves as company chairman
- Located in Trendlines' facilities

## Achievements

- Sales in United States, South America, Europe, China
- Public company (Tel Aviv Stock Exchange)
- U.S. (FDA), Europe (CE), China (CFOA), Korea (KFDA), Israel (AMAR), and other regulatory clearances
- 9-month 2015 sales ~ US\$ 1.3 million

**Public Company, Revenue Stage**

# Trendlines' Portfolio: Membranes for Cost-Effective Water Filtration

## Advanced Mem-Tech



Breakthrough high-flux, low-pressure membranes for cost-effective water treatment provide membrane filtration at lower cost, at lower pressure, and with a smaller footprint, without sacrificing rejection

### Ideation

Technion-Israel Institute of Technology

### Investment & Intense Support

- The Trendlines Group
- Private investors
- SEB Alliance

### Achievements

- Commercial pilots for reverse osmosis pretreatment with Mekorot, Israeli water company (also an investor)
- Named Best Start-Up by Israeli government 2014
- First sales in 2015

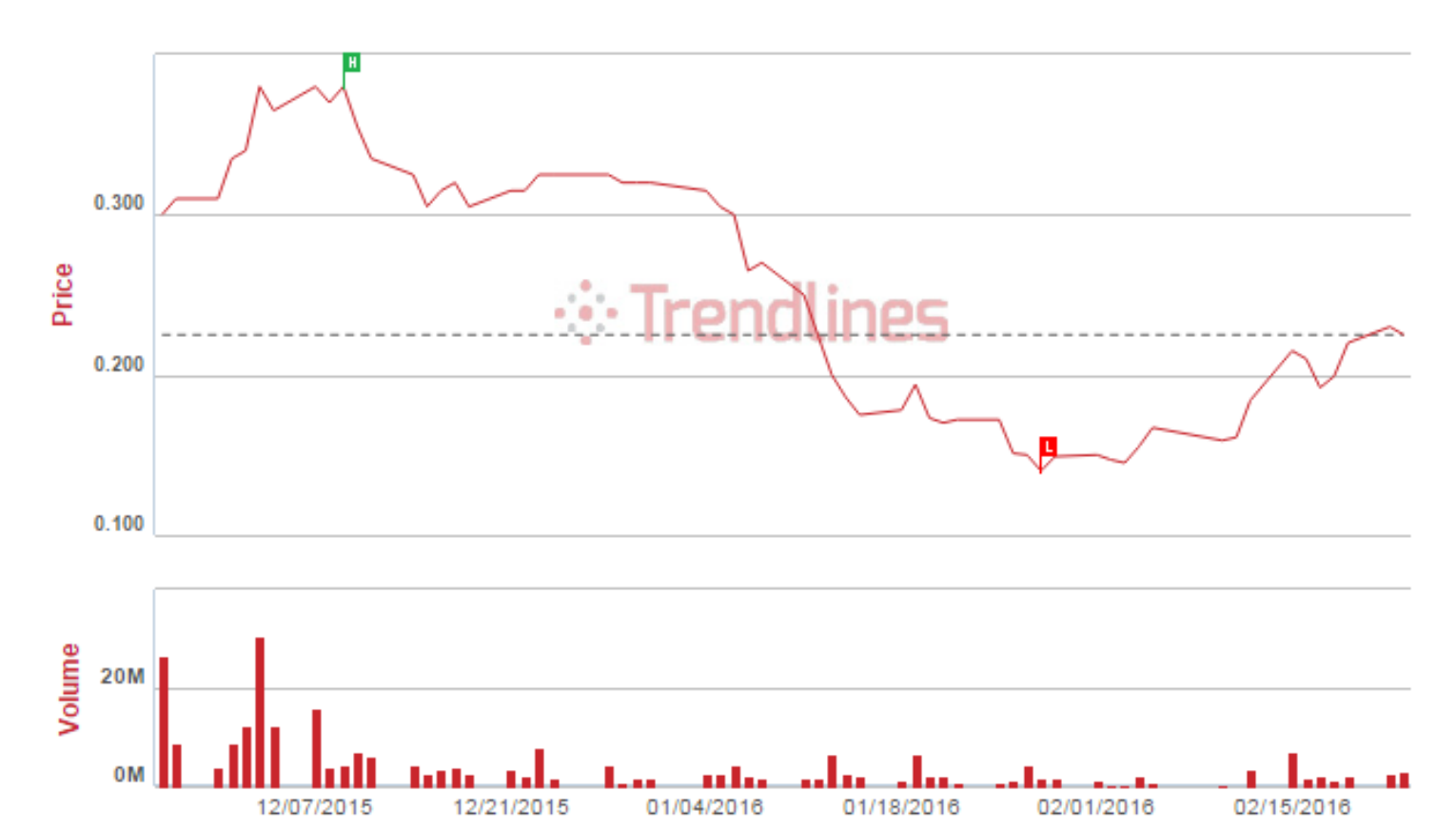
**Revenue Stage**

# VI. Stock Information





# Opportunity



- Allied Minds (LSE:ALM)
- Imperial Innovations (LSE:IVO)
- IP Group (LSE:IPO)
- PureTech Health (LSE:PRTC)

**Average Price to Portfolio**

**Trendlines Price to Portfolio**

\*Based on market cap at 19.2.16, divided by last available Portfolio Value

	SGD
Last price *	0.225
IPO price	0.330
52wk high	0.395
52wk low	0.133
Market Cap	114.5 million

\* As of Feb 22, 2016

Shares outstanding	508.8 million
Free float	365.8 million

**Price to Portfolio (FMV)\***

2.21

1.82

2.96

1.59

2.14

0.89





“...Trendlines is now Israel’s leading seed-stage investor in the medical device and agritech sectors.”

OurCrowd, September 2013  
Trendlines Shareholder



**Todd Dollinger**, Chairman & CEO  
todd@trendlines.com

**Steve Rhodes**, Chairman & CEO  
steve@trendlines.com



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