

Trendlines Report: 10 Companies to Watch

April 2018 Update

MISGAV, Israel, 23 April 2018 -- The Trendlines Group Ltd. ("Trendlines") (SGX: 42T; OTCQX: TRNLY), a leading Israeli investment and innovation commercialization company focused on early-stage innovation-based medical and agricultural technologies, issued its quarterly update of the "10 Companies to Watch" report, which was first issued in July 2017. The report is published as an aid to understanding the assets of The Trendlines Group. Additionally, the report includes an update on the status of our Most Valuable Portfolio company (Stimatix GI Ltd.) (as defined later in the report).

Trendlines' growing portfolio of 50 companies range from "just started" through companies selling products and growing internationally. These companies all started in the Trendlines' incubators.

This report highlights companies that have achieved significant developmental milestones, which may include investment rounds, patent approvals, clinical or field trials, CE mark or FDA clearance, or sales of their products in global markets. Reaching these milestones brings the companies reported here closer to achieving their commercial goals.

Most Valuable Portfolio Company status update: Stimatix GI Ltd.

Low-profile solutions for colostomy management

In previous reports, we provided updates on our "Most Valuable Portfolio Company" whose product was part of an asset purchase agreement in 2014, the details of which were undisclosed until now. This month, we were able to disclose both the name of the company and the acquirer. In November 2014, [Stimatix GI Ltd. \("Stimatix"\)](#) sold its assets to a subsidiary company of the B. Braun Group, B. Braun Medical SAS ("B. Braun"). Trendlines currently maintains a 28.2% holding in Stimatix. As of the last valuation, dated 31 December 2017, the fair value of Trendlines' Stimatix holding was US\$42.6 million. Stimatix is a developer of low-profile innovative solutions for colostomy management, created to improve the quality of life for people with stomas. B. Braun is currently in the process of completing a high-volume manufacturing facility for production; product launch is on schedule for mid-2018. The worldwide stoma/ostomy care market is estimated to reach US\$2.99 billion by 2022.¹ Stimatix represents a very significant achievement for Trendlines. It is a good example of a company that fulfills the Trendlines' mission of creating and developing companies to improve the human condition as well as creating considerable value for our shareholders. [Read more here.](#)

The 10 other companies reviewed here, listed alphabetically, are:

- ApiFix Ltd.
- BioFishency Ltd.
- EdenShield Ltd.
- Fidmi Medical Ltd.
- Gordian Surgical Ltd.
- Leviticus Cardio Ltd.
- MemTech Ltd.
- Saturas Ltd.
- STS Medical Ltd.
- Vensica Medical Ltd.

¹ Markets and Markets, <https://www.marketsandmarkets.com/PressReleases/ostomy-care-accessories.asp>

ApiFix Ltd.

Minimally invasive scoliosis treatment device

ApiFix Ltd. (“**ApiFix**”) (<http://trendlines.com/portfolio/apifix/>) aims to disrupt the scoliosis device market with its minimally invasive, non-fusion spinal implant system for the correction of Adolescent Idiopathic Scoliosis (AIS). Worldwide, there are approximately 126,000 scoliosis procedures per year, of which 40,000 are AIS, representing a US\$2.4 billion implant market. ApiFix believes its total addressable market currently reaches US\$1.15 billion.²

Recent developments

- Increased the number of surgical procedures to >200
- Newly issued patent bringing total to 20 issued patents

Status

- Offices in Boston, Massachusetts (U.S.) and Misgav, Israel
- CE mark
- Sales in Europe, Canada, and Asia
- 7 families of granted and pending patents

BioFishency Ltd.

Advanced water treatment systems for land-based aquaculture

BioFishency Ltd.’s (“**BioFishency**”) (<http://trendlines.com/portfolio/biofishency/>) cost-effective, plug-and-play water treatment system enhances water quality, making it possible to double production in ponds and to reduce water use by up to 95% in tanks. Aquaculture is the fastest-growing sector in animal protein production with a market value of US\$135 billion in 2015³; 62% of food fish will come from aquaculture by 2030.⁴

Recent developments

- Signed term sheet to raise US\$1.5 million from a strategic and private investor
- 2017 sales of ~US\$550,000; Q1 2018 sales of ~US\$800,000
- Signed term sheet with the Technion Research & Development Foundation Ltd. to license a new technology that will enable growing fish in any temperature (cold, warm) and water type (fresh, sea); will significantly improve the traditional recirculating aquaculture systems (RAS); first application will be for the transportation of live fish, with the potential for increasing the number of fish and enabling longer transport periods

Status

- BioFishency units already operating in China, Indonesia, Congo, Bangladesh, India, Singapore, Israel, and more

² U.S. National Center for Health Statistics; OECD Health Data 2015; Statistique annuelle des établissements de santé and CNAMTS (Evolution des actes techniques en secteur libéral); Statistisches Bundesamt; Conjunto Mínimo Básico de Datos – Hospitalización and Ambulatorio; UK Hospital Episode Statistics databases for Admitted Patient Care and Outpatients; Life Science Intelligence Surgical Procedure Volume database.

³ The State of World Fisheries and Aquaculture, <https://issuu.com/asgcapbiz/docs/a-i3720e>

⁴ The World Bank, FISH TO 2030: Prospects for Fisheries and Aquaculture, <http://www.fao.org/docrep/019/i3640e/i3640e.pdf>.

- Distribution agreements for Bangladesh, India, Taiwan and China; cooperation with several strategic partners
- IP: patent in national phase

EdenShield Ltd.

Natural plant-based crop protection solutions

EdenShield Ltd.'s ("**EdenShield**") (<http://trendlines.com/portfolio/edenshield/>) natural nontoxic crop protection products leverage characteristics of plants that originate in Israel's semidesert region to mask plant odor and significantly lower insect attraction, greatly reducing the need for pesticides. The current worldwide insect pesticides market — estimated at US\$14 billion, with the greenhouse segment estimated at US\$2 billion⁵ — is looking for cost-effective, environmentally friendly solutions that are synergistic with their existing products.

Recent developments

- Achieved US\$450,000 sales in 2017; US\$2.5 million targeted sales for 2018
- In Q1 2018, increased installations of EdenShield systems (GateKeeper and GreenFence) threefold in the United States, Mexico, Spain, Greece, and Israel
- Raised additional US\$2.4 million from strategic and financial investors for increasing production to meet sales growth and for development of a new application
- Announced strategic partnership with Kibbutz Yotvata in southern Israel to facilitate an increase in production

Status

- Distributor agreements, including in the United States and Mexico
- Expanding farming operations to meet growing demand
- Patent granted (U.S., June 2016, Australia, April 2017); published (Europe); final stages (Canada, India, Mexico, China); filed (Israel and Kenya)
- License granted for EdenShield NET and Forte (Spain and Israel); final licensing stages (Turkey, England, United States)
- Organic license granted for EdenNET and EdenDIRECT in the U.K.

Fidmi Medical Ltd.

Novel feeding device for improved nutrition delivery

Fidmi Medical Ltd. ("**Fidmi**") (www.fidmimedical.com) has developed a uniquely designed, low-profile, enteral feeding device that offers a secure, reliable, and discreet solution immediately post-surgery, and when needed, pain-free removal. Annually, there are approximately 1.3 million enteral device insertions worldwide, and an additional 3 million replacement procedures performed for blocked or dislodged tubes, representing sales of US\$540 million. Estimates of the global market will exceed US\$600 million by 2018.⁶

⁵ Global Markets for Biopesticides, BCC Research, January 2017.

⁶ Enteral Feeding Devices Market: Global Industry Size, Market Share, Trends, Analysis, 2012-2018. Transparency Market Research.

Recent developments

- Preparing CE mark submission
- Developing a low-profile PEG for children

Status

- Opened clinical sites in Israel; performed 7 procedures
- Submitted FDA 510(k)
- 3 patents pending (all in National phase; U.S. EU, China)
- Raised US\$2 million investment from B. Braun Melsungen AG; funds to be used to complete clinical trials and prepare for market entry

Gordian Surgical Ltd.

Integrated port closure system.

Gordian Surgical Ltd. (“**Gordian**”) (<http://trendlines.com/portfolio/gordian-surgical-2/>) has developed and is currently marketing the TroClose1200™, the only integrated [port closure system](#) available worldwide. The product enables the surgeon to insert surgical instruments into the abdominal cavity, and then close the port site in a simple, secure, and safe manner when the procedure is completed. The global trocar and closure markets are estimated at a combined US\$1.45 billion yearly revenue.⁷

Recent developments

- Increased usage of the Gordian TroClose™ 1200 to >250 in more than 75 hospitals (including surgical procedures in urology robotics, general surgery robotics, bariatric, gynecology, hernia repair)
- Initiate direct sales in the United States beginning Q2 2018

Status

- Raised >\$5.5 million to date, including grants
- FDA regulatory clearance and CE mark certification
- Portfolio of 3 U.S. patents; one provisional and one in national phase
- Regulatory clearance in Israel, performed surgeries
- Regulatory clearance in Mexico; initiated distribution
- 6 distribution agreements

Leviticus Cardio Ltd.

Wireless energy system for LVADs

Leviticus Cardio Ltd. (“**Leviticus**”) (<http://trendlines.com/portfolio/leviticus-cardio/>) is developing a wireless solution to provide the energy needs of left ventricular assist devices (LVADs), eliminating the need for a driveline, a potential entry point for infection. According to Grand View Research, the global LVAD market was valued at US\$763 million in 2014 and is set to grow to US\$1.98 billion by 2022, driven by increased

⁷ Endoscopic Access Site Closure Devices Market, General and Pelvic Endoscopic Surgery Devices Market, Ch. 8, Medical Market and Technology Reports, MeddeviceTracker.

prevalence of cardiovascular disease, advances in technology, and favorable reimbursement, among other factors.⁸

Recent developments and status

- Animal trial with successful 60+ day follow-up
- Fully operational system
- Raised US\$8.7 million to date
- 12 issued patents and two pending (U.S.)
- High visibility among LVAD players
- ISO 13485

MemTech Ltd.

Game-changing membranes for water treatment

MemTech Ltd.'s ("MemTech") (<http://trendlines.com/portfolio/memtech/>) ultrafiltration membranes have more than 2x higher flux capacity (at similar quality) compared to leading commercial membranes, and are sold for wastewater treatment, pretreatment, drinking water treatment, and nanofiltration. The global membrane wastewater treatment technology market is estimated to reach US\$12 billion by 2020 with annual growth of 10.2%.⁹

Recent developments

- Sent first Membrane Bioreactor product unit to Latin America
- Began a project for the home purification market with a Chinese partner

Status

- Increasing sales of membrane products; initial sales of integrated filtration system; expanding partner relationships and product offerings
- Growing list of industry partners and of customers include Mekorot (Israel's national water company) and SEB Alliance
- One issued patent; 2 patents pending (U.S.)

Saturas Ltd.

Advanced decision support system for optimal irrigation

Saturas Ltd.'s ("Saturas") DSS (Decision Support System) (<http://www.saturas-ag.com/>) for precision irrigation is based on its miniature Stem Water Potential (SWP) sensor. Embedded in the trunks of trees, vines, and plants, Saturas' sensors receive direct feedback/input from the tree or vine to provide online, accurate information for optimized irrigation. Current solutions for measuring water status lack accuracy and are labor-intensive or costly.

Recent developments

- Recently completed an investment round of US\$4 million. The investors are Hubei Forbon Technology Co. Ltd., a leader in the field of fertilizer additives for agriculture in China and

⁸ Congestive Heart Failure (CHF) Treatment Devices Market Analysis by Product (Ventricular Assist Devices, Counter Pulsation Devices, Implantable Cardioverter Defibrillators, Pacemakers, Cardiac Resynchronization Therapy) And Segment Forecasts to 2024. Grand View Research, October 2016.

⁹ Frost & Sullivan, Frost Perspectives, Augmentation of Membrane Filtration Technology Market, June 2016, <https://ww2.frost.com/frost-perspectives/augmentation-membrane-filtration-technology-market>.

worldwide, Ramat Magshimim, a collective farm in Israel, and Miguel Torres Winery SA, one of the largest wineries in Spain and owner of vineyards in California and Chile. Existing investors in Saturas also participated (Gefen Capital, Trendlines, the Israel Farmers' Union, and Shlomo Nechama).

- Completed successful field trials in commercial almond, citrus, and apple orchards in Spain and Israel during irrigation season 2017
- Developed a miniature version designed for vineyards/grape vines; December 2017: new version successfully embedded into plants/vines for wine grapes
- Updated user interface model – developed and in use

Status

- Proven technology with Saturas' sensors successfully operating in lemon, clementine, almond, and apple trees for more than a year
- ~350 sensors installed in 3 experimental farms and 10 commercial farms in Israel and Spain
- New field trials in California in May 2018 in vineyards, almond, and walnut trees
- Established strategic cooperation with Netafim Ltd. and NaanDanJain Ltd. (the leading drip irrigation companies in the world) in Israel, Spain, and California for field trials; these industry leaders are also potential distributors of the system

STS Medical Ltd.

Removable sinus stent for use after Functional Endoscopic Sinus Surgery (FESS)

STS Medical Ltd. (“STStent”) (www.ststent.com) has developed a removable stent for use after FESS to keep the sinus cavity open for almost a month, long enough for the sinus tissue to recover post-surgery. The stent improves patient outcomes and prevents post-surgical complications, thus reducing the probability of revision surgery. Today, about 30% of sinus surgeries fail due to scarring and recurring inflammation that closes the nasal openings and requires revision surgery.¹⁰ According to Intersect ENT, the estimated sinus stent market opportunity exceeds \$3 billion in the United States.¹¹

Recent developments

- Raised >US\$1.1 million
- Performed clinical trials (30 patients)
- Preparing manufacturing capabilities for first approved product for United States and Israeli markets
- Preparing first U.S. clinical cases (Lenox Hill Hospital, NY)
- Preparing for sales in Israel

Status

- Successful first-in-human trials, including stent removal after four weeks, with three-month follow-up; excellent therapeutic results
- One issued patent (U.S.); two pending (Canada, Europe, Japan, China)
- Received FDA clearance (December 2017)

¹⁰ RSNA RadioGraphics, Failed Endoscopic Sinus Surgery: Spectrum of CT Findings in the Frontal Recess, 2009, <http://pubs.rsna.org/doi/full/10.1148/rg.291085118>

¹¹ Centers for Disease Control and Prevention, National Center for Health Statistics, Chronic Sinusitis, 2015, <https://www.cdc.gov/nchs/fastats/sinuses.htm>.

Vensica Ltd.

Ultrasound-assisted drug-delivery for overactive bladder

Vensica Medical Ltd. (“Vensica”) (<http://trendlines.com/portfolio/vensica-medical/>) is developing VensiCare to treat overactive bladder (OAB) with ultrasound delivering Botox® into the bladder wall painlessly and without needles. The procedure can be performed in the doctor’s office or clinic without anesthesia. OAB is the most common bladder disorder. There are an estimated 39 million OAB patients in the United States alone.¹²

Status

- Raised US\$2 million from Cogentix Medical, Inc., part of structured acquisition
- Successful preclinical trials
- Filed PCT (international patent application)

Disclaimer

The information contained in this report was provided to us by the portfolio companies or was taken from public sources. This report is for informational purposes only and does not constitute or form any part of any offer for sale or subscription of, or solicitation of, any offer to buy or subscribe for any securities of The Trendlines Group Ltd. (“Company”) or any of its portfolio companies nor shall it or any part of it form the basis of, or be relied on in connection with, any contract, commitment or any investment decision whatsoever in Singapore, Israel, the United States or in any other jurisdiction. The summary information herein does not purport to be complete. The information in this report should not be relied upon as any representation or warranty, express or implied, of the Company. No reliance should be placed on the fairness, accuracy, completeness or correctness of the information or opinions contained in this report. The information is subject to change without notice.

None of the Company or any of its respective affiliates, advisers or representatives shall have any liability whatsoever for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this report or its contents or otherwise arising in connection with this report.

About Trendlines

Trendlines is an innovation commercialization company that invents, discovers, invests in, and incubates innovation-based medical and agricultural technologies to fulfil 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).

This press release has been prepared by The Trendlines Group Ltd. (the “Company”) and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this press release.

¹² The Burden of Overactive Bladder on US Public Health; Curr Bladder Dysfunct Rep, 2016 March, W. Stuart Reynolds, Jay Fowke, Roger Dmochowski. The Total Economic Burden of Overactive Bladder in the United States: A DiseaseSpecific Approach; AJMC.com.

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

The contact person for the Sponsor is Ms. Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)

Issuer/Manager THE TRENDLINES GROUP LTD.

Securities THE TRENDLINES GROUP LTD. – IL0011328858 – 42T

Stapled Security No

Announcement Title General Announcement

Date & Time of Broadcast 23-Apr-2018 17:18:08

Status New

Announcement Sub Title Press Release - 10 Companies to Watch Report April 2018

Announcement Reference SG180423OTHR6LUU

Submitted By (Co./Ind. Name) Gabriela Heller

Designation Joint Company Secretary
