

# The Trendlines Group

## Financial Highlights Q3 2019

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Chairman and CEO

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Chief Financial Officer

7 November 2019

# Agenda

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- Corporate highlights
- Financial highlights
- Post Q3 2019 developments

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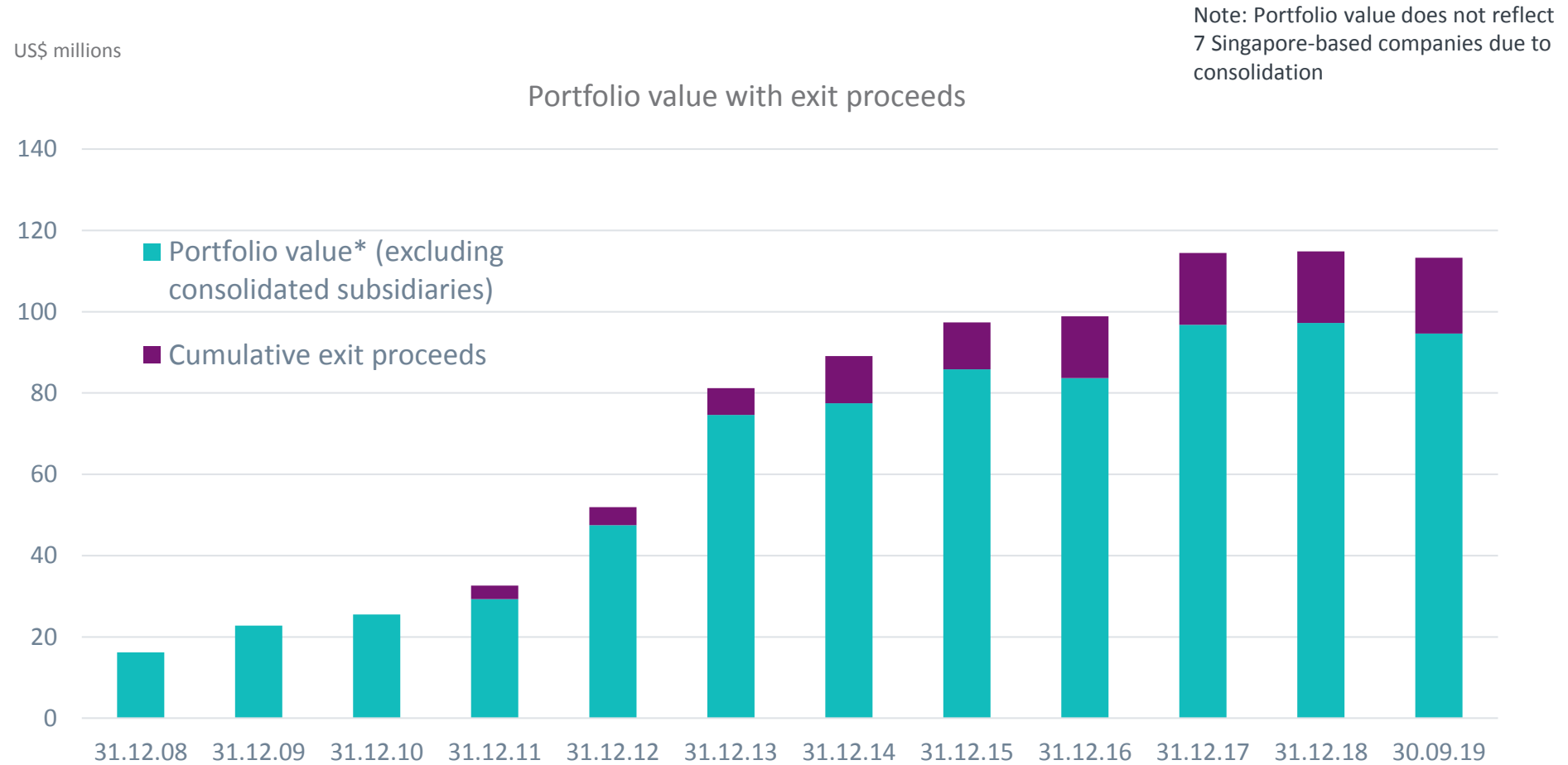
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# Corporate highlights

# 12 years of portfolio value expansion



\*Portfolio value includes the fair value of investments in portfolio companies accounted for under the equity method

# Key financial developments Q3 2019

	30 September 2019	31 December 2018	Change
<b>Portfolio value</b>	US\$ 94.6 million	US\$ 97.2 million	- US\$ 2.6 million
<b>Book value</b>	US\$ 89.7 million	US\$ 86.4 million	+ US\$ 3.3 million
<b>Current assets</b>	US\$ 15 million	US\$ 11.8 million	+ US\$ 3.2 million
	Q3 2019	Q3 2018	Change
<b>Total G&amp;A expenses</b>	(US\$ 1.7 million)	(US\$ 1.8 million)	+ US\$ 0.1 million
<b>Net loss</b>	(US\$ 2.6 million)	US\$ 3.1 million	- US\$ 5.7 million



# Key corporate developments Q3 2019

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- Placement of US\$8 million by Librae Holdings
- Conditional investment commitments for Trendlines' Singaporean Agrifood Fund
- Announcement of Rights Issue
- Trendlines welcomed its newest agtech Portfolio Company, EcoPhage Ltd., the second investment by the Bayer Trendlines Ag Innovation Fund
- Incorporation of Trendlines Labs generated company, Szone Medical Ltd., in Trendlines Medical Singapore

# Portfolio company achievements

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- MetoMotion Ltd. received US\$1.5 million investment from a Netherlands-based strategic partner
- ApiFix Ltd. received FDA approval for its MID-C System for treatment of scoliosis in adolescents
- OrthoSpin Ltd. received FDA clearance for its robotic external fixation system
- Fidmi Medical Ltd. signed on a collaboration agreement with U.S.-based Coap Tech Inc.
- FruitSpec Ltd. closed US\$4 million investment round
- FDA designates Leviticus Cardio Ltd.'s FiVAD as a “breakthrough device”





# Financial highlights

# Consolidated condensed report of income

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

U.S. dollars in thousands, except share data

	3 months ended 30 September	
	2019	2018
<b>Income</b>		
Loss from change in fair value of investments in Portfolio Companies	(1,931)	4,527
Income from services to Portfolio Companies	1,152	1,323
Income from contracted R&D services	111	358
Financial income	114	403
Other income	93	20
<b>Total income</b>	<b>(461)</b>	<b>6,631</b>

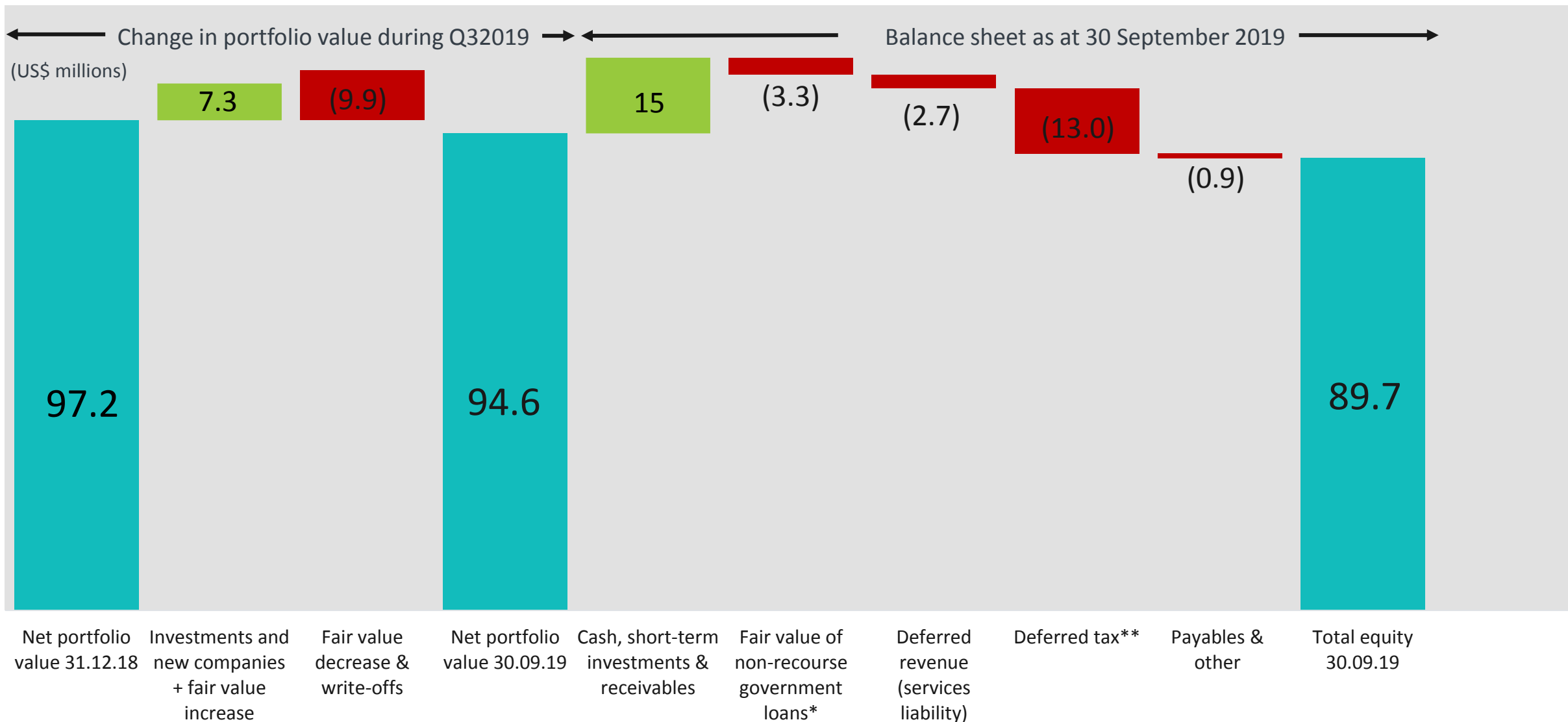
# Consolidated condensed report of income

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

U.S. dollars in thousands, except share data

	3 months ended 30 September	
	2019	2018
<b>Expenses</b>		
Operating, general and administrative expenses	1,677	1,795
Marketing expenses	86	46
R&D expenses, net	276	163
Financial expenses	225	307
<b>Total expenses</b>	<b>2,264</b>	<b>2,311</b>
Loss/gain before income taxes	(2,725)	4,320
Tax benefit (Income tax expenses)	76	1,225
<b>Net loss</b>	<b>(2,649)</b>	<b>3,095</b>

# Key value components



\* Israeli government loans are non-recourse loans which only come due upon exit events.

\*\* Deferred taxes from unrealized portfolio company valuation profits are offset and paid only upon realization of cash from exits.

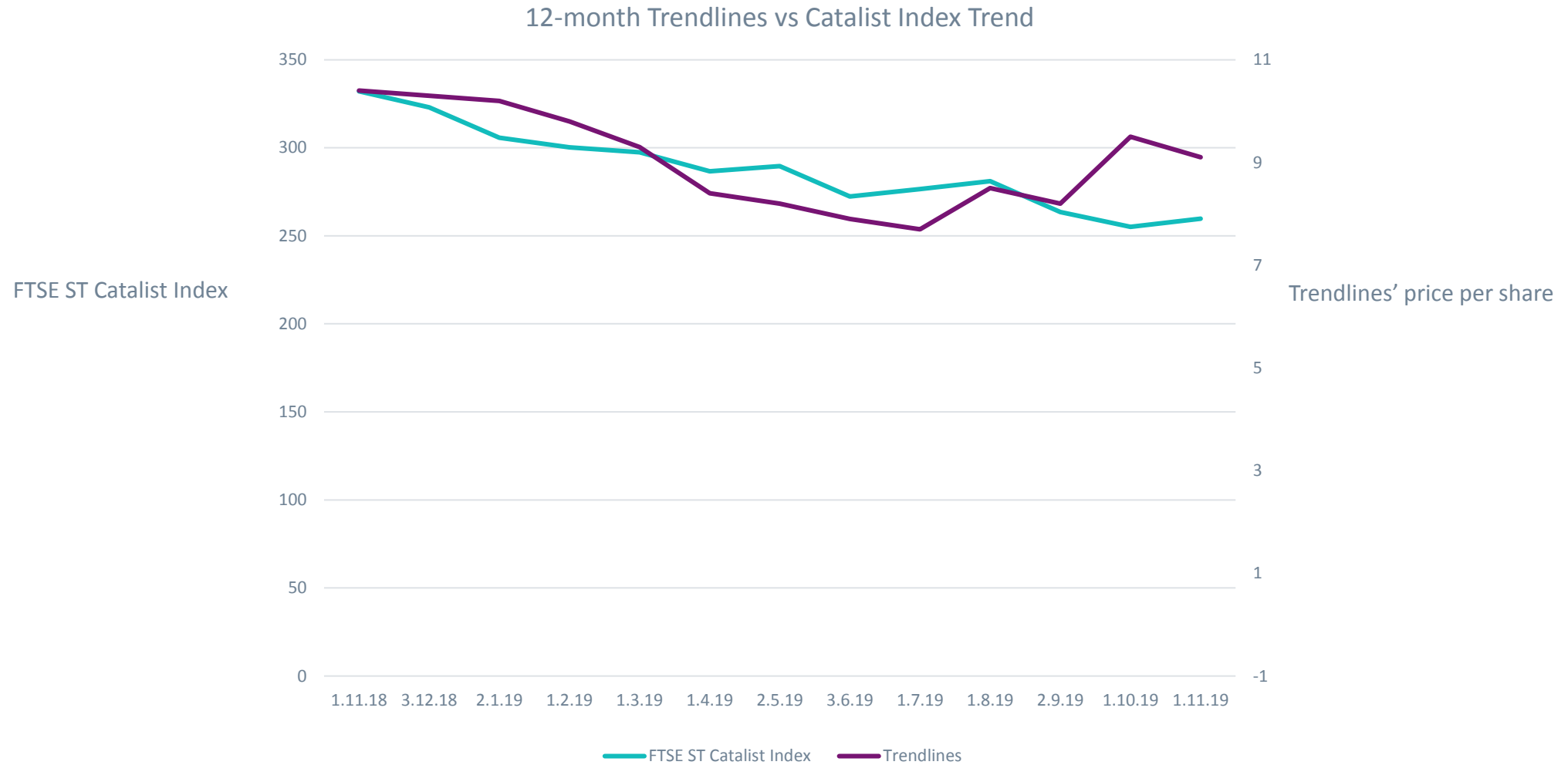
# Stock performance: Net Asset Value (NAV)

	SGD Share	USD ADR
NAV per share/ADR*	S\$ 0.180	US\$ 6.5
Price per share/ADR**	S\$ 0.091	US\$ 3.35
% discount to NAV	49%	48%

*\*As at 30 September 2019*

*\*\*Market close as at 5 Nov 2019*

# Stock performance: Trendlines vs. Catalyst Index trends







# Post Q3 2019 developments

# Post Q3 2019 developments

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- Fidmi Medical Ltd. received FDA clearance for its low-profile enteral feeding device
- Gordian Surgical Ltd. raised US\$3 million for the commercialization of its access-closure system

# Looking ahead: Trendlines Agrifood Fund

Agrifood tech-focused venture fund received commitments of up to US\$22 million for first close

- Will employ a blended **early/late-stage investment strategy** to:
  - Achieve early exits
  - Attain IRR of at least 20%
- **Enterprise Singapore**
  - Early-stage companies can access proof-of-concept and proof-of-value funding, up to a total of SGD 750,000 per company at favorable terms
  - Application pending for grant funding for incubator
- **SEEDS Capital** to co-invest with Fund
  - 70% of SEEDS' profits paid to the Fund, increasing Fund yield



Trendlines Group VP **Nitza Kardish, PhD**, will be relocating to Singapore to manage the Fund activities.



# Creating and developing companies to improve the human condition

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