

The Trendlines Group

Earnings & updates H1 2020

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Agenda

- Corporate highlights
- Covid-19 impact
- Financial highlights
- Post H1 2020 developments

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Corporate highlights

Portfolio value expansion



Key corporate developments H1 2020

- 9th Exit - sale of ApiFix Ltd.
- Trendlines Agrifood Fund Pte. Ltd. invested in three companies – Equinom Ltd., Insectta Ltd. and Saturas Ltd.
- Establishment of two new medical portfolio companies – Senter Care Ltd. (Israel) and STEP Pte. Ltd. (Singapore)
- 27 portfolio companies raised >US\$27 million.

Portfolio company achievements

- ApiFix Ltd. acquired by OrthoPediatrics Corp.
- Johnson & Johnson Innovation led investment for a 2nd time in US\$5 million OrthoSpin Ltd. round
- Hargol Foodtech Ltd. raised US\$3 million & started sales of their Biblical Protein product
- AgroScout Ltd. raised US\$3 million and began sales
- Saturas Ltd. raised US\$3 million
- AlgaHealth Ltd. raised NIS2.5 million
- Arcuro Medical Ltd. received CE mark, announced U.S. distribution agreement & made first shipment of products

ApiFix acquisition terms

Milestones	Total consideration	Trendlines' consideration
At closing	934,783 new common OP shares + US\$2.0 million in cash	187,257 shares + US\$150,000
Earlier of 150 surgeries or 2 nd anniversary of closing date	US\$13 million (at least 25% in cash)	~ US\$2,420,600
3 rd anniversary	US\$8 million (at least 25% in cash)	~ US\$1,489,600
4 th anniversary	US\$9 million (at least 25% in cash)	~ US\$1,675,800
4 th year earnout	Year 4 trailing 12-month revenue X 2.25, less US\$17 million (3 rd and 4 th year milestone payments); Trendlines' share will be 18.62% of this	

Trendlines' share of the minimum consideration estimated at US\$14.5 million* before earnout

*Based on OrthoPediatrics Corp share price at close on 5 Aug 2020

Impact of Covid-19

- Implementation and monitoring of work practices in Israel and Singapore to ensure safety and health of employees
- Updating budgets and plans for portfolio companies to extend cash runway
- Travel restrictions, lockdowns and postponement of medical procedures impacts some companies in commercial or clinical trial stage
- Unabated commitment of support for our companies



Financial highlights

Key financial developments

	30 June 2020	31 December 2019
Portfolio value	US\$88.5 million	US\$102.8 million
Total assets	US\$119.9 million	US\$125.5 million
Cash, short- & long-term deposits and receivables	US\$27.8 million	US\$19.4 million
	H1 2020	H1 2019
Net loss	(US\$4.1 million)	(US\$2.2 million)

Consolidated condensed report of income

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

U.S. dollars in thousands, except share data

	6 months ended 30 June	
	2020	2019
Income		
Loss from change in fair value of investments in Portfolio Companies	(3,626)	(1,395)
Income from services to Portfolio Companies	1,799	2,498
Income from contracted R&D services	342	278
Financial income	1,685	256
Other income	25	26
Total income	225	1,663

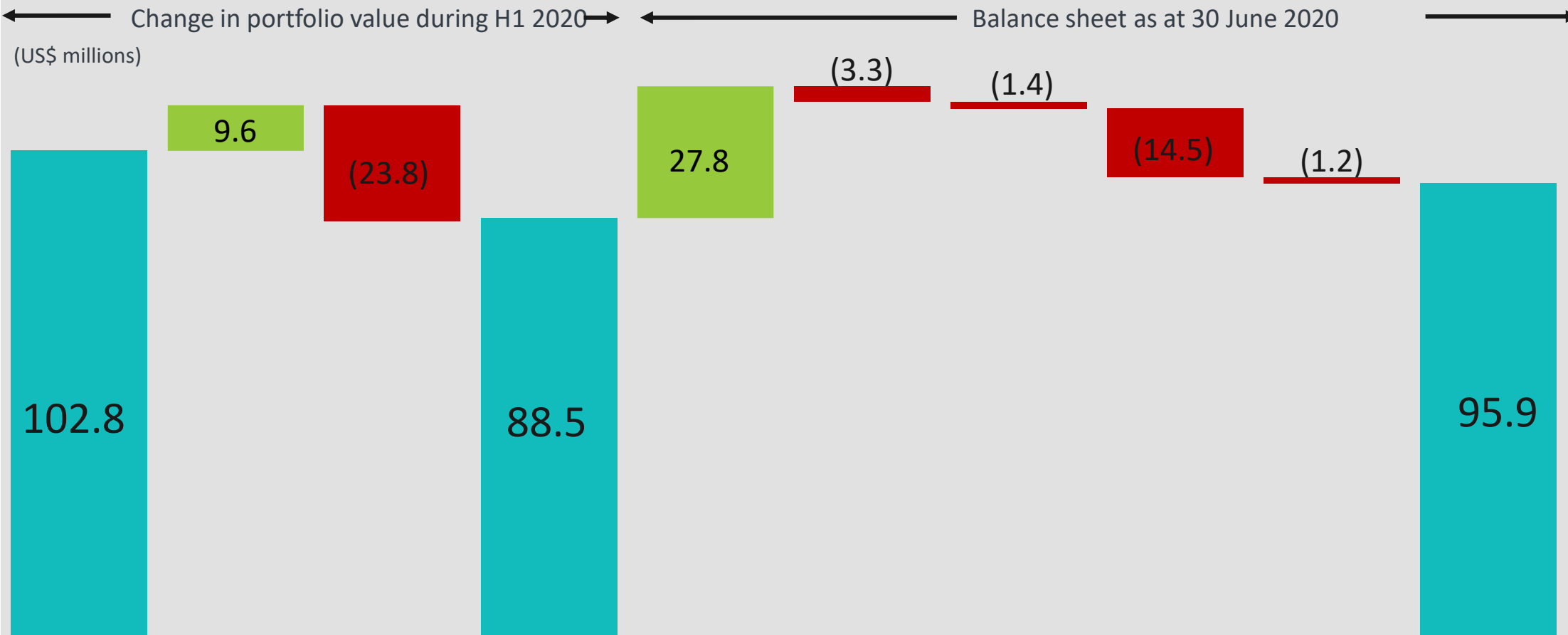
Consolidated condensed report of income

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

U.S. dollars in thousands, except share data

	6 months ended 30 June	
	2020	2019
Expenses		
Operating, general and administrative expenses	3,373	3,128
Marketing expenses	96	88
R&D expenses, net	493	653
Financial expenses	406	611
Total expenses	4,368	4,480
Loss/gain before income taxes	(4,143)	(2,817)
Tax benefit (Income tax expenses)	35	664
Net loss	(4,108)	(2,153)

Key value components



Net portfolio value 31.12.19	Investments and new companies + fair value increase	Fair value decrease & write-offs*	Net portfolio value 30.06.20	Cash, short & long-term investments & receivables*	Fair value of non-recourse government loans**	Deferred revenue (services liability)	Deferred tax***	Payables & other	Total equity 30.06.20
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* Portfolio decrease includes ApiFix removal from portfolio due to exit; and proceeds are added to receivables.

** Israeli government loans are nonrecourse, and 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	USD
NAV per share/ADR*	S\$ 0.17	US\$ 6.0
Price per share/ADR**	S\$ 0.111	US\$ 3.88
% discount to NAV	34%	29%

*As at 30 June 2020

**Market close as at 6 Aug 2020

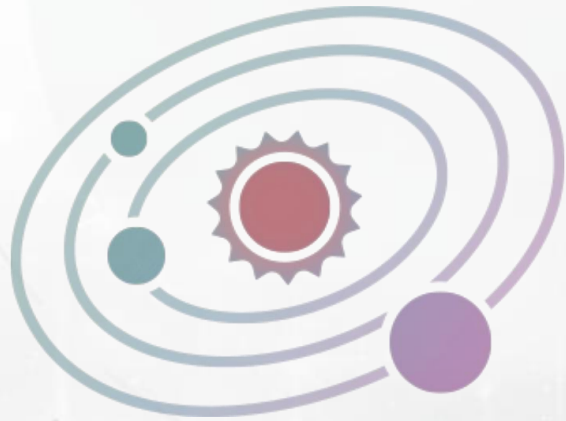


Post H1 2020 developments

Post H1 2020 developments

- Trendlines' in-house innovation center (Labs) expands to Singapore
- Trendlines expands activities in China with the opening of Trendlines Medical Shanghai Innovation Center

Looking ahead



Our quality of life is inextricably linked to our health and our food. More than ever, we believe that our investment focus on medical and agrifood sectors has the potential to impact people's lives and provides a significant opportunity in value creation for our stakeholders.



Creating and developing companies to improve the human condition

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