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For Immediate Release

Trendlines delivers first exit after listing, Medical incubator in Singapore established

- **A gain of approximately US$2.0 million from the sale of the stake in E.T.View will only be recognized in the financial results upon completion of the transaction, expected in 2H2016.**
- **Trendlines Medical Singapore was established for the investment in and incubation of early-stage healthcare companies in Singapore**
- **The change in the fair value of investment in Portfolio Companies, a non-cash item, resulted in decreased total income**

Singapore, 10 August 2016 – The Trendlines Group Ltd. (the "**Company**") and together with its subsidiaries and associated companies, the "**Group**"), an Israeli company focused on developing technology-based companies in the medical and agricultural fields, announced its financial results for the three month ended 30 June 2016 ("2Q2016") today.

Total income decreased from US$5.9 million in 2Q2015 to a loss of US$2.9 million in 2Q2016, primarily due to the loss from changes in the fair value of the portfolio companies. The change in the fair value of investments in portfolio companies resulted in a loss of approximately US$4.7 million in 2Q2016 compared to a gain of approximately US$4.5 million in 2Q2015, mainly due to (i) a decrease of approximately US$2.6 million in the fair market value of various portfolio companies; (ii) the write off of four portfolio companies during the second quarter in the amount of US$1.8 million; (iii) and a reduction in the quarter of approximately US$1 million in the fair value of our Most Valuable Portfolio

Company[1] due to a delay in a product launching, as the purchaser needs additional time to make minor changes to an accessory. These losses were partially offset by an aggregate gain in fair value of approximately US$0.8 million during the second quarter for some portfolio companies as a result of the completion of fund raising exercises at higher valuation and general commercial and technological progress in 2Q2016.

Financial Highlights	2Q2016	2Q2015	Change	1H2016	1H2015	Change
	US$'000	US$'000	%	US$'000	US$'000	%
Gain(loss) from change in fair value of investments in Portfolio Companies	(4700)	4,472	N.M	(5,692)	5,674	N.M.
Income from services to portfolio companies	863	994	(13.2)	2,144	2,225	3.6
Income from contracted R&D services	308	92	234.8	638	194	228.9
Total income	(2,907)	5,912	N.M.	(1,767)	8,996	N.M.
Total expenses	2,561	1,525	67.9	5,194	3,667	41.6
Net income (loss) and total comprehensive income (loss)	(4,610)	2,770	N.M.	(5,380)	3,350	N.M.

*N.M.: Not meaningful

Income from services to portfolio companies decreased by approximately US$0.1 million to US$0.9 million mainly due to fewer portfolio companies under the incubators during 2Q2016, as compared to 2Q2015.

Income from contracted R&D services increased by approximately US$0.2 million to US$0.3 million due to a new collaboration agreement in relation to R&D between Trendlines Labs and a third party.

Total expenses increased by 67.9% to US$2.6 million, primarily due to the higher operating, general and administrative expenses following its listing on the Catalist Board of SGX-ST.

The Company maintained a strong financial position as at 30 June 2016. It had cash and cash equivalents of US$17.8 million (31 December 2015: US$7.0 million). The actual fair value of all the portfolio companies ("portfolio value"), including the fair market value of the associated company, E.T.View Medical Ltd., was approximately US$84.7 million, compared to US$85.8 million as at 31 December 2015. The Company would also like to highlight that the Loans from the Israeli Chief

[1] As defined in the Company's offer document dated 16 November 2015

Scientist of US$4.0 million is a debt of different nature, as it's a contingent, non-recourse debt that only needs to be repaid if the Company has exits from specific companies.

In June 2016, the Company announced that it has entered into a definitive agreement for the sale of Trendlines' 26.5% stake in its associate company, E.T.View Medical Ltd. ("E.T.View"), with a gain of approximately US$2.0 million before tax. The gain is expected to be recognized in the financial results for the second half of 2016 ("2H2016"), upon completion of the disposal.

Commenting on the financial results, Mr. D. Todd Dollinger, Co-Chairman and CEO of the Group, said, ***"In each quarter following our IPO, we see that the investment community is better able to understand the nature of our business and the changes in portfolio value from quarter to quarter. As the fund raising process and the pace of technological / commercial development tend to vary at different portfolio companies, portfolio value fluctuates over short time frames. However, in the long term, we expect the portfolio value and income to become less volatile as the number of companies increases, and the total portfolio value continues to grow as they make business progress.***

Our goal is to assist portfolio companies to achieve a relatively smooth growth path to commercialization, and to eventually exit from these investments with optimal returns. In June, we announced the sale of our stake in E.T.View, as the first exit since Trendlines' listing on the Singapore Exchange. We look to materialize more exits at appropriate times."

Mr. Steve Rhodes, Co-Chairman and CEO of the Group, added, ***"Despite the quarterly numbers, we made encouraging progress on multiple fronts during the past few months. Further to Trendlines Medical's incubator license being extended to 2023, we received the approval from the Israeli Office of the Chief Scientist to expand Trendlines Medical's Mandate and include agtech investments. We introduced the ADR program to support the expansion of the Company's investor base in the U.S.. We established 3 new companies, and brought 7 portfolio companies to meet hundreds of Asian investors across 5 cities.***

As planned, we announced the establishment of Trendlines Medical Singapore Pte Ltd., a platform for investment in and incubation of early-stage healthcare companies in Singapore. Trendlines has been proactively building up the platform and stimulating the advancements at portfolio companies, through which driving towards our mission of improving the human condition."

\- The End -

Issued for and on behalf of The Trendlines Group Ltd.

By Financial PR Pte Ltd.

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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"). This press release 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 this press release. This press release has not been examined or approved by the SGX-ST. The Sponsor and the SGXST 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 Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.