Trendlines Q2 2017 Financial Report Shows 4.7% Rise in Portfolio Value to US$87.6 million since end 2016

Company Reports Net Profit of US$2.4 million for Q2 2017

Misgav, Israel and Singapore, 7 August 2017 – The Trendlines Group Ltd. (the "**Company**" and together with its subsidiaries and associated companies, **"Trendlines"** or the "**Group**") an Israeli company focused on developing innovation-based companies in the medical and agricultural fields, announced its financial results for the three months ended 30 June 2017 ("Q2 2017").

Group Financial Highlights

Q2 2017

- Trendlines reported a gain of US$3.8 million in the fair value of investments in portfolio companies during the second quarter of 2017, compared to a loss of US$4.7 million in Q2 2016.
- Total income was US$5.4 million for Q2 2017, compared to a loss in total income of US$2.9 million in Q2 2016.
- Total expenses fell 12% in Q2 2017 to US$2.3 million at Q2 2017, compared to US$2.6 million Q2 2016.
- Trendlines reported a net profit of US$2.4 million in Q2 2017, compared to a net loss of US$4.6 million in Q2 2016.
- The fair value of the portfolio was US$87.6 million at 30 June 2017, a 4.7% rise compared to US$83.7 million at 31 December 2016
- Total current assets were US$13.4 million at 30 June 2017, compared to US$17.3 million at 31 December 2016.

H1 2017

- For the first 6 months of 2017 ("H1 2017") the Group reported a gain in the fair value of investments in portfolio companies of US$3.0 million, compared to a loss of US$5.7 million in the first half of 2016 ("H1 2016")
- Total income in H1 2017 was US$6.6 million, compared to a loss in total income of US$1.8 million in H1 2016
- Net profit for H1 2017 was US$0.7 million compared to a net loss of US$5.4 million in H1 2016.

Corporate/Business Developments

- Trendlines sold its shares in BioSight Ltd in June to Arkin Holdings, marking its seventh exit.
- The weighted internal rate of return ("IRR") on all our exits, to date, is 101%.

- Trendlines confirmed that the product launch of our Most Valuable Portfolio Company is on schedule for launch in 2018 and a high-volume manufacturing facility is being constructed.
- At 30 June 2017, the Most Valuable Portfolio Company was valued at US$43.8 million which represents the projected net present value of the Trendlines' share of the estimated future royalty payments from the sale of the Company's product.
- Trendlines announced the first investment by the Bayer Trendlines Ag Innovation Fund.

2017 Second Quarter Financial Results

"We are pleased to be reporting a net profit of US$2.4 million for the second quarter of 2017," said Steve Rhodes, Chairman and CEO of Trendlines. "The profit which stems largely from the gain in the fair value of investments in our portfolio companies, demonstrates that our companies are making significant commercial and technological progress and that this progress is validated through increased valuations in follow-on financing rounds.

Rhodes continued, stating "When we completed the BioSight exit during the second quarter, we announced the return on investment and the IRR for the transaction. We are now, for the first time, making available a table of the returns and IRRs from all seven our exits to date."

Exit	Company/Description	Acquirer	Estimated Return[1]	IRR
2017	BioSight	Arkin Bio Ventures LP	216.7 X	71%
2016	E.T.View Medical	Ambu A/S	1.2 X	5%
2014	Most Valuable Portfolio Company (MVPC)[3]	Undisclosed[3]	79.1X[2]	80%
2014	Inspiro Medical	OPKO Health	8.8 X	131%
2013	InnoLap Surgical	Teleflex, Inc.	3.2 X	447%
2013	FlowSense Medical	Baxter Int'l	4.0 X	280%
2011	PolyTouch Medical	Covidien Ltd.	6.7 X	289%
Weighted average			10.6X	101%

Notes:

1) Estimated return represents the multiple of exit proceeds over Trendlines' cash and non-cash investment in the exited company: (i) our cash investment and (ii) estimated value of services provided to the exited company.
2) Exit by MVPC asset sale. Based on the fair value of the MVPC (which remains in our portfolio) as of 30 June 2017 compared to our investment at that time.
3) Unable to disclose due to confidentiality obligations.

For the second quarter of 2017, total income was US$5.4 million, compared to a loss of US$2.9 million in the second quarter of 2016. Total expenses were US$2.3 million in Q2

2017, compared to US$2.6 million in Q2 2016. The net profit for Q2 2017 was US$2.4 million, compared to a net loss of US$4.6 million in Q2 2016.

For the first six months of 2017, total income was US$6.6 million, compared to a loss of US$1.8 million in the first half of 2016. Total expenses were US$4.8 million in H1 2017, compared to US$5.2 million in H1 2016. The net profit for H1 2017 was US$0.7 million, compared to a net loss of US$5.4 million in H1 2016. Total current assets were US$13.4 million as at 30 June 2017, compared to US$17.3 million as at 31 December 2016. The decline was due to a decrease in cash and cash equivalents which were reduced mainly due to investments in our portfolio companies and operating expenses.

Total non-current assets were US$89.1 million as at 30 June 2017, compared to US$85.3 million as at 31 December 2016. Non-current assets rose as a reflection of the increase in the value of investments in our portfolio companies which rose to US$87.6 million as at 30 June 2017 from US$83.7 million at 31 December 2016. During the quarter, there was an increase of US$7.4 million in the fair value of some of our portfolio companies, the results of fund raising exercises in several existing companies, and general commercial or technological developments, as well as an investment of US$0.7 million in one new company. The gain from the change in fair value was offset by a downward adjustment of US$4.1 million in the quarter for companies which completed fund raising at less favorable terms or reported general commercial or technological difficulties.

Shareholders' equity of the Company totaled US$79.0 million at the end of the second quarter of 2017, compared to US$78.2 million at the end of 2016.

Commenting on corporate developments during the quarter, Chairman & CEO Todd Dollinger said, "We are delighted that the product launch for our Most Valuable Portfolio Company is on-time and rapidly moving forward. From the corporate perspective of the Trendlines Group, the royalty stream which is scheduled to begin in 2018 when sales commence should contribute positively to our cash flow position in the future. The US$43.8 million as of June 30 2017 valuation of the Most Valuable Portfolio Company represents the net present value of our share of estimated future payments, after discounting the cash flow to take account of multiple risk factors, including market risk, manufacturing risk, and product risk, and then applying a financial discount rate."

In the agtech field, Mr. Dollinger commented that "in June, we announced the first investment of the Bayer Trendlines Ag Innovation Fund ("the Fund"). With the combined expertise of the team at Trendlines' Agtech incubator in Israel and the experts at Bayer Crop Science, we expect the new company, IBI-Ag Ltd. to be at the forefront of crop protection solutions for the global market for environmentally friendly pest management platforms. IBI-Ag is the first investment in our US$10 million fund with our partner Bayer CropScience LLC, the mission of which is to invest in agtech companies to enter the Trendlines' portfolio."

For full financial information, please see our announcement to the SGX: Unaudited Financial Statement and Dividend Announcement for the Three Months Ended 30 June 2017 (http://investors.trendlines.com/reports-and-presentations/2017).

About The Trendlines Group Ltd.

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

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Issued for and on behalf of The Trendlines Group 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.

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