

Trendlines Reports FY 2021 Unaudited Full Year Results

Company Reports Record US\$6 Million Net Profit after Tax

Misgav, Israel and Singapore, 22 February 2022 – The Trendlines Group Ltd. (the “**Company**” and together with its subsidiaries, “**Trendlines**” or the “**Group**”), the Israel- and Singapore-based investment company focused on building value through innovation-based medtech and agrifood technology investing, announced its results for the full year ended 31 December 2021 (“**FY 2021**”) today.

FY 2021 Group Financial Highlights:

As at 31 December 2021 unless otherwise noted

- Total cash, short & long-term deposits, and receivables increased 34.5% to **US\$27.2 million** as at 31 December 2021, from **US\$20.3 million** as at 31 December 2020
- Fair Value of Portfolio: **US\$83.0 million** (31.12.2020: **US\$83.7 million**)
- Gain in Fair Value of Investments in Portfolio Companies: **US\$9.2 million** (31.12.2020: Loss from change in Fair value **US\$11.0 million**)
- Net Income after Tax: **US\$6.0 million** (31.12.2020: Net loss **US\$4.0 million**)
- Book value: **US\$102.7 million** as at 31.12.2021 (31.12.2020: **US\$96.3 million**)
- NAV per share: **US\$0.13; S\$ 0.17 or US\$6.50 per ADR** (31.12.2020 **US\$0.12; S\$ 0.16 US\$6.00 per ADR**)
- Record portfolio company exit for 100% OrthoSpin Ltd. holdings. Total sale: **US\$79.5 million** cash. Trendlines’ net proceeds: **US\$15.8 million**
- **Six** portfolio companies each raised more than **US\$4.0 million** in 2021, compared to only two that raised more than that amount in 2020

Management Commentary

Mr. Steve Rhodes, Chair and CEO remarked, “We are very proud of our achievements over the past year as we reported substantial improvement in our financial position. Our portfolio companies are maturing with higher funding and more strategic investments and partnerships. We continue to support our portfolio companies and help them navigate capital markets and business development activities. We remain positive about our portfolio and their growth.”

Chair and CEO Todd Dollinger added, “Fiscal Year 2021 was a remarkable year for us as we recorded our largest exit so far. The sale of OrthoSpin to a division of Johnson & Johnson demonstrates that our portfolio companies are delivering innovative technologies to the marketplace. This exit strengthens Trendlines financially, while building upon our credibility and deep relationships in the industry. We are experiencing great traction for our portfolio companies and targeting larger exits going forward. Our Agrifood Fund is

developing as planned by making four new investments this year, while our Innovation Labs also entered into meaningful strategic collaborations and partnerships. We remain committed to developing medtech and agrifood technologies through continued investments in our portfolio companies and hope to provide even better returns for our shareholders in the future.”

Review of FY 2021 Results

The fair value of our portfolio company holdings was **US\$83.0 million** as at 31 December 2021, compared to the fair value of **US\$83.7 million** as at 31 December 2020. Effectively, fair value increased but, with the exit from OrthoSpin, (valued at US\$2.7 million as at 31 December 2020 and US\$6.6 million at 30 June 2021) the company’s value was removed from the overall portfolio value. Trendlines holds interests in **57 portfolio** companies (including 13 consolidated Singapore-based companies and Trendlines Agrifood Fund companies; Trendlines is the Fund’s managing partner).

Comparing 2021 to 2020, the Group recorded a **gain in fair value of investments in portfolio companies amounting to a US\$9.2 million gain in FY 2021**, compared to a loss from change in fair value of investments of US\$11.0 million in FY 2020. FY 2021 recorded an **increase of US\$13.3 million** due to the OrthoSpin Ltd. sale. In addition, there was an increase of **US\$15.6 million** in the fair value of various portfolio companies, based on factors such as the favourable terms on which each portfolio company completed its fund-raising exercises and portfolio companies’ commercial or technological progress. Offsetting these gains were write-offs of portfolio companies due to lack of funding or ones that raised capital at a lower valuation than the prior funding. One additional offset was due to a decrease in the fair value of Stimatix GI, due to revenues being less than prior projections.

Current assets increased by **US\$8.8 million to US\$22.2 million** as at 31 December 2021, compared to **US\$13.5 million** as at 31 December 2020. Net assets of the Group as at 31 December 2021 were **US\$102.5 million**, compared to **US\$96.3 million** as at 31 December 2020 and **US\$62.7 million** as at 30 June 2015 at the Company’s listing. This was due to the significant improvement in our cash position to **US\$14.3 million** in FY 2021, as compared to **US\$10.7 million** in FY 2020.

Cash position increased during 2021 with the OrthoSpin exit proceeds, however, the threshold required to exercise the dividend policy was not reached to declare a distribution for 2022.

Corporate/Business Developments in FY 2021:

- Portfolio company, OrthoSpin was acquired by DePuy Synthes (the orthopedic company of Johnson & Johnson) for US\$79.5 million, generating US\$15.8 million in proceeds for Trendlines.
- Our portfolio companies raised US\$77 million in follow-on funds with six companies raising over US\$4 million each; this compares with US\$43 million raised in 2020 and two companies each raising more than US\$4 million.
- Vensica Therapeutics signed a strategic partnership agreement with Merz Pharmaceuticals and raised a total of US\$19 million, including from Merz, global medtech company Laborie, and Israel Biotech Fund, along with

Trendlines.

- Trendlines Innovation Labs entered into partnership agreements with Röchling Medical (Germany) and Waston Medical (China).
- Across our investment platforms, we invested in seven new companies.

Key Developments Subsequent to Year-end

- The Group announced entry into subscription agreements with current and new investors to raise an aggregate S\$20.27 million (~US\$15.0 million).
- ZygoFix Ltd. was selected to receive €5.4 million in funding from the prestigious EU EIC program.
- SetBone Medical announced a US\$1.6 million financing round that Trendlines participated in for its novel bone cement for the treatment of spinal vertebrae fractures and other orthopedic procedures.

For full financial information, please see our announcement to the SGX: Unaudited Financial Statements for the Full Year Ended 31 December 2021.

Conference call details

Trendlines will be holding a FY2021 Results Update to discuss the 2021 financial results and ongoing business developments with shareholders and analysts on Thursday, 24 February 2022 at 10:00 a.m. (Israel time); 4:00 p.m. (Singapore time). [Register with this link](#) to participate. Interested investors are encouraged to submit their questions to investors@trendlines.com. The call will be recorded and available for replay at <https://www.trendlines.com/investors/investor-relations/>.

About The Trendlines Group Ltd.

Trendlines is an investment company that invents, discovers, invests in, and incubates innovation-based medtech and agrifood 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).

-The End-

This press release has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

Investor Contact Information

Israel:

Shira Zimmerman, The Trendlines Group

shira@trendlines.com

Tel: +972.72.260.7000

Singapore:

Jass Lim, Financial PR

jass@financialpr.com.sg

Shivam Saraf, Financial PR

shivam@financialpr.com.sg

Tel: +65.6438.2990

US:

Adam P. Lowensteiner

Lytham Partners, LLC - New York

Tel: +1.646.829.9702

lowensteiner@lythampartners.com