Trendlines Expands Transparency and Disclosure with the Publication of New Non-IFRS Portfolio Fair Value Information

- ***Valuations disclosed for portfolio "clusters"***
- ***Non-IFRS portfolio fair value information published***

Misgav, Israel and Singapore, 7 March 2023 – The Trendlines Group Ltd. (the "**Company**" and together with its subsidiaries, **"Trendlines"** or the "**Group**"), the Israel- and Singapore-based investment company creating value by "investing to improve the human condition" in innovation-based medtech and agrifood technologies, has broadened disclosures by providing further portfolio value information for better understanding.

Balancing our desire for greater transparency without disclosing sensitive information disadvantageous to our portfolio companies, we are now providing information on our portfolio value with greater granularity in our reporting through "clusters-based" valuations.

Our 56 portfolio companies (including consolidated portfolio companies) span agrifood and medtech categories across numerous sectors and life-cycle stages. To assist investors and analysts in understanding and evaluating our portfolio, we have divided our portfolio into 12 "clusters," based on their activities. We have shared the total value of Trendlines' share of the cluster companies, using the IFRS fair market value as reported in our financial statements, in the hope of providing additional visibility into the underlying dynamics of our portfolio.

In addition to providing the IFRS fair market values for Trendlines' share in each cluster, for the first time, we are also sharing non-IFRS information for the clusters. The non-IFRS fair value information is used for Trendlines' internal strategic decision-making and for identifying the impact our portfolio companies may have on our financial results. It should be noted that our eight Singaporean medical portfolio companies (Medulla, Dermcut, NasoTrak, AyzerSense, Occutrack, TendonPlus, NICE, and Step) are consolidated for financial reporting purposes and not presented at fair value in accordance with IFRS; they are included at cost in the non-IFRS information.

The non-IFRS fair value information does not represent any forecast or future performance but serves as an extra aid in evaluating our portfolio companies and investment approaches.

Trendlines Chair and CEO Steve Rhodes further explains, "The Group has an exceptional portfolio of 56 companies, the breadth and depth of which may make it difficult for investors to assess. With this additional information, we are now giving shareholders a new prism through which to view our portfolio and its value. In the same way that management uses the non-IFRS information, we expect that such information will be an important tool for investors."

While we endeavor to share the basis of the evaluation of our portfolio companies below, it is important for the reader to note the disclaimers set out below the table.

OUR PORTFOLIO CLUSTERS – IFRS FAIR VALUE AND NON-IFRS FAIR VALUE
Please see important explanations at the end of this table

Cluster	Portfolio Companies	Fair Value of Trendlines' Share (US$'000)	Non-IFRS Fair Value of Trendlines' Share (additional information) * (US$'000)
Aquaculture & Animal Health Technology plays a vital role in this industry, both in terms of production and animal health allowing farmers to optimize systems for water, feed, health, and growth of animals. According to the US government, aquaculture is one of the fastest growing forms of food production in the world, and there is increasing demand, driven by concerns about climate change, for better methods of animal husbandry.	• AquiNovo • BioFishency • ViAqua	5,038	8,376
Crop Protection The demand for more sustainable, safer, and cleaner farming methods is coming from consumers, environmentalists, regulators and even the agrochemical industry itself. Trendlines' aim is to develop precise biological or chemical pesticides that are not harmful to people or the environment.	• EcoPhage • IBI-Ag • ProJini	6,439	9,633
Future Food & Ingredients As concern for the environment and animal welfare grows, there is an increasing demand for alternatives to animal-based products and food products with high carbon footprints. Alternatives include plant-based protein alternatives, cell-cultured foods, and edible insects. With the growing awareness of the link between nutrition and health, there is a trend towards functional ingredients that offer specific health benefits.	• AlgaHealth • Celleste • Hargol • Insectta • Mycovation • Phytolon • Solveat	10,926	18,729

Cluster	Portfolio Companies	Fair Value of Trendlines' Share (US$'000)	Non-IFRS Fair Value of Trendlines' Share (additional information) * (US$'000)
Digitization & Robotics Digitization and robotics are playing an increasingly important role in agriculture, as they allow for more efficient management of crops and livestock. Digitization technologies use data from sensors, drones, and other digital tools to track the health and growth of crops and improve supply chain traceability and transparency. Robotics and automation play an increasingly important role in agricultural tasks.	• AgroScout • FruitSpec • MetoMotion • miRobot • Saturas	7,979	16,294
Net-Zero Technologies Agriculture and food production are one of the largest contributors to climate change. While all our agrifood companies increase the sustainability of food production, the companies in this cluster are not focused on growing or food production, per se, but rather on providing platform technologies that will reduce the carbon footprint of the sector.	• AgriG8 • GreenSpense • Sol Chip • TierraSpec	4,134	4,815
Cardiology, Neurology & Anesthesia Technology plays a crucial role in cardiology, neurology, and anesthesia, allowing for the better treatment of heart and neurological conditions, as well as safe and effective management of pain and sedation during these procedures.	• Ceretrieve • Leviticus • Medulla • Omeq	4,301	6,495
Esthetics Medical esthetics focuses on enhancing a person's function and esthetics through medical and surgical procedures. Esthetic interventions include scar revisions, reconstructive surgery, and trauma repairs.	• Dasyo • Dermcut • VisageX	1,820	1,963

Cluster	Portfolio Companies	Fair Value of Trendlines' Share (US$'000)	Non-IFRS Fair Value of Trendlines' Share (additional information) * (US$'000)
Gastroenterology Gastroenterology deals with the digestive system and its disorders; interventional gastroenterology additionally accesses other organs through the GI tract. Innovations are being developed by our companies to improve diagnosis, treatment, and quality of life relative to gastrointestinal and interventional gastroenterology procedures.	• BeCapio • Fidmi • Harp • NasoTrak • Limaca	15,081	15,320
Home Healthcare Home healthcare is a growing part of the healthcare ecosystem due to our growing and aging population, and pressure to reduce costs; the COVID 19 pandemic added a third driver to this rapidly growing sector. Medical and support services provided in our own homes allow us to recover faster from illness or injury, manage chronic conditions, maintain independence, and improve our quality of life.	• AyzerSense • ElastiMed • liberDi • Occutrack • SenterCare	6,138	13,074
Spine & Orthopedics Innovation in spine and orthopedics is an active area for innovation and development at Trendlines with new technologies and treatments being developed to improve patient outcomes, reduce recovery times, improve quality of life, and reduce costs associated with these treatments. Our last two exits were both companies from this cluster.	• Arcuro • CoreBone • Magdent • SetBone • STFix • TendonPlus • ZygoFix	10,462	14,261

Cluster	Portfolio Companies	Fair Value of Trendlines' Share (US$'000)	Non-IFRS Fair Value of Trendlines' Share (additional information) * (US$'000)
Surgery Faster often means better for patients and surgeons and ease of access through converting open surgical procedures to minimally invasive procedures saving time and money while improving outcomes. Trendlines' work in the field includes helping to move surgical procedures from the traditional hospital environment to ambulatory surgical centers and doctors' offices.	• Gordian • NICE • Seger • STEP • ST Stent	6,319	10,133
Urology & Women's Health Minimally invasive procedures, cryotherapy, and ultrasound technologies are some of the technologies innovating pelvic health – matters of the bladder, bowels, and reproductive organs. Trendlines' focus on pelvic health therapies is critical for social, mental, and sexual wellbeing.	• Escala • PregnanTech • ProArc • Vessi • Vensica	11,142	27,506
TOTAL		**89,777**	**145,599**

*** Notes and Disclaimer**:

- The additional information (Non-IFRS value) which, as stated, differs from the IFRS fair value at which we carry these investments on our balance sheet, were calculated on the basis of recent portfolio company transactions (last 12 months), as follows:
    1. In cases where the last transaction was through a Share Purchase Agreement (SPA) transaction, our holdings were calculated based on the pre-money valuation as the basis of the transaction, multiplied by the percentage of our holdings. Differences between preferred shares and ordinary shares were not taken into account, including regarding rights of the round including any special rights, anti-dilution clauses, etc. Some of these investments were made by shareholders who have an interest in the valuation of the portfolio company and such interests may differ from others, including those of the Group.

2. In cases where the last transaction was through a Simple Agreement for Future Equity (SAFE)[1] transaction or Convertible Loan Agreement (CLA) transaction, our holdings were calculated on the basis of the pre-defined valuation cap in the transaction, multiplied by the percentage of our holdings in the company (before conversion of the SAFE or the CLA to equity). A valuation cap may entitle investors to equity priced at the lower of the valuation cap or the pre-money valuation in a subsequent financing. The valuation cap sets the maximum price at which the convertible security will convert into equity. It is noted that SAFE or CLA transactions usually include a discount to the later round of financing. Discounts typically range from 20–30%. We also did not relate to the question as to whether the SAFE has a conversion at the end of a certain period with or without a discount and as to what type of shares the SAFE is converted.

In all other cases, we used generally accepted valuation methods in accordance with IFRS rules, whether the cost method or the market approach.

- With respect to all types of transactions detailed above (SPA, SAFE, CLA), we did not take into account whether the investment was made with current investors alone or was led by them or by a new investor.
- Non-IFRS values have not been subject to audit or review by our external auditor and should be used cautiously as an indication of value.
- The Non-IFRS values are intended to provide additional information and should not be considered in isolation or as a substitute for measures of valuation prepared in accordance with IFRS.
- The information contained here does not constitute, nor shall not be deemed to constitute, an offer, invitation, or inducement to invest or otherwise deal in our shares.
- The information contained here should be read in conjunction with our financial statements, annual report, and other announcements.
- Should you be contemplating investments, we urge you to take independent legal, financial, taxation, and other professional advice.

[1] A SAFE is an agreement between an investor and a company that provides rights to the investor for future equity in the company; it is similar to a warrant, except without determining a specific price per share at the time of the initial investment. The SAFE investor receives shares when a priced round of investment, or other circumstance, or liquidity event occurs. Accordingly, a SAFE does not set a transaction-relevant valuation for the portfolio company and the valuation will be determined at the date of conversion into equity.

About The Trendlines Group Ltd.
Trendlines is an investment company that 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).

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*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.*

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