

Trendlines Reports FY 2023 Unaudited Result: Unfavourable market situation dragged down Portfolio Companies' valuations resulting in widening of net loss in FY2023

- The Group reported a US\$34.7 million FY 2023 net loss, compared to a net loss of US\$15.2 million in FY 2022, primarily due to write-offs and write-downs of certain Portfolio Companies.
- Book value decreased to US\$69.0 million at 31 December 2023, compared to US\$95.9 million at 31 December 2022.
- IFRS Portfolio Fair Value: US\$ 66.4 million, a 26.03% decrease compared to 31 December 2022; Non-IFRS Portfolio Fair Value*: US\$110.4 million, 24.1% lower than 31 December 2022.
- The Group's strategic transformation plan yields positive trends as total expenses decreased by 30% in FY 2023, compared to FY 2022.

Misgav, Israel and Singapore, 21 February 2024 – The Trendlines Group Ltd. (the “**Company**” and together with its subsidiaries, “**Trendlines**” or the “**Group**”), the Israel- and Singapore-based company focused on building value through innovation-based medical and agrifood technologies, announced its results for the full year ended 31 December 2023 (“**FY 2023**”) today.

Management Commentary

Commenting on the FY 2023 results, Todd Dollinger, Trendlines’ Chair, noted that, “Globally, 2023 was a difficult year with general reductions in venture investing and many venture firms sitting out 2023, especially in early-stage investing. The last quarter was particularly difficult in Israel following the 7 October 2023 terrorist attack and subsequent war with Hamas. As noted in our [profit warning announcement](#) on 3 January 2024, the negative impacts of the year are reflected in our decreased portfolio value, due to a decrease in portfolio value as a result of write-downs and write-offs of certain Portfolio Companies which did not succeed in raising capital in 2023 or raised funds at lower valuations.

Trendlines’ Chair, Steve Rhodes added, “Trendlines took immediate action at the start of the war to support our companies through the period wherever possible but was not able to save all of the companies that were at risk. Moving forward, as we pass on the baton to Haim Brosh, we wish him the best and are confident in his abilities to lead Trendlines in the years to come.”

Trendlines’ Chief Executive Officer, Haim Brosh commented, “An important part of our strategy of being able to focus on nurturing our existing portfolio, instead of seeking new investments, also includes periodic re-evaluation of Portfolio Companies to identify the relatively stronger Portfolio Companies. In order to focus our resources on realising the potential of the stronger Portfolio

Companies with a more promising operational and financial visibility, the Group wrote-off ten of its Portfolio Companies representing of approximately US\$16.3 million. It is important to note that this write-down has no impact on the Company’s cash position. This resulted in a loss in fair value of investments in Portfolio Companies worth US\$27.0 million for FY2023 compared to a loss of US\$2.5 million in FY2022.

In October 2023, Steve Rhodes and Todd Dollinger stepped down as CEOs of the company. I would like to extend my gratitude towards both of them for building the company from the ground up. Their contributions have been invaluable and will remain as pillars of learning for years to come as Trendlines moves into a new strategic phase.”

Financial Overview

| Profit or Loss Highlights (US\$ '000) | FY 2023 | FY 2022 |
|--|-----------------------|----------|
| | Total (Loss) / Income | (20,927) |
| (Loss) before tax | (34,721) | (17,319) |
| Net (Loss) | (34,721) | (15,163) |

FAIR MARKET (IFRS) PORTFOLIO VALUE

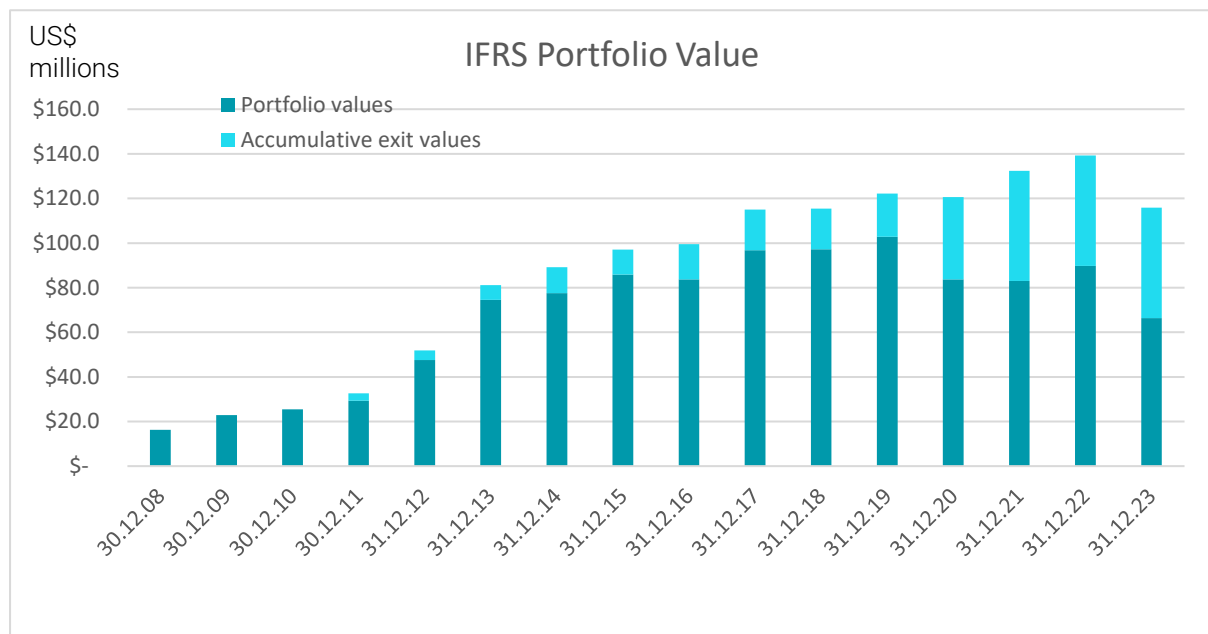


Figure 1: Fair Market Portfolio Growth 2008-2023

In FY 2023, we saw a net decrease of approximately US\$23.4 million in the fair value of various Portfolio Companies resultant from factors such as the less favorable terms on which Portfolio Companies completed fund-raising exercises and Portfolio Companies' commercial or technological progress/difficulties, and the write off of ten Portfolio Companies of approximately US\$16.3 million as a result of a lack of funding.

| Balance Sheet Highlights (US\$ '000) | 31-Dec-23 | 31-Dec-22 | Change (%) |
|---|-----------|-----------|------------|
| Investments in Portfolio Companies | 66,409 | 89,777 | (26.03) |
| Cash and cash equivalents and short-term deposits | 6,200 | 6,657 | (6.86) |
| Total current assets | 8,709 | 13,077 | (33.43) |
| Total assets | 78,072 | 107,993 | (27.71) |
| Total current liabilities | 4,884 | 6,842 | (28.62) |
| Total liabilities | 8,996 | 12,097 | (25.63) |
| Total equity | 69,076 | 95,896 | (27.97) |
| Net asset value per share (SGD) | 0.09 | 0.15 | (40.00) |

Total assets decreased by approximately 27.71% from US\$108.0 million as at 31 December 2022 to US\$78.1 million as at 31 December 2023. This was mainly due to a decrease in Investments in Portfolio Companies of US\$23.4 million and decrease in accounts and other receivables and contingent consideration of US\$6.1 million.

OUR PORTFOLIO CLUSTERS – IFRS FAIR VALUES VS NON-IFRS FAIR VALUES*

| Cluster | Fair Value of Trendlines' Share (US\$'000) | Non-IFRS Value of Trendlines' Share (additional information) (US\$'000) | Fair Value of Trendlines' Share (US\$'000) | Non-IFRS Value of Trendlines' Share (additional information) (US\$'000) |
|------------------------------------|--|---|--|---|
| | 31 Dec 2023 | | 31 Dec 2022 | |
| Aquaculture & Animal Health | US\$ 2,543 | US\$ 3,316 | US\$ 5,038 | US\$ 8,376 |
| Crop Protection | US\$ 6,089 | US\$ 9,778 | US\$ 6,439 | US\$ 9,633 |
| Future Food & Ingredients | US\$ 10,451 | US\$ 14,225 | US\$ 10,926 | US\$ 18,729 |
| Digitization & Robotics | US\$ 3,971 | US\$ 7,425 | US\$ 7,979 | US\$ 16,294 |
| Net-Zero Technologies | US\$ 4,362 | US\$ 6,039 | US\$ 4,134 | US\$ 4,815 |
| Cardiology, Neurology & Anesthesia | US\$ 3,012 | US\$ 3,857 | US\$ 4,301 | US\$ 6,495 |
| Esthetics | US\$ 1,991 | US\$ 5,024 | US\$ 1,820 | US\$ 1,963 |
| Gastroenterology | US\$ 7,458 | US\$ 7,941 | US\$ 15,081 | US\$ 15,320 |
| Home Healthcare | US\$ 1,853 | US\$ 10,687 | US\$ 6,138 | US\$ 13,074 |
| Spine & Orthopedics | US\$ 8,402 | US\$ 12,402 | US\$ 10,462 | US\$ 14,261 |
| Surgery | US\$1,379 | US\$ 1,995 | US\$ 6,319 | US\$ 10,133 |
| Urology & Women's Health | US\$14,897 | US\$ 27,690 | US\$ 11,142 | US\$ 27,506 |
| TOTAL | US\$ 66,409 | US\$ 110,410 | US\$ 89,777 | US\$ 145,599 |

Corporate Highlights FY 2023

- Four medtech companies received FDA clearance.
- Insectta Pte. Ltd. opened new Biomaterial Extraction pilot plant.
- Escala Medical Ltd. was awarded €5.5 million in EIC funding to revolutionize pelvic organ prolapse treatment.
- PregnanTech Ltd. raised US\$2 million for its preterm birth prevention device.
- ViAqua Therapeutics Ltd. raised US\$8.25M investment to scale RNA-based solutions in aquaculture.
- Trendlines received Most Transparent Company Award from the Securities Investors Association in Singapore.
- Nufarm and IBI Ag Ltd. collaborate to bring to market novel bioinsecticides.
- Six portfolio companies received grants from the Israel Innovation Authority.
- Seven companies' valuations were written down and ten companies were written off on our books.

Post FY2023 Achievements

- Phytolon Ltd. successfully completed the first development milestone of its multi-product collaboration with Ginkgo Bioworks to produce natural food colors.
- Vessi Medical Ltd. announced a raise of US\$16.5 million, including participation of a global industry giant, for its cryotherapy platform for bladder cancer treatment.
- IBI Ag Ltd. was named one of the four finalists in the prestigious Radicle Growth and UPL Challenge.

For full financial information, please see our announcement to the SGX: Unaudited Financial Statements for the Full Year Ended 31 December 2023.

* For full explanations on NON-IFRS VALUES, please refer to [our announcement on 7 March 2023](#).

About The Trendlines Group Ltd.

Trendlines establishes, funds, and incubates innovation-based medical and agrifood technologies to fulfil 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, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

Investor Contact Information

Israel:

Shira Zimmerman, The Trendlines Group

shira@trendlines.com

Tel: +972.72.260.7000

Singapore:

Kamal Samuel, Financial PR

kamal@financialpr.com.sg

Shivam Saraf, Financial PR

shivam@financialpr.com.sg

Urvija Diwan, Financial PR

urvija@financialpr.com.sg

Tel: +65.6438.2990