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Creating & Developing Companies
To Improve the Human Condition

For Immediate Release

The Trendlines Group Ltd. Reports 16.2% Increase in Total Income to US$ 9.9 Million
11.7% Increase in Portfolio Value to US$ 84.5 Million,
Bottom Line Impacted by Non-Recurring, Non-Cash Pre-IPO Expenses

- **Fair market value of investments in portfolio companies, including the market value of a company reported under the equity method, increased for the eighth consecutive year, ending the year at US$ 85.8 million**
- **Total income increased by approximately US $1.4 million to US $9.9 million.**
- **Income before taxes and non-recurring, non-cash expenses related to RCL conversion discount upon IPO amounted to US$ 2.0 million.**
- **Taking into account the income taxes and non-recurring, non-cash expenses related to RCL conversion discount upon IPO, net loss was US$3.6 million**
- **The Company raised gross proceeds of S$ 25 million in its initial public offering on the Catalist board of the Singapore Stock Exchange**
- **2015 has been a year of achievements for the Group in establishing new portfolio companies, fund raising, and establishing partnerships with renowned multi-national corporations**

Singapore, 24 February 2016 – The Trendlines Group Ltd. (the "**Company**" and together with its subsidiaries and associated companies, the "**Group**") (SGX:42T), an Israeli company focused on developing technology-based companies in the medical and agricultural fields, announced

its unaudited financial results for the year ended 31 December 2015 ("**FY2015**") today. This is the first financial report for the Group since its IPO on Catalist of SGX in November 2015.

The fair market value of the Group's investments in portfolio companies was US$ 84.4 million as at 31 December 2015, compared to US$ 75.6 million as at 31 December 2014. Combining the fair value of investments in companies accounted for under the equity method, the total portfolio value was US$ 85.8 million as at 31 December 2015 (US$ 77.5 million as at 31 December 2014).

The Group's total income increased by 16.2% year-on-year ("**yoy**") to US$9.9 million in FY2015, of which the gain from the change in the fair value of investments in portfolio companies increased by 164% to US$ 5.0 million. Total recurring expenses decreased by 30.4% yoy to US$ 7.9 million in FY2015.

Pursuant to the Pre-IPO Redeemable Convertible Loan ("**RCL**") Agreement, a total of S$13.7 million RCL was issued to pre-IPO investors. The conversion of RCL into shares at a discount as at the conversion date, had resulted in a non-recurring, non-cash expense amounting to US$3.8 million. This led to a pre-tax loss of US$ 1.8 million and a comprehensive loss attributable to shareholders of US$ 3.3 million for FY2015.

Excluding the non-recurring, non-cash expense related to the RCL discount upon IPO conversion, pre-tax income would have been US$ 2.0 million for FY2015.

The Group maintained a strong financial position. As at 31 December 2015, the Group had current assets of US$ 24.0 million (31 December 2014: US$ 4.4 million), total assets of US$109.0 million (31 December 2014: US$81.7 million), and total equity of US$84.2 million (31 December 2014: US$55.7 million).

Commenting on the FY2015 financial results, Mr. D. Todd Dollinger, Co-Chairman and CEO of the Group, said, "We are reasonably pleased with the financial results for FY2015. The fair value of our portfolio companies, which we believe is the most important measure of our performance and health, increased by more than 10%; this was the eighth consecutive year

that the value of our portfolio increased. Although the bottom line was impacted by the one-off, non-cash expenses related to the Pre-IPO RCL conversion discount, there was reduction in the net loss as compared to the previous year.

"Given that our business model calls for significant monetary gains from exits from our portfolio companies, our profitability could be volatile. The Group has established its track record of five exits from mergers and acquisitions in the past five years, and given the level of interest we received from investors, bankers, and potential acquirers of our portfolio companies, especially the more mature companies, we are optimistic as to future exit prospects. In addition, potential royalties from exits and Trendlines Labs may further enhance our future financial performance in the long run."

Mr. Steve Rhodes, Co-Chairman and CEO of the Group, added, "2015 marked a significant milestone for the Group, as we became a publicly-listed company on SGX Catalist. B. Braun Melsungen AG, one of the world's leading healthcare suppliers, was our cornerstone IPO investor and is a strategic partner for the establishment of incubators and development of new technologies, solutions, and products in medical fields. In FY2015, we established five new portfolio companies, and our portfolio companies raised more than US$ 10 million in follow on capital.

"In 2016, leveraging on the trading platform in Singapore, and our strong relationships with entrepreneurs, inventors, research institutions, and global industry players, the Group will continue to create and develop companies to improve the human condition, and continue to create long-term value for our shareholders."

Disclaimer

This release may contain statements which are subject to risks and uncertainties that could cause actual results to differ materially from such statements. You are cautioned not to place undue reliance on such statements, which are based in the current views of Management on future developments and events.

- The End -

Issued for and on behalf of The Trendlines Group Ltd.

By Financial PR Pte Ltd.

For more information, please contact:

Romil SINGH / Reyna MEI
romil@financialpr.com.sg / reyna@financialpr.com.sg
Tel: (65) 6438 2990, Fax: (65) 6438 0064

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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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.