



Trendlines Reports H1 2023 Unaudited Results: Returns to black with a strong net profit of US\$4.3 million as a result of maturing investment portfolio

- The Group reported a US\$4.3 million H1 2023 net profit, a US\$ 16.0 million turnaround from net loss in H1 2022, primarily due to an increase in the value of certain portfolio companies.
- Book value continued to appreciate and recorded an increase of US\$8.2M, compared to 31 December 2022, to reach US\$104.1 million.
- IFRS Portfolio Fair Value: US\$101.0 million, a 12.5% increase compared to 31 December 2022
- Non-IFRS Portfolio Fair Value*: US\$152.8 million, 51.3% greater than IFRS Portfolio Fair Value
- The Group's strategic transformation plan yields positive results as operating, general, and administrative expenses decreased by 11.75% in H1 2023, compared to H1 2022

Misgav, Israel and Singapore, 3 August 2023 – 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 six months ended 30 June 2023 (“**H1 2023**”) today.

Management Commentary

Commenting on the H1 2023 results, Todd Dollinger, Chair and CEO, noted that, “In November 2022, the Group announced a Strategic Transformation Plan suspending investments in new companies to focus on nurturing its existing portfolio. We realised positive outcomes of our renewed focus as the Group reported strong profits for the first half, owing to the maturing investment portfolio, and despite negative macro trends.”

Trendlines’ Chair and CEO Steve Rhodes added, “We’re pleased to report a meaningful improvement in all of our financial parameters, including the non-IFRS value of our portfolio. In our FY 2022 Annual Report, we shared non-IFRS information on our portfolio for the first time to provide additional visibility into underlying portfolio dynamics. This 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. The non-IFRS value of the portfolio at the end of June 2023 was US\$ 152.8 million, 51.3% greater than the fair market value of US\$101 million.”

Financial Overview

Profit or Loss Highlights (US\$ '000)	H1 2023	H1 2022
Total Income	12,410	(4,859)
Profit / (Loss) before tax	5,376	(13,497)
Net Profit / (Loss)	4,346	(11,926)

FAIR MARKET (IFRS) PORTFOLIO VALUE

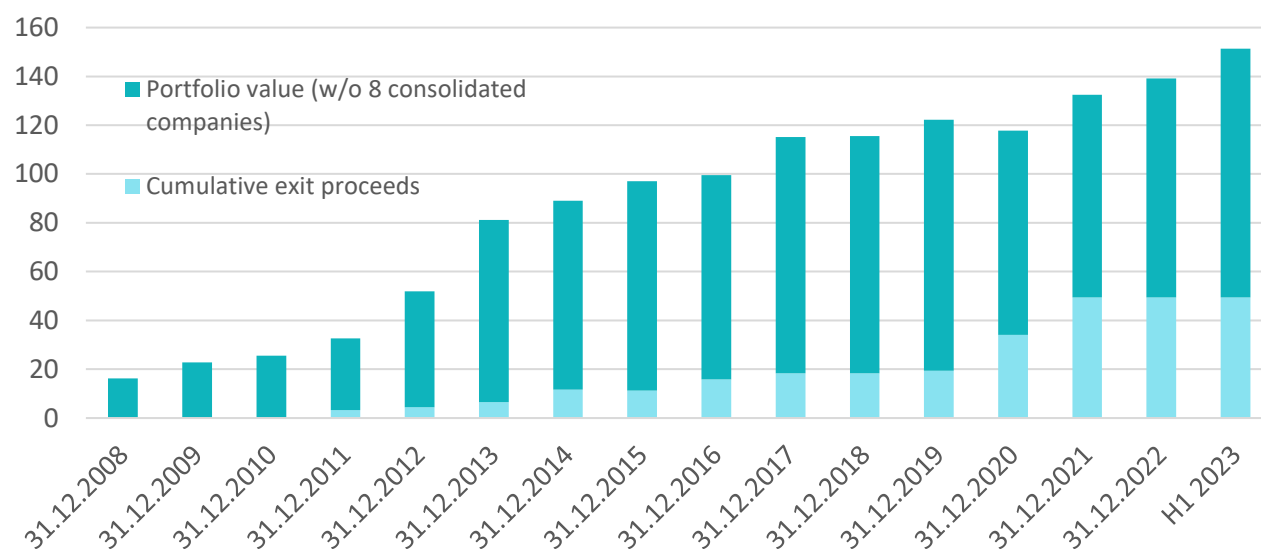


Figure 1: Fair Market Portfolio Growth 2008-2023

In H1 2023, we saw a net increase of approximately US\$11.9 million in the fair value of various Portfolio Companies resultant from factors such as the favorable terms on which Portfolio Companies completed fund-raising exercises and Portfolio Companies’ commercial or technological progress. In general, favourable terms for fund raising exercises/exits and higher commercial or technological progress lead to higher fair values.

The gain from change in fair value of investments in Portfolio Companies was US\$9.2 million in H1 2023 as compared to a loss from change in fair value of investments of US\$7.4 million in H1 2022.



Balance Sheet Highlights (US\$ '000)	30-Jun-23	31-Dec-22	Change (%)
Investments in portfolio companies	101,031	89,777	12.5%
Cash and cash equivalents and short-term deposits	6,730	6,657	1.1%
Total current assets	10,582	13,077	(19.1%)
Total assets	114,461	107,993	6.0%
Total current liabilities	4,588	6,842	(33.0%)
Total liabilities	10,357	12,097	(14.4%)
Total equity	104,104	95,896	8.6%
Net asset value per share (SGD)	0.15	0.15	-

Total assets increased by approximately 5.99% from US\$108.0 million as at 31 December 2022 to US\$114.5 million as at 30 June 2023. This was mainly due to an increase in value of Investments in Portfolio Companies of US\$11.3 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)
Aquaculture & Animal Health	US\$5,488	US\$8,796
Crop Protection	US\$7,209	US\$9,026
Future Food & Ingredients	US\$12,233	US\$17,166
Digitization & Robotics	US\$6,753	US\$12,515
Net-Zero Technologies	US\$4,048	US\$6,025
Cardiology, Neurology & Anesthesia	US\$9,786	US\$15,820
Esthetics	US\$1,828	US\$4,951
Gastroenterology	US\$15,268	US\$15,752
Home Healthcare	US\$5,703	US\$10,156
Spine & Orthopedics	US\$11,343	US\$14,551
Surgery	US\$6,354	US\$10,147
Urology & Women's Health	US\$15,018	US\$27,925
TOTAL	US\$101,013	US\$152,829
<i>TOTAL (31 December 2022)</i>	<i>US\$89,777</i>	<i>US\$146,599</i>

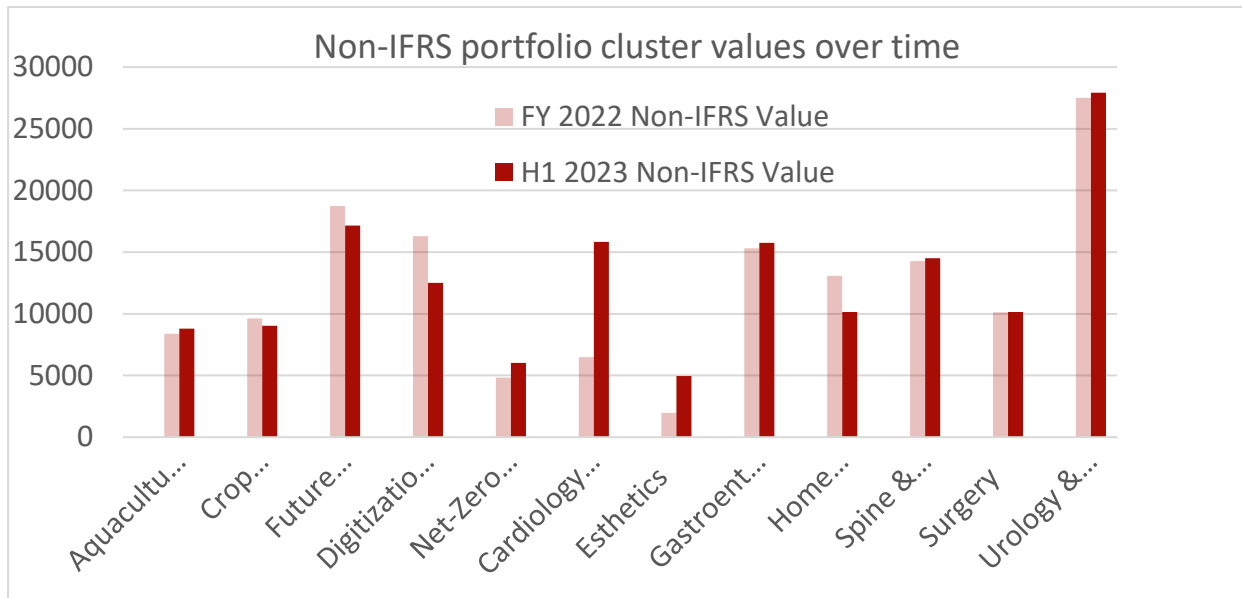


Figure 2: Non-IFRS value changes in portfolio clusters

Corporate Developments in H1 2023

- liberDi Ltd. received FDA regulatory clearance for its digital dialysis system.
- SenterCare Ltd. announced alliance with Japan's Nozomi MedAlliance K.K. to bring SenterCare's advanced aging-at-home-safely technology to the Japanese market.
- Insectta Pte. Ltd. raised S\$1.4 million to scale its biomaterial extraction from insects.
- Omeq Medical Ltd. received FDA regulatory clearance for its smart device for epidural injections.
- 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.

For full financial information, please see our announcement to the SGX: Unaudited Financial Statements for the Half Year Ended 30 June 2023.

Earnings call

Trendlines will hold an Earnings Call to present and discuss the Group's financial results for the half year ended 30 June 2023 and other business developments. The call will take place at 15:00 (Singapore time) on 14 August 2023. [Register here](#) to participate in the call.

* 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).

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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