

# The Trendlines Group

## Financial Highlights Q2 2019

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7 August 2019

# Agenda

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- Corporate highlights
- Financial highlights
- Post Q2 2019 developments

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# Corporate highlights

# 12 years of portfolio value expansion



\*Portfolio value includes the fair value of investments in portfolio companies accounted for under the equity method

# Key financial developments Q2 2019

	30 June 2019	31 December 2018	Change
<b>Portfolio value</b>	US\$ 95.6 million	US\$ 97.2 million	- US\$ 1.6 million
<b>Book value</b>	US\$ 84.4 million	US\$ 86.4 million	- US\$ 2 million
<b>Current assets</b>	US\$ 8.9 million	US\$ 11.8 million	- US\$ 2.9 million
	Q2 2019	Q2 2018	Change
<b>Total G&amp;A expenses</b>	US\$ 1.7 million	US\$ 1.6 million	+ US\$ 0.1 million
<b>Net loss</b>	(US\$ 1.4 million)	(US\$ 1.8 million)	+ US\$ 0.4 million

# Key corporate developments Q2 2019

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- Ongoing development of Agrifood Innovation Centre in Singapore
- Value-building of existing portfolio companies reflected in portfolio company fund-raising in Q2.
- Continued monitoring of cash and adjustments as needed



# Portfolio company achievements

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- Stimatix GI Ltd. distributed dividend to shareholders, including Trendlines
- ApiFix Ltd. closed Series B financing round and named a winner in MedTechInnovator Pediatric Pitch Event
- STStent Ltd. completed successful feasibility study of its ArchSinus device as part of an EU project
- Limaca Medical Ltd. initiated FIH study of biopsy device for improved tumor diagnosis
- BioFishency Ltd. signed agreement with the Technion-Israel Institute of Technology for development of new aquaculture technology product line
- Five Trendlines portfolio companies awarded total ~€8 million in Horizon 2020 grants



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# Financial highlights

# Consolidated condensed report of income

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

U.S. dollars in thousands, except share data

	3 months ended 30 June	
	2019	2018
<b>Income</b>		
Loss from change in fair value of investments in Portfolio Companies	(1,143)	(1,544)
Income from services to Portfolio Companies	1,251	1,354
Income from contracted R&D services	30	29
Financial income	85	369
Other income	6	36
<b>Total income</b>	<b>229</b>	<b>244</b>

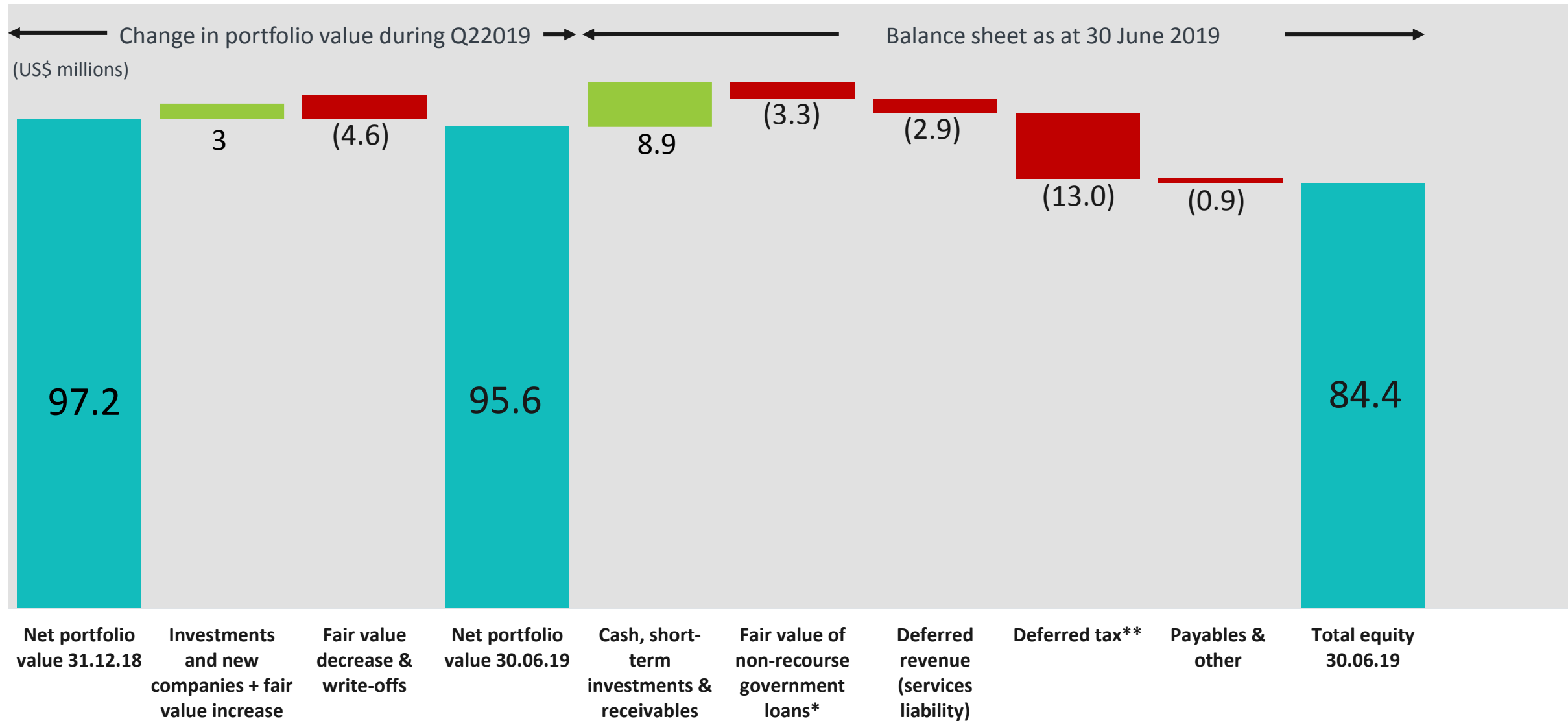
# Consolidated condensed report of income

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

U.S. dollars in thousands, except share data

	3 months ended 30 June	
	2019	2018
<b>Expenses</b>		
Operating, general and administrative expenses	1,681	1,609
Marketing expenses	39	130
R&D expenses, net	221	242
Financial expenses	276	-
<b>Total expenses</b>	<b>2,217</b>	<b>1,981</b>
Loss before income taxes	(1,988)	(1,737)
Tax benefit (Income tax expenses)	542	(25)
<b>Net loss</b>	<b>(1,446)</b>	<b>(1,762)</b>

# Key value components



\* Israeli government loans are non-recourse loans which only come due upon exit events.

\*\* Deferred taxes from unrealized portfolio company valuation profits are offset and paid only upon realization of cash from exits.

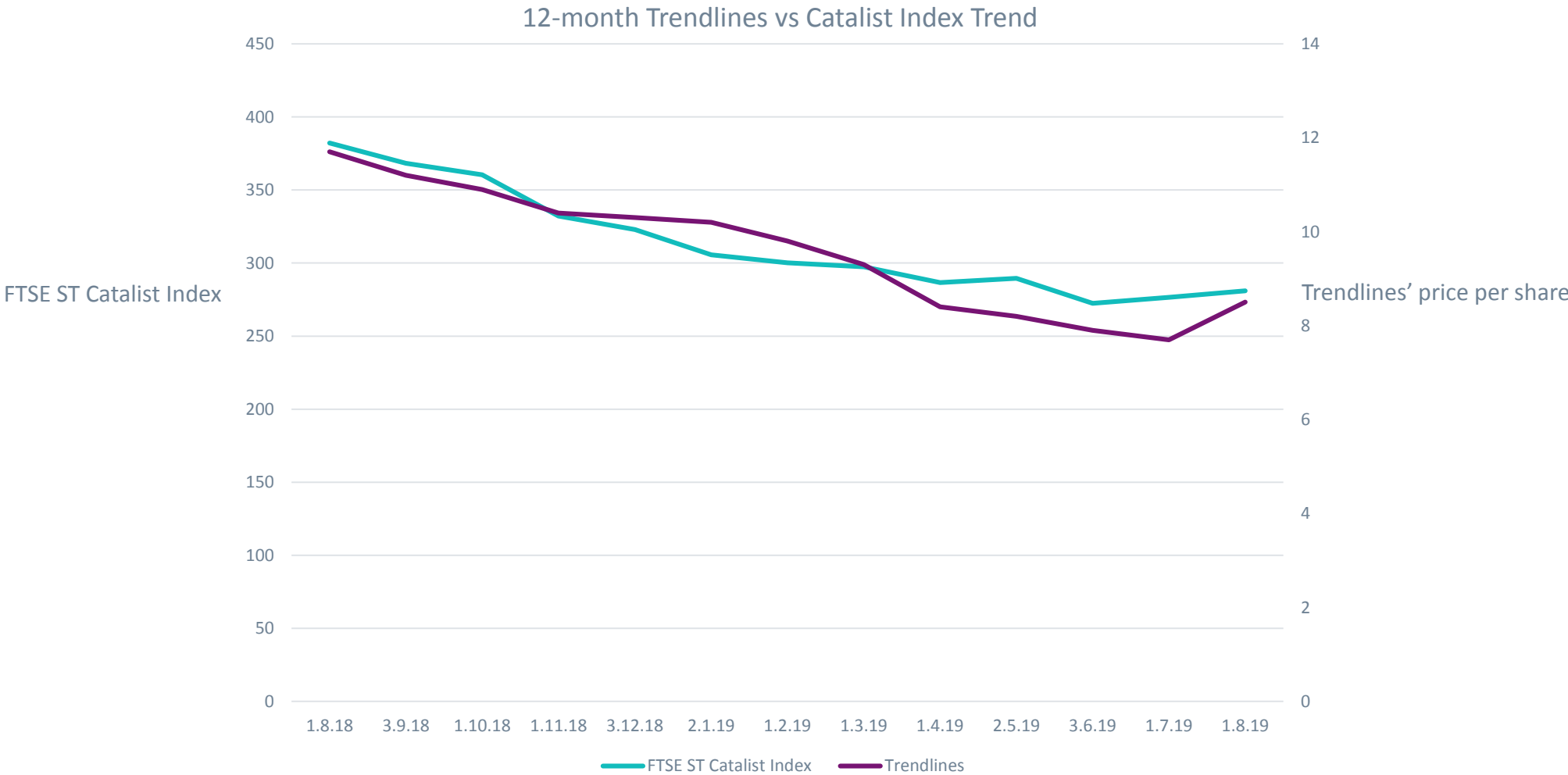
# Stock performance: Net Asset Value (NAV)

	SGD	USD
NAV per share/ADR*	S\$ 0.19	US\$ 7.00
Price per share/ADR**	S\$ 0.081	US\$ 3.20
% discount to NAV	58%	54%

*\*As at 30 June 2019*

*\*\*Market close as at 5 Aug 2019*

# Stock performance: Trendlines vs. Catalyst trends





The background is a light blue-grey gradient. It features a large, semi-transparent globe with a dense grid of small dots. Overlaid on this are various celestial symbols: a crosshair with a small circle at its center, several plus signs, and a ringed planet resembling Saturn. Faint, thin lines suggest orbital paths or constellations.

# **Post Q2 2019 developments**

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- Librae Holdings Limited invested US\$8 million in Trendlines at S\$0.105 per share
- Trendlines secured US\$5 million commitment in new agrifood tech fund from global investment company
- Bayer Trendlines Ag Innovation Fund invested in new company EcoPhage Ltd.
- Prof. Mandeep R. Mehra and Prof Nir Uriel joined Leviticus Cardio Ltd.'s scientific advisory board

# Looking ahead: Trendlines Agrifood Fund

## US\$40 million agrifood tech-focused venture fund

- Will employ a blended **early/late-stage investment strategy** to
  - achieve early exits
  - attain IRR of at least 20%
- US\$5 million of fund secured from a **prominent Singapore investment fund**
- **Enterprise Singapore**
  - Early-stage companies can access proof-of-concept and proof-of-value funding, up to a total of SGD 750,000 per company at favorable terms
  - Application pending for grant funding for incubator
- **SEEDS Capital** agreed to co-invest with Fund
  - 70% of SEEDS' profits paid to the Fund, increasing Fund yield



Trendlines Group VP **Nitza Kardish, PhD**, will be relocating to Singapore to oversee and coordinate the Fund activities.



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