

# The Trendlines Group investor presentation

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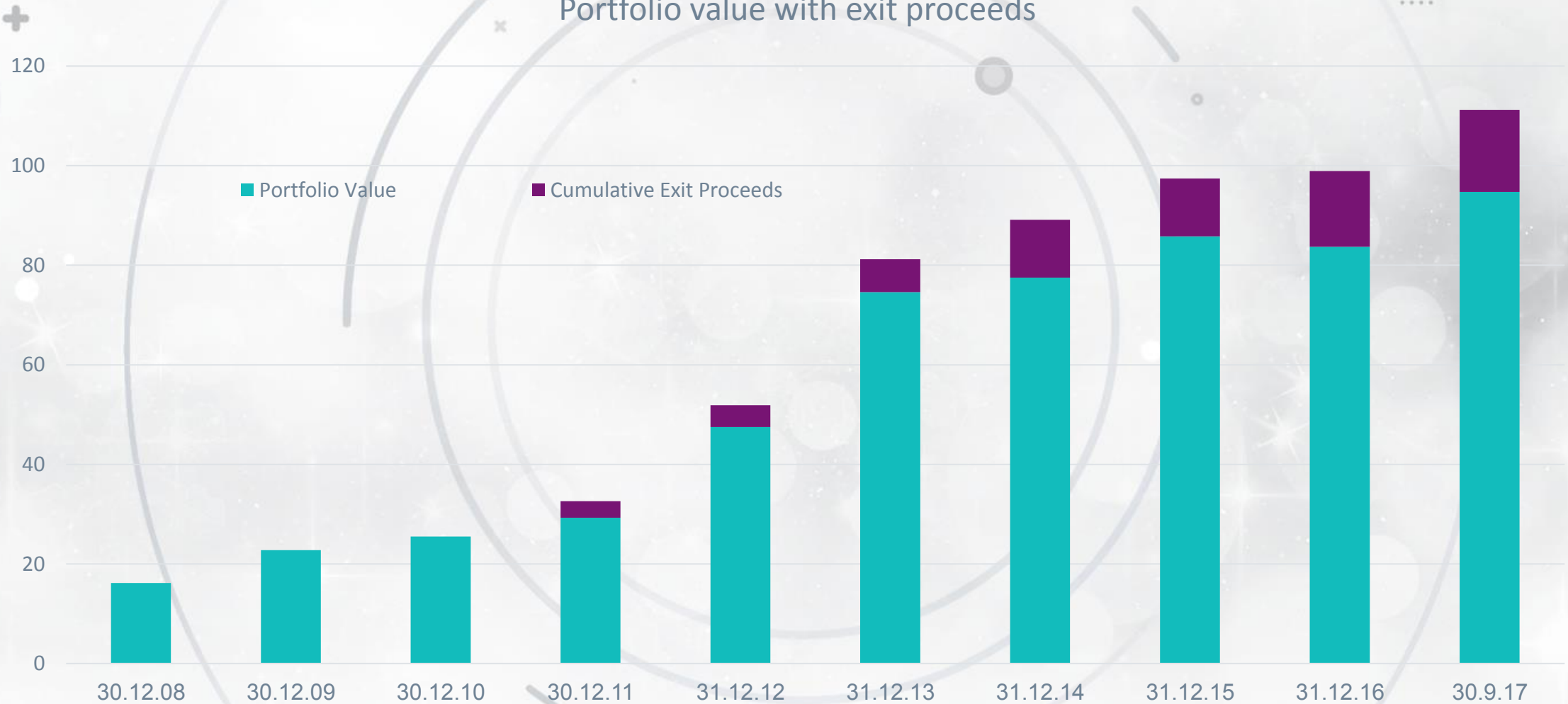
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# Value creation through portfolio expansion

Portfolio value with exit proceeds



Portfolio value includes the fair value of investments in companies accounted for under the equity method and consolidated subsidiaries

# Trendlines: building companies, commercializing innovation

## Life science incubators



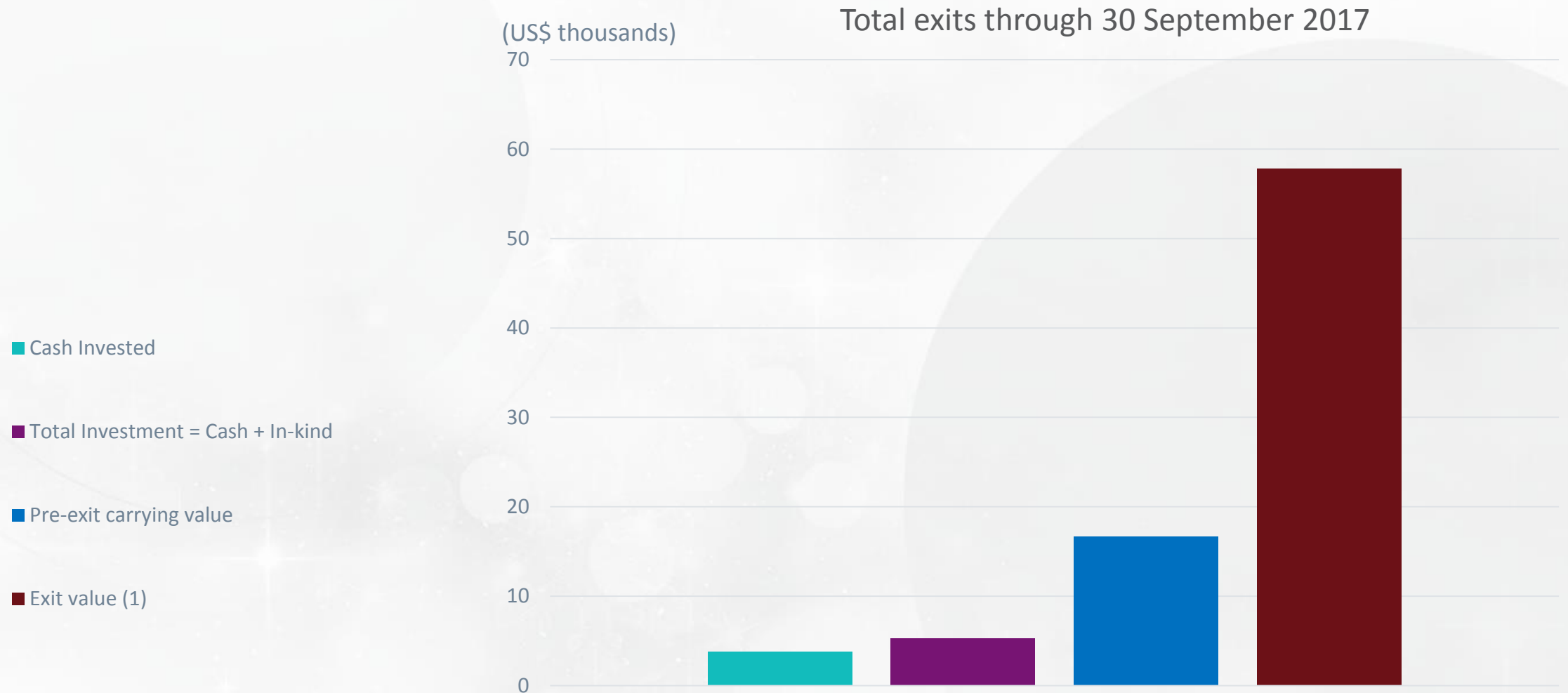
# Trendlines: building companies, commercializing innovation

In-house innovation center of The Trendlines Group



Invents and develops technologies to address unmet market needs

# Carrying value on eve of exit vs. exit value



(1) Includes PV of estimated royalties for Most Valuable Portfolio Company

# Exits: estimated returns and IRR

Exit	Company/Description	Acquirer	Estimated Return <sup>(1)</sup>	IRR (%)
2017	BioSight	Arkin Bio Ventures LP	216.7 X	71
2016	E.T.View Medical	Ambu A/S	1.2 X	5
2014	Most Valuable Portfolio Company (MVPC) <sup>(3)</sup>	Undisclosed <sup>(3)</sup>	79.1 X <sup>(2)</sup>	80
2014	Inspiro Medical	OPKO Health	8.8 X	131
2013	InnoLap Surgical	Teleflex, Inc.	3.2 X	447
2013	FlowSense Medical	Baxter Int'l	4.0 X	280
2011	PolyTouch Medical	Covidien Ltd.	6.7 X	289
<b>Weighted average</b>			10.6 X	101

- Notes**
- 1) Estimated return represents the multiple of exit proceeds over Trendlines' cash and non-cash investment in the exited company: (i) our cash investment and (ii) estimated value of services provided to the exited company.
  - 2) Exit by MVPC asset sale. Based on the fair value of the MVPC (which remains in our portfolio) as of 30 June 2017 compared to our investment at that time.
  - 3) Unable to disclose due to confidentiality obligations.

The background features a light blue, stylized globe with a grid of small dots. Faint constellation lines and symbols, including crosses and circles, are visible in the upper right quadrant. The overall aesthetic is clean and modern.

# The Trendlines' model



# The Trendlines' model: capital leverage



Trendlines'  
typical  
investment

**~US\$1,420,000**

per company



Trendlines  
capital

**~US\$120,000**



Government  
grant

**~US\$650,000**



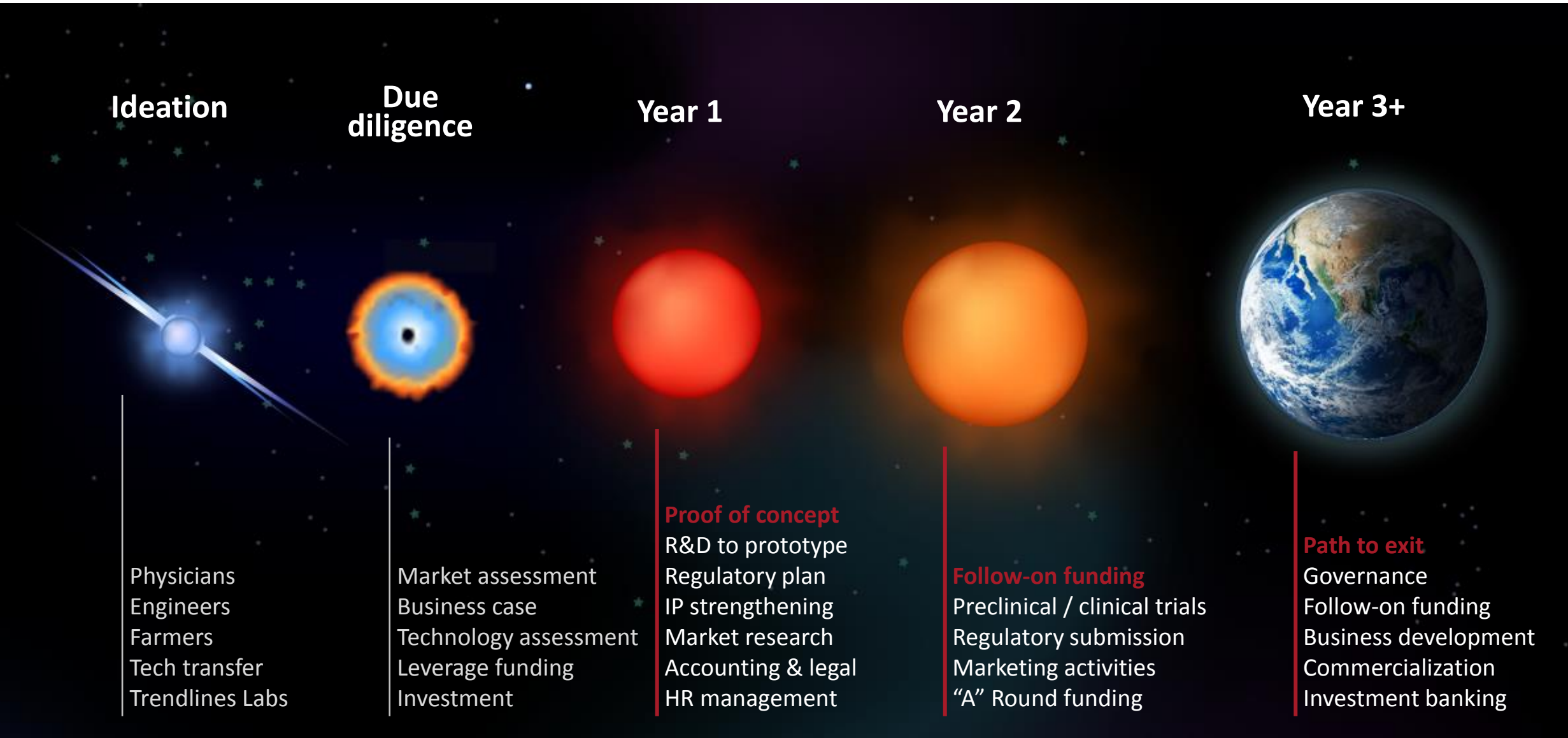
In-kind  
investment  
at cost

**~US\$650,000**

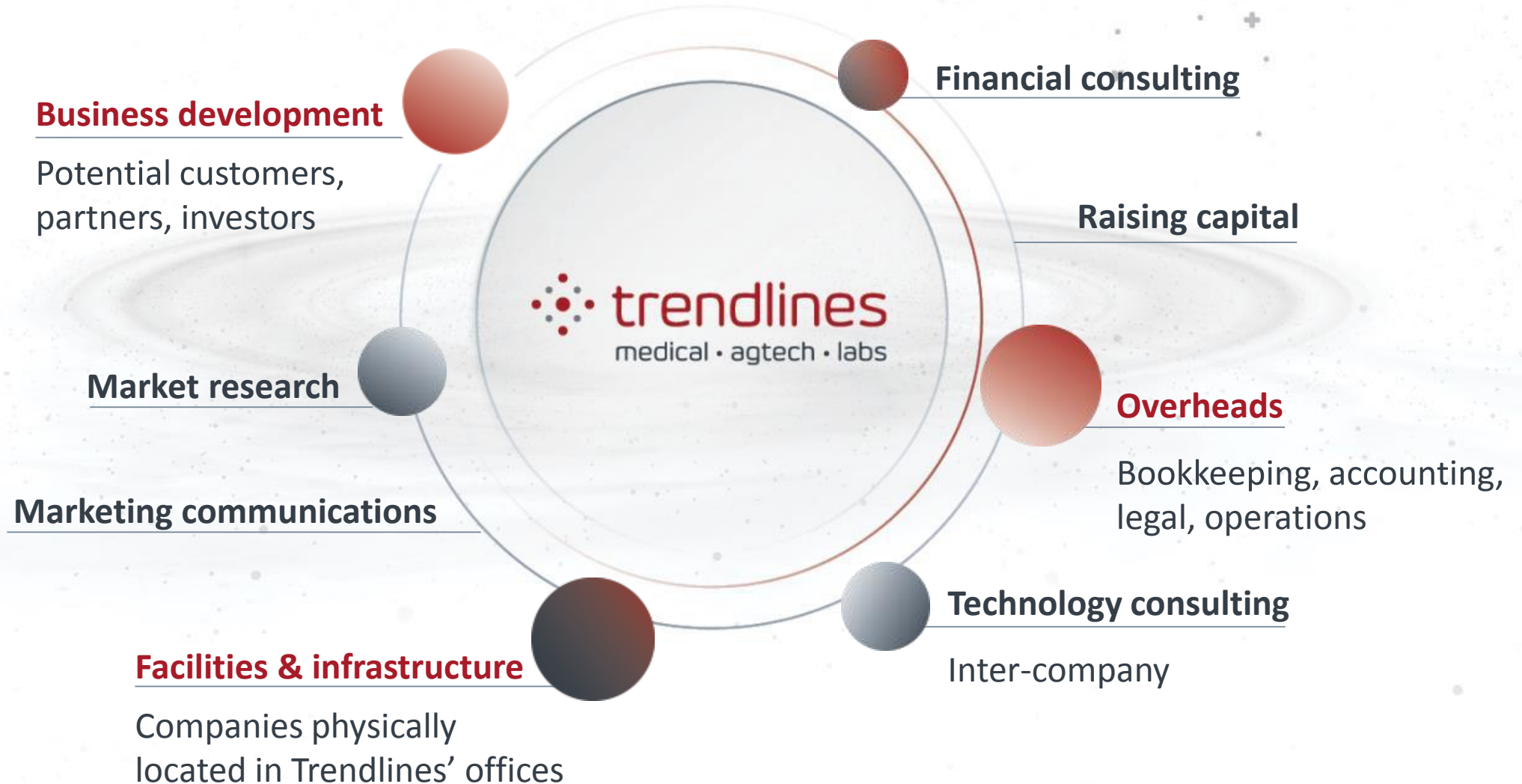
over two-year  
period

Similar leverage in Singapore

# Trendlines' model: proven, focused company-building timeline



# Trendlines' model: creating a foundation with intensive support



**B | BRAUN**  
SHARING EXPERTISE

**B  
A  
Y  
E  
R**



U.S.  
Medical Device  
Multinational



**首善财富**  
SHOUSHAN WEALTH

Trendlines' model:  
strategic  
partnerships

海创汇海外联合孵化器  
  
www.haier.com

Hai Chuanghui - Trendlines



Japanese  
Medical Device  
Multinational

# Trendlines Labs

## Selected achievements 2017

- Started **2** companies in the incubators: Limaca and InterVaal
- Several projects proposals in evaluation phase by potential partners (Japan, Europe, USA, Singapore)
- Repeat projects with existing partners
- **2** Trendlines Labs technologies entering clinical trial stage:
  - Electrolyte balance monitoring: sZone
  - Stress urinary incontinence (SUI)

## Selected Trendlines Labs portfolio

Field	Invention	Dev. Status
Urology	Reduced infection-risk Foley catheter	Formed new company
Neurology	Disposable surgical endoscope	Concept
Women's health/ gynecology	Delaying preterm birth	In the process to start new company
Cardiology	Treating AFIB	Prototype
Aging population	Monitoring aging population at home	Developing portfolio of concepts and products

# Decades of company-building experience



**Todd Dollinger**  
Chairman & CEO



**Nitza Kardish, Ph.D**  
VP The Trendlines Group,  
CEO Trendlines Incubators Israel  
Former CEO, Clal Life Sciences



**Yosi Hazan**  
CEO Trendlines Labs  
Former GM, Biosense Webster  
(J&J company)



**Eric Loh**  
CEO Trendlines Medical  
Singapore  
Former managing director, Biosensors



**Steve Rhodes**  
Chairman & CEO



**Gabi Heller**  
CFO  
Former CFO, Walden  
Israel Ventures



**Yossi Ron**  
COO & Joint Co. Sec'y.  
Former CEO, Trendlines Agtech



**Moshe Katzenelson**  
VP Business Dev.  
Former CEO, two start-up incubators



**Expanding portfolio value**

# Achieving milestones to create value

Initial Invest.	Company	Technology Dev.	Technology Proven	Follow-On Capital	Clinical/Field Trials	Commercialization	Exits (by Company Start Date)
2008	NeuroQuest VivoText						BioSight Invest. 2007 / Exit 2017
2009	Stimatix GI SolChip						FLOWSENSE Est. 2009 / IPO 2010
2010	Magdent						ETVIEW Est. 2009 / IPO 2010
	ProArc Medical Ujala Technologies Advanced Mem-Tech						PolyTouch Medical Est. 2009 / Exit 2011
2011	Leviticus Cardio ApiFix						FLOWSENSE Est. 2009 / Exit 2013
	LapSpace Medical GreenSpense MiRobot CoreBone						ETVIEW Est. 2009 / Exit 2016
2012	EdenShield Gordian Surgical						INSPIRO Medical Est. 2010 / Exit 2014
	BioFishency Saturas						Innolapaeugical Est. 2012 / Exit 2015
2013	Omeq Medical STS Medical Valentis						
	Arcuro Medical Vensico Medical						
2014	Fidmi Medical ViAqua Therapeutics						
	Escola Medical OrthoSpin						
2015	ElastiMed Zeev Implants						
	AquiNovo InPlant Technologies OB Smart						
2016	Hargol FoodTech CarAlert MetaMotion liberDI Ceretrievie						
	Seger Surgical Solutions ZygoFix						
2017	Limaco Medical Vessi Medical						
	BiPS Medical FruitSpec InterVaal						

As at 30 September 2017; 30 written-off portfolio companies and 1 company established before September 2007 not listed.

One of our 10 most valuable portfolio companies as at 30 September 2017.



# 10 most valuable portfolio companies

Fair market value of **10 most valuable** portfolio companies **~US\$66.6 million, 70.3%** of total portfolio value of **~US\$94.7 million.\***

Company name	Initial investment	% owned (fully diluted)
ApiFix Ltd.	2011	24.02
Arcuro Medical Ltd.	2013	37.36
BioFishency Ltd.	2013	48.78
Eden Shield Ltd.	2012	23.51
Fidmi Medical Ltd.	2014	48.28
Leviticus Cardio Ltd.	2010	19.92
Stimatix GI Ltd.	2009	28.16
STS Medical Ltd.	2013	34.00
ViAqua	2014	53.50
VivoText Ltd.	2008	22.90

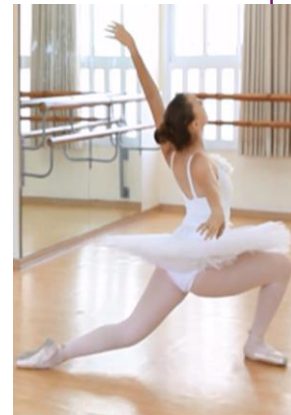
\*As at 30 September 2017, including the fair value of investments in consolidated portfolio companies

# Minimally invasive scoliosis correction system

Minimally invasive scoliosis correction system incorporates a miniature ratchet mechanism for gentle, incremental correction

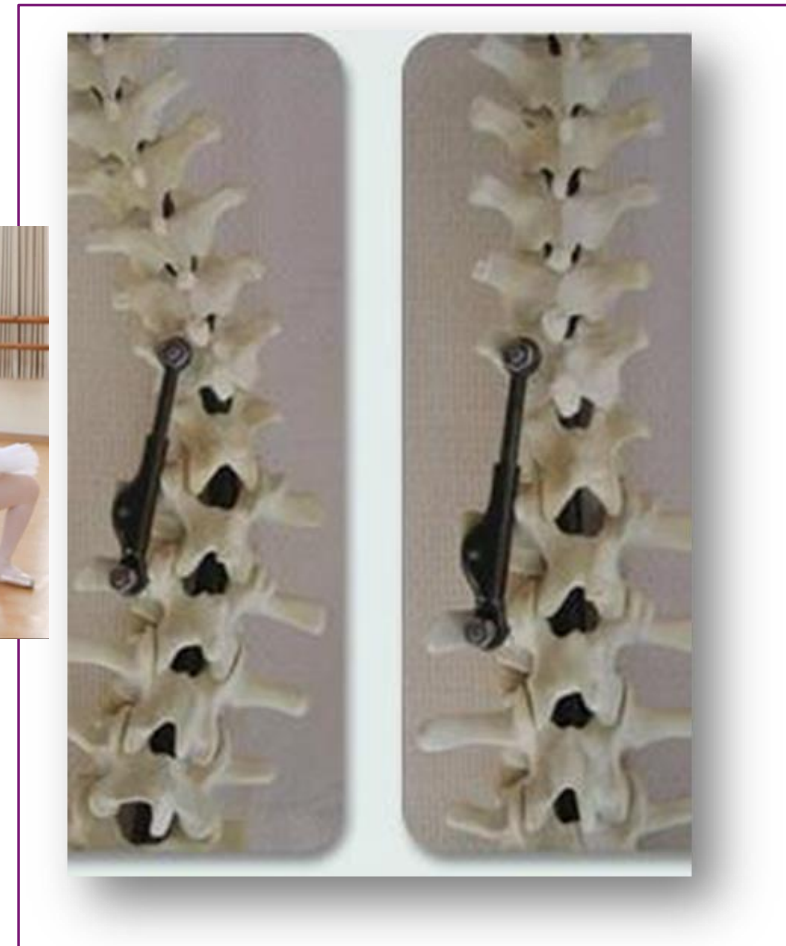
## Investment & Intense Support

- Assisted in raising US\$7.8 million in three rounds
- Last round led by B. Braun
- Majority of investors brought by Trendlines, including many Trendlines' shareholders
- Trendlines holding: 24.0%



## Achievements

- Completed >160 successful surgical procedures with some patients more than 5 years post surgery
- CE mark, commercial sales
- Completed first surgical procedures in N. America
- 5 distribution agreements executed (Canada, Spain, Singapore, Holland, Greece)



The ApiFix scoliosis correction system



# Minimally invasive scoliosis correction system

Wireless system to provide the day-to-day power needs of heart pump (LVAD) implants while eliminating the complications related to the drive line cable.

## Investment & Intense Support

- Active guidance in marketing, business development, investment banking
- Assisted in raising US\$5.5 million
- Trendlines holding: 19.9%

## Achievements

- Fully operational system
- Key opinion leaders on board
- 10 patents granted; 2 pending in the U.S.
- Successful chronic animal trials and integration with LVADs
- High visibility among LVAD players



Leviticus provides the day-to-day power needs of LVADs



# Water treatment system for aquaculture

Cost-effective, all-in-one water treatment system for reduced water use and improved yields in land-based aquaculture. Operates with all existing aquaculture systems: extensive, intensive, and recirculating

## Investment & Intense Support

- Active guidance in marketing and business development, providing connections with potential partners in target markets
- Trendlines holding: 48.8%

## Achievements

- Up to 85% reduction in water consumption; increased yields
- Units operating in China, Indonesia, the Congo, Bangladesh, India, Singapore, Israel, and more
- Distribution agreements for Bangladesh, India, Taiwan, and China; cooperation with several strategic partners



The BioFishency all-in-one water treatment system for aquaculture

trendlines  
portfolio



revenue  
stage

# Natural, nontoxic bio-insecticide

Natural, nontoxic insect control system for greenhouse crops, ornamentals, and cannabis that masks plant odors and reduces insect attraction; based on extracts of plants endemic to Israel's semi-desert region

## Investment & Intense Support

- Active guidance in marketing, business development, investment banking
- Assisted in raising ~US\$5 million in three rounds
- Trendlines holding: 23.5%

## Achievements

- U.S. patent
- Successful field trials in variety of crops and insects, including those that attack cannabis
- Ongoing growing sales in Israel, Italy, Greece and Spain
- Distributor agreements including E.U., U.S. and Mexico



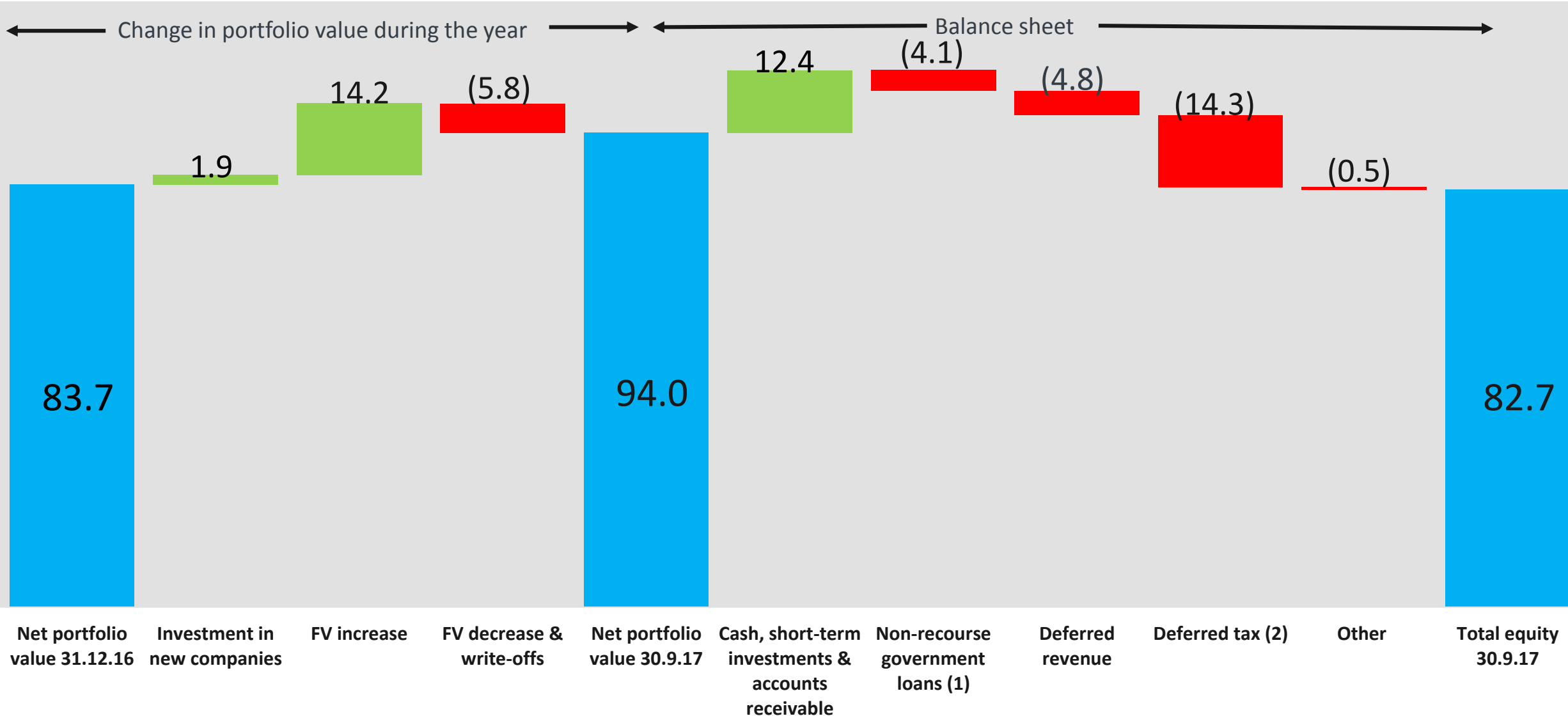
EdenShield's nontoxic insect control system protects greenhouse crops





# Financial highlights

# Key components of value (US\$ million)

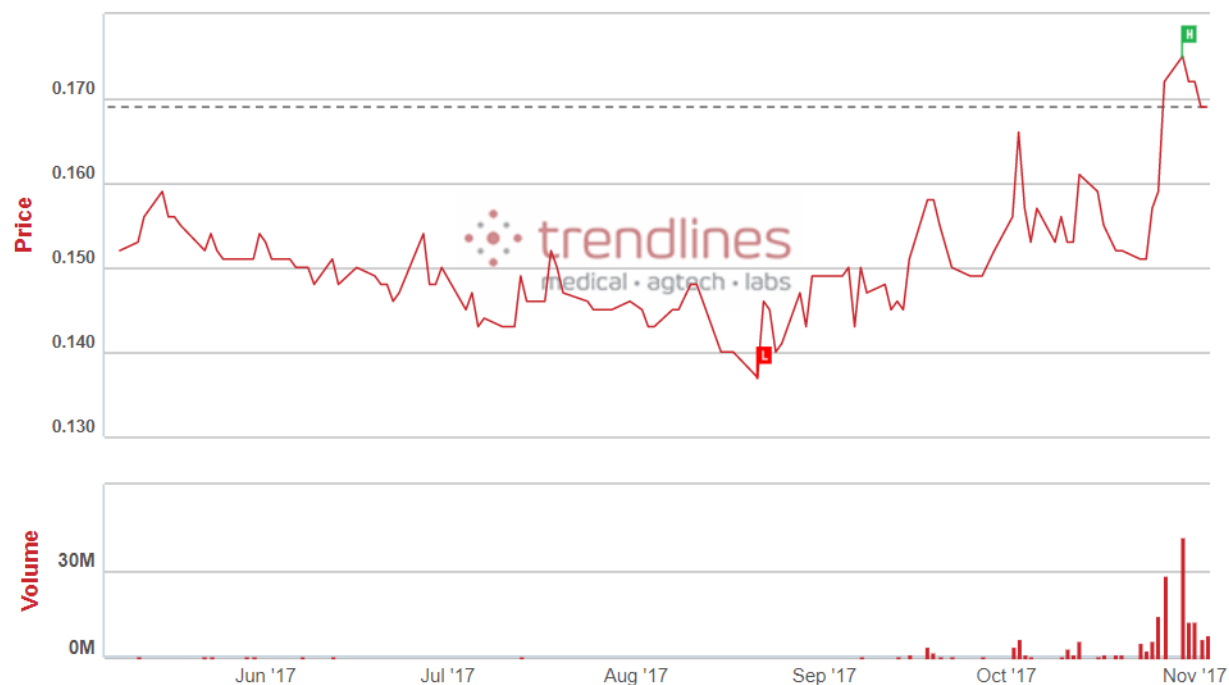


(1) Israeli government loans are non-recourse loans which only come due upon exit events

(2) Deferred taxes are related to unrealized portfolio company valuation profits and are offset and paid only upon realization of cash received upon exits.

# Stock overview

Trendlines SGX share price movement - 12 months (S\$)



As at 6 November 2017	SGX: 42T S\$	OTCQX: TRNLY US\$*
Last price	S\$ 0.17	US\$ 5.96
IPO price	S\$ 0.33	--
52-wk high	S\$ 0.21	US\$ 6.15
52-wk low	S\$ 0.14	US\$ 4.45
Market cap	S\$103 million	US\$76 million
Shares outstanding	608.8 million	--
Free float	457.3 million	--

\*Each ADR (traded on OTCQX) = 50 ordinary shares (listed on SGX)



# Traded peer group & industry comparables

	Price to portfolio (FMV*)
Allied Minds (LSE:ALM)	1.38
Touchstone Innovations (AIM:IVO)	1.40
IP Group (LSE:IPO)	1.66
Malin Corporation (ISE:MLC)	1.07
Mercia Technologies (AIM:MERC)	1.91
PureTech Health (LSE:PRTC)	<u>1.30</u>
Average Price to Portfolio	<u>1.45</u>
<b>Trendlines Price to Portfolio</b>	<b><u>0.81</u></b>

\*Based on market cap 6 November 2017, divided by last available Portfolio Value. Peer Group as identified in DBS Vickers report of 11 Feb 2016

## Industry comparables price to book

661 Health Care Products Companies Average** Price/Book	3.63
403 Farming and Agriculture Companies** Average Price/Book	2.25
<b>Trendlines Price to Book (23 October 2017)</b>	<b>0.92</b>

\*\*Source: Prof. Aswath Damodaran, New York University, 5 Jan 2017 [people.stern.nyu.edu/adamodar/New\\_Home\\_Page/datacurrent.html](http://people.stern.nyu.edu/adamodar/New_Home_Page/datacurrent.html)

# The Trendlines Group value-building strategy

- 1 Increase number of portfolio companies**
  - More than 30 companies to be added to portfolio over 3 years
- 2 Build value of portfolio companies**
  - Intense support
  - Participate in follow-on rounds
- 3 Expand into new markets**
  - Trendlines Medical Singapore established
  - Exploring additional opportunities in China, Germany, Singapore
- 4 Expand Trendlines Labs**
  - Invest in selected innovations and create spinoffs
  - Establish new joint ventures with multinationals
  - Increase recurring revenue stream



# Creating and developing companies to improve the human condition

SGX: 42T  
OTCQX: TRNLY

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9 November 2017

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