



# Creating & Developing Companies To Improve the Human Condition



## Financial Highlights Q3 2016

9 November 2016

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# Q3 Earnings Call Outline

- I. Q3 2016 Highlights
- II. Financial Review
  - Balance Sheet
  - Profit & Loss
- III. Business Model: Deal Flow
- IV. Stock Information
- V. Upcoming Events

# I. Q3 2016 Highlights



# Q3 Financial Highlights

- Trendlines reports total income of \$4.1 million in Q3 2016, compared to loss of \$0.2 million in Q3 2015
- Net income totals \$1.6 million in Q3 2016 vs loss of \$3.4 million in Q3 2015
- Total current assets increase to \$20.4 million, a rise of \$1.8 million from 30 June 2016
- Trendlines completes sale of portfolio company E.T.View Medical for net proceeds of \$3.5 million
- Trendlines receives \$0.9 million dividend from the Most Valuable Portfolio Company – increases cash balance, but no impact on earnings

*Note: All currency references in U.S. dollars, unless otherwise noted. Stock prices in Singapore dollars.*



# Q3 Business & Corporate Highlights

- MOU signed with B. Braun for co-investment in Trendlines Medical Singapore
- Three new companies established in Q3 2016, bringing the total new companies in 2016 to six.
- Six of our portfolio companies completed successful funding rounds
- CE mark approval received by Gordian Surgical & CoreBone
- EdenShield receives US patent
- ApiFix reaches 100-patient milestone
- OrthoSpin starts first in-human trials
- Steve Rhodes and Todd Dollinger delivered irrevocable instructions to purchase Trendlines shares, irrespective of share price, beginning December 2016 for a 12-month period.

## II.

# Financial Review

Balance Sheet Summary  
Profit & Loss Summary



# Trendlines Q3 2016: Balance Sheet Summary

	30 Sept 2016 Unaudited	31 Dec 2015 Audited
	US\$'000	US\$'000
<b>ASSETS</b>		
Total Current Assets	20,411	24,000
Total Non-Current Assets	84,169	84,988
<b>Total Assets</b>	<b>104,580</b>	<b>108,988</b>
<b>LIABILITIES AND EQUITY</b>		
Total Current Liabilities	3,622	3,657
Total Long-Term Liabilities	19,963	21,173
<b>Total Liabilities</b>	<b>23,585</b>	<b>24,830</b>
<b>EQUITY</b>		
Equity Attributable to Owners of the Parent	80,961	84,124
Non-Controlling Interests	34	34
<b>Total Equity</b>	<b>80,995</b>	<b>84,158</b>
<b>Total Liabilities and Equity</b>	<b>104,580</b>	<b>108,988</b>

## Key Financial Ratios (as at 3 Nov. 2016)

Current Assets to Current Liabilities	5.64
Total Assets to Total Liabilities	4.43
Price to Book Value*	0.78
Price to Portfolio Value*	0.75

\*Based on market value as of close of trading on 3 November 2016 of S\$87.0 million.



# Trendlines Q3 2016: Profit & Loss Summary

	US\$'000	30 Sept. 2016 Unaudited	30 Sept. 2015 Unaudited
<b>Income:</b>			
Gain (loss) from change in fair value of investments in Portfolio Companies		643	(951)
Income from services to Portfolio Companies		1,032	998
Group's share of losses of companies accounted for under equity method		-	(187)
Gain from disposal of investment accounted for under the equity method		2,089	-
Income from contracted R&D services		194	190
Financial income		15	(380)
Other income		108	114
<b>Total Income</b>		<b>4,081</b>	<b>(216)</b>
<b>Expenses:</b>			
Operating, general and administrative expenses		2,081	1,823
Marketing expenses		41	50
R&D expenses, net		258	148
Financial expenses		33	1,396
<b>Total Expenses</b>		<b>2,413</b>	<b>3,417</b>
<b>Income (loss) before income taxes</b>		<b>1,668</b>	<b>(3,633)</b>
<b>Net income (loss) and total comprehensive loss</b>		<b>1,562</b>	<b>(3,385)</b>

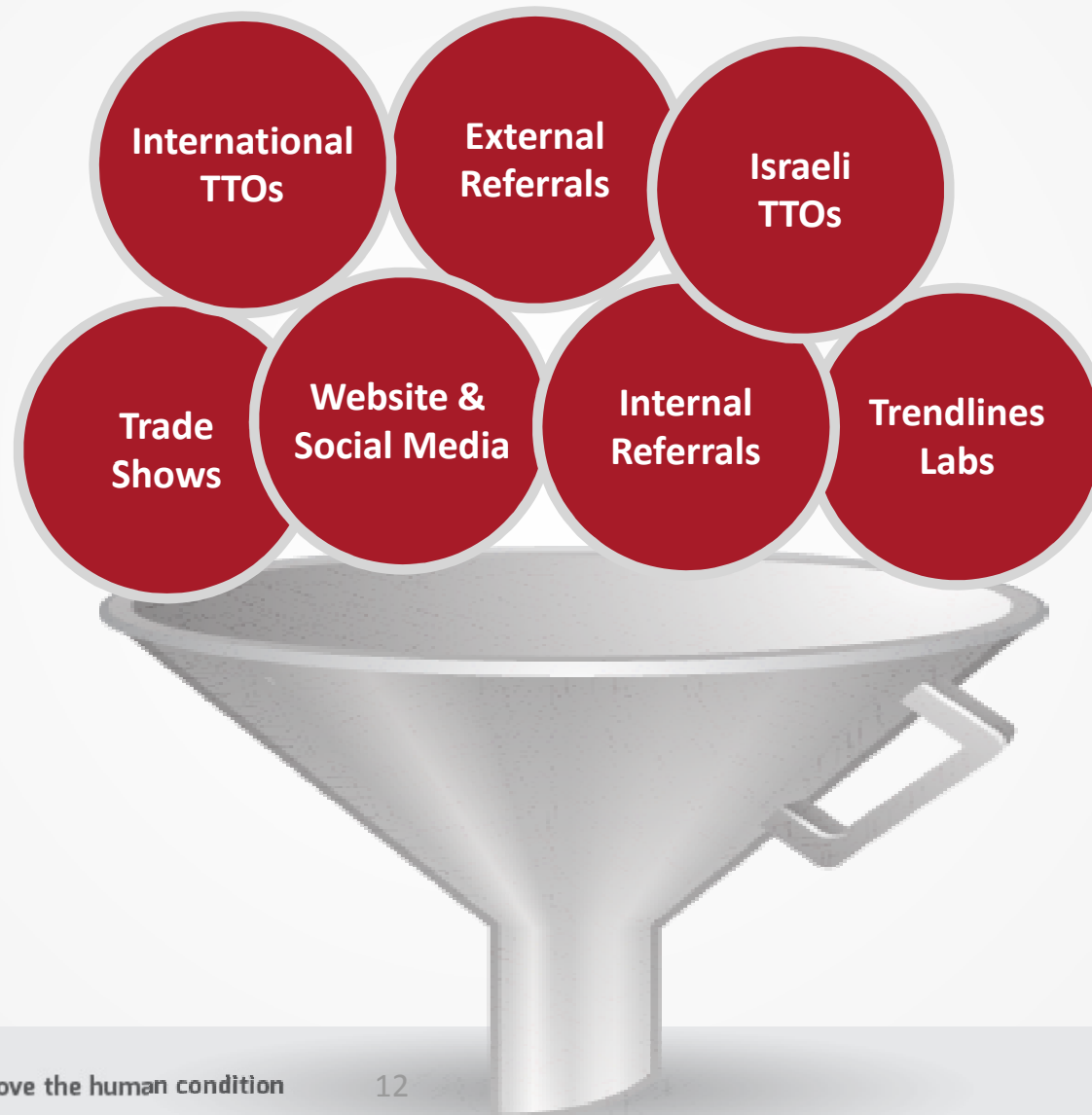
### III. Business Model: Deal Flow Process



# Trendlines' Business Model: Birth to Success at High Speed



# Trendlines' Deal Flow Sources



# Trendlines: Deal Flow Criteria





# Trendlines' Investment Process: From Screening to Investing

Trendlines screens about 500 opportunities every year.



~8-10 new company investments annually in Israel  
+ Trendlines Medical Singapore new company investments annually (starting 2017)

## IV. Stock Information



# Trendlines: Stock Overview



As at 3 November 2016	SGD
Last Price	0.171
IPO Price	0.330
52-Wk High	0.395
52-Wk Low	0.133
Market Cap	87.0 million
Shares Outstanding	508.8 million
Free Float	358.1 million

Trendlines Traded in U.S.	
ADR	1:50
OTCQX International	TRNLY

# V. Upcoming Events



# Targeted IR Programming: Communicating Trendlines Model

- 6 December 2016: LD microcap conference in Los Angeles
- 19-23 December 2016 : Asia company roadshow
- 6 January 2017: 8<sup>th</sup> Annual “Scaling New Heights” Asia Investment Forum
- 30-31 January 2017: Noble Securities Small Cap Investment Conference in Boca Raton, Florida
- 29 March 2017: Company Showcase (Israel)



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