

26 April 2024

Thruvision Group plc

Year-end trading update

Thruvision (AIM: THRU, “Thruvision” or the “Group”), the leading international provider of walk-through security technology, today publishes a trading update for the financial year ended 31 March 2024 (“FY24”).

- Revenue is expected to be in the order of £7.8 million (FY23: £12.4 million), made up primarily by Entrance Security, new Customs agency sales and Retail Distribution.
- Adjusted gross margin* remained strong and improved to 53.0% (FY23: 51.5%).
- The revenue reduction can be attributed to the previously announced lack of further significant orders from US Customs and Border Protection (CBP) in FY24.
- Adjusting for the impact of this single customer, revenue growth was 85% to £7.6 million (FY23: £4.1 million) on a like-for-like basis, demonstrating strong broad-based growth in demand for our solutions.
- US Transportation Security Administration (TSA) has recently changed its policy to require increased security screening of aviation employees, which has led to a meaningful pick-up in sales enquiries which we expect to lead to new sales in FY25.
- Approximately 70% of revenue came from the Group’s existing customer base, most of whom were upgrading to our WalkTHRU solution.
- Adjusted EBITDA loss* is expected to be in the region of £2.5 million (FY23: loss of £0.2 million), which is in line with market expectations.
- Cash balance on 31 March 2024 was £4.1 million (31 March 2023: £2.8 million). The Group has no debt.

Colin Evans, Chief Executive, commented:

“Almost all demand we are now experiencing is for our WalkTHRU technology where our latest AI-based image processing software is further strengthening our market leadership.

The very strong revenue growth we achieved from customers outside of US Customs and Border Protection (CBP) is encouraging. In particular, the worsening geopolitical climate resulted in very strong interest from the Entrance Security market, a trend we expect to see continue. The Group’s multi-year CBP framework purchasing agreement remains in place for when Congressional funding support returns and recent policy changes are now driving demand from US Aviation.

The fact that we are, post COVID, once again operating in four distinct end markets underpins our confidence in our future growth and our expectation that we will reach profitability in the short-term.”

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About Thruvision (www.thruvision.com)

Thruvision is the leading developer, manufacturer and supplier of advanced AI-based walk-through security technology internationally. Its technology is deployed in more than 20 countries around the world by government and commercial organisations in a wide range of security situations, where large numbers of people need to be screened quickly, safely and efficiently. Thruvision's patented technology is uniquely capable of detecting concealed objects in real time using advanced AI-based detection algorithms.

The Group's offices are near Oxford and Washington DC.

* Adjusted EBITDA loss is defined as statutory operating loss before depreciation and amortisation, share based payments and impairment of intangible assets. Adjusted gross margin is defined as the statutory gross margin excluding production overheads.