

THRUVISION

FY2024
Full year results

28 June 2024

Headlines

1



Broadening demand from all 4 market sectors

Underlying growth of 85% in revenues to £7.6 million (FY2023: £4.1 million), excluding CBP

2



Strengthening customer relationships

Existing customers delivered 70% of revenues – most upgrading to latest WalkTHRU technology

3



Expanding via strategic sales partnerships

Strategic partnership with Sensormatic announced, giving us substantial reach into international retailer market

4



Continued product innovation

Excellent progress on WalkTHRU with new product design and AI functionality designed to increase competitiveness

Financial headlines

Financial

	FY24 £m	FY23 £m
Revenue	7.8	12.4
Adjusted gross profit	4.1	6.4
Adjusted gross margin	53.0%	51.5%
Adjusted EBITDA loss	(2.5)	(0.2)
Adjusted loss before tax	(3.0)	(0.8)

▼ **Overheads**

Effectively flat with PLC, property and FX increases offset principally by reduced bonus

▼ **Cash**

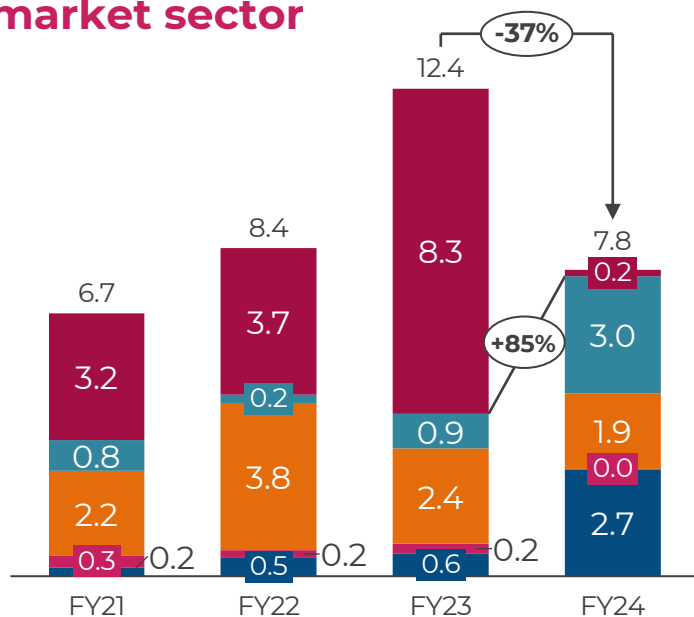
At 31 March 2024 was £4.1 million (31 March 2023: £2.8 million)

▼ **£3.2 million gross proceeds**

Raised on 26 October 2023 including strategic investment from Pentland Group, which now holds a 10% stake

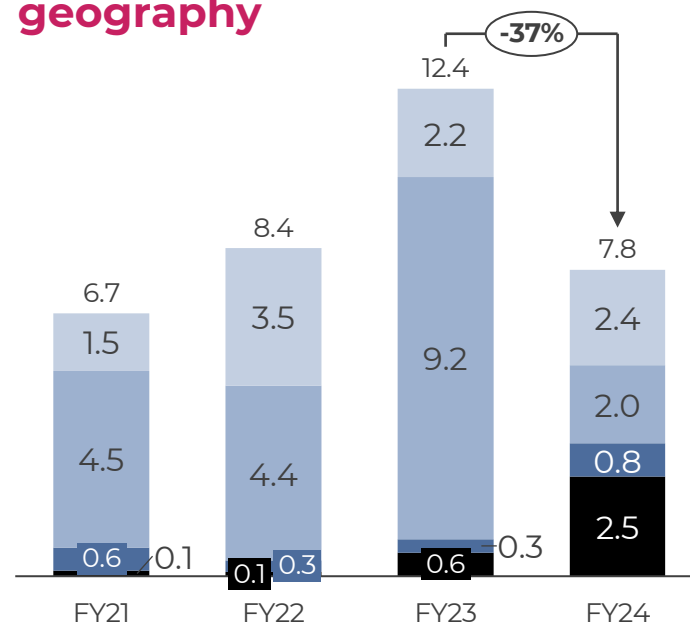
Financial headlines

Revenue by market sector



- Customs - CBP
- Customs - excl CBP
- Retail distribution
- Aviation
- Entrance Security

Revenue by geography



- UK and Europe
- Americas
- Middle East and Africa
- Asia Pacific

Strategic update

Proven market sectors with combined Total Addressable Market of many 1,000s of units



**Retail
Distribution**



**Customs
Agencies**



**Entrance
Security**



Aviation

Multiple flagship customers across all markets and geographies with key validation points



Scalable business model



**Strong Gross Margin and
leverageable cost base**



**Leading technology with
active R&D programme**



**Scalable production
capabilities with
mature supply chain**

Focus now on scaling sales through partnerships

Global

Sensormatic
by Johnson Controls

*Future strategic
partners*

Regional

Thailand

Indonesia

Philippines

Gulf States

Others

France

Spain

Nordics

Italy

Greece

Retail Distribution

With strong presence with UK retailers established, we are increasingly working with Sensormatic and global 3PLs to extend reach to largest addressable market

UK DIRECT SALES

- ▼ **Challenging market**
Retailers facing many challenges including employee theft
- ▼ **Headline wins**
We continue to add new name customers where there is an acute need (eg major sports apparel manufacturer in US, household name grocer/department store in UK)
- ▼ **Steady order flow**
Mostly from existing customers purchasing upgrades
- ▼ **Refocusing resource**
Focusing on Sensormatic and focusing on the bigger logistics players where scale of purchase is significantly higher albeit at keener pricing

SENSORMATIC

- ▼ **Strategic Sales Partnership**
We are providing Sensormatic with a value-add upsell proposition to take to its global customer base
- ▼ **Joint focus is on EU first with US now following**
Multiple sales training and joint customer engagements now successfully completed
- ▼ **Promising pipeline built**
Multiple qualified leads with some of EU's largest retailers

Sensormatic

by Johnson Controls

"Loss Prevention and Liability

Our innovative solutions are designed to help retailers protect their merchandise, prevent shrink and fight the threats posed by retail crime—while still delivering a frictionless experience for shoppers. Sensormatic is on the forefront of loss prevention innovation that also delivers greater visibility into shrink and improves operational efficiency."

3PLs

- ▼ **GXO**
Continue to see steady order flow as we equip various high-loss DCs across UK and EU
- ▼ **Global 3PL**
Significant amount of strategic rollout planning in EU and US, with major country level paid for pilot due to start imminently
- ▼ **Other major opportunities**
Close to starting a major, multi-country pilot with leading global player, focused on demonstrating a return on investment while treating employees respectfully

Customs Agencies

Two new customers signed, bringing to eleven Customs Agencies using Thruvision

- ▼ **Thai Customs** - being deployed at four airports and several crossings on the northern border. Future fleet expansion likely
- ▼ **Dominican Republic Customs** - deployed at 4 airports

Existing customers

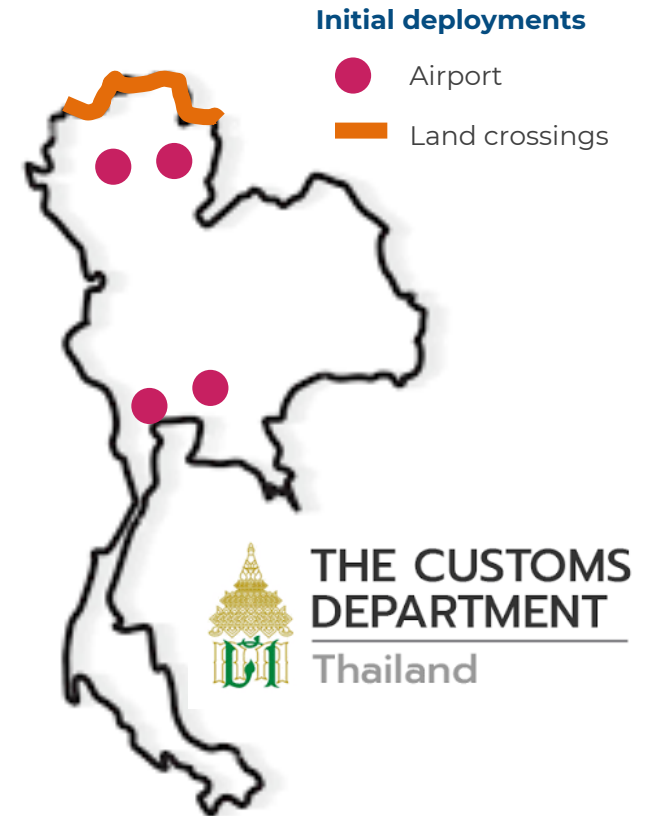
- ▼ **Philippines Port Authority** – further purchase in FY24 based on operational successes, with future fleet expansion likely

Ongoing engagement with CBP with purchasing framework in place until Sept 2026

- ▼ Political environment challenging, with lack of border funding a major issue
- ▼ We continue to provide technical and training support to maintain capability

New customers

- ▼ Appointing new Value-Added Resellers which count Customs Agencies among their key customers



Entrance Security

Increasing geopolitical tensions have stimulated good progress in Entrance Security, where we are engaged in many different situations across the world

- ▼ **Sites of national significance**
VVIP site in Middle East
- ▼ **Corporate headquarters**
Bank headquarters in southern Africa
- ▼ **Critical National Infrastructure**
High Security EU government site
- ▼ **Military checkpoints**
WalkTHRU lane into high profile Middle East location
Ongoing discussions with US DoD
- ▼ **Prisons**
Further sales into EU Prison Service for “pop-up” screening inside prison

2017 - 2023



2024



Sales pipeline additional to 2024



Aviation

TSA National Mandate forcing investment by US airports in Aviation Worker Screening technology

- ▼ **TSA requirements** - mean airports will require new technology which provides
 - Explosives detection capability
 - Mobile and redeployable
- ▼ **Credentials** - we are very well placed to meet these requirements, and our technology has been
 - Listed in TSA's Aviation Worker Screening Toolkit
 - Successfully tested at San Diego Airport by the National Safe Skies Alliance, a US aviation industry not-for-profit
- ▼ **Timescales** – airports required to submit plans for TSA approval in Autumn this year with deadlines for full implementation in subsequent 18 months
- ▼ **Existing customers** – actively discussing upgrading to latest Thruvision technology
- ▼ **New customers** – marketing campaign underway and sales partnerships being explored
- ▼ **Passenger accreditation process** – no further progress given TSA focus is on completing rollout of new passenger bag CT scanners



THRUVISION KELLY HOBBAN
AVIATION SECURITY EXPERT

TSA NATIONAL AMENDMENT MANDATE FOR AVIATION WORKER SCREENING
TSA-NA-23-02

HOW THRUVISION CAN HELP AIRPORTS COMPLY WITH THE MANDATE

UNDERSTANDING THE NA MANDATE
"The TSA NA Mandate requires a pivotal shift in airport security protocols, with the implementation of stringent measures to enhance security. A key requirement is the implementation of the Explosive Detection Screening Equipment (EDSE) Plan."

PURPOSE OF THE NA MANDATE
To mitigate persistent vulnerabilities in US airports
To meet new ICAO standards
Enable "One-Stop" for specific airports
Recommended by TSA Aviation Security Advisory Committee & US Government Accountability Office

KEY CONSIDERATIONS
Around two million US aviation works have unrestricted access to security restricted areas
Regularly screening these workers could cause a significant burden
Airports need new equipment to meet the NA Mandate in an affordable and effective way

KEY TIMELINE
"Initial phase to gather data, assess needs and incorporate into the EDSE implementation plan which needs to be implemented by Spring 2026."
SEPTEMBER 2023
Airports to begin employee screening to include physical search of person and property, and identification checks
Q4 2023
Deadline for airport stakeholders to complete and submit "Aviation Worker Screening Assessment" directly to TSA.
OCTOBER 2024
Explosive Detection Screening Equipment (EDSE) Plan due to be submitted to airport's Federal Security Director for approval
APRIL 2026
Deadline for implementing EDSE Plan for each airport

THRUVISION.COM MAY 2024

Product roadmap

Continued excellent progress in developing all areas of technology to maintain competitive advantage and deliver value

Unique patented technology...

Fully mature, patented modular sensor platform operating at 250GHz



Enabling manufacturing **economies of scale** and **stock level efficiency**

Next generation **image processing software** benefiting from latest AI developments



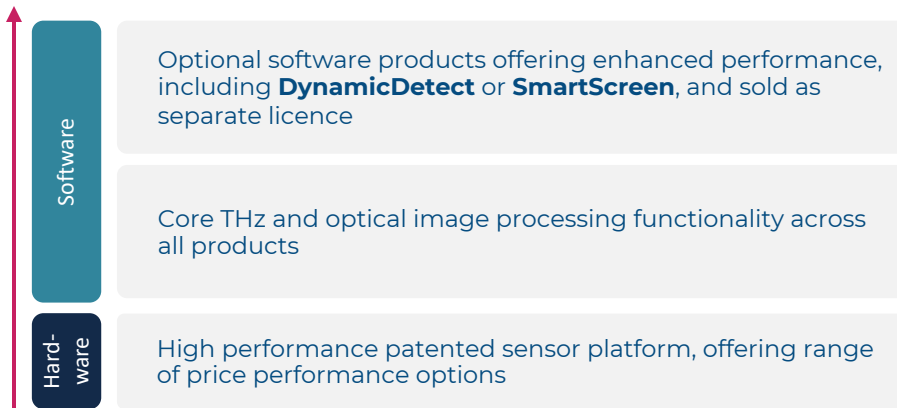
Focus on improving **WalkTHRU performance** for specific market sectors

New **product design** to simplify and extend range



Improving **aesthetics and ease of us**, and reduced cost

... with tailored software for each market sector



70 Series

71 Series

81 Series

New design to be launched in Autumn 24



Initially focused on Aviation market

Outlook

The leading provider of walk-through security technology

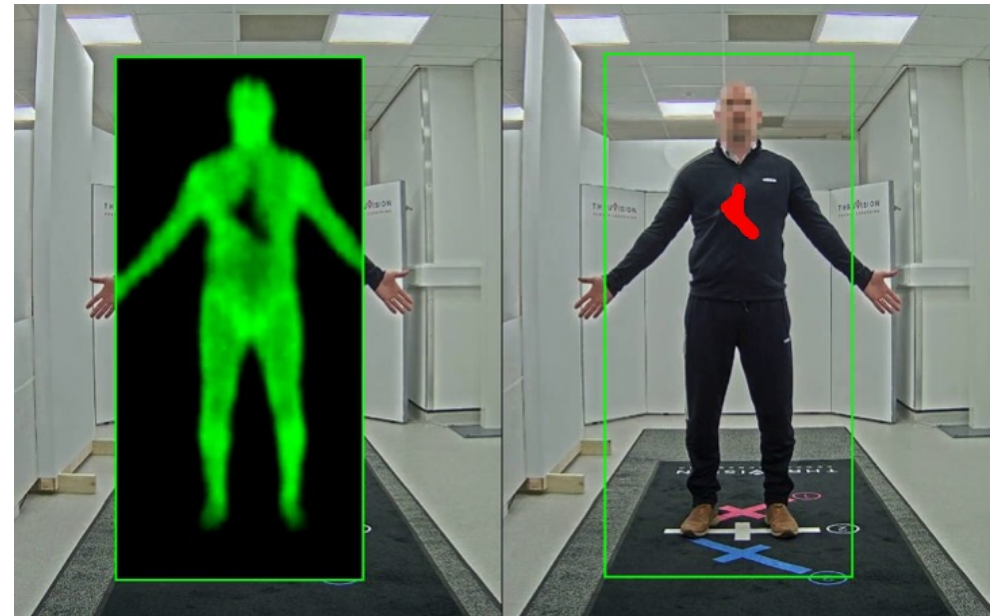
- ▼ **Broadening demand** – with activity in all four of our market sectors, building on FY2024's strong underlying revenue growth
- ▼ **Customer satisfaction** – continuing to ensure high levels of repeat customer revenue through excellent support and new product innovation
- ▼ **Strengthening sales partnerships** – working with Sensormatic and others to access more customers more quickly to accelerate sales
- ▼ **Competitive advantage** – maintaining market-leadership through further new product releases in our WalkTHRU range
- ▼ **Sales pipeline** - points to activity levels in FY25 back towards those achieved in FY2023, leading to our goal of sustainable profitability and positive cash flow generation

Introductory slides

Thruvision

The leading provider of walk-through security technology

- ▼ **Patented technology** uniquely capable of detecting items hidden in clothing in real time
- ▼ **Non-metallic** as well as metallic items detected
- ▼ **Deployed internationally** by government and commercial organisations
- ▼ **Quickly, safely and efficiently** security screen large numbers of people in wide range of security situations
- ▼ Sales and manufacturing facilities in the **UK and US**



Thruvision sees a person's body heat through clothing

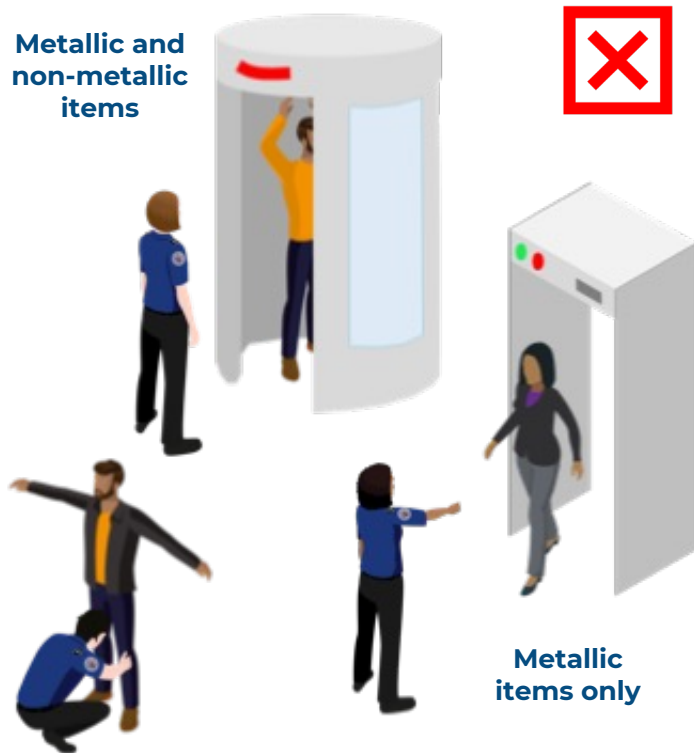
Concealed items block that heat allowing the camera to see them

Advanced AI algorithm provides further capability

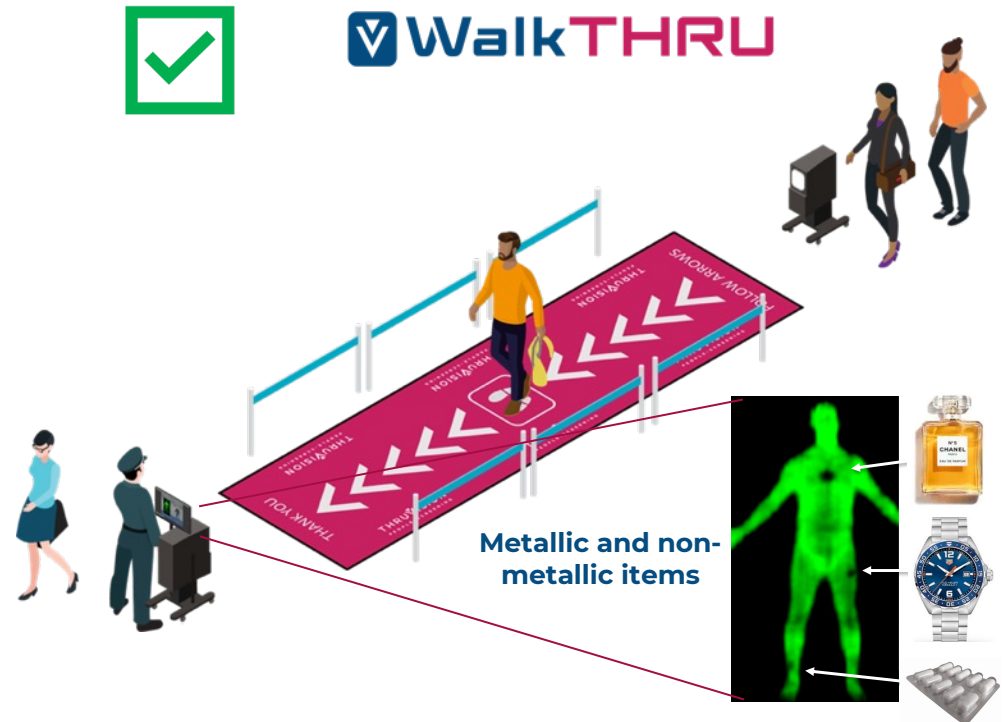
Market context

Faster and more effective than existing technology, with the additional benefit of completely removing the need for physical “pat-downs”

Slow and ineffective current search procedure



Effective security screening using Thruvision



Technology

Patented Terahertz technology with some \$50m of investment over the last 20 years



Latest 81 Series being launched in Autumn 24, initially focused on the Aviation market

- ▼ **Passive technology** operating at 250GHz, giving significant performance advantages
- ▼ **Modular sensor platform**, based on deep THz engineering expertise, delivering a range of products
- ▼ **AI-based image processing** software and very active R&D roadmap, offering potential for further monetisation moving forwards
- ▼ **Patent protection** covering all major geographies of interest
- ▼ **Full manufacturing** capability in UK and US, with strong non-Asia based supply chain
- ▼ **Little** direct competition

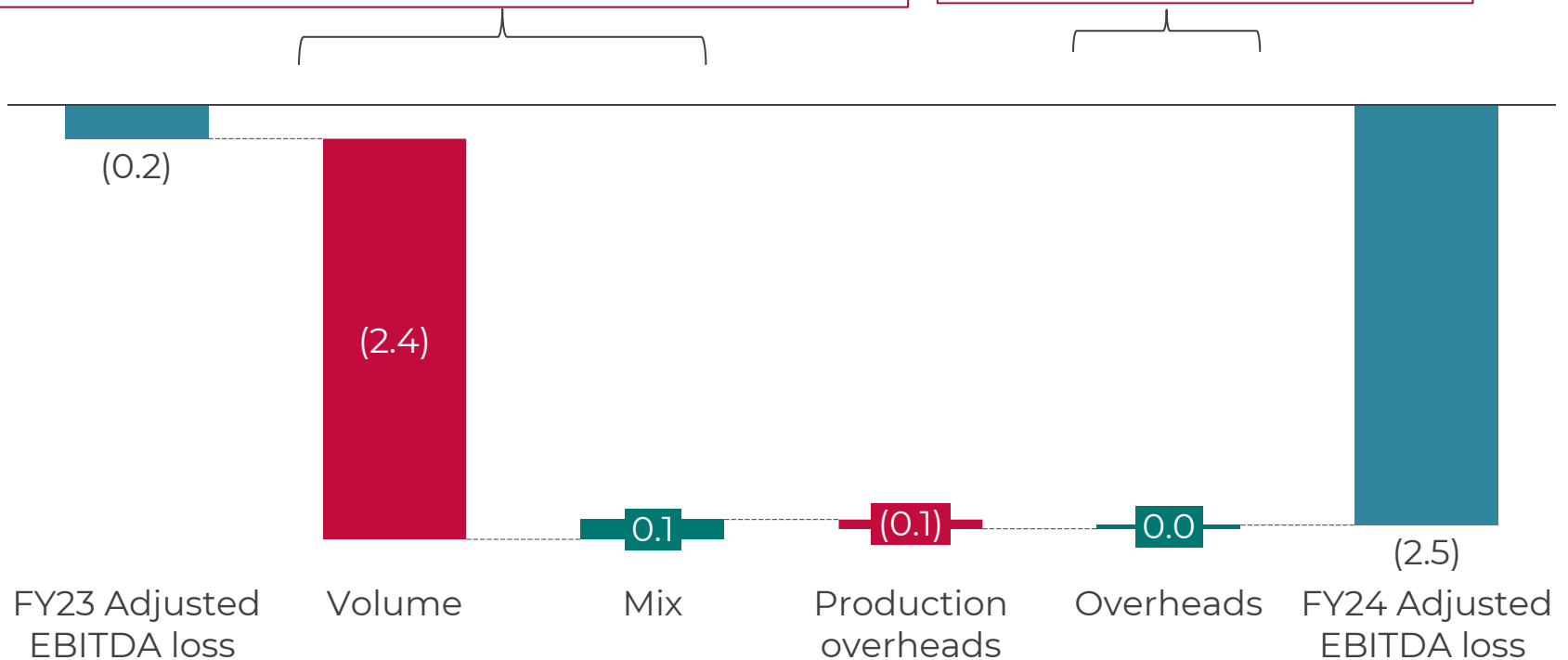
Detailed financials

Financial performance

Adjusted EBITDA loss

Adjusted gross profit down £2.3m
Adjusted gross margin 53.0% up 1.5bps
Mix driven by product.

Lower bonus down £0.4m
Sales & marketing down £0.1m
Management down £0.1m; offset
Adverse FX up £0.3m
Property/admin up £0.2m
PLC costs up £0.1m

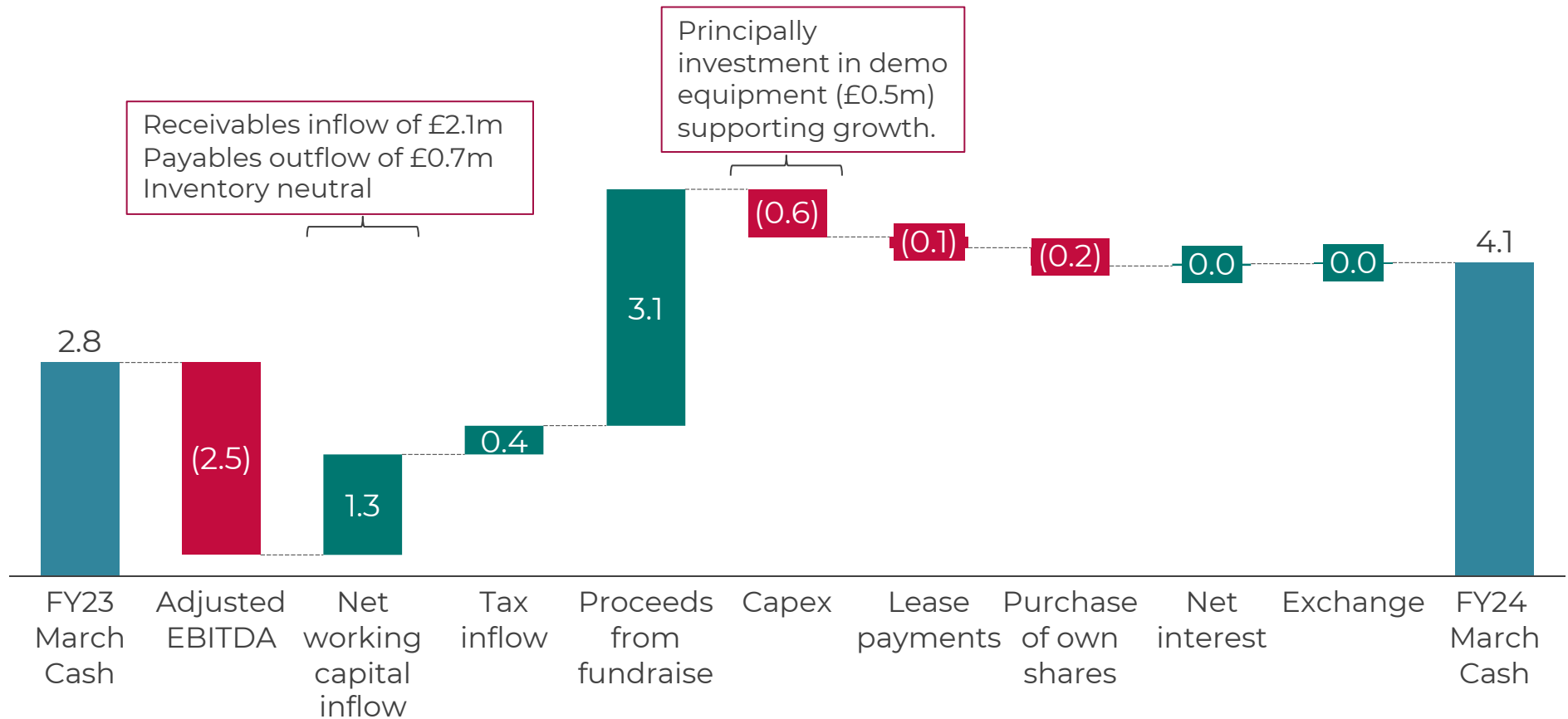


Note

- Adjusted gross profit is defined as Statutory gross profit excluding production overheads
- Adjusted EBITDA is defined as Statutory operating profit excluding D&A, share based payments and impairment of intangibles.

Financial performance

Cash flow and working capital





THRUVISION

Colin Evans

Chief Executive

Thruvision Plc

121 Olympic Avenue

Milton Park

Abingdon

Oxon, OX14 4SA

t: +44 (0) 1235 425400