

14 October 2024

Thruvision Group plc Half year trading update and Board changes

Thruvision (AIM: THRU, “Thruvision” or the “Group”), the leading international provider of walk-through security technology, today publishes a trading update for the six months ended 30 September 2024 (“H1 2025”) and announces changes to the Board.

H1 Trading

Revenue is expected to be £1.9 million (H1 2024: £3.5 million). The current order backlog is £0.3 million and is forecast to be delivered during the second half of the year (H1 2024: £1.0 million). The sales pipeline contains significant tenders, some of which are expected to contribute to second half revenues.

Cash at 30 September 2024 was £1.8 million (30 September 2023: £2.4 million) and trade receivables were £0.9 million (30 September 2023: £2.6 million). The Group has an undrawn overdraft facility of £0.95 million available for working capital requirements.

In line with the Group’s previously announced strategy, we now have approximately 85% of revenue in the period deriving from Retail Distribution sales, which doubled relative to the comparable period, and alongside healthy levels of repeat business, included orders from new customers John Lewis and DP World.

This was offset by the absence of any material Customs orders, whereas the comparable period benefitted from a single £1.9 million order from an Asian Customs agency. In Aviation, we achieved our first sale for aviation worker screening to a US regional airport since the Transportation Security Administration (TSA) issued its National Mandate on the subject, and customer interest levels remain elevated in this arena.

Outlook

Looking forward, we have a healthy pipeline across all our markets, with particularly significant near-term opportunities in Entrance Security and Retail Distribution. We are also seeing growth in our sales pipeline resulting from our recently signed channel partnership with Sensormatic, in particular, adding many opportunities across Europe. We intend to sign additional major channel partners in the future.

Besides the steady growth in smaller orders which characterised the first half, we are actively pursuing a number of very significant opportunities, any of which could materially extend our order backlog. Full year revenue will be dependent upon the timing of significant contract awards, which is unpredictable. However, inventory lead times mean that there is likely to be a modest slippage of revenue into the next financial year, such that the Board now expects revenue for the full year ending 31 March 2025 to be approximately £9 million (FY24: £7.8 million).

Board changes

Colin Evans, the Group’s CEO, has informed the Board that he wishes to leave the Group to further his non-executive directorship portfolio and, following discussion with the Board, he will leave the business at the end of October 2024.

Tom Black will take up the role of Executive Chairman and will manage the Group on a day-to-day basis until a permanent replacement can be appointed.

Tom Black, Executive Chairman, commented:

“It is gratifying to see good progress in Retail Distribution which has the potential to be our largest single market, but the overall reduction in revenues is disappointing. That said, our revenue base now derives from a broader range of customers which should smooth revenue volatility going forward.

“Much effort has been expended to enhance our sales capability in the past year, including new sales partnerships. We are encouraged by the quality of our pipeline, which contains a number of material opportunities, any one of which could be transformational. Converting these to revenue in a timely manner is our number one priority.

“Finally, I would like to thank Colin Evans for his enormous contribution to Thruvision over the past seven years, he has built a strong platform upon which we can now capitalise as we seek to convert these significant growth opportunities. We are sorry to see him go and wish him well for the future.”

Interim Results

The Group intends to publish its Interim Results on 24 October 2024.

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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.

Important information

This announcement may include statements that are, or may be deemed to be, ‘forward-looking statements’ (including words such as ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘anticipate’ and words of similar meaning). By their nature, forward-looking statements involve risk and uncertainty since they relate to future events and circumstances, and actual results may, and often do, differ materially from any forward-looking statements. Any forward-looking statements in this announcement reflect management’s view with respect to future events as at the date of this announcement. Save as required by applicable law, the Company undertakes no obligation to publicly revise any forward-looking statements in this announcement, whether following any change in its expectations or to reflect events or circumstances after the date of this announcement.