

THRUVISION

FY2025

**Results for the 6 months to
30 September 2024**

24 October 2024

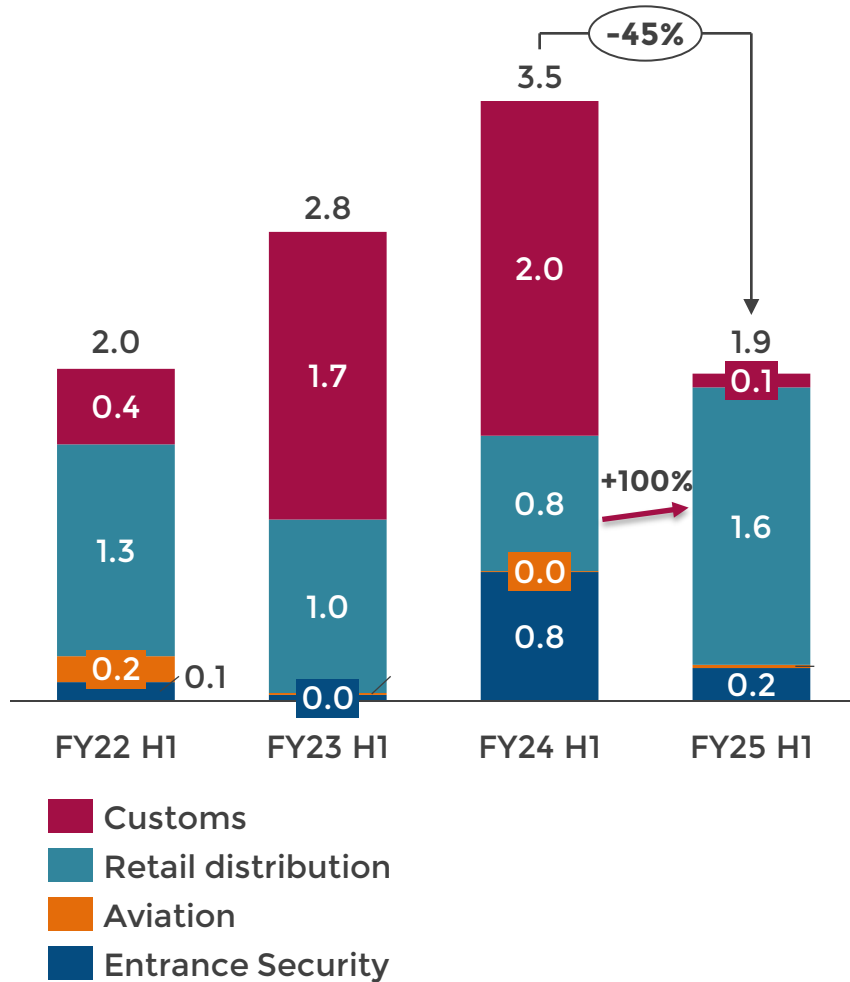
Headlines

Disappointing H1 revenue; although strong Retail Distribution progress

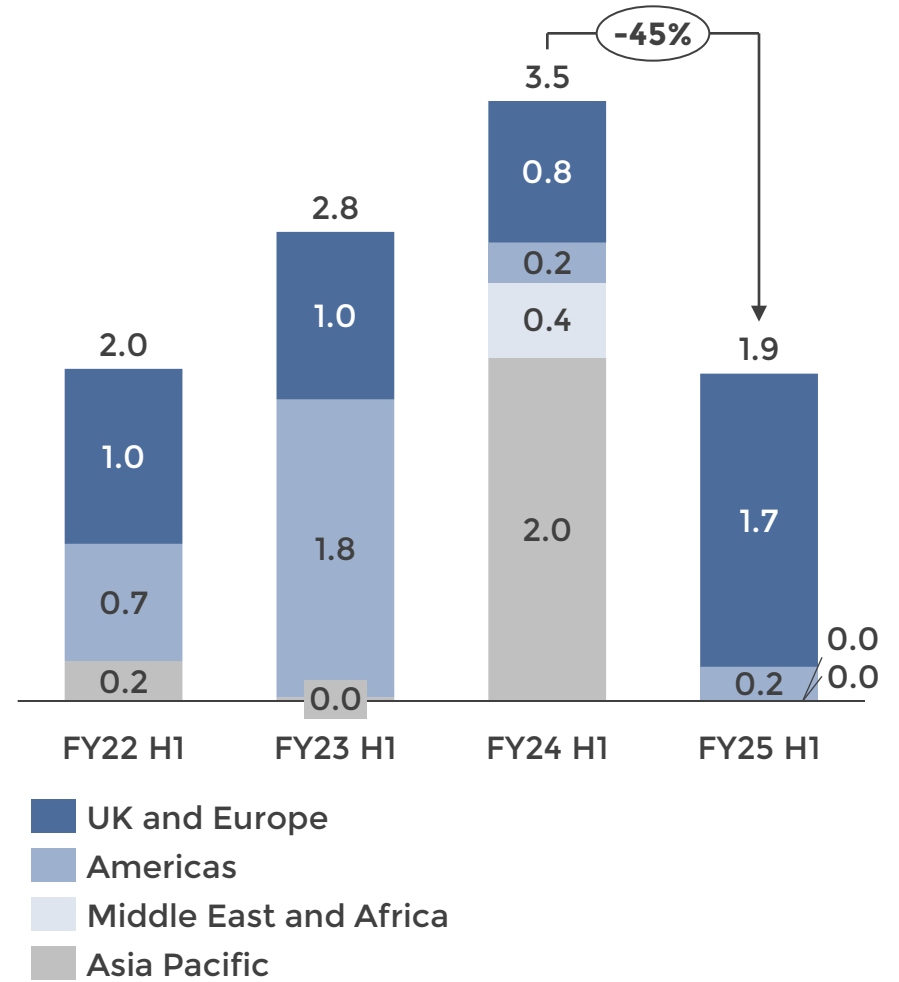
- ▼ **Revenue** – £1.9 million (H1 2024: £3.5 million)
- ▼ **Retail Distribution** – good progress, doubled to £1.6 million and comprised 85% of sales.
- ▼ **Customs/Entrance** – absence of material orders (H1 2024: one Customs order of £1.9 million).
- ▼ **Adjusted gross margin** - down 3.5pp to 50.4% (H1 2024: 53.9%) positive price mix in the prior period.
- ▼ **Adjusted EBITDA loss** – £2.1 million (H1 2024: loss £1.4 million).
- ▼ **Cash at 30 September 2024** was £1.8 million (31 March 2024: £4.1 million).
- ▼ **FY revenue expectations** expected to be approximately £9 million.

Top line performance

Revenue by market sector



Revenue by geography



Retail Distribution

Strong performance with revenue doubling year-on-year. 85% of H1 revenue derived from Retail Distribution.

- ▼ **Detection of inbound contraband now rivalling theft reduction as a key market driver** – concealed weapons and narcotics inbound as well as outbound theft add weight to the already compelling return on investment
- ▼ **New customers** – DP World, John Lewis Partnership and ID Logistics
- ▼ **Repeat customers** – include GXO, global 3PL and Adidas
- ▼ **Major trials underway** – one global third-party logistics provider and one global online retailer
- ▼ **Sensormatic (specialist provider to the retail sector globally)** – growth in our sales pipeline has resulted from this recently signed partnership, in particular adding opportunities in UK/Europe
- ▼ **Healthy pipeline** – significant near-term opportunities with new customers, repeat opportunities with existing customers combined with new Sensormatic pipeline

Customs Agencies

Progress with two new customers signed in FY24

- ▼ **Thai Customs** - being deployed at four airports and several crossings on the northern border. Future fleet expansion likely
- ▼ **Dominican Republic Customs** - deployed at four airports with major seizures now reported - see image on right.

Existing customers

- ▼ **Philippines Port Authority** - further purchase in FY24 based on operational successes, with future fleet expansion likely
- ▼ **Eleven Customs Agencies** now using Thruvision

Value-Added Resellers

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



Image shows single seizure of mobile phones in the Dominican Republic



Entrance Security

Limited orders in the half year, with timing of projects hard to predict

Typical Entrance Security sites include:

- ▼ Sites of national significance
 - VVIP sites
- ▼ Corporate headquarters
 - Bank headquarters
- ▼ Critical national infrastructure
 - High security government sites
- ▼ Military checkpoints
- ▼ Prisons

Pipeline

- ▼ Our single largest opportunity resides in this market
- ▼ Significant further interest from Prisons across Europe
- ▼ Opportunities through VARs starting to contribute to pipeline

Sales pipeline FY25



Aviation

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

- ▼ **TSA Mandate** - 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** - first order placed under the new Mandate combined with increasing interest from a number of other airports.
- ▼ **Passenger accreditation process** - no further progress given TSA focus is on completing rollout of new passenger bag CT scanners

An infographic titled "THRUVISION" and "TSA NATIONAL MANDATE FOR AVIATION WORKER SCREENING" by Kelly Hobban, Aviation Security Expert. It features a portrait of Kelly Hobban and provides a detailed overview of the TSA mandate. The infographic is divided into several sections: "HOW THRUVISION CAN HELP AIRPORTS COMPLY WITH THE MANDATE", "UNDERSTANDING THE NA MANDATE", "PURPOSE OF THE NA MANDATE", "KEY CONSIDERATIONS", "KEY TIMELINE", and "SAFE SKIES". The timeline includes dates from August 2018 to May 2019, detailing the requirements for airports to submit plans, conduct screenings, and implement the mandate. The infographic also mentions that the mandate requires a physical shift in airport security procedures and that airports need to invest in new equipment to meet the requirements. The infographic is presented in a dark blue and white color scheme with a red triangle behind the author's portrait.

THRUVISION KELLY HOBBAN
AVIATION SECURITY EXPERT

TSA NATIONAL 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 physical shift in airport security procedures, with the implementation of airport measures to enhance security. A key requirement is the implementation of the Explosives Detection Screening Equipment (EDSE) Plan."

PURPOSE OF THE NA MANDATE

To mitigate potential 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 unsecured 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

AUGUST 2018
"Work groups to gather data, assess needs and incorporate into the EDSE implementation plan which needs to be implemented by Spring 2019."

SEPTEMBER 2018
Airports to begin employee screening to include physical search of persons and property, and identification checks.

DECEMBER 2018
Deadline for airport stakeholders to complete and submit Aviation Worker Screening Assessment (AWSA) to TSA.

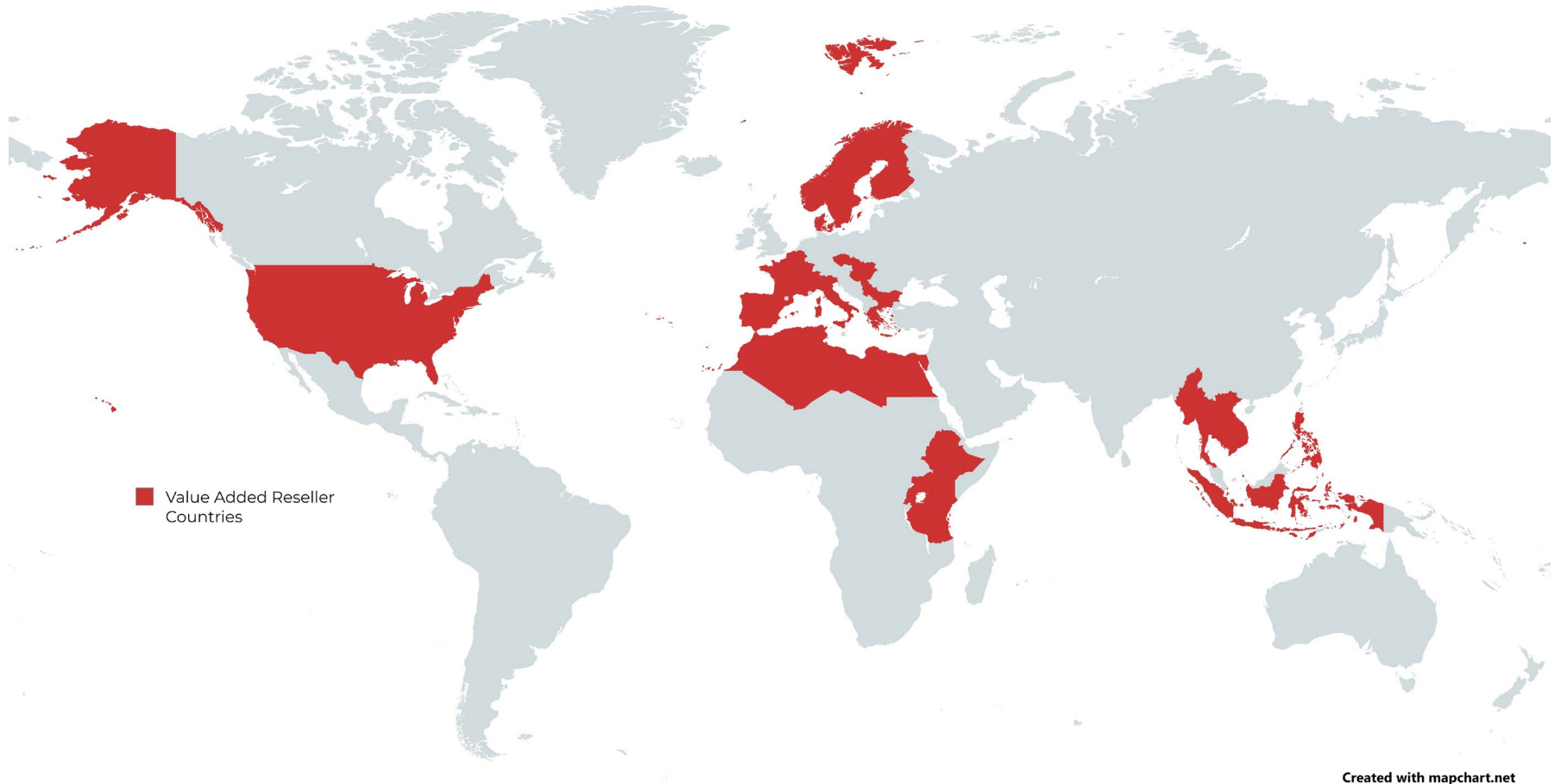
OCTOBER 2018
Explosive Detection Screening Equipment (EDSE) Plan due to be submitted to airport. Enders Security Director for approval.

APRIL 2019
Deadline for implementing EDSE Plan for each airport.

THRUVISION.COM MAY 2019

Value Added Resellers

Existing countries covered are shown below



- ▼ 10 VARs appointed, in addition to Sensormatic, with sales pipeline strengthened by new leads not accessible to Thruvision previously. We intend to sign additional channel partners in the future.

Product roadmap

Continued excellent progress in developing all areas of technology to maintain competitive advantage and drive upgrades

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 use, and reduced cost

... with tailored software for each market sector

Software

Optional software products offering enhanced performance, including **DynamicDetect** or **SmartScreen**, and sold as separate licence

Core THz and optical image processing functionality across all products

Hardware

High performance patented sensor platform, offering range of price performance options

71 Series launched in Feb-24 with particular focus on Retail Distribution segment

TSA co-developed product launched in 2017



70 Series

71 Series

81 Series

New design to be launched in Spring 25



Initially focused on Aviation market

Outlook

The leading provider of walk-through security screening solutions

- ▼ **FY revenue expectations of £9m**
- ▼ **Healthy pipeline** – across all markets with particular near-term opportunities in Entrance Security and Retail Distribution.
- ▼ **Strengthening sales partnerships** – Value Added Resellers in early stages of relationships and expected to yield increased volumes of opportunities.
- ▼ **Inbound and outbound in Retail Distribution** – leveraging the increasing focus in the markets on weapons and drugs inbound as well as theft outbound.
- ▼ **US employee screening in Aviation** – leverage existing interest to grow pipeline.
- ▼ **Continuing to innovate with new variants** – reduce build costs and focus on price points and performance appropriate for customers.

APPENDIX

Financial summary

	H1 FY25 £m	H1 FY24 £m
Revenue	1.9	3.5
Adjusted gross profit	1.0	1.9
Adjusted gross margin	50.4%	53.9%
Adjusted EBITDA loss	(2.1)	(1.4)
Adjusted loss before tax	(2.4)	(1.6)

▼ **Overheads**

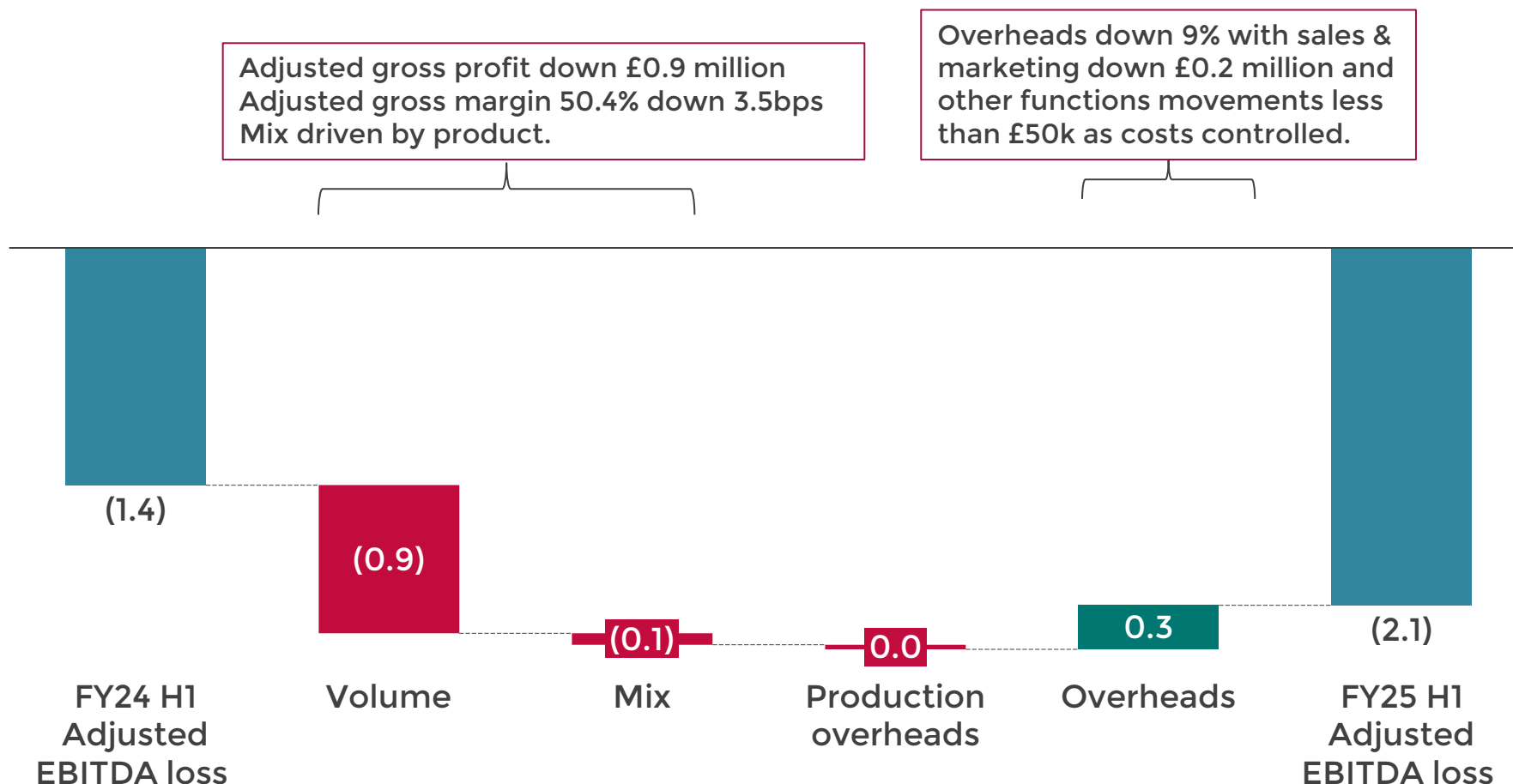
Down £0.3 million driven by lower sales and marketing costs, with salary inflation absorbed by reductions elsewhere.

▼ **Cash**

At 30 September 2024 was £1.8 million (31 March 2024: £4.1 million).

Financial performance

Adjusted EBITDA loss

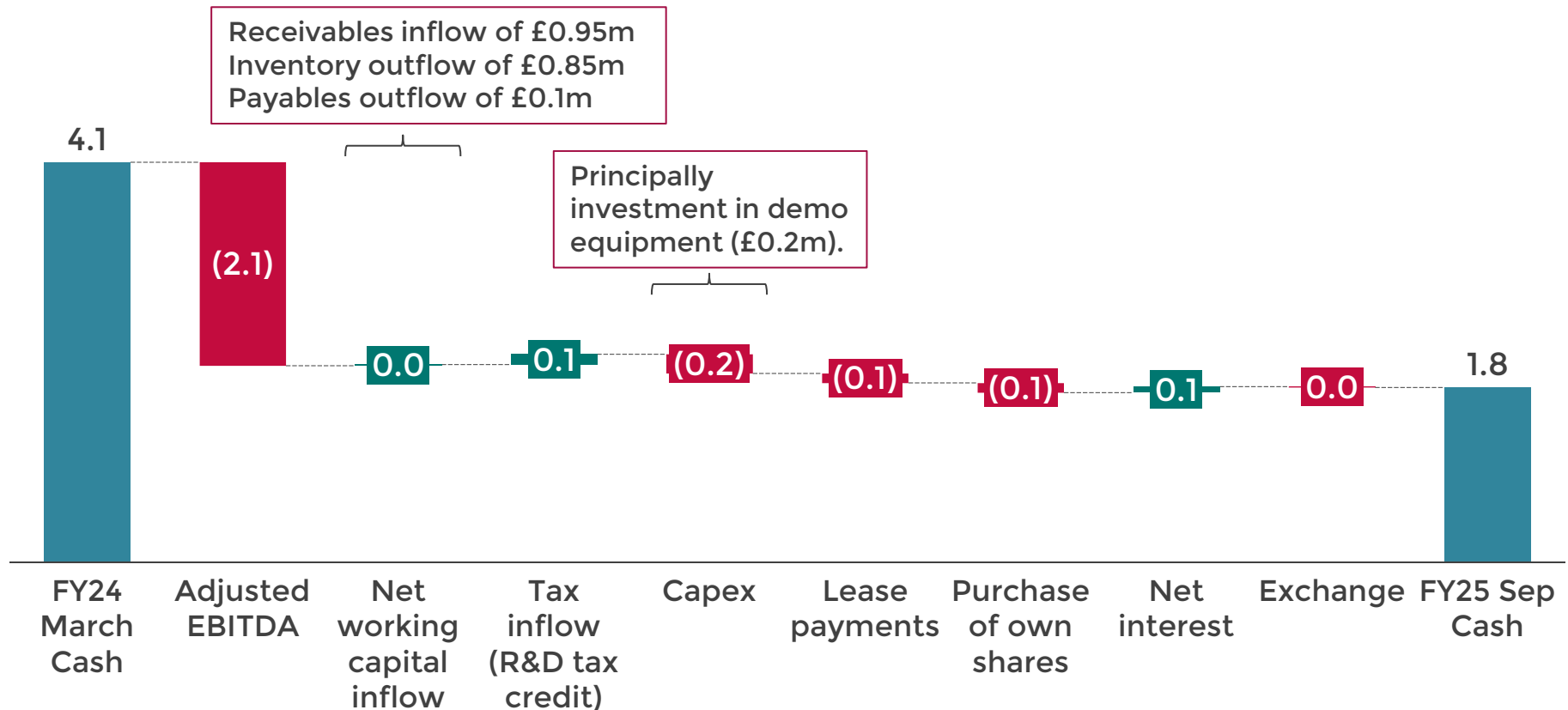


Note

- 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.

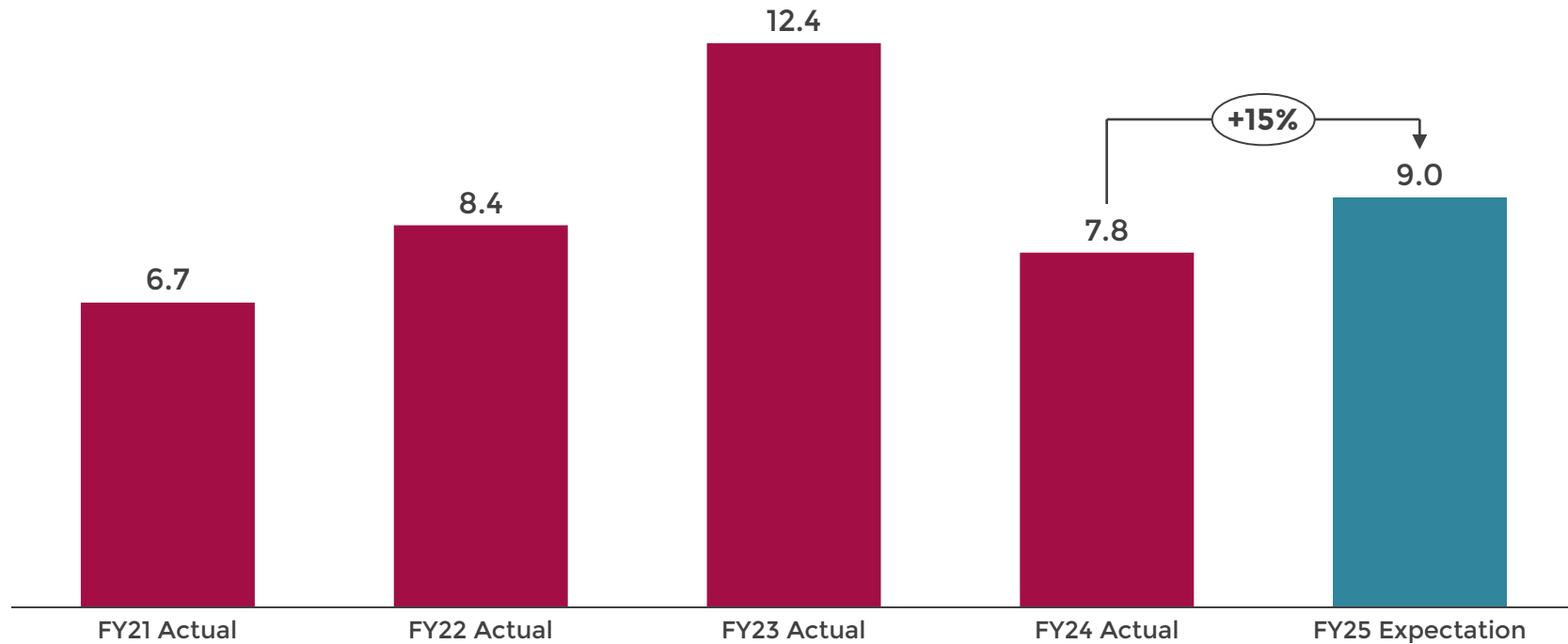
Financial performance

Cash flow and working capital



Financial performance

FY Revenue outlook



THRUVISION

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