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Thruvision Group PLC
24 October 2024

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Thruvision Group plc

Interim Results

Thruvision Group plc (AIM: THRU, "Thruvision" or the "Group"), the leading provider of walk-through security technology, today announces unaudited results for the six months ended 30 September 2024 (H1 2025 financial year - H1 2025).

Highlights

- Revenue of £1.9 million (H1 2024: £3.5 million).
    - Retail Distribution revenue doubled to £1.6 million (H1 2024: £0.8 million) and comprised 85% of revenue.
    - Customs revenue of £0.1 million (H1 2024: £2.0 million) reflected the absence of any material Customs orders, comparable period benefitted from a single £1.9 million order from an Asian Customs agency.
    - Entrance Security revenue of £0.2 million (H1 2024: £0.8m).
- Adjusted gross margin[1] down 3.5pp to 50.4% (H1 2024: 53.9%) reflecting the positive price mix in the prior period.
- Adjusted EBITDA[1] loss of £2.1 million (H1 2024: loss of £1.4 million).
- Cash at 30 September 2024 was £1.8 million (31 March 2024: £4.1 million).
- Order backlog currently at £0.5 million with a healthy pipeline across all markets and with significant near term opportunities in Entrance Security and Retail Distribution.
- The Board expects revenue for the full year ending 31 March 2025 to be approximately £9 million.

	H1 2025 Unaudited £m	H1 2024 Unaudited £m	Change
Adjusted measures[1]:			
Adjusted gross profit	**1.0**	1.9	(49%)
Adjusted gross margin	**50.4%**	53.9%	(3.5pp)
Adjusted EBITDA loss	**(2.1)**	(1.4)	(51%)
Adjusted loss before tax	**(2.4)**	(1.6)	(45%)
Statutory measures:			
Revenue	**1.9**	3.5	(45%)
Gross profit	**0.7**	1.6	(59%)
Gross margin	**34.0%**	45.7%	(11.7pp)
Operating loss	**(2.5)**	(1.6)	(61%)
Loss before tax	**(2.5)**	(1.6)	(58%)

[1] Alternative performance measures ('APMs') are used consistently throughout this announcement and are referred to as 'adjusted'. These are defined in full and reconciled to the reported statutory measures in the Appendix on page 16.

Commenting on the results, Tom Black, Executive Chairman of Thruvision, said:

"Although our overall reduction in Group revenues is disappointing, our strategy remains unchanged as we seek to build on our international position as a leading provider of walk-through screening solutions. It is gratifying to see good progress in Retail Distribution which has the potential to be our largest single market and our revenue base now derives from a broader range of international customers which should smooth revenue volatility going forward.

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

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About Thruvision

Thruvision is the leading developer, manufacturer and supplier of walk-through security technology. 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 an advanced AI-based detection algorithm. The Group has offices and manufacturing capabilities in the UK and US.

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.

Interim report

Headlines

Revenue was £1.9 million (H1 2024: £3.5 million). The current order backlog is £0.5 million and is expected to be delivered during the second half of the year (H1 2024: £1.0 million). The sales pipeline contains significant tenders, a number of which are expected to contribute to second half revenues. Cash at 30 September 2024 was £1.8 million (31 March 2024: £4.1 million) and trade receivables were £0.9 million (31 March 2024: £2.0 million).

In line with the Group's 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 pleasing progress in Retail Distribution was offset by the absence of any material Customs or Entrance Security orders, whereas the comparable period benefitted from a single £1.9 million order from an Asian Customs agency. In Aviation, we achieved our first order 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.

Strategic update

Our strategy remains unchanged as we seek to build on our position as a leading provider of walk-through screening solutions. Our detection performance, combined with high-throughput rates of people being screened remains class-leading. Our competitors mostly use active technology (i.e. they scan people with radiation) whereas our systems are passive which brings significant benefits in terms of regulatory compliance and acceptance.

Our systems are used principally for security applications and for the detection and deterrence of theft and contraband smuggling. The high-profile growth in security incidents throughout the world combined with high levels of lawlessness in most developed countries provides significant market drivers for our solutions. In Retail Distribution our principal mission has always been to detect and deter theft. However, we are now seeing "inbound" weapons and narcotics detection grow to rival theft reduction as a principal driver of demand in Europe as well as the US.

As we seek to scale the business, we have been appointing Value-Added Resellers (VARs) to complement our existing direct sales approach. So far, we have appointed 10 VARs in different geographic territories in addition to Sensormatic which is a specialist technology provider to the retail sector globally. Whilst these relationships are still at an early stage and yet to deliver increased revenue, our sales pipeline has many new leads which has increased our potential addressable market significantly.

The market for our technology remains strong globally and macro trends seem only to be driving additional demand. Our challenge is to grow our sales and marketing capability to match our technological excellence and, whilst we certainly have work do in this regard, it is now unequivocally our highest priority.

Current trading and 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 outturn is dependent upon the timing of significant contract awards, which is of course unpredictable. However, inventory lead times mean that there is likely to be a modest slippage of revenue into the next financial year, which is why the Board announced on 14 October 2024 that it expects revenue for the full year ending 31 March 2025 to be approximately £9 million (FY24: £7.8 million).

Operational review

We operate in four distinct markets where there is the need to detect, quickly and reliably, a range of different items being concealed in clothing. These markets are driven by different factors and this diversity provides a degree of resilience.

Customs

We continued to work with our two new customers in Central America and South-East Asia to ensure that their systems were fully implemented and operating optimally and high-profile seizures have resulted. Similarly, we continue to engage with US Customs and Border Protection (CBP) and we remain hopeful of additional orders from this important customer in the future. Although we lacked orders in the period, interest levels are strong, and we are very confident that Customs will remain an important market for us.

Retail Distribution

This was a strong period for our Retail business, and we saw new orders in both Europe and the US. Adidas implemented further WalkTHRU lanes in the US and ID Logistics became a new customer in early October. The global logistics company DP World placed their first order with us in Europe and numerous existing customers added to their Thruvision fleet. In addition, we currently have two major trials underway. One is with a global online retailer and the other with a global logistics provider and these both have significant potential for future sales.

Our retail customers are increasingly using our solutions to check inbound staff for concealed weapons and narcotics whilst employing the same systems for outbound staff theft detection. This combination is extremely cost-effective and provides additional weight to the already compelling return on investment our customers achieve.

Entrance Security

Although this was a quiet period for our Entrance market in terms of completed sales, we did continue to supply the Dutch

Although this was a quiet period for our Entrance market in terms of completed sales, we did continue to supply the Dutch Prison Service who are now an important customer and a recognised leader in prison estate security. Partly as a result of our success in the Netherlands we are seeing increased interest from prison services elsewhere in Mainland Europe and are therefore hopeful that this will develop into another important market for us.

We also have significant Entrance Security opportunities within our sales pipeline driven by the generally deteriorating security situation across the world but in the Middle East particularly where we have our most significant opportunities.

Aviation

As noted in previous reports, the Transportation Security Administration (TSA) in the US has recently mandated increased security screening of all airport employees as they transition from landside to airside and have confirmed publicly that our solution is compliant with this new mandate. We are now seeing interest from many airports in the US in using Thruvision to comply with this mandate and received our first order from a regional airport for this application. Ongoing discussions and on-site trials underpin our expectation of additional sales in this area.

Product R&D and Intellectual Property ('IP')

We successfully brought our new 71 Series to market in the last quarter of FY24, and this accounted for the majority of our sales during the half. This introduced a number of new software features which have improved both the detection performance of the camera and the usability from the operator's point of view. We continue to innovate to reduce the build cost of our systems and to introduce new variants which, whilst remaining highly performant, are more affordable.

Our intellectual property is our greatest asset, and we continue to submit patent applications to extend our already significant patent portfolio. Reassuringly, we have not seen anything of concern in the market from our competitors and we remain confident that our technological advantage remains significant.

Financial review

Summary

Revenue for the six months ended 30 September 2024 was down 45% to £1.9 million (H1 2024: £3.5 million), with approximately 85% of the revenue in the period deriving from Retail Distribution sales, which doubled relative to the prior period. 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.

The Adjusted EBITDA loss increased by £0.7 million to £2.1 million (H1 2024: loss £1.4 million), with adjusted gross profit down by £0.9 million to £1.0 million (H1 2024: £1.9 million) and tight cost control resulting in overheads decreasing by 9% to £2.8 million (H1 2024: £3.0 million).

Adjusted gross margin was lower by 3.5pp to 50.4% (H1 2024: 53.9%) and was in line with our expectations reflecting the particularly positive pricing mix in the prior period. Statutory gross margin decreased by 11.7pp to 34.0% primarily due to the decrease in volumes. Operating loss was £2.5 million (H1 2024: loss £1.6 million).

Cash as at 30 September 2024 was £1.8 million (31 March 2024: £4.1 million). Trade and other receivables were £1.3 million (31 March 2024: £2.2 million). The Group has an undrawn overdraft facility of £0.95 million available for working capital requirements.

Revenue

Revenue is split between the two principal activities below:

	6 months ended 30 September 2024	6 months ended 30 September 2023	Year ended 31 March 2024

	£'000	£'000	£'000
Product	**1,748**	3,404	7,394
Support and Development	**187**	141	420
Total	**1,935**	3,545	7,814

Revenue is split by market sector and geographical region below:

Revenue by market sector	**6 months ended 30 September 2024 £'000**	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Retail Distribution	**1,638**	799	1,924
Customs	**83**	1,978	3,148
Aviation	**20**	6	23
Entrance Security	**194**	762	2,719
Total	**1,935**	3,545	7,814

Revenue by geographical region	**6 months ended 30 September 2024 £'000**	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
UK and Europe	**1,732**	837	2,436
Americas	**198**	235	1,998
Middle East and Africa	**4**	447	845
Asia Pacific	**1**	2,026	2,535
Total	**1,935**	3,545	7,814

Gross profit

Adjusted gross profit decreased by £0.9 million with a volume impact of £0.8 million and mix impact of £0.1 million.

Adjusted gross margin decreased by 3.5pp to 50.4% (H1 2024: 53.9%), was in line with our expectations reflecting the positive price mix in the prior period. Statutory gross margin was 11.7pp lower at 34.0% (H1 2024: 45.7%) reflecting the impact of lower volumes.

	6 months ended 30 September 2024 £'000	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Revenue	**1,935**	3,545	7,814
Adjusted gross profit	**975**	1,912	4,141
Adjusted gross margin	**50.4%**	53.9%	53.0%
Statutory gross profit	**658**	1,621	3,522
Statutory gross margin	**34.0%**	45.7%	45.1%

Administrative expenses

Administrative expenses were flat at £3.2 million. Overheads were down by £0.3 million (9%) to £2.8 million. As well as overheads, administrative expenses include share-based payments and depreciation and amortisation. Overheads as a proportion of sales were 144% (H1 2024: 86%) with lower sales volumes only partly offset by continued tight cost control.

Overhead costs continued to be closely controlled during the period with salary inflation absorbed by reductions elsewhere. Sales, marketing and support expenditure was down due to lower sales commissions (lower order intake) and a reduction of two in headcount.

Adjusted overheads are analysed as follows:

	6 months ended 30 September 2024 £'000	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Sales, marketing and support	**1,013**	1,272	2,454
Engineering	**506**	457	1,067
Management	**475**	466	949
PLC costs	**411**	414	884
Property and administration	**271**	307	580
Bonus	**59**	47	89
Foreign exchange losses	**46**	81	80
Overheads	**2,781**	3,044	6,103
Depreciation and amortisation	**267**	205	465
Share based payment charge/(credit)	**113**	(72)	(50)
Administrative expenses	**3,161**	3,177	6,518

Loss before and after tax and loss per share

Adjusted loss before tax of £2.4 million increased by 45% (H1 2024: loss £1.6 million) with statutory loss before tax of £2.5 million increasing by 61% (H1 2024: loss £1.6 million).

Statutory loss after tax increased by 63% to a loss of £2.4 million (H1 2024: £1.5 million) with the adjusted loss after tax of £2.3 million increasing by 48% (H1 2024: loss £1.6 million).

The loss per share and adjusted loss per share were 1.51 pence and 1.44 pence respectively (H1 2024: loss per share and adjusted loss per share of 1.01 pence and 1.06 pence respectively) and reflected the movements in adjusted and statutory loss after tax.

Cash flow

The decrease in cash and cash equivalents of £2.3 million to £1.8 million at 30 September 2024 from £4.1 million at 31 March 2024 was driven by an operating cash outflow before working capital of £2.1 million with net other outflows of £0.2 million.

The impact of working capital in the period was neutral and reflected:

- Trade and other receivables inflow of £0.95 million driven by lower sales volumes.
- Increased inventory resulted in a £0.85 million outflow caused by lower sales volumes.
- An outflow of £0.1 million from payables and provisions due to timing of purchases.

The Group has an undrawn overdraft facility of £0.95 million with HSBC until 31 January 2025, reducing to £0.1 million until 31 May 2025. This is intended to provide the Group with additional working capital flexibility (see page 12).

Other

During the period 575,555 shares (H1 2024: 455,029) in the Group were purchased by the Employee Benefit Trust ("EBT") for a total consideration of £99,000 (H1 2024: £119,000). The total number of shares held by the EBT at 30 September 2024 was 1,627,112 and, since the Board's target of buying enough shares to partially settle exercises under the LTIP had been met, the Board paused the purchase of further shares from September 2024.

Thruvision Group plc

Consolidated income statement

Six months ended 30 September 2024

	Notes	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Revenue	2	**1,935**	3,545	7,814
Cost of sales		**(1,377)**	(1,924)	(4,392)

Cost of sales		**(1,277)**	(1,924)	(4,292)
Gross profit		**658**	1,621	3,522
Administrative expenses		**(3,161)**	(3,177)	(6,518)
Operating loss		**(2,503)**	(1,556)	(2,996)
Financial income		**56**	25	109
Finance costs		**(38)**	(37)	(62)
Loss before tax		**(2,485)**	(1,568)	(2,949)
Taxation credit		**70**	86	103
Loss for the period		**(2,415)**	(1,482)	(2,846)
Loss per share				
Loss per share - basic and diluted	3	**(1.51p)**	(1.01p)	(1.86p)

All operations are continuing.

Consolidated statement of comprehensive income

Six months ended 30 September 2024

	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Loss for the period attributable to owners of the parent	**(2,415)**	(1,482)	(2,846)
Other comprehensive loss - items that may be subsequently reclassified to profit or loss:			
Exchange differences on retranslation of foreign operations	**32**	(24)	(16)
Total comprehensive loss attributable to owners of the parent	**(2,383)**	(1,506)	(2,862)

Thruvision Group plc

Consolidated statement of financial position

at 30 September 2024

	Note	**30 September 2024 Unaudited £'000**	30 September 2023 Unaudited £'000	31 March 2024 Audited £'000
Assets				
Non-current assets				
Property, plant and equipment		**1,254**	1,210	1,375
Other intangible assets		**125**	116	124
		1,379	1,326	1,499
Current assets				
Inventories		**4,558**	3,895	3,655
Trade and other receivables		**1,264**	2,851	2,229
Current tax receivable		**61**	81	99
Cash and cash equivalents		**1,800**	2,372	4,119
		7,683	9,199	10,102
Total assets		**9,062**	10,525	11,601
Current liabilities				
Trade and other payables		**(1,842)**	(2,493)	(1,926)
Lease liabilities		**(240)**	(132)	(151)
Provisions		**(29)**	(102)	(52)
		(2,111)	(2,727)	(2,129)
Net current assets		**5,572**	6,472	7,973

Non-current liabilities

Non-current liabilities				
Trade and other payables		**(98)**	(54)	(109)
Lease liabilities		**(351)**	(557)	(492)
Provisions		**(110)**	(38)	(110)
		(559)	(649)	(711)
Total liabilities		**(2,670)**	(3,376)	(2,840)
Net assets		**6,392**	7,149	8,761
Equity				
Share capital	4	**1,611**	1,474	1,611
Share premium		**3,282**	352	3,282
Capital redemption reserve		**163**	163	163
Translation reserve		**27**	(13)	(5)
Retained earnings		**1,309**	5,173	3,710
Total equity attributable to owners of the Company		**6,392**	7,149	8,761

Thruvision Group plc

Consolidated statement of changes in equity (unaudited)

Six months ended 30 September 2024

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Translation reserve £'000	Retained earnings £'000	Total equity £'000
At 1 April 2023	1,472	325	163	11	6,845	8,816
Shares issued	2	27	-	-	-	29
Purchase of own shares	-	-	-	-	(119)	(119)
Share based payment credit	-	-	-	-	(71)	(71)
Transactions with shareholders	2	27	-	-	(190)	(161)
Loss for the period	-	-	-	-	(1,482)	(1,482)
Other comprehensive loss	-	-	-	(24)	-	(24)
Total comprehensive loss	-	-	-	(24)	(1,482)	(1,506)
At 30 September 2023	1,474	352	163	(13)	5,173	7,149
Shares issued	137	2,930	-	-	-	3,067
Purchase of own shares	-	-	-	-	(120)	(120)
Share based payment charge	-	-	-	-	21	21
Transactions with shareholders	137	2,930	-	-	(99)	2,968
Loss for the period	-	-	-	-	(1,364)	(1,364)
Other comprehensive income	-	-	-	8	-	8
Total comprehensive income/(loss)	-	-	-	8	(1,364)	(1,356)
At 31 March 2024	1,611	3,282	163	(5)	3,710	8,761
Shares issued	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	(99)	(99)
Share based payment charge	-	-	-	-	113	113
Transactions with shareholders	-	-	-	-	14	14
Loss for the period	-	-	-	-	(2,415)	(2,415)
Other comprehensive income	-	-	-	32	-	32
Total comprehensive income/(loss)	-	-	-	32	(2,415)	(2,383)
At 30 September 2024	**1,611**	**3,282**	**163**	**27**	**1,309**	**6,392**

Thruvision Group plc

Consolidated statement of cash flows

Six months ended 30 September 2024

	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Operating activities			
Loss after tax	**(2,415)**	(1,482)	(2,846)
Adjustments for:			
Taxation credit	**(70)**	(86)	(103)
Financial income	**(56)**	(25)	(109)
Finance costs	**38**	37	62
Depreciation of property, plant and equipment	**273**	227	500
Amortisation of intangible assets	**21**	9	26
Share-based payment charge/(credit)	**113**	(72)	(50)
Operating cash outflow before changes in working capital and provisions	**(2,096)**	(1,392)	(2,520)
Decrease in trade and other receivables	**950**	1,491	2,132
Increase in inventories	**(847)**	(256)	(16)
Decrease in trade and other payables	**(68)**	(191)	(745)
Decrease in provisions	**(23)**	(5)	(55)
Cash utilised in operations	**(2,084)**	(353)	(1,204)
Net income taxes received	**108**	380	378
Net cash (outflow)/ inflow from operating activities	**(1,976)**	27	(826)
Investing activities			
Purchase of property, plant & equipment	**(176)**	(241)	(581)
Purchase of intangible assets	**(22)**	(18)	(41)
Interest received	**71**	25	90
Net cash outflow from investing activities	**(127)**	(234)	(532)
Financing activities			
Proceeds from issue of shares	**-**	29	3,243
Share issue costs	**-**	-	(147)
Purchase of own shares	**(99)**	(119)	(239)
Payments on principal portion of lease liabilities	**(73)**	(93)	(143)
Interest paid on lease liabilities	**(26)**	(23)	(50)
Other finance costs	**(10)**	(12)	(12)
Net cash (outflow)/inflow from financing activities	**(208)**	(89)	2,652
Net (decrease)/increase in cash and cash equivalents	**(2,311)**	(425)	1,294
Cash and cash equivalents at beginning of the period	**4,119**	2,810	2,810
Effect of foreign exchange rate changes	**(8)**	(13)	15
Cash and cash equivalents at end of the period	**1,800**	2,372	4,119

Notes to the financial statements

1. Accounting policies

Basis of preparation

The consolidated interim financial statements include those of Thruvision Group plc and all of its subsidiary undertakings (together "the Group") drawn up at 30 September 2024 and have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as adopted for use in the European Union ("EU"). The consolidated interim financial statements have been prepared using accounting policies and methods of computation consistent with those applied in the consolidated financial statements for the period ended 31 March 2024.

The Group is a public limited company incorporated and domiciled in England & Wales and whose shares are quoted on AIM, a market operated by The London Stock Exchange. All values are rounded to £'000 except where otherwise stated.

Accounting policies

The annual consolidated financial statements of the Group are prepared on the basis of International Financial Reporting Standards ("IFRS"). The consolidated interim financial statements are presented on a condensed basis as permitted by IAS 34 and therefore do not include all the disclosures that would otherwise be required in a full set of financial statements and should be read in conjunction with the most recent Annual Report and Accounts which were approved by the Board of Directors on 27 June 2024 and have been filed with Companies House. The condensed interim financial statements do not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 and are unaudited for all periods presented. The financial information for the 12-month period ended 31 March 2024 is extracted from the financial statements for that period. The auditors' report on those financial statements was unqualified and did not contain an emphasis of matter reference and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The half year results for the current period to 30 September 2024 have not been audited or reviewed by auditors pursuant to the Auditing Practices Board guidance of Review of Interim Financial Information.

Adoption of new and revised International Financial Reporting Standards

The Group's accounting policies have been prepared in accordance with IFRS effective as at its reporting date of 30 September 2024.

Standards Issued

The standards and interpretations that are issued up to the date of issuance of the Group's interim financial statements are disclosed below. The Group has adopted these standards, if applicable, when these became effective. Further details are disclosed in the 31 March 2024 Annual Report available on the Group's website: www.thruvision.com.

Accounting developments - new standards, amendments and interpretations issued and adopted

There were no new accounting standards or amendments requiring disclosure in the period.

Going concern

The Group's loss before tax from continuing operations for the period was £2.5 million (H1 2024: £1.6 million). As at 30 September 2024 the Group had net current assets of £5.6 million (31 March 2024: £8.0 million) including cash and cash equivalents of £1.8 million (31 March 2024: £4.1 million). The Group also has an overdraft facility of £0.95 million available until 31 January 2025, reducing to £0.1 million until 31 May 2025.

The Board has reviewed cash flow forecasts for the period up to and including 31 October 2025. These base case scenario forecasts and projections take into account reasonably possible changes in trading performance and show that the Group will be able to react as required in order to operate within the level of current funding resources and requires no funding in excess of currently available facilities in the forthcoming 12-month period.

These forecasts are reliant upon the conversion of the sales pipeline in volume and value in the next 12 months significantly ahead of that achieved in the first half of the year. Whilst the Board has confidence that this is achievable based upon the current breadth and depth of the pipeline, the nature of our sales cycle is that orders may take longer than expected to materialise, given geo-political, political and economic uncertainties across several of our geographies and markets globally. In this downside scenario, the business would potentially require funding in excess of currently available facilities over the forthcoming 12-month period, and therefore the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The Directors have a reasonable expectation that the Group has adequate resources to continue operating for a period of at least 12 months from the approval of these accounts, despite the uncertainty described above. For this reason, they have adopted the going concern basis in preparing the financial statements.

Notes to the financial statements (continued)

2. Segmental information

The Directors do not split the business into segments in order to internally analyse the business performance. The Directors believe that allocating overheads by department provides a suitable level of business insight. The overhead department cost centres comprise of engineering, sales marketing and support, property and administration, management and PLC costs, with the split of costs as shown in the Financial Review on page 5.

Analysis of revenue by customer

There have been two (H1 2024: two; FY 2024: two) individually material customers (each comprising in excess of 10% of revenue) during the period. These customers individually represented £565k and £208k of revenue (H1 2024: £1,885k and £440k, FY 2024: £1,885k and £938k).

The Group's revenue by market sector, geographical location and type is detailed below:

Revenue by market sector	6 months ended 30 September 2024 £'000	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Retail Distribution	**1,638**	799	1,924
Customs	**83**	1,978	3,148
Aviation	**20**	6	23
Entrance Security	**194**	762	2,719
Total	**1,935**	3,545	7,814

Revenue by geographical region	6 months ended 30 September 2024 £'000	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
UK and Europe	**1,732**	837	2,436
Americas	**198**	235	1,998
Middle East and Africa	**4**	447	845
Asia Pacific	**1**	2,026	2,535
Total	**1,935**	3,545	7,814

Revenue by type	6 months ended 30 September 2024 £'000	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Product	**1,748**	3,404	7,394
Support and Development	**187**	141	420
Total	**1,935**	3,545	7,814

The Group derives its revenue from the provision of goods and services both at a point in time and over time:

Revenue by type	6 months ended 30 September 2024 £'000	6 months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Revenue recognised at point in time	**1,859**	3,507	7,727
Revenue recognised over time - extended warranty and support revenue	**76**	38	87
Total	**1,935**	3,545	7,814

Notes to the financial statements (continued)

2. Segmental information (continued)

The Group's non-current assets by geography are detailed below:

	30 September 2024 Unaudited £'000	30 September 2023 Unaudited £'000	31 March 2024 Audited £'000
UK	**1,041**	1,110	1,176
Europe	**34**	-	-
United States of America	**304**	216	323
Total	**1,379**	1,326	1,499

3. Loss per share

	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Loss after tax	**(2,415)**	(1,482)	(2,846)
Weighted average number of shares outstanding (total in issue)	**161,059,012**	147,292,757	153,197,717
Less: weighted average number of shares owned by Employee Benefit Trust	**(1,418,953)**	(257,182)	(522,781)
	159,640,059	147,035,575	152,674,936
Basic and diluted loss per share (pence)	**(1.51p)**	(1.01p)	(1.86p)

The inclusion of potential Ordinary Shares arising from LTIPs and EMI Options would be anti-dilutive. Basic and diluted loss per share has therefore been calculated using the same weighted number of shares for each period.

4. Share capital

As 30 September 2024, there were 161,059,012 Ordinary Shares in issue (30 September 2023: 147,368,117;
31 March 2024: 161,059,012). The Thruvision Group Plc Employee Benefit Trust held 1,627,112 Shares in the Company (30 September 2023: 455,029 Shares; 31 March 2024: 1,051,557 Shares).

APPENDIX - ALTERNATIVE PERFORMANCE MEASURES ('APMs')

Policy

Thruvision uses adjusted figures as key performance measures in addition to those reported under IFRS, as management believe these measures enable management and stakeholders to assess the underlying trading performance of the businesses. The APMs
exclude certain items that are considered to be significant in nature and/or quantum.

The APMs are consistent with how the businesses' performance is planned and reported within the internal management reporting
to the Board. Some of these measures are used for the purpose of setting remuneration targets.

The key APMs that the Group uses include adjusted measures for the income statement together with adjusted cash flow measures.
Explanations of how they are calculated and how they are reconciled to an IFRS statutory measure are set out below.

Adjusted measures

The Group's policy is to exclude items that are considered to be significant in nature and/or quantum, where the item is volatile
in nature and cannot be directly linked to underlying trading, and where treatment as an adjusted item provides stakeholders
with additional useful information to better assess the period-on-period trading performance of the Group. They reflect how the
business is measured and managed on a day-to-day basis.

In calculating Adjusted EBITDA loss, Adjusted loss before tax and Adjusted loss per share, the Group excludes certain items, which
management have defined as:

- Share-based payments charge or credit

- Impairments of intangible assets

Gross profit, excluding production overheads, is used to enable a like-for-like comparison of underlying sales profitability and provide
supplementary information. This adjusted measure is termed Adjusted gross profit. The use of Adjusted gross profit margin provides
the Board and management with a measure of direct product profitability (pricing, direct costs of sale and directly allocable costs
including inventory provisions), without the impact that sales volumes can have on the absorption of the more fixed production
overheads. It provides a useful measure of sales and procurement effectiveness as a subset of topline profitability analysis and may
help investors understand and evaluate performance in the same way as the Board and management. The metric is helpful to show
current trends in the Group's operations and is useful for like-for-like comparisons of product profitability between periods.

These non-GAAP measures should not be considered in isolation or as a substitute for the comparable GAAP (IFRS) measure and
may not be comparable with other companies. All APMs relate to the current period results and the comparative period.

Based on the above policy, the adjusted performance measures are derived from the statutory figures as follows:

a) Adjusted gross profit

	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Gross profit	**658**	1,621	3,522
Add back:			
Production overheads	**317**	291	619
Adjusted gross profit	**975**	1,912	4,141

b) Adjusted EBITDA

	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Statutory operating loss	**(2,503)**	(1,556)	(2,996)
Add back:			
Depreciation and amortisation	**294**	236	526
Share-based payment charge/(credit)	**113**	(72)	(50)
Adjusted EBITDA	**(2,096)**	(1,392)	(2,520)

c) Adjusted loss before tax

	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Statutory loss before tax	**(2,485)**	(1,568)	(2,949)
Add back:			
Share-based payment charge/(credit)	**113**	(72)	(50)
Adjusted loss before tax	**(2,372)**	(1,640)	(2,999)

d) Adjusted loss per share

	6 months ended 30 September 2024 Unaudited £'000	6 months ended 30 September 2023 Unaudited £'000	Year ended 31 March 2024 Audited £'000
Statutory loss after tax	**(2,415)**	(1,482)	(2,846)
Add back:			

Add back:			
Share-based payment charge/(credit)	**113**	(72)	(50)
Adjusted loss after tax	**(2,302)**	(1,554)	(2,896)
Weighted average number of shares	**159,640,059**	147,035,575	152,674,936
Statutory loss per share (pence)	**(1.51p)**	(1.01p)	(1.86p)
Adjusted loss per share (pence)	**(1.44p)**	(1.06p)	(1.90p)

END

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