



Transense Technologies plc

*Interim Results – six months ended 31 December 2021
(FY22 H1)*

Nigel Rogers – Executive Chairman
Melvyn Segal - CFO

Overview

FY22 – Results in line, continuing positive outlook

- **Strong revenue growth overall**
- **Profitable at PBT level and cash generative**
- **iTrack royalty: installations gathering pace**
- **Translogik probe : TLGX range now well established**
- **SAW: opportunities & capabilities building**
- **Outlook: continued high growth with low downside risk**
- **Share buyback programme initiated**

Financial Highlights

Growing revenues, pre-tax profits and strong cash

	FY22 H1	FY21 H1	FY 21
Revenue	£1.20m	£0.90m	£1.77m
Gross margin	82.0%	77.6%	78.3%
EBITDA	£0.20m	£0.06m	£0.06m
Profit/(loss) before tax	£0.08m	£(0.05)m	£(0.16)m
Earnings per Share	0.69p	0.29p	0.96p
Net cash at end of period	£1.07m	£1.05m	£1.05m
Distributable reserves	£0.74m	£(5.90)m	£0.63m
Corporation tax losses c/f	c.£23m	c.£23m	c.£23m

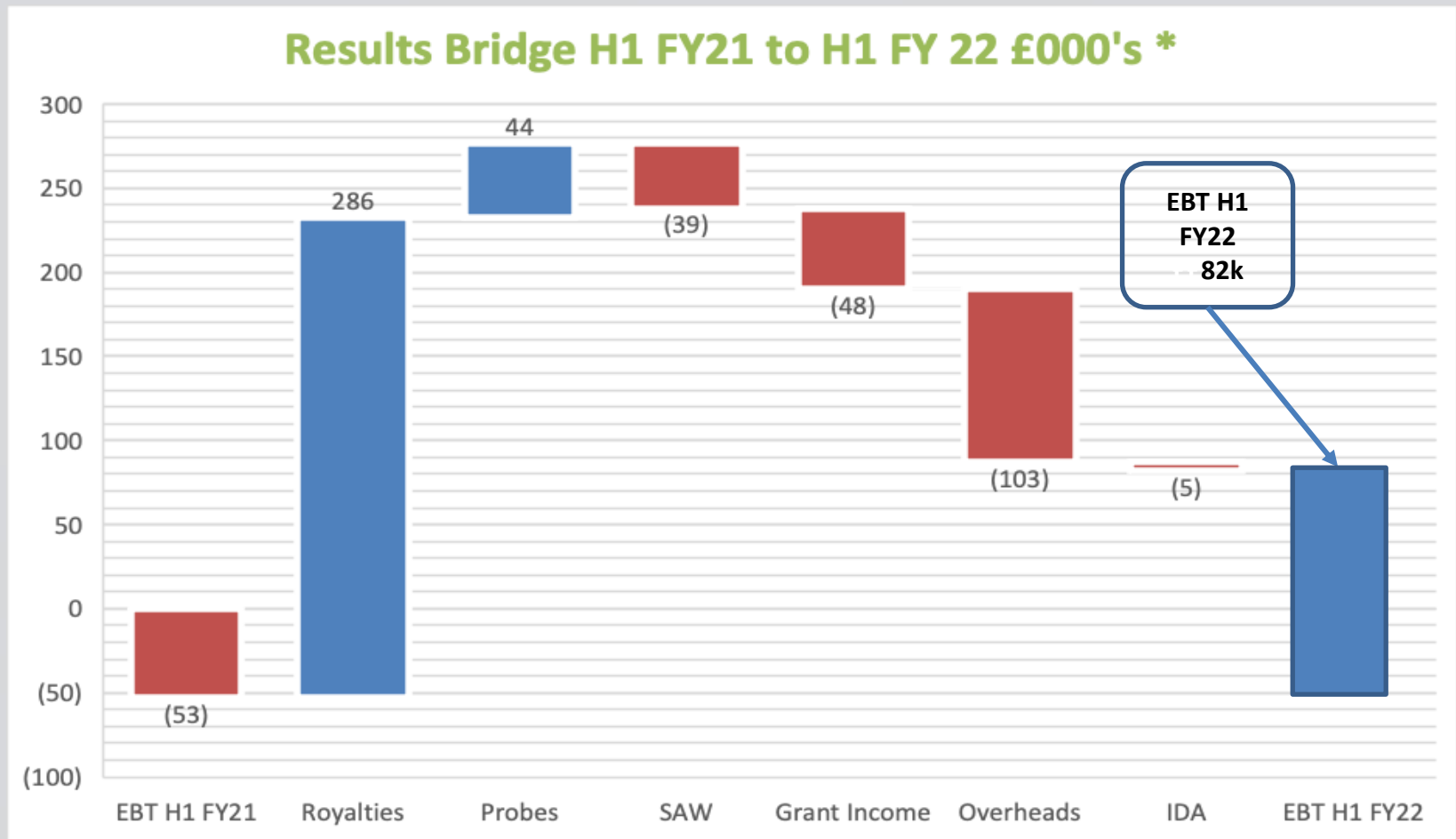
Segmental Analysis

Growth in commercial income, controlled investment in SAW

	FY22 H1 £m	FY21 H1 £m	
Revenue			
iTrack royalty	0.66	0.37	Up 78%
Translogik probe	0.47	0.41	Up 15%
SAW	0.07	0.11	
Total	1.20	0.89	Up 35%
Net Profit/(Loss) after tax			
iTrack royalty	0.64	0.40	
Translogik probe	0.19	0.15	
SAW	(0.46)	(0.26)	
Unallocated	(0.26)	(0.24)	
Total	0.11	0.05	

Results Bridge

*Transense moves from negative to positive PBT**

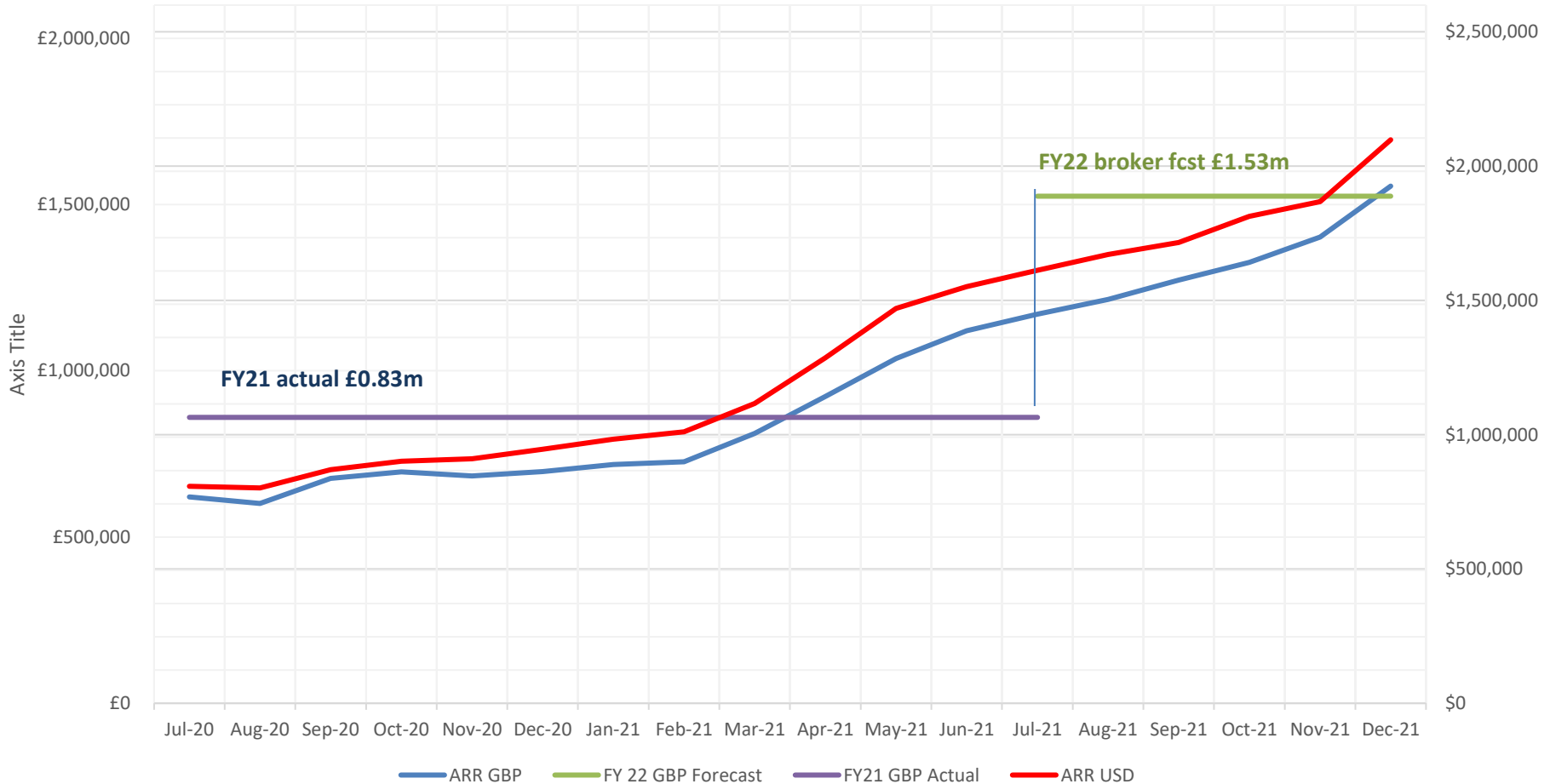


* Profit before taxations as reported

iTrack Royalty Income

Growth trajectory in line with expectation

Annualised Royalty Run Rate in GBP & USD

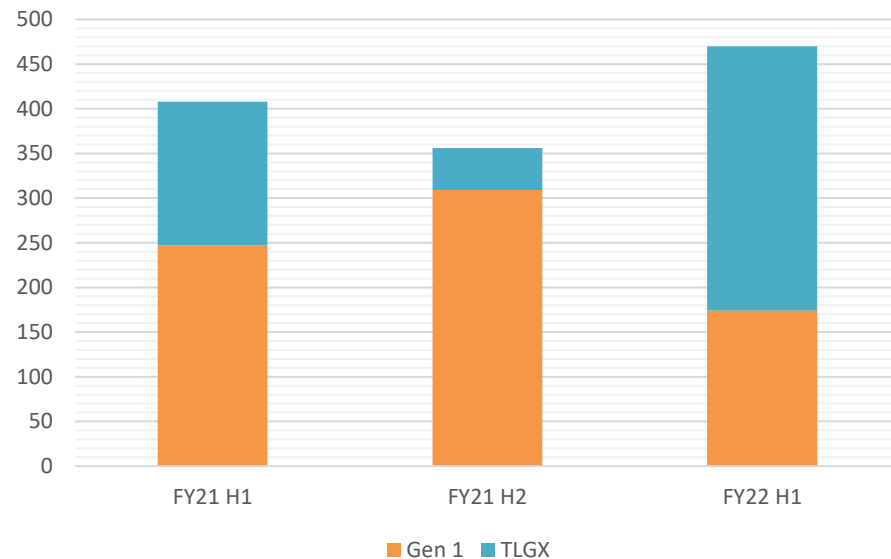


Translogik Tyre Probes

New product range driving increased market penetration

- TLGX range well established
- Revenue up 16% to £0.47m
- Gross margin improved 240 bps to 54.4% of revenue
- Component supply challenges mitigated
- Development work aligns yet more closely with global tyre OEM's

Probe Sales - £000's



SAW

Commercial activity – total reboot since June 2020

Customer Activity

GE ITEP programme – FETT imminent and first deliveries in 2025

McLaren JCA – close engineering & commercial collaboration – revenue pickup in H2

OTR field trials – lab rig testing successful, and move to live trials in Summer 2022

COVID – First US & European visits for > 2 years commencing March 2022

Business Development

Ryan Maughan appointed Director of Bus Dev - Dec 2021

Extensive network of PEMD sector contacts

Carefully targeted approaches to potential customers & partners

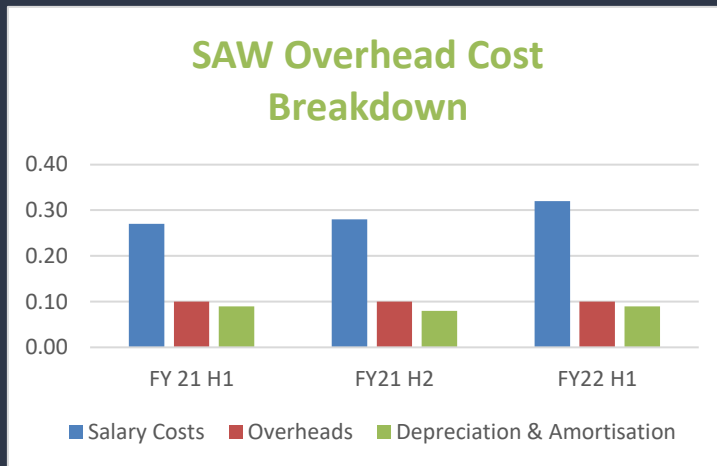
Number of early stage engagements:

- **2 in aerospace sector**
- **More in OTR, High Performance Automotive & Industrial**

SAW

Development & Operational activity – building capabilities

Operating Expenses



Controlled expansion of OpEx aligned with scale of commercial opportunities

Activities

Nick Hopkins promoted to Board as COO in Dec 2021

3 appointments to engineering team, now 8

£100k capex to streamline calibration & increase capacity

Developing new techniques for simplified application

Share Buyback Programme

Mitigating the effects of short term market movements

Share Price Chart 2021/2022



£300k programme to run from today to 31 October 2022

Maximum price 105% of average 5 day close

Shares to be held by company to offset option dilution or cancelled

Trading decisions delegated to Shard Capital Stockbrokers

Enables programme to continue during close period(s)

Outlook & Prospects

Mid term outlook secure, with prospects for uplift from SAW

iTrack

Strong growth continuing into 2022

Now active in 41 mine sites

Otraco acquisition adds > 60 new target sites in Australia & Chile

www.bridgestone.com/ir/library/strategy

Translogik Probe

GEN 1 range on last time buy

TLGX range customisation for major tyre OEMs

Interest from large fleet operators

SAW

H2 ramp up for McLaren

OTR project moving to 2nd stage field trials

Ample early stage leads

Potential for grant funded projects

Corporate

Visibility: extended earnings guidance into FY24

High growth trajectory, low downside risk profile

Share buy back programme to protect long term value creation



Transense Technologies plc

Appendices

Financials
Strategy recap
Board & Executive
SAWCAP
SAW Technology
iTrack market share (June 2020)

Appendices

Financials

Financials - Profit & Loss					
	FY22 H1		FY 21 H1		FY 21
	£Millions		£Millions		£Millions
Revenues	1.20		0.90		1.78
Cost of Sales	0.21		0.20		0.39
Gross Profit	0.99		0.70		1.39
Operating expenses	0.90		0.79		1.58
Operating Profit/(Loss)	0.09		0.09		0.19
Other Income	-		0.05		0.05
Interest	0.01		0.01		0.01
Taxation	0.03		0.10		0.32
Profit on Continuing Operations	0.11		0.05		0.17

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Financials

Financials - Cash Flow Statement					
	FY22 H1		FY 21 H1		FY 21
	£Millions		£Millions		£Millions
Cash flow from operating activities					
Profit for the period	0.11		0.05		0.16
Adjustments	0.12		0.03		0.05
Operating Cash Flows before Working Capital	0.23		0.08		0.10
Movements in Working Capital	0.19		0.59		0.73
Net Cash generated/used in operations	0.04		0.51		0.63
Cash flow from investing activities					
Taxation Recovered	-		0.18		0.38
Capital Expenditure	0.06		0.03		0.05
	0.06		0.15		0.33
Cash Flow from financing activities					
Loans received less repaid	-		0.98		0.26
Proceeds of sale of assets	-		1.23		-
Warrants exercised	0.08		0.00		-
Other	0.04		0.03		0.11
	0.04		0.22		0.15
Net Increase/Decrease in cash	0.02		0.14		0.15

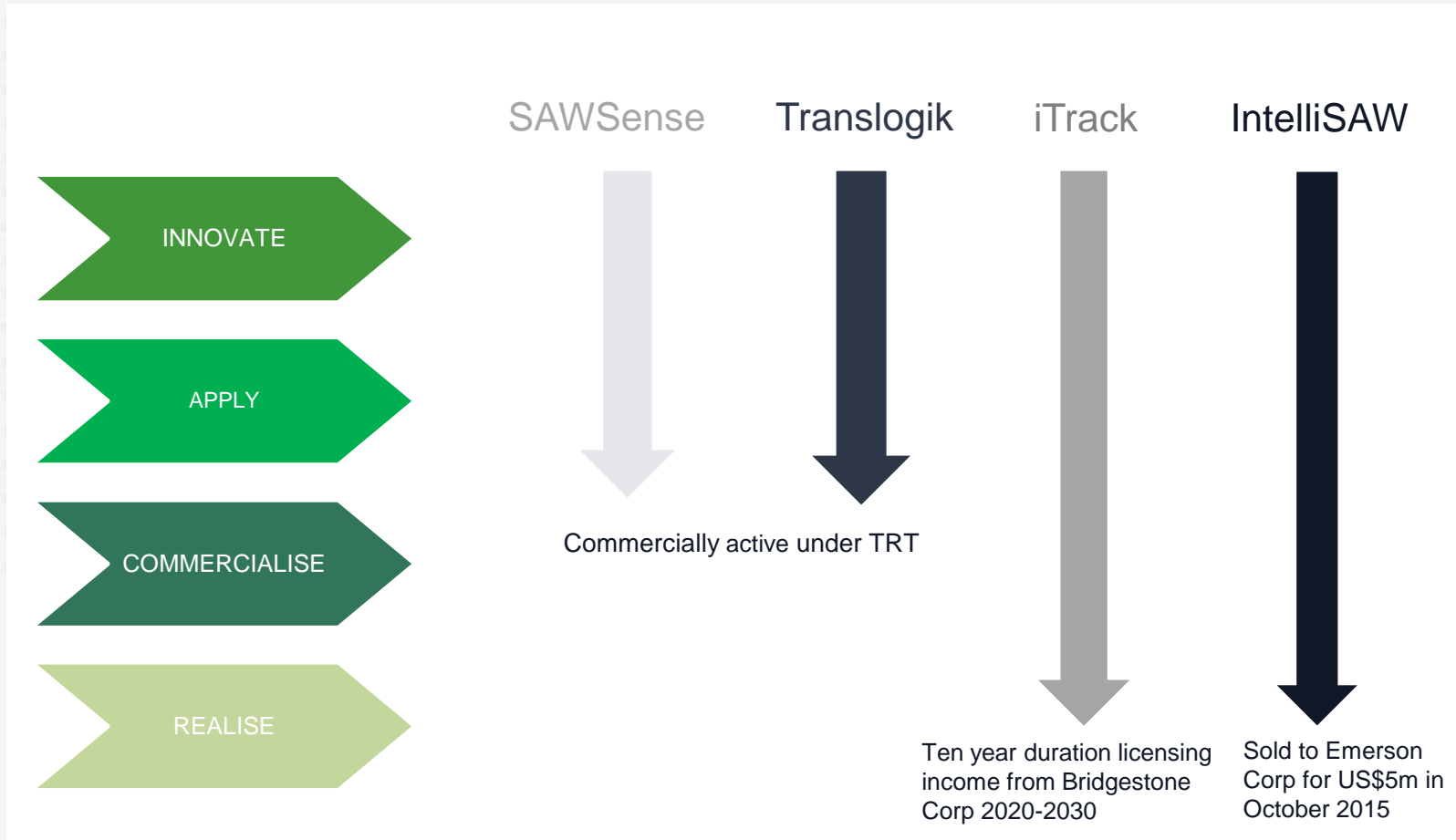
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Financials

Financials - Balance Sheet			
	FY22 H1	FY 21 H1	FY 21
	£Millions	£Millions	£Millions
Non Current Assets	1.00	1.06	0.98
Current Assets			
Cash	1.07	1.05	1.05
Other	0.91	0.56	0.75
	1.98	1.61	1.80
Current Liabilities	0.33	0.29	0.33
Lease Liabilities	0.08	0.13	0.10
Net Assets	2.57	2.25	2.35
Capital and Reserves			
Share Capital	1.64	5.45	1.63
Share Premium/Translation Reserve/SBP	0.19	2.65	0.08
Accumulated Reserves/(Deficit)	0.74	5.85	0.64
Shareholder's funds	2.57	2.25	2.35

Appendices

Strategy Recap



Appendices

Board (1)



Nigel Rogers – Executive Chairman

- Appointed Non Exec Director in 2015. Appointed Exec Chairman in 2020.
- >20 years experience leading AIM Listed companies
- Early career with PwC. Now Chairman at Solid State plc and at Surgical Innovations Group plc



Melyvn Segal – Chief Financial Officer

- Appointed in 2012 as CFO and Company Secretary
- Senior Partner at Arram Berlyn Gardner
- Active FD and Non Exec director of many successful SMEs



Rodney Westhead– Non Executive Director

- Appointed non Exec Director in 2007
- Managing Partner of Grant Thornton London Office
- FD for 4 years and CEO for 9 years at Ricardo. Several Chairman roles.

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Board (2)



Nick Hopkins – Chief Operating Officer (Appointed 1 December 2021)

- Joined Transense as MD in 2020 with special focus on development of SAW business
- Commercial experience in SAW and related communications technology businesses
- Commissioned officer in UK military including large scale operations and helicopter flight



Ryan Maughan – Business Development Director (Appointed 1 December 2021)

- More than 20 years in the High-Performance, Heavy-Duty and Off-Highway Automotive markets.
- Award winning in the development of Power Electronics, Electric Motors and Drives (PEMD)
- Successfully founded, scaled and exited three businesses in the electric vehicle space.

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Executive Management



Victor Kalinin – Chief Scientist and Technologies Director

- Joined Transense in 2001 after initially serving as technical consultant
- Significant academic career in Europe and UK with ~110 peer reviewed publications
- ~45 years experience in SAW and related technologies. Holder of 28 patents/applications



Paul Vickery – Commercial Operations Director

- Joined Transense in 2004 and now leads commercial activity
- Significant SAW and related technical experience, holder of 10 related patents/applications
- Previous experience across industrial sectors with Thomson CSF, Plessey and GEC Marconi



Robert Carlaw – Commercial Director (Translogik)

- Joined Translogik in 2010 as sales support to launch the tyre inspection probes.
- 15 + years' commercial business experience and proven track record in increasing sales
- Provided valuable input in the development of the new TLGX range

SAW

Aerospace case study – GE ITEP

U.S. Army wanted an engine to provide:

- Longer tactical ranges and more time on station
- More payload to mass combat power faster
- Enhanced maneuverability to improve survivability
- Improved low airspeed operation to expand pilot tactical options and safety margins

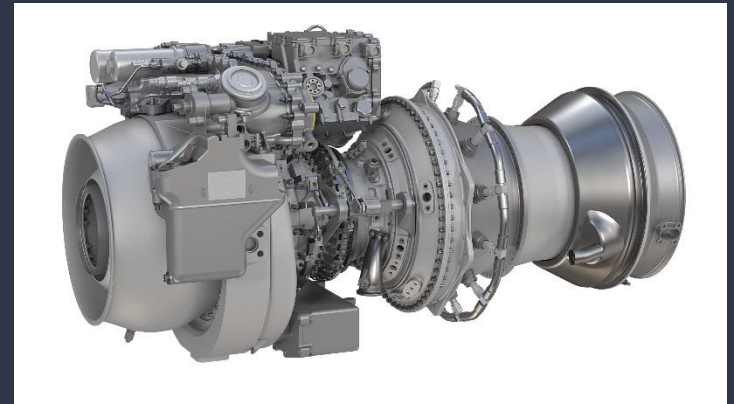
U.S. Army launched the Improved Turbine Engine Program (ITEP) to seek a new turboshaft engine to provide **50% more** power, **25% better** specific fuel consumption while reducing life cycle costs to make engines last **20% longer** to replace T700. GE won.

SAW technology applied on the internal shaft provides:

- Fast response data output across whole torque range
- Shaft temperature

Real time data outputs through EDECU provides improved engine control, which leads to:

- Better fuel consumption
- Better handling
- Better data collection for PPMx



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SAW Technology



Measures strain, pressure, torque, thrust and temperature using Surface Acoustic Wave (SAW) resonators.

SAW resonators are compact and rugged, and can be interrogated on a real-time basis, wirelessly and without need for a local power source.

Unique benefits in applications where real time values for torque, thrust and/or strain measurements can be fed back to control systems, and used to optimise output performance, reduce emissions or unnecessary intervention for regular maintenance checks.

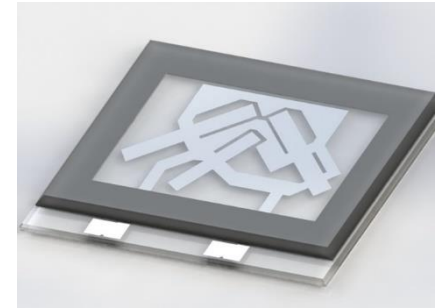


Can be used to improve efficiency in delivery of power, hence offers potential for enhanced sustainability.

Protected by multiple patents and supplemented by extensive applications and know-how which has a low risk of replication by others.

Has undergone rigorous testing under the GE ITEP program for use in the upgraded replacement gas turbine engines to be used in the US Army Black Hawk and Apache helicopters

Continue to develop enhanced electronic reader features and software, alternative resonant sensing elements, and additional capabilities in mechanical design, manufacturing, calibration and test.



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Componentry

Torque Sensor

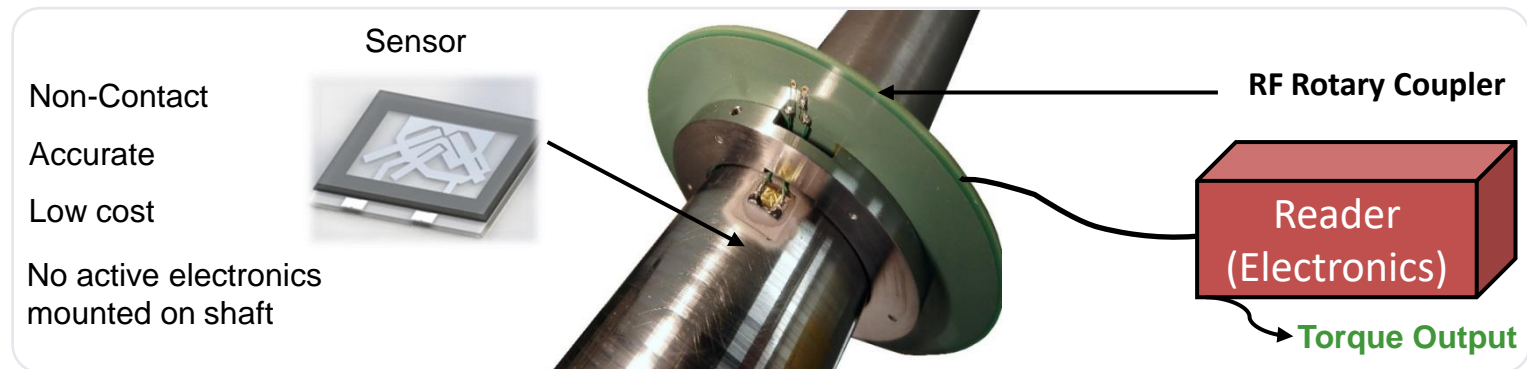
- All Quartz Package (AQP) industrialised sensor.
- Patented SAW components
- Low cost in high volume
- AQP is a passive device, no electronics on shaft

RF Rotary Coupler

- Patented Low-cost non-contact RF antenna for signal transfer
- Rotor Couple is mounted on shaft, connected to sensor
- Stator Couple is mounted in a housing

Reader

- Unique ASIC
- Electronics and software to process AQP SAW signal
- Transense unique patented software and electronics design



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iTrack – estimated market share as at June 2020

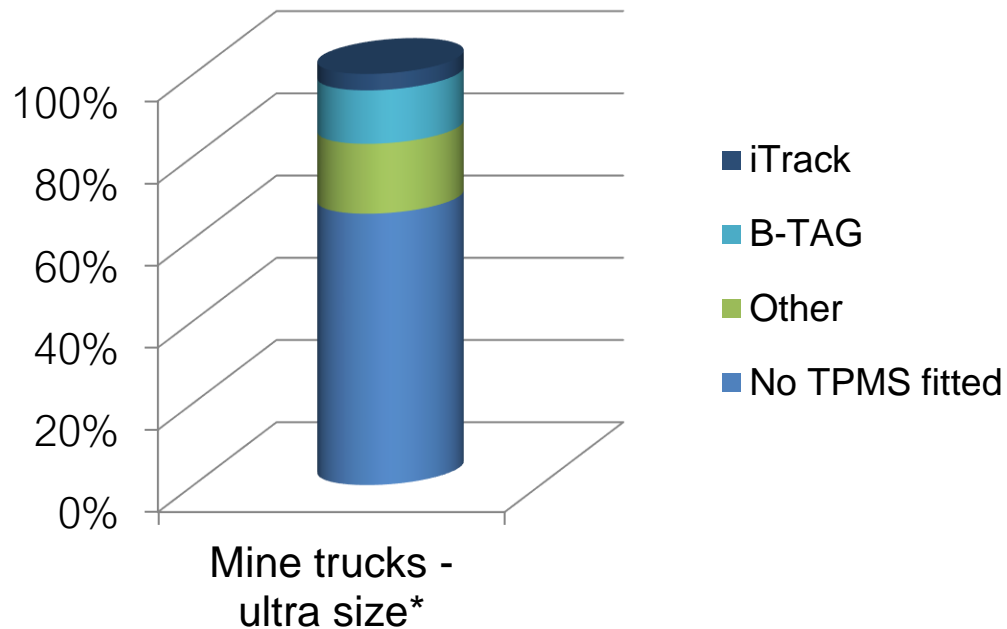


Chart shows TPMS market share on Ultra size mine haul trucks

Ultras = 25% of total mine haul trucks by number

Ultras = 35% of potential TPMS market by value

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Board & Major shareholdings

>3% Shareholdings	%
CriSeren	9.33%
Seneca	7.60%
P Lobbenberg	5.89%
WB Nominees	4.91%
Harwood Capital LLP	4.02%
Legal & General	3.29%
J Abrahams	3.20%
Gerald Oury	3.00%
Total	41.24%
Board	%
N Rogers	1.52%
M Segal	0.30%
R Maughan	0.08%
N Hopkins	0.03%
R Westhead	0.19%
Total	2.12%
Shares in Issue	16,437,740