



Final Results Presentation

27 September 2022



Financials:

- Revenue and profit – high growth as expected
- In line with market expectation, earnings ahead
- Robust financial position and positive outlook

iTrack royalty & Translogik tyre products:

- Building market share
- Ample scope for further progress

SAW technology:

- Clarity on market sector focus
- Sharp increase in customer engagement
- New collaboration with Meggitt in aerospace

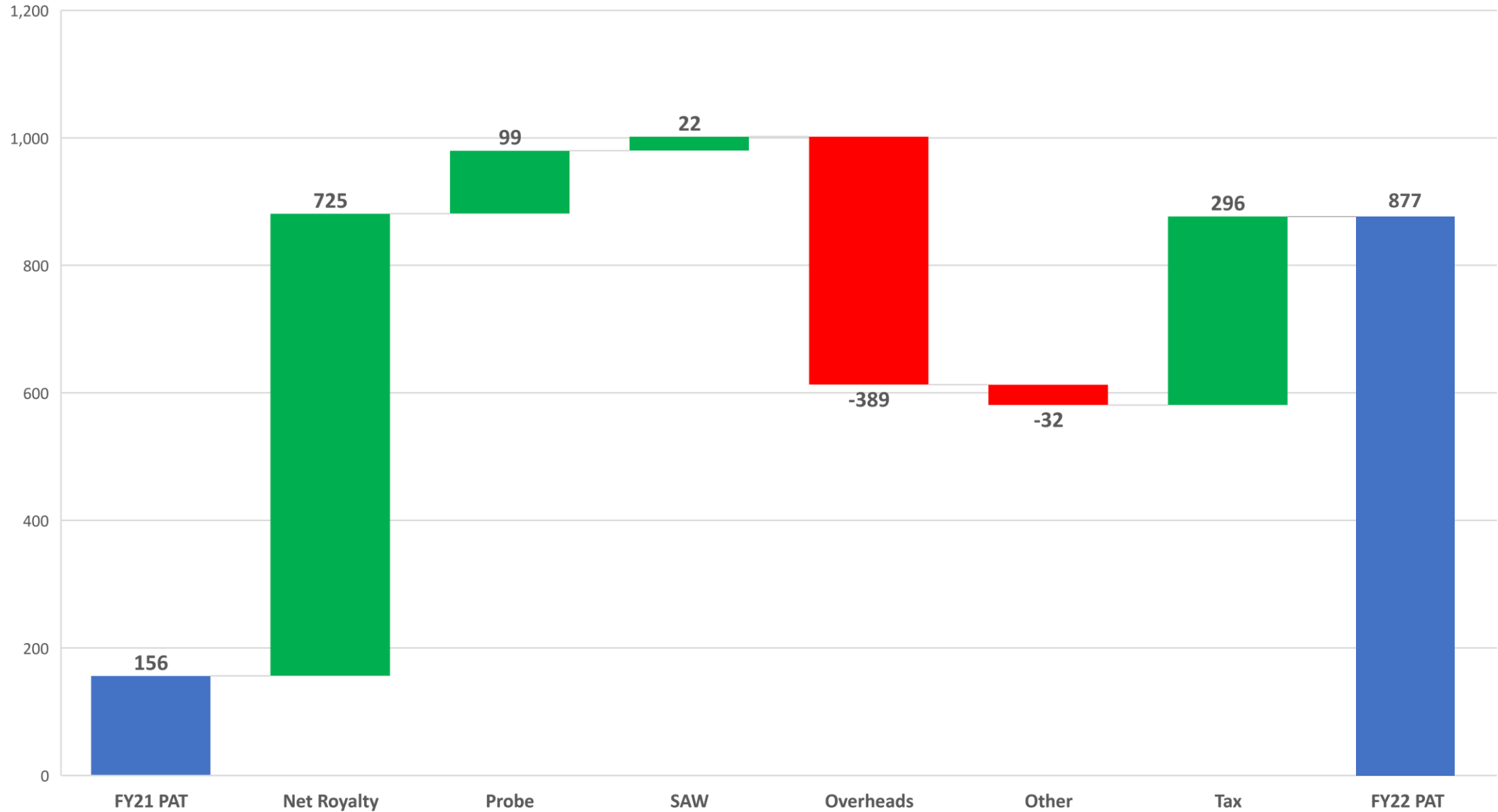
Investor relations:

- Initial share buyback completed and new programme initiated

	FY 22	FY 21	Change
Revenue	£2.63m	£1.77m	Up 49%
iTrack	£1.56m	£0.83m	Up 88%
Translogik	£0.88m	£0.76m	Up 16%
SAW	£0.20m	£0.18m	Up 11%
Profit Before Taxation	£0.27m	(£0.16m)	-
Earnings Per Share	5.36p	0.96p	Up 458%
Cash & Equivalents	£1.06	£1.05	-
Shares bought for Treasury	£0.30m	£ Nil	-
Distributable Reserves	£1.20m	£0.63m	-

3. FINANCIAL HIGHLIGHTS

Bridge from FY21 to FY22



4. RESULTS BRIDGE – FY21 TO FY22 (£000's)

£m	June 22	June 21	
Tangible assets	0.17	0.21	
Intangibles (including DT)	1.31	0.82	Deferred tax reflects two years forecast profits (previously one year)
Net working capital	0.67	0.43	
Cash equivalents	1.06	1.05	Cash balance unchanged – after investing £0.3m in share buyback programme
Lease liabilities	(0.11)	(0.17)	
Net Assets	3.09	2.34	Net assets now 19p per share
Share capital/premium	1.71	1.63	
Reserves	1.68	0.71	Of which £1.20m distributable
Treasury shares	(0.30)	-	FY22 share buyback programme
Total Equity	3.09	2.34	

5. STRENGTHENING FINANCIAL POSITION

£m	FY22	FY21
Net profit	0.88	0.16
Adjustment for non-cash items	(0.26)	(0.06)
Working capital movements	(0.28)	(0.73)
Taxation	0.07	0.38
Capex	(0.10)	(0.05)
Proceeds on sale	-	1.24
Cash flow before financing	0.31	0.94
Share buybacks	(0.30)	-
Other financing	-	(1.09)
Net Cash Flow	0.01	(0.15)

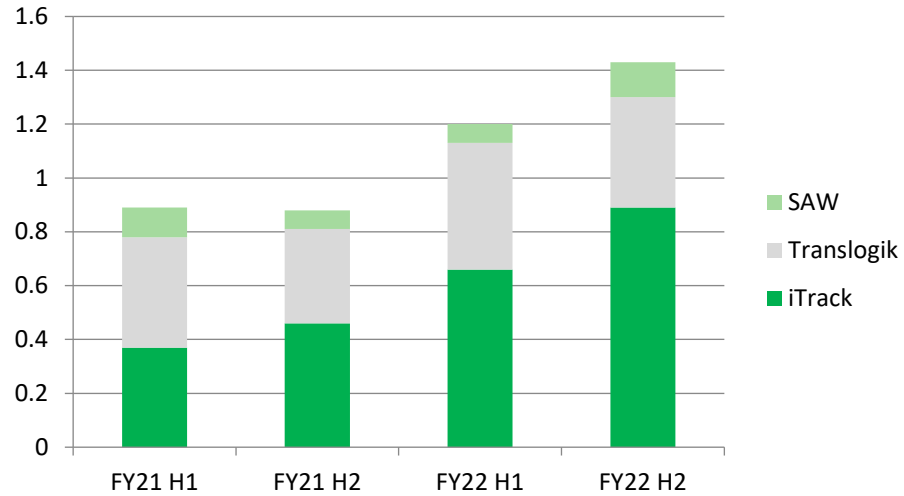
Includes R&D tax credits no longer claimed from FY22

Sale of iTrack assets and associated loan payment

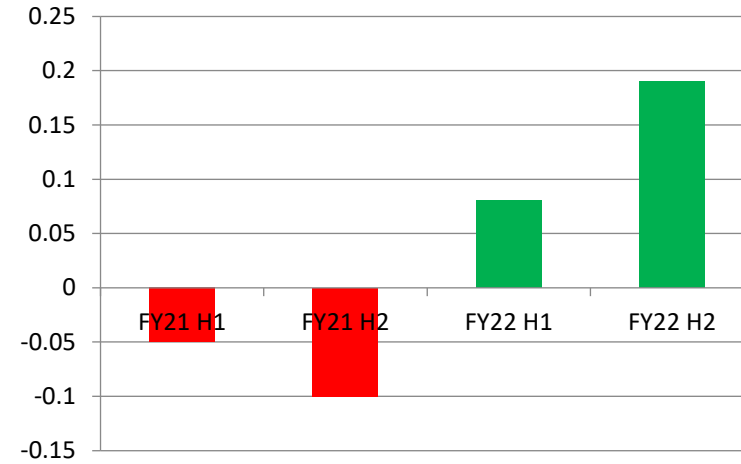
Current year cash flow used to fund buyback programme

6. POSITIVE CASHFLOW

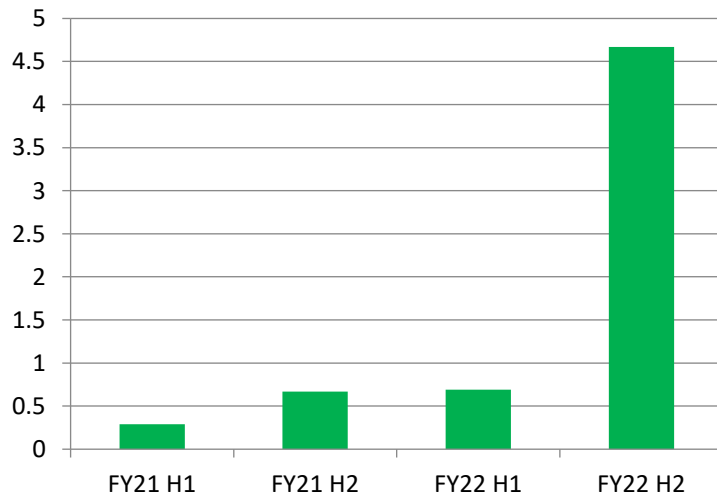
Revenue by segment (£m)



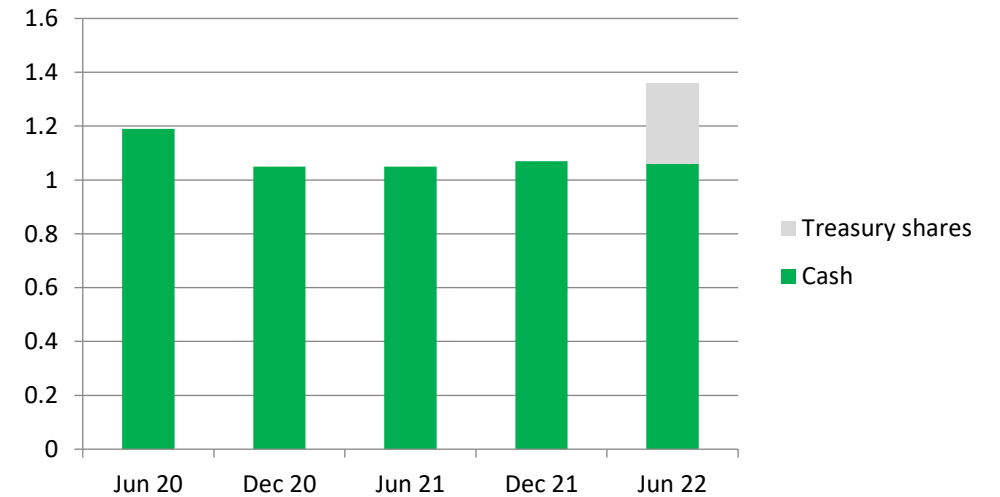
Net PBT (£m)



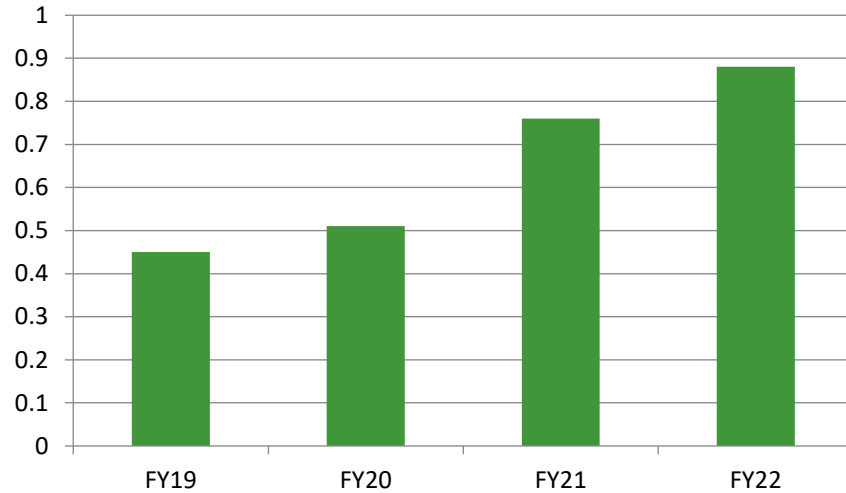
Earnings per share (pence)



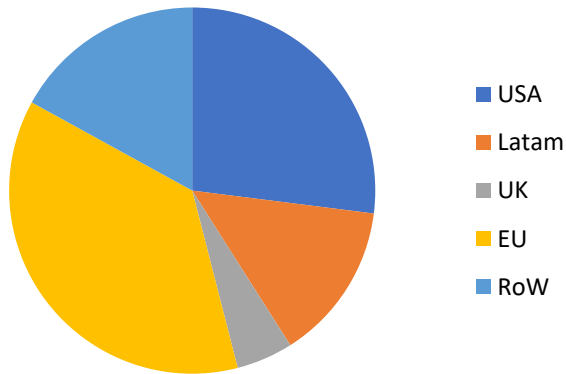
Cash/Treasury shares (£m)



Translogik revenue (£m)



Revenue by territory



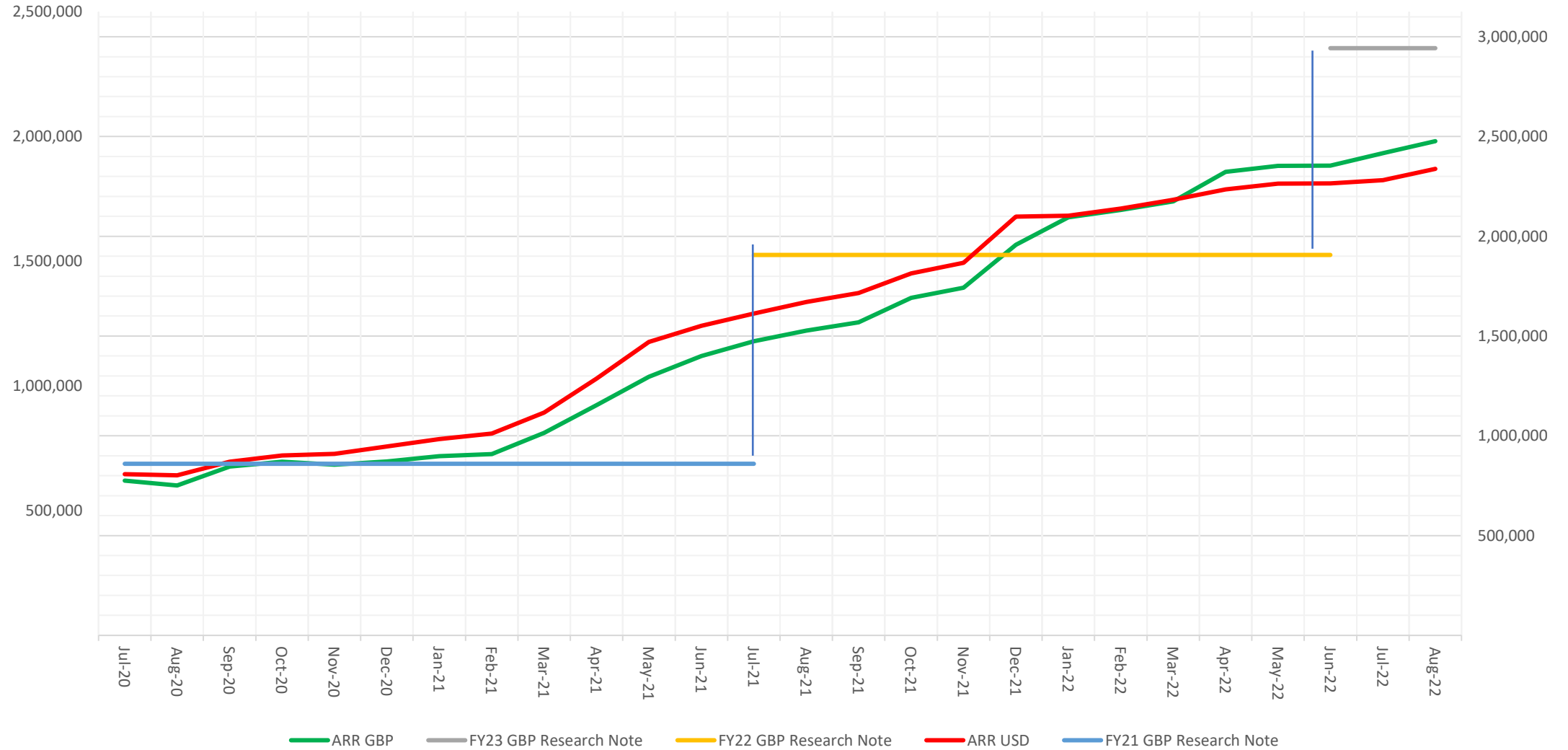
- Revenue up 16%
- Gross margin up by 5.3% to 55.7%
- Changeover to new TLGX range almost complete
- Adding features and software compatibility to maintain advantage
- Partnerships with global tyre majors delivering growth
- New opportunities in direct fleet sales via software houses etc
- Managing supply chain challenges

BRIDGESTONE

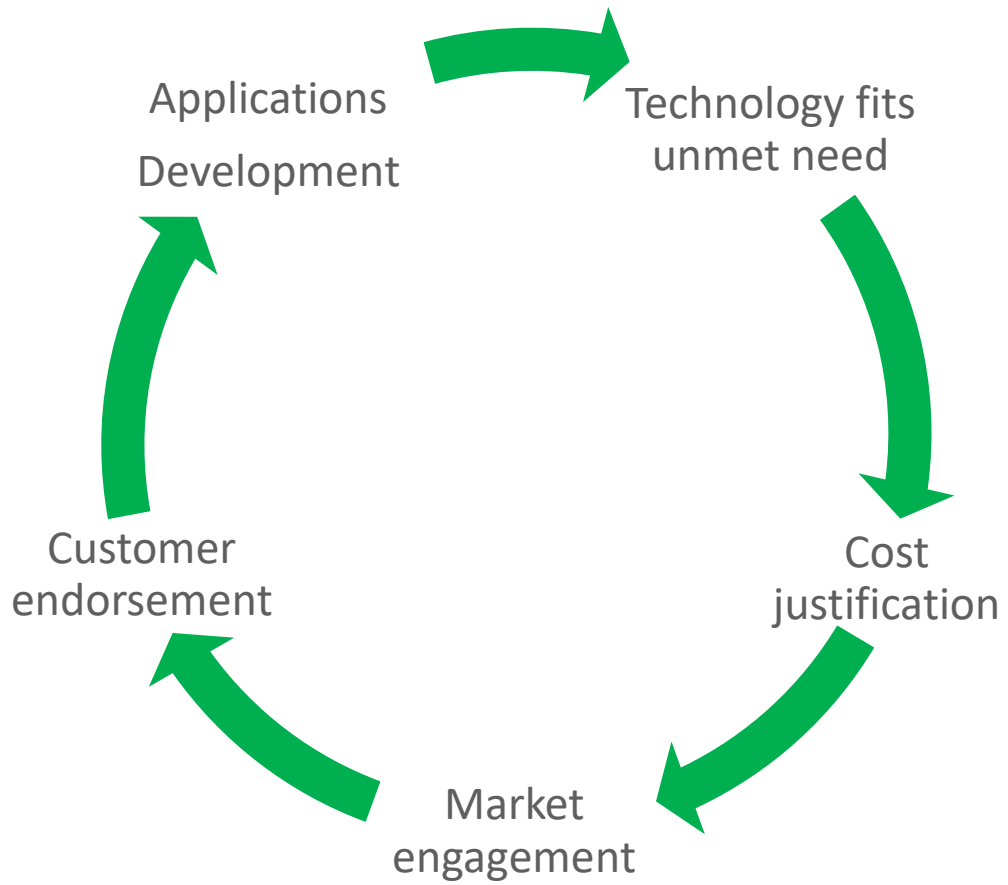
GOODYEAR

Continental

Annualised royalty run rate in GBP & USD



Research note refers to Broker research published by Allenby Capital



10. SAW TECHNOLOGY – MARKET SECTOR FOCUS

Technology fit

- Accurate torque measurement for engines & systems
- Safety, control & reliability case
- Size, weight & cost benefits
- Temperature & EMC advantages



Endorsement

“...unique technology has the potential to become a great addition to our Engine Sensing portfolio.”

Pierre-Alain Brodard, Meggitt SA



Market engagement

- Proven via GE ITEP
- Video “short” published
- Generating incoming leads
- Four active enquiries



Applications development

- GE licence extended to cover HEAT test bed
- Collaboration with Meggitt under MoU

Technology fit

- Replacing torque estimation with real-time measurement
- Accurate measurement of magnet temperature
- Power and range improvement
- Safety integrity enhancement



Endorsement

“.....the application of SAW-based torque sensors in the control loop seems to offer great potential to make a significant improvement to the performance of electric motor design systems in terms of efficiency gains and power density.”

Murray Edington, Head of Electrified Powertrain, Drive System Design Ltd.



Market engagement

- TDAP project with APC
- Video “short” published and paper presented
- Generating incoming leads
- Ten active enquiries



Applications development

- First customer funded project underway

Technology fit

- Measurement of delivered torque improves control
- Better machine efficiency
- Aids autonomous operation
- Safety integrity enhancement



Endorsement

“We are now seeing an industry shift from using power-limiting systems in robots to using the more beneficial torque sensors, which allow for a faster response time and improved accuracy. Torque sensors lead to safer and more reliable robotic systems as well as increased worker safety.”

Daniel Pintar, The Robot Report



Market engagement

- Outreach with OTR vehicles, HD engines and robotics
- Generating incoming leads
- Four active enquiries



Applications development

- Development/trial ongoing in agricultural machinery

Technology fit

- Responsive & accurate
- Rugged & reliable
- Light & compact
- Used for regulatory compliance and performance advantage



Endorsement

“We anticipate significant growth in the adoption of this technology for torque sensing in elite motorsport.”

Matthias Dank, McLaren Applied



Market engagement

- In use for over 10 years on IndyCar via JCA with McLaren Applied
- Cross-sell into other race series
- Cross-sell into High-P road cars?

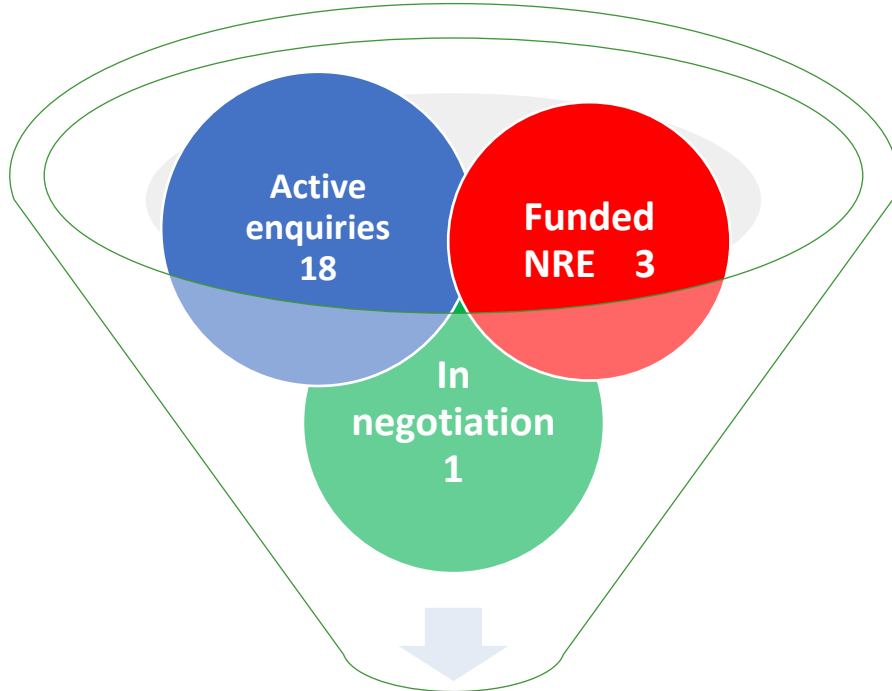


Applications development

- Strong overlap with EMD
- Secondary in importance to other mainstream sectors

September 2022

Total = 24

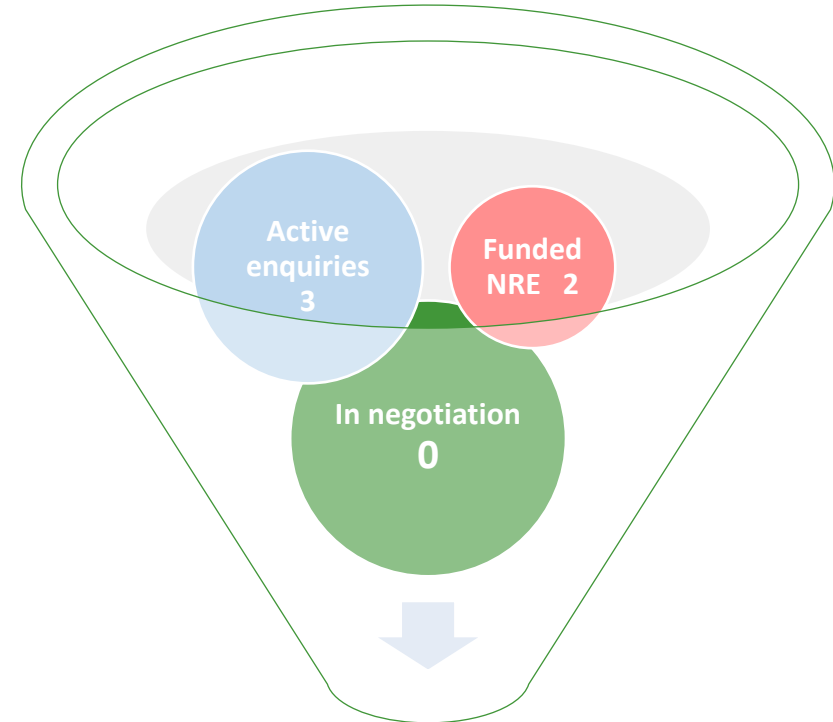


Under long-term contract:

2

July 2021

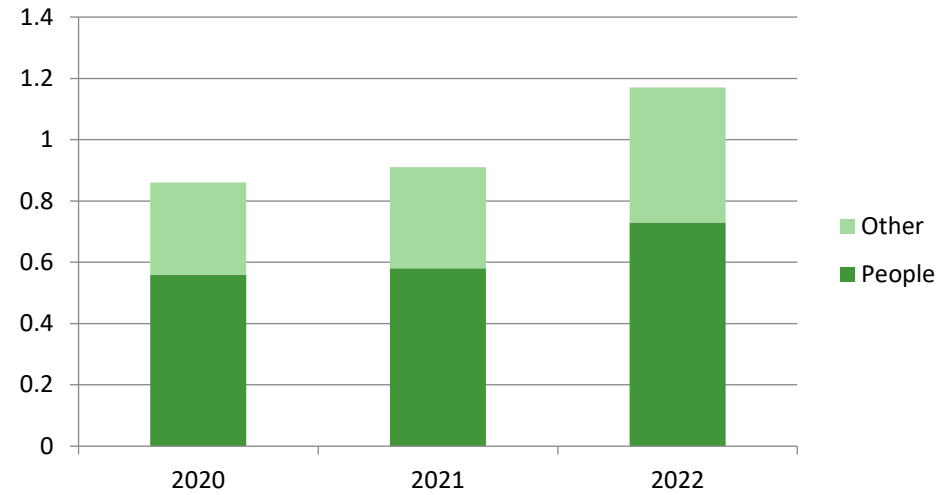
Total = 7



Under long-term contract:

2

SAW cost base (£m)



- Increased technical workload
- New Technical Director appointed July 2022
- Building team and capabilities gradually





- Current trading well ahead of last year
- Resilient strategy and business model
- iTrack royalty: high growth, low risk
- Translogik tyre revenue: ample opportunities
- SAW: pipeline building in number and depth
- Partnership approach delivering
- Looking to the future with confidence



- FY22 programme launched February 2022
- Bought £300k of shares at an average of c.70p
- Fully funded from cash flow

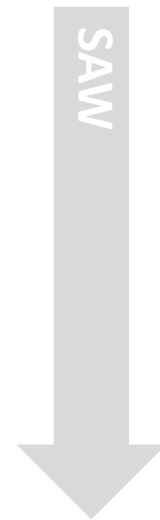
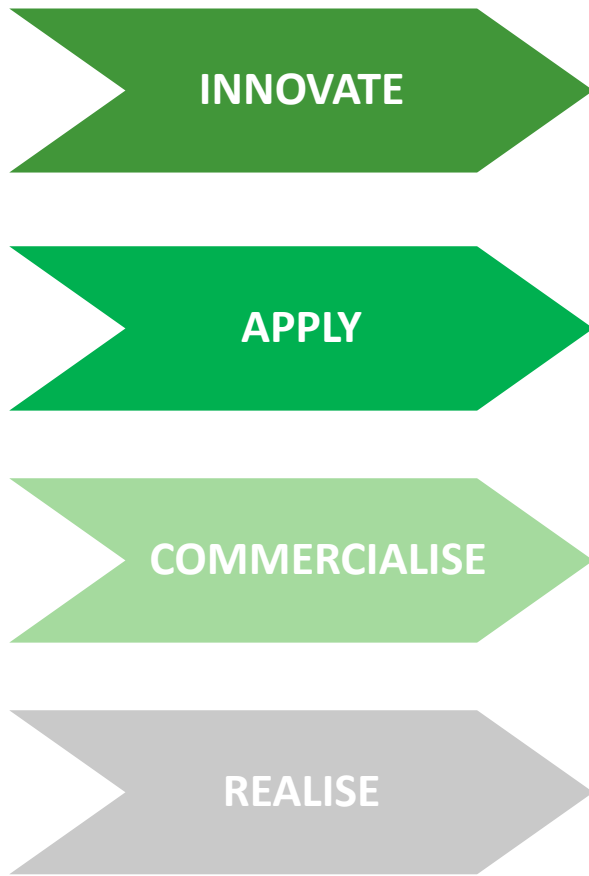
- FY23 programme now announced
- Propose to buy up to £150k prior to AGM
- Further £500k post-AGM subject to approval
- Fully funded by cash flow with headroom



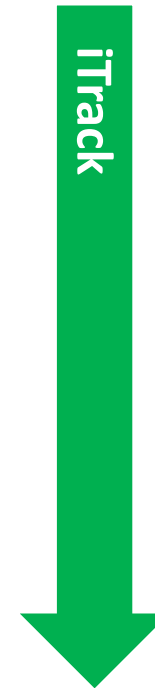
QUESTIONS?



- Strategy recap
- SAW technology
- Translogik probe
- iTrack prospects (June 2020)
- Profit & loss account



Commercially active under TRT



Ten year duration
licensing income
from Bridgestone
Corp 2020-2030



Sold to
Emerson Corp
for US\$5m in
October 2015

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

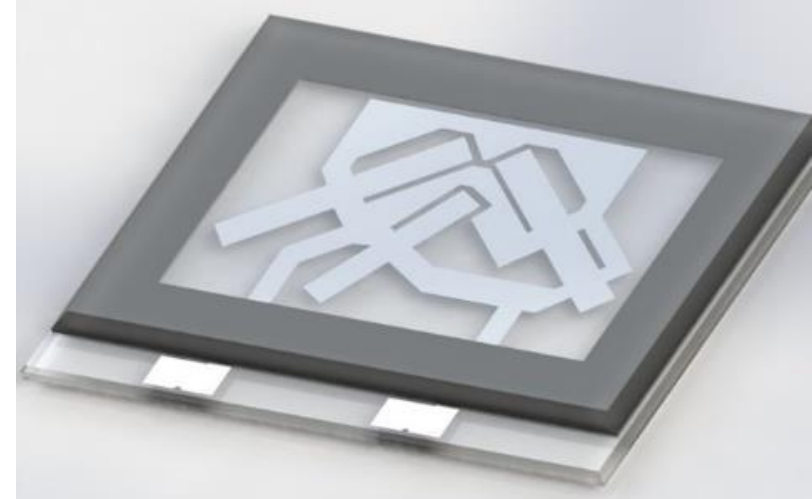
SAW resonators are compact and rugged, and can be interrogated on a real-time basis, wirelessly and without need for a local power source.

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 offering potential for enhanced sustainability.

Protected by multiple patents and supplemented by extensive applications and know-how meaning 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.



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

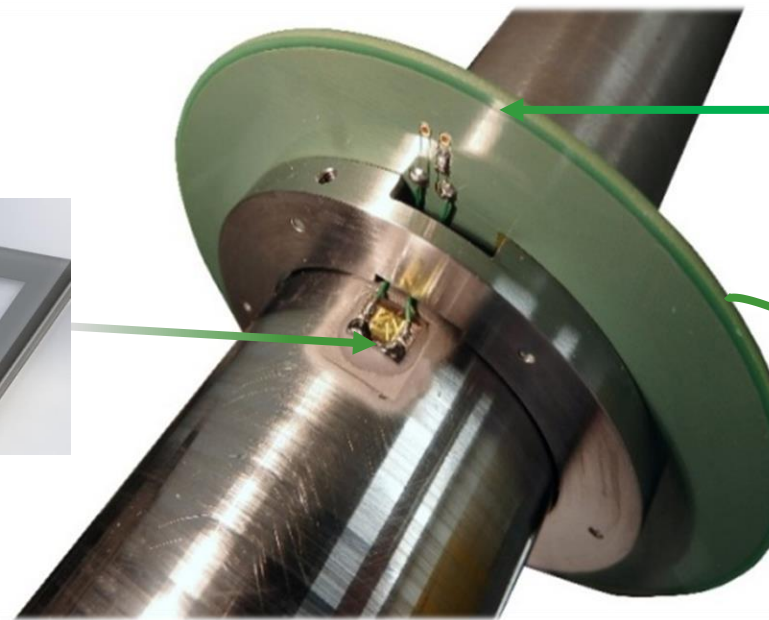
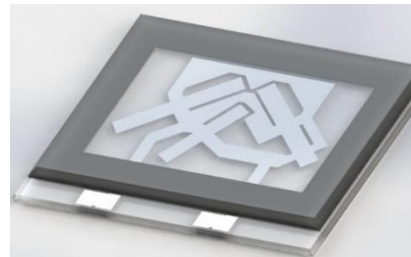
- Unique ASIC
- Electronics and software to process AQP SAW signal
- Transense unique patented software and electronics design

Non-Contact

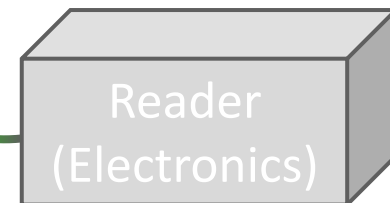
Accurate

Low cost

Sensor



RF Rotary Coupler



Torque Output

Tyre management solutions for off-the-road (OTR) and commercial vehicles



KEY FEATURES

- ✦ Modular
- 📏 Tread depth 0-30mm
- 📶 RFID
- 🔍 TPMS Reader
- 📏 Accurate Tyre Pressure Measurement
- 📶 Wireless 20m Bluetooth range (in free air)
- 🔋 High Capacity Rechargeable Battery lasts up to 24 hours
- 📖 Software Development Manual Available
- 👉 Lightweight & Rugged Construction

- Tread depth, pressure, RFID and TPMS sensor reader.
- Reduced inspection time = improved site productivity.
- Electronic data capture.
- IOS and Android compatible.
- Adopted by major tyre manufacturers, including Bridgestone, Goodyear, & Continental.
- New range launch imminent with more advanced features at the top end.

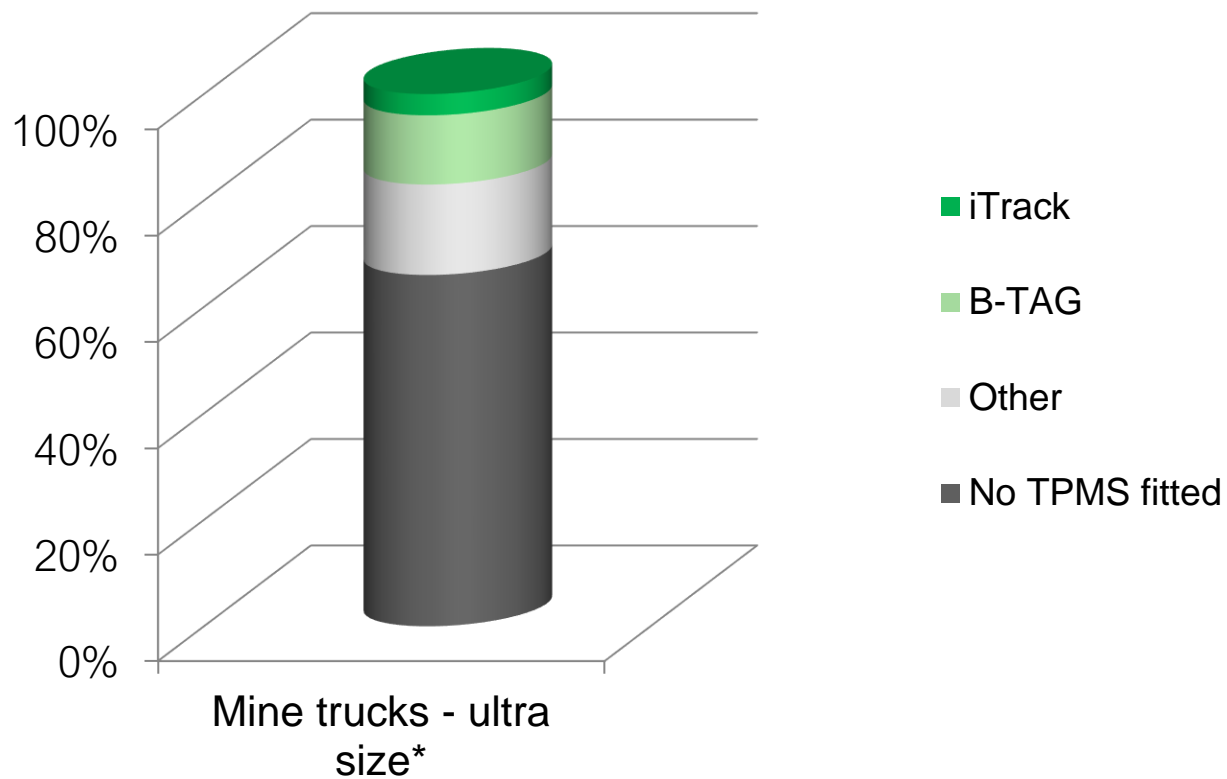


Chart shows TPMS market share on Ultra size mine haul trucks

Ultras = 25% of total mine haul trucks by number

Ultras = 35% of potential TPMS market by value

Financials – Profit & Loss

	FY22	FY21
	£Millions	£Millions
REVENUES	2.63	1.78
COST OF SALES	0.40	0.39
GROSS PROFIT	2.23	1.39
OPERATING EXPENSES	1.97	1.58
OPERATING PROFIT / (LOSS)	0.26	0.19
OTHER INCOME	0.02	0.05
INTEREST	0.01	0.01
TAXATION	0.61	0.31
PROFIT ON CONTINUING OPERATIONS	0.88	0.16

Disclaimer

The information contained in this document (“Presentation”) and the presentation made to you verbally has been prepared by Transense Technologies Plc (the “Company”). Transense Technologies Plc is a UK incorporated company quoted on AIM, a market operated by London Stock Exchange plc. This Presentation has not been fully verified and is subject to material updating, revision and further verification and amendment without notice. This Presentation has not been approved by an authorised person in accordance with Section 21 of the Financial Services and Markets Act 2000 (as amended) (“FSMA”) and therefore it is being provided for information purposes only.

While the information contained herein has been prepared in good faith, neither the Company nor any of its directors, officers, agents, employees or advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as “Information”) and liability therefore is expressly disclaimed. Accordingly, neither the Company nor any of its directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation.

The views of the Company’s management/directors and/or its partners set out in this document could ultimately prove to be incorrect. No warranty, express or implied, is given by the presentation of these figures herein and investors should place no reliance on the Company’s estimates cited in this document.

This Presentation may contain “forward-looking statements” that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements are statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, performance, financial condition, prospects, growth, strategies and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements are not guarantees of future performance of the Company and reflect assumptions and subjective judgements by the Company that are difficult to predict, qualify and/or quantify. These forward-looking statements speak only as of the date of this Presentation and the Company does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation.

This Presentation should not be considered as the giving of investment advice by the Company or any of its directors, officers, agents, employees or advisers. In particular, this Presentation does not constitute or form part of any offer or invitation to subscribe for or purchase any securities and neither this Presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever. No reliance may be placed for any purpose whatsoever on the information or opinions contained in these slides or the Presentation or on the completeness, accuracy or fairness thereof. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and each recipient should satisfy itself in relation to such matters.

The distribution of this document in or to persons subject to jurisdictions outside the UK may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

Allenby Capital Limited (“Allenby Capital”), which is authorised and regulated by the Financial Conduct Authority, is acting as the nominated adviser and broker to the Company. Accordingly, the recipients should note that Allenby Capital is neither advising nor treating as a client any other person and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Allenby Capital and nor for providing advice in relation to the matters contained in this Presentation.