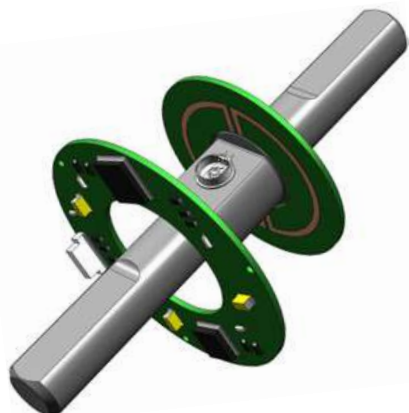



Final Results – Year Ended 30th June 2018



+



 Surface Acoustic Wave (SAW) wireless, battery-less sensors measuring:

- Torque
- Pressure
- Temperature
- Other measurements e.g. vibration, stress

 Tread depth and tyre pressure measurement probes

 Rugged tyre pressure monitoring systems (“TPMS”)

Working With Global Companies



- 60% Translogik revenues increased to £1.90m (2017 £1.19m)
- 234% increase in recurring iTrack II revenue on rental model to £614k (2017 £184k)
- 81% increase in Probe sales to £839k (2017 £464k)
- Continuing development of SawSense applications making progress
- Successful equity fund raise of £0.92m (net of costs) in June 2018

In August our Data Analytics Centre issued 235 'Hot Tyre' alerts.



Stage 1 - 179
Stage 2 - 28
Stage 3 - 28

With iTrack II



Without iTrack II



There were a total of
0 Delaminations
0 Fires

- iTrack adoption rates accelerating
- New contracts announced in Chile, Australia and West Africa
- Trials in Peru and South Africa at an advanced stage
- 24/7 Data Analytics centre receives first clients
- First trial in USA agreed

 TL^{G1}



 iProbe



 iProbe^{EM}

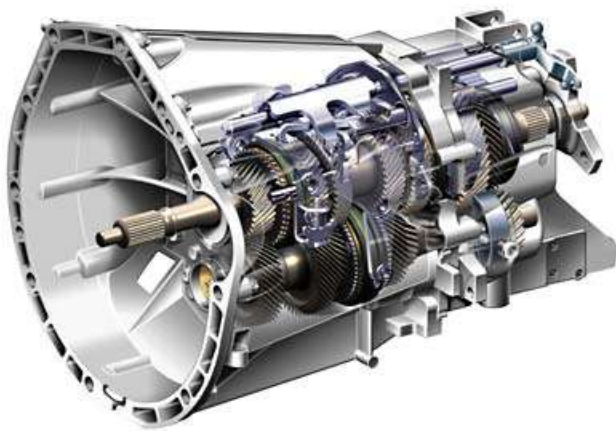


Probe sales increased to £839k (2017 £464k)

Goodyear, which has 2,300 distributors in the US alone, launched Tire Optix Fleet Inspection Software, incorporating the Translogik probe, and sales are now expanding both within and beyond the USA

Further market adoption by Bridgestone, Continental and numerous system integrators and value added resellers

Licensing IP and Project Development



Automotive Torque

Multi-application



Industrial Sensors

Multi-application

- GE relationship strengthens - initial project maturing - 3 new projects are under discussion
- We have 2 OE level automotive projects underway
- Our JV with McLaren is ongoing and the addition of our torque sensor into further multiple race series is under discussion
- We have 2 Marine applications, one under trial and one at development stage

- Adjusted Revenues increased by 44% to £2.05m (2017: £1.42m*)
- Translogik revenues increased by 60% to £1.90m (2017: £1.19m)
- Gross margin increased to 62.9% of revenues (2017: 56.8%)
- Overheads (excluding depreciation and amortisation) reduced by 12% to £2.61m** (2017: £2.96m)
- Pre-tax loss from continuing operations reduced to £1.87m** (2017: £2.16m*)
- Successful equity fund raise of £0.91m (net of costs) in June 2018
- Significant increase in recurring iTrack II revenue on rental model; improving visibility
- Significant increase in Probe sales from adoption by multiple outlets
- Continuing applications development for SawSense showing positive results

* prior year revenue of £1.42m and pre-tax loss of £2.16m exclude the license fee earned by SawSense of £0.58m. Underlying figures including this fee were revenue of £2.00m and pre-tax loss of £2.74m.

** these numbers are shown excluding the share based payments charge of £0.04m.

	2018	2017	2016
	£Millions	£Millions	£Millions
Continuing Operations			
Revenues	2.05	2.00	2.08
Cost of Sales	0.76	0.86	0.76
Gross Profit	1.29	1.14	1.32
Administrative Expenses	3.21	3.32	2.54
Operating Loss	1.92	2.18	1.22
License Fees (Net)	-	-	2.76
Interest	-	0.02	0.05
Taxation	0.03	0.00	0.03
Profit/(Loss) on Continuing Operations	1.89	2.16	1.62
Discontinued Operations			
Loss from discontinued operations	0.00	0.01	0.47
Profit/(Loss) for the year	1.89	2.17	1.15

	2018	2017	2016
	£Millions	£Millions	£Millions
Translogik			
iTrack (Sales)	0.44	0.55	0.83
iTrack (Subscriptions)	0.62	0.18	0.15
Probe	0.84	0.46	0.65
Total	1.90	1.19	1.63
SAWSense			
NRE	0.15	0.23	0.45
Licence Fees	-	0.58	3.04
Total	0.15	0.81	3.49
Total Revenues	2.05	2.00	5.12

	2018	2017	2016
	£Millions	£Millions	£Millions
Cash flow from operating activities			
Profit/(Loss) for the period	1.89	2.16	1.60
Adjustments	0.60	0.31	0.21
Operating Cash Flows before Working Capital Movement	1.29	1.85	1.39
Movements in Working Capital	0.19	0.97	0.55
Net Cash generated/(used) in operations	1.10	0.88	0.84
Cash flow from investing activities			
Interest	-	0.02	0.05
Capital Expenditure (Net of disposals)	0.74	0.34	0.17
	0.74	0.32	0.12
Cash Flow from financing activities			
Proceeds from issue of share capital	0.92	0.07	2.46
	0.92	0.07	2.46
Net Increase/(Decrease) in cash	0.92	1.13	3.18

	2018	2017	2016
	£Millions	£Millions	£Millions
Non Current Assets	1.38	1.25	1.59
Current Assets			
Cash	1.59	2.52	3.65
Other	1.38	1.69	2.39
	2.97	4.21	6.04
Current Liabilities	0.48	0.66	0.71
Net Assets	3.87	4.80	6.93
Capital and Reserves			
Share Capital	5.02	4.77	11.55
Share Premium/Translation Reserve/SBP	0.74	0.04	17.22
Accumulated Deficit	1.89	0.01	21.81
Shareholder's funds	3.87	4.80	6.95

- Continued growth in iTrack subscriptions and collaborative discussions are underway with major global companies
- GE is moving towards the final project stage
- Substantial rise in Probe sales during the year
- Financial condition improved from reduced cash burn and fund raise in June 2018



Appendix

What is Surface Acoustic Wave (SAW) sensing?

Transense Technologies has developed two distinct sensors, one measures torque and temperature the other pressure and temperature, and the requisite electronics to interrogate and read them. These sensors utilise Surface Acoustic Wave (SAW) technology.

A SAW is an acoustic wave that travels along the surface of an elastic material. This kind of wave is commonly used in piezoelectric devices in electronic circuits. These piezoelectric devices will convert electrical pulses into mechanical vibrations and, conversely, mechanical vibrations into electrical pulses. A SAW resonant sensor is designed to resonate at a certain frequency, but if its piezoelectric substrate distorts through heat, mechanical stress or pressure, it will resonate at a different frequency. When a radio wave is directed at this device to interrogate its properties, it will, in the absence of any external forces, reflect (back scatter) a wave of the same frequency to the source. If, however, the device is subject to external force, e.g. heat or stress, the reflected wave will be of a different frequency and that change in frequency can be measured. The Company has developed a way of measuring the difference in frequency between these waves in a range of sensors, which can be used to accurately calculate torque, temperature and pressure. In order to read this change in frequency, the Company has developed associated interrogation electronics and software. These SAW devices are fabricated utilising common processes employed in the manufacture of silicon integrated circuits.

David Ford, Chairman: Specialist in IP law. In 1990 became Tarlo Lyons first Managing Partner. In 1998 he led the management buyout of the consumer debt recovery department of his old firm, Tessera Group, where he was the non-executive chairman until it was acquired by Arrow Group in December 2014

Graham Storey, Group CEO: Previously CEO of The Moyses Stevens Group, which Graham gained control of through a management buy out. Through a combination of organic growth and acquisitions, the group grew to become the biggest commercial and retail florist in the UK. Graham carried out a successful sale of the business in 2004 to a venture capital fund and, prior to joining Transense has been involved in investing in several businesses one of which was Transense Technologies plc.

Melvyn Segal, Finance Director: Mr. Segal is a chartered accountant and experienced company finance director, having previously held Director positions at various high growth businesses. Prior to entering the commercial sector Mr. Segal was a senior partner for 22 years at the accountancy firm Arram Berlyn Gardner (ABG).

Laren Yeomans, Translogik CEO : Previously Sales Director (1998 – 2004) for RBC Electronics -duties included selling white goods products into the major high street retailers including B&Q, Argos and QVC TV shopping channel outlet. During this time also became Managing Director of Pneu-Logic Ltd which specialised in distributing data collection equipment into the tyre industry with customers such as Bridgestone, Michelin, Goodyear adopting the technology.

Nigel Rogers, Non-Executive Deputy Chairman: Mr Rogers qualified as a Chartered Accountant in 1983 spending eight years with PwC before moving into industry. He managed the flotation of Stadium Group Plc as Group FD, before progressing to Group CEO in 2001. Under his leadership, Stadium divested several non-core businesses, focusing on the successful development of its electronic design and manufacturing capabilities in the UK and China to a worldwide customer base. He joined 600 Group Plc as Group CEO in 2012 and led the turnaround of the AIM-listed global machine tool business (Colchester-Harrison), increasing strategic focus on growth of its technology-based laser marking business (Electrox) until April 2015.

Rodney Westhead, Non-executive Director: Chartered Accountant by training and until 2005 was Chief Executive of Ricardo plc, the major automotive consulting engineering group with sales of £200 million a year. Currently Chairman of Clean Air Power plc.