seeingmachines

Capital Markets Day November 2019

Paul McGlone, CEO

Tim Edwards, CTO and Founder

Prof. Mike Lenné, SVP Fleet & Human Factors

Nick DiFiore, SVP Automotive

Patrick Nolan, GM Aviation



WELCOME OVERVIEW

Engineering Performance

S Profitable Business

Balanced Portfolio

RESET

- Strategic focus to **leverage Company's IP asset** to accelerate mass-market opportunities across existing transport sectors. Discussions continue with current customers.
- Improved management controls to improve productivity and reduce costs across the business.



Tim Edwards

Co-founder and Chief Technology Officer





EYE TRACKING: THE CHALLENGE

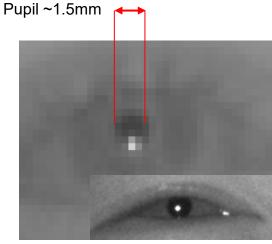




Automotive Grade



Multiple package locations



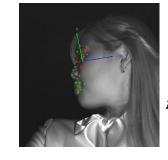
Precision tracking of pupil @ with ~ 6 pixels



Across all demographics



Lighting noise



Extreme angles



Occlusion of the face and eyes seeingmachines

PRODUCT HISTORY

STATE MONITORING ALGORITHMS

OPTICS & PROCESSING TECH

ALGORITHM EMBEDDING

HEAD AND EYE TRACKING ALGORITHMS















faceLAB

2001-2015

Stereo face and eye tracking tool for human factors scientists working with cockpit environments.



2007-2015

Product for mining vehicles.

GUARDIAN

2015- today

Product for truck fleets.

DME Gen1

2011- 2017

Software for General Motors (attention monitoring in Level-2 autonomous vehicle system).

DME Gen2

2015- today

Software for 2 luxury car OEMs.

FDM Chip

2016- today

FDM Chip solution sourced by 2 car OEMs. Planned for mass production in 2019 to address automotive market "wave" for DMS.

AVIATION

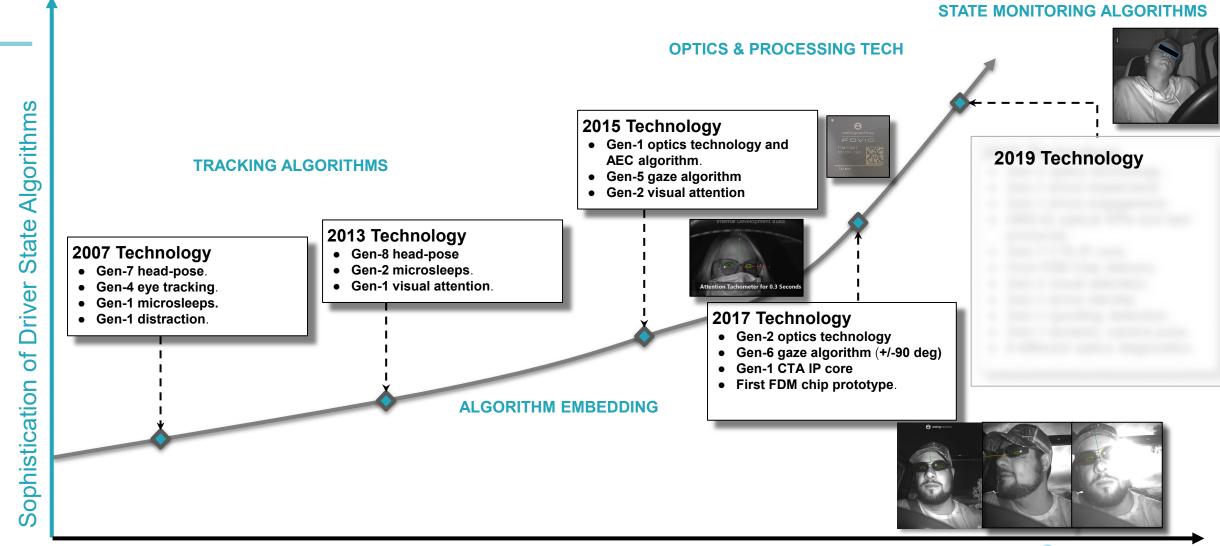
2018 - today

Particularly in areas of pilot training (simulators)

Pilot and crew monitoring (flight cockpits)

For 2020+ timeframe

CORE TECHNOLOGY EVOLUTION



Trusted DMS Technology



Prof. Mike Lenné

SVP Fleet and Human Factors



HUMAN FACTORS HIGLIGHTS - POLICY

Somplexity of Behaviour

Sophisticated behavioural definition Simple technology

Sophisticated behavioural definition Sophisticated technology

Simplistic behavioural definition
Simple technology

Simplistic behavioural definition Sophisticated technology

Difficulty to Detect

HUMAN FACTORS HIGHLIGHTS - FEATURE DEVELOPMENT





Simulation

Test track

On-road test drives

On-road fleets

Guardian

Deep understanding of operator state (truth development, algorithm development)

Deep understanding of real-world safety and efficiency (links to risk, algorithm validation)

These are the insights that deliver a key competitive advantage





Business Cooperative Research Centres Programme

Advanced Safe Truck Concept

The Project developed a driver monitoring concept that will enhance the way the freight industry can monitor and improve driver safety and wellbeing and will:

- Enhance algorithms to support fleets to manage safety more proactively
- Develop new methods to interface with the driver (the driver (the HMI)













FLEET BUSINESS - INCREASING MOMENTUM



Product

- Quality improvements
- Performance
- Next generation



Cost Reduction

- Guardian hardware cost reduce by 20%
- Cost to serve ongoing focus for continued improvements



Channel Momentum

- Expanding network
- Insurance opportunities
- Global regulatory driven momentum



Recurring Revenue and Cashflow

- Accelerated installation rate to generate ARR faster
- Revised commercial terms to streamline cashflow



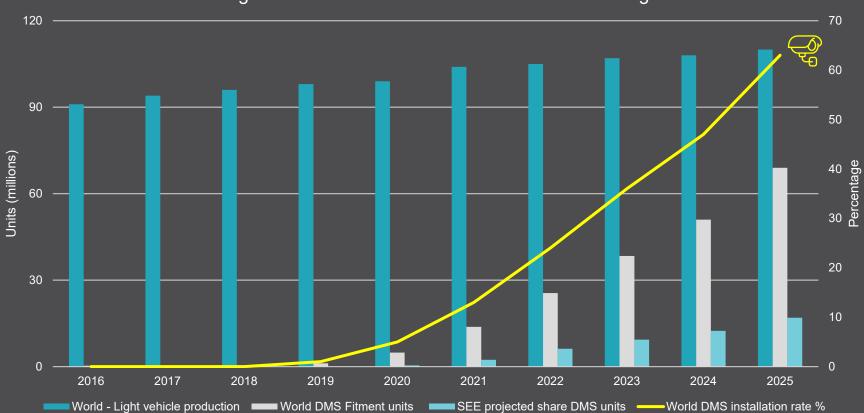
Nick DiFiore

SVP Automotive



AUTOMOTIVE DMS MARKET GROWTH

DMS market growth drives total addressable market for Seeing Machines



Source: Semicast Research (2019 edition)

Note: Company projected market share did not come from Semicast Research



AUTOMOTIVE BUSINESS - STATUS



Europe and North America

Established and validated with 6 OEMs in the region on 9 current automotive programs – revenue potential of A\$200m



Market Share approaching 30%

Focus on maintaining incumbency on key programs and continue to win profitable business



Expansion in Asia

Japan and Korea opening up with additional opportunities for DMS, Seeing Machines active with in-country staff

Pipeline

Continued work on RFQs

Range of RFQs to be resolved in coming weeks and months. More expected out of new and existing geographies.







NCAP Direction

Regulatory driven
demand already
influencing OEM behavior,
Seeing Machines NCAP
win previously
announced. Expect flowon momentum in Fleet



XILINX

Agreement to streamline supply chain for FOVIO Chip, reduce Seeing Machines risk and provide cost benefit for customers.



Patrick Nolan

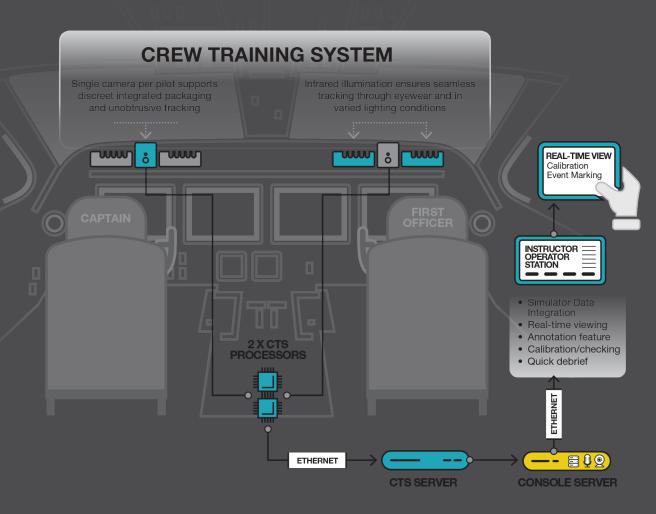
GM, Aviation



AVIATION HIGHLIGHTS



Commercialisation of Aviation with the Crew Training System launched into two Full Mission simulators for RAAF and one Full Flight Simulator for a major Australian airline





CREW TRAINING SYSTEM - HOW IT WORKS

IN-SIMULATOR



01

CALIBRATE

Quick eye gaze calibration for each pilot



02

RECORD

Start recording of combined crew scan



03

VIEW

Real-time scanning view available to instructor



04

ANNOTATE

Manual or automated event marking for notable scan behavior & events

DEBRIEF ROOM



05

DEBRIEF

Post-flight debrief with scanning evidence

TRAINING INTELLIGENCE



06

LEARN

Organizational learning from aggregate and trending behaviors

Much of a pilot's performance can be traced back to the <u>visual scanning patterns</u> they employ. The cognitive processes driving the scan are yet to be fully understood and the use of eye tracking technology will help training organisations and pilots understand this vital area. In my view, <u>all simulators</u> of the future will be fitted with, as standard, eye tracking technology to allow <u>enhanced and accelerated learning</u>.

Capt. Matt Gray, Qantas Head of Training and Checking



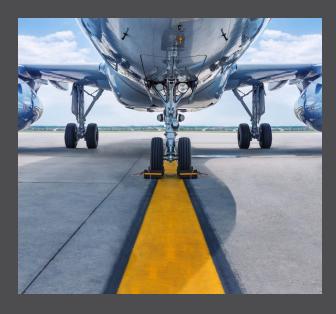
AVIATION

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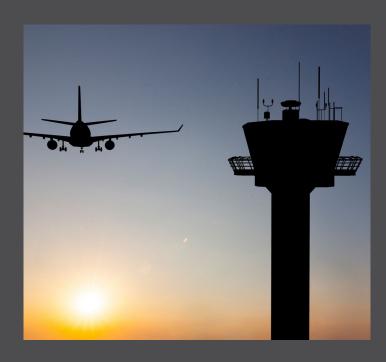
SIMULATOR / FLIGHT TRAINING

- +4,000 Full Flight/Mission Simulators
- +800,000 pilots required next
 20 years
- Support: pilot training, automation, instructor workload, pilot monitoring



AIRCRAFT / PILOT SUPPORT

- +44,000 new aircraft in next 20 years
- +50,000 total commercial fleet size in 20 years
- Support: Fatigue, pilot monitoring,, reduced crew / single pilot operations



CONSOLES / AIR TRAFFIC CONTROL

- More planes, flying closer together,+100,000 ATC seats globally
- Significant reliance on automation, demanding shift operations (24/7)
- Support: passive controller in automated air traffic environment



Paul McGlone

Chief Executive Officer



SUMMARY



Automotive established with close to 30% market share



Regulation driving demand already evident in Automotive and emerging in Fleet



FOVIO Chip complements software play, key to future development of Aviation and Fleet products



Cash conversion, profitable Annual Recurring Revenue, margin expansion



Focus on licensing
- multiple use
cases, high value
ASP, long term
recurring revenue
opportunity



Strategy shift to leverage Intellectual Property asset across transport sectors to expedite mass-market deployment in strategic markets.

Validated, scalable, world-leading human monitoring technology



THANK YOU

