



# FY2023 Results

Paul McGlone, CEO

Martin Ive, CFO

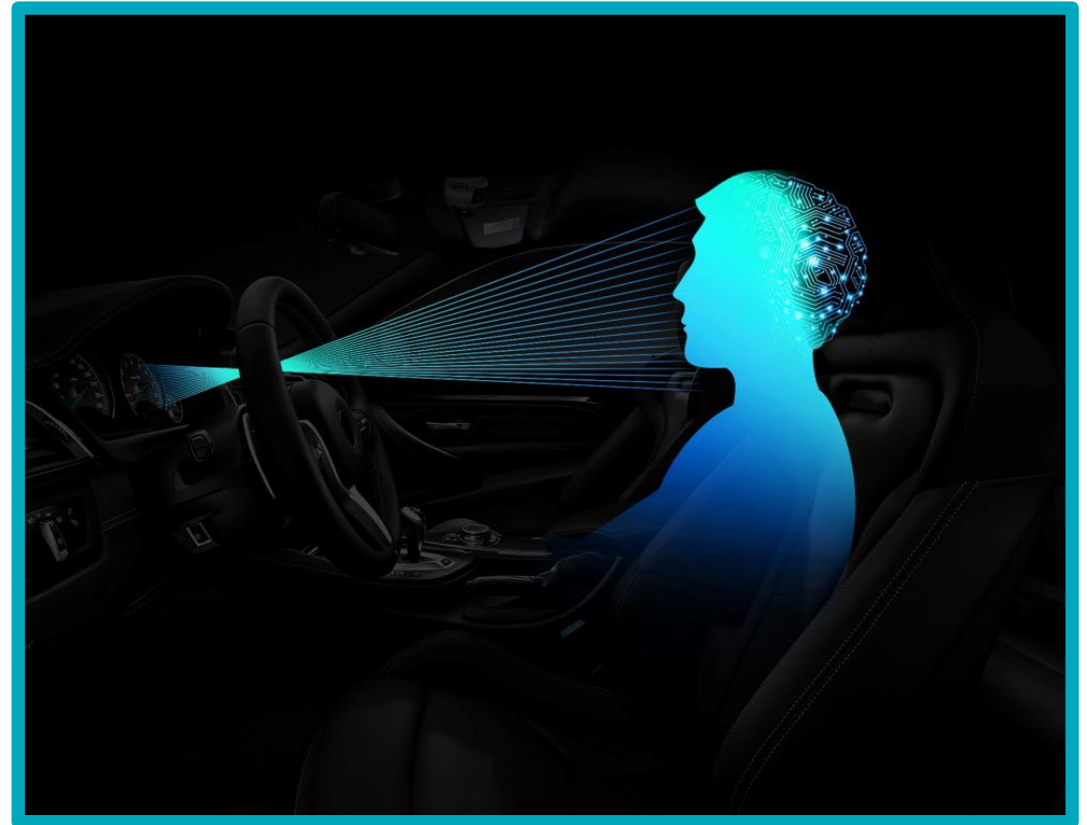


October 2023

# Unlocking shareholder value

## Key Factors / Initiatives

- High margin royalty revenue in Automotive as cars on road increase over coming quarters and years
- Launch of Guardian Generation 3 will be lower cost to produce, scale potential, geographic expansion, and meet European GSR compliance
- Increased connections lead to increased services and high margin monitoring revenue, average 36-60 month contract terms, low churn
- Aviation business comes of age with world-leading Avionics Tier 1 – Collins Aerospace – exclusive collaboration
- Operational efficiency across expanding business with digital transformation, external engineering resources, feature re-use, etc.



# Seeing Machines Regulatory Strategy

- European GSR in force today for Drowsiness, with Distraction to be required in 2026. Applies to all CARS, VANS, TRUCKS & BUSES.
- Euro NCAP is focus for Seeing Machines' near-term roadmap. On Occupant Status Monitoring Working Group to assist with protocols and roadmap for escalating requirements.
- OEMs selling into Europe solely focused on NCAP today.
- Seeing Machines actively working with US Congress to expedite 2021 Infrastructure Act to require DOT rulemakings.
- Key stakeholders include NHTSA, US NTSB, US National Distracted Driving Coalition
- Ongoing collaborations with US safety groups and researchers to support NHTSA rulemaking



## Snapshot: Regulatory Ecosystem

A dark blue rounded rectangle containing logos for various regulatory and research organizations. The logos are arranged in a grid-like fashion. At the top left is the European Commission logo. To its right is the Euro NCAP logo. Below the European Commission is the NHTSA logo, which includes icons for a car, a pedestrian, and a star. Below NHTSA are the National Transportation Safety Board (NTSB) logo, the Department of Transportation logo, and the Insurance Institute for Highway Safety (IIHS) logo. Below the IIHS logo is the Consumer Reports logo. At the bottom left is the Virginia Tech logo, and at the bottom right is the University of Iowa logo.

European Commission

EURO NCAP

NHTSA

NATIONAL TRANSPORTATION SAFETY BOARD

DEPARTMENT OF TRANSPORTATION UNITED STATES OF AMERICA

IIHS HLDI Insurance Institute for Highway Safety Highway Loss Data Institute

CR Consumer Reports

VIRGINIA TECH

THE UNIVERSITY OF IOWA

# Growing market opportunity across transport



**Automotive**

Euro NCAP, GSR requires DMS + semi-automated features driving increased fitment over time

**54+ MILLION GLOBAL DMS FITMENTS IN CY 2027<sup>1</sup>**



**Fleet/Off-road**

Guardian Gen 3 leans into telematics, GSR requires DMS in Europe, set to extend globally

**330,000+ COMMERCIAL VEHICLE ESTIMATED SALES EUROPE CY 2023<sup>2</sup>**



**Aviation**

Pilot shortage results in increased fatigue, requirement for more training in simulators and configuration changes in next generation of aircraft

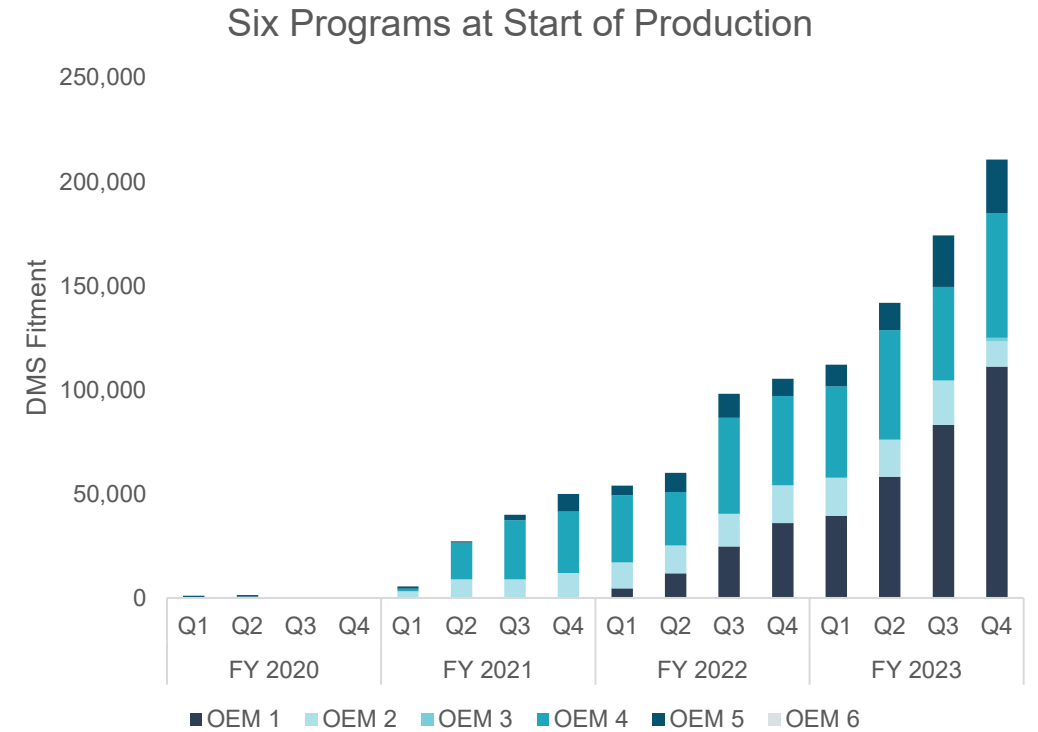
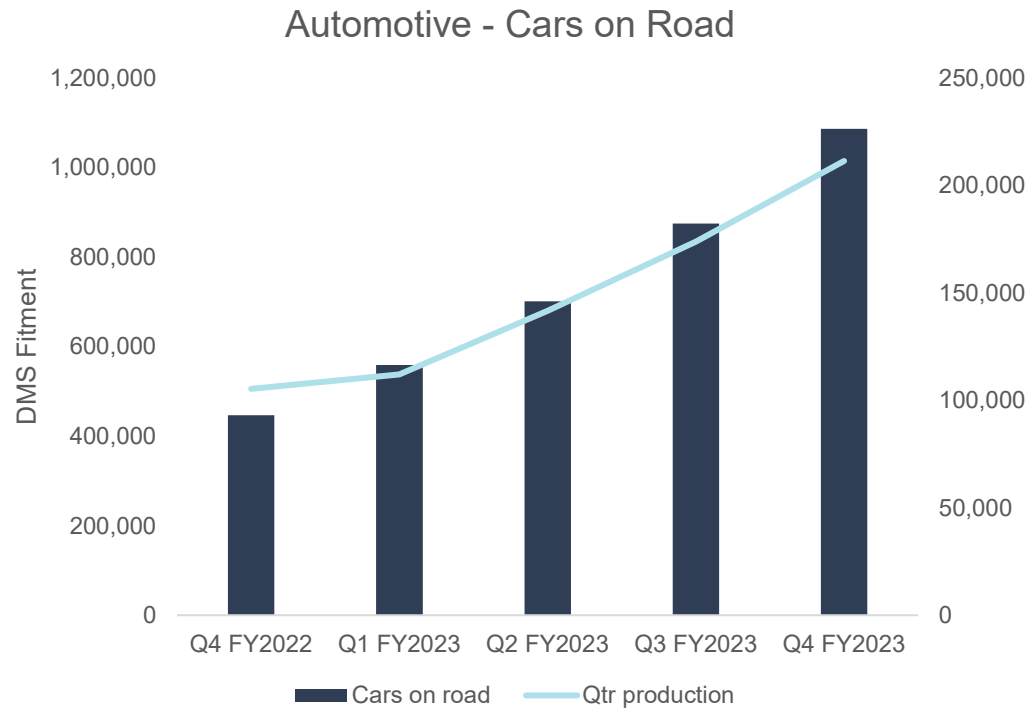
**47,000+ NEW COMMERCIAL AIRCRAFT OVER 20 YEARS<sup>3</sup>**

<sup>1</sup> Semicast Research, "ADAS & Automotive Vision-based Driver Monitoring Systems 2023" and ABI Research, "ADAS and Autonomous Driving Semi-Annual Update, 2021"

<sup>2</sup> Frost & Sullivan, "Global Light, Medium, and Heavy Commercial Vehicle Outlook 2023"

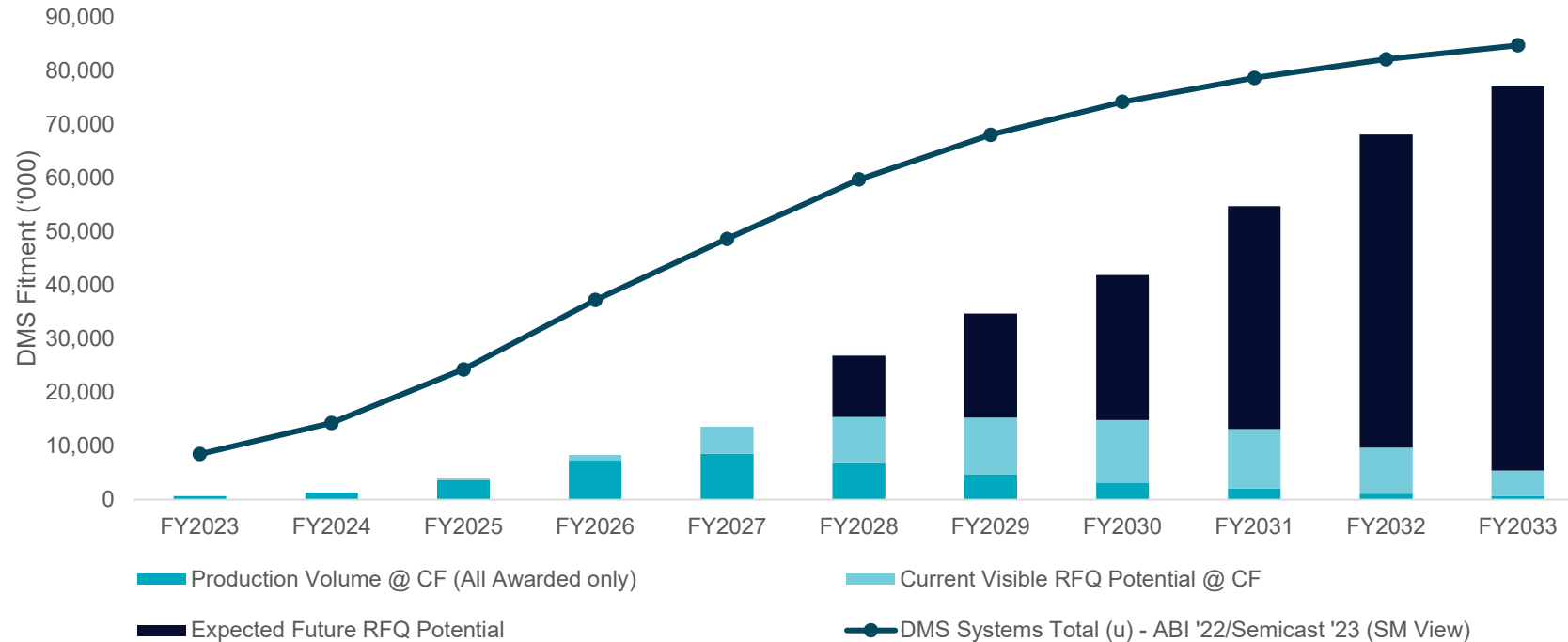
<sup>3</sup> Boeing, "Commercial Market Outlook 2022-2041"

# Automotive – demonstrated fitment growth



- 143% growth in cars on road over 12 months across 6 OEM programs
- Production royalties expected to be largest proportion of Automotive revenue by H1 FY24 based on current trend

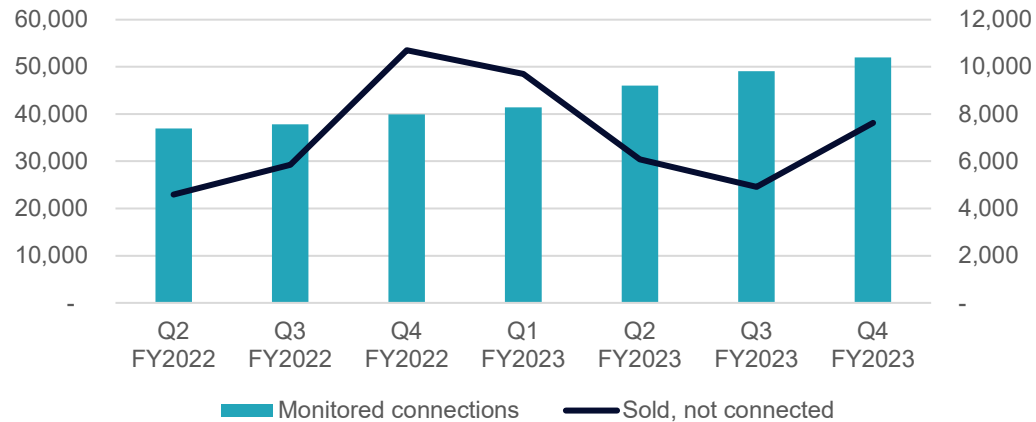
# Market Dynamics – DMS / OMS



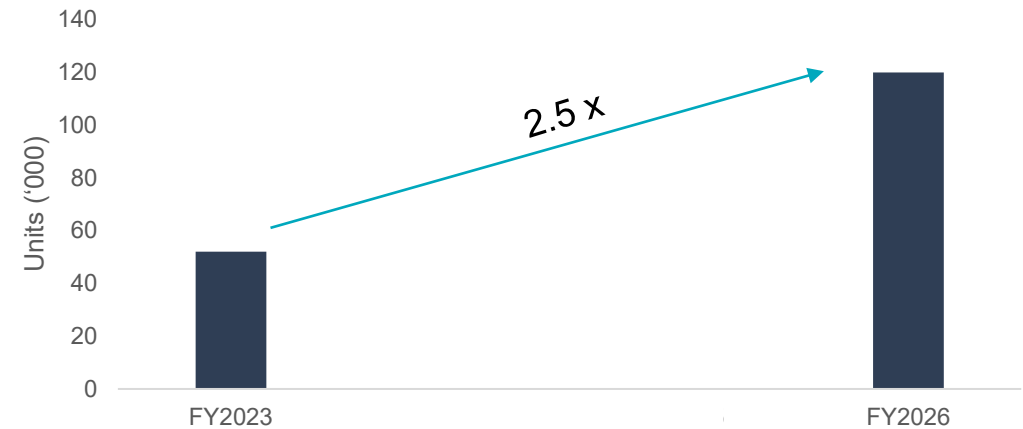
- Market share expectations remain at ~40% by 2028
- 100%+ CAGR in production volumes for awarded programs to FY26
- Euro NCAP and EU GSR continue to drive demand
- Structure of RFQs changing as OEMs strive to meet compliance across multiple vehicle lines

# Guardian drives ARR growth

KPIs Actual: Guardian Connections, Backlog



Cumulative Guardian Connections

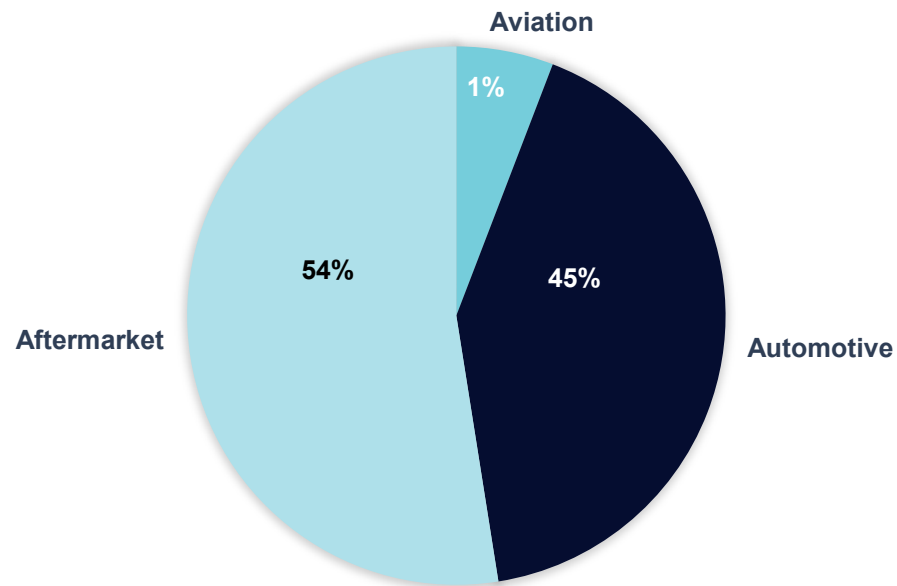


- 30% CAGR for Guardian Connections over the last 3 years
- Low churn results in growing accumulation of connections and high margin recurring revenue stream

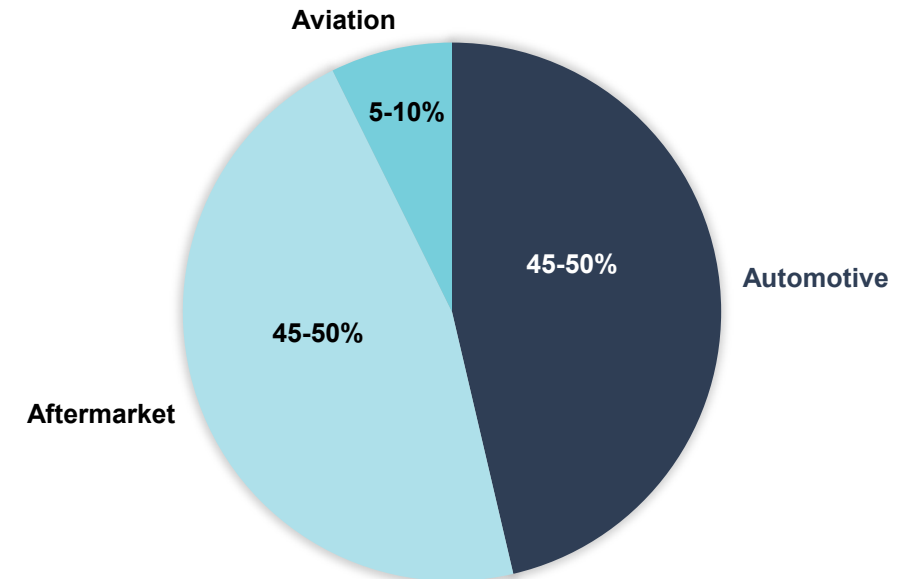
- Launch of Gen 3 will increase addressable market through:
  - After Manufacture segment opportunity underpinned by Regulation (GSR) in Europe
  - Improvements in technology and form factor resulting in reduced unit costs giving pricing flexibility and simpler installation process

# Strong revenue growth – outlook to FY2026

Business Unit Revenue Contribution FY2023



Business Unit Expected Revenue Contribution FY2026

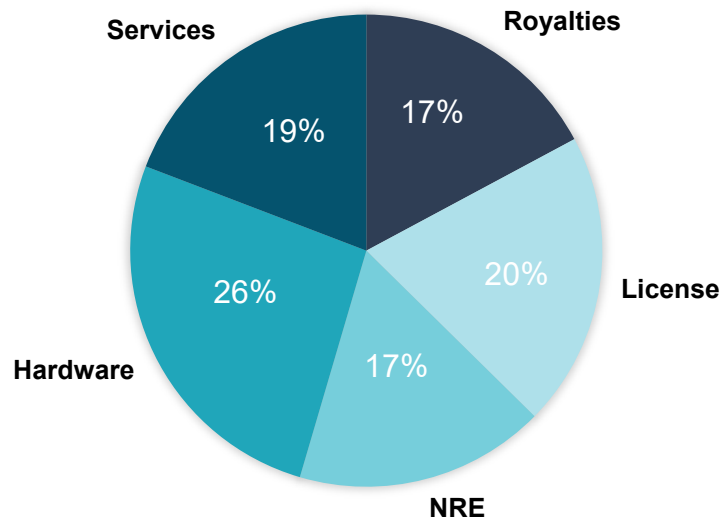


- Revenue in FY2026 expected to be not less than US\$125m
- Contribution by BU changes as Aviation grows and Automotive royalty revenue increases



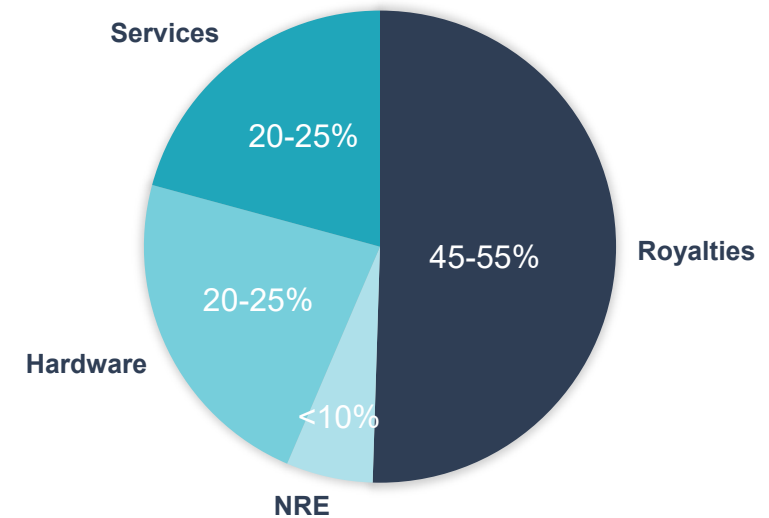
# Royalty revenue drives margin

Revenue mix FY2023



- Reasonably evenly split as inflection point reached in Auto
- NRE (Non-Recurring Engineering) revenue lead indicator of forward-looking business

Expected revenue mix FY2026



- As business matures, high-margin royalty revenue becomes prominent
- NRE reduces as a proportion as re-use increases

# Review of FY2023 Performance

# FY2023 Highlights

RECORD REVENUE

**US\$57.8M**

↑ 48% from FY2022

ANNUAL  
RECURRING  
REVENUE

**US\$13.6M**

↑ 27% from FY2022

CASH POSITION  
AT 30 JUNE 2023

**US\$36.1M**

**US\$321M**

AWARDED  
AUTOMOTIVE  
PROGRAM VALUE

**51,975**

GUARDIAN  
CONNECTIONS

**US\$47.5M investment**

BALANCE SHEET STRENGTHENED WITH  
INVESTMENT FROM MAGNA INTERNATIONAL

**1,000,000+**

CARS ON ROAD  
ACROSS 6  
PROGRAMS

# Balance Sheet Strength

CASH POSITION  
AT 30 JUNE 2023

**US\$36.1M**

WORKING CAPITAL  
UNWIND

**US\$15-20M**

CASH POSITION  
AT 30 SEPT 2023

**US\$30.8M**

FREE CASH OUTFLOW  
H2 FY23\*

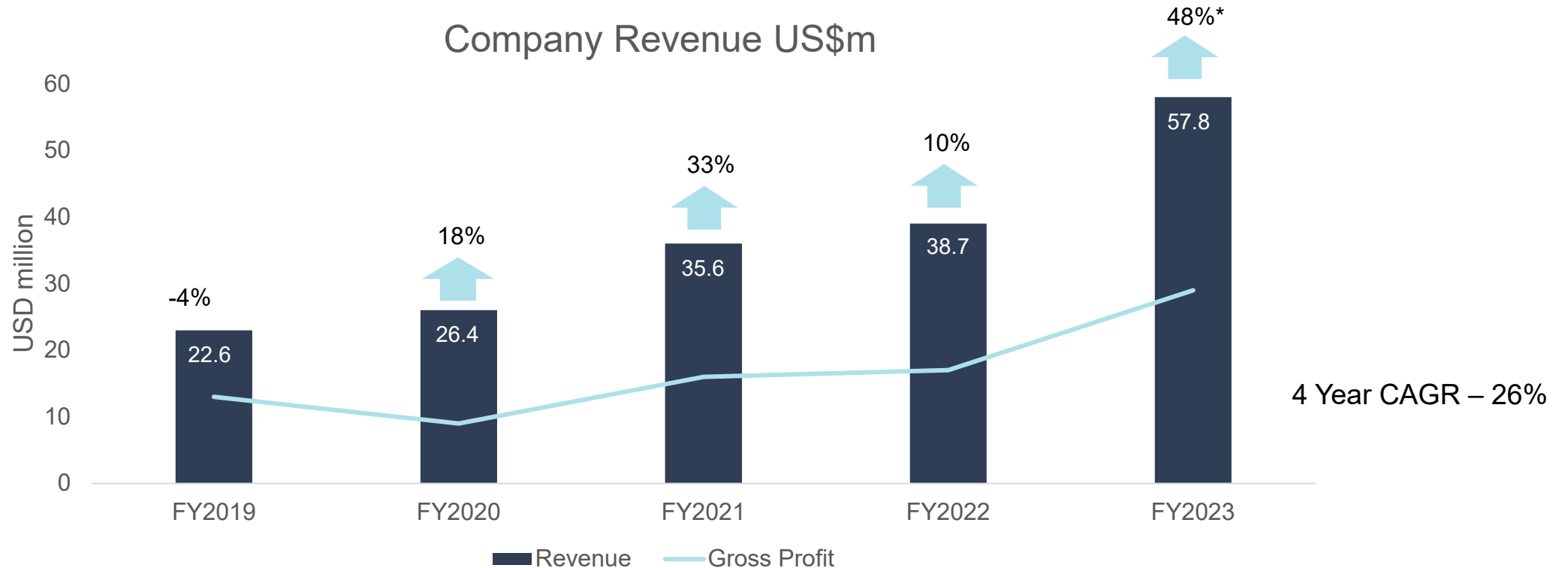
**(US\$32.1M)**

MONTHLY CASH BURN  
H2 FY23\*

**(~US\$3.0M)**

\* Working capital build up in H2 FY23 of US\$16.6m largely related to the timing of Aftermarket Hardware inventory delivery schedules and sales. Monthly cash burn H2 FY23 adjusted for working capital build up. Working capital will unwind in FY24.

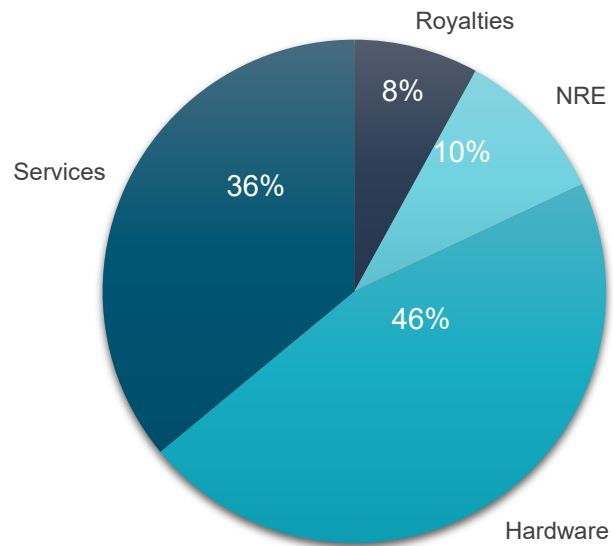
# Financial Performance FY2023



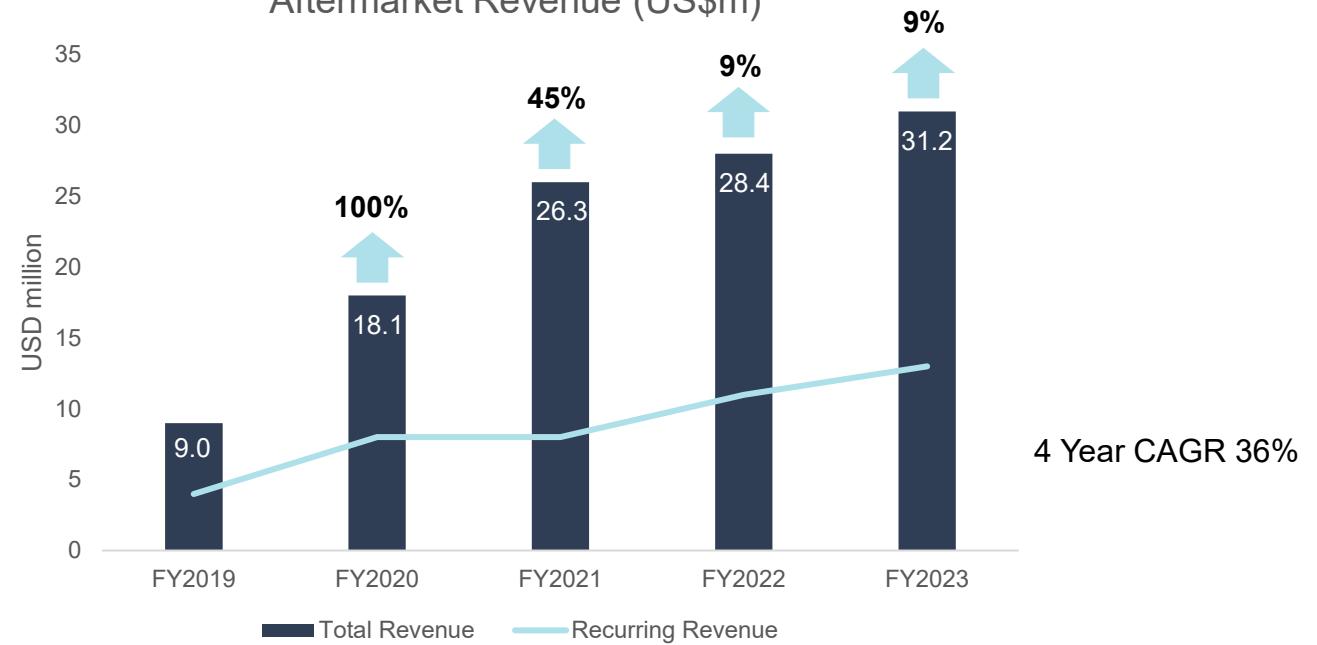
\* Underlying revenue growth in FY2023 of 20% after excluding the impact of exclusivity revenue from Magna (US\$10.9m)

# Aftermarket Revenue

FY2023 Aftermarket - revenue mix

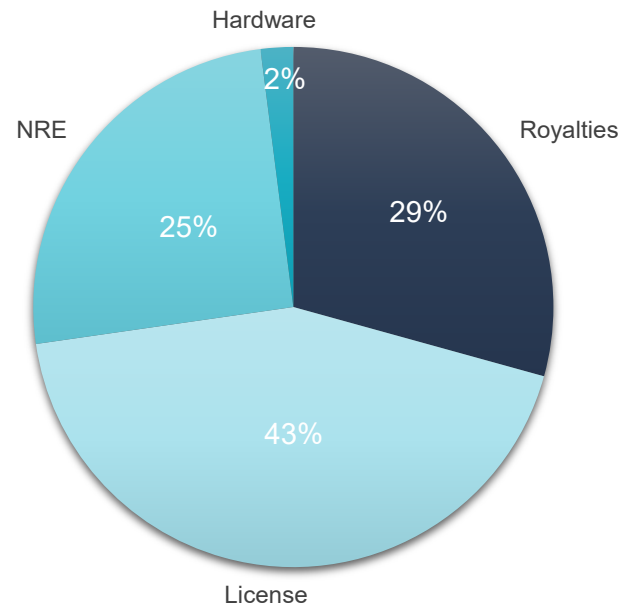


Aftermarket Revenue (US\$m)

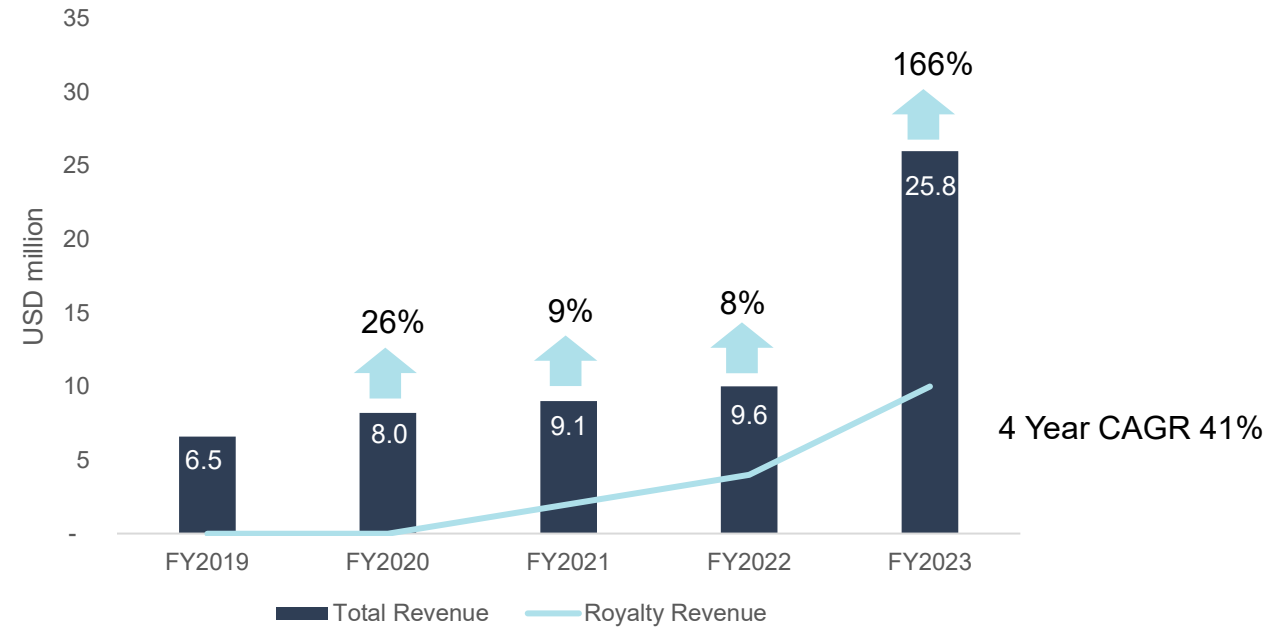


# Automotive Revenue

FY2023 Automotive - revenue mix



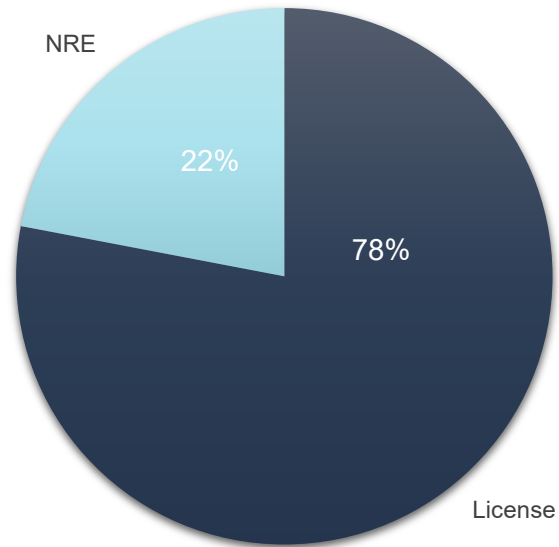
Automotive Revenue (US\$m)



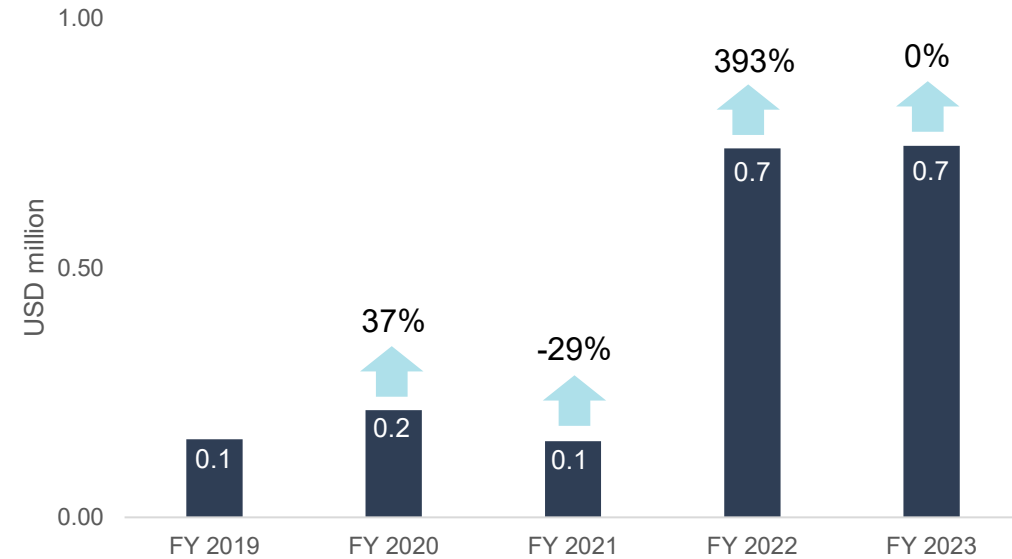
\* Underlying revenue growth in FY2023 of 54% after excluding the impact of exclusivity revenue from Magna (US\$10.9m)

# Aviation Revenue

FY2023 Aviation - revenue mix

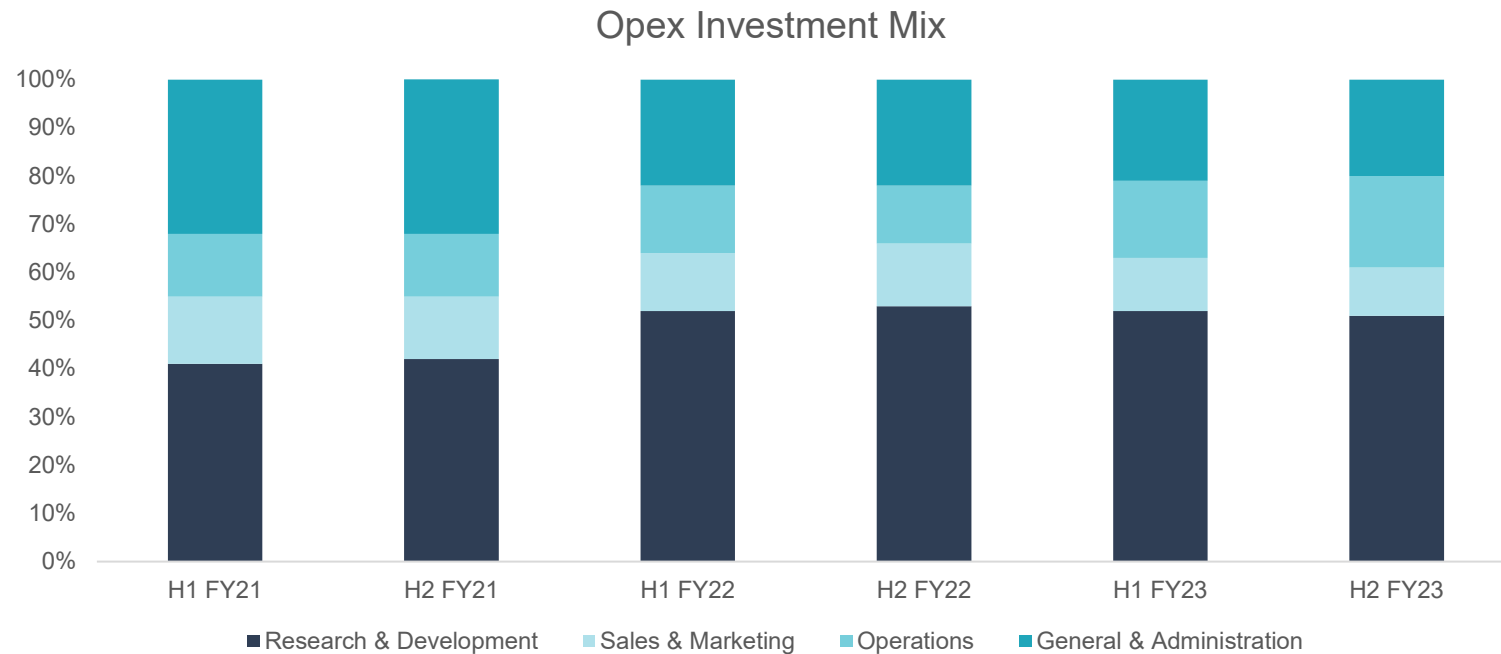


Aviation Revenue (US\$m)





# Opex Investment



- Additional investment in research and development to resource Automotive and Guardian projects
- Flexible and lower cost development resources engaged to manage fluctuations in requirements
- Disciplined cost growth in other functions

*Research and development expenses include amounts capitalised*

# FY2024 Outlook

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- Doubling of Automotive annual production units
- 25% increase in connected Guardian units
- Guardian Gen 3 to launch January 2024, initial focus to support GSR compliance in Europe
- Aviation to contribute ~5% of FY24 revenue based on launch of Gen 1 of joint solution
- Reduction in monthly cash burn
- Cash flow break-even run rate expected during FY2025

Thank you

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# APPENDIX

# FY2023 Results Summary

US\$000's	FY2023	FY2022	Growth %
<b>Revenue</b>	<b>57,771</b>	<b>39,000</b>	<b>48%</b>
Cost of goods	(28,873)	(21,492)	34%
<b>Gross profit</b>	<b>28,898</b>	<b>17,508</b>	<b>65%</b>
Operating costs	(39,127)	(34,880)	12%
FX gains/other income	947	1,099	(14%)
<b>EBITDA</b>	<b>(9,283)</b>	<b>(16,273)</b>	<b>(43%)</b>
Depreciation & amortisation	(3,973)	(2,050)	94%
<b>EBIT</b>	<b>(13,256)</b>	<b>(18,323)</b>	<b>(28%)</b>
Net interest	(1,880)	(46)	3987%
Withholding tax credits lost	(443)	(174)	155%
<b>Loss before tax</b>	<b>(15,579)</b>	<b>(18,543)</b>	<b>(16%)</b>
Tax benefit/(expense)	31	(24)	229%
<b>Loss after tax</b>	<b>(15,548)</b>	<b>(18,567)</b>	<b>(16%)</b>