

Seeing Machines Limited

3 August 2021

FY21 trading update

In line with expectations: Commencement of Automotive royalty revenues drives positive outlook

Seeing Machines Limited (AIM: SEE, “**Seeing Machines**” or the “**Company**”), the advanced computer vision technology company that designs AI-powered operator monitoring systems to improve transport safety, provides a trading update for the year ended 30 June 2021 (“**FY2021**”).

Seeing Machines has continued its growth path despite the challenges posed by the COVID-19 pandemic. Importantly, FY2021 has marked the long-anticipated commencement of Automotive royalty revenues as over 100,000 new vehicles have hit the roads with Seeing Machines’ Driver Monitoring System (DMS) technology embedded. These royalty revenues are expected to increase sharply over the next 2-3 years as production of vehicles carrying the Company’s DMS technology ramps up.

In addition, the Company continues to experience significant growth in its Aftermarket business, with record Guardian hardware sales achieved in the final quarter of FY2021 providing momentum going into the new financial year. Guardian connections at 30 June 2021 total 31,771, which represents a growth in the installed base of over 5,000 units in the six months prior, with a backlog of c.5,000 sold units yet to be installed.

Notwithstanding the challenges faced by the Aviation industry over the past 18 months, Seeing Machines has signed commercial contracts to embed its eye-tracking technology into the training environment with simulator installations, as well as into the Air Traffic Control sector, demonstrating strong momentum in a truly nascent market, with limited competition.

Financial highlights for FY2021

- Reported Revenue for FY2021 is expected to be A\$47.3m, representing an 18% increase on the previous period and in line with market consensus
- Underlying revenue has grown 30% on the previous period when using constant currency*
- Cash at 30 June 2021 is expected to be A\$47.7m, 24% ahead of market consensus

Paul McGlone, CEO of Seeing Machines commented:

“Our progress over the past financial year has been really pleasing, and the signs are there for increased opportunity as FY2022 gets underway. The Automotive RFQs from Europe, North America and Japan currently represent total revenue potential of over A\$900m, signalling a step change in the value of our automotive pipeline. In addition, we have increased the number of relationships with key Tier 1 customers to 16, enabling us to bid each opportunity with several parties.”

“This significant increase in RFQs is extremely encouraging and we do expect this number to increase at a similar rate over FY2022. This affirms our view that DMS is now established as central to the automotive industry and we look forward to closing out the current RFQs and announcing new business wins in due course.

“The Aftermarket business is also strengthening as safety monopolises agendas across the world, and this division is now profitable as a standalone business. While our Guardian installation rate has slowed during FY2021, given the COVID backdrop, hardware sales continued to increase as commercial fleets consider this technology a key advantage in terms of safety, but also to ensure efficiencies against the current evolving regulatory environment for commercial driving. The Aftermarket sales pipeline has increased steadily throughout the year and remains strong for FY2022.

“In summary I can safely say we have never been busier, nor been faced with such a raft of opportunities for significant growth.”

The Company expects to publish its audited year end results in late October.

The financial information in this announcement is based on the unaudited management accounts for the year to 30 June 2021.

* This refers to underlying growth rates at constant currency or adjusting for currency so business results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of Seeing Machines business performance. To present this information, current period results and comparative period results are converted into Australian dollars at the 30 June 2021 exchange rate.

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About Seeing Machines (LSE: SEE), a global company founded in 2000 and headquartered in Australia, is an industry leader in vision-based monitoring technology that enable machines to see, understand and assist people. Seeing Machines’ technology portfolio of AI algorithms, embedded processing and optics, power products that need to deliver reliable real-time



understanding of vehicle operators. The technology spans the critical measurement of where a driver is looking, through to classification of their cognitive state as it applies to accident risk. Reliable “driver state” measurement is the end-goal of Driver Monitoring Systems (DMS) technology. Seeing Machines develops DMS technology to drive safety for Automotive, Commercial Fleet, Off-road and Aviation. The company has offices in Australia, USA, Europe and Asia, and supplies technology solutions and services to industry leaders in each market vertical.

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