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

• 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
In The Beginning

- Autonomous vehicle.
- Stereo lane-tracking & pedestrian detection.
- Stereo driver monitoring system with gaze direction tracking.
SEEING MACHINES

EYE TRACKING: THE CHALLENGE

At up to 1.5m

Pupil ~1.5mm

Precision tracking of pupil @ with ~ 6 pixels

AECQ-100
Automotive Grade

Multiple package locations

Across all demographics

Lighting noise

Extreme angles

Occlusion of the face and eyes
PRODUCT HISTORY

**faceLAB**
- 2001-2015
- Stereo face and eye tracking tool for human factors scientists working with cockpit environments.

**DSS**
- 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

**HEAD AND EYE TRACKING ALGORITHMS**
- **ALGORITHM EMBEDDING**
- **OPTICS & PROCESSING TECH**
- **STATE MONITORING ALGORITHMS**
### Sophistication of Tracking Technology

#### 2007 Technology
- Gen-7 head-pose
- Gen-4 eye tracking
- Gen-1 microsleeps
- Gen-1 distraction

#### 2013 Technology
- Gen-8 head-pose
- Gen-2 microsleeps
- Gen-1 visual attention

#### 2015 Technology
- Gen-1 optics technology and AEC algorithm
- Gen-5 gaze algorithm
- Gen-2 visual attention

#### 2017 Technology
- Gen-2 optics technology
- Gen-6 gaze algorithm (±90 deg)
- Gen-1 CTA IP core
- First FDM chip prototype

#### 2019 Technology
- Gen-2 optics technology
- Gen-6 gaze algorithm (±90 deg)
- Gen-1 CTA IP core
- First FDM chip prototype
HUMAN FACTORS HIGHLIGHTS - POLICY

- Sophisticated behavioural definition
  - Simple technology

- Sophisticated technology

- Simplistic behavioural definition
  - Simple technology

- Sophisticated technology

Complexity of Behaviour

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
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 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 flow-on 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
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.
Much of a pilot’s performance can be traced back to the visual scanning patterns 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, all simulators of the future will be fitted with, as standard, eye tracking technology to allow enhanced and accelerated learning.

Capt. Matt Gray, Qantas Head of Training and Checking
AVIATION

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

Transition from product sales to IP license over time
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