

**Seeing Machines Limited ("Seeing Machines" or the "Company")**

26 June 2024

**Seeing Machines secures US\$16.5 million payment as part of five year License Renewal with mining giant Caterpillar**

*Revised Agreement also opens up significant untapped market for Seeing Machines' Guardian Generation 3 solution*

*FY2024 Pre-Close Trading Outlook Update*

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, announces that it has signed a new Master License and Marketing Agreement with global mining company Caterpillar Inc ("Caterpillar") covering the next five years (the "Revised Agreement"), as the existing agreement was set to expire in August 2024.

Key elements of the Revised Agreement:

- Up-front license fee payment of \$16.5 million related to Guardian technology
- Certain fields of use released for Seeing Machines to leverage
- Further co-development of driver safety technology to be undertaken

As part of the Revised Agreement, Caterpillar will make an up-front license payment for technology related to Guardian operator monitoring products, delivering a one-off cash payment of US\$16.5 million to Seeing Machines.

The Revised Agreement also enhances marketing cooperation between the companies to better serve their respective customer bases and improve coordination in the pursuit of under-served opportunities. The changes open up access for Seeing Machines to sell its Guardian solution for on-highway vehicles directly and through its distribution network to select customers in many market segments of the General Construction and other core industries.

The Revised Agreement also makes provision for further co-development of driver safety technology, based on Seeing Machines' Intellectual Property to deliver smarter, more sophisticated, and competitive products to the heavy equipment sector. This co-development will proceed through specific development projects to be defined and priced individually. Caterpillar will continue to purchase and distribute Guardian Generation 2 directly or through their independent worldwide dealer network.

**Paul McGlone, CEO at Seeing Machines**, commented: *"When we signed our initial strategic agreement with Caterpillar in 2015 to work exclusively to deliver our package of monitoring technology to their customers in certain core industry sectors related to mining, it was a transformational agreement for the industry. As we enter this next phase of our strategic collaboration with Caterpillar, we are delighted to be signing this revised agreement, setting the agenda for the next 5 years. The US\$16.5 million payment will bolster our cash reserves and help deliver on our business plan as we move closer to achieving a cash flow break-even run rate in FY2025."*

*"Our incredible team continues to work tirelessly to ensure that Seeing Machines remains at the cutting edge of aftermarket Driver Monitoring System (DMS) solutions with our Guardian technology. Following the launch of the Guardian Generation 3 product earlier this year, and the renewal and expansion of our exclusive arrangement with Caterpillar, I believe we are well placed to take advantage of the regulation driven demand for our technology across customers in these vertical industries."*

Seeing Machines continues to protect commercial transport and logistics companies with its aftermarket Guardian solution globally, with over 16 billion kilometres of recorded travel across more than 59,000 vehicles. The third generation Guardian hardware, launched this year and now being delivered to bus and truck manufacturers to meet the European General Safety Regulation, also delivers a range of features that leverage the Company's proven automotive-grade algorithms and precision optics to deliver premium performance in the most demanding real-world driving conditions.

**Pre-close trading outlook**

As the end of the current Financial Year approaches, the Board of Seeing Machines anticipates that the Company will close the FY2024 period at or ahead of market expectations for Revenue and Cash. Subject to final revenue recognition associated with the Revised Agreement with Caterpillar and the final outcome

on Automotive royalties for Q4 2024 it is expected that Cash EBITDA will be lower than market expectations. This has been largely driven by Aftermarket margin mix due to the slower than expected transition from Guardian Generation 2 to Generation 3 and the previously reported adverse Automotive royalty volumes and mix during the year. Automotive royalty volumes have improved during Q3 2024, delivering 74% growth in unit volume for the year to date.

Despite Cash EBITDA being lower in FY2024, the Board confirms that the business is funded to deliver on the Seeing Machines business plan and reiterates its expectation to achieve a cash flow break-even run rate in FY2025.

The Company will provide a detailed Trading Update in early August, as usual.

This announcement contains inside information under the UK Market Abuse Regulation. The person responsible for arranging for the release of this announcement on behalf of the Company is Paul McGlone, CEO.

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**About Seeing Machines (AIM: 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 is revolutionizing global transport safety. Its 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.

[www.seeingmachines.com](http://www.seeingmachines.com)

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