

Seeing Machines Limited
(“Seeing Machines” or the “Company”)

31 March 2021

Half year results and financial report

Seeing Machines Limited (AIM: SEE), the advanced computer vision technology company that designs AI-powered operator monitoring systems to improve transport safety, today publishes its unaudited results and financial report for the six months to 31 December 2020 (“**H1 2021**”).

Financial Highlights:

- Operational revenue of A\$18.1m (H1 2020: A\$15.8m) reflecting comparative growth of 15% on previous period. Underlying revenue growth using constant currencies is 19% year on year (exchange rate as at 1 July 2020).
 - Aftermarket (Fleet and Off-Road) revenue grew by 17% to A\$15m (H1 2020: A\$12.9m)
 - Annualised Recurring Revenues including royalties of A\$15.5m, representing growth of 17.4% (H1 2020: A\$13.2m)
 - OEM (Automotive and Aviation) revenue of A\$3.1m (H1 2020: A\$2.97m), representing a 5% increase on previous period
- Net loss of A\$16.8m, representing an improvement of 33% compared with the same period last year (H1 2020: A\$24.9m)
- Cash at 31 December 2020 of A\$52.3m (31 December 2019: A\$47.4m)
- Range of cost-saving initiatives, introduced through height of COVID-19 pandemic, has resulted in improved cost base management aimed at contributing to better operational performance and improved cash balance.

OEM Highlights:

- Driver Monitoring System (DMS) technology now firmly established as fundamental to improved safety on roads, underpinned by regulation and standards, as well as to the increasingly smart vehicle interior for carmakers;
- The number of active automotive RFQs (Requests For Quotes) requesting DMS has increased accordingly across major automotive markets;
- Cadillac Escalade by General Motors, is now available on roads with Driver Attention System featuring Seeing Machines technology, bringing total current production vehicles to five, across three OEM programs;

- Automotive three-pillar embedded product strategy launched to support carmakers with a range of integration options for DMS;
- Seeing Machines now formally working with a range of semi-conductor companies including Qualcomm Technologies and Omnivision Technologies to extend the deliver of its DMS.

Aftermarket Highlights:

- Max Verberne appointed to lead the Aftermarket business, bringing a wealth of industry understanding having led telematics businesses for over ten years including with Radius Telematics Australia and Ctrack by Inseego, and has previously managed divisions and channels for Siemens across Australia and New Zealand;
- Business continues to grow despite challenging global conditions as Guardian hardware sales remain consistent with ongoing momentum around safety technology in commercial transport and logistics, and installation rates in Southern Hemisphere, accelerate;
- Guardian connections as at 31 December 2020 of 26,597 represents growth in installed base of over 3,000 units in the six months prior, contributing to unrivalled set of naturalistic driving data which now exceeds 6.3 billion kilometres and underpins ongoing development of the Company's DMS platform technology.

Investment Highlights:

- Investment by leading US based insitutional investors has strengthened Seeing Machines' balance sheet and positioned the Company to initiate a range of strategies to support incremental growth objectives across its key transport markets.

Outlook:

Seeing Machines continues to trade in line with expectations for FY2021.

Guardian connections are expected to accelerate as COVID-19 challenges subside with the global vaccine rollout and H2 2021 is expected to see an incremental growth in Aftermarket related revenue.

As the Company expects to be in production with existing OEM customers on more than 30 distinct car models within the next two calendar years, the current makeup of Automotive revenue is set to change from NRE (Non-Recurring Revenue) to significantly higher margin based royalty revenue.

Paul McGlone, CEO of Seeing Machines commented: *"The first half of FY2021 has been pleasing and we are buoyed by the progress in Fleet, as well as the significant increase in RFQ activity in Automotive across key markets as carmakers ready themselves for mounting safety standards and technology advances inside the cabin, all supported by camera-based DMS. We are now in production on five car models, working across three OEMs, and that is set to ramp up significantly over the coming two years."*

“Further, I’m delighted with the interest we are seeing from both UK and US based institutional investors, as DMS becomes more and more relevant across all key Seeing Machines transport sectors. We are now positioned to look beyond the near term and leverage our strengthened balance sheet to grow company opportunities across core markets.”

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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.

www.seeingmachines.com

Review of Operations

Financial Results

As reported at the end of FY2020, the Company has identified two key operating segments, OEM and Aftermarket, reflecting the different paths to market for our products. The OEM segment includes the Automotive and Aviation businesses which generate largely license based revenue, channeled through Tier 1 customers. The Aftermarket segment includes Fleet and Off-Road and generates revenue from a mix of direct and indirect customers who retro-fit Seeing Machines technology into commercial vehicles.

The Company's total sales revenue for H1 FY2021 (excluding foreign exchange gains and finance income) increased by 14.6% to A\$18.1m (H1 FY2020: A\$15.8m).

Business unit	H1FY21	H1FY20	Variance
	\$'000	\$'000	%
OEM	3,103	2,965	5
Aftermarket	15,040	12,866	17
Sales Revenue	18,143	15,831	15

Monitoring services revenue in Aftermarket grew by more than 42% to A\$5.8m for the half year, compared to A\$4.1m for the same period last year. Installed Guardian units increased by over 3,000 to 26,597 connected units representing a 15.6% growth in connections over the six month period (FY20: 23,000 units), demonstrating ongoing momentum for Aftermarket, despite the challenges posed by COVID-19.

Total OEM revenue increased 5% to A\$3.1m compared to the same period last year (H1 FY2020: A\$3m).

Currently, OEM revenue is primarily made up of Non-recurring Engineering (NRE), which is revenue provided by OEMs to fund the development of DMS technology solutions and feature sets for their specific requirements. Over the next few years, the nature of OEM revenue will change to consist primarily of royalty revenue, and will increase significantly as OEMs begin mass production on vehicles under existing Seeing Machines DMS technology program awards.

The Australian Government COVID-19 Grant, JobKeeper, increased other income by A\$1.6m to A\$1.7m (2019: A\$0.3m). Seeing Machines qualified for the initial phase of the JobKeeper Grant which ran from 1 March 2020 to 27 September 2020. Additional COVID-19 cost reduction initiatives reduced the cost base by A\$3.5m for the period with a range of permanent (A\$1.6m) and temporary initiatives (A\$1.9m) which included a temporary 4-day work week, CEO and Director fee reductions and enforced travel restrictions. Of the total A\$12m identified COVID cost-saving initiatives, the Company has achieved A\$8.4m, in permanent and temporary savings and grants to date with remaining savings expected to be achieved by end of FY2021.

On 23 October 2020, Seeing Machines issued 372,000,000 new ordinary shares of no par value each ("New Ordinary Shares") to Federated Hermes, a well known US institutional investor, at a price of 4.10 pence per New Ordinary Share, raising gross proceeds of approximately US\$20,000,000 (the "Purchase"). Subsequent to 31 December 2020, on 22 March 2021, Seeing Machines issued an additional 68,403,430 New Ordinary Shares to another US based investor, Toronado Fund, at a premium price of 10.50 pence per New Ordinary Share, raising gross proceeds of approximately US\$10,000,000. The net proceeds of these Placings strengthen the Company's balance sheet as well as facilitating a range of incremental growth initiatives.

Cash and cash equivalents at 31 December totaled A\$52.4m (H1FY20: A\$47.4m).

We highlight this report is unaudited. There is no requirement for the interim financial statements to be subject to audit review by the external auditor and accordingly no audit or review has been conducted.

Interim Consolidated Statement of Financial Position - Unaudited

AS AT	Notes	Consolidated 31 Dec 2020 Unaudited A\$000	30 Jun 2020 Reviewed A\$000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	52,361	38,138
Trade and other receivables	8	9,592	9,584
Inventories	7	4,102	4,743
Current financial assets	8	332	512
Other current assets		3,480	4,233
TOTAL CURRENT ASSETS		69,867	57,210
NON-CURRENT ASSETS			
Property, plant & equipment	6	3,171	3,208
Right-of-use assets		3,847	4,371
Intangible assets	10	1,084	899
TOTAL NON-CURRENT ASSETS		8,102	8,478
TOTAL ASSETS		77,969	65,688
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	7,651	7,874
Provisions		3,897	3,763
Current financial liabilities	8	378	553
Contract liabilities		647	263
Interest-bearing loans and borrowings	8	1,141	1,057
TOTAL CURRENT LIABILITIES		13,714	13,510
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	8	5,196	5,766
Provisions		186	215
TOTAL NON-CURRENT LIABILITIES		5,382	5,981
TOTAL LIABILITIES		19,096	19,491
NET ASSETS		58,873	46,197
EQUITY			
Contributed equity		244,730	217,204
Accumulated losses		(201,454)	(184,638)
Other reserves		15,597	13,631
Equity attributable to equity holders of the parent		58,873	46,197
TOTAL EQUITY		58,873	46,197

The above interim consolidated statement of financial position should be read in conjunction with the accompanying notes.

Interim Consolidated Statement of Comprehensive Income - Unaudited

FOR THE HALF-YEAR ENDED 31 DECEMBER	Notes	Consolidated 2020 Unaudited A\$000	2019 Reviewed A\$000
Sale of goods and licence fees		9,159	8,721
Rendering of services		8,981	6,947
Research revenue		3	163
Revenue	3	18,143	15,831
Cost of sales		(11,804)	(10,221)
Gross profit	4	6,339	5,610
Net (loss)/gain in foreign exchange		(2,002)	433
Finance income		196	569
Other income		1,672	323
Expenses			
Research and development expenses	5	(8,853)	(12,016)
Customer support and marketing expenses		(3,194)	(4,328)
Operations expenses		(3,476)	(5,463)
General and administration expenses		(7,186)	(9,769)
Finance costs		(267)	(307)
Loss before tax		(16,771)	(24,948)
Income tax expense		-	(4)
Loss after income tax		(16,771)	(24,952)
Loss for the period			
Attributable to:			
Equity holders of the parent		(16,771)	(24,952)
Other comprehensive (loss)/ income - to be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(22)	130
Other comprehensive (loss)/income net of tax		(22)	130
Total comprehensive loss		(16,793)	(24,822)
Total comprehensive loss attributable to:			
Equity holders of the parent		16,793	24,822
Total comprehensive loss for the period		(16,793)	(24,822)
Earnings per share for loss attributable to the ordinary equity holders of the parent:			
Basic earnings per share		(0.01)	(0.02)
Diluted earnings per share		(0.01)	(0.02)

The above interim consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Consolidated Statement of Changes in Equity – Unaudited

	Contributed	Treasury	Accumulated	Foreign Currency Translation	Employee Equity Benefits & Other	Total
	Equity A\$000	Shares A\$000	Losses A\$000	Reserve A\$000	Reserve A\$000	Equity A\$000
As at 1 July 2019	217,204	(1,109)	(137,928)	(1,738)	11,051	87,480
Loss for the half year	-	-	(24,952)	-	-	(24,952)
Other comprehensive income	-	-	-	130	-	130
Total comprehensive income	-	-	(24,952)	130	-	(24,822)
Transactions with owners in their capacity as owners:						
Reclassification of treasury shares	-	1,109	-	-	(1,109)	-
Shares issued	263	-	-	-	-	263
Employee shares held in trust	-	-	-	-	1,680	1,680
At 31 December 2019 - Audited	217,467	-	(162,880)	(1,608)	11,622	64,601
As at 1 July 2020	217,204	-	(184,638)	(1,516)	15,147	46,197
Loss for the period	-	-	(16,771)	-	-	(16,771)
Other comprehensive income	-	-	-	(22)	-	(22)
Total comprehensive loss	-	-	(16,771)	(22)	-	(16,793)
Transactions with owners in their capacity as owners:						
Share-based payments (Note 12)	-	-	-	-	1,943	1,943
Shares issued	27,526	-	-	-	-	27,526
Employee shares held in trust	-	-	-	-	-	-
At 31 December 2020 - Unaudited	244,730	-	(201,409)	(1,538)	17,090	58,873

The above interim consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Consolidated Statement of Cash Flows - Unaudited

	Notes	31 Dec 2020 Unaudited A\$000	31 Dec 2019 Reviewed A\$000
Operating activities			
Receipts from customers (inclusive of GST)		18,519	21,082
Payments to suppliers (inclusive of GST)		(32,556)	(36,512)
Receipt of government grants		1,565	-
Interest received		45	367
Interest paid		(267)	(307)
Income tax paid		-	(4)
Net cash flows used in operating activities		(12,694)	(15,374)
Investing activities			
Purchase of property, plant and equipment	6	(92)	(681)
Payments for intangible assets		(190)	(233)
Purchase/(maturity) of term deposits		180	9,049
Net cash flows (used in)/from investing activities		102	8,135
Financing activities			
Proceeds from issue of new shares		28,160	-
Cost of capital raising		(634)	-
Payment of lease liabilities	8	-	(387)
Repayment of borrowings		(700)	(292)
Net cash flows from/(used in) financing activities		26,826	(679)
Net foreign exchange difference		193	459
Cash and cash equivalents at 1 July		38,138	54,809
Net increase/(decrease) in cash and cash equivalents		14,030	(7,918)
Cash and cash equivalents at 31 December	9	52,361	47,350

The above interim consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the interim consolidated financial statements

1 Corporate information

The interim consolidated financial statements of Seeing Machines Limited and its subsidiaries (collectively, the Group) for the half-year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on 25 March 2021.

Seeing Machines Limited (the parent) is a company limited by shares incorporated in Australia whose shares are publicly traded on the AIM market of the London Stock Exchange.

2 Basis of preparation and changes to the Group's accounting policies

(a) Basis of preparation

The interim consolidated financial statements for the half year ended 31 December 2020 have been prepared in accordance with AASB 134 *Interim Financial Reporting* in order to fulfil the reporting requirements of Rule 18 of the London Stock Exchange's AIM Rules for Companies issued July 2016.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 30 June 2020.

There is no requirement for the interim financial statements to be subject to audit or review by the external auditor and accordingly no audit or review has been conducted.

(b) New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2020, except for the adoption of new standards effective as of 1 July 2020.

Several amendments and interpretations apply for the first time in 2020, but do not have an impact on the interim consolidated financial statements of the Group.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments had no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

Amendments to IAS 1 and IAS 8: Definition of Material

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made

by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help prepares develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

These amendments had no impact on the consolidated financial statements of the Group.

Classification of operating expenses

The Group has revised the presentation of operating expenses within the categories of research and development, customer support and marketing, operations and general and administration. Management believes this provides more relevant information to stakeholders as it more fairly reflects the split between business functions and key activity drivers. Comparatives have been restated to reflect this change in presentation.

2 Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Segments	For the half year ended 31 December 2020		
	OEM Unaudited A\$000	Aftermarket Unaudited A\$000	Total Unaudited A\$000
Type of goods or service			
Hardware and Installations	221	6,679	6,900
Non-recurring Engineering	2,101	797	2,898
Paid Research	3	-	3
Driver Monitoring	-	5,811	5,811
Licensing	778	1,753	2,531
Total revenue from contracts with customers	3,103	15,040	18,143
Geographical markets			
Australia	315	6,567	6,882
North America	50	5,370	5,420
Asia-Pacific (excluding Australia)	270	1,740	2,010
Europe	2,468	734	3,202
Other	-	629	629
Total revenue from contracts with customers	3,103	15,040	18,143
Timing of revenue recognition			
Goods and services transferred at a point in time	1,002	6,679	7,681
Goods and services transferred over time	2,101	8,361	10,462
Total revenue from contracts with customers	3,103	15,040	18,143

3 Revenue from contracts with customers (continued)

For the half year ended 31 December 2019

Segments	OEM Unaudited A\$000	Aftermarket Unaudited A\$000	Total A\$000
Type of goods or service			
Hardware and Installations	717	6,321	7,038
Non-recurring Engineering	1,998	-	1,998
Paid Research	153	568	721
Driver Monitoring	-	4,065	4,065
Licensing	87	1,922	2,009
Total revenue from contracts with customers	2,955	12,876	15,831
Geographical markets			
Australia	108	4,598	4,706
North America	365	5,100	5,465
Asia-Pacific (excluding Australia)	196	1,079	1,275
Europe	2,286	446	2,732
Other	-	1,653	1,653
Total revenue from contracts with customers	2,955	12,876	15,831
Timing of revenue recognition			
Goods and services transferred at a point in time	957	6,563	7,520
Goods and services transferred over time	1,998	6,313	8,311
Total revenue from contracts with customers	2,955	12,876	15,831

The Group recognised impairment losses on receivables and contract assets arising from contracts with customers, included under Administrative expenses in the statement of profit or loss, amounting to A\$27,000 for the half year ended 31 December 2020 (H1FY20:A\$241,000). The company has reclassified comparative revenues into the two key operating segments, OEM and Aftermarket, reflecting the different paths to market for our product.

4 Segment information

The following tables present revenue and gross profit information for the Group's operating segments for the half year ended 31 December 2020 and 2019, respectively:

	OEM	Aftermarket	Total
FOR THE HALF YEAR ENDED 31 DECEMBER 2020	A\$000	A\$000	A\$000
Segment revenue	3,103	15,040	18,143
Segment gross profit	1,174	5,165	6,339
FOR THE HALF YEAR ENDED 31 DECEMBER 2019	A\$000	A\$000	A\$000
Segment revenue	2,955	12,876	15,831
Segment gross profit	1,325	4,285	5,610

5 Research and development expenses

The total research and development expenses in H1FY20 was \$8,853,287 (H1FY19: \$12,015,664). Research and development expense relates to ongoing investment in the group's core technology.

6 Property, plant and equipment

Acquisitions and disposals

During the half year ended 31 December 2020, the Group acquired assets with a cost of A\$92,000 (H1FY20:A\$681,284).

No assets were disposed by the Group during the half year ended 31 December 2020.

7 Inventories

During the half year ended 31 December 2020, the Group wrote down stock to the value of A\$343,000 which had been provided for during FY20.

	Consolidated entity	
	31 Dec 2020 Unaudited A\$000	30 Jun 2020 Audited A\$000
Finished goods (at lower of cost and net realisable value)	4,184	5,168
Write-down of inventories for the period	(82)	(425)
Total inventories at the lower of cost and net realisable value	4,102	4,743

8 Financial assets and financial liabilities

Set out below, is an overview of financial assets, other than cash and short-term deposits, held by the Group as at 31 December 2020 and 30 June 2020:

	31 Dec Unaudited A\$000	30 Jun Audited A\$000
Debt instruments at amortised cost		
Trade and other receivables	9,592	9,584
Current Financial Assets	332	512
Total	9,924	10,096
Total current	9,924	10,096

Set out below is an overview of financial liabilities held by the Group as at 31 December 2020 and 30 June 2020:

	31 Dec Unaudited A\$000	30 Jun Audited A\$000
Financial liabilities at amortised cost		
Trade and other payables	7,651	7,874
Financial guarantee contracts	378	553
Non-current interest bearing loans and borrowings		
Lease liabilities	5,196	5,766
Current interest bearing loans and borrowings		
Lease liabilities	1,141	1057
Total	14,377	15,250
Total current	9,181	9,484
Total non-current	5,196	5,766

9 Cash and cash equivalents

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents are comprised of the following:

	31 December 2020 Unaudited A\$000	30 June 2020 Audited A\$000
Cash at bank and in hand	52,361	38,138
Total cash and cash equivalents	52,361	38,138

10 Intangible assets

During the half year ended 31 December 2020, the Group purchased intangibles totalling A\$190,000 (H1FY20:A\$233,042). These purchases are related to trademark and patent applications. There were no disposals of intangible assets during the period and the net movement in intangible assets net of amortisation was (\$183,799), relating to amortisation of capitalised development costs.

11 Dividends paid

No dividends or distributions have been made to members during the half year reporting period and no dividends or distributions have been recommended or declared by the directors in respect of the half year reporting period.

12 Share-based payments

LTI 2020 - Performance Rights or share options offers - Executive and key staff

From 1 July 2015, senior staff and other key staff are offered long term incentive (LTI) performance rights or share options. Under this structure, the staff are only able to exercise the rights, and have new ordinary shares issued to them, if any performance, market and vesting conditions are met. These conditions typically include a performance condition requiring the staff member to achieve a minimum “meets expectations” rating and some rights have included a market condition in the form of a minimum Target Share Price (TSP). The vesting period ranges from 9 months to 5 years from the end of the relevant financial year or grant date. Performance rights or options are often offered as part of the annual remuneration review and may be offered at other times. Any offer of performance rights or options requires Board approval and, when granted, is announced to the market.

In November 2020 the Company awarded a total of 29,964,495 performance rights in respect of ordinary shares to Executive and key staff to be issued at nil cost. The rights were valued at the spot rate of the shares at grant date, and the value is amortised over the vesting period. The rights vest annually over 3 years in equal tranches with the first vesting date being 1 July 2021 and require the employee to remain continuously employed by the Company until each relevant vesting date. If an employee leaves before the rights vest and the service condition is therefore not met, the rights lapse.

In some cases, for ‘good leavers’, determined on a discretionary basis by management, options are prorated for service in the current period and that portion are vested on termination, and the remaining rights are cancelled.

There is no cash settlement of the rights.

2020 - Ordinary Shares

In November 2020 the Company issued a total of 1,604,166 ordinary shares to non-executive directors in lieu of some cash remuneration for FY 2020. The shares were valued at grant date at £0.04. The number of Ordinary Shares received by each individual was calculated at an issue price of 4 pence per Ordinary Share, being the average daily VWAP over the 5 trading days to 30 September 2019.

13 Commitments

At 31 December 2020, the Group had commitments of A\$23,674,000 (H1FY20: A\$27,781,500) relating to the manufacturing contract for the Group's Guardian 2.1 product to January 2022.

14 Related party disclosures

The following table provides the total amount of transactions that have been entered into with related parties during the half year ended 31 December 2020 and 2019:

		Balance 1-Jul '000	Granted as Remuneration '000	Acquired or sold for cash '000	Balance 31-Dec '000
Director shares:					
Directors' securities	2020	6,837	1,604	450	8,441
Directors' securities	2019	5,031	1,222	233	6,387

15 Events after the reporting period

On 22 March 2021, Seeing Machines issued 68,403,430 new ordinary shares of no par value each (the "New Ordinary Shares") to US based Tornado Capital Management, at a price of 10.50 pence per New Ordinary Share, raising gross proceeds of approximately US\$10,000,000 (the "Purchase").