

# **Seeing Machines Limited**

ABN 34 093 877 331

**Interim Financial Report** for the  
six-month period ended 31 December 2025

# Seeing Machines Limited

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### 31 December 2025

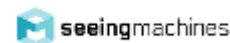


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# Seeing Machines Limited

## Directors' report

### 31 December 2025



#### Directors' Report

The Directors submit their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'Group') consisting of Seeing Machines Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the six-month period ended 31 December 2025 ("half-year"). The Group's functional and presentation currency is US dollars (\$)

#### Directors

The names of the Directors of Seeing Machines Limited in office during the half-year and until the date of this report are listed below. All Directors were in office for the entire period covered by the report unless otherwise stated.

Kate Hill	Non-Executive Director and Chair
Paul McGlone	Executive Director and Chief Executive Officer (CEO)
Gerhard Vorster	Non-Executive Director (resigned 26 November 2025)
John Murray	Non-Executive Director
Stephane Vedie	Non-Executive Director

#### Principal Activities

The Group's principal activities during the half-year were:

- Developing, selling and licensing products, services and technology to detect and manage driver fatigue and distraction, including continued market development to secure sustainable channels to market for the product;
- Entering commercial agreements with partners for the design, development and sale of products into key target markets; and
- Research and development of the Company's core vision processing technologies to support the development and refinement of the Company's products.

#### Review of Operations

The Group's total Adjusted Revenue for the half-year (excluding foreign exchange gains and finance income) decreased by 8% and Adjusted EBITDA losses improved by 23% compared to the six-month period ended 31 December 2024.

	31 Dec 2025	31 Dec 2024	Change	Change
	\$'000	\$'000	\$'000	%
OEM	10,708	14,522	(3,814)	(26%)
Aftermarket	12,692	10,785	1,907	18%
<b>Adjusted Revenue</b>	<b>23,400</b>	<b>25,307</b>	<b>(1,907)</b>	<b>(8%)</b>

	31 Dec 2025	31 Dec 2024	Change	Change
	\$'000	\$'000	\$'000	%
OEM	(7,497)	(8,979)	1,482	(17%)
Aftermarket	(6,225)	(8,733)	2,508	(29%)
<b>Adjusted EBITDA</b>	<b>(13,722)</b>	<b>(17,712)</b>	<b>3,990</b>	<b>(23%)</b>

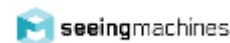
Adjusted Revenue and Adjusted EBITDA are non-IFRS measures but included as important metrics for shareholders understanding of the underlying performance of the business. Adjusted Revenue includes adjustments linked to minimum royalty guarantees. Adjusted EBITDA includes earnings before interest, tax, depreciation, amortisation and adjustments for capitalised development costs, restructuring and acquisition related costs, certain tax items, and revenue adjustments linked to minimum royalty guarantees.

Please refer to Note 3(a) for a reconciliation of Adjusted Revenue and Adjusted EBITDA with their IFRS measures.

# Seeing Machines Limited

## Directors' report

### 31 December 2025



#### Review of Operations (continued)

##### OEM division

Seeing Machines continued to strengthen its position in the Automotive Driver and Occupant Monitoring System (DMS/OMS) market during H1 FY2026. As at the end of the period, more than 4.8 million vehicles were on road fitted with the Company's technology, and the Company retained in excess of 50% share of current production volumes, supported by long-standing relationships with global OEMs and Tier 1 suppliers.

Automotive production volumes increased to approximately 1.1 million vehicles during the half, representing growth of 62% compared with H1 FY2025. Royalty revenue continued to increase as awarded programs progressed further into production, reflecting the ongoing transition from development-phase revenue toward recurring, scalable royalty income.

The forthcoming implementation of the European General Safety Regulation (GSR) represents an important structural and scaling driver for the business. From July 2026, camera-based DMS will be mandatory for all new vehicles sold in the European Union. In advance of this requirement, OEMs are accelerating production schedules through H2 FY2026, which is expected to support further growth in production volumes.

The Company's technology portfolio, including solutions currently in production such as the integrated rear-view mirror offering, as well as recently announced developments in 3D in-cabin perception, is expected to support continued participation in this regulatory-driven market expansion. While competition within the market continues to increase, the Company remains focused on maintaining a strong market position as global fitment rates rise.

The Aviation segment delivered a lower contribution during H1 FY2026, primarily reflecting timing impacts and organisational changes within key partner Collins Aerospace. Simulator-based opportunities continue to progress, supporting the longer-term potential for fatigue and impairment monitoring solutions within the aviation sector.

	31 Dec 2025	31 Dec 2024	Change	Change
	\$'000	\$'000	\$'000	%
Royalties	8,444	6,346	2,098	33%
Non-recurring engineering	1,704	5,381	(3,677)	(68%)
Licensing	19	2,130	(2,111)	(99%)
Hardware and installations	541	665	(124)	(19%)
<b>OEM Adjusted Revenue</b>	<b>10,708</b>	<b>14,522</b>	<b>(3,814)</b>	<b>(26%)</b>
<b>OEM Adjusted EBITDA</b>	<b>(7,497)</b>	<b>(8,979)</b>	<b>1,482</b>	<b>(17%)</b>

- **Royalty revenues**, derived from the installation of Seeing Machines' Driver Monitoring System (DMS) technology, increased by 33% compared to the prior corresponding period, reflecting continued growth in high-margin royalty streams.

- **Non-Recurring Engineering (NRE) revenue** decreased reflecting the completion of several OEM programs and a corresponding reduction in engineering activity during the period. This included the conclusion of certain Asaphus programs following the acquisition, which did not continue into FY26 after the seller's committed engineering obligations were fulfilled. While NRE typically attracts a lower margin than royalty revenue, it remains a key contributor to the Group's strategy by supporting OEM program launches and driving future royalty streams.

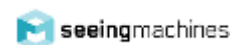
- **Revenue from license fees** reduced materially, reflecting the conclusion of specific collaboration and exclusivity arrangements, including the expiry of the Magna exclusivity provisions in June 2025. Licence fees are generally unique and one-off in nature.

- **Adjusted EBITDA** improved, despite lower adjusted OEM revenue overall, driven by sales mix benefits from a higher proportion of high-margin royalties and lower expenses in the period.

# Seeing Machines Limited

## Directors' report

### 31 December 2025



## Review of Operations (continued)

### Aftermarket division

The Aftermarket business maintained performance during H1 FY2026, with Guardian Gen 3 established in full production. Revenue was supported by increased hardware sales volumes and a stable base of recurring monitoring services revenue, contributing to resilience and predictability of revenue from the transport sector.

Guardian's growth continues to be supported by a developing global sales pipeline and strategic partnerships, including the Company's relationship with Mitsubishi Electric Mobility Corporation, which provides commercial reach and access to markets across Europe, the United States and Japan.

Regulatory developments in Europe have influenced customer purchasing behaviour during the period, particularly as customers work through vehicle homologation requirements. Notwithstanding these near-term factors, the Board remains confident in the longer-term opportunity for Guardian, including the potential for increased factory-fit discussions alongside traditional retrofit deployments. Manufacturing capacity has been scaled in line with anticipated demand as the sales pipeline continues to mature.

During the first half of FY2026, Seeing Machines announced the establishment of its Future Mobility Group. This new division builds on the Company's existing work with Guardian BdMS in autonomous driving applications and is intended to address the evolving needs of the autonomous vehicle industry, as well as to pursue additional commercial opportunities as automated vehicle initiatives continue to develop globally.

	31 Dec 2025	31 Dec 2024	Change	Change
	\$'000	\$'000	\$'000	%
Hardware and installations	4,576	2,273	2,303	101%
Driver monitoring	6,908	6,934	(26)	-
Licensing	613	314	299	95%
Non-recurring engineering	595	1,264	(669)	(53%)
<b>Aftermarket Adjusted Revenue</b>	<b>12,692</b>	<b>10,785</b>	<b>1,907</b>	<b>18%</b>
<b>Aftermarket Adjusted EBITDA</b>	<b>(6,225)</b>	<b>(8,733)</b>	<b>2,508</b>	<b>(29%)</b>

- **Hardware and installation revenue** from the sale and installation of Guardian units increased by 101%, driven by higher volumes associated with the rollout of the new Generation 3 product across key Aftermarket customers.

- **Driver monitoring revenue** represents the high margin recurring revenue generated from Guardian connections with revenue. Growth in monitored units in APAC was offset by reduced volumes in Latin America, resulting in flat monitoring revenue for the half-year compared to the prior corresponding period, but representing 4% growth compared to H2 FY2025.

- **Licensing revenue** increased by 95%, reflecting support and maintenance services earned during the half-year under the licensing agreement with Caterpillar entered into in June 2024. The nature of licensing revenue means that it is typically linked to specific contractual arrangements and can vary between periods.

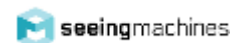
- **Non-recurring engineering revenue** relates to technology development and consulting projects undertaken with Caterpillar. Revenue decreased by 53% compared to the prior corresponding period, reflecting lower levels of engineering activity as certain projects progressed through completion.

- **Adjusted EBITDA** losses improved by 29% for the period, driven by a higher mix of high-margin revenue and lower costs compared to the prior corresponding period.

# Seeing Machines Limited

## Directors' report

### 31 December 2025



## Review of Operations (continued)

### Gross Profit

Gross profit decreased across the Group from \$14,026,000 in H1 FY2025 to \$13,330,000 in H1 FY2026. Gross profit margin, however, increased from 55% to 58% over the same period. The improvement in gross margin was largely driven by sales mix changes compared to the prior half-year, including a higher proportion of high-margin royalty revenue and improved hardware margins associated with increased sales of the Guardian Generation 3 product.

### Expenditure

	31 Dec 2025 \$'000	31 Dec 2024 \$'000	Change \$'000	Change %
Research and development expenses	10,997	13,360	(2,363)	(18%)
Customer support and marketing expenses	4,103	4,018	85	2%
Operations expenses	7,639	6,956	683	10%
General and administration expenses	4,808	8,127	(3,319)	(41%)
Net foreign exchange (gains)/losses	202	(75)	277	(369%)
<b>Adjusted operating expenses *</b>	<b>27,749</b>	<b>32,386</b>	<b>(4,637)</b>	<b>(14%)</b>
Depreciation and amortisation	6,814	5,855	959	16%
Capitalised development costs during the period	(2,415)	(8,663)	6,248	(72%)
<b>Operating expenses</b>	<b>32,148</b>	<b>29,578</b>	<b>2,570</b>	<b>9%</b>

\*Adjusted operating expenses is a non-IFRS measure but included as an important metric for shareholders understanding of the underlying performance of the business. Adjusted operating expenses exclude depreciation and amortisation expense and include capitalised development costs.

Operating expenses for the half-year reflect the full-period impact of restructuring and organisational changes implemented during FY2025, which resulted in a structurally lower ongoing cost base in the current period. This is evidenced by a reduction in headcount on a December-to-December basis, with headcount decreasing from 455 at 31 December 2024 to 353 at 31 December 2025 following completion of the restructuring program. By contrast, the comparative prior half-year largely reflects the pre-restructure headcount for the majority of the period, with only a partial benefit from these actions realised late in that period.

Comparability between periods is also affected by changes in organisational structure and cost allocation, following the appointment of a Chief Operating Officer. During the period, certain functions, including Information Systems and Quality, were realigned from General and Administration to Operations to better reflect management accountability and operational oversight. These changes did not require reclassification of prior period amounts. There was no impact on total operating expenses, operating loss, or reported profit or loss for any period.

Adjusted operating expenses in the prior period included higher one-off costs, comprising restructuring expenses of \$530,000 and acquisition-related costs of \$95,000. In the current period, one-off costs were lower at \$115,000 relating to restructuring expenses. Excluding these one-off items, the reduction in adjusted operating expenses primarily reflects the structural reduction in the ongoing cost base following the March 2025 restructuring.

Capitalised development costs were lower in the current period, reflecting the completion of several major customer-awarded development programs within the OEM business and a transition period prior to the commencement of new awarded programs. During this period, development activity was primarily research or preparatory in nature and did not meet the criteria for capitalisation under the Group's accounting policy. As a result, a lower proportion of development expenditure was capitalised compared to the prior period.

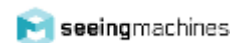
### Result for the half-year

As a result of above factors, the loss for the half-year ended 31 December 2025 increased by \$4,219,000 to \$22,456,000 (H1 FY2025 loss: \$18,237,000).

# Seeing Machines Limited

## Directors' report

### 31 December 2025



## Review of Operations (continued)

### Working capital management

After adjusting for the receipts from one-off licensing arrangements, cashflows from operating and investing activities have improved for the half-year.

	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Net cash flows used in operating activities	(15,428)	(7,171)
Net cash flows used in investing activities	(2,567)	(8,757)
<b>Net cash flows used in operating and investing activities</b>	<b>(17,995)</b>	<b>(15,928)</b>
Less: cash from one-off licensing arrangements	-	(3,750)
<b>Adjusted cashflows *</b>	<b>(17,995)</b>	<b>(19,678)</b>

\* Adjusted cashflows is a non-IFRS measure included to assist shareholders in understanding the underlying cash performance of the business. Adjusted cashflows exclude cash receipts from one-off licensing arrangements, which are not reflective of recurring operating performance.

The decline in reported operating cashflows compared to the prior corresponding period was primarily driven by working capital movements and the absence of significant non-recurring cash receipts recorded in the prior period, rather than a deterioration in underlying operating performance.

The prior corresponding period benefited from significant non-recurring cash receipts, most notably the final exclusivity payment of \$3,750,000 from Magna, which did not recur in the current half-year.

In addition, operating cash flows in the prior corresponding period benefited from the collection of trade receivables that had built up at the end of FY2024, reflecting the timing of elevated hardware sales in the second half of FY2024, including the sell-down of remaining Guardian Generation 2 hardware, and the settlement of a long-term outstanding Automotive receivable balance. These factors resulted in elevated amounts outstanding at the end of FY2024 that were then received and included in customer receipts in the first half of FY2025.

Cashflows from investing activities improved due to lower capitalised development expenditure during the period, reflecting the development cycle timing described in the Expenditure section above. To the extent development costs were not capitalised, these costs were incurred through operating cashflows, primarily within wages and related employee costs.

Excluding cash received from one-off licensing arrangements, Adjusted cashflows improved by \$1,683,000 during the half-year. This improvement was primarily driven by the impact of cost-reduction initiatives implemented in FY2025, including workforce reductions and tighter cost controls across operations and development functions. These actions resulted in a lower ongoing cash cost base during the period.

Working capital performance also benefited from improved cash-collection discipline, with trade receivables lower at 31 December 2025 compared to 31 December 2024 and days sales outstanding improving on a December-to-December basis. This improvement was partially offset by an increase in inventories, reflecting higher stock holdings to support operational requirements.

### Industry update

Regulatory developments continue to influence the Group's outlook, with the European Union's General Safety Regulation (GSR) requiring camera-based driver monitoring systems to detect driver distraction from 7 July 2026. This regulatory requirement is expected to support increased adoption of driver monitoring technology across the automotive sector.

As OEMs progress their compliance programs, the Group expects automotive production volumes to continue to increase as awarded and regulated programs transition into production. This is anticipated to support higher royalty revenues over the remainder of H2 FY2026 and into FY2027, as production volumes ramp and existing programs mature.

# Seeing Machines Limited

## Directors' report

### 31 December 2025



#### Other highlights

During the period, the Group continued to expand the deployment of its automotive driver and occupant monitoring technology, with the number of vehicles on the road using its DMS/OMS solutions increasing to more than 4.8 million, representing year-on-year growth supported by higher production volumes and increased royalty revenue.

Progress was made across multiple OEM and Tier 1 relationships, including the expansion of an existing European program, the award of a new production program in Japan with Mitsubishi Electric Mobility Corporation, and continued development activity with another major Japanese OEM.

Product development milestones during the period included the launch of an impairment detection capability for the United States market and the presentation of the Group's next-generation 3D Cabin Perception Mapping platform at CES 2026, reflecting ongoing investment in product innovation.

In the Aftermarket segment, the Group secured additional Guardian orders from North American autonomous and fleet operators, progressed collaboration with Mitsubishi Electric Automotive America, and established a Future Mobility Group to support emerging opportunities in autonomous and next-generation mobility applications.

#### Principal risks and uncertainties

The principal risks and uncertainties facing the Group for the remainder of the financial year are consistent with those disclosed in the Group's Annual Financial Report for the year ended 30 June 2025.

These risks include, but are not limited to, the timing and scale of OEM program production volumes, the pace of regulatory adoption across key markets, the Group's ability to continue to manage its cost base in line with revenue growth, foreign exchange exposure, and the execution of strategic partnerships and customer programs.

As at 31 December 2025, the Group has borrowings classified as current liabilities, including convertible notes with a contractual maturity in October 2026. As disclosed in Note 2 (c), the Group's ability to continue as a going concern is subject to a material uncertainty related to the successful refinancing, extension or conversion of these facilities prior to maturity.

#### Key performance indicators

The Group monitors a number of key performance indicators to assess operating performance and progress against strategic objectives. The primary indicators used by management during the period included Adjusted Revenue, Adjusted EBITDA, and operational volume measures relevant to the OEM and Aftermarket segments.

These measures are used consistently by management to evaluate performance across reporting periods.

#### Chief Executive Officer

The Group's Chief Executive Officer as at the date of this report is Paul McGlone.

#### Company Secretary

As at the date of this report the Company Secretary is Paul Wenk.

#### Employee Numbers

At 31 December 2025 the Group had 353 full-time equivalent employees (30 June 2025: 365).

# Seeing Machines Limited

## Directors' report

### 31 December 2025



#### Significant Changes in State of Affairs

During the half-year, there was no significant change in the state of affairs of the Group other than those referred to elsewhere in this report and in the financial statements or notes thereto.

Subsequent to the reporting date, the Group entered into an amendment to a major customer contract resulting in the accelerated receipt of royalties of \$14,161,000 and related future payment obligations of \$3,186,000, as disclosed in Note 21.

Subsequent to the reporting date, and prior to approval of the interim financial statements, the Group entered into a debtor financing facility with HSBC Bank Australia Limited of AUD11,000,000, providing access to additional receivables-based funding. The facility enhances the Group's liquidity and funding flexibility and is disclosed as a non-adjusting subsequent event in Note 21 to the interim financial statements.

#### Environmental Regulations

The Group holds no licenses issued by relevant Environmental Protection Authorities and there have been no known breaches of any environmental regulations

#### Directors and Officers Insurance

During the half-year, the Company paid a premium in respect of a contract insuring the Directors of Seeing Machines Limited (and its wholly owned subsidiaries), the Company Secretary, and all executive officers of those companies against a liability incurred as such a Director, secretary, or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

#### Non-Audit Services

PwC have not rendered any non-audit services during the half-year.

#### Rounding of amounts

The company is of a kind referred to ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with the instrument.

#### Forward-looking statements

This report contains certain forward-looking statements that are based on current expectations, estimates and assumptions. These statements involve known and unknown risks and uncertainties that may cause actual results, performance or achievements to differ materially from those expressed or implied.

Forward-looking statements speak only as at the date of this report and the Group undertakes no obligation to update these statements, except as required by applicable law or regulation.

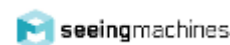
Signed at Canberra this in accordance with a resolution of the Directors.

On behalf of the Board

A handwritten signature in blue ink, appearing to read 'Paul McGlone'.

Paul McGlone  
Executive Director & Chief Executive Officer  
Canberra  
27 March 2026

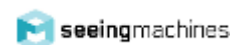
**Seeing Machines Limited**  
**Interim Consolidated Statement of Financial Position - Unaudited**  
**As at 31 December 2025**



	Note	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	3,414	22,556
Trade and other receivables	6	7,434	9,079
Contract assets	10	11,140	8,089
Inventories	7	7,005	4,614
Other financial assets		221	308
Other current assets		2,817	2,611
<b>Total current assets</b>		<b>32,031</b>	<b>47,257</b>
<b>Non-current assets</b>			
Contract assets	10	3,490	6,253
Property, plant and equipment	8	2,641	2,634
Right-of-use assets		2,371	3,014
Intangibles	9	68,397	71,621
Other financial assets		609	521
<b>Total non-current assets</b>		<b>77,508</b>	<b>84,043</b>
<b>Total assets</b>		<b>109,539</b>	<b>131,300</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	8,263	10,162
Contract liabilities	10	6,103	4,329
Borrowings	13	54,425	-
Lease liabilities	12	1,364	1,430
Provisions		5,129	4,718
Deferred consideration		1,070	1,177
<b>Total current liabilities</b>		<b>76,354</b>	<b>21,816</b>
<b>Non-current liabilities</b>			
Contract liabilities	10	6,768	7,943
Borrowings	13	-	51,315
Lease liabilities	12	2,261	2,856
Deferred tax		474	791
Provisions		211	292
Deferred consideration		2,274	3,027
<b>Total non-current liabilities</b>		<b>11,988</b>	<b>66,224</b>
<b>Total liabilities</b>		<b>88,342</b>	<b>88,040</b>
<b>Net assets</b>		<b>21,197</b>	<b>43,260</b>
<b>Equity</b>			
Contributed equity	17	272,188	272,188
Other equity	14	5,582	5,582
Accumulated losses		(264,518)	(242,062)
Reserves		7,945	7,552
<b>Total equity</b>		<b>21,197</b>	<b>43,260</b>

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

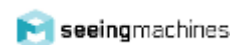
**Seeing Machines Limited**  
**Interim Consolidated Statement of Comprehensive Income -**  
**Unaudited**  
**For the half-year ended 31 December 2025**



	Note	31 Dec 2025 \$'000	31 Dec 2024 \$'000
Sale of goods		4,915	2,614
Royalty and license fees		8,569	8,789
Services revenue		9,408	13,904
<b>Revenue</b>	3	<b>22,892</b>	25,307
Cost of sales		(9,562)	(11,281)
<b>Gross Profit</b>		<b>13,330</b>	14,026
Operations expenses		(8,767)	(8,091)
Research and development expenses		(14,268)	(9,417)
Customer support and marketing expenses		(4,103)	(4,018)
General and administration expenses		(4,808)	(8,127)
Net foreign exchange gains/(losses)		(202)	75
<b>Expenses</b>	4	<b>(32,148)</b>	(29,578)
<b>Operating loss</b>		<b>(18,818)</b>	(15,552)
Finance income		150	483
Finance costs		(4,104)	(3,448)
<b>Finance costs - net</b>		<b>(3,954)</b>	(2,965)
<b>Loss before income tax benefit</b>		<b>(22,772)</b>	(18,517)
Income tax benefit		316	280
<b>Loss after income tax benefit for the half-year attributable to the owners of Seeing Machines Limited</b>		<b>(22,456)</b>	(18,237)
<b>Other comprehensive income/(loss)</b>			
Exchange differences on translation of foreign operations		14	(21)
<b>Other comprehensive income/(loss) for the half-year, net of tax</b>		<b>14</b>	(21)
<b>Total comprehensive loss for the half-year attributable to the owners of Seeing Machines Limited</b>		<b>(22,442)</b>	(18,258)
		<b>Cents</b>	<b>Cents</b>
Basic loss per share	16	(0.4568)	(0.3712)
Diluted loss per share	16	(0.4568)	(0.3712)

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

# Seeing Machines Limited



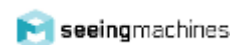
## Interim Consolidated Statement of Changes in Equity - Unaudited For the half-year ended 31 December 2025

	Contributed Equity \$'000	Other Equity \$'000	Accumulated Losses \$'000	Foreign Currency Translation Reserves \$'000	Employee Equity Benefits & Other Reserve \$'000	Total Equity \$'000
<b>Balance at 1 July 2025</b>	272,188	5,582	(242,062)	(13,842)	21,394	43,260
Loss after income tax benefit for the half-year	-	-	(22,456)	-	-	(22,456)
Other comprehensive income for the half-year, net of tax	-	-	-	14	-	14
<b>Total comprehensive income/(loss) for the half- year</b>	-	-	(22,456)	14	-	(22,442)
<b>Transactions with owners in their capacity as owners:</b>						
Share-based payments	-	-	-	-	379	379
<b>Balance at 31 December 2025</b>	<b>272,188</b>	<b>5,582</b>	<b>(264,518)</b>	<b>(13,828)</b>	<b>21,773</b>	<b>21,197</b>

	Contributed Equity \$'000	Other Equity \$'000	Accumulated Losses \$'000	Foreign Currency Translation Reserves \$'000	Employee Equity Benefits & Other Reserve \$'000	Total Equity \$'000
<b>Balance at 1 July 2024</b>	240,948	5,582	(216,796)	(13,844)	21,093	36,983
Loss after income tax benefit for the half-year	-	-	(18,237)	-	-	(18,237)
Other comprehensive loss for the half-year, net of tax	-	-	-	(21)	-	(21)
<b>Total comprehensive loss for the half-year</b>	-	-	(18,237)	(21)	-	(18,258)
<b>Transactions with owners in their capacity as owners:</b>						
Share-based payments	-	-	-	-	106	106
Contributions of equity, net of transaction costs	31,240	-	-	-	-	31,240
<b>Balance at 31 December 2024</b>	<b>272,188</b>	<b>5,582</b>	<b>(235,033)</b>	<b>(13,865)</b>	<b>21,199</b>	<b>50,071</b>

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

**Seeing Machines Limited**  
**Interim Consolidated Statement of Cash Flows - Unaudited**  
**For the half-year ended 31 December 2025**



	Note	Consolidated	
		31 Dec 2025 \$'000	31 Dec 2024 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		26,009	42,178
Payments to suppliers and employees (inclusive of GST)		(41,581)	(49,649)
Interest received		150	481
Transaction costs relating to acquisition of subsidiary		-	(95)
Interest and other finance costs paid		-	(42)
Income taxes paid		(6)	(44)
		<u>(15,428)</u>	<u>(7,171)</u>
<b>Net cash used in operating activities</b>			
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	8	(75)	(95)
Payments for intangible assets (patents, licenses and trademarks)	9	(77)	(21)
Payments for intangible assets (capitalised development costs)	9	(2,415)	(8,663)
Maturity of term deposits		-	22
		<u>(2,567)</u>	<u>(8,757)</u>
<b>Net cash used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	17	-	32,752
Repayment of lease liabilities		(959)	(597)
		<u>(959)</u>	<u>32,155</u>
<b>Net cash from/(used in) financing activities</b>			
<b>Net increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the financial half-year		22,556	23,361
Effects of exchange rate changes on cash and cash equivalents		(188)	54
		<u>(188)</u>	<u>54</u>
<b>Cash and cash equivalents at the end of the financial half-year</b>			
		<u><u>3,414</u></u>	<u><u>39,642</u></u>

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

# Seeing Machines Limited

## Notes to the Interim Consolidated Financial Statements - Unaudited

### 31 December 2025



#### 1. Corporate information

Seeing Machines Limited (the “Company”) is a limited liability company incorporated and domiciled in Australia and listed on the AIM market of the London Stock Exchange. The address of the Company’s registered office is 80 Mildura Street, Fyshwick, Australian Capital Territory, Australia.

Seeing Machines Limited and its subsidiaries (the “Group”) provide operator monitoring and intervention sensing technologies and services for the automotive, mining, transport and aviation industries.

The interim consolidated financial report of the Group (the “interim financial report”) for the six-month period ended 31 December 2025 was authorised for issue in accordance with a resolution of the Directors on 27 March 2026 .

#### 2. Basis of Preparation

##### (a) Basis of Preparation

The interim financial report for the six-month period ended 31 December 2025 has 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 financial report does not include all the information and disclosures required in the annual financial report and should be read in conjunction with the Group’s annual consolidated financial statements as at 30 June 2025. The interim financial report has also been prepared on a historical cost basis, except for derivative financial instruments which have been measured at fair value.

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

##### (b) Accounting policies

The accounting policies applied are consistent with those of the consolidated financial statements for the year ended 30 June 2025.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

# Seeing Machines Limited

## Notes to the Interim Consolidated Financial Statements - Unaudited

### 31 December 2025



## 2. Basis of Preparation (continued)

### (c) Going concern

The interim consolidated financial statements have been prepared on a going concern basis.

In forming this assessment, the Directors have considered the Group's financial position as at 31 December 2025, its cash flows for the six-month period then ended, and the Group's forecast cash flows and liquidity requirements for a period of at least 12 months from the date of approval of this report.

As at 31 December 2025, the Group had borrowings classified as current liabilities, including a convertible note with a contractual maturity in October 2026. The Group's ability to continue as a going concern is dependent on its ability to successfully refinance, extend or convert this facility prior to maturity.

Subsequent to the reporting date, and prior to approval of these interim financial statements, the Group received an advance royalty payment from a customer in January, which has improved near-term liquidity. The Group also entered into a debtor financing facility, providing additional liquidity headroom. These matters have been considered together with forecast operating cash flows and other funding initiatives in the Directors' assessment of the Group's liquidity position.

Notwithstanding these mitigating factors, there remains a material uncertainty related to the Group's ability to refinance or extend its existing debt facilities prior to maturity. This uncertainty may cast significant doubt on the Group's ability to continue as a going concern.

The interim consolidated financial statements do not include any adjustments that would be required if the Group were unable to continue as a going concern.

## 3. Segment Information

### a. Description of segments and principal activities

The Chief Operating Decision Makers (CODM) examines the Group's performance from a product and services perspective and have organised the Group into key business units and identified two reportable operating segments of the business:

- (1) The OEM operating segment includes both the automotive and aviation business units, which generate largely licence based royalty and non-recurring engineering services-based revenue, channelled through Tier 1 customers.
- (2) The Aftermarket operating segment includes Fleet and Off-Road business units, which generate revenue from a mix of direct and indirect customers who retro-fit Seeing Machines technology into commercial vehicles.

The Executive Leadership Team uses a measure of Adjusted Revenue and Adjusted Earnings Before Interest, Tax, Depreciation and Amortisation (Adjusted EBITDA) to assess the performance of the operating segments.

### b. Segment Adjusted Revenue and Adjusted EBITDA

FOR THE SIX-MONTH PERIOD ENDED	31 Dec 2025	31 Dec 2025	31 Dec 2024	31 Dec 2024
	Adjusted Revenue \$'000	Adjusted EBITDA \$'000	Adjusted Revenue \$'000	Adjusted EBITDA \$'000
OEM	10,708	(7,497)	14,522	(8,979)
Aftermarket	12,692	(6,225)	10,785	(8,733)
<b>Total</b>	<b>23,400</b>	<b>(13,722)</b>	<b>25,307</b>	<b>(17,712)</b>

**3. Segment Information (continued)**

Adjusted Revenue and Adjusted EBITDA are non-IFRS measures but included as important metrics for shareholders understanding of the underlying performance of the business.

Adjusted Revenue includes adjustments linked to minimum royalty guarantees. These adjustments reverse the upfront recognition of minimum guaranteed revenue at the start of production and instead recognise revenue progressively as it is invoiced. This approach ensures consistency in revenue recognition for all royalty-based contracts across the Group.

Adjusted EBITDA includes earnings before interest, tax, depreciation, amortisation and adjustments for capitalised development costs, restructuring and acquisition related costs, certain tax items, and revenue adjustments linked to minimum royalty guarantees.

These measures are considered to provide useful information to users of the financial statements by facilitating comparison of operating performance between periods, after adjusting for items that management considers not to be representative of the underlying performance of the business.

There are no inter-segment revenues and there have been no changes to how each segment's Adjusted EBITDA is measured.

Corporate costs and overheads within Adjusted EBITDA have been allocated to the operating segments using a percentage of revenue. Research and development costs are allocated based on actual costs that relate to an operating segment.

Adjusted Revenue reconciles to revenue as follows:

	<b>31 Dec 2025</b>	<b>31 Dec 2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total Adjusted Revenue</b>	<b>23,400</b>	25,307
Revenue from contracts that contain minimum royalty guarantees	-	-
Invoiced from contracts that contain minimum royalty guarantees	<b>(508)</b>	-
<b>Revenue</b>	<b>22,892</b>	<b>25,307</b>

Adjusted EBITDA reconciles to loss before income tax as follows:

<b>FOR THE SIX-MONTH PERIOD ENDED</b>	<b>31 Dec 2025</b>	<b>31 Dec 2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total Adjusted EBITDA</b>	<b>(13,722)</b>	(17,712)
Finance costs - net	<b>(3,954)</b>	(2,965)
Depreciation & amortisation expense	<b>(6,814)</b>	(5,855)
Capitalised costs	<b>2,415</b>	8,663
Restructuring costs and acquisition costs	<b>(115)</b>	(625)
Other	<b>(74)</b>	(23)
Minimum royalty guarantees	<b>(508)</b>	-
<b>Loss before income tax</b>	<b>(22,772)</b>	<b>(18,517)</b>

3. Segment Information (continued)

c. Disaggregation of revenue from contracts with customers

In the following tables, revenue segments have been disaggregated by type of goods or services which also reflects the timing of revenue recognition.

	OEM	Aftermarket	Total
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2025	\$'000	\$'000	\$'000
<b>Sales at a point in time</b>			
Hardware and Installations	541	4,576	5,117
<b>Sales over time</b>			
Driver monitoring	-	6,908	6,908
Non-recurring Engineering	1,704	595	2,299
Royalties	8,444	-	8,444
Licensing	19	613	632
<b>Total Adjusted Revenue</b>	<b>10,708</b>	<b>12,692</b>	<b>23,400</b>

<b>Sales over time</b>			
Royalties	(508)	-	(508)
<b>Total Revenue</b>	<b>10,200</b>	<b>12,692</b>	<b>22,892</b>

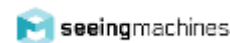
	OEM	Aftermarket	Total
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024	\$'000	\$'000	\$'000
<b>Sales at a point in time</b>			
Hardware and Installations	665	2,273	2,938
<b>Sales over time</b>			
Driver Monitoring	-	6,934	6,934
Non-recurring Engineering	5,381	1,264	6,645
Royalties	6,346	-	6,346
Licensing	2,130	314	2,444
<b>Total Revenue</b>	<b>14,522</b>	<b>10,785</b>	<b>25,307</b>

d. Revenue from contracts with customers by geographic information

FOR THE SIX-MONTH PERIOD ENDED	31 Dec 2025 \$'000	31 Dec 2024 \$'000
Australia	6,684	7,488
North America	8,674	8,407
Asia-Pacific (excluding Australia)	2,209	1,536
Europe	3,760	6,490
Other	1,565	1,386
<b>Total Revenue</b>	<b>22,892</b>	<b>25,307</b>

The revenue information above is based on the locations of the customers.

**Seeing Machines Limited**  
**Notes to the Interim Consolidated Financial Statements - Unaudited**  
**31 December 2025**



**3. Segment Information (continued)**

**e. Other profit or loss disclosures**

	31 Dec 2025 OEM	31 Dec 2025 Aftermarket	31 Dec 2024 OEM	31 Dec 2024 Aftermarket
Wages and salaries and on-costs (excluding superannuation)	9,297	10,198	14,431	9,901
Superannuation expense	823	849	1,174	795
Share-based payment expense	248	131	62	44
Wages and salaries reported as cost of sales	(1,959)	(3,519)	(3,407)	(3,296)
Superannuation reported as cost of sales	-	(223)	-	(185)
Wages and salaries capitalised to development costs	(1,536)	(403)	(6,214)	(1,001)
<b>Total employee benefits expense</b>	<b>6,873</b>	<b>7,033</b>	<b>6,046</b>	<b>6,258</b>

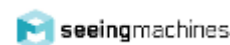
**4. Expenses**

**FOR THE SIX-MONTH PERIOD ENDED**

	31 Dec 2025 \$'000	31 Dec 2024 \$'000
<b>a. Research and development expenses</b>		
Research and development expenses	16,683	18,080
Capitalised development costs during the period	(2,415)	(8,663)
<b>Total research and development expenses</b>	<b>14,268</b>	<b>9,417</b>
<b>b. Depreciation and amortisation expense</b>		
Depreciation expense – owned assets	557	637
Depreciation expense – leased assets	549	488
Amortisation expense – development costs	5,687	4,692
Amortisation expense – others	21	38
<b>Total depreciation and amortisation expense</b>	<b>6,814</b>	<b>5,855</b>
<b>c. Employee benefits expense</b>		
Wages and salaries and on-costs (excluding superannuation)	19,495	24,332
Superannuation expense	1,672	1,969
Share-based payment expense	379	106
Wages and salaries reported as cost of sales	(5,478)	(6,703)
Superannuation reported as cost of sales	(223)	(185)
Wages and salaries capitalised to development costs	(1,939)	(7,215)
<b>Total employee benefits expense</b>	<b>13,906</b>	<b>12,304</b>
<b>d. Other operating expenses</b>		
Non-recoverable foreign withholding taxes	73	8
Restructuring costs	115	530
Acquisition costs	-	95
<b>Total other operating expenses</b>	<b>188</b>	<b>633</b>

Comparative information for the half-year ended 31 December 2024 has been updated to correct a presentation error within the Expenses note. The correction relates to the classification of wages and salaries between expense categories and had no impact on total expenses, profit or loss, or financial position.

**Seeing Machines Limited**  
**Notes to the Interim Consolidated Financial Statements - Unaudited**  
**31 December 2025**



**5. Cash and cash equivalents**

AS AT	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<i>Current assets</i>		
Cash at bank	3,414	9,556
Cash on deposit	-	13,000
	<u>3,414</u>	<u>22,556</u>

**6. Trade and other receivables**

AS AT	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<i>Current assets</i>		
Trade receivables	7,156	8,879
Less: Allowance for expected credit losses	(120)	(120)
Provision for doubtful debts	(127)	(127)
	<u>525</u>	<u>447</u>
Net other receivables	<u>7,434</u>	<u>9,079</u>

**7. Inventories**

AS AT	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<i>Current assets</i>		
Stock on hand (at lower of cost and net realisable value)	7,123	4,732
Less: Provision for obsolescence	(118)	(118)
<b>Total inventories</b>	<u>7,005</u>	<u>4,614</u>

**8. Property, plant and equipment**

During the six-month period ended 31 December 2025, the Group incurred expenditure of \$75,000 for Property, Plant and Equipment (H1 FY2025: \$95,000).

During the half-year, \$467,000 of hardware was reclassified from inventory to assets deployed with customers, primarily relating to hardware placed under customer trial and evaluation arrangements (H1 FY2025: Nil).

No assets relating to plant and equipment were disposed by the Group during the six-month period ended 31 December 2025 (H1 FY2025: Nil).

**Notes to the Interim Consolidated Financial Statements - Unaudited  
31 December 2025**

**9. Intangibles**

During the six-month period ended 31 December 2025, the Group incurred expenditure of \$2,492,000 (H1 FY2025: \$8,684,000) related to intangibles. \$77,000 (H1 FY2025: \$21,000) of this expenditure related to patent and trademark applications and licenses. \$2,415,000 (H1 FY2025: \$8,663,000) related to capitalised development costs.

No intangible assets were disposed by the Group during the six-month period ended 31 December 2025 (H1 FY2025: nil).

**10. Contract assets and contract liabilities**

**Contract assets**

Contract assets primarily relate to revenue recognised over time for non-recurring engineering services, royalties and royalties subject to minimum guarantees, and other arrangements where billing milestones lag performance. Contract assets are presented separately as current and non-current assets based on the expected timing of invoicing and cash receipt.

The decrease in non-current contract assets from \$6.3m at 30 June 2025 to \$3.5m at 31 December 2025 primarily reflects the reclassification of minimum guarantee royalty balances from non-current to current as the expected timing of invoicing and cash collection moved within the next 12 months.

	<b>31 Dec 2025</b>	30 Jun 2025
Contract assets - current	<b>11,140</b>	8,089
Contract assets - non-current	<b>3,490</b>	6,253
	<b>14,630</b>	14,342

**Contract liabilities**

Contract liabilities primarily comprise deferred revenue relating to licensing arrangements, upfront or milestone payments under engineering and development contracts, and prepaid monitoring and service arrangements. Contract liabilities represent deferred revenue relating to consideration received for which the related performance obligations have not yet been satisfied.

	<b>31 Dec 2025</b>	30 Jun 2025
Contract liabilities - current	<b>6,103</b>	4,329
Contract liabilities - non-current	<b>6,768</b>	7,943
	<b>12,871</b>	12,272

**11. Trade and other payables**

At 31 December 2025, the balance of the trade payables was \$3,897,000 (FY2025: \$3,558,000), of which an amount of \$3,875,000 (FY2025: \$3,296,000) was aged less than or equal to 60 days; and an amount of \$22,000 (FY2025: \$262,000) was aged over 60 days.

**12. Lease liabilities**

<b>AS AT</b>	<b>31 Dec 2025</b>	<b>30 Jun 2025</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Lease liabilities	<u>1,364</u>	<u>1,430</u>
<b>Non-current</b>		
Lease liabilities	<u>2,261</u>	<u>2,856</u>
	<u><b>3,625</b></u>	<u><b>4,286</b></u>

<b>AS AT 31 DECEMBER 2025</b>	<b>6</b>	<b>6-12</b>	<b>&gt;1</b>		
	<b>months</b>	<b>months</b>	<b>year</b>	<b>Total</b>	<b>Carrying</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>value</b>
					<b>\$'000</b>
<b>Lease Liabilities</b>	795	723	2,346	3,864	3,625

<b>AS AT 30 JUNE 2025</b>	<b>6</b>	<b>6-12</b>	<b>&gt;1</b>		
	<b>months</b>	<b>months</b>	<b>year</b>	<b>Total</b>	<b>Carrying</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>value</b>
					<b>\$'000</b>
<b>Lease liabilities</b>	1,066	1,033	4,421	6,520	4,286

**13. Borrowings**

<b>AS AT</b>	<b>31 Dec 2025</b>	<b>30 Jun 2025</b>
<b>Current</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Unsecured</b>		
Convertible notes (i)	<u>54,425</u>	<u>-</u>
<b>Total borrowings - current</b>	<u><b>54,425</b></u>	<u><b>-</b></u>

<b>AS AT</b>	<b>31 Dec 2025</b>	<b>30 Jun 2025</b>
<b>Non-current</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Unsecured</b>		
Convertible notes (i)	<u>-</u>	<u>51,315</u>
<b>Total borrowings - non-current</b>	<u><b>-</b></u>	<u><b>51,315</b></u>

**13. Borrowings (continued)**

*(i) Convertible notes*

The Company has issued two convertible notes to Magna International Inc. with an aggregate principal amount of \$47,500,000. The notes are convertible into ordinary shares at an adjusted conversion price of GBP £0.0995 per share, subject to adjustment, up to a maximum of 386,405,006 shares, and are subject to a 9.99% beneficial ownership cap. Interest is payable at 6% and 8% per annum, respectively, and may be paid in cash or, at the Company's election, capitalised and added to the outstanding principal. The effective interest rates applied to the liability components are 13.14% (Tranche 1) and 11.84% (Tranche 2). The notes mature on 4 October 2026 and contain customary anti-dilution and adjustment provisions. In accordance with AASB 132 and AASB 9, the notes have been accounted for as compound financial instruments, with the liability component recognised at amortised cost and the equity component recognised in equity. The liability component is subsequently measured using the effective interest method. The equity component is not remeasured. Upon conversion, the carrying amounts of the liability and equity components are transferred to share capital

<b>AS AT</b>	<b>31 Dec 2025</b>	<b>30 Jun 2025</b>
<b>Current</b>	<b>\$'000</b>	<b>\$'000</b>
Face value of notes issued	47,500	-
Other equity securities – value of conversion rights	(7,974)	-
Transaction costs on borrowings	(1,202)	-
Other costs on borrowings	(717)	-
	<u>37,607</u>	<u>-</u>
Interest expense	16,818	-
<b>Total borrowings - current</b>	<b><u>54,425</u></b>	<b><u>-</u></b>

<b>AS AT</b>	<b>31 Dec 2025</b>	<b>30 Jun 2025</b>
<b>Non-current</b>	<b>\$'000</b>	<b>\$'000</b>
Face value of notes issued	-	47,500
Other equity securities – value of conversion rights	-	(7,974)
Transaction costs on borrowings	-	(1,202)
Other costs on borrowings	-	(717)
	<u>-</u>	<u>37,607</u>
Interest expense	-	13,708
<b>Total borrowings - non-current</b>	<b><u>-</u></b>	<b><u>51,315</u></b>

**14. Other equity**

<b>AS AT</b>	<b>31 Dec 2025</b>	<b>30 Jun 2025</b>
	<b>\$'000</b>	<b>\$'000</b>
Value of conversion rights – convertible notes	7,974	7,974
Deferred tax liability component	(2,392)	(2,392)
<b>Total other equity</b>	<b><u>5,582</u></b>	<b><u>5,582</u></b>

*(i) Conversion right of convertible notes*

The amount shown for other equity securities is the value of the conversion rights relating to the convertible note, details of which are shown in Note 12 Borrowings

**15. Dividends paid**

No interim dividends or distributions have been made to members during the six-month period ended 31 December 2025 (H1 FY2025: nil) and no interim dividends or distributions have been recommended or declared by the directors in respect of the six-month period ended 31 December 2025 (H1 FY2025: nil).

**16. Loss per share**

The following table reflects the loss and share data used in the basic and diluted loss per share computations:

**Loss used in calculating loss per share**

**FOR THE SIX-MONTH PERIOD ENDED**

	<b>31 Dec 2025</b>	<b>31 Dec 2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Loss per share for loss</i>		
Loss for the period	<u>(22,456)</u>	<u>(18,237)</u>
<b>Loss after income tax attributable to the owners of Seeing Machines Limited used in calculating diluted loss per share</b>	<b><u>(22,456)</u></b>	<b><u>(18,237)</u></b>

**Weighted average number of shares**

	<b>2025</b>	<b>2024</b>
	<b>Thousands</b>	<b>Thousands</b>
<b>AS AT 31 DECEMBER</b>		
<b>Weighted average number of ordinary shares</b>		
Weighted average number of ordinary shares used in calculating basic loss per share	<u>4,915,670</u>	<u>4,912,392</u>
Weighted average number of ordinary shares used in calculating diluted loss per share	<b><u>4,915,670</u></b>	<b><u>4,912,392</u></b>

**17. Contributed equity**

<b>AS AT</b>	<b>31 Dec 2025</b>	<b>30 June 2025</b>	<b>31 Dec 2025</b>	<b>30 June 2025</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>'000</b>	<b>'000</b>	<b>\$'000</b>	<b>\$'000</b>
Ordinary shares - issued and fully paid	<u>4,915,670</u>	<u>4,915,670</u>	<u>272,188</u>	<u>272,188</u>

# Seeing Machines Limited

## Notes to the Interim Consolidated Financial Statements - Unaudited

### 31 December 2025



## 18. Share-based payments

### *Long Term Incentive – 2026 Performance rights or share options offers - Executives and Senior Leadership Team*

During the half-year ended 31 December 2025, the Group granted equity-settled long-term incentive awards to 39 employees. The awards comprise:

- Performance-based rights, subject to market-based share-price hurdles assessed annually; and
- Service-based rights, subject only to continued employment.

The awards were granted on 8 September 2025, vest in three annual tranches from 31 August 2026 to 31 August 2028. All awards have no exercise price.

The awards represent a total of 108,201,349 rights, consisting of:

- 96,077,959 performance-based rights, and
- 12,123,390 service-based rights,

The fair value of awards incorporating market conditions was measured using a Monte Carlo valuation model, with other awards valued using standard option-pricing approaches. Fair values are recognised over the relevant vesting periods.

The Group recognised a share-based payment expense of \$238,000 for the half-year, which has been credited to the Share-based Payment Reserve.

At 31 December 2025, all 108,201,349 rights remained outstanding, all unexercisable until future vesting dates. The weighted-average remaining contractual life is approximately 4.7 years.

## 19. Related party disclosures

The following table provides the total amount of transactions that have been entered into with related parties during the six-month period ended 31 December 2025 and 31 December 2024:

		<b>Balance 1-Jul Thousands</b>	<b>Acquired or sold for cash Thousands</b>	<b>Other changes during the period Thousands</b>	<b>Balance 31-Dec Thousands</b>
<b>Directors shares:</b>					
Directors' securities	2025	<b>17,822</b>	-	-	<b>17,822</b>
Directors' securities	2024	15,533	200	-	15,733

## 20. Commitments

As at 31 December 2025, the Group had no capital or other non-lease commitments (H1 FY2025: nil).

# Seeing Machines Limited

## Notes to the Interim Consolidated Financial Statements - Unaudited

### 31 December 2025



## 21. Events after the reporting period

### Contract Amendment

After the reporting date, the Group entered into an amendment to a major customer project. Under this amendment, the Group will receive an accelerated royalty payment of \$14,161,000 in January 2026 and will incur related future payment obligations to the customer of \$3,186,000 over 2026–2027 as follows:

- \$1,000,000 on or before 31 December 2026
- \$1,093,078 on or before 31 July 2027
- \$1,093,078 on or before 31 December 2027

The accelerated receipt improves near-term liquidity but gives rise to future payment obligations to the customer. It will also result in earlier settlement of certain deferred consideration obligations arising from the Asaphus Vision GmbH acquisition.

As the amendment was executed after 31 December 2025, it is a non-adjusting subsequent event and does not impact the financial results for the period. The financial effects of the amendment will be recognised in future reporting periods.

### Debtor financing facility

Subsequent to the reporting date, and prior to the approval of these financial statements, the Group entered into a debtor financing facility with HSBC Bank Australia Limited, providing access to receivables-based funding of up to approximately AUD 11,000,000.

The facility provides additional liquidity and funding flexibility through the financing of eligible trade receivables. As the facility was executed after 31 December 2025, it has been treated as a non-adjusting subsequent event, and no amounts have been recognised in the consolidated financial statements for the six-month period ended 31 December 2025.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

# Seeing Machines Limited

## Directors' declaration

### 31 December 2025

In accordance with a resolution of the Directors of Seeing Machines Limited, I state that:

In the opinion of the Directors:

- (a) The financial statements and notes of Seeing Machines Limited for the six-month period ended 31 December 2025 present fairly, in all material aspects, the consolidated entity's financial position as at 31 December 2025 and of its performance for the six-month period ended on that date, in accordance with the Australian Accounting Standards.
- (b) In the opinion of the Directors, the interim consolidated financial statements have been prepared on a going concern basis, and note the existence of a material uncertainty related to going concern as disclosed in Note 2(c).

On behalf of the Board



Paul McGlone  
Executive Director & Chief Executive Officer  
Canberra  
27 March 2026