

Quarterly Report



Activities Report for the Quarter ended
30 September 2024

8 October 2024

SenSen Delivers Second Successive Cash Flow Positive Quarter

Melbourne, Australia – Live Awareness AI solutions provider SenSen Networks Limited (ASX:SNS) (“SenSen” or “the Company”) provides an update on its activities for the quarter ended 30 September 2024 (Q1 FY25).

Highlights

- **Second consecutive quarter of positive cash flow**, with operating cash flow of \$0.3M (PCP -\$1.1M)
- **Record Q1 collections of \$3.4M** (PCP \$3.1M)
- **Ongoing Cost reductions** – annualised Opex reduced from \$10.6M in Q4 FY 2024 to **\$9.2M** in Q1 FY 2025
- SenSen continues to strengthen its balance sheet with **Net Debt reduced by \$0.2M to (\$0.5m)** since June 2024
- **Another tender win in Canada in Q1, from Toronto**, after two significant tender wins in the quarter from Montreal and Calgary
- **Strong and continued Revenue Momentum** across all market segments

Financial update

SenSen delivered a second consecutive cash flow positive quarter in Q1 FY25, with record cash receipts of \$3.4M an increase of \$0.3M over PCP (\$3.1M)

Canada continues to be a significant growth market for the company, with another tender win from the region, the City of Toronto. This is on the back of successful tender wins in Calgary and Montreal recently and Vancouver in 2023. SenSen currently serves 12 cities in Canada and the Company’s footprint is growing rapidly.

From a cost perspective, the company’s headcount has now stabilised following reductions in the last financial year, delivering an annualised operating cost base of \$9.2M, down \$1.4M on prior quarter and \$4.4M on PCP. The company continues to focus on cost and efficiencies, with a concerted effort to reduce hardware costs.

SenSen Networks Limited ACN 121 257 412 www.sensen.ai +61 (0)3 9417 5368

Melbourne: 2/570 City Road, South Melbourne VIC 3205

Sydney: 3 Spring Street, Sydney NSW 2000

Las Vegas: Office #8, International Innovation Center, 300 South 4th St, Suite 180, Las Vegas NV 89101

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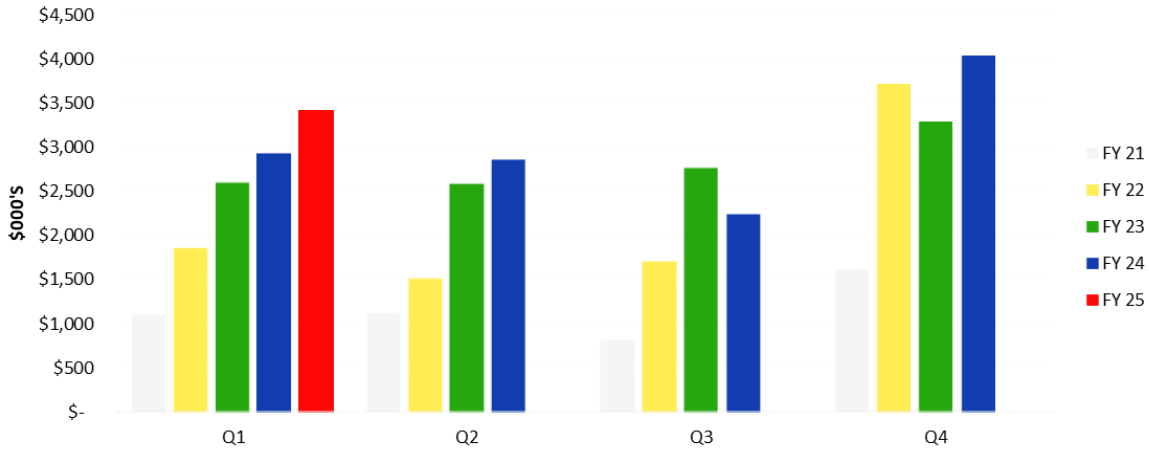
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Quarterly Customer Cash Receipts



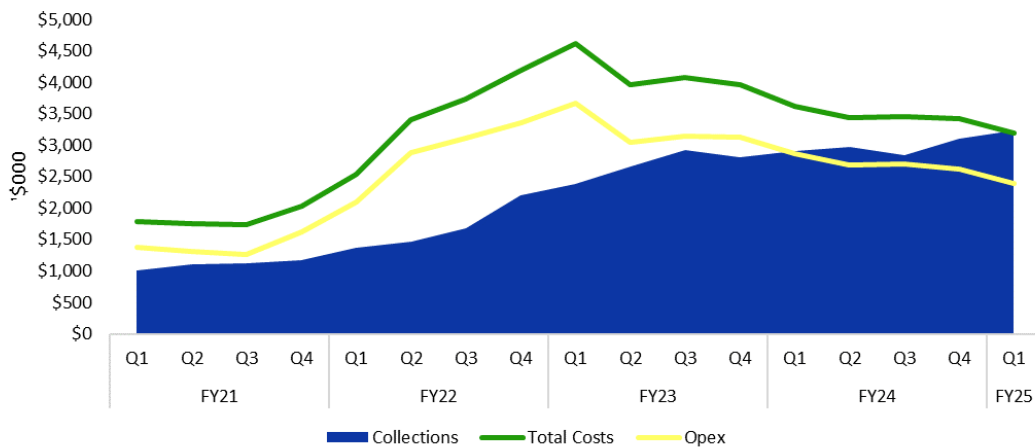
Positive Cash Flow

SenSen’s positive operating cash flow in Q1 FY25 of \$0.3M (PCP -\$1.1M outflow), a \$1.4M improvement over PCP, delivers the company its second successive cash flow positive quarter. The results are the combination of ongoing sales growth combined with strong recurring revenue and operating cost reduction of \$1.1M in the quarter to \$2.3M (PCP of \$3.4M)

12 Month Rolling Cash Flow

The 12-month rolling operating cash flow was positive in Q1 FY25 with 12 months rolling collections exceeding 12 month rolling costs.

Quarterly Collections vs Operating costs
12 month rolling average



Note: Rolling averages include the last four quarters’ results divided by four

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Net Debt Reduced

The company continues to reduce net debt as positive cash flow strengthens the balance sheet. In the reporting period, the drawn debt reduced to \$2.1M; the higher cash resulted in net debt reducing by \$0.2M to (\$0.5M).

Debt Facilities (\$000)	Sep 24 Drawn	Jun 24 Drawn	Sep 24 Facility	Jun 24 Facility
CBA	(\$450)	(\$450)	\$675	\$675
Rocking Horse	(\$1,300)	(\$1,300)	\$1,300	\$1,300
Director loans	(\$250)	(\$386)	\$500	\$500
TP24	(\$87)	(\$136)	\$1,200	\$1,200
Total Borrowings	(\$2,087)	(\$2,272)	\$3,675	\$3,675
Cash on hand	\$1,601	\$1,571		
Net Debt	(\$486)	(\$701)		

North America Update

Following tender wins in Calgary and Montreal, SenSen is pleased to announce a third tender win in the quarter with SenSen selected by the Toronto Parking Authority to provide mobile road closure monitoring, planning and compliance audit solutions in the city of Toronto. SenSen received several orders from US customers including one from the company's second airport customer, the Port of Seattle, that oversees the operations of Seattle-Tacoma International Airport.

Australian Update

In Australia, additional orders were received from Brisbane City Council, Hills Shire Council, Fraser Coast Regional Council, Sunshine Coast Council and Ipswich.

Scancam, acquired by SenSen in 2021, has been rebranded as SenShield, reflecting both its protective features for fuel retailers and its integration into the SenSen platform. Momentum has picked up strongly in the sector with new orders coming in regularly from a combination of corporate customers and smaller enterprises.

This release is approved by the Board of SenSen.

For further information, please contact:

Christian Stevens
Company Secretary
Email: investors@sensen.ai

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About SenSen Networks Limited

An innovator in smart urban management solutions, SenSen leads the way in AI technology with the pioneering Live Awareness AI Platform. This revolutionary system analyzes data from cameras and sensors in real-world spaces, seamlessly integrating it with contextually significant digital enterprise data for a safer and more efficient global landscape.

SenSen's solutions are alleviating traffic congestion, enhancing road and personal safety, and elevating urban life in prominent cities like Chicago, Las Vegas, Vancouver, Calgary, Toronto, Montreal, Singapore, Adelaide, and Brisbane. Additionally, the company's AI-driven technology is generating substantial annual savings for major fuel retail brands, including AMPOL, Chevron, Liberty, and BP.

For more information on SenSen's innovative live awareness AI solutions, please visit www.sensen.ai.

Disclaimer – forward-looking statements

This release may contain forward-looking statements. These statements are based upon management's current expectations, estimates, projections and beliefs regarding future events in respect to SenSen's business and the industry in which it operates. These forward-looking statements are provided as a general guide and should not be relied upon as an indication or guarantee of future performance. The bases for these statements are subjected to risk and uncertainties that might be out of control of SenSen Networks Limited and may cause actual results to differ from the release. SenSen Networks Limited takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.

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Appendix 4C

Quarterly cash flow report for entities
subject to Listing Rule 4.7B

Name of entity

SENSEN NETWORKS LIMITED

ABN

67 121 257 412

Quarter ended ("current quarter")

September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,424	3,424
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(772)	(772)
(c) advertising and marketing	(55)	(55)
(d) leased assets		
(e) staff costs	(1,390)	(1,390)
(f) administration and corporate costs	(852)	(852)
1.3 Dividends received (see note 3)		
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(35)	(35)
1.6 Income taxes paid	(5)	(5)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	318	318

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(g) entities		
	(h) businesses		
	(i) property, plant and equipment		
	(j) investments		
	(k) intellectual property		
	(l) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(187)	(187)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(76)	(76)
3.10	Net cash from / (used in) financing activities	(263)	(263)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,571	1,571
4.2	Net cash from / (used in) operating activities (item 1.9 above)	318	318
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(263)	(263)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(26)	(26)
4.6	Cash and cash equivalents at end of period*	1,601	1,601

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	834	804
5.2	Call deposits	767	767
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,601	1,571

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000																																
7.1	Loan facilities	3,675	2,087																																
7.2	Credit standby arrangements																																		
7.3	Other (please specify)																																		
7.4	Total financing facilities	3,675	2,087																																
7.5	Unused financing facilities available at quarter end		1,588																																
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.																																		
	<table border="1"> <thead> <tr> <th>Financing Facilities</th> <th>Interest rate</th> <th>Facility</th> <th>Drawn</th> </tr> </thead> <tbody> <tr> <td>CBA Business Loan</td> <td>8.07%</td> <td>\$450,000</td> <td>\$450,000</td> </tr> <tr> <td>CBA Overdraft</td> <td>9.00%</td> <td>\$225,000</td> <td>-</td> </tr> <tr> <td>Subtotal</td> <td></td> <td>\$675,000</td> <td>\$450,000</td> </tr> <tr> <td>Rocking Horse R&D Facility</td> <td>15.00%</td> <td>\$1,300,000</td> <td>\$1,300,000</td> </tr> <tr> <td>Director Loans</td> <td>7.47%</td> <td>\$500,000</td> <td>\$250,000</td> </tr> <tr> <td>TP24 Trade Facility</td> <td>12.15%</td> <td>\$1,200,000</td> <td>\$87,075</td> </tr> <tr> <td>Total</td> <td></td> <td>\$3,675,000</td> <td>\$2,087,075</td> </tr> </tbody> </table>			Financing Facilities	Interest rate	Facility	Drawn	CBA Business Loan	8.07%	\$450,000	\$450,000	CBA Overdraft	9.00%	\$225,000	-	Subtotal		\$675,000	\$450,000	Rocking Horse R&D Facility	15.00%	\$1,300,000	\$1,300,000	Director Loans	7.47%	\$500,000	\$250,000	TP24 Trade Facility	12.15%	\$1,200,000	\$87,075	Total		\$3,675,000	\$2,087,075
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Total		\$3,675,000	\$2,087,075																																
8.	Estimated cash available for future operating activities		\$A'000																																
8.1	Net cash from / (used in) operating activities (item 1.9)		318																																
8.2	Cash and cash equivalents at quarter end (item 4.6)		1,601																																
8.3	Unused finance facilities available at quarter end (item 7.5)		1,588																																
8.4	Total available funding (item 8.2 + item 8.3)		3,189																																
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)		N/A																																
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>																																		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:																																		
	8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?																																		
	Answer: N/A																																		

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

8 October 2024

Date:

By the Board of SenSen Networks Limited

Authorised by:

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.