VECTION TECHNOLOGIES

Solving real-world business challenges in the digital world

September 2025

VECTION TECHNOLOGIES

Executive Summary

- Vection Technologies Ltd (ASX: VR1) operates globally with 100+ clients and 200+ employees, solving real-word business problems in the digital world. Despite being sector agnostic, Vection's defence clientele is rapidly growing given heightened geopolitical tension, greater defence spend and the increased adoption of integrated software applications.

- Vection's value proposition in the defence sector is underpinned by its proprietary Spatial Computing (VR, AR, XR, MR) and Artificial Intelligence (AI) technologies, coupled with hardware.

- The proprietary software platform gives a single point of access to integrate multiple Vection applications into client's operations. This enables smarter decision-making, seamless collaboration, and immersive experiences; **a key point of difference for Vection that is demonstrating its ability to become a trusted partner for leading, global contractors.**

- Enormous addressable market with forecasted ~US$1.8 Tn by 2030 (~30% CAGR). Vection has won a small portion thus far, underpinned by 1H25 Revenues of $17.4m (up 60% pcp; pro forma, unaudited) and positive adjusted EBITDA (up 69% pcp). **Importantly, defence expenditure as a percentage of GDP in the EU is currently ~2%, which is expected to grow substantially given NATO's proposed 5% GDP target.**

Vision to be a leader in combining Spatial Computing and Artificial Intelligence to drive greater business benefit.

Company Value Proposition

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CAPABILITIES

AI	SC
ARTIFICIAL INTELLIGENCE	SPACIAL COMPUTING

TAM[1]

$1.07 Tn in 2030 (CAGR 22%)	$827 Bn in 2030 (CAGR 28%)

FINANCIALS

FY25 YTD: Growing revenue, 35-40% blended Gross Margins, ~$17m fixed cost base, EBITDA positive

SaaS Products/Support	Services/Installation	Hardware/Cyber Appliance
Proprietary (Annual Recurring)	*Proprietary (One-Off)*	*Proprietary & Partner (One-Off)*
34% of Revenue | 75% Gross Margins	38% of Revenue | 50% Gross Margins	28% of Revenue | 20% Gross Margins

PIPELINE

Sales pipeline of ~$75m currently under negotiation

CORPORATE

Market Capitalization ~$130m	Consistent history of diversified revenue growth	Long standing, highly experienced Management	Fully funded, with a strong net cash position	Experienced and connected Board of Directors

[1] TAM : Total Addressable Market, based on market research (Gartner, Bloomberg) and management estimates of the potential revenue opportunity across multiple verticals and jurisdictions where the Company has a product or service.

DXLabs Acquisition

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DEAL DETAILS

- A fast-growing Australian digital transformation and solutions company
- Adds $3.5m revenue (+39% revenue YoY) & $0.8m EBIT (debt-free)
- Retains CEO Luis Nejo & full team (strong continuity)
- Upfront consideration of $2.1m in scrip, with earn outs tied to EBITDA growth. Minimal dilution of ~2%

STRATEGIC RATIONALE

- Stronger APAC delivery team that accelerates Vection's APAC growth platform and customer relationships
- Enterprise customer base in gov, insurance, logistics
- Capital-efficient growth
- 2.8x EBIT multiple
- Cross-sell opportunities with Vection's AI + spatial computing

BUSINESS IMPACT

- New increasing recurring revenue (licensing)
- Retained leadership and staff for seamless integration
- Strengthened enterprise presence in automation-driven industries
- Unlocks faster deployment of end-to-end digital transformation solutions
- Solutions for AWS, Microsoft and Money3.

DIGITAL EXPERIENCE LABS

Luis Nejo

CEO & Founder, DXLabs

With 20+ years in technology leadership, Luis is passionate about digital disruption, automation, and customer experience excellence. As the founder and CEO of DXLabs, he combines innovation with pragmatism and humanity in business. He will continue leading the team post-acquisition, driving Vection's expansion across Australia and APAC.

Equity Raising Overview

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Offer Structure & Size

- An equity raising of approximately A$21M via a single tranche Placement.
- The Placement of approximately 350 million fully paid ordinary shares ("New Shares") to institutional, sophisticated and professional investors.

Offer Price

- All Shares issued under the ASX Placement will be issued at a fixed price of A$0.06 per new Share (Offer Price).

The Offer Price represents:

- A 11.76% discount to Vections last closing price of $0.068;
- A 11.20% discount to Vections 5D-VWAP of $0.0676; and
- A 6.69% discount to Vections 15D-VWAP of $0.0643.

Use of funds

- Increased business development capabilities to drive international expansion within defence, retail and healthcare;
- Assessment of value-accretive opportunities;
- Debt repayments; and
- Working capital and costs of the Offer

The Placement provides a strong foundation to tender for large contracts and execute on the sales pipeline.

Broker Syndicate

- Evolution Capital, Canaccord Genuity (Australia) Limited and Peloton Capital acted as Joint Lead Managers to the Placement. Evolution Capital acted as Sole Book Runner and Settlement Agent.

Indicative Timetable

Trading halt lifted and announcement of Equity Raising Presentation, completion of Placement and Acquisition	Monday, 29 September 2025
Settlement of New Shares issued under the Placement	Friday, 3 October 2025
Issue and commencement of trading of New Shares issued under the Placement	Monday, 6 October 2025

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Proprietary Applications on IntegratorXR^{TM}

IntegratorXR^{TM} Platform

(single point of access, allowing easy cross-sell)

- Fashion Design: MYR
- Marketing & Sales: 3D FRAME, X-RHEA, algho
- Smart Building: ANIMA
- After Sales: algho, EnWORKS
- AI Generative, Avatar and Conversational: algho
- Logistics: XR LOGISTICS
- Training & Operations: EnWORKS, 3D FRAME, OD-ONE
- Design & Engineering: 3D FRAME, X-RHEA, MINDESK
- ESG-Retail: XR/AI Kiosk: algho

The Defence Sectors Solution - AI and Immersive Technology

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Focus Industries

Defence

Aerospace, Military

Law Enforcement

Industrial

Manufacturing

Transportation

Engineering & Maintenance

- Immersive technologies can also be utilized to create virtual models of equipment, vehicles and buildings. This helps personnel to understand how these systems work and identify potential problems before they happen in mission critical scenarios.
- AI algorithms, combined with XR content delivery output, create efficiency in the enterprise and government processes enabling strong and durable sustainability.

VR & AR Training Simulations

- VR and AR for training in defence, military and law enforcement. These technologies provide realistic simulations of a variety of scenarios, such as combat and hostage situations, with the goal of helping personnel prepare for real-life eventualities.
- XR technologies accelerate up to 70% the learning time of complex scenarios, reducing over 40% of on-boarding related costs.

Situational Awareness & Intelligence Gathering

- An equally important use of Vection's technology is situational awareness and intelligence gathering. These technologies can be used to provide real-time information and enhance situational gathering to the demands of the modern battlefield.
- AI technologies enhance capabilities of data correlation, data enrichment and real-time data analysis, supporting activities of Intelligence Agencies across Europe, Middle-East and South-East Asia.

Defence Sector Case Studies

In a sector experiencing significant tailwinds, Vection has been the beneficiary of increased spend. **In the last ~16 months Vection has won ~A$42M in contracts, underpinned by the framework agreement, out to 2030, with the approved NATO contractor in EU (top 15 globally).**

The subsequent case studies demonstrate 2 recent relationships that highlight Vection's ability to efficiently win, grow and retain contracts from blue chip clients.

Cumulative contracted value of ~$40M over 2.5 years, with the potential for $7M+ more

Client: The number 1 contractor in EU (top 15 globally) and NATO Tempest vendor.

Problem: improving mission-critical ICT infrastructure and AI-powered monitoring solutions and analytics

Solution:

AI Technology
(powered by NVIDIA GPU) DELL Technologies

Digital-transformation initiatives for multi-domain defence operation.

Result: improve workflow for real-time, data-driven defence operations within the NATO Tempest production chain. By combining technologies, the client will possess improved capabilities to oversee and safeguard critical assets.

~$36M Work Program

Follow on $4.4M order

$22.3M Contract expansion

Potential future orders $7M+

March 2023: Initial $1M pilot program contract with a top 10 defence contractor

March 2024: Several project milestones met from POC to commercial production

June 2025: Validation of Vection's AI monitoring solutions

July 2025 Award of second largest individual order in Company history

September 2025 Validated as the certified vendor to the council of Europe and NATO

Potential expansion of the anticipated and outstanding orders till 2030

$4.2M received under the program

Additional $7.2M order

Defence Sector Case Studies

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Largest Individual Contract Win of $22.3M

NATO OTAN

Client: The number 1 defence contractor in EU (top 15 globally) and NATO Tempest vendor. This is an approved extension under the client's annual delivery plan.

Problem: safeguard critical assets and improve monitoring solutions

Solution:

AI Technology (powered by NVIDIA GPU) DELL Technologies

Hardware: AI Capable Edge Datacenter.

Rapid big data analysis through the supply and integration of advanced digital edge infrastructure and related solutions.

Result: Improving multi domain military activities managed by AI data-driven decision making. For Vection this validates them as a key provider of solutions across various domains.

Cumulative contracted revenue of ~$9.4m across 5 orders over 14 months

Client: technology service provider specialising in cybersecurity and infrastructure security solutions

Problem: enhancing defence monitoring capabilities, cyber and data security and data processing

Solution:

AI Technology (powered by NVIDIA GPU) DELL Technologies

ICT solution that strengthens cyber and data security. Spatial computing and 3D modelling to improve data visualisation, security and real-time analytics.

Result: Improving international security intelligence for law enforcement and government agencies. Thanks to Vection's technology, the customer has enabled repeatable and scalable ongoing work, accelerating and managing big data analysis, in order to improve real-time decision-making capabilities.

General Case Studies – Rich product applications & IP

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Nestlé

Client: Global food & beverage conglomerate

Problem: Physical showrooms are an expensive way to test and optimise new products and their placement within retailers.

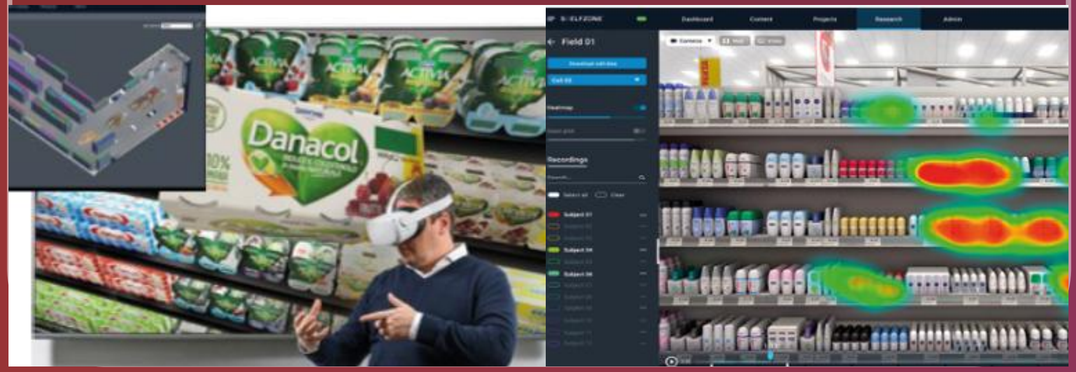
Solution: Spatial Computing & VR hardware

SHELFZONE

X-RHEA The Real Power of Simulation

Creation of complete VR retail store

Result: Client optimised seasonal exhibitions using digital mockups and products, running detailed shopper analysis, reducing environmental waste and costs (human resources, maintenance, logistics & product).



GENERALI

Client: European Insurance Conglomerate

Problem: Lack of disaster scenario training for clients

Solution: Spatial Computing & VR/AR hardware

3D FRAME

Creation of VR disaster scenario training environment

Result: Staff of the client's customers can be trained on a range of disaster scenarios, reducing cost of damages and human injury, leading to lower insurance payouts and cheaper premiums for customers.

mirvac

Client: Australian property group

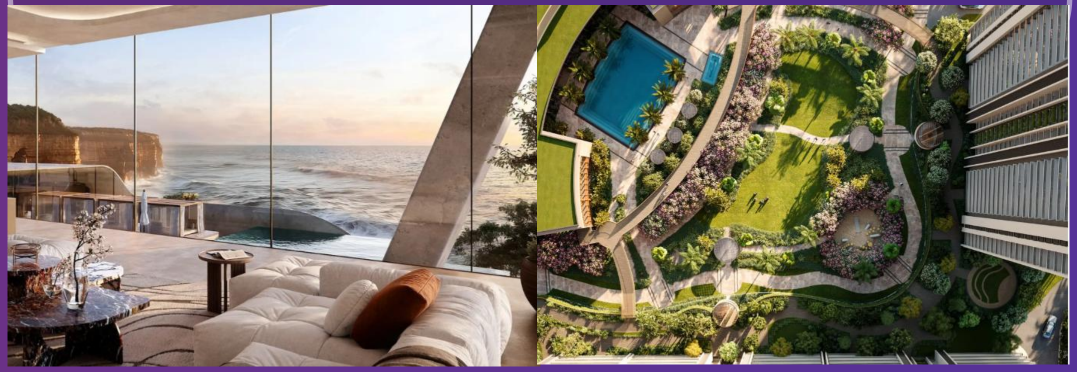
Problem: Selling off-the plan property to international investors ($2bn Sydney development).

Solution: Spatial Computing & VR hardware

MINDESK

Creation of high-resolution VR walk through of property assets

Result: Property agent able to meet the client at the digital property address. Greater sales conversation from interstate and international investors.



Global Customer Ecosystem – Sector Agnostic

mirvac
CEDAR WOODS
EDGE
ServiceStream
WÜRTH
ECHO MARINE GROUP
SKIDATA KUDELSKI GROUP
Totalplay
DELL
FERRETTIGROUP
TRENITALIA GRUPPO FERROVIE DELLO STATO ITALIANE
NATUZZI
Walgreens
NEW YORK INSTITUTE OF TECHNOLOGY
Coca-Cola
FERRERO
Nestlé
DIESEL
SHIMIZU CORPORATION SHIMZ
VOLVO
MBDA
BUNNINGS
ENGINSOFT
NTT DATA
Bedshed
Perth Airport
GENERALI
Posteitaliane
HU HUMANITAS UNIVERSITY

Powerful Integrations & Partnerships

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Software integrations

Rhinoceros

EPIC GAMES UNREAL ENGINE

Unity

AUTODESK

SOLIDWORKS

ChatGPT

webex by cisco

Hardware integrations

DELL Technologies TITANIUM PARTNER

Vision Pro

Meta Quest 3

VIVE

NTT DATA

LUTECH

DXC TECHNOLOGY

Partnerships & Resellers

DELL Technologies TITANIUM PARTNER

accenture

Microsoft

xerox™

Competitive Landscape & Advantage in

Main Competitors

Bohemia Interactive
VirTra
CAE
THALES
InVeris
BAE SYSTEMS
FAAC INCORPORATED
MAK TECHNOLOGIES
Loft Dynamics

The Vection Advantage

- Leading innovators in the field of operation & maintenance for defence (various types of vehicles)
- Proven track-record with IP establishing a strong market position and demonstrates performance
- Modular software and proprietary IP architecture allows for rapid deployment and customisation across domains
- Dual-use technology applicable across , aerospace, law enforcement and commercial sector
- Europe-based manufacturing ensures supply-chain security and compliance with defence regulations
- Agile development and deliverance catering to the rising market-urgency

IP & Certifications

- The INTEGRATEDXR proprietary IP is the cornerstone of Vection bridging VR, AR, MR, enhanced by AI

3D FRAME
MINDESK
X-RHEA

- 29 global patents and 4 ISO certificates

aws PARTNER
aws Qualified Software

Partnerships

DELL Technologies
NVIDIA
KIOSK Embedded Systems
xerox
accenture

Building Momentum Through FY25 & Beyond

H2 OPERATING CASH FLOW

~$4m

Inclusive of the proforma cash flow in Q4, H2 2025 demonstrates strong operating cash flows and margin expansion

FY 2025 Revenue

~$38m

Growth 12% pcp

New FY is supported by a strong pipeline of ~$50M

Recurring Revenue

35%

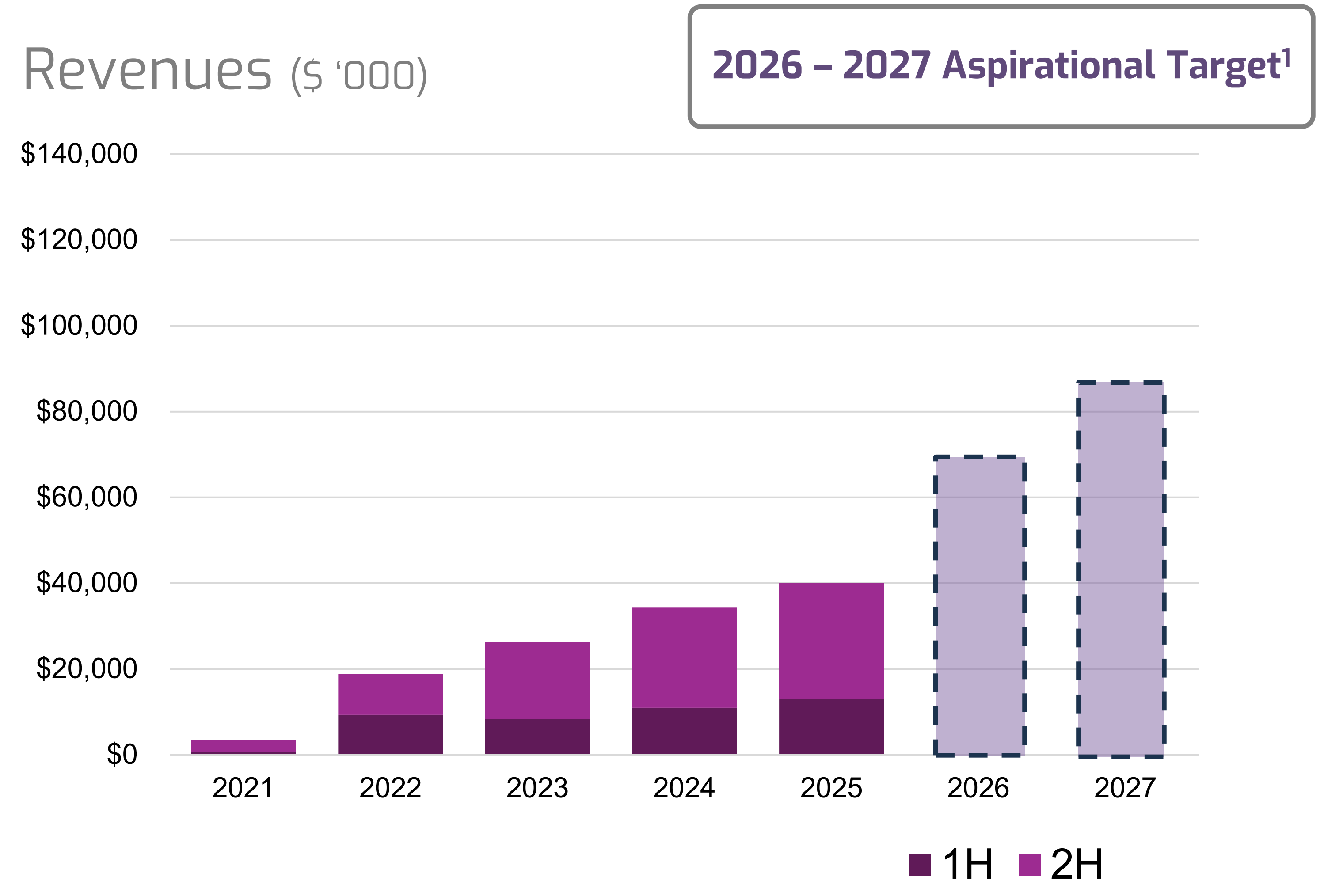
35% of Revenue is now recurring, up 209% PCP

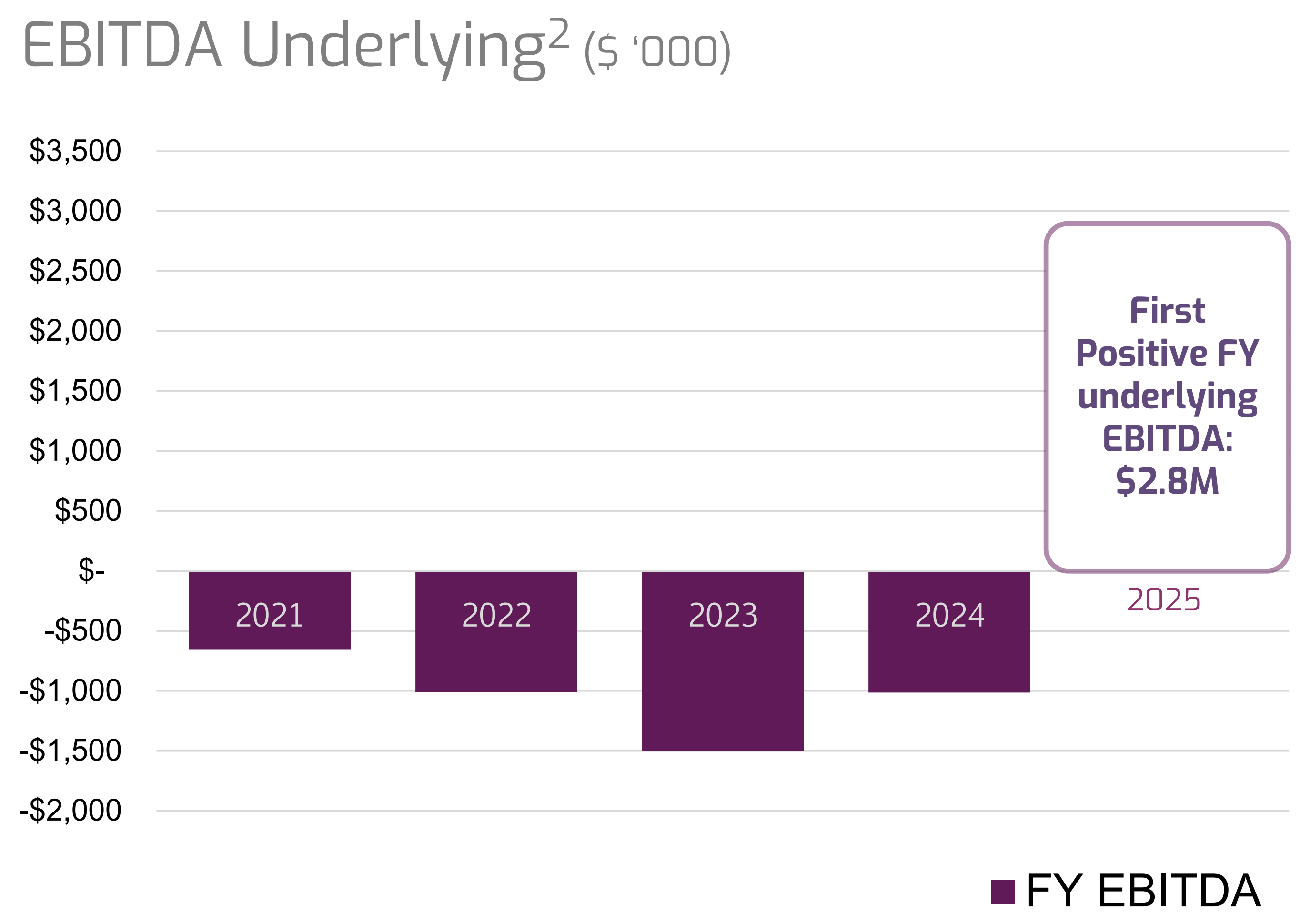
Maiden positive underlying EBITDA: $2.8M

In the previous fiscal year, underlying EBITDA was negative -$1.05 m

*All figures remain unaudited
*Using the average semiannual exchange rate of 1.75 eu/aud

Historical & Future Financial Performance



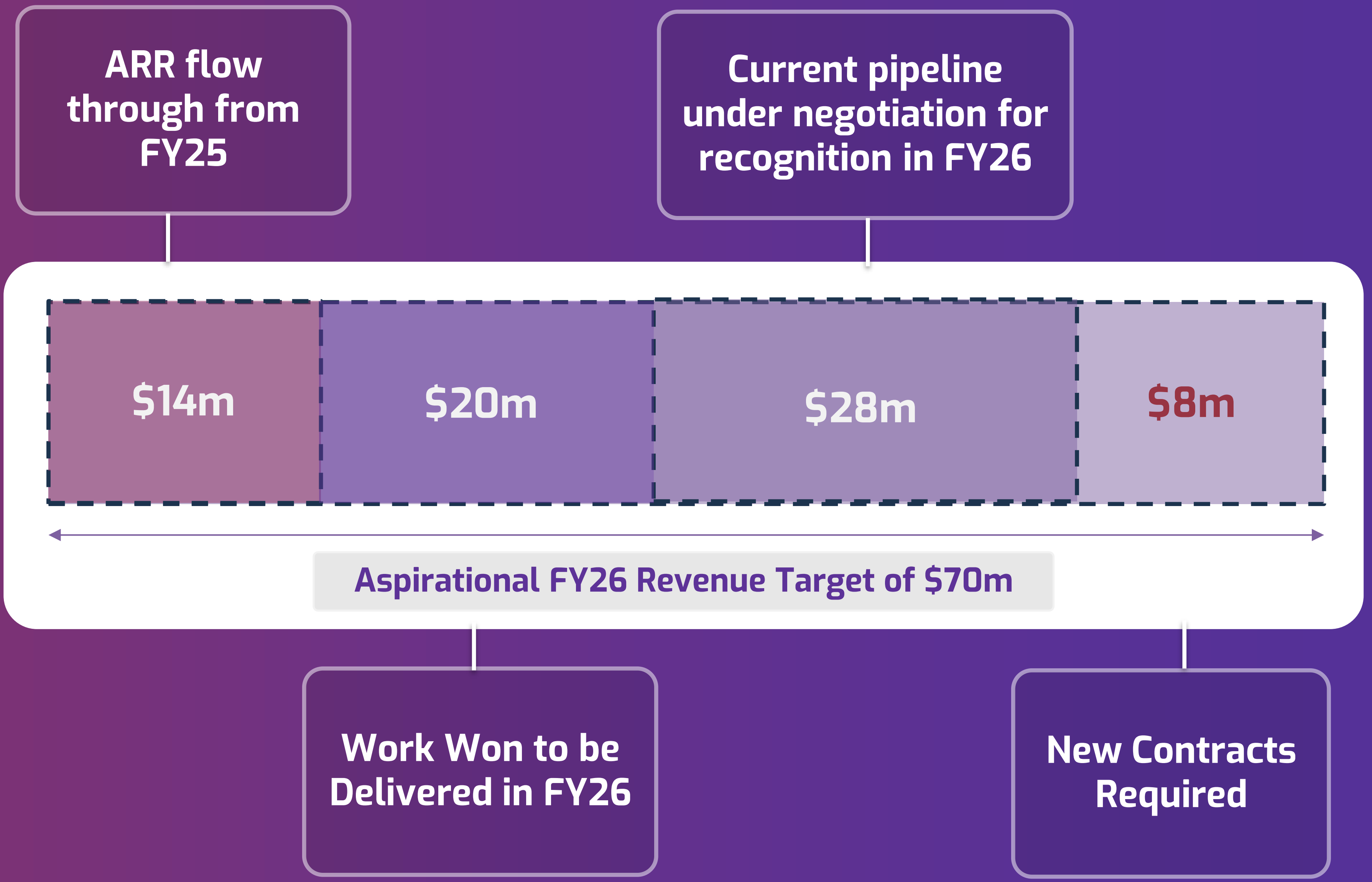


- **2027 Strategic Target:** following multi sector penetration and continued expansion of sales and technology capabilities, Vection plans to be strategically positioned as the go to integrated software provider in the EU.
- **High Revenue Growth:** The impressive growth from FY18 to FY25 reflects successful expansion. Revenue has steadily increased from $0.5m in FY18 to $34 in FY24; Seasonal 2H weighing and ~34% recurring.
- **Scalable Market Strategy**: Scalable model in high-tech markets, supported by strong operating leverage.
- **Operating Leverage**: Stable fixed cost base following a rationalization program, which has produced 2 consecutive quarters of net positive operating cashflow (improved from loss of $1.2m pcp)
- **Margin Expansion**: Gross Profit Margin for FY25 is tracking to 35-40%
- **Strong CAGR**: 5-year revenue CAGR of +119%

[1] The 2026 – 2027 Aspirational Targets are based on a number of assumptions and are subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially
[2] pro forma, unaudited, adjusted for one off M&A costs, share based payments & impairment costs

Sales Pipeline and Revenue Pathway Forward

- Several new and existing clients under negotiation and pilot programs.
- **Pipeline conversion rates have increased from 30 – 45% to 50 – 65%.**
- Vection has already won ~$30m in work to be delivered for FY26. Vection's recent sales momentum is expected to drive the expansion of the sales pipeline in the short term.
- **Vection's track record and 5-year, 119% CAGR supports the acceleration of revenue over the subsequent 2 years.**
- The growing recurring revenue base supports further contract extensions and the foundation for a material uplift in FY26 revenue.
- Vection's aspirational targets are underpinned by client retention, pilot program expansions and cross selling opportunities, which is demonstrated in the work program within NATO being upsized to $47m.
- **An increased sales team to drive international expansion and positive R&D outcomes to support additional product releases, will accelerate sales opportunities and revenue growth.**

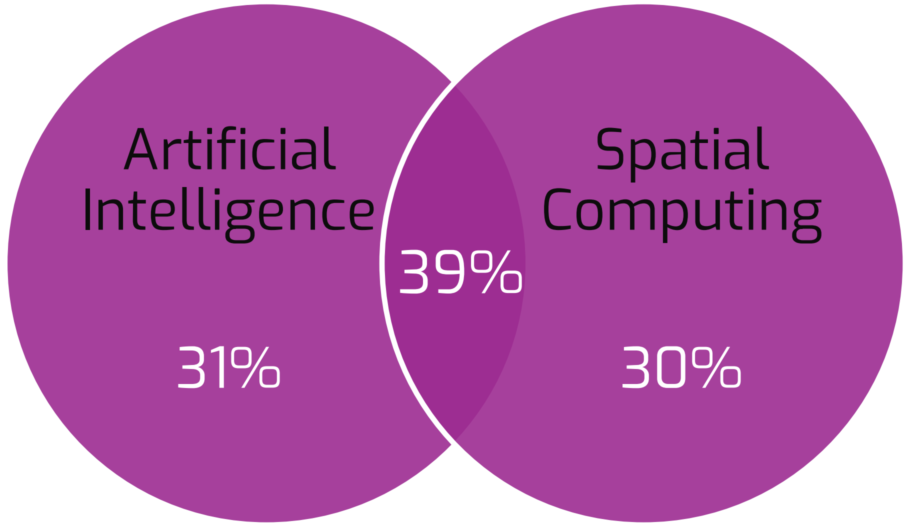


Diversified Business with an Emphasis on Defence

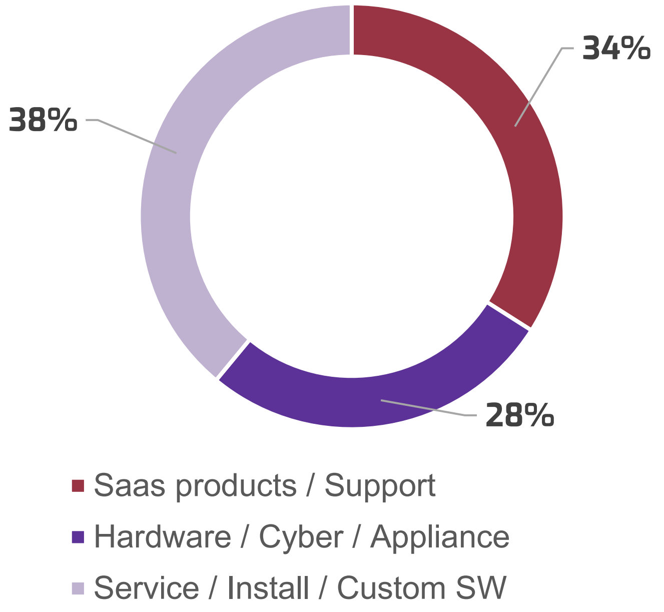
Revenue by industry as at H1 2025

Rapid expansion in the sector has been demonstrated with several recent, material contract wins. As a result, Vection anticipates defence to represent the largest portion of near-term revenue results as Vection strategically positions itself as the leading software service provider in the sector.

Revenue composition



*As at Half Year FY25



A History of Success in the Defence Sector

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First Contracts

Milestone wins across sub-sectors
- Law enforcement 2021
- Mission critical equipment 2011
- Cyber alliances 2008

$30M Tender

Pilot program with a top ten largest defence contractor in the world
- March 2023 - Provision of mission critical ICT infrastructure for NATO members.

TCV reaches $15M

, military & law enforcement contract wins drive TCV to record highs
- May 2022 – 36% of Revenue

THALES

Aerospace Alliance

VR to promote space travel and inspire future generations as NASA's Artemis Program advances
- August 2024

Successful Pilot

12 months post pilot award, $4.2m is received
- March 2024

$17M from Pilot

Cumulative revenue from the pilot reaches ~$10m
- August 2025

$22.3M Contract

Largest individual contract win for the entire Company
- September 2025

$34.5M Defence Pipeline

Four Pilot Programs Supporting a Robust Pipeline

A scalable solution to improve maintenance of the aircrafts, helicopters, ships & tanks for 4 clients

Problem Statement

In the pilot Vection aims to digitise and optimise the entire maintenance, quoting, analysis and repair process to enhance both the speed and quality of execution. This includes:

1 - Digitisation of maintenance procedures

2 - Automation of the quotation process

3 - Optimisation of parts prediction

4 - Establishment of a centralised digital knowledge base

5 - Implementation of fully digital maintenance workflows

Ultimately, this attempts to produce a fully optimised, high performance maintenance ecosystem that leverages digital tools to drive effective service delivery.

Program Workflow

Input

Data Entry

- Service engineer checks the status of the item and reports all action items
- This process is integrated with CareAR for CRM connectivity and visual instructions to guide subsequent procedures.

Elaboration

Date Processing

- Stored digital forms are then used by Algho AI to process requests. Data is cleaned and structured for improved use

Parts Identification & Reporting

- The data is also analysed by Algho AI to identify items to be replaced and ordered. The system then cross references the information with relevant internal guidelines like manuals for validation

Parts Validation

- Algho AI uses computer vision to verify the items by analysing images and comparing them against every internal item entry. Compatible replacement parts are also searched for.

Output

Order Document Generation

- Following item validation, Algho AI automatically generates the order document. The item details are then integrated into the purchasing system.

Maintenance Intelligence & Insights

- Post purchase, uses can leverage Algho AI's insights features to track performance, usage and trends, The system aggregates historic and real time data to identify issues, efficiencies and item lifecycles to then support improved decision making.

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Upcoming Milestones in Defence

Technology and Commercialisation Catalysts	***Timing****
Positive R&D outcomes to support additional product releases (Algho AI improves CareAR and XMPie Xerox Platform)	Q1 2026
Commercial extensions of current programs - follow-on orders with an existing global defence contractor	H1 2026
Ongoing pilot program developments (GORIZIANE – ITA, KNDS – FRA, DASSAULT AVIATION – FRA, ARQUUS – FRA)	H1 2026
ICT infrastructure related contract wins – both new program deployment and refreshed technology	H1 2026
Successful completion of pilot programs with a transition to commercial technology production and implementation	H2 2026
Expansion of the sales team to support the accelerating sales pipeline and international expansion	H1 2027
Scaling in the US Market through Dell Technologies and Xerox Sales Force	H1 2027

**Indicative & Relating to Vection's Fiscal Year*

Board of Directors & Key Management

Marco Landi

Independent Non-Executive Chair

Former COO of Apple, President of BMC Software EMEA and Senior Executive of Texas Instruments, Inc.

Jacopo Merli

Executive Director & COO

Founder of JMC Group, acquired by Vection, with experience in sectors like Military & Telco.

Bert Mondello

Independent Non-Executive Director

Non-Executive Director, tech and corporate advisor with 20+ years in public & private sectors, expertise in IR + strategy.

Gianmarco Biagi

Managing Director & CEO

Ex-CEO of multinational companies, President of Settepuntonove Holding, with 20+ years expertise in manufacturing & new technologies.

Cameron Petricevic

Independent Non-Executive Director

Executive and board member of private and ASX-listed companies with 20+ years of experience. Qualified Actuary (AIAA) and graduate of the Australian Institute of Company Directors (GAICD).

Lorenzo Biagi

Executive Director

Executive Director with 10+ years in virtual reality tech, sales, and cost control, improving corporate development and innovation.

Virgilio Picca

Group CFO

Experienced CFO and Chartered Accountant with a background in NYSE-listed companies, having led finance, M&A, and international growth projects across industrial, aerospace, and consulting sectors.

Corporate Snapshot

For personal use only

Share Price Performance (12 months)

ASX Information

VR1 Securities	Fully Paid Ordinary Shares	2,165m
VR1O	Options (listed) – $0.018 Expiring Nov-2027	360.2m
Share Price	29 September 2025	$0.06
Market Cap	Fully Paid Ordinary Shares only	~$130m
Cash available	Pro-forma cash balance	~$28.7m

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Certain statements in this release are **forward-looking statements.** These statements are not historical facts but are based on Vection Technologies' current expectations, estimates, and projections about the industry in which it operates, as well as its beliefs and assumptions. Forward-looking statements can generally be identified by words such as **"anticipate," "believe," "expect," "project," "forecast," "estimate," "intend," "should," "will," "could," "may," "target," "plan"** and other similar expressions, as defined under applicable securities laws.

Forward-looking statements include **indications, guidance, or outlook on future earnings, distributions, financial position, or performance**. These statements are not **guarantees of future performance** and are subject to known and unknown risks, uncertainties, and other factors—some of which are beyond Vection Technologies' control. These factors may be difficult to predict and could cause actual results to differ materially from those expressed or implied in forward-looking statements.

Vection Technologies **cautions shareholders and prospective investors** not to place undue reliance on these forward-looking statements, which reflect the company's views only as of the date of this release. There can be no assurance that actual outcomes will not differ materially from these statements.

Vection Technologies is under no obligation to publicly update or revise any forward-looking statements to reflect subsequent events, circumstances, or unanticipated developments, **except as required by law or relevant regulatory authorities.**

This ASX announcement was approved by the Board of Vection Technologies.

Thank you.

vection-technologies.com