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ASX RELEASE
\$7.5m Framework Agreement: Vection partners URBANnext SA to deliver Algho AI for European Smart City Markets

Three-year agreement with minimum annual commitment of \$2.5m; URBANnext SA to utilise and commercialise the Algho AI platform across smart city, infrastructure and urban services deployments for public and private sector clients

Vection Technologies Ltd (ASX:VR1, OTC:VCTNY, FRA: S1X) ("**Vection**" or the "**Company**"), a leading provider of INTEGRATEDXR[®] and AI-powered digital transformation solutions, is pleased to announce the execution of a **three-year framework agreement** with **URBANnext SA**, a Switzerland-based technology and innovation company focused on digital transformation for smart cities, urban infrastructure and public services. Under the agreement, URBANnext SA will utilise and commercialise Vection's **Algho AI platform** and related services across its client base. The agreement carries a **minimum annual purchase commitment of \$2.5m** and a **minimum aggregate contract value of \$7.5m** over the initial three-year term.

KEY HIGHLIGHTS

- Minimum aggregate contract value of **\$7.5m over three years**, with a minimum annual purchase commitment of **\$2.5m**, providing a committed revenue floor for the duration of the initial term.
- URBANnext SA will **utilise and commercialise the Algho AI platform** and related services, including AI software licences, professional services, systems integration, implementation, and ongoing maintenance and support.
- Individual projects and deployments will be governed by **separate orders and technical-commercial proposals** issued under the framework, creating a structured pipeline of Algho deployments across URBANnext SA's client portfolio.
- URBANnext SA operates across smart city, public infrastructure and urban services markets, working with public authorities and private sector clients across Europe. Its focus on **IoT integration, data analytics and digital ecosystems** aligns directly with the multi-stakeholder, multi-system environments Algho AI is designed to operate in.
- The agreement advances Vection's **indirect sales channel strategy**, adding a qualified European partner with established relationships in markets that represent a natural expansion path for Algho.

OVERVIEW

This agreement works differently from the firm orders that came before it. Rather than a single project with a fixed scope and value, this is a framework: a three-year commercial arrangement under which URBANnext SA will bring Algho AI to its clients across Europe, with each deployment governed by its own order placed under the framework. The \$2.5m annual minimum is a committed floor. What sits above it will depend on how many projects URBANnext executes and at what scale. Smart city programmes tend to grow over time as initial deployments prove their value and clients expand their requirements. This agreement is structured to grow with that process.

URBANnext SA builds and integrates digital platforms for cities and public agencies across Europe, covering urban management, sustainability and citizen services. Their clients are the kinds of organisations, municipalities, public authorities and infrastructure operators, that are increasingly using AI to manage complex environments with many moving parts. Algho fits that context well: it is designed for integration across multiple systems and the multi-stakeholder, high-volume environments that smart city deployments create. For Vection, the commercial logic is direct.

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URBANnext SA already has the client relationships and market presence in European public-sector and infrastructure markets that Vection does not yet reach through its own direct sales. This agreement gives Algho access to those clients through a partner who already has the door open.

Gianmarco Biagi, Managing Director & Executive Chairman, commented:

"The \$2.5m annual minimum is a committed floor, not a forecast ceiling. What sits above that floor is determined by the scale and pace of deployments URBANnext executes under the framework. Smart city and infrastructure programmes are inherently multi-phase: they grow as pilots demonstrate results and as clients expand. The structure of this agreement is designed to participate in that growth over a three-year horizon. We are not selling a single project. We are establishing the commercial foundation for an ongoing programme of Algho deployments across URBANnext's client portfolio."

"Building a qualified indirect channel has been a deliberate part of our commercialisation strategy. URBANnext brings existing relationships in smart city and urban infrastructure markets across Europe, markets where the requirements around integration complexity, data governance and multi-stakeholder coordination are precisely the conditions Algho was designed for. Adding a partner of this profile to our channel extends Vection's commercial reach into market segments we would not access as efficiently through direct sales alone. That is what an effective channel partner looks like in practice, and this agreement reflects the kind of partnerships we intend to continue building."

AUTHORISATION:

This ASX release is authorised by the Board of Directors of Vection Technologies Limited.

ENDS

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ABOUT VECTION TECHNOLOGIES:

Vection Technologies is a global technology company specialising in Extended Reality (XR) and Artificial Intelligence. We design integrated digital ecosystems that combine XR, AI and 3D data to transform how enterprises train people, design products, support operations and engage customers. Vection's fully-owned product portfolio includes INTEGRATEDXR[®], the Algho AI platform, and the Vection phygital hardware range.

Vection Technologies is listed on the Australian Securities Exchange (ASX) with ticker code **VR1**, trades on the U.S. over-the-counter (OTC) markets under the symbol **VCTNY** and is listed on Germany's Frankfurt Stock Exchange under the ticker **S1X**.

For more information, please visit: www.vection-technologies.com

FORWARD-LOOKING STATEMENTS:

Certain statements made 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 the Company operates, and on management's beliefs and assumptions. Forward-looking statements can generally be identified by the use of words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and similar expressions. 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 the control of Vection Technologies. The Company cautions shareholders and prospective investors not to place undue reliance on these forward-looking statements, which reflect the view of Vection Technologies only as of the date of this release.

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