

30 April 2023, Australia

ASX RELEASE**INCREMENTAL QUARTER TOWARDS REVENUE GUIDANCE****MARCH 2023 (Q3 FY23) ACTIVITIES AND CASHFLOW REPORT**

Vection Technologies Ltd (ASX:VRI, OTC:VCTNY), the INTEGRATEDXR[®] company, is pleased to update the market on its activities and associated cash flows and cash position for the quarter ended March 2023 and up to the date of this announcement.

HIGHLIGHTS:

- Vection Technologies records ~\$6 million in quarterly cash receipts, delivering total receipts of ~\$15 million for the 9 months of the current fiscal year.
- Fiscal 2023 Total Contract Value (TCV) at 28 April 2023 grows to ~\$20 million, up by 100% compared to the TCV metric announced on 31 January 2023.¹
- Value of the major defence pilot order (ASX: 2 March 2023) increased to ~\$2 million (included in the TCV metric above).
- Strong TCV increase further secures the Company's revenue guidance of \$24 to \$26 million for the current fiscal year.
- 31 March 2023 cash position of ~\$11.4 million, in addition to confirmation of ~\$1 million in tax refund, and net outstanding invoices for ~\$2.5 million (at 31 March 2023).^{1,2}
- Partnership with expert.ai (EXAI:IM) to create an XR / AI / NLP - powered solution for digitalizing technical manuals. (ASX: 28 March 2023)
- Several patents granted across the US and Europe related to the Company's INTEGRATEDXR[®] technology stack.
- Strong progression towards several potential selective technology M&A targets - critical in further increasing the Company's organic revenue growth, through technology and people acquisitions.

OVERVIEW:

During the quarter ended March 2023, Vection Technologies recorded cash receipts from customers of ~\$6 million, delivering total receipts of ~\$15 million for the 9 months of the current fiscal year. During the fiscal-year-to-date, the Company strongly progressed its commercial activities, delivering a FY23 Total Contract Value (TCV) of ~\$20 million, up by 100% compared to the TCV metric announced on 31 January 2023. This strong increase further secures the Company's revenue guidance of \$24 to \$26 million for the current fiscal year.

¹ Based on the average exchange rate €/USD to AUD from 1 July 2022 to 28 April 2023. (Source: Reserve Bank of Australia)

² Notes: 2022 tax refund to be received by 24 May 2023; and 31 March 2023 net outstanding invoices excluding amount advanced by financial institutions. Please refer to the Company Quarterly Financial Overview section.

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■ WEBSITEwww.vection-technologies.com**■ REGISTERED OFFICE**Level 4, Building C, Garden Office Park, 355
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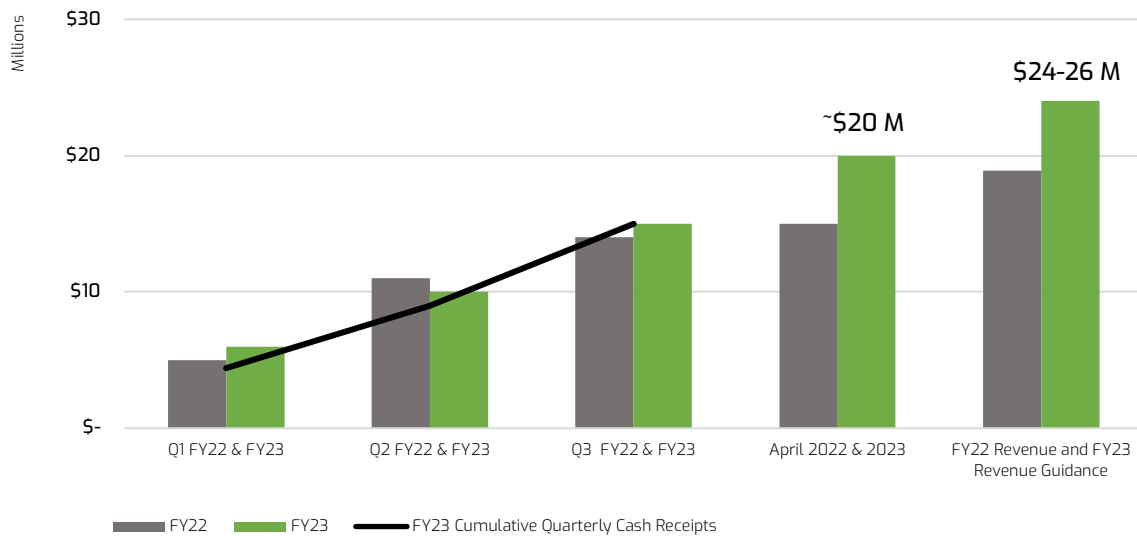
The ~\$20 million TCV metric at 28 April 2023, is attributable to various clients across diverse industrial sectors across the entirety of the Company's **INTEGRATEDXR[®]** workflow.

In particular, the Company notes that the value of the major defence pilot order (ASX: 2 March 2023) has increased to ~\$2 million. This pilot is for a top ten largest defence contractor in the world and marks an initial entry by the Company into the production chain of the authorised NATO Tempest producers, via its partners.

Furthermore, this initial pilot forms part of a larger tender of up to ~\$30 million (including the pilot), which, subject to successful delivery, the Company expects to finalise the subsequent order awards within the next four months, subject to final agreements and negotiations with the client. The Company will advise on key terms and conditions for the larger tender as applicable.

This pilot order is expected to be delivered by the end of Q4 fiscal 2023.

CUMULATIVE FY23 CASH RECEIPTS, AND FY22 & FY23 TCV AND REVENUE GUIDANCE: ³



³ Notes:

- Q1 FY22 & FY23: Cumulative TCV as announced on 31 October 2023 and 31 October 2021.
- Q2 FY22 & FY23: Cumulative TCV as announced on 31 January 2023 and 31 January 2022.
- Q3 FY22 & FY23: Cumulative TCV as announced on 23 March 2023 and 12 April 2023.
- April 2022 & 2023: Cumulative TCV at 28 April 2023 and 7 May 2022.
- FY23 Revenue Guidance: FY22 audited revenue and FY23 total year revenue guidance.

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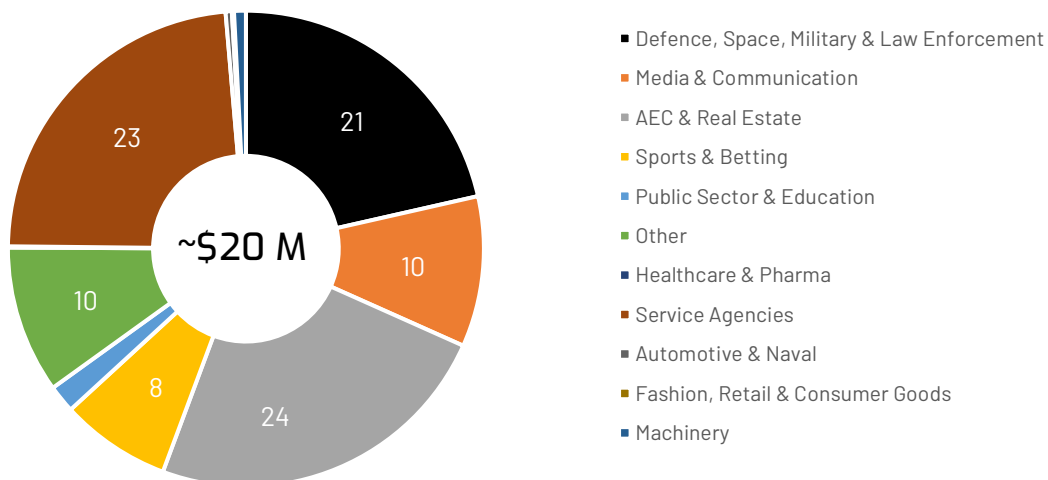
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The TCV metric includes, among several others:

- previously announced clients including Ferretti (ASX: 22 January 2019), Muner (ASX: 12 December 2019), Volkswagen (ASX: 11 May 2020), Giorgio Armani (ASX: 29 June 2020), Olivetti (19 November 2020), and Mutti (ASX: 23 December 2020).
- increase in contract scope from Trenitalia (ASX: 26 November 2020, and ASX: 14 April 2023).
- the development of virtual Reality (VR) gaming, educational and scientific content to promote the space travel market and educate the next generation (ASX: 2 February 2023), following a memorandum of understanding executed with Thales Alenia Space, Next One Film Group and ALTEC, where Vection Technologies has been appointed as exclusive provider of VR and metaverse technologies. (ASX: 25 January 2023)

The Company notes the continuation of its growth strategy leveraging its **INTEGRATEDXR[®]** workflow and solutions suite, to build an end-to-end digital transformation client strategy, stemming from critical ICT infrastructure and leading to the incremental development and adoption of industry specific extended reality (XR) and artificial intelligence (AI) applications.

**FY23 TOTAL CONTRACT VALUE (TCV) TO-DATE (in %):
 INTEGRATEDXR[®] VISION FOR CROSS-SECTORAL CHALLENGES**



The Total Contract Value (TCV) is a metric that combines all contracts, including subscription and maintenance packages, that the Company expects to convert into revenue during the current fiscal year, subject to audit review. The Company notes that quarterly cash receipts may vary depending on the solution and/or service

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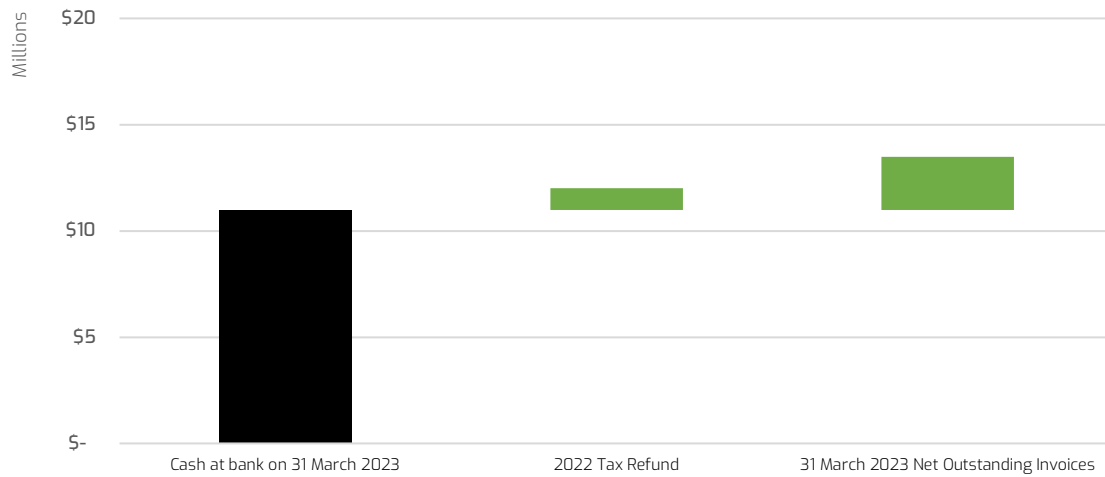
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provided to the end customer, and any individually material contract award will be separately announced to the market as applicable.

Furthermore, the Company notes that most of its current revenue generating activities are still dependant on upfront and implementation fees (in addition to a recurring revenue component). Therefore, cash receipts and TCV metrics can significantly vary each period, while organically growing on a full fiscal year basis.

31 MARCH 2023 CASH BALANCE AND EVENTS POST PERIOD END:



Following the end of the quarter ended 31 March 2023, the Company:

- received confirmation on a ~\$1 million tax refund from the Italian government tax office, to be received by 24 May 2023.
- had net outstanding invoices for ~\$2.5 million at 31 March 2023, excluding amount received by financial institutions already received during the quarter. Please refer to section 3 of the attached Appendix 4C.

These events post period end further strengthen the Company's position as it approaches several potential M&A targets aligned with its overarching **INTEGRATEDXR[®]** acquisitions rationale.

People & Structure:

Following the commencement of the Leading Strategy Phase (ASX:28 February 2021), and during the quarter, the Company continued to focus on evolving the breadth and experience of management and directors to sustain its incremental growth objectives towards its full fiscal 2023 revenue guidance of \$24 to \$26 million.

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As announced in February 2021, the Company has structured its global sales structure focussing on specific regions: Europe, Middle East, and Africa (**EMEA**), Asia Pacific (**APAC**) and the Americas (**AMER**). Aligned with this rationale, Vection Technologies has appointed regional CEOs to bring to market a cohesive **INTEGRATEDXR[®]** offering, enabling strong synergies, and cross- and up-selling opportunities.

The Company's global Research and Development (**R&D**), Marketing and Financial Administration divisions remain centralized to extract optimal synergy benefits. This will allow the Company to effectively service its global regional sales operations towards continued scale while maintaining a strong control function. Furthermore, during the period, the Company continued to consolidate its operational activities with its indirect European salesforce. (ASX: 31 January 2023)

To support the next phase of growth in fiscal 2024, the Company is currently evaluating new management additions and organizational changes for its healthcare & pharma and American division to enable effective and sustainable growth. The Company further notes it expects to further strengthen its management's breadth and experience through selective M&A transactions.

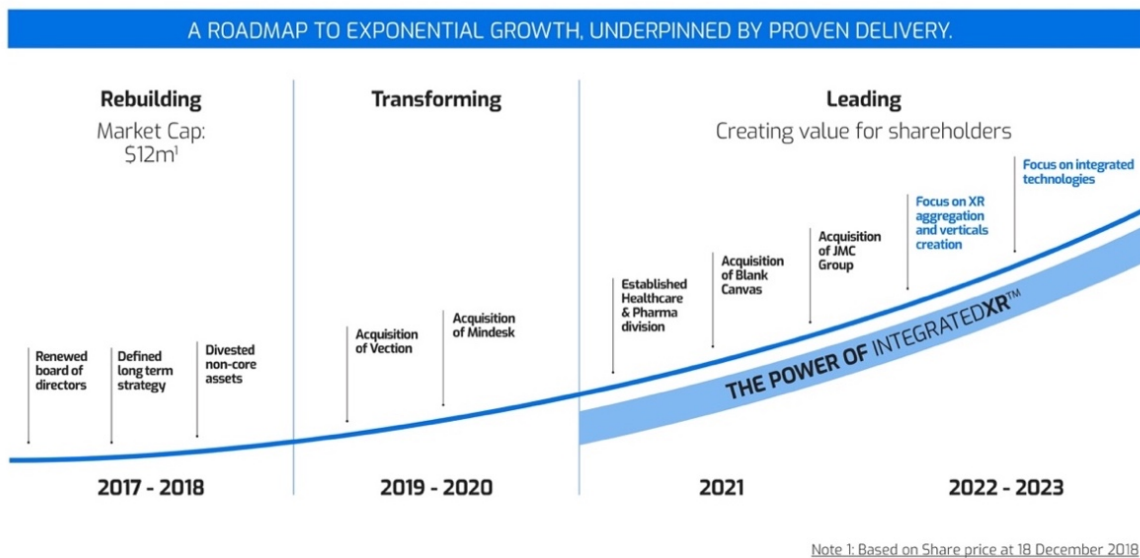


Image 1: Vection Technologies' "Roadmap to Exponential Growth".

Partners:

During the quarter, the Company continued to progress the commercial activities in relation to its partnerships with consulting & service providers and Fortune Global 500 professional services partners (Accenture, DXC Technology, NTT Data and Toshiba Tec, among others). These activities are expected to further support the achievement of the stated fiscal 2023 revenue guidance.

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In addition, the Company achieved the Cisco Partner Program - Developer status, critical to grow the development and commercial activities related to the 3DFrame for Webex by Cisco solution. 3DFrame is the no-code metaverse presentations App that brings Webex meetings' content to life (more information here: <https://vection-technologies.com/solutions/products/3d-frame/webex>).

Furthermore, during the period, the Company announced a partnership with expert.ai (EXAI:IM), a leading company in artificial intelligence (AI) for language understanding and language operations, to create an extended reality (XR) / AI - powered solution for digitalizing technical manuals. (ASX: 28 March 2023)

This revolutionary solution is aimed at making technical manuals more accessible and easier to understand by using a combination of extended reality and AI technologies to deliver an immersive experience.

The two companies have already commenced working together on tenders and government grants to fund the development of this solution. One of the unique features of this solution will be the use of avatars for human-to-machine interaction. These avatars can provide users with step-by-step instructions and guide them through the troubleshooting process. Users can interact with avatars using natural language and receive accurate responses to their queries. The advanced natural language processing (NLP) and deep learning algorithms enable the avatars to understand natural language and provide accurate responses.

Research and Development (R&D) Activities:

Since the commencement of the Leading Strategy Phase in 2021 (ASX: 28 February 2021), the Company has continued to progress its vision to build an **INTEGRATEDXR[®]** solutions suite interconnecting with enterprises' legacy technology systems. This strategic approach has marked the Company's evolution from real-time VR and AR software to fully **INTEGRATEDXR[®]**. (ASX: 31 January 2022)

The strategy progression has led to the further development of the Company's **INTEGRATEDXR[®]** technology stack with a strong focus on patent protection and the assessment of new technology integrations, including AI solutions linked to three-dimensional avatars. (ASX: 28 February 2023 and 8 March 2023).

During the quarter, the Company continued to invest in its R&D activities and releasing updates for its flagship solutions 3DFrame, EnWorks, Mindesk, and continued to progress the development of the XRkiosk.

These initiatives are expected to generate a strong acceleration in innovation across Vection Technologies' **INTEGRATEDXR[®]** suite.

The Company notes that most of its R&D activities are not included in the cashflow report as they are independently evaluated by subject matter experts at the end of each reporting period for local fiscal reasons within its European entities.

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Image 2: the INTEGRATEDXR[®] workflow.

On 20 March 2023, the Company announced several patents granted across the US and Europe related to its INTEGRATEDXR[®] technology stack:

- **US Patents: '082 Patent**

On 26 July 2022, the Company, through its United States (US) subsidiary, was granted a patent from the US Patent Office (US Pat. No. 11,398,082), arising from the research & development (R&D) activities of its Mindesk software. ('082 Patent)

Subsequently, the Company appointed a US-based patent attorney to conduct extensive patent and patent application searching which was finalised in the month of March 2023. This activity resulted in the assessment that "the '082 Patent is likely to withstand challenge on the ground of obviousness", and that "it appears the '082 Patent will provide a commercially effective barrier to entry for competitive software in the 3D modeling / VR domain".

The embodiments of the invention, included in the '082 Patent, allow the user of a 3D graphics software to execute an affine transformation, like a translation, a rotation, or a scale of at least one element of the virtual scene, using a virtual reality (VR) input device, in less steps and with a higher precision, reliability and flexibility compared to prior schemes. The embodiments of the invention provide a method to perform an affine transformation in less time than the actual computer aided design (CAD) system do.

- **EU Patents: VR-Replay Patent**

On 23 September 2020, the Company announced the lodgement of a provisional patent application covering, among others, technology used in the Company's augmented reality (AR) healthcare solutions, arising from the R&D activities of its 3DFrame software.

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On 14 September 2022, the Company, through one of its European based subsidiaries, was granted patent number 102020000020347 from the Italian Patent and Trademark Office (UIBM). **(VR-Replay Patent)**

The VR-Replay Patent relates to a proprietary technology for structured recording in VR, capable of synthesising digital video to be viewed across any 3D viewing device and edited through suitable software. In the healthcare domain, this technology enables multiple functionalities, including the superimposition of biometric data, sourced from electronic medical records, in the medical professional's field of view via wearable devices.

- **EU Patents: 3D to VR Patent**

On 29 May 2019, the Company lodged a provisional patent application covering a software application for the control and management of three-dimensional models and its related operational process, arising from the R&D activities of its 3DFrame software.

On 16 May 2021, the Company, through one of its European based subsidiaries, was granted patent number 102019000007452 from the UIBM, which was subsequently renewed on 10 March 2023. **(3D To VR Patent)**

The 3D To VR Patent relates to a proprietary software application for the control and management of three-dimensional (3D) models which includes, among others: instructions for the authentication of at least one user entering a minimum of one data input on a central server; have at least one user uploading a 3D model in .fbx, .obj, and similar formats; have at least one user downloading instant files on their workstation for the temporary display of the previously uploaded and elaborated 3D model; have at least one user attributing properties such as colours and surface properties to the 3D model during the visualisation process within VR; have at least one user performing 3D models' parameters modifications including shape, size and proportions within VR; and, save the modified 3D model to be subsequently used by at least one user.

- **EU Utility Models: Kiosk Utility Model**

On 22 November 2022, the Company lodged a provisional utility model application covering equipment to manage the admission and exit procedures in public services in general, arising from the R&D activities of its Kiosk technologies.

On 15 February 2023, the Company, through one of its European based subsidiaries, was granted utility model number 202022000004782 from the UIBM. **(Kiosk Utility Model)**

The Kiosk Utility Model relates to equipment to manage the admission and exit procedures through personal data registration in hospitals, hotels, airports, and public services in general. It comprises a modular shell that includes technology to detect and process personal data and holographic touchless systems capable of allowing man-machine integration without physical contact.

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A utility model system provides protection of so-called "minor inventions" and protect such inventions through granting an exclusive right, which allows the right holder to prevent others from commercially using the protected invention, without his authorization, for a limited period of time.

- **EU Patents: Provisional Patent Applications**

- **Provisional Patent Application: AI-Powered Technical Manuals**

On 9 June 2022, the Company lodged a provisional patent application with the UIBM in relation to an artificial intelligence (AI) software system for technical manuals, arising from the R&D activities of its EnWorks software.

The Company will provide further information to the market as applicable, due to the collaborational nature (AI + XR) of the development of this solution.

- **Provisional Patent Application: VR / Hybrid Meetings**

On 27 February 2023, the Company lodged a provisional patent application with the UIBM covering a software application for the organisation and management of cloud videoconferences with hybrid participants (3D, VR, and Web), arising from the R&D activities of its 3DFrame software.

- **Provisional Patent Application: XRKiosk**

On 15 July 2022, the Company lodged a provisional patent application with the UIBM, in relation to virtual reality integrated Kiosk for the consumer and professional market segments, arising from the R&D activities of its XRKiosk technology.

The Company notes that these provisional patents lodgements are not binding, and subsequent assessment is typically performed by the relevant patent office. Assuming any objections are overcome, the patent application can then be granted allowing this to be subsequently enforced to prevent third parties exploiting the invention.

Patents Protection Strategy:

While the Company has in place appropriate measures to maintain trade secrets over the intellectual property it develops, from time to time, it makes an assessment on the benefits of patenting specific inventions to ensure a stronger legal protection.

Aligned with this overarching rationale, the Company, due to its substantial intellectual property position, is now assessing the appointment of a specialised legal firm to take all commercial steps to protect its proprietary IP.

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COMPANY QUARTERLY FINANCIAL OVERVIEW:

Total quarterly cash receipts from clients for the quarter ended 31 March 2023 were ~\$6M (Q2 FY23 Cash Receipts from customers: ~\$4.5M).

A robust cash balance of ~\$11.4M (31 December 2022: ~\$13.5M) provides strong foundations for management to deliver on the overarching strategic growth objectives, including its **INTEGRATEDXR[®]** acquisition strategy.

Furthermore, the Company notes that:

- following period end, it received confirmation on the receipt by 24 May 2023 for ~\$1 million, in relation to a 2022 tax refund from the Italian tax office.
- at 31 March 2023, it had ~\$2.5 million in net outstanding invoices, excluding amounts already received during the quarter from financial institutions as advances on invoices. Please refer to section 3 and 7 of the attached Appendix 4C.

Due to European market standard client payment terms of 60 to 180 days, the Company proactively utilizes invoice financing with leading commercial banks on a portion of its outstanding invoices to guarantee a normalised cashflow for its global operations. During the period, this resulted in ~\$1M in additional cash inflows.

Business activities expenditure totalled ~\$8.5M for the quarter, consisting of administration (~\$0.8M) and R&D, staff costs and operating cost of sales (combined ~\$7.2M), with the balance to advertising and marketing and leased assets (combined ~\$0.5M).

The increase in commercial activity during the first four months of the second half of fiscal 2023, resulted in an increase in business activities expenditure. As a result, during the last quarter of fiscal 2023, the Company expects to significantly improve its underlying result.

The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities totalled ~\$263k. These payments consisted of Directors' fees and salaries paid to directors. All payments were on normal commercial terms.

OUTLOOK:

The Company expects to continue its growth trajectory during the last quarter of fiscal 2023, as a result of the ongoing strong investments performed during fiscal 2022 and 2023-to-date,

Aligned with its **INTEGRATEDXR[®]** objectives, the Company also notes its progression towards several potential selective technology acquisitions. These potential transactions are deemed critical in further increasing the Company's organic revenue growth, through technology and people acquisitions.

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Through this strategy, the Company aims at expanding its **INTEGRATEDXR[®]** suite to help clients leverage their 3D data via powerful extended reality interfaces that foster collaboration and learning, grow sales, and reduce their carbon footprint (among others).

As businesses increase the adoption of Extended Reality (**XR**) and Artificial Intelligence (**AI**) -based solutions, Vection Technologies remains strongly positioned to capitalize on this inevitable growth trend.

AUTHORISATION:

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

ENDS

INVESTOR RELATIONS CONTACT DETAILS:

Edison:

Dan Ridsdale - Managing Director, TMT
Email: dridsdale@edisongroup.com

Company:

Gianmarco Biagi - Managing Director (Europe Based)
Email: gianmarco.biagi@vection-technologies.com
Phone: +39 051 0142248

Gianmarco Orgnoni – Director, CSO, CMO (Australia Based)
Email: gianmarco.orgnoni@vection-technologies.com
Phone: +61 8 6380 7446

ABOUT VECTION TECHNOLOGIES:

Vection Technologies is a growing enterprise-focused company that helps businesses bridge the physical and digital worlds. We help organizations leverage their 3D data via powerful extended reality (**XR**) interfaces that foster collaboration and learning, grow sales and more.

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

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

FORWARD LOOKING STATEMENTS:

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on Vection Technologies' current expectations, estimates and projections about the industry in which Vection Technologies operates, and beliefs and assumptions. Forward looking statements can generally be identified by the use of forward-looking words such as 'anticipate', 'believe',

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'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward-looking statements. 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, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions shareholders and prospective shareholders 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. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Vection Technologies has no obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

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Appendix 4C

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

Name of entity

VECTION TECHNOLOGIES LIMITED

ABN

93 614 814 041

Quarter ended ("current quarter")

31 MARCH 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,674	14,662
1.2 Payments for		
(a) research and development	(79)	(249)
(b) product manufacturing and operating costs	(5,504)	(12,420)
(c) advertising and marketing	(280)	(584)
(d) leased assets	(231)	(628)
(e) staff costs	(1,597)	(4,132)
(f) administration and corporate costs	(815)	(2,156)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	89	155
1.5 Interest and other costs of finance paid	(114)	(230)
1.6 Income taxes paid	(7)	(242)
1.7 Government grants and tax incentives	-	0
1.8 Other (provide details if material)	(222)	(356)
1.9 Net cash from / (used in) operating activities	(3,086)	(6,181)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	(155)
(b) businesses	-	-
(c) property, plant and equipment	(6)	(18)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Cash and cash equivalents acquired from acquisition	-	-
2.6	Net cash from / (used in) investing activities	(6)	(173)

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	1,088	3,670
3.6	Repayment of borrowings	(112)	(927)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(65)	(157)
3.10	Net cash from / (used in) financing activities	911	2,586

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period*	13,491	14,915
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,086)	(6,181)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(173)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	911	2,586
4.5	Effect of movement in exchange rates on cash held	112	275
4.6	Cash and cash equivalents at end of period	11,422	11,422

*The Company's 31 December 2022 Half Year Report reflected ~\$8M cash held on term deposit (for a period of more than 3 months) as an investment rather than cash and cash equivalents. These term deposit amounts matured during the current quarter and are reflected in cash and cash equivalents. No further long dated term deposits were entered into in the current quarter.

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	11,422	11,422
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details if material)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	11,422	11,422

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	263
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. 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	5,040	2,121
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	5,040	2,121
7.5 Unused financing facilities available at quarter end		2,919
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.		
<p>Terms of the borrowings:</p> <ul style="list-style-type: none"> • National Australia bank loan by the Company which is unsecured, has a 3 years term with an expiry date of 27 April 2023. The loan has a variable Interest rate of 5.75%. • A fixed rate bank loan provided by Banco BPM to Vection Italy. The loan has a 6 years term with an expiry date of 6 June 2026. The loan has a fixed Interest rate of 1.25% • A variable rate bank loan provided by Intesa San Paolo to Vection Italy. The loan has a 6 years term with an expiry date of 9 June 2026. The loan has a variable Interest rate of circa 1.75% plus EURIBOR 1m 360. • An invoice financing facility provided by BPER to Vection Italy. This is a short term liability at an interest rate of 2.6% • An invoice financing facilities provided by Intesa San Paolo to Vection Italy. This is a short term liability at an interest rate of 6.1% (TAN) • A contract financing facilities provided by Intesa San Paolo to Vection Italy. This is a short term liability at an interest rate of 6% (TAN) 		

- An invoice financing facility provided by Intesa San Paolo to Vection Italy This is short term liability at an interest rate of 3.125%
- An invoice financing facility provided by Intesa San Paolo to Vection Health. This is a short term liability at an interest rate of 2.75%
- A Banco BPM bank loans by JMC Group. The loans have a 6 years terms with expiry date of 13 August 2026. The loans have a variable Interest rate of 1.25% + EURIBOR 3m 360.
- A Banca Monte Dei Paschi Di Siena (MPS) bank loan by JMC Group. The loan has a 71 months terms with an expiry date of 31 October 2026. The loan has a variable Interest rate of 0.45% + EURIBOR 6m 360.
- A fixed rate facility provided by Dell Financial Services to JMC Group. The facility has 3 years term with an expiry date of 1 January 2024. The average overall effective rate is 8.95%.
- A fixed rate facility provided by Dell Financial Services to JMC Group. The facility has 3 years term with an expiry date of 15 March 2026. The average overall effective rate is 10.81%.
- Three fixed rate leasing facilities provided by Dell Financial Services to JMC Group. The facilities have 3 years term and interest rate of 7.85%, 8.10% and 8.11%.
- An Invoice and contract financing facility provided by MPS to JMC GROUP. This Is a short term liability at an interest rate of 3.87%.
- An Invoice financing facility provided by BPM to JMC GROUP. This Is a short term liability at an interest rate of 3.883%
- An invoice and contract financing facility provided by Intesa San Paolo to JMC GROUP. This is a short term liability at an interest rate of 1.80% plus EURIBOR 3m.
- A variable rate bank loan provided by Banco BPM bank loans to Xinntex. The loans have a 6 years terms with expiry date of 11 March 2027. The loans have a variable Interest rate of 1.4% + EURIBOR 3m 360.
- An Invoice financing facility provided by BPM to XINNTEX. This Is a short term liability at an interest rate of 3.883%.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,086)
8.2	Cash and cash equivalents at quarter end (item 4.6)	11,422
8.3	Unused finance facilities available at quarter end (item 7.5)	2,919
8.4	Total available funding (item 8.2 + item 8.3)	14,341
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.65
	<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.

Date: 30 April 2023

Authorised by: By the Board

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.