

31 October 2024, Australia

## ASX RELEASE

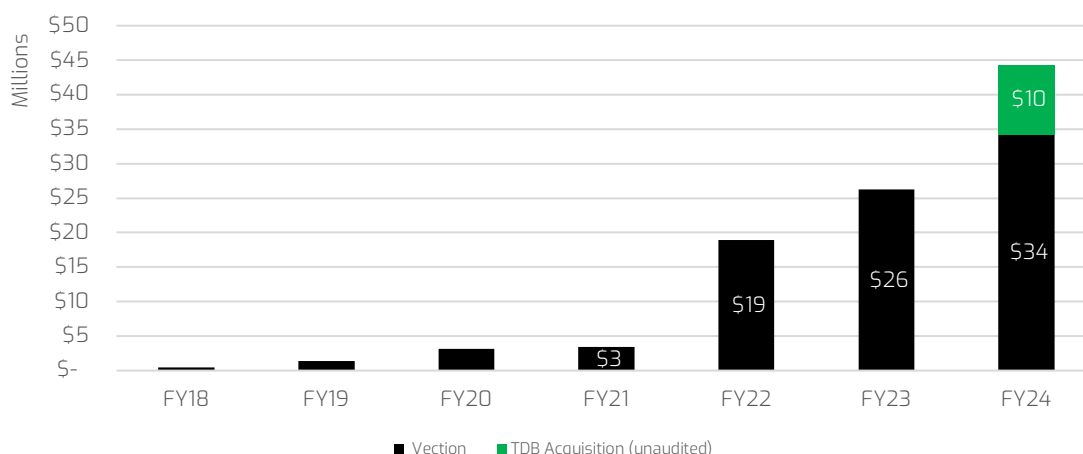
# FY25 Q1 ACTIVITY REPORT AND APPENDIX 4C

Vection Technologies Ltd (ASX:VR1, OTC:VCTNY), ("Vection" or the "Company"), the INTEGRATEDXR<sup>®</sup> company, is pleased to update the market on its operational activities and associated cash flows for the quarter ended 30 September 2024, and up to the date of this announcement.

### FINANCIAL HIGHLIGHTS:

- Q1 FY25 pro-forma unaudited revenue was ~\$8m, up ~32% vs ~\$5m in Q1 FY24. (including TDB)
- Pro forma contributions from the TDB acquisition are expected to be \$10 million in revenue and \$1 million EBITDA
- Q1 FY25 unaudited revenue was ~\$6m, up ~40% vs ~\$4m in Q1 FY24. (excluding TDB)
- Q1 FY25 unaudited revenue excludes the recently won \$3.6 million Cometa and \$0.5 million Dell sales.
- At 30 September, forward contracted revenue was ~\$7m, including TDB, (~\$6m excluding TDB).
- Q1 FY25 recurring revenue, pro-forma with TDB, was ~24%, compared to ~10% for the full FY24
- Q1 FY25 cash receipts were ~\$8.5m, up ~4% vs ~\$8.2m in Q1 FY24.
- Q1 FY25 operating cash-inflows were ~\$(4.1)m – (Q1 FY24: ~\$(3.9)m), reflecting typical seasonal fluctuations and one-off manufacturing costs due to pre-payments made to facilitate product delivery for certain contracts and integration.
- Receivables at 30 September 2024 of ~\$13m in addition to \$0.8m in tax credits (including \$2.5m from TDB), excluding the \$3.6 million Cometa and \$0.5 million Dell sales.
- In light of these recent contract wins, ongoing momentum with organic growth and the Integration of the TDB acquisition, the Company is confident in building on the last 7 years of accelerating growth.

Chart 1 shows yearly audited revenue for Vection and FY24 unaudited revenue for TDB.



#### VECTION TECHNOLOGIES LTD

ASX:VR1; OTC:VCTNY | ACN: 614 814 041

#### GLOBAL OFFICES

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#### WEBSITE

[www.vection-technologies.com](http://www.vection-technologies.com)

#### REGISTERED OFFICE

Level 4, Building C, Garden Office Park, 355  
 Scarborough Beach Road,  
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#### OPERATIONAL HIGHLIGHTS:

- Gained critical patent for Augmented Reality ("AR") in manuals, enhancing user guidance and protecting market advantage across automotive, appliances, and maintenance sectors.
- Boosted innovation with market-focused teams and renewed ISO 9001 certification.
- Integration of TDB's generative AI technology continues, enhancing Vection's AI and Spatial Computing capabilities. Importantly, Combining TDB's technology with Vection's ecosystem unlocks new cross-sell opportunities and will drive revenue growth.
- TDB adds 3,000+ customers and 100+ resellers to the Company's existing blue-chip client base
- After the quarter, the Company launched its AI-based 'Algho' platform in partnership with Dell Technologies, securing a first sale valued at approximately \$0.5 million. (ASX: 21 October 2024)
- Similarly, the Company won a \$3.6 million XR software licenses distribution agreement to deliver immersive classroom solutions to 500 high schools in FY25. (ASX: 10 October 2024)

#### CORPORATE HIGHLIGHTS:

- Announced acquisition of The Digital Box S.p.A. (TDB) to enhance AI and XR capabilities and secured \$2 million in equity funding to support the acquisition.
- TDB will be positioned with a ~10% shareholding, the Company's second-largest shareholder
- Ex-Apple COO Marco Landi to join Vection's board as non-executive chair, enhancing global relationships.

#### Gianmarco Biagi, managing director of Vection Technologies, commented:

*"Vection has delivered strong revenue growth in Q1 FY25, with a ~32% increase in pro-forma revenue to ~\$8 million, reflecting both organic strength and the positive contributions from our strategic acquisition of The Digital Box (TDB). This growth highlights the increasing demand for our AI and XR solutions, with AI becoming a key driver in expanding our spatial computing capabilities.*

*The partnership with Dell Technologies to launch the 'Algho' platform is a testament to the strength of our technology and our team's performance. Securing this collaboration with a global leader like Dell validates the quality of our AI-driven solutions and underscores our ability to deliver advanced, scalable technology to major enterprises. The initial sale is just the beginning—we see tremendous potential to expand our reach through Dell's vast network and continue demonstrating the transformative power of our AI technology.*

*Vection is enhancing its Board of Directors and management team by appointing Mr. Landi, a highly experienced figure with strong international business acumen and connections across technology and growth sectors. This strategic addition aligns with Vection's long-term plan, which began with its Integrated XR strategy and has since advanced into Spatial Computing, with a key focus on AI. By strengthening its leadership, Vection aims to drive innovation and expansion in global markets, particularly in Europe, Australia, and the USA.*

*While our first-quarter cashflow results reflect typical seasonal fluctuations, we are confident that cashflows will significantly improve in the coming quarters. As the revenue generated in the first quarter and expected*

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*contributions in the second quarter continue to translate into positive operational cashflows, we anticipate a stronger financial position ahead.*

*We focus on leveraging our strategic partnerships and AI-driven XR solutions to drive sustained growth and create long-term value for our shareholders."*

#### **COMPANY FINANCIAL OVERVIEW:**

Vection delivered unaudited solid revenue growth in Q1 FY25, driven by organic performance and contributions from acquisitions. The pro forma unaudited revenue, including The Digital Box ("TDB"), reached ~\$8m, up ~32% compared to ~\$5m in Q1 FY24. This growth highlights the positive impact of integrating TDB's capabilities into Vection's existing offerings, enhancing its market reach and product suite.

Excluding TDB's effects, Vection's unaudited revenue for Q1 FY25 stood at ~\$6m, representing a ~40% increase over the ~\$4m in Q1 FY24. This performance underscores the company's underlying strength and sustained demand for its core XR solutions across various sectors. Notably, the Q1 FY25 revenue figures do not include additional contributions anticipated from the \$3.6 million Cometa agreement and the \$0.5 million sale to Dell Technologies (ASX: 10, 21 October 2024).

At 30 September 2024, Vection had forward contracted revenue of \$7m, including TDB (\$6m excluding TDB). This demonstrates the company's ongoing growth trajectory and solid customer commitments.

Recurring revenue accounted for ~24% of pro-forma revenue in Q1 FY25, compared to ~10% for the full FY24. Vection is on track to maintain and increase this share of recurring income, reflecting ongoing demand for its subscription-based services and solutions, especially with contributions expected from the ~\$3.6m Cometa sale.

#### **QUARTERLY CASHFLOW SUMMARY:**

At 30 September 2024, the Company held cash and cash equivalents of ~\$5m (30 June 2024: ~\$7.5m). Cash receipts for Q1 FY25 were ~\$8.5m, up ~4% compared to ~\$8.2m in Q1 FY24. Net cash inflows from operating activities stood at ~\$(4.1)m, reflecting typical seasonal fluctuations compared to ~\$(3.9)m in Q1 FY24.

Cash outflows from investing activities for the quarter were ~\$1.1m, primarily due to the Company's technology development efforts. Cash outflows for business activities totalled ~\$12.4m for the quarter, with the breakdown as follows: Administration: ~\$0.5m; R&D, staff costs, and operating cost of sales: ~\$11.7m; and Advertising, marketing, and leased assets: ~\$0.2m. The step change in operating costs was primarily due to one-off pre-payments made to facilitate product delivery for certain contracts alongside Integration activities.

At the end of the quarter, Vection has receivables of ~\$13m (including \$2.5m from TDB), excluding the \$3.6 million Cometa and \$0.5 million Dell sales. Additionally, the Company had ~\$0.8m tax credit to be received by local governments. These receivables and tax credits are expected to convert into cash in Q2 FY25, supporting improved future cash flows.

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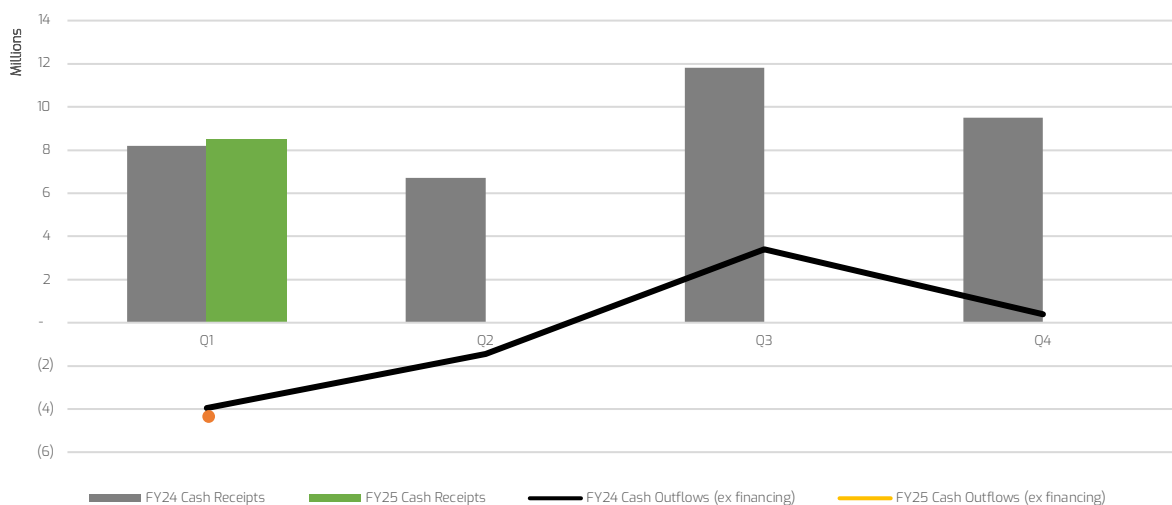
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The Company's debt position increased slightly to ~\$9.8m from ~\$8.2m in the previous period, reflecting ongoing investments in growth and acquisitions. As highlighted in the accompanying chart, Vection anticipates significant improvement in cash flows in upcoming quarters. This positive shift will be driven by converting current revenue streams into positive operational cash flows. The initial cash flow results reflect the typical seasonality of the business, with stronger cash generation expected as the year progresses. This positions Vection for a more favourable financial outlook in FY25.

**Chart 2** shows quarterly cash receipts and net cash flow (excluding financing) for the full FY24 and the first quarter of FY25 (excluding TDB).



## TECHNOLOGY:

Vection is dedicated to integrating advanced AI and XR technologies to enhance its spatial computing offerings.

The Company is actively merging AI capabilities with XR solutions, demonstrating its commitment to creating more interactive and data-rich environments that cater to diverse industry needs. By leveraging AI expertise from TDB and combining it with its existing XR platforms, Vection aims to facilitate seamless interactions between users and digital spaces, driving innovation in both enterprise and education sectors.

The Company's technological strategy focuses on developing scalable solutions that adapt to various use cases, from immersive classroom environments to enterprise-level data interactions. This approach positions Vection at the forefront of the industry by offering flexible platforms that can evolve with the changing market demands. Consequently, Vection is not only expanding the potential of spatial computing but also enabling its clients to integrate these advanced technologies into their operations more effectively, ultimately enhancing productivity and user engagement.

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**OPERATIONAL OVERVIEW:**

In Q1 FY25, Vection made significant progress in expanding its AI and XR capabilities, establishing itself as a leader in the rapidly evolving field of spatial computing. The quarter was marked by notable achievements and strategic partnerships, laying a strong foundation for future growth.

**Key achievements after the reporting period:**

- **Launch of the 'Algho' Platform with Dell Technologies (ASX: 21 October 2024):**

One of the standout achievements this quarter was the launch of the AI-based 'Algho' platform in partnership with Dell Technologies. This collaboration resulted in an initial sale of ~\$0.5m, but more importantly, it opened access to Dell's extensive global network. This means Vection can now enter new markets, providing AI-driven solutions to large enterprises across Europe, the Middle East, and Africa.

The 'Algho' platform integrates advanced AI capabilities from TDB, a company Vection is currently in the process of acquiring. The platform can deliver sophisticated, AI-powered interactions by combining TDB's generative AI layer with Vection's existing technology. With Dell's support, Vection is set to make spatial computing more accessible and scalable for businesses of all sizes.

- **Growing presence in education with Cometa (ASX: 10 October 2024):**

Vection also made significant strides in the education sector with a ~\$3.6m distribution deal with Cometa SpA, a leader in educational solutions in Italy. This partnership aims to deploy Vection's 3DFrame and Enworks XR software packages to 500 high schools across Italy by the end of FY25.

This initiative aligns with Italy's PNRR "Next Generation EU Classrooms and Labs" program, which focuses on driving digital transformation in education. The partnership is mutually beneficial, boosting Vection's visibility in the ed-tech space while enabling schools to create more engaging and immersive learning experiences through spatial computing.

**Diversified revenue streams:**

While the ~\$0.5m sale to Dell and the ~\$3.6m agreement with Cometa are strategic for future growth, Vection's Q1 revenue was also fueled by increased demand for its broader range of XR solutions. A healthy mix of non-recurring and recurring revenues across various industries supported this quarter's growth.

Businesses in manufacturing, healthcare, real estate and consumer goods have increasingly recognised the value of spatial computing for enhancing productivity, improving collaboration, and providing hands-on training experiences.

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#### Key patent gained:

Vection has recently secured an industrial patent from UIBM/EPO, covering its innovative augmented reality (AR) technology for technical manuals. This patent enables users to experience enriched, interactive content in complex manuals across various applications, from household appliances to automotive and industrial equipment. By integrating AR into technical manuals, Vection empowers users with a more intuitive understanding of operational steps and features, setting a new standard for usability in technical documentation.

#### Organisational focus:

Vection has restructured its organisation to drive sector-specific expertise, in line with its commitment to continuous innovation. The company has brought in specialised commercial and R&D managers across critical markets, ensuring both targeted industry insight and high R&D standards. This refined focus supports ongoing innovation and process consistency, further recognised by Vection's recent renewal of ISO 9001 certification through Bureau Veritas.

#### CORPORATE OVERVIEW:

During the first quarter of FY25, Vection Technologies focused on strategic growth by acquiring TDB, a company that specialises in generative AI technology. This acquisition aims to enhance Vection's AI capabilities by integrating TDB's advanced natural language processing and 3D digital human technology into Vection's existing XR solutions. Settlement is expected in the second quarter of FY25. As part of this strategic initiative, Vection has secured \$2 million in equity funding to support the acquisition and strengthen its balance sheet. This capital will be utilised for working capital purposes and to integrate TDB's team and technology into Vection's operations, creating new cross-sell opportunities and driving revenue growth.

Additionally, the appointment of Marco Landi, the former COO of Apple, as a non-executive chair further strengthens Vection's leadership team. His extensive experience and industry insights are expected to guide Vection through its next growth phase, particularly in AI and XR.

#### OUTLOOK:

Vection is focused on capitalising on the momentum built in Q1 FY25 through strategic partnerships and technological advancements.

Integrating AI with XR remains a core priority, enhancing the flexibility and appeal of its solutions across diverse markets. The Company's recent collaborations, such as the partnership with Dell Technologies for the 'Algho' platform and the Cometa agreement in the education sector, are expected to drive significant revenue growth in the coming quarters.

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With the ongoing integration of TDB's generative AI capabilities and the support of newly secured equity funding, Vection is well-positioned to expand its offerings and market reach. The company aims to sustain its growth trajectory by leveraging its strengths in AI and XR to meet the needs of enterprise clients and educational institutions.

Vection remains confident in its ability to achieve long-term value for shareholders and solidify its position as a leader in the spatial computing landscape.

**LISTING RULE 4.7C3:**

The aggregate payments to related parties and their associates included in the current quarter cash flows from operating activities totalled ~\$219k. These payments consisted of Directors' fees and salaries paid to directors. All payments were on normal commercial terms.

**AUTHORISATION:**

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

**ENDS****INVESTOR RELATIONS CONTACT DETAILS:****Gianmarco Biagi - Managing Director (Europe Based)**

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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 organisations 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](http://www.vection-technologies.com)

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## 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', '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, guidance, or outlook on future earnings, distributions, 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.

## GLOSSARY:

**INTEGRATEDXR<sup>®</sup>** is the Company's solutions and service suite, from Virtual Reality (VR), Augmented Reality (AR) and Mixed Reality (MR) technologies to Metaverse, ICT Infrastructure and devices, Kiosks, 3D Modeling and Rendering services and Artificial Intelligence (AI). Vection Technologies seeks to help businesses bridge the physical and digital worlds, through a unique **INTEGRATEDXR<sup>®</sup>** experience.

Chart 1 shows the **INTEGRATEDXR<sup>®</sup>** solutions suite technology framework:



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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")**

30 SEPTEMBER 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	8,537	8,537
1.2 Payments for		
(a) research and development	(48)	(48)
(b) product manufacturing and operating costs	(10,310)	(10,310)
(c) advertising and marketing	(19)	(19)
(d) leased assets	(133)	(133)
(e) staff costs	(1,312)	(1,312)
(f) administration and corporate costs	(531)	(531)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(191)	(191)
1.6 Income taxes paid	(94)	(94)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	7	7
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(4,094)</b>	<b>(4,094)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	(16)	(16)
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	(1,164)	(1,164)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,180)</b>	<b>(1,180)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,000	2,000
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	(132)	(132)
3.5	Proceeds from borrowings	4,917	4,917
3.6	Repayment of borrowings	(4,314)	(4,314)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,471</b>	<b>2,471</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period*	7,602	7,602
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,094)	(4,094)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,180)	(1,180)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,471	2,471
4.5	Effect of movement in exchange rates on cash held	44	44
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,843</b>	<b>4,843</b>

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	4,843	7,602
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details if material)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,843</b>	<b>7,602</b>

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	219
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	13,635	9,858
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	13,635	9,858
7.5	<b>Unused financing facilities available at quarter end</b>		3,777
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.		

**Terms of the borrowings:**

- A fixed rate bank loan provided by Banco BPM to Vection Italy. The loan has a 6 years term with an expiry date of 19 May 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 5% plus 2%
- An invoice financing facility provided by Intesa San Paolo to Vection Italy. This is a short term liability at an interest rate of 8.788% (TAN) plus 2%
- A contract financing facility provided by Intesa San Paolo to Vection Italy. This is a short term liability at an interest rate of 7.30% (TAN) plus 2%
- An invoice financing facility provided by Intesa San Paolo to Vection Italy This is short term liability at an interest rate of 3.125%
- A variable rate bank loan provided by Intesa San Paolo to Vection Health. The loan has a 3 years term with an expiry date of 13 October 2024. The loan has a variable Interest rate of circa 1.50% plus EURIBOR 3m 360.
- An invoice financing facility provided by Intesa San Paolo to Vection Health. This is a short term liability at an interest rate of 5.57%
- 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. il piano di ammortamento da già il dato finale
- 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 4.40%.
- Four fixed rate leasing facilities provided by Dell Financial Services to JMC Group. The facilities have 3 year terms and interest rate of 1.99% (1 January 2025), 1.99% (6 January 2025), 4.39% (2 January 2026) and 13.08% (5 January 2025) respectively.
- A fixed rate facility provided by Dell Financial Services to JMC Group. The facility has 3 years term with an expiry date of 4 January 2027. The average overall effective rate is 5.27%
- An Invoice financing facility provided by UNICREDIT to JMC Group. This is a short term liability at an interest rate of 4.133% plus 2%
- An Invoice and contract financing facility provided by MPS to JMC Group. This is a short term liability at an interest rate of 5.645%.
- An Invoice and contract financing facility provided by BPM to JMC Group. This is a short term liability at an interest rate of 7.10% plus 2%
- An Invoice financing facility provided by BPER to JMC Group. This is a short term liability at an interest rate of 5% plus 2%
- 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 5.377% plus 1.20%
- A short-term overdraft facility provided by Banca BPM to JMC Group. This is a short term liability at an interest rate 11.45% (TAN) plus 2%

- A variable rate bank loan provided by Banco BPM bank loans to Xinntex. The loans have a 6 year 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 5.60% plus 2%
- An invoice financing facility provided by Intesa San Paolo to Invrson. This is a short term liability at an interest rate of 6.7030% (TAN).
- A short-term overdraft facility provided by Intesa San Paolo to Invrson. This is a short term liability at an interest rate 4.691% (TAN)
- An invoice financing facility provided by Banca BPER to Invrson. This is a short term liability at an interest rate of 4.42% (TAN)
- A short-term overdraft facility provided by Banca BPER to Invrson. This is a short term liability at an interest rate 9.42% (TAN) plus 1.20%

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,094)
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,843
8.3	Unused finance facilities available at quarter end (item 7.5)	3,777
8.4	Total available funding (item 8.2 + item 8.3)	8,620
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	2.11
<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	
<i>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.</i>		

## 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: 31 October 2024

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.