

28 January 2025, Australia

ASX RELEASE**2Q25 ACTIVITY REPORT AND APPENDIX 4C**

Vection Technologies Ltd (ASX:VR1, OTC:VCTNY), ("Vection" or the "Company"), the INTEGRATEDXR[®] company, is pleased to update the market on its operational activities and associated cash flows for the quarter ended 31 December 2024, and up to the date of this announcement.

FINANCIAL HIGHLIGHTS:

- **Milestone operating net cash flow positive result in the Company's historically seasonally weakest quarter flagging improving net cash flow generation**, up from \$(1.2)m pcp (2Q24).
- **Large increase in revenue (up 60% half on half)** with 1H25 pro-forma unaudited revenue of \$17.4m, up from \$10.9m in 1H24¹.
- **1H25 recurring revenue increase of ~204%** at ~34% of pro-forma unaudited revenue compared to ~10% for the full FY24 (and up 42% from 1Q25).
- **Strong pipeline to begin 2H25 and secured revenue so far for FY25 reaching \$31.6m** (including TDB on a full-year basis).
- **Receivables at were ~\$12.0m** (including \$4.2m from TDB) at the quarter's end.
- **Pro-forma cash receipts were \$ 12.1m**, including a \$5.6m contribution from TDB at the quarter's end.
- **At 31 December 2024, underlying cash and cash equivalents were ~\$4.0m**, which includes \$0.4m from TDB (not recognised in the Appendix 4C until completion).

OPERATIONAL HIGHLIGHTS:

- Vection continued integrating TDB's AI technology, adding 3,000+ customers and 100+ resellers, enhancing its AI and Spatial Computing capabilities.
- The AI-based 'Algho' product launch with Dell secured key deals, including \$1.6m with Brexia Med, \$0.7m with KIOSK, and \$0.5m with RCM Italia.
- Vection expanded its reach with a \$3.6m XR deal for schools, a \$1.8m defence contract for AI-driven ICT and XR solutions and a \$1.6m distribution agreement with SolidWorld for the EMEA region.
- Major initiatives included Algho AI trials at Massachusetts General Hospital and further pipeline and strategic development work.
- Post-quarter wins include partnering with DigiLens for ARGO smart glasses integration and a further ~\$0.5m in Algho AI platform sales.

CORPORATE HIGHLIGHTS:

- Completed the acquisition of TDB to enhance AI and XR capabilities.
- Appointed ex-Apple COO Marco Landi as Independent Non-Executive Chair, leveraging his global relationships and expertise.
- Cameron Petricevic was added as an Independent Non-Executive Director, strengthening governance, business growth initiatives and strategic oversight.

¹ This included a \$4.4m contribution from The Digital Box S.p.A ("TDB"), acquisition completed as announced to the ASX on 7 January 2025. Note the 1H25 unaudited revenue for Vection standalone was \$13.0m, up 19% from \$10.9m in 1H24.

VECTION TECHNOLOGIES LTD

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

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WEBSITEwww.vection-technologies.com**REGISTERED OFFICE**Level 4, Building C, Garden Office Park, 355
Scarborough Beach Road,
Osborne Park WA 6017 - Australia

Gianmarco Biagi, managing director of Vection Technologies, commented:

“Vection continues to grow and has made significant progress in 2Q25, further cementing our position as an AI and XR technologies leader. In the first half of FY25, pro-forma revenue reached \$17.4m, with a \$4.4 million contribution from The Digital Box (“TDB”), demonstrating the effectiveness of our strategic acquisition. Recurring revenue now constitutes 34% of total revenue, underscoring the scalability and durability of our business model.

Our commitment to innovation and strategic partnerships continues to confirm the commercial viability of our AI-driven solutions, setting us up for significant growth across various global sectors.

With a strengthened leadership team, improved operating cash flow, and a clear strategic vision, we can capitalise on emerging opportunities and provide sustainable growth and long-term shareholder value.”

COMPANY FINANCIAL OVERVIEW:

Vection delivered strong unaudited revenue growth in 1H25, with total revenue reaching ~\$13m on a standalone basis, up 19% compared to 1H24 of \$10.9m. Pro-forma revenue in 1H25 was \$17.4m, including the \$4.4 million contribution from The Digital Box (“TDB”). This growth result reflects the increasing demand for Vection’s AI and XR solutions.

Recurring revenue rose to 34% at the end of the quarter, highlighting the Company’s deliberate strategic focus on growing subscription-based offerings, also due to the AI portfolio contribution. This was up from ~10% for the full FY24, indicating a positive shift toward predictable and longer-term income streams.

The integration of TDB’s generative AI capabilities is expected to unlock new cross-selling opportunities, further enhancing Vection’s market reach and product suite. Notable contracts, including a \$1.6m AI healthcare licensing deal and a \$1.8m defence sector agreement, underline the Company’s growing presence in high-value markets.

QUARTERLY CASHFLOW SUMMARY:

At 31 December 2024, the Company held cash and cash equivalents of ~\$3.6m (30 September 2024: ~\$4.4m) or an underlying ~\$4.0m which includes TDB. Cash receipts for 2Q25 were ~\$6.5m (or \$12.1m including TDB).

2Q25 operating cash inflows were positive ~\$0.1m or an underlying ~\$0.2m which Includes TDB, improving significantly from \$(4.1)m in 1Q25 and from pcp 2Q24 of \$(1.2)m.

Cash outflows from investing activities in 2Q25 totalled ~\$1.9m, primarily directed toward technology development and intellectual property investments for future growth.

Cash outflows for business activities totalled ~\$6.5m for the quarter, with the breakdown as follows: Administration: ~\$0.4m; R&D, staff costs, and operating cost of sales: ~\$5.9m; and Advertising, marketing, and leased assets: ~\$0.1m.

At the end of the quarter, the Company reported receivables of ~\$12m, including \$4.2m from TDB.

The Company’s debt position, consisting mainly of factoring financing secured against customer receivables, remained stable at ~\$9.3m.

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TECHNOLOGY:

During the quarter, Vection Technologies continued to integrate AI features from TDB with its existing XR platforms, further developing its unique and comprehensive ecosystem of platforms. This strategy aligns with the company's focus on spatial computing, driving growth for Vection and the broader group. Strategic partnerships, such as those with Dell Technologies, Accenture, and NTT Data, alongside Vection's ability to secure significant national and international distribution agreements, highlight its leadership in innovation.

The debut of the 'Algho' platform in partnership with Dell Technologies marked a significant milestone in AI integration. Empowered by TDB's advanced AI technology, this platform enhances enterprise capabilities by enabling sophisticated AI-driven interactions. Vection's \$3.6 million Cometa contract further underscores its leadership in digital transformation, deploying scalable AI and XR solutions in education.

Vection's approach prioritises flexibility and adaptability, addressing a range of applications, including immersive classrooms, enterprise data management, and critical government operations. By leveraging TDB's generative AI expertise, the company is well-positioned to meet evolving market demands and equip clients with innovative solutions that enhance productivity and engagement.

OPERATIONAL OVERVIEW:

A key quarter highlight was the introduction of the AI-driven 'Algho' platform, developed in collaboration with Dell Technologies. This partnership has already begun to show positive momentum, with early revenues already secured and announced, showcasing the transformative power of combining TDB's generative AI with Vection's spatial computing capabilities.

The Company made a significant advancement into the education sector by signing a \$3.6 million XR software licensing agreement with Cometa SpA. This initiative aims to deliver immersive classroom solutions to 500 high schools in Italy, in line with national digital transformation objectives. This partnership highlights Vection's expanding educational impact and versatility in several markets, as it supplies tools that enhance teaching and learning experiences.

Vection also broadened its footprint in the healthcare sector by securing a \$1.6 million licensing deal with Brexia Med for the TDB Algho AI platform. This agreement streamlines healthcare workflows by automating patient screening processes and demonstrates the versatility of Vection's AI solutions in addressing complex industry challenges. The \$0.5 million sale of the AI Dell Algho Appliance to RCM Italia further showcases the commercial potential of integrating AI with XR to transform maintenance operations in the industrial sector.

During the quarter, Vection also extended its technological applications to interactive kiosks through a \$0.7 million partnership with KIOSK Embedded Systems. By incorporating its Algho AI Avatar technology, Vection enhanced user interaction capabilities, creating new opportunities for its solutions in customer-facing environments.

Following the quarter's end, Vection continued to build on its momentum by securing additional strategic contracts, including a \$1.8 million agreement in the defence sector for AI-driven ICT endpoints and XR solutions. The collaboration with DigiLens Inc. to integrate XR applications into ARGO smart glasses further strengthened its global position in spatial computing. Moreover, ongoing sales of the Algho AI platform, worth ~\$0.5 million, indicated a steady demand for its innovative solutions.

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These achievements underscore Vection's product versatility, commitment to delivering cutting-edge technological solutions and ability to utilise partnerships to access high-growth markets. The integration of AI and XR across diverse industries highlights the adaptability of its highly-scalable offerings, paving the way for further expansion and long-term success.

CORPORATE OVERVIEW:

The successful acquisition of The Digital Box S.p.A. was a crucial milestone in the Company's strategy to combine AI and XR technologies. This strategy enhanced the company's generative AI capabilities and increased its customer base by over 3,000 clients and 100 resellers.

Additionally, the Company implemented important leadership changes to enhance governance and propel strategic growth. Significantly, Marco Landi, the former COO of Apple, joined Vection as an Independent Non-Executive Chair. Mr Landi's extensive global network and expertise in scaling technology and companies bring substantial value to Vection's strategic goals in AI and XR. Alongside him, Cameron Petricevic, a seasoned business growth, governance and strategy advisor with over twenty years in the financial industry, was appointed as an Independent Non-Executive Director. He brings deep capital markets and both organic and inorganic growth experience to assist in leading Vection towards value creation for shareholders.

The Company is well-placed and prepared to leverage the rising demand for AI and XR solutions in various industries.

OUTLOOK:

Vection is committed to fostering growth via strategic collaborations, technological advancements, and expanding market presence. The main focus areas for 2H25 are:

- Expanding AI and XR solutions across enterprise, government, and education sectors.
- Leveraging collaborations with Dell Technologies, SolidWorld, and DigiLens to broaden market access.
- Enhancing recurring revenue through subscription-based services.
- Seeking new growth avenues in the USA, EMEA, and APAC regions.

The Company is confident in its capability to generate long-term value for shareholders, backed by a robust operational framework and a clear vision for the future of spatial computing.

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LISTING RULE 4.7C3:

The aggregate payments to related parties and their associates included in the current quarter cash flows from operating activities totalled ~\$0.24m. 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)

Email: gianmarco.biagi@vection-technologies.com

Cameron Petricevic - Independent, Non-Executive Director (Australia Based)

Email: cameron.petricevic@vection-technologies.com

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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

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.

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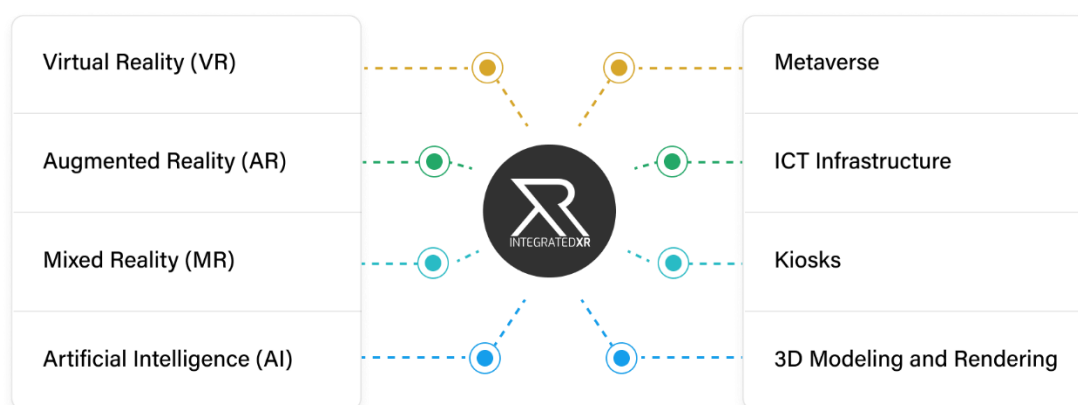
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GLOSSARY:

INTEGRATEDXR[®] 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[®] experience.

Chart 1 shows the INTEGRATEDXR[®] 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")

31 DECEMBER 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	6,570	15,107
1.2 Payments for		
(a) research and development	(366)	(600)
(b) product manufacturing and operating costs	(4,287)	(14,597)
(c) advertising and marketing	(14)	(33)
(d) leased assets	(87)	(220)
(e) staff costs	(1,288)	(2,600)
(f) administration and corporate costs	(446)	(977)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(155)	(346)
1.6 Income taxes paid	(45)	(139)
1.7 Government grants and tax incentives	170	170
1.8 Other (provide details if material)	-	7
1.9 Net cash from / (used in) operating activities	55	(4,225)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	(48)	(64)
(b) businesses	-	-
(c) property, plant and equipment	(820)	(820)
(d) investments	-	-
(e) intellectual property	(1,090)	(2,068)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(1,958)	(2,952)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	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)
3.5	Proceeds from borrowings	2,596	7,513
3.6	Repayment of borrowings	(2,112)	(6,426)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	2	2
3.10	Net cash from / (used in) financing activities	486	2,957

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,843	7,602
4.2	Net cash from / (used in) operating activities (item 1.9 above)	55	(4,225)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,958)	(2,952)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	486	2,957
4.5	Effect of movement in exchange rates on cash held	124	168
4.6	Cash and cash equivalents at end of period	3,550	3,550

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	3,550	4,843
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)	3,550	4,843

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	240
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>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	14,195	9,698
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	14,195	9,698
7.5	Unused financing facilities available at quarter end		4,497
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 secured bank loan provided by Banco BPM to Vection Italy. The loan has a 6 year term with an expiry date of 19 May 2026. The loan has a fixed interest rate of 1.25%
- A variable rate secured bank loan provided by Intesa San Paolo to Vection Italy. The loan has a 6 year term with an expiry date of 9 June 2026. The loan has a variable interest rate of 1.75% plus EURIBOR 1m 360.
- An invoice financing facility provided by BPER to Vection Italy. This is a short term unsecured liability at an interest rate of 5% plus 2% with an expiry date less than 1 year.
- An invoice financing facility provided by Intesa San Paolo to Vection Italy. This is a short term secured liability at an interest rate of 8.788% (TAN) plus 2% with an expiry date less than 1 year.
- A contract financing facility provided by Intesa San Paolo to Vection Italy. This is a short term secured liability at an interest rate of 7.30% (TAN) plus 2% with an expiry date less than 1 year.
- An invoice financing facility provided by Intesa San Paolo to Vection Italy. This is short term secured liability at an interest rate of 3.125% with an expiry date less than 1 year.
- A variable rate secured bank loan provided by Intesa San Paolo to Vection Health. The loan has a 3 year 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 secured liability at an interest rate of 5.57% with an expiry date less than 1 year.
- A Banco BPM bank loan to JMC Group. This secured loan has a 6 year term 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 to JMC Group. This secured loan has a 71 month terms with an expiry date of 31 October 2026 and a variable Interest rate of 0.45% + EURIBOR 6m 360.
- A fixed rate facility provided by Dell Financial Services to JMC Group. The unsecured facility has a 3 year term with an expiry date of 1 January 2024. The average overall effective rate is 8.95%.
- A fixed rate unsecured facility provided by Dell Financial Services to JMC Group. The facility has a 3 year term with an expiry date of 15 March 2026. The average overall effective rate is 4.40%.
- Four fixed rate unsecured leasing facilities provided by Dell Financial Services to JMC Group. The facilities have a 3 year term and interest rates 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 unsecured 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 secured liability at an interest rate of 4.133% plus 2% with an expiry date less than 1 year.
- An Invoice and contract financing facility provided by Banca MPS to JMC Group. This is a short term secured liability at an interest rate of 5.645% with an expiry date less than 1 year.
- An Invoice and contract financing facility provided by Banca BPM to JMC Group. This is a short term secured liability at an interest rate of 7.10% plus 2% with an expiry date less than 1 year.
- An Invoice financing facility provided by Banca BPER to JMC Group. This is a short term secured liability at an interest rate of 5% plus 2% with an expiry date less than 1 year.
- An invoice and contract financing facility provided by Intesa San Paolo to JMC Group. This facility is secured, and has an interest rate of 5.377% plus 1.20% with an expiry date less than 1 year.
- A short-term secured overdraft facility provided by Banca BPM to JMC Group. This facility has an interest rate 11.45% (TAN) plus 2% with an expiry date less than 1 year.
- A variable rate secured bank loan provided by Banco BPM to Xintex. The loan has a 6 year term with expiry date of 11 March 2027 and a variable interest rate of 1.4% + EURIBOR 3m 360.
- An Invoice financing facility provided by Banco BPM to Xintex. This is a short term secured liability at an interest rate of 5.60% plus 2% with an expiry date less than 1 year.
- An invoice financing facility provided by Intesa San Paolo to Invrsion. This is a short term secured liability at an interest rate of 6.7030% (TAN) with an expiry date less than 1 year.
- A short-term overdraft facility provided by Intesa San Paolo to Invrsion. This is a short term secured liability at an interest rate 4.691% (TAN) with an expiry date less than 1 year.
- An invoice financing facility provided by Banca BPER to Invrsion. This is a short term secured liability at an interest rate of 4.42% (TAN) with an expiry date less than 1 year.
- A short-term overdraft facility provided by Banca BPER to Invrsion. This is a short term secured liability at an interest rate 9.42% (TAN) plus 1.20% with an expiry date less than 1 year.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	55
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,550
8.3	Unused finance facilities available at quarter end (item 7.5)	4,497
8.4	Total available funding (item 8.2 + item 8.3)	8,047
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: n/a	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: n/a	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: n/a	
<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: 28 January 2025

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.