

12 April 2022, Australia

ASX RELEASE
ENTERPRISE SALES & TCV UPDATE

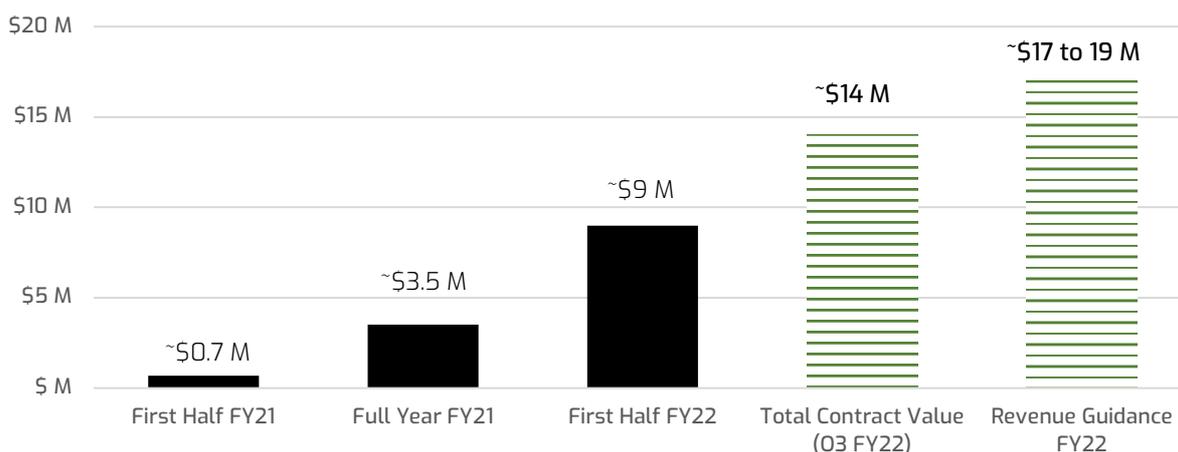
Vection Technologies Ltd (ASX:VR1), the INTEGRATEDXR™ company, is pleased to update the market on its enterprise sales activity and FY22 Total Contract Value (TCV) as of 31 March 2022.

HIGHLIGHTS:

- Vection Technologies increases the Total Contract Value (TCV) metric by ~30% to ~\$14 million¹
- TCV increase largely attributable to the architecture, engineering, and construction (AEC), defence, military & law enforcement, and healthcare & pharma verticals
- TCV metric includes VRONE sales in the media & communication vertical (powered by DELL WKS), Armani, Volkswagen, Mutti, Olivetti, and many more
- TCV sales largely generated by the Company's global distribution network, built over the last three years
- Company expects to accelerate its commercial activities during the fourth quarter, with significant commercial opportunities coming to fruition
- Despite the current European uncertainty, the Company confirms its FY22 revenue guidance of \$17 to \$19 million (compared to FY21 audited revenue of ~\$3.5 million)

OVERVIEW:

Vection Technologies has increased its fiscal year 2022 Total Contract Value (TCV) by ~30% to ~\$14 million. The increase in TCV is largely attributable to onboarding of clients within the architecture, engineering, and construction (AEC), defence, military & law enforcement, and healthcare & pharma verticals (industries).

AUDITED REVENUE, TOTAL CONTRACT VALUE (TCV) AND REVENUE GUIDANCE (FY21-FY22):


¹ Based on average FY22 to-date exchange rate of USD and EUR to AUD (Source: RBA).

VECTION TECHNOLOGIES LTD

ASX:VR1 | ACN: 614 814 041

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WEBSITE
www.vection-technologies.com
REGISTERED OFFICE

 Level 4, Building C, Garden Office Park, 355
 Scarborough Beach Road,
 Osborne Park WA 6017 - Australia

The Total Contract Value is a metric that combines all contracts executed with clients that the Company expects to deliver during the current fiscal year. It includes ~\$9 million in revenue delivered during the first half. Despite the European economic uncertainty linked to the ongoing conflict, the Company confirms the revenue guidance for FY22 of \$17 to \$19 million (compared to FY21 audited revenue of ~\$3.5 million).

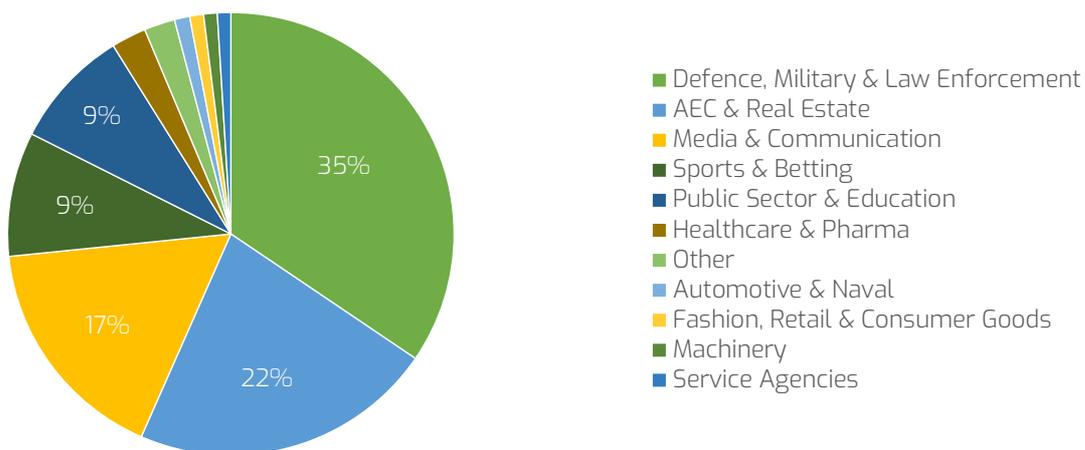
During fiscal year 2022, Vection Technologies has consolidated a large portion of previously announced initiatives with clients and partners, resulting in ~\$14 million in TCV. These include, among others:

- **VRONE sales in the media & communication vertical** (ASX: 12 October 2020): VRONE is a powerful virtual reality (VR) integrated solution for enterprises' digital future. It is powered by DELL's WKS hardware and Vection Technologies' real-time 3D and VR software suite.
- **Armani** (ASX: 29 June 2020): one of the leading global fashion houses.
- **Olivetti** (ASX: 19 November 2020): the IoT digital farm of TIM Group (BIT:TIT), the leading telecommunications operator in Italy.
- **Trenitalia** (ASX: 26 November 2020): one of the leading railway operators in Europe and the primary train operator in Italy.
- **MUNER** (ASX: 16 March 2020): MUNER is an association that synergistically connects universities and automakers including: Automobili Lamborghini, Dallara, Ducati, Ferrari, Haas F1 Team, HPE Coxa, Marelli, Maserati and Scuderia Alpha Tauri.
- **Mutti** (ASX: 23 December 2020): an agri-food processing leader.
- **Volkswagen** (ASX: 11 May 2020): a German multinational automotive manufacturer.

This list does not include clients onboarded during the last nine months within the healthcare & pharma, AEC and other verticals. The TCV generated during fiscal year 2022 is largely generated by indirect sales activities, deriving from the global distribution network developed by the Company during the last three years.

The Company will provide more information on these contracts as they become individually material or as the individual commercial opportunities materialise beyond the initial scope.

FY22 TOTAL CONTRACT VALUE (TCV) BREAKDOWN BY VERTICAL (in %):



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Vection Technologies anticipates to significantly accelerate its sales activities during the fourth quarter, as core commercial initiatives are expected to conclude in the coming months. These activities are expected to deliver the FY22 revenue guidance of \$17 to \$19 million, while creating a strong foundation for the Company's continued growth in FY23.

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 and COO (Australia Based)
Email: gianmarco.orgnoni@vection-technologies.com
Phone: +61 8 6380 7446

ABOUT VECTION TECHNOLOGIES:

Vection Technologies Ltd (ASX:VR1) is a global technology company driving enterprises' digital transformation via the adoption of its unique **INTEGRATEDXR™** solutions.

DIGITAL EVOLUTION:

Thanks to a strong vertical expertise and proprietary **INTEGRATEDXR™** solutions, Vection Technologies supports the most complex digital transformation projects to create long-term customer value. A unique methodology and skillset support businesses' evolution towards Industry 4.0 and the metaverse to come.

ONE GLOBAL VENDOR:

Our **INTEGRATEDXR™** vision makes us the one ideal partner to guarantee long term success for our customers' production processes, across industries and geographies. From digital communication technologies and computing, to virtual and augmented reality, we create enterprise solutions that support the Design, Production and Sales processes up to After-Sales, reducing costs and increasing production efficiency to improve time-to-market.

DISRUPTIVE TECHNOLOGIES:

Meaningful investments in R&D continue to allow us to evolve our proprietary **INTEGRATEDXR™** solutions, from ICT and IoT to Augmented Reality and Virtual Reality, maintaining a strong competitive advantage for our enterprise customers embracing the digital transformation agenda, in anticipation of the metaverse to come.

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FOR MORE INFORMATION: 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, 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.

ASX release authorised by the Board of Directors of Vection Technologies Ltd.

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