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29 September 2025 Australia

ASX RELEASE

UPSIZED $21M PLACEMENT FOLLOWING STRONG DEFENCE SECTOR TRACTION & DXLABS ACQUISITION

Vection Technologies Ltd (ASX:VR1, OTC:VCTNY, FRA: S1X), ("Vection" or the "Company"), the INTEGRATED**XR**® company, is pleased to announce that overwhelming investor demand has enabled the Company to raise $21m. **Firm commitments were received via a single tranche Placement to institutional, sophisticated and professional investors** at A$0.06 per share (Offer Price) with approximately 350 million new fully paid ordinary shares to be issued under ASX Listing Rule 7.1 and 7.1A.

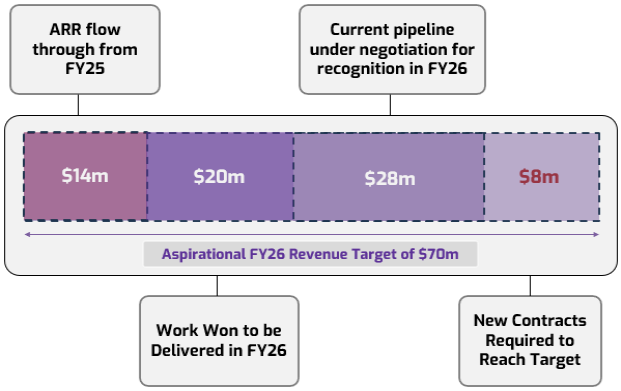
Alongside the Placement, **Vection is pleased to announce it has executed a binding offer to acquire 100% of Digital Experience Labs Pty Ltd** ("DXLabs"), a fast-growing Australian digital transformation and solutions business with enterprise customers in government, insurance and adjacent sectors. The **acquisition of DXLabs adds immediate revenue and EBIT** in Australia to Vection, strengthening APAC capability and unlocking cross-sell opportunities. More Information Is provided in a standalone announcement titled 'Vection acquires strategic, digital automation business'.

TRANSACTION HIGHLIGHTS:

- **$21M Upsized Placement** – Strong investor demand secured firm commitments at A$0.06 per share, a 6.69% discount to Vection's 15D-VWAP, boosting Vection to a record net cash position.
- **DXLabs Acquisition** – Binding offer to acquire 100% of DXLabs, adding immediate revenue and EBIT in Australia and unlocking APAC cross-sell opportunities.
- **Expanding Sales Pipeline** – Updated pipeline under negotiation of ~$75M, supported by the NATO framework agreement being upsized to a potential $47M and growing defence sector traction.
- **Foundation for Growth** – Funds allocated to international sales expansion, debt reduction, working capital and positioning Vection to pursue large contracts.

SUMMARY:

This strategic equity financing reflects confidence in Vection's evolving AI-driven recurring-revenue strategy, defence sector exposure and the encouraging cash flow progress noted in the annual results. **Vection's recent sales momentum has resulted in an updated sales pipeline, currently under negotiation, of ~$75m**. Importantly, the Company is now in **a strong net cash position,** providing a strong foundation to tender for large contracts and execute on their sales pipeline. Vection's aspirational revenue targets (see announcement dated 8 August 2025) are underpinned by client retention, pilot program expansions and cross selling opportunities, which is demonstrated in the **framework agreement with a repeat NATO-approved customer being upsized to a potential $47m** (see announcement dated 22 September 2025).



VECTION TECHNOLOGIES LTD

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

WEBSITE

www.vection-technologies.com

GLOBAL OFFICES

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REGISTERED OFFICE

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

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TRANSACTION DETAIL

Vection completed an equity financing of A$21M via a single tranche, non-underwritten, Placement of approximately 350 million fully paid ordinary shares to institutional, sophisticated and professional investors, under ASX Listing Rule 7.1 (in relation to 169,371,176 new shares) and 7.1A (in relation to 180,628,824 new shares).

The strong institutional interest, at an Offer Price of A$0.06 that represents a 6.69% discount to Vection's 15D-VWAP of $0.0643, highlights the quality and scale of Vection's Integrated software potential, managements execution capabilities and sales pipeline. No broker or investor options were issued as part of the Placement.

Use of funds:

Management has confirmed that **funds from the Placement will be applied towards**:

- Increased business development capabilities to drive international expansion within defence, retail and healthcare;
- Assessment of value-accretive opportunities;
- Debt repayments; and
- Working capital and costs of the Offer.

Evolution Capital acted as Joint Lead Manager and Sole Bookrunner to the Placement. Canaccord Genuity (Australia) Limited and Peloton Capital also acted as Joint Lead Managers to the Placement. Further details regarding the Placement are set out in the Appendix 3Bs of today's date.

INDICATIVE TIMETABLE:

Trading halt lifted and announcement of Equity Raising Presentation, completion of Placement and Acquisition	**Monday, 29 September 2025**
Settlement of New Shares issued under the Placement	**Friday, 3 October 2025**
Issue and commencement of trading of New Shares issued under the Placement	**Monday, 6 October 2025**

**The timetable is indicative and subject to change without notice.*

COMMENTARY

Gianmarco Biagi, Managing Director of Vection Technologies, said:

"We are very proud and satisfied with the result achieved in a very short time, raising $21 million in capital. We extend our thanks to the management team and the entire advisory team who supported this important operation, which will aim to invest and therefore grow very quickly in the defense, retail, and healthcare sectors, with vertical investments in technology, management, and international expansion for Vection's short-medium term growth."

AUTHORISATION:

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

ENDS

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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

Lorenzo Biagi - Executive Director (Europe Based)
Email: lorenzo.biagi@vection-technologies.com

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 and is also listed on Germany's Frankfurt Stock Exchange under the ticker S1X.

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

ABOUT DXLABS:

DXLabs helps enterprise and government organisations build scalable and sustainable automation into their processes leveraging modern no-code. It partners with modern enterprise solutions like Workato, Decisions, ServiceNow, AWS, Microsoft, Riverbed and more, with published case studies for Money3, Fidelity Life, Solution Underwriting (CFC) and others across ANZ.

For more information, please visit: https://dxlabs.com.au

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.