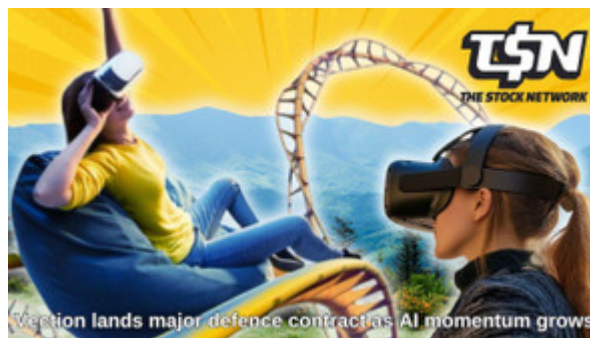




Vection lands major defence contract as AI momentum grows

[Vection Technologies](#) (ASX: VR1), a specialist in immersive and extended reality (XR) solutions, has nailed down a \$4 million contract extension with an existing client in the defence sector. The agreement follows two other recent contract wins with the same customer. The broadened agreement relates to large-scale, distributed infrastructure design which enables real-time data processing and analysis for the client. It comprises [artificial intelligence](#) (AI) software powered by global tech titan, Dell Technologies.



Growing traction in defence sector

Management believes the expanded partnership represents a major milestone for Vection's defence-focused portfolio. It shines a light on the group's ability to enhance national security efforts by integrating cutting-edge AI capabilities with improved data enrichment, retention, and correlation.

More specifically, the agreement highlights the company's growing reputation in the delivery of secure and scalable AI and XR solutions for intelligence and law enforcement applications. It also points to growth with repeat clients and builds momentum for Vection's new AI capability, as well as its partnership with Dell. The full value of the binding agreement is expected to be recognised in the 2025 financial year (FY25).

Vection Technologies managing director, Gianmarco Biagi, commented:

“Our alignment with Dell Technologies further exemplifies the value of collaborative partnerships with industry leaders. Together, we are dedicated to pushing the boundaries of real-time data processing and driving meaningful innovation for high-performance intelligence

and law enforcement operations.”

Strategic partnership with Dell

Vection teamed up with Dell in October last year to launch the company’s ‘Algho’ AI-driven Virtual Assistant platform in the ‘Europe, Middle East, and Africa’ market.

This strategic partnership enables Vection to access Dell’s wide market reach and collaborate on joint marketing initiatives and co-hosting opportunities at major international events.

It also strengthens the company’s position in AI and spatial computing, and helps to amplify visibility and potential market adoption of Vection’s broader ecosystem of products.

Improving financial performance

Vection has secured a series of notable contract wins since launching Algho in partnership with Dell. These include a \$1.6 million deal with Brexia Med, a \$700,00 agreement with KIOSK, and a \$500,000 arrangement with RCM Italia.

In turn, the company reported a strong set of numbers during the second quarter of FY25 showcased by an operating net cash flow positive result for what has historically been the weakest three-month period for the group.

Vection also generated \$17.4 million in revenue on a pro-forma basis during the first half of FY25. This represents a sturdy 60 per cent jump from the previous corresponding period.

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