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23 October 2023

Dear Shareholder

NON-RENOUNCEABLE PRO-RATA ENTITLEMENT OFFER – NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On Friday, 13 October 2023, Vmoto Limited (ABN 36 098 455 460) (the **Company**) announced that it was conducting a 1 for 4 pro rata non-renounceable entitlement offer (**Entitlement Offer**) of new fully paid ordinary shares in the Company (**New Shares**), to raise up to approximately A\$10.8 million (before costs), at a price of A\$0.15 per New Share.

The proceeds of the Entitlement Offer will be used for the building of manufacturing facilities in Nanjing, China to increase the Company's production capacity, planning to jointly invest with a Thailand partner for a locally based company to build a manufacturing facility in Thailand, undertaking acquisitions of interests in distributors for direct sales and general working capital of the Company and costs of the Entitlement Offer. Please refer to the Company's announcement and prospectus lodged with ASIC and the ASX on Friday, 13 October 2023 in respect of the Entitlement Offer (**Prospectus**) for further details.

This notice is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

Details of the Entitlement Offer

The Entitlement Offer comprises an offer to Eligible Shareholders (as defined below). The Prospectus sets out further details in respect of the Entitlement Offer.

Eligibility criteria

The Company has determined, pursuant to section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(a), that it would be unreasonable to make offers to shareholders outside of Australia, New Zealand, China, Italy or Hong Kong in connection with the Entitlement Offer.

The restrictions upon eligibility are due to a number of factors, including the small number of shareholders in each of those countries, the number and value of fully paid ordinary shares in the Company those shareholders hold and the cost of complying with the applicable laws and regulations and the requirements of any regulatory authority in jurisdictions outside Australia, New Zealand, China, Italy and Hong Kong.

Eligible Shareholders are those persons who:

- (a) are registered as holders of existing Shares as at 5:00pm (AWST) on Wednesday, 18 October 2023 (**Record Date**);
- (b) as at the Record Date, have a registered address in Australia, New Zealand, China, Italy or Hong Kong on the Company's share register or are persons that the Company has otherwise determined are eligible to participate in the Entitlement Offer; and

- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold Shares for the account or benefit of such person in the United States).

Shareholders who are not Eligible Shareholders are ineligible shareholders (**Ineligible Shareholders**) and are consequently unable to participate in the Entitlement Offer.

Accordingly, in compliance with section 9A(3) of the Corporations Act and Listing Rule 7.7.1(b), the Company wishes to inform you that you are an Ineligible Shareholder and it will not be extending the Entitlement Offer to you, the Company will not be sending a copy of the Prospectus to you and you will not be able to subscribe for New Shares under the Entitlement Offer.

Further details in respect of the Entitlement Offer (including details of eligibility) can be found in the Prospectus and on the ASX market announcements platform (www.asx.com.au).

Non-renounceable offer

As the Entitlement Offer is non-renounceable, no amount will be payable by you. You will not receive any value for these entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Shareholder and will be diluted as a result of the Entitlement Offer.

Further information

If you have any queries regarding the Entitlement Offer, please contact the Company's share registry, Computershare, by phone on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time) Monday to Friday during the Entitlement Offer period.

For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

Thank you for your continued support of the Company and I trust you understand the Company's position on this matter.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Charles Chen'.

Mr Charles Chen
Managing Director

IMPORTANT NOTICE AND DISCLAIMER

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company. The Company and its respective related bodies corporate (as defined in the Corporations Act) and affiliates and its respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in the Company.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this document is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional adviser.

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*This letter may not be released to US wire services or distributed in the United States or in any other jurisdiction in which such an offer would be illegal. This letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Accordingly, entitlements under the Entitlement Offer may not be taken up by, and the New Shares may not be offered or sold to persons in the United States or any person that is acting for the account or benefit of a person in the United States, except in transactions that are exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable securities laws of any state or other jurisdiction of the United States. The New Shares will only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of a person in the United States.*

IMPORTANT NOTICE TO NOMINEES

Due to legal restrictions, you must not send copies of this letter nor any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia, New Zealand, China, Italy or Hong Kong without the consent of the Company. Failure to comply with these restrictions could result in violations of applicable securities laws.