



MARKET UPDATE

ANNOUNCEMENT

16 MARCH 2020

Vmoto Limited (ASX: VMT), the global scooter manufacturing and distribution group specialising in electric powered two-wheel vehicles, provides the following update on its operations thus far into 2020.

Highlights

- **New exclusive distributors appointed in Paraguay, United Arab Emirates, Peru, Russia, Serbia, Kosovo, Montenegro, Bosnia, Herzegovina, Macedonia and Albania, expanding international distribution. Discussions and samples shared with a significant number of potential new customers**
- **Additional order secured for 2,000 units of Vmoto's ride sharing products, with deposits received from Netherlands ride-sharing partner, Go Sharing. Production remains on track and delivery will commence at a mutually agreed time**
- **Further 300 units of ride-sharing electric scooters delivered to Zig Zag Italy, following an initial order of 170 units delivered in 2Q19**
- **Vmoto and its partners have participated in a number of international marketing events which have proven commercially beneficial and provided a large number of business development leads and sales**
- **Vmoto's manufacturing facility remains fully operational and manufacturing is unaffected in light of the Covid-19 outbreak**

International Distribution

The Company has successfully signed a number of exclusive distribution agreements with international distributors across Paraguay, United Arab Emirates, Peru, Russia, Serbia, Kosovo, Montenegro, Bosnia, Herzegovina, Macedonia and Albania for the warehousing, distribution and marketing of its B2C range of electric two-wheel vehicle products.

Paraguay

RTS Risk Trade Services S.A. ("RTS") a Paraguayan based distributor is part of AIB Group and is focused on offering products that involve sustainability, clean energy and environment protection. RTS specifically targets the "Generation Z" market and aims to protect the planet by providing clean, green and sustainable energy.

United Arab Emirates (UAE)

Plug Motors LLC is UAE company headquartered in Dubai that operates in the car rental sector. It is a leading car rental company with over 10,000 units on the roads in Dubai and giving it approximately 70% of the market share in Dubai.

Peru

Enercity SAC (“Enercity”) is an electric mobility company with over 45 distributors and dealers across Peru. Enercity is extremely experienced within the electric mobility market and has significant experience in electric engineering. Enercity is focused on distributing products with original branding.

Russia

iSputnik LLC is a Russian company that operates electric transportation stores and focuses on selling electric vehicles in Russia. iSputnik stores sell over 15 different types of electric vehicle products and occupies a leading position in the Russia markets for high quality and reliable products.

Serbia, Kosovo, Montenegro, Bosnia, Herzegovina, Macedonia and Albania

Iris Mega d.o.o (“IM”) is a Serbian company founded in 1995 and headquartered in Belgrade, Serbia, which engages in distributing IT and smart products. IM is part of ComputerLand Group of Companies that have year-on-year growth for 25 years and reaches turnover of Eur54.5m in 2018.

Ride-Sharing Operations

Go Sharing, Netherlands

Manufacturing of the 2,000 additional ride sharing scooters for Go Sharing, Netherlands remains on track and delivery is expected to commence in the coming weeks. This follows the Company securing the order for additional units in January 2020.

The Company remains in continuous communication with Go Sharing, Netherlands and the parties are working closely together to ensure the timely delivery of its ride sharing scooters to occur.

Go Sharing was founded by Greenmo Rent BV, an expert in rental and delivery operations and has been Vmoto’s exclusive B2B partner in the Netherlands for more than five years. Greenmo Rent is backed by Rabobank, the third largest retail bank by market share and second largest by number of current accounts in Netherlands.

Zig Zag, Italy

In March 2020, Vmoto successfully delivered 300 units of its ride-share electric scooters to Zig Zag Italy for its expanding operations in Italy. This follows the delivery of approximately 170 initial units of ride-share electric scooters to Zig Zag Italy in 2Q19.

Vmoto is also in discussion with a number of potential sharing customers in Brazil, Bulgaria, Czech Republic, Mexico, Slovakia, Spain and Turkey.

Vmoto's Marketing Activities

Vmoto and its international distributors have actively organised and participated in a number of marketing activities since January 2020 including exhibitions, test ride events and launch events to promote and market Vmoto's products.

These marketing activities include:

Events	Date	Place
1. 2020 Brussels Motor Show	10-19 Jan 2020	Brussels, Belgium
2. Chile TV propaganda	10 Jan 2020	Chile
3. England Newark Show	11-12 Jan 2020	Nottinghamshire, UK
4. Soco TC Ride Over Taiwan Island Event	14-21 Jan 2020	Over Taiwan Island
5. Vienna Auto Show	16-19 Jan 2020	Vienna, Austria
6. MP 20 Motorcycle Show	31 Jan – 2 Feb 2020	Helsinki, Finland
7. Netherlands Moteo Dealers Conference	1-7 February 2020	Nijkerk, Netherlands
8. Opening of Soco Store in Lyon, France	2 Feb 2020	Lyon, France
9. 2020 Moto-Austria Exhibition	7-9 Feb 2020	Wels, Austria
10. India Auto Expo	7-12 Feb 2020	Greater Noida, India
11. Opening of Soco Store in Paris, France	9 Feb 2020	Paris, France
12. Super Soco Cpx Launch Event	9 Feb 2020	Paris, France
13. Intellektika Trade Show	13 Feb 2020	Tartu, Estonia
14. Swiss Moto Exhibition	20-23 Feb 2020	Zurich, Switzerland
15. Test ride event at Circuit Ricardo Tormo	22 Feb 2020	Valencia, Spain
16. Test ride event	27 Feb 2020	Fukuoka, Japan
17. Motorbike Istanbul Exhibition	27 Feb 2020	Istanbul, Turkey

Impacts on Vmoto operations from Covid-19

VMT provided an update to the market regarding operations at its Nanjing manufacturing facility on 13 February 2020 in light of the Covid-19 outbreak. Since release of that announcement, the Company's manufacturing facility has remained **fully operational and manufacturing has been unaffected**. This followed a successful inspection by the Nanjing Government in which all health and virus precautionary requirements were met.

Vmoto's factory was among the first batch of enterprises in Nanjing to receive approval for continued operation from the Government and the Company has employed a strict and ongoing testing regime to protect the health of our employees and ensure our operations remain unaffected.

The Company is pleased to advise that to date in FY2020, demand for Vmoto's products remains strong globally. International distributors have committed to FY2020 business planning and deposits for sales orders have already been received from these distributors.

Vmoto advises that it has implemented some mutually agreed short-term delays to delivery schedules to some European distributors in order to adhere to European guidance and restrictions around Covid-19 and to ensure safety precautions are met. The Company does not expect these delays to materially impact FY2020 financial performance.

The Company has low fixed costs and the ability to implement aggressive cost reduction initiatives quickly if required and is therefore well placed to counter any unexpected circumstances that may arise from Covid-19.

The Company continues to closely monitor the potential impact of the Covid-19 outbreak and will provide updates as required.

Authorised by the Board of Vmoto Limited.

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About Vmoto

Vmoto Limited (ASX: VMT) is a global scooter manufacturing and distribution group. The Company specialises in high quality “green” electric powered two-wheel vehicles and manufactures a range of western designed electric scooters from its low-cost manufacturing facilities in Nanjing, China. Vmoto combines low cost Chinese manufacturing capabilities with European design. The group operates through two primary brands: E-Max (targeting the Western B2B markets, with a premium end product) and Super Soco (targeting the Western B2C markets).

Vmoto’s Social Media

Vmoto is committed to communicating with the investment community through all available channels including social media. Whilst ASX remains the primary channel for all material announcements and news, all Vmoto shareholders, investors and other interested parties are encouraged to follow Vmoto on website (www.vmoto.com), Facebook (www.facebook.com/vmosoco), Instagram (www.instagram.com/vmosoco) and YouTube (Vmoto Soco).

Forward Looking Statements

Forward looking statements are based on current expectations and are not guarantees of future performance, involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company. Actual results, performance or achievements may vary materially from any forward looking statements. Although the Company believes that assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect in hindsight and, therefore, there can be no assurance that matters contemplated in the forward looking statements will be realised. Accordingly, readers are cautioned not to place undue reliance on forward looking statements, which are current only as at the date of this announcement.



Photo: Test ride event held at Circuit Ricardo Tormo, Valencia, Spain on 22 February 2020 together with Vmoto's Super Soco brand ambassador, Mr Dario Marchetti



Photo: Vmoto's Belgium distributors exhibited in the 2020 Brussels Motor Show, held in Brussels, Belgium during 10-19 January 2020



Photo: Vmoto's Austrian distributors exhibited in the 2020 Moto-Austria Motorcycle and Scooter Fair, held in Wels, Austria during 7-9 February 2020. The Moto-Austria Exhibition was attended by approximately 43,480 visitors and have 140 exhibitors from 7 nations.



Photo: New Soco Store in Lyon, France opened on 2 February 2020



Photo: New Soco Store in Paris, France opened on 9 February 2020



Photo: New Super Soco Cpx launch event held in Soco Store in Paris, France



Photo: Vienna Auto Show held in Vienna, Austria during 16-19 January 2020



Photo: Motorbike Istanbul Exhibition held in Istanbul, Turkey during 20-23 February 2020