



VMOTO RAISES \$1.25 MILLION IN PLACEMENT AND ANNOUNCES SHARE PURCHASE PLAN

ANNOUNCEMENT

12 JANUARY 2018

The Board of Directors of Vmoto Limited (ACN 098 455 460) (**Company**) announces an equity capital raising of \$2 million (before costs) comprising of a placement to raise \$1.25 million (**Placement**) and a Share Purchase Plan (**SPP**) to raise a further \$750,000. The funds raised pursuant to the capital raising are to be used:

- (a) to facilitate the expansion of the Company's European distribution network, and European warehouses to accelerate sales into European markets;
- (b) to expand the Company's international B2B leasing business; and
- (c) to meet the costs of the Placement and the SPP.

The Company has received firm commitments from various investors to raise \$1.25 million via the issue of 22,727,273 fully paid ordinary shares (**Shares**) at an issue price of \$0.055 per Share (**Issue Price**). The Placement will be undertaken utilising the Company's existing ASX Listing Rule 7.1 annual placement capacity.

The Issue Price represents a 10.1% discount to the volume weighted average market price (VWAP) of Shares over the last 5 days on which sales were recorded on the ASX immediately prior to the date of this announcement.

The Company will also offer existing eligible shareholders the opportunity to acquire Shares at the same issue price as the Placement pursuant to the SPP to raise an additional \$750,000 (before costs) via the SPP (see below for further details).

Vmoto's Managing Director, Mr Charles Chen, said "We are delighted with the level of support received for this equity raising, which will introduce new shareholders to our register who can see the opportunities now unfolding in the two-wheeler transport market, especially in Europe. It also provides existing shareholders with the opportunity to increase their holdings and exploit the same opportunity."

"As we announced on 24 November 2017, we have been considering options to further accelerate Vmoto's penetration into international B2B delivery, fleet, renting and sharing markets, with an initial focus on Europe. These funds will be used towards the expansion of our European distribution network, expansion of our warehouse in Europe to accelerate sales into European markets, as well as assisting in expansion of the international B2B leasing business."

"We look forward to updating our shareholders on our progress with these initiatives in due course."



ASX/AIM CODE: VMT

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The Company expects to issue the Placement Shares on or around 17 January 2018.

The Company has not incurred any brokerage or commission fees in relation to the Placement. Subject to shareholder approval (which is expected to be sought at the Company's Annual General Meeting in May 2018) or the Company otherwise having capacity to issue sufficient equity securities under the ASX Listing Rules, the Company has agreed to issue free attaching options to participants in the Placement (**Options**). Placement participants will be entitled to be issued one (1) Option for every five (5) shares subscribed for under the Placement. The Options will be issued in two tranches, with one half of the Options having an exercise price of \$0.065 and the other half having an exercise price of \$0.085. The Options will have an expiry date of 3 years after issue.

Share Purchase Plan

The Company is seeking to raise a further \$750,000 (before costs) via an SPP. The SPP will allow all eligible shareholders to subscribe for up to \$15,000 worth of new Shares at the issue price of \$0.055 per Share. If total SPP applications received are in excess of \$750,000, the Directors reserve the right to accept oversubscriptions or to scale back applications in their absolute discretion.

Participation in the SPP is entirely optional. Shareholders whose registered address is in Australia, New Zealand or a jurisdiction where, in the opinion of the Board, it is lawful and reasonable practical to extend the SPP according to the laws of that jurisdiction, as at 5.00pm (WST) on the Record Date of 11 January 2018 (**Eligible Shareholders**) will be offered the opportunity to subscribe under the SPP for up to \$15,000 worth of Shares (subject to any scale back at the Company's absolute discretion) at an issue price of \$0.055 per Share. The issue price is free of brokerage and commission.

The proposed timetable for the SPP is detailed below:

Key Date	Event	Description
11 January 2018	Record Date	Date on which the Company determined the eligible shareholders
12 January 2018	Announcement Date	Date on which the SPP was announced by the Company
19 January 2018	Despatch Offer Document	Share Purchase Plan offer materials despatched to eligible shareholders
19 January 2018	Opening Date	Share Purchase Plan opens
9 February 2018	Closing Date	Share Purchase Plan closes. Applications must be received by 5.00pm (WST) on 9 February 2018
14 February 2018	Allotment Date	Shares allotted
15 February 2018	Quotation and Despatch Date	New Share statements sent to shareholders

The timetable is indicative only. The Company reserves the right to change the timetable at any time or cancel the SPP at any time before the new Shares are issued, subject to regulatory requirements.

Use of Funds

Funds raised pursuant to the Placement and SPP will be used:

- (a) to facilitate the expansion of the Company's European distribution network, and European warehouses to accelerate sales into European markets;
- (b) to expand the Company's international B2B leasing business; and
- (c) to meet the costs of the Placement and SPP.

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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: Vmoto (aimed at the value market in Asia) and E-Max (targeting the Western markets, with a premium end product). As well as operating under its own brands, the Company also sells to a number of customers on an original equipment manufacturer (“OEM”) basis.