



27 July 2021

Vmoto's 2Q21 Market Update

Global electric vehicle company **Vmoto Limited (ASX: VMT)** (**Vmoto**, or the **Company**) is pleased to provide the following update on its activities for the quarter ended 30 June 2021 (**2Q21**), during which the Company again delivered strong operational and commercial performance, driven by increasing demand for the Company's products, particularly its B2B products.

Highlights

- **7,854 units in total sold in 2Q21, up 23% on 2Q20 and up 152% on 2Q19**
- **International sales of 7,503 units for 2Q21, up 26% on 2Q20 and up 143% on 2Q19**
- **Positive operational cash flows for 2Q21**
- **Strong cash position of A\$16.5 million, with no bank debt as at 30 June 2021**
- **Firm international orders of 9,636 units at 30 June 2021 (after Greenmo Group order completed in 2Q21), providing a solid runway for FY21 sales**
- **New international distributors appointed, and ongoing discussions and samples shared with a significant number of potential new B2C and B2B customers in new markets**
- **Vmoto signed a sponsorship and marketing agreement to supply scooters and exhibit its brands at the world class electric motorcycle racing event, FIM ENEL MotoE World Cup ("MotoE") during the 2021-2023 seasons**
- **Vmoto successfully held its first "2021 Vmoto Soco ProDay" event at Misano World Circuit, which featured several world famous professional motorcycle racers**

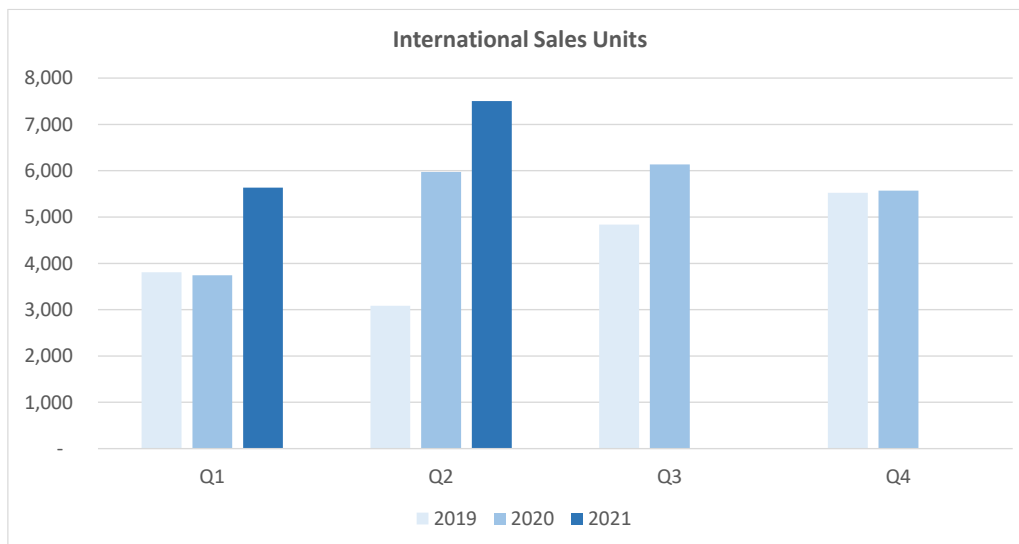
2Q21 Sales Performance

During 2Q21, Vmoto sold a total of 7,854 units, with more than 95% of units being sold into international markets, while just under 5% of units were sold into the Chinese market. Total international units sold in 2Q21 was up 26% on 2Q20 and up 143% on 2Q19, demonstrating continued strong momentum in the business.

Vmoto's total international unit sales of 13,139 units in H1 FY21 exceeded the H1 FY21 international unit sales (excluding China) of 11,975 units ¹ reported by its main competitor, Niu Technologies, validating Vmoto's leading market position and competitiveness in the international markets.

The chart below illustrates the Company's historic unit sales into international markets, comparing Q1-Q4 quarters and total for the previous three financial years:

1. Source: Niu Technologies announcements.



Financial

As at 30 June 2021, the Company maintained a cash position of A\$16.7 million, with no bank debt.

The cash position of the Group remains strong enabling the Company to pursue identified growth initiatives. The total increase in cash held of A\$1.7 million since 31 December 2020 is largely a result of the positive operational cash flow achieved in 1Q21 and 2Q21.



Photo: Opening of Super Soco store at MWC Square at Misano World Circuit alongside world's famous motorcycle brands that allow Vmoto and its products to increase visibility with fans from all around the world. As manufacturer and international sales and marketing agent for Super Soco B2C products, Vmoto is proud to be behind the only 100% electric vehicle company in the Misano World Circuit



Order Book

As at 30 June 2021, the Company had firm international orders for 9,636 units. This is after the significant B2B order of 5,904 units secured from Greenmo Group in January 2021, which was fully delivered in 2Q21, providing a solid runway for FY2021 sales growth.

The Company expects sales to continue to increase with repeat orders from its existing customers and additional orders from new customers around the world in 2H FY21 and beyond.

B2C and B2B segments continue to grow, delivering solid results

Vmoto's B2C product range continues to generate popularity and increased interest among motorcycle enthusiasts and other consumers alike. Pleasingly, B2C distributors for Vmoto continue to expand their retail presence with the opening of Super Soco flagship stores and corner shops.



Photo: Vmoto's new B2C dedicated store in the Dominican Republic

Vmoto's B2B products also continue to receive significant increased interest from food delivery, parcel delivery and ride-sharing operators, which the Company is actively pursuing.

B2B ride-sharing markets: The Company is now supplying products to **seven** ride-sharing operators globally and is in advanced discussions with an additional sixteen ride-sharing operators.

B2B delivery markets: The Company is currently supplying products to **thirteen** delivery customers and is in discussions with an additional seventeen potential new customers operating in this market segment.





Photo: Vmoto's E-Max B2B products in operation and partnership with Helbiz Kitchen to bring the best eco-sustainable food delivery experience.

Collaborations

The Company is actively exploring opportunities to collaborate with world-renowned brands and companies in the mobility industry, with a view to replicating its Ducati partnership. This is in addition to the ongoing engagement with Ducati regarding a potential new license agreement and other associated opportunities.

The Company is also in discussions with a number of business groups in terms of extending their business to include electric two-wheel vehicles and incorporate some of their products into Vmoto's electric two-wheel vehicle and distribution network, which has the potential to substantially enhance the Company's product offerings and business reach around the world.

International Distribution

In 2Q21, the Company signed and renewed distribution agreements with international distributors across Indonesia, Mauritius, Bolivia, Czech Republic, Brazil, Cayman Islands, Azerbaijan for the warehousing, distribution and marketing of its B2C range of electric two-wheel vehicles. Subsequent to quarter end, Vmoto also signed and renewed distribution agreements with international distributors in Indonesia and Maritius.

Vmoto has also supplied samples to and/or is in discussions with a number of potential B2C and B2B distributors and customers in Austria, Bahrain, Bangladesh, Bulgaria, Denmark, Guatemala, Georgia, Greece, India, Korea, Rwanda, Malaysia, Mexico, Pakistan, Portugal, Puerto Rica, Russia, Saudi Arabia,





Singapore, Slovenia, South Africa, Spain, Switzerland, Thailand, United Arab Emirates, Ukraine and United States.



Photo: Vmoto's special guest, Mr Jorge Lorenzo, five times MotoGP World Champion, attended Vmoto's first 2021 ProDay event showcasing Vmoto's brands

Vmoto drives European sales with MotoE agreement

As announced on 15 June 2021, Vmoto signed a sponsorship and marketing agreement to supply scooters and exhibit its brands at the world class electric motorcycle racing event, FIM ENEL MotoE World Cup ("MotoE") during the 2021-2023 seasons.

MotoE, part of MotoGP, is a world class motorcycle racing event that uses only electric motorcycles. MotoE hold seven racing events per year in conjunction with the MotoGP World Championship across Spain, France, the Netherlands, Austria and San Marino and these events attract more than 158,000 on-track spectators as well as millions of viewers via the live TV broadcast.

Under the terms of the agreement, Vmoto will be the Scooter Supplier of MotoE at all events during the 2021-2023 seasons. Vmoto will also advertise, exhibit and display the Company's brands via MotoE's official website (www.motogp.com/en/FIM+Enel+MotoE+World+Cup), season report book and Dorna's annual review.

Sponsorship and marketing of MotoE racing events represents a significant opportunity for Vmoto to generate large amounts of additional exposure amongst potential new customers as well as potential future B2B partners.





Photo: Vmoto and MotoE ceremony for official signing of sponsorship and marketing agreement, and Vmoto's products at FIM Enel MotoE World Cup circuits and events, ensuring personnel at MotoE World Cup can get around the circuits reliably, efficiently and with zero emissions.





2021 Vmoto Soco ProDay Event

On 13 July 2021, Vmoto held its first 2021 Vmoto Soco ProDay at the Misano World Circuit, which featured many of Vmoto's partners and professional riders who are passionate about motorcycles and some world famous motorcycle racers including world champion Mr Jorge Lorenzo, Mr Michele Pirro, Mr Dario Marchetti, Mr Marco Lucchinelli, Mr Massimo Roccoli and Mr Gianfranco Guareschi.

During the event, Vmoto's world brand ambassador and professional motorcycle racing coach, Mr Dario Marchetti, briefed attendees and revealed some of the racing track's secrets, trajectories and small tricks to save a few tenths of a second on best lap.

Graziano Milone, Vmoto's president of strategy and business developments, said "I am very happy with the success of Vmoto Soco ProDay and we hope to hold this event again next year with more professional riders and partners of Vmoto Soco".

The circuit at Misano World Circuit was also enriched by the presence of many renowned brands of the sector that wanted to be present at such an important event as well as offering assistance to riders.

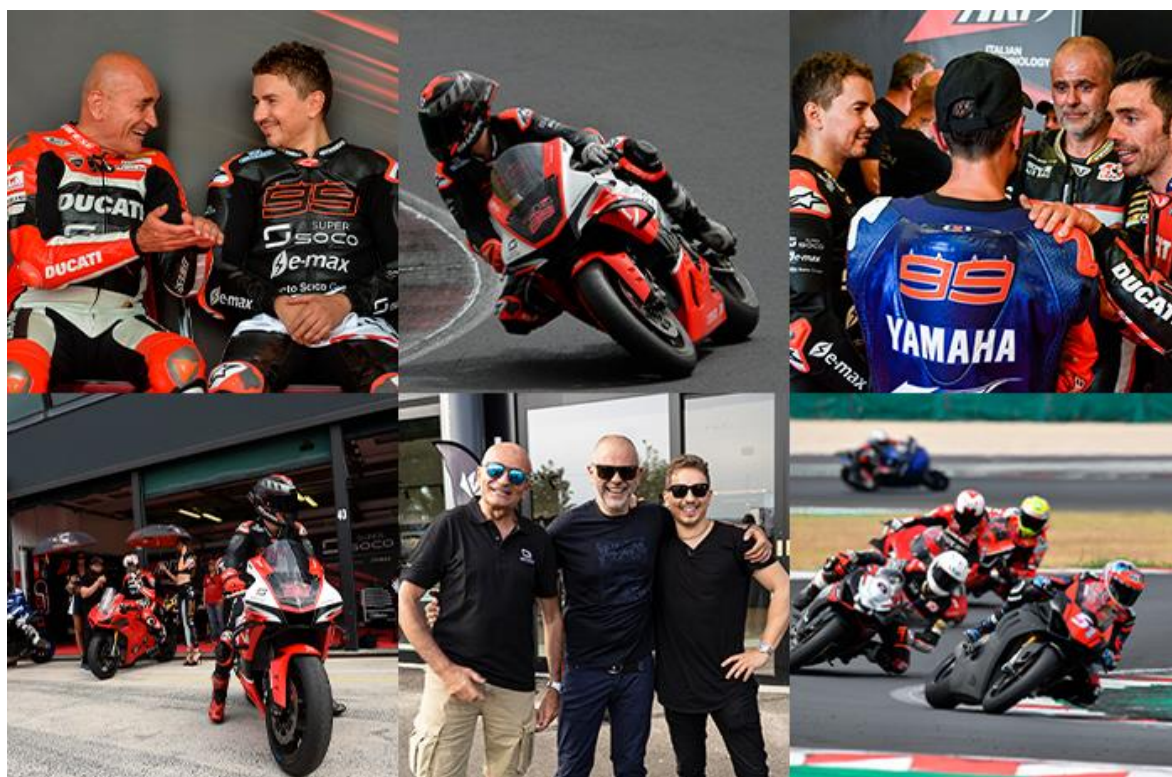




Photo: Vmoto's first 2021 Vmoto Soco ProDay event held at Misano World Circuit on 13 July 2021

Bird Group, India

As announced on 15 March 2021, the Company signed an MoU with one of India's largest travel technology companies, Bird Group, regarding the potential exclusive distribution of VMT's CUX and CUmini range of two-wheel electric vehicles (EVs) across India.

Vmoto continues to work with Bird Group to advance the MoU. Bird Group remains committed to the MoU and is working on business plans for distributing Vmoto's B2C CUX and CUmini range of electric two-wheel vehicles across India. Given the recent Covid-19 pandemic in India, the Company expects the finalisation of the proposed exclusive distribution agreement to be delayed and the Company is closely monitoring and in regular discussions to support Bird Group.

Australia and China Trade Relations

In response to recent enquiries from some Vmoto shareholders regarding the potential impact of trade relations between Australia and China, Vmoto would like to advise that the Company's business has not to date been affected. Vmoto currently manufactures its products in its fully-owned manufacturing facility in Nanjing, China and exports directly into international markets, including over 50 countries, mainly in Europe.





China is supportive of high-tech companies like Vmoto who focuses on producing two-wheel electric vehicles and export to international markets including Europe, Asia and South America. Vmoto is in a good position through its Chinese based manufacturing facility and management believes it would be unlikely to be affected by any worsening of trade relations between Australia and China.

Outlook

Vmoto continues to execute on its strategy of selling high performance and value electric two-wheel vehicles into international markets and continues to build both its B2B and B2C distribution network worldwide.

The Company continues to focus on expanding its product range to extend its reach and appeal to a broader spectrum of the market for electric vehicle users, including developing new products and collaborate with renowned brands and companies to incorporate some of their products and technologies into Vmoto's electric two-wheel vehicles and distribution network, which substantially enhance the Company's product offerings and business reach around the world.

Additionally, Vmoto is evaluating and developing a new electric delivery three-wheel vehicle in consultation with its existing and new B2B customers, and is in discussions with a top European industrial design company with the objective of developing new electric two-wheel vehicle models to further enhancing the Company's product range.

The global focus on mitigating the impacts of climate change and the transition towards electric vehicles provides Vmoto with a strong platform from which to accelerate its growth. As a result, the Company has broadened its commercialisation strategy and is confident it will be able to continue delivering strong sales and revenue growth in the coming year and beyond.

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The announcement was approved for release by the Board of Vmoto Limited

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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.

Shareholders Communications

Vmoto is committed to communicating with its shareholders regularly and efficiently and encourage shareholders to adopt electronic form of communication channels. Shareholders can update its communications methods by going to www.computershare.com.au/easyupdate/VMT.

