



VMOTO LAUNCH NEW MODELS OF ELECTRIC TWO WHEEL VEHICLES IN CHINA

ANNOUNCEMENT

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Highlights

- **Vmoto launches six new models into the Chinese domestic market**
- **Significant interest already generated from Chinese distributors and dealers**
- **Gross margins of Vmoto new electric two wheel products expected to be up to 16%; higher than current PowerEagle production**
- **China the largest market for electric two wheel vehicles in the world by far – 30 million units in 2012 (Source: 2012-2015 China Electric Two Wheel Vehicle Industry Research Report, published 13 November 2012)**

Vmoto Limited (“Vmoto” or “the Company”) is pleased to announce that after nine months of development and testing, it has officially launched the first batch of six new models of electric two wheel vehicles in China (see pictures and specifications below). These new models are updated versions of Vmoto’s E-Max classic 80S and 120S electric scooters and newly developed electric two wheel vehicle models. These models have been developed to specifically target the Chinese market, the design being modern and fashionable at reasonable costs.

Recently, the Company has, with its supplier, co-exhibited 3 new electric two wheel vehicle models in central areas of China to promote Vmoto and its products. Vmoto received significant interest from many Chinese distributors and dealers in the exhibition. Even though Vmoto is a relatively new player in the electric two wheel market in China, many Chinese distributors and dealers have already placed sample and initial orders with the Company. Many distributors and dealers are also visiting Vmoto’s manufacturing facilities in Nanjing, China to discuss further cooperation with the Company. Any material developments in relation to significant orders as a result from these discussions with distributors and dealers will be announced if and when appropriate.

As a result of the interest shown to date, the Company anticipates that sales of these models will have a positive impact on the current financial year. This is expected to compensate for the sales of the Company’s existing E-Max models which have been slower than expected as a result of the inclement winter experienced in Europe.



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The Chinese market

In the past ten years, China has been the largest electric two wheel vehicle market in the world, making up the majority of all global electric two wheel vehicle sales. In 2012, the annual sales of electric two wheel vehicles in China reached 30 million units and it is estimated the annual sales will increase to 40 million units in 2015 (Source: 2012-2015 China Electric Two Wheel Vehicle Industry Research Report, published 13 November 2012). The opportunity for Vmoto to sell large quantities of its own products in its place of operation is therefore both logical and potentially lucrative.

In many major Chinese cities, the government has commenced banning two wheel vehicles with internal combustion engines due to air pollution, noise pollution, safety and image of cities. Various measures have been launched in different Chinese cities to ban and restrict petrol motorcycles and scooters including suspending the issuance of new motorcycle licenses and banning the entrance of petrol motorcycles and scooters into certain downtown regions or major roads. These bans have been launched in more than 90 cities across China and present a major opportunity for Vmoto's electric products.


Vmoto has two major advantages in entering the Chinese market directly:


1. Vmoto's brand is internationally renowned; and
2. Vmoto's focus is on high quality and premium electric scooter products.


In order to accelerate the marketing of these new products, the Company will be participating in one of the largest electric two wheel vehicle exhibitions in China "Jiangsu Electric Two Wheel Vehicle Exhibition" to be held in Nanjing, China in October 2013.


Charles Chen, Managing Director of Vmoto, commented: "Whilst still being a relatively a new player in the Chinese market, the Company is very excited about the opportunities the Chinese market presents to increase production and sales at the factory. I wish to thank the R&D personnel who have contributed in developing the new models of electric scooter in the past few months and we look forward to seeing our own models on the roads of China in the coming months and years."


New Models of Electric Two Wheel Vehicles and Specifications


	Model:	COOL electric
	Battery type:	Silicone lead-acid
	Battery capacity:	48v/20ah
	Charging time:	6 hours
	Motor (max. power):	800w
	Speed:	35kmh
	Distance range:	45km

	Model:	T6
	Battery type:	Silicone lead-acid
	Battery capacity:	60v/28ah
	Charging time:	6 hours
	Motor (max. power):	2,000w
	Speed:	55kmh
	Distance range:	45km

	Model:	Mozhan
	Battery type:	Silicone lead-acid
	Battery capacity:	64v/20ah
	Charging time:	6 hours
	Motor (max. power):	1,000w
	Speed:	35kmh
	Distance range:	70km

	Model:	Light Xunying
	Battery type:	Silicone lead-acid
	Battery capacity:	48v/12ah – 48v/20ah
	Charging time:	6 hours
	Motor (max. power):	350w
	Speed:	35kmh
	Distance range:	35km – 55km

	Model:	80S (new version)
	Battery type:	Silicone lead-acid
	Battery capacity:	60v/20ah
	Charging time:	6 hours
	Motor (max. power):	1,000w
	Speed:	35kmh – 45kmh
	Distance range:	40km – 65km

	Model:	120S (new version)
	Battery type:	Silicone lead-acid
	Battery capacity:	72v/20ah – 72v/28ah
	Charging time:	6 hours
	Motor (max. power):	2,000w
	Speed:	35kmh – 55kmh
	Distance range:	40km – 50km

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About Vmoto

Vmoto is a global scooter manufacturing and distribution group and is listed on the Australian Stock Exchange (ASX) and on the AIM market of the London Stock Exchange. The Company specialises in high quality “green” electric powered two wheel vehicles and manufactures a range of western designed electric (and some petrol) two wheel vehicles from its low cost manufacturing facilities in Nanjing, China, marketed in Europe through its operation in Bremen, Germany and marketed outside Europe through its operations in Australia. 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.