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VMOTO SIGNS DISTRIBUTION AGREEMENT IN INDONESIA

ANNOUNCEMENT **19 NOVEMBER 2013**

Vmoto Limited ("Vmoto" or the "Company") is pleased to announce that it has signed an exclusive distribution agreement ("Agreement") with the Indonesian company PT. Garansindo Technologies ("Garansindo") to distribute, stock and market the Company's Vmoto and E-Max range of electric scooter products in Indonesia.

PT. Garansindo Technologies is a subsidiary company of PT. Garansindo Inter Global in Indonesia which is the Indonesian sole general distributor for the premium automobile product brands Chrysler, Jeep, Dodge and Fiat appointed by the Chrysler Group LLC in 2008.

Indonesia, after China, is the second largest market in the world for petrol motor scooters (Source: Pike Research) and that strength is expected to carry over into the electric scooter market.

According to AISI (Indonesian Motorcycle Industry Association) the motorcycle/scooter market in Indonesia still offers enormous room for growth, as the ratio of motorcycle owners to residents is one unit per seven people. This makes Indonesia's ratio much lower than those of neighbouring countries, which have ratios of one unit to every three people. It is expected that 7.5 million new motorcycles will be sold in 2013. "The motorcycle is still a mainstay and most affordable for the majority of the Indonesian people" said Gunadi Sindhuwinata, Chairman of AISI (05/02/2013).

Data for 2012 from the Traffic Corps Indonesian National Police (INP Korlantas Polri), shows there are a total of 94.23 million registered vehicles in Indonesia, of which 77.76 million (82.5%) are motorcycles/scooters. This sector showed an increase of 12% compared to 2011 data of 69.20 million units.

Market sales projections from Pikes Research for the period 2012–2018, indicates that the Indonesian electric scooter market will become the third largest in Asia Pacific after China and India. This represents a significant sales opportunity for Vmoto to provide its European-styled quality products in this growing market over the coming years. Like other Asia Pacific countries, the Board see Indonesia as a potentially significant market to penetrate over the coming years as the electric scooter market becomes more mature.

Under the terms of the Agreement, with an initial term of 10 years, the minimum order quantities of electric scooters Garansindo will order is 17,500 units over the first 5 years. Garansindo will be placing their first order in the very near future.

Charles Chen, Managing Director, of Vmoto, commented: "We are delighted to have secured what we believe to be the first electric scooter distribution agreement in Indonesia. Discussions have been ongoing with Garansindo and their representatives for many months and the signing of this

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agreement is the start of what we hope will be a long and fruitful relationship with them. The calibre of Garansindo speaks for itself and we are in no doubt they are the best distribution group for us to be selling our products. The Indonesian scooter market is potentially a huge additional revenue and profit stream for Vmoto and we look forward to reporting on the developments in Indonesia as and when they occur".

Pictures of Garansindo

Garansindo Head Office in Jakarta

Artist impression pictures of Garansindo's New Brand Centre (coming soon).

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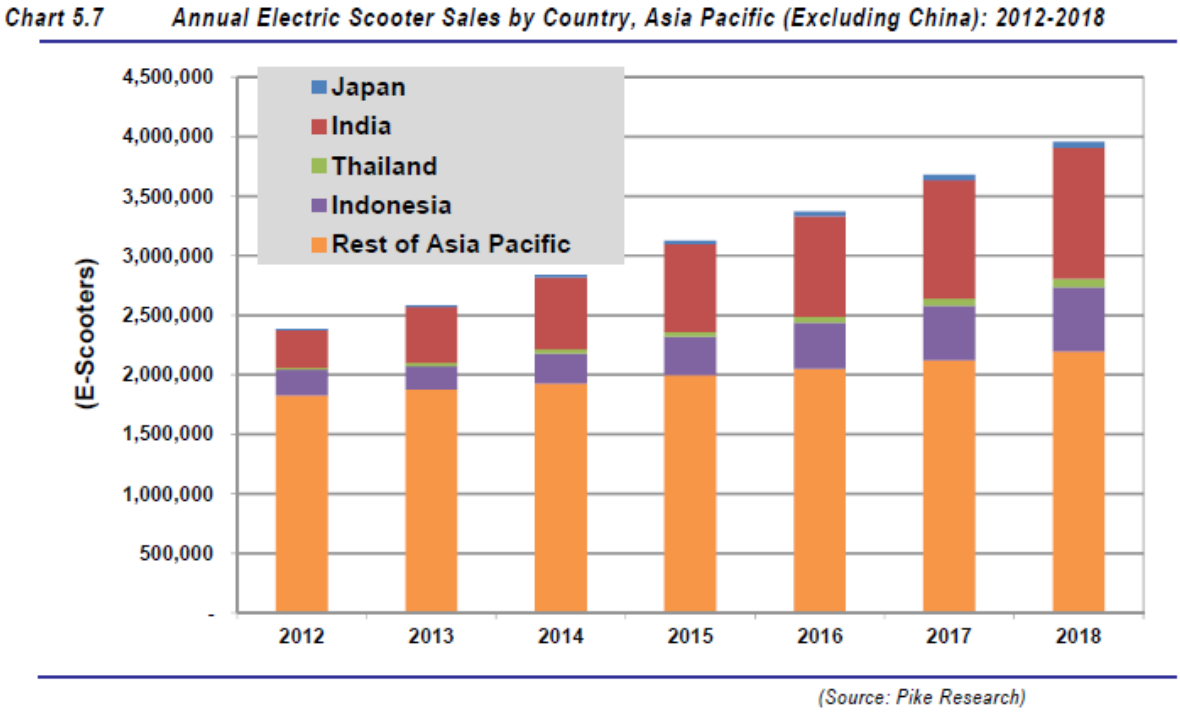
Annual Electric Scooter Sales by Country, Asia Pacific (excluding China): 2012-2018



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About Vmoto

Vmoto is a global scooter manufacturing and distribution group and is listed on the Australian Securities 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.