



Vmoto Limited (ASX:VMT) Investor Presentation

Electric Vehicle - Think Future

May 2019

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BUSINESS TO BUSINESS

Vmoto's mission is to supply next generation of EV that is sustainable, smart and environment friendly to modern commuters and travellers.



BUSINESS TO BUSINESS >



Vmoto's vision is to become a worldwide leading electric vehicle product supplier and EV solution provider to users internationally. Vmoto's vision is to become a worldwide leading electric vehicle product supplier and EV solution provider to users internationally.

< BUSINESS TO CONSUMER

Disclaimer



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Company Overview



Vmoto Limited (ASX:VMT) ('Vmoto' or 'the Company') is a global scooter manufacturing and distribution group. The Company specialises in high quality electric powered two-wheel vehicles and manufactures and distributes a range of European designed electric scooters from its wholly owned 30,000 sqm state of the art manufacturing facility in Nanjing, China.

The Company recently established a wholly-owned European subsidiary and warehouse in the Netherlands to support its strategic focus of accelerating sales into the high value, high volume European market. It has also established an Italian company with its Italian joint venture partner.

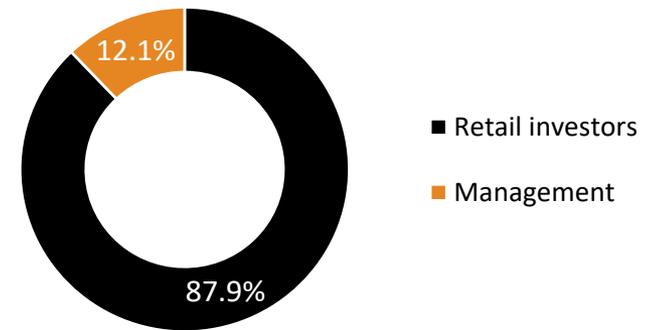
Vmoto's two primary brands are:

- E-Max (Vmoto's proprietary brand, targeting the international B2B markets with a high end premium delivery product)
- Super Soco (a third party brand Vmoto markets into international B2C markets)



ASX Code	VMT
Market Capitalisation	22.1 million
Share price (as at 14.05.19)	10.0c
Cash at bank (as at 31.03.19)	A\$4.9 million

Shareholder breakdown



Issued Capital

Ordinary shares in issue	221,016,020
Listed options	Nil
Performance Rights	Nil
Unlisted options	4,945,454

Board of Directors



Phil Campbell
Non-Executive Chairman

- Experienced ASX chairman and company director
- 35 years of experience and proven success transforming public and private organisations from \$10-\$450m revenue
- Former CEO/MD at a range of national manufacturing and engineering services companies
- Current Chairman of Fleetwood Corporation Ltd (ASX:FWD), Valley Park Farm, Intrax Consulting Engineers Pty Ltd, Anchor Inc and NED for Tenants Victoria



Charles Chen
Managing Director

- Ex-Honda Sundiro senior management
- Over 20 years' experience in motor scooter business
- Successful entrepreneur in international businesses, and expanded many international operations for large two-wheel vehicle manufacturers in China
- Responsible for day to day business operations in China



Ivan Teo
Finance Director

- Qualified finance professional – Western and Chinese experience
- Responsible for Group financial and accounting management
- Over 17 years' experience in corporate finance and international business serving diverse range of industries including automobile, manufacturing, mining and retail.



Jacky Chen
Non-Executive Director

- Over 25 years' experience in the electric two-wheel vehicle manufacturing industry in China
- Served in senior positions for many large electric vehicle manufacturers in China, including Jiangsu Xinri E-Vehicle Co, Ltd



Shannon Coates
Non-Executive Director /
Company Secretary

- Qualified solicitor with over 20 years' experience in corporate law and compliance
- Legal, compliance and corporate governance
- Experienced ASX director

FY18 Operational Highlights



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Focus on high margin international markets

Strong sales achieved

- ~95% of the sales units in 2018 were high-end/high margin products
- 10,081 units of electric two-wheel vehicle products to international markets, mostly Europe

Successful product launch

- Two new successful product launches
 - CUX
 - TC Max

European expansion completed

- European warehouse (Vmoto Europe BV) launched and fully operational
- Mr Marcel Koper appointed as European General Manager to lead European operations and growth
- Successfully established an Italian JV company to accelerates Italian sales

Development in worldwide B2B market segment

Product development

- Positive progress made in the development of new B2B delivery electric scooters model
- Expected launch during 2019 EICMA exhibition

International business development

- Appointed U'Mob France, focused on supplying delivery vehicles to its F&B clients
- Developed new supply opportunities to ride sharing customers in Italy, Czech Republic and Poland

FY18 Financial Highlights



- **Positive EBITDA for FY18**

- Confident of a successful FY19, supported by ongoing upward trend in sales to Europe

- **FY18 revenue of \$19.6 million, up 30% on FY17**

- Revenue mix continues to shift towards higher-margin European and international market sales

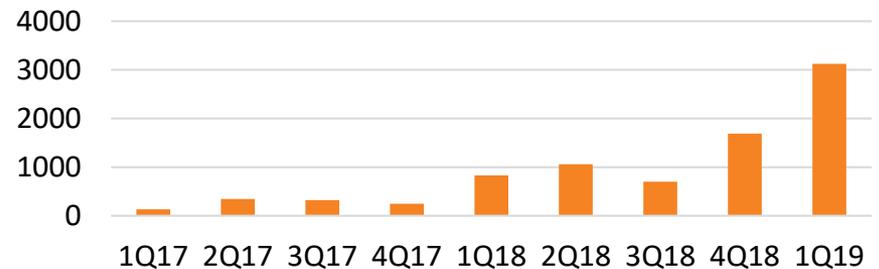
- Shift in line with Company's strategy to focus on higher margin, higher value EV product sales and exit of lower-margin Chinese market and product range at end of FY17

- Cash as at 31 March 2019 of \$4.9 million and was **cash flow positive**. Vmoto remains adequately funded to support its strategic expansion into Europe and other international markets

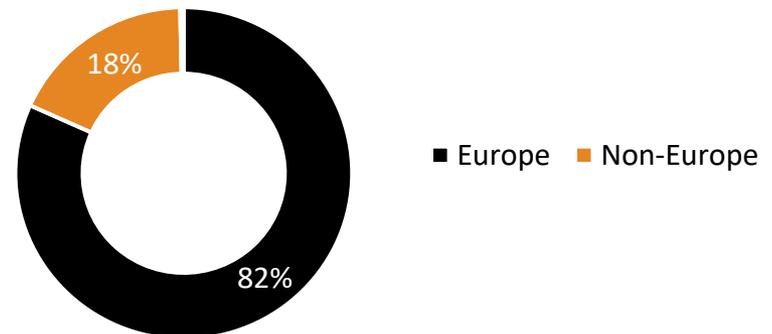
- Post FY18, the bank operating facility was repaid in full and expired. A new operating facility on similar terms has been secured and established

- **Share price increased** from 6 cents on 1.1.2018 to 12 cents on 3.5.2019

Growing unit sales in Europe



Sales mix by geography (1Q 2019)



Higher-margin European and other international markets now represent ~95% of sales

Investment Highlights



Unique competitive advantage

- China Industrial foundation and comprehensive supply chain with European-design products
- Vmoto holds one of a limited number of Chinese manufacturing licences

Established global distribution

- Vmoto represented in more than 35 countries via 31 international distribution partners at the end of FY18
- Global coverage, including Asian Pacific, Europe, North America, South America, Australia and South Africa

Strong financial position and sales growth

- Positive EBITDA reported for FY2018
- International sales revenue of \$19.2 million, up 30% on 2017
- European sales for 4Q18 up 141% on 3Q18 and 587% on 4Q17

Internationally Scalable

- Operational sites based in strategically important geographies facilitating accelerated sales
- High quality standard products meeting the needs of European high-end users

Growing market, driven by legislative changes and disruption

- Many European countries are offering monetary incentives to consumers who switch to electric vehicles
- High EU Co² emissions targets to be met, driving action from governments, which many governments in Europe have already set out timetable to totally ban petrol scooters/motorcycles
- Increasing popularity of third party delivery services and vehicle sharing economy, driving demand

First Mover Advantage

- Long history of successful manufacturing of two-wheel electric vehicles
- Major scooter and motorcycle brands only now starting to announce future EV models



E-Max:

Targeting B2B customers

- Vmoto's E-Max range of electric scooters has secured a reputation in the international market as one of the best two-wheel electric delivery vehicles available
- Targeting the delivery market with a cost effective solution for fleet, delivery and rental/ride sharing companies
- Higher volume sales direct to business



Super Soco:

Targeting B2C customers

- Super Soco product range aims to provide 'cool and fun' technology products to global users and make e-mobility an enjoyable experience for users with its well designed looks and features
- Targeting consumers with a 'fun and trendy' product



Very Large Growing Market Opportunity



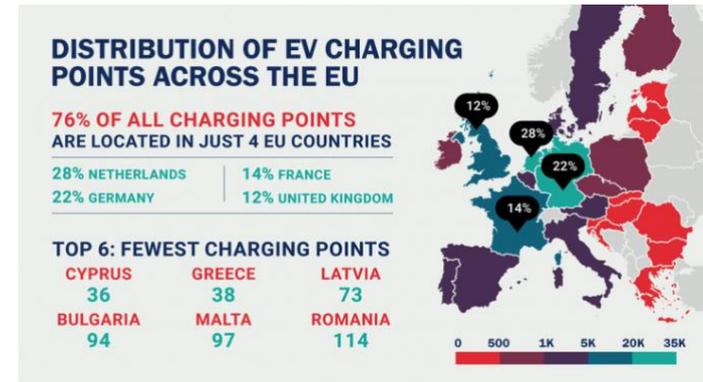
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Regulatory environment driving adoption

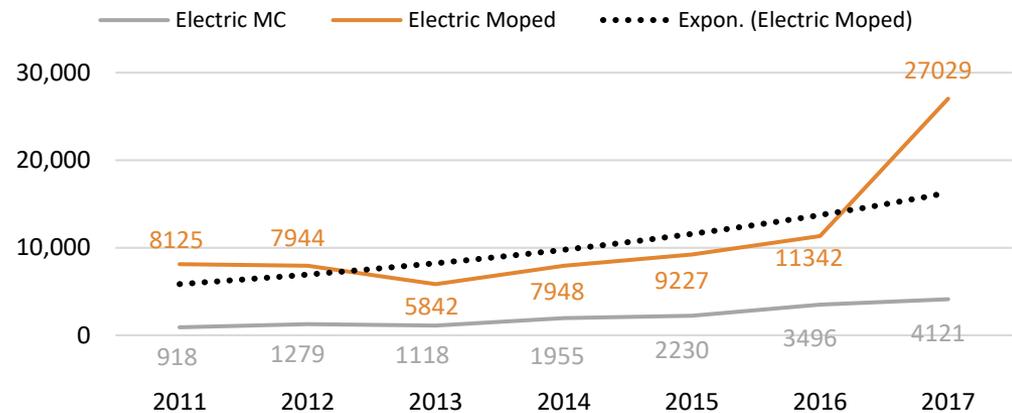
- Focuses on sophisticated European and international markets
- Changes in European legislation - 2018 EU Co² targets – driving growing demand for electric vehicles
- Increasing number of city inhabitants and dense population means a growing market for two wheeled vehicles
- Last-mile delivery, rental and ride-sharing industry driving opportunity in 2-wheel EV
- Advance in technology to produce two-wheel EV products with better performance and price competitiveness

Currently 100,000 EV charging points

2 million needed by 2025¹ to meet growing demand



Electric Powered Two Wheelers Registration Date from 2011-2017²



1. Source: <https://www.acea.be/press-releases/article/electric-cars-unrealistic-co2-targets-proposed-by-eu-parliament-ignore-lack>

2. Source: ACEM, the European Association of Motorcycle Manufacturers

Strong industrial foundation in China, Higher Margins



One of a limited number of two-wheel vehicle manufacturers licensed in China

Vmoto is a holder of a Chinese electric two-wheel vehicle manufacturing licence

- Limited number available
- Minimal direct competition

China strong industrial foundation and comprehensive supply chain with European style designed products, deliver higher-margins

Current facility provides ample capacity to support expanded operations driven by future growth



- Wholly owned, state of the art, 30,000 sqm manufacturing and warehouse facility in Nanjing, China
- Additional factory space is currently rented to Super Soco and other tenants

Growing Global Distribution Network



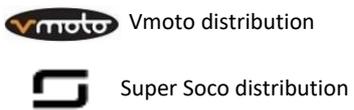
Over 30 global distributors at the end of FY18 provide access to most major continents, including into the large, growing markets of Europe, South America and Asia



Wholly-owned European subsidiary

- Distribution to a number of Europe distributors through Netherlands warehouse
- More efficient “on the ground” service and management of European customers to support regional expansion

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B2B and B2C Distribution Channels



B2B Distribution model

- Primarily focused on supplying high performance and durable product and EV solutions to businesses with delivery and sharing needs
- Working with a number of business groups to target corporations that have delivery and sharing opportunities and Vmoto to target government projects directly with the establishment of the Netherlands subsidiary

To name a few of Vmoto's B2B customers:

- Denmark – Dao 365
- France – U'Mob
- Netherlands – Greenmo Rent BV

B2C Distribution model

- Primarily focused on sales with a growing international distribution footprint and expansion strategy
- Chinese manufacturing operations with a global presence via a strategically located warehouse in the Netherlands
- Exclusive and non-exclusive agreements signed with importers and distributors, providing distribution in over 35 countries

To name a few:

- Austria & Germany – Hans Leeb
- Australia & NZ - Urban Moto imports
- Belgium & Luxembourg – SOCS bvba
- Chile – Rojabe motors
- Croatia & Slovenia - Electric Vehicles Trade
- Czech Republic – Eco Gear
- France – Mujoo France
- Italy – Vmoto Soco Italy srl
- Mexico – Vpro Sapi de CV
- Poland – Karbon 2 Sp
- Spain – Turbimot
- Sweden – ATV Sweden
- Taiwan – Startrade Component
- UK – Vmoto UK Distribution



Major B2B Partners In Europe



GreenMo Rent

Green mobility providers



GreenMo Rent

- European rental company
- Focused on renting electric scooters to food delivery companies
- Customers include Domino's Pizza, Deliveroo, Papa John's Pizza
- Provides preventive maintenance
- Experiencing significant growth in demand for its innovative service offering
- www.greenmo.nl

QuaZZar



QuaZZar

- Large electric mobility and fleet management system company in Spain
- Supplies highly reliable EV to businesses and individuals
- Provides a wide range of services to optimally manage vehicle performance
- www.motosquazzar.com

U'mob

URBAN GREEN MOBILITY



U'Mob

- An urban green mobility company in France, focused on supplying delivery vehicles to its clients
- National customers include Pizza Hut, Dominos, eat SUSHI, Pizza Time
- www.umob.fr

DAO 365



DAO Distribution

- A delivery company based in Denmark
- Provides deliveries 365 days a year, 7 days a week
- Fleet size between 700 to 800
- www.dao.as

Strategic Partnership with Super Soco Group



Significant synergy from Strategic Partnership between Vmoto and Super Soco



- Both Vmoto and Super Soco products are manufactured at the Company's Nanjing facility, under Vmoto's manufacturing licence
- Efficiencies gained in shared R&D, product design and supply chain management
- Super Soco's B2C electric motorcycle range complements Vmoto's successful B2B E-max offering, providing an electric vehicle offering for both businesses and consumers
- Combined, the two parties benefit from economies of scale, both in the influence over the manufacturing supply chain and costs
- Vmoto exclusively market and distribute all Super Soco products internationally

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Ongoing Presence at International Events



Vmoto actively participates in well-known international motor exhibitions to continue to build strong brand and product awareness

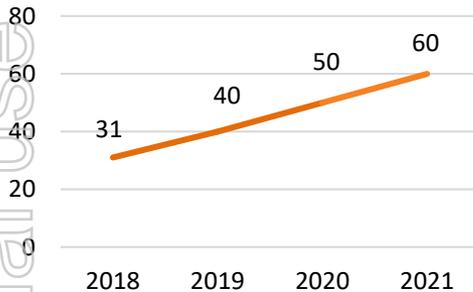


Targets for the next 3 years



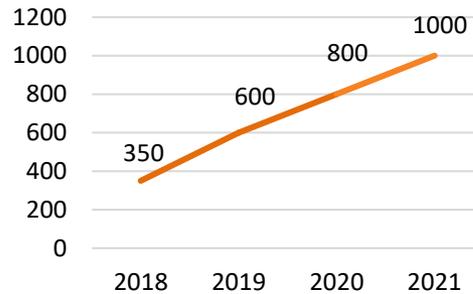
Global distribution network

Number of distributors in the world



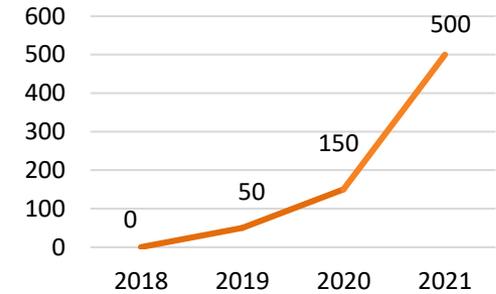
Europe dealers and network

Number of dealers in Europe



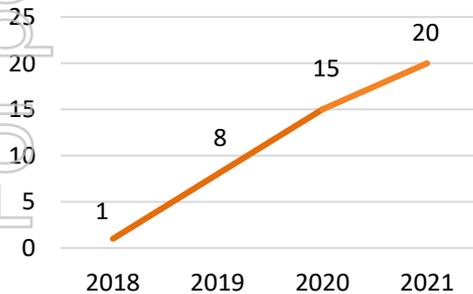
Dedicated B2C image stores and shop-in-shop¹

Number of image stores and shop-in-shop



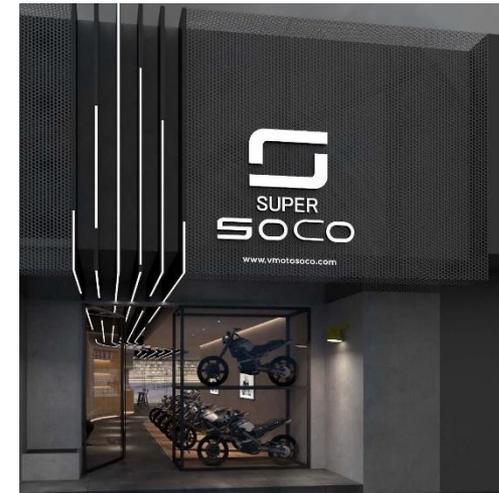
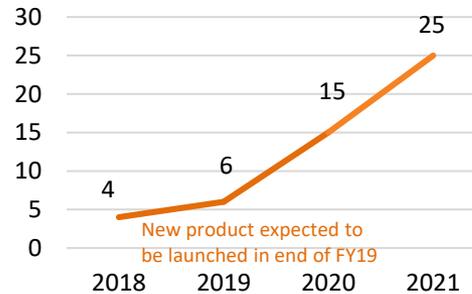
Sharing customers

Number of sharing customers



Delivery customers

Number of delivery customers



Artist impression of B2C image store

1. Shop-in-shop refers to concession outlet stores where Vmoto B2C products are sold via pop up store within a larger retail outlet

Strategy for the next 3 years



International business development

- Vmoto International team to focus on international business development, identify and target large corporations
- Target government project and actively involving in the tenders process
- Working closely with international distributors and support to win large international projects

Super Soco

- Super Soco's B2C electric motorcycle range complements Vmoto's successful B2B E-max offering, and the strategic partnership between Vmoto and Super Soco enable both parties benefit from economies of scale, and manufacturing supply chain and costs
- To tighten further the strategic partnership, Vmoto may enter JV with Super Soco to further expand existing operations

After sales services

- Established Netherlands operations providing high efficiency in distribution to local dealers through Netherlands warehouse
- More efficient 'on the ground' after sales services and management of European customers to support regional expansion.
- Set up and expand users data through online after sales service applications

Target cooperation with renowned international brands

- Vmoto successful signed an agreement with Italian motorcycle manufacturer Ducati Motor Holding S.p.A. (Ducati) through its subsidiary, Vmoto International Limited, to release two-wheel electric vehicles CUX special Ducati edition under the licence

Joint venture with partners

- Proactively identify and discuss with right B2B and B2C partners/distributors to establish joint venture to achieve closer business relationship to expand the international markets in larger scale



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Barriers to entry

- China based manufacturing facility and strategic partnership with Super Soco significantly reduces manufacturing costs
- Fully licensed: Vmoto holds one of a very limited number of Chinese two-wheel vehicle manufacturing licence, with low competition
- China strong industrial foundation and comprehensive supply chain with European-design products



Growing Market

- Legislative changes in Europe, including high EU Co2 emissions targets continue to drive growth in the electric vehicle market
- Many European Governments are offering monetary incentives to consumers and businesses that switch to electric vehicles
- Increasing popularity of food and third party delivery services and ride sharing drive additional demand



Strong Financial Position

- EBITDA positive for FY2018
- FY 2018 international sales revenue of \$19.2 million, an increase of 35% on FY 2017
- European sales for 4Q18 up 141% on 3Q18 and 587% on 4Q17



Global Distribution

- Vmoto has a strong brand presence in 35 countries via distribution agreements with over 31 partners
- Global coverage includes Asia Pacific, North America, South America, Australia and South Africa



Internationally Scalable

- Operational sites located in strategically important geographies (Chinese manufacturing and European warehousing, distribution and after sales service) designed to accelerate international sales
- Potential to replicate European expansion model in other markets