



## VMOTO SECURES CONTRACT FOR 30,000 SCOOTERS

ANNOUNCEMENT

21 MAY 2009

Vmoto Limited ("Vmoto" or the "Company") is pleased to announce that it has finalised discussions to secure a US\$23 million contract to produce 30,000 scooters from its Nanjing manufacturing facility, all destined for Vietnam ("Agreement").

The in-principle Agreement follows an earlier agreement entered into in June 2008, as announced on 17 June 2008, pursuant to which Vmoto agreed to supply 30,000 units of its newly developed and patented (pending) 125cc water cooled fuel injected engine to a Vietnamese customer. The customer has for some months been in discussion with Vmoto to upgrade the engine order to a complete scooter unit.

Significantly, pursuant to the new Agreement, Vmoto will produce 30,000 complete scooter units over a 12 month period, with the first delivery planned for late August this year. The Agreement will contemplate increasing the contract amount from 30,000 units per annum to 100,000 units per annum, pending strength of initial sales of the scooter in the Vietnamese market, which in 2008 experienced total sales of 1.5 million scooters.

Under the terms of the Agreement, Vmoto will supply 30,000 units of its new Mid Range Retro Scooter, powered by its proprietary 125cc EFI (Electronic Fuel Injection) water cooled engine, developed by Vmoto Factory Manager and Engineer Mr Li Gang. The engine has recently completed its final testing and is now ready for mass production. The new engine, manufactured at the Nanjing facility, is one of the most powerful in its class. Vmoto has at the same time been developing a complete rolling chassis for the engine which the customer has now requested. The total contract value in is in excess of USD23,000,000 (AUD 30,000,000). The broader terms of the Agreement are restricted under a confidentiality agreement.

This order is the first for the new Vmoto Nanjing manufacturing facility whereby the design and assembly will take place entirely in-house.

Vmoto's Managing Director, Patrick Davin, will travel to China next week to sign off on final quality inspections and meet with the customer to formalise the Agreement.

Mr Davin commented: "This is an enormously important deal for Vmoto and underwrites the entire Vmoto Nanjing operations in the future. Significant profit margins will be made from this sale, which will quickly translate to the Company's bottom line. I am very proud of the work carried out by our management in China, in



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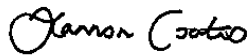
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particular Mr Li Gang and Mr Charles Chen and their teams. The plan for Vmoto since our inception has been to provide a world class product through the full integration of the design, manufacture and distribution of our scooters and this is now happening. We have some very exciting times ahead.”

In addition to this development, Vmoto’s Scartt development team, lead by Mr Carlos Sotelo, will also be arriving in China this week to commence the development of the Stage 2 Scartt AWD vehicle project. Recent samples sent to various customers around the globe for evaluation have established an immediate high level of demand. It is expected that the first shipment of Scartt orders will produced in the September Quarter.

For further enquiry please contact Mr Trevor Beazley at our Perth Office on 92216175 or 0419 939 820.

**AUTHORISED BY:**



**Shannon Coates**  
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**About Vmoto**

[www.vmoto.com](http://www.vmoto.com) and [www.vmotold.com](http://www.vmotold.com)

*Australian based Vmoto Limited is a global integrated scooter manufacturing and distribution group listed on the Australian Securities Exchange. Vmoto specialises in high quality motor scooters and All Terrain Vehicles (ATV's) using state-of-the-art production facilities situated in China. Vmoto also operates an international scooter and ATV trading and distribution business in Shanghai China and a sales, distribution and design centre based in Barcelona Spain.*