VMOTO

ANNUAL REPORT

31 December 2024

Corporate directory

Current Directors

Mr Charles Chen	*Managing Director*
Mr Ivan Teo	*Finance Director*
Mr Blair Sergeant	*Non-executive Director*
Mr Aaron Kidd	*Non-executive Director*
Mr Martin Zhou	*Non-executive Director*

Company Secretary

Ms Joan Dabon

Registered Office and Head Office

Street address:	Level 39, 152-158 St Georges Terrace Perth WA Australia 6000
Telephone:	+61 (0)8 6311 9160
Email:	info@vmoto.com
Website:	www.vmoto.com

Auditors

Hall Chadwick WA Audit Pty Ltd

Street address:	283 Rokeby Road Subiaco WA Australia 6008
Telephone:	+61 (0)8 9426 0666

Banker

National Australia Bank

Street address:	Level 14, 100 St Georges Terrace Perth WA Australia 6000

Solicitors

Gilbert + Tobin

Street address:	Level 16, Brookfield Place Tower 2 123 St Georges Terrace Perth WA Australia 6000
Telephone:	+61 (0)8 9413 8430

Share Registry

Computershare Investor Services Pty Ltd

Street address:	Level 17, 221 St Georges Terrace Perth WA Australia 6000
Postal address:	GPO Box D182 Perth WA Australia 6840
Telephone:	1300 850 505 +61 (0)8 9323 2000 (International)
Facsimile:	+61 (0)8 9323 2033
Website:	www.computershare.com/au

Securities Exchange

Australian Securities Exchange

Street address:	Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000
Telephone:	131 ASX (131 279) (within Australia)
Telephone:	+61 (0)2 9338 0000
Facsimile:	+61 (0)2 9227 0885
Website:	www.asx.com.au
ASX Code:	ASX:VMT

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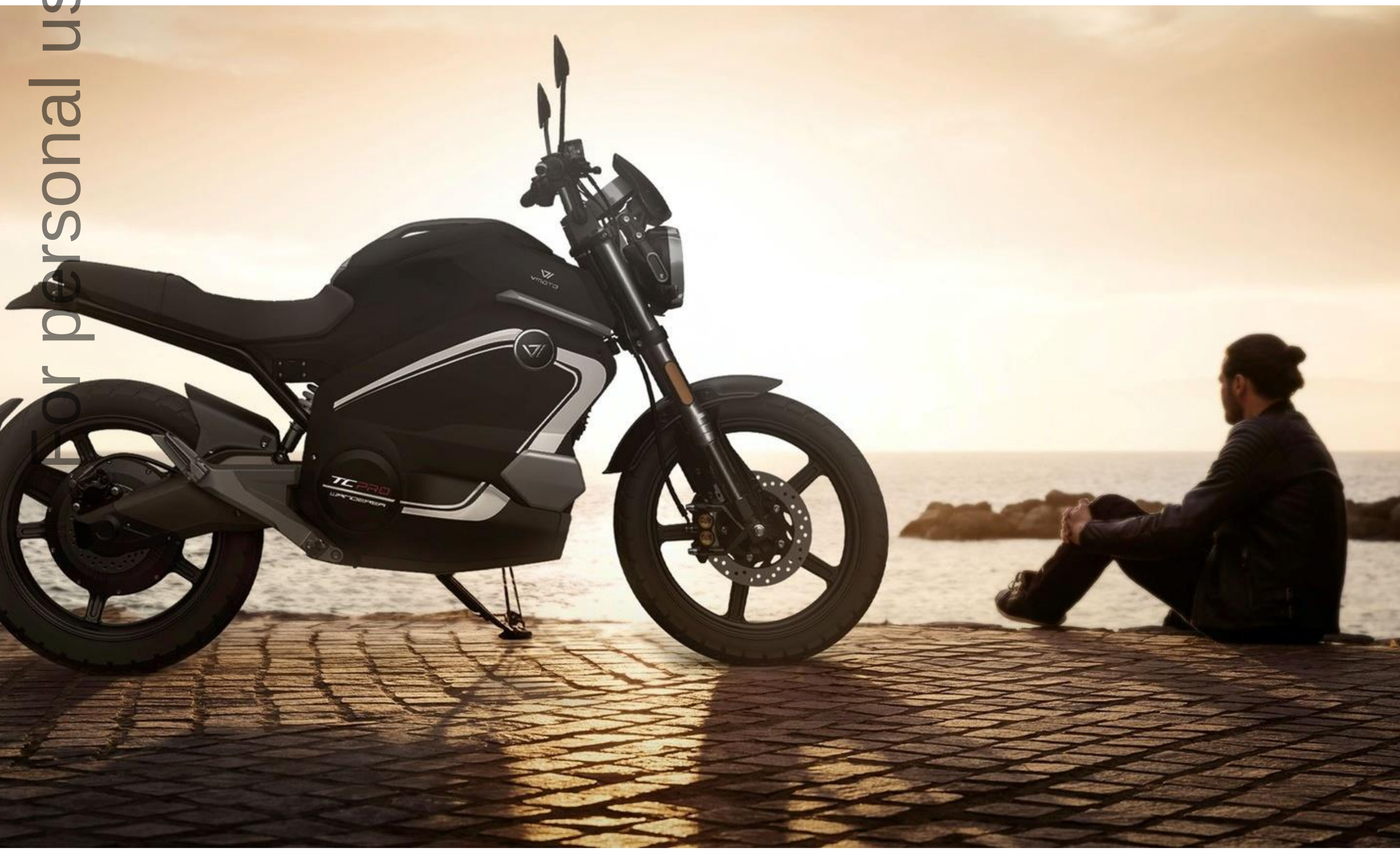


Managing Director's Letter

Dear Shareholders,

Despite 2024 continuing to be a year of difficult trading conditions with significant challenges owing to increasingly volatile global economic conditions and political uncertainty, the Company demonstrated excellent resilience in the face of these headwinds.

High interest rates combined with rising cost-of-living pressures continued to dampen consumer spending and business confidence alike. Political uncertainty in Europe, coupled with the ongoing war in Ukraine, further impacted customer confidence and attitudes (both business and individual consumers), particularly in countries that represent over 70% of our business.

However, I am not displeased with Vmoto's overall performance in this challenging environment, with results summarised below:

- Revenue of **$57.2 million**;
- Net loss after tax of **$374,000** and Loss before Interest, Tax, Depreciation and Amortisation of **$13,000**
- Positive operating cash flow of **$4.3 million**; and
- Closing cash position of **$41.4 million.**

Behind the scenes, in addition to ongoing B2B and B2C global sales and marketing efforts, the Company has invested heavily in research and development, focusing on the following core areas:

1. New designs and models expanding the product range;
2. Proprietary fast charging technology;
3. Proprietary battery swap technology; and
4. Proprietary IoT (internet of things) and software integration across the product range.

These efforts culminated in Vmoto officially launching its Global Electric Mobility Solution (**EMS**) in late 2024. Vmoto's EMS is a fully integrated electric mobility solution focused on electric two-wheel mobility. It encompasses an extensive range of two-wheel vehicles, dual battery models for extended range, electric charging infrastructure in the form of fast charging and battery swapping technology, and pre-installed IoT devices with fleet management software, targeting the ever-expanding and fast-growing global last-mile delivery market.

Vmoto's EMS has been well received and is gaining traction, with numerous customers adopting the system for some of the better-known last-mile delivery platforms. The total addressable market for these platforms is significant, and I am increasingly confident that our EMS solution is a world-leading and compelling product offering. As a result, the Company is uniquely positioned to capture a material market share in this exciting global industry.

The global distribution network continues to grow, currently standing at 76 distributors in over 90 countries. Additionally, the Company's strong balance sheet, with $41.4 million in cash at the bank, our existing Nanjing facilities, and the new factory under construction, perfectly positions Vmoto to aggressively and successfully target high-growth global opportunities. If successful, these efforts will drive strong sales growth, a return to profitability, and a very bright future.

Once again, I extend my gratitude to our dedicated team of employees, suppliers, distributors, retailers, consumers, and, of course, our global shareholder base of over 2,000. Your support remains critical in our endeavour to grow into one of the most successful two-wheel electric mobility companies in the world.

Yours faithfully,

CHARLES CHEN
Managing Director
Dated this 31st day of March 2025

Directors' report

Your directors present their report on the Group, consisting of Vmoto Limited (**Vmoto** or the **Company**) and its controlled entities (collectively the **Group**), for the year ended 31 December 2024 (**FY2024**).

Vmoto is listed on the Australian Securities Exchange (ASX: VMT).

1. Directors

The names of Directors in office at any time during or since the end of the year are:

Mr Charles Chen	*Managing Director*	*Appointed 5 January 2007*
Mr Ivan Teo	*Finance Director*	*Appointed 29 January 2013*
Mr Blair Sergeant	*Non-executive Director*	*Appointed 4 November 2020*
Mr Martin Zhou	*Non-executive Director*	*Appointed 16 September 2022*
Mr Aaron Kidd	*Non-executive Director*	*Appointed 24 May 2024*
Ms Shannon Coates	*Non-executive Director*	*Appointed 23 May 2014, resigned 24 May 2024*

(collectively the **Directors** or the **Board**).

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. For additional information of Directors including details of the qualifications of Directors, please refer to paragraph 6 of this Directors Report

2. Company secretary

The following person held the position of Company Secretary at the end of the financial year:

- Joan Dabon

Qualifications and experience
- Ms Dabon is a Chartered Secretary with Source Governance and has over seven years' experience in providing company secretarial and corporate advisory services to ASX and NSX listed companies across a variety of sectors including mining, property development, logistics and distribution, manufacturing, and agriculture. She has also acted as company secretary for public unlisted and proprietary companies, monitoring and managing their corporate governance and compliance frameworks. Joan has Juris Doctor degree and is an associate member of the Governance Institute of Australia.

3. Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 31 December 2024.

4. Significant Changes in the state of affairs

There have been no significant changes in the state of affairs of the Group during the financial year ended 31 December 2024 other than disclosed elsewhere in this Annual Report.

5. Operating and financial review

5.1. Nature of Operations Principal Activities

The principal activity of the Group for the year was the development and manufacture, marketing, and distribution of electric two-wheel vehicles (electric motorcycles and electric mopeds) (**EV**). There were no significant changes in the nature of the Group's principal activities during the year.

5.2. Operations Review

FY2024 has been a very busy year for Vmoto as it actively seeks new revenue streams from regions outside Europe, while expanding its product offerings to include battery swapping and charging stations. This includes restructuring and optimising the operations of its subsidiaries in France, Italy, Netherlands and United Kingdom. Additionally, Vmoto has begun establishing new manufacturing facilities in Thailand, and is investing in and partnering with various entities in the United Kingdom, South Africa, Singapore, Thailand and Mexico focusing on business-to-business sector to further grow its business ecosystem.

a. Financial Overview for FY**2024**

- Financial results:
  - **Total revenue of $57.2 million**, down 17.4% on FY2023;
  - **Net Loss after tax (NPAT) of $374.0K**, down 105.2% on FY2023; and
  - **Loss before interest, tax, depreciation and amortisation (EBITDA) of $(13.0K),** down 100.2% on FY2023; and
  - **Positive cash flows** from operating activities of $4.3 million;

Directors' report

- Strong **cash position of $41.4 million** as at 31 December 2024, down (2.7%) from $42.5 million as at 31 December 2023;
- **Bank operating facility** of **$5.5 million** as at 31 December 2024 with low interest rate secured with the banks; and
- **Net tangible assets of $72.9 million** at 31 December 2024, up 1.3% on 31 December 2023

(refer section 5.3 *Financial Review below* for a detailed financial review)

b. Operational Overview for FY2024

- **Total sales of 17,038 units** of e-motorcycles and e-mopeds, delivered for FY2024, down 32% on FY2023.
- **Total international sales of 13,351 units**, delivered for FY2024, down 26% on FY2023.
- **Firm international orders** of 2,025 units as at 31 December 2024.
- Vmoto conducted a **rebranding** initiative to unify "E-MAX", "SUPER SOCO" and "VMOTO" brands under one iconic **"VMOTO" brand**.
- Vmoto **acquired the remaining 50% interest of Vmoto Soco Italy** and take Vmoto's interest to 100%.
- Invested in **Zenion Limited**, a **United Kingdom based operator** providing all-inclusive last mile delivery services.
- Reached **settlement agreement** with **Supersoco Intelligent Technology (Shanghai) Co, Ltd** in relation to a number of legal actions Vmoto has been forced to take to protect its rights and acquired the remaining 50% interest of Nanjing Vmoto Soco Intelligent Technology Co, Ltd to become wholly owned subsidiary of Vmoto.
- Reached agreement with Nova Machina to set up a jointly owned operating company, **Nova Moto (Pty) Ltd in South Africa**.
- Reached agreement with Skipper Run Co, Ltd to establish a new jointly owned operating company, **GoRide Co, Ltd** in **Thailand.**
- Invested in **Evotion Labs Pte Ltd, a Singapore based operator** focusing on establishing an ecosystem of EV Bikes, battery swapping and charging infrastructure.
- Reached agreement with OMO Mobility S.A. de C.V. to establish a new jointly owned operating company, **OMO Watts S.A. de C.V. in Mexico**.
- Commenced in setting up Vmoto's new manufacturing facilities in Thailand

c. Sales and Financial Performance for FY2024

In FY2024, the Company sold a total of **17,038 units** of e-motorcycles and e-mopeds, translating to total **revenue of $57.2 million** and **NPAT of $(374.0K) loss.**

Although the Company sales in FY2024 continued to be adversely impacted by the global economic conditions, a number of initiatives that the Company implemented in the past have enabled the Company to mitigate some of the negative impact on the sales. These include providing support to distributors and dealers to develop more retail presence and increase brand exposure, actively pursuing sales opportunities in new regions in South America and Middle East.

The Company remains committed to collaborating closely with its distributors and customers to actively promote product and explore new business models to increase revenue and profits. Additionally, the Company is continuously improving the technology and performance of its products and e-mobility solutions to offer greater competitive advantages to its distributors, customers and dealers. These strategies will secure Vmoto's market leading position, create barriers of entry to new competitors and accelerate the use of electric vehicles for mobility and business operations.

Directors' report

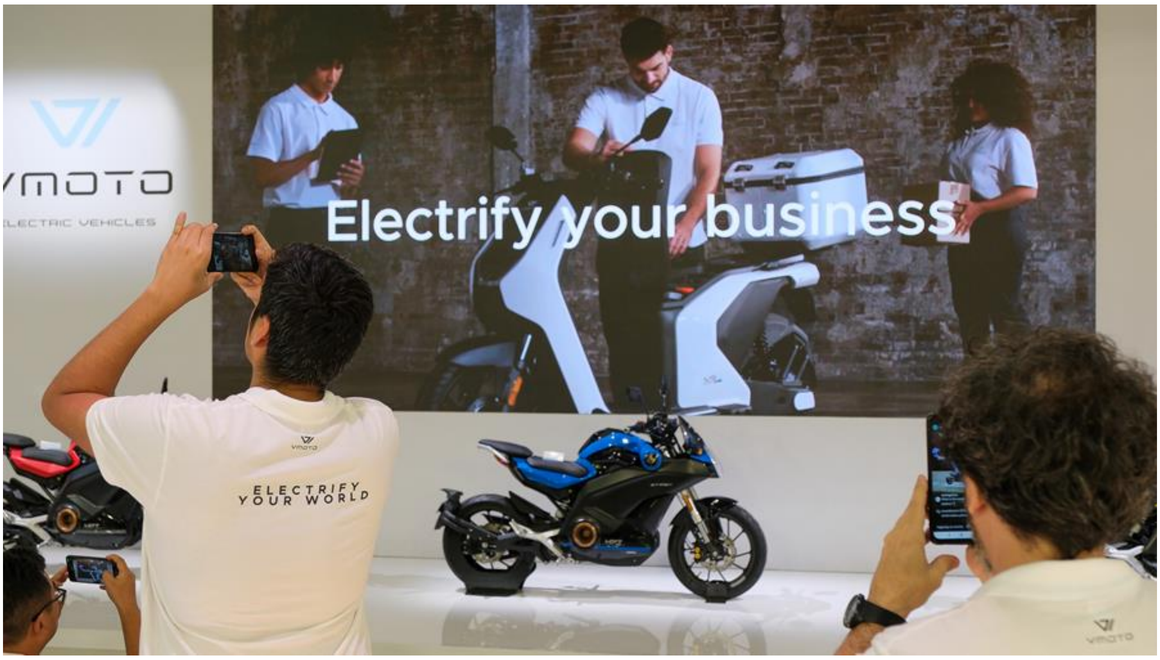
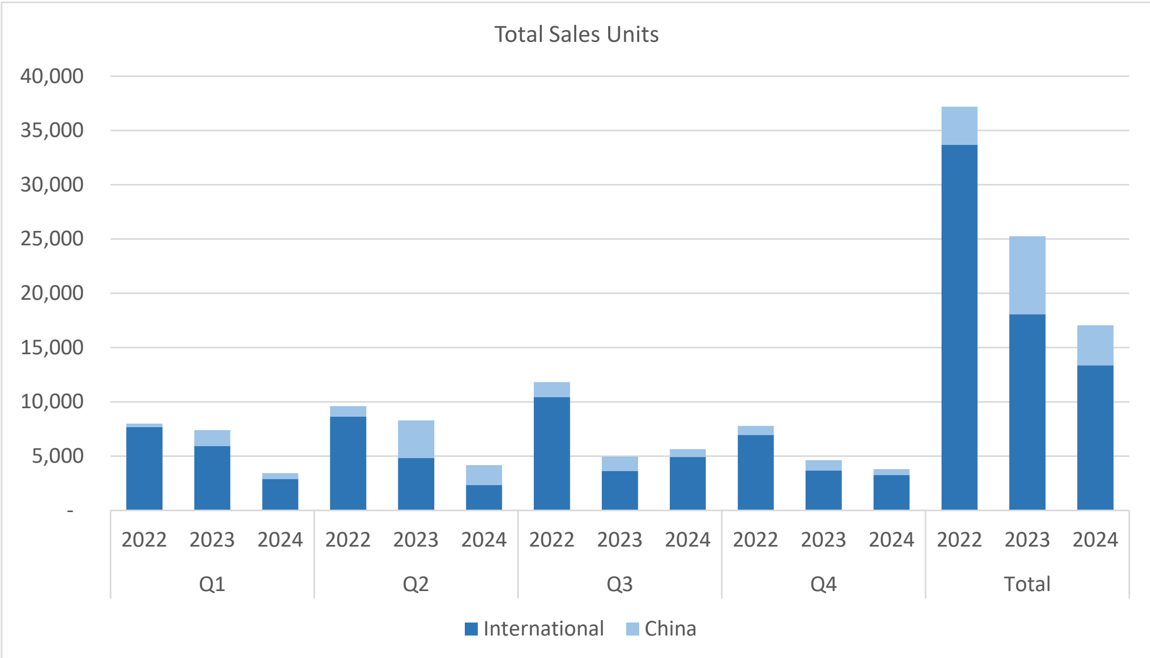


Photo: Vmoto exhibited its electric two-wheel vehicles at EICMA 2024.

The chart below illustrates the Company's historic international unit sales, by quarter, for the current and previous financial periods:



d. Unified brand for all Vmoto e-mobility models and EV solutions

In early 2024, Vmoto conducted a rebranding initiative for all its products and EV solutions, which represents a key milestone for the Company.

The Company unified its brands of E-Max, Super Soco and Vmoto brands into one single brand of Vmoto.

The existing and new models, e-motorcycles and e-scooters of the Company have all been identified under the single Vmoto brand. The decision was motivated by the desire to present the market with a strong and unified identity that is immediately recognisable, and to reach the end consumer as clearly and directly as possible.

The Company presented the new www.vmoto.com website, characterised by a new and emotional graphic design and increasingly accessible and engaging content and unified its brands, products, charge & swap stations, e-mobility solutions and corporate information.

Directors' report

e. Vmoto Invests in Zenion Limited

In July 2025, Vmoto entered into an agreement to invest in UK based Zenion, for total consideration of £497K (≈A$970K) to be funded from the Company's existing working capital.

Zenion is one of the most experienced operators in the UK trusted by the major last mile delivery companies including Uber Eats, Stuart, Deliveroo, Pizza Hut & Domino's and offers all-inclusive packages including the provision of electric delivery vehicles, together with boxes and other custom equipment to last mile delivery riders. Zenion has been using Vmoto's award winning CPX delivery vehicles for many years.

f. Settlement with Supersoco Intelligent Technology (Shanghai) Co, Ltd

In August 2024, the Company reached settlement with Supersoco Intelligent Technology (Shanghai) Co, Ltd (**Soco Shanghai**) in relation to a number of legal actions Vmoto was forced to take to protect its rights and to ensure Soco Shanghai meets its obligations.

To avoid the costs, inconvenience and the uncertainty of litigation, both Vmoto and Soco Shanghai agreed to fully and finally settle all claims, with no admission of liability.

g. Vmoto and Nova Machina to enter joint venture in South Africa

In September 2024, Vmoto and Nova Machina entered into an agreement to establish a new jointly owned operating company, Nova Moto (Pty) Ltd in South Africa ("Nova Moto") (65% Nova Machina, 35% Vmoto).

Nova Moto will focus on supplying electric motorcycles/mopeds and e-mobility solutions to the growing delivery market in South Africa.

The first batch of the products have been supplied to Nova Moto and anticipated to be used for the initial pilot program to explore market opportunities.

h. Vmoto Invests in Evotion Labs Pte Ltd

In November 2024, Vmoto invested into Singapore based Evotion Labs Pte Ltd (**Evotion**), for total consideration of SGD 1 million (≈AUD 1.15 million)[1] for a 12.5% interest in Evotion.

Evotion is a joint venture between Mah Pte Ltd, an established motorcycle distributor in Singapore and Maverick Investments Ltd, focusing on establishing an ecosystem of EV Bikes, battery swapping and charging infrastructure in Singapore and South-East Asia and is one of the few operators in Singapore that owns an electric vehicle charging operators' license issued by the Land Transport Authority in Singapore.

Vmoto and Evotion will use Vmoto products and solutions for pilot and trial projects in Singapore with the aim of deploying battery swapping and plug-in fast charging stations and infrastructure in Singapore and South-East Asia.

i. Vmoto and OMO Mobility to enter joint venture in Mexico

In December 2024, Vmoto and OMO Mobility S.A. de C.V. (**OMO Mobility**) entered into an agreement to establish a new jointly owned operating company, OMO Watts S.A. de C.V. in Mexico (18% OMO Mobility, 20% Vmoto and 62% key management of OMO Watts) focusing on supplying electric motorcycles/mopeds and e-mobility solutions to the delivery, transportation and logistics markets in Mexico.

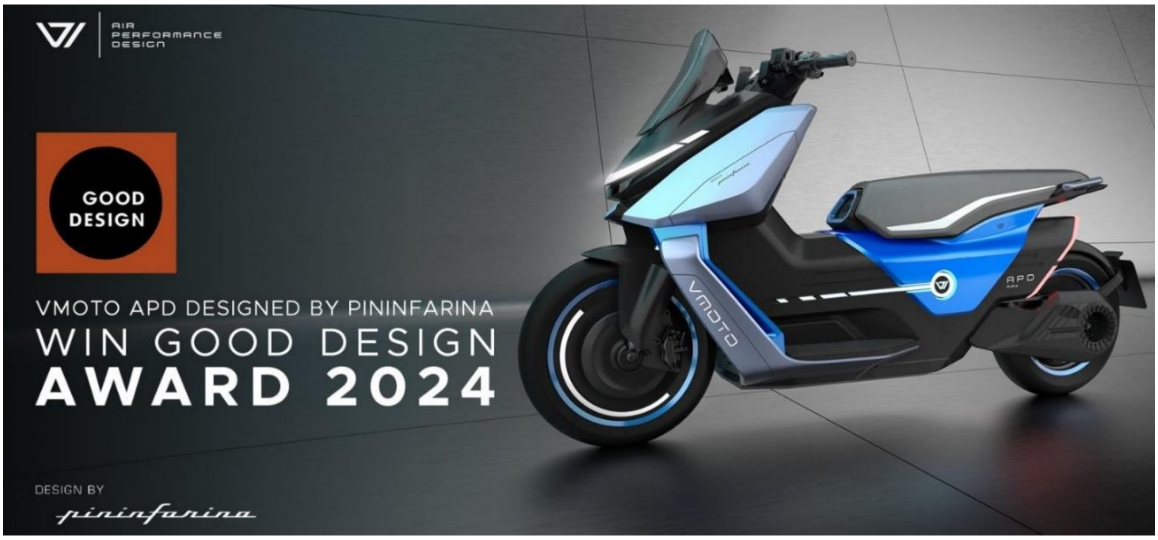
j. Vmoto APD Model win Good Design Awards 2024

Vmoto's APD model - Air Performance Design - 100% Electric, designed by Pininfarina for Vmoto, an electric maxi scooter that combines aerodynamic efficiency and ecological design, has won the Good Design Award 2024.

The Good Design Awards, organised by the Chicago Athenaeum Museum of Architecture in collaboration with the European Centre for Architecture Art Design and Urban Studies, is the most prestigious international award recognising the best designers each year for their efforts to create innovative and cutting-edge products.

[1] Exchange rate: AUD 1.00: SGD 0.8730

Directors' report



k. EICMA 2024

During EICMA 2024, Vmoto introduced its Electric Mobility Solution (**EMS**) which integrates Vmoto's EV products, swap & charging infrastructure and smart software and smart solutions supporting B2B customers to use EVs in their operations. This represents a new phase of the Electric Urban Mobility project of Vmoto, initiating a new concept of integrated mobility with the goal of facilitating the usage of 2-wheel and 3-wheel EV products across business, government and consumer segments, and to add value to businesses that use electric vehicles in their operations.

l. Vmoto Thailand

The Company has commenced in setting up its new manufacturing facilities in Chachengsao, Thailand, which is approximately 143 kilometres away from Bangkok, Thailand. Vmoto's new manufacturing facilities in Thailand is approximately 4,746 square metres and develop by Vmoto in the rented premises in an industrial zone.

Directors' report

m. Outlook

The Federal Reserve cut its benchmark interest rates by 0.50 percentage points in its first cut since 2020, which has eased consumer and distributor sentiment and led to a recovery in some aspects of sales for the Company.

However, as mentioned above, the current economic climate in Europe continues to negatively impact our sales performance, particularly in consumer sales, with some green shoots now appearing in B2B markets where the Company has a renewed focus.

In addition, outside of Europe, the Company continues to engage with several distributors and organisations focused on transitioning their existing fleet to EV's, and as such, we remain confident that these discussions are likely to result in material improvement in sales in the B2B sector.

The Company is continuously improving the technology and performance of its products and e-mobility solutions to provide a greater competitive advantage to its distributors, customers and dealers. The Company is also actively pursuing opportunities in new regions and is creating new revenue streams. This will enable Vmoto to keep innovating its products, solutions and technology while maintaining competitive advantages.

For the longer-term outlook, the trend towards EV products globally remains strong, where government policy is facilitating the continued electrification of the transport industry at large, including Vmoto's markets. Vmoto also invested and entered into joint ventures with a number of entities in the United Kingdom, South Africa, Thailand, Mexico and Singapore to pilot a number of projects to combine the advantages of Vmoto's e-mobility solutions and products with local operators.

5.3. Financial Review

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For FY2024 the Group recorded earnings before interest, tax, depreciation and amortisation (**EBITDA**) of $13K loss (FY2023: $7.69 million). The Group generated a net loss after tax for the year of $374K (FY2023: $7.26 million profit).

a. Reconciliation between the EBITDA and statutory net profit after tax for FY2024:

	2024 $'000	2023 $'000
Earnings before interest, tax, depreciation and amortisation	(13)	7,688
Less: Depreciation and amortisation	(1,907)	(865)
Profit before interest and tax	(1,920)	6,823
Add: Interest income	1,857	840
Less: Interest expense	(293)	(175)
Less: Income tax expense	(18)	(230)
Net profit after tax	(374)	7,258

Directors' report

b. Key profit and loss measures:

	Movement (increase/ decrease)	Movement $'000	2024 $'000	2023 $'000
Revenues from ordinary activities	*Decreased*	12,056	57,192	69,248
Loss from ordinary activities after tax	*Decreased*	7,632	(374)	7,258
EBITDA Loss	*Decreased*	7,701	(13)	7,688

c. Key balance sheet measures

	Movement increase/ (decrease)	Movement $'000	2024 $'000	2023 $'000
In respect to Group assets				
Cash and cash equivalents	*Decreased*	1,145	41,379	42,524
Trade and other receivables	*Increased*	1,510	10,730	9,220
Inventories	*Increased*	12,308	28,453	16,145
Property, plant, and equipment	*Increased*	11,472	19,486	8,014
Investments in associates	*Decreased*	4,910	169	5,079
Net assets	*Increased*	9,592	89,089	79,497
Working capital	*Decreased*	6,527	50,512	57,039
In respect to Group liabilities and equity				
Trade and other payables	*Increased*	12,160	23,680	11,520
Unearned revenue	*Increased*	1,157	7,401	6,244
Issued capital	*Increased*	3,630	113,471	109,841

d. Adjustments made subsequent to the lodgement of the ASX Appendix 4E

Subsequent to the lodgement of the ASX Appendix 4E:

- Profit after tax decreased to $374K loss due to following material changes:
  - *Revenue* and *Costs of goods sold* had an offsetting adjustment of $1.52M, which had no effect on gross profit.
  - *Other income* decreased by $256K due to a revision of foreign exchange differences and reclassification of inter-entity rent income and expenses.
  - *Operational expenses* increased by $380K due to a recalculation of share-based expenses inputs.
  - *Occupancy expenses* decreased by $185K due to the reclassification of inter-entity rent income and expenses.
  - *Foreign currency translation differences* increased by $1,114K due to reclassification of various conversion of foreign currency assets and liabilities to reporting currency.
- Net assets and total equity increased to $89,089K due to following material changes:
  - *Cash and cash equivalents* decreased by $107K due to reclassification of balances in UK operations.
  - *Current trade and other receivables* increased by $315K and *Non-current trade and other receivables* decreased by $286K due to a reclassification of deposits made for the rental of various facilities in Southeast Asia and Europe between current and non-current receivables, and the accrual for interest income receivable.
  - *Right-of-use assets* decreased by $102K to a recalculation of lease measurements.
  - *Intangible assets* decreased by $246K due to a reassessment of the acquisition of Vmoto Soco Manufacturing.
  - *Other financial assets* increased by $2,914K and *Investments accounted for using equity method* decreased by $2,914K due to the reclassification of financial assets for which the Company did not have significant influence.
  - *Trade and other payables* decreased by $546K due to a reclassification of amounts due in respect to the Thai operations.
  - *Issued capital* increased by $314K due to reassessment of vesting criteria and measurement inputs in respect to share-based payments and *Reserves* increased by $1,147K due to reassessment of transaction with controlled entities.

Directors' report

5.4. Key Business Risks

The Group is subject to various risk factors. Some of these are specific to its business activities while others are of a more general nature. Individually, or in combination, these risk factors may affect the future operating and financial performance of the Group.

a. Intensifying competition in the electric two-wheel vehicles industry

Vmoto operates in the electric two-wheel vehicle industry and the Company expects additional competitors to enter this market that may have greater financial, research and development, marketing, distribution, and other resources. We believe that we can compete in this market due to our first mover advantage, having operated in the electric two-wheel vehicle markets since 2009. Vmoto manufactures its products in China and has an established, comprehensive supply chain for parts required to manufacture electric two-wheel vehicles and an established distribution network, currently comprising 73 countries.

b. Technological obsolescence

Given the Company operates in an industry involving electric vehicle technology, any technological obsolescence could have an impact on our financial results. We address this risk through continued investment in research and development, patent appropriate and necessary research and development results, recruitment of competent technicians and constantly monitoring the market. We see this risk as minimal as the Company is constantly developing new technology and functions in its electric two-wheel vehicle products and has the protection of trademarks and patents.

c. Increasing geopolitical risks in Europe due to the war between Russian and Ukraine

The escalating conflict between Russia and Ukraine poses a significant business risk to the Group, particularly in Europe, due to increasing geopolitical instability. Furthermore, fluctuating currency exchange rates and trade restrictions may lead to increased operational costs and hinder market expansion efforts. Additionally, consumer confidence might be affected, resulting in decreased demand for discretionary goods like electric motorbikes, as individuals prioritise essential expenses amidst geopolitical uncertainty. Thus, the Group faces challenges in navigating the complex geopolitical landscape of Europe, which could potentially impede its growth and profitability in the region.

d. Adverse impact on demand due to global economic condition, including inflation, rising interest rates and higher cost-of-living pressures, and rising tariff threats initiated by United States

The adverse impact on demand stemming from global economic conditions, such as inflation, rising interest rates, higher cost-of-living pressures and tariff threats initiated by United States, poses a significant business risk to the Group. Inflationary pressures can lead to increased production costs, squeezing profit margins and potentially necessitating price hikes that could deter price-sensitive consumers. Moreover, rising interest rates may dampen consumer spending and investment appetite, affecting the purchasing power of potential buyers for electric motorbikes. Additionally, higher cost-of-living pressures can divert discretionary income away from luxury purchases like electric motorbikes, prompting consumers to prioritise essential expenses. The rising tariff threats initiated by United States also could lead to higher consumer prices, increased inflation and negatively impact on trade-dependent countries. Consequently, the Group faces the challenge of navigating a challenging economic environment, which could constrain demand and hinder revenue growth in key markets.

5.5. Environmental Regulations

The Group's operations are not subject to any significant environmental regulations. The Board believes that the Group has adequate systems in place for the management of its environmental regulations and is not aware of any breach of those environmental requirements as they apply to the Group.

a. Clean Energy Legislative Package

The Clean Energy Legislative Package, which included the *Clean Energy Act 2011*, was passed by the Australian Government in November 2011. It sets out the way that the government will introduce a carbon price to reduce Australia's carbon pollution and move to a clean energy future.

The Group's manufacturing activities are primarily carried out in China and the Directors believe that the Group will not be significantly affected by this legislation. The Group has not incorporated the effect of any carbon price implementation in its impairment testing at 31 December 2024.

The Directors' view is that there were no changes in environmental or other legislative requirements during the year that have significantly affected the results or operations of the Group.

Directors' report

5.6. Events Subsequent to Reporting Date

As detailed in note 17 *Events subsequent to reporting date* on page 60, the Group has the following subsequent events:

- Completion of Off-Market Share Buy-Back.
- Intention to Delist from ASX and Off-Market Share Buy-Back.
- Takeovers Panel Application.
- Section 249D General Meeting.

There are no other significant after balance date events that are not covered in this Directors' Report or within the financial statements as disclosed in note 17.

5.7. Future Developments, Prospects, and Business Strategies

The Group's future developments, prospects, and business strategies include:

a. Product portfolio:

Continue to expand its product portfolio to target different segment of e-mobility markets;

b. Optimising key brands and unlocking VMOTO brand value:

Consolidate the Company's existing brands from VMOTO, SUPER SOCO and E-MAX brands to VMOTO and VMOTO FLEET and unlocking the brand value of VMOTO to be more visible around the world;

c. Expand international footprint:

Expand export markets beyond Europe and this provides opportunity to de-risk its operations by diversification of export channels. These international footprints include South East Asia, South America, Middle East, and North America markets.

d. New strategic cooperations with partners and customers:

Actively pursuing and engaging with a number of potential new distributors, B2B customers and partners for distribution and cooperation opportunities to expand into new markets, which includes Brazil, Thailand, and United Arab of Emirates.

e. Cost optimisation and operations efficiency:

Continue to work on cost reduction by reviewing and optimising its existing operations according to the needs of the current market and environment conditions and identify opportunities to improve efficiency across the business.

f. E-Mobility Solutions:

Develop battery charging and swapping station products to enhance revenue and establish the Company as an integrated e-mobility solution provider.

6. Information relating to the Directors

Mr Charles Chen	Managing Director		
Qualifications and experience	Mr Chen has been an Executive Director of the Company since 5 January 2007 and Managing Director since 1 September 2011. Mr Chen is an entrepreneur in the motorcycle industry and has previously founded Freedomotor Corporation Limited in 2004, which was subsequently acquired by Vmoto through a management buyout of key assets. Mr Chen holds a Bachelor of Automobile Engineering from Wuhan University of Automobile Technology (China) and a postgraduate Diploma of Business Administration from South Wales University (UK). Mr Chen began his career with Hainan Sundiro Motorcycle Co, Ltd, the largest publicly listed industrial company in Hainan Province, which was acquired by Honda Japan in 2001. Mr Chen held senior executive roles with Hainan Sundiro from 1993 to 2002, and professionally trained in broad aspect of the motorcycle manufacturing and distribution operations including international sales and marketing, research and development, procurement, and production. Mr Chen resides in China and oversees all the Company's operations and activities.		
Interest in Company equity	**Direct**	46,766,530	Ordinary shares
		6,973,539	Performance rights
Directorships held in other listed entities during the prior three years	None		

Directors' report

Mr Ivan Teo	Finance Director
Qualifications and experience	Mr Teo joined the Company as Chief Financial Officer on 17 June 2009 and has been Finance Director of the Company since 29 January 2013. Mr Teo is an experienced finance executive with significant experience in international business. Mr Teo is a qualified Chartered Accountant and has over 18 years of finance and accounting experience with private and public companies in a diverse range of industries including automobile, manufacturing, mining, and retail. Mr Teo graduated from the University of Adelaide, South Australia with a Bachelor of Commerce and currently resides in China.
Interest in Company equity	**Direct** 4,781,896 Ordinary shares 3,552,558 Performance rights
Directorships held in other listed entities during the prior three years prior	None
Mr Blair Sergeant	Non-executive Director *Independent*
Qualifications and experience	Mr Sergeant is an experienced public company executive, having been an Executive Director of Bowen Coking Coal Limited where he, alongside the Managing Director, was integral in the Company's transformation from explorer to producer. Mr Sergeant was also the former Founding Managing Director of Lemur Resources Limited, as well as the former Finance Director of Coal of Africa Limited, which grew from a sub-$2m market capitalisation to over $1.5b at its peak. Mr Sergeant was instrumental in the acquisition of Vmoto in mid-2006 via a reverse takeover of Optima Corporation Limited and the acquisition of Freedomotor Ltd by Vmoto Limited in early 2007. During his career, Mr Sergeant has held the position of Managing Director, Non- Executive Director and/or Company Secretary for numerous listed entities across a broad spectrum of industry. Mr Sergeant graduated from Curtin University, Western Australia with a Bachelor of Business and subsequently, a Post Graduate Diploma in Corporate Administration. He is a Chartered Secretary, member of the Governance Institute of Australia and member of the Australian Institute of Company Directors.
Interest in Company equity	**Indirect** 300,000 Ordinary shares
Directorships held in other listed entities during the prior three years prior	Rincon Resources Ltd *Non-executive Director*
Martin Zhou	Non-executive Director *Independent*
Experience	Mr Zhou has been a Non-Executive Director of the Company since 16 September 2022. Mr Zhou's career spans over 36 years and includes national and international postings in the motorcycle industry in China and Japan. Mr Zhou was instrumental in Honda Japan's strategic acquisition and cooperation with Sundiro Group in China in year 2001 and directly participated in the acquisition process including acquisition negotiations, staff restructuring and technical advice on motorcycle models. Mr Zhou was also involved in the strategic introduction of several motorcycle groups from Japan and China to Sundiro Group in China, with the resulting cooperation arrangements including product development and technology partnerships. Mr Zhou graduated from Shandong University, China with a degree specialising in internal combustion engines. Subsequently, Mr Zhou graduated from the School of Economics, Yamaguchi University, Japan and received a Master of Business Administration.
Interest in Company equity	**Direct** 16,003,735 Ordinary shares
Directorships held in other listed entities during the prior three years prior	None

Directors' report

Aaron Kidd — Non-executive Director — *Independent (Appointed 24 May 2024)*

Experience

Mr. Kidd has nearly 20 years of global experience in Tier 1 investment banking, private equity and advisory, leading M&A and financing strategy and execution in complex transactions. Aaron is currently an Executive Director of Zephyr Capital, a Perth based independent private equity and advisory house specialising in natural resources, energy transition and impact investment. Previously, Aaron was Head of Australia for Appian Capital Advisory LLP, the world's largest natural resources specialised private equity fund, following various roles at Credit Suisse, Azure Capital and Goldman Sachs.

Mr Kidd has a Bachelor of Laws (Hons) and Bachelor of Commerce (Hons) from the University of Western Australia having been awarded various prizes and graduating as Commerce Valedictorian.

Interest in Company equity: **Direct** Nil Ordinary shares

Directorships held in other listed entities during the prior three years prior: None

Shannon Coates — Non-executive Director — *Independent (resigned 24 May 2024)*

Qualifications and experience

Ms Coates has been a Non-Executive Director of the Company since 23 May 2014.

Ms Coates completed a Bachelor of Laws through Murdoch University and has since gained over 25 years' in-house experience in corporate law and compliance for public companies. She is a Chartered Secretary and an Associate Member of the Governance Institute of Australia. She is also a graduate of the Australian Institute of Company Directors.

Ms Coates is the Managing Director of Source Governance, a professional services provider specialising in company secretarial and governance services to both private and public ASX listed companies.

Interest in Company equity: **Indirect** 622,411 Ordinary shares

Directorships held in other listed entities during the prior three years prior:

- Bellevue Gold Limited — *Non-executive Director, Chair Nomination and Remuneration Committee.*
- ENRG Elements Ltd *(formerly Kopore Metals Limited)* — *Former non-executive director (resigned 16 March 2020)*

7. Meetings of Directors and committees

During the financial year, four meetings of Directors were held. Attendances by each Director during the year are stated in the following table.

	DIRECTORS' MEETINGS		REMUNERATION AND NOMINATION COMMITTEE		FINANCE AND OPERATIONS COMMITTEE		AUDIT COMMITTEE	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Charles Chen	3	1						
Ivan Teo	3	3						
Blair Sergeant	3	3						
Martin Zhou	3	3						
Aaron Kidd	2#	2#						
Shannon Coates	1#	1#						

At the date of this report, the Audit and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.

Ms Coates resigned 24 May 2024; Mr Kidd was appointed 24 May 2024;

8. Indemnifying officers or auditor

8.1. Indemnification

The Company has paid premiums to insure each of the current and former Directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The Company has not given any further indemnity or entered into any other agreements to indemnify or pay or agree to pay insurance premiums.

Directors' report

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an auditor of the Company

8.2. Insurance premiums

The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

9. Options

9.1. Unissued shares under option

At the date of this report, the unissued ordinary shares of the Company under option (listed and unlisted) are as follows:

Grant Date	Date of Expiry	Exercise Price $	Number under Option	Vested and Exercisable
11.04.2022	11.04.2026	$0.45	6,600,000	6,600,000
11.04.2022	11.04.2027	$0.55	7,700,000	7,700,000
11.04.2022	11.04.2027	$0.65	8,800,000	8,800,000
			23,100,000	23,100,000

No person entitled to exercise the option has or has any right by virtue of the option to participate in any share issue of any other body corporate.

9.2. Shares issued on exercise of options or vesting of rights

No shares have been issued by the Company during the financial year as a result of the exercise of options (2023: nil).

No shares have been issued by the Company during the financial year on the vesting of performance rights (2023: 4,037,117).

10. Non-audit services

During the year, Hall Chadwick WA Audit Pty Ltd (**Hall Chadwick**), the Company's and Group's auditor did not provide non-audit services (2023: nil), in addition to their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at note 20 *Auditor's Remuneration* on page 62.

Where non-audit services are provided by Hall Chadwick, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth). These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

11. Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001* (Cth).

12. Rounding of amounts

The amounts contained in this report have been rounded to the nearest thousand dollars under the option available to the Company under Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016.

13. Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Vmoto support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. For a detailed analysis of the Company's Corporate Governance Policies, visit the corporate governance section of our website at vmoto.com/investor-centre.

14. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 31 December 2024 has been received and can be found on page 22 of the annual report.

Directors' report

15. Remuneration report (audited)

This report outlines the remuneration arrangements in place for Directors and key management personnel of the Company for the year ended 31 December 2024. The information in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001* (Cth).

15.1. Key management personnel (KMP)

This remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether Executive or otherwise) of the parent company, and includes those Executives in the Parent and the Group receiving the highest remuneration. KMP comprise the Directors of the Company and key executive personnel:

- Charles Chen — *Managing Director*
- Ivan Teo — *Finance Director*
- Blair Sergeant — *Non-executive Director*
- Martin Zhou — *Non-executive Director*
- Aaron Kidd — *Non-executive Director (Appointed 24 May 2024)*
- *Other KMP:*
  - Adam Cui — *Sales Manager*
  - Graziano Milone — *Chief Marketing Officer & President of Strategic Business Development*
  - Gaetan Orselli — *Country Manager France*
  - Gareth Hughes — *Country Manager UK (Appointed Country Manager UK 23 August 2024)*
  - Hu Lui — *Research & Development Manager (deemed KMP 1 January 2024)*
- *Former KMP included in current and comparative information:*
  - Shannon Coates — *Non-executive Director (Resigned 24 May 2024)*
  - Clive Mann — *Country Manager UK (Resigned 23 August 2024)*
  - Yaze Liu — *Research & Development Manager (Resigned 31 December 2023)*

15.2. Principles used to determine the nature and amount of remuneration

a. Remuneration Policy

Broadly, remuneration levels for KMP of the Company and KMP of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives and reward the achievement of strategic objectives. The Board may seek independent advice on the appropriateness of remuneration packages of both the Company and the Group given trends in comparative companies both locally and internationally, and the objectives of the Company's remuneration strategy.

Remuneration packages consist of fixed remuneration including base salary, employer contributions to superannuation funds and non-cash benefits.

The Company has established a long-term incentive plan, which is known as the Vmoto Limited Employee Long Term Incentive Plan (**LTI Plan**). This LTI Plan allows Directors to offer equity securities to attract, motivate and retain key directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company. Under the LTI Plan, the Board may offer to eligible persons the opportunity to subscribe for equity securities in the Company as the Board may decide and, on the terms, set out in the rules of the LTI Plan.

b. Performance Conditions Linked to Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and executives. Two methods have been applied to achieve this aim, the first being a performance-based rights subject to performance-based vesting conditions, and the second being the issue of options or shares to KMP to encourage the alignment of personal and shareholder interests

c. Remuneration structure

(1) *Executive remuneration*

The Company's remuneration policy for executive directors and senior management is designed to promote superior performance and long-term commitment to the Company. Executives receive a base remuneration which is market related, as well as performance-based remuneration which is met out of a profit-sharing pool on a calendar year basis.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and shareholders to do so.

Directors' report

15. Remuneration report (audited)

Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and expert advice.

The Committee's reward policy reflects its obligation to align executive's remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

- reward reflects the competitive market in which the Company operates;
- individual reward should be linked to performance criteria; and
- executives should be rewarded for both financial and non-financial performance.

The total remuneration of executive directors and other senior managers consists of the following:

- *Salary* Receive a fixed sum payable monthly in cash;
- *Bonus* Eligible to participate in a profit participation plan if deemed appropriate long-term incentives - executive directors may participate in share option schemes with the prior approval of shareholders. Executives may also participate in employee share option schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in exceptional circumstances;
- *Termination* Three months' notice by the Company or the employee; and
- *Other benefits* Eligible to participate in superannuation schemes.

Remuneration of other executives consists of the following:

- *Salary* Receive fixed sum payable monthly in cash;
- *Bonus* Eligible to participate in a profit participation plan if deemed appropriate;
- *Long-term incentives* Participate in share option schemes which have been approved by shareholders; and
- *Other benefits* Eligible to participate in superannuation schemes.

(2) *Non-executive director remuneration*

Total remuneration for all Non-Executive Directors, last voted upon by shareholders at the 2012 Annual General Meeting, is not to exceed A$300,000 per annum and has been set at a level to enable the Company to attract and retain suitably qualified Directors. The Company does not have any scheme relating to retirement benefits for Non-Executive Directors.

(3) *Fixed remuneration*

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicle), as well as employer contributions to superannuation funds.

Remuneration levels are reviewed annually by the Board through a process that considers individual, segment and overall performance of the Group. The Board has regard to remuneration levels external to the Group to ensure the Directors' and executives' remuneration is competitive in the market place.

Executive Directors are employed full time and receive fixed remuneration in the form of salary and statutory superannuation or consultancy fees, commensurate with their required level of services.

Non-Executive Directors receive a fixed monthly fee for their services. Where Non-Executive Directors provide services materially outside their usual Board duties, they are remunerated on an agreed retainer or daily rate basis.

(4) *Profit participation plan*

Performance incentives may be offered to executive directors and senior management of the Company through the operation of a profit participation plan. The amount available is based on profit performance above pre-determined returns on shareholders' funds.

This policy is reviewed annually.

(5) *Service agreements*

It is the Group's policy that service agreements for KMP are unlimited in term but capable of termination on three months' notice and that the Group retains the right to terminate the service agreements immediately, by making payment equal to three months' pay in lieu of notice.

The service agreement outlines the components of compensation paid to KMP but does not prescribe how remuneration levels are modified year to year. Remuneration levels are reviewed annually on a date as close as possible to 31 December of each year to take into account KMP's performance. Certain KMP will be entitled to bonuses as the Board may decide in its absolute discretion from time to time.

Directors' report

15. Remuneration report (audited)

d. Voting and comments made at the Company's 2024 Annual General Meeting (AGM)

At the AGM held on 24 May 2024, on a poll the Company received 113,537,116 (94.14%) *For* votes and 7,066,988 (5.86%) *Against* votes and 898,000 abstentions[2] on its remuneration report for the 2023 financial year. The Group did not employ a remuneration consultant during the year.

15.3. Performance-based remuneration

a. The following table provides employment details of persons who were, during the financial year, members of KMP of the Group. The table also illustrates the proportion of remuneration that was performance based and the proportion of remuneration received in the form of options.

Group KMP	Position Held as at 31 December 2024 and any change during the year	Contract Commencement / Termination Date	Proportions of Elements of Remuneration Related to Performance			Proportions of Elements of Remuneration Not Related to Performance		Total
			Non-salary Cash-based Incentives %	Shares %	Options / Rights %	Fixed Salary/ Fees – cash based %	Fixed Salary/ Fees – share-based %	%
Executive Directors								
Charles Chen	Managing Director	5.01.2007 *Executive Dir.* 1.09.2011 *MD*	-	-	35.1	49.0	15.9	100.0
Ivan Teo	Finance Director	29.01.2013	-	-	30.6	43.4	26.0	100.0
Non-executive directors								
Blair Sergeant	Non-executive Director	04.11.2020	-	-	-	100.0	-	100.0
Martin Zhou	Non-executive Director	16.09.2022	-	-	-	100.0	-	100.0
Aaron Kidd	Non-executive Director	24.05.2024 *Appt*	-	-	-	100.0	-	100.0
Shannon Coates	Non-executive Director	23.05.2014 *Appt* 24.05.2024 *Resig*	-	-	-	100.0	-	100.0
Other KMP								
Adam Cui	Sales Manager	17.02.2020	24.1	-	-	49.6	26.3	100.0
Clive Mann	Country Manager UK	15.07.2022 *Appt* 23.08.2024 *Resig*	-	-	-	97.1	2.9	100.0
Graziano Milone	Chief Marketing Officer and President of Strategic Business Development	1.03.2022	-	-	-	22.4	77.6	100.0
Gaetan Orselli	Country Manager France	1.07.2020	-	-	-	82.1	17.9	100.0
Gareth Hughes	Country Manager UK	23.08.2024 *Appt*	-	-	-	100.0	-	100.0
Hu Lui	R & D Manager	1.01.2024 *Deemed*	21.4	-	-	64.2	14.4	100.0

b. Statutory performance indicators

The Group aims to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. Reported below are measures of the Group's financial performance over the last five years as required by the *Corporations Act 2001* (Cth). However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2024	2023	2022	2021	2020
Profit or (loss) for the year attributable to owners of the Company ($'000)	(374)	7,258	10,218	8,034	3,656
Basic earnings per share (cents)	(0.05)	2.50	3,64	2.89	1.45
Dividend payments ($)	Nil	Nil	Nil	Nil	Nil
Dividend payout ratio (%)	N/A	N/A	N/A	N/A	N/A
Share price ($)	0.073	0.130	0.430	0.440	0.245
Increase/(decrease) in share price (%)	(43.85)	(69.77)	(2.27)	79.59	337.50

[2] Votes cast by a person who abstains on an item are not counted in calculating the required majority on a poll

Directors' report

15. Remuneration report (audited)

15.4. Directors and KMP remuneration

Details of the nature and amount of each element of the remuneration of each of the KMP of the Company for the year ended 31 December 2024 are set out in the following tables.

Bonuses paid during the year were based on the achievement of agreed key performance indicators.

The following tables of benefits and payments represents the components of the current year and comparative year remuneration expenses for each member of KMP of the Group. Such amounts have been calculated in accordance with Australian Accounting Standards.

2024 – Group										
Group KMP	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees, and leave $	Profit share & bonuses $	Non-monetary $	Other $	Super-annuation $	Other $	$	Shares $	Options / Perf. rights $	$
Executive Directors										
Charles Chen(1)	420,000	-	-	-	-	-	-	136,584	300,627	857,211
Ivan Teo(2)	212,500	-	-	-	-	-	-	127,271	149,660	489,431
Non-executive directors										
Blair Sergeant	60,000	-	-	-	-	-	-	-	-	60,000
Aaron Kidd(5)	36,129	-	-	-	-	-	-	-	-	36,129
Martin Zhou(3)	-	-	-	-	-	-	-	74,500	-	74,500
Shannon Coates(4)	21,800	-	-	-	2,071	-	-	-	-	23,871
Other KMP										
Adam Cui	70,999	34,408	-	-	-	-	-	37,630	-	143,037
Clive Mann(4)	134,810	-	-	-	-	-	84,444	6,600	-	225,854
Graziano Milone	196,996	-	-	-	-	-	-	683,323	-	880,319
Gaetan Orselli	172,323	-	-	-	-	-	-	37,590	-	209,913
Gareth Hughes(5)	105,490	-	-	-	-	-	-	-	-	105,490
Hu Lui(5)	118,330	39,443	-	-	-	-	-	20,800	-	178,573
	1,549,377	73,851	-	-	2,071	-	84,444	1,124,298	450,287	3,284,328

(1) Mr Chen's Director fees for the year ended 31 December 2024 was USD336,000.

(2) Mr Teo's Director fees for the year ended 31 December 2024 was USD170,000.

(3) Mr Zhou has agreed to receive his director fees in shares, and approved for issue at the 2024 Annual General Meeting.

(4) Ms Coates resigned 24 May 2024; Mr Mann resigned 23 August 2024.

(5) Mr Kidd was appointed 24 May 2024; Mr Hughes was appointed 23 August 2024; Mr H Lui was deemed KMP on 1 January 2024.

Directors' report

15. Remuneration report (audited)

2023 – Group *Group KMP*	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees, and leave	Profit share & bonuses	Non-monetary	Other	Super-annuation	Other		Shares	Options / Perf. rights	
	$	$	$	$	$	$	$	$	$	$
Executive Directors										
Charles Chen[(1)]	420,000	-	-	-	-	-	-	96,401	265,643	782,044
Ivan Teo[(2)]	212,500	-	-	-	-	-	-	89,828	123,872	426,200
Non-executive directors										
Blair Sergeant	60,000	-	-	-	-	-	-	-	-	60,000
Shannon Coates	54,795	-	-	-	5,205	-	-	-	-	60,000
Martin Zhou[(3)]	-	-	-	-	-	-	-	51,964	-	51,964
Other KMP										
Adam Cui	61,526	42,613	-	-	-	-	-	28,400	-	132,539
Yaze Liu[(4)]	194,288	-	-	-	-	-	-	-	-	194,288
Clive Mann	166,564	-	-	-	-	-	-	21,300	-	187,864
Graziano Milone	195,878	-	-	-	-	-	-	151,803	-	347,681
Gaetan Orselli	136,381	-	-	-	-	-	-	21,300	-	157,681
	1,501,932	42,613	-	-	5,205	-	-	460,996	389,515	2,400,261

(1) Mr Chen's Director fees for the year ended 31 December 2023 was USD336,000.

(2) Mr Teo's Director fees for the year ended 31 December 2023 was USD170,000.

(3) Mr Zhou has agreed to receive his director fees in shares and the Company will seek shareholders' approval for this issue at the 2024 Annual General Meeting.

(4) Mr Y Liu resigned 31 December 2023

15.5. KMP Loans

During the year ended 31 December 2024, there were no loans to or from KMP (2023: nil)

15.6. Other transactions with KMP and or their Related Parties

During the year ended 31 December 2024, there were no other transactions with KMP and their related parties (2023: nil), other than disclosed below.

Related party	Relationship to Vmoto	Nature of transactions	Receivable/(payable) balance 2024 $	2023 $
Charles Chen	Managing Director	Unpaid remuneration or fees	(82,500)	(93,148)
Ivan Teo	Finance Director	Unpaid remuneration or fees	(76,875)	(77,131)
Martin Zhou	Non-executive Director	Unpaid remuneration or fees	(40,000)	(40,000)
Graziano Milone	Member of KMP	Unpaid remuneration or fees	(98,596)	(98,553)

Directors' report

15. Remuneration report (audited)

15.7. Share-based compensation

The Group believes that encouraging its directors and executives to become shareholders is the best way of aligning their interests with those of its shareholders. At present the Group does not have an active employee share option plan.

There were no equity instruments issued during the year to Directors as a result of options exercised that had previously been granted as compensation.

a. Securities received that are not performance-related

Members of KMP are entitled to receive securities that are not performance-based, in settlement of all or part of their remuneration.

b. Options Granted as Remuneration

The Company operates an Employee Long Term Incentive Plan (**LTI Plan**) for eligible persons of the Group. In accordance with the provisions of the LTI Plan, eligible persons may be granted options to purchase ordinary shares at an exercise price to be determined by the Board with regard to the market value of the shares when it resolves to offer the options. The options may only be granted to eligible persons after the Board considers the person's seniority, position, length of service, record of employment, potential contribution and any other matters which the Board considers relevant.

Each employee share option converts into one ordinary share of Vmoto Limited on exercise. No amounts are paid or payable to the Company by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is determined by the Board.

There is no further service or performance criteria that need to be met in relation to options granted before the beneficial interest vests in the recipient.

No options were granted the KMP during the current financial year (2023: nil).

c. Rights Granted as Remuneration

In accordance with the provisions of the LTI Plan, eligible persons may be granted rights to attract, motivate and retain key directors, employees and consultants to participate in the future growth of the Company to be determined by the Board and on the terms set out in the rules of the LTI plan. The rights may only be granted to eligible persons after the Board considers the person's seniority, position, length of service, record of employment, potential contribution and any other matters which the Board considers relevant.

Each right converts into one ordinary share of Vmoto Limited at nil consideration when service and performance-based conditions as determined by the Board are met within designated period. No amounts are paid or payable to the Company by the recipient on receipt of the rights or on conversion of the rights to shares. Rights carry neither rights to dividends nor voting rights.

Rights under the LTI Plan expire when the applicable service and/or performance conditions are not met within the designated period, or immediately on the resignation of the eligible persons, whichever is the earlier.

The number of rights granted is determined by the Board. Unless specified by the Board at the time of offer of rights, there are no further service or performance criteria that need to be met in relation to rights granted before

During the year, the Company issued Messrs Chen and Teo 7,652,725 rights that will convert into shares upon milestones being achieved. These rights have been issued on terms as detailed below and valued in accordance with note 22.2.2c.

Class of Performance Right	Performance Condition	Performance rights No.	Milestone Date	Expiry Date	Probability of milestones met %	Performance Condition Satisfied
2024	• Continuing employment; • Minimum performance hurdle of a minimum share price compound annual growth rate (**CAGR**) increases of 5% over the performance period; • No performance rights will vest if CAGR is less than 5% over the respective period; and • 50% of the performance rights will vest if CAGR of 10% is achieved, up to maximum of 100% of the performance rights will vest if CAGR of 15% is achieved and pro rata of the performance rights will vest if CAGR is >5% & <10% and >10% & <15%.	7,652,725	31.12.2026	31.5.2027	100% for the service condition. Other milestones are market conditions and determined through a Monte Carlo simulation.	Nil

Directors' report

15. Remuneration report (audited)

15.8. KMP equity holdings of Vmoto Limited held by each KMP

a. Fully Paid Ordinary Shares

The number of ordinary shares of Vmoto Limited held, directly, indirectly or beneficially, by each KMP, including their personally-related entities for the year ended 31 December 2024 is as follows:

2024 – Group Group KMP	Balance at start of year or appointment No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes during the year[1] No.	Balance at end of year or resignation No.
Executive Directors					
Charles Chen	46,007,910	758,620	-	-	46,766,530
Ivan Teo	4,075,000	706,896	-	-	4,781,896
Non-executive directors					
Blair Sergeant	300,000	-	-	-	300,000
Martin Zhou	15,589,942	413,793	-	-	16,003,735
Aaron Kidd[3]	-	-	-	-	-
Shannon Coates[2]	622,411	-	-	-	622,411
Other KMP					
Adam Cui	80,000	558,000	-	158,000	796,000
Clive Mann[2]	60,000	-	-	-	60,000
Graziano Milone	1,438,139	6,380,223	-	-	7,818,362
Gaetan Orselli	110,000	158,000	-	-	268,000
Gareth Hughes[3]	-	-	-	-	-
Hu Lui[3]	50,000	408,000	-	158,000	616,000
	68,333,402	9,383,532	-	316,000	78,032,934

(1) Other changes relate to the acquisition of shares on market during the year.
(2) Ms Coates resigned 24 May 2024; Mr Mann resigned 23 August 2024.
(3) Mr Kidd was appointed 24 May 2024; Mr Hughes was appointed 23 August 2024; Mr H Lui was deemed KMP on 1 January 2024.

b. Options

The number of options over ordinary shares in Vmoto Limited held, directly, indirectly or beneficially, by each KMP, including their personally-related entities for the year ended 31 December 2024 is as follows:

2024 – Group Group KMP	Balance at start of year or appointments No.	Granted as Remuneration during the year No.	Exercised during the year No.	Other changes during the year No.	Balance at end of year or resignation No.	Vested and Exercisable No.	Not Vested No.
Executive Directors							
Charles Chen	-	-	-	-	-	-	-
Ivan Teo	-	-	-	-	-	-	-
Non-executive directors							
Blair Sergeant	-	-	-	-	-	-	-
Martin Zhou	-	-	-	-	-	-	-
Aaron Kidd[2]	-	-	-	-	-	-	-
Shannon Coates[1]	-	-	-	-	-	-	-
Other KMP							
Adam Cui	-	-	-	-	-	-	-
Clive Mann[1]	-	-	-	-	-	-	-
Graziano Milone	2,100,000	-	-	-	2,100,000	2,100,000	-
Gaetan Orselli		-	-	-	-		-
Gareth Hughes[2]	-	-	-	-	-	-	-
Hu Lui[2]		-	-	-	-	-	-
	2,100,000	-	-	-	2,100,000	2,100,000	-

(1) Ms Coates resigned 24 May 2024; Mr Mann resigned 23 August 2024.
(2) Mr Kidd was appointed 24 May 2024; Mr Hughes was appointed 23 August 2024; Mr H Lui was deemed KMP on 1 January 2024.

Directors' report

15. Remuneration report (audited)

c. Performance Rights

The number of Performance Shares in Vmoto Limited held, directly, indirectly, or beneficially, by each KMP, including their personally-related entities for the year ended 31 December 2024 is as follows:

2024 – Group *Group KMP*	Balance at start of year or appointments No.	Received during the year as compensation No.	Conversion to ordinary share during the year No.	Expiration of rights during the year No.	Balance at end of year or resignation No.	Maximum value yet to vest No.
Executive Directors						
Charles Chen	3,275,955	5,069,930	-	(1,372,346)	6,973,539	6,973,539
Ivan Teo	1,622,275	2,582,795	-	(652,512)	3,552,558	3,552,558
Non-executive directors						
Blair Sergeant	-	-	-	-	-	-
Martin Zhou	-	-	-	-	-	-
Aaron Kidd[2]	-	-	-	-	-	-
Shannon Coates[1]	-	-	-	-	-	-
Other KMP						
Adam Cui	-	-	-	-	-	-
Clive Mann[1]	-	-	-	-	-	-
Graziano Milone	-	-	-	-	-	-
Gaetan Orselli	-	-	-	-	-	-
Gareth Hughes[2]	-	-	-	-	-	-
Hu Lui[2]	-	-	-	-	-	-
	4,898,230	7,652,725	-	(2,024,858)	10,526,097	10,526,097

(1) Ms Coates resigned 24 May 2024; Mr Mann resigned 23 August 2024.

(2) Mr Kidd was appointed 24 May 2024; Mr Hughes was appointed 23 August 2024; Mr H Lui was deemed KMP on 1 January 2024.

15.9. Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights, and shareholdings.

END OF REMUNERATION REPORT

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors made pursuant to section 298(2) of the *Corporations Act 2001* (Cth).

CHARLES CHEN
Managing Director
Dated this Monday, 31 March 2025

HALL CHADWICK

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Vmoto Limited and its controlled entities for the financial year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 31st day of March 2025
Perth, Western Australia

Consolidated statement of profit or loss and other comprehensive income

for the year 31 December 2024

	Note	2024 $'000	2023 $'000
Continuing operations			
Revenue		57,192	69,248
Cost of sales		(39,145)	(48,814)
Gross profit		18,047	20,434
Other income	1.1	4,737	7,919
Operational expenses		(16,130)	(13,639)
Marketing and distribution expenses		(2,790)	(1,975)
Corporate and administrative expenses		(5,154)	(4,942)
Occupancy expenses		(936)	(466)
Other expenses		(110)	(52)
Operating profit		(2,336)	7,279
Share of profit or (loss) from equity accounted investments	12.3.2	416	(456)
Finance costs		(293)	(175)
Finance income		1,857	840
(Loss) / profit before tax	2.1.1	(356)	7,488
Income tax expense	4.1	(18)	(230)
(Loss) / profit for the year		(374)	7,258
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss:		-	-
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		6,861	(3,161)
Other comprehensive income for the year, net of tax		6,861	(3,161)
Total comprehensive income attributable to members of the parent entity		6,487	4,097
Profit or (loss) for the year attributable to:			
Non-controlling interest		(177)	10
Owners of the parent		(197)	7,248
Total comprehensive income attributable to:			
Non-controlling interest		(177)	10
Owners of the parent		6,664	4,087
Earnings per share:		¢	¢
Basic earnings per share (cents per share)	21.4	(0.05)	2.50
Diluted earnings per share (cents per share)	21.4	(0.05)	2.31

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position
as at 31 December 2024

	Note	2024 $'000	2023 $'000
Current assets			
Cash and cash equivalents	5.1	41,379	42,524
Trade and other receivables	5.2.1	10,730	9,220
Inventories	6.1	28,453	16,145
Other current assets	5.3.1	4,239	5,047
Total current assets		84,801	72,936
Non-current assets			
Trade and other receivables	5.2.2	1,910	2,277
Other financial assets	5.4.1	2,914	530
Property, plant, and equipment	6.2	19,486	8,014
Right-of-use assets	6.3.1	6,143	4,694
Intangible assets	6.4	10,000	2,787
Investments accounted for using equity method	12.1	169	5,079
Total non-current assets		40,622	23,381
Total assets		125,423	96,317
Current liabilities			
Trade and other payables	5.5.1	23,680	11,520
Borrowings	5.6.1	10,051	4,120
Current tax liabilities	4.5	19	-
Leases	6.3.2	539	257
Total current liabilities		34,289	15,897
Non-current liabilities			
Leases	6.3.2	2,045	923
Total non-current liabilities		2,045	923
Total liabilities		36,334	16,820
Net assets		89,089	79,497
Equity			
Issued capital	7.1.1	113,471	109,841
Reserves	7.3	4,616	(1,903)
Accumulated losses		(28,998)	(28,326)
Non-controlling interest		-	(115)
Total equity		89,089	79,497

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year 31 December 2024

	Note	Contributed equity $'000	Accumulated losses $'000	Share-based payment reserve $'000	Foreign currency translation reserve $'000	Non-controlling Interests $'000	Total equity $'000
Balance at 1 January 2023		91,908	(35,574)	1,852	475	(125)	58,536
Profit for the year attributable to owners of the parent		-	7,248	-	-	10	7,258
Other comprehensive income for the year attributable owners of the parent		-	-	-	(3,161)	-	(3,161)
Total comprehensive income for the year attributable owners of the parent		-	7,248	-	(3,161)	10	4,097
Transaction with owners, directly in equity							
Shares issued during the year (net of costs)	7.1	15,755	-	-	-	-	15,755
Shares issued during the year in lieu of cash	7.1.1c to 7.1.1f	219	-	-	-	-	219
Share-based payments granted during the year	22.2.2	-	-	390	-	-	390
Vesting of performance rights and shares	7.1.1a & b 7.1.1h,7.2	1,959	-	(1,360)	-	-	599
Lapse of options	7.2.1b	-	-	(99)	-	-	(99)
Balance at 31 December 2023		109,841	(28,326)	783	(2,686)	(115)	79,497
Balance at 1 January 2024		109,841	(28,326)	783	(2,686)	(115)	79,497
Loss for the year attributable to owners of the parent		-	(197)	-	-	(177)	(374)
Other comprehensive income- for the year attributable owners of the parent		-	-	-	6,861	-	6,861
Total comprehensive income for the year attributable owners of the parent		-	(197)	-	6,861	(177)	6,487
Transaction with owners, directly in equity							-
Shares issued during the year (net of costs)	7.1	-	-	-	-	-	-
Shares issued during the year in lieu of cash	7.1.1i to j 7.1.1l to o	1,536	-	-	-	-	1,536
Share-based payments granted during the year	22.2.2	-	-	475	-	-	475
Vesting of performance rights and shares	7.1.1h	1,094	-	-	-	-	1,094
Lapse of rights	7.2.1	-	817	(817)	-	-	-
Transaction with controlled entity	13.1	1,000	(1,292)	-	-	292	-
Balance at 31 December 2024		113,471	(28,998)	441	4,175	-	89,089

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year 31 December 2024

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		58,176	71,776
Payments to suppliers and employees		(57,135)	(70,600)
Interest received		1,857	845
Interest paid		(127)	(133)
Other cash receipts		1,546	2,009
Income tax paid		(15)	(30)
Net cash provided by operating activities	5.1.2a	4,302	3,867
Cash flows from investing activities			
Purchase of property, plant, and equipment		(3,331)	(6,136)
Purchase of intangibles		(5,085)	(2,875)
Payment for investments		(1,134)	-
Payment for acquisition of subsidiary, net of cash acquired	13.2.2	2,465	-
Net cash used in investing activities		(7,085)	(9,011)
Cash flows from financing activities			
Proceeds from issue of shares		-	15,787
Proceeds from borrowings	5.1.2b	5,494	4,187
Repayments of borrowings	5.1.2b	(4,437)	
Payment of principal portion of lease liabilities	5.1.2b	(642)	(295)
Net cash provided by / (used in) financing activities		415	19,679
Net increase in cash and cash equivalents held		(2,368)	14,535
Cash and cash equivalents at the beginning of the year		42,524	28,026
Change in foreign currency held		1,223	(37)
Cash and cash equivalents at the end of the year	5.1	41,379	42,524

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

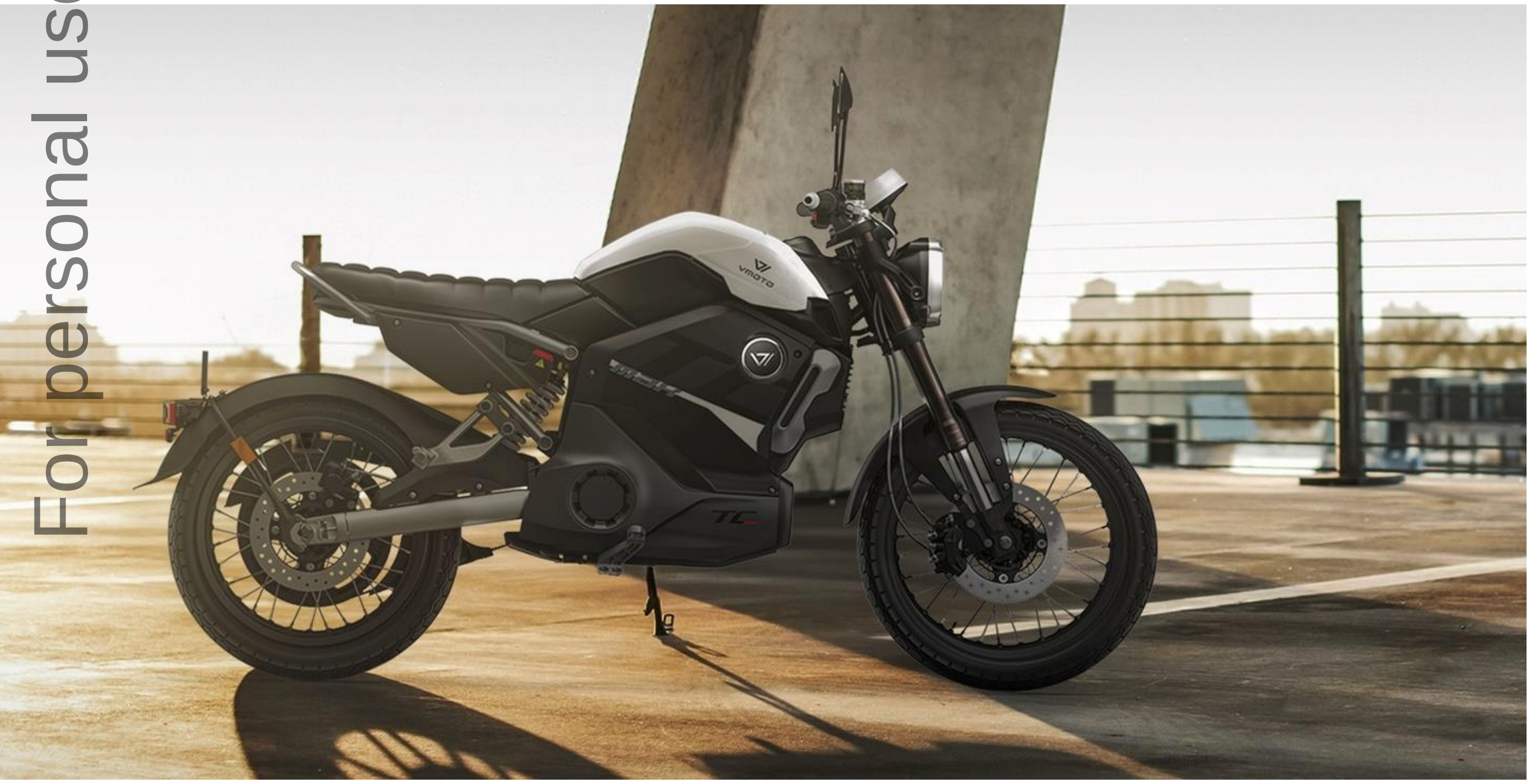
for the year 31 December 2024

In preparing the 2024 financial statements, Vmoto Limited has grouped into sections under the following key categories:

Material accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-material are not included in the financial statements.

The financial report is presented in Australian dollars, except where otherwise stated.

The amounts contained in these financial statements have been rounded to the nearest thousand dollars under the option available to the Group under Australian Securities and Investments Commission (**ASIC**) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016.



Notes to the consolidated financial statements

for the year ended 31 December 2024

SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the Group.

Note 1 Revenue and other income	Note	2024 $'000	2023 $'000
1.1 Other Income			
Contributions from customers		1,921	3,128
Government subsidies		957	767
Recovery of loss allowance		983	2,431
Rent income		548	1,035
Net foreign exchange gain		287	514
Other income		41	44
		4,737	7,919

1.2 Accounting policies

1.2.1 ***Revenue recognition***

Revenues are recognised at fair value of the consideration received net of the amount of value added tax (GST, VAT or equivalent) payable to the taxation authority.

1.2.2 ***Sale of goods***

Revenue is measured when or as the control of the goods or services is transferred to a customer. Depending on the terms of the contract and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time.

If control of the goods and services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise (and in most instances), revenue is recognised at a point in time when the customer obtains control of the goods and services.

Contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price which are generally based on the prices charged to customers. If the standalone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

If a customer pays consideration before the Company transfers the goods to the customer, the Company presents the contract liability (referred to as advance and deposits from customers) when the payment is made. A contract liability is the Company's obligation to transfer goods or services to a customer for which the Company has received consideration.

1.2.3 ***Interest income***

Interest revenue is recognised in accordance with note 3.1 Finance income and expenses.

Note 2 Expenses	Note	2024 $'000	2023 $'000
2.1 Expenses by nature			
Advertising and promotion expenses		2,166	1,239
Manufacturing and production costs		39,780	50,085
Consultancy and compliance expenses		2,692	2,305
Depreciation and amortisation	2.2	1,907	865
Freight and couriers		2,330	2,071
Impairment		110	52
Interest and finance costs		369	243
Salaries and employment costs		8,178	6,708
Research and development		3,332	4,166
Other expenses		3,694	2,329
Share of (profit) or loss from equity accounted investments	12.3.2	(416)	456
Total expenses by nature		64,142	70,519

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 2 Expenses (cont.)

2.1.1 ***Reconciliation to net profit or loss before tax***

	2024 $'000	2023 $'000
Total revenue and other income	63,786	78,007
Less: Total expenses by nature	(64,142)	(70,519)
Net (loss) / profit before tax	(356)	7,488

2.2 Depreciation and amortisation

	Note	2024 $'000	2023 $'000
Depreciation – plant and equipment	6.2.1	1,631	629
Depreciation – right-of-use assets	6.3.4	443	236
Amortisation – intangible assets	6.4.1	685	-
Less: Allocated to research and development expense		(852)	-
		1,907	865

2.3 Accounting policies

2.3.1 ***Impairment of financial assets***

Refer to note 5.4.3d

2.3.2 ***Impairment of non-financial assets***

Refer to note 6.5.1

2.3.3 ***Employee benefits:***

a. Short-term benefits

Liabilities for employee benefits for wages, salaries, and annual leave that are expected to be settled within 12 months of reporting date are present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

b. Other long-term benefits

The Group's obligation in respect of long-term employee benefits other than defined benefit plans, such as long service leave, is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the Reserve Bank of Australia's cash rate at the report date that have maturity dates approximating the terms of the Company's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

c. Retirement benefit obligations: Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

d. Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured based on the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 2 Expenses (cont.)

2.3 Accounting policies (cont.)

e. Equity-settled compensation

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, considering the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

Note 3 Other Material Accounting Policies related to items of profit and loss

3.1 Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest revenue is recognised on a time proportionate basis that considers the effective yield on the financial asset.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

Note 4 Income tax

	2024 $'000	2023 $'000
4.1 Income tax expense		
Current tax expense	18	230
Deferred tax expense	-	-
	18	230
Deferred income tax expense included in income tax expense comprises:		
Increase in recognised deferred tax assets (**DTAs**)	-	-
Increase / (decrease) in recognised deferred tax liabilities (**DTLs**)	-	-
	-	-
4.2 Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax benefit on profit or loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Accounting profit before tax	(356)	7,488
Prima facie tax on operating loss at 30% (2023 profit: 30%)	(107)	2,246
Add / (Less) tax effect of:		
Non-deductible expenses	922	241
Effect of different tax rates of subsidiaries operating in other jurisdictions	(708)	(1,755)
Deferred tax assets not brought to account	(89)	(502)
Income tax expense attributable to operating loss	18	230

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 4 Income tax (cont.)

		2024 %	2023 %
4.3	The applicable weighted average effective tax rates attributable to operating profit are as follows:	(5.06)	3.07

a. The potential tax benefit for 2024 in respect of tax losses not brought into account has been calculated at 30% for Australian entities (2023: 30%). The tax benefit and expense for 2024 in respect of tax effect brought into account in relation to China operations has been calculated at 15% for China entities and 0% for Honk Kong. The tax benefit and expense for 2024 in respect of tax effect brought into account in relation to Europe operations has been calculated at following rates: The Netherlands – 25.8%; Italy – 24%; and the UK – 25%.

		2024	2023
4.4	Balance of franking account at year end of the parent company	$nil	$nil

4.5 Current tax liabilities

	2024 $'000	2023 $'000
Income taxes payable	19	-
	19	-

4.6 Deferred tax assets (DTA)

	Note	2024 $'000	2023 $'000
Accrued expenses		24	20
Unused tax losses	4.7	8,288	7,782
Net DTAs		8,312	7,802
Less: DTAs not recognised		(8,312)	(7,802)
Net deferred tax assets		-	-

4.7 Tax losses and deductible temporary differences

Unused tax losses and deductible temporary differences for which no DTA has been recognised, that may be utilised to offset tax liabilities:

	2024 $'000	2023 $'000
Revenue losses attributable to Australia	7,235	7,240
Revenue losses attributable to foreign subsidiaries	1,053	542
	8,288	7,782

4.8 Potential DTAs attributable to tax losses have not been brought to account at 31 December 2024 because the Directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;

ii. the Company continues to comply with conditions for deductibility imposed by law; and

iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss.

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of the Directors. These estimates consider both the financial performance and position of the Company as they pertain to current income taxation legislation, and the Directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that Directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

The Group has accumulated Australian tax losses of $24,117K (2023: $24,133K) which may be available for offset against future taxable profits of the parent company in which the losses arose. The recoupment of these losses is subject to assessment by the Australian Taxation Office.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 4 Income tax (cont.)

4.9 Accounting policy

4.9.1 ***Income tax***

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated based on the jurisdictional tax laws enacted or substantively enacted at the end of the reporting period being where the Group and its associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

4.9.2 ***Current tax***

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date, in Australia.

4.9.3 ***Deferred tax***

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities (**DTL**) are recognised for all taxable temporary differences except:

- when the DTL arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets (**DTA**) are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a DTA is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of DTA is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the DTA to be utilised.

Unrecognised DTA are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. DTAs and DTLs are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. DTAs and DTLs are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the DTAs and DTLs relate to the same taxable entity and the same taxation authority.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 5 Financial assets and financial liabilities

5.1 Cash and cash equivalents

	2024 $'000	2023 $'000
Cash at bank	41,379	42,524
	41,379	42,524

5.1.1 The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 8 *Financial risk management*.

5.1.2 ***Cash Flow Information***

a. Reconciliation of cash flow from operations to loss after income tax

	Note	2024 $'000	2023 $'000
Profit or (loss) after income tax		(374)	7,258
Cash flows excluded from loss attributable to operating activities		-	-
Non-cash flows in loss from ordinary activities:			
Depreciation and amortisation		1,907	865
Share-based payments expense	22	3,106	1,208
Other non-cash (gains)/losses		2,003	(3,156)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:			
(Increase) or decrease in trade and other receivables		(7,218)	3,031
(Increase) or decrease in inventories		(20,411)	(2,953)
(Increase) or decrease in other assets		809	5,990
Increase or (decrease) in trade and other payables		24,461	(7,902)
Increase or (decrease) in tax balances		19	(474)
Cash flow from operations		4,302	3,867

b. Reconciliation of liabilities arising from financing activities

			Non-cash changes				
	2022 $'000	Cash flows $'000	Additions $'000	Other Changes $'000	Change due to FX rates $'000	Converted to equity $'000	2023 $'000
Short-term borrowings	-	4,187	-	-	(67)	-	4,120
Leases	275	(295)	1,202	-	(2)	-	1,180
Total liabilities from financing activities	275	3,892	1,202	-	(69)	-	5,300

			Non-cash changes				
	2023 $'000	Cash flows $'000	Additions $'000	Other Changes $'000	Change due to FX rates $'000	Converted to equity $'000	2024 $'000
Short-term borrowings	4,120	1,057	-	-	333	-	5,510
Bank acceptance draft	-	-	4,541	-	-	-	4,541
Leases	1,180	(642)	1,727	162	157	-	2,584
Total liabilities from financing activities	5,300	415	6,268	162	490	-	12,635

c. Credit and loan standby arrangement with banks

Refer note 5.6.4 Financing facilities available.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 5 Financial assets and financial liabilities (cont.)

5.1 Cash and cash equivalents (cont.)

d. Non-cash investing and financing activities

During the year there were the Company acquired the balance of equity in Vmoto Italy srl, by issuing 5,555,556 shares, as disclosed in note 13.1. In 2023, there were no non-cash investing and financing activities

5.1.3 ***Accounting policy***

For *Statement of Cash Flow* presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid instruments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the *Statement of Financial Position*.

5.2 Trade and other receivables

	Note	2024 $'000	2023 $'000
5.2.1 ***Current***			
Trade debtors		6,490	7,639
Less: Loss allowance		-	-
Other receivables		4,240	1,581
		10,730	9,220
5.2.2 ***Non-current***			
Other receivables	5.2.2a	1,910	2,277
		1,910	2,277

a. Other non-current receivables include A$1.6 million due for repayment in January 2026 with interest charged at 8% per annum and deposits for rental of property A$301,133.

5.2.3 The Group's exposure to credit rate risk is disclosed in note 8 *Financial risk management*.

5.2.4 Trade receivables are non-interest bearing and are generally on 30-60 days terms. A provision for expected credit losses is by reference to past default experience and an analysis of the ageing and known financial position of the debtor. The Company writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

5.2.5 ***Accounting policy***

Trade and other receivables include amounts due from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

a. Determining the stage for impairment

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information, forward-looking analysis.

An exposure will migrate through the expected credit loss (**ECL**) stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for doubtful debts reverts from lifetime ECL to 12-months ECL. Exposures that have not deteriorated significantly since origination are considered to have a low credit risk. The provision for doubtful debts for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the *Consolidated Statement of Profit or Loss and Other Comprehensive Income*.

The Group assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower and other relevant factors

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 5 Financial assets and financial liabilities (cont.)

5.3 Other assets

	Note	2024 $'000	2023 $'000
5.3.1 *Current*			
Advances to suppliers	5.3.1a	1,979	3,845
Other current assets	5.5.3b	2,260	1,202
		4,239	5,047

a. Advances to suppliers are for the supply of electric motorcycle/moped inventories for the Group's electric two-wheel vehicle operations.

b. Included in 2024 *Other current assets* is a bank guarantee held in respect to a bank acceptance draft as disclosed in note 5.6.1.

5.4 Financial assets

	Note	2024 $'000	2023 $'000
5.4.1 *Non-current*			
Shares in unlisted companies – at fair value through profit and loss	5.4.1a	2,914	530
		2,914	530

a. During the 2024 year, the Company acquired shares in Zenions (11%) and Evotion Labs (12.5%).

5.4.2 *Fair value hierarchy*

The following tables detail the Group's assets, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, as disclosed in note 24.5.2.

As at 31 December 2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Shares in unlisted companies	-	-	530	530
Total	-	-	530	530
As at 31 December 2024				
Managed Funds	-	-	2,914	2,914
Total	-	-	2,914	2,914

a. Level 3 financial assets

The managed funds have been classified as Level 3 are values in the fair value hierarchy due to the inclusion of unobservable inputs including, the last capital raise price, discounted cash-flows, and independent valuations.

5.4.3 *Accounting policies - Investments and other financial assets*

a. Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI (**FVOCI**).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b. Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date when the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 5 Financial assets and financial liabilities (cont.)

5.4 Financial assets (cont.)

c. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

i. *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The three measurement categories debt instruments classifications are:

- *Amortised cost*: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit or loss.
- *FVOCI*: Assets held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in carrying amounts are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When a financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented separately in the statement of profit or loss.
- *FVPL*: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

ii. *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d. Impairment

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

5.5 Trade and other payables

	2024 $'000	2023 $'000
5.5.1 *Current*		
Trade creditors	11,784	2,567
Advances and deposits from customers / unearned revenue	7,401	6,244
Other creditors and accruals	4,495	2,709
	23,680	11,520

5.5.3 *Accounting policy*

a. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

b. Advance and deposits from customers / unearned revenue

The Group recognises advances and deposit payments received from customers as liabilities until the related goods are delivered, at which point amounts will be recognised as revenue.

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 5 Financial assets and financial liabilities (cont.)

5.6 Borrowings

	Note	2024 $'000	2023 $'000
5.6.1 *Current*			
Bank loans	5.6.2	5,510	4,120
Bank acceptance draft		4,541	-
		10,051	4,120

5.6.2 The Industrial and Commercial Bank of China bank loan:

- **Facility** RMB 30 million (A$6.6 million)
- **Term** 1 year
- **Interest Rate** 2.4% **to** 2.7% fixed
- **Establishment / Extension Fee** Minimal
- **Financial Covenants** None

5.6.3 *Assets pledged as security*

An amount of $2.260 million has been held as a guarantee in respect to the bank acceptance draft (a negotiable instrument accepted by a bank, creating an unconditional obligation for the bank to pay the specified amount at maturity). No other assets have been pledged as security.

5.6.4 *Financing facilities available*

At balance date, the following financing facilities had been negotiated and were available:	Total facilities		Facilities used		Facilities unused	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Bank and other loans	6,612	4,120	(5,510)	(4,120)	1,102	-
Banker's acceptance	4,541	-	(4,541)	-	-	-
Total facilities at balance date	11,153	4,120	(10,051)	(4,120)	1,102	-

5.6.5 *Accounting policy*

a. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 6 Non-financial assets and financial liabilities

6.1 Inventories

	2024 $'000	2023 $'000
Raw materials	13,161	3,525
Work-in-progress	146	-
Finished goods	15,146	12,620
	28,453	16,145

6.1.1 *Accounting policy*

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

6.2 Property, plant, and equipment

	2024 $'000	2023 $'000
Plant and equipment – at cost	9,849	4,664
Accumulated depreciation	(3,349)	(2,055)
	6,500	2,609
Motor vehicles – at cost	603	415
Accumulated depreciation	(316)	(238)
	287	177
Buildings – at cost	17,266	9,089
Accumulated amortisation	(4,567)	(3,861)
	12,699	5,228
Total property, plant, and equipment	19,486	8,014

6.2.1 *Movements in Carrying Amounts*

	Plant and Equipment $'000	Motor vehicles $'000	Buildings $'000	Total $'000
Carrying amount at 1 January 2023	1,320	281	3,555	5,156
Additions	1,242	-	2,226	3,468
Depreciation for the period	(143)	(100)	(386)	(629)
Exchange differences	190	(4)	(167)	19
Carrying amount at 31 December 2023	2,609	177	5,228	8,014
Carrying amount at 1 January 2024	2,609	177	5,228	8,014
Additions	5,537	178	7,301	13,016
Depreciation for the period	(1,128)	(102)	(401)	(1,631)
Exchange differences	(518)	34	571	87
Carrying amount at 31 December 2024	6,500	287	12,699	19,486

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 6 Non-financial assets and financial liabilities (cont.)

6.2 Property, plant, and equipment (cont.)

6.2.2 *Accounting policy*

a. Recognition and measurement

Items of plant and equipment are measured on the cost basis and carried at cost less accumulated depreciation (see below) and impairment losses (see accounting policy 6.5.1 *Impairment of non-financial assets*).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads. Cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Where considered material, the carrying amount of property, plant, and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Where parts of an item of property, plant, and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

b. Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. Any costs of the day-to-day servicing of plant and equipment are recognised in the income statement as an expense as incurred.

c. Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. Assets will be depreciated once the asset is in the condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives for the current and comparative periods are as follows:

Class	2024 Years	2023 Years
Plant and equipment:		
▼ Plant and equipment	3 – 10	3 – 10
▼ Office furniture and fittings	5	5
▼ Moulds	5	5
Motor vehicles	4	4
Buildings		
▼ Buildings	20	20
▼ Leasehold improvements	5	5

Depreciation methods, useful lives and residual values are reviewed at each reporting date. The carrying amount of plant and equipment is reviewed to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

d. Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and is recognised net within other income in profit or loss. Where revalued assets are sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 6 Non-financial assets and financial liabilities (cont.)

6.3 Leases	2024 $'000	2023 $'000
6.3.1 *Right-of-use assets*		
Land	3,709	3,552
Buildings	2,434	1,142
	6,143	4,694
6.3.2 *Lease liabilities*		
Current	539	257
Non-current	2,045	923
	2,584	1,180
6.3.3 *Additions to the right-of-use assets*		
Land *(including reclassifications)*	-	2,899
Buildings	1,727	989
	1,727	3,888
6.3.4 *Amounts recognised in the statement of profit or loss:*		
Depreciation charge of right-of-use assets:		
Land	86	54
Buildings	357	182
	443	236
Interest expense (included in finance cost)	162	42
6.3.5 *Amounts recognised in comprehensive income:*		
Exchange differences:		
Land	244	89
Buildings	(79)	18
	165	107
6.3.6 *Total cash outflow for leases*	642	295

6.3.7 *Operating leases*

The Group leases out partial of its Nanjing manufacturing facilities and these leases have been classified as operating leases because they do not transfer substantially the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Group during the year ended 31 December 2024 was $ 548K (2023: $1,035K).

6.3.8 *Accounting policy*

a. The Group as a Lessee

The Group leases warehouse and office facilities in the UK, France, the Netherlands, Italy, and Thailand for its electric two-wheel vehicle distribution and after sales operations. The leases typically run for a period between 5 and 6 years, with an option to renew the lease after that date. Lease payments are adjusted based on changes in local price indices. The Group is restricted from entering any sub-lease arrangements.

Except for short-term leases and leases of low-value underlying assets, each lease is reflected in the consolidated statement of financial position as a right-of-use assets and lease liabilities. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 6 Non-financial assets and financial liabilities (cont.)

6.3 Leases (cont.)

i. *Recognition and measurement*

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and do not contain a purchase option, and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

A. Right-of-use Asset

The Group recognises a right-of-use asset at the commencement date of the lease. The right-of-use asset is initially measured at cost. The cost of right-of-use assets includes the amount of lease liabilities recognised, adjusted for any lease payments made at or before the commencement date, plus initial direct costs incurred and an estimate of costs to dismantle, remove or restore the leased asset, less any lease incentives received.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Subsequent to initial measurement, the right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life as follows:

Land	45 – 50 years
Buildings	3 – 20 years

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Right-of-use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

B. Lease liabilities

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate. Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, where the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, where the lease term reflects the exercise of an option to terminate the lease.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payments occurs. The present value of lease payments is discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, the Group's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The amount of lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension, or termination option.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 6 Non-financial assets and financial liabilities (cont.)

6.3 Leases (cont.)

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

ii. *Extension and termination options*

Extension options are included in the property leases of the Group.

b. The Group as a Lessor

Upon entering into each contract as a lessor, the Group assesses if the lease is a finance or operating lease.

A contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease. Rental income due under finance leases is recognised as a receivable at the amount of the Group's net investment in the leases.

Initial direct costs incurred in entering into an operating lease (e.g. legal cost, costs to set up equipment) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Group applies AASB 15 to allocate the consideration under the contract to each component.

6.4 Intangible assets

	2024 $'000	2023 $'000
Goodwill	5,295	3,971
Accumulated impairment	(3,971)	(3,971)
	1,324	-
Licences, trademarks, patents, and production rights	11,447	4,803
Accumulated amortisation	(1,552)	(797)
Accumulated impairment	(1,219)	(1,219)
	8,676	2,787
Development costs	4,836	4,836
Accumulated amortisation	(566)	(566)
Accumulated impairment	(4,270)	(4,270)
	-	-
Total intangibles	10,000	2,787

6.4.1 *Movements in Carrying Amounts*

	Note	Goodwill $'000	Licences, trademarks, and production rights $'000	Development costs $'000	Total $'000
Carrying amount:1 Jan 2023		-	-	-	-
Additions		-	2,787	-	2,787
Amortisation expense		-	-	-	-
Carrying amount: 31 December 2023		-	2,787	-	2,787
Carrying amount: 1 Jan 2024		-	2,787	-	2,787
Additions	13.2	1,324	6,101	-	7,425
Amortisation expense		-	(685)	-	(685)
Exchange differences		-	473	-	473
Carrying amount: 31 December 2024		1,324	8,676	-	10,000

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 6 Non-financial assets and financial liabilities (cont.)

6.4 Intangible assets (cont.)

6.4.2 *Accounting policy*

a. Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each year, with any changes in these estimates being accounted for on a prospective basis.

i. *Trademarks, licenses and production rights*

Trademarks, licenses and production rights are recognised at cost of acquisition. Licenses and production rights have an indefinite life and are carried at cost less any accumulated impairment. Trademarks are estimated to have a useful life of five years and amortised over a five-year period. The carrying values of trademark are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

ii. *Patents*

Patents acquired in a business combination and recognised separately from goodwill are initially recognised at fair value at acquisition date (which is deemed cost). Subsequent to initial recognition, patents acquired in a business combination are reported at cost less accumulated amortisation and impairment, on the same basis as patents acquired separately.

iii. *Customer contracts*

Customer contracts acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their costs). Subsequent to initial recognition, customer contracts acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as patents that are acquired separately.

b. Intangible assets acquired in a business combination

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of us or useful life are accounted for prospectively by changing the amortisation method or period.

c. Development Costs

Development costs are capitalised only when technical feasibility studies identify that the project is expected to deliver future economic benefits and these benefits can be measured reliably. Capitalised development costs have a finite useful life and are amortised on a systematic basis based on the future economic benefits over the useful life of the project.

6.5 Other Material Accounting Policies related to Non-Financial Assets and Liabilities

6.5.1 *Impairment of non-financial assets*

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (see note 4.9) are reviewed at each reporting date to determine whether there is any indication of impairment. If an indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite useful lives are not subject to amortisation and tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate carrying amounts may not be recoverable

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit (**CGU**) exceeds its recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or CGU is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 7 Equity

7.1 Issued capital	Note	2024 No.	2023 No.	2024 $'000	2023 $'000
Fully paid ordinary shares		418,732,225	395,487,192	113,471	109,841

7.1.1 *Ordinary shares*		2024 No.	2023 No.	2024 $'000	2023 $'000
At the beginning of the year		395,487,192	283,524,201	109,841	91,908
Shares issued during the year:					
Issue at $0.337 per share	7.1.1a	-	4,037,117	-	1,360
Employee incentive shares	7.1.1b	-	1,950,000	-	179
Issue at $0.330 per share	7.1.1c	-	288,139	-	95
Issue at $0.350 per share	7.1.1d	-	42,857	-	15
Issue at $0.275 per share	7.1.1e	-	107,142	-	29
Issue at $0.275 per share	7.1.1f	-	290,834	-	80
Vesting of employee shares	7.1.1h	8,856,610	-	1,094	420
Issue at $0.150 per share	7.1.1g	-	37,222,333	-	5,583
Issue at $0.150 per share	7.1.1g	-	35,337,070	-	5,301
Issue at $0.150 per share	7.1.1g	-	32,687,499	-	4,903
Issue at $0.155 per share	7.1.1i	666,667	-	103	
Issue at $0.155 per share	7.1.1j	194,444	-	30	-
Issue at $0.180 per share	7.1.1k	5,555,556	-	1,000	-
Issue at $0.180 per share	7.1.1l	5,555,556	-	1,000	-
Issue at $0.180 per share	7.1.1m	413,793	-	75	
Issue at $0.180 per share	7.1.1n	758,620	-	137	
Issue at $0.180 per share	7.1.1o	706,896	-	127	
Issue at $0.120 per share	7.1.1p	536,891		64	
Transaction costs relating to share issues		-	-	-	(32)
At reporting date		418,732,225	395,487,192	113,471	109,841

a. *03.01.2023* Issue of shares upon vesting of performance rights (refer note 7.2.1).

b. *22.02.2023* Issued at nil consideration to Company employees in recognition of their efforts and contributions.

c. *22.02.2023* Issued 288,139 shares at $0.33 per share to a key management person pursuant to their employment contract.

d. *23.03.2023* Issued 42,857 shares at $0.35 per share to a former director, in lieu of historic Director fees.

e. *01.06.2023* Issued 107,142 shares at $0.275 per share, in lieu of Director's fees.

f. *01.06.2023* Issued 290,834 shares at $0.275 per share, as a portion of Managing Director's and Finance Director's remuneration.

g. *20.11.2023 and 06.11.2023* Share rights issue of 105,246,902 at 15 cents per share, raising a total of $15.787 million.

h. **FY2024** Vesting of shares issued in 2020/21, 2021/22, 2022/23, 2023/24 to employees, valued at $14,011, $223,600, $214,500, and $642,248 respectively (refer note 22.2.1a and c)

FY2023 Vesting of shares issued in 2019/20, 2020/21, 2021/22 to employees, valued at $28,698, $168,133, and $223,600 respectively.

i. 22.03.2024 Issue 666,667 shares to Graziano Milone in lieu of salaries. (refer note 22.2.1a).

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 7 Equity (cont.)

7.1.1 *Ordinary shares*

j. 22.03.2024 Issue 194,444 shares to Raffaele Giusta in lieu of salaries. (refer note 22.2.1a).

k. 27.05.2024 Issue 5,555,556 shares to Graziano Milone and Giovanni Castiglioni to buy 50% shares of VSI. (refer notes 13.1 and 22.2.1d).

l. 27.05.2024 Issue 5,555,556 shares to Graziano Milone and Giovanni Castiglioni for past contributions. (refer note 22.2.1a).

m. *30.05.2024* Issue 413,793 shares in lieu of Martin Zhou director fees. (refer note 22.2.1a).

n. *30.05.2024* Issue 758,620 shares in lieu of Charles Chen director fees. (refer note 22.2.1a).

o. *30.05.2024* Issue 706,896 shares in lieu of Ivan Teo director fees. (refer note 22.2.1a).

p. *5.12.2024* Issue 536,891 shares pursuant to settlement agreement with former commercial director based in Italy.

7.2 Options and rights

	Note	2024 No.	2023 No.	2024 $'000	2023 $'000
Options		23,100,000	23,100,000	-	-
Performance rights		10,526,097	6,768,402	441	783
		33,626,097	29,868,402	441	783

7.2.1 *Options and rights movement*

	Note	2024 No.	2023 No.	2024 $'000	2023 $'000
At the beginning of the period		29,868,402	32,032,147	783	1,852
Changes during the period:					
2021 performance rights	7.2.1a	-	-	-	121
2022 performance rights	7.2.1a	-	-	-	152
2023 performance rights	7.2.1a	-	2,873,372	-	117
Vest of service rights 2020		-	(4,037,117)	-	(1,360)
Unvested options 20.06.25	7.2.1b	-	(1,000,000)	-	(99)
2022 performance rights	22.2.2	-	-	152	-
2023 performance rights	22.2.2	-	-	117	-
2024 performance rights	22.2.2	7,652,725	-	206	-
2021 performance rights lapsed	22.2.2	(1,870,172)		(362)	
2022 performance rights lapsed	22.2.2	(2,024,858)		(455)	
At reporting date		33,626,097	29,868,402	441	783

a. Full year expense of performance rights, including the grant of 2023 performance rights, with terms and conditions detailed in note 22.2.2.

b. Issued 1 million options for investor relation services in respect to the prior period. The options did not vest during the 2023 year and were reversed.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 7 Equity (cont.)

7.3 Reserves

	2024 $'000	2023 $'000
7.3.1 *Summary of equity reserves:*		
Share-based payment reserve	441	783
Foreign currency translation reserve	4,175	(2,686)
	4,616	(1,903)

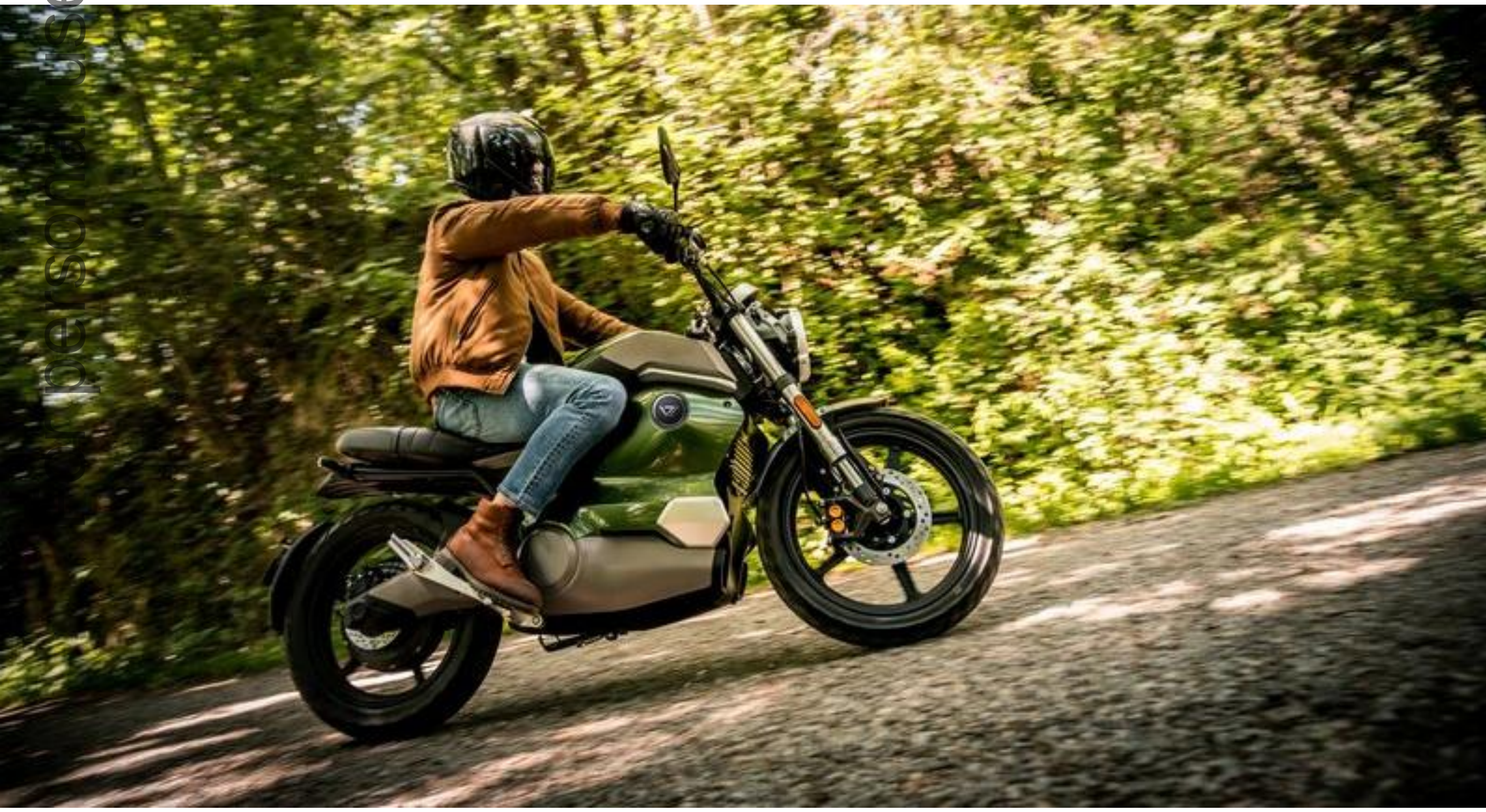
7.3.2 *Nature and purpose of reserves*

a. Share-based payment reserve

The share-based payments reserve is used to recognise the value of options and performance shares or rights issued but not exercised and to recognise the fair value of service and performance rights issued but not yet vested.

b. Foreign Currency Translation Reserve

The foreign currency translation reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations.



Notes to the consolidated financial statements

for the year ended 31 December 2024

SECTION B. RISK

This section of the notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

Note 8 Financial risk management

8.1 Financial Risk Management Policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's principal financial instruments comprise bank and other loans, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations.

The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

It is, and has been throughout the period under review, the Group's policy that no trading in derivative instruments shall be undertaken.

A summary of the Group's financial assets and liabilities is shown below:

	Floating Interest Rate $'000	Fixed Interest Rate $'000	Non-Interest Bearing $'000	2024 Total $'000	Floating Interest Rate $'000	Fixed Interest Rate $'000	Non-Interest Bearing $'000	2023 Total $'000
Financial Assets								
Cash and cash equivalents	41,379	-	-	41,379	42,524	-	-	42,524
Trade and other receivables	-	1,910	10,730	12,640	-	2,277	9,220	11,497
Financial assets	-	-	2,914	2,914	-	-	530	530
Total Financial Assets	41,379	1,910	13,644	56,933	42,524	2,277	9,750	54,551
Financial Liabilities at amortised cost								
Trade and other payables	-	-	23,680	23,680	-	-	11,520	11,520
Borrowings	-	10,051	-	10,051	-	4,120	-	4,120
Leases	-	2,584	-	2,584	-	1,180	-	1,180
Total Financial Liabilities	-	12,635	23,680	36,315	-	5,300	11,520	16,820
Net Financial Assets / (Liabilities)	41,379	(10,725)	(10,036)	20,618	42,524	(3,023)	(1,770)	37,731

8.2 Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Risk management is carried out by the full Board as the Group believes that it is crucial for all board members to be involved in this process. The Chairman, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 8 Financial risk management (cont.)

8.2.1 *Credit risk*

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group continuously monitors credit risks arising from its trade receivables which are principally with significant and reputable companies. It is the Group's policy that credit verification procedures, including assessment of credit ratings, financial position, past experience and industry reputation, are performed on new customers that request credit terms. Risk limits are set for each customer and regularly monitored. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Credit risk exposures

The maximum exposure to credit risk, arising from cash and cash equivalents and trade receivables, is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, wherever possible. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Impairment losses

The ageing of the Group's current trade and other receivables at reporting date was as follows:

	Gross 2024 $'000	Impaired 2024 $'000	Net 2024 $'000	Past due but not impaired 2024 $'000	Gross 2023 $'000	Impaired 2023 $'000	Net 2023 $'000	Past due but not impaired 2023 $'000
Trade receivables								
Not past due to 30 days	2,484	-	2,484	-	2,372	-	2,372	-
Not past due 31 to 60 days	374	-	374	-	685	-	685	685
Not past due 61 to 90 days	420	-	420	-	2,471	-	2,471	2,471
Past due over 90 days	3,212	-	3,212	3,212	3,421	-	3,421	3,421
	6,490	-	6,490	3,212	8,949	-	8,949	6,577
Other receivables								
Not past due	6,150	-	6,150	-	2,548	-	2,548	-
Total	12,640	-	12,640	3,212	11,497	-	11,497	6,577

As of 31 December 2024, trade and other receivables of $3,212K (31 December 2023: $6,577K) were past due but not impaired.

8.2.2 *Liquidity risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 8 Financial risk management (cont.)

Ultimate responsibility for liquidity risk management rests with the Board, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile; and
- managing credit risk related to financial assets.

The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place. The non-interest bearing financial liabilities the Group had at the end of the reporting period were trade and other payables incurred in the normal course of the business. These were and were due within the normal 30-60 days terms of creditor payments. Interest-bearing liabilities of the Group comprised borrowings (note 5.6) and leases (note 6.3).

- *Contractual Maturities*

The table below analyses the Group's financial liabilities and assets into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Within 1 Year		Greater Than 1 Year		Total	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Financial liabilities due for payment						
Trade and other payables	23,680	11,520	-	-	23,680	11,520
Borrowings	10,051	4,120	-	-	10,051	4,120
Leases	539	257	2,045	923	2,584	1,180
Total contractual outflows	34,270	15,897	2,045	923	36,315	16,820
Financial assets						
Cash and cash equivalents	41,379	42,524	-	-	41,379	42,524
Trade and other receivables	10,730	9,220	1,910	2,277	12,640	11,497
Total anticipated inflows	52,109	51,744	1,910	2,277	54,019	54,021
Net outflow on financial instruments	17,839	35,847	(135)	1,354	17,704	37,201

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

8.2.3 *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's activities minimally expose it to the financial risks of changes in foreign currency exchange rates, commodity prices and exchange rates. The Group does not enter into derivative financial instruments including foreign exchange forward contracts to hedge against financial risk. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 8 Financial risk management (cont.)

a. Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's short-term debt obligations.

Cash includes funds held in term deposits and cheque accounts during the year, which earned interest at rates ranging between 0% and 3.3%, depending on account balances. The Group currently does not have credit facilities.

All other financial assets and liabilities are non-interest bearing.

b. Foreign exchange risk

The Group is exposed to foreign currency on sales, purchases and borrowings that are denominated in a currency other than Australian Dollars. The currencies giving rise to this risk is primarily US Dollar (**USD**), Chinese Renminbi (**RMB**), and European Euro (**EUR**), and minor exposure to the Great Britain Pound (**GBP**), Thailand Baht (**THB**), Hong Kong Dollar (**HKD**) and Singaporean Dollar (**SGD**).

At balance date, the Group had the following exposures to foreign currency that are not designated as cash flow hedges:

2024	USD A$'000	RMB A$'000	EUR A$'000	THB A$'000	Other minor exposure A$'000	FX exposed currency A$'000	AUD A$'000	Total A$'000
Financial assets								
Cash and cash equivalents	34,818	1,525	450	309	156	37,258	4,121	41,379
Trade and other receivables	3,928	5,555	2,119	74	615	12,291	(1,561)	10,730
Total financial assets	38,746	7,080	2,569	383	771	49,549	2,560	52,109
Financial liabilities								
Trade and other payables	3,543	15,325	3,869	587	477	23,801	(121)	23,680
Borrowings	-	10,051	-	-	-	10,051	-	10,051
Leases	-	-	1,983	1,622	159	3,764	(1,180)	2,584
Total financial liabilities	3,543	25,376	5,852	2,209	636	37,616	(1,301)	36,315
Net foreign currency financial assets	35,203	(18,296)	(3,283)	(1,826)	135	11,933	3,861	15,794

2023	USD A$'000	RMB A$'000	EUR A$'000	THB A$'000	Other minor exposure A$'000	FX exposed currency A$'000	AUD A$'000	Total A$'000
Financial assets								
Cash and cash equivalents	21,263	14,650	1,849	-	12	37,774	4,750	42,524
Trade and other receivables	672	10,652	3,101	-	11	14,436	(5,216)	9,220
Total financial assets	21,935	25,302	4,950	-	23	52,210	(466)	51,744
Financial liabilities								
Trade and other payables	3,821	2,496	6,555	-	308	13,180	(1,660)	11,520
Borrowings	-	4,120	-	-	-	4,120	-	4,120
Leases	-	-	1,180	-	-	1,180	-	1,180
Total financial liabilities	3,821	6,616	7,735	-	308	18,480	(1660)	16,820
Net foreign currency financial assets	18,114	18,686	(2,785)	-	(285)	33,730	1,194	34,924

c. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group does not presently hold material amounts subject to price risk. As such the Board considers price risk as a low risk to the Group.

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 8 Financial risk management (cont.)

8.2.4 *Sensitivity Analyses*

In managing interest rate and currency risks, the Company endeavours to reduce the impact of short-term fluctuations on the Company's earnings. Over the longer term, however, permanent changes in foreign exchange and interest rates will have an impact on consolidated earnings, although the extent of that impact will depend on the level of cash resources held by the Group.

a. Interest rates

A general change of one percentage point in interest rates would be expected to have the following impact on earnings.	Profit $'000	Equity $'000
Year ended 31 December 2024		
±50 basis points change in interest rate	± 207	± 207
Year ended 31 December 2023		
±50 basis points change in interest rates	± 213	± 213

b. Foreign exchange

A general change of 20 percent exchange rates would be expected to have the following impact on earnings:

i. *AUD to USD*	Profit $'000	Equity $'000
Year ended 31 December 2024		
±20 per cent change in AUD to USD rate	± 7,041	± 7,041
Year ended 31 December 2023		
±20 per cent change in AUD to USD rate	± 3,623	± 3,623

ii. *AUD to RMB*	Profit $'000	Equity $'000
Year ended 31 December 2024		
±20 per cent change in AUD to RMB rate	± (3,659)	± (3,659)
Year ended 31 December 2023		
±20 per cent change in AUD to RMB rate	± 3,737	± 3,737

iii. *AUD to EUR*	Profit $'000	Equity $'000
Year ended 31 December 2024		
±20 per cent change in AUD to EUR rate	± (657)	± (657)
Year ended 31 December 2023		
±20 per cent change in AUD to EUR rate	± (557)	± (557)

8.2.5 *Net Fair Values*

a. Fair value estimation

The fair values of financial assets and financial liabilities are presented in the table in note 8.1 and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Trade and other receivables;
- Trade and other payables; and
- Lease liabilities.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 9 Capital Management

9.1 Capital

The Group manages its capital to ensure its ability to continue as a going concern and to achieve returns to the shareholders and benefits for other stakeholders through the optimisation of debt and equity balance. The capital structure of the Group is adjusted to achieve its goals whilst ensuring the lowest cost of the capital.

Capital is defined as the combination of contributed equity, reserves and net debt (borrowings less cash). The capital structure of the Group can be changed by paying distributions to shareholders, returning capital to shareholders, issuing new shares or selling assets.

Management monitors capital on the basis of the gearing ratio (debt/total capital). During the year ended 31 December 2024, the Group's strategy is to utilise lowest cost of the capital from the capital markets and continuously negotiating lower interest cost with provider of its operating facility to achieve its expansion program.

9.1.1 *Gearing ratio*

	2024 $'000	2023 $'000
Total borrowings	12,635	5,300
Total equity	89,089	79,497
Total capital	101,724	84,797
Gearing ratio	12.42%	6.25%

9.1.2 *Working capital*

The working capital position of the Group was as follows:	Note	2024 $'000	2023 $'000
Cash and cash equivalents	5.1	41,379	42,524
Trade and other receivables	5.2.1	10,730	9,220
Inventories	6.1	28,453	16,145
Other current assets	5.3.1	4,239	5,047
Trade and other payables	5.5.1	(23,680)	(11,520)
Borrowings	5.6.1	(10,051)	(4,120)
Current tax liabilities	4.5	(19)	-
Leases	6.3.2	(539)	(257)
Working capital position		50,512	57,039

Notes to the consolidated financial statements
for the year ended 31 December 2024

SECTION C. GROUP STRUCTURE

This section provides information which will help users understand how the Group structure affects the financial position and performance of the Group as a whole. In particular, there is information about:

(a) changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation.

(b) transactions with non-controlling interests, and

(c) interests in joint operations.

A list of significant subsidiaries is provided in note 11 below.

Note 10 Parent entity disclosures

The Vmoto Ltd is the ultimate Australian parent entity and ultimate parent of the Group.

The Vmoto Ltd did not enter into any trading transactions with any related party during the year.

10.1 Financial Position of Vmoto Ltd

	2024 $'000	2023 $'000
Current assets	4,188	4,369
Non-current assets	40,324	39,927
Total assets	44,512	44,296
Current liabilities	424	483
Non-current liabilities	-	-
Total liabilities	424	483
Net assets	44,088	43,813
Equity		
Issued capital	113,471	109,841
Share-based payment reserve	441	783
Accumulated losses	(69,824)	(66,811)
Total equity	44,088	43,813

10.2 Financial performance of Vmoto Ltd

	2024 $'000	2023 $'000
Profit or (loss) for the year	(2,666)	(1,337)
Other comprehensive income	-	-
Total comprehensive income	(2,666)	(1,337)

10.3 Contractual commitments

The parent company has no capital commitments at 2024 (2023: $nil). The Group's commitments are disclosed in note 15 *Commitments.*

10.4 Contingent liabilities and guarantees

There are no guarantees entered into by Vmoto Ltd for the debts of its subsidiaries as at 2024 (2023: none). The Group's contingencies are disclosed in note 16 *Contingent liabilities*.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 11 Interests in subsidiaries

11.1 Information about principal subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group and the proportion of ownership interest held equals the voting rights held by the Group. Investments in subsidiaries are accounted for at cost. Each subsidiaries' country of incorporation is also its principal place of business, with the exception of Vmoto International Ltd and Vmoto International Pte Ltd are managed from China and export globally:

	Country of Incorporation	2024 %	2023 %
Vmoto Australia Pty Ltd	Australia	100	100
Vmoto International Limited	Hong Kong	100	100
Nanjing Vmoto Co, Ltd	China	100	100
Nanjing Vmoto Manufacturing Co, Ltd	China	100	100
Nanjing Vmoto Intelligent Technology Co, Ltd	China	100	100
Nanjing Vmoto Soco Intelligent Technology Co, Ltd #	China	100	50
Hainan Vmoto Intelligent Technology Investments Co, Ltd	China	100	100
Vmoto International Pte Ltd	Singapore	100	100
Vmoto Europe HQ srl	Italy	100	100
Vmoto (Thailand) Company Limited *(inc. 6 February 2024)*	Thailand	100	N/A
Vmoto Energy International Pte Ltd *(acq. 20 August 2024, for nil consideration)*	Singapore	100	100
Vmoto Europe B.V.	Netherlands	100	100
Vmoto Italy srl *(refer note 13.1)*	Italy	100	50
Vmoto France s.a.s.	France	100	100
Vmoto UK & Ireland Ltd	United Kingdom	100	100
Vmoto Soco US LLC	USA	100	100

On 26 August 2024, the Company acquired 100% of the shares in Vmoto Soco Manufacturing as disclosed in note 13.2. Formerly, this was held as an equity accounted investment.

Note 12 Investment accounted for using the equity method

	Note	2024 $'000	2023 $'000
12.1 Non-Current			
Vmoto Soco Manufacturing	12.2,12.3.3	-	5,079
Other investments accounted for using the equity method		169	-
		169	5,079

12.2 Information about associates

The Group had 50% equity interest in Nanjing Vmoto Soco Intelligent Technology Co, Ltd (**Vmoto Soco Manufacturing**), which is a jointly owned manufacturing company with Super Soco Intelligent Technology (Shanghai) Co, Ltd. The Group's interest in Vmoto Soco Manufacturing is accounted for using equity method in the consolidated financial statements as the Group does not control or have joint control over Vmoto Soco Manufacturing. On 26 August 2024, the Company acquired 100% of the shares in Vmoto Soco Manufacturing as disclosed in note 13.2.

	Country of Incorporation	Percentage Owned 2024	2023
Vmoto Soco Manufacturing†	China	100	50

† On 26 August 2024, the Company acquired 100% of the shares in Vmoto Soco Manufacturing as disclosed in note 13.2. Vmoto Soco Manufacturing was subsequently consolidated into the Group and equity accounting discontinued.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 12 Investment accounted for using the equity method (cont.)

12.3 Summarised financial information

Summarised financial information of the Group's share in Vmoto Soco Manufacturing is as follows:

12.3.1 *Summarised financial position*

	2024 $'000	2023 $'000
Current assets	-	18,161
Current liabilities	-	(15,278)
Current net assets	-	2,883
Non-current assets	-	7,276
Non-current liabilities	-	-
Non-current net assets	-	7,276
Net assets	-	10,159

12.3.2 *Summarised financial performance*

	2024 $'000	2023 $'000
Revenue and other income	24,758	33,672
Cost of sales	(23,549)	(30,148)
Administrative expenses	(377)	(4,435)
Income tax benefit / (expense)	-	-
Total comprehensive loss	832	(911)
Group's share of associate's profit/(loss) after tax	416	(456)
Group's share of associate's other comprehensive income	-	-

12.3.3 *Reconciliation to carrying amounts:*

	Note	2024 $'000	2023 $'000
Opening net assets at fair value		5,079	5,685
Share of loss for year	12.3.2	416	(456)
Movements due to foreign exchange		(157)	(150)
Fair valuation of equity interest		143	-
Discontinuing of equity accounting on business combination	13.2	(5,481)	-
Closing net assets (carrying amount of investment)		-	5,079

Note 13 Changes to Group Structure

13.1 Acquisition of remaining 50% of controlled entity: Vmoto Soco Italy srl

On 14 March 2024, the Company announced that it had entered into an agreement with Giovanni Castiglioni (**Castiglioni**) and Graziano Milone (**Milone**), to acquire the remaining 50% interest in the issued capital of Vmoto Italy srl (**VSI**), taking Vmoto's interest up to 100%. Prior to acquiring remained shares, VSI was accounted as a subsidiary.

The key terms of the acquisition agreement are as follows:

- Vmoto to acquire Messrs Milone and Castiglioni's 25% interest (each) by issuing 2,777,778 VMT shares equivalent to EUR 250,000 (A$500,000) to each shareholder or their nominee;
- Upon signing of the agreement, the put and call option agreement previously signed with Castiglioni and Milone is formally terminated;
- Vmoto to issue 2,777,778 VMT shares equivalent to EUR 250,000 (A$500,000) to each of Castiglioni and Milone for managing the day-to-day operations of VSI from the commencement of VSI until the date of the agreement (in lieu of cash salary since the commencement of VSI); and
- Upon completion of the acquisition, VSI will appoint an independent Country Manager for Italy to focus on managing the day-to-day operations of VSI.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 13 Changes to Group Structure (cont.)

13.1.1 *Purchase consideration of non-controlling Interests:*

The acquisition of the minority interest in VSI is treated as an equity transaction. Any excess in consideration over the fair value of the non-controlling interests is recognised in retained earnings.

	Note	14 March 2024 $'000
Fair value of consideration transferred	22.2.1d	1,000
Less: *Non-controlling interest in VSI at date of purchase*		(292)
Value recognised in retained earnings		1,292

13.2 Acquisition of Nanjing Vmoto Soco Intelligent Technology Co, Ltd (Vmoto Soco Manufacturing)

On 26 August 2024, Vmoto reached settlement with Supersoco Intelligent Technology (Shanghai) Co, Ltd (**Soco Shanghai**) in relation to legal actions Vmoto was forced to take to protect its rights and ensure Soco Shanghai met its obligations.

To avoid the costs, inconvenience, and the uncertainty of litigation, both parties agreed to fully and finally settle all claims, with no admission of liability, on the following key terms under the agreements as follows:

- All current or potential future claims brought by the Vmoto Group against Soco Shanghai and its subsidiaries (**Soco Group**), and by Soco Group against Vmoto Group, will be withdrawn and no order as to costs will be made.
- Soco Shanghai to transfer all remaining intellectual property (**IP**):
  - Super Soco, Soco, Suke and S logo trademarks in China and internationally to Vmoto Group.
  - Moulds, patents and designs internationally to Vmoto Group, including patents and designs for various models (TS, TC, CUX, TC-MAX, VS1, CPX, TS Hunter and TC Wanderer) that Vmoto currently markets and distributes under license.
- Soco Shanghai to transfer the remaining 50% shares of Vmoto Soco Manufacturing to Vmoto, which will take Vmoto's interest in Vmoto Soco to 100%;
- Vmoto Group will pay Soco Group a lump-sum payment of ≈A$6.5 million for both the 50% interest and the IP referred to above. The IP was separately purchased outside of the acquisition of Vmoto Soco Manufacturing.

As a result of the transaction, the Company undertook the following:

- The previously held 50% investment in the associate, Vmoto Soco Manufacturing, is remeasured to fair value at the acquisition date. Any gain or loss on remeasurement of the previously held equity interest is recognised in profit or loss.
- The existing 50% investment in the associate is derecognised.
- The Company acquires the remaining 50% of Vmoto Soco Manufacturing, and consolidates the company into the Group

The acquisition has been provisionally accounted for.

13.2.1 *Consideration*

a. Cash consideration equated to RMB 3,000,000.

13.2.2 *Purchase consideration and provisional fair value of net assets acquired:*

	Note	$'000
a. Consideration		
Fair value of previously held 50%	12.3.3	5,481
Amount paid for remaining 50%		622
		6,103

b. *The provisionally determined fair values of the assets and liabilities of Vmoto Soco Manufacturing as at the date of acquisition are as follows:*

	Fair Value $'000
Cash	3,087
Trade and other receivable	6,075
Inventory	7,403
Property, plant, and equipment	1,534
Trade and other payables	(13,320)
Fair value of assets and liabilities acquired	4,779
Add: Goodwill	1,324
Net assets acquired	6,103

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 13 Changes to Group Structure (cont.)

13.2.3 Net cash outflow / (inflow) arising on acquisition:

		Note	$'000
Consideration			6,103
Less:	Non-cash consideration		(5,481)
	Cash acquired	13.2.2	(3,087)
			(2,465)

13.3 Incorporation of Thai subsidiary

On 6 February 2024 the Group incorporated Vmoto (Thailand) Co, Ltd.

Note 14 Material Accounting Policies related to Group Structure

14.1 Basis of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

14.1.1 *Business combinations*

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 *Income Taxes* and AASB 119 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2 *Share-Based Payments* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

a. Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 14 Material Accounting Policies related to Group Structure (cont.)

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in OCI are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

b. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses, on the same basis as intangible assets that are acquired separately.

c. Contingent liabilities acquired in a business combination

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount recognised initially less cumulative amount of income recognised in accordance with the principles of AASB 15 *Revenue from Contracts with Customers*.

14.1.2 *Subsidiaries*

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as non-controlling interests. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.
Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained in note 11 *Interests in subsidiaries* of the financial statements.

14.1.3 *Loss of control*

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interests are measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

14.1.4 *Transactions eliminated on consolidation*

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 14 Material Accounting Policies related to Group Structure (cont.)

14.1.5 ***Associates***

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

a. Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint venture is an arrangement that the Group controls jointly with one or more other investors, and over which the Group has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which the Group has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

b. Joint operations

For joint operations, Vmoto recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

c. Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

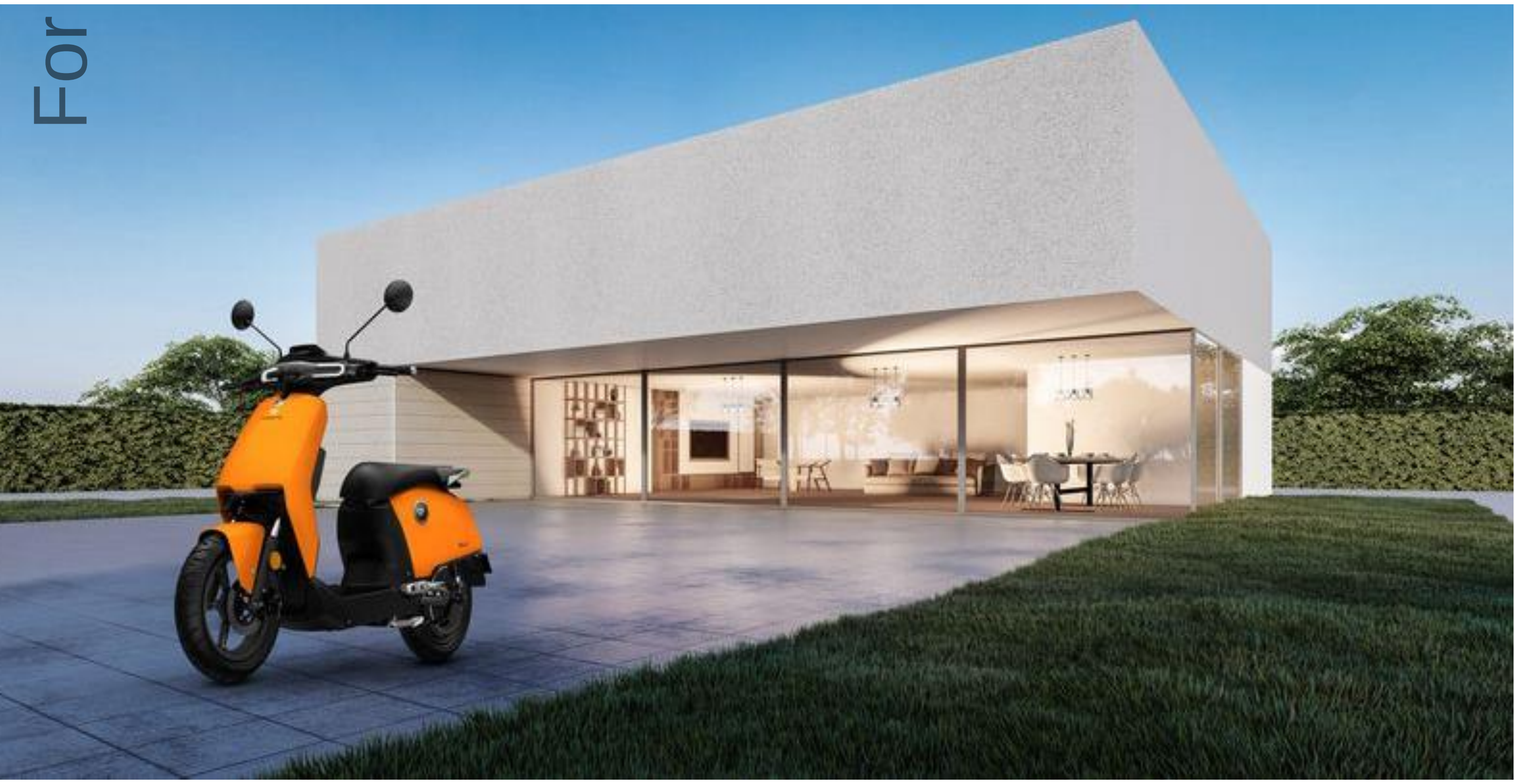
14.1.6 ***Equity method***

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying value of equity-accounted investments is tested for impairment in accordance with the policy described in 6.5.1.



Notes to the consolidated financial statements
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SECTION D. UNRECOGNISED ITEMS

This section of the notes provides information about items that are not recognised in the financial statements as they do not (yet) satisfy the recognition criteria. In addition to the items and transactions disclosed below, there are also unrecognised tax amounts.

Note 15 Commitments	2024 $'000	2023 $'000
15.1 Capital commitments payable:		
Within one year	2,710	10,234
After one year but not more than five years	3,636	702
After five years	-	-
Total expenditure requirements	6,346	10,936

As 31 December 2024, the Group is currently building new manufacturing facilities is committed for A$6.35 million.

The commitments of Vmoto Limited above are the same as those for the Group.

Note 16 Contingent liabilities

There are no contingent liabilities as at 31 December 2024 (31 December 2023: Nil).

Note 17 Events subsequent to reporting date

17.1 Intention to Delist from ASX and Off-Market Share Buy-Back

On December 16, 2024, Vmoto announced plans to delist from the Australian Securities Exchange (**ASX**), citing that the share price did not reflect the company's true value and highlighting low trading liquidity. To provide shareholders an opportunity to liquidate their investments before delisting, the company initiated an off-market, equal access share buy-back for up to 10% of its issued share capital, amounting to approximately 39.55 million shares at $0.12 per share.

17.2 Completion of Off-Market Share Buy-Back

On February 3, 2025, Vmoto announced the completion of its off-market share buy-back, resulting in the cancellation of 39,548,719 ordinary fully paid shares. This cancellation represented approximately 9.46% of the company's issued share capital.

17.3 Takeovers Panel Application

On February 19, 2025, the Munro Family Super Fund, a shareholder in Vmoto, submitted an application to the Takeovers Panel. The application alleged that the proposed delisting followed transactions that involved significant oppression of minority shareholders and the transfer of 22.6% of the company's shares under unacceptable circumstances. The applicant sought interim orders to postpone a general meeting and require Vmoto to disclose details of certain share issuances.

On March 2, 2025, the Takeovers Panel declined to conduct proceedings on the application concerning Vmoto Limited. The Panel concluded that there was no reasonable prospect that it would make a declaration of unacceptable circumstances.

17.4 Section 249D General Meeting

The Company convened a General Meeting on March 6, 2025, in response to a requisition under section 249D of the *Corporations Act 2001* (Cth). The meeting addressed six resolutions proposed by a group of shareholders seeking changes to the company's board composition.

All resolutions seeking the removal of the current Company directors and appointment of new directors were not passed.

There has been no other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Notes to the consolidated financial statements

for the year ended 31 December 2024

SECTION E. OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 18 Key Management Personnel compensation (KMP)

The names and positions of KMP are as follows:

- Charles Chen — *Managing Director*
- Ivan Teo — *Finance Director*
- Blair Sergeant — *Non-executive Director*
- Martin Zhou — *Non-executive Director*
- Aaron Kidd — *Non-executive Director (Appointed 24 May 2024)*
- *Other KMP:*
  - Adam Cui — *Sales Manager*
  - Graziano Milone — *Chief Marketing Officer & President of Strategic Business Development*
  - Gaetan Orselli — *Country Manager France*
  - Gareth Hughes — *Country Manager UK (Appointed Country Manager UK 23 August 2024)*
  - Hu Lui — *Research & Development Manager (deemed KMP 1 January 2024)*
- *Former KMP included in comparative information:*
  - Shannon Coates — *Non-executive Director (Resigned 24 May 2024)*
  - Clive Mann — *Country Manager UK (Resigned 23 August 2024)*
  - Yaze Liu — *Research & Development Manager (Resigned 31 December 2023)*

Information regarding individual Directors and executives' compensation and some equity instruments disclosures as required by the Corporations Regulations 2M.3.03 is provided in the *Remuneration report* table on page 17.

	2024 $	2023 $
Short-term employee benefits	1,623,228	1,544,545
Post-employment benefits	2,071	5,205
Equity-settled share-based payments	1,574,585	850,511
Other long-term benefits	-	-
Termination benefits	84,444	-
Total	3,284,328	2,400,261

Note 19 Related party transactions

Other than disclosed below and in note 18 *Key Management Personnel compensation (KMP)* there have been no other related party transactions.

Related party	Relationship to Vmoto	Nature of transactions	Receivable/(payable) balance 2024 $	2023 $
Charles Chen	Managing Director	Unpaid remuneration or fees	(82,500)	(93,148)
Ivan Teo	Finance Director	Unpaid remuneration or fees	(76,875)	(77,131)
Martin Zhou	Non-executive Director	Unpaid remuneration or fees	(40,000)	(40,000)
Graziano Milone	Member of KMP	Unpaid remuneration or fees	(98,596)	(98,553)

Notes to the consolidated financial statements
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Note 20 Auditor's remuneration	2024 $	2023 $
Remuneration of the auditor for:		
Auditing or reviewing the financial reports:		
Hall Chadwick WA Audit Pty Ltd	133,048	116,500
Non-audit services provided by a related practice of the Auditor	-	-
	133,048	116,500

Note 21 Earnings per share (EPS)	Note	2024 $'000	2023 $'000
21.1 Reconciliation of earnings to profit or loss			
Profit or (loss) for the year		(374)	7,258
Less: profit or (loss) attributable to non-controlling equity interest		(177)	10
Profit used in the calculation of basic and diluted EPS		(197)	7,248

	Note	2024 No.	2023 No.
21.2 Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS		410,851,430	289,345,717
Weighted average number of dilutive equity instruments outstanding	21.5	N/A	24,044,444
21.3 Weighted average number of ordinary shares outstanding during the year used in calculation of diluted EPS		410,851,430	313,390,161

21.4 Earnings per share	Note	2024 ¢	2023 ¢
Basic EPS (cents per share)		(0.05)	2.50
Diluted EPS (cents per share)	21.5	(0.05)	2.31

21.5 As at 31 December 2024, the Group has 23,100,000 unissued shares under options (31 December 2023: 23,100,000) and 10,526,097 performance rights on issues (31 December 2023: 6,768,402) and considered to be dilutive. The Group does not report diluted earnings per share on losses generated by the Group. The Group's unissued shares under option and performance shares were anti-dilutive in 2024.

Note 22 Share-based payments	Note	2024 $	2023 $
22.1 Share-based payments:			
Recognised in profit and loss:			
Share-based payment expense – Shares	22.2.1a,c	2,630,613	818,710
Share-based payment expense – Options		-	-
Share-based payment expense – Performance rights	22.2.2c	475,051	389,514
Acquistion of additional interest in a controlled entity: *Vmoto Soco Italy srl*	22.2.1d	1,000,000	-
Gross share-based payments		4,105,664	1,208,224

Notes to the consolidated financial statements
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Note 22 Share-based payments (cont.)

22.2 Share-based payment arrangements in effect during the period

22.2.1 *Shares*

a. The Company has issued the following shares during the current reporting period, recognised in profit or loss.

Date	Recipient(s)	Purpose of issue	Shares No.	Issue price ₵	Total expense $	Total vested in year $
22.03.2024	Employees and KMP	Issued at nil consideration to employees of the Company in recognition of their efforts and contribution to the Company. The shares vest over a 3-year period.	6,284,100	15.50	974,036	243,509
22.03.2024	Employees and KMP	Issued at nil consideration to employees, vesting immediately	2,572,510	15.50	398,739	398,739
22.03.2024	Graziano Milone (KMP member)	Shares issued to a Key Management Person in lieu of salaries	666,667	15.50	103,333	103,333
22.03.2024	Raffaele Giusta (employee)	Shares issued to an employee in lieu of salaries	194,444	15.50	30,139	30,139
27.05.2024	Graziano Milone (KMP member) Giovanni Castiglioni	Issued 2,777,778 shares to each of Castiglioni and Milone for managing the day-to-day operations of VSI from the commencement of VSI until the date of the acquisition (in lieu of cash salary since the commencement of VSI);	5,555,556	18.00	1,000,000	1,000,000
30.05.2024	Martin Zhou (Director)	Shares issued in lieu of Director's fees as approved by Shareholders in May 2024.	413,793	18.00	74,500	74,500
30.05.2024	Charles Chen (Director)	Shares issued as a portion of Managing Director and Finance Director remuneration as approved by Shareholders in May 2024.	758,620	18.00	136,584	136,584
	Ivan Teo (Director)		706,896	18.00	127,271	127,271
5.12.2024	Employee	Shares pursuant to settlement agreement with former commercial director based in Italy.	536,891	12.00	64,427	64,427
			17,689,477		2,909,029	2,178,502

b. The Company issued the following shares during the prior reporting period.

Date	Recipient(s)	Purpose of issue	Shares No.	Issue price ₵	Total expense $	Total vested in year $
22.02.2023	Employees and KMP	Issued at nil consideration to employees of the Company in recognition of their efforts and contribution to the Company. The shares vest over a 3-year period.	1,950,000	33.00	643,500	178,750
22.02.2023	Graziano Milone (KMP member)	Shares issued to a Key Management Person as part of their employment agreement	288,139	33.00	95,086	95,086
23.03.2023	Kaijian Chen (former director)	Issued to former director who in lieu of historic Director fees.	42,857	35.00	15,000	15,000
1.06.2023	Martin Zhou (Director)	Shares issued in lieu of Director's fees as approved by Shareholders on 30 May 2023.	107,142	27.50	29,464	29,464
1.06.2023	Charles Chen (Director)	Shares issued as a portion of Managing Director and Finance Director remuneration as approved by Shareholders on 30 May 2023.	150,549	27.50	41,401	41,401
	Ivan Teo (Director)		140,285	27.50	38,578	38,578
			2,678,972		863,029	398,279

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 22 Share-based payments (cont.)

c. The Company recognised the value of the following shares, previously issued, that vested during the reporting period.

Tranche	Recipient(s)	Purpose of issue	Total vested 2024 $	Total vested 2023 $
2019/2020	Employees and KMP	Issued at nil consideration to employees of the Company in recognition of their efforts and contribution to the Company. The shares vest over a 3-year period.	-	28,698
2020/2021	Employees and KMP	Issued at nil consideration to employees of the Company in recognition of their efforts and contribution to the Company. The shares vest over a 3-year period.	14,011	168,133
2021/2022	Employees and KMP	Issued at nil consideration to employees of the Company in recognition of their efforts and contribution to the Company. The shares vest over a 3-year period.	223,600	223,600
2022/2023	Employees and KMP	Issued at nil consideration to employees of the Company in recognition of their efforts and contribution to the Company. The shares vest over a 3-year period.	214,500	-
			452,111	420,431

d. The Company has issued the following shares to acquire issued capital in a controlled entity.

Date	Recipient(s)	Purpose of issue	Shares No.	Issue price ¢	Total expense $	Total vested in year $
27.05.2024	Graziano Milone (KMP member) Giovanni Castiglioni	Acquistion of Messrs Milone and Castiglioni's 25% interest (each) by issuing 2,777,778 shares each.	5,555,556	18.00	1,000,000	1,000,000
			5,555,556		1,000,000	1,000,000

22.2.2 *Service and performance rights*

a. The Company has the following service and performance rights issued to directors in existence during the current reporting period.

Class of Performance Right	Grant date	Expiry date	Number of rights	Vested during the year	Rights exercised	Rights expired	Rights vested at 31 December 2024	Rights unvested at 31 December 2024
2021 performance	13.05.2021	31.12.2023	1,870,172	-	-	1,870,172	-	-
2022 performance	13.05.2022	31.12.2024	2,024,858	-	-	2,024,858	-	-
2023 performance	30.05.2023	31.12.2025	2,873,372	-	-	-	-	2,873,372
2024 performance	24.05.2024	31.12.2026	7,652,725	-	-	-	-	7,652,725

b. Vesting of the service rights issued in the period is subject to continuing employment, with no other performance conditions. The performance rights vest subject to:

- continuing employment,
- minimum performance hurdle of a minimum share price compound annual growth rate (CAGR) increases of 5% over the performance period,
- no performance rights will vest if CAGR is less than 5% over the respective period,
- 50% of the performance rights will vest if CAGR of 10% is achieved, up to maximum of 100% of the performance rights will vest if CAGR of 15% is achieved and pro rata of the performance rights will vest if CAGR is >5% &<10% and >10%&<15%.

c. Valuation of the performance rights was undertaken using Monte Carlo valuation methodology with the following factors and assumptions being used in determining the fair value of each right on the grant date.

Class of Performance Right	Grant date	Period years	Share price at grant date $	Risk free rate %	Volatility %	Valuation per right $
2021 performance	13.05.2021	3	0.425	0.080	70	0.1938
2022 performance	13.05.2022	3	0.375	2.825	70	0.2246
2023 performance	30.05.2023	3	0.275	3.368	65	0.1223
2024 performance	24.05.2024	3	0.180	3.980	57	0.1185

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 22 Share-based payments (cont.)

Class of Performance Right	Grant date	Expiry date	Total valuation $	Expense recorded to 31 December2024 $	Expense recorded to 31 December 2023 $
2021 performance	13.05.2021	31.12.2023	362,347	-	120,782
2022 performance	13.05.2022	31.12.2024	454,783	151,594	151,594
2023 performance	30.05.2023	31.12.2025	351,413	117,137	117,138
2024 performance	24.05.2024	31.12.2026	906,848	206,320	
				475,051	389,514

22.3 Movement in Company options share-based payment arrangements during the period

22.3.1 *A summary of the movements of all Company options issued as share-based payments is as follows:*

	2024 Number of Options	2024 Weighted Average Exercise Price	2023 Number of Options	2023 Weighted Average Exercise Price
Outstanding at the beginning of the year	-	-	1,000,000	$0.55
Granted	-	-	-	-
Exercised	-	-	-	-
Expired or lapsed	-	-	(1,000,000)	$0.55
Outstanding at year-end	-	-	-	-
Exercisable at year-end	-	-	-	-

22.3.2 *Share options outstanding at the end of the year have the following expiry dates and exercise prices:*

Grant date	Expiry date	Exercise Price $	2024 No.	2023 No.
11.04.2022	11.04.2026	0.45	6,600,000	6,600,000
11.04.2022	11.04.2027	0.55	7,700,000	7,700,000
11.04.2022	11.04.2027	0.65	8,800,000	8,800,000
			23,100,000	23,100,000
Weighted average remaining contractual life of options outstanding at end of period (years)			1.99	3.38

22.4 Accounting policy

The Group has provided payment to service providers and related parties in the form of share-based compensation whereby services are rendered in exchange for shares or rights over shares, *equity-settled transactions*. The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined using an appropriate valuation model for services provided by employees or where the fair value of the goods or services received cannot be reliably estimated.

For goods and services received where the fair value can be determined reliably the goods and services and the corresponding increase in equity are measured at that fair value. The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable.

At each balance date, the entity revises its estimates of the number of options with non-market vesting conditions that are expected to become exercisable. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award, vesting date.

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 22 Share-based payments (cont.)

22.4 Accounting policy

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

22.5 Key estimate

a. Share-based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instrument at the date at which they are granted. The fair value of rights and options granted is measured using the Binomial and Monte Carlo pricing models where appropriate. The models use assumptions and estimates as inputs. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 22.2.2c.

Note 23 Operating segments

23.1 Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors (**the Board**) monthly and in determining the allocation of resources.

23.2 Types of services

The continuing operations of the Group are predominantly in the electric two-wheel vehicles manufacture and distribution industry. The principal activity of the Group is the design, manufacture, marketing, and distribution of electric two-wheel vehicles.

23.3 Reported segments

Reported segments were based on the geographical segments of the Group, being Australia, China, Europe and Singapore. The management accounts and forecasts submitted to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance are split into these components.

The electric two-wheel vehicles segment is managed on a worldwide basis, but operates in four principal geographical areas: Australia, China, Europe and Singapore. In China, manufacturing facilities are operated in Nanjing. In Europe, the warehouse and distribution centre are operated in the Netherlands and Italy.

23.4 Basis of accounting for purposes of reporting by operating segments

23.4.1 *Accounting policies adopted*

Unless stated otherwise, all amounts reported to the Board, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

23.4.2 *Inter-segment transactions*

All such transactions are eliminated on consolidation of the Group's financial statements. Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

23.4.3 *Segment assets and liabilities*

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 23 Operating segments (cont.)

23.4.4 *Unallocated items*

The following items of revenue, expenses, assets, and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Head office and corporate costs;
- Net gains on disposal of available-for-sale investments;
- Impairment of assets and other non-recurring items of revenue and expense;
- Income tax expense;
- Current and deferred tax assets and liabilities;
- Other financial assets;
- Intangibles assets; and
- Discontinued operations.

23.5 Segment Financial Performance

	Continuing operations					
	Australia $'000	China $'000	Europe $'000	Southeast Asia $'000	Intersegment eliminations $'000	Total operations $'000
Year ended 31 December 2024						
Revenue						
Sales to external customers	-	44,543	11,437	1,212	-	57,192
Results						
Profit or loss after income tax	(2,666)	4,984	(2,139)	(553)	-	(374)
Year ended 31 December 2023						
Revenue						
Sales to external customers	-	55,991	12,195	1,062	-	69,248
Results						
Profit or loss after income tax	(1,336)	10,852	(2,462)	204	-	7,258

23.6 Segment Financial Position

	Continuing operations					
	Australia $'000	China $'000	Europe $'000	Southeast Asia $'000	Intersegment eliminations $'000	Total operations $'000
As at 31 December 2024						
Assets						
Segment assets	52,929	101,727	14,252	5,026	(48,511)	125,423
Liabilities						
Segment liabilities	424	75,790	7,735	896	(48,511)	36,334
As at 31 December 2023						
Assets						
Segment assets	53,616	77,506	13,811	752	(49,368)	96,317
Liabilities						
Segment liabilities	483	56,853	7,735	1,117	(49,368)	16,820

23.7 Major customers

The Group has generated revenue from sales to its largest customer at approximately $12.7 million (2023: $6.6 million). No other single customers contributed 15% or more of the Group's revenue for the year.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 24 Statement of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the periods presented, unless otherwise stated.

24.1 Basis of preparation

24.1.1 *Reporting Entity*

Vmoto Limited (**Vmoto** or the **Company**) is a listed public company limited by shares, domiciled and incorporated in Australia. These are the consolidated financial statements and notes of Vmoto and controlled entities (collectively the **Group**). The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The Group is a for-profit entity and is designer, manufacturer, and distributor of high quality electric two-wheel vehicles and related EV business solutions.

The separate financial statements of Vmoto, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

24.1.2 *Basis of accounting*

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

The financial statements were authorised for issue on 31 March 2025 by the Board of Directors of the Company.

24.1.3 *Going Concern*

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the year of $0.37 million (31 December 2023: $7.26 million profit) and a net cash in-flow from operating activities of $4.30 million (31 December 2023: $3.87 million in-flow). As at 31 December 2024, the Company had working capital of $50.51 million (31 December 2024: $57.04 working capital).

At the date of this report, and having considered the above factors, the Directors are confident that the Group and the Company will be able to continue operations into the foreseeable future.

24.1.4 *Comparative figures*

Where required by AASBs comparative figures have been adjusted to conform to changes in presentation for the current year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

24.1.5 *New and Amended Standards Adopted by the Group*

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024:

- AASB 17 *Insurance Contracts.*
- AASB 2023-2 *Amendments to Australian Accounting Standards – Definition of Accounting Estimates International Tax Reform – Pillar Two Model Rules [AASB 112].*
- AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction [AASB 112].*
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies Definition of Accounting Estimates [AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2].*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Notes to the consolidated financial statements

for the year ended 31 December 2024

Note 24 Statement of material accounting policies

24.2 Valued added taxes

Value-added tax (**VAT**) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (Goods and Services Tax or **GST**); the United Kingdom and Europe (VAT); and in China (VAT).

VAT broad-based consumption taxes that the Group is exposed to.

Revenues, expenses, and assets are recognised net of the amount of VAT, except where the amount of VAT incurred is not recoverable from the taxation authority. In these circumstances the VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of VAT.

The net amount of VAT recoverable from, or payable to, the local jurisdictional Taxation Office is included as a current asset or liability in the balance sheet.

Cash flows are presented in the statement of cash flows on a gross basis, except for the VAT component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the taxation authority.

VAT is subject to local jurisdictional regulation which includes specific rates of VAT.

24.3 Foreign currency transactions and balances

24.3.1 *Functional and presentation currency*

The consolidated financial statements of the Group are presented in Australian dollars, which is different from its functional currency, determined to be Renminbi. A different presentation currency has been adopted as the Board of Directors believe that financial statements presented in Australian dollar (which is the functional currency of parent company) are more useful to the users and shareholders of the Company who are predominantly in Australia.

24.3.2 *Foreign currency translation*

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All differences in the consolidated financial report are taken to the *Statement of Profit or Loss* with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in the *Statement of Profit or Loss*.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

As at the reporting date the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of Vmoto at the rate of exchange ruling at the reporting date and the income statements are translated at the weighted average exchange rates for the period where this rate approximates the rate at the date of the transaction.

The exchange differences arising on the retranslation are taken directly to a separate component of equity.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the *Statement of Profit or Loss*.

24.4 Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 24.4.1.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 24 Statement of material accounting policies

24.4.1 *Critical Accounting Estimates and Judgments*

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a. *Key estimate – Taxation*... Refer note 4.8 *Income tax*.
b. *Key judgement and keys estimate – Impairment of intangibles* .... Refer note 6.4 *Intangible assets*.
c. *Key estimate – Share-base payments* .... Refer note 22 *Share-based payments*.

24.5 Fair Value

24.5.1 *Fair Value of Assets and Liabilities*

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable AASB.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable, and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also considers a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

24.5.2 *Fair value hierarchy*

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e., transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

Notes to the consolidated financial statements
for the year ended 31 December 2024

Note 24 Statement of material accounting policies

24.5.3 *Valuation techniques*

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

24.6 New Accounting Standards and Interpretations not yet mandatory or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Consolidated Entity Disclosure Statement

Entity name	Ownership interest 2024	Type of Entity	Trustee, partner, or participant in a joint venture	Country of incorporation	Australian resident for tax purposes	Australian resident for tax purposes
Vmoto Limited	Parent	Body corporate	N/A	Australia	Australian	Australian
Vmoto Australia Pty Ltd	100	Body corporate	N/A	Australia	Australian	Australian
Vmoto International Limited	100	Body corporate	N/A	Hong Kong	Foreign	Hong Kong
Nanjing Vmoto Co, Ltd	100	Body corporate	N/A	China	Foreign	China
Nanjing Vmoto Manufacturing Co, Ltd	100	Body corporate	N/A	China	Foreign	China
Nanjing Vmoto Intelligent Technology Co, Ltd	100	Body corporate	N/A	China	Foreign	China
Nanjing Vmoto Soco Intelligent Technology Co, Ltd	100	Body corporate	N/A	China	Foreign	China
Hainan Vmoto Intelligent Technology Investments Co, Ltd	100	Body corporate	N/A	China	Foreign	China
Vmoto International Pte Ltd	100	Body corporate	N/A	Singapore	Foreign	Singapore
Vmoto Europe HQ srl	100	Body corporate	N/A	Italy	Foreign	Italy
Vmoto (Thailand) Company Limited	100	Body corporate	N/A	Thailand	Foreign	Thailand
Vmoto International Pte Motorcycles Trading L.L.C.	100	Body corporate	N/A	UAE	Foreign	UAE
Vmoto Energy International Pte Ltd	100	Body corporate	N/A	Singapore	Foreign	Singapore
Vmoto Europe B.V.	100	Body corporate	N/A	Netherlands	Foreign	Netherlands
Vmoto Italy srl	100	Body corporate	N/A	Italy	Foreign	Italy
Vmoto France s.a.s.	100	Body corporate	N/A	France	Foreign	France
Vmoto UK & Ireland Ltd	100	Body corporate	N/A	United Kingdom	Foreign	United Kingdom
Vmoto Soco US LLC	100	Body corporate	N/A	USA	Foreign	USA

The Company has not formed a tax consolidated group with any wholly-owned Australian subsidiary

Basis of preparation

This Consolidated Entity Disclosure Statement (**CEDS**) has been prepared in accordance with the *Corporations Act 2001* (Cth). It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295(3A) of the *Corporation Acts 2001* (Cth) defines tax residency as having the meaning in the *Income Tax Assessment Act 1997.* The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of "Australian resident" and "foreign resident" in the *Income Tax Assessment Act 1997* are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretation:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Directors' declaration

The Directors of the Company declare that in the Directors' opinion:

1. The attached financial statements and notes, as set out on pages 23 to 71, are in accordance with the *Corporations Act 2001* (Cth) including:

   (a) complying with Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements; and

   (b) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial year ended on that date

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 24.1.2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001* (Cth);

The Consolidation Entity Disclosure Statement on page 72 is true and correct as at 31 December 2024.

This declaration is signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001* (Cth).

On behalf of the Directors

CHARLES CHEN
Managing Director
Dated this Monday, 31 March 2025

HALL CHADWICK

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VMOTO LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Vmoto Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How our audit addressed the Key Audit Matter
Existence and Valuation of Inventory	
The Consolidated Entity had an inventory balance of $28.45 million at year end. Existence and valuation of inventory were considered key audit matters due to: • The quantum and increase of inventory on hand • The location of the inventory • Risk of stock obsolescence from changing technology The importance of inventory in relation to generating positive operating cash flows.	Our procedures amongst others included: • Attending stock takes conducted by affiliated firms at year end and performing sample counts; • During site visits we observed to consider damaged or obsolete stock on hand; • Reviewing gross margins on sales during the year on a monthly basis; • For a sample of items we tested unit costs of inventory items and related sales to supporting documentation to assess whether the inventory is held at the lower of cost and net realisable value • Reviewing margins and inventory turnover via analytical procedures; and • Assessing the adequacy of the disclosures included in Note 6.1 to the financial statements
Revenue Recognition	
During the year ended 31 December 2024, the Consolidated Entity generated sales revenue of $57.19 million (2023: $69.25 million). The accounting principles and disclosures concerning revenues are disclosed in Note 1.2. Revenue recognition is considered as a key audit matter because revenues are a key financial performance measure which could create an incentive for revenues to be recognised prematurely. Relevant areas from the revenue recognition perspective are accuracy of the recognised amounts and timing of revenue recognition.	Our audit procedures included, among others, inquiries with management regarding significant new contracts and relevant changes in existing contracts. In addition to the above our procedures amongst others included: • Walkthroughs being performed to gain an understanding of processes and internal controls, including management reviews, with respect to revenue recognition. • Analytical procedures over revenue throughout the financial year to identify potential abnormalities. • On a sample basis an analysis of current sales contracts and evaluation of appropriateness of recognised revenue and its timing. • A specific emphasis was set on verifying that revenue transactions at the end of the financial year and at the beginning of the new financial year have been recognised in the proper accounting period.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the remuneration report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

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collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Company, for the year ended 31 December 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

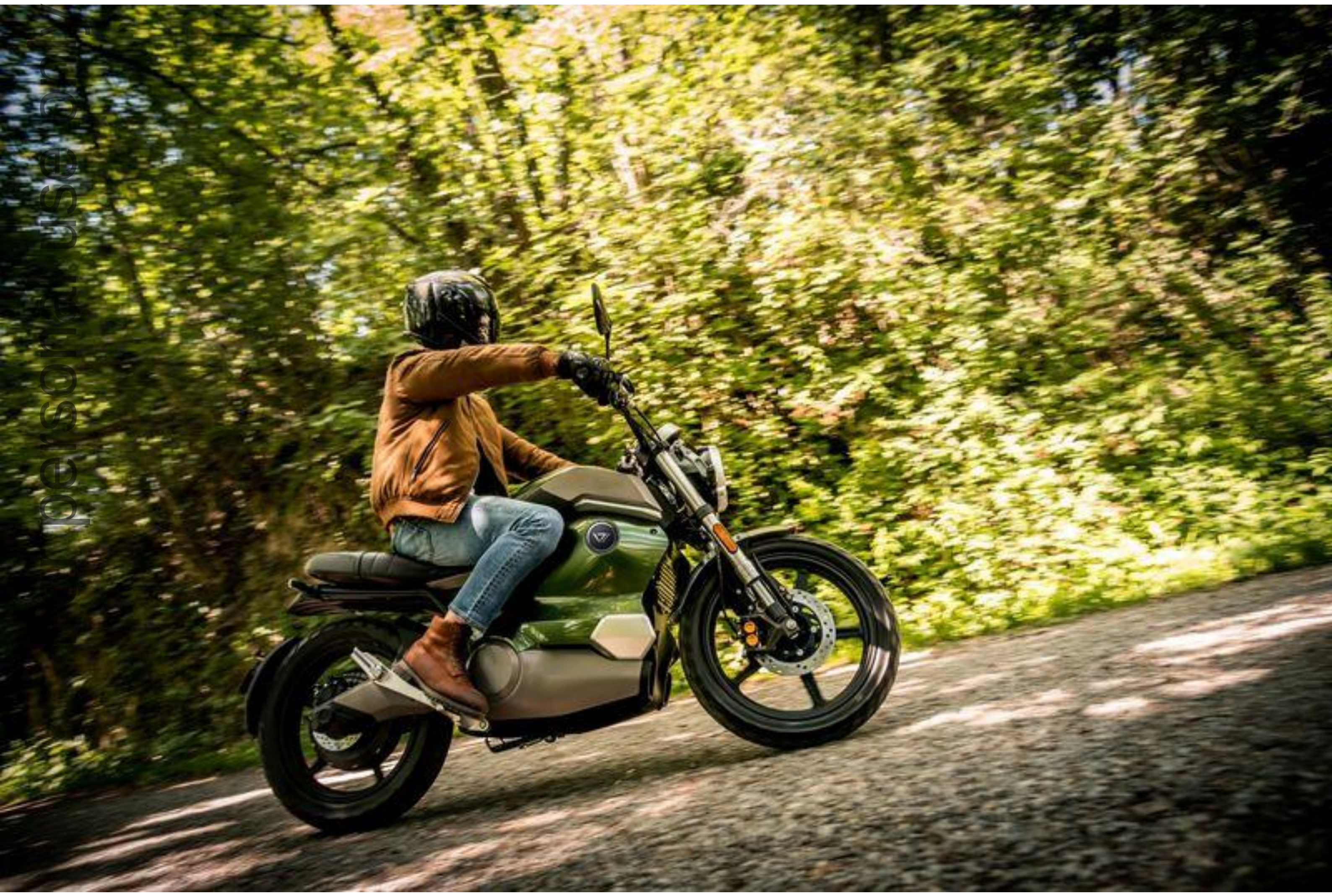
Dated this 31st day of March 2025
Perth, Western Australia

Corporate governance statement

The Board is responsible for establishing the Company's corporate governance framework. In establishing its corporate governance framework, the Board has referred to the 4th edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

The Corporate Governance Statement discloses the extent to which the Company follows the recommendations. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The Company's governance-related documents can be found on its website at vmoto.com/investor-centre.



Additional Information for Listed Public Companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies.

1 Capital as at 7 March 2025

a. *Ordinary share capital*

388,889,761 ordinary fully paid shares held by 2,116 shareholders.

b. *Options over Unissued Shares*

Number of Options	Exercise Price $	Expiry Date	ASX Status
6,600,000	0.45	11.04.2026	Unlisted
7,700,000	0.55	11.04.2027	Unlisted
8,800,000	0.65	11.04.2027	Unlisted
23,100,000			

c. *Performance Rights over Unissued Shares*

Class of Performance Right	Performance Condition	Performance rights No.	Milestone Date	Expiry Date
2023	▼ Continuing employment; ▼ Minimum performance hurdle of a minimum share price compound annual growth rate (CAGR) increases of 5% over the performance period; ▼ No performance rights will vest if CAGR is less than 5% over the respective period; and ▼ 50% of the performance rights will vest if CAGR of 10% is achieved, up to maximum of 100% of the performance rights will vest if CAGR of 15% is achieved and pro rata of the performance rights will vest if CAGR is >5% & <10% and >10% & <15%.	2,873,372	31.12.2025	31.12.2025
2024	▼ Continuing employment; ▼ Minimum performance hurdle of a minimum share price compound annual growth rate (CAGR) increases of 5% over the performance period; ▼ No performance rights will vest if CAGR is less than 5% over the respective period; and ▼ 50% of the performance rights will vest if CAGR of 10% is achieved, up to maximum of 100% of the performance rights will vest if CAGR of 15% is achieved and pro rata of the performance rights will vest if CAGR is >5% & <10% and >10% & <15%.	7,652,725	31.12.2026	31.5.2027
		10,526,097		

d. *Voting Rights*

The voting rights attached to each class of equity security are as follows:

- **Ordinary shares**: The voting rights attaching to ordinary shares are that on a show of hands every member present in person or by proxy shall have one vote and upon a poll each share shall have one vote.
- **Options**: Options do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the options are exercised or performance shares convert and subsequently registered as ordinary shares.
- **Performance Rights (Right)**: Rights do not entitle a Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company. Rights do not entitle a Holder to any dividends. Right do not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up of the Company. Rights are not transferable.

e. *Substantial Shareholders as at 7 March 2025*

The number of shares and options held by substantial shareholders and their associates who have provided the Company with substantial shareholder notices are set out below

Name *(last notice lodged)*	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
Yiting (Charles) Chen *(As lodged with ASX on 7 December 2023)*	46,007,910	11.83
Malaky Kazem *(As lodged with ASX on 26 February 2025)*	26,229,964	6.74
Munro Group *(As lodged with ASX on 23 January 2024)*	22,663,000	5.83

Additional Information for Listed Public Companies

f. *Distribution of Equity Holders as at 7 March 2025*

Ordinary Shares

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	100	41,739	0.01
1,001 – 5,000	617	2,063,486	0.53
5,001 – 10,000	439	3,426,989	0.88
10,001 – 100,000	745	25,252,136	6.48
100,001 – and over	215	358,105,411	92.07
	2,116	**388,889,761**	**99.97**

Unlisted Options (VMTAY: Exp. 11.04.2026 Ex. $0.45)

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 100,000	-	-	0.00
100,001 – and over	2	6,600,000	100.00
	2	**6,600,000**	**100.00**

Unlisted Options (VMTAZ: Exp. 11.04.2027 Ex. $0.55)

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 100,000	-	-	0.00
100,001 – and over	2	7,700,000	100.00
	2	**7,700,000**	**100.00**

Unlisted Options (VMTAA: Exp. 11.04.2027 Ex. $0.65)

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 100,000	-	-	0.00
100,001 – and over	2	8,800,000	100.00
	2	**8,800,000**	**100.00**

2023 Performance Rights Holders

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 100,000	-	-	0.00
100,001 – and over	2	2,873,372	100.00
	2	**2,873,372**	**100.00**

2024 Performance Rights Holders

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 100,000	-	-	0.00
100,001 – and over	2	7,652,725	100.00
	2	**7,652,725**	**100.00**

g. *Unmarketable Parcels as at 7 March 2025*

There were 2,116 shareholders who held less than a marketable parcel of shares, holding 2,562,374 shares.

Additional Information for Listed Public Companies

h. *On-Market Buy-Back*

There is no current on-market buy-back.

Vmoto Limited completed an off-market, equal access share buy-back which on 31 January 2025 (**Off-Market Buy-Back**). 39,548,719 fully paid ordinary shares (**Shares**) were bought back under the Off-Market Buy-Back at the offer price $0.12 per Share (in aggregate approximately $4,745,846). Applications made under the Off-Market Buy-Back were in respect of in aggregate 56,734,352 Shares, representing 143.45% of the maximum 39,548,719 Shares that the Company can buy-back pursuant to the Off-Market Buy-Back terms.

Due to the demand, applications made under the Off-Market Buy-Back was scaled back in accordance with the policy detailed in the Company's Off-Market Buy-Back Booklet dated 24 December 2024 (as supplemented on 2 January 2025).

Vmoto cancelled shares for which it has received applications (subject to scale back) on 5 February 2025 and made payment for those Shares on 7 February 2025.

i. *Restricted Securities*

The Company has currently the following restricted securities:

- 1,720,000 fully paid ordinary shares are currently subject to voluntary escrow until 4 April 2025.
- 810,000 fully paid ordinary shares are currently subject to voluntary escrow until 22 February 2026.

j. *20 Largest Shareholders — Ordinary Shares as at 7 March 2025*

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	Mr Yiting Chen	46,766,530	12.03
2.	Mr Yuming Zhou	45,327,880	11.66
3.	Mr Yi Chen	37,073,109	9.53
4.	Ms Malaky Kazem	26,229,964	6.74
5.	Mr Raymond Edward Munro + Mrs Susan Roberta Munro <Munro Family Super Fund A/C>	20,163,000	5.18
6.	Chengzhi Wang	16,017,317	4.12
7.	Mr Erchuan Zhou	16,003,735	4.12
8.	Outright International Business Group Limited	14,574,000	3.75
9.	Mr Xiaojin Wan	12,633,880	3.25
10.	Mr Liang Rong	7,800,000	2.01
11.	GMY Di Milone Salvatore Graziano & C Sas	7,199,721	1.85
12.	Mr Yin How Teo	4,781,896	1.23
13.	Mr Tao Yu	4,241,393	1.09
14.	BNP Paribas Noms Pty Ltd	4,235,146	1.09
15.	Mr Brendan David Gore <Gore Family No 2 A/C>	3,245,000	0.83
16.	Mr Liang Chen	3,147,787	0.81
17.	Mr Kaijian Chen	3,139,401	0.81
18.	Yang Pty Ltd <Yang Family A/C>	2,392,355	0.62
19.	Mr Michael Arnold Ter Veer	2,250,000	0.58
20.	Mr Wayne Harold Findlay	2,000,000	0.51
	Total	**279,222,114**	**71.81**

Additional Information for Listed Public Companies

k. Unquoted Securities Holders Holding More than 20% of the Class as at 7 March 2025

Unlisted Options (VMTAY: Exp. 11.04.2026 Ex. $0.45)

Name	Number of Unquoted Securities	% Held of Unquoted Security Class
Giovanni Castiglioni	6,000,000	90.91
Total	**6,000,000**	**90.91**
Total Unlisted Options (VMTAY: Exp. 11.04.2026 Ex. $0.45)	**6,600,000**	

Unlisted Options (VMTAZ: Exp. 11.04.2027 Ex. $0.55)

Name	Number of Unquoted Securities	% Held of Unquoted Security Class
Giovanni Castiglioni	7,000,000	90.91
Total	**7,000,000**	**90.91**
Total Unlisted Options (VMTAZ: Exp. 11.04.2027 Ex $0.55)	**7,700,000**	

Unlisted Options (VMTAA: Exp. 11.04.2027 Ex. $0.65)

Name	Number of Unquoted Securities	% Held of Unquoted Security Class
Giovanni Castiglioni	8,000,000	90.91
Total	**8,000,000**	**90.91**
Total Unlisted Options (VMTAA: Exp. 11.04.2027 Ex $0.65)	**8,800,000**	

2023 Performance Rights Holders

Rank	Name	Number of Unquoted Securities	% Held of Unquoted Security Class
1.	Yiting (Charles) Chen	1,903,609	66.25
2.	Yin How (Ivan) Teo	969,763	33.75
	Total	**2,873,372**	**100.00**
	Total 2022 Performance Shares	**2,873,372**	

2024 Performance Rights Holders

Rank	Name	Number of Unquoted Securities	% Held of Unquoted Security Class
1.	Yiting (Charles) Chen	5,069,930	66.25
2.	Yin How (Ivan) Teo	2,582,795	33.75
	Total	**7,652,725**	**100.00**
	Total 2023 Performance Shares	**7,652,725**	

2 The Company Secretary is Joan Dabon.

3 Principal registered office

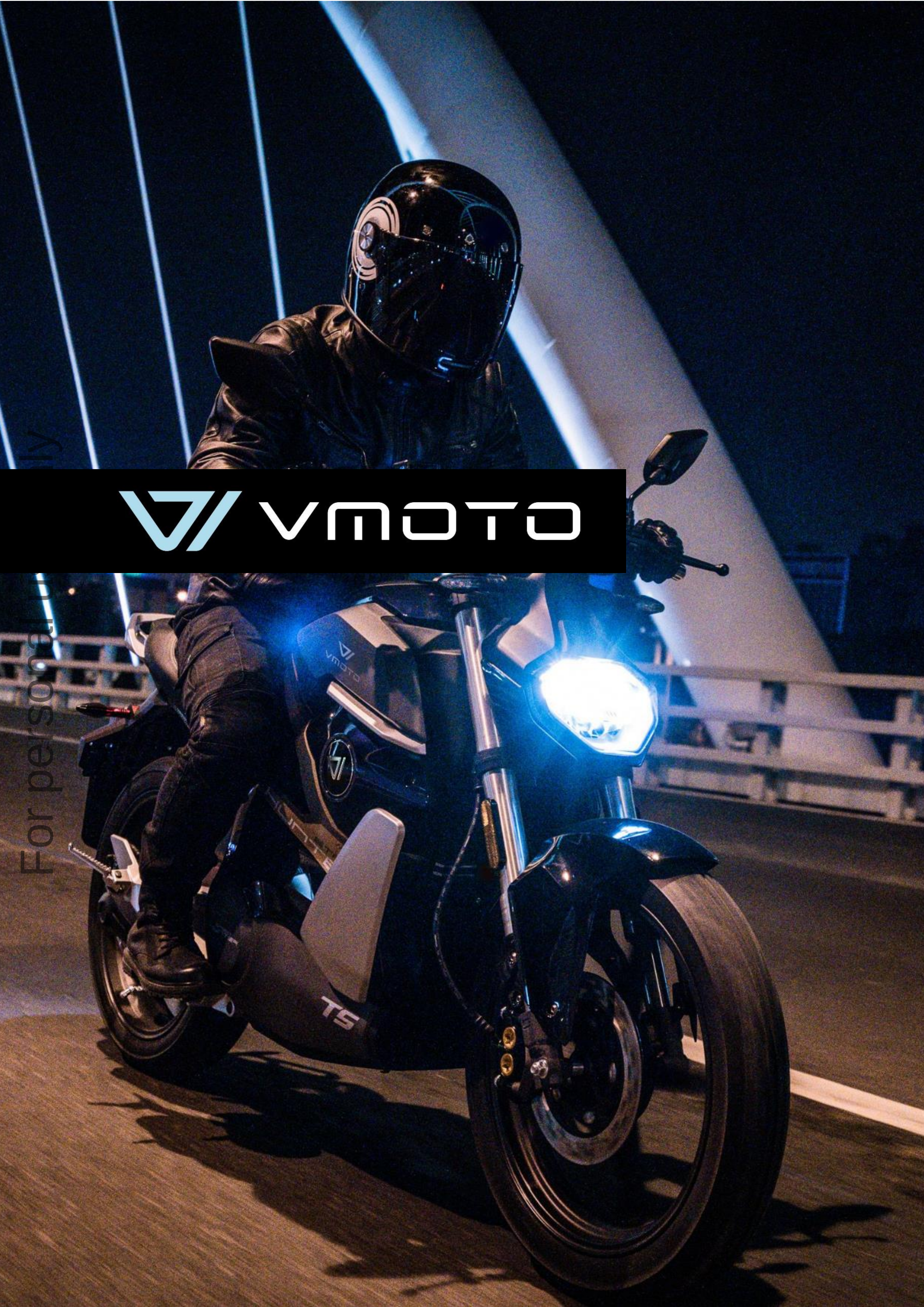
As disclosed in the *Corporate directory* on page i of this Annual Report.

4 Register of securities

As disclosed in the *Corporate directory* on page i of this Annual Report.

5 Stock exchange listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited (ASX Code: VMT), as disclosed in the *Corporate directory* on page i of this Annual Report. The Home Exchange is Perth.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