APPENDIX 4D
Interim Financial Report
30 June 2024

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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 48, 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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Results for announcement to the market

for the half-year ended 30 June 2024

1 REPORTING PERIOD (item 1)

Report for the period ended:	30 June 2024
Previous corresponding period is half-year ended:	30 June 2023

2 RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Movement	Percentage %		Amount $'000
Decrease in revenues from ordinary activities (item 2.1)	↓	44.43	to	23,269
Increase in loss (2023: Profit) from ordinary activities after tax attributable to members (item 2.2)	↑	157.27	to	(2,979)
Increase in loss (2023: Profit) after tax attributable to members (item 2.3)	↑	157.27	to	(2,979)

a. Dividends (items 2.4 and 5)

	Amount per Security ¢	Franked amount per security %
Interim dividend	nil	n/a
Final dividend	nil	n/a
Record date for determining entitlements to the dividend (item 2.5)	n/a	

b. Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6):

Refer to section 2 *Operating and financial review* of the accompanying *Directors Report*.

3 DIVIDENDS (item 6) AND RETURNS TO SHAREHOLDERS INCLUDING DISTRIBUTIONS AND BUY BACKS

Nil

a. Details of dividend or distribution reinvestment plans in operation are described below (item 6):

Not applicable

4 RATIOS

a. Financial Information relating to 4b:

	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
(Loss)/earnings for the period attributable to owners of the parent	(2,979)	5,202

	30 June 2024 $'000	30 June 2023 $'000
Net assets	79,981	63,600
Less: Intangible assets and deferred tax balances	(7,873)	(940)
Net tangible assets	72,108	62,660
	No.	**No.**
Fully paid ordinary shares	418,195,334	290,240,290
	¢	¢
b. Net tangible (liability)/assets backing per share (cents) (item 3):	17.24	21.59

Results for announcement to the market

for the half-year ended 30 June 2024

5 DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD: (item 4)

a. Control gained over entities

- Name of entities (item 4.1) — None
- Date(s) of gain of control (item 4.2) — N/A

b. Loss of control of entities

- Name of entities (item 4.1) — None
- Date(s) of loss of control (item 4.2) — N/A

c. Contribution to consolidated loss from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 4.3). — N/A

d. Profit from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 4.3) — N/A

6 DETAILS OF ASSOCIATES AND JOINT VENTURES: (item 7)

- Name of entities (item 7) — Nanjing Vmoto Soco Intelligent Technology Co, Ltd
- Percentage holding in each of these entities (item 7) — 50%

	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
Aggregate share of profits (losses) of these entities (item 7)	220	(812)

7 The financial information provided in the Appendix 4D is based on the interim final report (attached), which has been prepared in accordance with Australian Accounting Standards.

8 The report is based on accounts which have been reviewed by the Company's independent auditor (item 9).

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Managing Director's Letter

Dear Shareholders,

The first half of 2024 (**1H2024**) was a busy and challenging period for Vmoto Limited (**Company**). Negative macroeconomic factors including high interest rates, tighter monetary policies and lower consumer and business confidences continue to have negative flow-on effect on B2C sales in the Company's key markets. The Company incurred numerous one-off expenses totalling to $2.1 million in relation to impairment of slow moving and obsolete stocks and acquisition of remaining 50% of Vmoto Italy, which have also impacted Vmoto's financial performance in 1H2024.

Vmoto delivered the below results for 1H2024:

- Revenue of **$23.3 million**;
- Net loss after tax of **$3.0 million** and Loss before Interest, Tax, Depreciation and Amortisation of $**3.0 million**
- Positive operating cash flow of **$2.9 million**; and
- Closing cash position of **$41.7 million.**

Vmoto is a global fully integrated e-mobility products and solutions provider. Apart from its key markets in Europe, the Company is actively pursuing sales opportunities outside Europe including Asia, Africa, Middle East and South America. In addition, the Company has identified numerous sales opportunities in new market segments, working closely with its B2B customers, which have the potential to generate multiple revenue streams in the longer term.

The Company also pursued a more aggressive cost reduction program across its subsidiaries in the Netherlands, Italy, France and United Kingdom to mitigate the impacts of negative macroeconomic factors and uncertainties on B2C sales.

Vmoto continues to face headwinds in our B2C and B2B businesses, but we remain resilient. With our strong cash position and robust cash management policies, the Company will optimise its operations to overcome short term impacts from economic uncertainties while also actively looking for business opportunities that will add value, transform the Company into a bigger e-mobility company in longer term and deliver a return to sustainable profitability.

Looking forward to the rest of 2024 and beyond, Vmoto has one of the best electric motorcycle/moped products in the markets, with the widest distribution network, and global workforce and teams. This positions the Company well to supply and tailor e-mobility products and solutions to large corporations and governments, looking to decarbonise their businesses.

Last but certainly not least, I extend my gratitude to our shareholders and employees for the support and faith as we continue to build this remarkable business

Yours faithfully,

CHARLES CHEN
Managing Director
Dated this 29th day of August 2024

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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 half-year ended 30 June 2024 (**1HY2024**).

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 half-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 15 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.

2. Operating and financial review

2.1. Nature of Operations Principal Activities

The principal activity of the Group for the half-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 half-year.

2.2. Operations Review

a. Financial Overview for 1HY2024

- Financial results:
  - **Total revenue of $23.3 million**, down 44.4%% on 1HY2023;
  - **Net loss after tax of $3.0 million**, down 157.3% on 1HY2023;
  - **Loss before interest, tax, depreciation and amortisation of $3.0 million,** down 155.3% on 1HY2023; and
  - **Positive cash flows** from operating activities of $2.9 million;
- Strong **cash position of $41.7 million** as at 30 June 2024, down 1.8% from $42.5 million as at 31 December 2023;
- **Net tangible assets of $80.0 million** at 30 June 2024, up 0.6% on 31 December 2023(refer section 2.3 *Financial Review below* for a detailed financial review).

b. Operational Overview for 1HY2024

- Total sales of 7,592 units of e-motorcycles and e-mopeds, delivered for HY2024, down 52% on 1H2023;
- Total international sales of 5,178 units, delivered for HY2024, down 52% on 1H2023;
- Firm international orders of 1,712 units as at 30 June 2024, for delivery in the 3Q24;
- Vmoto acquire the remaining 50% interest of Vmoto Italy and take Vmoto's interest to 100%;
- Vmoto launched a new website to unify its brands, products, charge & swap stations, e-mobility solutions and corporate information; and
- Construction of Vmoto's new manufacturing facilities in Nanjing, China progressing on track for completion in second half of 2025.

Directors' report

c. Sales and Financial Performance for HY2024

In 1H2024, the Group sold a total of **7,592 units** of e-motorcycles and e-mopeds, translating to total **revenue of $23.3 million** and **net loss after tax of $3.0 million**.

The Group's sales performance and profitability has continued to be adversely impacted by current negative global economic conditions, which has seen consumer/business spending and confidences reduce, particularly in Europe which is our largest market.

The Company incurred numerous one-off expenses totaling to $2.1 million in relation to impairment of slow moving and obsolete stocks and acquisition of remaining 50% of Vmoto Italy, which have also impacted Vmoto's financial performance in 1H2024.

To improve financial performance of the Company, Vmoto is working on a number of initiatives to drive sales growth including:

- actively pursuing sales opportunities outside Europe including Asia, Africa, Middle East and South America;
- developing and identifying new sales opportunities in new market segments by working closely with the Company's B2B customers that will provide new source of revenue streams in longer term;
- committing to more aggressive cost reduction programs for its subsidiaries in Netherlands, Italy, France and United Kingdom to mitigate the negative impacts of economic uncertainties on B2C sales; and
- launching short term discount promotion on prices to entice consumer spending and increase sales turnover.

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

d. International Markets

During 1H2024, the Company signed and renewed distribution agreements with a number of international distributors for the warehousing, distribution, and marketing of its Business-to-Consumer range of electric motorcycles/mopeds. Vmoto now has a total of over 70 international distributors of Vmoto products internationally.

Although sales have been negatively impacted by global economic conditions, Vmoto and its distributors continue to aggressively promote Vmoto's products through a number of marketing initiatives, including exhibitions, digital channels and providing samples to distributors and consumer for test riding. The Company is also actively providing support to distributors and dealers to develop retail presence and increase brand exposure, and providing short term discounts on existing models and products to encourage and motivate them to increase turnover of their stocks.

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Directors' report

Photo: Vmoto France participated and showcased Vmoto product range at Salon du 2 Roues held in March 2024 in Lyon, Frances

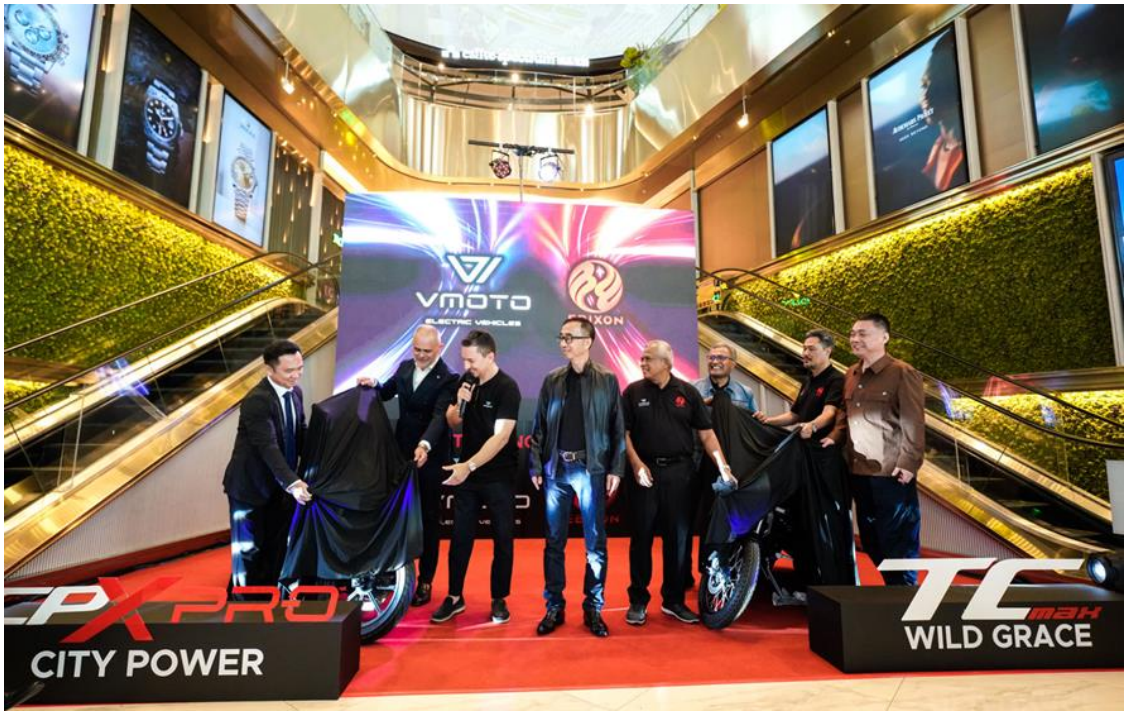

Photo: Vmoto and Vmoto's Malaysia distributor brand and products launching event held in Kuala Lumpur in May 2024

e. Construction of Vmoto's new manufacturing facilities in Nanjing, China

As announced in September 2023, the construction of Vmoto's new 32,856m^2 manufacturing facilities has commenced.

In 2Q24, the main structures and roof of Vmoto's new manufacturing facilities have been completed, which are progressing on schedule.

Directors' report

Photo: Vmoto's new manufacturing facilities in Nanjing, China under construction

The new manufacturing facilities is strategically located close to Vmoto's existing manufacturing facilities in Nanjing, China. Once completed, Vmoto's manufacturing footprint will more than double in size to 62,977m^2, providing the Company with increased production capacity, which in turn is expected to deliver economies of scale and increased manufacturing margin. More construction works are progressing and expected to be completed in second half of 2025. The Company is also exploring several design options for the exterior of the manufacturing facilities.

Photo: Photo: Artist impression of a possible exterior design for Vmoto's new manufacturing facilities

f. Rented assembly and office facilities in Thailand

During 1H2024, Vmoto has incorporated a new subsidiary company in Thailand, Vmoto (Thailand) Co, Ltd (**Vmoto Thailand**) to identify and develop business opportunities in Thailand and nearby South East Asian countries.

Vmoto Thailand leased a new 3,094 m^2 assembly and office facilities in Bang Pakong, Chachoengsao, which is approximately 70km South East of Bangkok City, to assemble certain models for supply to local Thailand and neighbouring markets.

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Directors' report

g. Outlook

The Group continues to identify opportunities and strategies to consolidate Vmoto's market position and is well positioned for additional sales and profits through its portfolio of brands, products, and distribution network. Specifically, these opportunities and strategies include:

- **Product portfolio** – Vmoto plans to continue to expand its product portfolio especially in low cost and durable models to target different segment of e-mobility markets in FY2024 and beyond;
- **Expand international footprint** – The Company identified key export markets beyond Europe, and this provides opportunity to de-risk its operations by diversification of export channels. These international footprints include Southeast Asia, South America, Middle East, and North America markets.
- **New strategic cooperations with partners and customers** - the Company also has been 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 include Brazil, Europe, Thailand, South Africa and United Arab of Emirates.
- **Cost optimisation and operations efficiency** – the Company continues to work on cost reduction by reviewing and optimising its existing operations according to the needs of the current market and environment conditions and identified opportunities to improve efficiency across the business.
- **Commit to Vmoto's mission** – the Company continues to commit to and realise its mission of accelerating the transformation of petrol vehicles to electric vehicles, to advance the electric motorcycle industry globally through uncompromising quality and the highest level of customer service, to constantly innovate, and to reduce greenhouse gas emissions to preserve the environment for future generations.

2.3. 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 HY2024 the Group recorded a loss before interest, tax, depreciation and amortisation of $2.97 million (HY2023: $5.37 million EBITDA). The Group generated a net loss after tax for the half-year of $2.98 million (HY2023: $5.20 million profit).

a. Reconciliation between the EBITDA and statutory net profit after tax for HY2024:

	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
Earnings or (Loss) before interest, tax, depreciation and amortisation	(2,972)	5,370
Less: Depreciation and amortisation	(802)	(347)
Profit before interest and tax	(3,774)	5,023
Add: Interest income	909	433
Less: Interest expense	(114)	(41)
Less: Income tax expense	-	(213)
Net profit after tax	(2,979)	5,202

b. Key profit and loss measures:

	Movement (increase/ decrease)	Movement $'000	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
Revenues from ordinary activities	*Decreased*	18,605	23,269	41,874
(Loss) / profit from ordinary activities after tax	*Decreased*	8,181	(2,979)	5,202
(Loss) / earnings before interest, tax, depreciation and amortisation	*Decreased*	8,342	(2,972)	5,370

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Directors' report

c. Key balance sheet measures

	Movement increase/ (decrease)	Movement $'000	30 June 2024 $'000	31 December 2023 $'000
In respect to Group assets				
Cash and cash equivalents	*Decreased*	775	41,749	42,524
Trade and other receivables	*Decreased*	2,527	6,693	9,220
Inventories	*Increased*	946	17,091	16,145
Property, plant, and equipment	*Increased*	4,343	12,357	8,014
Investments in associates	*Increased*	395	6,004	5,609
Net assets	*Increased*	484	79,981	79,497
Working capital	*Decreased*	3,736	53,303	57,039
In respect to Group liabilities and equity				
Trade and other payables	*Increased*	3,451	14,971	11,520
Unearned revenue	*Increased*	2,675	8,919	6,244
Issued capital	*Increased*	2,811	112,652	109,841

2.4. 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 30 June 2024.

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

2.5. Events Subsequent to Reporting Date

As detailed in note 10 *Events subsequent to reporting date* on page 24, the Group has the following subsequent events:

- Completion of Small Holdings Sale Facility.
- Investment in Zenion Limited.
- Settlement with Supersoco Intelligent Technology (Shanghai) Co, Ltd

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 10.

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Directors' report

2.6. 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 especially in low cost and durable models to target different segment of e-mobility markets;

b. 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.

c. 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.

d. 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.

e. E-Mobility Solutions:

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

3. 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.

4. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 30 June 2024 has been received and can be found on page 11 of the interim financial report.

This Report of the Directors, is signed in accordance with a resolution of directors made pursuant to section 306(3) of the *Corporations Act 2001* (Cth).

CHARLES CHEN

Managing Director

Dated this Thursday, 29 August 2024

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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 review of the financial statements of Vmoto Limited for the half year ended 30 June 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 review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated 29th day of August 2024
Perth, Western Australia

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Condensed consolidated statement of profit or loss and other comprehensive income

for the half-year to 30 June 2024

	Note	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
Continuing operations			
Revenue		23,269	41,874
Cost of sales		(16,738)	(30,252)
Gross profit		6,531	11,622
Other income	1.1	1,934	3,772
Operational expenses		(6,121)	(5,924)
Marketing and distribution expenses		(1,207)	(631)
Corporate and administrative expenses		(3,662)	(2,341)
Occupancy expenses		(397)	(195)
Other expenses	2.1.2	(1,072)	(468)
Operating (loss) / profit		(3,994)	5,835
Share of profit or (loss) from equity accounted investments	6.3.2	220	(812)
Finance costs		(114)	(41)
Finance income		909	433
(Loss) / profit before tax		(2,979)	5,415
Income tax benefit / (expense)		-	(213)
(Loss) / profit for the half-year		(2,979)	5,202
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		1,849	(784)
Other comprehensive income for the half-year, net of tax		1,849	(784)
Total comprehensive income attributable to members of the parent entity		(1,130)	4,418
Profit or (loss) for the half-year attributable to:			
Non-controlling interest		(177)	153
Owners of the parent		(2,802)	5,049
Total comprehensive income attributable to:			
Non-controlling interest		(177)	153
Owners of the parent		(953)	4,265
Earnings per share:		¢	¢
Basic earnings per share (cents per share)	11.4	(0.69)	1.74
Diluted earnings per share (cents per share)	11.4	(0.69)	1.61

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

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Condensed consolidated statement of financial position
as at 30 June 2024

	Note	30 June 2024 $'000	31 December 2023 $'000
Current assets			
Cash and cash equivalents		41,749	42,524
Trade and other receivables		6,693	9,220
Inventories		17,091	16,145
Other current assets	3.1.1	6,848	5,047
Total current assets		72,381	72,936
Non-current assets			
Trade and other receivables		1,954	2,277
Property, plant, and equipment	4.1	12,357	8,014
Right-of-use assets	4.2.1	5,315	4,694
Intangible assets	4.3	2,558	2,787
Investments accounted for using equity method	6.1	6,004	5,609
Total non-current assets		28,188	23,381
Total assets		100,569	96,317
Current liabilities			
Trade and other payables	3.2	14,971	11,520
Borrowings	3.3.1	3,771	4,120
Current tax liabilities		-	-
Leases	4.2.2	336	257
Total current liabilities		19,078	15,897
Non-current liabilities			
Leases	4.2.2	1,510	923
Total non-current liabilities		1,510	923
Total liabilities		20,588	16,820
Net assets		79,981	79,497
Equity			
Issued capital	5.1.1	112,652	109,841
Reserves	5.3	(251)	(1,903)
Accumulated losses		(32,420)	(28,326)
Non-controlling interest		-	(115)
Total equity		79,981	79,497

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

Condensed consolidated statement of changes in equity

for the half-year to 30 June 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 half-year attributable to owners of the parent		-	5,049	-	-	153	5,202
Other comprehensive income for the half-year attributable owners of the parent		-	-	-	(784)	-	(784)
Total comprehensive income for the half-year attributable owners of the parent		-	5,049	-	(784)	153	4,418
Transaction with owners, directly in equity							
Shares issued during the half-year (net of costs)		254	-	-	-	-	254
Performance rights granted during the half-year		-	-	195	-	-	195
Options issued during the half-year		-	-	-	-	-	-
Vesting of performance rights and shares		1,656	-	(1,459)	-	-	197
Balance at 30 June 2023		93,818	(30,525)	588	(309)	28	63,600
Balance at 1 January 2024		109,841	(28,326)	783	(2,686)	(115)	79,497
Loss for the half-year attributable to owners of the parent		-	(2,802)	-	-	(177)	(2,979)
Other comprehensive income- for the half-year attributable owners of the parent		-	-	-	1,849	-	1,849
Total comprehensive income for the half-year attributable owners of the parent		-	(2,802)	-	1,849	(177)	(1,130)
Transaction with owners, directly in equity							
Shares issued during the half-year (net of costs)		-	-	-	-	-	-
Shares issued during the half-year in lieu of cash	5.1.1i to j 5.1.1l to o	1,468	-	-	-	-	1,468
Share-based payments granted during the half-year	12.2.2c	-	-	165	-	-	165
Vesting of performance rights and shares	5.1.1h	343	-	-	-	-	343
Lapse of rights	5.2.1	-	-	(362)	-	-	(362)
Transaction with controlled entity	7.1	1,000	(1,292)	-	-	292	-
Balance at 30 June 2024		112,652	(32,420)	586	(837)	-	79,981

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

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Condensed consolidated statement of cash flows

for the half-year 30 June 2024

	Note	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
Cash flows from operating activities			
Receipts from customers		29,503	41,899
Payments to suppliers and employees		(27,696)	(41,298)
Interest received		909	433
Interest paid		(66)	-
Other cash receipts		213	1,944
Income tax paid		-	-
Net cash provided by operating activities		2,863	2,978
Cash flows from investing activities			
Purchase of property, plant, and equipment		(5,072)	(2,768)
Repayment of loans by other entities		2,318	-
Net cash used in investing activities		(2,754)	(2,768)
Cash flows from financing activities			
Proceeds from borrowings		3,390	-
Repayments of borrowings		(4,236)	-
Net cash provided by / (used in) financing activities		(846)	-
Net increase in cash and cash equivalents held		(737)	210
Cash and cash equivalents at the beginning of the half-year		42,524	28,026
Change in foreign currency held		(38)	(44)
Cash and cash equivalents at the end of the half-year		41,749	28,192

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

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Notes to the condensed consolidated financial statements

for the half-year 30 June 2024

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

- Section A: How the numbers are calculated 17
- Section B: Group structure 22
- Section C: Unrecognised items 24
- Section D: Other Information 25

Significant accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-significant 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.

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Notes to the condensed consolidated financial statements

for the half-year ended 30 June 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	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
1.1 Other Income		
Contributions from customers	1,352	1,858
Government subsidies	77	685
Rent income	441	479
Net foreign exchange gain	58	710
Other income	6	40
	1,934	3,772

Note 2 Expenses	Note	6 months to 30 June 2024 $	6 months to 30 June 2023 $
2.1 *The following significant expense items are relevant in explaining the financial performance:*			
2.1.1 ***Expenses***			
Depreciation and amortisation		802	347
Employee benefits		3,975	2,946
2.1.2 ***Other Expenses***			
Doubtful debt expenses		-	468
Impairment of slow moving and obsolete inventory	2.1.2a	1,072	-

a. During the half-year ended 30 June 2024, management assessed the carrying value of inventory. As a result of this assessment, management determined an impairment of $1.07 million against slow moving and obsolete inventory.

Note 3 Financial assets and financial liabilities

3.1 Other assets	Note	30 June 2024 $'000	31 December 2023 $'000
3.1.1 ***Current***			
Advances to suppliers	3.1.1a	6,604	3,845
Other current assets		244	1,202
		6,848	5,047

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

3.2 Trade and other payables	30 June 2024 $'000	31 December 2023 $'000
3.2.1 ***Current***		
Trade creditors	2,257	2,567
Advances and deposits from customers / unearned revenue	8,919	6,244
Other creditors and accruals	3,795	2,709
	14,971	11,520

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Notes to the consolidated financial statements
for the year ended 30 June 2024

Note 3 Financial assets and financial liabilities (cont.)

3.3 Borrowings

		30 June 2024 $'000	31 December 2023 $'000
3.3.1	***Current***		
	Bank overdraft	424	-
	Bank loans	3,347	4,120
		3,771	4,120

Note 4 Non-financial assets and financial liabilities

4.1 Property, plant, and equipment

		30 June 2024 $'000	31 December 2023 $'000
	Plant and equipment – at cost	6,063	4,664
	Accumulated depreciation	(2,535)	(2,055)
		3,528	2,609
	Motor vehicles – at cost	417	415
	Accumulated depreciation	(286)	(238)
		131	177
	Buildings – at cost	12,808	9,089
	Accumulated amortisation	(4,110)	(3,861)
		8,698	5,228
	Total property, plant, and equipment	12,357	8,014

4.1.1 ***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	1,137	-	3,894	5,031
Depreciation for the period	(354)	(48)	(205)	(607)
Exchange differences	136	2	(219)	(81)
Carrying amount at 30 June 2024	3,528	131	8,698	12,357

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

Note 4 Non-financial assets and financial liabilities (cont.)

4.2 Leases

		30 June 2024 $'000	31 December 2023 $'000
4.2.1	***Right-of-use assets***		
	Land	3,538	3,552
	Buildings	1,777	1,142
		5,315	4,694
4.2.2	***Lease liabilities***		
	Current	336	257
	Non-current	1,510	923
		1,846	1,180

4.3 Intangible assets

	30 June 2024 $'000	31 December 2023 $'000
Goodwill	3,971	3,971
Impairment charge	(3,971)	(3,971)
	-	-
Licences, trademarks, patents, and production rights	4,826	4,803
Accumulated amortisation	(1,049)	(797)
Accumulated impairment	(1,219)	(1,219)
	2,558	2,787
Development costs	4,836	4,836
Accumulated amortisation	(566)	(566)
Accumulated impairment	(4,270)	(4,270)
	-	-
Total intangibles	2,558	2,787

4.3.1 *Movements in Carrying Amounts*

	Goodwill $'000	Licences, trademarks, and production rights $'000	Development costs $'000	Total $'000
Carrying amount at 1 January 2023	-	-	-	-
Additions	-	2,787	-	2,787
Amortisation expense	-	-	-	-
Carrying amount at 31 December 2023	-	2,787	-	2,787
Carrying amount at 1 January 2024	-	2,787	-	2,787
Additions	-	13	-	13
Amortisation expense	-	(253)	-	(253)
Exchange differences	-	11	-	11
Carrying amount at 30 June 2024	-	2,558	-	2,558

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Notes to the condensed consolidated financial statements

for the half-year ended 30 June 2024

Note 5 Equity

5.1 Issued capital

	Note	30 June 2024 No.	31 December 2023 No.	30 June 2024 $'000	31 December 2023 $'000
Fully paid ordinary shares		418,195,334	395,487,192	112,652	109,841

5.1.1 *Ordinary shares*		6 months to 30 June 2024 No.	12 months to 31 December 2023 No.	6 months to 30 June 2024 $'000	12 months to 31 December 2023 $'000
At the beginning of the half-year		395,487,192	283,524,201	109,841	91,908
Shares issued during the half-year:					
Issue at $0.337 per share	5.1.1a	-	4,037,117	-	1,360
Employee incentive shares	5.1.1b	-	1,950,000	-	179
Issue at $0.330 per share	5.1.1c	-	288,139	-	95
Issue at $0.350 per share	5.1.1d	-	42,857	-	15
Issue at $0.275 per share	5.1.1e	-	107,142	-	29
Issue at $0.275 per share	5.1.1f	-	290,834	-	80
Vesting of employee shares	5.1.1h	8,856,610	-	343	420
Issue at $0.150 per share	5.1.1g	-	37,222,333	-	5,583
Issue at $0.150 per share	5.1.1g	-	35,337,070	-	5,301
Issue at $0.150 per share	5.1.1g	-	32,687,499	-	4,903
Issue at $0.150 per share	5.1.1i	666,667	-	100	
Issue at $0.150 per share	5.1.1j	194,444	-	29	-
Issue at $0.180 per share	5.1.1k	5,555,556	-	1,000	-
Issue at $0.180 per share	5.1.1l	5,555,556	-	1,000	-
Issue at $0.180 per share	5.1.1m	413,793	-	75	
Issue at $0.180 per share	5.1.1n	758,620	-	137	
Issue at $0.180 per share	5.1.1o	706,896	-	127	
Transaction costs relating to share issues		-	-	-	(32)
At reporting date		418,195,334	395,487,192	112,652	109,841

a. *03.01.2023* Issue of shares upon vesting of performance rights (refer note 5.2.1).

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. **HY2024** Vesting of shares issued in 2020/21, 2021/22, 2022/23, 2023/24 to employees, valued at $14,011, $111,800, 107,250, and $110,708 respectively.

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

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

Note 5 Equity (cont.)

5.1.1 ***Ordinary shares***

i. *22.03.2024* Issue 666,667 shares to Graziano Milone in lieu of salaries. (refer note 12.2.1a).

j. *22.03.2024* Issue 194,444 shares to Raffaele Giusta in lieu of salaries. (refer note 12.2.1a).

k. *27.05.2024* Issue 5,555,556 shares to Graziano Milone and Giovanni Castiglioni to buy 50% shares of VSI. (refer notes 7.1 and 12.2.1c).

l. 27.05.2024 Issue 5,555,556 shares to Graziano Milone and Giovanni Castiglioni for past contributions. (refer note 12.2.1a).

m. *30.05.2024* Issue 413,793 shares in lieu of Martin Zhou director fees. (refer note 12.2.1a).

n. *30.05.2024* Issue 758,620 shares in lieu of Charles Chen director fees. (refer note 12.2.1a).

o. *30.05.2024* Issue 706,896 shares in lieu of Ivan Teo director fees. (refer note 12.2.1a).

5.2 Options and rights

	Note	30 June 2024 No.	31 December 2023 No.	30 June 2024 $'000	31 December 2023 $'000
Options		23,100,000	23,100,000	-	-
Performance rights		12,550,955	6,768,402	586	783
		35,650,955	29,868,402	586	783

5.2.1 ***Options and rights movement***

	Note	6 months to 30 June 2024 No.	12 months to 31 December 2023 No.	6 months to 30 June 2024 $'000	12 months to 31 December 2023 $'000
At the beginning of the period		29,868,402	32,032,147	783	1,852
Changes during the period:					
2021 performance rights	5.2.1a	-	-	-	121
2022 performance rights	5.2.1a	-	-	-	152
2023 performance rights	5.2.1a	-	2,873,372	-	117
Vest of service rights 2020		-	(4,037,117)	-	(1,360)
Unvested options 20.06.25	5.2.1b	-	(1,000,000)	-	(99)
2022 performance rights	12.2.2	-	-	76	-
2023 performance rights	12.2.2	-	-	59	-
2024 performance rights	12.2.2	7,652,725	-	30	-
2021 performance rights lapsed	12.2.2	(1,870,172)		(362)	
At reporting date		35,650,955	29,868,402	586	783

a. Full year expense of performance rights, including the grant of 2023 performance rights, with terms and conditions detailed in note 12.2.2.

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

5.3 Reserves

	30 June 2024 $'000	31 December 2023 $'000
5.3.1 ***Summary of equity reserves:***		
Share-based payment reserve	586	783
Foreign currency translation reserve	(837)	(2,686)
	(251)	(1,903)

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

SECTION B. 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 half-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.

Note 6 Investment accounted for using the equity method	Note	2024 $'000	2023 $'000
6.1 Non-Current			
Vmoto Soco Manufacturing	6.3.3	5,338	5,079
Other investments accounted for using the equity method		666	530
		6,004	5,609

6.2 Information about associates

The Group has a 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.

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

6.3 Summarised financial information

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

6.3.1 *Summarised financial position*	30 June 2024 $'000	31 December 2023 $'000
Current assets	20,057	18,161
Current liabilities	(16,833)	(15,278)
Current net assets	3,224	2,883
Non-current assets	1,794	7,276
Non-current liabilities	-	-
Non-current net assets	1,794	7,276
Net assets	5,018	10,159

6.3.2 *Summarised financial performance*	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
Revenue and other income	12,872	19,907
Cost of sales	(11,206)	(19,512)
Administrative expenses	(1,227)	(2,035)
Income tax benefit / (expense)	-	17
Total comprehensive loss	439	(1,623)
Group's share of associate's loss after tax	220	(812)
Group's share of associate's other comprehensive income	-	-

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

Note 6 Investment accounted for using the equity method (cont.)

	Note	30 June 2024 $'000	31 December 2023 $'000
6.3.3 ***Reconciliation to carrying amounts:***			
Opening net assets at fair value		5,079	5,685
Share of loss: for half-year the comparative half-year	6.3.2	220	(812)
for the balance of the comparative year		N/A	356
Other comprehensive income		-	-
Movements due to foreign exchange		39	(150)
Closing net assets (carrying amount of investment)		5,338	5,079

Note 7 Changes to Group Structure

7.1 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.

7.1.1 *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	12.2.1c	1,000
Less: *Non-controlling interest in VSI at date of purchase*		(292)
Value recognised in retained earnings		1,292

7.2 Incorporation of Thai subsidiary

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

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Notes to the condensed consolidated financial statements

for the half-year ended 30 June 2024

SECTION C. 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 8 Commitments

	30 June 2024 $'000	31 December 2023 $'000
8.1 Capital commitments payable:		
Within one year	4,113	10,234
After one year but not more than five years	3,427	702
After five years	-	-
Total expenditure requirements	7,540	10,936

As 31 December 2024, the Group is building new manufacturing facilities is committed for A$10.94 million. The commitments of Vmoto Limited above are the same as those for the Group.

Note 9 Contingent liabilities

There are no contingent liabilities as at 30 June 2024 (31 December 2023: Nil).

Note 10 Events subsequent to reporting date

10.1 Completion of Small Holdings Sale Facility

On 9 July 2024 the Company completed a small holdings sale facility (**Facility**). The Company established the Facility to provide holders of fully paid ordinary shares valued at less than $500 (**Small Holding**) the opportunity to have their Shares sold without incurring any brokerage or handling costs, while also assisting the Company to reduce the administrative costs associated with servicing the Small Holdings.

A total of 1,911,700 Shares (representing approximately 0.46% of the issued capital) were sold at the sale price of $0.1373 per Share, calculated based on the 15-day VWAP up to the 9 July 2024. By completing the Facility, the total number of shareholders was reduced by 1,169 shareholders.

10.2 Investment in Zenion Limited

Vmoto has entered into an agreement to invest in UK-based Zenion, for total consideration of ≈A$970K. This consideration is be funded from the Company's existing working capital by supplying electric vehicles and credit notes to Zenion. In return, Vmoto will receive equity of 11% in Zenion.

In addition to the expected benefits of its ownership interest in Zenion and accessing the large delivery markets in the UK through the experienced Zenion management team, the strategic relationship also allows Vmoto to expand its B2B business footprint in Europe, explore new applications for its technology and products and access new businesses opportunities.

Zenion services the UK's last mile delivery sector, including Uber Easts, Stuart, Deliveroo, Pizza Hut and Domino's, by leasing, servicing and managing a fleet of Vmoto's zero emission electric delivery vehicles, the CPX, to delivery riders.

10.3 Settlement with Supersoco Intelligent Technology (Shanghai) Co, Ltd

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 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 the 50% interest and the IP above.

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.

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

SECTION D. 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 11 Earnings per share (EPS)	Note	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
11.1 Reconciliation of earnings to profit or loss			
Profit for the half-year		(2,979)	5,202
Less: profit / (loss) attributable to non-controlling equity interest		(177)	153
Profit used in the calculation of basic and diluted EPS		(2,802)	5,049

		6 months to 30 June 2024 No.	6 months to 30 June 2023 No.
11.2 Weighted average number of ordinary shares outstanding during the half-year used in calculation of basic EPS		403,304,222	289,345,717
Weighted average number of dilutive equity instruments outstanding	11.5	N/A	24,044,444
11.3 Weighted average number of ordinary shares outstanding during the half-year used in calculation of diluted EPS		403,304,222	313,390,161

		6 months to 30 June 2024 ¢	6 months to 30 June 2023 ¢
11.4 Earnings per share			
Basic EPS (cents per share)	11.5	(0.69)	1.74
Diluted EPS (cents per share)	11.5	(0.69)	1.61

11.5 As at 30 June 2024, the Group has 23,100,000 unissued shares under options (30 June 2023: 23,100,000) and 12,550,955 performance rights on issues (30 June 2023: 6,768,402). 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 both 2024.

Note 12 Share-based payments	Note	6 months to 30 June 2024 $'000	6 months to 30 June 2023 $'000
12.1 Share-based payments:			
Recognised in profit or loss:			
▼ Share-based payment expense – Shares	12.2.1a,b	1,811,212	-
▼ Share-based payment expense – Options		595,907	-
▼ Share-based payment expense – Performance rights	12.2.2c	164,114	194,757
Acquistion of additional interest in a controlled entity: *Vmoto Soco Italy srl*	12.2.1c	1,000,000	-
Gross share-based payments		3,571,233	194,757

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

Note 12 Share-based payments (cont.)

12.2 Share-based payment arrangements in effect during the period

12.2.1 *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 three-year period.	8,856,610	15.00	1,328,492	110,708
22.03.2024	Graziano Milone (KMP member)	Shares issued to a Key Management Person in lieu of salaries	666,667	15.00	100,000	100,000
22.03.2024	Raffaele Giusta (employee)	Shares issued to an employee in lieu of salaries	194,444	15.00	29,167	29,167
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
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	74,483	74,483
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	136,552	136,552
	Ivan Teo (Director)		706,896	18.00	127,241	127,241
			17,152,586		2,795,935	1,578,151

b. 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 in year $
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 three-year period.	14,011
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 three-year period.	111,800
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 three-year period.	107,250
			233,061

c. The Company has issued the following shares to acquire issued capital in a contolled 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	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
			5,555,556		1,000,000	1,000,000

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

Note 12 Share-based payments (cont.)

12.2.2 *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 half-year	Rights exercised	Rights expired	Rights vested at 30 June 2024	Rights unvested at 30 June 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

Class of Performance Right	Grant date	Expiry date	Total valuation $	Expense recorded to 30 June 2024 $	Expense recorded to 30 June 2023 $
2021 performance	13.05.2021	31.12.2023	362,347	-	60,391
2022 performance	13.05.2022	31.12.2024	454,783	75,797	75,797
2023 performance	30.05.2023	31.12.2025	351,413	58,569	58,569
2024 performance	24.05.2024	31.12.2026	906,848	29,748	-
				164,114	194,757

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Notes to the condensed consolidated financial statements

for the half-year ended 30 June 2024

Note 13 Operating segments

13.1 Segment Financial Performance	Continuing operations					
	Australia $'000	China $'000	Europe $'000	Singapore $'000	Intersegment eliminations $'000	Total operations $'000
Year ended 30 June 2024						
Revenue						
Sales to external customers	-	10,012	12,195	1,062	-	23,269
Results						
Profit or loss after income tax	(1,711)	990	(2,463)	205	-	(2,979)
Year ended 30 June 2023						
Revenue						
Sales to external customers	-	35,686	5,753	435	-	41,874
Results						
Profit or loss after income tax	(401)	5,965	(447)	85	-	5,202

13.2 Segment Financial Position	Continuing operations					
	Australia $'000	China $'000	Europe $'000	Singapore $'000	Intersegment eliminations $'000	Total operations $'000
As at 30 June 2024						
Assets						
Segment assets	4,802	128,206	15,384	752	(48,575)	100,569
Liabilities						
Segment liabilities	226	60,086	7,744	1,117	(48,585)	20,588
As at 31 December 2023						
Assets						
Segment assets	4,905	126,131	13,555	752	(49,026)	96,317
Liabilities						
Segment liabilities	483	58,339	5,907	1,117	(49,026)	16,820

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Notes to the condensed consolidated financial statements
for the half-year ended 30 June 2024

Note 14 Statement of significant accounting policies

This note provides a list of the significant 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.

14.1 Basis of preparation

14.1.1 ***Reporting Entity***

Vmoto Limited (**Vmoto** or the **Company**) is a listed public company limited by shares, domiciled, and incorporated in Australia. This interim financial report is intended to provide users with an update on the latest annual financial statements of Vmoto Limited and controlled entities. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Group for the year ended 31 December 2023, together with any public announcements made during the half-year.

14.1.2 ***Basis of accounting***

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

The financial statements were authorised for issue on 29 August 2024 the Directors of the Company.

14.1.3 ***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 half-year of $2,979K (30 June 2023: $5,202K profit) and a net cash in-flow from operating activities of $2,863K (30 June 2023: $2,978K in-flow). As at 30 June 2024, the Company had working capital of $53,303K (31 December 2023: $57,039K 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.

14.1.4 ***Comparative figures***

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

14.1.5 ***New and Amended Standards Adopted by the Group***

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

14.2 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.

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Directors' declaration

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

1. The financial statements and notes, as set out on pages 12 to 29, are in accordance with the *Corporations Act 2001* (Cth) and:
   (a) comply with Accounting Standard AASB 134 *Interim Financial Reporting*; and
   (b) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the half-year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s303(5) of the *Corporations Act 2001* (Cth) and is signed for and on behalf of the Directors by:

On behalf of the Directors

CHARLES CHEN
Managing Director
Dated this Thursday, 29 August 2024

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HALL CHADWICK

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF VMOTO LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Vmoto Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 30 June 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Vmoto Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

a. Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity.* Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

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

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HALL CHADWICK

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB *134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated 29th day of August 2024
Perth, Western Australia

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