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Executive summary

- In 1Q18, **LAA has consolidated its lead as the #1 dedicated online auto classifieds and financing platform in Mexico** growing revenues 72%, and organic website traffic by 80% (versus 1Q17)
- Additionally, **cash inflows during the period increased by 53%, whilst cash outflows reduced by 47%¹ (vs 1Q17)**, and the Company remains ahead of budget with the plan to reach cash flow break even by the end of calendar 2018
- **Motorfy®** (or “Cross Sell”) products are auto finance, insurance and GPS tracking products which have experienced rapid growth since launch in early 2017
- **Motorfy®** is expected to continue to be a key growth driver as a larger proportion of the car dealer customer base adopting Cross Sell products
- Cross-sell products are **high margin**, with one auto loan sale generating net revenue 10x larger than a traditional monthly dealer classifieds only subscription price
- LAA has a unique competitive advantage to **distribute auto finance through its dealer network** (as well as other channels), as the leading dedicated online auto classifieds platform
- LAA is experiencing **strong growth in organic website traffic**, with its flagship website seminuevos.com in Mexico increasing 80% in 1Q18 (vs 1Q17)
- Mexico alone estimated to present a A\$232m² revenue opportunity for LAA, with its population 7x Australia

Key investment considerations

Market

Significant addressable market

- Mexico's population is 125m, which is over 5x Australia and presents a revenue opportunity for LAA of ~A\$232m¹
- It is estimated that there are ~6.0 million cars sold in Mexico alone and 60-70% of them are financed²

Strong revenue growth outlook

- Increasing internet penetration and regional GDP per capita growth driving rapid growth of the Latin American auto-classifieds industry
- Strong revenue growth momentum driven by:
 - Strong organic online traffic flows
 - Strong sales momentum in high margin cross sell products
 - Agreements with five car dealer associations in Mexico as potential customers

Leading market positions

- First mover advantage, leading market positions and high entry barriers in key geographies
- Number 1 dedicated online auto classifieds platform in Mexico and Ecuador

Company

Visible path to breakeven cash flows

- Mix of cost reduction and revenue growth (growth in core classifieds and cross sell revenues) have accelerated the path to cash flow breakeven
 - Mexico and Ecuador are LAA's core markets

Positive leading indicators point to strong outlook

- Rapid growth of Motorfy product sales, especially in Mexico
- Record organic online traffic growth of +80% (Mexico) in 1Q18 compared to 1Q17
- Partnerships with dealer associations driving new dealer customer numbers

Leveraged to fast growing, high margin cross sell products

- +71% average quarterly growth in cross sell product unit volumes since 1Q17
- Outlook is strong, as existing dealers increase take-up rates and new dealers sign onto the LAA platform
- Motorfy products are high margin, ARPU to increase through 2018

PART A: Company Overview

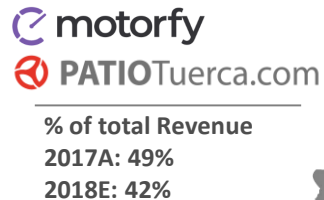
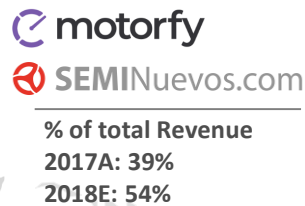


Online Classifieds in Mexico and Ecuador

LatAm Autos is the owner of the largest dedicated online auto classifieds and auto finance platform in Mexico and Ecuador, with substantial leads over competitors

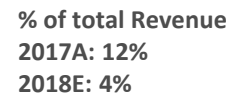
Latin America focus¹

Mexico

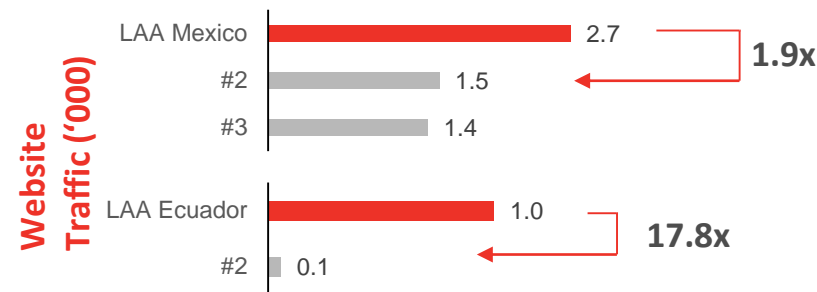


Ecuador

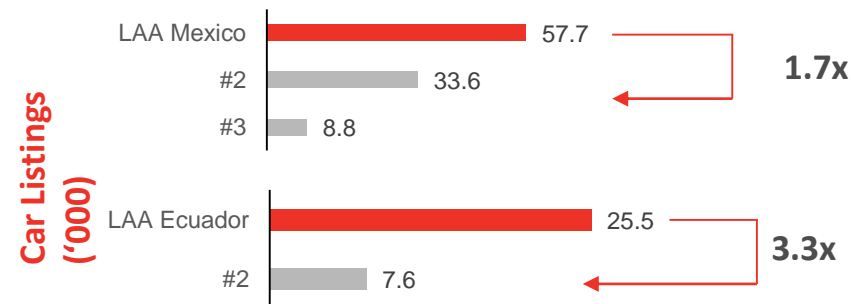
Peru, Arg



Clear leading market positions vs. no. 2²



LAA has double the traffic and 70% more listings than its nearest competitor in Mexico



Monetising its customer network

LAA's is executing the 3rd stage of its strategy:

- Stage 1 – Acquiring cornerstone businesses
- Stage 2 – Building leading market positions
- Stage 3 – Monetising customer networks

This is a **positive inflection point** in LAA's business life cycle, where cashflows grow in line with cross sell product revenues.

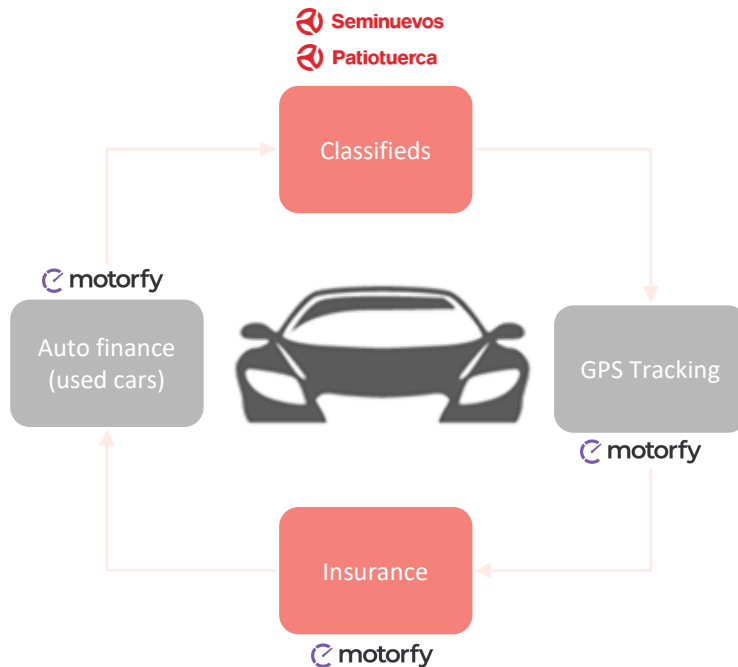
Cross Sell Products (Motorfy):

- Finance and transaction services
- Connected car and data analytics
- Insurance Products

LAA operates a highly scalable business model

Through its classifieds and Motorfy products, LAA's customers are both car buyers, sellers and industry professionals

Business model – B2C



Business model – B2B

Car Dealers

- Classifieds
- Dealer app
- Motorcredit
- Motorchat
- Microsites
- Customer Service

Advertisers

- Banners
- Premium content marketing
- Email database marketing

Financial Institutions

- Auto loan distribution

Insurers

- Auto insurance distribution

Highly scalable model

Mexican market estimated revenue potential of \$234m

- Estimated 4 million new and used car loans per year in Mexico alone
- 2.2 million people per year becoming licensed drivers
- 1.6m new car sales, ~6m used car sales p.a.
- 65% of all new cars financed

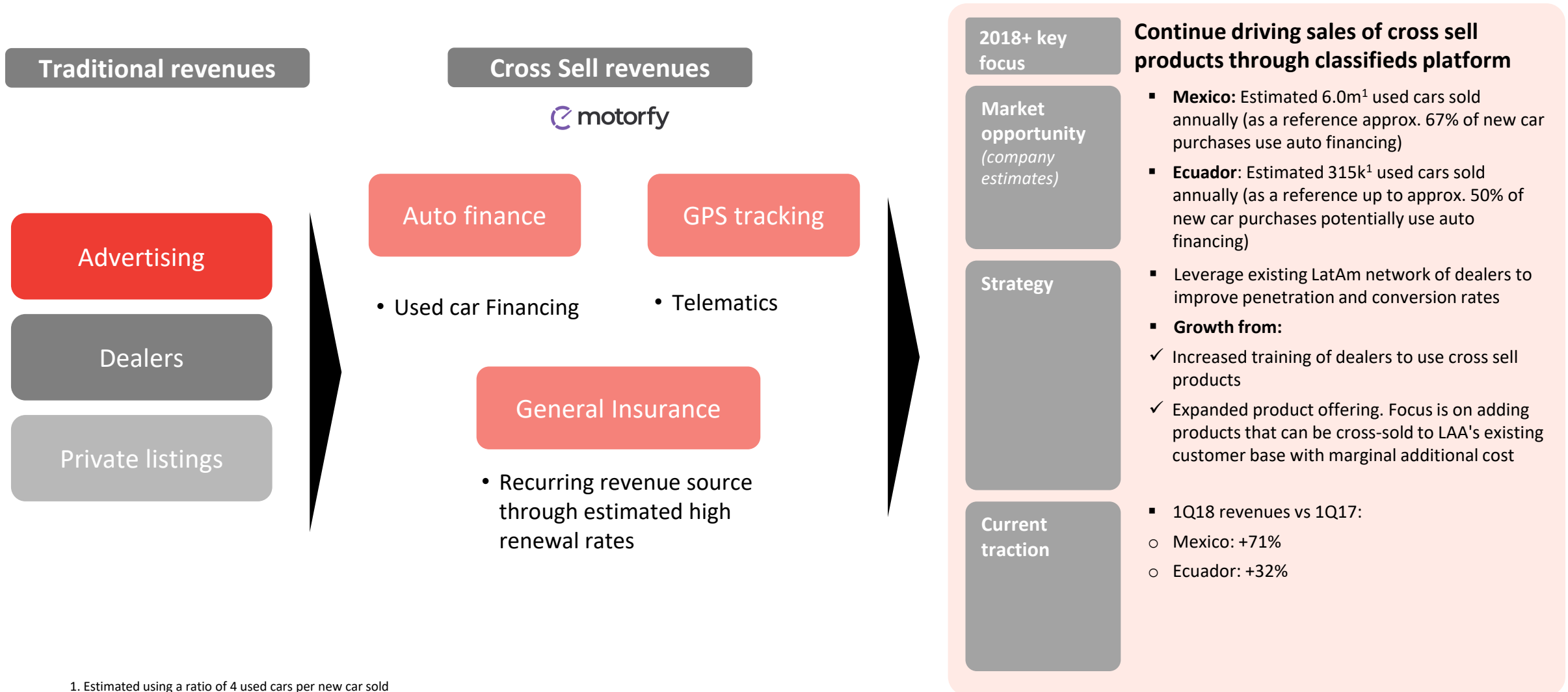
More than half the population is under 30, median age of 27

Mexico credit and insurance penetration low compared to peers

Population of 125 million with 111 million smart phones

LAA Revenue Sources

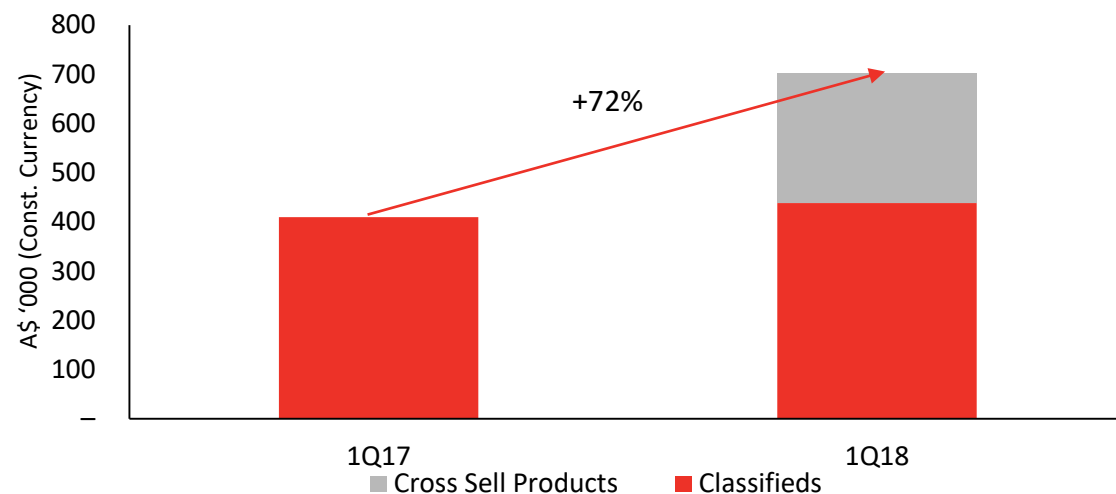
LAA provides an online automotive marketplace, supplemented by a range cross sell offering called “cross sell Products”.



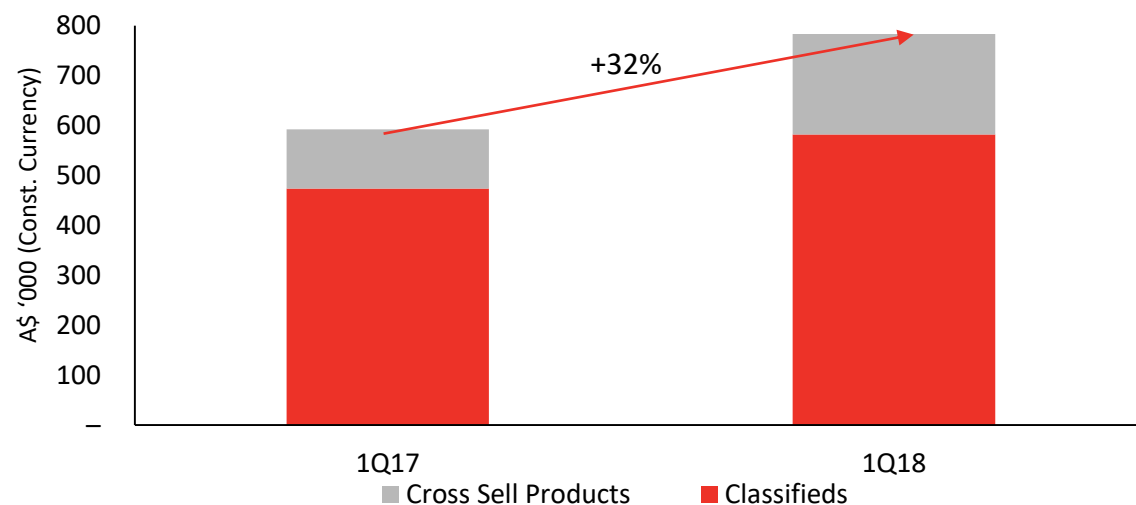
1. Estimated using a ratio of 4 used cars per new car sold

Revenue Composition (1Q18)

Mexico y-o-y growth

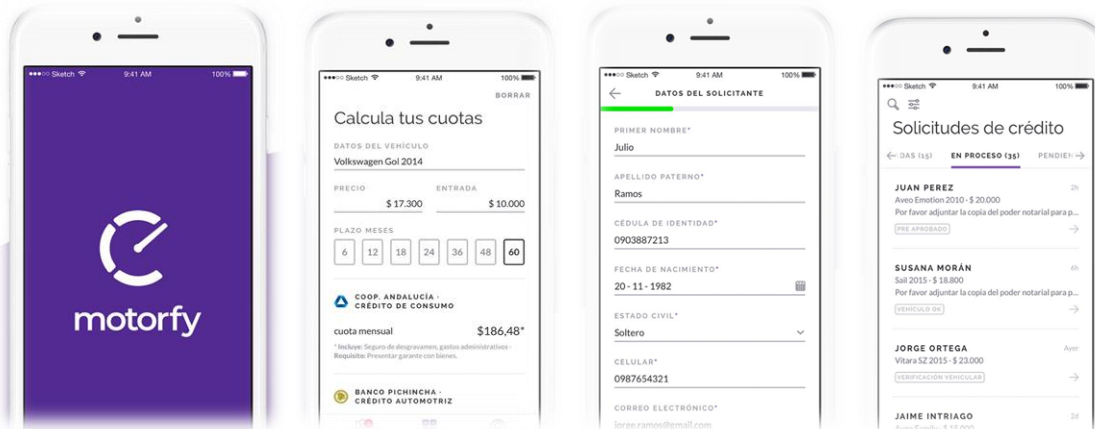


Ecuador y-o-y growth



- Substantial year on year growth of Cross Sell products

Online classifieds and car financing made simple



LAA's core competitive advantages:

- Lead generation: 4 million visits to the seminuevos.com website each month, provides high quality leads to car dealer and private customer advertisements
- Conversion: High conversion rates, for vehicle sales and loan applications
- Product: Dedicated team providing technology solutions to dealers and private sellers

Mexican Customer Testimonial

Mexico's biggest market for pre-owned cars: more than 700 vehicles on floor 365 days a year

How has your experience with the Seminuevos.com products been so far?

"Very good, it has helped us bring customers closer to us, to let them know us better, and obviously this results in more sales"

Increase in car sales – faster inventory turnover¹

“

"Through Seminuevos.com's support, the number of sales will increase to 500 vehicles sold per month. We would be talking about a 40% growth in our sales."

Manager

Buyers come immediately asking for the financing product

“

"We have seen a lot of people interested in the financing product. We see how different sellers approach Seminuevos.com's advisers for the paperwork, and how the buyers [...] come immediately to ask about it."

Manager

Key takeaways from the interview

- Leads from the platform have increased ~40% during the past 4 weeks, quality leads... MotorDEALER App is wonderful "made for dummies", it only takes 5 minutes to upload a car
- Selling insurances is a great idea, it was the missing piece for dealers to close the cycle
- Versatility, range of products, quality of service and support throughout the vehicle's sales process are some of the qualities of Seminuevos.com

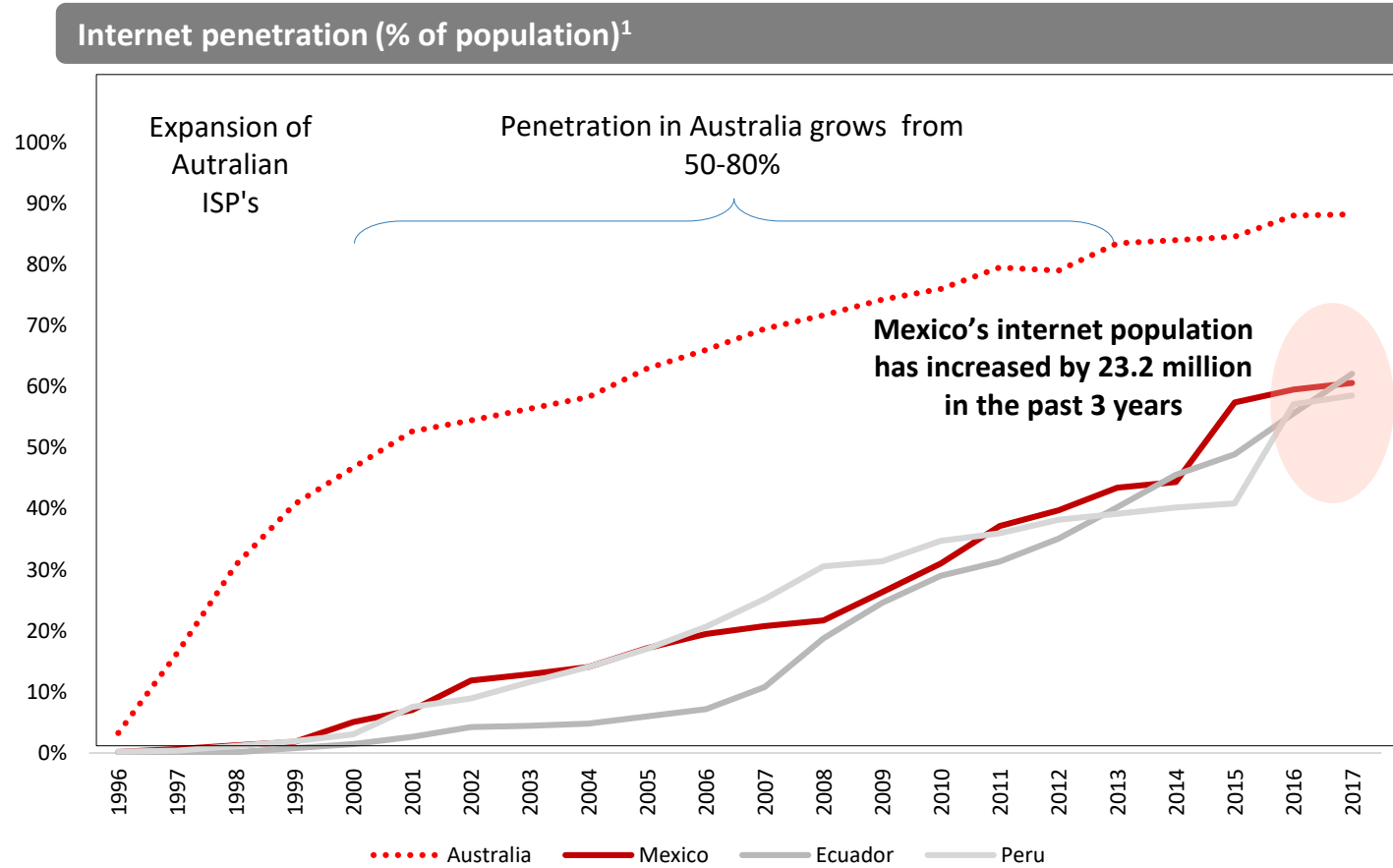
Part B: Key Growth Drivers

Growth driver #1 - rising internet penetration

Average internet penetration in LatAm Autos key markets c. 60% in 2017 and growing rapidly toward Australia's internet penetration of 88% the populations

Industry overview

- Internet penetration in Latin America expected to **accelerate from 50% toward 80% faster than the comparable Australian period**
 - Invention of smartphones will accelerate penetration due to lower cost barriers to entry
 - Latin American government policies are focused on increasing internet penetration
 - Global technologies supporting internet roll-out (satellite, fibre optics) have greatly improved and been made more efficient
 - An increasingly digitised global economy will force uptake for expanding Latin American businesses
- Smartphone contract costs in Mexico have reduced materially over the last two years due to deregulation and competition from the incoming AT&T

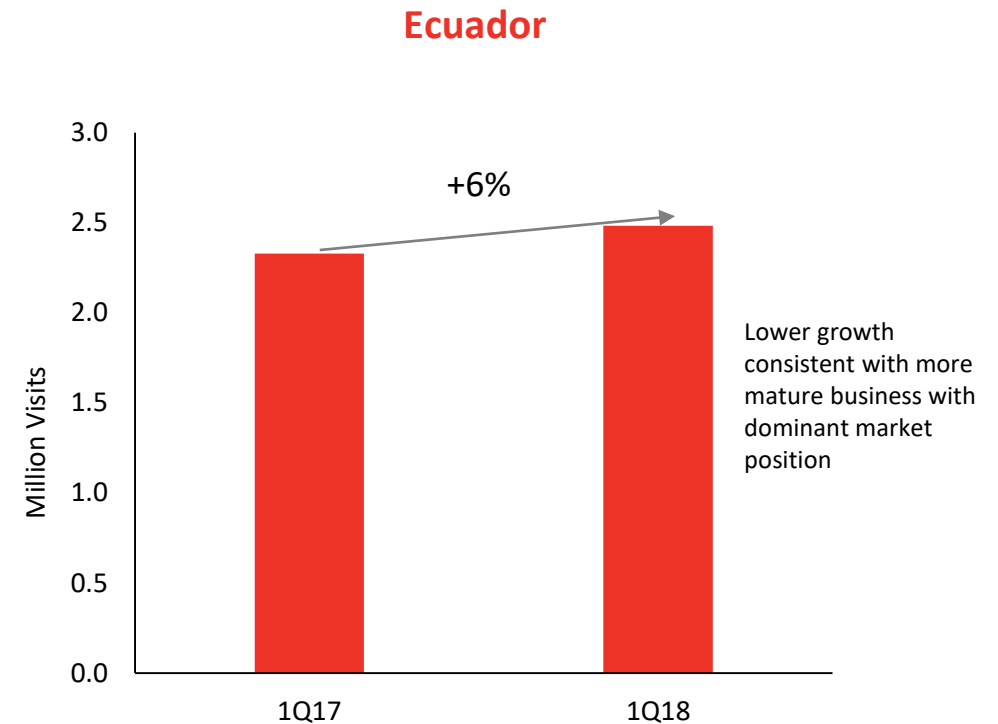
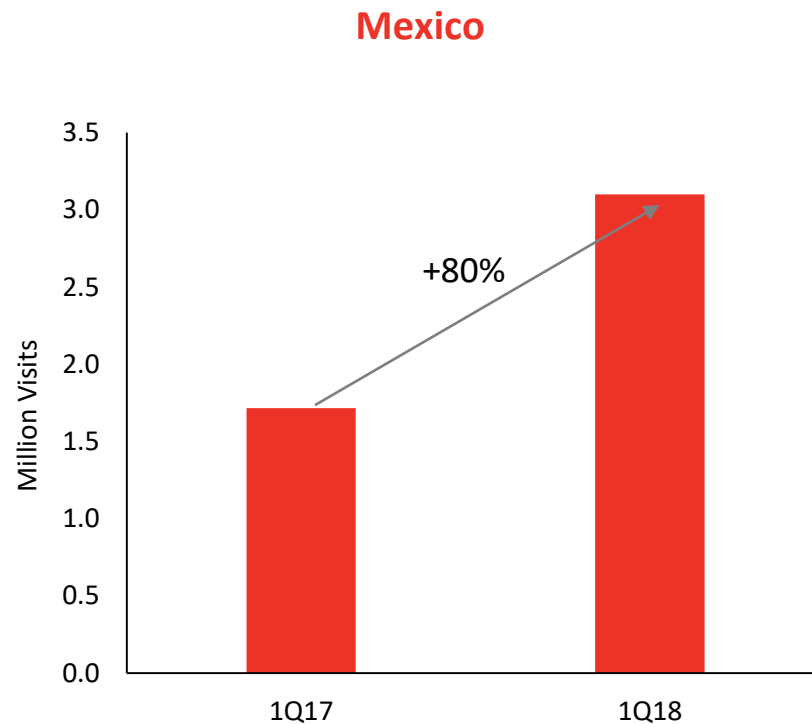


1. Source: as of 2015 World Bank. For 2016 and 2017, Peru: Statista, Mexico: INEGI, Ecuador: MINTEL

Growth Driver #2 - Organic traffic growth

Organic growth has grown significantly, benefitting from marketing investment in core markets combined with strategic partnerships

Organic Traffic Growth in Mexico and Ecuador¹



1. SEO & Direct traffic for 1Q17 compared to 1Q18, from Google Analytics

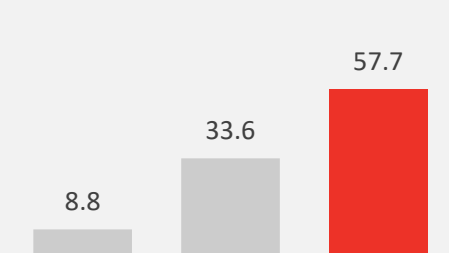
Growth driver #3 – Substantial lead over competition

LAA has substantial leads over its competitors in both markets

Mexico

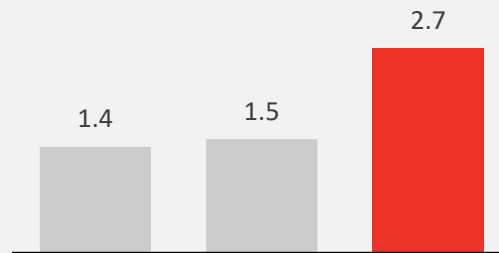
 SEMINuevos.com

#1 Listings





Listings ('000)

#1 Traffic



Monthly audience (m)

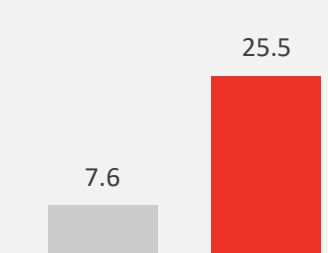
 Seminuevos.com

 Competitors

Ecuador

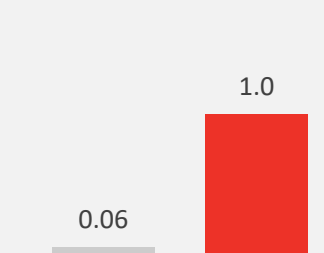
 PATIOTuerca.com

#1 Listings




Listings ('000)

#1 Traffic



Monthly audience (m)

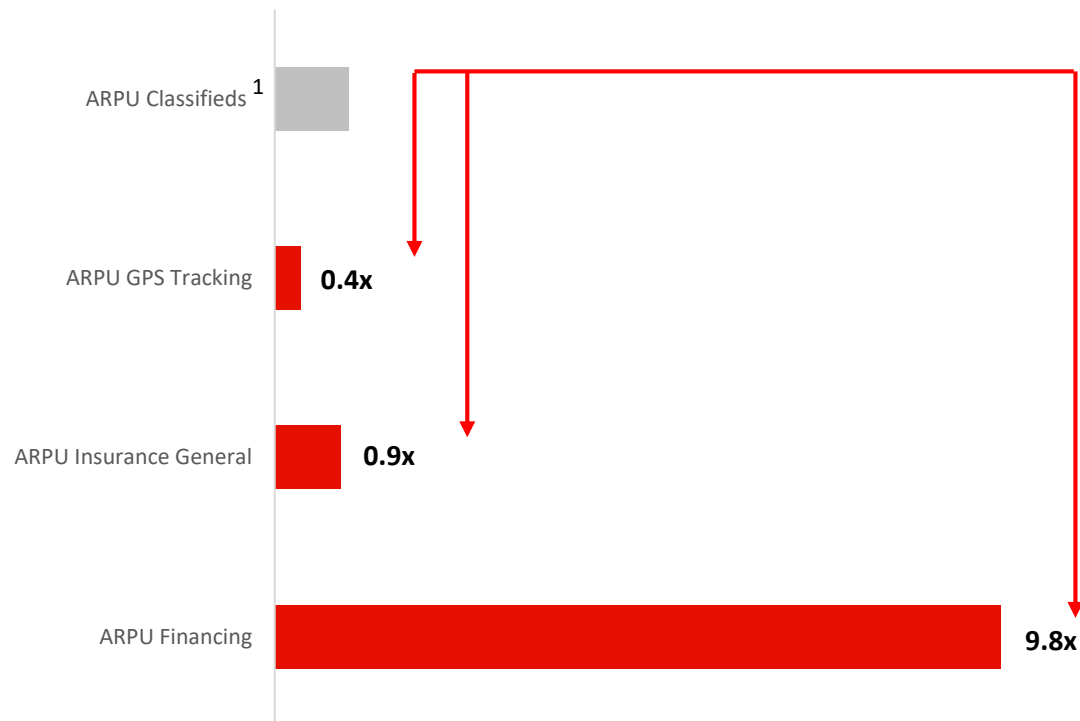
 Patiotuerca.com

 Competitors

Growth driver #4 - high cross sell earnings leverage

LAA is highly leveraged to high margin, fast-growing cross sell product sales, which in Mexico generate up to 9.8x the revenue of traditional dealer subscription revenue

LAA focusing its efforts on most profitable products



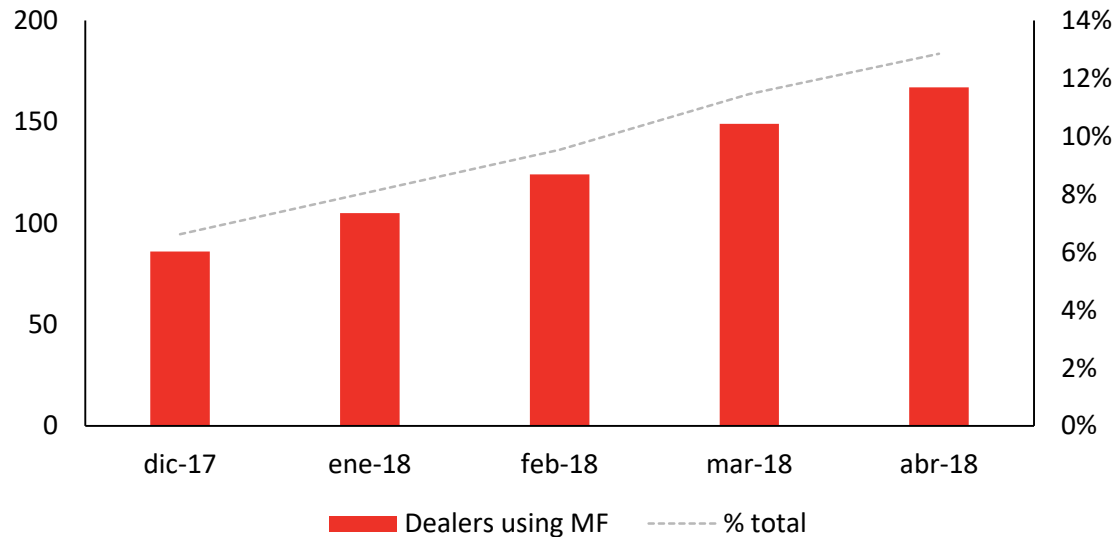
- LAA to focus on driving cross sell product sales in its core growth markets of Mexico and Ecuador
- Mexico is expected to be LAA's key growth driver
- Cross sell Products expected to make a substantial contribution to revenue growth and EBITDA improvement in 2H18

1: Compares the average monthly cost of a dealer classifieds subscription package in Mexico, to the unit sale price of cross sell products

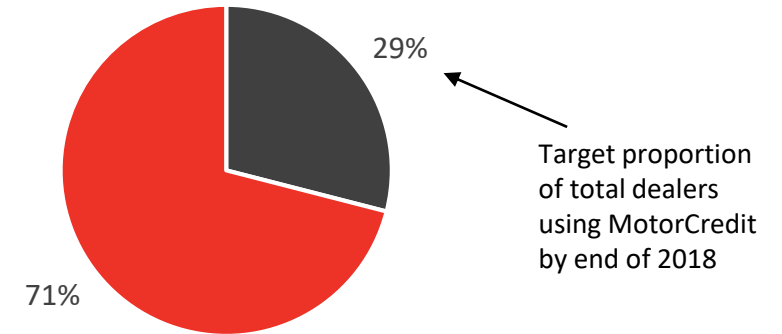
Growth driver #5 – Motorfy dealer uptake

Motorfy has been launched to selected dealer customers, with wider roll out occurring during 2018

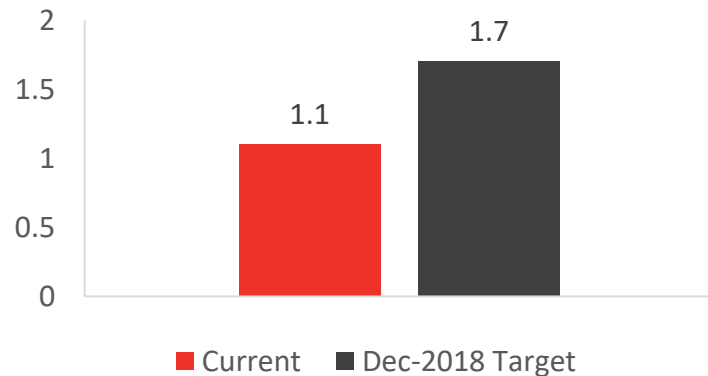
Current dealers using Motorfy



Year end target dealers using Motorfy



Monthly loan applications per dealer



Note: Numbers as of Apr-18

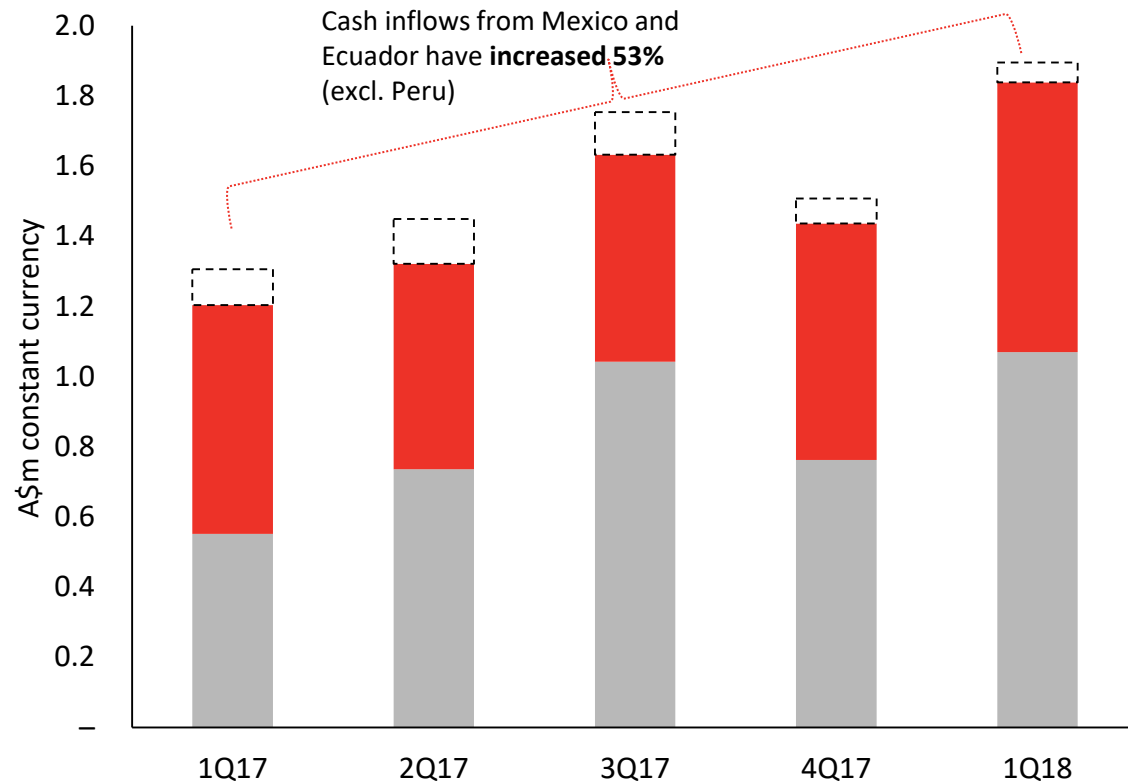
- Uptake of Motorfy by the dealer network remains strong
- Ongoing refinement of the Motorfy app has increased conversion rates materially

Part C: Financial Performance

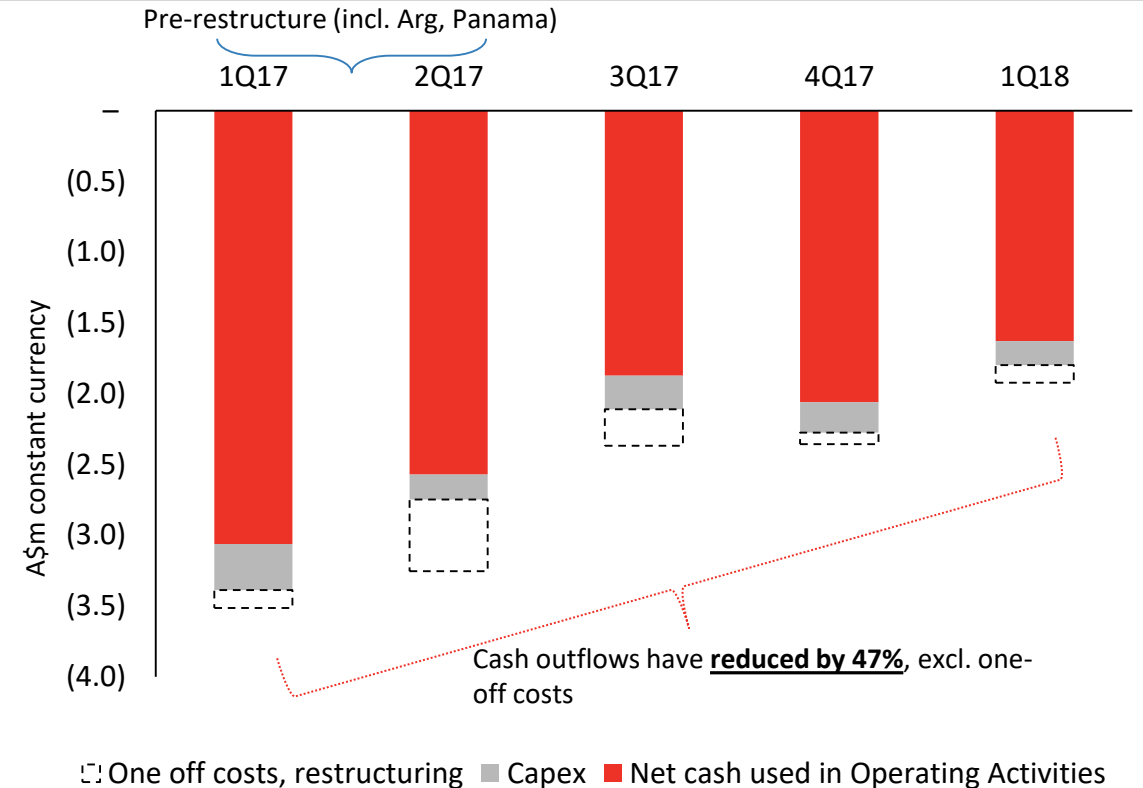
Visible Path to Cashflow Breakeven

LAA is ahead of budget after 1Q18, with the plan to reach cash flow break even by the end of calendar 2018

Quarterly cash inflows



Quarterly cash outflows

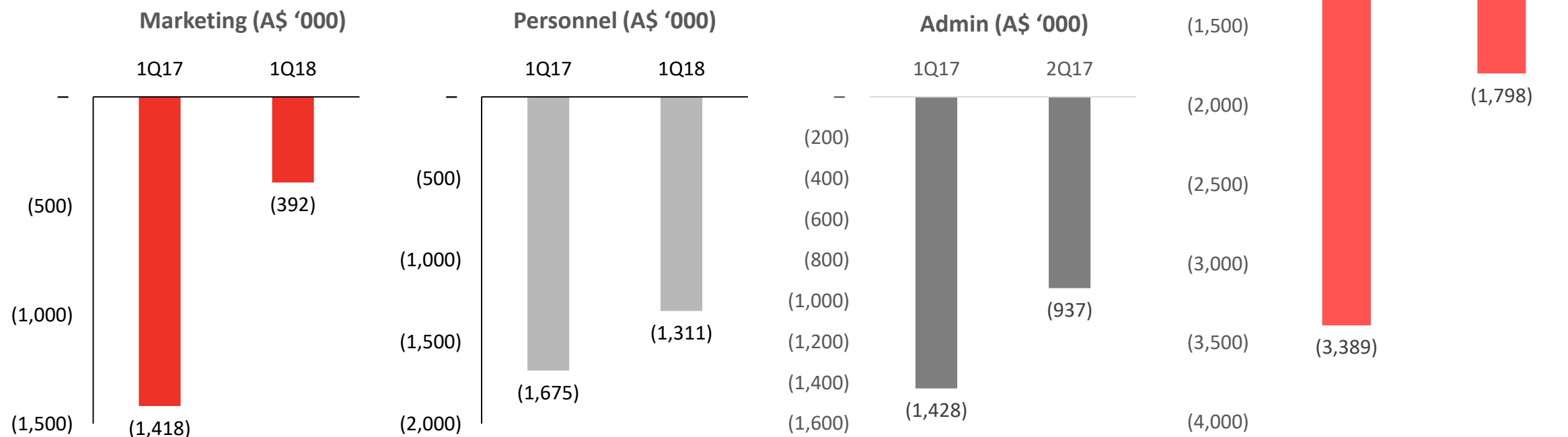


Visible Path to Cashflow Breakeven

Opex expected to remain stable, with COGS of Cross Sell products increasing in line with unit sales growth

Operating cash outflows reduced by 47% year over year

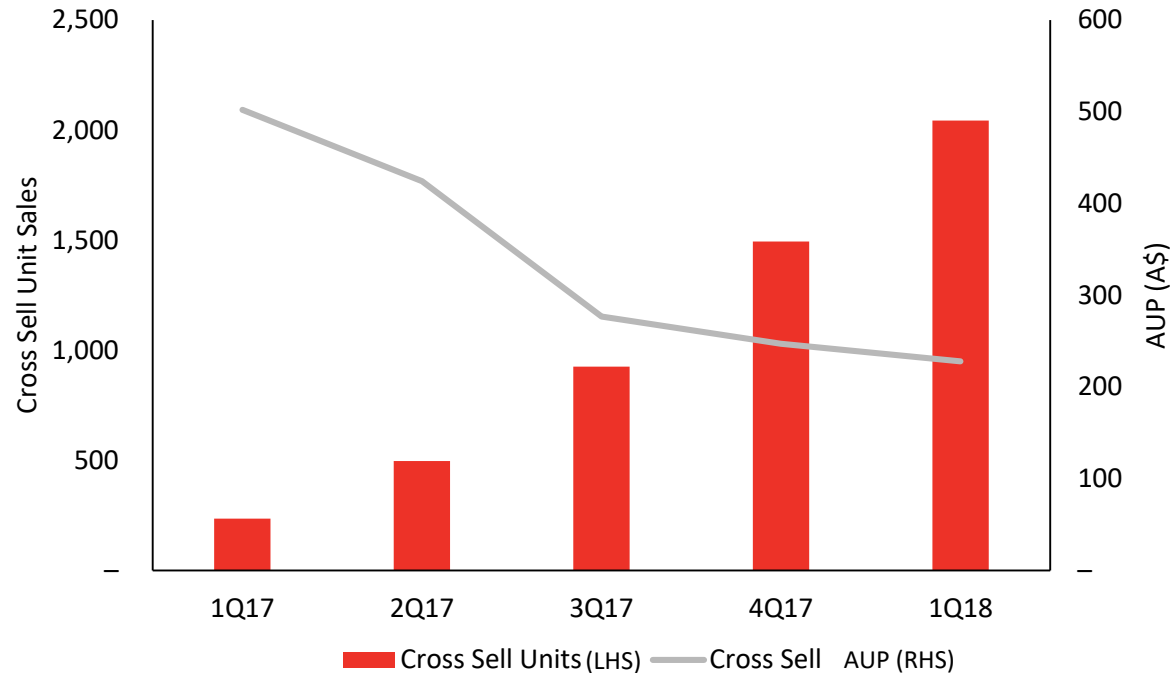
- Marketing: down 72%
- Personnel: down 22%
- Admin expenses: down 34%



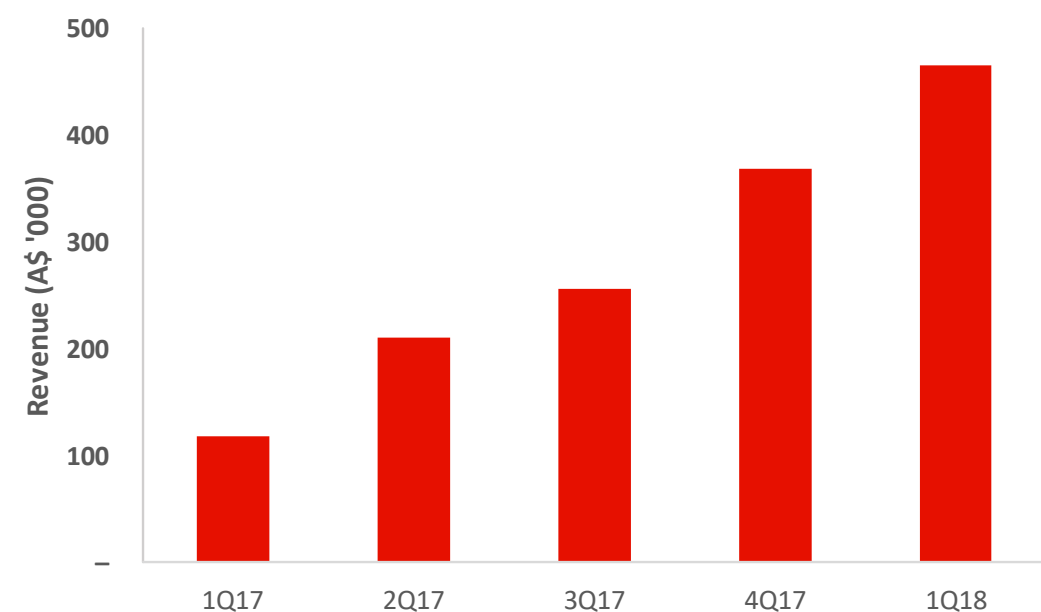
Cross Sell product unit sales continue to grow

LAA is ahead of budget after 1Q18, with the plan to reach cash flow break even by the end of calendar 2018

Volume growth versus Average Unit Price (AUP)



Total revenue from Cross Sell products



Note: Cross sell products unit sales include auto finance, GPS tracking/telematics and insurance products

- Strong volume growth forecast to continue through 2018
- Average Unit Price (AUP) decreased due to higher volumes of insurance being sold which have a lower ticket price
- AUP expected to increase through 2018 as product mix changes
- Motorfy revenue becoming more important as a key growth driver
- Strong synergistic benefits of adding new paying dealers
- Total Cross Sell revenue = AUP x Unit Sales

Part D

Cross-sell product overview



Finance

Insurance

GPS Tracking

Motorfy – Finance, Insurance and GPS tracking

Motorfy has been launched to selected dealer customers, with wider roll out occurring during 2018

Overview

Motorfy® Finance is a proprietary technology that integrates with credit management systems in real time and automates the credit assessment process.

Motorfy® links the final customer with financial institutions through dealers / agencies and their respective sales forces.

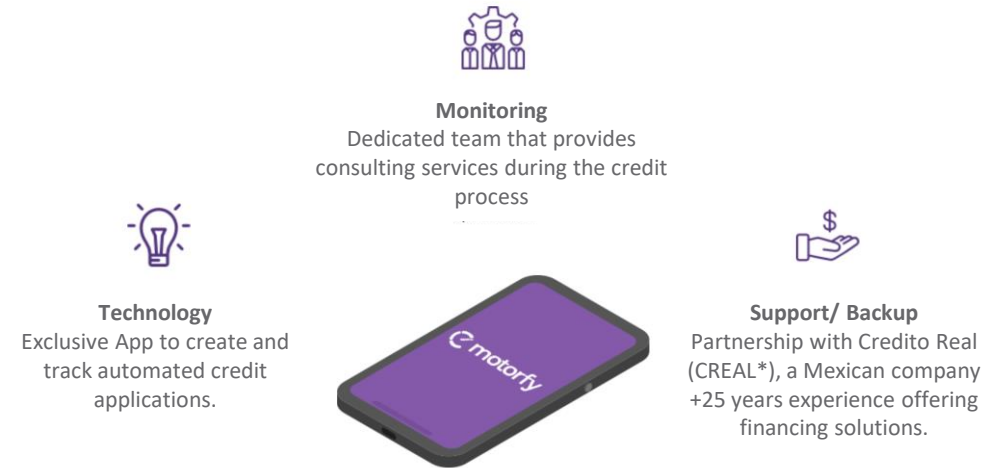
Through our application for credit application it is possible to:

- Monitor progress of credit application process
- Request a quotation in less than 1 minute
- Receive automatic pre-approval

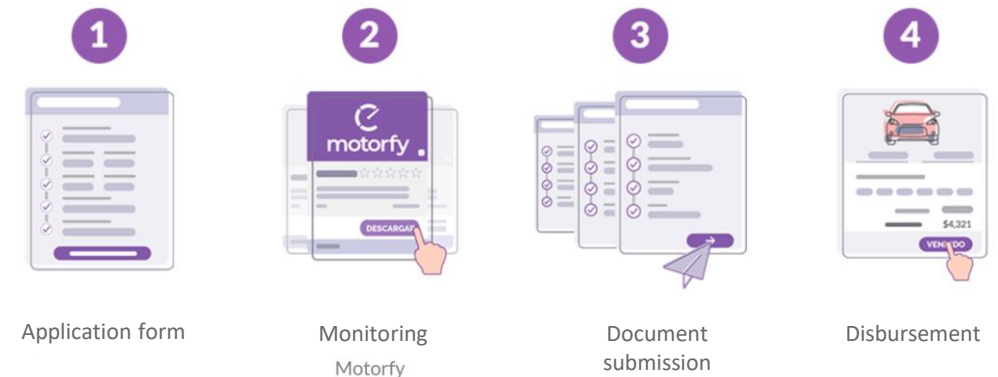
LAA receives a % of loan value as commission, and does not take any underwriting risk



Why Motorfy?



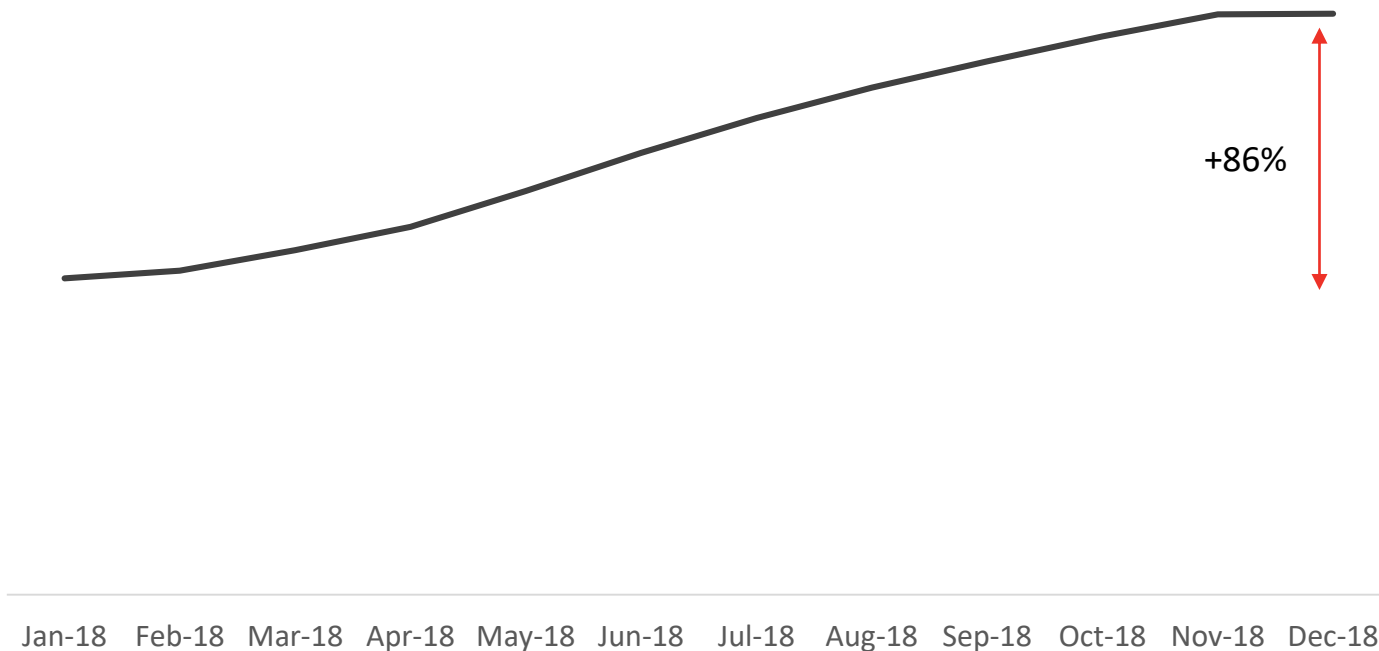
Automated process



Motorfy driving ARPU growth

Mexico is expected to be the key driver of the FY18 financial performance of LAA

ARPU per dealer / month monthly moving average (AUD)¹



- LAA expects to increase ARPU per dealer by 86% from January to December 2018
- In addition to increased ARPU, LAA expects to continue growing its dealer base
- LAA expects an increase in dealer adoption of Cross Sell products to drive cash flow

Part E: Outlook

Outlook and key catalysts

Focus on key markets	<ul style="list-style-type: none"> ▪ Mexico is expected to be LAA's key growth driver. Motorfy product sales volumes growth expected to continue ▪ Estimated 4.8 million used car sales p.a. in Mexico, Motorfy used car finance a huge opportunity
Leading market position	<ul style="list-style-type: none"> ▪ First mover advantage, leading market positions and high entry barriers in key geographies ▪ Leveraging its customer channels to become the one stop shop for car buyers, further participating in the car buying transaction itself
Disciplined capital management	<ul style="list-style-type: none"> ▪ Mix of cost reduction and revenue growth (growth in core classifieds and cross sell revenues) expected to accelerate path to breakeven ▪ Mexico and Ecuador being managed for cashflow growth
Visibility on breakeven	<ul style="list-style-type: none"> ▪ Strong revenue growth momentum by multiple growth drivers: the impact of the restructure (is driving Mexico and Ecuador to cashflow positive, whilst reducing expenditure to Panama and Peru to cash breakeven); and strong sales momentum in high margin and Cross Sell Products ▪ Targeting cash flow breakeven by the end of 2018
Strong Balance Sheet	<ul style="list-style-type: none"> ▪ Strong cash position of A\$7.3m as of March 31st, 2018 with potential to receive a further \$8.7m if all unlisted options are exercised ▪ Company successfully restructured, focused on revenue growth and heading towards breakeven

Appendices

Company overview

LatAm Autos is the leading Latin American dedicated online auto-classifieds and content platform with a focus on the automotive markets of Mexico and Ecuador

Company overview

- LatAm Autos owns three of the leading online auto-classifieds platforms in Latin America and has operations in six countries
- LatAm Autos provides online classifieds services to commercial sellers, private sellers and buyers of vehicles as well as transactional focused services including used car financing and telematic product sales



Capital structure

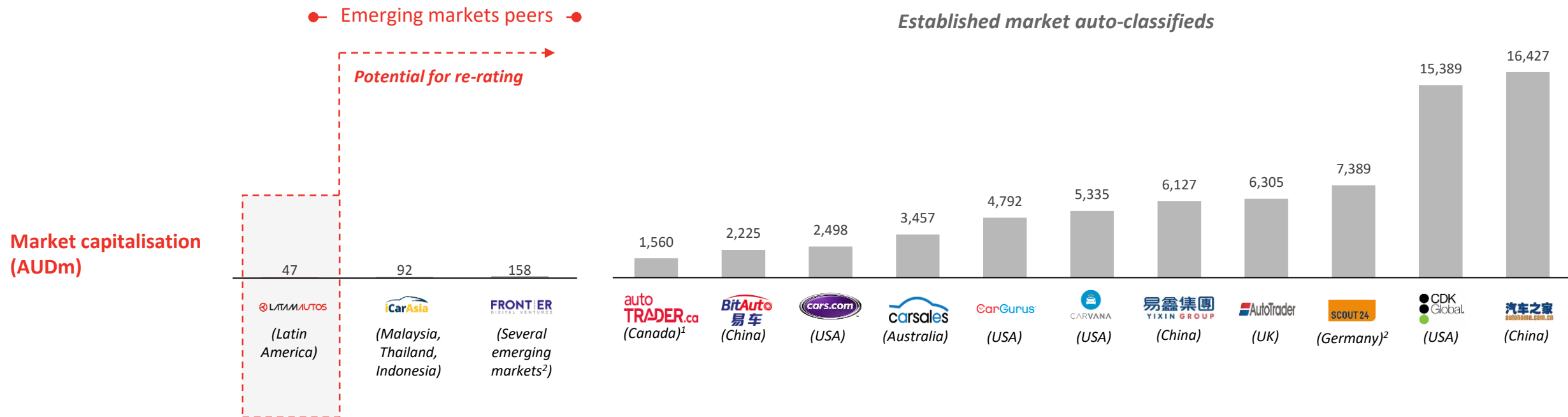
Share price (11-May-18)	A\$0.13
Number of shares	364.07m
Market capitalisation (11-May-18)	A\$47.4m
Cash Balance (31-Mar-18)	A\$7.3m
Convertible Note	A\$10.0m
Other Debt (31-Mar-18)	Nil ¹
Enterprise value	A\$50.0m

Strong board and management alignment

Timothy Handley- Co -Founder & Exec. Chairman	7.8%
Gareth Bannan- Co-Founder & Chief Financial Officer	5.6%
Michael Fitzpatrick - Non-Executive Director	11.3%
Simon Clausen - Non-Executive Director	7.5%
Jorge Mejía Ribadeneira - Co-Founder and Chief Executive Officer	3.7%
Colin Galbraith – Non-Executive Director	0.6%
Total Board & Mngmt Shareholding	37%
Fully paid ordinary shares on issue	100%

Attractive valuation

LAA is attractively priced compared to global and domestic peers. The scale of global peers highlights the significant opportunity as Cross Sell products drive revenue growth



Source: Company filings, Yahoo Finance as at 10 May 2018. 1. Based on the acquisition value of Trader Corporation (autoTrader.ca) by Thom Bravo for C\$1.575bn announced 1 July 2016 (CAD/AUD 1.009), 2. Auto-classifieds is a component of Scout24's business.

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