

13 August 2018

LAA and General Motors Ecuador launch online new car store, further entrenching its strategy of getting closer to the car buying transaction

Quito – 13 August 2018: LatAm Autos Limited (ASX: LAA) (“**LatAm Autos**” or the “**Company**”) is pleased to announce it has launched an online store in partnership with General Motors del Ecuador S.A., (“**GM Ecuador**” or “**Chevrolet**”), for the Chevrolet brand, within LAA’s leading Ecuadorean website patiotuerca.com.

Highlights:

- **GM Ecuador, through its leading brand Chevrolet, has ~41% market share in the Ecuadorean new car market**
- **LAA’s leading patiotuerca.com website and Chevrolet launch the first e-commerce platform for the sale of new cars in Ecuador**
- **Offers new innovative alternative for car buyers to receive special discounts in the Chevrolet online store on the full range of Chevrolet vehicles**
- **Car buyer can reserve a vehicle directly through the website through a minimum USD 200 payment, to be delivered to the nearest Chevrolet dealer**
- **Provides convenience, speed and the exclusive discounts to online buyers**

Overview

Further to its strategy of launching new revenue streams aimed at getting closer to the car transaction, LAA has launched, in partnership with Chevrolet, the first online store for new cars in Ecuador. The online store will sell new GM branded vehicles such as Chevrolet Sail, Grand Vitara SZ, DMAX, Equinox, Cruze, Tracker, Captiva with exclusive benefits for online car buyers.

In Ecuador, Chevrolet has around 41% market share in terms of new cars sold each year. In 2017, approximately 100k new cars were sold in Ecuador.

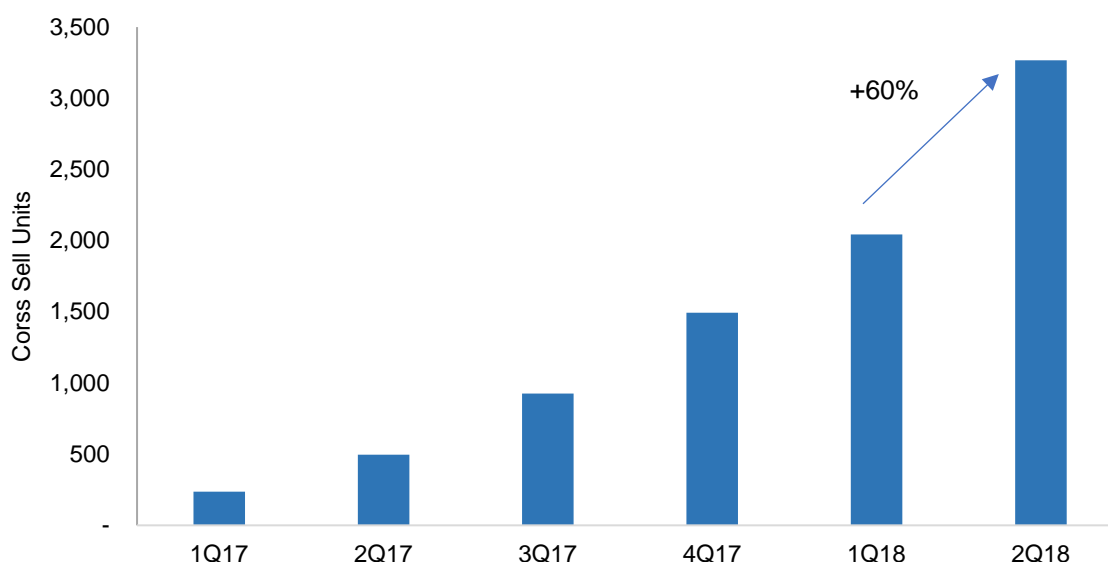
Expanding LAA’s Vehicle Transaction Market Place

As evidenced in the chart below (released in the 2Q18 cashflow update), LAA is transforming itself to being a complete vehicle transaction marketplace, providing a range of Cross Sell products to vehicle buyers.

LAA is pleased to expand its Vehicle Transaction Marketplace through its relationship with GM, which introduces the new revenue model of direct sales on new vehicles. This is the first time that LAA has sold vehicles through its platform and represents an opportunity to participate in the actual car buying transaction. Currently, the vast majority of revenues through LAA platforms currently relate to sale of used cars. Initial phases of the partnership have been conducted on a fixed fee per campaign basis providing incremental revenues, however an opportunity exists to develop the revenue model into a percentage value of vehicle basis.

Consequently, LAA expects Cross Sell revenues will continue to grow both in absolute terms and as a proportion of total group revenues. Cross Sell revenues have grown rapidly in Mexico from formal launch in Jul-17 to 40% of total revenues in Jun-18 (in Ecuador they are 29% of total revenues since launch in Jan-17).

Cross Sell product sales volumes increased 60% compared to 1Q18



Commentary

Oswaldo Leon, Marketing Manager of GM Ecuador said “This is the first time in Ecuador that an automotive brand has achieved a truly online process for the online sale of new cars which we are proud of. At Chevrolet we have evolved, choosing to adapt the search for new cars that satisfies the needs and wishes of our clients, and provides the possibility of completing the whole purchasing process, not just new car research and quotes, from the comfort of home.”

General Manager of Patio Tuerca Ecuador, Juan Esteban Saenz said “The need to create strategies that allow brands to reinvent themselves and reach their customers in a different way, has prompted us to make an alliance between Patio Tuerca and Chevrolet to offer for the first time in Ecuador, a platform to reserve and buy new vehicles, with exclusive discounts. This is the first time in Ecuador that an automotive brand has created an online process to sell new cars.”

About General Motors (NYSE:GM)

General Motors Co. has leadership positions in the world's largest and fastest-growing automotive markets. GM, its subsidiaries and joint venture entities sell vehicles under the Chevrolet, Cadillac, Baojun, Buick, GMC, Holden, Jiefang and Wuling brands.

GM OBB, a pioneering Ecuadorian automotive assembly plant and the largest in the country, began operations in 1975 with the manufacture of buses. In 1981 General Motors became a shareholder and initiated investment to manufacture thousands of light vehicles that are emblematic to date such as: Blazer, Forsa, Trooper, Vitara, Chevrolet, Luv, among others. Since then, and through the broadest dealer network in the country, Chevrolet sells a wide range of vehicles among cars, trucks and SUVs. Currently, more than 80% of the Chevrolet vehicles that are sold in the local market are assembled in the GM OBB plant in Ecuador.

About LatAm Autos (ASX: LAA)

LatAm Autos listed on the ASX in Dec-14 and is the leading vehicle transaction market place in Mexico and Ecuador. LatAm Autos is capitalising on the shift of automotive classifieds advertising to online channels, whilst providing cross sell products to car buyers and dealers such as finance, insurance, extended warranty and car tracking technology through its Motorfy brand. For more information on LatAm Autos, please visit its website: www.latamautos.com.

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