



30 April 2019

LAA reports growth in 1Q AUD cash receipts of +46% (Mexico) vs pcp (constant currency), and 12% in Ecuador.

Mexico City – 30 April 2019: LatAm Autos Limited (ASX: LAA) (“LatAm Autos” or the “Company”) is pleased to announce its quarterly cash flow statement for the March 2019 quarter.

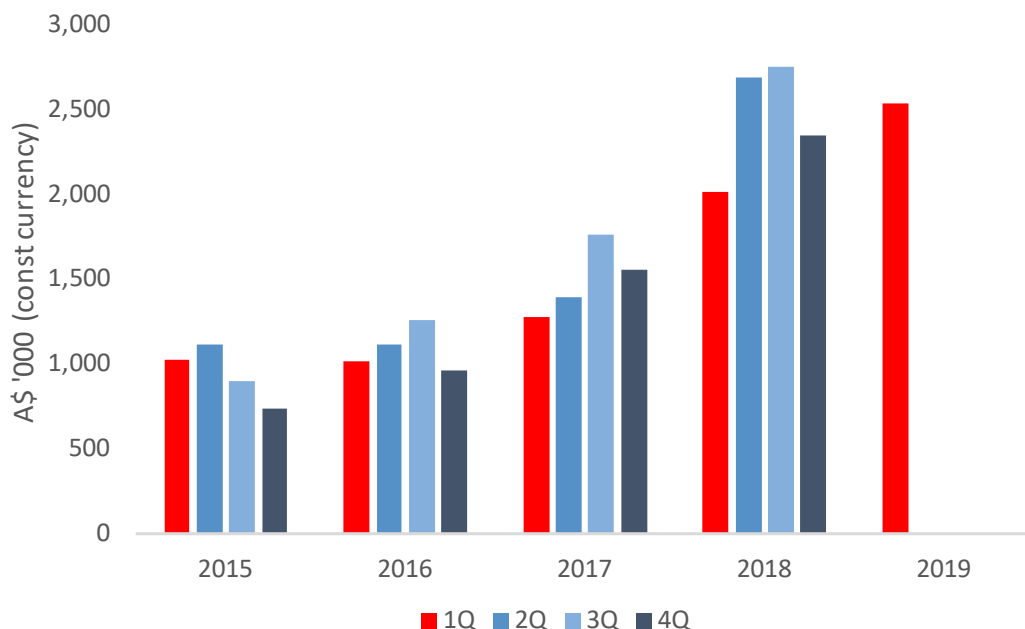
Highlights:

- 1Q cash receipts in core markets of Mexico and Ecuador (constant currency) grew to \$2.5m, an increase of +26% (46% in Mexico and 12% in Ecuador) versus prior corresponding period (pcp)
- 1Q cross sell product unit sales grew 45% versus pcp, including +76% in Mexico
- Net operational cash outflows (excluding one-offs and including capex) reduced by 16% compared to 4Q18, and increased 19% versus 1Q18 due to higher investments in personnel and technology as the Company continues to invest in the Motorfy platform

Financial Overview

The Company reported growth of cash inflows in the March 2019 quarter from its core markets of Mexico and Ecuador of 26% versus pcp (in constant currency terms), with Mexico growing 46% and Ecuador 12%. Growth in Mexico was mainly due to advertising and dealership revenues, whilst in Ecuador growth was primarily from was lead generation and advertising.

Chart 1: Cash receipts from customers (Mexico and Ecuador)



Note: The chart above is depicted in constant currency terms. This means that the relevant exchange rates during 4Q18 of AUDMXN 13.77 and AUDUSD 0.7086 are applied retrospectively to illustrate the impact of cash inflow growth without any currency conversion impacts.



Chart 2: 1Q cross sell unit sales grew 45% versus pcp

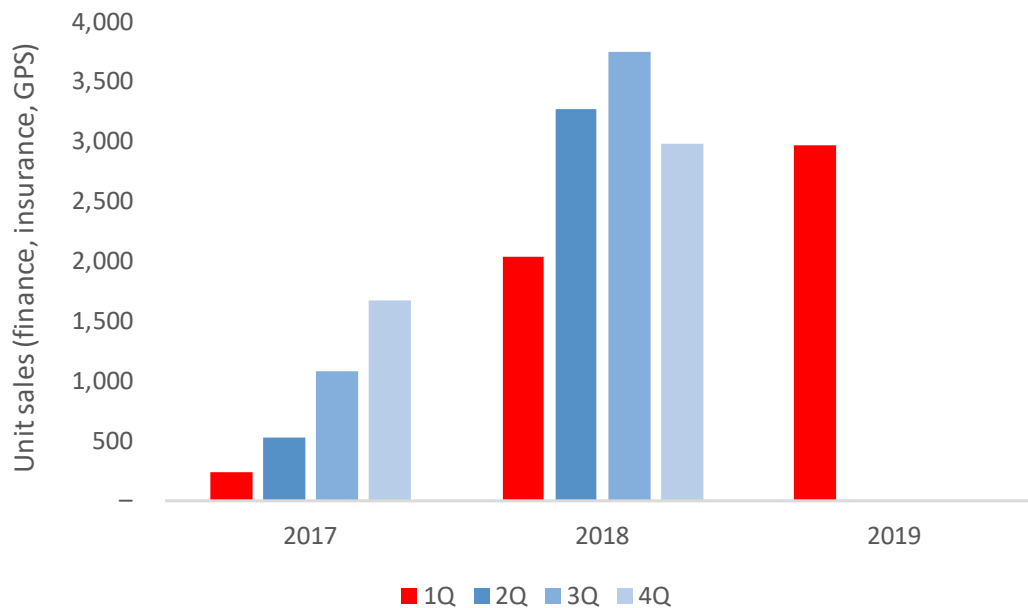
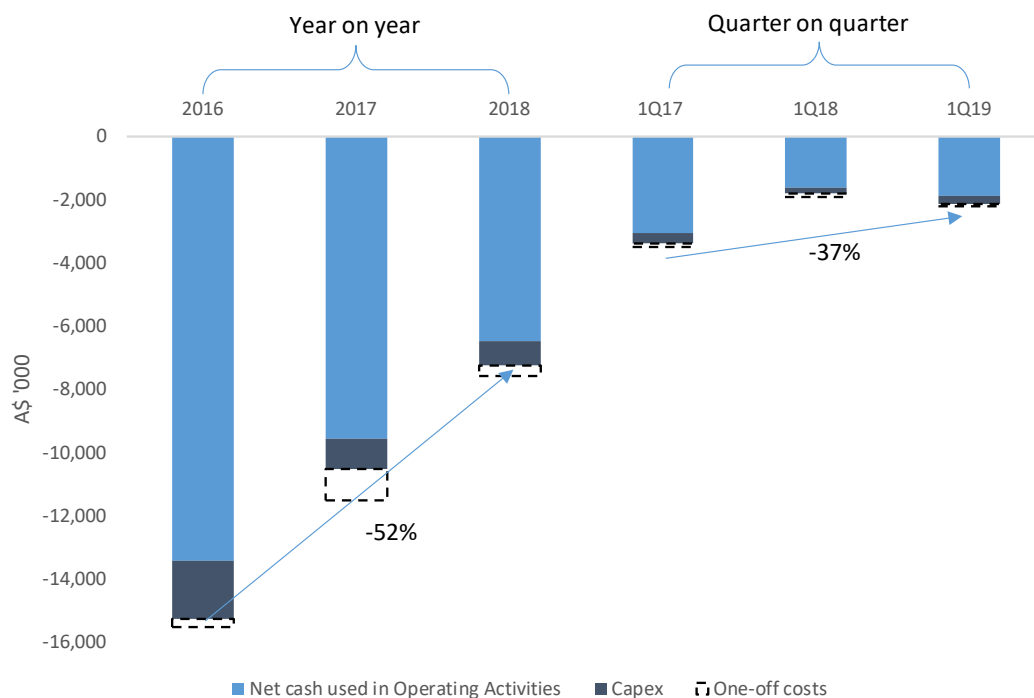


Chart 3: Net operational cash outflows (excluding one-offs and including capex)



Over the two years since the Company first launched its cross sell products in January 2017, quarterly cash outflows have reduced by 37%. Quarterly net operating cash outflows (excluding one-offs and including capex) decreased 16% in 1Q19 compared to the previous quarter and increased 19% compared to 1Q18 impacted by an additional cash outflows primarily relating to capex and personnel for the Motorfy platform. The Company had A\$4.4m in cash balances at the end of March 2019.

The key drivers of reaching operating cashflow neutral or positive on a sustainable basis, are the growth of loan product sales through Motorfy, combined with continued growth in



dealers using Motorfy. During 1Q19, progress towards continued automation of loan analysis and processing with the Company's finance partners was hindered temporarily by external factors, the majority of which have now been resolved.

Motorfy Update

At the end of January 2019, the Company announced an agreement with a prominent finance provider to offer new car dealers with new and used car finance as well as leasing and truck finance and used car prime credit loans. These expanded offerings did not materially contribute to 1Q19 revenues because activities to date have focused on integration of these expanded offerings with the Motorfy app. This integration is now complete and the Company's focus is on driving revenues through its expanded product range.

As per the Company's practice with all finance and underwriting products it distributes across its platform on behalf of third-party providers, the Company does not assume any underwriting or credit risk.

Management Commentary

CEO and Executive Director of LatAm Autos Jorge Mejia Ribadeneira commented,

"During 1Q19 we continued our investment into the Motorfy platform to expand our Cross Sell product range and optimise the automation and scalability of Mexico's only complete vehicle transaction marketplace. We continue to explore a number of exciting strategic growth opportunities and look forward to disclosing them to investors in due course once they are fully developed."

-Ends-

For more information, please contact:

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About LatAm Autos (ASX: LAA)

LatAm Autos is a leading online car transaction market place with operations in Mexico, Ecuador and Peru. LatAm Autos is capitalising on the shift of automotive classifieds advertising to online channels, whilst providing ancillary services to car buyers such as finance, insurance and car tracking technology through its Motorfy brand. For more information on LatAm Autos, please visit its website: www.latamautos.com.

Caution Regarding Forward-Looking Information

This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "upside", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance, including LatAm Autos' FY19 outlook, are also forward looking statements, as are statements regarding LatAm Autos' plans and strategies and the development of the market. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of LatAm Autos, which may cause actual results to differ materially from those expressed or implied in such statements. LatAm Autos cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that LatAm Autos' business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward-looking statements only speak as at the date of this announcement and LatAm Autos assumes no obligation to update such information. The release, publication or distribution of this presentation in jurisdictions outside Australia may be restricted by law. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

LATAM AUTOS LIMITED

ABN

12 169 063 414

Quarter ended ("current quarter")

31 Mar 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,607	2,607
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,073)	(1,073)
(c) advertising and marketing	(531)	(531)
(d) leased assets	-	-
(e) staff costs	(1,691)	(1,691)
(f) administration and corporate costs	(1,186)	(1,186)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
- Severances	(33)	(33)
- One-off payments related with Argentina	(24)	(24)
1.9 Net cash from / (used in) operating activities	(1,926)	(1,926)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(24)	(24)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	(253)	(253)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(277)	(277)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (Convertible notes repayments)	-	-
3.10 Net cash from / (used in) financing activities	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	6,600	6,600
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,926)	(1,926)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(277)	(277)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	3	3
4.6 Cash and cash equivalents at end of quarter	4,400	4,400

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	4,400	6,600
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,400	6,600

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	193
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Director's fees and salaries paid to directors during the March 2019 quarter.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
Nil	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
Nil		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(1,049)
9.3 Advertising and marketing	(524)
9.4 Leased assets	-
9.5 Staff costs	(1,977)
9.6 Administration and corporate costs	(1,197)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(4,747)

* Please note that the above estimated cash outflows for the next quarter do not include inflows of receipts from customers. The cash outflows are estimates only and variable outflows are calculated on forecast revenue for the quarter. Variable outflows will change if actual revenue differs from forecast revenue.

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 30 April 2019

Print name:MELANIE LEYDIN.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.