

LatAm Autos Investor Presentation

#1 Online Auto Classifieds platform in Mexico & Ecuador
#1 Vehicle Transaction Marketplace in Mexico & Ecuador

May 2019



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High Revenue Growth

- FY18 revenues grew 63% in Mexico and 17% in Ecuador (vs previous corresponding period in constant currency)
- Mexico: majority of growth came from Cross Sell products and growth in classifieds driven by increased dealer revenues
- Ecuador: growth in Ecuador driven equally by classifieds and Cross Sell products

Reduction in net cash outflows

- Working capital and cashflows substantially improved due to higher proportion of Cross Sell revenues
- Reduction of 31% in overall group net operating cash outflows¹ versus pcp
- EBITDA (from continued operations excluding share based payments) improved 13% vs pcp
- Growth in Cross Sell products is a key driver to reaching operational cashflow positive

Cross Sell product growth

- Motorfy is Mexico's leading Vehicle Transaction Marketplace, providing a range of Vehicle Finance and Vehicle Support Products
- Since we launched Motorfy in March 2017, cash receipts from Mexico and Ecuador have grown 111% (1Q19 vs 1Q17) and net cash used in operating activities has declined 37%
- In 2018, revenues from cross sell products grew 145% versus 2017 (536% in Mexico alone)

New growth options

- 2018 growth was driven primarily by sales of one loan product (near prime, used car finance), now the company has access to several loan products
- Prime used car finance is a new growth category, with the company recently announcing the signing of a contract with FinBe to provide the first prime loans on the Motorfy platform

Large Addressable Market

- LAA is providing a range of Cross Sell products to service the ~6.4 million used car transactions p.a. in Mexico
- Historically, used car buyers in Mexico have not had secured used car finance products readily available and have relied on cash or higher rate personal loans

Key Investment Considerations



Market

Significant addressable market

- Mexico's 125m population, over 5x Australia, a ~A\$800m¹ revenue opportunity for LAA
- Estimated there are ~6.4 million used car sales each year in Mexico alone²

Vehicle Transaction Marketplace (VTMP)

- LAA has developed the leading VTMP in Mexico and Ecuador
- The VTMP is the "Motorfy" app, which brings together buyers and sellers of motor vehicles and their related product partners
- Product Partners provide Cross-Sell Products in two categories: Vehicle Finance and Vehicle Value-Add Products now offering the full spectrum of credit options
- LAA does not assume any credit or underwriting risk and receives upfront fees for distributing Product Partners' offering

Leading market positions and network effects

- Number 1 dedicated online auto classifieds platform in Mexico and Ecuador
- LAA has developed a marketplace with new innovative finance products such as secured used car finance, differentiating it from competition
- LAA is aiming to maximise the network effect of bringing together buyers, sellers and product providers in its Vehicle Transaction Marketplace

Company

Reduction in net cash outflows

- In FY18, net cash outflows from operations (including capex, excl. one offs) were reduced by 31% versus 2017
- The Company remains committed to achieving a sustainable cash flow positive position, with key short term drivers being further growth in loan product sales through Motorfy platform, combined with continued growth in users on the Motorfy platform

Strong cross sell revenue momentum

- Motorfy products are high margin
- +37% average quarterly growth in Cross Sell product unit volumes since 1Q18
- Strong cross sell sales momentum continues with overall revenues up +36% to \$7.6m and cross-sell revenues growing 145%, comprising 32% of overall revenues (from zero in Jan 2017)

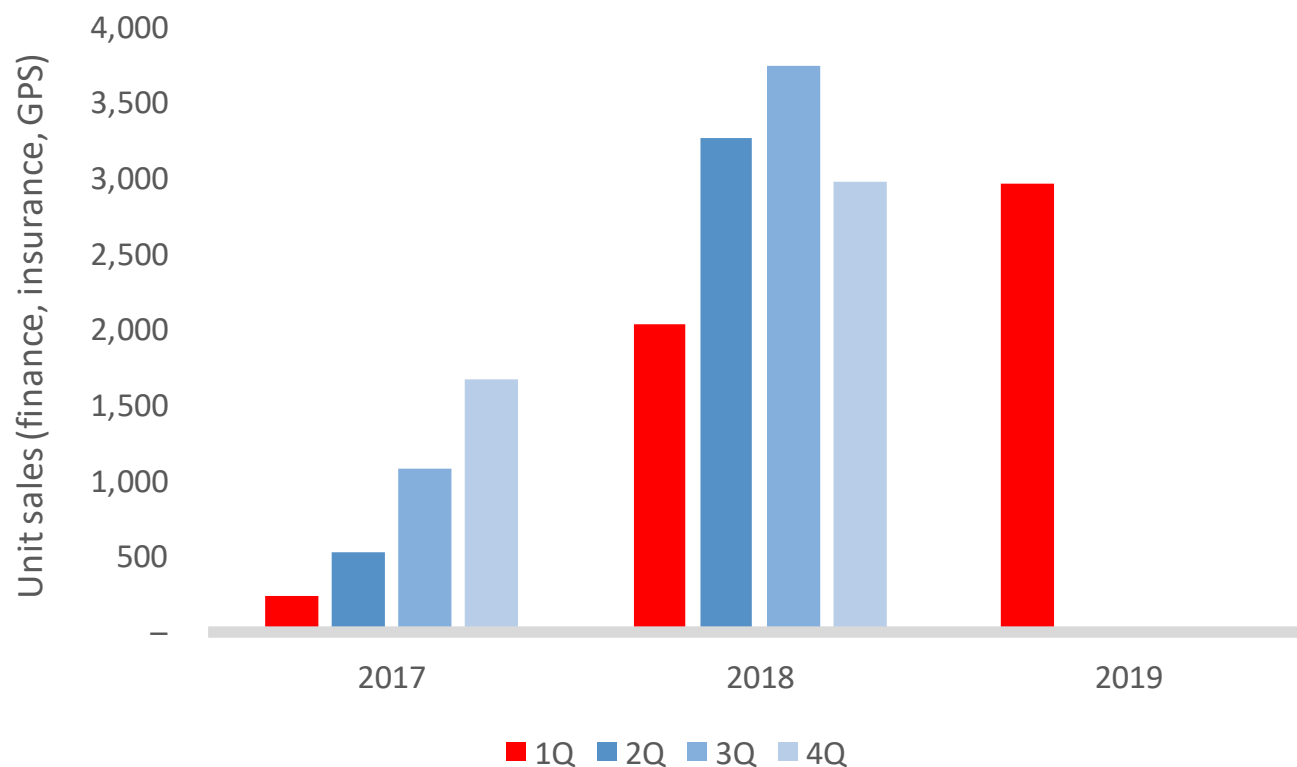
Goals for 2019

- Company expects growth in near prime and the recently launched prime loan categories through 2019
- Potential expansion of VTMP through a range of new product partners
- LAA could also add new loan categories including for additional vehicle types (ie. other than cars) and for new cars (as opposed to the existing offering of only used cars)



PART A: FY18 Results Overview

Strong Growth in Cross Sell Product Unit Sales

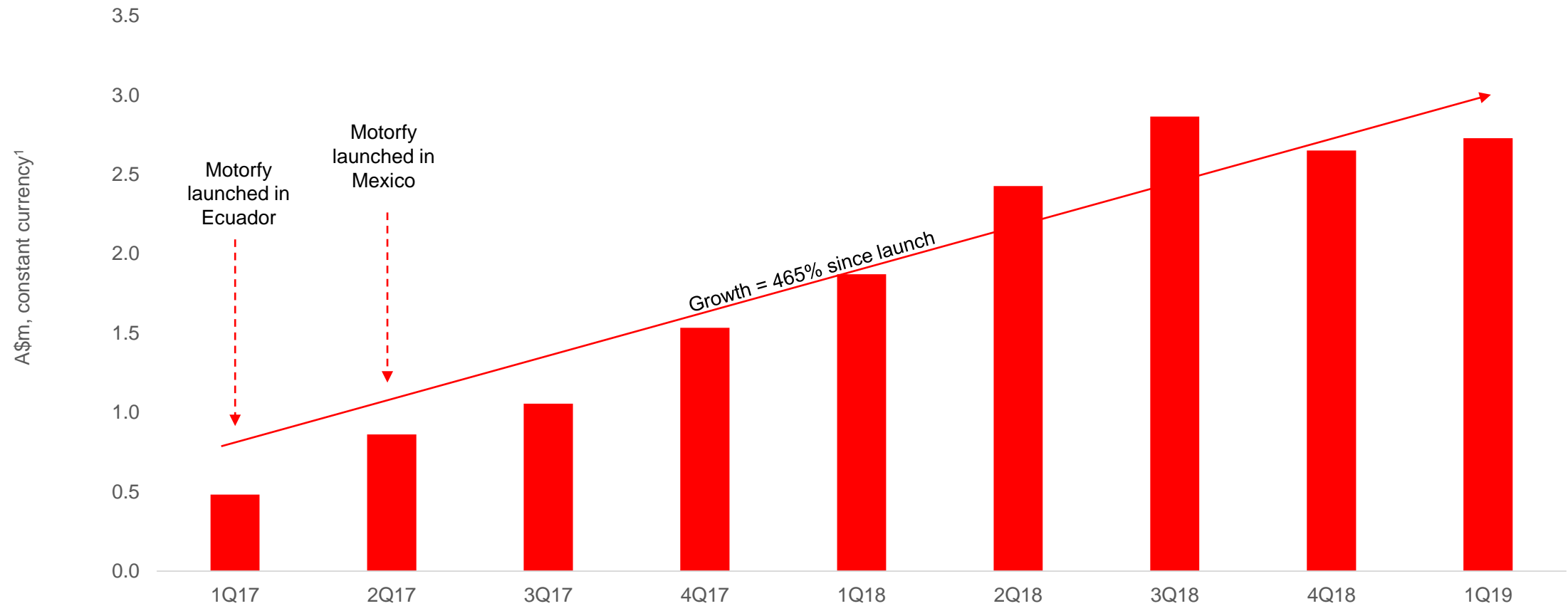


- Motorfy Credit make up the majority of total revenue from Cross Sell products
- Vast majority of Cross Sell revenue generated from Mexican market
- Highlights significant upside opportunity of new loan products on the platform

Cross Sell Product Revenues Grew Strongly in 2018 and Continue in 2019



Annualised Cross Sell Product Revenue (Quarterly Basis)

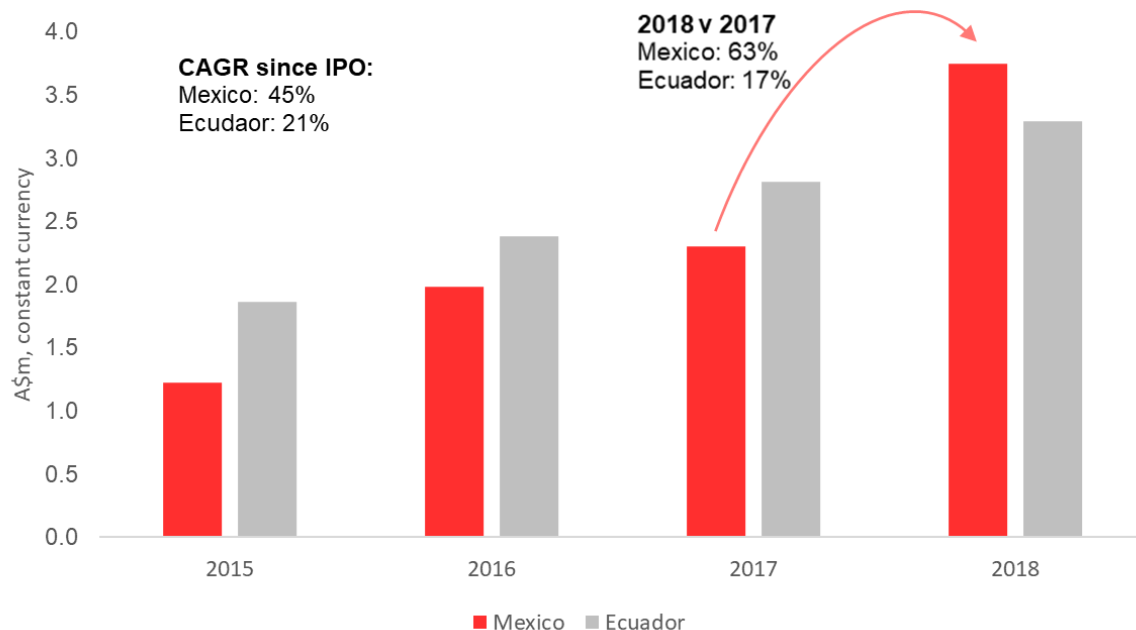


1. MXN/AUD is 13.80, 2. USD/AUD is 0.7066

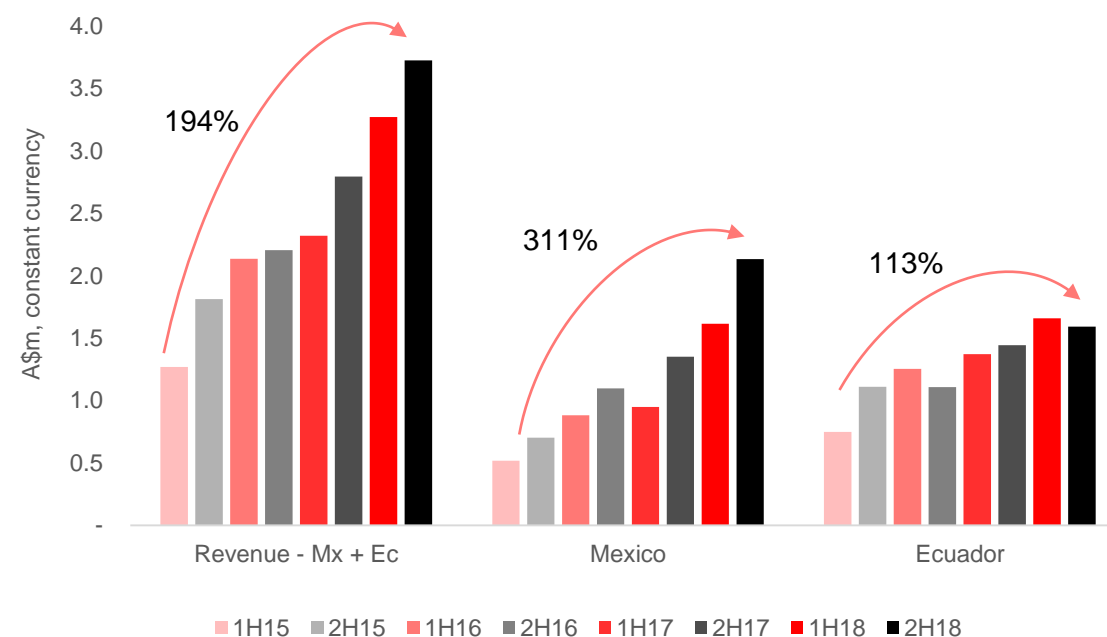
Financial Highlights



Annual revenue growth since IPO (A\$m, constant currency)



Half yearly revenues since IPO (A\$m, constant currency)



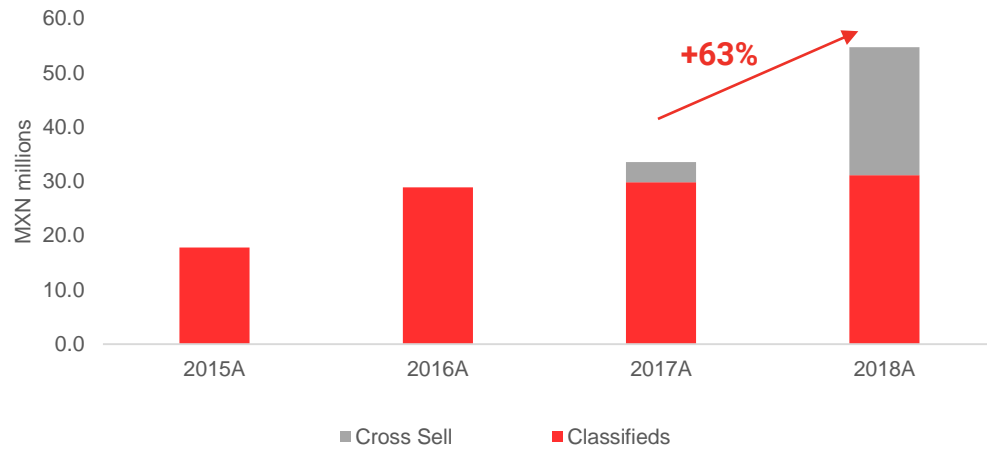
1. Constant currency MXN/AUD is 14.6. 2. Constant currency USD/AUD is 0.7427

- Revenue CAGR since IPO of 45% in Mexico and 21% in Ecuador
- Accelerating growth in key market of Mexico in 2H18

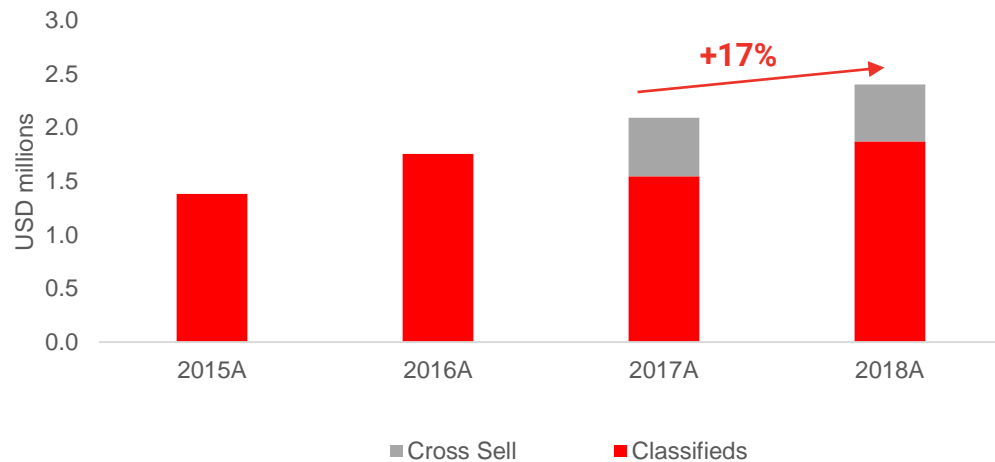
Financial Highlights



Mexico pcp growth



Ecuador pcp growth

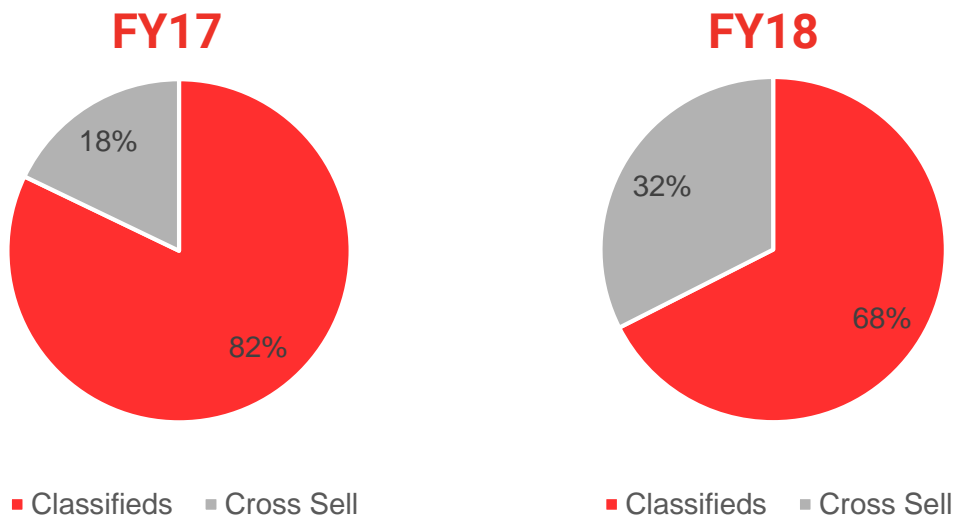


Cross Sell revenues are they key revenue growth driver in both Mexico and Ecuador

Financial Highlights

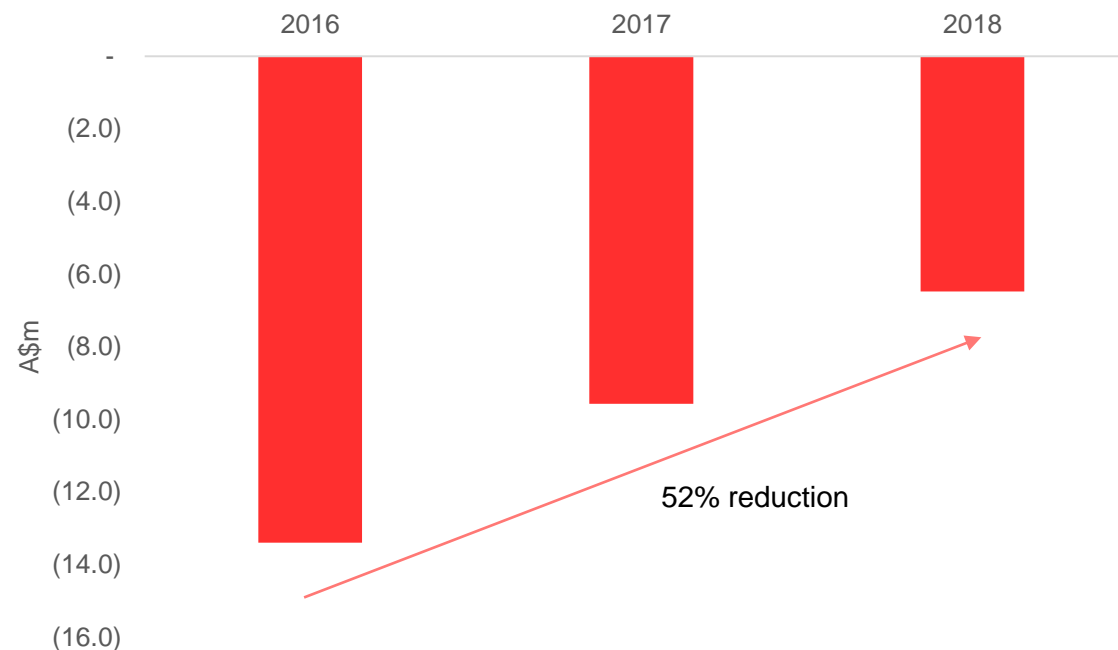


Revenue by Product



- Evolution of the LAA business model has translated into meaningful revenue contribution from Cross Sell products to overall revenues
- Management expects this trend to continue

Net operating cash outflows



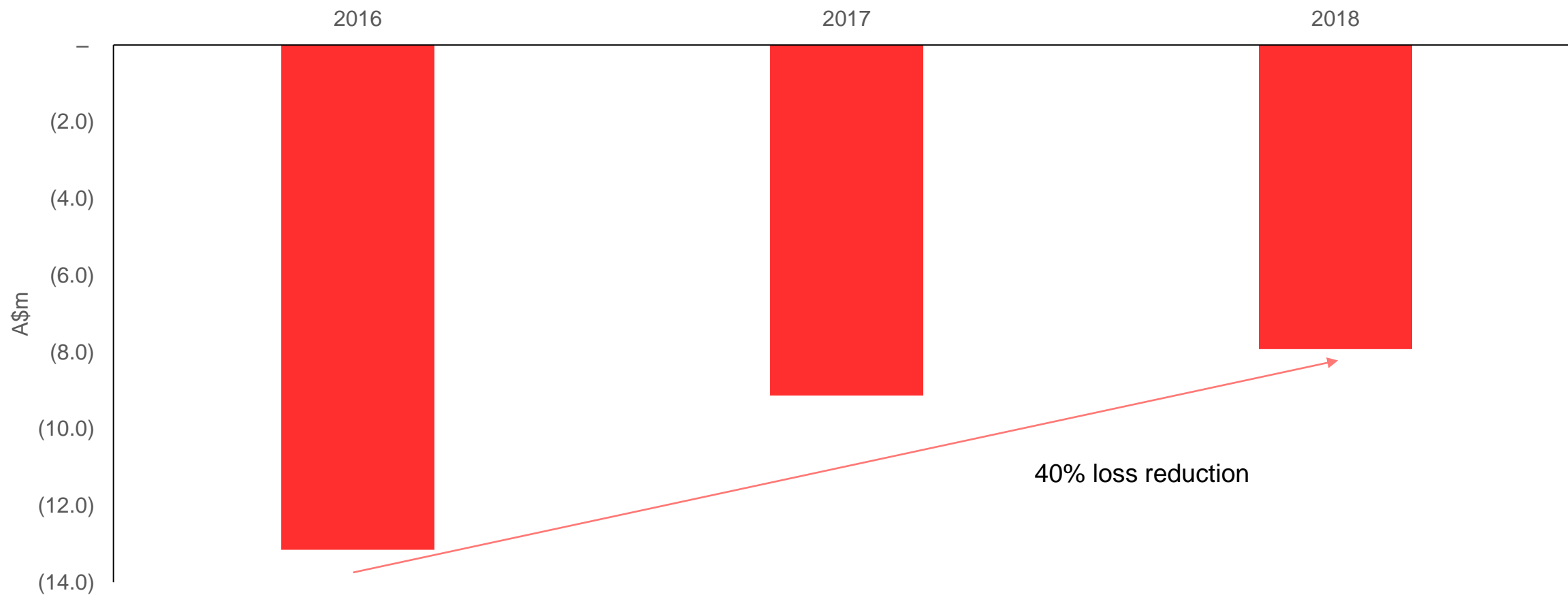
- Net operating cash flows have improved substantially since 1H17 driven by exiting sub-scale markets and focusing only on core markets of Mexico and Ecuador, driving increased cross-sell revenues and cost rationalisation
- Net operating cash flows above include Argentina, which was effectively closed in 1H17
- Net operating cash flows above defined as cash receipts, less operational outflows, less capex excluding one-off outflows

1. 1H17 cash outflows impacted by discontinued operations in Argentina and Panama

Financial Highlights



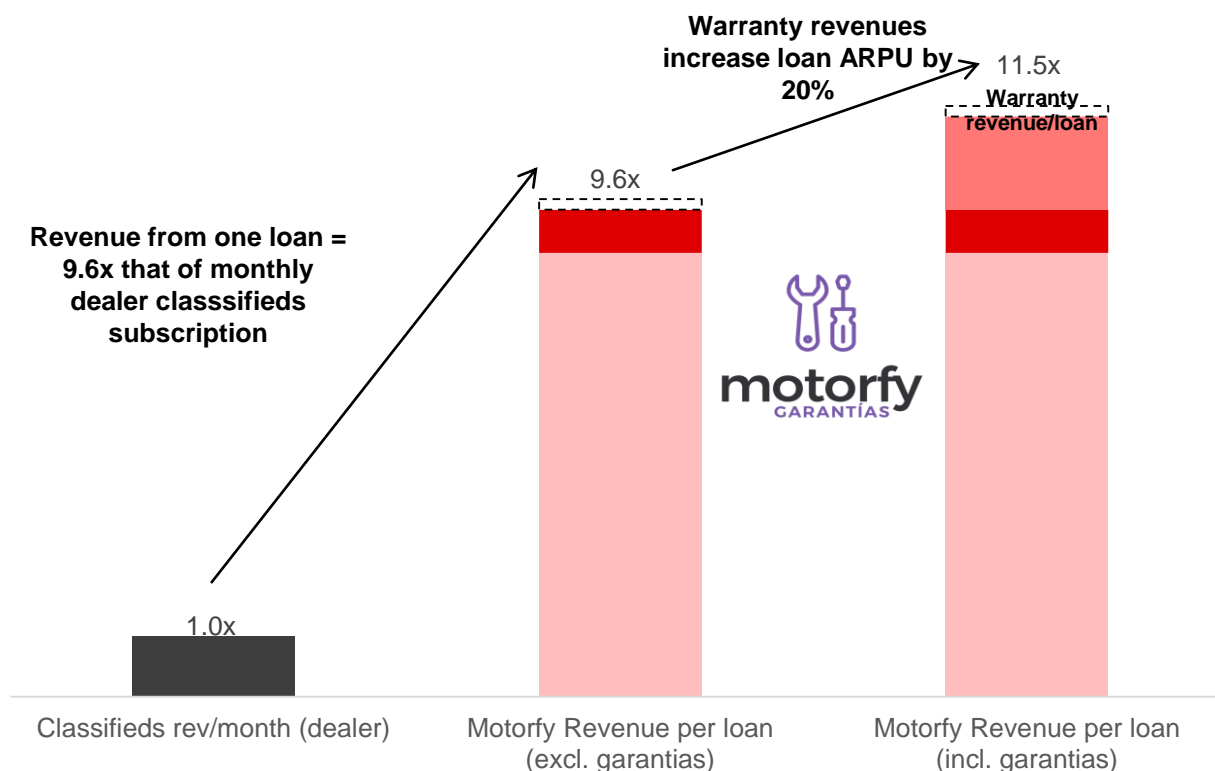
Adjusted EBITDA (excludes share based payments)



- Excludes share based payments



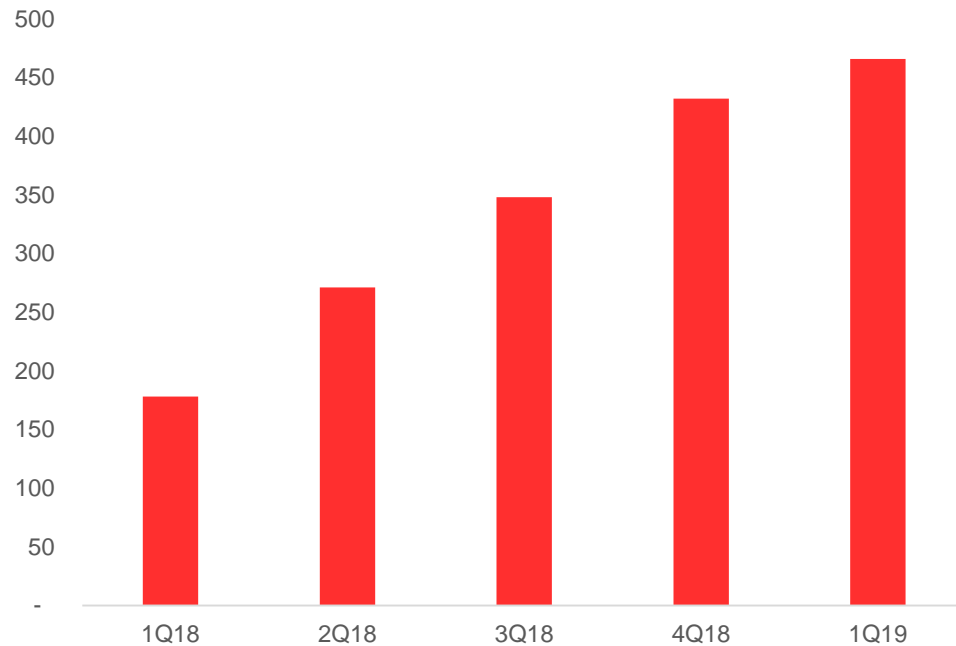
Attractive Unit Economics on Cross Sell Products



- The transformation of LAA into a vehicle transaction marketplace has improved overall profitability and working capital management
- LAA is able to leverage its leading market position in the Mexican and Ecuadorean auto classifieds sector into distribution of high margin cross sell products
- Car loans are typically sold in bundled packages including GPS tracking, insurance and other value-added items
- Revenue generated per loan bundle can generate up to 11.5x that of a monthly online classifieds dealer subscription package



Active Dealers¹ Using Motorfy in Mexico



- Consistent quarterly increases in total dealers using Motorfy product in Mexico
- Over A\$420 million of loans applied for since launch (includes dealer and online channels) in both Mexico and Ecuador

1. Active Dealer: Dealer that sent at least two applications in the last two months



Income Statement – From Continuing Operations

AUDm	2017	2018	Change FY18 v FY17 %
Revenue	5.6	7.5	36%
Classifieds	4.5	5.0	13%
Cross Sell	1.0	2.4	139%
Other revenue	0.1	0.2	24%
Opex*	(14.7)	(15.5)	5%
Cost of sales	(1.8)	(2.0)	11%
Employment	(5.9)	(6.6)	12%
Marketing	(3.1)	(2.8)	-7%
Other	(3.9)	(4.0)	2%
EBITDA*	(9.1)	(7.9)	13%
* Excluding share-based payments			
Share-based payments	(0.5)	(1.2)	48%
Reconciliation	(9.7)	(9.1)	

- Figures are from Continuing Operations only, and do not include revenues or expenses from Argentina in either FY17 or FY18
- Revenue growth for Mexico and Ecuador only, was 38%, being 63% from Mexico and 17% from Ecuador, on a constant currency basis
- Strong revenue increase despite maintaining opex at the same level as last year
- The mixture of high revenue growth and slight increase in opex, improved EBITDA +13% YoY

- Opex and EBITDA excluding share-based payments. Share-based payments were A\$0.3m, A\$0.2m, A\$0.7m and A\$0.5m in 1H17, 2H17, 1H18 and 2H18 respectively



Cash Flow Statement

AUDm	2017	2018	Change FY18 v FY17 %
Cash flows from operating activities			
Cash receipts	6.0	9.8	64%
Cash outflows from operations	(16.3)	(16.0)	-1%
One-off outflows from operations	(1.0)	(0.3)	-67%
Net cash used in operating activities (less Capex)	(9.6)	(6.5)	-32%
Net cash used in investing activities	(1.0)	(0.8)	-20%
Net cash used in financing activities	13.6	7.4	-46%
Cash at the end of the period	6.8	6.6	-3%

- Cash receipts from Mexico and Ecuador increased by 58% and 68% respectively between FY17 and FY18 in local currency



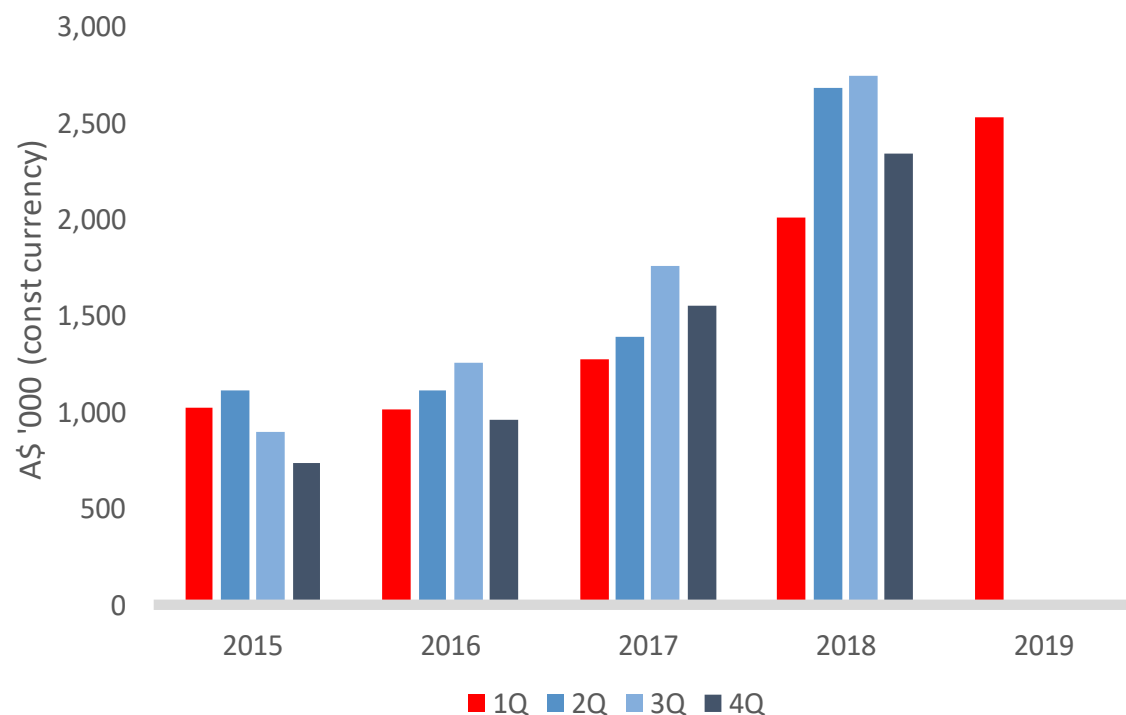
Balance Sheet

AUDm	2017	2018	Change FY18 v FY17 %
Current assets	11.2	9.8	-12.0%
Cash	6.8	6.6	-3.5%
Receivables	4.1	2.9	-28.9%
Other	0.3	0.4	23.2%
Non-current assets	22.9	25.2	9.8%
Intangibles	22.0	23.3	6.0%
Other	0.9	1.8	103.8%
Total assets	34.1	35.0	2.7%
Current liabilities	4.1	6.1	48.4%
Payables	3.1	4.8	54.2%
Other	1.0	1.3	30.6%
Non-current liabilities	10.0	7.8	-21.8%
Convertible note	9.1	6.9	-24.2%
Other	0.8	0.9	4.2%
Total liabilities	14.1	13.9	-1.3%
Total equity	19.5	21.1	8.0%

- Liability value of convertible note reduced by A\$2.3m from 31-Dec-2017 to 31-Dec-2018 as a result of partial redemption and conversion in Oct-2018



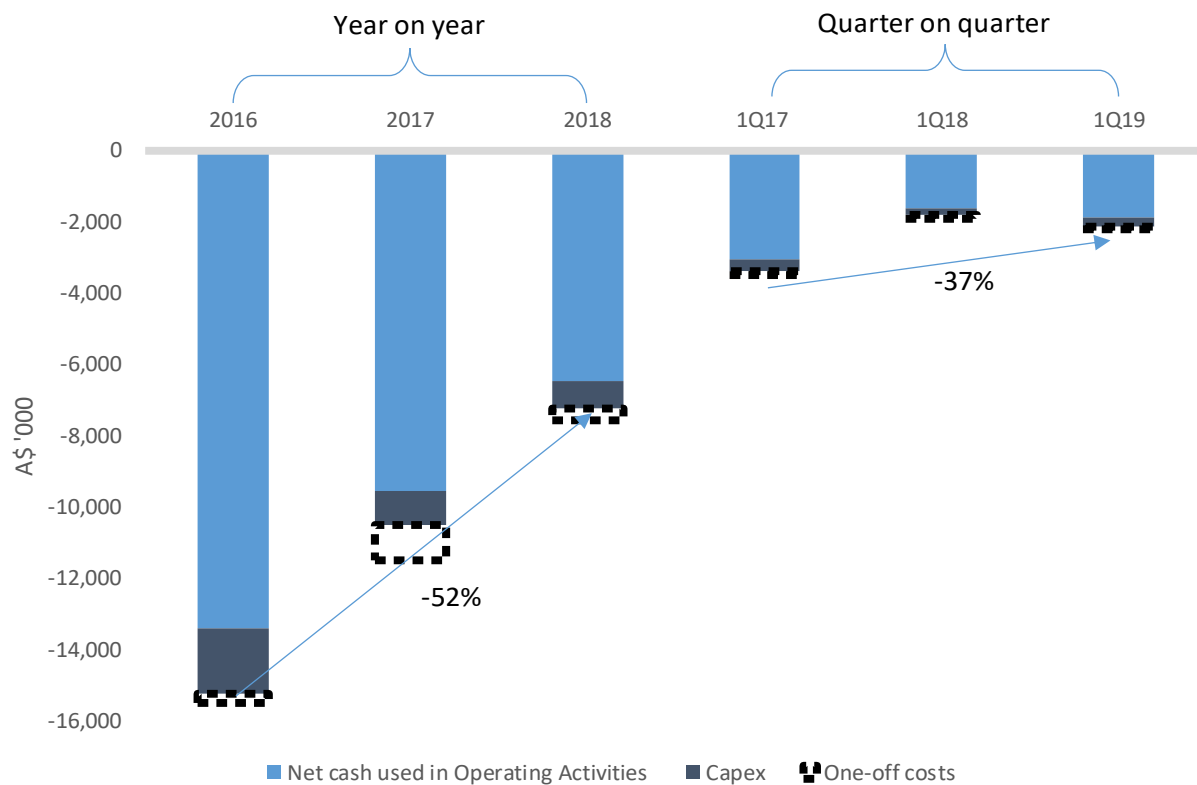
Cash Receipts from Customers



- Cash receipts have grown consistently versus pcp since 2015
- Revenue CAGRs since IPO are 45% and 21% in Mexico and Ecuador respectively
- 1Q19 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)
- 1Q19 cross sell product unit sales grew 45% versus pcp, including +76% in Mexico

1. Constant currency MXN/AUD is 13.8. 2. Constant currency USD/AUD for 2017 is 0.7086

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%



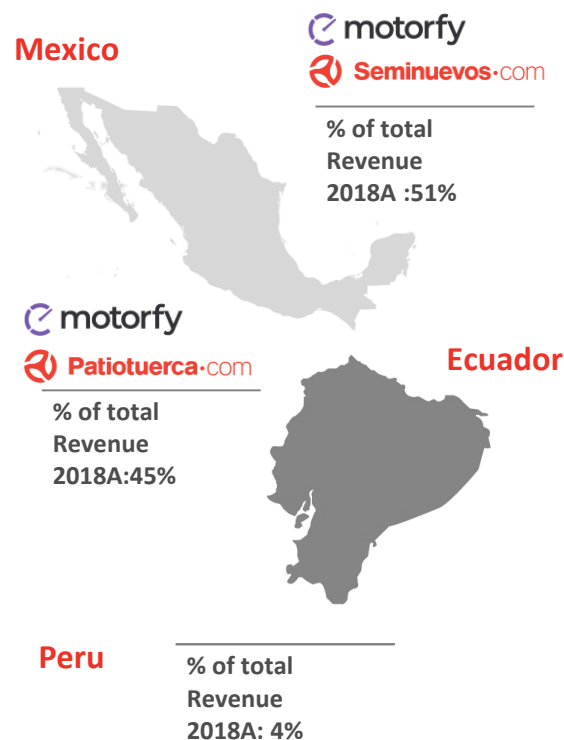
PART B: Business Overview

Executive Summary – LatAm Autos

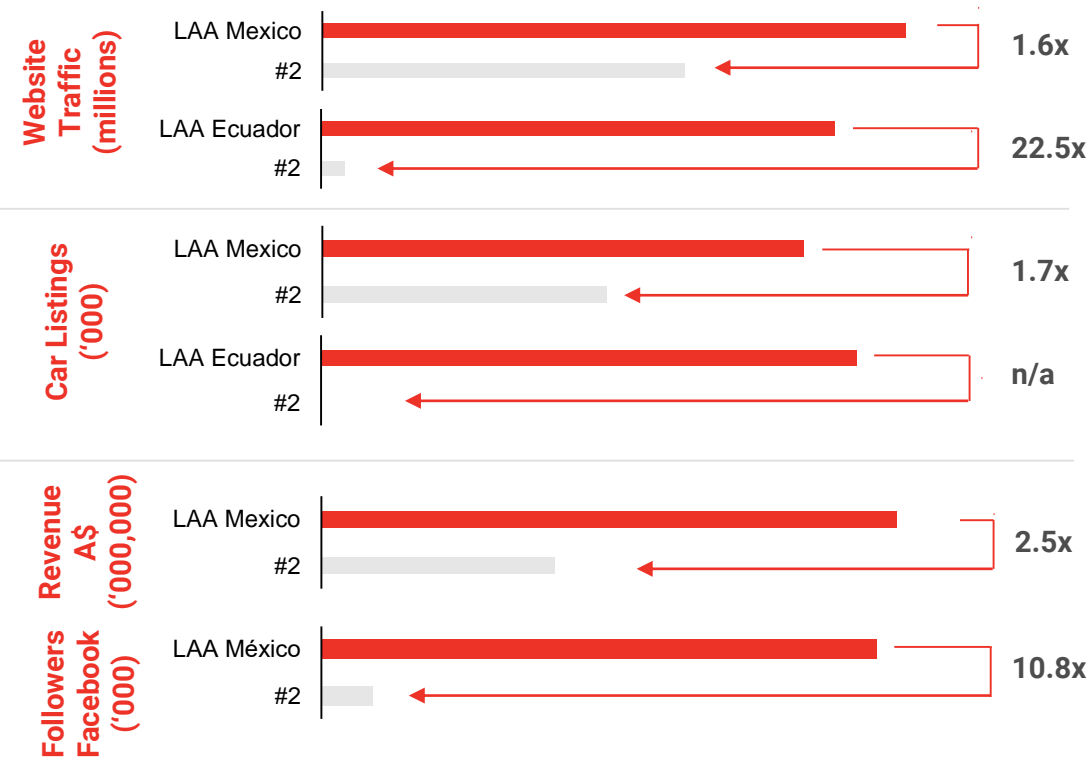


After successfully developing its position as the leading dedicated online auto classifieds platform in Mexico and Ecuador, Latam Autos has now become a complete vehicle transaction marketplace

MEXICO AND ECUADOR FOCUS



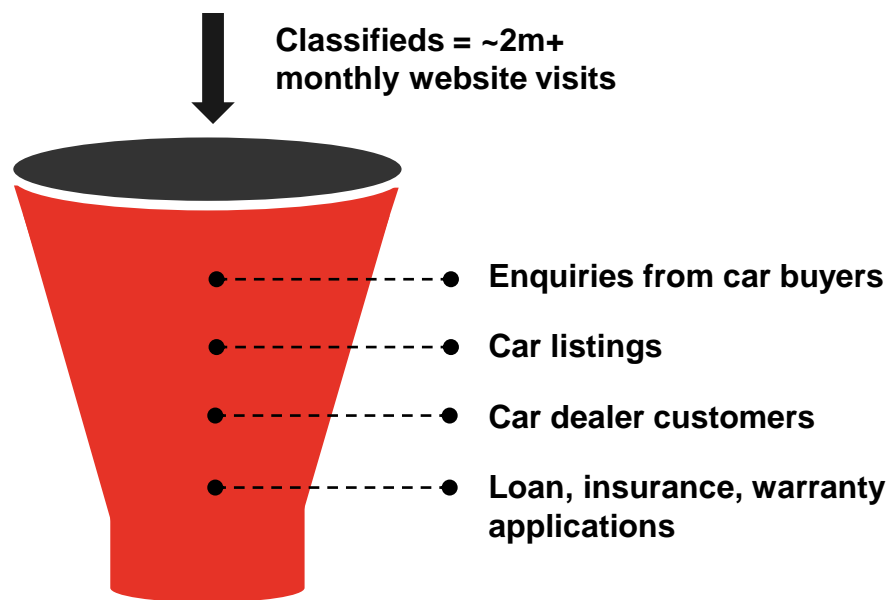
LEADING MARKET POSITIONS



1. Traffic source: Similarweb.com, traffic (organic and paid) as of Mar-2019. Similarweb.com is a third party service provider that provides estimates only, actual results may be significantly different to similarweb estimates. 2. Listings as of May-2019. 3. Facebook followers for competitors as at Mar-2019. 4. Revenue FY 2018 and public sources



Mexico's only end-to-end online auto retail transaction ecosystem



Cumulative ~A\$420 million of loans applied for

Key highlights

1. **Vertically integrated:** End-to-end customer acquisition potential of LAA is significant
2. **Products:** LAA has ability to optimize / cross sell range of products across car buying process
3. **Motorfy:** Distinct user experience competitive advantage relative to traditional capital providers
4. **Scalability:** Business model designed / conducive to scalability

LAA's Value Proposition

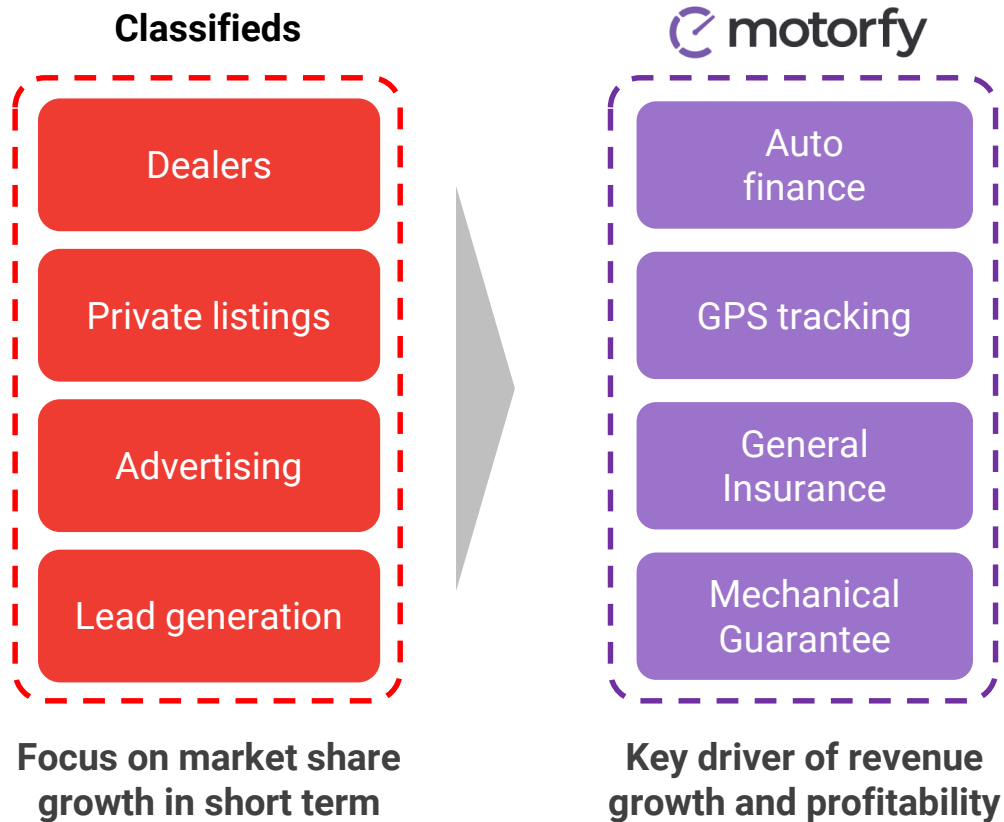


	Market Need	Solution	LAA Product
For car Buyers	Centralised source of information	Organizes car inventory into a consolidated, easy to navigate list	Online Classifieds
For car Sellers	Maximise price and speed of selling vehicle	Provides lead generation to car sellers, via online and offline channels	Online Classifieds
For Financiers	Access to point of sale distribution channels	Created “Uber Eats” for auto loans	Motorfy app
OEMs	Growing proportion of car buyers are from online sources	Tailormade technology solutions	Lead Generation

Current and future revenue opportunities



1 Current Revenue Streams



2 Future Opportunities / Revenue Streams

Auto Finance

- ✓ **New financial partners:** Continue to add new partners onto the platform
- ✓ **Motorfy Consumer:** Take current dealer-only product to millennial market and C2C transactions

Classifieds

- ✓ **New Car Catalogue :** New Car Catalogue Marketplace – unmatched in the market
- ✓ Other products (confidential)



OVERVIEW

- A powerful tool for car dealers to generate additional revenue in real time
- Added value to each car dealer's customer base



Two Types of Cross Sell Products: Vehicle Finance and Vehicle Products



VEHICLE TRANSACTION MARKETPLACE

LAA has successfully transitioned its business to an online vehicle transaction marketplace in 3 Stages such that growing cross-sales are now the key revenue driver

- **Stage 1** – Acquiring cornerstone businesses
- **Stage 2** – Building leading market positions

Stage 3: VEHICLE TRANSACTION
MARKETPLACE



CROSS SELL PRODUCTS (MOTORFY):

VEHICLE FINANCE

VEHICLE PRODUCTS



1. Prime, near-prime and sub-prime secured used car loans
2. New car loans
3. Other vehicle types to be added in 2019

1. Insurance
2. GPS tracking
3. Used car extended warranties
4. Others to come

Motorfy – Product Partners Overview



LAA offers loans across the complete credit quality spectrum for used and now new car finance

Vehicle Finance Products	Partner	Description
Prime credit, secured, for new and used cars	FinBe	FinBe is a subsidiary of Bepensa, a Mexican conglomerate with over 50 businesses and 10,000 employees
Near-prime credit, secured, used cars	Credito Real	Credito Real is a MEX9.3bn market capitalisation listed company which provides consumer financing services. The Company provides personal loans, traditional credit, credits to suppliers, and returns on assets services
Non-conforming loans, secured, used cars	Turbocash	LAA currently in negotiations with a range of non-conforming loans providers to be onboarded soon
Vehicle Value-Add Products	Partner	Description
GPS Tracking	White label	White label product with leading provider TBC
Insurance	Mapfre, Qualitas, various	Access to over 7 insurance providers with leading products from Mapfre and Qualitas
Extended Warranty Insurance	SNG Group	SNG is an auto warranty manager for new and used vehicles and is part of MEX4.9bn market capitalisation listed company Peña Verde (PV: MEX) group. Founded in 1971, it is headquartered in Mexico City with presence in Europe, Mexico and Brazil.



LatAm Autos management has been key to its success



Jorge Mejía
*Co-Founder
and CEO*

- **Co-founder and CEO since inception, has led LAA from a pure online classifieds company to complete vehicle transaction marketplace with the introduction of its Motorfy business unit**
- Experienced Latin America digital media executive with 20 years experience
- Founder of several leading digital business in Ecuador



Gareth Bannan
*Co-Founder
and CFO*

- **Co-founder and CFO since inception, manages team of 20+ people across 2 countries managing internal business and product analysis, and ASX reporting and investor requirements**
- 14 years M&A, capital markets and financial management experience (including eight years in LatAm)



Tim Handley
*Co-Founder
and Executive
Chairman*

- **Co-founder and Executive Chairman since inception, responsible for investor relations**
- 16 years entrepreneurial and banking experience
- M&A (Gresham Partners & UBS Investment Bank), equity and debt capital markets experience (including 7 years in Latin America)



Jacobo Moreno
CTO

- **CTO since LAA inception, implementation of regional online classifieds technology, launch of key Motorfy application**
- Recognised as one of the leading tech entrepreneurs in Ecuador



Patricia Cordon
*Operations
Director*

- **Operations Director since 2 years, responsible for overall strategy execution with LAA team in both Mexico and Ecuador, 4 core classifieds products and 3 Motorfy cross sell products**
- Responsible for Unilever's financial operations in 19 countries in Latin America at Capgemini BPO
- Certified in GEM (Global Enterprise Models) and trained in Black Belt sig sigma Methodology.

Highlights:

- Proven track-record creating a leading business over the past 4 years
- One of the few Latin American public funded startups and the only public auto vertical in Latin America



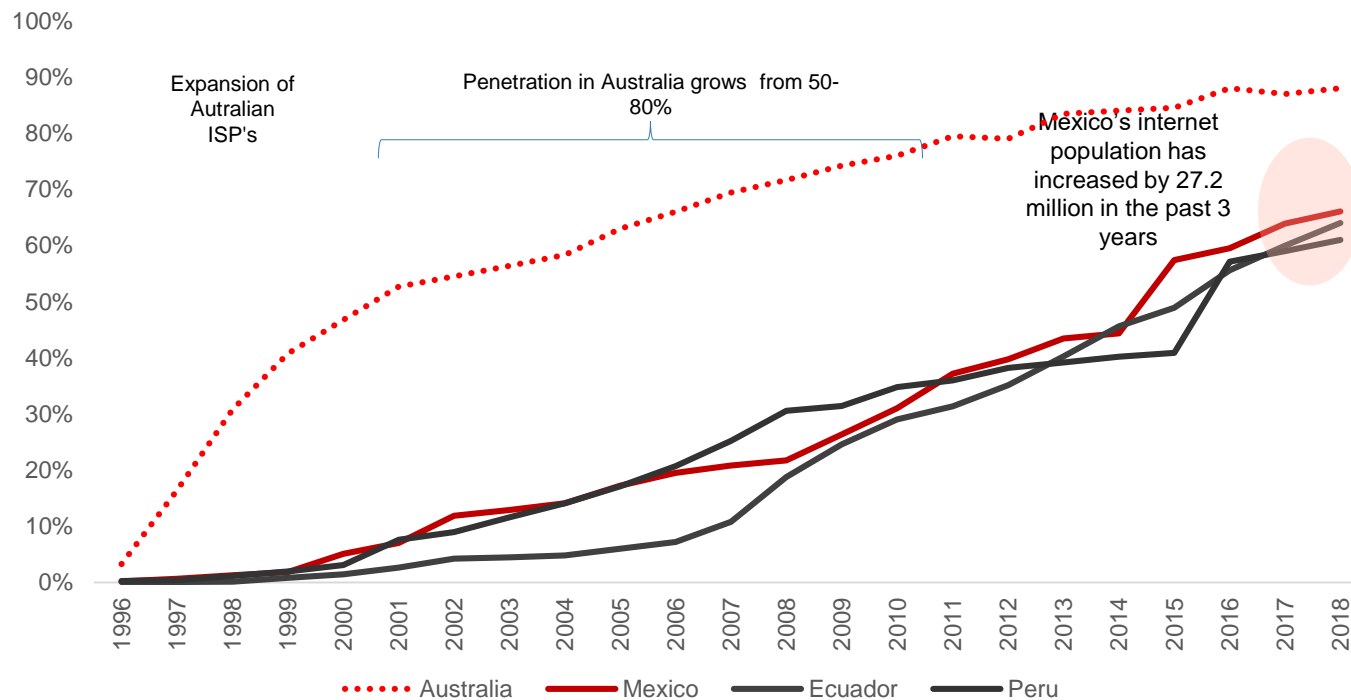
PART C: Key Growth Drivers

Growth Driver #1 - Rising Internet Penetration



Average internet penetration in LatAm Autos key markets c. 63.7% in 2018 and growing rapidly toward Australia's internet penetration of 88% the populations

Internet penetration (% of population)¹



Industry Overview

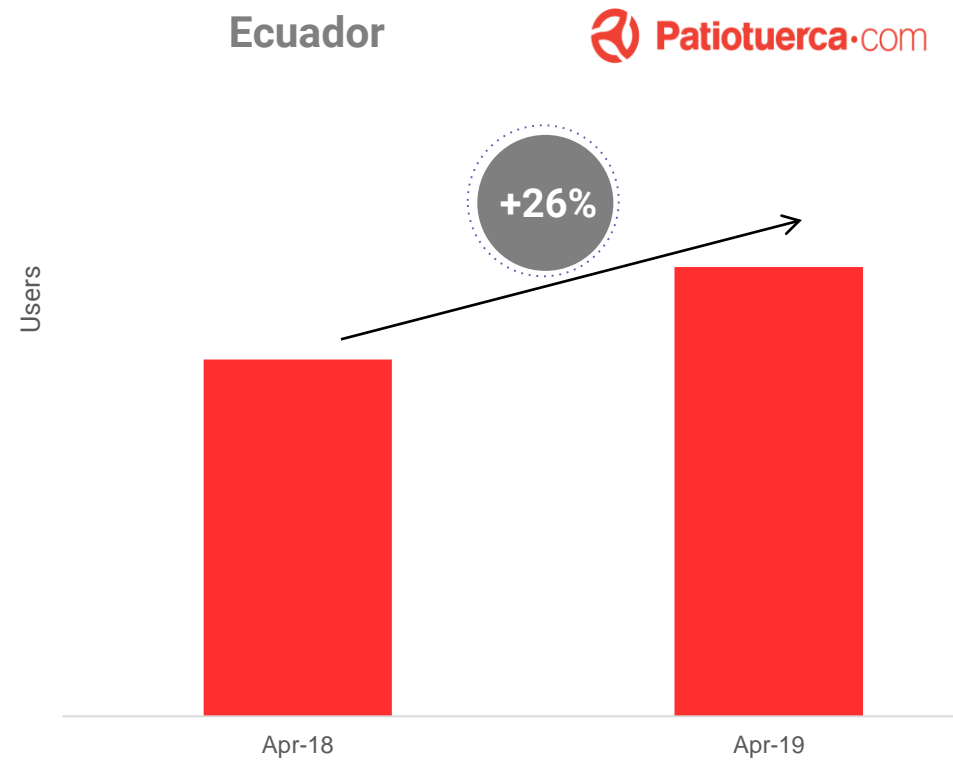
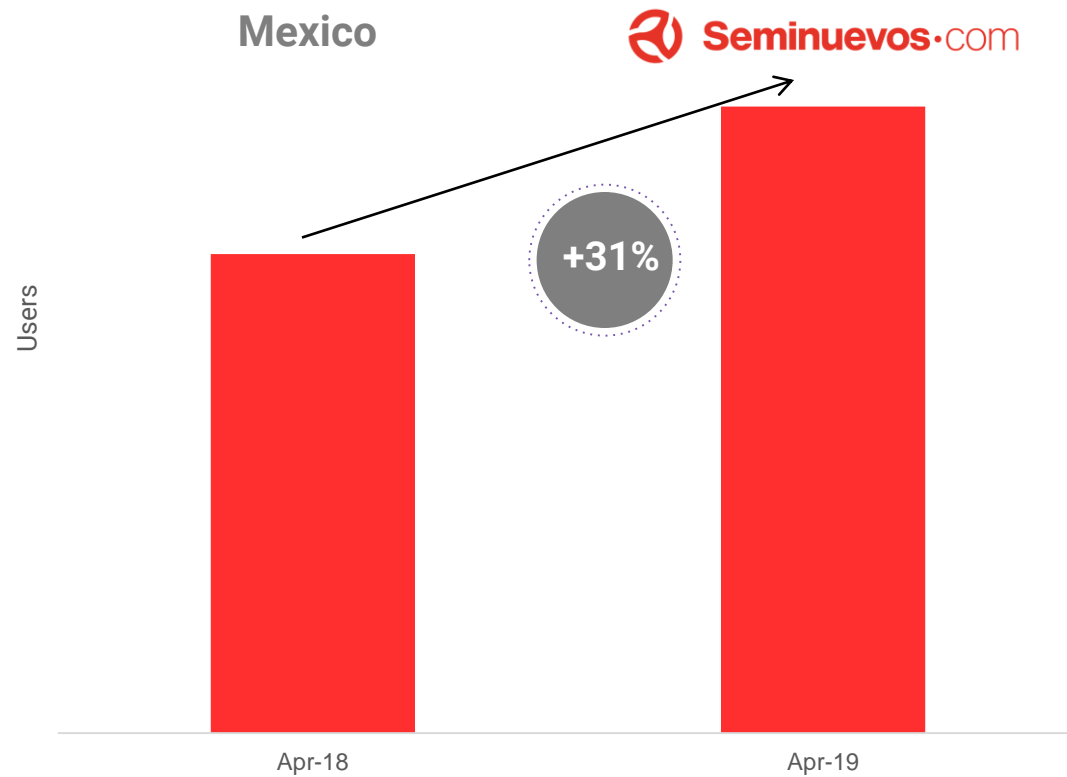
- Internet penetration in Latin America expected to **accelerate from 50% toward 80% faster than the comparable Australian period**
 - Invention of smartphones will accelerate penetration due to lower cost barriers to entry
 - Latin American government policies are focused on increasing internet penetration
 - 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 18 months due to deregulation and competition from the incoming AT&T

1. Source: as of 2015 World Bank. For 2016, 2017 and 2018, Peru: Statista, Mexico: INEGI, Ecuador: MINTEL

Growth Driver #2 - Organic Traffic Growth



Organic Traffic Growth in Mexico and Ecuador¹



1. SEO traffic for Apr-18 compared to Apr-19, from Google Analytics

Growth Driver #3 – Substantial Lead Over Competition

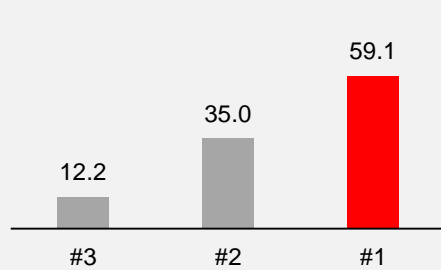


LAA has leading position over its competitors in both markets

Mexico



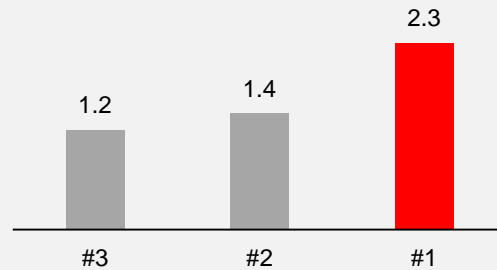
#1 Listings



Listings ('000)

■ Seminuevos.com

#1 Traffic



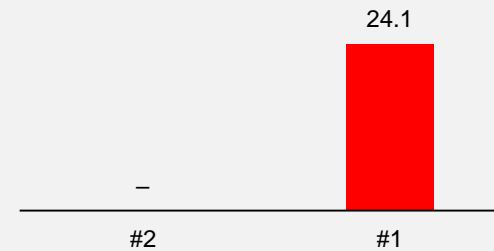
Monthly audience (m)

■ Competitors

Ecuador



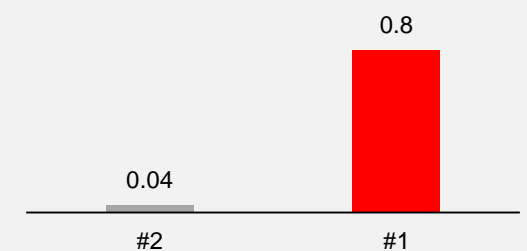
#1 Listings



Listings ('000)

■ Patiofierca.com

#1 Traffic



NOT MEANINGFUL
COMPETITORS

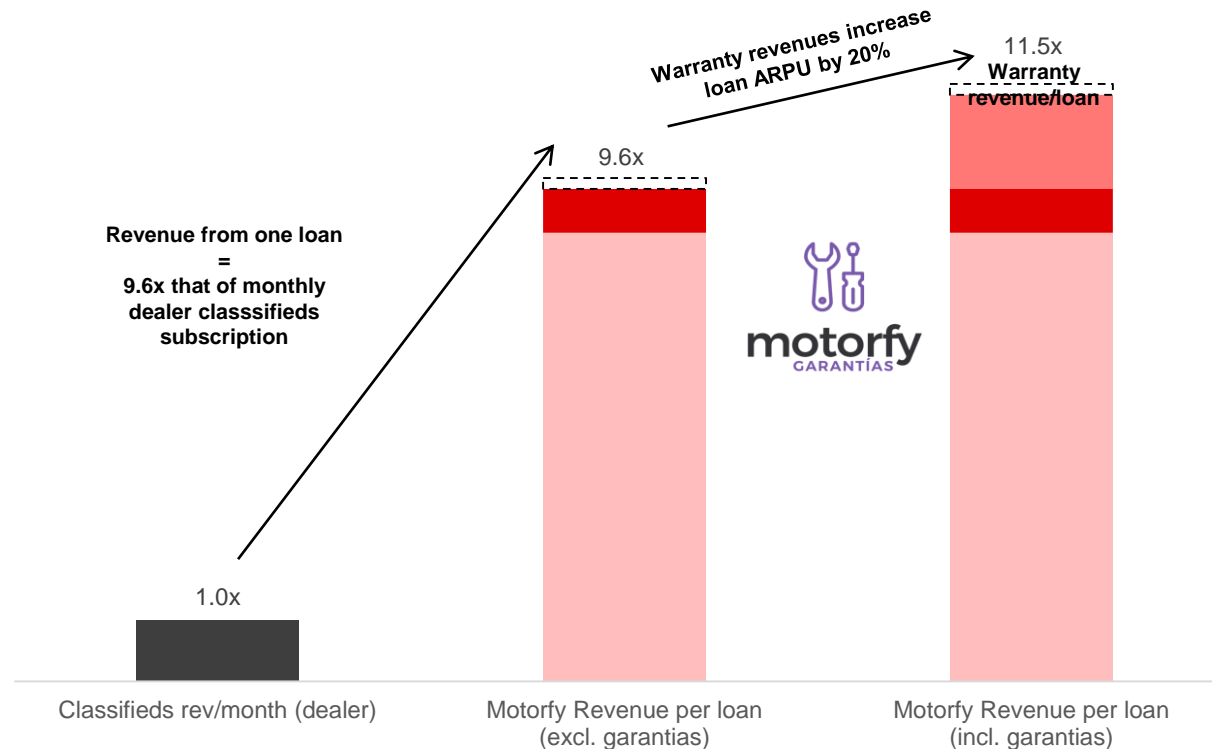
Source: Traffic as of Mar-2019, Similarweb.com. Similarweb.com third party service provider that provides estimates only (free + paid traffic), actual results may be significantly different to similarweb estimates. Listings as at May-2019 sourced from websites. Competitors defined as other dedicated auto classifieds companies

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 11.5x 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 made a substantial contribution to revenue growth 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 - Significant Addressable Market



Large, youthful Mexican market

- Population of 125 million with 111 million smart phones
- 2.2 million people per year becoming licensed drivers
- More than half the population is under 30, median age of 27

Large car finance opportunity

- Estimated potential for 4 million new and used car loans per year in Mexico alone
- 1.6m new car sales , 67% of all new cars financed
- Estimated 6.4 million used car sales p.a. in Mexico, Motorfy used car finance a huge opportunity

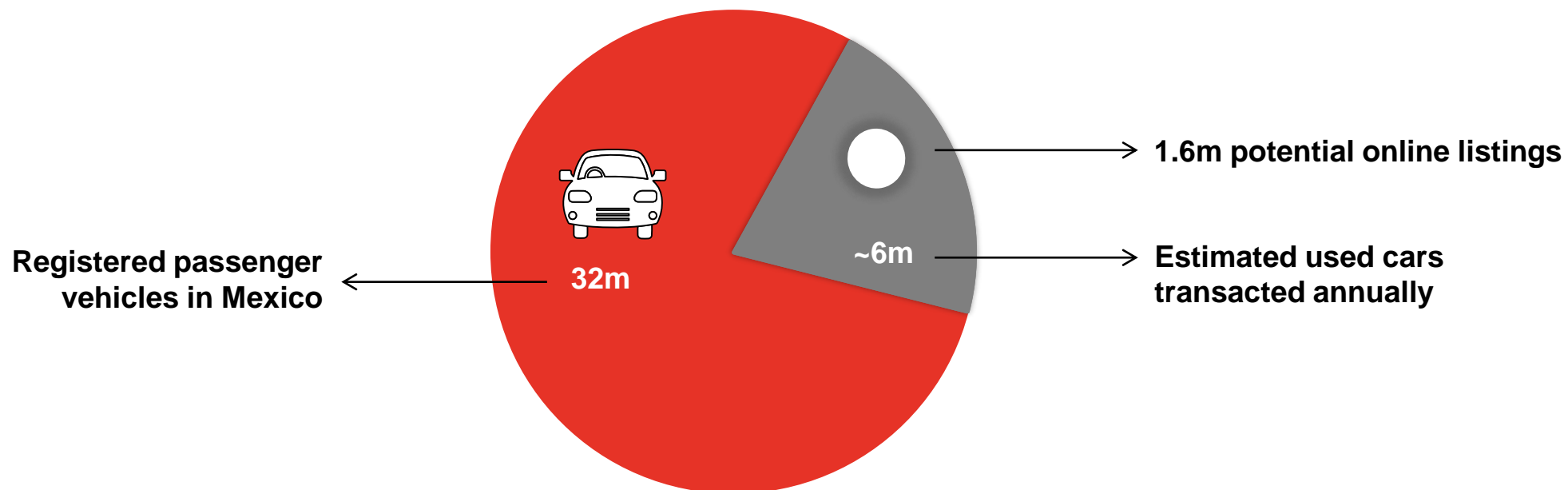
Undeveloped credit & insurance market

- Mexico credit and insurance penetration low compared to peers
- LAA is creating new finance products in conjunction with its funding partners. The traditional funding sources have been cash or consumer loans

Growth Driver #5 - Significant Addressable Market



Market Potential (Mexico)





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