



**1H16 Results**  
**Investor Presentation**  
August 2016








LatAm Autos is the leading dedicated online auto classifieds and content platform (ex Brazil) with operations in six countries across Latin America

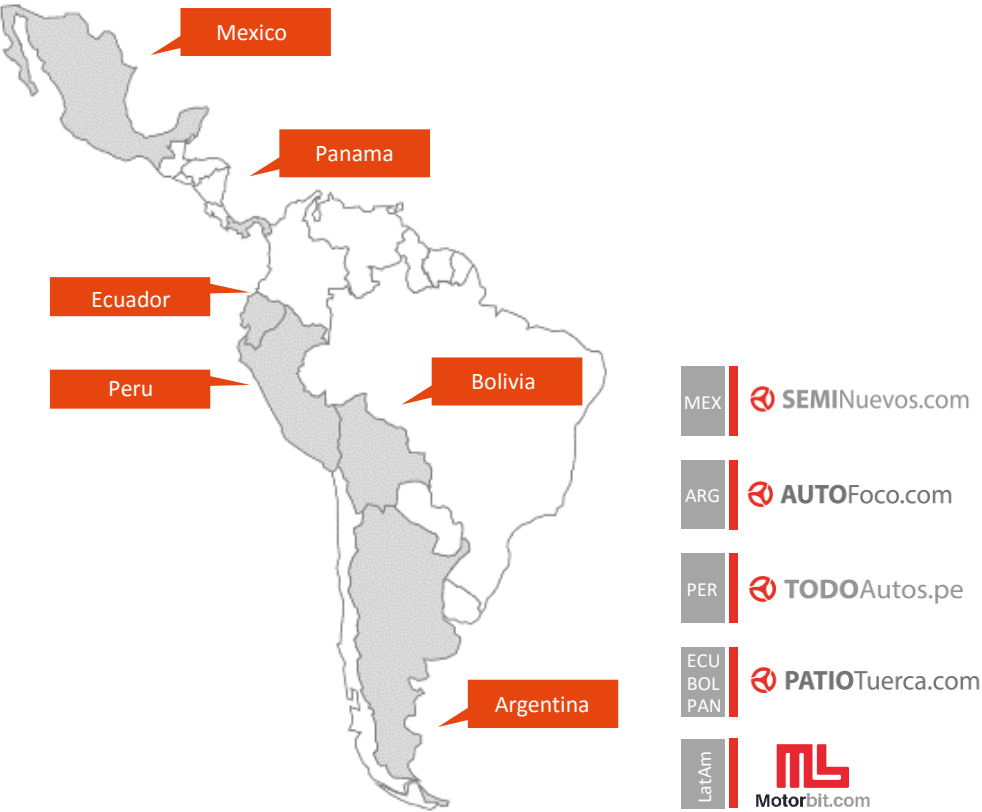
*“LatAm Autos an emerging giant...[the company] is rapidly growing to become the region’s dominant player for auto classifieds”*

*Classified Intelligence Report Jan-16*

 **1H 2016 Key Metrics vs pcp**

**Strong Cash Position: A\$12.7m as at Jun-16**

 <b>Revenue</b> A\$3.9 million (1H16) <b>+45%</b>	 <b>3,028 monthly Dealers</b> using LAA's Platforms <b>+93%<sup>1</sup></b>
 <b>Monthly Sessions</b> 10.0 million <b>+33%<sup>1</sup></b>	 <b>Monthly Unique Visits</b> 5.6 million <b>+15%<sup>1</sup></b>
 <b>Monthly Leads</b> 107,481 <b>+6%<sup>1</sup></b>	 <b>Social Media Followers</b> ~573,000 <b>+100%<sup>1</sup></b>
 <b>Listings</b> ~186,000 <b>+74%<sup>1</sup></b>	 <b>Total Email Subscribers</b> <b>1.6 million</b>



1. Y-o-y growth as at 30-Jun-16

# Key Highlights During 1H 2016



Mexico



Ecuador



Argentina



Peru



Panama



Bolivia



PTX Live



Motorbit.com



tableau  
SOFTWARE



SAP



salesforce

ERP-SAP Kick off

Launched new  
mobile app for  
consumers

Launch regional  
operations in Mexico

Launched PTX Live  
in Ecuador with  
favorable results

Free magazine  
launch in Mexico

Increase in call  
centre capacity

New Country Manager  
in Mexico commences

Monthly  
revenue record

Commence partnership  
to provide leads to  
financing company

2016

JAN

JUN

Offline marketing  
campaigns launched in  
major markets

Implementation of  
revised content/social  
strategy

Developing new  
markets: expanding into  
secondary cities

Successful magazine  
production and launch  
for both magazines in  
Ecuador and Peru

Successful rollout  
of PTX Live in all  
markets

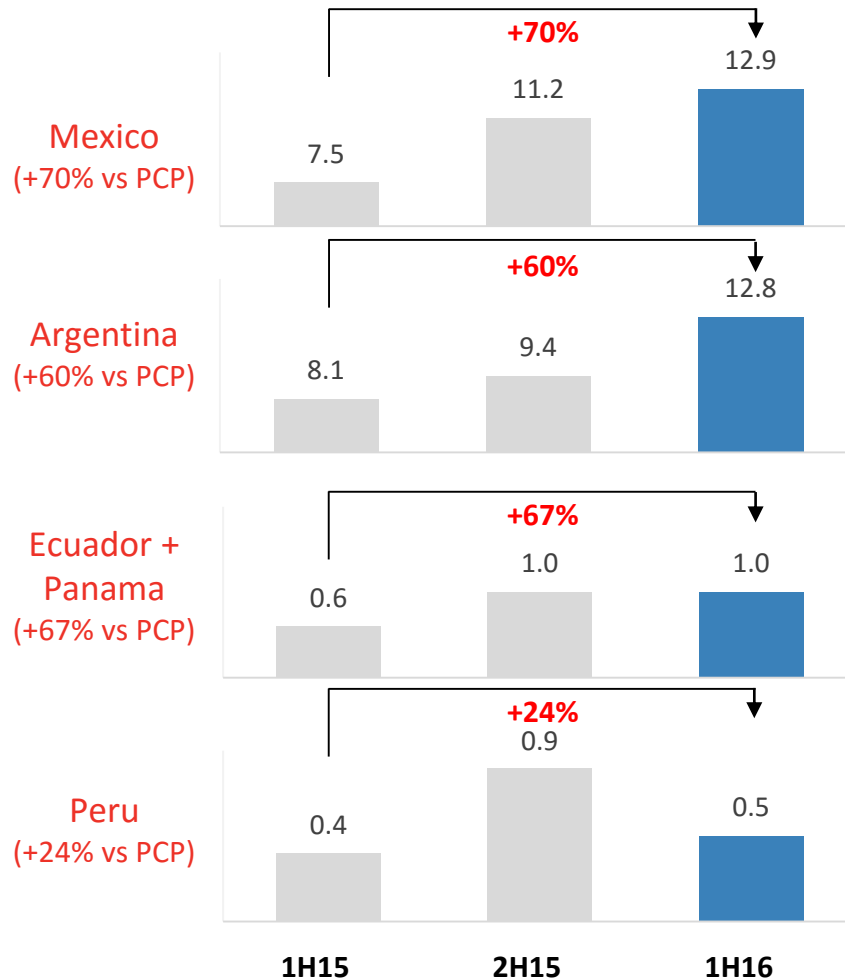
Launch of new  
mobile tools for  
dealers:  
MotorChat and  
MotorDealer

PTX Live improving  
traffic metrics: %  
bounce rate, time on  
site and page visits

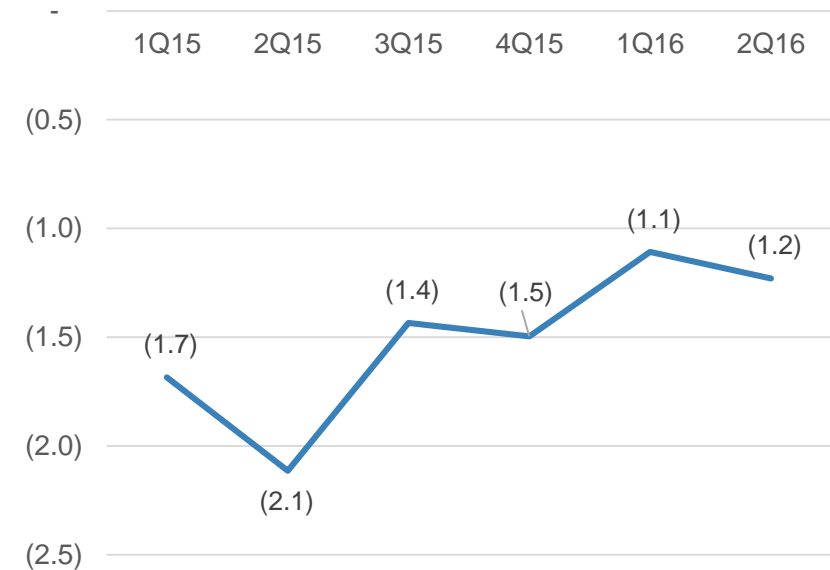
# Outstanding Revenue Growth Versus PCP In All Markets

Since IPO, LatAm Autos has achieved outstanding revenue growth in local currency, compared to the previous corresponding period (PCP) last year

## 1 Half Year Revenues<sup>1,2</sup> since IPO (Local Currency \$m)



## 2 EBITDAM<sup>3</sup> Evolution Since IPO (A\$m)

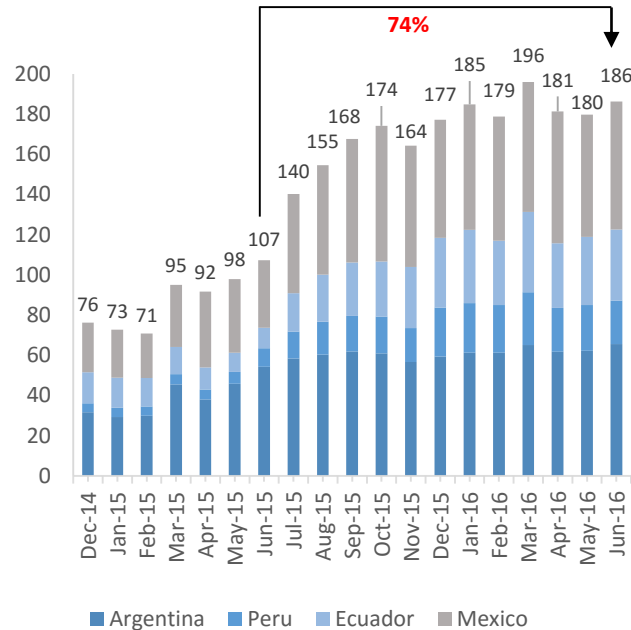


- EBITDAM improved by 38% in 1H16 (vs. 1H15)
- EBITDAM is a measurement that management uses to understand the underlying profitability of the company in the absence of discretionary marketing spend

# Strong Growth in Core Operating Metrics During 1H16

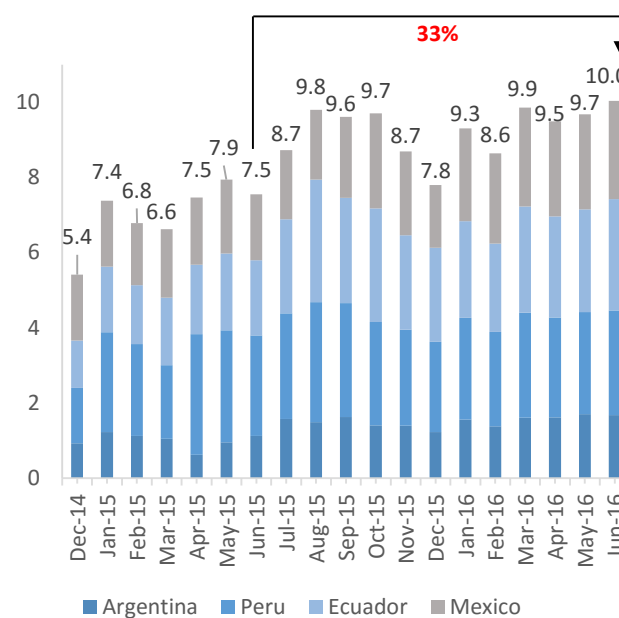
## LatAm Autos Continues Strong Growth on PCP in 1H16 Across Core Operating Metrics

### 1 Vehicle listings ('000)<sup>1</sup>



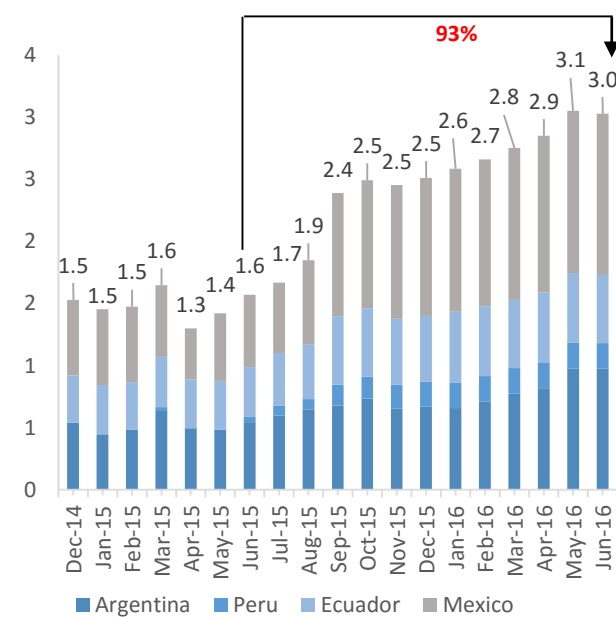
- Total listings have grown **74%** vs PCP

### 2 Website visits (million)<sup>1,2</sup>



- Website traffic has increased **33%** vs PCP

### 3 Dealers using LAA platforms ('000)<sup>1</sup>



- Total dealer base has increased **93%** vs PCP

1. Ecuador includes traffic and listings from Patiotuerca in Bolivia and Panama, PCP refers to month of June in 2015 and 2016  
 2. Sessions includes mobile App and YouTube traffic



# Dealer Customers Increased 93% y-o-y as of June

1

Total Dealers as at June 2015



2

Total Dealers as at June 2016





## P&L (A\$ '000)

	1H 2015	1H 2016
Revenue	2,702	3,911
Marketing expenses	(1,177)	(3,698)
Employee benefits expense	(3,452)	(3,554)
Other expenses	(2,952)	(2,525)
<b>Total Expenses</b>	<b>(7,581)</b>	<b>(9,946)</b>
<b>EBITDA</b>	<b>(4,879)</b>	<b>(6,035)</b>

- 1H 2016 Australian dollar revenue growth of 45% on PCP, despite an Argentinian Peso devaluation of 35% in the period
- Operating expenses increased by a lower rate of 31% over the same period
- This included an increase in marketing expenses of 214% which occurred once the technology of the different businesses was migrated to a single platform

## Cash Flow (A\$ '000)

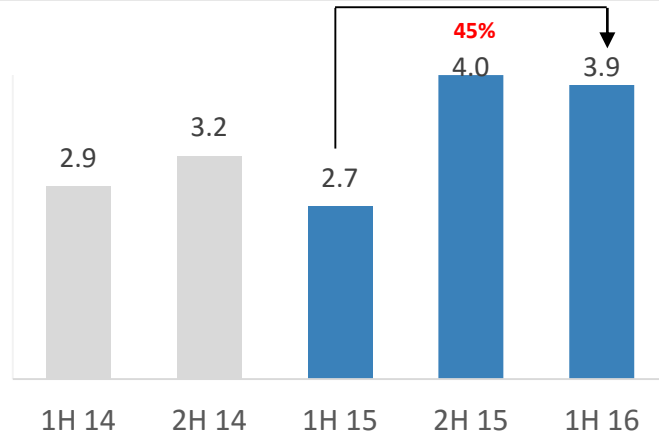
	1H 2015	1H 2016
Cash inflows from operations	3,349	3,508
Cash outflows from operations	(7,319)	(10,021)
<b>Net operating cash flows</b>	<b>(3,970)</b>	<b>(6,513)</b>
<b>Cash position</b>	<b>8,676</b>	<b>12,706</b>

- Strong cash position
- Increase cash outflows from operations in 1H 2016 due to increased headcount from 1H 2015 to 1H 2016 and greater marketing spend in 1H 2016, as the company was in the process of migrating various IT platforms to its proprietary PTX platform in 1H 2015

# Revenue Composition Evolving as LAA Matures

In A\$ LAA's revenue growth ranged from 16% to 80% in each territory

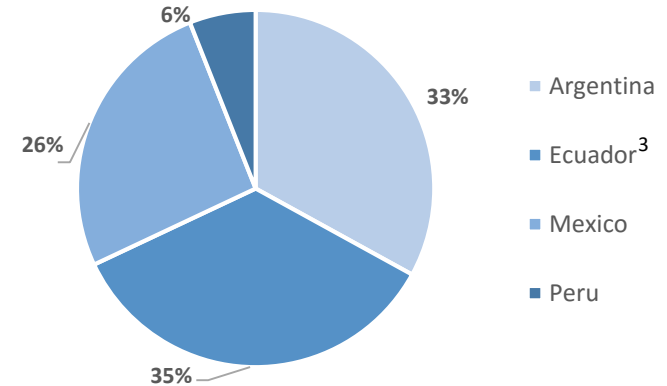
## 1 Half Year Revenue Evolution (A\$m)



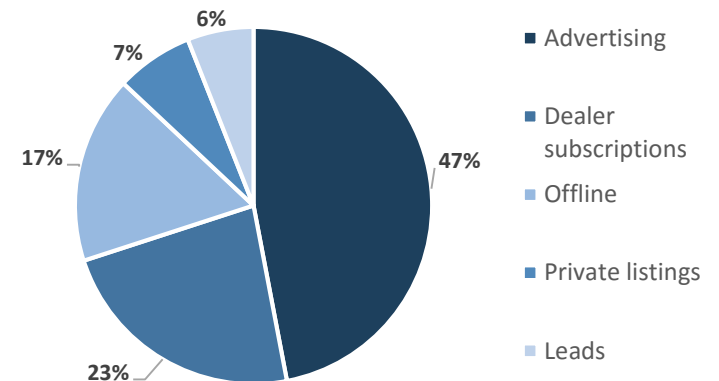
## 2 Revenue in (A\$m)<sup>1,2</sup>

Revenue (A\$m)	1H 2014	2H 2014	1H 2015	2H 2015	1H 2016	Δ% 1H '16 vs. '15
Mexico	0.8	0.8	0.6	0.9	1.0	55%
Argentina	1.3	1.1	1.1	1.3	1.2	16%
Ecuador <sup>3</sup>	0.7	1.0	0.7	1.3	1.3	80%
Peru	0.2	0.2	0.2	0.4	0.2	24%

## 3 1H16 Revenue Breakdown by Country (%)



## 4 1H16 Revenue Breakdown by Type (%)



Note: 2014 figures are unaudited proforma financials, for comparison purposes only and were calculated assuming all businesses owned 100% throughout 2014

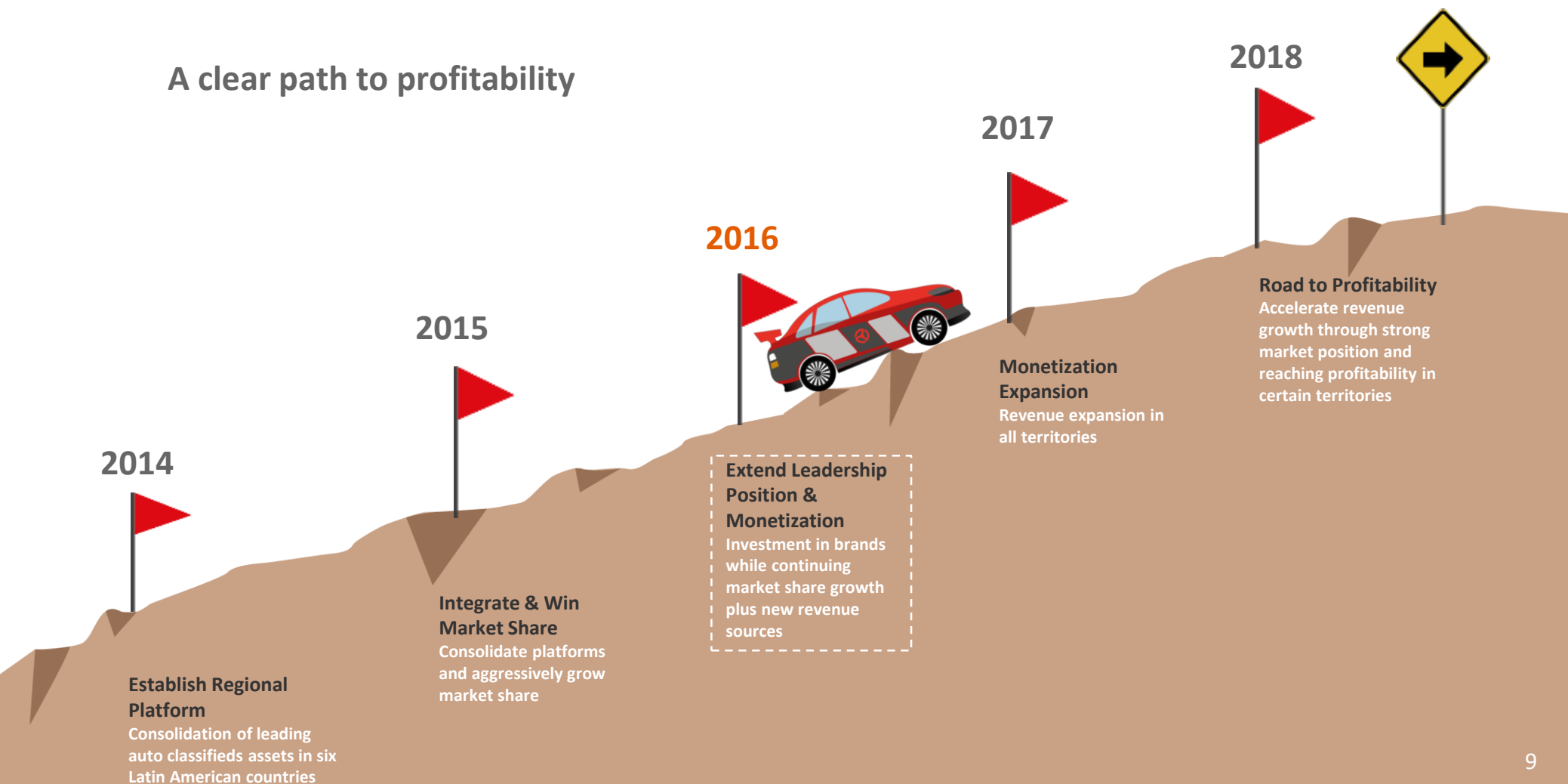
1. Certain numbers may not add up due to rounding

2. Growth rates calculated using exact numbers, which are rounded to 1 decimal place in this presentation

3. Includes Ecuador and Panama for the purposes of this analysis

# BUSINESS OVERVIEW

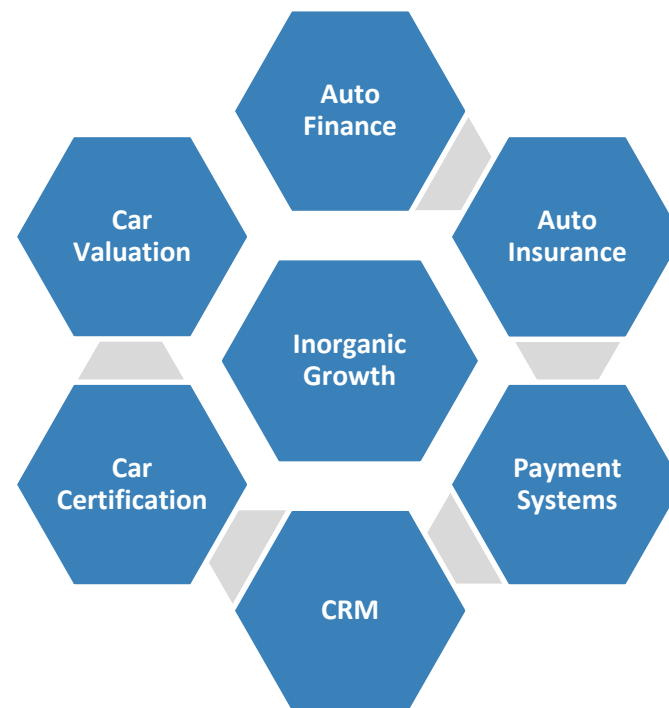
## A clear path to profitability



## Current Revenue Streams

<b>Automotive Dealers</b> <ul style="list-style-type: none"> <li>• Subscription service</li> <li>• Advertising</li> <li>• Depth products</li> </ul>	<b>Private Listings</b> <ul style="list-style-type: none"> <li>• Listing fees</li> <li>• Depth products</li> </ul>
<b>General Advertising</b> <ul style="list-style-type: none"> <li>• Display banners</li> <li>• Content and premium content generation</li> <li>• Communication tools</li> </ul>	<b>Offline Classifieds + Content</b> <ul style="list-style-type: none"> <li>• Magazine revenue</li> <li>• Advertising through Motorbit content webpage</li> <li>• Listing fees</li> </ul>
<b>Lead Generation</b> <p>Pay per lead from:</p> <ul style="list-style-type: none"> <li>• OEM Manufacturers</li> <li>• New Car Dealers</li> <li>• Finance + Insurance Companies</li> </ul>	

## New Revenue Streams 2016 Onwards





LatAm Autos (LAA) is committed to providing **leading edge mobile technology** solutions to its users



70% of smart phone users (and growing) in Latin America use instant messaging apps, the **highest rate** in the world



Through PTX Live, LAA now has **live chat functionality** among its portfolio of websites to revolutionize how marketplace users interact in **real time**



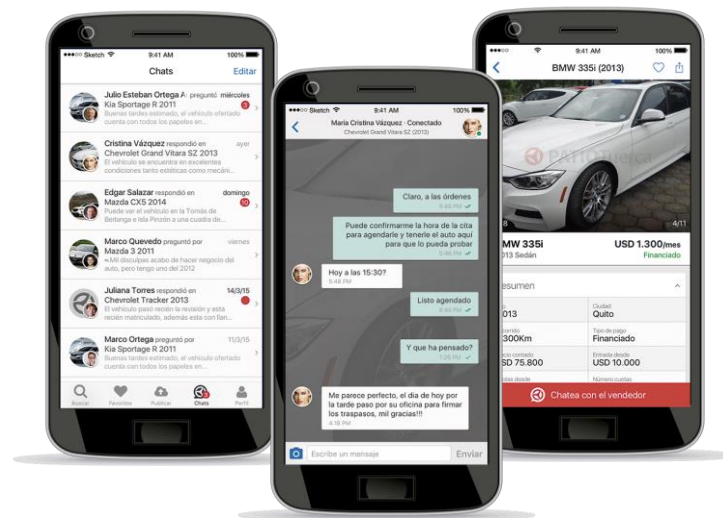
In Mexico, by 2020 75% of all digital advertising will be mobile advertising



Messaging apps have 4.7x the daily sessions of other regular apps

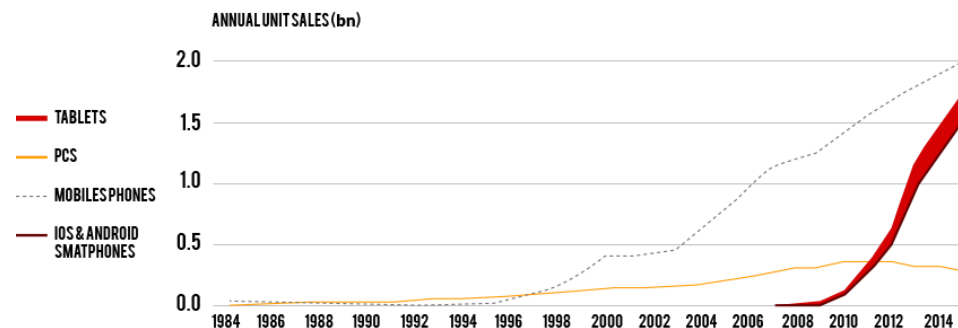


Six of the top ten most popular mobile Apps are now messaging apps



## MOBILE IS EATING THE WORLD

(And tablets add a quarter-billion more)





# Unique Real Time Chats Now Represent Over Half Of All Leads



**64K**

**Vehicles** have been negotiated during 4 months through PTX Real Time



**123K**

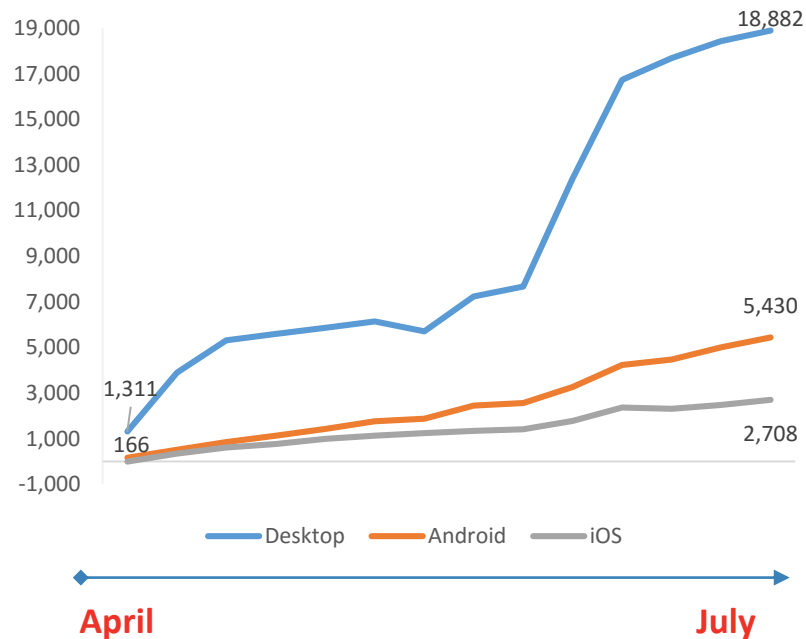
**Users** have chatted



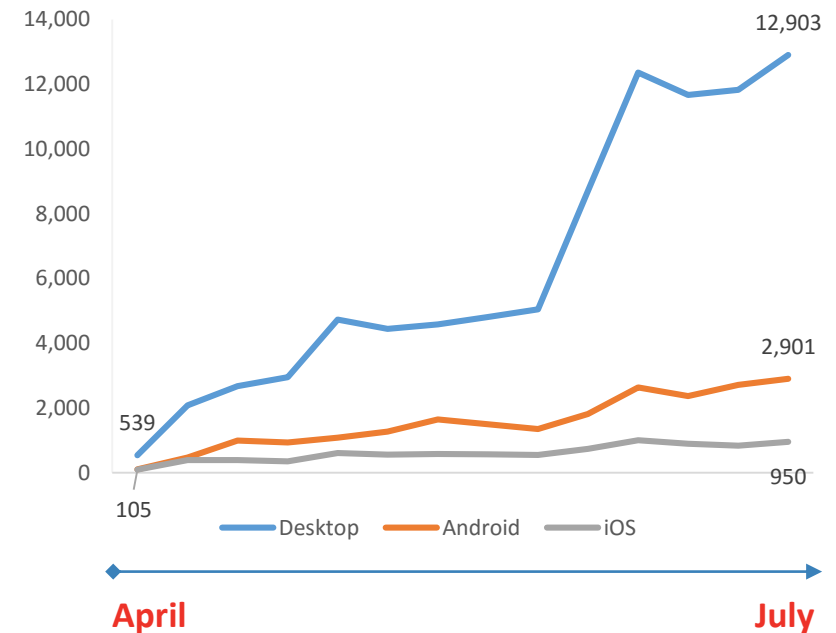
**65M**


**Minutes** in chat sessions

## Buyers and sellers presence on PTX Real Time (Weekly)



## Real Time chats per week



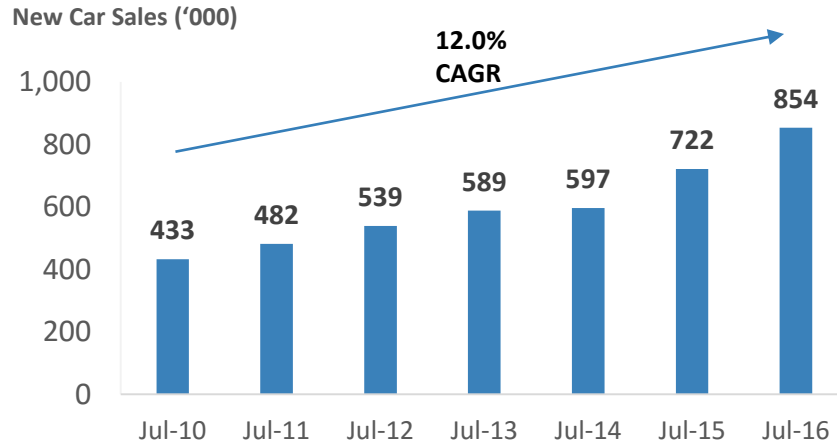


*Satellite picture taken looking north over the Andes mountain range in Argentina and Chile, from Punta Arenas and Falkland Islands up to Santiago, Buenos Aires and Montevideo*

# MARKET INFORMATION

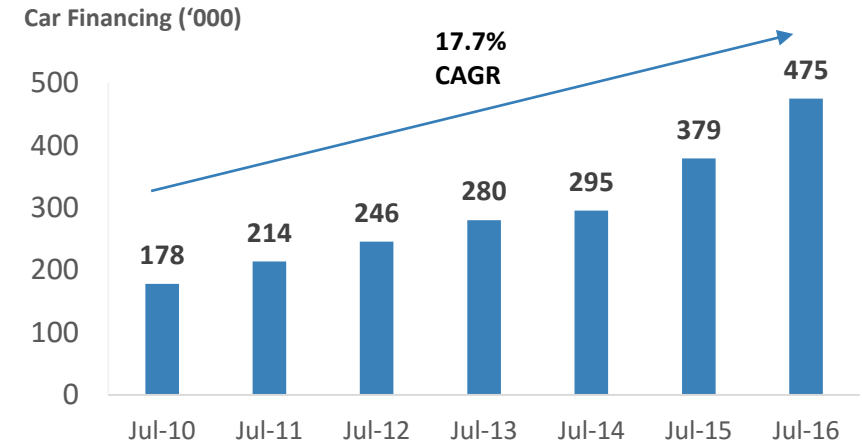
## Mexico Light Vehicle New Car Sales Growing Strongly<sup>1</sup>

(Accumulated sales as of July of each year)

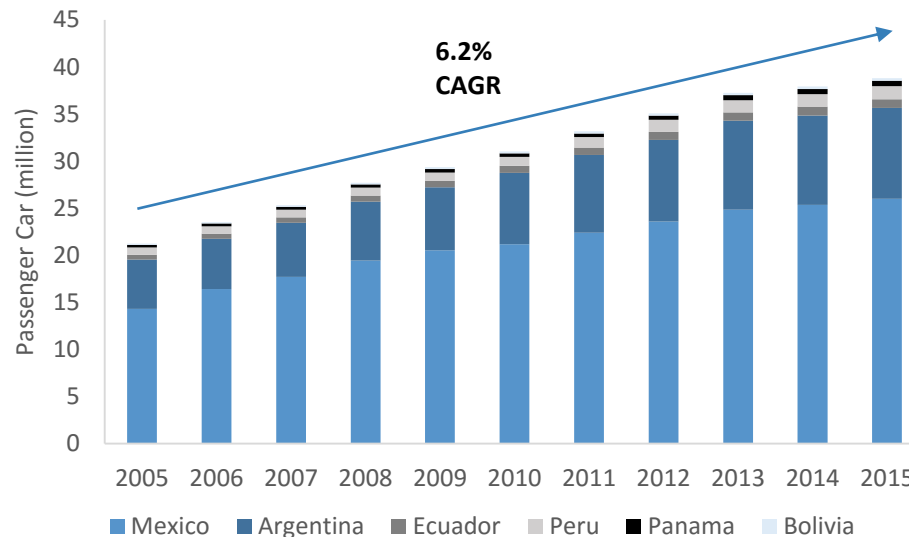


## Auto Financing in Mexico Increased 25% as of Jul-16<sup>1</sup>

(Accumulated financing as of July of each year)



## Growing Number of Passenger Cars in Use<sup>2</sup>



## LatAm Autos' Largest Market is Poised for a Consumer Boom and Digital Market Expansion



- "Digital ad spending in Latin America is set to reach new heights this year, according to eMarketer's latest forecast for ad spending around the world. In Mexico, for example, digital will account for nearly a quarter of total media ad spending this year" -2016
- "Total media ad investments will rise faster in Latin America than in any other region worldwide through 2019, according to the latest eMarketer forecast of ad spending around the world"
- "Peru is also home to the fifth-biggest internet user market in Latin America"
- "Digital ad spending in Mexico is set to rise by double-digit rates through at least 2019"



- "Fitch projects private consumption to rise thanks to lower inflation of just 3%" [Mexico]



- "Years of economic stability are translating into bullishness over the future among surveyed consumers" [Mexico]



## Macro Trends

- LAA is exposed to a huge population, ten times larger than Australia
- GDP per capita in most of LAA's markets is driving high growth in passenger vehicles ownership
- Total vehicles per capita very low versus Australia and USA



## Connectivity

- LAA offers a large population of internet users, around six times that of Australia's
- Smartphone and internet penetration are at an early stage, acceleration of internet penetration expected to be much faster than developed markets due to accessibility of mobile devices



## Used Car Market

- In 2015, LAA estimated total used car market size reached A\$13.1 billion
- Carsales.com in Australia currently captures 10 to 12% of all used car market related income<sup>1</sup>

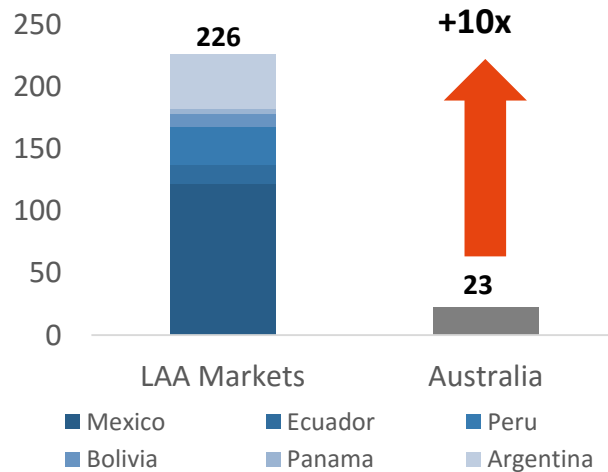


## Advertising Market

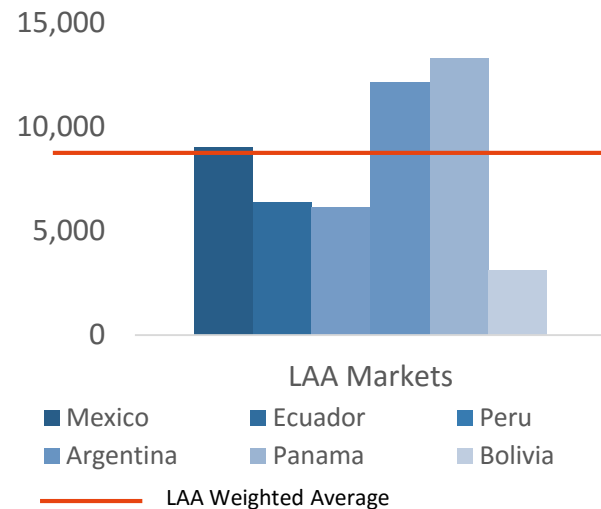
- LAA is exposed to a regional automotive advertising market of A\$ ~1.8 billion, the fastest growing advertising market in the world
- 17 out of the top 100 companies in the world by advertising expenditure are auto companies<sup>2</sup>
- Carsales.com in Australia currently has around 18% of market share in online automotive advertising<sup>1</sup>

# Market Opportunity – Macro Trends

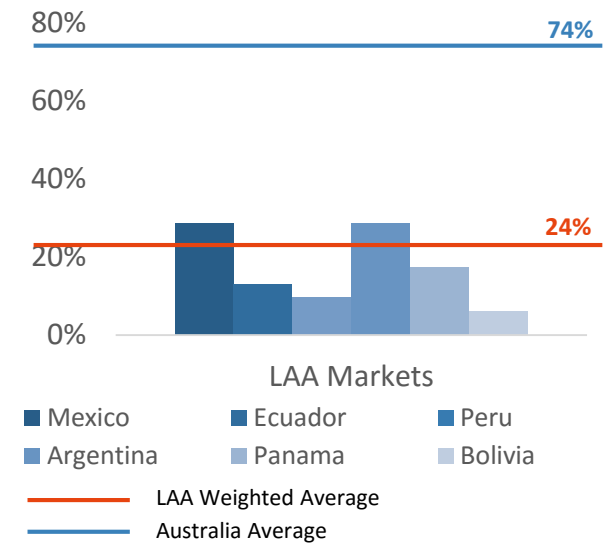
## 1 2015 Population (m)



## 2 GDP per Capita (US\$)

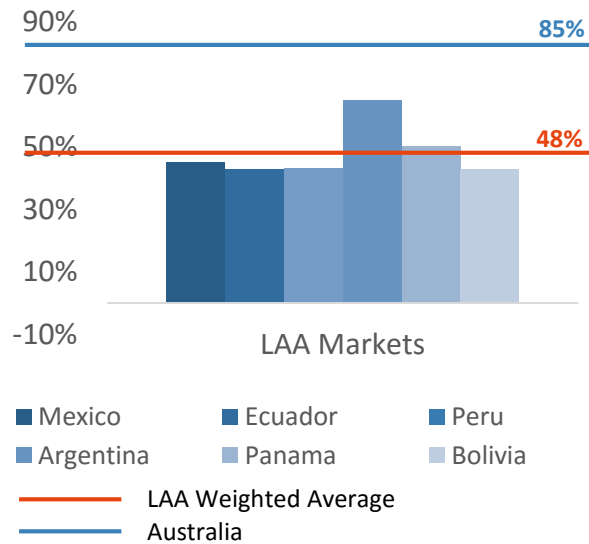


## 3 Car Penetration

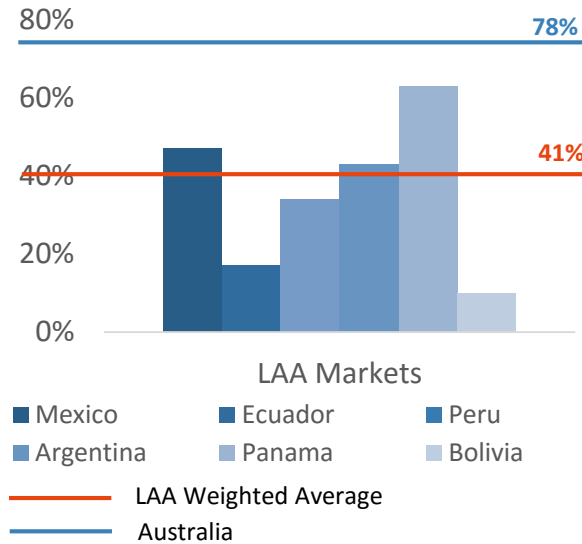


- Population in the countries in which LatAm Autos operates is around 10x larger than Australia's population
- LAA's weighted average GDP per Capita of ~US\$ 9,000 is almost double the US\$5,000 threshold that indicates an economy's vehicle ownership enters a high growth stage<sup>1</sup>
- Low car penetration in LAA's markets (24%) offers huge room for expansion compared to Australia's (74%)

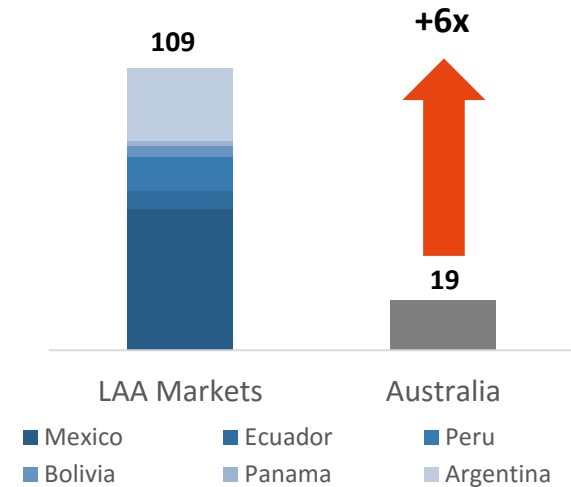
## 1 Internet Penetration 2014



## 2 Smartphone Penetration



## 3 Internet Users (million)

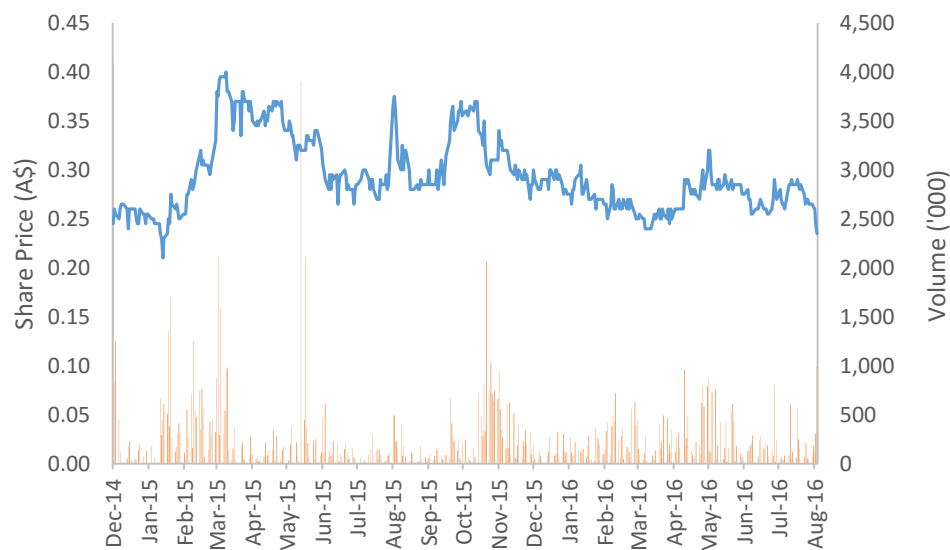


- Internet and smartphone penetration in LAA's markets are at an early stage compared to Australia's, accelerated growth is expected to close the gap in the following years
- LAA has a population of internet users of around six times greater than Australia's

## APPENDIX



## LAA share trading since IPO



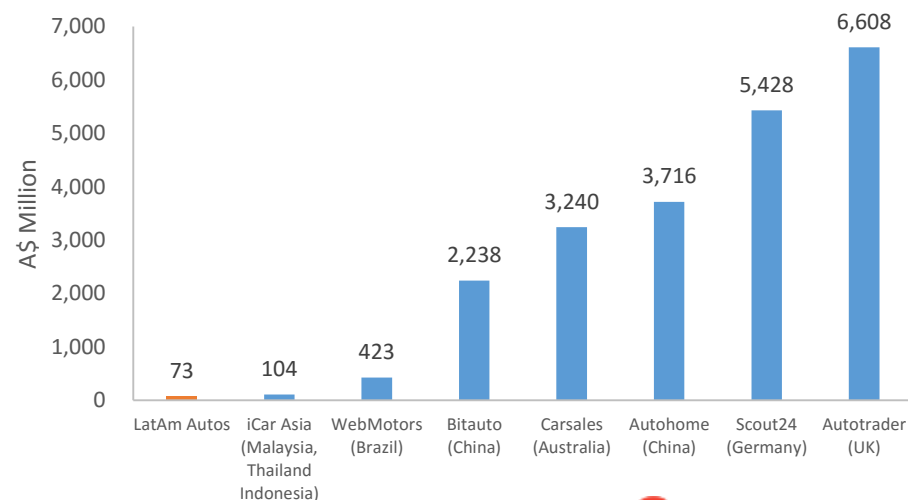
## Directors

	<b>Tim Handley</b> <ul style="list-style-type: none"> <li>Co-Founder and Executive Chairman</li> <li>14 years entrepreneurial, M&amp;A (Gresham &amp; UBS), equity and debt capital markets experience (including 7 years in Latin America)</li> </ul>
	<b>Michael Fitzpatrick</b> <ul style="list-style-type: none"> <li>Independent Non-Executive Director (NED)</li> <li>Founded Hastings Funds Management, NED Carnegie Wave Energy, Director at Infrastructure Capital Group, Chairman Pacific Current Group, Commissioner and Chairman of the Australian Football League</li> </ul>
	<b>Simon Clausen</b> <ul style="list-style-type: none"> <li>Independent Non-Executive Director (NED)</li> <li>Over 17 years experience in high growth technology businesses in both Australia and the United States</li> <li>Founder and CEO of PC Tools, founding investor and NED of freelancer.com</li> </ul>
	<b>Colin Galbraith</b> <ul style="list-style-type: none"> <li>Independent Non-Executive Director (NED)</li> <li>Special Advisor to Gresham Partners. Chairman of CARE Australia, previously a Director of Commonwealth Bank of Australia</li> </ul>

## Key statistics

ASX code	LAA
Share Price (19-Aug-16) (\$A)	\$0.235
52 week high/low (\$A)	\$0.38/0.21
Issued capital	308.2m
Market Capitalization (\$A)	\$72.9m
Net cash (30-Jun-16) (\$A)	\$12.7m
Enterprise Value (\$A)	\$60.2m
Average daily volume (3-month)	184k shares

## Valuations of online auto classifieds businesses globally








Source: ASX, Yahoo Finance and internal information

Note: Valuations based on market cap. for listed companies as of 19-Aug-16. For WebMotors, latest available average broker valuation used



## LatAm Autos' Latin American-based management team has unrivalled experience in founding, developing and monetising dominant online classifieds businesses in Latin America

 <p>Jorge Mejía Ribadeneira <i>CEO</i></p>	<ul style="list-style-type: none"> <li>• Experienced Latin America digital media executive with 15 years' experience</li> <li>• Founder of multitrabajos.com, Ecuador's foremost jobs search engine, acquired by Navent (Tiger Global)</li> <li>• Led the successful acquisition of five different Latin American based online classified sites as Regional Vice President of Navent</li> <li>• As Founder &amp; CEO of Grupo Centrico, founded Evaluar.com (Latin America's leading HR evaluation company) and Seguros123.com (online insurance comparison portal), as well as the successful acquisition and integration of PatioTuerca.com and Vive1.com</li> </ul>
 <p>Gareth Bannan <i>Co-Founder and CFO</i></p>	<ul style="list-style-type: none"> <li>• Twelve years M&amp;A, capital markets and financial management experience (including five years in LatAm)</li> <li>• Prior to LatAm Autos, Director of Chestnut Partners, a South American corporate finance firm based in Sao Paulo, Brazil</li> <li>• Former head of corporate finance for the investment company that owns one of Brazil's largest online property classifieds</li> <li>• Previously at KPMG Corporate Finance and Rabobank in Australia</li> <li>• Substantial operational and advisory experience with online classified companies in numerous LatAm markets</li> </ul>
 <p>Ariel Cilento <i>COO</i></p>	<ul style="list-style-type: none"> <li>• Prior to joining LatAm Autos, Ariel was the Mexican country manager for Dridco, one of Latin America's leading digital media companies with online classifieds for autos, jobs and real estate, where he was responsible for the start-up and development of Dridco in Mexico.</li> <li>• Since setting up the business in 2009, revenues grew to US\$4.5m in 2013 and the business achieved a consolidated audience of more than 5.5m visits per month.</li> <li>• Prior to Dridco Ariel was the Vice President and Country Manager for Bumeran.com, a leading online employment classifieds business in Latin America.</li> </ul>
 <p>Jacobo Moreno <i>CTO</i></p>	<ul style="list-style-type: none"> <li>• Responsible for LatAm Autos' technology platform across all geographies</li> <li>• Recognised as one of the leading tech entrepreneurs in Ecuador, Jacobo Moreno was the CTO of Grupo Centrico, responsible for the development of four unique product lines, R&amp;D, user experience, and new product development</li> <li>• Founder of PatioTuerca.com, the largest car classified portal in Ecuador, Bolivia and Panama</li> <li>• Also founded and managed Vive1.com, one of Ecuador's leading real-estate portals</li> </ul>
 <p>Jose Luis Checa <i>CBO</i></p>	<ul style="list-style-type: none"> <li>• Responsible for the development and control of the operations of LatAm Autos</li> <li>• Economist and lawyer with 15 years of experience in the banking industry</li> <li>• Managed finance and administrative departments for Ecuador's largest bank, Banco Pichincha</li> <li>• Led important mergers and acquisitions in Ecuador and Latin America</li> </ul>

## Motorbit Key Highlights During 1H 2016

- During 1Q16 LAA launched Motorbit's printed magazines in Mexico, Peru and Ecuador with ~150k monthly copies
- Magazines assisted in increasing LAA's brand awareness in the automotive industry
- 2,354 articles have been created for Motorbit using LAA's in-house content team (Jan-Jul '16)
- From January to July, Motorbit's sessions have increased 84% and users 88%
- Created own innovative audiovisual content through a social media strategy
- We set a new record reaching 2 million people in one of our audiovisual contents
- Designed and implemented a targeted content distribution strategy by analyzing our community engagement



# Comparison to key peers



LatAm Autos trades at a 80% discount to WebMotors average broker valuation and at a 63% discount to iCar Asia's market capitalisation



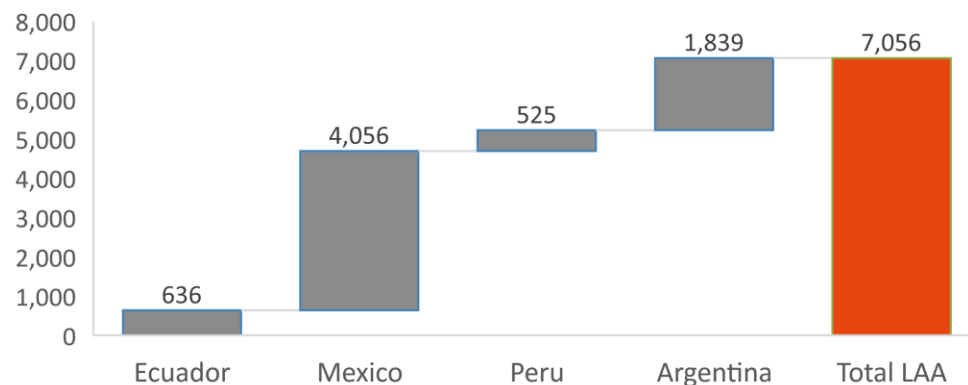
Countries of operation	Mexico, Argentina, Ecuador, Peru, Panama, Bolivia	Malaysia, Thailand, Indonesia	Brazil	Australia	19
Number of languages	1	3	1	1	Various
Combined population 2015 (m)	226	354	204	24	829
FY15A revenue (A\$m)	6.7 <sup>2</sup>	6.3	39.5	235.4	\$3.5m <sup>2</sup>
Number of listings ('000s) <sup>3</sup>	186	400	276.6	225.6	1,162
Monthly unique visits (m) <sup>4</sup>	5.6	5.3	7.7	1.4	17.8
Market size (auto-ad.) (US\$m) <sup>5</sup>	~1,200	~1,900	~2,000	~1,100	n/a
Annual growth in passenger cars in use <sup>7</sup>	7.3%	8.1%	6.9%	2.4%	6.4% <sup>8</sup>
Internet penetration <sup>7</sup>	48%	39%	58%	85%	Generally <40%
GDP per capita 2014 (A\$) <sup>7</sup>	11,594	6,726	16,499	89,747	<US\$5,000
Market capitalisation (A\$m)	76	102	465 <sup>6</sup>	3,267	103 <sup>9</sup>
Enterprise value (A\$m)	60	84	376 <sup>6</sup>	3,470	70
EV / revenue (CY16E)	5.9x	10.8x	na	9.7x	20.1x <sup>10</sup>

Sources: CIA Factbook, Statista, eMarketer, World Bank, Internet World Stats, OICA, Carsales company information, Carsales FY15A investor presentation, FactSet as at 19 August 2016

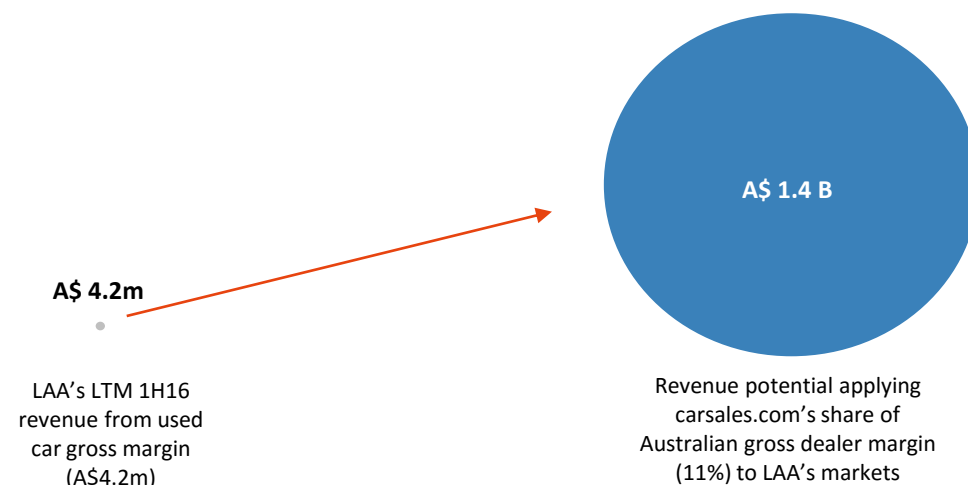
Note: 1: For primary Australian market only, 2: Represents CY15A, 3: Listings for LAA as at Mar-16, as at Dec-15 for WebMotors, ICQ as at Jan-16, as at Jan-16 for Carsales, as at May-16 for FDV 4: As at Mar-16 for LAA, Dec-15 for WebMotors, Jan-15 for ICQ, Carsales: includes Motoring.com.au traffic (Company media release Apr-15) and Carsales traffic (31-dec-15 half year results presentation), 5: Based on global average of 10% of total media spend, 6: Based on an average of broker valuations grossed up to 100% value (Ord Minnett, Deutsche Bank, Morgan Stanley, Commsec). (USD/AUD 0.76), 7: Represents a weighted average, 8: FDV CAGR from 2005-14, 9: As per prospectus, 10: EV / revenue CY15A

# Market Opportunity – Used Car Revenue Potential

## 1 Total Used Car Sales in LAA's Markets 2015 ('000)<sup>1,2</sup>



## 2 Potential Used Car Revenue Opportunity (A\$m)



## Used Car Sales Market Opportunity (Revenue)

	2015
Used Car Sales in LAA's Markets ('000) <sup>2</sup>	7,056
Average Car Price (A\$) <sup>3</sup>	\$16,171

Total Transaction Value (A\$ Billion) \$114.1

Average Used Car Margin (8%-15%)<sup>4</sup> 11.5%

Annual Used Car Market Margin (A\$B) \$13.1

LTM 1H16 LAA's used car related revenue (A\$m) \$4.2<sup>5</sup>

LAA's revenue potential assuming LAA reaches same share of gross dealer margins as carsales.com.au in Australia (10-12%)<sup>6</sup> A\$1.3 B to A\$1.6 B

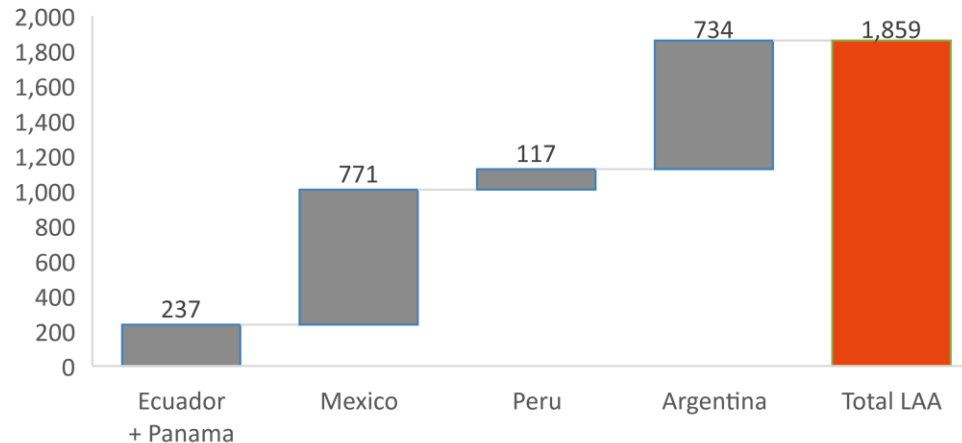
New car sales source: For Argentina - ADEFA, AMDA – Mexico, OICA – Peru, Bolivia and Ecuador (2H 2015 was forecasted by LAA) and ADAP – Panama

1. Ecuador's used car sales, include Bolivia and Panama's
2. Used car sales calculated as 3 used cars per each new car sold
3. Based on weighted average of LAA's listings
4. Based on industry LAA estimates from customer surveys
5. Includes revenues from subscriptions to dealers, private listings, autofoco magazine and other
6. iCar Asia's 1H 2015 Investor Presentation (CarSales.com owns 20.2% of iCar Asia)

# Market Opportunity – Advertising Revenue Potential

*“Latin America has the fastest-growing Ad Market” – eMarketer 2015*

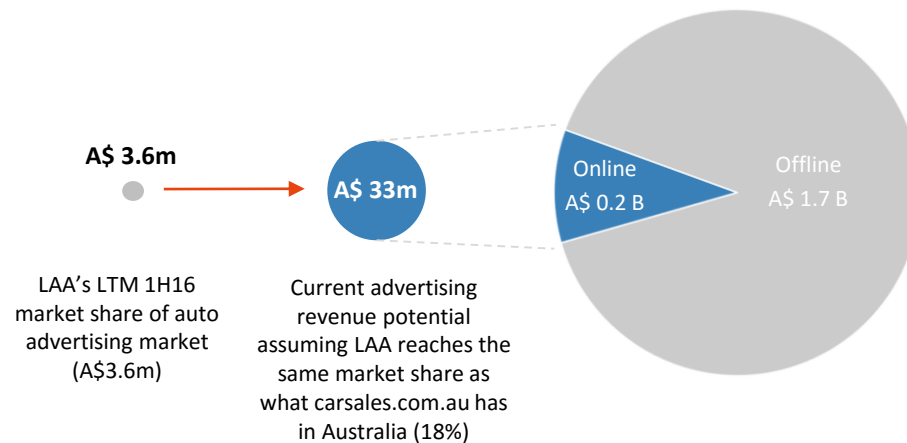
## 1 Estimated Regional Automotive Ad Spend for 2015 (A\$m)<sup>1</sup>



## 2 Potential Advertising Revenue Opportunity (A\$m)

Online auto advertising: Short term market share opportunity

Total auto advertising market: Longer term opportunity as migration from offline to online accelerates



## Advertising Market Opportunity

	2015
LAA's Total Regional Ad Spend (A\$m)	18,597
Total Regional Automotive Ad Spend (A\$m)	1,859
Online Share of Ad Spend <sup>2</sup>	10%

Total Current Regional Automotive Online Ad Spend (A\$m)	186
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<b>LTM 1H16 LAA's Ad Revenue (A\$m)</b>	<b>\$3.6</b>
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<b>LAA's revenue potential based on CarSales.com (AU) current market share @ 18%<sup>3</sup></b>	<b>A\$33m</b>
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Sources: Statista and eMarketer. FX rate (USD:AUD – 0.69)

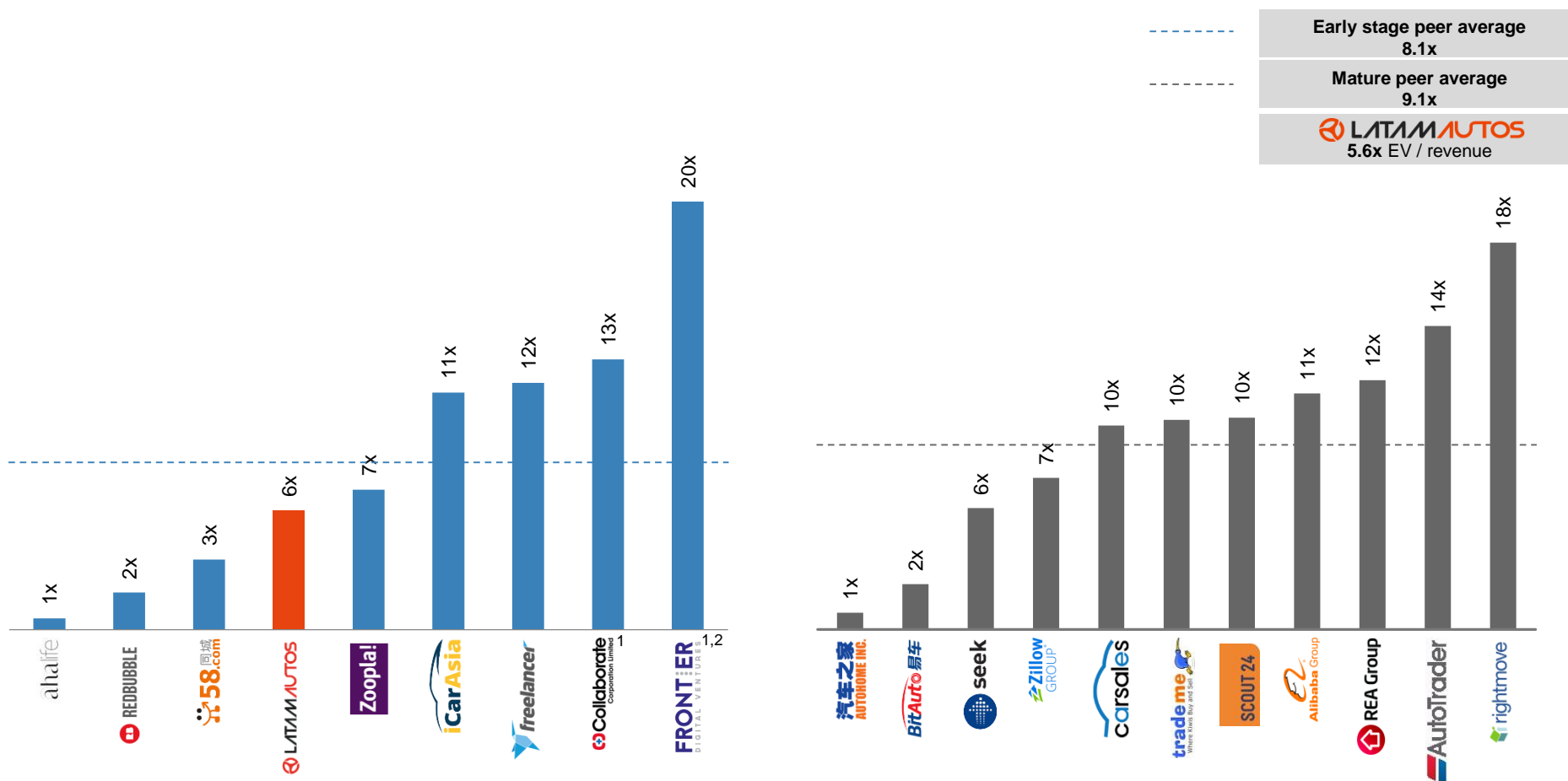
1. Automotive Advertising: 10% of total Advertising (industry average)
2. Frost & Sullivan Report
3. iCar Asia's 1H 2015 Investor Presentation (CarSales.com owns 20.2% of iCar Asia)

LatAm Autos trades at a **45% discount** to its closest peer iCarAsia, **70% discount** to Frontier Digital Ventures, and at a **31% discount** to the early stage peer group average

EV / revenue multiples (CY16E)

## Early stage / high growth online companies

## Mature online companies



Source: FactSet as at 19 August 2016

Notes: 1: Multiples based on CY15A revenue due to lack of forecast financials. 2: Enterprise value as per prospectus



LATAMAUTOS