



**PAC Partners Technology Investor Forum**  
**LatAm Autos (ASX: LAA)**  
September 2016



- The number #1 **dedicated online auto classifieds and content platform in Latin America (ex Brazil)** with operations in six countries
- Management team has **unrivalled experience in founding, developing and monetising online classifieds businesses** in Latin America
- Strong shareholder register and **well aligned Board and management team** (combined shareholding of c. 43%)
- Significant growth in intellectual property with **56 products launched in 2015 alone**
- **Clear path to profitability** with strong investment in key regional markets to date
- **Attractive macroeconomic fundamentals** underpin long term growth of the Latin America auto classifieds industry

**THE LEADING LATIN AMERICA BASED ONLINE AUTO CLASSIFIEDS  
AND CONTENT PLATFORM WITH A CLEAR PATH TO PROFITABILITY**

LatAm Autos is the leading dedicated online auto classifieds and content platform with operations in six countries in Latin America – Mexico, Argentina, Ecuador, Peru, Panama and Bolivia

## Company overview

- The #1 dedicated online auto classifieds and content platform in Latin America (ex Brazil) with operations in six countries
- Management team has a strong track record of local digital technology success and is based in country
- Significant growth in intellectual property with 56 products launched in 2015
- Strong shareholder register with well aligned board and management team (~43% shareholding)

## Financial information

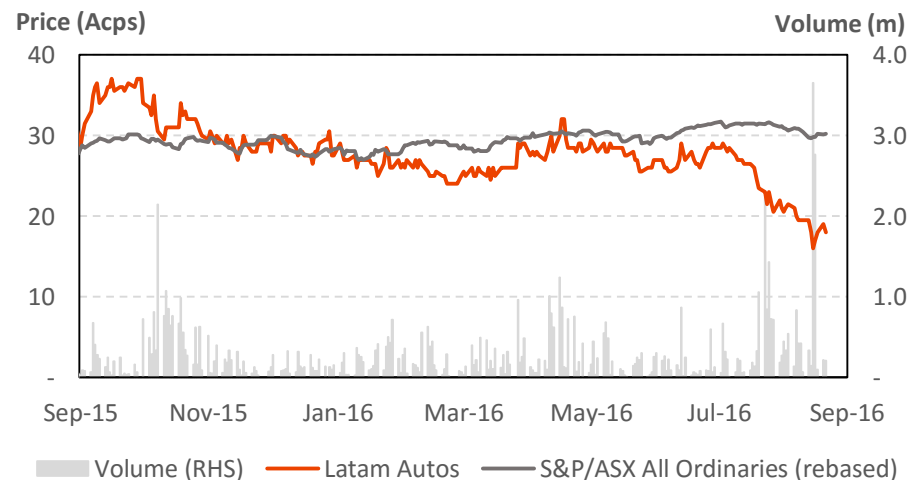
Share price (23-Sep-16)	A\$0.18
Number of shares <sup>1</sup>	310.3m
<b>Market capitalisation</b>	<b>A\$55.8m</b>
Cash (30-Jun-16)	A\$12.7m
Debt (30-Jun-16)	Nil
<b>Enterprise value</b>	<b>A\$43.1m</b>

<sup>1</sup> As at 30 June 2016, includes escrowed securities

## Top shareholders

<b>Tim Handley, Gareth Bannan</b> <i>Founders of LatAm Autos</i>	16.2%
<b>Michael Fitzpatrick</b> <i>Non-Executive Director</i>	12.1%
<b>Simon Clausen</b> <i>Non-Executive Director</i>	8.5%
<b>New York based investment manager</b>	4.4%
<b>Jorge Mejía Ribadeneira</b> <i>Co-Founder and Chief Executive Officer</i>	3.5%
<b>Jacobo Moreno</b> <i>Chief Technology Officer</i>	2.0%

## Share price performance



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

- Highly credentialed and well aligned board and management team with ~43% shareholding
- Management team located in-country and has an extensive track record of building successful digital businesses in Latin America

## Board of directors



**Tim Handley** - *Executive Chairman*

- Co-Founder and Executive Chairman
- 14 years entrepreneurial, M&A (**Gresham Partners & UBS Investment Bank**), equity and debt capital markets experience (including 7 years in Latin America)



**Michael Fitzpatrick** - *Non-Executive Director*

- Founded **Hastings Funds Management**
- Director of **Carnegie Wave Energy (ASX: CWE)**, **Infrastructure Capital Group**, Chairman **Pacific Current Group (ASX: PAC)**, Commissioner and Chairman of the **Australian Football League**



**Simon Clausen** - *Non-Executive Director*

- Over 17 years experience in high growth technology businesses in both Australia and the United States
- Founder and CEO of **PC Tools**
- Founding investor and NED of **freelancer.com (ASX: FLN)**



**Colin Galbraith** - *Non-Executive Director*

- Special Advisor to **Gresham Partners**
- Chairman of **CARE Australia**
- Previously a Director of **Commonwealth Bank of Australia (ASX: CBA)**

## Latin American specialist management team



**Jorge Mejía Ribadeneira** - *Co-Founder and CEO*

- Founder of **multitrabajos.com**, Ecuador's foremost jobs search engine acquired by Navent (Tiger Global)
- As Founder and CEO of **Grupo Centrico**, founded **Evaluar.com** (Latin America's leading HR evaluation company) and **Seguros123.com**



**Gareth Bannan** - *Co-Founder and CFO*

- Twelve years M&A, capital markets and financial management experience (including five years in Latin America)
- Former head of corporate finance for the investment company that owns one of **Brazil's largest online property classifieds**



**Ariel Cilento** - *COO*

- Former Mexican country manager for **Dridco**, one of Latin America's leading digital media companies
- Previously Vice President and Country Manager for **Bumeran.com**, a leading online employment classifieds business in Latin America



**Jacobo Moreno** - *CTO*

- Leading tech entrepreneur in Ecuador, former CTO of **Grupo Centrico**
- Founder of **PatioTuerca.com**, the largest car classified portal in Ecuador, Bolivia and Panama
- Founded **Vive1.com**, one of Ecuador's leading real-estate portals

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

**LATAMAUTOS** 1H 2016 key metrics vs pcg

**Strong cash position: A\$12.7m as at 30 June 2016**

*“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*



**Revenue**  
A\$3.9 million (1H16)  
**+45%**



**3,028 Monthly dealers**  
using LAA’s Platforms  
**+93%<sup>1</sup>**



**Monthly sessions**  
10.0 million  
**+33%<sup>1</sup>**



**Monthly unique visits**  
5.6 million  
**+15%<sup>1</sup>**



**Monthly leads**  
107,481  
**+6%<sup>1</sup>**



**Social media followers**  
~573,000  
**+100%<sup>1</sup>**



**Listings**  
~186,000  
**+74%<sup>1</sup>**



**Total email subscribers**  
**1.6 million**

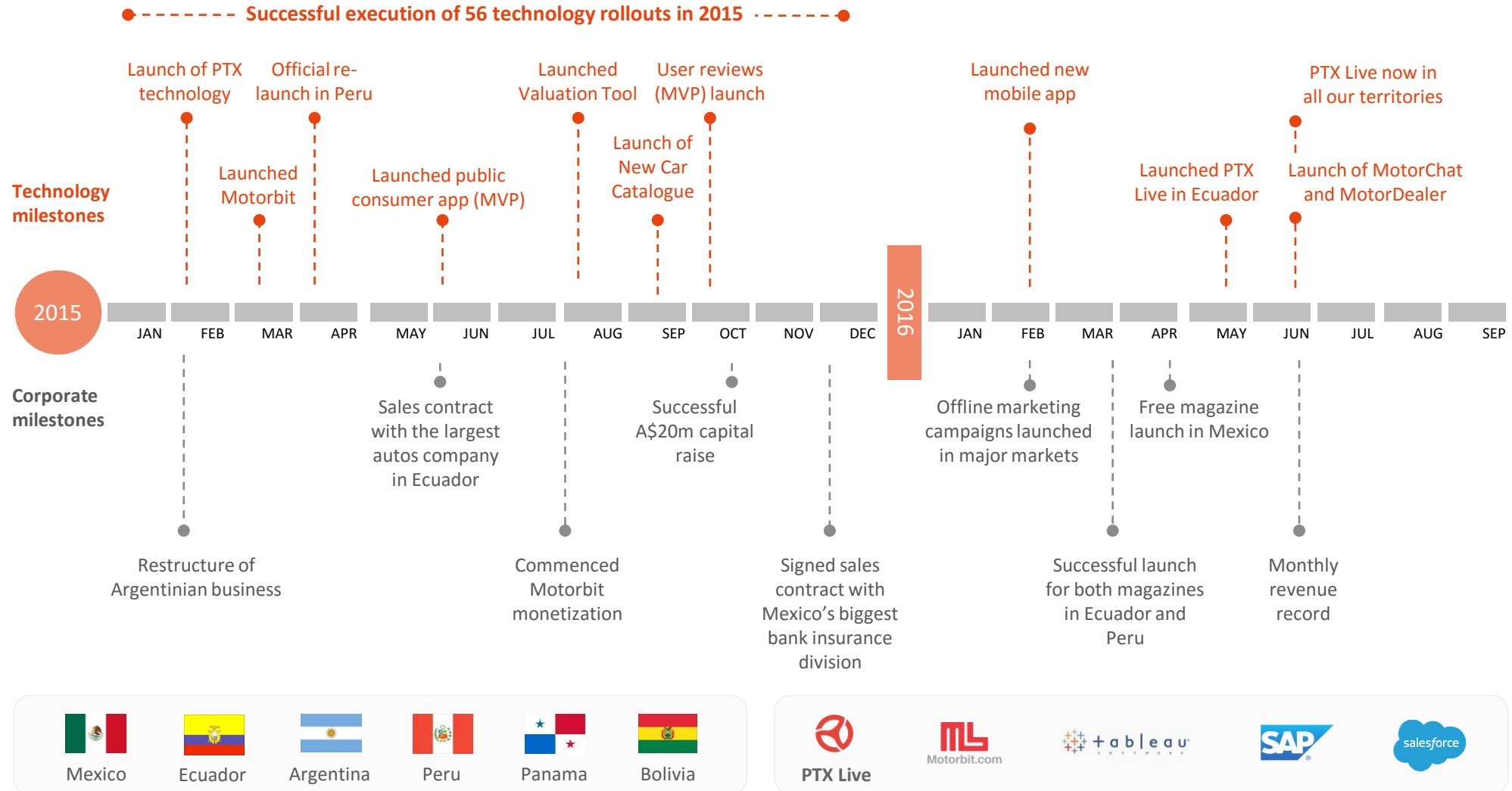


**Regional brands and business model**





LatAm Autos has a strong track record of delivery since IPO in December 2014 with numerous technology and corporate milestones achieved



LatAm Autos generates revenues from its online and offline platforms across five key streams

## 1 Current revenue streams

### Advertising

- Dealers and service companies
- Display banners, content and premium content

### Dealer subscriptions

- Service used by automotive dealers

### Offline

- Offline classifieds
- Magazine revenues and advertising

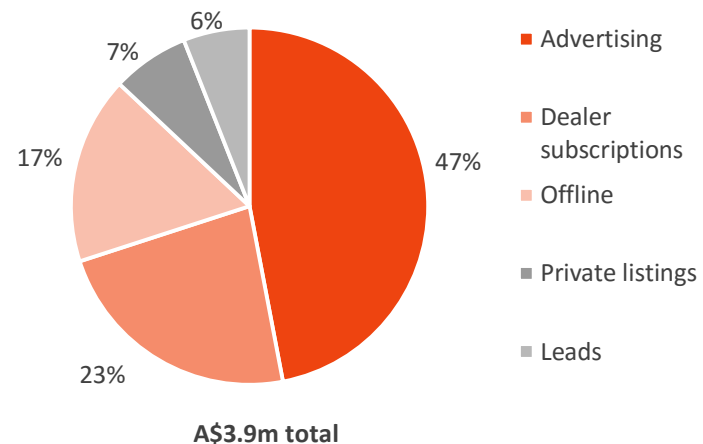
### Private listings

- Users pay listing fees
- Depth products

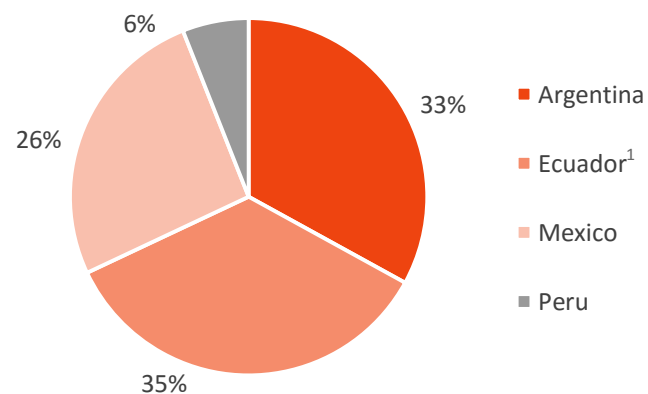
### Leads

- OEM manufacturers
- Car dealers
- Finance and insurance companies

## 2 1H16 Revenue Breakdown by Type (%)



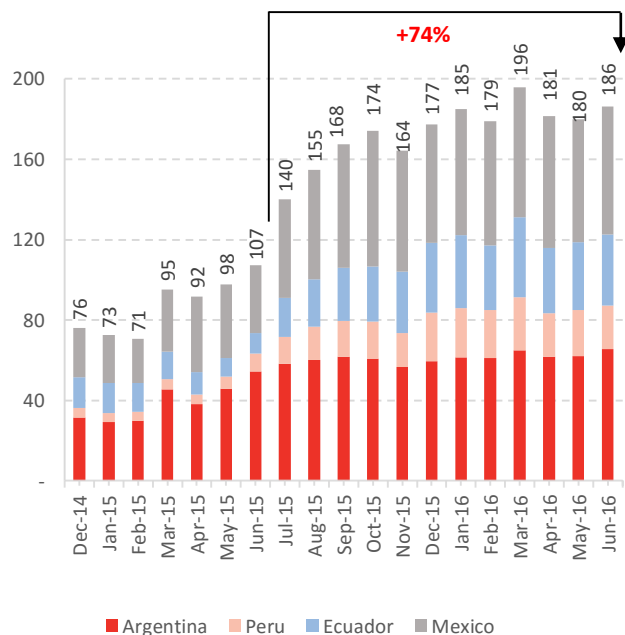
## 3 1H16 Revenue Breakdown by Country (%)



<sup>1</sup> Includes Ecuador and Panama for the purposes of this analysis

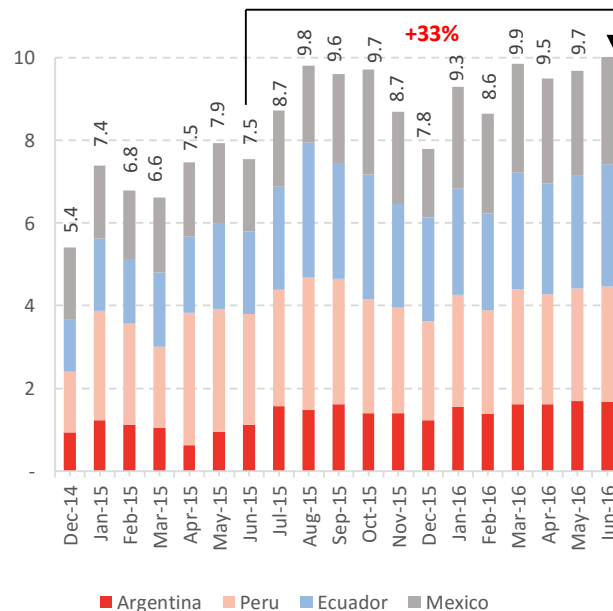
## LatAm Autos continues strong growth on PCP in 1H16 across core operating metrics

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



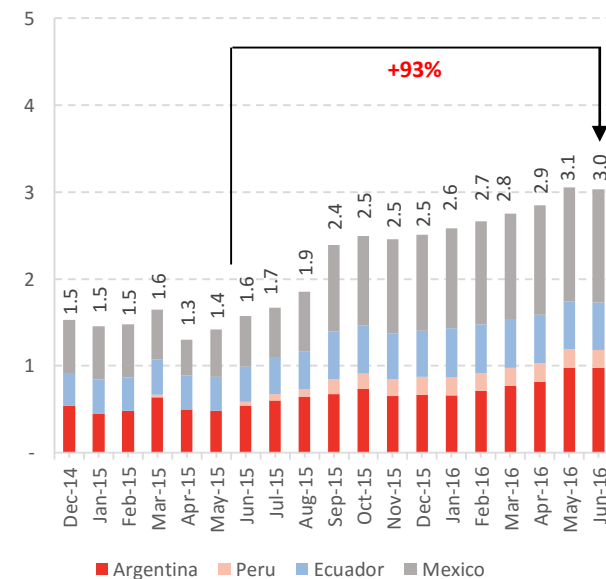
■ Total listings have grown **74%** vs PCP

### 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

<sup>1</sup> Ecuador includes traffic and listings from Patiotuerca in Bolivia and Panama, PCP refers to month of June in 2015 and 2016

<sup>2</sup> Sessions includes mobile App and YouTube traffic



LatAm Autos has developed and acquired market leading digital platforms with a strong focus on Latin American demand. PTX Live was recently released and enables real time chat functionality between car buyers and sellers on its marketplace



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



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



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



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



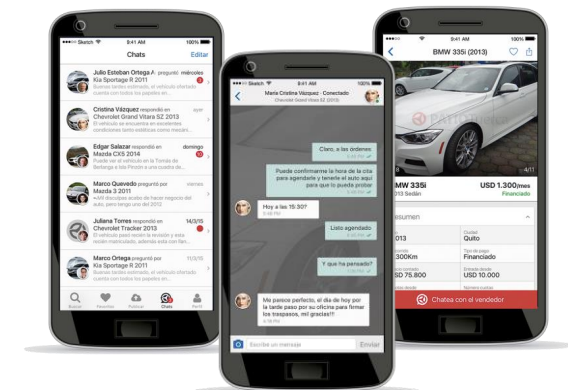
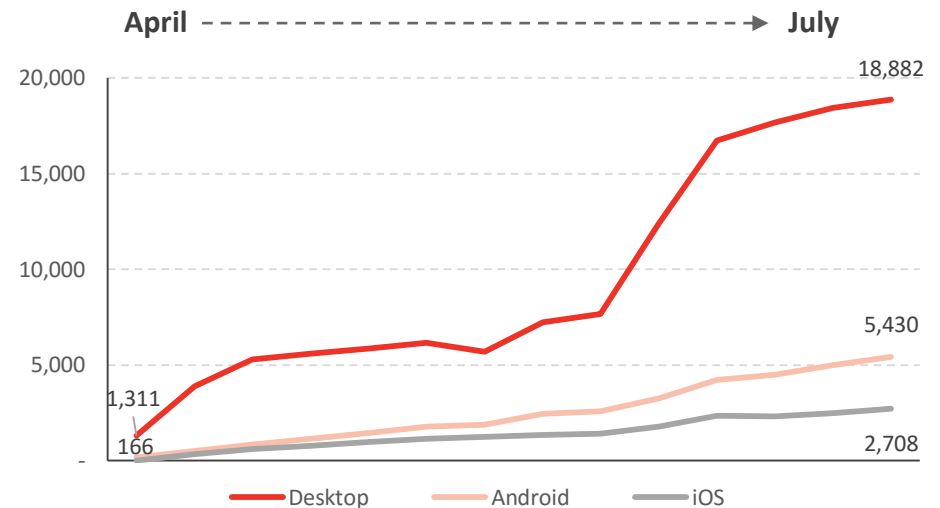
Messaging apps have 4.7x the daily sessions of other regular apps



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

Macro drivers

## Rapid uptake of PTX Live (weekly chats)





## 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.au in Australia currently captures 10 to 12% of all used car market related income<sup>1</sup>



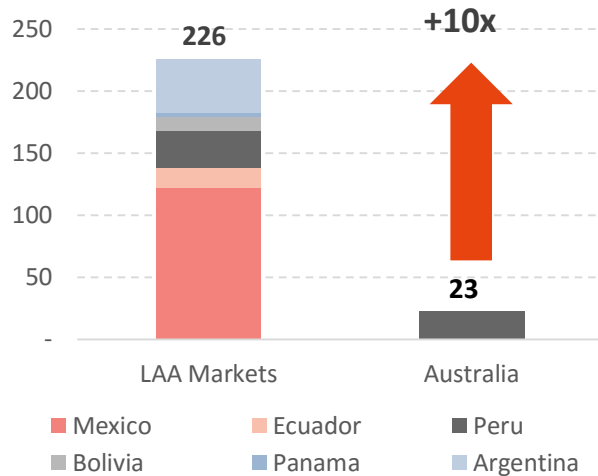
## Advertising Market

- 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.au in Australia currently has around 18% of market share in online automotive advertising<sup>1</sup>

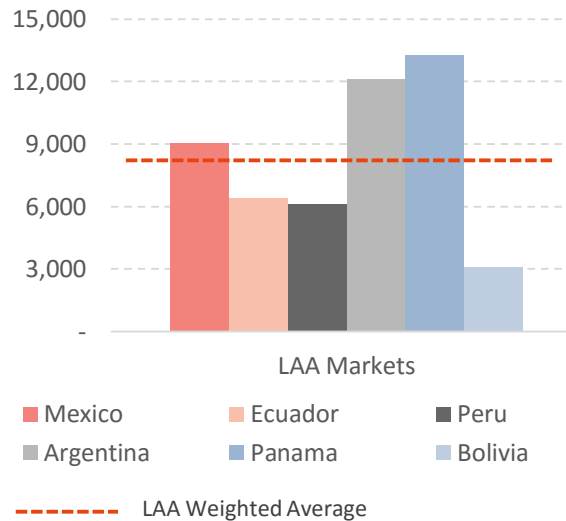
<sup>1</sup> iCar Asia's 1H 2015 Investor Presentation (carsales.com.au owns 20.2% of iCar Asia)

<sup>2</sup> Source: Adbrands.net

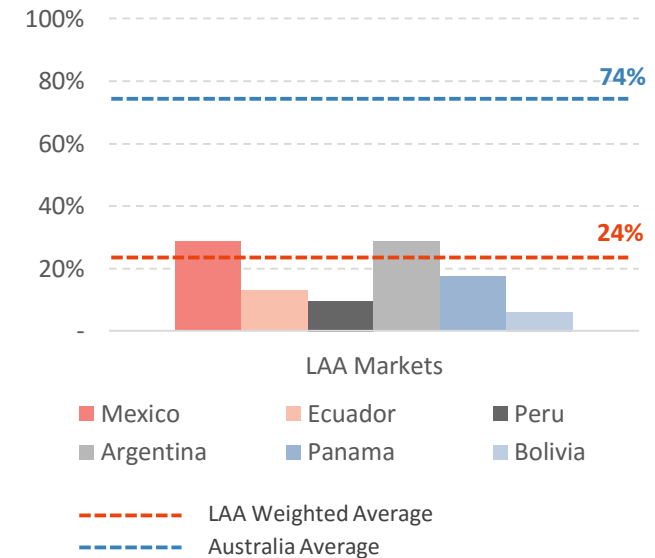
## 1 2015 population (m)



## 2 GDP per capita (US\$)

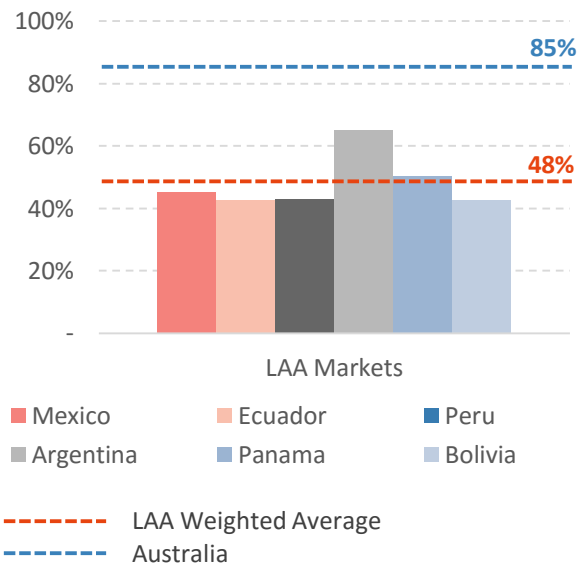


## 3 Car penetration (%)

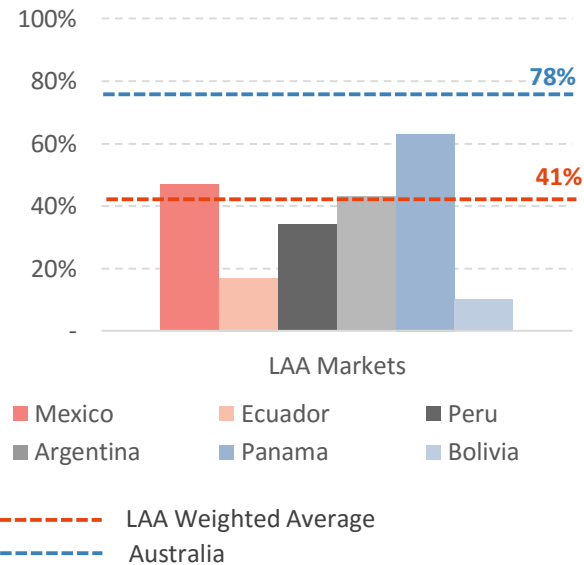


- Population in the countries in which LatAm Autos operates is around 10x larger than Australia's population
- LAA's weighted average GDP per Capita of ~US\$9,000 is almost double the US\$5,000 threshold that indicates an economy's vehicle ownership enters a high growth stage<sup>1</sup>
- Low car penetration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

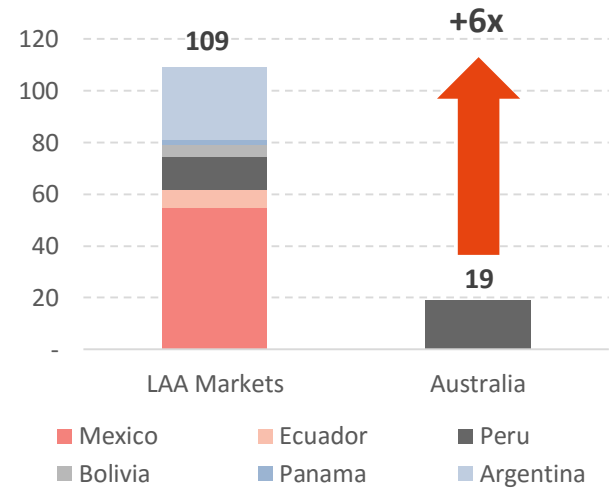
## 1 Internet Penetration 2014



## 2 Smartphone Penetration



## 3 Internet Users (million)

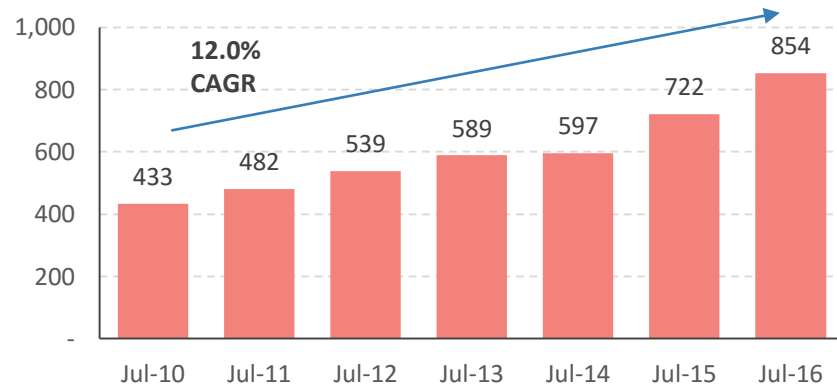


- Internet and smartphone penetration in LAA's markets are at an early stage compared to Australia's, accelerated growth is expected to close the gap in the following years
- LAA has a population of internet users of around six times greater than Australia's

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

(Accumulated sales as of July of each year)

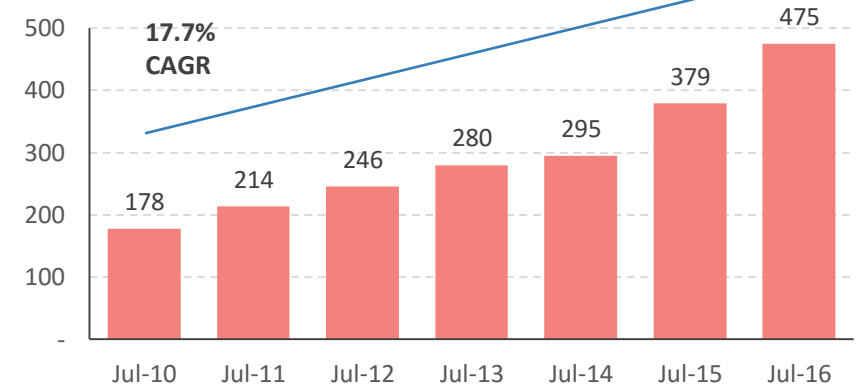
New car sales ('000)



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

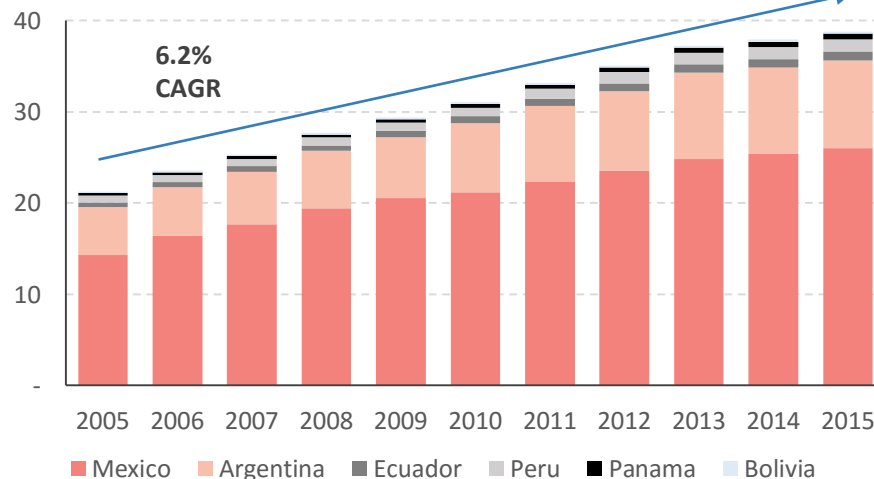
(Accumulated financing as of July of each year)

Car Financing ('000)



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

Passenger cars (million)



## 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]

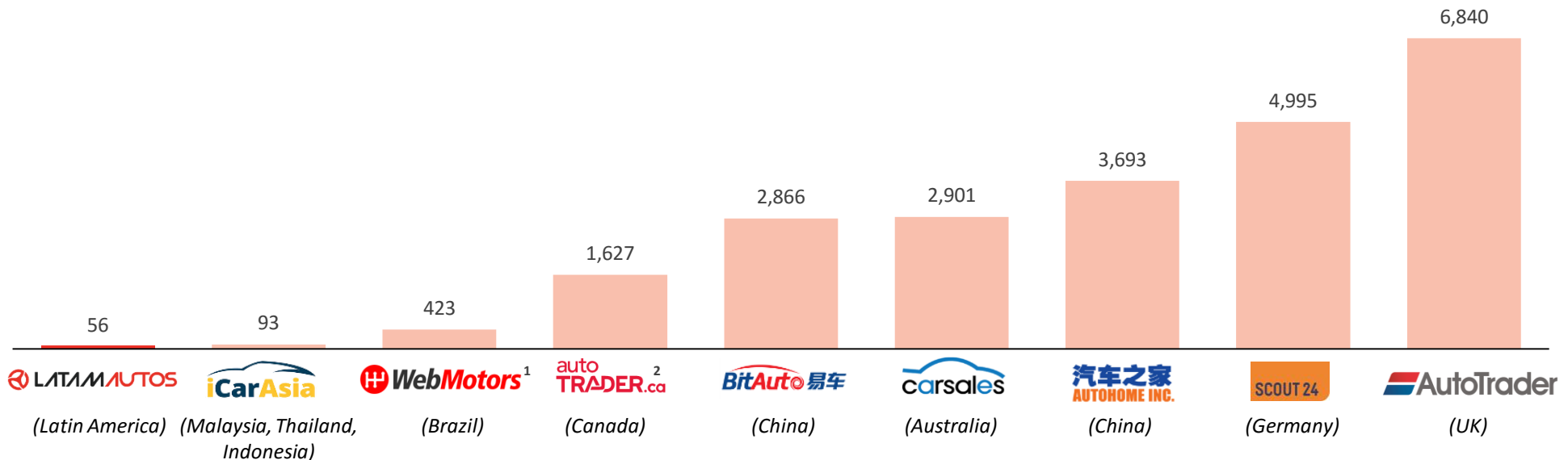
<sup>1</sup> Source: AMDA (Asociación Mexicana de Distribuidores de Automotores)

<sup>2</sup> OICA, 2014 and 2015 extrapolated using each country's GDP growth

The auto classifieds peer universe has a distinct split between high growth emerging market businesses and established market peers with higher equity valuations

- Significant variation in the scale of listed global auto classifieds peers with 6 peers holding market capitalisations >A\$1bn
- Scale of peers highlights the potential for LatAm Autos to build equity value in the high growth South American auto classifieds market
- LatAm Autos stands out relative to its listed peers as having a dedicated, in-country management team with a track record of digital business success in Latin America

## Market capitalisation (A\$m)



Source: Bloomberg as at 23 September 2016

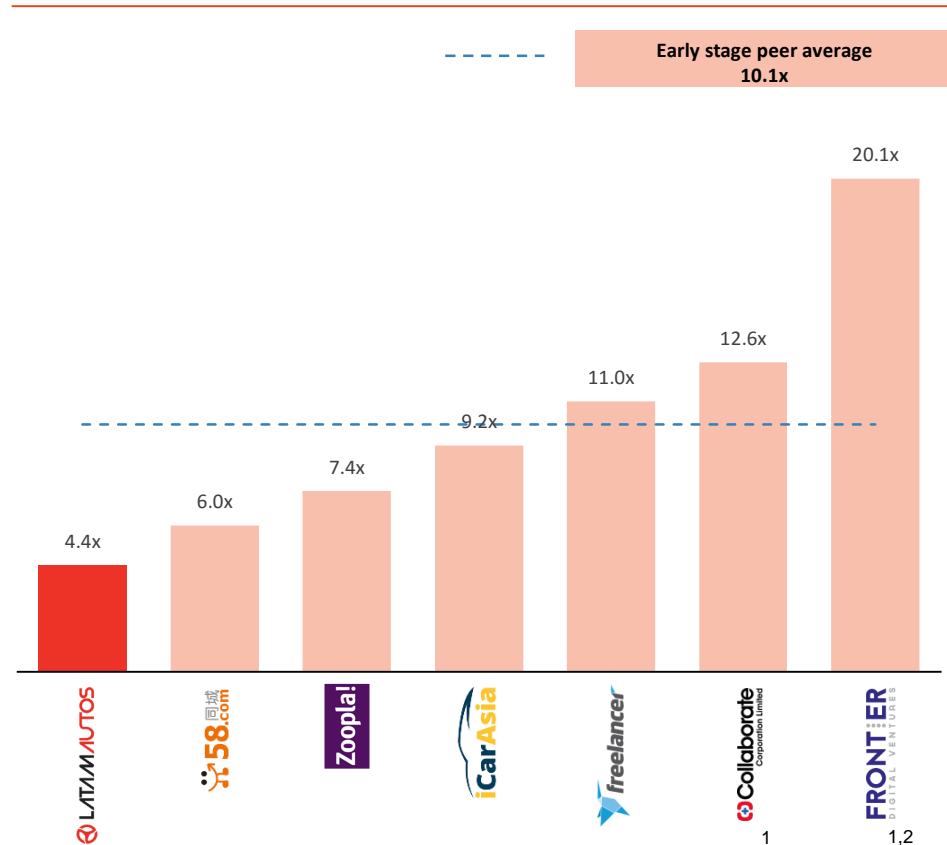
<sup>1</sup> Based on an average of broker valuations grossed up to 100% value (Ord Minnett, Deutsche Bank, Morgan Stanley, Commsec). (USD/AUD 0.69)

<sup>2</sup> Based on the acquisition value of Trader Corporation (autoTrader.ca) by Thoma Bravo for C\$1.575bn announced 1 July 2016 (CAD/AUD 0.968)

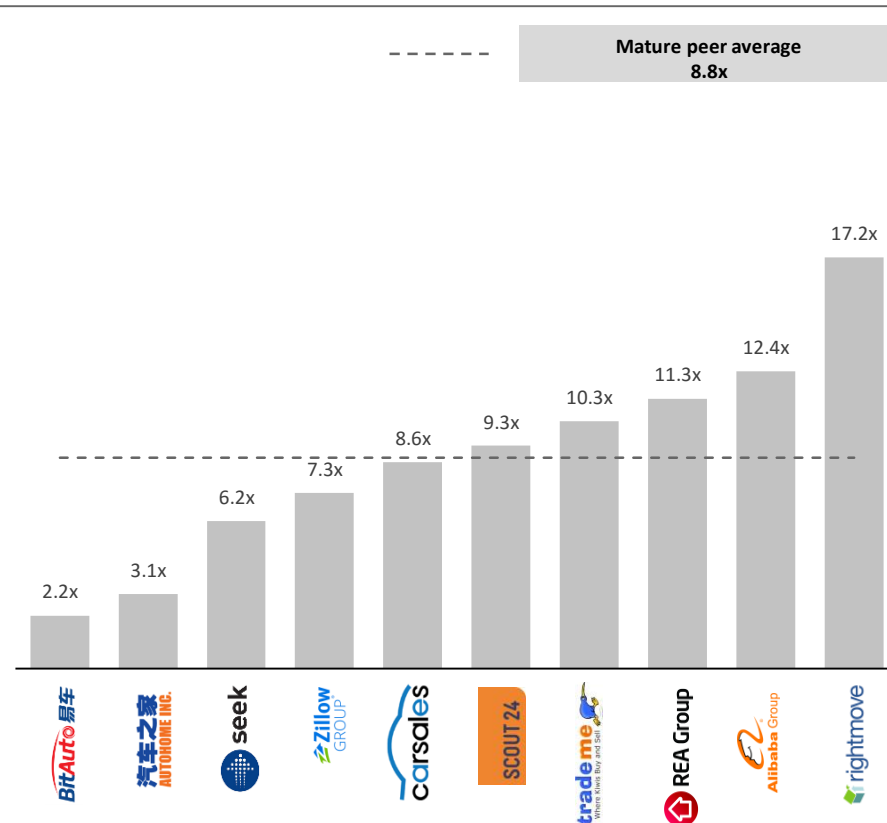
LatAm Autos trades at a 52% discount to its closest peer iCarAsia and at a 56% discount to the high growth peer group average

## EV / revenue multiples (CY16E)

### Early stage / high growth online companies



### Mature online companies



Source: Bloomberg as at 23 September 2016

1 Multiples based on CY15A revenue due to lack of forecast financials

2 Enterprise value as per prospectus

LatAm Autos trades at a 87% discount to WebMotors average broker valuation

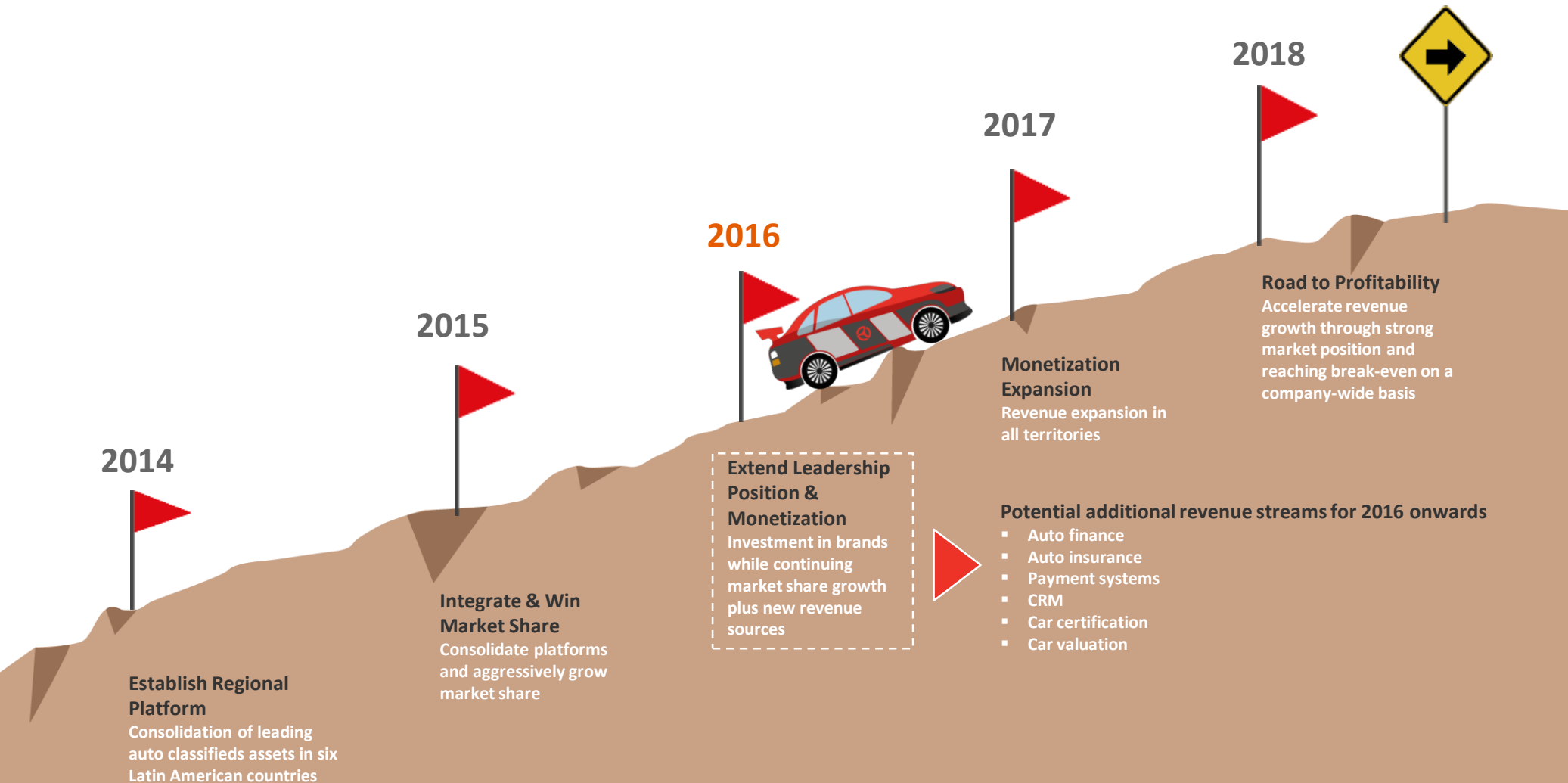


Countries	Mexico, Argentina, Ecuador, Peru, Panama, Bolivia	Brazil	Australia	19
Number of Languages	1	1	1	Various
Combined Population 2015 (m)	226	204	23	829
Financial year 2015 revenue (A\$m)	6.7	39.5 <sup>2</sup>	235.4 <sup>2</sup>	3.5 <sup>3</sup>
Current Listings ('000) <sup>4</sup>	186	276.6	225.6	1,162
Unique Monthly Visits (m) <sup>5</sup>	5.6	7.7	1.4	17.8
Auto Advertising Market Size (US\$m) <sup>6</sup>	~1,200	~2,000	~1,100	n/a
Weighted Average annual growth rate of passenger cars in use (CAGR)	7.3%	6.9%	2.4%	6.4% <sup>7</sup>
Weighted Average Internet Penetration	48%	58%	85%	Generally <40%
Weighted Average GDP per Capita 2015 (A\$)	11,594	11,234	74,114	<US\$5,000
Market Cap/Equity value (A\$m) <sup>8</sup>	55.8	423 <sup>9</sup>	2,901	108
Enterprise Value (A\$m) <sup>8</sup>	43.1	341 <sup>9</sup>	2,836	79

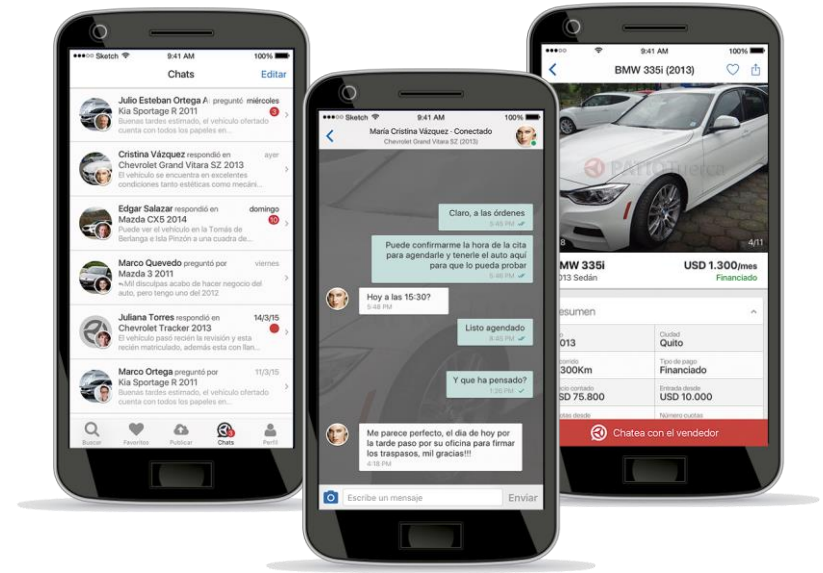
Sources: CIA Factbook, Statista, eMarketer, World Bank, Internet World Stats, OICA, Trading Economics, Bloomberg as at 23 September 2016

1. For primary Australian market only. 2. Source: Carsales FY16 Presentation. 3. Represents CY15A. 4. Listings for LAA as at Jun-16, as at Dec-15 for WebMotors, Jan-16 for Carsales, as at May-16 for FDV. 5. As at Jun-16 for LAA, Dec-15 for WebMotors, Carsales: includes Motoring.com.au traffic (Company media release Apr-15) and Carsales.com.au traffic (31-dec-15 half year results presentation), excludes traffic from international sites, as at May-16 for FDV. 6. Based on global average of 10% of total media spend, 7. FDV CAGR from 2005-14. 8. As at 19-Aug-16 except for Webmotors, Carsales valuation includes its international businesses. 9. Based on an average of broker valuations grossed up to 100% value (Ord Minnett, Deutsche Bank, Morgan Stanley, Commsec). (USD/AUD 0.69).





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