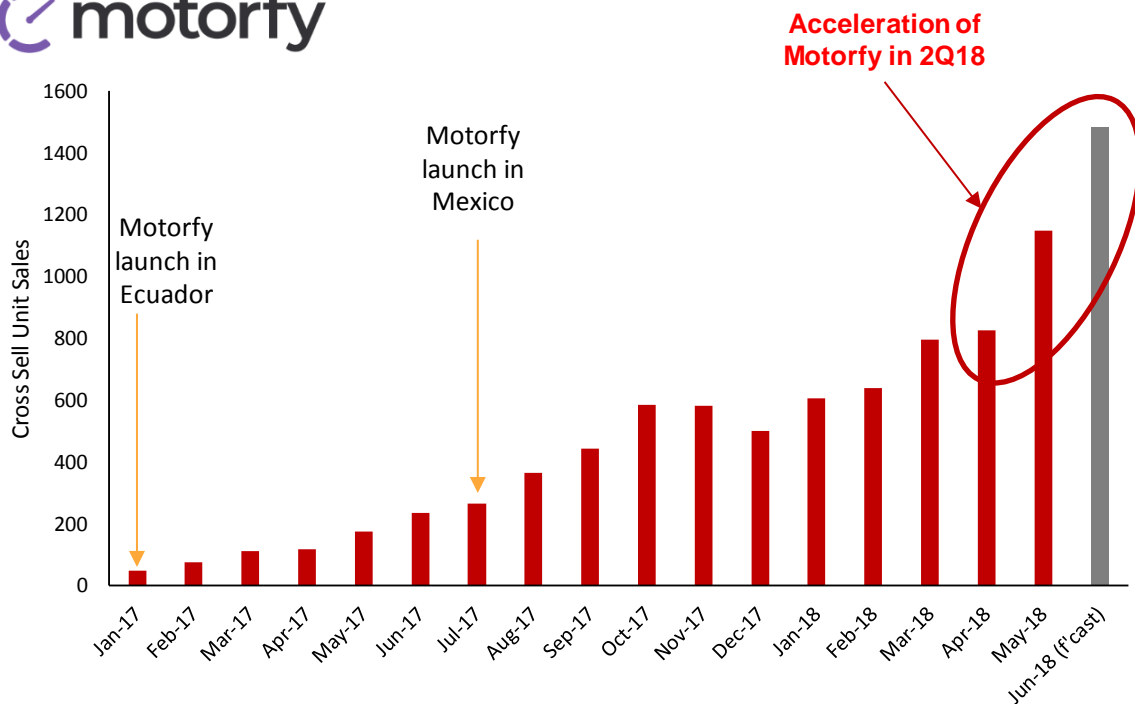


25 June 2018

## LAA CEO Jorge Ribadeneira key note speaker at the Global Online Classifieds conference, acceleration of Cross Sell product unit sales in 2Q

**Mexico City – 25 June 2018:** LatAm Autos Limited (ASX: LAA) (“LatAm Autos” or the “Company”) is pleased to announce that its CEO Jorge Mejia Ribadeneira presented as a key note speaker at the Global Online Classifieds conference in Miami on Friday 22 June 2018.

Jorge’s presentation discusses LAA’s transition from a pure online auto classifieds platform to a car transaction marketplace. The presentation discloses the chart below which illustrates the high growth in cross sell unit sales volumes. We are pleased that June 2018 is likely to be a record month of cross sell unit sales and the company reaffirms its expectation to reach cashflow break even by the end of calendar year 2018.



Further details will be provided in the 2Q18 Appendix 4C cashflow report. A full version of the conference presentation is attached.

-Ends-

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### **About LatAm Autos (ASX: LAA)**

LatAm Autos is a leading dedicated online auto classifieds and content platform with operations in four countries in Latin America – Mexico, Ecuador, Peru and Panama. As early movers in the region's online auto classifieds industry, LatAm Autos is capitalising on the shift of auto classifieds advertising from traditional media sources to online channels. LatAm Autos is a leader and first mover in its strategy to also assist car buyers through the car purchasing transaction, as well as providing a marketplace for car buyers and sellers. Apart from its core marketplace offering, the Company provides finance, insurance and car tracking technology to customers providing a complete suite of products for car buyers across the region. For more information on LatAm Autos, please visit its website: [www.latamautos.com](http://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' FY17 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.



| THE EVOLUTION OF ONLINE AUTO CLASSIFIEDS IN LATIN AMERICA



# Evolution of the Online Classifieds Industry in Latin America

≈ 2007



**Free General** classifieds enter the market

≈ 2011



Free General classifieds grow their audiences, **more competitors** appear on the scene

≈ 2014



Stand alone traditional auto classifieds (prior to achieving clear dominance), become **more challenging to monetise**

≈ 2015



Verticals begin to evolve, **looking for new revenue streams**

≈ 2017



The arrival of **Facebook and Google** accelerates transition to new revenue streams (and presents a threat to general or “horizontal” classifieds)



## BACKGROUND:

- **Traditional online classifieds** have not undergone substantial changes since **the mid 1990s**
- For many years, verticals (focused on one sector e.g. cars, jobs or homes) and horizontal (diversified across many categories without a specific sector focus) classifieds have co-existed
- As higher volume/lower quality leads from general classifieds increased, lead generation from auto classifieds has focused on **higher conversion rates**
- LatAm Autos identified that the **traditional business model was evolving rapidly**
- As a company, **we embraced industry change, developing strategies to monetise** our dominant market positions and business model



# UNDERSTANDING THE AUTOMOTIVE CONSUMER JOURNEY FROM LEAD GENERATION TO PRODUCT OFFERING

Existing buyer journey and the opportunities derived from it



Meeting underserved segments  
of the automotive market



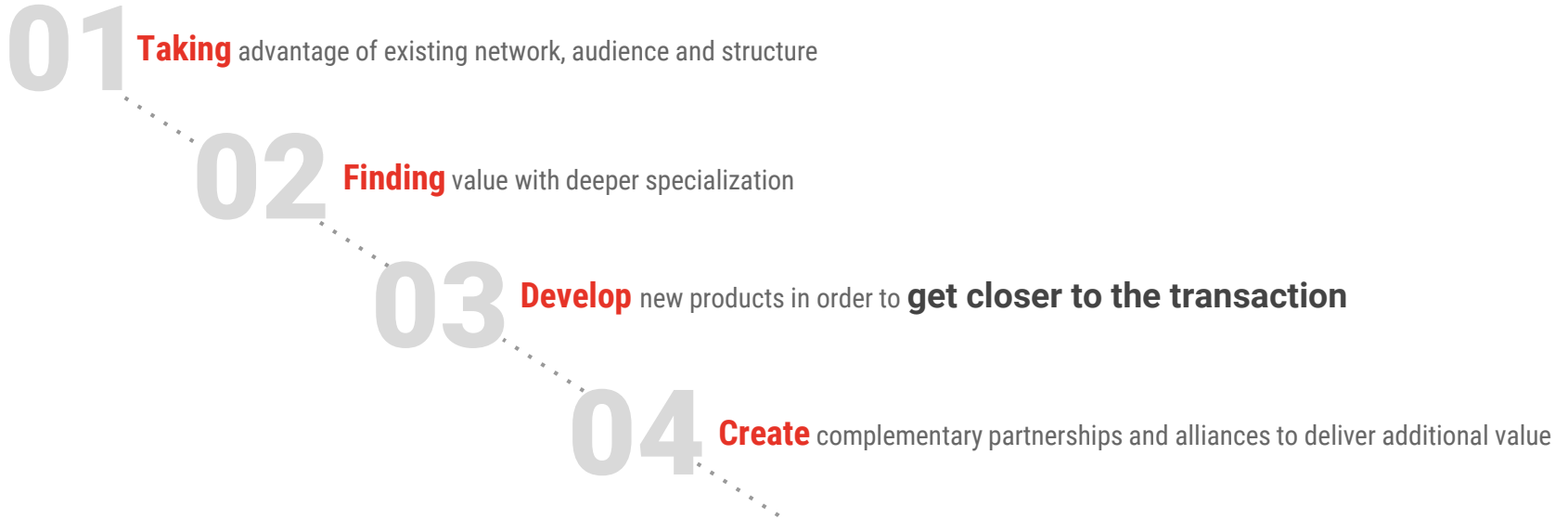
Develop a business model  
where all involved parties can  
profit from it



Find and select the right  
partners to develop the  
business



# Evolution of a Vertical – Step by Step



**Develop** a new vision  
with multiple revenue models

# Cross-sell: auto finance, insurance, GPS tracking

Motorfy® Finance is a proprietary technology that enables LAA to cross-sell a range of new products to its customers. The initial range of cross-sell products is auto finance, insurance and GPS tracking. LAA expects to expand its product offering and revenue lines

Motorfy® integrates with credit management systems in real time and automates the credit assessment process. It links the final customer with financial institutions through dealers / agencies and their respective sales forces

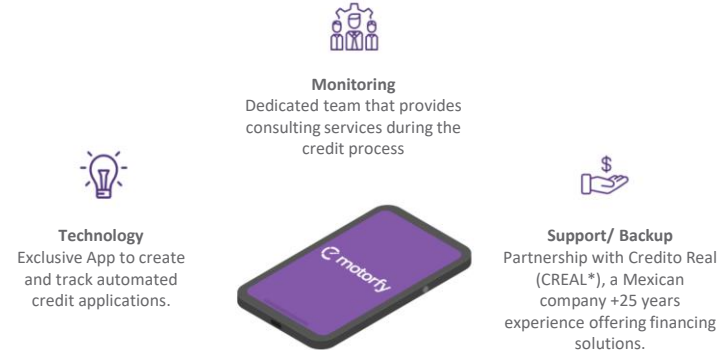
Our technology is able to:

- Monitor progress of the credit application process
- Request a quotation in less than 1 minute
- Receive automatic pre-approval

LAA receives a % of loan value as commission and does not take any underwriting risk



## Why Motorfy?



## Automated process







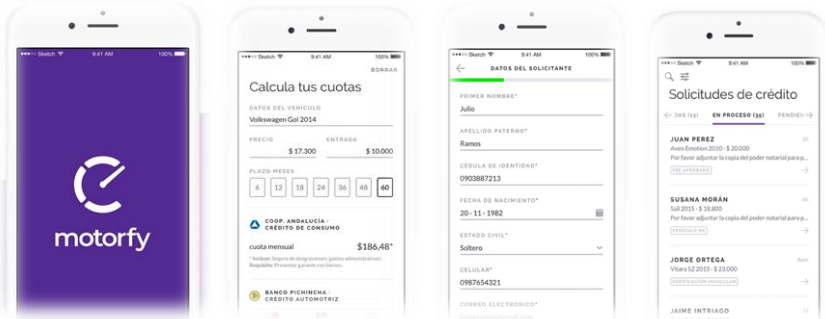
# | Our technology



- ❖ One app for our additional services
  - Insurance
  - Finance,
  - Extended warranty
- ❖ Online credit application
- ❖ Pre-approval in seconds
- ❖ Direct link to credit bureau
- ❖ Status information features
- ❖ Quotation tool
- ❖ Upload documents (Release 3Q 2018)
- ❖ Link to classifieds (Release 3Q 2018)

# Online Classifieds and Auto Finance made simple

The screenshot shows the Seminuevos.com website. At the top, there is a search bar with the text "¿Qué vehículo buscas?" and a red search icon. To the right of the search bar are buttons for "INICIA SESION" and "VENDE TU VEHICULO". Below the search bar, there are navigation tabs for "USADOS", "NUEVOS", "FINANCIADOS", "SEGUROS", "COMPARADOR", and "OPINIONES". The main content area features a white car with the word "NUEVO" in large blue letters behind it. Below the car, there is a red button labeled "BUSCAR" and a link for "BÚSQUEDA AVANZADA". To the left of the car, there are filters for "USADOS" and "NUEVOS", "UBICACION" (Todos las ubicaciones), and "PRECIO" (Todos los precios). At the bottom of the car image, there is a text prompt: "¡ESTRENA ASÍ DE FÁCIL! ¿Quieres un auto nuevo? Solicita tu crédito aquí mismo sin ir al banco. Cotiza tu crédito y llena tu solicitud en línea ahora".



## LAA's core competitive advantages:

- **Lead generation:** ~4 million visits to the seminuevos.com website each month, provides high quality leads to car dealer and private customer advertisements
- **Conversion:** High conversion rates for vehicle sales and loan applications
- **Product:** Dedicated team providing technology solutions to dealers and private sellers



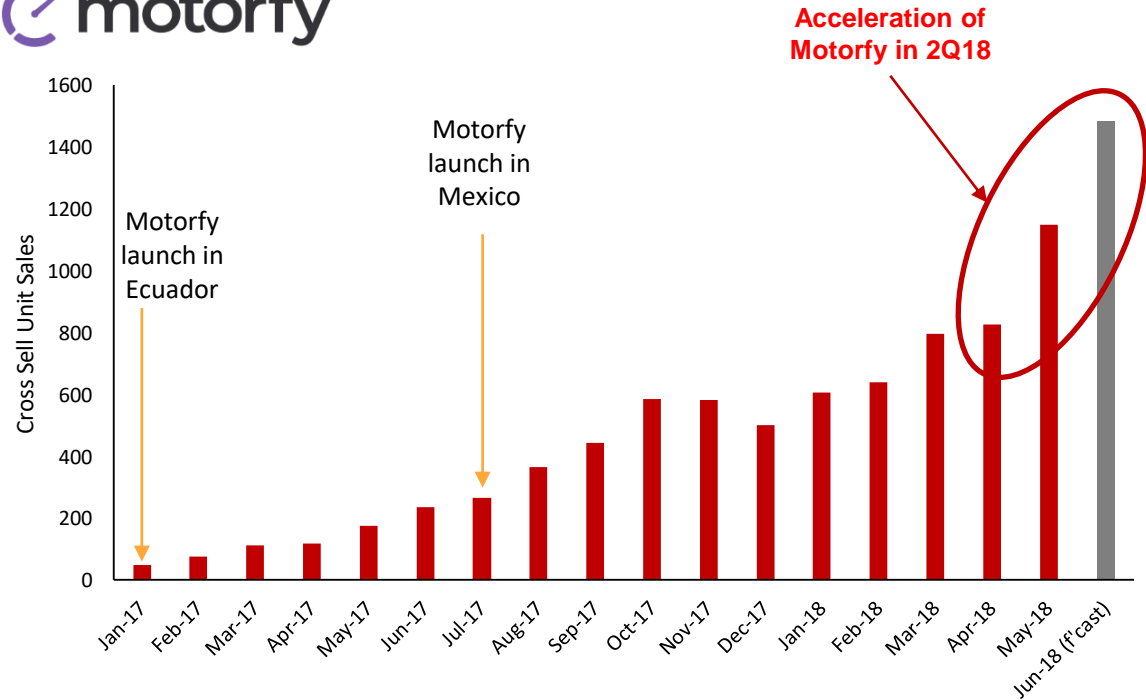
# Results – Motorfy growing strongly

## Cross sell products:

- Auto finance
- Insurance
- GPS tracking

## High margin:

- 10-12x revenue compared to classifieds
- Recurring revenue streams

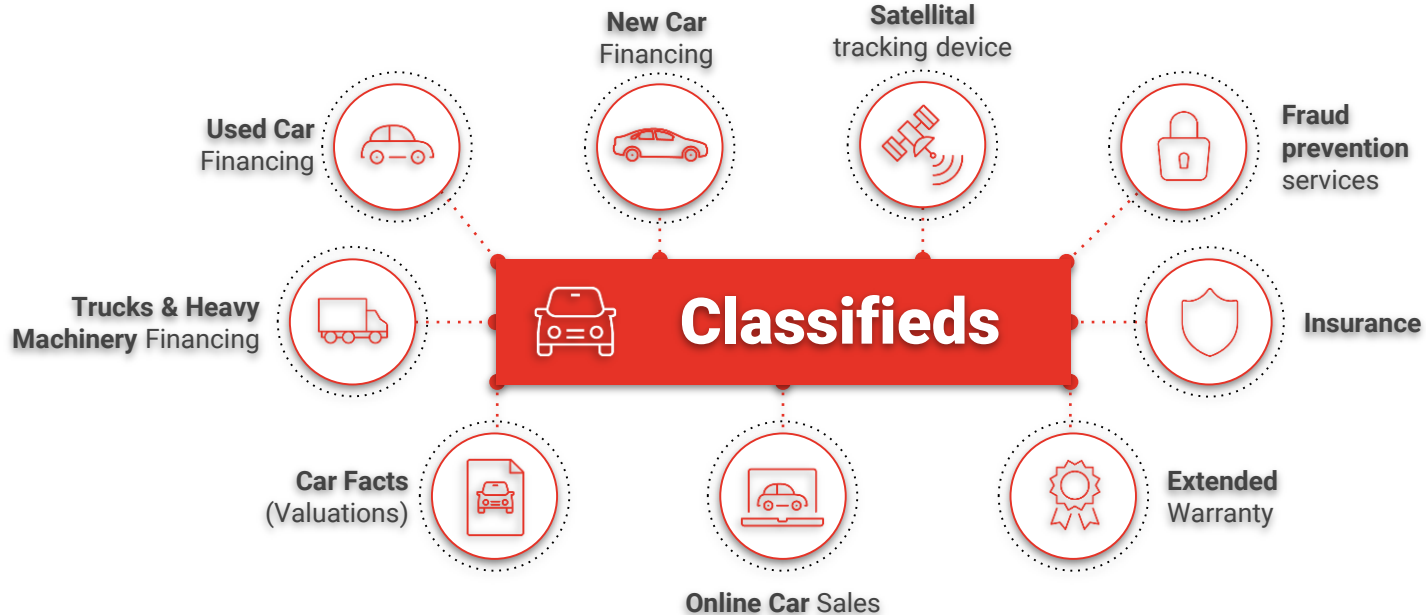


Motorfy is accelerating the path to operating cashflow break even



# New Products & New Revenue Streams

2018





ONE auto finance transaction represents  
up to.....

10x

**More** revenue

Than a monthly  
classifieds only dealer  
package in Mexico





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**THANK YOU**