

27 February 2020

LAA reports modest consolidated revenue growth and strong revenue growth of +40% in Mexico Motorfy

Melbourne and Mexico City - 27 February 2020: LatAm Autos Limited (ASX: LAA) (“LatAm Autos” or “the Company”) is pleased to announce its financial statements and Appendix 4E for the year ending 31 December 2019.

Key points:

- Overall revenues in 2019 were \$8.1 million (+7%)
- Strong growth in revenue from Motorfy Credit Mexico (+40% in local currency)
- Strong growth in Leads to Classifieds and Organic traffic to the Classifieds sites in both Mexico and Ecuador
- Slight decrease in revenue from Classifieds due to a weaker display advertising market in Mexico
- The Company has applied for a voluntary de-listing from the ASX and capital raise of approximately \$5 million announced

Financial Overview

For the 2019 year the Company achieved revenue of \$8.1m (2018: \$7.6m) and adjusted EBITDA amounted to -\$7.5m (2018: -7.5m). This change was mainly the result of increased revenue in Mexico and decreased operating expenses (excluding share-based payments) in addition to decreased revenue from Ecuador (principally due to Motorfy revenues decreasing in that country).

The Company continued to strongly invest in Motorfy Mexico, with local currency revenue growth of 40% off the back of strong unit sale growth in 2019. The Company has since achieved record revenues for Motorfy Mexico in January 2020, continuing the upward trend.

Chart 1: Annual revenues of core markets since IPO (A\$m, constant currency)

- 2019 Revenue growth in Mexico of +6% driven by mainly by Motorfy Credit, and partially offset by display advertising
- 2019 Revenue decrease in Ecuador of -17% mainly attributable to less Motorfy units being sold in Ecuador in 2019

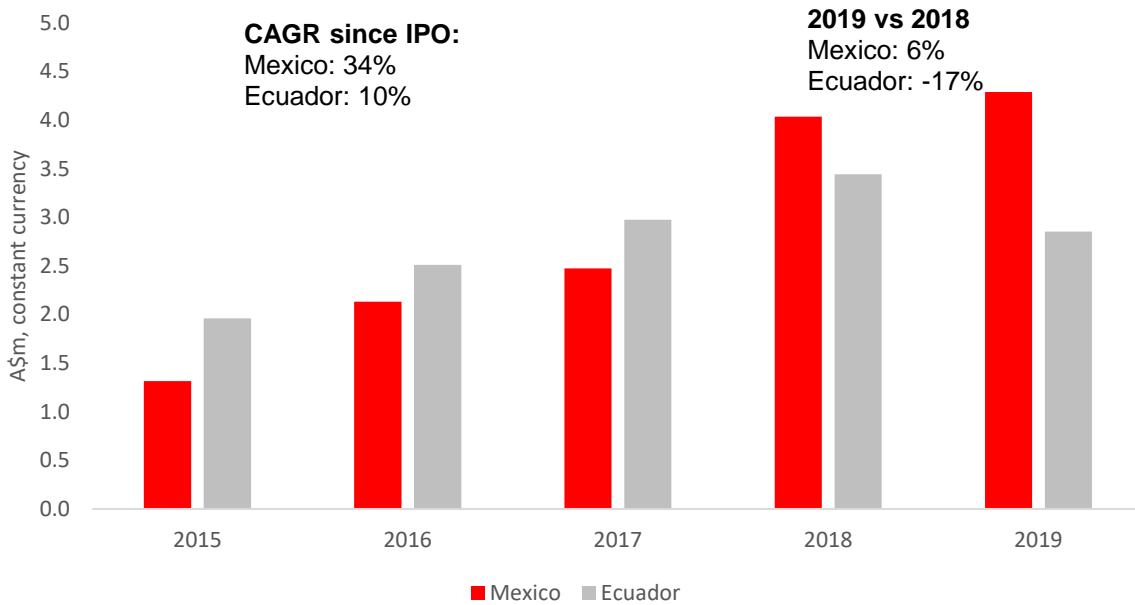
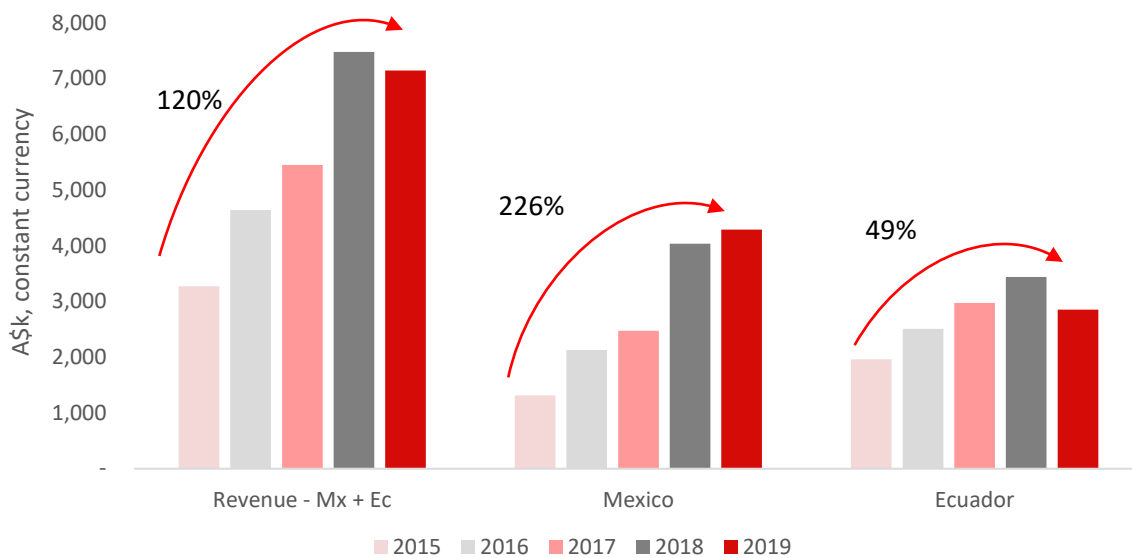


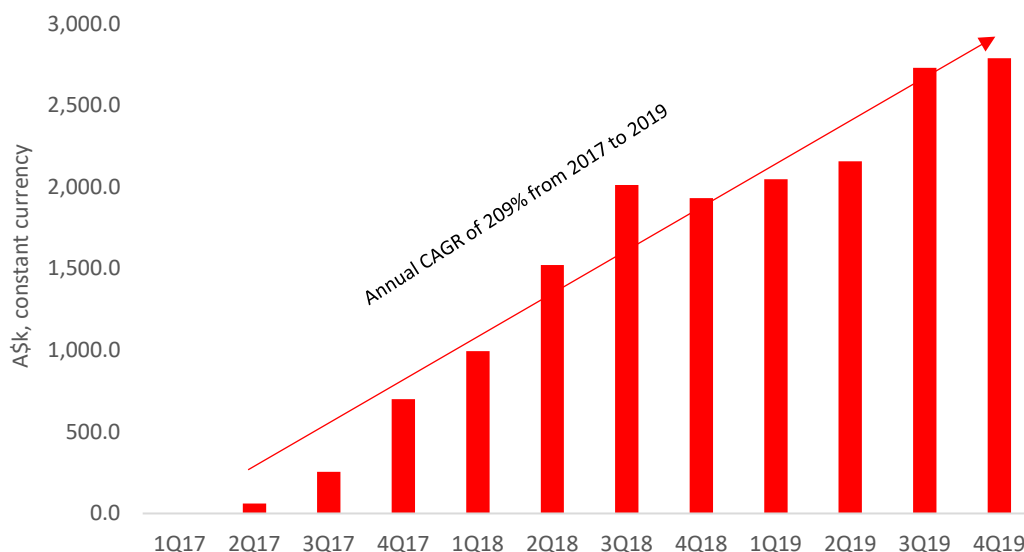
Chart 2: Yearly revenues of core markets since IPO (A\$K, constant currency)



Note: The charts above are depicted in constant currency terms. This means that the relevant exchange rates during 2019 of AUD/MXN was 13.25 and AUD/USD 0.703 are applied retrospectively to illustrate the impact of growth without any currency conversion impacts.

Note: 2016 and 1H17 includes impacts from operating net cash outflows related to discontinued operations

Chart 3: Annualised quarterly revenues of Motorfy Mexico (all products) (A\$k, constant currency)



Organic traffic growth

Growth in organic website traffic (defined as SEO traffic alone) in 2019 increased +14% in Mexico and +11% in Ecuador. In Mexico, November 2019 recorded the highest ever organic unique sessions (up until that month) showing consistent growth over the past 18 months.

-Ends-

This announcement is authorised for release by the Board of Directors of LatAm Autos Limited.

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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.