



ASEAN'S NO.1 NETWORK OF AUTOMOTIVE PORTALS

# iCar Asia Limited

27 February 2014

MALAYSIA



**LIVE LIFE DRIVE**



THAILAND

INDONESIA

Malaysia



**LIVE LIFE DRIVE**



Indonesia



iCar Asia Ltd (ASX:ICQ) owns and operates ASEAN's No. 1 network of automotive portals.

Headquartered in Kuala Lumpur, Malaysia, the company is focused on developing and operating leading automotive portals in Malaysia, Indonesia and Thailand. iCar Asia is continuously working to capitalize on its market-leading positions, with its online properties currently reaching over 4.5 million car buyers and sellers in the region every month.

Thailand



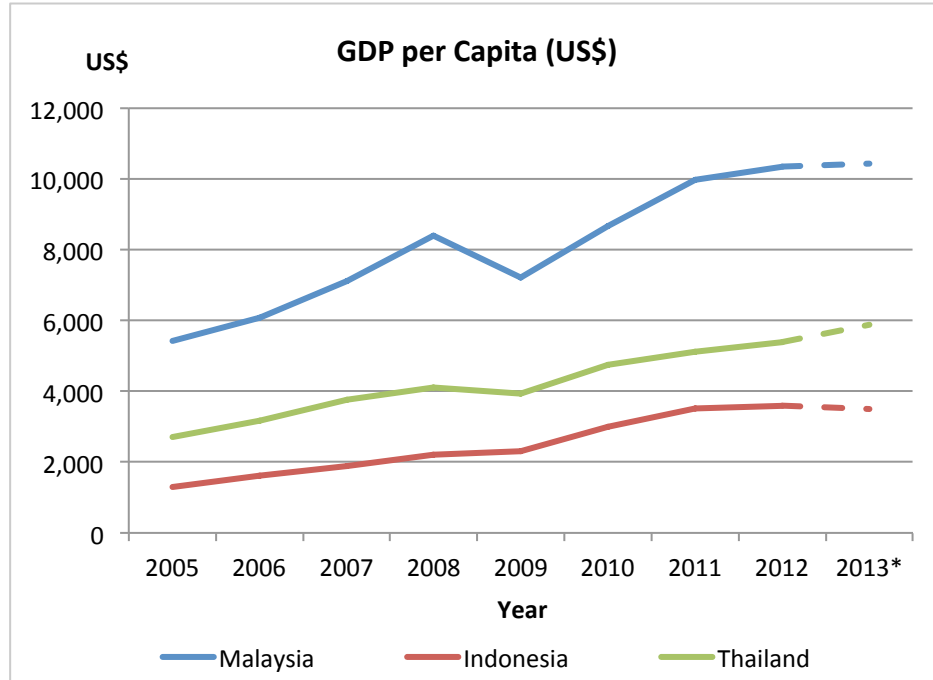
Country	Population 2013	Population Growth Rate Annual %
Malaysia	30,278,000	1.7
Thailand	68,668,000	0.4
Indonesia	250,721,000	0.9
<b>THREE COUNTRY TOTAL</b>	<b>349,667,000</b>	<b>1.0</b>
Australia	23,693,000	1.0

Source: International Future (IFs), Euromonitor

- The combined population total of iCar Asia's three countries of operation are more than **15 times the size** of Australia's, or larger by nearly 326 million people

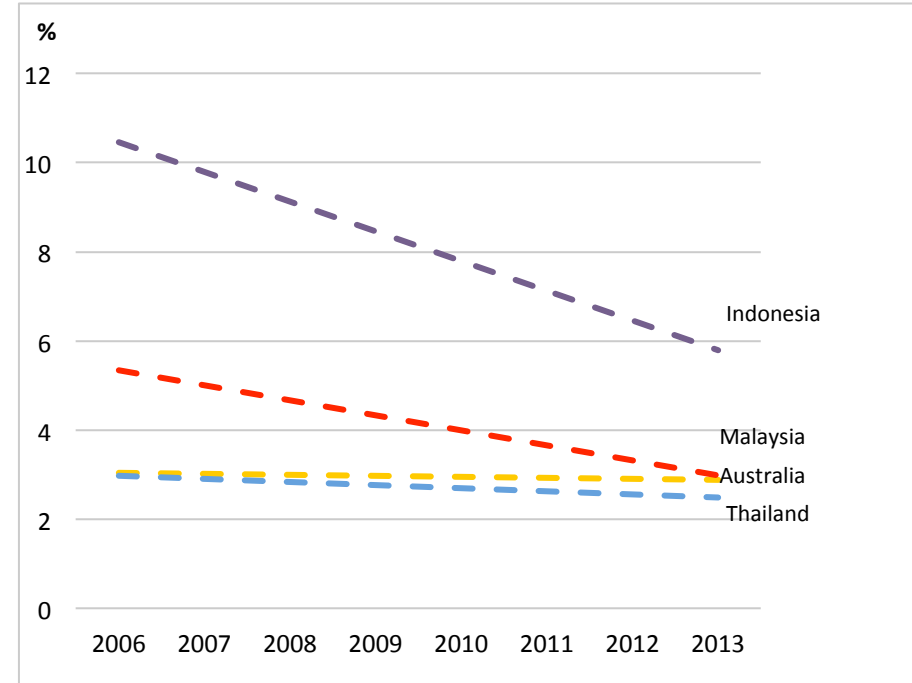


## GDP Per Capita (US\$)



Source: International Monetary Fund. (\*) forecast

## Interest Rates

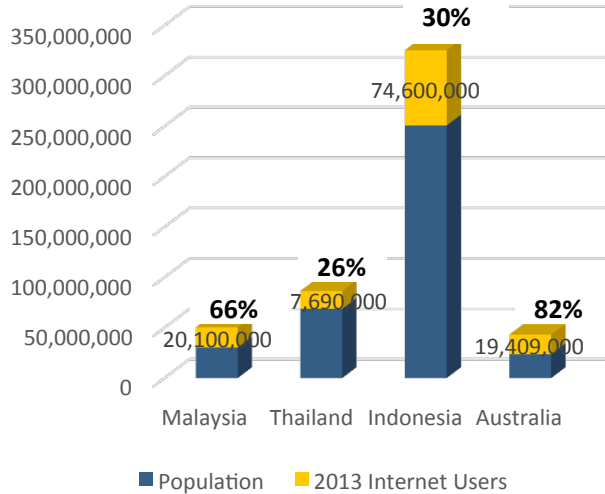


Source: Trading Economics

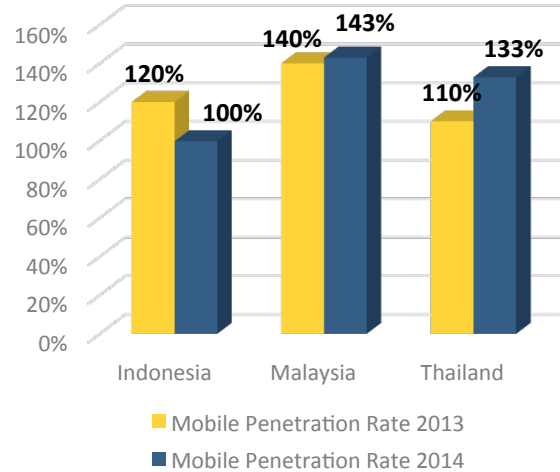
- GDP per capita continues to grow, resulting in an increasing number of people entering the middle class, making more purchases of more cars possible

- Declining interest rates in all three countries equates to greater access to vehicle finance and affordability.

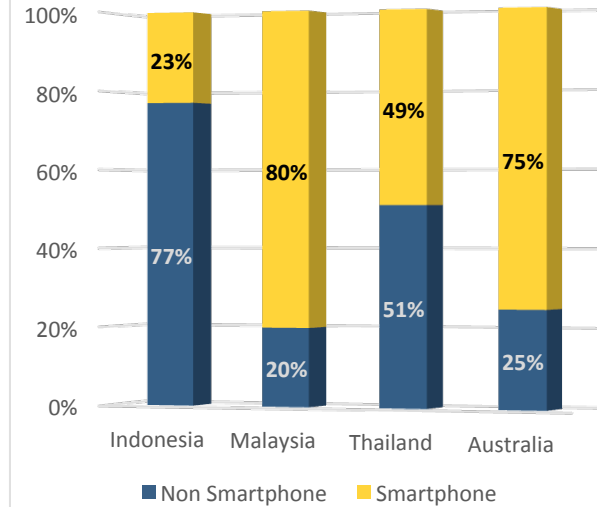
## INTERNET PENETRATION



## MOBILE PENETRATION RATE



## SMARTPHONE PENETRATION RATE



Source: Internet World Stats

Source: Forest Interactive, 2014

Source: Nielson, 2013

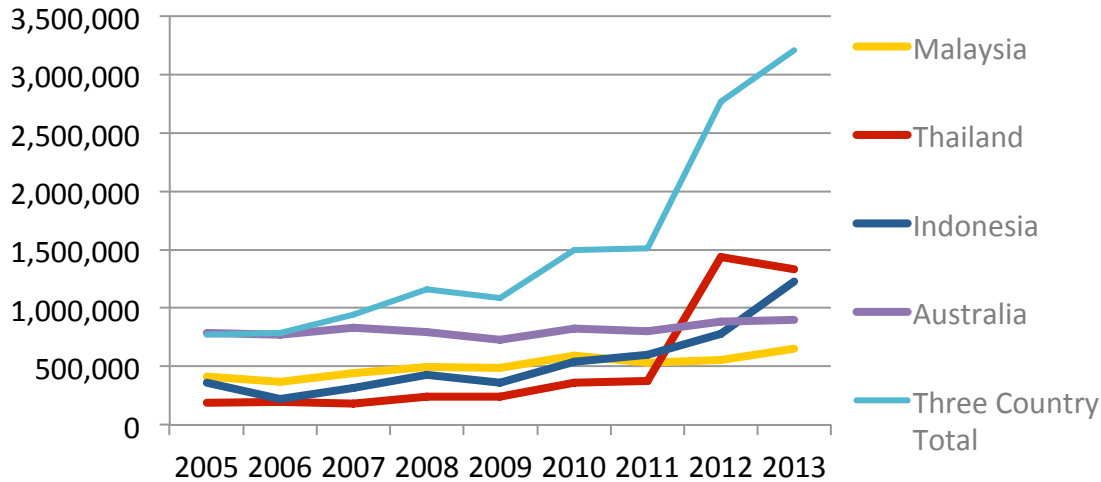
- Growing internet penetration rates enables an increasing target market for iCar Asia's business. 103 million people in our three countries of operation now have internet access, **over 5 times the entire population of Australia.**

- Mobile phones are extremely prevalent in ASEAN and, on average, people have more than one device each.

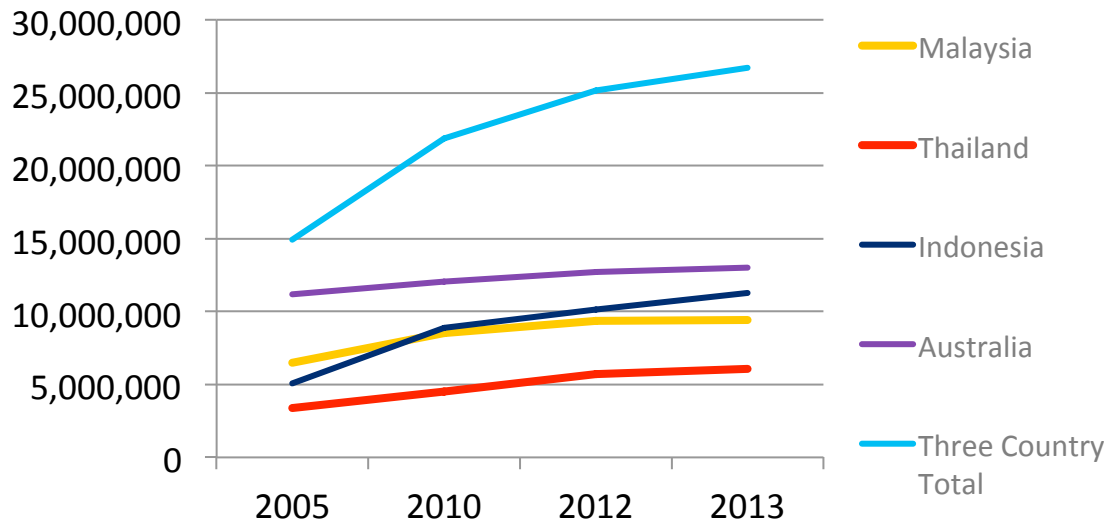
- Smart phone penetration in Malaysia is one of the highest globally and Indonesia & Thailand are growing quickly.
- Mobile is a key platform for iCar Asia to reach car buyers and sellers across the region.

# Market: New Car Sales & Ownership

## New Car Sales



## Car Ownership



- The sales of new cars in all three of iCar Asia's countries is still growing strongly.
- Number of registered cars is also increasing greatly and new car sales growth flows into creating a strong used car market.

	Australia	iCar Asia's Target Markets
Compound annual growth rate (CAGR) of registered passenger cars (2005-2013)	1.9%	<b>4.8% (Malaysia) 7.5% (Thailand) 10.5% (Indonesia)</b>
Compound annual growth rate (CAGR) of new passenger car sales (2005-2013)	1.7%	<b>4.1% (Malaysia) 17.1% (Thailand) 11.7% (Indonesia)</b>

### Sources

AU: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/9309.0/>  
 MY: Malaysia Automotive Industry (MAI)  
 TH: Wards Auto InfoBank  
 ID: International Business Times (IBT)

# Market: Automotive Advertising Growth

- iCar Asia’s three countries of operation currently, in total, have about 40% of Australia’s automotive advertising expenditure, but they are growing much faster
- Automotive ad spend in iCar Asia’s markets is seeing growth even, at times, in excess of 50% per annum

*“As car ownership levels increase, Frost & Sullivan expects automotive advertising expenditure to increase at a faster rate than overall advertising expenditure in Malaysia, Thailand and Indonesia. This is already noticeable with a 63% year-on-year growth in the first half of 2011 in Malaysia, and a 48% increase in Indonesia” (Frost & Sullivan)*

Source: Frost & Sullivan, 2012

Country	Total Advertising Spend 2013 (A\$ billion)	Online as % of Total Advertising Spend	Approx. Online Advertising Spend (A\$ million)	Forecast Growth Rate in Online Advertising Spend
Malaysia	4.52	3.0%	135.60	17%
Thailand	4.10	3.5%	145.20	24%
Indonesia	9.98	1.0%	99.80	31%

- Total advertising in iCar Asia’s three countries of operation is **already greater than Australia’s** total advertising market, and growing faster.
- Online percentage of advertising is low but growing quickly.

Source:  
 MY – AC Nielsen  
 TH – Digital Advertising Association Thailand (DAAT)  
 ID – e-marketer.com

- 655,000 new cars were sold during 2013, a new yearly record and higher than forecast 640,000.
- Predicted new car sales to grow by 4.2 per cent year-on-year to reach 675,000 units in 2014.
- NAP 2014 announced the Energy Efficient Vehicle (EEV) investment and incentive schemes to make Malaysia a regional hub for the manufacturing of Energy Efficient Vehicles.
- Car Price Reduction framework (CPR) is a government policy to reduce the price of cars by between 20-30% over the next 5 years.

Source: Frost & Sullivan, MITI, MAA

**MALAYSIA**



- Honda's opening of a second plant in Indonesia is a great sign of Indonesia's growing automotive market.
- Supported by legislative and presidential elections, new car sales in Indonesia are expected to grow between five and ten percent to 1.35 million total vehicles in 2014.
- Government Elections are forecast to provide a windfall of government spending in the country which will have a flow on effect to consumer spending.
- Low Cost Green Cars (LCGC) with Govt. concessions priced under Rp76m (under AUD8k) are booming.

Source: Indonesia-Investment, Motortrader

**INDONESIA**



- Domestic auto sales are expected to fall 19% this year to 1.08 million new cars sold because of the political unrest and the end of a government-subsidy program for first-time auto buyers. This is not expected to have a material effect on iCar Asia immediate future as we are not yet charging dealers for advertising.
- Production will slip 8% to 2.2 million units this year.
- Decrease in new car incentives will likely result in a recovery for the used car market.

Source: HIS, Wall Street Journal

**THAILAND**



With an increasing middle class, more and more people in iCar Asia's markets can now afford to buy a car than ever before.



## ECONOMY

- Population - **15 times larger** than population in Australia
- Strong GDP growth signifies greater opportunity for more people to own a new or used car.
- Reduction of interest rates means greater affordability for car ownership.

## TECHNOLOGY

- Strong growth in internet penetration with **over 100 million** people currently connected.
- Some of the heaviest mobile usership globally with fast growing smartphone penetration.

## CAR SALES

- New passenger car sales displaying **strong growth** on average across the iCar Asia's three countries of operation of over 10%.
- Average CAGR of registered passenger cars of 7.6% growth as compared to Australia at only 1.7%

## ADVERTISING

- Automotive vertical is the fastest growing advertising vertical, created by surge in new car purchases.
- Overall advertising market of iCar Asia's three countries is **greater than Australia's** and growing at faster rates.
- Internet advertising is a low percentage of overall advertising but growing quickly

**THESE FACTORS EQUAL AN INCREDIBLY LARGE OPPORTUNITY FOR THE NUMBER 1 ONLINE  
AUTOMOTIVE CLASSIFIEDS BUSINESS**

## FINANCIAL HIGHLIGHTS FOR 2013

- Cash balance of AUD\$12.48m at 31 December, 2013
- Total income of AUD\$1.75m
- Total loss of AUD\$6.85m

## KEY METRICS AS AT DECEMBER 2013

- 461,550 vehicles listed for sale across the group - **growth of 207% YoY.**
- 4.57m unique visitors across the group - **growth of 283% YoY.**
- 783,922 leads delivered to car sellers across the group - **growth of 2,434% YoY.**
- Monetisation commenced in Malaysia – 30% of car dealer market signed to paid subscription packages within 30 days

## PARTNERSHIPS AND ACQUISITIONS IN 2013

- carsales.com Ltd acquired 19.9%. Exceptional partner, positions the iCar Asia future.
- Acquisition of 2 strong automotive sites in LiveLifeDrive.com (Malaysia) and Thaicar.com (Thailand).

**iCar Asia Limited and Controlled Entities Statement of profit or loss and other comprehensive income For the year ended 31 December 2013**

	Note	Consolidated	
		2013	2012
		\$	\$
<b>Revenue</b>		1,753,539	328,151
<b>Expenses</b>			
Depreciation and amortisation expense		(206,898)	(12,348)
Finance costs		(41,092)	-
Administration and related expenses		(486,192)	(365,708)
Advertising and marketing expenses		(1,661,372)	(110,229)
Employment related expenses		(5,374,524)	(1,435,015)
Premises and infrastructure expenses		(564,389)	(112,564)
Offline production costs		(263,994)	(48,905)
<b>Loss before income tax expenses</b>		(6,844,922)	(1,756,618)
Income tax expense		-	-
<b>Loss after income tax expense for the year attributable to the owners of iCar Asia Limited and Controlled Entities</b>		<b>(6,844,922)</b>	<b>(1,756,618)</b>

- Focus on growing market share leadership before revenue growth.
- Investment in building market leading teams and capabilities
- Investment in market leading technology & infrastructure
- Beginning of the marketing phase to increase brand positioning and audience growth

## iCar Asia Limited and Controlled Entities Statement Balance Sheet

	Note	Consolidated	
		2013	2012
		\$	\$
Cash		12,481,630	6,273,043
Other Current Assets		1,174,406	394,662
<b>Current assets</b>		<b>13,656,036</b>	<b>6,667,705</b>
Available for sale investments		-	-
PPE		667,954	245,276
Goodwill & intangibles		6,988,461	4,447,109
<b>Non- current assets</b>		<b>7,656,415</b>	<b>4,692,385</b>
<b>Total assets</b>		<b>21,312,451</b>	<b>11,360,090</b>
Billings in advance		929,285	1,988,029
Other current liabilities		973,669	337,950
<b>Current liabilities</b>		<b>1,902,954</b>	<b>2,325,979</b>
Payables and Borrowings		1,831,245	653,381
<b>Total liabilities</b>		<b>3,734,199</b>	<b>2,979,360</b>
<b>Net assets</b>		<b>17,578,252</b>	<b>8,380,730</b>
<b>Total equity</b>		<b>17,578,252</b>	<b>8,380,730</b>

## WIN RACE TO OWN VIRTUOUS CYCLE

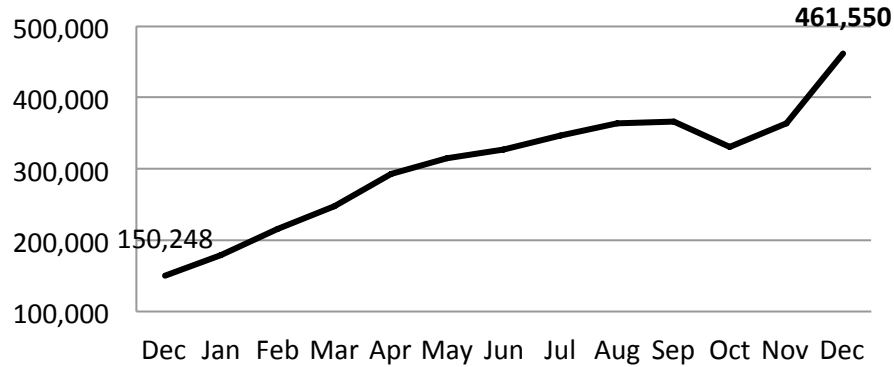


### As measured by....

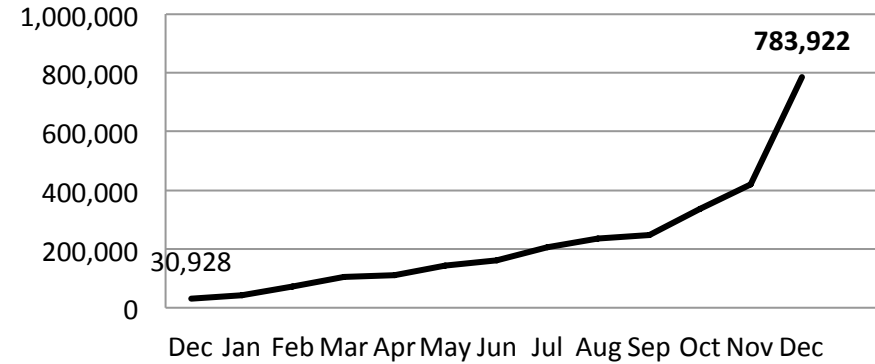
Listing & Content	No.1 Volume & Quality
Audience	No.1 in UV's & Engagement Metrics
Leads	No.1 Lead Provider to Dealer, Private Sellers & Manufacturers

# Group Overview – Key Operating Metrics

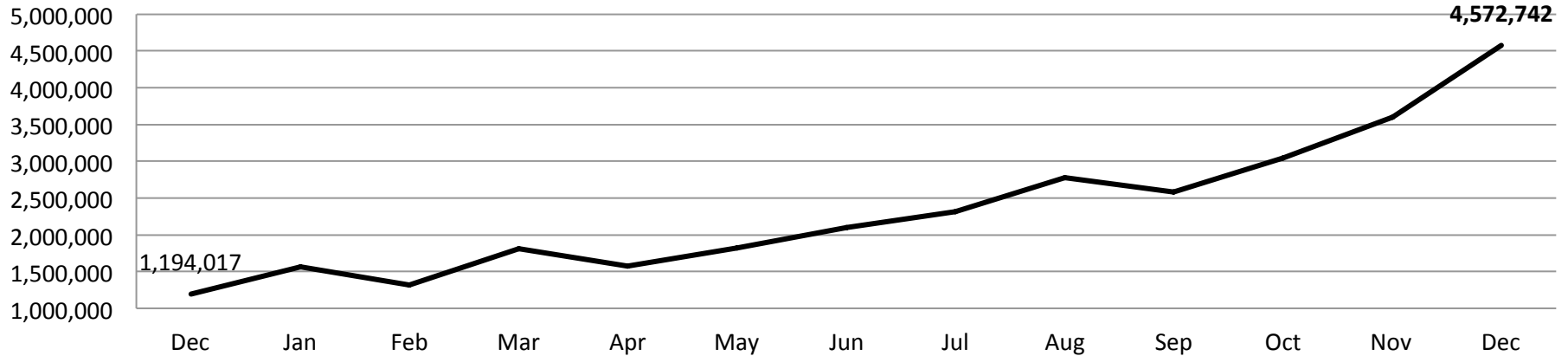
Listings



Leads



Audience



**We have grown our Unique Visitors by 283% and had an increase of 177.1% in the number of pages viewed, establishing clear regional leadership.**



- Number 1 automotive classifieds website
- 1,190,000+ Unique Visitors per month.
- 16,000,000+ Page Views per month.
- Listings grew over 128.7% since Dec 2012



- Malaysia's leading monthly automotive magazine for enthusiasts
- Estimated Readership of 87,500
- Key manufacturers advertise with EVO

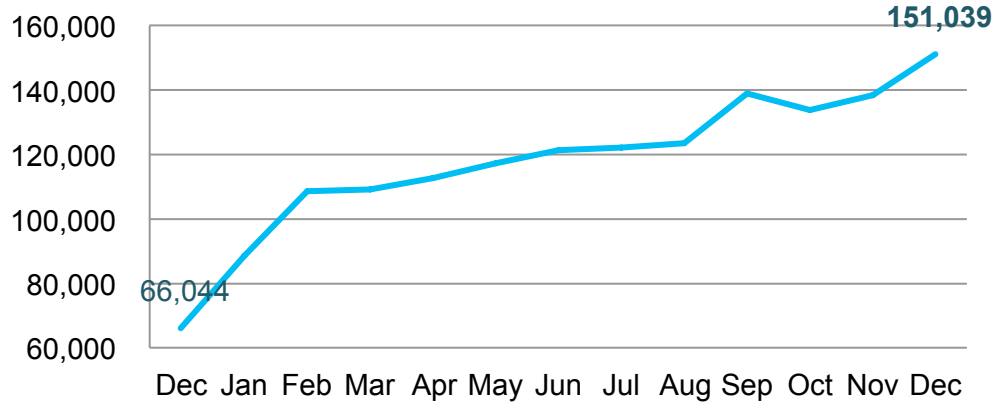
## LIVE LIFE DRIVE

- **The Website**
- Best buying research tool for new car buyers
- 917,000+ Unique Visitors per month.
- 4,900,000+ Page Views per month.
- Buying research tool for new car buyers

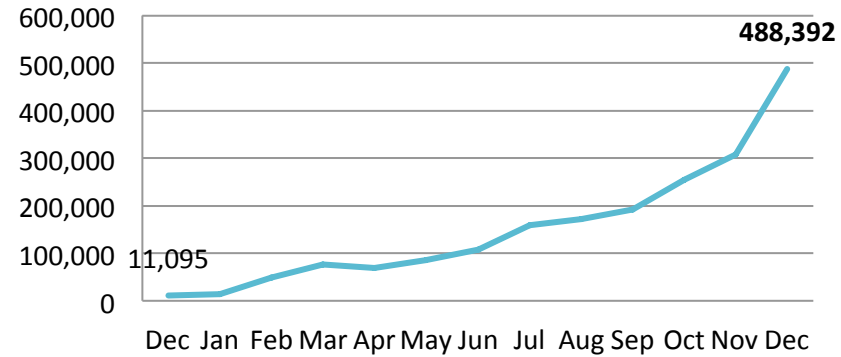


# Growth Overview – Malaysia

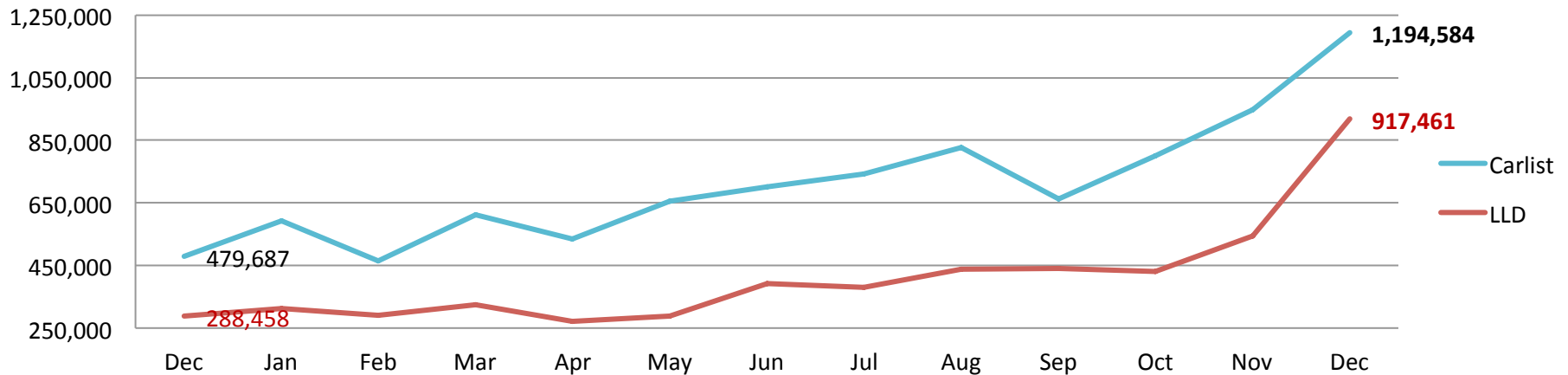
**Listings**



**Leads**



**Audience**



**Clear leadership established in Malaysia across all metrics for Carlist.my.**

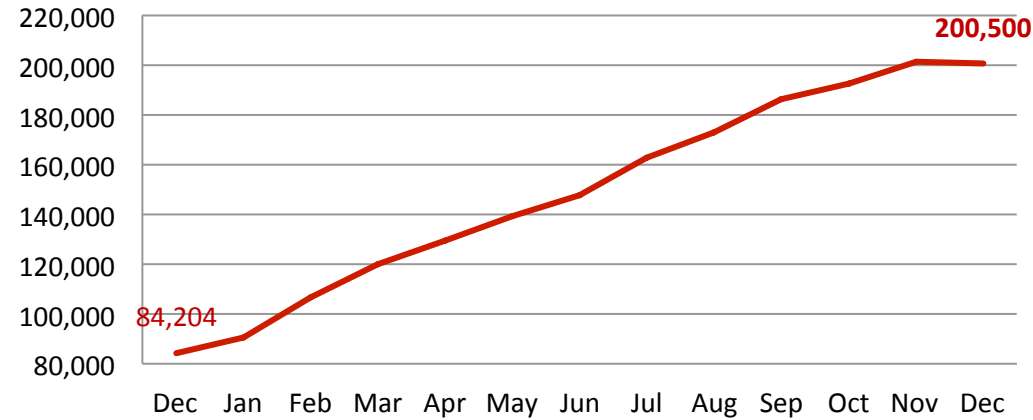




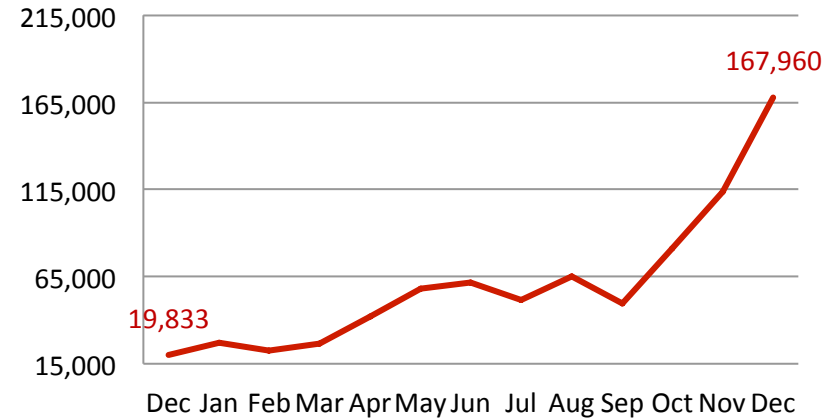
- The number 1 automotive classifieds website
- 1 million + UV's (Unique Visitors) per month.
- 8.2 million+ PVs (Page Views) per month.
- 200,000+ Automotive listings



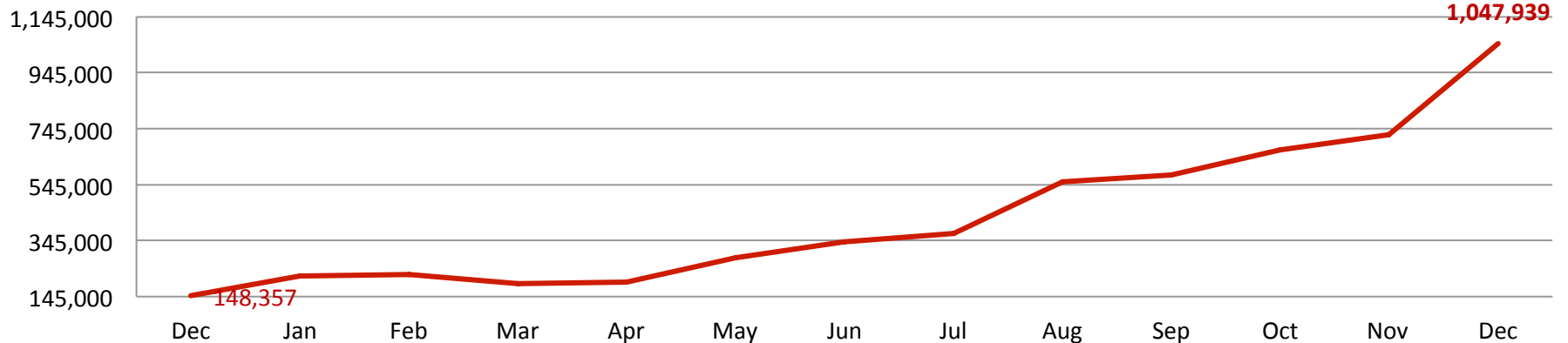
## Listings



## Leads



## Audience



**Growth in all key operating metrics sees Mobil123.com positioned clearly as the leading vertical automotive classifieds site in Indonesia.**

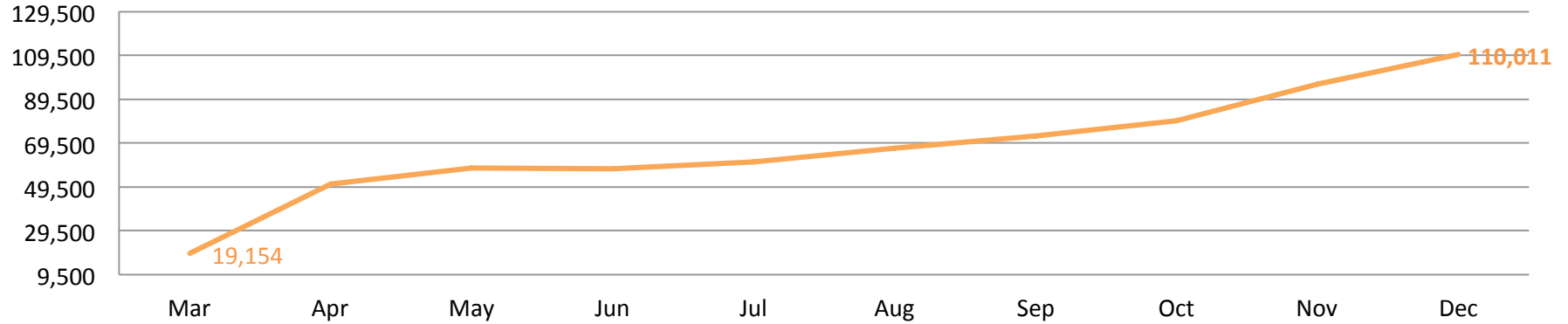


- Acquired in March, 2013
- The Number 1 automotive classifieds website by volume of listings.
- 740,000+ Unique Visitors per month.
- 7,600,000 Page Views per month.
- 100,000+ listings

- Leading automotive content website
- 672,000 Unique Viewers per month
- 2,300,000 Page Views per month.
- All large manufacturers have advertised with Autospinn.com

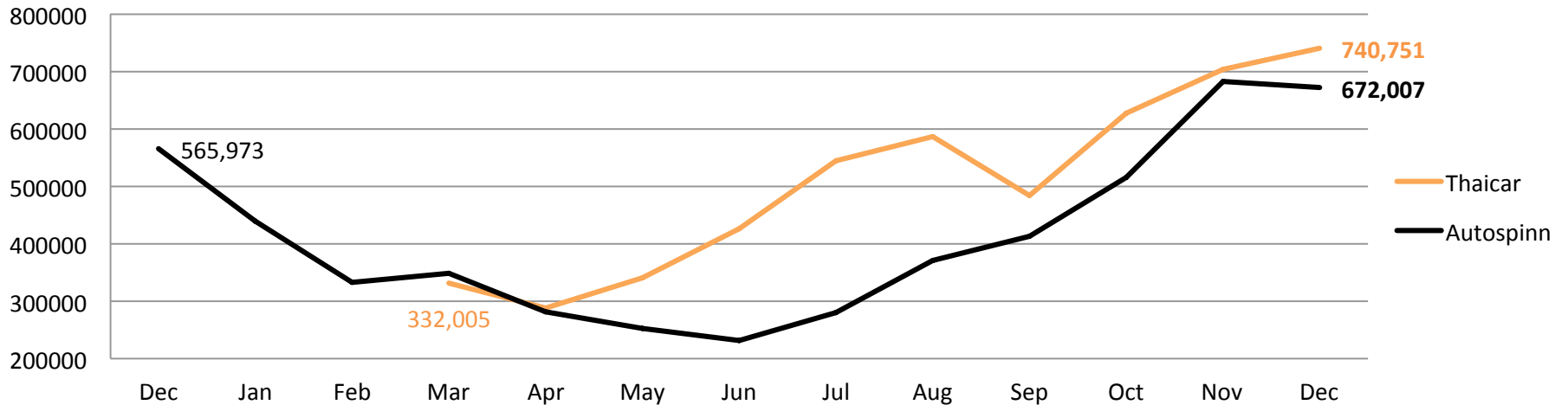


**Listings**



The most car listings in the market – growth of 474.3% since March.

**Audience**



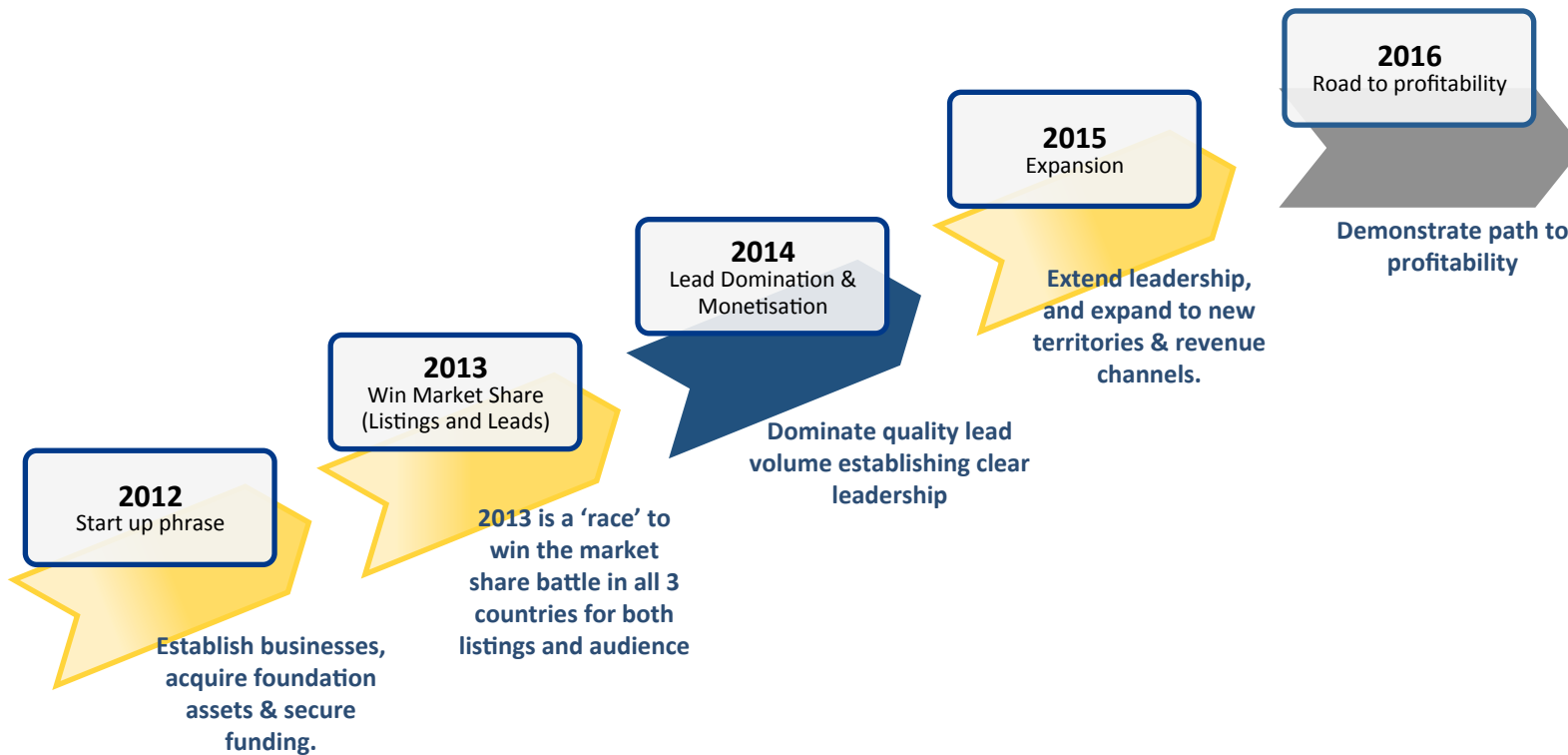
Thaicar.com grew Uvs 123.1% since March with Autospinn growing 18.7% from December 2012.

## ICAR ROADMAP



## OUR VISION

We are passionate about iCar Asia becoming ASEAN's largest & most trusted automotive digital marketplace, connecting over 600 million buyers and sellers.



## Phase 3 (NOW): DOMINATE QUALITY LEAD VOLUMES

### Our Strategy

- To be number one in each country, we must win Listings, Audience & Leads – Revenue will then be the result.

### Our Progress

- We have been successful at winning listings volume and quality, improved desktop & mobile sites, and establishing product leadership in each country. The marketing phase has begun with the goal of dominating Audience (number of car buyers coming to our sites) and to dominate quality lead volumes delivered to car sellers. We are poised to deploy iCar Asia's version of carsales.com's Autogate, a central seller portal for listings and leads management.

### Our next steps

- Continue to build the best product for each country, build on our marketing awareness and audience, and define our path to revenue growth with products that Dealers, Private Sellers & Manufacturers can't live without.

The material contained in this presentation is non-specific and is a summary of the background to the company's activities. As this information is in a summary form it is not intended to be complete. Independent advice should be sought by Investors or potential investors. The material does not take into account the investment objectives, financial situation or needs of a particular investor and therefore should not be relied upon as investment advice to Investors or potential Investors.



The End

