

**ASX Code: FDV**

13 December 2019

**Infocasas update and institutional placement**

- **FDV has exercised its option to increase its ownership of Infocasas from 31.9% to 51.0% for cash consideration of A\$5.2m**
- **Infocasas is operating profitably and represents a highly strategic investment into the South American online classifieds market**
- **FDV has completed a placement of shares equal to the option exercise amount of A\$5.2m to an existing shareholder, an asset management firm based in San Francisco**
- **Under the placement, FDV will issue shares at an issue price of \$0.775 per share, which represents a tight 1.9% discount to FDV's last closing price of \$0.79**
- **FDV continues to actively manage its portfolio in the best interests of shareholders**

Frontier Digital Ventures Limited ("FDV") is pleased to announce that it has exercised its option to purchase existing shares in Infocasas, a leading property portal in Uruguay, Paraguay and Bolivia, to increase its ownership from 31.9% to 51.0% on a fully diluted basis for cash consideration of US\$3,577,759 (A\$5,238,300 at an FX rate of \$0.683). The Founder and CEO of Infocasas, Ricardo Frechou, as the next largest shareholder, is not participating in the sale.

The option price methodology was agreed in September 2017 as part of FDV's original investment in Infocasas based on a pre-money valuation equivalent to 5x the audited revenues of Infocasas for the 12 months ending 31 August 2019. This represents significant value for FDV shareholders relative to comparable transactions for rapidly growing, profitable and leading online marketplace businesses. The increase in FDV's shareholding to 51.0% will result in Infocasas being accounted for by FDV on a consolidated basis rather than an equity accounted basis and highlights FDV's desire to increase its interests in the best performing operating companies in its portfolio.

Infocasas has continued to exceed expectations since FDV's original investment in September 2017, which includes strong growth in advertisers, listings, monthly site visits, revenue and EBITDA. Infocasas has also recently launched in Peru, which opens up an attractive new market. Peru has a substantially larger population and GDP than Uruguay, Paraguay and Bolivia combined.

**FDV's Founder and CEO, Shaun Di Gregorio said:**

*"This call option exercise highlights the value of FDV's structured investment terms and typifies our strategy to invest in growth with a long-term view. Infocasas has been a standout performer within the portfolio of FDV investments and is one of the four self-sufficient, EBITDA positive, investments highlighted in our half year results presentation, along with Zameen, iMyanmar and AutoDeal."*

**Share placement**

FDV is pleased to announce a A\$5.2 million share placement to an existing shareholder, an asset management firm based in San Francisco, to fund the acquisition of the Infocasas shares. Under the placement, FDV will issue 6,759,097 fully paid ordinary shares in FDV at an issue price of A\$0.775 per share based on an FX rate of \$0.683. This represents a tight 1.9% discount to FDV's last closing price of \$0.79 on 12 December 2019.

The placement is being made within FDV's existing 15% placement capacity under ASX Listing Rule 7.1. The funds are being used to fund the call option amount under the Infocasas transaction.

Vesparum Capital is acting in an independent capital markets advisory role for FDV.

**FDV's Founder and CEO, Shaun Di Gregorio said:**

*"This placement ensures FDV maintains a strong balance sheet with significant funding flexibility in an environment where we are seeing increasing opportunities to invest in our own portfolio and remain well placed to consider new investments, should they fit with our ongoing strategy. The placement is at a tight discount to recent trading prices, with an existing shareholder who is highly aligned with our long-term mindset and strategy."*

For more information, please contact:

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**About FDV**

FDV focuses on developing online classifieds businesses in underdeveloped, emerging countries or regions. With a track record of supporting market leading online businesses, FDV's management are experts in the online classifieds space with a particular focus on property and automotive verticals and general classifieds websites. FDV's portfolio currently consists of investments in 12 market leading operating businesses across 14 markets. With extensive support offered to the local operating companies, coupled with the energy and work ethic of its management team, FDV is bringing outstanding companies to their full potential.