

**ASX Code: FDV**

15 October 2020

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

**RETAIL OFFER BOOKLET**

**Retail Offer Booklet**

Attached is a copy of the retail entitlement offer booklet ('**Retail Offer Booklet**') in relation to the retail component of the 1 for 9 accelerated non-renounceable entitlement offer (**Entitlement Offer**) of new shares in Frontier Digital Ventures Ltd ('**New Shares**'), which was announced on Thursday, 8 October 2020.

The Retail Offer Booklet, including personalised entitlement and acceptance forms, will be despatched to eligible retail shareholders today.

**Retail Entitlement Offer**

The retail component of the Entitlement Offer ('**Retail Entitlement Offer**') opens today, Thursday, 15 October 2020 and is expected to close at 5.00pm (Melbourne time) on Thursday, 29 October 2020. Eligible retail shareholders should carefully read the Retail Offer Booklet for further details about the Retail Entitlement Offer.

Eligible retail shareholders can access their personalised entitlement and acceptance form by logging onto [www.investorcentre.com/au](http://www.investorcentre.com/au) through 'Single holding', then entering their SRN/HIN and postcode, or username and password, and then selecting 'Documents' and clicking to view the form titled 'Entitlement Acceptances', dated 15 October 2020.

You should seek appropriate professional advice before making any investment decision. If you have any questions about the Retail Entitlement Offer, please contact the FDV Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Melbourne time), on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Thursday, 29 October 2020.

- ENDS -

The release of this announcement was authorised by the Board of Directors of Frontier Digital Ventures Ltd.

For more information, please contact:

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## **About FDV Limited**

FDV is a leading operator of online classifieds businesses in underdeveloped, emerging countries or regions. With a track record of building and 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 15 market leading companies, operating businesses across 20 markets. With the extensive support offered to the local operating companies, coupled with their own energy and work ethic, the FDV management team are bringing outstanding companies to their full potential.

## **Important Notice and Disclaimer**

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer or solicitation would be illegal. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States.

This announcement may not be released or distributed in the United States.

Nothing contained in this announcement shall form the basis of any contract or commitment, or constitute investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

# **Frontier Digital Ventures Ltd**

## **Retail Entitlement Offer Booklet**

### **1 for 9 pro rata accelerated non-renounceable entitlement offer of FDV ordinary shares at \$1.25 per New Share**

**Retail Entitlement Offer closes: 5.00pm (Melbourne time) on Thursday, 29 October 2020**

**If you are an Eligible Retail Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission. You should consult your stockbroker, solicitor, accountant or other professional adviser if you have any questions.**

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

## IMPORTANT NOTICES

This Information Booklet is dated Thursday, 15 October 2020 and relates to the Retail Entitlement Offer, which is part of the Entitlement Offer by FDV to raise up to approximately \$36.6 million. Capitalised terms in this section have the meaning given to them in this Information Booklet.

This Information Booklet has been issued by Frontier Digital Ventures Ltd (ACN 609 183 959) (**FDV**).

## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

The Retail Entitlement Offer is made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73). This Information Booklet is not a prospectus or a product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Information Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on FDV and the Entitlement Offer (for example, the information available on FDV's website at <https://frontierdv.com/> or on ASX's website at [www.asx.com.au](http://www.asx.com.au)) prior to deciding whether to accept your Entitlement and apply for New Shares. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

**Please contact your professional adviser or the FDV Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Melbourne time) on Monday to Friday if you have any questions.**

This Information Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide to participate in the Retail Entitlement Offer. In particular, the Investor Presentation in Section 3 of this Information Booklet details important factors and risks that could affect the financial and operating performance of FDV. Please refer to the 'Key risks' section of the Investor Presentation for details. When making an investment decision in connection with the Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 5 of this Information Booklet).

In addition to reading this Information Booklet in conjunction with FDV's other periodic and continuous disclosure announcements including the Investor Presentation and FDV's announcements to ASX and on its website, you should conduct your own independent review, investigations and analysis of FDV and the New Shares and obtain any professional advice you require to evaluate the merits and risks of an investment in FDV before making any investment decision.

By paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Information Booklet.

### No overseas offering

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Retail Shareholders.

This Information Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Information Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Information Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for FDV to lawfully receive your Application Monies.

### New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of FDV with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## United States disclaimer

None of the information in this Information Booklet or the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of any person in the United States. Neither this Information Booklet (or any part of it), the accompanying ASX Announcements and Investor Presentation nor the accompanying Entitlement and Acceptance Form may be released or distributed directly or indirectly, to persons in the United States.

The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States or to persons acting for the account or benefit of a person in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable U.S. states securities laws. The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer described in this Retail Offer Booklet may only be offered and sold to persons who are outside the United States and who are not acting for the account or benefit of a person in the United States in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

### Definitions, time and currency

Defined terms used in this Information Booklet are contained in Section 6. All references to time are to Melbourne time, unless otherwise indicated.

All references to '\$' are AUD unless otherwise noted.

### Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 5 provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. FDV recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

### Privacy

FDV collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in FDV.

By paying for your New Shares through BPAY®, you will be providing personal information to FDV (directly or through the Share Registry). FDV collects, holds and will use that information to assess your Application. FDV collects your personal information to process and administer your shareholding in FDV and to provide related services to you. FDV may disclose your personal information for purposes related to your shareholding in FDV, including to the Share Registry, FDV's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that FDV holds about you. To make a request for access to your personal information held by (or on behalf of) FDV, please contact FDV through the Share Registry.

### Governing law

This Information Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law of Victoria, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Victoria, Australia.

### Past performance

Investors should note that FDV's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) FDV's future performance including FDV's future financial position or share price performance.

### Future performance

This Information Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of FDV and certain plans and objectives of the management of FDV. Forward-looking statements include those containing words such as "anticipate", "believe", "expect", "estimate", "should", "will", "plan", "could", "may", "intends", "guidance", "project", "forecast", "target", "likely" and other similar expressions, and include, but are not limited to, statements regarding the outcome and effects of the Retail Entitlement Offer. Any forward-looking statements, opinions and estimates provided in this Information Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of FDV and the Joint Lead Manager Parties. This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements may include projections, guidance on future revenues, earnings, dividends and estimates.

These forward-looking statements contained in this Information Booklet involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

**You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.** Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither FDV, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of FDV. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Information Booklet in light of those disclosures.

The forward-looking statements are based on information available to FDV as at the date of this Information Booklet. Except as required by law or regulation (including the Listing Rules), FDV is under no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

None of the Joint Lead Managers have authorised, approved or verified any forward-looking statements.

#### **Joint Lead Managers**

Bell Potter Securities Limited and Morgans Corporate Limited (the **Joint Lead Managers**) have acted as joint lead managers to the Entitlement Offer. Neither the Joint Lead Managers, their respective affiliates, related bodies corporate (as that term is defined in the Corporations Act), nor their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the **Joint Lead Manager Parties**), nor the advisers to FDV or any other person, have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Information Booklet (or any other materials released by FDV) and none of them makes or purports to make any statement in this Information Booklet and there is no statement in this Information Booklet which is based on any statement by any of them.

The Joint Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from FDV.

#### **Disclaimer**

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of FDV and the Joint Lead Managers. To the maximum extent permitted by law, each of FDV and the Joint Lead Managers and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. To the maximum extent permitted by law, the Joint Lead Manager Parties disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Information Booklet being inaccurate or due to information being omitted from this Information Booklet, whether by way of negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Information Booklet.

The Joint Lead Manager Parties take no responsibility for any part of this Information Booklet or liability for any loss or damage whatsoever arising from the use of any part of this Information Booklet or otherwise arising in connection with it.

The Joint Lead Manager Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Joint Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally.

#### **Risks**

Refer to the 'Key risks' section of the Investor Presentation included in Section 3 of this Information Booklet for a summary of general and specific risk factors that may affect FDV. You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

#### **No cooling off**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw an Application once it has been accepted.

#### **Trading New Shares**

FDV will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by FDV or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

#### **No Entitlements trading**

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

#### **Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information Booklet.

Any information or representation that is not in this Information Booklet may not be relied on as having been authorised by FDV, its officers or its related bodies corporate in connection with the Retail Entitlement Offer.

If you are in any doubt as to these matters, you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

## Chairman's letter

Thursday, 15 October 2020

Dear Shareholder

As a valued Shareholder of Frontier Digital Ventures Ltd (**FDV**), I am pleased to invite you to participate in a 1 for 9 non-underwritten accelerated non-renounceable pro rata entitlement offer of new ordinary shares in FDV (**New Shares**) at an offer price of \$1.25 per New Share (**Offer Price**), which is intended to raise gross proceeds of up to approximately \$36.6 million (**Entitlement Offer**).

On Thursday, 8 October 2020 FDV announced its intention to raise up to approximately \$100 million through an approximately \$63.4 million placement to institutional investors (**Placement**) and the Entitlement Offer (together, the **Offer**). The institutional component of the Entitlement Offer (**Institutional Entitlement Offer**) and the Placement were successfully completed before trading in our shares recommenced on Monday, 12 October 2020. The Placement and Institutional Entitlement Offer received strong support from existing eligible institutional shareholders with a take up rate of 91% under the Institutional Entitlement Offer (excluding the entitlements not taken up by Shaun Di Gregorio and Catcha Group). The gross proceeds to be received from the Placement and Institutional Entitlement Offer are \$92.6 million.

This Information Booklet relates to the retail component of the Entitlement Offer (**Retail Entitlement Offer**).

FDV intends to use the proceeds of the Offer for the following purposes:

- approximately \$56 million for the acquisition of 100% of the issued capital of Fincaraíz, Avito and Tayara (the **Acquisitions**) (further information in relation to the Acquisitions is set out in the Investor Presentation); and
- approximately \$44 million for further growth capital, balance sheet flexibility and payment of transaction costs.

Vesparum Capital is acting as financial advisor, and Herbert Smith Freehills as legal advisor, to FDV in relation to the Acquisitions and the Offer. Bell Potter Securities and Morgans Corporate Limited are acting as Joint Lead Managers for the Capital Raising.

### Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same price as the institutional investors who participated in the Institutional Entitlement Offer and Placement.

The number of New Shares for which you are entitled to subscribe under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised entitlement and acceptance form (**Entitlement and Acceptance Form**) that accompanies this Information Booklet.

The Offer Price of \$1.25 per New Share represents a:

- 20.1% discount to the closing price of FDV Shares of \$1.565 on Tuesday, 6 October 2020 (being the last trading day prior to announcement of the Offer);
- 2.7% discount to 15-day Volume Weighted Average Price (VWAP) of A\$1.284 per share for the period ending on the last trading day prior to announcement of the Offer; and
- 16.2% discount to the theoretical ex-rights price (TERP)<sup>1</sup>.

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<sup>1</sup> The theoretical ex-rights price (**TERP**) is the theoretical price at which FDV Shares should trade after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which FDV Shares trade after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to FDV's closing price of \$1.565 on Tuesday, 6 October 2020 and is calculated based on the maximum size of the Placement, the Institutional Entitlement Offer and Retail Entitlement Offer.

Eligible Retail Shareholders who take up their Entitlement in full can also apply for additional New Shares in excess of their Entitlement under the Top Up Facility. There is no guarantee that any additional New Shares will be available.

The Entitlement Offer is designed to recognise the support of our existing Shareholders, many of whom are long-term investors. The inclusion of the Top Up Facility seeks to address in part the dilutive impact of the Placement by providing Eligible Retail Shareholders who take up their Entitlement in full with an opportunity to apply for additional New Shares in excess of their Entitlement.

Each New Share issued under the Entitlement Offer will rank equally with existing FDV Shares on issue. FDV will, upon issue of the New Shares, seek quotation of the New Shares on ASX.

The Entitlement Offer is non-renounceable and therefore your Entitlement will not be tradeable on the ASX or otherwise transferable. I encourage you to consider this offer carefully.

### **Information Booklet**

This Information Booklet contains important information, including:

- ASX announcements relating to the Offer and the Acquisitions, including the Investor Presentation, which provides information on FDV, the Acquisitions, the Offer and key risks for you to consider;
- instructions on how to apply, detailing how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates;
- information regarding the personalised Entitlement and Acceptance Form that accompanies this Information Booklet, which details your Entitlement and instructions on how to take up all or part of your Entitlement; and
- instructions on how to take up all or part of your Entitlement via BPAY®.

If you decide to take this opportunity to increase your investment in FDV, you must pay your Application Monies via BPAY®, **before 5.00pm (Melbourne time) on Thursday, 29 October 2020.**

Instructions on how to apply are set out in this Information Booklet and your Entitlement and Acceptance Form. For further information regarding the Retail Entitlement Offer, call the FDV Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) between 8.30am to 5.00pm (Melbourne time) Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Thursday, 29 October 2020.

### **The Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Thursday, 29 October 2020**

If you do not wish to take up any of your Entitlement, you do not have to take any action.

If you are uncertain about taking up your Entitlement you should consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

On behalf of the board and management of FDV, I have pleasure in inviting you to consider this investment opportunity and thank you for your ongoing support of FDV. We appreciate the ongoing support of shareholders and look forward to your participation in the Retail Entitlement Offer.

Yours faithfully



**Anthony Klok**

Chairman

Frontier Digital Ventures Ltd

## Summary of the Entitlement Offer

Entitlement Offer	
Ratio	1 New Share for every 9 Existing Shares
Offer Price	\$1.25 per New Share
Size	Approximately 23.4 million New Shares under the Institutional Entitlement Offer and up to approximately 5.9 million New Shares under the Retail Entitlement Offer
Gross proceeds	Up to approximately \$36.6 million, comprising approximately \$29.2 million which has been raised under the Institutional Entitlement Offer and up to approximately \$7.4 million under the Retail Entitlement Offer

## Key dates

Activity	Date
Placement opens	Wednesday, 7 October 2020
Announcement of the Entitlement Offer and Placement	Thursday, 8 October 2020
Placement closes	Thursday, 8 October 2020
Institutional Entitlement Offer opens	Thursday, 8 October 2020
Institutional Entitlement Offer closes	Friday, 9 October 2020
Announcement of results of Institutional Entitlement Offer and Placement / Shares recommence trading	Monday, 12 October 2020
Record Date for Entitlement Offer (7.00pm Melbourne time)	Monday, 12 October 2020
<b>Retail Entitlement Offer opens</b>	Thursday, 15 October 2020
<b>Information Booklet and Entitlement and Acceptance Form despatched</b>	<b>Thursday, 15 October 2020</b>
Allotment of New Shares under the Institutional Entitlement Offer and Placement	Friday, 16 October 2020
Commencement of trading of New Shares issued under the Institutional Entitlement Offer and Placement	Friday, 16 October 2020
<b>Retail Entitlement Offer closes (5.00pm Melbourne time)</b>	<b>Thursday, 29 October 2020</b>
Allotment of New Shares under the Retail Entitlement Offer	Thursday, 5 November 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Friday, 6 November 2020

*This Timetable above is indicative only and may change. FDV reserves the right to amend any or all of these dates and times subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, FDV reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late Applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Shares. FDV also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.*

## Enquiries

FDV Offer Information Line: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Melbourne time) on Monday to Friday, before the Retail Entitlement Offer



closes at 5.00pm (Melbourne time) on Thursday, 29 October 2020. Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

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## 1 Summary of options available to you

If you are an Eligible Retail Shareholder<sup>2</sup>, you may take one of the following actions:

- take up all of your Entitlement and also apply for additional New Shares under the Top Up Facility;
- take up all of your Entitlement but not apply for additional New Shares under the Top Up Facility;
- take up part of your Entitlement and allow the balance to lapse; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

The Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Thursday, 29 October 2020.

If you are a retail Shareholder that is not an Eligible Retail Shareholder, you are an **“Ineligible Retail Shareholder”**. Ineligible Retail Shareholders are not entitled to participate in the Retail Entitlement Offer.

Options available to you	Key considerations
1. Take up all of your Entitlement	<ul style="list-style-type: none"><li>• You may elect to purchase New Shares at the Offer Price (see Section 2 “How to Apply” for instructions on how to take up your Entitlement).</li><li>• The New Shares will rank equally in all respects with Existing Shares.</li><li>• If you take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility (see Section 2.7 for instructions on how to apply for additional New Shares). There is no guarantee that you will be allocated any additional New Shares under the Top Up Facility.</li></ul>
2. Take up part of your Entitlement	<ul style="list-style-type: none"><li>• If you do not take up your Entitlement in full, those Entitlements not taken up will lapse and you will not receive any payment or value for them.</li><li>• You will not be entitled to apply for additional New Shares under the Top Up Facility.<sup>3</sup></li><li>• If you do not take up your Entitlement in full, you will have your percentage holding in FDV reduced as a result of the Entitlement Offer and the Placement.</li></ul>
3. Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements	<ul style="list-style-type: none"><li>• If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means your Entitlements are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred.</li><li>• If you do not take up your Entitlement you will have your percentage holding in FDV reduced as a result of the Entitlement Offer and the Placement.</li></ul>

<sup>2</sup> See Section 4.1.

<sup>3</sup> For the application of this rule to custodians, see Section 2.15.

## **2 How to apply**

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### **2.1 Overview**

Under the Entitlement Offer, FDV is offering Eligible Shareholders the opportunity to subscribe for 1 New Share for every 9 Existing Shares held on the Record Date. The Offer Price per New Share is \$1.25. The Entitlement Offer is intended to raise up to approximately \$36.6 million, comprising approximately \$29.2 million which has been raised under the Institutional Entitlement Offer and up to approximately \$7.4 million under the Retail Entitlement Offer. The Placement, which is being undertaken in conjunction with the Entitlement Offer, raised approximately \$63.4 million (see further FDV's ASX announcements dated Thursday, 8 October 2020 and Monday, 12 October 2020).

The Entitlement Offer is not underwritten.

The Entitlement Offer is non-renounceable, which means that the Entitlements cannot be traded or otherwise transferred on ASX or any other exchange or privately. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

Please refer to the ASX Announcements and the Investor Presentation<sup>4</sup> included in this Information Booklet for information on the rationale for the Entitlement Offer, the use of proceeds of the Entitlement Offer and for further information on FDV.

### **2.2 Placement**

Institutional investors were invited to bid for New Shares under the Placement at the Offer Price of \$1.25 per New Share.

The Placement was successfully conducted between Wednesday, 7 October 2020 and Thursday, 8 October 2020 and raised approximately \$63.4 million (see further FDV's ASX announcement dated Monday, 12 October 2020). New Shares are expected to be issued under the Placement on Friday, 16 October 2020.

### **2.3 Institutional Entitlement Offer**

Eligible Institutional Shareholders were given the opportunity to take up all or part of their Entitlements under the Institutional Entitlement Offer at the Offer Price of \$1.25 per New Share.

New Shares equivalent to the number not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer, as well as Entitlements of certain Ineligible Institutional Shareholders, were offered to Eligible Institutional Shareholders who applied for New Shares in excess of their Entitlement, as well as to certain other institutional investors.

The Institutional Entitlement Offer was successfully conducted between Thursday, 8 October 2020 and Friday, 9 October 2020 and raised approximately \$29.2 million (see further FDV's ASX announcement dated Monday, 12 October 2020). New Shares are expected to be issued under the Institutional Entitlement Offer on Friday, 16 October 2020.

### **2.4 Retail Entitlement Offer**

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

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<sup>4</sup> The ASX Announcements and the Investor Presentation are current as at the date of their release. There may be other announcements that have been made by FDV after Thursday, 15 October 2020 and before the Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Thursday, 29 October 2020 that may be relevant in your consideration of whether to take part in the Retail Entitlement Offer. Therefore, it is prudent that you check whether any further announcements have been made by FDV before submitting an Application.

Eligible Retail Shareholders are being invited to subscribe for all or part of their Entitlement and are being sent this Information Booklet with a personalised Entitlement and Acceptance Form.

Eligible Retail Shareholders who take up all of their Entitlement may also apply for additional New Shares in excess of their Entitlement under the Top Up Facility.

The Retail Entitlement Offer constitutes an offer only to Eligible Retail Shareholders, being Shareholders on the Record Date who have an address on the FDV register in Australia or New Zealand and are eligible under all applicable laws to receive an offer under the Retail Entitlement Offer. A person in the United States or acting for the account or benefit of a person in the United States is not entitled to participate in the Retail Entitlement Offer.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal requirements, logistical and registry constraints, and the discretion of FDV. FDV and the Joint Lead Managers disclaim any liability in respect of the exercise or otherwise of that determination and discretion, to the maximum extent permitted by law.

The Retail Entitlement Offer seeks to raise up to approximately \$7.4 million. The Offer Price under the Retail Entitlement Offer is the same as the Offer Price under the Institutional Entitlement Offer and the Placement.

The Retail Entitlement Offer opens on Thursday, 15 October 2020 and is expected to close at 5.00pm (Melbourne time) on Thursday, 29 October 2020.

## **2.5 Your Entitlement**

An Entitlement and Acceptance Form setting out your Entitlement (calculated as 1 New Share for every 9 Shares held on the Record Date with fractional entitlements rounded up to the nearest whole number of New Shares) accompanies this Information Booklet. Eligible Retail Shareholders may subscribe for all or part of their Entitlement. Eligible Retail Shareholders that take up all of their Entitlement in full may also apply for additional New Shares under the Top Up Facility. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

Eligible Retail Shareholders should be aware that an investment in FDV involves risks. The key risks identified by FDV are set out in the section entitled 'Key risks' from page 36 of the Investor Presentation (enclosed in Section 3).

## **2.6 Options available to you**

The number of New Shares to which Eligible Retail Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form. Eligible Retail Shareholders may:

- (a) take up their Entitlement in full and, if they do so, they may apply for additional New Shares under the Top Up Facility (refer to Section 2.7);
- (b) take up part of their Entitlement, in which case the balance of the Entitlement would lapse (refer to Section 2.8); or
- (c) allow their Entitlement to lapse (refer to Section 2.9).

Ineligible Retail Shareholders may not participate in the Retail Entitlement Offer.

FDV reserves the right to reject any Application that is received after the Closing Date.

The Closing Date for acceptance of the Retail Entitlement Offer is 5.00pm (Melbourne time) on Thursday, 29 October 2020 (however, that date may be varied by FDV, in accordance with the Listing Rules and the Underwriting Agreement).

## **2.7 Taking up all of your Entitlement or taking up all of your Entitlement and participating in the Top Up Facility**

If you wish to take up all of your Entitlement, you are required to make payment via BPAY®<sup>5</sup> by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment is due by no later than 5.00pm (Melbourne time) on Thursday, 29 October 2020.

If you apply to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. Any Application Monies received for more than your full Entitlement of New Shares will be treated as applying for as many additional New Shares as it will pay for in full.

If you apply for additional New Shares under the Top Up Facility, and if your application is successful (in whole or in part), your additional New Shares will be issued to you at the same time and on the same terms that other New Shares are issued under the Retail Entitlement Offer. If you apply for additional New Shares, there is no guarantee that you will be allocated any additional New Shares.

Any New Shares referable to Entitlements not taken up by the Closing Date may be made available to those Eligible Retail Shareholders who took up their full Entitlement and applied for additional New Shares under the Top Up Facility. Additional New Shares will only be allocated to Eligible Retail Shareholders if available, and subject to the Corporations Act, Listing Rules and other applicable laws and regulations. If Eligible Retail Shareholders apply for more additional New Shares than available under the Top Up Facility, FDV will scale back applications for additional New Shares in its absolute discretion. Without limiting its discretion, FDV may have regard to the pro rata Entitlement of Eligible Retail Shareholders who apply for additional New Shares.

No interest will be paid to Applicants on any Application Monies received or refunded. Refund amounts, if any, will be paid in Australian dollars. You will be paid either by direct credit to the nominated bank account as noted on the share register as at the Closing Date or by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders). If you wish to advise or change your banking instructions with the Share Registry you may do so by going to <https://www-au.computershare.com/Investor/> and logging into the Investor Centre.

## **2.8 Taking up part of your Entitlement and allowing the balance to lapse**

If you wish to take up part of your Entitlement, you are required to make payment via BPAY by following the instructions set out on the personalised Entitlement and Acceptance Form.

If FDV receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Monies will pay for in full.

If you do not wish to take up any part of your Entitlement, do not take any further action in respect of that part of your Entitlement and that part of your Entitlement will lapse.

## **2.9 Allowing your Entitlement to lapse**

If you do not wish to take up all of your Entitlement, do not take any further action and all of your Entitlement will lapse.

## **2.10 Consequences of not taking up all or part of your Entitlement**

If you do not take up all or part of your Entitlement in accordance with the instructions set out above, your Entitlement will lapse and those New Shares for which you would have otherwise been entitled under the Retail Entitlement Offer (including New Shares that relate to the portion of your Entitlement that has not been taken up) may be acquired by Eligible Retail Shareholders under the Top Up Facility.

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<sup>5</sup> Registered by BPAY Pty Ltd (ABN 69 079 137 518).

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your interest in FDV will also be diluted to the extent that New Shares are issued under the Entitlement Offer and the Placement.

## **2.11 Payment**

You are required to pay your Application Monies using BPAY.

Cash payments will not be accepted. Additionally, due to postal delays and for public health and safety reasons in light of the COVID-19 pandemic, payments by cheque, bank draft or money order will not be accepted. Receipts for payment will not be issued.

FDV will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement, and in respect of any excess amount applying for as many additional New Shares under the Top Up Facility as it will pay for in full.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to Applicants on any Application Monies received or refunded.

## **2.12 Payment by BPAY**

For payment by BPAY, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions.

When paying by BPAY, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

Please note that by paying by BPAY:

- (a) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 2.13;
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- (c) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for additional New Shares (if any) under the Top Up Facility, to the extent of the excess.

It is your responsibility to ensure that your BPAY payment is received by the Share Registry by no later than 5.00pm (Melbourne time) on Thursday, 29 October 2020. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

## **2.13 Entitlement and Acceptance Form is binding**

A payment made through BPAY of the requisite Application Monies constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Information Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. FDV's decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.



By making a payment by BPAY, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you have received and read, and understand this Information Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Information Booklet, and FDV's constitution;
- (c) you authorise FDV to register you as the holder(s) of New Shares allotted to you under the Retail Entitlement Offer;
- (d) all details and statements in the personalised Entitlement and Acceptance Form are complete, accurate and up to date;
- (e) if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (f) you accept that there is no cooling off period under the Retail Entitlement Offer and that once FDV receives your payment of Application Monies via BPAY, you may not withdraw your Application or funds provided except as allowed by law;
- (g) you agree to apply for and be issued up to the number of New Shares for which you have submitted payment of any Application Monies via BPAY at the Offer Price;
- (h) you authorise FDV, the Joint Lead Managers, the Share Registry and their respective officers, employees or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (i) you acknowledge and agree that:
  - (i) determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of FDV and the Joint Lead Managers; and
  - (ii) each of FDV and the Joint Lead Managers, and each of their respective affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (j) you represent and warrant (for the benefit of FDV, the Joint Lead Managers and each of their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder under the Institutional Entitlement Offer and are otherwise eligible to participate in the Retail Entitlement Offer;
- (k) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (l) the information contained in this Information Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (m) this Information Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in FDV and is given in the context of FDV's past and ongoing continuous disclosure announcements to ASX;

- (n) you acknowledge the statement of risks in the 'Key risks' section of the Investor Presentation included in Section 3 of this Information Booklet, and that an investment in FDV is subject to risks;
- (o) none of FDV, the Joint Lead Managers, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the New Shares or the performance of FDV, nor do they guarantee the repayment of capital from FDV;
- (p) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (q) you authorise FDV to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (r) the law of any place does not prohibit you from being given this Information Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (s) you are an Eligible Retail Shareholder;
- (t) you acknowledge that the Entitlement and the New Shares have not been, and will not be, registered under the U.S. Securities Act or under the laws of any state or other jurisdiction of the United States and that, accordingly the Entitlements may not be taken up or exercised by a person in the United States and the New Shares may not be offered or sold, directly or indirectly, in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;
- (u) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States, or to any country outside Australia and New Zealand;
- (v) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, including in regular way transactions on ASX or otherwise where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- (w) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting an Application is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Entitlement Offer Booklet, the Entitlement and Acceptance Form or any information or materials relating to the Retail Entitlement Offer to any such person; and
- (x) you make all other representations and warranties set out in this Information Booklet.

## **2.14 Brokerage and stamp duty**

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty is payable for the grant of the Entitlement, or for exercising the Entitlement in order to subscribe for New Shares under the Retail Entitlement Offer or for additional New Shares under the Top Up Facility.

## **2.15 Notice to nominees and custodians**

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the

Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder (**Eligible Beneficiary**).

In the event that a nominee or custodian holds Shares on behalf of more than one Eligible Beneficiaries, the nominee or custodian may participate in the Top Up Facility on behalf of an Eligible Beneficiary on whose behalf their full Entitlement has been taken up, notwithstanding the nominee or custodian may not have taken up, on behalf of all of their Eligible Beneficiaries, all of their Entitlements.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from FDV. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- (a) beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons may not take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States.

FDV is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. FDV is not able to advise on foreign laws.

## **2.16 Withdrawal of the Entitlement Offer**

Subject to applicable law, FDV reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case FDV will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to Applicants.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to FDV will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to FDV.

## **2.17 Enquiries**

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the FDV Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8.30am to 5.00pm (Melbourne time) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Thursday, 29 October 2020. If you have any further questions, you should contact your stockbroker, solicitor, accountant or other professional adviser.

Eligible Retail Shareholders should be aware that an investment in FDV involves risks. The key risks identified by FDV are set out from page 36 of the Investor Presentation (in Section 3).



**ASX Code: FDV**

8 October 2020

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

## **Strategic acquisitions and capital raising**

- **FDV has entered into agreements to acquire from Adevintra 100% of the issued capital of:**
  - fincaraiz.com.co (**Fincaraíz**), the leading real estate classifieds portal in Colombia; and
  - avito.ma (**Avito**) and tayara.tn (**Tayara**), the leading general classifieds businesses in Morocco and Tunisia
- **Total cash consideration of ~A\$56m<sup>1</sup> to be funded via a capital raising to raise up to A\$100m at an offer price of A\$1.25 per new share, comprising:**
  - up to A\$63.4m non-underwritten Institutional Placement; and
  - up to A\$36.6m non-underwritten 1 for 9 Pro Rata Accelerated Non-Renounceable Entitlement Offer
- **The acquisitions are expected to make a significant contribution to revenue on an FDV ownership basis and increase scale and diversification across key geographies and verticals**
- **Key profitability inflection point achieved, despite COVID-19, with the current FDV portfolio EBITDA positive across July and August 2020**

### **Transaction Summary**

Frontier Digital Ventures Limited (“**FDV**”, **ASX: FDV** or the “**Company**”) is pleased to announce that it has entered into agreements to acquire 100% of Fincaraíz, Avito and Tayara (together the ‘**Acquisitions**’) from Adevintra for total cash consideration of approximately ~A\$56m.

Fincaraíz joined Schibsted through an acquisition in 2006 and has grown to become the leading real estate marketplace in terms of users, clients, content and brand all across the Colombian market.<sup>2</sup> Fincaraíz’s strong management team have successfully established a clear leadership position in Colombia and its adjacency to InfoCasas and Encuentra24 creates a potential opportunity for consolidation across LATAM to drive further operational synergies.

Avito is the number one classifieds business in Morocco<sup>2</sup>, with leading positions across general, auto and real estate verticals. Avito has more traffic than any of the current FDV operating companies in FDV’s existing portfolio. The acquisition represents an attractive opportunity to facilitate collaboration between Avito and FDV’s existing operating company Moteur, which are the leaders in used and new car markets in Morocco respectively.

Tayara is the leading general classifieds platform<sup>2</sup> and a household name in Tunisia. The business has established a strong market leadership position, with a clear first mover advantage. The acquisition of Tayara facilitates FDV’s entry into an attractive market with high rates of GDP growth.

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1. Fincaraíz consideration payable in USD assuming a current A\$:US\$ rate of A\$:US\$0.719. Avito and Tayara consideration payable in EUR assuming a current A\$:EUR rate of A\$:EUR0.610

2. Market leadership positions throughout this Presentation are based on SimilarWeb, which ranks websites based on metrics including site visits and average visit duration during September 2020

The clear market leadership positions across the acquisitions, combined with FDV's proven track record, provides a solid foundation for future growth. The acquisitions represent compelling opportunities to extend the market leadership of FDV's operating companies across LATAM and MENA countries. They also increase scale and diversification across key geographies and verticals, strengthening FDV's position as a leading online classifieds player in emerging markets.

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

*"The strategic acquisitions of Fincaraíz, Avito and Tayara strengthen FDV's position as a leading operator of online classifieds in emerging markets. They are highly complementary to FDV's existing portfolio and strengthen our market leadership in existing and new adjacent geographies.*

*FDV's reputation as a strategic partner for online classifieds businesses in emerging markets continues to grow globally, evidenced by this deal with Adevinata as well as Encuentra24's recent combination with OLV's Central American platforms."*

### Details of the Capital Raising

The capital raising will consist of a non-underwritten Institutional Placement of up to A\$63.4m (**Placement**) and non-underwritten 1 for 9 Pro-Rata Accelerated Non-Renounceable Entitlement Offer of up to A\$36.6m (**Entitlement Offer**) to raise up to A\$100m (together, the **Capital Raising**).

The offer price for the Capital Raising is A\$1.25 per new share (**Offer Price**), which represents a:

- 20.1% discount to the last closing price of A\$1.565 per share
- 2.7% discount to 15-day Volume Weighted Average Price (VWAP) of A\$1.284 per share; and
- 16.2% discount to TERP<sup>3</sup>.

FDV intends to use the proceeds from the Capital Raising for the following purposes:

- ~A\$56m for the acquisition of 100% of the issued capital of Fincaraíz, Avito and Tayara
- ~A\$44m for further growth capital, balance sheet flexibility and payment of transaction costs

Up to approximately 80.0m new fully paid ordinary shares (**New Shares**) will be issued under the Capital Raising and all shares issued will rank equally with existing FDV ordinary shares on issue. The Placement is expected to complete on Thursday, 8 October 2020 with the institutional component of the Entitlement Offer to be conducted by way of a bookbuild process on Thursday, 8 October 2020 and Friday, 9 October 2020.

Vesparum Capital is acting as financial advisor, and Herbert Smith Freehills as legal advisor, to FDV in relation to the acquisitions and capital raising. Bell Potter Securities and Morgans Corporate Limited are acting as Joint Lead Managers for the Capital Raising.

3. The Theoretical Ex-Rights Price (TERP) is defined as being the theoretical price at which FDV shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which FDV shares trade after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. TERP is calculated by reference to FDV's dividend adjusted closing price of A\$1.565 on 6 October 2020 and is calculated based on the maximum size of the Placement, the Institutional Entitlement Offer and Retail Entitlement Offer

## Placement

The Placement to institutions, sophisticated and professional investors, is expected to raise up to A\$63,406,250 (before transaction related costs), with up to 50,725,000 New Shares to be issued at A\$1.25 per New Share (**Offer Price**) under the Placement. The Placement is within the Company's existing placement capacity under ASX Listing Rule 7.1 and 7.1A.

Settlement of the Placement is expected to occur on Thursday, 15 October 2020, with allotment and normal trading of the New Shares issued under the Placement expected on Friday, 16 October 2020.

## Entitlement Offer

In addition to the Placement, the company will undertake an Entitlement Offer for existing shareholders at the same price as the Placement to raise up to approximately A\$36.6m. The Entitlement Offer will be conducted in two parts, an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**). The Entitlement Offer is non-renounceable, and entitlements will not be tradable or otherwise transferable.

Eligible shareholders at the Record Date of Monday, 12 October 2020, with a registered address in Australia and New Zealand (**Eligible Shareholders**) will be invited to participate in the Entitlement Offer at the Offer Price.

### *Institutional Entitlement Offer*

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer, which is being conducted today, Thursday, 8 October 2020 until Friday, 9 October 2020. Eligible institutional shareholders can choose to take up all, or part or none of their entitlements under the Entitlement Offer.

Institutional entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to eligible institutional shareholders who apply for New Shares in excess of their entitlement, as well as to certain other eligible institutional investors who bid into the institutional bookbuild being conducted concurrently with the Institutional Entitlement Offer.

### *Retail Entitlement Offer*

Eligible retail shareholders with a registered address in Australia or New Zealand will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as under the Institutional Entitlement Offer. The Retail Entitlement Offer will open on Thursday, 15 October 2020 and close at 5:00pm (Sydney time) on Thursday, 29 October 2020. Eligible retail shareholders who take up their entitlement in full can also apply for additional shares in excess of their entitlement under an oversubscription facility.

Further details about the Retail Entitlement Offer will be set out in the retail offer booklet (**Retail Offer Booklet**), a copy of which FDV expects to lodge on Thursday, 15 October 2020. The Retail Offer Booklet and accompanying personalised entitlement and acceptance form will contain instructions on how to apply for the Entitlement Offer. Application forms and payments are due by no later than Thursday, 29 October 2020.

The directors of FDV reserve the right to issue any New Shares not issued in the Retail Entitlement Offer (Shortfall Shares) to new investors or existing shareholders within 3 months of close of the Retail Entitlement Offer at a price no less than the Offer Price. The allocation of Shortfall Shares will be within the complete discretion of FDV, having regard to factors such as FDV's desire for an informed and active trading market, its desire to establish a wide spread of shareholders, the size and type of funds under management of particular investors, the likelihood that particular investors will be long-term shareholders, and any other factors FDV considers appropriate.

The Company's shares will remain in trading halt until completion of the Institutional Entitlement Offer. Normal trading of the Company's shares on the ASX is expected to resume on Monday, 12 October 2020.

#### **Indicative Timetable\***

Enter trading halt	Wednesday, 7 October 2020
Placement opens	Wednesday, 7 October 2020
Placement closes	Thursday, 8 October 2020
Announcement of acquisitions and capital raising	Thursday, 8 October 2020
Accelerated Non-Renounceable Entitlement Offer opens	Thursday, 8 October 2020
Accelerated Non-Renounceable Entitlement Offer closes	Friday, 9 October 2020
Announcement of results of Institutional Entitlement Offer and Placement, trading halt lifted, existing shares recommence trading	Monday, 12 October 2020
Record Date for Entitlement Offer	Monday, 12 October 2020
Retail Entitlement Offer Information Booklet and Entitlement & Acceptance Form dispatched	Thursday, 15 October 2020
Retail Entitlement Offer opens	Thursday, 15 October 2020
Settlement of Institutional Entitlement Offer and Placement	Thursday, 15 October 2020
Allotment and Issue of New Shares issued under the Institutional Entitlement Offer and Placement	Friday, 16 October 2020
Quotation of New Shares issued under the Institutional Entitlement Offer and Placement	Friday, 16 October 2020
Retail Entitlement Offer closes	Thursday 29 October 2020
FDV announces results of Retail Entitlement Offer	Tuesday, 3 November 2020
Settlement of Retail Entitlement Offer	Wednesday 4 November 2020
Allotment and Issue of New Shares under the Retail Entitlement Offer	Thursday, 5 November 2020
Quotation of shares issued under the Retail Entitlement Offer and trading commences on a normal basis	Friday, 6 November 2020

\* All dates and times are indicative only and subject to change. Unless otherwise specified, all dates and times refer to time in Melbourne, Australia. The Company reserves the right to amend any or all of these dates and times, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws and regulations. In particular, the Company reserves the right to extend the closing dates for the Retail Entitlement Offer to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date may have a consequential impact on the date that New Shares are issued and commence trading on the ASX. The Company also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants. Applicants are encouraged to submit their personalised entitlement and acceptance forms as soon as possible after the Entitlement Offer opens.



## Trading Update

FDV is pleased to provide a trading update in the accompanying Investor Presentation, which highlights the achievement of a key profitability inflection point, despite COVID-19. The current FDV portfolio (ex. acquisitions) was EBITDA positive across July and August 2020, with all operating companies recording positive or improved EBITDA over that period.

## Further Information

Further information on FDV's business, the Acquisitions and the Capital Raising are set out in the Investor Presentation separately lodged with the ASX today. The Investor Presentation contains important information that shareholders should consider including key risks and foreign selling restrictions with respect to the Capital Raising. Any person considering an investment in FDV shares should read the investor presentation and seek their own independent advice before making any decision in this regard.

- ENDS -

The release of this announcement was authorised by the Board of Directors of Frontier Digital Ventures Limited.

For more information, please contact:

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## About FDV Limited

FDV is a leading operator of online classifieds businesses in underdeveloped, emerging countries or regions. With a track record of building and supporting market leading online businesses, FDV are experts in the online classifieds space with a particular focus on property and automotive verticals and general classifieds websites. Its portfolio currently consists of 15 market leading companies, operating businesses across 20 markets. With the extensive support offered to the local operating companies, coupled with their own energy and work ethic, FDV is bringing outstanding companies of global significance to their full potential and setting a new global standard of excellence in the field.

## Important Notice and Disclaimer

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer or solicitation would be illegal. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to persons in the United States except pursuant to an exemption from, or in a transaction

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This announcement may not be released or distributed in the United States.

This announcement includes “forward-looking statements” within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “likely”, “should”, “could”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “project”, “forecast”, “guidance” or other similar words, and include statements regarding certain plans, unknown risks, uncertainties and other factors, many of which are outside the control of Frontier, and its directors, officers, employees, agents, affiliates or advisors. Any forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Frontier and its directors, officers, employees, agents, affiliates or advisors. This includes any statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements may assume the success of Frontier’s business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Frontier’s control and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise.

Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. You are cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. To the maximum extent permitted by law, Frontier (including its subsidiaries), and its directors, officers, employees, agents, affiliates and advisers:

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The background of the slide features a blurred city night scene with warm bokeh lights. In the foreground, a person's hands are holding a smartphone, with the screen displaying a data visualization. To the right of the phone is a glowing, wireframe globe with circuit-like patterns and a red dot, symbolizing digital technology and global connectivity.

# FRONTIER

DIGITAL VENTURES

## LEADING ONLINE MARKETPLACES IN EMERGING MARKETS

STRATEGIC ACQUISITIONS AND CAPITAL RAISING | 8 OCTOBER 2020

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

# IMPORTANT NOTICES AND DISCLAIMER

## Important notices and disclaimer

This investor presentation (**Presentation**) is dated 8 October 2020 and has been prepared by Frontier Digital Ventures Ltd (ABN 25 609 183 959) (**Frontier**). By attending an investor presentation or briefing, or accepting, accessing or reviewing this Presentation, you acknowledge and agree to the terms set out below.

This Presentation has been prepared in relation to:

- Frontier's acquisition (the **Acquisitions**) of all of the share capital in each of:
  - Avito SCM S.à r.l. (Avito), a company incorporated in Morocco;
  - STE Adevinat Tunisia S.à r.l. (Tayara), a company incorporated in Tunisia;
  - Le Rouge AB, a company incorporated in Sweden (Le Rouge AB is the holder of certain intellectual property used in the Avito business); and
  - Editora Urbana Limitada in Columbia (Fincaraiz), (together, the **Targets**);
- an accelerated non-renounceable entitlement offer of new fully paid ordinary shares in Frontier (**New Shares**) to be made to eligible institutional shareholders of Frontier (**Institutional Entitlement Offer**) and eligible retail shareholders of Frontier (**Retail Entitlement Offer**) under section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**) as modified by Australian Securities and Investments Commission (**ASIC**) Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (**Entitlement Offer**); and
- a placement of New Shares to institutional investors and certain existing institutional shareholders under section 708A of the Corporations Act as modified by ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (**Placement**), the Entitlement Offer and Placement together, the **Offer**.

## Summary information

This Presentation is for information purposes only and contains summary information about Frontier, its subsidiaries and its activities, which is current as at the date of this Presentation. It should be read in conjunction with Frontier's most recent financial report and Frontier's other periodic and continuous disclosure information lodged with the Australian Securities Exchange (**ASX**), which is available at [www.asx.com.au](http://www.asx.com.au). The content of this Presentation is provided as at the date of this Presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this Presentation and, subject only to any legal obligation to do so, Frontier does not have any obligation to correct or update the content of this Presentation.

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# IMPORTANT NOTICES AND DISCLAIMER (CONT.)

The retail offer booklet for the Retail Entitlement Offer will be available following its lodgement with ASX. Any eligible retail shareholder in Australia or New Zealand who wishes to participate in the Retail Entitlement Offer should consider the retail offer booklet before deciding whether to apply under that offer.

## Investment risk

An investment in Frontier shares is subject to known and unknown risks, some of which are beyond the control of Frontier and its directors, including possible loss of income and principal invested. Frontier does not guarantee any particular rate of return or the performance of Frontier nor does it guarantee any particular tax treatment. You should have regard to the risk factors outlined in the Appendix of this Presentation when making your investment decision. Cooling off rights do not apply to the acquisition of New Shares.

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This Presentation contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Frontier, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

**You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.** Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Frontier's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19, and except as required by law or regulation, none of Frontier, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. The forward-looking statements are based on information available to Frontier as at the date of this Presentation. Except as required by law or regulation (including the ASX Listing Rules), none of Frontier, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

# IMPORTANT NOTICES AND DISCLAIMER (CONT.)

## Disclaimer

Bell Potter Securities Limited (ABN 25 006 390 772) and Morgans Corporate Limited (ABN 32 010 539 607) are acting as joint lead managers (**Joint Lead Managers**) to the Offer.

To the maximum extent permitted by law, Frontier and the Joint Lead Managers and their respective related bodies corporate and affiliates, and their respective officers, directors, employees, agents and advisers:

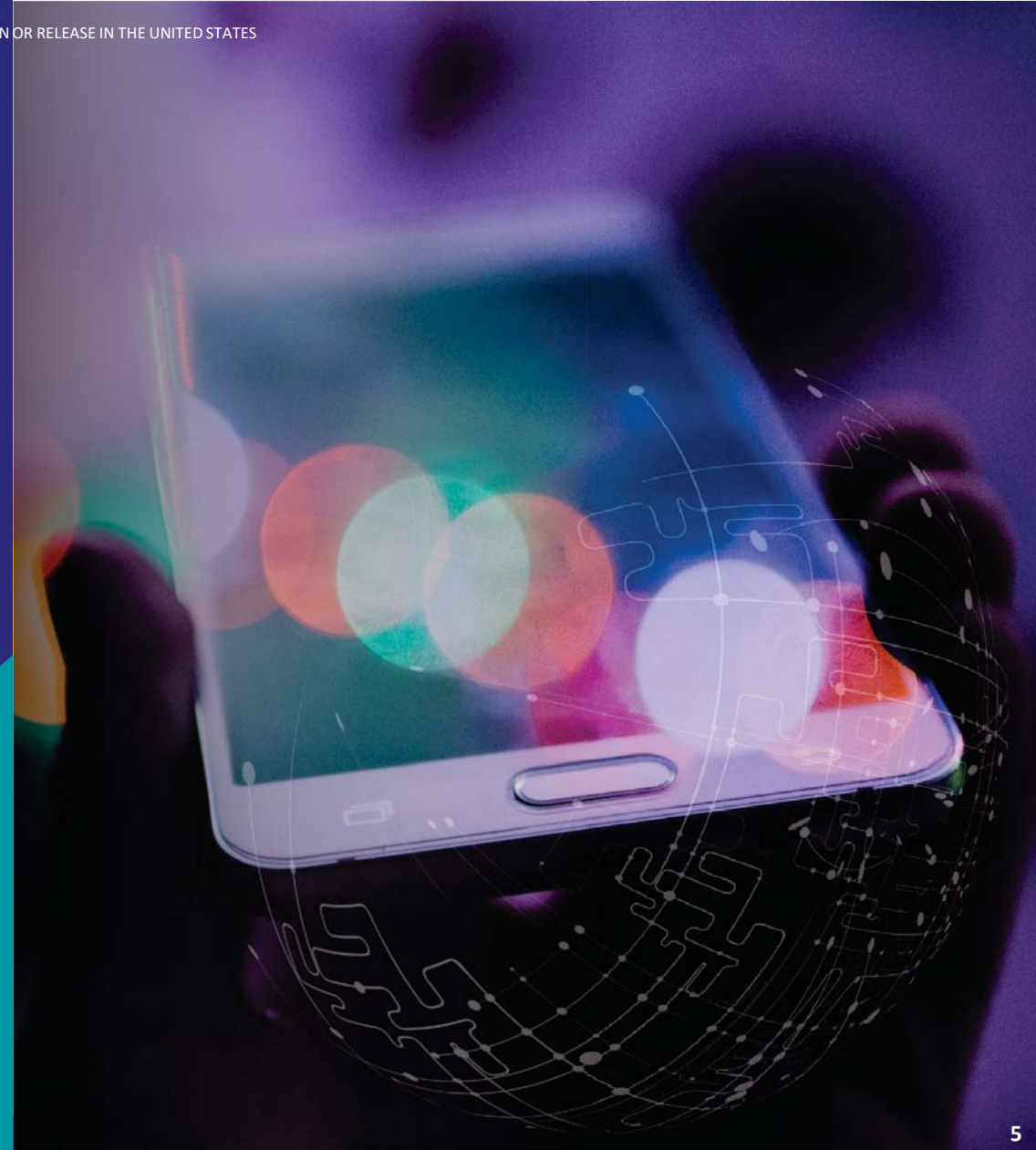
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You acknowledge and agree that determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal requirements and the discretion of Frontier and the Joint Lead Managers and each of Frontier and the Joint Lead Managers disclaim any duty or liability (including for negligence) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.



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- ② Overview of acquisitions
- ③ Strategic rationale
- ④ FDV trading update
- ⑤ Capital raising details
- ⑥ Appendix



# EXECUTIVE SUMMARY

## Summary of the acquisitions

- Frontier Digital Ventures ('FDV') is acquiring from Adevinta<sup>1</sup> 100% of the issued capital of:
  - **Fincaraíz, the leading real estate classifieds portal in Colombia**
  - **Avito and Tayara, the leading general classifieds businesses in Morocco and Tunisia**
- Total cash consideration of ~A\$56m<sup>2</sup> to be funded via a capital raising (terms outlined below)

## Strategic rationale

- **Material financial contribution** – acquisitions increase 2019 pro forma FDV ownership revenue by 78%
- **Strong strategic fit** – consistent with FDV's goal to own leading online classifieds businesses in emerging markets
- **Significant upside potential** – track record of creating value through optimising assets under FDV ownership
- **Greater scale and diversification** – achieving scale and diversification benefits across both geographies and verticals
- **Accelerates strategic evolution** – achieving greater control as operating companies mature

## FDV trading update

- **Key profitability inflection point achieved, despite COVID-19**
  - Current FDV portfolio (ex. acquisitions) EBITDA positive across July and August 2020
  - All of FDV's operating companies recorded positive or improved EBITDA across July and August 2020

## Capital raising and timing

- Capital raising will consist of an **Institutional Placement** and a **1 for 9 Pro-Rata Accelerated Non-Renounceable Entitlement Offer** to raise up to A\$100m
  - Up to A\$63.4m by way of a non-underwritten Institutional Placement to new and existing investors at a price of \$1.25 per share
  - Up to A\$36.6m by way of a non-underwritten 1 for 9 Pro-Rata Accelerated Non-Renounceable Entitlement Offer at the same price as the Institutional Placement
- Capital raising price of \$1.25 per share represents a 20.1% discount to the last closing price of \$1.565 per share, 2.7% discount to the 15-day VWAP of \$1.284 per share and 16.2% discount to TERP<sup>3</sup>

1. Adevinta is a global online classifieds specialist, with leading online marketplaces in 15 countries. It is listed on the Oslo Stock Exchange and has a market capitalisation of ~A\$18 billion as at 6 October 2020.
2. Fincaraíz consideration payable in USD assuming a current A\$:US\$ rate of A\$:US\$0.719. Avito and Tayara consideration payable in EUR assuming a current A\$:EUR rate of A\$:EUR0.610
3. The Theoretical Ex-Rights Price (TERP) is defined as being the theoretical price at which FDV shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which FDV shares trade after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. TERP is calculated by reference to FDV's dividend adjusted closing price of A\$1.565 on 6 October 2020 and is calculated based on the maximum size of the Placement, Institutional Entitlement Offer and Retail Entitlement Offer





**FRONTIER**  
DIGITAL VENTURES

# OVERVIEW OF ACQUISITIONS

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# THE FDV MISSION

“Become the leading global operator of online marketplace businesses in emerging markets.”

- Following the acquisitions, FDV’s portfolio will consist of interests in 15 online classifieds businesses in emerging markets
- Acquisitions extend FDV’s footprint into strategic adjacent markets in LATAM and existing and new markets in MENA
- World-class management expertise in online classifieds, with proven track record
- Focused on long-term value creation strategy

## NEW ACQUISITIONS

**fincaraíz.com.co**

#1 real estate portal  
Colombia

**Avito**

#1 general marketplace  
Morocco

**tayara**

#1 general marketplace  
Tunisia

**zameen.com**  
Pakistan's No.1 Property Website

#1 property portal  
Pakistan

**encuentra24.com**

Leading general marketplace  
in South and Central America

**INFOCASAS**

#1 property portal Uruguay,  
Paraguay and Bolivia

**iMyanmarHouse.com**  
မြန်မာနိုင်ငံ၏ #1 အိမ်ရာ အချက်အလက် ဖြန့်ချိရေး ဖွဲ့စည်းပုံစံ

#1 property portal  
Myanmar

**PAKWHEELS.COM**  
PAKISTAN'S #1 AUTOMOBILE WEBSITE

#1 auto portal  
Pakistan

**AUTO DEAL**

#1 auto portal  
Philippines

**carsDB**  
no.1 car site in myanmar

#1 auto portal  
Myanmar

**meqasa.com**  
Ghana's No.1 Property Website

#1 property portal  
Ghana

**PropertyPro**  
Powered by ToLet.com.ng

#1 property portal  
Nigeria

**HOPPLER**

Property transaction business  
Philippines

**LankaPropertyWeb**

#1 property portal  
Sri Lanka

**MOTEUR.ma**

#1 auto portal  
Morocco

Note: Market leadership positions throughout this Presentation are based on SimilarWeb, which ranks websites based on metrics including site visits and average visit duration during September 2020.

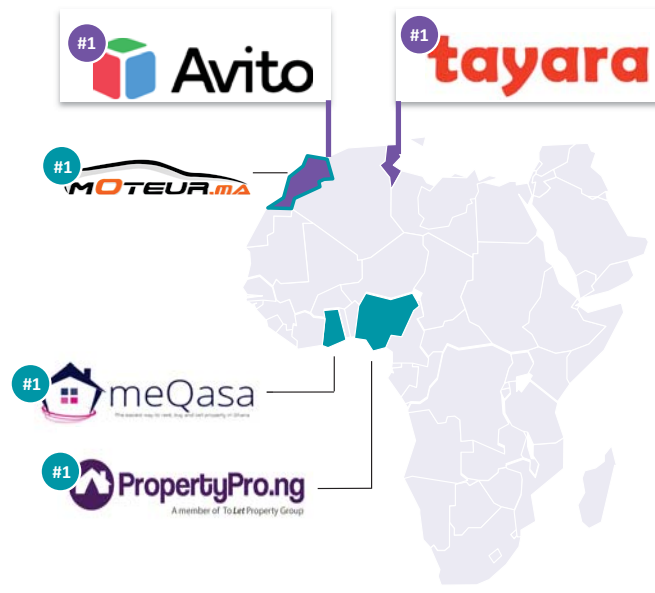
# PORTFOLIO OF MARKET LEADING BUSINESSES

Highly strategic acquisitions in existing and adjacent geographies



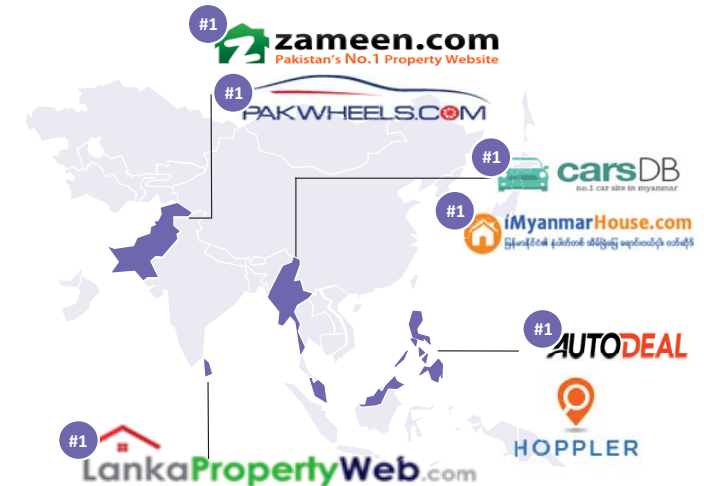
## CENTRAL & SOUTH AMERICA

- Fincaraíz provides **strategic link across three market leading businesses** in LATAM
- Facilitates **market entry into the Colombia**



## AFRICA

- **Strengthens existing position** in Morocco with investment in **second business**
- Expands footprint to a **new adjacent market of Tunisia** with one of the highest levels of GDP per capita in Africa<sup>1</sup>



## DEVELOPING ASIA

- FDV has **established a strong position** across Developing Asia
- **Two operating companies** in multiple countries holding market leading positions in their respective verticals

1. United National World Statistics Pocketbook 2020 edition, Department of Economic and Social Affairs (<https://unstats.un.org/unsd/publications/pocketbook/files/world-stats-pocketbook-2020.pdf>)

# SIGNIFICANT CONTRIBUTION TO FDV SHARE OF REVENUE

Operating Company	Illustrative 2019 Revenue (FDV unaudited pro forma, A\$m) ↓	FDV Ownership (Current)	Classifieds Type
Zameen	12.7	30%	Property
<b>Fincaraíz</b>	<b>8.5</b>	<b>100%</b>	<b>Property</b>
<b>Avito</b>	<b>8.0</b>	<b>100%</b>	<b>General</b>
Encuentra24	3.4	26%	General
InfoCasas	2.0	52%	Property
<b>Tayara</b>	<b>1.0</b>	<b>100%</b>	<b>General</b>
iMyanmarhouse	0.8	53%	Property
Pakwheels	0.7	37%	Automotive
AutoDeal	0.7	56%	Automotive
CarsDB	0.6	65%	Automotive
West Africa <sup>1</sup>	0.5	N/A <sup>1</sup>	Property
Hoppler	0.4	40%	Property
Moteur	0.3	56%	Automotive
LankaPropertyWeb	0.2	53%	Property
<b>Total (excl. new businesses)</b>	<b>22.3</b>		
<b>Contribution of new businesses</b>	<b>17.5</b>		
<b>Total (incl. new businesses)</b>	<b>39.8</b>		



Note: Figures are for entities with continuing operations as at 31 August 2020; Assumes A\$:US\$ rate of A\$:US\$0.695 for FY19

1. West Africa includes PropertyPro (Nigeria; 39% owned) and MeQasa (Ghana; 71% owned)



# FINCARAÍZ

The #1 real estate portal in Colombia

**fincaraíz.com.co**



## Revenue

2019: A\$8.5m  
2017-19 CAGR: 3%  
1H 2020: A\$3.9m\*  
\* Impacted by COVID-19

## EBITDA

2019: A\$0.7m  
1H 2020: A\$(0.1m)\*  
\* Impacted by COVID-19

## FINCARAÍZ OVERVIEW:

- Leading real estate marketplace in terms of users, clients, content and brand in Colombia
- Leadership position underpinned by strong brand recognition across Colombia and large number of high quality long-term clients

## STRONG OPERATIONAL METRICS:

- ✓ ~7m website sessions<sup>1</sup> in July 2020, the third highest number of visitors across FDV's existing portfolio
- ✓ Strong brand position and highly favoured platform by users, with 80% organic traffic<sup>2</sup>
- ✓ Strong operational performance and monetisation capabilities generating positive EBITDA in 2019
- ✓ Recovery in website traffic seen in July and August 2020, with the COVID-19 lockdowns recently lifted

Note: Assumes A\$:US\$ rate of A\$:US\$0.695 for FY19 and A\$:US\$0.658 for 1H20

1. Adevinta traffic statistics

2. Based on management estimates - organic traffic refers to traffic from search engine results that is earned, not paid

# AVITO

The #1 general classifieds portal in Morocco



## Revenue

2019: A\$8.0m  
2017-19 CAGR: 6%  
1H 2020: A\$2.3m\*  
\* Impacted by COVID-19

## EBITDA

2019: A\$(3.6m)  
1H 2020: A\$(1.7m)\*  
\* Impacted by COVID-19

### AVITO OVERVIEW:

- #1 general classifieds player in Morocco with leading position across general, auto, real estate
- Experienced leadership team has built the brand to become a household name in Morocco

### STRONG OPERATIONAL METRICS:

- ✓ ~24m website sessions<sup>1</sup> in July 2020, 2.2x higher than the leading operating company across FDV's existing portfolio
- ✓ Significant commercialisation opportunity and 50%+ market share<sup>2</sup>
- ✓ Recovery in website traffic seen in July and August 2020, with the COVID-19 lockdowns recently lifted

Note: Assumes A\$:US\$ rate of A\$:US\$0.695 for FY19 and A\$:US\$0.658 for 1H20

1. Adevintra traffic statistics

2. Market share statistics based on management estimates with regard to online marketing spend with reference to revenues from key classifieds players that have operations in the region

# TAYARA

The #1 general classifieds portal in Tunisia

**tayara**



## Revenue

2019: A\$1.0m  
2017-19 CAGR: 31%  
1H 2020: A\$0.5m\*  
\* Impacted by COVID-19

## EBITDA

2019: A\$(1.9m)  
1H 2020: A\$(0.5m)\*  
\* Impacted by COVID-19

## TAYARA OVERVIEW:

- Online marketplace with strong brand recognition across general classifieds, real estate and jobs
- Operates three different marketplaces being Tayara.tn (general classifieds), ImmoExpert (focused on new constructions) and Talents (focused on jobs)

## STRONG OPERATIONAL METRICS:

- ✓ **~10m website sessions** in July 2020, the second highest number of visitors across FDV's existing portfolio
- ✓ **98% organic traffic<sup>2</sup>** and the **most visited website<sup>3</sup>** in Tunisia after search engines and social media
- ✓ **Recovery in website traffic seen in July and August 2020**, with the COVID-19 lockdowns recently lifted

Note: Assumes A\$:US\$ rate of A\$:US\$0.695 for FY19 and A\$:US\$0.658 for 1H20

1. Adevintra traffic statistics

2. Market share statistics based on management estimates with regard to online marketing spend;

3. Based on SimilarWeb, which ranks websites based on metrics including site visits and average visit duration during September 2020.

# EXPOSURE TO LARGE GROWING MARKETS

Attractive macro thematics to support growth in online marketplaces

	POPULATION <sup>1</sup>	GDP GROWTH <sup>2</sup>	MOBILE CONNECTIONS <sup>1</sup>	INTERNET PENETRATION <sup>1</sup>
<b>Colombia</b> (adjacent market)	<b>51m</b>	<b>2.7%</b>	<b>119%</b>	<b>69%</b>
<b>Morocco</b> (existing market)	<b>37m</b>	<b>3.7%</b>	<b>118%</b>	<b>69%</b>
<b>Tunisia</b> (adjacent market)	<b>12m</b>	<b>2.5%</b>	<b>151%</b>	<b>64%</b>

1. Datareportal Local Insight reports, 2020 (<https://datareportal.com/library>); Mobile connections % population

2. United National World Statistics Pocketbook 2020 edition, Department of Economic and Social Affairs (<https://unstats.un.org/unsd/publications/pocketbook/files/world-stats-pocketbook-2020.pdf>)



# A TIMELY OPPORTUNITY FOR FDV



**Adevinta focused on portfolio optimisation**— following the recent announcement of its US\$9.2 billion acquisition of eBay's Classifieds Group



**FDV's strong track record in emerging markets** – creates an opportunity to support growth and optimise performance of the acquired businesses



**Opportunity for success** – FDV will dedicate resources and local knowledge and expertise to optimise the businesses



**Global relevance** – recent transactions involving OLX and Adevinta highlight FDV's relevance in online classifieds across emerging markets

## Enhanced focus on our large markets with leading positions

Exploring further portfolio optimizations and large scale consolidation

<h3>Deepen and expand our leading positions in our largest markets</h3>  <ul style="list-style-type: none"> <li>In-market consolidation Grupo Zap</li> <li>Value chain expansion L'Argus and Jobisjob</li> <li>Entering new markets in existing geographies Locasun and Pilgo</li> </ul>	<h3>Manage our Global Markets portfolio</h3> <ul style="list-style-type: none"> <li>Do more in markets where we already have strong positions</li> <li>Portfolio optimization in other markets: divestiture of Corotos (Dominican Republic)</li> <li>Explore adjacent opportunities in Europe</li> </ul>	<h3>Explore larger scale consolidation opportunities</h3> <ul style="list-style-type: none"> <li>Leading positions and growth potential</li> <li>Strategic fit and complementarity</li> <li>Shared values and purpose</li> <li>Operational know-how and technological synergies</li> <li>Scalability, shared data</li> </ul>
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A
Track record of strong financial discipline
9

*Adevinta Q2 2020 Results Presentation*



**FRONTIER**  
DIGITAL VENTURES

# STRATEGIC RATIONALE

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# ACQUISITION HIGHLIGHTS

**fincaraiz.com.co**

#1 real estate portal in  
Colombia

**Avito**

#1 general marketplace in  
Morocco

**tayara**

#1 general marketplace in  
Tunisia

**Positive EBITDA**  
in 2019

**23.8m**

Website sessions in  
July 2020

**9x**

More traffic than the next  
biggest Tunisian general  
classifieds competitor

1

## Material financial contribution

Acquisitions increase 2019 pro forma FDV ownership revenue by 78%

2

## Strong strategic fit

Consistent with FDV's goal to own leading online classifieds businesses in emerging markets

3

## Significant upside potential

Track record of creating shareholder value through optimising assets once under FDV ownership

4

## Greater scale and diversification

Achieving scale and diversification benefits across both geographies and verticals

5

## Accelerates strategic evolution

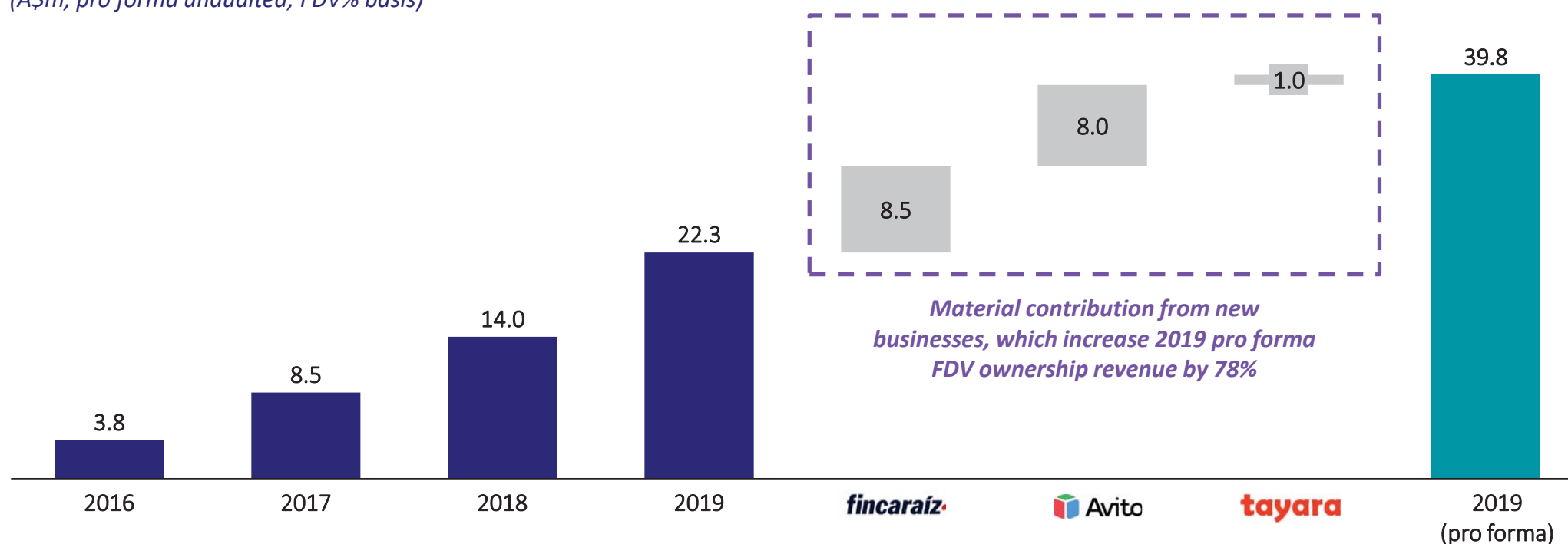
Achieving greater control as operating companies mature

# 1. MATERIAL FINANCIAL CONTRIBUTION

New acquisitions increase 2019 pro forma FDV ownership revenue by 78%

## Revenue growth since IPO

(A\$m, pro forma unaudited; FDV% basis)



Note: Figures are for entities with continuing operations as at 30 June 2020

## 2. STRONG STRATEGIC FIT

Extending market leadership in the target regions

**fincaraíz**.com.co

**Avito**

**tayara**



### PORTFOLIO IMPACT

- Clear market leadership
- Second highest contribution to FDV equity share of revenue<sup>1</sup>



### STRATEGIC RATIONALE

- ~7m website sessions in July 2020, the third highest number of visitors across FDV's existing portfolio
- Strategic link and synergies with E24 and InfoCasas
- Well established business with strong competitive advantage



### GEOGRAPHIC EXPANSION

- First entry into Colombia, an attractive, high growth market
- Expands FDV's footprint in a well understood adjacent market

- Clear market leadership
- Third highest contribution to FDV equity share of revenue<sup>1</sup>

- ~24m website sessions in July 2020, 2.2x higher than the leading operating company across FDV's existing portfolio
- Collaboration opportunities between the leader in new cars (Avito) and used cars (Moteur)

- Provides access to new verticals in Morocco
- Consolidates position with two leading portals

- Clear market leadership
- Sixth highest contribution to FDV equity share of revenue<sup>1</sup>

- 10m website sessions in July 2020, the second highest number of visitors across FDV's existing portfolio
- Little competition in a market with relatively high levels of GDP per capita
- Strong across multiple verticals including real estate

- Expanded footprint in region with strong economic ties to Morocco
- Implement learning from Morocco to strengthen business

1. Position in FDV's portfolio in terms of 2019 pro forma FDV equity share of revenue



### 3. SIGNIFICANT UPSIDE POTENTIAL

Leverage FDV's playbook and management expertise to optimise new businesses



**Support and empower local teams**



**Establish operational structures and best-practice strategies**



**Unlock revenues and pursue opportunities to monetise user base**



**Realise synergies through shared learnings and collaboration across the portfolio**

*FDV has a proven track record of increasing the equity value of its operating companies*

# CASE STUDY – INFOCASAS

*The FDV playbook in action – apply deep classifieds knowledge to drive self-sufficiency*

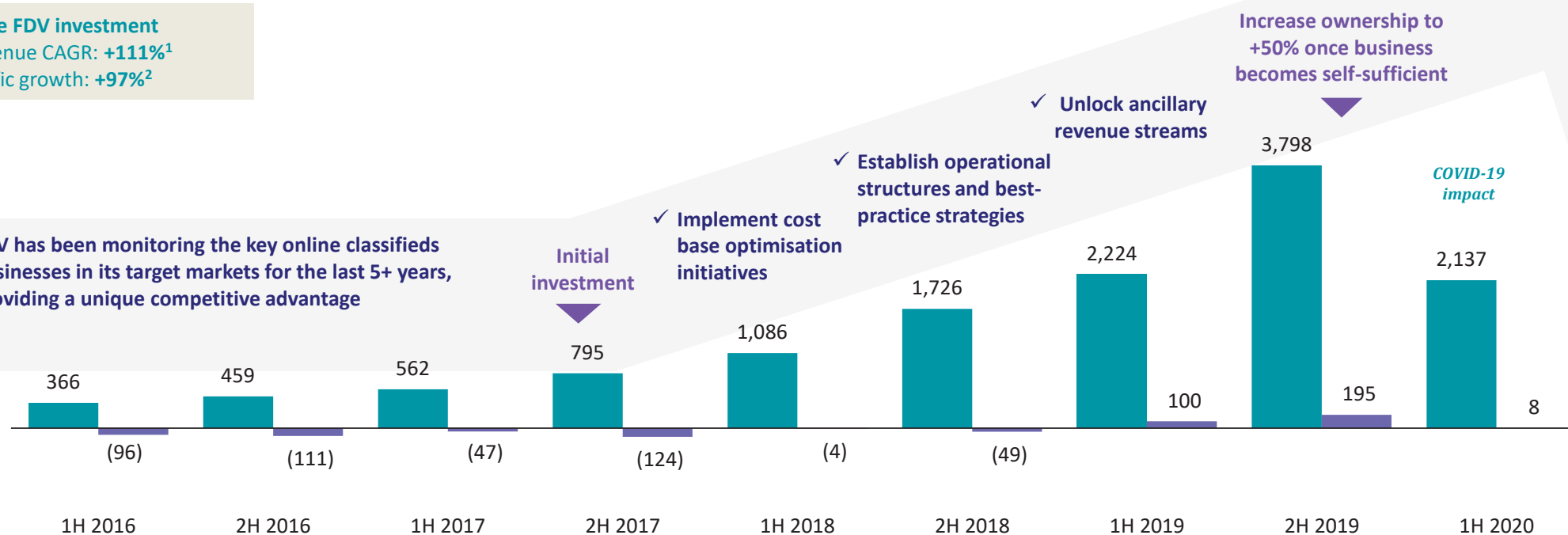


## Revenue and EBITDA

A\$000, 100% ownership basis

Since FDV investment  
Revenue CAGR: +111%<sup>1</sup>  
Traffic growth: +97%<sup>2</sup>

FDV has been monitoring the key online classifieds businesses in its target markets for the last 5+ years, providing a unique competitive advantage



1. FDV acquired Infocasas in Sept-17 however for CAGR purposes we have included the whole CY17 year
2. Calculated based on session numbers from the time of FDV's initial investment compared to the latest data in July 2020

# CASE STUDY – AUTODEAL

**AUTODEAL**

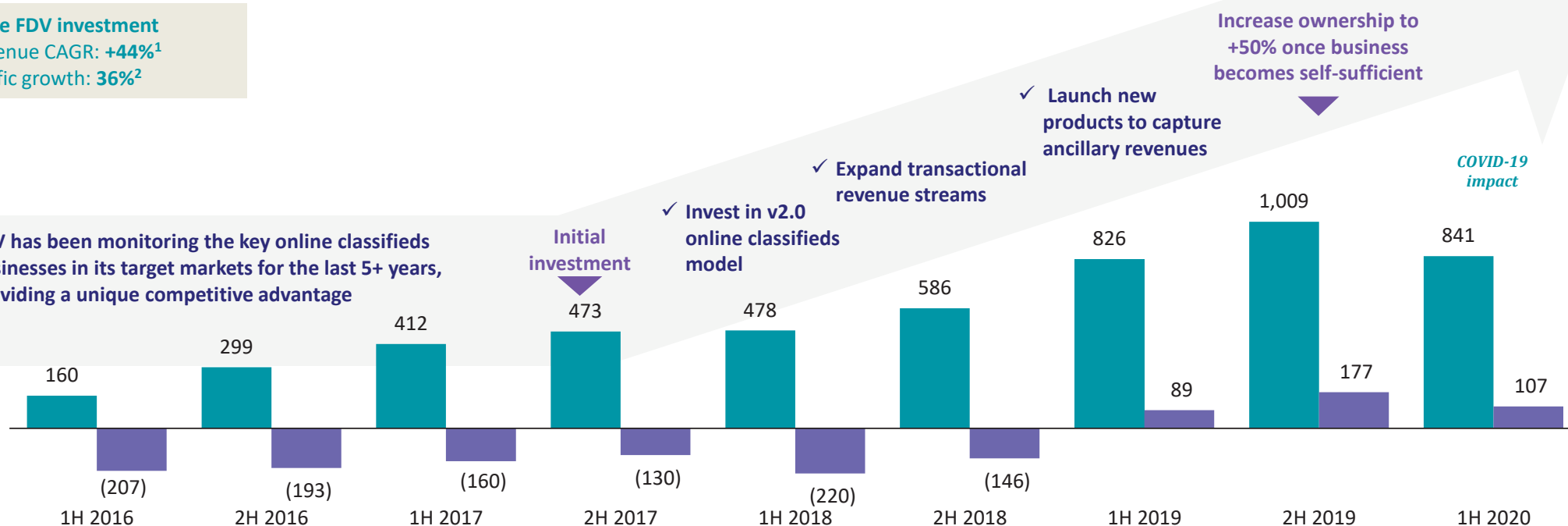
*The FDV playbook in action – apply deep classifieds knowledge to drive self-sufficiency*

## Revenue and EBITDA

A\$000, 100% ownership basis

Since FDV investment  
Revenue CAGR: +44%<sup>1</sup>  
Traffic growth: 36%<sup>2</sup>

FDV has been monitoring the key online classifieds businesses in its target markets for the last 5+ years, providing a unique competitive advantage



1. FDV acquired Autodeal in Jun-17 however for CAGR purposes we have included the whole CY17 year
2. Calculated based on session numbers from the time of FDV's initial investment compared to the latest data in July 2020



### 3. SIGNIFICANT UPSIDE POTENTIAL (CONT.)

Consolidating ownership of proven businesses

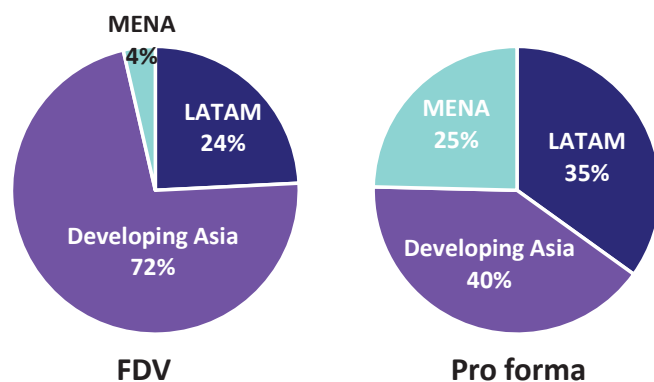
Since its IPO in 2016, FDV has consistently executed on its goal to increase ownership levels of the strongest operating companies in its portfolio, with a clear focus on self-sufficiency



## 4. GREATER SCALE AND DIVERSIFICATION

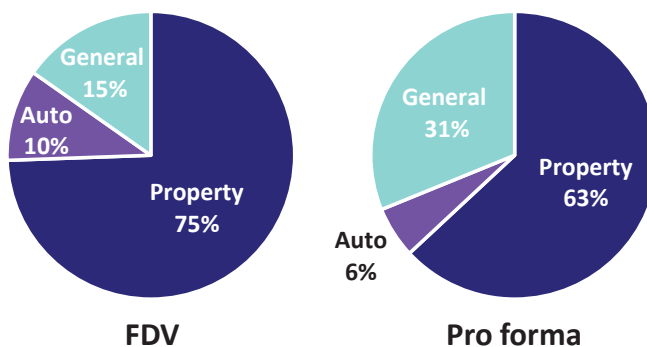
Further diversification across key regions and verticals to strengthen risk-return profile

### — REVENUE BY GEOGRAPHY — (2019A, FDV basis)



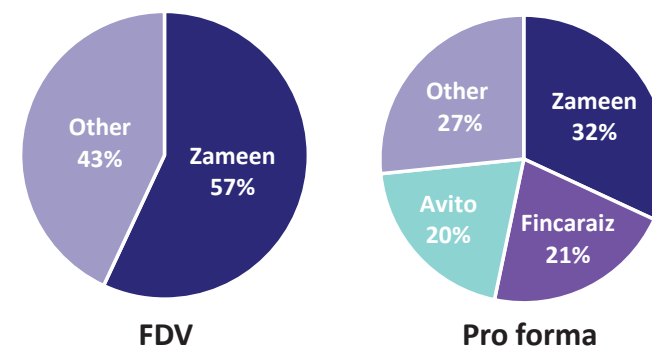
*Increased exposure to target markets in LATAM and MENA*

### — REVENUE BY VERTICAL — (2019A, FDV basis)



*Maintained property bias while increasing exposure to other key verticals*

### — REVENUE BY BUSINESS — (2019A, FDV basis)



*Portfolio revenue diversified across a broader range of businesses*

# 5. ACCELERATES STRATEGIC EVOLUTION

FDV ownership evolving towards greater control

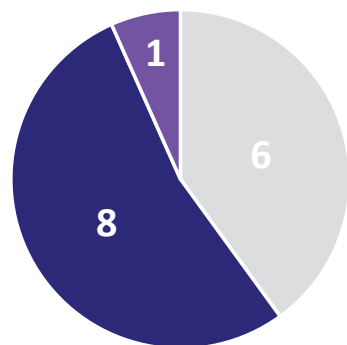
## Portfolio composition since IPO

Number of operating companies<sup>1</sup>

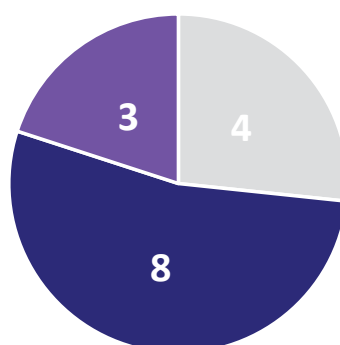
# portfolio companies<sup>2</sup>

0-40% 40%-75% 75%+

At IPO in August 2016  
(15 portfolio companies)











Current – pro forma<sup>3</sup>  
(15 portfolio companies)



*Increasing FDV ownership as businesses mature*

1. As reported; includes all continuing operations at the particular point in time
2. Ownership bands are inclusive of the upper bound and non-inclusive of the lower bound (e.g. where a company owns 75.0% they are included in the 40%-75% band)
3. Includes existing FDV (continuing operations) as well as the newly acquired businesses

## Ownership levels increasing over time

Operating company	FDV ownership @ IPO / time of purchase		FDV ownership (current)
 <b>InfocasaS</b>	31.3%	➔	52.1%
 <b>iMyanmarHouse.com</b> မြန်မာနိုင်ငံ၏ နံပါတ်တစ် ဆယ်မြို့မြေ ရောင်းဝယ်ရေး ဝက်ဆိုက်	39.2%	➔	52.6%
 <b>PAKWHEELS.COM</b> PAKISTAN'S #1 AUTOMOBILE WEBSITE	35.1%	➔	36.8%
 <b>AUTO DEAL</b>	33.3%	➔	55.8%
 <b>MOTEUR.ma</b>	32.0%	➔	56.3%
 <b>HOPPLER</b>	20.6%	➔	40.2%
 <b>meqasa.com</b> Chana's No.1 Property Website	60.2%	➔	71.3%
 <b>LankaPropertyWeb</b>	37.3%	➔	53.0%

# TRACK RECORD OF DELIVERING SHAREHOLDER VALUE THROUGH ACQUISITION

*“FDV’s portfolio of market leaders is well placed in the current environment, as the power of incumbency increases, and market leaders become more dominant. FDV’s reputation as a strategic partner for online classifieds businesses in emerging markets continues to grow globally, evidenced by this deal with Adevinta as well as Encuentra24’s recent combination with OLX’s Central American platforms.”*

*We remain focused on long-term value creation for shareholders, despite the COVID-19 headwinds. Strong operational and financial performance provides the key foundations for growth. The acquisitions of Fincaraíz, Avito and Tayara strengthen FDV's position as a leading owner of online classifieds players in emerging markets.”*

*- Shaun Di Gregorio, Founder and CEO*





**FRONTIER**  
DIGITAL VENTURES

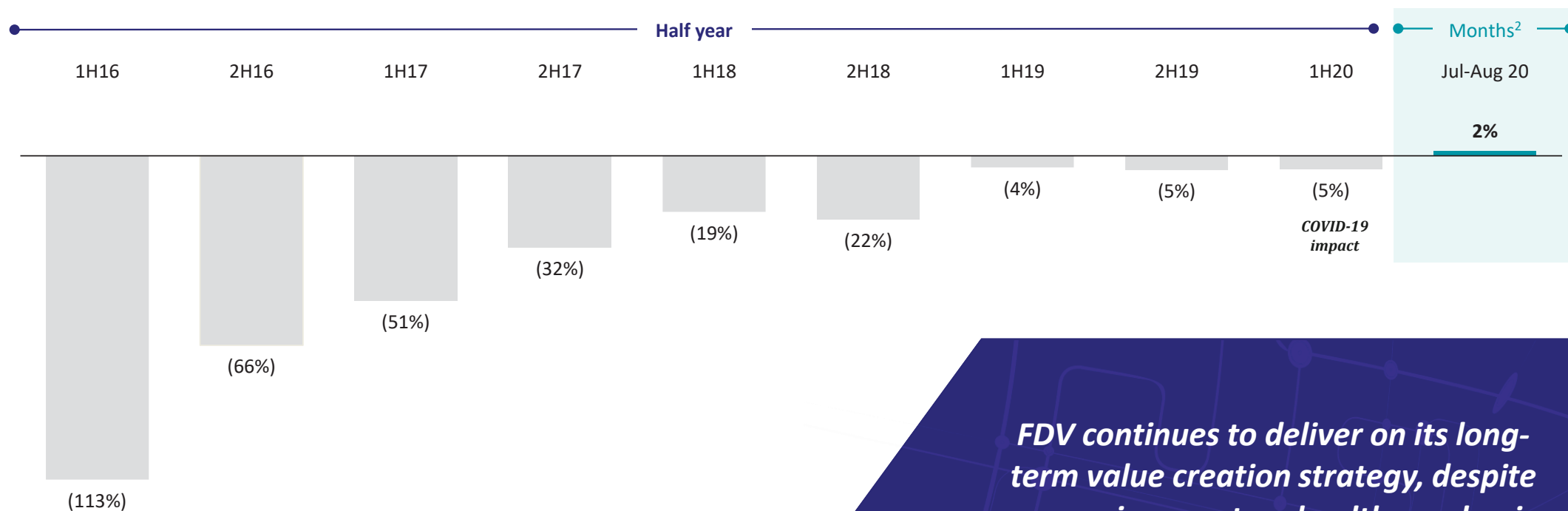
# FDV TRADING UPDATE

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# KEY PROFITABILITY INFLECTION POINT ACHIEVED

Current FDV portfolio (ex. acquisitions) EBITDA positive across July and August 2020

## Portfolio EBITDA margin<sup>1</sup> (% , FDV basis)



Note: Figures are for entities with continuing operations as at 31 August 2020

1. Portfolio EBITDA as a % of revenue

2. Unaudited

***FDV continues to deliver on its long-term value creation strategy, despite a once-in-a-century health pandemic***

# STRONG EBITDA PERFORMANCE, DESPITE COVID-19

All operating companies recorded positive or improved EBITDA across July and August 2020

	FDV current ownership (%)	Jul-Aug 2020 EBITDA <sup>2</sup> A\$ (FDV basis) ↓	2Q 2020 EBITDA A\$ (FDV basis)	EBITDA change on 2Q 2020 (in absolute terms)
9 operating companies recorded positive EBITDA across July and August 2020...	AutoDeal	56%	40,071	47,922
	Zameen	30%	38,064	(245,545)
	InfoCasas	52%	22,354	53,281
	Encuentra24	26%	5,342	8,620
	West Africa <sup>1</sup>	N/A	2,852	21,253
	Moteur	56%	1,507	(43,457)
	LankaPropertyWeb	53%	526	(7,506)
	iMyanmarhouse	53%	2,041	9,139
	Hoppler	40%	(8,465)	(37,837)
... and 3 operating companies recorded improved EBITDA	CarsDB	65%	(12,291)	(29,657)
	Pakwheels	37%	(43,526)	(106,087)
	<b>Total EBITDA</b>		<b>48,477</b>	<b>(329,874)</b>

Improved EBITDA performance of Zameen and Pakwheels in July and August 2020 as Pakistan emerged from temporary COVID-19 lockdowns

Note: Figures are for entities with continuing operations as at 31 August 2020

1. West Africa includes PropertyPro (Nigeria; 39% owned) and MeQasa (Ghana; 71% owned)

2. Unaudited figures for July and August 2020, with comparison made to the period from April to June 2020 (2Q 2020)





# CAPITAL RAISING DETAILS



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# CAPITAL RAISING OVERVIEW

## Offer structure and size

- Non-underwritten Institutional Placement (“**Placement**”) and non-underwritten 1 for 9 Pro-Rata Accelerated Non-Renounceable Entitlement Offer (“**Entitlement Offer**”) to raise up to A\$100m
  - Placement to raise up to \$63.4m via the issue of up to 50.7 million New Shares (equivalent to 19.2% of FDV’s current shares outstanding)
  - Entitlement Offer to raise up to \$36.6m
- The Placement and Entitlement Offer will not be underwritten
- New Shares will rank equally with existing FDV shares
- Institutional entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to eligible institutional shareholders who apply for New Shares in excess of their entitlement, as well as to certain other eligible institutional investors who bid into the institutional bookbuild being conducted concurrently with the Institutional Entitlement Offer.
- Oversubscription facility to be included in the Retail Entitlement Offer for eligible retail shareholders to apply for additional shares in excess of their entitlement
- The directors of FDV reserve the right to issue any New Shares not issued in the Retail Entitlement Offer (Shortfall Shares) to new investors or existing shareholders within 3 months of close of the Retail Entitlement Offer at a price no less than the Offer Price. The allocation of Shortfall Shares will be within the complete discretion of FDV

## Offer price

- New shares under the Placement and Entitlement Offer will be issued at a price of A\$1.25 per share, representing a:
  - 20.1% discount to the last close of A\$1.565 per share
  - 2.7% discount to the 15-day Volume Weighted Average Price (VWAP) of A\$1.284 per share
  - 16.2% discount to TERP

## Use of funds

- FDV expects to use the proceeds of the Placement and Entitlement Offer as follows:
  - ~A\$56m for the acquisition of 100% of the issued capital of Fincaraíz, Avito and Tayara
  - ~A\$44m for further growth capital, balance sheet flexibility and payment of transaction costs

## Timing

- Placement opens on Wednesday, 7th October 2020 and closes on Thursday, 8th October 2020
- Institutional component of Entitlement Offer opens on Thursday, 8<sup>th</sup> October 2020 and closes on Friday, 9<sup>th</sup> October 2020
- Retail component of Entitlement Offer opens on Thursday, 15<sup>th</sup> October 2020 and closes on Thursday, 29<sup>th</sup> October 2020

# INDICATIVE TIMETABLE

Enter trading halt	Wednesday, 7 October 2020
Placement opens	Wednesday, 7 October 2020
Placement closes	Thursday, 8 October 2020
Announcement of acquisitions and capital raising	Thursday, 8 October 2020
Accelerated Non-Renounceable Entitlement Offer opens	Thursday, 8 October 2020
Accelerated Non-Renounceable Entitlement Offer closes	Friday, 9 October 2020
Announcement of results of Institutional Entitlement Offer and Placement, trading halt lifted, existing shares recommence trading	Monday, 12 October 2020
Record Date for Entitlement Offer	Monday, 12 October 2020
Retail Entitlement Offer Information Booklet and Entitlement & Acceptance Form dispatched	Thursday, 15 October 2020
Retail Entitlement Offer opens	Thursday, 15 October 2020
Settlement of Accelerated Entitlement Offer and Placement	Thursday, 15 October 2020
Allotment and Issue of New Shares issued under the Institutional Entitlement Offer and Placement	Friday, 16 October 2020
Quotation of New Shares issued under the Institutional Entitlement Offer and Placement	Friday, 16 October 2020
Retail Entitlement Offer closes	Thursday 29 October 2020
FDV announces results of Retail Entitlement Offer	Tuesday, 3 November 2020
Settlement of Retail Entitlement Offer	Wednesday 4 November 2020
Allotment and Issue of New Shares under the Retail Entitlement Offer	Thursday, 5 November 2020
Quotation of shares issued under the Retail Entitlement Offer and trading commences on a normal basis	Friday, 6 November 2020

**Note:** All dates are subject to change and are indicative only. The Company, in consultation with the Joint Lead Managers, reserves the right to vary these dates without prior notice



# APPENDIX

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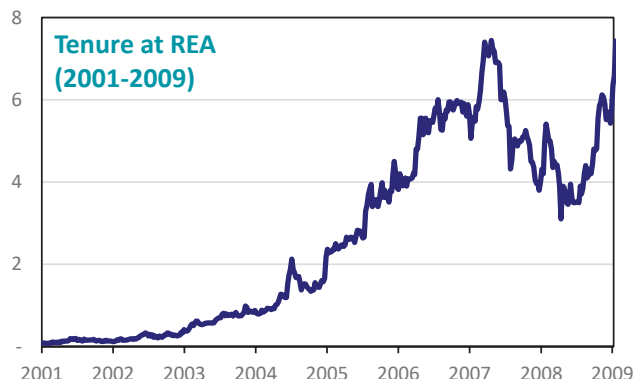
# STRONG TRACK RECORD OF LONG TERM VALUE CREATION



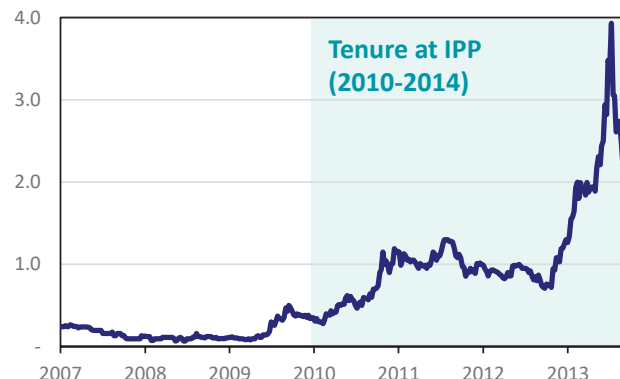
**Founder and CEO**  
Shaun Di Gregorio

- One of the **top global online classifieds executives** with a **strong track record of long-term value creation**
- Former **CEO of iPropertyGroup (ASX: IPP)** and **General Manager at REA Group**
- **Spearheaded the transformation** of iProperty Group from a **US\$15m small online business** into the largest online classifieds business in ASEAN with a **market capitalisation of US\$600m in December 2015**
- As **General Manager of the core Australian REA Group business** and one of its global leaders, grew the business alongside a **team of 8 people with revenue of A\$5m** into a **company with more than 300 staff and revenue exceeding A\$150m**

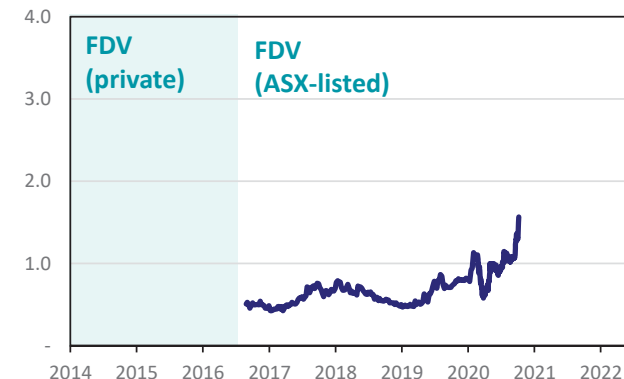
**REA Group (ASX: REA)**



**iPropertyGroup (ASX: IPP)**



**FDV (ASX: FDV)**



# CORPORATE OVERVIEW

FDV has a strong balance sheet, and its shares are tightly held

## Share price performance (last 12 months)



## Board of Directors

Anthony Klok	<i>Non-Executive Chairman</i>
Shaun Di Gregorio	<i>Founder and CEO</i>
Mark Licciardo	<i>Non-Executive Director and Company Secretary</i>

## Substantial shareholders

Catcha Group (Patrick Grove and Luke Elliott)	33.4%
Shaun Di Gregorio (Founder and CEO)	14.1%
Smallco Investment Manager	8.2%
Barca Global Master Fund	7.4%

## Financial information

Share price (6-Oct-20)	\$1.565
52-week trading range (low / high)	\$0.58 / \$A\$1.565
Shares on issue	263.6m <sup>1</sup>
<b>Market capitalisation</b>	<b>A\$412.5m</b>
Cash (30-Jun-20) <sup>2</sup>	A\$22.8m
Debt (30-Jun-20)	N/A
<b>Enterprise value</b>	<b>A\$389.7m</b>

Source: IRESS

Notes:

- Excludes 450,000 Director options which are subject to the achievement of vesting conditions
- Includes A\$6.5m raised from the strategic placement announced on 13 July 2020

# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS

## 1. KEY RISKS

### COVID-19

Events related to the Coronavirus pandemic (COVID-19) have resulted in significant market volatility. There is continued uncertainty as to ongoing and future response of governments and authorities globally as well as a likelihood of a global or more localised economic recessions of unknown duration or severity. As such, the full impact of COVID-19 to consumer behaviour, suppliers, employees, the Operating Companies (defined below) and Frontier are not fully known. Given this, the impact of COVID-19 could potentially be materially adverse to Frontier's financial and operational performance, and that of its Operating Companies. Further, any government or industry measures may adversely affect Frontier's operations and that of its Operating Companies and are likely beyond the control of Frontier. In compliance with its continuous disclosure obligations, Frontier will continue to update the market in regard to any material impact of COVID-19 on Frontier's business.

### MARKET CONDITIONS

The price at which Frontier's shares are quoted on ASX may increase or decrease due to a number of factors outside of Frontier's control. The events relating to COVID-19 have recently resulted in a decline in general economic conditions together with significant volatility to financial markets including the prices of shares trading on the ASX. These factors may cause Frontier's shares to trade at prices above or below the capital raising price. There is no assurance that the price of the shares offered under the capital raising will increase when they are quoted on the ASX.

### EARLY-STAGE BUSINESS RISK

Following the Acquisitions, Frontier will have interests ranging from 30% to 100% in a portfolio of businesses (run by the companies in which Frontier has interests which operate online classifieds businesses (Operating Companies)) some of which are in the early stages of development. These early-stage businesses may not have well-developed business strategies in place, strong customer and supplier relationships or a strong market reputation. Early market advantages, positions or market share, if any, may not be durable, and the businesses are not yet in a position of profitability nor do they all generate consistent, meaningful revenue. These businesses may also experience differing degrees of growth (should they grow at all). Should these businesses underperform or fail, this may have a broader impact on the ability of Frontier to meet its objectives, and could adversely impact the financial position and performance of Frontier or the value of the New Shares.

Further, given the early stage nature of their businesses, it is likely that not all the Operating Companies will be able to fund their operations out of operating cash flows, and will require additional capital over time.

### ISSUES ASSOCIATED WITH OTHER SHAREHOLDERS IN OPERATING COMPANIES

In many cases, Frontier is not the sole owner of each Operating Company. Where Frontier does not have a majority equity position in an Operating Company, it must rely on the shareholders' agreements in place in respect of the Operating Companies to ensure it can exercise control over that Operating Company. Furthermore, despite the terms of the shareholders' agreements, Frontier may not be able to exercise full control over the operations of the Operating Companies.

Disagreements with other shareholders of an Operating Company, in particular its founders, including with respect to the operations, directions or policies of the Operating Company may adversely impact Frontier's ability to guide the operations of the Operating Company, which may impact its ability to achieve its goals, and there is no guarantee Frontier will be able to resolve these disputes.

### OPERATIONS IN DEVELOPING COUNTRIES

Frontier's Operating Companies all operate in developing countries. As a general rule, the economic, political, legal, regulatory and tax environment in these countries is not as developed or stable as in Australia. The future of these countries may contain political instability in the form of coups, military activity, revolutions and anarchy. Political and social upheaval in Frontier's markets may adversely affect its business operations. Further, the Operating Companies conduct their businesses in countries that may not have developed or stable legal, regulatory or tax systems. If any legal, regulatory or tax issues relating to Frontier or the Operating Companies arise in these countries, they may be subject to unknown laws and legal, regulatory or tax processes.

Further, foreign ownership laws in these jurisdictions may adversely impact Frontier's ability to hold or increase its interests in the Operating Companies or engage in activities such as repatriating funds from the Operating Companies or their subsidiaries in the relevant jurisdictions.

# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## **RELIANCE ON SYSTEM AND CONTENT INTEGRITY**

The performance of the websites of Frontier's Operating Companies is very important to the reputation of those Operating Companies, their ability to attract customers and their ability to achieve overall market acceptance of their services. These websites rely on telecommunications operators, data centres and other third parties for key aspects of the process of maintaining their websites and providing their products and services to customers. Frontier's and the Operating Companies' influence over these third parties is limited. Any system failure that causes an interruption to an Operating Company's services could materially affect its business. System failures, if prolonged, could reduce the attractiveness of an Operating Company's services to clients and visitors to the websites and would damage its business reputation and brand name.

Although the Operating Company's systems have been designed around industry-standard architectures, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, computer viruses or similar events. Frontier's disaster recovery planning cannot account for all eventualities. The Operating Companies' websites have experienced system failures in the past and may do so in the future. If frequent or persistent significant system failures are experienced on an Operating Company's website, the relevant Operating Company or Frontier may need to take steps to increase the reliability of these systems and invest in further or improved back-up systems. This could be expensive, reduce operating margins and may not be successful in reducing the frequency or duration of unscheduled downtime. It would also negatively impact the Operating Company's business reputation and brand name, which may in turn impact Frontier's operations and reputation.

## **LOSS OF KEY PERSONNEL**

Frontier's success is dependent on the retention of key employees, including the Chief Executive Officer, Shaun Di Gregorio who has been responsible for establishing Frontier and forming its relationships with the Operating Companies. Loss of the Chief Executive Officer and other key employees, or an inability to attract, retain and motivate additional highly-skilled employees required of the anticipated expansion of Frontier's activities could adversely affect its growth plans and financial position.

In addition, each Operating Company is generally run by the founder or founders of the business of that Operating Company, and Frontier relies on those individuals to operate the business in conjunction with Frontier and provide local expertise in the jurisdiction in which the Operating Company conducts its business. There is a risk that if the founder or founders were to leave the Operating Company, the relevant Operating Company may suffer from a decline in performance, take longer to implement its business plan or otherwise be unable to meet its goals.

## **DECLINE IN AUTOMOTIVE, PROPERTY AND GENERAL ADVERTISING MARKET, OR ECONOMIC CONDITIONS IN FRONTIER'S TARGET MARKETS**

The automotive, property and general advertising markets, and economic conditions generally, in jurisdictions of the Operating Companies are subject to factors outside the control of Frontier. These factors include the COVID-19 pandemic, the general market outlook for economic growth and interest rates, and other factors which may impact on the level of ownership of, and number of transactions with respect to, the underlying assets traded on the websites of the Operating Companies. Should these markets enter a downward cycle, this may impact on the operations, financial position and performance of the Operating Companies and in turn impact on the ability of Frontier to meet its objectives.

## **RISKS ASSOCIATED WITH INTELLECTUAL PROPERTY**

Third parties may copy or otherwise obtain and use an Operating Company's proprietary information without authorisation or may develop similar technology independently. In addition, competitors may be able to design around the Operating Companies' technology or develop competing technologies substantially similar to those of the Operating Companies without any infringement of proprietary rights. Any legal action that Frontier or the Operating Companies may bring to protect their intellectual property could be unsuccessful and expensive and would divert management's attention from other business concerns.

In some circumstances the Operating Companies have not taken steps to register intellectual property that is material to their business, so may have difficulties enforcing these rights against third parties or may themselves be prevented from using their intellectual property by third parties who have prior rights.

One of the key assets of each Operating Company is the domain names used for the operation of the website run by the businesses. There is a risk that third parties could challenge the use or ownership of the domain name, the relevant Operating Company could fail to renew its registration of that domain name, or the relevant Operating Company could transfer ownership of the registration to another party without Frontier's consent. Any inability to maintain control over or continue using the domain names of the Operating Companies could have a material adverse impact on Frontier's financial position or performance of its operations.

## **FOREIGN CURRENCY RISK**

Frontier has costs, expenses and investments denominated in multiple currencies and Frontier Singapore's functional currency is USD. Frontier's share price is denominated in Australian Dollars. Frontier will also report its financial results in Australian Dollars. Accordingly, Frontier's reported financial performance and ability to fund its operations and investments will be influenced by fluctuations in exchange rates between the Australian Dollar and other currencies in which it may earn income, incur expenses or hold investments, or in which Frontier Singapore prepares its accounts and settles transactions.



# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## **RISKS ASSOCIATED WITH INVESTMENT INTO OPERATING COMPANIES AND PROVISION OF INFORMATION**

Although Frontier performed due diligence on the Operating Company and assets and founders of the relevant business when acquiring an interest in the relevant Operating Company, Frontier's due diligence was reliant on the accuracy of information provided by the founders of the relevant business and information from regulators in the relevant jurisdictions.

If the Operating Companies provided Frontier with inaccurate information or failed to provide Frontier with relevant information, or there were other failings in the due diligence performed by Frontier, it is possible there could be historical or other issues associated with the Operating Companies or their ownership which Frontier did not identify or properly address during due diligence, or that the optimal transaction or ownership structure from a legal or commercial perspective was not adopted, each of which could impact on Frontier's financial position and performance.

## **DECLINE IN THE GROWTH OF INTERNET AND SMARTPHONE PENETRATION AND RATE OF MIGRATION ONLINE**

Internet and smartphone penetration in the markets in which Frontier operates has been growing. However, there can be no guarantee that this growth or rate of growth will continue in the future. In addition, growth in online advertising is underpinned by a range of factors including migration from more traditional forms of media. Migration has been driven by a number of factors affecting both buyers and sellers, including increased internet penetration and broadband speeds. While increased internet penetration and a migration of advertising to new media has occurred over recent years there can be no guarantee that this will continue in the future, which may have an adverse effect on the growth of Frontier.

## **INCREASED COMPETITION**

The internet is a business medium with low barriers to entry. It could be possible for current or new competitors to adopt certain aspects of the Operating Companies' or Frontier's business model without great financial expense, thereby reducing the Operating Companies and Frontier's ability to differentiate their services. Any significant competition to Frontier or the Operating Companies may adversely affect Frontier's ability to meet its objectives.

## **MANAGING RAPID GROWTH**

Frontier aims to experience rapid growth in the scope of its operating activities, which will include both the Operating Companies growing their operations in the countries which they operate, as well as Frontier seeking additional investments in new jurisdictions.

This growth is anticipated to result in an increased level of responsibility for both existing and new management personnel, both in Frontier and the Operating Companies. If Frontier, or the Operating Companies are unable to manage growth successfully, including through the successful recruitment, training, integration and management of the staff required to support this expected growth, it may not be able to take advantage of market opportunities, satisfy customer expectations, execute their business plan or respond to competitive pressure.

## **CONCENTRATION OF SHAREHOLDINGS**

As noted on Slide 35, prior to the capital raising, Catcha Group holds approximately 33.4% of the shares in Frontier and Shaun Di Gregorio holds approximately 14.1% of the shares in Frontier. Accordingly, both Catcha and Shaun Di Gregorio may be in a position to control the outcome of matters relating to Frontier, including the election of Directors and the approval of significant corporate activities. The interests of Catcha Group and Shaun Di Gregorio may be different from the interests of other investors. Shareholders may be adversely affected if Catcha Group, Shaun Di Gregorio or other shareholders sell their holdings in poorly managed sell-downs.

## **NEW TECHNOLOGY SUBSTITUTION**

The number of people who access information through devices other than personal computers, including mobile phones, has greatly increased in recent years. If Frontier's Operating Companies are unable to maintain the existing level of visits to their websites due to alternative device usage or if they are significantly slower than their competitors to adapt to technological change, they could fail to capture what may be an increasingly important segment of the markets in which they operate. A reduction in visits to these websites could have an adverse effect on their ability to attract new customers and retain their existing customer base. This may in turn adversely affect Frontier's ability to meet its objectives.

## **CORRUPTION OF THE OPERATING COMPANIES' DATABASES**

Databases of the Operating Companies are a valuable asset. They are subject to risks associated with computer viruses, physical or electronic break-ins, loss of data from physical damage or from failures in third party service providers or operating systems and similar disruptions, as well as to damage from the inadvertent introduction of incorrect programming language by its employees. An irrecoverable loss of any of the databases would be expensive to remedy, would have a material adverse effect on the relevant Operating Company's operations and financial position, and would damage its business reputation and brand name, which may in turn impact on the financial position and performance of Frontier.



# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## **HACKING AND VANDALISM**

The businesses of the Operating Companies may be adversely affected by malicious third party applications that interfere with, or exploit, security flaws in their websites. If an Operating Company's efforts to combat these malicious applications are unsuccessful, or if its products and services have actual or perceived vulnerabilities, its business reputation and brand name may be harmed and user traffic could decline, which may in turn result in an adverse effect on Frontier's operations and financial position.

## **DEPENDENCE ON INTERNET INFRASTRUCTURE**

Frontier's Operating Companies are dependent on the ongoing maintenance of the global, regional and local internet infrastructure to provide the necessary data speed, capacity and security to allow them to offer viable services. The internet has experienced significant growth in the number of users and amount of traffic, in particular in the countries in which the Operating Companies operate. To the extent that the internet continues to experience increased numbers of users, there can be no assurance that the internet infrastructure will continue to be able to support the demands placed on it by continued growth.

## **DISPLAY OF INAPPROPRIATE CONTENT**

Frontier does not have the ability to guarantee that all content displayed on the websites of the Operating Companies is appropriate at all times. Frontier cannot guarantee that such material is not obscene, offensive or otherwise damaging to its business reputation and brand name, or the reputation of the relevant Operating Company, its customer and advertisers, or any third party.

## **RELATIONSHIP WITH CAR DEALERS, CAR MANUFACTURERS, REAL ESTATE AGENTS AND PROPERTY DEVELOPERS**

Many of the Operating Companies generate revenue through advertisements from car dealers, car manufacturers, real estate agents and property developers. In many cases, no formal ongoing arrangements exist between the relevant Operating Company and its advertisers, or only informal or short-term contracts are in place. Should a significant number of car dealers, car manufacturers, real estate agents or property developers cease dealing with the relevant Operating Companies or cancel or fail to renew their agreements this may have an adverse effect on the growth prospects and financial performance of the Operating Companies.

## **RELIANCE ON ADVERTISERS TO RESPOND TO LEADS**

Once a lead is submitted to an advertiser through the website of an Operating Company, it is the advertiser's responsibility to respond to the lead. There is a risk that advertisers may not appropriately respond to leads. This may have a negative impact on the consumer's perception of the relevant Operating Company, which in turn may have an impact on Frontier's growth prospects and financial performance.

## **NEW INVESTMENTS**

Frontier's business model is to invest in online classifieds businesses in underdeveloped, emerging markets. As such, Frontier may make investments in circumstances where the directors believe that those investments support Frontier's growth strategy. However, there can be no assurances that Frontier will be able to identify and complete suitable investments successfully. Investing in new businesses can place significant strain on management, employees, systems and resources. A business in which Frontiers invests may not perform in line with expectations and due diligence performed on the new business will rely on the quality of information provided to Frontier, and as such may not identify all issues.

## **GOVERNMENT LAWS AND REGULATIONS**

Frontier and the Operating Companies are subject to local laws and regulations in each of the jurisdictions in which they operate (including taxation legislation), some of which give rise to risks to the Operating Companies' businesses or restrict their ability to perform certain transactions.

## **ADDITIONAL REQUIREMENT FOR CAPITAL**

Should the funds raised be insufficient to fulfil Frontier's planned short term expenditure requirements, Frontier may have an immediate requirement to raise further funds and there is no assurance that Frontier will be able to secure additional funding on acceptable terms.

# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## **RISKS ASSOCIATED WITH AN INVESTMENT IN SHARES**

There are general risks associated with investments in equity capital. The trading price of Frontier shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the shares offered under the capital raising being less or more than the applicable offer price. Generally applicable factors which may affect the market price of shares include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- changes in interest rates and the rate of inflation;
- change in government regulation and policies;
- announcement of new technologies;
- geo-political stability, including international hostilities and acts of terrorism.

No assurances can be given that the New Shares offered under the capital raising will trade at or above their offer price. None of Frontier, its Board or any other person guarantees the market performance of the New Shares.

## **2. ACQUISITION RISKS**

### **INFORMATION HAS BEEN PROVIDED BY THE VENDOR OF FINCARAÍZ, AVITO AND TAYARA**

Frontier undertook a due diligence process in respect of each Fincaraíz, Avito and Tayara which relied in part on the review of financial and other information (including unaudited financial information) concerning the business and corporate structure of each company, which was provided to Frontier by the vendor. Despite making reasonable efforts, Frontier has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Frontier has prepared (and made assumptions in the preparation of) the financial information relating to each company included in this Presentation from financial and other information (including unaudited financial information) provided by the vendor of the companies. Frontier is unable to verify the accuracy, reliability or completeness of all of this information. If any of the data or information provided to and relied upon by Frontier in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of each company and therefore the combined Frontier group may be materially different to the financial position and performance reflected in this Presentation.

Furthermore, there is a risk that due diligence conducted has not identified issues that would have been material to the decision to enter into the Acquisitions. A material adverse issue that was not identified prior to entry into the Acquisitions could have an adverse impact on the financial performance or operations of Frontier. As is usual in the conduct of acquisitions, the due diligence process undertaken by Frontier identified a number of risks associated with each company, which Frontier had to evaluate and manage. The mechanisms used by Frontier to manage these risks included in certain circumstances the acceptance of the risk as tolerable on commercial grounds such as materiality. There is a risk that the approach taken by Frontier may be insufficient to mitigate the risk, or that the materiality of these risks may have been underestimated or unforeseen, and hence they may have a material adverse impact on Frontier's operations, earnings and financial position.

### **FUTURE EARNINGS MAY NOT BE AS EXPECTED**

Frontier has undertaken financial and business analysis of each company to be acquired in order to determine its attractiveness to Frontier and whether to pursue the Acquisitions. It is possible that such analysis, and the best estimate assumptions made by Frontier, draw conclusions and forecasts that are inaccurate or which will not be realised in due course. To the extent that the actual results achieved by each company is different than those anticipated, or any unforeseen difficulties emerge in integrating the operations of each company do not align with Frontier's assumptions, there is a risk that the profitability and future earnings of the operations of Frontier after having acquired the companies may differ (including in a materially adverse way) from the what Frontier expects.

### **FRONTIER MAY NOT SUCCESSFULLY INTEGRATE FINCARAÍZ, AVITO AND TAYARA**

The integration of a business of the size and nature of each acquired company carries risk, including potential delays or costs in implementing necessary changes and difficulties in integrating various operations. The success of the Acquisitions, and the ability to realise the expected benefits of the Acquisitions outlined in this Presentation, is dependent on the effective and timely integration of each company's business.

### **ARRANGEMENT WITH FINCARAÍZ, AVITO AND TAYARA'S KEY SUPPLIERS AND CUSTOMERS**

Each of Fincaraíz, Avito and Tayara has contracts with its suppliers and customers which may contain change of control provisions that will be triggered by the Acquisitions and, when triggered, entitle the counterparty to terminate the relevant contract. Any termination or non-renewal or renewal on less favourable terms of a material contract could materially adversely affect the financial position and prospects of the relevant business.

# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## **FRONTIER WILL ASSUME EACH OF FINCARAÍZ, AVITO AND TAYARA HISTORICAL LIABILITIES**

Following completion of the Acquisitions, Frontier may become responsible (subject to the terms of the relevant acquisition agreement) for any outstanding liabilities that each company has incurred prior to the Acquisitions, including any liabilities that were not identified during Frontier's due diligence or which are greater than expected, for which insurance may not be available, and for which Frontier may not have post-Acquisitions recourse under the agreement for the Acquisitions (for example pursuant to an indemnity provided for prior regulatory breaches) and which may result in Frontier being liable for fines and penalties or subject to other sanctions. Such liabilities could include liabilities relating to current or future litigation or other proceedings, failure by the companies or Frontier to hold required regulatory approvals, authorisations or licences, regulatory actions (including without limitation in relation to any such failure), warranty or performance claims, historical tax liabilities and other liabilities.

Such liabilities may adversely affect the financial performance or position of Frontier and even put at risk the group's capacity to carry on its business in one or more of the geographic regions in which the group will operate following the Acquisitions, and may be more costly than expected to remedy.

## **THE FINANCIAL CAPACITY OF, AND RECOURSE TO, THE VENDOR MAY BE LIMITED AND THERE IS COUNTERPARTY AND CONTRACTUAL RISK**

The ability of Frontier to achieve its stated objectives will depend on the performance by the parties of their obligations under the agreements for, and related to, the Acquisitions. If any party defaults in the performance of their obligations, it may be necessary for Frontier to approach a court to seek a legal remedy, which can be expensive and time consuming.

Furthermore, if a warranty, indemnity or other claim was made by Frontier against the vendor under any acquisition agreement, there is a risk that such claim may be contested or that funds may not be available to meet the claim in its entirety. Any inability to recover amounts claimed under any acquisition agreement could materially adversely affect Frontier's financial position and performance.

# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## 3. INTERNATIONAL OFFER RESTRICTIONS

This document does not constitute an offer of new ordinary shares ("New Shares") of Frontier in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

### HONG KONG

**Warning:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### SINGAPORE

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### NEW ZEALAND

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

# KEY RISKS AND INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## UNITED KINGDOM

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

## UNITED STATES

This document may not be distributed or released in the United States.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal.

The New Shares will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States, unless they have been registered under the U.S. Securities Act (which Frontier has no obligation to do or procure) or they are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities law.



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**ASX Code: FDV**

12 October 2020

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

## **Successful completion of Institutional Offer, raising A\$92.6 million**

- **FDV has successfully raised approximately A\$92.6m under the Placement and Institutional Entitlement Offer at A\$1.25 per New Share**
- **Strong support from eligible institutional shareholders with a take-up rate of 91% under the Institutional Entitlement Offer, excluding the entitlements not taken up by Catcha Group and Shaun Di Gregorio**
- **Retail Entitlement Offer to open on Thursday, 15 October and close on Thursday, 29 October to raise up to a further approximately A\$7.4m**
- **Proceeds of the Placement and Entitlement Offer will be used to fund the acquisition of 100% of the issued capital of Fincaraíz, Avito and Tayara (the Acquisitions) and provide FDV with further growth capital and balance sheet flexibility**

### **Completion of Institutional Offer**

Frontier Digital Ventures Limited ("**FDV**", **ASX: FDV** or the "**Company**") is pleased to announce the successful completion of the institutional component (**Institutional Entitlement Offer**) of its non-underwritten 1 for 9 accelerated non-renounceable entitlement offer (**Entitlement Offer**) and institutional placement (**Placement**, and together with the institutional component of the Entitlement Offer the **Institutional Offer**) announced on Thursday, 8 October 2020.

The Placement was significantly oversubscribed and raised gross proceeds of A\$63,406,250 (before transaction costs), with 50,725,000 fully paid ordinary shares (**New Shares**) to be issued. Likewise, the Institutional Entitlement Offer received strong support and raised A\$29,215,735, with 23,372,588 New Shares to be issued. Together, the Placement and Institutional Entitlement Offer raised a total of A\$92,621,985 at the offer price A\$1.25 per New Share.

### **Commenting on the result, FDV's Founder and CEO, Shaun Di Gregorio said:**

*"We are very grateful for the ongoing support shown by institutional shareholders and the strong interest from new investors. This capital raising has further strengthened our share register through the addition of 15+ high quality domestic and international funds who we believe are highly aligned with our long-term value creation strategy.*

*We are excited about the strategic acquisitions of Fincaraíz, Avito and Tayara, which strengthen FDV's position as a leading operator of online classified businesses in emerging markets. These Acquisitions are highly complementary to FDV's existing portfolio and provide us with market leadership positions in existing and new adjacent geographies."*

New Shares in respect of institutional entitlements not taken up under the Institutional Entitlement Offer and New Shares that would have represented the entitlements of ineligible institutional



shareholders were placed with institutional investors. 74,097,588 New Shares were subscribed for under the Institutional Offer, with settlement expected to occur on Thursday, 15 October 2020, and New Shares issued and commencing trading on the ASX on Friday, 16 October 2020. New Shares issued under the Institutional Offer will rank equally with existing FDV shares as at their date of issue.

FDV shares are expected to resume trading on the ASX from market open today (Monday, 12 October 2020).

### Retail Entitlement Offer

Retail shareholders who have an address in Australia or New Zealand as recorded with FDV's share registry as at 7.00pm (Melbourne Time) on Monday, 12 October 2020 (**Eligible Retail Shareholders**) have the opportunity to subscribe for 1 New Share for every 9 existing FDV shares held on the record date, at the same price as the institutional investors who participated in the Institutional Offer. The Retail Entitlement Offer will open on Thursday, 15 October 2020 and close at 5:00pm (Melbourne Time) on Thursday, 29 October 2020. Eligible Retail Shareholders who take up their entitlement in full can also apply for additional New Shares in excess of their entitlement under an oversubscription facility. There is no guarantee that any additional New Shares will be available.

Further details about the Retail Entitlement Offer will be set out in the retail offer booklet (**Retail Offer Booklet**), a copy of which FDV expects to lodge with the ASX on Thursday, 15 October 2020. The Retail Offer Booklet and accompanying personalised entitlement and acceptance form will contain instructions on how to apply under the Retail Entitlement Offer. Applications under the Retail Entitlement Offer are due by no later than 5:00pm (Melbourne Time) on Thursday, 29 October 2020.

The directors of FDV reserve the right to issue any New Shares not issued in the Retail Entitlement Offer (Shortfall Shares) to existing shareholders or new investors within 3 months of the close of the Retail Entitlement Offer at a price no less than the Offer Price. The allocation of Shortfall Shares will be within the complete discretion of FDV, having regard to factors such as FDV's desire for an informed and active trading market, its desire to establish a wide spread of shareholders, the size and type of funds under management of particular investors, the likelihood that particular investors will be long-term shareholders, and any other factors FDV considers appropriate.

### Indicative Timetable\*

Announcement of results of Placement and Institutional Entitlement Offer, trading halt lifted, existing shares recommence trading	Monday, 12 October 2020
Record Date for Entitlement Offer	Monday, 12 October 2020
Retail Entitlement Offer Booklet and Entitlement & Acceptance Form dispatched	Thursday, 15 October 2020
Retail Entitlement Offer opens	Thursday, 15 October 2020
Settlement of Institutional Offer	Thursday, 15 October 2020
Allotment and Issue of New Shares issued under the Institutional Offer	Friday, 16 October 2020
Quotation of New Shares issued under the Institutional Offer	Friday, 16 October 2020
Retail Entitlement Offer closes	Thursday 29 October 2020
FDV announces results of Retail Entitlement Offer	Tuesday, 3 November 2020
Settlement of Retail Entitlement Offer	Wednesday 4 November 2020
Allotment and Issue of New Shares under the Retail Entitlement Offer	Thursday, 5 November 2020
Quotation of shares issued under the Retail Entitlement Offer and trading commences on a normal basis	Friday, 6 November 2020

\* All dates and times are indicative only and subject to change. Unless otherwise specified, all dates and times refer to time in Melbourne, Australia. The Company reserves the right to amend any or all of these dates and times, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws and regulations. In particular, the Company reserves the right to extend the closing dates for the Retail Entitlement Offer to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date may have a consequential impact on the date that New Shares are issued and commence trading on the ASX. The Company also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants. Applicants are encouraged to submit their personalised entitlement and acceptance forms as soon as possible after the Entitlement Offer opens.

### Further Information

Further information on FDV's business, the Acquisitions and the Institutional Offer and the Retail Entitlement Offer (**Capital Raising**) are set out in the investor presentation lodged with the ASX on Thursday, 8 October 2020. The investor presentation contains important information that shareholders should consider including key risks and foreign selling restrictions with respect to the Capital Raising. Any person considering an investment in FDV shares should read the investor presentation and seek their own independent advice before making any decision in this regard.

- ENDS -

The release of this announcement was authorised by the Board of Directors of Frontier Digital Ventures Limited.

For more information, please contact:

#### Company

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#### Investors

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### About FDV

FDV is a leading operator of online classifieds businesses in underdeveloped, emerging countries or regions. With a track record of building and 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 15 market leading companies, operating businesses across 20 markets. With the extensive support offered to the local operating companies, coupled with their own energy and work ethic, the FDV management team are bringing outstanding companies to their full potential.

### Important Notice and Disclaimer

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer or solicitation would be illegal. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other

jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States.

This announcement may not be released or distributed in the United States.

This announcement includes “forward-looking statements” within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “likely”, “should”, “could”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “project”, “forecast”, “guidance” or other similar words, and include statements regarding certain plans, unknown risks, uncertainties and other factors, many of which are outside the control of Frontier, and its directors, officers, employees, agents, affiliates or advisors. Any forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Frontier and its directors, officers, employees, agents, affiliates or advisors. This includes any statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements may assume the success of Frontier’s business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Frontier’s control and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise.

Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. You are cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. To the maximum extent permitted by law, Frontier (including its subsidiaries), and its directors, officers, employees, agents, affiliates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information in this announcement to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for the information contained in this announcement including any forward-looking statements (including, without limitation, liability for negligence).

Nothing contained in this announcement shall form the basis of any contract or commitment, or constitute investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

## **4 Additional information**

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### **4.1 Eligibility of Retail Shareholders**

The Retail Entitlement Offer is being offered to Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders on the Record Date who:

- (a) have an address on the FDV register in Australia or New Zealand;
- (b) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (c) are not Eligible Institutional Shareholders and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (d) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

FDV has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand.

### **4.2 Ranking of New Shares**

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares.

### **4.3 Allotment**

FDV will apply for quotation of the New Shares on ASX in accordance with Listing Rule requirements. If ASX does not grant quotation of the New Shares, FDV will repay all Application Monies (without interest).

Trading of New Shares will, subject to ASX approval, occur shortly after allotment. It is expected that allotment of the New Shares under the Retail Entitlement Offer will take place on Thursday, 5 November 2020. Application Monies will be held by FDV on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

Subject to approval being granted, it is expected that the New Shares allotted under the Retail Entitlement Offer will commence trading on a normal basis on Friday, 6 November 2020.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The sale by an Applicant of New Shares prior to receiving their holding statement is at the Applicant's own risk.

### **4.4 Reconciliation**

In any entitlement offer, investors may believe that they own more Existing Shares on the Record Date than they ultimately do. This may result in a need for reconciliation to ensure all eligible Shareholders have the opportunity to receive their full Entitlement.

FDV may need to issue a small quantity of additional New Shares to ensure all eligible Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

FDV also reserves the right to reduce the number of an Entitlement or New Shares allocated to eligible Shareholders or persons claiming to be eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not eligible Shareholders.

#### **4.5 Joint Lead Managers**

Neither the Joint Lead Managers nor any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives, agents, consultants, partners or advisers have authorised, permitted or caused the issue, despatch or provision of this Information Booklet and they do not take responsibility for any statements made in this Information Booklet or any action taken by you on the basis of such information. The Joint Lead Managers have not authorised, approved or verified any forward-looking statements included in this Information Booklet. To the maximum extent permitted by law, each Joint Lead Manager Party excludes and disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this Information Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of this Information Booklet.

The Joint Lead Manager Parties take no responsibility for any part of the Information Booklet or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of the Information Booklet or otherwise arising in connection with it.

None of the Joint Lead Manager Parties make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties, express or implied, to you concerning this Entitlement Offer or any such information and you represent, warrant and agree that you have not relied on any statements made by the Joint Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally.

#### **4.6 Continuous disclosure**

FDV is a “disclosing entity” under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports.

FDV is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, FDV has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of FDV shares. That information is available to the public from ASX.

#### **4.7 Shortfall Shares**

The directors of FDV reserve the right to issue any New Shares not issued in the Retail Entitlement Offer (**Shortfall Shares**) to new investors or existing shareholders within 3 months of close of the Retail Entitlement Offer at a price no less than the Offer Price. The allocation of Shortfall Shares will be within the complete discretion of FDV, having regard to factors such as FDV’s desire for an informed and active trading market, its desire to establish a wide spread of shareholders, the size and type of funds under management of particular investors, the likelihood that particular investors will be long-term Shareholders, and any other factors FDV considers appropriate.

## 5 Australian taxation consequences

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### 5.1 General

This section does not constitute financial product advice as defined in the Corporations Act and is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments.

Below is a general summary of the Australian income tax (including capital gains tax (**CGT**)), goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders who are residents for Australian income tax purposes and hold their Shares and New Shares, or additional New Shares acquired under the Top Up Facility, on capital account.

The comments do not apply to Eligible Retail Shareholders who:

- are not a resident for Australian income tax purposes;
- are exempt from Australian income tax;
- hold their Shares and New Shares, or additional New Shares acquired under the Top Up Facility, as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading);
- acquired the Shares and New Shares, or additional New Shares acquired under the Top Up Facility, for the purpose of resale at a profit;
- are subject to the 'TOFA provisions' in Division 230 of the Income Tax Assessment Act 1997 in relation to the Shares or New Shares, or additional New Shares acquired under the Top Up Facility; or
- acquired the Shares in respect of which the Retail Entitlements are issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme.

This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each investor or relied upon as tax advice. This summary does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice and should not be relied upon as such. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Australian tax laws are complex. Eligible Retail Shareholders should seek advice from an appropriate professional adviser in relation to the tax implications of the Retail Entitlement Offer based on their own individual circumstances.

The comments below are based on the Australian tax legislation and administrative practice in force as at 9.00am (Melbourne time) on the date of this Information Booklet. Other than as expressly discussed, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time unless otherwise specified. The comments also do not take into account tax legislation of any country other than Australia.

FDV and its officers, employees, taxation advisers or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

## **5.2 Issue of Entitlement**

The issue of the Entitlement should not, of itself, result in any amount being included in the assessable income of an Eligible Retail Shareholder.

## **5.3 Exercise of Entitlement and applying for additional New Shares**

New Shares will be acquired where an Eligible Retail Shareholder exercises all or part of its Entitlement under the Retail Entitlement Offer. Additional New Shares will be acquired where the Eligible Retail Shareholder acquires additional New Shares under the Top Up Facility.

An Eligible Retail Shareholder should not derive any assessable income, or make any capital gain or capital loss at the time of exercising its Entitlement under the Retail Entitlement Offer.

For Australian CGT purposes, New Shares should be taken to have been acquired on the day that an Eligible Retail Shareholder exercises its Entitlement and additional New Shares will be taken to have been acquired on the date the additional New Shares were issued to the Eligible Retail Shareholder under the Top Up Facility. The cost base (and reduced cost base) of each New Share should be equal to the Offer Price (plus certain non-deductible incidental costs the Eligible Retail Shareholder incurs in acquiring the New Shares).

## **5.4 Lapse of Entitlement**

If an Eligible Retail Shareholder does not accept all or part of its Entitlement in accordance with the instructions set out above in Section 2, then that Entitlement will lapse. The Eligible Retail Shareholder will not receive any consideration for an Entitlement that is not taken up. There should be no Australian tax implications for an Eligible Retail Shareholder from the lapse of the Entitlement.

## **5.5 Taxation in respect of dividends on New Shares**

Any future dividends or other distributions made in respect of New Shares should be subject to the same income taxation treatment as dividends or other distributions made on Shares held in the same circumstances.

## **5.6 Disposal of New Shares**

On disposal of a New Share, an Eligible Retail Shareholder should make a capital gain if the capital proceeds received on disposal exceed the total cost base of the New Share. An Eligible Retail Shareholder should make a capital loss if the capital proceeds are less than the total reduced cost base of the New Share. In the case of an arm's length on-market sale, the capital proceeds should generally equal the cash proceeds from the sale. The CGT cost base of the New Shares is broadly the amount paid to acquire the New Shares plus any transaction/incidental costs and less the amount of any capital returns received.

A CGT discount may be applied against any capital gain (after reduction of the capital gain by applicable capital losses) where the Eligible Retail Shareholder which realises the capital gain is an individual, complying superannuation entity or trustee. The CGT discount may be applied in these circumstances, provided that the New Shares have been held for at least 12 months (not including the date of acquisition or disposal for CGT purposes) and certain other requirements have been satisfied. Where the CGT discount applies, any capital gain arising to individuals and entities acting as trustees (other than trustees of a complying superannuation entity) may be reduced by 50%, after offsetting current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by one third, after offsetting current year or prior year capital losses.

If the Eligible Retail Shareholder who realises the capital gain and is entitled to the CGT discount is the trustee of a trust (other than the trustee of a complying superannuation entity), the CGT



discount may flow through to the beneficiaries of the trust, provided those beneficiaries are not companies. Eligible Retail Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

The CGT discount is not available for companies that are not trustees.

Capital losses may only be offset against capital gains realised in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income.

## **5.7 GST**

The rights received under the Entitlement as well as the taking up of the New Shares should be classified as an “input taxed financial supply” for Australian GST purposes. Accordingly, Australian GST should not be payable in respect of amounts paid for the acquisition of the New Shares.

No GST should be payable in respect of dividends paid to Eligible Retail Shareholders.

Investors should seek their own tax advice on the impact of GST in their own particular circumstances.

## **5.8 Stamp duty**

Stamp duty should not be payable by Eligible Retail Shareholders in respect of receiving rights under the Entitlement, the taking up of New Shares under the Retail Entitlement Offer or additional New Shares under the Top Up Facility on the assumption that all acquisitions occur when all of the securities in FDV are quoted on the market operated by ASX and no Shareholder (together with interests of associated persons and interests acquired under associated transactions) holds an interest of 90% or more in FDV.

## **5.9 Tax file numbers**

An investor is not required to quote their tax file number (**TFN**) to FDV. However, if a TFN (or certain exemption details) is not provided, Australian tax may be required to be deducted by FDV from dividends at the maximum marginal tax rate plus the Medicare levy. An investor who holds Shares or New Shares as part of an enterprise may quote its Australian Business Number instead of its TFN.

## 6 Definitions

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**\$ or cents** means Australian dollars or cents.

**Applicant** means an Eligible Retail Shareholder who has submitted a valid Application.

**Application** means the arranging for payment of the relevant Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form or for New Zealand Shareholders (if applicable) the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies.

**Application Monies** means the aggregate amount payable for the New Shares applied for through BPAY.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and the securities exchange operated by it.

**ASX Announcements** means the initial announcement in relation to the Entitlement Offer and the Placement released to ASX on Thursday, 8 October 2020 and the announcement in relation to the completion of the Institutional Entitlement Offer and the Placement released to ASX on Monday, 12 October 2020, incorporated in Section 3 of this Information Booklet.

**BPAY** means BPAY Pty Ltd (ABN 69 079 137 518).

**Business Day** has the same meaning as in the Listing Rules.

**CGT** means capital gains tax.

**Closing Date** means 5.00pm (Melbourne time) on Thursday, 29 October 2020, the day the Retail Entitlement Offer closes.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**CRN** means the unique Customer Reference Number on the personalised Entitlement and Acceptance Form.

**Eligible Institutional Shareholder** means, in accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date who:

- (a) is not an Ineligible Institutional Shareholder;
- (b) successfully received an invitation from the Joint Lead Managers to participate in the Institutional Entitlement Offer (either directly or through a nominee); and
- (c) is not in the United States.

**Eligible Retail Shareholder** has the meaning given in Section 4.1.

**Entitlement** means the right to subscribe for 1 New Share for every 9 Existing Shares held by eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form accompanying this Information Booklet.

**Entitlement Offer** means the Institutional Entitlement Offer and the Retail Entitlement Offer.

**Existing Shares** means the Shares already on issue on the Record Date.

**FDV** means Frontier Digital Ventures Ltd ACN 609 183 959.

**GST** means goods and services tax, as defined in the GST Act.

**GST Act** means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Ineligible Institutional Shareholder** means a Shareholder who is an institutional or sophisticated Shareholder on the Record Date with an address on the FDV share register outside the Permitted Jurisdictions or to whom ASX Listing Rule 7.7.1(a) applies.

**Ineligible Retail Shareholder** means a Shareholder (or beneficial holder of Shares) other than an Eligible Institutional Shareholder, Ineligible Institutional Shareholder or Eligible Retail Shareholder.

**Institutional Entitlement Offer** means the pro rata accelerated non-renounceable entitlement offer to Eligible Institutional Shareholders.

**Information Booklet** means this document.

**Investor Presentation** means the presentation to investors released to ASX on Thursday, 8 October 2020, incorporated in Section 3 of this Information Booklet.

**Joint Lead Managers** means Bell Potter Securities Limited ABN 25 006 390 772 and Morgans Corporate Limited ABN 32 010 539 607.

**Joint Lead Manager Parties** means the Joint Lead Managers' affiliates, related bodies corporate (as that term is defined in the Corporations Act), and their respective directors, employees, officers, representatives, agents, partners, consultants and advisers.

**Listing Rules** means the official listing rules of ASX.

**New Shares** means Shares to be allotted and issued under the Entitlement Offer.

**Offer** means the Entitlement Offer and the Placement.

**Offer Information Line** means 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia). The Offer Information Line will be answered live and operate between 8.30am and 5.00pm (Melbourne time) on Monday to Friday during the Retail Entitlement Offer period.

**Offer Price** means \$1.25 per New Share.

**Permitted Jurisdiction** means Australia, Hong Kong, New Zealand, Singapore, United Kingdom, United States of America and any other jurisdiction as agreed between the Joint Lead Managers and FDV.

**Placement** means the institutional placement to institutional investors that raised approximately \$63.4 million at the Offer Price.

**Record Date** means 7.00pm (Melbourne time) on Monday, 12 October 2020.

**Retail Entitlement Offer** means the pro rata non-renounceable offer to Eligible Retail Shareholders to subscribe for 1 New Share for every 9 Existing Shares of which the Shareholder is the registered holder on the Record Date, at an Offer Price of \$1.25 per New Share pursuant to this Information Booklet.

**Share** means a fully paid ordinary share in the capital of FDV.

**Share Registry** means Computershare Investor Services Pty Limited ABN 48 078 279 277.

**Shareholder** means a holder of Shares.

**Timetable** means the indicative table set out in the “Key dates” section of this Information Booklet.

**Top Up Facility** means the opportunity for Eligible Retail Shareholders who take up all of their Entitlement to also apply for additional New Shares in excess of their Entitlement.

**U.S. Securities Act** means the U.S. Securities Act of 1933, as amended.

## **7 Corporate information**

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### **Company**

Frontier Digital Ventures Ltd  
Level 7, 330 Collins Street  
MELBOURNE VIC 3000

### **Financial Advisor**

Vesparum Capital Pty Ltd  
Level 7, 41 Exhibition St  
MELBOURNE VIC 3000

### **Joint Lead Managers**

Bell Potter Securities Limited  
Level 29, 101 Collins Street  
MELBOURNE VIC 3000

Morgans Corporate Limited  
Level 28, 367 Collins Street  
MELBOURNE VIC 3000

### **Legal Adviser**

Herbert Smith Freehills  
Level 42, 101 Collins Street  
MELBOURNE VIC 3000

### **Share Registry**

Computershare Investor Services Pty Limited  
GPO Box 505  
MELBOURNE VIC 3001

### **FDV Offer Information Line**

Australia: 1300 850 505  
International: +61 3 9415 4000  
Open 8:30am to 5:00pm (Melbourne time) on Monday to Friday, before the Retail Entitlement Offer closes at 5:00pm (Melbourne time) on Thursday, 29 October 2020.