

**ASX Code: FDV**  
28 January 2021

## 4Q 2020 Quarterly Activity Report and Appendix 4C

Frontier Digital Ventures Limited ("FDV", ASX: FDV) is pleased to release its Quarterly Activity Report and Appendix 4C for the December quarter 2020 ("4Q 2020").

- **Record full year revenue on an FDV ownership basis of A\$23.7m, increasing 7% on pcip despite COVID-19 headwinds in 2020**
- **Record quarterly revenue on an FDV ownership basis of A\$9.0m in 4Q 2020, with the new acquisitions from Adevinata ASA contributing A\$2.5m from 5 November 2020**
- **Maiden full year profit at a portfolio level of A\$0.6m on an FDV ownership basis and second consecutive quarterly profit in 4Q 2020**
- **Website traffic is now back above pre-COVID 19 levels, with leaner cost bases expected to provide significant operating leverage in 2021**
- **Strong balance sheet with cash of A\$59.2m as at 31 December 2020, as FDV continues to actively pursue value-accretive acquisition opportunities**

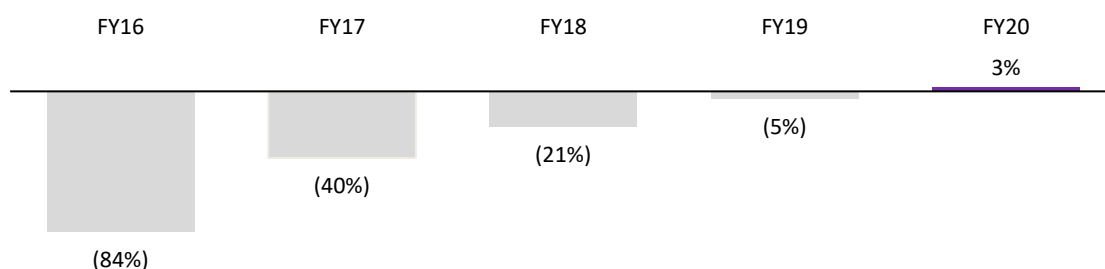
**FDV's Founder and CEO, Shaun Di Gregorio said:**

*"2020 has been a milestone year for FDV. We are particularly pleased with our strong revenue growth trajectory, despite a once-in-a-century health pandemic. We also finished 2020 with our first full year profit at a portfolio level, in line with ASX disclosures dating back to our FY17 results conference call. Growth remains the key focus given the current operating environment, consistent with FDV's long-term value creation strategy. FDV is in an enviable position heading into 2021 as we continue to deliver on our mission to become the leading global operator of the best online marketplaces in emerging markets."*

### MAIDEN FULL YEAR PROFIT AT PORTFOLIO LEVEL

FDV reported portfolio-wide profitability of \$0.6m (FDV basis) in FY20 and a portfolio EBITDA margin of 3% across FY20 (FDV basis), as shown in Figure 1.

**Figure 1: Portfolio EBITDA margin<sup>1</sup> (% pro-forma unaudited, FDV basis)**



Notes:

1. Results figures quoted for entities with continuing operations as at 31 December 2020

**Table 1: Annual revenues by business<sup>1</sup> (pro-forma unaudited, 100% basis)**

	FDV ownership (%)	FY20 Revenue A\$ (100% basis)	FY19 Revenue A\$ (100% basis)	Growth (% in A\$)
Zameen	30%	40,107,854	42,329,072	(5%)
Encuentra24 <sup>2</sup>	26%	6,735,659	8,076,192	(17%)
InfoCasas <sup>3</sup>	52%	5,935,702	6,022,050	(1%)
AutoDeal <sup>4</sup>	56%	1,767,759	1,835,136	(4%)
Pakwheels	37%	1,453,421	1,910,577	(24%)
Fincaraíz <sup>5</sup>	100%	1,367,317	-	-
iMyanmarhouse <sup>6</sup>	53%	1,281,008	1,919,567	(33%)
Avito <sup>5</sup>	100%	1,137,802	-	-
CarsDB	65%	763,073	943,662	(19%)
West Africa <sup>7</sup>	N/A	720,989	851,969	(15%)
LankaPropertyWeb <sup>8</sup>	53%	601,281	506,147	19%
Hoppler	40%	583,104	928,350	(37%)
Moteur <sup>9</sup>	56%	505,380	558,131	(10%)
Tayara <sup>5</sup>	100%	177,987	-	-
<b>Total revenue</b>		<b>63,138,335</b>	<b>65,880,852</b>	<b>(4%)</b>

**Table 2: Annual revenues by business<sup>1</sup> (unaudited, FDV basis)**

	FDV ownership (%)	FY20 Revenue A\$ (FDV basis)	FY19 Revenue A\$ (FDV basis)	Growth (% in A\$)
Zameen	30%	12,012,889	12,698,725	(5%)
InfoCasas <sup>3</sup>	52%	3,094,875	1,969,365	57%
Encuentra24 <sup>2</sup>	26%	2,326,634	3,397,570	(32%)
Fincaraíz <sup>5</sup>	100%	1,255,397	-	-
Avito <sup>5</sup>	100%	1,034,255	-	-
AutoDeal <sup>4</sup>	56%	986,233	691,910	43%
iMyanmarhouse <sup>6</sup>	53%	632,245	818,393	(23%)
Pakwheels	37%	535,469	703,894	(24%)
CarsDB	65%	494,554	611,595	(19%)
West Africa <sup>7</sup>	N/A	362,196	459,552	(21%)
LankaPropertyWeb <sup>8</sup>	53%	314,015	241,711	30%
Moteur <sup>9</sup>	56%	284,584	314,289	(10%)
Hoppler	40%	234,596	373,497	(37%)
Tayara <sup>5</sup>	100%	161,809	-	-
<b>Total revenue</b>		<b>23,729,751</b>	<b>22,280,500</b>	<b>7%</b>

Notes:

- Results figures quoted for entities with continuing operations as at 31 December 2020
- FDV ownership of Encuentra24 was 42% in 2Q 2020, prior to the business combination with OLX's Central American platforms
- FDV increased its shareholding in InfoCasas from 32% to 51% in 4Q 2019
- FDV increased its shareholding in AutoDeal from 37% to 56% in 4Q 2020
- Revenue contribution of Fincaraíz, Avito and Tayara from 5 November 2020

6. FDV increased its shareholding in iMyanmarhouse from 43% to 53% in 1Q 2020
7. West Africa includes PropertyPro (Nigeria; 39% owned) and MeQasa (Ghana; 69% owned)
8. FDV increased its shareholding in LankaPropertyWeb from 48% to 53% in 1Q 2020
9. FDV acquired the remaining 44% stake in Moteur to move to 100% ownership in 1Q 2021

## UPDATE ON ACQUISITIONS

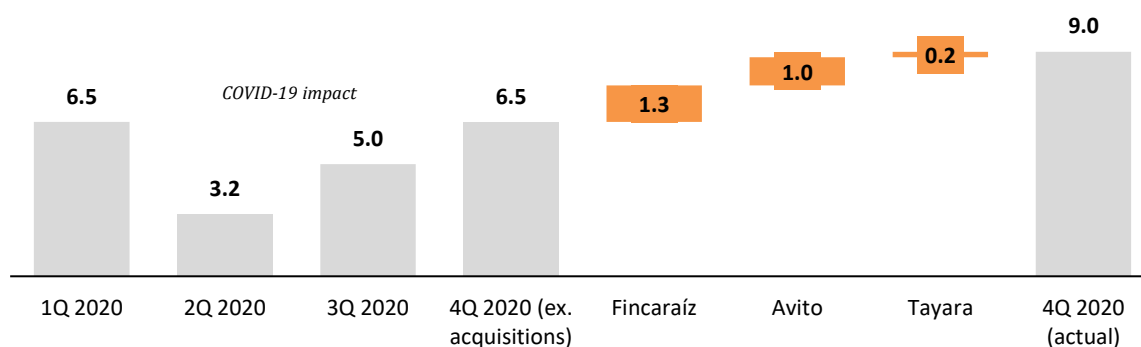
FDV successfully completed the acquisition of 100% of the issued capital of Fincaraíz.com.co, Avito.ma and Tayara.tn from Adevinata ASA on 5 November 2020. FDV is pleased to provide an update on each of the new businesses following comprehensive strategic reviews under new FDV ownership.

Since joining the portfolio, Fincaraíz in Colombia has worked closely with FDV to establish new operational structures and best-practice classifieds strategies. In December, a new general manager was appointed with extensive experience in the online classifieds space across Latin America. New internal systems have now been established to simplify reporting and better track key metrics to enhance operational efficiencies. A key focus is extending Fincaraíz's market leadership by increasing listings content in key cities across Colombia. This, along with the development of a transaction-based offering, is expected to increase monetization opportunities across the platform.

Under FDV's strategic oversight, Avito in Morocco has outlined a pathway to a transaction-based model across its platform. Under the plan, Avito has already launched a 'new' car section and began trialing real estate and private-seller to private-buyer transactions. At an operational level, FDV is establishing long-term incentive plans for senior management and KPIs across the company. Following FDV's move to 100% ownership of Moteur, Avito is also exploring opportunities for greater collaboration across both platforms that increase traffic and enhances the user experience.

Tayara, the leading general classifieds portal in Tunisia, has initiated a comprehensive plan to introduce new products and upgrade its platform. Trials for new property transactions have begun, meanwhile the leadership team has introduced new initiatives to maximise revenue from existing products. Plans are underway to upgrade the user experience and search functionality across the platform to increase audience levels and strengthen Tayara's market leadership.

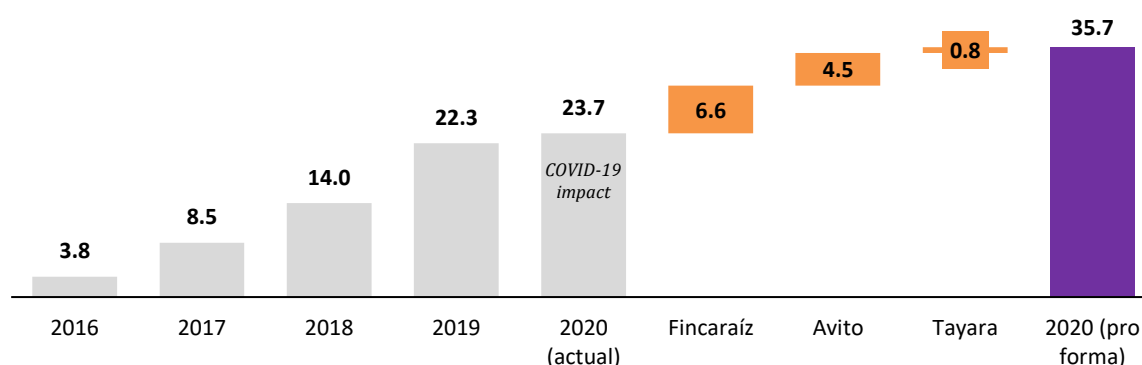
**Figure 2: Quarterly portfolio revenue<sup>1</sup> (A\$m, unaudited, FDV basis)**



**Notes:**

1. Results figures quoted for entities with continuing operations as at 31 December 2020
2. Revenue contribution of Fincaraíz, Avito and Tayara from 5 November 2020

**Figure 3: Revenue growth since IPO<sup>1</sup> (A\$m, pro-forma unaudited, FDV basis)**



**Notes:**

1. Full year results figures quoted for entities with continuing operations as at 31 December 2020
2. 2020 pro-forma result figures include revenue contributions of new acquisitions from 1 January to 4 November 2020

**OPERATIONAL HIGHLIGHTS**

Zameen, the leading property portal in Pakistan, continues to achieve significant operational progress, with FY20 EBITDA of A\$1.7m (100% basis) increasing 538% on FY19. In December 2020, the platform's organic and direct traffic increased 89% on pcp highlighting Zameen's significant competitive position and growing market leadership. The strong traffic metrics, together with Zameen's leaner cost base, provides significant operational leverage heading into 2021.

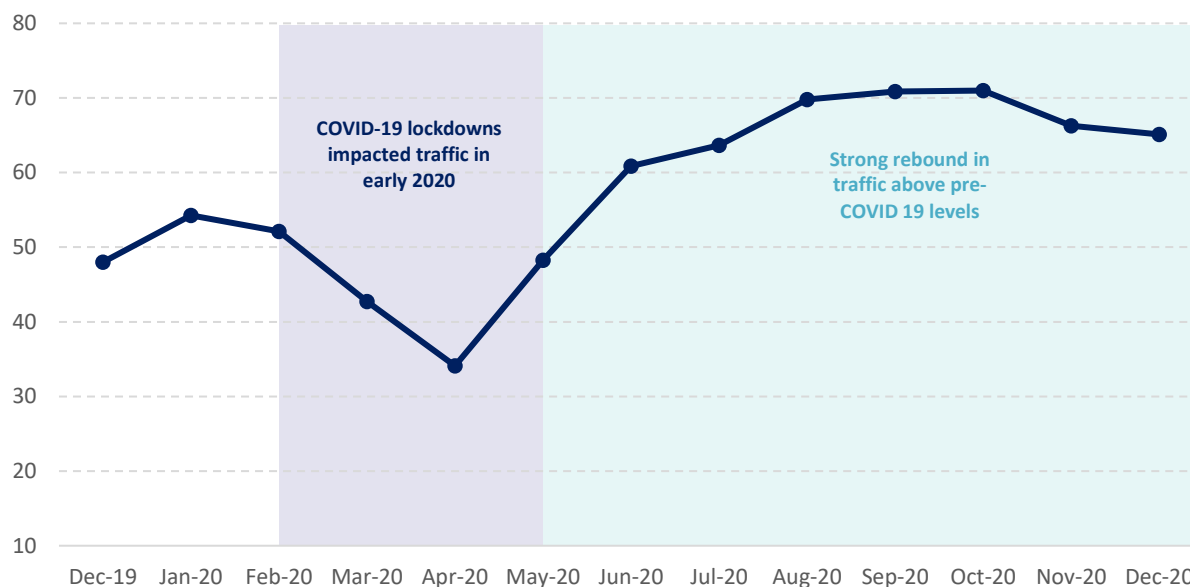
In South America, the local management of InfoCasas have worked diligently to ensure the continued growth of the business throughout the pandemic period. They have emerged in a significantly stronger position. InfoCasas reported EBITDA of A\$403k (100% basis) a 37% increase on FY19. In December 2019, FDV increased its holding in InfoCasas to a 52% controlling interest. The significant operational progress InfoCasas has made since then is a clear validation of FDV's careful portfolio management and strategy to increase ownership levels towards greater control.

In Central America, Encuentra24 reported its first full year profit of A\$293k (100% basis) with EBITDA improving A\$439k on FY19. Following Encuentra24's combination with OLX's Central American platforms, organic and direct traffic has increased 73% as the platform benefited from consolidation of the Panama and Costa Rica markets and expansion into Guatemala and El Salvador.

AutoDeal, the leading operator of online car classifieds in the Philippines, has reported a second consecutive year of profitability. FY20 EBITDA was A\$320k, an increase of 20% on pcp. A key driver of success is the Company's strategic focus on the high value new car segment, which is less prone to disruption from lower value marketplace platforms.

FDV continued to see a steady rebound in direct and organic traffic across the portfolio in the second half of 2020, as shown in Figure 4. At the end of FY20, traffic across the portfolio finished significantly above pre-pandemic levels.

**Figure 4: Direct and organic traffic across FDV's portfolio (in aggregate) (m)**



Notes: Figures for entities with continuing operations as at 31 December 2020 and includes historical traffic data for new acquisitions. Chart shows the sum of direct and organic search traffic (excluding paid traffic which can obscure the underlying trends).

## PORTFOLIO PROGRESSION

In October 2020, FDV acquired 100% of the issued capital of 3 market leading online classifieds businesses from Adevinta ASA. Fincaraiz.com.co is the leading real estate classifieds portal in Colombia and Avito.ma and Tayara.tn are the leading general classifieds businesses in Morocco and Tunisia, respectively. The acquisitions have extended FDV's market leadership across existing and adjacent geographies within key target regions. The acquisitions also represented an opportunity to fast track FDV's strategic evolution to increase ownership levels towards greater control.

In November 2020, Hoppler entered into an agreement to acquire ZipMatch.com, a direct competitor in the Philippines. The acquisition has brought together the two most active transaction-focused property portals in metropolitan Manila, expediting the disruption of the traditional real estate market in the region. The highly complementary nature of both businesses is expected to drive enhanced operational efficiencies as well as providing Hoppler with an expanded geographic reach.

In December 2020, Zameen completed a US\$3m internal funding round at a pre-money equity valuation of US\$400m representing a 100x increase on FDV's initial investment in March 2014. Zameen's two shareholders, Emerging Markets Property Group (EMPG) and FDV, both participated on a pro rata basis reflecting the confidence in Zameen's business model, competitive position and long-term growth strategy.

Subsequent to the quarter end, FDV increased its shareholding in Moteur from 56.3% to 100%. The investment consolidates FDV's position in Morocco following the acquisition of Avito. FDV now wholly owns the leading classifieds platforms across the new and used car verticals, solidifying its position in the highly attractive Moroccan market. Control of both operating companies is expected to facilitate greater collaboration between Moteur and Avito and drive significant operational efficiencies.

## CORPORATE UPDATE

In October 2020, FDV successfully raised A\$99.1m under an oversubscribed institutional placement and Entitlement Offer. The capital raising was strongly supported from both new and existing shareholders, with FDV further strengthening its share register through the addition of 15+ high quality domestic and international funds.

Strong operational performance across FY20 translated into a significant increase in the company's market capitalisation and liquidity, resulting in FDV's addition to the S&P/ASX All Technology Index (ASX.XTX). This index is designed to capture companies that are yet to qualify for the S&P/ASX 300 Index and provide access to the fastest growing sector on the ASX through a single index. FDV is the fifth company to be included from the Interactive Media & Services sub-industry, alongside REA, SEEK, carsales and Domain.

During the quarter, FDV had net operating cash outflows of A\$1.5m, including receipts from customers of A\$7.6m. At the end of the quarter, FDV reported A\$59.2m in cash and cash equivalents.

Subsequent to the quarter end, Catcha Group Pte Ltd executed an off-market block trade, broadening FDV's investor base with the addition of several new domestic and international institutional shareholders. The transaction is expected to result in a significant increase in FDV's free float and trading liquidity, which are key eligibility conditions for inclusion in the S&P/ASX 300 Index. Following the Catcha Group transaction, Perennial Value Management lodged a notice of initial substantial holder form, disclosing a 6.3% shareholding in FDV as at 20 January 2020.

## EXCHANGE RATE MOVEMENTS

FDV reports its financial results in Australian dollars. Table 3 outlines the average exchange rates pertaining to each operating company across FY20 and FY19.

Currency movements were mixed across FY20, with average foreign exchange rates between AUD:PKR appreciating 7.4%, masking the underlying strength of Zameen and Pakwheels' recovery. Similarly, in local currency terms, the growth experienced by InfoCasas was higher as the Australian Dollar appreciated against most currencies in South America.

In the December quarter, the Australian Dollar appreciated against most of the major local currencies, partially obscuring the strong quarterly growth exhibited across the portfolio.

**Table 3: Average yearly exchange rate movements**

	% revenue FY20 (FDV basis)	Country	Currency	FY20 average exchange rate	FY19 average exchange rate	Change
Zameen, Pakwheels	53%	Pakistan	AUD:PKR	111.84	104.13	7%
InfoCasas	13%	Uruguay	AUD:UYU	29.05	24.50	19%
		Paraguay	AUD:PYG	4694.07	4335.51	8%
		Peru	AUD:SOL	2.42	2.32	4%
		Bolivia	AUD:BOB	4.77	4.81	(1%)
		Panama	AUD:USD	0.69	0.70	(1%)
Encuentra24	10%	Costa Rica	AUD:CRC	405.35	409.54	(1%)
		Guatemala	AUD:GTQ	5.34	5.35	0%

		El Salvador	AUD:SVC	6.05	6.08	(1%)
		Nicaragua	AUD:NIO	23.80	23.12	3%
		Honduras	AUD:HNL	16.98	17.03	0%
Moteur, Avito	6%	Morocco	AUD:MAD	6.55	6.68	(2%)
AutoDeal, Hoppler	5%	Philippines	AUD:PHP	34.25	36.01	(5%)
Fincaraíz	5%	Colombia	AUD:COP	2546.40	2279.46	12%
LankaPropertyWeb	1%	Sri Lanka	AUD:LKR	128.15	124.28	3%
PropertyPro	1%	Nigeria	AUD:NGN	254.34	251.10	1%
MeQasa	1%	Ghana	AUD:GHS	3.95	3.93	0%
Tayara	1%	Tunisia	AUD:TND	1.93	2.04	(5%)

Source: IRESS

- ENDS -

This announcement is authorised for release by the Board of Directors of Frontier Digital Ventures Limited.

For more information, please contact:

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**About FDV**

Frontier Digital Ventures (FDV) is a leading owner and operator of online marketplace businesses in fast growing emerging markets. Currently, FDV's portfolio consists of 15 market leading companies, operating across 20 markets in Developing Asia, Latin America and Africa. FDV works alongside local management teams across property, automotive and general classifieds, providing strategic oversight and operational guidance which leverages FDV's deep classifieds experience and proven track record. FDV seeks to unlock further monetisation opportunities beyond the typical classifieds revenue, to grow the equity value of its operating companies and realise their full potential.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

FRONTIER DIGITAL VENTURES LTD

**ABN**

25 609 183 959

**Quarter ended ("current quarter")**

31 December 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	7,629	19,601
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(3,226)	(7,370)
(c) advertising and marketing	(1,135)	(3,207)
(d) leased assets	-	-
(e) staff costs	(3,849)	(9,524)
(f) administration and corporate costs	(847)	(2,364)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	77
1.5 Interest and other costs of finance paid	-	(9)
1.6 Income taxes paid	(102)	(139)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,528)</b>	<b>(2,935)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	(54,490)	(55,198)
(c) property, plant and equipment	(42)	(122)
(d) investments	(1,210)	(1,210)
(e) intellectual property	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(f) other non-current assets	(445)	(1,031)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	7,093
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	(1,163)
2.4	Dividends received (see note 3)	-	-
2.5	Other (external investment in subsidiary)	-	1,556
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(56,187)</b>	<b>(50,075)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	99,114	105,420
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3,526)	(3,753)
3.5	Proceeds from borrowings	-	272
3.6	Repayment of borrowings	(35)	(184)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>95,553</b>	<b>101,755</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	23,206	12,458
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,528)	(2,935)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(56,187)	(50,075)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	95,553	101,755
4.5	Effect of movement in exchange rates on cash held	(1,884)	(2,043)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>59,160</b>	<b>59,160</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	59,160	22,805
5.2	Call deposits	-	401
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>59,160</b>	<b>23,206</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	70
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

**Note 6.1**  
Relates to payment of Director's fees and payment to Director's associate company for the Company Secretarial fees

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,528)
8.2	Cash and cash equivalents at quarter end (item 4.6)	59,160
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	59,160
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	38.72
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 January 2021

Authorised by: The Board of Frontier Digital Ventures Limited

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.