

ASX Code: FDV

15 July 2021

FDV moves to majority ownership of Hoppler

- FDV has entered into a sale agreement to increase its shareholding in Hoppler.com.ph (“Hoppler”) from 42.0% to 51.1%, moving to majority ownership
- Hoppler is now the leading transaction-focused online property platform in metropolitan Manila following its acquisition of 100% of ZipMatch.com in November 2020
- Hoppler continues to perform strongly, reporting 1H FY21 revenue of A\$380k (100% basis) increasing 85% on the prior corresponding period
- This transaction will consolidate FDV’s strategic footprint in the Philippines, with a majority controlling interest in both Hoppler and AutoDeal.com.ph (“AutoDeal”), the leading online auto marketplace
- FDV continues to optimise capital allocation and monetisation decisions to maximise long-term shareholder value, with the focus currently on Developing Asia

Frontier Digital Ventures Limited (“FDV”, ASX: FDV or the “Company”) is pleased to announce that it has entered into a sale agreement to acquire a 9.1% interest in Hoppler, a transaction-focused online property platform in the Philippines. The purchase of existing vendor shares will increase FDV’s ownership from 42.0% to 51.1%.

FDV’s Founder and CEO, Shaun Di Gregorio commented:

“Moving to majority ownership of Hoppler is a natural step in consolidating FDV’s position across the property and auto verticals in the Philippines and Developing Asia more broadly. Hoppler is experiencing rapid growth as a result of their innovative transaction model, which also has relevance to other operating companies in FDV’s portfolio.”

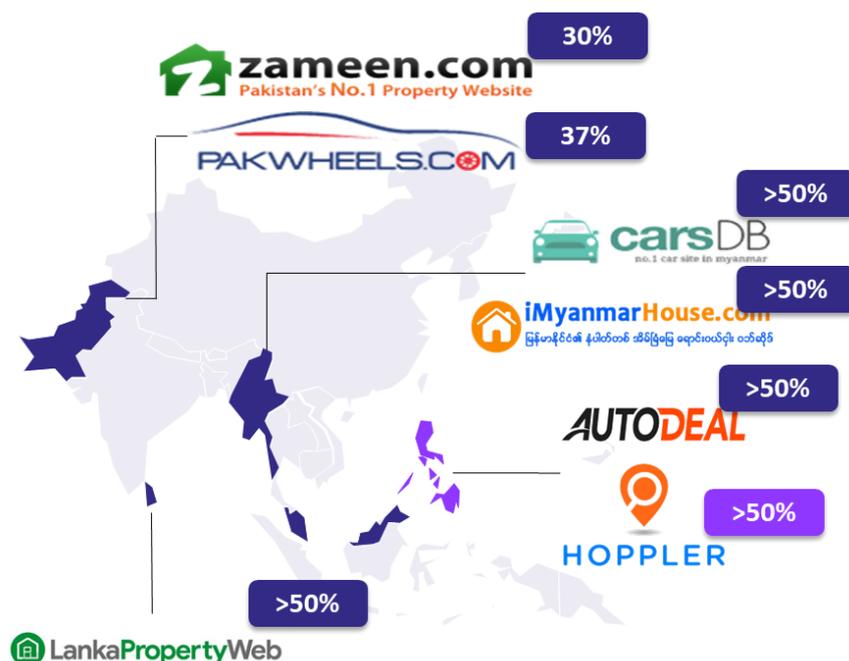
Achieving greater control of the operating companies across our portfolio is consistent with FDV’s mission to become the leading global operator of online marketplace businesses in emerging markets. Our current focus is on Developing Asia following the recent consolidation of our strategic footprint in South America.”

Hoppler has built a scalable business model that is digitising the real estate brokerage market in Manila and progressively across other major cities in the Philippines. Hoppler’s unique business model creates an efficient solution for agents and consumers in the highly fragmented Filipino real estate agent industry.

In November 2020, Hoppler acquired ZipMatch.com, a direct competitor in the Philippines, to significantly expand its user base and geographic reach (see ASX announcement ‘Hoppler to acquire direct competitor’, 23 November 2020). Hoppler continues to perform strongly, reporting 1H FY21 revenue of A\$380k increasing 85% on the prior corresponding period (100% basis).

The increased investment in Hoppler will consolidate FDV’s strategic footprint in the Philippines. FDV will hold majority controlling interests across the property and auto verticals, through its existing 56.8% interest in AutoDeal, the leading online auto marketplace in the Philippines. AutoDeal has developed multiple offerings including facilitating new car transactions and providing loans, insurance and servicing, all supported by AutoDeal’s proprietary lead management platform.

FDV’s strategic footprint in Developing Asia (% ownership)



FDV’s increased investment in Hoppler is consistent with FDV’s strategic evolution and desire to increase ownership levels of its operating companies towards greater control. FDV continues to prudently deploy capital, in line with its long-term strategy to invest in online marketplace businesses and increase ownership levels as their growth accelerates and the businesses progress towards profitability. This transaction is in line with FDV’s current focus on Developing Asia and opportunities to scale, consolidate and monetise its portfolio across the region.

Under the sale agreement, FDV will acquire a further 9.1% interest in Hoppler from two existing shareholders for fixed cash consideration of US\$250k (~A\$336k), funded through existing cash reserves. FDV reported A\$29.2m in cash and cash equivalents as at 31 March 2021.

- ENDS -

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

For more information, please contact:

Company

Shaun Di Gregorio

Founder and CEO

Phone: +60 17 207 6221

Email: shaundig@frontierdv.com

Investors

Timothy Toner

Vesparum Capital

Phone: +61 3 8582 4800

Email: frontierdv@vesparum.com

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 16 market leading companies, operating across 21 markets in Developing Asia, Latin America and MENA. 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. Find out more at frontierdv.com.