

ASX Code: FDV

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Update on EMPG IPO plans involving Zameen

- Zameen's parent company, EMPG, has successfully raised US\$200m and announced its intention to prepare for an IPO in the near future
- Zameen is the leading property marketplace in Pakistan and one of the most successful classifieds players in emerging markets globally
- Zameen's last internal funding round was conducted at a US\$400m pre-money equity valuation in December 2020, which in that quarter recorded revenue of A\$12.4m and EBITDA of A\$1.2m (100% basis)
- Zameen reported revenue of A\$22.3m and EBITDA of A\$5.0m in 3Q 2022 (100% basis), increasing 38% and 52% on pcp respectively, and continues to be cash flow positive
- FDV is supportive of EMPG's IPO plans, which are consistent with FDV's long-term value creation strategy

Frontier Digital Ventures Ltd ("FDV" or the "Company") welcomes recent news from Zameen's parent company, Emerging Markets Property Group ("EMPG"), in relation to the successful completion of a US\$200m funding round, and their plans to prepare for an IPO in the near future.

EMPG, the Dubai-based parent company of Zameen, holds a 70% interest in Zameen, with FDV the only other shareholder through its 30% minority interest. EMPG has announced the round was led by US-based growth equity fund Affinity Partners, with new investors including KCK and Acacia Partners, as well as participation from other existing shareholders including Euronext Amsterdam-listed Prosus (AMS.PRX). The majority of the funds raised are earmarked for EMPG's businesses in the United Arab Emirates (UAE). The valuation of EMPG was not disclosed, however EMPG noted the funding round was completed at a significantly higher valuation than their last funding round in April 2020, which valued the company at over US\$1 billion.

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

"FDV welcomes recent news from Zameen's parent company, EMPG, in relation to their focus now turning to preparing for an IPO in the near future. This marks the first time EMPG has publicly commented on its ambitions for an IPO, which we expect will increase the spotlight on Zameen, including its ownership structure and valuation. We are supportive of EMPG's IPO plans, and we look forward to working with them to help facilitate their ambition."

Zameen was FDV's first investment in 2014. The business has performed incredibly strongly over this time and we are delighted with the scale and success of the business. An IPO involving Zameen is consistent with FDV's long-term value creation strategy for shareholders."

In addition to its shareholding in Zameen, EMPG owns and operates property classifieds platforms across MENA and Asia, including Bayut and dubizzle in the UAE. In April 2020, EMPG merged with OLX Group (a subsidiary of Prosus) in four countries: Pakistan, Egypt, Lebanon and the UAE. The merger

transaction was funded through a US\$150m funding round in EMPG, which was led by OLX Group and EMPG's existing shareholders.

Zameen, the market leading property marketplace in Pakistan, was FDV's first investment in March 2014. In December 2020, Zameen completed an internal funding round at a US\$400m pre-money equity valuation, which represented a 100x increase on the US\$4m valuation at the time of FDV's initial investment (see ASX announcement, *Zameen valuation update*, 7 December 2020).

EMPG's CEO, Imran Ali Khan said:

"With this round of investment, EMPG begins a new chapter in its success story. We are on track to double our revenue over the last 24 months while achieving an EBITDA positive position, and we look forward to continuing this strong growth trajectory. With the successful closure of this round the company's focus will now turn towards preparing for an IPO in the near future, which has always been part of our larger vision."

In the quarter of Zameen's last funding round, Zameen recorded revenue of A\$12.4m and EBITDA of A\$1.2m (100% basis). Since then, the business has continued to perform strongly with a compound quarterly revenue growth rate of approximately 10% each quarter between 1Q 2021 and 3Q 2022 (100% basis). As previously announced in FDV's recent 3Q 2022 results, Zameen reported revenue of A\$22.3m and record EBITDA of A\$5.0m (100% basis), increasing 38% and 52% on pcp, respectively. Notably, Zameen continues to experience strong EBITDA margin expansion (+22% in 3Q 2022), while also continuing to be cash flow positive.

This news follows the introduction of a management team at the FDV LATAM holding company level, designed to unify InfoCasas, Fincaraíz, Encuentra24 and Yapo and accelerate FDV's ability to unlock the growth potential of the region. FDV and the FDV LATAM leadership teams are currently co-designing a value creation plan, which in the longer term, considers the potential for a NASDAQ listing of FDV LATAM (see ASX announcement, *FDV LATAM strategy update*, 6 October 2022).

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

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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 16 market leading companies, operating across 20 markets in FDV LATAM, FDV Asia and FDV 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.