

ASX Code: FDV

10 April 2018

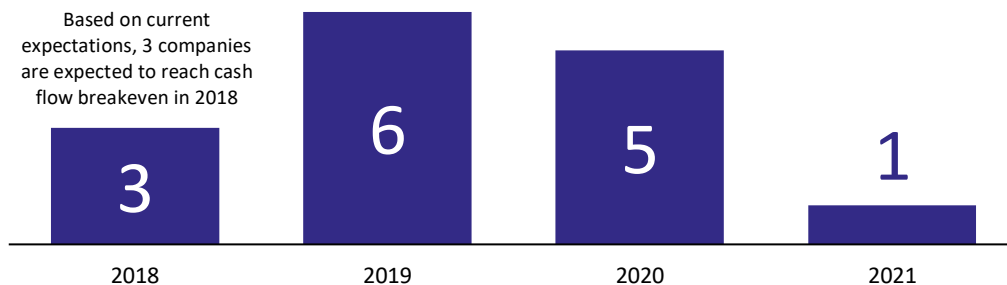
Portfolio progression to profitability

- **FDV has now completed its half year budgeting process with each portfolio company**
- **Based on current expectations, approximately half of FDV's existing portfolio companies are expected to achieve cash flow breakeven in the next 18 months**
- **FDV expects to see an increase in monetisation opportunities at a portfolio level as its portfolio companies progress towards profitability**
- **In addition, FDV welcomes Insignia Venture Partners as an additional strategic partner in Propzy.vn through a US\$2.0m investment**

Cash flow breakeven timing

Frontier Digital Ventures Limited ("FDV") is pleased to provide an update following its detailed half year budgeting process with each portfolio company. The budgeting process produces revenue and cost forecasts which are then utilised by FDV and its entrepreneurs primarily to manage their cash positions.

Current expectation of cash flow breakeven timing across FDV's portfolio (#)



Please note: This chart is based on expectations as at the date of this announcement. The exact cash flow breakeven timing of each portfolio company is provided on the understanding that the assumptions on which they are based may not be realised and that unanticipated events and circumstances may occur which alter the expected timing.

As part of its stated strategy, FDV continuously manages its portfolio on an underlying equity value basis, which may result in decisions to prioritise market leadership and/or revenue over cash flow breakeven. FDV therefore expects some variance to the current cash flow breakeven forecasts provided in this release.

Potential factors influencing cash flow breakeven timing include, but are not limited to:

- Focus on achieving market leadership
- Pursuit of revenue growth
- M&A activity to consolidate market position
- Stronger or weaker operational performance of underlying portfolio company than currently expected

Propzy.vn strategic investment

FDV is also pleased to report an external strategic investment underway with Propzy.vn, Vietnam's leading transaction focused classifieds business. Under the terms of the investment, Insignia Venture Partners (<http://www.insignia.vc/>) are investing US\$2.0m into Propzy.vn at a pre-money valuation of US\$5.0m (up 66% from US\$3.0m in June 2017). Insignia Venture Partners recently closed its maiden fund at US\$120m with Propzy.vn one of its first portfolio investments.

FDV welcomes the investment by Insignia Venture Partners, which is run by former Sequoia Capital venture partner Yinglan Tan. Propzy.vn is unique within FDV's portfolio as a 100%-transaction focused real estate platform. FDV looks forward to working closely with Insignia Venture Partners given their experience working with similar companies and focus on funding successful local entrepreneurs in Southeast Asia.

FDV's equity interest in Propzy.vn will reduce from 28.6% to 20.4% once the transaction is completed.

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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 leading companies, operating businesses across 15 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.