

ASX Code: FDV

23 November 2020

Hoppler to acquire direct competitor to accelerate growth

- Hoppler.com.ph (“Hoppler”) has entered into an agreement to acquire ZipMatch.com (“ZipMatch”), a direct competitor in the Philippines, to significantly expand its user base and geographical reach
- In consideration for 100% of ZipMatch, Hoppler will issue 10% of its issued capital and provide cash consideration of US\$145k
- The acquisition consolidates the two most active transaction-focused property portals in metropolitan Manila, doubling Hoppler’s sales force of brokers and solidifying its market leading position
- FDV continues to assess acquisition opportunities that strengthen its position as a leading operator of online marketplace businesses in emerging markets

Frontier Digital Ventures Limited (“FDV”, ASX: FDV) is pleased to announce that Hoppler has entered into an agreement to acquire ZipMatch, a property portal in the Philippines. Under the agreement, Hoppler will acquire 100% of ZipMatch for 10% of its issued capital and provide cash consideration of US\$145k. The acquisition of ZipMatch will consolidate Hoppler’s market leading position in metropolitan and greater Manila.

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

“The strategic acquisition of ZipMatch creates an exciting opportunity for Hoppler to strengthen its competitive position and extend its market reach in Manila. The two businesses are highly complementary, with the acquisition providing a compelling opportunity to combine Hoppler’s transaction expertise with ZipMatch’s technology-driven portal.”

The temporary COVID-19 period has created a number of compelling opportunities to strengthen our competitive position and broader portfolio. We continue to assess other value-accretive opportunities, with long-term value creation for shareholders very much front of mind.”

ZipMatch is an online property portal that offers property transaction services for buyers, brokers and real estate developers. Founded in 2012, ZipMatch has successfully integrated a range of ‘smart’ search features to enhance the user experience, including 3D floor plans and interactive neighborhood and building maps. Additionally, the platform is the first to offer 360-degree virtual property tours, a highly desirable feature during the COVID-19 pandemic.

ZipMatch achieved revenue of US\$220,673 in 2019 and revenue of US\$72,574 so far in 2020 (YTD to 31 October 2020), with the business hit hard during the COVID-19 period.

The highly complementary nature of both businesses is expected to drive enhanced operational efficiencies and provide Hoppler with an expanded user base and geographical reach. The combined business should also benefit from an integrated user experience and a doubling of the sales force. The

consolidation of the two most active transaction-based portals in greater metropolitan Manila should expedite disruption of the traditional real estate market in the Philippines.

FDV currently owns 40.2% of Hoppler and accounts for it on a consolidated basis. FDV will update the market in late January 2021 as part of its Quarterly Activity Report and Appendix 4C for the December quarter 2020 as to its ownership of Hoppler as at 31 December 2020, given FDV's ownership is expected to reduce to 36.2% following the issuance of shares to ZipMatch, but is expected to increase back to approximately current levels following the conversion of some existing shareholder loans once the ZipMatch transaction completes. The accounting treatment will remain the same.

- 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

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.