

ASX Code: FDV

18 May 2018

FDV increases stake in AutoDeal.com.ph as revenue milestone exceeded

- FDV will increase its shareholding in AutoDeal.com.ph from 33.33% to 36.84% for cash consideration of A\$0.5m
- The investment follows AutoDeal.com.ph reaching an agreed A\$0.8m p.a. revenue milestone faster than anticipated at the time of FDV's initial investment in June 2017
- AutoDeal.com.ph is the #1 auto classifieds vertical in the Philippines by sessions¹
- AutoDeal.com.ph is experiencing strong growth with revenue up +58% in 2H FY17 (on 2H FY16) in an emerging market with a population of 105 million²
- Transaction highlights the value of FDV's structured investment terms that combines increasingly valuable equity options with performance-based incentives

Frontier Digital Ventures Limited ("FDV") announces that it will increase its interest in AutoDeal.com.ph from 33.33% to 36.84% for a cash payment of A\$500,000. The payment is expected to be made by FDV in the month of May from its existing cash reserves.

The milestone payment has been achieved on the basis of AutoDeal.com.ph exceeding a A\$800,000 per annum revenue target over a 12 month period as agreed with FDV in June 2017. The revenue target was achieved ahead of expectations. AutoDeal.com.ph has experienced strong operational performance since FDV's investment in June 2017, as shown in the key metrics below.

AutoDeal.com.ph key metrics (100% basis, unaudited)

Metric	Units	2H 2016	2H 2017	Change
Net revenue	A\$000	299	473	+58%

Metric	Units	Jan 2017	Dec 2017	Change
Monthly sessions	000's	1,326	1,927	+45%
Monthly leads	#	14,012	21,304	+52%

AutoDeal.com.ph was founded with a clear focus on the highly valuable new car market where it has now established clear market leadership. AutoDeal.com.ph also offers a traditional online classifieds product to the used car market. More recently it has begun successfully rolling out a "v2.0 online classifieds business model" that focuses on expanding transactional revenue streams, including car financing through its current portal.

¹ Google Analytics, SimilarWeb (April 2018)

² World Bank 2017 (United Nations Population Division. World Population Prospects: 2017 Revision)

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The investment into AutoDeal.com.ph represents a strategic investment into the very large Philippines market. AutoDeal.com.ph is currently the #1 auto classifieds vertical in the Philippines based on session³. By leveraging FDV's online classifieds expertise, AutoDeal.com.ph aims to consolidate its market leadership in the new car market and used car market through the course of 2018. The AutoDeal.com.ph website currently has approximately 2m visits per month and generated A\$885k in revenue in 2017. Revenues have recently increased due to deeper engagement with new car dealers and an expanded product offering.

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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 is an expert in the online classifieds space with a particular focus on property and automotive verticals and general classifieds websites. Its portfolio currently consists of interests in 15 leading companies, operating businesses across 15 markets. With the extensive support offered to the local operating companies, coupled with its 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.

³ Google Analytics, SimilarWeb (April 2018)