

ASX Code: FDV

20 November 2018

Hoppler achieves revenue target; triggers milestone payment

Highlights

- **Hoppler achieves US\$500,000 revenue target from October 2017 to October 2018**
- **Triggers milestone payment**
- **FDV will increase its interest in Hoppler from 20.59% to 37.21% for cash consideration of US\$0.9m paid in two tranches**
- **FDV will also buy an additional 3.02% in the company directly from ELRO Corporation, an existing shareholder for US\$130k (increasing FDV ownership to 40.23%)**
- **Hoppler is a transaction-focused online property platform used by vendors, buyers and real estate agents in the Philippines to enable property transactions**
- **Transaction is in line with FDV's stated strategy of continuing to invest more into its most successful existing tier 1 market leading businesses**

Frontier Digital Ventures Limited ("FDV") is pleased to announce that it will increase its equity interest in Hoppler through a milestone payment and acquisition of vendor shares. Hoppler (www.hoppler.com.ph) is an innovative online property platform used by vendors, buyers and real estate agents in the Philippines to facilitate property transactions.

Revenue milestone exceeded

FDV will increase its equity interest in Hoppler, through the triggered milestone payment, from 20.59% to 37.21% for a cash payment of US\$900,000. The milestone payment has been achieved on the basis of Hoppler achieving a US\$500,000 revenue target over a 12 month period from October 2017 to October 2018, as agreed in the initial investment in October 2017. Hoppler has experienced strong operational performance since FDV's investment as shown in the key metrics below. The US\$900,000 milestone payment will be transferred in two tranches; US\$500,000 to be paid this quarter and US\$400,000 to be paid in April 2019.

Hoppler key metrics (100% basis, unaudited)

Metric	Units	1H17	1H18	Change
Revenue (half year)	US\$000	140	256	+83%

Metric	Units	Dec-17	Oct-18	Change
# Agents	#	751	1,620	+116%
# Active Listings	#	3,539	6,825	+93%
# Unique browsers	#	36,534	57,581	+58%

Additional acquisition of vendor shares (from ELRO Corporation)

FDV has also agreed to purchase a further 3.02% stake in Hoppler from ELRO Corporation, an existing shareholder in Hoppler in exchange for cash consideration of US\$130,000 implying a pre-money valuation of US\$3.0m. The payment for the vendor shares will be made in this quarter to coincide with the first tranche of the milestone payment. Once complete, the combined transactions will increase FDV's equity stake in Hoppler to 40.23%.

Hoppler has built an extremely scalable business model that is effectively digitizing the real estate brokerage market in Manila and progressively over the broader Philippines market. Hoppler's unique business model creates an efficient solution for agents and consumers in a highly fragmented Filipino real estate agent industry.

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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 14 leading companies, operating businesses across 14 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.

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