

ASX Code: FDV

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InfoCasas enters Brazil through new partnership

- InfoCasas has entered into a partnership agreement with AoCubo, a rapidly growing digital real estate brokerage platform in Brazil
- Under the partnership, InfoCasas will provide some of its technology and services to AoCubo to facilitate expansion
- In exchange for the services provided, InfoCasas will receive an option to acquire up to a 20% shareholding in AoCubo based on its current valuation
- The partnership represents a compelling opportunity for InfoCasas to expand into Brazil, through a structure that provides an attractive risk-return profile for its shareholders

Frontier Digital Ventures Limited (“FDV”, ASX: FDV) is pleased to announce that InfoCasas has formed a partnership with AoCubo, a digital real estate brokerage platform based in São Paulo, Brazil. InfoCasas is the leading property portal in Uruguay, Paraguay and Bolivia, with an emerging presence in Peru.

Under the agreement, AoCubo is issuing InfoCasas with a Simple Agreement for Future Equity (“SAFE”) Note, which provides InfoCasas with a 3-year option to acquire up to 20% of AoCubo, based on its current pre-money valuation of US\$8.15m. In consideration for the SAFE Note, InfoCasas will provide its technology to AoCubo to power its property transaction business and facilitate expansion to other cities across Brazil.

Founded in 2017, AoCubo aims to digitise property transactions and evaluate and pass leads to algorithmically matched agents via its Uber-like platform known as the ‘iBroker’. AoCubo’s model is based on generating, screening and matching leads with their network of independent agents. The platform has been gaining rapid traction in São Paulo, Brazil, attracting 90+ developers and a network of close to 10,000 independent agents. AoCubo keeps a percentage of the agent’s commission once the transaction is completed.

InfoCasas’ CEO, Ricardo Frechou commented:

“AoCubo’s iBroker platform has the potential to disrupt the current real estate brokerage model in Brazil. This partnership has created a low risk opportunity for expansion into Brazil, a large and attractive market, as well as accelerate expansion into new markets. We are confident our technology can accelerate AoCubo’s growth and we look forward to working together in the future.”

Infocasas recorded positive EBITDA in 2Q 2020 and represents a highly strategic investment for FDV into the South American online classifieds market. FDV currently has a controlling 52% interest in InfoCasas, after increasing its shareholding in December 2019.

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

"InfoCasas has consolidated its position as a market leading real estate portal in South America since FDV's initial investment in September 2017. This partnership further strengthens InfoCasas' growth profile and market position and presents a compelling opportunity to expand in Brazil. This opportunity is attractive for InfoCasas and its shareholders on a standalone basis, but we believe the partnership also has broader applicability across FDV's portfolio."

- ENDS -

The release of this announcement was authorised by the Board of Directors of Frontier Digital Ventures Limited.

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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 12 market leading companies, operating businesses across 18 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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