

**NET TANGIBLE ASSETS – AS AT 28 FEBRUARY 2015**

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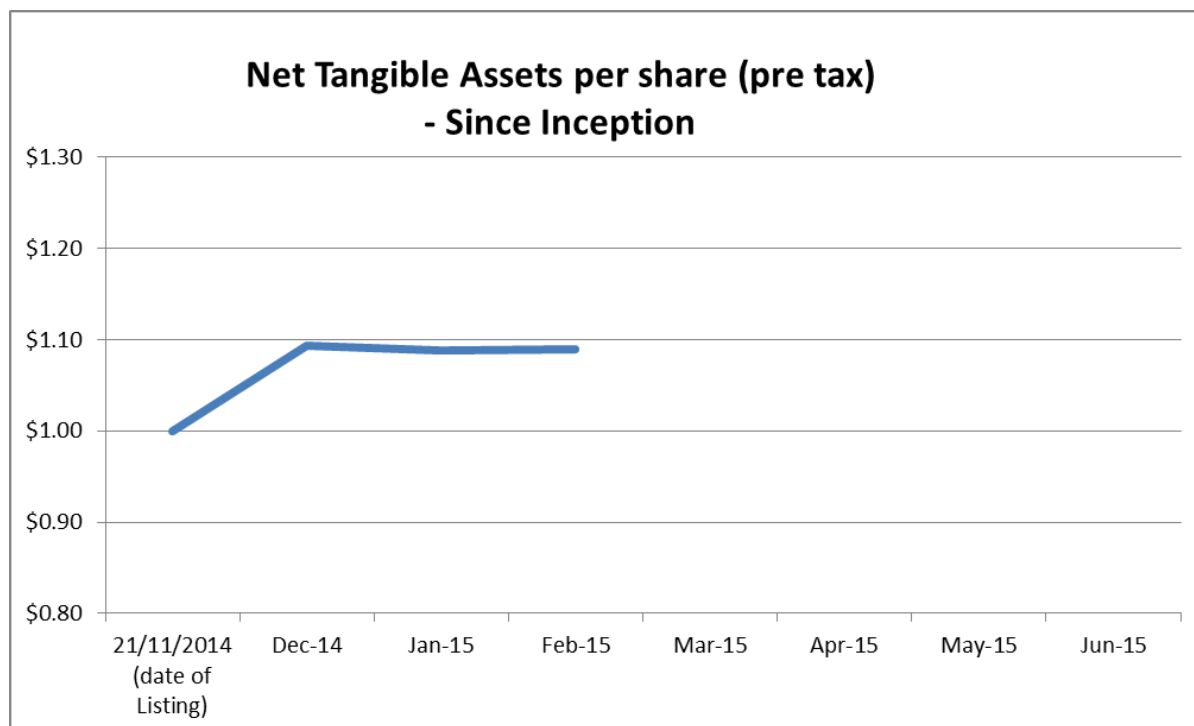
Net Tangible Assets (NTA) per share (pre tax) \$1.089

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Net Tangible Assets (NTA) per share (post tax) \$1.013

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*Notes: NTA figures in this report are unaudited & no adjustments have been made for future exercises of the BTIO options (exercise price \$1.00 per option). The pre-tax NTA would be approximately \$1.045 per share if all of the BTIO options had been exercised on 31 December 2014.*



**COMMENTARY**

- BTI made no new investments during February 2015, however an investment of \$5.5m has been made during the month of March to date. As such, the investment does not appear in the Summary of Investment Portfolio at 28<sup>th</sup> February 2015, but will appear in the Summary of Investment Portfolio at 31<sup>st</sup> March 2015. An overview of this \$5.5m investment in iPRO Solutions Pty Ltd is attached to this monthly report.
- BTI made no revaluations during the period other than to recognize the interest revenue accruing on convertible loans to Viocorp International Pty Ltd. There were no material third party transactions which would prompt a revaluation.
- The flow of available investment opportunities is particularly strong, and the manager anticipates making additional investments as outlined in the BTI prospectus.

**Important Notice:** Bailador Investment Management Pty Ltd A.C.N. 143 060 511 ('Manager') has prepared the information in this announcement. This announcement has been prepared for the purposes of providing general information only and does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in BTI nor does it constitute financial product or investment advice nor take into account your investment, objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this announcement in making an investment decision but must make its own assessment of BTI and conduct its own investigations and analysis. Past performance is not a reliable indicator or future performance.

**SUMMARY OF INVESTMENT PORTFOLIO**

<i>Investment</i>	<i>Notes</i>	<i>Current Value (\$'m)</i>	<i>% of Portfolio</i>
<b>SiteMinder</b>	<ul style="list-style-type: none"> <li>SiteMinder announced commercial partnerships with Oracle Micros and Choice Hotels</li> <li>No change in valuation</li> </ul>	25.0	36.8%
<b>Viocorp</b>	<ul style="list-style-type: none"> <li>The value of the BTI investment in Viocorp has increased due to the continued accrual of interest on convertible loans from BTI</li> </ul>	17.6	25.9%
<b>SMI</b>	<ul style="list-style-type: none"> <li>SMI signed additional US revenue during the month</li> <li>No change in valuation</li> </ul>	5.5	8.1%
<b>Cash at bank</b>		19.8	29.2%
<b>Other</b>		0.1	0.1%
<b>TOTAL</b>		<b>68.0</b>	100.0%

*Notes: Figures in this report are unaudited and exclude tax. The current value for each investment in the table above is consistent with the BTI investment valuation policy, which may be found in the BTI prospectus lodged with ASIC on 3<sup>rd</sup> October 2014 and available on the ASX website.*

**FURTHER INFORMATION**

Website: [www.bailador.com.au](http://www.bailador.com.au)  
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## **OVERVIEW OF THE INVESTMENT IN IPRO SOLUTIONS PTY LTD (“iPRO”)**

### ***Business***

iPRO is a specialist provider of cloud based vendor management software. It offers clients a live 24/7 web-based data verification portal of vendor, supplier and employee information. The business takes advantage of major industry structural trends of outsourcing and risk management, utilizing technology to more efficiently meet the needs of clients.

iPRO’s product suite provides real time legislative compliance verification. The system allows client-specific pre-requisites to be set covering vendor employee engagement, pre-qualification, compliance, online induction, site access, tendering and contract management. iPRO Live simplifies the management of compliance verification by locating it in an online central repository and greatly improves the effectiveness of verification through real time connection to several hundred external data sources. Non-compliance is identified immediately at any point prior to or during vendor engagement with the client.

iPRO provides its product offering through a Software-as-a-Service (“SaaS”) model. The end beneficiary is the client, who is a large corporate or government organization with many vendors. The service provided is the maintenance of qualification information for the client’s vendors. Examples of qualification information include business information, legal information, licence and insurance verification, financial and safety records.

Each vendor registers with iPRO only once for multiple clients, and pays an annual subscription fee in advance. iPRO currently has over 4,500 subscribers.

iPRO is the leader in its space in the Australian market, and trading at breakeven profitability prior to the investment by Bailador. The business has not previously received institutional investment. The investment by Bailador will allow iPRO to more rapidly invest in resources to take advantage of its technological leadership and drive rapid growth in both the Australian and US markets, where some iPRO employees are already based.

Key metrics include:

- Revenue for the year ended 31 December 2014: \$1.8 million
- CY14 Revenue Growth Rate: 54%

## OVERVIEW OF THE INVESTMENT IN IPRO SOLUTIONS PTY LTD (“iPRO”) (cont.)

### *Bailador Investment Structure & Valuation*

Investment Amount:	\$5.5m
Equity Acquired:	45.3%
Nature of Instruments Acquired:	Convertible Preferred Shares Ordinary Shares

Bailador will hold one of three board positions, alongside founder and Managing Director Mark Jackson-Knaggs, and one independent non-executive director. Paul Wilson of Bailador will be chairman.

The investment by Bailador has a liquidity preference on all securities. The business has no debt. The convertible preference shares may be converted to ordinary equity at any time at the discretion of Bailador. The shareholders agreement provides for significant further contractual rights for Bailador consistent with those typically sought, as outlined in the BTI prospectus of 3<sup>rd</sup> October 2014.

Research on trading and transaction multiples observed for companies considered broadly comparable to iPRO implies a revenue multiple within the range of 4.0x to 8.0x historical revenue. The value implied for the investment by Bailador is consistent with this range.

For further information, visit [www.iprolive.com](http://www.iprolive.com)