

Australian Technology Companies Addressing Massive Global Markets

April 2017

Bailador Technology Investments Limited (ASX:BTI)

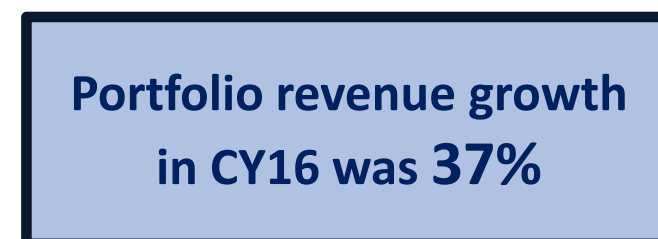


Bailador provides unique exposure to a portfolio of **information technology** companies with **global** addressable markets.

We invest in **private** companies at the **expansion-stage** utilising **extensive downside protection**.

BTI has investments in 10 portfolio companies

The combined revenue of the BTI portfolio companies is over \$125m with a 37% growth rate



Investors get access to this portfolio through an ASX traded share (BTI:ASX)

Global exposure with majority international revenue

BTI's portfolio has offices in 10 countries, across 21 cities, employing 1,100 people

- Rezdy
- Stackla
- SiteMinder
- Straker
- Viocorp
- SMI
- iPRO
- Instaclustr
- DocsCorp
- Lendi

N. America : 145 employees

UK: 259 employees

EMEA: 18 employees

SE Asia: 93 employees

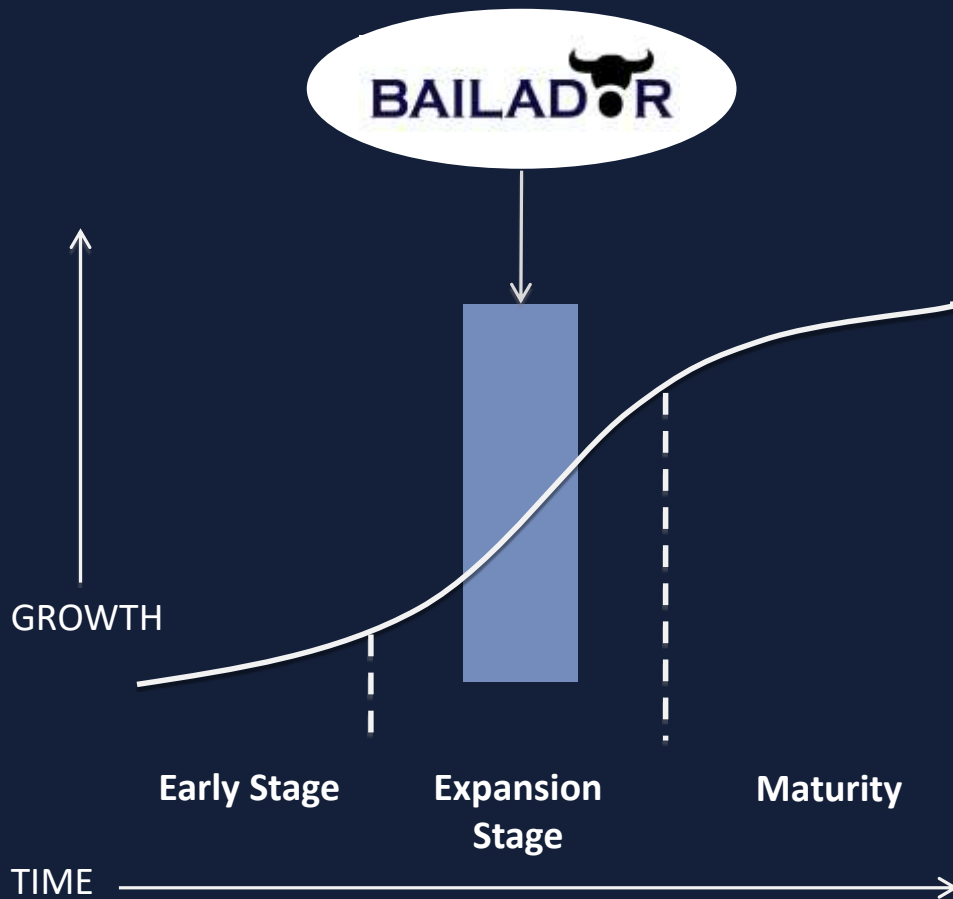
Australia: 546 employees

S. Africa: 1 employee

NZ: 35 employees



What does 'Expansion Stage' mean?



- ▶ Technology is de-risked compared to early-stage companies
- ▶ Proven revenue generation capability (typically with \$5-20m of revenue in the twelve months prior to BTI's initial investment)
- ▶ Proven management capability – 2 to 6 years of operation and run by the founders
- ▶ Global addressable market with a significant portion of revenue generated internationally, and clearly identified growth opportunity
- ▶ Closer to exit via trade sale or IPO than 'start-ups' and early-stage businesses

BTI's investment criteria

Bailador's access to high quality deal flow enables it to focus on investments that meet key investment criteria



Global Focus is important

Bailador's investee companies have usually already established an international presence with proven unit economics before we invest to accelerate growth

Massive addressable markets

- ❖ Means that the company itself can grow to a huge scale
- ❖ Reflected in exit valuations

Proven international capability

- ❖ Product needs to be world class
- ❖ Not enough to be a 'local champion'
- ❖ Unit economics must stack up
- ❖ Proven business model reflected in profitability

Certain business models are born global

Software as a Services (SaaS) and Curated Market Place business models are perfectly suited to addressing global market opportunities

Software as a Service (SaaS)

- ❖ Build the software platform once
- ❖ Sell it thousands of times
- ❖ Recurring monthly or annual licence revenue
- ❖ High gross margins – typically 80%+
- ❖ Cost to serve additional customers is minimal, so additional margin drops to the bottom line
- ❖ Hugely scaleable
 - One central software development team, usually in a low cost location
 - Unit economics can apply to any market

Market Place

- ❖ Thousands of suppliers – Thousands of customers;
- ❖ Location agnostic – born global
- ❖ Adding value to the transaction boosts margin and stickiness
- ❖ Retaining the transaction in your platform is key

SaaS model example:



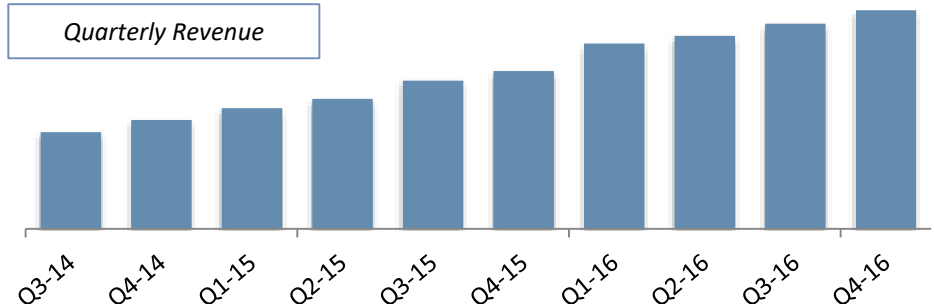
SiteMinder is the world leader in hotel channel management and distribution solutions for online accommodation bookings

Original Cost	<ul style="list-style-type: none">• \$5.0m
Current Value	<ul style="list-style-type: none">• \$40.5m
Business Features	<ul style="list-style-type: none">• Established customer base of over 25,000 hotels (world's largest)• Recurring subscription revenue model• Proven international expansion (already ~75% of revenue is international)
Recent News	<ul style="list-style-type: none">• Office opened in Galway, Ireland to cost effectively support rapid global growth• Additional product features improving revenue per hotel and stickiness• CEO E&Y Entrepreneur of the Year national finalist

What excites us

- ★ The world leader in its space for technology, market position, and scale – triple its nearest competitor
- ★ The travel industry is a huge market being transformed by technology. SiteMinder has an enviable strategic position in this transformation
- ★ The management team is outstanding
- ★ SiteMinder has the capacity to become an extremely large company
- ★ Given its SaaS business model, the company produces very consistent top-line growth

Quarterly Revenue



Curated Market Place example:

Straker is a leading provider of cloud-enabled translation services in more than 80 languages, leveraging its proprietary platform to scale globally

BTI Cost

- \$7.5m

Current Value

- \$8.7m

Business Features

- Winning hybrid model of Artificial Intelligence with Crowd Sourced scale
- More than 10,000 customers and a network of 40,000+ translators
- Proven international expansion (already > 80% of revenue is outside of NZ and Australia)

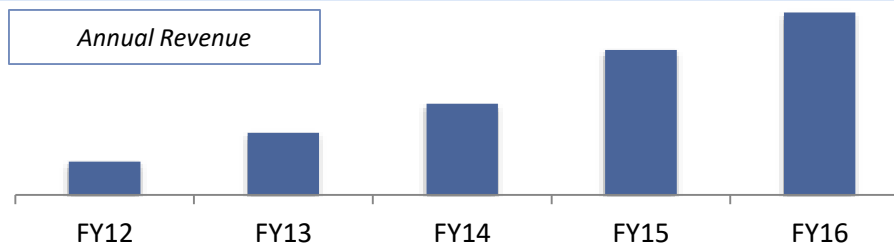
Recent News

- Closed its first two acquisitions in Ireland and US to prove model
- Further bolt-on acquisitions under consideration
- Launched API integrations with Magento and Wordpress

What excites us

- ★ A leading hybrid platform that combines machine learning, big data technology and thousands of on-demand pre-qualified human translators
- ★ Large global market estimated at US\$40B growing at >6%pa, underpinned by structural trends (globalisation, increased content published online and a growing middle class)
- ★ Highly experienced management team
- ★ Industry leading margins generated by Straker's superior technology platform
- ★ Able to scale through acquisition of smaller operators and take advantage of Straker's superior platform efficiencies

Annual Revenue



BTI's core investment approach

Leverage specialist technology expertise; engage with companies and management through extensive due diligence

Invest in companies with a proven business model, global addressable market, and \$5-20m of revenue

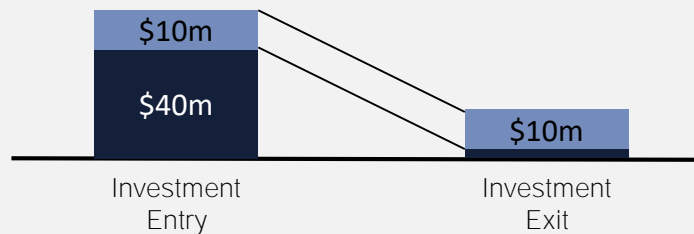
Go on the board; provide extensive help improving reporting, finding people, international expansion, ESOP, capital raising etc.

Put in place capital structure and contractual terms that provide downside protection while giving full upside exposure

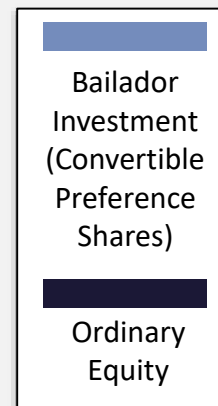
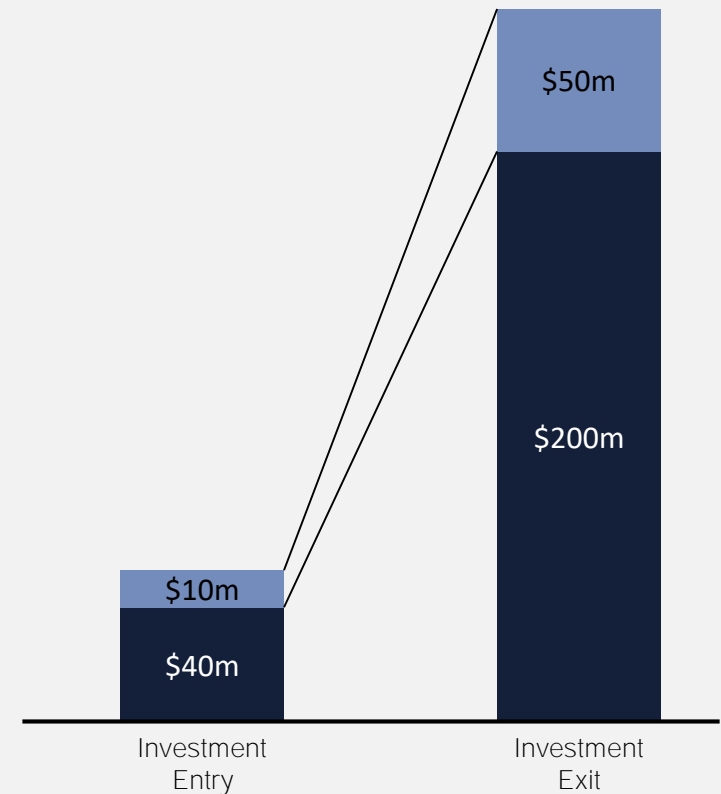
Capital Structure Protections & Upside

Principal invested is protected so long as the whole business is sold for > BTI cost, with conversion rights enabling full upside participation

‘Downside’ Example



‘Upside’ Example



A team of specialist technology investors



David Kirk
Co-Founder &
Managing Partner

- Former CEO of Fairfax Media, where he led the acquisition of Trade Me and Stayz.com
- IPO investor in Xero
- Chairman of Trade Me and Kathmandu
- Former Captain of the All Blacks
- Rhodes scholar to Oxford
- MBChB (Otago)
- MA (Oxon)



Paul Wilson
Co-Founder &
Managing Partner

- Former Director of CHAMP Private Equity, and previously Metlife (London)
- Executive Director of Illyria Pty Ltd (Lachlan Murdoch)
- Director of Yellow Pages (New Zealand), Rajasthan Royals (IPL cricket) and Vita Group
- B. Bus from QUT
- FINSEA Fellow and qualified CA



Andrea Kowalski
Investment
Director

- 10 years Venture Capital and Investment Banking
- Principal at London-based BOOST&Co (EUR 250m), managing investments in Germany (based in Berlin)
- Associate Director with UBS in London
- MBA from INSEAD (D'09)
- B. Comm from McGill (Montreal, Canada)



James Johnstone
Investment
Director

- Founding Director of Mozo (online marketplace) that won multiple Deloitte Fast 50 and BRW Fast Starter Awards
- Strategy consulting and corporate development with Virgin Travel and Virgin Financial
- Bachelor of Accounting (UTS) and qualified CA



Michael Hayes
Investment
Manager

- Buy-Side Equity Research Analyst at Boulevard Capital Management (US Equity Hedge Fund)
- Corporate Strategy Associate at The Walt Disney Company (Los Angeles)
- BA (Economics) from Harvard University



Georgina Brown
Investment
Manager

- 6 years combined experience in investment banking and enterprise (SaaS) sales
- Enterprise Sales Executive with Rackspace
- Investment banking analyst with Lazard
- Dual Bachelor in Commerce and Economics & Finance from The University of Queensland

The investment team has personally invested over \$11 million in BTI shares

A unique investment opportunity

BTI is the only information technology focused principal investment company listed on the ASX

Access to the high growth
technology sector
– GLOBAL REACH

- Technology is reshaping almost every industry
- Creating high growth companies with global growth potential
- Access to these companies is available through Bailador

Reduced risk compared to
direct investing

- Expansion stage investing in proven business models (not start-ups) reduces risk
- Capital structure preference in each portfolio company reduces risk
- A portfolio of investments reduces risk

An experienced specialist
manager & established
portfolio

- Specialist technology sector expertise
- Hundreds of opportunities reviewed
- Board involvement in each portfolio company
- Portfolio returns since IPO of 14.3% pa after all fees

Re-rating potential

- The Bailador portfolio investments are in private companies that cannot be accessed any other way
- Currently trading at a discount to NAV
- Peers in the UK trade at significant premiums to NAV

FURTHER INFORMATION

Website:	www.bailador.com.au
Investor Enquiries:	investorservices@bailador.com.au
Telephone:	+61 2 9223 2344

Bailador Technology Investments Limited (ASX:BTI)

Disclaimer

This presentation is confidential and may not be reproduced in whole or in part, or distributed except by Bailador Technology Investment Ltd (“Bailador”) or by authorized representatives of Bailador (“Affiliates”).

This presentation does not contain a complete description of the transaction and the risks associated with an investment therein. Bailador does not accept liability to any person, organisation or company for any loss or damage suffered as a result of reliance on this document. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, and are subject to variation. All forward-looking statements in this document reflect the current expectations of Bailador concerning future results and events.

Any forward-looking statements contained or implied, either within this document or verbally, involve known and unknown risks, uncertainties and other factors (including economic and market conditions, changes in operating conditions, currency fluctuations, political events, labour relations, availability and cost of labour, material and equipment) that may cause actual results, performance or achievements to differ materially from the anticipated results, performance or achievements, expressed, projected or implied by any forward-looking statements.

Certain information contained in this presentation has been obtained from third-party sources. While such information is believed to be reliable for the purposes used herein, no representations are made as to the accuracy or completeness thereof and neither Bailador nor its Affiliates take any responsibility for such information.