

#### APPENDIX 4D

#### – INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

##### Results for Announcement to the Market

Key Information	Half-year Ended 31 December 2016	Half-year Ended 31 December 2015
	\$000	\$000
Revenue from ordinary activities	7,292	14,443
Profit after tax from ordinary activities attributable to members	3,584	7,330
Net profit attributable to members	3,584	7,330

##### Dividends Paid and Proposed

No dividend was declared or paid during the period.

##### Explanation of Key Information

An explanation of the above figures is contained in the “Review of Operations” included within the attached directors’ report.

##### Net Tangible Assets per Share

	As at 31 December 2016	As at 31 December 2015
Net tangible assets per share (pre tax)	1.181	1.250
Net tangible assets per share (post tax)	1.106	1.128

##### Control Gained or Lost over Entities in the Period

There were no changes to control over Entities in the period.

##### Dividend Reinvestment Plans

The Company does not have any dividend reinvestment plans in operation.

##### Investment in Associates and Joint Ventures

The Company does not have any investments in associates and joint ventures.



INTERIM FINANCIAL STATEMENTS  
DECEMBER 2016

BAILADOR TECHNOLOGY INVESTMENTS LIMITED

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## DIRECTORS' REPORT

Your directors submit the financial report of the Company for the period from 1 July 2016 to 31 December 2016.

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### Directors

The names of directors who held office during or since the end of the Period:

David Kirk (Chairman)

Paul Wilson

Andrew Bullock

Sankar Narayan

Heith Mackay-Cruise

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### Review of Operations

The half year to 31 December 2016 has been a successful one for Bailador with two new investments and several follow-on investments. There have been substantial gains across the portfolio with SiteMinder, Straker Translations and Stackla all continuing to be standout performers. The Manager remains confident the portfolio is conservatively valued with potential for further gains on realisation.

#### *New Investments*

BTI made two new investments during the half year to December 2016.

- In July 2016 Bailador invested \$5.0m in DocsCorp. DocsCorp is the global leader in the USD\$24bn rapidly growing Enterprise Content Management (ECM) market. Docscorp provides software that allows law firms, accounting firms and other businesses working with a lot of documents to search, edit, compare, combine, store and find documents in a highly efficient and comprehensive manner. Docscorp has a blue-chip customer base of 3,500 firms and 320,000 users generating 80% of its revenue outside Australia.
- In November 2016 Bailador invested \$4.0m in Instacluster, an open source data platform for cloud-based solutions that require immense scale. Instacluster provides enterprise support and managed solutions for technologies such as Apache Cassandra (used by Apple, Netflix and Facebook), Apache Spark and SkyllaDB. Instacluster has year-on-year recurring revenue growth of more than 75% and generates over 90% of its revenue outside Australia.

#### *Follow-on Investments*

BTI made a number of follow-on investments to its portfolio in the six months to December 2016.

- In October 2016, Bailador invested NZD\$4.0m (AUD\$3.8m) in Straker Translations. The follow-on investment was part of a NZD\$5m round. The third party investment triggered a 5% valuation increase in Bailador's previous holding.
- In the six months to December 2016, Bailador invested \$2.6m in iPRO.
- In December 2016, Bailador invested \$3.25m in portfolio company Stackla at a valuation 5% higher than our last investment made in June 2016.
- In September, Bailador committed to invest a further \$1.9m in portfolio company SMI. \$0.9m of this was invested in September with the remainder of the follow-on investment expected to be completed in early 2017.

#### *Valuations*

The Bailador portfolio continues to be valued at either

- Latest third party investment value;
- Cost plus accrued interest (with revenue multiple cross-checks); or
- Where there has not been a third party transaction in the preceding 12 months, at a valuation consistent with approved industry valuation techniques and industry benchmarks.

In the half year to 31 December 2016, there were two third party investments into portfolio companies that triggered revaluations of the Bailador portfolio holding value.

- In October 2016, Straker Translations received a further NZ\$5m in funding with NZ\$4m of this from Bailador, and NZ\$1m from a third party investor. The funding round increased the value of Bailador's holding in Straker by 5%.
  - In December, Bailador led a \$4m funding round in Stackla. Third party investors contributed to the round, which increased the value of Bailador's holding in Stackla by 5%.
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## DIRECTORS' REPORT

In the half year to 31 December 2016, in the absence of third party transactions in the preceding 12 months, Bailador revalued two of its investments using industry best practice as follows:

- In October 2016, Bailador revalued Rezdy upwards by 39% following strong performance by the company since Bailador's investment in October 2015.
- In December 2016, Bailador revalued SiteMinder upwards by 29% following strong and consistent revenue growth by SiteMinder in the 12 months since Bailador's partial realisation in December 2015.

Bailador revalued iPRO downwards in October 2016 following the delay in an expected version release and the subsequent delay to expected revenues.

Bailador's valuation of Viostream has grown with accrued interest on convertible instruments and Bailador's revenue multiple cross checks support Bailador's ability to realise the cost plus accrued interest positions on realisation. In line with the conservative valuation policy however, Bailador opted to pause booking interest on Viostream convertible instruments from August 2016 onwards.

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### Rounding of Amounts

The Company has applied the relief available to it in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

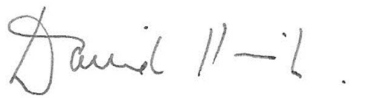
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### Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 2 for the period ended 31 December 2016.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director



David Kirk

Director



Paul Wilson

Dated this 14<sup>th</sup> day of February 2017

**BAILADOR TECHNOLOGY INVESTMENTS LIMITED**  
**ABN 38 601 048 275**

**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF BAILADOR TECHNOLOGY INVESTMENTS LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2016 there have been no contraventions of:

- i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

*Hall Chadwick*

HALL CHADWICK  
Level 40, 2 Park Street  
Sydney NSW 2000

*Sandeep Kumar*

**SANDEEP KUMAR**  
**Partner**

Dated: *14/02/2017*

**SYDNEY**

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2016

	Note	Half Year Ended 31 December 2016	Half Year Ended 31 December 2015
		\$000	\$000
Revenue	2	7,114	14,344
Interest income		178	99
Accounting fees		(84)	(73)
ASX fees		(66)	(25)
Audit fees		(24)	(23)
Directors' fees		(96)	(101)
Due diligence costs		(11)	(59)
Independent valuations		(22)	(90)
Legal fees		(85)	(144)
Manager's fees		(1,107)	(637)
Manager's performance fees		(557)	(2,659)
Other expenses		(118)	(160)
<b>Profit before income tax</b>		5,122	10,472
Income tax expense		(1,538)	(3,142)
<b>Profit for the period</b>		3,584	7,330
<b>Other comprehensive income</b>		–	–
<b>Total comprehensive income for the period</b>		3,584	7,330
<b>Earnings per share</b>			
– basic earnings per share (cents)		3.47	11.74
– diluted earnings per share (cents)		3.47	11.74

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT  
31 DECEMBER 2016

	Note	As at 31 December 2016 \$000	As at 30 June 2016 \$000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		23,515	27,784
Trade and other receivables		187	98
<b>TOTAL CURRENT ASSETS</b>		<b>23,702</b>	<b>27,882</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	3	119,113	92,442
Deferred tax assets		2,929	1,283
<b>TOTAL NON-CURRENT ASSETS</b>		<b>122,042</b>	<b>93,725</b>
<b>TOTAL ASSETS</b>		<b>145,745</b>	<b>121,607</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		837	2,776
Current tax liabilities		1,321	1,461
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,158</b>	<b>4,237</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		10,633	7,512
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>10,633</b>	<b>7,512</b>
<b>TOTAL LIABILITIES</b>		<b>12,791</b>	<b>11,749</b>
<b>NET ASSETS</b>		<b>132,954</b>	<b>109,858</b>
<b>EQUITY</b>			
Issued capital	4	116,482	96,971
Retained earnings		16,472	12,887
<b>TOTAL EQUITY</b>		<b>132,954</b>	<b>109,858</b>

The accompanying notes form part of these financial statements.



STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED  
31 DECEMBER 2016

Company	Note	Ordinary Share Capital \$000	Share Option Reserve \$000	Retained Earnings \$000	Total \$000
<b>Balance at 1 July 2015</b>		55,379	3,748	4,024	63,151
<b>Comprehensive income</b>					
Profit for the period		–	–	7,330	7,330
<b>Total comprehensive income for the period</b>		–	–	7,330	7,330
<b>Total transactions with owners, in their capacity as owners and other transfers</b>		–	–	–	–
<b>Balance at 31 December 2015</b>		<b>55,379</b>	<b>3,748</b>	<b>11,354</b>	<b>70,481</b>
<b>Balance at 1 July 2016</b>		96,971	–	12,887	109,858
<b>Comprehensive income</b>					
Profit for the period		–	–	3,584	3,584
<b>Total comprehensive income for the period</b>		–	–	<b>3,584</b>	<b>3,584</b>
<b>Transactions with owners, in their capacity as owners and other transfers</b>					
Shares issued during the period	4	19,985	–	–	19,985
Transaction costs, net of tax		(474)	–	–	(474)
<b>Total transactions with owners, in their capacity as owners and other transfers</b>		<b>19,511</b>	–	–	<b>19,511</b>
<b>Balance at 31 December 2016</b>		<b>116,482</b>	–	<b>16,472</b>	<b>132,954</b>

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED  
31 DECEMBER 2016

	Half-year Ended 31 December 2016	Half-year Ended 31 December 2015
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(4,213)	(2,524)
Interest received	193	106
Net cash used in operating activities	(4,019)	(2,418)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts from sales of financial assets at fair value through profit and loss	–	5,000
Purchase of financial assets at fair value through profit and loss	(19,557)	(8,669)
Net cash used in investing activities	(19,557)	(3,669)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	19,985	–
Payments relating to costs of capital raising	(677)	–
Net cash provided by financing activities	19,308	–
Net (decrease) / increase in cash held	(4,269)	(6,087)
Cash and cash equivalents at beginning of period	27,784	13,759
Cash and cash equivalents at end of period	23,515	7,672

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

**Note 1: Summary of Significant accounting policies****a. Basis of Preparation**

These general purpose interim financial statements for interim reporting period ended 31 December 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. This interim financial report is intended to provide users with an update on the latest annual financial statements of Bailador Technology Investments Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is recommended that this financial report be read in conjunction with the annual financial statements for the year ended 20 June 2016 together with any public announcements made during the half-year.

These interim financial statements were authorised for issue on 14<sup>th</sup> February 2017.

**b. Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Company has considered the implications of new or amended Accounting Standards, but determined their application to the financial statements is either not relevant or not material.

**c. Accounting Period**

The financial report reflects the period from 1 July 2016 to 31 December 2016. Comparatives shown are for the period from 1 July 2015 to 31 December 2015.

**Note 2: Profit For The Period**

	Half Year Ended 31 December 2016	Half Year Ended 31 December 2015
	\$000	\$000
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
Fair value gains on financial assets at fair value through profit or loss	7,114	14,344

During the period, investments in six of ten financial assets held by the entity increased in value. In particular, revaluation of the investment in SiteMinder contributed revenue of \$9,212,224 and revaluation of Rezdy a further \$770,852. Gains across the portfolio were somewhat offset by the downwards revaluation of iPRO by \$4,008,903. The valuation methodology of all financial assets is consistent with the methodology in the most recent annual financial statements.

**Note 3: Financial Assets**

	As at 31 December 2016	As at 30 June 2016
	\$000	\$000
SiteMinder	40,500	31,288
Viostream	28,936	28,469
Stackla	11,076	7,449
Straker Translations	8,704	4,576
iPRO	7,009	8,459
SMI	6,415	5,500
DocsCorp	5,000	-
Instaclustr	4,000	-
Click Loans	4,000	4,000
Rezdy	3,472	2,701
	119,113	92,442

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

**NOTE 4: ISSUED CAPITAL AND SHARE OPTION RESERVE**

Movements in share capital are set out below:

	No.	\$
Opening balance at 1 July 2015	62,462,893	55,379,410
Ordinary shares issued during the period	-	-
Closing balance at 31 December 2015	62,462,893	55,379,410
Opening balance at 1 July 2016	100,844,918	96,970,710
Ordinary shares issued during the period	19,402,913	19,985,000
Costs directly attributable to the issue of ordinary shares	-	(473,927)
Closing balance at 31 December 2016	120,247,831	116,481,783

Movements in share option reserve are set out below:

	No.	\$
Opening balance at 1 July 2015	62,462,892	3,747,774
Options issued during the period	-	-
Total Share Options at 31 December 2015	62,462,892	3,747,774
Opening balance at 1 July 2016	-	-
Total Share Options at 31 December 2016	-	-

**Note 5: Operating Segments**

The Company has one operating segment: Internet Related Businesses. It earns revenue from gains on revaluation of financial assets held at fair value through profit or loss, interest income and other returns from its investments. This operating segment is based on the internal reports that are reviewed and used by the Directors in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The company invests in securities recorded as financial assets held at fair value through profit or loss.

**Note 6: Contingent Liabilities**

During 2014, the Company entered into a contract appointing the Manager to manage the investment portfolio of the Company, whereby the Manager would receive a performance fee on certain conditions being met. The performance fee accrued during the period is based on current gains on the investment portfolio and is contingent upon no substantial losses being incurred in the second half of the year.

The Company has a commitment to fund \$1m to portfolio company SMI, which is dependent on the satisfaction of certain conditions. The Company anticipates these conditions will be satisfied prior to June 2017.

**Note 7: Events After the End of the Interim Period**

The directors are not aware of any significant events since the end of the interim period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

**Note 8: Fair Value Measurement**

**a. Valuation Techniques**

In the absence of an active market for an identical asset or liability, the Company selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The Australian Private Equity and Venture Capital Association (AVCAL) has prepared the International Private Equity and Venture Capital Guidelines (Valuation Guidelines). The Valuation Guidelines set out recommendations on the valuation of private equity investments which are intended to represent current best practice. The Directors have referred to the Valuation Guidelines in order to determine the "fair value" of the financial asset.

The "fair value" of the financial asset is assumed to be the price that would be received for the financial asset in an orderly transaction between knowledgeable and willing but not anxious market participants acting at arm's length given current market conditions at the relevant measurement date. Fair value for unquoted or illiquid investments is often estimated with reference to the potential realisation price for the investment or underlying business if it were to be realised or sold in an orderly transaction at the measurement date, regardless of whether an exit in the near future is anticipated and without reference to amounts received or paid in a distressed sale.

AVCAL suggests that one or more techniques should be adopted to calculate a private equity investment based on the valuer's opinion of which method or methods are considered most appropriate given the nature, facts and circumstances of the particular investment. In considering the appropriateness of each technique, AVCAL suggests the economic substance of the investment should take priority over the strict legal form.

AVCAL provides guidance on a range of valuation methodologies that are commonly used to determine the value of private equity investments in the absence of an active market, including:

- price of recent investments;
- earnings multiples;
- revenue multiples;
- net asset values;
- discounted cash flows of the underlying assets
- discounted cash flows of the investment; and
- industry valuation benchmarks.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

**Note 8: Fair Value Measurement****b. Financial Instruments**

The following table represents a comparison between the carrying amounts and fair values of financial assets and liabilities:

	31 December 2016		30 June 2016	
	Carrying Amount \$000	Fair Value \$000	Carrying Amount \$000	Fair Value \$000
<b>Financial assets:</b>				
Cash and cash equivalents	23,515	23,515	27,784	27,784
Trade and other receivables	187	187	98	98
Financial assets	119,113	119,113	92,442	92,442
	142,815	142,815	120,324	120,324
<b>Financial liabilities:</b>				
Trade and other payables	837	837	2,776	2,776
	837	837	2,776	2,776

**c. Recurring and Non-recurring Fair Value Measurement Amounts and the Level of the Fair Value Hierarchy within which the Fair Value Measurements Are Categorised****Fair Value Measurements at 31 December 2016 Using:**

		Quoted Prices in Active Markets for Identical Assets	Significant Observable Inputs Other than Level 1 Inputs	Significant Unobservable Inputs
		\$000	\$000	\$000
Description	Note	(Level 1)	(Level 2)	(Level 3)
Recurring fair value measurements				
Financial assets at fair value through profit or loss		-	32,781	86,333
		-	32,781	86,333

**Fair Value Measurements at 30 June 2016 Using:**

		Quoted Prices in Active Markets for Identical Assets	Significant Observable Inputs Other than Level 1 Inputs	Significant Unobservable Inputs
		\$000	\$000	\$000
Description	Note	(Level 1)	(Level 2)	(Level 3)
Recurring fair value measurements				
Financial assets at fair value through profit or loss		-	50,014	42,428
		-	50,014	42,428

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

**Note 8: Fair Value Measurement****d. Valuation Techniques and Inputs Used to Determine Level 2 Fair Values**

	Fair Value at 31 Dec 2016 \$000	Valuation Techniques	Inputs Used
<b>Stackla</b>	11,077	Price of recent third party transaction	Price of recent third party transaction
<b>Straker Translations</b>	8,704	Price of recent third party transaction	Price of recent third party transaction
<b>DocsCorp</b>	5,000	Price of recent third party transaction	Price of recent third party transaction
<b>Click Loans</b>	4,000	Price of recent third party transaction	Price of recent third party transaction
<b>Instaclustr</b>	4,000	Price of recent third party transaction	Price of recent third party transaction

There were no changes during the period in the valuation techniques used by the Company to determine Level 2 fair values.

**e. Valuation Techniques and Inputs Used to Determine Level 3 Fair Values**

	Fair Value at 31 Dec 2016 \$000	Valuation Techniques	Significant Unobservable Inputs	Range of Unobservable Inputs
<b>SiteMinder</b>	40,500	Revenue multiple	Revenue multiple	7.0x – 9.0x
<b>Viostream</b>	28,936	Cost plus accrued interest Revenue multiple	Interest on convertible notes Revenue multiple	3.5x – 6.5x
<b>iPRO</b>	7,009	Cost plus accrued interest Revenue multiple	Interest on convertible preference shares Revenue multiple	2.5x – 4.0x
<b>Standard Media Index</b>	6,415	Cost plus accrued interest Revenue multiple	Revenue multiple	0.1x – 2.0x
<b>Rezdy</b>	3,472	Cost plus accrued interest Revenue multiple	Interest on convertible preference shares Revenue multiple	2.5x – 4.0x

There were no changes during the period in the valuation techniques used by the Company to determine Level 3 fair values.

**f. Sensitivity Information**

The relationships between the significant unobservable inputs and the fair value are as follows:

Inputs	Impact on Fair Value from Increase in Input	Impact on Fair Value from Decrease in Input
Revenue multiple	Increase	Decrease
Cost plus accrued interest	Increase	Decrease

There were no significant interrelationships between unobservable inputs except as indicated above.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

**Note 8: Fair Value Measurement**

g	Reconciliation of Recurring Fair Value Measurement Amounts (Level 3)	Financial Assets \$000
	Opening balance at 30 June 2016	42,427
	Additions/purchases made during the Period	3,474
	Gains and losses recognised in profit or loss	6,442
	Transfers into Level 3 from Level 2	33,989
	Closing balance at 31 December 2016	86,333

**Note 9: Related Party Transactions**

All transactions with related parties are conducted on normal commercial terms and conditions, and include:

- a) Management fees paid and accrued under the agreement with the Manager as outlined in the most recent financial statements. Management fees paid or payable for the period 1 July 2016 to 31 December 2016 were \$1,106,895.
- b) Performance fees of \$2,400,780 + GST relating to amounts accrued at 30 June 2016 were paid in cash to the Manager in the half year to 31 December 2016.
- c) Performance fees paid or payable for the period 1 July 2016 to 31 December 2016 were \$556,797.
- d) Directors' fees paid or accrued for the half-year to 31 December 2015 for Andrew Bullock were \$30,000
- e) Directors' fees paid or accrued for the half-year to 31 December 2015 for Sankar Narayan were \$30,000
- f) Directors' fees paid or accrued for the half-year to 31 December 2015 for Heith Mackay-Cruise were \$30,000
- g) GST paid on Directors' fees where the Company could not claim an input tax credit amounted to \$6,000.



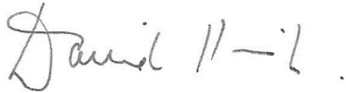
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## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Bailador Technology Investments Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 3 to 15, are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the period ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



David Kirk

Director



Paul Wilson

Dated this 14th day of February 2017

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**BAILADOR TECHNOLOGY INVESTMENTS LIMITED  
ABN 38 601 048 275****INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
BAILADOR TECHNOLOGY INVESTMENTS LIMITED****SYDNEY**Level 40  
2 Park Street  
Sydney NSW 2000  
AustraliaGPO Box 3555  
Sydney NSW 2001Ph: (612) 9263 2600  
Fx: (612) 9263 2800**Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Bailador Technology Investments Limited, which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

**Directors' Responsibility for the Half-Year Financial Report**

The directors of Bailador Technology Investments Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of Bailador Technology Investments Limited's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Bailador Technology Investments Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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**BAILADOR TECHNOLOGY INVESTMENTS LIMITED**  
**ABN 38 601 048 275**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF**  
**BAILADOR TECHNOLOGY INVESTMENTS LIMITED**

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bailador Technology Investments Limited is not in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of Bailador Technology Investments Limited's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

*Hall Chadwick*

HALL CHADWICK  
Level 40, 2 Park Street  
Sydney NSW 2000

*Sandeep Kumar*

**SANDEEP KUMAR**

**Partner**

Dated: 14/02/2017