

APPENDIX 4D

– INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2022

Results for Announcement to the Market

Key Information	Half-year Ended	Half-year Ended	% Increase / (Decrease)
	31 December 2022 \$000	31 December 2021 \$000	
Gains on financial assets	(5,818)	65,214	(109%)
Profit after tax from ordinary activities attributable to members	(5,206)	35,659	(115%)
Net profit attributable to members	(5,206)	35,659	(115%)

Dividends Paid and Proposed

A fully franked interim dividend of 3.5 cents per share amounting to \$5.0m has been declared by the Board on 8 February 2023. The interim dividend will be paid on 2 March 2023 to shareholders on record as at 14 February 2023. The interim dividend announced on 8 February 2023 is in line with Bailador's dividend policy announced on 1 June 2022 of a regular dividend of 4% pa of NTA pre-tax paid semi-annually. The interim dividend of 3.5 cents per share is 2% of Company NTA pre-tax.

On release of the full year financial results on 15 August 2022, Bailador announced a 7.4c per share fully franked dividend to shareholders (3.7c regular dividend plus 3.7c special dividend). This dividend was paid on 16 September 2022.

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 2022	As at 31 December 2021
Net tangible assets per share (pre tax)	1.726	1.875
Net tangible assets per share (post tax)	1.482	1.606

Control Gained or Lost over Entities in the Period

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

Investment in Associates and Joint Ventures

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



INTERIM FINANCIAL STATEMENTS
DECEMBER 2022

BAILADOR TECHNOLOGY INVESTMENTS LIMITED

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DIRECTORS' REPORT

Your directors submit the half-year financial report of the Company for the period from 1 July 2022 to 31 December 2022.

Directors

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

David Kirk (Chairman)
Paul Wilson
Andrew Bullock
Jolanta Masojada
Brodie Arnhold

Review of Operations

Bailador reported a loss of \$5,206k in the half year to 31 December 2022 (half year to December 2021 profit of \$35,659k). The half year was dominated by macro-economic conditions with falls in public markets placing downward pressure on private sector valuations. Following successful realisations in FY22 Bailador's strong cash position of \$115m (\$17m December 2021) limited the economic downward exposure. Bailador made a follow-on investment in InstantScripts, committed to a further investment in Access Telehealth (completed in January 2023) and completed a \$1.5m loan to Rezdy. The economic climate placed stress on Brosa's discretionary focussed revenue and Bailador proactively wrote Brosa down to \$nil in October 2022. Brosa was later placed into administration and its assets sold in December 2022.

Investments

Bailador made the following investments during the six months to 31 December 2022:

- Bailador completed a \$5.0m follow-on investment in portfolio company InstantScripts in July 2022.
- Bailador made a \$1.5m loan to portfolio company Rezdy in November 2022.

Valuations

The Bailador portfolio continues to be valued at either

- Latest third-party investment value / mark to market; or
- At a valuation consistent with generally accepted industry valuation techniques and industry benchmarks.

In the half year to 31 December 2022, Bailador's publicly listed marketable securities were revalued as follows:

- SiteMinder's share price decreased by 13.4% during the six months from \$3.51 at 30 June 2022 to \$3.04 at 31 December 2022.
- Straker Translations' share price increased by 7.8% during the six months from \$1.02 at 30 June 2022 to \$1.10 at 31 December 2022.

Bailador revalued three investments to the valuation implied by the price of a third-party transaction

- InstantScripts was revalued upwards by \$2.8m (17%) to the price implied by a third party transaction.
 - Access Telehealth was revalued upwards by \$3.0m (31.6%) in December 2022 to the price implied by the third party transaction completed in January 2023.
 - Bailador wrote Brosa down to \$nil in October 2022. Brosa was later placed into administration and its assets sold.
-

Dividends

A fully franked interim dividend of 3.5 cents per share amounting to \$5.0m has been declared by the Board on 8 February 2023. The interim dividend will be paid on 2 March 2023 to shareholders on record as at 14 February 2023.

The interim dividend announced on 8 February 2023 is in line with Bailador's dividend policy announced on 1 June 2022 of a regular dividend of 4% pa of NTA pre-tax paid semi-annually. The interim dividend of 3.5 cents per share is 2% of Company NTA pre-tax.

On release of the full year financial results on 15 August 2022, Bailador announced a 7.4c per share fully franked dividend to shareholders (3.7c regular dividend plus 3.7c special dividend). This dividend was paid on 16 September 2022.

DIRECTORS' REPORT

Investment Entity

The Company has been classified under AASB 2013-5 as an investment entity whose business purpose is to invest funds solely for returns via capital appreciation and/or investment returns.

Rounding of Amounts

The Company has applied the relief available to it under 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.

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 5 for the period ended 31 December 2022.

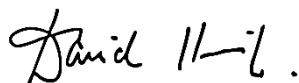
Events After Balance Date

The Company completed a follow-on investment in Access Telehealth of \$3.1m at a valuation consistent with the carrying value recorded at 31 December 2022. The Company also loaned \$0.5m to Rezdy representing the second tranche of its loan facility. The loan was completed on the same terms as the previous loan executed in November 2022.

Other than the items above no matter or circumstance has arisen since the end of the period that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

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

Director



David Kirk

Director



Paul Wilson

Dated this 8th day of February 2023

**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**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Bailador Technology Investments Limited. As the lead audit partner for the review of the financial report of Bailador Technology Investments Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, 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 (NSW)

Hall Chadwick (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Sandeep Kumar

SANDEEP KUMAR
Partner
Date: 8 February 2023

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2022

	Note	Half Year Ended 31 December 2022	Half Year Ended 31 December 2021
		\$000	\$000
(Losses)/Gains on financial assets	2	(5,818)	65,214
Interest income		1,479	82
Accounting fees		(199)	(154)
ASX fees		(41)	(43)
Audit fees		(31)	(28)
Costs of sale of investments		(20)	(474)
Directors' fees		(112)	(104)
Insurance		(127)	(116)
Investor relations		(144)	(144)
Legal fees		(5)	(28)
Manager's fees		(2,292)	(2,034)
Manager's performance fees	7	-	(11,135)
Registry administration		(37)	(53)
Other expenses		(89)	(40)
(Loss)/profit before income tax		(7,436)	50,943
Income tax benefit/(expense)		2,230	(15,284)
(Loss)/profit for the period		(5,206)	35,659
Other comprehensive income		-	-
Total comprehensive income for the period		(5,206)	35,659
Earnings per share			
- basic earnings per share (cents)		(3.65)	25.33
- diluted earnings per share (cents)		(3.65)	25.33

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT
31 DECEMBER 2022

	Note	As at 31 December 2022 \$000	As at 30 June 2022 \$000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		115,138	143,784
Current marketable securities	3	60,879	68,001
Portfolio loans	3	1,500	-
Trade and other receivables		4,523	934
TOTAL CURRENT ASSETS		182,040	212,719
NON-CURRENT ASSETS			
Financial assets	3	66,400	60,051
Deferred tax assets		5,338	4,863
TOTAL NON-CURRENT ASSETS		71,738	64,914
TOTAL ASSETS		253,778	277,633
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		176	10,773
Income tax payable		30,391	30,391
TOTAL CURRENT LIABILITIES		30,567	41,164
NON-CURRENT LIABILITIES			
Deferred tax liabilities		10,022	11,783
TOTAL NON-CURRENT LIABILITIES		10,022	11,783
TOTAL LIABILITIES		40,589	52,947
NET ASSETS		213,189	224,686
EQUITY			
Issued capital	5	147,741	143,599
Retained earnings		65,448	81,087
TOTAL EQUITY		213,189	224,686

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED
31 DECEMBER 2022

	Note	Ordinary Share Capital \$000	Retained Earnings \$000	Total \$000
Balance at 1 July 2021		142,871	49,085	191,956
Comprehensive income				
Profit for the period		-	35,659	35,659
Total comprehensive income for the period		-	35,659	35,659
Transactions with owners, in their capacity as owners and other transfers				
Dividend paid	4	-	(1,967)	(1,967)
Shares issued under company DRP	5	728	-	728
Total transactions with owners, in their capacity as owners and other transfers		728	(1,967)	(1,239)
Balance at 31 December 2021		143,599	82,777	226,376
Balance at 1 July 2022		143,599	81,087	224,686
Comprehensive income				
Profit for the period		-	(5,206)	(5,206)
Total comprehensive income for the period		-	(5,206)	(5,206)
Transactions with owners, in their capacity as owners and other transfers				
Dividend paid	4	-	(10,433)	(10,433)
Shares issued under company DRP	5	4,142	-	4,142
Total transactions with owners, in their capacity as owners and other transfers		4,142	(10,433)	(6,291)
Balance at 31 December 2022		147,741	65,448	213,189

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED
31 DECEMBER 2022

	Half-year Ended 31 December 2022	Half-year Ended 31 December 2021
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(13,829)	(9,909)
Interest received	1,360	34
Net cash used in operating activities	<u>(12,469)</u>	<u>(9,875)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in financial assets at fair value through profit and loss	(5,000)	(31,500)
Loans to portfolio companies	(1,500)	-
Prepayment of investments yet to be finalised	(3,500)	-
Proceeds from disposal of financial assets at fair value through profit and loss (net of costs)	59	15,496
Interest received on investments	18	124
Fees earned on investment transactions	41	-
Net cash from (used in) investing activities	<u>(9,882)</u>	<u>(15,880)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(6,278)	(1,233)
Costs associated with DRP	(17)	-
Net cash provided by financing activities	<u>(6,295)</u>	<u>(1,233)</u>
Net decrease in cash held	(28,646)	(26,989)
Cash and cash equivalents at beginning of period	143,784	43,542
Cash and cash equivalents at end of period	<u>115,138</u>	<u>16,553</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

Note 1: Summary of Significant accounting policies

a. Basis of Preparation

These general purpose interim financial statements for interim reporting period ended 31 December 2022 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 30 June 2022 together with any public announcements made during the half-year.

These interim financial statements were authorised for issue on 8th February 2023.

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 and amended Accounting Standards and determined that 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 2022 to 31 December 2022. Comparatives shown are for the period from 1 July 2021 to 31 December 2021.

d. Investments

The Company has been classified under AASB 2013-5 as an Investment Entity whose business purpose is to invest funds solely for returns via capital appreciation and/or investment returns. As the Company has been classified as an Investment Entity, the investments have been accounted for at fair value through the profit or loss and shown as Financial Assets in the Statement of Financial Position.

Investments held at fair value through profit or loss are initially recognised at fair value. Transaction costs related to acquisitions are expensed to profit and loss immediately. Subsequent to initial recognition, all financial instruments held at fair value are accounted for at fair value, with changes to such values recognised in the profit or loss.

In determining year-end valuations, the board considers the annual valuation review by an independent valuation expert and the valuation report prepared by the Manager along with other materials deemed appropriate by the board in arriving at valuations. In determining half-yearly valuations, the board considers the valuation report prepared by the Manager along with other materials deemed appropriate by the board in arriving at valuations.

In determining valuations, whilst considering individual portfolio company valuations, the board determines the overall value of the investments and determines company revenue as the change in the total value of financial assets held at fair value through profit or loss. The board will, if relevant, give consideration to any commercial negotiations underway at the time of valuation and may maintain the value of an investment if a change in valuation would prejudice the interests of the company.

Investments are recognised on a trade date basis. The entity is exempt from consolidating underlying investees it controls in accordance with AASB 10 *Consolidated Financial Statements*.

Note 2: Profit For The Period

	Half Year Ended 31 December 2022	Half Year Ended 31 December 2021
	\$000	\$000
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
Fair value (losses)/gains on financial assets at fair value through profit or loss	(5,818)	65,214
(In 000s)		
Gains on marketable securities and financial assets were as follows:		
– SiteMinder decreased \$7,854		
– InstantScripts increases \$2,824		
– Access Telehealth increased \$3,000		
– Straker Translations increased \$733		
– Brosa decreased \$4,476		
– Write down on investment receivable due from Instaclustr \$100		
– Fees and interest relating to loan from Rezdy \$56		
Costs of realisation of financial assets	20	474

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

Note 3: Marketable Securities & Financial Assets

	As at 31 December 2022	As at 30 June 2022
	\$000	\$000
Current marketable securities		
SiteMinder	50,803	58,657
Straker Transactions	10,076	9,344
Total Current Marketable Securities	60,879	68,001
Current loans to portfolio companies		
Rezdy	1,500	-
Total current loans to portfolio companies	1,500	-
Financial Assets		
InstantScripts	24,431	16,607
Rezdy	12,808	12,808
Access Telehealth	12,500	9,500
Nosto	9,160	9,160
Mosh	7,500	7,500
Brosa	-	4,476
Total Financial Assets	66,400	60,051
Total Marketable Securities & Financial Assets	128,779	128,052

Note 4: Dividends

	Half Year Ended 31 December 2022	Half Year Ended 31 December 2021
	\$000	\$000
Special dividend of 1.4 cents per share fully franked at 25%	-	1,967
Special dividend of 3.7 cents per share fully franked at 30%	5,216	-
Final dividend of 3.7 cents per share fully franked at 30%	5,216	-

At 31 December 2022 the Company's franking account balance is \$1k. Bailador will pay sufficient tax in FY23 to ensure all dividends paid in FY23 are fully franked at a rate of 30%.

Note 5: Issued capital and share option reserve

Movements in share capital are set out below:

	No.	\$
Opening balance at 1 July 2021	140,412,595	142,871,259
Ordinary shares issued under Company dividend reinvestment plan	573,352	727,576
Closing balance at 31 December 2021	140,985,947	143,598,835
Opening balance at 1 July 2022	140,985,947	143,598,835
Ordinary shares issued under Company dividend reinvestment plan	2,885,048	4,142,639
Closing balance at 31 December 2022	143,870,995	147,741,474

Note 6: 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

Note 7: Fees to the Manager

Under the terms of the management agreement, a performance fee is payable to the Manager on certain conditions being met. The performance fee will be calculated as 17.5% of the NAV gain per annum plus GST, being the amount by which the portfolio NAV at the end of a financial year exceeds or is less than the portfolio NAV at the start of the financial year and where that gain exceeds a compound hurdle rate of 8%. Under the terms of the management agreement, the performance fee is only payable out of the cash proceeds on realisation of investments. The Company met the conditions for the performance fee hurdle in 2022 and paid \$10,625,330 to the Manager in August 2022. No performance fee has been accrued in FY23.

Note 8: Events After the End of the Interim Period

The Company completed a follow-on investment in Access Telehealth for \$3.1m at a valuation consistent with the carrying value recorded at 31 December 2022. The Company also loaned \$0.5m to Rezdy representing the second tranche of its loan facility. The loan was completed on the same terms as the previous loan executed in November 2022.

Other than the items above no matter or circumstance has arisen since the end of the period that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Note 9: 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

Note 9: Fair Value Measurement

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.

b. Financial Instruments

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

	31 December 2022		30 June 2022	
	Carrying Amount \$000	Fair Value \$000	Carrying Amount \$000	Fair Value \$000
Financial assets:				
Cash and cash equivalents	115,138	115,138	143,784	143,784
Current marketable securities	60,879	60,879	68,001	68,001
Loans to portfolio companies	1,500	1,500	-	-
Trade and other receivables	4,523	4,523	934	934
Financial assets	66,400	66,400	60,051	60,051
	248,440	248,440	272,770	272,770
Financial liabilities:				
Trade and other payables	176	176	10,773	10,773
	176	176	10,773	10,773

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

Description	Fair Value Measurements at 31 December 2022 Using:		
	Quoted Prices in Active Markets for Identical Assets \$000 (Level 1)	Significant Observable Inputs \$000 (Level 2)	Significant Unobservable Inputs \$000 (Level 3)
Recurring fair value measurements			
Current marketable securities	60,879	-	-
Loans to portfolio companies	-	1,500	-
Financial assets at fair value through profit or loss	-	57,240	9,160
	60,879	58,740	9,160

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

Note 9: Fair Value Measurement

Fair Value Measurements at 30 June 2022 Using:

Description	Quoted Prices in Active Markets for Identical Assets	Significant Observable Inputs Other than Level 1	Significant Unobservable Inputs
	(Level 1) \$000	(Level 2) \$000	(Level 3) \$000
Recurring fair value measurements			
Current marketable securities	68,001	-	-
Financial assets at fair value through profit or loss	-	36,915	23,136
	68,001	36,915	23,136

d. Valuation Techniques and Inputs Used to Determine Level 2 Fair Values

	Fair Value at 31 Dec 2022 \$000	Valuation Techniques	Inputs Used
InstantScripts	24,431	Price of third party transaction	Price of third party transaction
Rezdy	12,808	Price of third party transaction	Price of third party transaction
Access Telehealth	12,500	Price of third party transaction	Price of third party transaction
Mosh	7,500	Price of third party transaction	Price of 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 2022 \$000	Valuation Techniques	Significant Unobservable Inputs	Range of Unobservable Inputs
Nosto	9,160	Revenue multiple	Revenue multiple	4.1x – 5.1x

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 2022

Note 9: Fair Value Measurement

g Reconciliation of Recurring Fair Value Measurement Amounts (Level 3)	Financial Assets \$000
Opening balance at 1 July 2022	23,136
Transfers out of L3 to L2	(9,500)
Fair value losses on Level 3 assets	(4,476)
Closing balance at 31 December 2022	9,160

Note 10: Related Party Transactions

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

- a) Fees paid to the Manager:
 - 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 2022 to 31 December 2022 were \$2,292,322 of which \$55,910 was unclaimable GST the Manager remitted to the ATO.
 - \$10,625,330 paid to the Manager for the FY22 performance fee of which \$259,154 was unclaimable GST the Manager remitted to the ATO.
 - \$154,665 paid to the Manager for reimbursement of expenses.
- b) Directors' fees paid or accrued for the half-year to 31 December 2022 for Andrew Bullock were \$35,000.
- c) Directors fees paid or accrued for the half-year to 31 December 2022 for Jolanta Masojada were \$35,000.
- d) Directors fees paid or accrued for the half-year to 31 December 2022 for Brodie Arnhold were \$35,000
- e) GST paid on Directors' fees where the Company could not claim an input tax credit amounted to \$7,000.

David Kirk and Paul Wilson may receive directors' fees in relation to directorships of portfolio companies. Paul Wilson currently earns \$150,000 per year from SiteMinder. David Kirk is not receiving any portfolio director fees.

The Manager receives directors' fees of \$60,000 per year for James Johnstone's position on the Straker Translations board.

The Company received \$37,500 + GST from Rezdy as a commitment fee for the loan facility.

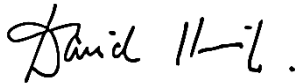
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DIRECTORS' DECLARATION

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 6 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 2022 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 8th day of February 2023

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
Australia

Ph: (612) 9263 2600
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Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Bailador Technology Investments Group Limited, which comprises the statement of financial position as at 31 December 2022, 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 to the financial statements including a summary of significant accounting policies, other explanatory information, and the directors' declaration.

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 does not comply 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 2022 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*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 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 for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 the Company's financial position as at 31 December 2022 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*.

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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

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.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



SANDEEP KUMAR

Partner

Dated: 8 February 2023