

## About Bailador

Bailador Technology Investments is a growth capital fund focused on the information technology sector, actively managed by an experienced team with demonstrated sector expertise.

Bailador provides exposure to a portfolio of information technology companies with global addressable markets. We invest in private technology companies at the expansion stage.

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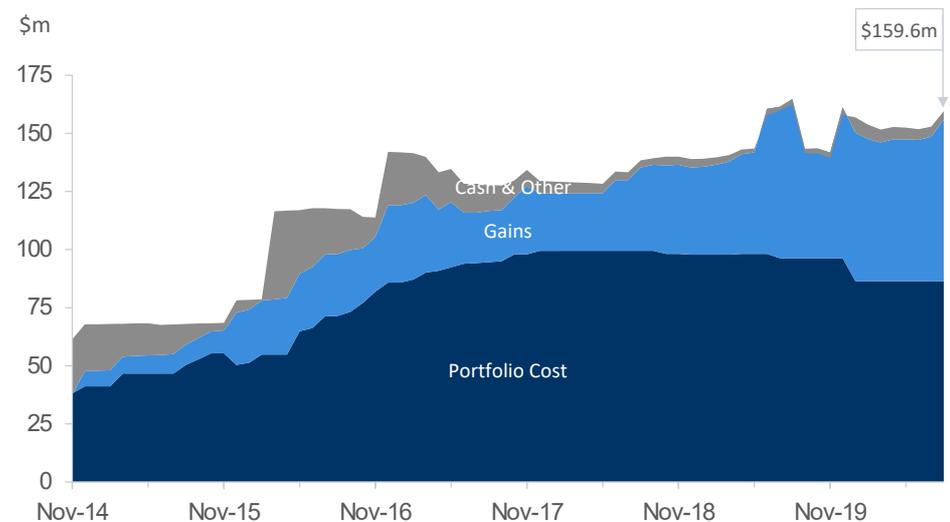
This report was authorised for release to the ASX by Helen Plesek, Company Secretary & Chief Financial Officer, on 7 September 2020.

# Bailador Technology Investments [ASX:BTI] Shareholder Update

## Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.30
NTA per share post-tax	\$1.19

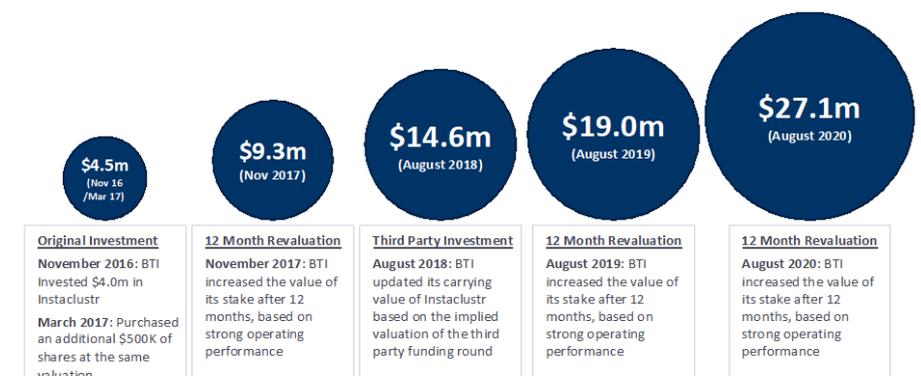
## Net Tangible Asset Breakdown Since Inception



## Founders' Commentary

### Instaclustr Revaluation

Bailador has revalued its investment in Instaclustr up by 42.2% (\$8.0m or 6.5c pre-tax NTA per share) as at 31st August to reflect its strong operating performance over the last 12 months. BTI's investment is now held at \$27.1m, representing 6.0x cost at an IRR of 61.2%. As it has been 12 months since our previous revaluation, Bailador has conducted a valuation review, in line with our consistently applied valuation methodology.

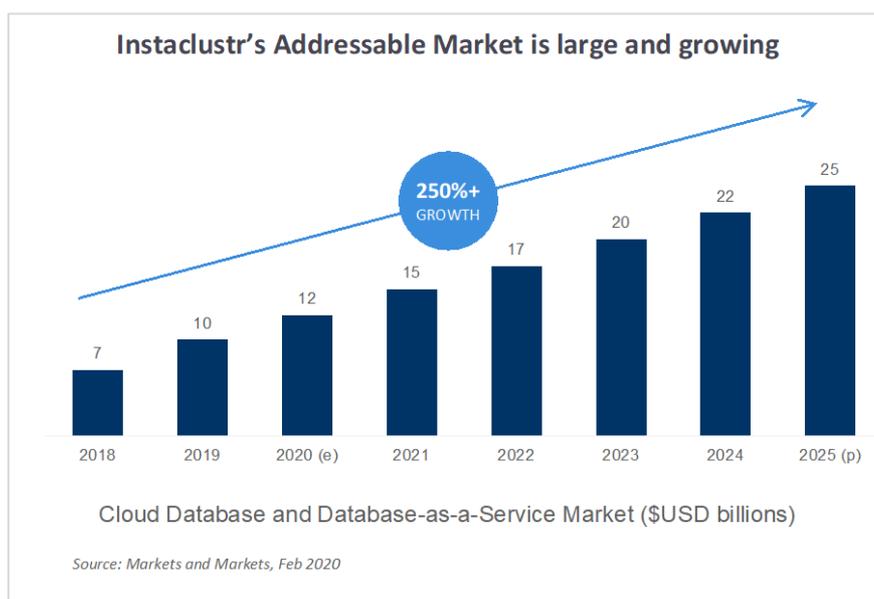


Instaclustr has been a standout performer in the portfolio in 2020. In August 2019 we revalued Instaclustr up by 30%, and Instaclustr has continued to grow rapidly since then, while also improving its strategic position.

Instaclustr had its best ever result for new sales in the June 2020 quarter. The company added a number of large enterprise clients and now has the ability to expand these accounts organically as part of their ‘land and expand’ model. The strong performance during an economic downturn demonstrates the powerful structural tailwinds driving the company.

These structural tailwinds include:

- The exponential growth in big data driving demand for technologies to process and store the data;
- Applications and databases moving to the Cloud;
- The increased adoption of open source technologies; and
- Companies outsourcing complex database operations.



Instaclustr has experienced strong growth over the last few years, and it expects that growth to continue in the future led by:

- A rapidly increasing Total Addressable Market;
- The addition of new technologies to their multi-tech platform;
- The expansion in usage by existing customers; and
- Continuous improvement in sales and marketing effectiveness.

Since BTI invested, Instaclustr has evolved from being a ‘Database-as-a-Service’ provider, focused on Apache Cassandra, to an ‘Open-Source-as-a-Service’ provider. Instaclustr’s Open-Source-as-a-Service platform now offers technologies such as Apache Kafka, Elastic Search, and Redis in addition to Apache Cassandra. More technologies will continue to be added as Instaclustr continues on its mission to deliver reliability at scale using open source technologies.

Instaclustr generates metrics that would put it in the top tier of ASX listed SaaS companies. The company has a subscription based recurring revenue model, high gross margins and a very large addressable market. They also have very high customer retention numbers and strong customer account expansions – this is where customers increase their spend over time as they use the service more. Over 90% of Instaclustr’s revenue is generated from outside Australia and the company’s customers include IBM, Atlassian, FedEx, Sephora, Sonos, Dream11, GoDaddy, Clear Capital and many more.

**David Kirk & Paul Wilson**  
Bailador Co-Founders

## Highlights

### Investment Focus

Bailador typically invests \$3-5m in businesses within the technology sector that are seeking growth stage investment.

Companies we invest in typically share the following characteristics:

- Run by the Founders
- Two to six years in operation
- Proven business model with attractive unit economics
- International revenue generation
- Huge market opportunity
- Ability to generate repeat revenue

Important verticals we seek to invest in within the technology sector include: SaaS and other subscription-based internet businesses, online marketplaces, software, eCommerce, high value data, online education, telecommunication applications and services.

#### Movement in NTA

Bailador's NTA per share (pre-tax) has increased 6 cents per share from \$1.24 per share to \$1.30 per share.

Key movements are as follows:

Increase in Instacluster (see above)	+6.5c per share
Decrease in ASX:STG share price to \$0.99 (\$1.09 last month)	-0.5c per share

#### SiteMinder **SiteMinder**

SiteMinder CEO [Sankar Narayan spoke to Joanna Todd, Head of Accommodations and Lodging at Amazon Web Services](#), about the disruption faced by travel and hospitality companies globally and how SiteMinder is adapting.

SiteMinder CPO Inga Katham has been named a [finalist in the product category of the B&T Women Leading Tech Awards](#). The honours celebrate women who have made a significant contribution to the tech industry and winners will be announced at a virtual awards ceremony in September.

#### **instacluster** **Instacluster**

Clear Capital CTO Larry Robinson spoke to EnterpriseTalk about how he successfully migrated his company from DataStax to [open source Apache Cassandra with Instacluster](#).

#### DocsCorp **DocsCorp**

DocsCorp has [launched cleanDocs Enterprise, the latest addition to its product suite](#). cleanDocs Enterprise uses Artificial Intelligence (AI) to ensure emails and attachments are not sent to the wrong person – the number one source of unintended data breaches. cleanDocs Enterprise is the only solution to provide both email recipient checking and metadata cleaning in a single Outlook add-in.

#### **Standard Media index** **SMI**

SMI announced it [will now publish details of product category spend for all major media owners](#) in what will be the market's first look into the media owner view of category ad spend, with the data pulled from media agency payment systems. The insights are valuable to advertisers looking for more detail on category spend for media businesses, including Google, Facebook, LinkedIn, Twitter and Snapchat.

#### **Rezdy**

[Rezdy has partnered with Groupon](#) to allow tour and activities providers to connect their Rezdy booking capabilities directly into the Groupon marketplace. Rezdy is the first partner to successfully integrate to Groupon Connect, giving its customers more control over their promotions.

#### **Straker Translations**

[Straker Translations held its AGM](#) online-only for the first time due to COVID restrictions. The presentation by CEO Grant Straker and a recording of the event is available [here](#).

**BROSA** Brosa

This month Brosa raised ~\$4m in a convertible note round. The new funding round, which was oversubscribed, will be used to further accelerate Brosa's growth plans. The company has recently benefited from the growing number of consumers shopping online. The company has also made considerable progress towards establishing itself as the leader in digital-first furniture shopping experiences, and is poised to take advantage of the accelerating structural shift towards e-commerce.

As the convertible note is priced at a discount to a future capital raising rather than at a fixed valuation, there is not a specific third-party valuation. Accordingly, Bailador will take the conservative approach of not changing the valuation of its investment in Brosa at this time.

**Stackla**  Stackla

Stackla has released a [case study on how it helped Kathmandu create a shoppable online lookbook](#) that increased page views on the Kathmandu ecommerce site by 32% and time spent on the site by 44%.

**BAILADOR**  Bailador

Bailador [released its FY20 results to the ASX](#). For those who missed the announcement, the Bailador portfolio had great momentum going into COVID and has performed strongly through it. Valuations remain conservative, with upside opportunity.

Bailador co-founder [David Kirk was interviewed by The Project New Zealand](#) about how the country has seen an influx of talent during the COVID-19 pandemic as Kiwis returned home.

Bailador co-founder [Paul Wilson was interviewed by Phil Carey of Inside Markets](#) in the first episode of a five-part video series covering technology investing in detail and Bailador's unique approach to expansion stage technology investing.

**Important Notice**

Bailador Investment Management Pty Ltd ACN 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. Any 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.

## BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review <sup>1</sup>
SiteMinder	82.5	1996%	▲	0.67	✓	December 2020
Instaclustr	27.1	501%	▲	0.22		August 2021
DocsCorp	10.9	119%	▲	0.09		June 2021
Lendi	10.7	112%	▲	0.09	✓	November 2020
SMI	9.6	30%	▲	0.08		June 2021
Straker Translations	6.3	46%	▲	0.05	✓	Mark to market each month end
Rezdy	5.7	60%	▲	0.05		June 2021
Brosa	3.0	0%	▶	0.02	✓	October 2020
Stackla	-	-100%	▼	-		September 2020
Viostream	-	-100%	▼	-		September 2020
Cash	3.7			0.03		
Other	0.1			0.00		
<b>Net Asset Value / Net Asset Value Per Share (Pre Tax)</b>	<b>159.6</b>			<b>1.30</b>		

Denotes change to valuation in current month

Denotes valuation review in next six months

<sup>1</sup> Next valuation review date refers to the date of the next formal valuation review. Valuation events can also occur in a shorter time frame where there is a third-party investment.

### Please Note

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.

## Portfolio Company Details



Name:	SiteMinder	Instaclustr	DocsCorp	Lendi	SMI
Type:	SaaS/B2B	DBaaS/B2B	SaaS/Document Productivity	Fintech	SaaS/Big Data
About:	World leader in hotel channel management and distribution solutions for online accommodation bookings	Open source data platform for cloud-based solutions that require immense scale	Global leader in the rapidly growing Document Productivity segment	Australia's #1 home loan provider disrupting the multi-billion-dollar mortgage industry	Big data aggregation and analysis platform with exclusive access to ad expenditure data
HQ:	Sydney	Canberra	Sydney	Sydney	New York
Staff:	500-750	100-250	100-250	250-500	1-50



Name:	Straker Translations	Rezdy	Brosa	Stackla	Viostream
Type:	Marketplace/Machine Learning	SaaS	Online Retail/B2C	SaaS/B2B/UGC	SaaS/Video
About:	Digital language translation services provider and one of the world's fastest growing translation companies	Leading, innovative and fast growing online channel manager and booking software platform for tours & activities	Tech-led, vertically integrated furniture brand and online retailer	Leading tech platform for brands to leverage User Generated Content (UGC) in their marketing strategy	Cloud-based end-to-end platform for the creation, management and distribution of video
HQ:	Auckland	Sydney	Melbourne	San Francisco	Sydney
Staff:	100-250	50-100	1-50	1-50	1-50