

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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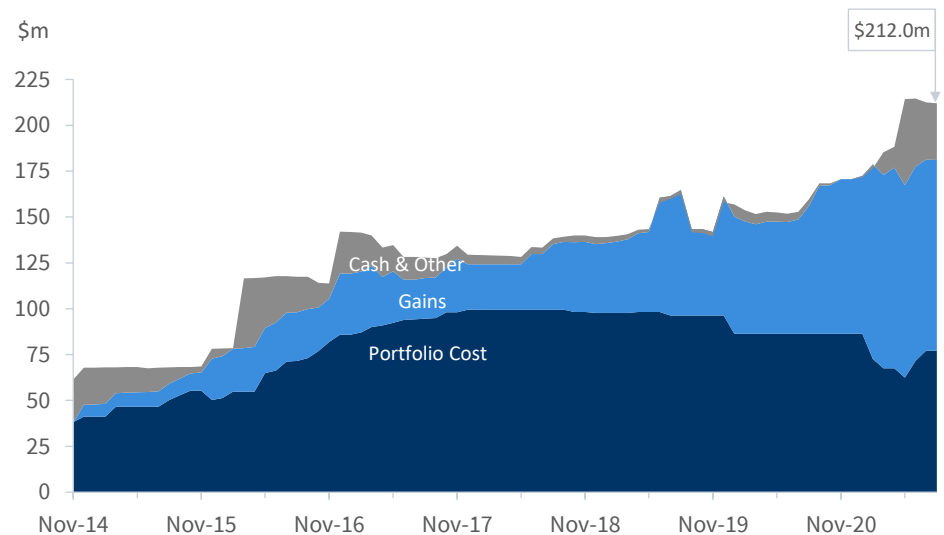
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This report was authorised for release to the ASX by Helen Plesek, Company Secretary & Chief Financial Officer, on 9 September 2021.

Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.51
NTA per share post-tax	\$1.35

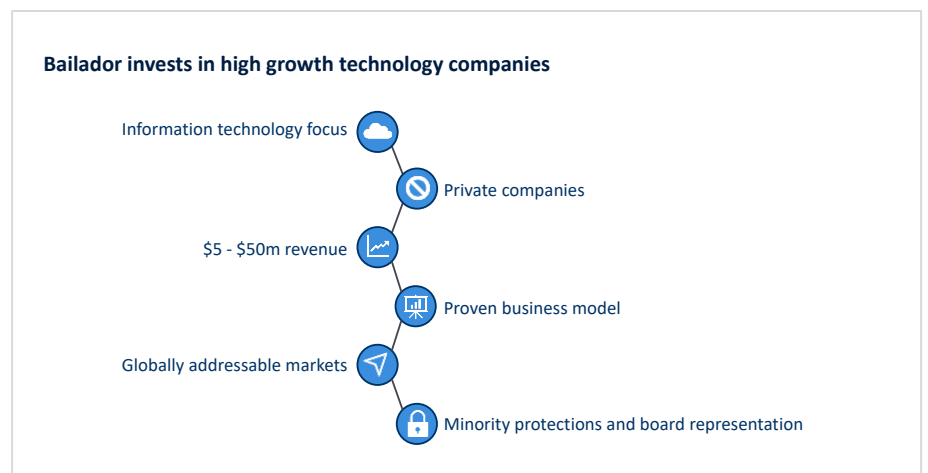
Net Tangible Asset Breakdown Since Inception



Founders' Commentary

Invest, return, rinse, repeat

So far this calendar year Bailador has successfully completed three full cash realisations and one new investment. We also announced our second fully franked dividend in August 2021. With a strong cash position and outlook for more profitable realisations and investments in FY22, we thought it would be an opportune time to take a closer look at our investment philosophy and key investment criteria.



The chart above outlines the types of businesses that we focus on. On the following page, we expand upon some of the characteristics we are looking for.

Strong founder-led management team: We look for businesses where the founders remain heavily involved and committed to growing the business. We often find that the best founders attract high quality executives around them. This nurtures a great culture within the business and results in high employee satisfaction, productivity and low turnover.

Product-led business: We look for businesses with a strong 'product market fit' evidenced by very high customer satisfaction levels, low churn and high net dollar retention rates. These products are effectively 'selling themselves' as demonstrated by a high proportion of customer leads generated through 'word of mouth'. Businesses with established product market fit can really accelerate their growth when investment is then made in marketing and sales resource.

Proven business model: A business that has shown it can produce attractive profitability metrics on a repeatable basis. We have a higher conviction investing in businesses with a proven model of profitability.

Highly scalable business with attractive unit economics: Contributors to attractive unit economics include high gross margins, low customer acquisition cost, strong customer retention, and high lifetime customer value vs acquisition cost. Businesses that can scale without heavy capital investment and maintain strong unit economics are attractive investment candidates. We find that businesses with a Software-as-a-Service or marketplace business model often demonstrate these characteristics, together with predictable recurring revenue.

Huge Target Addressable Market: We focus on businesses that can demonstrate a massive market opportunity which is typically global in reach. However, there are some domestic Australian/New Zealand markets that are massive in their own right.

Compelling growth strategy: We seek businesses which have been demonstrating consistent growth, have a clear pathway to continue that growth, and are seeking capital to accelerate. Many businesses we meet already have a long-term growth plan in place, which is an excellent tool for gaining alignment with stakeholders and ensuring the business applies its capital and resources in an effective manner.

BTI value add: We have established a track record of helping our portfolio companies grow successfully, particularly into offshore markets. With a relatively concentrated portfolio, and an experienced team, we continue to feel that this is a differentiating factor in why founders choose to partner with Bailador on their growth journey.

We are off to a terrific start to FY22, having invested \$5.5m in InstantScripts in July. We expect to make further new investments in FY22, as well as potentially follow-on investments in some of our existing successful portfolio companies.

Our pipeline of investment opportunities is currently extraordinarily strong. In many cases, valuations are also quite high compared to what we have historically seen. We remain diligent in our approach to unearth high quality companies that can grow to be very large, and where we can get access for our investors at a reasonable valuation.

David Kirk & Paul Wilson
Bailador Co-Founders

Highlights

Investment Focus

Bailador typically invests \$5 million or more 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, e-commerce, high value data, online education, telecommunication applications and services.

Movement in NTA

BTI's NTA per share (pre-tax) at close of August 2021 was unchanged at \$1.51.

The FY21 performance fee was paid to the Manager during the month. The performance fee was fully provided so payment has had no impact on NTA per share.

BTI announced a 1.4c per share dividend in August. The dividend was paid on 8 September and will be reflected in the September NTA statement. The Bailador DRP applied to the dividend and 37% of shareholders elected to participate in the DRP.



SiteMinder

Mike Rogers, SiteMinder Co-Founder, [spoke to Amazon Web Services](#) about what keeps him motivated after nearly 15 years in tech.

Instaclustr

Instaclustr has been [placed #33 in the CRN 2021 Fast Growth 150 list](#). The awards recognise the fastest-growing North American technology integrators, solution providers and IT consultants for their significant growth and meaningful performance over the previous two years.

Pete Lilley, Instaclustr Co-Founder and CEO, was [interviewed for the Amazon Web Services Community Chats video series](#). He spoke about Instaclustr's global success and significant growth over the past year.

Pete also [wrote for IT Wire on open source technologies](#), and [spoke to Canberra Business News](#) for a profile on Instaclustr.



Straker Translations

Straker's AGM was held virtually on 25th August due to COVID restrictions in Auckland. [Click here](#) to read CEO Grant Straker's presentation, and [here](#) to read Chair Phil Norman's address.



Standard Media Index

SMI's data shows the Australian media agency market has continued its remarkable recovery from the COVID trauma of the previous year with ad spend soaring 41.8% in July and SMI's Forward Pacings data showing August ad spend (excluding Digital) already up 15%.



Nosto

Nosto has [released new dashboards and analytics](#) to allow customers to take control of growth and make better strategic decisions.



Rezdy

Chris Atkin, Rezdy CEO, took part in a panel discussion on the future of res tech and distribution for travel operators in the APAC region.



InstantScripts

InstantScripts has launched [HIVPrevent.com.au](#), a new service providing private and simplified access to Pre-Exposure Prophylaxis (PrEP), a medicine people at risk for HIV take to prevent infection. Those wanting access to the medication can sign up online where they will need to complete a short digital consultation and, if successful, a pathology test reviewing their medical eligibility. If eligible, the order is then approved by a doctor, and the PrEP is dispatched – with requesting repeats a simple process.

BROSA Brosa

Anna Stockley Davidson, COO at Brosa, [shared her insights into retaining top talent with Marie Claire magazine](#). She said Brosa's team is made up of 70% women, and 85% of staff are aged under 40. The company has recently introduced 16-weeks paid leave to all new parents as one incentive to retain talented employees.

 **BAILADOR** Bailador

Paul Wilson, Bailador Co-Founder and Managing Partner, and Dr Asher Freilich, Founder and CEO of InstantScripts, [spoke to Stockhead about the future of digital health and telehealth](#).

Bailador [released its FY21 results to the market](#) on 17th August, [click here](#) to view the presentation. Following the announcement, David Kirk, Bailador Co-Founder and Managing Partner, [spoke to AFR journalist Tom Richardson](#), and Paul was [interviewed by Ausbiz TV](#).

Paul will be presenting at the ASX Small & Mid-Cap Conference on Wednesday 15th September at 2.30pm. [Click here](#) to register to watch his presentation.

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 ¹
SiteMinder	82.5	1996%	▲	0.59	✓	December 2021
Instaclustr	44.3	430%	▲	0.32		March 2022
Straker Translations	16.0	67%	▲	0.11	✓	Mark to market each month end
Standard Media Index	12.1	63%	▲	0.09		June 2022
Nosto	11.5	3%	▲	0.08	✓	May 2022
Rezdy	6.4	79%	▲	0.05		June 2022
Instant Scripts	5.5	0%	▶	0.04	✓	July 2022
Brosa	3.0	0%	▶	0.02	✓	October 2021
Cash	28.9			0.20		
Other	2.0			0.01		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	212.0			1.51		

Denotes change to valuation in current month

Denotes valuation review in next six months

¹ 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 3rd October 2014 and available on the ASX website.

Portfolio Company Details



Name:	SiteMinder	Instaclustr	Straker Translations	SMI
Type:	SaaS/B2B	DBaaS/B2B	Marketplace/Machine Learning	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	Digital language translation services provider and one of the world's fastest growing translation companies	Big data aggregation and analysis platform with exclusive access to ad expenditure data
HQ:	Sydney	Canberra	Auckland	New York
Staff:	500-750	100-250	100-250	1-50



Name:	Nosto	Rezdy	InstantScripts	Brosa
Type:	SaaS/B2B	SaaS	Digital Health/B2C	Online Retail/B2C
About:	Leading AI-powered e-commerce personalisation platform	Leading, innovative and fast growing online channel manager and booking software platform for tours & activities	Digital platform enabling convenient access to high quality doctor care and routine prescription medication	Tech-led, vertically integrated furniture brand and online retailer
HQ:	Helsinki	Sydney	Melbourne	Melbourne
Staff:	100-250	50-100	1-50	1-50