

# Bailador Technology Investments [ASX:BTI] Shareholder Update

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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## Recent Results

- 📄 [FY24 Results Presentation](#)
- 📄 [Annual Report 2024](#)
- 📄 [HY24 Results Presentation](#)

This report was authorised for release to the ASX by Helen Foley, Company Secretary and Chief Financial Officer, on 6 September 2024.

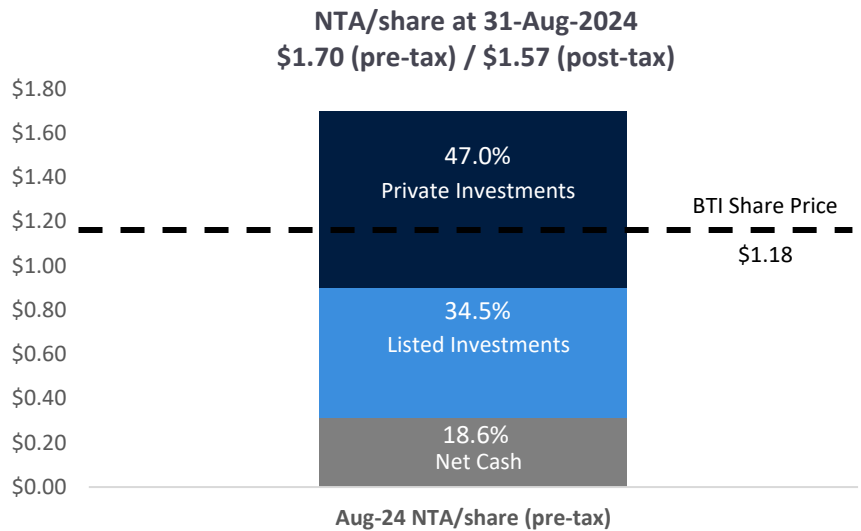
### Notes

<sup>1</sup>Portfolio return post-tax calculated as the compound annual growth in NTA per share (post-tax) after all fees, plus dividends paid.

<sup>2</sup>Shareholder return calculated as the compound annual growth in BTI share price plus dividends paid.

<sup>3</sup>Cash dividend grossed up for franking credits and annualised. Based on share price at close prior to dividend declared.

## Net Tangible Asset Snapshot



## Fund Performance

Annual returns to 31 August 2024	1-Year	2-Year	5-Year
Net Portfolio Return post fees and tax (pa) <sup>1</sup>	-0.8%	4.5%	8.1%
Shareholder Return (pa) <sup>2</sup>	-0.7%	-8.6%	7.6%

Dividends	Aug-24	Feb-24	Aug-23
Dividends paid (cps)	3.4c	3.5c	3.2c
Dividend yield (annualised grossed-up) <sup>3</sup>	7.8%	7.0%	6.7%

Notes: Refer left margin.

## Founders' Commentary

### New investment in Hapana – Software platform for fitness and wellness sector

As announced in our [ASX release on Monday 12 August](#), Bailador has invested \$7.7m in high-growth fitness studio management platform Hapana. In this month's commentary we lay out some of the thinking behind our investment in Hapana.

Hapana is an end-to-end software platform focused on the fitness and wellness sector. The software is used by gyms and boutique fitness studios to manage classes, client memberships and billings, marketing, digital content, and monitor business performance in real-time.

Hapana delivers these features via a powerful mobile app that allows gyms and boutique fitness studios to better engage and communicate with their members. By providing its customers with a holistic technology solution, Hapana allows them to focus on what they do best, helping their clients achieve their fitness goals.

Founded in 2014, Hapana was initially launched in Australia. The company has grown to employ more than 80 staff members globally and has expanded across the APAC region and into the US.

## Investment Focus

Bailador typically invests \$5 - 20 million 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.

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### Hapana investment thesis

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Hapana is a high-quality business with many of the positive qualities we look for in a new investment:

#### High-quality founder and a strong executive team with industry experience

- Hapana is led by Founder and Chief Executive Officer (CEO), Jarron Aizen, who is executing on a plan to better serve gyms and boutique fitness studios that have been poorly served by large incumbents.
- Jarron has recruited an experienced executive team around him with strong sector expertise across both the fitness software and payments industries.

#### Large addressable market

- Hapana operates in the large and fast-growing fitness software market which has over 200,000 gyms, health clubs, and boutique fitness studios worldwide.
- Hapana already serves clients across 17 countries, demonstrating the global nature of the addressable market.

#### Well-established product market fit

- Hapana has attracted a roster of high-quality customers, including Body Fit Training (BFT), KX Pilates, Strong Pilates, Gold's Gym, and F45.
- Over a million fitness club members engage with the Hapana platform as part of their studio membership.

#### Compelling value proposition for customers

- Hapana's technology manages memberships, payments, retention and loyalty for its customers, providing them with the rich data features they need to facilitate expansion.
- The product can operate as a white label solution, allowing its customers to keep their fitness brand front and centre when engaging with their members.

#### Strong historical revenue growth and future growth potential

- Over half a billion dollars in payments were processed annually through the Hapana platform last financial year, helping the business achieve exceptional year on year growth in its revenue.
- Hapana still has a long growth runway ahead, both domestically and in international markets.

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### Use of funds

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The new funding will be used by Hapana to:

#### Expand the company's global footprint, further cementing its leadership position in APAC and growing its reach in the US

- The funds will enable the company to expand its go-to-market plans in the US and across the APAC region, facilitating the signing of more franchises and independent gyms.

#### Invest in product development and fuel the launch of its second-generation platform

- Hapana will modernise and streamline the user experience and importantly, add functionality for large franchise fitness brands. This will provide customers with greater visibility and control over their network.

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### Board representation

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Bailador Co-Founder and Managing Partner Paul Wilson will join the Hapana board as part of Bailador's investment. Investment Director Michael Hayes will join as Board Observer.

**OIF co-investment**

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Bailador has invested alongside OIF Ventures who are investing \$9.6m in Hapana, combining to complete a \$17.3m investment round.

Bailador and OIF Ventures previously invested together in Instacluster, a very successful investment from which Bailador realised \$118.4m cash on a \$8.4m investment, representing 14.2x multiple on invested capital and 80% IRR.

**Recent capital deployment**

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The investment in Hapana is Bailador's third new investment in recent months following investments of \$20m in Updoc in May, and \$20m in DASH in June.

Having been very selective with new investments and holding higher than usual levels of cash for some time, we're excited to be welcoming three new high-quality investments which further strengthen the Bailador portfolio.

**David Kirk & Paul Wilson**

Bailador Co-Founders

## Highlights

**Movement in NTA** BTI's NTA per share (pre-tax) at close of August 2024 was \$1.70 (July 2024 \$1.77). Key movements in NTA are noted below.

### Movement in NTA per share (pre-tax) August 2024

Decrease in SiteMinder (ASX:SDR) share price to \$4.90 (July 2024 \$5.60)	-8.0c per share
Decrease in Straker (ASX:STG) share price to \$0.415 (July 2024 \$0.43)	-0.1c per share
Operating expenses and interest	1.1c per share


 SiteMinder [released its FY24 results](#) to the ASX. Highlights include:

- Total revenue increased 26% to \$191m;
- Annualised recurring revenue (ARR) increased 21% to \$209m;
- Underlying EBITDA turned positive, improving from (\$21.9)m to \$0.9m; and
- LTV/CAC improved from 4.1x to 5.4x


Click here to read the [FY24 Investor Presentation](#).

SiteMinder also released its [Annual Report for 2024](#).


Dionne Woo, Chief People Officer at SiteMinder, [spoke to IT Brief about the work-life balance](#) as the Australian Right to Disconnect bill comes into effect.

 Andrew Whelan, CEO at DASH, [spoke to IFA Magazine](#) about how technology helps advisors service more clients and reduces the cost of advice.

Andrew also [spoke to Ausbiz](#) about the rise of scams and cybercrime as younger Australians seek financial advice on social media platforms.

 Rosterfy [announced a new strategic partnership with Acuere Technology](#), incorporating Acuere's product management and CRM solutions expertise to deliver a tailored volunteer management solution for organisations across Australia and New Zealand.

 As discussed in this month's Founders' Commentary, Hapana raised \$17 million from Bailador and OIF Ventures to expand its global presence and deliver product enhancements for its gym and fitness studio customers. The investment was covered by [Startup Daily](#), [Business News Australia](#), [SmartCompany](#) and [Digital Nation](#).

 Straker CEO Grant Straker joined other NZ-based tech leaders at the Morgo 2024 conference, giving insights into the benefits of AI software on translation services.

Grant presented at the Generative AI conference in Sydney. [Click here](#) to view his presentation.

Straker held its AGM this month. [Click here](#) to view the Chair and CEO addresses and presentation.



Bailador [announced after-tax portfolio return of 9.2% for FY24 and declared a fully-franked dividend of 3.4c per share](#), delivering another solid year for Bailador shareholders.

Bailador's FY2024 final dividend announced on 14 August 2024 was paid to shareholders on 5 September 2024.

Bailador's [latest column with Stockhead](#) looks at our FY24 results.

[Bailador's Annual General Meeting](#) will be held on Thursday 17 October 2024.

**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 of future performance.

## BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	NTA per share (\$)	Third Party Event Valuation	Next Valuation Review <sup>1</sup>
SiteMinder	81.9	0.56	✓	Mark to market each month end
RC TopCo	25.8	0.18	✓	May 2025
Access Telehealth	24.0	0.16		December 2024
Updoc	20.0	0.14	✓	May 2025
DASH	15.0	0.10	✓	June 2025
Rosterfy	12.4	0.08		April 2025
Hapana	7.7	0.05	✓	August 2025
Mosh	7.5	0.05	✓	December 2024
Nosto	4.2	0.03		June 2025
Straker	3.8	0.03	✓	Mark to market each month end
Cash	44.7	0.31		
Other <sup>2</sup>	1.6	0.01		
<b>Net Asset Value / Net Asset Value Per Share (Pre Tax)</b>	<b>248.6</b>	<b>1.70</b>		

Denotes change to valuation in current month

Denotes valuation review in next six months

Notes: <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 or a valuation change material to BTI. <sup>2</sup>Includes provision for performance fee.

**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	RC TopCo	Access Telehealth	Updoc	DASH
Type:	SaaS/B2B	SaaS	Digital Healthcare/B2C	Digital Healthcare/ Marketplace/B2C	SaaS/B2B
About:	World leader in hotel channel management and distribution solutions for online accommodation bookings	Leading, innovative and fast-growing online channel manager and booking software platform for tours & activities	Specialist telehealth platform connecting Australian communities to high-quality healthcare	Digital healthcare platform connecting consumers who need medical services with registered health practitioners via a telehealth offering	Financial advice and investment management software platform used by independent financial advisors and financial institutions
HQ:	Sydney	Vancouver	Melbourne	Sydney	Sydney
Staff:	750-1000	250-500	100-250	1-50	50-100



Name:	Rosterfy	Hapana	Mosh	Nosto	Straker
Type:	SaaS/B2B	SaaS/B2B	Digital Healthcare/B2C	SaaS/B2B	Marketplace/Machine Learning
About:	Volunteer management software platform that connects communities to events and causes they are passionate about	End-to-end software platform focused on the fitness and wellness sector	Digital healthcare brand making men's health and wellness easily accessible via subscription treatment plans	Leading AI-powered e-commerce personalisation platform	Digital language translation services provider and one of the world's fastest growing translation companies
HQ:	Melbourne	Sydney	Sydney	Helsinki	Auckland
Staff:	1-50	50-100	1-50	100-250	100-250