

## 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 13 January 2021.

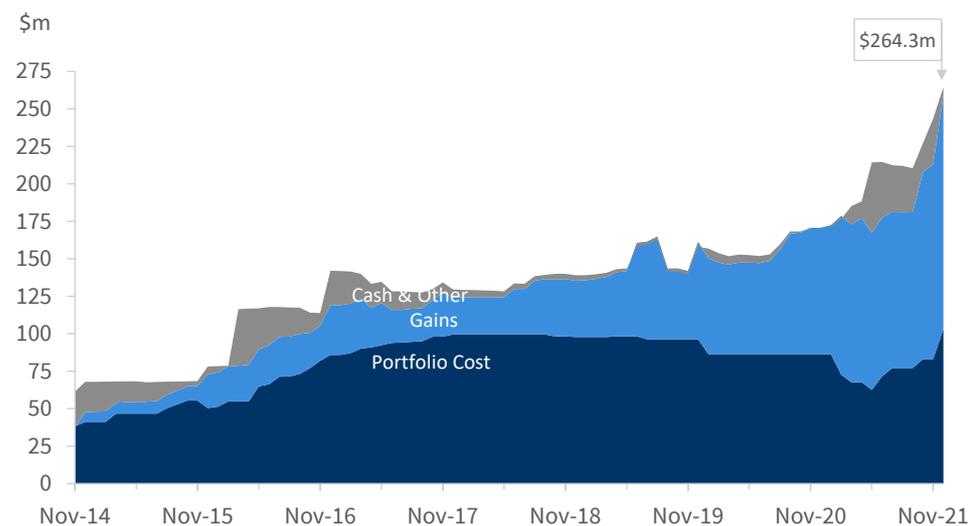
December 2021

# Bailador Technology Investments [ASX:BTI] Shareholder Update

## Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.87
NTA per share post-tax	\$1.61

## Net Tangible Asset Breakdown Since Inception



## Founders' Commentary

### A strong finish to an extraordinarily eventful year

It was yet another busy and highly productive end to the calendar year for the Bailador team. In December 2021 we achieved the following:

1. **Increased our valuation of Instaclustr by \$19.1m (+43%)**, in line with the valuation set by convertible notes issued as part of a third party transaction earlier in the year.
2. **Invested \$12.5m into Access Telehealth**, a specialist telehealth platform that combines technology and a community of bulk-billing doctors to better connect regional communities, aged care residents and National Disability Insurance Scheme (NDIS) participants to high-quality healthcare.
3. **Invested \$7.5m into Mosh**, a high-growth digital healthcare brand offering treatment plans for hair loss, sexual health, skin care and mental health. Mosh is growing rapidly with over 30,000 active subscribers and a strong brand in the fast-growing men's digital healthcare market.

We are very pleased to have over \$25m now invested in the fast-growing digital healthcare space. Our three investments provide a highly complementary exposure to a sector in which we foresee very strong growth. We will provide more detail in future announcements including our upcoming Half Year results in February.

### 2021 Year in Review

As we sit down to write this year's year-end review, our first thought is: where to begin? Calendar year 2021 has been an extraordinarily eventful year. A year in

which we have pretty much done it all. We have had four realisations – three full and one partial – we have raised new money, we have made two new investments in current portfolio companies, and we have added three new companies to the Bailador portfolio. In between we have merged a portfolio company with a larger global business and assisted our largest investment, SiteMinder, to list on the ASX.

The only answer to the question is of course, begin at the beginning. Here we go.

In January we sold the very first investment we made in the fund, Viostream. We are not proud of the return we got on the investment, but we are proud of our tenacity in staying the course to find a good home for the business and in maintaining continuity of service and employment for customers and staff respectively. The rest we can chalk up to experience.

In February we announced the sale of 100% of DocsCorp to Litera, a private equity backed company in the same industry as DocsCorp. We achieved a 30% IRR and 3.4x cash-on-cash return on our investment. We took the opportunity in the [March NTA Statement](#) to provide a case study of our DocsCorp investment, focussing on the improvement we had helped management deliver in three key drivers of value: a 98% increase in annual recurring revenue, a 17% increase in gross margin and, as a result, a 114% increase in exit vs entry valuation multiple.

In March, Instaclustr was revalued outside the normal 12-month cycle in the absence of a third-party transaction. Instaclustr's rapid growth and scale in the portfolio, a successful acquisition and a comparable company transaction required us to mark up our investment.

In April we raised \$24m in new cash for new investments and very soon after we put the money to work. In June we invested additional capital into Instaclustr along with other current shareholders and in July we added a new investment to the portfolio. But before we get to that, in May we helped Straker Translations raise \$25m and we led the process to complete a merger of Stackla with Nosto, a larger player in the e-commerce personalisation industry.

Also in May we announced the full cash realisation of our investment in Lendi as Lendi completed its merger with Aussie Home Loans. We happily recorded a 21% IRR and 2.4x cash-on-cash return on our investment.

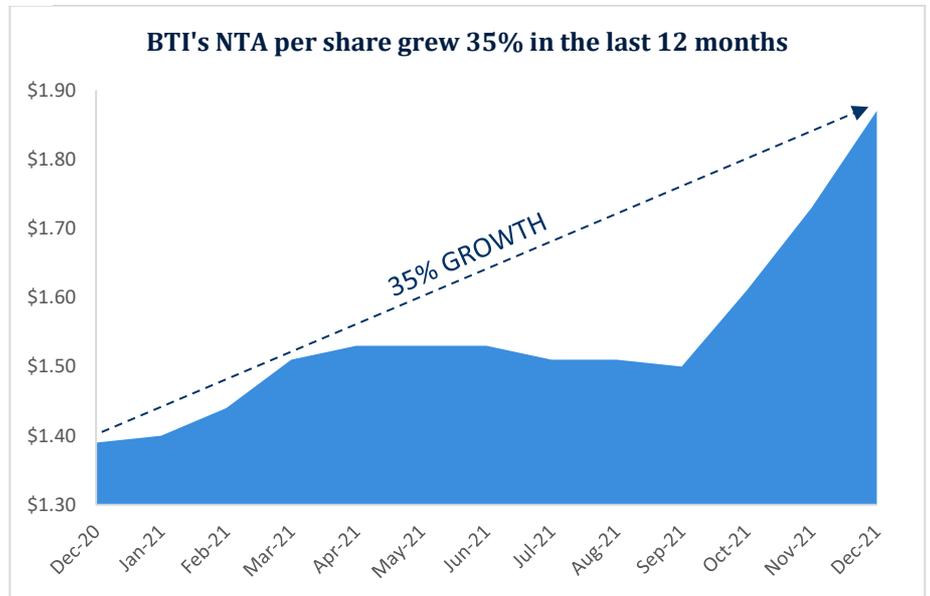
In July, we added an investment in InstantScripts to the portfolio. InstantScripts provides patients with a convenient platform through which to access doctor-approved routine medication in minutes. InstantScripts is an established business with more than \$10m of revenue and it is growing phenomenally fast. We were delighted to gain an exposure to the fast-growing digital healthcare sector and, as you can read later in this NTA Statement, we made two more investments in digital healthcare late in December.

In August we paid our second fully franked special dividend to shareholders and in November we invested additional money into Rezdy, alongside other current investors, as a result of which the value of our investment in Rezdy increased by 38%.

Also in November, our largest investment, SiteMinder, completed a very successful listing on the ASX.

Finally in December we completed the investments in Access Telehealth and Mosh as mentioned above.

2021 has been a very busy and a very satisfying year for the Bailador team and for investors. We have demonstrated our capacity to deliver strong gains when realising investments, to support and invest in the strong growth of our continuing holds and to add new investments to the portfolio.



We remain committed to a portfolio of around 10-12 investments and will continue to be patient in waiting for the right opportunities, rigorous in assessing potential investments and “all-in” helping founders and their businesses thrive when we have made investments.

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

### **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.

## 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 December 2021 was \$1.87 (November 2021 \$1.73). Key movements in NTA per share during December were:

Increase in valuation of Instaclub	13.6c per share
Increase SiteMinder (ASX:SDR) share price to \$6.76 (November \$6.32)	5.2c per share
Operating expenses	-4.8c per share

Operating expenses include provision for performance fee not yet payable, with any payment of performance fee dependent on the Company completing FY2022 in excess of the 8% compound hurdle rate.

#### SiteMinder

David Kirk, Bailador Co-Founder and Managing Partner, [spoke to The Australian's Ticky Fullerton](#) following SiteMinder's ASX launch.

#### Instaclub

Instaclub announced [support for a hosted version of Cadence](#), an open source platform developed by Uber. Instaclub is also developing a fully managed Cadence solution, which will be available as part of the Instaclub SaaS Platform.

Instaclub added [general availability for PostgreSQL](#) to its platform. PostgreSQL joins other fully open source solutions – including Apache Cassandra, Redis, Apache Kafka, and Open Search – as part of a complete ecosystem for Instaclub customers' data infrastructure needs.

Instaclub [appointed Sharan Foga as Director of Community and Developer Relations](#) to support and encourage new participation and growth across the open source communities Instaclub is active in. Sharan has more than 30 years of technology industry experience and is a member of the Apache Software Foundation Board.

#### Straker Translations

As announced in Bailador's [ASX release on Tuesday 4th January](#), Straker acquired Belgium-based translation provider, IDEST, which specialises in serving international institutions such as the United Nations and European Commission. In the last 12 months the company generated approximately NZ\$6.6m of revenue at a 10% EBITDA margin.

#### Access Telehealth

In December Bailador invested \$12.5m in Access Telehealth. Access Telehealth is a specialist telehealth platform that combines technology and a community of bulk-billing doctors to better connect regional communities, aged care residents and National Disability Insurance Scheme (NDIS) participants to high-quality healthcare. The business was founded by – and enjoys strong support from – the medical community with over 200 medical specialists delivering over 5,000 consultations per month on the Access Telehealth platform.

#### Standard Media Index

SMI welcomed new customer Hearst, a leading media, information and services company based in New York. The global brand will use SMI's newly launched Pricing Intelligence Suite, which uses invoice

and planning data covering over 80% of US ad spend across all media and marketing channels.



#### **Nosto**

Nosto [acquired SearchNode](#), a leading ecommerce search company based in Lithuania with more than 100 customers worldwide. Nosto plans to integrate the SearchNode technology into its platform, enabling retailers to provide the most relevant search results and personalised experiences across the entire shopping journey – all within its unified, easy-to-use platform. SearchNode staff will join the Nosto team with the Lithuania office becoming a new Nosto hub.



#### **InstantScripts**

InstantScripts [achieved the number one spot in SmartCompany's Smart50 awards](#), which ranks Australia's fastest growing companies. The company was praised for its huge revenue growth as demand for remote healthcare ramped up during the COVID-19 pandemic – it recorded revenues of \$7.5m in FY21, up 1,441% since FY19.



#### **Mosh**

As announced in Bailador's [ASX release on Thursday 23rd December](#), Bailador has invested \$7.5m in Mosh. Mosh is a high-growth digital healthcare brand offering treatment plans for hair loss, sexual health, skin care and mental health. Mosh is growing rapidly with over 30,000 active subscribers and has developed a strong brand in the fast-growing men's digital healthcare market.

## BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review <sup>1</sup>
SiteMinder	113.0	660%	▲	0.80	✓	Mark to market each month end
Instaclustr	63.4	659%	▲	0.45	✓	December 2022
Straker Translations	14.2	36%	▲	0.10	✓	Mark to market each month end
Rezdy	12.8	69%	▲	0.09	✓	October 2022
Access Telehealth	12.5	0%	▶	0.09	✓	December 2022
Standard Media Index	12.1	63%	▲	0.09		June 2022
Nosto	11.5	3%	▲	0.08	✓	May 2022
Instant Scripts	7.8	4%	▲	0.06	✓	October 2022
Mosh	7.5	0%	▶	0.05	✓	December 2022
Brosa	4.5	49%	▲	0.03		October 2022
Cash	16.6			0.12		
Other <sup>2</sup>	-11.6			-0.09		
<b>Net Asset Value / Net Asset Value Per Share (Pre Tax)</b>	<b>264.3</b>			<b>1.87</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 or a valuation change material to BTI.

<sup>2</sup> Includes provision for performance fee not yet payable, with any payment of performance fee dependent on the Company completing FY2022 in excess of the 8% compound hurdle rate.

### 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	Straker Translations	Rezdy	Access Telehealth
Type:	SaaS/B2B	DBaaS/B2B	Marketplace/Machine Learning	SaaS	Digital Healthcare/B2C
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	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
HQ:	Sydney	Canberra	Auckland	Sydney	Melbourne
Staff:	750-1000	100-250	100-250	100-250	50-100



Name:	SMI	Nosto	InstantScripts	Mosh	Brosa
Type:	SaaS/Big Data	SaaS/B2B	Digital Healthcare/B2C	Digital Healthcare/B2C	Online Retail/B2C
About:	Big data aggregation and analysis platform with exclusive access to ad expenditure data	Leading AI-powered e-commerce personalisation platform	Digital platform enabling convenient access to high quality doctor care and routine prescription medication	Digital healthcare brand making men's health and wellness easily accessible via subscription treatment plans	Tech-led, vertically integrated furniture brand and online retailer
HQ:	New York	Helsinki	Melbourne	Sydney	Melbourne
Staff:	1-50	100-250	1-50	1-50	50-100