

## 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 10 February 2022.

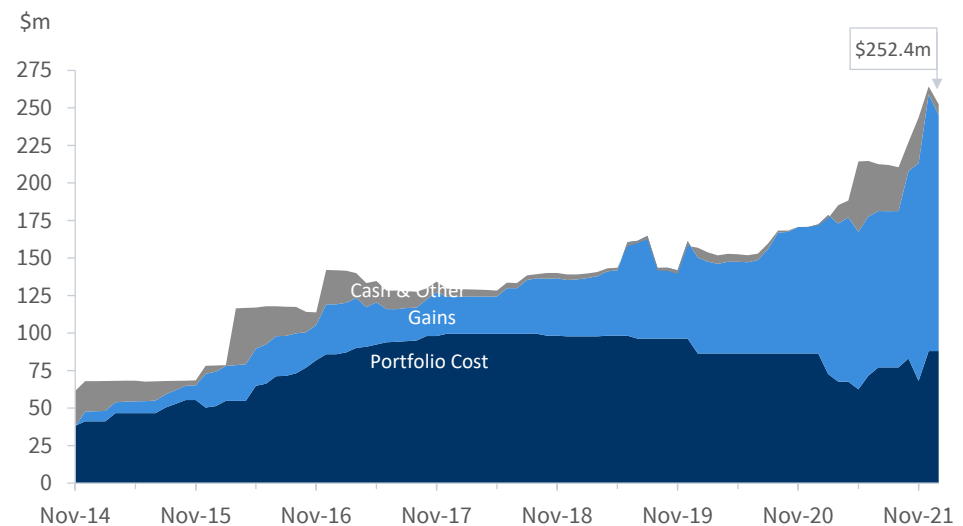
January 2022

# Bailador Technology Investments [ASX:BTI] Shareholder Update

## Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.79
NTA per share post-tax	\$1.55

## Net Tangible Asset Breakdown Since Inception



## Founders' Commentary

### The enormous opportunity in HealthTech

Healthcare is a massive market, and it's being reshaped by technology advancement more than most. Covid lockdowns forced consumers and doctors alike to adapt to digital consultations, scripting, and services. The big news is that health outcomes proved to be very strong, so digital health is not only here to stay, but is thriving. A huge industry at the early stages of being reshaped is just the sort of investment landscape that Bailador looks for.

Bailador has made three new investments in the HealthTech space, which is the subject of our Founders Commentary this month.

### Bottom-up driven exposure to HealthTech

As shareholders will know, when Bailador deploys capital into new investments we seek technology businesses that possess the following characteristics:

- Large and attractive markets
- Strong product-market fit
- Compelling unit economics
- Exceptional founders and teams

This consistent approach has led us to invest in InstantScripts, Mosh and Access Telehealth. We didn't set out with a pre-determined objective to find HealthTech investments to invest in, we simply looked for great businesses. The fund's exposure to HealthTech is a healthy by-product of our bottom-up investment selection process.

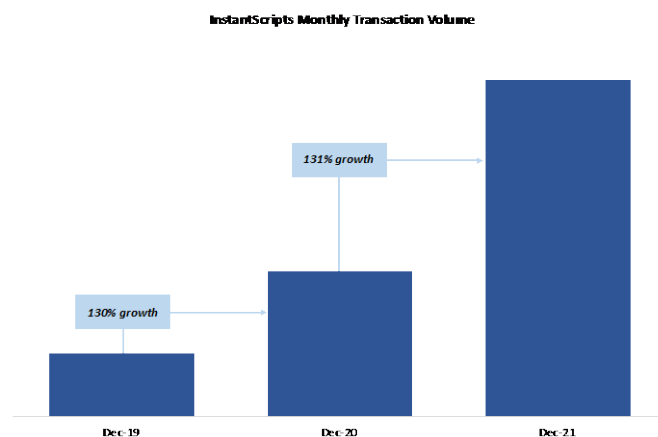
### Highly attractive market characteristics

As we got to know InstantScripts, Mosh and Access Telehealth it became clear that the HealthTech market enjoys a number of very attractive characteristics, including:

- The Australian healthcare market is huge. Over \$185bn or 10% of GDP is spent on healthcare each year. Over \$80bn is spent on primary healthcare and referred medical services, which are the segments most relevant to the fund’s three HealthTech investments
- Healthcare spend is growing at an average of 4.3% each year driven by structural factors including the ageing of the baby-boomer generation, longer life spans and a range of lifestyle factors
- These structural growth drivers are long term trends that make the healthcare market extremely resilient and insulated from normal economic cycles
- The increasing demand for healthcare is placing pressure on healthcare systems and Government budgets. Digital adoption will be an increasingly important solution to the productivity challenge healthcare systems face around the world as they cater for increased demand
- COVID-19 has mainstreamed digital health adoption for both consumers and medical professionals. A total 86.3m COVID-19 Medical Benefits Scheme (MBS) telehealth services have been delivered to 16.1m consumers since March 2020
- Digital healthcare delivery remains in its infancy. The 86.3m telehealth services delivered since March 2020 accounted for just \$4.4 bn of the \$185 bn+ annual healthcare spend estimated by the Australian Institute of Health and Welfare in 2018. The growth runaway is huge
- Digital healthcare businesses will enjoy significant margin expansion as technology improves the efficiency of delivery. Fewer health professionals will be needed to treat larger numbers of patients as technology is deployed in their businesses

### Rapid growth

These market characteristics are translating into rapid growth within our HealthTech investments. As an example, InstantScripts’ monthly transaction volumes (outlined below) have grown at 130% per annum over the last two years.



### Complementary investments

The fund has now deployed just over 10% of its capital into its three HealthTech investments. Each investment is complementary, targeting different large sub-sectors of the growing HealthTech market.

InstantScripts is a rapid digital prescription platform where the customer pays out-of-pocket; Access Telehealth enables rural, NDIS and Aged Care communities to connect with better healthcare and charges through the Medical Benefits Scheme; and Mosh is focussed on accessing latent demand and disrupting the male healthcare market.

We are excited to be working with the InstantScripts, Mosh and Access Telehealth teams as they innovate and use technology to deliver better healthcare outcomes for Australians.

**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 or 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 January 2022 was \$1.79 (December 2021 \$1.87). Key movements in NTA per share during December were:

Decrease SiteMinder (ASX:SDR) share price to \$5.89 (December 2021 \$6.76)	10.3c per share
Increase in Straker Translations share price to \$1.60 (December 2021 \$1.55)	0.3c per share
Operating expenses	2.0c 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.

The reduction in NTA in January reduced the performance fee accrual leading to a positive operating expense change for the month.

### SiteMinder

SiteMinder [released its Q2FY22 activities report](#). Highlights included \$111m ARR at the end of H1FY22, growing 13.5% from H1FY21 and outpacing LTM revenue growth, reflecting the acceleration of SiteMinder's business. SiteMinder's customer property count increased from 32,800 to 33,400 over the past quarter, with annualised property growth within a quarter accelerating from 5% in Q1FY22 to 8% in Q2FY22.

SiteMinder affirmed its position as the world's leading hotel commerce platform after [securing the top prize and the highest number of major accolades at the 2022 HotelTechAwards](#) by Hotel Tech Report. SiteMinder was awarded the 2022 People's Choice Award for its customer-centricity, as well as Best Marketplace & Integrator, Best Channel Manager and Best Booking Engine. SiteMinder was also a finalist in three other categories, and ranked among the year's 10 Best Places to Work.

Inga Latham, Chief Product Officer at SiteMinder, has been named one of The Sociable's Top 20 Female Cloud Leaders.

### Instaclustr

Qbox, a leader in delivering OpenSearch and Elasticsearch as a hosted service, has joined Instaclustr. [Qbox strengthens Instaclustr's comprehensive offering](#) around the distributed search and analytics technology.

Pete Lilley, Instaclustr CEO, and Ben Bromhead, CTO, [spoke to The Cube for a video interview](#) about the growing appeal of Open Source for enterprises.

Instaclustr has [partnered with The University of Canberra to form the Open Source Institute](#). Known as OpenSI, the not-for-profit foundation focuses on open source training, certification and research and development to boost job-ready skills in the IT sector. The first online course to be delivered will be Developer Training and Certification for Apache Kafka. It will help aspiring software engineers, developers and system administrators acquire the fundamental skills required to develop and operate Apache Kafka.



### Straker Translations

Straker [released its Q3 FY22 activities and cash flow report to the ASX](#). Straker posted strong revenue growth including a 99%

increase on Q3 FY21 revenue and a \$60m annualised run-rate moving into Q4 FY22. Other highlights included EDITDA profitable, new enterprise customer wins, and a strong balance sheet including cash of \$17.5m and no debt. The [New Zealand Herald reported that Straker's share price surged](#) following the announcement.

 **Rezdy**

Chris Atkin, Rezdy CEO, has written his [predictions for the year ahead and emerging trends in the experiences industry](#).

Rezdy [appointed Joe Robinson in the newly created role of Head of Channel Management](#) based in Rezdy's San Diego offices. Joe has extensive industry knowledge and was previously Chief Growth Officer at RocketRez.

**Standard  
Media  
index****Standard Media Index**

Ben Tatta, President at SMI, [spoke to Beet TV](#) about how he has seen a big recent growth in OTT TV advertising.

SMI is searching for a VP for Global Brand and Communications to join its team in New York. The successful candidate will be responsible for SMI's brand and communications strategy as the Company continues its planned expansion from five international markets to 13 in 2022.

 **Nosto**

Since launching last year, more than 100 ecommerce professionals have graduated from Nosto's Commerce Experience Certification Program. Dates for 2022 have now been announced.

**MOSH** **Mosh**

Mosh [partnered with St Kilda Football Club](#) with both organisations working to destigmatise mental health. The Mosh brand will feature on the sleeve of the Saints' coaches' polos throughout 2022.

Gabriel Baker and David Narunsky, Mosh Co-Founders, [spoke to SmartCompany about the firm's recent capital raise](#).

 **Bailador**

Motley Fool named BTI as [one of two top ASX shares tech investors should have on their watchlist](#).

## BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review <sup>1</sup>
SiteMinder	98.4	582%	▲	0.70	✓	Mark to market each month end
Instaclustr	63.4	659%	▲	0.45	✓	December 2022
Straker Translations	14.7	40%	▲	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	14.7			0.10		
Other <sup>2</sup>	-7.5			-0.05		
<b>Net Asset Value / Net Asset Value Per Share (Pre Tax)</b>	<b>252.4</b>			<b>1.79</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