

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

- 📄 [HY24 Results Presentation](#)
- 📄 [FY23 Results Presentation](#)

This report was authorised for release to the ASX by Helen Foley, Company Secretary and Chief Financial Officer, on 9 August 2024.

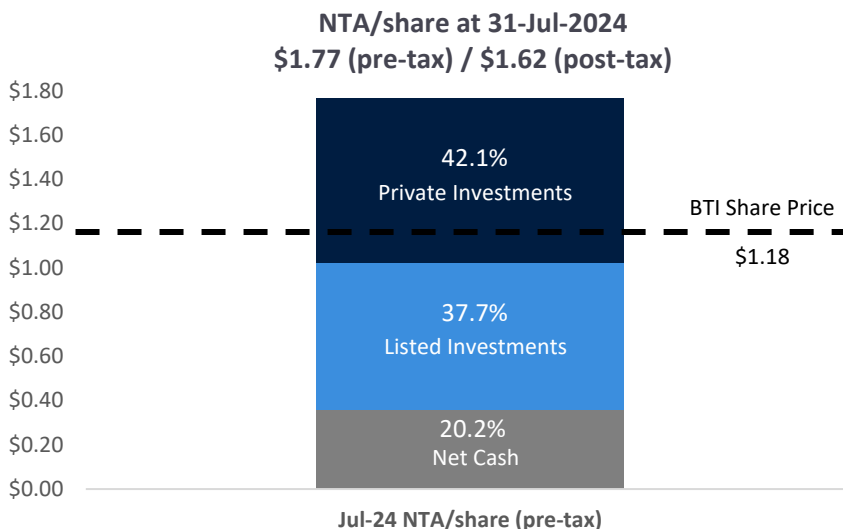
Notes

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

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

³Cash 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 July 2024	1-Year	2-Year	5-Year
Net Portfolio Return post fees and tax (pa) ¹	5.6%	4.6%	8.9%
Shareholder Return (pa) ²	-3.1%	-2.9%	6.1%

Dividends	Feb-24	Aug-23	Feb-23
Dividends paid (cps)	3.5c	3.2c	3.5c
Dividend yield (annualised grossed-up) ³	7.0%	6.7%	7.7%

Notes: Refer left margin.

Founders' Commentary

DASH Technology – Powering a new model of financial advice

In June [Bailador invested \\$20m in the DASH Technology Group \(DASH\)](#). We funded \$15m in cash in June with a further \$5m to follow in January 2025. DASH's financial advice and investment management platform is powering a new model of financial advice for advisers. In this month's commentary we summarise our investment thesis for DASH and discuss in more detail the important trends that could provide DASH with a long growth runway.

DASH investment thesis

DASH presented Bailador with an attractive opportunity to gain exposure to a high-growth software business that:

- Has developed an innovative software platform for financial advisers, with an exciting product development roadmap, that is ushering in a different advice model which has the potential to enable more consumers to access financial advice

- Is led by an experienced executive team who have had previous success building software businesses in the wealth management space
- Operates in the investment platform market which administers over \$1 trillion on behalf of financial advisers and is underpinned by the strong structural growth tailwinds of recurring superannuation contributions and equity market growth
- Helps alleviate the unmet demand for financial advice that is emerging as a result of the declining numbers of financial advisers and rising costs of financial advice
- Employs a business model that has attractive characteristics – recurring revenue, embedded revenue expansion capabilities, compelling unit economics and the potential for strong operating leverage
- Has already reached impressive scale with over \$4bn in funds under advice and yearly revenue growth of over 50%
- Has a strong growth runway across its existing and new customer base, along with emerging demand from enterprise customers, all underpinned by its new product development initiatives

The DASH business possesses all the high-quality attributes that we like to see in a prospective investment. In the remainder of our commentary this month we discuss some of the important and powerful trends that we think DASH can benefit from in the years ahead.

A huge and growing wealth management market

The wealth management industry in Australia manages over \$4.5 trillion on behalf of investors. \$3.5 trillion¹ of this sits within the superannuation sector and ~\$1 trillion² on investment platforms managed by financial advisers. These are huge markets that are of vital importance in that they will help fund the future retirement of Australians. While these markets are already huge, they are forecast to grow well in excess of GDP at 6% p.a.³, underpinned by long term asset price appreciation and government superannuation policy.

DASH operates within the investment platform segment of the wealth management industry and is therefore exposed to a huge and structurally growing wealth management market.

Unmet and growing demand for financial advice

Arguably the two most important financial decisions consumers face in their lifetime are obtaining a mortgage and saving for retirement. While 7 in 10 new mortgages are obtained with the assistance of a mortgage broker only 1 in 10 consumers seek financial advice when planning for retirement. The average cost of financial advice is \$3,960⁴ per year putting it out of reach of a lot of consumers.

Financial advice is typically delivered by financial advisers, aided by technology. Over the last 6 years the number of financial advisers in Australia has declined by 44% from 27,953 to 15,583⁴. With demand for financial advice increasing and financial adviser numbers decreasing it is clear that innovative technology will be required to solve this challenge.

Compounding this challenge is that the Baby Boomers are now entering the drawdown phase of their superannuation, driving a need for financial advice. On the other side of the equation younger Australian's will also benefit from financial advice as an estimated \$3.5 trillion in wealth is handed down by the Baby Boomer generation.

There is already unmet demand for financial advice and it looks likely that this demand is set to increase.

The right product and vision for an evolving market

DASH's financial advice and investment platform simplifies the workflows required for an adviser to deliver and administer financial advice for their clients. This enables financial advisers to retain more clients, operate more profitable practices and offer their clients lower cost of advice. DASH's technology can also be used by enterprises to deliver financial advice to large scale customer bases. In doing so DASH's technology can make financial advice more accessible for consumers, helping to alleviate the unmet demand for financial advice.

DASH's technology is the youngest on the market and its product vision positions it to be at the frontier of an investment platform market which has seen large incumbent platforms slow to innovate. Large incumbent players have already been disrupted by independent investment platforms such as Netwealth and HUB24. DASH has a flexible tech stack, a comprehensive offering and a product that delivers efficiency to financial advisers and enterprises. This positions DASH well to capitalise on these favourable macro trends and become the new and innovative player in the investment platform market.

In the short period Bailador has been invested in DASH the company has already signed binding documentation to acquire Integrated Portfolio Services (IPS). IPS offers portfolio management software to ultra-high-net-worth investors and family offices. This is an exciting step for DASH that will increase its funds under advice from over \$4bn to over \$15bn and cater to a new customer segment.

Bailador is looking forward to working with the wider DASH team to realise their vision of powering a different advice model that enables more Australians to access the financial advice they need to save for a better retirement.

Source: ¹Global Pension Assets Study 2023, Thinking Ahead Institute. ²Strategic Insights Analysis of Wrap Platform and Master Trusts Managed Funds, 2023. ³ASFA Superannuation Statistics. ⁴Adviser Ratings Musical Chairs Report, Q1 2024.

David Kirk & Paul Wilson

Bailador Co-Founders

Highlights

Movement in NTA

BTI's NTA per share (pre-tax) at close of July 2024 was \$1.77 (June 2024 \$1.72). Key movements in NTA are noted below.

Movement in NTA per share (pre-tax) July 2024

Increase in SiteMinder (ASX:SDR) share price to \$5.60 (June 2024 \$5.09)	5.8c per share
Decrease in Straker (ASX:STG) share price to \$0.43 (June 2024 \$0.485)	-0.3c per share
Operating expenses and interest	-0.5c per share

Operating expenses and interest includes performance fee accrual for July 2024.

The performance fee hurdle has been reached for FY24 and the balance of the performance fee accrued at 30 June (\$7.9m) will be payable to the Manager on completion of the FY24 audit.

Final tax entries for June 2024 resulted in final post-tax NTA per share of \$1.59 (June 2024 shareholder update reported \$1.58).



SiteMinder [announced a partnership with Wowcher](#), a leading marketplace for e-commerce deals. The partnership will offer more high-value deals to travellers and drive incremental bookings for hotels. It is the first time Wowcher has integrated with a hotel distribution platform.

Spanish [hotel brand Globales adopted SiteMinder](#) technology across its 54-property portfolio. The company made the switch ahead of an expected increase in travellers to Spain, and to enhance its financial performance and streamline operations.

SiteMinder [released its FY24 trading update to the ASX](#). The company reported positive free cash flow for H2FY24, surpassed \$200m ARR, and announced a new program expanding its Smart Platform.



Psychologist Christopher Beards, part of the Access Therapists team, [wrote an article for LinkedIn on the benefits of telehealth](#) video appointments.




DASH [announced it has acquired Integrated Portfolio Solutions](#) (IPS), a portfolio administration and reporting solution for private clients and Family Offices. The acquisition of IPS will enable DASH to further develop its new advice model, service a new and complementary customer segment and sees DASH's combined funds under administration increase to over \$15bn. The entire IPS team will join the DASH business.


DASH was a Gold Partner for the Advisor Innovation Summit 2024 held in Melbourne. Tim Rogers, Head of Distribution at DASH, joined a panel discussing intergenerational wealth transfers.




Rosterfy was [selected by the Sydney Children's Hospitals Foundation \(SCHF\) to be its dedicated volunteer management solution](#). SCHF is the leading fundraising organisation supporting Sydney Children's Hospitals Network, and over the past five years has experienced

significant growth with its volunteer program increasing from 255 volunteers to more than 7,000 registered volunteers.

nosto  Jan Soerensen, Nosto's General Manager of North America, [wrote for Total Retail](#) about three ways merchants can maximise the cross-border e-commerce opportunity.

straker  Straker announced its Annual General Meeting will be held online on Tuesday 27 August at 2pm AEST / 4pm NZST. Find out more information and find a link to attend in [Straker's notice to the ASX](#).

BAILADOR  Bailador's [latest column with Stockhead](#) looks back on the key portfolio highlights achieved during FY24 and the positive outlook for the year ahead.

Date of AGM and closing date for Director Nominations

Bailador will be holding its Annual General Meeting on 17 October 2024. Details of the meeting will be advised in the Notice of Meeting to be sent to shareholders in September.

For the purposes of ASX Listing Rule 3.13.1 and under listing rule 14.3 Bailador advises the closing date for nominations for directors will be 27 August 2024.

Nominations may only be made by a shareholder entitled to attend and vote at the Annual General Meeting and should be accompanied by consent in writing of the person nominated and contain sufficient information to enable shareholders to make an informed decision as to whether or not to elect the candidate.

Nominations should be addressed to Bailador's Company Secretary, Helen Foley, and may be emailed to investorservices@bailador.com.au or posted to Bailador Technology Investments Limited at Suite 3 Level 20, 20 Bond Street, Sydney NSW 2000.

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 ¹
SiteMinder	93.6	0.64	✓	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
Mosh	7.5	0.05	✓	December 2024
Nosto	4.2	0.03		June 2025
Straker	3.9	0.03	✓	Mark to market each month end
Cash	60.9	0.42		
Other ²	(8.3)	(0.06)		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	259.0	1.77		

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 or a valuation change material to BTI.

² 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 3rd 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	Mosh	Nosto	Straker
Type:	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	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	Helsinki	Auckland
Staff:	1-50	1-50	100-250	100-250