

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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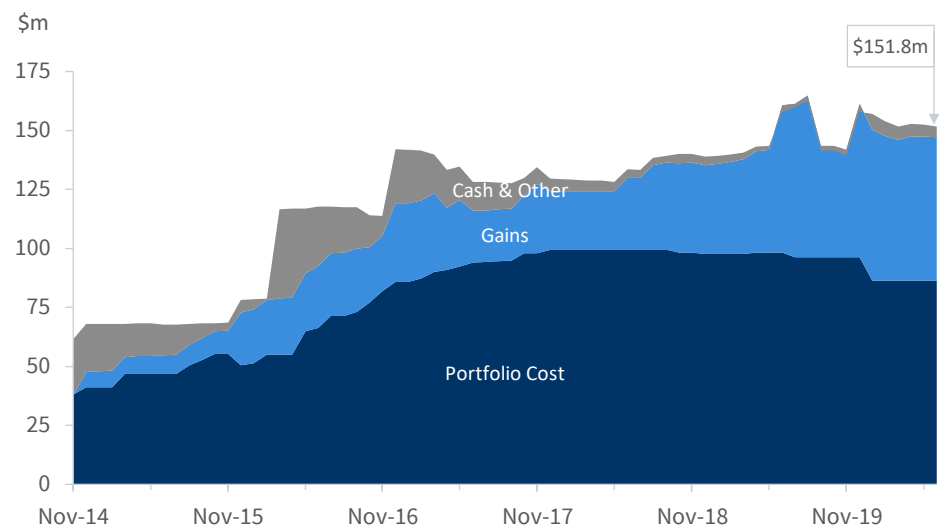
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This report was authorised for release to the ASX by Helen Plesek, Company Secretary & Chief Financial Officer, on 13 July 2020.

Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.24
NTA per share post-tax	\$1.15

Net Tangible Asset Breakdown Since Inception



Founders' Commentary

Financial year end summary

Despite huge disruption in so many aspects of life around the world, the Bailador portfolio finished the financial year in great shape, with very bright prospects ahead.

Some key portfolio elements are:

- ✓ **The Bailador portfolio had great momentum going into COVID and has performed strongly through it**
 - » Portfolio revenue growth rate to 30 June is 20%
- ✓ **The Bailador portfolio companies are well capitalised – no liquidity concerns**
- ✓ **Portfolio valuations at 30 June confirmed through Independent Expert Review**
- ✓ **Working towards profitable cash realisations – some delays due to COVID**
- ✓ **Attractive new technology investment opportunities available to Bailador**

Bailador's portfolio of 10 established fast growth technology companies has enviable characteristics:



SiteMinder generates >90% of its gross margin from subscription revenue, which has held up very well. The monthly cost of the SiteMinder platform to hotels is minimal, but its revenue generation capability is crucial. Transaction volumes are far less important to SiteMinder. Accordingly, **SiteMinder's financial performance mirrors other SaaS businesses**, not transaction-driven businesses in the travel sector such as OTAs, travel agents, airlines and hotels themselves. SiteMinder has a very strong business model, and its strategic positioning as world leader in its space is stronger than ever.

Instaclustr is a rapidly rising star in the portfolio which has seen minimal impact from COVID, and continues to grow strongly with major new client wins in May and June. Instaclustr continues to increase the range of technologies offered on its platform. It is benefitting from the strong structural tailwinds of big data analysis, applications and databases moving to the cloud, and adoption of open source technologies.

Lendi is a net beneficiary from the COVID crisis. The reduction in 'in person' meetings has driven a large number of borrowers to online channels, and there is a high level of refinancing activity. Lendi's technology and business model have seen them take advantage of this acceleration of online adoption to generate record numbers and an increasing revenue growth rate.

DocsCorp is a profitable business producing solid results which has seen minimal impact from COVID shutdowns. Accelerating recurring revenue growth, fast growth in the US and a broadening of the DocsCorp product offering are all features of a strong FY2020 for the business.

SMI continues to generate profitable growth. The company has expanded its data pool globally and in the US, and recently launched in Canada. The business has experienced some COVID impact in Australia but has seen increased demand for its unique data set in the much larger and more competitive US media and financial services markets. In turbulent markets, the clarity of insight produced by the SMI data is even more valuable.

Straker has not had significant impact from COVID. In fact, COVID is forcing many corporates to review their translation practices, creating opportunities for Straker's world leading AI driven technology platform. The business has a variable cost base utilising a freelance translator pool for the human element. Straker is committed to its aim of being a \$100m revenue business in three years.

Rezdy has experienced the biggest impact from COVID amongst the portfolio. Serving tourists and tours and activities operators, transaction volume went to nearly zero for a month or two before beginning to recover. Subscription revenue, which accounts for 70% of Rezdy revenue, has experienced a smaller drop. Business prospects are linked to continued sector recovery, but the company is

appropriately capitalised and focussed on domestic demand for tours and activities which is already growing.

Brosa is a net beneficiary from COVID. Demand for furniture is up as people isolate at home. Brosa's fully digital model is perfectly placed to take advantage of consumers increased willingness to order goods online, driving record results.

Stackla continues to win large enterprise deals with blue chip customers. It has enjoyed large contract wins in May and June.

Viostream is operating profitably and benefitting from increased demand for cloud-based video management.

Conclusion

We have been relatively quiet in our investor communications over the last few months. We wanted to have good visibility on how our portfolio was performing through the COVID crisis before making too many predictions. We're pleased to say that the portfolio is performing well, in fact outperforming initial expectations in every case.

The BTI share price dropped along with most companies when COVID hit. It has only partially recovered, while the share price of many other technology companies has bounced back strongly. We believe that investors have been waiting for confirmation of the health of the portfolio, particularly our largest investment, SiteMinder, which operates in the travel sector.

While we are restricted in most cases from providing detailed financial information on our underlying, predominantly private, portfolio companies, we can show through the aggregated portfolio data above that the portfolio is in good shape. We have also taken the step this year to provide a BTI Financial Year End Update presentation, to be released to the ASX at the same time as this NTA Statement. This presentation gives further commentary on how each portfolio company is performing.

Despite difficult overall economic and community conditions, we are pleased to see our companies and management teams showing resilience and thriving. We continue to see attractive technology investment opportunities and hope to be able to take advantage of some of those opportunities in the coming months.

David Kirk & Paul Wilson
Bailador Co-Founders

Investment Focus

Bailador typically invests \$3-5m 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, eCommerce, high value data, online education, telecommunication applications and services.

Highlights

Movement in NTA

Bailador's NTA per share (pre-tax) is unchanged this month.

SiteMinder

Bailador has reviewed its investment in SiteMinder. Its valuation is held constant and remains in line with the third party investment in January 2020.

SiteMinder's Co-founder [Mike Ford is writing weekly articles and giving video updates](#) on trends on hotel bookings as we emerge from COVID.

SiteMinder has [released a new report](#) showing that safety concerns among travellers in Australia, Germany and the US are not enough to deter domestic holiday plans this year. The Changing Traveller Report 2020: Special COVID Edition surveyed more than 500 holidaymakers from the three countries.

Instaclustr

Instaclustr has announced the [general availability of its Managed Kafka Connect](#) offering on its platform. The service was tested by a select group of early access program customers late last year and has since passed stringent testing requirements and security reviews.



Lendi

Lendi has responded to increasingly strong demand for its platform by beginning a recruitment drive to find an additional 50 mortgage brokers to join its team before the end of 2020. The Home Loan Consultants will be based in New South Wales, Queensland, Victoria and New South Wales.

New [research from Lendi](#) shows that 38% of its home loan customers chose a big four bank for their mortgage between March and May – up from just 16% previously. David Hyman, Lendi co-founder and Managing Director, spoke to Domain about the trend.

DocsCorp

Bailador has reviewed its investment in DocsCorp and held its valuation constant to be conservative in the absence of a third party transaction.

DocsCorp has [acquired a UK provider of document production and assembly software, Verowave Technologies](#). The Verowave product suite, consisting of verodocs, verosheets and veroslides, will be integrated into the DocsCorp document productivity suite and rebranded as veroDocs. The acquisition is integral to DocsCorp's goal of providing enterprises with all their document productivity tools in a single toolbar. Scott Hews, Verowave founder and Managing Director, will join the DocsCorp team.

DocsCorp has [released its document comparison software, compareDocs, and email security application, cleanDocs, in Dutch](#). It is the fourth language in addition to English to be offered as an out-of-the-box option, joining French, Spanish and German versions.



SMI

Bailador has reviewed its investment in SMI and held its valuation constant to be conservative in the absence of a third party transaction.

SMI has welcomed [Ben Tatta in the newly created role of President of US operations](#). A veteran TV data executive, Ben was previously President and co-founder of analytics company 605. He will now be reporting directly to SMI Global CEO James Fennessy, and will be working on expanding SMI's business in the US.

SMI ad data was used by [Variety](#) to illustrate the impact of COVID on the ad sector. The data showed that US advertising revenue fell 31% in May, largely due to a lack of televised major sport events. However, pharmaceutical manufacturers spent more in May than they did in the year-earlier period.

 **Rezdy**

Bailador has reviewed its investment in Rezdy resulting in a 2% reduction to its valuation. BTI holds convertible securities with a senior position in the Rezdy capital structure, meaning a relatively modest EV is required to redeem face value, and Bailador has marked its valuation of Rezdy to that level.

Rezdy has partnered with Touriosity, a commission-free online travel agent, to help tour and activity providers drive more direct bookings without having to pay large commissions.

Stackla  **Stackla**

Stackla teamed up with its client [Trek Bicycle to hold a webinar](#) on how the brand swiftly changed its strategy in response to the COVID crisis and launched the successful #GoByBike campaign utilising user generated content.

BAILADOR  **Bailador**

David Kirk, Bailador co-founder, [spoke to Stockhead](#) about how the growing size of online retailers, such as Brosa, makes them an attractive investment.

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%	▲	0.67	✓	December 2020
Instaclustr	19.0	323%	▲	0.15		August 2020
DocsCorp	10.9	119%	▲	0.09		June 2021
Lendi	10.7	112%	▲	0.09	✓	November 2020
SMI	9.6	30%	▲	0.08		June 2021
Rezdy	5.7	60%	▲	0.05		June 2021
Straker Translations	5.6	29%	▲	0.05	✓	Mark to market each month end
Brosa	3.0	0%	▶	0.02	✓	October 2020
Stackla	-	-100%	▼	-		September 2020
Viostream	-	-100%	▼	-		September 2020
Cash	4.6			0.04		
Other	0.2			0.00		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	151.8			1.24		

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


instacluster

**Standard
Media
index**

Name:	SiteMinder	Instacluster	DocsCorp	Lendi	SMI
Type:	SaaS/B2B	DBaaS/B2B	SaaS/Document Productivity	Fintech	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	Global leader in the rapidly growing Document Productivity segment	Australia's #1 home loan provider disrupting the multi-billion-dollar mortgage industry	Big data aggregation and analysis platform with exclusive access to ad expenditure data
HQ:	Sydney	Canberra	Sydney	Sydney	New York
Staff:	500-750	100-250	100-250	250-500	1-50


BROSA
Stackla


Name:	Rezdy	Straker Translations	Brosa	Stackla	Viostream
Type:	SaaS	Marketplace/Machine Learning	Online Retail/B2C	SaaS/B2B/UGC	SaaS/Video
About:	Leading, innovative and fast growing online channel manager and booking software platform for tours & activities	Digital language translation services provider and one of the world's fastest growing translation companies	Tech-led, vertically integrated furniture brand and online retailer	Leading tech platform for brands to leverage User Generated Content (UGC) in their marketing strategy	Cloud-based end-to-end platform for the creation, management and distribution of video
HQ:	Sydney	Auckland	Melbourne	San Francisco	Sydney
Staff:	50-100	100-250	1-50	1-50	1-50