

Bailador Technology Investments [ASX:BTI] Shareholder Update

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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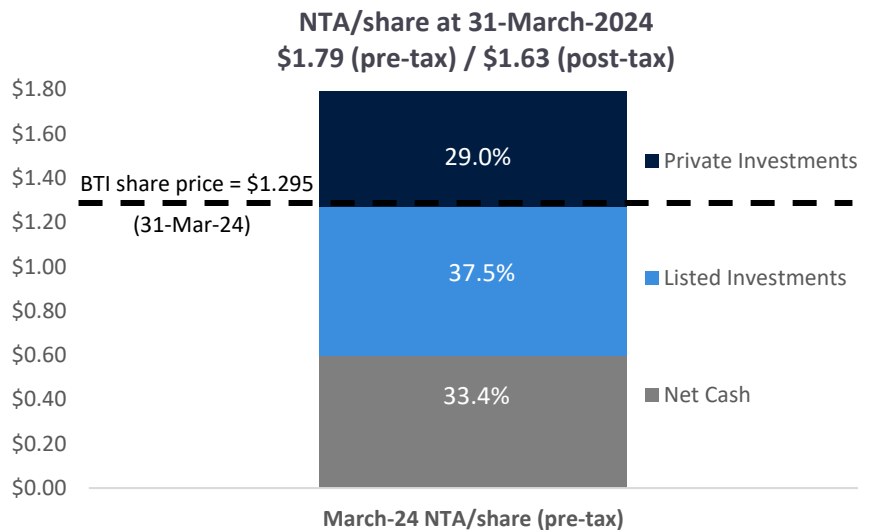
Notes:

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

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

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

Net Tangible Asset Snapshot



Fund Performance

Annual returns to 31-Mar-24	1-Year	2-Years	3-Years
Portfolio Return post-tax (%pa) ¹	14.0%	3.9%	11.1%
Shareholder Return (%pa) ²	14.2%	9.1%	2.1%
Performance vs Benchmark			
S&P ASX All Tech Index [ASX:XTX]	39.8%	10.4%	5.4%
Shareholder Return vs Benchmark	-25.7%	-1.4%	-3.3%

Notes: Refer left margin.

Founders' Commentary

RC TopCo: Powering the \$300bn+ experiences industry

[In June 2023](#) Bailador merged portfolio company Rezdy with independent global tours and activities booking software providers Checkfront, based in Canada, and Regiondo, based in Germany. The merger created the largest independent tours and activities booking software provider in the world, laying the foundation for the new company to become a global booking software leader in the \$300bn+ tours and activity market. In this month's Founders' Commentary, we summarise the work done since the merger and look at the prospects for the merged company, currently called RC TopCo.



The merger of Rezdy, Checkfront and Regiondo introduced Vertica Capital, a US-based PE fund with deep industry experience and knowledge into the transaction. Bailador elected to roll 100% of its investment into the new merged entity and

invested additional capital alongside a significant investment from Vertica to purchase shares from exiting shareholders and provide new capital for future growth.

The merger itself created significant value for Bailador shareholders. However this is just the beginning of a new and exciting chapter for the company. We have high expectations for the future value creation of the merged entity.

Below we discuss the important steps we have undertaken with our partners to bring the three companies together and get underway with a new global growth plan.



Integrate and prioritise product development

The three companies brought three different products and product development pathways to the merger. The combined global business incorporates the best booking software features, payments, and distribution software functionality from the three products. All customers will benefit from upgrades to the best technology and functionality from across the group.

Standardise and optimise sales and marketing

RC TopCo is a much bigger company than any of the three companies and is therefore in a position to increase its go-to-market presence, including introducing outbound sales in markets that were previously inbound-driven. To do this, marketing has been refocused and sales teams have been reorganised. New skills have been introduced to deliver on a refined go-to-market strategy.

Establish a global leadership team

The new management team for RC TopCo is a blend of the management teams from the three merged companies with some important new blood. The new CEO is Mark Loh, who was for many years the Chief Product Officer at Fareharbor, and is based in North America. We are delighted Mark has chosen to join the business. Kevin Fisher from Rezdy is the new CFO, and Oliver Nutzel, from Regiondo is the COO.

Implement global best practices

New streamlined best practices have been established across all functions, including product management and development, sales and marketing, people and culture, finance and customer success. This process has increased efficiency and business performance.

Establish a new board and governance regime

A new board for RC TopCo has been established. The Board is co-chaired by Lawrence Hester and Zachary Hester – the two brothers who founded Fareharbor, the largest booking software provider in the world. Fareharbor was purchased by Booking.com in 2018. New board reporting and meeting arrangements have been established. Bailador has one director, David Kirk, and one observer, Bevin Shields, on the new board.

Our investment journey with Rezdy and now RC TopCo is a great example of Bailador's investment strategy at work. Our approach extends well beyond simply identifying and investing in promising information technology businesses. We have a relentless and rigorous approach to value capture across the "expansion stage", helping our founders to:

- Evolve products, go-to-market strategy and operations to maximise return on investment
- Attract A-grade hires who fit the culture
- Position the business strategically for growth and eventual realisation (including through M&A activity as in the case with Rezdy)
- Deliver excellent governance
- Coach and develop executives
- Help raise new capital when required

RC TopCo is comfortably the largest independent tours and activities booking software provider in the world and is set for continued strong growth in all markets, delivering world-class unit economics from high quality SaaS and transaction revenue.

The company has an excellent management team and a very large growth opportunity. We are delighted to have a significant shareholding in the company and will continue to do all we can to support the company's growth and success.

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 - 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.

Movement in NTA

BTI's NTA per share (pre-tax) at close of March 2024 was \$1.79 (February 2024 \$1.77). Key movements in NTA are noted below.

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

Increase in SiteMinder (ASX:SDR) share price to \$5.63 (February 2024 \$5.39)	2.7c per share
Increase in Straker (ASX:STG) share price to \$0.49 (February 2024 \$0.43)	0.4c per share
Operating expenses and interest	-1.1c per share

Operating expenses include provision for performance pay not yet payable.

SiteMinder [ASX:SDR]

SiteMinder [welcomed New Zealand's ASURE Accommodation Group to its platform](#). SiteMinder's booking engine will form a key component of ASURE's direct booking strategy to improve e-commerce conversions, while SiteMinder's distribution solution and end-to-end GDS service will allow ASURE to recognise the potential of a broadening travel community, including business travellers, as volumes grow.

Trent Innes, Chief Growth Officer, [spoke to Hospitality Ireland magazine about how SiteMinder's Hotel Booking Trends report](#) shows a rise in international hotel arrivals and increasing prices in the country.

SiteMinder [published a case study looking at how the Numa group](#) successfully used SiteMinder products to streamline operations and grow revenue.



Access Telehealth

In March BTI invested \$2.5m into Access Telehealth alongside other existing shareholders as part of an extension to its December 2023 round.

After completing a strong CY2023 Access Telehealth has begun CY2024 well and this additional funding will be used to accelerate the business' growth and take it through to cash flow profitability. Access Telehealth's carrying value is now \$24.0m inclusive of the new \$2.5m investment.

Nosto

Nosto announced [a new integration between its Commerce Experience Platform \(CXP\) and Klaviyo's Marketing Automation and Customer Data Platform \(CDP\)](#). Brands can now seamlessly unify their marketing and ecommerce data, tools, and workflows to deliver hyper-personalised, cross-channel commerce experiences at scale.

Straker [ASX:STG]

Straker and Microsoft teamed up with New Zealand-based news site [Stuff Group Te Puna to increase its content published in the te reo Māori language](#). Through their partnership, Microsoft and Straker will enable the translation of Stuff's content at scale, which is then followed by quality-checks by translators and editors before publication. The pilot programme aims to normalise te reo Māori on Stuff's platforms, digital channels, and publications.

Straker CEO Grant Straker presented at the Coffee Microcaps Conference in Sydney. [Click here](#) to view his presentation.

Straker announced revised guidance of a double digit decline in revenue in FY24. Gross Margin is expected to improve versus FY23's 57% and Operating Cash Flow and EBITDA to be positive for FY24. [Click here](#) to read the ASX release.

 **Bailador**

Bailador was discussed on the Baby Giants Investing podcast. [Click here](#) to listen to the episode.

[Bailador's latest article with Stockhead](#) looks at portfolio company SiteMinder ahead of its entrance into the S&P/ASX 200 index.

[David Kirk spoke to Company Director Magazine](#) about a few of his favourite things – including his work habits, books, and tips for aspiring directors.

BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review ¹
SiteMinder	94.1	559%	▲	0.64	✓	Mark to market each month end
RC TopCo	25.8	91%	▲	0.18	✓	May 2024
Access Telehealth	24.0	22%	▲	0.16		December 2024
Rosterfy	9.8	0%	▶	0.07	✓	April 2024
Nosto	9.2	(18%)	▼	0.06		February 2025
Mosh	7.5	0%	▶	0.05	✓	December 2024
Straker	4.5	(40%)	▼	0.03	✓	Mark to market each month end
Cash	97.6			0.67		
Other ²	(9.9)			(0.07)		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	262.6			1.79		

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 not yet payable.

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



RC TopCo



Name:	SiteMinder	RC TopCo	Access Telehealth	Rosterfy
Type:	SaaS/B2B	SaaS	Digital Healthcare/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	Volunteer management software platform that connects communities to events and causes they are passionate about
HQ:	Sydney	Vancouver	Melbourne	Melbourne
Staff:	750-1000	250-500	100-250	1-50



MOSH



Name:	Nosto	Mosh	Straker
Type:	SaaS/B2B	Digital Healthcare/B2C	Marketplace/Machine Learning
About:	Leading AI-powered e-commerce personalisation platform	Digital healthcare brand making men's health and wellness easily accessible via subscription treatment plans	Digital language translation services provider and one of the world's fastest growing translation companies
HQ:	Helsinki	Sydney	Auckland
Staff:	100-250	1-50	100-250