

# 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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🌐 [www.bailador.com.au](http://www.bailador.com.au)

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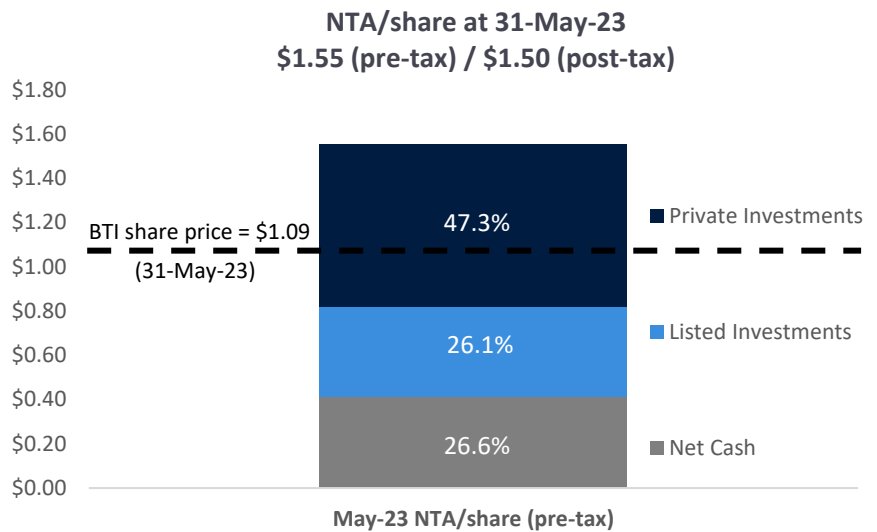
Notes:

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

<sup>2</sup>Shareholder 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 8 June 2023.

## Net Tangible Asset Snapshot



## Fund Performance

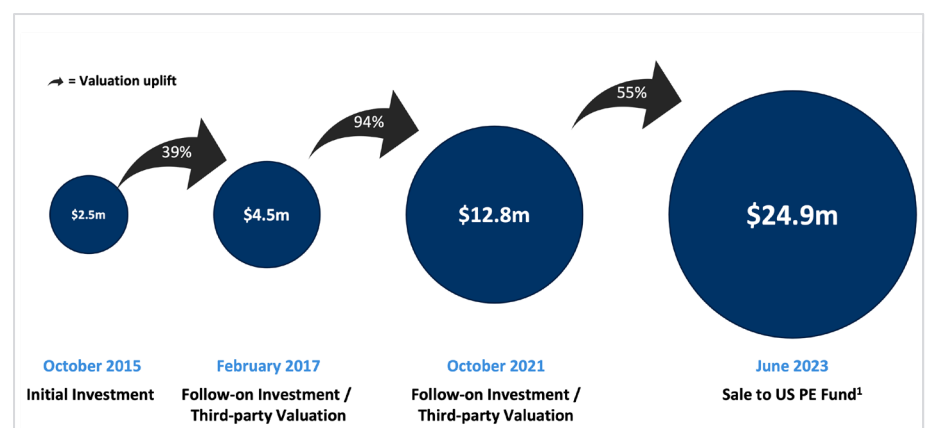
Annual returns to 31 May 2023	1-Year	2 Years	3 Years
Portfolio Return post-tax (%pa) <sup>1</sup>	-5.6%	9.1%	12.4%
Shareholder Return (%pa) <sup>2</sup>	-13.7%	-5.6%	15.3%
<b>Performance vs Benchmark</b>			
S&P ASX All Tech Index [ASX:XTX]	12.2%	-6.0%	+5.5%
Shareholder Return vs Benchmark	-25.9%	+0.4%	+9.8%

Notes: Refer left margin.

## Founders' Commentary

### Bailador's investment in Rezdy enters a new chapter

The shareholders of Rezdy have entered a binding agreement to sell 100% of shares held in Rezdy to a highly regarded US Private Equity fund. Bailador has opted to accept scrip and roll its investment into a new entity that is well positioned to become a global leader in the tours and activity sector. This month we look at our investment in Rezdy and what comes next.



Note: <sup>1</sup>Bailador will roll 100% of its existing investment into new-Reszdy and invest a further \$2.5M in equity growth capital. 122% uplift to date from cost. \$12.6M invested since inception.

Bailador first invested \$2.5m in Rezdy in October 2015. That initial investment is valued at 4x cost by the current transaction, generating an IRR of 20%pa.

Bailador has made a number of follow-on investments in Rezdy and in total has invested \$12.6m, including \$2.5m as part of the current transaction. Over the life of the investment we have had implied gains to date of 122%. That's a solid accomplishment for a tours and activities business given the impact Covid had on the travel sector, and a testament to Rezdy's team.

The opportunity was available to take cash for our position as part of this transaction. We know the business well. We have confidence in the platform the business has created, the huge opportunity available, and the management team, so are happy to back new-Rezdy to continue to thrive.

The uplift on this transaction is 47% and this **adds \$0.05 per share** to Bailador's NTA (pre-tax).

Founded in 2012, Rezdy was then earlier in stage than some of our other investments. We thought it had characteristics similar to SiteMinder; a sticky, SaaS dominant revenue base, good unit economics, huge TAM, and a great team.

Rezdy began life as a typical SaaS business charging customers a monthly subscription payment to access their booking and connectivity software. In 2019 the business began to add a share of the value of the transaction to its revenue model. Transaction fees now include a share of payments income and a share of the amount charged for the experience.

A revenue model that balanced subscription fees and a share of the transaction served Rezdy well through the Covid period. Continuing subscription revenue supported the business through the depths of travel restrictions and a share of revenue from transactions has increased revenue growth strongly as travel has recovered. Rezdy now has more than \$20 million in annualised recurring revenue and has grown at over 50% in each of the last two years.

Some time ago, Rezdy was approached by a US private equity fund that shares our enthusiasm for Rezdy and its market opportunity. The fragmented nature of the tours and activities sector provides a big opportunity for a business that can get the technology, product fit and complex industry relationship management right. We and the US PE fund believe Rezdy has many of the key characteristics required to dominate the sector.

We are excited about the opportunity for Rezdy. New capital will be invested in accelerated customer and revenue acquisition in international markets. We will sit on the board of the new entity and look forward to keeping you updated on new-Rezdy's progress, including an as yet to be announced new trading name.

Keen readers of the Bailador monthly shareholder update may notice a new return metric on the first page – Portfolio Return post-tax. We consider Portfolio Return post-tax adjusted for dividends paid a useful metric as it removes any timing differences caused by the lag in tax payments. NTA post-tax is after all fees, charges and tax.

**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 May 2023 was \$1.55 (April 2023 \$1.56). Key movements in NTA are noted below.

#### Movement in NTA per share (pre-tax) May 2023

Decrease in SiteMinder (ASX:SDR) share price to \$3.13 (April 2023 \$3.64)	-5.9c per share
Increase in valuation of Rezdy	4.9c per share

#### SiteMinder [ASX:SDR]

SiteMinder opened voting for its [Partner of the Year Awards 2023](#). The accolades recognise hospitality businesses and individuals whose contributions and support are invaluable to hoteliers and accommodation providers. Entries close on 31 August 2023.

#### Rezdy

As [announced in our ASX release on Monday 5th June](#), the shareholders of Rezdy have entered into a binding agreement to sell 100% of Rezdy shares to a US Private Equity fund. This third party transaction is expected to increase BTI's equity valuation by \$7.1m and increase BTI's NTA per share by 4.9 cents per share. BTI has elected to roll 100% of its investment and invest a further \$2.5m into TopCo. Close is expected to occur in June 2023 and remains subject to certain conditions to closing.

Rezdy [won Overall TravelTech Innovation of the Year in the TravelTech Breakthrough Awards 2023](#). The awards are conducted by the leading independent market intelligence organisation, TravelTech Breakthrough, that evaluates and recognises standout travel technology companies, products and services around the globe.

Rezdy released an enhanced product dashboard for its platform including improved reporting capabilities. Following feedback from operators, users can now access features such as a quick overview, actionable insights such as their best days for bookings and busiest tour days, compare performance across different time periods, and dive deeper into specific products, booking trends and fulfilment days.

Rezdy announced it has [partnered with Ticknovate](#), a London-based company that provides ticketing software for sightseeing tours, attractions and ferry businesses. Through the partnership, Rezdy will help current and future customers of Ticknovate grow their business and simplify distribution thanks to an integration with the Rezdy Channel Manager.

#### Rosterfy

Rosterfy announced several new organisations joining its platform. These include Lifeline Australia, Southampton Football Club, NAPCAN and the London Youth Games.

#### Nosto

Nosto was [recognised as a Leader in multiple categories by G2](#), an organisation that collects user ratings and social data on business software to help people make informed purchasing decisions. Each quarter G2 releases reports and awards badges based on the reviews it gathers from customers. Nosto was awarded 23 badges in G2's Spring 2023 reports.

Nosto opened a waiting list for its customers to sign up to beta access to its [integration with ChatGPT](#).

**Straker Translations [ASX:STG]**

Straker Translations released its FY23 results to the ASX. The company continues to demonstrate ongoing revenue growth, improved gross margin and EBITDA profitability. [Click here](#) to read the announcement. [Click here](#) to view the FY23 Results Presentation. [Click here](#) to read the 2023 Annual Report.

**Bailador**

David Kirk was a guest on the [No Limitations podcast from Blenheim Partners](#). David spoke to Gregory Robinson about leadership and seeking perfection in the episode The Divine Discontent.

## BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review <sup>1</sup>
SiteMinder	52.3	337%	▲	0.36	✓	Mark to market each month end
InstantScripts	41.8	38%	▲	0.29	✓	March 2024
Rezdy	22.4	122%	▲	0.16	✓	May 2024
Access Telehealth	15.6	0%	▶	0.11	✓	December 2023
Rosterfy	9.8	0%	▶	0.07	✓	April 2024
Nosto	9.2	(18%)	▼	0.06	✓	February 2024
Mosh	7.5	0%	▶	0.05	✓	December 2023
Straker Translations	6.3	(25%)	▼	0.04	✓	Mark to market each month end
Cash	60.0			0.41		
Other <sup>2</sup>	-0.3			0.00		
<b>Net Asset Value / Net Asset Value Per Share (Pre Tax)</b>	<b>224.6</b>			<b>1.55</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.

**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	InstantScripts	Rezdy	Access Telehealth
Type:	SaaS/B2B	Digital Healthcare/B2C	SaaS	Digital Healthcare/B2C
About:	World leader in hotel channel management and distribution solutions for online accommodation bookings	Digital platform enabling convenient access to high quality doctor care and routine prescription medication	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	Melbourne	Sydney	Melbourne
Staff:	750-1000	1-50	100-250	100-250



Name:	Rosterfy	Nosto	Mosh	Straker Translations
Type:	SaaS/B2B	SaaS/B2B	Digital Healthcare/B2C	Marketplace/Machine Learning
About:	Volunteer management software platform that connects communities to events and causes they are passionate 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:	Melbourne	Helsinki	Sydney	Auckland
Staff:	1-50	100-250	1-50	100-250