

## 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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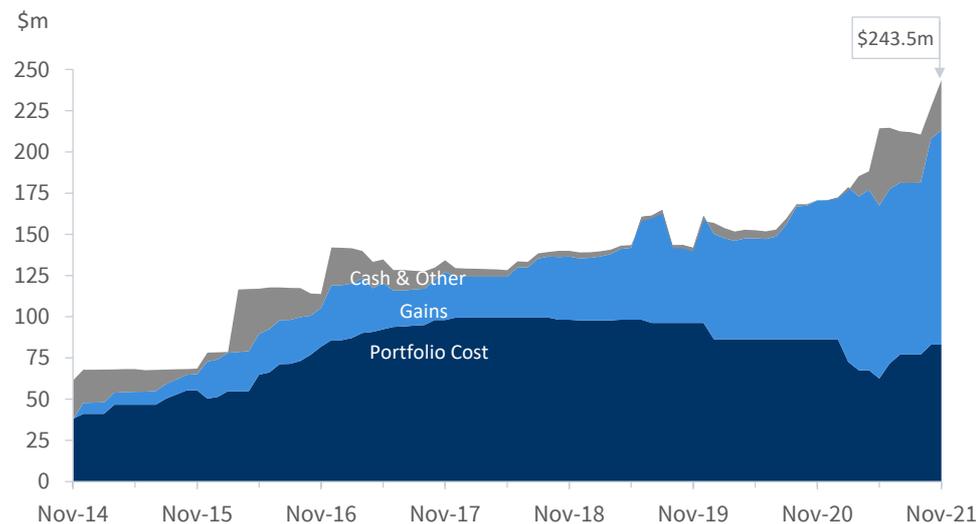
This report was authorised for release to the ASX by Helen Plesek, Company Secretary & Chief Financial Officer, on 9 December 2021.

# Bailador Technology Investments [ASX:BTI] Shareholder Update

## Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.73
NTA per share post-tax	\$1.50

## Net Tangible Asset Breakdown Since Inception



## Founders' Commentary

### Rezdy – connecting demand and supply in the tours and activities market

Much of the attention in recent months has been on SiteMinder and its successful IPO on the ASX. This month we look at Rezdy, which has a similar market opportunity to SiteMinder providing booking and channel management services to the tours and activities market rather than the hotel market.

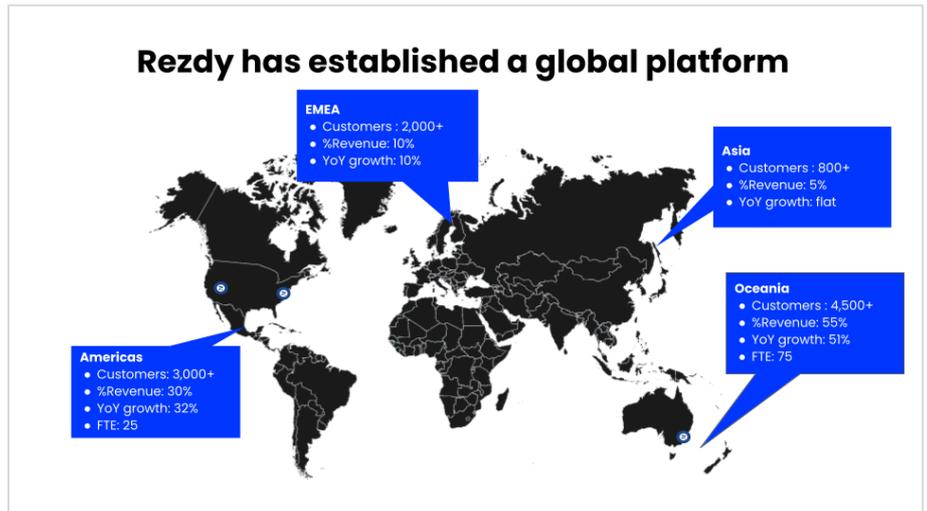
There are three multi-billion markets in the travel industry. These are airlines, hotels and tours and activities, (also called “experiences”). Rezdy is earlier in its journey than SiteMinder and the experiences industry is much less comprehensively online than the hotel industry, but the trends are very similar.

### The market

The experiences industry is very big and similar in size to the hotel industry. Annual bookings for experiences are estimated to be around US\$250 billion, compared to US\$300 billion for hotels.

The experiences industry is far more fragmented than the hotel industry, with literally millions of providers of, for instance, guided tours, zoos, climbs, museums, flights and learn-to-surf experiences all around the world.

The experiences industry differs from the hotel industry in another important way. As we all know from our own experience, we almost always book our hotel before we travel but mostly decide what activities we will book after we arrive at our destination. Once we arrive and are looking to book an experience there are many ways we can do so – online, through the concierge at a hotel, over the phone, through a travel agent, through a local tourism bureau or in-person at the experience.



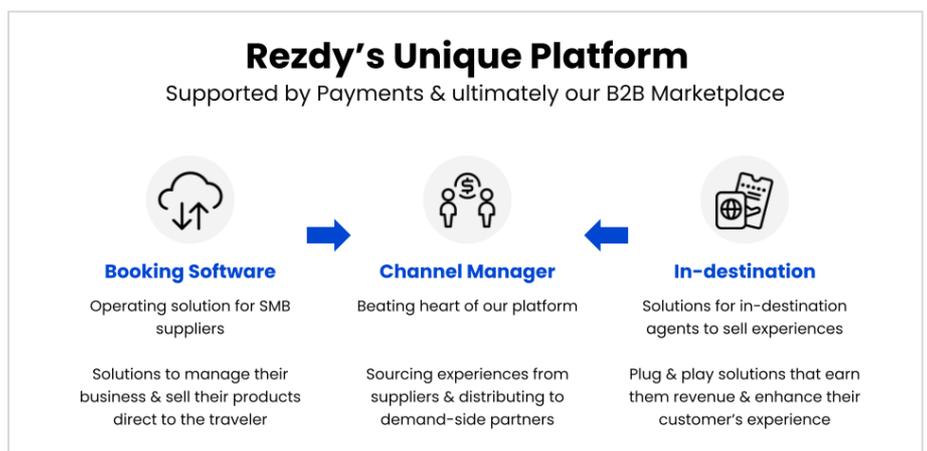
#### Early days

In order to build a business in this market which, when Rezdy started, was largely offline, fragmented and relying on ‘in-destination’ booking habits, Rezdy began as a booking software business. Rezdy quickly carved out a leading position in the experiences market for Software-as-a-Service (SaaS) booking software by adding asset management capability to its product. The assets an experience provider will have vary depending on the experience but might include busses or helicopters, scuba gear, kayaks or tour guides. The assets have to be matched in time and place to customer numbers and Rezdy made this easy for the user of the software by combining booking and asset management in one platform.

#### Supply, demand and a marketplace

The provision of booking software to the providers of experiences allowed Rezdy to establish a very strong position on the supply side of the market. The Founder of Rezdy, Simon Lenoir, soon realised there was something he could do for experience providers that was even more useful than taking bookings and co-ordinating assets – help them get bookings in the first place. So, Simon and his team then began to build software to connect experience providers to sources of demand. The Rezdy team built tools for in-destination agents and ‘channel management’ capability (similar to SiteMinder) connecting experience providers with sources of online bookings, in particular online travel agents (eg Expedia and booking.com) and other aggregators of experiences (eg Viator and GetYourGuide).

The software has now been built out to add ticketing companies and non-Rezdy booking software on the supply side and all sorts of sources of demand. In addition, the team at Rezdy have developed a marketplace in which experience providers can submit availability and agents and concierges can browse, search and book an experience for travellers in a marketplace environment.



### Revenue model and Covid-19

Rezdy began life as a typical SaaS business charging customers a monthly subscription payment to access their software. Two years ago the business began to add a share of the value of the transaction to its revenue model. Transaction fees 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 served the business very well as travel has recovered. Rezdy's revenue declined in 2020 but has now returned to new records.

### New investment and accelerating growth

We are excited about the opportunity for Rezdy. The business is forecasting record levels of growth. In October 2021 we led a \$7.5m new investment round, investing an additional \$4.0m into the business. Six other investors invested with us at a valuation 38% above our previous valuation. The new capital will be invested in accelerated customer and revenue acquisition in international markets and in the Rezdy product suite. We look forward to keeping you updated on Rezdy's progress.

Finally, from us as Founders and the wider Bailador team, thank you for your support in 2021. It has been a watershed year for the fund which we will review more fully in the next NTA Statement. We wish you a happy and safe Festive Season.

**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 November 2021 was \$1.73 (October 2021 \$1.61). Key movements in NTA per share during October were:

Increase SiteMinder (ASX:SDR) share price to \$6.32 (October \$5.06)	14.9c per share
Decrease in Straker Translations share price	-0.1c per share
Operating expenses	-2.8c 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.

#### SiteMinder

SiteMinder completed a successful ASX listing with its share price trading up strongly upon listing. CEO [Sankar Narayan spoke to Stockhead](#) about what lies ahead following the IPO.

#### Instaclustr

Instaclustr was once again ranked one of the fastest growing companies in North America. For the second year running the company placed on the [Deloitte Technology Fast 500](#), which picks the 500 fastest growing technology, media, telecommunications, life sciences, fintech and energy tech companies in North America. Instaclustr grew 215% in the 2017 to 2020 period considered.

Instaclustr was named one of the [Top 250 Public Cloud MSPs for 2021 by ChannelE2E](#), a digital media site and information resource. The list honours the top managed IT service providers (MSPs) that support customers on platforms such as Amazon Web Services, Microsoft Azure and Google Cloud Platform. The results are based on ChannelE2E's 2021 readership survey and its editorial coverage.

#### Straker Translations

Straker Translations [released its interim financial year 2022](#) result to the market. Revenue was up 57% YoY and gross profit was up 73% YoY. These are outstanding results and put Straker well on the path to achieve its full-year guidance of a minimum NZ\$50m revenue (60%+ YoY growth rate) and higher gross margin percentage.

#### Rezdy

Chris Atkin, Rezdy CEO, will be speaking at the Arival 360 conference in San Diego. Arival is the leader in events and research for the global tours, activities, attractions and experiences industry. Starting on February 1st, the four-day event will feature interviews, education sessions and the return of in-person networking.

#### InstantScripts

InstantScripts [placed second in the Australian Financial Review's Fast Starters list for 2021](#) with a revenue growth rate of 293%. The list ranks the fastest growing startups in Australia that were established in 2017 or later.

## BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review <sup>1</sup>
SiteMinder	105.6	620%	▲	0.75	✓	Mark to market each month end
Instaclustr	44.3	430%	▲	0.31		March 2022
Straker Translations	14.7	40%	▲	0.10	✓	Mark to market each month end
Rezdy	12.8	69%	▲	0.09	✓	October 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
Brosa	4.5	49%	▲	0.03		October 2022
Cash	36.6			0.26		
Other <sup>2</sup>	-6.4			-0.04		
<b>Net Asset Value / Net Asset Value Per Share (Pre Tax)</b>	<b>243.5</b>			<b>1.73</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.

<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
Type:	SaaS/B2B	DBaaS/B2B	Marketplace/Machine Learning	SaaS
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
HQ:	Sydney	Canberra	Auckland	Sydney
Staff:	750-1000	100-250	100-250	100-250



Name:	SMI	Nosto	InstantScripts	Brosa
Type:	SaaS/Big Data	SaaS/B2B	Digital Health/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	Tech-led, vertically integrated furniture brand and online retailer
HQ:	New York	Helsinki	Melbourne	Melbourne
Staff:	1-50	100-250	1-50	50-100