

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.

Contact Bailador

✉ Bailador Technology Investments
Level 20, 20 Bond Street
Sydney NSW 2000

☎ +61 2 9223 2344

✉ investorservices@bailador.com.au

Connect to Bailador

🐦 [@bailadorvc](https://twitter.com/bailadorvc)

in [Bailador Technology Investments](https://www.bailador.com.au)

🌐 www.bailador.com.au

Subscribe to Bailador

📧 [Click here to sign up for updates](#)

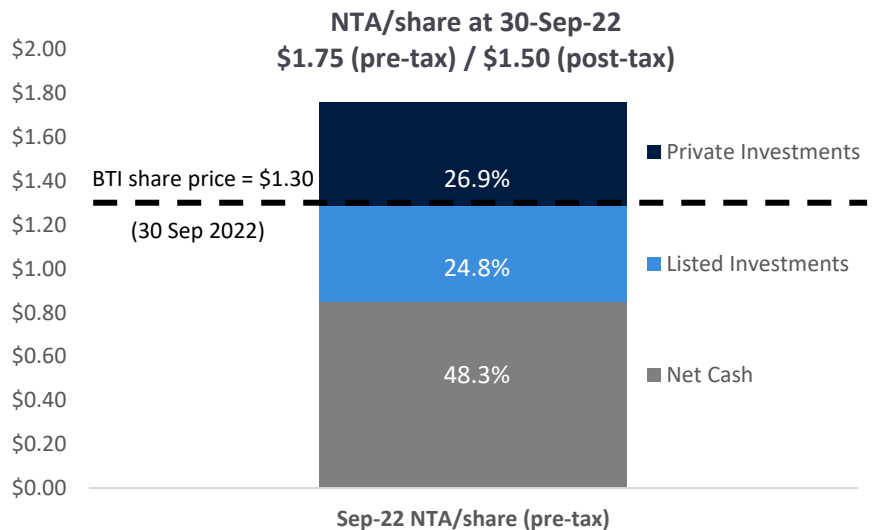
Notes:

¹Portfolio return calculated as the compound annual growth in NTA per share (pre-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 12 October 2022.

Net Tangible Asset Snapshot



Fund Performance

Annual returns to 31 Aug 2022	1-Year	2 Years	3 Years
Portfolio Return (%pa) ¹	21.6%	15.9%	16.7%
Shareholder Return (%pa) ²	-12.3%	19.0%	14.4%
Performance vs Benchmark			
S&P ASX All Tech Index [ASX:XTX]	-37.2%	-9.6%	+0.1%
Shareholder Return vs Benchmark	+24.9%	+28.6%	+14.3%

Notes: Refer left margin.

Founders' Commentary

HealthTech companies are solving big issues across the healthcare landscape, and providing important benefits to the community.

In January this year we talked about the thesis underpinning investments in our HealthTech businesses: InstantScripts, Access Telehealth and Mosh. These are all businesses run by exceptional teams, addressing huge and fast growing markets with strong unit economics that have the potential to grow into very large businesses.

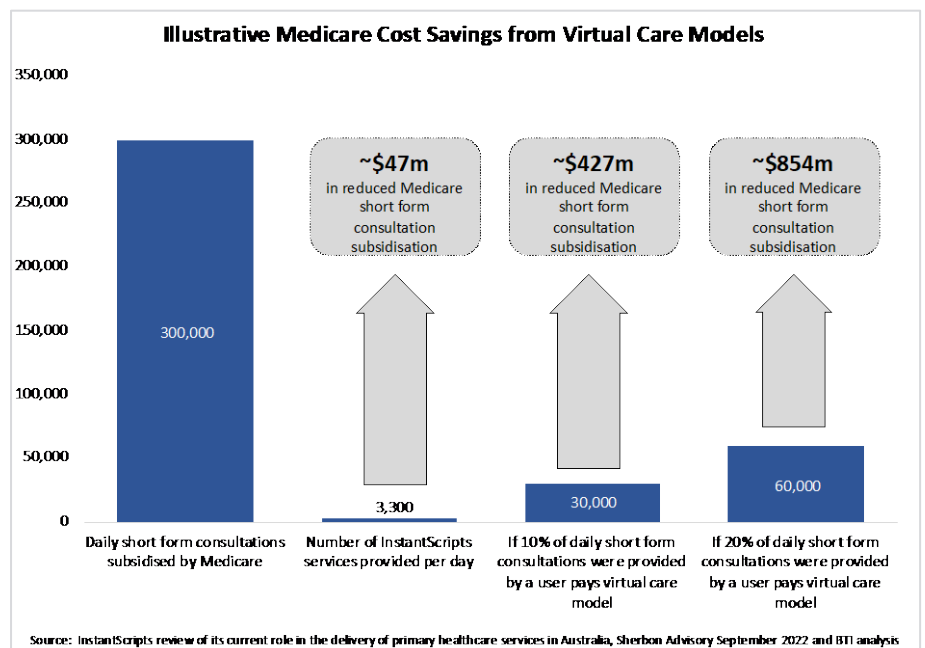
Our portfolio of HealthTech businesses are attractive investment opportunities. They are operating virtual care models which are delivering important benefits to the community. This point was emphasised in a white paper recently released by InstantScripts prepared by Sherbon Advisory. The white paper examined the role of virtual care in the delivery of primary healthcare services in Australia.

The challenges facing healthcare systems around the world are well documented and simple: demographics and lifestyle factors are placing ever increasing demands on healthcare budgets, while skilled medical professionals remain in short supply.

In 2019 Deloitte Access's General Practitioner Workforce Report found that by 2030 Australia will face a shortage of 9,298 GPs. This is felt most acutely in regional and rural communities. InstantScripts conducted a survey and found that 21% of patients waited a week or more to see a GP.

The virtual care models employed by InstantScripts, Access Telehealth and Mosh utilise technology to deliver healthcare. This provides a wide array of benefits to the community, including:

- Enhanced productivity – enabling medical specialists to treat more patients while maintaining a high quality of care
- Wider and quicker access to care – particularly to regional and rural communities
- Better quality of care – as a result of reduced wait times delivered in more convenient settings
- The introduction of flexible working models – encouraging the expansion of the medical workforce
- Reduced reliance on Medicare to subsidise healthcare costs



Currently InstantScripts completes 3,300 short form consultations daily which are ‘diverted’ from overworked GPs. At a cost to Government of \$39 per consultation this saves Medicare \$47m per year. If 20% of short form consultations were treated by a virtual care model the saving to Medicare would be over \$850m.

As investors we see the strong growth rates that digital health businesses are experiencing as validating the improved patient experience virtual care models are delivering. Despite the very rapid growth digital healthcare businesses have barely scratched the surface of the market opportunity.

We are excited about the growth prospects of our digital health portfolio but also the role they are playing in improving the way healthcare is provided to the community.

David Kirk & Paul Wilson
Bailador Co-Founders

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 September 2022 was \$1.75 (August 2022 \$1.88). Key movements in NTA per share during September were:

Portfolio valuations	
Decrease in SiteMinder (ASX:SDR) share price to \$3.09 (August 2022 \$3.45)	-4.2c per share
Decrease in Straker Translations (ASX:STG) share price to \$1.20 (August 2022 \$1.265)	-0.4c per share
Payment of FY22 final dividend at 7.4c per share, net of DRP and impact of dilution due to issue of DRP shares	-8.1c per share
Other operating expenses	-0.3c per share

Throughout FY22, Bailador completed the realisations of Instacluster and Standard Media Index. The realisations have crystallised taxable gains and provide certainty around tax payable on the gains. The tax payable is expected to be paid in March 2023 and is estimated to move ~21 cents per share from pre-tax NTA to the company's franking account allowing the company to pay fully franked dividends.

SiteMinder

SiteMinder [appointed Dean Stoecker as an independent non-executive director](#). Dean has a strong entrepreneurial background and co-founded the software company Alteryx, a leader in automating analytics and data-driven business processes. Dean is currently Alteryx's Executive Chairman and the company is listed on the NYSE.

SiteMinder [completed its acquisition of GuestJoy](#), a cloud-based app that allows hoteliers to automate personalised, direct, contactless guest communications before, during and after their stay.

InstantScripts

InstantScripts [launched a new video advertising campaign in Australia](#).

Sherbon Advisory [published a white paper reviewing InstantScripts current role in the delivery of primary healthcare services in Australia](#). The report highlighted the positive impact InstantScripts virtual care model is having on the provision of primary healthcare services.

Rezdy

Rezdy [partnered with ACME Ticketing](#), an industry leader in event ticketing technology for attractions companies. ACME customers can now benefit from an integration with the Rezdy Channel Manager, unlocking seamless distribution and channel management functionality.

Straker Translations

Straker [partnered with Microsoft](#) to translate print and online media into Māori. The deal came after Straker co-founder and CEO Grant Straker met with Microsoft's President during the recent New Zealand trade delegation to the US.

Nosto

Nosto [announced an integration with Attentive](#), an SMS-first software communications platform. The new partnership allows

brands to tailor commerce experiences for consumers, such as welcoming shoppers through text messages with tailored pop-ups, trigger banners that match the content of the SMS message, filter product recommendations to show only items that the SMS promotion applies to, sort category pages to match the specific SMS message, as well as frequent reminders of promotions and countdown timers to add urgency.

 **Bailador**

Bailador's columns with Stockhead looked at [the recent round of dividend payments which was the biggest cash injection to ASX investors in recent times](#), and [why we think healthcare is the next frontier for digital disruption](#).

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.

¹The Board reserves the right to amend or suspend the Dividend Policy at any time and neither the Company nor the Board gives any representation, assurance or guarantee that any estimate or forecast or statement of intention in the Dividend Policy will be achieved.

BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review ¹
SiteMinder	51.6	334%	▲	0.36	✓	Mark to market each month end
InstantScripts	24.4	21%	▲	0.17	✓	August 2023
Rezdy	12.8	69%	▲	0.09	✓	October 2022
Straker Translations	11.0	11%	▲	0.08	✓	Mark to market each month end
Access Telehealth	9.5	(24%)	▼	0.07		June 2023
Nosto	9.2	(19%)	▼	0.06		June 2023
Mosh	7.5	0%	▶	0.05	✓	December 2022
Brosa	4.5	49%	▲	0.03		October 2022
Cash	120.0			0.83		
Other ²	1.7			0.01		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	252.2			1.75		

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	InstantScripts	Rezdy	Straker Translations
Type:	SaaS/B2B	Digital Healthcare/B2C	SaaS	Marketplace/Machine Learning
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	Digital language translation services provider and one of the world's fastest growing translation companies
HQ:	Sydney	Melbourne	Sydney	Auckland
Staff:	750-1000	1-50	100-250	250-500



Name:	Access Telehealth	Nosto	Mosh	Brosa
Type:	Digital Healthcare/B2C	SaaS/B2B	Digital Healthcare/B2C	Online Retail/B2C
About:	Specialist telehealth platform connecting Australian communities to high-quality healthcare	Leading AI-powered e-commerce personalisation platform	Digital healthcare brand making men's health and wellness easily accessible via subscription treatment plans	Tech-led, vertically integrated furniture brand and online retailer
HQ:	Melbourne	Helsinki	Sydney	Melbourne
Staff:	100-250	100-250	1-50	50-100