

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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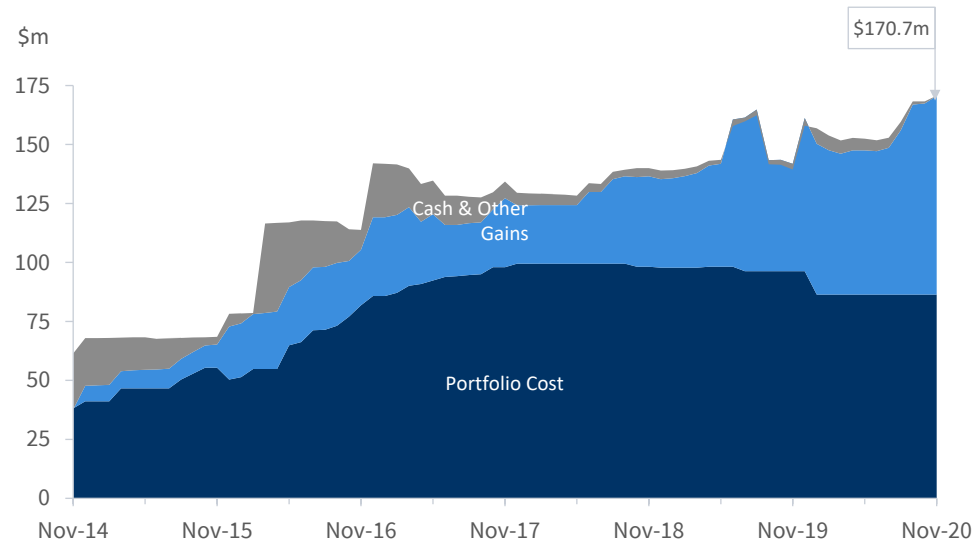
This report was authorised for release to the ASX by Helen Plesek, Company Secretary & Chief Financial Officer, on 7 December 2020.

Bailador Technology Investments [ASX:BTI] Shareholder Update

Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.39
NTA per share post-tax	\$1.25

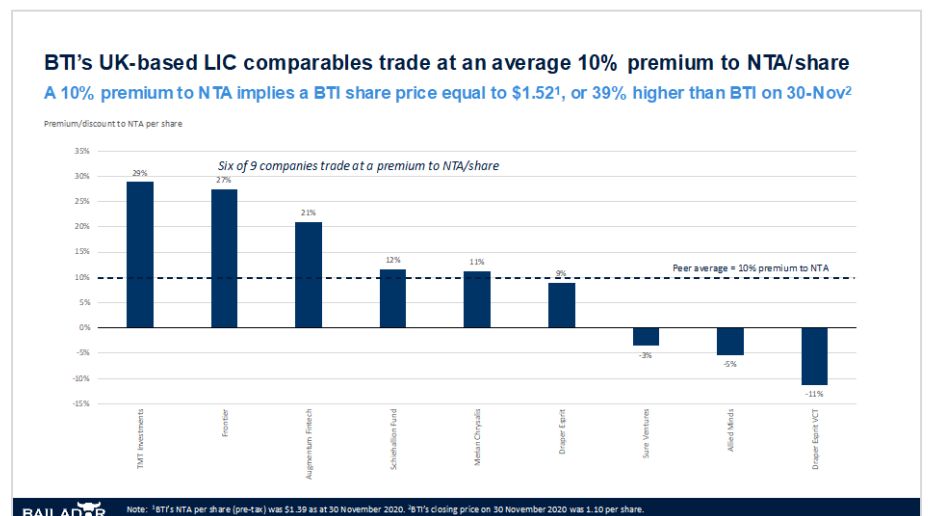
Net Tangible Asset Breakdown Since Inception



Founders' Commentary

Analysis suggests BTI may trade at a premium to NTA

Bailador Technology Investments [ASX:BTI] currently trades at a discount to NTA, as do most Listed Investment Company (LIC) structures on the ASX. However, BTI is differentiated from all other ASX-listed LICs in that it invests in private technology companies. BTI's international comparables more often trade at a premium to NTA.



Comparing a business to others with similar characteristics is an essential tool for valuation. In many cases there are a number of “like businesses” trading in the local market to analyse, but in some cases the answer lies further afield.

Although Bailador is one of over 115 LICs on the ASX, our investment strategy and investment portfolio is truly unique. However, as the chart above shows, there are a number of UK-listed funds directly comparable to Bailador which trade on average at a premium to NTA.

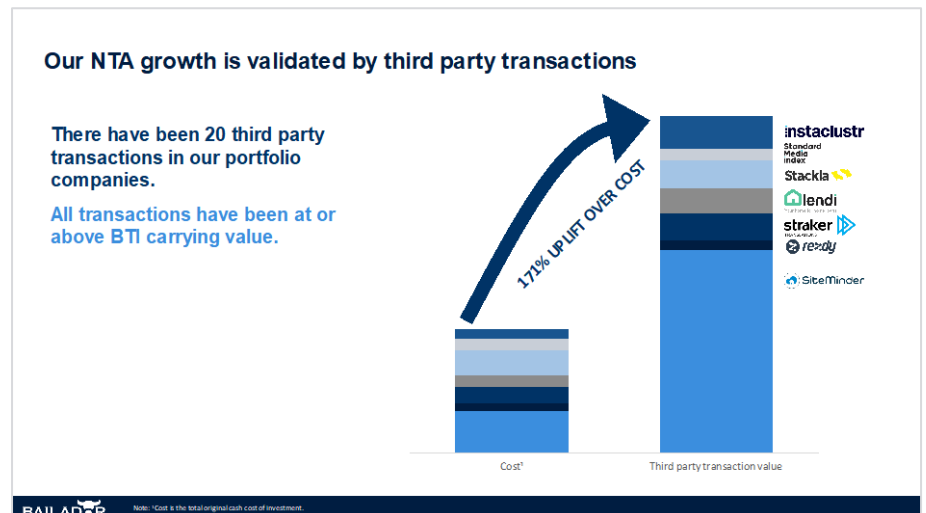
These UK-listed funds are comparable to BTI because:

1. they invest in high-growth, private-stage technology companies;
2. their portfolio is valued periodically on a Net Tangible Asset (NTA) basis; and
3. investors gain access through a publicly traded ordinary share, at a price determined by market trading.

BTI shares all of these characteristics.

Tellingly, six of these nine UK-listed funds trade at a premium to NTA, including some significantly above their reported NTA valuation. This is not a surprise to us given the UK-listed private equity market has been around for much longer, has a greater level of investor following and analyst coverage and, of course, a number of readily observable comparable funds available to help investors gauge what is a fair market valuation.

A number of these UK funds have developed a track record of third-party investments into their portfolio companies and realisations at valuations greater than their NTA carrying value. BTI has also been developing this track record of transactions above NTA carrying value. There have been 20 third party transactions in the BTI portfolio companies – all 20 transactions have been at or above NTA carrying value, including five partial cash realisations:



We believe that financial markets will come to appreciate the conservative nature of the BTI NTA as empirical evidence builds. While our analysis suggests that BTI could trade at a premium to NTA, we believe the “lightbulb” moment is likely to be a significant full cash realisation of a portfolio investment above NTA.

Applying the 10% average premium from the UK comparables to the NTA of BTI would result in a price per share of \$1.52, or 39% higher than the BTI share price on 30 November 2020.

David Kirk & Paul Wilson
Bailador Co-Founders

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, eCommerce, high value data, online education, telecommunication applications and services.

Movement in NTA

Bailador's NTA per share (pre-tax) has increased 2 cents per share from \$1.37 per share to \$1.39 per share.

Key movements are as follows:

Increase in ASX:STG share price to \$1.49 (\$0.99 last month)	2.6c per share
Other operating expenses*	-0.6c per share

SiteMinder

SiteMinder CEO Sankar Narayan was interviewed by the Australian Financial Review's Michael Bailey about how [Aussie tech unicorns have kept growing through COVID-19](#).

SiteMinder [partnered with AsiaPay](#) to simplify hotel customer payments across Asia. AsiaPay's payment gateways, PayDollar, PesoPay and SimaPay, have been integrated into SiteMinder's online booking engine to provide an automated and secure way for hotel customers to make upfront payments.

Sankar will present at the UBS Global TMT Virtual Conference on Monday 7th December. He will be appearing alongside some of the biggest names in tech to discuss leadership and why he is excited for SiteMinder in 2021.

Instaclustr

Instaclustr [appointed Geoff Richardson as Group Chief Financial Officer](#). Geoff will lead Instaclustr's financial team and hold additional operational responsibilities. He brings more than two decades of CFO experience steering financial operations at ASX 200 companies.

Instaclustr CEO [Pete Lilley spoke to the Ausbiz Startup Daily show](#) about the benefits of open source.

Stackla

Stackla has [partnered with Salesforce Commerce Cloud](#) to make it easier for brands to feature shoppable user generated content (UGC) on their websites. Stackla's integration into the Salesforce Commerce Cloud enables retailers to display shoppable galleries, pair custom designs with dynamic displays, and gain content performance insights.

DocsCorp

DocsCorp CEO [Dean Sappey was a guest on the Reinvesting Professionals podcast](#). He spoke about how the pandemic has impacted technology preferences in legal and which changes will remain permanent.

Lendi

It has been 12 months since we last reviewed our valuation of Lendi. During this time the business has performed very well with revenue growth accelerating and the business receiving record levels of home loan submissions. Lendi is currently assessing a number of

**Other operating expenses includes a contingent provision for Manager's performance fee. The Manager's performance fee is subject to an 8% compounded hurdle return. As at the date of this report the hurdle has not been reached and no performance fee is payable to the Manager.*

strategic options for the business. BTI has decided to keep the carrying value of Lendi constant while these options are being considered.

Lendi's game-changing Approval Confidence technology won it the top spot in the Best FinTech-Bank Collaboration category at the 5th Annual FinTech Awards. The awards celebrate the achievements of people and businesses in the Australian FinTech sector.



Straker Translations

Straker Translations [announced it was appointed as a Strategic Translation Service Provider to IBM](#) [NYSE:IBM]. The agreement significantly expands Straker's service scope to IBM from one language to 55 languages, which is expected to have a material impact on Straker's revenue starting from next quarter ending March 2021 (Q4 FY21). The [Australian Financial Review called the deal "potentially game-changing"](#), and [The New Zealand Herald reported that Straker shares surged by up to 80%](#) following the news and that the company is currently advertising for 40 new positions.

Straker Translations [announced its half-year FY21 results to the market](#). Highlights included solid revenue growth with enterprise customers generating 59% of total revenue, annualised repeat revenues up 32% and positive adjusted EBITDA. The company also announced it is aiming to complete at least one material transaction by the end of FY21 (to 31 March 2021).

BROSA Brosa

Brosa's Head of Consumer Product, [Nick Burton, was interviewed for a feature in the Australian Financial Review on the rise of product managers](#). Before joining Brosa, Nick worked in product management at Foursquare in New York and Uber in San Francisco. He now wants to set up an associate product manager programme for graduates at Brosa.



Bailador

Bailador co-founder [Paul Wilson was the expert guest on the Equity Mates Investing podcast](#). Paul spoke about how Bailador navigated COVID-19 and where there might be new opportunities in the Australian technology sector.

Inside Markets released the [fourth video in its five-part series featuring Paul Wilson](#) giving his expert insights into investing in technology businesses.

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	27.1	501%	▲	0.22		August 2021
Stackla	11.5	3%	▲	0.09		September 2021
DocsCorp	10.9	119%	▲	0.09		June 2021
Lendi	10.7	112%	▲	0.09	✓	November 2021
SMI	9.6	30%	▲	0.08		June 2021
Straker Translations	9.5	120%	▲	0.08	✓	Mark to market each month end
Rezdy	5.7	60%	▲	0.05		June 2021
Brosa	3.0	0%	▶	0.02	✓	October 2021
Viostream	-	-100%	▼	-		September 2021
Cash	2.7			0.02		
Other ²	-2.5			-0.02		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	170.7			1.39		

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.

² Includes accrued but not yet payable performance fee where performance fee hurdle has not been reached.

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	Instaclustr	Stackla	DocsCorp	Lendi
Type:	SaaS/B2B	DBaaS/B2B	SaaS/B2B/UGC	SaaS/Document Productivity	Fintech
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	Leading tech platform for brands to leverage User Generated Content (UGC) in their marketing strategy	Global leader in the rapidly growing Document Productivity segment	Australia's #1 home loan provider disrupting the multi-billion-dollar mortgage industry
HQ:	Sydney	Canberra	San Francisco	Sydney	Sydney
Staff:	500-750	100-250	1-50	100-250	250-500



Name:	SMI	Straker Translations	Rezdy	Brosa	Viostream
Type:	SaaS/Big Data	Marketplace/Machine Learning	SaaS	Online Retail/B2C	SaaS/Video
About:	Big data aggregation and analysis platform with exclusive access to ad expenditure data	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	Tech-led, vertically integrated furniture brand and online retailer	Cloud-based end-to-end platform for the creation, management and distribution of video
HQ:	New York	Auckland	Sydney	Melbourne	Sydney
Staff:	1-50	100-250	1-50	1-50	1-50