



# Annual General Meeting

11<sup>th</sup> October 2022

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Bailador Technology Investments Limited (ASX:BTI)

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**David Kirk**

**Co-Founder & Managing Partner**

# The Bailador Board



**David Kirk, Executive Chairman**

- Appointed 2014
- Re-elected October 2020



**Andrew Bullock, Non-Executive Director**

- Appointed 2014
- Re-elected October 2019
- Chair of Audit and Risk Committee



**Paul Wilson, Executive Director**

- Appointed 2014
- Re-elected October 2021



**Jolanta Masojada, Non-Executive Director**

- Appointed 2018
- Chair of Nomination and Remuneration Committee
- Re-elected October 2021



**Helen Foley, CFO & Company Secretary**

- Appointed 2014



**Brodie Arnhold, Non-Executive Director**

- Appointed and re-elected October 2019

Bailador provides investors with exposure to **expansion-stage technology** companies with **global addressable markets** and a **high growth** trajectory

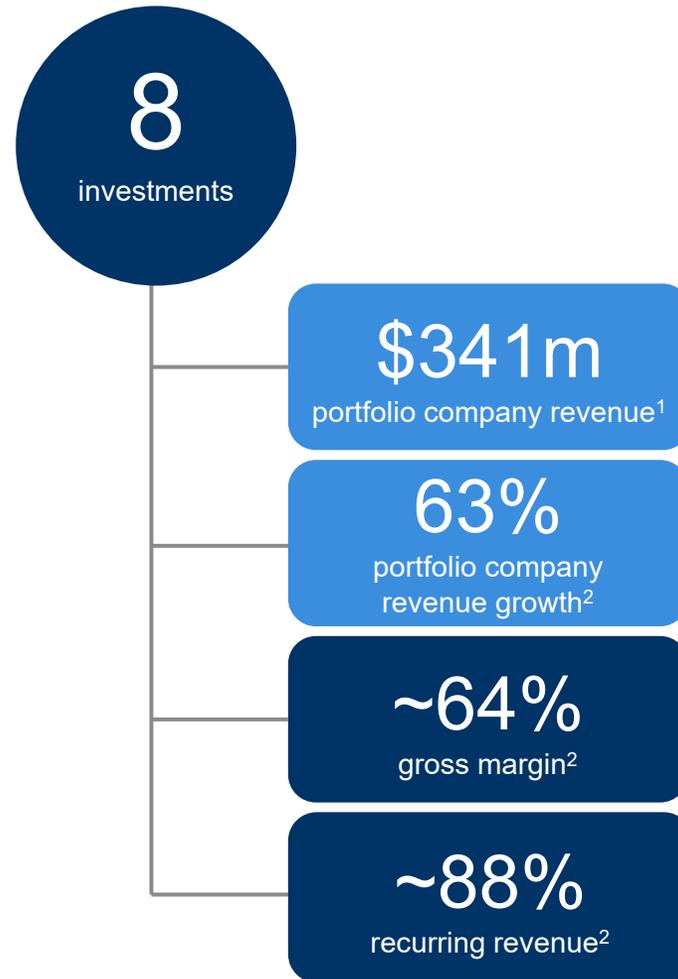
**Investors get access through an ASX traded share [ASX:BTI]**

# 2022 Financial Year Update

- ✓ **21.6% NTA per share growth over FY22**
- ✓ **BTI shares outperformed the S&P/ASX All Technology index by 46% over FY22**
- ✓ **BTI realised \$153m of investments including Instaclustr (\$118m), SMI (\$20m) and SiteMinder (\$15m)**
- ✓ **BTI invested \$39m across three new investments (InstantScripts, Mosh and Access Telehealth)**
- ✓ **BTI is well positioned with a high cash balance to take advantage of additional investment opportunities**
- > **New dividend policy announced**
  - > **Ongoing dividend paying 4% of NTA (pre-tax) per annum, paid semi-annually (ie 2% of NTA per half-year)**
  - > **In addition a special dividend paying 2% of Jun-22 NTA (pre-tax)**

**Total dividend of 7.4c per BTI share fully franked paid in Sep-22; 40% take-up under DRP<sup>2</sup>**

# The Bailador portfolio entered FY23 in a strong position



# It was a very active FY22 for the Bailador portfolio

2

full cash realisations

**instaclustr**

- 118m cash realised
- 87% uplift to carrying value
- 14.2x MOIC<sup>1</sup> and 80% IRR

**Standard Media index**

- 20m cash realised
- 64% uplift to carrying value
- 2.7x MOIC<sup>1</sup> and 15% IRR

3

new investments

  
InstantScripts

- Leading digital healthcare platform in Australia
- First invested (Jul-21)

 access telehealth

- Leading provider of online medical consultations
- \$12.5m invested (Dec-21)

**MOSH**

- Leading Men's digital healthcare platform
- \$7.5m invested (Dec-21)

3

follow-on investments

 re:dy

- \$4m follow-on investment (Oct-21)

  
InstantScripts

- Two follow-on investments in FY22 totalling \$10m
- Further \$5m follow-on investment (Jul-22)

1

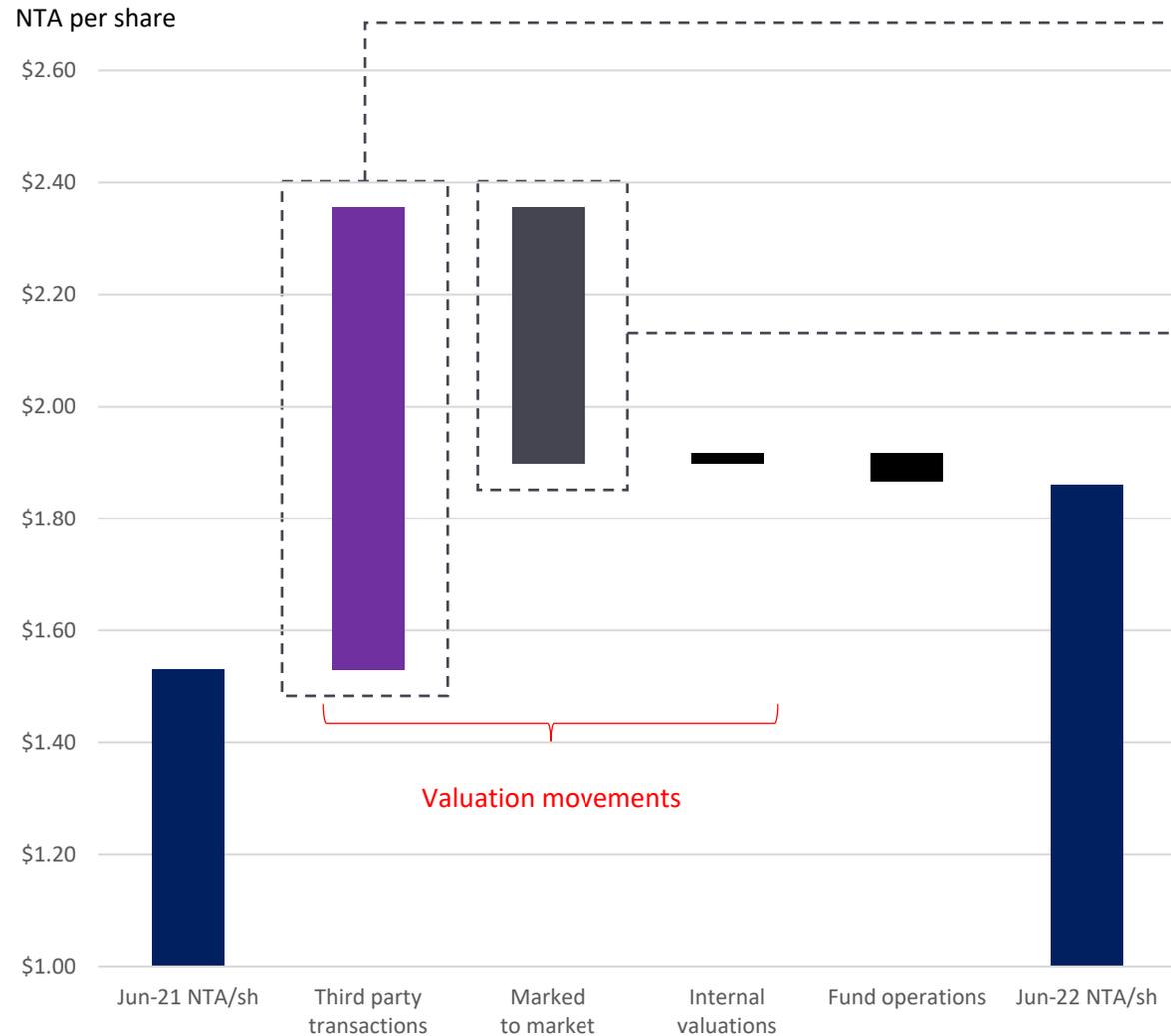
IPO

 SiteMinder

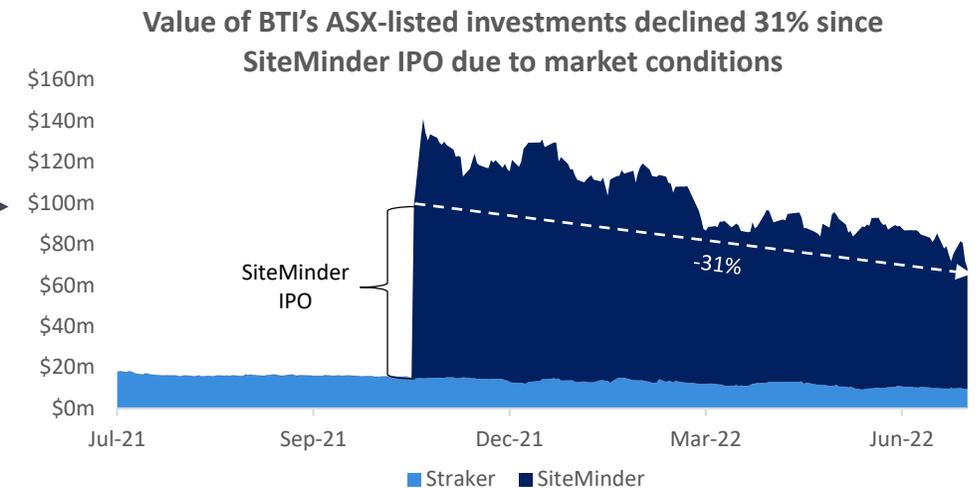
- IPO priced (Oct-21) at 21% valuation uplift and 44% IRR
- Successful IPO and \$15m partial cash realisation (Nov-21)

# Strong NTA per share growth in FY22 driven by cash realisations

Growth tempered by decrease in value of ASX-listed investments (SiteMinder and Straker) due to market conditions

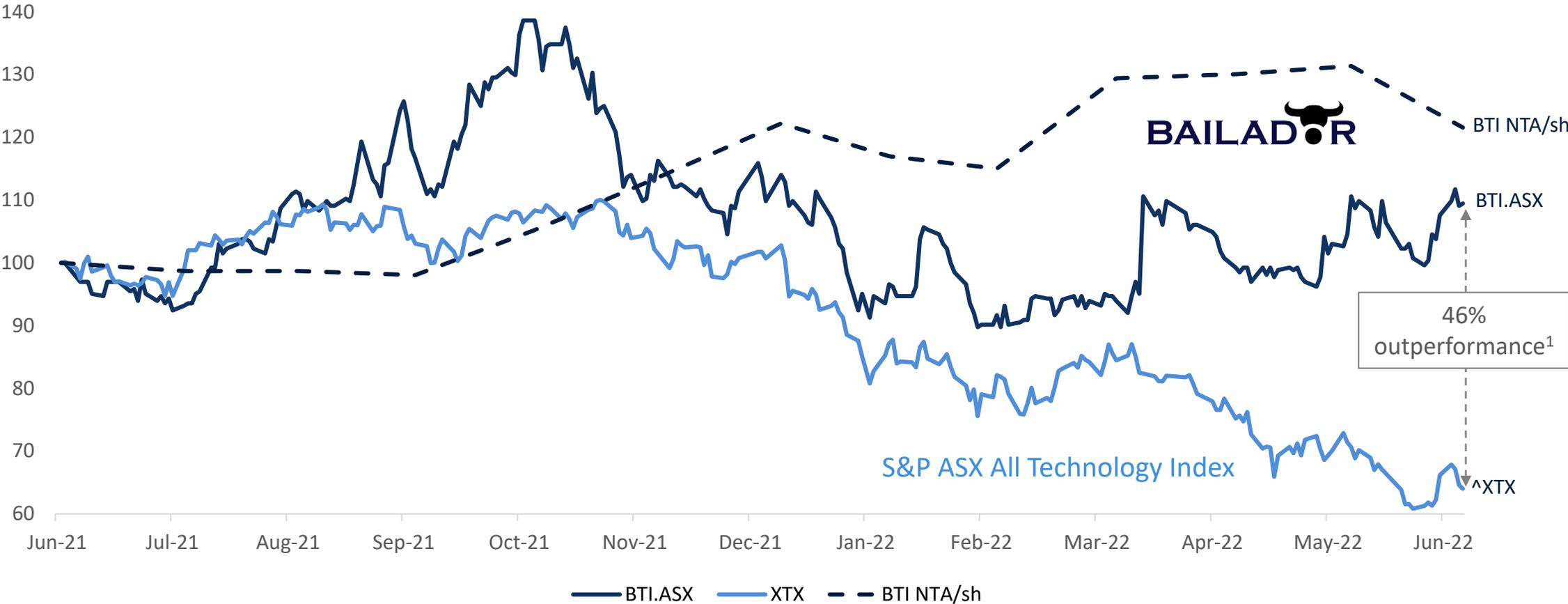


Portfolio Company	Valuation Movement (\$m)	Carrying value uplift	Cash realisation
Instaclustr	▲ \$73.3m	87%	Y
SiteMinder	▲ \$32.2m	21%	Y
SMI	▲ \$8.7m	64%	Y
Rezdy	▲ \$2.4m	38%	N
InstantScripts	▲ \$1.4m	10%	N
<b>Total</b>	<b>▲ \$118.0m</b>	<b>66%</b>	<b>-</b>



# Bailador outperformed the S&P/ASX All Technology Index by 46% in FY22

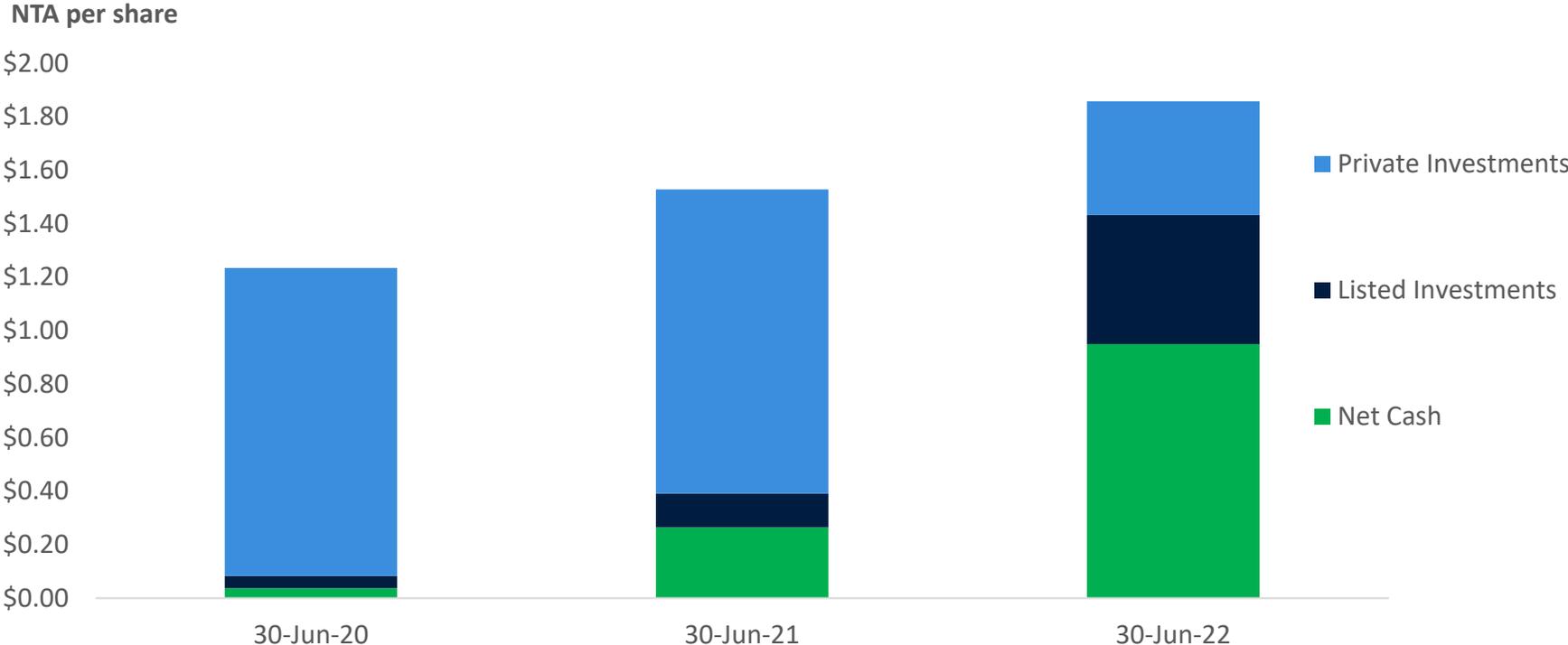
Indexed  
30-Jun-21 = 100



# Bailador's NTA composition has changed over the past two years due to cash realisations and IPO

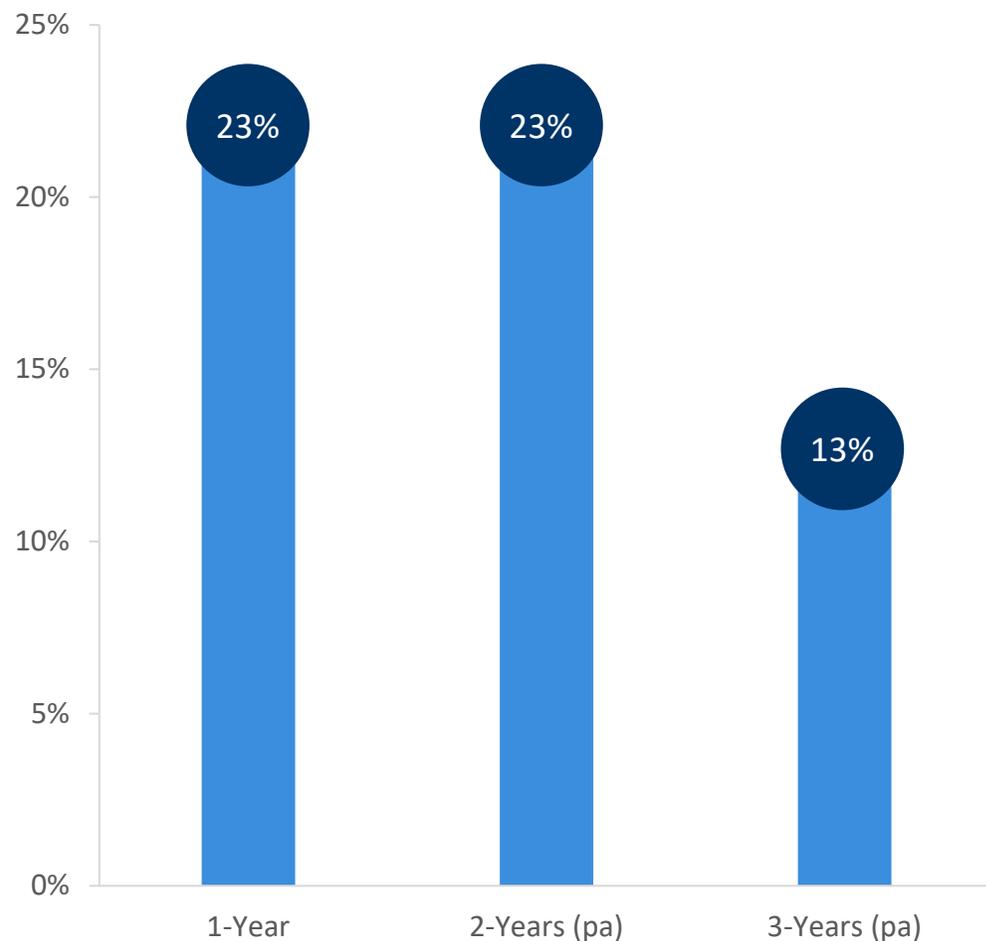
Bailador held 51% of NTA in cash and 26% of NTA in marketable securities as at 30 June 2022

Only 23% of NTA was private company investments



# Bailador has generated strong investor returns

## BTI Portfolio Return<sup>1</sup>



Returns as at 30 June 2022	1-yr	2-yr	3-yr
Portfolio Return (%pa) <sup>1</sup>	22.6%	23.0%	13.4%
Shareholder Return (%pa) <sup>2</sup>	9.8%	44.1%	12.4%
<b>Benchmark</b>			
S&P/ASX All-tech index	-36.0%	-5.6%	1.4%
<b>Performance vs Benchmark</b>			
Portfolio Return	+58.6%	+28.6%	+12.0%
Shareholder Return	+45.8%	+49.7%	+11.0%

Note: <sup>1</sup>Portfolio return calculated as the compound annual growth in NTA per share (pre-tax) plus dividends paid.. <sup>2</sup>Shareholder return calculated as the compound annual growth in BTI share price plus dividends paid.

# New ongoing dividend policy; dividend declared and DRP active

Bailador has committed to:

- > An ongoing dividend paying 4% of NTA (pre-tax) per annum, paid semi-annually (ie 2% of NTA (pre-tax) each half-year)
- > A special dividend of 2% of Jun-22 NTA (pre-tax); DRP<sup>2</sup> active at a 2.5% discount<sup>3</sup>

Dividends paid <sup>1</sup>	Unit	Amount
30-Jun-22 NTA (pre-tax)	m	\$262.0
Special dividend declared	m	\$5.2
Ongoing dividend declared	m	\$5.2
<b>Total dividend paid (Sep-22)</b>	<b>m</b>	<b>\$10.4</b>
BTI shares on issue	m	141.0
Dividend per share	cents per share	7.4
BTI share price (12-Aug-22)	per share	\$1.50
<b>Cash dividend yield</b>	<b>%</b>	<b>4.9%</b>
Franking	%	100%
Company tax rate	%	30%
<b>Effective dividend yield (grossed up)</b>	<b>%</b>	<b>7.0%</b>

- Fully-franked
- 40% DRP take-up (Sep-22)

Note: <sup>1</sup>Dividend declared on 15 August 2022. Refer to BTI's FY22 results media release announced to ASX on 15 August 2022 for further detail. <sup>2</sup>BTI's Dividend Reinvestment Plan was established in February 2020 and is available to eligible BTI shareholders. Refer BTI's DRP Rules available at [www.bailador.com.au/investor-relations/corporate-governance](http://www.bailador.com.au/investor-relations/corporate-governance). <sup>3</sup>DRP issue price set at a 2.5% discount to the four-day volume weighted average price of BTI as at close on 6 September 2022.

# FY22 Financial Performance

For the year ended 30 June 2022

	FY21 \$000	FY22 \$000
Change in value of portfolio assets	52,032	70,667
Interest income	100	197
<b>Total investment growth</b>	<b>52,132</b>	<b>70,864</b>
Management fee	(3,144)	(4,451)
Performance fee	(7,321)	(10,625)
Cost of realisation of financial assets	(953)	(5,774)
Independent valuations	(64)	(65)
Directors' fees	(192)	(216)
Other operating expenses	(1,055)	(1,124)
<b>Total costs</b>	<b>(12,729)</b>	<b>(22,255)</b>
<b>Profit before tax</b>	<b>39,403</b>	<b>48,609</b>
Tax	(11,823)	(14,640)
<b>Profit after tax</b>	<b>27,580</b>	<b>33,969</b>

1.75% management fee calculated on pre-tax NTA

BTI met its compound performance hurdle in FY22

Transaction costs relating to SiteMinder, Instacluster and SMI realisations

# Bailador’s commitment to ESG principles

- ⚙ Bailador is establishing, integrating and implementing a long-term sustainability framework and goals
- ⚙ Bailador is measuring, managing and mitigating carbon emissions we are directly responsible for

<p><b>Scope 1 Emissions</b></p> <p>0 (Zero)</p> <p><b>FULLY OFFSET</b></p>	<p><b>Scope 2 Emissions</b></p> <p>3.69 tonnes of CO2e</p> <p><b>FULLY OFFSET</b></p>	<p><b>Scope 3 Emissions</b></p> <p>1.47 tonnes of CO2e</p> <p><b>FULLY OFFSET</b></p>
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	Establish best practice at Bailador	Integrate ESG principles across the Bailador investment cycle	Work and influence portfolio companies
Governance	✓✓✓✓✓	✓✓✓	✓✓✓✓
People practices	✓✓✓✓	✓✓✓✓	✓✓✓
Climate change and carbon intensity	✓✓✓	✓✓	
Giving back	✓✓✓✓	✓✓✓	✓

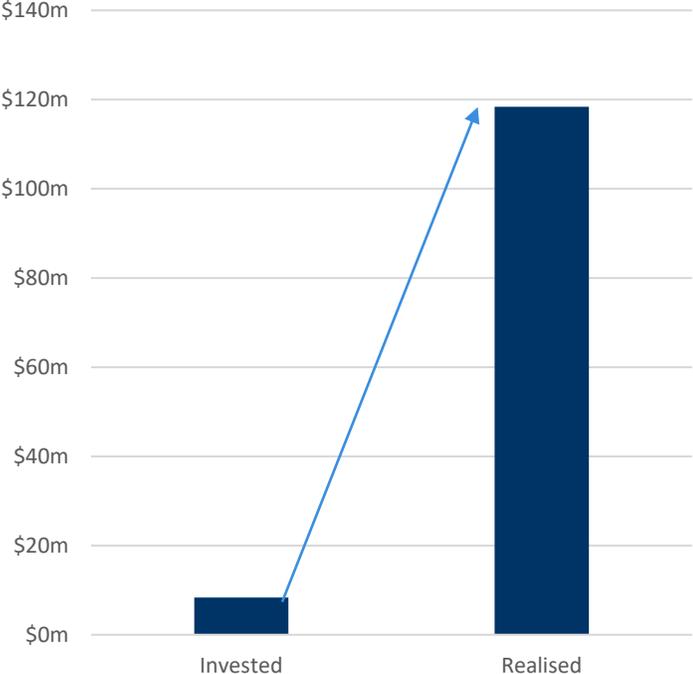
**Paul Wilson**

**Co-Founder & Managing Partner**

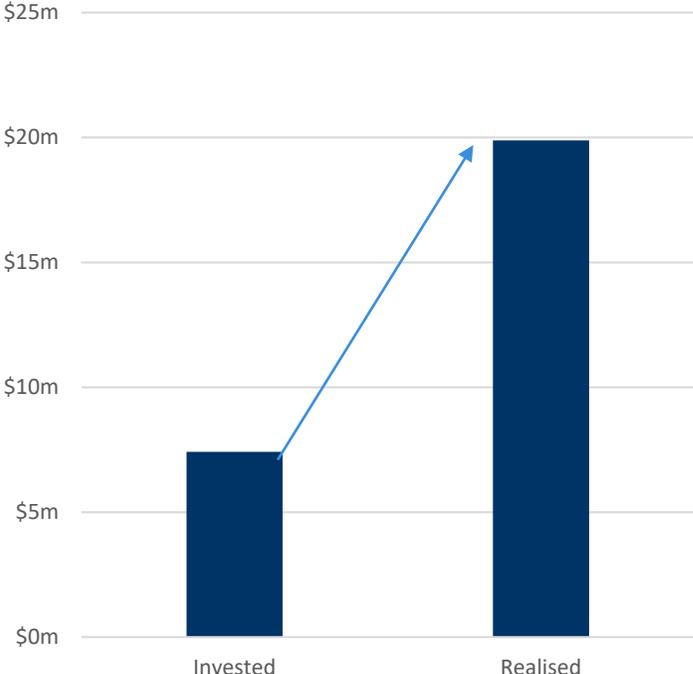
# Bailador successfully completed three cash realisations in FY22



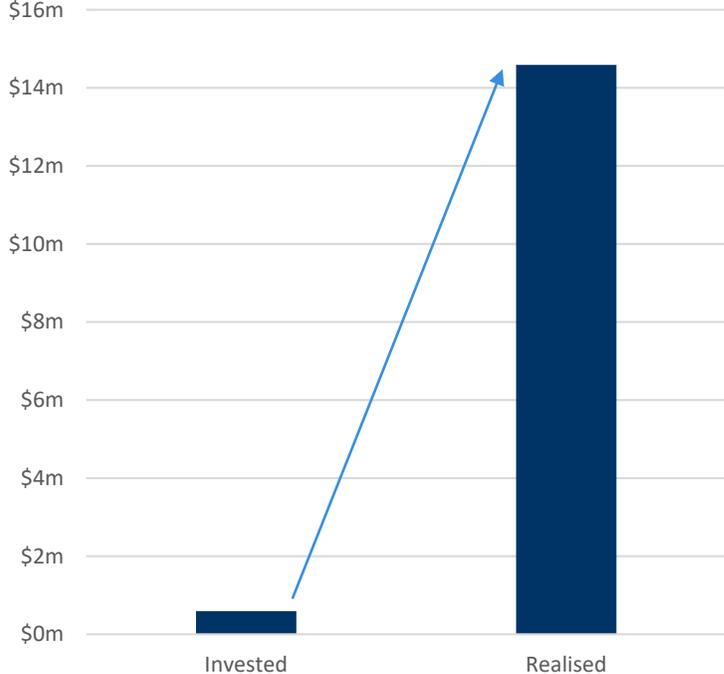
Instaclustr returned 14.2x invested capital at an IRR of 79.8%



SMI returned 2.7x invested capital at an IRR of 15.0%



SiteMinder investment returned 24.8x invested capital at an IRR of 40.4%



# Strong FY22 performance and prospects across the Bailador portfolio

Investment	Portfolio weighting	Sector	Sector growth	Sector thematics	Operational milestones
		Travel / Accom.		<ul style="list-style-type: none"> <li>✓ International travel reopening and gathering momentum</li> <li>✓ Regional travel strong in some countries</li> <li>✓ Growing COVID-19 vaccination rates and removal of restrictions across North America and UK/Europe</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Successful IPO on the ASX in Nov-21</b></li> <li>• <b>Delivered strong 4Q22 performance (ARR up 25% over 12 months) as reopening of international travel began</b></li> <li>• Doubled down on product development</li> <li>• Remains well capitalised with \$118m of liquidity</li> <li>• <b>Share price down 31% since IPO due market conditions</b></li> </ul>
 		Digital Healthcare		<ul style="list-style-type: none"> <li>✓ Emerging market with huge potential</li> <li>✓ Attractive structural tailwinds</li> <li>✓ Low competition</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Bailador first invested \$5.5m in Jul-21 and an additional \$9.7m via follow-on rounds across FY22</b></li> <li>• Launched streamlined access product for Pathology</li> <li>• <b>Growing extremely rapidly with revenue up over 120% over the period having served over 500,000 Australians</b></li> </ul>
		Travel / Experiences		<ul style="list-style-type: none"> <li>✓ International travel reopening and gathering momentum</li> <li>✓ Regional demand has been strong in key regions</li> <li>✓ Growing COVID-19 vaccination rates and removal of restrictions across North America and UK/Europe</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Ended FY22 with ARR up over 50% despite limited international travel</b></li> <li>• Adjusted revenue model and built distribution alliances that will pay off as travel returns</li> <li>• <b>Bailador invested additional \$4.0m in Oct-21</b></li> <li>• <b>Bailador valuation increased 38% in line with third party transaction in Oct-21</b></li> </ul>
 		Digital Healthcare		<ul style="list-style-type: none"> <li>✓ COVID-19 has moved telehealth into the mainstream for both consumers and doctors</li> <li>✓ Attractive structural tailwinds</li> <li>✓ Low competition</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Bailador invested \$12.5m in Dec-21</b></li> <li>• The business is growing rapidly with 200+ medical specialists delivering 5,000+ consultations monthly</li> <li>• <b>24% reduction in valuation at Jun-22 to reflect market valuations</b></li> </ul>

## Strong FY22 performance and prospects across the Bailador portfolio (cont.)

Investment	Portfolio weighting	Sector	Sector growth	Sector thematics	Operational milestones
		Language Translation		<ul style="list-style-type: none"> <li>✓ Highly fragmented provider landscape with patchy technology adoption</li> <li>✓ Increasing demand from Enterprises for platform capable of facilitating full range of translation needs</li> <li>✓ Increased globalization of products and media content</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Delivered 79% revenue growth in FY22, surpassing minimum guidance by 12%</b></li> <li>• Multiple growth drivers via both organic (customer) and inorganic (business) acquisition channels</li> <li>• <b>Share price down 47% over period due market conditions</b></li> </ul>
		E-commerce		<ul style="list-style-type: none"> <li>✓ Fast growing e-commerce sector</li> <li>✓ Huge COVID-19 inspired growth wave</li> <li>✓ Increasing demand for personalised, authentic shopping experiences that can be delivered at scale</li> </ul>	<ul style="list-style-type: none"> <li>• Stackla merged with Nosto in Jun-21 in a predominately scrip transaction</li> <li>• Nosto is profitable and performing well</li> <li>• <b>20% reduction in valuation at Jun-22 to reflect market valuations and changes to currency rates</b></li> </ul>
		Digital Healthcare		<ul style="list-style-type: none"> <li>✓ Emerging market with huge potential</li> <li>✓ Attractive structural tailwinds</li> <li>✓ Low competition</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Bailador invested \$7.5m in Dec-21</b></li> <li>• Has developed a strong brand in the fast-growing men's digital healthcare market</li> <li>• Growing rapidly with over 30,000 active subscribers</li> </ul>
		E-commerce (furniture)		<ul style="list-style-type: none"> <li>✓ B2C furniture and homewares markets undergoing a structural shift towards online</li> <li>✓ Adoption rates increasing in Australia but remain well behind similar western economies (eg US and UK)</li> </ul>	<ul style="list-style-type: none"> <li>• Recipient of the huge increase in online shopping during 2021, boosted by COVID-19 restrictions</li> <li>• For much of the year, revenue was over 100% up on the previous year</li> <li>• <b>Bailador valuation increased 49% to \$4.5m following strong operating performance (Oct-21)</b></li> </ul>

 *New portfolio company in FY22*

# Our business model is designed to generate premium returns



**INVESTING**

**Diligence hundreds of opportunities to select the best**



**GROWING**

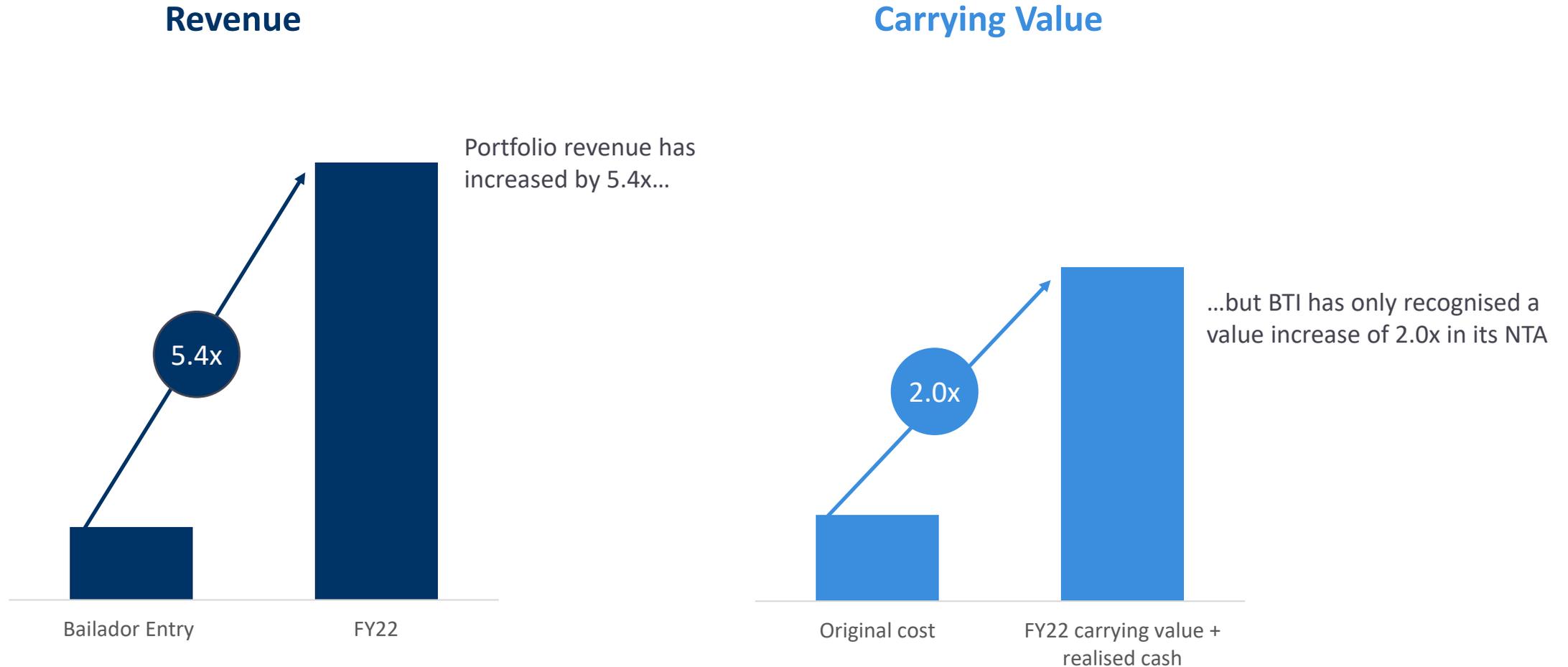
**Partner with management to scale globally**



**REALISING**

**Prepare businesses for sale or IPO**

# The growth in carrying value of BTI's investments is conservative in comparison to the revenue growth in the portfolio



# Bailador has a track record of 11 full and partial cash realisations

---> These have delivered a combined 3.8x multiple on invested capital at an IRR of 22.4%

---> All 11 realisations have been above carrying value

 <p><b>instaclustr</b></p> <p>Cash \$118m 14.2x cost 80% IRR May 2022</p>	 <p><b>Standard Media index</b></p> <p>Cash \$20m 2.7x cost 15% IRR May 2022</p>	<p><b>SiteMinder</b></p> <p>Cash \$15.1m 22.7x cost 44.0% IRR November 2021</p>	 <p><b>lendi</b> Your home for home loans</p> <p>Cash \$13m 2.4x cost 21% IRR April 2021</p>	 <p><b>DocsCorp</b></p> <p>Cash \$17m 3.4x cost 30% IRR February 2021</p>	 <p><b>VIOSTREAM</b></p> <p>Cash \$1.1m 0.05x cost January 2021</p>
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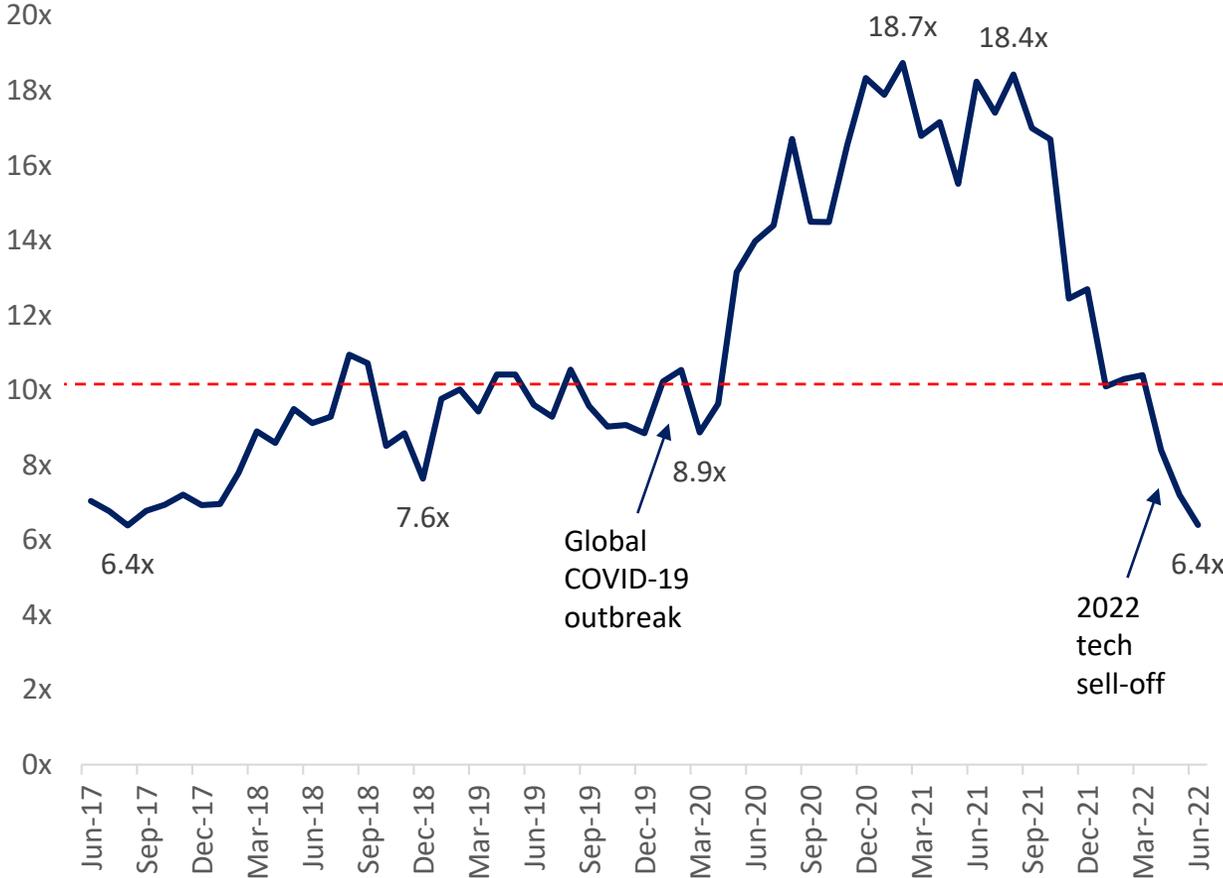
<p><b>SiteMinder</b></p> <p>Cash \$9.9m 19.3x cost 50.5% IRR January 2020</p>	<p><b>straker</b> TRANSLATIONS</p> <p>Cash \$2.0m 2.1x cost 25.0% IRR July 2019</p>	<p><b>lendi</b> Your home for home loans</p> <p>Cash \$0.4m 2.8x cost 35.4% IRR December 2018</p>	<p><b>straker</b> TRANSLATIONS</p> <p>Cash \$1.2m 1.7x cost 21.5% IRR October 2018</p>	<p><b>SiteMinder</b></p> <p>Cash \$5.0m 7.2x cost 71.1% IRR December 2015</p>
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 = full cash realisation

# Market valuation multiples have reduced and Bailador is well positioned to make new investments

- ✓ Likely to be additional new investments during the year, and possibly follow on investments in existing portfolio companies
- ✓ Average technology multiples have declined over 65% since their peak and are now 36% below their 5yr average
- ✓ Aim to maintain portfolio size at eight to 12 investments
- ✓ One follow-on investment, InstantScripts, already made in FY23 (July)
- ✓ Bailador cash balance at Jun-22 was \$144m

**Average technology multiples have declined to below long-run average<sup>1</sup>**



<sup>1</sup>Average EV/LTM Revenue multiple of NASDAQ-listed technology companies, Bessemer NASDAQ Cloud Index (EV/LTM Revenue multiple); <https://cloudindex.bvp.com/>

**Bailador provides investors with access to high-growth [expansion-stage technology companies](#) at attractive valuations.**

Investors get access through an ASX traded share [[ASX:BTI](#)] with liquidity available at any time

# Questions

[investorservices@bailador.com.au](mailto:investorservices@bailador.com.au)

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This report was authorised for release to the ASX by Helen Foley, Company Secretary & Chief Financial Officer, on 11 October 2022.

## FURTHER INFORMATION

Website:	<a href="http://www.bailador.com.au">www.bailador.com.au</a>
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Bailador Technology Investments Limited (ASX:BTI)

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## **Bailador Technology Investments Annual General Meeting**

**11 October 2022**

### **Chairman's address**

Good Morning.

Ladies and Gentlemen, I'm pleased to open Bailador Technology Investments' Annual General Meeting.

My name is David Kirk, Bailador's Chairman. I have been advised that a quorum is present and I formally declare the meeting is now open. On behalf of Bailador's Board, thank you for coming to the meeting and welcome. We look forward to our AGM each year, and this year in particular we are very pleased to be holding our AGM in person after two years of virtual meetings due to COVID.

Our agenda today is relatively simple. I'll say a few words and review the 2022 financial year and then I'll hand over to Paul Wilson, who will discuss the Bailador portfolio and why we remain confident in our investment strategy. After that we'll run through the 3 resolutions, I'll take your questions, then we'll close the meeting.

First up, I'd like to introduce you to the Bailador board attending today.

To my right is Paul Wilson, co-founder, along with me, of Bailador.

Next to Paul are non-executive directors Andrew Bullock, Jolanta Masojada and Brodie Arnhold. Bailador is backed by a strong majority independent board and you will note from the biographies in our annual report that your board members are highly qualified and bring a tremendous depth of relevant experience to the BTI board. I'd like to thank the board for their hard work and dedication in what has been a very eventful and successful year for the fund.

Also present from Bailador today is Helen Foley our CFO & Company Secretary. Members of our investment team are also present. Partners James Johnstone and Bevin Shields, Investment Director Mike Hayes and Investment Associate Alex Lenartowicz. At the conclusion of today's meeting do feel free to speak with any of the team about our portfolio companies. We are also joined by our very capable Executive Assistant Chloe Cozens and we thank Chloe for the work that goes in to pulling today together.

Seated in front is Sandeep Kumar from Hall Chadwick, the company's auditor.

Representatives from Link Market Services are here to register all attendances and to count your votes. Please see a Link representative at the registration desk if you have not yet registered your attendance or received a voting card.

The Company Secretary has confirmed that the Notice of Meeting has been sent to shareholders and the other people entitled to receive it. We have some spare copies of the Notice of Meeting available if anyone does not have a copy and would like one.

If there is no objection to the Notice of Meeting, I propose that the Notice of Meeting be taken as read.

For the purposes of this meeting, proxies have been received and these will be displayed on the screen during each resolution.

I intend to vote all undirected proxies in favour of the resolutions, as is set out in the proxy form itself.

I will now say a few words about performance in 2022

First a reminder of what we do. Bailador invests in a portfolio of established information technology companies that are growing strongly and scaling into international markets. We call this expansion-stage investing and we deliberately focus on this stage as we believe it provides investors with the best balance between risk and reward. Our involvement with our portfolio companies goes far beyond just providing capital to fund growth – we run a concentrated portfolio strategy in order to assist companies drive the many operational aspects of the business that are critical to delivering on growth opportunities.

At our AGM last year, I spoke to you about the strong year we had in 2021 and the successful realisations of three of our portfolio investments. Twelve months later I am pleased to report Bailador delivered another very successful year including the full cash realisations of Instaclustr and Standard Media Index and the public listing of our largest portfolio investment, SiteMinder.

All up, Bailador realised \$153m of investments in 2022 and invested \$39m in new investments. Our full realisation of Instaclustr, was at 14.2x our investment cost. We have started FY23 with a strong cash position and are very well positioned to make good investments at attractive valuations.

The BTI share price outperformed the ASX all technology index by 46%.

As a consequence of the successful full cash realisations of Instaclustr and SMI and partial cash realisation of SiteMinder, which delivered \$153 million in cash to the portfolio, the board took the opportunity to review our capital management policy.

The board was pleased to announce in May 2022 a dividend policy under which Bailador will pay fully franked dividends semi-annually targeted at delivering 4% of NTA per annum. That's two dividends per year, each being 2% of pre-tax NTA. In addition to the on-going dividend we announced a 2% special dividend that was paid with the first regular dividend in September.

We were pleased to see around 40% of shareholders take up the opportunity to reinvest their shares via the company dividend reinvestment plan.

I'm pleased to report we've had a good start to FY23 albeit in the face of some strong macro economic headwinds.

We currently have a portfolio of eight businesses which combined exhibit premium characteristics which sees them very well positioned for future growth.

We will continue to seek out opportunities which fit our investment criteria.

It was another busy year for the investment team and the teams in our portfolio companies.

As you will see from the screen, our team has worked to strike the right balance between realisations and our continuing investment in the next generation of leading technology businesses.

During the year we made three new investments in the large and rapidly growing digital healthcare sector and made three follow-on investments as we continue to support the growth plans of our existing portfolio companies.

As I mentioned earlier, our strong NTA per share growth was driven by third party transactions, shown in the purple column on the left of the chart with the majority of these gains realised in cash during the second half of the financial year.

The carrying value uplift across these transactions as shown in the top right table, demonstrates the continued conservatism in our valuation approach and the significant valuation premiums we are able to crystallise on third party transactions.

The IPO of SiteMinder was a significant milestone for us. It is worth noting the balance sheet effect of the change in our SiteMinder holding with a large portion of our portfolio moving into marketable securities and therefore subject to the immediacy of being marked to market each month.

Our share price rose in 2022 which was an excellent achievement in a technology sector which fell sharply. Bailador out-performed the ASX All Technology Index by 46% in FY22.

The significant transactions the fund has had in FY22 have changed the composition of the fund between FY20 and FY22. We are holding more cash and more listed investments (or marketable securities).

Some of the movement in portfolio composition is down to timing with our two largest FY22 realisations occurring in May. We expect to see a sizeable portion of the cash on this slide move into the blue private investments section over the coming years. And of course some of that green section will be returned to you in fully franked dividends under our new dividend policy.

Those of you who follow our monthly NTA statements will also know that for the last few months our cash plus marketable securities is fairly closely aligned to our share price, meaning our discount to NTA is closely aligned to the value of our private investments. Shareholders should have a level of confidence that our current market capitalisation is completely supported by either cash or equities easily convertible to cash. In the current economic climate, your board is very pleased to be presenting you such a strong balance sheet and the firepower to make some good new investments.

Shareholders may already be familiar with the table of performance as it has become a central feature of our monthly NTA statements. We are pleased with the returns numbers presented here. These numbers are as at 30 June and we are pleased to report that since that time, we have continued to outperform the benchmark.

We are extremely pleased to have paid the first instalment of our ongoing dividend. We are committed to paying 4 per cent of our pre tax NTA per annum, fully franked. Combined with the special dividend of 2% of NTA we delivered a 7% grossed up dividend yield, with a further 2% of December NTA to come, following our FY23 interim results.

Shareholders should continue to view returns as being primarily through capital appreciation from our growing technology investments, but with the introduction of our dividend policy, investors can now expect fully franked dividends to be a material addition to their return profile. As we stated in our annual report,

regular dividends allow us to bring forward and de-risk returns for shareholders, which given the uncertainty of the current economic climate, is particularly valuable.

We were also pleased to have received a 40% take up rate in our DRP and thank those shareholders for their on-going commitment.

I will just take a minute now to run through the Profit & Loss Statement for 2022.

The top line is the change in the value of the investments in the portfolio. We had another strong year of growth, albeit the portfolio experiencing a mix of portfolio gains and declines to a net increase in the portfolio of \$71m.

FY2022 was a year of two halves. Roughly speaking, the first half was characterised by relatively strong markets and we were able to negotiate agreements to sell two of our investments and complete the IPO of SiteMinder where we realised a small part of our investment.

The last six months of FY22 were dominated by sharp declines across world markets and in particular technology stocks. This impacted a number of our portfolio valuations. Our two listed investments fell with the rest of the market and we wrote down two of our investments to ensure we remain conservative in our private valuation approach.

We won't always get this so spot on, but this year our portfolio increases were realised, and those realisations now sit in cash for shareholders to reinvest and pay dividends. The portfolio companies that declined in value throughout the year were unrealised declines and we remain optimistic about their prospects.

Our operating expenses were largely in line with the prior year. Management fees were up by \$1.3m due to the strong increase in our NTA. The strong lift in NTA triggered the performance fee.

Last year we presented our ESG framework for the first time. We continue to develop our ESG policies and framework. A reminder that due to most activity sitting with the Manager, in our reporting we report a combined position between Bailador Technology Investment Limited, and the Manager. The Manager is pleased to report to BTI shareholders they have fully offset their carbon emissions. We continue to benchmark to key environmental, sustainability and governance standards and have provided details in our annual report. As a listed investment company, Bailador will always strive to run to a gold standard on governance practices and we continue to do so.