

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 unique exposure to a portfolio of information technology companies with global addressable markets. We invest in private technology companies at the expansion stage utilising extensive downside protection.

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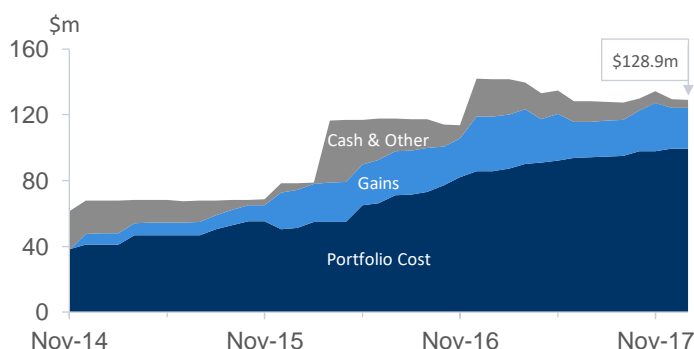
March 2018

Bailador Technology Investments [ASX:BTI] Shareholder Update

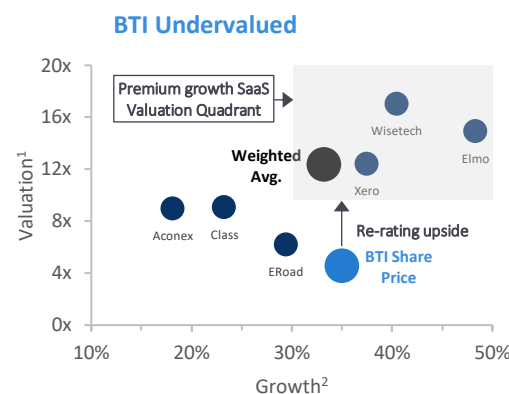
Net Tangible Asset Snapshot

	Current month
NTA per share pre-tax	\$1.04
NTA per share post-tax	\$1.07

Net Tangible Asset Breakdown Since Inception



Founders' Commentary



¹ EV/LTM Revenue for ASX SaaS companies as of 12 March 2018 and BTI portfolio average EV/LTM implied by BTI share price of \$0.825

² Revenue growth to 31 December 2017

The BTI portfolio is significantly undervalued in comparison to Software as a Service (SaaS) companies listed on the ASX.

BTI has enjoyed significant success in growing a number of SaaS businesses at high velocity. SaaS businesses represent 75% of the BTI portfolio value, making comparison with other listed SaaS businesses a meaningful benchmark.

The chart above shows that the BTI portfolio is growing at a rate superior to most ASX listed SaaS businesses, and at a faster rate than the weighted average. Yet the multiple implied by the current BTI share price is less than half of the weighted average for the sector.

Companies with a SaaS business model command attractive valuation multiples due to the massive size of their global addressable markets, and the efficiency of the model in scaling to address these markets.

BTI has a high growth portfolio dominated by SaaS business models, which is currently significantly undervalued in comparison to ASX listed SaaS companies. BTI expects that realising some portfolio investments at attractive valuations will be a key re-rating trigger.

David Kirk & Paul Wilson
Bailador Co-Founders

Highlights

Investment Focus

Bailador typically invests \$3-5m 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
- Require capital to grasp this opportunity

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.

SiteMinder **SiteMinder celebrates 30,000 customers**

This month [SiteMinder celebrated a key milestone by welcoming its 30,000th customer](#) – the River Palace Hotel in Italy. Forty percent of SiteMinder's hotel customers are based in Europe.

Big news: New CEO for Rezdy

[Rezdy has announced the transition of the CEO role](#) from Founder Simon Lenoir to Chris Atkin. Chris has spent the last 12 months as Rezdy's CFO/COO and brings over 20 years of experience leading technology-led, brand-focused companies during times of growth.



Viostream renews and extends big Government contract

Viostream renewed and extended a six-figure platform licence deal with an Australian Federal Government department.

The company added a Lead UX designer to the team, with prior experience at Foxtel and Stan, to progress Viostream's new live video product development initiative.



Straker in finals for leading NZ tech award

Straker was announced as a [finalist for Company of the Year 2018](#) in the NZ hi-tech awards.

Straker also listed its API plug-in in the Magento marketplace, enabling Magento e-commerce retailers to seamlessly translate their online stores into multiple languages and access new markets.

BROSA **Brosa appoints Head of Product**

Brosa has strengthened its C-suite team with seasoned Head of Product Rushabh Sanghavi – who brings six years of experience at Flipkart and Urban Ladder, two leading furniture players in India and SE Asia that have raised over US\$2bn in VC funding.

[Sydney's Studio by Brosa is now open](#). As with Brosa's Melbourne showroom, visits are by-appointment-only with interior designers on hand to guide customers through the space and offer styling tips.



SMI revaluation complete

SMI was due for revaluation in March 2018. Notwithstanding the encouraging performance of SMI's new product suite in the first quarter of CY18, we have decided to hold SMI at its current value at this time.



Bailador Activity

- Sankar Narayan, Bailador Non-Executive Director and CFO for Xero, wrote for Forbes on ['When yesterday is not a guide for tomorrow: Survival amid disruption'](#)
- We explain [how companies manage their Big Data applications](#) – including how our portfolio company Instacluster works behind the scenes to help businesses such as Atlassian

Important Notice

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BTI Portfolio Net Tangible Asset Summary

	Cost (\$'m)	Implied Gain (\$'m)		Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review ¹
SiteMinder	13.8	26.7	▲	40.5	193%	▲	0.34	✓	June 2018
Viostream	26.4	-7.6	▼	18.8	-29%	▼	0.16		December 2018
Stackla	11.2	1.4	▲	12.6	13%	▲	0.10	✓	June 2018
Straker Translations	7.5	3.7	▲	11.2	49%	▲	0.09	✓	October 2018
Lendi	5.5	4.0	▲	9.5	73%	▲	0.08	✓	December 2018
Instaclustr	4.5	4.8	▲	9.3	107%	▲	0.08		November 2018
DocsCorp	5.0	2.5	▲	7.5	50%	▲	0.06		June 2018
SMI	7.4	0.0	▶	7.4	0%	▶	0.06		March 2019
Rezdy	3.6	0.9	▲	4.5	25%	▲	0.04	✓	February 2019
Brosa	3.0	0.0	▶	3.0	0%	▶	0.02	✓	October 2018
Cash				4.5			0.04		
Other				0.1			0.00		
Net Asset Value / Net Asset Value Per Share (Pre Tax)				128.9			1.07		

Denotes change to valuation in current month

Denotes valuation review in next six months

¹ Next valuation review date refers to the period 12 months since the last valuation movement. Valuation events can also occur in a shorter time frame where there is a third-party investment

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	Viostream	Stackla	Straker Translations	Lendi
Type:	SaaS/B2B	SaaS/Video	SaaS/B2B/UGC	Marketplace/Machine Learning	Fintech
About:	World leader in hotel channel management and distribution solutions for online accommodation bookings	Cloud-based end-to-end platform for the creation, management and distribution of video	Leading tech platform for brands to leverage User Generated Content (UGC) in their marketing strategy	Cloud-based translation services provider and one of the world's fastest growing translation companies	Australia's #1 home loan provider disrupting the multi-billion-dollar mortgage industry
HQ:	Sydney	Sydney	San Francisco	Auckland	Sydney
Staff:	500-550	1-50	50-100	50-100	100-150



Name:	Instaclustr	DocsCorp	SMI	Rezdy	Brosa
Type:	DBaaS/B2B	SaaS/Document Productivity	SaaS/Big Data	SaaS	Online Retail/B2C
About:	Open source data platform for cloud-based solutions that require immense scale	Global leader in the rapidly growing Document Productivity segment	Big data aggregation and analysis platform with exclusive access to ad expenditure data	Leading, innovative and fast growing online channel manager and booking software platform for tours & activities	Tech-led, vertically integrated furniture brand and online retailer
HQ:	Canberra	Sydney	New York	Sydney	Melbourne
Staff:	1-50	50-100	1-50	1-50	1-50