

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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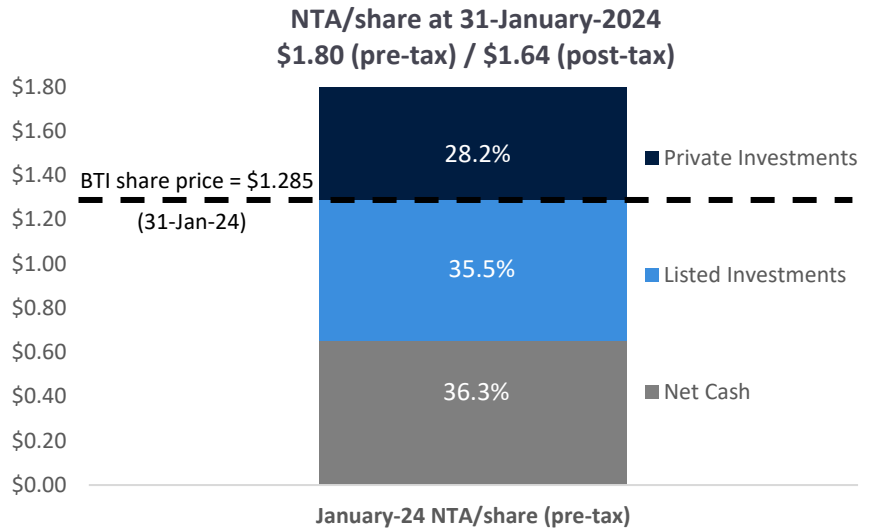
Notes:

¹Portfolio return post-tax calculated as the compound annual growth in NTA per share (post-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 8 February 2024.

Net Tangible Asset Snapshot



Fund Performance

Annual returns to 31-Jan-24	1-Year	2-Years	3-Years
Portfolio Return post-tax (%pa) ¹	11.9%	7.5%	13.0%
Shareholder Return (%pa) ²	12.2%	7.9%	4.2%
Performance vs Benchmark			
S&P ASX All Tech Index [ASX:XTX]	23.4%	3.8%	-2.1%
Shareholder Return vs Benchmark	-11.2%	+4.1%	+6.3%

Notes: Refer left margin.

Founders' Commentary

Dividends are an important and enduring element of overall BTI returns

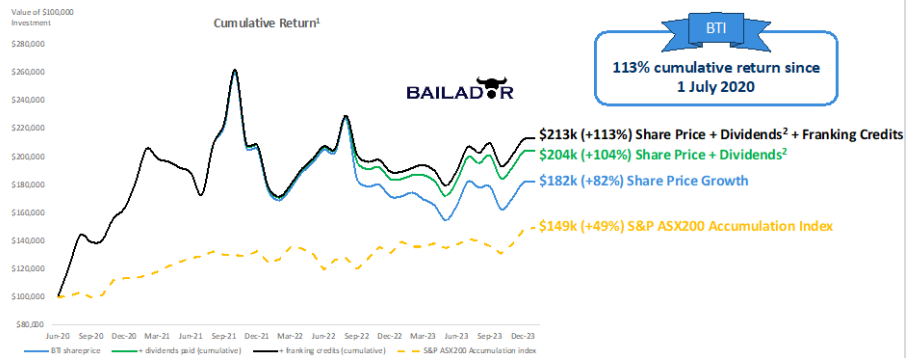
- BTI yesterday declared an interim dividend of 3.5 cents per share fully franked
- The dividend declared is in line with the ongoing BTI dividend policy to pay fully franked dividends of 4% of Net Tangible Assets (pre-tax) per annum, payable half yearly
- The annualised dividend yield grossed up for franking credits, based on the share price at 6 February 2024, is 7.0%p.a.

As acknowledged in previous Founders' Commentary notes, we recognise that many Australian investors appreciate receiving valuable franking credits, whereby the value of tax paid by a company is passed back to shareholders in the form of franking credits on distributed dividends.

These credits are rightly factored into calculations when comparing overall returns. Bailador's regular fully franked dividends provide investors with a compelling ongoing yield, on top of exposure to the main engine of returns for Bailador shareholders, capital gains.

Factoring in share price appreciation, cash dividends received, and franking credits received, \$100k invested in BTI shares at the start of the 2021 financial year is worth \$213k today.

Returns generated by share price growth, as well as distribution of dividends and franking credits



Source: BTI Analysis, Note: ¹1 July 2020 - 31 January 2024. ²Includes dividends paid over 1 July 2020 - 31 January 2024.

Capital gains are the main driver of returns, but dividends help

As the chart above demonstrates, cumulative returns since the start of the 2021 financial year have been generated in order by:

Share Price Appreciation	82%
Cash Dividends	22%
Franking Credits ¹	9%

¹Franking Credits are tax credits available to most Australian tax residents dependent on their individual circumstances. Non-residents are generally not able to utilise franking credits. Analysis of the BTI share register indicates that most BTI shareholders are Australian tax residents.

BTI dividend yield is better than that available on cash

The cash yield on BTI shares based on the share price at 6 February 2024 is 5.2%pa, and the yield grossed up for franking credits is 7.0%p.a.

For most investors, the grossed up yield of 7.0%p.a. is the appropriate number to compare to interest rates, which of course are not franked. The BTI grossed up yield is superior to cash rates available, so investors are generating a solid ongoing return, while getting the exposure to potential capital appreciation which is the main focus of the fund.

The BTI dividend policy is to pay fully franked dividends of 4% of Net Tangible Assets per annum, payable half yearly. When the BTI share price is lower than NTA, the cash yield will be higher than 4%, as is the case at 6 February 2024.

Ongoing fully franked cash dividend

BTI Grossed Up Yield¹ 7.0% p.a.

BTI Cash Yield¹ 5.2% p.a.

Bailador has committed to paying a dividend of 4% of NTA (pre-tax) p.a.

- Paid half yearly
- Fully franked

Sustainable long term

- Current franking credits support over five years of dividends at current rate
- Net cash ~\$95m

Note: ¹Yield calculated as annualised yield on MY24 interim dividend declared and based on BTI share price as at 6 February 2024.

Dividend payments are an ongoing BTI policy

BTI implemented its ongoing dividend policy in June 2022. With the current franking credits balance sufficient to support fully franked dividends at the current rate for a period of five years, and ample cash balance, the policy is intended to endure over a long period.

We are pleased to be in a position to provide our shareholders with this certainty of an ongoing cash yield, while continuing to generate significant capital gains in portfolio assets, which remains the primary engine for returns.

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 of future performance.

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 January 2024 was \$1.80 (December 2023 \$1.77). Key movements in NTA are noted below.

Movement in NTA per share (pre-tax) January 2024

Increase in SiteMinder (ASX:SDR) share price to \$5.27 (December 2023 \$5.13)	1.6c per share
Increase in Straker (ASX:STG) share price to \$0.53 (December 2023 \$0.485)	0.3c per share
Receipt of income tax refund	1.6c per share
Operating expenses and interest	-0.5c per share

Operating expenses include provision for performance fee not yet payable.

SiteMinder [ASX:SDR]

SiteMinder [released its H1FY24 trading update](#) to the market. Highlights include:

- Revenue increased 27.9% year on year
- Annualised recurring revenue increased 27.2% year on year
- Underlying free cash flow represented (7.0)% of revenue, improving from (28.4)% in the same period last year
- Liquidity remains strong at \$71.5m
- Guidance reiterated for underlying EBITDA and Free Cash Flow profitable for H2FY24

[SiteMinder's Hotel Booking Trends report](#) has revealed the trends shaping the new travel era. The report is released annually and the latest edition is based on 115 million reservations. The findings show that international hotel arrivals in 2023 rose by an average of 33% from the prior year, and the average daily rate jumped 11%.

Bradley Haines, Market Vice President – Asia Pacific, [wrote for AccomNews](#) about the four types of Australian traveller and how they are evolving.

Nosto

Nosto [launched a new integration with Tapcart](#), the mobile app builder for Shopify merchants, to help brands create powerful and hyper-relevant product discovery experiences for shoppers using mobile apps.

Straker [ASX:STG]

Straker [launched the next iteration of its LanguageCloud solution](#). The innovative platform utilises machine translation backed up by human expertise, seamless app integration, API connectors, and robust workflow visibility.

Bailador

Bailador's [latest column with Stockhead](#) takes a look back on the first half of FY24, and the strong position we are in for the year ahead.

BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	Gain (%)		NTA per share (\$)	Third Party Event Valuation	Next Valuation Review ¹
SiteMinder	88.1	527%	▲	0.60	✓	Mark to market each month end
RC TopCo	25.8	91%	▲	0.18	✓	May 2024
Access Telehealth	21.5	25%	▲	0.15		December 2024
Rosterfy	9.8	0%	▶	0.07	✓	April 2024
Nosto	9.2	(18%)	▼	0.06	✓	February 2024
Mosh	7.5	0%	▶	0.05	✓	December 2024
Straker	4.9	(37%)	▼	0.03	✓	Mark to market each month end
Cash	103.5			0.71		
Other ²	(8.5)			(0.05)		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	261.8			1.80		

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 not yet payable.

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	RC TopCo	Access Telehealth	Rosterfy
Type:	SaaS/B2B	SaaS	Digital Healthcare/B2C	SaaS/B2B
About:	World leader in hotel channel management and distribution solutions for online accommodation bookings	Leading, innovative and fast growing online channel manager and booking software platform for tours & activities	Specialist telehealth platform connecting Australian communities to high-quality healthcare	Volunteer management software platform that connects communities to events and causes they are passionate about
HQ:	Sydney	Sydney	Melbourne	Melbourne
Staff:	750-1000	100-250	100-250	1-50



Name:	Nosto	Mosh	Straker
Type:	SaaS/B2B	Digital Healthcare/B2C	Marketplace/Machine Learning
About:	Leading AI-powered e-commerce personalisation platform	Digital healthcare brand making men's health and wellness easily accessible via subscription treatment plans	Digital language translation services provider and one of the world's fastest growing translation companies
HQ:	Helsinki	Sydney	Auckland
Staff:	100-250	1-50	100-250