

Bailador Technology Investments [ASX:BTI]

Shareholder Update

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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Recent Results

📄 [FY24 Results Presentation](#)

📄 [Annual Report 2024](#)

📄 [HY24 Results Presentation](#)

This report was authorised for release to the ASX by Helen Foley, Company Secretary and Chief Financial Officer, on 10 January 2025.

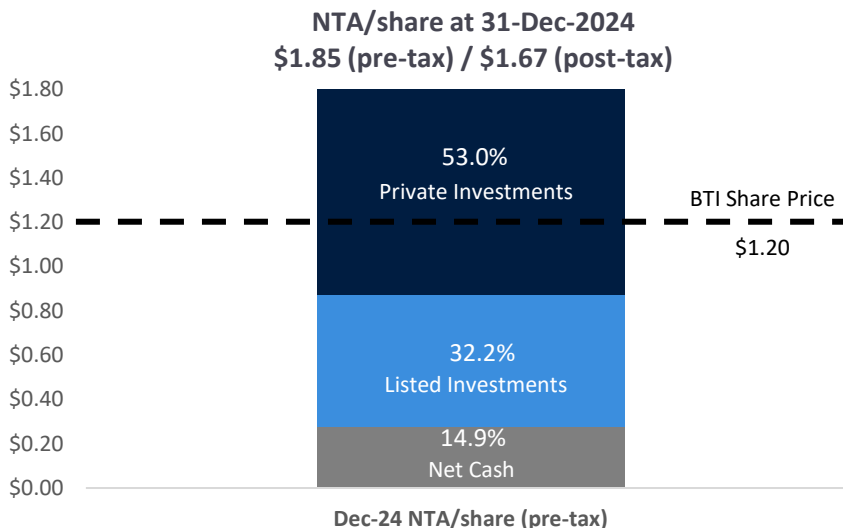
Notes

¹Portfolio return post-tax calculated as the compound annual growth in NTA per share (post-tax) after all fees, plus dividends paid.

²Shareholder return calculated as the compound annual growth in BTI share price plus dividends paid.

³Cash dividend grossed up for franking credits and annualised. Based on share price at close prior to dividend declared.

Net Tangible Asset Snapshot



Fund Performance

Annual returns to 31 December 2024	1-Year	2-Year	5-Year
Net Portfolio Return post fees and tax (pa) ¹	6.2%	11.0%	10.3%
Shareholder Return (pa) ²	-0.9%	5.4%	5.7%

Dividends	Aug-24	Feb-24	Aug-23
Dividends paid (cps)	3.4c	3.5c	3.2c
Dividend yield (annualised grossed-up) ³	7.8%	7.0%	6.7%

Notes: Refer left margin.

Founders' Commentary

A Year in Review

This shareholder update marks the halfway point through FY25. We take a moment to look at the year to date. Highlights include

- Private portfolio return 24.7%pa for the half year to 31 December
 - > Updoc valuation increase 50.0%
 - > Mosh valuation increase 33.3%
 - > Rosterfy valuation increase 13.6%
- SiteMinder gain 20.8% and a cash realisation of \$20m at IRR of 37.9%
- \$22m in new and follow-on investments

We have had a good first half of FY25. Bailador's post tax NTA per share after all fees (plus net dividends paid) increased by 7.2% in the first half of FY25. This gain was made up of a gain in the post-tax portfolio (investment gains less expenses) of 11.4 cents per share adjusted for the payment of 3.4 cents per share fully franked dividend.

The interim dividend implied by December's pre-tax NTA is 3.7 cents per share (fully franked), noting the numbers contained in this statement are unaudited and any interim dividend is subject to the determination and discretion of the board.

Private company investment gains

During the half our private company investments continued their strong performance returning an IRR for H1FY25 of 24.7%.

We [increased the value of our investment in Updoc by 50.0%](#) to \$30 million in December following very strong revenue growth and continued profitability. Shareholders will recall we invested in Updoc seven months ago in May 2024. We have elected to increase the valuation of Updoc faster than our normal twelve-month review cycle due to the material valuation uplift implied by the performance of the business. We remain very impressed by the founders and the opportunity.

We also [increased our carrying value of Mosh in the half by 33%](#), from \$7.5 million to \$10 million, following consistent strong revenue growth and excellent margin management. In addition to strong, consistent revenue growth, Mosh has achieved profitability.

The carrying value of Rosterfy was increased by 14% (making a total increase of 45% since initial investment) in September following a [\\$3 million follow-on investment](#) we provided. This was followed by a further \$5.5 million investment by another institutional investor in December 2024 at the same valuation. Their due diligence and valuation provide a strong third-party endorsement of our carrying value.

Public company investment gains

H1FY25 was a volatile period for public companies. SiteMinder's share price increased by 18.7% in the half, after trading significantly higher for much of the period. Bailador's gain on SiteMinder for the period was 20.8%. The return outperformed the share price movement as Bailador crystallised gains on \$20m (see below) at a price 30.6% above the 30 June share price.

Our investment in Straker showed a pleasing increase in value of 17.5% in the half.

Realisations

As mentioned above, in [November we sold \\$20 million of our SiteMinder position](#) at \$6.65 (only 4% off the 12-month high to December 2024). This amounted to 18% of our total position. SiteMinder remains a core holding for us for the foreseeable future.

New and follow-on investments in H1 2025

In August 2024 we [invested \\$7.7 million in new company Hapana](#) alongside OIF Ventures, who invested in the same round. [We wrote about the investment in detail in the August shareholder update](#), Hapana has performed strongly in the four months since our investment, and we remain very positive on the investment.

In October [we announced a follow-on investment in DASH](#), consisting of \$5 million of equity and \$5 million of debt to fund the acquisition of the complementary portfolio administration business IPS. The acquisition increased DASH's Funds Under Administration (FUA), from \$4.5 billion to \$15 billion and added an excellent offering for high and very high net wealth clients.

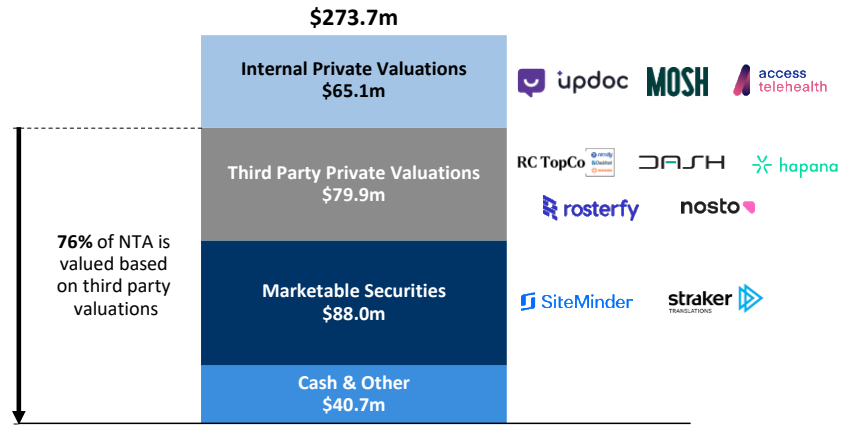
In October, we completed a follow-on investment in Rosterfy of \$3 million as noted above.

In December, we completed a \$1.1m follow-on investment in Access Telehealth. The investment was alongside other existing institutional investors and the valuation of Access Telehealth remained unchanged following the investment.

Portfolio Composition by Valuation

H1FY25 was a very busy period for the team, and it is worth stepping back to view the portfolio by valuation composition at the half-year.

As the chart below shows, 14.9% is held as net cash, 32.2% is invested in publicly listed companies and of the 53.0% invested in private companies, 29.2% is valued by third party transactions, leaving just 23.8% as internal valuations. Couple this with the fact that there has never been a third party transaction in the history of the fund at a lower value than our holding value at the time, and that our average valuation uplift on realisation is 39%, barring a severe negative change in market conditions, which we do not expect, we feel confident we are set to deliver strong investment returns for investors in the coming months and years.



BTI Dec-24 NTA by Valuation Type

Market Valuation Drivers

Longer term holders of BTI shares will be aware that valuation multiple drivers have changed during the last few years. At the height of the cycle many investors were focused on all-out revenue growth and paid little attention to future cash profitability or capital efficiency. Our focus however has always been on balancing growth, cash profitability and capital efficiency and we were strong net sellers into the euphoria of 2021 and early 2022, selling SMI, DocsCorp and Instaclustr, and very successfully listing SiteMinder.

We are now back investing the proceeds of earlier realisations. We invested \$59m in new and follow-on investments in CY24. We continue to be focused on a balance of growth, path to future profitability and return on initial and incremental capital invested.

This focus is reflected in our portfolio metrics. For the portfolio as a whole revenue growth continues to be strong at 41% and our portfolio gross margin is consistently strong at 66%.

Revenue Growth	Gross Margin	EBITDA Margin	Rule of 40
Consistently strong	Consistently strong	Strong improvement	Strong improvement
41%	66%	↑ 870 bps	↑ 430 bps

Portfolio EBITDA margins improved by 870bps in CY24 and the overall portfolio Rule of 40 metric (revenue growth % plus EBITDA %) is up 430bps with the number of companies achieving the rule of 40 also increasing YoY.

Thank you for your support in 2024. We wish you all the best for a happy and successful 2025.

David Kirk & Paul Wilson
Bailador Co-Founders

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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.


Highlights


Movement in NTA BTI's NTA per share (pre-tax) at close of December 2024 was \$1.85 (November 2024 \$1.83). Key movements in NTA are noted below.

Movement in NTA per share (pre-tax) December 2024	
Increase in carrying value of Updoc	6.8c per share
Decrease in SiteMinder (ASX:SDR) share price to \$6.04 (November 2024 \$6.61)	-5.3c per share
Increase in Straker (ASX:STG) share price to \$0.57 (November 2024 \$0.475)	0.6c per share
Increase in carrying value of Mosh	1.7c per share
Operating expenses and interest	-1.8c per share


Operating expenses and interest includes provision for performance fee that is not yet payable.


 SiteMinder's [December 2024 Unpacked report](#) highlighted key trends in the travel industry. Findings included hotel bookings for Christmas surged due to international travellers and extended lead time, and New Year's Eve arrivals were also expected to rise – especially in popular destinations such as New York, Sydney, London, and Paris.

 Bailador revalued its investment in Updoc up by 50% (\$10.0m) to reflect the strong operating performance of the business since our investment in May 2024. The valuation increase comes only seven months after our initial investment, and is faster than our normal twelve-month review cycle due to the material valuation uplift implied by the performance of the business. Over this period, Updoc has continued to report strong revenue growth whilst maintaining extremely high levels of customer satisfaction. BTI's investment in Updoc is now held at \$30.0m. Due to the rapid growth increase in Updoc, we have flagged further valuation review of Updoc in six months at June 2025.

 In December BTI invested \$1.1m into Access Telehealth alongside other existing shareholders. These funds will be used by the business to move to profitability in 2025.

Access Telehealth completed a solid CY2024 with revenue growing well and the business now approaching profitability. BTI completed its annual valuation review of Access Telehealth and decided to leave its valuation unchanged which it will review again in June 2025. The carrying value of Access Telehealth increased to \$25.1m to reflect the new investment.

 Rosterfy [released a video reflecting on 2024](#). Notable achievements included celebrating 100 million volunteer hours, and launching the Rosterfy Volunteer App. The company also implemented product enhancements, won awards, and welcomed new staff.

 BTI completed its annual valuation review of Mosh in December and has increased the carrying by \$2.5m (33.3%) to \$10.0m. BTI is pleased with the continued growth achieved by the Mosh team during 2024.

In addition to consistent strong revenue growth, Mosh has achieved profitability.

Mosh [launched a new marketing campaign](#) to destigmatise erectile dysfunction. The “Get It Up” campaign uses humour to address the underreported and underrepresented issue, which affects millions of men worldwide.



Fitstop, Australia’s fastest-growing functional fitness franchise, has joined forces with studio management software [Hapana to drive Fitstop’s expansion into the US](#). Fitstop has already grown to 153 locations globally and now aims to scale swiftly across the U.S. with Hapana as a key enabler of growth. Hapana’s technology will power Fitstop’s mobile app, location operations, and lead generation capabilities as Fitstop embarks on a bold expansion period.



Straker announced the [launch of its Verify feature to the Straker App for Microsoft Teams](#). Straker Verify is a content verification platform that offers AI-assisted checks and enhancements, as well as the ability to send content to a human subject matter expert for verification.

Straker [looked back at 2024 with notable achievements](#) including translating over 116 million words into 164 languages, serving over 10,000 customers with their translation requirements, and significantly reducing costs for clients and partners compared to TMS and other competitors.



Jan Soerensen, Nosto’s General Manager for North America, [participated in a Q&A with MartechView](#), a global digital publication focused on marketing and customer experience technology. Jan discussed the most prominent trends influencing the e-commerce industry.



Stockhead reported that retail investors now have the opportunity to invest in private technology startups through [ASX-listed companies such as Bailador](#). Bailador’s focus is on capital appreciation and consistent dividends, providing investors with exposure to high-growth private companies with the potential for long-term returns.

Bailador’s [latest column for Stockhead](#) examines the evolving role of artificial intelligence (AI) in growth equity investing. The article explores AI’s potential in various investment areas, such as optimising productivity, enhancing deal sourcing, and augmenting investor relations.

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.

BTI Portfolio Net Tangible Asset Summary

	Valuation (\$'m)	NTA per share (\$)	Third Party Event Valuation	Next Valuation Review ¹
SiteMinder	82.8	0.56	✓	Mark to market each month end
Updoc	30.0	0.20		June 2025
RC TopCo	25.8	0.18	✓	May 2025
Access Telehealth	25.1	0.17		June 2025
DASH	25.0	0.17	✓	October 2025
Rosterfy	17.1	0.12	✓	October 2025
Mosh	10.0	0.07		December 2025
Hapana	7.7	0.05	✓	August 2025
Straker	5.2	0.04	✓	Mark to market each month end
Nosto	4.2	0.03	✓	June 2025
Cash	45.7	0.31		
Other ²	-4.9	-0.05		
Net Asset Value / Net Asset Value Per Share (Pre Tax)	273.7	1.85		

Denotes change to valuation in current month

Denotes valuation review in next six months

Notes: ¹Next 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. ²Includes 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	Updoc	RC TopCo	Access Telehealth	DASH
Type:	SaaS/B2B	Digital Healthcare/ Marketplace/B2C	SaaS	Digital Healthcare/B2C	SaaS/B2B
About:	World leader in hotel channel management and distribution solutions for online accommodation bookings	Digital healthcare platform connecting consumers who need medical services with registered health practitioners via a telehealth offering	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	Financial advice and investment management software platform used by independent financial advisors and financial institutions
HQ:	Sydney	Sydney	Vancouver	Melbourne	Sydney
Staff:	750-1000	1-50	250-500	100-250	50-100



Name:	Rosterfy	Mosh	Hapana	Straker	Nosto
Type:	SaaS/B2B	Digital Healthcare/B2C	SaaS/B2B	Marketplace/Machine Learning	SaaS/B2B
About:	Volunteer management software platform that connects communities to events and causes they are passionate about	Digital healthcare brand making men's health and wellness easily accessible via subscription treatment plans	End-to-end software platform focused on the fitness and wellness sector	Digital language translation services provider and one of the world's fastest growing translation companies	Leading AI-powered e-commerce personalisation platform
HQ:	Melbourne	Sydney	Sydney	Auckland	Helsinki
Staff:	1-50	1-50	50-100	100-250	100-250