Bailador is a growth capital fund focused on the information technology sector, actively managed by an experienced team with a strong track record and demonstrated sector experience.

Bailador provides exposure to a portfolio of information technology companies with global addressable markets. We invest in private technology companies at the expansion stage.

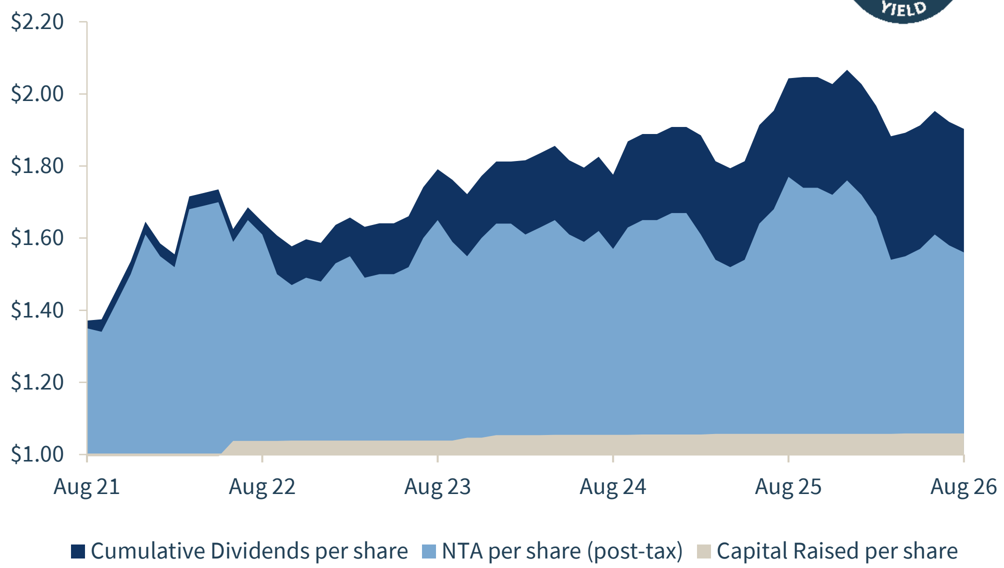
Shareholder Update | August 2026

Net Tangible Asset Snapshot

NTA/Share at 31 August 2026:	**$1.69 pre-tax**	**$1.56 post-tax**

Fund Performance

Bailador NTA per share (post-tax) plus dividends paid



Annual returns to 31 August 2026	1-Year	3-Year	5-Year
Net Portfolio Return post fees and tax (pa)[2]	-7.9%	2.6%	7.8%
Shareholder Return inc. franking credits (pa)[3]	-11.8%	0.3%	-0.5%
Shareholder Return (pa)[4]	-13.8%	-1.9%	-2.5%

Dividends	Aug-26	Feb-26	Aug-25
Dividends paid (cps)	3.5c	3.9c	3.6c
Dividend yield (annualised grossed-up)[1]	9.5%	8.9%	8.1%

Footnotes: Page 8.

Founders' Commentary

The unit problem: how the technology industry is learning to price AI

Since 2023 every software company selling AI has had to answer one deceptively simple question: what, exactly, are you charging for? It sounds like a matter for the finance team. It is not. The unit a company bills in determines who keeps the benefit of cost declines, and whether a technically excellent product makes or loses money on its best customers.

This month we hand our Founders' Commentary to the team at Straker (ASX:STG), a Bailador portfolio company and, in our view, some of the clearest thinkers on the commercial mechanics of AI. What follows draws directly on their recent article, *The unit problem: how the technology industry is learning to price AI*. The key takeaways:

- **The number of customer seats[5] may no longer be a proxy for value.** AI severs the link between headcount and work done, in both directions.

This report was authorised for release to the ASX by Helen Foley, Company Secretary & CFO, on 8 September 2026.

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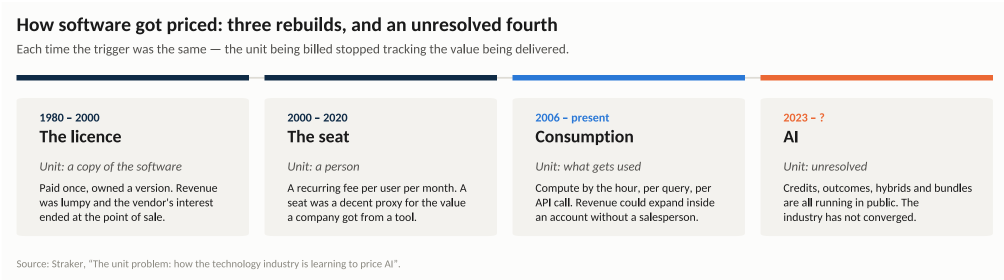
- **AI has introduced a new cost of goods sold that software has not previously had.** Every request must be computed, and computing costs real money.
- **Per unit, AI is getting dramatically cheaper. Per invoice, it is getting more expensive.** Any durable pricing model must survive both facts at once.
- **The open question is whether a software vendor bills in a unit linked to its own costs, or one linked to the value it delivers.** That choice decides who keeps the benefit as models get cheaper.

Why AI broke the per seat pricing model

The seat was always a proxy: it assumed a person sat behind the licence doing the work.

AI driven Software now does the work itself, overnight and in parallel, with no person attached. A vendor charging per seat captures nothing from an agent[6] handling a thousand tasks while the office is closed. And the customer who extracts the most value may need fewer people to do it, which under seat pricing means paying less for getting more. Public markets reached the same conclusion quickly: by 31 March 2026 the SEG SaaS Index of 120-plus listed software companies was down 25.7% year to date.



The cost line that never used to exist

Traditional software has a near-zero marginal cost of service where the incremental cost to service the ten-thousandth user is almost nothing. AI does not work that way. Every request has to be computed, and computing costs real money that lands in the cost of goods sold. Andreessen Horowitz documented the consequence as early as 2020: AI-centric businesses tend to run gross margins in the 50–60% band where comparable software businesses run 60–80% or higher.

Four experiments running in public

Four approaches to pricing are now visible, and none is dominant.

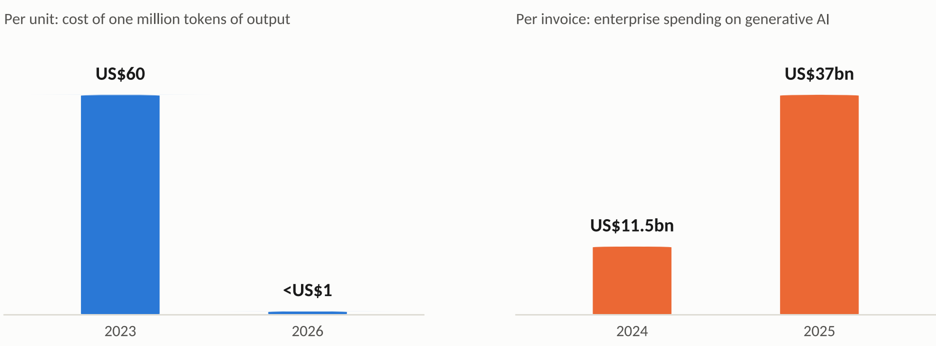
- **Metered credits**, where the software vendor defines an internal currency and charges for its consumption;
- **Outcome pricing**, where the software vendor charges only when something is achieved;
- **Hybrid**, a seat for access plus metering for work, used by 61% of companies as of 2025; and
- **Absorb and bundle**, giving the AI away to defend the subscription.

None of these approaches is a clean solution. Credits transfer budget risk to the customer, who has no intuition for what a credit is worth. Outcome pricing transfers delivery risk to the vendor. Seats understate value and overstate cost. Bundling may protect the subscription, but the compute bill still arrives and now sits inside gross margin where investors can see it.

The deflation puzzle

The cost of AI is collapsing; Andreessen Horowitz puts the decline at roughly 10x a year. The intuitive conclusion is that AI is getting cheaper to sell. The invoices say otherwise. Menlo Ventures put enterprise spending on generative AI at US$37 billion in 2025, up 3.2x on the year before, even as unit prices collapsed. In a Jevons' Paradox, cheaper units invite more consumption, and agentic systems consume far more per task: agents use roughly four times the tokens of a chat interaction, multi-agent systems roughly fifteen.

Per unit, AI is getting cheaper. Per invoice, it is getting more expensive.



Source: Straker, "The unit problem", drawing on Epoch AI / Andreessen Horowitz and Menlo Ventures.

Four questions worth asking

Straker offer four questions that apply to any AI centric company:

1. Is the billing unit linked to cost or to value? That answer determines who benefits as models get cheaper.
2. What share of what was sold actually gets used? Unused credits are a churn signal, not growth.
3. Does gross margin improve as volume rises? If not, the company is reselling compute.
4. Is AI cost of goods disclosed at all? Many companies still bury it.

Why we find this useful at Bailador

We've found this article useful in thinking about business AI economics.

It moves past whether AI will disrupt software and onto the question that determines returns: whether the unit a company bills in captures the value it creates. Those four questions are helping shape how we assess new investments and guide pricing decisions in the companies we own. Straker, who are at the forefront of AI, have a clear position: their arbitr platform bills for finished, verified work rather than for compute, deliberately choosing the value-linked side of the trade.

A lot in this article supports our underlying investment theses: capital efficiency, product market fit, focus on gross margin, alignment with customer outcomes, analytical problem solving. We recognised the limitations of "per-seat" pricing some years ago and Bailador's portfolio businesses have all tended away from simple "per-seat" pricing models. This is no doubt one reason why our portfolio companies are thriving in the AI era.

We highly recommend reading the article in full, and encourage investors interested in this subject to sign up to Signal, Straker's newsletter on applied AI.

David Kirk & Paul Wilson
Bailador Co-Founders

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Highlights

Movement in NTA

BTI's NTA per share (pre-tax) at close of August 2026 was $1.69 (July 2026 $1.72). Key movements in NTA are noted below.

Movement in NTA per share (pre-tax) August 2026	
Decrease in SiteMinder (ASX:SDR) share price to $3.00 (July 2026 $3.35)	-2.4c per share
Operating expenses and interest	-0.6c per share

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

DASH announced the appointment of Glenn Poynton as Chief Executive Officer. Glenn brings extensive fintech and wealth management experience from Betashares, Class, and Macquarie Group. Glenn's appointment will support DASH's next phase of growth and the continued expansion of its adviser technology and investment platform offering.

Access Telehealth continued their "Faces of Access" series with the video meeting Access Telehealth CEO Andy Laws. Andy shares a little about himself and what inspired him to work in healthcare.

SiteMinder released its FY26 results with highlights including:

- Adjusted EBITDA up 96% to $28.1;
- ARR increased 24% (cc, organic) to $313.7m;
- Smart Platform driven transaction revenue up 35%; and
- Positive adjusted free cash flow of $10.6m ($3.7m FY25).

PropHero announced details of the line-up for its Valencia property investing summit being held on 3 October 2026. The summit features a diverse panel of over 15 industry leaders, expanding the conversation beyond traditional real estate into macroeconomic trends, legal frameworks, and strategic investment mindsets.

Rosterfy was announced as the presenting partner of the 2026 NZ Volunteering Awards for the second consecutive year. The awards support the recognition of volunteer programmes and leaders across New Zealand.

Mosh announced it will partner with the 2026 Good Things Festival for the third year running.

Hapana hosted the latest edition of the Hapana Series webinars on 1st September. The webinar looked at eight case studies including Hapana customer Fitstop on how to grow revenue and customer retention.

Straker Limited (ASX:STG) announced its FY26 full year results on 31 August 2026 following a delay related to the investigation into fraudulent transactions at its US subsidiary. The company reported

- Revenue of NZ$38.77m (FY25 NZ$45.0m); and
- Adjusted EBITDA of NZ$0.94m.

Straker's shares were re-opened for trading following release of the results.

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Bailador released our results for FY26 to the market. Click here to view the results presentation, and here for our Media Release. Click here to read our Annual Report 2026.

Bailador's final dividend of 3.5 cents per share, fully franked, was paid to shareholders on 7 September.

Bailador's Annual General Meeting will be held on Tuesday 13 October. We encourage shareholders to attend.

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BTI Portfolio Net Tangible Asset Summary

	Valuation ($'m)	NTA per share ($)	Third Party Event Valuation	Next Valuation Review[1]
Updoc	44.8	0.30		December 2026
DASH	37.6	0.25	✓	March 2027
Access Telehealth	32.2	0.21		June 2027
SiteMinder	30.7	0.20	✓	Mark to market each month
Expedition Software	25.8	0.17	✓	May 2027
PropHero	21.3	0.14		June 2027
Rosterfy	19.6	0.13	✓	October 2026
Mosh	15.0	0.10		June 2027
Hapana	13.6	0.09	✓	December 2026
Straker	2.1	0.01	✓	Mark to market each month
Cash	12.5	0.08		
Other[2]	0.9	0.01		
Net Asset Value / Net Asset Value Per Share (Pre-Tax)	**256.1**	**1.69**		

Key: Denotes change to valuation in current month | Denotes valuation review in next six months

Notes: [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

	updoc	DASH	access telehealth	SiteMinder	Expedition Software	PropHero
Type	Digital Healthcare / Marketplace / B2C	SaaS / B2B	Digital Healthcare / B2C	SaaS / B2B	SaaS	Marketplace / Proptech
About	Digital healthcare platform connecting consumers who need medical services with registered health practitioners via a telehealth offering.	Financial advice and investment management software platform used by independent financial advisors and financial institutions.	Specialist telehealth platform connecting Australian communities to high-quality healthcare.	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.	AI-enabled property investment platform to help investors source, purchase and manage properties.
HQ	Sydney	Sydney	Melbourne	Sydney	Vancouver	Madrid
Staff	1-50	50-100	100-250	1,000	250-500	100-250

	rosterfy	MOSH	hapana	straker
Type	SaaS / B2B	Digital Healthcare / B2C	SaaS / B2B	Marketplace / Machine Learning
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.
HQ	Melbourne	Sydney	Sydney	Auckland
Staff	50-100	1-50	100-250	100-250

BAILADOR

Recent Results

FY26 Results Presentation

Annual Report 2026

About Bailador

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Bailador provides exposure to a portfolio of information technology companies with global addressable markets. We invest in private technology companies at the expansion stage.

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:

- Founders-led
- 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 and tech-enabled services.

Contact Bailador

Investors & Shareholders

For questions about Bailador Technology Investments (ASX: BTI), please contact our Investor Relations Team via investorservices@bailador.com.au or call +61 2 9223 2344.

Bailador's share registry is MUFG Corporate Markets. Shareholders can update personal details, amend bank information and update dividend reinvestment plan elections by visiting www.mpms.mufg.com.

Entrepreneurs & Companies Seeking Investment

Should you be seeking growth capital and consider your organisation to align with our investment mandate, please contact our Investment Team via intro@bailador.com.au.

Footnotes

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

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

[3]Shareholder return inc. franking credits calculated as the compound annual growth in BTI share price plus dividends paid plus franking credits distributed with dividends.

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

[5]Software has traditionally been sold 'per seat', meaning a dollar amount per individual user

[6]AI agents are advanced, autonomous, or semi-autonomous software systems that analyse, plan, and execute tasks independently.

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