

ASX RELEASE

4 June 2021

**Completion of Placement and Institutional Entitlement Offer
with strong demand from existing and new institutional and sophisticated investors**

Straker Translations Limited (ASX: STG)

Highlights

- Institutional placement upsized by A\$5 million to A\$15 million due to strong demand from existing and new investors
- Increased placement will result in total funds to be raised from the fully underwritten Equity Raising increasing from A\$20 million to A\$25 million, with approximately A\$20 million raised from the Institutional Entitlement Offer and Placement
- Straker is now well position to execute on accelerating its growth strategies, after the pay down of debt and payment of offer costs
- Placement and Institutional Entitlement Offer Shares expected to be issued on 15 June 2021
- Fully underwritten Retail Entitlement Offer to raise approximately \$5 million to open on 9 June 2021

Straker Translations Limited (**ASX: STG**) (**Company**) is pleased to announce the successful completion of the share placement (**Placement**) and accelerated component (**Institutional Entitlement Offer**) of its previously announced fully underwritten placement and accelerated non-renounceable entitlement offer (**Entitlement Offer**) (**Equity Raising**), details of which were announced on 2 June 2021.

The Placement and Institutional Entitlement Offer saw strong demand from existing shareholders and new investors. As a result, the Company has upsized the Placement by A\$5 million from A\$10 million to A\$15 million. Together with the Institutional Entitlement Offer of approximately \$5 million, the Company has therefore raised approximately \$20 million from the subscriptions for new fully paid ordinary shares in the Company (**New Shares**) at an issue price of A\$1.90 per share (**Offer Price**).

Take-up in the Institutional Entitlement Offer from eligible institutional and other accelerated shareholders was approximately 90%. New Shares in respect of institutional entitlements not taken up under the Institutional Entitlement Offer and New Shares that would have represented the entitlements of ineligible institutional shareholders were offered and placed to institutional investors.

As a result of the initial Placement of \$10 million being significantly oversubscribed following strong demand from new and existing investors, the Company has increased the size of the Placement to \$15 million and the Placement and Entitlement Offer are now expected to raise a total of approximately A\$25 million in total (before offer costs).

The Joint Lead Managers and Underwriters, Ord Minnett Limited and Bell Potter Securities Limited, have agreed to increase their underwriting commitment and fully underwrite the upsize Placement, increasing their total underwriting commitment to \$25 million.

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Grant Straker, Straker's CEO, said: "Having delivered strong growth since our IPO this was our first post IPO equity raise and our stronger balance sheet will enable us to drive towards our aspirational goal of getting to \$100m in revenue. We have multiple growth opportunities in front of us, and we feel now is the time to invest in organic and inorganic growth strategies. It is very pleasing to see strong support for the equity raise and to have a world class range of new and existing institutional shareholders on the register, a great reflection on all the hard work the Straker team has done over the past few years. "

Approximately 10.5 million New Shares subscribed for under the Institutional Entitlement Offer and the Placement (including as part of the institutional shortfall bookbuild) are expected to be issued without a disclosure document on 15 June 2021 and commence trading on the ASX on 16 June 2021.¹

New Shares issued under the Placement and Entitlement Offer will rank equally with existing Straker shares as at their date of issue. The Placement shares will be issued within the Company's existing placement capacity under ASX Listing Rule 7.1 and additional 10% capacity under ASX Listing Rule 7.1A approved at the 2020 AGM and will not require shareholder approval.

The Company's shares will recommence normal trading on an ex-entitlement basis from the opening of the market today.

Retail Entitlement Offer

The retail component of the Entitlement (**Retail Entitlement Offer**) will open on Wednesday, 9 June 2021 and is expected to close at 5.00pm (Sydney time) on Monday, 21 June 2021, to raise a further approximately \$5 million.

Eligible retail Shareholders² will be able to participate in the Retail Entitlement Offer by subscribing for one New Share for every 10.32 existing shares held at 7.00pm (AEST) on Friday, 4 June 2021 (**Record Date**) at the Offer Price (**Entitlements**). No top-up facility will be offered in respect of the Retail Entitlement Offer.

Further details of the Retail Entitlement Offer were set out in the Company's announcement on 2 June 2021 and the terms and conditions will be fully set out in the information booklet (**Retail Entitlement Offer Booklet**) expected to be dispatched to eligible retail shareholders on 9 June 2021 (along with personalised entitlement and acceptance forms). A copy of the Retail Entitlement Offer Booklet will also be lodged with ASX. Those shareholders who the Company determines to be ineligible shareholders will also be notified by the Company.

Eligible Retail Shareholders should carefully read the Retail Entitlement Offer Booklet and accompanying personalised entitlement and acceptance form.

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements (including ineligible shareholders) will not receive any value in respect of those Entitlements that they do not take up.

Shortfall shares remaining after the close of the Retail Entitlement Offer will be issued to the Underwriters pursuant to the underwriting arrangements. As announced in its 2 June 2021 announcement, Bailador

¹ A revised Appendix 3B will be lodged with the ASX today in respect of the increased Placement shares.

² Being remaining eligible institutional, professional or sophisticated shareholders (who were not determined to be eligible to participate in the Institutional Entitlement Offer) and all other eligible retail shareholders, each with a registered address in Australia and New Zealand.

Technology Investments Limited (**Bailador**) has agreed to sub-underwrite any shortfall arising from the Retail Entitlement Offer up to the value of approximately \$5 million, in addition to taking up its full pro-rata entitlement in the Entitlement Offer. Bailador presently has a relevant interest of 11.8% in the Company. Paul Wilson, a director of Straker, is also a director of Bailador. As previously noted, the impact of this sub-underwriting on Bailador's shareholding in the Company will depend on the extent to which Eligible Shareholders take up their Entitlements under the Entitlement Offer, and the extent to which any shortfall is able to be allocated to other investors, however Bailador's relevant interest in Straker will not exceed 19.99% following completion of the Equity Raising. Bailador will not receive any fee for its sub-underwriting commitment. If the underwriting agreement with the Underwriters is terminated, Bailador's sub-underwriting arrangements will also be terminated.

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Further details of the Equity Raising are set out in the Investor Presentation lodged on the ASX on 2 June 2021. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Equity Raising. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser

For further information, please contact the Straker Offer Information Line on 1300 365 790 (from within Australia) or +61 1300 365 790 (from outside Australia) between 8:30am to 5:30pm (AEST) Monday to Friday during the offer period. Alternatively, consult your professional adviser.

The dates stated in this announcement are indicative only and subject to change.

This announcement has been approved for release to the ASX by the Board of Straker Translations Limited.

Important information

This announcement is not financial product, legal, tax or investment advice and has not taken into account your objectives, financial situation or needs. You should seek appropriate professional advice before making any investment decision.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

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This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative thereof or comparable terminology. Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. The Company does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

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