



STRAKER TRANSLATIONS LIMITED
ARBN 628 707 399

Retail Entitlement Offer
Information Booklet

Details of a 1 for 10.32 pro rata accelerated non-renounceable entitlement offer at A\$1.90 per Share to raise approximately \$10 million before Offer Costs.

The Entitlement Offer is fully underwritten.

Last date for acceptance and payment: **5.00pm (AEST) on Monday, 21 June 2021**

If you are an Eligible Retail Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety.

If, after reading this document you have any questions about the securities being offered for issue under it or any other matter, you should contact your stockbroker, solicitor, accountant or other professional adviser.

This document is not a prospectus. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this document.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Joint Lead Managers and Underwriters

BELL POTTER

ORD MINNETT

IMPORTANT NOTICES

This Information Booklet is dated Wednesday, 9 June 2021. Capitalised terms in this section have the meaning given to them in this Information Booklet.

The Entitlement Offer is being made without a prospectus in accordance with section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73). This Information Booklet does not contain all of the information which a prospective investor may require to make an informed investment decision. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Information Booklet is important and should be read in its entirety before deciding to participate in the Entitlement Offer. This Information Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC.

The Company may make additional announcements after the date of this Information Booklet and throughout the period that the Retail Entitlement Offer is open that may be relevant to your consideration about whether you should participate in the Entitlement Offer.

No party other than the Company has authorised or caused the issue of this Information Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information Booklet.

The Joint Lead Managers have not authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Information Booklet and do not make or purport to make any statement in this Information Booklet and there is no statement in this Information Booklet which is based on any statement by the Joint Lead Managers. The Joint Lead Managers and their affiliates, officers and employees, to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Information Booklet or any action taken by you on the basis of the information contained in this Information Booklet and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Information Booklet.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Information Booklet.

No overseas offering

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Information Booklet is not to be distributed in, and no offer of New Shares [is to be made in countries other than Australia and New Zealand. The distribution of this Information Booklet in other jurisdictions may be restricted by law and therefore persons who come into possession of this Information Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction outside Australia or New Zealand.

The distribution of this Information Booklet (including an electronic copy) outside Australia or New Zealand, is restricted by law. If you come into possession of the information in this booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for the Company to lawfully receive your Application Monies.

New Zealand

The New Shares being offered under the Entitlement Offer are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. This Information Booklet has been prepared in compliance with Australian law and is not a product disclosure statement under the Financial Markets Conduct Act 2013 (FMCA) or other similar offering or disclosure document under New Zealand law and has not been registered, filed with, or approved by any New Zealand regulatory authority or under or in accordance with the FMCA or any other relevant law in New Zealand. It does not contain all the information that a product disclosure document, under New Zealand law, is required to contain.

United States

None of the information in this booklet or the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this booklet (or any part of it), the accompanying ASX announcement nor the accompanying Entitlement and Acceptance

Form may be released or distributed directly or indirectly, to persons in the United States.

The New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States or by persons (including nominees or custodians) who are acting for the account or benefit of a person in the United States, and the New Shares may not be offered, sold or resold in the United States or to, or for the account or benefit of, a person in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction in the United States. In addition, any hedging transactions involving these securities may not be conducted unless in compliance with the U.S. Securities Act.

Definitions, currency and time

Defined terms used in this Information Booklet are contained in section 4. All references to currency are to Australian dollars and all references to time are to Australian Eastern Standard Time (AEST) time, unless otherwise indicated.

Taxation

There will be tax implications associated with participating in the Entitlement Offer and receiving New Shares. The Company considers that it is not appropriate to give advice regarding the tax consequences of subscribing for New Shares or dealing with Entitlements under this Information Booklet or the subsequent disposal of any New Shares. The Company recommends that you consult your professional tax adviser in connection with the Entitlement Offer. The Legal Adviser has not authorised, permitted or caused the issue of this Information Booklet.

Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or through the Share Registry). The Company collects, holds and will use that information to assess your Application. The Company collects your personal information to process and administer your shareholding in the Company and to provide related services to you. The Company may disclose your personal information for purposes related to your shareholding in the Company, including to the Share Registry, the Company's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that the Company holds about you, and correct and update such personal information. To make a request for access to or to correct or update your personal information held by (or on behalf of) the Company, please contact the Company through the Share Registry.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application.

Governing law

This Information Booklet, the Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in New South Wales, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

No representations

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Information Booklet. Any information or representation in connection with the Entitlement Offer not contained in the Information Booklet may not be relied upon as having been authorised by the Company or any of its officers.

Past Performance

Investors should note that the Company's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including the Company's future financial position or share price performance.

Future performance

This Information Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of the Company and certain plans and objectives of the management of the Company. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither the Company, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which

are outside the control of the Company. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Information Booklet in light of those disclosures.

Non-IFRS information:

This Information Booklet contains certain non-IFRS financial information. The directors of the Company believe the presentation of certain non-IFRS financial information is useful for users of this Information Booklet as they reflect the underlying financial performance of the business, however notwithstanding this, investors are cautioned not to place undue reliance on any non-IFRS financial information included in this Information Booklet. The non-IFRS financial information includes the Company's underlying Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flow (collectively, the 'underlying results'). These underlying results are presented with all equity held by the Company in the funds that it manages being accounted for at fair value using the same approach as AASB 13 – Fair Value Measurement. This differs from the Company's statutory financial statements where a range of the Company's equity holdings in the funds that it manages are either

consolidated or equity accounted following the adoption of the AASB 10 – Consolidated Financial Statements accounting standard.

Trading New Shares

The Company and the Joint Lead Managers will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in doubt as to these matters, you should first consult with your financial or other professional advisor.

Risks

Refer to the 'Risk factors' section of the Investor Presentation for a summary of general and specific risk factors that may affect the Company.

Chairman's letter

Wednesday, 9 June 2021

Dear Shareholder,

I am pleased to write to you, as a shareholder of Straker Translations Limited (**Company**), and offer you the opportunity to participate in the Company's recently announced equity raising.

Equity Raising

On Wednesday, 2 June 2021, the Company announced its intention to raise A\$20 million from the issue of new ordinary shares in the Company (**Shares**) by way of:

- a fully underwritten placement to raise A\$10 million (**Placement**); and
- a fully underwritten one for 10.32 accelerated non-renounceable entitlement offer to raise A\$10 million (**Entitlement Offer**),

(together, the **Equity Raising**).

On Friday, 4 June 2021, as a result of the significant demand received from investors, the Company announced that:

- it had increased the size of the fully underwritten Placement to A\$15 million;
- the Company had received commitments of A\$20 million under the Placement and the Institutional Entitlement Offer; and
- that the fully underwritten Placement and Entitlement Offer was expected to now raise A\$25 million in total (before offer costs).

The institutional accelerated component of the Entitlement Offer (**Institutional Entitlement Offer**) was successfully completed between 2 and 3 June 2021. This information booklet (**Retail Offer Booklet**) relates to the non-accelerated component of the Entitlement Offer (**Retail Entitlement Offer**).

The proceeds of the Equity Raising will be used to accelerate Straker's key growth strategies, pay down debt raised to acquire LingoTek in February 2021, and pay offer costs. Further information regarding the proposed use of funds is set out in section 1.8 of this booklet.

Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to subscribe for new Shares at the price of \$1.90, which is the same subscription price as the Placement and the Institutional Entitlement Offer.

The number of new shares you are entitled to subscribe for under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form enclosed with this booklet. No 'top-up' facility will be offered. The Entitlement Offer is non-renounceable and therefore your entitlements will not be tradable on the ASX or otherwise transferable.

Other Information

This booklet contains important information, including:

- the Equity Raising investor presentation released to the ASX on Wednesday, 2 June 2021 which provides information on the Company and key risks for you to consider;
- instructions on how to apply, detailing how to take up your Entitlements, and a timetable of key dates; and
- a personalised Entitlement and Acceptance Form which details your Entitlement.

The Retail Entitlement Offer closes at 5pm AEST on Monday, 21 June 2021.

You are encouraged to read the details on how to submit your application set out in this booklet and consider this offer carefully. You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

On behalf of the Board of the Company, I thank you for your ongoing support.

Yours faithfully



Phil Norman
Chairman and Non-Executive Director
Straker Translations Limited

Summary of Entitlement Offer

Placement	
Offer price	A\$1.90 per New Share
Size	7,894,737 New Shares
Gross proceeds	A\$15 million (approximate)
Entitlement Offer	
Ratio	One Share for every 10.32 existing Shares
Offer Price	A\$1.90 per New Share
Size	5,265,006 New Shares
Gross proceeds	A\$10 million (approximate)

Key dates

Activity	Date
Trading halt and announcement of Entitlement Offer	Wednesday, 2 June 2021
Placement and Institutional Entitlement Offer conducted	Wednesday, 2 June 2021 to Thursday, 3 June 2021
Announcement of the completion of Placement and Institutional Entitlement Offer and trading resumes on an ex-entitlement basis	Friday, 4 June 2021
Record Date for Entitlement Offer (7pm AEST)	Friday, 4 June 2021
Information Booklet and Entitlement & Acceptance Form despatched to Eligible Retail Shareholders	Wednesday, 9 June 2021
Retail Entitlement Offer opens	Wednesday, 9 June 2021
Settlement of Placement and Institutional Entitlement Offer	Friday, 11 June 2021
Allotment and issue of New Shares under the Institutional Entitlement Offer	Tuesday, 15 June 2021
Quotation of New Shares issued under the Institutional Entitlement Offer and trading commences on a normal basis	Wednesday, 16 June 2021
Last date to extend the closing date for the Retail Entitlement Offer	Wednesday, 16 June 2021
Closing date for acceptances under Retail Entitlement Offer (5pm AEST)	Monday, 21 June 2021
Announcement of results of Retail Entitlement Offer and notification of any shortfall	Thursday, 24 June 2021
Settlement of Retail Entitlement Offer	Friday, 25 June 2021
Allotment and issue of New Shares under the Retail Entitlement Offer (including application for quotation of New Shares)	Monday, 28 June 2021

Note: Australian Eastern Standard Time (AEST) is the time applicable in Sydney, New South Wales.

This Timetable is indicative only and subject to change. The Directors may vary these dates, subject to the Listing Rule and other applicable laws. Any variation or extension to the Timetable may delay the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.

Enquiries

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.

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1. Description and effect of the Entitlement Offer

1.1 Overview

The Company invites you to participate in the fully underwritten non-renounceable rights issue to acquire new fully paid ordinary shares in the Company (**New Shares**) at an issue price of \$1.90 per New Share (**Issue Price**) (**Entitlement Offer**) announced on Wednesday, 2 June 2021. The Company is seeking to raise approximately \$10 million (before Offer Costs) under the Entitlement Offer, in addition to a further \$15 million to be raised from a share placement undertaken in conjunction with the Entitlement Offer (**Placement**). The Company's ASX announcement of Wednesday, 2 June 2021, in relation to the announcement of the Placement and Institutional Entitlement Offer, is set out in the Annexure.

Participation in the Entitlement Offer is available to all Shareholders who are, as at 7pm (AEST) on Friday, 4 June 2021 (**Record Date**), registered on the Company's share register with a registered address in Australia or New Zealand (**Eligible Shareholders**). Eligible Shareholders who are on the Company's share register on the Record Date are entitled to acquire one New Share for every 10.32 Shares held on the Record Date (**Entitlement**). Fractional Entitlements will be rounded up to the nearest whole number of New Shares.

The Entitlement Offer has two components:

- (a) the Institutional Entitlement Offer – an initial offer to Eligible Shareholders who were determined by the Company to be eligible institutional, professional and sophisticated Shareholders (**Eligible Institutional Offer Shareholders**) – this was completed during Wednesday, 2 June 2021 and Thursday, 3 June 2021 with results announced to the ASX on Friday, 4 June 2021; and
- (b) the Retail Entitlement Offer – an offer to remaining Eligible Shareholders who are institutional, professional or sophisticated Shareholders (who were not determined to be Eligible Institutional Offer Shareholders) or retail shareholders (**Eligible Retail Shareholders**).

The Company reserves the right to determine whether a shareholder is an Eligible Institutional Offer Shareholder, Eligible Retail Shareholder or an Ineligible Shareholder.

The Offer Price of \$1.90 per New Share represents a discount of:

- (a) 18.5% to the last closing price of the Company's shares on 1 June 2021 (being \$2.33);
- (b) 12.2% to the 5-day VWAP for the period ending on 1 June 2021 (being \$2.17); and
- (c) 15.9% discount to the theoretical ex-rights price (TERP)¹ of \$2.26 per share.

1.2 Institutional Entitlement Offer and Placement

The Company has already received commitments to raise

- (a) approximately \$5 million from Eligible Institutional Offer Shareholders as part of the Institutional Entitlement Offer; and
- (b) approximately \$15 million from institutional, professional and sophisticated investors under the Placement.

The shares to be issued under the Institutional Entitlement Offer will be issued at the same price and at the same ratio as those being offered under the Retail Entitlement Offer. The shares to be issued under the Placement will also be issued at the same Offer Price as under the Entitlement Offer. It is expected that the Placement and Institutional Entitlement Offer shares will be issued on or around Tuesday, 15 June 2021.

The Company's ASX announcement of Friday, 4 June 2021, in relation to completion of the Placement and Institutional Entitlement Offer, is set out in the Annexure.

1.3 Retail Entitlement Offer

The Retail Entitlement Offer constitutes an offer to Eligible Retail Shareholders only. The Retail Entitlement Offer is expected to raise approximately \$5 million (before Offer Costs).

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be transferred or otherwise disposed of.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Information Booklet. Eligible Retail Shareholders may subscribe for all or part of their Entitlement.

Shareholders will have their interest in the Company diluted because of the issue of Shares under the Placement. Eligible Retail Shareholders who do not take up all of their Entitlements will have their percentage shareholding in the Company further diluted.

Eligible Retail Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are identified in the Investor Presentation annexed to this Information Booklet.

1.4 Top Up Facility

There is no top up or shortfall facility being offered in connection with the Entitlement Offer.

1.5 Underwriting

The Company has entered into an underwriting agreement with Ord Minnett Limited and Bell Potter Securities Limited (**Underwriters**) to fully underwrite the Placement and the Entitlement Offer (**Underwriting Agreement**).

In consideration of them performing their obligations under the Underwriting Agreement, the Company has agreed to pay the Underwriters:

- (a) a management and selling fee equal to 1.0% of the proceeds raised under the Equity Raising;
- (b) an underwriting fee equal to 2.5% of the proceeds raised under the Equity Raising;

the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is based on the Entitlement Offer shares only and is calculated by reference to the Company's closing price of \$2.33 on 1 June 2021.

¹ The theoretical ex rights price ("TERP") is the theoretical price at which the Company's shares should trade at immediately after the ex-date for the Entitlement Offer. It is a theoretical calculation only and the actual price at which the Company's shares trade immediately after

(c) an underwriting fee allocated to co-lead managers and co-managers in the Institutional Bookbuild equal to 1.5% of the dollar value of New Shares allocated to co-lead managers and co-managers in the Institutional Entitlement Offer bookbuild and Placement; and

(d) a sub-underwriting fee 1.5% of the dollar value of the sub-underwriting commitments received from institutional investors in connection with the Retail Entitlement Offer, excluding any sub-underwriting commitment received from Bailador Technology Investments Limited.

The Underwriters will also be entitled to be reimbursed for certain expenses incurred in connection with the Equity Raising on customary terms.

The Underwriting Agreement has been entered on commercial terms which are typical for agreements of this nature. In particular, the Underwriters may terminate their obligations under the Underwriting Agreement if certain circumstances arise in relation to the Entitlement Offer (being where the Company ceases to be admitted to, or its Shares cease trading or quotation or are suspended from, the official list of the ASX, the Company withdraws the Equity Raise or the Company materially breaches a material provision of the Underwriting Agreement.) Refer to Appendix C of the Investor Presentation annexed to this Information Booklet for a further summary of the key terms of the Underwriting Agreement.

1.6 Sub-underwriting

Bailador Technology Investments Limited (**Bailador**) has agreed to sub-underwrite any shortfall arising from the Retail Entitlement Offer up to the value of approximately \$5.1 million, in addition to taking up its full pro-rata entitlement in the Entitlement Offer (representing approximately \$1.18 million). Bailador presently has a relevant interest of 11.8% in the Company. Paul Wilson, a director of Straker, is also a director of Bailador. Bailador will not receive any fee for its sub-underwriting commitment.

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. If the underwriting agreement with the Underwriters is terminated, Bailador's sub underwriting arrangements will also be terminated.²

For information on the effect of the Entitlement Offer on the control of the Company, including in respect of the Underwriters and sub-underwriting arrangements refer to the cleansing notice issued by the Company under section 708AA(2)(f) of the Corporations Act on Wednesday, 2 June 2021 (a copy is included in the Annexure to this Information Booklet).

1.7 Shortfall Facility

As the Entitlement Offer is fully underwritten, there will be no shortfall facility offered.

1.8 Use of funds

At the date of this Information Booklet, the Company intends to apply the funds raised from the Entitlement Offer to:

- (a) accelerate Straker's key growth strategies;
- (b) pay down debt raised to acquire LingoTek in February 2021; and
- (c) pay costs associated with the Equity Raising, inclusive of legal, share registry and professional costs or underwriting fees associated with the Equity Raising.

The manner in which funds are proposed to be allocated against each of the above uses is set out in the following table:

Uses ³	NZ\$ ⁴
Repayment of existing debt	8.4 million
Working capital	17 million
Costs of equity raising	1.2 million
Total uses	26.6 million

The above proposed use of funds is a statement of current intentions and the Directors reserve the right to vary the way funds are applied at any time.

1.9 Capital structure

Subject to rounding up of fractional Entitlements, the capital structure of the Company following the issue of New Shares is expected to be as follows:

Existing Shares on issue at Wednesday, 2 June 2021 (the date the Equity Raising was announced)	54,334,855
Shares issued under the Placement	7,894,737
Amount raised under the Placement	A\$15 million
Number of New Shares to be issued under the Entitlement Offer (fully underwritten)	5,265,006
Amount to be raised under the Entitlement Offer (fully underwritten)	A\$10 million

² Any shares issued to the Underwriters and sub underwriters, including Bailador, will be issued pursuant to ASX Listing Rule 10.12 (Exception 2) and accordingly, Shareholder approval is not required for the issue of any new shares under the shortfall.

³ The use of funds stated is illustrative of Straker's present intention. The exact allocation and uses may change, without notice, depending on market conditions and circumstances generally from time to time.

⁴ NZD:AUD = 0.94.

Total number of Shares expected to be on issue after the issue of Shares under the Placement and New Shares under the Entitlement Offer ⁵	67,494,598
Total amount to be raised under the Placement and Entitlement Offer (before Offer Costs)	A\$25 million
Expected market capitalisation of the Company at the Offer Price (after the Placement and Entitlement Offer New Shares issued)	Approximately \$128.24 million
Options on issue at Wednesday, 2 June 2021 ⁶	2,565,047

1.10 Effect on the Company's financial position and performance

The Company's audited full year FY21 results were lodged with the ASX on 25 May 2021 and are available on the ASX website at www.asx.com.au and the Company's website www.strakertranslations.com.

The Investor Presentation sets out an unaudited pro-forma balance sheet assuming completion of the Entitlement Offer as at 31 March 2021.

1.11 Recent trading prices

The lowest and highest closing market sale prices of Shares on the ASX during the three months preceding Tuesday, 1 June 2021 (being the last trading day before the Equity Raising was announced) were \$1.45 (on 30 March 2021) and \$2.33 (on 1 June 2021) respectively.

The closing market price of the Company's Shares on Tuesday, 1 June 2021 was \$2.33.

The Offer Price of \$1.90 represents a discount of approximately 18.5% to the last traded price of the Company's Shares on Tuesday, 1 June 2021, and a 12.2% discount to the previous 5-day VWAP of the Company's Shares up to and including Tuesday, 1 June 2021.

1.12 Effect on control

For information on the effect of the Entitlement Offer on the control of the Company, refer to the cleansing notice issued by the Company under section 708AA(2)(f) of the Corporations Act on Wednesday, 2 June 2021 (a copy of which is annexed to this Information Booklet).

1.13 Risks

Any investment in New Shares carries certain risks. In addition to the general risks applicable to all investments in listed securities, the Company is subject to a number of specific risk factors which may affect or have an adverse impact on the Company.

A summary of such general and specific risk factors have been set out in the 'Key Risks' section of the Investor Presentation

⁵ Note this number assumes that none of the Company's unquoted options are exercised before the Record Date. Although unlikely, if any of these unquoted options are exercised before the Record Date, the number of Shares on issue on completion of the Entitlement Offer will

(and included as an Annexure to this Information Booklet). Shareholders should be aware that the risks identified in the Investor Presentation are not necessarily exhaustive of all risks relating to an investment in the Company or the Entitlement Offer and accordingly an investment in the Company should be considered speculative.

Shareholders should review these risk factors and consult their own stockbroker, solicitor, accountant or other professional adviser to evaluate the potential impact of such risks and whether or not to participate in the Retail Entitlement Offer.

1.14 No minimum subscription

There is no minimum subscription amount for participation in the Entitlement Offer.

1.15 Eligibility of Eligible Retail Shareholders

The Retail Entitlement Offer is being offered to all Eligible Retail Shareholders, being Shareholders who, on the Record Date:

- have a registered address in Australia or New Zealand or are a Shareholder that the Company has otherwise determined is eligible to participate;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus to be lodged or registered.

The Retail Entitlement Offer is not being extended to the Ineligible Shareholders because of the small number of such Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand.

The Company reserves the right to determine whether a shareholder is an Eligible Retail Shareholder or an Ineligible Shareholder.

Existing holders of options on issue in the Company may only participate in the Entitlement Offer in respect of Shares to be issued on exercise of the options held by them if they exercise their options and are registered as the holder of the underlying Shares by the Record Date.

1.16 Ranking of New Shares

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares.

1.17 Allotment

The Company will make an application for quotation of the New Shares on ASX in accordance with the Listing Rules. Trading of New Shares will, subject to ASX approval, occur shortly after allotment.

increase and the number of New Shares that may be issued under the Entitlement Offer will also increase.

⁶ Assuming that none of the Company's unquoted options are exercised before the Record Date.

It is expected that quotation of the New Shares under the Retail Entitlement Offer will take place on Tuesday, 29 June 2021.

Application Monies will be held by the Company on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The sale by an Applicant of New Shares prior to receiving their holding statement is at the Applicant's own risk.

1.18 Broker handling fee or stamp duty

No brokerage or stamp duty will be payable by Applicants.

1.19 Information availability and Shareholder enquiries

Eligible Retail Shareholders can obtain a copy of this Information Booklet online at <https://events.miraqle.com/STG-OFFER/> (or via www.strakertranslations.com) or by calling 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 Entitlement Offer period. Alternatively, consult your professional adviser.

Persons who access the electronic version of this Information Booklet should ensure that they download and read the entire Information Booklet. The electronic version of this Information Booklet will not include an Entitlement and Acceptance Form. A replacement Entitlement and Acceptance Form can be requested by calling 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 Entitlement Offer period.

2. How to apply

2.1 Shareholder's choices

The number of New Shares to which Eligible Retail Shareholders are entitled (their **Entitlement**) is shown on the accompanying Entitlement and Acceptance Form. Eligible Retail Shareholders may:

- take up their Entitlement in full (refer to section 2.2);
- take up part of their Entitlement, in which case the balance of the Entitlement would lapse (refer to section 2.3); or
- allow their Entitlement to lapse (refer to section 2.4).

Ineligible Shareholders may not take up any of their Entitlements.

The Company reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

The Closing Date for acceptance of the Retail Entitlement Offer is 5pm (AEST) on Monday, 21 June 2021 (however, that date may be varied by the Company, in accordance with the Listing Rules).

2.2 Taking up all of your Entitlement

If you wish to take up your Entitlement in full, follow the instructions set out in the Entitlement and Acceptance Form.

You may apply by completing the Entitlement and Acceptance Form accompanying this Information Booklet or by downloading your Entitlement and Acceptance Form online at <https://events.miraqle.com/STG-OFFER/> (or via www.strakertranslations.com) and completing the validation requirements.

Please return your completed Entitlement and Acceptance Form together with your Application Monies in accordance with section 2.6 for the amount shown on the Entitlement and Acceptance Form to the Share Registry so that it is received no later than 5pm (AEST) on Monday, 21 June 2021 at the address set out below:

By post

Straker Translations Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Alternatively, you may also take up all of your Entitlement by payment of the Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form or by downloading your Entitlement and Acceptance Form online at <https://events.miraqle.com/STG-OFFER/> (or via www.strakertranslations.com), clicking on the 'Offer Link' and completing the validation requirements.

If payment is being made through BPAY, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than 5pm (AEST) on Monday, 21 June 2021.

If you do not return the Entitlement and Acceptance Form, amounts received by the Company in excess of the Offer Price multiplied by your Entitlement (**Excess Amount**) may be treated as an application to apply for as many additional New Shares as your Excess Amount will pay for in full.

Refund amounts, if any, will be paid in Australian dollars. You will be paid either by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the share register as at the Closing Date of the offer. If you wish to advise or change your banking instructions with the Share Registry you may do so by going to <https://investorcentre.linkmarketservices.com.au/Login.aspx/Login> and following the instructions.

If you access your Entitlement and Acceptance Form online and do not pay via BPAY, you must personally print out and complete the Entitlement and Acceptance Form downloaded online. Entitlement and Acceptance Forms downloaded online must not be completed by third parties, including authorised third parties (e.g. the Applicant's broker).

2.3 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the other steps required

in accordance with section 2.2. No further action is required in relation to the balance of your Entitlements that are not taken up which will simply lapse.

You may arrange for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form. If payment is made through BPAY and the Company receives an amount that is less than the Offer Price multiplied by your Entitlement (**Reduced Amount**), your payment may be treated as an application for as many New Shares as your Reduced Amount will pay for in full.

2.4 Allow your Entitlement to lapse

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse. The Entitlement Offer is non-renounceable and therefore your Entitlement will not be tradable on the ASX or otherwise transferable.

2.5 Consequences of not accepting your Entitlement

If you do not accept all of your Entitlement in accordance with the instructions set out above, any New Shares that you would have otherwise been entitled to under the Retail Entitlement Offer (or New Shares that relate to the portion of your Entitlement that has not been accepted) may be by the Joint Lead Managers.

Shareholders will have their interest in the Company diluted because of the issue of Shares under the Placement. In addition, Eligible Retail Shareholders who do not take up all of their Entitlements will have their percentage shareholding in the Company further diluted.

2.6 Payment

The consideration for the New Shares is payable in full on application by a payment of \$1.90 per New Share. The Entitlement and Acceptance Form must be accompanied by a cheque for the Application Monies. Cheques must be drawn in Australian currency on an Australian bank and made payable to **'Straker Translations Limited'** and crossed 'Not Negotiable'.

Alternatively, you may arrange for payment of the Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.

Eligible Retail Shareholders must not forward cash by mail. Receipts for payment will not be issued.

2.7 Entitlement and Acceptance Form is binding

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY, constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Information Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid application for New Shares. The Directors' (or their delegates') decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Retail Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Retail Entitlement Offer;
- (b) you acknowledge that the New Shares have not been, and will not be, registered under the U.S. Securities Act or under the laws of any other jurisdiction outside Australia or New Zealand; and
- (c) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States.

2.8 No cooling-off rights

Cooling-off rights do not apply to an investment under the Entitlement Offer. You cannot withdraw your application once it has been accepted.

2.9 Brokerage and Stamp Duty

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Entitlement Offer.

2.10 Notice to Nominees and Custodians

Nominees and custodians may not distribute any part of this Information Booklet or any Entitlement and Acceptance Form in any country outside Australia, except to beneficial holders of Shares in New Zealand and beneficial holders of Shares who are institutional, sophisticated or professional investors in other countries to the extent the Company may determine it is lawful and practical to make the Retail Entitlement Offer.

2.11 Governing law

This Information Booklet, the Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in New South Wales, Australia. Each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

3. Additional information

3.1 Rights attaching to New Shares

From allotment and issue, the New Shares will rank equally in all respects with Existing Shares.

3.2 Interests of Directors

Directors are entitled to take up their Entitlements to New Shares. Refer to section 1.6 for details of sub-underwriting arrangements which have been entered into by Bailador Technology Investments Limited. Paul Wilson, a director of Straker, is also a director of Bailador.

3.3 ASX quotation

The Company will make an application to ASX for the New Shares to be granted quotation on ASX. If permission is not granted for quotation of the New Shares on ASX, then no allotment and issue of any New Shares will take place and

Application Monies (without interest) will be returned in full to Applicants.

Trading of New Shares will, subject to ASX approval, occur on or about the date specified in the Timetable.

3.4 Allotment and Despatch of Shareholding Statements

Subject to the New Shares being granted quotation on ASX, the New Shares will be allotted and issued and holding statements despatched in accordance with the Timetable. It is expected that allotment and issue of New Shares under the Retail Entitlement Offer will take place on or about Monday, 28 June 2021. It is expected that holding statements for the New Shares will be despatched on or about Wednesday, 30 June 2021.

Application Monies will be held in trust in a subscription account until allotment and issue of the New Shares. No interest will be paid to Applicants.

3.5 CHESS

The Company will apply to have the New Shares issued under this Entitlement Offer admitted to participate in CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. The Company will operate an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together will make up the principal register of New Shares.

3.6 Taxation

You should be aware that there may be taxation implications associated with participating in the Entitlement Offer and receiving New Shares.

The Directors consider that it is not appropriate to give advice regarding the taxation consequences of subscribing for New Shares under this Information Booklet, or the subsequent disposal of any New Shares allotted and issued under this Information Booklet.

The Company, its advisers and officers do not accept any responsibility or liability for any taxation consequences to potential Applicants.

All Shareholders should consult their own professional tax advisers in connection with subscribing for, and subsequent disposal of, New Shares allotted and issued under this Information Booklet.

3.7 Continuous disclosure

The Company is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports.

The Company is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of the

Company's Shares. That information is available to the public from ASX and can be accessed at www.asx.com.au.

Some documents are required to be lodged with ASIC in relation to the Company. These documents may be obtained from, or inspected at, an ASIC office.

There may be additional announcements made by the Company after the date of this Information Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration of whether to take up or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by the Company before submitting your application to take up your Entitlement.

3.8 Withdrawal of the Entitlement Offer

The Company reserves the right to withdraw or not proceed with the whole or any part of the Entitlement Offer at any time prior to the allotment of New Shares. In that event, any relevant Application Monies that have been received under the Retail Entitlement Offer will be refunded without interest.

3.9 Enquiries

If you have any queries about your Entitlement please contact the Company's Share Registry, the details for which are set out in the Corporate Information section at the back of this Information Booklet.

Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

4. Definitions

These definitions are provided to assist persons in understanding some of the expressions used in this Information Booklet.

AEST means Australian Eastern Standard Time.

Applicant means a person who has applied to subscribe for New Shares by submitting an Acceptance Form or arranging for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.

Application means the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.

Application Monies means the aggregate amount of money payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).

ASX Settlement Operating Rules means the official operating rules of ASX Settlement Pty Ltd ACN 008 504 532.

Board means the board of Directors of the Company.

CHESS means Clearing House Electronic Subregister System, operated by ASX Settlement Pty Ltd ACN 008 504 532.

Closing Date means 5pm AEST on Monday, 21 June 2021, the day the Retail Entitlement Offer closes or such other date as

the Directors in their absolute discretion determine, subject to the Listing Rules.

Company or Straker means Straker Translations Limited ARBN 628 707 399.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

Eligible Institutional Offer Shareholder means an institutional, professional or sophisticated Shareholder on the Record Date who:

- (a) is not an Ineligible Shareholder; and
- (b) has successfully received an offer under the Institutional Entitlement Offer (either directly or through a nominee).

Eligible Retail Shareholder means a Shareholder on the Record Date who:

- (a) has a registered address in Australia or New Zealand or is a Shareholder that the Company has otherwise determined is eligible to participate;
- (b) is not in the United States and is not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States;
- (c) was not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Shareholder under the Institutional Entitlement Offer; and
- (d) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus to be lodged or registered.

Eligible Shareholder means an Eligible Institutional Offer Shareholder or Eligible Retail Shareholder, as applicable.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Information Booklet.

Entitlement means the right to subscribe for New Shares pursuant to the Entitlement Offer.

Entitlement Offer means the pro rata accelerated renounceable offer to subscribe for one New Share for every 10.32 Shares of which the Shareholder is the registered holder on the Record Date, at the Offer Price, and comprised of the Institutional Entitlement Offer and the Retail Entitlement Offer components.

Equity Raising means the Placement and the Entitlement Offer.

Existing Shares means the Shares already on issue in the Company as at the Record Date.

Ineligible Shareholder means a Shareholder (or beneficial holder of Shares) who is not an Eligible Shareholder.

Information Booklet means this document issued under section 708AA of the Corporations Act.

Institutional Entitlement Offer means the component of the Entitlement Offer made to Eligible Institutional Offer Shareholders in the manner set out in section 1.1 of this Information Booklet.

Investor Presentation means the presentation to investors, released to the ASX on Wednesday, 2 June 2021, incorporated in the Annexure to this Information Booklet.

Joint Lead Managers or Underwriters means Ord Minnett Limited AFSL 237121 and Bell Potter Securities Limited AFSL 243480.

Legal Adviser means Talbot Sayer Lawyers.

Listing Rules means the official listing rules of ASX.

New Shares means Shares to be allotted and issued under the Entitlement Offer.

Offer Costs means direct costs of the Equity Raising including fees paid to the Underwriter and advisers and to providers of specific services to cover share registry, printing and postage costs.

Offer Price means \$1.90 per New Share.

Placement means the placement of Shares to raise A\$10 million announced on Wednesday, 2 June 2021, which was subsequently increased to A\$15 million announced on Friday, 4 June 2021.

Record Date means 7pm AEST on Friday, 4 June 2021.

Retail Entitlement Offer means the component of the Entitlement Offer made to Eligible Retail Shareholders pursuant to this Information Booklet in the manner set out in section 1.3.

Share Registry means Link Market Services Limited ACN 083 214 537.

Shareholders mean holders of Shares.

Shares means fully paid ordinary shares in the capital of the Company.

TERP means theoretical ex-rights price.

Timetable means the indicative timetable set out in 'Key Dates'.

U.S. Securities Act means the U.S. Securities Act of 1933, as amended.

VWAP means volume weighted average price.

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ASX RELEASE

2 June 2021

Fully underwritten equity raising to raise A\$20 million Straker Translations Limited (ASX: STG)

Highlights

- Fully underwritten placement to institutional, professional and sophisticated investors and accelerated non-renounceable entitlement offer to raise A\$20 million
- New shares to be issued at A\$1.90 per share, representing an 18.5% discount to the last closing price of \$2.33, a 12.2% discount to the 5-day VWAP¹ and a 15.9% discount to TERP²
- Proceeds from the equity raising will be used to accelerate Straker's growth strategies, pay down debt and pay offer costs

Equity Raising

Straker Translations Limited (**ASX: STG**) (**Company**) is pleased to announce it is undertaking a fully underwritten equity raising to raise approximately A\$20 million comprising a placement to institutional, professional and sophisticated investors to raise A\$10 million (**Placement**), and a 1 for 10.32 accelerated non-renounceable entitlement offer to raise A\$10 million (**Entitlement Offer**). The Offer will be conducted at an issue price of \$1.90 (**Offer Price**) per new ordinary share (**New Share**) (**Equity Raising**).

The Offer Price represents:

- an 18.5% discount to the last closing price of the Company's shares on 1 June 2021 (being \$2.33);
- a 12.2% discount to the 5-day VWAP for the period ending on 1 June 2021 (being \$2.17); and
- a 15.9% discount to the theoretical ex-rights price (TERP) of A\$2.26 per share.

The Offer structure provides an opportunity for all eligible Straker shareholders to participate in the Entitlement Offer on a pro-rata basis. Eligible shareholders will be able to subscribe 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**). Eligible new institutional, professional and sophisticated investors also have the opportunity to subscribe for new shares through the Placement.

The Company expects to issue approximately 5.3 million New Shares in the Placement and approximately 5.3 million New Shares in total under the Entitlement Offer. Shares issued under the Entitlement Offer will rank equally with existing shares.³

¹ The Volume Weighted Average Price ("VWAP") for the period of five trading days ending on Tuesday, 1 June 2021 (being \$2.17).

² The theoretical ex rights price ("TERP") is the theoretical price at which STG shares should trade at immediately after the ex-date for the Entitlement Offer. It is a theoretical calculation only and the actual price at which STG shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is based on the Entitlement Offer shares only and is calculated by reference to STG's closing price of \$2.33 on Tuesday, 1 June 2021.

³ Existing option holders need to exercise their options and be a registered retail holder of shares on the Record Date if they wish to participate in the Entitlement Offer.

Straker Translations (STG)
NZ Company no. 1008867
ARBN: 628 707 399

Registered Address
Level 2, 49 Parkway Drive
Rosedale, Auckland 0632

www.strakertranslations.com
investors@strakertranslations.com

The proceeds of the Equity Raising will be used to accelerate Straker's key growth strategies, pay down debt raised to acquire LingoTek in February 2021, and pay offer costs. Refer to the investor presentation released to the ASX on Wednesday, 2 June 2021 for further information regarding the Equity Raising and Straker's growth strategies.

Ord Minnett Limited and Bell Potter Securities Limited have been appointed as joint lead managers and underwriters in respect of the Equity Raising (**Joint Lead Managers**).

Bailador Technology Investments Limited (**Bailador**) has agreed to sub-underwrite any shortfall arising from the Retail Entitlement Offer up to the value of approximately \$5.1 million, in addition to taking up its full pro-rata entitlement in the Entitlement Offer.⁴ Bailador presently has a relevant interest of 11.8% in the Company. Paul Wilson, a director of Straker, is also a director of Bailador. 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. If the underwriting agreement with the Underwriters is terminated, Bailador's sub-underwriting arrangements will also be terminated.⁵

Entitlement Offer details

The Entitlement Offer has two components:

- an accelerated component (**Institutional Entitlement Offer**) which will be made to eligible institutional, professional and sophisticated shareholders as determined by the Company and the Joint Lead Managers (**Eligible Institutional Offer Shareholders**); and
- a non-accelerated component (**Retail Entitlement Offer**) which will be made to remaining eligible institutional, professional or sophisticated shareholders and retail shareholders (who were not determined to be Eligible Institutional Offer Shareholders entitled to participate in the Institutional Entitlement Offer) (**Eligible Retail Shareholders**).

The Retail Entitlement Offer will be conducted at the same Offer Price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will be open from Wednesday, 9 June 2021, to eligible retail shareholders with a registered address in Australia or New Zealand, as at the Record Date and is expected to close at 5.00pm (Sydney time) on Monday, 21 June 2021.⁶

The Company will offer the shares under the Entitlement Offer for issue without disclosure to investors under section 708AA(2)(f) *Corporations Act 2001* (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* (**Instrument 2016/84**).

The Company will notify shareholders as to whether they are eligible to participate in the Retail Entitlement Offer. An information booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Retail Entitlement Offer will be sent to Eligible Retail Shareholders on or about Wednesday, 9 June 2021, with a copy lodged with ASX. The Company will also notify those shareholders who it determines to be ineligible shareholders.

⁴ Bailador will not receive any fee for its sub-underwriting commitment.

⁵ Any shares issued to the Underwriters and sub underwriters, including Bailador, will be issued pursuant to ASX Listing Rule 10.12 (Exception 2) and accordingly, Shareholder approval is not required for the issue of any new shares under the shortfall.

⁶ No top up facility will be offered under the Entitlement Offer.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value in respect of those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value in respect of the Entitlements they would have received had they been eligible.

Key dates

Activity	Date
Trading halt and announcement of Entitlement Offer	Wednesday, 2 June 2021
Placement and Institutional Entitlement Offer conducted	Wednesday, 2 June 2021 to Thursday, 3 June 2021
Announcement of the completion of Placement and Institutional Entitlement Offer and trading resumes on an ex-entitlement basis	Friday, 4 June 2021
Record Date for Entitlement Offer (7pm AEST)	Friday, 4 June 2021
Information Booklet and Entitlement & Acceptance Form despatched to Eligible Retail Shareholders	Wednesday, 9 June 2021
Retail Entitlement Offer opens	Wednesday, 9 June 2021
Settlement of Placement and Institutional Entitlement Offer	Friday, 11 June 2021
Allotment and issue of New Shares under the Institutional Entitlement Offer	Tuesday, 15 June 2021
Quotation of New Shares issued under the Institutional Entitlement Offer and trading commences on a normal basis	Wednesday, 16 June 2021
Last date to extend the closing date for the Retail Entitlement Offer	Wednesday, 16 June 2021
Closing date for acceptances under Retail Entitlement Offer (5pm AEST)	Monday, 21 June 2021
Announcement of results of Retail Entitlement Offer and notification of any shortfall	Thursday, 24 June 2021
Settlement of Retail Entitlement Offer	Friday, 25 June 2021
Allotment and issue of New Shares under the Retail Entitlement Offer (including application for quotation of New Shares)	Monday, 28 June 2021
Quotation of New Shares issued under the Retail Entitlement Offer and trading commences on a normal basis	Tuesday, 29 June 2021
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	Wednesday, 30 June 2021

This Timetable is indicative only and subject to change. The Directors may vary these dates, subject to the Listing Rules. Any variation or extension to the timetable may delay the anticipated date for issue of the New Shares.

The Directors also reserve the right not to proceed with the whole or part of the Equity Raising any time prior to allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants.

Straker Translations (STG)
NZ Company no. 1008867
ARBN: 628 707 399

Registered Address
Level 2, 49 Parkway Drive
Rosedale, Auckland 0632

www.strakertranslations.com
investors@strakertranslations.com

Further information

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

You are invited to a Zoom webinar.

When: Jun 2, 2021 10:30 AM Sydney, Australia

Topic: Straker Capital Raise

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_3uVOoDzVTouc5Y912Elmw

After registering, you will receive a confirmation email containing information about joining the webinar.

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.

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.

This document may not be distributed or released in the United States.

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.



Capital Raise Presentation

2 June 2021

Disclaimer

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New Zealand

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMCA**). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Straker with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMCA;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMCA;
- is large within the meaning of clause 39 of Schedule 1 of the FMCA;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMCA; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMCA (and, if an eligible investor, have provided the necessary certification).

Overview

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FY21 full year results¹

- Revenue for the year to the end of March 2021 rose 13% to \$31.3 million
 - gains from acquisitions
 - impact of Covid-19 disruptions to sales
- On a proforma basis, unaudited revenue greater than \$41 million² for FY21
- Lingotek acquisition contributed \$1.9 million in the two months since completion
- IBM strategic alliance went live, driving a surge in translation and product development activity
- Adjusted EBITDA loss narrowed 66% to \$0.2 million from a loss of \$0.6 million in the prior year

Growth strategies

- Straker is focused on its key growth strategies which include:
 - capitalising on the IBM opportunity and targeting other enterprise customers;
 - enhancing SaaS offering for enterprise customers;
 - increasing share of existing customer spend; and
 - continuing active acquisition strategy.

Outlook¹

- Straker has announced guidance of:
 - more than \$50m revenue for FY22;
 - ~\$10m of organic revenue growth in FY22; and
 - higher gross margins (53% in FY21).
- Straker is in advanced discussions with multiple acquisition targets

Equity raising details

- Straker is undertaking a ~AUD\$20 million fully underwritten equity raising (**Equity Raising** or **Offer**) of new fully paid ordinary shares in the Company (**New Shares**). The Offer comprises a:
 - ~AUD\$10 million institutional placement (**Placement**); and
 - ~AUD\$10 million 1 for 10.32 accelerated pro rata non-renounceable entitlement offer (**Entitlement Offer**), comprising an
 - institutional entitlement offer (**Institutional Entitlement Offer**); and
 - a retail entitlement offer (**Retail Entitlement Offer**).

Use of funds

- Proceeds of the equity raise will be used to accelerate Straker's stated growth strategies, pay down debt raised to acquire LingoTek and pay offer costs

Straker today

What we do

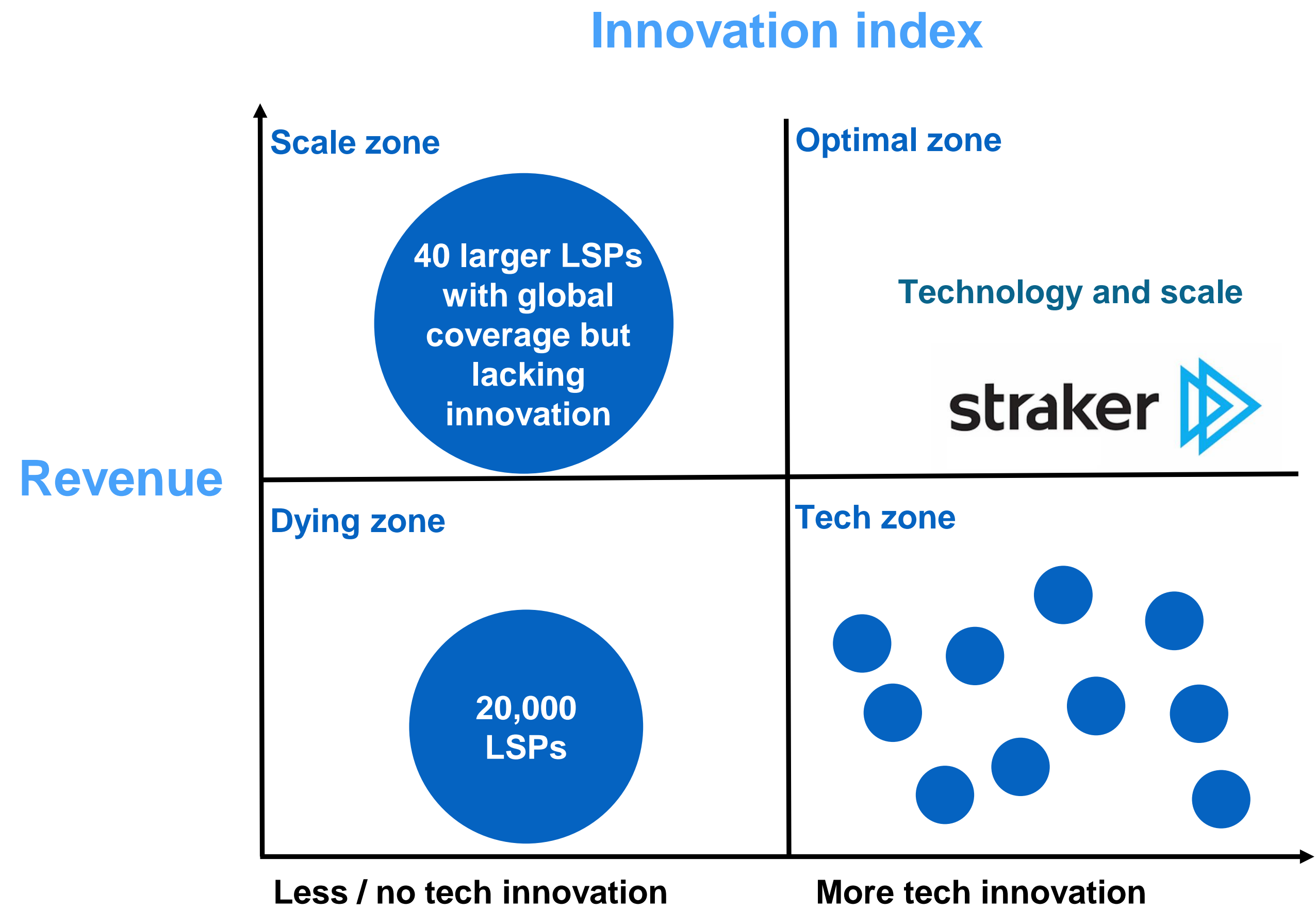
Straker uses its industry leading AI driven technology to provide translation and localisation services to some of the largest enterprise customers in the world

- Global reach with 200+ staff and offices in 8 countries
- Proven enterprise solution
- Increasing proportion of revenue on SaaS platform
- Industry high gross margins
- Operating in a USD\$57 billion¹ industry
- Clear pathway for growth as the industry consolidates



USD\$57 billion¹ market opportunity

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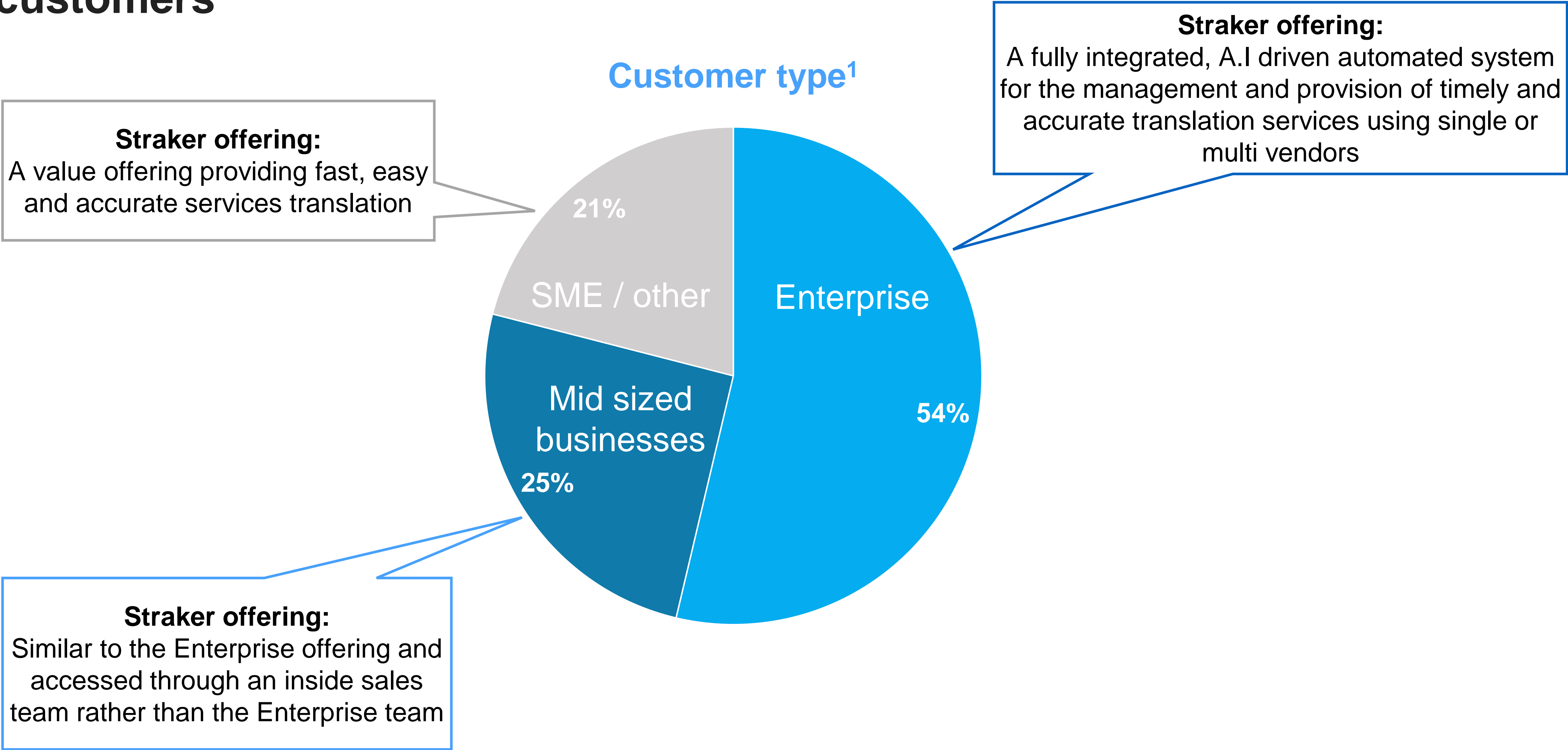
Ai POWERED

RAY

Straker operates in an industry estimated at USD\$57 billion¹ and has the technology, business model and reach to disrupt it at scale

Our customers

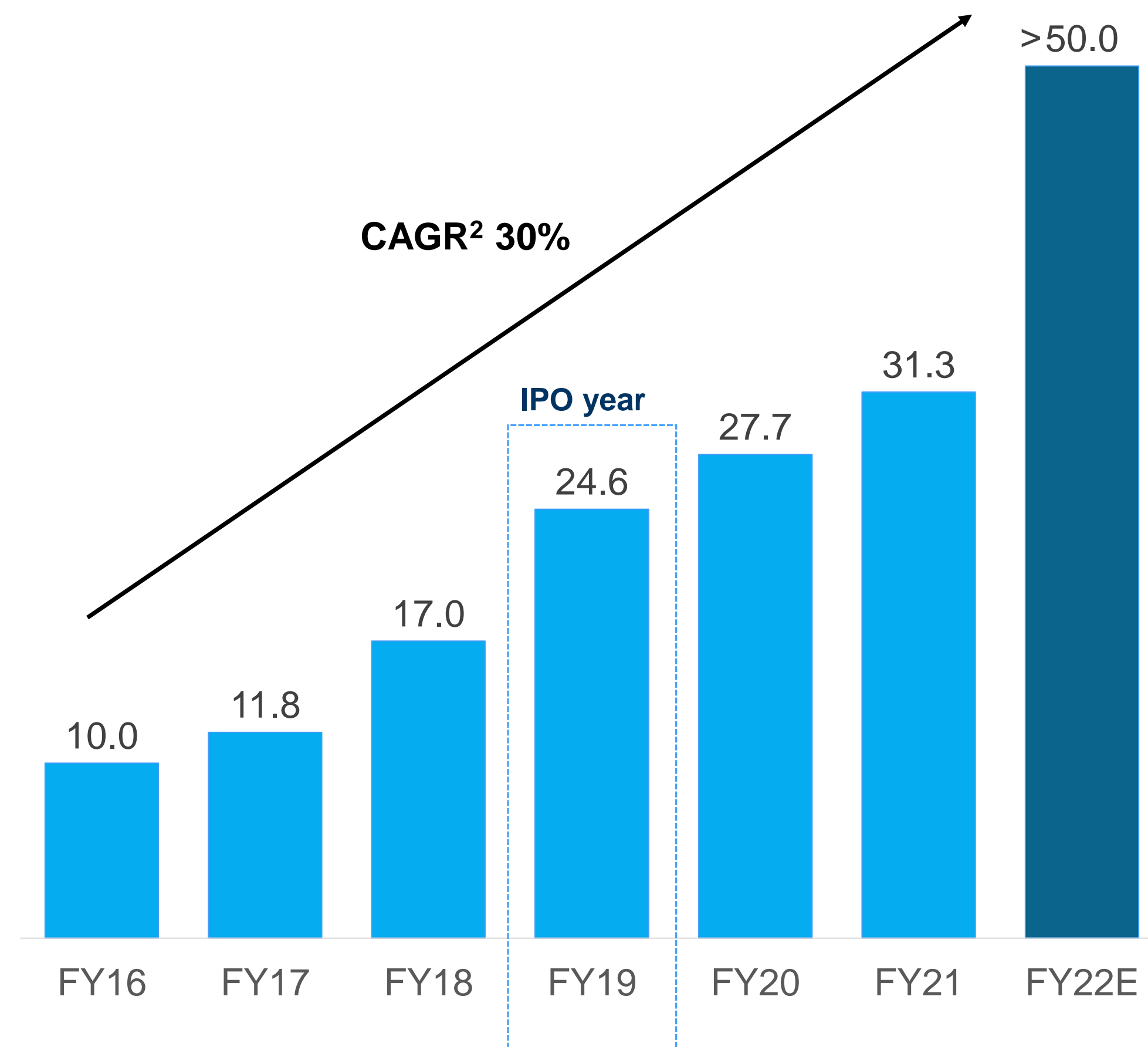
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Revenue growth

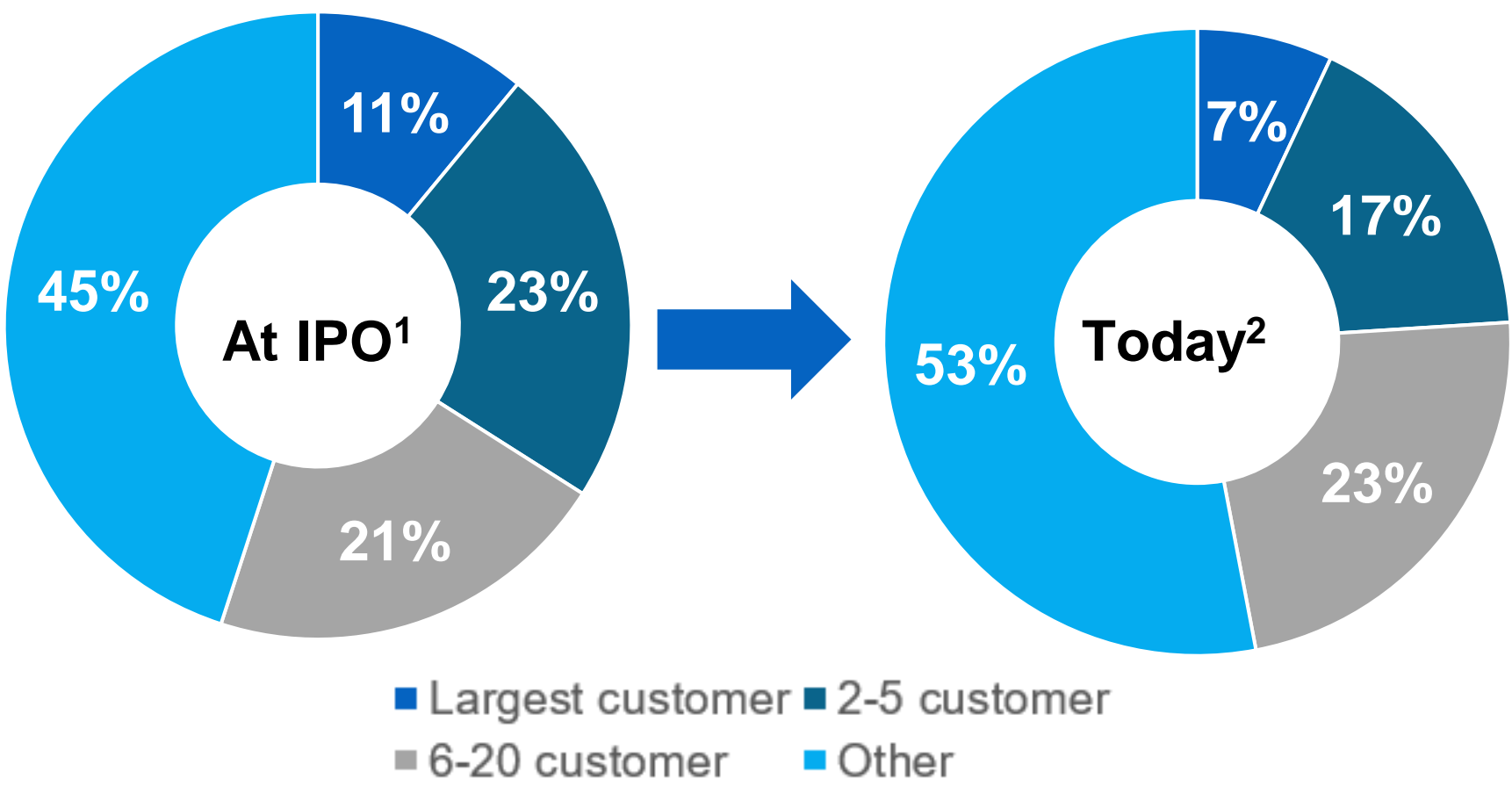
- Straker has continued to grow revenue and scale
 - combination of organic and inorganic strategies
- FY21 Covid-19 affected but ended strongly with the LingoTek and IBM deals having an impact in Q4
- FY22E revenues are expected to be more than \$50 million¹
- CAGR between FY16A and FY22E estimated to be >30%

Revenue (\$m)
(FY16A to FY22E)

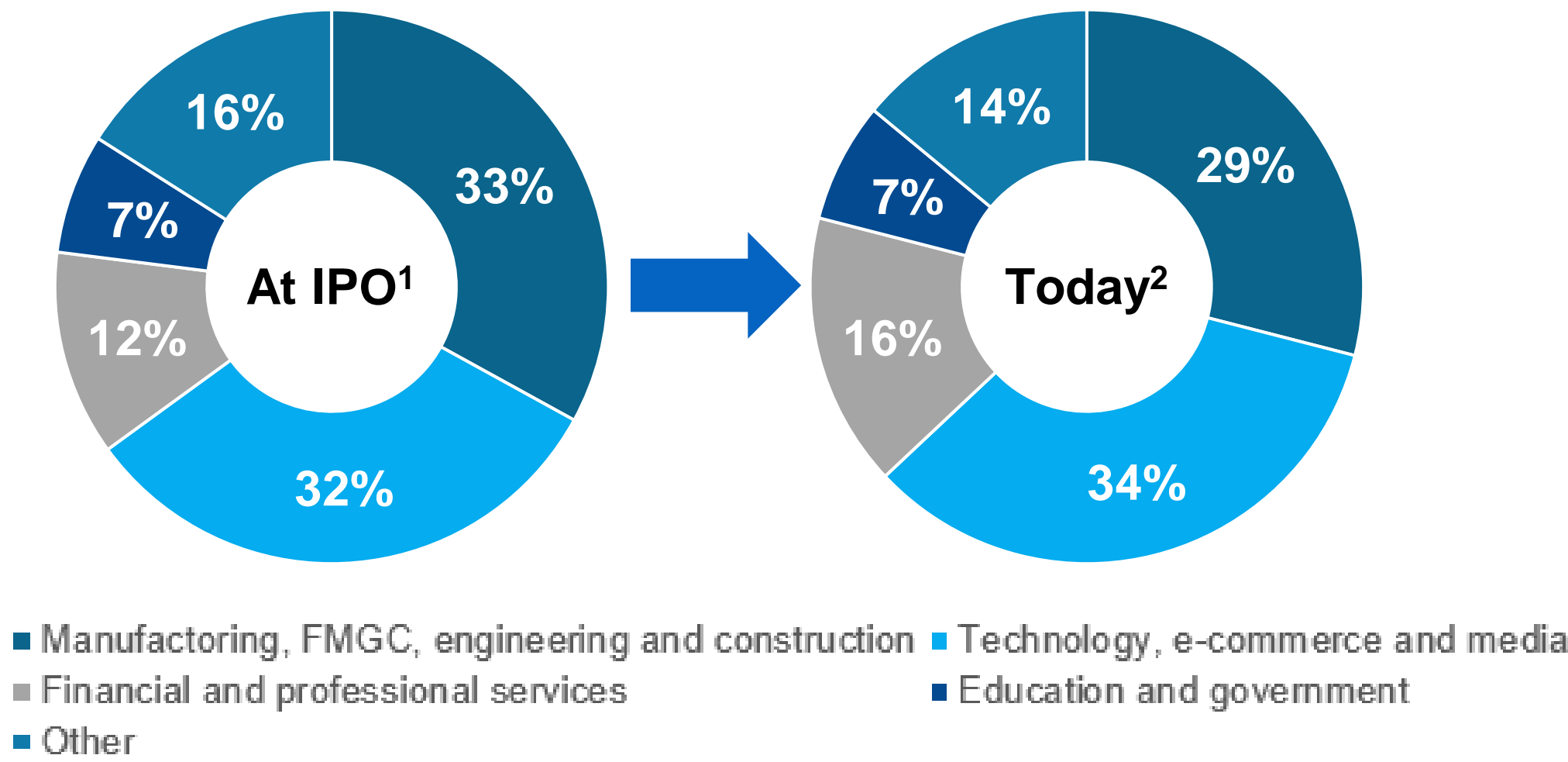


Our revenue

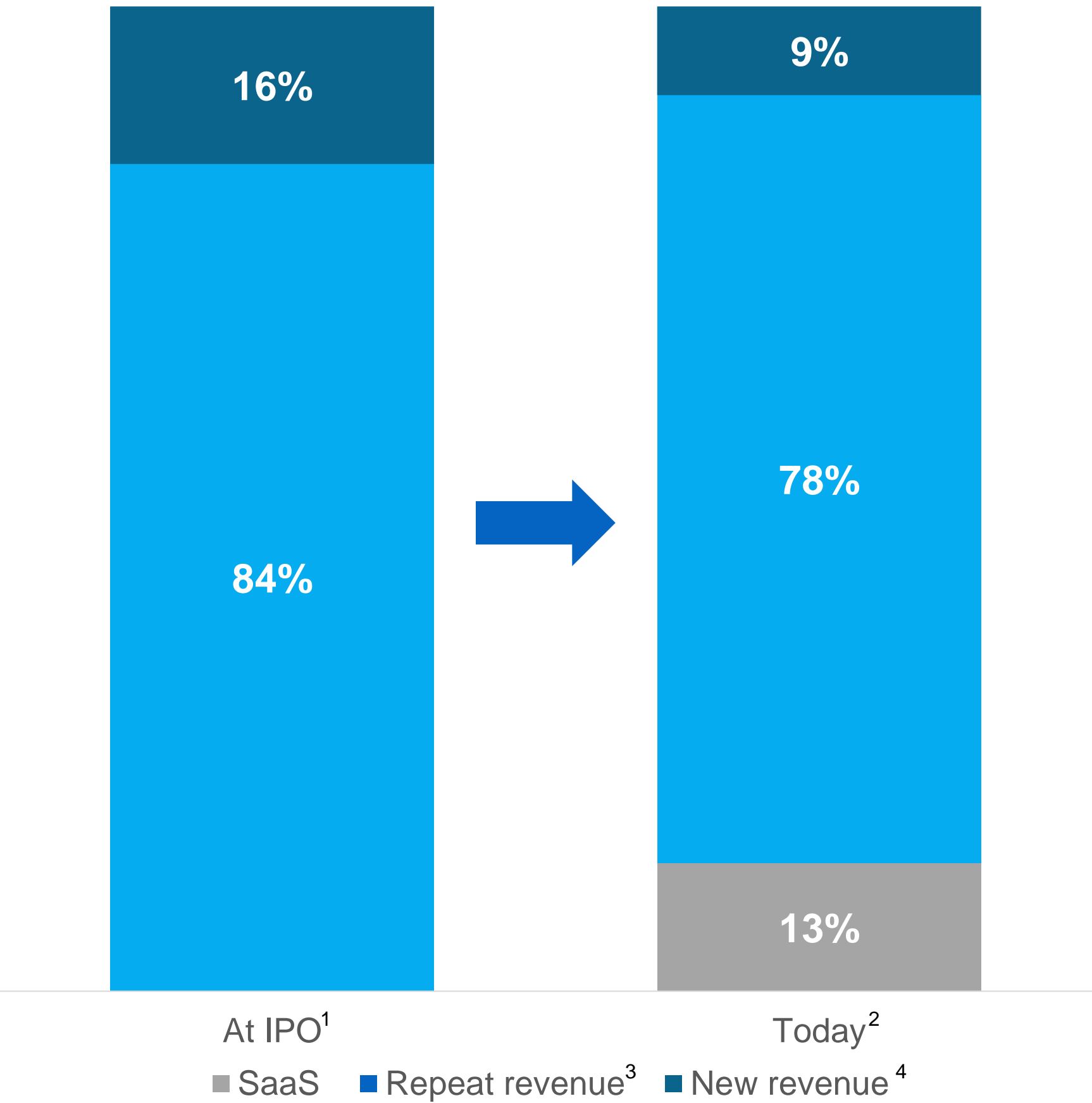
Revenue concentration



Revenue by industry⁵



Revenue from repeat customers



World Class Growth Team Across a Global Network

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Amaya Montoya
GM Sales EMEA
Previous
On Global - Founder & CEO
Reports to: David Sowerby (Chief Revenue Officer)



Felix Donoso
GM IBM Account
Previous
MSS - CEO
Seprotech (largest Spanish LSP) - Senior Manager
Reports to: David Sowerby (Chief Revenue Officer)



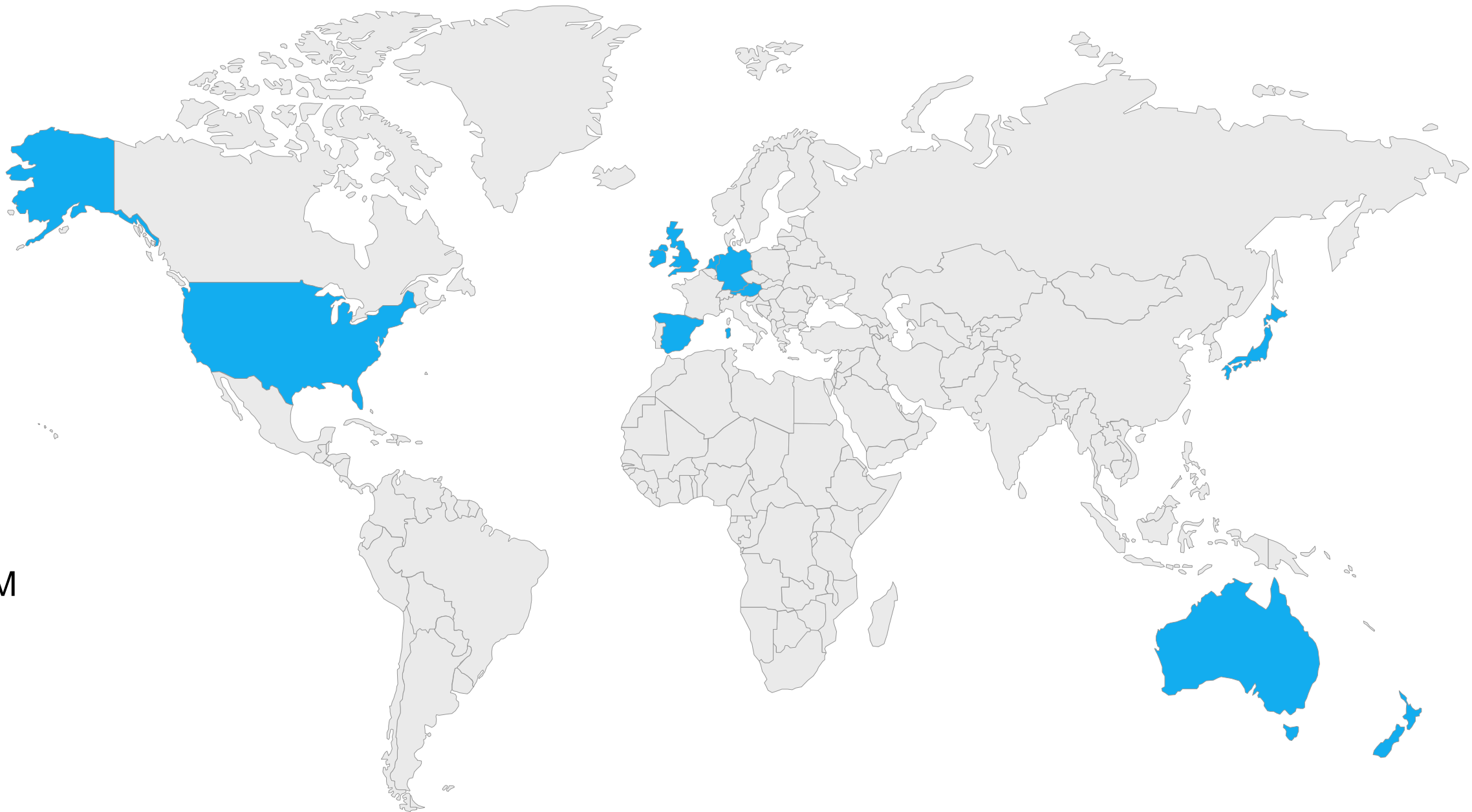
Erik Mulder
Business Development Director EMEA
Previous
CCO – Livewords (largest Dutch LSP)
Reports to: David Sowerby (Chief Revenue Officer)



Jeff Labrum
GM Lingotek
Previous
CEO and Founder of Lingotek
Reports to: Grant Straker



Gianluca Savenije
US New Business Manager
Reports to: Lee Constanty (GM Sales USA)



Daisuke Tokui
Account Manager

We have strengthened our Japanese team with 2 new local business development team members



Kensuke Wada
Account Executive



Debbie Nicholas
Australian New Business Manager
Previous
SDL - Account Director
Appen - Business operations manager
Reports to: Robert Gumley (GM Sales APAC)



Hagen Issell
Client Solutions APAC
Previous
NZTC – Vice President NZ
Reports to: Robert Gumley (GM Sales APAC)

Growth strategies

Growth strategies

1

Capitalising on IBM opportunity
and targeting other enterprise
customers

2

Enhancing SaaS offering for
enterprise customers

3

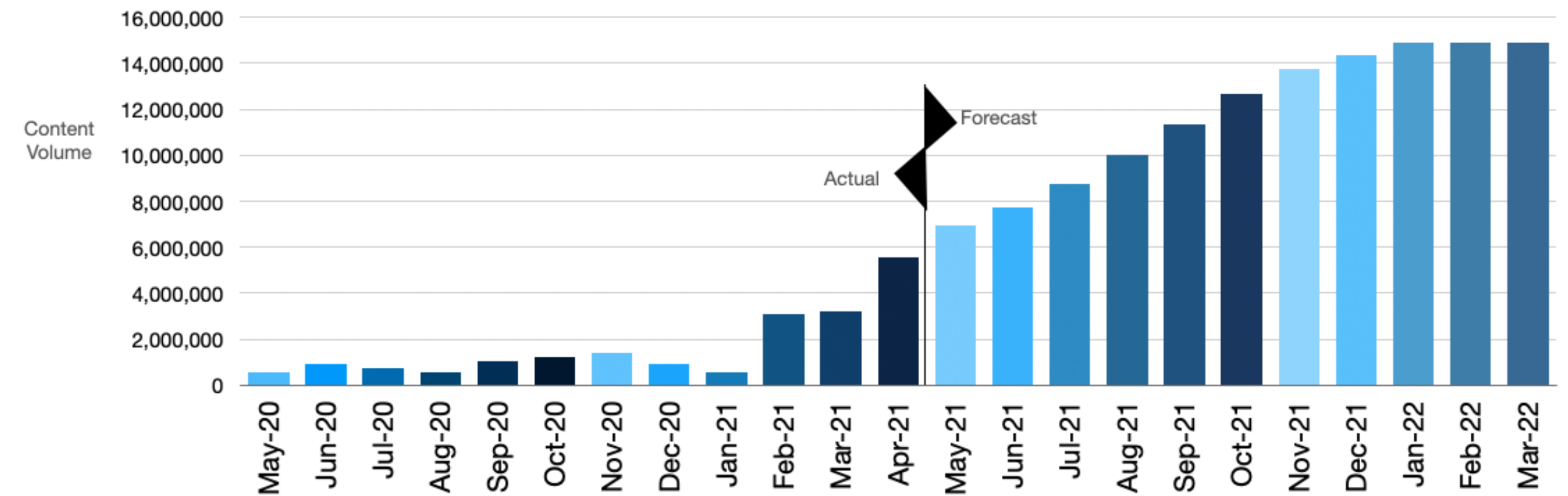
Increasing share of existing
customer spend

4

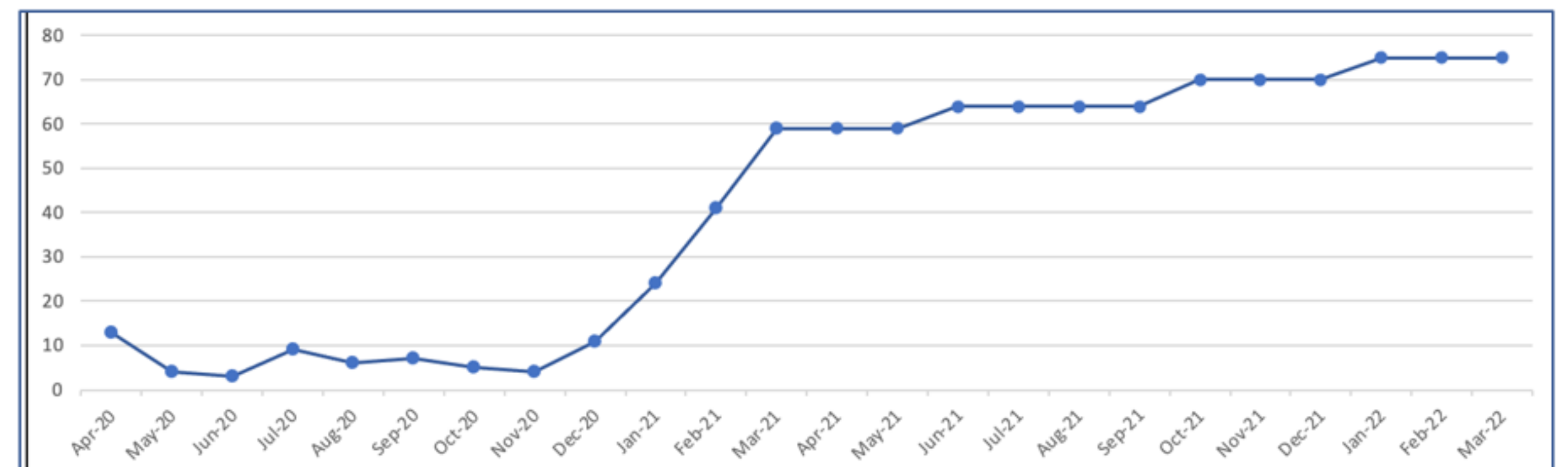
Continuing active acquisition
strategy

1. IBM integration

- Straker signed a transformational strategic partnership with IBM in November 2020
 - directly integrates Straker's AI-powered RAY platform with IBM's internal technology platforms
 - extended relationship from one language (Spanish) to 55 and now 75
- Validates Straker's AI platform as industry leading
- Integration estimated to be 25% complete
- **Additional future growth opportunities:**
 - increased penetration into IBM
 - sales opportunities in partnership with IBM
 - using IBM as a case study for similar enterprise customers

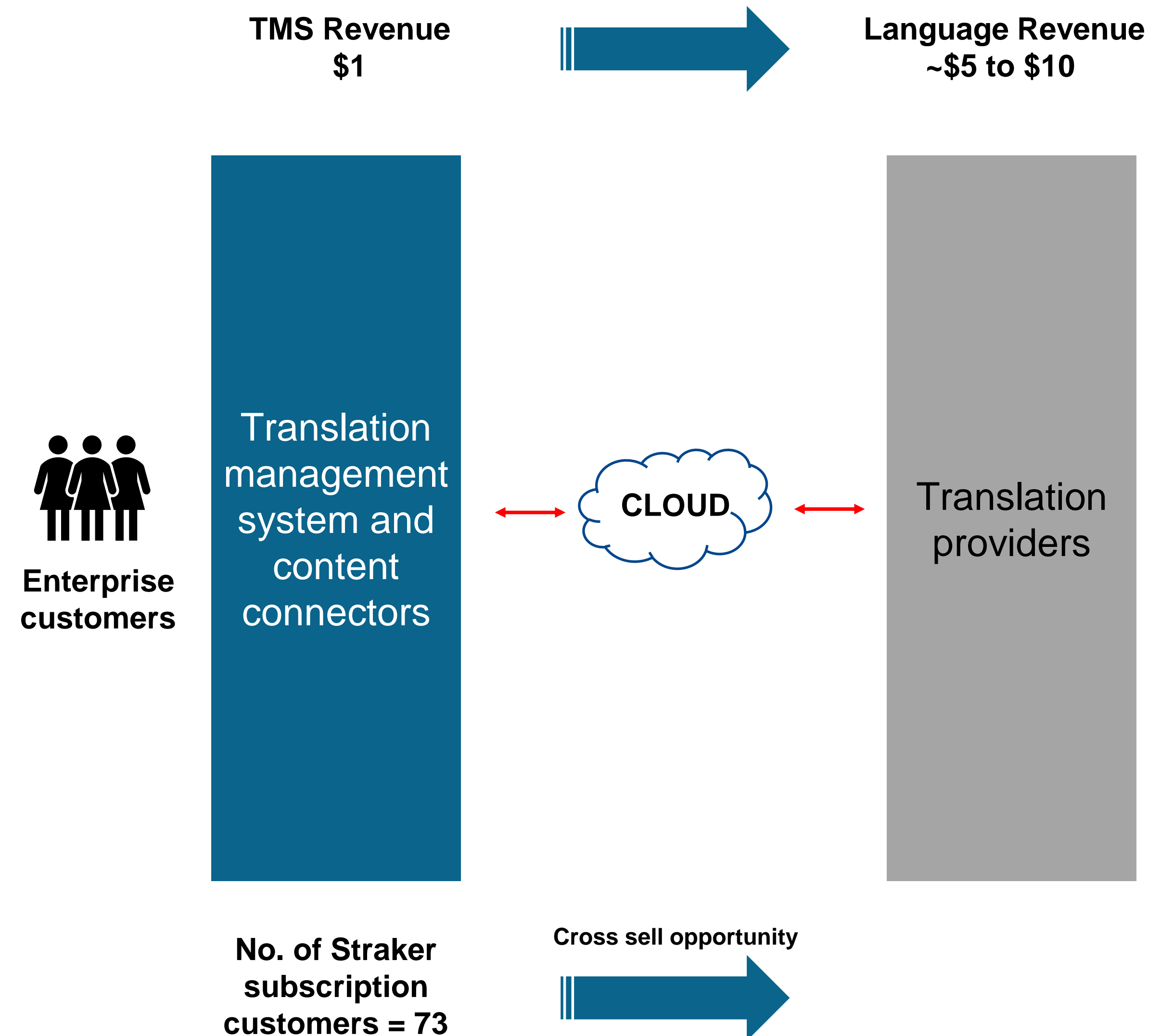


No of languages supported for IBM



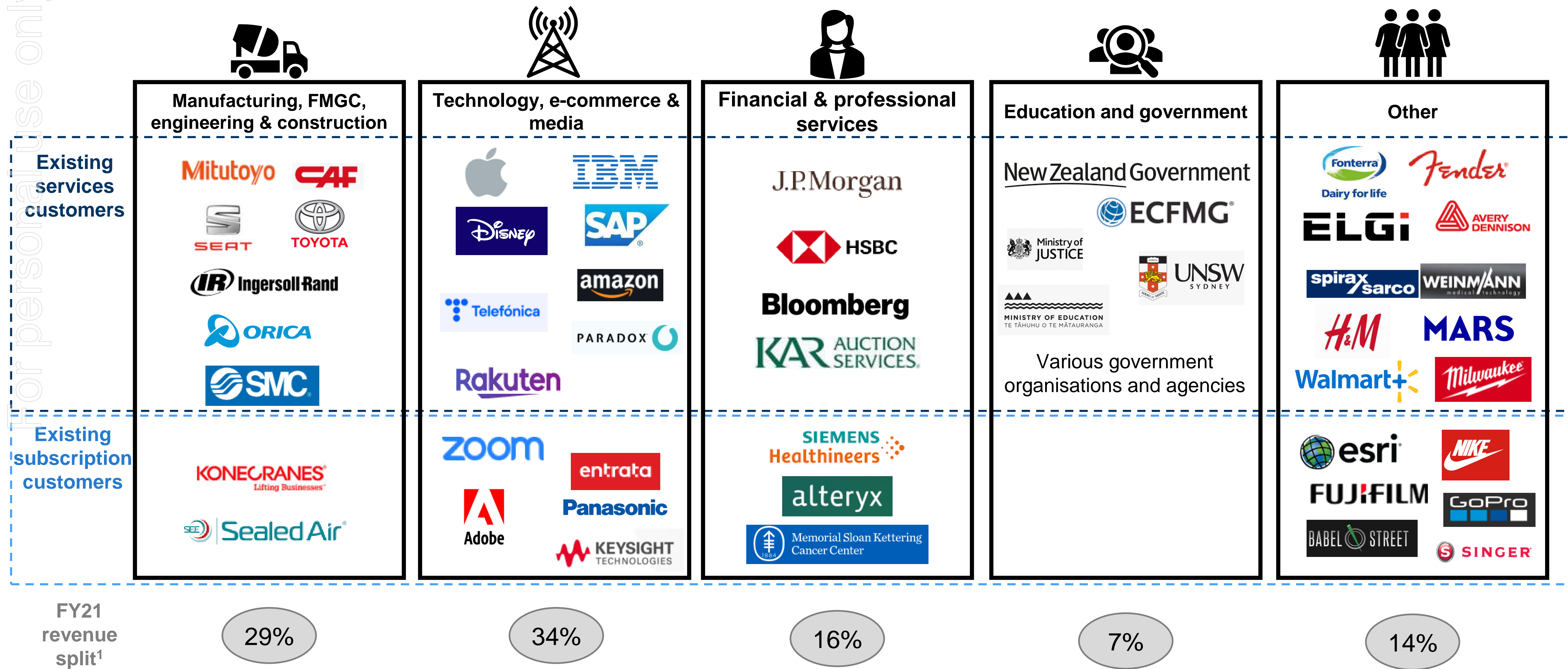
2. Enhancing SaaS platform

- The LingoTek acquisition provided Straker with a SaaS based translation management system (TMS)
- TMS is a 'gateway' product for language revenue
 - estimated that every \$1 of TMS spend can convert to ~\$5 to \$10 of language revenue
- In addition, LingoTek extends and consolidates Straker's presence in the multi-billion-dollar US translation market
- **Straker's SaaS growth strategy:**
 - integration of LingoTek into RAY
 - growth in existing SaaS products
 - deployment of new SaaS products
 - build more SaaS content connectors for popular platforms



3. Increase share of customer spend
















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FY21
revenue
split¹

4. Continue acquisition strategy

Acquisitions provide accelerated access to enterprise customers

Acquisition	Country	Customers
Eurotext	Ireland	 
Elanex	USA	 
MSS' and 'Eule'	Spain and Germany	  
'Com Translations' and 'On-Global Language Marketing SL'	Spain	  
NZTC International	New Zealand	 
LingoTek	USA	  



Strong pipeline of acquisition opportunities



In advanced discussions with a number of potential acquisitions

Equity raising

Sources and uses of equity raising proceeds

Sources	\$m
Equity raise	21.3 ¹
Total sources	21.3

Uses ³	\$m
Repayment of existing debt	8.4
Working capital	11.9
Costs of equity raising	1.0
Total uses	21.3

Pro forma net leverage as at 31 March 2021	31 March 2021 (FY21A ²)	Post raise
Cash	7.2	19.1
Debt	8.4	-
Net cash / (debt)	(1.2)	19.1

\$ millions (unless otherwise stated)	Pro forma Balance Sheet as at 31 March 2021		
	STG (FY21A ²)	Impact of the Offer	Pro forma balance sheet
Cash	7.2	11.9	19.1
Total assets	45.8	11.9	57.7
Borrowings	8.4	(8.4)	-
Total liabilities	25.7	(8.4)	17.3
Net Assets	20.1	20.3	40.3
	Pro forma leverage position as at 31 March 2021		
	STG (FY21A ²)	Impact of the Offer	Pro forma balance sheet
Cash	7.2	11.9	19.1
Borrowings	8.4	(8.4)	-
Net cash / (debt)	(1.2)		19.1

Notes:

- The pro forma balance sheet is indicative only and is not intended to be a statement of Straker's actual or prospective financial position and does not include the impact of trading or other events which have occurred since 31 March 2021
- The pro forma balance sheet has not been audited, has been prepared for illustrative purposes only to show the impact of the Offer on Straker's financial position as if they had occurred at 31 March 2021
- The Offer proceeds figures assume total funds raised of \$21.3m less repayment of existing debt \$8.4m and expected Offer costs
- The adjustments to the pro forma balance sheet have been prepared having regard to the proposed manner in which the funds will be deployed as contemplated in the use of funds which may change

Overview of equity raising

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Offer structure	<ul style="list-style-type: none">• ~AUD\$20 million fully underwritten Equity Raising, including:<ul style="list-style-type: none">- ~AUD\$10 million Placement- ~AUD\$10 million 1 for 10.32 accelerated pro-rata non-renounceable entitlement offer• Approximately 10.5 million new ordinary shares (New Shares)
Offer price	<ul style="list-style-type: none">• All shares under the Placement and Entitlement Offer will be issued at \$1.90 per New Share (Offer Price), representing:<ul style="list-style-type: none">- 18.5% discount to last closing price of \$2.33 per share on 1 June 2021- 12.2% discount to the 5-day VWAP for the period ending on 1 June 2021 (being \$2.17);- 15.9% discount to TERP of \$2.26 per share⁽¹⁾
Retail Entitlement Offer	<ul style="list-style-type: none">• Retail Entitlement Offer to existing eligible retail shareholders• The Retail Entitlement Offer will open on 9 June 2021 and close at 5:00pm on 21 June 2021
Underwriting	<ul style="list-style-type: none">• The Equity Raising is fully underwritten by Bell Potter Securities Limited and Ord Minnett Limited (Underwriters)• Bailador Technology Investments Limited (Bailador) has agreed to sub-underwrite any shortfall arising from the Retail Entitlement Offer up to the value of ~\$5.1 million, in addition to taking up its full pro-rata entitlement in the Entitlement Offer (~\$1.18 million). Paul Wilson, a director of Straker, is also a director of Bailador. No fee will be payable to Bailador on its sub-underwriting commitment. Bailador's voting power in Straker will not exceed 19.99% following completion of the Equity Raising.• Any shares issued to the Underwriters and sub-underwriters, including Bailador, will be issued pursuant to ASX Listing Rule 10.12 (Exception 2) and accordingly, Shareholder approval is not required for the issue of any new shares under the shortfall.• Refer to slide 23 and Appendix C for further details of the underwriting arrangements, including fees payable.
Ranking	<ul style="list-style-type: none">• All New Shares issued under the Equity Raising will rank pari passu with existing shares on issue
Record date	<ul style="list-style-type: none">• 7:00pm (Sydney time) 4 June 2021

Offer timetable

Event	Date (2021) ⁽¹⁾
Trading halt and announcement of Equity Raising, Placement and Institutional Entitlement Offer opens	Wednesday, 2 June
Institutional Entitlement Offer closes	11:00am (AEST), Thursday, 3 June
Placement closes	3:00pm (AEST), Thursday, 3 June
Trading halt lifted – shares recommence trading on ASX on an “ex-entitlement” basis	Friday, 4 June
Record Date for determining entitlement to subscribe for New Shares	7:00pm (AEST), Friday, 4 June
Retail Entitlement Offer Booklet dispatched and Retail Entitlement Offer opens	Wednesday, 9 June
Settlement of Placement and Institutional Entitlement Offer	Friday, 11 June
Allotment of New Securities issued under the Institutional Offer	Tuesday, 15 June
Quotation and normal trading of New Securities issued under the Institutional Offer	Wednesday, 16 June
Retail Entitlement Offer closes	5:00pm (AEST), Monday, 21 June
Settlement of Retail Entitlement Offer	Friday, 25 June
Allotment of New Shares under the Retail Entitlement Offer	Monday, 28 June
Quotation and normal trading of New Securities issued under the Retail Entitlement Offer	Tuesday, 29 June

Appendix A

Key risks

Selected key risks

Straker key risks

A number of risks and uncertainties, which are both specific to Straker and of a more general nature, may affect the future operating and financial performance of Straker and the value of its shares. This section describes some, but not all, of the key risks associated with an investment in Straker which potential investors should consider together with publicly available information (including this Presentation and Straker’s IPO prospectus) concerning Straker before making an investment decision. Investors should consult their own professional, financial, legal and tax advisors about the risks and the suitability of investing in light of their particular circumstances. The risks and uncertainties described below are not exhaustive and are not the only ones facing Straker. Additional risks and uncertainties that Straker is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect Straker operating and financial performance.

Straker specific operational risks

IT Resilience	Straker’s performance is increasingly dependent on the capability and reliability of its IT platforms. Cyber-security breach or system failure could result in the loss of commercially sensitive data and create substantial business disruption.
Competition and new technologies	Straker competes against other language service providers and it faces the risk that one or more of its competitors, or a new entrant to the market, will increase its competitive position through aggressive marketing campaigns, product innovation, price discounting, acquisitions or through advances in technology.
Risks of growth by acquisition	Future expansion by acquisition may be affected by factors beyond Straker’s control (including, without limitation, commercial or regulatory changes), which may result in there being limited or unsuitable acquisition opportunities at the relevant time. Whilst Straker intends to actively pursue acquisition opportunities, there are no binding agreements relating to any future acquisitions to be made by Straker. There can be no assurance that suitable future acquisition opportunities will arise or if they do arise that they will be able to be made on acceptable terms and able to be completed and integrated successfully with Straker.
Loss of a key customer or a reduction in the work that Straker receives	Straker is exposed to the loss of a key customer or if a customer reduces the amount of work that Straker receives. In FY21, Straker’s largest customer accounted for 7% of total revenue and the top 20 customers accounted for 46% of total revenues. Some of the revenue generated by Straker is project-related which can lead to volatility in revenue if the Straker is not able to replace revenue from projects that have ended.
Inability to attract new customers	Straker is also reliant upon attracting new customers to achieve its stated growth objectives. There is a risk that one or more of Straker’s competitors, or a new entrant to the market, will increase their competitive position, or companies that require translation services develop in-house translation processes rather than using external translation products and services.
Master services agreements with customers may be terminated at will and do not provide minimum revenue amounts	Straker’s master services agreements expose Straker to the risk that its customers may terminate their master services agreement on short notice or reduce the usage of products and services under the agreement.
Failure to execute on major projects	Straker now has major projects contributing to our revenue, a failure of one of these projects could have an adverse affect on its revenue.

Selected key risks (cont.)

Equity raising and general risks

Share price volatility	The value of securities can be expected to fluctuate depending on various factors including the general condition of the Australian economy, general worldwide economic and political conditions, changes in government policies, taxation changes and legislative or regulatory changes, investor sentiment, inflation levels, movements in the price of shares, movements in interest rates and stock markets, commodity prices, industrial disruption, environmental impacts, international competition, and other factors which may affect Straker’s financial performance and position. Many of these factors are beyond the control of Straker and Straker cannot, to any degree of certainty, predict how they will impact on it. Accordingly, assuming that the New Shares are granted official quotation by ASX, they may trade on ASX at higher or lower prices than the Offer Price.
General economic conditions	In addition to the potential for Straker’s revenue to be affected by changing economic conditions which may result in a downturn in consumer demand for its products, Straker’s may also be negatively impacted by changes in the Australian or other international economies. These factors may impact Straker negatively through reduced future revenues, reduced demand for Straker’s products, increased costs, foreign exchange losses, impacts of government responses to macro-economic issues and impacts on equity markets. These factors are beyond the control of Straker and the impact cannot be predicted.
Dividend Payment	The New Shares do not carry a guarantee with respect to the payment of dividends, returns of capital or the market value or liquidity of those New Shares.
Underwriting risk	<p>Straker has entered into an underwriting agreement (Underwriting Agreement) with Ord Minnett Limited and Bell Potter Securities Limited (Underwriters) under which the Underwriters have agreed to fully underwrite the Equity Raising in the event of a shortfall. The underwriting agreement is on customary terms, typical for underwriting agreements of this nature. There are certain events (e.g. defects in the offer documents, regulatory interventions, breaches of the Underwriting Agreement by Straker, withdrawal of the Equity Raise etc.) which, if they were to occur, may lead to termination of the Underwriting Agreement. If the Underwriting Agreement is terminated for any reason, Straker may not receive the full amount of the proceeds expected under the Offer. Should the Underwriting Agreement be terminated, Straker’s financial position might change and it may need to limit the use of the funds raised under the Equity Raising accordingly and/or take other steps to raise capital, including by raising additional debt.</p> <p>The Underwriters are, pursuant to the Underwriting Agreement, permitted to appoint sub-underwriters to subscribe for any shortfall. The Company is responsible for fees payable to sub-underwriters. The failure of the Underwriters to appoint sub-underwriters will not relieve the Underwriters of their obligations. As noted on slide 19, Bailador has agreed to partially sub-underwrite shortfall arising from the Retail Entitlement Offer up to the value of ~\$5.35 million, in addition to taking up its full pro-rata entitlement in the Entitlement Offer (~\$1.18 million). Paul Wilson, a director of Straker, is also a director of Bailador. 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. Refer to Appendix C for further details of the underwriting arrangements.</p>
Risks associated with not taking up New Shares under the Entitlement Offer	Shareholders will have their interest in Straker diluted because of the issue of New Shares under the Placement. In addition, if a shareholder does not take up all of their entitlements to acquire New Shares under the Entitlement Offer, that shareholder’s percentage shareholding in Straker will be further diluted by not participating to the full extent in the Entitlement Offer. As the Entitlement Offer is non-renounceable, entitlements cannot be traded on the ASX or otherwise transferred, and shareholders will not receive any value for entitlements they do not take up.
Control	For information on the effect of the Placement and Entitlement Offer on the control of Straker, refer to the cleansing notice issued by Straker under section 708AA(2)(f) of the <i>Corporations Act 2001</i> (Cth) on 2 June 2021.
Shareholder dilution	In the future, Straker may elect to issue shares or other securities, including by engaging in capital raisings to fund ongoing working capital requirements or acquisitions that Straker may decide to make, although none are contemplated in the short term. While Straker will be subject to the constraints of the ASX Listing Rules regarding the issue of shares or other securities and the percentage of capital that it is able to issue within a 12-month period (other than where exceptions apply), shareholders may be diluted as a result of such issues of shares or other securities and capital raisings.
Changes to financial reporting standards	Straker’s financial reports will be subject to compliance with the Australian Accounting Standards issued by the Australian Accounting Standards Board. Changes to the Australian Accounting Standards are outside the control of Straker or its Directors. The accounting treatment under the Australian Accounting Standards of transactions and events occurring in the operation of Straker’s business, including any revision or updates to the interpretation of existing accounting standards, or changes to accounting standards, may have a material adverse effect on the performance reported in Straker’s financial statements or in respect of other announcements to the ASX.
Other	<p>There are a range of other general risks, which may impact on Straker’s business or an investment in the Shares, which include but are not limited to:</p> <ul style="list-style-type: none">• industrial action impacting the business directly or indirectly;• changes in taxation laws and policies;• litigation disputes brought by third parties, including but not limited to customers, suppliers, business partners, employees and government bodies;• government regulation and policies generally; and• the occurrence of force majeure events, such as pandemics, acts of terrorism, an outbreak of international hostilities, fires, floods.

Appendix B

Foreign selling jurisdictions

Foreign jurisdiction disclaimers

This document does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia and New Zealand except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance, including professional investors falling within paragraph (j) of the definition of professional investor in section 1 of Part 1 of Schedule 1 to the SFO).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to professional investors (as defined in the SFO) only.

No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If

you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to “qualified investors” (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company. In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who are investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO), (ii) who fall within any of the categories of persons referred to in Article 49(2)(a) to (d) of the FPO and (iii) to whom it may otherwise be lawfully communicated in accordance with the FPO (together, relevant persons). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This presentation may not be released or distributed in the United States. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Any securities described in this presentation have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act), or the

securities laws of any state or jurisdiction of the United States. Accordingly, the securities may not be offered or sold directly or indirectly in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

New Zealand

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the FMCA). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Straker with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMCA;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMCA;
- is large within the meaning of clause 39 of Schedule 1 of the FMCA;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMCA; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMCA (and, if an eligible investor, have provided the necessary certification).

Appendix C

Underwriting Agreement

Key terms of the underwriting agreement

1. Conditions

Bell Potter Securities Limited ACN 006 390 772 and Ord Minnett Limited ACN 002 733 048 (**Underwriters**) are acting as joint lead manager, bookrunner and underwriter of the Equity Raising. Straker has entered into an underwriting agreement with the Underwriters in respect of the Equity Raising (**Underwriting Agreement**). The Underwriting Agreement contains representations, warranties, releases and indemnities in favour of the Underwriters and their associates. The Underwriters’ obligations under the Underwriting Agreement are conditional on certain customary matters. The conditions are either customary for an underwriting agreement of this kind or have otherwise been satisfied prior to the launch of the Equity Raising.

2. Fees

The Underwriters will receive a fee for acting as bookrunner and manager to and underwriter of the Offer. This fee will comprise;

- a management and selling fee equal to 1.0% of the proceeds raised under the Equity Raising;
- an underwriting fee equal to 2.5% of the proceeds raised under the Equity Raising; and
- an underwriting fee allocated to co-lead managers and co-managers in the Institutional Bookbuild equal to 1.5% of the dollar value of New Shares allocated to co-lead managers and co-managers in the Institutional Offer bookbuild and Placement;
- a sub-underwriting fee 1.5% of the dollar value of the sub-underwriting commitments received from institutional investors in connection with the Retail Entitlement Offer, excluding any sub-underwriting commitment received from Bailador Technology Investments Limited.

The Underwriters will also be entitled to be reimbursed for certain expenses incurred in connection with the Equity Raising on customary terms.

2. Unqualified termination events

Each of the Underwriters may terminate their obligations under the Underwriting Agreement if any of the following occur before 11:00am on the Settlement date of the Retail Entitlement Offer:

- (**Listing**) Straker ceases to be admitted to the official list of ASX or its shares are suspended from trading on, or cease to be quoted on ASX, or it is announced by ASX or Straker that such an event will occur.
- (**Insolvency**) Straker or a subsidiary which represents 5% or more of the consolidated assets or earnings of Straker and its related bodies corporate are insolvent or there is an act or omission, or a circumstance arises, which is likely to result in Straker or a material subsidiary becoming Insolvent.
- (**Withdrawal**) Straker withdraws all or any part of the Offer.
- (**Offer force majeure**) There is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency, which makes it illegal for the Joint Lead Managers to satisfy a material obligation of the Underwriting Agreement or to market, promote or settle the Offer.
- (**Unable to issue**) Straker is unable to issue or prevented from issuing New Shares as contemplated by the Underwriting Agreement by virtue of the ASX Listing Rules, applicable laws, a Governmental Agency or an order of a court of competent jurisdiction.
- (**Repayment of application moneys**) Any circumstance arises that results in Straker either repaying the money received from applicants or offering applicants an opportunity to withdraw their applications for New Shares and be repaid their application moneys.
- (**Regulatory action in relation to directors and senior executives**)
 - a director or the chief executive officer or chief financial officer of Straker is charged with an indictable offence or fraudulent conduct;
 - any director of Straker is disqualified under the *New Zealand Companies Act 1993* (**Companies Act**) from managing a corporation; or
 - any regulatory body commences any public action against Straker, or any director or the chief executive officer or chief financial officer of Straker, or publicly announces that it intends to take any such action.
- (**Change in management**) There is a change (or a change is announced) in the chief executive officer, chief financial officer or chairman of Straker, other than one which has already been disclosed to ASX or in any public information or disclosed to the Joint Lead Managers before the date of the Underwriting Agreement.
- (**Capital structure**) There is an alteration to Straker’s capital structure without the prior consent of the Joint Lead Managers or as otherwise provided in the Underwriting Agreement.
- (**Market fall**) The S&P/ASX 300 Index closes on either two consecutive business days prior to the Retail Offer Settlement Date, or the business day before the date of the Institutional Offer Settlement Date or the business day before the Retail Offer Settlement Date at a level which is 10% or more below the level of that index on the close of trading on the business day before the date of the Underwriting Agreement

- (**ASIC action**) ASIC:
 - applies for an order under Part 9.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**) in relation to the Offer, the issue of the New Shares or any information document;
 - holds, or gives notice of intention to hold, a hearing, inquiry or investigation in relation to the Offer, the issue of the New Shares or any information document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth);
 - prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, Straker or any of its officers, employees or agents in relation to the Offer, the issue of the New Shares or any information document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth),

except in circumstances where the existence of the application, hearing, inquiry, investigation, prosecution or notice has not become public and it has been withdrawn by the date that is the earlier of:

- the Business Day immediately preceding the Institutional Settlement Date or the Retail Settlement Date (as applicable); or
 - the date that is 3 Business Days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
- (**Application**) There is an application to a governmental agency (including the takeovers panel) for an order, declaration (including of unacceptable circumstances) or other remedy in connection with the Offer (or any part of it), except in circumstances where the existence of the application has not become public and has been withdrawn, discontinued or terminated by the date that is the earlier of:
 - the business day immediately preceding the settlement date of either the Placement and Entitlement Offer or Retail Entitlement Offer (as applicable); or
 - the date that is 3 business days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
 - (**Determination under section 708A or section 708AA**) ASIC makes a determination under subsection 708A(2) of the Corporations Act or subsection 708AA(3) of the Corporations Act.
 - (**Corrective statement**) In the opinion of either of the Joint Lead Managers (acting reasonably), Straker becomes required to give, or gives, in respect of a cleansing notice issued in connection with the Offer which is defective, a notice in accordance with subsection 708AA(12) of the Corporations Act or subsection 708A(9) of the Corporations Act, as the case may be, to correct that cleansing notice.
 - (**Authorisations**) Any:
 - material licence, lease, permit, concession, tenement, authorisation or concession of Straker or its related bodies corporate (**Authorisation**) is, or is likely to be, invalid, revoked or unenforceable, including as a result of the introduction of new legislation in the relevant jurisdiction; or
 - Authorisation is breached or not complied with in a material respect;
 - (**Compliance**) Straker commits a breach of the Corporations Act, the Companies Act, the ASX Listing Rules, its constitution, or other applicable laws or its constitution.
 - (**Certificate**) A certificate which is required to be furnished by Straker under the Underwriting Agreement is not furnished when required, or if furnished is untrue, incorrect or misleading or deceptive in any material respect (including by omission).
 - (**ASX approval**) Unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for official quotation of the New Shares is refused or is not granted by the time required to issue the relevant New Shares in accordance with the timetable or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Offer) or withdrawn.
 - (**Timetable**) Any event specified in the timetable is delayed other than where the variation is consented to by the Joint Lead Managers, who must not unreasonably withhold or delay such consent where the delay is not more than one business day (in the period leading up to the settlement of the Placement and Entitlement Offer) or two business days (in the period after the settlement of the Placement and Entitlement Offer).

Key terms of the underwriting agreement

3. Termination events qualified by materiality

Each of the Underwriters may at any time prior to 11:00am on the Settlement date of the Retail Entitlement Offer, by notice given to Straker and without any cost or liability, immediately Terminate if any one or more of the Qualified Termination Events occur or has occurred, if that Joint Lead Manager has reasonable grounds to believe and does believe that the event:

- has had, or is likely to have, a material adverse effect on: the financial position or performance, shareholders’ equity, profits, losses, results, condition, operations or prospects of Straker or its related bodies corporate; the success or outcome of the Offer; the willingness of investors to subscribe for New Shares; the likely price at which New Shares will trade on ASX; or the ability of the Joint Lead Manager to market, promote or effect settlement of, the Offer; or
- has given rise to or could reasonably be expected to give rise to a contravention by, or a liability of, the Joint Lead Managers under any applicable law or regulation.

The ‘Qualified Termination Events’ include:

- **(Breach)** Straker fails to perform or observe any of its obligations under the Underwriting Agreement.
- **(Due Diligence)** Any of the documents required to be provided under the due diligence planning memorandum, including the due diligence report, having been withdrawn, or varied without the prior written consent of the Joint Lead Managers.
- **(Information)** The due diligence report or the information provided by or on behalf of Straker to the Joint Lead Managers in relation to the due diligence program, the Information Documents or the Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission).
- **(Representations and warranties)** A representation or warranty made or given by Straker under the Underwriting Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive.
- **(Legal proceedings)** Legal proceedings against Straker, any other related body corporate or against any director of Straker or any related body corporate in that capacity is commenced or any regulatory body commences any enquiry or public action against Straker or any related body corporate.
- **(Conduct)** Straker or any of its directors or officers engages in misleading or deceptive conduct or activity in connection with the Offer.
- **(New circumstance)** A new circumstance arises which is a matter adverse to investors in New Shares and which would have been required by the Corporations Act to be included in the entitlement offer cleansing notice had the new circumstance arisen before the entitlement offer cleansing notice was given to ASX.
- **(Adverse change)** There is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of Straker or its related bodies corporate (the **Group**) (in so far as the position in relation to any entity in the Group affects the overall position of Straker).
- **(Future matters)** Any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an Information Document or public information is or becomes incapable of being met or, in the reasonable opinion of either of the Joint Lead Managers, unlikely to be met in the projected timeframe.
- **(Information Documents misleading)** Any statement in an Information Document is or becomes false, misleading or deceptive or likely to mislead or deceive; or any Information Document does not contain all information required to comply with all applicable laws. Information Documents include the ASX release, this presentation, all cleansing notices, the Retail Entitlement Offer Booklet, the Appendix 3B and Appendix 2As released by Straker to the ASX in connection with the Offer, any announcement or material accompanying such documents given to the ASX, any other marketing documentation approved by Straker, and any communications presented or provided to prospective investors with the prior consent of the Company in relation to the Offer.
- **(Information Documents issued or varied without approval)** Straker issues an Information Document without the prior approval of the Joint Lead Managers (such approval not to be unreasonably withheld); or varies or withdraws an existing Information Document without the prior approval of the Joint Lead Managers (such approval not to be unreasonably withheld).
- **(Change in law)** There is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a governmental agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a governmental agency that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or policy that has been announced before the date of the Underwriting Agreement), any of which does or is likely to prohibit or regulate the Offer or adversely affects the Group.

- **(Disruption in financial markets)** Any of the following occurs:
 - a general moratorium on commercial banking activities in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or the People’s Republic of China (including Hong Kong) is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - trading in all securities quoted or listed on the ASX, the London Stock Exchange, the New York Stock Exchange, the Shanghai Stock Exchange, Euronext, the SGX, the Hong Kong Stock Exchange, the Shanghai Stock Exchange or the Tokyo Stock Exchange is suspended or limited in a material respect; or
 - the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union Hong Kong or any change or development involving such a prospective adverse change in any of those conditions or markets.
- **(Hostilities)** Major hostilities not existing at the date of the Underwriting Agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or the Peoples Republic of China (including Hong Kong) or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world.
- **(Prescribed Occurrence)** A Prescribed Occurrence in respect of Straker occurs during the Offer Period, other than:
 - as contemplated by the Underwriting Agreement or pursuant to the Offer;
 - in a manner described in the management questionnaire or the ASX Release or any public information lodged with ASX on or before the date of the Underwriting Agreement;
 - Straker issuing securities pursuant to:
 - the exercise or conversion of any security on issue as at the date of the Underwriting Agreement;
 - any employee incentive scheme in operation as at the date of the Underwriting Agreement; or
 - any distribution reinvestment plan; or
- as permitted in writing by the Lead Managers.

ASX announcement

2 June 2021

**Section 708AA(2)(f) cleansing notice – issue of shares under Entitlement Offer
Straker Translations Limited (ASX: STG)**

This notice is given by Straker Translations Limited (**ASX: STG**) (**Straker** or the **Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**) as notionally modified by Australian Securities and Investment Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (**Legislative Instruments**). Where applicable, references in this notice to sections of the Act are to those sections as modified by the Legislative Instruments.

The Company has today announced a fully underwritten non-renounceable accelerated entitlement offer (**Entitlement Offer**) of one fully paid ordinary share in STG (**New Shares**) for every 10.32 fully paid ordinary shares in STG held as at 7.00pm (AEST) on Friday, 4 June 2021 by shareholders with a registered address in Australia and New Zealand to raise approximately \$10 million. The Company also announced a fully underwritten placement to raise approximately \$10 million (**Placement**).

Further details regarding the Entitlement Offer are set out in the investor presentation that has been lodged with the ASX today and the information booklet that the Company expects to release and despatch to Eligible Retail Shareholders on or about Wednesday, 9 June 2021 (**Information Booklet**).

As required by section 708AA(7) of the *Corporations Act 2001* (Cth) (**Corporations Act**), the Company gives the following notice:

- (a) the New Shares are being issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is given under section 708AA(2)(f) of the Corporations Act;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) section 674 of the Corporations Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in section 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7) of the Act;
- (e) the potential effect that the issue of New Shares will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including the level of participation of Eligible Shareholders taking up their Entitlements and applying for shares, the number of shares held by ineligible shareholders and the underwriting and sub-underwriting arrangements in place for the Entitlement Offer; and
- (f) the potential effect of the issue of New Shares under the Entitlement Offer on the control of the Company is as follows:
 - (i) if all eligible shareholders take up their entitlement to New Shares, the Entitlement Offer will have limited effect on the control of the Company as the only change in percentage holdings in Company would arise from the ineligibility for some shareholders to participate in the Entitlement Offer. Most shareholders will however be diluted on the issue of shares under the Placement;

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NZ Company no. 1008867
ARBN: 628 707 399

Registered Address
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- (ii) to the extent that any eligible shareholder fails to take up their entitlement for New Shares under the Entitlement Offer, that shareholder's percentage holdings in the Company will be diluted by those other eligible shareholders who take up some or all of their entitlement;¹
- (iii) the Entitlement Offer is fully underwritten by joint lead managers, Ord Minnett Limited and Bell Potter Securities Limited (**Underwriters**). Having regard to the number of shares to be issued under the Entitlement Offer (being 5,265,006 shares), the Company is of the view that, even if a substantial shortfall eventuated, neither an Underwriter nor any sub-underwriter would be in a position to exercise any substantive control in the Company, and no shareholder, Underwriter or sub-underwriter will individually obtain or exceed voting power of 20% or more, as a result of the Entitlement Offer; and
- (iv) Bailador Technology Investments Limited (**Bailador**) has agreed to sub-underwrite any shortfall arising from the retail component of the Entitlement Offer up to the value of approximately \$5.1 million, in addition to taking up its full pro-rata entitlement in the Entitlement Offer.² Paul Wilson, a director of Straker, is also a director of Bailador. Based on the last substantial holding notice issued by Bailador, Bailador presently holds 6,404,201 shares in Straker giving it a relevant interest in 11.8% of the Company's issued shares at the date of this notice. If the full amount of its sub-underwriting commitment was allocated, in addition to taking up its full pro-rata entitlement in the Entitlement Offer, Bailador's interest may increase to 14.94%. If the underwriting agreement with the Underwriters is terminated, Bailador's sub underwriting arrangements will also be terminated.³ Given the structure of the Entitlement Offer as a fully underwritten pro-rata issue and the current level of substantial holdings (based on substantial holding notices that have been lodged on or prior to the date of this notice), the Entitlement Offer is not expected to have a material consequence on the control of Straker.

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

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.

¹ No top-up facility will be offered under the Entitlement Offer.

² Bailador will not receive any fee for its sub-underwriting commitment.

³ Any shares issued to the Underwriters and sub underwriters, including Bailador, will be issued pursuant to ASX Listing Rule 10.12 (Exception 2) and accordingly, Shareholder approval is not required for the issue of any new shares under the shortfall.

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.

For further information, please contact:

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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.

This document may not be distributed or released in the United States.

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.