**Bailador Technology Investments Limited**
Level 20, 20 Bond Street, Sydney NSW 2000
A.C.N. 601 048 275

Wednesday, 2 June 2021

**MEDIA RELEASE**

# Bailador to participate in Straker equity raising

ASX-listed technology expansion capital fund Bailador Technology Investments Limited ("Bailador", ASX:BTI) has provided the following update on portfolio company Straker Translations Limited [ASX:STG] ("Straker").

Straker has today announced it is undertaking a fully-underwritten equity raising to raise approximately A$20 million via an institutional placement ("Placement") and a 1 for 10.32 accelerated non-renounceable entitlement offer ("Entitlement Offer"). The Placement and Entitlement Offer will be conducted at an issue price of A$1.90 per new ordinary share in Straker.

Bailador is pleased to announce it will be investing a minimum of A$1.2 million through its current entitlements under the Entitlement Offer, and up to a maximum of A$6.2 million through a A$5.1 million sub-underwriting arrangement in the Entitlement Offer. The final amount invested by Bailador is subject to the level of take-up of entitlements by existing eligible Straker shareholders under the Entitlement Offer.

Paul Wilson, Bailador Co-Founder and Managing Partner, said: "Bailador is pleased to be supporting Straker's equity raising to help execute on its future growth plans, as disclosed at Straker's financial year 2021 results last week. We are confident that Straker will deliver on these growth plans and as a result, Bailador is seeking to take up more than its pro-rata share of the equity raising, subject to final demand from existing investors."

Further information regarding the Placement and Entitlement is provided in Straker's announcement and investor presentation both lodged with ASX this morning and attached to this announcement.

**–Ends–**

**Approved for release by**

**Helen Plesek**

Company Secretary
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investorservices@bailador.com.au

**Important Notice**

**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 VWAP[1] and a 15.9% discount to TERP[2]
- 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]

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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.*

**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_3uVOoDzVTOucq5Y912EImw

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.

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

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

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straker

# Capital Raise Presentation

**2 June 2021**

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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

| | |
|---|---|
| **FY21 full year results[1]** | ▪ Revenue for the year to the end of March 2021 rose 13% to $31.3 million<br>– gains from acquisitions<br>– impact of Covid-19 disruptions to sales<br>▪ On a proforma basis, unaudited revenue greater than $41 million[2] for FY21<br>▪ Lingotek acquisition contributed $1.9 million in the two months since completion<br>▪ IBM strategic alliance went live, driving a surge in translation and product development activity<br>▪ 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:<br>– capitalising on the IBM opportunity and targeting other enterprise customers;<br>– enhancing SaaS offering for enterprise customers;<br>– increasing share of existing customer spend; and<br>– continuing active acquisition strategy. |
| **Outlook[1]** | ▪ Straker has announced guidance of:<br>– more than $50m revenue for FY22;<br>– ~$10m of organic revenue growth in FY22; and<br>– higher gross margins (53% in FY21).<br>▪ 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:<br>– ~AUD$10 million institutional placement (**Placement**); and<br>– ~AUD$10 million 1 for 10.32 accelerated pro rata non-renounceable entitlement offer (**Entitlement Offer**), comprising an<br>○ institutional entitlement offer (**Institutional Entitlement Offer**); and<br>○ 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 |

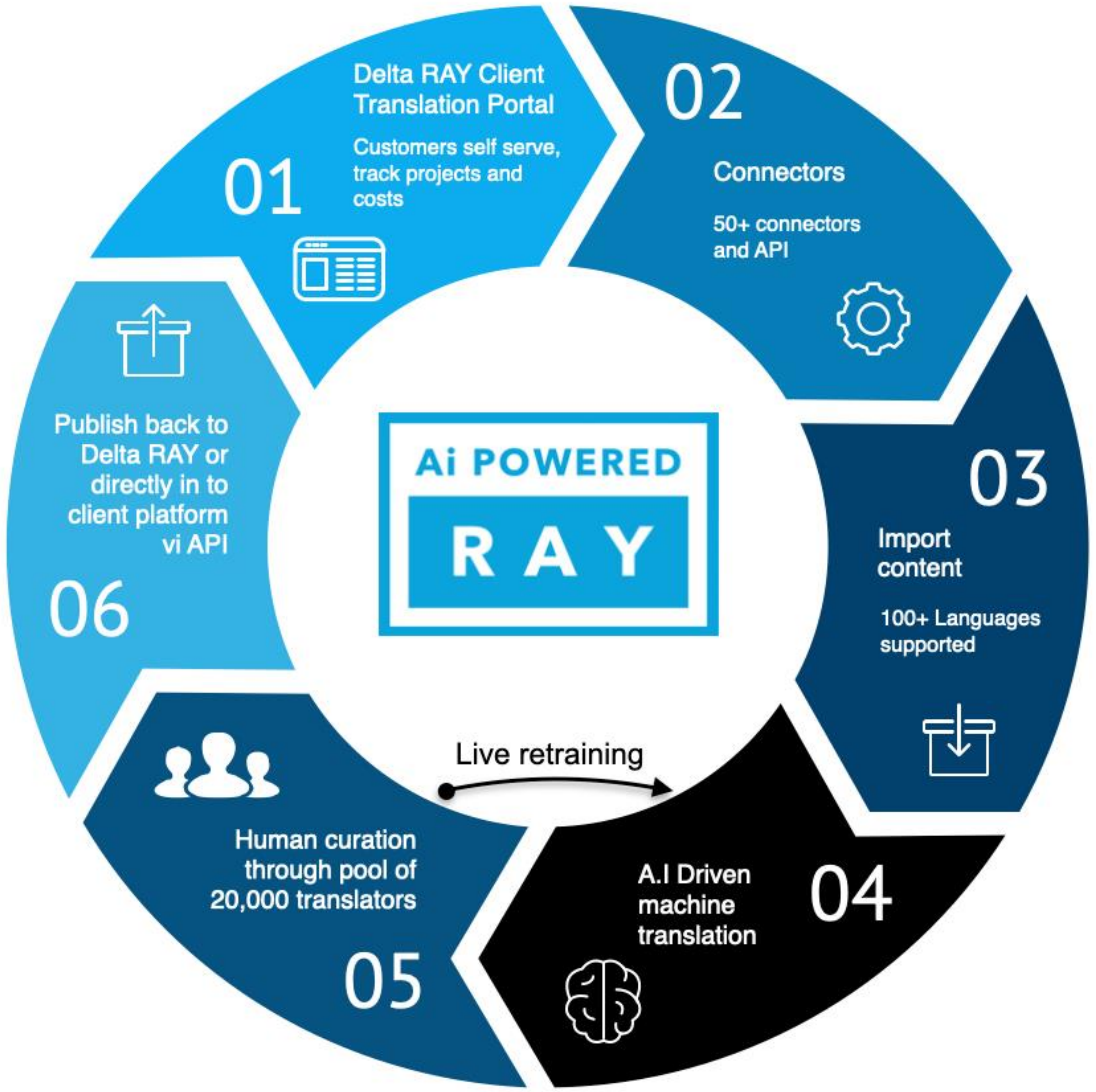
(1) Refer to the FY21 Annual Report and results presentation released to the ASX on the 25 May 2021.
(2) Includes LingoTek revenue for the year to the end of March 2021.

# Straker today

# What we do

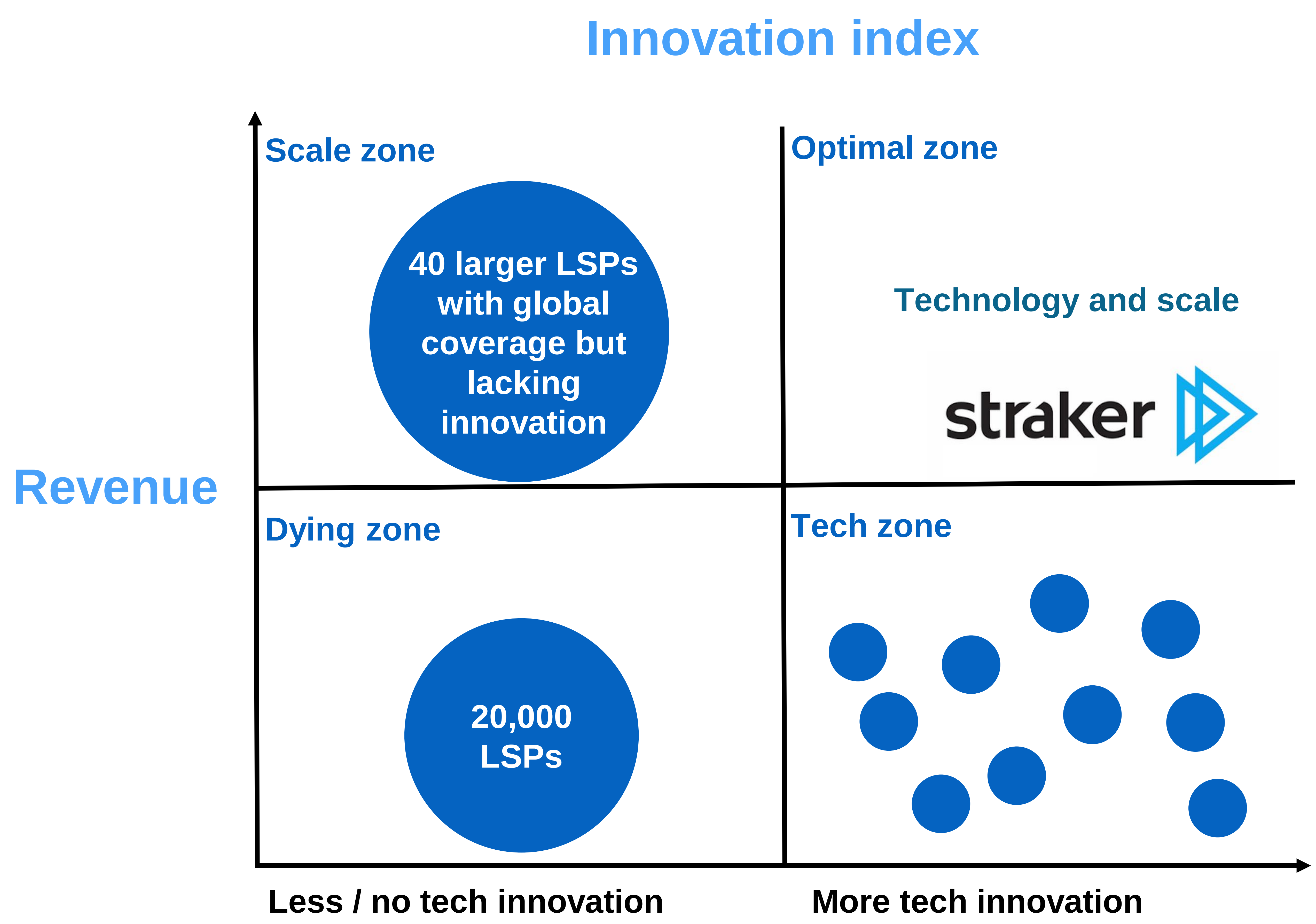
Straker uses its industry leading AI driven technology to provide translation and localisation services to some of the largest enterprise customers in the world

- 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 billion[1] industry
- Clear pathway for growth as the industry consolidates




(1) Based on estimates in Nimdzi industry report 2020

# USD$57 billion[1] market opportunity




Ai POWERED RAY

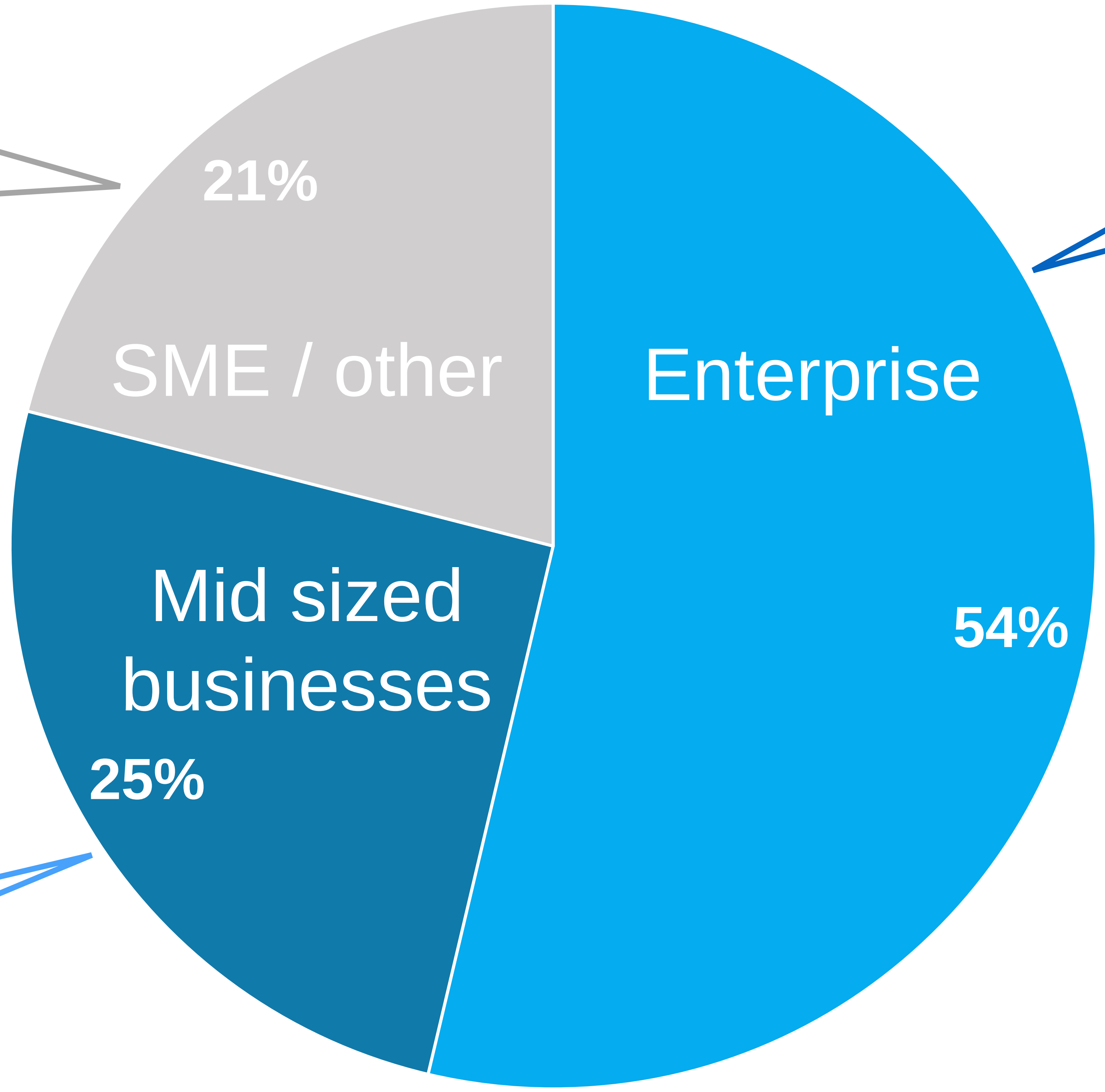
**Straker operates in an industry estimated at USD$57 billion[1] and has the technology, business model and reach to disrupt it at scale**

(1) Based on estimates in Nimdzi industry report 2020

# Our customers

**Straker offering:**
A value offering providing fast, easy and accurate services translation

## Customer type[1]




**Straker offering:**
A fully integrated, A.I driven automated system for the management and provision of timely and accurate translation services using single or multi vendors

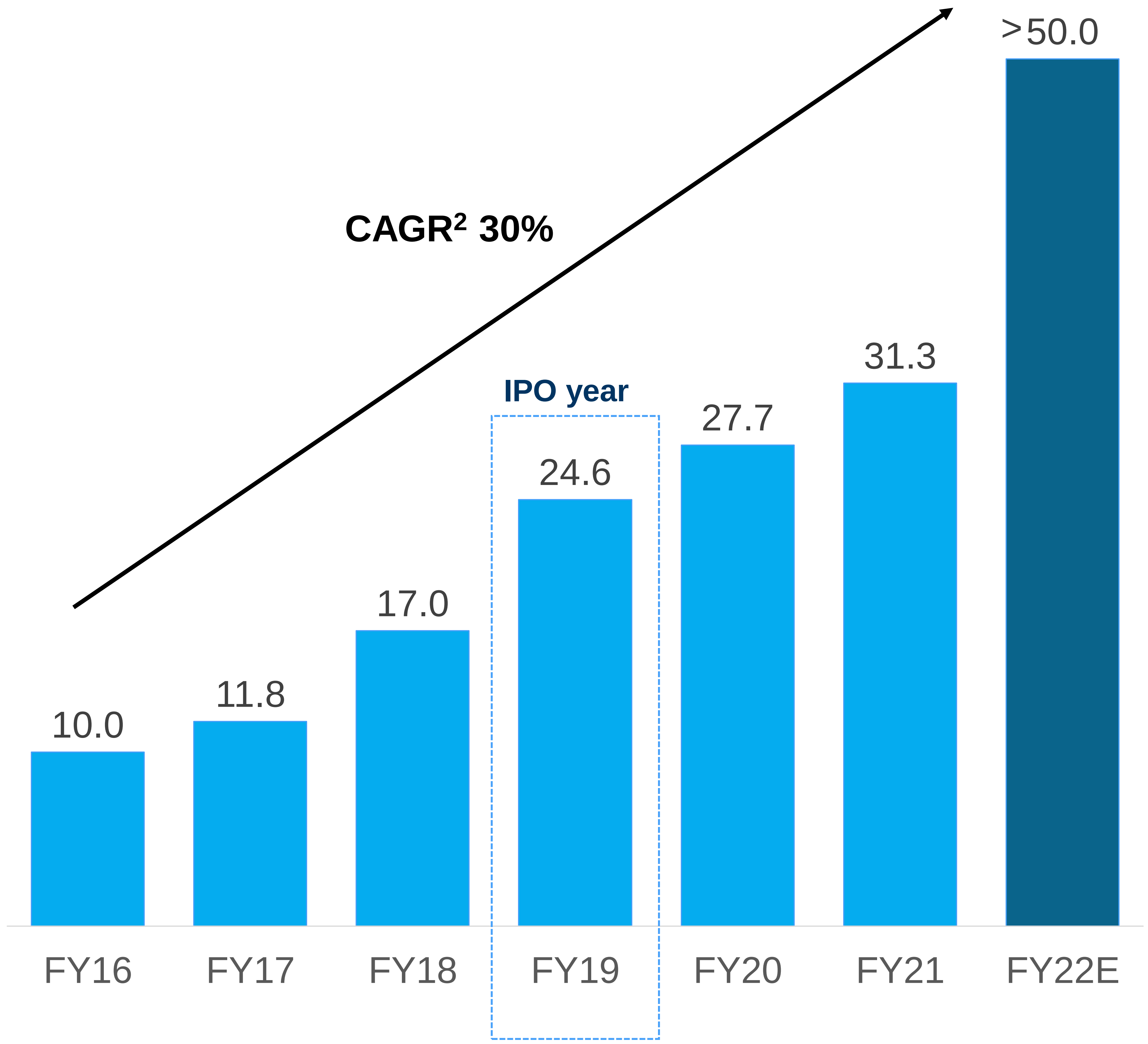
**Straker offering:**
Similar to the Enterprise offering and accessed through an inside sales team rather than the Enterprise team

(1) % of FY21 revenue

# 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 million[1]
- CAGR between FY16A and FY22E estimated to be >30%

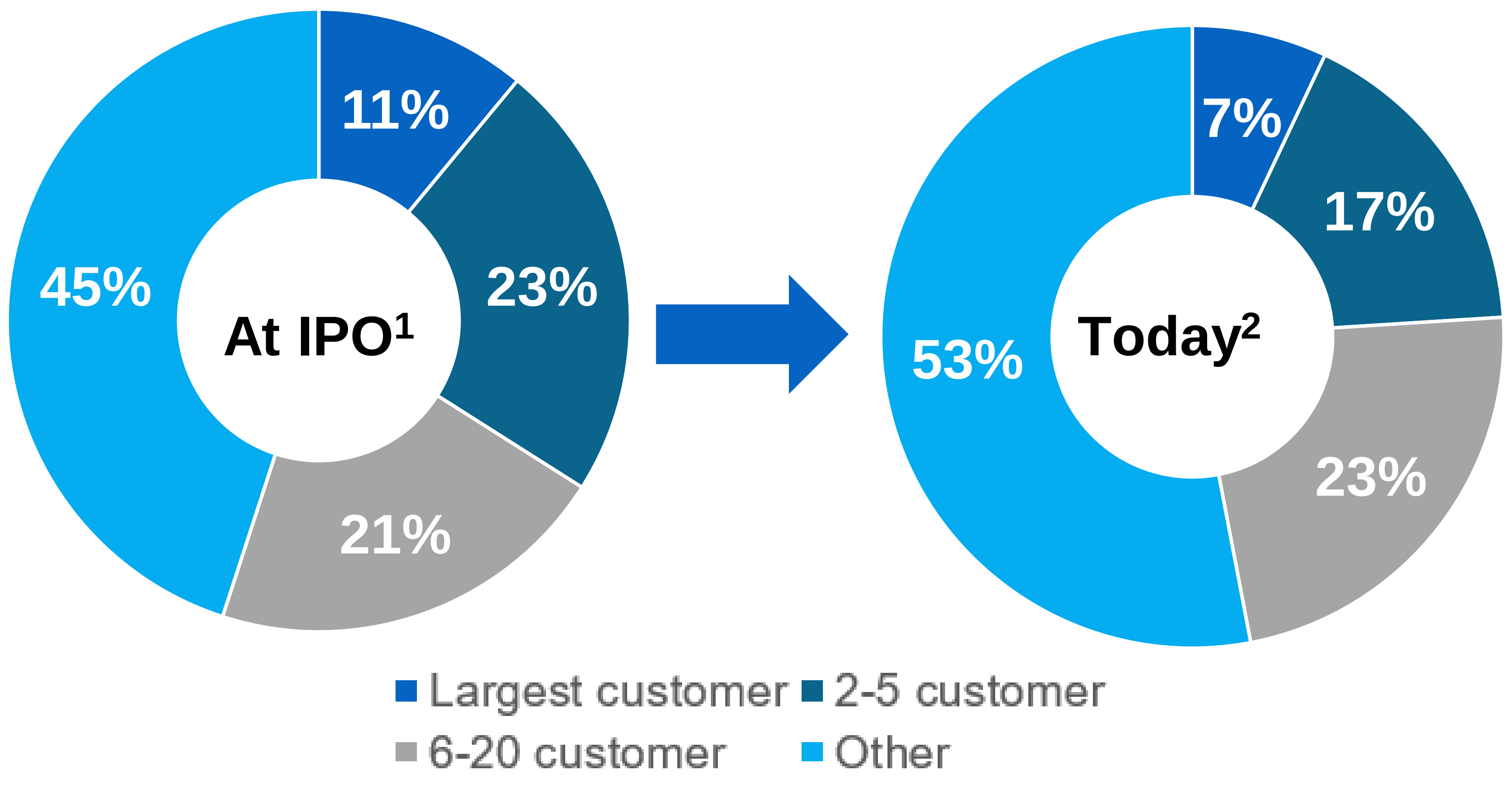
**Revenue ($m)**
(FY16A to FY22E)



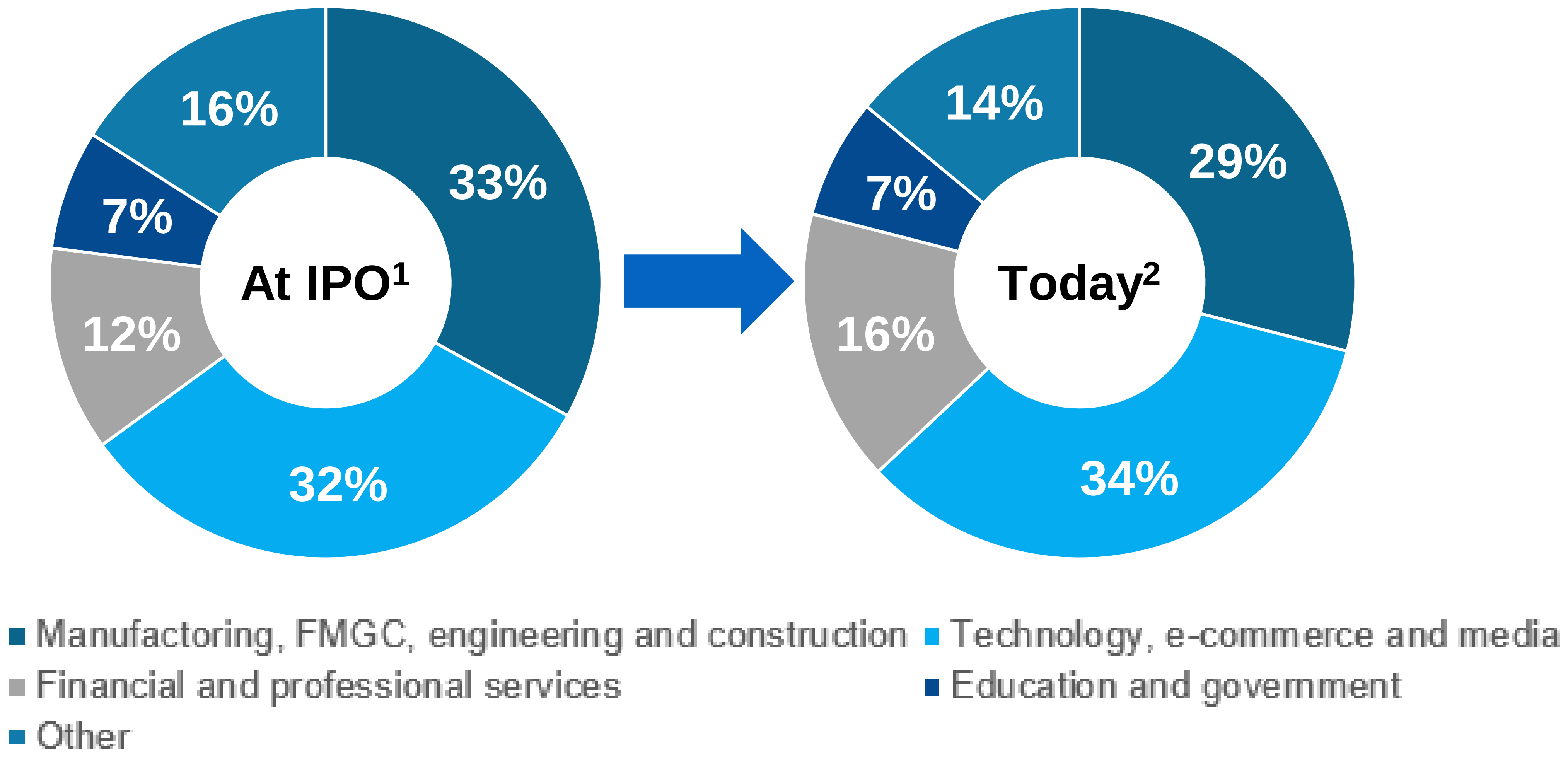

(1) Refer to the FY21 results and presentation released to the ASX on the 25 May 2021.
(2) Compound average growth rate.

# Our revenue

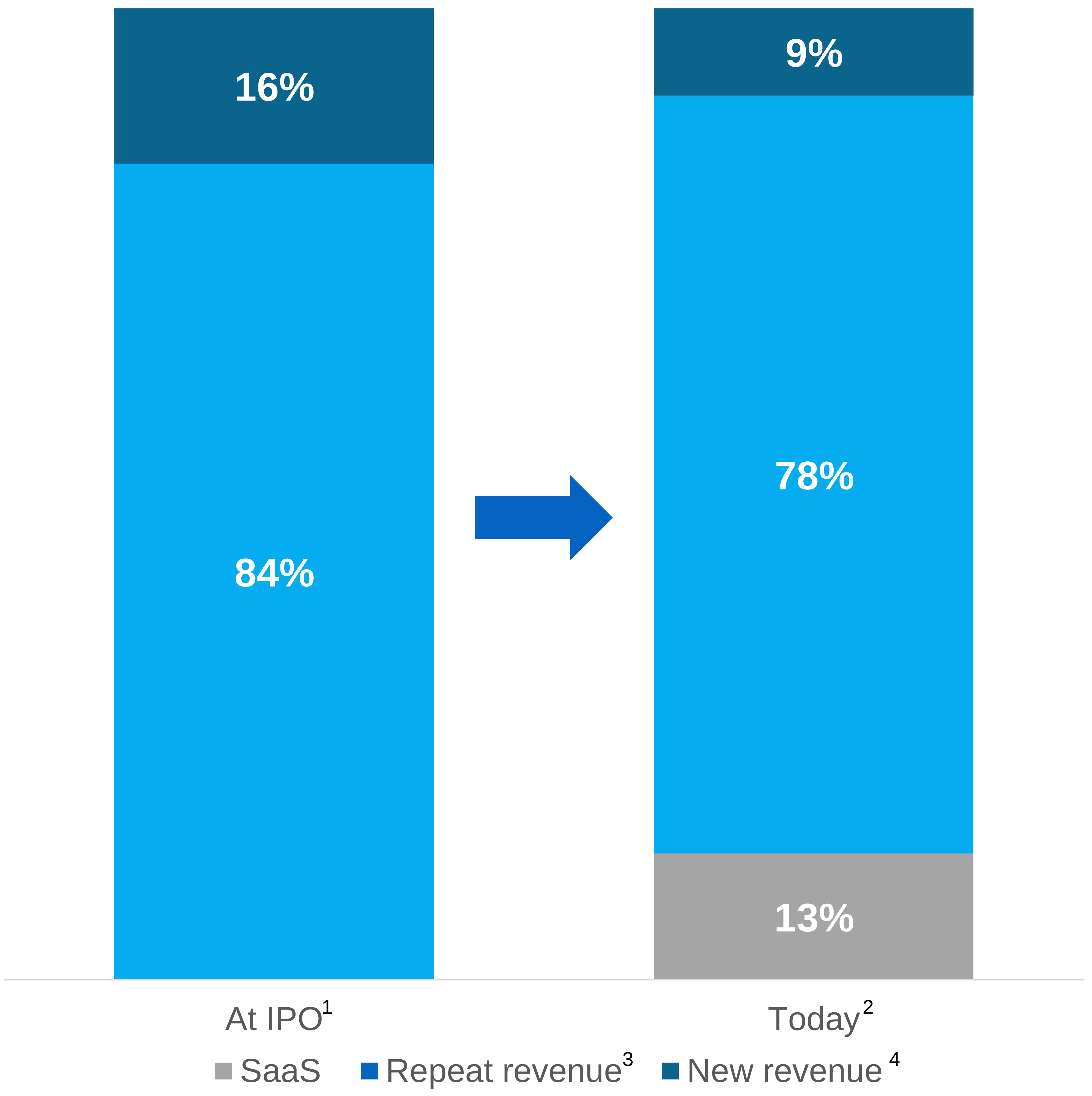
## Revenue concentration




## Revenue by industry[5]




## Revenue from repeat customers




Note: Revenue splits represents order split and not reported revenue
(1) Data taken from FY18A
(2) Data taken from FY21A
(3) Represents customers who have previously placed an order with the Straker business, many of whom are enterprise in nature and are under master services agreements
(4) Represents revenue from new customers
(5) Revenue split represents order split and not reported revenue

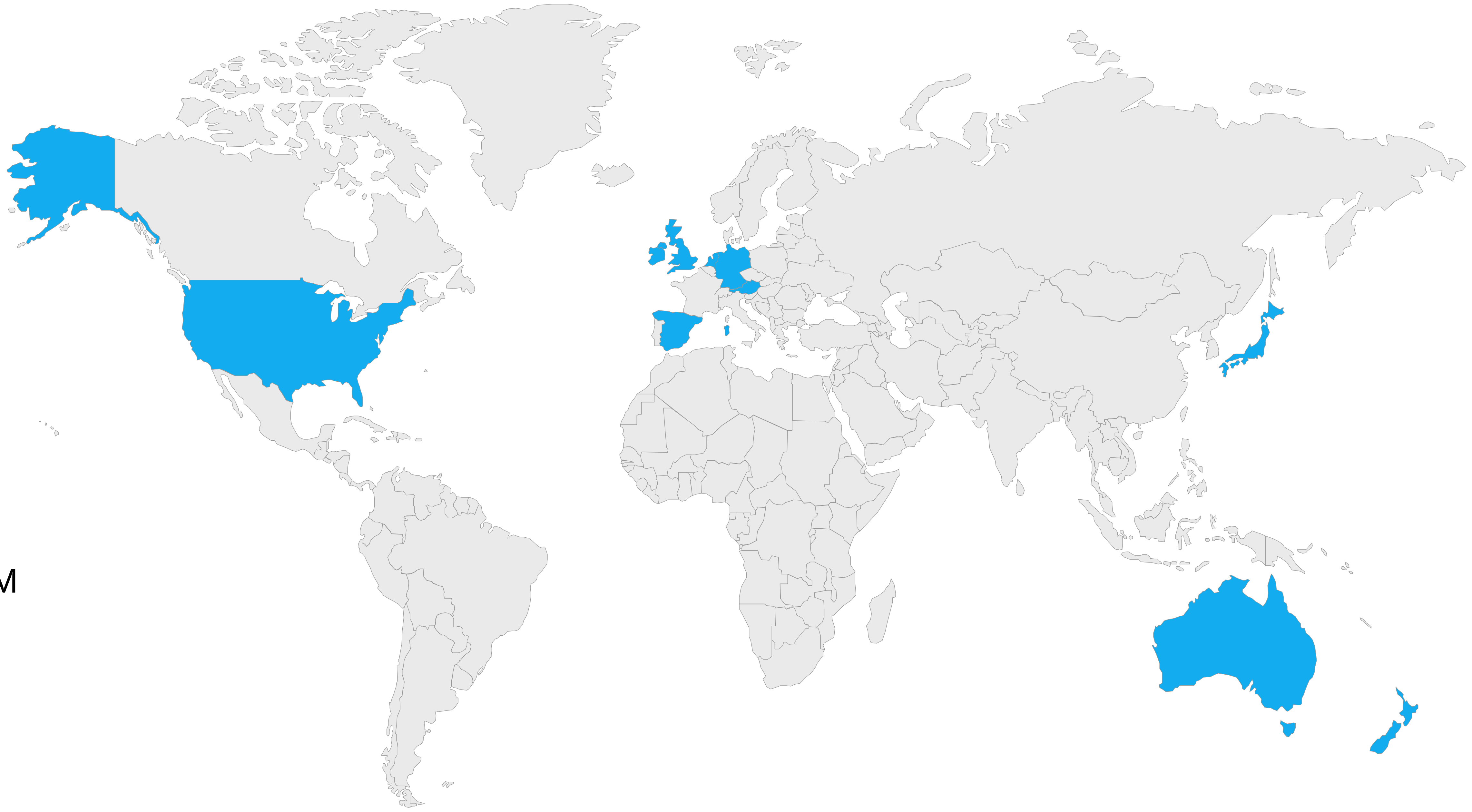
# World Class Growth Team Across a Global Network

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



Daisuke Tokui
*Account Manager*

Kensuke Wada
*Account Executive*

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

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

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

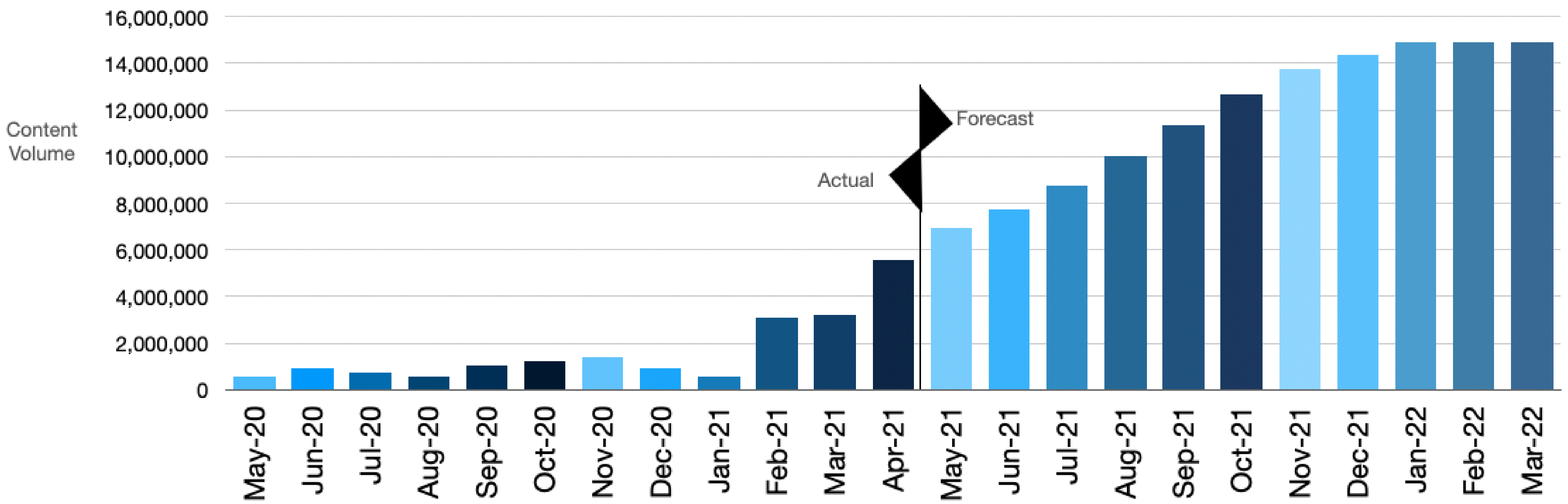
Increasing share of existing customer spend

4

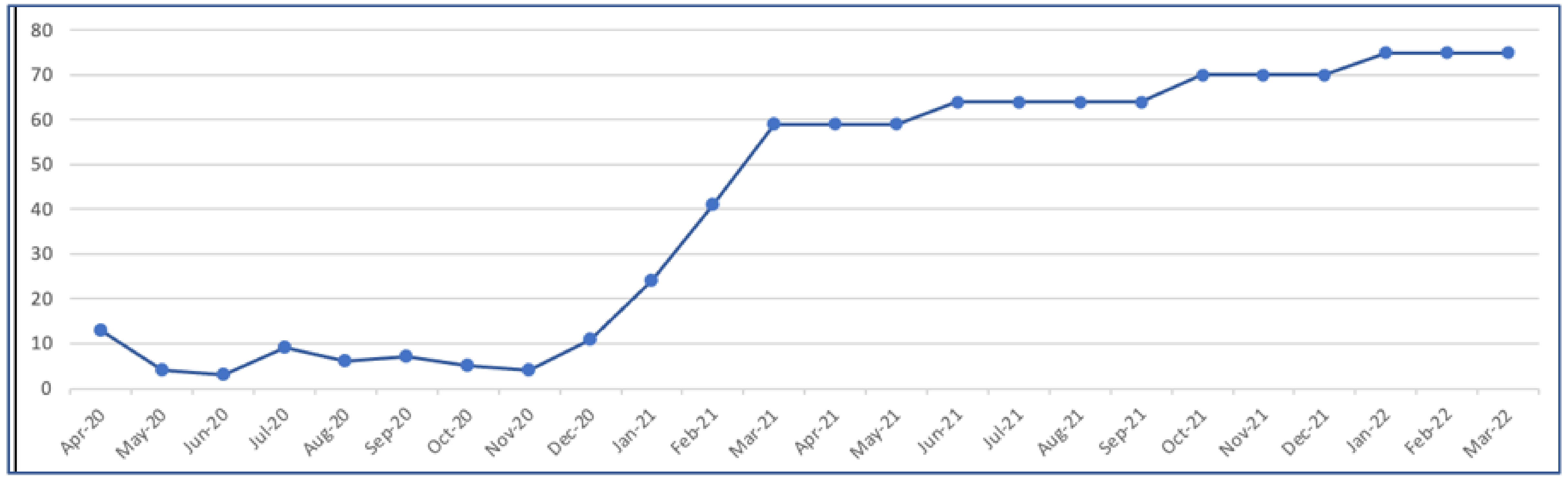
Continuing active acquisition strategy

# 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

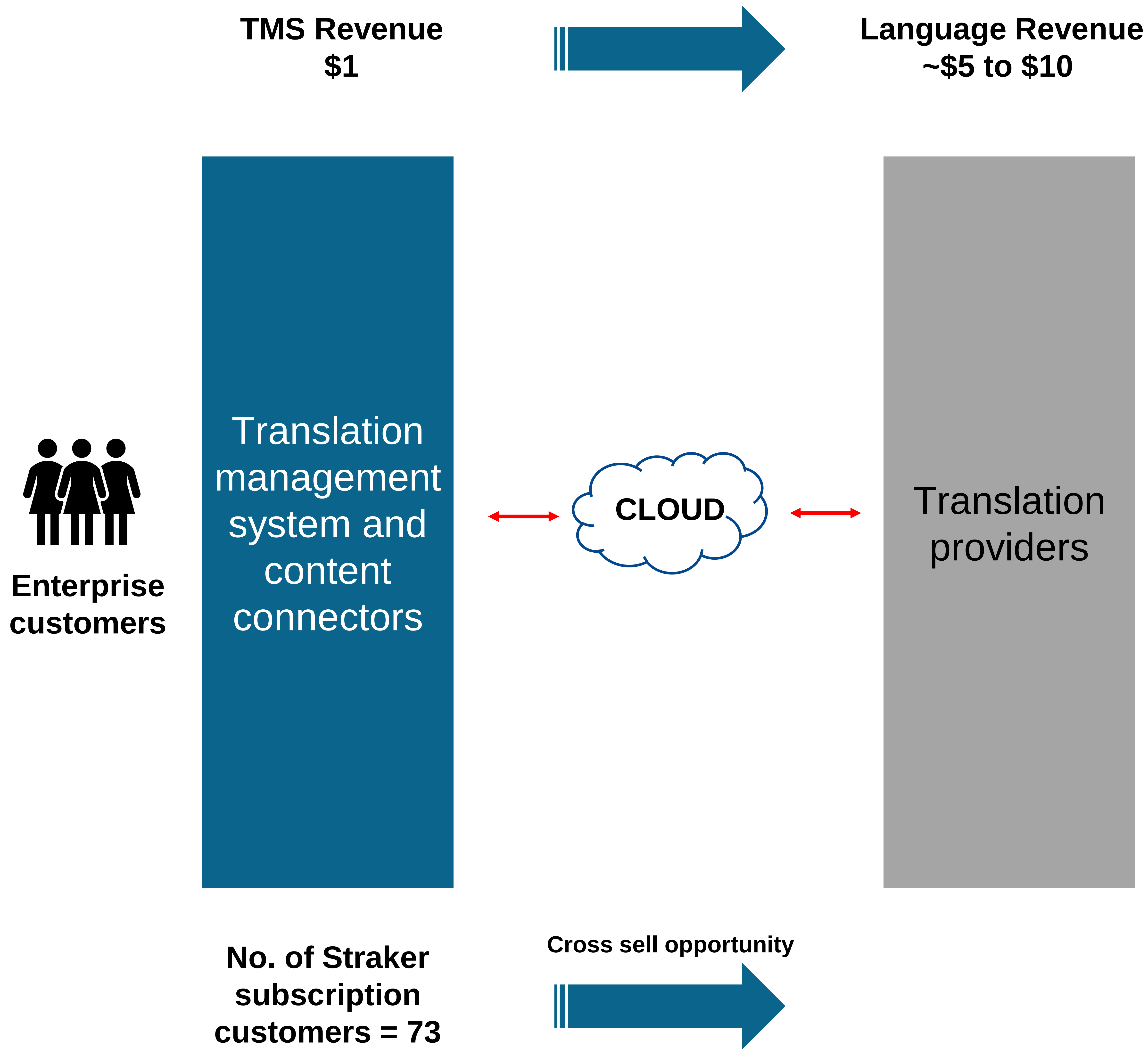



No of languages supported for IBM



# 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

| | Manufacturing, FMGC, engineering & construction | Technology, e-commerce & media | Financial & professional services | Education and government | Other |
|---|---|---|---|---|---|
| **Existing services customers** | Mitutoyo, CAF, SEAT, TOYOTA, Ingersoll Rand, ORICA, SMC | Apple, IBM, Disney, SAP, amazon, Telefónica, PARADOX, Rakuten | J.P.Morgan, HSBC, Bloomberg, KAR AUCTION SERVICES | New Zealand Government, ECFMG, Ministry of JUSTICE, UNSW SYDNEY, MINISTRY OF EDUCATION TE TĀHUHU O TE MĀTAURANGA<br>Various government organisations and agencies | Fonterra Dairy for life, Fender, ELGi, AVERY DENNISON, spirax sarco, WEINMANN medical technology, H&M, MARS, Walmart, Milwaukee |
| **Existing subscription customers** | KONECRANES Lifting Businesses, SEE Sealed Air | zoom, entrata, Adobe, Panasonic, KEYSIGHT TECHNOLOGIES | SIEMENS Healthineers, alteryx, Memorial Sloan Kettering Cancer Center | | esri, NIKE, FUJIFILM, GoPro, BABEL STREET, SINGER |
| **FY21 revenue split[1]** | 29% | 34% | 16% | 7% | 14% |

(1) Revenue split represents order split and not reported revenue

# 4. Continue acquisition strategy

## Acquisitions provide accelerated access to enterprise customers

| Acquisition | Country | Customers |
|---|---|---|
| Eurotext | Ireland | SEAGATE, Ingersoll Rand |
| Elanex | USA | MARS, Walmart |
| MSS' and 'Eule' | Spain and Germany | SAP, SEAT, IBM |
| 'Com Translations' and 'On-Global Language Marketing SL' | Spain | TOYOTA, Disney+ |
| NZTC International | New Zealand | New Zealand Government, ORICA |
| LingoTek | USA | zoom, Panasonic |

**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** |

| | Pro forma Balance Sheet as at 31 March 2021 | | |
|---|---|---|---|
| $ millions (unless otherwise stated) | 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 | | |
| 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

(1) NZD:AUD = 0.94
(2) Refer to the FY21 Annual Report released to the ASX on the 25 May 2021
(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

# Overview of equity raising

| | |
|---|---|
| **Offer structure** | ▪ ~AUD$20 million fully underwritten Equity Raising, including:<br>– ~AUD$10 million Placement<br>– ~AUD$10 million 1 for 10.32 accelerated pro-rata non-renounceable entitlement offer<br>▪ Approximately 10.5 million new ordinary shares (**New Shares**) |
| **Offer price** | ▪ All shares under the Placement and Entitlement Offer will be issued at $1.90 per New Share (**Offer Price**), representing:<br>– 18.5% discount to last closing price of $2.33 per share on 1 June 2021<br>– 12.2% discount to the 5-day VWAP for the period ending on 1 June 2021 (being $2.17);<br>– 15.9% discount to TERP of $2.26 per share(1) |
| **Retail Entitlement Offer** | ▪ Retail Entitlement Offer to existing eligible retail shareholders<br>▪ The Retail Entitlement Offer will open on 9 June 2021 and close at 5:00pm on 21 June 2021 |
| **Underwriting** | ▪ The Equity Raising is fully underwritten by Bell Potter Securities Limited and Ord Minnett Limited (**Underwriters**)<br>▪ 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.<br>▪ 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.<br>▪ Refer to slide 23 and Appendix C for further details of the underwriting arrangements, including fees payable. |
| **Ranking** | ▪ All New Shares issued under the Equity Raising will rank pari passu with existing shares on issue |
| **Record date** | ▪ 7:00pm (Sydney time) 4 June 2021 |

Note: (1) The theoretical ex-rights price ("TERP") is the theoretical price at which an 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 1 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 |

(1) All dates and times are indicative and subject to change without notice

# 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** | 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.<br><br>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.<br>Refer to Appendix C for further details of the underwriting arrangements. |
| **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 *Corporations Act 2001* (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** | 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:<br>• industrial action impacting the business directly or indirectly;<br>• changes in taxation laws and policies;<br>• litigation disputes brought by third parties, including but not limited to customers, suppliers, business partners, employees and government bodies;<br>• government regulation and policies generally; and<br>• 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 deport, 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.