

ASX ANNOUNCEMENT – For immediate release

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STRAKER EXPANDS ITS CAPABILITIES AND CLIENT BASE INTO MEDIA AND AUDIO-VISUAL TRANSLATIONS WITH THE ACQUISITION OF COM TRANSLATIONS

- ***Direct bolt-on to Straker's core capabilities in document content translation***
- ***Extends Straker's platform functionality into media and audio-visual content translation***
- ***Opportunity to combine production centres in Spain***
- ***Significant opportunity to grow revenues with COM's global blue-chip content and media companies and cross-sell into Straker's current customer base***
- ***Leverages Straker's high-margin RAY technology platform in the media and audio-visual market***

Auckland, New Zealand – Straker Translations Limited (ASX: STG), a leading global technology driven translation services platform, is pleased to announce the signing of a binding agreement to acquire COM Translations Online S.L. (COM) in an all-cash deal.

Overview of COM

COM, headquartered in Madrid and with an office in Los Angeles, is a media and audio-visual translations company that provides transcription, subtitling and voice over translation services to global blue-chip content and media companies.

The company translates media assets into over 50 language pairs and has translated over 1,400 movies, 7,400 episodes and 800,000 subtitle minutes. COM has a team of 20 employees across offices in Madrid and Los Angeles and generated revenue¹ in the range between NZ\$1.4 million to NZ\$1.8 million annually over the last three years.

An attractive acquisition that accelerates Straker's organic growth

Commenting on the acquisition, CEO Grant Straker said: "Straker has established itself as a leading global technology driven translation services platform. The business has a clear five-point growth strategy, and an important part of that strategy is to seek out targeted acquisitions that complement and accelerate our organic growth.

"The acquisition of COM is a logical extension for Straker as it supports our immediate expansion into media and audio-visual translation capabilities, while also growing Straker's portfolio of global blue-chip clients. We see tremendous opportunities for Straker's technology to be applied in the media and audio-visual translation market. While currently small, we see substantial potential for COM and we will adopt the same approach to growth and integration that we used successfully with prior acquisitions."

The acquisition of COM has compelling strategic rationale

COM is a strategically compelling acquisition for several reasons:

¹ Based on EUR/NZD exchange rate of 1:65



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- Direct bolt-on to Straker's existing translation technology capabilities
- Further broadens Straker's offering into media and audio-visual translations
- Leverages Straker's high-margin RAY technology platform in the media and audio-visual market
- Business growth can be accelerated through:
 - upselling opportunities across Straker's existing enterprise customer base who have demonstrated a need for media and audio-visual translations
 - upselling opportunities across COM's existing enterprise customer base who have demonstrated a need for Straker's rapid and accurate document translations
- Operational synergies combining COM's production centre in Madrid with Straker's production centres in Barcelona
- COM's founder, Carlos Garcia, will continue with the business in a business development capacity
- Forecast to be EPS accretive from its first full financial year (FY20).

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About Straker Translations Limited

Based in New Zealand and founded in 1999, Straker has established itself as a leading global technology driven translation services platform. Straker has developed a hybrid translation platform that utilises a combination of machine translation and a crowd-sourced pool of freelance translators.

Straker's cloud-based platform manages the end-to-end translation process, leveraging machine translation technology (comprising both third-party owned engines and engines within Straker's platform) to create a first draft translation and subsequently matching the customer's content with one or more of the approximately 13,000 crowd-sourced human freelance translators for refinement. This process is managed using Straker's proprietary "RAY Translation Platform", which has been developed over eight years and is an enterprise grade, end-to-end, cloud-based platform. By leveraging machine translation and its big data assets, the RAY Translation Platform enables the delivery of faster and more accurate translations, lowering the time and cost to deliver versus traditional translation services.

The platform can be integrated directly into customers' systems and consists of a customer dashboard, machine translation integration and modules for assisting and managing translators.

For more information visit www.strakertranslations.com