

14 November 2024

ASX Announcement

Straker Ltd (ASX:STG) (Straker) today announces financial guidance for FY25. The Company expects to report Revenue within the range of \$43-45 million, compared to \$50m Revenue delivered in FY24 and Revenue of \$22.7m in H1 FY25. The forecasted decline in Revenue is primarily driven by the IDEST business in Europe, impacted by the non-renewal of two low-margin contracts with European Union institutions.

With the ongoing rollout of our AI-powered solutions and the operating leverage it creates internally, Straker maintains an optimistic outlook for ongoing profitability. We expect Gross Margin (GM) to remain at least as strong as the 63.8% reported in FY24, our highest annual GM to date. We continue to expect to be Adjusted EBITDA positive. However, if Revenue trends toward the lower end of guidance, we anticipate operating cash flow may drop slightly below breakeven due to our commitment to a well-funded go-to-market strategy of our new product lines as well as our investment in AI agents to generate further sustainable reductions in OPEX elsewhere in the business.

We continue to expect our new and growing product suite of solutions will enable us to better serve our customers, capitalise on the growing demand for AI-driven translation technology and underpin a more profitable business for the future.

Straker will announce its H1 FY25 results on November 27, including a business update webinar and a live demonstration of its AI technology.

Register in advance for this webinar:

https://strakergroup.zoom.us/webinar/register/WN_YyEGPxcUSxij0i_4H88Z7Q

Authorisation

This announcement has been authorised for release by the Board of Straker Limited.

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About Straker

Straker provides next generation language services supported by a state-of-the-art technology stack and robust AI layer to clients around the world. By combining the latest available technologies with linguistic expertise, Straker's solutions are scalable, cost-effective, and accurate. Through

Straker (STG)

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technical innovation and data analytics, Straker is a proven partner in future-proofing global communications.

For more information visit: www.straker.ai

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