
STRAKER TRANSLATIONS LIMITED

NOTICE OF ANNUAL MEETING

EXPLANATORY STATEMENT

AND PROXY FORM

Date

Wednesday, 25 August 2021

Time

4.00pm NZST

Venue

The Company's Offices, Level 2, 49 Parkway Drive, Rosedale, Auckland 0632, New Zealand. The meeting will also be held virtually.

Your vote is important

The business of the Meeting affects the Company and your vote is important.

Voting by proxy

To vote by proxy, please complete and sign the accompanying Proxy Form and return by the time specified and in accordance with the instructions set out in the Proxy Form.

NOTICE OF ANNUAL MEETING 2021

Notice is given that the Annual Meeting of Shareholders of Straker Translations Limited (**Company**) will be held at 4.00pm NZST on Wednesday, 25 August 2021 at the Company's Offices, Level 2, 49 Parkway Drive, Rosedale, Auckland 0632, New Zealand and virtually.

Further details in respect of the Resolutions proposed in this Notice of Annual Meeting are set out in the Explanatory Statement accompanying this Notice. The Explanatory Statement and the Proxy Form should be read together with, and form part of, this Notice.

ATTENDING THE ANNUAL MEETING

The Annual Meeting will be held physically at the address notified in this Notice of Meeting. In addition, pursuant to section 11.1 of Straker Translation's Constitution the Company may also *"hold a meeting of members at one or more venues at which, by means of audio, or audio and visual, communication all participating shareholders can simultaneously hear each other throughout the meeting."* Accordingly, the Company also offers a virtual meeting option for this Meeting.

The Company has arranged for virtual attendance at the Meeting via Zoom Webinar and you will to register in advance for this webinar at the link below. You will need your shareholder number during the registration process. https://us02web.zoom.us/webinar/register/WN_NcLKh3KFQmSuk8ZTLFFxqA

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

Q&A

will be able to view the meeting presentations and listen to the meeting live, submit questions to the Chairman in real time.

Voting during the meeting

Online voting during the meeting will be provided via the Link online voting portal available at the link below, you will need your shareholder details to login to the Link portal.

<https://agmlive.link/STG21>

Attending the meeting online enables Shareholders to view the Meeting live and to also ask questions and cast direct votes at the appropriate times whilst the meeting is in progress.

More information regarding participating in the Annual Meeting online can be found in the guide appended to the end of this Notice of Meeting.

AGENDA

Financial Statements and Audit Report

To receive and consider the Company's annual Financial Statements and Audit Report for the year ended 31 March 2021.

Note: The Financial Statements and Audit Report for the financial year ended 31 March 2021 will be provided before the Meeting. However, there is no requirement for the Shareholders to approve those Reports. Shareholders will be given an opportunity to ask the Directors and the Company's Auditor questions on those Reports at the Meeting.

Resolution 1: Auditor's Remuneration

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“To record that BDO Auckland continue in office as the Company’s Auditors and to authorise the Directors to fix the remuneration of BDO Auckland for the ensuing year.”

Resolution 2: Re-election of Director – Mr Steve Donovan

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“That, Mr Steve Donovan, who retires in accordance with clause 21.2 of the Company’s Constitution and, being eligible, offers himself for election, be re-elected as a Director of the Company.”

Resolution 3: Approval of additional 10% Placement Capacity

To consider and, if thought fit, pass the following Resolution as a **Special** Resolution:

“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the issue date or the date of agreement to issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person, or any associate of that person, who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of equity securities under the increased placement capacity under ASX Listing Rule 7.1A, except as a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Under ASX Listing Rule 14.11.1 and the notes under that rule about Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded from voting.

Resolution 4: Issue of Options to Director – Grant Straker

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 191,300 Options and the issue of underlying Shares in respect of the Options, to Grant Straker, the CEO of the Company, or his nominee(s), pursuant to the Company’s 2020 LTI Employee Share Option Plan on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf Grant Straker or an associate of Grant Straker or a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the 2020 LTI Employee Share Option Plan, or any associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5: Issue of Options to closely related party to a Director – Merryn Straker

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 136,600 Options, and the issue of underlying Shares in respect of the Options, to Merryn Straker, a related party of the Company, or her nominee(s), pursuant to the Company’s 2020 LTI Employee Share Option Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf Merryn Straker or an associate of Merryn Straker or a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the 2020 LTI Employee Share Option Plan, or any associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6: Ratification of Prior Share Issue (Placement)

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given for the ratification and approval of the prior share issue on 15 June 2021 of 2,560,154 Shares at an issue price of A\$1.90 per Share under the Company’s share placement, on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of the Resolution by anyone who participated in the Share issue under the share placement, or any of their associates.

However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7: Ratification of Prior Share Issue (Lingotek)

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given for the ratification and approval of the prior share issue to Lingotek on 2 February 2021 of 989,022 Shares at an issue price of A\$1.59 per Share, on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Lingotek who participated in the Share issue, or any of their associates.

However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - o The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - o The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Explanatory Statement

The accompanying Explanatory Statement provides additional information on matters to be considered at the Meeting. The Explanatory Statement, the Proxy Form, and Important Information form part of this Notice.

By order of the Board



Sally McDow
Company Secretary
23 July 2021

EXPLANATORY STATEMENT

This Explanatory Statement accompanies and forms part of the Company's Notice of Annual Meeting. The Meeting is to be held at the Company's Offices, Level 2, 49 Parkway Drive, Rosedale, Auckland 0632, New Zealand on Wednesday, 25 August 2021.

This Explanatory Statement is to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the proposed Resolutions. Both documents should be read in their entirety and in conjunction with each other.

Terms used in this Explanatory Statement will, unless the context otherwise requires, have the same meaning as given to them in the Glossary contained in this Explanatory Statement.

Resolution 1: Auditor's Remuneration

BDO Auckland is the existing Auditor of the Company and has indicated its willingness to continue in office. Pursuant to section 207T of the Companies Act, BDO Auckland is automatically re-appointed at the Annual Meeting as Auditor of the Company. The proposed Resolution is to authorise the Directors to fix the Auditors' remuneration for the ensuing year for the purposes of section 207S of the Companies Act.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

Resolution 2: Re-election of Director – Mr Steve Donovan

In accordance with clause 21.2 of the Company's Constitution, whilst the Company is admitted to the Official List of ASX, at least one Director must retire from office at each Annual Meeting unless there has been an election of Directors earlier that year. Unless required to retire pursuant to Clause 21.1 of the Company's Constitution, the Director to retire will be the Director who has been longest in office since that Director's last election.

Clause 21.1 of the Company's Constitution states that a Director must not hold office without re-election past the third Annual Meeting after that Director's last appointment or re-election or for more than three years, whichever is longer. A single Managing Director of the Company (appointed under clause 23 of the Company's Constitution) is exempt from these requirements.

Mr Donovan was appointed as a Non-Executive Director of Straker Translations Limited on 1 December 2004 and was re-elected as a Director by the Shareholders at the 2019 Annual Meeting.

In accordance with clause 21.2 of the Constitution, Mr Donovan is retiring and submitting himself for re-election as a Director of the Company.

Mr Donovan is a former partner of Ernst & Young. He qualified as a Chartered Accountant in the UK and has worked within the IT and finance industries in New Zealand for many years.

Having regard to the ASX Corporate Governance Principles, the Board considers Mr Donovan to be a non-independent Non-Executive Director

Directors' Recommendation

The Board unanimously (with Mr Donovan abstaining) supports Mr Donovan's re-election as a Non-Executive Director of the Company and recommends that Shareholders vote in favour of this Resolution.

Resolution 3: Approval of additional 10% Placement Capacity

General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a Special Resolution passed at its Annual Meeting, to increase this 15% limit by an extra 10% to 25%.

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index, and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

The Resolution seeks Shareholder approval by way of Special Resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If the Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If the Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

The Resolution is a Special Resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Eligibility

An eligible entity under ASX Listing Rule 7.1A is one which, at the date of the Resolution, has a market capitalisation of \$300 million or less and is not included in the S&P / ASX 300 Index. The Company anticipates that it will be an eligible entity for the purposes of ASX Listing Rule 7.1A at the time of the Meeting.

The exact number of equity securities that may be issued pursuant to the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 which provides that eligible entities that have obtained Shareholder approval at an Annual Meeting may issue or agree to issue, during the 12-month period after the date of the Annual Meeting, a number of equity securities calculated as follows:

$$(A \times D) - E$$

Where

A is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue (the **relevant period**):

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities under rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;

- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4;
- plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- less the number of fully paid ordinary securities cancelled in the 12 months;

Note that A has the same meaning in the ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rules 7.1 or 7.4.

Any equity securities issued under the 10% Placement Capacity must be in an existing quoted class of the Company's equity securities. The Company presently has one class of quoted securities, being Shares (ASX Code: STG).

Required information

The following information is provided to Shareholders to allow them to assess the Resolution, including for the purposes of ASX Listing Rule 7.3A.

Minimum price

As required by ASX Listing Rule 7.1A.3, any equity securities issued by the Company under ASX Listing Rule 7.1A can only be issued at a price that is no less than 75% of the volume weighted average market price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- a) the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or
- b) if the securities are not issued within 10 trading days of the date in paragraph (a) above, the date on which the securities are issued.

Risk of economic and voting dilution to existing Shareholders

If the Resolution is approved by Shareholders and the Company issues securities under the 10% Placement Capacity, the additional economic and voting interests in the Company will be diluted. There is a risk that the market price of the Company's securities may be significantly lower on the issue date than on the date of the Annual Meeting and the securities may be issued at a price that is at a discount to the market price on the issue date.

The table below shows a number of potential dilution scenarios for a capital raising which may be conducted under ASX Listing Rule 7.1A as required by ASX Listing Rule 7.3A.4 where the number of the Company's Shares on issue (Variable "A" in the formula in ASX Listing Rule 7.1A.2) has remained current or increased by either 50% or 100% and the Share price has decreased by 50%, remained current or increased by 100% based on the closing Share price on ASX at 29 June 2021.

Variable "A" in ASX Listing Rule 7.1.A.2		Dilution		
		\$0.99 50% decrease in Issue Price	\$1.98 Issue Price	\$3.92 100% increase in Issue Price
Current Variable A 67,494,598 Shares	10% Voting Dilution	6,749,460	6,749,460	6,749,460
	Funds Raised	\$6,681,965	\$13,363,930	\$26,457,882
50% increase in current Variable A 101,241,897 Shares	10% Voting Dilution	10,124,190	10,124,190	10,124,190
	Funds Raised	\$10,022,948	\$20,045,896	\$39,686,824
100% increase in current Variable A 134,989,196 Shares	10% Voting Dilution	13,498,920	13,498,920	13,498,920
	Funds Raised	\$13,363,930	\$26,727,861	\$52,915,765

The above dilution table uses the following assumptions which the Company does not represent will necessarily occur:

- the "issue price at current market price" is the closing price of the Shares on ASX on 29 June 2021.
- Variable "A" is 67,494,598 which equates to the number of current Shares on issue at 29 June 2021. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro-rata issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders meeting;
- the Company issues the maximum number of securities available under the additional 10% ASX Listing Rule 7.1A approval;
- the table shows only the effect of issues of securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
- no options (including any options issued under the 10% Placement Capacity) are exercised into Shares before the date of issue of equity securities;
- the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- the table does not show an example of dilution that may be caused to a particular Shareholder by reason of the placements under ASX Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual Meeting;
- the issue of Shares under ASX Listing Rule 7.1A consists only of fully-paid ordinary shares in the Company; and
- "Funds Raised" are before any capital raising costs which may be incurred.

10% Placement Period

Shareholder approval under ASX Listing Rule 7.1A is valid from the date of the Annual Meeting at which approval is obtained until the earlier of:

- the date which is 12 months after the date of the Annual Meeting at which the approval was obtained;
- the time and date of the Company's next Annual Meeting; or
- the date of approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

Purpose of additional 10% Placement Capacity

While the Company does not have any immediate plans to issue Shares under the 10% Placement Capacity, the Company may seek to issue securities under the 10% Placement Capacity for either:

- a) cash consideration. The Company may use the funds for working capital, investing activities (including possible complementary business acquisitions if any are identified and approved by the Board), meet financing commitments or capital management activities deemed by the Board to be in the best interests of the Company; or
- b) non-cash consideration for transactions deemed by the Board to be in the best interests of the Company. In such circumstances the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the securities complies with ASX Listing Rule 7.1A.3.

The Company will comply with any disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.3 upon the issue of any securities under ASX Listing Rule 7.1A.

Allocation policy

The Company's allocation policy is dependent upon the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of allottees of equity securities will be determined on a case by case basis having regard to factors including but not limited to the following:

- a) the methods of raising funds that are then available to the Company;
- b) the effect of the issue of the equity securities on the control of the Company;
- c) the financial situation and solvency of the Company; and
- d) advice from professional and corporate advisers (if applicable).

Allottees under any capital raising which may be conducted under the 10% Placement Capacity pursuant to ASX Listing Rule 7.1A have not been determined as at the date of this Notice of Meeting and may include existing and/or new Shareholders but cannot include any related parties or associates of a related party of the Company.

Previous Issue of Securities under ASX Listing Rule 7.1A

The Company has previously issued securities under ASX Listing Rule 7.1A.

Compliance with ASX Listing Rules 7.1A.4 and 3.10.3

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will give ASX:

- a) a list of the names of the persons to whom the Company issues the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- b) the information required by ASX Listing Rule 3.10.3 for release to the market.

At the date of the Notice of Meeting the Company has not invited and has not determined to invite any particular existing Shareholder or an identifiable class of existing Shareholder to participate in an offer under ASX Listing Rule 7.1A. Accordingly, no existing Shareholder will be excluded from voting on this Resolution.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

Resolution 4 - 5: Issue of Options to Directors and Related Party

The Company is proposing to issue 191,300 Options to Grant Straker and 136,600 Options to Merryn Straker under the Straker Translations Limited 2020 Employee Share Option Scheme (2020 LTI ESOP) (the Options Issues).

The proposed allocation of Options to Grant and Merryn Straker forms part of their performance-based remuneration for the financial year ended 31 March 2021 and has been calculated in a manner that is consistent with the formula used to calculate option allocations for other members of the Company's senior leadership team.

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- A director of the company;
- An associate of a director of the company; or
- A person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Options Issue to Grant Straker falls within Listing Rule 10.14.1 and the Options Issue to Merryn Straker falls within Listing Rule 10.14.2 and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14.

Resolutions 4 and 5 seek the required Shareholder approval to the Options Issues under and for the purposes of Listing Rule 10.14.

If the Resolutions are passed, the Company will be able to proceed with the Options Issues and the Options (and Shares issued upon vesting of the Options) will not be included in calculating the Company's capacity to issue equity securities equivalent to 15% of the Company's ordinary securities under Listing Rule 7.1.

If the Resolutions are not passed, the Company will not be able to proceed with the Options Issues. In that circumstance, issues may arise with the competitiveness of Mr Straker's or Ms Straker's (as relevant) total remuneration package and alignment of rewards with other senior executives in the Company. The Board would then need to consider alternative remuneration arrangements which are consistent with the Company's remuneration principles, including providing an equivalent cash long-term incentive subject to the risk of forfeiture, performance conditions and performance period.

Details of any securities issued under the ESOP will be published in the Annual Report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the ESOP after the Resolutions are approved and who were not named in this Notice will not participate until approval is obtained under that rule.

In accordance with ASX Listing Rule 10.15, which contains requirements as to the contents of a notice sent to Shareholders for the purposes of LR 10.14, the following information is provided to Shareholders in respect of the Resolutions.

General Terms

- Issue Price: The Options will be issued for nil cash consideration.
- Issue Date: The Options will be granted on the day of the Annual Meeting if Shareholder approval is granted
- Exercise Price: \$1.83, being the 20-day VWAP immediately prior to the date of the previously held Remuneration Committee meeting
- Expiry Date: As per the standard 2020 LTI plan, ie. 6 years from date of vesting. The options vest over 3 years in equal tranches.
- Terms of any loans to acquire the securities: No loans are proposed to be advanced in relation to the proposed issue of the Options.

Resolution 4 – Issue of Options to Director – Grant Straker Specific Terms

Recipient: Mr Grant Straker or his nominee(s).

Maximum number of securities to be issued:	Total Remuneration Package:	Employee benefits – defined contribution plan:	Options under LTI ESOP plan:
191,300 Options	Salary & Bonus NZ\$319,308	NZ\$12,317	413,000

Resolution 5 – Issue of Options to an Associate of a Director – Merryn Straker Specific Terms

Recipient: Ms Merryn Straker or her nominee(s).

Maximum number of securities to be issued:	Total Remuneration Package of Associated Director Grant Straker:	Options under LTI ESOP plan:
136,600 Options	Salary & Bonus NZ\$319,308	140,000

Directors' Recommendation

As all of the Directors are entitled to participate in the 2020 LTI ESOP, the Directors abstain, in the interests of good corporate governance, from making a recommendation in relation Resolutions 4 and 5.

Resolution 6: Ratification of Prior Share Issue (Placement)

Background to the Placement

On 2 June 2021, the Company announced an equity capital raising consisting of the following elements:

- a fully underwritten share placement to institutional, professional and sophisticated investors at a per share price of A\$1.90 to raise a A\$10 million (**Placement**); and
- a fully underwritten accelerated non-renounceable entitlement offer at a per share price of A\$1.90 to raise A\$10 million (**Entitlement Offer**).

On 4 June 2021, the Company announced that the Placement had been increased to A\$15 million, due to strong demand from existing and new investors, increasing the total amount raised from the Placement and Entitlement Offer capital raising to A\$25 million.

On 15 June 2021 (**Issue Date**), the Company issued 7,894,737 new Shares under the Placement. Of these, 2,560,154 Shares were issued using the Company's 15% capacity pursuant to Listing Rule 7.1 with the remaining 5,334,583 Shares issued using the Company's additional 10% placement capacity pursuant to Listing Rule 7.1A approved at the Company's 2020 AGM.

Under Resolution 6, the Company is seeking shareholder ratification pursuant to Listing Rule 7.4 of the issue of 2,560,154 Shares on 15 June 2021 to institutional, sophisticated and professional investors under the Placement in order to restore the ability of the Company to issue further Shares within the 15% limit during the next 12 months.

General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Placement shares does not fit within any of these exceptions and, as it has not yet been approved by the Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future (including for acquisitions) without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, the Resolution seeks Shareholder approval for the issue of the Placement Shares under and for the purposes of Listing Rule 7.4.

If the Resolution is passed, the Placement Shares will be deemed to have been issued with Shareholder approval for the purposes of Listing Rule 7.1 and will accordingly be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

If the Resolution is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

Specific information required

The following information is provided in accordance with ASX Listing Rule 7.5:

a) Number of securities issued:

2,560,154 fully paid ordinary Shares.

b) Date on which securities were issued:

The Shares were issued and allotted on 15 June 2021.

c) Issue price of securities:

The Shares were issued for A\$1.90 per Share.

d) Allottees of the securities:

The Placement Shares were issued to existing and new institutional, professional and sophisticated investors, allocated in consultation between the Company and the joint lead managers and underwriters to the Placement, Ord Minnett Limited and Bell Potter Securities Limited.

e) Terms of securities:

The Placement Shares were issued on the same terms as existing ordinary shares on issue and rank equally in all respects with the existing fully paid ordinary Shares on issue.

f) The intended use of the funds:

Net proceeds raised from the Placement and the Entitlement Offer were allocated to the uses stated Company's announcements released in connection with the equity capital raising, including in the Investor Presentation released to the ASX on 2 June 2021.

g) Voting exclusion statement

A voting exclusion statement is set out under Resolution 6 in the Notice of Meeting.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

Resolution 7: Ratification of Prior Share Issue (Lingotek)

Background

On 21 January 2021, the Company announced the acquisition of Lingotek Inc ("Lingotek") which provides translation technology, website and software localisation, consultancy, and document management. The acquisition terms included cash and US\$1.2M in shares.

On 2 February 2021 (**Issue Date**), the Company issued 989,022 new Shares to Lingotek under Company's 15% placement capacity under Listing Rule 7.1.

Under Resolution 7, the Company is seeking shareholder ratification pursuant to Listing Rule 7.4 of the issue of 989,022 Shares on 2 February 2021 to Lingotek in order to restore the ability of the Company to issue further Shares within the 15% limit during the next 12 months.

General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Lingotek shares does not fit within any of these exceptions and, as it has not yet been approved by the Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future (including for acquisitions) without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, the Resolution seeks Shareholder approval for the issue of the Placement Shares under and for the purposes of Listing Rule 7.4.

If the Resolution is passed, the Placement Shares will be deemed to have been issued with shareholder approval for the purposes of Listing Rule 7.1 and will accordingly be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

If the Resolution is not passed, the Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

Specific information required

The following information is provided in accordance with ASX Listing Rule 7.5:

a) Number of securities issued:

989,022 fully paid ordinary Shares.

b) Date on which securities were issued:

The Shares were issued and allotted on 2 February 2021.

c) Issue price of securities:

The Shares were issued for A\$1.59 per Share.

d) Allottees of the securities:

Lingotek

e) Terms of securities:

The Shares were issued on the same terms as existing ordinary shares on issue and rank equally in all respects with the existing fully paid ordinary Shares on issue.

f) The intended use of the funds:

The Shares were used as part consideration for the acquisition of Lingotek as announced to the ASX on 21 January 2021.

g) Voting exclusion statement

A voting exclusion statement is set out under Resolution 7 in the Notice of Meeting.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

GLOSSARY

\$ or A\$ means Australian dollars.

ASX means the Australian Securities Exchange, or ASX Limited (ACN 008 624 691).

ASX Corporate Governance Principles means the ASX Corporate Governance Principles and Recommendations (3rd edition).

ASX Listing Rules means the Official Listing Rules of ASX.

Board means the current Board of Directors of the Company.

Company means Straker Translations Limited (NZ1008867).

Companies Act means the *Companies Act 1993* (NZ).

Constitution means the Company's Constitution.

Directors means the directors of the Company, or any one of them as the context requires.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Meeting or Annual Meeting means the Annual Meeting convened by this Notice to be held at the Company's Offices, Level 2, 49 Parkway Drive, Rosedale, Auckland 0632, New Zealand at 4.00pm NZST on 25 August 2021.

Notice or Notice of Meeting means this Notice of Annual Meeting including the Explanatory Statement, Important Information, and the Proxy Form.

NZTC International means New Zealand Translation Centre Limited.

Proxy Form means the Proxy Form accompanying the Notice.

Resolution means the Resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares in the Company.

IMPORTANT INFORMATION

Resolutions

Resolutions 1, 2, 4, 5, 6 and 7 are Ordinary Resolutions. Ordinary Resolutions are required to be approved by a simple majority of the votes of those Shareholders entitled to vote and voting on the question.

Resolutions 3 is a Special Resolution. Special Resolutions are required to be approved by not less than 75% of the votes of those Shareholders entitled to vote and voting on the question.

Voting entitlements

Any person who is registered as a Shareholder of the Company at 4.00pm New Zealand time on Monday, 23 August 2021 is entitled to attend and vote at the meeting or to appoint a proxy to attend and vote in their place.

Proxies

All Shareholders are entitled to attend and vote at the Annual Meeting or to appoint a proxy to attend and vote in their place.

Enclosed with this Notice is a Proxy Form. For the appointment of a proxy to be valid, the Proxy Form must be received by the Company either by post to Straker Translations Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 or by fax to +61 2 9287 0309 at least 48 hours before the start of the Meeting that is by 4.00pm New Zealand time on Monday, 23 August 2021. All joint holders of a Share must sign the proxy form.

A proxy need not be a Shareholder. If the Shareholder is entitled to cast two or more votes at the Meeting, then the Shareholder may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the Shareholder does not specify such proportion or number of votes each proxy may exercise, then each proxy may exercise half of the votes. A single proxy exercises all votes of the Shareholder.

If the Proxy Form is returned without direction as to how the proxy should vote on the resolutions, then the proxy may vote as he or she thinks fit on that resolution. The Chair of the Meeting and any Director appointed as proxy intend, to the extent possible, to vote all discretionary proxies in favour of the relevant resolution. If a proxy is excluded from voting on a particular resolution, then the proxy will only be able to vote in accordance with the Shareholder's express instructions (and so not under any discretion).

A Shareholder that is a corporation may sign under the hand of a duly authorised officer or by power of attorney. If the Proxy Form has been signed under a power of attorney, a copy of the power of attorney (unless already deposited with the Company) and a signed certificate of non-revocation of the power of attorney must be delivered to the Company with the Proxy Form.

Corporate Representatives

A Shareholder that is a corporation may appoint a representative to attend the Meeting on its behalf. The representative must bring a properly executed letter or other document confirming that they are authorised to act as the Shareholder's representative at the Meeting. A '*Certificate of Appointment of Corporate Representative*' may be obtained from Link.

Powers of attorney

Any person representing a Shareholder(s) by virtue of a power or attorney must bring to the Meeting a copy of the power of attorney (unless already deposited with the Company) and a signed certificate of non-revocation of the power of attorney must be produced to the Company.

Postal voting

Pursuant to the Constitution, a Shareholder may not exercise his or her right to vote at the Meeting by casting a postal vote.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Straker Translations Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **2pm (AEST)/ 4pm (NZST) on Monday, 23 August 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to the *Companies Act 1993*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Straker Translations Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual Meeting of the Company to be held at **2pm (AEST)/4pm (NZST) on Wednesday, 25 August 2021 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in: Online at <https://agmlive.link/STG21> (refer to details in the Notice of Meeting).

Important for Resolutions 1-7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1-7, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Auditor's Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Steve Donovan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of additional 10% Placement Capacity (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of Options to Director – Grant Straker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Issue of Options to closely related party to a Director – Merryn Straker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of Prior Share Issue (Placement)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Ratification of Prior Share Issue (Lingotek)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Companies Act 1993*.

STG PRX2101N

