ASX Announcement

Straker Limited (ASX: STG) – Coffee Microcaps Investor Presentation

Auckland, New Zealand – October 31, 2025 – Straker Limited (ASX: STG), a global leader in AI-powered translation solutions attaches an investor presentation that CEO Grant Straker will deliver to the Coffee Microcaps Morning Meeting later today.

For registration please follow this link:

https://us02web.zoom.us/webinar/register/WN_CF4MIFfjTXmYKbNEtCiNiA#/registration

Authorisation

This announcement has been authorised for release by the Company Secretary.

Corporate:
Grant Straker, CEO & Co-Founder
E: grant@straker.ai
P: +64 21 512 484

Investors:
Ben Henri
E: ben.henri@mcpartners.com.au
P: +61 473 246 040

David Ingram, CFO
E: david.ingram@straker.ai
P: +64 21 591 984

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

For more information visit: www.straker.ai
To sign up to our investor news alert: sign up

straker.ai

Straker (ASX:STG)

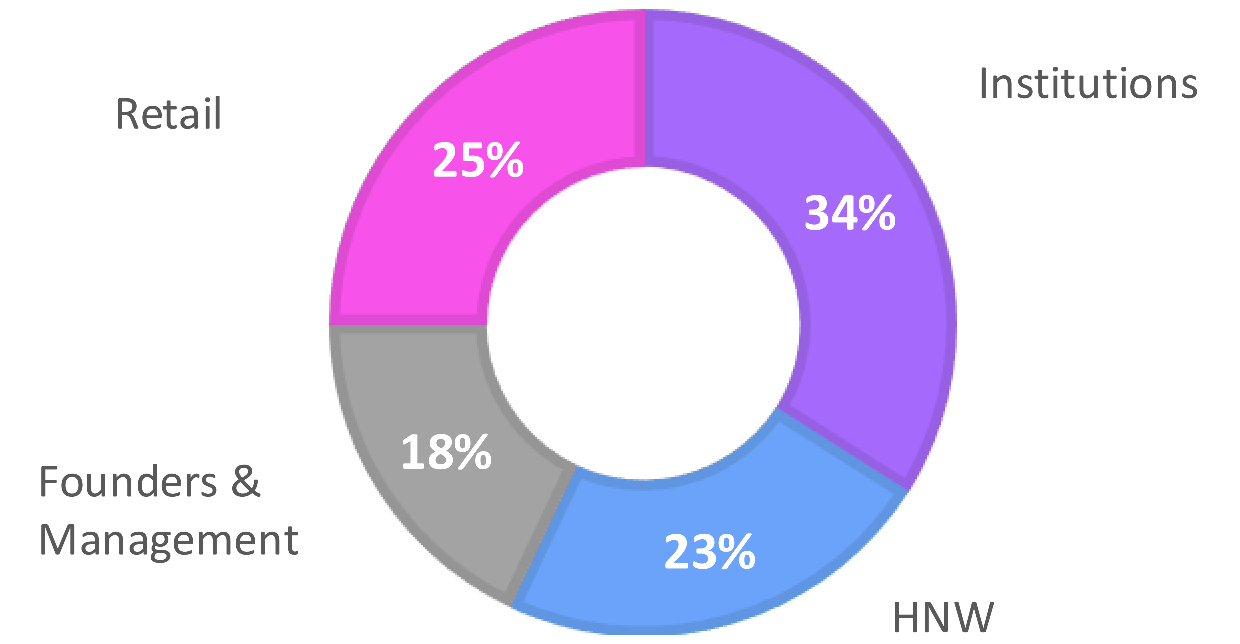
The AI Re-Rate Opportunity

A profitable AI technology company trading at services-company multiples. Could the $28M IBM partnership change everything.

Oct 31, 2025

Profitable, strong balance sheet and cash flow positive

Register Analysis



FY25 Results (April 2024 – March 31 2025)

$44.9M
Revenue
FY26 Guidance $38-41m

$4.8M
Adj. EBITDA
FY26 positive Adj EBITDA

$12.9M
Cash in bank
Strong liquidity position

$3.4M
Operating Cash Flow
EV/EBITDA: 5.7*

Nil
Debt
Low leverage ratio

$7.6M
R&D Investment
Annual investment in R&D

67.0%
Gross Margin

*Based on a share price of AU$0.56 (15 May 2025) converted at an exchange rate of NZD/AUD 0.92

Record Profitability Meets Tier 1 Validation

Global Giant Partnerships

European Tier 1 Software Company ($4.9M, Aug 2025):** Secured major contract, through superior AI-powered translation and verification platform.

IBM ($28M*, Oct 2025): Not just renewal—a major expansion into deep AI co-development partnership over three years.

We are profitable, and winning flagship global technology customers at an accelerating pace.

*based on anticipated volumes over 3 years, effective Jan 1, 2026

**$4.9m over two years

Unique AI-Powered Cloud

We're an AI technology company

AI-Powered Translation

Proprietary Tiri Models trained on our unique data deliver superior accuracy, speed, and cost-efficiency at enterprise scale.

Bespoke AI Model Development

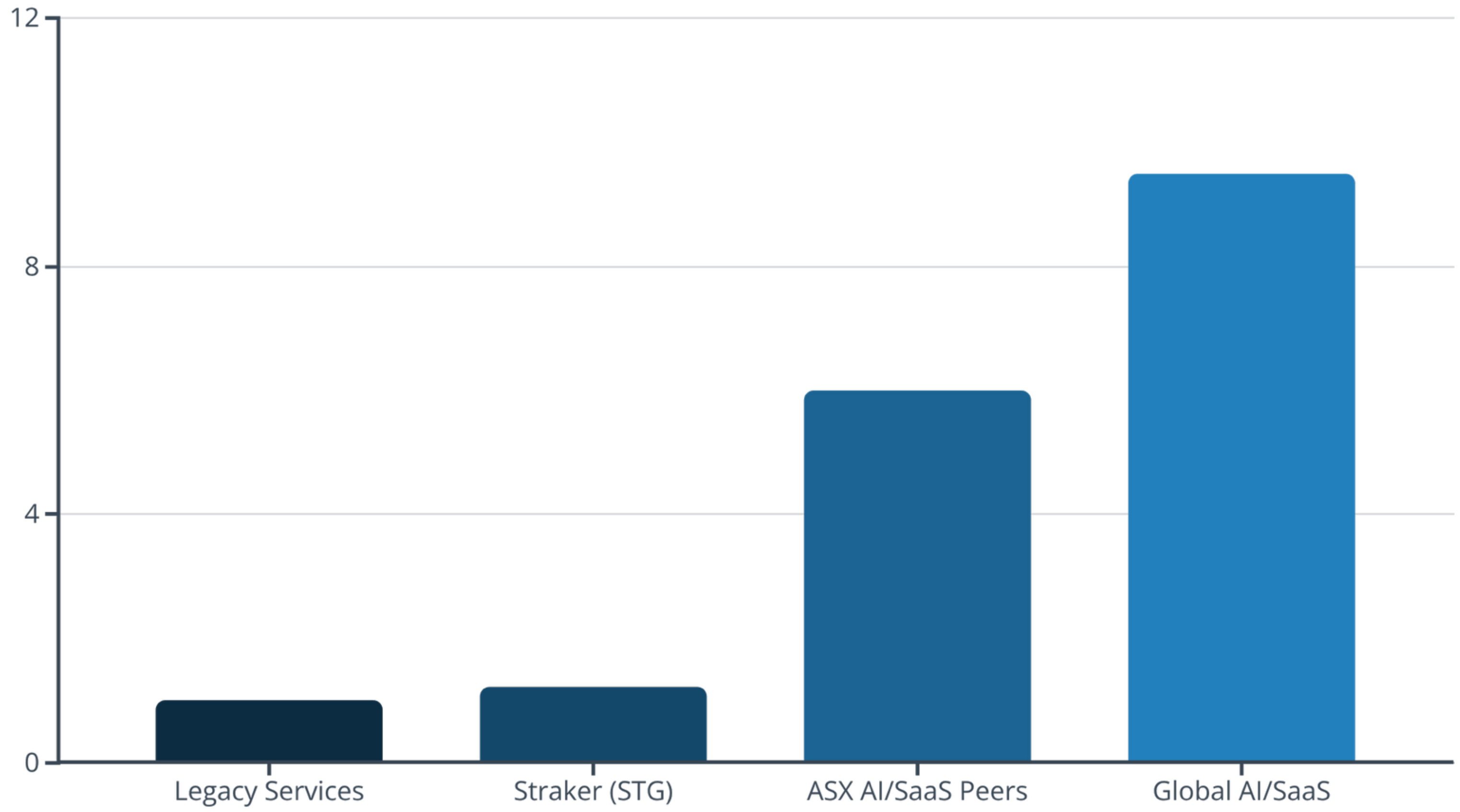
We co-build Small Language Models (SLMs) with partners like IBM—highly specialised agents for verticals like patent law and investor relations.

AI Verification

Our crucial data moat. Expert human verification creates a continuous feedback loop, guaranteeing 100% accuracy whilst constantly improving our AI models.

Is this an AI Re-Rate Opportunity?

AI-native technology companies trade at significant valuation multiples due to their scalability, high margins, and large addressable markets. Straker's fundamentals—profitability, proprietary technology, and Tier 1 partnerships—align with high-growth AI peers, not legacy service providers.



Our 2024 Vision: We Predicted the AI Shift

At the March 2024 Coffee & Micro Caps presentation, we laid out our vision for how AI would fundamentally disrupt the $60B translation industry. We didn't just observe the trends—we positioned ourselves to lead them.

01

Industry Consolidation

Traditional market reduces as AI translation becomes prevalent, including direct content creation.

02

Translation as Utility

Automation transforms translation into a commodity service layer embedded in broader workflows.

03

Margin Expansion

Technology-driven delivery models dramatically increase profitability and operating leverage.

04

Shift from Internal Teams

Companies move away from managing translation processes internally to embedded AI solutions.

05

New Pricing Models

Pricing evolves from volume and time-based to token and compute-based structures.

Our 2025 Reality: Vision to reality

straker.ai

Our FY25 results and recent wins are the direct result of executing on that vision. Every prediction has become our competitive advantage.

Predicted: Margin Increase

Reality: Record profitability in FY25 with significant operating leverage.

Predicted: Consolidation

Reality: Winning enterprise deals with global expansion opportunities

Predicted: New Pricing

Reality: $28M IBM contract is an AI-first partnership, not per-word billing but token based

Predicted: Platform Shift

Reality: IBM co-building AI models, embedding us into their core technology.

The AI Investment Tsunami

straker.ai

14%

2020 AI VC Share

Of total US VC funding—produced today's translation AI disruption

71%

2025 Q1 AI VC Share

Of total US VC funding—will drive unprecedented innovation in 1-3 years

$360B+

2025 AI Infrastructure

Invested in AI infrastructure alone, before application layer investment

Context Matters

During the SaaS revolution (2008-2015), total VC investment was approximately $225B. That capital completely rewrote 90% of the world's applications over seven years.

With $360B+ invested in AI infrastructure in 2025 alone—plus application layer funding—we're witnessing capital deployment at 3x the scale of the entire SaaS revolution, compressed into a single year.

The AI applications and platforms emerging over the next 1-3 years will fundamentally reshape enterprise technology. We're positioned at the centre of this transformation.

straker.ai

Deep Dive: The $28M IBM AI Partnership

From vendor to AI development partner

This three-year, $28M contract represents a fundamental shift. We're not providing translation services—we're co-building IBM's AI future and embedding our technology into the Watson ecosystem.

Co-building Small Language Models

Developing specialised AI agents *inside* IBM Watson for high-value verticals: investor relations and patent applications. These bespoke SLMs deliver precision that general-purpose models cannot match.

Deploying Tiri Models on Watson

Our proprietary Tiri Models power IBM's global translation needs within an AI-first framework, providing enterprise-grade accuracy and performance at scale.

Securing Compute Capacity

Model development is compute-intensive. Partnering with a global hyperscaler **locks in our access to compute infrastructure**, de-risking our AI roadmap and providing a sustainable competitive advantage.

Go-to-Market: Embedded in Enterprise Workflows

This partnership transforms our distribution model. We're moving from service provider to **embedded technology** within the IBM AI ecosystem, scaling our reach to IBM's global enterprise customer base.

AI Deployed at Workflow Level

Our AI agents are purpose-built for IBM's Watson Orchestrate—the enterprise workflow automation platform used by Fortune 500 companies globally.

Watson Agent Catalogue Distribution

Our translation and SLM agents will be available in the Watson Catalogue, enabling all IBM customers to deploy our technology with a single click.

Tiri Agents Powered by Watson

This brings our proprietary models directly into enterprise workflows, scaling our distribution globally through IBM's established sales channels and customer relationships.

IBM's enterprise customer base becomes our distribution network—without incremental sales cost.

Thank you

Grant Straker
grant@straker.ai

www.straker.ai

ASX.STG

Disclosure statement

This presentation contains general information about Straker Ltd. and its activities as of 31 October 2025. The information is provided in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account your personal circumstances or financial situation. Investors should conduct their own independent research and obtain professional advice before making any investment decisions.

This presentation may contain forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Straker Ltd. does not undertake to update or revise any forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this presentation, other than as required by applicable law and ASX Listing Rules.

While the information contained in this presentation has been prepared in good faith, neither Straker Ltd. nor its directors, officers, employees or agents give any representation or warranty, express or implied, as to the accuracy, reliability, or completeness of the information.

This presentation is not an offer or invitation for subscription or purchase of securities or other financial products. It has been prepared in compliance with the ASX Listing Rules.

All figures in NZD unless otherwise stated.

FY25 refers to the financial year April 1 2024 to March 31 2025.