



16 August 2023

## Rakon 2023 Annual Meeting Speeches and Presentation

Rakon Limited (NZX: RAK), a high technology manufacturer of frequency control and timing solutions for the telecommunications, space and defence, and positioning sectors, has provided the attached Chair's speech, Chief Executive Officer's speech and slide presentation for the 2023 Annual Shareholders' Meeting. Key highlights from the speeches include:

Rakon Chair Lorraine Witten says "In FY23 we delivered on our plan including our strategy for top line growth to be above 15% and achieved 16% revenue growth in our core business. We achieved all of our FY23 growth plan milestones and paid our first dividend of 1.5 cents per share on 8<sup>th</sup> August 2023. The Board anticipates that even in the current macro-economic environment, and during the investment and execution of our three year business plan, this level of dividend is sustainable."

"We have adjusted operations and reduced costs as we navigate short-term market uncertainty. Over the last few quarters we have been improving our global processes, reducing operating expenses and reconfiguring parts of our organisation that will result in \$6 million of cost savings with a full year impact from FY25 onwards," says Ms Witten.

Chief Executive Officer, Sinan Altug says "As announced in July, we are now anticipating slower drawdown of telecommunication customers stockpiled inventory, elongating the timeline for inventory normalisation. This represents a potential risk of up to \$10 million to FY23 guidance. We're in continuous dialogue with our customers and anticipate providing an updated EBITDA projection at the half-year results, if not sooner is confident of a return to normal customer inventory levels by the end of FY24."

"Rakon's medium to longer-term growth fundamentals and drivers are strong. We've been rigorously driving our growth roadmap that emphasises the importance of not only amplifying our core business but also further expanding our product and technology leadership, penetrating new markets, and epitomising world-class manufacturing. In FY23, we've channelled approximately \$24 million into fortifying our strategy, and we're set to invest another \$19 million in the current financial year. The capital we're deploying has an estimated Return on Investment for our four key investment areas that ranges from an impressive 100% to 175% and potentially increasing our Serviceable Addressable Market by over \$1.5 billion to almost \$5 billion once we complete the three year plan," says Mr Altug

The 2023 Annual Meeting of Shareholders of Rakon Limited will be held at 11.00am on Wednesday 16 August 2023 in the Newmarket Room, Ellerslie Event Centre, Ellerslie Racecourse, 80 Ascot Avenue, Remuera, Auckland, New Zealand and online via <https://meetnow.global/nz>



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**About Rakon**

Rakon is a global high technology company and a world leader in its field. The company designs and manufactures advanced frequency control and timing solutions. Its three core markets are Telecommunications, Positioning and Space and Defence. Rakon's products are found at the forefront of communications where speed and reliability are paramount. Its products create extremely accurate electric signals which are used to generate radio waves and synchronise time in the most demanding communication applications.

Rakon has three manufacturing plants, six research and development centres, and sixteen customer support offices worldwide. Founded in Auckland in 1967, Rakon is proud of its New Zealand heritage. It is a public company listed on the New Zealand stock exchange, NZX, ticker code RAK.