

Rakon Limited

Notice of Annual Meeting of Shareholders 2023



Notice of Annual Meeting of Shareholders

Notice is hereby given that the Annual Meeting of Shareholders of Rakon Limited (Rakon) will be held at:

**Newmarket Room, Ellerslie Event Centre,
Ellerslie Racecourse, 80 Ascot Avenue,
Remuera, Auckland, New Zealand**
and online via

<https://meetnow.global/nz>

Wednesday 16 August 2023, commencing at 11.00am NZST.

Shareholders may attend the meeting in person or online. Shareholders may hear and watch the meeting and vote and ask questions via **<https://meetnow.global/nz>**. Details of how to participate 'virtually' are provided in the accompanying Virtual Meeting Guide, including instructions for accessing the virtual meeting. If you are attending virtually you are encouraged to review the guide and access via the website address shown above.

If it is impractical or not permitted to hold a physical meeting, the meeting may need to proceed as an online-only meeting. Shareholders will be advised if there is a cancellation of the physical meeting.

If you cannot attend in person or online, please complete and lodge the Proxy/Voting Form in accordance with the instructions on the reverse of the form so that it reaches Computershare by 11.00am (NZST) on Monday 14 August 2023.

Order of Business

A. Welcome

B. Chair's Address

C. Chief Executive Officer's Address

D. Shareholders' Questions

E. Resolutions

To consider and, if thought fit, to pass the following ordinary resolutions:

1. That Lorraine Witten be re-elected as a director of Rakon.
2. That Keith Oliver be re-elected as a director of Rakon.
3. That Jung Meng Tseng be elected as a director of Rakon.
4. That the total annual remuneration pool for directors' fees be increased by \$73,500 from \$530,000 to \$603,500.
5. That the directors be authorised to fix the remuneration of Rakon's auditor, PricewaterhouseCoopers, for the following year.

Please read the Explanatory Notes in relation to each of the Resolutions and the Procedural Notes and Other Information that accompanies this Notice of Meeting.

F. General Business

To consider such other business as may be lawfully raised at the meeting.

On behalf of the Board

Maureen Shaddick
Company Secretary

19 July 2023



Explanatory Notes

Resolutions 1 and 2:

Re-election of directors Lorraine Witten and Keith Oliver

NZX Listing Rule 2.7.1 provides that a director must not hold office (without re-election) past the third annual meeting following the director's last election or three years, whichever is longer.

Lorraine and Keith were both last elected at the Annual Meeting held on 7 August 2020.

Lorraine and Keith will retire at this year's Annual Meeting and being eligible for re-election offer themselves for re-election as directors of Rakon.

The Board has determined that Lorraine Witten and Keith Oliver are independent directors for the purposes of the NZX Listing Rules.

Brief biographies of Lorraine and Keith are provided to the right.

The Board of Rakon confirms its support for the re-election of Lorraine Witten and Keith Oliver and recommends that you vote in favour of their re-election.



Lorraine Witten is a professional director with extensive experience in the telco, technology and ICT sectors, as well as strategy and entrepreneurship. She is a Chartered Fellow of the New Zealand Institute of Directors and has more than 25 years' experience in senior management and finance roles.

Lorraine is Chair of NZX listed Move Logistics Group Limited and a director of Mercury NZ Limited and private company vWork Limited.

Lorraine is a member of the Rakon Board's Audit & Risk Committee and People Committee.



Keith Oliver is a professional director and a business advisor with Alto Capital where he is also a director. Keith has a strong investment and commercial background. He is a past director of a range of New Zealand technology companies operating in international markets in Asia, Europe and the Americas.

Keith is currently Executive Chair of Blackhawk Tracking Systems Limited, and a director of vWork Limited and AoFrio Limited (previously known as Wellington Drive Technologies Limited).

Keith is a member of the Rakon Board's People Committee.



Resolution 3:

Election of director Jung Meng Tseng

NZX Listing Rule 2.7.1 provides that a director who has been appointed by the Board must not hold office (without election) past the next annual meeting following the director's appointment.

Jung Meng Tseng was appointed as a director by the Board in July 2023 to fill the casual vacancy created by the retirement in July 2023 of Yin Tang Tseng who had served as a director since March 2017.

The Board has determined that if elected, Jung Meng Tseng will not be an independent director for the purposes of the NZX Listing Rules.

The Board of Rakon confirms its support for the election of Jung Meng Tseng and recommends that you vote in favour of his election.

A brief biography of Jung Meng Tseng is provided to the right.



Jung Meng Tseng is an experienced director of businesses in the frequency control product industry. Jung Meng Tseng (JM) is the President of Siward Crystal Technology Company Limited, a company founded in 1988. Siward has grown to become one of the leaders in the industry globally. Siward is a technology partner and substantial shareholder of Rakon.

JM is based in Taiwan and actively involved in the decision-making and activities of the Board of Rakon with the support of Roger Yao as an observer and translator.

The Board believes JM has extensive technical, industry and business knowledge and experience, which is very relevant and important to the Board's role in governing and developing the strategic direction of Rakon.

Further information about each of the directors standing for election and re-election may be found on the Rakon website at **www.rakon.com/investors**. Information is also available in Rakon's 2023 Annual Report, which may be found on the company's website and is available in hardcopy by request to the company or the company's share registrar Computershare.

**Resolution 4:****Increase in total annual pool for directors' fees**

In accordance with NZX Listing Rule 2.11.1 (a) it is proposed that the total annual pool for directors' fees be increased by \$73,500 from \$530,000 to \$603,500 with effect from 1 October 2023.

The previous increase to Rakon's non-executive directors' fees was approved at the 2021 Annual Meeting.

The Board believes directors' remuneration should be reviewed on a regular basis and it should propose increases for approval by shareholders when necessary to ensure the remuneration remains appropriate and competitive for the size and complexity of the organisation.

The Board engaged with remuneration consultant Strategic Pay for independent advice on Rakon's fees. The Strategic Pay report is available at www.rakon.com/investors

The table to the right indicates how the Board intends to allocate the proposed change from the current pool. The indicated increases to director and chair fees align with the consultant's recommended ranges for directors, chair of Board and chairs of committees. The proposed increase to the provision for significant additional work and attendances reflects the level of fees that directors believe may be required to compensate directors if a significant event or transaction occurs.

The provision for additional work and attendances outlined in the table is an aggregate sum available to the Board to remunerate directors for significant extra work or attendances arising in connection with a significant event or transaction. It is not an amount payable per director. None of the existing provision for additional work and attendances has been allocated to directors in the previous two years since it was first approved. The actual allocation of directors' fees in each financial year is reported in the company's Annual Report.

ROLE	CURRENT FEES ¹	NEW FEES (from 1/10/2023)
Chair	\$140,000	\$145,000
Non-executive director (currently 5) ²	\$70,000 (x5 = \$350,000)	\$72,500 (x5 = \$362,500)
Chair of Audit & Risk Committee	\$12,000	\$12,000
Chair of People Committee	\$8,000	\$9,000
Provision reserved for significant additional work or attendances if required	\$20,000	\$75,000
TOTAL	\$530,000	\$603,500

¹To review FY2023 Directors' Board and Committee meeting attendances and fees paid refer to pages 59 and 120 of the 2023 Annual Report.

²Total amount reflects number of directors (2021; 4 non-executive directors excluding Chair of Board).

Voting restrictions apply to this resolution (See Procedural Notes for more details).



Resolution 5:

Fixing remuneration of auditor

PricewaterhouseCoopers (PwC) is reappointed auditor for Rakon automatically at the Annual Meeting pursuant to section 207T of the Companies Act 1993, unless the auditor gives notice that it does not wish to be reappointed. PwC has not given such notice.

The resolution is proposed to authorise the directors of Rakon to fix the auditor's fees and expenses for the following year pursuant to section 207S of the Companies Act 1993.

The Board recommends that you vote in favour of Resolution 5.

Procedural Notes and Other Information

Attending in person or online

This year the company is holding a hybrid Annual Meeting. Shareholders may attend the meeting either in person or online or appoint a proxy to attend on their behalf.

Shareholders can attend the meeting virtually through the Computershare meeting platform <https://meetnow.global/nz>. To access the meeting click "Go" under the Rakon meeting and then click "Join the Meeting Now". Using the Computershare meeting platform on a smartphone, tablet or desktop device, shareholders will be able to hear and watch the Annual Meeting and vote and ask written questions online. Please refer to the Virtual Meeting Guide, which is provided with this Notice and available on the Rakon website for more information. Please note you will need the latest version of Chrome, Safari or Edge browser to access the meeting. Please ensure your browser is compatible.

If you have any questions, or need assistance with the online process please call +64 9 488 8777.

Voting

- Voting on all resolutions will be by way of poll, which means that each Rakon shareholder has one vote for each ordinary share held in Rakon by that shareholder.
- Voting entitlements will be determined at **5.00pm (NZST) on Friday 11 August 2023**. Registered shareholders at that time will be the only persons entitled to vote in person or by proxy at the Annual Meeting and only the number of shares registered in those shareholders' names at that time may be voted at that meeting.
- All of the resolutions are ordinary resolutions. To pass, each resolution requires a simple majority of the votes of those shareholders who are entitled to vote and voting on the resolution in person or by proxy at the meeting.
- Directors standing for re-election and election intend to vote their own shares (if any) in favour of the resolutions, except where voting restrictions apply.

Voting Restrictions

- In accordance with the NZX Listing Rule 6.3.1 Rakon will disregard any votes cast in favour of Resolution 4 by the non-executive directors and their associated persons (as that term is defined in the NZX Listing Rules), other than where the votes are cast by the directors, or their associated persons, as proxy for shareholders who are entitled to vote and in accordance with their express directions on their Proxy/Voting Forms.

Proxies and Corporate Representatives

- A shareholder may attend the Annual Meeting and vote or may appoint a proxy (who need not be a shareholder). In the case of a corporate shareholder, an authorised officer or representative may attend the meeting and vote in place of the shareholder. A **Proxy/Voting Form** is enclosed with this Notice of Meeting.
- As indicated in the enclosed Proxy/Voting Form, the Chair of the Annual Meeting or other directors of Rakon are willing to act as a proxy for any shareholders who wish to appoint them for that purpose. The Chair and other directors intend to vote any discretionary proxies in favour of the resolutions, except where voting restrictions apply.
- If your proxy is not the Chair of the Annual Meeting or any other director of the company, you must ensure that you provide their contact details (phone and email address) on the Proxy/Voting Form.



- If you return a Proxy/Voting Form without directing the proxy how to vote on any particular matter, the proxy may vote as they think fit, or abstain from voting. The Chair and other directors intend to vote any undirected proxies in favour of the resolutions except in relation to any resolution subject to voting restrictions.
- If, in appointing a proxy, you complete the Proxy/Voting Form in full but do not name a person as your proxy, or your appointed proxy does not attend the meeting, a named person or office (e.g. Board Chair) will act as your proxy and vote in accordance with your express directions. In this situation any undirected votes will (subject to any voting restrictions) be voted in accordance with the Chair's discretion.
- In order for you or your proxy to vote online, you or your proxy will be required to enter your CSN Security Holder number and a postcode, country of residence and the secure access control number that is located on the front page of your Proxy/Voting Form, or follow the prompts you receive from the share registrar, Computershare Investor Shares Limited.
- For your proxy appointment to be effective the completed Proxy/Voting Form must be received by the share registrar, Computershare Investor Services Limited or the online appointment completed, no later than 11.00am (NZST) on Monday 14 August 2023:
 - **online** at www.investorvote.co.nz or by scanning the QR code on your Proxy/Voting Form with your smartphone,
 - **by mail** to Private Bag 92119, Auckland Mail Centre, Auckland 1142, New Zealand.

Key Dates and Times

Voting entitlement record date

5.00 pm (NZST) Friday 11 August 2023

Latest time for receipt of proxies

11.00 am (NZST) Monday 14 August 2023

Date and time of Annual Meeting

11.00 am (NZST) Wednesday 16 August 2023

Quorum

- No business may be transacted at the Annual Meeting if a quorum is not present. A quorum will be present if five shareholders in person or online, or their proxies or representatives are present.
- If you are attending the Annual Meeting in person, please bring the enclosed Proxy/Voting Form to the meeting to assist with your registration.

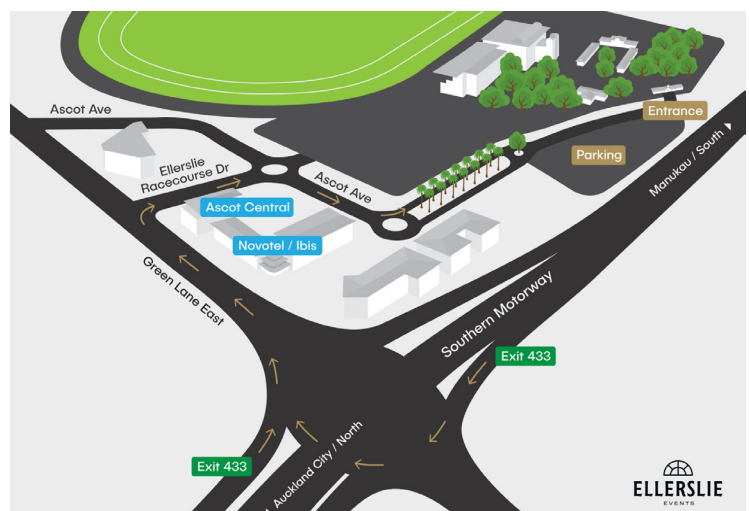
Health and Safety

- For the health and safety of everyone, we ask that if you have a cough or a temperature or other flu-like symptoms that you stay at home.

Questions

- Shareholders entitled to vote and attend the Annual Meeting may email questions before the day of the Annual Meeting to Rakon's Company Secretary, at **investors@rakon.com**. Note: Rakon may aggregate questions on a similar theme and reserves the right not to address questions that, in the opinion of the Chair of the Annual Meeting, are not reasonable in the context of an annual meeting of shareholders.

Directions for Ellerslie Event Centre



Access to Newmarket Room at Ellerslie Event Centre, Ellerslie Racecourse will be available from 10.30 am on 16 August 2023.