2023 Annual meeting of shareholders
How to Participate in Hybrid Meeting (Q&A)

Shareholder & Proxyholder Q&A Participation

Written Questions:
• Questions may be submitted ahead of the meeting.
• If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime.
• Type your question into the field and press submit. Your question will be immediately submitted.

Help:
• Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.
How to Participate in Hybrid Meetings (Voting)

Shareholder & Proxyholder Voting

• Once the voting has been opened, the resolutions and voting options will allow voting.

• To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

• Your vote has been cast when the tick appears. To change your vote, select ‘Change Your Vote’.
Chair’s address
Lorraine Witten
Our Board

A strong mix of global experience and technology expertise

LORRAINE WITTEN
Chair and Independent director

SINEAD HORGAN
Independent director

KEITH WATSON
Independent director

STEVE TUCKER
Independent director

KEITH OLIVER
Independent director

BRENT ROBINSON
Executive director

JUNG MENG (JM) TSENG
Director
Agenda

Chair’s address
Chief Executive’s review
Shareholders’ questions
Resolutions
General business
FY23 business highlights

Delivery of all milestones in 3-year growth plan and commenced dividends

- Highest ever core revenue +16% growth
- Stable margins maintained across core markets
- India manufacturing facility opened in June
- Dividend declared and Dividend Reinvestment Plan
- $10.7m borrowings repaid
- All FY23 growth milestones achieved in 3-year plan
Clear strategy to increase shareholder value
Capital management and commencing dividends

Board anticipates level of dividend sustainable through three-year growth plan

- Fully imputed Final Dividend: 1.5cps
- Borrowings repaid in FY23: $10.7m
- India facility total investment: $14-15m
- Dividend Reinvestment Plan introduced
- Net Assets: $156.9m
- Net Cash: $16.5m

2% discount to VWAP ▲ $21.7m +16%
Building a sustainable organisation

Our new research and manufacturing facility in India incorporates sustainable building practices around the use of water and energy.
Chief Executive's address

Sinan Altug
FY23 Strong core business growth offsets chip-shortage business
Continued growth over last 5 years reflects competitive advantage

Revenue

Core business CAGR 10%

- FY19: $114m
- FY20: $119m
- FY21: $128m
- FY22: $172m
- FY23: $180m

Core business
- TCXO chip shortage

Net Profit

Core business CAGR 62%

- FY19: $3m
- FY20: $4m
- FY21: $10m
- FY22: $33m
- FY23: $23m

Underlying EBITDA

Core business CAGR 36%

- FY19: $11m
- FY20: $15m
- FY21: $23m
- FY22: $37m
- FY23: $42m

1 Refer to note 4 of the FY2023 audited consolidated financial statements for an explanation of how ‘Non-GAAP Financial Information’ is used, including a definition of ‘Underlying EBITDA’ and reconciliation to net profit after tax (NPAT).
FY23 key market performance overview

Growth across all our core markets

Telecommunications
- FY23 Revenue: $101M ▲ UP 17%
- Gross margin: $43M ▲ UP 14%

Space and Defence
- FY23 Revenue: $29M ▲ UP 18%
- Gross margin: $20M ▲ UP 16%

Positioning
- FY23 Revenue: $34M ▲ UP 21%
- Gross margin: $18M ▲ UP 10%
FY24 outlook

Risk to guidance from slower drawdown of stockpiled customer inventory in Telecommunications

• Core markets performed slightly above expectations in Q1
• Space and Defence outlook is strong, with higher than expected product orders
• Slower drawdown of stockpiled customer inventory in Telecommunications represents $10m risk to FY24 Guidance of $26-34m Underlying EBITDA\(^1\)
• Industry-wide return to normal inventory levels expected by the end of FY24

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\(^1\) Refer to note 4 of the FY2023 audited consolidated financial statements for an explanation of how ‘Non-GAAP Financial Information’ is used, including a definition of ‘Underlying EBITDA’ and reconciliation to net profit after tax (NPAT)
Focus on enhancing efficiency
Taking action to navigate short-term macro-economic conditions

Efficiency initiatives

• Optimising global manufacturing processes
• Reducing global operating expenses
• Recalibrating resources and cost structures

Annualised cost savings

Initiatives to date will result in $6m annualised cost savings from FY25 (compared to operating plan)
Long-term growth trajectory to build value

<table>
<thead>
<tr>
<th>GROW OUR CORE BUSINESS</th>
<th>MAINTAIN PRODUCT AND TECHNOLOGY LEADERSHIP</th>
<th>EXPAND INTO NEW MARKETS</th>
<th>DELIVER WORLD CLASS MANUFACTURING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telco market leadership – products using proprietary technologies</td>
<td>Rakon semiconductor chips – accelerate time-to-market</td>
<td>NewSpace</td>
<td>Global Manufacturing Roadmap</td>
</tr>
<tr>
<td>Space &amp; Defence – market access in North America</td>
<td>XMEMS® – deliver next generation products and performance</td>
<td>Cloud computing</td>
<td>Manufacturing capacity and capability expansion</td>
</tr>
<tr>
<td>Precision industrial positioning applications</td>
<td>Space &amp; Defence – move upward into equipment and subsystems</td>
<td>Autonomous vehicles</td>
<td>Advanced supply chain management</td>
</tr>
<tr>
<td>New technology design-in</td>
<td></td>
<td>A.I.</td>
<td>XMEMS® nanotechnology volume manufacturing</td>
</tr>
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**STRATEGIC ACQUISITIONS SUPPORTING GROWTH STRATEGY**
3-year growth roadmap
Achieved all FY23 milestones and making good progress with FY24 milestones

<table>
<thead>
<tr>
<th>NEW MANUFACTURING FACILITY IN INDIA</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Construction completed</td>
<td></td>
<td>Select NZ products transferred</td>
<td>Select French NewSpace subsystem modules transferred</td>
</tr>
<tr>
<td>• Fitout / capacity expansion</td>
<td></td>
<td>Select NewSpace products transferred</td>
<td></td>
</tr>
<tr>
<td>• Existing manufacturing transfer</td>
<td></td>
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<thead>
<tr>
<th>RAKON DESIGNED SEMICONDUCTOR CHIPS</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
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</thead>
<tbody>
<tr>
<td>• Substantial increase in R&amp;D and chip design capability</td>
<td></td>
<td>Release of enhanced MercuryX™</td>
<td>Chip based product revenue growing</td>
</tr>
<tr>
<td>• Release of Niku™ next generation chip</td>
<td></td>
<td>Chip based product revenue growing to over 60%</td>
<td>Release of Vulcan™ next generation chip</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>XMEMS® NANOTECHNOLOGY MANUFACTURING</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Continued investment in XMEMS® capability</td>
<td></td>
<td>Volume production of XMEMS®</td>
<td>Leadership in targeted market segments</td>
</tr>
<tr>
<td>• Release of initial XMEMS® based products</td>
<td></td>
<td>XMEMS® products qualified into key next generation 5.5G and standalone 5G platforms</td>
<td>Expansion into other product categories</td>
</tr>
</tbody>
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<thead>
<tr>
<th>NEWSPACE BUSINESS</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
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</thead>
<tbody>
<tr>
<td>• R&amp;D and supply chain investment</td>
<td></td>
<td>Recognised player in the ecosystem</td>
<td>Become a top 3 player in subsystems</td>
</tr>
<tr>
<td>• Strategic relationships established</td>
<td></td>
<td>Significant orders secured</td>
<td>Delivery of orders</td>
</tr>
</tbody>
</table>
New state-of-the-art facility in Bengaluru, India
Future growth and value drivers

5G with 6G on the horizon
Aerospace and NewSpace ecosystem
Autonomous vehicles and industrial machines

Cloud and Edge computing, data centres
A.I.
Summary
 Positioned to capture the significant medium to long-term growth opportunities

• FY23 delivered strong core business growth across all core markets
• FY23 growth plan milestones delivered and progressing well on FY24 milestones
• Taking necessary steps to adjust operations to slower than expected return to normalised inventory levels
• Medium to long-term outlook remains strong and opportunities significant
Shareholder questions
Resolutions
Ordinary resolution

Resolution 1:
That Lorraine Witten be re-elected as a director of Rakon
Ordinary resolution

Resolution 2:
That Keith Oliver be re-elected as a director of Rakon
Ordinary resolution

Resolution 3:
That Jung Meng Tseng be elected as a director of Rakon
Ordinary resolution

Resolution 4:
That the total annual remuneration pool for directors' fees be increased by $73,500 from $530,000 to $603,500 pool – including an increase in amount reserved for use only in event of significant additional work and attendances
Proposed Annual Director Fee and Pool increases

- Non-executive directors' regular annual fees increase by total of $18,500 (3.62%)
  - Increase within ranges recommended by Strategic Pay
  - Fees market competitive and reflect median positioning in NZ market
- Increase to fees reserved for significant additional work and attendances (from $20,000 to $75,000)
  - Any use of reserved pool would be only for a significant event
  - Significant event can require work and attendances over a long period well in excess of directors' usual workload
  - $20,000 not adequate compensation if significant event extends over a long period
  - To date no use of current pool

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<tr>
<th></th>
<th>Current Fees (per annum)</th>
<th>New Fees (from 1 October 2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>$140,000</td>
<td>$145,000 (3.57%)</td>
</tr>
<tr>
<td>Non-executive Director (x5)</td>
<td>$70,000</td>
<td>$72,500 (3.57%)</td>
</tr>
<tr>
<td>Chair of Audit and Risk Committee</td>
<td>$12,000</td>
<td>No change</td>
</tr>
<tr>
<td>Chair of People Committee</td>
<td>$8,000</td>
<td>$9,000 (12.5%)</td>
</tr>
<tr>
<td><strong>Total (for regular fees)</strong></td>
<td><strong>$510,000</strong></td>
<td><strong>$528,500 (3.62%)</strong></td>
</tr>
<tr>
<td>Reserved for significant events only)</td>
<td>$20,000</td>
<td>$75,000</td>
</tr>
<tr>
<td><strong>Total (including reserve for significant events only)</strong></td>
<td><strong>$530,000</strong></td>
<td><strong>$603,500</strong></td>
</tr>
</tbody>
</table>
Ordinary resolution

Resolution 5:
That the directors be authorised to fix the remuneration of Rakon’s auditor PricewaterhouseCoopers (PwC) for the following year
General business & shareholder questions
Cloud computing: Allows users to have on-demand availability of a remote computer system’s resources for improved computing power or data storage (usually located quite far from the user, such as in another country)

Datacentres: Usually a building that is used to hold a computer system and other components to backup data

Design-in: An opportunity that allows Rakon’s product to be used as the reference component for certain customer reference designs (a technical blueprint of a system intended to be used by customers)

Edge computing: Allows users to have on-demand availability of a remote computer system’s resources for improved computing power or data storage (usually located close to the user, such as within the same city)

5G: 5th generation of the telecommunications standard, providing 10 to 1000 times better performance in many different applications

5G millimetre wave technology: The equipment that enables higher frequency data transmission in 5G

NewSpace/ NewSpace LEOs: Refers to space sector commercialisation, that are mainly low earth orbit (LEO) satellites

Mercury™ / Mercury+™: Rakon’s proprietary integrated circuit used in OCXOs to achieve clock variations to less than 1 billionth of a second, these enable precision timing in 5G applications

OCXO: Oven Controlled Crystal Oscillator. A crystal oscillator that uses a miniaturised oven to keep its internal temperature constant

O-RAN: Mobile networks that are more intelligent, open, virtualised and fully interoperable

Pluto®: Rakon’s proprietary integrated circuit used in TCXOs to achieve clock variations to less than 100 millionth of a second; these enable higher data rates in 5G applications

System solutions: Refers to Rakon’s solutions that include high performance products, equipment and consulting services for Space & Defence

TCXO: Temperature Compensated Crystal Oscillator. A crystal oscillator with additional circuitry to remove frequency variations due to temperature change

Tier 1 customers: recognised key players within their respective industries, that make up a significant market share

VCXO: Voltage Controlled Crystal Oscillator (VCXO). A crystal oscillator that allows the user to manually adjust a control voltage; it helps to compensate for instabilities in the output frequency

XMEMS®: Crystal Micro-Electro-Mechanical System. Rakon’s advanced quartz-based resonator technology. It is made with Rakon’s nanotechnology microfabrication process, delivering unprecedented resonator and oscillator performances
Disclaimer

This presentation contains not only a review of operations, but also some forward-looking statements about Rakon Limited and the environment in which the company operates. Because these statements are forward looking, Rakon Limited's actual results could differ materially.

Although management and directors may indicate and believe that the assumptions underlying the forward looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward looking statements will be realised.

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