

Rakon Limited

2017 Annual Shareholders' Meeting



Enabling Connectivity

- ◀ Welcome & Introduction
- ◀ Meeting Order & Process
- ◀ Chairperson's Address
- ◀ Chief Executive's Review
- ◀ Shareholder Questions
 - ▣ 2017 Annual Report
- ◀ Ordinary Business and Resolutions
 - ▣ Resolutions
 - Election of Directors
 - Auditor's Remuneration
- ◀ General Business
- ◀ Meeting Close



Bryan Mogridge
Chairperson



Brent Robinson
Chief Executive

A. Chairperson's Address

Bryan Mogridge

B. Chief Executive's Review

Brent Robinson

2017: A Significant Year

- ◀ Rakon 50 years in Business
- ◀ Structural Changes to Ownership and Operations
- ◀ Siward: Fresh Capital, Increased Scale and Scope
- ◀ Thinxtra: Early Success, Strong Prospects
- ◀ Restructures and Write-downs



FY2017, Financial Snapshot

- ◀ Net Loss: NZ\$13.6 million
 - ▣ One off costs majority of Net Loss
- ◀ Positive Operating Cash Flow; Reduced Debt
- ◀ Underlying EBITDA NZ\$4 million (In Line with Forecast)
 - ▣ Deferral in Telecom spend
 - ▣ PND market decline
- ◀ Improved Fourth Quarter
 - ▣ Higher productivity

NZ\$(13.6m)
▼ >100%

Net Loss

NZ\$4.5m
▼ 64%

Net Debt

NZ\$4.0m
▼ 55%

Underlying
EBITDA



Q4

FY2018, The Year to Date

- Revenue and Underlying EBITDA Improved
- Good Uptake of New Products
 - Higher margins from NZ
 - Our challenge remains capturing opportunities out of Centum Rakon India
- Strong Operating Cash Flow; Further Debt Reduction
- Space & Defence: Continued Growth
- Telecommunications: Stabilised
- Global Positioning: New Opportunities

▲ Revenue

▲ Underlying EBITDA

▲ Operating Cash Flow

▼ Debt



Images: Adobe Stock

Our winning
aspiration

Rakon Corporate Strategy

▶ Enabling the connected future through synchronisation and speed



Leveraging Opportunities

- ◀ Siward Partnership
 - ❑ Broader product offering, complementary products
 - ❑ Greater scale gives scope to increase business
- ◀ Time Synchronisation
 - ❑ Ability to meet growing demand for greater accuracy
- ◀ Space & Defence
 - ❑ Improved technology generating new demand
- ◀ Focus on Core Markets



Looking Ahead

- ◀ Changes Have Reduced Risk, Increased Opportunity
- ◀ Much Has Been Done; More To Do Yet
- ◀ Need to Do Better, Can Do Better, Will Do Better



C. Shareholder Questions and 2017 Annual Report

D. Ordinary Business and Resolutions

◀ D.1. – Resolution on Election of Director

- In accordance with Listing Rule 3.3.6, **Keith William Oliver** retires from office and being eligible, offers himself for election



◀ D.2. – Resolution on Election of Director

- In accordance with Listing Rule 3.3.6, **Yin Tang Tseng** retires from office and being eligible, offers himself for election



◀ D.3. – Resolution on Election of Director

- In accordance with Listing Rule 3.3.6, **Lorraine Mary Witten** retires from office and being eligible, offers herself for election



◀ D.4. – Resolution on Auditor’s Remuneration

- ❑ To record the reappointment of PricewaterhouseCoopers as the Company’s Auditor and to authorise the Directors to fix the Auditor’s remuneration



Business of the Annual Shareholders' Meeting

General Business

Meeting Closed

rakon



www.rakon.com