



18 December 2023

Update re non-binding indicative proposal

On 11 December 2023, Rakon Limited (NZX:RAK) informed the market that its board had received an unsolicited, non-binding, indicative proposal with a view to entering discussions about a potential acquisition of all of Rakon's shares at a proposed price of NZ\$1.70 per share in cash via a scheme of arrangement or takeover offer (the Proposal). The Proposal was received from a party in the same industry as Rakon but who is not a competitor to the business.

The Rakon board is promptly progressing a proper process to consider whether advancing the Proposal is in the best interests of shareholders as a whole. The board has formed an independent committee to consider, along with its external advisers, the Proposal (including the party's request for exclusivity) and to consider any alternative proposals which may emerge. Rakon independent director, Sinead Horgan, is chairing the committee, which is also comprised of the board chair, Lorraine Witten, and independent directors, Keith Watson and Keith Oliver. The board has also received communications from significant shareholders indicating their support for the board to progress the Proposal.

The Proposal, received on 7 December 2023, is incomplete and highly conditional. There is no certainty that any transaction will eventuate from the Proposal, including as to the terms or timing of any transaction. As such, no action is required from shareholders at this time.

The company will continue to keep shareholders informed in accordance with its continuous disclosure obligations.

-ENDS-

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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.