



15 February 2017

Allotment of securities as Siward investment completes

Further to the announcement by Rakon Limited ("Rakon") on 19 December 2016, Taiwanese company Siward Crystal Technology Co. Limited ("Siward") has today paid Rakon USD 10 million. In turn, Rakon has allotted to Siward 38,016,681 new ordinary shares and will now move to meet the requirements of a technology license signed by the parties. The allotment gives Siward an after placement stake of 16.6% in the Auckland-headquartered global technology company.

The explicit split of the consideration between shares issued and the technology license is to be finalised within the FY2017 audited financial statements.

Rakon managing director Brent Robinson says the money will be used to pay down debt, but noted Siward's contribution to the business would go beyond strengthening the balance sheet.

"The newly established partnership with Siward opens a number of new opportunities for both companies which they intend to accelerate", Mr Robinson said.

-Ends-

Brent Robinson

Chief Executive Officer / Managing Director

+64 21 2060985



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 for telecommunications, global positioning and space and defence applications. Rakon products are found at the forefront of communications where speed and/or reliability are paramount. The company's products provide extremely accurate clocking signals, which are then used to generate precise electrical, radio or optical signals in networks and systems around the globe. Rakon has four manufacturing plants including two joint venture plants and has five research and development centres. Customer support centres are located in ten offices worldwide.

Rakon is proud of its New Zealand heritage; it was founded in Auckland in 1967. It is a public company listed on the New Zealand stock exchange, NZSX, ticker code RAK.

Rakon Contact:

Louise Howe (Media Liaison)

Email: louise.howe@rakon.com

+64 21 2060985

www.rakon.com

About Siward

Siward was formed in 1988 and is one of the world leading manufacturers of crystals and oscillators for mass production requirements. The company has a diverse range from synthetic quartz through to crystals, Voltage Controlled Crystal Oscillators (VCXOs), Temperature Compensated Crystal Oscillators (TCXOs), Voltage-Controlled TCXOs and modules.

Applications include mobile communications, tablet pcs, GPS, computer clocks, DSC and AV machinery.

Siward satisfies customers' needs globally with operations across Taiwan, China, Japan, Singapore, the United States and Europe.

Siward is a publicly listed company on the Taiwan Stock Exchange (TWSE).