



Half year results presentation FY2026

For the six months to 30 September 2025

Important Notice

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.

Media releases, management commentary and investor presentations are available on the company's website and contain additional information about matters which could cause Rakon Limited's performance to differ from any forward looking statements in this presentation. Please read this presentation in the wider context of material previously published by Rakon Limited.

All figures are presented in New Zealand dollars unless otherwise indicated. All comparisons are to the prior corresponding period (six months to 30 September 2024) unless otherwise noted.

Non-GAAP measures

Refer to note 4 of the FY2025 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).

Agenda

Key takeaways

Results at a glance

Financial performance

Market performance

Outlook and guidance

Q&A



Sinan Altug

Chief Executive Officer



Mark Dunwoodie

Chief Financial Officer

Key takeaways

Double digit topline growth and improved operating leverage

- » Revenue \$54.2m, +30% YoY
- » Gross margin 48.8%, +11ppt YoY
- » Underlying EBITDA \$3.6m, +149% YoY

Aerospace & Defence delivers; Telco rebounds; AI & Data Centre building momentum

- » Aerospace & Defence +20% YoY; fifth consecutive growth period; \$75m+ global backlog — largest in Rakon's history
- » Telco revenue rebound +49% YoY; run-rate strengthened
- » AI & Data Centre +50% YoY; meaningful FY26 contribution expected
- » Positioning +14% YoY ; steady demand, new applications

Controlled investment for focused growth

- » Opex \$29.6m (-1% YoY); reflecting disciplined cost control
- » Opex 54.6% of revenue (-17.6ppt YoY), as revenue growth outpaced costs
- » Focused on topline growth while controlling Opex, maintaining investments to scale and preserve technology leadership

Positive momentum continues; FY26 guidance unchanged

- » 1H26 profitability was in line with expectations; strong run rate continues into 2H
- » FY26 Underlying EBITDA¹ guidance unchanged at \$15-24m; significant 2H uplift expected from seasonality and programme timing

¹ Non-GAAP disclosures: Refer to note 4 of the FY2025 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)

Growth track continues through 1H26

Revenue \$54.2m ↑ 30% YoY +\$12.5m	Underlying EBITDA¹ \$3.6m ↑ 149% YoY +\$10.9m
Net profit after tax (NPAT) (\$3.0m) ↑ 71% YoY +\$7.4m	Opex \$29.6m FLAT YoY -\$0.4m

- » Strong top-line growth: revenue and GM% up by double-digits YoY
- » Key revenue drivers: strong performance in Aerospace and Defence; Telco segment rebound; AI & Data Centre sub-segment grew by 50% YoY; and moderate growth in Positioning
- » Underlying EBITDA¹ up 149% YoY; NPAT up 71% YoY
- » Opex steady as costs controlled; inventory up as the business scales production and increases manufacturing capacity for high-demand Aerospace and Defence and AI & Data Centre products

¹Non-GAAP disclosures: Refer to note 4 of the FY2025 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)

FY26-FY28 Growth Roadmap

	FY 2026	FY 2027	FY 2028
AEROSPACE & DEFENCE	» Delivery of current subsystem contracts » Ramp up space product manufacturing capacity	» Release next-gen semiconductor and products for space applications	» Scale production of latest subsystem products » Grow share of global space market
AI & DATA CENTRE	» Convert initial orders from Tier-1 players » Delivery of significant revenue	» Continue design wins for next-gen architecture » Grow AI hardware revenue	» Achieve 'default' supplier status in targeted classes » Drive production efficiency
TELECOMMUNICATIONS AND POSITIONING	» Increased orders and improved margins as demand returns	» Move to higher value product mix, leveraging proprietary XMEMS and chip technology	» Increase volumes in targeted segments through higher-value product mix
OPERATIONS AND SYSTEMS	» Continue selected product transfers to India facility » Volume production of products transferred in FY25	» Complete next phase of key product transfers into India	» Leverage global manufacturing to maximise competitive advantage and production efficiency

FY26 milestones on track

Aerospace & Defence

Leading supplier of subsystems and components for precision timing and synchronisation

- » France cleanroom expansion completed
- » \$75m+ global backlog – largest in Rakon's history
- » New wins in LEO subsystem programmes including direct-to-device space-based cellular broadband

FY26 Growth
Milestones
ACHIEVED

AI & Data Centre

Enabling performance demands of AI infrastructure and data centres

- » Tier-1 design wins and order conversions on track
- » +50% YoY growth in 1H26
- » Significant FY26 revenue expected in 2H

FY26 Growth
Milestones
ON TRACK

Telecommunications and Positioning

Retaining and growing market share through tech leadership and next-generation products

- » Telecom rebound +49% YoY; order normalisation achieved
- » Maintaining high design-win rates
- » YoY growth outlook supported by 5G densification and Fixed Wireless Access¹

FY26 Growth
Milestones
ON TRACK

Operations and Systems

Driving customer focus and efficiency, and leverage global manufacturing

- » Mercury+™ product transfer and volume production achieved (NZ → India)
- » Margin uplift already in play (~\$2m from first 25% of transfers)
- » Indian Government's Electronics Component Manufacturing Scheme (ECMS) approval secured and allocated minimum grant of \$3.5m

FY26 Growth
Milestones
ACHIEVED

¹Fixed Wireless Access: broadband internet access via wireless 5G networks

India transfers unlock margin benefits

Key progress in 1H26

- » Mercury+™ product line transfer completed (NZ → India)
- » Full-volume production achieved October 2025
- » ~25% of NZ-based Commercial BU volume transferred

Margin and efficiency gains

- » ~\$2m margin uplift already realised from first 25% of transfers
- » Lower overhead base driving sustained reduction in unit cost
- » Improved production efficiency, extended product lifecycles and higher ROI

Capacity and strategic advantages

- » India centre fully operational and scaling rapidly
- » Transfer frees NZ capacity for AI & Data Centre product launches and production
- » India positioned as primary high-volume hub; NZ/France focus on innovation and complex builds

Next steps (FY26–FY27)

- » Progress transfer to ~80% of targeted production within next 3 quarters
- » Continue ICC strategy: transfer products once they reach critical scale in NZ/France
- » Additional margin uplift expected as volumes increase and sites are right-sized globally

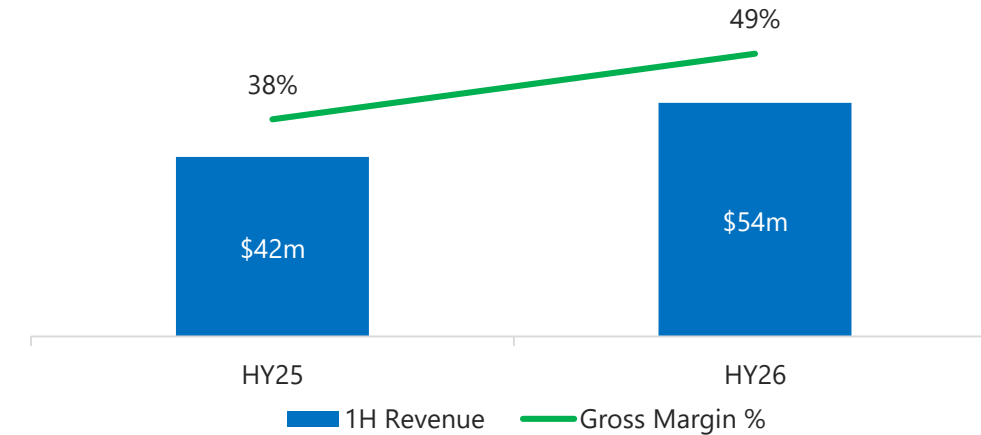
1H26 key financial results

Performance for six months to 30 September 2025 NZ\$m	1H26	1H25	YoY change	% change
Revenue	54.2	41.7	+12.5	+30%
Gross profit	26.5	15.7	+10.8	+69%
Gross margin %	48.8%	37.8%	+11%	
Operating expenses	29.6	30.0	-0.4	-1%
Net profit after tax	(3.0)	(10.4)	+7.4	+71%
Underlying EBITDA ¹	3.6	(7.3)	+10.9	+149%
Capital expenditure	7.9	6.9	+1.0	+14%
Operating cash flow	6.4	8.3	-1.9	-23%

Financial Position	Sep-25	Mar-25	Variance	% change
Cash and cash equivalents	12.4	15.8	-3.4	-22%
Debt	-12.4	-5.6	-6.8	-121%
Inventory	56.6	51.5	+5.1	+10%

¹ Non-GAAP disclosures: Refer to note 4 of the FY2025 consolidated financial statements for an explanation of how 'Non-GAAP Financial Information' is used, including a definition of Underlying EBITDA¹ and reconciliation to net profit after tax (NPAT)

1H Revenue and Gross Margin %



1H Underlying EBITDA¹



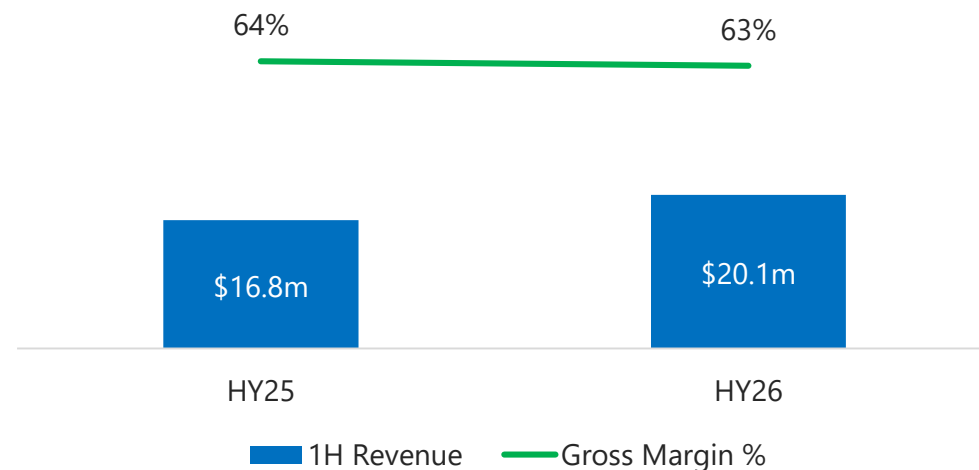
Aerospace & Defence

1H26 revenue: \$20.1m; +20% YoY (1H25: \$16.8m)

37% of 1H26 group revenue

- » Revenue up +20%, delivering year-on-year growth for 5th consecutive financial year
- » Strong momentum driven by high product demand across Aerospace & Defence (A&D)
- » A&D backlog (contracted orders received but not yet delivered) currently valued at over \$75m
- » Fast-growing, multi-year pipeline (forecast orders for FY27 and beyond), currently limited only by our rate of capacity expansion
- » High customer order growth in key product categories including subsystems and components for Low-Earth Orbit (LEO) satellites and constellations, and components for short to medium range ground-based air defence radar applications

A&D Revenue and Gross Margin %



Telecommunications

1H26 revenue: \$25.0m; +49% YoY (1H25: \$16.8m)

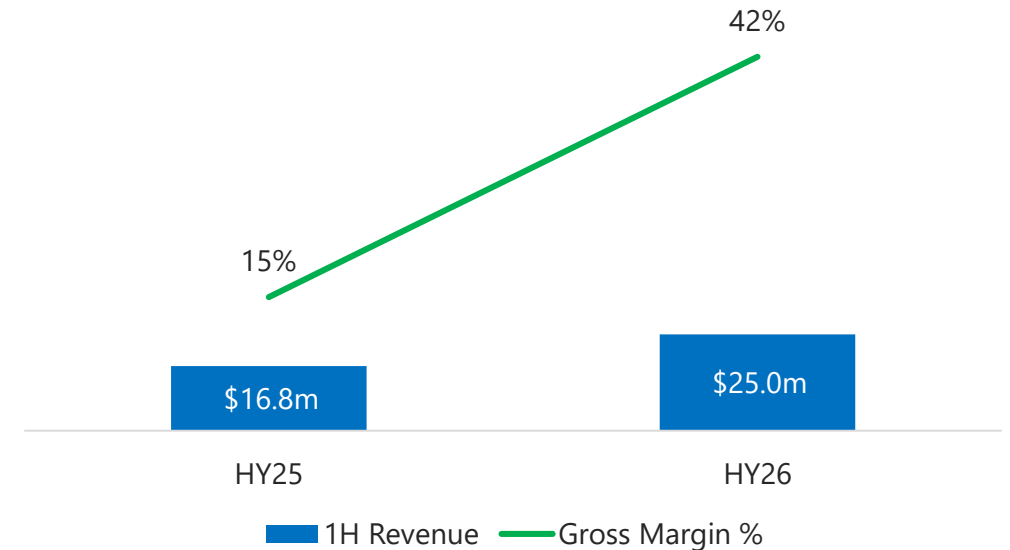
46% of 1H26 group revenue

- » Telecom revenue up +49% year-on-year. GM% is 42%, up +27% YoY; operating leverage has improved with orders returning
- » Maintaining market share and a high design win rate (6G ready radio platforms from Tier-1s)
- » Anticipate a return to moderate YoY growth, driven by continued network densification activity globally, the ongoing rollout of 5G Fixed Wireless Access (FWA)¹, and the additional services enabled by 5G Standalone/Advanced infrastructure – including private networks and network slicing

AI & Data Centre sub-segment

- » Revenue up +50% YoY, driven by demand from Tier-1 AI & Data Centre Infrastructure players
- » Focused on YoY growth and expect to report significant AI & Data Centre revenue as a separate market segment in FY26 results

Telco Revenue and Gross Margin %



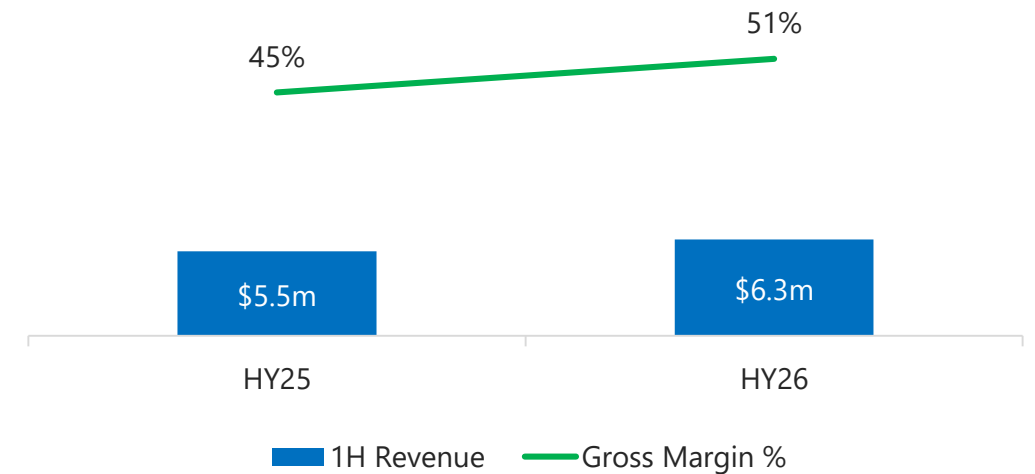
Positioning

1H26 revenue: \$6.3m; +14% YoY (1H25: \$5.5m)

12% of 1H26 group revenue

- » Revenue up 14% year-on-year; GM % up 6% year-on year due to product mix
- » Successfully maintaining market share and high design win rate in the higher margin Precise Positioning sub-segment (eg beacons)
- » New opportunities are emerging in Precise Positioning products for autonomous and uncrewed vehicles – including new product orders for undersea vehicle applications requiring tight specifications (similar to Aerospace requirements)

Positioning Revenue and Gross Margin %



Market outlook and guidance

FY26 Underlying EBITDA¹ guidance:

\$15-24m (unchanged)

Market outlook

Aerospace & Defence

- » Continued YoY growth driven by strong global demand for subsystems and components
- » Delivering against record backlog while expanding capacity to meet existing orders and support multi-year pipeline

Telecommunications

- » On track for YoY growth; recovery driven by global 5G network densification and FWA uptake
- » AI ecosystem driving higher-specification timing requirements, playing directly to Rakon's strengths

AI & Data Centre

- » Significant FY26 revenue as orders from tier-1 players converted
- » Design-win pipeline expanding across targeted categories

Positioning

- » Stable performance with selective growth opportunities in autonomous and uncrewed systems

¹Non-GAAP disclosures: Refer to note 4 of the FY2025 consolidated financial statements for an explanation of how 'Non-GAAP Financial Information' is used, including a definition of Underlying EBITDA¹ and reconciliation to net profit after tax (NPAT)

On track for strong full year growth

Strong 1H top line growth; double digit increase in 1H26 revenue and GM%

» Momentum continued from 2H25; expect a stronger performance in 2H26 driven by seasonality

Aerospace & Defence continues strong YoY growth

» Growth trend continues, driven by customer demand and validated by backlog and multi-year pipeline

Telco market rebound; Significant AI & Data Centre revenue expected for FY26

» Expect to report significant AI & Data Centre revenue as a separate market segment in FY26 results

Continued controlled investment for focused growth

» Realising benefits of market segment aligned re-organisation and product transfers; investing to scale production and capacity for A&D and AI & Data Centre products

» Accelerating the next product transfers, supported by Indian Government grant

Positive momentum continuing; on track to deliver FY26 guidance

» October revenue continues the positive 1H trend; entering 2H with momentum, expecting further lift from seasonality



Shareholder questions

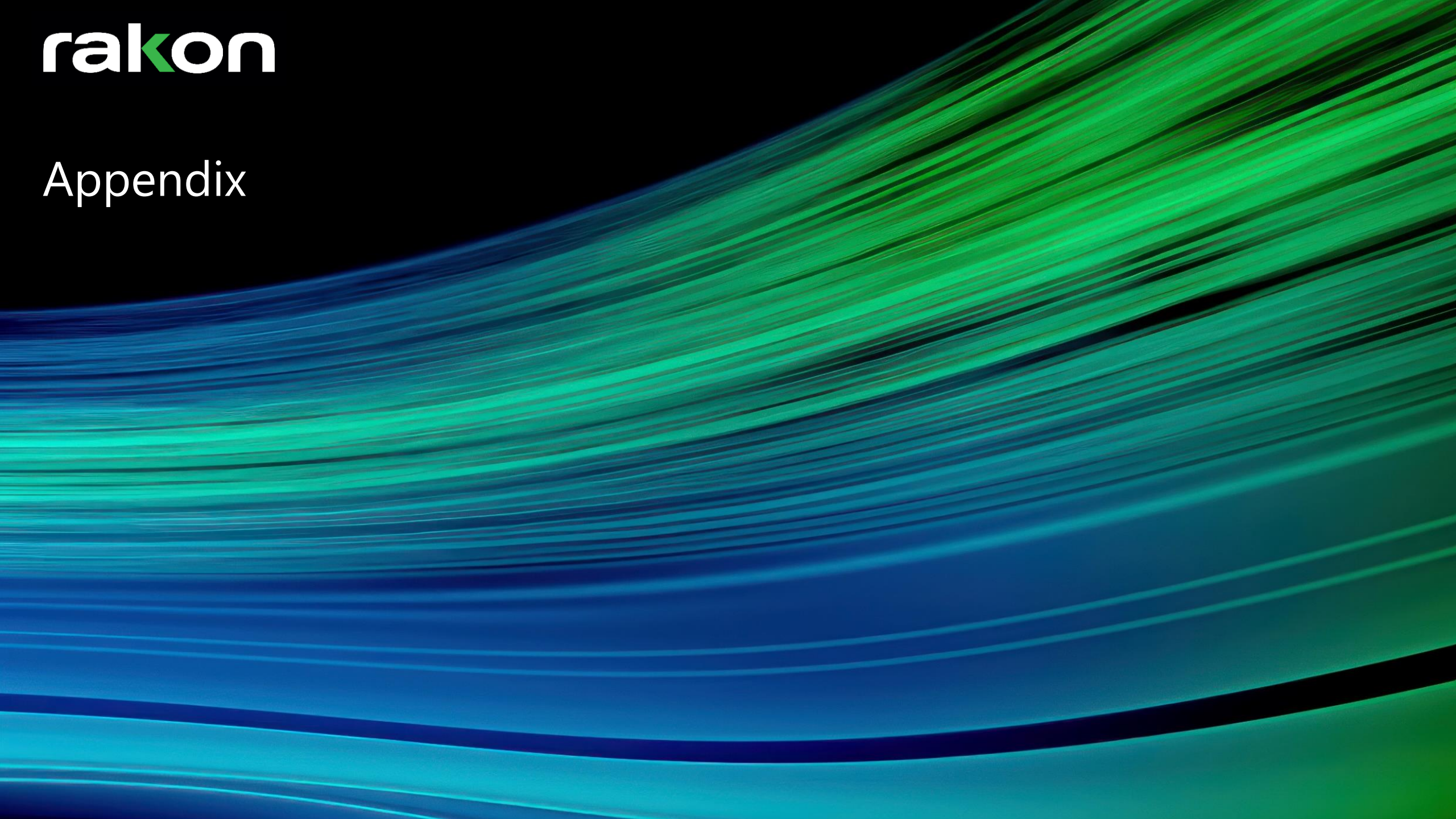
End of presentation. Thank you for attending.



www.rakon.com



Appendix



Appendix: Core financials (5-year view)

Performance for the year to 30 September NZ\$m	HY26	HY25	HY24	HY23	HY22
Revenue	54.2	41.7	61.3	87.2	85.4
Gross profit	26.5	15.7	26.1	43.5	43.5
Gross margin %	48.8%	37.8%	42.6%	49.9%	50.9%
Operating expenses	29.6	30.0	28.8	28.4	24.6
Net profit after tax	(3.0)	(10.4)	0.5	16.0	18.9
Underlying EBITDA ¹	3.6	(7.3)	5.3	28.1	26.4
Capital expenditure	7.9	6.9	7.3	9.7	4.4
Operating cash flow	6.4	8.3	7.3	0.0	4.5

» Note: HY22 and HY23 revenue and gross margins benefited significantly from a short-term opportunity to capture one-off orders due to a temporary global shortage in TCXO chips; orders completed in FY23

¹ Non-GAAP disclosures: Refer to note 4 of the FY2025 consolidated financial statements for an explanation of how 'Non-GAAP Financial Information' is used, including a definition of Underlying EBITDA¹ and reconciliation to net profit after tax (NPAT)