

16 December 2020

COMPANY ANNOUNCEMENTS PLATFORM**AUSTRALIAN SECURITIES EXCHANGE****CODAN LIMITED PROFIT GUIDANCE: RECORD FIRST HALF**

At the Annual General Meeting held in October 2020, we stated that the company had made an excellent start to the first four months of the year and we expected that last year's record first-half result of \$30 million would be exceeded in FY21.

The demand for our metal detectors across both recreational and artisanal mining markets has been exceptional. During the first half, we continued to realise the benefits from an expanding geographic spread, increased distribution into mass market retail channels and an investment to increase manufacturing capacity. Despite our Tactical Communications business being significantly down on the record first half FY20, the Board expects the net profit after tax for the six months to 31 December 2020 to be in the order of \$40 million.

Given the strength of our metal detector sales in the first half, it is too early to determine if our traditional second-half weighting of sales (where the second half is typically stronger than the first) will occur this year. However, there is strong market anticipation about the launch of our new feature packed detector in Q3 of FY21 and the Communications business will enter the second half with an order book in excess of \$30 million. Both will contribute to an expected strong full year result.

We will continue to keep shareholders updated as the year progresses.

On behalf of the Board



Michael Barton

Company Secretary

This announcement was authorised by the Board of Directors.

Codan is a technology company that develops robust technology solutions to solve customers' communications, safety, security and productivity problems in some of the harshest environments around the world.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:-

Michael Barton

Company Secretary & CFO

Codan Limited

(08) 8305 0392

Kayi Li

Manager, Investor Relations

Codan Limited

(08) 8305 0392