



17 June 2020

Codan Limited
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COMPANY ANNOUNCEMENTS PLATFORM
AUSTRALIAN SECURITIES EXCHANGE

Trading Update and Cash Position

In our last trading update, we disclosed that our sales were down 20% in April against our record first-half run rates. At the time, our Malaysian-based contract manufacturers were operating at lower capacities due to COVID-19 restrictions.

In early May, the Malaysian Government removed restrictions on their manufacturing sector. Since then our supply partners have increased their production capacity and are now supplying product at pre-pandemic levels.

Demand has remained strong for our metal detectors across both our recreational and gold mining markets, and May was a particularly strong month for our Communications business, with a \$7 million project delivered by our Tactical Communications division. As a result, the group had a record sales month in May and has returned to operating at similar levels to the record first-half run rate.

Cash generation has been excellent, and the balance sheet has further strengthened to circa \$85 million net cash.

Although we continue to operate in very uncertain times, Codan will deliver a record profit this year in the order of \$63 million net profit after tax.

On behalf of the Board

A handwritten signature in blue ink, appearing to read 'M Barton'.

Michael Barton
Company Secretary

This announcement was authorised by the Board of Directors.

Codan is a technology company that provides robust technology solutions that solve customers' communications, safety, security and productivity problems in some of the harshest environments around the world. Our customers include United Nations organisations, mining companies, security and military groups, government departments, major corporates as well as individual consumers and small-scale miners.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:-

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