

ASX RELEASE

24 January 2023

Trading Update

Codan Limited (ASX:CDA) (**Codan**) is pleased to provide the market with a trading update for the half year ended 31 December 2022 (**H1 FY23**).

At the AGM in October 2022, the Codan Board expected that revenue for H1 FY23 would be in the range of \$198 million to \$215 million and this would generate a net profit after tax between \$25 million and \$30 million. The unaudited revenue achieved in H1 FY23 was \$212 million and the net profit after tax may now approach \$31 million.

Highlights:

- Minelab unaudited revenue was slightly below the guided range at \$74 million, however the business is still expected to deliver a segment profit margin of 30%, in line with guidance.
- Communications unaudited revenue was \$137 million, slightly exceeding expectations and the segment profit margin will improve to 25%.
- Communications orderbook as of December 2022 has increased 16% from 30 June 2022 to \$173 million.
- Half year effective tax rate of 22%, with a higher proportion of profits coming from our UK operations.
- Net debt of \$61 million is lower than the expected \$70 million.

Further detailed commentary regarding the H1 FY23 performance of the business and the outlook for the second half of FY23 will be provided on 16 February 2023.

On behalf of the Board



Michael Barton

Company Secretary

This announcement was authorised for release to the market by the Board of Directors.

- ENDS -

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:-

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