

ASX RELEASE

22 May 2026

Codan Acquires Adaptive Dynamics to Enhance Mission-Critical Communications Solutions

Codan Limited (**Codan**) (ASX:CDA) is pleased to announce that, through its wholly owned subsidiary, DTC Communications, Inc (**DTC**), it has entered into a binding agreement to acquire the intellectual property of Adaptive Dynamics¹.

STRATEGIC RATIONALE FOR ACQUISITION

Adaptive Dynamics is a US-based engineering company specialising in the development of anti-jamming and interference mitigation technologies for mission-critical communications and Assured Positioning Navigation and Timing (APNT).

Adaptive Dynamics brings over two decades of experience in the development of advanced algorithms and Radio Frequency (RF) technologies designed to maintain communications performance in congested and contested electromagnetic environments. Its capabilities include intentional and unintentional interference cancellation, signal enhancement, and adaptive filtering techniques applicable to defence and national security systems across land, maritime, and airborne domains.

The acquisition is expected to meaningfully enhance DTC's US-based technical capabilities in unmanned systems. It will also strengthen DTC's positioning for next-generation US and allied defence programs requiring resilient and secure communications, electronic warfare resilience and AI-enabled integration in contested electromagnetic environments.

ACQUISITION CONSIDERATION

The acquisition consideration comprises upfront and contingent consideration payments totalling approximately \$21 million, subject to agreed technology development and integration milestones over the next two years.

A tiered royalty payment funded out of operating cashflow will also be payable on the sale of Adaptive Dynamics' technology licenses sold over the five-year period following completion.

The transaction is expected to be earnings neutral in the first year of ownership with the primary focus being the integration of the Adaptive Dynamics technology into DTC's existing product

¹The acquisition of 100% of US-based organisation Adaptive Dynamics Inc., completion is expected to occur in early H1 FY27, subject to regulatory conditions typical for transaction of this nature.

portfolio to accelerate DTC's electronic warfare capability, expand addressable market opportunities and support future growth beyond FY27.

LEADERSHIP STATEMENTS

Paul Sangster, DTC President and Executive General Manager, said:

"Adaptive Dynamics' technical expertise in interference mitigation and signal processing strengthens our ability to deliver communications systems that perform under the most challenging operational conditions.

This acquisition further strengthens DTC's positioning in next-generation defence opportunities requiring resilient communications, electronic warfare resilience, AI-based integration and mission assurance across increasingly contested spectrum environments.

This capability is increasingly critical for DTC's customers reflecting real-world operational demands and evolving battlefield requirements."

Codan welcomes and looks forward to working with all Adaptive Dynamics staff and customers to achieve a seamless integration into DTC.

On behalf of the Board



Daniel Widera
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.

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