Datalex

Transforming Airline Retail

Datalex
H1 2023 Results

22 September 2023

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Growth Returns

Sustainable revenue growth in line with increase in global airline passenger numbers across all markets

- Revenue increased 24% in H1 2023 vs H1 2022
- Signed Latin America's largest airline, LATAM, as a new customer
- Successfully renewed four key airline customers, Air China, Air Transat, Edelweiss and JetBlue
- Positive progress on customer activations
- 2023 Revenue growth target of 15% year on year

H1 2023 Financial Highlights

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Revenue
$12.9m
↑ 24% vs H1 2022

Gross Margin %
23%
↓ 7% vs H1 2021

Total Operating Costs[2]
$18.0m
↑ 30% vs H1 2022

Adjusted EBITDA[1]
-$3.1m
↓ $1.0m vs H1 2022

Outstanding Debt
$12.8m
↑ H1 2022 $1.3m

Cash & Cash Equivalents
$2.9m
↑ $2.7m vs H1 2022

1. Earnings before interest, tax, depreciation, amortisation, share-based payments costs and exceptional items. It excludes FX gains / (losses).

1. Significant revenue increases largely attributable to activation of new customers

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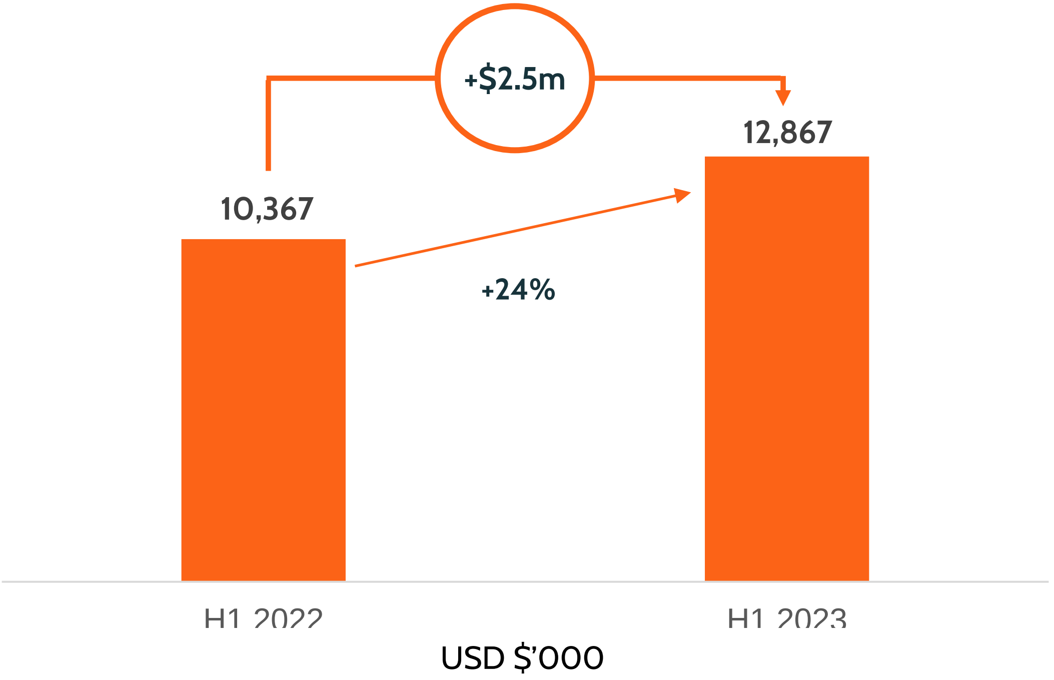
Revenue increased 24% from higher services revenue, particularly customer activations – leading to lower gross margin and EBITDA in short term due to increased personnel costs but signaling positive future growth in higher-margin platform revenue.

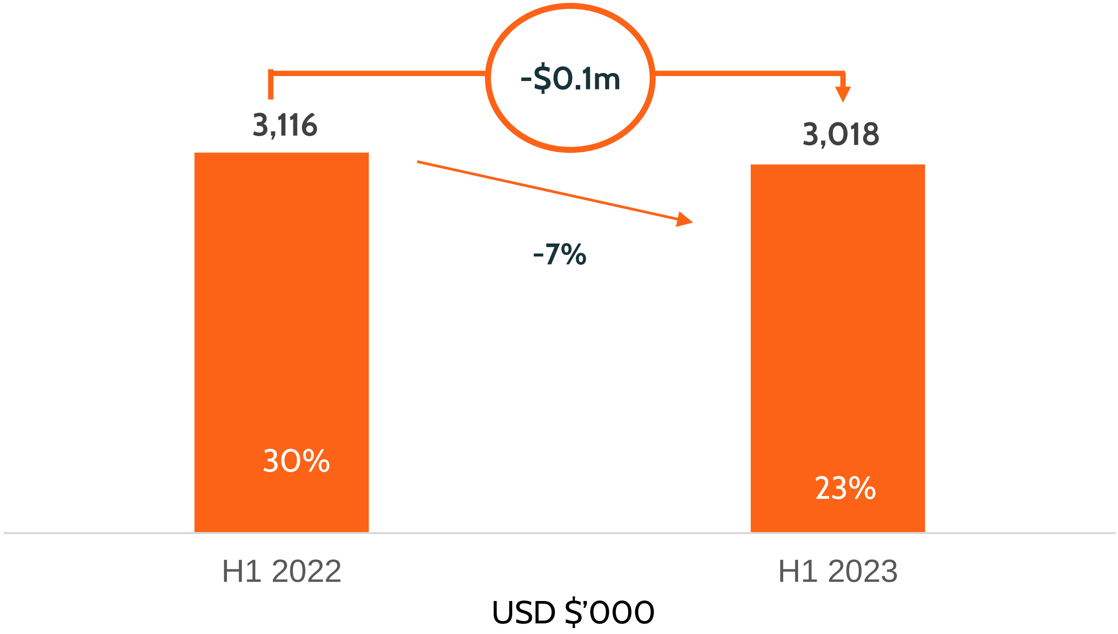
H1 2023 Revenue Performance

In H1 2023, the Group's total revenues increased by 24% during the period (in comparison to H1 2022). This year- on-year improvement is primarily attributable to increases in services revenue as activation of new customers continue and existing customers invest in technology post covid.



H1 2023 Gross Margin

Gross Margin in H1 2023 declined by $0.1m versus H1 2022 which is closely tied to an uptick in customer activations. Each activation requires an initial investment to ensure delivery, with returns realised over the contract's duration after the go-live phase.



2. Adjusted EBITDA decline of $1 million versus 2022 driven by increase in operational costs

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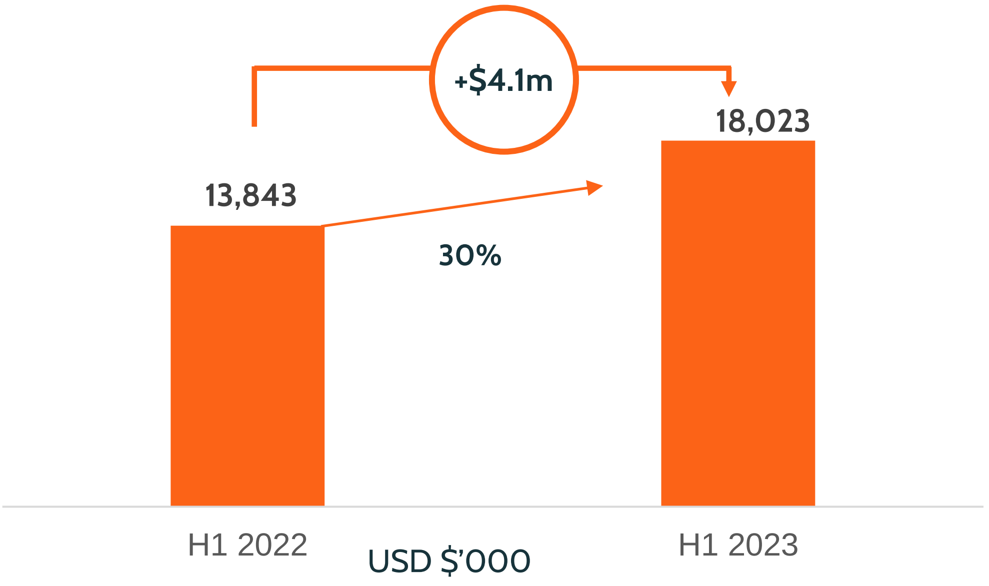
The decrease in EBITDA is primarily attributed to increased service revenue, which we view positively as a sign of future growth in higher margin platform revenue.

H1 2023 Operating Costs

Operating costs in H1 2023 increased by 30% versus H1 2022 which was mainly driven by:

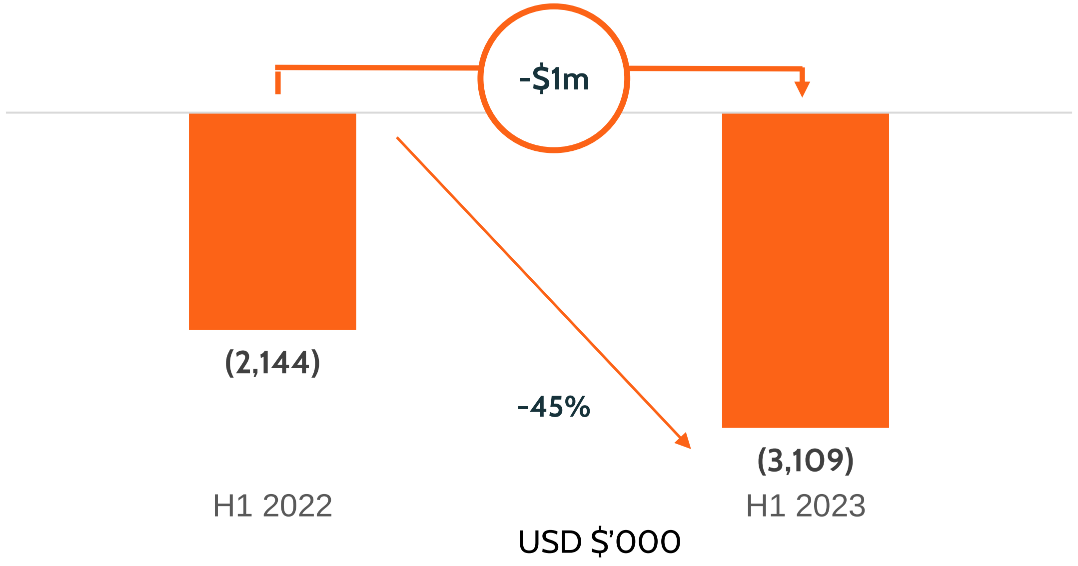
- Increased costs due to investment in implementation projects during the period.
- Impact of foreign exchange. Excluding net foreign exchange movement, operational expenses increased by 24%



H1 2023 EBITDA Performance

EBITDA loss of $3.1m in H2 2023, an increase of $1.0 million versus the same period in 2022 (H1 2022: EBITDA -$2.1m) largely driven by:

- New customer implementation project investment costs.
- Impact of foreign exchange



3. Increase in debt at the end of H1 2023 with ending cash at $2.9m

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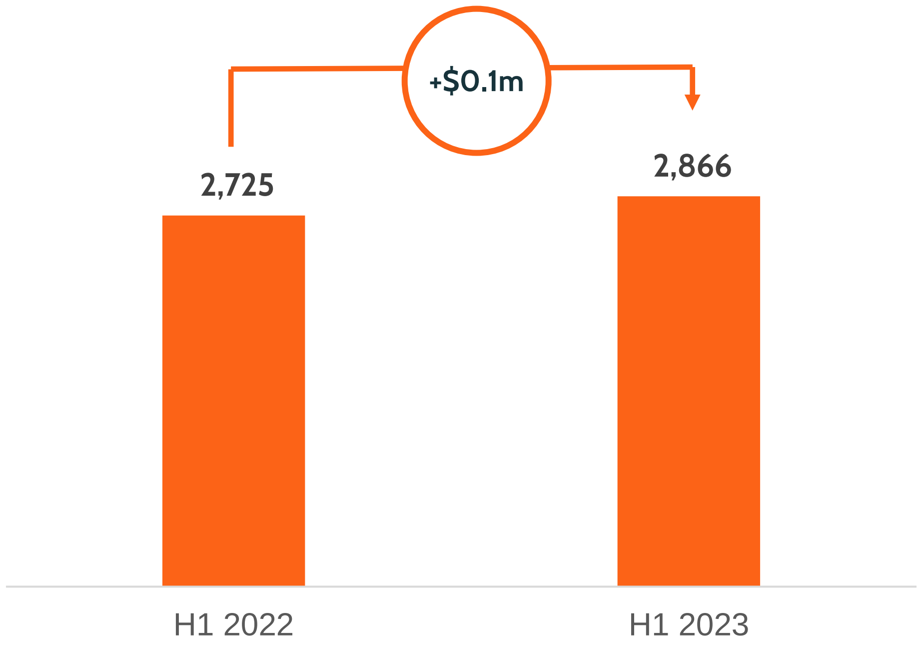
On 14 September 2023, the Group agreed an additional credit facility with Tireragh Limited ("Facility C") that provides access to an additional €5m funding. At the date of this report, the Group had drawn €13m of these credit facilities.

H1 2023 Cash Position

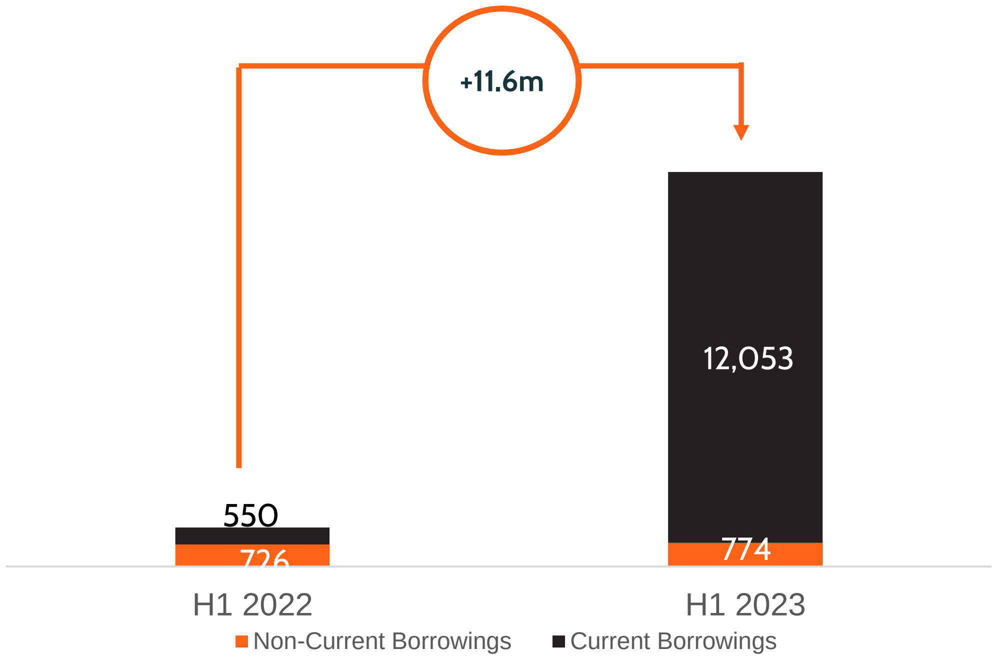
Cash balance as at 30 June 2023 amounted to $2.9 million, increasing from $2.7 million cash balances at 30 June 2022 ($6.5 million cash balances at 31 December 2022).



USD $'000

H1 2023 Borrowings

During H1 2023, The group entered a loan agreement with Tireragh Company providing a €10m facility which had been drawn down as at 30 June 23.



USD $'000

Remaining Priorities for FY2023

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1 | Key Customer Go-Lives

2 | Pipeline Conversion

3 | CEO Transition

Thank you

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