

Chief Executive Officer's Review

I am pleased with the progress we have made strengthening the position of the company in 2024, and remain positive about the growth opportunity for Datalex.



Jonathan Rockett
Chief Executive Officer

As I reflect on 2024, my first full year as Chief Executive Officer of Datalex plc, I am pleased with the progress we have made in strengthening the position of the company. I see significant opportunities for growth, and the steps taken in 2024 will enable us to capitalise on these opportunities in the years ahead.

Stellex

In 2024, we realigned our product portfolio, in line with where we see Datalex best placed to achieve growth and deliver value for our airline customers. This culminated in the launch of Stellex, our offer and order management solution.

The industry is focused on how offer and order management can enable airlines to unlock greater value from retailing. We have been building and optimising these capabilities at Datalex for the last decade, so we are well positioned to address this industry and customer need with our Stellex solution.

Our newest customers, easyJet and Air Macau are live on Stellex, and in 2024 we also successfully migrated two existing customers on to the Stellex platform. This will allow these airlines to benefit from the latest product enhancements that we build. The ability to deliver our latest functionality to our existing customers, in a more efficient way, is an important foundation for the Group's next phase of growth and scale.

Financial Performance

Revenue for 2024 was US\$27.5m, representing a year on year decline of 5%. This decline is primarily attributable to non-recurring revenue from customers lost in 2023 (\$3.5m of revenue), which caused a reduction in services and other revenue.

However, more positively, we are reporting 24% growth in platform revenue in 2024. This growth in higher margin platform revenue enabled us to achieve gross margin expansion of 3pp to 37% in 2024 (2023: 34%). Consequently, despite the decline in revenue, Gross Profit grew year on year by 5%. We expect that the underlying growth in platform revenue and margin expansion will continue into 2025.

We recorded an Adjusted EBITDA loss of US\$3.1m in 2024 which was relatively consistent with the Adjusted EBITDA loss of US\$2.9m in 2023. Our stated ambition remains to return Datalex to positive EBITDA in 2025.

We're reporting a loss after tax of US\$10.2m in 2024 (2023 US\$9.0m). The year-on-year increase of 13% is primarily due to higher interest costs on the debt facility we had in place up to September 2024, and higher share based payment costs. Although the actions taken this year are not yet evident on the P&L for the factors above, we anticipate they will deliver positive benefits in 2025.

Funding

Positively, in September 2024 we successfully raised €25m (US\$27.9m) in equity, which enabled the Group to repay its debt facility in full and strengthen the balance sheet. This draws a line under the COVID impacted years, and will significantly reduce the Group's interest expense going forward. The strong support of our shareholders is clearly demonstrated, and we look forward to sharing continued success with them in the future. Our intention is to raise additional growth capital in 2025 to support our strategic ambitions.

Delivering Value to Our Customers

Delivering value to our customers is the cornerstone of why we exist, and the Datalex team continued to put our customers at the forefront in 2024.

I am pleased to report that activation of our newer customers progressed well in 2024. Further to easyJet's go-live with Stellex merchandising capabilities in December 2023, we continued to bring further Stellex capabilities live with easyJet in 2024. Datalex is now powering easyJet's web and app traffic. Further to signing Air Macau as a new customer in December 2023, I am pleased to report that Air Macau went live with our Stellex Offer Management solution in September 2024. easyJet and Air Macau were joined on the new platform by two existing airlines who migrated to the new platform (Edelweiss and Air China).

Looking Ahead

While we have made progress in strengthening the company's position during the year, we have more to do in order to achieve our growth ambitions and become the leading airline technology partner in our industry.

In 2025, we are focused on investing in three key areas;

1. Our enablers for growth (primarily people, platform and process)
2. Stellex: Our anchor next-gen offer and order management solution
3. Stellex+: Standalone complementary solutions

I am pleased with the progress made in 2025 to date. In particular, I am delighted that in April 2025, we launched a new Stellex+ product; DLX Pay. We have signed an agreement with one of our existing customers, Air Transat, with a go-live planned for later this year. We recognise that there is significant opportunity for airlines to create value from their payments set up. Datalex is uniquely positioned to unlock this value with its DLX Pay solution.

I want to express my sincere gratitude to our employees for their hard work and dedication over the past year. We are fortunate to have a team of talented and resilient professionals who consistently go the extra mile to deliver value to our customers. Our future success will be a testament to their unwavering commitment, and I look forward to what we will achieve together in the year ahead.

Jonathan Rockett
Chief Executive Officer, Datalex

14 May 2025

Total Revenue (US\$)⁽¹⁾ (5)%⁽⁴⁾

\$27.5m

2023: \$28.9m

Gross Profit (US\$)⁽²⁾ +5)%⁽⁴⁾

\$10.2m

2023: \$9.7m

Gross Profit Margin⁽²⁾ +3pp⁽⁵⁾

37%

2023: 34%

Adjusted EBITDA (US\$)⁽³⁾ (7)%⁽⁴⁾

\$(3.1)m

2023: \$(2.9)m

Loss after Tax (US\$) (13)%⁽⁴⁾

\$(10.2)m

2023: \$(9.0)m

Number of customers on the Stellex Platform

4

- (1) Total revenue includes Platform revenue, Services revenue, Consultancy revenue and Other revenue. Platform revenue is earned from the use of the Group's Digital Products by our customers, and includes licence, transaction, and hosting revenue.
- (2) Gross Profit is calculated as Total Revenue minus Cost of Sales. Gross Profit Margin is calculated as Gross Profit divided by Total Revenue.
- (3) Adjusted EBITDA is defined as earnings from operations before (i) interest income and interest expense, (ii) tax expense, (iii) depreciation and amortisation expense, (iv) share-based cost and (v) exceptional items. The reconciliation to loss before tax is presented on page 27 of this report.
- (4) Figure represents the percentage increase / (decrease) from FY2023 to FY2024.
- (5) Figure represents the percentage point (pp) increase/(decrease) in Gross Profit Margin from FY2023 to FY2024.