Dublin, Ireland – 4 December 2019: Datalex plc (the "Company" or the "Group") (Euronext Dublin: DLE), a leading provider of digital commerce solutions to global travel retailers, today publishes the following:

- **Financial statements for the six months ended 30 June 2019 ("H1 2019");**
- **Re-issued and restated financial statements for the six months to 30 June 2018 ("H1 2018");**
- **2019 Outlook; and**
- **Circular and Notice of an EGM under Section 1111 of the Companies Act 2014.**

In welcoming today's announcement, Sean Corkery, CEO of Datalex, commented that "*the issuance of the financial statements for the first half of 2019 and the restated financial statements for the first half of 2018 represents an important milestone for the Group. New internal control and reporting procedures have been implemented and the finance function has been strengthened to prevent a recurrence of accounting irregularities such as occurred in 2018. The publication of the financial statements means that the Group is now up to date in terms of its financial reporting obligations*."

The CEO added that "*the Group can now focus more fully on the medium to longer term growth of the business. We are already seeing the benefits of an improved delivery model, with greater focus on execution and providing early value to our customers. We also have a heightened concentration on new business, with a pipeline of new opportunities and ongoing positive dialogue with potential new customers, some of which are at an advanced stage*."

<u>Financial statements H1 2019</u>

The loss for the period after income tax amounted to US$6.9m, compared to the loss after income tax of US$33.1m incurred in the six months to 30 June 2018. These losses are stated after exceptional charges of US$2.4m for H1 2019, compared to US$29.2m in the comparative period of 2018.

H1 2019 Adjusted EBITDA is a loss of US$2.8m compared to a loss of US$0.1m for the six months to 30 June 2018. The increased Adjusted EBITDA loss for H1 2019, compared to H1 2018, is impacted particularly by the change in the capitalisation of payroll and contractor costs related to platform development, which resulted in a credit of US$6.6m in H1 2018, with no comparable credit in H1 2019.

Whilst platform revenue increased by 15%, revenue from contracts with customers, at US$22.6m, was down by US$2.1m or 9% on the corresponding period of 2018 due to lower levels of revenue-earning service deliveries, which were down by 32%.

Operating costs of US$26.7m were down US$1.8m or 6% on H1 2018 and reflected savings of US$4.8m in payroll and contractor costs following a restructuring programme in the first half of 2019, with savings of US$0.5m in other operating costs. These savings were offset in the Adjusted EBITDA results by the change in the credit for capitalised payroll and contractor costs, which amounted to US$6.6m for H1 2018. No development costs have been capitalised in the first half of 2019.

Exceptional costs of US$2.4m were incurred in the first half of 2019, including US$2.0m of restructuring costs and US$0.5m of professional fees.

A transformation programme in the first half of 2019 saw significant changes in the Group's leadership team and a restructuring which has impacted a substantial number of Group and outsourced partner staff. In order to guarantee short-term liquidity, the Group received the support of the Company's largest shareholder, Mr. Dermot Desmond, who procured funding of €10m in the first half of 2019 by way of an additional equity injection and a secured loan facility.
See notes below.

Restated financial statements H1 2018

The financial statements for the six months to 30 June 2018 are being published today as a separate document to replace the statements originally issued on 28 August 2018, which were subsequently identified as incorrect and withdrawn.

The financial statements have been revised to reflect matters identified at the beginning of 2019 as reported upon in the independent review, conducted by PwC in conjunction with McCann Fitzgerald, which was advised in our market guidance issued on 27 March 2019. These financial statements also reflect the impairments and other charges, relevant to H1 2018, which were identified during the course of the audit for the 2018 financial year and as outlined in the Company's 2018 Annual Report issued on 6 September 2019.

The restated loss for H1 2018 is US$33.1m and compares to the profit of US$2.0m as originally reported, a reduction of US$35.1m.

The major adjustments made, compared to the original condensed consolidated interim financial statements issued on 28 August 2018, are as set out below:

	US$'000
Adjustments to implement IFRS 15 and IFRS 9	**3,612**
Adjustments to revenues:	
Correction of over-recognition of services revenue related to significant customer deployment	(6,237)
Deferral of other services and platform revenue previously recognised in period to future periods	(2,693)
Other services and platform revenue previously recognised in period not recoverable	(952)
Total revenue adjustments	**(9,882)**
Other adjustments:	
Financial asset acquired in period originally capitalised and now expensed	(154)
Net credits to operating expenses recognised in period, principally related to employee costs	560
Other income	195
Additional income tax charges	(241)
Total other adjustments	**360**
Exceptional items recognised:	
Write-off of net development expenditure incurred in the period	(6,636)
Impairment of product development intangible asset	(19,959)
Derecognition of net deferred tax asset	(2,397)
Recognition of onerous customer contract	(164)
Total exceptional items	**(29,156)**
Total adjustments made to restate H1 2018 profit or loss	**(35,066)**

Adjusted EBITDA for the period (as restated) is a loss of US$0.1m compared to the profit of US$6.1m as originally reported.

Note 2 to the condensed consolidated interim financial statements shows the reconciliation of the profit for the period as originally reported with the loss for the period as now restated. Note 24 shows the impact of the adjustments on the individual line items in the statement of financial position, income statement and cash flow statement for the reporting period.

See notes below.

2019 Outlook

The Company indicated on 16 September 2019 that it expected to report an Adjusted EBITDA for the Group in the range of -US$1m to +US$1m for FY2019 on flat revenues of $45m. That guidance remains unchanged.

See notes below.

Circular and Notice of EGM

The published financial statements of Datalex plc (the "Company") at 31 December 2018 reflect that the net assets of the Company, as stated in its statement of financial position, are less than half of the called-up share capital of the Company. Section 1111 of the Companies Act 2014 ("Section 1111") states that where the net assets of a company are half or less of the amount of the company's called-up share capital, the directors of the company are required to convene an extraordinary general meeting (a "Section 1111 EGM") for the purpose of considering whether any, and if so what, measures should be taken to deal with this circumstance. In compliance with Section 1111, Datalex has today published a circular (the "Circular") and Notice of an Extraordinary General Meeting convening a Section 1111 EGM which will be held at Block U, Eastpoint Business Park, Clontarf, Dublin D03 H704 at 9:30 a.m. on 20 December 2019.

Copies of the Circular will be submitted to Euronext Dublin. The Circular, including Notice of the EGM, will shortly be available on the Company's website http://www.datalex.com.

Notes

General

The financial information in this announcement is not audited and does not constitute statutory financial statements of Datalex plc.

Adjusted EBITDA excludes exceptional items, interest income and expense, tax expense, depreciation and amortisation, and share-based payment cost.

Statements contained in this announcement are based on the knowledge and information available to the Board at the date they were prepared and therefore facts stated, and views expressed, may change after that date. Nothing in this announcement is intended to constitute an invitation or inducement to engage in investment activity. This announcement does not constitute or form part of any offer for sale or subscription of, or any solicitation of any offer to purchase or subscribe for, any securities nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract, commitment or investment decision in relation thereto. This announcement does not constitute a recommendation regarding any securities.

This announcement contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results. No representation is made that any of those statements or forecasts will come to pass or that any forecast results will be achieved. You are cautioned not to place any reliance on such statements or forecasts. Those forward-looking and other statements speak only as at the date of this announcement. Datalex undertakes no obligation to update any forward-looking statements.

Notes relating to Financial Statements for H1 2019

Comparative figures referenced to H1 2018 are in accordance with the re-issued and restated condensed consolidated interim financial statements for the six months to 30 June 2018.

Notes relating to the Outlook

The guidance outlined above for FY 2019 is in accordance with IFRS 15 and IFRS 16.

As advised in the Guidance Update issued on 16 September 2019, the Company is currently engaged in discussions with a customer, where a configuration is underway, which are expected to provide clarity on workstream deliverables and therefore reduce judgment in allocating revenues to the different performance obligations over this multi-year contract. This may impact on the timing of recognition of forecast revenues and costs, as included in this guidance statement. These discussions are ongoing.

As referred to under Business Development in the Chief Executive Officer's Review within the H1 2019 Financial Statements, the Group is currently in dialogue with LATAM including the termination arrangements of a subsidiary company contract and on a potential future business relationship. The timing of the decision on future business relationships may affect the timing of the recognition (as between the 2019 and 2020 financial years) of material revenue in relation to this contract.

-ENDS-

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About Datalex

Datalex is a market leader in digital commerce for travel retail. The Datalex Digital Commerce Platform provides airlines with a unique solution to drive revenue and profit as digital retailers. Today the platform enables a travel marketplace of over one billion shoppers covering every corner of the globe, driven by some of the world's most innovative airline retail brands. Datalex's customers include Air China, JetBlue Airways, Hainan Group, SAS, Philippine Airlines, Aer Lingus, Brussels Airlines, Air Transat, Air Malta, STA Travel and Trailfinders. The Group is headquartered in Dublin, Ireland, and maintains offices across Europe, the USA and China. Datalex plc is a publicly listed company on Euronext Dublin (DLE). Learn more at www.datalex.com or follow on twitter @Datalex.