

18 July 2022

Cordel Group PLC
("Cordel" or the "Company" or the "Group")

Full Year Unaudited Trading Update

Cordel Group PLC (AIM: CRDL), the Artificial Intelligence platform for transport corridor analytics, is pleased to announce a full year trading update for the twelve months ended 30 June 2022.

Cordel Group PLC Full Year Comparison

GBP 000's	Twelve months to 30 June 2022*	Twelve months to 30 June 2021**	% Change	% Change constant currency
Total Revenue	2,279	1,690	35%	33%
Cost of sales	-676	-604	12%	11%
Total expenses	-3,306	-2,933	13%	12%
Grant Income***	303	601	-50%	-52%
Other Income	8	23	-65%	-63%
Loss before Income tax	-1,392	-1,223	14%	15%

* Constant currency reflects the results had the underlying transactional currencies been constant in both periods reported. 52% of revenue for the twelve months to June 2022 was predominantly in Australian dollars.

** As per FY2021 audited Financial Statements

*** Estimate until R&D return is lodged

Key Highlights for the Period

- First significant contract with SEPTA, arising from Holland LP partnership in the USA.
- Network Rail (UK) long term Railway Gauging Data Solution contract awarded.
- One Rail Australia ballast profile analysis contract won (signed July 2022).
- Network Rail High Speed contract awarded.
- Total revenue up 35% in reported currency and up 33% in constant currency.
- Total expenses increased by 13% (12% in constant currency), with additional hardware and software engineers, and market development staff employed during the period.
- Grant income reduced, with Australian COVID-19 support not being replicated in FY22.
- Cash balance and trade receivables as at 30 June 2022 was £988,785, improving on the 31 March 2022 balance of £852,098.

Nick Smith, CEO of Cordel, commented:

"Building on our momentum from FY21, we enjoyed significantly increasing engagement with our target markets in FY22, however [customer] decision time frames were unusually stretched out, impacting revenue in the period. We achieved a 35% revenue growth result, but importantly now hold a strong deal pipeline resulting from the backlog. This, coupled with the development of new partnerships, products and capabilities in our solution platforms, gives us great confidence for the 2023 fiscal year."

Ian Buddery, Chairman of Cordel, commented:

“Our focus in the last 12 months has been on improving the depth and reliability of our revenue forecasts, while building a stronger pipeline of qualified opportunities. The benefits of this began to flow in the second half of FY22, where total revenue for the half year was £1,675K, close to the previous full year result. Looking forward, we believe that our automated track inspection technology is of increasing relevance to the modern rail industry and considerable growth opportunities are available.”

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About Cordel

Cordel produces specialist hardware and software for capturing, analysing and reporting on large datasets within the transport sector, employing sophisticated artificial intelligence algorithms.

Further information on the Company is available at: www.cordel.ai

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.