

7th August 2023

Cordel Group PLC

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

Business and Trading Update

Cordel Group PLC (AIM: CRDL), the Artificial Intelligence (AI) platform for transport corridor analytics, is pleased to provide an update on full-year trading and activities.

The Company expects to report revenue for the year ending 30 June 2023 ("FY23") of c. £3.0 million, subject to audit confirmation, representing growth of 32% over the previous corresponding period (2022: £2.27 million). The FY23 audited results are expected to be announced during October 2023 and are expected to be inline with market expectations.

Projects and Existing Customers

- The Railway Gauging Data Solution (RGDS) contract to redesign and deliver the UK's National Gauging database) delivered on time and on budget and has now moved to live production with Network Rail. Delivery included a successful 'first' in migration of legacy data from Omnicom Balfour Beatty. The contract now moves into its 5 year operational phase.
- Amtrak – the first two project milestones have been successful and have been fully approved by Amtrak. In addition, we have agreed to accelerate the Cordel automated data capture (laser scanning) phase and supplied the first LiDAR unit in support of this.

Company

- Organisational Growth - our restructuring for growth plan is ahead of schedule with key hires in the UK (including a Head of Strategic Growth, a Project Delivery Lead and Marketing personnel), in the US (a Senior Sales / Delivery Engineer) and in Australia (Software Engineering, including lead AI engineers).

Campaigns, Pipeline Growth and Events

- Clearance and Gauging Campaign - leveraging off our keystone Amtrak contract, we successfully executed a multi-channel campaign to drive inbound sales prospects and wider market perception as a clear and differentiated leader in our domain, leading to significant new US prospects looking to replicate the Amtrak initiative.
- RICA (Railway Industrial Clearance Association) Event in Indianapolis in June – our formal presence, supported by our partner D/Gauge Ltd, has validated our approach to the significant US clearance opportunity and has yielded further engagement with [US] Class 1 railroad companies.

Product Development

- Significant developments in our core product portfolio driving greater automation, processing capability and the application of AI to further our CaaS (Classification as a Service) ambitions.

Cordel Chairman, Ian Buddery, said, “We are delighted with our achievements in the 2023 Fiscal Year, including our major breakthrough into the US market and continuing strength in the UK. We are now positioned and resourced for accelerated growth. Importantly, we have a rich technology development roadmap actively in progress, as we begin to reap the benefits of our leadership in the application of Artificial Intelligence to railway infrastructure management. We look forward to further updating at the time of our FY23 audited results in October.”

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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 by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended. Upon the publication of this announcement, this inside information is now considered to be in the public domain.]