23 July 2024

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

Business and Trading Update
Appointment of Broker

Cordel Group PLC (AIM: CRDL), the Artificial Intelligence (AI) platform for transport corridor analytics, is pleased to provide an update on full-year trading for the year ended 30 June 2024 and the progress made by the Company in the year.

The Company expects to report revenue for the year ending 30 June 2024 ("FY24") of over £4.4 million, subject to audit confirmation, representing growth of c.45% over the previous corresponding period (FY23: £3.0 million). Closing cash at 30 June 2024 was £1.02 million compared to £1.28 million at the end of June 2023.

The FY24 audited results are expected to be announced during November 2024.

The Company is also pleased to announce the appointment of Cavendish Capital Markets Limited as its sole Corporate Broker with immediate effect.

Commentary from John Davis, Cordel CEO:

Projects and Customers
We began FY24 with stretching revenue growth targets and a clear aspiration to improve our pipeline and win more new customers. We saw significant opportunities to grow our US business and to consolidate our strong positions in the UK and Australia.

Having started FY24 with 4 major customer contracts, we end it having doubled that number with a further 4 significant new contracts won in the period - these were Genesee & Wyoming Inc. in the USA, Tren Maya in Mexico and major national players in each of the Middle East and APAC. We expect 50% of FY24 revenues will be generated from the Americas.

In addition, we have continued to deliver successfully for our marquee clients: Amtrak in the US, Network Rail and Angel Trains in the UK and with ARTC in Australia. In particular, with Amtrak, the combination of capturing new data with our Cordel Rugged proprietary hardware and ingesting and analysing legacy data leaves us in a very positive position heading into FY25.

Company
Following our successful fundraise in 2023, we have invested in organisational growth across all our regions and in all disciplines within Cordel. We have engaged new sales, sales support and delivery engineers in the USA, new sales support and delivery resources in the UK and new development engineers and delivery staff in Australia. We plan to continue to invest in the Group over the next 12 months with further modest headcount increases planned in the year. We have the operating model in place to allow us to maintain our revenue growth trajectory and the Board continue to be optimistic in its strategy for the Group to deliver on our target of breakeven in FY25.

Product Development
It has been an excellent year of technology and product development for Cordel. We have seen the release, and market uptake, of the Cordel Rugged sensor. We have achieved the vital 3204 approval with Network Rail and we have matured and hardened our core use cases around clearances / gauging, vegetation management, ballast profiling and overhead line equipment to a point where scaling across multiple client contracts is now a reality.

Cordel Chairman, Ian Buddery, said "The Company has achieved excellent growth in the 2024 fiscal year, in particular in the USA where our advanced capabilities have gained widespread recognition and market engagement is strong. Our software is delivering industry-leading accuracy and processing speed in the application of Artificial Intelligence to railway infrastructure management, while our train-mounted sensors are capturing data around the clock and we lead the world in track miles scanned and processed. The investment phase now transitions to a target of profitable growth and a continuing focus on new customer acquisition in FY25."

Enquiries:

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Strand Hanson Limited, Nominated Adviser
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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.

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