



Shaping the future of digital retail for airlines

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I. Datalex 2.0

Datalex has been reset for the benefit of our shareholders, customers, employees and other stakeholders

1. The business has been stabilised and is positioned for growth
2. We have strengthened the Executive Leadership Team and Board of Directors
3. We have a refocused business strategy to drive accelerated and sustainable growth
4. Along with a clear product vision and roadmap

1. The business has been stabilised and is positioned for growth

What happened

- ✗ Challenges with delivery of a large customer account absorbed significant bandwidth within the business
- ✗ Over-customisation for customers deviated away from core platform. Undisciplined culture of customisation
- ✗ Unsustainable cost base and cash flow profile
- ✗ Breakdown of internal financial controls
- ✗ Corporate governance issues

RESET Transformational Change Programme

- ✓ Significant improvement to execution and delivery – have rebuilt trust with our customers – 100% retention of customers since new executive team has been formed*
- ✓ Full company wide reorganisation and formation of a new and experienced management team
- ✓ Deep cost restructuring whilst retaining key talent
- ✓ Changed insourcing / outsourcing mix to increase operational control
- ✓ Evaluation of our product and technology offering
- ✓ Overhaul of financial processes, controls and governance environment

Positioned For Growth

- ✓ Proven proposition at scale in a large addressable market
- ✓ Ambitious 3-year growth strategy and plan to achieve same
- ✓ Resilient revenue profile and right sized cost base
- ✓ Strong commercial and contracting discipline
- ✓ In a strong position with existing customers
- ✓ Industry leading product proposition and roadmap
- ✓ Strengthened operating model and governance to support future growth

Datalex's unique proposition has remained at its core

GDS and PSS independent

Scalable and robust platform

Industry leading products

* Excluding Lufthansa and one other customer who had made the decision to leave Datalex prior to new management team joining

2. We have strengthened the Executive Leadership Team and Board of Directors

Executive Leadership Team



Sean Corkery
Chief Executive Officer
Joined 2019



Niall O'Sullivan
Chief Financial Officer
Joined 2019



Alison Bell
SVP Global Sales & Marketing
Joined 2016



Neil McLoughlin
Group General Counsel & Company Secretary
Joined 2019



Andrei Grigoriev
VP of Engineering
Joined 2020



Conor O'Sullivan
VP of Product Management
Joined 2004



Ellen Treacy
VP of Operations
Joined 2004



Blair Koch
SVP Customer Success & Delivery
Joined 2016



JJ Cahill
VP, Commercial Finance & Partner Management
Joined 2019



Ryan Estes
VP Technology & Academy
Joined 2016



Avril Halpin
Director of HR
Joined 2015



Emma Holohan
Director of Strategy & Transformation
Joined 2019

Board of Directors



David Hargaden
Non-Executive Director & Chairman



Sean Corkery
Chief Executive Officer



John Bateson
Non-Executive Director



Christine Ourmières-Widener
Independent Non-Executive Director



Niall O'Sullivan
Chief Financial Officer



Peter Lennon
Non-Executive Director



Mike McGearty
Lead Independent Director

Technical Advisor



Bobby Healy
Technical Advisor to Datalex

3. We have a refocused business strategy to drive accelerated and sustainable growth

Growth opportunities:

- › Existing customers
- › New customers
- › Upsell / cross sell to all customers
- › Faster time to market with new product portfolio
- › Pricing, supported by transactional model
- › Accelerated pipeline activity linked to new products

Supported by:

Customer
at the core

Product first and
future-proofed
platform

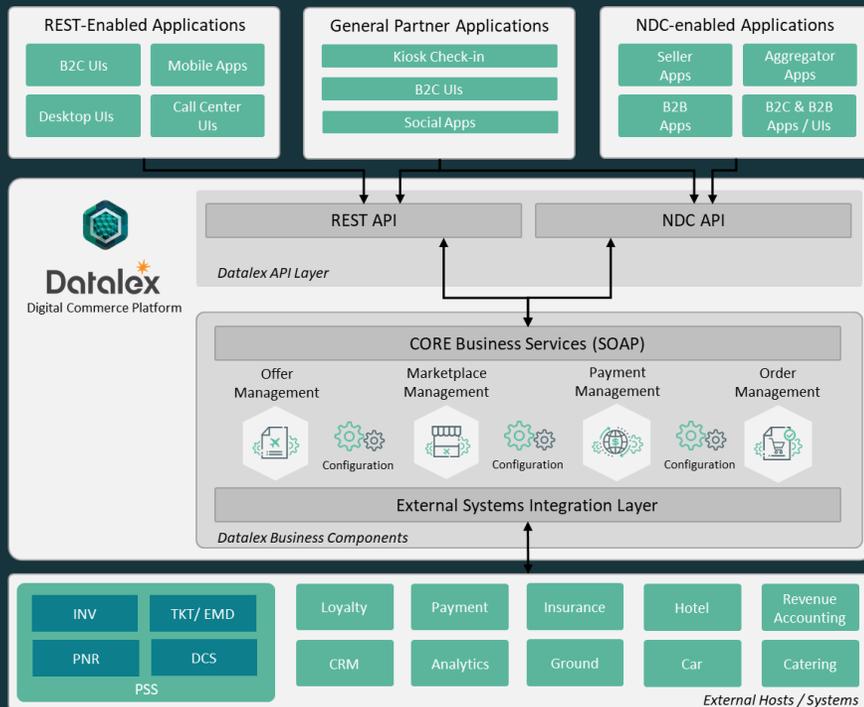
People

Operational
excellence

Commercial
strength

4. Along with a clear product vision and roadmap

Up to 2019



Platform focus

2020...

Datalex Direct

Powers next generation omni-channel ancillary revenue for market leaders

Datalex NDC

End-to-end Offer and Order management for indirect channel using NDC

Datalex Dynamic

Next generation Product and Price determination

Datalex Merchandiser

Generate millions in ancillary revenues with a market leading merchandiser

Product focus

This approach means easier implementation, quicker time to market, accelerated revenues.

II. Investment highlights

1. Long standing relationships and an established customer base
2. Industry leading products
3. Robust and proven platform
4. A commercial model designed for profitable growth

1. Long standing relationships and an established customer base

The commitment of our customers has been bolstered by our relentless focus on execution and customer delivery in 2019. Our customers appreciate and support the 'new' Datalex.

Quotes from some of our customers in 2020

jetBlue

"We know that 2019 was a year of change at Datalex, it was also a year of great partnership. At JetBlue, this matters. We value the efforts made by the team to support all our initiatives, especially the successful launch of Fare Options 2.0, and we recognise the renewed focus on delivery. We stand behind Datalex."

Eash Sundaram, Chief Digital and Technology Officer, JetBlue



"We appreciate all that the Datalex team does for PAL to help PAL meet the unique needs of our customers."

Angelique C. Tinsay, CISA Vice President, IT Services Department, Philippine Airlines (PAL)



"Datalex continues to be a key enabler to the success of Aer Lingus's digital strategy."

Dave O'Donovan, Chief Digital and Information Officer, Aer Lingus



"For over 10 years, Datalex has been a strong partner of Copa Airlines."

Julio Toro Silva, Vice President & Chief Information Officer, COPA Airlines

2. Industry leading products

› Datalex **Direct**

Datalex Direct is for the airline direct channel (web, mobile, kiosk) and is a complete offer and order management product which enables airlines to create, source and price airfares and ancillary products (e.g. bags and seats).

This product gives airlines full control of their direct customer revenues.

Existing go-to-market product

› Datalex **Dynamic**

Datalex Dynamic allows airline target the right offer, at the right price to airline customers using predictive analytics.

This product increase booking conversions and price margins.

New go-to-market product



› Datalex **NDC**

Datalex NDC is for the airline indirect channel (travel agents, corporates, online travel agents) and uses the IATA NDC standard.

This product offers airlines an opportunity to reduce GDS costs.

Existing go-to-market product

› Datalex **Merchandiser**

Datalex Merchandiser enables airlines to sell an unlimited range of ancillary merchandise products.

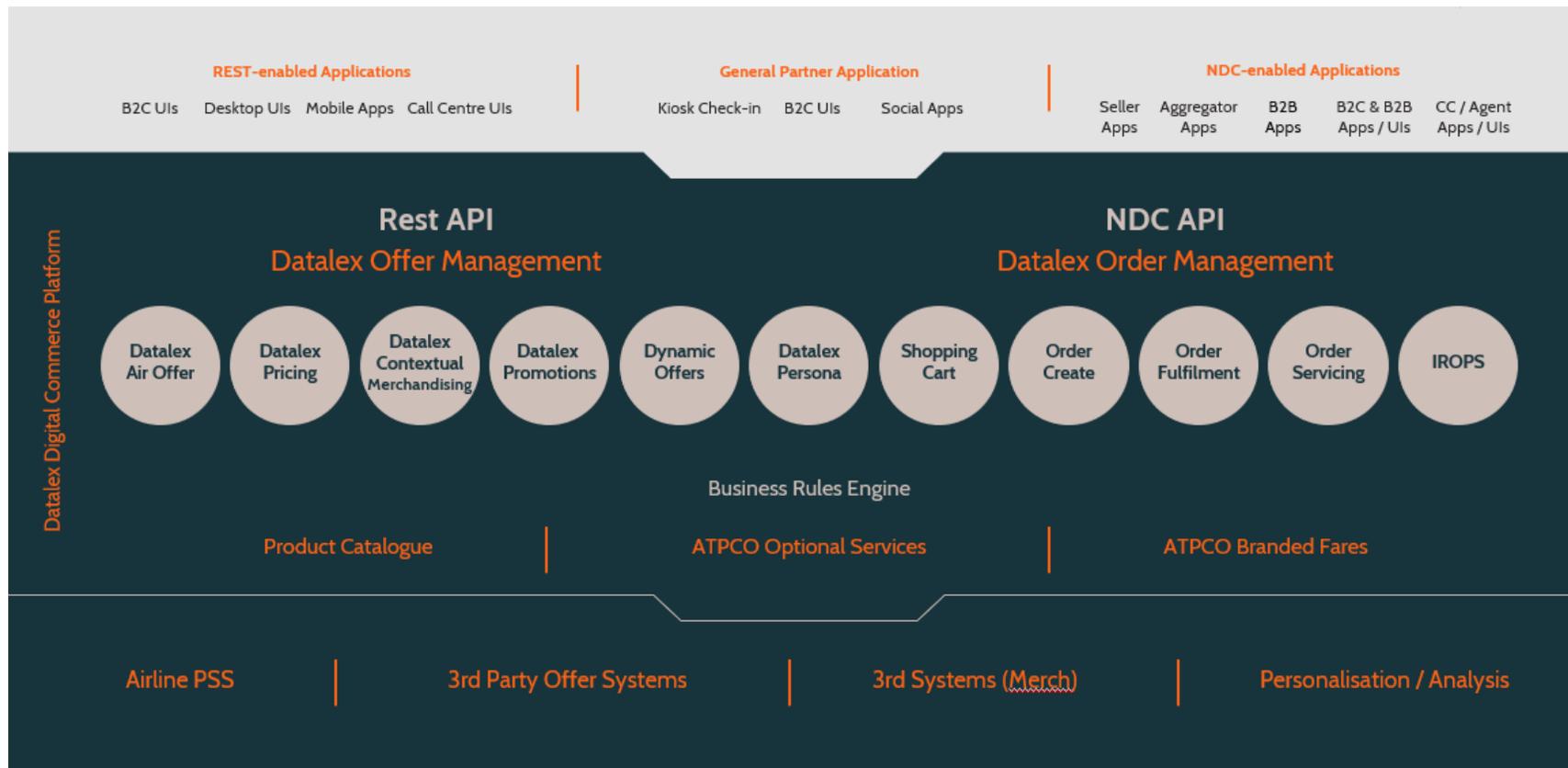
This product drives incremental ancillary revenues for an airline.

New go-to-market product

3. Robust and proven platform

Cloud optimised

Modular



Self-service in configuration

Efficient in operation

Our technology is strong, proven at scale, mission critical to our customers.

4. A commercial model designed for profitable growth

Growth

- Volume based subscription revenue model supports growth
- Cross-sell / up-sell potential from new product range
- Quicker time to market driven by new product strategy

Relevance

- Sizeable target addressable market
- Material market share
- Robust technology, proven at scale, that is mission critical for our customers



Predictability

- Recurring platform revenues with contractual minimums, protecting against macro-economic risks
- Typically five year contracts
- High renewal rates
- Resilience shown through COVID-19 crisis

Profitability

- Proven scalable cost base
- High margin platform revenues
- Profitable services revenue business

III. Financial Overview

1. 2019: Performance vs 2018
2. 2019: H1 vs H2 Performance
3. 2020 Outlook

2019: Performance vs 2018

	FY2019 \$m	FY2018 \$m	Variance \$m	Variance %
Revenue				
Platform revenue	26.8	23.5	3.3	14%
Services revenue	16.4	19.4	(3.0)	(15%)
Consultancy revenue	1.7	1.9	(0.2)	(10%)
Other revenue	0.2	0.3	(0.1)	(50%)
Total revenue	45.1	45.1	0.0	0%
Total costs (including capitalised costs)	(44.7)	(60.2)	15.5	26%
Capitalised costs	0.1	13.2	(13.1)	(99%)
EBITDA (as reported)	0.5	(1.9)	2.4	126%

- Strong platform revenue performance in 2019
- Reduction in services revenue driven by reduced implementation, primarily Lufthansa
- Focus on cost management throughout 2019; adjusted* cost base reduced from \$60m to \$44m
- Positive reported EBITDA delivered in 2019; strong recovery from 2018
- Material EBITDA improvement vs 2018, driven by reduction in cost base

2019: H1 vs H2 Performance

	H2 2019 \$m	H1 2019 \$m	Variance \$m	FY 2019 \$m
Revenue				
Platform revenue	13.2	13.6	(0.4)	26.8
Services revenue	8.4	8.0	0.3	16.4
Consultancy revenue	0.8	0.9	(0.1)	1.7
Other revenue	0.2	0.1	0.1	0.2
Total revenue	22.6	22.6	0.0	45.1
Total costs	(19.3)	(25.4)	6.1	(44.6)
EBITDA (as reported)	3.3	(2.8)	6.1	0.5
Exclude non-recurring				
One-off revenues	(3.6)	(2.1)	(1.5)	(5.7)
Capitalised costs	(0.1)	-	(0.1)	(0.1)
Total Non-Recurring	(3.7)	(2.1)	(1.6)	(5.9)
EBITDA - Excl. Non-Recurring items	(0.5)	(4.9)	4.5	(5.4)

- Minimal seasonality across revenues
- Material reduction in cost base in H2 vs H1; targeted reduction of headcount, contractors & OpEx from new management
- 2019 returned a negative EBITDA excluding non-recurring items
- However, reduced cost rate for H2, and a detailed understanding of the cost levers, sets the platform for a positive 2020 performance

RNS 8 July 2020:

‘The Company confirms that it expects to report adjusted EBITDA growth in 2020. Based on current assumptions adjusted EBITDA on a constant currency basis of \$0.75m to \$1.5m is expected during 2020, compared to adjusted EBITDA of \$0.5m in 2019’

- Datalex is well positioned to perform strongly and remain profitable during this COVID-19 period
- Confident of delivering an improved EBITDA in 2020 vs 2019: \$0.75m - \$1.5m EBITDA range guided
- Understanding the cost levers has been a key focus for new management
- Have acted fast & removed significant costs - significant reduction in cost base over past 18 months

Thanks



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