



PENNANT INTERNATIONAL GROUP PLC

Trading Update

Record Gross Margin & Return to Operating Profit

Appointment of Non-Executive Director (Chair Designate)

Pennant International Group plc (AIM:PEN)(the “**Company**”, the “**Group**”), the IPS software and services company, is pleased to provide the following trading update ahead of the publication of the Company’s full-year results for the year ended 31 December 2023 (“**FY23**”), which are scheduled to be announced in April 2024.

The preliminary unaudited assessment of the Group’s trading for FY23 indicates:

- Group revenues of £15.5 million (2022: £13.7 million);
- gross margin of 50%, a record for the Group (2022: 42%);
- adjusted earnings before interest and tax (EBIT) of £0.4 million (2022: EBIT loss of £1.0 million)
- adjusted earnings before interest, taxation and amortisation (EBITA) of £1.7 million (2022: EBITA of £0.5 million);
- adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) of £2.2 million (2022: EBITDA of £1.1 million);
- net debt at year-end of £1.9 million (2022: net debt of £0.4 million), with post year-end receipts resulting in net cash of £0.3 million during week commencing 15 January.

Note: the above results are adjusted for circa £0.3 million of exceptional, non-recurring costs, including transaction and integration costs associated with the acquisition of Track Access Productions Limited in April 2022, and professional costs and expenses associated with another, aborted transaction.

Appointment of Non-Executive Director (Chair Designate)

The Company is pleased to announce that Ian Dighé has been appointed to the Board as an independent non-executive director and Chair designate. Phil Cotton will step down as Chair at the Company’s next Annual General Meeting which is expected to be held in May 2024, to be succeeded by Ian. Following the AGM, Phil Cotton will continue to serve on the Board as an independent non-executive director.

Ian has significant listed company and City experience, particularly in the investment banking, corporate broking, asset management and closed-end funds sectors. He is also experienced at developing boards and their senior management teams, and looks forward to leading the Board as the Group continues to implement its strategy.

Chief Executive Officer, Philip Walker commented: “*The Board is very pleased with the Group’s positive, and improving, trading performance. The results, which include a return to operating profit and a record gross margin of 50 per cent, are strong indicators that Pennant’s growth strategy is delivering. However, there is much still to do as we head into the next phase, and we are therefore delighted to welcome Ian, whose appointment will further strengthen the Board as we move forward. I would also like to take this opportunity to thank Phil Cotton on behalf of the Board for his valuable contribution as Chair.*”

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

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