



**PENNANT INTERNATIONAL GROUP PLC**

("Pennant", the "Company", or the "Group")

**Business Update & Board Change**

Pennant International Group plc (AIM:PEN), the systems support and training solutions company, provides the following update.

**Strategic Software Investment**

The Group's programme of investment in its proprietary software suite has continued during the first half of the year, following a circa £1.3 million investment in 2023, with version 3 of GenS, the equipment configuration management solution, being released as planned on 30 April 2024.

The investment programme now moves into the next phase, which will see all three of Pennant's core applications – GenS, Analyzer and R4i – being integrated into one, holistic solution which will provide its customers in defence and other sectors with a powerful, market-leading toolset to manage, model and utilise vast amounts of complex equipment data. The planned investment for 2024 is expected to be similar in quantum to 2023. This 'integrated suite' is targeted for launch by year-end, and marketing and early engagement with key customers has been ongoing since 2022.

Further details of GenS and the integrated suite can be found here: [The Future Generation Software is here. - Pennant International Group plc \(pennantplc.com\)](https://www.pennantplc.com).

**Trading & Order Intake**

Trading in the year to date has been in line with the Board's expectations although the Group has incurred exceptional, non-recurring costs of circa £0.3 million in relation to aborted corporate activity.

Management's assessment is that the Group's key markets are starting to see a significant increase in activity, and in response to customer tenders and requests for proposals, the Group has quoted on over £32 million of new business opportunities during the last six months (spanning the entire spectrum of the Group's product and services offering).

That said, the expected level of order conversion has not occurred in the year to date, which is primarily attributable to extended customer procurement timeframes, not the loss of opportunities. While challenging in the short term, it is not unusual for the acquisition of training and support solutions to be finalised after the commencement of the main vehicle/platform purchase.

The Group is continuing to actively progress several material sales prospects with the expectation that these are now likely to crystallise into new orders in the second half of the year. The timing and quantum of these potential awards remains subject to contract and, in certain cases, the completion of processes at defence department and prime contractor level. In the meantime, the Group is actively managing its allocation of resources, for example since the start of the year, giving notice to exit two premises which are not expected to be needed to deliver the pipeline opportunities.

## Board Change

Further to his previously-announced intention to retire as Chair at this year's Annual General Meeting, Philip Cotton has decided to step down now, allowing Chair Designate, Ian Dighé to become Chair with immediate effect. Philip Cotton will retire as a director and leave the Board at the AGM.

**Ian Dighé, Chair, commented:** *"The Board would like to thank Phil Cotton for his five years of service and we wish him all the best for the future. The process to find a new independent non-executive director with skills that complement the existing Board is commencing."*

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## Notes to Editors:

*Pennant International Group plc (AIM:PEN) is a leading global provider of systems support and training solutions to defence departments and major OEMs worldwide to maximise operational and maintenance efficiency.*

*The Group addresses the market through three key business lines:*

- **Systems support:** software tools designed to help clients: manage and use complex data; ensure equipment availability at optimal cost; and comply with industry standards.
- **Training solutions:** provide hardware, software and virtual solutions, critical skills training for maintainers and operators of aircraft, ships and land systems.
- **Technical services:** support all Pennant's software and training solutions including consultancy, support and maintenance, training and bespoke development

*The Group is headquartered in Cheltenham, UK, and operates worldwide employing over 140 staff in offices in the UK, North America and Indo Pacific regions serving markets with high barriers to entry in regulated industries.*

*Pennant was established over 65 years ago and was admitted to AIM in March 1998.*