



Company Summary

January 2025

Investment Profile

- Streamlined business model with growing emphasis on high margin software and services, and sustainable recurring revenues**
- Rising defence budgets and burgeoning technological complexity drive demand in key markets, with attractive adjacent opportunities**
- Advanced first-to market integrated software suite saves customers time, reduces costs and enables better data-driven decisions**
- Strengthened Board of Directors**
- Established blue chip customer base in segments with high barriers to entry**

Share Information

Ticker	AIM: PEN
Share Price (GB pence)	26.2
Shares in issue (m)	43.2
Market Cap (£m)	12.5
12m Hi/Low (GB pence)	35.7/22.0

(Source: The London Stock Exchange, January 2025)

12-Month Share Price



(Source: The London Stock Exchange, January 2025)

Major Shareholders (as of 16 December 2025)

Name	%
CC Powell Concert Party	14.5
Rockwood Strategic plc	13.6
Premier Miton Group	12.8
Brett Gordon	12.1
Killik & Co LLP	4.2
Canaccord Genuity Group	3.9

(Source: company website)

Company Overview

Pennant is a technology driven, leading global provider of system support software, technical services, and training solutions. It supports its global customer base in the design, development, operation, maintenance, and training of complex assets, to maximize operational and maintenance efficiency for complex mission critical programmes.

Its **key markets include Aerospace, Defence and Rail, and adjacent safety-critical markets such as Shipping, Nuclear and Space; where it already supports many of the world's leading corporations.**

The Group addresses the market through three key business lines:

SYSTEMS SUPPORT

Our software tools are designed to help clients:

- manage and use complex data.
- ensure equipment availability at optimal cost.
- comply with industry standards.

TECHNICAL SERVICES

Our services support all our software and training solutions, including:

- Consultancy
- Support & maintenance
- Training
- Bespoke development

TRAINING SOLUTIONS

Our training solutions provide:

- hardware, software and virtual solutions.
- critical skills training for maintainers and operators of aircraft, ships and land systems.

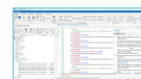
The Company's full product offering encompasses consultancy, technical documentation, rail services, training services, and bespoke engineering solutions.

Pennant is **strategically focused on sustainable recurring revenue and profitability growth, shifting its model towards high margin software and services.** Against a climate of rising defence budgets and the burgeoning technological complexity of military, aviation and rail platforms, the **demand for these solutions is expected to grow substantially.**

Headquartered in Cheltenham, UK, the Group operates worldwide, with offices in Europe, North America and Indo-Pacific, serving markets with high barriers to entry often in regulated industries.

CASE STUDY – AUSTRALIAN DEFENCE

CLIENT NEED	PENNANT'S SOLUTION	RESULT	OPPORTUNITY	LONGEVITY OF CLIENT
Defence Australia ('DA') needed to improve efficiencies and reduce costs through the better management of equipment relating to the operation of their air platforms	Pennant provided its configuration management software to manage the platform data	Pennant software is now embedded with the client – We have subsequently installed a suite of training systems (circa £10.0m) and supplied our technical documentation software alongside professional authoring services.	We are in negotiations to enhance the training system capability, upgrade the DA database and documentation software to a subscription basis model.	DA has been a client since 2003 and services are contracted until at least 2027, with the aim of extending this until 2033. Annual recurring software and services revenues from Australian Defence currently total £1.75m.



"Pennant's ongoing support in the design, development and maintenance of innovative training assets continues to be a major factor behind our continued success." – BAE Systems Australia

What's new?

Pennant has **streamlined its legacy Training Systems business segment and focussed investment and resources on the growth of Software and Technical Services** which provide **more predictable revenue streams, higher margins, greater scalability and have a shorter working capital cycle.** The Group now has three clear business segments - Software; Technical Services; Training Systems - delivered through its three core regions - EMEA, Americas and Asia Pacific.

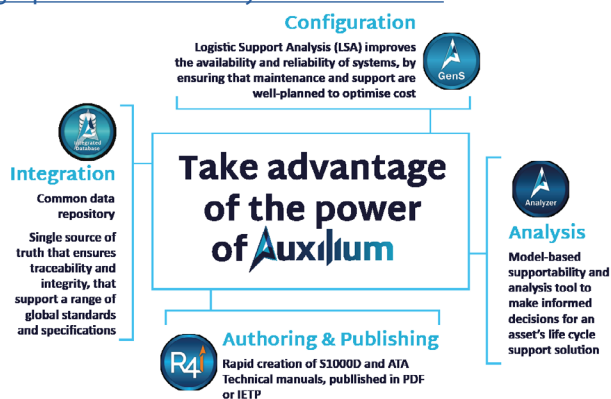
A comprehensive overview of Pennant's repositioning is available here: <https://youtu.be/pUiaSjnYTXg>

Maximizing operational efficiency - Auxilium Suite

Due to launch in Spring '25, Pennant's Auxilium suite brings together its GenS, Analyzer and R4i programmes to provide a **peerless package of system support software which encompasses technical authoring, illustration and publication, product support analysis and model-based product support.**

The package can be augmented to include integrated product support content distribution to support end users and maintainers. The **primary market feature of Pennant's package is the use of a common backend database to provide a single source of truth coupled with data traceability and integrity.** Auxilium's customers can **manage and efficiently use complex data, ensure equipment availability at optimal cost, and ensure compliance with industry standards.**

[Maximising Operational Efficiency - Auxilium video](#)



IPS competitive landscape

The full integration of the Auxilium suite means that Pennant is the only provider of a software package that encompasses: documentation, material, product support analysis, modelling, field feedback, training analysis, design and scheduling, and an integrated product support database into one system, while meeting key industry and military standards.

Pennant's active competitors in IPS include:



Outlook

With a growing proportion of the Group's trading coming from the higher margin Software and Technical Services segments, together with the cost savings from its restructuring programme, management expects the Group to report a modest adj. profit before tax for FY25 and a strong conversion of operating profit to operating cash.

For FY25, revenues are expected to increase in the Software and Technical Services business segments, both as a proportion, and in absolute terms. While turnover will reduce in the Training Systems segment, due to Pennant's realigned focus, following successful completion of the Apache programme, which was a major contributor to revenues in that segment in FY24. Order coverage for FY25 currently stands at £7 million, which management considers to be a strong position given that the full launch of Auxilium is still to come.

Pennant's software solutions in action



Key Newsflow

Oct: Contracts Update

Sep: Interim Results

Sep: Appointment of NED & Interim CFO

Sep: Directorate Change

Aug: Director Dealings

Aug: Director Subscriptions

Jul: Trading Update

Management Team

Philip Walker, CEO

Appointed Chief Executive Officer in 2017, Phil originated and implemented strategy to transition the company from a primarily project-based and capital-intensive operation a high margin software and technical services business. A Chartered Accountant and qualified Corporate finance professional, Phil has led numerous corporate finance transactions (both buy side and sell side) at Grant Thornton UK LLP and developed and implemented strategic plans for a number of businesses. Previously with Barclays Bank plc, he worked with businesses with a turnover of between £5 million and £50 million, focusing on debt structuring, including working capital, investment, trade finance and the restructuring of facilities, also providing structuring advice on various types of corporate transactions.



Darren Wiggins, CFO

Darren joined Pennant in 2024, having previously been the Managing Director for Meggit Asia, based in Singapore, lead the aftermarket Centre of Excellence, providing Spares Distribution, MRO Services, Technical Support and Sales & Marketing for the region. Previously, Darren worked at FSTE listed Melrose Industries plc when he ended as Interim CFO for NA.



Ian Dighé, Non-Executive Chairman

The co-founder of Bridgewell Group plc and previous Chairman of Miton Group from 2011, Ian has significant listed company and City experience, gained during his career in investment banking, corporate broking, asset management and closed-end funds. In addition, he is experienced in developing boards and senior management teams.

