

PINEWOOD.AI

AUTOMOTIVE INTELLIGENCE

Pinewood Technologies Group PLC

Results for the 11-month period ended 31 December 2024

Completion of highly successful Lithia UK rollout drives strong FY24 result, with underlying PBT ahead of consensus at £8.5m achieved

Pinewood Technologies Group PLC ("Pinewood" or the "Group", LSE: PINE), a leading pure-play cloud-based software business providing innovative automotive retail solutions to the automotive industry, today announces its audited financial results for the 11 months ended 31 December 2024.

Comparative Information – Continuing Operations

£m, unless stated	11m period ended 31 December 2024 (FY24)	11m period ended 31 December 2023 ¹	% Change
Revenue, including intercompany revenue ²	31.2	27.1	15.1%
Gross Profit, including intercompany gross profit ²	28.2	24.2	16.5%
Underlying Operating Profit	8.4	8.5	(1.2)%
Underlying Profit Before Tax	8.5	8.5	-
Underlying EBITDA	14.0	13.1	6.9%
Cash	9.3	47.4 ³	(80.4)%

¹ Unaudited results for the 11 month period ended 31 December 2023

² Revenue and gross profit includes intercompany amounts

³ Cash at end of FY23 (31 January 2024)

Financial Highlights ¹

- Revenue including intercompany revenue¹ on an 11m comparative basis up 15.1% to £31.2m (11m to Dec-23: £27.1m)
- Recurring revenue of £27.0m in FY24 (86.5% of total revenue)
- Gross profit including intercompany revenue¹ on an 11m comparative basis up 16.5% to £28.2m (11m to Dec-23: £24.2m), with gross profit margin increasing by 110bps to 90.4%.
- Underlying EBITDA on an 11m comparative basis up 6.9% to £14.0m (11m to Dec-23: £13.1m), with robust underlying EBITDA margins of 44.9%.
- FY24 underlying profit before tax of £8.5m, ahead of consensus analyst expectations.
- Cash of £9.3m with an additional £9.9m collected from Lithia in March 2025.

¹ All figures relate to continuing operations only and exclude any discontinued operations

Operational Highlights

- Strong revenue growth driven by efficient completion of the Lithia UK system rollout, with a focus on vertical sales into existing customers, and significant new customer wins
- Pinewood now supplies 5 of top 20 UK dealership groups
- Total users increased to 35,200, up 6.3% from 33,100 at the end of FY23:
 - Net increase of 1,700 Lithia users following ex-Jardine Motor Group implementations; successfully completed the system rollout across Lithia UK's network in December 2024

- 700 users added by new customers
 - Churn in existing customers remained minimal at 1.1% in FY24
- Investment in the future with increased resource levels to accommodate delivery of Pinewood's significant pipeline of deliveries
- 5-year contract with Marshall Motor Group ("Marshalls") signed in October 2024, with Pinewood to implement its systems into Marshalls c.120 UK dealerships
- North American roll-out preparation progressing well
 - Engagement with majority of OEMs represented by Lithia as well as third party layered app providers
 - Pinewood development team have begun integration work with OEMs and third parties
 - Pinewood product team making good progress in enhancing the system to US customer specific needs
 - Remain on track to pilot in Lithia US stores in H2 FY25, with the wider roll-out to Lithia US stores starting in FY26
 - North American headquarters to be opened in Florida during 2025
- In October 2024, unveiled an updated customer-facing brand identity under the banner of Pinewood.AI. The reinvigorated proposition complements operational improvements to strengthen the Group's go-to-market strategy
- A new user experience (UX) for all Pinewood system customers will be launched during 2025
 - Development work on the new UX has taken place over several years and is a key next step in the evolution of the Pinewood system

Post-Period End Updates

- On 14th February 2025, Pinewood announced it had secured a five-year contract with Global Auto Holdings, to implement the Pinewood Automotive Intelligence™ platform into all of its owned dealerships across the UK, North America and Scandinavia.
 - This contract will be materially earnings enhancing, as the largest non-associated dealership group to adopt the platform.
 - In recognition of the scale and importance of this partnership, Pinewood issued warrants to an affiliate of Global Auto Holdings in respect of a maximum of 6,098,093 shares at a strike price of 330p, subject to the satisfactory completion of the installation of the Pinewood Automotive Intelligence™ platform into the entirety of each relevant geography
 - This contract fully aligns with Pinewood's goal set out at its Capital Markets Day to sign a further member of the UK's top 20 automotive retailers as a customer by the end of 2025 and expects the roll-out and revenues to commence in the UK by 2026.
- On 20th February 2025, Pinewood announced it would acquire the outstanding 90.9% of the share capital of Seez App Holding Ltd. ("Seez") that the Company did not already own, for a total consideration of \$42m (c.£33.3 million). This follows the \$4.2m strategic investment made in September 2024.
 - The acquisition significantly enhances Pinewood's in-house capabilities with the integration of Seez's leading AI (Artificial Intelligence) and ML (Machine Learning) technology, particularly its AI chatbot functionality.
 - The acquisition was funded by a significantly oversubscribed equity fundraise, that raised gross proceeds of £35.7m and saw strong support from a combination of new investors and existing shareholders.
 - The additional net proceeds from the equity raise will be used to fund the continued execution of Pinewood's growing pipeline of opportunities, as outlined at the Capital Markets Day on 24 October 2024.
 - The acquisition completed on 4 March 2025 and is expected to be significantly earnings accretive by FY26.

Outlook

- Our priority in the UK in FY25 is to begin system implementations with Marshalls and Global Auto Holdings. Having strengthened our sales team, we will look to add more Top 100 dealer groups to our customer base.

- Outside the UK, the geographies identified at our Capital Markets Event in H2 2024 are our priority, namely, North America, Central Europe, Japan and Southeast Asia and South Africa.
- Roll-out of new user experience a key focus for 2025
- The Board remains confident in prospects for the Group and expects underlying profit before tax for the full year to be in line with current market expectations ¹.
- Previous guidance of £30m of underlying EBITDA in FY27 increased to 'mid to high £30 millions'

¹ Current average analyst consensus underlying profit before tax for FY25 is [£11.0m]

Bill Berman, Chief Executive Officer of Pinewood Technologies Group PLC, said:

"Pinewood has made a strong start to life as a standalone software business. A key priority this year was the implementation of our system into Lithia's UK network, and I'm pleased this project has been completed successfully, driving up our total users and revenues. On top of this we delivered major customer wins, most notably with Marshalls, while maintaining a low level of churn thanks to the quality of our service.

"Since the close of the financial year, our positive momentum has continued with the announcement of our largest ever contract with Global Auto Holdings, the acquisition of Seez, and our significantly oversubscribed equity raise. This year will see us focus on implementing our market-leading system with our new customers in the UK, driving growth in our key international geographies and continuing to prepare for our roll-out in the US through our 'joint venture' with Lithia. Trading in the current year has started well, and we remain highly confident in the opportunities ahead for Pinewood."

Conference call and presentation

A presentation for sell-side analysts will be held at 9.00am (BST) today and this will be followed by a Q&A session with the management team. Please use the following link to register and to join the livestream of the presentation:

https://brrmedia.news/PINE_FY_24

A webcast replay of the presentation will be made available on Pinewood's website later in the day. The webcast will be published on: <https://pinewood.ai/investors/results/>

For further enquiries please contact:

Pinewood Technologies Group PLC
 Bill Berman (Chief Executive Officer)
 Ollie Mann (Chief Financial Officer)

InvestorRelations@Pinewood.AI

Headland
 Henry Wallers
 Jack Gault

pinewood@headlandconsultancy.com
 Tel: 07876 562436
 Tel: 07799 089357

Chief Executive's Review

I am delighted to report such a strong first period for Pinewood as a standalone pure-play cloud-based software business. Not only have we delivered a robust set of results during FY24, reflecting our strong growth in the period, but the business has been strategically transformed during 2024 and early 2025. We are confident that we are now well-positioned to grow significantly over the next few years, as we look to expand our global customer base and develop the functionality of our technology.

Pinewood is a unique proposition. It is a business with over two decades of industry experience, we are the proud partner to over 50 OEM brands worldwide and our system is active in 21 countries with over 35,000 users. We have deep customer relationships with high levels of user loyalty, with an average churn rate of less than c.2% in the past 3 years, and this translates to recurring revenues of c.85%. Despite this long history and broad international footprint, the business still has the mentality and nimbleness of a start-up and we are hugely energised by the opportunities we see ahead of us.

The global DMS and software market serving the automotive industry is fragmented and we are well positioned to benefit from this. There is a huge opportunity globally and in particular in North America where the Total Addressable Market for automotive systems is \$6.5 billion.

Our first period as a standalone company has seen us to begin to lay the foundations to fully access the growth potential we believe exists within the business by strengthening our brand and proposition. Alongside our Strategy Update at our Capital Markets Day in October, we launched our reinvigorated customer-facing brand identity under the banner of Pinewood.AI (Automotive Intelligence®). This has further strengthened our go-to-market function, as it is a brand identity that corresponds with our ambitions and it positions us as a leading automotive retail ecosystem. The recent acquisition of Seez also further enhances this positioning and technical capability within the Group.

An upgraded user experience (UX) for all Pinewood system customers will be launched during 2025. Development work on this new UX has taken place over the last few years and this is a key next step in the evolution of the Pinewood system.

One of our key priorities during FY24 has been to deliver best-in-class implementations of our system into the Lithia UK dealers. It is testament to the huge efforts made by our teams that the feedback we have had from Lithia has been excellent. Time and again, our teams have gone the extra mile to ensure the implementations have gone as seamlessly as possible, while our software development and product teams have worked relentlessly to enhance what is already a best-in-class automotive retail ecosystem.

We recognise that maximising system functionality has to be done alongside maintaining as secure an environment as possible. We continue to invest heavily in enhancing our platform architecture and cyber security.

While the primary driver for our increase in users to c.35,200 was the Lithia UK implementation, we have also had new customer wins in the UK and our international markets. Crucially, we have kept our average net user churn to c.1% during FY24 which is testament to the market leading product we have.

One of the key milestones this year was signing a five year contract with Marshall Motor Group in October 2024, which will be the first non-associated major dealership group in the UK to implement Pinewood systems into all of its dealerships. This momentum was continued post-period in February 2025, when we signed a five-year contract with Global Auto Holdings to implement the Pinewood system into their dealerships across the UK, North America and Scandinavia, the largest non-associated dealership group to adopt the platform so far. We are excited to be working with these leading retailers, and this has meant that we have already achieved the target set out at our Capital Markets Event in October 2024, to sign two more of the UK's Top 20 retailers in 2025.

As further laid out at the Capital Markets Event, we are focusing our growth on a number of key geographies around the world. As well as expanding our UK customer base, we are committed to maximising growth in central Europe, Japan and Southeast Asia and South Africa. We have a number of opportunities in these areas and will look to capitalise on them during 2025.

At the same time, we will continue to develop our system in readiness for roll-out into the key North American market. I have been pleased with the progress we have made in the last year in both developing relationships and beginning integration work with Key North American OEMs and other third party 'layered app' providers. We remain confident that we are on course to pilot the Pinewood system in Lithia's US stores in the second half of 2025, with a view to beginning the full rollout into North America in 2026. In addition, Pinewood is exploring options to potentially assume majority control of the 'joint venture' to significantly enhance its value proposition to other North American dealers.

In March 2025 we completed the acquisition of Seez, a leading AI and Machine Learning automotive company which offers a wide range of products including AI chatbots. Historically, Pinewood has developed all technology in-house, but the acquisition was a compelling opportunity on many levels. The opportunity in AI automotive technology is enormous and the acquisition of Seez gives us scale and technical capabilities that would have taken many years and significant investment to develop. We

have already begun integrating Seez's technology into Pinewood's infrastructure following our initial strategic investment in September 2024, and therefore expect full integration to be straightforward. We think this is a key moment for Pinewood and will act as a springboard for us to cement our position as a market leader globally. The significantly oversubscribed equity raise that funded the Seez acquisition was an important vote of confidence from both existing and new shareholders in our strategy and the opportunity this deal opens up.

We continue to look to maximise growth for our shareholders, both through expanding our user base but also through selling vertically to existing customers, as we develop more products. The Board remains confident in the prospects for the Group and expects underlying profit before tax for the full year to be in line with current market expectations.

Bill Berman
Chief Executive
1 April 2025

Operating and Financial Review

Revenue and gross profit include intercompany amounts.

£m	H1 FY24	H2 FY24	FY24	H1 FY23	H2 FY23	FY23	Change %
Revenue including intercompany amounts¹	16.1	15.1	31.2	14.5	17.5	32.0	(2.5)%
Gross Profit including intercompany amounts¹	14.5	13.7	28.2	12.9	15.6	28.5	(1.1)%
<i>Gross margin rate</i>	90.1%	90.7%	90.4%	89.0%	89.1%	89.1%	1.3%
Underlying Administrative Expenses including intercompany amounts ¹	(10.5)	(9.3)	(19.8)	(8.3)	(10.2)	(18.5)	7.0%
Underlying Operating Profit¹	4.0	4.4	8.4	4.6	5.4	10.0	(16.0)%

¹ This is an Alternative Performance Measure (APM) – see note 6

Note: FY24 is an 11 month period ended 31 December 2024 and FY23 is a 13 month period ended 31 January 2024. H1 FY24 is the 6 month period ended 31 July 2024 and H1 FY23 is the 6 month period ended 30 June 2023.

There was no intercompany revenue, gross profit or underlying administrative expenses in FY24. Some of the key financials for FY23 can be seen below:

£m	Intercompany Contribution	Contribution from external customers	Group Total
Revenue including intercompany amounts ¹	7.5	24.5	32.0
Gross Profit including intercompany amounts ¹	6.7	21.8	28.5
Underlying administrative expenses including intercompany amounts ¹	(2.4)	(16.1)	(18.5)

¹ Unaudited. These are Alternative Performance Measures (APM) – see note 6

Operating Review

Pinewood is a software business that provides an automotive retail ecosystem in the UK and 20 other countries worldwide. Pinewood provides Software as a Service ("SaaS") with the majority of revenue being recurring.

The automotive system market for Franchised Motor Dealers is estimated to be worth at least £100 million in the UK. Two providers dominate the UK market, one of which is Pinewood. The global automotive system market is highly fragmented with over 50 different providers within Europe alone. In North America, the market for what are called Dealer Management Systems (DMS) is £2.4 billion. In addition in North America, the market for complimentary add-on products such as CRMs and service tools is worth an additional £4.1 billion. All of this North American market is an opportunity for Pinewood.

Pinewood's unique approach to the market is characterised by:

- a single ecosystem which is deployed globally with continuous software updates
- a cloud-based solution which is highly secure and feature-rich
- focus on strong manufacturer partnerships and supporting dealer profitability; and
- commitment to using the latest technology to reshape motor retail

Pinewood was an early adopter of the SaaS business model and has focused on developing recurring revenue streams. Today, c.85% of Pinewood's revenues are on a recurring basis.

During FY24, overall user numbers increased by 2,100 users (6.3% increase) to 35,200. 1,700 of the user increase was due to the combined impact of the roll-out of the Pinewood system into the (ex-Jardine Motor Group) Lithia UK stores as well as the closure of a number of Lithia UK stores. New customers added 700 users in FY24 and there was net churn of 300 users in Pinewood's existing customer base. This very low net churn of just 1.1% reflects the 'stickiness' of the Pinewood system.

A key financial KPI for Pinewood is the amount of development expenditure. In FY24 Pinewood increased its investment in the system with £9.0m of development expenditure of which £7.4m was capitalised (82% capitalisation rate). The main focuses for the development team during FY24 were 'hyperscale' system development to ensure the system is ready for deployment in North America, working on a new customer user interface which will be launched in FY25 and ongoing investment in platform architecture and security. Other key financial KPIs are Underlying Operating Profit, Underlying Profit Before Tax and Underlying EBITDA. A key non-financial KPI used by the Group is the number of employees in the development and product teams. At the end of FY24, there were 172 employees in the development and product teams, compared to 137 employees in the development and product teams at the end of FY23.

The five year contract signed in October 2024 with Marshall Motor Group to implement Pinewood systems into their stores was a highly significant moment for Pinewood, with Marshalls being one of the leading automotive retailers in the United Kingdom. Their scale, with c.120 dealerships as well as the other businesses in their wider Group including cinch, BCA and webuyanycar make them a unique and valued customer. The contract represents the first non-associated major dealership group in the UK to adopt the Pinewood product suite following the recent Lithia UK implementation.

Financial Review

£m	11m period comparison		Variance	13m period ended 31 January 2024 (FY23)		
	11m period ending 31-Dec-24 (FY24) - Continuing operations	11m period ending 31-Dec-23 - Continuing operations ^{1 2}		Continuing operations	Discontinued operations	Total
Revenue	31.2	27.1	15.1%	24.5	4,318.0	4,342.5
Gross Profit	28.2	24.2	16.5%	21.8	485.4	507.2
Underlying Operating Profit	8.4	8.5	(1.2)%	10.0	147.6	157.6
Underlying Profit Before Tax	8.5	8.5	-	9.9	-	9.9
Profit Before Tax	8.2	8.2	-	9.9	81.9	91.8
Underlying EBITDA	14.0	13.1	6.9%	15.6	-	15.6

¹ Unaudited results for the 11 month period ended 31 December 2023.

² In FY23, Pinewood was part of Pendragon PLC and therefore intercompany revenue received from Pendragon PLC was eliminated on consolidation in FY23 – see above.

The pro-forma financial information above has been given to provide a like for like comparison of results for the current and prior periods. The 2 adjustments made are as follows:

- The comparative 13 month period has been adjusted to show only the comparable 11 month period.

- In the comparative 11 month period revenue of £6.3m arose from Pendragon PLC. As Pinewood was part of the same group in that period, this revenue was eliminated on consolidation. This revenue has been added back in the comparative pro-forma information above.

Comparing the 11 month periods ended 31-Dec-24 and 31-Dec-23, revenue increased by 15.1%, gross profit increased by 16.5% and underlying profit before tax was flat at £8.5m in both periods.

Revenue increased from £24.5m in FY23 to £31.2m in FY24 and gross profit increased from £21.8m in FY23 to £28.2m in FY24. £27.0m of the FY24 revenue of £31.2m was recurring (86.5%). Underlying profit before tax decreased from £9.9m in FY23 to £8.5m in FY24.

Total revenues including intercompany revenue decreased by 2.5% to £31.2m compared to FY23. This was due to FY24 being an 11 month period and FY23 being a 13 month period.

Gross profit including intercompany gross profit decreased by 1.1% to £28.2m. The gross margin increased by 130bps to 90.4% in FY24, as a series of measures to make our cloud hosting as efficient as possible have been put in place.

Underlying administrative expenses in FY24 increased by £8.0m compared to FY23 to £19.8m. In FY23, there were £6.7m of intercompany administrative expenses and in FY24 this was nil. In FY24 the amortisation charge of £5.0m made up approximately a quarter of administrative costs. The majority of Pinewood's administrative expenses are resource costs and during FY24, headcount was 'right-sized' to ensure the business had the necessary resource to deliver the stretching future growth plans.

As a result of these movements, underlying operating profit was £8.4m, a decrease of 16.0% compared to FY23.

There was a non-underlying loss before tax of £0.3m (FY23: nil). This consisted of restructuring and transition costs following the sale of the UK Motor and Leasing businesses to Lithia of £2.2m, transaction costs following the sale of the UK Motor and Leasing businesses to Lithia of £0.9m, share based payments of £1.0m, interest receivable of £4.3m earned on cash held prior to a special dividend payment and £0.5m of loss from the group's share of the result from the 'joint venture' (Pinewood North America, LLC).

Group net assets were £39.0m at 31 December 2024 (31-Jan-2024: £360.4m), with the main balances being a £9.6m investment in associate (31-Jan-2024: £nil), £16.3m of capitalised software intangibles (31-Jan-2024: £13.8m), £21.4m of trade and other receivables (31-Jan-2025: £421.8m), £9.3m of cash (31-Jan-2024: £47.4m), £11.0m of trade and other payables (31-Jan-2024: £23.0m) and £7.6m of deferred income (31-Jan-2024: £6.5m).

Cash at the start of FY24 was £47.4m and the main movements to arrive at the £9.3m at the end of FY24 were £395.4m received from Lithia for the sale of the ex-Pendragon dealerships and leasing business, a £93.0m loan repayment, £30.0m from issuing share capital and a £358.4m special dividend paid to shareholders. The software intangible increased during the period as more development work was capitalised.

CONSOLIDATED INCOME STATEMENT
FOR THE 11 MONTH PERIOD ENDED 31 DECEMBER 2024

	11m period ended 31 December 2024 Underlying FY24	11m period ended 31 December 2024 Non- underlying* FY24	11m period ended 31 December 2024 Total FY24	13m period ended 31 January 2024 Underlying FY23	13m period ended 31 January 2024 Non- underlying FY23	13m period ended 31 January 2024 Total FY23
Note	£m	£m	£m	£m	£m	£m
Continuing Operations						
Revenue	31.2	-	31.2	24.5	-	24.5
Cost of sales	(3.0)	-	(3.0)	(2.7)	-	(2.7)
Gross profit	28.2	-	28.2	21.8	-	21.8
Administrative expenses	(19.8)	(4.1)	(23.9)	(11.8)	-	(11.8)
Operating profit / (loss)	8.4	(4.1)	4.3	10.0	-	10.0
Finance expense	(0.3)	-	(0.3)	(0.1)	-	(0.1)
Finance income	0.4	4.3	4.7	-	-	-
Share of loss in associate	-	(0.5)	(0.5)	-	-	-
Profit / (loss) before taxation	8.5	(0.3)	8.2	9.9	-	9.9
Income tax expense	(2.1)	(0.4)	(2.5)	(1.6)	-	(1.6)
Profit / (loss) for the period from continuing operations	6.4	(0.7)	5.7	8.3	-	8.3
Discontinued Operations						
Profit / (loss) for the period from discontinued operations, net of tax **	-	-	-	-	73.4	73.4
Profit / (loss) for the period	6.4	(0.7)	5.7	8.3	73.4	81.7

Earnings per share – Total ***

Basic earnings per share	5.1p	55.2p
Diluted earnings per share	5.1p	55.2p

Earnings per share – Continuing Operations ***

Basic earnings per share	5.1p	5.6p
Diluted earnings per share	5.1p	5.6p

* See note 5.

** The discontinued operations in the 13m period to 31 January 2024 is in respect of the Group's motor and leasing businesses.

*** Diluted EPS for the 13 m period ended 31 January 2024 has been restated, see note 2.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 11 MONTH PERIOD ENDED 31 DECEMBER 2024**

	11m period ended 31 Dec 2024 £m	13m period ended 31 Jan 2024 £m
Profit for the period	5.7	81.7
Other comprehensive income/(expense)		
Items that will never be reclassified to profit and loss:		
Defined benefit plan remeasurement (losses) and gains	-	(11.3)
Income tax relating to defined benefit plan remeasurement (losses) and gains	-	2.3
	-	(9.0)
Items that are or may be reclassified to profit and loss:		
Foreign currency translation differences of foreign operations	0.1	(0.1)
	0.1	(0.1)
Other comprehensive income for the period, net of tax	0.1	(9.1)
Total comprehensive income for the period	5.8	72.6
Total comprehensive income for the period attributable to equity shareholders of the Group arises from:		
Continuing operations	5.8	8.2
Discontinued operations	-	64.4
	5.8	72.6

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 11 MONTH PERIOD ENDED 31 DECEMBER 2024**

	Share capital £m	Share premium £m	Capital redemption reserves £m	Other reserves £m	Translat ion reserve £m	Retained earnings £m	Total £m
Balance at 1 January 2023	69.9	56.8	5.6	12.6	0.5	135.6	281.0
Total comprehensive income for 13m period ended 31 January 2024							
Profit for the period	-	-	-	-	-	81.7	81.7
Other comprehensive expense for the period, net of tax	-	-	-	-	(0.1)	(9.0)	(9.1)
Total comprehensive income for the period	-	-	-	-	(0.1)	72.7	72.6
Issue of ordinary shares*	3.3	-	-	-	-	(3.3)	-
Share based payments	-	-	-	-	-	5.9	5.9
Reserve realised due to re-organisation	-	-	-	(12.6)	-	12.6	-
Income tax relating to share based payments	-	-	-	-	-	(0.1)	(0.1)
EBT consideration on repurchased shares	-	-	-	-	-	1.0	1.0
Balance at 31 January 2024	73.2	56.8	5.6	-	0.4	224.4	360.4
Balance at 31 January 2024	73.2	56.8	5.6	-	0.4	224.4	360.4
Total comprehensive income for 11m period ended 31 December 2024							
Profit for the period	-	-	-	-	-	5.7	5.7
Other comprehensive expense for the period, net of tax	-	-	-	-	0.1	-	0.1
Total comprehensive income for the period	-	-	-	-	0.1	5.7	5.8
Issue of ordinary shares	13.9	16.1	-	-	-	-	30.0
Share based payments	-	-	-	-	-	1.0	1.0
Income tax relating to share based payments	-	-	-	-	-	0.2	0.2
Dividends paid	-	-	-	-	-	(358.4)	(358.4)
Balance at 31 December 2024	87.1	72.9	5.6	-	0.5	(127.1)	39.0

*During the 13 month period to 31 January 2024, 65,979,118 ordinary shares were issued at par value for proceeds of £3.3m. These shares were subsequently acquired by the EBT in order to satisfy pending share awards.

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2024

	Note	31 Dec 2024 £m	31 Jan 2024 £m
Non-current assets			
Property, plant and equipment		1.7	1.1
Goodwill		0.3	0.3
Investment in associate		9.6	-
Other investments		3.2	-
Other intangible assets		16.3	13.8
Total non-current assets		31.1	15.2
Current assets			
Trade and other receivables		21.4	421.8
Current tax assets		-	0.3
Cash and cash equivalents	3	9.3	47.4
Total current assets		30.7	469.5
Total assets		61.8	484.7
Current liabilities			
Interest bearing loans and borrowings	4	-	(93.0)
Lease liabilities	4	(0.7)	(0.4)
Trade and other payables		(11.0)	(23.0)
Deferred income		(7.6)	(6.5)
Current tax payable		(0.1)	-
Total current liabilities		(19.4)	(122.9)
Non-current liabilities			
Interest bearing loans and borrowings	4	(0.2)	(0.2)
Lease liabilities	4	(0.7)	(0.6)
Deferred tax		(2.5)	(0.6)
Total non-current liabilities		(3.4)	(1.4)
Total liabilities		(22.8)	(124.3)
Net assets		39.0	360.4
Capital and reserves			
Called up share capital		87.1	73.2
Share premium account		72.9	56.8
Capital redemption reserve		5.6	5.6
Other reserves		-	-
Translation reserve		0.5	0.4
Retained earnings		(127.1)	224.4
Total equity attributable to equity shareholders of the Company		39.0	360.4

CONSOLIDATED STATEMENT OF CASH FLOWS **FOR THE 11 MONTH PERIOD ENDED 31 DECEMBER 2024**

	Note	11m period ended 31 Dec 2024 £m	13m period ended 31 Jan 2024 £m
Cash flows from operating activities			
Profit for the period		5.7	81.7
Adjustment for taxation		2.5	10.1
Share of result of associate		0.5	-
Adjustment for net finance (income)/expense		(4.4)	65.8
		4.3	157.6
Depreciation and amortisation		5.6	30.7
Share based payments		1.0	5.9
Profit on disposal of own shares by EBT		-	0.5
Profit on sale of business and property, plant and equipment		-	(41.8)
Contribution into defined benefit pension scheme		-	(14.2)
Changes in inventories		-	38.5
Changes in trade and other receivables		(4.7)	(45.9)
Changes in trade and other payables		(1.3)	39.7
Movement in contract hire vehicle balances		-	(57.3)
Cash generated from operations		4.9	113.7
Net taxation paid		(0.1)	(6.6)
Bank and stocking interest paid		(0.1)	(45.4)
Bank interest received		4.5	1.9
Lease interest paid		(0.1)	(16.2)
Finance lease interest received		-	1.0
Net cash inflow from operating activities		9.1	48.4
Cash flows from investing activities			
Proceeds from sale of business net of fees paid		395.4	1.3
Fees paid in advance of business completion on business disposal to Lithia		-	(6.6)
Cash disposed as part of business disposal		-	(15.3)
Purchase of property, plant, equipment and intangible assets		(7.5)	(40.2)
Proceeds from sale of property, plant, equipment and intangible assets		-	11.0
Receipt of lease receivables		-	2.4
Investment in associate		(10.0)	-
Other investments		(3.2)	-
Net cash inflow/(outflow) from investing activities		374.7	(47.4)
Cash flows from financing activities			
Payment of lease liabilities		(0.5)	(19.0)
Repayment of loans		(93.0)	(4.0)
Proceeds from issue of share capital		30.0	-
Payment of dividend		(358.4)	-
Net cash outflow from financing activities		(421.9)	(23.0)
Net (decrease)/increase in cash and cash equivalents		(38.1)	(22.0)
Cash and cash equivalents at start of period		47.4	69.4

NOTES

1. Basis of Preparation

Pinewood Technologies Group PLC (the 'Group') is domiciled in England. The address of the Group's registered office is 2960 Trident Court, Solihull Parkway, Birmingham Business Park, Birmingham. B37 7YN. These condensed consolidated financial statements of the Group as at and for the period ended 31 December 2024 consist of the consolidation of the financial statements of the Group and its subsidiaries and the Group's interest in jointly controlled and associated entities.

These condensed consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards (IAS). They do not include all the information required for full annual statements and should be read in conjunction with the FY24 Annual Report.

The Board of Directors approved the condensed consolidated financial statements on 1 April 2025. They are not statutory accounts within the meaning of section 435 of the Companies Act 2006.

The Group's financial statements for the period ended 31 December 2024 were approved by the Board on 1 April 2025. They have been reported on by the Group's auditors and will be delivered to the registrar of companies in due course. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The comparative figures for the financial period ended 31 January 2024 have been extracted from the statutory accounts for that financial year. Those accounts have been reported on by the Group's auditor. The report of the auditor (i) was unqualified and (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report.

Going concern

The Directors are, at the time of approving the financial statements, satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. The Directors have considered the potential impact of a 10% reduction in revenue.

The Group meets its day-to-day working capital requirements from operating in a net cash position and being a highly cash generative business. The Group is forecasting a cash inflow of £15.1m in FY24. The Group also has access to a £10m RCF, which expires in February 2027.

In the context of the above, the directors have prepared cash flow forecasts for the period to 31 December 2026 which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds to meet its liabilities as they fall due for that period. The Directors have modelled scenarios as follows:

1. A base cash flow forecast. The 2025 figures in this forecast are based on the Group's FY25 budget, which reflect current run-rates and expected strategic improvements. The 2026 figures in the base cash flow forecast are based on the 2025 budget.
2. A severe, but plausible downside scenario. The directors have also prepared a sensitised forecast which considers the impact of a 10% reduction in revenue when compared to the base case. In this scenario, the Group would remain cash generative.

The Directors are mindful of the potential impacts to macro-economic conditions but after assessing the risks do not believe there to be a material risk to going concern.

Based on the above, the directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements, and therefore the directors believe it remains appropriate to prepare the financial statements on a going concern basis.

Adoption of new and revised standards

A number of new standards, amended standards and interpretations are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. The adoption of the following new standards, amended standards and interpretations is not expected to have a material effect on the accounts, with the possible exception of IFRS18, the impact of which is currently being evaluated.

- FRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures (subject to UK endorsement).

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective date 1 January 2026, subject to UK endorsement).
- IFRS 18 'Presentation and Disclosure' in Financial Statements (effective date 1 January 2027, subject to UK endorsement).
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective date 1 January 2025)

2. Earnings per share

	11 month period ended 31 Dec 2024 Earnings per share Pence	11 month period ended 31 Dec 2024 Earnings total £m	13 month period ended 31 Jan 2024* Earnings per share Pence	13 month period ended 31 Jan 2024 Earnings total £m
Earnings per share calculation				
Basic earnings per share from continuing operations	5.1	5.7	5.6	8.3
Basic earnings per share from discontinued operations	-	-	49.6	73.4
Basic earnings per share	5.1	5.7	55.2	81.7
Diluted earnings per share from continuing operations	5.1	5.7	5.6	8.3
Diluted earnings per share from discontinued operations	-	-	49.6	73.4
Diluted earnings per share	5.1	5.7	55.2	81.7

The calculation of basic, adjusted and diluted earnings per share is based on the following number of shares in issue (millions):

	11 month period ended 31 Dec 2024 Number	13 month period ended 31 Jan 2024 Number
Weighted average number of ordinary shares in issue	111.4	147.9
Weighted average number of dilutive shares under option	-	-
Weighted average number of shares in issue taking account of applicable outstanding share options	111.4	147.9
Non-dilutive shares under option	2.5	-

*Restated to adjust for the effects of the share consolidation and special dividend announced in April 2024.

3. Cash and cash equivalents

	Carrying value & fair value 31 Dec 2024 £m	Carrying value & fair value 31 Jan 2024 £m
Bank balances and cash equivalents	9.3	47.4
Cash and cash equivalents in the Balance Sheet	9.3	47.4
Bank overdrafts repayable on demand and used for cash management in the Balance Sheet	-	-
Cash and cash equivalents in the statement of cash flows	9.3	47.4

Bank overdrafts reflect the aggregated overdrawn balances of Group companies (even if those companies have other positive cash balances).

4. Summary of borrowings

	Carrying value & fair value 31 Dec 2024 £m	Carrying value & fair value 31 Jan 2024 £m
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Non-current:		
Other loan notes	0.2	0.2
Lease liabilities	0.7	0.6
Total non-current	0.9	0.8
Current:		
Senior Finance Agreement (SFA)	-	93.0
Lease liabilities	0.7	0.4
Total current	0.7	93.4
Total borrowings	1.6	94.2

5. Non-underlying Items

Non-underlying items are items that in management's judgement need to be disclosed separately by virtue of their size, nature or frequency to aid understanding of the performance for the year or comparability between periods.

	11m period ended 31 Dec 2024 £m	13m period ended 31 Jan 2024 £m
Within administrative expenses		
Restructuring and transition costs following the sale of the UK Motor and Leasing businesses to Lithia UK Holding Limited	(2.2)	-
Share based payments	(1.0)	-
Transaction costs relating to the sale of the UK Motor and Leasing businesses to Lithia UK Holding Limited	(0.9)	-
	(4.1)	-
Other items		
Interest arising on cash proceeds from the sale of the UK Motor and Leasing businesses to Lithia UK Holding Limited prior to the payment of the dividend	4.3	-
Group share of the result from Pinewood North America, LLC	(0.5)	-
Total non-underlying items before tax in continuing operations	(0.3)	-
Non-underlying items in tax	(0.4)	-
Non-underlying items after tax in continuing operations	(0.7)	-
Non-underlying items in discontinued operations net of tax	-	73.4
Total non-underlying items after tax	(0.7)	73.4

6. Alternative performance measures

The Group uses a number of key performance measures ('KPI's') which are non-IFRS measures to monitor the performance of its operations. The Group believes these KPIs provide useful historical financial information to help investors and other stakeholders evaluate the performance of the business and are measures commonly used by certain investors for evaluating the performance of the Group. The Group will the following KPIs on a consistent basis and they are defined and reconciled as follows:

Revenue including intercompany revenue is reconciled above

Gross Profit including intercompany revenue is reconciled above

Gross Margin % - gross margin is defined as gross profit as a percentage of revenue

Underlying administrative expenses including intercompany revenue is reconciled above

Underlying operating profit / profit before tax – results on an underlying basis exclude items which in management’s judgement need to be disclosed separately by virtue of their size, nature or frequency to aid understanding of the performance for the year or comparability between periods. The non-underlying results are shown separately on the face of the consolidated income statement to reconcile from the underlying to total results. The details of the non-underlying items including their tax impact are shown in note 5.

Underlying EBITDA – underlying interest before interest, tax, depreciation and amortisation

	11m period ended 31 Dec 2024 £m	13m period ended 31 Jan 2024 £m
Underlying EBITDA – reconciliation		
Underlying operating profit	8.4	10.0
Depreciation and amortisation	5.6	5.6
Underlying EBITDA	14.0	15.6

7. Post balance sheet events

On 14 February 2025 the Group entered into a five year contract with Global Auto Holdings Plc to implement the Pinewood Automotive Intelligence platform. In recognition of the significant scale of this contract, Pinewood has issued warrants to an affiliate of Global Auto Holdings in respect of a maximum of 6,098,093 ordinary shares up to an equivalent of 7% of the current issued share capital of Pinewood, which shall be exercisable at a strike price of 330.0p in tranches subject to the satisfactory completion of the installation of the Pinewood Automotive Intelligence platform.

On 19 February 2025, the Group entered into a new 5 year lease on its London office with a break clause in December 2025 and an annual rent of £0.1m.

On 21 February 2025, the Group announced the results of an equity fundraise by way of a cash placing to institutional investors, a separate retail offer, and direct subscriptions to the Company. In total, 11,325,031 new ordinary shares of £1.00 each in the Company were subscribed for at a price of 315 pence per share. Total gross proceeds from the fundraise were £35.7m.

On 25 February 2025, the Group’s shares commenced trading on the OTCQX® Best Market (“OTCQX”) in the U.S under the symbol “PINWF”. The Company’s ordinary shares will continue to trade on the main market of the London Stock Exchange. No new ordinary shares will be issued as part of the commencement of trading on OTCQX.

On 4 March 2025, the acquisition of Seez App Holding Limited, an automotive AI & ML SaaS platform, completed for a total consideration of \$42 million (totaling £33.3 million), with £22.8 million payable in cash to certain sellers on completion of the acquisition, £3.9 million payable on completion of the acquisition to the holders of certain ESOP options over shares in the capital of Seez and which will be cash-cancelled at completion of the acquisition, and the balance, £6.6 million, paid through the issue of 2,098,633 new ordinary shares of £1.00 in the Company to certain sellers. As a result, the Group now has 100,539,286 Ordinary Shares in issue. The initial fair value exercise has not been performed given the timing of the transaction. Details of the acquisition accounting will be included in the FY25 interim results. The acquisition is expected to be significantly earnings accretive by FY26, being the first full year under Pinewood’s ownership.