

Tandem Group plc
(the "Company" or the "Group")

Acquisition

The Board of Tandem Group plc (AIM: TND), designers, developers and distributors of sports and leisure equipment, announces that it has acquired 100% of the share capital of mobility and leisure products business, Pro Rider Mobility Limited ("Pro Rider " or the "Acquisition").

The initial consideration for the Acquisition is £2.5 million to be paid in cash with additional consideration also to be paid in cash likely to be approximately £0.5 million but up to a maximum of £1 million, subject to Pro Rider fulfilling certain profitability criteria. The Acquisition will be funded from the Company's existing cash resources.

Pro Rider is a leading UK online retailer of mobility scooters, associated mobility products, electric bicycles and electric golf trolleys. Pro Rider made a profit of £0.3 million in the statutory accounts for the year ended 31 January 2013. Net assets were £0.6 million as at 31 January 2013 and are expected to be approximately £1.4 million on completion. Simon Betts, the Managing Director and existing 100% shareholder of the Acquisition, will continue as a director of the business.

The Board anticipate that the synergies between the two businesses will benefit the Group overall with Pro Rider expected to be earnings enhancing for the Company in its first full year of ownership. The Acquisition will broaden the Group's distribution channels and its customer base by utilising the existing Pro Rider online trading platform and through continued development and growth of the business. The business will continue on a stand-alone basis but will have access to the Group's buying and sourcing resources.

Commenting on the Acquisition, Chairman Mervyn Keene said *"We are excited by the potential for growth of the Pro Rider business and this acquisition, whilst offering synergies with our existing businesses, enables us to build an online trading platform"*.

Enquiries:

Tandem Group plc

Steve Grant, CEO

Jim Shears, Group Finance Director and Company Secretary

Telephone 0121 748 8075

Nominated Adviser

Cairn Advisers LLP

Tony Rawlinson

Telephone 020 7148 7901

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