

# Tandem Group plc

## AGM Statement

Chairman, Mervyn Keene, will make the following statement at today's AGM:

"Revenue for the 25 weeks to 24 June 2016 was approximately 8% ahead of the comparative period last year.

Including the ESC business which was acquired in September 2015, revenue in our sports, leisure and toys businesses for the 25 weeks to 24 June was approximately 48% ahead of the same period last year. On a like for like basis, revenue was approximately 3% ahead of the prior year.

New licences Paw Patrol, Shopkins and Finding Dory performed strongly. Batman was also well ahead of the previous period. In own brands, Kickmaster was significantly ahead of the prior period.

In our bicycles and mobility businesses, revenue was approximately 25% behind the same period last year.

A significant national retailer bicycle promotion in 2015 wasn't repeated by the customer in 2016 and as a result revenue from our corporate bicycles business was considerably behind.

Although our flagship independent brands, Claud Butler and Dawes, both have significant pedigree and heritage, the independent leisure cycling market continues to be challenging.

Our Pro Rider mobility business was slightly behind the prior period. New models of mobility scooters have been introduced and further developments are underway.

Although the leisure cycling market continues to be highly competitive which impacts on the bicycles and mobility division, we expect the second half of the year in our sports, leisure and toys division to perform well, both on a like for like and overall basis.

The recent UK referendum result to leave the European Union will clearly create a period of volatility and uncertainty, most notably in respect of a weaker sterling dollar exchange rate which will impact all importers. However, we continue to manage this position through the utilisation of existing currency derivatives and the management of our supply chain.

In accordance with our announcement on 19 April 2016, a dividend of 2.50 pence per ordinary share will be paid on or around 4 July 2016 to shareholders that were on the register on 27 May 2016."

### **Enquiries:**

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