

Tandem Group plc

(the 'Group' or 'Company')

AGM Statement

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

"Trading

Despite the serious challenges of COVID-19 we are pleased to announce that it has been a very encouraging period for the Group with revenue for the 25 weeks to 23 June approximately 7% ahead of the same period in the previous year.

In our licensed property ranges, FOB revenue, where our customers purchase product in full containers and ship direct from the country of origin, was well behind the prior year period. However, Frozen and Spider-Man were stand out performers with the FOB shortfall compensated by domestic revenue which was materially ahead of the same period in the prior year. Other licences including Peppa Pig, Batman, Disney Princess and Paw Patrol were behind the prior year although domestic business was significantly ahead.

Despite lower FOB orders, domestic sales of Kickmaster football training and Hedstrom outdoor play products were also well ahead of the prior year.

Following a slow start, revenue from our Ben Sayers golf brand gathered great momentum over recent weeks to finish 81% ahead of the prior period as golf courses reopened.

It has been an exceptional period for bicycle sales, with both our independent bicycle dealer (IBD) and national retailer customers significantly ahead and the overall cycle business approximately 72% ahead of the prior year period. Given such unprecedented demand, our greatest challenge has been to remain in stock and to maintain timely supply to our customers.

Growth from ebikes has been particularly noteworthy and revenue from our Squish lightweight junior range was again well ahead of the same period in the prior year as we continue to increase market share.

It has been particularly pleasing that many of our IBD customers have benefitted from strong consumer demand for our Dawes and Claud Butler ranges of commuter and leisure cycles since the period of lockdown started.

In our B2C online businesses, revenue from many of our outdoor product ranges including spas, trampolines, outdoor play and football goals was significantly ahead of the prior year. The combination of lockdown and particularly good weather during the spring months had a very positive impact.

The previous investment into our online business helped to increase visitor traffic and revenue from our own websites. In particular, our Garden & Camping (www.garden-camping.com) and At Home Comforts by Jack Stonehouse (www.jackstonehouse.com) websites have shown significant growth this year with the number of visitors increasing by 120% and 180% respectively which has resulted in significant revenue growth from these channels.

Outlook

Our outlook for the remainder of 2020 is broadly positive at this stage. Domestic demand for wheeled toys, outdoor products and bicycles is showing no sign of abatement. The FOB order book, although behind the prior year, is growing in preparation for the Christmas period.

The supply chain for bicycles is under great pressure. Our suppliers have experienced their own varying degrees of lockdown in their own countries which has halted production. There will be a period of catch up before production lines become fully operational and as a

result we will have limited stock availability. We are working hard to restore supply chains as soon as possible.

There is also some uncertainty regarding what will happen as we exit lockdown and the economy attempts to return to a degree of normality. At this stage it is difficult to assess the impact on the ongoing demand for our products. However, we remain confident that we will deliver another strong year.

Investor relations

As the Company has been unable to meet with shareholders at the AGM we will be holding an investor day in September. This will provide shareholders with the opportunity to visit our Birmingham operation to view some of our products and discuss the business with the Board and management.

It is also our intention to hold an interim result presentation during the investor day and on an ongoing basis when future interim and final results are published.

We continue to engage with shareholders on an individual basis and shareholders are encouraged to email the Company's dedicated shareholder email address investorrelations@tandemgroup.co.uk with any questions regarding the business.

Dividend

In light of the strong performance in 2019 we announced on 26 March 2020 that it was our intention to pay a dividend of 5.04 pence per ordinary share comprising of a final dividend of 3.04 pence per ordinary share and, in addition, a special dividend of 2.00 pence per ordinary share. Resolutions to that effect will be proposed at the AGM today. Subject to these resolutions being passed, the dividend will be paid on or around 2 July 2020 to shareholders on the register on 15 May 2020 (ex-dividend date 14 May 2020)."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (MAR).

Enquiries:

Tandem Group plc

Steve Grant, Chief Executive

Jim Shears, Group Finance Director and Company Secretary

Telephone 0121 748 8075

Nominated Adviser

Cairn Financial Advisers LLP

James Caithie / Tony Rawlinson

Telephone 020 7213 0880

25 June 2020

Forward-Looking Statements

Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.