

Tandem Group plc

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **ANNUAL GENERAL MEETING** of **TANDEM GROUP** plc will be held at 35 Tameside Drive, Castle Bromwich, B35 7AG on 25 June 2020 at 11:00 a.m. for the following purposes:

Ordinary business

1. To receive, consider and adopt the report of the Directors, the audited financial statements and the Auditors' report for the year ended 31 December 2019.
 2. To declare a final dividend on the ordinary share capital of the company of 3.04 pence per share.
 3. To declare a special dividend on the ordinary share capital of the company of 2.00 pence per share.
 4. To re-elect as a Director of the Company MPJ Keene who retires in accordance with the Articles of Association and is eligible for re-election.
 5. To re-elect as a Director of the Company AQ Bestwick who retires in accordance with the Articles of Association and is eligible for re-election.
 6. To elect as a Director of the Company MA Taylor.
 7. To appoint Cooper Parry Group Limited as auditors of the Company until the conclusion of the next Annual General Meeting of the Company at which the requirement of Section 489 of the Companies Act 2006 is complied with and to authorise the Directors to fix their remuneration.
1. Any holder of 25p ordinary shares entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to exercise all or any of his rights to attend, speak and vote at the Annual General Meeting. More than one proxy may be appointed provided each proxy is appointed to exercise rights attached to different shares. A proxy need not be a member of the Company.
 2. A form of proxy is enclosed. To be valid, the form of proxy must be lodged with the Company not later than 48 hours before the time appointed for the Annual General Meeting.
 3. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all powers as a member provided that no more than one representative exercises powers over the same share.
 4. Any person entered on the register of members of the Company 48 hours before the time appointed for the Annual General Meeting is entitled to attend and vote at the Meeting pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Any changes to the register of members after the above time and date shall be disregarded in determining the rights of any person to attend and/or vote at the Meeting.
 5. Pursuant to Article 107 of the Current Articles notice is given that MPJ Keene will become 70 years of age within 6 months of the date of the Annual General Meeting.

Special business

To consider and, if thought fit, pass the following resolutions.

8. To adopt new Articles of Association.
9. That the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the said Act) of ordinary shares of 25p each in the capital of the Company ("ordinary shares") provided that:
 - (i) the maximum number of ordinary shares hereby authorised to be purchased during the period until the date of the expiry of this authority is 755,113 (representing approximately 15 per cent of the Company's issued ordinary share capital);
 - (ii) the minimum price, exclusive of any expenses, which may be paid for an ordinary share is 1p;
 - (iii) the maximum price, exclusive of any expenses, which may be paid for any such share is an amount equal to 105 per cent of the average of the middle market quotations for an ordinary share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such share is contracted to be purchased;
 - (iv) the authority hereby conferred shall expire on the close of the next Annual General Meeting of the Company;
 - (v) the Company may make a contract for the purchase of ordinary shares under this authority before the expiry of this authority which would or might be executed wholly or partly after the expiry of such authority, and may make purchases of ordinary shares in pursuance of such a contract as if such authority had not expired.

By Order of the Board

J C Shears

Company Secretary
35 Tameside Drive, Castle Bromwich, Birmingham, B35 7AG

2 April 2020

Completion and return of a form of proxy will not preclude a member from attending or voting in person at the Annual General Meeting. Copies of the Memorandum and Articles of Association of the Company, Directors' contracts of service and the Register of Directors' Interests will be available for inspection during the usual business hours at the Company's registered office until the date of the Annual General Meeting, 15 minutes prior to the meeting and during the meeting itself.

APPENDIX - Summary of the principal proposed changes to the Company's Articles of Association

Under Resolution 8, the Company is proposing to adopt new Articles of Association (the "New Articles") to replace its current Articles of Association (the "Current Articles"). The Company's Current Articles were last amended in 2009. The New Articles as proposed to be adopted will take effect from the conclusion of the AGM. Certain principal differences between the New Articles and the Current Articles are summarised below. Other changes, which are of a more minor, technical, modernising or clarifying nature, have not been noted. A copy of the Company's Current Articles, and a copy of the New Articles as proposed to be adopted pursuant to this resolution, will be available for inspection from the date of this letter and up to the time of the AGM at the registered office of the Company during usual business hours and at the place of the AGM from the date of this letter until the close of the Meeting. Both sets of Articles may also be found on the Investor Relations section of the Company's website, www.tandemgroupplc.com.

Redundant share rights

The Current Articles contain rights relating to an historic class of A ordinary shares which are no longer in issue. The rights of and references to this class of shares have been removed in the New Articles.

Change of name by Directors (Article 4)

Article 4 of the New Articles provides the Directors with the right to amend the name of the Company in line with the Companies Act 2006.

Shares held in uncertificated form (Articles 18)

The New Articles have been updated to better align their provisions to the Uncertificated Securities Regulations 2001 (the "Regulations"). Article 18 of the New Articles permits the Board of Directors of the Company to make additional regulations in respect of uncertificated shares, including to make provisions which are necessary to ensure compliance with the Regulations.

Notice and conduct of general meetings (Articles 55 and 56)

Amendments and additions have been made to the provisions relating to shareholder meetings to bring these in line with best practice. New Article 56 provides a mechanism by which the Board of Directors can postpone a general meeting in the event that holding a meeting for which notice has been issued becomes impractical or undesirable. Article 57 sets out the minimum requirements for the contents of any notice of general meeting.

Article 59.2 of the New Articles further provides that save in certain prescribed circumstances where members requisition a general meeting they shall be responsible for meeting the costs of such general meeting.

Removal of Chairman's casting vote

The New Articles remove the Chairman's right to a casting vote in general meeting, in line with the provisions of Section 282 of the Companies Act 2006.

Fees of non-executive Directors (Article 97)

The aggregate sum which may be paid to non-executive directors in respect of fees has been increased to £120,000 and Article 97 clarifies that such amount is distinct from any salary, remuneration or other amounts payable to such Directors pursuant to the New Articles. This will remove any uncertainty going forward that remuneration of the non-executive Directors (as distinct from payment of "directors fees") should not fall within the fee limit and is desirable to include given uncertainty as to the characterisation and application of the fee limit (and any possible previous breach) in respect of certain past payments to such Directors and is more in line with market practice.

Directors' interests (Articles 100, 101 and 102)

The New Articles clarify the circumstances in which a Director can vote in relation to a matter in which they have an interest in line with the Companies Act 2006.

Alternate Directors (Article 117)

The New Articles make clarificatory amendments with regard to the position and process on the appointment, and termination of appointment, of alternate directors.

Borrowing powers of Directors (Article 126)

The existing limit on the Company's borrowing (currently £19,000,000) has been removed and the New Articles provide for the Directors to exercise all powers of the Company to borrow money.

The amendment is proposed in order to give the Company more flexibility in its borrowing arrangements; however, the Company does not plan to make a material change to its borrowings in the short term.

Delivery of accounts (Article 163)

The New Articles clarify the matter of the delivery of accounts (including the delivery of summary information) to members in line with the Companies Act 2006.

Indemnification of Directors and other officers (Article 187)

The New Articles clarify the circumstances in which the Company may not indemnify the liability of a Director, alternate Director or former Director in line with the Companies Act 2006.