

25th September 2026

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

Interim Results

Increased revenues and return to first half profitability

Trading in line with market expectations

Tandem Group plc (AIM: TND), designers, developers, distributors and retailers of sports, leisure and mobility equipment, announces its unaudited interim results for the six months ended 30 June 2026 ('H1 2026').

Summary

- Group revenue increased 6.7% to £11.9 million (H1 2025: £11.2 million).
- Gross profit increased 15% to £4.0 million (H1 2025: £3.4 million), with gross margin increasing to 33.3% (H1 2025: 30.9%), primarily due to new products, categories and currency fluctuations.
- Adjusted EBITDA profit of £374k (H1 2025: £81k).
- Operating profit before exceptional costs of £220k (H1 2025: loss of £80k).
- Profit before taxation of £70k (H1 2025: loss of £378k).
- Basic and diluted earnings per share of 1.3p (H1 2025: loss per share 6.9p).
- Continued emphasis on inventory optimisation and disciplined cost management to support profitability.
- Net assets at 30 June 2026 increased to £26.1 million (30 June 2025: £23.3 million).
- Net debt at 30 June 2026 reduced by 14.6% to £2.8 million (30 June 2025: £3.2 million).
- Trading strengthened further post period end, with sales year-to-date to 30 August +9.1% ahead of the prior period.
- Trading for the full year remains in line with market expectations.
- The Board's current intention would, on achievement of full year market expectations, be to declare a dividend in respect of the full year.

Adjusted EBITDA is defined as earnings before interest, taxation, depreciation, amortisation and exceptional costs.

The Company understands market forecasts for FY26 to be revenue of £27.7 million and a profit before tax of £0.8 million.

Chairman's Statement

I am delighted to deliver my first Chairman's Statement to you, Tandem's valued Shareholders.

I would like to thank Steve Grant for his 29 years of service to the Company and wish him well in his retirement. On behalf of the Board, I would also like to thank all colleagues across the Group for their commitment and contribution to Tandem.

Our trading performance for the first six months saw a further improvement in profitability and gross margin, supported by cost control measures and diversification of product. Whilst these improvements are welcome and evidence a stronger platform to grow from here, we must continue on delivering scale beyond the historical levels of sales and profitability we know the Group is capable of, and on improving shareholder returns.

As a long-standing shareholder, I have long recognised Tandem's attractive qualities: established brands, a strong balance sheet and a history of profitable and resilient trading. These strengths have been significantly enhanced in recent years through investment in the Group's 85,000 square foot freehold warehouse, which became fully operational in Q1 2023, and the significant reduction in the net pension liability. These developments represent substantial progress in strengthening the Group's operational platform and financial position, providing a robust foundation for sustainable growth and long-term shareholder value creation.

Tandem is a business that continues to build and develop. The Board's focus remains on enhancing its capabilities, broadening its commercial opportunities and translating these foundations into improved financial returns. The Group's historical performance provides context for the scale of the opportunity: in FY19, before COVID and prior to these

structural improvements, Tandem delivered revenues of £38.8 million and underlying profit before exceptional costs and tax of £2.94 million, compared with £26.2 million and £0.7 million respectively in FY25. While there is further work to do, we believe the progress already made positions the Group well to rebuild earnings and pursue further growth. We will continue to develop the business with a disciplined approach to investment and capital allocation, with the objective of realising its substantial long-term potential.

Over the past few years, the Group has navigated a demanding period for consumer markets, while continuing to invest in its products, brands and operating capabilities. Whilst the actions taken are translating into improved profitability, we must continue on delivering greater scale and enhancing returns.

Supported by its freehold property, Tandem's balance sheet remains strong and provides financial resilience and strategic flexibility. At the same time, the current market valuation does not, in the Board's view, fully reflect the quality of the Group's assets, its improving trading trajectory or the opportunity to rebuild earnings and enhance returns.

Our priority is therefore clear: to accelerate profitable growth and improve Shareholder returns. Over the coming months, the Board will undertake a review of the Group's operations, strategic priorities and capital allocation, with a particular focus on the initiatives most capable of driving sustainable sales growth, improving profitability and unlocking the value inherent in the business. We will update Shareholders as this work progresses.

Current trading provides further encouragement, with revenue for the year to the end of August 9.1% ahead of the prior year. Accordingly, the Board remains confident of delivering a full-year result in line with current market expectations and, subject to the Group achieving the market forecast, intends to pay a dividend at the end of the year.

Simon Bragg
Chairman
24 September 2026

Chief Executive Officer's Review

The first half of 2026 represented further progress for the Group, with improved financial performance alongside continued investment in product development, diversification within the categories it operates and new routes to market.

Financial Performance

Revenue for the six months ended 30 June 2026 increased by 6.7% to £11.9 million, compared with £11.2 million in the corresponding period last year. Gross profit increased by 15% to £4.0 million, with gross margin improving to 33.3%, compared with 30.9% in H1 2025, primarily due to new products, cost reductions and foreign exchange movements during the period.

Operating expenses increased from £3.5 million to £3.7 million. The increase principally reflected higher employment costs following the increase in employer national insurance contributions and additional advertising expenditure to support sales growth, while the comparative period also benefited from a rates credit.

Adjusted EBITDA profit was £374,000, compared with £81,000 in the comparative period. Operating profit before exceptional costs was £220,000, compared with a loss of £80,000 in H1 2025, while profit before taxation was £70,000, compared with a loss in H1 2025 of £378,000. Basic and diluted earnings per share were 1.3p (H1 2025: loss per share 6.9p).

The Group's financial position also continued to improve. Cash and cash equivalents at 30 June 2026 were £523,000, compared with £396,000 at 30 June 2025. Net debt reduced to £2.8 million, compared with £3.2 million a year earlier, while net assets increased to £26.1 million.

Trading Environment

Trading conditions remained mixed during the period, with retailers continuing to manage stock cautiously and placing replenishment orders closer to demand.

Performance varied by category, with stronger trading in Bikes and Home & Garden helping to offset weaker Toy, Sports & Leisure and Golf. Exceptionally warm weather supported cooling and outdoor living products, while continued currency and freight pressures required careful management of buying, stock and landed costs.

Trading momentum improved through July and August as customer replenishment activity increased.

Against this backdrop, our focus remains on those areas we can control: product development, buying, sourcing, stock management, cost control and the continued diversification of the Group.

Bikes

The UK cycling market continued to experience challenging trading conditions during the period, with ongoing pressure across the sector. Against this backdrop, Group bike sales increased by 15% in H1 year-on-year, with growth strengthening to 24% year on year to the end of August.

Own brand electric bikes continued to perform strongly, with sales increasing by 36% year on year, both in H1 and for the year to August.

The Group remains focused on the affordable segment of the electric bike market and launched four new models priced below £1,000 during 2026.

Following the appointment of a new Head of International Sales, the Group is progressing its expansion into key Western European markets during H2.

A further nine new products are planned in H2 across junior bikes, BMX and electric scooters, broadening the range available to national retailers and independent bike dealers.

The Group's direct-to-consumer cycling platform, Electric Life, also continued to develop its third-party brand offering, including Amflow and Orbea, while the recently established partnership with Scott Sports has commenced positively.

Home & Garden

Home & Garden continued to perform strongly at +76% year on year, and to August increasing by 52% year on year.

A second consecutive summer of exceptionally high temperatures supported significant demand for cooling products, while extended periods of warm and sunny weather also benefited outdoor categories including awnings, pergolas and parasols.

Growth has also been supported by the continued expansion and diversification of the range. During the year to August, the Group introduced more than 79 new SKUs, representing an increase of 21% year on year.

Range development has focused on broadening the Group's presence across outdoor living, storage and home décor, alongside the continued development of seasonal product categories.

Toy, Sports & Leisure

Trading within Toy, Sports & Leisure remained challenging during the period, with Group outdoor toy sales 13% below the prior year, a position which remained unchanged for the year to the end of August.

Retailers continued to manage stock levels cautiously, although improved weather through late spring and summer supported better consumer sell-through and increased replenishment activity as the period progressed.

The Group continues to invest in product innovation and the development of its licensed portfolio, with over 50 new products launched during H1. Sell-in for the newly added K-Pop Demon Hunters license has been encouraging, with strong early customer support and listings secured across the UK and a growing number of European markets.

Our established portfolio of brands, including Bluey, Hot Wheels, Disney, Peppa Pig and PAW Patrol, continues to provide a strong base across wheeled toys and outdoor categories, while new licences and product development provide further opportunities for growth through H2 and into 2027.

Golf

Golf revenue was 19.2% below the prior year in H1, improving to 10% below for the year to the end of August.

The performance principally reflected the later phasing of Freight On Board container orders compared with the prior year. This timing difference had substantially reduced by the end of August, with the remaining year-on-year benefit expected to be recognised during H2.

Product development continues, with a refreshed range of Ben Sayers electric trolleys in development alongside an expanded range of Pro Rider accessories, both planned for launch during 2027.

Sourcing and Operational Development

The Group remains focused on improving efficiency across its operations, with closer supplier and logistics partnerships, disciplined buying and careful inventory management supporting both margins and cash generation.

We continue to identify opportunities to improve product costs, lead times and availability, while investing in new products, brands and categories where we see the potential to deliver profitable, sustainable growth.

Outlook

Trading since the end of the first half has remained encouraging. Group revenue for the year to the end of August was +9.1% year on year, demonstrating continued momentum into H2.

While the economic and consumer environment remains uncertain, the Group enters the important second half of the year with a broader product portfolio, improved margins and continued growth across a number of its key categories and channels.

We remain focused on disciplined growth, product innovation, operational efficiency and the continued diversification of the business. The Board remains confident of delivering a full-year result in line with current market expectations.

Peter Kimberley

Chief Executive Officer

24 September 2026

Investor Presentation

The interim results presentation will be available on the Company's website in due course.

Shareholders with questions are encouraged to contact the Company via investorrelations@tandemgroup.co.uk or through the Company's Nominated Advise

CONDENSED CONSOLIDATED INCOME STATEMENT **For the 6 months ended 30 June 2026**

		6 months ended 30 June 2026 <i>Unaudited</i> £'000	6 months ended 30 June 2025 <i>Unaudited</i> £'000	Year ended 31 December 2025 <i>Audited</i> £'000
	Note			
Revenue		11,929	11,175	26,153
Cost of sales		<u>(7,962)</u>	<u>(7,726)</u>	<u>(18,023)</u>
Gross profit		3,967	3,449	8,130
Operating expenses		<u>(3,747)</u>	<u>(3,529)</u>	<u>(7,162)</u>
Operating profit/(loss) before exceptional costs		220	(80)	968
Exceptional costs	1	<u>-</u>	<u>(87)</u>	<u>(87)</u>
Operating profit/(loss) after exceptional costs		220	(167)	881
Finance costs		<u>(150)</u>	<u>(211)</u>	<u>(313)</u>
Profit/(loss) before taxation		70	(378)	568
Tax expense		-	-	282
Net profit/(loss) for the period		<u>70</u>	<u>(378)</u>	<u>850</u>
		Pence	Pence	Pence
Profit/(loss) per share				
Basic	2	<u>1.3</u>	<u>(6.9)</u>	<u>15.5</u>
Diluted	2	<u>1.3</u>	<u>(6.9)</u>	<u>15.4</u>

[1]

All figures relate to continuing operations.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the 6 months ended 30 June 2026

	6 months ended 30 June 2026 <i>Unaudited</i> £'000	6 months ended 30 June 2025 <i>Unaudited</i> £'000	Year ended 31 December 2025 <i>Audited</i> £'000
Profit/(loss) for the period	70	(378)	850
Other comprehensive income:			
<i>Items that will be reclassified subsequently to profit and loss:</i>			
Foreign exchange differences on translation of overseas subsidiaries	10	(80)	(56)
Cashflow hedging contracts	(40)	(185)	(50)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Revaluation of property, plant and equipment	(1)	-	1,970
Deferred taxation on revaluation of property, plant and equipment	-	-	(492)
Actuarial loss on pension schemes	-	-	(71)
Movement in pension schemes' deferred tax provision	-	-	17
Other comprehensive (loss)/profit for the period, net of tax	<u>(31)</u>	<u>(265)</u>	<u>1,318</u>
Total comprehensive profit/(expense) attributable to equity shareholders of Tandem Group plc	<u>39</u>	<u>(643)</u>	<u>2,168</u>

All figures relate to continuing operations.

CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 June 2026

	At 30 June 2026	At 30 June 2025	At 31 December 2025
	<i>Unaudited</i> £'000	<i>Unaudited</i> £'000	<i>Audited</i> £'000
Note			
Non current assets			
Intangible fixed assets	5,447	5,489	5,461
Property, plant and equipment	16,475	14,788	16,607
Deferred taxation	374	563	374
Pension schemes' surplus	245	-	-
	<u>22,541</u>	<u>20,840</u>	<u>22,442</u>
Current assets			
Inventories	6,473	6,128	4,437
Trade and other receivables	6,494	5,069	6,494
Derivative financial asset held at fair value	79	102	76
Current tax Assets	9	9	8
Cash and cash equivalents	523	396	1,543
	<u>13,578</u>	<u>11,704</u>	<u>12,558</u>
Total assets	<u><u>36,119</u></u>	<u><u>32,544</u></u>	<u><u>35,000</u></u>
Current liabilities			
Trade and other payables	(6,652)	(5,339)	(5,448)
Borrowings	3 (219)	(297)	(254)
Derivative financial liability held at fair value	(45)	(86)	(1)
	<u>(6,916)</u>	<u>(5,722)</u>	<u>(5,703)</u>
Non current liabilities			
Borrowings	3 (3,061)	(3,330)	(3,190)
Pension schemes' deficit	-	(147)	(16)
	<u>(3,061)</u>	<u>(3,477)</u>	<u>(3,206)</u>
Total liabilities	<u><u>(9,977)</u></u>	<u><u>(9,199)</u></u>	<u><u>(8,909)</u></u>
Net assets	<u><u>26,142</u></u>	<u><u>23,345</u></u>	<u><u>26,091</u></u>
Equity			
Share capital	1,503	1,503	1,503
Shares held in treasury	(124)	(122)	(124)
Share premium	776	773	776
Other reserves	8,943	6,922	8,976
Profit and loss account	15,044	14,269	14,960
Total equity	<u><u>26,142</u></u>	<u><u>23,345</u></u>	<u><u>26,091</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 6 months ended 30 June 2026

	Share capital £'000	Shares held in treasury £'000	Share premium £'000	Cash flow hedge reserve £'000	Merger reserve £'000	Capital redemption reserve £'000	Revaluation reserve £'000	Translation reserve £'000	Profit and loss account £'000	Total £'000
At 1 January 2025	1,503	(135)	729	200	1,036	1,427	3,860	664	14,631	23,915
Net loss for the period	—	—	—	—	—	—	—	—	(378)	(378)
Retranslation of overseas subsidiaries	—	—	—	—	—	—	—	(80)	—	(80)
Forward contracts	—	—	—	(185)	—	—	—	—	—	(185)

<i>Total comprehensive income for period attributable to equity shareholders</i>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(185)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(80)</u>	<u>(378)</u>	<u>(643)</u>
Share based payments	—	—	—	—	—	—	—	—	16	16
Exercise of share options	—	13	44	—	—	—	—	—	—	57
<i>Total transactions with owners</i>	<u>—</u>	<u>13</u>	<u>44</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>16</u>	<u>73</u>
At 30 June 2025	1,503	(122)	773	15	1,036	1,427	3,860	584	14,269	23,345
Net profit for the period	—	—	—	—	—	—	—	—	1,228	1,228
Retranslation of overseas subsidiaries	—	—	—	—	—	—	—	24	—	24
Revaluation of property	—	—	—	—	—	—	1,970	—	—	1,970
Deferred tax on revaluation of property	—	—	—	—	—	—	—	—	(492)	(492)
Forward contracts	—	—	—	135	—	—	—	—	—	135
Net actuarial gain on pension schemes	—	—	—	—	—	—	—	—	(54)	(54)
<i>Total comprehensive income for period attributable to equity shareholders</i>	<u>—</u>	<u>—</u>	<u>—</u>	<u>135</u>	<u>—</u>	<u>—</u>	<u>1,970</u>	<u>24</u>	<u>682</u>	<u>2,811</u>
Share based payments	—	—	—	—	—	—	—	—	9	9
Reclassified to cost of inventory	—	—	—	(75)	—	—	—	—	—	(75)
Exercise of share options	—	(2)	3	—	—	—	—	—	—	1
<i>Total transactions with owners</i>	<u>—</u>	<u>(2)</u>	<u>3</u>	<u>(75)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>9</u>	<u>(65)</u>
At 1 January 2026	1,503	(124)	776	75	1,036	1,427	5,830	608	14,960	26,091
Net profit for the period	—	—	—	—	—	—	—	—	70	70
Retranslation of overseas subsidiaries	—	—	—	—	—	—	—	10	—	10
Revaluation of property, plant and equipment	—	—	—	—	—	—	(1)	—	—	(1)
Forward contracts	—	—	—	(40)	—	—	—	—	—	(40)
<i>Total comprehensive income for period attributable to equity shareholders</i>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(40)</u>	<u>—</u>	<u>—</u>	<u>(1)</u>	<u>10</u>	<u>70</u>	<u>39</u>
Share based payments	—	—	—	—	—	—	—	—	14	14
Reclassified to cost of inventory	—	—	—	(2)	—	—	—	—	—	(2)
<i>Total transactions with owners</i>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>14</u>	<u>12</u>
At 30 June 2026	1,503	(124)	776	33	1,036	1,427	5,829	618	15,044	26,142

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the 6 months ended 30 June 2026

	30 June 2026 <i>Unaudited</i> £'000	30 June 2025 <i>Unaudited</i> £'000	31 December 2025 <i>Audited</i> £'000
Cash flows from operating activities			
Profit/(loss) for the period	70	(378)	850
<i>Adjustments:</i>			
Depreciation of property, plant and equipment	140	155	305
Amortisation of intangible fixed assets	14	6	33
(Profit) on sale of property, plant and equipment	-	-	(7)
Contributions to defined benefit pension schemes	(263)	(211)	(448)
Finance costs	150	211	313
Tax expense	-	-	(282)
Share based payments	14	16	25
Net cash flow from operating activities before movements in working capital	125	(201)	789
Change in inventories	(2,036)	(198)	1,493
Change in trade and other receivables	-	1,307	(118)
Change in trade and other payables	1,204	395	501
Cash flows from operations	(707)	1,303	2,665
Interest paid	(150)	(211)	(276)
Tax (paid)/received	(1)	26	30
Net cash flow from operating activities	(858)	1,117	2,419
Cash flows from investing activities			
Purchase of property, plant and equipment	(8)	(4)	(7)
Sale of property, plant and equipment	-	-	7
Net cash flow from investing activities	(8)	(4)	-
Cash flows from financing activities			
Net loan repayments	(144)	(117)	(255)
Movement in invoice financing	(20)	(1,963)	(2,008)
Exercise of share options	-	57	58
Net cash flow from financing activities	(164)	(2,023)	(2,205)
Net change in cash and cash equivalents	(1,030)	(909)	214
Cash and cash equivalents at beginning of period	1,543	1,385	1,385
Effect of foreign exchange rate changes	10	(80)	(56)
Cash and cash equivalents at end of period	523	396	1,543

NOTES TO THE HALF YEARLY REPORT

1 GENERAL INFORMATION

Tandem Group plc is a public limited company incorporated and domiciled in the United Kingdom with its shares admitted to trading on AIM, the market of that name operated by the London Stock Exchange.

The principal activity of the Group is the design, development, distribution and retail of sports, leisure and mobility equipment.

The ultimate parent company of the Group is Tandem Group plc whose principal place of business and registered office address is 35 Tameside Drive, Castle Bromwich, Birmingham, B35 7AG.

The interim financial statements for the period ended 30 June 2026 (including the comparatives for the period ended 30 June 2025 and the year ended 31 December 2025) were approved by the Board of Directors on 24 September 2026.

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2025, prepared under International Financial Reporting Standards ("IFRS"), have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain statements under Sections 498(2) and 498(3) of the Companies Act 2006.

This interim financial information has been prepared using the accounting policies set out in the Group's 2025 statutory accounts. Copies of the annual statutory accounts and the interim report may be obtained by writing to the Company Secretary of Tandem Group plc, 35 Tameside Drive, Castle Bromwich, Birmingham, B35 7AG and can be found on the Company's website at www.tandemgroup.co.uk.

There are no exceptional costs for the six months ended 30 June 2026. Exceptional costs of £87,000 in respect of the six months ended 30 June 2025 and the year ended 31 December 2025 are in respect of employment costs relating to the retirement of the commercial director, for whom a replacement was on board in July 2024.

The net retirement benefit obligation recognised at 30 June 2026 is based on the actuarial valuation under IAS19 at 31 December 2025 updated for movements in net defined benefit pension income and contributions paid during the half year period. A full valuation for IAS19 financial reporting purposes will be carried out for incorporation in the audited financial statements for the year ending 31 December 2026.

2 PROFIT/(LOSS) PER SHARE

The calculation of loss per share is based on the net result and ordinary shares in issue during the period as follows:

	6 months ended 30 June 2026 £'000	6 months ended 30 June 2025 £'000	Year ended 31 December 2025 £'000
Profit/(loss) for the period	<u>70</u>	<u>(378)</u>	<u>850</u>
	Number	Number	Number
Weighted average shares in issue used for basic earnings per share	5,517,707	5,517,707	5,488,754
Weighted average dilutive shares under option	<u>9,025</u>	<u>17,161</u>	<u>33,065</u>
Average number of shares used for diluted earnings per share	<u>5,526,732</u>	<u>5,534,868</u>	<u>5,521,819</u>
	Pence	Pence	Pence
Basic profit/(loss) per share	<u>1.3</u>	<u>(6.9)</u>	<u>15.5</u>
Diluted profit/(loss) per share	<u>1.3</u>	<u>(6.9)</u>	<u>15.4</u>

Profit/(loss) per share is calculated based on the share capital of Tandem Group plc and the earnings of the Group for all periods.

3 Borrowings

	At 30 June 2026 <i>Unaudited</i> £'000	At 30 June 2025 <i>Unaudited</i> £'000	At 31 December 2025 <i>Audited</i> £'000
Invoice finance liability	46	(19)	26
Current borrowings maturing in less than one year -other borrowings	<u>(265)</u>	<u>(278)</u>	<u>(280)</u>
Total current borrowings	<u>(219)</u>	<u>(297)</u>	<u>(254)</u>
Non current borrowings with contractual maturities between two and five years -other borrowings	<u>(3,061)</u>	<u>(3,330)</u>	<u>(3,190)</u>
Total non current borrowings	<u>(3,061)</u>	<u>(3,330)</u>	<u>(3,190)</u>
Total borrowings	<u>(3,280)</u>	<u>(3,627)</u>	<u>(3,444)</u>

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