

15 June 2022

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

AGM Statement

Christie Group plc (CTG.L), the leading provider of Professional & Financial Services and Stock & Inventory Systems & Services to the hospitality, leisure, healthcare, medical, childcare & education and retail sectors, announces that at today's Annual General Meeting, the Chairman and Chief Executive, David Rugg, delivered the following statement:

"I am pleased to report that our business continues to grow this year.

As anticipated, costs too have increased as we have resumed a normalised level of travel and in-person marketing activities. However, costs are not as high as expected as recruitment is challenging and vacancies are taking longer to fill.

Professional & Financial Services

Following a solid start to the year, we are enjoying a busier second quarter of deal activity.

Our European team have just had its most successful month in two years. Transactions included the sale to Raiffeisen Immobilien KAG of the newly constructed 200 room Bassena Hotel, Wein Donaustadt, Vienna.

Notably in the Care sector landlords have been cooperating in operating company sales, in order to gain a better covenant of established and profitable tenants, thereby increasing the value of the landlords' own investments.

Higher energy costs are impacting running costs of the businesses we sell. Those businesses which are unable to increase their prices will experience a squeeze on operating margins. Such a squeeze will serve to cap the value of these businesses.

Pinders' building services division has experienced an uptick in technical due-diligence surveys that include an engineer's review of the heating, ventilation and air-conditioning systems of a building.

Private and institutional valuation instructions have both now recovered to pre-pandemic levels for both individual and portfolio assignments.

Demand for deal funding remains strong. Christie Finance has funded over 30% of Christie & Co arranged retail transactions this year. This demonstrates the greater opportunity for increased funding penetration. The average size of Christie Finance deals has increased by 25% over the same period last year.

UK commercial insurance premiums continue to rise by approximately 20% per annum.

For Christie Insurance clients, where cover was provided, we have ensured payment for Covid-19 claims.

Stock & Inventory Systems & Services

Vennersys continues to benefit from high volumes of domestic visitors to UK visitor attractions. This trend increases our online revenue year on year. Venues require a smooth online journey upon which we are focused. New wins include Manx National Heritage and Inverary Castle.

Our stocktaking businesses incur three principal operating costs: transport, labour, and technology. High fuel costs, the delay in new vehicle deliveries and the knock-on effects of the recent increases in minimum wage adversely impact our costs.

In retail operations we have maintained or improved our margins. In leisure operations as downtime becomes fully utilised our margin is restored, aided by necessary price increases.

Recent in-house IT developments ensure a paperless electronic service.

In Europe, our established operations are well run and profitable largely offsetting the costs of developments in newer territories.

Our Supply Chain services are in demand, and we have now extended their provision to Europe.

Overall, more Retailers and Licensed Retailers are choosing to outsource their stocktaking activities, rather than to occupy their scarce management resource with in-house provision.

Summary

Across the Group we are maintaining a flexible working approach. Collaborative physical working in the presence of colleagues is very important, but allowances to enable concentration on solo tasks is also beneficial and productive where required. I thank all our staff who continue to be co-operative, flexible & effective and our management whose oversight has become more complex.

The banks continue to wilfully fund our sectors.

We have yet to see any material level of distress induced work, but with the prevailing inflationary pressures, we expect to see an increased level of distress later this year.

Post the pandemic effect in the first quarter, stocktaking new business activity is increasing.

Our cash resources are maintained.

We have already generated a significant value of transactional work for our second half.

We anticipate another good year.

Yours ever."

Enquiries:

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Notes to Editors:

Christie Group plc, quoted on AIM, is a leading professional business services group with 39 offices across the UK and Europe, catering to its specialist markets in the hospitality, leisure, healthcare, medical, childcare & education and retail sectors.

Christie Group operates in two complementary business divisions: Professional & Financial Services (PFS) and Stock & Inventory Systems & Services (SISS). These divisions trade under the brand names: PFS - Christie & Co, Pinders, Christie Finance and Christie Insurance: SISS - Orridge, Venners and Vennersys.

Tracing its origins back to 1846, the Group has a long-established reputation for offering valued services to client companies in agency, valuation services, investment, consultancy, project management, multi-functional trading systems and online ticketing services, stock audit and inventory management. The diversity of these services provides a natural balance to the Group's core agency business.

The information contained within this announcement is deemed by the Company to constitute inside information for the purposes of Article 7 of the UK Market Abuse Regulation (EU) No. 596/2014 which is part of the UK law by virtue of the European Union (Withdrawal) Act 2018.

For more information, please go to www.christiegroup.com.