

Sandal plc

(“Sandal” or the “Company”)

Proposed Withdrawal from NEX Exchange Growth Market

13 March 2019

The Board of Sandal announces that the Company is today giving notice of its intention to withdraw its ordinary shares in the Company ("Ordinary Shares") from trading on the NEX Exchange Growth Market ("NEX") with effect from the close of business on 10 April 2019 (the "Withdrawal").

This announcement sets out the reasons for the Withdrawal and explains why the Directors believe that it is in the best interests of the Company and its shareholders.

Background and reasons for proposed withdrawal from NEX

Sandal joined NEX (then known as ISDX Growth Market) on 2 March 2015 to, inter alia, raise capital for the future development of the business and provide access to new investors and future capital.

However, since admission to NEX, there has been limited trading in the Company's shares and the Company has been unable to raise any meaningful growth capital. This has impacted on the Company's ability to realise the full potential of its Energenie MiHome business and to capitalise on its early success.

As announced on 26 February, the Directors have continued to review all equity and debt funding options for the Company to enable it to maximise shareholder value and they have now concluded that the pursuit of additional funds would benefit from seeking the withdrawal of the Company's ordinary shares from NEX. This would also have the added benefit of saving costs associated with being admitted to NEX.

Effect of withdrawal from NEX

The principal effect of Withdrawal from NEX is anticipated to be a reduction in the liquidity and marketability of the ordinary shares. There would no longer be a formal market mechanism enabling shareholders to trade their ordinary shares on NEX or any other recognised market or trading exchange. No dealing and settlement arrangements will be in place following the Withdrawal.

Following the Withdrawal, the NEX Exchange Growth Market - Rules for Issuers ("NEX Rules") will no longer apply to the Company and it will no longer be required to comply with any of the specific corporate governance requirements for companies admitted to trading on NEX. The Company will, however, remain subject to the City Code on Takeovers and Mergers.

Procedure for withdrawal from NEX

Under the Rule 81 of NEX Rules, the Company must announce an intention to withdraw its securities from NEX, with any withdrawal of shares ordinarily being conditional on approval at a general meeting by shareholders representing 75 per cent of the votes cast in respect of each class of securities.

However, NEX has granted the Company a derogation from the requirement to convene a general meeting and obtain shareholder approval for the Withdrawal on the grounds that the Company has received irrevocable undertakings from shareholders representing 94.17% of shares eligible to vote at a general

PowerConnections is a supplier to customers in the UK and abroad, of single-phase electrical connection products. The products are manufactured in three partner factories in the Far East and have distributors worldwide for its range of patented converter plugs. The Company's product portfolio consists of International Power Leads, Rewireable Plugs, Converters and Connectors. These products are stocked in the Far East, Australia and UK.