

SANDAL PLC

("Sandal" or the "Company")

INITIATION OF RESEARCH COVERAGE BY EQUITY DEVELOPMENT

26 JULY 2018

The Board of Sandal, the designer, developer and manufacturer of electronic products/solutions for smart home, IoT, energy saving and other applications, is pleased to announce that a new, detailed research note has been issued today about the Company and its prospects.

### **Riding the wave of 'Home Automation'**

Once a pipedream, now reality. Smart homes are transforming the way people live. Not only offering households greater convenience, cost savings, new space-age services and quality of life benefits , but also creating a global marketplace worth circa \$96bn (*source*: Strategy Analytics).

Better still, this new paradigm has only just begun. The vast majority of UK properties haven't yet upgraded, with adoption rates typically <10% for most device categories. Push the clock forward 5 or 6 years, and these systems are likely to be everywhere. Combining user-friendly hard/software, data analytics, artificial intelligence and value-added services (some subscription, others free).

**This is where [Sandal plc \(NEX:SAND\)](#) fits in, a leading designer & supplier of proprietary smart home solutions via its MiHome division.** Here sales exceeded £1m (est. £542k FY17) for the 12 months ending May'18 and are set to almost double again in each of the next two years. Likewise LFL group revenues are predicted to climb +30% to £4.8m (vs £3.7m FY18) and £6.8m (+42%) respectively – in turn generating positive operating profits. Further out, we believe Sandal's top line can expand at >40% CAGR between FY20-25 and deliver mid-teen EBIT margins augmented by 90%+ cash conversion.

To access the full report simply click here: <http://tiny.cc/d5yzvy>

This announcement contains information which, prior to its disclosure, was inside information for the purposes of Article 7 of EU Regulation 596/2014.

The directors of Sandal Plc accept responsibility for the contents of this announcement.

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Notes to editors:

Sandal plc commenced business in 1996 and joined NEX in March 2015. The Company designs, develops and manufactures consumer electronics products. Its business is divided into two distinct product groups, PowerConnections, a long established wholesaler and reseller of a successful and patented range of converter plugs and power cables, and Energenie, which sells a newer product range that includes energy saving products, portable charging devices and the new Energenie MiHome range of products aimed at the "Home Automation" and "Internet of Things" marketplace.

The range of Energenie MiHome home automation products makes the remote operation of everyday household appliances and energy monitoring more accessible through integration with smartphone and tablet connectivity. The Energenie MiHome range is also integrated with the major players in the home automation market including Google Nest and Amazon Echo. Energenie MiHome products are available through a number of mainstream retailers including Amazon, Argos and Sainsbury's. In addition Energenie also offers Eco and electrical, travel and energy saving products for homes and offices, reducing energy usage and the Home Automation sector. It has store listings for its current products with several large retailers including Homebase, Amazon, Screwfix, Toolstation and ASDA.

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.