

SANDAL PLC

("Sandal" or the "Company")

PRODUCT LAUNCH AND TRADING UPDATE

12 FEBRUARY 2019

The Board of Sandal is pleased to provide the following product and trading update.

#### *Wi-Fi Plug Launch*

The Company has this week launched its Energenie MiHome Wi-Fi adapter plug which enables users to turn on and off any appliance that plugs into a standard wall socket using a smart phone. The plug is a peer to peer standalone product controlled through the MiHome app available for iOS and Android devices. The product is being launched through an exclusive retail distribution arrangement with Exertis UK to market and sell the product into the UK and Ireland. Initially the plugs will be sold through Amazon with other high street and online retailers expected to be added in the near future.

Alan Tadd, Sandal Plc CEO commented "We are delighted to launch our first mass market product which allows consumers to control their electrical appliances without the need for the MiHome Gateway hub. This gives us a unique position in the Smart Home market as the only provider to have a volume consumer item controlled by an app which is also compatible with a wider Smart Home system. We anticipate that sales of the Wi-Fi plug will result in a significant increase in users of the MiHome app to whom we can then market the full Energenie MiHome product range. Our partnership with Exertis UK gives us the ability to market the product alongside both the Amazon Echo and Google Home in what is already a large and growing market."

Rod Slater, Head of Smart Technology and IOT at Exertis commented "Exertis are the number one supplier to retailers in the UK for Smart Technology. Energenie's launch of their competitively priced Wi-Fi plug, which works directly with Alexa and Google without needing a hub, is a great move enabling Energenie to tap into the huge and growing potential of the Hubless Smart Tech market. Energenie are unique in offering an upgrade path to customers of the Wi-Fi plug which is fully integrated into the Energenie Mihome app and system. Exertis shipped over 160,000 Smart Plugs in 2018 with a growth rate of over 30% YoY with no signs of slowing, we expect similar growth this year and Energenie are perfectly placed to capitalise on this fast growing market category."

#### *Denman's Roll-out*

Following the completion of the Energenie MiHome product range during the second half of 2018, Sandal is pleased to confirm the commencement of the roll-out of its full Smart Home solution into Denman's Electrical Wholesale (part of the Rexel Group) branches. In-branch point-of-sale and stock was delivered to the first 16 branches in January along with a full listing on Denman's transactional web site and the rest of the branch estate (over 60 branches) is expected to be completed by the end of May.

This gives Energenie MiHome its first listing with a leading electrical wholesaler and will provide support for the recently announced installer network which provides a solution for the "Done for Me" market. The plan is to increase the number of electrical wholesalers who stock the Energenie MiHome product



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 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, Robert Dyas, Target Components, Grahams Plumbers Merchants, Plumb Nation, Box.co.uk, Screwfix and Wickes.

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 Amazon, Argos, and Screwfix.

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.