



PRESS RELEASE
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STRAX: STRAX AB SECURES MEUR 30 FINANCING THROUGH PROVENTUS CAPITAL PARTNERS

For the last five years a bank consortium consisting of four German banks have provided the majority of the long-term interest-bearing financing for the STRAX Group. The current financing facility matures in October 2020 and as a result STRAX has evaluated several financing alternatives in the last 6-9 months.

After evaluation and negotiations STRAX selected Proventus Capital Partners and have signed a senior secured loan facility in the total amount of MEUR 30. The loan proceeds will be paid out in two tranches, a subordinated tranche of MEUR 6 in July 2020 to provide additional working capital until the full amount is paid out in October 2020, in connection with the refinancing of the maturing loans to the German bank consortium, upon which the entire Proventus loan facility will be unsubordinated.

The loan from Proventus Capital Partners is for a term of five years and the full amount is denominated in EUR. The loan will carry a Euribor +7.5 percent interest rate, in line with current market pricing, as well as the average financing costs currently paid. The loan is governed by covenants that are primarily profitability and cash flow based. Provided the covenants are fulfilled, the loan agreement allows yearly dividend of up to 50 percent of profits, allowing for expected future levels of dividends.

"We are very happy to again partner up with Proventus Capital Partners for interest bearing-financing. We have had a particularly good partnership throughout the five-year period between 2010 and 2015 when Proventus initially financed the STRAX Group. We have always maintained a good business relationship and Proventus have always proven to be business oriented and demonstrated good understanding of the fast moving and entrepreneurial environment and culture of STRAX. A culture that has paid off very well throughout the challenges and opportunities during the past six months." says Gudmundur Palmason CEO, STRAX Group.

"Proventus Capital Partners are pleased to finance the STRAX Group for the next five years. We have a long-standing relationship with STRAX management and the main shareholders and have seen STRAX develop very positively in the past 10 years. STRAX have proven to have a solid operating performance and in addition have always quickly adapted to changing conditions and opportunities arising. We look forward to having a close and rewarding partnership throughout the duration of the financing period." says Henrik Bjerklin, Investment Director, Proventus Capital Partners.

For further information please contact Gudmundur Palmason, CEO, STRAX Group, +46 8 545 017 50.

This information is such information that Strax AB is obliged to make public under the EU's Market Abuse Regulation. The information was submitted for publication at 8.00 p.m. on July 17 2020.

About Proventus Capital Partners

Proventus Capital Partners provides tailored funding solutions to mid-sized companies in Northern Europe. We act as strategic financial partners to companies who need additional funds to expand, make acquisitions, refinance their balance sheets or restructure their operations. Over the last 15 years, we have engaged and invested in well over 100 companies and helped them maximize their potential.

About STRAX

STRAX is a global company specializing in mobile accessories. STRAX develops and grows brands through an omnichannel approach. STRAX operates two complimentary businesses – Own brands and Distribution (retail and online marketplaces) - where the lifestyle audio brand Urbanista is the flagship along with our licensed brand adidas. Through its retail distribution platform in Europe STRAX represents over 40 major mobile accessory brands, whilst Brandvault focuses on online marketplace distribution globally. STRAX sells into all key channels ranging from telecom operators, mass merchants and consumer electronics to lifestyle retailers and direct to consumers online. STRAX was founded in Miami and Hong Kong in 1995 and has since grown across the world. Today, STRAX has over 200 employees in 12 countries with its operational HQ and logistics center based in Germany. STRAX is listed on the Nasdaq Stockholm Stock Exchange.