

STRAX

PRESS RELEASE
May 26, 2020

STRAX: INTERIM REPORT NO 1 FOR THE FINANCIAL YEAR 2020

STRAX sees limited impact from Covid-19 in Q1; sales in line with same period 2019

The Group's sales for the period January 1 – March 31, 2020, amounted to MEUR 22.2 (22.6), with a gross margin of 26.7 (26.3) percent.

The Group's result for the period January 1 – March 31, 2020, amounted to MEUR -2 (0.2) corresponding to EUR -0.02 (0.00) per share. The result for the period was negatively affected by MEUR 2.8 (-0.3) related to the decline in value of the Zagg shares, making the results in line with last year when adjusted for the impact of the Zagg shares.

EBITDA for the period January 1 – March 31, 2020, amounted to MEUR 0.3 (1.4).

Equity as of March 31, 2020 amounted to MEUR 18.2 (21.7) corresponding to EUR 0.15 (0.18) per share.

STRAX initiatives in e-com continues according to plan and online sales increased both in terms of absolute value and share of overall group sales.

STRAX entered the Personal Protection Equipment category (PPE) with shipments starting early April, establishing STRAX as a reliable supplier in the PPE category. The current orderbook includes existing customers as well as healthcare and international government bodies.

After the end of the period Urbanista launched a limited edition Bluetooth speaker in collaboration with H&M Home.

The Covid-19 pandemic has put pressure on our core mobile accessories business as many of our traditional retail customers were forced to close stores. As a response we have reduced our operating expenses through various measures including government sponsored programs, stepped up our e-commerce activities as well as entering the PPE category.

Starting mid-May many of the strictest lockdown measures in our key markets have started to be lifted and we expect business to gradually pick up in these markets.

" The first quarter started well for STRAX and through February our supply chain was not disrupted as a result of the coronavirus outbreak in China. It was only in mid-March that we started to feel the negative impact of the pandemic when strict social distancing measures in our core markets were implemented followed by broad retail store closures. Nevertheless, our e-commerce business continued to perform well throughout the quarter, both via online marketplaces and direct brand websites. Our entire STRAX team has remained positive and held up well throughout the uncertain situation stemming from the Covid-19 pandemic."

Gudmundur Palmason, CEO

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This is information that Strax AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:55 CET on May 26, 2020.

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.