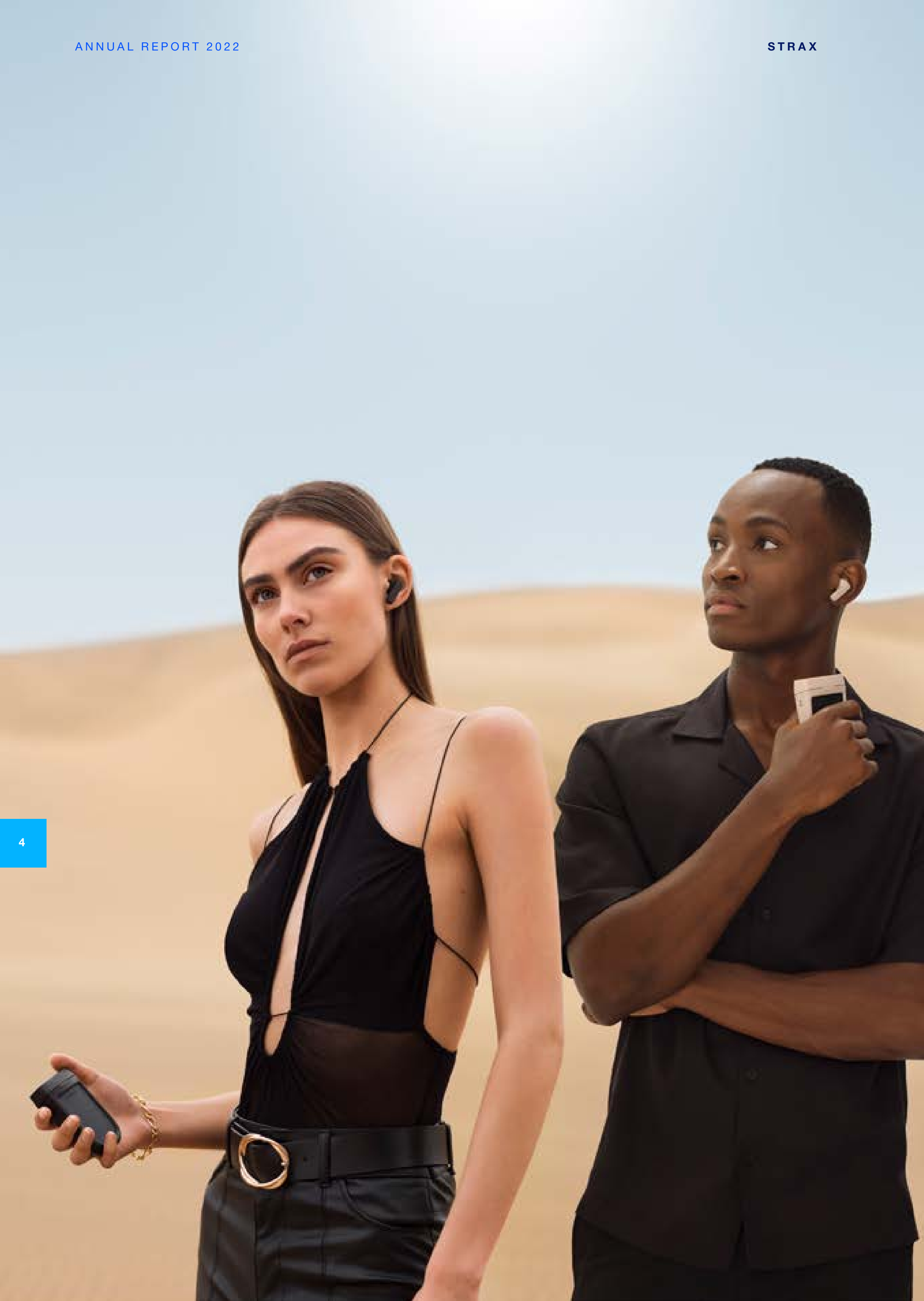
STRAX

ANNUAL REPORT 2022

ANNUAL REPORT 2022

TABLE OF CONTENTS



THIS IS STRAX

STRAX is a global leader in accessories that empower mobile lifestyles. Our portfolio of branded accessories covers all major mobile accessory categories: Protection, Power, Connectivity, as well as Personal Audio. Own brands are Urbanista, Clckr, Planet Buddies and RichmondFinch. Our distribution business reaches a broad customer base, through 70 000 brick and mortar stores around the globe, as well as through online marketplaces and direct-to-consumers.

Discontinued operations include Health & Wellness, own brands Dóttir and grell, and licensed brand portfolio of adidas and Diesel.

Our distribution business also services over 40 other major mobile accessory brands.

Founded as a trading company in 1995, STRAX has since expanded worldwide and evolved into a global brand and distribution business. Today we have over 200 employees in 13 countries. STRAX is listed on the Nasdaq Stockholm stock exchange.

THIS WAS OUR 2022

Three years of adapting to disrupted business conditions due to the pandemic and the aftermath of inflation has taken its toll on STRAX. This has furthermore been exacerbated by muted consumer spending topping out in in a 2022 holiday peak season that never was. This last year can basically be classified as the perfect storm where we have been hit from all directions and came to terms with the fact that it's not sufficient for us to simply adjust the sails. More must be done to turn STRAX around and get back on course. Here I´m referring to our profitability, sustainable debt levels and improved liquidity. The positive news is that we have already constructed a sound plan to address all of these, which has been aligned with our lender and will be fully implemented within 2023. It is also worth noting in this context that some of the general industry conditions are improving, boding well for brighter days ahead.

We have continued to execute the previously communicated divestments of the parts of our business that no longer fit in the future STRAX and have furthermore considered to divest majority of the robust European distribution business as well as a minority stake in Clckr, our fastest growing own brand. The ultimate result would be a more focused and profitable STRAX consisting of own brands Urbanista, Clckr, RichmondFinch and Planet Buddies, all of which have strong growth potential, particularly in North America, the largest consumer market in the world.

2022 IN NUMBERS

Sales in 2022 were MEUR 104.4 (101.8), a 2.6% growth that is mainly attributed to sales of antigen tests in Germany early in the year. Our EBITDA was MEUR -0.9 (5.4). Gross margin for the period rose to 16.7% (16.4). Discontinued businesses generated a net loss of MEUR -8.8 (-1.6) in 2022.

As a result of continuing challenging industry environment our figures took a heavy beating in 2022. However, we maintained investing in our four remaining own brands and our North America sales platform, providing for a significantly brighter times ahead for a streamlined and more focused organization. We implemented various cost reduction actions across continuing operations throughout the year and we expect benefits thereof to fully materialize in 2023 and onwards.

PROGRESS WITH DISCONTINUED BUSINESSES

We have moved forward with our plan to become a simpler and more transparent company, where grell has already been sold and Dóttir phased out. At the same time, we're engaged with strategic buyers for both Health & Wellness and Telecom Lifestyle Fashion (licensing business) where our goal is to complete the Health & Wellness transaction in the second quarter this year and Telecom Lifestyle

Fashion already in this quarter. This outcome will give management the possibility to focus on the remaining parts of the business that are growing and have underlying increased sales potential.

ADDRESSING UNSUSTAINABLE DEBT LEVELS AND LIQUIDITY

Given our relatively high debt levels the continuous and ongoing increase in interest rates has exposed STRAX further. We are fortunate to have good assets enabling us to address these challenges. Trade debt of MUSD 20 will be repaid through the divestment of the Health & Wellness business and a proportion of the MEUR 30 loan facility will be repaid through the contemplated sale of the majority ownership in our European distribution business and subsequent refinancing. This transaction and the sale of minority stake in Clckr are furthermore expected to significantly improve our liquidity.

We have previously communicated our plans of enhancing the understanding of our business by fully separating the Distribution segment, STRAX Distribution, and our own consumer brands, under Xstra Brands with those being Urbanista, Clckr, Planet Buddies and RichmondFinch. With the sale of the majority ownership of STRAX Distribution we ultimately end up as a clean house of brands company, where our minority ownership in STRAX Distribution will be accounted for at equity. This change provides for a much leaner and simpler operating structure and improved transparency.

A DIFFERENT STRAX FOR THE FUTURE – HOUSE OF BRANDS

As we are now shaping the new STRAX we see good potential to grow our remaining brands and increase profitability. Urbanista has turned the corner and delivered single digit growth in 2022, but more importantly it achieved an EBITDA profit, after two consecutive years of losses of more than MEUR 1.1. The collaboration with Exeger has increased Urbanista's brand awareness and we have a strong product portfolio as well as an exciting product roadmap. Clckr grew 130% in 2022, albeit from a low base, and Clckr products are now listed in approximately 12,000 retail stores globally with the expectation to be in 20,000 stores before the end of this year. The brand has furthermore entered a partnership with G-Form, impact protection brand, and we'll be announcing a new significant product category for Clckr soon. Planet Buddies also grew in 2022. The brand continues to improve its sustainability positioning and is steadily increasing its retail store footprint. All the brands have furthermore significant growth potential via online marketplaces, where they are all supported by Brandvault, our online marketplace and content specialist business unit.

As a result of now three years of challenging environment our 2022 figures have taken a beating, but I'm nevertheless proud of the way we navigated seen and unforeseen circumstances since 2020. We have worked up a thorough tactical plan to divest and/or discontinue loss making businesses and sales channels. At the same time agreed a refinancing plan via partial divestments of Strax Distribution and Clckr with Proventus, our debt provider, to improve liquidity and strengthen our balance sheet through significant debt reduction and increased equity.

Whilst overall industry demand is still somewhat subdued the general trading environment is improving, where freight rates are coming close to those of 2019, USD is giving in against most of our trading currencies, supply chain has eased up and the US has extended so-called 301 Exemptions. All which STRAX stands to benefit from. Together with our remaining own brands, now better fit for profitability, we see a STRAX that can focus and put more resources on enhancing growth, efficiency, and profitability in our current portfolio.

The entire STRAX organization deserves praise for enduring through the continuous changes and pressure situations often faced with during the last three years and better yet, managed to stay generally positive. Again, I want to thank everyone for their commitment to continue this belief and attitude until we are through this.

SIGNIFICANT EVENTS DURING THE PERIOD

STRAX entered a partnership with a German personal protective equipment specialist company to deliver Covid-19 tests to a regional government body in Germany.

STRAX extended its partnership with the German personal protective equipment specialist company to deliver Covid-19 tests to another regional government body in Germany. The total value of the contract has increased and will be covering a 24-month period, where total volumes are expected to be higher with lower volumes in Q2.

AirPop, the premium high performance face mask brand STRAX holds a five-year global exclusive distribution agreement for, recently secured key retail channels in the United States, Canada, and Australia.

CLCKR, the mobile phone accessory brand, wholly owned by STRAX announced that their range of mobile stand and grip accessories are now available in over 10,000 stores in the US.

STRAX subsidiary Urbanista, the Swedish lifestyle audio brand, announced the launch of Urbanista Phoenix – the world's first true wireless, active noise cancelling earphones powered by light.

Following a decision by the board of directors in September 2022 to have a more focused strategy and simplified group operating structure, these brands and businesses are reported as discontinued operations: own brands Dóttir and grell, licensing business under Telecom Lifestyle Fashion, and the Health and Wellness business.

STRAX subsidiary Urbanista, which launched the headphones Urbanista Phoenix in August – the world's first true wireless, active noise cancelling earphones powered by light – won three awards at the IFA 2022 trade show in Berlin. Trusted Reviews, Android Authority and Billboard, awarded Urbanista Phoenix as the best of IFA 2022.

The company and PwC had, in light of the company's size and to adapt thereto, agreed that PwC' s assignment as auditor shall terminate prematurely. The Board of Directors, which in its entirety fulfills the duties assigned to an audit committee, has carried out a procurement process to identify a new auditor and found that Mazars AB, with Samuel Bjälkemo as auditor in charge, and Andreas Brodström, also at Mazars AB, are well suitable for the assignment. Against this background, the Board of Directors proposed an EGM called for December 16, 2022, votes in line with the proposal which have been endorsed by the nomination committee.

At the Extraordinary General Meeting in Strax AB (publ) held on December 16, 2022, it was resolved to amend the articles of association in accordance with the Board of Directors' proposal entailing that the number of auditors in the company shall be at least one (1) auditor and not more than two (2) auditors with not more than one (1) deputy auditor. As auditor and, when applicable, deputy auditor, it shall still be an authorized public accountant and/or a registered public accounting firm that is elected.
Significant events after the end of the period
STRAX subsidiary Urbanista, received two awards at CES 2023 in Las Vegas, the most influential tech event in the world. Urbanista Phoenix – the world's first true wireless, noise cancelling earphones powered by light – was awarded best of CES by technology magazines TWICE and MakeUseOf (MUO).

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

STRAX subsidiary Urbanista, received two awards at CES 2023 in Las Vegas, the most influential tech event in the world. Urbanista Phoenix – the world's first true wireless, noise cancelling earphones powered by light – was awarded best of CES by technology magazines TWICE and MakeUseOf (MUO).

STRAX has for the past six quarters received waivers concerning breach of certain conditions in the loan agreement with its lenders. The communication and relationship with P Capital (PCP) as main lender has been constructive throughout this period.
As communicated in the Q4 report for 2022 published February 23, 2023, STRAX has worked out a tactical plan involving divesting certain assets to strengthen the liquidity and balance sheet. As a part of that, PCP has also agreed to restate the covenants for Q1, Q2 and Q3 of 2023 to adjust for the current situation. STRAX thereby returns to being in compliance with the loan agreement. STRAX is now executing the plan and expects to considerably lower the debt level of the Group during 2023 and in particular repay significant parts of the outstanding amounts under the loan agreement.

GUDMUNDUR PALMASON

OUR CEO SAYS

The year 2022 will go down as annus horribilis for STRAX. This was the third consecutive year that brought a new set of unforeseen challenges our way and as a result, we were largely unprepared for. We came to terms with the fact that STRAX needs a reset, and we firmly believe that we now have a sound plan that will reposition the company as a pure house of brands, paving the way for profitable growth. The plan will at the same time strengthen our balance sheet and improve liquidity.

Our broad tactical plan involves divesting the parts of our business that no longer fit in the future STRAX, with those being Health & Wellness, the licensing business and the two digital native audio brands, grell and Dottir. We will furthermore divest majority of the European distribution business and sell a minority stake in Clckr, our fastest growing own brand. The ultimate result will be a more focused and profitable STRAX consisting of own brands Urbanista, Clckr, RichmondFinch and Planet Buddies.

2022 Financial performance

Due to several macro-economic factors, such as higher inflation, stronger USD and decreased consumer spending power, STRAX was negatively affected. Sales in 2022 were MEUR 104.4 (101.8), a 2.6% growth that is mainly attributed to sales of antigen tests in Germany early in the year. Our EBITDA was MEUR -0.9 (5.4). Gross margin for the period rose to 16.7% (16.4). Discontinued businesses generated a net loss of MEUR -8.8 (-1.6) in 2022. The slowdown in sales at the back end of the year forced us to take a 4 MEUR inventory write-down, negatively impacting our gross profit of both our operating segments during the period. Our average blended gross margin has been under pressure since the start of the pandemic in February 2020, which largely stems from product category mix on one hand, increased ratio of Health & Wellness products vs. accessories and personal audio products, and brand mix on the other hand, increased ratio of distributed brands vs. own brands.

Despite all the challenges we faced in 2022 we continued investing in our four remaining own brands and our North America sales platform, providing for significantly brighter times ahead for a streamlined and more focused organization. We furthermore implemented various cost reduction actions across continuing operations, and we expect benefits thereof to fully materialize in 2023 and onwards. These actions along with improved macro conditions and better brand mix, as a result of our planned divestments, will cause our margins to significantly increase going forward.

Resolving unsustainable debt and liquidity

Our high debt levels coupled with continuous and ongoing increase in interest rates has exposed STRAX further. We are, however, in a fortunate situation since we have good assets allowing us to address these challenges. The trade debt of MUSD 20 will be repaid through the divestment of the Health & Wellness business and a proportion of the MEUR 30 loan facility will be repaid through the sale of the majority ownership in our European distribution business and subsequent refinancing of that business. This transaction and the sale of minority stake in Clckr will furthermore significantly improve our liquidity. Discussions for both transactions are under way and our goal is to complete the distribution transaction in the second quarter this year and Clckr in the third quarter.

With the sale of the majority ownership of STRAX Distribution we ultimately end up as a pure house of brands company, where our minority ownership in STRAX Distribution will be accounted for at equity. The remaining brands will be Urbanista, Clckr, Planet Buddies and RichmondFinch. This provides for a much leaner and simpler operating structure and improved transparency.

Progress with discontinued businesses

We have already sold grell and Dóttir has been phased out. At the same time, we're engaged with strategic buyers for both Health & Wellness and Telecom Lifestyle Fashion (licensing business) where our goal is to complete the Health & Wellness transaction in the second quarter this year and Telecom Lifestyle Fashion already in the first quarter. This outcome and the sale of the majority of STRAX Distribution will give management the possibility to focus on the remaining parts of the business that are growing and have underlying increased sales potential.

STRAX for the future – pure house of brands

As we are now shaping the new STRAX we see good potential to grow our remaining brands and increase profitability. Urbanista has turned the corner and delivered single digit growth in 2022, but more importantly it achieved an EBITDA profit, after two consecutive years of significant losses. The collaboration with Exeger has increased Urbanista's brand awareness and we have a strong product portfolio as well as an exciting product roadmap. Clckr grew 130% in 2022, albeit from a low base, and Clckr products are now listed in approximately 12,000 retail stores globally with the expectation to be in 20,000 stores before the end of this year. The brand has furthermore entered a partnership with G-Form, an impact protection brand, and we'll be announcing a new significant product category for Clckr in the second quarter. Planet Buddies also grew in 2022. The brand continues to improve its sustainability positioning and is steadily increasing its retail store footprint. All the brands have furthermore significant growth potential via online marketplaces, where they are all supported by Brandvault, our online marketplace and content specialist business unit.

Corporate Social Responsibility at heart

Sustainability remains a core component of STRAX corporate strategy. This way we ensure that we will give our sustainability programs sufficient focus and stay on track towards our overall objectives.

We launched STRAX+ in 2019, a corporate social responsibility initiative aimed at changing all possible aspects of our business to become much more environmentally conscious. STRAX has already achieved significant improvements in its European logistics centre, office locations, customer shipments and packaging materials, all those being largely cost neutral. We maintained our Gold rating with EcoVadis, the world´s most trusted business sustainability ratings, and we continue to work hard towards a Platinum rating which only one percent of rated companies have earned.

STRAX has been a member of UN Global Compact since 2017, where the Company has committed to take actions that advance societal goals. As a part of that commitment, STRAX has supported various charitable organizations through donations as well as direct involvement. STRAX has been certified as a Nasdaq ESG Transparency Partner, a certification used by Nasdaq to signal engagement in market transparency and in raising environmental standards. The Nasdaq ESG Matrix includes data points from environmental, social and corporate governance as well as future sustainability goals, all of which STRAX considers in its operation.

All in all, we are highly committed to corporate social responsibility matters on a broad scale and will ensure that we stay the course mid- and long term.

What´s next

Our core business has now been disrupted for three consecutive years by events that were completely unforeseen. We maneuvered well through the first two years,but were negatively impacted from all sides in 2022 without being able to properly react and adjust fast enough. We have come to terms with the fact that we must fundamentally change our group structure and business model to fix our key issues, with those being profitability, debt level and liqudity. The positive news is that we have already constructed a sound plan to address all of these, which has been agreed with our lender and will be fully implemented within 2023. The outcome will be a simpler STRAX, operating as a pure house of brands, owning Urbanista, Clckr, Planet Buddies and RichmondFinch, all of which are well positioned for growth.

Finally, I want to thank the people at STRAX. Their continuous hard work, dedication, creativity and resilience enable us to drive the business forward. I remain very proud of every one of our people and look forward to our future successes, albeit somewhat in a different format than originally envisioned.


Kreativa
KARIN ANDERSSON

THIS IS OUR BUSINESS

STRAX develops and grows brands using a customer-centric omnichannel approach. This is achieved through four strategic activities supported by four critical success factors all aimed at creating shareholder value and demonstrating meaningful corporate social responsibility.

STRAX refined its strategic framework in 2019 and clarified its business model, splitting its operations into two complimentary businesses, Own brands and Distribution. Our two-fold business model is quite unique in our industry. It generates certain synergies, where our own brands gain access to vast retail and online channels through STRAX Distribution and Brandvault albeit creating complexities at the same time. In return, these channels are consistently able to offer relevant brands to their customers, defined as offline and online sales of retailers, end consumers via the online channels and online marketplaces.

Customer centric

STRAX is focused on building a successful and loyal customer-base by offering differentiated products, services and solutions. The proactive management of the B2C and B2B channels for own, and partner brands includes the creation of profitable platforms for e-commerce, thereby developing a compelling end to end consumer experience to maximize ROI and profitability.

Strategic activities

FOCUSED GEOGRAPHIC EXPANSION. Supplying smartphone accessories all over the world, while fo-cusing on strategic channels and customers outside of western Europe, and at the same time maintaining market share across our core markets in western Europe. In 2023, STRAX will focus on North America as expansion markets, with the intention of opening a significant number of new retail doors.

	1 Product initiation	2 Product development	3 Product approval	4 Sales & opera-tional planning
Own brands	Based on consumer insights, market trends and technical develop-ment in products and materials STRAX has a product initiation process for own brands. The process is partly driven by new launches of handset models combined with key seasonal promotional periods.	The product design team develops products with trend analysis tools and then creates samples to-gether with the production team.The develpoment includes the packaging and other go to market deliverables that all make up a vital part of the product.	Through a toll gate process we only select the best products to add to our own brand portfolios.	STRAX works with a sales & operational planning process where proposed purchase orders are based on current inventory levels and forecasted volumes by sales with consi-deration taken to production lead times on own and delivery criteria.
Distributed brands		We work with a wide va-riety of suppliers to bring complimentary products to our own brands.	Our distributed brands have extremely wide assortments. Our teams choose the most relevant SKU's.	

RELEVANT BRANDS AND PORTFOLIO. Maintaining an evolving portfolio of brands in current STRAX core categories (protection, power, connectivity, audio) and achieving 50-70% of revenue via own brands in 2023. Deep market insight tools will guide STRAX and our customers to success.

e-COMMERCE. Generating 20-30% of our sales online in 2025. Our understanding is that such a sales channel mix will reduce our dependency on declining traditional/offline retailers and we are therefore continuing to develop the competence to grow our e-Commerce business profitably. In line with this, we acquired Brandvault, an online marketplace specialist.

ACTIVE M&A. Ongoing analysis of acquisition and divestment opportunities spanning from product companies to distributors. Given our recent M&A activity, STRAX is privy to a steady deal flow.

Critical success factors

LEAN AND AGILE. STRAX management and group structure is equipped with the flexibility required to handle external changes. We operate in a fast-moving technology category, where speed to market is a critical success factor. Even greater agility is expected from STRAX employees in identifying and responding to both changes and opportunities in the market. STRAX aims to maintain a headcount of around 200 committed employees.

OPERATIONAL EXCELLENCE. Problem solving, teamwork and leadership come together at STRAX, generating continuous improvement as an organisation. Processes are continuously upgraded to support the best profit margins in the industry, with special emphasis on a simple organizational structure and an efficient sales and operational planning process.

CORE VALUES. STRAX core values, Honesty – Respect – Frugality – Teamwork, have remained unchanged for the last decade. Simple, straightforward and universal in nature, they convey who we are and what we stand for.

MOTIVATED AND PASSIONATE PEOPLE. STRAX fully understands that everything we have achieved to date is thanks to our people. Hence, major focus is placed on building a culture around our core values and retainment efforts. STRAX culture has never been more powerful and empowering than it is right now. A clear strategic framework coupled with a strong culture instils confidence that the team is ready to future proof the company.

5 Manufacturing/ Purchasing

With the suggested purchase orders as a guidance, and with expertise knowledge the purchase department places order to factories on own brands.

Our purchasing teams work with suppliers to ensure JIT deliveries on products. We look to balance our intakes to customer demand.

6 Warehousing & services

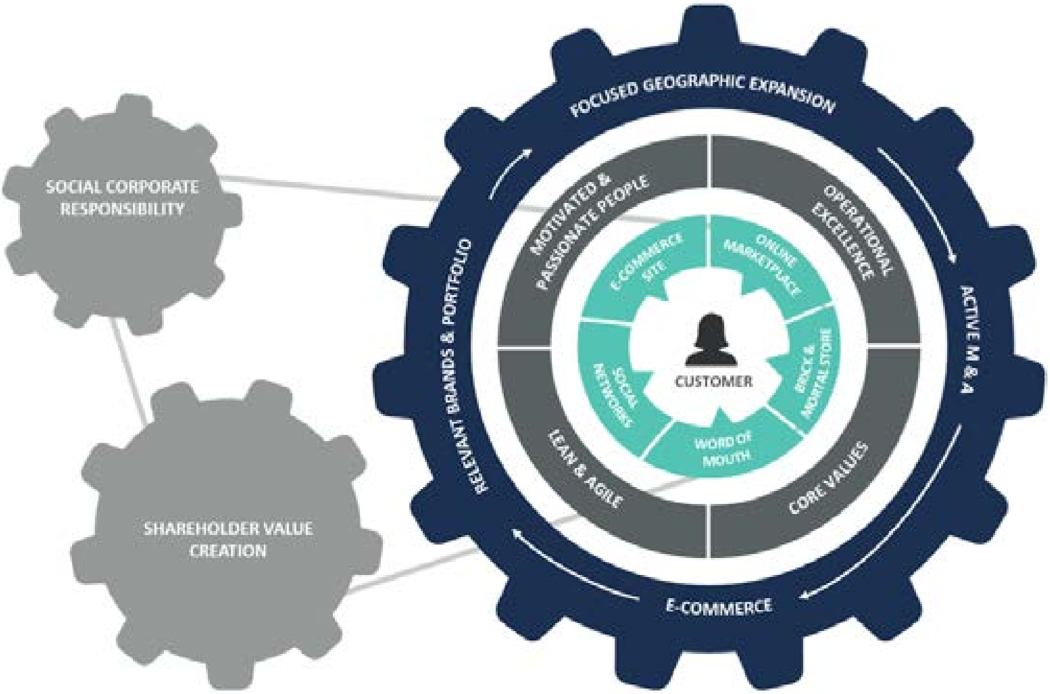
STRAX is a global company with sales in more than 20 countries. Warehouses are located in Germany, UK and Hong Kong. STRAX offers a wide range of value added services ranging from packaging and logistics services to fully integrated assortment and planogram services.

7 Transport

Third party

8 Customers

amazon, Best Buy, MediaMarkt, Harrods, Urban Outfitters, asos, vodafone, Dixons Carphone, AT&T, fnac, swisscom, boulanger, T

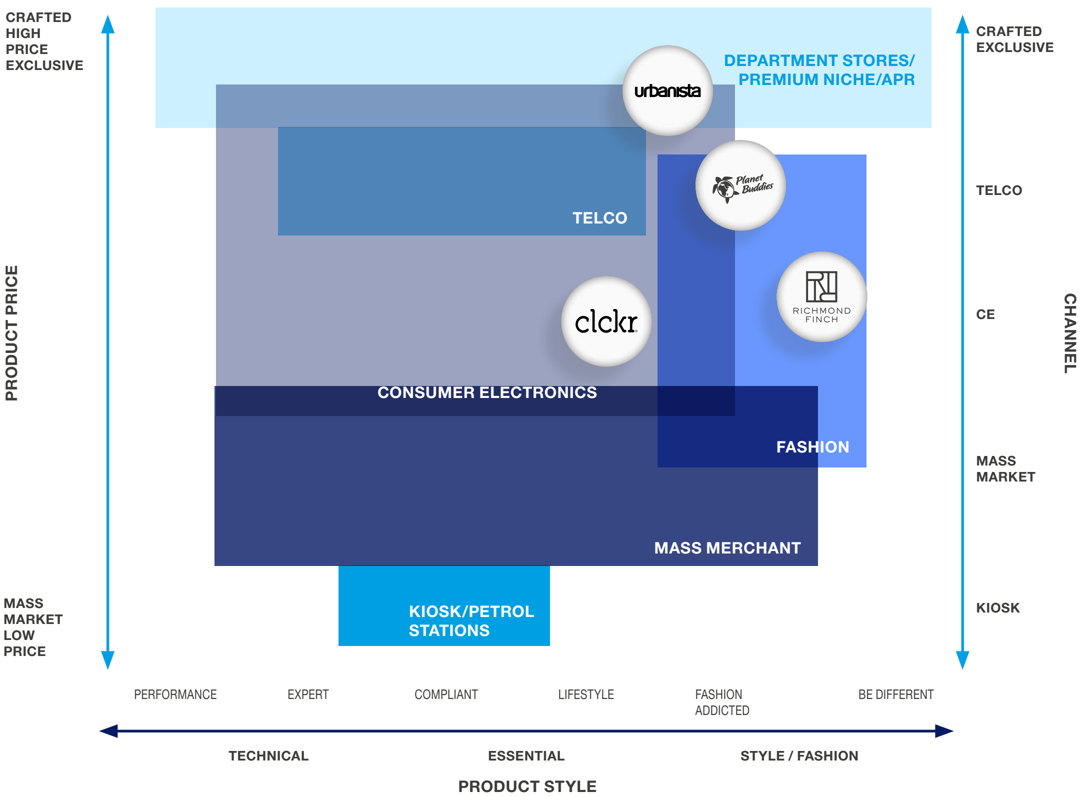


- Four Strategic Activities
- Omni Channel Approach
- Four Critical Success Factors
- Two Cornerstones

OWN BRANDS & DISTRIBUTION

STRAX own brands are built on a foundation of strong consumer insight across a diverse customer base with the aim of enhancing a better mobile user experience. STRAX offers multiple own brands: Urbanista, Clckr, RichmondFinch and Planet buddies. These brands cover all key categories in the mobile accessories market including protection, audio and power.
To complement these brands, STRAX also offers a range of distributed brands to its customers.

GLOBAL BRAND AND CHANNEL MAPPING



OWN BRANDS

URBANISTA LIFESTYLE AUDIO PRODUCTS WITH SCANDINAVIAN DESIGN
Based in Stockholm, Urbanista is a market leader in its region, combining avant-garde design with the latest in audio technology. The products are designed for a life in motion and built to inspire and endure.
www.urbanista.com

RICHMONDFINCH PREMIUM TECH ACCESSORIES BRAND
RichmondFinch is a Scandinavian tech accessories brand. RichmondFinch designs and produces contemporary mobile phone and travel accessories. The unisex lifestyle brand creates unique designs which reflect current fashion trends. **www.richmondfinch.com**

CLCKR A UNIVERSAL PHONE GRIP AND STAND

A patented universal and multi-functional phone grip and stand that helps prevent users dropping their phone, enables better quality selfies and a more enchanced mobile video watching experience. A thin and stylish design, Clckr is easy to apply using 3M-adhesive which will not leave residue.

www.clckr.com

PLANET BUDDIES CHILDRENS BRAND

Planet Buddies have created a range of kids' accessories based on a variety of colorful characters who represent endangered, vulnerable, and threatened species of animals from all over the world. Their goal is to educate children about the issues that threaten animals with extinction at the same time as offering great and fun products such as headphones and speakers.

www.planetbuddies.com

DISCONTINUED - OWN BRANDS

HEADPHONES FOR WORLD CLASS ATHLETES

Dóttir started as an idea between friends that popped up on a stroll around London, creating a headphone for World Class athletes that allows them to train freely without outside distraction. From there it has grown into something much bigger, not only a brand that creates headphones for athletes but a brand that supports female empowerment and equality. **www.dottiraudio.com**

HIGH-END PERSONALIZED LISTENING EXPERIENCES

Designed to make high-end audio quality more accessible, grell headphones offer personalized listening experience at a price that reflects the cost for quality of the sound, alone. Created by renowned headphone engineer Axel Grell, grell headphones feature a unique combination of high-end technological components, German design, and meticulous attention to detail. **www.grellaudio.com**

DISCONTINUED - LICENCED BRANDS

ADIDAS ORIGINALS STREET WEAR INSPIRED PROTECTION
adidas Originals continues to evolve the brand's legacy through its commitment to product innovation. Inspired by the creativity and courage found in sporting arenas, adidas Originals smartphone cases combine contemporary youth culture design with resilient protection features.

ADIDAS SPORTS FOR ACTIVE USE IN THE GYM AND OUTDOORS
adidas Sport aims to set a new bar in the fast-growing market of tech accessories. The new collection of sport cases consists of a variety of flexible armbands, smart waist straps and highly protective anti-slip and anti-shock cases. adidas Sport cases are carefully designed to protect smartphones during intense workouts, running or outdoor activity.

Y-3 DISTINGUISHED DESIGN CASES
A small yet distinguished collection of device cases for which the license was acquired from adidas in 2013. This TLF and Y-3 collaboration offers a variety of statement smartphone protection- and booklet cases. Combining adidas design, quality and durability with the unique, eye-catching designs of Japanese fashion designer Yohji Yamamoto.

DIESEL FOR SUCCESSFUL LIVING
The Diesel slogan for the brand's DNA from the very start. TLF acquired the licence for Diesel to launch mobile accessories in 2020.Through a long and storied history of strong, iconic, and playful campaigns Diesel has become a leader in advertising as well as in fashion.

DISCONTINUED - HEALTH & WELLNESS

AVO+ fills the void in the market for appealing, well marketed, value-oriented solutions for consumer healthcare. Understanding that consumers prefer products and packaging that has been designed for their environment and use case AVO+ has resonated with consumers in markets across the world with its bright/fresh easy to understand concept.

THIS IS OUR INDUSTRY

Mobile accessories industry overview

STRAX is a global specialist in mobile accessories. STRAX sells its products into all key channels ranging from telecom operators, mass merchants and consumer electronics to lifestyle retailers, large enterprises and direct to consumers online.

The mobile accessories market refers to the market for products that are designed to enhance the functionality and style of mobile devices such as smartphones and tablets. These accessories include protective cases, screen protectors, chargers, power banks, earphones, headphones, Bluetooth speakers, stylus pens, and more. The market is constantly evolving as new technologies and features are introduced in mobile devices, and consumers seek new and innovative accessories to complement their devices.

The market has experienced a channel shift towards online sales channels and geographic markets have furthermore been impacted differently due to lock–downs and the aftermath of the Covid-19 pandemic. The macro-economic effects of the war in Ukraine have impacted consumer demand overall in 2022, where smart phone sales declined YoY by 10%.

Market Size and Growth

The global mobile accessories market size was valued at over $80 billion in 2022 and is expected to grow with a CAGR of 7.2% through 2027. The market has seen significant growth in recent years on the back of smartphone growth, increasing installed base of smartphones, increased average selling prices and increased attachment rate. Additional growth drivers behind accessories is the fact that most smartphone manufacturers have taken accessories out of the box and increased adoption of true wireless stereo headsets. The market is furthermore driven by innovation such as wireless charging and MagSafe compatible accessories, now being made compatible with Android devices. Also, the latest technological developments in mobile devices, such as 5G and foldable phones, are also contributing to the growth of the mobile accessories market.

Key Product Categories

PROTECTION

The demand for phone cases is driven by the increasing number of mobile devices being used, as well as the growing demand for protection against drops and scratches. In addition, phone cases are also becoming increasingly stylish, with a wide range of designs and materials available to consumers. The demand for screen protection is driven by the increasing number of mobile devices being used, as well as the growing demand for protection against drops and scratches.

POWER

Wireless charging is becoming increasingly popular, and its popularity is expected to continue to increase in the near future. The demand for wireless charging solutions is driven by the increasing number of mobile devices being used, as well as the growing demand for convenience and ease of use. Charging cables are essential for charging mobile devices, and they are widely used by consumers due to their convenience and affordability. The demand for charging cables is also driven by the increasing number of mobile devices being used, as well as the growing demand for wireless charging solutions and same holds true for power banks.

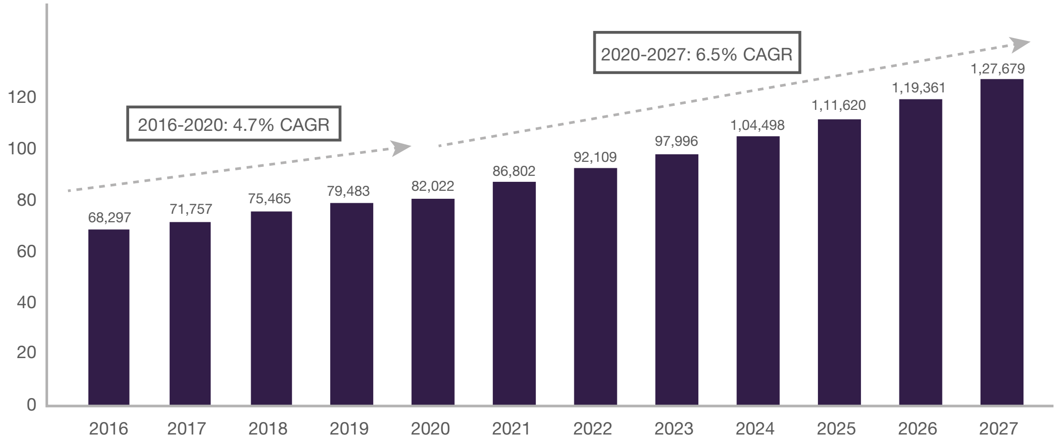
AUDIO

The demand for audio products is driven by the increasing number of mobile devices being used, as well as the growing demand for convenience and high-quality sound. True wireless stereo (TWS) products, such as wireless earbuds, are becoming increasingly popular. According to Canalys 288 million units were shipped in 2022. The global TWS market size is expected to reach USD 563.2 billion by 2030, registering a CAGR of 34.9% from 2022 to 2030, Reserachandmarkets.com. Increasing consumers' preference for true wireless stereo earbuds over traditional earphones is expected to drive global market growth. Additionally, rapid technological advancements by earbud manufacturers to provide a better music listening experience are expected to drive and grow the audio product category further.

Technological Developments

The future of the mobile accessories market is expected to be driven by the increasing demand for mobile devices, as well as the continuous technological developments in mobile devices design and capabilities. For example, the introduction of 5G networks, larger display sizes, and longer battery life are all expected to contribute to the growth of the mobile accessories market over coming years. In addition, the increasing usage of mobile devices for a variety of activities, such as streaming media and online gaming, is expected to drive the demand for new and innovative mobile accessories.

Global mobile accessories market in million USD (2016-2027)
Source: FMI Analysis 2021



THIS IS THE STRAX SHARE

The STRAX share is since May 12, 2016 listed on the Nasdaq Stockholm exchange, under the symbol STRAX, in the Small Cap section. STRAX market value at the end of 2022 amounted to approximately MEUR 15.

Mangold Fondkommission is the appointed market maker for STRAX.

The share liquidity during 2022 has been good, the share was traded on 100 (100) percent of all trading days and the average turnover was 167 954 (71 123) shares per trading day.

The total turnover amounted to 42 492 380 (17 994 071) shares, which corresponds to a turnover rate of approximately 0.35 (0.15) per year.

The share opened at SEK 3.75 on the first day of trading, January 3, 2022 and closed at SEK 1.35 on the last day of trading, December 30, 2022. The average price during the year was SEK 3.52 (3.99) and the average turnover per trading day was SEK 591 317 (283 966).

Share capital structure

STRAX share capital amounts to EUR 12 624 164.563374 distributed among 120 592 332 shares. The quota value is EUR 0.10. Each share carries one vote and each person entitled to vote maybe vote at shareholders' meetings for the full number of shares held or represented at the meeting, without limitation of voting rights. STRAX has only one class of shares and all shares carry an equal right to a share in the company's assets and profits. All shares are fully paid.

Ownership structure

The total number of shareholders as of December 30, 2022 amounted to 2 789 (2 132).

Foreign ownership accounted for 59.3 (62.3) percent of total outstanding shares.

Dividend

The Board of directors have not proposed a dividend for the financial year 2022.

Earnings per share

The group's earnings per share amounted to EUR -0.16 (-0.03).

Other share information

Shareholder's equity per share at year-end amounted to EUR -0.05 (0.12).

DEVELOPMENT OF SHARE CAPITAL (KSEK)

Date	Transaction	Quota value (SEK)	Change in share capital	Total share capital	Total no. of shares
April 1997	Incorporation	100.00	100	100	1 000
March 1998	Split (10:1)	10.00	–	100	10 000
March 1998	New share issue	10.00	4	104	10 400
March 1998	Issue in kind	10.00	35	139	13 900
April 1998	New share issue	10.00	10	149	14 873
April 1998	Issue in kind	10.00	14	163	16 263
May 1998	New share issue	10.00	65	228	22 763
August 1998	Bonus issue	230.00	5 008	5 236	22 763
August 1998	Split (100:1)	2.30	–	5 236	2 276 300
September 1998	New share issue	2.30	460	5 696	2 476 300
September 1998	Issue in kind	2.30	96	5 792	2 518 195
June 1999	New share issue	2.30	460	6 252	2 718 195
September 1999	New share issue	2.30	828	7 080	3 078 195
January 2000	New share issue	2.30	161	7 241	3 148 195
January 2000	New share issue	2.30	1 150	8 391	3 648 196
February 2000	New share issue	2.30	2 300	10 691	4 648 196
June 2000	Bonus issue	5.00	12 550	23 241	4 648 196
June 2000	Split (5:1)	1.00	–	23 241	23 240 980
September 2000	New share issue	1.00	150	23 391	23 390 980
October 2003	New share issue	1.00	7 797	31 188	31 187 973
June 2004	New share issue	1.00	6 000	37 188	37 187 973
May 2007	Split (2:1)	0.50	–	37 188	74 375 946
May 2007	Redemption	0.50	–18 594	18 594	37 187 973
May 2007	Bonus issue	1.00	18 594	37 188	37 187 973
January 2011	Split (2:1)	0.50	–	37 188	74 375 946
February 2011	Redemption	0.50	–18 594	18 594	37 187 973
February 2011	Bonus issue	1.00	18 594	37 188	37 187 973
October 2013	Split (2:1)	0.50	–	37 188	74 375 946
November 2013	Redemption	0.50	–18 594	18 594	37 187 973
November 2013	Bonus issue	1.00	18 594	37 188	37 187 973
May 2016	Issue in kind	1.00	80 574	80 574	117 762 266
January 2017	EUR(1)	–	–117 763	–	–

DEVELOPMENT OF SHARE CAPITAL (KEUR)

Date	Transaction	Quota value (EUR)	Change in share capital	Total share capital	Total no. of shares
January 2017	EUR(1)	0.10	12 328	12 328	117 762 266
December 2017	Issue in kind (2)	0.10	296	12 624	120 592 332
January 2019	Split (2:1) (3)	0.10	-	12 624	241 184 664
January 2019	Bonus Issue	0.10	12 624	25 248	241 184 664
January 2019	Redemption	0.10	-12 624	12 624	120 592 332

(1) After the EGM held on December 22, 2016 resolved to change the reporting currency to EUR the amount was changed to EUR 12 327 900.13 corresponding to a quota value of EUR 0.10.

(2) Utilizing a mandate from the AGM the Board resolved to pay TEUR 1 500 of the purchase price relating to an acquisition of TLF by issuing 2 830 066 shares in STRAX AB. The share issue was registered with the Swedish Companies Registration Office on December 22, 2017 and the shares printed in Euroclear on January 3, 2018.

(3) A redemption procedure was carried out during January 2019 whereby SEK 1.10 was distributed to STRAX shareholders. A split of the existing shares in STRAX was made in connection with the distribution which resulted in the total number of shares in the company temporarily doubled. The redemption procedure was an alternative transaction method for a dividend and the temporary increase in the number of shares has not been taken into consideration with regard to the calculation of the average number of shares during the period, or, the result per share during the period.

MAJOR SHAREHOLDERS AND OWNERSHIP STRUCTURE AS OF DECEMBER 30, 2022

Shareholder	No. of shares	Proportion of votes and capital
Ingvi T. Tomasson	31 727 314	26.3%
Gudmundur Palmason	31 398 031	26.0%
GoMobile Nu AB	23 410 926	19.4%
Anders Lönnqvist	6 346 160	5.3%
Försäkringsbolaget Avanza Pension	4 038 848	3.3%
Nordnet Pensionsförsäkring	2 118 066	1.8%
Anchor Secondary 4 AS	2 097 012	1.7%
Johan Richard Kaijser	1 231 862	1.0%
Trecenta AB	800 000	0.7%
Anchor Invest 1 AS	770 000	0.7%
Other shareholders	16 654 113	13.8%
Total	**120 592 332**	**100.0%**
Of which foreign ownership	71 507 233	59.3%
The 10 largest shareholders -proportionally	103 938 219	86.2%

Source: Euroclear and facts known to the Company.

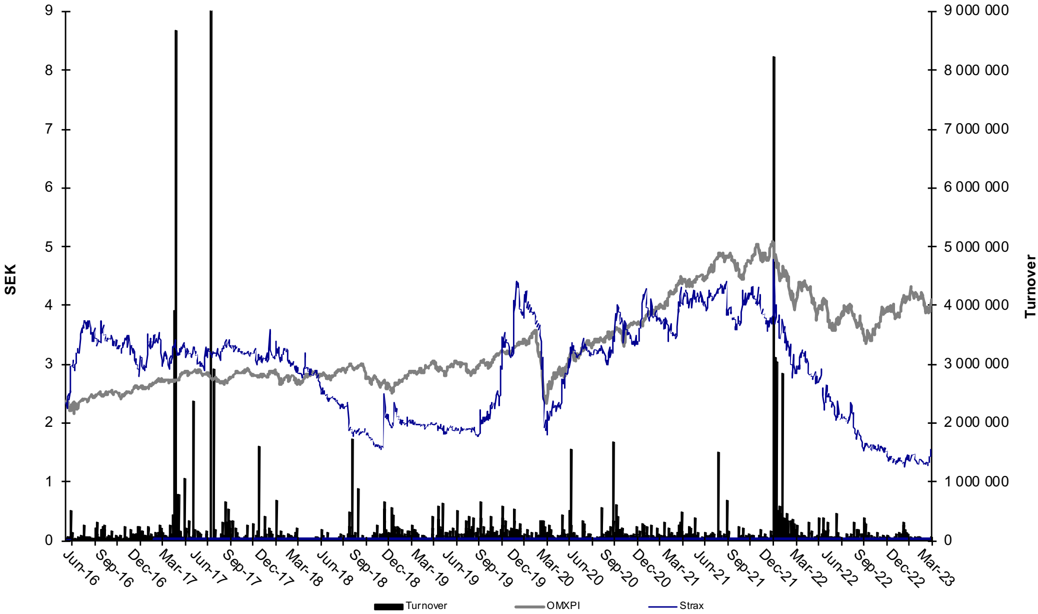
DISTRIBUTION OF SHARES AS OF DECEMBER 30, 2022

No. of shares by size	No. of shares	Proportion	No. of shareholders	Proportion
1-500	286 463	0.3%	1 871	67%
501-1 000	241 412	0.2%	299	11%
1001-10 000	1 665 274	1.4%	479	17%
10 001-50 000	1 844 214	1.5%	83	3%
50 001- 100 000	355 126	1.1%	19	1%
100 001-	115 199 843	95.5%	38	1%
Total	**120 592 332**	**100%**	**2 789**	**100%**

Source: Euroclear.

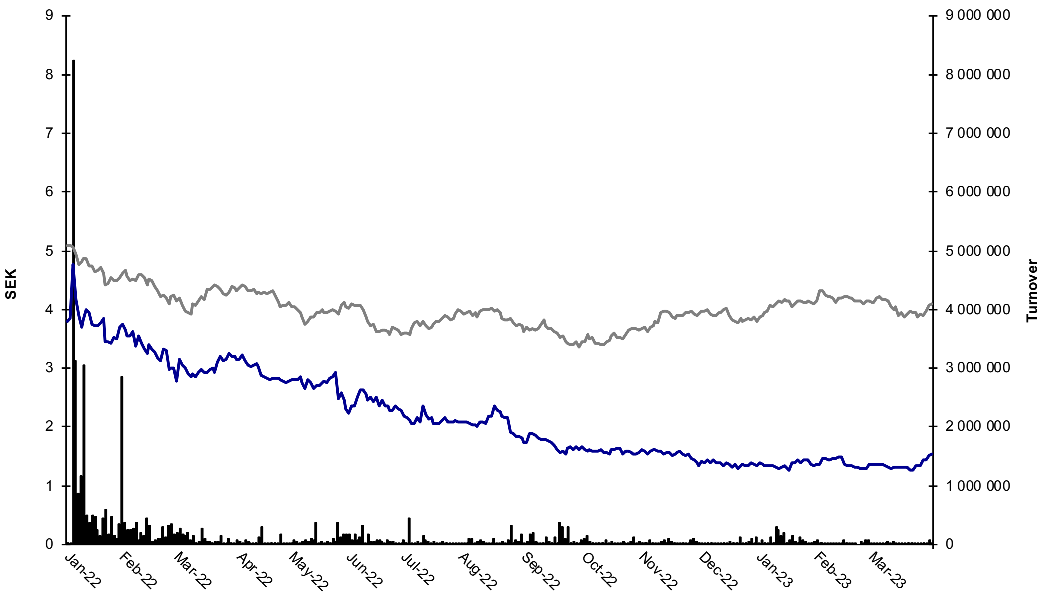
STRAX SHARE PRICE TREND AND NUMBER OF SHARES TRADED JUNE 1 2016 – MARCH 31 2023

Source: Nasdaq Stockholm



STRAX SHARE PRICE TREND AND NUMBER OF SHARES TRADED JANUARY 1 2022 – MARCH 31 2023

Source: Nasdaq Stockholm



THIS IS OUR FUTURE

STRAX will play an active role in shaping the mobile accessories industry both offline and online in all its targeted geographic markets. We will continue to grow our businesses within the strategic framework that we launched in 2016 and refined in 2019, while simultaneously strengthening our operating platform. This will enable us to drive our own brand growth strategy through offline and online sales channels globally with fewer resources. While retaining market share in western Europe, STRAX will at the same time invest and grow at an accelerated rate in North America, and strategic markets in the rest of the world.

Subject to acceptable profitability threshold STRAX will invest in eCommerce sales channels, through indirect channels, direct brand websites and marketplaces to diversify its traditional retail customer base and secure growth.

We expect continued organic growth, driven specifically by own brands and improvements in our profitability. We have completed the acquisition of Brandvault, the global online marketplace experts.

We expect our overall online sales to grow significantly, albeit from a relatively low base, with total eCommerce accounting for 20-30% of our sales in 2025. STRAX furthermore intends to play an active role in the ongoing consolidation of our industry through acquisitions, divestments, and partnerships. Reduced overall demand for mobile accessories, initially stemming from the Covid-19 pandemic, now high inflation, is expected to continue through most of 2023 but will not alter our mid- to longer-term plans in the product category.

STRAX HISTORY

1995
STRAX MIAMI
STRAX HONG KONG
FOUNDED

1999
STRAX HOLDINGS
STRAX UK
FOUNDED

2005
STRAX AQUIRED
MORE GROUP OF COMPANIES

2010
XQISIT
LAUNCHED

2011
TELECOM LIFESTYLE FASHION B.V.
FOUNDED

2014
URBANISTA
ACQUIRED
AVO+
LAUNCHED

2015
GEAR4
ACQUIRED

2015
RANGELENS & OEM SERVICES
LAUNCHED

2016
STRAX
LISTED ON STOCKHOLM NASDAQ

2016
FLAVR AND THOR
LAUNCHED

2017
STRAX AQUIRED
TELECOM LIFESTYLE FASHION B.V.

2017
EULE IOT DOORBELL
LAUNCHED

2018
GEAR4
DIVESTED

2018
CLCKR
LAUNCHED

2019
STRAX ACQUIRED
BRANDVAULT & RACING SHIELD AB

2020
STRAX LAUNCHED
PLANET BUDDIES & AVO+

2021
STRAX LAUNCHED
DÓTTIR & GRELL

2022
DÓTTIR & GRELL
DISCONTINUED

2022
HEALTH & WELLNESS
DISCONTINUED

2022
LICENCED BRANDS UNDER TLF
DISCONTINUED

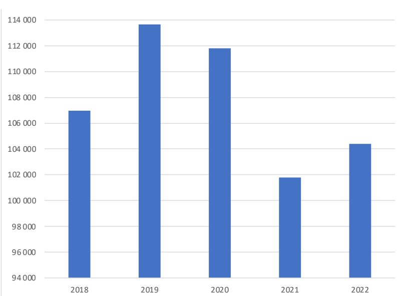
FIVE-YEAR SUMMARY

STRAX AB
FINANCIAL SUMMARY AND KEY RATIOS, THE GROUP

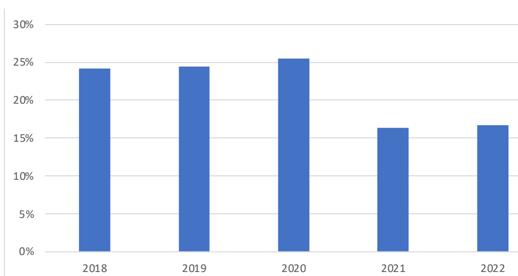
(EUR Thousands) **Income statements**	**2022**	**2021**	**2020**	**2019**	**2018**
Net sales	104 392	101 795	111 790	113 644	106 967
Cost of goods sold	-86 967	-85 133	-83 271	-85 843	-81 090
Gross profit	**17 425**	**16 662**	**28 519**	**27 801**	**25 877**
Gross margin	*16,7%*	*16,4%*	*25,5%*	*24,5%*	*24,2%*
OPEX	-19 979	-13 168	-21 745	-21 656	-28 015
EBIT	**-2 554**	**3 494**	**6 774**	**6 146**	**-2 138**
Net financial items	-7 074	-4 857	-5 931	-5 982	24 075
EBT	**-9 628**	**-1 363**	**843**	**164**	**21 937**
Taxes	-1 202	-906	-174	-1 899	-5 190
Profit or loss continuing operations after tax	**-10 830**	**-2 269**	**669**	**-1 735**	**16 747**
Profit or loss discontinued operations after tax	-8 798	-1 629	-	-	-
PROFIT OR LOSS FOR THE YEAR [2]	**-19 628**	**-3 898**	**669**	**-1 735**	**16 747**
Basic earnings per share continuing operations, EUR	-0.09	-0.02	0.01	-0.15	1.44
Diluted earnings per share continuing operations, EUR	-0.09	-0.02	0.01	-0.15	1.38
Basic earnings per share discontinued operations, EUR	-0.07	-0.01	-	-	-
Diluted earnings per share discontinued operations, EUR	-0.07	-0.01	-	-	-
Weighted average number of shares during the period [1]	120 592 332	120 592 332	120 592 332	120 592 332	120 592 332
Weighted average number of shares during the period after dilution	124 687 332	124 687 332	124 687 332	124 687 332	124 687 332

[1] (1) Utilizing a mandate from the AGM the Board resolved to pay TEUR 1 500 of the purchase price relating to an acquisition of TLF by issuing 2 830 066 shares in STRAX AB. The share issue was registered with the Swedish Companies Registration Office on December 22, 2017 and the shares printed in Euroclear on January 3, 2018.

Net sales, MEUR



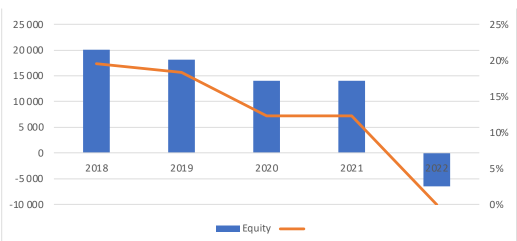
Gross margin



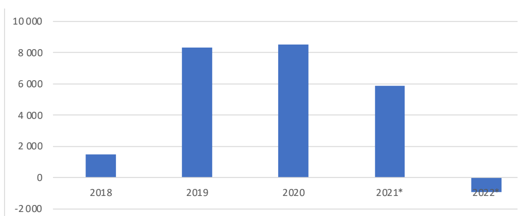
Balance sheets, KEUR	**2022**	**2021**	**2020**	**2019**	**2018**
ASSETS					
Fixed assets					
Intangible	27 091	31 612	32 197	32 094	21 804
Tangible	885	1 362	1 063	1 087	1 136
Financial	1 707	4 178	1 655	879	-
Deferred tax assets	514	287	1 016	52	1 594
Total fixed assets	**30 197**	**37 439**	**35 931**	**34 112**	**24 534**
Current assets					
Inventories	26 644	30 708	27 560	17 430	14 980
Receivables	18 661	29 194	19 149	25 975	28 423
Other assets	9 817	14 482	8 021	20 123	15 119
Cash and cash equivalents	2 909	2 601	7 379	3 644	24 845
Assets held for sale	11 368	-	-	-	-
Total current assets	**69 399**	**76 915**	**63 168**	**68 547**	**83 366**
TOTAL ASSETS	**99 595**	**114 354**	**99 099**	**102 659**	**107 900**
EQUITY AND LIABILITIES					
EQUITY	***-6 482**	**14 036**	**18 171**	**20 100**	**34 265**
Equity/Asset ratio	**-6.5%*	*12%*	*18%*	*20%*	*32%*
Long-term liabilities					
Interest bearing	1 742	1 840	32 918	-	8 403
Non-interest bearing	5 168	3 258	10 016	12 275	1 768
	6 910	**5 098**	**42 934**	**12 275**	**10 171**
Current liabilities					
Interest-bearing	48 094	42 551	1 031	23 059	20 652
Non-interest bearing	51 072	52 669	36 962	47 225	42 812
	99 166	**95 220**	**37 993**	**70 284**	**63 464**
Total liabilities	**106 076**	**100 318**	**80 928**	**82 559**	**73 635**
TOTAL EQUITY AND LIABILITIES	**99 595**	**114 354**	**99 099**	**102 659**	**107 900**

Financial information according to IFRS is available from the financial year 2014

Equity/Equity asset ratio



EBITDA, MEUR



CORPORATE GOVERNANCE REPORT

Strax AB (publ) ("STRAX" or "the Company") is a Swedish limited liability company with its registered office in Stockholm, Sweden. The STRAX-share is listed on Nasdaq Stockholm (small cap segment) since May 2016.

Corporate governance at STRAX

STRAX aims at implementing strict norms and efficient governance processes to ensure that all operations create long-term value for shareholders and other stakeholders. Corporate governance at STRAX is based on external and internal governance instruments and practices. The external instruments that make up the framework of STRAX's corporate governance activities include, but are not limited to, the Swedish Companies Act, the Swedish Corporate Governance Code ("the Code") and Nasdaq Stockholm Rule Book for Issuers.

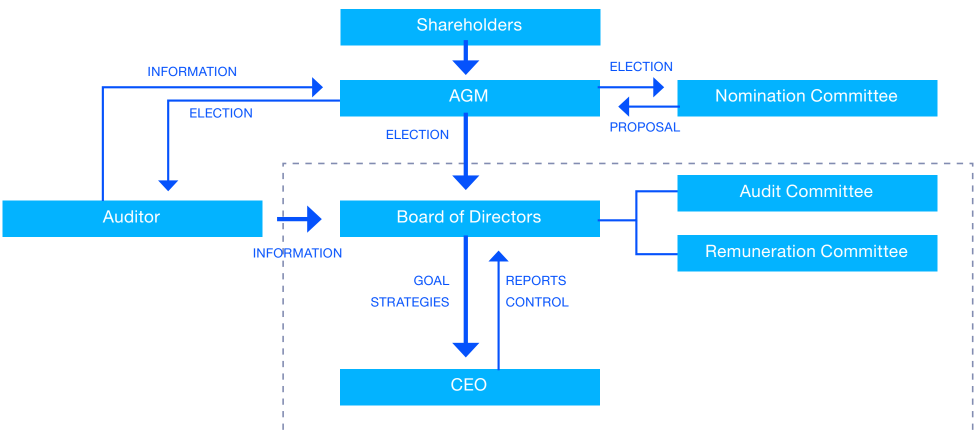
The internal instruments include, but are not limited to, the Company's Articles of Association, the Rules of Procedure for the Board of Directors, the Instruction for the CEO and the STRAX Code of Conduct. The Board has also adopted numerous policies, guidelines and instructions that contain binding rules for all of the Company's operations. All policies are revised yearly. In addition, STRAX works actively with its core values as strategic governance instruments for all employees.

Information about STRAX corporate governance is published and updated on a regular basis on the Company's website (www.strax.com).

Nomination Committee

At the 2022 AGM it was decided that STRAX shall have a Nomination Committee for the AGM 2023 consisting of one representative from each of the

Model of Corporate Governance at STRAX



three shareholders or groups of shareholders controlling the largest number of votes, plus the Chairman of the Board.

The composition of the Nomination Committee is based on Euroclear Sweden AB´s register of recorded shareholders from the last business day in August 2022 and other reliable shareholder information provided to the Company.

The Nomination Committee consists of Bertil Villard in his capacity as Chairman of the Board, Gudmundur Palmason, Ingvi T. Tomasson and Per Åhlgren representing GoMobile Nu AB.

According to the Code, the majority of the members of the Nomination Committee are to be independent of the Company and its Management. Neither the CEO nor other members of the Management are to be members of the Nomination Committee. Members of the Board of Directors may be members of the Nomination Committee but may not constitute a majority thereof. If more than one Board member is included in the Nomination Committee only one of them may be dependent in relation to the Company's major shareholders, according to the Code. STRAX deviates from these provisions in the Code. Gudmundur Palmason and Ingvi T. Tomasson with 26.0 per cent and 26.3 per cent of the votes in the Company respectively, believe that it is only natural that they exercise their interests as owners in the manner described above, both in the Company's Nomination Committee and on the Board of Directors.

The Nomination Committee's duties
The sole task of the Nomination Committee is to propose decisions to the shareholders' meeting regarding electoral and remuneration issues and, where applicable, procedural issues for the next nomination committee.

The Nomination Committee has prepared and presented proposals for submission to the 2023 AGM regarding the following: Board of Directors and Chairman of the Board, Board remuneration apportioned among the Chairman and other Board members, auditor and audit fees.

The Nominating Committee's diversity policy is consistent with the rules of the Code.

This means that the Board shall be composed of members who possess a well-balanced mix of expertise that is vital for directing STRAX's strategic work in a responsible and successful manner. The Board members are collectively to exhibit diversity and breadth of qualifications, experience and background. The Company is to strive for gender balance on the Board.

The Chairman of the Board of Directors conducts a yearly evaluation of the work within the Board. The outcome of this survey is shared with the Nomination Committee to give insight in areas that can be strengthened.

The Nomination Committee for the AGM 2023 has been focusing on strengthening "know how" in e-commerce, retail and HR, as well as the diversity amongst the members of the Board.

Annual General Meeting
STRAX AGM is held in Stockholm during the first half of the year. The date and venue of the meeting are announced publicly no later than to coincide with the release of the Company's third-quarter report. At this time, shareholders are also informed about their right to have issues addressed at the AGM and the deadline for submitting requests to this effect to the Company so that such business may be included in the notice to the AGM.

The AGM notice is published no earlier than six weeks and no later than four weeks before the date of the AGM. The notice includes information on how to register in order to participate and vote in the AGM, as well as an itemized agenda listing the matters that are to be addressed at the AGM, the proposed disposition of earnings and the key content of other proposals being addressed at the meeting.

Shareholders or their appointed proxies are entitled to vote for the full number of shares that they own or represent.

Annual General Meeting 2022
The Annual General Meeting was held on May 25, 2022. Due to the extraordinary situation resulting from the covid-19 pandemic, the Annual General Meeting was carried out through advance voting (postal voting) pursuant to temporary legislation. No meeting with the possibility to attend in person or to be represented by a proxy took place. STRAX welcomed all shareholders to exercise their voting rights at the Annual General meeting by voting in advance.

The most important resolutions of the meeting are described below:

- The income statement and the consolidated income statement for 2021, as well as the balance sheet and consolidated balance sheet as per 31 December 2021 were approved.
- The members of the Board of Directors and the CEO were discharged from liability in respect of their management of the Company's business during the financial year 2021.

- It was resolved, in accordance with the Nomination Committee's proposal, that the number of members of the Board of Directors appointed by the Meeting, for the time until the end of the next Annual General Meeting, shall be five (5) ordinary Directors and no deputy Directors.

- It was resolved, in accordance with the Nomination Committee's proposal that each member of the Board of Directors who is considered to be independent in relation to major shareholders, is entitled to receive SEK 150,000 and the Chairman of the Board of Directors is entitled to receive SEK 225,000, as remuneration.

- Bertil Villard, Pia Anderberg, Anders Lönnqvist, Gudmundur Palmason and Ingvi T. Tomasson were re-elected as members of the Board of Directors.

- Bertil Villard was re-elected as Chairman of the Board of Directors.

- It was resolved, in accordance with the Nomination Committee's proposal, to re-elect PwC AB, with Niklas Renström as the auditor in charge, as the company's auditor for the period until the end of the next Annual General Meeting.

- It was resolved, in accordance with the Board of Directors' proposal, to adopt guidelines for remuneration of the Management and other employees (See page 94).

- It was resolved, in accordance with the Board of Directors' proposal to authorize the Board of Directors to, during the period until the next Annual Shareholders' Meeting, on one or more occasions, resolve upon issuances of new shares, warrants and/or convertible bonds.

- It was resolved in accordance with the Board of Directors' proposal, to authorize the Board of Directors to resolve on the acquisition and sale of the Company's own shares.

Extraordinary General Meeting 2022
The company and PwC had, in light of the company's size and to adapt thereto, agreed that PwC' s assignment as auditor shall terminate prematurely. The Board of Directors, which in its entirety fulfills the duties assigned to an audit committee, has carried out a procurement process to identify a new auditor and found that Mazars AB, with Samuel Bjälkemo as auditor in charge, and Andreas Brodström, also at Mazars AB, are well suitable for the assignment. Against this background, the Board of Directors proposed an EGM called for December 16, 2022, votes in line with the proposal which have been endorsed by the nomination committee.

At the Extraordinary General Meeting in Strax AB (publ) held on December 16, 2022, it was resolved to amend the articles of association in accordance with the Board of Directors' proposal entailing that the number of auditors in the company shall be at least one (1) auditor and not more than two (2) auditors with not more than one (1) deputy auditor. As auditor and, when applicable, deputy auditor, it shall still be an authorized public accountant and/or a registered public accounting firm that is elected. Mazars AB were elected with Samuel Bjälkemo as auditor in charge and Andreas Brodström, authorized public accountant.

Annual General Meeting 2023
STRAX 2023 AGM will take place on May 25, 2023 at the offices of the law firm Vinge in Stockholm. Shareholders have had the opportunity to submit their proposals on issues they wish to be addressed at the meeting to the Chairman of the Board as well as proposal as regards nominations to the Nomination Committee. Information about the AGM is available on STRAX website (www.strax.com).

Presence, votes and capital represented at five previous AGMs

Year	Percentage of capital and votes
2022	38.1%
2021	18.9 %
2020	68.6 %
2019	72.15 %
2018	72.51 %

Further information on presence, votes and capital represented can be found on page 68.

Board of Directors and Committees

The Board members are elected by the shareholders to serve a mandate period beginning at the AGM and ending at the close of the AGM the following year. There are no rules concerning the length of time a person may remain on the Board of Directors. Nominations are processed by the Nomination Committee.

The current Board consists of five members elected by the AGM 2022. The Chairman plans and leads the work of the Board of Directors. Board members Gudmundur Palmason and

Ingvi T. Tomasson are also management executives. This is a deviation from the Code which states that no more than one Board member elected by the AGM may be part of the Company's Management or the Management of the Company's subsidiaries.

The Board believe it is in the best interest of the Company that the collective experience and skills of Mr Palmason and Mr Tomasson are utilized both on the Board and in Management.

The Board convened for 9 meetings during 2022. Between meetings of the Board continuous contact has been maintained between the Company, the Chairman of the Board and other Board members. Board members were also continuously provided with written information of importance regarding the Company.

Since the 2022 AGM, the Board of Directors has consisted of Bertil Villard, Gudmundur Palmason, Ingvi T. Tomasson, Anders Lönnqvist and Pia Anderberg. Bertil Villard was appointed Chairman by the AGM. More information about Board members including age, education and other assignments is provided on pages 46-47.

Audit Committee
The Board as a whole fulfills the duties of the Audit Committee. During the auditor's review of the Company's accounts with the Audit Committee, the CEO and any other member of Management attending the meeting leaves the room to give the Board the opportunity for private deliberation with the auditor. In addition, all Board members have the possibility to contact the auditor directly.

Remuneration Committee
The Board as a whole fulfills the duties of the Remuneration Committee. The Remuneration Committee prepares and proposes remuneration and other compensation concerning the CEO and other employees who report directly to the CEO.

CEO

The CEO, Gudmundur Palmason, is responsible for STRAX day-to-day operations.
The CEO's responsibilities cover ongoing business activities including; personnel, finance and accounting issues, regular contact with the Company's stakeholders (such as public authorities and the financial markets) and ensuring that the Board receives the information it needs to make well-founded decisions. The CEO reports to the Board.

Independence of Board members, presence, etc.

Name	Position	Elected	Independent in relation to the company and management	Independent in relation to larger share-holders	Share-holding[1]	Present	Percent
Bertil Villard	Chairman	2003	Yes	Yes	406 670	9/9	100%
Gudmundur Palmason	Board Member/ CEO	2016	No	No	31 398 031	9/9	100%
Ingvi T. Tomasson	Board Member	2016	No	No	31 727 314	9/9	100%
Pia Anderberg	Board Member	2018	Yes	Yes	49 580	9/9	100%
Anders Lönnqvist	Board Member	2000	Yes	Yes	6 346 160	8/9	90%

(1) Where relevant, including shares held by family members and holdings through companies as at December 30, 2022.

Work of the Board of Directors

February 23, 2022	Year end report 2021
April 21, 2022	Proposals AGM & Notice to AGM
May 25, 2022	AGM, Q1 2022, Annual Report 2021
May 25, 2022	Constituent board meeting
August 24, 2022	Q2 2022, Business & brand update,
September 28, 2022	Business update, Brands overview, discussions new Auditors
November 14, 2022	Notice to the EGM
November 23, 2022	Q3 2022
December 15, 2022	Discontinued businesses, Budget 2023

Auditors

The Company's auditors are appointed by the AGM annually. At STRAX 2022 AGM, the registered firm of accountants PricewaterhouseCoopers AB was appointed, with authorized public accountant Nicklas Renström as head auditor. The task of the auditors is, on behalf of the shareholders, to audit the Company's annual accounts, accounting records and the administration by the Board and CEO. The auditors also present an audit report to the AGM.

The company and PwC had, in light of the company's size and to adapt thereto, agreed that PwC' s assignment as auditor shall terminate prematurely. The Board of Directors, which in its entirety fulfills the duties assigned to an audit committee, has carried out a procurement process to identify a new auditor and found that Mazars AB, with Samuel Bjälkemo as auditor in charge, and Andreas Brodström, also at Mazars AB, are well suitable for the assignment. Against this background, the Board of Directors proposed an EGM called for December 16, 2022, votes in line with the proposal which have been endorsed by the nomination committee.

At the Extraordinary General Meeting in Strax AB (publ) held on December 16, 2022, it was resolved to amend the articles of association in accordance with the Board of Directors' proposal entailing that the number of auditors in the company shall be at least one (1) auditor and not more than two (2) auditors with not more than one (1) deputy auditor. As auditor and, when applicable, deputy auditor, it shall still be an authorized public accountant and/or a registered public accounting firm that is elected. Mazars AB were elected with Samuel Bjälkemo as auditor in charge and Andreas Brodström, authorized public accountant.

Remuneration to the Board and Management

Remuneration to the Board for the coming year is decided each year by the AGM. The 2022 AGM approved the proposed guidelines for remuneration and other compensation for Management. In order to achieve long-term solid growth in shareholder value, STRAX Remuneration Policy aims to offer total remuneration in line with the market to enable the right Management and other personnel to be recruited and retained.

Variable and share-based remuneration to key employees

In addition to the fixed monthly salary STRAX offers variable-remuneration based on goals met tailored to the role of the individual. At the AGM in STRAX in 2020 it was further decided to implement a share-based incentive program in the form of three-year warrants. Following the decision at the AGM this program was rolled out and assigned in 2020 and ultimately subscribed by a group of 28 key employees in October 2020. The warrants were not offered to the Board of Directors, however Gudmundur Palmason participated due to his capacity as CEO.

Internal control with regard to financial reporting

This report on internal controls is prepared in compliance with the The Swedish Annual Accounts Act. and the Swedish Corporate Governance Code and is thereby limited to internal controls in respect of financial reporting, internally with regard to the Board of Directors and externally in the form of interim reports, annual accounts and annual reports.

Pursuant to the Swedish Companies Act and the Swedish Code of Corporate Governance, the Board is responsible for the internal control. Internal control and risk management comprise a part of the Board's and Management's governance and follow-up of business operations. Internal control is intended to ensure the appropriate and efficient management of operations, the reliability of financial reporting and compliance with laws, ordinances and internal regulations.

Internal control and risk management are an integral part of all processes at STRAX. The system of internal control and risk management with regard to financial reporting is designed to manage risks in the processes related to financial reporting and to achieve high reliability in external reporting.

Control environment

An effective control environment forms the foundation for the effectiveness of a company's internal control system. It is built on an organization with clear decision-making channels, powers of authorization and responsibilities that are defined by clear guidelines.

STRAX has policies, guidelines and detailed process descriptions for the various phases of each business flow, from transaction management to bookkeeping and the preparation of external reports, stipulating who is responsible for specific tasks. These governing documents are updated as needed to ensure they always reflect current legislation and regulations and changes in processes.
The STRAX Board has delegated the responsibility for maintaining an effective internal control environment to the CEO. The CFO has the overall responsibility for accounting and reporting within the Company and is responsible for ensuring that it is conducted in accordance with applicable standards, norms and legislation.

In order to ensure that the finance department holds current expertise, it is continuously trained i.e. on accounting and tax legislation. Educational needs are identified, among other things, through regular development talks. When needed, external expertise is used to highlight issues, i.e. within accounting, tax and internal control. In matters of a legal nature, the Company uses an external lawyer.

As part of the responsibility structure, the Board of Directors evaluates the performance and results of the operations through a report package that is suited to the purpose and contains outcomes, forecasts, business plans, risk monitoring and analyses of important key ratios.

Risk assessment
STRAX's risk assessment is a dynamic process for identifying and evaluating risks that may affect the Company's ability to fulfill its goals. Risk assessment is done in the form of self-evaluation and also includes establishing action plans to mitigate identified risks. The Group Management is responsible for maintaining the routines and processes that are required to handle significant risks in the day-to-day operations. The risk assessment regarding the financial reporting is updated continuously under the leadership of the CFO.

An assessment of the risk of errors in the financial reporting is performed annually for every line in the income statement and the balance sheet. Any items that are significant taken together and are subject to an increased risk of errors (“critical items”) are identified. Any processes and controls related to critical items are subject to special review in order to minimize risk.

As a result of the annual review, the Board decides which risks are considered significant and must be considered to ensure good internal control over the financial reporting.

Covid-19 virus
The Covid-19 pandemic continues to impact our day-to-day business and some of the initial measures taken back in March 2020 remain intact. We expect these measures to remain in place throughout 2023.

Russia Ukraine conflict
Russia's military intervention in Ukraine has led to growing geopolitical uncertainty. STRAX does not conduct any operations in Russia or Ukraine and is not directly impacted from a business perspective, but is indirectly affected by, among other things, increased material prices and supply chain disruptions. STRAX is actively working to limit the negative effects of the situation that has arisen.

Control activities
To ensure that the company's business is conducted efficiently and that financial reporting gives a true and fair picture at any one time, STRAX operations incorporate a number of control activities.

The control activities include regular monitoring of risk exposure, authorization and approval routines, verifications, bank and account reconciliations, monthly follow-up of results and balance sheet items at Group level, as well as regular monitoring of STRAX IT-environment, security and functionality.

Deviations from the Swedish Corporate Governance Code
The Code stipulates that at least one of the quarterly reports be reviewed by the auditors each financial year. With reference to cost and complexity no review of quarterly reports was conducted during 2022. For the financial year 2023 it is planned that the Q3 report is reviewed by the auditors.

In addition, please see comments concerning the nomination committee on page 39 of the report.

Information and communication
Information and communication is necessary for STRAX to be able to conduct good internal governance and control and achieve its goals. Policies and guidelines are therefore particularly important for accurate accounting, reporting and information disclosure. STRAX's overall internal control instruments in terms of policies, guidelines and manuals are kept up-to-date and are available on the company's intranet.

Monitoring activities
Both the Board and Management regularly follow-up on the compliance and effectiveness of the Company's internal control to ensure the quality of its processes. The CFO reports to the CEO who submits financial reports for the Group to the Board on a quarterly basis. STRAX financial situation and strategy regarding the Company's financial position are discussed at every Board meeting. Each interim report is analyzed by the Board regarding the accuracy and presentation of the financial information. The Board also monitors that there are control activities for prioritized risk areas and communicates important issues to the Management and auditors.

Internal audit
The Board has made the assessment that STRAX, in addition to existing processes and functions for internal control, does not need a formalized internal audit. Follow-up is carried out by the Board of Directors and Management and the control level is currently assessed to meet the Company's needs. An annual assessment is made in order to evaluate whether an internal audit function is considered necessary to maintain good control within STRAX.

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting in Strax AB (publ), org.nr 556539–7709

Engagement and responsibility
The Board of Directors is responsible for the corporate governance statement for the year 2022 and that it has been prepared in accordance with the Annual Accounts Act.

Scope of the audit
Our examination has been conducted in accordance with FAR´s auditing standard RevR16, The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with international Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with a sufficient basis for our opinion.

Opinions
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm April 28, 2023
Mazars AB

Samuel Bjälkemo
Auktoriserad revisor

Andreas Brodstrom
Auktoriserad revisor

THIS IS OUR BOARD

BERTIL VILLARD
BORN 1952
406 670[1] SHARES IN STRAX

Bertil Villard, Board member since 2003 and Chairman of the Board from April 2016 is a lawyer. He previously worked as a legal counsel for Swedish Match AB, Stora Kopparberg AB and Esselte AB (Chief Legal Counsel), and as Head of Corporate Finance at ABN Amro Alfred Berg Fondkommission and partner at the law firm Vinge. Education: Master of Law, Stockholm University. Other board duties include: Landsort Care AB (Chairman), 4 AB, Azelio AB, Polaris Management A/S, iCoat Medical AB and Greta Hamiltons Family Foundation.

ANDERS LÖNNQVIST
BORN 1958
6 346 160[1] SHARES IN STRAX

Anders Lönnqvist, Board member since 2000, is an entrepreneur with experience within several branches. Anders Lönnqvist is Managing Director of the listed company TBD30 and the Chairman and owner of Servisen Group AB. Education: Economics, Stockholm University. Other board duties include: Stronghold Invest AB (Newsec) (Chairman), SSRS Holding AB (Elite Hotels) and Rental United mfl.

[1] Where appropriate, shareholding in STRAX include shares held by family members and holdings through companies as at December 30, 2022 and thereafter known changes.

GUDMUNDUR PALMASON
BORN 1968
31 398 031[1)] SHARES IN STRAX
OPTIONS: 550 000

Gudmundur Palmason, Board member since April 2016, is CEO of Strax AB and Strax Holding GmbH. Education: Candidate of Law, University of Iceland. LLM, University of Miami. MBA, University of Miami. Other board duties include: Zymetech ehf., Urbanista AB, Verna ehf., Fortus hf., XOR ehf., SRX ehf., Enzymatica AB, SRX Limited, TLF BV and RichmondFinch.

INGVI T. TOMASSON
BORN 1968
31 727 314[1)] SHARES IN STRAX

Ingvi T. Tomasson, Board member since April 2016, is CEO of Strax Americas Inc. Education: Diploma in Hospitality Management, FIU. Other board duties include: IK Holdings, Tommi's Burger Joint, Ormsson ehf., and XOR ehf.

PIA ANDERBERG
BORN 1964
49 580[1)] SHARES IN STRAX
OPTIONS: 300 000

Pia Anderberg, Board member since May 2018, is an investor and entrepreneur. She previously worked as Executive Vice President of people and innovation at Axel Johnson up until 2020. Pia was formerly the CEO, partner and founder of several companies such as Novare Human Capital and Samsari. Pia began her career at BTS Group, where she held various positions over a period of 14 years, most recently as Global Partner and Head of BTS Europe. Education: Degree in business administration, Uppsala University. Other board duties include: Expandia, Canucci, Sofigate OY, Sofigate AB, Rädda Barnen Välfärd and Grönskär AB.

AUDITORS / SAMUEL BJÄLKEMO / BORN 1979

Mazars AB, Samuel Bjälkemo, Auditor in charge since 2022.

THIS IS OUR MANAGEMENT

During the financial year 2022 STRAX had 203 employees

GUDMUNDUR PALMASON
BORN 1968
31 398 031[1)] SHARES IN STRAX
OPTIONS: 550 000

Gudmundur Palmason, Board member since April 2016, is CEO of Strax AB and Strax Holding GmbH. Education: Candidate of Law, University of Iceland. LLM, University of Miami. MBA, University of Miami. Other board duties include: Zymetech ehf., Urbanista AB, Verna ehf., Fortus hf., XOR ehf., SRX ehf., Enzymatica AB, SRX Limited and, TLF BV and RichmondFinch.

INGVI T. TOMASSON
BORN 1968
31 727 314[1)] SHARES IN STRAX

Ingvi T. Tomasson, Board member since April 2016, is CEO of Strax Americas Inc. Education: Diploma in Hospitality Management, FIU. Other board duties include: IK Holdings, Tommi's Burger Joint, Ormsson ehf., and XOR ehf.

[(1)] Where appropriate, includes shares held by family members and holdings through companies as at December 30, 2022 and thereafter known changes.

JOHAN HEIJBEL
BORN 1975
OWNS 78 333[1)] SHARES IN STRAX
OPTIONS 500 000

Johan Heijbel, CFO since May 2016, was previously Managing Director of AB Novestra between 2006-2016 and during that period was also a board member in STRAX.
Education: Independent courses in business administration and law, Uppsala University and the University of Gothenburg School of Business Economics and Law. Board duties: Novestra Financial Services AB, Sowntone Ltd, Mobile Accessories Club Ltd, Vestum AB, Urbanista AB and RichmondFinch. Deputy Board member in Strax Nordic AB.

SUSTAINABILITY REPORT

As a global company, it is important to take responsibility for the entire business' impact at all stages of the value chain. Within STRAX, we strive to constantly develop our business and contribute towards sustainable development.

Our sustainability approach

At STRAX, our ambitions are to conduct the business in as a sustainable manner as possible. To us, this means that we shall offer innovative and sustainable products in a competitive way, while at the same time offer an attractive workplace and take responsibility for the impact our business has on the world around us. In addition to far-reaching responsibility in our own operations, we work to ensure that our partners prevent social and environmental risks in their operations in cooperation with us. A clear vision, shared values and our Code of Conduct guides us in everything we do and how we treat each other and others.

The past year

2022 was the third year marked by challenges related to difficult market conditions. Inflation and reduced consumer purchasing power have had a major impact on STRAX. The business has had to undergo continuous improvements and adaptations that have placed high demands on the flexibility of the organization and the employees. To make it easier, we have focused on a clear supply of information throughout the organization.

Despite a challenging situation, STRAX has remained committed to sustainability and was awarded EcoVadis Gold rating for the second year in a row. We have launched several initiatives to increase the proportion of products made from recyclable or biodegradable plastics and reduce the use of plastic in shipping and product packaging. Our own brand Urbanista's success with self-charging wireless headphones has continued. More products with the modular solar cell technology Powerfoyle™ have been launched and the Phoenix in-ear headphones have won several awards.

About the Sustainability Report

STRAX´s Sustainability Report is an overview of what we are trying to achieve with our sustainable business strategy, how the sustainability work is conducted and our progress so far. The report´s content reflects the sustainability aspects in which our business has the greatest impact on people and the environment. The Sustainability Report covers STRAX AB (publ), co. no. 556539-7709 and all subsidiary companies in the Group and has been prepared in accordance with the regulations in the Annual Accounts Act (6 chap. 10 §). There have been no significant changes in the application of reporting principles or scope when compared to the previous year's Sustainability Report.

STRAX AB's Board of Directors also approved the Sustainability Report when signing the Annual Report 2022. The auditors' opinion on the Sustainability Report can be found on page 64.

IMPACT IN OUR BUSINESS MODEL

STRAX is a global leader in accessories empowering a mobile lifestyle with sales in more than 20 countries. Operations are divided into two complementing legs, Own brands and Distribution. Our brand portfolio for mobile accessories includes all major product categories: Protection, Power, Connectivity, and Audio. Through 70,000 physical stores as well as via online marketplaces and sales directly to consumers, our distribution operations reach a wide customer base. Today STRAX has approximately 200 employees in 13 countries. The brand portfolio includes both own brands and licensed brands. STRAX also represents 40 distributed mobile accessory brands. In addition to mobile accessories, STRAX also offers value-creating services and customer-specific solutions.

STRAX does not own any factories and all production is sourced from third party suppliers. Just over 90 percent of the production is based in South East Asia. The concentration of production to one geographic area when sales are global results in environmental challenges due to transportation.

The development and production of own proprietary products add requirements on the control of materials used in the products and on third party factories' adherence to sound business practices.

With more than 150 suppliers worldwide, continual improvements together with our partners regarding sustainability issues are crucial to ensure the rights and condition of the workers that make our products, and to minimize the negative impact that the manufacturing have on the environment. Employees' health and safety, risks of corruption and efforts to ensure a good work environment are other areas that are important to STRAX. Sustainability aspects are considered throughout the value chain, which covers everything from product development and purchasing to production, logistics and professional marketing support at the point of sales.

More information about STRAX´s business model can be found on page 14-16 in the annual report.

SIGNIFICANT SUSTAINABILITY ASPECTS IN STRAX'S VALUE CHAIN

Based on the operations' impact on the economy, social conditions and the environment, as well as the issues that are deemed most important to the Group's stakeholders, STRAX has identified the aspects in the value chain that are deemed to be most important for the Group's sustainability work.

1. Product development

In product development of own and licensed brands, close cooperation between the departments is essential to ensure product safety, product quality and a long durability. Another focus is that on the use of chemicals and materials, packaging solutions and recyclability. In the distribution business, STRAX works with well-known brands with their own stringent requirements for product quality, safety and environmental impact.

2. Procurement and manufacturing

STRAX's own and licensed brands are manufactured by external suppliers who are mainly located in geographical areas where there are challenges related to corruption and briberies. The environmental impact of manufacturing techniques, such as the use of chemicals, carbon emissions and waste as well as respect for human rights, fair work conditions and health and safety issues in the supply chain are also important aspects. STRAX therefore sets clear requirements for suppliers based on the STRAX and Responsible Business Alliance (RBA) Code of Conduct. The focus is on ensuring compliance with STRAX's requirements and developing suppliers' ability to improve sustainability aspects.

3. Logistics

The logistics process includes challenges related to carbon emissions from transportation of products as well as waste from the packaging used in the logistics process and energy usage in warehouses. To reduce negative impacts, STRAX is working to reduce the proportion of air freight, coordinate shipments, optimize product and shipping packaging and recycle materials in warehouse operations.

4. Value-added solutions and services

STRAX offers a wide selection of value-creating services, from packaging and logistics to integrated assortment and planogram. The range of services is central to ensure a sustainable offering with overall high service and quality.

STRAX SIGNIFICANT SUSTAINABILITY TOPICS

8 DECENT WORK AND ECONOMIC GROWTH

Decent work and economic growth

- Customer satisfaction
- Diversity and equality
- Occupational health and safety
- Working conditions and human rights in the supply chain

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible consumption and production

- Product quality and safety
- Environmental impact and chemicals
- Anti-corruption

13 CLIMATE ACTION

Climate action

- Transport and energy use
- Climate impact caused by products and packaging

STRAX AWARDED ECOVADIS GOLD RATING THE SECOND YEAR IN A ROW

STRAX's continued efforts to develop the organizations sustainability work was once again rewarded with EcoVadis Gold Rating. EcoVadis is the largest independent provider of sustainability assessments globally. STRAX has participated in EcoVadis' annual assessments since 2013 and retained last year's Gold rating with an improvement in total score from 71 to 77. The goal has always been to achieve a Gold rating or an even higher level.

"STRAX has already achieved significant improvements in the European logistics center, office locations, customer shipments and packaging materials, all those being largely cost neutral. We maintained our Gold rating with EcoVadis, the world´s most trusted business sustainability ratings, and we continue to work hard towards a Platinum rating which only one percent of rated companies have earned."

- Gudmundur Palmason, CEO STRAX.

GOLD
2023
ecovadis
Sustainability Rating

SUSTAINABLE SUPPLIER NETWORKS

As a global company with an extensive supplier base, it is challenging to have a full understanding of our suppliers' sustainability performance even with strict supply chain processes in place. We place great emphasis on establishing good relationships with our suppliers and to increasing control and responsibility throughout the supply chain.

Supplier Code of Conduct

STRAX has adopted the Responsible Business Alliance (RBA)'s Code of Conduct as a guideline for standardizing the requirements and evaluation of suppliers. The code contains a set of social, environmental and ethical standards for the electronics industry. We have also implemented STRAX´s Code of Conduct for Suppliers to ensure that all suppliers know what we expect of them. All purchases shall be sourced from suppliers committed to the STRAX Supplier Code of Conduct.*

2022 outcome: 100% (100)
of all purchases were sourced from suppliers committed to the STRAX Supplier Code of Conduct.*

* Includes signing STRAX Manufacturing Agreement, STRAX Supplier Code of Conduct, STRAX Anti-Bribery Appendix, STRAX Cobalt and Conflict Minerals Declaration and committing to STRAX self-assessment system.

Through the self-assessment system, the suppliers commit to continually monitor their compliance with the standards set in the STRAX Supplier Code of Conduct. Should any breach of the Code be detected, the supplier shall immediately notify STRAX, to allow for corrective actions.

Self-assessment approach

STRAX utilizes a self-assessment system, that over time corrects behavior and creates a sound culture of improvement and progress for the factories. Initial audits are conducted at all new major strategic suppliers, which accounts for more than 90 percent of Group purchases. The self-assessment system is then monitored by regular visits to the factories and controlled by audits. STRAX has also implemented third party validation of strategic suppliers' social responsibility performance as a complement to internal controls. In 2022 there were no JAC audits (3) conducted. The Joint Audit Cooperation (JAC) is an international collaboration of telecom operators aimed at verifying, evaluate and promote sustainability at major multinational suppliers of information communication technologies.

Monitoring and improving the suppliers' CSR performance

STRAX's intention is to support safe and fair working conditions as well as responsible management of environmental and social issues in every part of the supply chain. In order to do so, STRAX supports the establishment of a Corporate Social Responsibility (CSR) management structure and incorporate CSR performance as a part of our supplier evaluation criteria to further incentivize their participation.

Engaging directly with suppliers is one of the most effective ways to improve performance in the supply chain. We engage the suppliers by using our monitoring processes, follow-up discussions and briefings with the suppliers' managers and executives. If any evidence of non-compliance is identified, STRAX work together with the supplier to develop corrective actions and improve the process used to manage material risks. STRAX has developed a program that encourages the suppliers to incremental improvements through the provision of best practice CSR improvement recommendations. We aim to have all suppliers in areas with major CSR related risks, currently South East Asia, participating in the supplier development program.

2022 outcome: 100% (100)
of all suppliers in high-risk areas participated in STRAX's supplier development program.

Business ethics

Corruption and unethical behavior can occur both within the organization and indirectly through suppliers. STRAX's procurement process takes place primarily in South East Asia, a market that offers good business opportunities, but which is also exposed to material risks associated with corruption, bribery and fraud.

STRAX's Code of Conduct, Anti-Bribery Policy and STRAX´s Code of Conduct for Suppliers outline our commitment to maintain a high standard of ethics when we do business and our expectations on each employee and partner. STRAX has a zero-tolerance policy on corruption and fully support the requirements of the UK Bribery Act and similar legislation in all regions where we conduct business. We have implemented policies and procedures to ensure that we are prepared, to the extent possible, to prevent and deter corrupt practices across our business relationships. All employees shall be aware of their responsibilities regarding anti-corruption and bribery and they shall be empowered to act as

a line of defense if any corrupt practices are identified. STRAX's guidelines on gifts and hospitality serves as a support structure. The target is that all employees in vendor-facing positions should be educated on the topics of bribery and corruption.

2022 outcome: 100% (100)
(100) of all employees in vendor-facing positions have completed their education on the topic of bribery and corruption, which corresponds to 30 percent (30) of the Groups total employees.

Alongside the Supplier Code of Conduct, STRAX has an Anti-Bribery Contract with factories and other contractors in Asia with heavy penalties for any bribery or inappropriate influence on STRAX's employees or representatives. STRAX has amended employee contracts for all Asian employees, giving STRAX the right to terminate employment immediately, and without notice period, should any briberies have been accepted.

STRAX aim for all suppliers to comply with the requirements regarding anti-corruption and bribery with no serious deviations. No material deviations were identified during the year.

PRODUCT RESPONSIBILITY

STRAX is dedicated to providing customers with products that exceed their expectations regarding quality and safety. Therefore, continuous progress is a crucial part of the product development process. STRAX continuously work on providing information that supports customers and consumers to make sustainable product choices.

Quality Management System

The products are developed in compliance with internationally recognized safety standards and legal requirements. What specific local requirements a product faces on the different geographical markets in which it is to be sold are defined during the product development stage. STRAX has a Product Safety and Compliance Team who reports directly to the Management Team and continually monitors quality and product safety issues within the supply chain. Together they have developed robust procedures to detect and prevent non-compliant products from shipping to customers. The work is based on a quality management system and supplier partnership mechanisms, ensuring adherence to strict standards throughout the supply chain. The entire business, including the STRAX´s warehouses, is ISO-9001 certified.

STRAX ensures the traceability throughout the supply chain, leading up to the design approval process. Our processes enable us to track products and components to individual suppliers, ensuring supplier accountability. This system also enables us to trace components that fail to reach our requirements, and therefore may affect safety, back to their source. If any discrepancies in the products are discovered, careful analyzes are performed. We also cross-check the results in our internal testing facilities and have established protocols for product recalls in place, should the need arise.

Safety certifications

STRAX´s products shall fulfill all safety and legal requirements applicable on the markets on which they are sold. The products are, amongst other certifications, CE marked, which means that they meet the EU's essential health, environmental and safety requirements. Another example is FCC labeling, which means that the electromagnetic interference caused by the product is below the limits approved by the independent US organization Federal Communications Commission. Regarding product safety certifications, STRAX works with external experts to continually identify areas of improvement and corrective actions.

2022 outcome: 100% (100)
of STRAX's products complied with all local and international regulatory safety standards.

Materials and chemicals

In order to ensure that none of STRAX's products contain any harmful, restricted or unnecessary chemicals, we adhere to strict legal compliance across a range of legislative environments around the world, including the EU RoHS (guidelines to restrict the use of harmful substances in electric/electronic products) and the EU REACH (European Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals). Furthermore, we have a multi-layered approach to ensure that our suppliers follow the same rules as we do.

Conflict minerals and cobalt management

STRAX supports the efforts of human rights organizations to end violence and atrocities in Central Africa. The major driver of this violence is the natural abundance of the minerals tin, tungsten, tantalum and gold, referred to as conflict minerals. Amnesty International has also shed light on human rights abuses, including child labor, linked to cobalt mining in the Democratic Republic of Congo. The issues of conflict minerals are important to STRAX and we undertake due diligence to ensure that no conflict minerals are used in our products.

STRAX requires that all new suppliers confirm that products do not contain conflict minerals and the suppliers are notified periodically to reaffirm this commitment. In addition, we require of our existing suppliers who use any of the four metals listed above to ensure that they are using approved smelters, as informed by the Conflict Free Sourcing Initiative. Suppliers shall exercise due diligence regarding the source and chain of custody of conflict minerals and make their due diligence measures available to STRAX upon request.

STRAX Cobalt and Conflict Minerals Declaration also ensures that all suppliers recognize and align their supply chain policies with the Responsible Cobalt Initiative (RCI). STRAX also includes cobalt in the supplier evaluation to ensure all procurements, purchases and use of cobalt adheres to the RCI´s recommendations.

2022 outcome:: 100% (100)
of all suppliers had completed a self-assessment ensuring a responsible sourcing of cobalt in line with the RCI's requirements.

URBANISTA PHOENIX - THE WORLD'S FIRST IN-EAR HEADPHONES POWERED BY LIGHT

After the success of Los Angeles - the world's first wireless over-ear headphones powered by light - Phoenix - the world's first in-ear head-phones powered by light - launched in 2022. Like Los Angeles, Phoenix, is developed by Urbanista together with the Swedish innovation company Exeger and is powered by Powerfoyle™ modular solar cell technology that converts all forms of light into clean energy. The cells are placed on the charging case, making cables and cords unnecessary.

Not long after Phoenix launched, the new headphones won several awards at IFA 2022 in Berlin, one of the world's largest consumer electronics shows. Three separate technology reviewers named Urbanista Phoenix "Best of IFA 2022".

"With Phoenix , we bring this unique competitive advantage to the in-ear market and add another groundbreaking product to the already strong Urbanista portfolio. We see great potential in these unique headphones and I believe these awards are jut the beginning of the success of the Urbanista Phoenix and our collaboration with Exeger on technological sustainability"

– Gudmundur Palmason, CEO STRAX

STRAX's brand Xqisit manufactures eco-friendly cases for mobile phones and accessories. The Xqisit AirPod Pro charging case is made of the fully compostable material polylactic acid (PLA).

OUR PEOPLE

STRAX strives to offer a fair, respectful and safe workplace where employees can fulfill their potential. The ability to attract, develop and retain competent and committed employees at all levels is key to continued successful growth.

Living our values

At the heart of our behavior and actions lies four core values: Honesty, Respect, Frugality and Teamwork. We want our people to always show respect by adhering to facts, fulfilling promises and admitting to failures. We also want them to show the outmost respect for their co-workers and the company as well as for our competitors, customers and partners. Resources shall be used wisely across all areas of the business, with effective planning, communication and optimized processes that reduce costs. We are stronger as a team than as individuals, so we all work together to achieve our common goals. The challenges we have faced the last three years related to the pandemic and the customers reduced purchasing power have shown that our strong culture and experience of being an international organization can guide us through difficult times. This has been a clear proof that we uphold our core value, Teamwork. We quickly had to re-prioritize and rearrange parts of the business, and in this our employees have shown enormous commitment. Together, we have joined forces and worked to adapt our operations to the prevailing conditions and, together with our suppliers, secure deliveries to fulfill the needs of our customers.

Groupwide guidelines

As STRAX has employees in many different countries, we as an employer need to adapt to local laws, regulations, and circumstances. To clarify the Group's approach, we have established Group-wide HR-guidelines. The guidelines stipulate, among other things, that each subsidiary shall have distinct employee handbooks and established processes for the introduction of new employees.

The guidelines also set requirements for locally adapted and relevant HR-policies and processes that align with the Group's Code of Conduct and other policies. Employees need to know what is expected of them and what they can expect from management and leadership. There shall be a clear and consistent communication about important policies and employees shall understand content of the Code of Conduct and what is expected of them when they act in accordance with it. Each employee shall have an individual development plan and regular employee development interviews. We are working to finalize a common digital portal where employees shall confirm that they have read all important policy documents that are relevant to them in their work. Their immediate manager shall act as support if questions and thoughts arise. The platform will also, amongst other things, facilitate the implementation and follow-up of a digital education in the Code of Conduct.

Health and safety management

STRAX, as an employer, has a responsibility to ensure that the entire organization offers a good work environment and that STRAX is a safe place to work. Together, we work systematically to improve the working environment and increase safety within the entire operation. As STRAX has employees in many different countries, based both in offices and in warehouses, certain adaptability to local regulations and circumstances are necessary. To accommodate this,

OUR VALUES

Honesty

We strive to be respectful at all times. We stick to the facts, keep our promises and acknowledge failure. We foster honest communication throughout the company.

Respect

We always show the utmost respect to our employees, the company, our competitors, customers and partners.

Thriftiness

We use our resources wisely, through effective planning and communication and optimized processes that help minimize our costs.

Teamwork

We understand and recognize that we are stronger as a group than as individuals, so we work together to achieve our common goals.

each subsidiary shall have their own Health and Safety policy, processes and routines that comply with the requirements set in the Group HR-guidelines.

Working from home and isolation following national lockdowns and restrictions, as well as extensive and rapid adjustments of the business, have been challenges that have affected our employees in the past three years. As a company, we have worked continuously to maintain a good working environment and to ensure a stable provision of information throughout the organization.

STRAX works actively and preemptively to improve the company's employee attendance through initiatives such as preventive healthcare, which STRAX strives to offer to all the Group's employees. The majority of STRAX employees work in the warehousing operations in Germany. This is also the part of our operations that has the greatest risk of workplace accidents. Therefore, there are well-established routines to ensure a safe working environment. A work environment committee with representatives of both employees and management as well as a safety specialist has quarterly meetings. Regular risk assessments of the work environment are carried out and evaluated. The goal is for all employees to have undergone training in health and safety, which was fulfilled in 2022.

STRAX has a zero vision for accidents that we work towards. In the German warehouse operations, where the largest proportion of employees are located, 2 workplace accidents (1) in 2022 resulted in sick leave.

Diversity and equality

Diversity and gender equality are an important part of the work to strengthen the STRAX corporate culture. At STRAX, everyone's equal value must be promoted, regardless of gender, age, ethnicity or sexual orientation. Diversity promotes creativity and the exchange of ideas, which is crucial for our innovation process. STRAX has zero tolerance for all forms of discrimination and harassment. We work to offer an inclusive and welcoming environment for all our employees, customers, volunteers, suppliers and subcontractors. While it is important to pay reasonable attention to, and allow for, differences between people, it is equally important that employment conditions ensure that such differences do not lead to discrimination in the workplace. STRAX regard gender equality as an essential part of human resource management. The gender division in the Group at year-end was 46 percent (49) women and 54 percent (51) men. STRAX aim to continuously increase the proportion of women in management positions. The target is that both men and women shall represent at least 40 percent of management positions by 2025.

2022 outcome: 10% (10)
of managers were women at the year-end.

ENVIRONMENTAL RESPONSIBILITY

STRAX work systematically and proactively to prevent, minimize and address the negative impact our operations have on the environment and climate. As a part of STRAX's continuous improvement process, we are further analyzing our impact to better understand how we can develop the operations and contribute towards a more sustainable development.

Reducing our climate footprint

The impact of global warming is at risk of being devastating and STRAX works toward being a part of the solution. We are still only in the beginning of our efforts but as a first step we have identified six focus areas:

- Reduce emissions caused by the transportation of goods
- Avoid emissions caused by business travels
- Engage suppliers to reduce their energy usage and carbon emissions while manufacturing our products
- Reduce the environmental impact of our products at the research and design stage
- Use more environmentally friendly and recyclable materials in product and shipping packaging
- Use biodegradable plastics in our products

Reduce transport emissions

With a global network of suppliers and distributors, a significant part of STRAX's value chain's negative impact on the environment stems from the transportation of goods in the form of carbon emissions. Reducing our climate footprint caused by transportation of goods is therefore a priority. In these efforts, optimization of transportation and reducing the proportion of air freight is a key factor.

To ensure efficient transports, STRAX places clear requirements on our carriers and works together with the suppliers in order to optimize the transport of goods through, among other things, packaging design and use of materials. By using a customs warehouse in Asia, an additional opportunity is created for better coordination of transports and more cost-effective logistics solutions.

The pandemic and Russia's invasion of Ukraine have brought major challenges regarding shipping. Closedowns, canceled flights, closed ports and container shortages in the transport sector as a result of canceled train services from Asia have meant that STRAX, like many other companies, has had to adapt and use the options available to secure deliveries in the best possible way. The challenges in the transport sector have eased somewhat during the second half of 2022 and at STRAX we continue to do what we can to reduce emissions from product shipments. The goal is to reduce the proportion of air freight to less than 50 percent by 2025.

2022 outcome: 69% (49)
of all transports consisted of air freight.

STRAX has a long-term commitment to reduce emissions from business travel by prioritizing alternative technology solutions such as video conference and virtual offices. Our travel policy clearly expresses the company's guidelines and principles that must be considered by all employees while on business travels. That we have progressed so far in our digital conversion is a key reason to why we have managed to deal with the pandemic's challenges in such an effective way.

Reduced energy use

At STRAX, we work to reduce energy use in our own operations in every way we can. This includes, among other things, the use of low-energy lighting, the use of energy-efficient appliances and switching to green energy suppliers where possible.

STRAX has set a target to reduce scope 2 CO_2 emissions[1] by five percent per year.

2022 outcome:
Total scope 2 CO2 emissions amounted to 4 917 500 tCO2e in 2022 (4 242 399), an increase of 4%.

1) Including purchased energy inputs which include electricity, heat, steam and cooling for use by own operations.
2) Includes STRAX's offices in Hong Kong, Shenzhen and Germany as well as the logistics center in Germany.

Working towards a circular economy

STRAX is continually investigating how the principles of a circular economy can be developed in the business and create value for our customers. To us, this means making high quality products that last longer, are made of environmentally friendly materials and can be easily recycled. In this way, we hope to not only benefit the environment, but also achieve cost benefits for us at STRAX and to offer our customers an environmentally friendly product design and better end-of-life management.

Our current approach includes the use of biodegradable plastics in products, the use of recycled material in packaging and to ensure the recyclability of our products in line with WEEE regulations. By replacing the plastics used in packaging with biodegradable plastics or paper and creating new

STRAX's brand Planet Buddies partners with the World Land Trust (WLT) organization. A portion of the revenue from products featuring a terrestrial animal goes to a charity that supports the animal species.

design solutions containing less plastics, the packaging becomes more sustainable and has less negative impact on the environment.

We continuously work to develop new innovative design solutions for packaging, packaging materials and eco-friendly products. In 2022, we have started several different initiatives to increase the proportion of products made of recyclable or biodegradable plastic. At the same time, we have continued to identify and implement several new initiatives to reduce the use of plastic used in shipping and in product packaging.

STRAX has as a target that all product packaging and shipping packaging shall be made of recyclable or biodegradable materials by 2025 at the latest.

2022 outcome: 100% (99)
of all product packaging was recyclable in 2022 and **100% (90)** of all shipping packaging was recyclable in 2022.

Engaging our suppliers

In order to reduce the carbon emissions throughout our value chain, it is crucial that we engage our suppliers and create a good collaboration with them.

STRAX seeks to reduce the energy consumption in manufacturing by requiring that supplier use energy efficient devices that comply with extended internationally efficiency standards. For STRAX to be able to measure and follow up on carbon emissions, the suppliers are required to provide information about energy consumption, production technologies and logistics. Information on energy consumption must be based on the ETSI-TS standard, while for carbon emissions, they must be based on internationally recognized standards. Particularly important are the standards of the GHG Protocol and the recommendations of the ITU-T SG5. Suppliers shall also provide STRAX with all necessary information about the materials used in the products and packaging delivered to us.

SUSTAINABILITY GOVERNANCE

Sustainability is embedded in all of STRAX's operations and forms an integral part of our corporate governance. Everything we do and all decisions made within the organization should be characterized by integrity, respect for people and care for the environment.

Organization

The Board of Directors are ultimately responsible for the Group's sustainability work. The Group Management Team is responsible for the monitoring of STRAX's sustainability efforts, while operational responsibility and implementation falls under the umbrella of the STRAX+ team, who coordinate the efforts. STRAX+ consists of representatives from various functions within the organization and gives sustainability issues clearer ownership in day-to-day operations, which is a cornerstone of a successful sustainability work.

The Group Management Team is also responsible for reviewing and updating the STRAX's Code of Conduct, guidelines and policies. All team heads are obligated to ensure that their co-workers know the Code of Conduct and perform their work in line with it.

SUSTAINABILITY GOVERNANCE, CONT.

Policies and guidelines, as well as internal standards and processes, are regularly revised to ensure their conformance with international standards and customer requirements.

Principles and practices

STRAX is committed to comply with the laws and regulations in each country in which we operate. The products are designed and tested to meet the appropriate standards for product safety, electromagnetic and wireless connectivity, ergonomics and other regulatory compulsory requirements, when used for their intended purposes. In most cases, legal compliances act as a starting point only, our own policies tend to be more strict than legal compliance requirements.

POLICIES AND GUIDELINES:

- STRAX Code of Conduct
- STRAX Supplier Code of Conduct
- STRAX Anti-Bribery Policy
- STRAX Cobalt and Conflict Minerals Declaration
- STRAX Travel Policy
- STRAX HR-Guidelines
- STRAX Entertainment Policy
- STRAX Anti-corruption Policy
- STRAX Privacy Policy

STRAX´s sustainability work is based on widely recognized international standards including the Universal Declaration of Human Rights, ILO International Labor Standards, the Rio Declaration on Environment and Development, the UN's Convention Against Corruption and OECD Guidelines for Multinational Enterprises. Since 2017, STRAX is a signatory to the UN Global Compact and has aligned the sustainability work with its ten principles concerning human rights, labor issues, environment and anti-corruption.

STRAX is also in full compliance with the Responsible Business Alliance (RBA)'s Code of Conduct which includes a set of social, environmental and ethical standards for the electronics industry. Additionally, STRAX´s supplier partnership mechanism ensure adherence to our strict standards throughout the supply chain. The entire business, including STRAX´s logistics operations, is ISO-9001 certified. The management system ensures that operations are conducted in accordance with established procedures and functions as support for the employees in their daily work. The system also contributes to increased customer and stakeholder value and to reducing STRAX's negative environmental impact.

The Code of Conduct leads the way

STRAX´s Code of Conduct is the Group´s overarching sustainability policy and outlines what is expected from every person working for, and with, the organization. It also underlines our responsibilities to customers, colleagues, suppliers and other partners. The STRAX Code of Conduct is based on the company's core values and the ten principals provided by the UN Global Compact as well as the other international conventions STRAX complies with. The STRAX Code of Conduct obliges all employees to uphold high ethical standards in their conduct towards each other and when representing the company. It also aims to ensure a safe working environment, an equal and fair treatment of all employees, a strict quality management and focus on the end-user in product development, as well as to prevent, minimize and remedy the business' adverse environmental impacts. The Code of Conduct is complemented by STRAX´s Anti-Bribery Policy, Code of Conduct for Suppliers, rules of corporate governance and other relevant policies.

Whistleblowing

STRAX has a so-called whistleblower function where employees, partners or other stakeholders are given the opportunity to both openly and anonymously report all types of serious deviations from the Code of Conduct or suspicions of crimes committed by persons with managerial responsibilities. Serious deviations can refer to irregularities that are ongoing, were previously committed or are planned, and which can harm STRAX's operations or employees.

Reporting is done anonymously without retaliation or other negative consequences. The number of cases reported to STRAX whistleblowing function in 2022 was 0 (0).

SUSTAINABILITY RISKS

A sustainability risk is a direct or indirect event or circumstance that, if it were to occur, would have a significant negative economic, environmental or social impact. The most significant of STRAX's sustainability risks are presented below in terms of the probability that the risk will occur and the impact that this would have.

Risk	Risk management
Risks in the supply chain	
Some of the more significant sustainability risks and opportunities are found in STRAX's supply chain. The risks include, but are not limited to, corruption and briberies, violations of human rights and unfair labor practices, health and safety, and environmental damage. Should STRAX's suppliers break international rules and legislation, or if they would deviate from established standards, STRAX's would also risk facing negative publicity, economic damage and legal ramifications.	STRAX demands that all suppliers operate ethically correct and in accordance with internationally recognized standards on human rights, labor rights, environment, anti-corruption and bribery. Principles and values are communicated through STRAX's Supplier Code of Conduct, which applies to all STRAX's suppliers and subcontractors. STRAX works on the basis of a CSR-based governance structure where the suppliers' work with sustainability-related issues is included as an important part of evaluation and follow-up.
Product-related risks	
STRAX's ability to offer products that meet stakeholders' expectations regarding quality, safety, use of materials and chemicals, environmental- and climate related impact as well as comply with all regional and country- level statutory standards is crucial to contribute to a sustainable production and consumption and maintain customer trust. If STRAX fails to meet customer expectations this could entail a risk of reduced sales and a negative impact on the STRAX brand.	STRAX complies with the EU directives RoHS and WEE as well as the REACH Regulation, which states companies' responsibility for products and their impact on society. STRAX strives to reduce the products' environmental footprint through the use of recyclable packaging materials and by ensuring that the products can be recycled or decomposed when reasonably possible. To reduce the carbon emissions caused by transportation of goods, STRAX is working to optimize the transports and prioritize transports by sea or train over those by air. Product safety issues within the supply chain are continually monitored and STRAX has developed robust procedures to deter, detect, and prevent non-compliant products from shipping to customers. STRAX also undertake due diligence to ensure that conflict minerals and cobalt are not used in our products.
Risks related to business ethics	
With employees in 13 countries and over 150 suppliers around the world, STRAX is, to a varying degree, exposed to the risk of corruption. Unethical behavior would entail legal ramifications and harm the company's reputation.	STRAX has a zero-tolerance policy on corruption. All STRAX's employees are educated on the company's Code of Conduct and made aware of their responsibilities in respect to anti-corruption and bribery. STRAX's guidelines on gifts and hospitality serves as a support structure.
Risks related to social conditions	
Skilled and engaged employees are instrumental to the company's ability to develop according to the long-term strategic plan and to reach the established targets. If STRAX were to fail in providing an attractive working environment it would have a direct negative impact on the company's ability to attract and retain skilled employees.	STRAX maintains a strong commitment to high standards in order to deliver a fair, diverse, respectful and safe workplace for all employees. STRAX's Code of Conduct establishes the Group's stance on these topics. All STRAX's employees are educated on the company's Code of Conduct and informed of their personal responsibility to ensure that they act according to it.

AUDITOR'S REPORT ON THE STATUTORY SUSTAINABILITY REPORT

To the general meeting of the shareholders in Strax AB (publ), corporate identity number 556539-7709

It is the board of directors who is responsible for the statutory sustainability report that it has been prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's standard RevR 12 *The auditor´s opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm, 2023-04-28

Samuel Bjälkemo
Authorised Public Accountant

Andreas Brodström
Authorised Public Accountant

ACCOUNTS

THE BOARD OF DIRECTORS’ REPORT, FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

The formal annual report as defined by ”Swedish annual accounts act” (ÅRL) consists of the Board of Directors’ report, financial statements and notes to the financial statements.

THE BOARD OF DIRECTORS' REPORT

The Board of Directors and the Managing Director of Strax AB (publ), corporate identity number 556539-7709, hereby present the annual report and consolidated financial statements for the financial year January 1 – December 31, 2022.

Unless indicated otherwise, the information refers to the group and the parent company.

All amounts are provided in EUR thousands (KEUR) unless indicated otherwise. Figures provided in parentheses refer to comparative figures for the previous year.

This is STRAX

STRAX is a global leader in accessories that empower mobile lifestyles. Our portfolio of branded accessories covers all major mobile accessory categories: Protection, Power, Connectivity, as well as Personal Audio.

Own brands are Urbanista, Clckr, Planet Buddies and RichmondFinch. Our distribution business reaches a broad customer base, through 70 000 brick and mortar stores around the globe, as well as through online marketplaces and direct-to-consumers.

Discontinued operations include Health & Wellness, own brands Dóttir and grell, and licensed brand portfolio of adidas and Diesel.

Our distribution business also services over 40 other major mobile accessory brands.

Founded as a trading company in 1995, STRAX has since expanded worldwide and evolved into a global brand and distribution business. Today we have over 200 employees in 13 countries. STRAX is listed on the Nasdaq Stockholm stock exchange.

Significant events during the period

STRAX entered a partnership with a German personal protective equipment specialist company to deliver Covid-19 tests to a regional government body in Germany.

STRAX extended its partnership with the German personal protective equipment specialist company to deliver Covid-19 tests to another regional government body in Germany. The total value of the contract has increased and will be covering a 24-month period, where total volumes are expected to be higher with lower volumes in Q2.

AirPop, the premium high performance face mask brand STRAX holds a five-year global exclusive distribution agreement for, recently secured key retail channels in the United States, Canada, and Australia.

CLCKR, the mobile phone accessory brand, wholly owned by STRAX announced that their range of mobile stand and grip accessories are now available in over 10,000 stores in the US.

STRAX subsidiary Urbanista, the Swedish lifestyle audio brand, announced the launch of Urbanista Phoenix – the world's first true wireless, active noise cancelling earphones powered by light.

Following a decision by the board of directors in September 2022 to have a more focused strategy and simplified group operating structure, these brands and businesses are reported as discontinued operations: own brands Dóttir and grell, licensing business under Telecom Lifestyle Fashion, and the Health and Wellness business.

STRAX subsidiary Urbanista, which launched the headphones Urbanista Phoenix in August – the world's first true wireless, active noise cancelling earphones powered by light – won three awards at the IFA 2022 trade show in Berlin. Trusted Reviews, Android Authority and Billboard, awarded Urbanista Phoenix as the best of IFA 2022.

The company and PwC had, in light of the company's size and to adapt thereto, agreed that PwC' s assignment as auditor shall terminate prematurely. The Board of Directors, which in its entirety fulfills the duties assigned to an audit committee, has carried out a procurement process to identify a new auditor and found that Mazars AB, with Samuel Bjälkemo as auditor in charge, and Andreas Brodström, also at Mazars AB, are well suitable for the assignment. Against this background, the Board of Directors proposed an EGM called for December 16, 2022, votes in line with the proposal which have been endorsed by the nomination committee.

At the Extraordinary General Meeting in Strax AB (publ) held on December 16, 2022, it was resolved to amend the articles of association in accordance with the Board of Directors' proposal entailing that the number of auditors in the company shall be at least one (1) auditor and not more than two (2) auditors with not more than one (1) deputy auditor. As auditor and, when applicable, deputy auditor, it shall still be an authorized public accountant and/or a registered public accounting firm that is elected.

Dividends and distributions

The Board has not proposed a dividend for the financial year 2022.

Earnings and financial position

THE GROUPS net sales for the period January 1 – December 31 2022 amounted to 104 392 (101 795). Gross profit amounted to 17 425 (16 662) and gross margin amounted to 16.7 (16.4) percent. Operating profit amounted to -2 554 (3 494). Result for the period amounted to -19 628 (-3 898). The result included gross profit 17 425 (16 662) selling expenses -17 532 (-15 771), administrative expenses -4 512 (-4 772), other operating expenses -23 637 (-10 184), other operating income 25 702 (17 559), net financial items -7 074 (-4 857)and tax -1 202 (-906).

As a result of the compressed margin and inventory write down during the second half of 2022, the group did not meet one of the financial covenants in the loan agreement with PCP as of December 31, 2022. After the end of the period a waiver for the breach was granted and this waiver was again granted for Q4 2022. The fact the waiver was granted after the end of the period has the effect under IFRS that the related interest-bearing debt is reported as current in the balance sheet as of December 31, 2022. The loss in 2022 and the weakened balance sheet as a consequence has also raised the question regarding going concern for the Group. The Board and the management have taken significant actions to ensure the remaining business returns to profitability as well as taking actions on loss making operations being discontinued. This is in combination with the contemplated transactions described in this report leads to the conclusion that liquidity is secured for the coming 12 months.

As of December 31, 2022, total assets amounted to 99 595 (114 354), of which equity totaled -6 482 (14 036), corresponding to equity/assets ratio of -6.5 (12.3) percent. Interest-bearing liabilities as of December 31, 2022, amounted to 49 836 (44 391). The group's cash and cash equivalents amounted to 2 909 (2 601).

THE PARENT COMPANY'S result for the period amounted to - (-). The result included gross profit of 943 (1 147), administrative expenses -1 092 (-1 224) and net financial items 149 (77). As of December 31, 2022, total assets amounted to 79 078 (77 131) of which equity totaled 63 076 (63 076). Cash and cash equivalents amounted to 2 548 (673).

LIQUIDITY AND FINANCING

Cash and cash equivalents consist of cash and bank balances amounting to 2 909 (2 601) as of December 31, 2022. At the end of 2022 interest-bearing liabilities amounted to 49 836 (44 391).

The STRAX Group is primarily financed through an senior interest bearing financing provided by Proventus Capital Partners in the amount of MEUR 30 under a five year loan agreement. In addition Proventus Capital Partners have provided a dedicated order financing to support the business within the Health and Wellness category. STRAX also utilizes working capital financing such as non-recourse factoring to improve the cash conversion cycle.

INVESTMENTS during the period amounted to a total of 5 700 (2 793), of which investments in intangible assets amounted to 1 922 (980), property, plant and equipment amounted to 106 (1 142) and investments in subsidiaries amounted to - (671).

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

STRAX subsidiary Urbanista, received two awards at CES 2023 in Las Vegas, the most influential tech event in the world. Urbanista Phoenix – the world's first true wireless, noise cancelling earphones powered by light – was awarded best of CES by technology magazines TWICE and MakeUseOf (MUO).

STRAX has for the past six quarters received waivers concerning breach of certain conditions in the loan agreement with its lenders. The communication and relationship with P Capital (PCP) as main lender has been constructive throughout this period. As communicated in the Q4 report for 2022 published February 23, 2023, STRAX has worked out a tactical plan involving divesting certain assets to strengthen the liquidity and balance sheet. As a part of that, PCP has also agreed to restate the covenants for Q1, Q2 and Q3 of 2023 to adjust for the current situation. STRAX thereby returns to being in compliance with the loan agreement. STRAX is now executing the plan and expects to considerably lower the debt level of the Group during 2023 and in particular repay significant parts of the outstanding amounts under the loan agreement.

FUTURE DEVELOPMENT

STRAX will play an active role in shaping the mobile accessories industry both offline and online in all its targeted geographic markets. We will continue to grow our businesses within the strategic framework that we launched in 2016 and refined in 2019, while simultaneously strengthening our operating platform. This will enable us to drive our own brand growth strategy through offline and online sales channels globally with fewer resources. While retaining market share in western Europe, STRAX will at the same time invest and grow at an accelerated rate in North America, and strategic markets in the rest of the world.

Subject to acceptable profitability threshold STRAX will invest in eCommerce sales channels, through indirect channels, direct brand websites and marketplaces to diversify its traditional retail customer base and secure growth.

We expect continued organic growth, driven specifically by own brands and improvements in our profitability. We have completed the acquisition of Brandvault, the global online marketplace experts.

We expect our overall online sales to grow significantly, albeit from a relatively low base, with total eCommerce accounting for 20-30% of our sales in 2025. STRAX furthermore intends to play an active role in the ongoing consolidation of our industry through acquisitions, divestments, and partnerships. Reduced overall demand for mobile accessories, initially stemming from the Covid-19 pandemic, now high inflation, is expected to continue through most of 2023 but will not alter our mid- to longer-term plans in the product category.

RISK ASSESSMENT

Risk assessment, i.e. the identification and evaluation of the company's risks is an annual process at STRAX. Risk assessment is done in the form of self-evaluation and also includes establishing action plans to mitigate identified risks. The primary risks present in STRAX business activities are commercial risk, operative risk, financial risks relating to outstanding receivables, obsolete inventory and currency risk. Other risks that impact the company's financial operations are liquidity, interest rate and credit risk. The company is to some extent dependent on a key number of senior executives and other key personnel and consultants in order to run its operations, and is dependent on a functioning distribution chain, logistics and warehousing.

FINANCIAL RISKS AND UNCERTAINTIES

The general market conditions continue to be challenging. The STRAX group has for the last three years been struggling with profitability due to compressed margins related to higher cost of goods stemming from raw material cost and inflation as well as higher input costs related to freight. Another reason is FX rates, that has been unfavourable for the group during the past 18 months. Sales and demand have also been greatly impacted during the Covid pandemic and the effect on customer behaviour and sell through is still visible in the market. One effect of the weaker profitability is that the group has not met certain conditions in the loan agreement for the past six quarters. After the end of the period a waiver for the breach was granted and this waiver was again granted for Q4 2022. The fact the waiver was granted after the end of the period has the effect under IFRS that the related interest-bearing debt is reported as current in the balance sheet as of December 31, 2022. The communication and relationship with P Capital (PCP) as main lender has been constructive throughout this period. As communicated in the Q4 report for 2022 published February 23, 2023, STRAX has worked out a tactical plan involving divesting certain assets to strengthen the liquidity and balance sheet. As a part of that, PCP has also agreed to restate the covenants for Q1, Q2 and Q3 of 2023 to adjust for the current situation. STRAX thereby returns to being in compliance with the loan agreement. STRAX is now executing the plan and expects to considerably lower the debt level of the Group during 2023 and repay significant parts of the outstanding amounts under the loan agreement including the dedicated line of MUSD 20 relating to Health and Safety products maturing in June 2023. The loss in 2022 and the weakened balance sheet consequently has also raised the question regarding going concern for the Group. The Board and the management have taken significant actions to ensure the remaining business returns to profitability as well as taking actions on loss making operations being discontinued. This is in combination with the contemplated transactions described in this report leads to the conclusion that liquidity is secured for the coming 12 months, and despite there is some uncertainties of market conditions, liquidity and profitability the business has been reported as a going concern.

Covid-19

The Covid-19 pandemic is still impacting our day-to-day business and many of the initial measures taken back in March 2020 remain intact. We expect these measures to remain in place throughout 2023.

Russia Ukraine conflict

Russia's military intervention in Ukraine has led to growing geopolitical uncertainty. STRAX does not conduct any operations in Russia or Ukraine and is not directly impacted from a business perspective, but is indirectly affected by, among other things, increased material prices and supply chain disruptions. STRAX is actively working to limit the negative effects of the situation that has arisen.

GUIDELINES FOR REMUNERATION FOR SENIOR EXECUTIVES IN STRAX AB (PUBL)

Introduction

These guidelines for remuneration include salaries and other benefits for the senior executives in STRAX AB (publ) ("STRAX" or the "Company"). Senior executives include members of the Board of Directors, the CEO and other individuals in the Company executive management team. The guidelines shall be applied in relation to every commitment on remuneration to senior executives, and every change made to already agreed commitments, which is resolved after the guidelines are adopted at the Company's 2022 annual general meeting. These guidelines shall be applicable until the annual general meeting 2024, at the latest. The guidelines do not apply to remuneration approved by the general meeting.

The proposed guidelines are more detailed than before to conform with new legal requirements. The changes will not have any major effects on the current remuneration structure.

Purpose and fundamental principles

STRAX long-term goal and business strategy is to continue to develop and grow brands in mobile accessories through a broad offline and online distribution reach. More information regarding STRAX business strategy and sustainability work is available in the Company's annual report. STRAX principle is that the Company shall offer remuneration levels and employment conditions needed to enable recruitment and retention of senior executives with the required competence, experience and expertise in order to achieve the business objective, implement the Company's business strategy and to safeguard the Company's long-term interests, including its sustainability. The remuneration shall be decided on market-based terms. The remuneration is not to be discriminating on grounds of gender, ethnic background, national origin, age, disability or other such factors.

The decision-making process to determine, review and implement the guidelines

The Remuneration Committee shall prepare the Board of Director's proposal on guidelines for remuneration. Based upon the Remuneration Committee's recommendation, the Board of Directors shall at least every fourth year or upon material changes to the guidelines make a proposal on guidelines to be resolved by the annual general meeting. The Remuneration Committee shall also monitor and evaluate plans for variable remuneration for senior executives, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the Company. The CEO and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

In the preparation of the Board of Directors' proposal for the guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and limitations set out herein are reasonable.

Long-term share-related incentive programs have been implemented in the company. Such programs have been resolved by the general meeting and are therefore excluded from these guidelines. The long-term share-related incentive program proposed by the board of directors and submitted to the annual general meeting 2022 for approval is excluded for the same reason. The proposed program essentially corresponds to existing programs. The programs include, among other, senior executives in the Company. The performance criteria used to assess the outcome of the programs are distinctly linked to the business strategy and thereby to the Company's long-term value creation, including its sustainability. At present, these performance criteria comprise and focus on profitable growth. The programs are further conditional upon the participant's own investment and holding periods of three years. For more information regarding these incentive programs, including the criteria which the outcome depends on, please see the Company´s annual report.

Fixed salary and benefits

The fixed salary for the senior executives shall be market-based and based on the individual's work duties, responsibilities, experience, competence and performance.

STRAX offers other customary benefits to senior executives, such as company car, and occupational health services, equivalent to what is considered as reasonable in reference to market practice and the benefit for the Company. Such benefits shall not exceed 25 per cent of the fixed annual cash salary. To the extent a member of the Board of Directors performs work for the Company alongside the work as a member of the Board of Directors, a market-based consultancy fee should be payable. Such fees are to be compliant with these guidelines.

Variable remuneration

In addition to fixed salary, variable remuneration may be offered for rewarding target-related performance, depending on to what extent certain pre-established objectives have been met within the framework of the Company's business operations. The goals may include financial as well as non-financial criteria, which are to be predetermined and measurable. The criteria shall be structured in such a way that they promote the Company's business strategy and long-term interests, including its sustainability, for example by being clearly linked to the business strategy or promoting the executive's long-term development.

The variable remuneration shall be relevant and reasonable in relation to total remuneration and shall not exceed 100 per cent of the fixed annual salary. Further variable remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 100 per cent of the fixed annual salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the Board of Directors based on a proposal from the Remuneration Committee.

When the measurement period for attainment of the criteria for payment of variable cash remuneration has ended, the Remuneration Committee shall determine the extent to which the criteria have been attained. As far as financial goals are concerned, the judgement shall be based on the latest financial information published by the Company.

Pension

Pension benefits shall be contribution based occupational pension insurances, which shall be marked-based in relation to what generally applies for equivalent senior executives on the market. The pension benefits shall not exceed 30 per cent of the fixed annual cash salary.

Pension benefits shall generally be granted in accordance with rules, collective agreements (which may include a right to early retirement pension) and practice in the country where each respective senior executive is permanently resident.

Notice period and severance payment

Employment agreements between the Company and senior executives generally apply until further notice.

The notice period and possible severance payment shall not exceed an amount equivalent to the fixed salary and other benefits for 18 months. When termination is made by the senior executive, the notice period may not exceed 12 months and may not include any right to severance pay.

Deviation from the guidelines

The Board of Directors shall be entitled to deviate from these guidelines in individual cases if there are special reasons for doing so and if such a deviation is necessary to meet the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, the Remuneration Committee's tasks include preparing the Board's decisions on remuneration matters, which include decisions on any deviation from the guidelines. If such deviation occurs, the Board of Directors shall report the reasons for the deviation at the closest following annual general meeting.

For guidelines for remuneration for senior executives for 2022 please see note 3.10.

CORPORATE GOVERNANCE

Legislation and Articles of Association
STRAX corporate governance is regulated by Swedish law, by the Swedish Companies Act, the Code for Swedish Corporate Governance and the regulations stated in the Listing Agreement of the Nasdaq Stockholm stock exchange. STRAX shall, when conducting business, follow the rules in the company's Articles of Association. More information on Corporate Governance is provided on pages 38-44 and also contains information regarding the key elements for the group's internal control procedures and risk management.

SHARE AND OWNERSHIP STRUCTURE

The STRAX share is listed on the Nasdaq Stockholm (Small Cap) stock exchange under the ticker symbol STRAX. It is the parent company Strax AB share that is listed and the reported share capital in the group constitutes the parent company's share of capital. Share capital in the parent company amounts to EUR 12 624 165 distributed among 120 592 332 shares with a quota value of EUR 0.10 each. There is only one type of share and all shares have equal rights to the company's net income and profit and each share has equal voting rights at the general meeting. There are no restrictions regarding the number of votes a shareholder can vote for at the general meeting. In addition to the legal provisions there are no limitations in the company's Articles of Association regarding the appointment of, or dismissal of Board members or changes to the Articles of Association.

As of December 30, 2022 the company had a total of 2 789 (2 132) shareholders. The ten largest shareholders' holdings as of December 30, 2022 amounted to 86 (86) percent of the total number of outstanding shares and votes in the company. There are a total of three shareholders, Gudmundur Palmason, Ingvi T. Tomasson and GoMobile Nu AB who as of December 30, 2022 reported a holding of at least 10% in STRAX through disclosure notices.

There are no pre-emption clauses, right of first refusal clauses, or other restrictions in court to transfer shares in the company legally, in the company's Articles of Association or any agreement or other deed involving the company. As far as the company is aware there are no other agreements in which the company is not involved in such as agreement between shareholders which possibly may entail restrictions in court regarding transfer of shares in the company.

The company is not involved in any significant agreement containing such conditions that cause effect, change or cease to be valid in the case that control of the company changes, which also includes agreements with the Board of Directors and the employees. Long term, however, a significant change in the control of the company may, for example, result in credit institutions may no longer extend or renew loan agreements, or demand changes in the current conditions upon extending the loan agreement.

Investor Relations

STRAX information to shareholders is provided via annual, year-end and interim reports and press releases on the company's website. www.strax.com

Sustainability Report

In accordance with the requirements in the Swedish Annual Accounts Act, STRAX presents a Sustainability report. STRAX participates in the UN Global Compact and the sustainability report also includes the Group's Communication of Progress. The statutory sustainability report is presented separately from the Board of Director's report and is found on the pages 50-63 of the annual report. The sustainability risks facing the Group is accounted for on page 63.

Proposed distribution of earnings in the parent company (KEUR)

At the disposal of the Annual General Meeting is:

Retained earnings	49 667
Profit/Loss for the year 2022	-
Total	**49 667**

The Board of Directors propose that the profit - for 2022 together the the remaining retained earnings EUR 49 667 be transferred to retained earnings.

For further information regarding the company's earnings and financial position, please refer to the income statement, balance sheet, cash flow statement and the corresponding notes to the financial statements.

THE GROUP

Income statements, KEUR	NOTE	2022	2021
Net sales	3.1, 5.4	104 392	101 795
Cost of goods sold		-86 967	-85 133
Gross profit		**17 425**	**16 662**
Selling expenses		-17 532	-15 771
Administrative expenses		-4 512	-4 772
Other operating expenses	3.2	-23 637	-10 184
Other operating income	3.3	25 702	17 559
Operating profit		**-2 554**	**3 494**
Financial income	3.4	2	24
Financial expenses	3.5	-7 076	-4 881
Net financial items		**-7 074**	**-4 857**
Profit before tax		**-9 628**	**-1 363**
Income Tax	3.6	-1 202	-906
Profit or loss for the period from continuing operations after tax		-10 830	-2 269
Profit or loss for the period from discontinued operations after tax	2	-8 798	-1 629
Profit or loss for the period [(1)]		**-19 628**	**-3 898**
Basic earnings per share continuing operations, EUR	3.7	-0.09	-0.02
Diluted earnings per share continuing operations, EUR	3.7	-0.09	-0.02
Basic earnings per share discontinued operations, EUR		-0.07	-0.01
Diluted earnings per share discontinued operations, EUR		-0.07	-0.01
Weighted basic average number of shares during the period		120 592 332	120 592 332
Weighted diluted average number of shares during the period		124 687 332	124 687 332

Statement of comprehensive income, KEUR		
Profit or loss for the period	-19 628	-3 898
Other comprehensive income, translation gains/losses on consolidation	-890	-237
Total comprehensive income for the period [(1)]	**-20 518**	**-4 135**

[(1)] The profit or loss for the period, respectively the total comprehensive income for the period, is attributable to the parent company's shareholders.

THE GROUP

Balance sheets, KEUR	NOTE	12 31 2022	12 31 2021
Assets			
NON-CURRENT ASSETS			
Goodwill	4.1	22 774	28 176
Software	4.2	1 619	2 481
Property, plant and equipment	4.3	885	1 362
Right of use of assets	4.4	2 698	955
Financial assets	4.5	1 707	4 178
Deferred tax assets	3.6	514	287
Total non-current assets		**30 197**	**37 439**
CURRENT ASSETS			
Inventories	4.7	26 644	30 708
Accounts receivables	4.8	18 661	29 124
Tax receivables	4.6	1 170	913
Financial assets	4.5	4 969	9 112
Other assets	4.6	3 677	4 457
Cash and cash equivalents	4.9	2 909	2 601
Assets held for sale (1)	2	11 368	-
Total current assets		**69 398**	**76 915**
Total assets		**99 595**	**114 354**
Equity and liabilities			
EQUITY			
Share capital		12 622	12 622
Other contributed equity		-1 606	-1 606
Translation reserve		-6 910	-6 020
Retained earnings including profit or loss for the period		-10 588	9 040
Total equity attributable to the parent company's shareholder	4.10	**-6 482**	**14 036**
NON-CURRENT LIABILITIES			
Liabilities against credit institutions	4.11	1 742	1 840
Lease liabilities	4.4	2 344	382
Other financial liabilities	4.12	883	288
Other liabilities	4.13	405	1 647
Deferred tax liabilities	3.6	1 536	941
Total non-current liabilities		**6 910**	**5 098**
Current liabilities			
Liabilities against credit institutions	4.11	48 094	42 551
Lesase liabilities	4.4	702	656
Other financial liabilities	4.12	3 400	4 509
Accounts payables		26 720	28 998
Provisions	4.14	714	640
Tax liabilities	3.6	4 714	4 342
Other liabilities	4.13	12 232	13 524
Liabilities associated with assets held for sale (1)	2	2 591	-
Total current liabilities		**99 167**	**95 220**
Total liabilities		**106 077**	**100 318**
Total equity and liabilities		**99 595**	**114 354**

(1) See note 2 Discontinued operations and assets held for sale in the 2022 financial year.

THE GROUP

Statement of changes in equity, KEUR	Share capital	Other contributed equity	Translation Reserve	Retained earnings incl. profit/ loss for the period	Total equity
Opening balance January 1, 2021	**12 622**	**-1 650**	**-5 739**	**12 938**	**18 171**
Profit or loss for the period				-3 898	-3 898
Translation gains/ losses		44	- 281		- 237
Total comprehensive income for the period		44	- 281	-3 898	-4 135
Balance as of December 31, 2021	**12 622**	**-1 606**	**-6 020**	**9 040**	**14 036**
Profit or loss for the period				-19 628	-19 628
Translation gains/losses			- 890		- 890
Total comprehensive income for the period		-	- 890	-19 628	-20 518
Balance as of December 31, 2022	**12 622**	**-1 606**	**-6 910**	**-10 588**	**-6 482**

Further information regarding the group’s equity is available in Note 4.10.

THE GROUP

Cash flow statements, KEUR	NOTE	2022	2021
OPERATING ACTIVITIES			
Profit before tax		-9 628	-1 363
Adjustment for items not included in cash flow from operations or items not affecting cash flow	5.1	8 699	2 094
Paid taxes		-2 099	-1 406
Cash flow from operations prior to changes in working capital		**-3 028**	**-675**
Cash flow from changes in working capital			
Increase (–)/decrease (+) inventories		784	-3 148
Increase (–)/decrease (+) non- current receivables		2 026	-1 794
Increase (-)/decrease (+) current receivables		12 428	-15 930
Increase (+)/decrease (-) non-current liabilities		385	- 79
Increase (+)/decrease (-) current liabilities		3 091	16 546
Cash flow from operating activities continuing operations		15 686	-5 080
Cash flow from operating activities discontinued operations		-6 805	-1 093
Cash flow from operations		**8 881**	**-6 173**
INVESTMENT ACTIVITIES			
Investments in intangible assets	4.2	-1 922	- 980
Investments in property, plant and equipment	4.3	- 106	-1 142
Investments in subsidiaries		-	- 671
Cash flow from investment activities of continuing operations		-2 028	-2 793
Cash flow from investment activities of discontinued operations		-3 672	-
Cash flow from investment activities		**-5 700**	**-2 793**
FINANCING ACTIVITIES			
Proceeds from liabilities against credit institutions	5.1	5 995	10 443
Repayment of liabilities against credit institutions	5.1	- 98	-
Repayment of lease liabilities	5.1	-1 476	-1 360
Paid interest	5.1	-7 076	-4 895
Cash flow from financing activities of continuing operations		-2 655	4 188
Cash flow from financing activities of discontinued operations		-218	-
Cash flow from financing activities		**-2 873**	**4 188**
Cash flow for the period		**308**	**-4 778**
Cash and cash equivalents at the beginning of the period		2 601	7 379
Cash and cash equivalents at the end of the period	4.9	2 909	2 601
Less cash and cash equivalents end of period held for sale		-10 696	-1 093
Cash and cash equivalents end of the period from continuing operations		**13 605**	**3 694**


LE DEAUVILLE
CAFÉS
RICHARD
1892
Champs-Elysées
CAFÉS
RICHARD
1892
75, avenue des Champs-Elysées 75008 PARIS

NOTES TO THE FINANCIAL STATEMENTS, THE GROUP

1. COMPANY INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES, THE GROUP

1.1 Company information

STRAX AB (publ) is listed on the Nasdaq Stockholm Stock exchange with its registered office in Stockholm, Sweden. The business address is: Mäster Samuelsgatan 10, 111 44 Stockholm, Sweden. STRAX AB is registered under the corporate identity number 556539-7709.

STRAX AB (publ) as the parent entity and its direct and indirect subsidiaries together form the STRAX Group (hereinafter also referred to as “STRAX” or the “Group”).

STRAX is a global leader in accessories that empower mobile lifestyles. Our portfolio of branded accessories covers all major mobile accessory categories: Protection, Power, Connectivity, as well as Personal Audio. Own brands are Urbanista, Clckr, Planet Buddies and RichmondFinch. Our distribution business reaches a broad customer base, through 70 000 brick and mortar stores around the globe, as well as through online marketplaces and direct-to-consumers. Discontinued operations include Health & Wellness, own brands Dóttir and grell, and licensed brand portfolio of adidas and Diesel. Our distribution business also services over 40 other major mobile accessory brands. Founded as a trading company in 1995, STRAX has since expanded worldwide and evolved into a global brand and distribution business. Today we have over 200 employees in 13 countries. STRAX is listed on the Nasdaq Stockholm stock exchange.

Following the decision by the board of directors to simplify the group operating structure, the management and shareholders of the german distribution entities decided to merge BPMBrands.Products. Marketing GmbH, Mobile Accessory Deals GmbH and Strax Germany GmbH with its previous parent company, Strax GmbH (Belgische Allee 52-54, 53842 Troisdorf), by way of transformation law. The merger agreements were concluded on August 29 2022 and became effective on September 1, 2022 (registered in the Commercial Register of the Local Court of Siegburg under HRB 5421).

1.2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of STRAX consolidated financial statements. These policies have been consistently applied to both years presented.

Unless otherwise indicated, figures are presented in thousands of euros (EUR ’000). The tables and information presented may contain rounding differences.

1.2.1 Basis of preparation

(i) Compliance with IFRS and historical cost covention
STRAX consolidated financial statements for the year ended December 31, 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as endorsed by the EU. Further, STRAX applies RFR 1 “Additional rules for Group Accounting,” and the Swedish Annual Accounts Act.

The consolidated financial statements are prepared based on historical cost, except for financial assets (investments in shares) and financial liabilities (contingent considerations), which are measured at fair value through profit or loss.

(ii) New and amended standards adopted by the Group
A number of amendments of standards are effective from 1 January 2022, but these did not have a material effect on the Group’s financial statements.

(iii) New standards and interpretations not yet adopted by the Group
Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1.2.2 Principles of consolidation
Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business and any equity interests issued by the Group. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred and acquisition-date fair value of the net identifiable assets acquired is recorded as goodwill. Contingent considerations are classified as financial liabilities and are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

Acquisition-related costs are expensed as incurred.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

1.2.3 Operating segments
Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Management Board. In the case of STRAX, the Executive Management Board has been identified as being the chief operating decision makers that assesses the financial performance and position of the Group and makes strategic decisions.

The following operating segments has been identified: Distribution and Own Brands. The Executive Management Board uses primarily the measure EBIT (Earnings before interest and taxes) and EBITDA (Adjusted earnings before interest, tax, depreciation and amortisation) to assess the performance of the operating segments. However, the Executive Management Board also receives information about the segments' net sales and assets.

1.2.4 Foreign currency translation
(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of all STRAX Group entities is the respective local currency. The presentation currency of the consolidated financial statements is the euro (EUR).

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

Foreign exchange gains and losses are presented in the income statement on a gross basis in Other operating income and Other operating expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Group companies
The financial statements of foreign operations that have a functional currency different from the presentation currency euro are translated into the presentation currency as follows:
- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,

- income and expenses for each income statement are translated at average exchange rates and
- all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences accumulated in the translation reserve in equity, are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

1.2.5 Revenue – sale of goods

STRAX is a global leader in accessories that empower mobile lifestyles and develop and grow brands through an omnichannel approach where the Group operate two complementary businesses:

Own brands – including Urbanista, Clckr, RichmondFinch and Planet Buddies. Distribution (traditional retail, enterprises, and online marketplaces).

The Group sell into all key sales channels ranging from telecom operators, mass merchants and consumer electronics to lifestyle retailers, large enterprises and direct to consumers online.

All revenues categories relate to sale of goods and follow the same revenue recognition principals ie. revenue is recognized at a point in time net of VAT and sales reductions (discounts, bonuses, discounts for cash etc.).

(i) Sale of goods – wholesale
Revenue from the sale of goods is recognised at the point in time when the control of the products has been transferred. For STRAX, this is usually when the goods are delivered by a logistic company to customer's site and the customer confirms that he has taken possession and control over the goods.

The goods are often sold with retrospective volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (see Note 4.13) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

The Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision (see Note 4.14). No significant element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.
(ii) Sale of goods – retail and online marketplaces
Revenue from the sale of goods in retail stores and online marketplaces is recognised when a Group entity sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the goods.

It is the Group's policy to sell its products to the end customer with a right of return within the contractual terms. Therefore, a refund liability and a right to the returned goods (see Note 3.13) are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

The Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision (see Note 4.14).

1.2.6 Government grants

Grants from the government are recognised at their fair value under other operating income where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

These grants are given from governmental institution to cover the cost or to compensate less revenues due to governmental rulings like advised closing for retail stores and therefore the effect and impact on the business of enterprises.

In addition, governmental support has been granted in posting due taxes for a certain period. This applies especially for the due VAT and CIT which could be postponed by several months. There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance during 2022 or 2021.

Government grants related to costs are deferred and recognized in the income statement as Other operating income over the period necessary to match them with the costs that they are intended to compensate.

1.2.7 Income Taxes

Income taxes comprise current taxes as well as deferred taxes. Income taxes are recognized in profit or loss, in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.2.8 Leases

Leases in STRAX as a lessee mainly relate to real estate, technical equipment and cars.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments and variable lease payments that are based on an index or a rate. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The expected useful lives for right-of-use assets are as follows:

- Right-of-use asset for real estate 1–10 years
- Right-of-use asset for technical equipment 1– 5 years
- Right-of-use asset for cars 2–3 years

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

(i) Extension and termination options

A number of leases, particularly for real estate, include extension and termination options. Extension and termination options are taken into account on recognition of the lease liability only if STRAX is reasonably certain that these options will be exercised in the future. When contract terms are being determined, consideration is given to all facts and circumstances that offer an economic incentive for exercising extension options or not exercising termination options. No extension or termination options have been included in the lease liability.

1.2.9 Impairment

Goodwill and capitalized development costs not ready for use are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. When calculating the value in use, future cash flows are discounted with a discount factor taking the risk free rate and the risk related to the specific asset into account. For an asset which does not generate cash lows and are materially independent of other assets, the recoverable amount is calculated for the cash generation unit to which the asset pertains For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Nonfinancial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairments are reversed if there has been a change in the underlying assumptions in the calculation of the recoverable amount. An impairment is reversed only to the extent the asset's carrying amount after reversal does not exceed the value the asset would have had if an impairment had never been done. Impairment of goodwill is never reversed.

1.2.10 Financial instruments

(i) Recognition and derecognition of a financial instruments

A financial asset or financial liability is recognized on the balance sheet when the company becomes a party according to the contractual agreements of the instrument. A receivable is recognized when the Group has performed and the other party has a contractual obligation to pay even if the invoice has not yet been sent. Accounts receivables are recognized when an invoice has been sent. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial liabilities are recognized when the other party has performed and the Group has a contractual agreement to pay, even if an invoice has not yet been received. Accounts payables are recognized when an invoice has been received. Financial liabilities are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

(ii) Classification and Measurement of financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are initially recognized at the instrument's fair value with the addition of transaction costs; apart from financial assets which are recognized at fair value through profit or loss where the transaction costs are expensed in profit or loss.

All financial assets in STRAX are measured subsequently at amortised cost. These financial assets are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest.

(iii) Classification and Measurement of financial liabiities

Financial liabilities are initially recognized at the instrument's fair value with the addition of transaction costs; apart from financial liabilities which are recognized at fair value through profit or loss where the transaction costs are expensed in profit or loss.

All financial liabilities in STRAX, except for contingent considerations included in Other current financial liabilities in the balance sheet, are measured subsequently at amortised cost. Contingent considerations are measured subsequently at fair value through profit or loss. The fair value is based on unobservable market data and included in level 3 in the fair value hierarchy.

1.2.11 Accounts Receivables

Accounts receivables are outstanding amounts from sale of goods within the regular business activity. They are included in current assets if the due date occurs within twelve months of the reporting date. If the due date is after more than twelve months from the date of recognition, they are classified as non-current assets.

Accounts receivable are initially recognized at fair value and in the following reporting periods they are measured at amortized cost with the effective interest method, less any impairment. For accounts receivables, the Group applies the simplified approach for impairment permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables, see Note 4.8 for further details.

1.2.12 Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and immediately accessible funds at banks and similar institutions. They are measured at nominal values, which approximate their fair values due to their short term to maturity.

1.2.13 Liabilities against credit institutions

Borrowings (Liabilities against credit institutions) are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1.2.14 Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, within STRAX being the operating segments (see Note 5.4).

(ii) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software and tooling products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software and tooling so that it will be available for use both in 2021 and 2022
- management intends to complete the software and tooling and use or sell it
- there is an ability to use or sell the software it can be demonstrated how the software and tooling will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software and tooling are available, and
- the expenditure attributable to the software and tooling during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use. Software are recognized at cost less accumulated amortization and any impairment. Amortization takes place according to the straight-line method based on the estimated useful life of the assets as follows:

- Software 3-6 years
- Tooling costs 3 years

1.2.15 Property, plant and equipment

Property, plant and equipment is measured at historical cost less straight-line depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The estimated useful life of the assets as follows:

- Leasehold improvements 10 years
- Other equipment, furniture and fixtures 3-10 years

Repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss in "Other operating income" in the case of a gain and in "Other operating expenses" in the case of a loss.

1.2.16 Inventories

Inventories consists of raw materials, packaging and finished goods and merchandise and are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The assumptions made to determine the estimated sales price is mainly based on the average days in stock as well as the consumption and follows the principle that the older stock is and the less consumption took and will take, place the more risk it includes. Risks related to average days in stock that exceed what is normal and/or reduced usefulness are reflected through impairment to net realizable value. If the reason for impairment to net realizable value no longer exists, a reversal is recognized.

1.2.17 Employment benefits

(i) Defined contribution plans

Within the Group, pension plans consist of defined-contribution pension plans. In defined contribution plans, the company pays defined contributions to a separate legal entity and has no future obligation to pay additional contributions. The employee benefits expense is charged to profit or loss during the period when the employee provides services.

1.2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

1.2.19 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss for the period attributable to the parent company's shareholders by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the dilutive effect of potential ordinary shares (for STRAX warrants). Warrants have not been included in the calculation of diluted earnings per share because they are antidilutive for the year ended 31 December 2022 and 2021. These options could potentially dilute basic earnings per share in the future.

1.2.20 Significant estimates and assumptions

The preparation of the financial statements requires that qualified estimates and assessments be made for accounting purposes. Therefore, management make certain assumptions which are considered reasonable under the prevailing circumstances. Thus, estimates and assessments affect the financial statements and they are frequently based on experience as well as other factors, including expectations of future events. Using other assumptions than those actually applied in the preparation of the financial statements, the result can be different.

(i) Impairment testing of goodwill

For STRAX, estimates and assessments are particularly important in impairment testing of goodwill. The Group tests whether goodwill has suffered any impairment on an annual basis. For the 2022 and 2021 reporting periods, the recoverable amount of the cash-generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets/forecasts approved by management covering a five-year period. These calculations are based on certain assumptions regarding the future which, for the Group, are associated with a risk of material adjustments of carrying amounts during the forthcoming financial year. Significant assumptions and the effects of reasonable changes of such are stated in Note 4.1 Goodwill.

1.2.21 Assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This criterion is considered satisfied only if the non-current asset is available for immediate sale in its present condition and its sale is highly probable.

Management must be committed to a plan to sell the asset. An active programme to locate a buyer and complete the plan must have been initiated and the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value. It must be possible to assume that a sale will be completed within one year of classifying the asset as held for sale or the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification in asset held for sale. Assets held for sale and liabilities associated with assets held for sale are measured separately and presented separately in the statement of financial position as of the date on which all the above conditions are satisfied cumulatively.

Non-current assets classified as held for sale are measured at the lower of their original carrying amount and their fair value less costs of disposal. In the event that the Group has committed to a sale involving a loss of control over a subsidiary, all of that subsidiary's assets and liabilities are classified as held for sale provided the criteria given above are satisfied.

Discontinued operations are a component of an entity that can be clearly distinguished from the rest of the entity and that either have been disposed of or are held for sale. The assets and liabilities of operations held for sale represent disposal groups that are required to be measured and presented in accordance with the same principles as for non-current assets held for sale. Revenue and expenses of discontinued operations are presented separately in the statement of profit or loss – after the earnings from continuing operations – in an item entitled 'earnings from discontinued operations'. Related gains or losses on sale are included in earnings from discontinued operations.

The comparative information relating to assets held for sale and liabilities associated with assets held for sale as well as the previous-year figures in the statement of profit or loss and the statement of cash flows have been restated.

If there are any changes to the plan to sell, the disposal group is no longer presented in a separate item of the statement of financial position. Assets and liabilities of the disposal group are reclassified back to their respective items in the statement of financial position.

2. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE, THE GROUP

Following a decision by the board of directors to have a more focused strategy and simplified group operating structure, the following brands and entities are reported as discontinued operations:

Brands	Registered office/Entity	Interest
Grell	Hongkong (China) S/X Innovations	100%
Dóttir	Hongkong (China) S/X Innovations	100%

Entity	Registered office	Interest
Strax Health	Reykjavik (Iceland)	100%
Telecom Lifestyle Fashion B.V.	Tilburg (Netherlands)	100%
TLF Shenzhen Ltd.	Shenzen City (China)	100%
TLF Hong Kong Ltd.	Hong Kong (China)	100%

A classification according to IFRS 5 was made in September 2022. In accordance with IFRS 5, assets held for sale relating to the operations concerned of KEUR 11 368 and directly associated liabilities of KEUR 1 959 are reported separately in the consolidated statement of financial position at the reporting date. In accordance with IFRS 5.40, the previous years balance sheets figures have not been restated.

Before the operations held for sale of the Own Brands cash-generating unit were classified in accordance with IFRS 5 an impairment test was performed that did not reveal any need to recognize impairment losses.

The assets held for sale and liabilities directly associated with these break down into the following material line items:

KEUR	2022
Goodwill	5 402
Software	2 292
Property, plant and equipment	571
Other assets	537
Inventories	1 640
Accounts receivables	926
Assets held for sale	**11 368**
Tax liabilities	34
Other liabilities	1 134
Interest-bearing liabilities	452
Provisions	124
Accounts payable	847
Liabilities associated with assets held for sale	**2 591**

The goodwill of KEUR 5402 allocated to the disposal group relates exclusively to the goodwill of Telecom Lifestyle Fashion B.V.

Due to their significance for the results of operations, net assets and financial position of the Strax Group, the operations classified as held for sale constitute discontinued operations as defined by IFRS 5.32, as they represent a major line of business of the Strax Group that was a cash-generating unit or a group of cash-generating units while being held for use. For this reason, the earnings from discontinued operations are summarised and presented separately in the statement of profit or loss and the comparative figures have been represented in accordance with IFRS 5.34. Intragroup transactions between continuing and discontinued operations were eliminated during consolidation.

2. (CONTD.) DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

The table below shows earnings from discontinued operations:

KEUR	2022	2021
Net sales	7 914	21 903
Cost of goods sold	-11 479	-19 922
Gross profit	**3 565**	**1 981**
Selling expenses	-2 473	-1953
Administrative expenses	1 955	-1 190
Other operating expenses	379	456
Other operating income	-963	-889
Operating profit	**-8 577**	**-1 595**
Net financial items	- 221	-38
Taxes	**-**	**4**
Profit or loss fom discontinued operations after tax	**-8 798**	**-1 629**

3. NOTES TO THE CONSOLIDATED INCOME STATEMENT, THE GROUP

3.1 Net Sales
Breakdown of net sales by operating segment

Net sales per segment, KEUR	2022	%	2021	%
Distribution	70 167	67%	71 831	71%
Own brands	34 225	33%	29 964	29%
Total	**104 392**	**100%**	**101 795**	**100%**

Breakdown of net sales by product category
The tables below shows net sales by product category in total and by operating segment:

Net sales per product category, KEUR	2022	%	2021	%
Accessories	54 496	52%	53 728	52%
Audio	20 517	20%	19 212	20%
Health and Wellness	29 379	28%	28 855	28%
Total	**104 392**	**100%**	**101 795**	**100%**

Distribution net sales, KEUR	2022	%	2021	%
Accessories	46 386	44%	43 344	43%
Audio	9 575	9%	12 226	12%
Health and Wellness	14 206	14%	16 261	16%
Total	**70 167**	**67%**	**71 831**	**71%**

Own brands net sales, KEUR	2022	%	2021	%
Accessories	8 110	8%	10 384	10%
Audio	10 942	10%	6 986	7%
Health and Wellness	15 173	15%	12 594	12%
Total	**34 225**	**33%**	**29 964**	**29%**

Below geographic informations reflect net sales per region and by segment:

Geographic market and regions,	2022			2021		
KEUR	Total	Distribution	Own brands	Total	Distribution	Own brands
Western Europe						
Denmark	138	7	131	2 044	26	2 017
France	11 859	11 776	83	13 198	13 177	21
Germany	34 507	29 862	4 645	25 212	25 053	159
Netherlands	2 709	2 651	58	2 379	2 252	127
Switzerland	9 557	9 580	- 23	14 948	14 851	97
Austria	211	134	77	544	138	406
Norway	407	396	11	393	382	11
Poland	1 724	1 736	- 12	1 900	1 742	158
Sweden	5 060	4 505	555	6 529	5 122	1 407
UK	9 952	3 076	6 876	6 483	4 005	2 478
Spain	329	- 7	336	239	8	231
Belgium	1 738	1 730	8	266	239	26
Italy	1 091	- 3	1 094	919	15	904
Finland	1 089	989	100	1 680	481	1 199
North America	**17 291**	**32**	**17 259**	**19 612**	**-**	**19 612**
Rest of the world	**6 730**	**3 703**	**3 027**	**5 449**	**4 339**	**1 110**
Total	**104 392**	**70 167**	**34 225**	**101 795**	**71 831**	**29 964**

Customers representing more than 10% of total net sales:
No customer generated more than 10% of total net sales during both 2021 and 2022.

3.2 Other operating expenses

KEUR	2022	2021
Foreign exchange rate losses	-21 103	-8 067
Other operating expenses	-2 534	-2 117
Total	**-23 637**	**-10 184**

3.3 Other operating income

KEUR	2022	2021
Foreign exchange rate gains	16 471	8 636
Other operating income	9 231	8 923
Total	**25 702**	**17 559**

Included in other operating income are grants to support of the Covid-19 crisis from the German government in the amount of KEUR - (757), realized through profit and loss.

3.4 Financial income

KEUR	2022	2021
Interest income	2	24
Total	**2**	**24**

3.5 Financial expenses

KEUR	2022	2021
Interest on borrowing	-6 424	-4 536
Interest on lease liabilities	-416	-78
Bank fees	-236	-267
Total	**-7 076**	**-4 881**

3.6 Income taxes

The calculated actual income tax as well as the deferred tax assets and liabilities are recognized as the income taxes for the individual countries. The main components of the income taxes are as follows:

KEUR	2022	2021
Current tax expense/ -income		
Current tax expense for the period	-674	-1 760
Current tax expense from previous periods	-175	1 174
Total current tax expense/ -income	**-849**	**-586**
Deferred tax expense/ -income		
Deferred tax income due to temporary difference	-251	-204
Deferred tax from loss carryforwards	-102	-112
Total deferred tax expense/ -income	-353	-316
Total income tax from continuing operations	**-1 202**	**-902**
Total income taxes from discontinued operations	**-**	**-4**
Total	**-1 202**	**-906**

The tax on income and earnings is comprised of Swedish taxes, well as the corresponding foreign income taxes.

The current tax income from previous years mainly relates to the release of tax accruals for tax audits related to 2013 that are no longer appropriate.

The corporate tax rate in Sweden in the 2022 assessment period was 20.6%. As a result, the group tax rate for 2022 was 20.6% (20.6%).

As of the respective balance sheet dates, tax assets and tax liabilities are as follows:

KEUR	2022	2021
Deferred tax assets (non-current)	514	287
Income tax receivables (current)	1 170	913
Total tax receivables/assets	**1 684**	**1 200**
Income tax liabilities (non-current)	3	3
Income tax liabilities (current)	4 711	4 339
Deferred tax liabilities	1 536	941
Total tax liabilities	**6 250**	**5 283**

For tax losses carried forward in the amount of KEUR 4 423 (24 185), no deferred tax assets are accounted for due to uncertainty in the posibility of utilization.

	2022		2021	
Balance sheet items, KEUR	**Deferred tax assets**	**Deferred tax liabilities**	**Deferred tax assets**	**Deferred tax liabilities**
Inventories	-	409	-	231
Trade receivables	-	668	13	468
Other assets due to future deductable amounts	514	-	274	-
Other liabilities due to future taxable amounts	-	459	-	242
Deferred tax assets	**514**	**1 536**	**287**	**941**
Thereof current	-	-	-	-
Thereof non-current	*514*	*1 536*	*287*	*941*

Deferred tax assets, KEUR	2022	2021
Deferred tax assets at the beginning of period	**287**	**1 016**
Recognized in the income statement	227	-729
Deferred tax assets at the end of period	**514**	**287**

Deferred tax liabilities, KEUR	2022	2021
Deferred tax liabilities at the beginning of period	**941**	**1 350**
Recognized in the income statement	595	-409
Deferred tax liabilities at the end of period	**1 536**	**941**

Total recognized in the income statement	**-368**	**-320**

The reasons for the difference between the expected and the recognized tax expense as well as the expected and the actual tax rate for the Group are as follows:

Tax reconciliation, KEUR	2022	2021
Profit from tax from continuing operations	**-9 627**	**-1 363**
Expected tax rate	20.6%	20.6%
Expected tax expenses	-3 672	-617
Adjustment of taxes to different foreign tax rate	-501	854
Tax effects from non taxable income	-53	- 101
Tax effects from taxable not deductable expenses	682	6
Tax expense and refunds related to prior years	15	-1 333
Losses of current year not recognized as an deferred tax asset	4 889	1 807
Utilisation of taxable losses from prior years not recognized as an deferred tax asset	-480	426
Other tax effects	322	-136
Tax expense	**1 202**	**906**
Effective tax rate	**-12.5%**	**-66.5%**

3.7 Earnings per share

The table below shows the calculation of basic and diluted earnings per share attributable to the shareholders of the parent company:

KEUR/Number	2022	2021
Earnings attributable to shareholders of the parent company	**-10 830**	**-2 269**
Weighted average number of shares for earnings per share		
Basic	120 592 332	120 592 332
Diluted	124 687 332	124 687 332
Earnings per share, EUR		
Basic	-0.09	-0.02
Diluted	-0.09	-0.02

The dilution was solely related to potential shares in connection with share-based payments.

3.8 Breakdown expenses by nature

Expenses by nature, KEUR	2022	2021
Goods Purchase	77 334	70 465
Employee expenses	15 156	15 660
Depreciation and amortization	1 624	1 896
Freight costs	4 914	4 754
Professional service fees	4 237	4 938
Marketing	2 683	2 220
Rent and facility expenses	329	513
Packaging	355	390
Miscellaneous	2 379	4 840
Total cost of sales, selling and administrative expenses	**109 011**	**105 676**

3.9 Personnel expenses and number of employees, KEUR

Personnel expenses break down as follows:

KEUR	2022	2021
Wages and salaries	11 432	12 559
Social security costs	2 527	2 467
Temporary staff	836	407
Other payroll related costs	361	227
Total	**15 156**	**15 660**

Average number of employees and gender distribution:

The average number of employees during the financial year amounted to 203 (231) of which 103 (117) men and 100 (114) women.

Geographical distribution	2022	2021
Western Europe	163	194
USA	20	17
Rest of the world	20	20
Total	**203**	**231**

Geographical gender distribution	2022		2021	
	Female	Male	Female	Male
Western Europe	82	81	96	98
USA	5	15	5	12
Rest of the world	13	7	13	7
Total	**100**	**103**	**114**	**117**

3.10 Board, CEO and executive management

The Board of Directors, CEO and executive management consisted of six (six) men and one woman (one).

Remuneration to Board and executive management during the year, KEUR	Salary/ Board fees		Social security costs		Pension expenses		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Chairman of the Board, Bertil Villard	22	22	2	2	-	-	24	24
Board member, Anders Lönnqvist	15	15	5	5	-	-	20	20
Board member, Pia Anderberg	15	15	5	5	-	-	20	20
CEO, Gudmundur Palmason	341	274	22	49	-	-	363	323
Board member, executive management, Ingvi T.Tomasson	269	336	9	8	-	-	278	344
Other Excecutive management, 1 individual	275	230	93	48	51	50	419	328
Total	**937**	**892**	**136**	**117**	**51**	**50**	**1 124**	**1 059**

Information on Board and Executive management benefits

Remuneration to the Board of Directors

According to the decision at the AGM 2022, the Directors' remuneration amounts to a total of KEUR 52 (KEUR 52). The Board remuneration covers the period from the date the Director is elected at the Annual General Meeting until the next AGM. The two directors who are independent in relation to major shareholders are entitled to receive KEUR 15 each while the Chairman of the board is entitled to receive KEUR 22.

Executive management

Excecutive management refers to the management defined as the CEO, the Executive Director and the CFO. Other senior management has not been defined.

Remuneration to executive management

The fixed salary is in general reviewed on a yearly basis and shall be based on the qualitative performance of the individual. The fixed salary of the CEO and the excecutive management shall be in line with the market. The principles for the variable remuneration for the financial year 2022 were decided by the Annual General Meeting 2022.

The employment contract of the CEO and other excecutive management is subject to 24 months' notice by either party and contains no provision regarding lowered retirement age.

Pension

Pension is paid in accordance with the ITP plan for all employees, the retirement age is 65.

Severance pay

There are no agreements including severance pay.

Decision process

All remuneration matters concerning management and other potential benefits are considered and decided upon by the Board. The same process applies to potential remunerations regarding consulting fees for members of the Board. Decisions on potential variable result based remuneration to management are referred to the Annual General Meeting. The remuneration committee consists of the whole Board of Directors.

4. NOTES TO THE CONSOLIDATED BALANCE SHEET, THE GROUP

4.1 Goodwill

Goodwill, KEUR	2022	2021
Acquisition Costs		
Balance as of January 1	32 721	32 721
Currency translation differences	-	-
Additions	-	-
Disposals	-	-
Reclassifications	-5 402	-
Balance as of December 31	**27 319**	**32 721**
Impairment		
Balance as of January 1	-4 545	-4 545
Currency translation differences	-	-
Additions	-	-
Disposals	-	-
Classifications as assets held for sale	-	-
Balance as of December 31	**-4 545**	**-4 545**
Net book value as of December 31	**22 774**	**28 176**

Goodwill by segmentation, KEUR		
Distribution	9 359	9 359
Own Brands	13 415	18 817
Total	**22 774**	**28 176**

For the Group, the most significant estimates and assumptions are those relating to impairment testing of goodwill. This means that the effect on the financial reports may be considerable if the estimates and assessments made would prove to deviate significantly from the actual outcome. In connection with impairment testing of goodwill the carrying amount is compared with the recoverable amount. The recoverable amount is determined by the higher of an asset's net realizable value and its value in use. Normally, it is not possible to determine the net realizable value. Therefore, the value in use is normally the value being compared with the carrying amount. Thus, each cash generating unit's value in use is calculated in assessing any impairment of goodwill. Calculations are performed through discounting future estimated cash flows. In order to perform the calculations a number of assumptions concerning future circumstances and estimates of parameters are made, for example growth and discount rate. Any adjustments of the assumptions made could have an effect on the carrying amount of the goodwill. Assuming a lower growth rate would lead to a lower recoverable amount. A higher discount rate would also lead to a lower recoverable amount.

The discount rate before tax applied to the cash flow projection is at 14.26% (17.52%). The discount rate applies for all segements.

The long-term growth rate used to extrapolate the cash flow projection beyond the period covered by the most recent budget/forecasts is at 3% (2%). The period over which management has projected cash flows based on financial budget/forecasts is at 5 years. The values assigned to each key assumption basically reflect past experience, in addition, the positive growth for mobile accessories branch were respected referred to future prospects of ABI research. The parameters described above apply uniformly to all cash-generating units.

The required annual review was conducted on December 31, 2022, and confirmed the recoverability of the capitalized goodwill. In relation to the executed sensitivity test based on reduced future cash flows, an increase of the market risk rate discount rate to 15% each and reducing the growth rate of the terminal value down to 0% the recoverability of the capitalized goodwill was confirmed. By using the market risk rate and growth rate of the terminal value used in the annual review, the recoverability of the cash generating units was confirmed even if the cash flow in the forecasted period is 70% (88%).

4.2 Software and tooling

Software and tooling, KEUR	2022	2021
Acquisition Costs		
Balance as of January 1	7 725	6 366
Currency translation differences	-	615
Additions	2 390	744
Disposals	-	-
Classifications as assets held for sale	-2 619	-
Balance as of December 31	**7 496**	**7 725**
Accumulated amortization		
Balance as of January 1	-5 244	-4 039
Currency translation differences	-	- 539
Amortization charge	- 960	- 666
Disposals	-	-
Classifications as assets held for sale	327	-
Balance as of December 31	**-5 877**	**-5 244**
Net book value as of December 31	**1 619**	**2 481**

4.3 Property, plant and equipment

Property, plant and equipment, KEUR	2022	2021
Acquisition Costs		
Balance as of January 1	5 695	4 719
Currency translation differences	-	- 136
Additions	1 165	1 112
Disposals	- 5	-
Classifications as assets held for sale	-1 053	-
Balance as of December 31	**5 802**	**5 695**
Accumulated depreciation		
Balance as of January 1	-4 333	-3 656
Currency translation differences	-	157
Depreciation charge	-1 070	- 834
Disposals	4	-
Classifications as assets held for sale	482	-
Balance as of December 31	**-4 917**	**-4 333**
Net book value as of December 31	**885**	**1 362**

4.4 Assets and liabilities from leasing agreements

Existing leases mainly relate to real estate, technical equipment and cars for selected employees. For the policy choice disclosures, see note 1.2.8 "Leases". The amounts recognised in the balance sheets attributable to leases are presented in the table below;

Right-of-use assets, KEUR	2022	2021
Acquisition Costs		
Balance as of January 1	3 564	3 345
Currency translation differences	-	-
Additions	2 151	219
Disposals	-	-
Classifications as assets held for sale	-	-
Balance as of December 31	**5 715**	**3 564**
Accumulated depreciation		
Balance as of January 1	-2 609	-1 651
Currency translation differences	-	-
Depreciation charge	- 408	- 958
Disposals	-	-
Classifications as assets held for sale	-	-
Balance as of December 31	**-3 017**	**-2 609**
Net book value as of December 31	**2 698**	**955**

The carrying amount of the right of use assets break down as follows, KEUR	2022	2021
Real estate	2 636	819
Technical equipment	31	49
Cars	31	87
Total	**2 698**	**955**

The amounts recognised in the income statement attributable to leases are presented in the table below:

KEUR	2022	2021
Depreciation	408	958
Interest on lease liabilities	417	78
Total	**825**	**1 036**

The amounts recognised in the cash flow statements attributable to leases in 2022 are KEUR 1 657 (882).

In accordance with IFRS 16, lease liabilities were measured at the present value of the future lease payments at the date of first-time application or the commencement date. As of the reporting date, lease liabilities comprise the following items.

Lease liabilities, KEUR	2022	2021
Lease liabilities, non-current	2 344	382
Lease liabilities, current	702	656
Total	**3 046**	**1 038**

The present value of lease liabilities break down as follows:

Lease liabilities, KEUR	2022	2021
Up to 1 year	702	656
1-5 years	2 344	223
More than 5 years	-	159
Total	**3 046**	**1 038**

Options to extend the lease are taken into consideration in measuring the lease liabilities if it is reasonably certain that the option will be exercised. To provide for flexibility, there are options to extend the lease under office rental agreements. As it is not reasonably certain that the respective options will be exercised, these were not taken into account in measuring the lease liability.

4.5 Financial assets

The financial assets break down as follows as of the respective reporting dates:

Financial assets, KEUR	2022	2021
Non-current		
Other receivables	751	2 834
Holdback Amazon payments	80	134
Rent deposits	535	707
Miscellaneous	341	503
Total	**1 707**	**4 178**
Current		
Creditors with debit balances	3 401	6 304
Vendor bonus	534	1 613
Rent deposits	82	218
Factoring receivables	720	259
Other receivables	146	213
Miscellaneous	86	505
Total	**4 969**	**9 112**

4.6 Other assets

Other assets break down as follows as of the respective reporting dates.

Other assets, KEUR	2022	2021
Current		
Taxes other than income taxes	946	2 949
Prepaid expenses and deferred charges	1 695	976
Advanced Payments	441	229
Miscellaneous	595	303
Total	**3 677**	**4 457**

4.7 Inventories

Inventories, KEUR	2022	2021
Raw materials	108	183
Packaging	129	115
Finished goods and merchandise	26 407	30 410
Total	**26 644**	**30 708**

The cost of inventories recognized as expense and included in Cost of goods sold amounted to KEUR 75 545 (88 017) for the Group. Write-downs due to obsolescence amounted to KEUR 5 094 (4 500) and reversals of previous write-downs, due to inventories either scrapped or sold, amounted to KEUR 1 319 (1 365) for the Group. The amounts have been included in the item cost of goods sold in the income statement.

4.8 Accounts receivables

Accounts receivables from contract with customers, KEUR	2022	2021
Not past due	13 903	19 668
1 to 30 days past due	800	1 971
31 to 60 days past due	384	6 358
More than 60 days past due	3 727	1 271
Total gross accounts receivables	**18 814**	**29 268**
Loss Allowance	- 153	- 144
Total net accounts receivables	**18 661**	**29 124**

The loss allowances on accounts receivables developed as follows:

Loss allowance, KEUR	2022	2021
Balance as of January 1	**144**	**98**
Allocation	57	92
Utilization/ Reversal	- 48	- 46
Balance as of December 31	**153**	**144**

Loss allowance are applied to net accounts receivables from third parties, i.e. excluding VAT. Increases and reversals of loss allowances are reported under other operating expenses and other operating income.

4.9 Cash and cash equivalents

Cash and cash equivalents include bank balances and cash on hand of KEUR 2 909 (2 601).

4.10 Equity/Share capital

The Group's equity consists of share capital, translation reserve, other contributed capital and retained earnings including profit or loss for the period.

Share capital

The group's share capital consists of the parent company's share capital, share capital in subsidiaries have been eliminated in the group accounts. The share capital amounts to EUR 12 624 165, distributed over 120 592 332 shares. The quota value amounts to EUR 0.09. All shares have the same right to the net assets, and every share has one vote at a general meeting with the shareholders. All shares are fully paid.

Other contributed capital

Other contributed capital is capital paid in by the shareholders.

Translation reserves

The translation reserve comprises all foreign exchange differences arising on the translation of the financial statements of foreign subsidiaries.

Retained earnings including profit or loss for the period

Retained earnings including profit or loss for the periodconsists of accumulated earnings in the parent company and the subsidiary, as well as accumulated effects on profit or loss emanating from consolidation of the group accounts.

Dividend

The Board of Directors propose that no dividend be paid out for the financial year 2022.

Authorization for the Board of Directors to resolve upon a warrant program

The Annual General Meeting held on May 26, 2020 resolved, in accordance with the Board of Directors' proposal, to adopt a warrant program and to issue warrants. The warrant program comprises in total a maximum of approximately 26 individuals and not more than 4,095,000 warrants may be issued within the framework of the program. Each warrant entitles the holder to subscribe for one share in STRAX during the period 1 July 2023 up to and including 30 September 2023 at a subscription price corresponding to 130 per cent of the volume weighted average price of the Strax share on Nasdaq Stockholm during the period 10 trading days calculated from and including the day after the Annual General Meeting 2020. If all the 4,095,000 warrants are exercised, the warrant program entails a full dilution corresponding to approximately 3.3 per cent of the shares and votes in STRAX.

Authorization for the Board of Directors to resolve upon a new share issues

The Annual General Meeting held on May 25, 2022 resolved to authorize the Board of Directors to resolve upon new share issues.

Authorization for the Board of Directors to resolve upon repurchase and transfer of own shares

The Annual General Meeting held on May 25, 2022 resolved to authorize the Board of Directors to resolve on the repurchase and transfer of the company's own shares. The mandate has not yet been utilized to-date.

Registered shares, number	2022	2021
At the beginning of the year	120 592 332	120 592 332
At the end of the year	**120 592 332**	**120 592 332**

4.11 Liabilities against credit institutions

As of the reporting date, liabilities against credit institutions comprise of the following items.

KEUR	2022	2021
Liabilities against credit instititutions, non-current	1 742	1 840
Liabilities against credit instititutions, current	48 094	42 551
Total	**49 836**	**44 391**

In July 2020, STRAX signed a senior secured loan facility in the amount of KEUR 30 000 (Trance A+B) with Proventus Capital Partners to provide additional working capital and the existing interest-bearing liabilities were therefore refinanced in October 2020. 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.

The Lender has obtained security over all principal assets of Strax AB and its group entities, including but not limited to trade receivables, inventories, insurance claims and share pledges over the shares in the group entities, unless those specifically excluded as permitted security.

As a result of the compress margin during 2022, the group did not meet one of the financial covenants in the loan agreement with PCP as of December 31, 2022. After the end of the period a waiver for the breach was granted. The fact that the waiver was granted after the end of the period has the effect under IFRS that the related interest-bearing debt is reported as current in the balance sheet as of December 31, 2022.

STRAX also secured a KUSD 20 000 dedicated financing to capture the full potential for growth within the Health and Wellness category, as a third tranche under the existing loan agreement with Proventus Capital Partners, (Tranche C). Trance C can only be drawn within a ringfenced PPE project, where isolated purchases will be financed.

During the pandemic the german government offered state backed guarantees to companies to apply for a Loan to cover and secure the revenue shortfall during the several lockdowns STRAX was facing. Strax applied for a Corona Loan during Q2 2021 with Commerzbank which was paid out on June 9, 2021. The loan is for a term of ten years and the full amount is denomiated in EUR. The loan will carry 3,0 % percent interest rate. First repayment has to be made on September 30, 2023. From this point in time the Loan will be repaid on a quarterly base until June 30, 2031.

As of December 31, 2022 the facilities amount to a total of KEUR 49 836 (44 391).

Credit facilities, KEUR	Loan Term (SFA)	Duration in years
Proventus Tranche A	6 000	5
Proventus Tranche B	24 000	5
Proventus Tranche C	18 036	5
Commerzbank Corona Loan	1 800	10
Total	**49 836**	

As the Group’s interest-bearing liabilities consist of variable rate loans and the margin in the contracts are expected to be the same if the Group should raise equivalent loans at the reporting date, the fair value of the loans is expected to be in all material respects equal to their carrying amount.

4.12 Other financial liabilities

As of the reporting date, other financial liabilities comprise the following items.

Other financial liabilities, KEUR	2022	2021
Non-current		
Liabilities from business combinations	89	288
Sundry	794	-
Total	**883**	**288**
Current		
Debtors with credit balances	1 739	1 199
Accrued customer bonus	1 661	3 310
Total	**3 400**	**4 509**

4.13 Other liabilities

As of the reporting date, other liabilities comprise the following items.

Other liabilities, KEUR	2022	2021
Non-current		
Accrued liabilities	163	666
Liabilities due to personnel	-	115
Miscellaneous other liabilities	242	866
Total	**405**	**1 647**

Other liabilities, KEUR	2022	2021
Current		
Taxes other than income taxes	4 689	5 206
Taxes on wages owed to tax office	645	971
Accrued liabilities	3 711	3 111
Liabilities due to personnel	58	257
Miscellaneous other liabilities	3 128	3 979
Total	**12 231**	**13 524**

4.14 Provisions

Provisions, KEUR

Balance as of January 1, 2021	**654**
Thereof current	*654*
Increase	746
Utilization	- 405
Reversal	- 355
Balance as of December 31, 2021	**640**
Balance as of January 1, 2022	**640**
Thereof current	*640*
Increase	313
Utilization	-
Reversal	-239
Balance as of December 31, 2022	**714**
Thereof current	*714*

The provisions relate to possible returns due to warranty claims for goods sold to customer.

Returns are possible in the contractual agreed terms within a specific period and if the goods returned are in re-saleable condition.

5. OTHER NOTES, THE GROUP

5.1 Specification to the Cashflow statement

Adjustments for items not included in cash flow from operations or not affecting cash flow, KEUR	2022	2021
Depreciations and amortization	1 624	2 458
Paid interest expenses on financing activities	7 075	4 895
Release Earnout from business combinations	-	-4 660
Other	-	- 59
Total	**8 699**	**2 634**

Changes in liabilities from financing activities

The following reconciliation presents cash changes in liabilities from financing activities and are disclosed from the opening balance on the balance sheet to the closing balance on the same statement.

Total liabilities from financing activities changed as follows in the past financial year:

KEUR	01 01 2022	Cash	Non-cash		12 31 2022
			Fair value changes	Other changes	
Liabilities against credit institutions	44 391	5 995	-	- 550	49 836
Lease Liabilities	1 038	-1 476	-	3 484	3 046
Total	**45 429**	**4 519**	**-**	2 934	**52 882**

KEUR	01 01 2021	Cash	Non-cash		12 31 2021
			Fair value changes	Other changes	
Liabilities against credit institutions	33 949	10 443	-	-	44 391
Lease Liabilities	1 782	-1 360	-	616	1 038
Total	**35 731**	**9 083**	**-**	616	**45 429**

5.2 Disclosures on financial instruments

Carrying amounts and fair values

The following table presents the reconciliation of the statement of financial position items and the categories pursuant to IFRS 9, analysed by category and with respect to fair value by class.

In accordance with IFRS 13, financial assets and liabilities measured at fair value must be allocated to the three levels of the fair value hierarchy, see definition under note 1.2.10 "Financial Instruments". It is assumed that reclassifications between the individual levels of the fair value hierarchy are performed at the end of the period. In both reporting periods, there were no reclassifications between the levels.

Due to the short-term nature of the other current financial assets and liabilities at amortised cost, their carrying amount is considered to be the same as their fair value. For the non-current financial assets and liabilities at amortised cost, the fair values are also not significantly different from their carrying amounts.

		2022		2021	
Amount recognised in Balance sheet, KEUR	Level of the fair value hierarchy	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost
Cash and cash equivalents		-	2 909	-	2 601
Accounts receivables		-	18 661	-	29 124
Non-current financial assets		-	1 707	-	4 178
Current financial assets	1	-	4 969	-	9 112
Total Financial Assets		**-**	**28 246**	-	**45 015**
Accounts payables		-	26 720	-	28 998
Non-current liabilities against credit institutions		-	1 742	-	1 840
Current liabilities against credit institutions		-	48 094	-	42 551
Other non-current financial liabilities		-	883	-	288
Other current financial liabilities	3	-	3 400	288	4 509
Total Financial Liabilities		**-**	**80 839**	**288**	**78 186**

5.3. Financial risk management and capital management

The STRAX Group is exposed to various financial risks, which are explained below as credit risk, liquidity risk, foreign currency risk and interest rate risk. Risk management is performed by Group treasury. Group treasury identifies, assesses and hedges financial risks in close cooperation with the Group's operating units. Appropriate changes are made to processes in response to changes in the risk situation. The objective of risk management is to reduce the financial risk through planned measures.

Credit risk

Credit risk is managed at Group level. Credit risks arise from cash and cash equivalents, non-current and current financial assets and accounts receivables. Customer risks are systematically recorded, analysed and managed in the respective subsidiary, whereby both internal and external information sources are used. The maximum credit risk was reflected by the carrying amounts of the financial assets recognised in the balance sheet. STRAX has a credit insurance in place which is covering 90% of the outstanding trade receivables, if a customer is not in the position to pay. No collateral or other credit enhancements existed that would reduce the credit risk from financial assets.

The Group considers a financial asset to be credit-impaired when the probability is remote that the debtor will be able to pay all its credit obligations due to the Group.

STRAX has exposure to its customers, primarily in the form of outstanding accounts receivable, and may be adversely impacted if a customer becomes insolvent or goes bankrupt. STRAX usually grants payment terms on maket levels (30 - 120 days) to its customer groups, which may at times grow to represent a large portion of STRAX net sales. Therefore, STRAX is subject to a risk that its customers will not pay for the products and services they have bought, or will pay later than expected. This risk increases during periods of economic downturn and uncertainty. There is thus a risk that STRAX customers will not be able to pay as expected for the products and services they have bought, which may have a materially adverse impact on STRAX operations, earnings and financial position.

To the extent that credit risks are identifiable, these are countered with active receivables management as well as credit ratings of customers.

A financial asset's gross carrying amount is reduced when the Group has no reasonable expectation of recovering the financial asset in its entirety or a portion thereof.

Allowances are recognized based on experience pursuant to maturity ranges. Allowances are made for accounts receivables following unsuccessful attempts to recover the amount due by a collection agency, following a declaration of personal bankruptcy, and when the statute of limitations is reached. STRAX ERP system blocks sales and shipments in case of an event, whereby invoices are overdue or balances are exceeding the credit limit. The ERP information results into a limit request and/or a request of early payment to keep the balance within the granted credit limits. In addition, accounts receivables are also sold separately in accordance with factoring agreements. After the accounts receivables are sold, none of the opportunities and risks associated with them remain with the Group. Trade credit insurance contributes to risk minimization throughout the Group as at least 90% of the receivables generated are covered by credit insurance.

For all items other than accounts receivables, impairment losses are immaterial to the Group (note 4.8).

Liquidity risk

Liquidity risk describes the risk that STRAX cannot meet its financial obligations or can only meet them to a limited extent. Cash requirements are covered by the cash flow from operating activities and external financing under the term and revolving facilities agreement and the promissory note loan. Liquidity risks are monitored and managed centrally for the entire Group by the operating cash management of the group. The risk of a potential liquidity shortage is monitored by means of periodic liquidity planning and monthly cash flow analyses. The due dates of financial liabilities are continually monitored and managed.

In order to avoid short-term liquidity risks within the Group, a Group-wide cash pool is in place between STRAX and most of its subsidiaries.

The following table shows the future undiscounted cash outflows with respect to the existing financial liabilities.

Financial liabilities as of 12 31 2022, KEUR	up to 1 year	1 to 5 years	more than 5 years	Total
Accounts payable	26 720	-	-	26 720
Liabilities against credit institutions	48 094	1 742	-	49 836
Lease liabilities	702	2 344	-	3 046
Other financial liabilities	3 400	883	-	4 283
Interest payments	4 061	-	-	4 061
Total	**82 977**	**4 969**	**-**	**87 946**

Financial liabilities as of 12 31 2021, KEUR	up to 1 year	1 to 5 years	more than 5 years	Total
Accounts payable	28 998	-	-	28 998
Liabilities against credit institutions	42 551	1 840	-	44 391
Lease liabilities	656	382	-	1 038
Other financial liabilities	4 509	288	-	4 797
Interest payments	4 895	-	-	4 895
Total	**81 609**	**2 510**	**-**	**84 119**

Market risk

Foreign Exchange Risk with Sensitivity Analysis
The Group is internationally active and is therefore exposed to foreign exchange risk based on changes in the exchange rate for various foreign currencies, mainly the US dollar, British pound, Swedish kronor and Hong Kong dollar. The risks arising from US and Hong Kong dollars and Chinese Renminbi are the result of purchases in Asia.

Foreign exchange risks arise from expected future transactions and assets and liabilities recognized in the balance sheet. The company set up leads to to a natural currency hedge where various balance sheet position are accounted in various currencies. Partly purchases in foreign currencies are covered by sales in the same currency to there is only limited need for seperate currency hedges with in the year.

The sensitivity analysis only includes outstanding monetary positions denominated in a foreign currency, with conversion adjustments at the end of the period in line with a 10% change in the exchange rate.

	Effect on profit or loss (Currency relationship Euro / foreign currency after tax)											
	RATE CHANGE +10%						RATE CHANGE -10%					
KEUR	**SEK**	**USD**	**GBP**	**HKD**	**Other**	**Total**	**SEK**	**USD**	**GBP**	**HKD**	**Other**	**Total**
2022-12-31 after tax	- 44	- 284	61	-	35	**- 232**	44	284	- 61	-	- 35	232
2021-12-31 after tax	58	- 333	71	2	41	**- 160**	- 71	407	- 87	- 2	- 50	197

Interest Rate Risks
The group currently has current and non-current money market loans with variable interest rates. There are interest rate risks if interest rates rise. The current loan is mainly related to non-recourse factoring.

Taking account of current developments results in the following sensitivity analysis. The contractual agreed interest rates are a combination of fixed rates as well as a variable market rate component which is negative in 2021.

	Effect on profit or loss	
KEUR	**at +1% interest rate change**	**at -1% interest rate change**
2022-12-31 after tax	-	-
2021-12-31 after tax	212	- 212

Capital management

The objective of STRAX with respect to capital management is basically to secure the STRAX Group's ability to continue as a going concern and finance its long-term growth. The STRAX Group's capital structure is optimised continuously and adapted to the respective general economic conditions.

The Group manages its capital structure on the basis of the equity ratio and makes adjustments, if necessary, taking account of changes in economic conditions. The Group's strategy in 2023 is to maintain an equity ratio of at least 13%. At the end of fiscal 2022, the Group's equity ratio was -7%, compared to 13% the year before.

The adjustments made to the total assets in 2021 relate to the neutralization of specific earn out obligation out of the purchase of Racing Shield and Brandvault entites as well as the offsetting of cash and cash equivaliant against the long term liabilities in order to show a resolved equity ratio.

In order to manage STRAX's capital properly, cash and cash equivalents amounting to 2 909 (2 601) are deducted from the financial liabilities and reduce the working capital lines, due to the operating asset. The liabilities from an earn-out obligation of - (600) are also eliminated from the balance sheet total. This results in an adjusted equity ratio of 7% (13%).

KEUR	2022	2021
Total Assets	**99 595**	**114 354**
Equity	-6 482	14 036
Equity ratio	**-7%**	**12%**

KEUR	2022	2021
Total Assets	**99 595**	**114 354**
Cash and cash equivalents	-2 909	-2 601
Passivated earn out obligations	-	- 600
Adjusted total assets	**96 686**	**111 153**
Equity	-6 482	14 036
Adjusted equity ratio	**-7%**	**13%**

In July 2020 STRAX signed a senior secured loan facility in the amount of MEUR 30 with Proventus Capital Partners. The loan proceeds from Proventus were paid out in two tranches, a subordinated tranche of MEUR 6 in July 2020, to provide additional working capital until the full amount was paid out in October 2020. 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. If it fails to do so, Proventus may calculate penalties and/or terminate the existing finance.

The covenants involve two measurements:
- Leverage Ratio – Senior net debt/EBITDA
- DSCR - Cashflow Cover -

For the year-end 2022, as well as the year-end 2021 STRAX was not in compliance with the Leverage Ratio - Senior net debt/EBITDA financial covenant according to the loan agreements. STRAX requested a Waiver which was agreed by Proventus after the reporting date.

5.4 Segment reporting

IFRS 8 requires operating segments to be identified on the basis of an entity's internal management and reporting structure. The organisational and reporting structure of the STRAX Group is based on management by operating segment. As the chief operating decision-maker, the Executive Management Board assesses the performance of the various segments and the allocation of resources on the basis of a reporting system that it has established. STRAX primarily uses the measure EBITDA to assess the performance of the operating segments.

Operating Segments

Developing and growing brands through an omnichannel approach, we operate two complementary businesses: Own brands – including Urbanista, Clckr, RichmondFinch and Planet Buddies and Distribution (traditional, retail and enterprises). Our distribution business reaches a broad customer base, through 70 000 brick and mortar stores around the globe, as well as through online marketplaces and direct-to-consumers. Discontinued operations include Health & Wellness, own brands Dóttir and grell, and licensed brand portfolio of adidas and Diesel. Our distribution business also services over 40 other major mobile accessory brands.

Segment Distribution

The segment Distribution consists of the business the STRAX group carries out as a distributor, primarily in Europe, but also in Asia and Middle East.

STRAX offers a value added full-service distribution of own brands as well as partner brands including category and portfolio management and supply chain services.

Segment Own Brands

The segment Own Brands consists of the business carried out by the brand entities in the Group including licensed brands. The brands included in this segment are primarily Urbanista, Clckr, RichmondFinch and Planet Buddies. The segment also includes online distribution through marketplaces. Own brands Dóttir and Grell, licensing business under Telecom Lifestyle Fashion, and the Health and Wellness business are reported as discontinued operations in 2022.

	Distribution		Own brands		Total	
KEUR	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Net Sales	70 167	71 831	34 225	29 964	104 392	101 795
Net Cost of goods sold	-56 514	-57 397	-30 453	-27 736	-86 967	-85 133
Gross Profit	**13 653**	**14 434**	**3 772**	**2 228**	**17 425**	**16 662**
Gross Margin	**19%**	**20%**	**11%**	**7%**	**17%**	**16%**
Distribution Costs	-6 589	-6 252	-10 943	-9 519	-17 532	-15 771
Administrative expenses	-2 655	-3 702	-1 857	-1 070	-4 512	-4 772
Other operating expenes	- 865	-1 268	-22 772	-8 916	-23 637	-10 184
Other operating income	3 386	1 894	22 316	15 665	25 702	17 559
EBIT	**6 930**	**5 106**	**-9 484**	-1 612	**-2 554**	**3 494**
Depreciations and amortizations					1 624	1 935
EBITDA					**- 930**	**5 429**
Depreciations and amortizations					-1 624	-1 935
Financial income					2	24
Financial expenses					-7 076	-4 881
Profit before tax					**-9 628**	-1 363
Taxes					-1 202	-906
Profit or loss from continuing operations after tax					**-10 830**	**-2 269**
Profit or loss from discontinued operations after tax					-8 798	-1 629
Profit or loss for the period					**-19 628**	**-3 898**

5.5. Renumeration to auditors

Mazars AB, KEUR	**2022**	**2021**
Audit	320	-
Tax consultancy	-	-
Total remuneration to auditors	**320**	**-**

PricewaterhouseCoopers, KEUR	**2022**	**2021**
Audit	-	247
Tax consultancy	-	98
Total remuneration to auditors	**-**	**345**

KPMG AB, KEUR	**2022**	**2021**
Audit	-	16
Tax consultancy	-	-
Total remuneration to auditors	**-**	**16**
Total remuneration to all auditors	**320**	**361**

Audit assignment is defined as the audit of the annual financial statements, the administration of the Board of Directors and the CEO and other tasks, which rest upon the auditor as well as consulting and other assistance, which has been initiated by the findings in performing the audit work or implementation of such tasks. All other work is referred to as other assignments.

5.6. Related party disclosure

The following additional information about related parties is being provided in addition to what has been described in the annual report.

Companies with common Board members
Apart from specified related parties there are a number of companies in which STRAX and the respective company have common Board members. Information has not been provided in this note because these situations are either not considered to involve influence of the type described in IAS 24, or the transactions refer to immaterial amounts.

Related party transactions
There were no related party transactions during 2022 and 2021.

5.7 Significant events after the reporting period

STRAX has for the past six quarters received waivers concerning breach of certain conditions in the loan agreement with its lenders. The communication and relationship with P Capital (PCP) as main lender has been constructive throughout this period.
As communicated in the Q4 report for 2022 published February 23, 2023, STRAX has worked out a tactical plan involving divesting certain assets to strengthen the liquidity and balance sheet. As a part of that, PCP has also agreed to restate the covenants for Q1, Q2 and Q3 of 2023 to adjust for the current situation. STRAX thereby returns to being in compliance with the loan agreement. STRAX is now executing the plan and expects to considerably lower the debt level of the Group during 2023 and in particular repay significant parts of the outstanding amounts under the loan agreement.

STRAX subsidiary Urbanista, received two awards at CES 2023 in Las Vegas, the most influential tech event in the world. Urbanista Phoenix – the world's first true wireless, noise cancelling earphones powered by light – was awarded best of CES by technology magazines TWICE and MakeUseOf (MUO).

No other significant events have occurred after the end of the financial year 2022 up to the date of this annual report.

5.8. Shares and participations in group companies

KEUR	2022	2021
Carrying value at the end of the year	**75 693**	**75 693**

Specification of shares and participations held in group companies:

Name	Corporate Identity No.	Reg. Office	Ownership[1]	Value
Novestra Financial Services AB	556680-2798	Stockholm	100%	10
Xarts AB	559153-0067	Stockholm	100%	61
Strax Holding GmbH	HRB 10855	Troisdorf	100%	75 683
Carrying value at the end of the year				**75 755**

[1] Share of capital and votes.

Shares in subsidiaries under STRAX AB:

Subsidaries included in the consolidated financial statements		Currency	Equity interest in % 2022	2021	Full-/ At-Equity Consolidation 2022	2021
Strax Holding GmbH	Troisdorf (Germany)	EUR	100%	100%	F	F
Strax GmbH	Troisdorf (Germany)	EUR	100%	100%	F	F
Strax Switzerland GmbH	Kloten (Switzerland)	CHF	100%	100%	F	F
Strax France sarl	Jouy en Josas (France)	EUR	100%	100%	F	F
Strax UK Ltd.	St. Albans (England)	GBP	100%	100%	F	F
Strax Nordic AB	Stockholm (Sweden)	SEK	100%	100%	F	F
Strax Norway S.A.	Sandefjord (Norway)	NOK	100%	100%	F	F
STRAX AB	Stockholm (Sweden)	SEK	100%	100%	F	F
Novestra AB	Stockholm (Sweden)	SEK	100%	100%	F	F
XSTRA Brands AB	Stockholm (Sweden)	SEK	100%	100%	F	F
Xstra UK	St. Albans (England)	GBP	100%	100%	F	F
Strax Americas Inc.	Miami (USA)	USD	100%	100%	F	F
Brandvault Global Services Limited	Berkshire (England)	GBP	100%	100%	F	F
Urbanista AB	Stockholm (Sweden)	SEK	100%	100%	F	F
Strax Global Services Limited	Hong Kong (China)	CNY	100%	100%	F	F
Strax Asia Ltd.	Kowloon (China)	HKD	100%	100%	F	F
Strax Shenzhen	Shenzen City (China)	CNY	100%	100%	F	F
Racing Shield AB	Uppsala (Sweden)	SEK	100%	100%	F	F
Racing Shield Hong Kong Ltd.	Hong Kong (China)	CNY	100%	100%	F	F
Shenzen Richmond & Finch Shenzen Ltd.	Shenzen City (China)	CNY	100%	100%	F	F
Sowntone Limited	Essex (England)	GBP	100%	100%	F	F
Mobile Accessory Club Ltd.	Essex (England)	GBP	100%	100%	F	F
more… International Ltd.	St. Albans (England)	GBP	100%	100%	F	F
more… accesorios Espana S.L.	Madrid (Spain)	EUR	100%	100%	F	F
S/X Innovations	Hong Kong (China)	CNY	100%	100%	F	F
Strax Health ehf	Reykjavik (Iceland)	ISK	100%	100%	F	F
Telecom Lifestyle Fashion B.V.	Tilburg (Netherlands)	EUR	100%	100%	F	F
TLF Shenzhen Ltd.	Shenzen City (China)	CNY	100%	100%	F	F
TLF Hong Kong Ltd.	Hong Kong (China)	CNY	100%	100%	F	F

F = Full consolidation

STRAX AB, 556539-7709 is the parent company for the entire group. STRAX AB is listed on the Nasdaq Stockholm stock exchange.

Audit Exemption for subsidiary in the United Kingdom

Strax AB has provided a guarantee to its subsidiary Strax UK Ltd., incorporated in England, under the registration number 03827953, in order to claim exemption from audit, with respect to fiscal year 2020, under Section 479A of the UK companies Act 2006.

Audit and Publication Exemption for subsidiary in Germany

Strax AB has provided a guarantee to its subsidiary Strax GmbH HRB 5421 and Strax Holding GmbH HRB 10855 in order to claim exemption from audit and publication with repsect to § 264 Absatz 3 Handelsgesetzbuch.

5.9 Date of release for publication

The annual accounts and the consolidated financial statements were approved for release by the Board of Directors on April 28, 2023. The consolidated income statement and balance sheet, and the income statement and balance sheet of the parent company, will be presented for adoption by the Annual General Meeting on May 25, 2023.

THE PARENT COMPANY

Income statements, KEUR	NOTE	2022	2021
Net sales		943	1 147
Gross profit		**943**	**1 147**
Administrative expenses	2	-1 092	-1 224
Operating profit		**- 149**	**- 77**
Net financial items	3	149	77
Result after financial items		**-**	**-**
Current taxes		-	-
Profit or loss for the period		**-**	**-**

Statement of comprehensive income, KEUR		
Result for the period	-	-
Other comprehensive income	-	-
Total comprehensive income for the period	**-**	**-**

THE PARENT COMPANY

Balance sheets KEUR	NOTE	12 31 2022	12 31 2021
Assets			
NON-CURRENT ASSETS			
Equipment	4	129	130
Shares and participations in group companies	5	75 755	75 755
Total non-current assets		**75 884**	**75 885**
CURRENT ASSETS			
Receivables:			
Other receivables		206	306
Prepaid expenses		450	267
Cash and bank balances	12	2 538	673
Total current assets		**3 194**	**1 246**
Total assets		**79 078**	**77 131**
Equity and liabilities			
EQUITY			
Restricted equity:			
Share capital		12 624	12 624
Statutory reserve		785	785
		13 409	**13 409**
Non-restricted equity:			
Accumulated profit/loss		49 667	49 667
Profit/loss for the year		-	-
		49 667	**49 667**
Total equity	6	**63 076**	**63 076**
LIABILITIES			
Current liabilities:			
Liabilities against credit institutions	7	509	555
Accounts payable		353	436
Liabilities to group companies	8	14 805	12 599
Other liabilities		27	37
Accrued expenses and prepaid income	9	308	428
Total liabilities		**16 002**	**14 055**
Total equity and liabilities		**79 078**	**77 131**


urbanista

THE PARENT COMPANY

Statement of changes in equity, KEUR	Share capital	Restricted reserves	Retained earnings incl profit/loss for the year	Total equity
Opening balance January 1, 2021	**12 624**	**785**	**49 667**	**63 076**
Profit or loss for the period			-	-
Balance as of December 31, 2021	**12 624**	**785**	**49 667**	**63 076**
Profit or loss for the period			-	-
Balance as of December 31, 2022	**12 624**	**785**	**49 667**	**63 076**

Further information regarding the group's equity is available in Note 4.10, the group.

THE PARENT COMPANY

Statement of cash flow, KEUR	NOTE	2022	2021
OPERATING ACTIVITIES			
Profit/loss for the year before tax		-	-
Adjustments for income items from operations not included in cash flow and do not affect the cash flow	12	2	6
Funds provided from operations prior to changes in working capital		**2**	**6**
Details of changes in working capital			
Increase (-)/decrease (+) non-current assets		-	-
Increase (-)/decrease (+) current assets		-83	-78
Increase (+)/decrease (-) current liabilities		1 993	-3 229
Cash flow from operating activities		**1 912**	**-3 301**
INVESTMENT ACTIVITIES			
Investments in subsidiaries		-	-61
Investments in tangible assets		-1	-4
Cash flow from investment activities		**-1**	**-65**
FINANCING ACTIVITIES			
Change in liabilities against credit institutions		-22	92
Paid interest		-24	-27
Cash flow from financing activities		**-46**	**63**
Cash flow for the year		**1 865**	**-3 303**
Cash and cash equivalents at the beginning of the period		**673**	**3 976**
Cash and cash equivalents at the end of the period	12	**2 538**	**673**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1.ACCOUNTING PRINCIPLES

The parent company's accounting principles

The Parent Company has prepared its Annual Report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Financial Reporting Board's statements for listed companies were also applied. RFR 2 entails that the Parent Company applies all IFRSs adopted by the EU and statements to the Annual Report of the legal entity as far as possible under the framework of the Annual Accounts Act and the Swedish Pension Obligations Vesting Act and with respect to the connection between accounting and taxation. The recommendation states the exceptions and additions to IFRS that are to be made. Overall, the recommendation entails differences between the Group's and the Parent Company's accounting policies in the areas stated below. The accounting policies for the Parent Company described below were applied consistently to all periods presented in the Parent Company's financial statements.

- **Changed accounting policies**
  Changes to accounting policies applied from 2022 did not have any effect on the Parent Company's financial statements. All leases are treated as operational lease.

- **Classification and presentation form**
  An income statement and statement of comprehensive income are presented for the Parent Company and the Group. The Parent Company's income statement and balance sheet are presented following the format stipulated in the Annual Accounts Act, while the statement of comprehensive income, the statement of changes in shareholders' equity and cash-flow statement are based on IAS 1 presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences in the Parent Company's income statement and the balance sheet compared with the presentation of the consolidated financial statements primarily pertain to the recognition of financial income and expenses, fixed assets, shareholders' equity and the existence of provisions as a separate heading in the balance sheet.

- **Shares and participations**
  In the Parent Company, shares and participations in subsidiaries and associated companies are recognized at acquisition cost with the fair value of the earlier holding in Strax at the time of acquisition constituting fair value in the part to which it relates. Contingent consideration is measured based on the probability of the consideration being paid. Any changes to the provisions/receivable are added to/deducted from the cost. In the consolidated financial statements, contingent considerations are measured at fair value with changes in value recognized in profit or loss.

  Bargain purchases corresponding to future losses and costs are reversed during the expected periods in which the losses and costs arise. Bargain purchases arising for other reasons are recognized as a provision to the extent that the purchase does not exceed the fair value of the acquired, identifiable non-monetary assets. The portion that exceeds this fair value is recognized in profit or loss immediately. The portion that does not exceed the fair value of acquired, identifiable non-monetary assets is recognized in profit or loss systematically over a period calculated as the remaining weighted average useful life of the acquired identifiable assets that are depreciable. In the consolidated financial statements, bargain purchases are recognized directly in profit or loss.

The Annual Report and the consolidated financial statements were approved for issue by the Board of Directors and the Managing Director on May xx 2023.

2. ADMINISTRATIVE EXPENSES

KEUR	2022	2021
Administrative expenses	279	439
Personnel expenses	656	553
Depreciation and amortization	2	2
Other external expenses	155	230
Total administrative expenses	**1 092**	**1 224**

The total depreciation relates to administration.

3. FINANCIAL RESULT

Financial income, KEUR	2022	2021
Interest income	149	77
Total financial income	**149**	**77**

4. EQUIPMENT

KEUR	2022	2021
Accumulated acquisition value:		
At the beginning of the year	167	176
Acquisitions	1	4
At the end of the year	**168**	**180**
Accumulated acquisition value:		
At the beginning of the year	-37	-44
Acquisitions	-2	-6
At the end of the year	**-39**	**-50**
Carrying value at the end of the year	**129**	**130**

5. SHARES AND PARTICIPATIONS

KEUR	2022	2021
Carrying value at the end of the year	75 755	75 755

Specification of shares and participations held in group companies:

Name	Corporate Identity No.	Reg. Office	Ownership [1]	Value
Xarts AB	559153-0067	Stockholm	100%	61
Novestra Financial Services AB	556680-2798	Stockholm	100%	10
STRAX Holding GmbH	HRB 10856	Troisdorf	100%	75 684
Carrying value at the end of the year				**75 755**

(1) Share of capital and votes

The Lender has obtained security over all principal assets of Strax AB and its group entities, including but not limited to trade receivables, inventories, insurance claims and share pledges over the shares in the group entities, unless those specifically excluded as permitted security.

6. EQUITY

Equity in the parent company consists of restricted equity and non-restricted equity. Restricted equity may not be reduced through dividends to the shareholders.

Restricted equity

STRAX restricted equity consists of share capital and statutory reserve. The statutory reserve may be used to cover incurred losses, after decision taken by a general meeting with the shareholders.

Non-restricted equity

STRAX non-restricted equity consists of the net profit/loss for the year and previous years' accumulated profit/loss, reduced by any statutory reserve provision and after any dividends have been paid out. All income and costs accounted for during a period are included in the net profit/loss, unless recommendation from the Swedish Accounting Standards Council, or within IFRS, require or allows them to be accounted for directly against the equity. The non-restricted equity that is accounted for at the end of each year is available for dividends to the shareholders.

Dividend

The Board of Directors proposes that no dividend be made for the financial year 2022.

Authorization for the Board of Directors to resolve upon new share issues

The Annual General Meeting held on May 26, 2020 resolved, in accordance with the Board of Directors' proposal, to adopt a warrant program and to issue warrants. The warrant program comprises in total a maximum of approximately 26 individuals and not more than 4,095,000 warrants may be issued within the framework of the program. Each warrant entitles the holder to subscribe for one share in STRAX during the period 1 July 2023 up to and including 30 September 2023 at a subscription price corresponding to 130 per cent of the volume- weighted average price of the Strax share on Nasdaq Stockholm during the period 10 trading days calculated from and including the day after the Annual General Meeting 2022. If all the 4,095,000 warrants are exercised, the warrant program entails a full dilution corresponding to approximately 3.3 per cent of the shares and votes in STRAX.

Authorization for the Board of Directors to resolve upon new shares, warrants and/or convertible bonds

The AGM held on May 25 2022 resolved in accordance with the Board of Directors' proposal to authorize the Board of Directors to, during the period until the next Annual Shareholders' Meeting, on one or more occasions, resolve upon issuances of new shares, warrants and/or convertible bonds.

Authorization for the Board of Directors to resolve on the acquisition and sale of own shares

The AGM held on May 25 2022 resolved in accordance with the Board of Directors' proposal, to authorize the Board of Directors to resolve on the acquisition and sale of the Company's own shares.

Capital management

For information regarding capital management, we refer to Note 5.3, the Group.

Proposed distribution of earnings in the parent company (KEUR)

At the disposal of the Annual General Meeting is:

Retained Earnings	49 667
Profit or loss for the year 2022	-
Total	**49 667**

7. LIABILITIES AGAINST CREDIT INSTITUTIONS

KEUR	2022	2021
Raised loans - credit institutions	509	555
Total	**509**	**555**

Liabilities to credit institutions are in the form of a SEK bank overdraft, which normally expires and is renewed annually. The interest is due and paid at the end of every quarter. Other liabilities 27 (37) comprise of operating liabilities which normally are due for payment within 10-90 days.

8. LIABILITIES TO GROUP COMPANIES

KEUR	2022	2021
Novestra Financial Services	81	81
Strax Holding GmbH	14 724	12 518
Total	**14 805**	**12 599**

9. ACCRUED EXPENSES AND PREPAID INCOME

KEUR	2022	2021
Other personnel costs	159	304
Costs for annual report, audit and AGM	145	120
Other accrued expenses	4	4
Total	**308**	**428**

10. EMPLOYEES

Average number of employees and gender distribution
The average number of employees during the year amounted to three (two) of which one (one) was a man.

Gender distribution in the Board of Directors and management:
The Board of Directors, CEO and excecutive management consisted of six (six) men and one woman (one).

Remuneration to Board and executive management during	Salary/ Board fees		Social security costs		Pension expenses		Total	
the year, KEUR	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Chairman of the Board, Bertil Villard	22	22	2	2	-	-	24	24
Board member, Anders Lönnqvist	15	15	5	5	-	-	20	20
Board member, Pia Anderberg	15	15	5	5	-	-	20	20
CEO, Gudmundur Palmason	341	274	22	49	-	-	363	323
Board member, executive director Ingvi T. Tomasson	269	336	9	8	-	-	278	344
Other executive management, 1 individual	275	230	93	48	51	50	419	328
Total	**937**	**892**	**136**	**117**	**51**	**50**	**1 124**	**1 059**

All salaries and other remunerations relate to personnel in Sweden.
Information regarding individual remunerations for the Board of Directors and the management is available in Note 3.10, Board, CEO and executive management.

11. REMUNERATION TO AUDITORS

KEUR	2022	2021
Audit Mazars Sweden AB	200	-
Audit PricewaterhouseCoopers AB	-	164
Total remuneration to auditors	**200**	**164**

Audit assignment is defined as the audit of the annual financial statements, the administration of the Board of Directors and the CEO, and other tasks, which rest upon the auditor as well as consulting and other assistance, which has been initiated by the findings in performing the audit work or implementation of such tasks.

All remuneration paid in 2022 was to Mazars Sweden AB.

12. SPECIFICATION TO THE CASH FLOW STATEMENT

KEUR	2022	2021
Adjustment for income items from operations not included in cash flow and do not affect the cash flow:		
Depreciation and amortization	2	6
Total	**2**	**6**

Cash and cash equivalents, KEUR	2022	2021
The following components are included in cash and cash equivalents:		
Cash and bank balances	2 538	673
Total	**2 538**	**673**

Paid interest and dividends received, KEUR	2022	2021
Interest paid	**24**	**27**

13. RELATED PARTIES DISCLOSURE

The following additional information about related parties is being provided in addition to what has been described in the annual report.

Companies with common Board members
Apart from specified related parties there are a number of companies in which STRAX and the respective company have common Board members. Information has not been provided in this note because these situations are either not considered to involve influence of the type described in IAS 24, or the transactions refer to immaterial amounts.

Related party transactions
There were no related party transactions during 2022.

14. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

STRAX has for the past six quarters received waivers concerning breach of certain conditions in the loan agreement with its lenders. The communication and relationship with P Capital (PCP) as main lender has been constructive throughout this period.
As communicated in the Q4 report for 2022 published February 23, 2023, STRAX has worked out a tactical plan involving divesting certain assets to strengthen the liquidity and balance sheet. As a part of that, PCP has also agreed to restate the covenants for Q1, Q2 and Q3 of 2023 to adjust for the current situation. STRAX thereby returns to being in compliance with the loan agreement. STRAX is now executing the plan and expects to considerably lower the debt level of the Group during 2023 and in particular repay significant parts of the outstanding amounts under the loan agreement

STRAX subsidiary Urbanista, received two awards at CES 2023 in Las Vegas, the most influential tech event in the world. Urbanista Phoenix – the world's first true wireless, noise cancelling earphones powered by light – was awarded best of CES by technology magazines TWICE and MakeUseOf (MUO).

No other significant events have occurred after the end of the financial year 2022 up to the date of this annual report.

The Board of Directors and the Managing Director hereby verify that the consolidated accounts and annual accounts have been prepared in accordance with the international accounting standards in Regulation (EC) No. 1606/2002 of the European Parliament and of the European Council of July 19, 2002 on the application of international accounting standards and generally accepted auditing standards in Sweden and give a true and fair view of the group's and parent company's financial position and results of operations. The Board of Directors' Report for the group and the parent company gives a true and fair view of the group's and the parent company's operations, position and results, and describes significant risks and uncertainty factors that the parent company and group companies face.

The annual accounts and the consolidated financial statements were approved for release by the Board of Directors on April 28, 2023. The consolidated income statement and balance sheet, and the income statement and balance sheet of the parent company, will be presented for adoption by the Annual General Meeting on May 25, 2023.

Stockholm April 28, 2023

Bertil Villard
Chairman

Gudmundur Palmason
Board member &
Managing Director

Ingvi T. Tomasson
Board member

Pia Anderberg
Board member

Anders Lönnqvist
Board member

Our audit report was submitted on April 28, 2023

Mazars AB

Samuel Bjälkemo
Authorized Public Accountant

Andreas Brodström
Authorized Public Accountant

The information in this annual report is such that STRAX AB is required to disclose according to Sweden's Securities Market Act. STRAX AB released the year-end report, including the interim report for the fourth quarter to the media for publication on February 23, 2023 at 8.55 am through a press release and also on the website www.strax.com. The Annual Report was released on STRAX website on April 28, 2023 at 5.00 pm with a press release detailing such information at the same time.

This annual report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish and the translation, the former shall have precedence.

AUDITOR'S REPORT

Rapport om årsredovisningen och koncernredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen och koncernredovisningen för STRAX AB (publ), org.nr 556539-7709 för år 2022. Bolagets årsredovisning och koncernredovisningen ingår på sidorna 66-127 i detta dokument.

Enligt vår uppfattning har årsredovisningen och koncern¬redo-visningen upprättats i enlighet med årsredovisnings¬lagen och ger en i alla väsentliga avseenden rättvisande bild av moderbolagets finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Koncernredovisningen har upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av koncernens finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt International Financial Reporting Standards (IFRS), såsom de antagits av EU, och årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens och koncernredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultat-räkningen och balansräkningen för moderbolaget och koncernen.

Våra uttalanden i denna rapport om årsredovisningen och koncernredovisningen är förenliga med innehållet i den kompletterande rapport som har överlämnats till moderbolagets revisionsutskott i enlighet med revisorsförordningens (537/2014/EU) artikel 11.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav. Detta innefattar att, baserat på vår bästa kunskap och övertygelse, inga förbjudna tjänster som avses i Revisorsförordningens (537/2014/EU) artikel 5.1 har tillhandahållits det granskade bolaget eller, i förekommande fall, dess moderföretag eller dess kontrollerade företag inom EU.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Väsentlig osäkerhetsfaktor avseende antagandet om fortsatt drift

Utan att det påverkar våra uttalanden ovan vill vi fästa uppmärksamhet på årsredovisningens beskrivning av finansiella risker och osäkerheter under förvaltningsberättelsen på sidorna 68-69. Där framgår det att en stor del av skulderna till kreditinstitut ska amorteras under 2023 och koncernledningen tagit fram en plan tillsammans med beslutade verksamheter/tillgångar under försäljning ska generera tillräckligt med likvida medel för att klara av amorteringarna. Det går inte att utesluta att försäljningsprocesserna drar ut på tiden eller inte genererar tillräckligt med kapital för att säkerställa amorteringsbeloppen. Det går inte heller att utesluta att de omarbetade lånevillkoren med kreditinstitutet under 2023 inte kommer att uppfyllas. Om koncernen inte uppfyller sina lånevillkor förfaller kreditfaciliteterna till betalning. Vid tidpunkten för vår revisionsberättelse avgivande har finansieringen för låneamorteringen inte säkerställts. Dessa förhållande tyder på att det finns en väsentlig osäkerhetsfaktor som kan leda till betydande tvivel om koncernens förmåga att fortsätta verksamheten. Vi har inte modifierat vårt uttalande på grund av detta.

Särskilt betydelsefulla områden

Särskilt betydelsefulla områden för revisionen är de områden som enligt vår professionella bedömning var de mest betydelsefulla för revisionen av årsredovisningen och koncernredovisningen för den aktuella perioden. Dessa områden behandlas inom ramen för revisionen av, och i vårt ställningstagande till, årsredovisningen och koncernredovisningen som helhet, men vi gör inga separata uttalanden om dessa områden. Utöver det förhållande som beskrivs i avsnittet Väsentlig osäkerhetsfaktor avseende antagandet om fortsatt drift har vi fastställt att de förhållanden vi beskriver nedan är de särskilt betydelsefulla områden som ska kommuniceras i denna rapport.

Värdering av goodwill respektive aktier i dotterbolag

Se not 1 väsentliga redovisningsprinciper, not 4.1 för koncernen och not 5 för moderbolaget i årsredovisningen och koncernredovisningen för detaljerade upplysningar och beskrivningar av området.

Beskrivning av området
Koncernen redovisar per den 31 december 2022 goodwill om MEUR 22,8, vilket utgör 23% av balansomslutningen. Moderbolaget redovisar per den 31 december 2022 aktier i dotterbolag om MEUR 75,7. Goodwill ska årligen bli föremål för en nedskrivningsprövning vilken innehåller både komplexitet och betydande inslag av bedömningar från koncernledningen. Aktier i dotterbolag ska nedskrivningsprövas om det finns indikationer på nedskrivningsbehov.

Prövning ska enligt gällande regelverk genomföras enligt en viss teknik där ledningen gör framtidsbedömningar om verksamhetens både interna och externa förutsättningar samt planer. Exempel på sådana bedömningar är framtida in- och utbetalningar, vilka bland annat kräver antaganden om framtida marknadsförutsättningar och därmed indirekt om hur konkurrenter kan förväntas agera. Ett annat viktigt antagande är vilken diskonteringsränta som ska användas för att beakta att framtida bedömda inbetalningar är förenade med risk och därmed är värda mindre än likvida medel som är direkt tillgängliga för koncernen.

Hur området har beaktats i revisionen
Vi har tagit del av bolagets nedskrivningsprövningar för att bedöma huruvida de är genomförda i enlighet med den teknik som föreskrivs. Vidare har vi bedömt rimligheten i de framtida in- och utbetalningarna samt den antagna diskonteringsräntan. Vi har intervjuat ledningen och tagit del av och utvärderat ledningens budgetar.

Vi har konsulterat egen värderingsspecialist för att på så sätt säkerställa erfarenhet och kompetens inom området, främst vad gäller antaganden med kopplingen till externa marknaden och konkurrenter samt antagande om den använda diskonteringsräntan. En viktig del i vårt arbete har varit att utvärdera hur förändringar i antaganden kan påverka värderingen, en känslighetsanalys.

Vi har också kontrollerat fullständigheten i upplysningarna i årsredovisningen och bedömt om de överensstämmer med de antaganden som bolaget har tillämpat i sin nedskrivningsprövning och om informationen är tillräckligt omfattande för att förstå företagsledningens bedömningar.

Annan information än årsredovisningen och koncernredovisningen

Detta dokument innehåller även annan information än årsredovisningen och koncernredovisningen och återfinns på sidorna 1-65 och 134-138. Det är styrelsen och verkställande direktören som har ansvaret för den andra informationen.

Vårt uttalande avseende årsredovisningen och koncernredovisningen omfattar inte denna information och vi gör inget uttalande med bestyrkande avseende denna andra information. I samband med vår revision av årsredovisningen och koncernredovisningen är det vårt ansvar att läsa den information som identifierats ovan och överväga om informationen i väsentlig utsträckning är oförenlig med årsredovisningen och koncernredovisningen. Vid denna genomgång beaktar vi även den kunskap vi i övrigt inhämtat under revisionen samt bedömer om informationen i övrigt verkar innehålla väsentliga felaktigheter. Om vi, baserat på det arbete som har utförts avseende denna information, drar slutsatsen att den andra informationen innehåller en väsentlig felaktighet, är vi skyldiga att rapportera detta. Vi har inget att rapportera avseende detta.

Övriga upplysningar

Revision av årsredovisningen och koncernredovisningen för räkenskapsåret 2021 har utförts av en annan revisor vars uppdrag upphörde i förtid och som lämnat en revisionsberättelse daterad 4 maj 2022 med omodifierade uttalanden i Rapport om årsredovisningen och koncernredovisningen.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen och koncernredovisningen upprättas och att de ger en rättvisande bild enligt årsredovisningslagen och, vad gäller koncernredovisningen, enligt IFRS, såsom de antagits av EU. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning och koncernredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på misstag.

Vid upprättandet av årsredovisningen och koncernredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets och koncernens förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Styrelsens revisionsutskott ska, utan att det påverkar styrelsens ansvar och uppgifter i övrigt, bland annat övervaka bolagets finansiella rapportering.

Revisorns ansvar
Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen och koncernredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen och koncernredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen och koncernredovisningen, vare sig dessa beror på oegentligheter eller på misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.

- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.

- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen och koncernredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets och koncernens förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen och koncernredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen och koncernredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag och en koncern inte längre kan fortsätta verksamheten.

- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen och koncernredovisningen, däribland upplysningarna, och om årsredovisningen och koncernredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

- inhämtar vi tillräckliga och ändamålsenliga revisionsbevis avseende den finansiella informationen för enheterna eller affärsaktiviteterna inom koncernen för att göra ett uttalande avseende koncernredovisningen. Vi ansvarar för styrning, övervakning och utförande av koncernrevisionen. Vi är ensamt ansvarig för våra uttalanden.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Vi måste också förse styrelsen med ett uttalande om att vi har följt relevanta yrkesetiska krav avseende oberoendet, och ta upp alla relationer och andra förhållanden som rimligen kan påverka vårt oberoende, samt i tillämpliga fall åtgärder som har vidtagits för att eliminera hoten eller motåtgärder som har vidtagits.

Av de områden som kommuniceras med styrelsen fastställer vi vilka av dessa områden som varit de mest betydelsefulla för revisionen av årsredovisningen och koncernredovisningen, inklusive de viktigaste bedömda riskerna för väsentliga felaktigheter, och som därför utgör de för revisionen särskilt betydelsefulla områdena. Vi beskriver dessa områden i revisionsberättelsen såvida inte lagar eller andra författningar förhindrar upplysning om frågan.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen och koncernredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för STRAX AB (publ) för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust. Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets och koncernens verksamhetsart, omfattning och risker ställer på storleken av moderbolagets och koncernens egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets och koncernens ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medels¬förvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersätt ningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Revisorns uttalande av Esef-rapporten

Uttalande

Utöver vår revision av årsredovisningen och koncernredovisningen har vi även utfört en granskning av att styrelsen och verkställande direktören har upprättat årsredovisningen och koncernredovisningen i ett format som möjliggör enhetlig elektronisk rapportering (Esef-rapporten) enligt 16 kap. 4 a § lagen (2007:528) om värdepappersmarknaden för Strax AB (publ) för år 2022.

Vår granskning och vårt uttalande avser endast det lagstadgade kravet.

Enligt vår uppfattning har Esef-rapporten upprättats i ett format som i allt väsentligt möjliggör enhetlig elektronisk rapportering.

Grund för uttalandet

Vi har utfört granskningen enligt FARs rekommendation RevR 18 Revisorns granskning av Esef-rapporten. Vårt ansvar enligt denna rekommendation beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Strax AB (publ) enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de bevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att Esef-rapporten har upprättats i enlighet med 16 kap. 4 a § lagen (2007:528) om värdepappersmarknaden, och för att det finns en sådan intern kontroll som styrelsen och verkställande direktören bedömer nödvändig för att upprätta Esef-rapporten utan väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Revisorns ansvar

Vår uppgift är att uttala oss med rimlig säkerhet om Esef-rapporten i allt väsentligt är upprättad i ett format som uppfyller kraven i 16 kap. 4 a § lagen (2007:528) om värdepappersmarknaden, på grundval av vår granskning.

RevR 18 kräver att vi planerar och genomför våra granskningsåtgärder för att uppnå rimlig säkerhet att Esef-rapporten är upprättad i ett format som uppfyller dessa krav.

Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en granskning som utförs enligt RevR 18 och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentlig¬heter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i Esef-rapporten.

Revisionsföretaget tillämpar International Standard on Quality Management 1, som kräver att företaget utformar, implementerar och hanterar ett system för kvalitetsstyrning inklusive riktlinjer eller rutiner avseende efterlevnad av yrkesetiska krav, standarder för yrkesutövningen och tillämpliga krav i lagar och andra författningar.

Granskningen innefattar att genom olika åtgärder inhämta bevis om att Esef-rapporten har upprättats i ett format som möjliggör enhetlig elektronisk rapportering av årsredovisningen och koncernredovisning. Revisorn väljer vilka åtgärder som ska utföras, bland annat genom att bedöma riskerna för väsentliga felaktigheter i rapporteringen vare sig dessa beror på oegentligheter eller misstag. Vid denna riskbedömning beaktar revisorn de delar av den interna kontrollen som är relevanta för hur styrelsen och verkställande direktören tar fram underlaget i syfte att utforma granskningsåtgärder som är ändamålsenliga med hänsyn till omständigheterna, men inte i syfte att göra ett uttalande om effektiviteten i den interna kontrollen. Granskningen omfattar också en utvärdering av ändamålsenligheten och rimligheten i styrelsens och verkställande direktörens antaganden.

Granskningsåtgärderna omfattar huvudsakligen validering av att Esef-rapporten upprättats i ett giltigt XHTML-format och en avstämning av att Esef-rapporten överensstämmer med den granskade årsredovisningen och koncernredovisningen.

Vidare omfattar granskningen även en bedömning av huruvida koncernens resultat-, balans- och egetkapitalräkningar, kassaflödesanalys samt noter i Esef-rapporten har märkts med iXBRL i enlighet med vad som följer av Esef-förordningen.

Mazars AB, Box 1317, 111 83 Stockholm utsågs till STRAX AB (publ)s revisor på extra bolagstämman 2022-12-16, och har varit bolagets revisorer sedan dess. På samma extra bolagsstämma utsågs Samuel Bjälkemo till huvudansvarig revisor och Andreas Brodström personvaldes.

Stockholm, 2023-04-28
Mazars AB

Samuel Bjälkemo
Auktoriserad revisor

Andreas Brodström
Auktoriserad revisor

Följande handlingar fogas till revisionsberättelsen
- Kopia av tidigare revisors anmälan enligt 9 kap. 23§ aktiebolagslagen och underrättelse enligt 9 kap. 23 a§ aktiebolagslagen.

Bolagsverket
851 81 Sundsvall

Anmälan och redogörelse enligt aktiebolagslagen 9 kap 23 § for STRAX AB, org nr 556539-7709

Vårt uppdrag som revisor i bolaget har upphört i förtid genom beslut om extra bolagsstämma den 16 december 2022.

För räkenskapsåret 2022-01-01- 2022-12-31 har endast inledande revisionsplanering utförts. Några förhållanden som föranleder anmärkning i denna redogörelse har inte kommit till min kännedom. Någon granskning av räkenskapsåret 2022-01-01- 2022-12-31 har inte utförts.

Avgaende revisor; PricewaterhouseCoopers AB, org nr 556067-4276
Huvudansvarig revisor Niklas Renström 740625-0196

Kopia av denna anmälan och redogörelse är sänd till bolagets styrelse.

Stockholm den 17 april 2023

PricewaterhouseCoopers AB
Niklas Renström

DEFINITIONS

For detailed calculations of the key ratios we refer to the Q4 Year-end report 2022.

IN THIS REPORT, “STRAX” OR “THE COMPANY” PERTAINS TO STRAX AB PUBL AND/OR THE GROUP DEPENDING ON THE CONTEXT. OTHER DEFINITIONS: AVO+™ ("AVO+"), URBANISTA™ (“URBANISTA”), CLCKR™ ("CLCKR"), RICHMONDFINCH™ ("RICHMONDFINCH"), PLANET BUDDIES™ ("PLANET BUDDIES") DÓTTIR™ ("DÓTTIR") GRELL™ ("GRELL").

SHAREHOLDER INFORMATION

The shareholders of Strax AB (publ), Reg. No. 556539-7709, with its registered office in Stockholm, Sweden, are hereby summoned to the annual general meeting to be held on Thursday 25 May 2023 at 11:00 a.m. (CEST) at the offices of Advokatfirman Vinge, Smålandsgatan 20, Stockholm, Sweden.

Preconditions for participation in the Meeting
Shareholders who wish to participate in the Meeting must

firstly be included in the shareholders' register prepared by Euroclear Sweden AB relating to the circumstances on Tuesday 16 May 2023,

secondly notify the company of their participation in the Meeting no later than on Friday 19 May 2023.

Notification to attend the Meeting
Notification to attend the Meeting can be made in writing to Strax AB, Mäster Samuelsgatan 10, SE-111 44, Stockholm, Sweden, by e-mail (ir@strax.com). Shareholders should, when notifying attendance, provide their name, personal identification or corporate registration number, address, telephone number, shareholdings and, where applicable, details of the attendance of any representative(s) and/or assistant(s). In addition, the notification shall, if applicable, be supplemented with complete authorisation documentation such as certificate of incorporation and powers of attorney for representatives.

Nominee registered shares
To be entitled to participate in the Meeting, a shareholder whose shares are held in the name of a nominee must, in addition to providing notification of participation, register its shares in its own name so that the shareholder is recorded in the share register relating to the circumstances on 16 May 2023. Such registration may be temporary (so-called voting right registration) and is requested from the nominee in accordance with the nominee's procedures and in such time in advance as the nominee determines. Voting right registrations completed by the nominee not later than 19 May 2023 are taken into account when preparing the share register.

Proxies, etc.
Shareholders who are represented by a proxy must authorise the proxy by issuing a dated power of attorney. If such authorisation is issued by a legal entity, an attested copy of a certificate of registration or similar must be attached. The power of attorney is valid one year from issuance, or such longer period as specified in the power of attorney, but maximum five years from issuance. The original authorisation and certificate of registration, where applicable, should be sent to Strax AB, Mäster Samuelsgatan 10, SE-111 44, Stockholm, Sweden, well in advance of the Meeting. A proxy form is available on the company's website (www.strax.com).

Right to request information
The shareholders are reminded of their right to request information pursuant to Chapter 7, Section 32, of the Swedish Companies Act.

Proposed agenda
1. Opening of the Meeting and appointment of chairman for the Meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of one or two persons who shall approve the minutes

5. Determination of whether the Meeting has been duly convened
6. Presentation of the annual report and the auditors' report as well as the consolidated financial statements and the auditors' report for the group for the financial year 2022
7. Decision regarding the adoption of the income statement and the balance sheet, as well as the consolidated income statement and the consolidated balance sheet
8. Decision regarding appropriation of the company's earnings in accordance with the approved balance sheet
9. Decision regarding discharge from liability of the members of the Board of Directors and the CEO
10. Decision on
    a. the number of Directors and deputy Directors, and
    b. the number of auditors
11. Decision on the remuneration that shall be paid to:
    a. the Board of Directors, and
    b. the auditors
12. Election of the members of the Board of Directors, potential deputy members of the Board of Directors
13. Election of Chairman of the Board of Directors
14. Election of auditors
15. Presentation of the Board of Directors' remuneration report for approval
16. Proposal to authorize the Board of Directors to resolve upon issue of new shares, warrants and/or convertibles
17. Proposal to authorize the Board of Directors to resolve to repurchase and transfer own shares
18. Closing of the Meeting

Resolution proposals

Election of a chairman at the Meeting (item 1)
The nomination committee proposes that the chairman of the board of directors Bertil Villard, or the person proposed by the nomination committee if he has an impediment to attend, is elected chairman of the Meeting.

Resolution on the allocation of the company's earnings (item 8)
The Board of Directors proposes that the company's results shall be carried forward.

Determination of the number of members of the board of directors (item 10a)
The nomination committee proposes that the number of members of the Board of Directors shall be five.

Determination of the number of auditors (item 10b)
The nomination committee proposes that the number of auditors shall be two (2) without deputy auditors.

Determination of fees for the members of the Board of Directors (item 11a)
The nomination committee proposes that the remuneration for the members of the Board of Directors shall remain unchanged from the previous year, meaning that each member of the Board of Directors who is considered to be independent in relation to major shareholders shall receive SEK 150,000, and the chairman of the Board of Directors shall receive SEK 225,000. According to the Nomination Committee's proposal, Bertil Villard, Anders Lönnqvist and Pia Anderberg shall be entitled to receive remuneration, whereby the Directors' total remuneration will amount to SEK 525,000.

Determination of fees for the auditors (item 11b)
The nomination committee proposes that the auditors' fee shall be paid as per current account as approved by the company.

Election of the members of the Board of Directors, potential deputy members of the Board of Directors (item 12)
The nomination committee proposes the re-election of Bertil Villard, Anders Lönnqvist, Gudmundur Palmason, Pia Anderberg and Ingvi Tyr Tomasson as members of the Board of Directors for the period until the end of next Annual General Meeting. Information on the members of the Board of Directors proposed for re-election is available at strax.com.

Election of Chairman of the Board of Directors (item 13)
The nomination committee proposes that Bertil Villard is re-elected as Chairman of the Board of Directors.

Election of auditor (item 14)
The nomination committee proposes re-election of Mazars AB, with authorised public accountant Samuel Bjälkemo as auditor in charge, and the authorised public accountant Andreas Brodström, also at Mazars AB, as auditors for the period until the end of the next Annual General Meeting. The proposition is in accordance with the Board's recommendation.

Proposal to authorize the Board of Directors to resolve upon issue of new shares, warrants and/or convertibles (item 16)
The Board of Directors proposes that the Meeting resolves to authorize the Board of Directors to up until the next Annual General Meeting, on one or several occasions and with or without preferential rights for the shareholders, against cash payment or against payment through set-off or in kind, or otherwise on special conditions, resolve to issue new shares, warrants and/or convertibles. However, such issue of shares must never result in the company's issued share capital or the number of shares in the company at any time, being increased by more than a total of 10 per cent.

The reason for the proposal and the possibility to deviate from shareholders' preferential rights in the proposal is, among other things, to facilitate for the company to carry out acquisitions with payment in shares or to otherwise procure the financing of the company in an active and appropriate manner.

The CEO shall be authorized to make such minor amendments to the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office.

A resolution in accordance with the Board of Directors' proposal shall only be valid where supported by not less than two-thirds of both the votes cast and the shares represented at the Meeting.

Proposal to authorize the Board of Directors to resolve to repurchase and transfer own shares (item 17)
The Board of Directors proposes that the Meeting resolves to authorize the Board of Directors to resolve on the repurchase and transfer of the company's own shares, where the following shall apply;

1. Acquisition and sale of own shares shall exclusively take place on Nasdaq Stockholm.
2. The authorization may be utilized on one or several occasions until the Annual General Meeting 2024.
3. Shares may be repurchased to the extent that the company's holding of its own shares, on any occasion, does not exceed ten (10) per cent of the company's total shares. Transfer may be carried out of not more than the number of shares repurchased under this authorization.
4. Repurchase and transfer of shares may only take place at a price within the price interval, on any occasion, recorded on Nasdaq Stockholm, which refers to the interval between the highest buying price and the lowest selling price.

The purpose of the proposed authorization is to provide flexibility as regards the company's possibilities to distribute capital to its shareholders and to promote more efficient capital usage in the company, which altogether is deemed to have a positive impact on the company's share price and thereby contribute to an increased shareholder value.

A resolution in accordance with the Board of Directors' proposal shall only be valid where supported by not less than two-thirds of both the votes cast and the shares represented at the Meeting.

Documentation pursuant to Chapter 19 Section 22 of the Swedish Companies Act will be held available on the company's web page.

Number of shares and votes
At the date of this notice there are in aggregate 120 592 332 issued shares and votes in the company. The company holds no own shares as of the date of this notice.

Processing of personal data
More information regarding the processing of your personal data is available in Euroclear's privacy notice that is available at Euroclear's website, https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf.

Majority requirements
Resolutions in accordance with items 16 and 17 above shall only be valid where supported by not less than two-thirds (2/3) of both the votes cast and the shares represented at the Meeting.

Complete proposals etc.
The annual report together with the auditor's report and the remuneration report for the financial year 2022 and other documents will be presented by being held available at the company's office on Mäster Samuelsgatan 10, SE-111 44 Stockholm and on the company's website, www.strax.com, at least three weeks before the Meeting. The nomination committee's motivated statement will be available on the address and website stated above at least four weeks before the Meeting. Copies of the documents will be sent to the shareholders who so requests and informs the company of their postal address.

Stockholm, April 2023
Strax AB (publ)
The Board of Directors
Tel: +46 (0)8-545 01750
ir@strax.com

FINANCIAL CALENDARIUM 2023

May 25, 2023
Interim report January 1 – March 31, 2023
Annual General Meeting
Bulleting from the Annual General Meeting

August 23, 2023
Interim report January 1 – June 30, 2023

November 29, 2023
Interim report January 1 – September 30, 2023

STRAX AB (PUBL)

Mäster Samuelsgatan 10
111 44 Stockholm
Sweden

Corp.Id No: 556539-7709
Tel: +46 (0) 8-545 01 750
Email: ir@strax.com
www.strax.com

STRAX AB (PUBL)
MÄSTER SAMUELSGATAN 10
111 44 STOCKHOLM
SWEDEN

CORP.ID NO: 556539-7709
TEL: +46 (0) 8-545 01 750
EMAIL: IR@STRAX.COM
WWW.STRAX.COM

STRAX