



Q1
2022

STRAX

STRAX delivered sales of MEUR 39.9 and MEUR 1.5 in EBITDA in Q1 2022

- The Group's sales for the period January 1 – March 31, 2022, amounted to MEUR 39.9 (28.1) with a gross margin of 17.7 (18.5) percent.
- The Group's result for the period January 1 – March 31, 2022, amounted to MEUR -0.7 (-1.4) corresponding to EUR -0.01 (-0.01) per share.
- EBITDA for the period January 1 – March 31, 2022, amounted to MEUR 1.5 (0.3).
- Equity as of March 31, 2022, amounted to MEUR 13.3 (17.8) corresponding to EUR 0.11 (0.15) per share.
- Covid-19 continued to have negative impact on sales of own mobile accessories and personal audio products, whilst increasing sales of lower margin health products. This unfavourable brand and product mix coupled with various global supply chain disruptions has caused a drop in gross margin for 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 but initially 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.

Significant events after the end of the period

- 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.

"The first quarter of 2022 was relatively strong overall, albeit not without significant external challenges such as the ongoing Covid-19 pandemic and the military conflict in Ukraine. The current macro-economic climate will prolong full market recovery and increase uncertainty as to what a "new normal" will look like, although we are more certain than ever that it will be materially different."

Gudmundur Palmason, CEO

COMMENTS FROM THE CEO



The first quarter of 2022 was relatively strong overall, albeit not without significant external challenges such as the ongoing Covid-19 pandemic and the military conflict in Ukraine. The current macro-economic climate will prolong full market recovery and increase uncertainty as to what a “new normal” will look like, although we are more certain than ever that it will be materially different.

To mitigate the potential effects of any mid- to longer term industry changes we have taken several steps to protect the future viability of STRAX. These are largely intended to improve margins and reduce operating expenses in the short term, whilst also allowing us to increase our sales and marketing efforts of own brands in North America. We have furthermore decided to proceed with the operational split of our two business segments, European Distribution and House of Brands, and run those fully independent under the listed parent company but hold back on the spinoff and listing process of our European distribution business.

Q1 results

Sales in Q1 amounted to MEUR 39.9 (28.1), corresponding to an increase of MEUR 11.8 or 41.8% compared to last year, driven by MEUR 19.2 sales of Covid-19 antigen tests. EBITDA during the quarter increased to MEUR 1.5 (0.3), an increase of 332% YoY. Mobile accessories sales in Q1 were MEUR 16.3 (21.4) in representing a decrease of 24% YoY, whilst sales from Health & Wellness product category were MEUR 23.6 (6.7), equaling 59.2% of total sales for the period.

During the quarter Covid-19 impacted sales of own mobile accessories and personal audio products, whilst increasing sales of lower margin health products. This brand and product mix coupled with various global supply chain disruptions has caused a drop in gross margin for the period.

Covid-19 antigen tests

During the quarter we successfully delivered around 20 million antigen tests to 7,000 schools in the state of North Rhein-Westphalia, generating sales of MEUR 19.2. We have strengthened our partnership with the PPE specialist company in Germany and are looking forward to continuing the antigen test business as their trusted logistics and fulfilment partner. Our expectation is that this opportunity will remain for another 12-24 months, albeit at various volumes depending on infection rates and overall development of the pandemic.

Full separation of our European Distribution and House of Brands

I have previously communicated that our integrated business model of own consumer brands together with traditional distribution has been successful because of certain level of synergies whilst at the same time having its own set of challenges. The challenges have mainly been in relation to inherited conflicts of interest, while at the same time adding operational complexity. The complexity has led to inefficiencies and driven operating costs. It has also confused our stakeholders who can't fully grasp what type of company STRAX truly is and even how we create value.

We have now completed a risk vs. benefits evaluation of a full operational split of own brands and distribution. Our conclusion is that a split will resolve most group complexities and make each business more agile in adapting to their respective markets, thereby allowing them to independently address different growth opportunities more effectively.

A full split will provide investors with complete transparency of the performance of each business, enabling them to independently value the businesses, rather than as a consolidated group. We are also hopeful that the two business segments will develop more favorably on their own and create a better foundation for each part to reach their full potential.

As a final part of our evaluation phase, we have concluded that a spinoff and separate listing of the European Distribution is not a viable alternative now and have therefore pulled away from that strategic alternative with the intention to revisit at a later stage.

European distribution

The European distribution business has performed well in the past few years. This business unit has long standing relationships with a broad and diversified customer base, from telecom operators to consumer electronic stores and mass retailers, as well as B2B enterprises throughout Europe. STRAX is recognized as one of the leading European based specialist distributors of tech accessories and the business is well positioned to pursue growth through expanded assortment and the execution of a programmatic acquisition strategy, in due course.

House of Brands

Post full separation from the European distribution business, our House of Brands will become a highly focused business on developing own brands in tech accessories and personal audio products, both offline and online. We already own several strong brands in these product categories, each with a unique positioning in their respective consumer segments. On the personal audio side, we have Urbanista and the two recently launched digital native brands, Dóttir and grell, and in tech accessories we have Clckr, RichmondFinch and Planet Buddies.

The Health & Wellness business will initially remain within House of Brands as it provides a natural product diversification for STRAX and good incremental upside once the accessories market stabilizes post the challenging external conditions we are now faced with. Our expectation is that we'll experience solid traction in the product category into 2023, after which things could start to taper down.

TLF, our licensing business unit, has been heavily battered since the start of the pandemic in 2020 and we are currently assessing whether we're better off divesting the business or run alongside our own consumer brands. Running a licensing business differs from managing own brands, where you are not in full control, although it can provide product differentiation on the back of strong global brands, which has the potential to open retailer doors for our other brands.

The Journey Ahead

We are committed to future proof STRAX and we have already kicked off several initiatives to ensure we achieve that objective. This will entail a full overhaul and rationalization of our own brands, product portfolios and sales channels. All aimed at improving our gross margins and reduction of operating expenses. The full separation of our European Distribution and House of Brands will furthermore allow us to simplify our business and provide clarity for our stakeholders. Simultaneously this exposes some of our businesses that do not strategically fit into either part, such as Health & Wellness and/or the licensing business.

Time and again, I'm thankful for all the great people at STRAX. Their hard work, dedication, creativity, and resilience continue to drive the business forward. I remain very proud of every one of our people and look forward to our future successes.

WE INNOVATE, WE CREATE, WE INSPIRE, WE DELIVER

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. Our new Health & Wellness category offers branded Personal Protection products. 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.

Wholly owned brands include Urbanista, Clckr, RichmondFinch, Planet Buddies, xqisit, AVO+, Dóttir and grell, and licensed brands include adidas, Bugatti, Diesel, Superdry and WeSC. 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.



OWN BRANDS – MOBILE ACCESSORIES



INNOVATIVE PROTECTION, AUDIO, POWER & CHARGING SOLUTIONS

With an extensive product portfolio ranging from protection to audio and power, XQISIT brings mid-priced innovative, quality design and functionality to value-conscious consumers.



HIP AUDIO ACCESSORIES 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.



PREMIUM STRENGTH GLASS SCREEN PROTECTION DESIGNED FOR A SEAMLESS FIT

Responding to the growing market demand for tempered glass protection, THOR is a higher quality, premium product, priding itself on being meticulously designed to fit any phone perfectly.



A UNIVERSAL PHONE GRIP AND STAND

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



PREMIUM LIFESTYLE 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.



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.



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.



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.

LICENSED BRANDS



FOR ACTIVE USE IN THE GYM AND OUTDOORS

adidas Sports aims to set a new bar in the fast-growing market of tech accessories. The new collection of sports cases consists of a variety of flexible armbands, smart waist straps and highly protective anti-slip and anti-shock cases. The adidas Sports cases are carefully designed to protect smartphones during intense workouts or outdoor activities.



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, the adidas Originals smartphone cases combine contemporary youth culture design with resilient protection features.



DISTINGUISHED DEVICE 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.



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.

OWN BRANDS – 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.

The Board of Directors and the CEO of Strax AB hereby submit the interim report for the period January 1 – March 31, 2022

All amounts are provided in EUR thousands unless otherwise stated. Figures in parentheses refer to the corresponding period the previous financial year. Information provided refers to the group and the parent company unless otherwise stated.

Result and financial position January 1 – March 31, 2022

The Group's net sales for the period January 1 – March 31, 2022, amounted to 39 892 (28 129). Gross profit amounted to 7 056 (5 199) and gross margin amounted to 17.7 (18.5) percent. Operating profit amounted to 921 (-253).

Result for the period amounted to -683 (-1 404). The result included gross profit 7 056 (5 199) selling expenses -4 661 (-4 654), administrative expenses -2 034 (-1 042), other operating expenses -4 774 (-1 554), other operating income 5 333 (1 798), net financial items -1 531 (-671) and tax -73 (-480).

As of March 31, 2022, total assets amounted to 109 718 (96 310), of which equity totaled 13 329 (17 801), corresponding to equity/assets ratio of 12.1 (18.5) percent. Interest-bearing liabilities as of March 31, 2022, amounted to 49 312 (34 006). The group's cash and cash equivalents amounted to 3 020 (4 058).

As a result of the compressed margin and inventory write down during the second half of 2021, the group did not meet one of the financial covenants in the loan agreement with PCP as of December 31, 2021. After the end of the period a waiver for the breach was granted. 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 March 31, 2022.

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 but initially 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.

Seasonal and phone launch fluctuations

STRAX operations have defined fluctuations between seasons, whereby the strongest period is September-November. This means the greater part of the STRAX result is generated during the second half of the year provided the trends from the last five years continue. Timing and supply of hero smartphone launches, e.g. iPhone and Samsung Galaxy, also impacts STRAX results, with these being hard to predict and sometimes challenging to manage.

Investments

Investments during the period amounted to a total of -180 (-677), of which investments in intangible assets amounted to -60 (-189), property, plant and equipment amounted to -128 (-232) and investments in subsidiaries amounted to 9 (256).

The parent company's result for the period amounted to - (-). The result included gross profit of 305 (230), administrative expenses -295 (-303) and net financial items 10 (-73). As of March 31, 2022, total assets amounted to 78 876 (77 214) of which equity totaled 63 076 (63 076). Cash and cash equivalents amounted to 2 433 (911).

Significant events after the end of the period

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.

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. STRAX will furthermore invest in eCommerce sales channels, through indirect channels, direct brand websites and marketplaces to diversify its traditional retail customer base and secure growth. STRAX has enjoyed positive developments in sales in recent years, except for the heavily impacted Covid-19 pandemic year of 2020. 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 online sales to grow significantly, albeit from a relatively low base, with total eCommerce accounting for 30-50% 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, stemming from the Covid-19 pandemic, is expected to continue through 2022 but will not alter our mid-to longer-term plans in the product category. STRAX entered the health & wellness product category with promising results. To a large extent we utilize our existing resources, infrastructure, and distribution competence. Although still being in a relatively early stage of addressing existing customers and developing new customer relationships, we feel strongly about the potential and mid-term sustainability of the product category, given that changes in behavior, as a result of Covid-19, are most likely permanent. This applies to the usage of face masks, gloves, and various sanitizing products. The new health & wellness category furthermore provides diversification and can reduce our seasonality stemming from the mobile accessories industry.

Risks and uncertainties

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 includes establishing action plans to mitigate identified risks. The primary risks present in STRAX business activities are commercial risk, operative risk, financial risk 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 to run its operations, and is dependent on a functioning distribution chain, logistics and warehousing.

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. With the increase of cases related to the Omicron variant of the Covid-19 virus we expect these measures to remain in place throughout 2022.

Measures have been taken in all parts of the business to mitigate the impact of the coronavirus, including in the following areas:

- Adjustments to product purchasing plans
- Reduction of operating expenses through reduced working hours or direct salary reductions, and reductions of rent, marketing and travel expenditures
- Credit facilities are being expanded to strengthen liquidity
- Increased activities in online channels
- Distribution of medical products, such as face masks, gloves and hand sanitizers

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.

For further information on risks and risk management, reference is made to the 2021 annual report.

FINANCIAL CALENDAR:

[May 25, 2022](#)

Interim Report January – March 2022

[May 25, 2022](#)

Annual General Meeting

[August 25, 2022](#)

Interim Report January - June 2022

[November 24, 2022](#)

Interim Report January - September 2022

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The Board is registered in Stockholm,
Sweden.

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

The undersigned declare that the interim report provides a true and fair overview of the parent company's and the group's operations, financial position, performance, and result and describes material risks and uncertainties facing the parent company and other companies in the group.

Stockholm, May 25, 2022

Bertil Villard
Chairman

Anders Lönnqvist
Director

Gudmundur Palmason
Director/CEO

Ingvi T. Tomasson
Director

Pia Anderberg
Director

This report has not been subject to an audit by the company auditor

Group

	2022 (3 months) Jan 1– Mar 31	2021 (3 months) Jan 1- Mar 31	2021 (12 months) Jan 1 - Dec 31
Key ratios			
FINANCIAL KEY RATIOS			
Sales growth, %	41.8	26.6	10.7
Gross margin, %	17.7	18.5	15.1
Equity, MEUR	13.3	17.8	14.0
Equity/asset ratio, %	12.1	18.5	12.3
DATA PER SHARE			
Equity, EUR	0.11	0.15	0.12
Equity, SEK	1.14	1.50	1.19
Result, EUR	-0.01	-0.01	-0.03
Result, SEK	-0.06	-0.12	-0.33
Result per share prior to dilution, EUR	-0.01	-0.01	-0.03
Result per share after dilution, EUR	-0.01	-0.01	-0.03
NUMBER OF SHARES			
Number of shares at the end of the period	120 592 332	120 592 332	120 592 332
Average number of shares	120 592 332	120 592 332	120 592 332
Average number of shares during the period after dilution	124 687 332	124 687 332	124 687 332
EMPLOYEES			
Average number of employees	232	231	231

Calculation ratios

	2022 Jan 1 - Mar 31	2021 Jan 1 - Mar 31	2020 Jan 1 - Mar 31	2021 Jan 1 - Dec 31	2020 Jan 1 - Dec 31
Sales					
Sales	39 892	28 129	22 212	123 698	111 790
Increase (+) /decrease (-)	11 763	5 917		11 908	
Sales growth					
Increase (+) /decrease (-)	11 763	5 917		11 908	
Value previous year	28 129	22 212		111 790	
= Sales growth %	41,8%	26,6%		10,7%	
Gross profit					
Gross profit	7 056	5 199		18 643	
Sales	39 892	28 129		123 698	
= Gross profit %	17,7%	18,5%		15,1%	
Equity asset ratio					
Equity	13 329	17 801		14 036	
Total assets	109 718	96 310		114 354	
= Equity assets ratio %	12,1%	18,5%		12,3%	

Group

	2022 (3 months) Jan 1 – Mar 31	2021 (3 months) Jan 1 – Mar 31	2021 (12 months) Jan 1- Dec 31
Summary income statements, KEUR			
Net sales	39 892	28 129	123 698
Cost of goods sold	-32 836	-22 930	-105 055
Gross profit	7 056	5 199	18 643
Selling expenses	-4 661	-4 654	-17 725
Administrative expenses ⁽¹⁾	-2 034	-1 042	-5 962
Other operating expenses	-4 774	-1 554	-9 728
Other operating income	5 333	1 798	16 671
Operating profit	921	-253	1 899
Financial income	-	2 584	24
Financial expenses	-1 531	-3 255	-4 919
Net financial items	-1 531	-671	-4 895
Profit before tax	-610	-924	-2 996
Tax	-73	-480	-902
PROFIT OR LOSS FOR THE PERIOD ⁽²⁾	-683	-1 404	-3 898
<i>Result per share before dilution, EUR</i>	<i>-0.01</i>	<i>-0.01</i>	<i>-0,03</i>
<i>Result per share after dilution, EUR</i>	<i>-0.01</i>	<i>-0.01</i>	<i>-0,03</i>
<i>Average number of shares during the period</i>	<i>120 592 332</i>	<i>120 592 332</i>	<i>120 592 332</i>
<i>Average number of shares during the period after dilution</i>	<i>124 687 332</i>	<i>124 687 332</i>	<i>124 687 332</i>
Statement of comprehensive income, KEUR			
Result for the period	-683	-1 404	-3 898
Other comprehensive income, translation gains/losses on consolidation	-24	1 034	-237
Total comprehensive income for the period	-707	-370	-4 135

¹⁾ Depreciation and amortization for the period January 1 – March 31, 2022, amounted to 561 (596).

²⁾ The result for the period, respectively the total comprehensive income is attributed to the parent company's shareholders.

Operating segment

Q1 2022

Operating Segment, KEUR	2022 (3 months) Jan 1 - Mar 31	2021 (3 months) Jan 1 - Mar 31	2021 (12 months) Jan 1 - Dec 31	2022 (3 months) Jan 1 - Mar 31	2021 (3 months) Jan 1 - Mar 31	2021 (12 months) Jan 1 - Dec 31	2022 (3 months) Jan 1 - Mar 31	2021 (3 months) Jan 1 - Mar 31	2021 (12 months) Jan 1 - Dec 31
	Distribution			Own Brands and Others			Total		
Net Sales	27 697	14 443	71 831	12 195	13 686	51 867	39 892	28 129	123 698
Net COS	-22 546	-11 418	-57 397	-10 290	-11 512	-47 658	-32 836	-22 930	-105 055
Gross profit	5 151	3 025	14 434	1 905	2 174	4 209	7 056	5 199	18 643
Gross Margin	18,6%	20,9%	20,1%	15,6%	15,9%	8,1%	17,7%	18,5%	15,1%
Distribution Costs	-1 687	-1 701	-6 252	-2 974	-2 953	-11 473	-4 661	-4 654	-17 725
Administrative Expenses	-650	-494	-3 702	-1 384	-548	-2 260	-2 034	-1 042	-5 962
Other Operating Expenses	-2 175	-748	-1 268	-2 598	-806	-8 460	-4 774	-1 554	-9 728
Other Operating Income	1 549	865	1 894	3 785	933	14 777	5 333	1 798	16 671
EBIT	2 188	948	5 106	-1 267	-1 201	-3 207	921	-253	1 899
Depreciations and amortizations							561	596	2 399
EBITDA							1 482	343	4 298
Depreciation and amortization							-561	-596	-2 399
Financial Income							-	2 584	24
Financial Expenses							-1 531	-3 255	-4 919
Profit before tax							-610	-924	-2 996
Taxes							-73	-480	-902
Profit or loss for the Period							-683	-1 404	-3 898

Breakdown of net sales by operating segment

Net sales per segment, KEUR	2022		2021	
	Jan 1 - Mar 31	%	Jan 1 - Mar 31	%
Distribution	27 697	69,4%	14 443	51,3%
Own brands	12 195	30,6%	13 686	48,7%
Total	39 892	100%	28 129	100%

Breakdown of net sales by product category

The tables below show net sales by product category in total and operating segment:

Net sales per product category, KEUR	2022		2021	
	Jan 1 - Mar 31	%	Jan 1 - Mar 31	%
Accessories	11 117	28%	17 370	61,8%
Audio	5 183	13%	4 030	14,3%
Health and Wellness	23 592	59%	6 729	23,9%
Total	39 892	100%	28 129	100%

Distribution net sales, KEUR	2022		2021	
	Jan 1 - Mar 31	%	Jan 1 - Mar 31	%
Accessories	9 968	36%	11 045	76%
Audio	2 640	10%	2 496	17%
Health and Wellness	15 089	54%	902	6%
Total	27 697	100%	14 443	100%

Own brands net sales, KEUR	2022		2021	
	Jan 1 - Mar 31	%	Jan 1 - Mar 31	%
Accessories	1 149	9%	6 325	46%
Audio	2 543	21%	1 534	11%
Health and Wellness	8 503	70%	5 827	43%
Total	12 195	100%	13 686	100%

Geographic market and regions

Below geographic information reflects net sales per geographical market and by region:

Geographic market and regions, KEUR	2022			2021		
	Total	Distribution	Own Brands	Total	Distribution	Own Brands
Western Europe						
Denmark	24	4	20	272	15	257
France	1 700	1 672	28	2 974	2 979	3 086
Germany	22 040	18 469	3 486	2 460	1 522	937
Netherlands	648	639	9	501	411	89
Switzerland	2 603	2 670	18	5 519	5 802	44
Austria	50	20	30	126	95	32
Norway	151	124	27	88	85	3
Poland	539	557	15	325	343	15
Sweden	1 652	1 523	129	1 281	1 020	261
UK	1 629	660	969	1 999	1 136	864
Spain	72	2	70	136	14	122
North America	4 843	20	4 823	5 003	5	4 998
Rest of the world	3 941	1 337	2 588	7 445	1 016	5 976
Total	39 892	27 697	12 195	28 129	14 443	13 686

Group

	2022	2021	2021
Summary balance sheets, KEUR	March 31	March 31	December 31
ASSETS			
NON-CURRENT ASSETS			
Goodwill	28 176	28 176	28 176
Other intangible assets	3 164	3 814	3 436
Property, Plant & Equipment	1 252	1 095	1 362
Other assets	4 078	1 153	4 178
Deferred tax assets	287	1 013	287
Total non-current assets	36 958	35 251	37 439
CURRENT ASSETS			
Inventories	32 944	30 195	30 708
Tax receivables	971	1 112	913
Accounts receivable	23 597	14 181	29 124
Other assets	12 227	11 513	13 569
Cash and cash equivalents	3 020	4 058	2 601
Total current assets	72 760	61 059	76 915
TOTAL ASSETS	109 718	96 310	114 354
EQUITY AND LIABILITIES			
Equity	13 329	17 801	14 036
NON-CURRENT LIABILITIES:			
Tax liabilities	3	3	3
Other liabilities	2 690	8 006	2 314
Interest-bearing liabilities	1 778	32 809	1 840
Deferred tax liabilities	941	1 350	941
Total non-current liabilities	5 412	42 168	5 098
Current liabilities:			
Provisions	409	563	640
Interest-bearing liabilities	47 534	1 197	42 551
Accounts payable	22 186	12 337	28 998
Tax liabilities	4 309	5 913	4 339
Other liabilities	16 539	16 331	18 691
Total current liabilities	90 977	36 341	95 219
Total liabilities	96 389	78 509	100 317
TOTAL EQUITY AND LIABILITIES	109 718	96 310	114 354
Summary of changes in equity, KEUR			
Equity as of December 31, 2020		18 171	
Comprehensive income January 1 – March 31 2021		-370	
Equity as of March 31, 2021		17 801	
Comprehensive income April 1 – December 2021		-3 765	
Equity as of December 31, 2021		14 036	
Comprehensive income January 1 – March 31, 2022		-707	
Equity as of March 31, 2022		13 329	

Group

	2022 (3 months)	2021 (3 months)	2021 (12 months)
	Jan 1- Mar 31	Jan 1- Mar 31	Jan 1 - Dec 31
Summary cash flow statements, KEUR			
OPERATING ACTIVITIES			
Result before tax	-610	-924	-2 996
Adjustment for items not included in cash flow from operations or items not affecting cash flow	2 092	1 298	2 634
Paid taxes	-60	-429	-1 406
Cash flow from operations prior to changes in working capital	1 422	-55	-1 768
Cash flow from changes in working capital:			
Increase (-)/decrease (+) in inventories	-2 236	-2 635	-3 148
Increase (-)/decrease (+) current receivables	6 773	2 486	-15 930
Increase (-)/decrease (+) in non-current receivables	100	519	-1 794
Increase (+)/decrease (-) current liabilities	55	-318	-79
Increase (+)/decrease (-) in current liabilities	-8 565	-1 580	16 546
Cash flow from operations	-2 451	-1 583	-6 173
INVESTMENT ACTIVITIES			
Investments in intangible assets	-60	-189	-980
Investments in tangible assets	-128	-232	-1 142
Investments in subsidiaries	9	-256	-671
Cash flow from investment activities	-180	-677	-2 793
FINANCING ACTIVITIES			
Interest-bearing liabilities	4 921	-108	10 443
Amortization of interest-bearing liabilities	-	166	-
Leasing liabilities	-340	-340	-1 360
Paid interest and other expenses	-1 531	-779	-4 895
Cash flow from financing activities	3 050	-1 061	4 188
Cash flow for the period	419	-3 321	-4 778
Exchange rate differences in cash and cash equivalents	-	-	-
Cash and cash equivalents at the beginning of the period	2 601	7 379	7 379
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3 020	4 058	2 601

NOTE 1 REFERENCES

- Seasonal and phone launch fluctuations, see page 9
- Reporting per operating segment see pages 14-15
- For further information on accounting principles reference is made to the 2021 annual report
- For events after the end of the period, see page 9

NOTE 2 ACCOUNTING PRINCIPLES

As of the financial year 2017 the currency of the Parent Company is Euro (EUR), which is also the reporting currency of the parent company and the Group.

STRAX prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and with the restrictions which apply due to the Swedish national legislative when preparing the parent company's financial statements.

The Interim report for the group has been prepared in accordance with IAS 34 "Interim Reporting" and applicable sections of the Annual Accounts Act.

The section of the report applicable to the parent company has been prepared in accordance with Annual Accounts Act, Chapter 9.

The same accounting principles are applied as in the annual report for 2021.

Accounting and valuation of shares and participations

Shares and participations in subsidiaries and associated companies are in the parent company accounted for at acquisition cost with the fair value of the earlier holding in STRAX at the time of acquisition comprised of fair value to the part to which it relates.

Definitions

Key ratio	Calculation	What it measures or represents
Equity/Asset ratio	Equity as a percentage of the total assets.	This measure reflects the financial position and the long-term solvency and resistance to periods of economic downturn.
Equity per share	Equity in relation to the number of shares at the end of the period.	Measures development of equity in relation to number of outstanding shares at the end of the period, captures both changes in equity and changes in number of outstanding shares.
Number of shares at the end of the period	The number of shares at the end of each period adjusted for bonus issue and share buy-back etc.	Calculation bases for all balance sheet per shares based key ratios.
Items affecting comparability	The number of shares at the end of each period adjusted for bonus issue and share buy-back etc.	Calculation bases for all balance sheet per shares based key ratios.
Gross profit	Sales less the cost of goods sold.	Measures how well prices to customers in relation to cost of goods sold are maintained including costs to deliver sold goods.
Gross margin	Gross profit in relation to sales expressed as a percentage.	Gross profit in relation to Sales, efficiency measure presented in percentage.
Operating profit/loss	Operating income minus operating costs for the specified period before financial items and taxes.	Measures overall profitability from operations and ongoing business activities including depreciation and amortization.
EBITDA	Operating profit/loss plus depreciations.	Measures overall profitability from operations and ongoing business activities including depreciation and amortization.

Group

	2022	2021	2021
	(3 months)	(3 months)	(12 months)
Bridge to EBITDA, KEUR	Jan 1- Mar 31	Jan 1- Mar 31	Jan 1- Dec 31
EBITDA			
Operating profit	921	-253	1 899
+ Depreciation & amortization	561	596	2 399
EBITDA	1 482	343	4 298

Parent Company

	2022 (3 months) Jan 1 – Mar 31	2021 (3 months) Jan 1 – Mar 31	2021 (12 months) Jan 1 - Dec 31
Summary income statements, KEUR			
INVESTMENT ACTIVITIES			
Net Sales	305	230	1 147
Gross profit	305	230	1 147
Administrative expenses	-295	-303	-1 224
Operating income	10	-73	-77
Net financial items	-10	73	77
Result after financial items	-	-	-
Current taxes	-	-	-
RESULT FOR THE PERIOD	-	-	-
Statement of comprehensive income, KEUR			
Result for the period	-	-	-
Other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-
	2022	2021	2021
Summary balance sheets, KEUR			
	March 31	March 31	December 31
ASSETS			
Non-current assets	129	132	130
Non-current financial assets	75 745	75 693	75 755
Total non-current assets	75 874	75 825	75 885
Current receivables	569	478	573
Cash and bank balances	2 433	911	673
Total current assets	3 002	1 389	1 246
TOTAL ASSETS	78 876	77 214	77 131
EQUITY AND LIABILITIES			
Equity	63 076	63 076	63 076
Current liabilities	15 800	14 138	14 055
Total liabilities	15 800	14 138	14 055
TOTAL EQUITY AND LIABILITIES	78 876	77 214	77 131
Summary of changes in equity, KEUR			
Equity as of December 31, 2020			63 076
Comprehensive income Jan 1 – Mar 31 2021			-
Equity as of March 31, 2021			63 076
Comprehensive income Apr 1 – Dec 2021			-
Equity as of December 31, 2021			63 076
Comprehensive income Jan 1 – Mar 31, 2022			-
Equity as of March 31, 2022			63 076