

# STRAX

**PRESS RELEASE**  
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## **STRAX: To support growth of the Health & Wellness category STRAX have secured a MUSD 20 dedicated financing to capture the full potential**

As previously communicated, the newly established health & wellness business is progressing well. We have secured multiple sub-distribution agreements and retail listings for both Airpop and AVO+ and Airpop is furthermore selling well on its direct to consumer website and across our seller managed online marketplaces. The enterprise channel has also responded favorably to the Airpop face masks, which do provide more comfort and protection for extended wear in the workplace.

The PPE bulk business has furthermore enjoyed solid wins and we have recently been awarded a long-term arrangement with major international agencies where deliveries have commenced now in the fourth quarter and will extend well into 2021. These orders have a longer cash conversion cycle, primarily due to the fact this market is in a supply deficiency and suppliers offer no or limited payment terms.

To capture the full potential in the category STRAX secured a third tranche under the existing loan agreement with Proventus Capital Partners (“PCP”), dedicated to the health & wellness category, in the amount of MUSD 20. Initially STRAX will draw down MUSD 5 under the dedicated tranche to finance existing orders. STRAX will make further draw-down’s when needed to secure future orders.

The third tranche from Proventus Capital Partners is for a term of 18 months and the full amount is denominated in USD. 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 construction is a combined purchase order and receivable funding, enabling the tranche not to affect the existing loans from a financial covenant perspective.

“I am very pleased we have managed over MEUR 20 sales this year in PPE products. In a challenging year this has been a very welcome contribution to sales and profitability and for the future we see this forming into a solid part of the STRAX overall proposition. With this dedicated credit line of MUSD 20 we can capture the full potential in the category and I am happy to see PCP has once again proved to be a very business minded and strong financial partner for STRAX” says Gudmundur Palmason, CEO, STRAX AB.

“We are happy to be able to support STRAX in their fast growing and promising health & wellness category. It is a very specific and tailored solution for these special circumstances and is a good complement to STRAX Group’s existing debt facilities” says Henrik Bjerklin, Investment Director, Proventus Capital Partners.

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

### About Proventus Capital Partners

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

### About STRAX

STRAX is a global leader in tech accessories that empower mobile lifestyles. Our portfolio of accessories brands covers all major product categories: Protection, Power, Personal Audio and Connectivity. In response to the ongoing pandemic, STRAX has recently pivoted into Health & Wellness, with an initial focus on personal protection equipment, such as face masks, gloves and sanitizers. Our success lies in a strong offline and online distribution network and best-in-class customer service, delivered by a stellar team.

We develop and grow brands through an omnichannel approach, we operate two complementary businesses: **Own brands** – including Urbanista, Clckr, Richmond & Finch, Planet Buddies, xqisit, AVO+, and licensed brands such as adidas, Bugatti, Diesel, SuperDry and WeSC – and **Distribution** (traditional retail, enterprises and online marketplaces). In addition to own and licensed brands, STRAX distributes over 40 major mobile accessory brands and several health and wellness brands. We 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.

Founded in Miami and Hong Kong in 1995, STRAX has since expanded worldwide. Today, we have over 200 employees in 13 countries, with our operational HQ and logistics center in Germany. STRAX is listed on the Nasdaq Stockholm stock exchange.