



**PRESS RELEASE**  
**May 22, 2019**

## **STRAX: INTERIM REPORT NO 1 FOR THE FINANCIAL YEAR 2019**

### **STRAX delivers growth in sales and profitability for its first quarter after divesting Gear4**

The Group's sales for the period January 1 – March 31, 2019, amounted to MEUR 22.6 (22.1), corresponding to a growth of 2.2 percent, with a gross margin of 26.3 (30.4) percent.

The Group's result for the period January 1 – March 31, 2019, amounted to MEUR 0.2 (-0.7) corresponding to EUR 0.00 (0.00) per share. Equity as of March 31, 2019 amounted to MEUR 21.7 (21.0) corresponding to EUR 0.18 (0.17) per share.

EBITDA for the period January 1 – March 31, 2019, amounted to MEUR 1.4 (1.0).

Year over year reduction in OPEX amounts to MEUR 1.5 for Q1 2019 as a result of the cost reductions implemented in 2018.

STRAX does not expect sales to materially decline in 2019 despite the sale of Gear4 and gross margin is expected to remain stable in 2019.

The positive development for the proprietary and licensed brands continued in Q1 2019 creating valuable assets for STRAX.

STRAX board of directors called for an EGM on December 28, 2018, which resolved on a distribution of SEK 1.10 per share, corresponding to MEUR 12.8 in total value, with distribution to the shareholders completed on January 30, 2019.

During the first quarter interest-bearing debts decreased by MEUR 12.9, as a result of repayment of loans and lower utilization of working capital lines.

With the effective date of April 1, 2019, STRAX acquired all outstanding shares in BrandVault, a business focused on sales through e-commerce marketplaces globally.

"We now report our first full quarter since divesting Gear4 in 2018 and I'm pleased to see that sales have more than held up and that our profitability has improved at the same time, as a result of our headcount reduction and cost saving measures implemented in the second half of last year. During the quarter we also completed the acquisition of BrandVault and therefore continued our push into e-commerce in pursuit of greater channel diversification and growth."

Gudmundur Palmason, CEO

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This is information that Strax AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:55 CEST on May 22, 2019.

#### **About STRAX**

STRAX is a market-leading global company specializing in mobile accessories. STRAX has built a House of Brands to complement its value-added customer specific solutions and services. STRAX House of Brands includes proprietary brands: XQISIT, Urbanista, THOR, CLCKR and licensed brands: adidas and bugatti. In addition, STRAX represents over 40 major mobile accessory brands. STRAX sells into all key channels ranging from telecom operators, mass merchants and consumer electronics to lifestyle retailers and direct to consumers online. STRAX was founded in Miami and Hong Kong in 1995 and has since grown across the world. Today, STRAX has 200 employees in 13 countries with its operational HQ and logistics center based in Germany. STRAX is listed on the Nasdaq Stockholm Stock Exchange.