



PRESS RELEASE
August 28, 2019

STRAX: INTERIM REPORT NO 2 FOR THE FINANCIAL YEAR 2019

STRAX Q2 2019 driven by Urbanista and cost reductions implemented in 2018

- The Group's sales for the period January 1 – June 30, 2019, amounted to MEUR 44.6 (45.8), corresponding to a decrease of 2.6 percent, with a gross margin of 24.6 (32.5) percent.
- The Group's result for the period January 1 – June 30, 2019, amounted to MEUR -3.2 (-0.9) corresponding to EUR -0,02 (0.00) per share. Equity as of June 30 2019 amounted to MEUR 18.3 (20.9) corresponding to EUR 0.17 (0.18) per share.
- EBITDA for the period January 1 – June 30, 2019, amounted to MEUR 2.1 (2.6).
- Year over year reduction in OPEX amounts to MEUR 3.2 for H1 2019 as a result of cost reductions implemented in 2018, corresponding to approximately 25 percent, and tracking towards MEUR 7-8 reduction in 2019.
- Sales and gross margins declined in H1 2019 following the sale of Gear4, as expected. STRAX does not expect sales to materially decline in 2019 despite the sale of Gear4 and gross margin is expected to remain stable or improve in 2019.
- The positive development of Urbanista continued in Q2 2019 with YoY growth of 80%, creating valuable asset for STRAX.
- During the first six months interest-bearing debts decreased by MEUR 12 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.

" I'm pleased with our Q2 2019 performance in a challenging external environment. Most of our geographic markets held up in terms of sales, whilst the strong development for Urbanista with 80% YoY quarterly sales growth increased its significance of sales and profitability for the group. Our aggressive OPEX reduction in 2018 also contributed to profitability during the quarter and we are on track to deliver the previously communicated MEUR 7-8 in cost savings this year".

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 August 28, 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 190 employees in 13 countries with its operational HQ and logistics center based in Germany. STRAX is listed on the Nasdaq Stockholm Stock Exchange.