

# STRAX

**PRESS RELEASE  
NOVEMBER 30, 2018**

## **STRAX: INTERIM REPORT NO 3 FOR THE FINANCIAL YEAR 2018**

STRAX growth continues, against the general market trend, and after the end of the quarter, STRAX divested its Gear4 brand to ZAGG, in a transaction worth up to MEUR 44.

- The Group's sales for the period January 1 – September 30, 2018, amounted to MEUR 69.5 (67.3), gross margin decreased to 28.6 (29.2) percent.
- The Group's result for the period January 1 – September 30, 2018, amounted to MEUR -1.1 (3.5) corresponding to EUR -0.01 (0.03) per share. Equity as at September 30, 2018 amounted to MEUR 19.8 (22.9) corresponding to EUR 0.17 (0.19) per share.
- EBITDA for the period January 1 – September 30, 2018, amounted to MEUR 3.6 (6.1).
- STRAX fully understands and is prepared to address the extensive transformation its retail customers are going through and has in the second half of 2018 reduced its global headcount number by approximately 20 percent. STRAX is furthermore looking at several strategic alternatives for its distribution business with the ultimate objective of becoming a hybrid of an investment and operating company in the accessories space.
- November 30, 2018, STRAX divested Gear4, mobile phone case protection brand, to ZAGG Inc, a global leader in mobile accessories for MEUR 35, with potential additional payments of up to MEUR 9 based on 2019 sales development.
- STRAX board of directors will call for an EGM to resolve on a proposed distribution of at least SEK 1 per share, corresponding to at least MSEK 120,5 in total value.

“STRAX has already taken several steps in an effort to prepare for the future, although we remain content that further activity might be required to safeguard and deliver value to all stakeholders. Our entire organization is highly engaged, motivated and has remained positive throughout this ongoing transition phase, and I could not be more proud of each STRAX team member. I’m confident about the rebound of the smartphone and mobile accessories industries and our house of brands strategy, and ultimately that better times are imminent for our shareholders”.

Gudmundur Palmason, CEO

**About STRAX**

STRAX is a market-leading global company specializing in mobile accessories and connected devices. 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 GLASS, avo+, FLAVR, Eule 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 over 200 employees across 13 countries with its operational HQ and logistics center based in Germany. STRAX is listed on the Nasdaq Stockholm stock exchange.

This information 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 15:05 CET on November 30, 2018.