

STRAX

PRESS RELEASE

February 25, 2021

STRAX: Year-end report for the financial year 2020

STRAX doubled online sales and delivered a record year in EBITDA after successfully launching the Health & Wellness product category

- The Group's sales for the period January 1 – December 31, 2020, amounted to MEUR 112 (114), with a gross margin of 26.3 (24.5) percent.
- The Group's result for the period January 1 – December 31, 2020, amounted to MEUR 0.7 (-1.7) corresponding to EUR 0.01 (-0.01) per share. The result for the period was negatively affected by MEUR 2.5 (2.4) related to the decline in value of the Zagg shares.
- EBITDA for the period January 1 – December 31, 2020, amounted to MEUR 8.5 (8.3).
- Equity as of December 31, 2020 amounted to MEUR 18.2 (20.1) corresponding to EUR 0.15 (0.17) per share.
- STRAX signed a senior secured loan facility in the amount of MEUR 30 with Proventus Capital Partners, refinancing existing interest-bearing credit facilities.
- STRAX secured a MUSD 20 facility under an existing loan agreement with Proventus Capital Partners to support the growth of the Health & Wellness product category.
- STRAX launched the Airpop "air wearables" brand worldwide and simultaneously across all sales channels.
- STRAX and Erikson Consumer, a Jam Industries company, signed an exclusive distribution agreement in Canada for all STRAX own and licensed mobile accessories brands.
- STRAX and HMD Global formed a global partnership to jointly develop and distribute a new range of Nokia-branded accessories, such as wireless speakers, TWS headphones and protective cases for some of the latest Nokia smartphones.
- STRAX and 4ocean announced a collaboration to develop and manufacture 4ocean Signature iPhone cases made from recycled ocean plastic.

Significant events after the end of the period

- A bid for all outstanding shares in ZAGG shares was approved February 18, 2021. The bid level was at the current share price so will not have an effect for the P&L but will contribute with approximately 2.5 MEUR in cash, with a potential upside of USD 0.25 per share if certain conditions are met corresponding to an additional USD 159.4 thousands.

“STRAX once again proved its ability to change and adopt during the unusual and challenging times in 2020, with a record year in EBITDA, more than 100% growth in e-commerce sales as well as successfully expanding into Health & Wellness. For 2021 smartphone sales are expected to return to healthy growth through increased 5G adoption, which will benefit STRAX as the sale of handsets is one of the key drivers for mobile accessories sales. At the same time, we will be able to continue to benefit from the Health & Wellness segment and accelerate the growth in e-commerce sales.”

[Gudmundur Palmason, CEO](#)

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

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 CET on February 25, 2021.

About STRAX

STRAX is a global leader in accessories that empower mobile lifestyles. Our portfolio of accessories brands covers all major mobile product categories: Protection, Power, Personal Audio and Connectivity. In response to the ongoing pandemic, STRAX pivoted into Health & Wellness products, 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, and 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 & Wellness brands with an initial focus on personal protection equipment. 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.