



**PRESS RELEASE
NOVEMBER 30, 2018**

STRAX DIVESTS ITS GEAR4 BRAND TO ZAGG FOR MEUR 35 WITH POTENTIAL ADDITIONAL PAYMENTS OF MEUR 9.

STRAX, the mobile accessories specialist, has divested Gear4, mobile phone case protection brand, to ZAGG Inc, a global leader in mobile accessories for MEUR 35 (“initial purchase price”) with potential additional payments of up to MEUR 9 (“additional purchase price”) based on 2019 sales development.

The divestment is a share-based transaction, with US-based ZAGG Inc, acquiring all outstanding shares in Gear4 Hong Kong Ltd, a wholly-owned subsidiary of STRAX. The value of the transaction is MEUR 35 and is based on the 2018 forecasted Gear4 sales generated by the STRAX group of companies. Eighty percent of the purchase price will be paid in cash and 20 percent will be paid in shares in ZAGG, which is listed on the Nasdaq US stock exchange. MEUR 26.5 will be paid in cash at completion with MEUR 5 of the total purchase price held back in escrow for five months and MEUR 3.5 for 18 months. The effective date of the transaction is 30 November 2018.

The transaction is based on a cash and debt-free basis, and the initial cash flow impact of STRAX will equal the initial purchase price less the hold-back of MEUR 8.5. The shares received as part of the purchase price will be subject to a customary 12-month lock-up period, whereby the shares cannot be freely sold or transferred. The shares can be sold or distributed to STRAX shareholders after the lock-up period and release from hold-back.

STRAX will continue to distribute Gear4 products in several markets, including the UK, where Gear4 enjoys a market-leading position in the mobile case category.

While the transaction will negatively impact STRAX’s consolidated annual sales by MEUR 20-25, it will reduce headcount by 17 FTEs and OPEX by 8-10%, therefore mitigating the EBITDA impact on a consolidated basis.

Commenting on the transaction, Gudmundur Palmason, CEO, STRAX Group, says: “The investment in, and subsequent divestment of Gear4 shows the value creation abilities of STRAX, through our brand development competence, market reach and positioning as one of the global leading specialists in mobile accessories. We believe the time to divest Gear4 is right for both STRAX and our shareholders in order to harvest some of its success.

“Under the ownership of ZAGG, Gear4 will also gain the opportunity to reach new levels of success through their significant market reach, particularly in North America - the largest mobile accessories market in the world. ZAGG is a global leader in several mobile accessories categories and we could not have found a more suitable buyer of Gear4, which I’m convinced will become another leading global brand within ZAGG portfolio of brands.”

Chris Ahern, CEO, ZAGG Inc, comments: “From our position as one of the leading companies in the mobile accessories industry, with a primary focus on screen protection and charging products, we have identified Gear4 not only as one of the fastest growing protective case brands, but also a brand with a very promising future. Gear4, with its unique positioning – not least through the licensed D30 material – fits our portfolio perfectly, and broadens our position within the protection segment of the mobile phone accessories industry. We are happy that the STRAX team will pass the torch to us, after a phenomenal job in establishing Gear4 as one of the most significant brands in its category, and welcome the strong Gear4 team onboard.”

For further information please contact Gudmundur Palmason, CEO, Strax AB, +46 8 545 01750

Logos in London have been legal advisor to STRAX in the transaction. Vinge Law firm have advised in capital market related questions.

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 and THOR GLASS 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.

About GEAR4

Founded in 2006, Gear4 is the number one impact protection case brand in the UK. In 2015, Gear4 partnered with D3O to create world-leading impact protection products for consumer electronics. Now 10 years old and established in over 40 countries, Gear4 has a proven track record of creating world-leading products that have satisfied millions of consumers worldwide. Working to the impeccable standards of British engineering and innovation, Gear4 prides itself on constantly delivering unique, well-designed products that protect devices. www.gear4.com

About ZAGG Inc

ZAGG Inc (NASDAQ:ZAGG) is a global leader in accessories and technologies that empower mobile lifestyles. ZAGG has an award-winning product portfolio that includes screen protection, power management solutions, mobile keyboards, and personal audio sold under the InvisibleShield®, mophie®, ZAGG®, BRAVEN®, and IFROGZ® brands. ZAGG has operations in the United States, Ireland, and China. For more information, visit the Company's websites at www.zagg.com, www.mophie.com and www.braven.com.

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 15:00 CET on November 30, 2018.