



Q2 2025

Interim Report



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Second quarter

- ▶ Net sales amounted to SEK 215.4 million (143.7).
- ▶ Product profit amounted to SEK 76.7 million (59.5), with a product margin of 35.6% (41.4).
- ▶ EBITDA amounted to SEK 19.8 million (7.0), corresponding to an EBITDA margin of 9.2% (4.8).
- ▶ EBIT amounted to SEK 13.0 million (0.9), corresponding to an EBIT margin of 6.0% (0.6).
- ▶ Operating cash flow amounted to SEK 5.6 million (8.9).
- ▶ Interest-bearing net debt was SEK -65.7 million (-21.5).
- ▶ Earnings per share amounted to SEK 0.2 (-0.0).
- ▶ No items affecting comparability for the quarter.
- ▶ The 2025 Annual General Meeting resolved on a dividend of SEK 1.25 per share for the financial year 2024, which was paid in May.

Jan–Jun 2025

- ▶ Net sales amounted to SEK 441.4 million (336.1).
- ▶ Product profit amounted to SEK 168.0 million (141.8), with a product margin of 38.1% (42.2).
- ▶ EBITDA amounted to SEK 57.1 million (43.3), corresponding to an EBITDA margin of 12.9% (12.9).
- ▶ EBIT amounted to SEK 43.6 million (31.5), corresponding to an EBIT margin of 9.9% (9.4).
- ▶ Operating cash flow amounted to SEK 78.3 million (27.2).
- ▶ Earnings per share amounted to SEK 0.9 (0.9).
- ▶ No items affecting comparability during the period.

Amounts in SEKm	Q2			Jan–Jun			Jul–Jun	Full year
	2025	2024	Δ	2025	2024	Δ	24/25	2024
Net sales	215.4	143.7	49.9%	441.4	336.1	31%	803.2	697.9
Net sales, USDm	22.3	13.4	66.1%	43.4	31.9	36%	77.5	66.0
Product profit	76.7	59.5	28.9%	168.0	141.8	18%	307.3	281.1
Product margin, %	35.6	41.4		38.1	42.2		38.3	40.3
EBITDA	19.8	7.0	184%	57.1	43.3	32%	97.8	84.0
EBITDA margin	9.2	4.8		12.9	12.9		12.2	12.0
EBIT	13.0	0.9	1312%	43.6	31.5	38%	70.7	58.6
EBIT margin, %	6.0	0.6		9.9	9.4		8.8	8.4
Operating cash flow	5.6	8.9		78.3	27.2		110.3	59.2
Interest-bearing net debt	-65.7	-21.5		-171.0	-42.9		-65.7	-50.6
Earnings per share, SEK	0.2	-0.0		0.9	0.9		1.7	1.6
USD/SEK, average	9.7	10.7		10.2	10.5		10.4	10.6

CEO's comments

Continued strong growth and strategic expansion

In the second quarter of 2025, we continued to deliver on our strategic plan with growth of 49.9% and stronger global presence. Our successful expansion into new product categories and continued strong demand for our core products have enabled us to take clear steps toward our vision – that Fractal will shape the future of gaming.

The launch of our first gaming headset, Scape, in mid-June marked an important milestone in our strategy to broaden our offering with innovative and distinctive products. The product has already contributed to the quarter's strong growth, and the initial reception has been highly positive – with units selling out at several resellers shortly after launch. Together with our gaming chair, Refine, which was launched in autumn 2024 and continues to exceed our high expectations, we have now established a strong presence in two new product categories.

While we broaden our product portfolio, our cases also remain a strong growth driver. During the quarter, we launched Meshify 3, a new generation of high-performance PC cases that combines first-class cooling with a modern, aerodynamic design. The series has received very positive reviews and enhances our position as a leader in the segment.

Our launches in recent years clearly demonstrate that our design philosophy, innovation and ability to understand user needs are strong drivers of growth. These characteristics also make us optimistic about our continued expansion – both in existing and in new product categories.

Financial performance in the quarter

Net sales rose 49.9% to SEK 215.4 million (143.7), driven by both higher demand and our strategic initiatives to redesign the gaming station and strengthen our global brand and sales network. Organically, sales increased 66.1% to USD 22.3 million (13.4), the second highest sales in a single quarter in our history, and sales to end consumers rose 39.5%.

We started the quarter with low inventory levels and have been working intensively to replenish our channel inventories, which contributed to our strong growth and positioned us well for the second half of the year. In the coming quarters, we expect net sales to be more aligned with actual end-customer sales.

EBITDA increased to SEK 19.8 million (7.0), corresponding to a margin of 9.2% (4.8). The lower product margin, 35.6% (41.4), was attributable to increased tariffs, freight costs and currency effects.

In parallel, we continued to streamline operations and invest in future growth, in line with our updated business plan presented at our Capital Markets Day in May.

At the end of the second quarter, net cash amounted to SEK 65.7 million (21.5), which provides us with continued scope to pursue our strategic initiatives. During the quarter, the Annual General Meeting resolved in accordance with the Board's proposal on a dividend of SEK 1.25 per share, totaling SEK 36.4 million, which was paid at the end of May.

With its strong balance sheet, healthy liquidity and focus on profitable growth, Fractal is well positioned to both develop its operations and create value for its shareholders.



Developments related to US tariffs

During the quarter, a 90-day pause came into effect that lowered the reciprocal tariffs on products imported from China to the USA to 10%. This pause has since been extended and now applies until mid-November. In addition, our previous exemption for computer cases was extended until August 31, 2025, which provides us with further breathing space in our largest product category. We continue to monitor developments closely and are working methodically on our pricing strategy and inventory optimization in the market, as well as advancing our initiative to broaden our production network beyond China.

Outlook for the second half of 2025

We entered the second half of the year with continued strong demand, a growing product portfolio and a solid financial position. Our ability to launch popular and distinctive products in new categories, combined with a globally established brand and an efficient distribution network, means we are well positioned to continue to grow profitably.

At the same time, we are aware that market conditions can change rapidly. In addition to developments related to US tariffs, we are also closely monitoring currency fluctuations and freight prices, but our long-term strategy remains unchanged. With our clear focus on innovation, design and international expansion, we look forward to continuing to create value – for our customers, our partners and our shareholders. With a committed team, a clear strategy and a growing product range, we are well prepared to face the future – with a continued focus on profitable growth and value creation.

Jonas Holst, CEO
August 2025



MARKET POSITION

Top 3

GLOBAL REACH

50+ countries

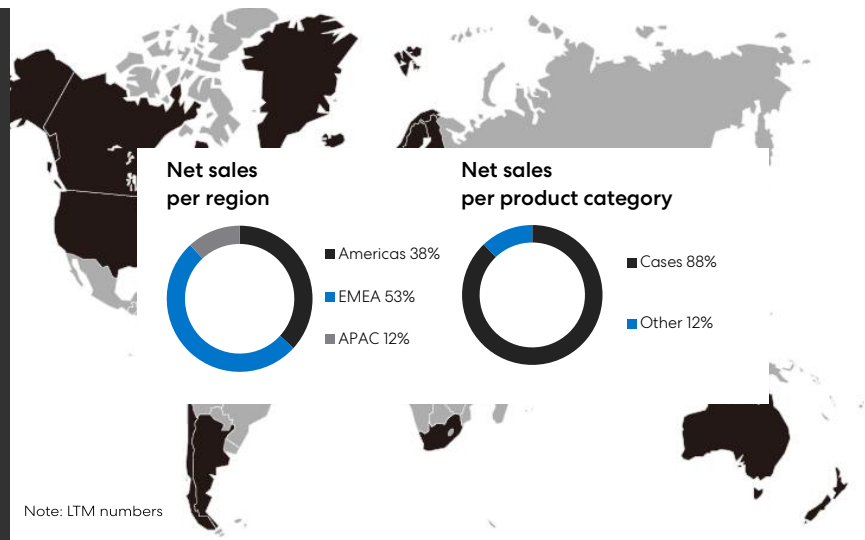
NUMBER OF EMPLOYEES

108

>6,000,000 products sold

Offices in Gothenburg / Dallas / Taipei / Dongguan

Founded 2010



This is Fractal

Founded in 2010, Fractal quickly became a pioneer that challenged the idea of what gaming products should look like using sleek and scaled-down design. Since then, we've grown into an international brand and an influential company within the premium segment of PC gaming products. Fractal products are available in over 50 countries in the attractive and ever-growing gaming market.

Our product categories are cases, gaming chairs, gaming headsets, power supply, cooling products and fans for PC gaming computers. Fractal is a market leader for cases in several geographic markets: number one in the Nordics and Japan, and a top three position globally. Our products are characterized by Scandinavian design, carefully considered materials and high quality.

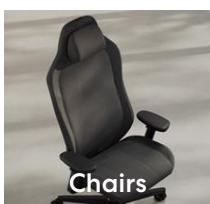
From day one, we have achieved profitable growth by successfully combining design, performance and quality

demanded by consumers, while expanding our product range and geographic presence. Fractal is a leading, well-established brand with a strong premium position, something that has earned us a clear and strong position in relevant and influential communities. We have focused a great deal on the customer experience, for which our customer service and aftermarket department have received high praise in the industry.

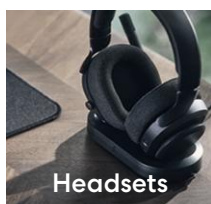
We have identified several areas of development that drive continued profitable growth, through such initiatives as broader and more innovative marketing, robust broadening of both the product portfolio and range, and continued focus on geographic expansion and new markets. Our head office is based in Gothenburg (Sweden) with satellite offices in Dallas (the US), Dongguan (China) and Taipei (Taiwan).



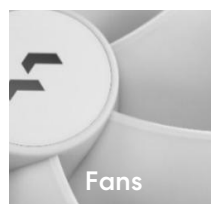
Cases



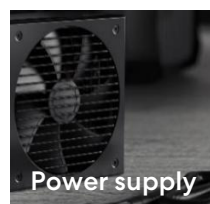
Chairs



Headsets



Fans



Power supply



Water cooling

Market leading cases for demanding gamers and PC enthusiasts. Fractal's award-winning cases stand out with a unique Scandinavian design combined with high performance and recognized quality.

Ergonomic gaming chairs aimed at the most demanding gamers, streamers and creators. Fractal's exclusive gaming chairs offer superior comfort and ergonomics and are designed to fit into the modern gamer's home.

Headsets that challenge the stereotype of how gaming hardware can be designed. Fractal's gaming headset offers top-tier audio and microphone quality combined with a high level of comfort and unique Scandinavian design.

Fans for quiet and efficient cooling of cases and radiators. Fractal's fans are available in every conceivable design, from the discreet and quiet 120 mm models to the powerful 180 mm models.

Reliable and secure power supply for the most high-performance components. Fractal's quiet and high-performance power supply units are offered in a range of different versions and sizes.

Water cooling is a popular alternative to air cooling of a computer's processors. Fractal's water coolers are available in a number of different sizes and with high performance, low noise levels and a scaled-down design.

DOOM: The Dark Ages

Three million players first week

Market performance and trends

New budget-friendly graphics card drives additional upgrade needs

In the spring, Nvidia launched new top models, and during the second quarter, the company also broadened its range to include the mid-range RTX 5060 card and the entry-level RTX 5050 card, which were released in July. The card cost USD 249 when launched and is targeted at more price-conscious gamers. In parallel, AMD launched its Radeon RX 9070 series and has hinted at an upcoming RX 9060 family targeting the same customer segment. AI upscaling and multi-frame generation are creating a clear performance boost in the USD 249–400 price range, which means that the next generation of graphics cards now reaches a wider user base compared to the much more expensive 5090 series. For many gamers who have kept older systems since the pandemic, there are therefore additional incentives to move up to the next generation of hardware.

Prices improve while competition intensifies

Increased production and more deliveries from Nvidia and AMD have meant that graphics card prices are slowly but surely approaching recommended levels – while availability has improved in the mid-price segment and the enthusiast range. Intel has also signaled continued investment in consumer cards, launching the mid-range Arc B570 and B580 around the end of the year and is planning a higher-performing Battlemage card (Arc B770) by the end of 2025. This card is said to be a direct rival to Nvidia's 50 series and AMD's RX 9060 series, suggesting a further increase in competition. A more competitive graphics card market indicates a better balance that benefits supply, pricing and ultimately the consumer.

Global PC forecast revised upwards: 4.1% growth expected

The analyst firm IDC has raised its forecast for global PC deliveries in 2025. 274 million PCs are now expected to be delivered during the year, corresponding to growth of +4.1% compared to the preceding year. This stronger forecast is motivated by the fact that many customers and businesses are planning upgrades linked to the phaseout of Windows 10 during the year, as well as a general increase in demand since the pandemic.

New game releases increase pressure on next generation hardware

Several major gaming titles in 2025 will utilize or even require the very latest components, which will further increase demand for new and upgraded PCs. Newly released games such as Elden Ring: Nightreign and DOOM: The Dark Ages use advanced technologies that mean gamers with older components need to upgrade to obtain an optimal experience.

NewZoo's latest report confirms that the gaming market

grew 3.2% in 2024 to USD 182.7 billion, with PC continuing to grow as one of the leading platforms (+4.4%) in addition to mobile phone games (+5.5%) while the console market declined slightly. The forecast for 2025 for the entire gaming market was raised to USD 188.9 billion (+3.4% YoY). The market is expected to exceed USD 200 billion by 2027. The growth is explained by a rapidly growing player base in the Gen Z and Gen Alpha demographics combined with strong regional development in APAC – above all in China through both local game development and greater access to global titles via Steam, as well as a growing PC gaming market in Japan.

Fractal's design philosophy is spreading – inspiring other brands

PC gamers today are becoming increasingly design-conscious and are looking for products that can be easily integrated into the home environment. The average age of gamers is now around 36 and there are more enthusiast gamers over the age of 50 than under 18. This target group is more demanding than ever in terms of aesthetics and quality. This trend was clearly visible at the Computex 2025 trade show in Taiwan in May, when many competitors presented computer cases with Scandinavian-inspired minimalist design. This development strengthens Fractal's market-leading position in our niche, as we have long combined stylistically clean design with high performance. The growing demand for a more subtle and mature look in gaming products shows that Fractal's brand direction is timely and relevant – both now and in the future.



ESTIMATED MARKET FOR GAMING CHAIRS 2025

1.6 billion USD

Gaming chairs – continued growth and particular focus on ergonomics

The gaming chair is becoming a more integral part of the PC gamer's setup as users become more demanding in terms of comfort. The market for gaming chairs is expected to grow in 2025. Globally, the category is estimated to be worth around USD 1.6 billion in 2025 and expected to grow about 6–9% per year until 2032. Drivers for this growth include greater awareness of ergonomics and health as many gamers spend long periods of time sitting and a well-designed gaming chair can proactively prevent back and neck pain.

The health benefits of ergonomic gaming chairs are often highlighted as one of the reasons for rising demand. A growing number of alternatives are appearing on the market alongside the classic racing chairs that have long dominated the market. Our own Fractal Refine computer and gaming chair is a trendsetter and an example of how the ergonomics of office chairs can be combined with the select functionality of gaming chairs.

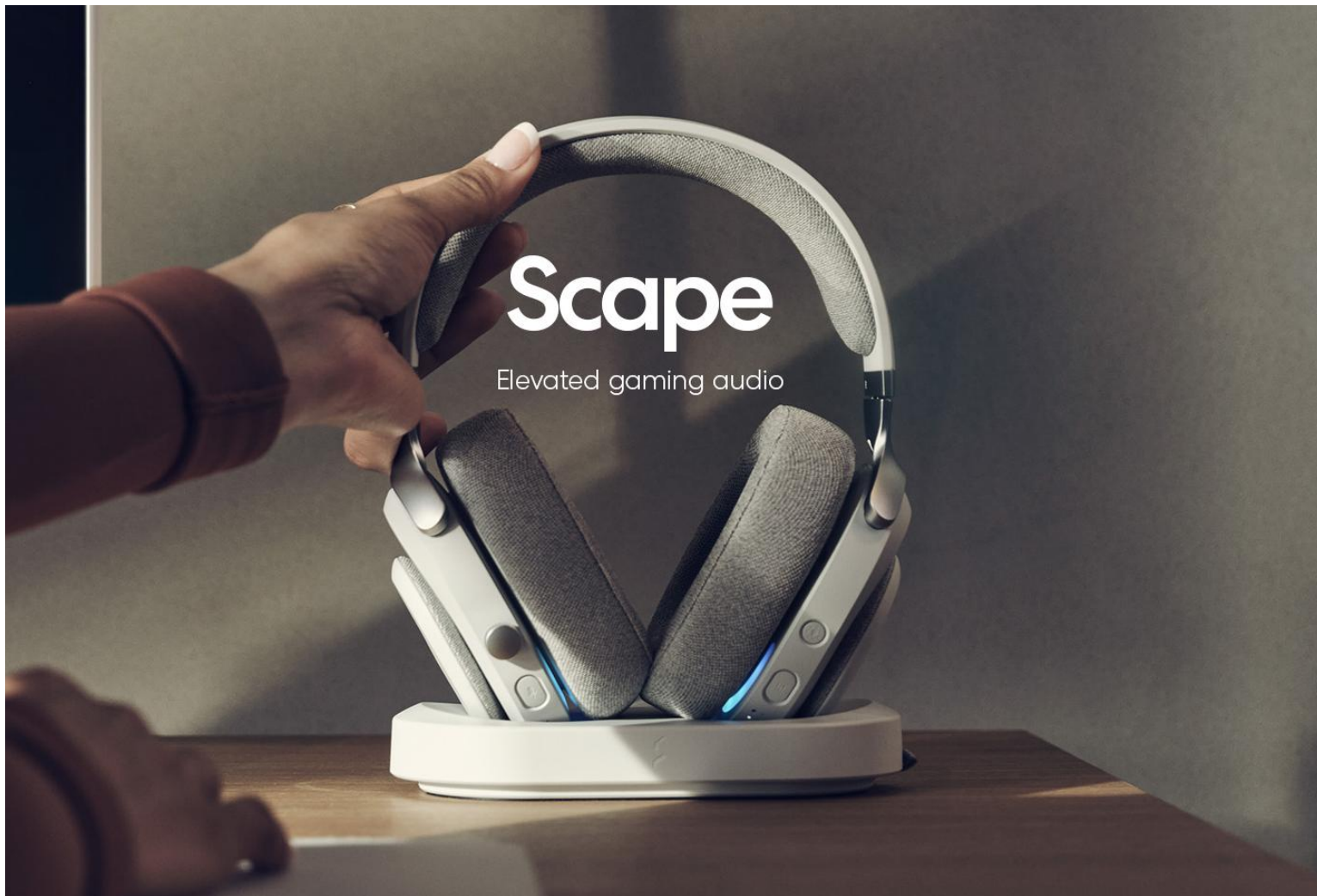
Gaming headset market continues to grow

The market for gaming headsets is also showing steady growth. Global sales are estimated at around USD 2.5–3 billion in 2025 with forecast growth of approximately 7–9% annually until 2030. Wireless headsets are becoming increasingly common as battery technology improves and wireless latency has been significantly reduced, which is important for the enthusiast gamer. Analysts forecast that the segment for wireless gaming headsets will almost double in value between 2024 and 2033, reflecting the fact that wireless headsets are now becoming the norm.

Upgrade cycle expected to continue into second half of the year

To date, 2025 has been a strong year for upgrades, and many indications suggest that the cycle will continue in the second half of the year. A broader product range, better availability and more competitive prices for components are creating excellent potential for the future. At the same time, several major game releases are expected to drive further demand and the number of gamers worldwide is expected to continue to grow.

Sources: Forbes, Tom's Guide, IDC, TechPowerUp, Techradar, PCGamer, NewZoo, TechRadar, Tom's Hardware, SteamDB & Statista



Fractal launches first gaming headset

New perspective on wireless gaming audio

In June, we launched Scape – our first gaming headset. Having changed the way gamers look at cases, chairs and cooling, we are now applying the same philosophy to the audio category, which is a crucial part of any gaming setup and something our community has long requested. With Scape, we have applied what has made Fractal successful in other categories: Scandinavian design, select functionality and uncompromising quality.

Design that fits in and does not take over

Scape was showcased in 2024 at the Computex trade show and began shipping worldwide in mid-June 2025. It earned a very positive reception, with Scape receiving high praise for its scaled-down design, immersive sound and top-tier build quality. Features such as a charging dock, low latency and discreet lighting show that gaming headsets can now be more subtle and easy to integrate into the home environment. Scape has already been named the best headset of the year in the gaming category by leading media.

Developed with the community – controlled via Adjust Pro

Scape was developed with direct input from gamers, creators and Fractal customers. A particular request was to be able to configure the headset without any bloatware or the need to install software locally on the computer. Adjust Pro is our web-based software that makes it easy to customize your Scape without installation – just what our community asked for.

Fractal Scape already top of sales lists

Our first step into the audio category is off to a flying start. Scape was launched in mid-June and is already the best-selling headset at the leading US technology reseller Newegg. At the same time, Scape has reached the number one position with Inet on the domestic market – a key reseller for Nordic PC enthusiasts and gamers.

With Scape, we are entering a highly competitive product category – not as a follower but with the same drive to challenge the market and question long-held beliefs that have always been in our DNA. With a target price of USD 199, Scape is a strong alternative in the premium segment where performance, design and quality meet. Scape comes in two colors and is available worldwide.



Launches in Q2: Meshify 3, Adjust Pro software and Momentum fans

Meshify 3 – the next chapter in our award-winning series

On May 15, we launched the latest addition to our award-winning Meshify series. Introduced back in 2010, the series set a new standard for performance with its now iconic front panel. Meshify has since enjoyed a stable place in top ratings, winning numerous awards and gaining a place in the hearts of many PC builders and gamers around the world.

Strong reception and acclaimed implementation of lighting

The first reviews confirmed that Meshify 3 is a new leader in air cooling and performance. The case has quickly climbed to the top of performance charts published by the media, earning particular praise for its market-leading airflow, carefully thought-out internal layout, and ease of building in Meshify 3. Our newly developed and included Momentum fans also provide first-class cooling.

For the first time in the Meshify series, we have also integrated lighting directly into the case. Discreet light strips on the front and side panels and Momentum fans make it easy to personalize your Meshify 3 case and gaming PC.

Software premiere with Adjust Pro

At the same time as Meshify 3, we also launched Adjust Pro – our first step into the world of software. Adjust Pro is a free, web-based system for controlling lighting and fans, with no installation or complicated configuration. The web app was developed together with our community, based on what gamers and PC builders actually demand from software.

Global availability

Meshify 3 is now available worldwide with prices ranging from USD 139 to USD 250 depending on color, lighting level and fan configuration.

Financial performance

Net sales

The Group's net sales amounted to SEK 215.4 million (143.7), up 49.9%. All sales take place in USD and net sales amounted to USD 22.3 million (13.4), corresponding to organic growth of 66.1%.

Growth in the second quarter was primarily driven by Fractal's strategic initiatives and growing demand from end consumers, with an increase in sales of 39.5% compared with the year-earlier period. The quarter was also marked by record sales to Amazon, and the launch of our first gaming headset contributed positively to our performance.

Sales in the case product category accounted for 89.4% (89.3) of total sales.

Earnings

Product profit amounted to SEK 76.7 million (59.5), corresponding to a product margin of 35.6% (41.4).

The margin decrease was mainly attributable to increased tariffs, and in the second quarter we began to see the clear negative impact of the new tariffs introduced in the spring. The tariffs had an impact of approximately -3.5 percentage points on the product margin.

Currency effects had a negative impact of approximately -3.0 percentage points. Freight costs, mainly linked to major deliveries to the Americas, reduced the margin by a further -1.8 percentage

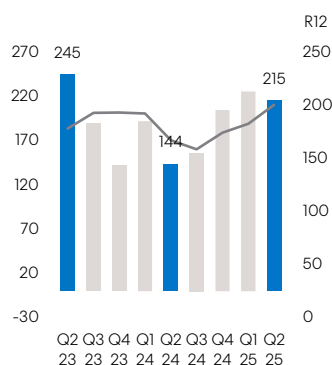
points. This was a strategic and proactive decision to offset potential cost increases linked to changing tariff conditions in the US.

At the same time, a positive impact was noted from changes in the product mix, with sales of higher-margin cases strengthening the product margin by approximately +1.3 percentage points. Price discounts also made a positive contribution of approximately +1.2 percentage points.

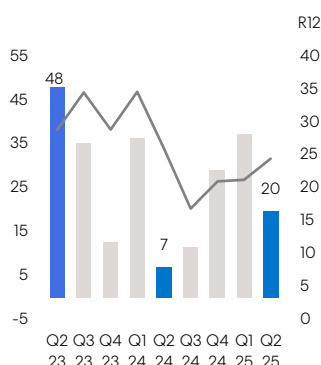
EBIT amounted to SEK 13.0 million (0.9), corresponding to an EBIT margin of 6.0% (0.6). Depreciation/amortization and impairment amounted to SEK -6.8 million (-6.0) and was mainly related to investments in product tools and capitalized development costs related to new product launches.

Profit for the period amounted to SEK 6.6 million (-0.6) and net financial items to SEK -4.3 million (-1.3). A significant part of net financial items was attributable to negative currency effects due to the translation of our USD account into SEK, with the SEK weakening during the period. Tax on profit for the period amounted to SEK -2.1 million (-0.2). Earnings per share amounted to SEK 0.2 (0.0). Shares were issued during the quarter, but this did not lead to any material dilution effect (for further information see page 15).

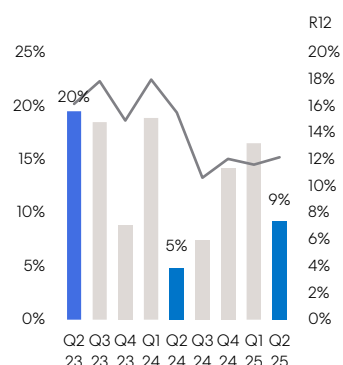
Net sales, SEK million



EBITDA, SEK million



EBITDA margin



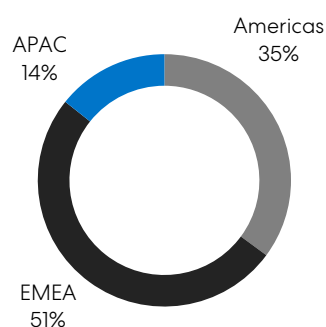
Geographic markets

The largest region during the quarter was EMEA, with net sales of SEK 109.0 million (76.1). Net sales in the Americas amounted to SEK 75.6 million (47.0) and APAC amounted to SEK 30.8 million (20.6).

We saw strong growth in all regions compared to the preceding year, with the Americas in particular standing out with over 60% growth. We can therefore see a slight change in the shares among the EMEA and Americas regions. Growth was mainly driven by increased demand from end consumers, strong earnings from our Amazon initiative and the successful launch of new products, such as the Scape headphones.

Of total net sales, EMEA accounted for 50.6% (52.9), the Americas for 35.1% (32.7) and APAC for 14.3% (14.4).

Net sales, quarter



By geography (Americas, EMEA, APAC)

SEKm	Q2		Δ %	Jul—Jun	Full year
	2025	2024		2025	2024
Net sales Americas	75.6	47.0	60.9	307.8	265.5
Net sales Americas, USDm	7.8	4.4	78.1	29.5	24.9
Net sales EMEA	109.0	76.1	43.2	429.7	380.9
Net sales EMEA, USDm	11.3	7.1	59.0	41.1	35.7
Net sales APAC	30.8	20.6	49.4	99.2	85.1
Net sales APAC, USDm	3.2	1.9	64.5	9.5	8.0



January–June

Net sales

The Group's net sales amounted to SEK 441.4 million (336.1), an increase of 31.3%. Net sales in USD amounted to USD 43.4 million (31.9), corresponding to organic growth of 36.0%.

Both the first and second quarters reported higher net sales compared with the corresponding period of the preceding year. Both quarters were among the three strongest in the company's history and the first half of the year was Fractal's strongest ever.

The positive trend was mainly driven by Fractal's strategic initiatives and continued strong demand from end consumers. Sales to Amazon reached new record levels in both quarters, while the Refine gaming chair reported a robust sales performance. The launch of new graphics cards also boosted demand, which in turn had a positive impact on sales.

The period also included the successful launches of Meshify 3 and our first gaming headset, Scape. In addition, North and North XL continued to deliver a strong performance, particularly after receiving the "Best Overall PC Case 2024" award, which further contributed to the positive sales development.

Earnings

Product profit amounted to SEK 168.0 million (141.8), corresponding to a product margin of 38.1% (42.2).

The decrease in margin during the period was mainly due to freight costs, which had an impact of 2.0 percentage points, followed by tariffs with an impact of 1.9 percentage points and exchange rate effects with an impact of 1.2 percentage points.

In parallel, the margin was strengthened through a favorable product mix, which contributed 0.4 percentage points, and by lower price discounts and sales campaigns, which strengthened the margin by a further 0.6 percentage points.

EBIT amounted to SEK 43.6 million (31.5), corresponding to an EBIT margin of 9.9% (9.4). Depreciation/amortization and impairment amounted to SEK -13.5 million (-11.8) and related mainly to investments in tools linked to new product launches.

No items affecting comparability during the period.

Earnings for the period amounted to SEK 27.4 million (26.0). Net financial items amounted to SEK -8.8 million (1.6), which was largely attributable to negative currency effects from the translation of our USD account into SEK, with the SEK weakening during the period. Tax on earnings for the period amounted to SEK -7.6 million (-7.3). Earnings per share amounted to SEK 0.9 (0.9). Shares were issued during the period, but this did not lead to any material dilution effect (for further information see page 15).

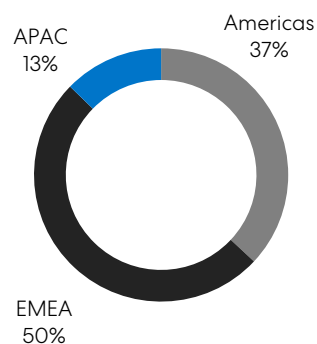
Geographic markets

The largest region during the period was EMEA, with net sales of SEK 222.1 million (173.4), while the Americas amounted to SEK 163.2 million (120.8) and APAC amounted to SEK 56.1 million (42.0).

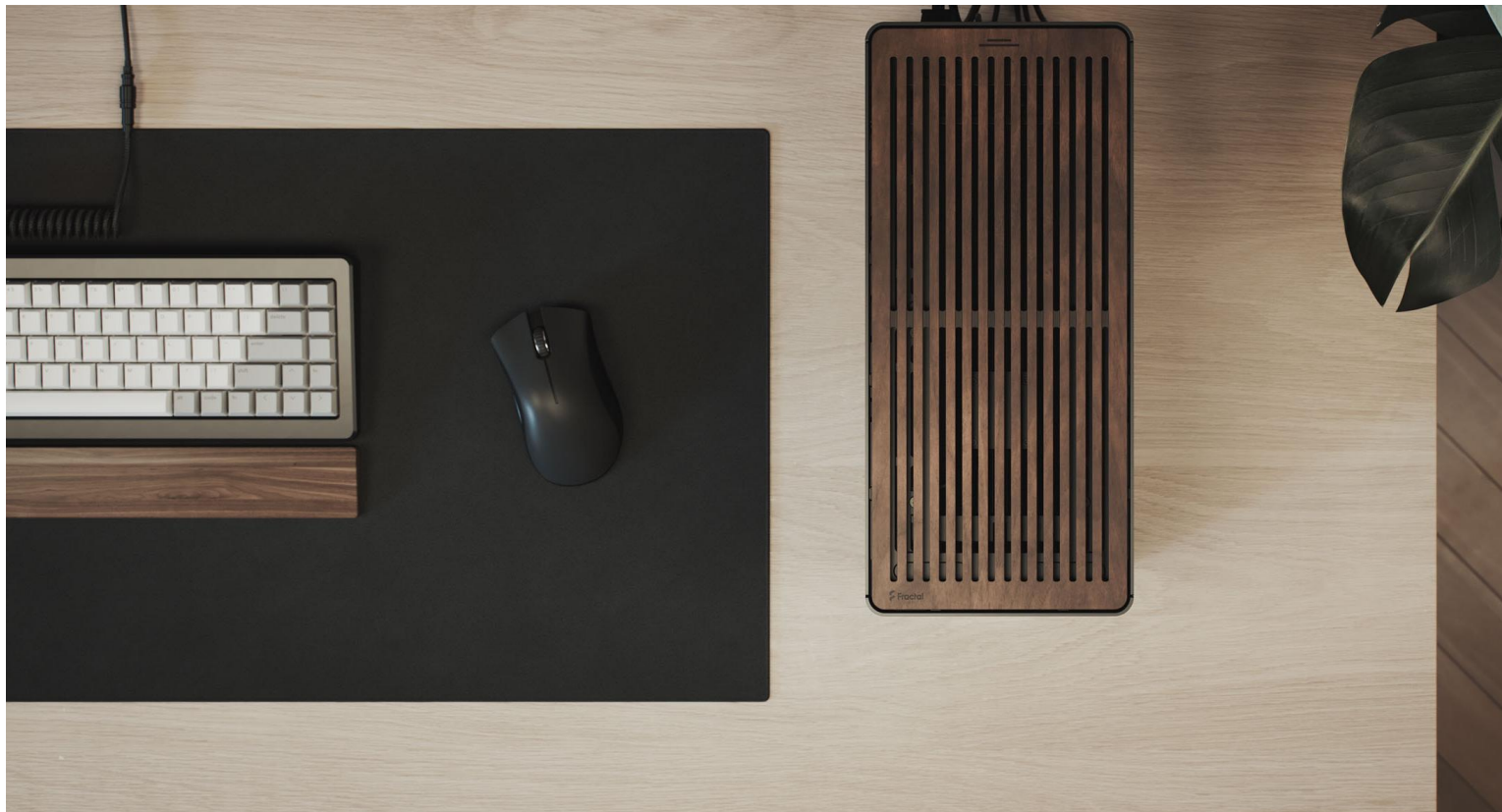
We noted growth in all regions year-on-year, and we can see a slight change in the shares between the EMEA and Americas regions. Growth was driven primarily by increased demand from end consumers, but was also attributable to a very strong period for Amazon as well as the launch of our new Scape headphones.

Of total net sales, EMEA accounted for 50.3% (51.6), the Americas for 37.0% (35.9) and APAC for 12.7% (12.5).

Net sales, Jan-Jun



SEKm	Jan—Jun		Δ %	Jul—Jun	Full year
	2025	2024		24/25	2024
Net sales Americas	163.2	120.8	35.1	307.8	265.5
Net sales Americas, USDm	16.0	11.5	39.9	29.5	24.9
Net sales EMEA	222.1	173.4	28.1	429.7	380.9
Net sales EMEA, USDm	21.9	16.5	32.6	41.1	35.7
Net sales APAC	56.1	42.0	33.6	99.2	85.1
Net sales APAC, USDm	5.5	4.0	38.7	9.5	8.0



Financial position and cash flow

Financial position

At the end of the period, the Group's balance sheet total amounted to SEK 719.3 million (567.1). Stock levels amounted to SEK 171.2 million (128.9). The main reason for the higher stock levels was a conscious and proactive decision to reinforce these to offset expected cost increases related to changing tariff conditions, as far as possible.

Utilization of the bank overdraft facility amounted to SEK 0.0 million (1.3). The bank overdraft facility has a scope of SEK 80 million. Fractal has a strong financial position, which gives the company financial stability and flexibility, and the scope to invest in strategic initiatives for growth. The 2025 Annual General Meeting resolved in accordance with the Board's proposal on a dividend of SEK 1.25 per share for the financial year 2024. The dividend was paid on May 27, 2025.

At the end of the period, Fractal had net cash of SEK 65.7 million, compared with net cash of SEK 21.5 million at the end of 2024. Net working capital amounted to SEK 48.9 million (90.7) at the end of the period. The Group's equity amounted to SEK 407.9 million (393.3) and the equity ratio to 56.7% (69.4) at the end of the period.

Cash flow for the quarter

Cash flow from operating activities amounted to SEK 3.4 million (6.0). Cash flow from investment activities amounted to SEK -6.7 million (-4.9) and was mainly related to the development of new products. Cash flow from financing activities during the quarter amounted to SEK -35.7 million (-10.1) and was largely related to the dividend of SEK -36.4 million and the new share issue of SEK 1.7 million.

Total cash flow in the quarter amounted to SEK -39.1 million (-9.1).

Cash flow Jan-Jun

Cash flow for the period from operating activities amounted to SEK 68.2 million (25.2). The increase was primarily due to higher sales compared with the same period in the previous year. Cash flow from investing activities amounted to SEK -14.1 million (-9.5) and mainly related to the development of new products. Cash flow from financing activities during the period amounted to SEK -36.8 million (-13.2) and was largely related to the dividend and new share issue.

Total cash flow in the period amounted to SEK 17.3 million (2.4).

Additional information

Important events in the quarter and period

Termination of employee stock option plan

An employee stock option plan from 2022 was terminated during the quarter. All outstanding options were exercised to subscribe for shares in accordance with the terms of the plan. The event had no material impact on the company's financial position. A total of 51,000 shares were subscribed for, which increased the number of shares outstanding to 29,170,500 (previously 29,119,500).

Dividend for financial year 2024

The Annual General Meeting resolved in accordance with the Board's proposal on a dividend of SEK 1.25 per share. The record date was May 22, 2025 and the dividend totaling SEK 36.4 million, based on 29,119,500 outstanding shares, was paid on May 27, 2025.

New financial targets adopted in the first quarter

During the first quarter, the Board decided on new financial targets that better reflect the company's development and future ambitions. The targets entail annual growth of 15% or more, profitability of 15% or more and to distribute a dividend of 50–80% of net profit.

Update on developments related to US tariffs

During the second quarter, several changes were announced regarding US tariffs that affect Fractal's exports from China to the United States. The situation remains complex and subject to frequent updates, with new decisions potentially arriving at short notice.

In May, a 90-day pause came into effect, reducing reciprocal tariffs from 125% to 10%, originally set to expire on 11 August. This pause has since been extended and now applies until 10 November 2025. The so-called fentanyl tariffs remain at 20% since the first quarter.

Throughout the quarter, Fractal's computer cases have continued to benefit from an exemption from the Section 301 tariffs (25%), but this exemption is set to expire on 31 August 2025. A possible renewed exemption is expected to be communicated shortly before the expiration date.

We are closely monitoring developments, as upcoming decisions may impact both our cost structure and pricing going forward.

Effects of war in Ukraine

Given the industry in which the Group operates, the conflict in Ukraine had no material impact on operations during the period.

Organization

On June 30, there were 115 (109) full-time employees, of whom 38 women (37) and 77 men (72). During the second quarter, the average number of employees in the organization was 114 (109), of whom 38 women (36) and 76 men (73).

Seasonal variations

Fractal has a seasonal business that is characterized by higher sales during the second half of the year due to important campaign periods. The first quarter includes the Chinese New Year. The company's product purchasing is adapted to take into account this seasonal variation.

Parent Company

The Parent Company's operations comprise Group management services performed for the Group's companies. The Parent Company's net sales amounted to SEK 0.8 million (1.5) in the second quarter. Operating loss amounted to SEK -0.5 million (-0.4) and profit for the period to SEK 36.5 million (-0.3).

The share

At June 30, 2025, the number of shares in Fractal amounted to 29,170,500 (29,119,500). The largest shareholders were: Långholmen Holding AB 29.0%, Herenco Holding AB 14.2%, Mediuminvest AS 10.0%, Nordnet Pensionsförsäkring AB 7.9% and TIN Ny Teknik 6.3%.

Fractal's shares were allocated among 4,397 shareholders as of June 30, 2025.

Significant risks and uncertainties

Fractal has credit insurance for all its customers, but at present there is one customer without this insurance. The company is actively engaged in finding a solution to also insure this customer. Fractal is dependent on product launches progressing as planned and delays could potentially have a substantial impact on total sales volume. Changes in exchange rates, particularly USD/SEK, are very important for the Group's earnings as all sales as well as product purchasing take place in USD. Fractal is exposed to changes in raw material prices, primarily steel and plastic. The business is dependent on free global flows of goods, particularly between the major markets in North America and Europe and manufacturing in China. Further information about risks and uncertainties can be found in the annual report for 2023 and in the prospectus, which are available at www.fractal-design.com.

Accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and RFR 1 Supplementary Accounting Rules for Groups. This interim report was prepared in accordance with IAS 34, Interim Financial Reporting, and applicable provisions in the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34.16A are, in addition to the financial statements and accompanying notes, also presented in other parts of the interim report. The Parent Company's report is prepared in accordance with the regulations in RFR 2 Accounting for Legal Entities and Chapter 9 of the Swedish Annual Accounts Act.

Assurance of the Board of Directors and the CEO

The Board of Directors and the CEO give their assurance that the interim report gives a true and fair view of the development of the Group's and Parent Company's operations, financial position and results of operations and describes significant risks and uncertainties facing the Parent Company and the Group companies. This report has not been audited.

Stockholm, August 15, 2025

Hannes Wallin
Chairman of the Board

Magnus Yngen
Board member

Gustav Thott
Board member

Ola Nilsson
Board member

Jonas Holst
CEO

Income statement, Group

SEKm	Q2		Jan—Jun		Jul—Jun	Full year
	2025	2024	2025	2024	24/25	2024
Net sales	215.4	143.7	441.4	336.1	803.2	697.9
Capitalized development expenditure	3.3	3.0	6.8	6.2	14.2	13.6
Other operating income	2.2	0.6	2.4	0.6	2.4	0.6
Total revenue	221.0	147.3	450.6	343.0	819.8	712.2
Operating expenses						
Goods for resale	-138.7	-84.6	-273.4	-194.6	-496.5	-417.8
Other external expenses	-35.4	-30.0	-66.8	-55.9	-124.0	-113.2
Personnel expenses	-27.1	-25.8	-53.3	-49.1	-101.5	-97.3
Depreciation and impairment of tangible and intangible non-current assets	-6.8	-6.0	-13.5	-11.8	-27.1	-25.4
Total operating expenses	-208.0	-146.4	-407.0	-311.4	-749.1	-653.6
Operating profit	13.0	0.9	43.6	31.5	70.7	58.6
Finance income	-	0.0	0.0	3.4	0.9	4.2
Finance costs	-4.3	-1.3	-8.8	-1.8	-9.4	-2.4
Profit/loss after financial items	8.6	-0.4	34.9	33.2	62.1	60.4
Income tax expense	-2.1	-0.2	-7.6	-7.3	-14.1	-13.8
Deferred tax liabilities	0.1	0.1	0.2	0.1	1.1	1.1
Profit for the period	6.6	-0.6	27.4	26.0	49.1	47.7
Other comprehensive income						
Items that have been reclassified or can be reclassified to profit/loss for the period						
Foreign subsidiaries - foreign currency translation differences	-0.2	-0.0	-0.8	-0.0	-0.3	0.5
Other comprehensive income for the period	-0.2	-0.0	-0.8	-0.0	-0.3	0.5
Total comprehensive income for the period	6.4	-0.6	26.6	25.9	48.8	48.2
Profit for the year attributable to:						
Parent Company's shareholders	6.6	-0.6	27.4	26.0	49.1	47.7
Profit for the period	6.6	-0.6	27.4	26.0	49.1	47.7
Total comprehensive income attributable to:						
Parent Company's shareholders	6.4	-0.6	26.6	-0.6	75.4	48.2
Total comprehensive income for the period	6.4	-0.6	26.6	-0.6	75.4	48.2
Average number of shares before dilution	29.2	29.1	29.2	29.1	29.1	29.1
Average number of shares after dilution	29.2	29.1	29.2	29.1	29.1	29.1
Earnings per share, SEK	0.2	-0.0	0.9	0.9	1.7	1.6
Before and after dilution, SEK	0.2	-0.0	0.9	0.9	1.7	1.6

Balance sheet, Group

SEKm	Jun 30, 2025	Jun 30, 2024	31 Dec 2024
ASSETS			
Non-current assets			
Goodwill	210.2	210.2	210.2
Capitalised development costs	56.5	44.5	50.0
Property, plant and equipment	36.9	36.2	40.7
Right-of-use assets	7.1	11.3	9.2
Deferred Tax Asset	-	0.1	-
Total non-current assets	310.7	302.3	310.1
Current assets			
Inventories	171.2	128.9	108.9
Accounts receivable	150.4	102.8	180.8
Prepaid expenses and accrued income	7.5	7.6	5.5
Other receivables	13.8	2.7	6.0
Cash and cash equivalents	65.7	22.8	50.6
Total current assets	408.6	264.8	351.8
TOTAL ASSETS	719.3	567.1	661.9
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	0.5	0.5	0.5
Share premium	180.3	178.4	178.6
Reserves	-0.8	-0.7	-0.1
Retained earnings including profit/loss for the period	227.9	215.1	236.9
Equity attributable to the Parent Company's shareholders	407.9	393.3	415.9
Total equity	407.9	393.3	415.9
Non-current liabilities			
Long-term lease liabilities	3.2	6.9	5.0
Provisions	6.8	5.2	6.2
Deferred tax liabilities	3.4	4.6	3.4
Total non-current liabilities	13.4	16.8	14.6
Current liabilities			
Overdraft facility	-	1.3	-
Other short term interest-bearing liabilities	-	-	-
Current lease liabilities	4.0	4.3	4.3
Accounts payable	258.8	122.9	186.9
Tax liabilities	1.7	3.9	8.4
Other liabilities	4.1	2.3	2.1
Accrued expenses and prepaid income	29.4	22.2	29.7
Total current liabilities	297.9	157.0	231.3
TOTAL EQUITY AND LIABILITIES	719.3	567.1	661.9

Cash flow, Group

SEKm	Q2		Jan—Jun		Jul—Jun	Full year
	2025	2024	2025	2024	24/25	2024
Cash flows from operating activities						
Profit/loss after financial items	8.6	-0.4	34.9	33.2	28.0	26.3
Adjustments for items not included in cash flow	7.5	6.1	15.6	12.0	11.6	8.0
Income tax paid	-5.4	-6.6	-17.5	-13.3	-16.3	-12.2
	10.8	-0.9	32.9	31.8	23.2	22.1
Increase (+)/Decrease (-) of inventories	-65.9	-5.9	-62.2	30.7	-89.3	3.7
Increase (+)/Decrease (-) of operating receivables	11.4	36.4	23.9	2.3	34.1	12.5
Increase (+)/Decrease (-) of operating liabilities	47.1	-23.6	73.6	-39.6	139.7	26.5
Net cash from operating activities	3.4	6.0	68.2	25.2	107.8	64.8
Cash flows from investing activities						
Acquisition of property, plant and equipment	-1.6	-0.7	-3.5	-1.2	-4.0	-1.8
Acquisition intangible assets	-5.1	-4.2	-10.6	-8.3	-7.9	-5.5
Net cash used in investing activities	-6.7	-4.9	-14.1	-9.5	-11.9	-7.3
Cash flows from financing activities						
Share issue	1.7	-	1.7	-	1.7	-
Net change other short term interest-bearing liabilities	-	-	-	-10.0	10.0	-
Net change, bank overdraft facility	-	-9.1	-	-1.1	1.1	-
Repayment of borrowings	-1.0	-1.0	-2.1	-2.1	-1.1	-1.1
Paid dividend to non-controlling interests	-36.4	-	-36.4	-	-36.4	-
Net cash used in financing activities	-35.7	-10.1	-36.8	-13.2	-24.6	-1.1
Net increase in cash and cash equivalents	-39.1	-9.1	17.3	2.4	71.3	56.4
Cash and cash equivalents at start of period	105.3	31.9	50.6	20.4	80.8	50.6
Effects of movements in exchange rates on cash held	-0.5	-	-2.2	-	-3.9	-1.7
Cash and cash equivalents at end of period	65.7	22.8	65.7	22.8	148.2	105.3

Change in equity, Group

Amounts in SEKm	Share capital	Share premium	Reserves	Retained earnings including profit/loss for the year	Total	Non-controlling interest	Total equity
Balance at 2024-01-01	0.5	178.4	-0.6	189.2	367.5	-	367.5
Profit for the period				26.0	26.0		26.0
Translation differences			-0.0		-0.0		-0.0
Total comprehensive income for the period			-0.0	26.0	25.9		25.9
Balance at 2024-06-30	0.5	178.4	-0.7	215.1	393.3	-	393.3
Balance at 2025-01-01	0.5	178.6	-0.1	236.9	415.9	-	415.9
Profit for the period				27.4	27.4		27.4
Translation differences			-0.7		-0.7		-0.7
Total comprehensive income for the period			-0.7	27.4	26.7		26.7
Share premium reserve	0.0	1.7					1.7
Proposed/Distributed Dividend				-36.4	-36.4		-36.4
Balance at 2025-06-30	0.5	180.3	-0.8	227.9	407.9	-	407.9

Parent Company

Income statement

SEKm	Q2		Jan—Jun		Jul—Jun	Full year
	2025	2024	2025	2024	24/25	2024
Net sales	0.8	1.5	2.3	2.9	5.0	5.7
Other operating income	0.0	-	0.0	-	0.0	-
	0.8	1.5	2.3	2.9	5.0	5.7
Operating expenses						
Other external expenses	-0.5	-0.4	-0.9	-0.8	-1.8	-1.7
Personnel expenses	-0.8	-1.5	-2.3	-2.9	-5.0	-5.6
	-1.3	-1.9	-3.2	-3.7	-6.8	-7.3
Operating profit	-0.5	-0.4	-0.9	-0.8	-1.8	-1.6
<i>Net financial income and expenses</i>						
Result from shares in subsidiaries	37.0	-	37.0	-	37.0	-
Text	-0.0	0.0	-0.0	0.0	-0.0	0.0
Finance costs	-0.1	-0.0	-0.1	-0.0	-0.1	-0.0
Profit/loss after financial items	36.4	-0.4	36.0	-0.8	35.1	-1.6
Appropriations	-	-	-	-	15.1	15.1
Net income before taxes	36.4	-0.4	36.0	-0.8	50.3	13.5
Income tax expense	-	-	-	-	-2.9	-2.9
Deferred tax liabilities	0.1	0.1	0.1	0.1	0.0	-
Profit for the period	36.5	-0.3	36.2	-0.7	47.5	10.6

The Parent Company has no items that are recognized as other comprehensive income. Total comprehensive income is therefore the same as net profit for the period.

Balance sheet

SEKm	Jun 30, 2025	Jun 30, 2024	31 Dec 2024
ASSETS			
Non-current assets			
Shares in group companies	271.4	271.4	271.4
Deferred Tax Asset	-	0.1	-
Total non-current assets	271.4	271.5	271.4
Current assets			
Receivables from group companies	1.3	0.6	6.7
Other receivables	1.6	0.0	0.0
Prepaid expenses and accrued income	0.3	0.3	0.2
Cash and cash equivalents	1.7	0.2	1.0
Total current assets	4.9	1.1	7.9
TOTAL ASSETS	276.4	272.7	279.3
EQUITY AND LIABILITIES			
Shareholders' equity			
Restricted equity			
Share capital	0.5	0.5	0.5
Total restricted equity	0.5	0.5	0.5
Non-restricted equity			
Share premium	180.3	178.4	178.6
Retained earnings	46.5	72.3	72.3
Profit for the period	36.2	-0.7	10.6
Total non-restricted equity	263.0	250.0	261.5
Shareholders' equity	263.5	250.5	262.0
Untaxed reserves	10.5	15.6	10.5
Current liabilities			
Debt to group companies	-	2.9	-
Accounts payable	0.0	0.0	-
Tax liabilities	0.2	1.8	3.7
Other liabilities	0.6	0.3	0.4
Accrued expenses and prepaid income	1.7	1.6	2.7
Total current liabilities	2.5	6.5	6.8
TOTAL EQUITY AND LIABILITIES	276.4	272.7	279.3

Operating segment and revenue distribution

Fractal monitors net sales and product profit by product category. Sales are also monitored by geography, for which separate disclosures are provided in the report.

Note 1 – Net sales and earnings by segment

SEKm	Q2		Jan—Jun		Jul—Jun	Full year
	2025	2024	2025	2024	24/25	2024
Net sales	215.4	143.7	441.4	336.1	803.2	697.9
- Cases	192.6	128.3	387.5	308.1	705.5	626.2
- Other	22.8	15.4	53.9	28.0	97.6	71.7
Product profit	76.7	59.5	168.0	141.8	307.3	281.1
- Cases	70.1	53.5	152.6	131.0	280.9	259.3
- Other	6.6	6.0	15.4	10.8	26.3	21.8
Capitalized development expenditure	3.3	3.0	6.8	6.2	14.2	13.6
Other operating income	2.2	0.6	2.4	0.6	2.4	0.6
Other external expenses	-35.4	-30.0	-66.8	-55.9	-124.0	-113.2
Personnel expenses	-27.1	-25.8	-53.3	-49.1	-101.5	-97.3
Depreciation and impairment of tangible and intangible non-current assets	-6.8	-6.0	-13.5	-11.8	-27.1	-25.4
Operating profit	13.0	0.9	43.6	31.5	70.7	58.6
Finance income	-	0.0	0.0	3.4	5.2	8.6
Finance costs	-4.3	-1.3	-8.8	-1.8	-13.8	-6.8
Net financial income and expenses	-4.3	-1.3	-8.8	1.6	-8.5	1.8
Net income before taxes	8.6	-0.4	34.9	33.2	62.1	60.4

Note 2 – Distribution of revenue

The Group generates revenue primarily from the sale of premium PC gaming products in the form of cases, chairs, headsets, power supply units, cooling products and fans. Sales are made to distributors, resellers and system integrators and purchases are made from contracted manufacturers. Ownership of the sold products normally transfers to the customer on physical delivery of each product. Other revenue mainly consists of currency exchange differences regarding sales and purchases and are not included in the table below, which describes the nature of the revenue streams.

Disaggregation of revenue from agreements with customers

The disaggregation of net sales in product areas, geographic markets and time of reporting is summarized below. Product areas and geographic markets coincide with those mentioned in the segment reporting.

Group	Cases Jan—Jun		Other Jan—Jun		Total Jan—Jun	
	2025	2024	2025	2024	2025	2024
SEKm						
Geographic market						
Americas	153.3	118.3	9.9	2.5	163.2	120.8
EMEA	185.6	155.4	36.6	17.9	222.1	173.4
APAC	48.7	34.4	7.4	7.6	56.1	42.0
Time of revenue recognition						
Goods recognized at a point in time	387.5	308.1	53.9	28.0	441.4	336.1
Goods and services recognized over time	-	-	-	-	-	-
Total net sales	387.5	308.1	53.9	28.0	441.4	336.1

Note 3 – Financial instruments at fair value

The Group's financial instruments are recognized at amortized cost. The carrying amount offers a reasonable estimate of fair value.

Definitions

This report contains key financial figures in accordance with the framework applied by Fractal, which is based on IFRS. In addition, other key figures (alternative performance measures) are used by management and other stakeholders to analyze trends and the performance of the Group's operations that cannot be identified or derived from the financial statements. Fractal's stakeholders should not regard these alternative performance measures as a substitute, but rather as a complement to the financial statements which are prepared in accordance with IFRS. A list of definitions and key figures used and referred to in this report is presented below.

Non-IFRS metrics	Description	Justification for the use of metrics
Net sales, USD million	Amounts invoiced in USD relating to sales, adjusted for distributor and reseller discounts that are also denominated in other currencies.	Fractal's sales are invoiced in full in USD. The purpose of presenting the key figure is to present the organic growth for the Group.
Product profit	Net sales less goods for resale.	Demonstrates product profitability of the core business.
Product margin, %	Product profit in relation to net sales.	Demonstrates product profitability of the core business in relation to net sales.
Operating profit (EBIT)	Fractal's reported operating profit (EBIT).	Operating profit (EBIT) is a performance metric that along with EBITDA, shows the earnings generated by the day-to-day activities.
Operating margin (EBIT margin), %	Operating profit (EBIT) in relation to net sales.	Enables comparisons of profitability irrespective of capital structure or tax situation.
EBITDA	Operating profit (EBIT) with a reduction of depreciation and impairment of tangible and intangible non-current assets.	EBITDA together with operating profit (EBIT) provides an overall picture of the generation of earnings from the day-to-day activities.
EBITDA margin, %	EBITDA in relation to net sales.	This key figure is used for analysis of the generation of earnings by Fractal.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability.	Adjusted EBITDA is a performance metric that is considered relevant to the understanding of Fractal's financial performance from the day-to-day activities. This metric shows the financial performance of the day-to-day activities without any influence from significant cost or income items that affect the possibility of making comparisons over time, as described under "items affecting comparability" below.
Adjusted EBITDA margin, %	Adjusted EBITDA in relation to net sales.	Adjusted EBITDA margin is a key figure that is considered relevant to understanding Fractal's financial performance from the day-to-day activities without any impact from significant cost or income items that affect the ability to make comparisons over time.
Items affecting comparability	Income and cost items that are reported separately as a result of their nature and amount.	Items affecting comparability are used to explain differences in the historical profit/loss. Separate reporting and specification of items affecting comparability enables readers of the financial statements to understand and evaluate the adjustments made in the presentation of adjusted operating profit (adjusted EBIT) and adjusted EBITDA.
Net working capital	Net working capital is calculated as net working capital assets less net working capital liabilities. Net working capital assets are calculated as the sum of inventories, accounts receivable and prepaid expenses and accrued income as well as other receivables. Net working capital liabilities are calculated as the sum of accounts	This metric shows how much net working capital is tied up in Fractal's business.

Non-IFRS metrics	Description	Justification for the use of metrics
	payable and tax liabilities, accrued expenses and prepaid income as well as other liabilities.	
Operating cash flow	EBITDA less acquisition of property, plant and equipment and capitalized development expenditure and adjustments for changes in inventories, operating receivables and operating liabilities.	Operating cash flow is used by Fractal as a metric for how much cash flow the business generates.
Cash conversion, %	Operating cash flow in relation to EBITDA.	Fractal uses this key ratio to monitor how effectively the Group manages ongoing investments and net working capital.
Interest-bearing net debt	Interest-bearing debt less cash and cash equivalents. Interest-bearing debt consists of the sum of overdraft facility, and debt to Group companies.	Interest-bearing net debt is a measure that shows the total indebtedness of the company.
USD/SEK, average	Net sales in SEK million in relation to net sales in USD million.	The average USD/SEK exchange rate has a significant impact on company net sales and operating profit.
Net sales growth, %	Growth in net sales for the period, calculated as an increase in net sales compared to the preceding year, expressed as a percentage.	Shows change in net sales for the business during the period compared to the preceding period.
Organic net sales growth, %	Growth in net sales in USD million for the period, calculated as the change in net sales in USD million compared to the preceding year, expressed as a percentage.	Shows organic business growth during the period compared to the preceding period.
Equity ratio	Equity in relation to total assets	Shows how large a share of assets are financed by equity and can be used as an indicator of the company's ability to pay over the long term.

Key Performance Indicators (KPIs)	Description	Justification for the use of metrics
Sales out, USD sellers to end consumers (Sales Out), USD	Sales out measured in USD, reported by Fractal's resellers.	Sales out measured in USD is used by Fractal as an indicator of the underlying demand for the company's products.

Financial calendar

Interim report, January–September 2025
Interim report, January–December 2025
Publication of 2025 Annual Report
Interim report, January–March 2026
Annual General Meeting

October 23, 2025
February 5, 2026
April 21, 2026
May 7, 2026
May 19, 2026

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