Fractal



Q3 2026

# Interim Report

# Interim Report

## Third quarter

- **Net sales** decreased 41.9% to SEK 105.4 million. Sales were lower year-on-year in all product categories and regions but increased by 41.1% compared with the preceding quarter. The need for destocking in EMEA has diminished, which has increased purchases and the region's share of total sales.
- **The product margin** improved to 61.8%, primarily due to tariff refunds, a stronger USD and a more favorable product mix but was partly offset by higher price discounts and freight costs. Excluding the tariff refund, the margin was 44.9%.
- **EBITDA** amounted to SEK 21.3 million, including a positive effect of SEK 17.8 million from refunded tariffs. Adjusted EBITDA amounted to SEK 22.7 million after adjustments for restructuring costs. The cost-cutting program, expected to take full effect in 2027, has continued to promote a lower cost base.
- **EBIT** amounted to SEK 13.4 million, with a margin of 12.7%. Adjusted for restructuring costs, EBIT amounted to SEK 14.7 million and the margin was 14.0%.
- **Operating cash flow** improved to SEK –24.1 million. Increases in accounts receivable, decreases in accounts payable and higher levels of investment were offset in part by lower inventory levels. At the end of the quarter, the company's net debt amounted to SEK 2.0 million.
- **Earnings per share** increased to SEK 0.4.

| Amounts in MSEK | Q3 2026 | Q3 2025 | Δ | Jan-Sep 2026 | Jan-Sep 2025 | Δ | Oct–Sep 25/26 | Full year 2025 |
|---|---|---|---|---|---|---|---|---|
| Net sales | 105.4 | 181.4 | –42% | 318.5 | 622.8 | –49% | 505.2 | 809.5 |
| Net sales, MUSD | 10.9 | 19.1 | –43% | 34.0 | 62.5 | –46% | 53.8 | 82.3 |
| Product profit | 65.1 | 70.7 | –8% | 148.5 | 238.7 | –38% | 215.1 | 305.2 |
| Product margin, % | 61.8 | 39.0 | | 46.6 | 38.3 | | 42.6 | 37.7 |
| EBITDA | 21.3 | 13.7 | 55% | –0.7 | 70.8 | –101% | 6.3 | 77.8 |
| EBITDA margin | 20.2 | 7.6 | | –0.2 | 11.4 | | 1.2 | 9.6 |
| Adjusted EBITDA | 22.7 | 13.7 | 65% | 3.7 | 70.8 | –95% | 10.7 | 77.8 |
| Adjusted EBITDA margin | 21.5 | 7.6 | | 1.2 | 11.4 | | 2.1 | 9.6 |
| EBIT | 13.4 | 6.6 | 105% | –23.7 | 50.2 | –147% | –23.7 | 50.2 |
| EBIT margin, % | 12.7 | 3.6 | | –7.4 | 8.1 | | –4.7 | 6.2 |
| Adjusted EBIT | 14.7 | 6.6 | 125% | –19.2 | 50.2 | –138% | –19.2 | 50.2 |
| Adjusted EBIT margin | 14.0 | 3.6 | | –6.0 | 8.1 | | –3.8 | 6.2 |
| Operating cash flow | –24.1 | –28.0 | | 3.0 | 50.3 | | –31.2 | 16.1 |
| Interest-bearing net debt | 2.0 | –36.4 | | 2.0 | –36.4 | | 2.0 | 3.3 |
| Earnings per share, SEK | 0.4 | 0.2 | | –0.6 | 1.2 | | –0.6 | 1.1 |
| USD/SEK, average | 9.7 | 9.5 | | 9.4 | 10.0 | | 9.4 | 9.8 |

# CEO's comments

## Gradual recovery and positive earnings

Sales during the third quarter began to recover from the low levels in the spring. Revenue is still significantly below the previous year's levels, but our initiatives aimed at increasing sales while lowering costs had an effect and we are once again reporting positive EBITDA.

Demand among end customers was at a higher level than in the spring, and our partners' destocking needs have diminished. Focus has instead shifted to replenishing stocks before the holiday rush, which has increased our partners' purchasing – especially toward the end of the quarter.

Meanwhile, the market remains challenging, with high component prices that are limiting consumer purchases and prolonging upgrade cycles. Price competition is fierce, but market data for cases shows that we are maintaining our position.

## Sequential growth and a return to positive EBITDA

Net sales totaled SEK 105.4 million, compared with SEK 181.4 million in the year-earlier quarter. Compared with the second quarter, revenue increased by 41%. The product margin was 61.8%, with a significantly positive impact from the refund of previously paid IEEPA tariffs. Excluding the refund, the margin was 44.9%. A stronger USD and a favorable product mix, with the implemented price adjustments and lower purchase prices having gradually improved our product margin, had a positive impact.

EBITDA amounted to SEK 21.3 million, including SEK 17.8 million from refunds of tariffs, corresponding to a margin of 20.2%. Excluding restructuring costs, adjusted EBITDA amounted to SEK 22.7 million. With near-zero net debt and a return to a positive underlying EBITDA, our financial position has become more stable.

The cost-cutting program that was announced during the second quarter has clearly reduced our cost base. We have reduced our workforce, consulting costs and external expenses, in part by reducing buffer stock and shifting priorities in our marketing activities. These measures are expected to take full effect in 2027, and we remain firm in our belief that the fixed cost base will be approximately 20% lower than in 2025. As the channel's inventory adjustments subside, our sell-in can better reflect end-customer demand. Along with the cost savings, this provides us with a good platform for improved profitability even though the market remains challenging.

## Better balance in the channel

The share of end-customer sales that is reported to us increased 5% compared with the second quarter, and exceeded sell-in by 22%. As a whole, revenue for the quarter was still restrained by the inventory adjustments initiated at the start of the year, but we believe that sell-in and end-customer sales at the end of the quarter were in balance.

The inventory adjustment – combined with increased demand for smaller cases such as Terra and Ridge, as well as models for AI work stations – has led to a shortage of several in-demand products. That is why we are adapting production and stockpiling together with our partners in order to improve availability, not least by maintaining our own inventory in the US. Transit times meant that availability bottlenecks are expected to continue in the fourth quarter.

## New products strengthen our offering

Product launches are our key sales driver. A robust product plan also strengthens our market position and our platform for growth once the market recovers.

In September, we conducted one of our largest product launches ever, with the case models Summit and Define One, the Radius water cooling system and Refine 2, the next generation of computer and gaming chair. These products have spawned a great deal of interest, and sold out in several channels. The initial hesitancy in our partners' purchases, due to the market situation, has contributed to the inventory shortages. We are now working hard to replenish our stocks and support sales through targeted campaigns in our core markets.

With Refine 2, we have drawn on the experiences gained from the first generation and customer feedback. Improved ergonomics, new armrests, and more adjustment options all meet customer needs. The reception – especially concerning comfort, ergonomics and build quality – has been very positive.

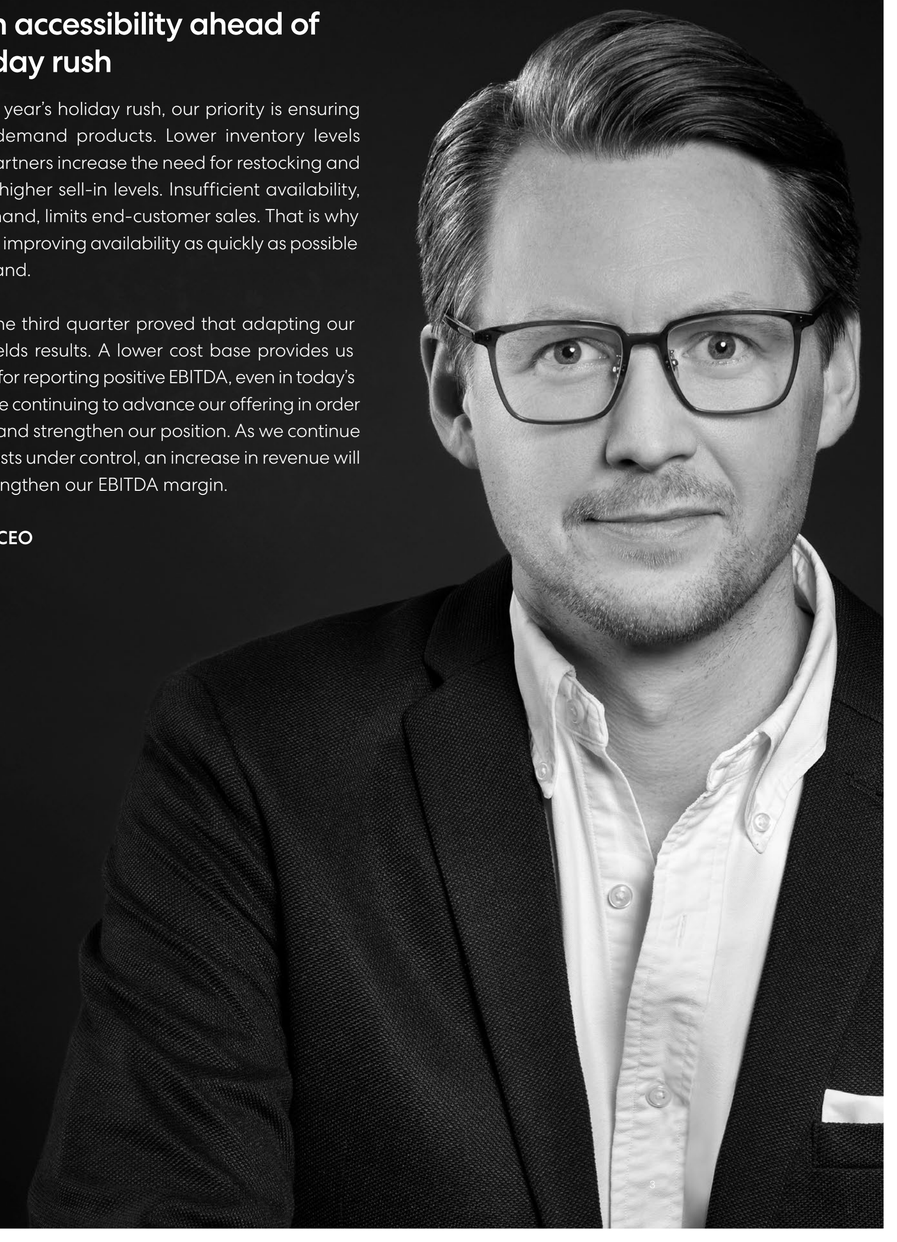
There have been quality issues with Scape, particularly with the adhesive on the ear cushions. Production measures and express service were introduced back in the spring, but because the problems emerge after a certain amount of use the scope of the issue has become clearer over time. The proportion of products affected is greater than what we would find acceptable. We are continuing to help our affected customers, and are restocking the market with products from updated production to enhance the customer experience and sales.

## Focus on accessibility ahead of the holiday rush

Ahead of this year's holiday rush, our priority is ensuring stocks of in-demand products. Lower inventory levels among our partners increase the need for restocking and contribute to higher sell-in levels. Insufficient availability, on the other hand, limits end-customer sales. That is why our focus is on improving availability as quickly as possible to meet demand.

And, finally, the third quarter proved that adapting our operations yields results. A lower cost base provides us with the basis for reporting positive EBITDA, even in today's market. We are continuing to advance our offering in order to drive sales and strengthen our position. As we continue to keep our costs under control, an increase in revenue will gradually strengthen our EBITDA margin.

**Jonas Holst, CEO**



# Market performance and trends

## Memory prices continue to rise, but at a slower pace

The pace of price increases continued to abate during the third quarter, which indicates a more stable price trend compared with the first half of the year.

This development also had an effect at the consumer level. The average retail price of DDR5 memory rose approximately 10% between early July and late September. While supplier and retail prices are not directly comparable, they display the same trend: the pace of price increases in the DRAM market slackened during the third quarter of 2026, which indicates a more stable price trend compared with the sharp upswings earlier in the year. Despite this slowdown, price levels have remained high after a period of historically low prices.

Continued strong demand from the AI and server markets are keeping the market under strain while new capacity is expected to begin having an effect only during the first half of 2027. The speed with which these prices normalize therefore depends to a great extent on whether increased production can keep pace with AI-related demand.

## Effect of increased PC prices different among segments

This trend is also visible in the broader PC market. However, in September Omdia reported that Q2 PC deliveries in the US rose by 1.0% to 18.8 million units. This increase was driven in part by stockpiling among resellers and distributors ahead of further price increases.

Omdia believes that this increase in volume will be brief, and their forecast is for an 18.4% decrease in deliveries in the US during the second half of the year, with a further 4.9% in 2027. At the same time, this forecast should be regarded in light of a highly robust second half of 2025, when the market hit record-high levels. This downturn thereby largely means a return from unusually high volumes, even though market conditions remain challenging.

Meanwhile, the differences among the price segments are becoming increasingly clear. The average sales price for a PC passed USD 1,000, an increase of 12% year-on-year. Deliveries of systems under USD 699 decreased 6.5%, while deliveries over USD 1,500 increased 36.8%.

While this data pertains to the broader US PC market and not DIY specifically, it shows that the more price-sensitive sections of the market are under greater pressure.

## Gaming engagement remains strong despite a weaker hardware market

In the meantime, there are no similar signs that interest in PC gaming is decreasing. Alinea Analytics estimates that the Steam gaming platform generated USD 11.1 billion in revenue during the first half of the year, up 14.5% compared to the first half of 2025. These figures are third-party estimates, not reported by Valve itself, but indicate continued record-high levels of consumption in PC gaming.

There is thus a clear difference between consumer engagement and demand for new hardware. Consumers can continue to play and spend while postponing the purchase of a new computer or a complete PC build.

## Console market under pressure while PC continues to grow

The console market also showed clear signs of pressure during the third quarter. The number of consoles sold in the US dropped 39% in July compared to the year-earlier period, while the average sale price for a new console rose 16%. Circana points out higher costs for memory and components as a factor behind rising prices, which has led to several console manufacturers raising their consumer prices during the year.

Meanwhile, PC gaming continues to strengthen its position as a platform. According to Newzoo, the global PC gaming market is expected to grow 5.3% in 2026 and thus outperform the console gaming market for the period up through 2028. At the moment, there is still insufficient basis to affirm a broad shift from console to PC, but surveys indicate an increased interest in PC in pace with rising console prices, decreased availability of physical games and CDs, and narrower differences in game offerings between the platforms.

## Higher cost landscape changing purchasing behaviors

When a greater portion of a consumer's budget goes to memory, graphics cards, processors and storage, competition for the remainder of their budget increases. For the DIY market, this could mean longer times between complete system builds as well as consumers becoming more selective in which components and products they choose to upgrade.

At the same time, more selective purchases do not mean that consumers will consistently select cheaper alternatives. Rather, the differences between the price segments in the PC market show that there is still demand higher up in the market.  Although price increases could have impacted distribution among the segments, Omdia's data shows that in the second quarter, deliveries of PCs over USD 1,500 increased while the budget segment decreased. On the other hand, when fewer purchases are prioritized, the demand for justifying a higher price through function, design, quality and service life increases.

The outlook for Q4 indicates a market that will continue to adapt to new conditions, with both price levels and purchasing behavior changing. TrendForce believes that demand from the AI and server markets will continue to impact the supply of memory capacity, thereby remaining a driver behind the market's future performance. Fractal is also adapting its offering in pace with consumers adapting their purchasing decisions and priorities to the new market conditions.

With one of the broadest case portfolios in the market, Fractal is well equipped to meet various needs and budgets while demand in the higher price segments continues to provide support for the company's premium positioning. Moreover, the ventures in headsets and chairs are expanding our offering toward the same gaming public, but in categories that are not as dependent on the computer's upgrade cycle.

Sources: TrendForce, Omdia, Steam/SteamDB, TechPowerUp, Tom's Hardware & NewZoo.

# Launches during Q3

## Fractal enhances its product portfolio with four new launches

Summit, Define One, Radius and Refine 2 were all launched in September – the biggest product launch of the year. The new products range across cases, cooling and gaming chairs and combine completely new concepts with the further development of established product families. Summit takes Fractal's Scandinavian design innovation further; Define One renews the market's most iconic case series; Radius enhances our offering in cooling and Refine 2 was developed using lessons learned and feedback from our community. Continuing to evolve our product portfolio is important to us – even in a weaker market – for strengthening our position and creating a platform for future growth. The journey toward a purchase in the DIY segment is often a long one, with many customers starting to plan and compare various alternatives long before they actually build or upgrade their systems. That is why there is also value in launching our products, even in a year when the market is more cautious. This provides Fractal with the opportunity to build awareness and stand ready with a strong portfolio once demand rebounds.

## Summit shows the way for home-integrated gaming

With Summit, Fractal continues to redefine the look and function of a premium case. Our starting point is the same as with our market leader, North: combining high performance with a design language that feels just as natural in the home as it does on an office desk.

Summit's curved wood is a central element of its design, giving the case a distinct character. Designing and integrating a natural material has required a great deal of precision and engineering work. That is why the wood has not been tacked on afterward as a decorative detail, but designed as a part of the whole. This creates a unique expression in the case market and – for Summit – a feeling closer to designer furniture than a traditional PC case. At the same time, the focus has remained on the expectations around a modern gaming case: high performance, well-planned functionality and a smooth build experience.

Summit garnered a great deal of attention at its launch for its innovative design and simplicity of use. Summit is delivered with Fractal's Momentum fans, which have been developed to provide efficient cooling with low noise levels.

Summit was launched globally in September and is available in six different models, with prices starting at USD 169.99.






## Refine 2 – developed in collaboration with the community

Refine 2, the next generation of the Refine series, builds on the experiences of and feedback from users and the Fractal community. Several of the requested improvements – including ergonomics, new arm rests and adjustment options – have been implemented.

The product range has also been expanded with new models, including a new Hybrid model that combines various materials to balance comfort and ventilation – a product that is in demand among our community.

Reception from the media and the community has been very positive, with a particular focus on comfort, ergonomics and build quality. In numerous reviews, Refine 2 has been compared with long-established alternatives in much higher price segments.

Refine 2 was launched globally in September and is available in six different models, starting at USD 639.99.

## Define One renews one of the most well-known series in the case market

For many years, the Define series has been an integral part of Fractal's case portfolio and has been significant for the company's minimalist design expression in the global PC market. The series has also been a clear guideline for high-quality builds in the market as a whole, particularly among DIY communities.

Define One is a modern take on the well-known Define concept. It retains the closed front that characterizes the Define series while the case has been developed to meet today's stringent demands for cooling performance without compromising on the noise levels that have historically been key for the Define customer.

The balance between cooling and low noise levels specifically resulted in strong reviews from the very start. The media highlighted how its innovative mechanical design manages to create airflow and performance that is normally associated with "open" cases while preserving the characteristic design language of the Define series.

Define One is available in four different models, starting at USD 154.99. Global sales were inaugurated in September.

## Radius expands the offering in high-performance cooling

With Radius, Fractal introduced a new line of coolers, revitalizing the company's offering in processor cooling. The series was developed to combine high performance and low noise levels with ease of installation and competitive pricing.

The price is particularly relevant in a more price-sensitive hardware market, with rising component costs increasing the importance for consumers of the relationship between price and performance.

Radius met with a warm reception at its launch, with industry media such as TechPowerUp giving the series its Editor's Choice and Great Value awards.

Radius was launched globally in September and is available in five different models, starting at USD 79.99.



# Financial performance

## Net sales

The Group's net sales amounted to SEK 105.4 million (181.4), down 41.9% year-on-year. All sales are exclusively in USD, and net sales amounted to USD 10.9 million (19.1), corresponding to a decrease of 42.8%.

The decrease in net sales was attributable primarily to a market that remained weak, with high component prices dampening demand and promoting longer upgrade cycles. The Case segment accounted for the largest drop in sales in absolute numbers, representing 85.9 percent (84.7) of total sales for the quarter. The decline in Other was larger, relatively speaking, in part as a result of product-related measures for the Scape headset.

Net sales for the January–September period totaled SEK 318.5 million (622.8), corresponding to a decrease of 48.9%. Sales performance during the period was characterized by continued soft demand and high component prices.

## Earnings

Product profit amounted to SEK 65.1 million (70.7), corresponding to a product margin of 61.8% (39.0), which was an increase of 22.8 percentage points. The improvement was primarily driven by refunds of previously paid IEEPA tariffs and lower tariff costs, which together contributed positively by approximately 18.5 percentage points compared to last year. A stronger USD and improved product mix also had positive impacts of 3.5 and 1.7 percentage points, respectively. These effects were offset in part by higher price discounts and freight costs, each of which impacted the product margin negatively by approximately 0.4 percentage points.

Other external costs amounted to SEK –26.3 million (–32.2). The decrease compared with the year-earlier quarter is attributable primarily to lower costs for warehousing and logistics, which are in turn partly attributable to the previously announced cost-cutting program. Additionally, the decrease is being driven by variable components such as kickbacks and service costs. At the same time, restructuring costs of approximately SEK 1.3 million were charged to the quarter.

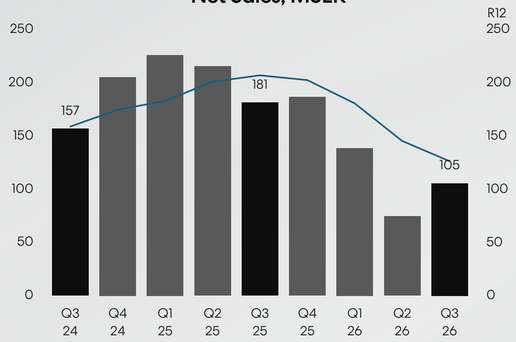
Personnel costs amounted to SEK –21.9 million (–26.5). The decrease year-on-year is attributable primarily to the restructuring program that was implemented during the second quarter of 2026.

EBITDA amounted to SEK 21.3 million (13.7), corresponding to a EBITDA margin of 20.2% (7.6). The improvement to earnings is attributable primarily to the refund of previously paid IEEPA tariffs, which had a positive impact of SEK 17.8 million on EBITDA. At the same time, restructuring costs of SEK 1.3 million were charged to earnings. Adjusted EBITDA amounted to SEK 22.7 million (13.7), corresponding to an adjusted EBITDA margin of 21.5% (7.6). EBITDA for the January–September period amounted to SEK –0.7 million (70.8), and adjusted EBITDA amounted to SEK 3.7 million (70.8).

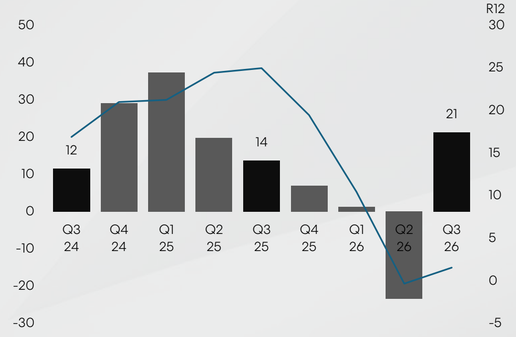
EBIT amounted to SEK 13.4 million (6.6), corresponding to an EBIT margin of 12.7% (3.6). Depreciation/amortization and impairment amounted to SEK –7.9 million (–7.2), linked primarily to product tools and capitalized development costs. Adjusted EBIT excluding restructuring costs amounted to SEK 14.7 million (6.6), corresponding to an EBIT margin of 14.0% (3.6). EBIT for the January–September period amounted to SEK –23.7 million (50.2), and adjusted EBIT amounted to SEK –19.2 million (50.2).

Earnings for the quarter amounted to SEK 12.2 million (6.2). Net financial items amounted to SEK 2.1 million (1.0), of which approximately SEK 1.0 million pertained to interest income that is attributable to previously paid IEEPA tariffs. Tax costs amounted to SEK –3.3 million (–1.4), including a positive impact of SEK 0.2 million from deferred tax. Earnings per share amounted to SEK 0.4 (0.2). There was no dilution effect during the quarter. Earnings for the January–September period amounted to SEK –16.2 million (33.6), and earning per share amounted to SEK –0.6 (1.2).

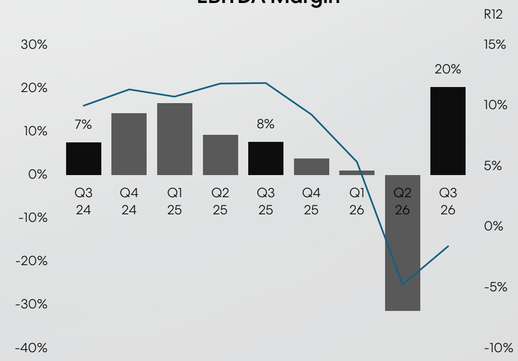
**Net Sales, MSEK**




**EBITDA, MSEK**




**EBITDA Margin**



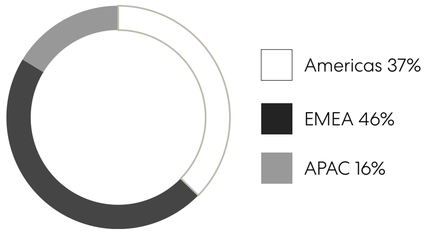
# Geographic markets

The largest region during the quarter was EMEA, with net sales of SEK 48.9 million (107.4), corresponding to 46.4% (59.2) of the Group's total net sales.

Net sales in the Americas amounted to SEK 39.3 million (50.3), corresponding to 37.3% (27.7) of net sales, while APAC amounted to SEK 17.2 million (23.7), corresponding to 16.3% (13.1).

Sales decreased in all regions year-on-year as a result of the prevailing market conditions, but increased compared with the preceding quarter. EMEA was once again the largest region during the quarter, while customers' inventory levels have gradually normalized. The previous stockpiling – which limited deliveries to the region during the second quarter – thus had a minor impact on sales, which enabled an increase in EMEA's share of the Group's total sales compared to the preceding quarter.

## Net Sales, Quarter




## Net Sales, Quarter

| MSEK | Q3 2026 | Q3 2025 | Δ % | Jan–Sep 2026 | Jan–Sep 2025 | Δ % | Oct–Sep 25/26 | Full year 2025 |
|---|---|---|---|---|---|---|---|---|
| Net sales EMEA | 48.9 | 107.4 | –54.4 | 157.2 | 329.5 | –52.3 | 258.0 | 430.4 |
| Net sales EMEA, MUSD | 5.0 | 11.3 | –55.3 | 16.8 | 33.2 | –49.4 | 27.5 | 43.9 |
| Net sales Americas | 39.3 | 50.3 | –21.9 | 117.4 | 213.5 | –45.0 | 179.7 | 275.7 |
| Net sales Americas, MUSD | 4.1 | 5.3 | –22.9 | 12.6 | 21.3 | –41.1 | 19.2 | 27.9 |
| Net sales APAC | 17.2 | 23.7 | –27.4 | 43.9 | 79.8 | –44.9 | 67.5 | 103.3 |
| Net sales APAC, MUSD | 1.8 | 2.5 | –28.6 | 4.7 | 8.0 | –41.4 | 7.2 | 10.5 |

# Financial position and cash flow

## Financial position

At the end of the period, the Group's balance sheet total amounted to SEK 531.6 million (666.5), with equity of SEK 397.0 million (413.9) and an equity ratio of 74.7% (62.1).

At the end of the period, Fractal had net debt of SEK 2.0 million (–36.4). The utilized bank overdraft facility amounted to SEK 11.5 million (0.0) and the credit available totaled SEK 100.0 million. This limited net indebtedness and the available credit capacity both contribute to the company's financial flexibility.

In the previous quarter, the company signed a supplementary agreement with the bank regarding temporarily adjusted financial covenants. In the coming quarter, these covenants will be based on quarterly EBITDA levels, after which the structure will return to financial covenants based on net debt/EBITDA.

Inventory levels amounted to SEK 84.4 million (162.7). The decrease year-on-year is attributable primarily to a normalization of inventory levels following the deliberate stockpiling in anticipation of potential changes in tariff conditions during the comparative period as well as an adjustment of inventory levels to the lower levels of sales. Net financial items amounted to SEK 89.0 million (83.5).

## Cash flow for the quarter

Cash flow from operating activities amounted to SEK –10.0 million (–21.4). The improvement compared with the year-earlier period is attributable primarily to the refund of previously paid IEEPA tariffs, including associated interest, which had a total positive impact of SEK 20.3 million on cash flow. At the same time, working capital had a negative impact of SEK 36.5 million on cash flow. Decreased inventory levels had a positive impact while increased accounts receivable and lower operating liabilities had an offsetting impact.

Cash flow from investment activities amounted to SEK –9.0 million (–6.8) and pertained primarily to investments in product tools as well as the development of new products. Net financial items amounted to SEK 10.5 million (–1.0), impacted primarily by increased utilization of the bank overdraft facility.

The aggregate cash flow for the quarter amounted to SEK –8.5 million (–29.2).

## Cash flow, Jan–Sep

Cash flow from operating activities for the period amounted to SEK 34.7 million (46.8). The decrease year-on-year is attributable primarily to lower earnings and a less favorable performance of working capital. Decreased inventory levels and operating receivables had a positive impact on cash flow while decreased operating liabilities had a greater offsetting impact.

Cash flow from investment activities amounted to SEK –31.5 million (–20.8) and pertained primarily to development of new products. Cash flow from financing activities amounted to SEK –11.4 million (–37.8) and was attributable primarily to reduced utilization of the overdraft facility. The comparative period was also affected by dividends.

The aggregate cash flow for the period amounted to SEK –8.2 million (–11.9).

# Additional information

## Important events in the quarter and period

### Update on the tariff situation

During the quarter, the company received refunds totaling approximately USD 2.12 million of previously paid IEEPA tariffs, including USD 0.1 million in interest. Additionally, it is believed that around USD 0.5 million remains to be received, but the criteria for reporting an asset had not yet been met as of the balance sheet date.

On July 24, 2026, the temporary Section 122 tariffs expired and were replaced by new Forced Labor Section 301 tariffs. The current tariff levels are 0% for cases, 12.5% for headsets and 37.5% for chairs. The existing exemption from the original Section 301 tariffs for computer cases is valid until November 9, 2026. If this exemption is not extended or other changes are implemented, a 25% tariff for cases is expected to be added as of November 10, 2026. Cases are covered by a separate exemption from the Forced Labor Section 301 tariffs, which is not affected by this end date.

### Dividend

In light of the ongoing turbulence in the global component market, the 2026 Annual General Meeting resolved, in accordance with the proposal from the Board of Directors, that no dividend would be paid for the 2025 fiscal year.

### Changes to Fractal's Board of Directors

At the AGM on May 19, 2026, Hannes Wallin was re-elected as Chairman of the Board while Anders Hülse, Martin Axhamre, Hanna Mannberg and Daniel Gabriel were elected as new Board members. Hanna Mannberg has since resigned from her position, at her own request and for personal reasons. Following her resignation, the Board comprises four members and continues to meet the requirement of a Board comprising at least three members under the Articles of Association.

### Organization

On September 30, there were 99 (113) full-time employees, of whom 28 women (36) and 71 men (77). The average number of employees in the organization during the quarter was 102 (113), of whom 29 women (36) and 73 men (77).

### Seasonal variations

Fractal's operation is normally characterized by higher sales during the second half of the year due to important campaign periods. Production is routinely adapted to take this seasonal variation into account.

### 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 1.5 million (2.1) in the third quarter. Operating loss amounted to SEK −0.3 million (−0.8) and loss for the period to SEK −0.2 million (−0.5).

### The share

As of September 30, 2026, the number of shares in Fractal amounted to 29,170,500 (29,170,500). The largest shareholders were: Hannes Wallin, 29.2%; Herenco Holding AB, 14.2%; Lard Lindgren, 11.7%; Ramhill AB, 9.8%; and Måns Flodberg, 9.7%.

Fractal's shares were allocated among 3,981 shareholders (4,910) as of September 30, 2026.

### Significant risks and uncertainties

Fractal relies on trends in other PC hardware such as graphics cards, memory and processors. Shortages, price changes, or shifts in technology within these categories may affect consumers' willingness to upgrade and, consequently, demand for Fractal's products. Fractal also relies on planned product launches, and delays could have a substantial impact on the total sales volume.

Exchange rate fluctuations – particularly USD/SEK – impact the Group's earnings since 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, available at fractal-design.com.

### Accounting policies

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards 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.

### Forthcoming accounting standards

The Group is currently analyzing the effects of IFRS 18 ahead of its implementation starting with financial year 2027. This standard is expected to impact primarily the presentation of and disclosures in the financial statements. The full impact has not yet been determined.

# 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 been audited.

STOCKHOLM, NOVEMBER 6, 2026

**Hannes Wallin**
CHAIRMAN OF THE BOARD

**Anders Hülse**
BOARD MEMBER

**Martin Axhamre**
BOARD MEMBER

**Daniel Gabriel**
BOARD MEMBER

**Jonas Holst**
CEO

# Audit

**To the Board of Fractal Gaming Group AB (publ)**
Org. nr 559080-2970

## Introduction

We have reviewed the condensed interim financial information (interim report) for Fractal Gaming Group AB as of September 30, 2026 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.Slutsats

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

GOTHENBURG, NOVEMBER 6, 2026

KPMG
**Maria Kylén**
Authorized Public Accountant
Auditor in Charge

## Income statement, Group

| MSEK | 2026 Q3 | 2025 Q3 | Jan–Sep 2026 | Jan–Sep 2025 | Oct–Sep 25/26 | Full year 2025 |
|---|---|---|---|---|---|---|
| Net sales | 105.4 | 181.4 | 318.5 | 622.8 | 505.2 | 809.5 |
| Capitalized development expenditure | 3.4 | 2.7 | 11.3 | 9.5 | 14.8 | 13.1 |
| Other operating income | 0.9 | –1.0 | –1.8 | 1.5 | –2.1 | 1.1 |
| **Total revenue** | **109.8** | **183.1** | **328.0** | **633.7** | **517.9** | **823.6** |
| | | | | | | |
| **Operating expenses** | | | | | | |
| Goods for resale | –40.3 | –110.7 | –170.0 | –384.1 | –290.1 | –504.2 |
| Other external expenses | –26.3 | –32.2 | –80.0 | –99.0 | –112.9 | –131.9 |
| Personnel expenses | –21.9 | –26.5 | –78.7 | –79.8 | –108.6 | –109.7 |
| Depreciation and impairment of tangible and intangible non-current assets | –7.9 | –7.2 | –22.9 | –20.6 | –29.9 | –27.6 |
| **Total operating expenses** | **–96.4** | **–176.6** | **–351.7** | **–583.6** | **–541.6** | **–773.5** |
| | | | | | | |
| **Operating profit** | **13.4** | **6.6** | **–23.7** | **50.2** | **–23.7** | **50.2** |
| | | | | | | |
| Finance income | 2.5 | 1.4 | 4.6 | 1.3 | 4.6 | 1.4 |
| Finance costs | –0.4 | –0.3 | –1.1 | –9.0 | –1.9 | –9.7 |
| **Net financial income and expenses** | **2.1** | **1.0** | **3.4** | **–7.7** | **2.8** | **–8.4** |
| | | | | | | |
| **Profit/loss after financial items** | **15.5** | **7.6** | **–20.2** | **42.5** | **–20.9** | **41.8** |
| | | | | | | |
| Income tax expense | –3.5 | –1.7 | –1.4 | –9.3 | –3.5 | –11.4 |
| Deferred tax liabilities | 0.2 | 0.3 | 5.4 | 0.4 | 7.2 | 2.2 |
| **Profit for the period** | **12.2** | **6.2** | **–16.2** | **33.6** | **–17.2** | **32.5** |
| | | | | | | |
| **Other comprehensive income** | | | | | | |
| **Items that have been reclassified or can be reclassified to profit/loss for the period** | | | | | | |
| Foreign subsidiaries - foreign currency translation differencies 1 | 0.3 | –0.1 | 0.8 | –0.8 | 0.3 | –1.3 |
| **Other comprehensive income for the period** | **0.3** | **–0.1** | **0.8** | **–0.8** | **0.3** | **–1.3** |
| | | | | | | |
| **Total comprehensive income for the period** | **12.5** | **6.1** | **–15.5** | **32.7** | **–17.0** | **31.2** |
| | | | | | | |
| **Profit for the year attributable to:** | | | | | | |
| Parent Company's shareholders | 12.2 | 6.2 | –16.2 | 33.6 | –17.2 | 32.5 |
| **Profit for the period** | **12.2** | **6.2** | **–16.2** | **33.6** | **–17.2** | **32.5** |
| | | | | | | |
| **Total comprehensive income attributable to:** | | | | | | |
| Parent Company's shareholders | 12.5 | 6.1 | –15.5 | 32.7 | –17.0 | 31.2 |
| **Total comprehensive income for the period** | **12.5** | **6.1** | **–15.5** | **32.7** | **–17.0** | **31.2** |
| | | | | | | |
| Average number of shares before dilution | 29.2 | 29.2 | 29.2 | 29.2 | 29.2 | 29.2 |
| Average number of shares after dilution | 29.2 | 29.2 | 29.2 | 29.2 | 29.2 | 29.2 |
| Earnings per share, SEK | 0.4 | 0.2 | –0.6 | 1.2 | –0.6 | 1.1 |
| Before and after dilution, SEK | 0.4 | 0.2 | –0.6 | 1.2 | –0.6 | 1.1 |

[1] The figure reported for the previous quarter contained an error, which has been corrected in the full-year report.

## Balance sheet, Group

| MSEK | 30 Sep 2026 | 30 Sep 2025 | 31 Dec 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Goodwill | 210.2 | 210.2 | 210.2 |
| Capitalised development costs | 66.5 | 57.7 | 60.0 |
| Property, plant and equipment | 41.4 | 36.5 | 36.0 |
| Right-of-use assets | 4.0 | 6.1 | 5.1 |
| Deferred tax asset | 5.4 | 0.0 | 0.0 |
| **Total non-current assets** | **327.4** | **310.5** | **311.3** |
| | | | |
| **Current assets** | | | |
| Inventories | 84.4 | 162.7 | 133.1 |
| Accounts receivable | 89.3 | 142.1 | 161.1 |
| Prepaid expenses and accrued income | 6.5 | 6.3 | 7.2 |
| Other receivables | 14.5 | 8.5 | 12.9 |
| Cash and cash equivalents | 9.6 | 36.4 | 17.0 |
| **Total current assets** | **204.2** | **356.0** | **331.2** |
| **TOTAL ASSETS** | **531.6** | **666.5** | **642.5** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | | | |
| Share capital | 0.5 | 0.5 | 0.5 |
| Share premium | 180.3 | 180.3 | 180.3 |
| Reserves | −0.8 | −0.9 | −1.5 |
| Retained earnings including profit/loss for the period | 217.0 | 234.0 | 233.1 |
| **Equity attributable to the Parent Company's shareholders** | **397.0** | **413.9** | **412.4** |
| | | | |
| **Total equity** | **397.0** | **413.9** | **412.4** |
| | | | |
| **Non-current liabilities** | | | |
| Long-term lease liabilities | 0.6 | 2.4 | 1.7 |
| Provisions | 6.8 | 7.0 | 7.1 |
| Deferred tax liabilities | 1.2 | 3.4 | 1.2 |
| **Total non-current liabilities** | **8.7** | **12.8** | **10.0** |
| | | | |
| **Current liabilities** | | | |
| Overdraft facility | 11.5 | 0.0 | 20.3 |
| Current lease liabilities | 3.4 | 3.8 | 3.5 |
| Accounts payable | 68.6 | 200.1 | 151.5 |
| Tax liabilities | 0.2 | 0.2 | 1.5 |
| Other liabilities | 10.7 | 4.8 | 5.5 |
| Accrued expenses and prepaid income | 31.6 | 31.0 | 37.9 |
| **Total current liabilities** | **126.0** | **239.9** | **220.1** |
| **TOTAL EQUITY AND LIABILITIES** | **531.6** | **666.5** | **642.5** |

## Cash flow, Group

| MSEK | Q3 2026 | Q3 2025 | Jan–Sep 2026 | Jan–Sep 2025 | Oct–Sep 25/26 | Full year 2025 |
|---|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | | |
| Profit/loss after financial items | 15.5 | 7.6 | −20.2 | 42.5 | −20.9 | 41.8 |
| Adjustments for items not included in cash flow | 7.2 | 7.0 | 22.0 | 22.5 | 29.1 | 29.7 |
| Income tax paid | 3.8 | −1.1 | −2.3 | −18.6 | −5.8 | −22.1 |
| | **26.4** | **13.5** | **−0.5** | **46.4** | **2.4** | **49.3** |
| Increase (+)/Decrease (-) of inventories | 28.7 | 8.4 | 48.8 | −53.8 | 78.3 | −24.2 |
| Increase (+)/Decrease (-) of operating receivables | −26.7 | 13.0 | 70.4 | 36.9 | 48.5 | 14.9 |
| Increase (+)/Decrease (-) of operating liabilities | −38.5 | −56.3 | −83.9 | 17.3 | −125.0 | −23.8 |
| **Net cash from operating activities** | **−10.0** | **−21.4** | **34.7** | **46.8** | **4.2** | **16.2** |
| **Cash flows from investing activities** | | | | | | |
| Acquisition of property, plant and equipment | −4.1 | −3.1 | −16.1 | −6.6 | −19.0 | −9.5 |
| Acquisition intangible assets | −4.8 | −3.6 | −15.4 | −14.2 | −20.3 | −19.1 |
| **Net cash used in investing activities** | **−9.0** | **−6.8** | **−31.5** | **−20.8** | **−39.3** | **−28.6** |
| **Cash flows from financing activities** | | | | | | |
| Share issue | 0.0 | 0.0 | 0.0 | 1.7 | 0.0 | 1.7 |
| Net change, bank overdraft facility | 11.5 | 0.0 | −8.8 | 0.0 | 11.5 | 20.3 |
| Repayment of lease liabilities | −1.1 | −1.0 | −2.7 | −3.1 | −3.6 | −4.1 |
| Paid dividend | 0.0 | 0.0 | 0.0 | −36.4 | 0.0 | −36.4 |
| **Net cash used in financing activities** | **10.5** | **−1.0** | **−11.4** | **−37.8** | **7.9** | **−18.5** |
| Net increase in cash and cash equivalents | −8.5 | −29.2 | −8.2 | −11.9 | −27.2 | −30.9 |
| Cash and cash equivalents at start of period | 18.0 | 65.7 | 17.0 | 50.6 | 36.4 | 50.6 |
| Effects of movements in exchange rates on cash held | 0.1 | −0.1 | 0.8 | −2.3 | 0.3 | −2.7 |
| **Cash and cash equivalents at end of period** | **9.6** | **36.4** | **9.6** | **36.4** | **9.6** | **17.0** |

| **Supplementary information to the cash flow statement** | Q3 2026 | Q3 2025 | Jan–Sep 2026 | Jan–Sep 2025 | Oct–Sep 25/26 | Full year 2025 |
|---|---|---|---|---|---|---|
| Interest received | 1.1 | 0.3 | 1.1 | 1.3 | 1.2 | 1.4 |
| Interest paid | −0.4 | −0.1 | −1.0 | −0.7 | −1.2 | −0.9 |

## Change in equity, Group

| Amounts in MSEK | Share capital | Share premium | Reserves | Retained earnings including profit/loss for the year | Total | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|---|
| **Balance at 2025-01-01** | **0.5** | **178.6** | **–0.1** | **236.9** | **415.9** | **0.0** | **415.9** |
| Profit for the period | | | | 33.6 | 33.6 | | 33.6 |
| Translation differences | | | –0.8 | | –0.8 | | –0.8 |
| Total comprehensive income for the period | | | –0.8 | 33.6 | 32.8 | | 32.8 |
| Share premium reserve | 0.0 | 1.7 | | | 1.7 | | 1.7 |
| Proposed/Distributed Dividend | | | | –36.4 | –36.4 | | –36.4 |
| **Balance at 2025-09-30** | **0.5** | **180.3** | **–0.9** | **234.0** | **413.9** | **0.0** | **413.9** |
| | | | | | | | |
| **Balance at 2026-01-01** | **0.5** | **180.3** | **–1.5** | **233.2** | **412.4** | **0.0** | **412.4** |
| Profit for the period | | | | –16.2 | –16.2 | | –16.2 |
| Translation differences | | | 0.8 | | 0.8 | | 0.8 |
| Total comprehensive income for the period | | | 0.8 | –16.2 | –15.5 | | –15.5 |
| **Balance at 2026-09-30** | **0.5** | **180.3** | **–0.8** | **217.0** | **397.0** | **0.0** | **397.0** |

## Income statement, Parent Company

| MSEK | Q3 2026 | Q3 2025 | Jan–Sep 2026 | Jan–Sep 2025 | Oct–Sep 25/26 | Full year 2025 |
|---|---|---|---|---|---|---|
| Net sales | 1.5 | 2.1 | 3.7 | 4.4 | 7.5 | 8.2 |
| Other operating income | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total revenue** | **1.5** | **2.1** | **3.7** | **4.4** | **7.5** | **8.2** |
| | | | | | | |
| **Operating expenses** | | | | | | |
| Other external expenses | −0.4 | −0.8 | −1.2 | −1.7 | −1.7 | −2.2 |
| Personnel expenses | −1.4 | −2.1 | −3.2 | −4.4 | −6.3 | −7.5 |
| **Total operating expenses** | **−1.8** | **−2.9** | **−4.4** | **−6.1** | **−8.1** | **−9.8** |
| | | | | | | |
| **Operating profit** | **−0.3** | **−0.8** | **−0.7** | **−1.7** | **−0.6** | **−1.6** |
| | | | | | | |
| **Net financial income and expenses** | | | | | | |
| Result from shares in subsidiaries | 0.0 | 0.0 | 0.0 | 37.0 | 0.0 | 37.0 |
| Other financial income | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Finance costs | 0.0 | 0.0 | 0.0 | −0.1 | 0.0 | −0.1 |
| | | | | | | |
| **Profit/loss after financial items** | **−0.3** | **−0.8** | **−0.7** | **35.2** | **−0.6** | **35.3** |
| | | | | | | |
| Appropriations | 0.0 | 0.0 | 0.0 | 0.0 | 4.7 | 4.7 |
| **Net income before taxes** | **−0.3** | **−0.8** | **−0.7** | **35.2** | **4.0** | **40.0** |
| | | | | | | |
| Income tax expense | 0.0 | 0.0 | 0.0 | 0.0 | −0.8 | −0.8 |
| Deferred tax liabilities | 0.1 | 0.3 | 0.2 | 0.4 | −0.2 | 0.0 |
| **Profit for the period** | **−0.2** | **−0.5** | **−0.5** | **35.7** | **3.1** | **39.2** |

The Parent Company has no items recognised in other comprehensive income. Accordingly, total comprehensive income corresponds to profit for the period.

## Balance sheet, Parent Company

| MSEK | 30 Sep 2026 | 30 Sep 2025 | 30 Dec 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| **Financial fixed assets** | | | |
| Shares in group companies | 271.4 | 271.4 | 271.4 |
| **Total non-current assets** | **271.4** | **271.4** | **271.4** |
| | | | |
| **Current assets** | | | |
| Receivables from group companies | 1.5 | 2.5 | 7.1 |
| Other receivables | 0.0 | 0.2 | 0.2 |
| Prepaid expenses and accrued income | 0.4 | 0.2 | 0.2 |
| **Total current receivables** | **1.9** | **3.0** | **7.5** |
| | | | |
| Cash and cash equivalents | 0.4 | 2.1 | 0.4 |
| **Total current assets** | **2.3** | **5.1** | **7.9** |
| | | | |
| **TOTAL ASSETS** | **273.7** | **276.6** | **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 | 180.3 | 180.3 |
| Retained earnings | 85.8 | 46.5 | 46.5 |
| Profit for the period | −0.5 | 35.7 | 39.2 |
| **Total non-restricted equity** | **265.5** | **262.5** | **266.0** |
| | | | |
| **Shareholders' equity** | **266.0** | **263.0** | **266.5** |
| | | | |
| **Untaxed reserves** | **6.0** | **10.5** | **6.0** |
| | | | |
| **Current liabilities** | | | |
| Dept to group companies | 0.0 | 0.0 | 0.0 |
| Accounts payable | 0.3 | 0.2 | 0.0 |
| Tax liabilities | 0.0 | 0.0 | 1.2 |
| Other liabilities | 0.5 | 0.6 | 1.0 |
| Accrued expenses and prepaid income | 1.0 | 2.4 | 4.5 |
| **Total current liabilities** | **1.7** | **3.1** | **6.8** |
| | | | |
| **TOTAL EQUITY AND LIABILITIES** | **273.7** | **276.6** | **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

| MSEK | Q3 2026 | Q3 2025 | Jan–Sep 2026 | Jan–Sep 2025 | Oct–Sep 25/26 | Full year 2025 |
|---|---|---|---|---|---|---|
| **Net sales** | **105.4** | **181.4** | **318.5** | **622.8** | **505.2** | **809.5** |
| - Cases | 90.6 | 153.6 | 265.7 | 541.1 | 421.6 | 697.1 |
| - Other | 14.8 | 27.7 | 52.8 | 81.6 | 83.6 | 112.4 |
| | | | | | | |
| **Product profit** | **65.1** | **70.7** | **148.5** | **238.7** | **215.1** | **305.2** |
| - Cases | 57.0 | 62.3 | 128.6 | 214.9 | 187.8 | 274.1 |
| - Other | 8.1 | 8.4 | 19.9 | 23.8 | 27.2 | 31.1 |
| | | | | | | |
| Capitalized development expenditure | 3.4 | 2.7 | 11.3 | 9.5 | 14.8 | 13.1 |
| Other operating income | 0.9 | –1.0 | –1.8 | 1.5 | –2.1 | 1.1 |
| | | | | | | |
| Other external expenses | –26.3 | –32.2 | –80.0 | –99.0 | –112.9 | –131.9 |
| Personnel expenses | –21.9 | –26.5 | –78.7 | –79.8 | –108.6 | –109.7 |
| Depreciation and impairment of tangible and intangible non-current assets | –7.9 | –7.2 | –22.9 | –20.6 | –29.9 | –27.6 |
| | | | | | | |
| **Operating profit** | **13.4** | **6.6** | **–23.7** | **50.2** | **–23.7** | **50.2** |
| | | | | | | |
| Finance income | 2.5 | 1.0 | 4.4 | 1.0 | 3.4 | 0.0 |
| Finance costs | –0.4 | 0.0 | –1.0 | –8.8 | –0.6 | –8.4 |
| **Net financial income and expenses** | **2.1** | **1.0** | **3.4** | **–7.7** | **2.8** | **–8.4** |
| | | | | | | |
| **Net income before taxes** | **15.5** | **7.6** | **–20.2** | **42.5** | **–20.9** | **41.8** |

## Note 2 – Distribution of revenue

The Group generates revenue primarily from the sale of premium PC gaming products in the form of cases, gaming 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.

The breakdown of net sales by product category, geographical market and timing of revenue recognition is summarized below. The product categories and geographical markets correspond to those used in segment reporting.

| **Group** | **Business Segment** | | | | | |
|---|---|---|---|---|---|---|
| | **Cases** | | **Other** | | **Total** | |
| **MSEK** | **Jan–Sep 2026** | **Jan–Sep 2025** | **Jan–Sep 2026** | **Jan–Sep 2025** | **Jan–Sep 2026** | **Jan–Sep 2025** |
| **Geographic market** | | | | | | |
| Americas | 105.5 | 196.4 | 11.9 | 17.1 | 117.4 | 213.5 |
| EMEA | 125.5 | 277.0 | 31.6 | 52.4 | 157.2 | 329.5 |
| APAC | 34.7 | 67.7 | 9.3 | 12.1 | 43.9 | 79.8 |
| | | | | | | |
| **Time of revenue recognition** | | | | | | |
| Goods recognized at a point in time | 265.7 | 541.1 | 52.8 | 81.6 | 318.5 | 622.8 |
| Goods and services recognized over time | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total net sales** | **265.7** | **541.1** | **52.8** | **81.6** | **318.5** | **622.8** |

## 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-marginal, % | EBITDA i förhållande till nettoomsättning. | This key performance indicator is used to analyze Fractal's operating performance. |
| 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. | Material income and expenses that, due to their nature or magnitude, are not considered representative of the Group's ongoing operations and are therefore presented separately to facilitate comparisons between periods. |
| 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 payable and tax liabilities, accrued expenses and prepaid income as well as other liabilities. | This measure shows how much net working capital is tied up in Fractal's operations. |
| 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 from resellers to end consumers (Sales Out), USD | Sales to end consumers in USD, as reported by resellers to Fractal. The reporting is estimated to cover approximately 90% of total end-customer sales, but the coverage rate varies depending on regional and customer mix. | Sales reported back by external resellers, measured in USD, is used by Fractal as an indicator of the underlying demand for the company's products. |

# Financial calendar

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|---|---|
| **Year-end Report** | 2027-02-08 |
| **Annual Report 2026** | 2027-04-20 |
| **Interim Report** | 2027-04-27 |
| **Annual General Meeting 2027** | 2027-05-17 |


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