Press Release / FRACTAL
2026-11-06

Fractal Gaming Group Interim Report January-September 2026

Third quarter 2026

- Net sales decreased 41.9% to SEK 105.4 million (181.4). 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% (39.0) – 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 (13.7), 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 (6.6), with a margin of 12.7% (3.6). 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 (-28.0). 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 (0.2).

Jonas Holst, CEO of Fractal comments:
"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.

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.

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."

Telephone and web conference
A telephone and web conference will be held for investors, analysts and media on November 6, 10.00 (CET). CEO, Jonas Holst and CFO, Karin Ingemarson will present and comment on the report and the presentation will be followed by a question-and-answer session.

Link to web conference:
https://events.inderes.com/fractal-gaming-group/q3-report-2026

To sign up for the telephone conference:
https://events.inderes.com/fractal-gaming-group/q3-report-2026/dial-in

For more information, please contact
Jonas Holst, CEO, Fractal
Telephone: +46 31 380 71 00
E-mail: IR@fractal-design.com

Karin Ingemarson, CFO, Fractal
Telephone: +46 31 380 71 00
E-mail: IR@fractal-design.com

This information is information that Fractal Gaming Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 8:00 a.m. CET on November 6, 2026.

Certified Advisor
FNCA Sweden AB

About Fractal
Fractal Gaming Group AB is a PC gaming hardware company based in Gothenburg, Sweden. Since its inception in 2007, Fractal has built a distinct reputation among PC gamers and enthusiasts for combining Scandinavian design, user-centric innovation and premium quality. In 2021, Fractal Gaming Group AB was introduced to the Nasdaq First North Premier Growth Market. Today, Fractal offers PC gaming products through retail and distribution partners around the globe from its offices in Sweden, Taiwan, China and the US.