

Interim Report

I JANUARY – 30 SEPTEMBER 2025

Third quarter

Revenue	SEK 47.6 million	(51.8)
EBITDA	SEK 1.6 million	(2.2)
Adjusted EBITDA	SEK 1.6 million	(2.2)
Operational EBIT ¹	SEK -1.9 million	(-0.6)
EBIT	SEK -9.5 million	(-21.0)
Result after tax	SEK -12.0 million	(-23.4)
Cash flow from operating activities	SEK 2.8 million	(-5.9)
Diluted earnings per share ³	SEK -1.64	(-3.58)
Bitcoin purchases	BTC 9.50	(n/a)

First nine months

Revenue	SEK 133.6 million	(154.2)
EBITDA	SEK 3.8 million	(0.7)
Adjusted EBITDA	SEK 1.9 million	(6.2)
Operational EBIT ¹	SEK -5.4 million	(-7.6)
EBIT	SEK -84.6 million	(-101.8)
Result after tax ²	SEK -76.0 million	(-86.0)
Cash flow from operating activities	SEK 3.5 million	(-9.3)
Diluted earnings per share ³	SEK -10.24	(-13.14)
Bitcoin purchases	BTC 9.50	(n/a)
Total Bitcoin holding at end of period	BTC 9.50	(n/a)

¹ Operational EBIT is defined as EBIT excluding non-operational amortisation and impairment of intangible assets.

² In the Group's earnings, SEK -29.9 million relates to the sale of the subsidiaries Lucky Kat and Wagmi.

³ Per number of shares at the end of the quarter.

During the quarter



The first white-label game under FunRock's hybrid work-for-hire model is released as a marketing tool for a European iGaming operator.



Bitcoin Treasury begins accumulation of Bitcoin, purchasing a total of 9.50 BTC during the quarter.



Playdigious Originals releases PC game *Fretless* on Steam.



FunRock expands, separating operations under two brands.

Significant events during the quarter

- FunRock increases profitability, with projected EBITDA of SEK 4 million for the full year 2025 (SEK 0.6 million, full year 2024), and releases the first white label game under the hybrid work-for-hire business vertical.
- The Company enters into two agreements regarding investments of SEK 5 million and SEK 6 million in connection with the establishment of Bitcoin Treasury. The investments consist of interest-free loans intended to be converted into shares.
- Playdigious releases *Subnautica* on Apple and Google. The award-winning *Subnautica* has had great commercial success on PC and console, with millions of copies sold and top ratings.
- Playdigious releases *Fretless – The Wrath of Riffson*. *Fretless* is the third and largest PC title to date under the Playdigious Originals business unit and label.
- The release of *Subnautica* is successful, with the title securing top positions in several categories on the Apple App Store and Google Play Store in key markets on day one.
- The Company adopts the financial target of owning 100 BTC by the end of 2025. Purchases are intended to be financed through advantageous financing solutions and surplus liquidity from core operations. Other financial targets will be updated as part of the strategic review.
- The Swedish Cup returns in autumn 2025. MAX Burgers and Unibet return as tournament sponsors, alongside first-time sponsor Cloetta.
- Playdigious releases the mobile version of *Chants of Sennaar*.
- FunRock expands, separating the business under two brands. The subsidiary and the development of proprietary games and game engines will now operate under the name FunRock, with the Prey Studios brand discontinued. A new brand is planned for the hybrid work-for-hire business unit.
- Bitcoin Treasury purchases a total of 9.50 BTC during the quarter at an average price of USD 116,681.

Significant events after the end of the quarter

- The Company divests the subsidiary Playdigious for a purchase price of EUR 10.5 million (SEK 115 million) on a cash- and debt-free basis. In addition, Fragbite Group will receive 90 percent of future net revenue from the current PC games within the Playdigious Originals business unit.
- The Company enters into an Equity Line of Credit agreement with Alumni Capital Limited for a financing facility of up to SEK 200 million with a term of four years, intended to enable the purchase of Bitcoin with high flexibility during favourable market conditions.
- The Company converts loans totalling SEK 6.8 million into shares through set-off issues relating to loans announced on 30 October 2024, 23 January 2025 and 3 July 2025.
- The Company makes a smaller strategic investment of EUR 250,000 for a 4.11 percent stake in a profitable growth company in the iGaming sector. The investment is expected to generate quarterly dividends starting in mid-2026 and provide FunRock broader access to iGaming as a target market.
- The Company announces changes to the management team. Playdigious CEO Abrial Da Costa is leaving the management team, together with acting CFO Inger Hasselberg, who has chosen to return to the role of Head of Financial Control.
- The Company partners with leading crypto exchange Safello, conducting all its Bitcoin trading up to the target of 100 BTC via Safello's platform, with Safello serving as Preferred Partner for the Bitcoin Treasury business area. Safello will also sponsor the Swedish Cup.
- A Letter of Intent is signed regarding the acquisition of a significant stake in the iGaming growth company in which the Company earlier made a smaller investment.
- Since the end of the quarter, Bitcoin Treasury has purchased a total of 19.37 BTC, bringing holdings to 28.88 BTC at the reporting date.

CEO's comments

Revenue amounted to SEK 47.6 million, a decline of SEK 4.2 million from 2024, mainly due to the sale of the Web3 business area on 31 May 2025. Adjusted EBITDA of SEK 1.6 million was lower than in 2024, when it amounted to SEK 2.2 million, mainly due to the divestment of the Web3 business area and start-up costs related to the Bitcoin Treasury business area. The Parent Company has maintained the lower cost level established following the 2024 cost-reduction programme and will further reduce costs going forward, as the divestment of three subsidiaries has led to a reduced workload in finance and administration.

Playdigious – solid quarter before divestment

On 8 October, Fragbite Group sold Playdigious. The divestment followed a long sales process involving many difficult considerations. Since its acquisition in May 2021, Playdigious has been a fantastic subsidiary with an exceptional, professional team, and also a successful investment delivering a strong total return. We were able to make a favourable divestment at a purchase price of SEK 115 million on a cash- and debt-free basis, in addition to retaining 90 percent of future net revenue from Playdigious Originals' PC games. Consequently, our collaboration with Playdigious will continue, which is very positive.

For over a year, Fragbite Group has evaluated various options for divesting assets in order to meet our commitment of strengthening our capital position, build a more robust capital structure and ensure a positive cash flow throughout the Group. Delivering on these objectives has been of great importance – financially, operationally and in terms of rebuilding shareholder confidence. The sale of Playdigious proved to be the most advantageous solution for achieving these objectives, allowing us to move forward with developing Fragbite Group and supporting new strategic initiatives.

Playdigious experienced significant delays in recent quarters, particularly *Subnautica*, which was postponed a year at the request of the IP owner. It was therefore gratifying, prior to the divestment, to take part in the successful release in July, which had a positive impact the results of business area Gaming. July also saw the release of *Fretless*, one of four titles from which Fragbite Group will receive 90 percent net revenue share moving forward. The Company will continue to follow and report on the performance of the games in Playdigious' IP portfolio from which we will receive revenues.

FunRock – expansion and new brand

FunRock is expanding and separating the business under two brands. The subsidiary, and development of proprietary games and game engines, will now operate under the name FunRock, while use of the

Prey Studios brand will be discontinued. Establishment of a new brand for the hybrid work-for-hire (WFH) business unit is in progress.

The hybrid WFH revenue model has been a key driver of the subsidiary's growth, with two white-label games built on the game engines for *MMA Manager* and *Capital War*. The client is a leading European iGaming operator, and the purpose of the games is to function as marketing tools for their own content. In addition to remuneration for design and development, FunRock is entitled to revenue share. Initial numbers show that the first title, released in July, is performing very well for the client and FunRock's remuneration has exceeded forecasts during the first months. While revenue share is still small in relation to the development remuneration, this indicates a positive trend so far. The new brand is intended to facilitate the establishment of additional projects with a similar revenue model.

Swedish Cup profitable, challenges for Config

The quarter was weak for the Esports business area, mainly driven by lower revenue from Config compared with the previous year, with performance for the first nine months also well below 2024 levels. Severely weakened consulting and advertising markets has majorly impacted the business area, and we are therefore reviewing options to shift more focus to the event and tournament expertise within Fragbite AB, which will deliver another profitable Swedish Cup this year. Sweden's largest national esports tournament began in October with several strong brands as sponsors, and the final will be held this weekend before a live audience in Stockholm. The 2024 tournament was highly successful, delivering strong results across all key metrics, and it is my expectation that this year's tournament will maintain the same high standard.

Bitcoin Treasury is growing

A significant part of the Company's focus during the quarter was on the recently launched Bitcoin Treasury business area, which also entailed certain establishment costs. At the beginning of the quarter, Bitcoin Treasury raised a total of SEK 11 million through favourable convertible loans, after which a number of purchases followed. As of the reporting date, the holding amounts to 28.88 BTC, with a continued ambitious growth agenda. The Company signed an Equity Line of Credit agreement with Alumni Capital for a financing facility of up to SEK 200 million, intended for use during favourable market conditions. With our Bitcoin holding on one of the world's most secure custodial platforms, Fragbite Group has established a strong security protocol that protects both the Company and its representatives, and insures the holding against theft.

Actively increasing the Bitcoin position, with Bitcoin as a lever to enhance shareholder value, is a long-term strategy. We see an opportunity to take a leading position in the Nordics through active investment in Bitcoin, in parallel with the continued development of our core business in gaming and esports, where we have our roots. Through a recently established partnership with crypto exchange Safello,

Fragbite Group is aligning with a strong Swedish player in the crypto market with whom we share both values and ambitions, where Safello will serve as our Preferred Partner for trading, future Bitcoin yield solutions, and other initiatives.

Turning the page – a new strategic platform and continued development

The strategic review, which began in late spring, was concluded with the divestment of Playdigious. We now have a smaller but well-financed Group that is focused on moving forward. Shortly, a new strategic platform will be adopted and communicated, and we also intend to make organisational changes to align with the Group's direction going forward. In October, a smaller strategic investment of SEK 2.7 million was made for a 4.11 percent stake in a profitable growth company in the iGaming sector. The investment is expected to generate quarterly dividends starting in mid-2026 and provide FunRock with access to potential new customers. An LOI has been signed for an additional, larger investment in the same target company, with a due diligence process now underway.

It is very positive to be able to say that Fragbite Group has now turned the page. We are in an exciting period of development and still have a journey ahead of us, but now with a strong cash position and renewed motivation. Thank you to our shareholders for being with us on this journey.

Stefan Tengvall, President & CEO



We are Fragbite Group

Fragbite Group AB (publ) ("Fragbite Group" or "the Company") is a publicly traded, Swedish company with established subsidiaries that develop games, game engines and esports content to mobile and PC. Together we create entertainment for the global gaming market by meeting the needs of a new generation of gamers. Through Bitcoin Treasury, capital is invested in Bitcoin with the aim of building a strong capital structure.

The Group's head office is situated in Stockholm, and the Company has been listed on Nasdaq First North Growth Market under the ticker FRAG since 2021.

OUR SUBSIDIARIES

- **Fragbite** is based in Sweden and is one of the Nordic region's largest communities in esports. The company develops and operates tournament concepts, operates an ad network and offers marketing services through the Config esports and gaming agency.
- **Funrock** is a game studio based in Sweden that develops game engines and games for mobile platforms under their own IPs and within the framework of hybrid work-for-hire contracts for client companies.

Part of the Group during the quarter but divested per the reporting date:

- **Playdigious** is a game developer based in France that develops successful game titles from PC to mobile and subsequently publishes them. Under the Playdigious Originals brand, indie games for PC and console are published.

OUR BUSINESS AREAS

Gaming

The Gaming business area included FunRock and Playdigious up to 8 October 2025. FunRock develops its own games, focusing on free-to-play mobile titles, as well as white label games developed for client companies under a hybrid work-for-hire model, where remuneration also includes revenue share. Under Playdigious' operations, which was divested after the quarter ended, previously released PC and console games were adapted for mobile platforms. The divestment of Playdigious also included the operations that publish games in the independent game genre for PC and console under the Playdigious Originals brand. However, as 90 percent of future net revenue will accrue to the Company, the Gaming business area will continue to generate publishing revenues.

Esports

The Esports business area comprises Fragbite AB. The business is based on expertise in marketing through esports and gaming content and is conducted under the Fragbite and Config brands. The business area's largest annual event and IP is the Swedish Cup in Counter-Strike.

Bitcoin Treasury

Under business area Bitcoin Treasury, surplus from the core business and capital from favourable financial solutions is invested in Bitcoin. With Bitcoin as leverage that grows over time, the Company intends to strengthen its capital structure and create shareholder value. The business area is operated directly under the Parent Company.

CHANGES DURING THE FINANCIAL YEAR

On 31 May 2025, the Company sold subsidiaries Lucky Kat and Wagmi, which at the time constituted the Company's entire operations in the Web3 business area. As the subsidiaries were in the Company during the quarter, their results up to and including 31 May are included in this report under the Web3 business area.

The strategic review, which began in late spring, was concluded with the divestment of Playdigious on 8 October. The Board will shortly resolve on the adoption of a strategic platform which has been developed based on the outcome of the review. Ahead of the next interim report, an updated format for how the Company reports on its operations will be implemented.

Financial performance July – September 2025

Fragbite Group SEK thousands	Jul-Sep		Jan-Sep		R12m	Full Year
	2025	2024	2025	2024	2024/2025	2024
Revenue	47,648	51,835	133,602	154,184	192,647	213,230
Adjusted EBITDA	1,635	2,193	1,869	6,175	8,970	13,275
EBITDA	1,635	2,193	3,759	693	10,859	7,793
Operational EBIT	-1,870	-582	-5,350	-7,598	-1,236	-3,484
EBIT	-9,488	-20,951	-84,573	-101,804	-124,529	-141,761
Net profit after tax	-12,046	-23,397	-76,018	-85,985	-119,017	-128,984

Earnings for 2025 include a positive extraordinary item of SEK 1,890 thousand related to an adjusted estimated dividend from the bankruptcy of the Swedish subsidiary Fall Damage Studio AB in May 2024. Earnings for 2024 were negatively affected by accumulated extraordinary costs of SEK 5,482 thousand, distributed as follows: SEK 1,741 thousand, restructuring costs, and SEK 3,742 thousand, bankruptcy of Fall Damage.

THE GROUP'S REVENUE

Revenue for the quarter amounted to SEK 47.6 (51.8) million and for the first nine months SEK 133.6 (154.2) million, a decline of SEK 4.2 million and SEK 20.6 million compared with 2024. The decline is partly attributable to currency effects but mainly to the divestment of the subsidiaries Lucky Kat and Wagmi, which together formed the Web3 business area up to and including 31 May 2025. See page 7 for comments on each business area.

OPERATING PROFIT

EBITDA for the quarter amounted to SEK 1.6 (2.2) million and for the first nine months SEK 3.8 (0.7) million. Adjusted EBITDA for the quarter amounted to SEK 1.6 (2.2) million and for the first nine months SEK 1.9 (6.2) million. Operating profit for the first nine months includes an extraordinary item of SEK 1.9 million related to an adjustment of the previously estimated dividend from last year's bankruptcy of the Swedish subsidiary Fall Damage Studio AB. The Company's earnings are lower than in the third quarter of the previous year, mainly as a result of the divestment of Web3 business, which in the previous year continued to have a positive effect from accrued revenue from sales made in 2022 and 2023. The result has also been affected by the Parent Company assuming costs for business area Bitcoin Treasury, some of which were launch related and thus non-recurring.

Operating profit (EBIT) for the quarter amounted to SEK -9.5 (-21.0) million and for the first nine months SEK -84.6 (-101.8) million. EBIT for the first nine months includes goodwill impairment of SEK 44.0 million related to the Web3 business area. The previous year's EBIT includes goodwill amortisation of SEK 32.5 million for the first nine months for the former subsidiary Fall Damage. Operational EBIT for the quarter amounted to SEK -1.9 (-0.6) million and for the first nine months SEK -5.4 (-7.6) million. Operational EBIT is exclusive of goodwill amortisation and impairment of SEK 7.6 (20.4) million for the quarter and SEK 79.2 (94.2) million for the first nine months.

NET FINANCIAL ITEMS

Net financial items for the quarter amounted to SEK -2.1 (-2.0) million and for the first nine months SEK 10.7 (17.3) million. Net financial items include a positive financial item of SEK 14.1 million related to the sale of the companies in the Web3 business area, of which SEK 17.1 million is attributable to a translation difference.

PROFIT/LOSS FOR THE PERIOD

Profit/loss after tax for the quarter amounted to SEK -12.0 (-23.4) million and for the first nine months SEK -76.0 (-86.0) million. Basic earnings per share for the quarter amounted to SEK -1.64 (-3.58) and for the first nine months SEK -10.24 (-13.14). Earnings per share are calculated on the number of shares at the end of the quarter.

LIQUIDITY AND CASH FLOW

Cash flow from operating activities for the quarter was SEK 2.8 (-5.9) million and for the first nine months SEK 3.5 (-9.3) million.

Cash flow from investing activities for the quarter amounted to SEK -13.0 (-9.0) million and for the first nine months SEK -27.6 (-39.0) million. Investments during the quarter mainly relate to purchases of intangible assets in the form of Bitcoin in the Parent Company.

Cash flow from financing activities for the quarter amounted to SEK 10.5 (13.4) million and for the first nine months SEK 21.0 (29.1) million. During the quarter, the Company raised new loans of SEK 11.0 million to enable investments within the new Bitcoin Treasury business area.

Cash flow for the quarter amounted to SEK 0.3 (-1.6) million and for the first nine months SEK -3.1 (-19.3) million. As at 30 September 2025, SEK 1.4 (2.5) million of the Group's SEK 10 million overdraft facility was unutilised.

At the end of the period, the Group's cash and cash equivalents totalled SEK 5.2 (5.7) million.

FINANCIAL POSITION

Equity amounted to SEK -13.5 (117.8) million and the equity ratio was -11.7 (50.6) percent on 30 September 2025. Goodwill amortisation and impairment has resulted in a consolidated negative equity and a consolidated negative equity ratio. These goodwill amortisation and impairment losses do not affect the earnings and equity of the Parent Company or its subsidiaries. Total assets amounted to SEK 114.7 (232.8) million at the end of the period.

PARENT COMPANY

The Parent Company's operating profit for the quarter amounted to SEK -1.8 (-0.8) million and SEK -2.6 (-6.4) million for the first nine months, including internal revenue consisting of management fees charged to subsidiaries to cover certain Group-wide costs. The difference in earnings for the third quarter compared with the same period in the previous year is mainly attributable, on the one hand, to lower internal sales following the divestment of the Web3 business area and, on the other hand, to all costs for the Bitcoin Treasury business area being recognised directly in the Parent Company. During the quarter, non-recurring establishment costs were incurred in connection with the launch of the Bitcoin Treasury business area.

Financial development per business area

	Jul-Sep 2025					Jul-Sep 2024				
SEK thousands	Gaming	Esport	Web3	Parent	TOTAL	Gaming	Esport	Web3	Parent	TOTAL
Revenue	45,865	1,783	0	0	47,648	44,313	2,195	5,327	0	51,835
Adjusted EBITDA	4,146	-95	0	-2,416	1,635	2,660	-82	1,729	-2,115	2,193

	Jan-Sep 2025					Jan-Sep 2024				
SEK thousands	Gaming	Esport	Web3	Parent	TOTAL	Gaming	Esport	Web3	Parent	TOTAL
Revenue	122,452	3,108	8,042	0	133,602	132,590	7,032	14,563	0	154,184
Adjusted EBITDA	8,496	-1,549	1,127	-6,205	1,869	8,537	62	6,204	-8,628	6,175

* On 31 May 2025, the Company sold subsidiaries Lucky Kat B.V. and Wagmi Ltd, which at the time constituted the Company's entire operations in the Web3 business area. As the subsidiaries were in the Company during the beginning of the year, their results up to and including 31 May are included under the Web3 business area.

GAMING

The business area reported both higher revenue and higher adjusted EBITDA for the third quarter compared with the previous year. The increase is primarily attributable to the July releases of the games *Subnautica* and *Fretless* under Playdigious and Playdigious Originals, whose delays had a negative impact on previous quarters. FunRock shows an improved adjusted EBITDA for the first nine months of the year compared with 2024.

ESPORTS

The third quarter shows negative adjusted EBITDA and lower revenues than in 2024, due to fewer projects within Config, where significantly weak consulting and advertising markets has impacted the business area since the beginning of the year. EBITDA. Revenues related to the Swedish Cup were recognised in both the third and fourth quarters of 2024, which also contributes to both the third quarter and the first nine months of 2025 being lower than in the comparative periods. The Swedish Cup 2025 began in late October and, upon its conclusion in mid-November, is expected to be a profitable project again this year.

WEB3 – up to 31 May

Up to the time of the divestment, the business area's earnings and cash flow were affected by delays and a negative outcome from the KOBAN launch. The divestment of the two subsidiaries within Web3 also affects the comparison with 2024 negatively, as the 2024 result included positive effects in both revenue and adjusted EBITDA from token sales made in 2022 and 2023, which were recognised over a 36-month period.

BITCOIN TREASURY – from 30 June

The business area was established on 30 June. On 3 July, the Company entered into an agreement regarding an investment of SEK 5 million, with the main purpose of providing Bitcoin Treasury with seed liquidity. At the Extraordinary General Meeting in October, these SEK 5 million were resolved to be converted into shares. On 22 July, the Company entered into an additional agreement regarding an investment of SEK 6 million, consisting of an interest-free loan that can be converted into shares. The SEK 6 million were issued as convertibles in October.

Like the Company's other cryptocurrency holdings, Bitcoin is recognised as an intangible asset. During the quarter, the Company purchased Bitcoin on several occasions, acquiring a total of 9.50 BTC for a total purchase value of SEK 10.7 million. The value of the Company's total holdings at the end of the quarter was SEK 10.7 million. Additional purchases have been made after the end of the quarter and, as of today's date, the Company holds a total of 28.88 BTC acquired at an average price of SEK 1,104,184. The carrying amount of the Company's total holdings as at the reporting date is SEK 31.9 million.

The Company's holdings of Bitcoin and other cryptocurrencies are accounted for as intangible assets and measured at cost, less any impairment. The asset is not subject to amortisation nor measured at fair value at the end of the reporting period, but may be subject to impairment if a change in the value of the relevant currency is considered permanent. The Company intends to carry out impairment testing of its Bitcoin holdings in connection with each quarterly and annual closing of the accounts. In the case of divestment, valuation is based on the first-in, first-out principle.

On 8 October, the Company entered into an Equity Line of Credit agreement with Alumni Capital Limited for a financing facility of up to SEK 200 million under a four year term. The primary aim is for the facility to enable the purchase of Bitcoin with high flexibility during periods of favourable market conditions. After the end of the quarter, the Company entered into a partnership agreement with crypto exchange Safello, which becomes the Company's Preferred Partner for BTC trading, yield solutions, and other initiatives requiring the support of an established crypto broker. The parties will also collaborate on joint PR activities.

Holdings Bitcoin	Sep 30, 2025	Sep 30, 2024	Dec 31, 2024
Total amount BTC	9.50	n/a	n/a
Average purchase price, thousands SEK	1,125	n/a	n/a
Total purchase consideration, thousands SEK	10,685	n/a	n/a
Value of total holdings in BTC, thousands SEK	10,685	n/a	n/a

PARENT COMPANY

Adjusted EBITDA for the first nine months remains significantly improved from the previous year, primarily driven by the cost reductions and efficiency measures implemented in the second half of 2024. The decline in adjusted EBITDA compared with the third quarter of 2024 is attributable to all costs under Bitcoin Treasury being charged to the parent company.

Sale of Lucky Kat and Wagmi

On 31 May, the Company signed two agreements to sell its shares in subsidiaries Lucky Kat and Wagmi to 4+ventures AB and Swiss Peak Ventures GmbH for a combined total purchase consideration of SEK 1.94 million. The agreements comprise full divestment of both subsidiaries. Information about the divestments can be found in the interim report for Q2 2025.

Sale of Playdigious

On 8 October, the Company signed an agreement to divest the subsidiary Playdigious to international venture fund Griffin Gaming Partners. The signing of the agreement marked the closing of the transaction.

TERMS

- Divestment of all shares in Playdigious, including all Playdigious' assets and game publishing rights.
- Fragbite Group will receive 90 percent of future net revenue from four PC games that were under publishing contract with the Playdigious Originals business unit at the time of the divestment: *Fretless – The Wrath of Riffson*, *Crown Gambit*, *Linkito* and *The Almost Gone*.
- The purchase price is EUR 10.5 million on a cash- and debt-free basis.
- Settlement by cash payment of the net purchase price.
- The buyer has taken out a warranty and indemnity insurance policy as the primary source of recourse for claims under the business warranties provided in connection with the divestment.

BACKGROUND

Fragbite Group acquired Playdigious in May 2021 for EUR 3 million in cash and EUR 2 million in shares in the Company. Over the following three years, Playdigious met all its financial targets, resulting in full payment of earnouts totalling EUR 1.75 million in cash and EUR 1.75 million in shares. Since 2021, the investment in Playdigious has been successful, with a total return that has been more than satisfactory.

For just over a year, Fragbite Group has evaluated various options for divesting assets, in whole or in part, in order to deliver on our commitment to shareholders to strengthen the Company's capital position, build a more robust capital structure and ensure a long-term positive cash flow throughout the Group. The sale of Playdigious proved to be the most advantageous option as the Company was able to secure substantial cash consideration while also obtaining certain future revenues from Playdigious' IP portfolio to strengthen the remaining smaller Gaming business area. The Divestment enables the Company to meet our goals and commitments and allows Fragbite Group to move forward with new strategic initiatives for growth and development, notably in the FunRock business unit for hybrid work-for hire and the Bitcoin Treasury business area, increasing the BTC holding.

FINANCIAL IMPACT ON THE COMPANY

- The purchase price for the shares in Playdigious was EUR 10.5 million, corresponding at the time of the sale to SEK 115 million, on a cash- and debt-free basis. The net purchase price was paid in cash.
- After deduction of transaction costs and taking into account the net assets of the divested company and accumulated translation differences, the preliminary capital gain on the sale amounts to approximately SEK 87.7 million for the Group and approximately SEK 2.4 million for the Parent Company. The Parent Company's earnings were also positively affected by a dividend of approximately SEK 9.5 million from Playdigious, which was paid in early October. The gain from the sale may be adjusted upwards in the fourth quarter in conjunction with the final settlement. Based on preliminary figures, the Company expects the adjustment to further increase earnings by approximately SEK 1-1.5 million.
- As a result of Playdigious no longer included in the Group's balance sheet, the divestment has reduced borrowings from credit institutions and other financial liabilities by a total of EUR 1.08 million (SEK 11.8 million).
- Playdigious has been Fragbite Group's largest subsidiary, accounting for 77 percent of revenue in 2024. Playdigious has therefore historically contributed to the Parent Company's costs to a significant extent. The Company will retain some funds in cash equivalents until the remaining core operations and investments generate sufficient recurring revenues and returns to comfortably maintain the Parent Company and ensure an overall positive cash flow for the

Group. It is the Company's expectation that, in its new structure, the Group will be self-sufficient within 6-12 months.

OTHER IMPACTS ON THE COMPANY

- Without Playdigious, the Gaming business area will be significantly smaller in terms of revenue. Following the divestment, the business area now consists of FunRock's two business units. However, the divestment has a limited impact on the strategy for the Gaming business area, which for FunRock continues in the previously communicated direction. The Company's focus on IP rights, which has characterised the business area's strategy since the listing in 2021, remains firmly in place, with future rights to revenues from parts of Playdigious' IP portfolio forming a natural component of that strategy.
- There are no material changes to the Esports and Bitcoin Treasury business areas as a direct result of the divestment.
- The sale of Playdigious and the knowledge that the sales process was in progress, have had a significant impact on the strategic review as well as on the new strategic platform.

Strategic review and new strategic platform

The strategic review, which began in late spring with the divestment of Lucky Kat and Wagmi, concluded with the divestment of Playdigious on 8 October. The primary objective of the review has been based on previously communicated priorities: to strengthen the Company's capital position and reduce the debt level, build a more robust capital structure and ensure a positive cash flow throughout the Group. The Company has also explored what a smaller Group without Playdigious could look like, both commercially and in terms of organisation, and has taken preparatory steps such as the establishment of Bitcoin Treasury, increasing focus on FunRock's business vertical for hybrid WFH and investing in a profitable growth company with the aim of generating regular returns.

The Board will shortly resolve on the adoption of a new strategic platform which has been developed based on the outcome of the review, after which the Company's communication channels will be updated. Work on expanding the platform will follow over a period, with among other things adoption of a new company name and graphic profile. Ahead of the next interim report, an updated format for how the Company reports on its operations will be implemented.

Other

DIVIDEND FROM FALL DAMAGE BANKRUPTCY ESTATE

Fragbite Group was the largest creditor in the Fall Damage bankruptcy estate. The district court confirmed the distribution in the bankruptcy on 23 September, and the decision became legally binding on 16 October. The distribution of SEK 6.9 million was carried out on this date. During the second quarter of 2025, the Company received an advance payment of SEK 5 million, bringing the total distribution from the bankruptcy estate to SEK 11.9 million.

Condensed consolidated income statement

SEK thousands	Jul-Sep		Jan-Sep		Full Year
	2025	2024	2025	2024	2024
Revenue	47,648	51,835	133,602	154,184	213,230
Capitalised work on own account	1,975	8,086	11,272	46,938	51,857
Other operating income	657	19	765	4,602	5,174
Total revenue	50,280	59,940	145,639	205,724	270,261
Cost of goods and services sold	-34,239	-37,708	-88,810	-110,358	-146,731
Gross profit	16,040	22,231	56,829	95,365	123,530
Gross margin %	31.9%	37.1%	39.0%	46.4%	45.7%
Personnel expenses	-8,674	-10,740	-31,446	-54,514	-66,080
Other external expenses	-5,732	-9,298	-21,623	-40,159	-49,657
EBITDA	1,635	2,193	3,759	693	7,793
Amortisation and impairment of intangible assets	-3,430	-2,660	-8,861	-7,464	-10,265
Depreciation of tangible assets	-75	-115	-248	-827	-1,012
Amortisation goodwill	-7,618	-20,369	-79,222	-94,206	-138,277
EBIT	-9,488	-20,951	-84,573	-101,804	-141,761
Net financial items	-2,051	-1,957	10,657	17,272	15,827
Earnings before tax (EBT)	-11,539	-22,908	-73,915	-84,532	-125,934
Tax	-508	-489	-2,103	-1,453	-3,050
Net profit	-12,046	-23,397	-76,018	-85,985	-128,984
Other comprehensive income	0	0	0	0	0
Total comprehensive income	-12,046	-23,397	-76,018	-85,985	-128,984
Comprehensive income for the period attributable to:					
Parent company's shareholders	-12,046	-23,397	-75,195	-85,985	-128,984
Non-controlling interests	0	0	-823	0	0
Earnings per share (SEK)	-1.64	-3.58	-10.24	-13.14	-19.02
Earnings per share after dilution (SEK)	-1.64	-3.58	-10.24	-13.14	-19.02
Average number of shares outstanding	7,340,223	4,814,326	7,166,755	1,766,680	3,029,565
Average number of shares outstanding diluted	8,826,989	4,814,326	8,653,094	1,766,680	3,029,565
Number of shares before dilution	7,340,223	6,543,649	7,340,223	6,543,649	6,783,086
Number of shares diluted	8,934,769	6,543,649	8,934,769	6,543,649	6,783,086

* A 1:500 reverse share split was completed in December 2024 and has been taken into account in the calculations for all periods in this report.

Condensed consolidated statement of financial position

SEK thousands	Sep 30, 2025	Sep 30, 2024	Dec 31, 2024
ASSETS			
Fixed assets			
Capitalized expenditure on development and similar work	36,988	43,936	46,443
Licenses	25	60	53
Cryptocurrency holdings	10,685	903	929
Goodwill	16,988	141,223	99,065
Tangible assets	475	938	763
Financial assets	3,072	504	399
Total fixed assets	68,232	187,564	147,652
Current assets			
Accounts receivable	7,955	4,428	5,200
Current tax receivables	1,803	4,309	4,805
Other receivables	9,027	14,739	12,017
Prepaid expenses and accrued income	22,482	16,091	13,979
Total current assets	41,267	39,567	36,002
Cash and cash equivalents	5,248	5,686	9,407
Total assets	114,747	232,817	193,061
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders	-13,475	117,810	80,892
Non-controlling interests	0	0	0
Total Equity	-13,475	117,810	80,892
Provisions			
Additional purchase price	0	13,673	0
Deferred tax liabilities	2,572	0	1,574
Total Provisions	2,572	13,673	1,574
Long-term liabilities			
Liabilities to credit institutions	5,214	7,771	7,212
Total long-term liabilities	5,214	7,771	7,212
Short-term liabilities			
Liabilities to credit institutions	2,389	13,005	13,168
Overdraft facilities	8,647	7,520	8,798
Other financial liabilities	42,200	8,182	12,474
Accounts payable	9,379	9,307	6,009
Current tax liabilities	0	0	43
Other current liabilities	16,732	9,233	21,895
Accrued expenses and deferred income	41,088	46,316	40,996
Total short-term liabilities	120,435	93,564	103,383
Total equity and liabilities	114,747	232,817	193,061

Condensed consolidated statement of changes in equity

SEK thousands	Share capital	Premium Fund	Retained earnings	Result for the period	Equity attributable to shareholders of the Parent Company	Equity attributable to Non-controlling interests	Total Equity
OPENING BALANCE 01/01/2024	1,809	392,062	-194,655	-53,148	146,067	0	146,067
Changes in equity during the period 01/01/2024 - 31/12/2024							
Net result for the reporting period				-128,984	-128,984	-	-128,984
New share issue paid	54,716	13,102			67,818	-	67,818
New share issue costs		-11,007			-11,007	-	-11,007
Decrease share capital	-53,133	53,133			0	-	0
Translation difference			6,997		6,997	-	6,997
Transactions with minority interest							0
Disposition according to decision by the AGM			-53,148	53,148	0	-	0
CLOSING BALANCE 31/12/2024	3,392	447,290	-240,806	-128,984	80,892	0	80,892
OPENING BALANCE 01/01/2025	3,392	447,290	-240,806	-128,984	80,892	0	80,892
Changes in equity during the period 01/01/2025 - 30/09/2025							
Net result for the reporting period				-75,195	-75,195	-823	-76,018
New share issue paid	279	3,453			3,731	-	3,731
New share issue costs		-185			-185	-	-185
Translation difference			-4,738		-4,738	-	-4,738
Transactions with minority interest			-17,980		-17,980	823	-17,157
Disposition according to decision by the AGM			-128,984	128,984	0	-	0
CLOSING BALANCE 30/09/2025	3,670	450,558	-392,507	-75,195	-13,475	0	-13,475

Condensed consolidated cash flow statement

SEK thousands	Jul-Sep		Jan-Sep		Full Year
	2025	2024	2025	2024	2024
Operating income	-9,488	-20,951	-84,573	-101,804	-141,761
Non-cash items					
Depreciation, amortisation and impairment	11,123	23,144	88,332	102,497	149,554
Other	0	0	0	3,742	3,742
Financial items	-146	-1,971	-2,613	-7,502	-7,967
Tax paid	-818	-1,933	858	-6,368	-6,785
Cash flow from operating activities before changes in working capital	670	-1,711	2,004	-9,435	-3,218
Change in accounts receivable	-385	-2,227	-2,938	-1,983	-2,695
Change in other receivables	-14,103	-1,128	-8,320	9,171	14,302
Change in accounts payable	5,778	4,104	7,774	3,079	-304
Change in other liabilities	10,882	-4,970	4,957	-10,163	-16,656
Cash flow from changes in working capital	2,172	-4,221	1,473	105	-5,353
Cash flow from operating activities	2,842	-5,932	3,476	-9,330	-8,571
Investment in subsidiaries	0	0	-3,023	-94	-324
Divestment of subsidiaries	-261	0	1,972	0	0
Capitalised work on own account	-1,975	-8,086	-11,272	-46,958	-51,877
Acquisition of intangible and tangible fixed assets	-10,723	-858	-16,524	-8,793	-10,354
Disposal of intangible and tangible fixed assets	0	0	4,041	16,809	18,377
Change in long-term receivables	0	0	-2,793	0	0
Deposit paid	0	-66	-2	-88	-88
Deposit repaid	0	0	0	114	227
Cash flow from investing activities	-12,959	-9,009	-27,600	-39,010	-44,038
New share issue	0	52,505	3,546	53,374	56,811
New borrowings	11,000	0	41,000	20,000	25,000
Change in overdraft limit	7,053	150	-151	7,520	8,798
Change in other financial liabilities	-6,933	-33,409	-11,266	-31,737	-32,994
Repayment of liabilities to credit institutions	-660	-5,871	-12,156	-20,106	-20,773
Cash flow from financing activities	10,460	13,375	20,974	29,051	36,842
Cash flow	343	-1,567	-3,150	-19,289	-15,768
Cash and cash equivalents at beginning of period	4,981	7,573	9,407	25,055	25,055
Cash flow for the period	343	-1,567	-3,150	-19,289	-15,768
Exchange difference in cash and cash equivalents	-77	-320	-1,009	-79	121
Cash and cash equivalents at end of period	5,248	5,686	5,248	5,686	9,407

Condensed Parent Company income statement

SEK thousands	Jul-Sep		Jan-Sep		Full Year
	2025	2024	2025	2024	2024
Revenue	642	1,297	3,579	4,360	6,027
Other revenue	30	0	61	0	0
Total revenue	672	1,297	3,640	4,360	6,027
Personnel expenses	-1,074	-1,078	-3,419	-6,912	-8,091
Other external expenses	-1,372	-1,037	-2,847	-3,841	-4,549
EBITDA	-1,775	-817	-2,626	-6,392	-6,613
Profit from participations in Group companies	0	0	0	11,253	11,253
Impairments of financial fixed assets	0	0	-44,625	-50,917	-210,051
Net financial items	-1,696	-1,893	-3,509	-6,202	-8,278
Earnings before tax (EBT)	-3,470	-2,711	-50,760	-52,259	-213,689
Tax	0	0	0	0	0
Net profit	-3,470	-2,711	-50,760	-52,259	-213,689

Condensed Parent Company statement of financial position

SEK thousands	Sep 30, 2025	Sep 30, 2024	Dec 31, 2024
ASSETS			
Fixed assets			
Cryptocurrency holdings	10,685	0	0
Shares in Group companies	156,907	361,523	205,246
Receivables from Group companies	10,300	16,600	13,450
Financial assets	2,544	255	255
Total fixed assets	180,436	378,378	218,951
Current assets			
Receivables from Group companies	1,338	1,273	2,273
Current tax receivables	228	169	0
Other receivables	6,954	10,196	10,036
Prepaid expenses and accrued income	1,157	272	294
Total current assets	9,677	11,911	12,603
Cash and cash equivalents	216	219	1,036
Total assets	190,329	390,508	232,589
EQUITY AND LIABILITIES			
Equity	85,071	290,277	132,285
Provisions	0	13,673	0
Long-term liabilities			
Liabilities to Group companies	49,665	69,266	65,151
Total long-term liabilities	49,665	69,266	65,151
Short-term liabilities			
Liabilities to credit institutions	0	10,349	10,450
Other financial liabilities	37,875	0	5,435
Accounts payable	1,192	1,512	510
Liabilities to Group companies	1,217	1,715	2,203
Current tax liabilities	0	0	43
Other liabilities	11,063	1,549	14,806
Accrued expenses and deferred income	4,246	2,167	1,707
Total short-term liabilities	55,593	17,292	35,154
Total equity and liabilities	190,329	390,508	232,589

Proforma: Condensed income statement

EXCLUDING ENTITIES NO LONGER PART OF THE GROUP AS OF 30 SEPTEMBER 2025

Fragbite Group	Condensed income statement			Condensed income statement		
	Jan-Sep 2025			Jan-Sep 2024		
	Fragbite Group	Web3	Proforma Fragbite Group	Fragbite Group	Web3 Fall Damage	Proforma Fragbite Group
<i>SEK thousands</i>						
Revenue	133,602	8,042	125,560	154,184	14,576	139,608
Capitalised work on own account	11,272	2,260	9,012	46,938	30,459	16,479
Other operating income	765	57	708	4,602	4,210	392
Total revenue	145,639	10,359	135,280	205,724	49,245	156,479
Cost of goods and services sold	-88,810	-283	-88,527	-110,358	-1,848	-108,510
Gross profit	56,829	10,075	46,754	95,365	47,397	47,969
<i>Gross margin %</i>	<i>39.0%</i>	<i>97.3%</i>	<i>34.6%</i>	<i>46.4%</i>	<i>96.2%</i>	<i>30.7%</i>
Personnel expenses	-31,446	-3,518	-27,929	-54,514	-24,639	-29,875
Other external expenses	-21,623	-7,415	-14,208	-40,159	-23,021	-17,138
EBITDA	3,759	-857	4,617	693	-263	956
Amortisation and impairment of intangible assets	-8,861	-510	-8,352	-7,464	-523	-6,941
Depreciation of tangible assets	-248	-33	-215	-827	-603	-223
Amortisation goodwill	-79,222	-55,562	-23,660	-94,206	-62,751	-31,455
EBIT	-84,573	-56,963	-27,610	-101,804	-64,141	-37,663
Net financial items	10,657	14,176	-3,519	17,272	24,194	-6,922
Earnings before tax (EBT)	-73,915	-42,787	-31,129	-84,532	-39,947	-44,585
Tax	-2,103	0	-2,103	-1,453	-26	-1,427
Net profit	-76,018	-42,787	-33,231	-85,985	-39,973	-46,012

Declaration by the Board of Directors

The Board of Directors and the CEO of Fragbite Group AB (publ) hereby certify that this interim report provides a true and fair overview of the operations, financial position and performance of the Group and Parent Company.

Stockholm, 13 November 2025

Michael Lundgren
Chairman

Stefan Tengvall
CEO and Board Member

Niclas Bergkvist
Board Member

Mikael Pettersson
Board Member

This interim report has not been reviewed by the Company's auditors.

Contact

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Financial calendar

Year-end report 2025: 19 February 2026