

Interim Report

I JANUARY – 30 JUNE 2025

Second quarter

Revenue	SEK 43.7 million	(49.8)
EBITDA	SEK 1.4 million	(-6.6)
Adjusted EBITDA	SEK -0.4 million	(-1.1)
Operational EBIT ¹	SEK -1.2 million	(-9.4)
EBIT	SEK -57.3 million	(-41.6)
Result after tax ²	SEK -46.5 million	(-2.1)
Cash flow from operating activities	SEK -1.2 million	(-6.0)
Diluted earnings per share ³	SEK -6.27	(-9.83)

First six months

Revenue	SEK 86.0 million	(102.3)
EBITDA	SEK 2.1 million	(-1.5)
Adjusted EBITDA	SEK 0.2 million	(4.0)
Operational EBIT ¹	SEK -3.5 million	(-7.0)
EBIT	SEK -75.1 million	(-80.9)
Result after tax ²	SEK -64.0 million	(-62.6)
Cash flow from operating activities	SEK 0.9 million	(-3.4)
Diluted earnings per share ³	SEK -8.60	(-286.56)

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

² In the Group's earnings for the quarter, SEK -29.7 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



Playdigious releases *Teenage Mutant Ninja Turtles: Shredder's Revenge* on Apple and Google.



The Company establishes Bitcoin Treasury business area in order to build a long-term strong capital structure via investments in Bitcoin.



Playdigious releases *Crown Gambit*, the second title published under the Playdigious Originals business unit and label.



The Company sells subsidiaries Lucky Kat and Wagmi. A strategic review of the Group is initiated.

Significant events during the quarter

- Wagmi and Lucky Kat initiate the public launch of \$KOBAN with the pre-sale in two steps. The Company announces prices and supply ranges.
- Playdigious releases *Teenage Mutant Ninja Turtles: Shredder's Revenge* on Apple App Store and Google Play Store.
- Zara Zamani leaves the Group management team as she transitions from CEO to Advisor for Lucky Kat. Arash Asroush, formerly COO, is appointed CEO of Lucky Kat.
- FunRock & Prey Studios extends a previously signed development agreement based on *MMA Manager*. The new agreement adds approximately SEK 2.3 million in revenue.
- The company announces that Wagmi will release \$KOBAN for public trade on 14 May at 17.00, which is also the Token Generation Event when all \$KOBAN tokens are minted.
- Fragbite AB holds the Swedish qualifying competition for the Elisa Nordic Championship 2025.
- *Panzerdogs* and *Cosmocadia* is part of the release offer for the SuiPlay console that is launching later in 2025.
- The Company sells subsidiaries Lucky Kat and Wagmi for a total purchase consideration of SEK 1.94 million, payable through loans, maturing in 24 months, issued by the Company to the buyers. As part of the sale, the Company will receive revenue share from the Lucky Kat hypercasual portfolio. A strategic review of the entire Group is initiated.
- At the Annual General Meeting, Stefan Tengvall, Niclas Bergkvist, Mikael A. Pettersson and Michael Lundgren are elected to the Board. Michael Lundgren is elected as the new Chairman of the Board.
- Playdigious releases *Crown Gambit* on PC via the global distribution platform Steam. *Crown Gambit* is the second title published under the Playdigious Originals business unit and label.
- The Company establishes Bitcoin Treasury, a new business area that enables the investment of surpluses from the core business in Bitcoin in order to build a strong capital structure in the Group. Patrik von Bahr is recruited as Bitcoin Treasury Director.
- The Company establishes an incentive programme for an individual key person in connection with establishing Bitcoin Treasury. The programme comprises 630,000 warrants issued in a number of series that run between 6 and 60 months for a subscription price of between SEK 15 and SEK 65 per share. The warrants are issued at the Company's market value of SEK 5.32 per share.

Significant events after the end of the quarter

- FunRock Prey increases its 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.
- Bitcoin purchases are announced to the market on two occasions, bringing the Company's total holding to 7 bitcoin purchased at an average price of USD 115,099.
- 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 bitcoin 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.
- A purchase of approximately 2.5 bitcoin is completed, moving the Company's holdings to a total of 9.5 bitcoin purchased at an average price of USD 116 681.
- The Swedish Cup returns in fall 2025. MAX Burgers and Unibet return as tournament sponsors, alongside first-time sponsor Cloetta.

CEO's comments

Revenue amounted to SEK 43.7 (49.8) million, a decline of SEK 6.1 million compared with 2024, partly due to currency effects and partly due to lower revenue in the Esports and Gaming business areas. The quarter was mainly affected by Playdigious having few game releases. However, the releases later in the summer have shown a very strong performance. EBITDA continues to reflect the cost reductions carried out during 2024 and the Company's ability to subsequently maintain lower cost levels, particularly in the Parent Company.

Subnautica – milestone for Playdigious

Subnautica was finally released in July. After several postponements of the release over the course of a long period, we are delighted to have both announced and seen the effects of Playdigious' most significant ported IP to date. The successful release resulted in high rankings on Google and Apple, high player ratings and a satisfied IP owner. The game's revenue contributed to a strong result for Playdigious in July, and the title is expected to continue generating good results going forward.

The second quarter as a whole was financially weak for Playdigious, as major titles did not reach the market until the third quarter. *Fretless*, which was also successfully released in July, had been pushed back from May, which had a significant negative impact on the second quarter. *Teenage Mutant Ninja Turtles: Shredder's Revenge* was released on Apple and Google in April and *Crown Gambit* for PC was released in June. *Crown Gambit* has not met expectations during its initial post-release period and Playdigious is working on new marketing activities to address this.

Looking ahead, the next game will be the mobile version of *Chants of Sennaar*, releasing this week. Popular title *Don't Starve Together* is in the pipeline and is one of the IPs in which the subsidiary has most confidence over the long term. In addition, two not yet announced mobile titles are scheduled for release in the fourth quarter, and after receiving approval in China, Playdigious is in dialogue with its publishing partner to finalise the release date for *Spiritfarer* on the Chinese market. Work is in progress to further increase the portfolio's exposure in China.

FunRock Prey expands

Since early 2024, FunRock Prey has successfully delivered a turnaround and achieved profitability in both proprietary game development and the hybrid work-for-hire (WFH) vertical. The subsidiary reported a stable quarter with revenue slightly above forecast and is well on the way to achieving updated financial targets for the full year 2025, including a forecast EBITDA of SEK 4 million compared with SEK 0.6 million for the full year 2024. Growth is mainly driven by hybrid WFH,

which recently reached a milestone with the release of the first white-label game, for which FunRock Prey is entitled to revenue share – an additional upside if the title performs well. Expansion and rebranding of the business vertical is ongoing. Since the start of the year, the establishment of hybrid WFH has also enabled the subsidiary to allocate time in periods to the development of a new mobile game, and we hope to present the concept in connection with the next interim report.

New esports IP but challenges for Config

During the period, the Swedish CS League (sv: Svenska CS-ligan) was introduced – a new IP with an inaugural tournament that was both profitable and well received by viewers. The tournament also served as the Swedish qualifier for Elisa Nordic Championship 2025. However, the quarter was very weak for the Esports business area, mainly due to Config generating lower revenue than expected, driven by a significantly subdued consultancy market. In March, the Config Ads business vertical was launched – an advertising network focused on gaming and esports. To date, the business has only been run at test level as third-party technical integration has unfortunately been delayed. The subsidiary expects to roll out full operations towards the end of the year. In the near term, we look forward to the start of the qualifiers for this year's edition of Sweden's largest esports tournament the Swedish Cup.

Sale of Lucky Kat and Wagmi

On 31 May, the Company signed an agreement to sell all its remaining shares in subsidiaries Lucky Kat and Wagmi. The decision to divest was difficult and made with a heavy heart, particularly with regard to the Lucky Kat employees who have delivered with commitment and on a high, professional level over a long period of time. I would like to extend my personal gratitude to them. The sale was prompted by the negative financial trend that had persisted since the beginning of 2024, the subsidiaries' repeated inability to meet their own forecasts, operational leadership that did not meet expectations and the significant strain that the negative cash flow placed on the Group as a whole. Given Fragbite Group's decentralised governance model, the Board concluded there was insufficient time to step in and establish a new organisation and capitalise on all the subsidiaries' assets – IPs, digital assets, structural capital and expertise – without draining the other subsidiaries too much. In this situation, the sale was the best solution for the Group.

The agreement includes revenue-sharing from the hyper-casual portfolio for 30 months, which fits well with Fragbite Group's strategy of an IP-centric business. We hope that Lucky Kat and Wagmi will continue operations, and realise the potential of their assets, and that these IPs will continue to generate revenue for the Group over time.

Bitcoin Treasury – charting new paths forward

On 30 June, Fragbite Group established the Bitcoin Treasury business area, which has had a flying start and gotten a very positive response. The new business area enables surpluses to be invested in Bitcoin with the aim of building a strong capital structure, while also opening up new financing opportunities. Bitcoin Treasury has raised SEK 11 million in

seed liquidity through favourable convertible loans, and the Bitcoin holding is growing. The decision to introduce Bitcoin on the balance sheet is based on the Company's conviction in its potential as a long-term store of value and strategic asset for Fragbite Group's growth.

Increasing shareholder value using Bitcoin as leverage is a long-term strategy, and we see an opportunity here to be at the forefront in the Nordic region with active Bitcoin investment alongside continued development of our core operations in gaming and esports. We know our shareholders are already familiar with blockchain-based digital assets and modern financial structures, making this a natural next step for Fragbite Group. The Company is now working towards closing 2025 with 100 bitcoin on the balance sheet, which has been adopted as a financial target.

Strategic review and focus on profitability

The strategic review initiated in conjunction with the sale of Lucky Kat and Wagmi is ongoing. We have made solid progress in terms of restructuring and finding solutions to reduce the debt level and

close 2025 with profitability across the entire Group. We look forward to establishing a new, clear and competitive strategic platform this fall and sharing it with our shareholders.

Stefan Tengvall, President & CEO



We are Fragbite Group

Fragbite Group AB (publ) ("Fragbite Group" or "The Company") is a publicly traded, Swedish company with a portfolio of established subsidiaries that develop, adapt and publish games and esports content to mobile, PC and console. Together we create entertainment for the global gaming market by meeting the needs of a new generation of gamers – **play, watch, own**. Under Bitcoin Treasury we invest surplus liquidity from our core operations in Bitcoin for the purpose of building a strong capital structure.

The Group is headquartered in Stockholm and listed since 2021 on Nasdaq First North Growth Market under the ticker FRAG.

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 & Prey Studios** 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 other gaming companies.
- **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 includes FunRock & Prey Studios and Playdigious. The company has proprietary game development, with a focus on free-to-play mobile games, and also develops games for other companies, so called hybrid work-for-hire which includes revenue share remuneration. We also port already released games from PC and console to mobile platforms and then publish them. Finally, the company publishes games in the indie game genre for PC and console.

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.

Bitcoin Treasury

Under business area Bitcoin Treasury, the Company invests surplus liquidity from our core operations in Bitcoin for the purpose of building a strong capital structure. Operated directly under the parent company.

ONGOING STRATEGIC REVIEW

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 part of 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 initiated in conjunction with the sale of Lucky Kat and Wagmi is ongoing. In addition to business and strategic matters, the review also includes how the Company will report the different operations in the future. See pages 8–9 for more information about the sale and the strategic review.

Financial performance April – June 2025

Fragbite Group SEK thousands	Apr-Jun		Jan-Jun		R12m	Full Year
	2025	2024	2025	2024	2024/2025	2024
Revenue	43,723	49,829	85,953	102,349	196,834	213,230
Adjusted EBITDA	-449	-1,144	235	3,982	9,528	13,275
EBITDA	1,441	-6,626	2,124	-1,500	11,418	7,793
Operational EBIT	-1,232	-9,394	-3,480	-7,016	52	-3,484
EBIT	-57,323	-41,593	-75,085	-80,854	-135,992	-141,761
Net profit after tax	-46,543	-2,148	-63,972	-62,589	-130,367	-128,984

The 2025 results 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 in the second quarter, of which SEK 1,741 thousand were attributable to restructuring costs and SEK 3,742 thousand to Fall Damage.

THE GROUP'S REVENUE

Revenue for the quarter amounted to SEK 43.7 (49.8) million and for the first six months SEK 86.0 (102.3) million, a decline of SEK 6.1 million and SEK 16.4 million. The decline is partly due to currency effects, loss of revenue in Esports and Gaming and the sale of Lucky Kat and Wagmi. See page 7 for comments on each business area.

OPERATING PROFIT

EBITDA for the quarter amounted to SEK 1.4 (-6.6) million and for the first six months SEK 2.1 (-1.5) million. Adjusted EBITDA for the quarter amounted to SEK -0.4 (-1.1) million and for the first six months SEK 0.2 (4.0) million. Operating profit for the quarter 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. Compared with the previous year, the Company has lower revenue in Esports and Gaming. However, this is offset by significantly lower costs, particularly in the Parent Company.

Operating profit (EBIT) for the quarter amounted to SEK -57.3 (-41.6) million and for the first six months SEK -75.1 (-80.9) million. EBIT for the quarter includes goodwill impairment of SEK 44.0 million related to the Web3 business area. The previous year's EBIT includes goodwill amortisation of SEK 11.6 million for the quarter and SEK 32.5 million for the first six months for the former subsidiary Fall Damage. Operational EBIT for the quarter amounted to SEK -1.2 (-9.4) million and for the first six months SEK -3.5 (-7.0) million. Operational EBIT is exclusive of goodwill amortisation and impairment of SEK 56.1 (32.2) million for the quarter and SEK 71.6 (73.8) million for the first six months.

NET FINANCIAL ITEMS

Net financial items for the quarter amounted to SEK 11.7 (39.5) million and for the first six months SEK 12.8 (19.2) million. Net financial items include a positive financial item of SEK 14.3 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 -46.5 (-2.1) million and for the first six months SEK -64.0 (-62.6) million. Basic earnings per share for the quarter amounted to SEK -6.27 (-9.83) and for the first six months SEK -8.60 (-286.56). 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 -1.2 (-6.0) million and for the first six months SEK 0.9 (-3.4) million.

Cash flow from investing activities for the quarter amounted to SEK -6.5 (-15.4) million and for the first six months SEK -14.9 (-30.0) million. Investments during the quarter are mainly related to capitalisation of work for own account but also the purchase of intangible assets in the form of cryptocurrency in Lucky Kat and Wagmi.

Cash flow from financing activities for the quarter amounted to SEK 4.7 (13.7) million and for the first six months SEK 10.5 (15.7) million. During the quarter, the Company took out a new loan of SEK 25.0 million and made loan repayments of SEK 10.8 million to credit institutions.

Cash flow for the quarter amounted to SEK -3.1 (-7.6) million and for the first six months SEK -3.5 (-17.7) million. SEK 8.4 (2.6) million of the Group's SEK 10 million overdraft facility was unutilised as of 30 June 2025.

At the end of the period, the Group's cash and cash equivalents totalled SEK 5.0 (7.6) million.

FINANCIAL POSITION

Equity amounted to SEK -1.2 (89.5) million and the equity ratio was -1.2 (36.5) percent on 30 June 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 nor its subsidiaries. Total assets amounted to SEK 98.7 (244.9) million at the end of the period.

PARENT COMPANY

The Parent Company's operating profit/loss for the quarter was SEK -0.9 (-3.9) million and for the first six months SEK -0.9 (-5.6) million including internal revenue, an improvement of SEK 3.0 million from the previous year, still largely due to the cost-saving programme implemented in 2024.

Financial development per business area

	Apr-Jun 2025					Apr-Jun 2024				
SEK thousands	Gaming	Esport	Web3*	Parent	TOTAL	Gaming	Esport	Web3	Parent	TOTAL
Revenue	39,399	1,036	3,288	0	43,723	42,323	2,956	4,550	0	49,829
Adjusted EBITDA	1,524	-459	467	-1,981	-449	2,848	424	-915	-3,502	-1,144

	Jan-Jun 2025					Jan-Jun 2024				
SEK thousands	Gaming	Esport	Web3*	Parent	TOTAL	Gaming	Esport	Web3	Parent	TOTAL
Revenue	76,587	1,325	8,041	0	85,953	88,276	4,836	9,237	0	102,349
Adjusted EBITDA	4,350	-1,454	1,127	-3,788	235	5,877	143	4,474	-6,513	3,982

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 quarter, their results up to and including 31 May are included under the Web3 business area.

GAMING

The business area's revenue showed a decline during the first six months. This is still largely related to delays to Playdigious releases – mainly *Subnautica*, but also *Fretless* which was postponed from May to July. On the cost side, a significant proportion of royalty payments to IP owners can be noted in the second quarter. However, Playdigious continued to report a wide range of revenue from large parts of its current portfolio via different distribution partnerships during the second quarter. FunRock & Prey Studios reported another good quarter, with revenue both from game development and hybrid work-for-hire.

ESPORTS

The second quarter is traditionally better than the first, but still often weaker than the third and fourth as the majority of the business area's activities are at the end of the year. However, the business area showed a significant decline compared with 2024, primarily due to fewer projects under Config, noticing the effects of a significantly subdued consulting market. The Config Ads business vertical was launched in March but has during the second quarter and to date only been running at test level, due to delayed third party technical integration. As a result, it has not generated notable revenues during the second quarter and is not expected to do so until the end of the year. A first Swedish CS League tournament was carried out with profitability.

WEB3 – up to 31 May

During the period, the business area's earnings and cash position were affected by delays and a negative outcome from the KOBAN launch. Accrued income from previous token sales is reflected in the revenue and adjusted EBITDA for both the quarter and the same period in the previous year. The sale of the two Web3 subsidiaries has a negative effect on comparison with 2024, corresponding to one month of accrued income.

BITCOIN TREASURY – from 30 June

As the Company's new business area was established on the last day of the quarter, no capital was invested in Bitcoin during the quarter. On 3 July, the Company took out a loan of SEK 5 million, with the main purpose of providing the business area with seed liquidity. A further loan of SEK 6 million was taken out on 22 July for the same purpose. At the time of writing, the Company has purchased a total of 9.5 bitcoin at an average price of USD 116,681 USD, which corresponded to purchases totalling SEK 10.7 million. As with the Company's other cryptocurrency holdings, Bitcoin is recognised as an intangible asset.

PARENT COMPANY

Adjusted EBITDA for the quarter remains significantly improved from the previous year, primarily driven by the cost reductions and efficiency measures implemented in the second half of 2024.

Planned releases and activities

Title	IP owner	Publisher
<i>Chants of Sennaar</i> – release on mobile (28 August)	External	Playdigious
<i>Don't Starve Together</i> – release on mobile	External	Playdigious
<i>Spiritfarer</i> – release in China	External	Playdigious
Four signed, not yet announced titles for release on mobile (2025-2026)	External	Playdigious
Swedish Cup 2025 (Q4)	Fragbite AB	Fragbite AB
New mobile game – ongoing development	FunRock	FunRock

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. When the agreements were signed, the Company held 93.85 percent of the shares in Lucky Kat and Wagmi after the divestment of minority shares earlier in 2025.

BACKGROUND

Fragbite Group acquired Lucky Kat in 2021, following a successful couple of years in game development and with a recent pivot towards Web3. Wagmi was founded by Fragbite Group in 2022 and was granted a licence as a Virtual Asset Service Provider.

The Web3 business area, comprising Lucky Kat and Wagmi, was profitable in 2022 and 2023, but has not been self-sustaining since early 2024. A lack of income to the business area during 2024 has had an increasingly negative effect on the Group's cash flow and the other subsidiaries. It has been Fragbite Group's objective to safeguard Lucky Kat's employees while providing scope for the web3 products to fully launch, mature and achieve commercial success. However, the negative cash flow continued into 2025. The public launch of \$KOBAN was postponed on several occasions while the business was expanded with new product development. As the subsidiaries' own forecasts were consistently not being met, neither in terms of income nor costs, at the same time as operational leadership did not meet expectations, the decision was made to sell Lucky Kat and Wagmi. It was the Board's assessment that it would not be possible to step in and establish a new organisation quickly enough to turn the situation around. The Company remains confident that the games and digital assets created by Lucky Kat and Wagmi in recent years, including Panzerdogs, Cosmocadia, KOBAN and Kumo, have great potential, but the operations could no longer be financially sustained by the other Fragbite Group subsidiaries.

TERMS

- Sale of Lucky Kat to 4+ventures AB for a purchase consideration of SEK 1.45 million.
- Sale of Wagmi to Swiss Peak Ventures GmbH for a purchase consideration of SEK 0.49 million.
- For both sales, the agreement date is also the closing date.

- Payment of the purchase considerations is made via promissory notes. The Company has issued loans to the buyers with a fixed monthly interest rate of 1 percent. The loans mature in 24 months.
- Over the coming 30 months, the Company has the right to revenue share from Lucky Kat's hypercasual games: 40 percent of gross sales from existing games and 20 percent of gross sales from future web3 adaptations of those games.
- The Company currently holds 125,000,000 \$KOBAN tokens. Swiss Peak Ventures GmbH has an option to purchase these tokens within 6 months of the closing date. If such purchase is carried out, the Company has the right to a 3 percent revenue share from all gross revenue generated from node sales related to the Takibi protocol for 24 months following closing.

For all terms of the sale, see the press release: [LINK](#)

FINANCIAL IMPACT ON THE COMPANY

- The carrying amount of the sold Lucky Kat shares has been written down by SEK 46.5 million to SEK 0. The impairment loss affects the Parent Company's balance sheet and income statement but not the Group's. At the end of the previous year, the shares in Lucky Kat were written down by SEK 69.1 million, with the intention of reassessing the value, as outlined in the interim report for the fourth quarter 2024.
- The carrying amount of the sold Wagmi shares was SEK 0.0 million. The sale has had a positive impact of SEK 5.6 million on the income statement of Fragbite Group's wholly owned subsidiary Funrock Development AB, which owned the shares in Wagmi. Funrock Development AB's result does not have any impact on the consolidated balance sheet and income statement.
- Full goodwill impairment from the sale of the shares in Lucky Kat had a negative impact of SEK 44.0 million on the consolidated balance sheet and income statement during the quarter. Goodwill impairment of SEK 23.7 million was recognised at the end of the previous year, which had a negative effect on the fourth quarter 2024.
- The total purchase consideration for the shares in Lucky Kat and Wagmi in 2025 is SEK 5.8 million, which includes the shares that were sold starting in January and then the final sale of all remaining shares on 31 May. The net assets of the two companies on the sale date were SEK 8.5 million, which together with a positive translation difference of SEK 17.1 million means that the Group has a positive financial item of SEK 14.3 million.
- Goodwill impairment of SEK 44.0 million together with the positive financial item of SEK 14.3 million gives a total negative impact of SEK 29.7 million on earnings at Group level as a result of the sale of the two companies.
- The sale has a positive impact on the Company's cash flow with approximately SEK 1.1 million in reduced costs per month, based on the last 6 months prior to the sale.

OTHER IMPACTS ON THE COMPANY

On the date of the sale, Lucky Kat and Wagmi constituted the Company's entire operations in the Web3 business area, and the Company therefore no longer has any operational activities in that business area. Collaboration projects between Fragbite AB/Config and Lucky Kat have been suspended.

Strategic review

The strategic review initiated in conjunction with the sale of Lucky Kat and Wagmi is ongoing and incorporates not only organisational and financial aspects, but also how the Company will structure and report its operations in the future. This includes reviewing the possibility of the Company selling assets, in full or in part, where favourable, and exploring various solutions to reduce debt during 2025. The Company intends to update all financial targets on completion of the strategic review.

Bitcoin Treasury

As part of the ongoing strategic review, the Company has decided to strengthen its capital structure through a long-term investment in Bitcoin holdings. On 30 June, the Bitcoin Treasury business area was established, in order to enable qualified investment of surpluses from the core business in Bitcoin. Patrik von Bahr has been recruited as Bitcoin Treasury Director and will be remunerated through a performance-based incentive programme. The programme comprises 630,000 warrants, issued in a number of series that run between 6 and 60 months for a subscription price of between

SEK 15 and SEK 65 per share. The warrants are issued at the Company's market value of SEK 5.32 per share. 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. The investment consists of an interest-free loan that is intended to be convertible into shares upon approval by a General Meeting, as some of the investors are insiders. 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. As the agreement was signed shortly before the closed period for this interim report, the investment initially consists of a loan, with convertibles to be issued at a later stage. On 14 August, the Company announced a new financial target – to own 100 bitcoin by the end of 2025. Further purchases are intended to be financed through advantageous financing solutions and surplus liquidity from core operations.

Other

DIVIDEND FROM FALL DAMAGE BANKRUPTCY ESTATE

Fragbite Group is the largest creditor in Fall Damage's bankruptcy estate. The receiver's final accounts show that the Company has an expected dividend of approximately SEK 11.9 million. The Company previously recognised an expected dividend of SEK 10.0 million. The district court's final decision is expected in the third quarter. Prior to the final decision by the district court, the receiver made the Company an advance payment of SEK 5 million during the first quarter. The Company therefore has a positive cash flow item of SEK 6.9 million to expect in the coming quarter.

Condensed consolidated income statement

SEK thousands	Apr-Jun		Jan-Jun		Full Year
	2025	2024	2025	2024	2024
Revenue	43,723	49,829	85,953	102,349	213,230
Capitalised work on own account	3,941	15,301	9,297	38,852	51,857
Other operating income	-8	44	108	4,583	5,174
Total revenue	47,655	65,174	95,359	145,784	270,261
Cost of goods and services sold	-28,713	-33,849	-54,571	-72,650	-146,731
Gross profit	18,943	31,326	40,789	73,134	123,530
Gross margin %	39.7%	48.1%	42.8%	50.2%	45.7%
Personnel expenses	-11,265	-21,293	-22,773	-43,774	-66,080
Other external expenses	-6,237	-16,658	-15,891	-30,861	-49,657
EBITDA	1,441	-6,626	2,124	-1,500	7,793
Amortisation and impairment of intangible assets	-2,589	-2,490	-5,431	-4,804	-10,265
Depreciation of tangible assets	-84	-279	-174	-712	-1,012
Amortisation goodwill	-56,091	-32,199	-71,605	-73,838	-138,277
EBIT	-57,323	-41,593	-75,085	-80,854	-141,761
Net financial items	11,645	39,511	12,708	19,229	15,827
Earnings before tax (EBT)	-45,678	-2,083	-62,377	-61,625	-125,934
Tax	-865	-65	-1,595	-964	-3,050
Net profit	-46,543	-2,148	-63,972	-62,589	-128,984
Other comprehensive income	0	0	0	0	0
Total comprehensive income	-46,543	-2,148	-63,972	-62,589	-128,984
Comprehensive income for the period attributable to:					
Parent company's shareholders	-45,993	-2,148	-63,149	-62,589	-128,984
Non-controlling interests	-550	0	-823	0	0
Earnings per share (SEK)	-6.27	-9.83	-8.60	-286.56	-19.02
Earnings per share after dilution (SEK)	-6.27	-9.83	-8.60	-286.56	-19.02
Average number of shares outstanding	7,340,223	218,143	7,078,584	217,600	3,029,565
Average number of shares outstanding diluted	7,340,223	218,143	7,078,584	217,600	3,029,565
Number of shares before dilution	7,340,223	218,413	7,340,223	218,413	6,783,086
Number of shares diluted	7,340,223	218,413	7,340,223	218,413	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	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
ASSETS			
Fixed assets			
Intangible assets	63,384	200,953	146,490
Tangible assets	514	998	763
Financial assets	3,355	441	399
Total fixed assets	67,254	202,391	147,652
Current assets			
Accounts receivable	7,599	2,226	5,200
Current tax receivables	1,291	2,892	4,805
Other receivables	7,581	10,832	12,017
Prepaid expenses and accrued income	9,956	18,953	13,979
Total current assets	26,427	34,904	36,002
Cash and cash equivalents	4,981	7,573	9,407
Total assets	98,662	244,868	193,061
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders	-1,174	89,482	80,892
Non-controlling interests	0	0	0
Total Equity	-1,174	89,482	80,892
Provisions			
Additional purchase price	0	13,692	0
Deferred tax liabilities	2,383	0	1,574
Total Provisions	2,383	13,692	1,574
Long-term liabilities			
Liabilities to credit institutions	5,724	8,486	7,212
Total long-term liabilities	5,724	8,486	7,212
Short-term liabilities			
Liabilities to credit institutions	2,603	18,252	13,168
Overdraft facilities	1,594	7,370	8,798
Other financial liabilities	38,570	41,172	12,474
Accounts payable	3,643	5,250	6,009
Current tax liabilities	0	0	43
Other current liabilities	17,274	9,257	21,895
Accrued expenses and deferred income	28,046	51,908	40,996
Total short-term liabilities	91,729	133,209	103,383
Total equity and liabilities	98,662	244,868	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
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 - 30/06/2025							
Net result for the reporting period				-63,149	-63,149	-823	-63,972
New share issue paid	279	3,453			3,731		3,731
New share issue costs		-185			-185		-185
Translation difference			-4,483		-4,483	-	-4,483
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 30/06/2025	3,670	450,558	-392,253	-63,149	-1,174	0	-1,174

Condensed consolidated cash flow statement

SEK thousands	Apr-Jun		Jan-Jun		Full Year
	2025	2024	2025	2024	2024
Operating income	-57,323	-41,593	-75,085	-80,854	-141,761
Non-cash items					
Depreciation, amortisation and impairment	58,764	34,968	77,209	79,353	149,554
Other	0	3,742	0	3,742	3,742
Financial items	-1,665	-3,865	-2,467	-5,530	-7,967
Tax paid	-1,082	-1,978	1,676	-4,435	-6,785
Cash flow from operating activities before changes in working capital	-1,306	-8,727	1,333	-7,724	-3,218
Change in accounts receivable	-1,569	910	-2,552	244	-2,695
Change in other receivables	1,086	-2,778	5,783	10,300	14,302
Change in accounts payable	3,689	2,583	1,996	-1,025	-304
Change in other liabilities	-3,085	2,052	-5,671	-5,193	-16,656
Cash flow from changes in working capital	120	2,767	-444	4,326	-5,353
Cash flow from operating activities	-1,186	-5,961	889	-3,398	-8,571
Investment in subsidiaries	0	-94	-3,023	-94	-324
Divestment of subsidiaries	2,234	0	2,234	0	0
Capitalised work on own account	-3,941	-15,321	-9,297	-38,872	-51,877
Acquisition of intangible and tangible fixed assets	-1,794	-343	-3,012	-7,936	-10,354
Disposal of intangible and tangible fixed assets	0	390	1,253	16,809	18,377
Change in long-term receivables	-3,048	0	-3,048	0	0
Deposit paid	0	-22	-2	-22	-88
Deposit repaid	0	0	0	114	227
Cash flow from investing activities	-6,549	-15,389	-14,896	-30,000	-44,038
New share issue	-155	869	3,546	869	56,811
New borrowings	25,000	20,000	30,000	20,000	25,000
Change in overdraft limit	-7,369	-1,707	-7,204	7,370	8,798
Change in other financial liabilities	-1,983	1,673	-4,333	1,673	-32,994
Repayment of liabilities to credit institutions	-10,838	-7,094	-11,496	-14,235	-20,773
Cash flow from financing activities	4,655	13,740	10,514	15,676	36,842
Cash flow	-3,079	-7,609	-3,493	-17,722	-15,768
Cash and cash equivalents at beginning of period	8,267	15,604	9,407	25,055	25,055
Cash flow for the period	-3,079	-7,609	-3,493	-17,722	-15,768
Exchange difference in cash and cash equivalents	-206	-421	-934	241	121
Cash and cash equivalents at end of period	4,981	7,573	4,981	7,573	9,407

Condensed Parent Company income statement

SEK thousands	Apr-Jun		Jan-Jun		Full Year
	2025	2024	2025	2024	2024
Revenue	1,067	1,389	2,937	3,063	6,027
Other income	31	0	31	0	0
Total revenue	1,098	1,389	2,968	3,063	6,027
Personnel expenses	-1,161	-3,737	-2,345	-5,834	-8,091
Other external expenses	-851	-1,597	-1,475	-2,804	-4,549
EBITDA	-914	-3,945	-851	-5,575	-6,613
Profit from participations in Group companies	0	0	0	11,253	11,253
Impairments of financial fixed assets	-44,625	-50,917	-44,625	-50,917	-210,051
Net financial items	-2,293	1,910	-1,814	-4,309	-8,278
Earnings before tax (EBT)	-47,832	-52,952	-47,290	-49,548	-213,689
Tax	0	0	0	0	0
Net profit	-47,832	-52,952	-47,290	-49,548	-213,689

Condensed Parent Company statement of financial position

SEK thousands	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
ASSETS			
Fixed assets			
Shares in Group companies	154,957	359,629	205,246
Receivables from Group companies	12,250	17,900	13,450
Financial assets	2,565	255	255
Total fixed assets	169,772	377,784	218,951
Current assets			
Receivables from Group companies	790	1,732	2,273
Current tax receivables	217	117	0
Other receivables	6,929	10,012	10,036
Prepaid expenses and accrued income	1,111	710	294
Total current assets	9,046	12,570	12,603
Cash and cash equivalents	547	526	1,036
Total assets	179,365	390,880	232,589
EQUITY AND LIABILITIES			
Equity	88,541	240,483	132,285
Provisions	0	13,692	0
Long-term liabilities			
Liabilities to Group companies	42,276	74,306	65,151
Total long-term liabilities	42,276	74,306	65,151
Short-term liabilities			
Liabilities to credit institutions	0	15,508	10,450
Other financial liabilities	32,772	39,503	5,435
Accounts payable	640	357	510
Liabilities to Group companies	1,008	2,205	2,203
Current tax liabilities	0	0	43
Other liabilities	11,245	1,668	14,806
Accrued expenses and deferred income	2,882	3,157	1,707
Total short-term liabilities	48,547	62,399	35,154
Total equity and liabilities	179,365	390,880	232,589

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, 26 August 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

Interim report third quarter 2025: 13 November 2025
Year-end report 2025: 19 February 2026