



# Q1 2025 Report

## Q1 Highlights

**Strong start of the year** driven by our strategic initiatives and increased end consumer demand in the market.

**Net sales in Q1 was 226 SEKm (192), an increase of 18%**, +14% organically. The second highest net sales in a single quarter.

**Sales out revenue surpassed expectations** and increased by 29%, leading to low inventory levels in the channels at the end of the quarter.

**Strong momentum in the market** combined with a full order book indicates a positive sales development also in Q2.

**EBITDA increased to 37 SEKm (36)**, with an EBITDA margin of 16.5% (18.9) and a product margin of 40.4% (42.8%).

**Strong net cash position of 105 SEKm (21)** at end of quarter.

**Fractal's new Refine computer chair contributed to the revenue growth** and other categories contribution is expected to contribute more as the Scape gaming headset will be launched in Q2.



# Market Development & Demand

**Next-gen GPU launches (Nvidia RTX 5000, AMD RX 9000) kick-started a long-awaited upgrade cycle**, driving strong early demand despite pricing and availability concerns.

**The PC gamer base grew 3.9% to 907.5 million in 2024, maintaining a lead over console gaming (653.1 million).** Gaming market revenues are projected to reach \$236.9 billion, up 4.6% YoY, driven by new game releases, hardware upgrades, and replacements of pandemic-era PCs..

**Major titles like Monster Hunter Wilds and Final Fantasy VII: Rebirth drove strong engagement**, while existing popular game titles maintained momentum through content updates.

**PC remains the top platform for developers and revenue**, with 80% of developers now focused on PC and Steam user numbers reaching all-time highs.



# Introducing Fractal North XL RC

In March 2025, we launched a new addition to our market-leading North case series: the RC version of the popular North XL, built on the success of the original North (2022) and North XL (2024). It's designed for motherboards with reversed connectors, enabling fully hidden cable builds and catering to the growing demand for clean, minimalist setups.

**The North series has redefined the PC case category**, introducing Scandinavian design principles and innovative use of natural materials like wood - resonating with gamers looking to seamlessly integrate gaming into modern living spaces.

**Fractal North continues to set the benchmark for what premium, design-conscious PC cases can be**, offering both technical excellence and aesthetic harmony with the home environment. The launch of North RC further strengthens our leadership in designing cases that reflect the mature taste of today's gamers.

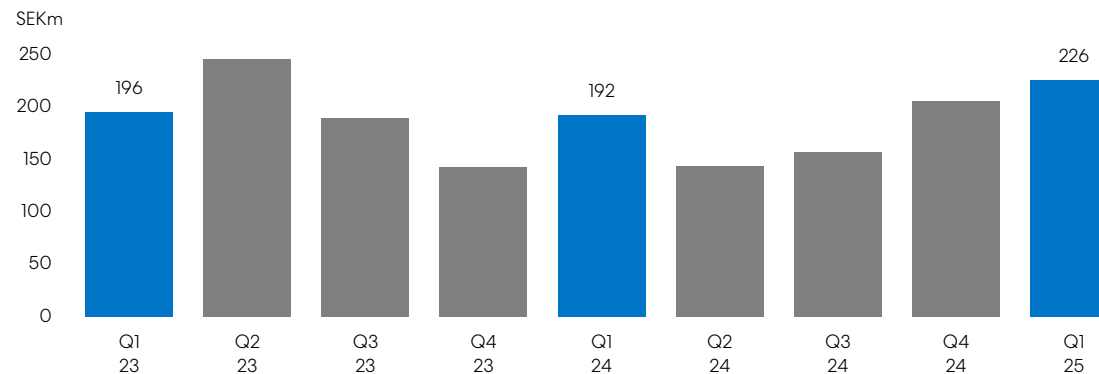


# Net sales

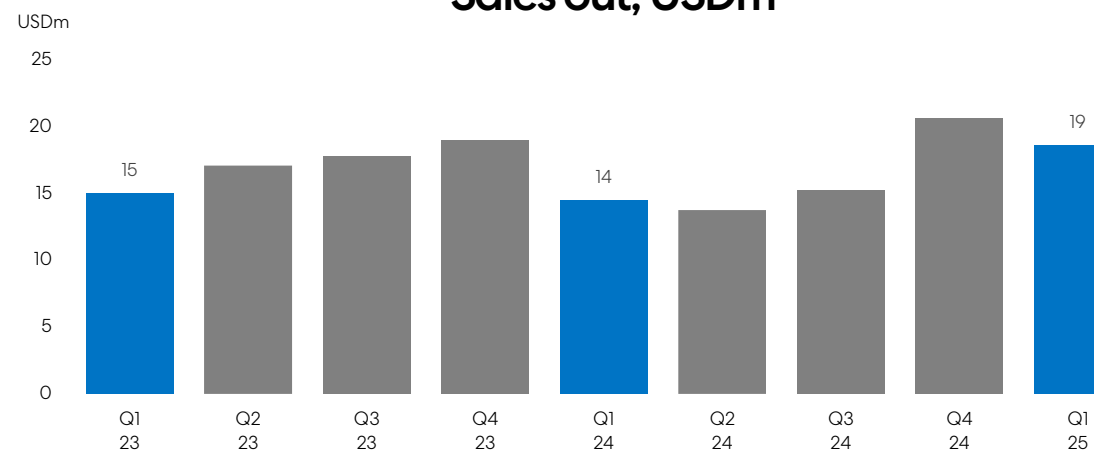
**Q1 Net sales** reached 226 SEKm (192), representing a 17.5% increase. Organic net sales increased to 21 USDm (19), up 14.2%.

- **Second-strongest quarter** in Fractal's history, following the record set in Q2 2023.
- **Strong performance from** Refine computer chair added to the overall sales momentum.
- **Additional growth driven** by the launch of new PC components, which have increased consumer demand alongside our strategic initiatives.
- **Sales-out** for tracked partners grew by 28.5% YoY.
- **Channel inventory levels** remained low entering Q2, supporting continued sales growth.

## Net sales, SEKm



## Sales out, USDm



# Segment development

**Sales of cases** accounted for 86% of total sales, a 7-percentage point decrease from the previous year, primarily an effect of the launch of the new Refine computer chair.

**Total net sales of cases** in Q1 amounted to 195 SEKm (180), representing an 8% increase. Other product category contributed 31 SEKm (13), marking a 147% growth, primarily driven by the success of Refine.

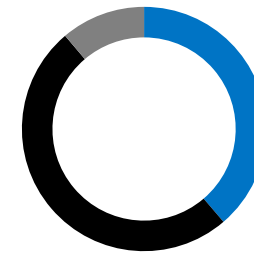
**EMEA was the strongest-performing** region, with net sales reaching 113 SEKm (97), an increase of 16%. EMEA's share of total sales was 50% (50), in line with the previous year.

**Americas showed the highest** growth, up 19% to 88 SEKm (74). The Americas represented 39% (38) of total sales.

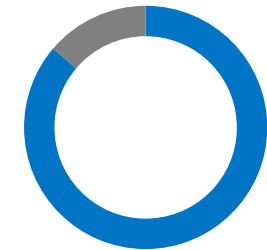
**APAC net sales** amounted to 25 SEKm (21), with the region accounting for 11% (11) of total sales.

## Business Segment

SEKm	Cases Q1		Other Q1		Total Q1	
	2025	2024	2025	2024	2025	2024
<b>Geographic market</b>						
EMEA	90	89	23	8	113	97
Americas	82	72	5	1	88	74
APAC	22	18	3	3	25	21
<b>Total net sales</b>	<b>195</b>	<b>180</b>	<b>31</b>	<b>13</b>	<b>226</b>	<b>192</b>



■ Americas 39% ■ EMEA 50% ■ APAC 11%



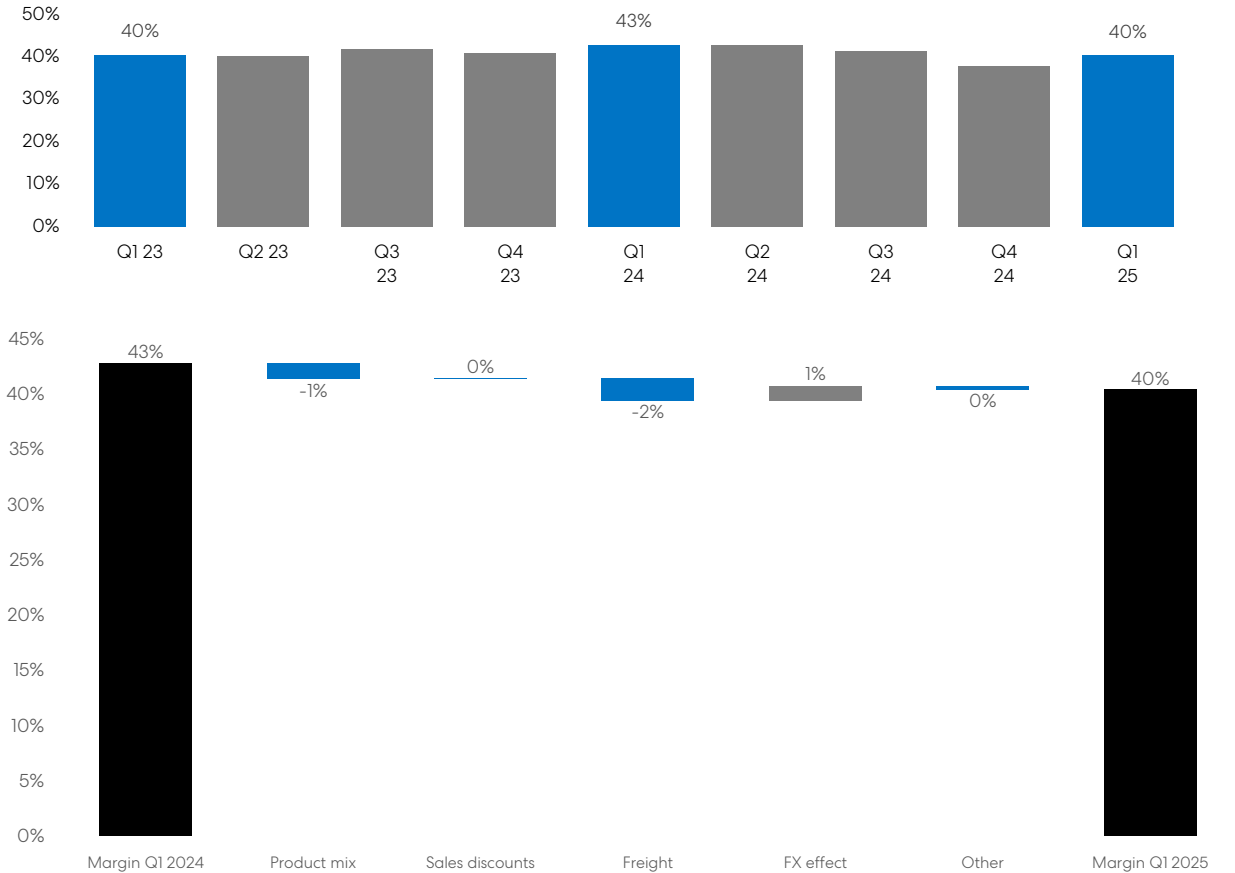
■ Cases 86% ■ Other 14%

# Product margin

The product result increased to 91 SEKm (82) and the product margin decreased to 40.4% (42.8).

- **Freight costs** had a negative impact of approximately 2.0 percentage points on the product margin. In the first quarter, freight rates were more than twice as high as during the same period last year.
- **Changed product mix** negatively impacted the margin by approximately 1.5 percentage points. We optimized inventory in the quarter by selling older products with lower margins, primarily within the water-cooling category. At the same time, the share of chairs in the product mix increased, which have a slightly lower average margin than cases.
- **Currency effects contributed** positively to the margin by approximately 1.5 percentage points.
- **Tariffs had a** negative impact of about 0.4 percentage points, mainly related to the chair category.

Product margin (%)



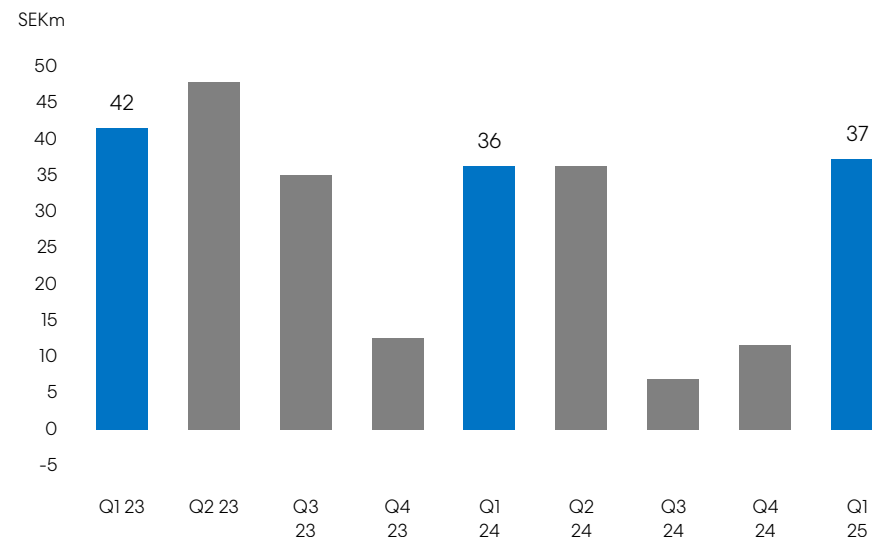
# Earnings and Cash flow

**EBITDA increased to 37 SEKm (36),** with an EBITDA margin of 16.5% (18.9).

**Operating cash flow** improved to 73 SEKm (18), mainly driven by a positive contribution from working capital. Net investments amounted to -7 SEKm (5), mainly for product development.

**Strong financial position** and net cash position increased to 105 SEKm (32), with zero utilization of the bank overdraft facility.

## EBITDA (SEKm) and EBITDA-margin R12 (%)



SEKm	Q1		apr-mar	Helår
	2025	2024	24/25	2024
EBITDA	37	36	85	84
Change in NWC	43	-13	62	6
Net tangible and intangible expenditure	-7	-5	-34	-31
<b>Operating cash flow</b>	<b>73</b>	<b>18</b>	<b>114</b>	<b>59</b>
<i>Cash conversion %</i>	<i>195%</i>	<i>50%</i>	<i>134%</i>	<i>70%</i>

# Income statement

**Total revenue in Q1** amounted to 230 SEKm, an increase of 17.4% YoY.

**Goods for resale** as a percentage of sales was negatively impacted by higher freight costs and changes in product mix, as we optimized inventory by selling off older products with lower margins, primarily within the water-cooling category.

**Other external expenses** increased compared to last year, connected to, among other things, marketing costs.

**Strategic hires and** annual salary revisions contributed to the increase in personnel expenses.

**Net financials were** negatively affected by the USD/SEK exchange rate, as we report in SEK. However, interest expenses remained low, as we are in a net cash position and have not utilized our credit facility.

SEKm	Q1		Apr—Mar	Full year
	2025	2024	24/25	2024
Net sales	226,0	192,4	731,5	697,9
Capitalized development expenditure	3,5	3,3	13,9	13,6
Other operating income	0,2	0,1	0,6	0,6
<b>Total revenue</b>	<b>229,7</b>	<b>195,7</b>	<b>746,0</b>	<b>712,2</b>
<b>Operating expenses</b>				
Goods for resale	-134,7	-110,1	-442,4	-417,8
Other external expenses	-31,4	-25,9	-118,6	-113,2
Personnel expenses	-26,2	-23,3	-100,1	-97,3
Depreciation and impairment of tangible and intangible non-current assets	-6,7	-5,7	-26,3	-25,4
<b>Total operating expenses</b>	<b>-199,0</b>	<b>-165,1</b>	<b>-687,5</b>	<b>-653,6</b>
<b>Operating profit</b>	<b>30,7</b>	<b>30,6</b>	<b>58,5</b>	<b>58,6</b>
Finance income	0,0	4,0	0,3	4,2
Finance costs	-4,4	-1,0	-5,8	-2,4
<b>Profit/loss after financial items</b>	<b>26,3</b>	<b>33,6</b>	<b>53,1</b>	<b>60,4</b>
Income tax expense	-5,5	-7,1	-12,2	-13,8
Deferred tax liabilities	0,1	0,0	1,1	1,1
<b>Profit for the period</b>	<b>20,8</b>	<b>26,6</b>	<b>42,0</b>	<b>47,7</b>

# Summary

- **Strong sales momentum continues** in Q1, second strongest in Fractal history.
- **Net sales increased by 18%** and sales out from tracked partners grew by 29%.
- **Partners increasing their stock** to balance low channel inventory ahead of expected continued demand, supported by key PC component launches and new game titles.
- **EBITDA margin of 16.5%** (18.9%) following a product margin of 40.2% (42.8%), primarily due to increased freight cost and actions related to optimizing inventory.
- **Positive contribution of Refine gaming chair** and launch of North RC as well as big interest for Scape gaming headset drives the shift in Fractal's global brand and market position shaping the future gaming station.
- **Strong financial position** allows us to pursue our strategic initiatives and further advance our position in the market.
- **Uncertainty about global business environment**, especially US tariffs, may affect both sales and earnings in the second half of the year. However, this is competition-neutral and we have a short- and long-term plan to mitigate the effect.
- **We see good potential to drive profitable growth in 2025 and beyond**, supported by product launches, expansion into new product categories and increased marketing and channel initiatives, as reflected in our new Financials Targets towards 2030.

# Capital Markets Day

Welcome to learn more at Fractal's Capital Markets Day 2025!

**May 15<sup>th</sup>**  
**Inderes Studio Valo**  
**Stockholm**

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 <https://fractal-gaming-group.events.inderes.com/cmd-2025/register>

8 MAY 2025

# Questions & Answers