



YEAR-END REPORT

1 JANUARY – 31 DECEMBER 2022

Realfiction Holding AB (publ) | 559110-4616



REALFICTION™

YEAR-END REPORT

Q4-2022 (01-10-2022 – 31-12-2022)

- Revenue: TSEK 4,799 (Q4-2021: TSEK 2,474)
- Gross profit: TSEK 3,063 (Q4-2021: TSEK 1,387)
- Gross profit margin: 63.8% (Q4-2021: 56.1%)
- Result after financial items: TSEK -208 (Q4-2021: TSEK -1,278)
- Earnings per share: SEK -0.10 (Q4-2021: 0.00)
- Cash flow from operating activities: TSEK 7,053 (Q4-2021: TSEK 2,465)
- Equity: TSEK 73,787 (Q4-2021: TSEK 71,486)

Q1-Q4 2022 (01-01-2022 – 31-12-2022)

- Revenue: TSEK 14,209 (Q1-Q4 2021: TSEK 12,575)
- Gross profit: TSEK 9,180 (Q1-Q4 2021: TSEK 6,848)
- Gross profit margin: 64.6% (Q1-Q4 2021: 54.5%)
- Result after financial items: TSEK -2,066 (Q1-Q4 2021: TSEK -4,554)
- Earnings per share: SEK -0.07 (Q1-Q4 2021: -0.05)
- Cash flow from operating activities: TSEK 4,513 (Q1-Q4 2021: TSEK -1)
- Equity: TSEK 73,787 (Q1-Q4 2021: TSEK 71,486)



Picture on front page: AI generated image based on simple text input. "Man speaking with AI avatar through a 3D holographic display" @ Midjourney, March 2023. Picture above: Dreamoc XL5 used by Arrow for an event at the electronica trade fair in Munich, November 2022.

SIGNIFICANT EVENTS DURING Q4-2022

No significant events have been announced during the period.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- On January 30, Realfiction proudly announced the completion of a first version of an ECHO holographic 3D display. The display is based on the company's patent-pending ECHO technology, which enables glasses-free 3D experiences for multiple viewers. Potential commercial partners were stated to be invited to view the display at Realfiction's development facilities in Taiwan from late February 2023, with public demonstration to be announced later this year.

CEO COMMENTS

CONTINUED ECHO PROGRESS AND STRONG INDUSTRY INTEREST

During the fourth quarter of 2022, we continued to make excellent progress towards the completion of the first ECHO LCD display together with our strategic partner AmTRAN, a major LCD display manufacturer and a large Realfiction shareholder. After the end of the period, all of us were then incredibly proud to announce that we achieved this crucial milestone in January 2023. Our 17-inch full-HD display can show 3D and 2D for two simultaneous viewers, and it is developed with some specific use-cases in mind. This display should thus be considered as the first potential member of the ECHO product family that we intend to nourish and grow with partners over the coming years. It is important to point out that we see no technical limitations preventing us from developing ECHO displays in larger sizes with higher resolution, as well as for more users and other display technologies.

As announced in January 2023, we held presentations of the first ECHO display in Taiwan with potential commercial partners and other parties of interest from the end of February 2023. As expected, these presentations went well, with multiple priceless “wow” moments from prominent invitees. Following the demonstrations, we are now in continued discussions under NDA with several potential collaboration partners active in the display and consumer electronics industries. Additionally, more demonstrations are planned in coming months. We have an open mind when it comes to the continued development and commercialisation of our ECHO technology, with both licensing agreements and co-development agreements for specific products as possible ways to move forward. These could also be combined. The important thing for us is that we find commercial partners that share our passion and commitment to bring our incredible glasses-free, 3D

“Looking ahead, we will continue to build on our strong momentum in our ECHO development and commercialisation, and our aim is to progress from current discussions with potential commercial partners to signing actual agreements.”

holographic display technology for multiple viewers to market in the best way possible.

The ECHO patent family now consists of several pending patents for 3D displays utilizing different technologies and supporting software. The last phase of the patent process – the country phase – is currently ongoing for several patent applications, and we continue to submit additional applications for advantageous discoveries during the development process. Our latest patent application was filed on 31 January, 2023.

We are of course eager to present our ECHO technology to a broader audience, including our valued shareholders who have supported us during this exciting journey from vision to reality. We are working hard to complete the first public display version of ECHO, and we are still aiming for a public demonstration during the second half of 2023.

POSITIVE CASH FLOW FROM EXHIBITION AND HARDWARE SALES

With the return of in-person events after the pandemic, and the usual seasonal strength in Q4 when many industry events are held, our MaaS

for Exhibition and Hardware sales segments showed strength and contributed with a positive cash flow for the period. It is great to see that we have been able to come back leaner and stronger in this part of our business, which is now financially supporting our continued ECHO development activities. This is clearly positive for Realfiction, both financially and as a way of showing that we can build successful business models around our innovative display technologies.

STRONG FINANCIAL POSITION AND EXCELLENT OUTLOOK

In addition to the positive cash flow from our Exhibition and Hardware sales segments during Q4-2022, we also

received a cash inflow of 3.9 MSEK related to 2021 R&D activities qualified for Denmark's R&D tax credit program, and an Innobooster subsidy payment of 1.2 MSEK. This enabled us to become cash flow positive in Q4-2022, and our cash position was stronger at the end of Q4-2022 compared to the end of Q3-2022. Furthermore, we expect the next Innobooster subsidy payment of 1.2 MSEK in the near future, as our documentation for this has been completed. Realfiction thus has a strong financial position, and our currently planned activities are fully funded into 2024, even without considering any potential ECHO licensing or commercial ECHO development-related income during 2023.

Looking ahead, we will continue to build on our strong momentum in our ECHO development and commercialisation, and our aim is to progress from current

discussions with potential commercial partners to signing actual agreements. At the same time, we have the luxury of not having to rush things, which means that we will be looking to initiate the most strategically beneficial commercial partnerships possible rather than going for the shortest route to additional funding. With a successful ECHO development year behind us, and the public display version soon to be completed, it is now time to go into full commercialisation mode and bring the first ECHO display product to market.



Clas Dyrholm
CEO, Realfiction Holding AB



REALFICTION'S BUSINESS AND CONCEPT

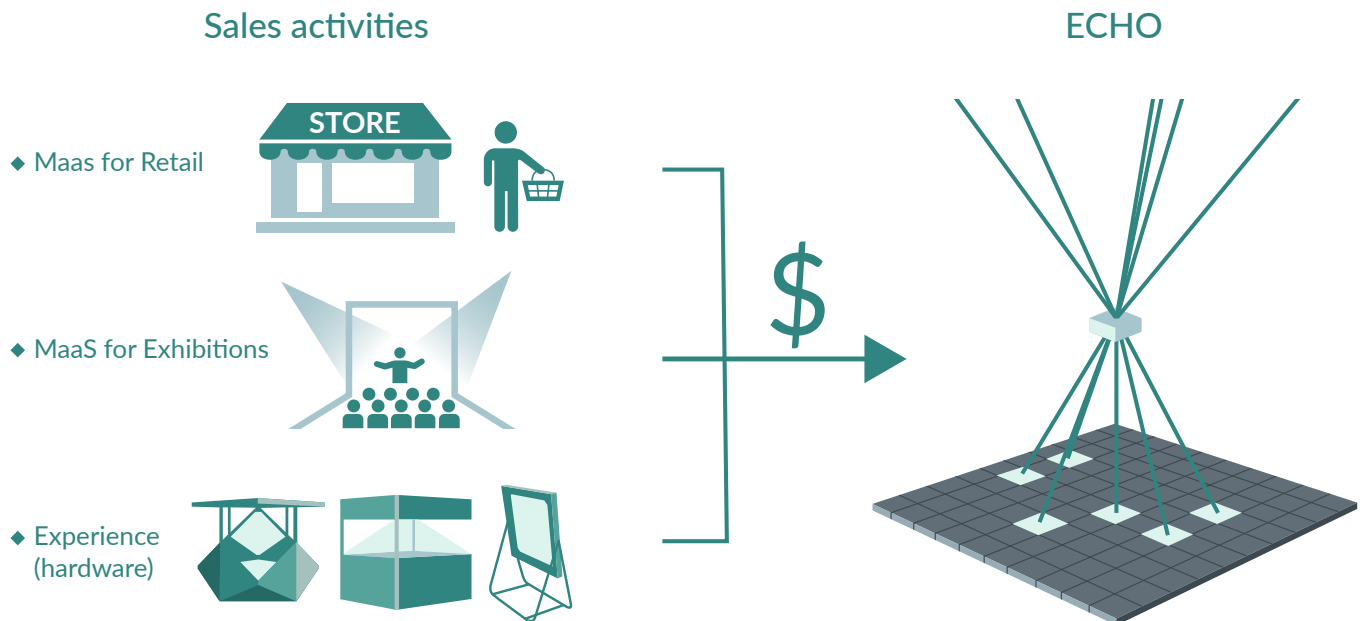
LEADING MIXED REALITY PRODUCTS AND SERVICES

Realfiction develops, sells and rents out market leading Mixed Reality (MR) products and services based on innovative, as well as patent and design protected, hardware platforms that have been developed over more than a decade. The Company's MR displays are especially well-suited for social environments as they do not require special glasses or other accessories.

Realfiction's MR solutions can create interest for a brand or a specific product in a very visual and engaging way. Based on this attention, concrete value can be delivered, for example in the form of increased sales of a product and/or the conversion of visitors into members of bonus or loyalty programs.

ECHO - A GROUNDBREAKING HOLOGRAPHIC 3D TECHNOLOGY

Realfiction is developing ECHO, a groundbreaking patent pending technology that enables a new generation of 3D experiences through free-floating holograms that do not require glasses or any other type of lenses between the eye and the effect.



With signs of normalization and increased optimism in Realfiction's markets, the company sees a positive effect on the demand for MaaS as well as its hardware and other services. As shown in the illustration above, the profit from these activities can contribute positively to a partial financing of Realfiction's exciting ECHO development.

ECHO HOLOGRAPHIC 3D TECHNOLOGY



Since the beginning of our journey more than a decade ago, our vision has always been about creating experiences that bring people together. At the heart of this vision sits our innovation team, a group of dedicated, like-minded individuals all sharing the belief that our technology should be about enabling magical moments

that can be collectively experienced and shared with others. Positioned in the so-called Mixed Reality field, Realfiction is on the verge of taking the next step beyond the current approach of head-mounted wearables, that we believe is just the first, primitive stage.

ECHO - TRANSFORMING SCIENCE FICTION INTO REALITY

We have intensified our investment in innovation – and we now believe that we have found the technology that will allow us to invent the holy grail of 3D experiences; free-floating holograms that require no glasses, devices or other lenses between the human eye and the effect, and where 3D objects can be viewed and interacted with from different angles. This display has for many years existed purely as an item of science fiction, deemed improbable

to ever surface in our present lifetime. However, with our patent pending directional pixel technology, referred to as ECHO, Realfiction is finally on the path to materialize this dream and bring it to market. ECHO is currently the main focus of our development department, with potential to provide significant licensing and joint cooperation opportunities in the future.

Picture above: An artists impression of an ECHO television being used for gaming. Video can be seen [here](#).

COMPANY DEVELOPMENT AND FUTURE

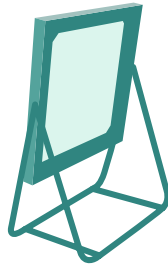
2008-2017 FIRST PHASE

- After being founded by Peter Simonsen and Clas Dyrholm in October 2008, the company developed several commercially successful mixed reality displays for the retail segment within its Dreamoc product family.



2017-2019 PRE-ECHO PHASE

- In 2017, Realfiction was listed on Nasdaq First North Growth Market.
- With increased funding and resources, the company launched DeepFrame One, the world's largest mixed reality display, and in 2019 the company presented ECHO and completed a proof of concept for the technology.



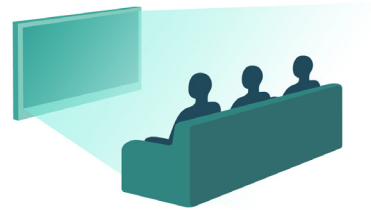
2020-2022 ECHO DEVELOPMENT PHASE

- In 2020, a beta version of an LCD ECHO display was created. This was followed by an ambitious development program with several international partners, including Fraunhofer FEP and imec, to complete an integration license package for ECHO. This crucial milestone was achieved in April 2022.
- The company also presented its Holowize 3D film to holographic film conversion technology in 2021, and formed a strategic alliance with the large LCD manufacturer AmTRAN in January 2022 to bring specific LCD versions of ECHO to market.

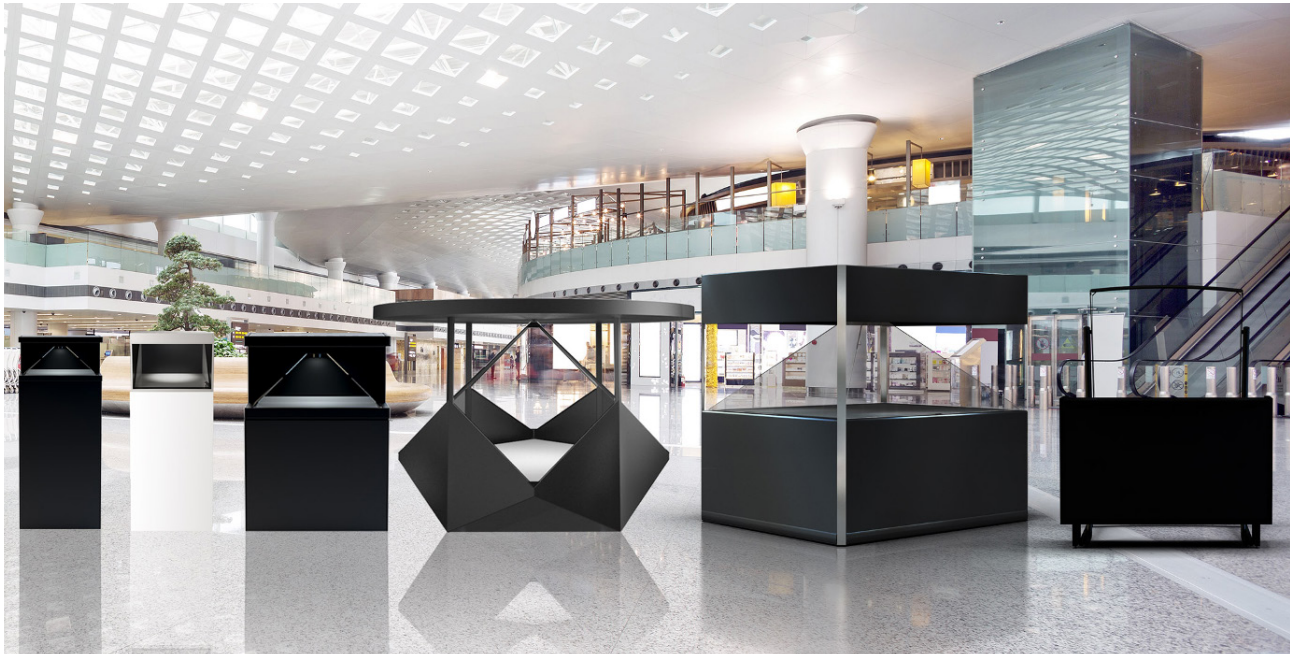


2023- EXPECTED ECHO COMMERCIALIZATION PHASE

- Realfiction aims to bring the first ECHO display product to market in 2023.
- While ECHO displays will be compatible with existing 3D content engines and thereby from start have a wealth of content availability, the company will also strive to make existing as well as new 3D movies available by utilising its Holowize film conversion technology.



DISPLAY PORTFOLIO



DREAMOC – WORLD CLASS HOLOGRAPHIC EFFECTS

Dreamoc is a series of MR displays with a diamond shaped glass chamber where pictures and 3D animations appear to be floating together with real products. The content can be seen either from the front or from several directions simultaneously.

Dreamoc HD3 is the smallest and most flexible model for single products that can be experienced from several directions simultaneously. **Dreamoc POP3** can only be experienced from the front and is especially well suited for displays on shelves and for displaying several objects together. **Dreamoc XL5** and **Dreamoc XXL3** are, as their names suggest, larger models that make it possible to create attention for really large objects, for instance at airports or in shopping malls. **Dreamoc Diamond** is one of Realfiction's biggest Dreamoc displays, and the most elegant. A Dreamoc Diamond creates an extraordinary experience that fits brilliantly into exclusive boutiques.

DEEPFRAME – THE WORLD'S LARGEST MIXED REALITY DISPLAY

DeepFrame is the world's largest MR display and can create unbelievable real time experiences where holographic images and animations are projected over existing surfaces and objects. It was awarded the "CES 2018 Innovation Awards Honoree" title at CES, the world's largest consumer electronics show.

DeepFrame One is a plug and play model in the DeepFrame series that makes it possible to create unforgettable experiences for shopping malls and showrooms, amusement parks, museums, conferences, events and car showrooms. Other possible use cases include visualization in education and research as well as in architecture, manufacturing and construction.

Picture above: Realfiction's display portfolio

FINANCIAL REVIEW

DEVELOPMENT IN 2022

Income Statement in Q4-2022

As anticipated in our CEO comments of the Q3 interim report, in Q4 we saw an increase in sales during the seasonally busier fall. Group net revenue amounts to TSEK 4,799 for Q4-2022, representing an increase of 94% from Q4-2021 of TSEK 2,474. Revenue in Q4-2022 includes sales from our Magic-as-a-Service concept of TSEK 1,526 compared to TSEK 37 in Q4-2021. Adjusted for currency conversion effects, the Company's revenue in Q4-2022 increased by 42% to TDKK 3,267 compared to the average quarterly revenue in 2021 of TDKK 2,304.

Cost of goods sold amounts to TSEK 1,736 for Q4-2022, compared to TSEK 1,087 for Q4-2021. Thus, our gross profit in Q4-2022 increased to TSEK 3,063 from 1,387 in Q4-2021. This resulted in a significantly increased gross profit margin in Q4-2022 of 63.8% compared to 56.1% in Q4-2021. This increase was achieved due to a different sales mix and higher USD exchange rate compared to SEK (as many sales are invoiced in USD).

In Q4-2022 the Company has continued to capitalize development expenditure relating to ECHO that fulfils the requirements of the capitalization accounting principle. As such, the Q4-2022 Income Statement includes income from the capitalization of own work performed of TSEK 2,242 compared to TSEK 1,717 in Q4-2021 from the capitalization of salaries and internal expenses relating to ECHO. The incline in income is due to additional teammembers working on the ECHO development.

Other external costs declined to TSEK 1,077 in Q4-2022 from 1,650 in Q4-2021. The decline was primarily due to the inclusion of an adjustment of the 2021 indirect production cost in Q4-2021.

Personnel costs increased to TSEK 4,004 in Q4-2022 compared to TSEK 2,849 in Q4-2021. The increase is due to the addition of four new employees and salary increases due to inflation.

Other income decreased from TSEK 341 in Q4-2021 to 57 TSEK in Q4-2022 as the Q4-2021 figure includes COVID-19 compensation from the Danish authorities.

All in all, our net operating cost increased by TSEK 381 in Q4-2022 to TSEK 2,996 from TSEK 2,615 in Q4-2021.

Group net financial costs consist of interest on the loan with Vækstfonden and currency losses due to the fluctuation of USD.

Tax for Q4-2022 includes a current tax income of TSEK 1,300 in line with Q4-2021 of TSEK 1,342 and a deferred tax liability cost of TSEK 2,985. As such, Q4-2022 includes a net tax cost of TSEK 1,685.

Income Statement in Q1-Q4 2022

Group net revenue amounts to TSEK 14,209 for Q1-Q4 2022, representing an increase of 13% from Q1-Q4 2021 of TSEK 12,575. Revenue in Q1-Q4 2022 includes sales from our Magic-as-a-Service concept of TSEK 3,143 compared to TSEK 669 in Q1-Q4 2021.

Cost of goods sold amounts to TSEK 5,029 for Q1-Q4 2022, compared to TSEK 5,727 for Q1-Q4 2021. Thus, our gross profit in Q1-Q4 2022 increased to TSEK 9,180 from 6,848 in Q1-Q4 2021. This resulted in a significantly increased gross profit margin in Q1-Q4 2022 of 64.6% compared to 54.5% in Q1-Q4 2021. This increase was achieved due to a different sales mix and higher USD exchange rate compared to SEK (as many sales are invoiced in USD).

In Q1-Q4 2022 the Company has continued to capitalize development expenditure relating to ECHO that fulfils the requirements of the capitalization accounting principle. As such, the Q1-Q4 2022 Income Statement includes income from the capitalization of own work performed of TSEK 7,096 compared to TSEK 6,268 in Q1-Q4 2021 from the capitalization of salaries and internal expenses relating to ECHO. The incline in income is due to additional teammembers working on the ECHO development.

Other external costs declined to TSEK 3,796 in Q1-Q4 2022 from 5,356 in Q1-Q4 2021. The decline was primarily due to the lower office costs in a subsidiary and savings from administration in general. The Q1-Q4 2021 figure also includes a non-cash cost of TSEK 270 related to a warrant program for a consultant and legal fees in connection with the implementation of different incentive programs.

Personnel costs increased to TSEK 14,052 in Q1-Q4 2022 compared to TSEK 12,058 in Q1-Q4 2021. The increase is due to the addition of two new employees and salary increases due to inflation, and Q1-Q4 2021 also includes a non-cash cost of TSEK 1,124 related to a warrant program to the CFO and board members compared to TSEK 132 in Q1-Q4 2022.

Group net financial costs consist of interest on the loan with Vækstfonden and currency losses due to the fluctuation of USD.

All in all, our cash-based net operating cost increased by TSEK 903 in Q1-Q4 2022 to TSEK 10,633 from TSEK 9,730 in Q1-Q4 2021 (exclusive of non-cash remuneration of TSEK 132 in Q1-Q4 2022 and TSEK 1,394 in Q1-Q4 2021 relating to warrant programs).

Balance Sheet

Realfiction's total assets at 31 December 2022 amount to TSEK 92,328 compared to TSEK 81,966 at 31 December 2021. The increase is primarily due to the continued investments in the ECHO technology.

Investments

In Q4-2022, the Company has capitalized additional development expenditure of TSEK 5,805 (TSEK 6,729 in Q4-2021), relating to the patent-pending ECHO technology. Development projects that fulfil the requirements of the capitalization accounting principle are presented as intangible assets and are measured at cost (or fair value if lower) until the project has been completed.

Cash Flow and Liquidity

Realfiction's liquidity at 31 December 2022 amounts to TSEK 30,806 compared to TSEK 40,850 at 31 December 2021. Cash flow from operating activities for Q4-2022 improved to positive TSEK 7,053 compared to TSEK 2,465 for Q4-2021. The improvement is primarily due to the larger gross profit in Q4-2022 compared to Q4-2021 and increase in tax payment from the Danish tax authorities. The further development of the ECHO technology is co-financed by an up to 5 MDKK Innobooster grant from Innovation Fund Denmark that was announced in a press release on 14 October, 2021. Realfiction received TSEK 1,245 in Q4-2022 and TSEK 2,996 in Q1-Q4 2022, and the Company expects to receive more tranches in the coming quarters. Cash Flow from operating activities for Q1-Q4 2022 was positive TSEK 4,513 compared to TSEK -1 for Q1-Q4 2021.

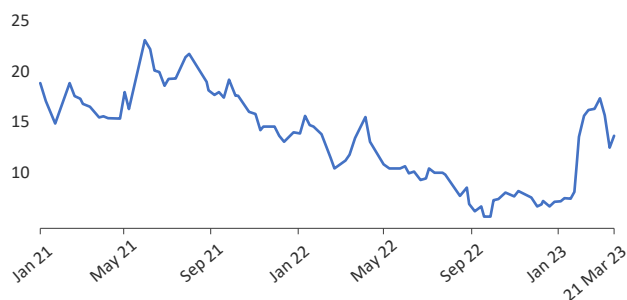
Due to the positive cash flow in Q4-2022, Realfiction has a strong financial position and expects to have the liquidity necessary to sustain all its business operations, including the development of ECHO, into 2024.

The Share

Realfiction Holding AB's share was listed on Nasdaq Stockholm First North 14 July 2017. The share is traded with the ticker REALFI and its ISIN-code is SE0009920994. On 31 December 2022, the number of shares in Realfiction Holding AB amounts to 19,762,847. The Company has one share class. All shares have equal dividend rights.

Share price development

01/01/2021 – 21/03/2023 (SEK)



Group structure

Realfiction Holding AB has two fully owned subsidiaries, Realfiction ApS and Realfiction Lab ApS. All business activities are carried out in the subsidiaries. Realfiction Holding AB does not own shares in other companies.

Operational risks & uncertainties

The risks and uncertainties that Realfiction's operations are exposed to are concentrated in the categories of competition, technology development, patents, government requirements, capital requirements, currencies and interest rates. During the current period, no significant changes regarding risk or uncertainty factors have occurred. For more detailed reporting of risks and uncertainties, refer to the previously published Company description, published in the 2021 Annual Report.

OWNERSHIP STRUCTURE

The table below shows key shareholders in Realfiction Holding AB at 31 December 2022 inclusive of fully paid but not yet registred/issued share issues.

Name	Number of shares	Ownership (in %)
Ceranco Equity S.C.S 1)	3,194,447	16.16
CLAPE HOLDING ApS 2)	3,005,000	15.21
AmTRAN Technology Co. LTD 3)	2,065,123	10.45
Tamarind Limited 1)	1,599,461	8.09
Försäkringsaktiebolaget, Avanza Pension	979,254	4.96
Other shareholders (more than 3,100)	8,919,562	45.13
Total	19,762,847	100.00

1. Ceranco Equity S.C.S and Tamarind Limited are investment companies with private investors.
2. CLAPE HOLDING ApS is owned 50 percent by CEO and board member Clas Dyrholm and 50 percent by board member Peter Simonsen.
3. AmTRAN Technology Co. Ltd. is a large OEM producer of LCD TV's and other consumer electronics.

Audit/review

The Q4 Interim Report 2022 has not been audited or reviewed by the Company's independent auditors. The Annual Report 2021 for Realfiction ApS has been audited.

Accounting policies

Realfiction Holding AB applies the Annual Accounts Act and The Swedish Accounting Standards Board's General Advice BFNAR 2012.1 (K3) in the preparation of its Swedish financial reports.

Financial Calendar:

Annual Report 2022:	17 May 2023
Q1 Interim Report 2023:	25 May 2023
Annual General Meeting 2023:	21 June 2023
Q2 Interim Report 2023:	31 August 2023
Q3 Interim Report 2023:	30 November 2023
Year-end Report 2023:	28 March 2024
Annual Report 2023:	16 May 2024

The above reports will be available for download from the Company's website (www.realfiction.com). A printed copy can be ordered via investor@realfiction.com.

Certified Adviser

Mangold Fondkommission AB is the Company's Certified Adviser and can be contacted via ca@mangold.se or +46 8 503 015 50.

For further information, please contact:

Clas Dyrholm, CEO
Telephone: +45 70 20 64 90
E-mail: investor@realfiction.com

The Board of Directors and the CEO declare that to the best of their knowledge, the Q4 Interim Report 2022 presents a fair view of the financial position of the Company at 31 December 2022 as well as of the results of the Group operations and cash flows for the periods 1 October – 31 December 2022 and 1 January – 31 December 2022.

Helsingborg, 23 March 2023
Realfiction Holding AB
Board of Directors and CEO

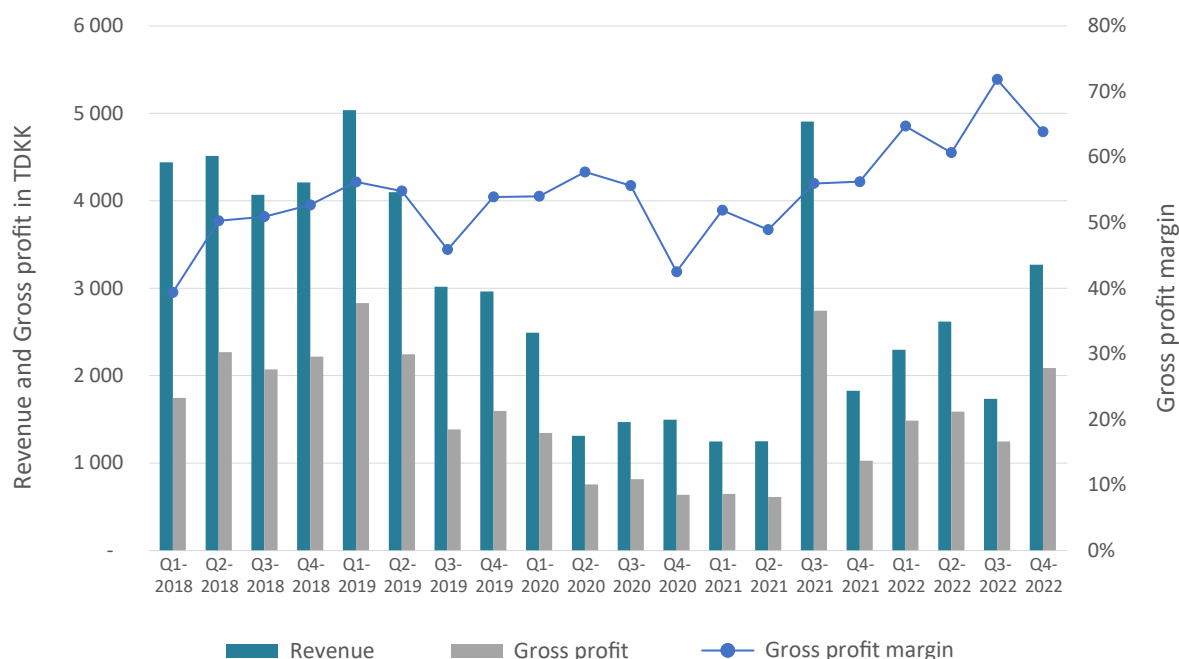
This information is information that Realfiction Holding AB is obliged to make public pursuant to the Swedish Securities Market Act (Lagen (2007:528) om värdepappersmarknaden). The information was submitted for publication, through the agency of the contact person set out above, on 23 March 2023.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

Selected Financial Highlights and Key Ratios – Group

SEK '000	Q4-2022	Q4-2021	Q1-Q4 2022	Q1-Q4 2021
	01-10-2022 -31-12-2022 3 months	01-10-2021 -31-12-2021 3 months	01-01-2022 -31-12-2022 12 months	01-01-2021 -31-12-2021 12 months
Net revenue	4,799	2,474	14,209	12,575
Gross profit	3,063	1,387	9,180	6,848
Result after financial items	-208	-1,278	-2,066	-4,554
Total Assets	92,328	81,966	92,328	81,966
Cash flow from operating activities	7,053	2,465	4,513	-1
Cash and bank	30,806	40,850	30,806	40,850
Equity	73,787	71,486	73,787	71,486
Solvency ratio (%)	79.9	87.2	79.9	87.2
Average number of employees	13	9	11	9
Gross profit margin (%)	63.8	56.1	64.6	54.5
Earnings per share (SEK)	-0.10	0.00	-0.07	-0.05
Average number of shares	19,751,977	18,752,887	19,740,483	18,362,982
Number of shares at the end of the period	19,762,847	19,711,847	19,762,847	19,711,847

The development in the Company's quarterly revenue, gross profit and gross profit margin is illustrated below:



The Group's revenue and gross profit is fully earned in the Danish subsidiary Realfiction ApS. As such, and to avoid that currency fluctuations between DKK and SEK distort the presentation of revenue and gross profit, the above illustration is prepared on the basis of Realfiction ApS' DKK figures.

Income Statement (condensed) – Group

SEK '000	Q4-2022	Q4-2021	Q1-Q4 2022	Q1-Q4 2021
	01-10-2022 -31-12-2022 3 months	01-10-2021 -31-12-2021 3 months	01-01-2022 -31-12-2022 12 months	01-01-2021 -31-12-2021 12 months
Net revenue	4,799	2,474	14,209	12,575
Cost of goods sold	-1,736	-1,087	-5,029	-5,727
Gross profit	3,063	1,387	9,180	6,848
Capitalized own work performed	2,242	1,717	7,096	6,268
Other external costs	-1,077	-1,650	-3,796	-5,356
Personnel costs	-4,004	-2,849	-14,052	-12,058
Depreciation of tangible fixed assets	-214	-174	-800	-786
Other income and expenses	57	341	787	808
Operating result	67	-1,228	-1,585	-4,276
Other financial income	10	87	156	149
Other financial costs	-285	-137	-637	-427
Result after financial items	-208	-1,278	-2,066	-4,554
Tax on the profit of the period	-1,685	1,342	678	3,584
Net result for the period	-1,893	64	-1,388	-970

Balance Sheet (condensed) - Group

SEK '000	31-12-2022	31-12-2021
Assets		
Non-current assets		
Development costs	48,576	29,209
Licenses	594	351
Total intangible assets	49,170	29,560
Fixtures, tools and installations	1,192	640
Total tangible assets	1,192	640
Other long-term receivables	356	309
Total financial assets	356	309
TOTAL NON-CURRENT ASSETS	50,718	30,509
Current assets		
Finished products and goods for sale	5,063	4,829
Total inventories	5,063	4,829
Trade receivables	363	479
Current tax receivables	3,781	3,654
Other receivables	1,181	1,164
Prepaid expenses	416	481
Total short-term receivables	5,741	5,778
Cash and bank	30,806	40,850
TOTAL CURRENT ASSETS	41,610	51,457
TOTAL ASSETS	92,328	81,966
Liabilities and Equity		
Equity		
Share capital	1,976	1,971
Other reserves incl. retained earnings	71,811	69,515
TOTAL EQUITY	73,787	71,486
Deferred tax liability	2,985	0
TOTAL PROVISIONS	2,985	0
Liabilities to credit institutions	2,851	3,926
Other liabilities	844	763
Prepaid income	3,996	822
Total long-term liabilities	7,691	5,511
Liabilities to credit institutions	1,419	0
Accounts payable	3,568	1,954
Prepaid income	263	832
Other liabilities	2,615	2,183
Total short-term liabilities	7,865	4,969
TOTAL LIABILITIES	15,556	10,480
TOTAL LIABILITIES AND EQUITY	92,328	81,966

Cash Flow Statement (condensed) – Group

SEK '000	Q4-2022	Q4-2021	Q1-Q4-2022	Q1-Q4-2021
	01-10-2022 -31-12-2022 3 months	01-10-2021 -31-12-2021 3 months	01-01-2022 -31-12-2022 12 months	01-01-2021 -31-12-2021 12 months
Operating result	67	-1,228	-1,585	-4,276
Depreciation	214	174	800	786
Non-cash warrant program	34	31	132	1,394
Paid financial costs	-261	-28	-466	-256
Tax payments	3,915	1,486	3,915	1,486
Cash flow from operating activities before changes in operating capital	3,969	435	2,796	-866
Operating activities				
Change in inventories	81	99	174	1,716
Change in short term receivables	922	2,035	357	-328
Change in short term liabilities	2,081	-104	1,186	-523
Cash flow from operating activities	7,053	2,465	4,513	-1
Investing activities				
Purchase of tangible assets	-194	-169	-1,276	-484
Sale of tangible assets	4	17	4	17
Proceeds from financial assets	0	-5	-20	-43
Purchase of intangible assets	-5,805	-6,729	-16,426	-17,231
Cash flow from investing activities	-5,995	-6,886	-17,718	-17,741
Financing activities				
Innobooster grant	1,245	0	2,996	0
Capital increase, net of costs	22	16,000	9	15,893
Cash flow from financing activities	1,267	16,000	3,005	15,893
Cash flow for the period	2,325	11,579	-10,200	-1,849
Cash and cash equivalents at period start	28,516	28,942	40,850	42,372
Exchange rate recalculation difference – cash and cash equivalents	-35	329	156	327
Cash and cash equivalents at period end	30,806	40,850	30,806	40,850

Statement of Changes in Equity (condensed) - Group

SEK '000	Q4-2022	Q4-2021	Q1-Q4 2022	Q1-Q4 2021
	01-10-2022 -31-12-2022 3 months	01-10-2021 -31-12-2021 3 months	01-01-2022 -31-12-2022 12 months	01-01-2021 -31-12-2021 12 months
Equity at period start	74,603	55,207	71,486	54,885
Exchange adjustments	1,021	184	3,548	284
Capital increase, net of costs	22	16,000	9	15,893
Warrant program	34	31	132	1,394
Net result for the period	-1,893	64	-1,388	-970
Equity at period end	73,787	71,486	73,787	71,486

Income Statement (condensed) - Parent company

SEK '000	Q4-2022	Q4-2021	Q1-Q4-2022	Q1-Q4-2021
	01-10-2022 -31-12-2022 3 months	01-10-2021 -31-12-2021 3 months	01-01-2022 -31-12-2022 12 months	01-01-2021 -31-12-2021 12 months
Operating income				
Net revenue (group internal)	150	150	600	600
Operating costs				
External costs	-229	-311	-1,024	-1,213
Personnel costs	-172	-156	-676	-579
Operating result	-251	-317	-1,100	-1,192
Other financial income	1	0	18	0
Result after financial items	-250	-317	-1,082	-1,192
Net result for the period	-250	-317	-1,082	-1,192

Balance Sheet (condensed) – Parent company

SEK '000	31-12-2022	31-12-2021
Non-current assets		
Financial assets		
Shares in subsidiary	83,643	74,461
Total financial assets	83,643	74,461
TOTAL NON-CURRENT ASSETS	83,643	74,461
Current assets		
Intercompany receivables		
Other receivables	28	65
Prepaid expenses	74	80
Total short-term receivables	102	145
Cash and bank	26,021	35,982
TOTAL CURRENT ASSETS	26,123	36,127
TOTAL ASSETS	109,766	110,588
Liabilities and Equity		
Equity		
Share capital	1,976	1,971
Other reserves	108,326	109,304
Net result of the period	-1,082	-1,192
TOTAL EQUITY	109,220	110,083
Trade payables	210	195
Other payables	336	310
Total short-term liabilities	546	505
TOTAL LIABILITIES	546	505
TOTAL EQUITY AND LIABILITIES	109,766	110,588

DEFINITIONS

Solvency ratio: Equity as a percentage of the balance sheet total. Key ratios of equity are presented to provide a better understanding of Realfiction's long-term ability to pay its debt.

Earnings per share: Net result of the period divided with average number of shares for the period. Earnings per share for periods are negative, therefore no dilution.

Gross profit: Net turnover after costs for goods sold.

Gross profit margin: Gross profit as a percentage of Net revenue.

Net operating cost: Items between Gross profit and Operating result in the income statement.

"Realfiction" or the "Company" refers to the Group, namely Realfiction Holding AB (registered under company registration number 559110-4616) and its wholly owned subsidiaries Realfiction ApS and Realfiction Lab ApS. Realfiction ApS and Realfiction Lab ApS, the Group's operating subsidiaries, were founded in 2008 and 2019. Realfiction Holding AB was formed in April 2017 by way of a non-cash issue in which the shares in Realfiction ApS were exchanged for shares in Realfiction Holding AB, which resulted in the Group relationship.



Picture above: Dreamoc Diamond used by CTi at the ASH Expo in New Orleans, December 2022.



Realfiction Holding AB | Terminalgatan 1, 252 78 Helsingborg | Sweden | +45 7020 6490 | contact@realfiction.com | www.realfiction.com