

EXIT

REALFICTION™
Directional Pixel Technology

3D
Multi-user
No resolution loss

REALFICTION LAB AP...
1249/15

INTERIM REPORT

1 JANUARY – 31 MARCH 2023

Realfiction Holding AB (publ) | 559110-4616



INTERIM REPORT

Q1-2023 (01-01-2023 – 31-03-2023)

- Revenue: TSEK 2,949 (Q1-2022: TSEK 3,238)
- Gross profit: TSEK 1,887 (Q1-2022: TSEK 2,094)
- Gross profit margin: 64.0% (Q1-2022: 64.7%)
- Result after financial items: TSEK -1,348 (Q1-2022: TSEK -120)
- Earnings per share: SEK -0.07 (Q1-2022: 0.02)
- Cash flow from operating activities: TSEK -3,282 (Q1-2022: TSEK -931)
- Equity: TSEK 73,108 (Q1-2022: TSEK 72,154)



Picture on front page and above: Next-gen microLED ECHO proof-of-concept display premiered at Display Week in Los Angeles, May 2023.

SIGNIFICANT EVENTS DURING Q1-2023

- On January 30, Realfiction 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 and is a 17-inch full-HD LCD display, capable of showing 3D and individual 2D for two simultaneous viewers without any loss of resolution. 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.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- On April 27, Realfiction announced that it has received a notice of allowance for the patent protection for the US patent application 17/439,033 regarding the Company's ECHO directional OLED display technology from the US Patent Office (USPTO). The Company announced the submission of the patent application in a press release on 18 March 2019.

The notice of allowance is a formal communication from the patent authority in which it indicates that the patent application has reached the status where it is allowed for issuance as a patent. The USPTO examiner concludes that the directional OLED display technology is novel and non-obvious. When issued in the near future, the patent will be valid until 2039.

- On May 22, Realfiction announced that it will exhibit its recently invented and patent pending 2-inch microLED ECHO proof-of-concept display in the Innovation Zone ("I-Zone") area of Display Week 2023 in Los Angeles Convention Center 23-25 May after being selected by The Society for Information Display. The invention combines microLED and ferroelectric liquid crystals (FLC) in a configuration together with Realfiction's proprietary driving system and directional pixel technology. The invention can also be based on a combination of OLED and FLC. Such configurations enable many simultaneous users to see different 2D or 3D on the same display without any loss of resolution.

A public demonstration of the 17-inch full-HD LCD display is still planned to take place during the second half of 2023.

CEO COMMENTS

NEXT-GEN MICROLED ECHO DISPLAY PREMIERED AT DISPLAY WEEK

In the first quarter of 2023, we achieved significant progress by completing the first version of the ECHO LCD display together with our strategic partner AmTRAN. As discussed in our year-end report, this 17-inch full-HD display can show 3D and individual 2D for two simultaneous viewers, and it is developed with some specific use-cases in mind. One of these use-cases is inclusion in vehicles, where the dual-view function of ECHO ensures that the driver can only see driver related information and is not distracted when the vehicle is moving while a passenger is still able to see entertainment on the display.

Since February, we have held several presentations of the 17-inch ECHO display at our facilities in Taiwan with invited potential commercial partners and other persons of interest. These have shown that there is a great deal of interest from the display and consumer electronics industries, and we are continuing the discussions with the aim of entering into licensing and/or development agreements. The presentations in Taiwan, and other commercially related activities about ECHO have contributed to higher operational costs during the second quarter. This is fully in line with our commercialization strategy – we believe that it is crucial to keep up the momentum in our ongoing discussions, while at the same time making sure that we can sustain all planned business activities into 2024 even without any ECHO-related income in 2023.

After the end of the quarter, in April, we were excited to announce that we received a notice of allowance in the USA for an ECHO patent related to the OLED version. This is our first public confirmation of the patentability for an ECHO patent, and thus an important confirmation that our directional pixel technology is indeed novel and patentable.

In May, we were able to announce another exciting milestone for ECHO – the world premiere of a next-gen microLED ECHO proof-of-concept display with ferroelectric liquid crystals (FLC) at Display Week 2023 in Los Angeles, USA. While this is merely a 2-inch proof-of-concept display, we have plans to make 85-inch versions with collaboration partners and licensees. It is also possible to use OLED technology instead of microLED to shorten the path to mass production. Compared to the first LCD ECHO display, which we still see as our fastest route to market, this next-gen ECHO technology does not need any optics, which translates to a slimmer form factor. It also enables unique views emitted at high speeds with high angular precision over a wide viewing zone by offering 10 different views (corresponding to 5 3D viewers or 10 2D viewers) simultaneously at 130 frames per second for each view, with no loss of resolution. In

other words, this is the full-blown social 3D holographic display technology that we have been striving to achieve. The positive feedback and reactions we have received so far at Display Week from prominent companies in the display community further reassures us that the ECHO technology has the potential of becoming the future standard for glasses-free 3D displays.

“In May, we were able to announce another exciting milestone for ECHO – the world premiere of a next-gen microLED ECHO proof-of-concept display with ferroelectric liquid crystals (FLC) at Display Week 2023 in Los Angeles, USA.”

SOLID QUARTER FOR EXHIBITION AND HARDWARE SALES

The sales for our MaaS for Exhibition and Hardware sales segments for the quarter were almost in line with Q1-2022, which we believe is a solid result considering that our ECHO development and commercialization activities has been our key focus during the period. It is pleasing to see that our sales activities continue to support the development of ECHO.

ECHO GETTING CLOSER AND CLOSER TO THE MARKET

The first quarter of 2023 marked the beginning of the execution of our go-to-market strategy and we are getting

closer to when a first ECHO product reaches the market for each month that passes.

To sum things up, I am proud of the strong progress that we are making, and I sincerely hope that we have conveyed the importance of the recent ECHO technology progress, including the next-gen microLED ECHO proof-of-concept display, in a good way to our valued shareholders and the market in general.

It is not always easy to get the full story across when working with ground-breaking technology development, NDA's related to both development and potential commercialization, and capabilities surpassing what is currently available in the market, but we continue to do our best. I look forward to the expected public demonstration of our 17-inch LCD ECHO display later this year. Seeing really is believing when it comes to ECHO.



Clas Dyrholm
CEO, Realfiction Holding AB



REALFICTION'S BUSINESS AND CONCEPT

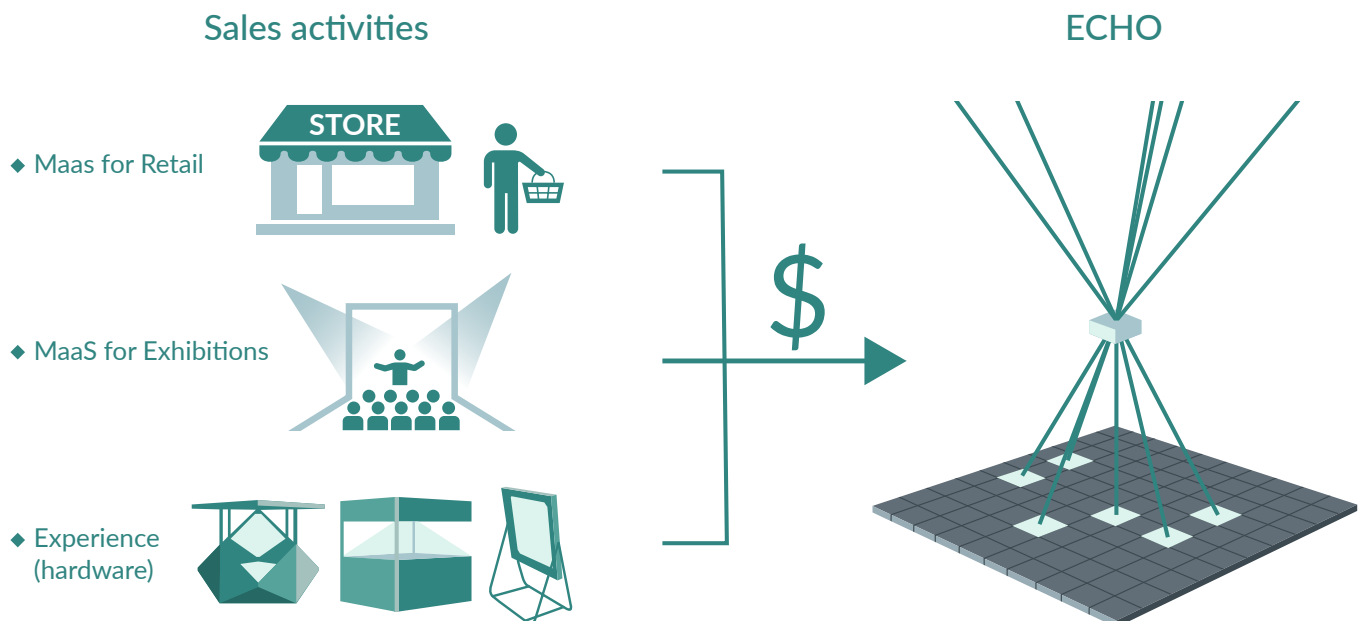
LEADING MIXED REALITY PRODUCTS AND SERVICES

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.



As shown in the illustration above, the profit from Sales activities can contribute positively to a partial financing of Realfiction's ECHO-related activities until ECHO is profitable from licensing and/or sales revenue.

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

From 2019, we intensified our investment in innovation – and we have during the past years invented a directional pixel and display technology that in our opinion enables 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, but thanks to our directional pixel

technology, referred to as ECHO, Realfiction is finally on the path to materialize this dream. In early 2023, the first version of an ECHO display was completed, and the patentability of the invention was confirmed. Our main focus is now to bring the first version to the market while aiming to sign more commercial agreements, in addition to our collaboration with the LCD manufacturer AmTRAN, 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

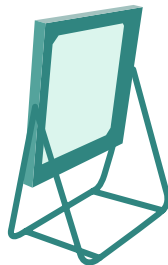
2008-2017 FIRST PHASE

- 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.



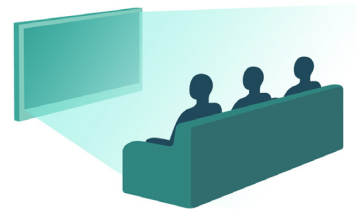
2020-2022 ECHO DEVELOPMENT PHASE

- 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.

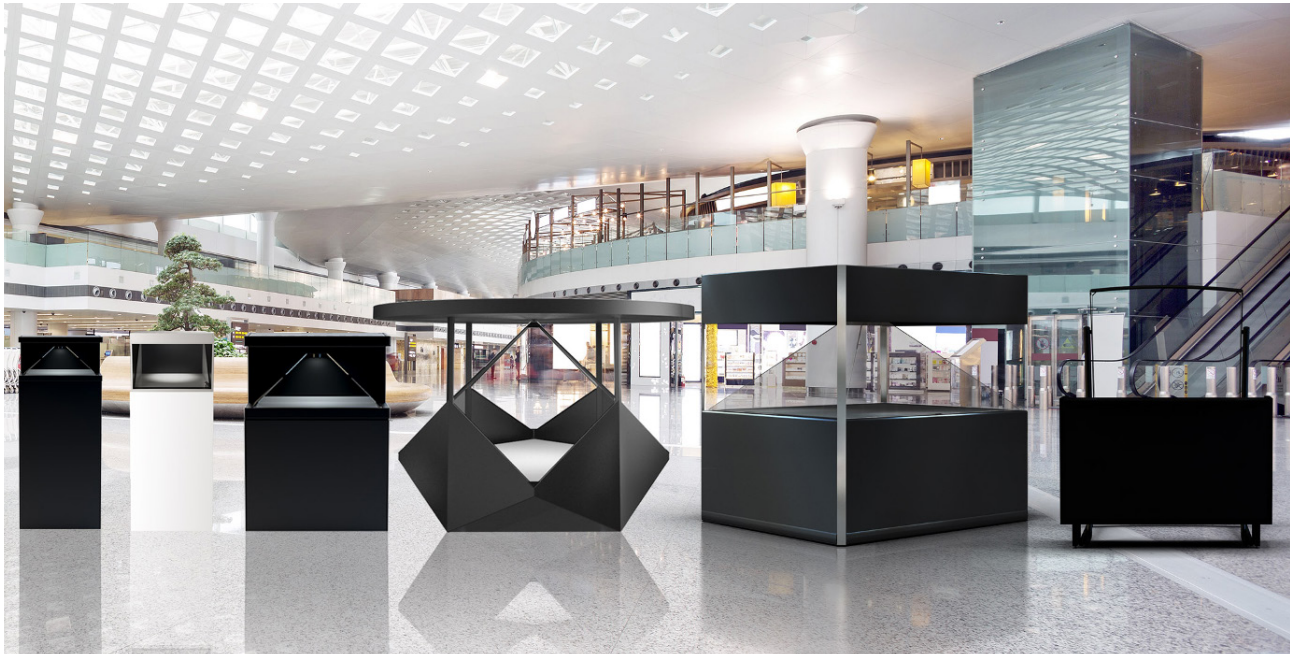


2023- EXPECTED ECHO COMMERCIALIZATION PHASE

- The first ECHO display was completed in January 2023, and Realfiction aims to bring it to the market in 2023. The ECHO technology and the first display will be presented to a wider audience at various industry events in important geographic markets, starting in 2023. The company will also complete the OLED version of ECHO.
- 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 Q1, 2023

Income Statement

Group net revenue amounts to TSEK 2,949 for Q1-2023, representing a decrease of 9% from Q1-2022 of TSEK 3,238. Revenue in Q1-2023 includes sales from our Magic-as-a-Service concept of TSEK 341 compared to TSEK 72 in Q1-2022. Adjusted for currency conversion effects, the Company's revenue in Q1-2023 decreased by 21% to TDKK 1,961 compared to the average quarterly revenue in 2022 of TDKK 2,477.

Cost of goods sold amounts to TSEK 1,062 for Q1-2023, compared to TSEK 1,144 for Q1-2022. Thus, our gross profit in Q1-2023 decreased to TSEK 1,887 from TSEK 2,094 in Q1-2022 while the gross profit margin in Q1-2023 was 64.0% compared to 64.7% in Q1-2022.

Other income was significantly reduced from TSEK 666 in Q1-2022 to TSEK 74 in Q1-2023 as last years income included receipt of COVID-19 compensation from the Danish authorities.

In Q1-2023 the Company has continued to capitalize development expenditure relating to ECHO that fulfils the requirements of the capitalization accounting principle. As such, the Q1-2023 Income Statement includes income of TSEK 2,619 compared to TSEK 1,558 in Q1-2022 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 increased to TSEK 1,307 in Q1-2023 from TSEK 1,017 in Q1-2022. The increase is primarily due to execution of the ECHO go-to market strategy with increased travel, selling and marketing expenses.

Cash-based personnel costs increased with TSEK 1,142 to TSEK 4,266 (TSEK 69 of the personnel cost is non-cash costs related to warrant programs) compared to TSEK 3,124 in Q1-2022. The increase is due to the addition of 3 employees compared to Q1-2022 and salary increases due to inflation.

All in all, we increased our cash-based net operating cost by TSEK 965 in Q1-2023 to TSEK 3,053 from TSEK 2,088 in Q1-2022 (exclusive of non-cash costs of TSEK 69 in Q1-2023 and TSEK 33 i Q1-2022 relating to warrant programs). The primary reason for this is lapse of COVID-19 compensation and the execution of the ECHO go-to market strategy with increased travel, selling and marketing expenses and salaries incurred in the commercialization process.

Group net financial costs primarily consist of interest on the loan with Vækstfonden.

Balance Sheet

Realfiction's total assets at 31 March 2023 amount to TSEK 91,103 compared to TSEK 92,328 at 31 December 2022.

Investments

In Q1-2023, the Company has capitalized additional development expenditure of TSEK 3,990 (TSEK 2,506 in Q1-2022), 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 March 2023 amounts to TSEK 24,494 compared to TSEK 30,806 at 31 December 2022. Cash flow from operating activities for Q1-2023 declined to TSEK -3,282 compared to TSEK -931 for Q1-2022. The decline is primarily caused by payment of short-term liabilities from 31 December 2022 and investment in further development of the ECHO technology and execution of the ECHO go-to market strategy.

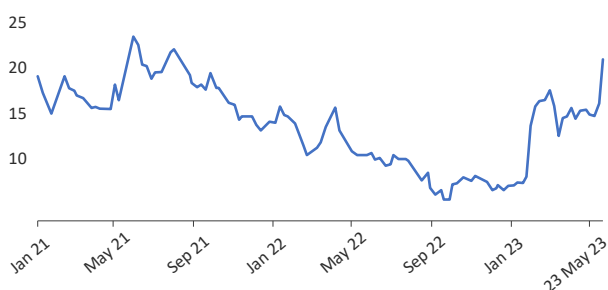
Realfiction has a sound financial position and expects to have the liquidity necessary to sustain all its business operations, including the development and execution of the go-to market strategy of the ECHO technology, into 2024.

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 March 2023, 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 - 23/05/2023 (SEK)



Group structure

Realfiction Holding AB has two fully owned subsidiaries, Realfiction ApS and Realfiction Lab ApS (inclusive of a branch office in Taiwan). 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 March 2023 inclusive of fully paid but not yet registered/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)	1,886,716	9.55
Tamarind Limited 1)	1,599,461	8.09
Försäkringsaktiebolaget, Avanza Pension	1,035,746	5.24
Other shareholders (more than 3,200)	9,041,477	45.75
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 Q1 Interim Report 2023 has not been audited or reviewed by the Company's independent auditors.

The Annual Report 2022 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 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 Q1 Interim Report 2023 presents a fair view of the financial position of the Company at 31 March 2023 as well as of the results of the Group operations and cash flows for the periods 1 January – 31 March 2023.

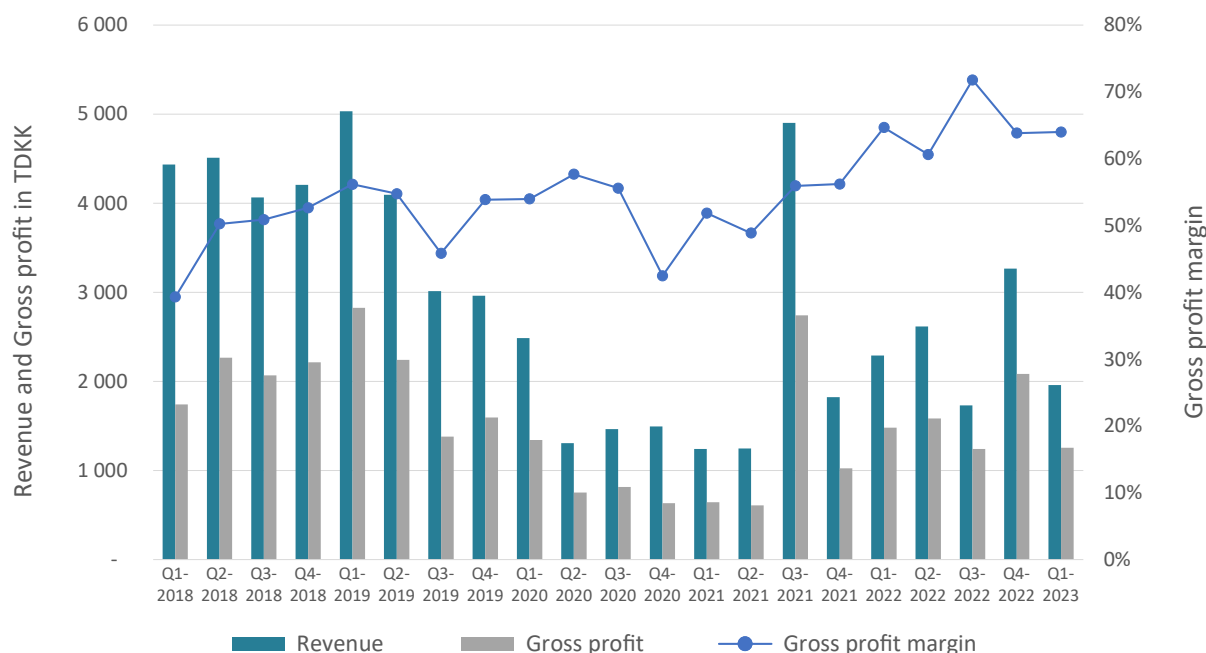
Helsingborg, 25 May 2023
Realfiction Holding AB
Board of Directors and CEO

FINANCIAL HIGHLIGHTS AND KEY RATIOS

Selected Financial Highlights and Key Ratios – Group

SEK '000	Q1-2023	Q1-2022	Q1-Q4-2022
	01-01-2023 -31-03-2023 3 months	01-01-2022 -31-03-2022 3 months	01-01-2022 -31-12-2022 12 months
Net revenue	2,949	3,238	14,209
Gross profit	1,887	2,094	9,180
Result after financial items	-1,348	-120	-2,066
Total Assets	91,103	83,150	92,328
Cash flow from operating activities	-3,282	-931	4,513
Cash and bank	24,494	37,115	30,806
Equity	73,108	72,154	73,787
Solvency ratio (%)	80.2	86.8	79.9
Average number of employees	13	10	11
Gross profit margin (%)	64.0	64.7	64.6
Earnings per share (SEK)	-0.07	0.02	-0.07
Average number of shares	19,762,847	19,734,091	19,740,483
Number of shares at the end of the period	19,762,847	19,737,847	19,762,847

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	Q1-2023	Q1-2022	Q1-Q4 2022
	01-01-2023 -31-03-2023 3 months	01-01-2022 -31-03-2022 3 months	01-01-2022 -31-12-2022 12 months
Net revenue	2,949	3,238	14,209
Cost of goods sold	-1,062	-1,144	-5,029
Gross profit	1,887	2,094	9,180
Capitalized own work performed	2,619	1,558	7,096
Other external costs	-1,307	-1,017	-3,796
Personnel costs	-4,335	-3,157	-14,052
Depreciation of tangible fixed assets	-173	-171	-800
Other income and expenses	74	666	787
Operating result	-1,235	-27	-1,585
Other financial income	24	6	156
Other financial costs	-137	-99	-637
Result after financial items	-1,348	-120	-2,066
Tax on the profit of the period	0	551	678
Net result for the period	-1,348	431	-1,388

Balance Sheet (condensed) - Group

SEK '000	31-03-2023	31-03-2022	31-12-2022
Assets			
Non-current assets			
Development costs	53,202	31,929	48,576
Licenses	601	354	594
Total intangible assets	53,803	32,283	49,170
Fixtures, tools and installations	1,033	817	1,192
Total tangible assets	1,033	817	1,192
Other long-term receivables	1,135	852	356
Total financial assets	1,135	852	356
TOTAL NON-CURRENT ASSETS	55,971	33,952	50,718
Current assets			
Finished products and goods for sale	5,136	5,707	5,063
Total inventories	5,136	5,707	5,063
Trade receivables	280	1,101	363
Current tax receivables	3,829	3,687	3,781
Other receivables	956	1,169	1,181
Prepaid expenses	437	419	416
Total short-term receivables	5,502	6,376	5,741
Cash and bank	24,494	37,115	30,806
TOTAL CURRENT ASSETS	35,132	49,198	41,610
TOTAL ASSETS	91,103	83,150	92,328
Liabilities and Equity			
Equity			
Share capital	1,976	1,974	1,976
Other reserves incl. retained earnings	71,132	70,180	71,811
TOTAL EQUITY	73,108	72,154	73,787
Deferred tax liability	3,798	0	2,985
Total Provisions	3,798	0	2,985
Liabilities to credit institutions	2,505	3,336	2,851
Other liabilities	854	770	844
Prepaid income	5,305	830	3,996
Total long-term liabilities	8,664	4,936	7,691
Liabilities to credit institutions	1,474	625	1,419
Accounts payable	1,946	2,749	3,568
Prepaid income	207	1,052	263
Other liabilities	1,906	1,634	2,615
Total short-term liabilities	5,533	6,060	7,865
TOTAL LIABILITIES	14,197	10,996	15,556
TOTAL LIABILITIES AND EQUITY	91,103	83,150	92,328

Cash Flow Statement (condensed) – Group

SEK '000	Q1-2023	Q1-2022	Q1-Q4 2022
	01-01-2023 -31-03-2023 3 months	01-01-2022 -31-03-2022 3 months	01-01-2022 -31-12-2022 12 months
Operating result	-1,235	-27	-1,585
Depreciation	173	171	800
Non-cash warrant program	69	33	132
Paid financial costs	-113	-95	-466
Tax payments	0	0	3,915
Cash flow from operating activities before changes in operating capital	-1,106	82	2,796
Operating activities			
Change in inventories	-9	-851	174
Change in short term receivables	302	-555	357
Change in short term liabilities	-2,469	393	1,186
Cash flow from operating activities	-3,282	-931	4,513
Investing activities			
Purchase of tangible assets	0	-346	-1,276
Sale of tangible assets	0	0	4
Proceeds from financial assets	0	0	-20
Purchase of intangible assets	-3,990	-2,506	-16,426
Cash flow from investing activities	-3,990	-2,852	-17,718
Financing activities			
Loan installment (Vækstfonden)	-345	0	0
Inno booster grant	1,251	0	2,996
Capital increase, net of costs	0	0	9
Cash flow from financing activities	906	0	3,005
Cash flow for the period	-6,366	-3,783	-10,200
Cash and cash equivalents at period start	30,806	40,850	40,850
Exchange rate recalculation difference – cash and cash equivalents	54	48	156
Cash and cash equivalents at period end	24,494	37,115	30,806

Statement of Changes in Equity (condensed) - Group

SEK '000	Q1-2023	Q1-2022	Q1-Q4 2022
	01-01-2023 -31-03-2023 3 months	01-01-2022 -31-03-2022 3 months	01-01-2022 -31-12-2022 12 months
Equity at period start	73,787	71,486	71,486
Exchange adjustments	600	204	3,548
Capital increase, net of costs	0	0	9
Warrant program	69	33	132
Net result for the period	-1,348	431	-1,388
Equity at period end	73,108	72,154	73,787

Income Statement (condensed) – Parent company

SEK '000	Q1-2023	Q1-2022	Q1-Q4-2022
	01-01-2023 -31-03-2023 3 months	01-01-2022 -31-03-2022 3 months	01-01-2022 -31-12-2022 12 months
Operating income			
Net revenue (group internal)	150	150	600
Operating costs			
External costs	-222	-219	-1,024
Personnel costs	-175	-159	-676
Operating result	-247	-228	-1,100
Other financial income	0	0	18
Result after financial items	-247	-228	-1,082
Net result for the period	-247	-228	-1,082

Balance Sheet (condensed) – Parent company

SEK '000	31-03-2023	31-03-2022	31-12-2022
Non-current assets			
Financial assets			
Shares in subsidiary	83,643	74,461	83,643
Total financial assets	83,643	74,461	83,643
TOTAL NON-CURRENT ASSETS	83,643	74,461	83,643
Current assets			
Intercompany receivables	4,956	3,026	0
Other receivables	53	85	28
Prepaid expenses	105	173	74
Total short-term receivables	5,114	3,284	102
Cash and bank	21,005	32,805	26,021
TOTAL CURRENT ASSETS	26,119	36,089	26,123
TOTAL ASSETS	109,762	110,550	109,766
Liabilities and Equity			
Equity			
Share capital	1,976	1,974	1,976
Other reserves	107,245	108,109	108,326
Net result of the period	-247	-228	-1,082
TOTAL EQUITY	108,974	109,855	109,220
Trade payables	277	226	210
Other payables	511	469	336
Total short-term liabilities	788	695	546
TOTAL LIABILITIES	788	695	546
TOTAL EQUITY AND LIABILITIES	109,762	110,550	109,766

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 Fognigma at the SOF Week expo in Tampa Bay, May 2023.



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