



YEAR-END REPORT

1 JANUARY – 31 DECEMBER 2024

Realfiction Holding AB (publ) | 559110-4616



REALFICTION™

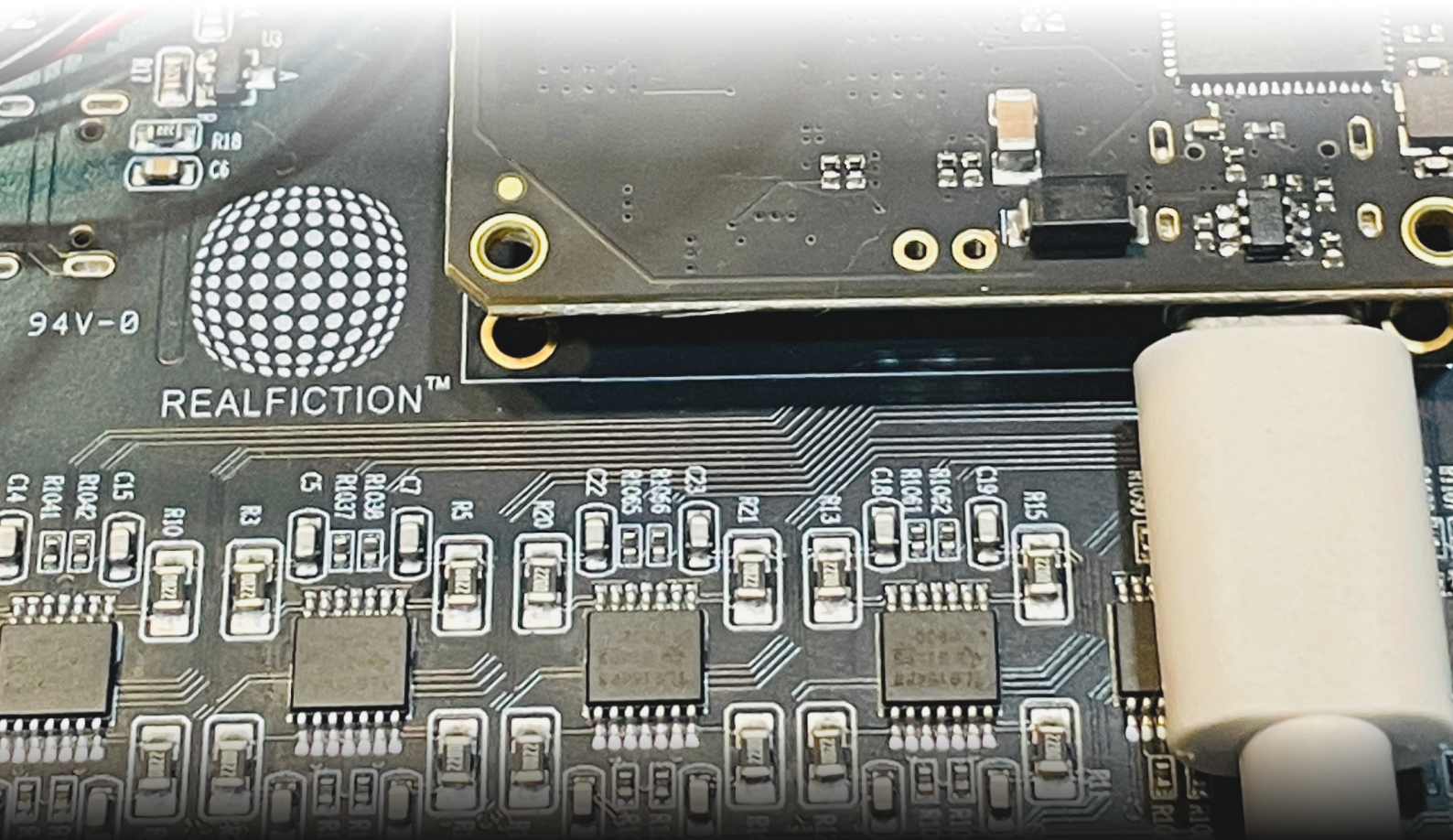
YEAR-END REPORT

Q4-2024 (01-10-2024 - 31-12-2024)

- Revenue: TSEK 4,573 (Q4-2023: TSEK 2,792)
- Gross profit: TSEK 3,001 (Q4-2023: TSEK 1,938)
- Gross profit margin: 65.6% (Q4-2023: 69.4%)
- Result after financial items: TSEK -5,827 (Q4-2023: TSEK -2,308)
- Earnings per share: SEK -0.07 (Q4-2023: -0.01)
- Cash flow from operating activities: TSEK 6,034 (Q4-2023: TSEK 3,194)
- Equity: TSEK 51,790 (Q4-2023: TSEK 67,471)

Q1-Q4, 2024 (01-01-2024 - 31-12-2024)

- Revenue: TSEK 18,619 (Q1-Q4, 2023: TSEK 9,923)
- Gross profit: TSEK 13,658 (Q1-Q4, 2023: TSEK 6,525)
- Gross profit margin: 73.4% (Q1-Q4, 2023: 65.8%)
- Result after financial items: TSEK -22,798 (Q1-Q4, 2023: TSEK -8,120)
- Earnings per share: SEK -0.93 (Q1-Q4, 2023: -0.31)
- Cash flow from operating activities: TSEK -9,551 (Q1-Q4, 2023: TSEK -2,295)
- Equity: TSEK 51,790 (Q1-Q4, 2023: TSEK 67,471)



Picture on front page: CEO Clas Dyrholm and CTO Richard Ouyang holding the first manufactured version of the DPT key component, Taipei, Taiwan, January 2025.

Picture above: Driver electronics incorporating Realfiction DPT algorithms.

SIGNIFICANT EVENTS DURING Q4-2024

- On 10 December, Realfiction announced that it received payment of approximately SEK 7.4 million in cash for the development of a custom-tailored proof of concept announced on 4 September 2024. This payment supports the Company's liquidity through the first half of 2025 under the planned assumptions.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- On January 17, Realfiction announced the signing of a significant license and collaboration agreement with Shantou Goworld Display Co. Ltd. ("Goworld"). This milestone agreement is set to pave the way for mass manufacturing of innovative display products featuring Realfiction's Directional Pixel Technology™ (DPT), initially targeting multi-view applications in 2025 and 3D applications thereafter.
- On February 3, Realfiction presented its first version of its Directional Pixel Technology (DPT) key component – a specialized 15.5-inch spatial light modulator. The spatial light modulator, integral to Realfiction's DPT, is designed using mass-manufacturable components, ensuring versatility across various display sizes. It is compatible with LCD, LED/MicroLED, and OLED displays, facilitating the creation of multi-view and multi-user glasses-free 3D experiences without the resolution loss associated with previous technologies.

CEO COMMENTS

COMMERCIAL TRACTION

Realfiction has entered a phase of commercial traction, marked by the monetization of its technology through a high-value proof-of-concept and the signing of its first licensing agreement.

During Q3, we delivered a custom-tailored proof-of-concept to a customer, resulting in 7.4 MSEK in revenue and liquidity that we received in December 2024. This project, designed for potential use in gigantic future entertainment venues, demonstrated our ability to monetize our technology and execute complex engagements.

In early 2025, we signed our first licensing agreement with Shantou Goworld Display Co. Ltd., a highly respected company in the display manufacturing industry. A dual-view center stack display is being tailored for leading automotive manufacturers and Tier 1 suppliers – a sought-after use case that we believe will validate DPT in a high-volume industry.

We also completed the development of our first DPT key component, which has now been successfully combined with both microLED and OLED displays. This marks significant progress in enabling dual-view and 3D viewing across multiple display platforms and opens new doors for adoption across the automotive, professional, and entertainment sectors.

INVITATION TO SAMSUNG GLOBAL SOURCING FAIR 2025

Recently, Realfiction was selected to participate in the Samsung Electronics Global Sourcing Fair 2025, to be held on 22 May 2025 in Suwon, South Korea. The fair is a highly selective event connecting pioneering technology companies with more than 1,000 Samsung employees, including executives, R&D specialists, procurement officers, and design professionals.

Our selection reflects growing recognition of our

Directional Pixel Technology in the global display ecosystem, and we look forward to presenting our newest solutions at the event.

STRONG OPERATIONAL PERFORMANCE AND EXTENDED LIQUIDITY OUTLOOK

In the fourth quarter of 2024, we were very pleased to see stronger-than-expected sales of our mixed reality displays, contributing to positive cash flow of TSEK 5,312 for the period. This result, combined with our short-term business plan for 2025, provides sufficient liquidity to sustain business operations into August 2025 – a two-month extension compared to our previous guidance.

A LUCRATIVE BUSINESS CASE IN A TRANSFORMING INDUSTRY

Realfiction's Directional Pixel Technology (DPT) introduces a fundamentally new dimension to displays – one that challenges long-standing industry assumptions. While the display industry is highly established, it is also no stranger to innovation. Milestones like OLED and now microLED demonstrate that progress is possible, though typically with measured steps, especially when new technologies require adjustments across the supply chain.

In our dialogues with industry leaders, a recurring question has been: Can it scale? This focus on feasibility – not just innovation – has shaped our development strategy. As communicated earlier, we have made significant progress in establishing a scalable production framework for a key DPT component. By providing this framework ourselves, we reduce uncertainty for potential partners and help streamline their path to adoption. We are now seeing a clear shift in perception when presenting and engaging with future licensees. With production readiness taking shape and technical feasibility being demonstrated, we are increasingly optimistic about the next phase of commercial adoption.

“As we move through 2025, our priority is to translate commercial traction into scalable, revenue-generating partnerships.”

With our patent-protected technology, Realfiction holds a highly scalable and lucrative business case. While our commercial pipeline continues to expand and our first licensing agreement is in place, licensing revenues have not yet begun to flow, and broad corporate adoption remains to be proven.

The Company has built a strong network of relationships and conducted a substantial number of promising meetings and presentations with industry leaders. Based on our Market Opportunity Assessment that we presented in a press release earlier this year, our DPT market opportunities under a medium-case scenario exceed USD 100 million annually, while the high-case scenario illustrates revenue exceeding USD 250 million annually. These projections are underpinned by the potential for multiple licensing agreements and proof-of-concept sales across a range of display platforms. For more details on the background of our projections please see our press release of 11 February 2025.

LOOKING AHEAD

As we move through 2025, our priority is to translate commercial traction into scalable, revenue-generating partnerships. We remain committed to delivering measurable progress through licensing agreements, POC-sales, and strategic customer engagements. Our ambition is to position Realfiction as a valued IP and technology partner in the display industry, enabling immersive, multi-view, and glasses-free 3D experiences across key applications. We are confident that the coming months – and the important exposure we will receive – will serve as catalysts for the next steps in our commercialization journey.

To deliver on this ambition, we must ensure that our capital structure supports continued execution beyond the summer. The non-dilutive loan secured in February 2024 provided us with valuable momentum, and the Board and management are actively evaluating various strategic and financial alternatives. These include business development initiatives – such as new commercial and licensing agreements with upfront payments – as well as

other financing options, to ensure continued operations and long-term value creation.

We are encouraged by interest from targeted industrial players and venture investors who understand the commercial potential of our Directional Pixel Technology, reflecting growing confidence in both our technology and commercial roadmap. Based on ongoing dialogues and the Company's recent commercial progress, the Board is confident that Realfiction is well positioned to secure the funding to support its operational and strategic plans.

We thank our shareholders for their continued trust and look forward to sharing further updates.



Clas Dyrholm
CEO, Realfiction Holding AB



REALFICTION'S BUSINESS AND CONCEPT

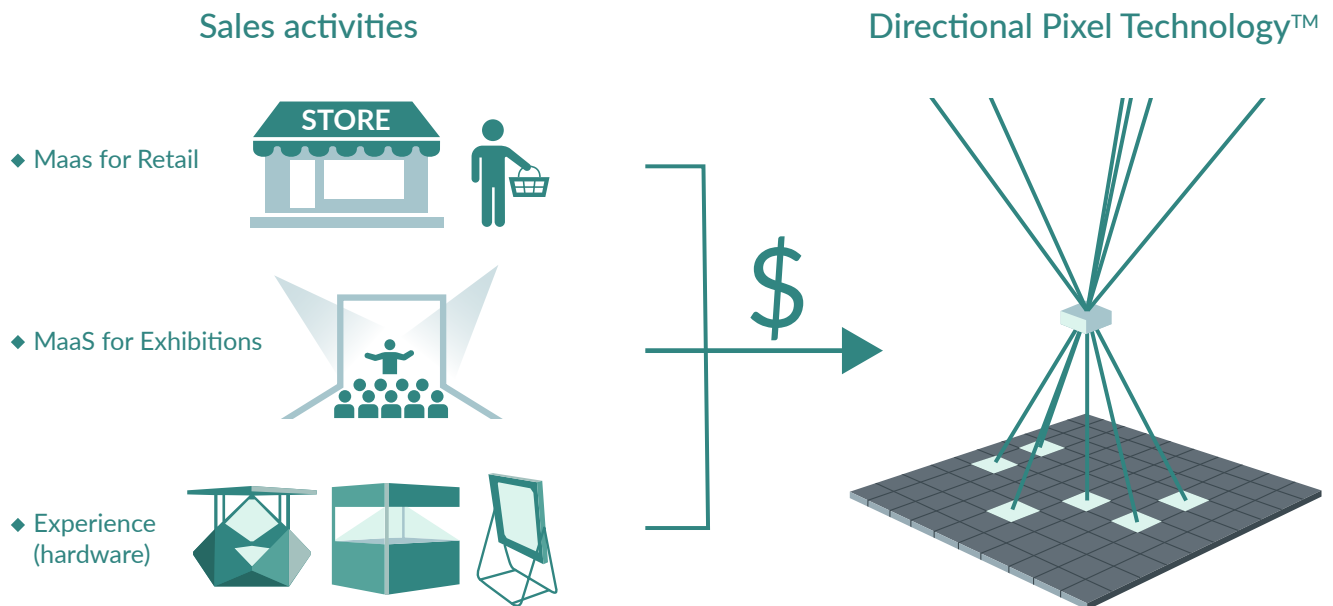
LEADING MIXED REALITY PRODUCTS

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.

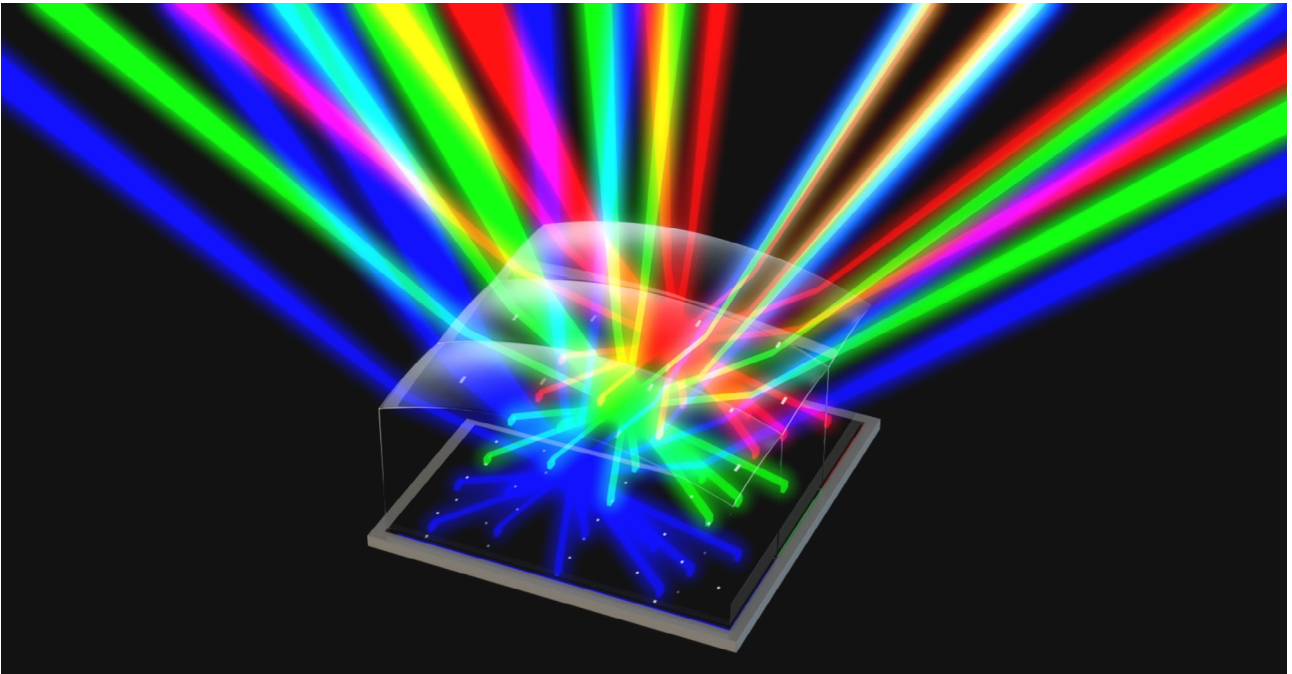
DPT – A GROUNDBREAKING NEXT-GENERATION DISPLAY TECHNOLOGY

Realfiction has developed Directional Pixel Technology™, a groundbreaking display 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. DPT can also enable multiple separate 2D or 3D views in full resolution at the same display, which is an attractive feature set for both entertainment and safety applications, such as making sure that the driver is not distracted when a car is moving. DPT is compatible with LCD, OLED and microLED displays and is ready for licensing to commercial partners based on a growing IP portfolio.



As shown in the illustration above, the positive cash-flows from mixed reality display product sales contribute positively to a partial financing of Realfiction's commercialization of its DPT technology.

DIRECTIONAL PIXEL TECHNOLOGY™ (DPT)



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. Realfiction has developed its Directional Pixel Technology™, a next-generation approach beyond head-mounted wearables, that we believe is just the first, primitive stage.

DPT - A TRUE NEXT-GENERATION 2D AND 3D DISPLAY TECHNOLOGY

After many years of innovation and development, we have created an IP platform and licensing integration packages around DPT, a technology that 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, deemed improbable to ever surface in our present lifetime. However, with DPT, Realfiction has not only created an elegant solution for building such displays, it is also compatible with all three major display formats: LCD, OLED and microLED. Our DPT IP portfolio is constantly growing as we refine hardware and software aspects of the technology.

It is important to highlight that even though we come from a 3D experience perspective, DPT can do so much more. It is for example capable of providing multiple separate 2D or 3D views in full resolution from the same display, which is an attractive feature set for entertainment and gaming as well as safety applications, such as making sure that a driver is not distracted when a car is moving.

In 2024 we advanced licensing discussions with several potential commercial partners in multiple industries, from display manufacturers and display IP providers to providers of display-based products and automotive companies. Our first commercial DPT agreement, valued at 7.4 MSEK, was signed in September for a custom-tailored proof of concept to an undisclosed customer.

Picture above: Illustration from a video illustrating how the amazing OLED version of DPT works.

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.

2017-2018 PRE-DPT PHASE

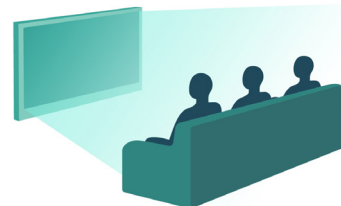
- In 2017, Realfiction was listed on Nasdaq First North Growth Market.
- With increased funding and resources, the company launched DeepFrame, the world's largest mixed reality display.

2019-2023 DPT DEVELOPMENT PHASE

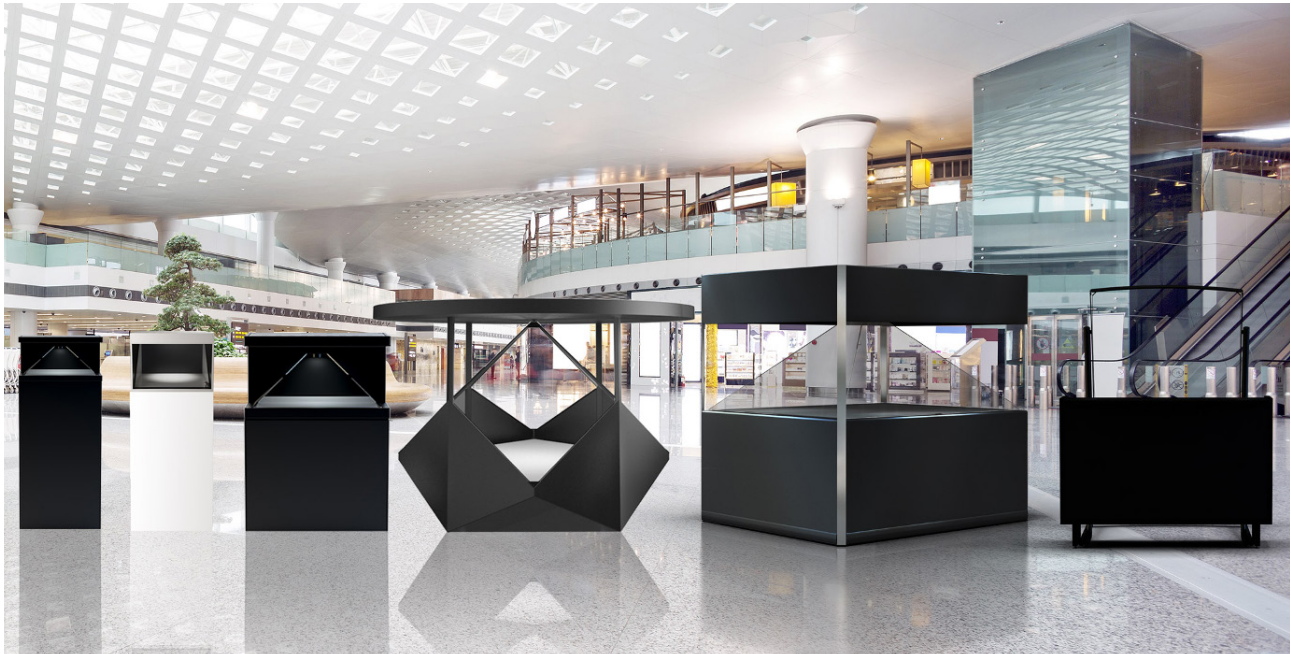
- In 2019, the company presented DPT (previously named ECHO) and completed a proof of concept for the technology.
- In 2020, a beta version of an LCD DPT display was created. This was followed by an ambitious development program with several international partners, including Fraunhofer FEP and imec, to complete an integration license package for DPT. This crucial milestone was achieved in April 2022.
- To enable licensing of the DPT IP platform to commercial partners, patent applications were filed to protect both hardware and software parts of the technology.
- 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 DPT to market.

2023- (ONGOING) DPT COMMERCIALIZATION PHASE

- In 2023, the company completed the first DPT LCD display, as well as demonstrators for an OLED version and a microLED version. DPT is thus compatible with all of the three major display technologies.
- The DPT IP portfolio was expanded with an exclusive license for super-fast ferroelectric liquid crystal (FLC) technology from Hong Kong University of Science and Technology. Two DPT patents were issued in 2023 and two more in 2024.
- Demonstrations in Taiwan were held for potential commercial partners, followed by the world premiere of the microLED version at Display Week 2023 in May, and a total of 38 meetings during the CES week in January 2024.
- Marking a key milestone, the first commercial DPT agreement—worth 7.4 MSEK—for a custom-designed proof-of-concept display was finalized in September 2024, with payment received in December 2024 from an undisclosed customer.
- A significant license and collaboration agreement was signed with Shantou Goworld Display Co. Ltd. (Goworld) in January 2025, paving the way for mass manufacturing of DPT display products, initially targeting multi-view applications in 2025 and 3D applications thereafter.



MIXED REALITY 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

INCOME STATEMENT IN Q4-2024

Group net revenue amounts to TSEK 4,573 for Q4-2024, representing an increase of 64% from Q4-2023 of TSEK 2,792. Adjusted for currency conversion effects, the Company's revenue in Q4-2024 increased by 84% to TDKK 2,956 compared to the average quarterly revenue in 2023 of TDKK 1,607. The increase in revenue was driven by sales and rentals of mixed reality displays.

Cost of goods sold amounts to TSEK 1,572 for Q4-2024, compared to TSEK 854 for Q4-2023. Thus, our gross profit in Q4-2024 increased to TSEK 3,001 from TSEK 1,938 in Q4-2023. This resulted in a lower gross profit margin in Q4-2024 of 65.6% compared to 69.4% in Q4-2023. The decrease was driven by lower sales prices for mixed reality displays.

Other income increased to TSEK 213 in Q4-2024 from TSEK 87 in Q4-2023, primarily due to the amortization of previously received Innobooster grants in 2024.

In Q4-2024 the Company has performed additional research and development and patent protection efforts, but such incurred cost are not capitalized as the patent portfolio is marketed for licensing as part of the Company's go-to market strategy. As such, the Q4-2024 Income Statement does not include income from the capitalization of own work performed compared to income of TSEK 2,221 in Q4-2023 from the capitalization of salaries and internal expenses relating to the Directional Pixel Technology.

Other external costs increased to TSEK 1,900 in Q4-2024 from TSEK 1,346 in Q4-2023, primarily due to the execution of the DPT go-to-market strategy, which involved higher travel, selling, and marketing expenses. Additionally, research, development, and patent protection costs, which were capitalized in Q4-2023, were also incurred in Q4-2024 but were expensed in the current period.

Cash-based personnel costs declined by TSEK 691 to TSEK 4,169 in Q4-2024 (TSEK 53 of the personnel cost is non-cash costs related to warrant programs) compared to TSEK 4,860 in Q4-2023. The decrease was primarily driven by a reduction of three employees in Q4-2024 compared to Q4-2023. This reduction mainly affected the mixed reality business to reallocate resources toward executing the DPT go-to-market strategy.

The Company has commenced depreciation of its Directional Pixel Technology intangible asset, and determined that a 10 year expected life is appropriate for accounting purposes. As such, depreciation has increased from TSEK 153 in Q4-2023 to TSEK 1,866 in Q4-2024.

Group net financial costs consist of interest on the loan with Vækstfonden and amortized financial expenses on the new loan with Formue Nord, while other financial income include interest from bank deposits.

INCOME STATEMENT IN Q1-Q4, 2024

Group net revenue amounts to TSEK 18,619 for Q1-Q4 2024, representing an increase of 88% from Q1-Q4 2023 of TSEK 9,923. Adjusted for currency conversion effects, the Company's revenue in Q1-Q4 2024 increased by 100% to TDKK 12,161 compared to the same period in 2023 of TDKK 6,428. The increase in revenue was primarily driven by the sale of a custom-tailored Directional Pixel Technology proof of concept for MSEK 7.4 to an undisclosed customer in Q3-2024 and secondarily by sales and rentals of mixed reality displays.

Cost of goods sold amounts to TSEK 4,961 for Q1-Q4 2024, compared to TSEK 3,398 for Q1-Q4 2023. Thus, our gross profit in Q1-Q4 2024 increased to TSEK 13,658 from TSEK 6,525 in Q1-Q4 2023. This resulted in increased gross profit margin in Q1-Q4 2024 of 73.4% compared to 65.8% in Q1-Q4 2023. The increase was driven by the sale of a DPT proof of concept in Q3-2024, which had a high gross profit margin, as its primary cost was salaries.

Other income increased to TSEK 972 in Q1-Q4 2024 from TSEK 248 in Q1-Q4 2023, primarily due to the amortization of previously received Innobooster grants in 2024.

In Q1-Q4 2024 the Company has performed additional research and development and patent protection efforts, but such incurred cost are not capitalized as the patent portfolio is marketed for licensing as part of the Company's go-to market strategy. As such, the Q1-Q4 2024 Income Statement does not include income from the capitalization of own work performed compared to income of TSEK 9,601 in Q1-Q4 2023 from the capitalization of salaries and internal expenses relating to the Directional Pixel Technology.

Other external costs increased to TSEK 8,256 in Q1-Q4 2024 from TSEK 4,836 in Q1-Q4 2023, primarily due to the execution of the DPT go-to-market strategy, which involved higher travel, selling, and marketing expenses. Additionally, research, development, and patent protection costs, which were capitalized in Q1-Q4 2023, were also incurred in Q1-Q4 2024 but were expensed in the current period.

Cash-based personnel costs decreased by TSEK 885 to TSEK 17,648 in Q1-Q4 2024 (TSEK 356 of the personnel cost is non-cash costs related to warrant programs) compared to TSEK 18,533 in Q1-Q4 2023. The decrease was driven by a combination of a reduction of one employee and salary increases due to inflation.

Group net financial costs consist of interest on the loan with Vækstfonden and amortized financial expenses on the new loan with Formue Nord, while other financial income include interest from bank deposits.

Balance Sheet

As of 31 December 2024, Realfiction's total assets decreased slightly to TSEK 89,050 from TSEK 89,491 at year-end 2023. The balance sheet includes a MSEK 20 loan from Formue Nord, received in Q1 2024, while equity has declined by TSEK 15,681, primarily due to the negative result for the year.

Investments

In Q4 2024 and the full year 2024, the Company did not capitalize any development expenditures. However, it capitalized TSEK 741 in Q4 2024 and TSEK 1,272 for the year in license fees related to ferroelectric liquid crystal technology. By comparison, the Company capitalized TSEK 5,018 in Q4 2023 and TSEK 18,300 in 2023 from investments in intangible assets.

Cash Flow and Liquidity

As of 31 December 2024, Realfiction's liquidity stood at TSEK 19,695, compared to TSEK 12,523 at year-end 2023. Cash flow from operating activities improved to TSEK 6,034 in Q4 2024, up from TSEK 3,194 in Q4 2023. The primary driver of this improvement was the receipt of MSEK 7.4 from the sale in Q3-2024 of a custom-tailored

Directional Pixel Technology proof of concept, offset by costs related to accelerating the go-to-market strategy. These included higher travel, sales, and marketing expenses, along with additional investments in research, development, and patent protection.

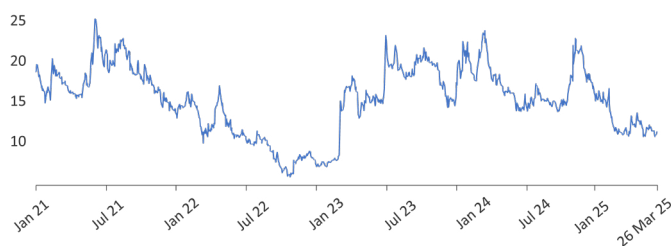
The Company's total cash flows from operations and investments in DPT improved by TSEK 7,182, reaching a positive cash flow of TSEK 5,308 in Q4 2024, compared to a negative cash flow of TSEK 1,874 in Q4 2023. This improvement reflects the Company's strategic shift from primarily expanding its patent portfolio and developing display prototypes, demonstrators, and proofs of concept to focusing on commercializing the technology through its go-to-market strategy. As a result, the Company generated MSEK 7.4 in Q4 2024 from the sale of a custom-tailored Directional Pixel Technology proof of concept.

The positive cash flow in Q4 2024, combined with reduced cost spending, has provided the Company with sufficient liquidity to sustain its business operations, including the execution of its go-to-market strategy for Directional Pixel Technology™ into August 2025. Additionally, Realfiction retains the right to repay the Formue Nord loan at any time without an early repayment fee when the Company generates positive cash flows.

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 2024, the number of shares in Realfiction Holding AB amounts to 19,951,447. The Company has one share class. All shares have equal dividend rights.

Share price development in 01/01/2021 - 26/03/2025 (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 2023 Annual Report.

OWNERSHIP STRUCTURE

Realfiction has almost 3,000 shareholders. Shareholders holding over 5% are as follows at 31 December 2024.

Name	Ownership (in %)
CLAPE HOLDING ApS 1)	>15%
Tamarind Limited	>15%
AmTRAN Technology Co. LTD 2)	>5%
Försäkringsaktiebolaget, Avanza Pension	>5%
Försäkringsaktiebolaget, Avanza Pension	>5%

1. CLAPE HOLDING ApS is owned 50 percent by CEO and board member Clas Dyrholm and 50 percent by board member Peter Simonsen.

2. AmTRAN Technology Co. Ltd. is a large OEM producer of LCD TV's and other consumer electronics.

Audit/review

The Year-End Report 2024 has not been audited or reviewed by the Company's independent auditors. The Annual Report 2023 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 2024:	29 May 2025
Q1 Interim Report 2025:	29 May 2025
General Meeting 2025:	23 June 2025
Q2 Interim Report 2025:	28 August 2025
Q3 Interim Report 2025:	27 November 2025
Year-end Report 2025:	26 March 2026
Annual Report 2025:	7 May 2026

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 Year-End Report 2024 presents a fair view of the financial position of the Company at 31 December 2024 as well as of the results of the Group operations and cash flows for the periods 1 October – 31 December 2024 and 1 January – 31 December 2024.

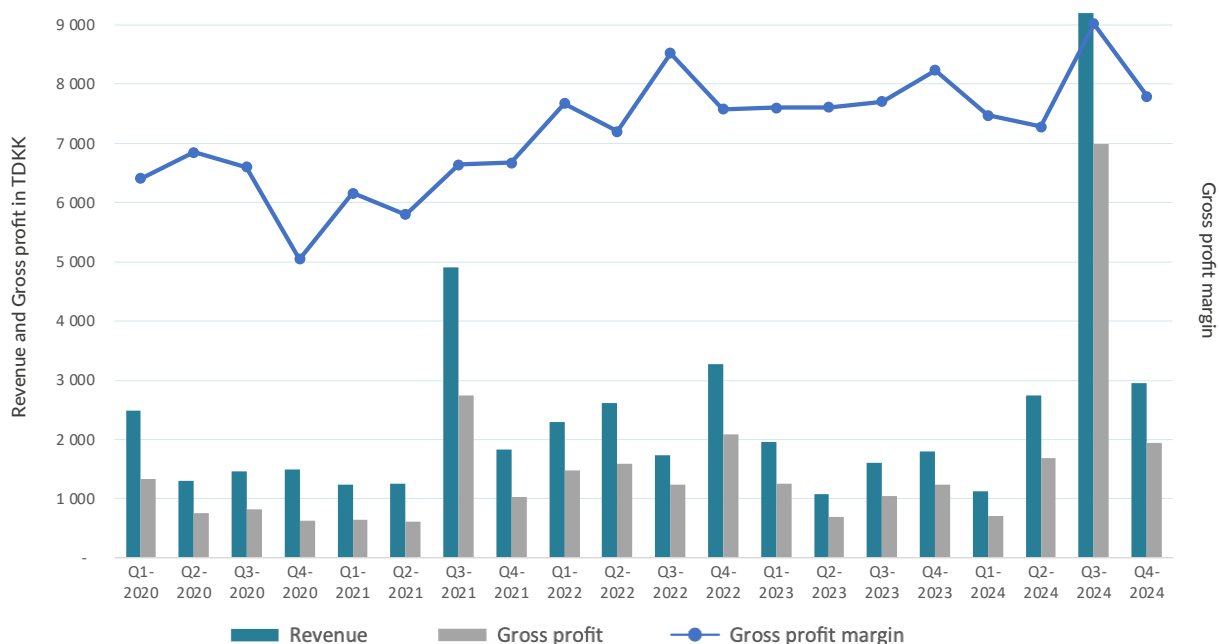
Helsingborg, 27 March 2025
Realfiction Holding AB
Board of Directors and CEO

FINANCIAL HIGHLIGHTS AND KEY RATIOS

Selected Financial Highlights and Key Ratios – Group

SEK '000	Q4-2024 01-10-2024 -31-12-2024 3 months	Q4-2023 01-10-2023 -31-12-2023 3 months	Q1-Q4 2024 01-01-2024 -31-12-2024 12 months	Q1-Q4 2023 01-01-2023 -31-12-2023 12 months
Net revenue	4,573	2,792	18,619	9,923
Gross profit	3,001	1,938	13,658	6,525
Result after financial items	-5,827	-2,308	-22,798	-8,120
Total Assets	89,050	89,491	89,050	89,491
Cash flow from operating activities	6,034	3,194	-9,551	-2,295
Cash and bank	19,695	12,523	19,695	12,523
Equity	51,790	67,471	51,790	67,471
Solvency ratio (%)	58.2	75.4	58.2	75.4
Average number of employees	12	15	13	14
Gross profit margin (%)	65.6	69.4	73.4	65.8
Earnings per share (SEK)	-0.07	-0.01	-0.93	-0.31
Average number of shares outstanding	19,853,077	19,762,847	19,795,338	19,762,847
Average number of shares outstanding, including dilutive effect of outstanding warrants	20,584,378	20,584,378	20,584,378	20,584,378
Number of shares at the end of the period	19,951,447	19,762,847	19,951,447	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	Q4-2024	Q4-2023	Q1-Q4 2024	Q1-Q4 2023
	01-10-2024 -31-12-2024 3 months	01-10-2023 -31-12-2023 3 months	01-01-2024 -31-12-2024 12 months	01-01-2023 -31-12-2023 12 months
Net revenue	4,573	2,792	18,619	9,923
Cost of goods sold	-1,572	-854	-4,961	-3,398
Gross profit	3,001	1,938	13,658	6,525
Capitalized own work performed	0	2,221	0	9,601
Other external costs	-1,900	-1,346	-8,256	-4,836
Personnel costs	-4,222	-4,983	-18,004	-18,908
Depreciation of tangible and intangible assets	-1,866	-153	-7,377	-627
Other income and expenses	213	87	972	248
Operating result	-4,774	-2,236	-19,007	-7,997
Other financial income	85	81	446	392
Other financial costs	-1,138	-153	-4,237	-515
Result after financial items	-5,827	-2,308	-22,798	-8,120
Tax on the profit of the period	4,509	2,021	4,383	2,021
Net result for the period	-1,318	-287	-18,415	-6,099

Balance Sheet (condensed) - Group

SEK '000	31-12-2024	31-12-2023
Assets		
Non-current assets		
Development costs	60,017	64,481
Licenses	3,235	2,160
Total intangible assets	63,252	66,641
Fixtures, tools and installations	200	657
Total tangible assets	200	657
Other long-term receivables	393	377
Total financial assets	393	377
TOTAL NON-CURRENT ASSETS	63,845	67,675
Current assets		
Finished products and goods for sale	1,687	3,589
Total inventories	1,687	3,589
Trade receivables	103	100
Current tax receivables	2,622	3,229
Other receivables	787	1,887
Prepaid expenses	311	488
Total short-term receivables	3,823	5,704
Cash and bank	19,695	12,523
TOTAL CURRENT ASSETS	25,205	21,816
TOTAL ASSETS	89,050	89,491
Liabilities and Equity		
Equity		
Share capital	1,995	1,976
Other reserves incl. retained earnings	49,795	65,495
TOTAL EQUITY	51,790	67,471
Deferred tax liability	2,487	4,268
Total provisions	2,487	4,268
Liabilities to credit institutions	0	1,291
Other liabilities	931	875
Prepaid income	7,681	8,252
Total long-term liabilities	8,612	10,418
Liabilities to credit institutions	21,212	1,577
Accounts payable and accrued costs	2,365	2,642
Prepaid income	115	171
Other liabilities	2,469	2,944
Total short-term liabilities	26,161	7,334
TOTAL LIABILITIES	34,773	17,752
TOTAL LIABILITIES AND EQUITY	89,050	89,491

Cash Flow Statement (condensed) - Group

SEK '000	Q4-2024 01-10-2024 -31-12-2024 3 months	Q4-2023 01-10-2023 -31-12-2023 3 months	Q1-Q4 2024 01-01-2024 -31-12-2024 12 months	Q1-Q4 2023 01-01-2023 -31-12-2023 12 months
Operating result	-4,774	-2,236	-19,007	-7,997
Depreciation	1,866	153	7,377	627
Non-cash warrant program	53	123	356	389
Paid financial items	-491	-73	-1,830	-123
Tax payments	3,348	3,957	3,223	3,957
Cash flow from operating activities before changes in operating capital	2	1,924	-9,881	-3,147
Operating activities				
Change in inventories	112	691	2,012	1,513
Change in short term receivables	7,783	760	-570	607
Change in short term liabilities	-1,863	-181	-1,112	-1,268
Cash flow from operating activities	6,034	3,194	-9,551	-2,295
Investing activities				
Purchase of tangible assets	0	-50	-15	-81
Sale of tangible assets	15	0	15	0
Proceeds from financial assets	0	0	-3	-23
Purchase of intangible assets	-741	-5,018	-1,272	-18,300
Cash flow from investing activities	-726	-5,068	-1,275	-18,404
Financing activities				
Loan installment (Vækstfonden)	-395	-323	-1,530	-1,395
Loan	0	0	17,849	0
Inno booster grant	0	0	1,113	3,277
Capital increase, net of costs	399	0	362	0
Cash flow from financing activities	4	-323	17,794	1,882
Cash flow for the period	5,312	-2,197	6,968	-18,817
Cash and cash equivalents at period start	14,335	14,352	12,523	30,806
Exchange rate recalculation difference - cash and cash equivalents	48	368	204	534
Cash and cash equivalents at period end	19,695	12,523	19,695	12,523

Statement of Changes in Equity (condensed) - Group

SEK '000	Q4-2024 01-10-2024 -31-12-2024 3 months	Q4-2023 01-10-2023 -31-12-2023 3 months	Q1-Q4 2024 01-01-2024 -31-12-2024 12 months	Q1-Q4 2023 01-01-2023 -31-12-2023 12 months
Equity at period start	51,724	69,979	67,471	73,787
Exchange adjustments	932	-2,344	2,016	-606
Capital increase, net of costs	399	0	362	0
Warrant program	53	123	356	389
Net result for the period	-1,318	-287	-18,415	-6,099
Equity at period end	51,790	67,471	51,790	67,471

Income Statement (condensed) – Parent company

SEK '000	Q4-2024 01-10-2024 -31-12-2024 3 months	Q4-2023 01-10-2023 -31-12-2023 3 months	Q1-Q4 2024 01-01-2024 -31-12-2024 12 months	Q1-Q4 2023 01-01-2023 -31-12-2023 12 months
Operating income				
Net revenue (group internal)	350	150	1,000	600
Operating costs				
External costs	-196	-193	-1,042	-984
Personnel costs	-176	-161	-697	-712
Operating result	-22	-204	-739	-1,096
Financial items	-1,036	52	-3,640	208
Result after financial items	-1,058	-152	-4,379	-888
Net result for the period	-1,058	-152	-4,379	-888

Balance Sheet (condensed) – Parent company

SEK '000	31-12-2024	31-12-2023
Non-current assets		
Financial assets		
Shares in subsidiary	115,594	100,228
Total financial assets	115,594	100,228
TOTAL NON-CURRENT ASSETS	115,594	100,228
Current assets		
Intercompany receivables	596	0
Other receivables	63	23
Prepaid expenses	56	77
Total short-term receivables	715	100
Cash and bank	9,064	9,190
TOTAL CURRENT ASSETS	9,779	9,290
TOTAL ASSETS	125,373	109,518
Liabilities and Equity		
Equity		
Share capital	1,995	1,976
Other reserves	107,339	107,884
Net result of the period	-4,379	-888
TOTAL EQUITY	104,955	108,972
Liabilities to credit institutions	19,799	0
Accounts payable and accrued costs	272	211
Other payables	347	335
Total short-term liabilities	20,418	546
TOTAL LIABILITIES	20,418	546
TOTAL EQUITY AND LIABILITIES	125,373	109,518

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.

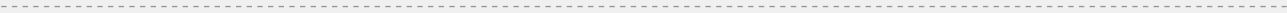
Gross profit: Net turnover after costs for goods sold.

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

"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: Realfiction team members celebrating significant progress, Taipei, Taiwan, January 2025.



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