



Realfiction Holding AB announces its Q4 Interim Report for October – December 2021

The company announces that the Q4 Interim Report for October – December 2021 is now available. The full report is attached as a separate document and can also be downloaded from the company's website (www.realfiction.com). A printed copy can be ordered via investor@realfiction.com. Below is a brief summary of the Q4 Interim Report.

Important key figures:

- 20% increase in total revenue Q4, 2021 compared to Q4, 2020
- 58% increase in gross profit in Q4, 2021 compared to Q4, 2020
- Significantly increased gross profit margin of 56.1% in Q4, 2021 compared to 42.5% in Q4, 2020
- Cash-based net operating cost savings of TSEK 155 (5%) in Q4, 2021 compared to Q4, 2020
- Solvency ratio of 87.2% at 31 December 2021 compared to 84.0% at 31 December 2020

During and after the period, Realfiction has experienced both positive and negative development in its business, including:

Project ECHO: During the fourth quarter, Realfiction continued to focus heavily on the development of the company's ECHO 3D holographic display technology together with its various development partners. With the Innobooster grant of up to 5 MDKK (6.8 MSEK) presented in October, Realfiction is now able to move full steam ahead with both the hardware and the software side of ECHO. This will be of great assistance when it comes to getting ECHO display products to market, as the company's patent pending Holowize software under development will enable a wealth of 3D holographic content from day one through the conversion of already existing 3D movies.

On the hardware development side, the next major upcoming milestone will be the completion of an integration license package, and the company is still expecting to be there by the end of March. This will enable Realfiction to take its commercial dialogues with large display manufacturers, and also producers of consumer electronics products, one step further by offering them all of the IP, specification of components, illustrations and diagrams needed to turn their future TV's and display products into fully fledged ECHO 3D holographic products.

In January 2022, the company was able to take the first step in the direction described above by signing a memorandum of understanding to form a strategic alliance with the OEM LCD display manufacturer and large Realfiction shareholder AmTRAN Technology. The purpose is to co-operate on the development of specific holographic LCD displays based on our ECHO technology. This strategic alliance significantly lowers the overall risk when it comes to getting ECHO to market, while at the same time providing a strong validation of ECHO's commercial potential.

Sales Activities: During the fourth quarter, the company saw a continuation of the larger trend towards using more in-person events and exhibitions in Asia, Europe and the US due to the easing of pandemic-related restrictions. This led to higher sales figures in these segments compared to the same period in 2020. The revenue decline in Q4 2021 compared to Q3 2021 was due to the fact that Q3 included revenue from a few major hardware orders from end-customers and partners that did not repeat in Q4.

CEO Clas Dyrholm comments: “With continued hardware and software ECHO development progress, and a strategic alliance formed with the large OEM LCD manufacturer AmTRAN Technology, Realfiction delivered strong progress during the fourth quarter of 2021. Looking ahead, we see some really exciting quarters ahead of us. We expect the license integration package for ECHO to be completed by the end of March, and our belief is still that the first ECHO products could be introduced to the market in 2023, even though a lot of hard work is required to reach this goal. Finally, above all else, I sincerely hope that 2022 will bring back peace as the normal state of affairs in Europe.”

We highlight the following key figures from the Year-End Report:

Q4 2021 (1 October – 31 December 2021)

- Revenue: TSEK 2,474 (Q4, 2020: TSEK 2,070)
- Gross profit: TSEK 1,387 (Q4, 2020: TSEK 880)
- Gross profit margin: 56.1% (Q4, 2020: 42.5%)
- Result after financial items: TSEK -1,278 (Q4, 2020: TSEK -1,949)
- Earnings per share: SEK 0.00 (Q4, 2020: -0.10)
- Cash flow from operating activities: TSEK 2,465 (Q4, 2020: TSEK -369)

Q1-Q4 2021 (1 January – 30 December 2021)

- Revenue: TSEK 12,575 (Q1-Q4, 2020: TSEK 9,501)
- Gross profit: TSEK 6,848 (Q1-Q4, 2020: TSEK 4,985)
- Gross profit margin: 54.5% (Q1-Q4, 2020: 52.5%)
- Result after financial items: TSEK -4,554 (Q1-Q4, 2020: TSEK -9,749)
- Earnings per share: SEK -0.05 (Q1-Q4, 2020: -0.52)
- Cash flow from operating activities: TSEK -1 (Q1-Q4, 2020: TSEK -3,162)

For more information about Realfiction Holding AB, please contact:

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This information is information that Realfiction Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07.00 CET on 24 March 2022.

About Realfiction Holding AB

Founded in Denmark in 2008, Realfiction is a leading innovator and provider of Mixed Reality solutions and services, a market estimated to reach USD 80 billion by 2025. Realfiction continues to invent technologies within Mixed Reality, with an intention to disrupt the industry by pursuing the vision of converting science fiction into real fiction. Realfiction Holding AB's share is publicly traded on Nasdaq Stockholm First North under the symbol "REALFI". The share's ISIN code is SE0009920994.