



Q1 INTERIM REPORT

1 JANUARY – 31 MARCH 2020

Realfiction Holding AB (publ) | 559110-4616



REALFICTION™

Q1 INTERIM REPORT

Q1, 2020 (01-01-2020 – 31-03-2020)

- Revenue: TSEK 3,539 (Q1, 2019: TSEK 7,024)
- Gross profit: TSEK 1,906 (Q1, 2019: TSEK 3,942)
- Gross profit margin: 53,9% (Q1, 2019: 56.1%)
- Result after financial items: TSEK -2,915 (Q1, 2019: TSEK -3,209)
- Earnings per share: SEK -0.16 (Q1, 2019: -0.24)
- Cash flow from operating activities: TSEK -1,373 (Q1, 2019: TSEK -1,706)



Picture on front page: Visualisation of Dreamoc XXL3 at shopping mall

Picture above: Dreamoc HD3 in retail campaign for Mondelez

SIGNIFICANT EVENTS DURING Q1 2020

- On 20 January 2020, Realfiction reported the following changes in the compilation of the board of directors: Søren Jonas Bruun and Peter Max leave the board of directors with immediate effect. Instead, Søren Jørgensen will start to participate as an observer to the board with effect from today, and he will be proposed for election at the first upcoming general meeting.
- On 6 February, Realfiction announced the successful completion of a Project ECHO display beta-version. Following the development activities, supported by the 500,000 DKK Innobooster grant that we previously announced, we are happy to say that the first step of the development of the Project ECHO LCD beta-version has just been completed.
- On 12 February, Realfiction announced that the Company had entered into an agreement with EDEKA that will open for testing the Magic-as-a-Service offering in 25 EDEKA stores in the Niedersachsen and Nordrhein-Westfalen regions in Germany. The first campaign will go live on the 16th of March 2020, and the test phase is planned to last for the remaining part of 2020.
- On 13 March, Realfiction announced that the Company is experiencing a noticeable but short-term negative effect on its global Experience

(hardware) and Magic-as-a-Service (MaaS) sales related to exhibitions due to events being postponed or cancelled. This effect is so far mitigated by a strong order pipeline, operational cost reductions implemented in late 2019 and progress in the retail space with the German launch of a MaaS Media channel in 25 EDEKA stores in March proceeding as planned.

- On 26 March Realfiction updated its guidance and paused its test launch of MaaS for Retail in Germany due to the COVID-19 situation. The Company has a strong financial position and expects to have the liquidity necessary to sustain all its business operations, including the development of ECHO, into 2021. However, due to the current uncertainty, the Company can no longer be certain that it will reach breakeven for its sales activities in 2020 as previously stated, and the Company will not provide any new financial guidance until the COVID-19 situation stabilizes.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events were reported after the end of the period.

CEO COMMENTS

SIGNIFICANT ECHO MILESTONE ACHIEVED

In Q1 2020, we were able to complete a beta version of an LCD display with built-in ECHO technology. It represents a major milestone for Realfiction, as it is now possible for potential industry partners to experience this groundbreaking Mixed Reality technology first-hand rather than just hearing us talking about it. When it comes to creating excitement for next-generation visual experiences, “seeing is believing” as the saying goes.

The beta display is also great news from a go-to-market perspective: by presenting ECHO as a way to supercharge upcoming iterations of existing LCD displays/TVs, rather than an opportunity to build an entirely new display technology from scratch, a collaboration with us becomes much more appealing in the short to midterm perspective. We are also able to present individual approaches for different application areas, as ECHO can be utilised to both enable social 3D experiences and to reduce power consumption with up to 80 percent. The latter is expected to become of great interest for the industry as even harder restrictions on power consumption is introduced by consumer organisations and governments around the world as part of the global efforts to minimise climate changes.

“We will continue to develop our core ECHO technology, IP portfolio and demonstration displays throughout 2020, while a greater focus will now be on presenting the technology to potential industry partners/licensees.”

We will continue to develop our core ECHO technology, IP portfolio and demonstration displays throughout 2020, while a greater focus will now be on presenting the technology to potential industry partners/licensees.

SUCCESSFUL MAGIC-AS-SERVICE TEST LAUNCH IN GERMANY

In February, we presented the test launch of our first Magic-as-a-Service (MaaS) Media channel in Germany at 25 EDEKA stores. By partnering up with EDEKA, the largest German supermarket corporation with more than 11.000 stores, we took an important step towards our aim to scale the concept to larger markets and customers. The first EDEKA campaign

was successful, and our order books were full all the way throughout August.

Unfortunately, our German plans were put on hold as EDEKA needed to focus on their core business during the most challenging part of the ongoing COVID-19 pandemic. We fully understand and support

this decision, and the same goes for customers who had booked campaigns during this time.

Now that the world is gradually opening up again, EDEKA has contacted us to discuss when to resume the German test launch. This is great news as we are eager to further evaluate our updated MaaS for Retail concept together with EDEKA.

MAAS FOR EXHIBITIONS

We saw an impact of the COVID-19 pandemic in our MaaS for Exhibitions segment already in the beginning of the year, as many international markets started to close down earlier than the Danish and Swedish markets. This was one of the reasons behind our low revenue for the quarter, with our total MaaS revenue decreasing from 1,204 TSEK in Q1, 2019 to 756 in Q1, 2020.

However, we are starting to see positive signs of improvements for this segment at the time of publishing this report. Even though there is still a lot of uncertainty in the market, we are hoping for a gradual recovery in the following quarters.

EXPERIENCE (HARDWARE)

Our hardware sales were also impacted by the COVID-19 situation, but we saw some resilience

with orders coming in throughout the period. This shows that we have been able to build a strong customer base together with our global partner network. There is substantially more activity coming from our global partners now compared to just a few weeks ago.

EXCITING TIMES AHEAD

Even though our Q1 financial result was impacted by the COVID-19 situation, we have been able to successfully implement measures to reduce our operational costs, while also diverting even more energy into our ECHO development project. This has led to strong progress so far in 2020, and with encouraging signs from our global partners and direct customers starting to come in, I feel truly optimistic for the future of Realfiction.



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.

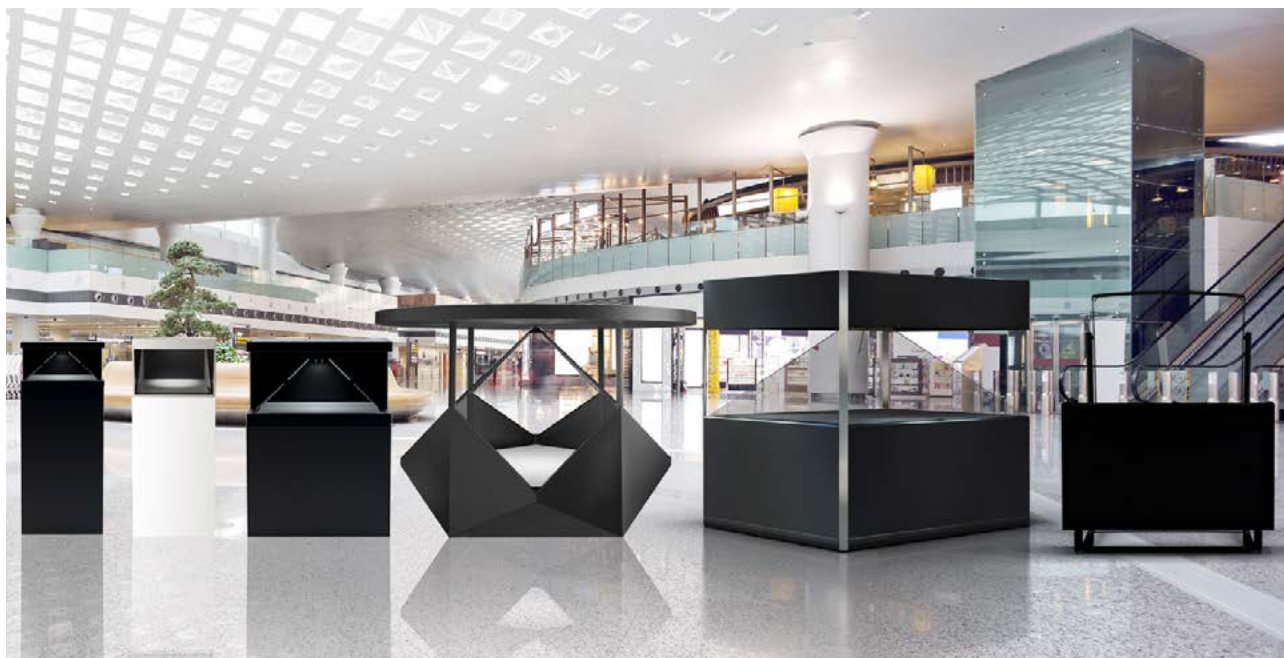
FOCUS AREAS IN 2020

ECHO: In Q1 2020, Realfiction completed the first beta version of an LCD display with built-in ECHO technology. This will facilitate discussions in 2020 on integrating ECHO in displays and tv sets from leading manufacturers. At the same time, improved beta versions based on LCD and OLED displays will undergo further development.

Magic-as-a-Service: Realfiction's go-to market model has been revised through learnings from the initial roll-out in Denmark and Sweden, with and the Company has refocused its energy and operational model into a leaner and simpler organisational setup that utilises external collaborating partners and industry agents. The revised Magic-as-a-Service concept has been implemented in a test launch in 25 EDEKA (Germany's largest department store company with over 11,000 stores) stores in Germany. Realfiction is confident that it is at the brink of realising the true potential of the Magic-as-a-Service concept, and even with the COVID-19 outbreak and temporary pause of the test launch, the hype can be felt amongst brands, retailers and retail customers.

Experience (hardware sales): Realfiction's global partner network continues to deliver in the hardware sales segment. Partner sales remains as a high priority for the Company and an important way to create global visibility.

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.

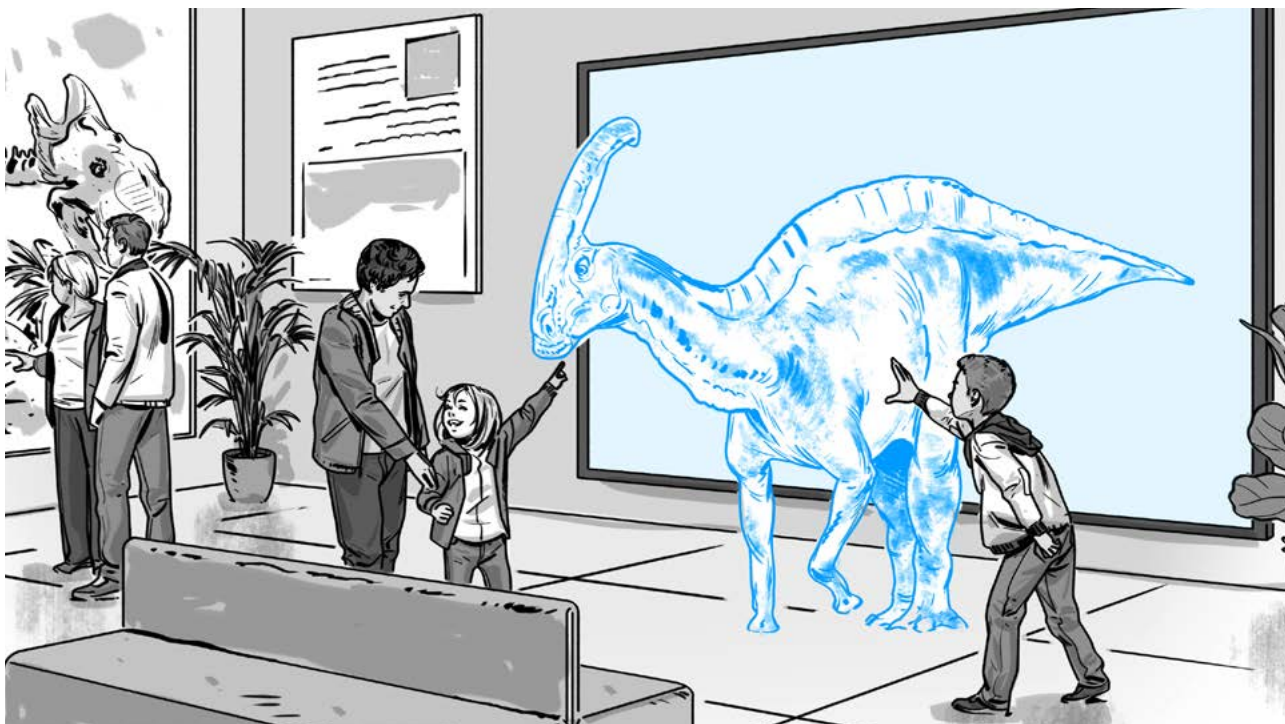
Dreamoc HD3 is the smallest and most flexible model for single products that can be experienced from several directions simultaneously. **Dreamoc POP3** can only be experienced from the front and is especially well suited for displays on shelves and for displaying several objects together. **Dreamoc XL3, XL4** 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.

INNOVATION



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 field of Mixed Reality, 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: Illustration of ECHO in a museum

FINANCIAL REVIEW

DEVELOPMENT IN Q1 2020

Income Statement

Group net revenue amounts to TSEK 3,539 for Q1, 2020, representing a decline of 50% from Q4, 2019 (TSEK 7,024). The primary part of net revenue in Q1, 2020 consists of product sales from the Dreamoc and DeepFrame category, while sales from our Magic-as-a-Service concept account for TSEK 756 (TSEK 1,204). Adjusted for currency conversion effects, the Company's revenue in the first quarter of 2020, declined by 34% to TDKK 2,488 compared to the average quarterly revenue of 2019 (TDKK 3,776). Q1, 2019 was the strongest quarter in Realfiction's history in terms of sales, while our global markets in Q1, 2020 were impacted negatively by the COVID-19 situation even before the Eurozone and the Nordic region shut down.

Cost of goods sold amounts to TSEK 1,633 for Q1, 2020 compared to TSEK 3,082 for Q1, 2019. Thus our gross profit in Q1, 2020 decreased to TSEK 1,906 from 3,942 in Q1, 2019 and resulted in a slightly decreased gross profit margin in Q1, 2020 of 53.9% compared to 56.1% in Q1, 2019. The slight decrease in the gross profit margin is attributable to the decrease in sales from our MaaS concept.

In Q1, 2020 the Company has capitalized development expenditure relating to Project ECHO that fulfils the requirements of the capitalization accounting principle. As such, the Q1, 2020 operating result is positively impacted by TSEK 1,203 (TSEK 0) from the capitalization of salaries and indirect expenses relating to Project ECHO.

Other external costs decreased to TSEK 1,908 in Q1, 2020 from 2,613 in Q1, 2019. The decrease is primarily due to the simplified and low cost go-to-market model for our MaaS concept, and due to lower development costs as ECHO costs are capitalized directly.

Personnel costs have also decreased due to the simplified go-to-market model for our MaaS concept.

Group net financial costs consist of interest on the loan with Vækstfonden, while the Q1, 2019 financial costs included interest on a bridge loan.

The net result for the Group in Q1, 2020 amounts to TSEK -2,422 compared to TSEK -2,843 in Q1, 2019.

Supplementary Income Statement

On page 17 we present our supplementary income statement with our two main activities; Innovation & Development and Sales.

In Q1, 2020, we continued the acceleration of our Innovation & Development Activities, with primary focus on Project ECHO. Project ECHO aims at inventing 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.

Our gross expenditure in Innovation & Development Activities amounted to TSEK 1,452 in Q4, 2020 compared to TSEK 1,522 in Q1, 2019. The operating result from our Sales Activities decreased from a loss

of TSEK 1,388 in Q1, 2019 to a loss of TSEK 2,631 in Q1, 2020, which was primarily due to the decrease in gross profit as described above.

Balance Sheet

Realfiction's total assets at 31 March 2020 amounts to TSEK 36,439 (TSEK 18,690). Inventory at 31 March 2020 amounts to TSEK 7,670 compared to TSEK 7,242 at 31 December 2019.

Trade receivables are lower than last year due to the decrease in sales.

Current liabilities remain at the same level at 31 March 2020 TSEK 9,794 as at 31 December 2019 (TSEK 9,562).

Investments

In Q1, 2020, the Company has capitalized additional development expenditure of TSEK 1,998 relating to the patent-pending Project ECHO. 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 2020 amounts to TSEK 14,009 compared to TSEK 17,240 at 31 December 2019. Cash flow from operating activities for Q1, 2020 improved to TSEK -1,373 compared to TSEK -1,706 for Q1, 2019. The improvement is primarily caused by investments in the ECHO technology.

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 2021.

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 2020, the number of shares in Realfiction Holding AB amounts to 15,610,613. The Company has one share class. All shares have equal dividend rights.

Group structure

Realfiction Holding AB has two fully owned subsidiaries, Realfiction ApS and Realfiction Lab ApS. All activities are carried out in the subsidiaries. In early January 2020, Realfiction Lab ApS purchased the ECHO technology from Realfiction ApS. Realfiction Holding AB does not own shares in other companies.

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 2019 Annual Report.

Operational risks & uncertainties

The risks and uncertainties that Realfiction's operations are exposed to are concentrated in the

OWNERSHIP STRUCTURE

The table below shows key shareholders in Realfiction Holding AB at 31 March 2020.

Name	Number of shares	Ownership (in %)
Ceranco Equity S.C.S	3,194,447	20.46
Clape Holding ApS ¹	2,875,000	18.42
AmTRAN Technology Co. Ltd. ²	1,999,461	12.81
Försäkringsaktiebolaget, Avanza Pension	994,432	6.05
Nordnet Pensionsförsäkring AB	898,431	5.76
Other shareholders (more than 1,400)	5,698,842	36.50
Total	15,610,613	100.0

1. 50 % owned by CEO and board member Clas Dyrholm and 50 % owned by board member Peter Simonsen.

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

Audit/review

The Q1 Interim Report has not been audited or reviewed by the Company's independent auditors. The Annual Report 2019 for Realfiction ApS has been audited.

Accounting policies

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

Financial Calendar:

General Meeting 2020:	25 June 2020
Interim report Q2 2020:	27 August 2020
Interim Report Q3 2020:	19 November 2020
Year-end Report 2020:	25 March 2021

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
Telefon: +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 2020 presents a fair view of the financial position of the Company at 31 March 2020 as well as of the results of the group operations and cash flows for the period 1 January – 31 March 2020.

Helsingborg, 28 May 2020
Realfiction Holding AB
Board of Directors and CEO

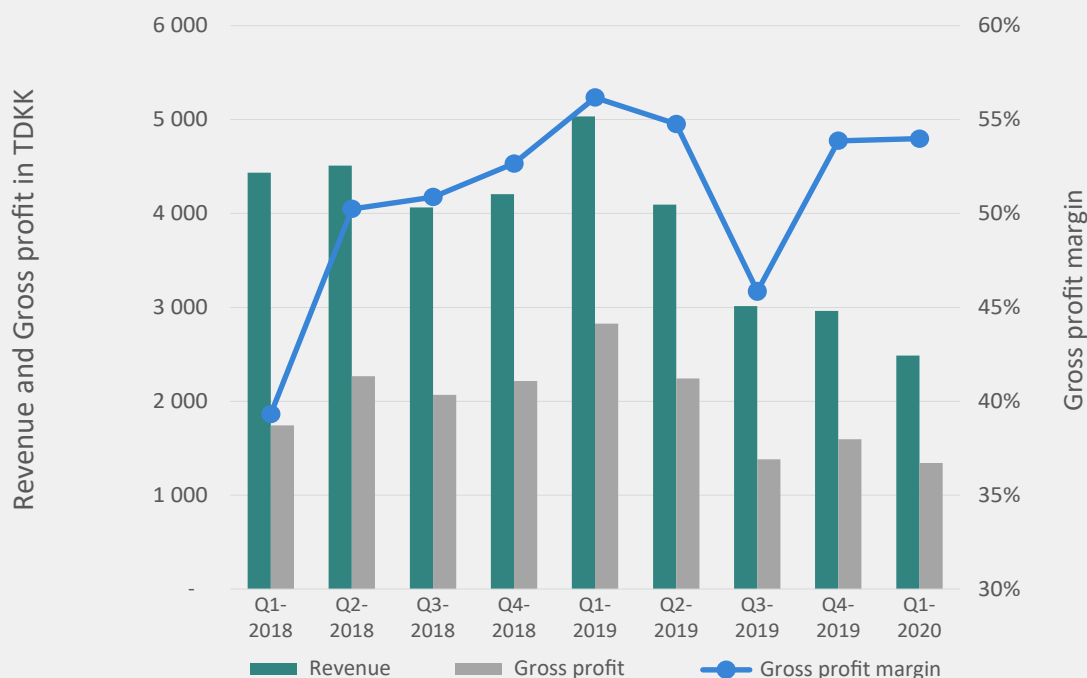
This information is information that Realfiction Holding AB is obliged to make public pursuant to the Swedish Securities Market Act (Lagen (2007:528) om värdepappersmarknaden). The information was submitted for publication, through the agency of the contact person set out above, on 28 May 2020.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

Selected Financial Highlights and Key Ratios – Group

SEK '000	Q1-2020 01-01-2020 -31-03-2020 3 months	Q1-2019 01-01-2019 -31-03-2019 3 months	Q1-Q4-2019 01-01-2019 -31-12-2019 12 months
Net revenue	3,539	7,024	21,357
Gross profit	1,906	3,942	11,367
Result after financial items	-2,915	-3,209	-14,792
Total Assets	36,439	18,690	37,834
Cash flow from operating activities	-1,373	-1,706	-11,013
Cash at bank and in hand	14,009	3,044	17,240
Solvency ratio (%)	73.1	10.3	74.7
Average number of employees	16	15	17
Gross profit margin (%)	53.9	56.1	53.2
Earnings per share (SEK)	-0.16	-0.24	-1.04
Average number of shares	15,442,261	11,633,135	12,441,393
Number of shares at the end of the period	15,610,613	11,633,135	14,057,908

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	Q1-2020 01-01-2020 -31-03-2020 3 months	Q1-2019 01-01-2019 -31-03-2019 3 months	Q1-Q4-2019 01-01-2019 -31-12-2019 12 months
Net revenue	3,539	7,024	23,799
Cost of goods sold	-1,633	- 3,082	-12,429
Gross profit	1,906	3,942	11,370
Capitalized own work performed	1,203	0	0
Other external costs	-1,908	-2,613	-9,184
Personnel costs	-3,660	-4,109	-14,768
Depreciation of tangible fixed assets	-442	-227	-290
Other income and expenses	29	109	1,126
Operating result	-2,872	-2,898	-11,746
Other financial income	39	38	219
Other financial costs	-82	- 349	-1,206
Result after financial items	-2,915	- 3,209	-12,733
Tax on the profit of the period	493	366	940
Net result for the period	-2,422	- 2,843	-11,793

Balance Sheet (condensed) - Group

SEK '000	31-03-2020	31-03-2019	31-12-2019
Assets			
Non-current assets			
Development projects under construction	7,852	0	5,451
Total intangible assets	7,852	0	5,451
Other property, plant and equipment	1,858	1,922	2,225
Total tangible assets	1,858	1,922	2,225
Other long-term receivables	843	683	323
Total financial assets	843	683	323
TOTAL NON-CURRENT ASSETS	10,553	2,605	7,999
Current assets			
Inventories	7,670	8,344	7,242
Total inventories	7,670	8,344	7,242
Trade receivables	987	1,549	2,275
Other short-term receivables	876	942	930
Prepaid expenses	414	1,256	327
Tax receivable	1,930	950	1,821
Total short-term receivables	4,207	4,697	5,353
Cash at bank and in hand	14,009	3,044	17,240
TOTAL CURRENT ASSETS	25,886	16,085	29,835
TOTAL ASSETS	36,439	18,690	37,834
Liabilities and Equity			
Equity			
Share capital	1,561	1,163	1,406
Other reserves incl. retained earnings	25,084	759	26,866
TOTAL EQUITY	26,645	1,922	28,272
Non-current liabilities			
Credit institutions	3,447	2,075	3,043
Non-current liabilities	3,447	2,075	3,043
Short-term part of non-current liabilities	751	1,871	918
Trade payables	1,495	1,913	1,648
Other payables	4,101	10,909	3,953
Total current liabilities	6,347	14,693	6,519
TOTAL LIABILITIES	9,794	16,768	9,562
TOTAL LIABILITIES AND EQUITY	36,439	18,690	37,834

Cash Flow Statement (condensed) – Group

SEK '000	Q1-2020 01-01-2020 -31-03-2020 3 months	Q1-2019 01-01-2019 -31-03-2019 3 months	Q1-Q4-2019 01-01-2019 -31-12-2019 12 months
Operating result	-2,872	- 2,898	-14,099
Depreciation	442	227	1,334
Paid financial costs	-44	-311	-695
Tax payments	0	0	979
Cashflow from operating activities before changes in operating capital	-2,474	-2,982	-12,481
Operating activities			
Change in inventories	6	675	1,842
Change in current receivables	1,400	99	303
Change in current liabilities	-305	502	-677
Cash flow from operating activities	-1,373	-1,706	-11,013
Investing activities			
Purchase of tangible assets	0	-424	-1,845
Sale of tangible assets	40	0	0
Purchase of intangible assets	-1,998	0	-5,603
Cash flow from investing activities	1,958	-424	-7,448
Financing activities			
Payment of long-term liabilities	0	0	-6,405
Capital increase, net of costs	-40	0	36,691
Cash flow from financing activities	-40	0	30,286
Cash flow for the period	-3,371	-2,130	11,825
Cash and cash equivalents at period start	17,240	5,140	5,140
Exchange rate recalculation difference – cash and cash equivalents	140	34	275
Cash and cash equivalents at period end	14,009	3,044	17,240

Statement of Changes in Equity (condensed) - Group

SEK '000	Q1-2020 01-01-2020 -31-03-2020 3 months	Q1-2019 01-01-2019 -31-03-2019 3 months	Q1-Q4-2019 01-01-2019 -31-12-2019 12 months
Equity at period start	28,272	4,680	4,680
Exchange adjustments	835	85	-152
Capital increase, net of costs	-40	0	36,691
Net result for the period	-2,422	-2,843	-12,947
Equity at period end	26,645	1,922	28,272

Supplementary Income Statement (condensed) - Group

Key figures from the income statement for the Group are presented below on the basis of the underlying activities. Realfiction has two main activities; 1) Innovation & development activities, including all directly related expenses incurred in connection with the innovation & development activities in the Group and 2) Sales activities, including all other activities in the Group.

Innovation & Development Activities SEK '000	Q1-2020 01-01-2020 -31-03-2020 3 months	Q1-2019 01-01-2019 -31-03-2019 3 months	Q1-Q4-2019 01-01-2019 -31-12-2019 12 months
Capitalized own work performed	1,203	0	3,427
Other external costs	-276	-467	-1,138
Personnel costs	-1,170	-1,049	-4,775
Depreciation of tangible fixed assets	-6	-6	-24
Other income and expenses	8	12	62
Operating result	-241	-1,510	-2,448

Sales Activities SEK '000	Q1-2020 01-01-2020 -31-03-2020 3 months	Q1-2019 01-01-2019 -31-03-2019 3 months	Q1-Q4-2019 01-01-2019 -31-12-2019 12 months
Gross profit	1,906	3,942	11,367
Other external costs	-1,632	- 2,146	-8,761
Personnel costs	-2,490	- 3,060	-13,374
Depreciation of tangible fixed assets	-436	- 221	-1,310
Other income and expenses	21	97	427
Operating result	-2,631	- 1,388	-11,651

Income Statement (condensed) – Parent company

SEK '000	Q1-2020 01-01-2020 -31-03-2020 3 months	Q1-2019 01-01-2019 -31-03-2019 3 months	Q1-Q4-2019 01-01-2019 -31-12-2019 12 months
Operating income			
Net revenue (group internal)	150	150	600
Operating costs			
External costs	-159	- 183	-767
Personnel costs	-94	- 131	-649
Operating result	-103	-164	-816
Other financial costs	0	- 276	-410
Net result for the period	-103	- 440	-1,226

Balance Sheet (condensed) – Parent company

SEK '000	31-03-2020	31-03-2019	31-12-2019
Non-current assets			
Financial assets			
Shares in subsidiary	44,842	26,911	44,842
Total financial assets	44,842	26,911	44,842
TOTAL NON-CURRENT ASSETS	44,842	26,911	44,842
Current assets			
Intercompany receivables	3,023	823	0
Other receivables	100	56	63
Prepaid expenses	149	887	82
Total short-term receivables	3,272	1,766	145
Cash at bank and in hand	11,805	2,030	14,975
TOTAL CURRENT ASSETS	15,077	3,796	15,120
TOTAL ASSETS	59,919	30,707	59,962
Liabilities and Equity			
Equity			
Share capital	1,561	1,163	1,406
Other reserves	57,564	22,537	58,985
Net result of the period	-103	-440	-1,226
TOTAL EQUITY	59,022	23,260	59,165
Trade payables	68	24	0
Other payables	829	7,423	797
Total short-term liabilities	897	7,447	797
TOTAL LIABILITIES	897	7,477	797
TOTAL EQUITY AND LIABILITIES	59,919	30,707	59,962

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 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 XL3 at Mercedes in Malmö



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