

Press release
21 March, 2019



Realfiction Holding AB announces its Year-End Report showing major growth in topline, gross margin and operating cash flows

The company announces that the Year-End Report for January - December 2018 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 Year-End Report.

Important key figures:

- 46% increase in total revenue Q1-Q4 2018 compared to Q1-Q4 2017
- 99% increase in gross profit in Q4 2018 compared to Q4 2017
- 52% increase in gross profit Q1-Q4 2018 compared to Q1-Q4 2017
- 14% increase (6 points) in Gross profit margin in Q4 2018 compared to Q4 2017
- Cash-flow break-even expected during 2019 excluding development cost
- Revenue target of 100 million DKK from Magic-as-a-Service in two to three years

During and after the period, Realfiction has seen progress in a number of areas, including:

Magic-as-a-Service: On 27 November 2018 we launched our Magic-as-a-Service (MaaS) concept with long-term placement of Mixed Reality displays inside hypermarkets and other major retailers in Denmark. From November 2018 to January 2019 we announced several new significant MaaS retail and rental orders that assisted our worldwide customers in creating more awareness and positive reactions.

Project Echo: On 18 March 2019, we announced that Project Echo is now patent pending as we submitted patent applications for our new directional pixel technology. We plan to bring 3D to audiences without glasses or other lenses between the human eye and the effect and where 3D objects become solid and can be viewed and interacted with from different angles. This has historically been an unattainable vision for the industry that most people are aware of from science fiction movies.

Q4 2018 (01-10-2018 – 31-12-2018)

- Revenue totaled TSEK 5,819 (Q4 2017: TSEK 3,325)
- Gross profit totaled TSEK 3,064 (Q4 2017: TSEK 1,538)
- Gross profit margin* was 52.7% (Q4 2017: 46.3%)
- Result after financial items amounted to TSEK -3,389 (Q4 2017: TSEK -4,294)
- Earnings per share** SEK -0.26 (Q4 2017: -0.26)
- Cash flow from operating activities was TSEK -327 (Q4 2017: TSEK -2,366)

Q1–Q4 2018 (01-01-2018 – 31-12-2018)

- Revenue totaled TSEK 23,799 (2017: TSEK 16,319)
- Gross profit totaled TSEK 11,370 (2017: TSEK 7,474)
- Gross profit margin* was 47.8% (2017: 45.8%)
- Result after financial items amounted to TSEK -12,733 (2017: TSEK -10,226)
- Earnings per share** SEK –1.01 (2017: -0.87)
- Cash flow from operating activities was TSEK -14,323 (2017: TSEK -9,752)

* Earnings per share: The net profit or loss for the period divided by the average number of shares.

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CEO Clas Dyrholm comments: “I am delighted to report continued, significant growth and performance improvement quarter over quarter and year over year. Our increased investments in product- and market development, inventory and tangible assets to prepare for our “STEP-UP-2019” strategy is evident in our cash flow in 2018, and I am thrilled that we already see a positive impact on our Q4 2018 cash flows from our MaaS concept – a direction that continues into 2019. I am also very proud that we have reached the very important milestone of filing the core patent applications for our Project Echo technology. This means that the formulas behind the technology have been defined, documented and protected, and that we now have our grand vision of changing the world by creating Real Fiction in sight.”

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, on March 21st, 2019.

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.