



Growth strategy starts to show results

Full year 2019 revenue up 57%, strong EBIT

Control launched to great critical acclaim

HIGHLIGHTS FROM JULY–DECEMBER 2019

- Revenue 17.8 (10.9) million euros, change +63%.
- Operating profit 5.1 (1.0) million euros, 28% of revenue.
- *Control* released on PlayStation 4, Xbox One and PC in August. *Control* has been selected as Game of the Year by over 20 major gaming media outlets and content creators, in addition to receiving 40 other awards and accolades.
- Remedy was part of the *Crossfire* presentation at X019, a major Xbox consumer event held in London. Single player campaign developed by Remedy will be part of *CrossfireX*, which launches on Xbox One during 2020.

HIGHLIGHTS FROM JANUARY–DECEMBER 2019

- Revenue 31.6 (20.1) million euros, change +57%.
- Operating profit 6.5 (0.6) million euros, 21% of revenue.
- Third unannounced project and Vanguard preparing for pre-production.
- First phase of the growth strategy successfully completed.
- Board of Directors proposes a dividend of 0.11 (0.10) euros per share.

KEY FIGURES

FAS, audited	7–12/2019*	7–12/2018*	1–12/2019	1–12/2018
Revenue, 1 000 €	17 846	10 922	31 645	20 146
Growth in revenue, %	63.4%	23.3%	57.1%	17.3%
Operating profit (EBIT), 1 000 €	5 073	997	6 534	609
Operating profit, % of revenue	28.4%	9.1%	20.6%	3.0%
Result for review period, 1 000 €	4 068	880	5 238	532
Result for review period, % of revenue	22.8%	8.1%	16.6%	2.6%
Balance sheet total, 1 000 €			35 896	28 261
Net cash, 1 000 €			15 876	20 089
Cash position, 1 000 €			19 550	23 028
Net gearing, %			-60.2%	-89.9%
Equity ratio, %			73.5%	79.1%
Average number of personnel during review period	243	179	228	169

Earnings per share, €	0.337	0.073	0.434	0.044
Earnings per share, € (diluted)	0.318	0.071	0.410	0.043
Number of shares at the end of period	12 072 150	12 072 150	12 072 150	12 072 150

* Numbers for periods 7–12/2019 and 7–12/2018 are unaudited.

The Board of Directors decided to start capitalizing product development costs related to new Remedy-owned game brand projects, effective from 1 January 2019 onwards. Positive effect of 1 064 thousand euros on operating profit in the second half-year of 2019 and 1 510 thousand euros in the full year 2019.

Calculation formulas used for the indicators

Net cash = cash in hand and at banks + liquid investments - interest-bearing liabilities

Net gearing = (interest-bearing liabilities - cash in hand and at banks - liquid investments) / shareholders' equity

Equity ratio = shareholders' equity / (balance sheet total - advances received)

COMMENTS BY CEO TERO VIRTALA

"2019 was a good year financially for Remedy and an important milestone in our longer-term growth plans. We set a growth-oriented strategy in early 2017 and since then have built new game teams, initiated new projects, developed our skills and improved how we work and collaborate. In 2019, we finalized and launched *Control*, the first of the four games we have been developing as part of our longer-term growth plans.

In 2019, our revenue was 31.6 million euros (20.1), with 57% growth vs. the comparison period. Our operating profit was 6.5 million euros (0.6), or 21 % of our revenue, with 973% growth vs. the comparison period. Cash flow was -3.5 million euros (0.4), and our cash position was 19.6 million euros at the end of the period under review. Cash flow and cash position were affected by the timing of royalty payments related to *Control* and also by our continued development investments.

Our revenue mainly comprised royalties recognized from *Control* game sales as well as development fees received from the publishers for the *Control* and *Crossfire* game projects. *Alan Wake* game sales also contributed to revenue. Royalty payments from previously released games had a positive effect of 2.5 million euros on our operating profit. In relation to this, the publishing rights for *Alan Wake* games also reverted to Remedy.

Control, a game created and owned by Remedy, was released by 505 Games on 27th of August 2019 for PlayStation 4, Xbox One and PC. The game reached an average Metascore of 84/100 from game critics. *Control* also received over 60 awards and accolades during the annual game awards season, including several Game of the Year awards from the world's leading gaming media outlets. Overall, *Control* is a major achievement that proves the capabilities of our team and technology. We have continued to develop *Control* with post-launch content, including the free Photo Mode and Expeditions updates released in October and December 2019. We still have a team working on two paid game expansions (downloadable content, or "DLC") to be released in 2020.

Compared to many big-budget games released in 2019, *Control* hasn't had as large marketing budget, which may have impacted early launch-period game sales. There are still a lot of potential gamers who have yet to discover *Control*, and we are gradually reaching them. This is facilitated by the awards and the proven quality of the game, continued positive word-of-mouth and the ongoing PR, marketing and sales activities of 505 Games and Remedy.

Control's high quality, uniqueness and technical innovation provide opportunities to bring the game to new platforms. The post-launch sales have settled on a good level, and the game has maintained a relatively high average sales price. With *Control*, we have succeeded in creating a new game brand and a game that stands out. All of the above support Remedy's future partner discussions for projects beyond *Control*, a game that is a great manifestation of what we can accomplish as a company.

Remedy has continued work on the second *Crossfire* project in good collaboration with Smilegate, the game's owner and publisher. Smilegate announced at the E3 2019 conference that they are teaming up with Microsoft on *CrossfireX*, which will be the first *Crossfire* title ever to be released on a console platform. The game will include Remedy's single player campaign when it launches on Xbox One in 2020. Remedy was included in the *Crossfire* presentation at X019, a major Xbox consumer event held in London in November.

Our third, as yet unannounced game project is proceeding well. The team working on our fourth project, Vanguard, has reached the stage of having the first internally playable development version of the game. The goal of Vanguard is to create a game that combines long-term service-based multiplayer experiences with some of Remedy's unique game features. Both projects are preparing for pre-production. Overall, we have continued to systematically develop Remedy's production competences, processes and ways of working. A special focus has been on extending our capabilities of distributed development, including wider external development projects, co-developments with partners and outsourcing specific parts of the project.

We continued to develop and utilize our proprietary Northlight game engine and game development tools with a team of 40 people. With the exception of Vanguard, all of our game projects are built on Northlight's game engine. New technology and tools developed for *Control* were finalized, tested and polished – including AI, new animation technology that utilizes motion matching, various content creation tools, PlayStation 4 support and NVIDIA RTX ray tracing. The Northlight team has also started to develop systems and processes that enable game teams to add online functionality to future games. Our current focus is on back-end features required by the Vanguard project. There is also on-going work so that we are prepared for the next generation consoles arriving in 2020.

Remedy's headcount increased 24% and reached 248 full-time employees, who represent game industry professionals from 26 different nationalities, with 50% Finns and 50% from abroad. We received over 2 770 relevant job applications in 2019, which led us to hire 52 permanent employees. Our HR continued to develop and support our growing organization with a long-term emphasis on improving supervisor work and leadership. Systematic feedback and coaching have been special focuses to also enable personal development and career progression, as 69 employees were promoted during 2019. Our Employee Engagement Score was 8.4 on a 0–10 scale, a high score when benchmarked against other similar-sized tech companies worldwide. Additionally, our employee turnover has steadily improved from 14.3% (2017) to 9.5% (2018) to 7.5% (2019) – yet another indication that our efforts in talent management are progressing well.

In 2019, *Control* launched to a great reception, winning multiple awards, and its post-launch sales have settled on a good level while work on the upcoming paid expansions continues. Remedy's other game projects and technology developments are also proceeding well, supported by our wider business and production developments. Overall, we have reached the first growth milestone in 2019, and done it in a way that builds a sustainable basis also for an even longer-term growth.

We continue with the next phase of our growth plan in 2020. Focus will be on the four main game projects we have in development. We will continue to invest and develop capabilities that support these games to

become successes creative-wise, production-wise and business-wise, keeping in mind our goal of launching at least one game or game expansion annually. Even though the launch of our next new game brand will go beyond 2020, we expect 2020 to be a financially good year.”

Future outlook

Remedy expects its revenue and operating profit to increase during 2020. Majority of the revenue and operating profit growth is expected to materialize during the second half-year period.

Based on our growth strategy – and to enable frequent game releases in the future – we will continue working on Smilegate-owned *Crossfire* and on game brands that are owned and significantly financed by Remedy.

Financial targets

Remedy aims to create long-term profitable growth, primarily organically, by expanding the product portfolio and entering into new partnerships.

Royalties and development fees received from publisher partners depend on future game projects, game release schedules and other terms and conditions of each cooperation. Fluctuations between half-year results and even between fiscal years may be significant, depending on the amount and timing of received development fees as well as game release schedules.

Financial review 1 January – 31 December 2019

RESULT FROM BUSINESS OPERATIONS

Remedy's revenue for the period under review was 31 645 (20 146) thousand euros, an increase of 57.1% year-on-year. Main factors contributing to the growth in revenue were the launch of the game *Control* and related recognized royalty income and development fees received from publishers of *Control* and *Crossfire* games. For *Control*, Remedy receives 45% of game sales net revenue. The revenue share for Remedy is calculated from net sales, which takes into account deductions from gross sales, such as retail and marketing costs of the game. These deductions are upfront-loaded and affect revenue share calculation negatively especially in the first months of game sales. During the reporting period, the company also recognized a one-time royalty consisting of royalty payments from previously released games.

The Board of Directors made a decision to capitalize product development expenses partially starting 1 January 2019. The decision concerned product development expenses for two projects – the third not yet announced project and project Vanguard – during the period under review. The company capitalized 1 510 thousand euros of product development expenses during the reporting period. Product development expenses for other projects were not capitalized. The company will from 1 January 2019 onwards capitalize product development expenses for all new own game brand product development projects, subject to FAS product capitalization rules.

Other operating income for the period under review amounted to 181 (249) thousand euros and consisted of cost reimbursements received from a partner. During the comparison period, other operating income was comprised mainly of Business Finland research and development subsidies.

Operating profit (EBIT) amounted to 6 534 (609) thousand euros, being 20.6% of revenue. Main factors contributing to the increase in operating profit were royalty revenue growth and capitalization of product development expenses. Personnel expenses increased by 47.3% during the reporting period compared to the comparison period due to the increased number of personnel and – as result of good profit level – higher amount of bonus accrual than during the comparison period. Materials and services expenses increased by 44.1% mainly due to the increase in outsourced work related mainly to two projects in full production mode. Other operating expenses remained on the same euro-dominated level as during the comparison period and decreased compared to revenue to a level of 16.1% (25.1%). Comparison period's other operating expenses were affected by one-off expenses related to the office move. Effect of the one-time royalty income on operating profit was 2 471 thousand euros. Effect on operating profit from product development expense capitalization for new projects was 1 510 thousand euros. If the effect of one-time royalty payment and capitalization of product development expenses is eliminated, the comparable operating profit for the period would be 2 554 (609) thousand euros. Comparison table eliminating items affecting the comparability of operating profit for the reporting period and comparison period is in the financial tables section

The net result for the period under review amounted to 5 238 (532) thousand euros, being 16.6% (2.6%) of revenue.

FINANCIAL POSITION

The company's balance sheet total on 31 December 2019 was 35 896 (28 261) thousand euros.

The company's equity ratio on 31 December 2019 was 73.5% (79.1%) and net gearing -60.2% (-89.9%). The company did not have any goodwill on its balance sheet.

Non-current assets

The non-current assets on the company's balance sheet on 31 December 2019 were 4 614 (2 969) thousand euros. The increase in non-current assets is largely due to product development expenses capitalization as well as technology and furniture purchases and renovation expenses of the office recognized on the balance sheet.

Current assets

The current assets on the company's balance sheet on 31 December 2019 were 31 282 (25 293) thousand euros. Current assets were mainly comprised of cash in hand and on bank accounts, totaling to 19 550 (23 028) thousand euros, and short-term receivables totaling to 11 211 (1 820) thousand euros. The amount of receivables varies between periods due to the timing of the income payments based on agreed commercial terms.

Shareholders' equity

The company's shareholders' equity on 31 December 2019 was 26 383 (22 352) thousand euros. The shareholders' equity was affected by 1 207 thousand euros dividend payment and by 5 238 thousand euros net profit for the financial period.

Liabilities

The company's liabilities on 31 December 2019 amounted to 9 514 (5 909) thousand euros. The change in liabilities is primarily due to an increase in accounts payables and accruals. Bonus accrual for 2019 was main

reason for accrual increase. Business Finland research and development loan of 3 674 (2 939) thousand euros was recorded in long-term liabilities.

CASH FLOW

Cash flow from business operations after interest paid and direct taxes for reporting period amounted to -492 (2 938) thousand euros. Royalty revenue cash flow is based on agreed payments terms with partners and can differ at certain periods quite much from accrual basis revenue recognized within period. Cash flow for business operations is also affected by timing of significant project business payments, which vary according to invoicing milestones.

Cash flow from investing activities during the reporting period amounted to -2 467 (-3 010) thousand euros. The capitalized product development expenses included in the investing activities' cash flow amounted to 1 510 thousand euros during the reporting period. During the comparison period, investing activities' cash flow was affected by one-time type items related to office premises renovation.

Financing cash flow amounted to -518 (1 050) thousand euros. Financing cash flow during the reporting period consisted of 1 207 thousand euros dividend payment and additional 735 thousand euros withdrawal of Business Finland research and development loan. The company did not pay dividend on comparison period.

Personnel, management and governance

The number of the company's personnel was 248 (200) at the end of the period under review, growth of +24%. The majority of the new employees focus on our game projects, the development of our Northlight technology and general production support.

During the period under review, the company's Executive Team included CEO Tero Virtala, CFO Terhi Kauppi, Production Director Markus Mäki, Creative Director Sami Järvi, HR Director Mikaela Öberg-Mattila (18 March 2019 onwards), Chief Commercial Officer Johannes Paloheimo (18 March 2019 onwards) and Chief Operating Officer Christopher Schmitz (15 April 2019 onwards).

The company's Annual General Meeting, convening on 8 April 2019, re-elected Markus Mäki (Chair), Christian Fredrikson, Jussi Laakkonen, Ossi Pohjola and Henri Österlund as members of the company's Board of Directors for the term lasting until the 2020 Annual General Meeting.

Annual General Meeting 2019

The Annual General Meeting was held on 8 April 2019 in Espoo. The Annual General Meeting decided on the matters belonging to the Annual General Meeting, and

- adopted the income statement and balance sheet for the financial period ended 31 December 2018, and
- decided based on the Board of Directors' proposal dividend distribution of 1 207 thousand euros from the profit and retained earnings of the financial year 2018.

In addition, the Annual General Meeting resolved to authorize the Board of Directors to decide on

- issuing shares or option rights or other special rights so that the maximum number of shares to be issued is 2 000 000 new or existing company shares for a fee, corresponding to 16.57% of all company shares; and
- directed repurchase of the company's shares so that the maximum number of shares to be repurchased is 500 000.

Shares, shareholders and share-based incentive schemes

Remedy Entertainment Plc shares are traded on the First North Growth Market Finland maintained by Nasdaq Helsinki Ltd with the trading code REMEDY. The closing price on the last trading day of the review period was 11.45 €.

January–December 2019	Highest share price, €	Lowest share price, €	Closing share price, €
REMEDY	12.95	6.52	11.45

	31.12.2019	31.12.2018
Market capitalization, €	138 226 118	80 883 405
Number of shareholders	5 529	4 432
Number of shares at the end of period	12 072 150	12 072 150
Number of shares at the end of period, diluted	12 778 400	12 389 400
Average number of shares within period	12 072 150	12 072 150
Average number of shares within period, diluted	12 520 733	12 263 567

The company has one series of shares (ISIN: FI4000251897). The company has no treasury shares. The number of shares in the company was 12 072 150 on 31 December 2019. With its resolution on 8 April 2019, the Annual General Meeting authorized the Board of Directors to decide on a share issue and issue of special rights entitling to shares. Under the authorization, a maximum of 2 000 000 shares may be issued. On 31 December 2019, the unused authorization allowed the Board of Directors to issue 1 600 000 new shares.

The Board of Directors of Remedy Entertainment Plc has, by virtue of the authorization granted by the Annual General Meeting held on 26 March 2018, decided at its meeting held on 8 June 2018 to adopt an option plan "Option Plan 2018" directed to the key persons as decided separately by the Board of Directors. The maximum total number of option rights issued is 400 000, entitling their holders to subscribe for a maximum of 400 000 new shares of the company or existing shares held by the company, corresponding to 3.21 percent of all company shares and votes after a potential subscription if executed with only new shares. Option rights will be granted without payment. The Board of Directors decides on the distribution of option rights until the beginning of the share subscription period. The share subscription period begins on 1 June 2021 and ends on 31 May 2024. The share subscription price is 7.02 euros, which is the trade volume-weighted average price of the company's share on First North Finland marketplace during 1 March – 31 May 2018 with an addition of 10 percent. The Board of Directors have allocated 330 250 option rights until the end of the period under review, and 69 750 option rights remain for the company to allocate at a later time to key persons decided by the Board of Directors.

The Board of Directors of Remedy Entertainment Plc has, by virtue of the authorization granted by the Annual General Meeting held on 8 April 2019, decided at its meeting held on 11 July 2019 to adopt an option

plan "Option Plan 2019" directed to the key persons as decided separately by the Board of Directors. The maximum total number of option rights issued is 400 000, entitling their holders to subscribe for a maximum of 400 000 new shares of the company or existing shares held by the company, corresponding to 3.21 percent of all company shares and votes after a potential subscription if executed with only new shares. Option rights will be granted without payment. The Board of Directors decides on the distribution of option rights until the beginning of the share subscription period. The share subscription period begins on 1 June 2022 and ends on 31 May 2025. The share subscription price is 9.23 euros, which is the trade volume-weighted average price of the company's share on First North Finland marketplace during 1 April – 30 June 2019 with an addition of 10 percent. The Board of Directors have allocated 376 000 option rights until the end of the period under review, and 24 000 option rights remain for the company to allocate at a later time to key persons decided by the Board of Directors.

The option plans are part of the Board of Directors' longer term plan to introduce a long-term share-based incentive program to the company's key persons during 2018–2020, corresponding a total of 10 percent of all company shares and votes after a potential subscription.

Potential option plan for 2020 will be decided separately.

Dividend proposal

Remedy Entertainment Plc had non-restricted equity of 24 754 864.96 euros on 31 December 2019, and profit for the financial year was 5 237 613.09 euros. The Board of Directors proposes to the Annual General Meeting on 6 April 2020 a dividend distribution of 0.11 euros per share, resulting in a total amount of 1 327 936.50 euros in the following way:

	Euros/share	Euros
Dividend distribution from the profit and retained earnings of the financial year	0.11	1 327 936.50
Remaining in non-restricted equity		23 426 928.46
Total		24 754 864.96

The ex-dividend date shall be on 7 April 2020. The dividend shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Ltd on the dividend record date 8 April 2020. The payment date proposed by the Board of Directors for the dividend is 20 April 2020.

The company's Board of Directors has established a dividend policy aimed at maximizing ownership value through efficient allocation of capital. The payment of any dividend is influenced by business investment needs, expected return on investments and ensuring liquidity. In the event that dividend is paid, all shares of the company are entitled to equal dividend.

Annual General Meeting 2020

The Board of Directors decided to call for the Annual General Meeting on 6 April 2020. The company will give notice of the Annual General Meeting at a later date within the time limit set by the Articles of Association.

Risks and uncertainties

The most substantial short-term risks and uncertainties are:

- The company's in-house game development may fail, and the company might not necessarily be able to realize the games it has planned with the sufficient quality, schedule or budget.
- Games developed by the company may fail commercially after their release.
- There is no certainty of the continuity of the company's major publisher partnerships and the company's publisher partners may present claims towards the company.
- The company might not be able to recruit or retain key employees and professionally skilled employees.
- Changes in foreign exchange rates may have a negative impact on the company's foreign currency-denominated receivables from its customers.
- Changes in foreign exchange rates may have a negative impact on the company's foreign currency-denominated payables for its vendors.

The above-mentioned risks might, if they materialize, have a significant negative impact on the company's business operations, result, financial position, outlook and share price.

Events after the end of the reporting period

No significant events after the end of the reporting period.

Change of accounting principles as of 1 January 2019

The Board of Directors made a decision to capitalize product development expenses for new projects that are based on the company's own game brands, effective from 1 January 2019. These projects were Vanguard and third not yet announced project during the reporting period. Product development expenses for other projects were not capitalized during the reporting period. The company has from 1 January 2019 onwards capitalized product development expenses for all new product development projects, subject to FAS product capitalization rules.

Accounting principles applied in the financial statements release

The financial statements release has been prepared in accordance with good accounting practice and Finnish legislation. The information has been presented to the extent required by item 4.4 (e) of the First North rules. The disclosed figures have been rounded up from the accurate figures.

The half-year figures disclosed in the financial statements release are unaudited. The full-year figures disclosed in the financial statements release are audited.

Financial disclosures in 2020

14 February 2020	Full-year financial statements for 1 January – 31 December 2019
Week 13 / 2020	Annual Report 2019
6 April 2020	Annual General Meeting
14 August 2020	Half-year financial review for 1 January – 30 June 2020

Income statement (FAS)

	1.7.- 31.12.2019	1.7.- 31.12.2018	1.1.- 31.12.2019	1.1.- 31.12.2018
Income statement				
REVENUE	17 846 118	10 922 008	31 645 315	20 146 402
Production for own use / Capitalization	1 064 229	0	1 509 678	0
Other operating income	300	25 121	180 634	248 816
Materials and services	-1 936 209	-1 153 285	-3 683 470	-2 556 595
GROSS PROFIT	16 974 437	9 793 844	29 652 157	17 838 623
Personnel expenses	-8 765 185	-5 880 108	-17 200 955	-11 677 169
Wages and salaries	-7 404 195	-4 907 630	-14 296 191	-9 686 247
Social security expenses	-1 360 990	-972 478	-2 904 765	-1 990 922
Depreciation and impairment	-428 846	-352 010	-821 911	-492 702
Depreciation according to plan	-428 846	-352 010	-821 911	-492 702
Other operating expenses	-2 707 060	-2 564 329	-5 094 797	-5 059 484
OPERATING PROFIT (LOSS)	5 073 346	997 396	6 534 493	609 268
Financial income and expenses	19 696	21 608	24 321	61 517
Other interest income and other financial income	171 341	46 884	207 862	199 605
Interest and other financial expenses	-151 644	-25 276	-183 541	-138 088
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	5 093 042	1 019 004	6 558 814	670 785
Income taxes	-1 025 069	-138 619	-1 321 201	-138 617
Taxes for the financial year and previous financial years	-1 025 069	-138 619	-1 321 201	-138 617
PROFIT (LOSS) FOR THE FINANCIAL YEAR	4 067 973	880 385	5 237 613	532 169

Balance sheet (FAS)

BALANCE SHEET	31.12.2019	31.12.2018
NON-CURRENT ASSETS	4 613 944	2 968 534
Product development expenses	1 509 678	0
Other intangible assets	1 333 403	1 670 834
Tangible assets	1 770 863	1 297 700
CURRENT ASSETS	31 282 451	25 292 926
Non-current receivables	520 813	445 029
Loans receivable	51 962	6 347
Other debtors	468 852	438 682
Current receivables	11 211 332	1 819 850
Trade receivables	788 161	875 345
Other receivables	295 521	319 202
Prepayments and accrued income	10 127 651	625 303
Cash in hand and at banks	19 550 306	23 028 047
TOTAL ASSETS	35 896 395	28 261 460
SHAREHOLDERS' EQUITY	26 382 548	22 352 150
Share capital	80 000	80 000
Share premium account	38 005	38 005
Other reserves (Itd)	13 747 629	13 747 629
Retained earnings (losses)	7 279 300	7 954 347
Profit (loss) for the financial year	5 237 613	532 169
LIABILITIES	9 513 847	5 909 310
Non-current liabilities	3 674 000	2 939 200
Loans from financial institutions	3 674 000	2 939 200
Current liabilities	5 839 848	2 970 110
Trade liabilities	845 137	689 399
Other liabilities	275 305	250 359
Accruals	4 719 406	2 030 352
TOTAL EQUITY AND LIABILITIES	35 896 395	28 261 460

Cash flow statement (FAS)

CASH FLOW STATEMENT	1.7.-31.12.2019	1.7.-31.12.2018	1.1.-31.12.2019	1.1.-31.12.2018
Cash flow from business operations	-480 455	6 798 673	-492 390	2 398 303
Cash flow from investments	-1 615 663	-945 413	-2 467 321	-3 009 572
Cash flow from financing	689 278	4 645	-518 030	1 050 667
Liquid assets – opening balance	20 957 147	17 170 142	23 028 047	22 588 649
Change in liquid assets	-1 406 841	5 857 905	-3 477 741	439 399
Liquid assets – closing balance	19 550 306	23 028 047	19 550 306	23 028 047

Statement of changes in shareholders' equity (FAS)

Changes in shareholders' equity 1.7.–31.12.2019	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	Profit for the financial year	SHAREHOLDERS' EQUITY TOTAL
Opening balance 1.7.2019	80 000	38 005	13 747 629	7 279 300	1 169 640	22 314 575
Increase in share capital						
Share issue and other share subscriptions						
Dividend						
Amount paid for own shares						
Profit/loss for the period under review					4 067 973	
SHAREHOLDERS' EQUITY 31.12.2019	80 000	38 005	13 747 629	7 279 300	5 237 613	26 382 548

Changes in shareholders' equity 1.7.–31.12.2018	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	Profit for the financial year	SHAREHOLDERS' EQUITY TOTAL
Opening balance 1.7.2018	80 000	38 005	13 747 629	7 954 347	-348 216	21 471 765
Increase in share capital						
Share issue and other share subscriptions						
Dividend						
Amount paid for own shares						
Profit/loss for the period under review					880 385	
SHAREHOLDERS' EQUITY 31.12.2018	80 000	38 005	13 747 629	7 954 347	532 169	22 352 150

Changes in shareholders' equity 1.1.–31.12.2019	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	Profit for the financial year	SHAREHOLDERS' EQUITY TOTAL
Opening balance 1.1.2019	80 000	38 005	13 747 629	8 486 516	0	22 352 150
Increase in share capital						
Share issue and other share subscriptions						
Dividend				-1 207 215		
Amount paid for own shares						
Profit/loss for the period under review					5 237 613	
SHAREHOLDERS' EQUITY 31.12.2019	80 000	38 005	13 747 629	7 279 300	5 237 613	26 382 548

Changes in shareholders' equity 1.1.–31.12.2018	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	Profit for the financial year	SHAREHOLDERS' EQUITY TOTAL
Opening balance 1.1.2018	80 000	38 005	13 747 629	7 954 347	0	21 819 981
Increase in share capital						
Share issue and other share subscriptions						
Dividend						
Amount paid for own shares						
Profit/loss for the period under review					532 169	
SHAREHOLDERS' EQUITY 31.12.2018	80 000	38 005	13 747 629	7 954 347	532 169	22 352 150

Items affecting comparability of EBIT

	1.7.-31.12.2019	1.7.-31.12.2018	1.1.-31.12.2019	1.1.-31.12.2018
EBIT for the reporting period	5 073 346	997 396	6 534 493	609 268
Product development capitalization effect	1 064 229	0	1 509 678	0
Effect of one-time retroactive royalty income	2 470 626	0	2 470 626	0
Comparable EBIT	1 538 490	997 396	2 554 189	609 268

Major shareholders 31 December 2019

NAME	SHARES	PERCENTAGE
1. Mäki Markus	3 297 000	27.3
2. Järvi Sami Antero	610 000	5.1
3. Virtala Tero Tapani	350 000	2.9
4. Taaleri Micro Markka Equity A	266 042	2.2
5. Lehtinen Saku Hermann	264 000	2.2
6. Reini Mika Olavi	200 000	1.7
7. Tolsa Tero Sakari Anttoni	190 000	1.6
8. Hyytiäinen Anssi Kalervo	178 306	1.5
9. Blåfield Henri Erik	121 000	1.0
10. Pulkkinen Janne Petteri	111 500	0.9
10 largest shareholders total	5 587 848	46.3
Accendo Capital SICAV, SIF (nominee registered)	2 480 187	20.5
Other nominee registered	748 150	6.2
Other shares	3 255 965	27.0
Total	12 072 150	100.0 %

Espoo, 14 February 2020
Remedy Entertainment Plc
Board of Directors

More information

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REMEDY IN BRIEF

Remedy Entertainment Plc is a globally successful video game company known for story-driven and visually stunning console and computer games such as *Control*, *Alan Wake* and *Max Payne*. Remedy also develops its own Northlight game engine and game development tools.

Founded and based in 1995, Finland, the company employs over 260 game industry professionals from 27 different countries. Remedy is listed on the Nasdaq First North Growth Market Finland marketplace.

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