



Control readies for launch, investments in game projects continued

HIGHLIGHTS FROM JANUARY–JUNE 2019

- Revenue 13 799 (9 224) thousand euros, change 49,6 %.
- Operating profit (EBIT) 1 461 (-388) thousand euros, 10,6 % of revenue
- The Board decided to capitalize product development costs related to new Remedy-owned game brand projects, effective from 1 January 2019. Positive effect of 445 thousand euros on operating profit.
- Positive effect on operating profit from one-time royalty booking of 2 471 thousand euros, consisting of royalty payments from previously released games. In relation to this, the publishing rights of *Alan Wake* games reverted to Remedy.
- *Control* reached the final stage of development and is getting ready to be released on 27 August on PlayStation 4, Xbox One and PC.
- Microsoft and Smilegate announced that *CrossfireX* will launch on Xbox One during 2020. Single player campaign developed by Remedy will be part of *CrossfireX*.
- The Company introduced an updated strategy for 2019–2022.
- The Company expanded the Executive Team with HR Director Mikaela Öberg-Mattila, Chief Commercial Officer Johannes Paloheimo and Chief Operating Officer Christopher Schmitz.

KEY FIGURES

FAS, unaudited	1–6/2019	1–6/2018	1–12/2018*	1–12/2017*
Revenue, 1 000 €	13 799	9 224	20 146	17 168
Growth in revenue, %	49,6 %	11,1 %	17,3 %	4,6 %
Operating profit (EBIT), 1 000 €	1 461	-388	609	2 006
Operating profit, % of revenue	10,6 %	-4,2 %	3,0 %	11,7 %
Result for review period, 1 000 €	1 170	-348	532	1 469
Result for review period, % of revenue	8,5 %	-3,8 %	2,6 %	8,6 %
Balance sheet total, 1 000 €	30 432	27 330	28 261	26 652
Net cash, 1 000 €	18 018	14 231	20 089	20 694
Cash position, 1 000 €	20 957	17 170	23 028	22 589
Net gearing, %	-80,7 %	-66,3 %	-89,9 %	-94,8 %
Equity ratio, %	73,3%	78,6 %	79,1 %	81,9 %

Average number of personnel during review period	213	158	169	139
Earnings per share, €	0,097	-0,029	0,044	0,122
Earnings per share, € (diluted)	0,094	-0,028	0,043	0,122
Number of shares at the end of period	12 072 150	12 072 150	12 072 150	12 072 150

* Audited

The Board decided to start capitalizing product development costs related to new Remedy-owned game brand projects, effective from 1 January 2019 onwards. Positive effect of 445 thousand euros on operating profit in the first half-year of 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

"The first half-year of 2019 was a period of heavy investments in our game projects, which proceeded according to our plans. There were no new product releases during this period.

Our revenue was €13,8M (€9,2M), with 49,6 % growth compared to the comparison period. Our operating profit was €1,5M (€-0,4M), being 10,6 % of our revenue. It's noteworthy that our operating profit benefited from the one-time royalty income and the start of product development capitalization.

Our revenue mainly comprised of development fees received from the publishers of *Control* and *Crossfire* game projects. We also recognized one-time royalty of €2,5M, consisting of royalty payments from previously released games. In relation to this, the publishing rights of *Alan Wake* games reverted to Remedy. From 1 January 2019, we began partially capitalizing product development costs, starting with the third unannounced game project and the Vanguard project, with the effect of €0,4M on operating profit. Moving forward, Remedy will capitalize product development costs for all new projects that are based on the Company's own game brands.

Our cash position remained strong, totaling €21,0M at the end of the period under review. Remedy's secure financial position enables the Company's growth investments and independence, providing a strong basis to develop our game projects, operations and business favorably.

Control is in the final stage of development and getting ready to launch on 27 August 2019. The focus of the last development phase has been on ensuring that the game is well balanced and fine-tuned on all platforms as well as preparing for post-launch support activities, including the downloadable content (DLC) to be released later. Marketing of *Control* is handled by its publisher 505 Games, who also entered into an agreement to release the PC version of the game as an Epic Games Store exclusive. *Control* will receive significant visibility on PlayStation marketing channels and the Epic Games Store, thanks to agreements made with respective parties. *Control* also gets

additional promotion from graphics hardware company NVIDIA, whose latest RTX raytracing technology is supported in the PC version. Overall, *Control*'s marketing has kicked into a higher gear, gaining good exposure in key industry events such as GDC and E3, where the game received 24 nominations and 12 awards including best game of the show from Gamespot. High-profile visibility has also been gained via game industry influencers and the most popular gaming media such as IGN, which ran *Control* coverage for an entire month. In addition, a new story trailer was released to an excellent reception. The final big marketing push for *Control* continues as we head towards launching the game on PlayStation 4, Xbox One and PC on 27 August.

Remedy's *Crossfire* work has continued according to plans. We finalized the first *Crossfire* game project with Smilegate during the second half of 2018, and soon after that in October continued the cooperation with a new *Crossfire* project, which is now in production. Smilegate announced a closed beta phase in China for a remaster of the original game titled *Crossfire HD*, which also includes Remedy's single player campaign featured in the teaser trailer revealed in January 2019. In another *Crossfire* development, Microsoft announced during their E3 2019 media briefing that they are bringing *Crossfire* together with Smilegate to Xbox One: *CrossfireX* will be the first *Crossfire* game ever to be released on a console platform as it launches on Xbox One in 2020. The console version will also include our single player campaign.

Our third unannounced game project as well as the Vanguard project have progressed further with small early phase teams. The focus has been on game design, starting the development of the well understood parts of the games, prototyping the new and still uncertain areas, and building the teams further with both internal moves and recruitment. Early negotiations with potential business partners have also started, and as we are in a financially strong position and want to retain stronger business control of our games, we are not in a hurry to sign business partnerships for our new games.

The team dedicated to Remedy's proprietary Northlight game engine and game development tools continued improvements according to our plans. The 40 people strong Northlight team has specifically put extra effort into developing workflows for creating high-quality creatures and digital doubles, automating game release and patching workflows to support multiple platforms, and across the board performance improvements for our game engine. Additionally, the team has been strengthening our technological support capabilities for having two simultaneous game projects in full production mode, as well as for the multi-platform release of *Control* on PlayStation 4, Xbox One and PC. The PC version of *Control* will support NVIDIA's latest RTX raytracing technology, which has also required the Northlight engine team's expertise.

Remedy's HR has continued to develop and support our growing organization with continued emphasis on developing supervisor work. A good example of this have been the developments in gathering and giving relevant feedback that improve the ways we work in our projects and as a company, as well as help our people to develop professionally and affect their career paths within Remedy. We started to gather data and analyze our Employee Engagement during autumn 2018,

and have continued to do so on a regular basis. Supervisors have been able to focus on some development areas relevant for their specific teams, based on data gathered from our employees. Our overall Employee Engagement Score at the end of June 2019 was 8,5 on a scale of 0–10. Remedy is benchmarked against other similar sized tech companies worldwide and we score above the average benchmark. To support our longer-term growth objectives, Remedy's recruitment team has successfully attracted even more talent to our development teams and our personnel reached 220 full-time employees at the end of the first half of 2019.

During the period under review, we have also improved our quality assurance and user research capabilities. We have built our own internal game testing lab facilities, which have extensively been used for playtesting *Control* and gathering valuable feedback for the development team.

We set ourselves a growth-oriented strategy in 2016. During 2017 and 2018, we have been building the basis and making investments to enable that future growth. By early 2019, we had reached key strategic targets: we had developed our capabilities to create high-quality, longer lasting games, we had successfully transformed into a multi-project model organization, and had taken a stronger position in the value chain by both working on partners' and Remedy's game brands.

In early 2019, we started a new phase. We will focus on creating longer lasting games in engaging worlds, systematically pursue strong business ownership of our games, and continuously develop our organization for professionally managed game development, as well as empower and enable our teams and people to maximally use their special talents to create successful world-class games.

We have developed a lot as a company. While kicking off this new phase and preparing for the growth we have been aiming at, we have also extended our Executive Team during spring 2019. The new members include our HR Director Mikaela Öberg-Mattila, Chief Commercial Officer Johannes Paloheimo and newly appointed Chief Operating Officer Christopher Schmitz. In addition to myself, our Chairman of the Board and Chief Technology Officer Markus Mäki, Chief Financial Officer Terhi Kauppi and Creative Director Sami Järvi continue as members of the Executive Team.

During the second half of 2019, we will for the first time see the results of the development we have had, when *Control* launches on 27 August 2019. This marks the beginning of a new era of more frequent game releases in Remedy history, where we strive to launch at least one game or game expansion annually."

Future outlook

The Company expects its revenue and operating profit to increase during the full year 2019. The emphasis on the result of the financial year is on revenue during the second half-year period.

Based on its growth strategy and to enable frequent game releases in the future, the Company will continue working on Smilegate-owned *Crossfire* and on three game brands that are owned and significantly financed by Remedy. *Control* is the first one of these games to launch on 27 August

2019 and its success will have a significant impact on the Company's result during the second half of 2019.

Financial targets

In the long term, the Company's aim is to create profitable growth by expanding the product portfolio and entering into new partnerships. The aim is for the growth to mainly take place organically.

The amount of royalties and development fees received from publisher partners depends on future game projects, game release schedules and other terms and conditions of the cooperation. Fluctuations between half-yearly results and even between financial years may be significant, depending on the amount and timing of received development fees as well as game release schedules.

Financial review 1 January–30 June 2019

RESULT FROM BUSINESS OPERATIONS

The Company's revenue for the period under review was 13 799 (9 224) thousand euros, an increase of 49,6 % year-on-year. Main factors contributing to the growth in revenue were the development of two simultaneous game projects and development fees received from their respective publishers. 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 445 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. This means that product development expenses of the Company's own game brand projects will be capitalized.

Other operating income for the period under review amounted to 180 (224) 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 1 461 (-388) thousand euros, being 10,6 % of revenue. Main factors contributing to the increase in operating profit were a one-time royalty payment and capitalization of product development expenses. Effect of the aforementioned royalty income on operating profit was 2 471 thousand euros. Effect of product development expenses capitalization for new projects on operating profit was 445 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 -1 455 (-388) 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. Personnel expenses increased by 45,5 % during the reporting period compared to the comparison period due to the increased number of personnel. Materials and services expenses increased by 24,5 % due to the increase in outsourced work related to two projects in full production mode. Other operating expenses decreased by 4,3 % mainly due to lower administrative expenses during the reporting period. Comparison period's other operating expenses were affected by expenses related to office move.

The net result for the period under review amounted to 1 170 (-348) thousand euros, being 8,5 % of revenue.

FINANCIAL POSITION

The Company's balance sheet total on 30 June 2019 was 30 432 (27 330) thousand euros.

The Company's equity ratio on 30 June 2019 was 73,3 % (78,6 %) and net gearing -80,7 % (-66,3 %). 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 30 June 2019 were 3 372 (2 375) 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 new office recognized on the balance sheet.

Current assets

The current assets on the Company's balance sheet on 30 June 2019 were 27 060 (24 955) thousand euros. Current assets were mainly comprised of cash in hand and on bank accounts, totaling to 20 957 (17 170) thousand euros, and short-term receivables totaling to 5 656 (7 249) thousand euros. The amount of receivables varies between periods due to the timing of the income from projects based on commercial terms.

Shareholders' equity

The Company's shareholders' equity on 30 June 2019 was 22 315 (21 472) thousand euros. The shareholders' equity was affected by 1 207 thousand euros dividend payment and by 1 170 thousand euros net profit for the financial period.

Liabilities

The Company's liabilities on 30 June 2019 amounted to 8 117 (5 858) thousand euros. The change in liabilities is primarily due to an increase in accounts payables and accruals. Business Finland research and development loan of 2 939 (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 -12 (-4 400) thousand euros. The change in cash flow business operations compared to comparison period is due to significant project business payments, which vary based on invoicing milestones during each period.

Cash flow from investing activities during the reporting period amounted to -852 (-2 064) thousand euros. The capitalized product development expenses included in the investing activities' cash flow amounted to 445 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 -1 207 (1 046) thousand euros. Financing cash flow during the reporting period consisted of 1 207 thousand euros dividend payment, and during the comparison period, long-term liabilities were increased by 1 045 thousand euros due to Business Finland technology loan withdrawal.

Personnel, management and governance

The number of the Company's personnel was 220 (164) at the end of the period under review, growth of +34,1 %. The majority of the new employees focus on our game projects and the development of our Northlight technology.

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, Chief Commercial Officer Johannes Paloheimo and Chief Operating Officer Christopher Schmitz.

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 market maintained by Nasdaq Helsinki Ltd with the trading code REMEDY. The closing price on the last trading day of the review period was 8,82 €.

January–June 2019	Highest share price, €	Lowest share price, €	Closing share price, €	
REMEDY	9,10	6,52	8,82	

	30.6.2019	30.6.2018	31.12.2018	31.12.2017
Market capitalization, €	106 476 363	81 969 899	80 883 405	77 744 646
Number of shareholders	4 466	4 179	4 432	4 184
Number of shares at the end of period	12 072 150	12 072 150	12 072 150	12 072 150
Number of shares at the end of period, diluted	12 391 400	12 394 400	12 389 400	12 072 150
Average number of shares within period	12 072 150	12 072 150	12 072 150	
Average number of shares within period, diluted	12 394 400	12 125 858	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 30 June 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 30 June 2019, the unused authorization allowed the Board of Directors to issue 2 000 000 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 319 250 option rights until the end of

the period under review, and 80 750 option rights remain for the Company to allocate at a later time to key persons decided by the Board of Directors.

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.

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

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. As the "Option Plan 2019" was adopted only after the end of the reporting period, no allocations exist for this program by the end of the reporting period.

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.

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. The Company will from 1 January 2019 onwards capitalize product development expenses for all new product development projects, subject to FAS product capitalization rules.

Accounting principles applied in the half-year review

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.

Income statement (FAS)

	1.1.–30.6. 2019	1.1.–30.6. 2018	1.1.–31.12. 2018	1.1.–31.12. 2017
Income statement				
REVENUE	13 799 198	9 224 394	20 146 402	17 167 957
Production for own use / Capitalization	445 449			
Other operating income	180 334	223 695	248 816	1 074 816
Materials and services	-1 747 261	-1 403 310	-2 556 595	-2 668 725
GROSS PROFIT	12 677 719	8 044 779	17 838 623	15 574 048
Personnel expenses	-8 435 770	-5 797 061	-11 677 169	-9 797 092
Wages and salaries	-6 891 995	-4 778 617	-9 686 247	-8 059 184
Social security expenses	-1 543 775	-1 018 443	-1 990 922	-1 737 908
Depreciation and impairment	-393 065	-140 692	-492 702	-201 846
Depreciation according to plan	-393 065	-140 692	-492 702	-201 846
Other operating expenses	-2 387 737	-2 495 154	-5 059 484	-3 569 071
OPERATING PROFIT (LOSS)	1 461 147	-388 128	609 268	2 006 039
Financial income and expenses	4 625	39 909	61 517	-168 730
Other interest income and other financial income	36 521	152 721	199 605	25 120
Interest and other financial expenses	-31 896	-112 812	-138 088	-193 850
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	1 465 772	-348 219	670 785	1 837 309
Income taxes	-296 132	3	-138 617	-367 970
Taxes for the financial year and previous financial years	-296 132	3	-138 617	-367 970
PROFIT (LOSS) FOR THE FINANCIAL YEAR	1 169 640	-348 216	532 169	1 469 339

Balance sheet (FAS)

BALANCE SHEET	30.6.2019	30.6.2018	31.12.2018	31.12.2017
NON-CURRENT ASSETS	3 372 127	2 375 131	2 968 534	451 664
Product development expenses	445 449			
Other intangible assets	1 488 091	1 462 711	1 670 834	
Tangible assets	1 438 586	912 421	1 297 700	451 664
CURRENT ASSETS	27 059 780	24 955 082	25 292 926	26 200 441
Non-current receivables	446 848	536 425	445 029	512 527
Loans receivable	6 440	10 992	6 347	12 393
Other debtors	440 409	525 433	438 682	500 134
Current receivables	5 655 785	7 248 516	1 819 850	3 099 265
Trade receivables	4 358 259	6 722 872	875 345	2 465 637
Loan receivables	55 000			
Other receivables	275 238	61 127	319 202	192 776
Prepayments and accrued income	967 288	464 517	625 303	440 852
Cash in hand and at banks	20 957 147	17 170 142	23 028 047	22 588 649
TOTAL ASSETS	30 431 906	27 330 214	28 261 460	26 652 105
SHAREHOLDERS' EQUITY	22 314 575	21 471 765	22 352 150	21 819 981
Share capital	80 000	80 000	80 000	80 000
Share premium account	38 005	38 005	38 005	38 005
Other reserves (Itd)	13 747 629	13 747 629	13 747 629	13 747 629
Retained earnings (losses)	7 279 300	7 954 347	7 954 347	6 485 007
Profit (loss) for the financial year	1 169 640	-348 216	532 169	1 469 339
LIABILITIES	8 117 332	5 858 449	5 909 310	4 832 124
Non-current liabilities	2 939 200	2 939 200	2 939 200	1 894 579
Loans from financial institutions	2 939 200	2 939 200	2 939 200	1 894 579
Current liabilities	5 178 132	2 919 249	2 970 110	2 937 545
Trade liabilities	1 404 023	629 925	689 399	431 286
Other liabilities	113 123	45 951	250 359	228 102
Accruals	3 660 985	2 243 373	2 030 352	2 278 157
TOTAL EQUITY AND LIABILITIES	30 431 906	27 330 214	28 261 460	26 652 105

Cash flow statement (FAS)

CASH FLOW STATEMENT	1.1.–30.6.2019	1.1. –30.6.2018	1.1. –31.12.2018	1.1. –31.12.2017
Cash flow from business operations	-11 935	-4 400 370	2 398 303	-2 221 083
Cash flow from investments	-851 658	-2 064 159	-3 009 572	-278 910
Cash flow from financing	-1 207 308	1 046 022	1 050 667	14 740 293
Liquid assets – opening balance	23 028 047	22 588 649	22 588 649	10 348 348
Change in liquid assets	-2 070 900	-5 418 507	439 399	12 240 300
Liquid assets – closing balance	20 957 147	17 170 142	23 028 047	22 588 649

Statement of changes in shareholders' equity (FAS)

Changes in shareholders' equity 1.1.–30.6.2019

	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					1 169 640	
SHAREHOLDERS' EQUITY 30.6.2019	80 000	38 005	13 747 629	7 279 301	1 169 640	22 314 575

Changes in shareholders' equity 1.1.–30.6.2018

	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					-348 216	
SHAREHOLDERS' EQUITY 30.6.2018	80 000	38 005	13 747 629	7 954 347	-348 216	21 471 765

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

	1.1.–30.6.2019	1.1.–30.6.2018
EBIT for the reporting period	1 461 147	-388 128
Product development capitalization effect	445 449	0
Effect of one-time retroactive royalty income	2 470 626	0
Comparable EBIT	-1 454 928	-388 128

Major shareholders 30 June 2019

	NAME	SHARES	PERCENTAGE
1.	Mäki Markus Heimo Tapio	3 447 000	28,6 %
2.	Järvi Sami Antero	610 000	5,1 %
3.	Virtala Tero Tapani	370 000	3,1 %
4.	Lehtinen Saku Hermann	273 500	2,3 %
5.	Sr Taaleritehdas Mikro Markka	266 075	2,2 %
6.	Reini Mika Olavi	260 000	2,2 %
7.	Tolsa Tero Sakari Anttoni	204 000	1,7 %
8.	Hyytiäinen Anssi Kalervo	178 306	1,5 %
9.	Blåfield Henri Erik	125 000	1,0 %
10.	Sihvo Timo Matti	114 000	0,9 %
	10 largest shareholders total	5 847 881	48,4 %
	Accendo Capital SICAV, SIF (nominee registered)	2 680 187	22,2 %
	Other nominee registered	298 372	2,5 %
	Other shares	3 245 710	26,9 %
	Total	12 072 150	100,0 %

Espoo, August 13, 2019

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 *Alan Wake* and *Max Payne*. Founded and based in 1995, Finland, the company employs over 200 game industry professionals from 25 different countries. Remedy is listed on the Nasdaq First North marketplace.

Our latest games include *Control*, a supernatural action-adventure created by Remedy and to be published by 505 Games on August 27th 2019 on PlayStation 4, Xbox One and PC, as well as a cooperation project with Smilegate based on *Crossfire*, which is one of the world's biggest game brands. Remedy also develops its own Northlight game engine and game development tools.

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