



Financial Statements Release JANUARY–DECEMBER 2024





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Remedy Entertainment Plc's Financial Statements Release 2024

Alan Wake 2 sales exceeded 2 million units and the game started to accrue royalties, updated company strategy and growth objectives announced

Higher revenue and improved profitability versus the comparison period

Figures in parentheses refer to the comparison period in the previous year, unless otherwise stated.

Highlights from October–December 2024

- Revenue increased by 13.1% to EUR 11.7 (10.3) million.
- EBITDA increased to EUR -0.6 (-3.9) million, -4.9% (-37.4%) of revenue.
- Operating profit (EBIT) was EUR -1.4 (-12.8) million, and the operating profit margin was -11.9% (-123.9%) of revenue.
- Cash flow from operations was EUR -1.2 (0.1) million.
- In October, the Board of Directors decided on a new option plan 2024.
- In October, Santtu Kallionpää started as Chief Financial Officer.
- In October, Remedy announced The Lake House expansion to Alan Wake 2 and the physical edition became available.
- In October, Remedy announced FBC: Firebreak (previously known as codename Condor), a three-player cooperative multiplayer first-person shooter set in the mysterious world of Control that will be self-published in 2025.
- By the end of 2024, Alan Wake 2 sales exceeded two million units. The game had also recouped the development fees and marketing investments, meaning Remedy started to accrue royalty income from the game sales.

Highlights from January–December 2024

- Revenue increased by 49.3% to EUR 50.7 (33.9) million.
- EBITDA was EUR 2.5 (-17.0) million, 5.0% (-50.0%) of revenue
- Operating profit (EBIT) was EUR -4.3 (-28.6) million, and the operating profit margin was -8.4% (-84.4%) of revenue.
- Cash flow from operations was EUR 12.3 (-16.0) million.
- In February, Remedy acquired full rights to the Control franchise from 505 Games. Through the transaction, all rights to Control, codename Condor (FBC: Firebreak), Control 2, and all future Control products reverted to Remedy.
- In August, Remedy and Annapurna announced a strategic partnership agreement where Annapurna will finance 50% of the development budget for the upcoming Control 2 video game and gain the rights to expand the award-winning Control and Alan Wake franchises into film and television.
- In September, Remedy announced it entered into a EUR 15 million unsecured convertible loan agreement with Tencent. An Extraordinary General Meeting of Remedy was held on October 24, 2024, and it approved the material terms of the loan.
- In October, the Board of Directors decided on a new option plan 2024.
- In October, Remedy announced FBC: Firebreak (previously known as codename Condor), a three-player cooperative multiplayer first-person shooter set in the mysterious world of Control that will be self-published in 2025.
- The Board of Directors proposes that no dividend will be paid for the year 2024.

Key Figures

MEUR, IFRS, Group, unaudited	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Revenue	11.7	10.3	50.7	33.9
Growth in revenue, %	13.1%	-24.4%	49.3%	-22.2%
EBITDA	-0.6	-3.9	2.5	-17.0
EBITDA, % of revenue	-4.9%	-37.4%	5.0%	-50.0%
Operating profit (EBIT)	-1.4	-12.8	-4.3	-28.6
Operating profit, % of revenue	-11.9%	-123.9%	-8.4%	-84.4%
Result for review period	-1.3	-9.9	-3.6	-22.7
Result for review period, % of revenue	-10.8%	-96.5%	-7.1%	-66.8%
Balance sheet total	99.3	79.0	99.3	79.0
Cash flow from operations	-1.2	0.1	12.3	-16.0
Net cash	25.3	23.8	25.3	23.8
Cash and liquid investments	41.1	27.4	41.1	27.4
Net gearing, %	-36.9%	-35.1%	-36.9%	-35.1%
Equity ratio, %	70.9%	85.5%	70.9%	85.5%
Capital expenditures	1.7	1.5	26.6	10.0
Average number of personnel during review period (FTE)	352	337	351	334
Headcount at the end of period	367	352	367	352
Earnings per share, €	-0.09	-0.74	-0.27	-1.68
Earnings per share, € (diluted)	-0.09	-0.74	-0.27	-1.68
Number of shares at the end of period	13,574,151	13,490,151	13,574,151	13,490,151

Comments by CEO Tero Virtala

In the fourth quarter of 2024, revenue increased 13.1% from a year ago to EUR 11.7 million. Development fees increased, driven by higher development fees from *Max Payne 1&2 Remake* and *Control 2*. Royalties decreased from the comparison period and consisted mainly of game sales of *Control*, older *Alan Wake* titles and *Alan Wake 2*. *Alan Wake 2* sales exceeded two million units during the quarter. By the end of 2024, *Alan Wake 2* had recouped its development fees and marketing investments, meaning that Remedy started to accrue royalties towards the end of the quarter. In the fourth quarter, the operating profit was EUR -1.4 million, improving by EUR 11.4 million from the comparison period, in which we had a EUR 7.2 million impairment loss from codename Vanguard.

Games portfolio in Q4 2024

Our games in development progressed as planned during the quarter. October saw particularly high activity around *Alan Wake 2*. Remedy and Epic Games launched The Lake House expansion to *Alan Wake 2* to a positive reception on October 22. This coincided with the release of the physical retail edition of the *Alan Wake 2* Deluxe Edition. In November, with the launch of the PlayStation 5 Pro, Remedy released a Pro-specific update for *Alan Wake 2* and multiple updates to improve the quality of the title across all platforms. At the end of the fourth quarter, *Alan Wake 2* had recouped and reached the milestone of two million units sold.

The self-publishing team also continued to grow, bringing in new members dedicated to *FBC: Firebreak* brand and marketing.

FBC: Firebreak continues in full production. In December, the development team successfully conducted a closed technical test with external players. They tested the game's matchmaking and back-end services, collecting data and experience helping in shaping the final product. *FBC: Firebreak* will be self-published by Remedy in 2025.

Control 2 has been finalizing the production readiness stage and entered full production after the end of the fourth quarter in February 2025. The project has verified the velocity of asset creation, established production pipelines, and is ready for scaling up for production.

Max Payne 1&2 Remake is making steady progress in full production. The development progress is heading towards key development objectives together with the game's publisher Rockstar Games.

New agreements in place

2024 was full of concrete actions that will enable future growth. I want to thank all Remedians for their dedication throughout this eventful year. Since acquiring the *Control* rights in February, we evaluated the options for future business models, aiming to strengthen our position in the value chain. Throughout the year we have been building readiness towards self-publishing and more regular game releases. We were very happy to announce the strategic partnership with Annapurna in August, as well as the convertible loan from Tencent in September. With Annapurna, we can further grow our audiences and expand our franchises beyond games, whereas the financing from Tencent supports our self-publishing strategy.

We are in a great place to begin our strategy period 2025-2030 and have set targets we are confident in reaching as announced in our Capital Markets Day in November. By 2027 we aim to double our 2024 revenue with an EBITDA margin of 30%. 2025 will mark the start of a new growth era for us.

Outlook 2025

Remedy expects its revenue and operating profit (EBIT) to increase from the previous year and operating profit (EBIT) to be positive.

Long-term business prospects

We have two established own franchises, Control and Alan Wake, which are linked through the Remedy Connected Universe. Remedy will self-publish upcoming games, in which Remedy owns the IP. Growing and expanding the two franchises will be a key part of our future. In addition, we work with a partner franchise Max Payne that was originally created by Remedy.

By 2030, we aim to be a highly regarded creative studio with sustainable, significant commercial success. We have set ourselves the following financial targets: 1) Double the 2024 revenue by 2027 with continued growth beyond this milestone and 2) EBITDA margin of 30% by 2027 and maintain that minimum level throughout the strategy period.

A look at Remedy's games portfolio, July-December 2024

It has been an event-filled six months for Remedy, with releases and several announcements providing the building blocks for us to self-publish the highly anticipated *FBC: Firebreak* and *Control 2*. All games in development at Remedy made steady progress during H2 2024.

In August, Remedy announced a strategic partnership with Annapurna, which will fund 50% of *Control 2*'s budget. As part of the collaboration, Annapurna will also focus on expanding Control and Alan Wake into film, television and other audiovisual mediums. Remedy will retain the full IP rights for Control and Alan Wake. In September we also announced a convertible loan agreement with Tencent, which will support us further in developing our games.

During the second half of 2024, Remedy has also taken over the various Control-related publishing operations and community management handled by 505 Games. In 2025, Remedy is gearing up for its 30th anniversary and its biggest year as a developer and publisher yet.

Alan Wake 2

In the second half of 2024 Remedy released the second expansion of *Alan Wake 2*, The Lake House, alongside the release of the physical retail Deluxe Edition of the game. The physical Collector's Edition was shipped to players in December by Limited Run Games. In November, with the launch of the PlayStation 5 Pro, Remedy released a Pro-specific update for *Alan Wake 2* and multiple updates to improve the quality of the title across all platforms. These actions together support *Alan Wake 2*'s long-term sales.

Remedy has started to accrue royalties from the game sales towards the end of Q4 2024.

FBC: Firebreak

Stage gate status: in full production

In October, Remedy announced its first self-published title, *FBC: Firebreak*, in the Xbox Partner Preview digital event. A gameplay teaser trailer showcased Remedy's brand of cooperative multiplayer, giving fans a taste of what's to come. The positioning and messaging of the title were carefully considered to ensure as good reception as possible in a competed genre.

In December, the development team carried out a closed technical test with external players successfully. They tested match-making and other technical components of the upcoming title giving the team data and insight to help development and shape the final product.

Control 2

Stage gate status: finalizing the production readiness stage, entered full production after the end of the fourth quarter in February 2025

The project has verified the velocity of asset creation, established production pipelines, and is ready for scaling up for full production.

Max Payne 1&2 remake

Stage gate status: in full production

Max Payne 1&2 Remake is making steady progress in full production. The development progress is heading towards key development objectives together with the game's publisher Rockstar Games.

Financial disclosures in 2025

February 12, 2025	Financial Statements Report 2024
April 30, 2025	Business Review for January-March 2025
August 12, 2025	Half-year Financial Report for January-June 2025
October 29, 2025	Business Review for January-September 2025

Remedy's Annual Report, Financial Statements and Board of Directors' Report for 2024 will be published on week 11 on company's investor website at <https://investors.remedygames.com/>.

Webcast and conference call

Remedy will host a webcast and conference call in English on its full year 2024 financial results for investors, analysts and media on February 12, 2025, at 12:00 p.m. (EET). Remedy's financial results will be presented by CEO Tero Virtala and CFO Santtu Kallionpää.

The Financial Statements Release will be available after publication on Remedy's Investor website: <https://investors.remedygames.com/financials-and-reports/financial-reports/>.

Webcast details:

Register in advance for the webcast:

<https://remedy.zoom.us/j/81723693442?pwd=JCO1LlUqxph4UGHA30fqVPC2FfrLzE.1>

After registering, you will receive a confirmation email containing information about joining the webcast.

Conference call details:

Dial in by calling your local phone number a few minutes before the briefing begins.

International numbers are available at: <https://remedy.zoom.us/j/kbZXDFBZgc>.

Finland: +358 9 7252 2471

Sweden: +46 850 539 728

United Kingdom: +44 330 088 5830

United States: +1 646 558 8656

Webinar ID: 817 2369 3442

Passcode: 487991

A recording of the webcast will be available afterwards on Remedy's Investor website:

<https://investors.remedygames.com/financials-and-reports/financial-reports/>.

More information

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Remedy in brief

Remedy Entertainment Plc is a pioneering, globally renowned video game company founded in 1995 and headquartered in Finland with an office in Stockholm, Sweden. Known for its story-driven and visually stunning action games, Remedy has created multiple successful, critically acclaimed franchises such as Control, Alan Wake and Max Payne. Remedy also develops its own Northlight game engine and tools technology that powers its games. Remedy's shares are listed on Nasdaq Helsinki's main list.

www.remedygames.com

Result from business operations

October–December 2024

In October–December 2024, Remedy's revenue increased by 13.1% in relation to the comparison period, amounting to EUR 11.7 (10.3) million. Development fees were EUR 10.2 (7.6) million and royalties were EUR 1.5 (2.7) million. The main sources of revenue in October - December 2024 were the development fees from Max Payne 1&2 remake and Control 2, and royalties from Control and Alan Wake Remastered. Following the revenue recognition, Alan Wake 2 royalties were accrued after the recoup.

In October–December 2024, Remedy's EBITDA increased to EUR -0.6 (-3.9) million and operating profit (EBIT) was EUR -1.4 (-12.8) million, or -11.9% (-123.9%) of the revenue. Materials and services expenses were 19.8%, personnel expenses 10.7%, and other operating expenses 7.8% lower than in the comparison period. In the comparison period 2023, the operating profit was affected by the EUR -7.2 million write-off of codename Vanguard.

January–December 2024

In January–December 2024, Remedy's revenue increased by 49.3% to EUR 50.7 (33.9) million. Development fees were EUR 45.6 (28.7) million and royalties were EUR 5.1 (5.2) million. The main sources of revenue were development fees from Max Payne 1&2 remake and Control 2.

In January–December 2024, Remedy's EBITDA increased to EUR 2.5 (-17.0) million and operating profit (EBIT) to EUR -4.3 (-28.7) million, or -8.4% (-84.4%) of the revenue. Materials and services expenses were 1.7%, personnel expenses 8.4%, and other operating expenses 3.2% lower than in the comparison period. During the period, the capitalized development expenses regarding Alan Wake Remastered became fully depreciated and depreciations regarding Alan Wake 2 were started. As we entered a strategic partnership with Annapurna, we made a 3.4 million euros one-time depreciation of the capitalized expenses of Control franchise products.

Cash flow and financial position

Cash flow

October–December 2024

In October–December 2024, Remedy's cash flow from business operations amounted to EUR -1.2 (0.1) million. Operating cash flow was impacted by a smaller amount of incoming payments from partners even though the outgoing payments for operating expenses were smaller than in the comparison period.

First Alan Wake 2 royalties were accrued, but did not have cash flow impact for the period. Royalty revenue cash flow is based on agreed payment terms with partners and can differ significantly during certain periods from accrual-based revenue recognized within a period. Cash flow from business operations is also affected by the timing of

significant incoming project development fee payments, which vary according to invoicing milestones.

In October–December 2024, Remedy’s cash flow from investing activities amounted to EUR -12.2 (-0.5) million and cash flow from financing activities amounted to EUR 13.3 (-1.3) million. Cash from investing activities contained EUR 10.0 cash management investment to funds whereas cashflow from financing activities was affected by EUR 15.0 million convertible loan payment to Remedy.

January–December 2024

In January–December 2024, Remedy’s cash flow from business operations amounted to EUR 12.3 (-16.0) million. Compared to the comparison period, Remedy received significantly more payments, including also a one-time payment related to Control 2 development fees from previously done work. At the same time outgoing payments of expenses were slightly lower than in the comparison period.

In January–December 2024, Remedy’s cash flow from investing activities amounted to EUR -24.2 (-9.8) million and cash flow from financing activities amounted to EUR 12.9 (-3.1) million. Cash flow from investing activities in 2024 contains two of the three instalments related to acquisition of Control franchise publishing rights.

Financial position

Remedy’s non-current assets on December 31, 2024, totaled EUR 52.0 (34.9) million. The increase in non-current assets is largely due to intangible assets, which grew through capitalized product development expenses but also by the acquisition of Control franchise publishing rights. The total amount of intangible assets was EUR 39.8 (19.3) million on December 31, 2024. The company has several projects under development and their product development costs are capitalized according to IFRS standards as well as the publishing rights of Control franchise. The company does not have any goodwill on its balance sheet. On December 31, 2024, Remedy’s cash position was EUR 21.0 (20.1) million and other current financial assets EUR 20.1 (7.4) million.

The company’s liabilities on December 31, 2024, amounted to EUR 30.8 (11.5) million. Liabilities in 2024 contain convertible bond from Tencent and the last installment of Control franchise publishing rights. Remedy’s balance sheet total on December 31, 2024, was EUR 99.3 (79.3) million and equity EUR 68.5 (67.8) million. The company’s equity ratio was 70.9% (85.5%) and net gearing -36.9% (-35.1%).

Personnel, management and governance

The number of the company’s personnel (headcount) was 367 (352) at the end of the period under review, with an annual growth of 4%. 46% of the personnel are Finnish and 54% represent 35 other nationalities.

At the end of the period under review, the company's Core Management Team comprised CEO Tero Virtala, CFO Santtu Kallionpää, Chief Product Officer Markus Mäki, Creative Director Sami Järvi, Creative Director Mikael Kasurinen, Chief Commercial Officer Johannes Paloheimo and Chief Technology Officer Mika Vehkala.

Annual General Meeting

The Annual General Meeting was held on April 12, 2024, in Espoo.

The Annual General Meeting elected Markus Mäki (Chair), Henri Österlund, Kaisa Salakka, Sonja Ängeslevä and Kai Tavakka as members of the company's Board of Directors. The members of the Board of Directors were elected for the term lasting until the 2025 Annual General Meeting.

The Annual General Meeting decided on the matters belonging to the Annual General Meeting, and

- adopted the financial statements for the financial period ended December 31, 2023,
- discharged the members of the Board of Directors and the CEO from liability for the financial year 2023,
- adopted the company's Remuneration Report,
- decided, based on the Board of Directors' proposal, that no dividend will be paid for the year 2023,
- confirmed that the remuneration payable to the Chairman of the Board of Directors is EUR 4,500 per month and to each Board member EUR 3,000 per month, and
- re-elected KPMG Oy Ab as the auditor of the company with Petri Sammalisto, APA, acting as the auditor with the principal responsibility.

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

- the directed repurchase of a maximum of 700,000 of the company's own shares in one or more instalments using the company's unrestricted equity, and
- the issuance of shares for a fee or without a fee or issuances of option rights or special rights so that the number of shares to be issued can be at maximum 700,000, and shares can be issued in deviation from the shareholders' pre-emptive rights.

The authorization for the directed repurchase of own shares is valid until the closing of the next Annual General Meeting, however, no longer than until October 12, 2025, and it replaces the previous authorizations. The authorization to decide on share issues or issuance of option rights or other special rights is valid until the close of the company's following Annual General Meeting, but no longer than 18 months from the date of the Annual General Meeting and it replaces the previous authorizations.

At its organizing meeting held after the Annual General Meeting, the Board elected Markus Mäki to continue as the Chairman of the Board of Directors.

Extraordinary General Meeting

The Extraordinary General Meeting of Remedy Entertainment Plc was held on October 24, 2024, at the company's office at Luomanportti 3, 02200 Espoo, Finland. Shareholders were also able to exercise their voting rights by voting in advance.

The Extraordinary General Meeting decided, in accordance with the Board of Directors' proposal, to approve the material terms and conditions of convertible loan and authorize the Board of Directors to decide on the issuance of special rights entitling to 811 100 shares.

Shares, shareholders and share-based incentive schemes

Remedy's shares are traded in Nasdaq Helsinki with the trading code REMEDY. The closing price of Remedy's shares on the last trading day of the review period was 14.06 euros.

January– December 2024	Highest share price, €	Lowest share price, €	Closing share price, €	Volume-weighted average price, €
REMEDY	26.50	12.72	14.06	17.44
			31.12.2024	31.12.2023
Market capitalization, €			190,852,563	342,649,835
Number of shareholders			17,107	17,745
Number of shares at the end of period			13,574,151	13,490,151
Number of shares at the end of period, diluted (IFRS)*			13,632,379	13,683,711
Number of shares at the end of period, diluted			13,743,650	14,574,150
Average number of shares within period			13,550,901	13,478,474
Average number of shares within period, diluted (IFRS)*			13,619,843	13,672,267
Average number of shares within period, diluted			13,761,275	14,287,775
Value of share turnover within period			40,425,084	41,933,882
Total number of traded shares within period			2,318,893	1,708,862

*Calculated according to International Financial Reporting Standards (IFRS)

The company has one series of shares (ISIN: FI4000251897). The number of shares in the company was 13,574,151 on December 31, 2024. The company held no treasury shares.

A total of 7,250 new shares of Remedy were subscribed for with the company's stock options 2018, a total of 17,000 new shares of Remedy were subscribed for with the company's stock options 2019 and a total of 2,000 new shares of Remedy were subscribed for with the company's stock options 2020 between September 16 and December 31, 2023. These shares were registered in the Trade Register on February 1, 2024. As an outcome, the number of the company's shares increased from 13,490,151 to 13,516,401.

A total of 33,250 new shares of Remedy were subscribed for with the company's stock options 2018 and a total of 3,000 new shares of Remedy were subscribed for with the company's stock options 2019 between January 1 and March 31, 2024. These shares were registered in the Trade Register on April 11, 2024. As an outcome, the number of the company's shares increased from 13,516,401 to 13,552,651.

A total of 14,500 new shares of Remedy were subscribed for with the company's stock options 2018 and a total of 2,000 new shares of Remedy were subscribed for with the company's stock options 2019 between April 1 and May 31, 2024. These shares were registered in the Trade Register on July 1, 2024. As an outcome, the number of the company's shares increased from 13,552,651 to 13,569,151.

A total of 5,000 new shares of Remedy were subscribed for with the company's stock options 2019 between June 1 and September 15, 2024. These shares were registered in the Trade Register on September 30, 2024. As an outcome, the number of the company's shares increased from 13,569,151 to 13,574,151.

On April 12, 2024, the Annual General Meeting resolved to authorize the Board of Directors to resolve on the issuance of shares for a fee or without a fee or issuances of option rights or special rights so that the number of shares to be issued can be at maximum 700,000. On 31 December 2024, 350,000 shares are left to be issued under the authorization of the Annual General Meeting on said date.

Major shareholders on December 31, 2024

	Name	Shares	Percentage
1.	Mäki Markus	3,197,000	23.6
2.	Järvi Sami Antero	560,000	4.1
3.	Virtala Tero Tapani	300,000	2.2
4.	Lehtinen Saku Hermann	214,820	1.6
5.	Evli Finnish Small Cap Fund	198,390	1.5
6.	Sijoitusrahasto Aktia Capital	159,807	1.2
7.	Varma Mutual Pension Insurance Company	150,000	1.1
8.	Proprius partners micro finland (non-ucits)	149,750	1.1
9.	Paloheimo Johannes Alfred Gustaf	103,000	0.8
10.	Fredrikson Karl-Christian	101,500	0.7
	10 largest shareholders total	5,134,267	37.8
	Accendo Capital SICAV RAIF (nominee registered)	2,063,162	15.2
	Other nominee registered	2,350,238	17.3
	Other shares	4,026,484	29.7
	Total	13,574,151	100.0%

Option plans

Remedy has six option plans directed to Remedy’s key persons: Option Plan 2019, Option Plan 2020, Option Plan 2021, Option Plan 2022, Option Plan 2023 and Option Plan 2024. The table below illustrates the key information about the option plans. More information about the option plans can be found on Remedy’s website at

<https://investors.remedygames.com/remuneration/>.

Key information about the option plans as of December 31, 2024

Option Plan	Maximum number of option rights issued	Number of allocated option rights	Number of unexercised option rights	Share subscription period	Share subscription price, EUR
Option Plan 2019	371,000	371,000	180,499	June 1, 2022 – May 31, 2025	9.23
Option Plan 2020	400,000	170,500	170,500	June 1, 2023 – May 31, 2026	22.21
Option Plan 2021	350,000	270,000	270,000	June 1, 2024 – May 31, 2027	47.09
Option Plan 2022	350,000	292,000	292,000	June 1, 2025 – May 31, 2028	26.64
Option Plan 2023	350,000	279,000	279,000	June 1, 2026 – May 31, 2029	27.31
Option Plan 2024	350,000	322,000	322,000	June 1, 2027 – May 31, 2030	19.76

Remedy’s option rights 2019 are listed on the Nasdaq Helsinki Ltd First North Growth marketplace. The share subscription period for option rights 2021 started on June 1, 2024. On May 31, Remedy cancelled a total of 177,500 option rights 2021 held by the company. Originally, a total number of 350,000 option rights 2021 were issued. After the cancellation, the remaining 172,500 option rights 2021 entitle their holders to subscribe for 172,500 company shares.

On October 4, 2024, The Board of Directors of Remedy decided to adopt a new option plan “Option Plan 2024” directed to the key persons. The maximum total number of option rights issued is 350,000, entitling their holders to subscribe for a maximum of 350,000 new shares of the company or existing shares held by the company. The number of the company’s shares may increase at maximum by 350,000 shares as a result of the share subscriptions with the option rights, equaling 2.58 percent of all shares and votes in the company after the possible share subscription, if only new shares are issued in the subscription.

Dividend proposal

On December 31, 2024, Remedy Entertainment Plc’s non-restricted equity was 39,606,103.54 euros, and the result for the financial year was -3,814,988.28 euros.

The Board of Directors proposes to the Annual General Meeting that no dividend be paid based on the balance sheet to be adopted for the financial year 2024.

Annual General Meeting 2025

Remedy's Annual General Meeting is planned to be held on April 10, 2025. The company will give notice to the Annual General Meeting separately in accordance with its Articles of Association.

Risks and uncertainties

The most substantial short-term risks and uncertainties are:

- Remedy's game development efforts may fail if the company is unable to develop its games within set mandates, such as release schedule, quality, and budget. Additionally, the company's games may not generate sufficient sales after their release, even if well received and of high quality, thus generating less than estimated game revenue for Remedy.
- Remedy has entered into long-term agreements with its partners related to game projects in development. If the company failed to satisfy key contract obligations, its partners could terminate their agreements with, or present claims to, the company.
- Remedy is planning to self-publish its games based on fully owned IPs and is this way taking more financing risk in game development. In case the self-published games are not successful and do not generate sufficient sales, Remedy carries the risk of the games not becoming profitable.
- Remedy's success depends significantly on its ability to hire, train, and retain skilled personnel. If the company fails in these areas, it will be unable to effectively conduct its business.
- Remedy's business is subject to economic, market, and geopolitical conditions, which are beyond its control.

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

Tables

The annual financial statements figures presented in this release are based on the company's audited financial statements. The auditor's report was issued on 11 February 2025.

Consolidated statement of comprehensive income

EUR thousand	10-12/2024	10-12/2023	1-12/2024	1-12/2023
REVENUE	11,651	10,302	50,661	33,932
Other operating income	-	-	2	49
Materials and services	-4,217	-5,261	-16,557	-16,841
Personnel expenses	-6,203	-6,943	-24,672	-26,938
Depreciation and impairment	-819	-8,913	-6,791	-11,676
Other operating expenses	-1,801	-1,954	-6,922	-7,153
OPERATING PROFIT (LOSS)	-1,390	-12,769	-4,280	-28,627
Financial income	279	849	879	1,766
Financial expenses	-248	-300	-420	-681
PROFIT (LOSS) BEFORE INCOME TAXES	-1,359	-12,220	-3,820	-27,541
Income tax expense	98	2,274	224	4,885
PROFIT (LOSS) FOR THE FINANCIAL YEAR	-1,261	-9,946	-3,596	-22,657
OTHER COMPREHENSIVE INCOME (EXPENSE)				
Items that may be subsequently reclassified to profit or loss	0	0	0	0
Total other comprehensive income (expense) for the financial year	0	0	0	0
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE FINANCIAL YEAR	-1,261	-9,946	-3,596	-22,657
PROFIT (LOSS) FOR THE FINANCIAL YEAR ATTRIBUTABLE TO				
Owners of the company	-1,261	-9,946	-3,596	-22,657
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the company	-1,261	-9,946	-3,596	-22,657
EARNINGS PER SHARE				
Basic earnings per share, euro	-0,09	-0,74	-0,27	-1,68
Diluted earnings per share, euro	-0,09	-0,74	-0,27	-1,68

Consolidated balance sheet

EUR thousand	December 31, 2024	December 31, 2023
NON-CURRENT ASSETS		
Intangible assets	39,815	19,308
Tangible assets	3,357	3,806
Right-of-use assets	2,471	2,720
Investments	0	3,000
Non-current receivables	987	1,013
Deferred tax assets	5,355	5,027
CURRENT ASSETS		
Inventory	0	6
Trade and other receivables	6,237	16,957
Other current financial assets	20,115	7,357
Cash and cash equivalents	20,996	20,066
TOTAL ASSETS	99,333	79,260
EQUITY		
Share capital	80	80
Share premium	38	38
Invested non-restricted equity reserve	58,344	57,815
Retained earnings (losses)	13,661	32,474
Profit (loss) for the financial year	-3,596	-22,657
LIABILITIES		
Non-current liabilities		
Convertible bonds	13,331	0
Lease liabilities	1,127	1,433
Current liabilities		
Government loan	0	918
Lease liabilities	1,376	1,309
Trade and other payables	14,844	7,751
Deferred tax liabilities	127	99
TOTAL EQUITY AND LIABILITIES	99,333	79,260

Condensed consolidated statement of cash flow

EUR thousand	1-12/2024	1-12/2023
Cash flow from business operations	12,268	-16,034
Cash flow from investments	-24,206	-9,822
Cash flow from financing	12,868	-3,112
Liquid assets – opening balance	20,066	49,034
Change in liquid assets	930	-28,968
Liquid assets – closing balance	20,996	20,066

Consolidated statement of changes in equity

Changes in shareholders' equity 1-12/2024	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	SHARE-HOLDERS' EQUITY TOTAL
EUR thousand					
Balance January 1, 2024	80	38	57,815	9,817	67,750
Comprehensive income					
Profit (Loss) for the financial year				-3,596	-3,596
Other comprehensive income					
Total comprehensive income				-3,596	-3,596
Transactions with owners of the company					
Share options granted				2,392	2,392
Share issue and other share subscriptions			529		529
Equity component of convertible bond issue				1,452	1,452
Total transactions with owners			529	3,844	4,373
BALANCE December 31, 2024	80	38	58,344	10,065	68,528

Changes in shareholders' equity 1-12/2023	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	SHARE-HOLDERS' EQUITY TOTAL
EUR thousand					
Balance January 1, 2023	80	38	57,101	31,137	88,356
Comprehensive income					
Profit (Loss) for the financial year				-22,657	-22,657
Other comprehensive income					
Total comprehensive income				-22,657	-22,657

Transactions with owners of the company

Dividend distribution				-1,347	-1,347
Share options granted				2,684	2,684
Share issue and other share subscriptions			714		714
Total transactions with owners			714	1,337	2,051
BALANCE December 31, 2023	80	38	57,815	9,817	67,750

Notes to Financial Statement January–December 2024

Accounting policies applied in the Financial Statement report

The Financial Statement report has been prepared in accordance with IAS 34 'Interim Financial Reporting' while adhering to related IFRS standards applicable within the EU on December 31, 2024. The accounting policies of the interim report are similar to the accounting policies applied in the financial statements according to IFRS for the period ended December 31, 2023. The disclosed figures have been rounded off from the accurate figures.

Revenue breakdown per quarter

EUR thousand	10–12/2024	7–9/2024	4–6/2024	1–3/2024	10–12/2023	7–9/2023
Development fees	10,184	17,028	9,436	8,961	7,648	6,714
Royalties	1,467	839	912	1,834	2,655	1,102
Total	11,651	17,866	10,349	10,795	10,302	7,816

Fair value measurement and hierarchy of financial instruments

Currently Remedy's financial assets measured at fair value comprise of investments to equity funds. Investments in equity funds are classified at fair value level 1 and valued at the publicly announced value of the end of the reporting period. Financial liabilities consist of unsecured government loan, which is classified at fair value level 3.

December 31, 2024	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
EUR thousand					
Financial assets measured at fair value					
Investments to equity funds	20,115	20,115	-	-	20,115
	20,115	20,115	-	-	20,115
Financial liabilities not measured at fair value					
Convertible bonds	13,331	-	-	13,331	13,331
	13,331	-	-	13,331	13,331

December 31, 2023	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
EUR thousand					
Financial assets measured at fair value					
Investments to equity funds	10,357	10,357	-	-	10,357
	10,357	10,357	-	-	10,357
Financial liabilities not measured at fair value					
Unsecured government loan	918	-	-	918	918
	918	-	-	918	918

Level 1: fair value is calculated on the basis of quoted prices (unadjusted) in active markets for identical assets or liabilities that Remedy can access at the measurement date.

Level 2: fair value is calculated on the basis of inputs other than quoted prices included in Level 1 that are observable for the asset or liability; either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: fair value is calculated on the basis of inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, Remedy uses observable market data as far as possible.

Changes in property, plant and equipment

EUR thousand	Machinery and equipment		Other tangible assets		Total	
	2024	2023	2024	2023	2024	2023
Cost						
Balance January 1	8,504	6,233	1,988	1,918	10,492	8,151
Additions	1,046	2,271	-	70	1,046	2,341
Balance December 31	9,550	8,504	1,988	1,988	11,538	10,492
Accumulated depreciation and impairment						
Balance January 1	-4,762	-3,215	-1,923	-1,793	-6,686	-5,009
Depreciation	-1,471	-1,547	-24	-130	-1,495	-1,677
Balance December 31	-6,233	-4,762	-1,947	-1,923	-8,180	-6,686
Carrying amount on January 1	3,742	3,018	65	125	3,806	3,142
Carrying amount on December 31	3,316	3,742	41	65	3,357	3,806

Changes in intangible assets

EUR thousand	Capitalized development costs		Other intangible assets		Total	
	2024	2023	2024	2023	2024	2023
Cost						
Balance January 1	38,017	33,237	-	-	38,017	33,237
Additions	8,008	4,780	16,416	-	24,424	4,780
Balance December 31	46,026	38,017	16,416	-	62,441	38,017
Accumulated amortization and impairment						
Balance January 1	-18,709	-9,975	-	-	-18,709	-9,975
Amortization	-487	-1,556	-3,430	-	-3,917	-1,556
Impairment losses	-	-7,178	-	-	-	-7,178
Balance December 31	-19,197	-18,709	-3,430	-	-22,626	-18,709
Carrying amount on January 1	19,308	23,262	0	0	19,308	23,262
Carrying amount on December 31	26,829	19,308	12,986	0	39,815	19,308

Calculation formulas used for the indicators

EBITDA: Operating profit (EBIT) + depreciation and amortization

Operating profit (EBIT): Profit (loss) before taxes and financial items

Operating profit, % of revenue: Operating profit (EBIT) / revenue

Net cash: Cash and cash equivalents + liquid investments* - interest-bearing liabilities

Net gearing, %: (Interest-bearing liabilities - cash and cash equivalents – liquid investments*) / shareholders' equity

Equity ratio: Shareholders' equity / (balance sheet total - advances received)

Capital Expenditures: Change in tangible and intangible assets added by depreciation of these assets

*Liquid investments include Remedy's liquid investments to equity funds.

Espoo, February 12, 2025
Remedy Entertainment Plc
Board of Directors