



SIJOITTAJATARINAN RAKENTAMINEN PELIYHTIÖSSÄ

Tero Virtala, CEO, Remedy Entertainment Oyj

IR Day 1.10.2019

REMEDY IN A NUTSHELL

- Video game company from Finland, founded in 1995.
- AAA console and PC games that expand into long-lasting franchises.
- Immersive worlds and stories with memorable characters.
- Focused, highly polished action gameplay.
- 250 professionals, 27 nationalities, 1 studio based in Espoo, Finland.



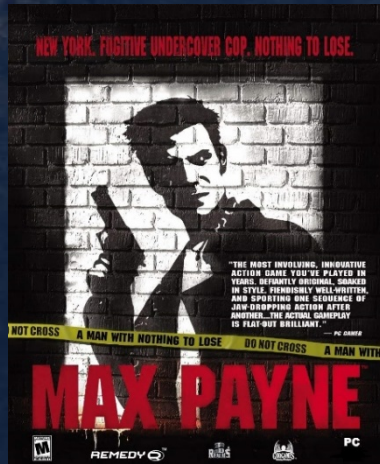
A cinematic background image of a modern, multi-level building interior. The scene is characterized by a strong blue and red color palette. In the center, a bright red glow emanates from a lower level, where three silhouetted figures are visible. The architecture features large, angular concrete blocks and a complex, multi-tiered structure. American flags are mounted on the walls of the upper levels. The overall atmosphere is dramatic and futuristic.

BACKGROUND

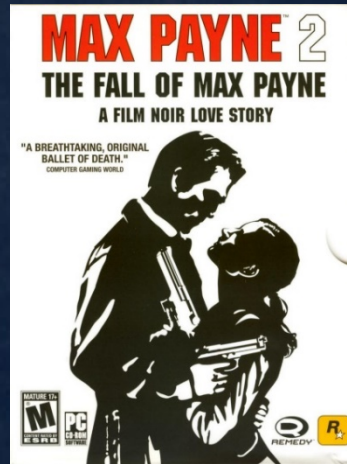
REMEDY HISTORY



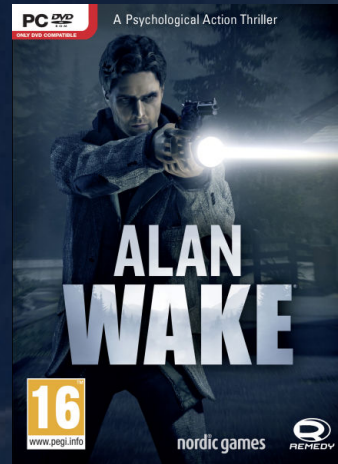
1996



2001



2003



2010



2012



2016

“With this amount of talent,
we should be able
to do **so much more.**”

ANALYSIS FROM 2016



STRENGTHS to build on

- Talented and responsible people
- People-caring culture
- Unique, polished games with story & action
- Northlight to support our uniqueness
- Remedy brand



WEAKNESSES to improve

- Need longer gameplay with managed budgets
- Productions with many uncertainties and delays
- Partly unclear roles and ways of working
- Dependency on 1 project & 1 partner
- Limited financial strength.



OPPORTUNITIES to consider

- Crossfire & Smilegate
- Own Remedy IPs with sequels:
With our strengths + longer gameplay
- Multiplatform
- New future platforms



UNCERTAINTIES and RISKS to manage

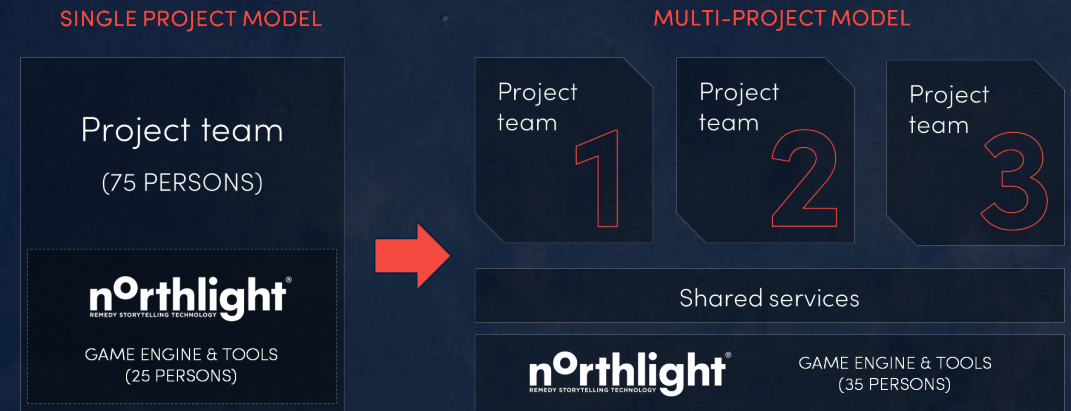
- Manage personnel growth and multiple projects.
- Have new projects ready in quality, clearly faster than before.
- How to serve our players for a longer time ?
- Have new technology-parts ready in time.

EARLY 2017 NEW STRATEGY WAS SET: TRANSFORMATION TO ENABLE FUTURE GROWTH

1. Games that stand out in the market and expand into long-term franchises

- Worlds, characters, stories + action
- Towards longer-lasting gameplay and new storytelling techniques.

2. Scalability via multi-project model



3. Stronger position in the value chain



GOING PUBLIC

- Remedy listed on Nasdaq First North Finland marketplace in May 2017.
- Successful IPO.
- 4 700 new shareholders.
- Raised € 13 million to support our new strategy.





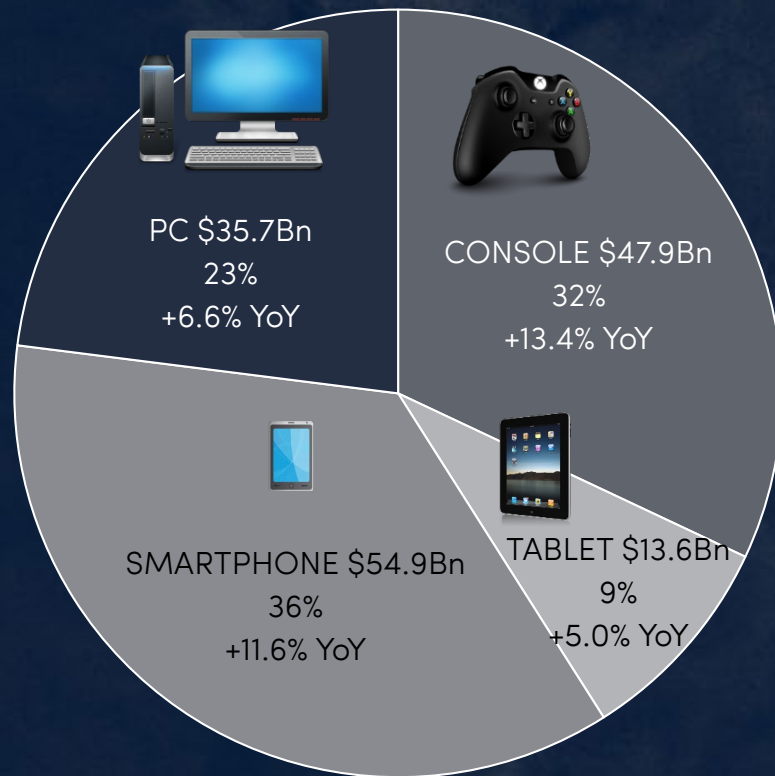
MARKET

2019 GLOBAL GAMES MARKET: GROWTH CONTINUES

TOTAL MARKET

\$152.1Bn

+9.6 % YoY



North America

\$39.6Bn

+11.7 % YoY

Europe, Middle East & Africa

\$34.7Bn

+11.5 % YoY

Asia-Pacific

\$72.2Bn

+7.6 % YoY

Latin America

\$5.6Bn

+11.1 % YoY

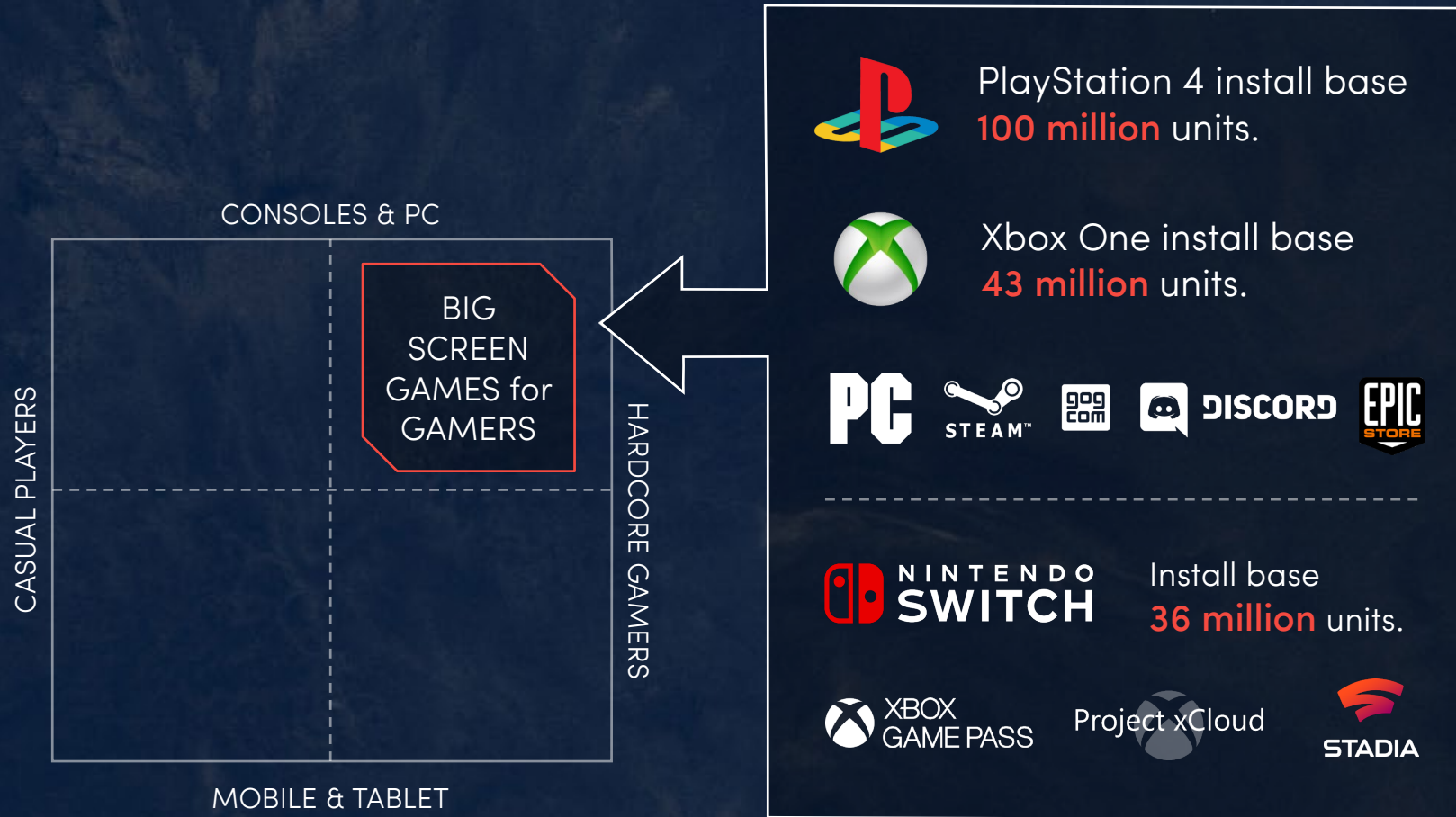
2022 market estimated

at **\$196.0Bn**

+9 % CAGR

SOURCE: NEWZOO GLOBAL GAMES MARKET REPORT 2019

REMEDY'S BROAD MARKET FOCUS



REMEDY'S SEGMENTING OF THE MARKET

Massive game services

- broad feature-set, strong multiplayer- & long-term service approach
- for wide gamer audience
- giant budgets

Massive games

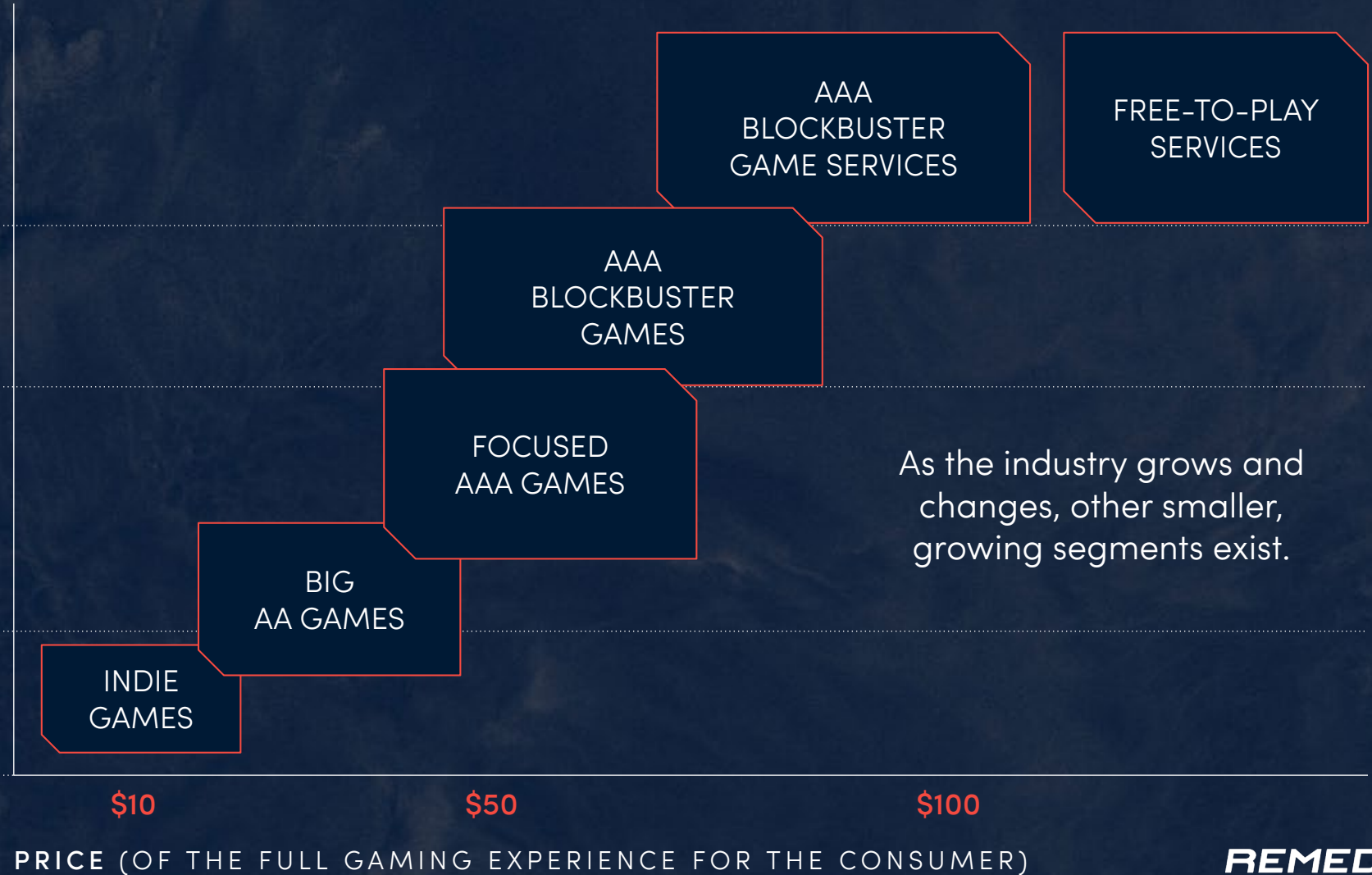
- broad feature-set
- for wide gamer audience
- large budgets

Focused games

- focused feature-set and scope, distinctive theme / uniqueness
- for targeted core & hard-core audiences
- medium budgets

Unique smaller games




- for niche audiences
- small budgets



PELIMARKKINAT 2017

(HUOM! VANHAA ESITYSMATERIAALIA)

Luvut ainoastaan viitteellisiä.

	KONSOLI 	TIETOKONE 	MOBIILI TABLETTI 
MARKKINA	\$ 33,5 Mrd +3,6 % YoY	\$ 29,3 Mrd -5,3 % YoY	\$ 46,1 Mrd +16,7 % YoY
ANSAINTA & JAKELU	5–70 eur + lisäsisällöt Fyysinen + digitaalinen	1–70 eur + lisäsisällöt, F2P Digitaalinen jakelu	F2P, mainostulot Digitaalinen jakelu
PELAAJAT	n. 100 M, 100% maksaa	n. 300 M, 75% maksaa	n. 1500 M, 5% maksaa
PELIT	Tuotteita, kohti pelipalveluita > 500 / vuosi	Tuotteita + Pelipalveluita > 5000 / vuosi	Pelipalveluita > 100 000 / vuosi
PELIYRITYSTEN MÄÄRÄ	n. 200	n. 1000	+10 000 "kehitystiimejä"
BUDJETTI & TIIMIKOKO	\$ 10 – 200 M 20 – 500 henkilöä	\$ 1 – 20 M 10 – 100 henkilöä	\$ 0.1 – 10 M 5 – 50 henkilöä

AAA DEVELOPMENT STUDIOS

250 AAA games by **150** studios

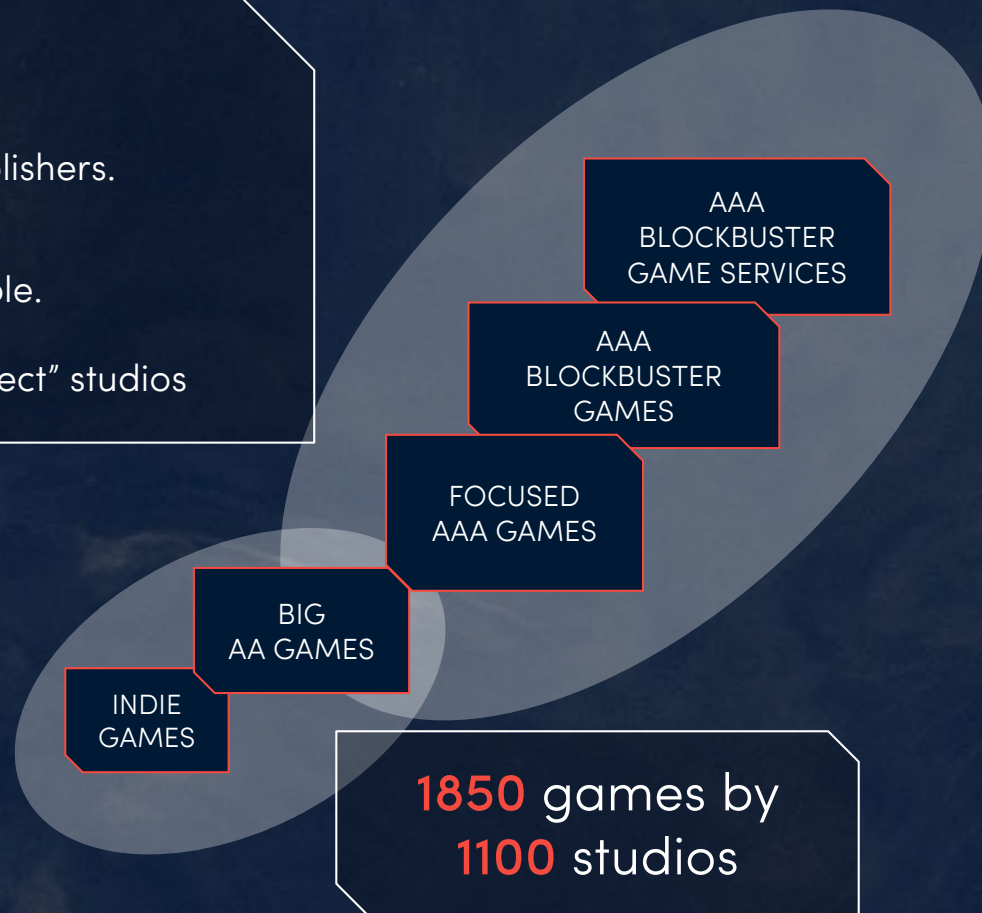
100 studios owned by Microsoft, Sony or publishers.

50 independent studios:

- 25 of these have story in an important role.
- Less than 15 can create a new IP.
- Many are smaller "100 people, one-project" studios

PC: +20,000 games in Steam only,
+5,000 developers.

XB1 & PS4: 2,100 games, 1,250 studios.



STRATEGY

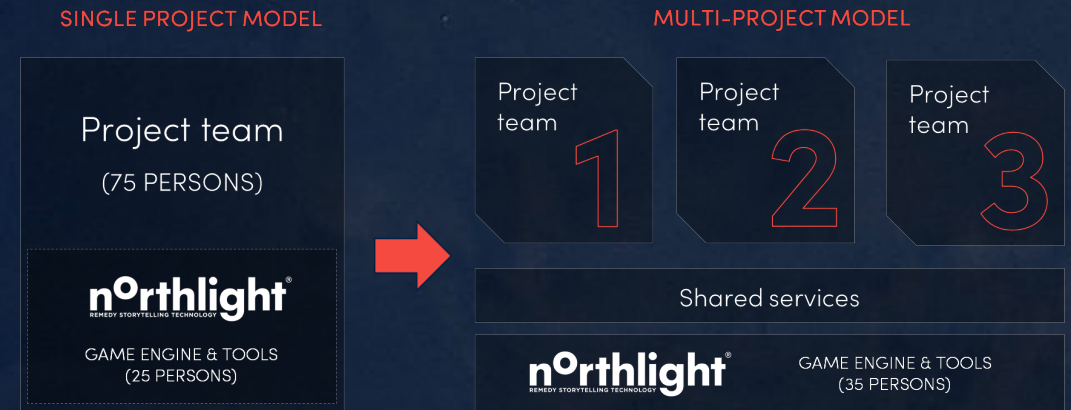


EARLY 2017 NEW STRATEGY WAS SET: TRANSFORMATION TO ENABLE FUTURE GROWTH

1. Games that stand out in the market and expand into long-term franchises

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2. Scalability via multi-project model



3. Stronger position in the value chain



2017–2018: WE PROCEEDED STEP BY STEP



EARLY 2019: SUCCESSFUL TRANSFORMATION ON IT'S WAY

WE HAVE:

- 1 Games that stand out in the market and expand into long-term franchises
- 2 Operating on a multi-project model
- 3 Stronger position in the value chain



Built a basis to create multiple games simultaneously

Developed two new games, faster than ever before

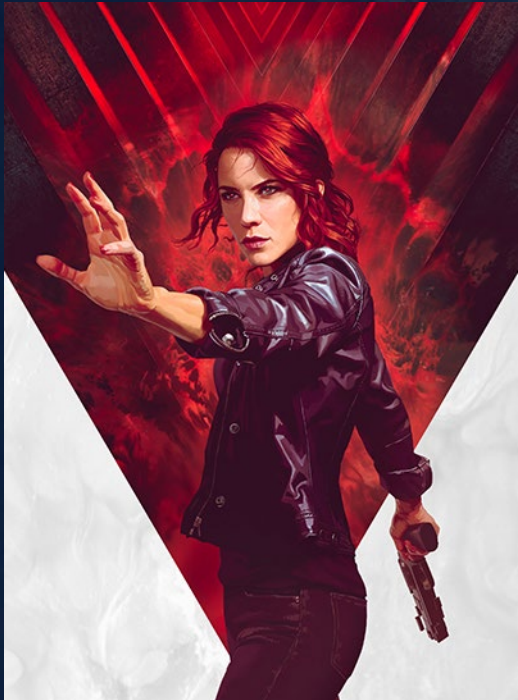
Grown from 130 to 220 + 25 people

Invested heavily into own IPs

Run a profitable business

...and maintained a good work atmosphere!

REMEDY NOW



CONTROL



OPERATION
FROST
AN ANONYMOUS GAME



VANGUARD



(Unannounced)

STRATEGIC PILLARS

...that guide us for the next 2-3 years.

1

Longer lasting games
in engaging worlds.

2

Strong business
ownership
of our games.

3

Professionally
managed
game development.

4

Empowered
teams and people.



PEOPLE & HR

TALENTED & MOTIVATED PERSONNEL

1

studio

250

employees

53 %

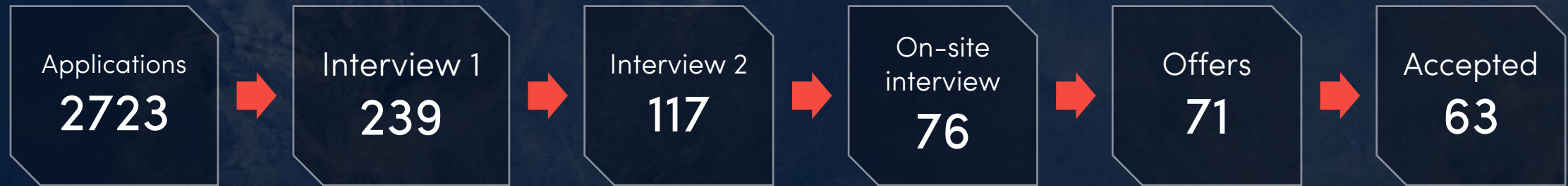
Finns

47 %

26 nationalities



SYSTEMATICALLY ATTRACTING THE RIGHT TALENT FOR US



- 2 723 job applications received during 2018.
- Efficient and well-working recruitment process.
- ...and 40 internal promotions: personnel growth and career progress support our development.

ENGAGING AND SUPPORTING OUR PEOPLE TO SUCCEED

- Valued employer with a solid reputation.
- Motivating work with good colleagues and atmosphere.
- Good leadership and ways of working.
- Career paths and personal development opportunities.
- Good reward and work-life balance.



Peakon score

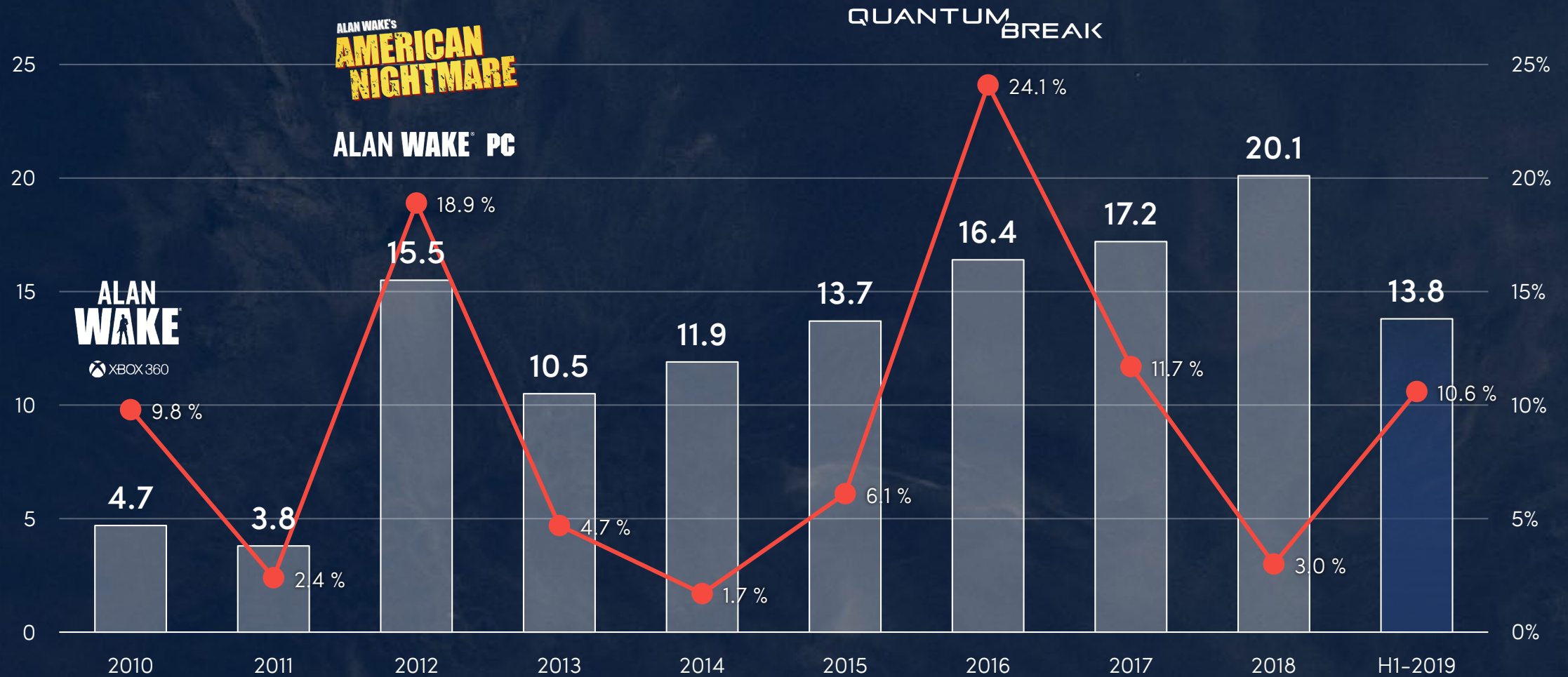
8,3

Peakon benchmarks Remedy to other tech related companies with the size of 151–500 people in Europe and US. Engagement score describes our overall level of commitment and enthusiasm to our work and Remedy on a scale of 0-10. Our score is above benchmark companies.

FINANCIALS



STEADY GROWTH



Revenue (M€) EBIT %

KEY LEARNINGS

- Investor story has been built on:
 - "We are in transformation to enable future growth"
 - Clear strategic focus and high-level goals.
 - Following how we progress.
 - Repeatedly communicating that.
- Learning and adapting when needed:
 - We've educated the market, but also;
 - Better understood investors' way of looking at companies and industries.
- Highlighting how we track on industry specific hot topics like people & HR.
- Being active in repeating all this – backing it up with steady financial development.



THANK YOU!

We are hiring!
remedygames.com/careers

   @RemedyGames

