

Subject: Recommendation of the Management Board of CD PROJEKT S.A. on the resolution concerning the merger of CD PROJEKT S.A. and CD PROJEKT Brands S.A.

Legal basis: Article 56.1.2 of the Offering Act – current and periodic information

Further to the merger plan approved on 18 October 2016, published in Current Report no. 33/2016 of 18 October 2016, and further to the first notification of an intended merger to the Shareholders, published in Current Report no. 34/2016 of 24 October 2016, and the second notification of an intended merger to the Shareholders, published in Current Report no. 39/2016 of 14 November 2016, the Management Board of CD PROJEKT S.A., acting pursuant to Resolution no. 22 of the Management Board of 18 October 2016, presents its position on the intended merger of CD PROJEKT S.A. (“Acquirer”) and CD PROJEKT Brands S.A. (“Acquiree”).

“The Management Board of CD PROJEKT S.A. hereby resolves to give a recommendation to the General Meeting on the resolution concerning the merger of CD PROJEKT S.A. and CD PROJEKT Brands S.A. The merger will be carried out as specified in Art. 492 § 1 section 1, Art. 515 § 1 and Art. 516 § 6 of the Commercial Companies Code, i.e., by transferring the totality of the Acquiree’s assets and liabilities to the Acquirer (merger by takeover). Since all of the Acquiree’s shares are held the Acquirer, the merger will be carried out without increasing the Acquirer’s share capital and without converting Acquiree shares into Acquirer shares.

In line with the strategy of the CD PROJEKT Capital Group for the years 2016-2021, adopted earlier this year, the Management Board has decided to focus on a limited number of brands and ensure that each of these brands is expanded to cover new activity fields. The upcoming release of GWENT – The Witcher Card Game in the free-to-play model, heretofore unexplored by the Company, is a manifestation of this approach. In the Issuer’s Management Board’s opinion, concentrating production and publishing capabilities within a single entity with direct control over existing (The Witcher) and emerging (GWENT) trademarks, previously managed by a separate entity wholly owned by the Issuer, will serve to streamline business processes and simplify formal aspects of the Capital Group’s activities with regard to ownership of resources used in the development and publishing of videogames, as well as promoting trademarks owned by the Group.”