

Current report No. 2/2017

Subject: Management Board proposal regarding payment of a dividend for 2016

Legal basis: Art. 56 section 1 item 2 of the Offerings Act – current and periodic information

The Management Board of CD PROJEKT S.A., headquartered in Warsaw (hereafter referred to as “the Company”) hereby announces that on 18 April 2017 it adopted a resolution concerning the proposed allocation of net profit earned in 2016, including the payment of a dividend to Company shareholders, and the corresponding submission of this proposal to the General Meeting.

In line with the above, the Board proposes to the General Meeting that the net profit in the amount of 249 701 262.92 (two hundred forty-nine million seven hundred and one thousand two hundred sixty-two and 92/100 PLN) be allocated as follows: 100 926 000.00 (one hundred million nine hundred and twenty-six thousand and 00/100 PLN) shall be divided among shareholders in the form of a dividend amounting to 1.05 PLN per share, with the remaining 148 775 262.92 (one hundred forty-eight million seven hundred seventy-five thousand two hundred sixty-two and 92/100 PLN) transferred to reserve capital.

Additionally, the Board recommends that the dividend date be set at 30 May 2017, with the corresponding dividend payment date set at 13 June 2017.

The above proposal will be reviewed by the Supervisory Board, pursuant to §21 section 2e of the Company Articles, and subsequently submitted to the Ordinary General Meeting for approval, pursuant to Art. 395 §2 section 2 of the Commercial Company Code.

In justifying its proposal, the Management Board draws attention to the fact that strong sales of The Witcher 3 and the Group’s other products persisted throughout 2016, resulting in a year-over-year increase in cash assets held by the CD PROJEKT Capital Group by 203.6 million PLN.

Having reviewed the Company’s current cash balance and mindful of the need to ensure liquidity for the entire Capital Group the Management Board sees fit to ask the General Meeting to approve disbursement of a portion of the accumulated cash assets to Company shareholders in the form of a dividend.

In addition to the above, the Management Board wishes to remark that it does not intend to introduce a stable dividend policy. Given the highly competitive nature of the Company’s market environment and the expressed interest in further dynamic growth, the Board believes that the most suitable strategy would be to assess the current situation, business plans, challenges and needs of the Group whenever a dividend payment is contemplated.

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