Adam Kiciński (AK):

Good afternoon,

Thank you for joining the call. My name is Adam Kiciński and I am the Joint-CEO of CD PROJEKT. This meeting was organized to discuss the situation right after the launch of Cyberpunk 2077. At the beginning I will present our current view of the situation which we are in today. After that, you will have time to ask questions. I'm with Piotr Nielubowicz, our CFO, Marcin Iwiński the Joint-CEO and co-founder, and Michał Nowakowski, Board Member responsible for publishing.

We released Cyberpunk 2077 4 days ago on December the 10th. The game had a strong opening and we've got positive feedback from players enjoying it on stronger machines — PCs and next gen consoles and Stadia — but the initial feedback from those playing it on the oldest last-gen consoles is way below our expectations.

CD PROJEKT is a team that puts all their efforts and hearts to deliver amazing games. So how was it even possible that it has come to this?

After 3 delays, we as the Management Board were too focused on releasing the game. We underestimated the scale and complexity of the issues, we ignored the signals about the need for additional time to refine the game on the base last-gen consoles. It was the wrong approach and against our business philosophy. On top of that, during the campaign, we showed the game mostly on PCs.

This caused the loss of gamers' trust and the reputation that we've been building through a big part of our lives. That's why our first steps are solely focused on regaining those two things. We are concentrated on fixing Cyberpunk on last-gen consoles. The first substantial set of fixes was released over the weekend. The next set of fixes will be released within the next seven days. Big updates are planned for January and February, together with smaller fixes. Of course, PC gamers will also be getting regular updates and fixes to improve the game. We will do everything possible to prove that we stick to our values.

We truly hope that our efforts will let us rebuild the trust we have lost.

Thank you. Now we are ready for the Q&A session.

Q1: Hi there, I've got three questions. Firstly, I wonder if you could give us some more color on the impact this had on sales over the first four days since release, for the old-gen consoles – obviously it'd be great if you could give us a sense of what you current sales are, in total, maybe on two digital platforms, that'd be most helpful, but if you can't give us an actual number, then maybe just some color on what impact you're seeing, and maybe a percentage of your sales that you expected to come from old-gen consoles – that's the first question. Secondly, taking a step back and thinking what went wrong here, could you give us a sense of whether you think you could have released this game on old-gen consoles in the way that you wanted to if you had more developers? Do you think this was a headcount capacity issue or a workflow issue – some color on that would be helpful. And finally, again, thinking forward to your additional content that you're planning to launch over the next 2-3 years – how do you feel about your ability to release a couple of DLCs next year, and, obviously, multiplayer in 2022?

Piotr Nielubowicz (PN): Hello, Piotr Nielubowicz on this side. We definitely saw good initial sales, especially on PC. Obviously, the current situation will cause console sales to drop, but at this moment on Monday it's far too early to provide detailed feedback on that; we're still collecting data, especially from retail channels, and I'm afraid I won't be able to answer this question precisely; however, as we promised prior to this call, we plan to release sales numbers before the holiday break.

Michał Nowakowski (MN): Hi, this is Michał Nowakowski – the second question; would having more developers help deliver the game on old-gens? In terms of delivering the game at a certain point, it's really not about the number of people; it's not like throwing in – in the last month – 200 or so people would actually help. So, the answer is no; this is not related to the fact that we could have thrown 300 or 500 more people into the fray and things would have happened differently.

AK: Adam Kiciński; the third question – to be honest, it's too early to judge. At the moment please let us handle the situation, and please let us make some more assessments – that's still ahead of us; we don't know yet, and we're now focused on improving Cyberpunk. We'll discuss this early next year.

Q2: I have three questions. First of all, I've seen that you're offering refunds through the Sony and Microsoft platforms, and also through retailers. Since you made that kind of comment on Twitter – have you seen a flood of refund requests that you have to deal with, or are most people who have already bought the game holding on to it, trusting you that you'll make it more playable on old-gen? Second question: do you think that you needed to have more external testing? Is it part of the process that everything is done in-house? If you had hired some outsourcers to do more extensive testing – could you have had less of an issue here? And the third question: regarding multiplayer, I've heard your answer to the previous question. Surely, you won't rush that process, though, given what you've been seeing now – should we really be thinking about 2023 at the earliest for the arrival of that?

Marcin Iwiński (MI): Marcin Iwiński; I'll answer the first question regarding refunds. We are not encouraging gamers to return the game; we hope they'll give us a chance to improve it on old-gen consoles. One fix was released last weekend; another one is coming in seven days – but there is an option, obviously, and the easiest way is to ask the retailer for a refund. If that's not possible, we also provide help. As of today it's too early to say; we've just begun the process and we sincerely hope that gamers will prefer to wait for updates since they had waited so long for the game, but – again – this is our humble hope. We'll assess the situation in a couple of days when we have the numbers.

AK: I'll take the second and third question. We have an internal QA department and we're working with external companies as well. One thing that perhaps didn't help us is COVID: internal testers are able to test the game working from home because we provide them with our own connected machines and so on, but external testers working for external companies were not able to test the game from homes – they have test centers and if they're not there, they're not able to work. So, we have seen a decrease in the number of testers, but I wouldn't point to it as a major source of problems. The third one, about multiplayer – first and foremost, we haven't confirmed any dates yet, and as I've said before, it's hard to judge now. We're in an unanticipated situation and we'll have to reassess. This is planned for January. We're now focusing on managing the single-player release, working on patches, communication and – as I said at the very beginning of this call – our focus remains on gamers. We'll see about further plans; the direction is obviously to proceed as planned, but we have to sit and discuss – and that will happen *[inaudible]*.

Q2: Can I sneak in another question? Among the more than 8 million pre-orders that you have – did you include in this figure people who started downloading the two days before launch, on PC? They weren't really pre-orders; they were just getting it lined up so that they could play. It's something that's treated differently across the industry.

MN: Hi, this is Michał Nowakowski; I can take this one. You ask whether who started pre-downloading the PC version were included in pre-orders? Well, yes, because if they started the pre-download they must have placed the pre-order. That's the group of people who were able to pre-download the game. So one group includes the other, so to speak. It's not like anybody could have pre-downloaded the game; that was an option open only to people who had pre-purchased the game on the given storefront.

Q3: Couple of questions if I may. Firstly, your earlier comment about the board being too focused on delivering the game and ignoring problems with old-gen. Should we take it that you had found it was very important that the game shouldn't be delayed into the next year, or simply that you had always wanted to deliver the game and not delay it – and you just underestimated the extent to which the last-gen version was not going to be the way it should be? Was it more about "the launch is important" or more about "we underestimated how bad the last-gen version was"? And secondly, and related to that, at the certification stage – presumably, Microsoft and Sony always get games that still have bugs, and decide they're going to be ok – partly on the basis of discussions with you that there will be fixes. Have I understood that correctly? Or do you feel somehow that the certification process is kind of only one side or the other, and failed to identify just how underperforming the last-gen version was? Perhaps I should add a final question to make it three; everyone has three – are you confident that last-gen machines will be able to produce an acceptable version of this game? And I say this as a PS4 owner, so I hope so. But – is it something that's simply too demanding, and – in hindsight – no amount of fixing is going to generate an acceptable experience? Thank you.

MN: First – your question was about the focus and the cause of ours ignoring, so to speak, the shortcomings of the current-gen version. It is more about us looking – as was previously stated – at the PC and next-gen performance rather than current-gen. We definitely did not spend enough time looking at that. I wouldn't say that we felt any external or internal pressure to launch on the date – other than the normal pressure, which is typical for any release. So that was not the cause. In terms of the certification process and the third parties – this is definitely on our side. I can only assume that they trusted that we're going to fix things upon release, and that obviously did not come together exactly as we had planned. Regarding the third question – where we want to go with the PlayStation and Xbox – as stated in the statement made public today in the morning, we are planning to get the game in much better shape than it is now, of course, and a lot of that is going to be happening in December. Come January and February you're going to see larger improvements – which we've stated already. We have also stated that if your expectation is that the game is going to be equal to, say, next-gens or PC in terms of performance, that definitely isn't going to happen. Having said that, I'm not saying it's going to be a bad game – but if you're expectations regarding, say, visuals or other performance angle, are like this, then we're openly stating that's not going to be the case. It will be a good, playable, stable game, without glitches and crashes, though. That's the intention.

Q3: Okay; that last sentence, I think, is the key one. I don't expect next-gen performance on last-gen, but I would like to be able to play through the game. Thank you very much.

MN: You will be able to. Thank you.

Q4: A couple of questions, please. The first one: will you still be doing your strategy update in Q1, or will that be postponed? The second question: obviously the gameplay on old-gen consoles wasn't really shown very much. Could you explain why you decided to hold that back? People just saw PC gameplay, I think. And can you also talk about how you're deploying your staff now? How are you splitting what they're working on? How many people are still working on Cyberpunk? How many on the mobile [game]? How many people on the next Witcher game? How many people on DLCs? How many people on multiplayer? Have you changed your expectations concerning staff allocation because

of this? And does this push back things like The Witcher 4? I know you haven't announced it, but you've said that people would be working on other titles once Cyberpunk is done. Thank you.

AK: So, regarding the strategy update – as of today we're planning to release it in Q1, as planned.

MI: For the second question – with regard to not showing the console version – we've actually shown console footage, but never on the last-gen consoles. The reason is that we were updating the game on last-gen consoles until the very last minute, and we thought we'd make it in time. Unfortunately this resulted in giving it to reviewers just one day before the release, which was definitely too late and the media didn't get the chance to review it properly. That was not intended; we were just fixing the game until the very last moment.

AK: Regarding allocation of teams – it's normal outside of the Cyberpunk teams. Spokko and the GWENT team are working on their projects. The Cyberpunk teams were scheduled to continue working on patches – this will probably take some more time, but of course we are branching and working on future projects as well. We're also scheduling holidays; people are tired and – regardless of the situation and regardless of patches, we will not simply continue working as before; our people need to rest a bit. We will have a strong team working on patches at least until February.

Q5: Hello, I have a question on your cost side. You said that the pre-orders covered the development and marketing costs of the game. Could you maybe provide the numbers now that the game has launched? And the second question – given the work which is required now to fix bugs, glitches and similar problems, how does this affect your costs with regard to marketing and development? Perhaps you could provide some color on this as well? Thank you.

PN: Unfortunately I cannot share the cost related to additional work, but the cost of patching the game is irrelevant compared to what we have already spent. So there's no question – we definitely want to fix the game; we made a promise to gamers and we'll be doing everything to stick with it. And as far as the first part of the question is concerned – could you please repeat it?

Q5: It's about the development and marketing cost of Cyberpunk that you have incurred so far – maybe you could give us numbers?

AK: We're not revealing this data; a complete statement including our revenues and expenses related to marketing, will be part of the Q4 report – I'm sorry, but we're not providing guidance on that right now.

Q6: Hello; I have three questions. First, regarding the refunds again, but another issue: I was wondering whether your console partners, like Microsoft and Sony will by any chance participate in the refunds, or is the financial burden yours only? The second question – are you considering giving away a bigger DLC for free to make gamers feel less disappointed? Is it on the table? And the last one – could you comment on the latest leak from Jason Schreier about the change in your bonus policy? I'm wondering – will it be connected with the game's revenues or will you be giving out bonuses at nominal value to retain the staff? That's all from me.

MN: I'll start – the question is whether Microsoft and Sony are participating financially in refunds. One has to understand: Microsoft and Sony have refund policies for every product that is released digitally on their storefronts. Despite several articles I've seen that things are being set up just for us, it's actually not true – these policies are in place and have always been in place; they're not offered specifically for us. Anyone who has purchased any title on the PlayStation network or the Microsoft storefront can ask for a refund, and if it's made within certain boundaries, usually related to time, usage and so on, can ask for that refund. Our procedure here with Microsoft and Sony is not different

than with any other title released on any of those storefronts. I want to state that clearly, as there seem to be certain misconceptions. In terms of financial participation, when our product is refunded, the share from the store that Microsoft took is refunded, and of course it's something that is subtracted from the share of revenues that would normally be transmitted to CD PROJEKT. It's, of course, not shared with us and is instead refunded to the given player – the given customer. I think that pretty much sums up the first one. Regarding the second question – we have stated our policy in terms of what we are doing with the players for now, and that's where we stand. Regarding the third question – we don't really comment on what someone else has stated about what's going on at the studio. Thank you.

Q7: Thanks for that and regarding refunds – there's no chance that the market will receive an update on the volume or number of refunds before the sales report around Christmas, yes?

AK: We don't know yet. Before Christmas we will release sales numbers, but in terms of refunds – we're not sure if we'll share this information outside of the company.

Q8: Hello; I wanted to ask about the shape of the game after optimization that's possible in February – you said that it would be possible to play, but what price points can we expect? Obviously, it might be a smaller game if it's not fully comparable to PC – so perhaps a comment on that, and also – could you have released the game without including the old-gen consoles if that version was unacceptable?

MN: I'm not sure I fully understood your question, so if I'm answering something different than what you asked – feel free to correct me. In terms of the shape of the game after optimization: we pretty much said it earlier in the call, i.e. the game will have no crashes, the main bugs will be eliminated, and we're looking to improve both performance and graphic fidelity – that's going to be spread out across various patches and, of course, a pretty important update will happen this month. Actually, the game is playable right now; that may be an important thing to state because it's not like the game does not launch or is unplayable; I fully understand that the experience is far from satisfactory for a lot of people – and we do acknowledge that – but "not playable" sounds like it doesn't launch at all, which is not the case. Versus PC – again, this is something we have stated before; you cannot expect PC-like or next-gen-like performance on last-gens, and we're not claiming that. I'm not sure I fully understood the context of the question concerning the difference in price points.

Q8: Will it be offered at the same price or will the price be lower on old-gens in February?

MN: We do not foresee lowering the price. We're focusing on fixing the game to make sure that people are happy with the product, but there's currently no discussion about changing the price.

Q8: And could you have released –

MN: – without the old-gen consoles? In pure theory, if we had decided that one day before the launch then yes; we might have released just the PC version – but I'm not sure what else is included in that question, to be honest.

Q8: So could this have only been the new generation of consoles and PCs?

MN: So the answer here is "no": next-gens get a completely different version of the game, so it's not like we could have decided at any point recently to "flip the switch", so to say, and change the old-gen version to the next-gen version and release only on next-gens. As you have noticed, there is no native next-gen release. The game runs on next-gens and takes advantage of how next-gens are performing, but it's not like we had a next-gen version in our hands and decided to keep it on the shelf.

MI: Marcin Iwiński; let me add one more thing: *[some time ago]* we decided upon a last-gen version and, as you can see, we have not released a proper next-gen version – we don't have it ready yet. What we did instead was promise that every single gamer who bought the game on last-gen consoles will get a proper next-gen update next year. This is what we're working on and I sincerely hope that this will serve as another incentive for the gamers to keep the game and not return it – they will be able to plug their PlayStation or Xbox version into the next-gen consoles and the game will auto-update to a full-blown next-gen experience at no additional cost. So – I believe it does have quite some value.

Q9: Hi. I also have three questions. So, we all know that *[muffled]* on consoles has been disappointing, but could you maybe provide some comments on the PC sales and player feedback – are the sales and the feedback on the PC platform in line with your original expectations? Secondly – other than performance considerations and stability of the game, is there any other player feedback that might be a bit alarming or concerning – like feedback regarding the story or gameplay experience that you potentially might need to focus on? And thirdly – you mentioned you would have another patch in seven days; I'm wondering what improvements will this patch bring. I'm trying to understand if the experience of console players will improve by Christmas.

PN: Hello; Piotr Nielubowicz here. As we mentioned; the initial sales were very good, and that's what we mostly see by now. We're still collecting sales results, especially from physical retail channels, but the digital opening – especially on PC – was really good, as we reported on launch day. As far as players' feedback is concerned, the feedback for the PC edition is by far better than what we're getting on consoles – but when we read reviews of the PC version we see many comments referring to the console versions, so there's a bit of a mix among platforms and it's not always easy to distinguish them.

MI: And with regard to the PC version, this is what the reviewers got – you can check the reviews and our Metacritic score – and of course PCs vary in terms of configuration, so gamers may also have certain problems. We're reminding everyone at launch about the very recent release of Nvidia graphic drivers which are crucial for our game, because they were developed in coordination with us, but in general PC gamers are enjoying the game a lot and we see very positive comments [on their streams]. So – a lot of positivity and goodwill is coming from this direction. Not that the game is perfect – it's a gigantic world so at launch there'll always be some glitches and problems on various configurations, but with regard to the console experience – we already fixed a lot of crashes with the last hotfix, and this time again we will be mostly looking at crashes and game-breaking bugs. I sincerely hope that by Christmas gamers will be able to enjoy the game on consoles; of course the major updates will come in January and February, so, again, we humbly ask gamers to wait – and they'll be able to have an even better experience then.

Q10: Good afternoon. I have a question on the trajectory of your sales and how you will be updating the market on those new figures – because up until now you've only announced pre-order figures. I've been wondering at what intervals will you communicate to the market – I think the consensus figure is 23 million for the end of the year – to me it seems that that figure is still attainable, in particular given that a lot of the sales have been happening on PC, and also through Google Stadia, both of which performed quite well. Also, given that we've now had 3-4 days of active gameplay, could you comment a bit on the PC and Stadia side of things – as gamers advance through the game, how do they experience it in terms of how actively they play – do you have any numbers on that? How "sticky" is the game for those PC gamers? Thank you.

PN: As far as future sales updates are concerned, we will release an update before the holiday break, and then the next full set of results will be included in our annual report which will be published in Q1. We have not decided on any additional update as of now. As far as comments regarding the consensus are concerned – we had never commented upon the consensus before the release, and we will not comment on it right now either.

AK: I'll take the second one. Sentiment is positive. With every passing day since the release we're getting more and more positive feedback. We started low, but we're gaining. *[muffled]* we started with a score of 70, but now it's 79. If you filter those who have played 10 hours or more, the score is 85 – so the more you play the more enjoyment you feel. That's the general feedback we have. One important point: we're discussing old-gen consoles and negative feedback there – but we also have tons of positive feedback from players playing the game on old-gen consoles, so it's not strictly negative. Of course the first impression was negative, especially after the very strong campaign showcasing the game on PCs, but now we have more and more satisfied players using old-gen consoles as well – though naturally strong PCs offer better graphics and better gameplay than old-gens. In terms of numbers, we've seen millions of gamers playing on PC. Thank you.

Q11: Apologies if you have already answered this question, but – out of the 8 million pre-orders, could you give us a breakdown of where they actually come from – in terms of new consoles, old consoles, PC sales – just to get a hold on where they're coming in from? And also – looking at your own internal expectations, what was the breakdown of the sales mix between these channels?

MN: So just to be sure, your question was – out of the 8 million, how many people were on last-gens and how many were on next-gens?

Q11: Yes, I'm just trying to get an understanding of that.

PN: Let me jump in – the preorder numbers were split between PCs and consoles with PC accounting for 59% of sales and consoles – 41%. Unfortunately we do not have the exact split between old and new console versions since we have just one console SKU for PlayStation and one for Xbox and we do not have direct visibility of how this CD or digital download is being used by gamers and which machines they're using – the newest consoles or older ones.

Q11: Thanks; and if you look at your internal projections, obviously you might not want to comment on consensus expectations on unit sales, but in terms of your own internal budgeting process – what was your expectation in terms of the mix on the sale of the game?

PN: Naturally, we would be expecting PC to have a bigger share in the preorder campaign as PC gamers are usually more active on the preorder front, and then consoles tend to get stronger after the release. We're monitoring the situation; the game has been out for just 3 days and what we see are mostly digital channels – we still do not have full data representing physical retail. It's definitely too early to judge this and give you reliable guidance on this question.

Q11: I understand that in terms of guidance, but I'm trying to understand your budgeting process: what would be the mix between console and PC, and with consoles, how much was on next-gen and how much on old-gen?

MN: I'd say that the mix between PC and consoles in general was in line with what we had been expecting. In terms of the mix between next-gens and current-gens, we weren't really looking at it like this because we knew that for next-gens we were going to be launching on the current-gen platforms, so from a purely marketing perspective it's a bit irrelevant – we knew we had potential consumers in one or the other group, and that the number of next-gens on the market was something we had no influence upon – but from a numbers perspective, this wasn't a game-changer for us; we never carried out any analysis like that; it had no influence on the numbers from our perspective.

Q12: Thank you very much for taking the time. Two quick questions. The first would be this: are the patches purely focused on performance and fixing bugs, or are you also looking to improve the gameplay in some ways – for example, the AI has been criticized *[muffled]* the NPC behaviors. And the

second question: how would expect the revenue over the year to look compared to a "traditional" launch? For example, a lot of gamers may decide they want to postpone the purchase until they get a next-gen console. Thank you.

MN: So, for the first question – whether we're focusing just on technicalities or gameplay elements; things like AI – for example. To be honest – these are the same for us, from the production standpoint AI and NPC behavior fall within the general category of bugs, so if I can give you an answer – I think it does actually include that as well. I'll ask you to repeat the second question.

Q12: How would you expect the revenue generated over the year by the game to compare to a more traditional launch given that a lot of gamers might be thinking "I'm just going to wait maybe 6 months or a year before I get a next-gen console in order to play the game"?

PN: OK, so first of all we've publicly offered a free update to everyone who bought the game on old-gen consoles, and wants to upgrade to a next-gen console, so I hope it won't cause any gamers to withhold their purchase decision and wait for a next-gen console. On top of that, obviously, an update will be given out once we prepare the next-gen version of the game, which will happen next year – so we will have another opportunity to offer the game to those who haven't decided to buy it by that time; they will be given the opportunity to purchase a version prepared exclusively for next-gen and all the technologies that next-gen has to offer.

Q13: Good afternoon; just one question: of the PC digital copies, could you give us a bit of color on the share of copies sold through GOG.com – for example, how does it compare to what you achieved with The Witcher 3? Thank you.

PN: We're not revealing this data. Obviously, GOG as our internal store has a much bigger share in the PC digital distribution of Cyberpunk vs. the standard market share of GOG – but as for now, we're not revealing any splits or comparisons involving GOG or sales on this platform.

Moderator: This concludes our Q&A session. I would now like to turn it over to our speakers for any additional or closing remarks.

AK: Thank you for joining the call. Let's stay in touch and if you have any further questions – please contact our IR team. Bye!