

Adam Kiciński (AK):

Good afternoon everyone. Welcome to CD PROJEKT's conference call dedicated to H1 of 2020. My name is Adam Kicinski and I'll run this call together with Piotr Nielubowicz and Michal Nowakowski who will join the Q&A session in the second part of the call. Let's start with the presentation that sums up the first two quarters of 2020. It's available on our page cdprojekt.com.

Firstly, a short COVID update. We keep working from homes mostly and we will continue to do so till the end of the year at least. It's not a perfect setup for a creative company but we kind of got used to it. At the same time we remain proactive in supporting the needs of our team. We've also recently introduced our latest COVID prevention protocol created and supervised by medical experts. Please move on to slide 3.

Cyberpunk is in its final stage and all our forces are preparing a global release on the 19th of November. As previously announced, the game will be launched on XBOX One, Playstation 4 and PC. It will also be available on Stadia although the launch date on this platform is yet to be announced. Moreover, thanks to the backward compatibility, Cyberpunk will instantly play great on next gen consoles as well. Now please jump to slide 5.

The key moments for Cyberpunk were hands-ons that we organised in June. Despite pandemic circumstances we managed to invite over a hundred journalists, you-tubers and bloggers from 15 countries to play our game. That was supported by 60 interviews and resulted in hundreds of articles and previews. Please take a look at the slides 6 and 7 with just a few samples of these first impressions and magazine covers. Let's go to the next slides so number 8 and 9.

Also in June we started revealing more features of Cyberpunk at digital events that we've called Night City Wire. In the first two episodes we covered different life-paths, weapons, music and braindance gameplay. There are a few more Night City Wires to come with the next one coming up in September. Please go to the next slide so number 10.

You probably have seen it before, but it's been updated with the addition of the trailer released in June - the last bar. And again, the difference in viewership compared to the most viewed trailers for Witcher 3 is huge. So, we keep building the hype. And on the next slide - number 11 - I'm pleased to share the most recent achievement. Cyberpunk has just got 5 awards at gamescom making it the most awarded game at this most prominent European gaming event. And the last thing before financials - please move to slide 12.

We've announced our first movie project - the anime series titled Cyberpunk Edgerunners. It's co-developed with one of the best Japanese anime studios - Trigger - and will be aired on

Netflix in 2022. OK that's all from me regarding the recent key business events. Please move to the next slide so number 13 and let's dive into the numbers. Piotr the floor is yours.

Piotr Nielubowicz (PN):

Thank you Adam! Let's start from page 14.

In business terms the first half of this year was very good for us. Our total Sales revenues reached 364 million PLN which is nearly 70% above the result of the first half of last year.

Most of this revenue came from sales of our own products – over 237 million PLN – over two times more than last year. This was driven by the Witcher 3 including the Witcher 3 on Nintendo Switch edition and Gwent which had the best 6 months in its history. Our Products sales were accompanied by a respective Cost of products sold of 15 mln PLN comprising mostly depreciation of our expenditures on development projects for Gwent, the Witcher 3 Switch edition and Thronebreaker. This position stayed at the same level as last year.

Also revenues from Sales of goods and materials grew nicely by over 70%. This was thanks to the growth of sales of GOG and revenues achieved by CD PROJEKT on sales of physical components of our games – both Cyberpunk and The Witcher. This also includes the activity of CD PROJEKT RED STORE which commenced mid 2019.

The Costs of goods and materials sold also grew – mainly driven by the costs related to relatively low-margin technical sales of physical components at CD PROJEKT RED and a proportional increase on GOG's side alongside their increase in sales.

All in all – even though this year, unlike last year, we had no revenues from sales of services – which were related to extraordinary Cyberpunk promotional cooperation with our publishing partners – our Gross profit on sales this year increased by over 100 million PLN and exceeded a quarter billion PLN.

Operating costs for the first half of this year were slightly higher than for the previous one. The main growth drivers are salaries and provisions for bonuses dependent on our financial results - which this year were much better than a year ago. Needless to say - marketing - both of Cyberpunk and Gwent, took an important share in our Selling costs as well.

Finally – our net profit for the period between January and June this year reached 147 million PLN – that is nearly 3 times more than a year ago. Most of this result was delivered by CD PROJEKT RED which reached a net profitability of over 50%.

This result and the growth we achieved in the recent months – was obviously supported by some external factors like the COVID pandemic or Netflix series further popularizing the

Witcher Universe but is fundamentally the result of our consistent policy that pays off in the longer term – please have a look at page no 15 – CD PROJEKT Group Sales. This is the 5th consecutive period of 6-months where CD PROJEKT Group revenues continued to grow. And the main event - the Cyberpunk release is still ahead of us planned for the current half of 2020.

However, revenue is just the beginning. On the next page - number 16 - I also visualized our profits for the last 2,5 years. Current profits are the result of our current trading activity based on historical releases but most of the Group employees are deeply involved into thinking, developing, preparing and planning for Cyberpunk.

Which leads us smoothly to the statement of our consolidated financial position on page 17.

A major change among our assets is visible on expenditures on development projects that grew by 97 million PLN. The increase is mainly driven by our works on projects within the Cyberpunk universe, parallel to the depreciation of finished projects – mainly Gwent, Witcher 3 Nintendo Switch and Thronebreaker.

There is also a new position on our balance sheet – Other fixed assets, that consist mostly of T-bonds which we have acquired during the 2nd quarter of this year. Approximately one third is presented among Fixed assets and two thirds – together with valuation of respective hedging transactions - among Working assets.

Altogether our financial assets including cash, bank deposits, t-bonds and respective hedging transactions increased over the first half of this year by 160 million PLN. I will go into more details on that in a moment.

Another visible change among our Working assets comes in Receivables – natural decrease from the high amount as per the end of 2019 linked to intensive end of year sales.

On the Equity and liability side – two major changes:

Equity itself – growth by 155 million PLN – mainly due to the profits of the period.

Deferred revenues – increase by 45 million PLN up to 206 million PLN – this comprises mostly of:

- licensing royalties associated with preorders of the digital editions of the PC version of Cyberpunk, and
- the so-called minimum guarantees, for future royalties from foreign publishers and distributors – again in relation to Cyberpunk.

Both should become our revenue upon release of the game.

Let's go to the next page number 18. We started this year with 482 million PLN of cash and bank deposits. Our cash flow was based on great operational performance and net profits of nearly 147 million PLN for that period. On top of that open receivables decreased their balance by 75 million PLN which translated as additional cash flowing into the company. The next correction is related to the increase of the deferred revenues line – mostly advances on royalties for Cyberpunk.

Our major investments this year were strictly linked to our core business and development of games and technologies. We spent on that 114 million PLN.

All in all our financial assets – cash, bank deposits and t-bonds increased by 160 million PLN. It is fair to say, on aggregated numbers, that all the new cash earned by the Group was invested into T-bonds keeping the balance of cash and deposits at the opening level for the year.

Let's jump to the next page - one more thing – not directly related to our past results: between the 30th of July and the 17th of August, for 13 days we ran our share buy-back program. We bought 516 thousand and 700 shares. The aim of the buy-back was to offer the bought back shares, free from lockup to all participants of our recent incentive program in order to enable them to sell the shares and gain source of funds with which to finance their participation in the program and expected tax liabilities.

Together with a brokerage house we designed and recommended to our employees coordinated way to market the shares. We believed it is most fair to do this in a process similar but opposite to the previous buy-back. Extended for up to 15 working days. Subject to daily transaction limit of 15% of the daily trading volume. Participants of the motivation program declared a wish to transact approximately 490 thousand shares - which is around 9,5% of the whole incentive program pool. Participants are entitled to amend their sell orders by changing the number of shares to be sold, changing their minimum sale price or canceling the order so this amount may vary over the course of the process.

To sum up - we, as CD PROJEKT spent 214 million PLN on the buy-back, however 129 million PLN should be paid in or actually back to CD PROJEKT by program participants. Therefore our corporate net participation via shares we acquired from the market should amount to approximately 85 million PLN - which close to the value of the dividend we paid last year.

All in all, thanks to this action plan, issuing new shares as part of the incentive program was limited by nearly 517 thousand shares. The remaining part of the Incentive Program will vest by newly issued shares, which will carry a one-year lock-up. We will progress with that in the coming weeks.

That's all from my side - Adam - the floor is yours again.

AK: So, what's next? Please go to slide 21. Here you can see the very simple graph describing our promotional activities till the end of this year. The thickness of those 4 bars is symbolic just to highlight that the vast majority of marketing activities are still ahead of us with the most intense part starting in the first half of November. As I mentioned before you can expect a few Night City Wires in the next 2,5 months in digital line among other activities. So stay tuned. Now I would like to come back to the Witcher world for a moment. Please go to the next slide so number 22.

3 years ago our friends who had already released many small mobile games under the Spokko label approached us with a bold idea. They were dreaming of bringing The Witcher Universe to a mobile augmented reality game based on geolocation. With monsters, quests and stories hidden just round the corner. And here we have The Witcher Monster Slayer. The game is being soft-launched in New Zealand as a first step of a series of public tests. We will keep working on this promising project and continue building our studio Spokko. The game will be released on iOS and Android and we are expecting to reveal the launch date later this year.

And there is one more thing I would like to share with you today. Please go to slide number 23. We've been working on this project for some time and today we are happy to announce that our best game so far - Witcher 3 - will be released on Xbox Series X and Playstation 5 next year. Expect a full blown next gen bells and whistles version with great features of the upcoming generation. And ofcourse we will release it on PC as well. I believe that it will greatly enhance the longevity of this amazing game. That's all from me and I'm passing the mic to Piotr.

PN: Thanks Adam. The last slide - number 24.

Recently we called for an Extraordinary general shareholders meeting scheduled for the 22nd of September. The aim of the meeting is to vote two resolutions regarding our long-term incentive program. As you may know - for the last General meeting we proposed a number of resolutions and among them two referred to the next CD PROJEKT incentive program.

- The first resolution - gained the required number of votes and established the incentive program - so technically we have it in force.

- The second resolution - was to permit the issue of subscription warrants and new capital issue, which is one of the tools by which the new Incentive Program is to be implemented. Unfortunately, this one failed to gain the required qualified four-fifths supermajority of votes represented at the General Meeting.

After the meeting we gained the feedback from investors and found three major points to adjust in our program in order to meet the expectations:

- Vesting period - is to be minimum 3 years,
- The reference date, used to determine the Market Goal should start at a current date and not at the beginning of the year when the previous program ended,
- Discount to the exercise price can be applicable only if mitigated by extra performance requirements.

We applied the changes and proposed corrected resolutions to address all the 3 aspects. The status quo is - what we know from our investors - that one of the proxy voting agencies recommended to vote for the resolutions and one recommended to vote against. We believe investors may be puzzled by this situation. Basing on the feedback we received there are 3 areas where our intentions potentially were not meeting the expectations:

The First. The program must be sufficiently long-term in its nature and the vesting period needs to be a minimum of 3 years.

The program and its goals are designed for 4 to 6 years with an option of earlier attainment if we deliver the 4 year profit target earlier. However, the changes we proposed limited the earlier attainment of goals and the program itself to a minimum of 3 years. The goal in such a scenario would be to generate net profits of minimum 6 billion PLN during 3 years. It means 2 billion PLN of net profit on average per year. It is an extremely ambitious goal taking into consideration that in our best ever financial year - the year of release of the Witcher 3 - our consolidated net profit reached 342 million PLN and the average profit for the last 3 financial years was 162 million PLN - 12 times less than the next 3 years aggressive "premium" goal of the program. It obviously requires huge acceleration from us. I believe it is fair to say that our incentive program - is based on very challenging targets and is designed for 4 up to 6 years with a minimum duration for 3 financial years. The duration of it is in line with our development cycles. Some confusion may be linked to the proposed warrants validity period. But in our program at the grant date participants will get "entitlements" which can be compared to "conditional options". Participants will hold the conditional options until the General meeting accepts our financial results fulfilling the goals of the program. Once the goals are met the company may either offer them:

- shares acquired in the share buy-back program, or
- warrants which entitle participants to claim for shares from a new issue.

Warrants in such case are just a technical, formal tool to grant the reward after the job is done and after the motivation, long term goal of the program is met.

The second area. Discount to the exercise price.

The program allows a conditional 5% discount to the exercise price for reaching the premium Results targets. What do I mean by premium results targets? The "standard" Results targets require CD PROJEKT to accelerate from a company earning tens or small hundreds of millions PLN per year into a company earning net in billions of zlotych. And the premium Results targets require to generate at least from one sixth to one fourth higher or faster profits. The

reward for entitled employees is a potential 5% discount in the exercise price. Again - I believe this is a fair reward for a much bigger results increase. And what is even more important, it is not a discount set for the sake of discounting - it is part of the whole logic of the program we created and we continue with good results from 2012.

The third area. It was mentioned that the proposed Market goal does not appear challenging. The Market goal for our shares is responsible for a minority of 20% of entitlements. It is not less challenging. I would say it is differently challenging than the results goals are. But this is intentional. It would not make sense to set all goals equally difficult and materialising at the same moment. If all goals would require the same effort and result - one goal should be enough to measure the success. We intentionally put a certain gradation of the goals.

The market goal requires our share price to grow over the period of the program by 100 percent + the growth of the WIG index. Assuming the WIG index grows by 30% we want to be 130% on plus. If the overall market grows by 60% we want to grow by 160%. WIG index is put into the equation in order to allow correction of the target for general macroeconomic changes resulting in overall changes of share prices on the Warsaw capital market where CD PROJEKT is listed.

Looking at our historical price performance one could say that growing by 100% above the general market is less difficult than to increase our profits 10 times. That could be true but please take into consideration that our current share price is already calculating in future profits and incredible acceleration expected from the release of Cyberpunk. In order to further grow the share price by another 100% above the general market we need to first deliver the expectations for Cyberpunk - profits in the amounts we have never had - and on top of that instil confidence in the market as to a further growing 100 percent points above all other stocks measured by WIG index.

Our intention is to start the next Incentive program at the latest in October and grant entitlements in the program to the key employees before Cyberpunk is launched. This Incentive Program for the next 4 to 6 years represents a continuation of two earlier incentive programs, which together constitute a continuum since 2012. It is expected by our team and we know we need it to motivate and attract the most talented people to work with us.

If any of you hesitates or has suggestions how to reasonably tweak the program conditions to meet your policies - please get in touch with us. We are open to discuss it and learn from each other.

Finally, I would like to encourage all our shareholders to attend the coming General meeting and to support the resolutions. According to the local law we need 80% of votes present in the general meeting to vote for it. This Monday is the last day to register your shares to participate.

Thank you and let's proceed to the Q&A section.

Q1: Good morning everyone, I have three questions if I could. The first one is about Cyberpunk – you obviously reiterated that you are on track to release the game on schedule. I wonder if you could just tell us – what is there left to do? And how would you characterize the risk of a further delay? Related to that, you mentioned that you have a next-gen version of The Witcher coming next year. I think that in the past you also mentioned that Cyberpunk might have a next-gen version published during 2021; I wonder if you could confirm that that was still going to happen. That's just the first question. The second question is on The Witcher. We're almost through Q3 now; I wonder if you could talk about the trends you see in The Witcher sales in July-August so far, and how that compares to what you experienced in Q2 – that would also be helpful – and finally, on Monster Slayer – I know it's very early days – but I wonder if you could give us some color on how the beta in New Zealand is going, and when you talk about the release date – are you talking about this year or next year? Thanks.

AK: Hello, I will cover the first one. So – yes, we are confirming and, well, actually today we started preparing for the final certification, so we're very close. Of course we'll work on the title till the very end; that's kind of normal. It's a huge game, but as we said – everything is on track and we're planning to launch it on 19 November. Regarding The Witcher 3 and its next-gen version: this project is developed outside, with our proven partner who had delivered the 4K version of The Witcher 3 and The Witcher 3 for Switch, so they already know our technology very well – so we asked them to prepare the next-gen port, and as I said during my presentation, we expect a full next-gen experience, with great next-gen features, but it doesn't interfere with next-gen development of CP – this will be done internally by the CP team, and we're confirming that CP will be released in the next-gen version – well, we have to differentiate two things: the current version, which will be released in November, will be playable from the beginning when next-gen consoles are released; you will be able to play the current-gen version on next-gen from day 1. And you can expect a bit higher quality than on the current gen. However, the full-blown next-gen version is planned for next year and it will be developed internally. So – I think I covered the first one. Maybe Piotr can cover the second one.

PN: Yes; our sales in July and August. Each year July and August is usually the quietest time, comprising two summer holiday months and sales are lower than either at the beginning or at the end of the year – the Christmas season. Right now, everybody got used to support from the pandemic situation and lockdowns, but what I can observe – looking at numbers – is that the COVID support was especially strong during the “hard” lockdown implemented in many countries in March-April or May, and then most of the world got “unfrozen” for July and August, so this effect will no longer be visible in the same scope as what had been seen before.

The most important month of Q3 is always September, and September is generally still in front of us.

AK: All right, and the third one – Adam Kiciński again – regarding the soft launch in New Zealand, it's too early. I'm not sure whether we'll discuss any details regarding those phases; we're gathering data; it's a normal practice that we'll try this and that; you can expect more soft launches, but it's a purely mobile game and we want it to be as perfect as possible before launch – so we have to go through all those phases, we have to gather feedback and then implement the final product which will be released later on. As we said, the release date will be announced this year once we have feedback from the soft launches.

Q1: Okay, thanks. And does Spokko have any other mobile games in the pipeline?

AK: For now, no. They're solely focused on this project and we're not discussing any further projects. Of course they're not established just for this, but we're still focused on this one and on building the studio. Spokko is fairly independent from our main studio, and it's on purpose. It's a lighter structure geared towards mobile development.

Q2: Good morning. The first question is on digital vs physical. Is it still the case that you're expecting for the launch quarter a roughly 50:50 physical/digital split, and how do you see that going into Q1 2021? The second question: when would you normally think about discounting the price, either for Christmas 2021 sale, or would you do a summer sale? When would you move towards a discounted price for the game? And finally – when you launch the multiplayer, how aggressive do you want to be on monetization of multiplayer? Thank you.

PN: So first, the digital vs physical 50:50 split. In general, we're quite conservative in our planning and so we apply the 50:50 ratio. If we were to change it, the change would definitely go in the direction of digital sales. But at the same time – the truth is nobody really knows what the digital sales will look like. You can – to a certain extent – plan the physical sales, because they cannot be higher than the amount of stock you manufacture, but in the case of digital sales – the sky is the limit. As far as Q1 2021 results are concerned, it's hard to say. In general, the older the game gets, the more it migrates to digital channels, while physical sales grow weaker. However, next year will be a very special year with the next-gen consoles becoming more and more popular on the market, and this may also influence the trend. So I'd say not less than 50:50; probably more on the digital side, but by how much – we'll see at the end of March.

Michał Nowakowski (MN): Hi, this is Michał Nowakowski; I'll take the discounts question. So – if you look at The Witcher 3, it took us a long while before we actually went in the direction of offering any promotional discounts, and even then – these were not very large. We do not expect anything else for CP77. In fact, we expect it'll take us longer before we get to the stage

where we offer any promotional discounts. And again, when it happens – of course I'm not gonna provide any specific time on this call – but when it happens, these discounts will definitely not be big. That's pretty much it.

AK: And the third one – Adam Kiciński again – well, we're never aggressive towards our fans! We treat them fairly and we're friendly. So of course not – we won't be aggressive – but you can expect great things to be bought. The goal is to design monetization in a way that makes people happy to spend money. I'm not trying to be cynical or hide something; it's about creating a feeling of value. Same as with our single-player games: we want gamers to be happy while spending money on our products. The same is true for microtransactions: you can expect them, of course, and CP is a great setting for selling things, but it won't be aggressive; it won't upset gamers but it'll make them happy – that's our goal at least.

Q3: Good morning guys; thanks for your presentations. My question concerns Monster Slayer. I'm wondering if you could provide any color regarding *creative expenditure on this mobile game?* [unclear] How complicated is it to develop an AR mobile game vs a traditional one, and could you also talk about monetization strategies you have in mind for Monster Slayer? Thank you.

AK: This is a very special case – in the very beginning we met with great people; we had already known them for years and – well, they came to us and convinced us to invest in this kind of project before we set up a company with them – since they own 25% of the company – then we went ahead with a long test period; they prepared prototypes – and that's part of our strategy; we want to be present on the mobile market, though not as our core business. We want mobile games as part of our franchises. So it was a fairly lucky situation that – without distracting us from our main activities, i.e. big games – we are able to deliver a mobile experience developed by an experienced studio; by people, who specialize in this. I don't know if I've answered your question, but that's the story behind it. Regarding monetization – it's too early. Of course the game is for free, but expect some monetization. We'll test monetization as well in soft launches, but, as always, as I've said about multiplayer Cyberpunk, it won't be too aggressive. Expect no paywall, no overmilking games – but of course the game should turn a profit.

Q3: Thank you. Just to clarify – the majority of development of Monster Slayer is done by Spokko? Could you provide some color on how much CD PROJEKT had to invest into development of this game?

AK: Yes, I'd say that 100% is done by Spokko. Of course, we consult them, we provide them with assets and licenses and so on – but it's their project. So we want them to be responsible for this – it's developed at Spokko and not at CD PROJEKT.

Q4: Hello and thank you for taking my questions. First, could you comment a bit on the road to the release of CP? Do you see any risks at CD PROJEKT, or any risks beyond your control, which could still delay the launch? My second question concerns your marketing budget: as far as I understand in the third quarter there will be no major spikes, based on the slides you presented, but there will be a significant increase in the fourth quarter. Could you provide more color – how big this spike in Q4 will be in terms of your marketing costs? And the third question is on potential capital allocation post-release of CP. You have a pretty good cash pile right now; it will probably increase manifold after the release of CP. How are you going to spend this money? Are you going to do some M&A activities, invest more heavily in products, or simply return this cash to shareholders? What is the longer-term thinking in this respect? Thank you.

AK: I'll cover the first one. Well, whenever we talk about the future there are always risks – but 19 November is the only date we have and we will deliver. I mean, I don't see any chance to have another date. So we're focused on this and we are very close to sending the build for the final certification, so this is the only date this company is working towards, from development to marketing.

PN: The second question – about the marketing budget for CP. I would say it's accelerating in the third quarter, starting with the Night City Wires and all we had to prepare for them. But the main push is targeted for the release window – a couple of weeks before, and lasting for several weeks after the game is released. How big will the push be? Definitely the biggest in our history. We do not reveal the marketing budget for CP yet but the scope of the campaign is supposed to be at least 3 times bigger than what we had for The Witcher 3. I would also like to underline that the marketing budget for CP is somewhat dynamic. We try to spend a certain percentage of expected revenues, so if the expected revenues increase, the marketing budget follows accordingly. Therefore, we try not to announce it beforehand as we know the final amount will depend on the final expectations from our distributors and market analysts, and may change prior to release of the game.

AK: And the third one – Adam Kiciński again – regarding cash. Starting from M&A we've always been about organic growth and I think that's our destiny. Of course, we might one day join forces with smaller teams, but our mission is to build the company based on organic growth. Dividend or buyback – yes, it's possible, but it's too early to discuss that. We've paid dividends twice before, so if we decide to propose it to shareholders one day, we will, and the same goes for buyback. The most important thing is to have a decent cushion for further growth. We want the company to grow. In our industry the scale of the company is strictly linked with the size of its teams, so we want to have more people, work on more titles – and all of this costs money, so we buffer for future productions and internal investments in this regard.

Q4: Hello. In 2015 there appeared to be a surge in preorders in the weeks immediately before The Witcher 3 launched. Is this something you expect with Cyberpunk as well? And then – a more technical question about The Witcher Monster Slayer. Do you know if Spokko uses the Google Maps SDK for that game? Thank you.

MN: Hi, Michał Nowakowski again. I can take the preorder question. The answer is definitely “yes”. This is traditional: the final weeks just before launch are when quite a significant portion of players interested in a given title decide to preorder the game. It’s simply due to the fact that the game is just within their reach; they can see that it’s launching any moment now and this is when they feel fine with spending their money on it – because, depending when they preorder, they pay either some or the full amount for the game. So yes, we do expect a spike in the final weeks before the launch.

AK: Hello, Adam Kiciński again. Regarding Maps – yes, The Witcher Monster Slayer, the Spokko project, is based on Google Maps. I can confirm that.

Q5: Hi, good morning. I want to ask two questions. Given that you’re reporting the third quarter a week after the release of Cyberpunk, can we expect any first-week sales figures at that point? And my second question: can we have any information about when the open and closed beta will launch for Cyberpunk? Thank you.

PN: So the first question – definitely, we will address the release of Cyberpunk at our earnings call for the third quarter. It’s hard to say what data we will immediately have to share with you; we would definitely love to share reliable and complete information – some of it is delivered to us with a certain delay, but as far as is possible, we would be willing to share and comment on the performance of the game.

AK: And the second question – Adam Kiciński here – I’d like to clarify. Are you asking about multiplayer or CP77 single-player?

Q5: CP77 single-player, sorry.

AK: Oh, for single-player there are no betas. We have internal ones, of course – well we had them; we’re now at the final stage of the project. We’re not providing any public beta as this is a single-player game. We never did it and no one does it for this kind of product; we sell the final game to gamers – you don’t want them to play it before launch. That’s standard practice.

Q6: Hi, just a follow-up on a couple of previous questions. I’m interested in digging a little deeper in the physical-digital shift trends. It’s probably a quick answer, but given the significantly different economic factors I’d like some clarity. How do you adjust your orders for physical units? You mentioned you could only sell as many as you order. Have you adjusted

that order over the recent months, up or down? At the same time – have you had any communication with your distribution partners regarding their willingness or desire to increase or decrease their own marketing budgets up or down during the period when sales look more likely to be online – and maybe you would offset that with some direct marketing of your own? Anything on those points would be very interesting. Thank you.

MN: So, regarding the shift to digital – especially this year – there has been some, for sure, and we’ve seen it in quite a few releases this year where digital was taking a larger share than in the years past. That shift is also dependent on where you’re based as a consumer, so it’s not exactly the same all over the world; there are still regions which are more physical and there are also regions which are transferring to digital because – for example – the COVID situation remains more serious there than in other places. So there is not one clear answer to that question, although if I were to comment on the global situation I would say yes, digital – on average – is going to have a higher share than, for example, what we would have seen, say, a year ago. When it comes to distribution partners; whether they’re shifting anything in terms of units or marketing commitments or anything of the kind – I don’t want to point at specific ones, but yes, we’ve seen shifts, and these were upward shifts in terms of physical units and also in terms of marketing commitment.

Q6: So you’ve seen increased marketing budgets?

MN: Yes, because very often the marketing spend is correlated with the number of units that are supposed to go to retail. I won’t say these increases were “crazy” or “sky-high”, but yes, there were some increases.

AK: We have some questions asked on webcast, so we’ll now go through them and provide answers.

Q7: What is the estimated number of CP 2077 preorders as today?

AK: Well, we’re not revealing those numbers so we can’t answer this question directly. The only thing we can confirm is that we are really happy with preorders – but no numbers can be provided.

Q8: Are you going to continue to buy back your own shares in the future to offset supply from the incentive program to some degree? How can you compare sales of preorders of CP with preorders of W3 at the similar stage before the launch (2-3 months before launch)? Have you hit over 1 million preorders of CP already? Thanks.

PN: I’ll cover the first one. The shares that the participants of the incentive program will be selling over the next 2 weeks come from the buy-back program, so the two events were not

happening exactly at the same time, but they comprise similar – yet opposite – transactions. First, we bought back the shares and – I don't know if you've noticed that detail, but we decided to buy back the shares with limited participation in daily liquidity; it was limited vs. the official requirements down to 20%. Right now, regarding the process of selling shares, we further limited this maximum participation to 15%. So the idea is to have as little influence on the market as possible, and I believe there is no other buy-back required to meet the supply of shares if the supply is limited to such a low percentage as 15%. The second question – comparing the preorders of Cyberpunk and The Witcher – Michał?

MN: Hi; I can take this one. We are definitely in a much better spot with CP preorders than we were in a comparable timeframe with The Witcher 3, however – and transferring directly to the third question – as I mentioned, we're not discussing specific numbers, and the 1 million you mentioned in your question is a specific number, so I cannot answer that directly, unfortunately. But we're in a better position than we were with The Witcher 3.

Q9: Is The Witcher: Monster Slayer going to be released for iOS and Android smartphones at the same time? Can you confirm that it will be a free-to-play with item sales game?

AK: The goal is to have a simultaneous release on both platforms, iOS and Android. I can't confirm that with certainty, but that's our goal – and yes, I can confirm that the game is going to be free to play with some microtransactions. We're not revealing too many details about this, but you can expect some items that can be bought.

Q10: New consoles are backwards compatible. How will the enhanced Witcher 3 edition for new consoles work for people who already own the game on old consoles? Will there be an upgrade for purchase?

AK: So, as we announced during our call – and there was a press announcement with more details – we did it like we always do: for everyone who had already purchased The Witcher 3 there will be an update on their respective platforms. On PC – they'll get an upgraded version of the PC edition; on Xbox – a free update to Xbox Series X and the same on PlayStation. But of course this will also be a new product for new gamers on each platform, so at a certain point next year we'll be selling a new version of The Witcher 3 with all those enhancement and upgrades. The key thing behind this decision is to extend the lifecycle of the game. The Witcher 3 is still selling great and we believe that having it updated on par with the most recent games – or the games that will be released – is a great advantage in terms of sales over the next – who knows how many years? 5? 4? So, in the long term it will be a meaningful addition to our back catalogue.

Q11: CP2077: How is the optimization of the game going? Could give us some color on how you have improved FPS in the game since hands-on time?

AK: Well, it's going well! Optimization is something you usually do at the last moment, when everything else is ready, so of course we have to optimize – without this the game could not be released. It's going well, the game looks stunning, so expect that everything will be as optimized as it should be upon release.

Q12: Can we expect that the price of CP2077 for next-gen consoles, developed in-house, which should be released next year, will be 70 USD/EUR ?

MN: In terms of EUR, 69.99 has actually been the full SRP for the current generation already, for Xbox One, so yes, you should expect that the price is going to be priced around that marker in the Eurozone. When it comes to USD, we launched our preorders at 60 USD and of course we're going to keep that price for the consumers. We're not going to change it at the last minute to 70 USD. So just to confirm – these prices are out in the market anyway; you can check them on various sites: 59.99 USD and 69.99 EUR is what we're going for.

Q13: How many DLCs are you planning for Cyberpunk? Will this project be developed similarly to The Witcher 3?

AK: Yes, you can expect a similar path after release. You can expect more, actually. We're not going into too many details today, but everything will be clear before release. As we are close to the release, expect the post-release plans to be revealed fairly soon; a series of free DLCs and expansions will be described – as I said, you can expect it fairly soon and then everything will be made clear.

Q14: Do you plan to price games on next-gen consoles at a premium, like it was recently announced by EA?

MN: I'm assuming you're referring to the increased SRP in the US. As I mentioned when answering the previous question, we already announced – a while ago – preorders for our game in the US going at 59.99 and we're not planning to change that price at the last minute. It's been out in the market and known to consumers for some time. In Europe, the game has been marketed by quite a few retailers for quite a while as well, so, in other words, we're not planning to change where we are at the last minute for the consumers.

Q15: The same question for the PC version of enhanced Witcher 3 – will there be an update to enhanced? How will it be priced (roughly)?

MN: So, for The Witcher 3 I believe Adam mentioned that before, there will be update as well – mind you, on PC the situation is a little bit different because there's no actual switch between platforms or anything of the kind, like with consoles, but there will be a patch adding

visual quality and a few extra features and of course we're not going to charge people for a patch – it's something they're going to download and it will upgrade their game; upgrade their experience – but we're not going to ask them for extra money. If you have your game on PC, you'll just download an update – and the game will continue to cost what it currently does on the PC market. We consider it an upgrade of the currently existing game.

Q16: Do you see that the new COVID reality -- with bigger focus on digital sales that helps smaller studios -- makes competition in the gaming industry fiercer and allows new entities to emerge globally? Do you consider any strategy changes to take in this new phenomenon?

AK: Digital distribution is definitely much easier to access for smaller developers than creating a chain of physical distributors around the world – so I would say yes, this trend is quite obvious in a situation where digital keeps growing. But at the same time, to be honest, digital has been growing for the last 10 years – so perhaps there's an acceleration, but it's not a totally new trend occurring nowadays. Does it change our strategy? No. Our strategy remains unchanged; we want to develop the best games on the planet. That's our aim, our dream; that's what we want to do and we'll be delivering them to gamers in the way gamers want to consume them – whether physical, digital or streaming (in the future); all of that is among our distribution lines of interest.

AK: All right, it seems there are no other questions, so thank you very much for participating in the call – as Piotr mentioned, there's a shareholder meeting planned and the final registration date is next Monday, so please register – and if you have any questions regarding the meeting and what we'll be voting on, please give us a call – because, yes, it's kind of technical, but for us as the management it's a very important tool – so it would be great to have it set before Cyberpunk is launched, and provide people with the next plan as we had done throughout the past nine years. All those plans have been very successful and we do believe that the next one will be as successful as the previous ones. Thank you very much!