

Periodic report

Company: CI Games Spółka Akcyjna

Number: 1/2017

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Title: CI Games Spółka Akcyjna Report on the scope of application of Best Practices

Content: On the basis of § 29 (3) of the Rules of Giełda Papierów Wartościowych w Warszawie S.A. CI Games hereby presents a report concerning its non-compliance with the specific principles contained in "Best Practices for GPW Listed Companies 2016"

Disclosure Policy, Investor Communications

I.Z.1.6. information on the dates of corporate events leading to the acquisition or limitation of rights of a shareholder, information on the dates of publication of financial reports and other events relevant to investors, within a timeframe enabling investors to make investment decisions,

The comment of the Company concerning the application of the abovementioned principle. The Company will be providing on an ongoing basis the information of the dates of corporate events, as mentioned above, in order to provide the most comprehensive performance of the said principle.

I.Z.1.8 selected financial data of the company for the last 5 years of business in a format enabling the recipient to process such data,

The Company does not apply the abovementioned principle.

The Company is currently working on a new corporate website, which shape will enable the performance of this principle, enabling the shareholders an easier and broader access to information.

I.Z.1.10 financial projections, if the company has decided to publish them, published at least in the last 5 years, including information about the degree of their implementation,

Does not apply.

The Company has not yet made a decision on publishing financial projections.

I.Z.1.15. information about the company's diversity policy applicable to the company's governing bodies and key managers; the description should cover the following elements of the diversity policy: gender, education, age, professional experience, and specify the goals of the diversity policy and its implementation in the reporting period; where the company has not drafted and implemented a diversity policy, it should publish the explanation of its decision on its website,

The Company does not apply the abovementioned principle.

In relation to the governing bodies and key managers in the Company, the relevant criteria for the selection of the people occupying specified posts is the kind and scope of competence; in the Company, as a result, there is no diversity policy prepared in detail, nevertheless the Company is committed to have among its authorities and associates people diverse in terms of gender, education, age, work experience etc.

I.Z.1.16 information about the planned transmission of a general meeting, not later than 7 days before the date of the general meeting,

The Company does not apply the abovementioned principle.

Up till now the company did not perform a transmission of a general meeting; in case the Company decides to prepare a transmission of a given general meeting proceedings it will without undue delay publish a relevant information on its website.

I.Z.2. A company whose shares participate in the exchange index WIG20 or mWIG40 should ensure that its website is also available in English, at least to the extent described in principle I.Z.1. This principle should also be followed by companies not participating in these indices if so required by the structure of their shareholders or the nature and scope of their activity.

The comment of the Company concerning the application of the abovementioned principle. The content and shape of the English version of the corporate website of the Company corresponds with the character and scope of the activity conducted by the Company and with the current shareholder structure of the Company.

#### Management Board, Supervisory Board

II.Z.1. The internal division of responsibilities for individual areas of the company's activity among management board members should be clear and transparent, and a chart describing that division should be available on the company's website.

The comment of the Company concerning the application of the abovementioned principle. Due to the character of the business of the Company it poses some difficulties to propose a graphical representation (i.e. a chart) showing the responsibilities for individual areas of Company's activity among management board members. However, the Company is committed that such a chart appeared on the new corporate website of the Company which is currently under construction.

#### General Meeting, Shareholder Relations

IV.Z.2. If justified by the structure of shareholders, companies should ensure publicly available real-time broadcasts of general meetings.

Does not apply.

Due to the structure of shareholders of the Company, the Company does not provide publicly available real-time broadcasts of general meetings.

IV.Z.18. A resolution of the general meeting to split the nominal value of shares should not set the new nominal value of the shares below PLN 0.50, which could result in a very low unit market value of the shares, and which could consequently pose a threat to the correct and reliable valuation of the company listed on the Exchange.

The principle is not applied.

On the day of 31 January 2017 the Extraordinary General Meeting of Shareholders of CI Games S.A. passed the resolution no. 4/2017 upon which the split of Company's shares was accomplished. In result, the nominal value of the Company's shares was decreased from initial 0.10 PLN to 0.01 PLN.

The said split of Company's shares and decrease of nominal value of the shares are meant to increase the stock liquidity and the shares accessibility for minor shareholders/ investors and for prospective investors.

In the Company's opinion the said split does not pose a threat to correct and reliable valuation of the Company – in particular in the light of current share prices the Company's shares are listed. Therefore, in result of not applying this principle the unit market value of Company's shares will not be very low.

Persons representing the Company

Marek Tymiński, President of the Issuer's Management Board