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9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA

11 ANDREW TRAMPE, Individually and
12 on behalf of all others similarly situated,

13 Plaintiff,

14 v.

15 CD PROJEKT S.A., ADAM MICHAL
16 KICINSKI, PIOTR MARCIN
17 NIELUBOWICZ, and MICHAŁ
18 NOWAKOWSKI,

19 Defendants.

Case No.

CLASS ACTION COMPLAINT FOR
VIOLATION OF THE FEDERAL
SECURITIES LAWS

JURY TRIAL DEMANDED

21 Plaintiff Andrew Trampe (“Plaintiff”), individually and on behalf of all other
22 persons similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s
23 complaint against Defendants (defined below), alleges the following based upon
24 personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and
25 belief as to all other matters, based upon, *inter alia*, the investigation conducted by
26 and through his attorneys, which included, among other things, a review of the
27

1 Defendants' public documents, conference calls and announcements made by
2 Defendants, public filings, wire and press releases published by and regarding CD
3 Projekt S.A. ("CD Projekt" or the "Company"), and information readily obtainable
4 on the Internet. Plaintiff believes that substantial evidentiary support will exist for
5 the allegations set forth herein after a reasonable opportunity for discovery.

6 **NATURE OF THE ACTION**

7 1. This is a class action on behalf of persons or entities who purchased or
8 otherwise acquired publicly traded CD Projekt securities between January 16, 2020
9 and December 17, 2020, inclusive (the "Class Period"). Plaintiff seeks to recover
10 compensable damages caused by Defendants' violations of the federal securities
11 laws under the Securities Exchange Act of 1934 (the "Exchange Act.

12 **JURISDICTION AND VENUE**

13 2. The claims asserted herein arise under and pursuant to §§10(b) and
14 20(a) of the Exchange Act (15 U.S.C. §§78j(b) and §78t(a)) and Rule 10b-5
15 promulgated thereunder by the SEC (17 C.F.R. §240.10b-5).

16 3. This Court has jurisdiction over the subject matter of this action under
17 28 U.S.C. §1331 and §27 of the Exchange Act.

18 4. Venue is proper in this judicial district pursuant to §27 of the Exchange
19 Act (15 U.S.C. §78aa) and 28 U.S.C. §1391(b) as the alleged misstatements entered
20 and the subsequent damages took place in this judicial district.

21 5. In connection with the acts, conduct and other wrongs alleged in this
22 Complaint, Defendants (defined below), directly or indirectly, used the means and
23 instrumentalities of interstate commerce, including but not limited to, the United
24 States mail, interstate telephone communications and the facilities of the national
25 securities exchange.
26

PARTIES

1
2 6. Plaintiff, as set forth in the accompanying Certification, purchased the
3 Company's securities at artificially inflated prices during the Class Period and was
4 damaged upon the revelation of the alleged corrective disclosure.

5 7. Defendant CD Projekt, through its subsidiaries, engages in the
6 development and digital distribution of videogames worldwide. It operates through
7 two segments, CD PROJEKT RED and GOG.com. The Company's product portfolio
8 includes The Witcher; The Witcher 2: Assassins of Kings; The Witcher 3: Wild
9 Hunt, Hearts of Stone games, and Blood and Wine; Thronebreaker: The Witcher
10 Tales; Gwent: The Witcher Card game; and Cyberpunk 2077, as well as online
11 multiplayer games.

12 8. CD Projekt is incorporated in Delaware and its head office is located at
13 Building E, ul. Jagiellonska 74, Warsaw 03-301, Poland. CD Projekt's American
14 Depository Receipts ("ADRs") trade on the OTC Pink under the ticker symbol
15 "OTGLY", and its ordinary shares trade on the OTC Pink under the ticker symbol
16 "OTGLF."

17 9. Defendant Adam Michal Kicinski ("Kicinski") has served as the
18 Company's Joint Executive Officer ("CEO") and as President of the Management
19 Board throughout the Class Period.

20 10. Defendant Piotr Marcin Nielubowicz ("Nielubowicz") has served as the
21 Company's Chief Financial Officer ("CFO") and Vice-President of the Management
22 Board throughout the Class Period.

23 11. Defendant Michał Nowakowski ("Nowakowski") has served as the vice
24 president of business development and member of the Management Board
25 throughout the Class Period.
26
27

1 12. Defendants Kicinski, Nielubowicz, and Nowakowski are sometimes
2 referred to herein as the “Individual Defendants.”

3 13. Each of the Individual Defendants:

4 (a) directly participated in the management of the Company;

5 (b) was directly involved in the day-to-day operations of the Company at
6 the highest levels;

7 (c) was privy to confidential proprietary information concerning the
8 Company and its business and operations;

9 (d) was directly or indirectly involved in drafting, producing, reviewing
10 and/or disseminating the false and misleading statements and
11 information alleged herein;

12 (e) was directly or indirectly involved in the oversight or implementation
13 of the Company’s internal controls;

14 (f) was aware of or recklessly disregarded the fact that the false and
15 misleading statements were being issued concerning the Company;
16 and/or

17 (g) approved or ratified these statements in violation of the federal
18 securities laws.
19

20 14. The Company is liable for the acts of the Individual Defendants and its
21 employees under the doctrine of *respondeat superior* and common law principles
22 of agency because all of the wrongful acts complained of herein were carried out
23 within the scope of their employment.

24 15. The scienter of the Individual Defendants and other employees and
25 agents of the Company is similarly imputed to the Company under *respondeat*
26 *superior* and agency principles.
27

1 16. The Company and the Individual Defendants are referred to herein,
2 collectively, as the “Defendants.”

3 **SUBSTANTIVE ALLEGATIONS**

4 **Background**

5 17. For several years, the Company had been devoting substantially all its
6 resources to the development of Cyberpunk 2077, which the Company described as
7 a “open world, narrative-driven role-playing game.” The game was to be released
8 on various platforms, including Sony’s Playstation 5 and Microsoft’s Xbox X and
9 Xbox (“Next-Generation Consoles”), Microsoft’s Xbox Series One and Sony’s
10 Playstation 4 (the “Current-Generation Consoles”), Windows, and Google’s Stadia.
11 The original release date of the game was slated for April 17, 2020.

12 **Materially False and Misleading Statements**

13 18. On January 16, 2020, CD Projekt released a statement announcing that
14 though Cyberpunk 2077 was “complete and playable”, the game’s release date
15 would be delayed until September 7, 2020, as the Company “needed more time to
16 finish playtesting, fixing and polishing.”

17 19. On April 8, 2020, the Company published its Annual Report for fiscal
18 year 2019. Accompanying the Annual Report was a Management Board Report,
19 which stated the following concerning Cyberpunk 2077:

20 After the close of the reporting period, on 16 January 2020, the
21 Management Board announced that the release date of Cyberpunk 2077
22 would be pushed back to 17 September 2020. The Board justified this
23 decision by pointing out the need for additional time to fully playtest,
24 bugfix and polish the game, thus ensuring that customers receive a top-
25 quality product.

26 20. On September 4, 2020 CD Projekt published their financial results for
27 the first half of 2020 via press release. That same day, the Company held a

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