

**AGORA S.A.**

Condensed  
semi-annual  
unconsolidated  
financial statements  
**as at 30 June 2021**  
**and for 6 month**  
**period ended thereon**

August 12, 2021

## UNCONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2021

	Note	As at 30 June 2021 unaudited	As at 31 December 2020 audited
<b>Assets</b>			
<b>Non-current assets:</b>			
Intangible assets		42,827	46,295
Property, plant and equipment		148,938	155,959
Right-of-use assets		24,826	26,662
Long term financial assets		624,397	621,992
Receivables and prepayments		702	915
Deferred tax assets		12,991	8,369
		<b>854,681</b>	<b>860,192</b>
<b>Current assets:</b>			
Inventories		12,175	9,607
Accounts receivable and prepayments		76,759	83,189
Income tax receivable		748	733
Short-term securities and other financial assets		743	263
Cash and cash equivalents		57,919	73,506
		<b>148,344</b>	<b>167,298</b>
Non-current assets held for sale	3	-	14,500
		<b>148,344</b>	<b>181,798</b>
<b>Total assets</b>		<b>1,003,025</b>	<b>1,041,990</b>

Accompanying notes are an integral part of these condensed semi-annual unconsolidated financial statements.

## UNCONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2021 (CONTINUED)

	Note	As at 30 June 2021 unaudited	As at 31 December 2020 audited
<b>Equity and liabilities</b>			
<b>Equity:</b>			
Share capital		46,581	46,581
Share premium		147,192	147,192
Other reserves		123,053	123,053
Retained earnings		467,101	456,562
		<b>783,927</b>	<b>773,388</b>
<b>Non-current liabilities:</b>			
Long-term borrowings		46,303	64,989
Retirement severance provision		1,799	1,756
Provisions		49	286
Accruals and other liabilities		1,302	1,705
Contract liabilities		262	177
		<b>49,715</b>	<b>68,913</b>
<b>Current liabilities:</b>			
Retirement severance provision		113	159
Trade and other payables		113,154	106,886
Short-term borrowings		20,885	36,279
Other financial liabilities	5	26,365	48,741
Provisions		970	1,150
Contract liabilities		7,896	6,474
		<b>169,383</b>	<b>199,689</b>
<b>Total equity and liabilities</b>		<b>1,003,025</b>	<b>1,041,990</b>

Accompanying notes are an integral part of these condensed semi-annual unconsolidated financial statements.

**UNCONSOLIDATED INCOME STATEMENT FOR SIX MONTHS ENDED 30 JUNE 2021**

	Six months ended 30 June 2021 unaudited	Six months ended 30 June 2020 unaudited
Revenue	175,077	157,999
Cost of sales	(91,189)	(89,596)
<b>Gross profit</b>	<b>83,888</b>	<b>68,403</b>
Selling expenses	(58,275)	(51,045)
Administrative expenses	(47,756)	(40,394)
Other operating income	2,870	8,256
Other operating expenses	(1,794)	(2,000)
Impairment losses for receivables - net	144	(397)
<b>Operating loss</b>	<b>(20,923)</b>	<b>(17,177)</b>
Finance income	28,616	286
Finance costs	(1,807)	(59,536)
<b>Profit/(loss) before income taxes</b>	<b>5,886</b>	<b>(76,427)</b>
Income tax expense	4,653	1,804
<b>Net profit/(loss) for the period</b>	<b>10,539</b>	<b>(74,623)</b>
Basic / diluted earnings per share (in PLN)	0.23	(1.60)

Accompanying notes are an integral part of these condensed semi-annual unconsolidated financial statements.

**UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR SIX MONTHS ENDED 30 JUNE 2021**

	Six months ended 30 June 2021 unaudited	Six months ended 30 June 2020 unaudited
<b>Net profit/(loss) for the period</b>	<b>10,539</b>	<b>(74,623)</b>
<b>Other comprehensive income for the period</b>	-	-
<b>Total comprehensive income for the period</b>	<b>10,539</b>	<b>(74,623)</b>

Accompanying notes are an integral part of these condensed semi-annual unconsolidated financial statements.

## UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR SIX MONTHS ENDED 30 JUNE 2021

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
<b>Six months ended 30 June 2021</b>					
<b>As at 31 December 2020 audited</b>	<b>46,581</b>	<b>147,192</b>	<b>123,053</b>	<b>456,562</b>	<b>773,388</b>
<b>Total comprehensive income for the period</b>					
Net profit	-	-	-	10,539	10,539
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,539</b>	<b>10,539</b>
<b>Transactions with owners, recorded directly in equity</b>					
Contributions by and distributions to owners					
Total transactions with owners	-	-	-	-	-
<b>As at 30 June 2021 unaudited</b>	<b>46,581</b>	<b>147,192</b>	<b>123,053</b>	<b>467,101</b>	<b>783,927</b>

  

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
<b>Six months ended 30 June 2020</b>					
<b>As at 31 December 2019 audited</b>	<b>46,581</b>	<b>147,192</b>	<b>121,302</b>	<b>506,381</b>	<b>821,456</b>
<b>Total comprehensive income for the period</b>					
Net loss	-	-	-	(74,623)	(74,623)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(74,623)</b>	<b>(74,623)</b>
<b>Transactions with owners, recorded directly in equity</b>					
Contributions by and distributions to owners					
Other	-	-	-	1	1
Total transactions with owners	-	-	-	1	1
<b>As at 30 June 2020 unaudited</b>	<b>46,581</b>	<b>147,192</b>	<b>121,302</b>	<b>431,759</b>	<b>746,834</b>

Accompanying notes are an integral part of these condensed semi-annual unconsolidated financial statements.

**UNCONSOLIDATED CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 JUNE 2021**

	Six months ended 30 June 2021 unaudited	Six months ended 30 June 2020 unaudited
<b>Cash flows from operating activities</b>		
<b>Profit/(loss) before income taxes</b>	<b>5,886</b>	<b>(76,427)</b>
Adjustments for:		
Depreciation and amortization	16,199	14,640
Foreign exchange (gain)/loss	(7)	34
Interest, net	1,349	1,662
Loss on investing activities	770	50,508
Dividend income	(28,052)	-
(Decrease) / increase in provisions	(421)	1,095
(Increase) / decrease in inventories	(2,567)	2,079
Decrease in receivables	6,432	24,551
Increase in payables	9,154	13,150
Increase in contract liabilities	1,506	2,636
<b>Cash generated from operations</b>	<b>10,249</b>	<b>33,928</b>
Income taxes inflows/(outflows) (1)	(100)	1,536
<b>Net cash from operating activities</b>	<b>10,149</b>	<b>35,464</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment, and intangibles	14,595	10,579
Disposal of subsidiaries, associates and jointly controlled entities	-	4
Dividends received	28,052	-
Repayment of loans granted	-	100
Interest received	4	130
Outflows from cash pooling	(479)	(1,494)
Purchase of property plant and equipment, and intangibles	(8,935)	(12,241)
Acquisition of subsidiary (net of cash acquired) associates and jointly controlled entities	(2,404)	(1,335)
<b>Net cash from/(used in) investing activities</b>	<b>30,833</b>	<b>(4,257)</b>

**UNCONSOLIDATED CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 JUNE 2021  
(CONTINUED)**

	Six months ended 30 June 2021 unaudited	Six months ended 30 June 2020 unaudited
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(30,833)	(2,083)
Proceeds/(outflows) from cash pooling	(22,376)	6,032
Payment of lease liabilities	(1,009)	(502)
Interest paid	(2,051)	(1,523)
Other	(300)	(20)
<b>Net cash from/(used in) financing activities</b>	<b>(56,569)</b>	<b>1,904</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(15,587)</b>	<b>33,111</b>
Cash and cash equivalents		
At start of period	73,506	13,174
At end of period	57,919	46,285

1) the amount includes settlements with the companies participating in the Tax Capital Group.

Accompanying notes are an integral part of these condensed semi-annual unconsolidated financial statements.

## NOTES

### 1. General information

Agora S.A. with its registered seat in Warsaw, Czerska 8/10 street ("the Company") principally conducts publishing activity (including *Gazeta Wyborcza*, periodicals and books) and carries out internet and radio activity. Additionally, the Agora Group ("the Group") is active in the cinema segment through its subsidiary Helios S.A. and in the outdoor segment through its subsidiary AMS S.A. The Group also engages in projects related to production and co-production of movies through the company Next Film Sp. z o.o. and in gastronomy activity through the company Step Inside Sp. z o.o.

Detailed information about the structure and the scope of activity of the Agora Group have been included in the condensed semi-annual consolidated financial statement as at 30 June 2021 and for six month period ended thereon.

Company's advertising revenues are subject to seasonality – revenues earned in the first and third quarter are usually lower than in the second and fourth quarter.

The condensed semi-annual unconsolidated financial statements were prepared as at 30 June 2021 and for six months ended 30 June 2021 with comparative figures as at 31 December 2020 and for six months ended 30 June 2020.

The condensed semi-annual unconsolidated financial statements were authorised for issue by the Management Board on August 12, 2021.

### 2. Changes in provisions and impairment losses for assets

In the period from January 1, 2021 to June 30, 2021 the following impairment losses and provisions were changed in the condensed semi-annual unconsolidated financial statements of Agora S.A.:

- impairment loss for receivables: decrease by PLN 460 thousand;
- impairment loss for inventory: increase by PLN 135 thousand;
- impairment loss for property, plant and equipment and intangible assets: decrease by PLN 3,567 thousand, including the use in the amount of PLN 4,450 thousand (mainly related to sale of the assets of the printing activity) and set-up by PLN 883 thousand (related to the property in Tychy);
- provision for litigation: increase in the amount of PLN 37 thousand;
- impairment loss for shares: used in the amount of PLN 24,500 thousand (due to the sale of shares of Goldenline Sp. z o.o. to HRlink Sp. z o.o., shares in Goldenline Sp. z o.o. were fully written-off);
- provision for restructuring cost: decrease by PLN 304 thousand, including release by PLN 59 thousand and the use by PLN 245 thousand;
- provision for severance payments for former members of the Management Board: used in the amount of PLN 150 thousand;
- retirement severance provision: decrease by PLN 4 thousand.

### 3. Property, plant and equipment

In the period from January 1, 2021 to June 30, 2021, the Company purchased property, plant and equipment in the amount of PLN 2,016 thousand (in the period of January 1, 2020 to June 30, 2020: PLN 4,277 thousand).

As at June 30, 2021 commitments for the purchase of property, plant and equipment amounted to PLN 407 thousand (December 31, 2020: PLN 69 thousand).

#### ■ Sale of the property

On January 29, 2021 the Management Board of Agora S.A. informed that that on 29 January 2021, the Company concluded a preliminary agreement for the sale of the perpetual usufruct right to a developed real estate with a total area of 7.46 ha, including the ownership title to buildings constituting an object of ownership separate from the land, located in Pila at ul. Krzywa 35, for which the District Court in Pila, VI Division of Land Registry, keeps a land and mortgage register with the number PO11/00009141/0 ("Property").



The decision to sell the Property resulted from the fact that after the restructuring of the printing activity and the phasing out of printing plant in Pila in the second half of 2019 (about which Agora informed in regulatory filings No. 5/2019 of 5 March 2019 and No. 7/2019 of 25 March 2019). The Company does not effectively use the area of the Property for operating activities.

On March 4, 2021, the Company concluded a promised agreement on sale of the above described property.

The total value of the Property amounted to PLN 14.5 million net and its sale did not affect the operating result of the Agora Group in 2021, as the selling price of the Property was, as a general rule, in line with its book value. The transaction is visible in the Company's cash flows and results in a decrease in the value of the Company's fixed assets, which, as at December 31, 2020, were presented as Non-current assets held for sale.

#### 4. Related party transactions

##### (a) Management Board and Supervisory Board remuneration

The remuneration of Management Board members of Agora S.A. amounted to PLN 1,187 thousand (six months ended June 30, 2020: PLN 1,222 thousand). The amounts include remuneration paid during the period of holding the post of a Management Board Member.

The remuneration of Supervisory Board members of Agora S.A. amounted to PLN 312 thousand (six months ended June 30, 2020: PLN 285 thousand).

##### (b) Entities related to Agora S.A.

There were no material transactions and balances with related entities other than disclosed below:

	Six months ended 30 June 2021	Six months ended 30 June 2020
<b>Subsidiaries</b>		
Sales	29,864	24,393
Purchases	(9,700)	(8,875)
Other operating income	-	1
Dividends income	28,052	-
Finance income - interests on cash pooling	4	-
Other finance income	4	120
Finance cost - credit guarantee	(302)	-
Finance cost - interests on cash pooling	-	(71)
Income tax -TCG settlements	161	(333)
<b>Associates</b>		
Sales	16	14
Purchases	(23)	-
Interest on loans granted	-	5
<b>Major shareholder</b>		
Sales	13	11
Other operating income	398	349

	As at 30 June 2021	As at 31 December 2020
<b>Subsidiaries</b>		
Shares	467,818	465,414
Cash pooling receivables	743	263
Trade receivables	12,014	5,505
Other receivables	8,201	8,158
Cash pooling liabilities	26,365	48,741
Trade liabilities	2,772	2,764
Other liabilities and accruals	1,937	1,542
<b>Associates</b>		
Shares	156,257	156,257
<b>Major shareholder</b>		
Trade receivables	2	-
Other liabilities and accruals	29	210

## 5. Other financial liabilities

Other short - term financial liabilities include liabilities of Agora S.A. to subsidiaries resulting from settlements related to the cash pooling system, which functions within Agora Group.

## 6. Financial instruments measured at fair value

As at 30 June 2021 and 31 December 2020 the Company had no financial instruments measured at fair value.

## 7. Other notes

The Management Board of Agora S.A. believes that the notes to Agora Group's condensed semi-annual consolidated financial statements present all other material information required to assess the Company's and Group's financial position and financial results for six months ended 30 June 2021 and therefore the condensed semi-annual unconsolidated financial statements should be read together with the condensed semi-annual consolidated financial statements, which are included in the semi-annual report.

The condensed semi-annual unconsolidated financial statements have been prepared according to International Accounting Standard 34 "Interim Financial Reporting" on the basis of art. 45 point 1a-1c of Accounting Act (Official Journal from 2021, item 217 with subsequent amendments). The condensed semi-annual unconsolidated financial statements as at 30 June 2021 should be read together with the audited unconsolidated financial statements as at 31 December 2020.

In the preparation of these condensed semi-annual unconsolidated financial statements, the Company has followed the same accounting policies as used in the unconsolidated financial statements as at 31 December 2020 taking into account the changes introduced by new or amended standards, which were endorsed by the European Union. The application of the amendments to standards had no significant impact on the condensed semi-annual unconsolidated financial statements.

## 8. Selected unconsolidated financial data together with translation into EURO

	PLN thousand			EURO thousand		
	Six months ended 30 June 2021 unaudited	As at 31 December 2020 audited	Six months ended 30 June 2020 unaudited	Six months ended 30 June 2021 unaudited	As at 31 December 2020 audited	Six months ended 30 June 2020 unaudited
Sales	175,077		157,999	38,502		35,575
Operating loss	(20,923)		(17,177)	(4,601)		(3,868)
Profit/(loss) before income taxes	5,886		(76,427)	1,294		(17,208)
Net profit/(loss) for the period	10,539		(74,623)	2,318		(16,802)
Net cash from operating activities	10,149		35,464	2,232		7,985
Net cash from/(used in) investing activities	30,833		(4,257)	6,781		(959)
Net cash from/(used in) financing activities	(56,569)		1,904	(12,440)		429
Net increase / (decrease) in cash and cash equivalents	(15,587)		33,111	(3,428)		7,455
Total assets	1,003,025	1,041,990		221,869	225,793	
Non-current liabilities	49,715	68,913		10,997	14,933	
Current liabilities	169,383	199,689		37,467	43,271	
Equity	783,927	773,388		173,404	167,589	
Share capital	46,581	46,581		10,304	10,094	
Weighted average number of shares	46,580,831	46,580,831	46,580,831	46,580,831	46,580,831	46,580,831
Basic/diluted earnings per share (in PLN / in EURO)	0.23		(1.60)	0.05		(0.36)
Book value per share (in PLN / in EURO)	16.83	16.60		3.72	3.60	

Selected financial data presented in the financial statements has been translated into EURO in the following way:

- income statement and cash flow statement figures for the two quarters of 2021 (two quarters of 2020) using the arithmetic average of exchange rates published by NBP and ruling on the last day of each month for two quarters. For the two quarters of 2020 EURO 1 = PLN 4.5472 (EURO 1 = PLN 4. 4413).
- balance sheet figures using the average exchange rates published by NBP and ruling as at the balance sheet date. The exchange rate as at 30 June 2021 – EURO 1 = PLN 4.5208; as at 31 December 2020 – EURO 1 = PLN 4.6148, as at 30 June 2020 – EURO 1 = PLN 4.4660.

Warsaw, August 12, 2021

*Bartosz Hojka - President of the Management Board*

*Signed on the Polish original*

*Tomasz Jagiello - Member of the Management Board*

*Signed on the Polish original*

*Agnieszka Sadowska - Member of the Management Board*

*Signed on the Polish original*

*Anna Krynska-Godlewska - Member of the Management Board*

*Signed on the Polish original*

*Tomasz Grabowski - Member of the Management Board*

*Signed on the Polish original*

*Agnieszka Siuzdak-Zyga - Member of the Management Board*

*Signed on the Polish original*

Signatures submitted electronically.