

AGORA GROUP

Condensed
interim
consolidated
financial statements
**as at 30 June 2020
and for three and
six month period
ended thereon**

September 24, 2020

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2020

	As at 30 June 2020 unaudited	As at 31 March 2020 unaudited	As at 31 December 2019 audited
Assets			
Non-current assets:			
Intangible assets	424,667	426,048	441,047
Property, plant and equipment	426,674	441,523	458,559
Right-of-use assets	586,219	590,428	590,351
Long-term financial assets	555	568	783
Investments in equity accounted investees	153,677	153,953	154,127
Receivables and prepayments	1,264	2,341	2,530
Deferred tax assets	30,676	25,312	17,144
	1,623,732	1,640,173	1,664,541
Current assets:			
Inventories	18,172	22,395	21,308
Accounts receivable and prepayments	140,878	191,287	230,095
Income tax receivable	2,245	1,527	1,436
Short-term securities and other financial assets	140	126	9,656
Cash and cash equivalents	133,265	98,909	61,065
	294,700	314,244	323,560
Non-current assets held for sale	-	-	4,344
	294,700	314,244	327,904
Total assets	1,918,432	1,954,417	1,992,445

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2020 (CONTINUED)

	As at 30 June 2020 unaudited	As at 31 March 2020 unaudited	As at 31 December 2019 audited
Equity and liabilities			
Equity attributable to equity holders of the parent:			
Share capital	46,581	46,581	46,581
Share premium	147,192	147,192	147,192
Retained earnings and other reserves	662,687	695,105	737,470
	856,460	888,878	931,243
Non-controlling interest	17,259	18,137	20,932
Total equity	873,719	907,015	952,175
Non-current liabilities:			
Deferred tax liabilities	6,159	6,218	6,514
Long-term borrowings	592,693	591,248	558,666
Other financial liabilities	43,638	53,354	53,354
Retirement severance provision	3,482	3,316	3,316
Provisions	484	707	829
Accruals and other liabilities	6,149	6,461	5,500
Contract liabilities	136	81	98
	652,741	661,385	628,277
Current liabilities:			
Retirement severance provision	79	277	277
Trade and other payables	236,145	238,647	264,126
Income tax liabilities	2,352	2,266	889
Short-term borrowings	132,227	127,522	127,730
Other financial liabilities	-	-	1,760
Provisions	4,647	2,972	3,361
Contract liabilities	16,522	14,333	13,850
	391,972	386,017	411,993
Total equity and liabilities	1,918,432	1,954,417	1,992,445

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

CONSOLIDATED INCOME STATEMENT FOR THREE AND SIX MONTHS ENDED 30 JUNE 2020

	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited	Three months ended 30 June 2019 unaudited	Six months ended 30 June 2019 unaudited
Revenue	129,533	419,122	269,787	578,224
Cost of sales	(125,176)	(332,080)	(190,799)	(411,149)
Gross profit	4,357	87,042	78,988	167,075
Selling expenses	(29,533)	(78,175)	(49,879)	(98,358)
Administrative expenses	(27,365)	(66,355)	(37,748)	(75,500)
Other operating income	10,272	19,770	2,026	4,002
Other operating expenses	(10,302)	(33,915)	(1,707)	(3,221)
Impairment losses for receivables - net	(752)	(1,233)	(850)	(2,697)
Operating loss	(53,323)	(72,866)	(9,170)	(8,699)
Finance income	11,537	4,007	5,026	5,661
Finance costs	(4,714)	(29,994)	(5,488)	(10,485)
Share of results of equity accounted investees	(276)	(441)	2,538	2,751
Loss before income taxes	(46,776)	(99,294)	(7,094)	(10,772)
Income tax	5,669	11,098	506	791
Net loss for the period	(41,107)	(88,196)	(6,588)	(9,981)
Attributable to:				
Equity holders of the parent	(38,588)	(81,316)	(6,219)	(11,268)
Non-controlling interest	(2,519)	(6,880)	(369)	1,287
	(41,107)	(88,196)	(6,588)	(9,981)
Basic/diluted earnings per share (in PLN)	(0.83)	(1.75)	(0.13)	(0.24)

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THREE AND SIX MONTHS ENDED 30 JUNE 2020

	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited	Three months ended 30 June 2019 unaudited	Six months ended 30 June 2019 unaudited
Net loss for the period	(41,107)	(88,196)	(6,588)	(9,981)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(41,107)	(88,196)	(6,588)	(9,981)
Attributable to:				
Shareholders of the parent	(38,588)	(81,316)	(6,219)	(11,268)
Non-controlling interests	(2,519)	(6,880)	(369)	1,287
	(41,107)	(88,196)	(6,588)	(9,981)

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR SIX MONTHS ENDED 30 JUNE 2020

Attributable to equity holders of the parent

	Share capital	Share premium	Retained earnings and other reserves	Total	Non-controlling interest	Total equity
Six months ended 30 June 2020						
As at 31 December 2019 audited	46,581	147,192	737,470	931,243	20,932	952,175
Total comprehensive income for the period						
Net loss for the period	-	-	(81,316)	(81,316)	(6,880)	(88,196)
Total comprehensive income for the period	-	-	(81,316)	(81,316)	(6,880)	(88,196)
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Equity-settled share-based payments	-	-	-	-	325	325
Total contributions by and distributions to owners	-	-	-	-	325	325
Changes in ownership interests in subsidiaries						
Acquisition of non-controlling interests	-	-	(1,052)	(1,052)	(878)	(1,930)
Expiration of put option liability	-	-	9,248	9,248	-	9,248
Additional contribution of non-controlling shareholders	-	-	(1,663)	(1,663)	1,679	16
Sale of a subsidiary	-	-	-	-	2,081	2,081
Total changes in ownership interests in subsidiaries	-	-	6,533	6,533	2,882	9,415
Total transactions with owners	-	-	6,533	6,533	3,207	9,740
As at 30 June 2020 unaudited	46,581	147,192	662,687	856,460	17,259	873,719

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR SIX MONTHS ENDED 30 JUNE 2020 (CONTINUED)

	Attributable to equity holders of the parent				Non-controlling interest	Total equity
	Share capital	Share premium	Retained earnings and other reserves	Total		
Six months ended 30 June 2019						
As at 31 December 2018 audited	46,581	147,192	781,237	975,010	21,149	996,159
Total comprehensive income for the period						
Net loss for the period	-	-	(11,268)	(11,268)	1,287	(9,981)
Total comprehensive income for the period	-	-	(11,268)	(11,268)	1,287	(9,981)
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Equity-settled share-based payments	-	-	-	-	808	808
Dividends declared	-	-	(23,290)	(23,290)	-	(23,290)
Dividends of subsidiaries	-	-	-	-	(4,422)	(4,422)
Total contributions by and distributions to owners	-	-	(23,290)	(23,290)	(3,614)	(26,904)
Changes in ownership interests in subsidiaries						
Total changes in ownership interests in subsidiaries	-	-	(886)	(886)	886	-
Total transactions with owners	-	-	(24,176)	(24,176)	(2,728)	(26,904)
As at 30 June 2019 unaudited	46,581	147,192	745,793	939,566	19,708	959,274

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT FOR THREE AND SIX MONTHS ENDED 30 JUNE 2020

	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited	Three months ended 30 June 2019 unaudited	Six months ended 30 June 2019 unaudited
Cash flows from operating activities				
Loss before income taxes	(46,776)	(99,294)	(7,094)	(10,772)
Adjustments for:				
Share of results of equity accounted investees	276	441	(2,538)	(2,751)
Depreciation of property, plant and equipment	13,112	26,223	13,484	25,731
Amortization of intangible assets	7,816	15,843	7,011	13,911
Depreciation of right-of-use assets	20,520	42,092	18,787	37,048
Foreign exchange (gain) /loss	(8,023)	19,772	(4,535)	(4,429)
Interest, net	4,555	10,146	5,203	9,853
(Profit) / loss on investing activities	1,139	15,814	64	(878)
(Decrease) / increase in provisions	1,433	921	(5,288)	4
Decrease in inventories	4,224	3,136	6,705	9,669
Decrease in receivables	49,639	87,419	(5,153)	15,385
(Decrease)/ increase in payables	9,609	(5,220)	12,762	2,268
(Decrease) / increase in contract liabilities	2,255	2,722	(7)	(1,251)
Remeasurement of put options	(2,228)	(2,228)	-	-
Equity-settled share-based payments	162	325	404	808
Other adjustments	-	-	136	280
Cash generated from operations	57,713	118,112	39,941	94,876
Income taxes paid	(592)	(2,334)	(5,518)	(6,089)
Net cash from operating activities	57,121	115,778	34,423	88,787
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment and intangibles	796	15,939	23,664	28,093
Disposal of subsidiaries (net of cash disposed), associates and jointly controlled entities	3,293	3,297	-	-
Loan repayment received	12	125	12	12
Interest received	4	16	43	78
Disposal of short-term securities	-	24,282	15,007	89,022
Other inflows (1)	-	2,800	-	-
Purchase of property, plant and equipment and intangibles	(11,421)	(34,834)	(25,929)	(58,335)
Acquisition of subsidiary (net of cash acquired), associates and jointly controlled entities	(7,180)	(7,180)	(13,134)	(145,196)
Acquisition of short-term securities	-	(15,000)	-	(25,000)
Loans granted	-	-	(30)	(830)
Net cash used in investing activities	(14,496)	(10,555)	(367)	(112,156)

	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited	Three months ended 30 June 2019 unaudited	Six months ended 30 June 2019 unaudited
Cash flows from financing activities				
Proceeds from borrowings	801	801	9,422	90,886
Other inflows	-	16	-	-
Acquisition of non-controlling interest	(1,858)	(1,868)	-	-
Dividends paid to non-controlling shareholders	-	-	(3,902)	(3,902)
Repayment of borrowings	-	(4,252)	(4,663)	(9,392)
Payment of lease liabilities	(5,101)	(20,409)	(17,871)	(35,061)
Interest paid	(2,111)	(7,311)	(5,142)	(9,638)
Other	-	-	(118)	(505)
Net cash used in financing activities	(8,269)	(33,023)	(22,274)	32,388
Net increase in cash and cash equivalents	34,356	72,200	11,782	9,019
Cash and cash equivalents				
At start of period	98,909	61,065	30,240	33,003
At end of period	133,265	133,265	42,022	42,022

(1) other proceeds relate to the return to AMS S.A. part of cash deposits related to securing the concession agreement for the construction and modernization of bus shelters in Warsaw.

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2020 AND FOR 3 AND 6 MONTHS PERIOD ENDED THEREON

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*, magazines, 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.

As at 30 June 2020 the Agora Group comprised: the parent company Agora S.A. and 22 subsidiaries. Additionally, the Group held shares in jointly controlled entity Instytut Badan Outdooru IBO Sp. z o.o. and in associates ROI Hunter a.s. and Eurozet Sp. z o.o.

The condensed interim consolidated financial statements were prepared as at and for three and six months ended 30 June 2020, with comparative figures presented as at 31 March 2020 and as at 31 December 2019 and for three and six months ended 30 June 2019.

The condensed interim consolidated financial statements were authorized for issue by the Management Board of Agora S.A. on September 24, 2020.

2. SALES AND SEGMENT INFORMATION

In these condensed interim consolidated financial statements, in accordance with IFRS 8 *Operating segments*, information on operating segments are presented on the basis of components of the Group that management monitors in making decisions about operating matters. Operating segments are components of the Group, about which separate financial information is available, that is evaluated regularly by the chief operating decision maker in the process of decision making regarding allocation of resources and assessing the performance of the Group. For management purposes, the Group is organized into business units based on their products and services.

Detailed information about the accounting policies for presentation of operating segments and the scope of their activity have been included in the condensed semi-annual consolidated financial statements as at 30 June 2020 and for six month period ended thereon.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Three months ended 30 June 2020						
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Revenues from external customers	17,510	41,331	13,205	43,135	13,902	450	129,533
Intersegment revenues (2)	54	1,489	163	424	945	(3,075)	-
Total revenues	17,564	42,820	13,368	43,559	14,847	(2,625)	129,533
Total operating cost (1), (2), (3)	(46,799)	(39,351)	(33,418)	(34,950)	(15,916)	(12,422)	(182,856)
Operating profit / (loss) (1)	(29,235)	3,469	(20,050)	8,609	(1,069)	(15,047)	(53,323)
Total operating cost (excl. IFRS 16) (1), (2), (3)	(38,507)	(39,352)	(33,136)	(34,950)	(15,944)	(12,479)	(174,368)
Operating profit / (loss) (excl. IFRS 16) (1)	(20,943)	3,468	(19,768)	8,609	(1,097)	(15,104)	(44,835)
Net finance income and cost						6,823	6,823
Share of results of equity accounted investees	-	-	(19)	298	(556)	-	(276)
Income tax expense						5,669	5,669
Net loss							(41,107)

(1) segments do not include amortisation recognised on consolidation, which is presented in reconciling positions;

(2) the amounts do not include revenues and total cost of cross-promotion of Agora's different media if such promotion is executed without prior reservation between segments of the Agora Group; the direct variable cost of campaigns carried out on advertising panels is the only cost that is included above; it is allocated from the Outdoor segment to other segments;

(3) reconciling positions show data not included in particular segments, inter alia: operating costs and the result on other operating activities of Agora's support divisions (centralized IT, administrative, HR functions, etc., excluding costs of office space in the Company's headquarters, which are allocated to segments), the Management Board, Agora TC Sp. z o.o. and Agora Finanse Sp. z o.o. (PLN 17,712 thousand), intercompany eliminations and other matching adjustments, which reconcile the data presented in the management reports to the consolidated financials of the Agora Group.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Three months ended 30 June 2020						
	Movies and books (3)	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Operating depreciation and amortisation	(22,304)	(1,583)	(8,790)	(2,273)	(1,817)	(4,466)	(41,233)
<i>Operating depreciation and amortisation (excl. IFRS 16)</i>	(9,200)	(1,572)	(5,433)	(2,273)	(1,102)	(4,355)	(23,935)
Amortisation recognised on consolidation (1)	(129)	-	-	(149)	-	63	(215)
Impairment losses	(1,959)	-	(6,909)	(272)	(96)	832	(8,404)
<i>including non-current assets</i>	(261)	-	(6,698)	-	-	(537)	(7,496)
Reversals of impairment losses	17	27	-	95	-	-	139
<i>Equity-settled share-based payments</i>	-	-	-	(162)	-	-	(162)
Cost of restructuring (2)	-	-	-	(1,429)	-	-	(1,429)
Capital expenditure (3)	9,003	1,645	1,230	2,589	542	1,079	16,088

(1) is not presented in operating result of the Group's segments;

(2) relates to restructuring costs in the Internet segment in the second quarter of 2020;

(3) capital expenditure include also finance lease of property, plant and equipment in the amount of PLN 2,707 thousand.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Six months ended 30 June 2020						
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Revenues from external customers	155,119	91,872	44,777	89,796	36,079	1,479	419,122
Intersegment revenues (2)	2,500	3,485	467	1,195	2,312	(9,959)	-
Total revenues	157,619	95,357	45,244	90,991	38,391	(8,480)	419,122
Total operating cost (1), (2), (3)	(183,739)	(91,288)	(67,813)	(92,913)	(38,000)	(18,235)	(491,988)
Operating profit / (loss) (1)	(26,120)	4,069	(22,569)	(1,922)	391	(26,715)	(72,866)
Total operating cost (excl. IFRS 16) (1), (2), (3)	(174,155)	(91,289)	(67,698)	(92,913)	(37,794)	(18,470)	(482,319)
Operating profit / (loss) (excl. IFRS 16) (1)	(16,536)	4,068	(22,454)	(1,922)	597	(26,950)	(63,197)
Net finance income and cost						(25,987)	(25,987)
Share of results of equity accounted investees	-	-	(28)	153	(566)	-	(441)
Income tax						11,098	11,098
Net loss							(88,196)

(1) segments do not include amortisation recognised on consolidation, which is presented in reconciling positions;

(2) the amounts do not include revenues and total cost of cross-promotion of Agora's different media if such promotion is executed without prior reservation between segments of the Agora Group; the direct variable cost of campaigns carried out on advertising panels is the only cost that is included above; it is allocated from the Outdoor segment to other segments;

(3) reconciling positions show data not included in particular segments, inter alia: operating costs and the result on other operating activities of Agora's support divisions (centralized IT, administrative, HR functions, etc., excluding costs of office space in the Company's headquarters, which are allocated to segments), the Management Board, Agora TC Sp. z o.o. and Agora Finanse Sp. z o.o. (PLN 32,461 thousand), intercompany eliminations and other matching adjustments, which reconcile the data presented in the management reports to the consolidated financials of the Agora Group.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2020							
	Movies and books (3)	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Operating depreciation and amortisation	(45,418)	(3,050)	(18,137)	(4,320)	(3,594)	(8,941)	(83,460)
<i>Operating depreciation and amortisation (excl. IFRS 16)</i>	<i>(18,708)</i>	<i>(3,026)</i>	<i>(10,911)</i>	<i>(4,320)</i>	<i>(2,169)</i>	<i>(8,943)</i>	<i>(48,077)</i>
Amortisation recognised on consolidation (1)	(259)	-	-	(566)	-	127	(698)
Impairment losses	(11,214)	(243)	(7,189)	(12,962)	(499)	1,187	(30,920)
<i>including non-current assets</i>	<i>(8,996)</i>	<i>-</i>	<i>(6,698)</i>	<i>(12,660)</i>	<i>-</i>	<i>(536)</i>	<i>(28,890)</i>
Reversals of impairment losses	81	148	226	159	119	-	733
Equity-settled share-based payments	-	-	-	(325)	-	-	(325)
Cost of restructuring (2)	-	-	-	(1,429)	-	-	(1,429)
Capital expenditure (3)	19,022	3,645	2,860	5,660	996	2,412	34,595
As at 30 June 2020							
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions (4)	Total
Property, plant and equipment and intangible assets	227,958	89,381	269,789	34,764	81,835	147,614	851,341
Right-of-use assets	485,671	22	59,331	65	12,307	28,823	586,219
Investments in associates and joint ventures accounted for by the equity method	-	-	43	17,264	136,370	-	153,677

(1) is not presented in operating result of the Group's segments;

(2) relates to restructuring costs in the Internet segment in the second quarter of 2020;

(3) based on invoices booked in the period, Movies and books data include also lease property, plant and equipment in the amount of PLN 7,751 thousand;

(4) reconciling positions include mainly Company's headquarter (PLN 92,162 thousand) and other property, plant and equipment and intangible assets of Agora's support divisions and Agora TC Sp. z o.o. not included in particular segments and intercompany eliminations.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Three months ended 30 June 2019						
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Revenues from external customers	80,626	62,868	50,176	47,883	26,821	1,413	269,787
Intersegment revenues (2)	3,421	2,446	577	553	1,114	(8,111)	-
Total revenues	84,047	65,314	50,753	48,436	27,935	(6,698)	269,787
Total operating cost (1), (2), (3)	(93,917)	(66,396)	(38,667)	(43,517)	(24,302)	(12,158)	(278,957)
Operating profit / (loss) (1)	(9,870)	(1,082)	12,086	4,919	3,633	(18,856)	(9,170)
Total operating cost (excl. IFRS 16) (1), (2), (3)	(95,405)	(66,408)	(38,824)	(43,517)	(24,344)	(12,331)	(280,829)
Operating profit / (loss) (excl. IFRS 16) (1)	(11,358)	(1,094)	11,929	4,919	3,591	(19,029)	(11,042)
Net finance income and cost						(462)	(462)
Share of results of equity accounted investees	-	-	-	(889)	3,427	-	2,538
Income tax expense						506	506
Net loss							(6,588)

(1) segments do not include amortisation recognised on consolidation, which is presented in reconciling positions;

(2) the amounts do not include revenues and total cost of cross-promotion of Agora's different media if such promotion is executed without prior reservation between segments of the Agora Group; the direct variable cost of campaigns carried out on advertising panels is the only cost that is included above; it is allocated from the Outdoor segment to other segments;

(3) reconciling positions show data not included in particular segments, inter alia: operating costs and the result on other operating activities of Agora's support divisions (centralized IT, administrative, HR functions, etc., excluding costs of office space in the Company's headquarters, which are allocated to segments), the Management Board, Agora TC Sp. z o.o. and Agora Finanse Sp. z o.o. (PLN 21,639 thousand), intercompany eliminations and other matching adjustments, which reconcile the data presented in the management reports to the consolidated financials of the Agora Group.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Three months ended 30 June 2019						
	Movies and books (2)	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Operating depreciation and amortisation	(20,632)	(2,911)	(7,240)	(1,703)	(1,743)	(4,405)	(38,634)
<i>Operating depreciation and amortisation (excl. IFRS 16)</i>	<i>(7,853)</i>	<i>(2,904)</i>	<i>(4,824)</i>	<i>(1,703)</i>	<i>(1,067)</i>	<i>(4,557)</i>	<i>(22,908)</i>
Amortisation recognised on consolidation (1)	(129)	-	-	(582)	-	63	(648)
Impairment losses	(247)	(263)	(59)	(379)	(247)	(103)	(1,298)
Reversals of impairment losses	41	151	47	41	86	(1)	365
<i>including non-current assets</i>	<i>-</i>	<i>-</i>	<i>41</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>41</i>
Equity-settled share-based payments	(102)	-	-	(302)	-	-	(404)
Capital expenditure (2)	16,863	3,503	1,963	3,642	224	3,327	29,522

(1) is not presented in operating result of the Group's segment;

(2) capital expenditure include also lease property, plant and equipment in the amount of PLN 9,035 thousand.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Six months ended 30 June 2019						
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Revenues from external customers	235,425	122,708	84,671	84,732	47,850	2,838	578,224
Intersegment revenues (2)	6,589	4,740	1,976	1,321	2,141	(16,767)	-
Total revenues	242,014	127,448	86,647	86,053	49,991	(13,929)	578,224
Total operating cost (1), (2), (3)	(227,598)	(138,663)	(73,510)	(79,766)	(45,288)	(22,098)	(586,923)
Operating profit / (loss) (1)	14,416	(11,215)	13,137	6,287	4,703	(36,027)	(8,699)
Total operating cost (excl. IFRS 16) (1), (2), (3)	(230,130)	(138,683)	(73,671)	(79,766)	(45,384)	(22,445)	(590,079)
Operating profit / (loss) (excl. IFRS 16) (1)	11,884	(11,235)	12,976	6,287	4,607	(36,374)	(11,855)
Net finance income and cost						(4,824)	(4,824)
Share of results of equity accounted investees	-	-	-	(1,342)	4,093	-	2,751
Income tax						791	791
Net loss							(9,981)

(1) segments do not include amortisation recognised on consolidation, which is presented in reconciling positions;

(2) the amounts do not include revenues and total cost of cross-promotion of Agora's different media if such promotion is executed without prior reservation between segments of the Agora Group; the direct variable cost of campaigns carried out on advertising panels is the only cost that is included above; it is allocated from the Outdoor segment to other segments;

(3) reconciling positions show data not included in particular segments, inter alia: operating costs and the result on other operating activities of Agora's support divisions (centralized IT, administrative, HR functions, etc., excluding costs of office space in the Company's headquarters, which are allocated to segments), the Management Board, Agora TC Sp. z o.o. and Agora Finanse Sp. z o.o. (PLN 42,514 thousand), intercompany eliminations and other matching adjustments, which reconcile the data presented in the management reports to the consolidated financials of the Agora Group.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Six months ended 30 June 2019						
	Movies and books (3)	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Operating depreciation and amortisation	(41,444)	(4,648)	(14,277)	(3,153)	(3,490)	(8,382)	(75,394)
<i>Operating depreciation and amortisation (excl. IFRS 16)</i>	<i>(16,106)</i>	<i>(4,633)</i>	<i>(9,667)</i>	<i>(3,153)</i>	<i>(2,135)</i>	<i>(8,689)</i>	<i>(44,383)</i>
Amortisation recognised on consolidation (1)	(259)	-	-	(1,164)	-	127	(1,296)
Impairment losses	(467)	(1,031)	(791)	(598)	(298)	(322)	(3,507)
<i>including non-current assets</i>	<i>-</i>	<i>-</i>	<i>(37)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(37)</i>
Reversals of impairment losses	91	247	119	90	149	-	696
<i>including non-current assets</i>	<i>-</i>	<i>-</i>	<i>69</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>69</i>
Equity-settled share-based payments	(204)	-	-	(604)	-	-	(808)
Cost of restructuring (2)	-	(4,923)	-	-	-	(710)	(5,633)
Capital expenditure (3)	30,586	4,699	4,048	6,759	374	4,250	50,716
	As at 30 June 2019						
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions (4)	Total
Property, plant and equipment and intangible assets	230,801	82,562	254,977	38,145	83,092	179,312	868,889
Right-of-use assets	468,021	95	30,823	-	12,048	30,923	541,910
Investments in associates and joint ventures accounted for by the equity method	-	-	-	19,469	141,283	-	160,752

(1) is not presented in operating result of the Group's segments;

(2) cost related to group lay-offs executed in Press segment and support divisions in the first quarter of 2019;

(3) based on invoices booked in the period, Movies and books data include also lease property, plant and equipment in the amount of PLN 14,271 thousand;

(4) reconciling positions include mainly Company's headquarter (PLN 96,918 thousand) and other property, plant and equipment and intangible assets of Agora's support divisions and Agora TC Sp. z o.o. not included in particular segments and intercompany eliminations.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

Disaggregation of revenue into main categories based on the nature of transferred goods and services.

	Three months ended 30 June 2020						
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Advertising revenue	181	11,494	12,185	41,651	13,836	(2,070)	77,277
Ticket sales	33	-	-	-	-	-	33
Copy sales	5,257	24,246	-	-	-	-	29,503
Printing services	-	6,007	-	-	-	-	6,007
Film distribution and production sales	6,253	-	-	-	-	-	6,253
Other	5,840	1,073	1,183	1,908	1,011	(555)	10,460
Total sales by category	17,564	42,820	13,368	43,559	14,847	(2,625)	129,533

	Six months ended 30 June 2020						
	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Advertising revenue	6,983	25,780	43,490	85,908	36,163	(7,355)	190,969
Ticket sales	61,676	-	-	-	11	(34)	61,653
Copy sales	13,343	51,678	-	100	-	(480)	64,641
Concession sales in cinemas	25,784	-	-	-	-	-	25,784
Printing services	-	15,446	-	-	-	-	15,446
Film distribution and production sales	31,423	-	-	-	-	-	31,423
Other	18,410	2,453	1,754	4,983	2,217	(611)	29,206
Total sales by category	157,619	95,357	45,244	90,991	38,391	(8,480)	419,122

Three months ended 30 June 2019

	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Advertising revenue	7,358	23,722	50,240	45,845	26,499	(6,275)	147,389
Ticket sales	39,223	-	-	-	62	(74)	39,211
Copy sales	9,147	27,063	-	-	-	(881)	35,329
Concession sales in cinemas	17,900	-	-	-	-	(1)	17,899
Printing services	-	11,270	-	-	-	-	11,270
Film distribution and production sales	3,037	-	-	-	-	-	3,037
Other	7,382	3,259	513	2,591	1,374	533	15,652
Total sales by category	84,047	65,314	50,753	48,436	27,935	(6,698)	269,787

Six months ended 30 June 2019

	Movies and books	Press	Outdoor	Internet	Radio	Reconciling positions	Total
Advertising revenue	15,143	41,786	85,389	81,054	47,293	(12,947)	257,718
Ticket sales	116,068	-	-	-	189	(210)	116,047
Copy sales	17,197	54,343	-	55	-	(1,722)	69,873
Concession sales in cinemas	48,804	-	-	-	-	(25)	48,779
Printing services	-	25,538	-	-	-	-	25,538
Film distribution and production sales	30,732	-	-	-	-	-	30,732
Other	14,070	5,781	1,258	4,944	2,509	975	29,537
Total sales by category	242,014	127,448	86,647	86,053	49,991	(13,929)	578,224

3. CHANGES IN PROVISIONS AND IMPAIRMENT LOSSES FOR ASSETS

In the period from January 1, 2020 to June 30, 2020 the following changes in impairment losses were accounted (in brackets the amounts for the second quarter of 2020):

- impairment loss for receivables: decrease by PLN 309 thousand (decrease by PLN 354 thousand),
- impairment loss for inventory: increase by PLN 96 thousand (increase by PLN 743 thousand),
- impairment loss for tangible assets and intangible assets: increase by PLN 119 thousand, including set-up by PLN 26,848 thousand and use in the amount of PLN 26,729 thousand* (increase by PLN 7,178 thousand, including set-up by PLN 7,240 thousand and use in the amount of PLN 62 thousand),
- impairment loss on the right-of-use assets: increase by PLN 2,042 thousand** (increase by PLN 256 thousand),
- loan write-offs: increase by PLN 50 thousand (no change),
- write-offs for interest on loans: decrease by PLN 8 thousand (no change).

* the creation of impairment loss concerns mainly the assets of companies Plan D Sp. z o.o. (formerly Domiporta Sp. z o.o.), Foodio Concepts Sp. z o.o. and AMS S.A. (additional information in note 17 to condensed semi-annual consolidated financial statements of Agora Group); the use of write-downs was related to the liquidation of the assets of the printing activity, which were subject to write-downs.

** concerns the right-of-use assets related to the activity of Foodio Concepts Sp. z o.o.

Additionally in the period from January 1, 2020 to June 30, 2020 the following provisions were changed (in brackets the amounts for the second quarter of 2020):

- provision for penalties, interests and similar: decrease by PLN 140 thousand (increase by PLN 93 thousand),
- provision for the restructuring of advertising media: increase by PLN 728 thousand (increase by PLN 728 thousand),
- provision for onerous contracts: decrease by PLN 116 thousand (decrease by PLN 58 thousand),
- retirement severance provision: decrease by PLN 32 thousand (decrease by PLN 32 thousand),
- provision for restructuring: decrease by PLN 316 thousand, including: set-up in the amount of PLN 1,429 thousand and the use in the amount of PLN 1,745 thousand (decrease by PLN 54 thousand, including set-up in the amount of PLN 1,429 thousand and the use in the amount of PLN 1,483 thousand).
- other provisions: increase by PLN 783 thousand (increase by PLN 743 thousand).

4. 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 Group's financial position and financial results in the period from January, 1, 2020 to June, 30, 2020 and therefore these condensed interim consolidated financial statements should be read together with the condensed semi-annual consolidated financial statements, which are included in the semi-annual report.

Accounting policies applied to prepare condensed interim consolidated financial statements meet the International Accounting Standard 34 "Interim Financial Reporting" and are the same as for the condensed semi-annual consolidated financial statements of Agora Group.

Warsaw, September 24, 2020

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

Grzegorz Kania - Member of the Management Board

Signed on the Polish original

Signatures submitted electronically.