

AGORA GROUP

Condensed
interim
consolidated
financial statements
**as at 30 June 2021
and for three and
six month period
ended thereon**

August 12, 2021

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2021

	As at 30 June 2021 unaudited	As at 31 March 2021 unaudited	As at 31 December 2020 audited
Assets			
Non-current assets:			
Intangible assets	413,859	418,257	422,900
Property, plant and equipment	379,976	388,489	401,157
Right-of-use assets	645,231	660,928	659,372
Long-term financial assets	489	506	522
Investments in equity accounted investees	153,753	151,708	149,549
Receivables and prepayments	10,654	12,390	8,416
Deferred tax assets	45,268	41,115	41,682
	1,649,230	1,673,393	1,683,598
Current assets:			
Inventories	18,587	16,657	15,235
Accounts receivable and prepayments	150,216	138,434	165,374
Income tax receivable	1,284	1,178	1,159
Short-term securities and other financial assets	78	77	77
Cash and cash equivalents	122,859	143,957	138,355
	293,024	300,303	320,200
Non-current assets held for sale	-	-	14,500
	293,024	300,303	334,700
Total assets	1,942,254	1,973,696	2,018,298

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

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2021 (CONTINUED)

	As at 30 June 2021 unaudited	As at 31 March 2021 unaudited	As at 31 December 2020 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	560,031	570,784	627,169
	753,804	764,557	820,942
Non-controlling interest	4,224	8,415	11,381
Total equity	758,028	772,972	832,323
Non-current liabilities:			
Deferred tax liabilities	5,947	6,000	6,132
Long-term borrowings	668,514	688,260	687,292
Other financial liabilities	34,548	34,548	34,548
Retirement severance provision	2,945	2,855	2,855
Provisions	49	178	286
Accruals and other liabilities	24,771	26,236	7,164
Contract liabilities	4,036	1,541	1,507
	740,810	759,618	739,784
Current liabilities:			
Retirement severance provision	145	242	242
Trade and other payables	233,352	208,406	244,770
Income tax liabilities	479	634	919
Short-term borrowings	187,945	209,845	180,691
Provisions	3,315	3,101	3,388
Contract liabilities	18,180	18,878	16,181
	443,416	441,106	446,191
Total equity and liabilities	1,942,254	1,973,696	2,018,298

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

CONSOLIDATED INCOME STATEMENT FOR THREE AND SIX MONTHS ENDED 30 JUNE 2021

	Note	Three months ended 30 June 2021 unaudited	Six months ended 30 June 2021 unaudited	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited
Revenue	2	201,815	347,767	129,533	419,122
Cost of sales		(150,189)	(280,902)	(125,176)	(332,080)
Gross profit		51,626	66,865	4,357	87,042
Selling expenses		(40,183)	(74,920)	(29,533)	(78,175)
Administrative expenses		(38,059)	(76,396)	(27,365)	(66,355)
Other operating income		3,414	12,450	10,272	19,770
Other operating expenses		(4,347)	(5,144)	(10,302)	(33,915)
Impairment losses for receivables - net		(27)	58	(752)	(1,233)
Operating loss		(27,576)	(77,087)	(53,323)	(72,866)
Finance income		16,988	11,429	11,537	4,007
Finance costs		(4,898)	(10,467)	(4,714)	(29,994)
Share of results of equity accounted investees		2,045	4,204	(276)	(441)
Loss before income taxes		(13,441)	(71,921)	(46,776)	(99,294)
Income tax		3,601	2,661	5,669	11,098
Net loss for the period		(9,840)	(69,260)	(41,107)	(88,196)
Attributable to:					
Equity holders of the parent		(9,214)	(65,494)	(38,588)	(81,316)
Non-controlling interest		(626)	(3,766)	(2,519)	(6,880)
		(9,840)	(69,260)	(41,107)	(88,196)
Basic/diluted earnings per share (in PLN)		(0.20)	(1.41)	(0.83)	(1.75)

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 2021

	Three months ended 30 June 2021 unaudited	Six months ended 30 June 2021 unaudited	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited
Net loss for the period	(9,840)	(69,260)	(41,107)	(88,196)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(9,840)	(69,260)	(41,107)	(88,196)
Attributable to:				
Shareholders of the parent	(9,214)	(65,494)	(38,588)	(81,316)
Non-controlling interests	(626)	(3,766)	(2,519)	(6,880)
	(9,840)	(69,260)	(41,107)	(88,196)

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 2021

	Attributable to equity holders of the parent			Non-controlling interest	Total equity
	Share capital	Share premium	Retained earnings and other reserves		
Six months ended 30 June 2021					
As at 31 December 2020 audited	46,581	147,192	627,169	11,381	832,323
Total comprehensive income for the period					
Net loss for the period	-	-	(65,494)	(3,766)	(69,260)
Total comprehensive income for the period	-	-	(65,494)	(3,766)	(69,260)
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Equity-settled share-based payments	-	-	-	(976)	(976)
Dividends of subsidiaries	-	-	-	(1,654)	(1,654)
Total contributions by and distributions to owners	-	-	-	(2,630)	(2,630)
Changes in ownership interests in subsidiaries					
Acquisition of non-controlling interests	-	-	(1,539)	(865)	(2,404)
Additional contribution of non-controlling shareholders	-	-	(105)	105	-
Other	-	-	-	(1)	(1)
Total changes in ownership interests in subsidiaries	-	-	(1,644)	(761)	(2,405)
Total transactions with owners	-	-	(1,644)	(3,391)	(5,035)
As at 30 June 2021 unaudited	46,581	147,192	560,031	4,224	758,028

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 2021 (CONTINUED)

	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 shareholder	-	-	(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 CASH FLOW STATEMENT FOR THREE AND SIX MONTHS ENDED 30 JUNE 2021

	Three months ended 30 June 2021 unaudited	Six months ended 30 June 2021 unaudited	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited
Cash flows from operating activities				
Loss before income taxes	(13,441)	(71,921)	(46,776)	(99,294)
Adjustments for:				
Share of results of equity accounted investees	(2,045)	(4,204)	276	441
Depreciation and amortisation	39,791	81,237	41,448	84,158
Foreign exchange (profit)/loss	(16,881)	(11,067)	(8,023)	19,772
Interest, net	4,792	10,275	4,555	10,146
Loss on investing activities	2,062	2,613	1,139	15,814
Increase/(decrease) in provisions	78	(317)	1,433	921
(Increase)/decrease in inventories	(1,930)	(3,352)	4,224	3,136
(Increase)/decrease in receivables	(10,148)	16,700	49,639	87,419
Increase/(decrease) in payables	20,910	15,782	9,609	(5,220)
Increase in contract liabilities	1,798	4,527	2,255	2,722
Remeasurement of put options	-	-	(2,228)	(2,228)
Equity-settled share-based payments	69	139	162	325
Cash generated from operations	25,055	40,412	57,713	118,112
Income taxes received	(725)	(1,514)	(592)	(2,334)
Net cash from operating activities	24,330	38,898	57,121	115,778
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment and intangibles	1,650	17,366	796	15,939
Disposal of subsidiaries (net of cash disposed), associates and jointly controlled entities	-	-	3,293	3,297
Loan repayment received	16	29	12	125
Interest received	4	7	4	16
Disposal of short-term securities	-	-	-	24,282
Other inflows (1)	-	-	-	2,800
Purchase of property, plant and equipment and intangibles	(8,975)	(26,824)	(11,421)	(34,834)
Acquisition of subsidiary (net of cash acquired), associates and jointly controlled entities	-	-	(7,180)	(7,180)
Acquisition of short-term securities	-	-	-	(15,000)
Other outflows (2)	-	(4,000)	-	-
Net cash used in investing activities	(7,305)	(13,422)	(14,496)	(10,555)

	Three months ended 30 June 2021 unaudited	Six months ended 30 June 2021 unaudited	Three months ended 30 June 2020 unaudited	Six months ended 30 June 2020 unaudited
Cash flows from financing activities				
Proceeds from borrowings	5,031	26,691	801	801
Other inflows	-	-	-	16
Acquisition of non-controlling interest	(2,404)	(2,404)	(1,858)	(1,868)
Dividends paid to non-controlling shareholders	(1,654)	(1,654)	-	-
Repayment of borrowings	(24,974)	(35,117)	-	(4,252)
Payment of lease liabilities	(9,419)	(19,743)	(5,101)	(20,409)
Interest paid	(4,703)	(8,745)	(2,111)	(7,311)
Net cash used in financing activities	(38,123)	(40,972)	(8,269)	(33,023)
Net increase/(decrease) in cash and cash equivalents	(21,098)	(15,496)	34,356	72,200
Cash and cash equivalents				
At start of period	143,957	138,355	98,909	61,065
At end of period	122,859	122,859	133,265	133,265

(1) Other inflows relate to the refund of cash deposits to company AMS S.A. connected with collateral securing the concession contract for construction and utilization of bus shelters in Warsaw.

(2) Other outflows relate to cash deposit paid in by company AMS Serwis Sp. z o.o. to bank BNP Paribas Bank Polska S.A. The cash deposit is a collateral of loan facility granted to company Helios S.A.

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 2021 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*, 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 2021 the Agora Group comprised: the parent company Agora S.A. and 19 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 Group operates in all major cities in Poland.

The condensed interim consolidated financial statements were prepared as at and for three and six months ended 30 June 2021, with comparative figures presented as at 31 March 2021 and as at 31 December 2020 and for three and six months ended 30 June 2020.

The condensed interim consolidated financial statements were authorized for issue by the Management Board of Agora S.A. on August 12, 2021.

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, 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 2021 and for six month period ended thereon.

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Three months ended 30 June 2021							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Revenues from external customers	46,330	48,193	31,335	53,092	21,734	200,684	1,131	201,815
Intersegment revenues (2)	739	1,373	491	1,090	1,222	4,915	(4,915)	-
Total revenues	47,069	49,566	31,826	54,182	22,956	205,599	(3,784)	201,815
Total operating cost (1), (2), (3)	(68,605)	(44,911)	(34,389)	(45,058)	(21,916)	(214,879)	(14,512)	(229,391)
Operating profit / (loss) (1)	(21,536)	4,655	(2,563)	9,124	1,040	(9,280)	(18,296)	(27,576)
Total operating cost (excl. IFRS 16) (1), (2), (3)	(61,310)	(44,911)	(34,767)	(45,058)	(22,021)	(208,067)	(14,696)	(222,763)
Operating profit / (loss) (excl. IFRS 16) (1)	(14,241)	4,655	(2,941)	9,124	935	(2,468)	(18,480)	(20,948)
Net finance income and cost							12,090	12,090
Share of results of equity accounted investees	-	-	(65)	(441)	2,551	2,045	-	2,045
Income tax expense							3,601	3,601
Net loss								(9,840)

(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, use of computers and development activities of IT department, which are allocated to segments), the Management Board, Agora TC Sp. z o.o. and Agora Finanse Sp. z o.o. (PLN 21,152 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 2021							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Operating depreciation and amortisation	(20,214)	(1,855)	(9,335)	(2,463)	(1,821)	(35,688)	(3,888)	(39,576)
<i>Operating depreciation and amortisation (excl. IFRS 16)</i>	<i>(9,348)</i>	<i>(1,854)</i>	<i>(5,373)</i>	<i>(2,463)</i>	<i>(1,106)</i>	<i>(20,144)</i>	<i>(3,804)</i>	<i>(23,948)</i>
Amortisation recognised on consolidation (1)	(129)	-	-	(149)	-	(278)	63	(215)
Impairment losses	(11)	(46)	(1,796)	(21)	(98)	(1,972)	(817)	(2,789)
<i>including non-current assets</i>	<i>-</i>	<i>-</i>	<i>(1,642)</i>	<i>-</i>	<i>-</i>	<i>(1,642)</i>	<i>(883)</i>	<i>(2,525)</i>
Reversals of impairment losses	58	76	96	25	31	286	2	288
<i>including non-current assets</i>	<i>-</i>	<i>-</i>	<i>88</i>	<i>-</i>	<i>-</i>	<i>88</i>	<i>-</i>	<i>88</i>
Equity-settled share-based payments	-	-	-	(69)	-	(69)	-	(69)
Capital expenditure	3,617	1,497	1,347	2,127	634	9,222	121	9,343

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

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Six months ended 30 June 2021							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Revenues from external customers	64,565	93,075	47,121	99,357	40,657	344,775	2,992	347,767
Intersegment revenues (2)	820	2,778	674	1,716	2,249	8,237	(8,237)	-
Total revenues	65,385	95,853	47,795	101,073	42,906	353,012	(5,245)	347,767
Total operating cost (1), (2), (3)	(114,736)	(87,511)	(63,020)	(87,551)	(41,480)	(394,298)	(30,556)	(424,854)
Operating profit / (loss) (1)	(49,351)	8,342	(15,225)	13,522	1,426	(41,286)	(35,801)	(77,087)
Total operating cost (excl. IFRS 16) (1), (2), (3)	(99,522)	(87,511)	(63,891)	(87,551)	(41,687)	(380,162)	(30,962)	(411,124)
Operating profit / (loss) (excl. IFRS 16) (1)	(34,137)	8,342	(16,096)	13,522	1,219	(27,150)	(36,207)	(63,357)
Net finance income and cost							962	962
Share of results of equity accounted investees	-	-	(127)	165	4,166	4,204	-	4,204
Income tax							2,661	2,661
Net loss								(69,260)

(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, use of computers and development activities of IT department, which are allocated to segments), the Management Board, Agora TC Sp. z o.o. and Agora Finanse Sp. z o.o. (PLN 42,392 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 2021							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Operating depreciation and amortisation	(41,856)	(3,850)	(18,704)	(4,796)	(3,652)	(72,858)	(7,948)	(80,806)
<i>Operating depreciation and amortisation (excl. IFRS 16)</i>	<i>(18,480)</i>	<i>(3,847)</i>	<i>(10,815)</i>	<i>(4,796)</i>	<i>(2,229)</i>	<i>(40,167)</i>	<i>(7,778)</i>	<i>(47,945)</i>
Amortisation recognised on consolidation (1)	(259)	-	-	(299)	-	(558)	127	(431)
Impairment losses	(89)	(143)	(2,204)	(51)	(171)	(2,658)	(809)	(3,467)
<i>including non-current assets</i>	<i>-</i>	<i>-</i>	<i>(1,643)</i>	<i>-</i>	<i>-</i>	<i>(1,643)</i>	<i>(883)</i>	<i>(2,526)</i>
Reversals of impairment losses	69	210	511	137	117	1,044	-	1,044
<i>including non-current assets</i>	<i>-</i>	<i>-</i>	<i>105</i>	<i>-</i>	<i>-</i>	<i>105</i>	<i>-</i>	<i>105</i>
Equity-settled share-based payments	-	-	-	(139)	-	(139)	-	(139)
Capital expenditure	4,420	2,366	2,705	4,444	868	14,803	80	14,883
	As at 30 June 2021							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions (2)	Total Group
Property, plant and equipment and intangible assets	224,087	86,648	239,821	34,073	79,787	664,416	129,419	793,835
Right-of-use assets	541,275	15	65,081	51	13,999	620,421	24,810	645,231
Investments in associates and joint ventures accounted for by the equity method	-	-	84	17,964	135,705	153,753	-	153,753

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

(2) reconciling positions include mainly Company's headquarter (PLN 87,294 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 2020							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Revenues from external customers	17,510	41,331	13,205	43,135	13,902	129,083	450	129,533
Intersegment revenues (2)	54	1,489	163	424	945	3,075	(3,075)	-
Total revenues	17,564	42,820	13,368	43,559	14,847	132,158	(2,625)	129,533
Total operating cost (1), (2), (3)	(46,799)	(39,351)	(33,418)	(34,950)	(15,916)	(170,434)	(12,422)	(182,856)
Operating profit / (loss) (1)	(29,235)	3,469	(20,050)	8,609	(1,069)	(38,276)	(15,047)	(53,323)
Total operating cost (excl. IFRS 16) (1), (2), (3)	(38,507)	(39,352)	(33,136)	(34,950)	(15,944)	(161,889)	(12,479)	(174,368)
Operating profit / (loss) (excl. IFRS 16) (1)	(20,943)	3,468	(19,768)	8,609	(1,097)	(29,731)	(15,104)	(44,835)
Net finance income and cost							6,823	6,823
Share of results of equity accounted investees	-	-	(19)	298	(556)	(276)	-	(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 (2)	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Operating depreciation and amortisation	(22,304)	(1,583)	(8,790)	(2,273)	(1,817)	(36,767)	(4,466)	(41,233)
<i>Operating depreciation and amortisation (excl. IFRS 16)</i>	<i>(9,200)</i>	<i>(1,572)</i>	<i>(5,433)</i>	<i>(2,273)</i>	<i>(1,102)</i>	<i>(19,580)</i>	<i>(4,355)</i>	<i>(23,935)</i>
Amortisation recognised on consolidation (1)	(129)	-	-	(149)	-	(278)	63	(215)
Impairment losses	(1,959)	-	(6,909)	(272)	(96)	(9,236)	832	(8,404)
<i>including non-current assets</i>	<i>(261)</i>	<i>-</i>	<i>(6,698)</i>	<i>-</i>	<i>-</i>	<i>(6,959)</i>	<i>(537)</i>	<i>(7,496)</i>
Reversals of impairment losses	17	27	-	95	-	139	-	139
Equity-settled share-based payments	-	-	-	(162)	-	(162)	-	(162)
Cost of restructuring (2)	-	-	-	(1,429)	-	(1,429)	-	(1,429)
Capital expenditure	9,003	1,645	1,230	2,589	542	15,009	1,079	16,088

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

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

2. SALES AND SEGMENT INFORMATION (CONTINUED)

	Six months ended 30 June 2020							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Revenues from external customers	155,119	91,872	44,777	89,796	36,079	417,643	1,479	419,122
Intersegment revenues (2)	2,500	3,485	467	1,195	2,312	9,959	(9,959)	-
Total revenues	157,619	95,357	45,244	90,991	38,391	427,602	(8,480)	419,122
Total operating cost (1), (2), (3)	(183,739)	(91,288)	(67,813)	(92,913)	(38,000)	(473,753)	(18,235)	(491,988)
Operating profit / (loss) (1)	(26,120)	4,069	(22,569)	(1,922)	391	(46,151)	(26,715)	(72,866)
<i>Total operating cost (excl. IFRS 16) (1), (2), (3)</i>	<i>(174,155)</i>	<i>(91,289)</i>	<i>(67,698)</i>	<i>(92,913)</i>	<i>(37,794)</i>	<i>(463,849)</i>	<i>(18,470)</i>	<i>(482,319)</i>
<i>Operating profit / (loss) (excl. IFRS 16) (1)</i>	<i>(16,536)</i>	<i>4,068</i>	<i>(22,454)</i>	<i>(1,922)</i>	<i>597</i>	<i>(36,247)</i>	<i>(26,950)</i>	<i>(63,197)</i>
Net finance income and cost							(25,987)	(25,987)
Share of results of equity accounted investees	-	-	(28)	153	(566)	(441)	-	(441)
Income tax							11,098	11,098
Net profit								(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	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Operating depreciation and amortisation	(45,418)	(3,050)	(18,137)	(4,320)	(3,594)	(74,519)	(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>(39,134)</i>	<i>(8,943)</i>	<i>(48,077)</i>
Amortisation recognised on consolidation (1)	(259)	-	-	(566)	-	(825)	127	(698)
Impairment losses	(11,214)	(243)	(7,189)	(12,962)	(499)	(32,107)	1,187	(30,920)
<i>including non-current assets</i>	<i>(8,996)</i>	-	<i>(6,698)</i>	<i>(12,660)</i>	-	<i>(28,354)</i>	<i>(536)</i>	<i>(28,890)</i>
Reversals of impairment losses	81	148	226	159	119	733	-	733
Equity-settled share-based payments	-	-	-	(325)	-	(325)	-	(325)
Cost of restructuring (2)	-	-	-	(1,429)	-	(1,429)	-	(1,429)
Capital expenditure	19,022	3,645	2,860	5,660	996	32,183	2,412	34,595
	As at 30 June 2020							
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions (3)	Total Group
Property, plant and equipment and intangible assets	227,958	89,381	269,789	34,764	81,835	703,727	147,614	851,341
Right-of-use assets	485,671	22	59,331	65	12,307	557,396	28,823	586,219
Investments in associates and joint ventures accounted for by the equity method	-	-	43	17,264	136,370	153,677	-	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) 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)

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

Three months ended 30 June 2021								
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Advertising revenue	2,252	16,146	30,456	51,450	21,651	121,955	(3,554)	118,401
Ticket sales	16,496	-	-	-	-	16,496	(4)	16,492
Copy sales	9,241	26,312	-	-	-	35,553	(29)	35,524
Concession sales in cinemas	5,257	-	-	-	-	5,257	-	5,257
Printing services	-	5,768	-	-	-	5,768	-	5,768
Gastronomic sales (1)	6,539	-	-	-	-	6,539	(17)	6,522
Film distribution and production sales	1,847	-	-	-	-	1,847	-	1,847
Other	5,437	1,340	1,370	2,732	1,305	12,184	(180)	12,004
Total sales by category	47,069	49,566	31,826	54,182	22,956	205,599	(3,784)	201,815

Six months ended 30 June 2021								
	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Advertising revenue	2,471	29,344	45,606	95,950	40,566	213,937	(4,891)	209,046
Ticket sales	16,496	-	-	-	-	16,496	(4)	16,492
Copy sales	17,315	51,581	-	-	-	68,896	(38)	68,858
Concession sales in cinemas	5,257	-	-	-	-	5,257	-	5,257
Printing services	-	12,209	-	-	-	12,209	-	12,209
Gastronomic sales (1)	11,953	-	-	-	-	11,953	(17)	11,936
Film distribution and production sales	2,358	-	-	-	-	2,358	-	2,358
Other	9,535	2,719	2,189	5,123	2,340	21,906	(295)	21,611
Total sales by category	65,385	95,853	47,795	101,073	42,906	353,012	(5,245)	347,767

Three months ended 30 June 2020

	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Advertising revenue	181	11,494	12,185	41,651	13,836	79,347	(2,070)	77,277
Ticket sales	33	-	-	-	-	33	-	33
Copy sales	5,257	24,246	-	-	-	29,503	-	29,503
Printing services	-	6,007	-	-	-	6,007	-	6,007
Gastronomic sales (1)	1,776	-	-	-	-	1,776	-	1,776
Film distribution and production sales	6,253	-	-	-	-	6,253	-	6,253
Other	4,064	1,073	1,183	1,908	1,011	9,239	(555)	8,684
Total sales by category	17,564	42,820	13,368	43,559	14,847	132,158	(2,625)	129,533

Six months ended 30 June 2020

	Movies and books	Press	Outdoor	Internet	Radio	Total segments	Reconciling positions	Total Group
Advertising revenue	6,983	25,780	43,490	85,908	36,163	198,324	(7,355)	190,969
Ticket sales	61,676	-	-	-	11	61,687	(34)	61,653
Copy sales	13,343	51,678	-	100	-	65,121	(480)	64,641
Concession sales in cinemas	25,784	-	-	-	-	25,784	-	25,784
Printing services	-	15,446	-	-	-	15,446	-	15,446
Gastronomic sales (1)	7,606	-	-	-	-	7,606	-	7,606
Film distribution and production sales	31,423	-	-	-	-	31,423	-	31,423
Other	10,804	2,453	1,754	4,983	2,217	22,211	(611)	21,600
Total sales by category	157,619	95,357	45,244	90,991	38,391	427,602	(8,480)	419,122

(1) Gastronomic sales include activity of Step Inside Sp. z o.o. and Foodio Concepts Sp. z o.o. (till June 2, 2020), the comparative data have been restated accordingly.

3. CHANGES IN PROVISIONS AND IMPAIRMENT LOSSES FOR ASSETS

In the period from January 1, 2021 to June 30, 2021 the following changes in impairment losses were accounted (in brackets the amounts for the second quarter of 2021):

- impairment loss for receivables: decrease by PLN 547 thousand (decrease by PLN 255 thousand),
- impairment loss for inventory: increase by PLN 230 thousand (increase by PLN 515 thousand),
- impairment loss for tangible assets and intangible assets: decrease by PLN 2,284 thousand, including set-up by PLN 2,526* thousand, the use in the amount of PLN 4,705* thousand and release by PLN 105 thousand (increase by PLN 2,386 thousand, including set-up by PLN 2,526 thousand, the use in the amount of PLN 52 thousand and release by PLN 88 thousand).

** impairment loss set-up relates to advertising panels in Outdoor segment in the amount of PLN 1,643 thousand and Agora S.A. property located in Tychy in the amount of PLN 883 thousand; the use of impairment loss was mainly connected with the disposal of printing activity assets, which was covered by impairment loss.*

Additionally in the period from January 1, 2021 to June 30, 2021 the following provisions were changed (in brackets the amounts for the second quarter of 2021):

- provision for penalties, interests and similar: increase by PLN 10 thousand (increase by PLN 10 thousand),
- provision for the restructuring of advertising panels: increase by PLN 159 thousand, including set-up by PLN 538 thousand, the use in PLN 444 thousand, reversal in the amount of PLN 94 thousand (increase by PLN 374 thousand),
- retirement severance provision: decrease by PLN 6 thousand (decrease by PLN 6 thousand),
- provision for restructuring: decrease by PLN 326 thousand, including: release in the amount of PLN 59 thousand and the use in the amount of PLN 267 thousand (decrease by PLN 224 thousand),
- provision for severance payments for former members of the Management Board: used in the amount of PLN 150 thousand (decrease by PLN 75 thousand),
- other provisions: decrease by PLN 3 thousand (no change).

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, 2021 to June, 30, 2021 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, 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.