

**AGORA S.A.**

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

August 12, 2021

## UNCONSOLIDATED 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
<b>Assets</b>			
<b>Non-current assets:</b>			
Intangible assets	42,827	44,507	46,295
Property, plant and equipment	148,938	152,515	155,959
Right-of-use assets	24,826	25,116	26,662
Long term financial assets	624,397	621,992	621,992
Receivables and prepayments	702	824	915
Deferred tax assets	12,991	10,857	8,369
	<b>854,681</b>	<b>855,811</b>	<b>860,192</b>
<b>Current assets:</b>			
Inventories	12,175	10,585	9,607
Accounts receivable and prepayments	76,759	77,757	83,189
Income tax receivable	748	744	733
Short-term securities and other financial assets	743	995	263
Cash and cash equivalents	57,919	76,626	73,506
	<b>148,344</b>	<b>166,707</b>	<b>167,298</b>
Non-current assets held for sale	-	-	14,500
	<b>148,344</b>	<b>166,707</b>	<b>181,798</b>
<b>Total assets</b>	<b>1,003,025</b>	<b>1,022,518</b>	<b>1,041,990</b>

## UNCONSOLIDATED 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
<b>Equity and liabilities</b>			
<b>Equity:</b>			
Share capital	46,581	46,581	46,581
Share premium	147,192	147,192	147,192
Other reserves	123,053	123,053	123,053
Retained earnings	467,101	444,643	456,562
	<b>783,927</b>	<b>761,469</b>	<b>773,388</b>
<b>Non-current liabilities:</b>			
Long-term borrowings	46,303	56,738	64,989
Retirement severance provision	1,799	1,756	1,756
Provisions	49	178	286
Accruals and other liabilities	1,302	1,590	1,705
Contract liabilities	262	211	177
	<b>49,715</b>	<b>60,473</b>	<b>68,913</b>
<b>Current liabilities:</b>			
Retirement severance provision	113	159	159
Trade and other payables	113,154	110,736	106,886
Short-term borrowings	20,885	33,009	36,279
Other financial liabilities	26,365	48,024	48,741
Provisions	970	1,119	1,150
Contract liabilities	7,896	7,529	6,474
	<b>169,383</b>	<b>200,576</b>	<b>199,689</b>
<b>Total equity and liabilities</b>	<b>1,003,025</b>	<b>1,022,518</b>	<b>1,041,990</b>

## UNCONSOLIDATED INCOME 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
Revenue	92,744	175,077	72,126	157,999
Cost of sales	(46,329)	(91,189)	(41,747)	(89,596)
<b>Gross profit</b>	<b>46,415</b>	<b>83,888</b>	<b>30,379</b>	<b>68,403</b>
Selling expenses	(30,443)	(58,275)	(19,312)	(51,045)
Administrative expenses	(23,454)	(47,756)	(17,428)	(40,394)
Other operating income	921	2,870	1,058	8,256
Other operating expenses	(1,243)	(1,794)	(1,798)	(2,000)
Impairment losses for receivables - net	65	144	(124)	(397)
<b>Operating Loss</b>	<b>(7,739)</b>	<b>(20,923)</b>	<b>(7,225)</b>	<b>(17,177)</b>
Finance income	28,604	28,616	3,317	286
Finance costs	(785)	(1,807)	(2,008)	(59,536)
<b>Profit/(Loss) before income taxes</b>	<b>20,080</b>	<b>5,886</b>	<b>(5,916)</b>	<b>(76,427)</b>
Income tax	2,379	4,653	675	1,804
<b>Net profit/(Loss) for the period</b>	<b>22,459</b>	<b>10,539</b>	<b>(5,241)</b>	<b>(74,623)</b>
Basic/diluted earnings per share (in PLN)	0.48	0.23	(0.11)	(1.60)

## UNCONSOLIDATED 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
<b>Net profit/(Loss) for the period</b>	<b>22,459</b>	<b>10,539</b>	<b>(5,241)</b>	<b>(74,623)</b>
<b>Other comprehensive income/loss for the period</b>	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>22,459</b>	<b>10,539</b>	<b>(5,241)</b>	<b>(74,623)</b>

## 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>					
<b>Contributions by and distributions to owners</b>					
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<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>					
<b>Contributions by and distributions to owners</b>					
Other	-	-	-	1	1
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>
<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>

## UNCONSOLIDATED 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
<b>Cash flows from operating activities</b>				
<b>Profit/(loss) before income taxes</b>	<b>20,080</b>	<b>5,886</b>	<b>(5,916)</b>	<b>(76,427)</b>
Adjustments for:				
Depreciation and amortisation	7,993	16,199	7,449	14,640
Foreign exchange (profit)/loss	(8)	(7)	(11)	34
Interest, net	568	1,349	623	1,662
(Profit) / loss on investing activities	865	770	(2,317)	50,508
Dividend income	(28,052)	(28,052)	-	-
(Decrease) / increase in provisions	(281)	(421)	1,196	1,095
(Increase)/ decrease in inventories	(1,589)	(2,567)	3,632	2,079
Decrease in receivables	1,175	6,432	17,506	24,551
Increase in payables	2,217	9,154	8,422	13,150
Increase in contract liabilities	418	1,506	1,972	2,636
<b>Cash generated from operations</b>	<b>3,386</b>	<b>10,249</b>	<b>32,556</b>	<b>33,928</b>
Income taxes inflows / (outflows) (1)	314	(100)	900	1,536
<b>Net cash from operating activities</b>	<b>3,700</b>	<b>10,149</b>	<b>33,456</b>	<b>35,464</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of property, plant and equipment, and intangibles	26	14,595	707	10,579
Disposal of subsidiaries, associates and jointly controlled entities	-	-	-	4
Dividends received	28,052	28,052	-	-
Repayment of loans granted	-	-	-	100
Interest received	2	4	56	130
(Proceeds)/outflows from cash pooling	251	(479)	(3,048)	(1,494)
Purchase of property, plant and equipment, and intangibles	(3,513)	(8,935)	(5,882)	(12,241)
Acquisition of subsidiaries, associates and jointly controlled entities	(2,404)	(2,404)	(1,325)	(1,335)
<b>Net cash from/(used in) investing activities</b>	<b>22,414</b>	<b>30,833</b>	<b>(9,492)</b>	<b>(4,257)</b>

	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
<b>Cash flows from financing activities</b>				
Repayment of borrowings	(22,500)	(30,833)	-	(2,083)
Proceeds/(outflows) from cash pooling	(21,659)	(22,376)	(3,637)	6,032
Payment of finance lease liabilities	(17)	(1,009)	(203)	(502)
Interest paid	(474)	(2,051)	(646)	(1,523)
Other	(171)	(300)	-	(20)
<b>Net cash from/(used in) financing activities</b>	<b>(44,821)</b>	<b>(56,569)</b>	<b>(4,486)</b>	<b>1,904</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(18,707)</b>	<b>(15,587)</b>	<b>19,478</b>	<b>33,111</b>
Cash and cash equivalents				
At start of period	76,626	73,506	26,807	13,174
At end of period	57,919	57,919	46,285	46,285

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

## ADDITIONAL INFORMATION

### 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 interim unconsolidated financial statements was prepared as at 30 June 2021 and for three and six months ended 30 June 2021 with comparative figures as at 31 March 2021, 31 December 2020 and as at 30 June 2020 and for three and six months ended 30 June 2020.

The condensed interim unconsolidated financial statements were authorised for issue by the Management Board on 12 August 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 unconsolidated financial statements of Agora S.A. (in brackets the amounts for the second quarter of 2021):

- impairment loss for receivables: decrease by PLN 460 thousand (decrease by PLN 257 thousand),
- impairment loss for inventory: increase by PLN 135 thousand (increase by PLN 420 thousand),
- impairment loss for property, plant and equipment: decrease by PLN 3,567 thousand (increase by PLN 883 thousand) including the use in the amount of PLN 4,450 thousand (related to the 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 by PLN 37 thousand (no change),
- 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) (no change),
- provision for restructuring cost: decrease by PLN 304 thousand, including release by PLN 59 thousand and the use by PLN 245 thousand (release by PLN 59 thousand and the use by PLN 143 thousand),
- retirement severance payments for former members of the Management Board: decrease by PLN 150 thousand (decrease by PLN 75 thousand),
- retirement severance provision: decrease by PLN 4 thousand (decrease by PLN 4 thousand).

### 3. Other notes

The Management Board of Agora S.A. believes that the notes to Agora Group's condensed semi-annual consolidated financial statements and the notes to Agora S.A. condensed semi-annual unconsolidated financial statements present all other material information required to assess the Company's financial position and financial results in the period from January, 1, 2021 to June, 30, 2021 and therefore the condensed interim unconsolidated financial statements should be read together with the condensed semi-annual consolidated financial statements and condensed semi-annual unconsolidated financial statements, which are included in the semi-annual report.

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

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.