

AGORA GROUP
Management
Discussion and
Analysis for
the year 2022
to the consolidated
financial statements

March 16, 2023

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AGORA GROUP MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) FOR YEAR OF 2022 TO THE FINANCIAL STATEMENTS

REVENUE PLN 1,113.1 MILLION

EBITDA PLN 139.3 MILLION

NET LOSS PLN 105.7 MILLION

OPERATING CASH FLOW PLN 76.8 MILLION

Unless indicated otherwise, all data presented herein represent the period of January – December 2022, while comparisons refer to the same period of 2021. All data sources are presented in part IV of this MD&A.

I. IMPORTANT EVENTS AND FACTORS WHICH INFLUENCE THE FINANCIALS OF THE GROUP [1]

- ▶ In 2022, the **Agora Group** (“Group”) earned revenue in the amount of PLN 1,113.1 million, and it was higher by 15.2% year on year. This was mainly due to the return of cinemas to full-scale operations and the lifting of restrictions introduced by the government in earlier periods as part of the fight against the pandemic, and thus the increase in the revenue of the Movies and Books segment. In the fourth quarter alone, the revenue generated by the **Agora Group** stood at PLN 331.0 million, showing a decrease by 5.9% year on year.

The most significant increase in the revenue in the **Movies and Books** segment, as compared to 2021, was recorded by cinema activities. They include sales of cinema tickets, concession sales and sales of advertising in cinemas. The lifting of the restrictions on cinema activities had a positive impact also on the segment’s film activities. In 2022, NEXT FILM released new film productions for cinema distribution. Moreover, films that had been released earlier were sold in various distribution channels. The revenue from the film business was also influenced by the revenue from productions for the streaming platform. Gastronomic activities also generated higher revenue. This was due to the lighter restrictions on restaurant operations in connection with the COVID-19 pandemic, as compared to the previous year, and to a larger number of restaurants. In contrast, the revenue of the Agora’s Publishing House was lower than in the previous year. The comparability of data was significantly affected by high sales of the book *Czuła przewodniczka* in 2021. In the fourth quarter of 2022 alone, the revenue of the Movies and Books segment was lower year on year. A decrease in revenue was recorded by cinema activities. Higher revenue was observed in other activities of the segment.

The second segment in terms of revenue increase was **Outdoor**. The segment recorded higher revenue both in the entire 2022 and in the fourth quarter alone. This was driven by the rapid recovery of the outdoor advertising market and the huge popularity of advertising campaigns using media such as citylight and digital backlight, and in the entire 2022 – also city transport.

Another segment with growing revenue was **Radio**. In both periods, this increase was driven primarily by the increase in revenue from the sale of airtime in the radio stations of the Agora Radio Group, while the revenue from brokerage services in third-party radio stations decreased.

In 2022, also the revenue of the **Digital and Printed Press** segment went up. The increase in the revenue between January and December resulted mainly from the increase in the revenue from sales of printing services. In the fourth quarter of 2022, the total revenue of the Digital and Printed Press segment decreased year on year. This decrease was primarily the result of lower revenue from advertising sales in the paper version of *Gazeta Wyborcza*.

The only operating segment of the Group in which the revenue was lower than in the previous year – both in the fourth quarter and in the entire 2022 – was **Internet**. In these two periods, this was mainly due to lower revenue from sales of online advertisements in Yieldbird. In contrast, Gazeta.pl recorded higher online advertising sales revenue year on year.

- ▶ In the entire 2022 and in the fourth quarter of 2022, the **Agora Group** recorded an increase in operating costs. In 2022, they increased by 16.9% to PLN 1,177.9 million, and in the fourth quarter – by 10.3% to PLN 361.4 million. In both periods under review, they increased in all segments except the Internet.

The area where the operating costs increased most in 2022 was the **Movies and Books** segment. This was mainly impacted by the return of cinemas to restriction-less operation, which translated into a rapid return of audiences to cinemas. During this period, all categories of the segment's operating expenses were higher, except amortisation and depreciation as well as the costs of operation of the Agora's Publishing House. In the fourth quarter of 2022, all categories of costs were higher, except for expenditure on external services, staff cost and depreciation and amortisation costs. Helios decided to take up restructuring measures in the fourth quarter of 2022. The cost of this process in the amount of PLN 1.8 million had a negative impact on the level of operating costs. The segment also recorded a write-down on its assets in the amount of PLN 3.3 million in the fourth quarter and PLN 2.2 million throughout 2022. The partial write-off of a loan from the Polish Development Fund (PFR) in Helios S.A. in the amount of PLN 14.1 million in the third quarter of 2022 had a positive impact on the level of net operating expenses. It is also worth noting that the comparability of data for the year 2022 and 2021 was affected by the different duration and severity of the sanitary restrictions in place.

The second segment in terms of the increase in operating costs in 2022 was **Digital and Printed Press**. Most categories of operating costs in this area increased in both periods under review. The increase in expenditure on materials, energy, goods and printing services, as well as staff costs had a decisive impact on the level of expenditure in 2022. The costs related to the restructuring of the segment's operations in the amount of PLN 3.4 million and the revaluation write-down on assets in the amount of PLN 43.4 million negatively affected the level of the segment's operating costs in 2022.

Almost all categories of operating costs of the **Outdoor** segment increased in both periods under review, except for depreciation and amortisation costs.

All cost categories of the **Radio** segment increased in 2022. A similar situation occurred in the fourth quarter. The major impact on the increase in expenses in this business area was a result of higher costs of external services and staff costs.

Operating costs in the **Internet** segment decreased. This was mainly driven by lower costs of external services in both periods under review. The decrease was a result of lower costs of lease of advertising space and lower revenue from the sale of advertising on that space.

- ▶ In 2022, the Agora Group recorded EBITDA profit of PLN 139.3 million, which represents a significant year on year improvement. In the fourth quarter of 2022, the Group's EBITDA profit amounted to PLN 55.3 million. Between January and December, the Group reported a loss of PLN 64.8 million at the EBIT level, which represents a year on year decrease of this indicator. In the fourth quarter alone, the Group's EBIT loss amounted to PLN 30.4 million. The revaluation write-downs on assets in the amount of PLN 46.0 million and the costs of restructuring in the amount of PLN 5.3 million negatively affected the level of costs in 2022. The partial write-off of a loan from the Polish Development Fund (PFR) in Helios S.A. in the amount of PLN 14.1 million had a positive impact on the level of net operating expenses. In both periods under review, the Group recorded a net loss of PLN 105.7 million in 2022 and PLN 30.5 million in the fourth quarter of 2022. Whereas the net loss attributable to equity holders of the parent company was PLN 102.7 million in the period from January to December 2022 and PLN 31.4 million in the period from October to December 2022.
- ▶ Without the effect of IFRS 16, the Agora Group recorded EBITDA profit of PLN 48.5 million in 2022 and PLN 31.6 million in the fourth quarter of 2022. According to this presentation, the EBIT loss amounted to PLN 87.9 million in the period from January to December 2022 and PLN 36.9 million in the period from October to December 2022.

- ▶ As at 31 December 2022, the Group's cash and short-term financial assets amounted to PLN 70.0 million, which comprised of PLN 69.1 million in cash and cash equivalents (cash in hand and at bank and bank deposits) and PLN 0.9 million in loans granted.
- ▶ As at the end of December 2022, the Group's loans and leases amounted to PLN 796.8 million (including lease liabilities under IFRS 16 of PLN 662.2 million). The Group's net debt in this approach amounted to PLN 727.7 million, while excluding the impact of IFRS 16, the Group's net debt as at 31 December 2022 amounted to PLN 65.5 million.

II. EXTERNAL AND INTERNAL FACTORS IMPORTANT FOR THE DEVELOPMENT OF THE GROUP

1. EXTERNAL FACTORS

1.1 ADVERTISING MARKET [3]

According to the Agora S.A. estimates ("Company", "Agora"), based on public data sources, in the fourth quarter of 2022, total advertising spending in Poland amounted to PLN 3,42 billion and increased by almost 4.0% yoy.

Tab.1

	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022
% change yoy in ad market value	(1.0%)	4.5%	44.5%	13.5%	13.0%	7.0%	4.0%	3.5%	4.0%

In the fourth quarter of 2022, advertisers increased their spending in practically all market segments. Spending in the press was smaller than in the same period of 2021. Practically the same level as a year ago was maintained in TV advertising. The largest increases in advertising spending in the fourth quarter of 2022 were in outdoor advertising and cinema advertising. Advertisers also continued to increase budgets for digital and radio advertising. The data relating to the changes in the value of advertising expenditure in particular media segments are presented in the table below:

Tab.2

Total advertising expenditure	Television	Internet	Radio	Outdoor	Magazines	Dailies	Cinema
4.0%	(0.5%)	7.0%	5.0%	22.5%	(13.0%)	(14.0%)	39.0%

The share of particular media segment in total advertising expenditure, in the fourth quarter of 2022, is presented in the table below:

Tab.3

Advertising spendings, in total	Television	Internet	Radio	Outdoor	Magazines	Dailies	Cinema
100.0%	42.5%	42.5%	5.5%	4.5%	2.0%	1.0%	2.0%

In 2022, the value of total advertising expenditure in Poland amounted to over PLN 11.1 billion and increased by 4.5% compared to 2021. During this time, advertisers increased their advertising expenditure in all market segments. Advertising spending in the press and on television decreased very slightly. The largest growth rate concerned cinema advertising and outdoor advertising in 2022. The data relating to the changes in the value of advertising expenditure in particular media segments are presented in the table below:

Tab.4

Total advertising expenditure	Television	Internet	Radio	Outdoor	Magazines	Dailies	Cinema
4.5%	(1.0%)	7.0%	2.5%	30.5%	(1.5%)	0.5%	102.5%

The share of particular media segment in total advertising expenditure, in 2022, is presented in the table below:

Tab.5

Share in total advertising spendings	Television	Internet	Radio	Outdoor	Magazines	Dailies	Cinema
100.0%	40.5%	44.0%	6.0%	5.0%	2.5%	1.0%	1.0%

1.2 Copy sales of dailies [4]

In the fourth quarter of 2022, total sales of paid dailies in Poland (controlled by PBC) decreased by 14.0% yoy, and in 2022 by 12.3% yoy. The biggest drops in both periods were recorded in the segment of regional dailies.

1.3 Cinema admissions [9]

In the fourth quarter of 2022, 11.9 million tickets were sold, compared to 14.7 million tickets a year earlier. This represents a year-on-year decline of 19.0%. The number of tickets sold in Polish cinemas in 2022 was 42.8 million, up 47.6% year-on-year. However, it is worth remembering that cinemas in 2021 were closed by administrative decision until May 20, 2021, and thereafter operated with a limit on the sale of seats in the hall. As a result, the number of tickets sold in Polish cinemas totaled 29.0 million in all of 2021.

An analysis of attendance over 2022 shows that cinema audience numbers are recovering more slowly than originally expected. Not only in the fourth quarter of 2022, but also in the second half of the year, total attendance in Polish cinemas recorded a decline of 19.0% and 7.8%, respectively. This was mainly due to the arrival in cinemas in the second half of 2021 of a large number of movies that were awaiting release in connection with the May 2021 opening. These were primarily movies such as Diuna, Dziewczyny z Dubaju, Spiderman and No Time to Die from the James Bond series.

2. INTERNAL FACTORS

2.1. Revenue

Tab.6

<i>in million PLN</i>	4Q 2022	% share	4Q 2021	% share	% change yoy
Total sales (1)	331.0	100.0%	351.7	100.0%	(5.9%)
<i>Advertising revenue</i>	157.8	47.7%	174.9	49.7%	(9.8%)
<i>Ticket sales</i>	58.0	17.5%	63.9	18.2%	(9.2%)
<i>Copy sales</i>	38.6	11.7%	39.5	11.2%	(2.3%)
<i>Concession sales in cinemas</i>	30.8	9.3%	31.2	8.9%	(1.3%)
<i>Gastronomic sales</i>	10.3	3.1%	8.4	2.4%	22.6%
<i>Revenues from film activities</i>	8.0	2.4%	6.3	1.8%	27.0%
<i>Other</i>	27.5	8.3%	27.5	7.8%	-

<i>in million PLN</i>	1-4Q 2022	% share	1-4Q 2021	% share	% change yoy
Total sales (1)	1,113.1	100.0%	965.9	100.0%	15.2%
<i>Advertising revenue</i>	511.9	46.0%	509.4	52.7%	0.5%
<i>Ticket sales</i>	192.3	17.3%	126.8	13.1%	51.7%
<i>Copy sales</i>	136.9	12.3%	142.8	14.8%	(4.1%)
<i>Concession sales in cinemas</i>	103.5	9.3%	62.4	6.5%	65.9%
<i>Gastronomic sales</i>	38.3	3.4%	28.7	3.0%	33.4%
<i>Revenues from film activities</i>	31.2	2.8%	12.7	1.3%	145.7%
<i>Other</i>	99.0	8.9%	83.1	8.6%	19.1%

(1) particular sales positions, apart from revenues from ticket sales, concession sales in cinemas and gastronomic sales, include sales of the Agora's Publishing House and film activities (functioning within the Movies and Books segment), described in details in point IV.A in this report;

In the fourth quarter of 2022, the **total revenue of the Agora Group** amounted to PLN 331.0 million and decreased by 5.9% year on year. Revenue related to gastronomic sales and the film activities have increased. However, the increase in the revenue in these categories has been offset by lower advertising revenue, revenue from cinema activities and revenue from copy sales.

In the fourth quarter of 2022, the **revenue from the sale of advertising services** in the Agora Group decreased by 9.8% yoy and amounted to PLN 157.8 million. The business in which advertising spending dropped the most and which contributed the strongest to the decrease in the entire Group's advertising revenue was the Internet segment. The segment's revenue from the sale of online advertising decreased by 34.6% to PLN 49.6 million. This was mainly due to lower revenue from the sale of advertising services in Yieldbird. Advertising revenue in the Digital and Printed Press segment decreased by 16.6% to PLN 16.1 million. This decrease was caused by lower revenue mainly from the paper version of *Gazeta Wyborcza*. Advertising revenue in the Outdoor segment was 18.2% higher and amounted to PLN 49.4 million. The positive dynamics of the revenue in this business was mainly impacted by expenditure on campaigns carried out on citylight, digital and backlight panels. An increase in

advertising revenue – by 7.3% to PLN 30.7 million – was also recorded in the Radio segment. This is mainly the effect of higher revenue from selling airtime in the radio stations owned by the Agora Radio Group. The advertising spending in cinemas increased by 8.6% to PLN 10.1 million in the period under review, which was mainly due to the lack of restrictions in cinema operations. The **share of digital and online revenue in the total revenue of the Agora Group from advertising sales** amounted to 40.6% and decreased by 10.5 pp. This category includes revenue from advertising in digital editions of *Gazeta Wyborcza* as well as revenue from advertising and announcements on websites.

In the fourth quarter of 2022, the **revenue from copy sales** amounted to PLN 38.6 million and decreased by 2.3% year on year. The main reason for this decline was the 1.9% lower revenue from the sale of *Gazeta Wyborcza*, which shrank to PLN 25.7 million. The decrease was recorded in the revenue from the paper version of the daily, with an increase in the revenue from the sale of digital subscriptions. The **share of digital revenue in the total revenue from copy sales** of the Agora Group amounted to 37.6% and increased by 7.5 pp. as compared to the fourth quarter of 2021. It is also worth noting that, apart from copy sales, the Agora Group also offers other content in digital form (e.g. podcasts). Sales of digital content, including copy sales and other content, are growing dynamically. The share of this revenue in the period from October to December 2022 was 38.6%, which represents a 2.7 pp increase year on year.

In the fourth quarter of 2022, the **revenue from the sale of tickets to Helios cinemas** decreased by 9.2% to PLN 58.0 million and the **revenue from concession sales in cinemas** – by 1.3% to PLN 30.8 million. In the period under review, 3.0 million tickets were sold in Helios cinemas, i.e. 11.8% less than in the fourth quarter of 2021.

The **revenue from gastronomic sales** amounted to PLN 10.3 million, i.e. 22.6% more year on year. This was related to increased revenue from the operations of Step Inside recorded thanks to a larger number of restaurants.

In the fourth quarter of 2022, the **revenue from the film activities** of the Agora Group increased by 27.0% and amounted to PLN 8.0 million. This was related to the cinema success of *Johnny* which was released in September 2022. Moreover, in the fourth quarter of 2022, productions which had been released earlier were also sold via various distribution channels.

Revenue from other sales amounted to PLN 27.5 million and thus remained unchanged year on year.

In 2022, the **total revenue of the Agora Group** amounted to PLN 1,113.1 million, having gone up by 15.2% year on year. The main reason for this increase was the reopening of cinemas and the significantly more lenient restrictions on their operations in 2022 as compared to the corresponding period in 2021. This translated into a major increase in the revenue from cinema activities and the film business. It is also worth emphasising the increase in advertising revenue in the Outdoor segment, which confirms the reversal of the unfavourable trend caused by the effects of the pandemic.

In 2022, the Group's **revenue from the sale of advertising services** increased by 0.5% yoy and amounted to PLN 511.9 million. Its highest increase – by 29.9% to PLN 159.4 million – was observed in the Outdoor segment. This primarily results from higher revenue from campaigns carried out on citylight, digital backlight, and city transport panels. Advertising revenue in cinemas increased by 74.7% year on year and amounted to PLN 29.0 million. This was influenced by the reopening of cinemas and more lenient restrictions as compared to the previous year. Revenue from the sale of radio advertising in the Radio segment was 3.1% higher and amounted to PLN 91.7 million. In contrast, the online advertising sales revenue in the Internet segment was lower by 23.7%, which accounted for PLN 164.6 million in 2022. The decline in this category of revenue resulted primarily from reduced advertising revenue in Yieldbird. Importantly, advertising sales revenue generated by the *Gazeta.pl* division was higher yoy, primarily due to an increase in revenue from the sale of advertising services in the first and fourth quarter of 2022. A decrease in advertising revenue was also recorded by the Digital and Printed Press segment. Advertising revenue in this area decreased by 5.9% to PLN 60.9 million, mainly due to lower revenue from the sale of advertising services in the paper edition of *Gazeta Wyborcza*. The **share of digital and online revenue in the Agora Group's total revenue from advertising sales** in the period from January to December 2022 amounted to 41.6% and decreased year on year, primarily due to a significant increase in advertising revenue from campaigns carried out on outdoor advertising media and in cinemas, with lower revenue recorded by Yieldbird.

In 2022, **the revenue from copy sales** amounted to PLN 136.9 million and decreased by 4.1% year on year. This was driven by lower revenue from copy sales published by the Agora's Publishing House as compared to the previous year, as well as lower revenue recorded in the Digital and Printed Press segment, which was mainly the result of lower revenue from the sale of the daily's paper edition, with higher revenue from subscriptions of Wyborcza.pl content. The **share of digital revenue in the total revenue from copy sales** of the Agora Group amounted to 40.5% and increased by 9.5 pp year on year. It is also worth noting that, apart from copy sales, the Agora Group also offers other content in digital form (e.g. podcasts). Sales of digital content, including copy sales and sales of other publications, are growing dynamically. In the period from January to December 2022, the share of this revenue was 41.4% and increased by 4.6 pp year on year.

In 2022, the **revenue from ticket sales to Helios cinemas** increased by 51.7% and amounted to PLN 192.3 million. This increase was due to the resumption of cinema operations, significantly more lenient restrictions as compared to the corresponding period of 2021 and an increase in cinema attendance. In the period under review, the number of tickets sold in Helios cinemas amounted to 10.0 million, which meant a year on year increase by 49.3%. In the same period, the overall number of cinema tickets sold in Poland was 42.8 million and increased by 47.6% [9].

Revenue from concession sales in cinemas increased by 65.9% to PLN 103.5 million, primarily due to the lifting of the administrative closure of cinemas and more lenient restrictions than in 2021.

In 2022, **revenue from gastronomic sales** increased by 33.4% and amounted to PLN 38.3 million. This was possible thanks to the development of Step Inside, a company which runs restaurants under the Pasibus brand, and the lifting of restrictions on catering activities.

In 2022, **revenue from the film business** of the Agora Group increased by 145.7% to PLN 31.2 million. This is the effect of the reopening of cinemas and significantly more lenient restrictions on their operations as compared to 2021. In the period from January to December 2022, NEXT FILM released six Polish film productions for cinema distribution. The revenue from the film business was also influenced by the revenue from productions for the streaming platform. Moreover, films that had been released earlier were also sold in various distribution channels.

Revenue from other sales amounted to PLN 99.0 million and were 19.1% higher than those recorded in 2021. This was mainly due to increased revenue from the printing business and from the sale of other products and services as well as goods and materials in the Digital and Printed Press segment, the resumption of cinema operations, higher revenue of the Agora's Publishing House and an increase in other revenue in the Outdoor segment.

2.2. Operating cost

Tab.7

in million PLN	4Q 2022	4Q 2021	% change yoy
Operating cost net (1), including:	(361.4)	(327.7)	10.3%
External services	(107.2)	(133.0)	(19.4%)
Staff cost	(94.1)	(91.4)	3.0%
Raw materials, energy and consumables	(38.6)	(32.5)	18.8%
D&A	(38.5)	(41.5)	(7.2%)
Promotion and marketing	(18.6)	(17.0)	9.4%
Cost of restructuring (2)	(5.3)	-	-
Impairment losses (4)	(47.2)	(2.5)	1,788.0%

in million PLN	1-4Q 2022	1-4Q 2021	% change yoy
Operating cost net (1), including:	(1,177.9)	(1,007.8)	16.9%
External services	(384.0)	(360.4)	6.5%
Staff cost	(365.4)	(315.8)	15.7%
Raw materials, energy and consumables	(140.8)	(98.9)	42.4%
D&A	(158.1)	(161.4)	(2.0%)
Promotion and marketing	(57.7)	(47.6)	21.2%
Cost of restructuring (2)	(5.3)	-	-
PFR loans redemption (3)	14.1	3.1	354.8%
Impairment losses (4)	(46.0)	(4.9)	838.8%

- (1) the amount of the cost excluding impact of International Financial Reporting Standard no. 16 Leases amounted to PLN 1,201.0 million in 2022 and PLN 367.9 million in the fourth quarter of 2022 (in 2021: PLN 993.0 million and PLN 328.5 million in the fourth quarter of 2021);
- (2) cost of group layoffs conducted in Digital and Printed Press segment and Movies and Books segment in the fourth quarter of 2022;
- (3) the amount relates to redemption of preferential loans granted to Helios S.A. in 2022 and 2021 under the Government Program - Financial Shield of the Polish Development Fund for Large Companies. Additional information is described in note 15 to the consolidated financial statements;
- (4) the amount in 2022 includes mainly the impairment loss on goodwill assigned to Digital and Printed Press segment and impairment loss on property, plant and equipment in Helios S.A. and AMS S.A.; the amount in 2021 includes impairment losses on fixed assets of the companies Agora S.A., Helios S.A. and AMS S.A. Additional information is disclosed in note 40 to the consolidated financial statements.

In the fourth quarter of 2022, the **net operating costs** of the Agora Group increased by 10.3% to PLN 361.4 million. They were higher in all operating segments of the Group, except Internet. The highest increase in operating expenses – by 87.1% to PLN 100.1 million – was visible in the Digital and Printed Press segment. Operating costs in the Movies and Books segment were higher by 3.7% and amounted to PLN 130.6 million. Another area where the operating costs went up (by 15.2% to PLN 33.4 million) was the Radio segment. Operating costs in the Outdoor segment increased by 11.0% to PLN 42.4 million, and in the Internet segment, they were lower by 37.7% and amounted to PLN 41.5 million. In the fourth quarter of 2022, the level of net operating expenses was adversely affected by revaluation write-downs on assets in the amount of PLN 47.2 million (made in the following segments: Digital and Printed Press, Movies and Books, Outdoor and Internet), the costs of restructuring carried out in the press and cinema businesses in the total amount of PLN 5.3 million and a write-down on receivables of one of the Outdoor segment's business partners in the amount of PLN 1.1 million. In the fourth quarter of 2021, the scale of one-off events was significantly lower and had no significant impact on the Group's results. The then costs of such events charged the Group's operating expenses with the amount of PLN 2.7 million (revaluation write-downs on assets, creation of a write-down on receivables of one of the business partners and a grant from the Polish Film Institute).

The largest item of expenses was the **costs of external services** which amounted to PLN 107.2 million and were 19.4% lower year on year. Their sharpest decline – by 61.2% to PLN 18.1 million – was recorded in the Internet segment. These costs were lower especially in Yieldbird, reflecting a decrease in the cost of leasing advertising space and lower revenue from the sale of advertising services. The reduction in the costs of external services was also recorded by the Gazeta.pl division and the HRLink Group. Another segment where the costs of external services decreased was the Movies and Books segment (without the Agora's Publishing House). This decrease was related to the cinema activities – with lower costs of purchasing film copies. In contrast, the costs associated with film production were higher. The increase in the costs of external services was visible in the Outdoor segment due to higher costs of system maintenance and an increase in the costs of advertising campaigns. Expenses on external services in the Radio segment increased mainly due to higher costs related to the provision of sales brokerage services to Helios cinemas, which was associated with an increase in the revenue in this respect. In the Radio segment, an increase was also recorded in the costs of marketing services, with lower costs of airtime purchase in third-party radio stations in connection with the provision of advertising sales brokerage services.

Staff costs reached PLN 94.1 million and increased by 3.0% year on year. Staff costs were higher in almost all operating segments of the Group and in its supporting divisions. The exceptions included cinemas, the Agora's Publishing House and the film business from the Movies and Books segment. The largest increase in this category was recorded in the following segments: Internet, Radio and Outdoor. In the fourth quarter of 2022, a decision was made not to create a provision for costs of the incentive plan of the Agora's Management Board.

In December 2022, the **headcount** in the Agora Group was 2,339 FTEs and increased by 16 FTEs year on year. The headcount increased in the following segments: Internet, Radio, Outdoor and also in Agora Publishing House and gastronomic activities included in the Movies and Books segment. Higher headcount was also visible in the supporting divisions. In contrast, headcount decreased in the Digital and Printed Press segment and in Helios S.A.

The increase in the **cost of materials and energy consumption and goods and materials sold** of 18.8% to PLN 38.6 million recorded in the fourth quarter of 2022 was primarily the result of an increase in this type of expenses in the following segments: Movies and Books and Digital and Printed Press. In the first one, higher costs were mainly related to higher prices of electrical energy and cost of purchasing products in cinema and gastronomic activity and higher revenue from sales in restaurants. The production costs was also higher in the Agora's Publishing House. The dynamics of this cost category in the Digital and Printed Press segment was largely influenced by the increase in market prices of production materials, in particular paper.

The **costs of depreciation and amortisation** were lower by 7.2% and amounted to PLN 38.5 million. This cost item decreased its value in the following segments: Movies and Books (without the Agora's Publishing House), Outdoor and Internet. The decrease in depreciation and amortisation costs in the Movies and Books segment was related to the film business and cinema activities, the costs of Outdoor dropped as a result of total amortisation of the concession for bus/tram shelters in Warsaw and the MSI system, and the decrease in Internet costs resulted from the reduction of costs of the Gazeta.pl division.

The **promotion and marketing costs** of the Agora Group increased by 9.4% yoy to PLN 18.6 million. This cost item has increased its value in all operating businesses, except for the Digital and Printed Press segment. Its largest increase was recorded in the Radio segment and resulted mainly from higher expenditure on promotion of Radio Żłote Przeboje and Radio Pogoda. Higher promotion and marketing costs of the Movies and Books segment (without the Agora's Publishing House) were a result of the increased advertising costs in cinema activities, including barter-settled advertising, and higher costs in the film business. The increase in Internet costs was related to higher expenses of Gazeta.pl, and in the case of the Outdoor segment, it resulted from higher total barter costs of umbrella campaigns due to their larger number and the costs of organising the #DataDrivenDOOH conference. The decrease in promotion and marketing costs of Digital and Printed Press resulted primarily from a smaller number of TV and radio campaigns as compared to the corresponding period of 2021.

In the fourth quarter of 2022, the Group's net operating costs, reported without the effect of IFRS 16, amounted to PLN 367.9 million and were 12.0% higher year on year.

In 2022, the **net operating costs** of the Agora Group increased by 16.9% yoy to PLN 1,177.9 million. This was supported by the increase in such costs in most of the Group's segments. The largest increase in operating costs – by 32.4% to PLN 444.5 million – was recorded in the Movies and Books segment and was mainly related to the lifting of restrictions on the cinema and gastronomic activities. Operating costs were also higher in the Digital and Printed Press segment – they went up by 38.3% to reach PLN 260.1 million. Expenses of the Outdoor segment increased by 12.9% to PLN 152.3 million and in the Radio segment – by 14.8% to PLN 107.8 million, due to higher revenue from sales brokerage services provided to Helios cinemas and an increase in staff costs. Operating expenses were 20.7% lower in the Internet segment and amounted to PLN 157.1 million. This was mainly caused by a reduction in the costs of external services, particularly in Yieldbird, due to a decrease in expenditure on lease of advertising space. In 2022, the level of net operating expenses was adversely affected by revaluation write-downs on assets in the amount of PLN 46.0 million (made in the following segments: Digital and Printed Press, Movies and Books, Outdoor and Internet), the costs of restructuring carried out in the press and cinema businesses in the total amount of PLN 5.3 million and a write-down on receivables of one of the Outdoor segment's business partners in the amount of PLN 1.1 million. In the third quarter of 2022, some of the Group's employees and collaborators were paid one-off inflation allowances. Their cost was PLN 3.1 million. The value of the Group's operating expenses was positively affected by the cancellation in Helios S.A. of part of the loan from the Polish Development Fund in the amount of PLN 14.1 million. In 2021, the scale of one-off events was significantly lower and had a positive impact on the result. Throughout 2021, these events (a subsidy from the Guaranteed Employee Benefits Fund, a partial write-off of a loan from the Polish Development Fund (PFR), exemptions from the Social Security Institution's contributions, a grant from the Polish Film Institute, a provision for receivables of one of the business partners, a refund of VAT from bad debt relief and revaluation write-downs on assets) had a positive impact on the operating costs of the Agora Group and reduced them by PLN 5.0 million.

In 2022, the **costs of external services** increased by 6.5% to PLN 384.0 million. The increase in this item was mainly driven by the Movies and Books segment due to the return to full-scale cinema, film and gastronomic activities. These expenditures were also significantly higher in the Outdoor segment, which was mainly attributable to higher costs of campaigns and system maintenance. This category of operating costs also increased in the Radio segment due to the sales brokerage service provided to Helios cinemas. This area was also marked by increased costs of marketing services as well as rents and lease fees. The costs of external services also increased in the Digital and Printed Press segment – expenditure on external service increased primarily due to the organisation of concerts and higher cost of computer services. However, this category of operating costs was lower in the Internet segment. This was mainly related to lower revenue from the sale of advertising services in Yieldbird. The costs of external services decreased also in the Gazeta.pl division but they increased in the HRlink Group.

In 2022, **staff costs** increased by 15.7% to PLN 365.4 million. They were higher in all business segments of the Agora Group and in its supporting divisions. As compared to 2021, these costs increased the most in the Movies and Books segment, which was primarily caused by the return to regular operations without restrictions or limits in cinemas and restaurants, which necessitated int. al. the completion of teams in individual locations. The staff costs of the Movies and Books segment were also increased by a portion of the costs related to film productions and in gastronomic activities – to the development of Step Inside. Another segment that recorded an increase in this expense category was Digital and Printed Press, where this was mainly due to an increase in fixed salaries and

higher costs of civil law contracts. In the Internet segment, the increase in this cost item was driven by an increase in employment and fixed salaries. In the Outdoor segment, the main reason for the increase in staff expenses was the increase in fixed salaries and the variable component of remuneration due to the achievement of higher sales targets. In the Radio segment, the costs of fixed and variable salaries, civil law contracts, as well as the provision for unused holiday leaves were higher. In addition, expenses for courses, training courses and conferences recorded an increase in the Radio segment.

The **costs of materials and energy consumption and goods and materials sold** increased in 2022 by 42.4% to PLN 140.8 million. This was mainly due to an increase in the value of this cost item in the Movies and Books as well as the Digital and Printed Press segments. In the former segment, this was associated with the lifting of restrictions and the return to full-scale operations, in particular in cinemas and restaurants, which were free from restrictions, and the increased prices of electrical energy and product purchase as well as higher sales in restaurants. In the latter segment, this was driven mainly by increased prices of production materials and the market increase in energy prices.

The **costs of depreciation and amortisation** decreased by 2.0% and amounted to PLN 158.1 million. The decrease in expenditure on depreciation and amortisation was recorded in the following segments: Movies and Books, Outdoor Advertising, Internet and Digital and Printed Press. However, this cost item increased in the Radio segment.

In the period under review, **the Group's promotion and marketing costs** increased by 21.2%, amounting to PLN 57.7 million. They increased in each business area, except the Digital and Printed Press segment. Their largest increases were recorded in the Movies and Books and the Internet segments.

In 2022, the Group's net operating costs without the effect of IFRS 16 amounted to PLN 1,201.0 million, i.e. they increased by 20.9% year on year.

3. PROSPECTS

According to available macroeconomic forecasts, the fourth quarter of 2022 and the next quarters of 2023 will bring a slowdown in economic growth, continually high inflation, as well as high prices for energy, raw materials, food, goods and services. The development of the economic situation in the country in the next quarters will also be characterised by high uncertainty due, but not limited to, the further course of the armed conflict in Ukraine and its geopolitical consequences.

The above factors will affect both the revenue potential of the Agora Group and the increase in operating costs.

3.1. REVENUES

3.1.1 Advertising market [3]

The advertising market in Poland grew by almost 4.0% in the fourth quarter of 2022, and advertisers spent around PLN 3.42 billion on promoting their products and services at that time.

In the following quarters of 2022, advertising expenditure increased at a slower rate. In the first quarter of 2022, the growth rate was more than 7.0%, and in subsequent periods, it reached 4.0%, 3.0% and almost 4.0% in the fourth quarter of 2022. The slightly better performance in the fourth quarter of 2022 was driven by advertising activity related to the 2022 FIFA World Cup.

In 2022, the value of the advertising market accounted for approximately PLN 11.1 billion and the growth rate yoy amounted to 4.5%, i.e. it reached the level expected in the assumptions of Agora S.A. presented at the beginning of the year. It is worth noting that in 2022, the value of the advertising market was almost 12.5% higher than in 2019, i.e. in the year before the COVID-19 pandemic.

After analyzing available data and observing market trends, the company has decided to give its preliminary expectations for the dynamics of the advertising market in 2023. We expect the dynamics of advertising spending in Poland throughout 2023 to be at around 2.0-4.0%. Despite the high uncertainty regarding the scale of a possible economic slowdown in the country, the level of inflation and the cost of operating businesses, as well as the situation in the region, Agora expects the value of the advertising market to grow throughout the year rather closer to the higher end of the indicated range.

The current data on the estimates of the dynamics of changes in the value of advertising expenditure in individual media are presented in the table below:

Tab.8

Total advertising expenditure	Television	Internet	Radio	Outdoor	Press	Cinema
2.0-4.0%	(1.0%)-2.0%	2.0-5.0%	1.0-4.0%	5.0-10.0%	(10.0%)-(7.0%)	9.0-14.0%

At the same time, it is worth noting that due to many uncertainties and abrupt changes in the market environment caused by macroeconomic and geopolitical factors, it is difficult to make long-term assumptions, therefore the above estimates may be biased, and their accuracy can be much smaller than in periods of higher predictability.

3.1.2. Ticket sales

The most significant factors affecting attendance in Polish cinemas include: the repertoire, the weather conditions, the affluence of the Polish society and distance to the cinema. Based on the available information, the number of tickets sold in Polish cinemas in 2022 amounted to 42.8 million, which represents an increase by 47.6% as compared to 2021 [9]. This difference in the number of tickets sold is primarily due to fewer restrictions on cinema operations related to countering the spread of COVID-19 than in the preceding year. It is worth noting that a noticeable negative impact on the dynamics of the reconstruction of cinema activities after the pandemic was caused by Russia's military invasion on Ukraine.

An analysis of the attendance through 2022 shows that cinema audiences are recovering more slowly than originally expected. We estimate that in 2023 cinema attendance will be about 20% lower than in the record year 2019. The eventual full recovery of audiences, in our estimation, will take no less than a few years.

3.1.3 Copy sales

In the first quarter of 2023, negative trends relating to copy sales of dailies in their print versions will continue. Agora is developing sales of access to Wyborcza.pl content in the form of digital subscriptions. At the end of December 2022, the number of paid digital subscriptions of *Gazeta Wyborcza* amounted to 303.7 thousand and was higher by 6.2% year on year. Between January and December 2022, revenue from copy sales in the Digital and Printed Press segment decreased by 0.9% compared to 2021. This was mainly due to lower sales of the paper edition of *Gazeta Wyborcza*, with the increase in revenue from the sale of Wyborcza.pl subscriptions. In the company's opinion, the trend of revenue growth from the sale of Wyborcza.pl subscriptions will continue in the 2023.

The level of revenue from the sale of publications offered by Agora's Publishing House decreased in 2022 as compared to 2021. This was affected by high sales of the book *Czuła przewodniczka* by Natalia de Barbaro in 2021. It is also worth noting that in 2022, a general trend of falling sales of paper books was observed in the market, especially in the first quarter of the year, which was driven by events in Ukraine, a continuous problem with the availability of paper, an increase in printing costs and rising inflation. Therefore, Agora's Publishing House has been successfully pursuing its strategy of developing digital versions of books – in the form of audiobooks and e-books on all major platforms. Importantly, the Agora's Publishing House recorded a particularly high revenue in streaming services with audiobooks.

3.2 Operating costs

Total operating costs of the Agora Group in 2023 will be higher than those recorded in 2022. This will be primarily driven by the lifting of restrictions still in force at the beginning of 2022 and by the increase in costs of materials and energy, as well as the costs of external services, following the economic downturn and the effects of the war in Ukraine. The decisive influence on the increase in the Group's operating costs will be higher costs of material and energy consumption, external services, staff costs – except for the Digital and Printed Press, as well as promotion and marketing. In addition, due to the limited costs of investments in the Group, mainly in the Movies and Books segment, depreciation and amortisation costs will be lower.

3.2.1 Costs of external services

The cost of external services in the first quarter of 2023 will largely depend on the costs of film copy purchase related directly to the cinema attendance and the level of revenue from ticket sales, the EUR/PLN exchange rate, the cost of space leasing in advertising, and the number of advertising campaigns. The increase in this cost item will be further influenced by: cinemas and restaurants opened in the earlier months of 2022, as well as by other development projects. The decrease in this cost item will be affected by the change in the Yieldbird's business model.

3.2.2 Staff costs

According to the company's estimates, staff costs will be higher in 2023 than in 2022. In the second quarter of 2022, the company increased the minimum remuneration mainly for editorial and administrative functions. Additionally, some employees of the Agora Group were paid one-off inflation allowances in 2022. Their cost amounted to about PLN 3.1 million in the third quarter of 2022. In addition, in 2023, in accordance with the Regulation of the Council of Ministers of 13 September 2022, the minimum remuneration will increase from 1 January from PLN 3,010 to PLN 3,490, and from 1 July – to PLN 3,600, which will also have an impact on the increase in staff costs in 2023. This cost category will increase in each of the Group's operating segments and its supporting divisions, except for the areas where the restructuring process took place at the end of 2022.

The largest increase of costs in 2022 as compared to 2021 occurred in the Movies and Books segment, mainly due to the return of the Helios cinema network to full operations after the lifting of sanitary restrictions and the need to re-hire full teams to operate the cinemas. In 2021, the cinemas of the Helios network were closed for 140 days. In 2022, the cinemas were not closed, but until the end of February, they operated under the ticket sales limit of

30.0% of available seats in the cinema auditorium. Vaccinated persons were not included in the limit. As of 1 March 2022, the cinema ticket sales limits were lifted.

3.2.3 Promotion and marketing costs

In the first quarter of 2023, the Agora Group plans further promotional activities in most of its businesses, in order to rebuild their market position. The dynamics of changes in individual media, the number of development projects launched, as well as market activities of the Group's competitors will affect the level of expenses incurred in this respect. Considering these factors, the company estimates that in 2023, the promotion and marketing costs will be similar as in 2022 in most of the Group's businesses. Their largest increase may occur in the Movies and Books segment – due to the lifting of restrictions still in force in 2022 in the film and cinema business. This cost category will also increase in the Internet and Radio segments.

3.2.4 Cost of materials and energy

In 2022, the costs of material and energy consumption in the Agora Group increased by 15.7% as compared to 2021, due, but not limited to, the significant market increase in electricity and paper prices. Higher energy consumption costs, which increased by 44.0% as compared to the twelve months of 2021, made the largest impact on this cost item. Another factor contributing to the increase in this expense category was higher costs of production materials (mainly in the printing business and the Outdoor segment) and other materials (mainly in the cinema business). In the first quarter of 2023, the Group's printing activities will impact this cost item, especially the cost of production materials, the volume of production and the EUR/PLN exchange rate. This cost category will also increase in the Movies and Books segment (due to the return of cinemas and restaurants to full operations), as well as the Outdoor segment.

For several years, the Agora Group has been operating a purchasing group which contracts energy on the exchange for Agora S.A. (including the printing business) and the Agora Radio Group. As a result, energy has been secured for these areas for the whole of 2023, making them independent of further price fluctuations in the market. Moreover, the energy performance modification project for the building at ul. Czerska 8/10 in Warsaw, which began in 2018, reduced energy consumption by approximately 30.0%. As part of the project, elements of the building's infrastructure were replaced with energy-efficient ones, and photovoltaic panels were installed on the roof of the headquarters and on the printing house premises.

Businesses in which fluctuations in energy costs could affect results in 2023 include the cinema business and the Outdoor segment.

3.3 Information on current and expected financial situation of the Group

Considering the funding available to the Agora Group, the condition of individual businesses and the actions taken to counteract the negative consequences of the economic crisis, in the opinion of the company's Management Board, it is reasonable to assume that Agora and the Agora Group will continue as a going concern, despite the uncertainty related mainly to the consequences of the Russia's attack on Ukraine and the rising inflation and interest rates. At the end of December 2022, free cash at the Agora Group amounted to PLN 69.1 million.

4. THE GROWTH DIRECTIONS OF THE AGORA GROUP

Currently, the strategic outlook for the entire Agora Group is being finalized. Within their scope, the Company's Management Board will take into account important new elements, such as the acquisition of control by Agora over Eurozet, which is the realization of one of the assumptions from the Group's previous strategy - strengthening its position in the existing important business segments, as well as the submission to a vote of the Extraordinary General Meeting of Shareholders of a project to spin off organized parts of the Agora S.A. enterprise. Agora's Management Board is also paying close attention to the dynamically changing economic environment, rising inflation by leaps and bounds, the economic downturn and high market uncertainty.

In parallel, work is being finalized on an ESG strategy for the entire Group. The Management Board's intention is that the development of the organization should proceed in a responsible manner, and consequently the non-financial/ESG area is also being developed. These issues concern the impact of Agora's operations on the environment and climate, society, the workplace and ethical management of the entire company

III. FINANCIAL RESULTS

1. THE AGORA GROUP

The consolidated financial statements of the Agora Group for 2022 includes: Agora S.A. and 22 subsidiaries, which operate principally in the internet, cinema, radio, gastronomy and outdoor segments. Additionally, as at 31 December 2022 the Group held shares in jointly controlled entity Instytut Badan Outdooru IBO Sp. z o.o., as well as in associated companies ROI Hunter a.s. and Eurozet Sp. z o.o.

A detailed list of companies of the Agora Group is presented in the point V.B.1 and selected financial data together with translation into EUR are presented in note 41 to the consolidated financial statements for 2022.

2. PROFIT AND LOSS ACCOUNT OF THE AGORA GROUP

Tab.9

<i>in PLN million</i>	4Q 2022	4Q 2021	% change yoy	1-4Q 2022	1-4Q 2021	% change yoy
Total sales (1)	331.0	351.7	(5.9%)	1,113.1	965.9	15.2%
<i>Advertising revenue</i>	157.8	174.9	(9.8%)	511.9	509.4	0.5%
<i>Ticket sales</i>	58.0	63.9	(9.2%)	192.3	126.8	51.7%
<i>Copy sales</i>	38.6	39.5	(2.3%)	136.9	142.8	(4.1%)
<i>Concession sales in cinemas</i>	30.8	31.2	(1.3%)	103.5	62.4	65.9%
<i>Gastronomic sales</i>	10.3	8.4	22.6%	38.3	28.7	33.4%
<i>Revenues from film activities</i>	8.0	6.3	27.0%	31.2	12.7	145.7%
<i>Other</i>	27.5	27.5	-	99.0	83.1	19.1%
Operating cost net, including:	(361.4)	(327.7)	10.3%	(1,177.9)	(1,007.8)	16.9%
<i>External services</i>	(107.2)	(133.0)	(19.4%)	(384.0)	(360.4)	6.5%
<i>Staff cost</i>	(94.1)	(91.4)	3.0%	(365.4)	(315.8)	15.7%
<i>Raw materials, energy and consumables</i>	(38.6)	(32.5)	18.8%	(140.8)	(98.9)	42.4%
<i>D&A</i>	(38.5)	(41.5)	(7.2%)	(158.1)	(161.4)	(2.0%)
<i>Promotion and marketing</i>	(18.6)	(17.0)	9.4%	(57.7)	(47.6)	21.2%
<i>Cost of restructuring (2)</i>	(5.3)	-	-	(5.3)	-	-
<i>PFR loans redemption (3)</i>	-	-	-	14.1	3.1	354.8%
<i>Impairment losses (4)</i>	(47.2)	(2.5)	1,788.0%	(46.0)	(4.9)	838.8%
Operating result - EBIT	(30.4)	24.0	-	(64.8)	(41.9)	(54.7%)
<i>Operating result - EBIT excl. IFRS 16 (5)</i>	(36.9)	23.2	-	(87.9)	(27.1)	(224.4%)
Finance cost, net, incl.:	0.8	(0.4)	-	(47.4)	(17.5)	(170.9%)
<i>Income from short-term investment</i>	0.8	0.1	700.0%	2.4	0.1	2,300.0%
<i>Costs related to bank loans and leasing</i>	(10.2)	(4.7)	117.0%	(36.5)	(19.6)	86.2%
<i>including interest costs related to IFRS 16</i>	(6.4)	(3.3)	93.9%	(23.8)	(13.8)	72.5%
<i>Foreign exchange losses</i>	19.8	4.6	330.4%	(10.2)	2.1	-
<i>including interest costs related to IFRS 16</i>	20.0	4.7	325.5%	(10.8)	2.2	-
<i>Revaluation of put options (6)</i>	(9.3)	-	-	(3.3)	-	-
Share of results of equity accounted investees	3.0	3.1	(3.2%)	8.5	9.4	(9.6%)

<i>in PLN million</i>	4Q 2022	4Q 2021	% change yoy	1-4Q 2022	1-4Q 2021	% change yoy
Loss before income tax	(26.6)	26.7	-	(103.7)	(50.0)	(107.4%)
Income tax	(3.9)	(2.5)	(56.0%)	(2.0)	3.4	-
Net loss for the period	(30.5)	24.2	-	(105.7)	(46.6)	(126.8%)
Attributable to:						
Equity holders of the parent	(31.4)	22.2	-	(102.7)	(44.5)	(130.8%)
Non - controlling interest	0.9	2.0	(55.0%)	(3.0)	(2.1)	(42.9%)
EBIT margin (EBIT/Sales)	(9.2%)	6.8%	(16.0pp)	(5.8%)	(4.3%)	(1.5pp)
EBIT margin excl. IFRS 16 (5)	(11.1%)	6.6%	(17.7pp)	(7.9%)	(2.8%)	(5.1pp)
EBITDA (7)	55.3	68.0	(18.7%)	139.3	124.4	12.0%
EBITDA margin (EBITDA/Sales)	16.7%	19.3%	(2.6pp)	12.5%	12.9%	(0.4pp)
EBITDA excl. IFRS 16 (5)	31.6	49.9	(36.7%)	48.5	73.8	(34.3%)
EBITDA margin excl. IFRS 16 (5)	9.5%	14.2%	(4.7pp)	4.4%	7.6%	(3.2pp)

- (1) particular sales positions, apart from revenues from ticket sales, concession sales in cinemas and gastronomic sales, include sales of the Agora's Publishing House and film activities (functioning within the Movies and Books segment), described in details in point IV.A in this report;
- (2) cost of group layoffs conducted in Digital and Printed Press segment and Movies and Books segment in the fourth quarter of 2022;
- (3) the amount relates to redemption of preferential loans granted to Helios S.A. in 2022 and 2021 under the Government Program - Financial Shield of the Polish Development Fund for Large Companies. Additional information is described in note 15 to the consolidated financial statements;
- (4) the amount in 2022 includes mainly the impairment loss on goodwill assigned to Digital and Printed Press segment and impairment loss on property, plant and equipment in Helios S.A. and AMS S.A.; the amount in 2021 includes impairment losses on fixed assets of the companies Agora S.A., Helios S.A. and AMS Group. Additional information is disclosed in note 40 to the consolidated financial statements;
- (5) the amount of the operating result – EBIT, EBITDA and net loss excluding impact of International Financial Reporting Standard no. 16 Leases;
- (6) relates to revaluation of put option liabilities granted to non-controlling shareholders of Helios S.A., Video OOH Sp. z o.o. (formerly Piano Group Sp. z o.o.) and HRlink Sp. z o.o.;
- (7) the performance measure "EBITDA" is defined as EBIT increased by depreciation and amortization and impairment losses of property, plant and equipment, intangible assets and right-of-use assets. Detailed information on definitions of financial ratios are presented in the Notes to part IV of this MD&A.

2.1. Revenues

Major products, goods and services, as well as their volumes are presented in detail in part IV of this MD&A (“Operating review – major segments of the Agora Group”). The table below presents a percentage share in total revenues of the Agora Group.

Tab.10

<i>in million PLN</i>	1-4Q 2022	% share	1-4Q 2021	% share	% change yoy
Total sales (1)	1,113.1	100.0%	965.9	100.0%	15.2%
<i>Advertising revenue</i>	511.9	46.0%	509.4	52.7%	0.5%
<i>Ticket sales</i>	192.3	17.3%	126.8	13.1%	51.7%
<i>Copy sales</i>	136.9	12.3%	142.8	14.8%	(4.1%)
<i>Concession sales in cinemas</i>	103.5	9.3%	62.4	6.5%	65.9%
<i>Gastronomic sales</i>	38.3	3.4%	28.7	3.0%	33.4%
<i>Revenues from film activities</i>	31.2	2.8%	12.7	1.3%	145.7%
<i>Other</i>	99.0	8.9%	83.1	8.6%	19.1%

(1) *particular sales positions, apart from revenues from ticket sales, concession sales in cinemas and gastronomic sales, include sales of the Agora Publishing House and film activities (functioning within the Movies and Books segment), described in details in point IV.A in this report;*

2.2. Financial results presented according to major segments of the Agora Group for 2022 [1]

Major products and services, as well as operating revenue and cost of the Agora Group are presented in detail in part IV of this MD&A (“Operating review – major segments of the Agora Group”).

Tab.11

<i>in PLN million</i>	Movies and Books	Digital and printed press	Outdoor	Internet	Radio	Reconciling positions (2)	Total (consoli- dated) 1-4Q 2022
Total sales (1)	460.5	209.2	168.0	181.1	116.0	(21.7)	1,113.1
<i>% share</i>	41.4%	18.8%	15.1%	16.3%	10.4%	(2.0%)	100.0%
Operating cost net (1)	(444.5)	(260.1)	(152.3)	(157.1)	(107.8)	(56.1)	(1,177.9)
Operating cost net excl. IFRS 16 (1)	(463.5)	(260.1)	(154.8)	(157.1)	(108.6)	(56.9)	(1,201.0)
EBIT	16.0	(50.9)	15.7	24.0	8.2	(77.8)	(64.8)
EBIT excl. IFRS 16	(3.0)	(50.9)	13.2	24.0	7.4	(78.6)	(87.9)
Finance cost, net							(47.4)
Share of results of equity accounted investees			-	(2.3)	10.8		8.5
Income tax							(2.0)
Net loss for the period							(105.7)
Attributable to:							
Equity holders of the parent							(102.7)
Non-controlling interest							(3.0)
EBITDA	99.6	(0.2)	52.4	33.0	15.7	(61.2)	139.3
EBITDA excl. IFRS 16	33.8	(0.2)	33.2	33.0	12.0	(63.3)	48.5
CAPEX	(15.6)	(3.4)	(16.4)	(7.5)	(6.2)	(9.3)	(58.4)

(1) 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;

(2) reconciling positions show data not included in particular segments, i.a.: other revenues and costs of Agora’s supporting divisions (centralized IT, administrative, finance and HR functions, etc., excluding costs of office space and parking space in the Company’s headquarters, use of computers and development and maintenance activities of IT and Big Data departments, which are allocated to segments), the Management Board of Agora S.A., Agora TC Sp. z o.o. and Agora Finanse Sp. z o.o., intercompany eliminations and other matching adjustments, which reconcile the data presented in the management reports to the consolidated financials of the Agora Group.

2.3. Sales and markets

Over 85.0% of the total sales of the Group were related to sales in domestic market. Sales to foreign markets are realized mainly through the sales of advertising services and printing to foreign customers and sales of publications (including foreign subscriptions).

The Group does not depend on one particular customer as far as revenues are concerned. The biggest customers of the Group (in respect of the turnover) are press distributors and Google (companies unrelated to Agora S.A.). In 2022 the value of transactions with one of the customers (Google Ireland Ltd) exceeded 10.0% (reaching almost 12.0%) of the Group's total revenues in 2022. Google Ireland Ltd is not related to Agora Group. The share of revenues of Agora Group from customers from Russia and Belarus amounted to approximately 0.03% in 2022.

2.4. Suppliers

The Group does not depend on one particular supplier. Newsprint, printing services and film copy purchase are important cost items of the Group. Newsprint used for printing services for external customers and in order to print the Group's own titles is purchased from several suppliers. In 2022, the value of transactions with none of the suppliers exceeded 10.0% of the Group's total revenues.

The value of materials purchased from suppliers from Russia and Belarus had a negligible share of the costs in 2022 in Agora Group.

2.5. Finance cost, net

Net financial activities of the Group for 2022 were influenced mainly by cost of interests and commissions related to bank loans and lease liabilities, negative foreign exchange differences related to lease liabilities recognised under IFRS 16 and losses on valuation of put options.

3. BALANCE SHEET OF THE AGORA GROUP

Tab.12

<i>in PLN million</i>	31/12/2022	30/09/2022	% change to 30/09/2022	31/12/2021	% change to 31/12/2021
Non-current assets	1,496.3	1,531.7	(2.3%)	1,587.4	(5.7%)
<i>share in balance sheet total</i>	83.4%	84.0%	(0.6pp)	82.6%	0.8pp
Current assets	296.8	290.9	2.0%	333.9	(11.1%)
<i>share in balance sheet total</i>	16.6%	16.0%	0.6pp	17.4%	(0.8pp)
TOTAL ASSETS	1,793.1	1,822.6	(1.6%)	1,921.3	(6.7%)
Equity holders of the parent	674.1	703.1	(4.1%)	774.4	(13.0%)
<i>share in balance sheet total</i>	37.6%	38.6%	(1.0pp)	40.3%	(2.7pp)
Non-controlling interest	(0.1)	0.6	-	5.9	-
<i>share in balance sheet total</i>	-	-	-	0.3%	(0.3pp)
Non-current liabilities and provisions	708.6	713.1	(0.6%)	694.3	2.1%
<i>share in balance sheet total</i>	39.5%	39.1%	0.4pp	36.2%	3.3pp
Current liabilities and provisions	410.5	405.8	1.2%	446.7	(8.1%)
<i>share in balance sheet total</i>	22.9%	22.3%	0.6pp	23.2%	(0.3pp)
TOTAL LIABILITIES AND EQUITY	1,793.1	1,822.6	(1.6%)	1,921.3	(6.7%)

3.1. Non-current assets

The decrease in non-current assets, versus 31 December 2021 results mainly from impairment loss on goodwill in Digital and Printed Press segment and depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets, as well as the decrease in investments in equity accounted investees due to the receipt of dividend from associate Eurozet Sp. z o.o. The decrease was, to some extent, offset by new expenditure for the purchase of property, plant and equipment and intangible assets and increase in non-current receivables and prepayments.

The decrease in non-current assets, versus 30 September 2022, resulted mainly from impairment loss on goodwill in Digital and Printed Press segment and depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible asset. The decrease was partially offset by new expenditure for the purchase of property, plant and equipment and intangible assets, and increase in non-current receivables and prepayments and increase in investments in equity accounted investees.

3.2. Current assets

The decrease in current assets, versus 31 December 2021, stems mainly from the decrease in cash and cash equivalents. The decrease was, to some extent, offset by increase in trade receivables and prepayments and increase in inventory.

The increase in current assets, versus 30 September 2022, stems mainly from the increase in trade receivables and prepayments, which was partially offset by the decrease in cash and cash equivalents.

3.3. Non-current liabilities and provisions

The increase in non-current liabilities and provisions compared to 31 December 2021, stems mainly from the increase in long-term bank loan liabilities in connection with signing of the annexes extending the repayment of the bank loans by the subsidiary Helios S.A., increase in provisions, put option liabilities and long-term borrowings. The above change was partially offset by the decrease in long-term lease liabilities, other liabilities and contract liabilities.

The decrease in non-current liabilities and provisions compared to 30 September 2022, stems mainly from the decrease in long-term bank loans and lease liabilities, which was partially offset by the increase in put option liabilities and non-current provisions.

3.4. Current liabilities and provisions

The decrease in current liabilities and provisions, versus 31 December 2021, stems mainly from the decrease in bank loan liabilities, tax liabilities, accruals, liabilities arising from purchase of fixed assets and contract liabilities. The above changes were, to some extent, offset by the increase in trade payables, lease liabilities, deferred income, provision for rebates and increase in corporate income tax liabilities.

The increase in the current liabilities and provisions, versus 30 September 2022, stems mainly from the increase in trade payables, accruals, liabilities arising from purchase of fixed asset, provision for rebates and corporate income tax liabilities. The above changes were, to some extent, offset by the decrease in bank loan liabilities and deferred income.

4. CASH FLOW STATEMENT OF THE AGORA GROUP**Tab.13**

<i>in PLN million</i>	4Q 2022	4Q 2021	<i>% change yoy</i>	1-4Q 2022	1-4Q 2021	<i>% change yoy</i>
Net cash from operating activities	61.9	68.9	(10.2%)	76.8	126.8	(39.4%)
Net cash from investment activities	(11.2)	3.6	-	(38.6)	(18.7)	(106.4%)
Net cash from financing activities	(51.7)	(37.5)	(37.9%)	(104.0)	(111.6)	6.8%
Total movement of cash and cash equivalents	(1.0)	35.0	-	(65.8)	(3.5)	(1,780.0%)
Cash and cash equivalents at the end of period	69.1	134.9	(48.8%)	69.1	134.9	(48.8%)

As at 31 December 2022, the Group had PLN 70.0 million in cash and cash equivalents and short-term securities which include cash and cash equivalents in the amount of PLN 69.1 million (cash on hand and bank deposits) and PLN 0.9 million in loans granted.

In 2022, Agora S.A. has not been engaged in any currency options or any other derivatives used for speculative purposes.

As at the date of this MD&A report, considering the cash position, the cash pooling system functioning in the Group and available credit facility, the Group does not anticipate any liquidity problems. At the same time, attention should be paid to the uncertainties accompanying these predictions, described in more detail in Chapter II.3 Perspectives of this MD&A.

4.1. Operating activities

The cash flows from operating activities, in 2022, were lower comparing to the level recorded in the comparative period of the prior year.

4.2. Investment activities

Negative net cash flows from investing activities, in 2022, result mainly from expenditures for the purchase of property, plant and equipment and intangible assets. These outflows were partly offset by proceeds from the sale of property, plant and equipment and intangible assets and dividend received from an associate.

4.3. Financing activities

Negative net cash flows from financing activities in 2022, stem mainly from repayments of loan and lease liabilities. These outflows were partly offset by inflows from bank loans and PFR loan.

5. SELECTED FINANCIAL RATIOS [5]

Tab.14

	4Q 2022	4Q 2021	% change yoy	1-4Q 2022	1-4Q 2021	% change yoy
Profitability ratios						
Net profit margin	(9.5%)	6.3%	(15.8pp)	(9.2%)	(4.6%)	(4.6pp)
Gross profit margin	37.1%	34.5%	2.6pp	29.6%	28.4%	1.2pp
Return on equity	(18.2%)	11.6%	(29.8pp)	(14.2%)	(5.6%)	(8.6pp)
Efficiency ratios						
Inventory turnover	13 days	8 days	62.5%	12 days	9 days	33.3%
Debtors days	36 days	34 days	5.9%	44 days	49 days	(10.2%)
Creditors days	25 days	23 days	8.7%	29 days	33 days	(12.1%)
Liquidity ratio (1)						
Current ratio	0.9	0.9	-	0.9	0.9	-
Financing ratios (1)						
Gearing ratio	5.3%	0.9%	4.4pp	5.3%	0.9%	4.4pp
Interest cover	(11.3)	23.8	-	(8.3)	(7.2)	(15.3%)
Free cash flow interest cover	6.9	39.3	(82.4%)	(7.6)	7.3	-

1) financial ratios excluding impact of IFRS 16.

Definitions of financial ratios [5] are presented at the end of part IV of this MD&A ("Operating review – major segments of the Agora Group").

IV. OPERATING REVIEW - MAJOR SEGMENTS OF THE AGORA GROUP

IV.A. MOVIES AND BOOKS [1]

The Movies and Books segment includes the pro-forma consolidated financials of Helios S.A., Helios Media Sp. z o.o. (since September 1st 2022), NEXT FILM Sp. z o.o., Next Script Sp. z o.o. and Step Inside Sp. z o.o., which form the Helios group, and Agora Publishing House.

Tab.15

<i>in PLN million</i>	4Q 2022	4Q 2021	% change yoy	1-4Q 2022	1-4Q 2021	% change yoy
Total sales, including :	140.2	142.0	(1.3%)	460.5	312.5	47.4%
Tickets sales	58.1	64.0	(9.2%)	192.4	126.9	51.6%
Concession sales	30.9	31.2	(1.0%)	103.6	62.4	66.0%
Advertising revenue (1)	10.1	9.3	8.6%	29.0	16.6	74.7%
Gastronomic sales (2)	10.3	8.4	22.6%	38.3	28.7	33.4%
Revenues from film activities (1),(3),(7)	8.5	6.8	25.0%	33.9	14.7	130.6%
Revenues from Publishing House	18.3	16.9	8.3%	51.4	53.3	(3.6%)
Total operating cost, including (6),(7):	(130.6)	(126.0)	3.7%	(444.5)	(335.7)	32.4%
Total operating cost without IFRS 16 (6),(7)	(135.9)	(126.4)	7.5%	(463.5)	(318.4)	45.6%
External services (4),(7)	(42.3)	(45.5)	(7.0%)	(148.9)	(96.3)	54.6%
Staff cost (4)	(19.2)	(20.8)	(7.7%)	(80.7)	(60.3)	33.8%
Raw materials, energy and consumables (4)	(18.1)	(15.1)	19.9%	(66.1)	(37.6)	75.8%
D&A (4)	(20.2)	(21.7)	(6.9%)	(80.8)	(82.3)	(1.8%)
Promotion and marketing (1), (4)	(5.6)	(4.5)	24.4%	(19.2)	(11.6)	65.5%
Costs related to Publishing House (5), (6)	(17.2)	(16.2)	6.2%	(49.6)	(49.7)	(0.2%)
Cost of group lay-offs (8)	(1.8)	-	-	(1.8)	-	-
Impairment losses (9)	(3.3)	(1.7)	94.1%	(2.2)	(1.7)	29.4%
PFR loans redemption (10)	-	-	-	14.1	3.1	354.8%
EBIT	9.6	16.0	(40.0%)	16.0	(23.2)	-
<i>EBIT margin</i>	6.8%	11.3%	(4.5pp)	3.5%	(7.4%)	10.9pp
EBIT without IFRS 16	4.3	15.6	(72.4%)	(3.0)	(5.9)	49.2%
<i>EBIT margin without IFRS 16</i>	3.1%	11.0%	(7.9pp)	(0.7%)	(1.9%)	1.2pp
EBITDA (5), (11)	33.2	39.6	(16.2%)	99.6	61.5	62.0%
<i>EBITDA margin</i>	23.7%	27.9%	(4.2pp)	21.6%	19.7%	1.9pp
EBITDA without IFRS 16 (5), (11)	16.0	26.8	(40.3%)	33.8	33.4	1.2%
<i>EBITDA margin without IFRS 16</i>	11.4%	18.9%	(7.5pp)	7.3%	10.7%	(3.4pp)

(1) the amounts shown do not include revenues and full costs of cross-promotion between different activities of the Agora Group (only direct variable costs of campaigns on outdoor advertising media), if such promotion is carried out without prior reservation;

(2) amounts quoted include sales at Step Inside Sp. z o.o. restaurants;

(3) amounts shown mainly include revenues from co-production and film distribution;

(4) the amounts do not include costs related to Agora Publishing House;

- (5) *the amounts shown include depreciation and amortization expenses of Agora Publishing House, which amounted to PLN 0.6 million in 2022 and PLN 0.1 million in the fourth quarter alone (PLN 0.7 million and PLN 0.2 million, respectively, in the same period last year);*
- (6) *data include allocated costs of office space, storage space and parking spaces occupied by the Agora Publishing House, costs of computer usage, development and maintenance activities of the technology department at Agora, and costs of the Big Data department;*
- (7) *film revenues and cost of external services have been cleaned up for reciprocal transactions within the Helios Group: between Helios S.A. and NEXT FILM Sp. z o.o.;*
- (8) *The amounts reported relate to restructuring at Helios S.A.;*
- (9) *the item impairment losses includes in the fourth quarter of 2022 a write-down of Helios S.A.'s non-current assets due to impairment in the amount of PLN 3.3 million, while in 2022 there is an additional reversal of the write-down of Helios S.A.'s non-current assets in the amount of PLN 1.7 million made in 2021 and a write-down of Helios S.A.'s non-current assets in the amount of PLN 0.6 million.*
- (10) *the stated amount relates to the cancellation of a portion of the preferential loans granted to Helios S.A. in 2022 and 2021 under the Government Program - Financial Shield of the Polish Development Fund for Large Companies;*
- (11) *EBITDA is defined as EBIT plus depreciation and amortization of fixed assets and impairment losses.*

The Movies and Books segment recorded a profit in the fourth quarter of 2022, both at the EBIT and EBITDA levels. The profit at the EBIT level amounted to PLN 9.6 million and at the EBITDA level – to PLN 33.2 million. During this period, the segment's operating results were negatively affected by a write-down on non-current assets in Helios S.A. due to their impairment of PLN 3.3 million and the costs related to restructuring in the company of PLN 1.8 million. It is also worth remembering that in the fourth quarter of 2021, the activities of cinemas and restaurants were subject to restrictions due to the COVID-19 pandemic. Limits on ticket sales were in place – up to 75.0% of seats in the cinema auditorium, and limits of seats in restaurants – also up to 75.0%; however, the vaccinated persons were not included in the limits. A further tightening of the sanitary rules was introduced in December 2021. The limits for both ticket sales and seats available in restaurants were reduced.

In the fourth quarter of 2022, profit at the EBIT level amounted to PLN 4.3 million and profit at the EBITDA level – to PLN 16.0 million, without the effect of IFRS 16.

In 2022, the Movies and Books segment recorded a profit at the EBIT level of PLN 16.0 million and a profit at the EBITDA level of PLN 99.6 million. The segment's operating results in this period were positively affected by the partial write-off of a loan granted by the Polish Development Fund (PFR) to Helios S.A. in the amount of PLN 14.1 million. In addition, the results of the Movies and Books segment were affected by write-downs on fixed assets in Helios in 2022 in the amount of PLN 3.9 million and the reversal of a write-down made in the fourth quarter of 2021 in the amount of PLN 1.7 million, as well as the costs related to restructuring in Helios S.A. in the amount of PLN 1.8 million. In 2022, the improved results of the Movies and Books segment resulted from the fact that restrictions on cinema and restaurant operations in connection with preventing the spread of COVID-19 were less severe than a year before. Until the end of February 2022, a cinema ticket sales limit of 30.0% of available seats in the cinema auditorium was in place. Vaccinated persons were not included in the limit. As of 1 March 2022, the cinema ticket sales limits were lifted. In 2021, cinemas were closed until 20 May due to an administrative prohibition on their operations. Since 21 May 2021, cinemas could sell tickets with the limit of 50.0% of seats available in the cinema auditorium, with no possibility to sell snacks and beverages in cinema bars. Thanks to subsequent restrictions being lifted, on 13 June 2021, sales in Helios cinema bars were resumed and the ticket sales limit was increased to 75.0% of seats in the auditorium. Sanitary restrictions were tightened once again on 1 December 2021 – a sales limit of 50.0% of seats available in the cinema auditorium was introduced. On 15 December 2021, this limit was reduced to 30.0%, with the vaccinated persons not being included in the limit.

The operation of restaurants was also subject to restrictions. The 30.0% limit on available seats in restaurants was in force, similarly to cinema ticket sales, until the end of February 2022, with the vaccinated persons not being included in the limit. In the period from January to December 2021, catering activities were subject to stricter restrictions. In May 2021, restrictions on restaurant operations were gradually lifted. However, until the end of May 2021, the Helios Group's operations in this area involved mainly take-away and delivery sales. As of 26 June 2021, the limit of seats in restaurants was increased to 75.0%. As of 5 December 2021, this limit was reduced again

– this time, to 50.0%, and as of 15 December 2021, restaurants could offer 30.0% of available seats in the premises, without including fully vaccinated persons in the limit.

It is worth pointing out that in 2021, the segment's results were positively affected by a subsidy from the Guaranteed Employee Benefits Fund, a partial write-off of the Social Security Institution's contributions and a partial write-off of a loan from the Polish Development Fund (PFR), as well as a grant from the Polish Film Institute as part of the Film Production programme in the area of Film Distribution in the total amount of PLN 11.3 million.

In 2022, without the effect of IFRS 16, the EBIT loss decreased to PLN 3.0 million and EBITDA profit increased to PLN 33.8 million.

1. REVENUE [3]

In the fourth quarter of 2022, the revenue of the Movies and Books segment decreased by 1.3% year on year and amounted to PLN 140.2 million.

The decrease in revenue was mainly due to lower cinema revenue. In the fourth quarter of 2022, 3.0 million tickets were sold in Helios cinemas. The revenue from this sale decreased by 9.2% and amounted to PLN 58.1 million, while the revenue from concession sales decreased by 1.0% to PLN 30.9 million. In the fourth quarter of 2022, online ticket sales accounted for 46.3% of the total revenue from ticket sales in cinemas. The revenue from the sale of advertisements in cinemas, which amounted to PLN 10.1 million, was higher by 8.6% year on year.

The revenue of the Movies and Books segment from the film business amounted to PLN 8.5 million in the fourth quarter of 2022 and was 25.0% higher year on year. This was due to the cinema success of *Johnny* which was released in September 2022. NEXT FILM was the producer and distributor of this film. In addition, *Apokawixa* directed by Xawery Żuławski was released thanks to NEXT FILM in October. Moreover, in the fourth quarter of 2022, productions which had been released earlier were also sold via various distribution channels.

In the fourth quarter of 2022, revenue from catering activities was up by 22.6%, amounting to PLN 10.3 million. This was due to an increase in Step Inside revenue recorded thanks to a larger number of restaurants.

The revenue of the Agora's Publishing House increased by 8.3% in the fourth quarter of 2022 and amounted to PLN 18.3 million. The increase resulted mainly from an advertising campaign conducted for one of the clients. In the discussed period, the Agora's Publishing House sold about 0.4 million books as well as music and film publications. The following publications were among the best-selling ones: the books *Dziady i dybuki (Forefathers and dybbuks)* by Jarosław Kurski, *Czuta przewodniczka. Kobięca droga do siebie (Kind Companion. A Woman's Road to Herself)* by Natalia de Barbaro and *Babilon. Kryminalna historia kościoła (Babylon. Criminal History of the Church)* by Artur Nowak and Stanisław Obirek. *Mogło być nic (It Could Have Been Nothing)* by the band Kwiat Jabłoni remained the best-selling music album.

In the fourth quarter of 2022, the revenue from digital sales (sales of own publications and publications of other publishers) of the Agora's Publishing House was higher year on year and amounted to PLN 5.6 million.

In 2022, the revenue of the Movies and Books segment increased by 47.4% to PLN 460.5 million. The increase was mainly due to higher cinema revenue. Throughout 2022, 10.0 million tickets were sold in Helios cinemas which translated into higher revenue from their sale and from concession sales, amounting to PLN 192.4 million and PLN 103.6 million, respectively. The revenue from the sale of advertisements in cinemas also increased and stood at PLN 29.0 million. In 2022, online ticket sales accounted for 44.3% of total revenue from ticket sales for showings.

It is worth noting that in 2021, cinemas in Poland were closed by an administrative decision until 20 May 2021, and then their activities were subject to restrictions in connection with the COVID-19 pandemic, while in 2022, the limit on cinema ticket sales of 30.0% of available seats in the auditorium was in force until the end of February.

In 2022, the segment's revenue from the film business increased to PLN 33.9 million and was significantly higher than that generated in 2021. NEXT FILM released six Polish film productions for cinema distribution: comedies *Koniec świata czyli Kogel Mogel 4 (Eggnog 4)* and *8 rzeczy, których nie wiecie o facetach (8 Things)*, a family feature *Za duży na bajki (Too old for Fairy Tails)*, a comedy drama *Fucking Bornholm*, own production *Johnny* and

Apokawixa. The revenue from the film business was also influenced by the revenue from a film production for the streaming platform. Moreover, films that had been released earlier were also sold in various distribution channels.

In 2022, the revenue from catering activities increased by 33.4% to PLN 38.3 million. This was due to the lighter restrictions on restaurant operations in connection with the COVID-19 pandemic, as compared to the previous year, and to a larger number of restaurants.

The revenue of the Agora's Publishing House decreased by 3.6% in 2022 and amounted to PLN 51.4 million. In that period, the Agora's Publishing House sold approximately 1.1 million books as well as music and film publications. The following publications were among the best-selling ones: the books *Czuła przewodniczka. Kobięca droga do siebie (Kind Companion. A Woman's Road to Herself)* by Natalia de Barbaro, *Dziady i dybuki (Forefathers and dybbuks)* by Jarosław Kurski, *Ostatni śnieg (The Last Snow)* by Rafał Pacześ and *Babilon. Kryminalna historia kościoła (Babylon. Criminal History of the Church)* by Artur Nowak and Stanisław Obirek. *Mogło być nic (It Could Have Been Nothing)* by the band Kwiat Jabłoni remained the best-selling music album. The comparability of data was affected by high sales of the book *Czuła przewodniczka (Kind Companion)* which was released in 2021.

In 2022, the revenue from digital sales (sales of own publications and publications of other publishers) of the Agora's Publishing House increased by 10.1% year on year and stood at PLN 19.7 million.

2. COST

The operating costs of the Movies and Books segment increased in the fourth quarter of 2022 by 3.7% to PLN 130.6 million. During this period, the level of cost was affected by a write-down on non-current assets related to the operations of Helios S.A. of PLN 3.3 million due to their impairment and the costs related to restructuring in the company of PLN 1.8 million.

The largest expense category was costs of external services, which represented PLN 42.3 million in the fourth quarter of 2022. Their decrease was related to the cinema activities – costs of purchasing film copies were lower. In contrast, the costs associated with film production were higher.

The staff costs decreased by 7.7% to PLN 19.2 million. This resulted from lower remuneration costs in cinema activities and film business. Staff cost were higher in catering activities due to the development of Step Inside.

An increase in the costs of materials, energy consumption and the value of goods and materials sold by 19.9% to PLN 18.1 million resulted from the higher prices of electrical energy and product purchase cost as well as higher revenue from catering activities.

The segment's promotion and marketing costs were higher by 24.4% and amounted to PLN 5.6 million. Advertising costs in cinema activities, including barter-settled advertising, and in the film business recorded an increase.

Operating costs of the Agora's Publishing House went up by 6.2% and reached PLN 17.2 million. This was related to the increase in promotion and marketing costs as well as the costs of external services.

The depreciation and amortisation expenses of the segment (excluding the Agora's Publishing House) decreased by 6.9% and amounted to PLN 20.2 million. This was affected by the modification of the rental agreements in Helios made in September 2021, which concerned the previous periods of that year. In addition, the value of assets subject to depreciation and amortisation decreased. In the period under review, depreciation and amortisation in the film business also decreased, while in catering activities it was higher due to a larger number of restaurants developed under the Pasibus brand.

In 2022, the operating costs of the Movies and Books segment increased by 32.4% to PLN 444.5 million. Their year on year increase was mainly due to changes in the restrictions on the operation of cinemas and restaurants in connection with the COVID-19 pandemic. In 2022, despite restrictions on cinema and restaurant operations still in force until the end of February, cinemas and restaurants were already operating. In 2021, Helios cinemas were closed until 20 May, and afterwards, their activities were subject to restrictions, while the catering activities involved mainly take-away and delivery sales until the end of May 2021, and then the limits on seats in restaurants

were in force. Moreover, only from 13 June 2021, it was possible to pursue sales in cinema bars. The level of operating costs of the Movies and Books segment in 2022 was also affected by the partial write-off of a loan from the Polish Development Fund (PFR) in the amount of PLN 14.1 million, the reversal in the second quarter of 2022 of the write-down on fixed assets of Helios S.A. made in the fourth quarter of 2021 in the amount of PLN 1.7 million, and the write-downs on fixed assets of the company in the first and fourth quarter of 2022 in the total amount of PLN 3.9 million. The write-down made in the first quarter of 2022 was related to the filing of a bankruptcy petition of Foodio Concepts Sp. z o.o. Helios lent equipment to Foodio Concepts for its business operations, which it did not use for other purposes. Helios sold its shares in Foodio Concepts in June 2020. The write-down made in the fourth quarter of 2022 was related to the impairment of non-current assets related to the operations of Helios S.A. In addition, in 2022, the level of costs was also affected by the expenditure related to the restructuring in Helios in the amount of PLN 1.8 million.

In 2022, the costs of external services increased by 54.6% to PLN 148.9 million. An increase was recorded in the costs of film copy purchases due to higher cinema attendance and the costs of external services resulting from the expenditure incurred due to the resumption of cinema operations following the lifting of COVID-19 restrictions. In addition, higher were costs of remuneration paid to film producers as a result of higher revenue from film distribution, the costs related to film productions and the costs of catering activities due to the reduction of COVID-19 restrictions and the development of Step Inside.

The staff costs increased by 33.8% to PLN 80.7 million. This was mainly due to the fact that since 1 March 2022, the COVID-19 restrictions were no longer in force in the cinema and catering industries, while in 2021, the operations of cinemas and restaurants were subject to restrictions. Moreover, full-time salaries in Helios were higher. The increase in staff costs was also related to film productions carried out by NEXT FILM, and in the catering business – with the development of Step Inside. The one-off payment of the inflation allowance also influenced the level of this cost category.

The increase in the costs of materials and energy consumption and the value of goods and materials sold to PLN 66.1 million resulted from lifting of restrictions and re-launch of cinema and food business operations after its closure due to the COVID-19 pandemic as well as higher costs of product purchase and electrical energy and higher revenue from the catering activities.

Promotion and marketing costs of the segment have also increased. In 2022, they increased by 65.5% to PLN 19.2 million, which was mainly due to higher advertising costs in cinemas, including barter-settled advertising, and higher promotional costs in the area of film distribution and in the catering business.

In 2022, operating costs of the Agora's Publishing House slightly decreased – to PLN 49.6 million.

The costs of depreciation and amortisation of the segment (without the Agora's Publishing House) decreased by 1.8% and amounted to PLN 80.8 million. Their decrease was related to the film business and cinema activities, while the increase in this cost category in catering activities was due to the development of Step Inside.

The operating costs of the Movies and Books segment, without the effect of IFRS 16, increased by 7.5% to PLN 135.9 million in the fourth quarter of 2022, and in the entire 2022 – by 45.6% to PLN 463.5 million.

3. NEW INITIATIVES

In the fourth quarter of 2022, Helios cinemas throughout Poland offered film showings from regular repertoire to their audiences and organised numerous special showings, whose offer is constantly expanded to include new initiatives. In selected network cinemas, showings of operas and ballet shows transmitted live from London from the Royal Opera House and The Royal Ballet took place as part of the *Helios on Stage* project. The same special project also included broadcasts of exceptional concerts of music bands such as Coldplay, Duran Duran and the highly popular K-pop group NCT Dream. Showings addressed to ANIME fans were also continued. Thanks to the cooperation with RMF Classic+, audiences of Helios cinemas could also watch films in which the soundtrack plays a crucial role. Prior to the showings, special material was presented, which made it possible to learn about the story behind the soundtrack of a given film. As part of the *Helios Sport* series, selected network cinemas also transmitted matches of the Polish national football team during the World Cup in Qatar on the big screen. In the last quarter of

2022, Helios also organised a series of *Sensory-Friendly Showings* dedicated to audiences with sensory hypersensitivity who have limited access to cinema entertainment.

NEXT FILM, a Helios Group company distributing and producing films, released the film *Apokawixa* directed by Xawery Żuławski to cinema distribution in the fourth quarter of 2022. The innovative form of the feature was appreciated by the film industry – the title was awarded with the Golden Claw in the Other Perspective section of the Polish Film Festival in Gdynia, among other prizes.

All film productions distributed by NEXT FILM in 2022 attracted 2,672,437 viewers to cinemas. For the first time in its history, NEXT FILM achieved the highest percentage share in the distribution of Polish films (32%) among all film distributors.

As far as the number of viewers is concerned, the audience of *Johnny* directed by Daniel Jaroszek was the largest contributor. The company's second own film production was watched by 979,043 viewers in cinemas. This means that *Johnny* was the second most commercially successful Polish film in the previous year.

In addition to *Johnny*, three more titles distributed by NEXT FILM were ranked among the top ten box office Polish hits of 2022: *Koniec świata, czyli Kogel Mogel 4 (Eggnog 4)* directed by Anna Wieczur (760,955 viewers, 3rd place among Polish films), *8 rzeczy, których nie wiecie o facetach (8 Things)* directed by Sylwester Jakimow (419,106 viewers, 5th place among Polish films) and *Za duży na bajki (Too old for Fairy Tails)* directed by Kristoffer Rus (331,072 viewers, 8. place among Polish films). The last of these titles broke a turnout record in the category of the Polish film productions for families.

In the last quarter of 2022, the Agora's Publishing House expanded its offer with valid and extensively discussed biographical titles: *Dziady i dybuki (Forefathers and dybbuks)* by Jarosław Kurski – a compelling story of the Jewish family searching for its Polish identity, which topped the list of TOP100 biographies of empik.com throughout the quarter and the book *Kopernik. Rewolucje (Kopernik. Revolutions)* by Wojciech Orliński – a daring story about the previously unknown faces of the Polish astronomer, published ahead of the Year of Mikołaj Kopernik to be celebrated in 2023. New additions to the portfolio of the publishing house also included the biographies of legendary music artists: *Mniej obcy. Jan Borysewicz w rozmowie z Marciem Prokopem, (Surrender. 40 Songs, One Story)* translated by Paweł Lipszyc (the book about Bono was released in Polish three weeks after the world premiere) and *A Song for you: My life with Whitney Houston* by Robyn Crawford translated by Krzysztof Kurek (the publication was released together with the premiere of the biographical feature about Whitney Houston in Polish cinemas). The return of Adam Wajrak with a book for adult readers – seven years after the release of *Wilki (The Wolves)* and numerous publications for children and young adults, was also a major event. In 2022, his book titled *Na północ (To the North)* was released as the first one of the series titled *W Arktyce (In Arctica)*, which consists of three volumes of a reporter's story about discovering the land of ice.

In December 2022, the charity campaign titled *Nadzieja (Hope)*, initiated by the Agora's Publishing House at the beginning of the pandemic, came to an end. All proceeds from the sale of the book under the same title with the works of the most prominent Polish authors were allocated to support the elderly, i.e. people most affected by the pandemic. From 2020 to 2022, 69 social assistance centres and hospices received financial aid from the campaign via the Agora Foundation.

The year 2022 was also very good for Agora Digital Music. This team provides Dolby Atmos quality music for portals such as Apple Music, Amazon Music and TIDAL. This makes it possible for music fans to listen in this format to, for example, the acclaimed album of Miuosh titled *Pieśni Współczesne (live at Cavatina Hall)*, the hit song from Wilki titled *Liczyz się tylko ty (All that matters is you)* or the single *Divchina Ukraina / Дівчина Україна* from Julia Romanyuk.

In September 2022, the podcast *Dobrze czytaj, dobrze słuchaj (Read well, listen well)* was launched. This is a series of discussions hosted by Marta Korycka from the editorial office of Gazeta.pl, which is created in cooperation with Publio.pl, a bookshop with e-books and audiobooks. In *Dobrze czytaj, dobrze słuchaj*, the Polish literary stars share tidbits relating to the writer's profession and talk about their new books. The first guests in the studio were the well-known authors Vincent V. Severski and Wojciech Chmielarz. It is possible to watch the talks on Gazeta.pl and on the Publio.pl YouTube channel as well as to listen to the podcast on Spotify or to download it free of charge on the bookshop's website. The total play count for all episodes from 2022 exceeded 1 million.

IV.B. DIGITAL AND PRINTED PRESS [1]

The Digital and Printed Press segment includes the pro-forma consolidated financials of *Gazeta Wyborcza*, *Magazines* division and *Print* division.

Tab.16

<i>in PLN milion</i>	4Q 2022	4Q 2021	% change yoy	1-4Q 2022	1-4Q 2021	% change yoy
Total sales, including:	53.6	56.0	(4.3%)	209.2	204.2	2.4%
Copy sales	26.8	27.5	(2.5%)	104.6	105.6	(0.9%)
<i>incl. Gazeta Wyborcza</i>	25.7	26.2	(1.9%)	99.7	100.5	(0.8%)
Advertising revenue (1), (2)	16.1	19.3	(16.6%)	60.9	64.7	(5.9%)
<i>incl. Gazeta Wyborcza (4)</i>	14.0	17.3	(19.1%)	54.9	58.5	(6.2%)
Total operating cost, including (5):	(100.1)	(53.5)	87.1%	(260.1)	(188.1)	38.3%
Total operating cost without IFRS 16 (5):	(100.1)	(53.5)	87.1%	(260.1)	(188.1)	38.3%
Raw materials, energy, consumables and printing services	(14.5)	(11.5)	26.1%	(51.4)	(40.1)	28.2%
Staff cost	(24.7)	(24.5)	0.8%	(100.3)	(93.3)	7.5%
D&A	(2.1)	(1.8)	16.7%	(7.3)	(7.4)	(1.4%)
Promotion and marketing (1), (3)	(3.4)	(4.7)	(27.7%)	(13.1)	(13.4)	(2.2%)
Cost of restructuring (6)	(3.4)	-	-	(3.4)	-	-
Impairment losses (7)	(43.4)	(0.7)	6100.0%	(43.4)	(0.7)	6100.0%
EBIT	(46.5)	2.5	-	(50.9)	16.1	-
<i>EBIT margin</i>	<i>(86.8%)</i>	<i>4.5%</i>	<i>(91.3pp)</i>	<i>(24.3%)</i>	<i>7.9%</i>	<i>(32.2pp)</i>
EBIT without IFRS 16	(46.5)	2.5	-	(50.9)	16.1	-
<i>EBIT margin without IFRS 16</i>	<i>(86.8%)</i>	<i>4.5%</i>	<i>(91.3pp)</i>	<i>(24.3%)</i>	<i>7.9%</i>	<i>(32.2pp)</i>
EBITDA	(1.0)	5.0	-	(0.2)	24.2	-
<i>EBITDA margin</i>	<i>(1.9%)</i>	<i>8.9%</i>	<i>(10.8pp)</i>	<i>(0.1%)</i>	<i>11.9%</i>	<i>(12.0pp)</i>
EBITDA without IFRS 16	(1.0)	5.0	-	(0.2)	24.2	-
<i>EBITDA margin without IFRS 16</i>	<i>(1.9%)</i>	<i>8.9%</i>	<i>(10.8pp)</i>	<i>(0.1%)</i>	<i>11.9%</i>	<i>(12.0pp)</i>

- (1) the amounts do not include revenues and total cost of cross-promotion of different media between the Agora Group segments (only direct variable cost of campaigns carried out on outdoor advertising panels) if such promotion is executed without prior reservation;
- (2) the data include inflows from the sales of advertising on the websites: *Wyborcza.pl*, *Wyborcza.biz*, *Wysokieobcasy.pl*, as well as on the local websites;
- (3) the data include costs of producing and promoting gadgets attached to *Gazeta Wyborcza* and magazines published;
- (4) the data includes revenues from advertisements in the paper editions of *Gazeta Wyborcza* as well as advertisements published on *Wyborcza.pl*, *Wyborcza.biz*, *Wysokieobcasy.pl* and local websites;
- (5) the data include the allocated costs of office space occupied by the Digital and Printed Press segment, costs of computer use and development and maintenance activities of the technology department and Big Data department in Agora;
- (6) the amounts provided include the cost of the provision related to the restructuring of operations in the Digital and Printed Press segment;
- (7) the amount provided includes an impairment loss on intangible assets.

In the fourth quarter of 2022, the Digital and Printed Press segment's operating result decreased year on year. The segment's operating loss at the EBIT level amounted to PLN 46.5 million and at the EBITDA level – to PLN 1.0 million. The main factors which negatively affected these results were a revaluation write-down on assets in the amount of PLN 43.4 million and a provision related to restructuring in the amount of PLN 3.4 million.

In 2022, the segment recorded a loss both at the EBIT level and at the EBITDA level of PLN 50.9 million and PLN 0.2 million, respectively.

The implementation of IFRS 16 had no significant effect on the recognition of operating costs in the Digital and Printed Press segment or on the segment's operating results.

1. REVENUE

In the fourth quarter of 2022, the Digital and Printed Press segment's total revenue decreased by 4.3% yoy and amounted to PLN 53.6 million. This decrease was primarily the result of lower revenue from advertising sales in the paper version of *Gazeta Wyborcza*.

In 2022, the Digital and Printed Press segment's total revenue was higher by 2.4% yoy and stood at PLN 209.2 million. This resulted from higher revenue from printing activities.

1.1. Copy sales

In the fourth quarter of 2022, the revenue of the Digital and Printed Press segment from copy sales decreased by 2.5% year on year and amounted to PLN 26.8 million. During that period, the revenue from content sales of *Gazeta Wyborcza* accounted for PLN 25.7 million, showing a decrease of 1.9% year on year. The decrease was recorded in the revenue from the paper version of the daily.

Throughout 2022, the revenue from copy sales was lower by 0.9% year on year and reached PLN 104.6 million. The revenue from content sales of *Gazeta Wyborcza* in 2022 amounted to PLN 99.7 million, showing a decrease of 0.8% year on year. The main factor behind this was also the decrease in revenue from the paper version of the daily. However, it should be noted that in both periods in question there was an increasing revenue from the sale of digital subscriptions of *Wyborcza*.

Both in the fourth quarter and in the entire 2022, *Gazeta Wyborcza* maintained its leading position in sales among the opinion-forming dailies. In the fourth quarter of 2022, the average total copy sales of *Gazeta Wyborcza* amounted to 46.9 thousand copies and decreased by 17.3% year on year. In 2022, the average total copy sales of *Gazeta Wyborcza* amounted to 48.3 thousand copies and decreased by 15.7% year on year.

1.2. Advertising sales

In the fourth quarter of 2022, advertising revenue in the Digital and Printed Press segment declined by 16.6% yoy to PLN 16.1 million. The net advertising revenue from all advertising activity of *Gazeta Wyborcza* amounted to PLN 14.0 million (down by 19.1% yoy). This decrease was caused by lower revenue mainly from the paper version of *Gazeta Wyborcza*.

Throughout 2022, advertising revenue was lower by 5.9% year on year, amounting to PLN 60.9 million. In total, the net advertising revenue from all advertising activity of *Gazeta Wyborcza* decreased by 6.2% yoy and stood at PLN 54.9 million. Similarly to the fourth quarter, the decrease was recorded mainly in the sale of advertising services in the paper edition of *Gazeta Wyborcza*.

1.3. Digital revenue

In the fourth quarter of 2022, the digital revenue of *Gazeta Wyborcza* (from the sale of subscriptions and digital advertising) reached nearly PLN 17.4 million, which accounted for 43.3% of its total revenue.

In 2022, the total digital revenue of *Wyborcza* (from the sale of subscriptions and digital advertising) accounted for over PLN 67.8 million, i.e. 42.3% of the daily's revenue combined.

It is worth noting that the number of active paid digital subscriptions of *Gazeta Wyborcza* exceeded 303.7 thousand at the end of December 2022, which means an increase by 6.2% year on year.

2. COST

In the fourth quarter of 2022, the operating costs of the Digital and Printed Press segment increased by 87.1% to PLN 100.1 million. It is worth remembering that the increase in operating costs during this period was affected by the revaluation write-down on assets in the amount of PLN 43.4 million and the provision for restructuring in the amount of PLN 3.4 million.

Another important factor behind the increase in operating costs was the cost of materials, energy, goods and printing services. They went up by 26.1% in the fourth quarter of 2022 to PLN 14.5 million. This was due to the increasing prices of production materials, including mainly the price of paper.

Another factor which contributed to the increase in the operating costs of the segment in the fourth quarter of 2022 was higher staff costs. They increased by 0.8% to PLN 24.7 million due to higher fixed salaries.

The segment's depreciation and amortisation costs increased in the fourth quarter of 2022 by 16.7% to PLN 2.1 million as a result of investments made in the previous periods.

In the fourth quarter of 2022, a decrease was visible in the promotion and marketing costs – they decreased by 27.7% to PLN 3.4 million. This resulted primarily from a smaller number of TV and radio campaigns as compared to the corresponding period of 2021.

Throughout 2022, the operating costs of the Digital and Printed Press segment increased by 38.3% and amounted to PLN 260.1 million. This was mainly due to the revaluation write-down on assets together with the provision for restructuring from the fourth quarter of 2022.

In the period from January to December 2022, the costs of materials, energy, goods and printing services increased by 28.2% to PLN 51.4 million. This was mainly due to a significant increase in the prices of production materials, but also due to the market increase in energy prices.

The staff costs increased by 7.5% to PLN 100.3 million in the period under review due to the increase in fixed salaries and higher costs of civil law contracts.

In 2022, depreciation and amortisation costs reached PLN 7.3 million and were lower by 1.4% year on year.

The spending on promotion and marketing also decreased in this period – by 2.2% to PLN 13.1 million. This was mainly due to the less intensive promotion of the paper edition of *Gazeta Wyborcza*, with increased expenditure on the promotion of the digital edition.

3. NEW INITIATIVES

In the fourth quarter of 2022, *Wyborcza.pl* launched another image campaign titled *Piszemy o tym, co ma znaczenie* [We write about important things] which informed the readers how the website supports them by explaining current events and providing advice on socially important issues. At the end of November, in order to mark Black Friday, *Wyborcza.pl* launched the largest ever promotion for the purchase of the most prestigious subscription offer – the Club package, with a 85% discount for new users. In December, a Christmas and New Year's campaign of the website was launched with the participation of a well-known actress who recommended the subscription offer of *Wyborcza.pl*.

In order to mark the World Mental Health Day on 10 October, the editorial team of *Wyborcza* launched a project as part of which materials on the mental condition of Poles were published on *Wyborcza.pl* and *Wysokieobcasy.pl*. The project's next step was to launch a new website, *Żyć lepiej. Psychologia codziennie* [Live better. Psychology every day], which provides tips on how to take care of oneself in difficult contemporary times. At wysokieobcasy.pl/zyclepiej, the readers can find statements of experts on mental health, relationships, work, parenting and self-development. The website presents content from various editorial offices from the *Wyborcza* portfolio – *Wysokie Obcasy*, sections of *Tylko Zdrowie* and *Nauka, Duży Format* and local editorial offices.

Wyborcza.pl ended the year 2022 with an excellent result in digital subscriptions with over 300 thousand subscribers in the last days of December. This is a new record for *Wyborcza* and the entire digital press market in Poland.

It is also worth mentioning that *Gazeta Wyborcza* received important distinctions and awards. In November, it was once again ranked among top 500 most powerful media brands in Poland according to 2022 Top Brand ranking, which is the largest brand survey in the Polish media. The daily has once again become the leader in the Press category and it was ranked on a high 24th place in general. In the report titled *Advertising Offices 2022* published by *Media&Marketing Polska*, the team of the Wyborcza Group once again turned out to be the best one and received the title of the “*Advertising Office of the Year*” in the Press – dailies category. The Wyborcza Group has been appreciated in particular for its professionalism, efficiency and a flexible, constantly updated offer that responds to the needs of advertisers. The daily was also awarded in the independent creation competition *Kreatura 2022* – the main prize in the Social campaign/CSR category and two distinctions for the project titled *Jutro w Polsce [Tomorrow in Poland]* carried out jointly by Wyborcza.pl, WysokieObcasy.pl and Gazeta.pl, as well as the main prize in the Press category for the campaign of *Gazeta Wyborcza Szkoła bez bzdur [School without rubbish]*.

In addition, in the fourth quarter of 2022, *Gazeta Wyborcza* and the Nidaros Foundation raised funds under the slogan *Wieziemy ciepło do Ukrainy [We bring heat to Ukraine]*. The readers’ support was so abundant that not one but three convoys were organised with aid for Ukraine.

IV.C. OUTDOOR

The Outdoor segment consists of the pro-forma consolidated data of AMS S.A., AMS Serwis Sp. z o.o., Optimizers Sp. z o.o. and Video OOH Sp. z o.o. (On July 22, 2022, the change of the name of Piano Group Sp. z o.o. to Video OOH Sp. z o.o. was registered.)

Tab.17

<i>in PLN million</i>	4Q 2022	4Q 2021	% change yoy	1-4Q 2022	1-4Q 2021	% change yoy
Total sales, including:	52.2	45.4	15.0%	168.0	130.2	29.0%
Advertising revenue (1)	49.4	41.8	18.2%	159.4	122.7	29.9%
Total operating cost, including:	(42.4)	(38.2)	11.0%	(152.3)	(134.9)	12.9%
Total operating cost without IFRS 16	(43.2)	(38.3)	12.8%	(154.8)	(136.2)	13.7%
Maintenance cost (1)	(11.2)	(10.2)	9.8%	(42.2)	(37.5)	12.5%
Execution of campaigns (1)	(6.3)	(5.7)	10.5%	(22.7)	(18.3)	24.0%
Staff cost	(8.5)	(7.2)	18.1%	(30.7)	(25.4)	20.9%
Promotion and marketing	(1.6)	(0.8)	100.0%	(4.4)	(2.6)	69.2%
D&A	(7.8)	(9.3)	(16.1%)	(36.4)	(37.4)	(2.7%)
Impairment losses (2)	(0.4)	(0.1)	300.0%	(0.3)	(1.6)	(81.3%)
EBIT	9.8	7.2	36.1%	15.7	(4.7)	-
<i>EBIT margin</i>	18.8%	15.9%	2.9pp	9.3%	(3.6%)	12.9pp
EBIT without IFRS 16	9.0	7.1	26.8%	13.2	(6.0)	-
<i>EBIT margin without IFRS 16</i>	17.2%	15.6%	1.6pp	7.9%	(4.6%)	12.5pp
EBITDA (2)	18.0	16.6	8.4%	52.4	34.3	52.8%
<i>EBITDA margin</i>	34.5%	36.6%	(2.1pp)	31.2%	26.3%	4.9pp
EBITDA without IFRS 16 (2)	13.0	12.5	4.0%	33.2	17.0	95.3%
<i>EBITDA margin without IFRS 16</i>	24.9%	27.5%	(2.6pp)	19.8%	13.1%	6.7pp
Number of advertising spaces (3)	23 652	23 965	(1.3%)	23 652	23 965	(1.3%)

(1) the amounts do not include revenues, direct and variable cost of cross-promotion of Agora's other media on AMS panels if such promotion was executed without prior reservation;

(2) the amounts include reversals of impairment losses on non-current assets included in the calculation of the EBITDA index;

(3) Excluding small advertising panels on buses, trams and Cityinfo.

In the fourth quarter of 2022, an increase in the Outdoor Advertising segment's revenue by 15.0% to PLN 52.2 million translated into an improvement in its performance year on year. The segment's EBIT increased by 36.1% and reached PLN 9.8 million. The segment also improved the result at the EBITDA level, which increased to PLN 18.0 million, and the EBITDA margin was 34.5%.

In 2022, due to a significant increase in revenue, the Outdoor Advertising segment significantly improved its operating results. The segment's operating result at EBIT level increased to PLN 15.7 million, the segment's EBITDA increased by 52.8% to PLN 52.4 million, and the EBITDA margin increased by 4.9 pp to 31.2%.

The profit at the EBITDA level, presented without the impact of IFRS 16, amounted to PLN 13.0 million in the fourth quarter of 2022 and to PLN 33.2 million throughout 2022. According to this presentation, the profit at the EBIT level amounted to PLN 9.0 million in the fourth quarter of 2022 and to PLN 13.2 million in 2022.

1. REVENUE [8]

In the fourth quarter of 2022, revenue from the AMS Group's advertising sales increased by 18.2% year on year. This positive dynamics was mainly impacted by expenditure on campaigns carried out on citylight, digital and backlight media. As reported by IGRZ (the Outdoor Advertising Chamber), the value of expenditure on outdoor

advertising in Poland increased by almost 22.5% as compared to the fourth quarter of 2021. The estimated share of the AMS Group in the expenditure on outdoor advertising during that period was more than 31.5% [7].

In 2022, revenue from the AMS Group's advertising sales increased by 29.9% year on year. The positive dynamics of this revenue was mainly impacted by expenditure on campaigns carried out on citylight, digital, backlight and city transport media. The return to high revenue growth from the premium segment media marks a change in the unfavourable trend caused by the effects of the pandemic. Outdoor advertising spending in Poland in the period under review, as estimated by IGRZ, increased by almost 31.0% as compared to the previous year. In 2022, the estimated share of the AMS Group in the outdoor advertising spending amounted to almost 29.0% [7].

2. COST

In the fourth quarter of 2022, the operating costs of the Outdoor Advertising segment increased by 11.0% to PLN 42.4 million. All main categories of operating expenses have increased, except for depreciation and amortisation.

The increase in the costs of maintenance of the system by 9.8% to PLN 11.2 million was mainly due to higher operating and development costs of the system of digital indoor media as well as an increase in the costs of repairs and ongoing maintenance of the advertising media.

Campaign costs increased by 10.5% up to PLN 6.3 million due to the implementation of more advertising campaigns. The costs of printing and replacing posters increased due to the larger number of implemented advertising campaigns as well as the costs of non-standard campaigns.

Staff costs increased by 18.1% to PLN 8.5 million in the fourth quarter of 2022. This resulted from an increase in fixed salaries and the variable component of remuneration due to the achievement of higher sales targets. Provisions for the Group's incentive schemes significantly influenced the value of those costs.

The increase in promotion and marketing costs in the fourth quarter of 2022 resulted from higher total barter costs of patronage campaigns due to their larger number and the costs of organising the #DataDrivenDOOH conference.

Depreciation and amortisation costs in the segment were reduced as a result of the total amortisation of the concession for bus and tram shelters in Warsaw and the MSI system.

In 2022, the operating costs of the Outdoor Advertising segment increased by 12.9% as compared to 2021 and amounted to PLN 152.3 million. The increase referred to all the described cost items except for amortisation and depreciation. The factor which influenced the dynamics of the segment's expenses was the lower amount of the revaluation write-down on advertising media parts currently in storage.

The costs of maintenance of the system increased by 12.5% to PLN 42.2 million due to higher barter operating costs of the MoveTV channel in fitness clubs and higher operating and development costs of the system of digital indoor media, as well as an increase in the costs of repairs and ongoing maintenance of the advertising media.

The increase in campaign costs by 24.0% to PLN 22.7 million resulted indirectly from higher revenue. The costs of campaigns on public transport vehicles and the costs of printing and replacing posters were higher due to a larger number of advertising campaigns.

Increased promotion and marketing costs in 2022 related to higher total barter costs of patronage campaigns due to their larger number as well as sponsorship costs.

Higher staff costs resulted from the increase in fixed salaries and the variable component of remuneration relating to higher achievement of the assumed sales targets. Provisions for the Group's incentive schemes significantly influenced the value of those costs.

Depreciation and amortisation costs decreased in 2022 yoy as a result of the total amortisation of the concession for bus and tram shelters in Warsaw and the MSI system.

The operating costs of the segment, presented without the impact of IFRS 16, both in the fourth quarter of 2022 and throughout 2022, were higher than in the corresponding periods of 2021 and amounted to, respectively, PLN 43.2 million and PLN 154.8 million.

3. NEW INITIATIVES

In the fourth quarter of 2022, the AMS team focused on educational activities on the OOH market as a whole, including in particular data describing Digital OOH segment, and focused on the continuation of its ESG initiatives.

In November and December, the company's customers had the opportunity to participate in a series of conferences organised under the slogan #DataDrivenDOOH. During that time, the invited experts not only spread the latest knowledge about the fastest growing OOH segment, but also proved that outdoor advertising is an effective and technologically advanced medium. The research presented confirmed the long-term effectiveness of outdoor advertising and the fact that the presence of OOH advertising in the media mix significantly increases the effectiveness of the campaign.

AMS has also implemented further ECO initiatives. In November, the company carried out a joint campaign with the City of Katowice, in which the residents and users of the Katowice public transport decided about the locations and the final appearance of 22 ecological green bus and tram shelters in the city. The company will construct new bus and tram shelters with green roofs and bird protection in these locations in spring 2023.

The activities of AMS have once again gained market recognition. In the fourth quarter of 2022, the company received the following prestigious awards: Bronze in the Innovation contest - for a breakthrough solution in Digital OOH – purchase of campaigns in the programmatic model, and the Carbon Footprint Challenge Award 2022 in the Technological Innovation category for solar poles. Moreover, AMS was awarded – already for the 10th time – the title of Krakow Patron of Culture for media activities to promote the city's culture, art, monuments and intangible heritage. In the annual report *Advertising Offices of Media&Marketing Polska*, AMS was awarded the title of the OOH Advertising Office of the Year. The company received the highest scores in the following categories: attractive formats and technological solutions, quick and comprehensive response to a brief and transparent pricing policy.

IV.D. INTERNET [1], [6]

The Internet segment includes the pro-forma consolidated financials of Agora's Internet Department (Gazeta.pl), Plan D Sp. z o. o., Yeldbird Sp. z o.o. and HRLink group (since January 28, 2021, it comprises HRLink Sp. z o.o and Goldenline Sp. z o.o.).

Tab.18

<i>in PLN million</i>	4Q 2022	4Q 2021	<i>% change yoy</i>	1-4Q 2022	1-4Q 2021	<i>% change yoy</i>
Total sales , including (1)	53.6	80.4	(33.3%)	181.1	233.1	(22.3%)
Display ad sales (1)	49.6	75.8	(34.6%)	164.6	215.6	(23.7%)
Total operating cost, including (1), (2)	(41.5)	(66.6)	(37.7%)	(157.1)	(198.2)	(20.7%)
Total operating cost without IFRS 16 (1),(2)	(41.5)	(66.6)	(37.7%)	(157.1)	(198.2)	(20.7%)
External services	(18.1)	(46.6)	(61.2%)	(74.2)	(126.0)	(41.1%)
Staff cost	(14.8)	(13.1)	13.0%	(55.0)	(48.7)	12.9%
D&A	(2.2)	(2.5)	(12.0%)	(8.9)	(9.7)	(8.2%)
Promotion and marketing (1)	(4.4)	(3.6)	22.2%	(13.0)	(10.4)	25.0%
Impairment losses (3)	(0.1)	-	-	(0.1)	-	-
EBIT	12.1	13.8	(12.3%)	24.0	34.9	(31.2%)
<i>EBIT margin</i>	22.6%	17.2%	5.4pp	13.3%	15.0%	(1.7pp)
EBIT without IFRS 16	12.1	13.8	(12.3%)	24.0	34.9	(31.2%)
<i>EBIT margin without IFRS 16</i>	22.6%	17.2%	5.4pp	13.3%	15.0%	(1.7pp)
EBITDA	14.4	16.3	(11.7%)	33.0	44.6	(26.0%)
<i>EBITDA margin</i>	26.9%	20.3%	6.6pp	18.2%	19.1%	(0.9pp)
EBITDA without IFRS 16	14.4	16.3	(11.7%)	33.0	44.6	(26.0%)
<i>EBITDA margin without IFRS 16</i>	26.9%	20.3%	6.6pp	18.2%	19.1%	(0.9pp)

(1) the amounts do not include total revenues and cost of cross-promotion of Agora's different media (only direct variable cost of campaigns carried out on advertising panels) if such promotion is executed without prior reservation, as well as exclude the inter-company sales between Agora's Internet Department, Plan D Sp. z o.o., Yeldbird Sp. z o.o. and HRLink group (since January 28, 2021 comprising HRLink Sp. z o.o. and Goldenline Sp. z o.o.);

(2) the data include the allocated costs of office space, parking lots and storage areas occupied by the Agora's Internet Department, cost of computer use and development activities of the Agora's Technology Department and costs of Big Data Department;

(3) the amounts include impairment losses on assets of HRLink Sp. z o.o.

In the fourth quarter of 2022, the result of the Internet segment, both at the EBIT and EBITDA levels, was lower than in the corresponding period of 2021 and stood at PLN 12.1 million and PLN 14.4 million, respectively [1]. This was primarily driven by lower segment revenue from the sale of online advertising than in the previous year.

In 2022, the Internet segment recorded a decrease in the operating profit at the level of EBIT, which amounted to PLN 24.0 million, while the segment's result at the EBITDA level decreased by 26.0% to PLN 33.0 million. The main reason for this was the segment's lower revenue from the sale of online advertising as compared to the previous year.

The implementation of IFRS 16 had no significant effect on the recognition of operating costs in the Internet segment or on the segment's operating results.

1. REVENUE

In the fourth quarter of 2022, the total revenue of the Internet segment was lower by 33.3% yoy and amounted to PLN 53.6 million. Online advertising sales revenue decreased by 34.6% as compared to the fourth quarter of 2021 and accounted for PLN 49.6 million. This was due to lower online advertising sales generated by Yeldbird, mainly

because of changes in the customer portfolio and a focus on working with higher margin clients. In contrast, Gazeta.pl recorded higher online advertising sales revenue year on year.

In 2022, the total revenue of the Internet segment decreased by 22.3% to PLN 181.1 million, mainly due to lower sales of online advertising recorded by Yieldbird. Advertising sales revenue generated by Gazeta.pl was higher yoy, primarily due to an increase in revenue from the sale of advertising services in the first and fourth quarter of 2022.

2. COST

In the fourth quarter of 2022, the Internet segment's operating costs decreased by 37.7% yoy to PLN 41.5 million. This was primarily driven by a reduction in costs of external services, down by 61.2% to PLN 18.1 million. These costs were lower especially in Yieldbird, reflecting a decrease in the cost of leasing advertising space and lower revenue from the sale of advertising services. The reduction in costs of external services was also recorded by Gazeta.pl and the HRLink Group. In the fourth quarter of 2022, amortisation and depreciation costs also decreased year on year. They dropped by 12.0% to PLN 2.2 million and their decrease was recorded in Gazeta.pl. Staff costs were higher by 13.0% and amounted to PLN 14.8 million. This is the result of higher employment in Gazeta.pl and an increase in fixed salaries across the segment. The costs of promotion and marketing increased in the fourth quarter of 2022 by 22.2% yoy to PLN 4.4 million. This was due to higher expenditure in Gazeta.pl. In the fourth quarter of 2022, a write-down on assets in the HRLink Group of PLN 0.1 million was recorded.

Throughout 2022, the Internet segment's operating costs fell by 20.7% and stood at PLN 157.1 million. This was primarily driven by a reduction in costs of external services, down by 41.1% to PLN 74.2 million. These costs were lower especially in Yieldbird, reflecting a decrease in the cost of leasing advertising space and lower revenue from the sale of advertising services. Higher costs of external services were recorded by the HRLink Group. In 2022, amortisation and depreciation costs also decreased year on year. They dropped by 8.2% to PLN 8.9 million and their decrease was recorded in Gazeta.pl. Staff costs were higher by 12.9% and amounted to PLN 55.0 million. This is the result of higher employment and an increase in fixed salaries across the entire segment. The costs of promotion and marketing increased in 2022 by 25.0% yoy to PLN 13.0 million. This was due to higher expenditure in Gazeta.pl and in the HRLink Group. In the fourth quarter of 2022, a write-down on assets in the HRLink Group of PLN 0.1 million was recorded.

3. IMPORTANT INFORMATION ON INTERNET ACTIVITIES

In December 2022, the total reach of the Agora Group websites among Polish Internet users stood at 63.1% and the number of users reached 18.7 million, which made the Agora Group the eighth player in the market according to the Mediapanel survey (ranking of publisher groups and ungrouped domains). The total number of page views of the Agora Group's websites reached 668 million, with the average viewing time of 48 minutes per user. [6]

In December 2022, 18.0 million Internet users viewed the websites of the Agora Group on mobile devices. The number of mobile page views amounted to 556 million, and the share of mobile page views on Agora Group's websites stood at 83% and was the highest among Polish horizontal web portals. [6]

The websites of the Agora Group are ranked among the top thematic market players. According to Mediapanel data for December 2022, the Agora Group is the leader in the 'Parenting' category (eDziecko.pl) and a runner-up in the following categories: 'Gossip, celebrity life' (Plotek.pl), 'Multi-themed websites for women' (Kobieta.Gazeta.pl, Buzz.Gazeta.pl, Wysokieobcasy.pl) and 'Fashion and beauty' (Avanti24.pl). The websites of the Agora Group also rank high in the following thematic categories: 'Sports' (fourth place, Sport.pl), 'Local and regional information' (fourth place, local websites of Wyborcza.pl, MetroWarszawa.pl), 'Information and journalism – general' (fifth place, Wyborcza.pl, Wiadomosci.Gazeta.pl, tokfm.pl), 'Travel and tourism' (fourth place, Podroze.Gazeta.pl), 'Automotive' (fifth place, Moto.pl), 'Cuisine, cooking' (sixth place, Haps.pl, Ugotuj.to, Magazyn-kuchnia.pl), 'Business, finance, law' (sixth place, Next.Gazeta.pl and Wyborcza.biz). [6]

4. NEW INITIATIVES

In the fourth quarter of 2022, Gazeta.pl and its websites focused on developing the offer for both readers and business partners.

For Sport.pl, this time was marked by the sports emotions related to the World Cup organised in Qatar. The website's editorial team prepared a multi-channel programme to commentate on matches, and the reports and comments of three correspondents appeared regularly not only on Sport.pl and Gazeta.pl, but also on social

media, including YouTube, Tik Tok, Instagram and Twitter. Thanks to these activities, Sport.pl turned out to be the second largest portal in terms of coverage during the World Cup and it was visited by 1.8 million users every day.

In November, the fifth edition of *The Best of Moto* competition took place. The main prize is awarded by a jury composed of the website's journalists and representatives of other media, who specialise in automotive, as well as by Internet users who cast more than 13,600 votes during the last edition. One more important event took place during the competition's gala ceremony – the publication of the UN Global Compact Network Poland report. It was developed in cooperation with experts and partner companies, and it paves the way for low-carbon transport. In the last quarter of 2022, Moto.pl was also awarded in the e-Mobility Media Awards 2022 competition in the Industrial Medium of the Year category.

Kobieta.Gazeta.pl also held its own competition – *The Best of New Beauty*. During the second edition, Internet users chose their beauty favourites in 12 categories. In addition, in the last quarter of the year, the female editors of Kobieta.Gazeta.pl started a socially important campaign – to mark the month of combating breast cancer, the website promoted breast self-exam. Gazeta.pl's activities on behalf of women, including the fight for their equal rights, do not go unnoticed. At the end of 2022, the portal was awarded silver at the MIXX AWARDS gala for the project titled *Niewidzialny etat [Invisible job]*. As part of the project, Gazeta.pl published a calculator of the rate for care work in order to show the order of magnitude of this overlooked gap in the economy. In the competition of independent creation *Kreatura 2022*, the main prize in the Social campaign/CSR category and two distinctions were awarded to the project titled *Jutro w Polsce [Tomorrow in Poland]* carried out jointly by Gazeta.pl, Wyborcza.pl and WysokieObcasy.pl.

In October 2022, Outriders – a journalist cooperative, with the support of Ukrayina.pl and Ukrainian reporters, brought the war realities of Ukrainian cities closer to the readers of Gazeta.pl through a series of video features using the VR/360 technology.

Gazeta.pl also continues to talk about ecology and climate crisis. In the last quarter of 2022, the portal's journalists took its readers on a trip to the planned Turnicki National Park. The project titled *Niewidzialny Park Narodowy [Invisible National Park]* was a multimedia story about the only park in Poland that, although it does not formally exist, arouses extreme emotions.

For Yieldbird, the fourth quarter of 2022, brought a successful implementation of new marketing and sales strategies. Personalised sales and marketing activities have been expanded, resulting in long-term relationships with companies in Western markets. The company has also focused on technological innovations, ending 80% of the work related to combining products into one Yieldbird Platform code, which will speed up the final work on further development and reduce the cost of development. The changes made to the flagship product – PriceGenius, have made it possible to increase transparency towards customers, facilitate the use of analytical functionalities and increase the capacity to handle more publishers without the need to expand the team. In addition, the implementation process for a new, more secure method of automatic price change to support even a dozen or more advertising units from one account, has been started.

In the last months of 2022, HRlink developed a new solution for communication with candidates – a bilateral text message communication that allows for receiving replies to text messages sent by candidates to the recruiter in the HRlink system. Moreover, two new integrations with portals were carried out, thus expanding multiposting. During this period, the HRlink team published two B2B e-books – *ABC partnerskiego onboardingu* and *ABC strategicznego Employer Brandingu*, as well as one B2C e-book – *Kierunek Nowa Praca*.

IV.E. RADIO

The Radio segment includes the pro-forma consolidated financials of Agora's Radio Department, all local radio stations and a super-regional radio TOK FM, which are parts of the Agora Group. These include: 24 Golden Hits (Złote Przeboje) local radio stations, 4 local radio stations under the brand Rock Radio, 8 local stations broadcasting under the brand Radio Pogoda and a super-regional news radio TOK FM broadcasting in 23 metropolitan areas.

Tab.19

<i>in PLN million</i>	4Q 2022	4Q 2021	<i>% change yoy</i>	1-4Q 2022	1-4Q 2021	<i>% change yoy</i>
Total sales, including :	40.1	35.8	12.0%	116.0	104.4	11.1%
Radio advertising revenue (1), (2)	30.7	28.6	7.3%	91.7	88.9	3.1%
Total operating cost, including: (2)	(33.4)	(29.0)	15.2%	(107.8)	(93.9)	14.8%
Total operating cost without IFRS 16 (2)	(33.6)	(29.2)	15.1%	(108.6)	(94.4)	15.0%
External services	(12.8)	(11.6)	10.3%	(40.7)	(34.1)	19.4%
Staff cost	(11.1)	(9.8)	13.3%	(40.0)	(35.1)	14.0%
D&A	(1.9)	(1.8)	5.6%	(7.5)	(7.3)	2.7%
Promotion and marketing (2)	(5.4)	(3.7)	45.9%	(12.9)	(11.2)	15.2%
EBIT	6.7	6.8	(1.5%)	8.2	10.5	(21.9%)
<i>EBIT margin</i>	16.7%	19.0%	(2.3pp)	7.1%	10.1%	(3.0pp)
EBIT without IFRS 16	6.5	6.6	(1.5%)	7.4	10.0	(26.0%)
<i>EBIT margin without IFRS 16</i>	16.2%	18.4%	(2.2pp)	6.4%	9.6%	(3.2pp)
EBITDA	8.6	8.6	-	15.7	17.8	(11.8%)
<i>EBITDA margin</i>	21.4%	24.0%	(2.6pp)	13.5%	17.0%	(3.5pp)
EBITDA without IFRS 16	7.7	7.7	-	12.0	14.4	(16.7%)
<i>EBITDA margin without IFRS 16</i>	19.2%	21.5%	(2.3pp)	10.3%	13.8%	(3.5pp)

(1) advertising revenues include revenues from brokerage services of proprietary and third-party air time;

(2) the amounts do not include revenues and total cost of cross-promotion of Agora's different media (only the direct variable cost of campaigns carried out on advertising panels) if such a promotion was executed without prior reservation.

In the fourth quarter of 2022, the operating profit of the Radio segment at the EBIT level was slightly lower yoy and amounted to PLN 6.7 million, while at the EBITDA level, it was similar to that of the previous year and amounted to PLN 8.6 million.

Throughout 2022, the operating profit of the segment at the EBIT level was lower yoy and amounted to PLN 8.2 million. During that period, the segment's EBITDA decreased year on year, amounting to PLN 15.7 million.

In the fourth quarter of 2022, the segment's operating profit at the EBIT level, presented without the effect of IFRS 16, amounted to PLN 6.5 million, and at the EBITDA level – to PLN 7.7 million. Throughout 2022, the operating profit of the Radio segment at the EBIT level, according to this presentation, amounted to PLN 7.4 million, and at the EBITDA level – to PLN 12.0 million.

1. REVENUE [3]

In the fourth quarter of 2022, the total revenue of the Radio segment increased by 12.0% year on year and amounted to PLN 40.1 million. The revenue from the sale of airtime in the radio stations of the Agora Radio Group recorded an increase and the revenue from brokerage services in third-party radio stations decreased.

In the fourth quarter of 2022, radio advertising spending in the market increased by 5.0% year on year.

Between October and December 2022, the revenue from sales brokerage services for Helios cinemas was also higher. The revenue from the sale of the Premium TOK FM subscriptions also increased. The number of Premium

TOK FM subscriptions at the end of the fourth quarter of 2022 increased to 31.9 thousand, i.e. by 21.8% year on year.

In the period from January to December 2022, the total revenue of the Radio segment recorded an increase by 11.1% year on year and stood at PLN 116.0 million. The revenue from the sale of airtime in the radio stations of the Agora Radio Group recorded an increase and the revenue from brokerage services in third-party radio stations decreased.

Throughout 2022, the radio advertising expenditure in the market increased by 2.5% year on year.

In 2022, the revenue from sales brokerage services for Helios cinemas were also higher. Both revenue from online advertising services and from the sale of the Premium TOK FM subscriptions increased. Significantly, Radio TOK FM ended 2022 with nearly 31.9 thousand premium content accesses sold, recording an increase of 21.8% compared to the number of subscribers at the end of 2021.

2. COST

In the fourth quarter of 2022, the operating costs of the Radio segment increased by 15.2% year on year and amounted to PLN 33.4 million. The costs of external services increased by 10.3% yoy to PLN 12.8 million. The increase in costs was mainly driven by higher costs related to the provision of sales brokerage services for Helios cinemas and costs of marketing services. At the same time, there was a decrease in the cost of purchasing airtime in third-party radio stations in connection with the provision of advertising sales brokerage services. The external services item includes, in addition to the costs of brokerage in the sale in Helios cinemas and in the sale of advertising in third-party radio stations, the costs of rents and lease fees, production services, as well as operator fees.

In the fourth quarter of 2022, staff costs increased by 13.3% to PLN 11.1 million. Mainly, the costs of fixed salaries, incentive bonuses and civil law contracts, as well as the provision for unused holiday leaves were higher.

In the period from October to December 2022, promotion and marketing costs increased by 45.9% to PLN 5.4 million, which resulted primarily from the higher spending on promotion of Radio Złote Przeboje and Radio Pogoda.

Depreciation and amortisation costs in the fourth quarter of 2022 were slightly higher than in the previous year.

In the period from January to December 2022, the operating costs of the Radio segment increased by 14.8% and amounted to PLN 107.8 million. The costs of external services increased by 19.4% yoy to PLN 40.7 million. The increase in costs was mainly driven by higher costs related to the provision of sales brokerage services for Helios cinemas, costs of marketing services, rents and lease fees. At the same time, there was a decrease in the cost of purchasing airtime in third-party radio stations in connection with the provision of advertising sales brokerage services. The external services item includes, in addition to the costs of brokerage in the sale in Helios cinemas and in the sale of advertising in third-party radio stations, the costs of production services as well as operator fees.

In 2022, staff costs increased by 14.0% to PLN 40.0 million. The costs of fixed and variable salaries, civil law contracts, as well as the provision for unused holiday leaves were higher. In addition, expenses for courses, training courses and conferences recorded an increase.

In 2022, promotion and marketing costs were 15.2% higher and amounted to PLN 12.9 million. The expenditure on sales promotion as well as on the promotion of Radio Pogoda and Radio TOK FM increased.

In the entire 2022, depreciation and amortisation costs increased by 2.7% and amounted to PLN 7.5 million.

The Radio segment's operating costs presented without the effect of IFRS 16 amounted to PLN 33.6 million in the fourth quarter of 2022 and were higher by 15.1% year on year. In the period from January to December 2022, the operating costs according to this presentation represented PLN 108.6 million, i.e. 15.0% more year on year.

3. Audience shares [8]

Tab.20

% share in listening	4Q 2022	change in pp yoy	1-4Q 2022	change in pp yoy
Group's music radio stations (Rock Radio, Złote Przeboje and Radio Pogoda)	4.7%	0,1pp	4.2%	0.0pp
News talk radio station TOK FM	3.2%	0,3pp	3.2%	0.5pp

It is worth noting that radio stations of the Agora Group do not have national coverage. The Agora Radio Group's music stations are present mainly in cities with more than 100 thousand residents, and although on a national scale, the Agora Radio Group ranks fifth in terms of audience share, in cities with a population of over 100 thousand, it already ranks third, outrivalling much larger groups, such as TIME and Polish Radio, and in cities with a population of over 500 thousand, it ranks second, ahead of the Eurozet group and falling only slightly behind the RMF group. TOK FM news radio broadcasts primarily in cities with the population of over 200 thousand, where it holds the second position among the most popular radio stations, outrivalling the nation-wide Radio Zet.

4. NEW INITIATIVES

The development of the programming has contributed to the further excellent results of the Agora's radio stations. The radio stations of the Agora Radio Group, i.e. the Radio Złote Przeboje, Radio Pogoda and Rock Radio music stations and the Radio TOK FM news&talk station, achieved record-breaking total results in audience share in the last months of 2022. According to the data from the Radio Track survey, in the period from October to December 2022, the radio stations of the Agora Radio Group recorded the highest share in listening time in history which amounted to 7.9%. Moreover, Radio TOK FM ended 2022 with almost 31.9 thousand Premium TOK FM subscriptions sold.

In addition, Radio TOK FM is among top 500 most powerful media brands in Poland according to 2022 Top Brand ranking, which is the largest brand survey in the Polish media. Radio TOK FM is the 6th most powerful radio brand in Poland, and in the entire ranking, Radio TOK FM was ranked 131st. Additionally, two TOK FM podcasts were awarded in the Janusz Majka Podcast of the Year competition and the station's journalist received a Grand Press 2022 award in the audio feature category for *Audio reportage*. Importantly, Karolina Lewicka from the editorial team of TOK FM was 4th in the Grand Press competition for the Journalist of the Year in 2022.

In October 2022, Radio Złote Przeboje celebrated its 25th birthday and for the first time, it completely changed its visual identity. The new violet and red logo reflects the current nature of the station which offers the most popular, well-known hits and verified news, including local news, to its audience. Both the music it plays and the programmes it broadcasts are the source of joy and energy to keep on going for the entire day.

At the beginning of November 2022, a new music and podcast website Tuba, addressed to the young audience, was launched. The project is available at tuba.fm and in the application for Android devices. The most important advantage of Tuba are its original podcasts dedicated to various music, which are hosted by artists, journalists and experts from the music industry.

Excellent performance of Agora's stations contributes to the effectiveness of advertising which is offered to customers in the stations of the Agora Radio Group by the sales teams of Doradztwo Mediowe and Tandem Audio Broker. The latter team, operating under the name Tandem Media until the end of 2022, was once again appreciated in the Advertising Offices ranking of *Media&Marketing Polska*. The group of Tandem specialists dealing with radio advertising has been given the highest overall score among radio advertising offices, while also significantly improving its last year's result.

Tandem Media has been operating as Tandem Audio Broker since December 2022. The change is related to focusing the team's activities on the area of FM and digital audio advertising as well as to the development of cooperation with audio content publishers. At the beginning of 2023, Helios Media Sp. z o.o. took over from Tandem Media the advertising agency services provided to Helios cinemas together with the team that has been performing these activities until then.

NOTES

[1] The performance measure "EBIT" represents net operating profit/(loss) defined as net profit/(loss) in accordance with IFRS before finance income and costs, share of results of equity accounted investees and income taxes.

The performance measure "EBITDA" is defined as EBIT increased by depreciation and amortization and impairment losses of property, plant and equipment, intangible assets and right-of-use assets.

The 'EBIT and EBITDA excluding IFRS 16' are defined as EBIT and EBIT excluding the effect of International Financial Reporting Standard No. 16 Leasing.

In the Management Board opinion, EBITDA constitutes a useful supplementary financial indicator in assessing the performance of the Group and its operating segments. It should be taken into account, that EBIT and EBITDA are not measures determined by IFRS and have not a uniform standard of calculation. Accordingly, their calculation and presentation by the Group may differ from that applied by other companies.

EBIT and EBITDA of Digital and Printed Press, Internet as well as Movies and Books segments are calculated on the basis of cost directly attributable to the appropriate operating segment of the Agora Group and excludes allocations of all Company's overheads (such as: cost of Agora's Management Board and a majority of cost of the Company's supporting divisions), which are included in reconciling positions.

Moreover, EBIT of particular operating segments does not include depreciation and amortisation recognised on consolidation as described in note 22 to the consolidated financial statements.

[2] the data on ticket sales in the cinemas comprising Helios group come from the accounting data of Helios reported in accordance with full calendar periods.

[3] The data relates to advertising and advertisements in six media (print, radio, television, outdoor advertising, internet, cinema). In this MD&A, Agora has adjusted the data on advertising expenditures in dailies and magazines in the first, second and third quarters of 2022, television advertising expenditures in the fourth quarter of 2021. In addition, Agora has corrected data on Internet advertising expenditures in the first, second, third and fourth quarters of 2021 and in the third quarter of 2022.

Unless explicitly stated otherwise, press and radio advertising market data referred to herein are based on Agora's estimates adjusted for average discount rate and are stated in current prices. Given the discount pressure as well as advertising time and space sell-offs, these figures may not be fully reliable and will be adjusted in the consecutive reporting periods. In case of press, the data include only display advertising, excluding classifieds, inserts and obituaries. The estimates are based on rate card data obtained from the following sources: Kantar Media monitoring,.

Presented TV, Internet and cinema figures are based on initial Publicis Media estimates; TV estimates include regular ad broadcast and sponsoring with product placement, exclude teleshopping and other advertising forms.

Internet ad spend estimates include display, search engines (Search Engine Marketing), e-mail marketing and video advertising.

Outdoor advertising figures are based on Izba Gospodarcza Reklamy Zewnętrznej and media house Publicis Media[8].

The Company would like to stress that one should bear in mind that these advertising market estimations may represent some margin of error due to significant discount pressure on the market and lack of reliable data on the average market discount rates. Once the Company has a more reliable market data in consecutive quarters, it may correct the ad spending estimations in particular media.

[4] "Sales" data for paid dailies are presented according to information from the Polish Readership Survey (PBC). The term "sales" used in this commentary means "issue sales" from declarations submitted by publishers to the PBC. All average measures (grouping more than one title) are calculated according to the rule: total sales / number of issues for the title with the most issues in a given period. Based on the average thus calculated, year-on-year dynamics are shown.

[5] Definition of ratios:

$$\text{Net profit margin} = \frac{\text{Net profit / (loss) attributable to equity holders of the parent}}{\text{Revenue}}$$

$$\text{Gross profit margin} = \frac{\text{Gross profit / (loss) on sales}}{\text{Revenue}}$$

$$\text{Return on equity} = \frac{\text{Net profit / (loss) attributable to equity holders of the parent}}{\frac{\text{Equity attributable to equity holders of the parent at the beginning of the period} + \text{Equity attributable to equity holders of the parent at the end of the period}}{2/4 \text{ for quarterly results}}}$$

$$\text{Debtors days} = \frac{\text{(Trade receivables gross at the beginning of the period} + \text{Trade receivables gross at the end of the period)} / 2}{\text{Revenue / no. of days}}$$

$$\text{Creditors days} = \frac{\text{(Trade creditors at the beginning and the end of the period} + \text{accruals for uninvoiced costs at the beginning and the end of the period)} / 2}{\text{(Cost of sales + selling expenses + administrative expenses) / no. of days}}$$

$$\text{Inventory turnover} = \frac{\text{(Inventories at the beginning of the period} + \text{Inventories at the end of the period)} / 2}{\text{Cost of sales / no. of days}}$$

$$\text{Current ratio I} = \frac{\text{Current Assets}}{\text{Current liabilities}}$$

$$\text{Gearing ratio} = \frac{\text{Current and non-current liabilities from loans} - \text{cash and cash equivalents} - \text{highly liquid short-term monetary assets}}{\text{Total equity and liabilities}}$$

$$\text{Interest cover} = \frac{\text{Operating profit / (loss)}}{\text{Interest charge}}$$

$$\text{Free cash flow interest cover} = \frac{\text{Free cash flow}^*}{\text{Interest charge}}$$

* Free cash flow = Net cash from operating activities + Purchase of property plant and equipment and intangibles, excluding outlays related to the cinema fit-out works to the extent in which those outlays are sold to the owners of the premises, in which those cinemas are located.

[6] Real users, page views and spent time on the basis of Mediapanel. Data cover Internet users age 7 years and above, connecting to Internet from the territory of Poland and include only Internet domains registered on Agora S.A. in Gemius SA's Registry of Service Providers. Real users' data of The Agora Group's websites are audited by Gemius SA.

Since October 2020- a new methodology of research has been introduced. Mediapanel's cross-media survey replaced an earlier survey called Gemius/PBI and thus the results are not comparable to earlier periods. The data includes the information about PC and mobile platforms and present the traffic through www as well as through mobile applications (Gazeta.pl LIVE, Sport.PL LIVE, Moje Dziecko, Moja Ciaza, Tuba.fm, Aplikacja Gazeta Wyborcza, Clou). Total data are also presented.

[7] Source: report prepared by Izba Gospodarcza Reklamy Zewnętrznej (IGRZ) in cooperation with STARCOM company.

[8] Audience market data referred herein are based on Radio Track surveys, carried out by Kantar Millward Brown (all places, all days and all quarter) in whole population and in the age group of 15+, October-December sample for 2021: 21,015; for 2022: 21,030; for January-December: sample for 2021: 83,796; for 2022: 83 866.

[9] The data on cinema ticket sales are estimates of Helios group prepared on the basis of data received from Boxoffice.pl, based on reports submitted by distributors of film copies and based on the results of the UIP distributor's films obtained in the multiplex networks. Cinema ticket sales are reported for periods, which do not cover a calendar month, quarter or year. The number of tickets sold in the given period is calculated from the first Friday of a given month, quarter or year until the first Thursday of the next reporting month, quarter or year.

V. ADDITIONAL INFORMATION

V.A. INFORMATION CONCERNING SIGNIFICANT CONTRACTS FOR THE ISSUER AND ITS GROUP INCLUDING AGREEMENTS BETWEEN THE SHAREHOLDERS WHICH ARE KNOWN TO THE COMPANY, INSURANCE CONTRACTS AND COOPERATION AGREEMENTS

1. INFORMATION CONCERNING SIGNIFICANT CONTRACTS FOR THE ISSUER

► **Conclusion of an overdraft agreement and a term loan refinancing Agora's current debt with Santander Bank Polska S.A.**

In the current report of March 28, 2022, Management Board of Agora S.A. informed about agreeing on 28 March 2022, on the preliminary material terms of financing ("Termsheet") for Agora S.A. with Santander Bank Polska S.A. ("Bank") and discloses the delayed confidential information of 26 January 2022 regarding the commencement of the negotiation process to obtain financing for Agora S.A., i.e. an overdraft facility and a loan refinancing Agora S.A.'s current term debt in the total amount of up to PLN 67 million.

The Termsheet defines the rules on which the Bank will provide Agora S.A. financing in the form of a refinancing loan of up to PLN 32 million with a 3-year repayment period and an overdraft facility of PLN 35 million with a 2-year availability period from the date of concluding a binding loan agreement with the Bank (jointly "Loan" and "Loan Agreements").

The Termsheet does not create financial obligations for the Company. The effect of defining the terms of the Termsheet will be the negotiation of the content of the Loan Agreements, and making the Loan available to the Company will require the fulfilment of conditions precedent, i.a., such as the establishment of appropriate collateral, standard in this type of loan agreement.

The Termsheet stipulates that the clauses in the Loan Agreements regarding the Company's obligations, breaches, grounds for its termination or withdrawal from the Loan Agreements by the Bank, will not differ from the terms commonly used in such agreements. They include, i.a., clauses regarding the possibility of selling non-current assets, selling shares in Agora Group companies, establishing collateral on the Company's assets, the possibility of further incurring debt by the Company, limiting the distribution of profits, changing control over the Company or maintaining certain financial ratios.

Detailed terms of the loan will be agreed as part of the process of negotiating the Loan Agreements.

The Company intends to use the funds provided under the Loan for: refinancing the existing term loan and overdraft facility at DNB Bank Polska S.A. and financing of the working capital and the current needs of the Company.

The Company will inform about further stages of the process of obtaining financing in accordance with the requirements imposed by law.

Content of delayed Confidential Information:

Commencement of negotiations on obtaining financing for Agora S.A.

The Management Board of Agora S.A. with its seat in Warsaw ("Agora", "Company") announces the start of negotiations on obtaining financing for Agora S.A. The obtained financing will be used to refinance the existing Credit Limit Agreement at DNB Bank Polska S.A. consisting of the Non-renewable Loan and the Overdraft Loan, about which the Company informed in the current report 6/2017 as amended. Agora will apply for financing in the amount of approximately PLN 67 million.

As at the date of commencement the negotiations, Agora decided to apply for financing to two financial institutions.

The commencement of the negotiations described above does not mean that the negotiations will end in obtaining financing by the Company. Agora will inform about further stages of the process in accordance with the requirements imposed by law

The decision to start negotiations on obtaining financing is due to the fact that DNB Bank Polska S.A. withdraws from activity in Poland.

The Company will inform in a separate regulatory filing about the possible finalization of negotiations on financing, financing conditions and the signing of relevant documents.

Legal basis: art. 17 sec. 1 and 4 of Regulation (EC) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6 EC of the European Parliament and of the Council and Commission directives 2003/124/EC, 2003/125/EC and 2004/72/EC (Journal of Laws EC L 173 of 12 June 2014).

Reasons for delaying the Confidential Information:

In the opinion of the Management Board of the Company, the immediate disclosure of Confidential Information posed a risk of a negative impact on the course and result of the negotiations and the conditions of the financing granted. The above could, in particular, result in obtaining worse conditions than if the information was kept confidential, and even in the failure to successfully complete the negotiations, particularly due to the limited group of financial institutions to which the Company could turn with a relevant inquiry. In the opinion of the Management Board of the Company, the above premises meet the criteria of the possibility of infringement of the legitimate interest of the issuer specified in point 5, point 8a of the ESMA Guidelines.

Due to the unpredictable result of the negotiations, the Management Board of the Company decided that disclosing the Confidential Information to the public could result in an incorrect assessment of this information and its potential impact on the Company's value by the public, especially in the period of high market uncertainty related to the negative effects of the COVID-19 pandemic.

In the opinion of the Company, there were no indications that the delay in disclosing the Confidential Information could mislead the public, in particular due to the fact that the Company has guaranteed financing in DNB Bank Polska SA, and the Company's activities are related to publicly available information on withdrawal of this financial institution from operations in Poland. In view of the above, there was no reason to conclude that the delay in disclosing the Confidential Information to the public contrasts with the knowledge or expectations of the market, based on the communication carried out by the Company so far.

The Company has also taken steps and applied measures necessary to maintain the confidentiality of Confidential Information until it is made public, in particular by adopting practices at the level of the Company's capital group in the field of information circulation and protection.

In the current report of April 14, 2022 Management Board of Agora S.A. informed that on 14 April 2022, the Company concluded an overdraft agreement and a loan refinancing Agora's current term debt in the total amount of up to PLN 67 million (jointly "Loan" and "Loan Agreements") with Santander Bank Polska S.A. ("Bank"). The company announced the commencement of negotiations and the arrangement of preliminary material terms of credit agreements in the current report No. 10/2022 of 28 March 2022. The change of the entity providing financing to Agora results from the withdrawal of Agora S.A.'s existing creditor from its activities in Poland.

Pursuant to the signed Loan Agreements and after meeting the conditions for establishing legal security for the repayment of the loan and meeting other requirements usually applied when granting loans of a comparable amount, the Company will have an investment loan of PLN 32 million with a 3-year repayment period and an overdraft facility in the amount of PLN 35 million with a 2-year availability period from the date of concluding a binding loan agreement with the Bank.

The funds from the Loan can be used for: refinancing the existing term loan at DNB Bank Polska S.A. and financing of day-to-day business activities.

The collaterals for the granted financing are typical for such agreements and, in accordance with the provisions of the Loan Agreements, they include: declaration of voluntary submission to enforcement by the Company and guarantors (Grupa Radiowa Agory Sp.z o.o. and Yieldbird Sp.z o.o.), contractual mortgage, established for the

benefit of the Bank on real estate located in Warsaw at Czerna 8/10 Street, of which the Company has the right of perpetual usufruct and the ownership of the building located thereon, transfer of rights from the insurance policy on the above mentioned real estate, a guarantee from Bank Gospodarstwa Krajowego under the PLG FGP portfolio guarantee line secured with a blank promissory note, covering 80% of credit amounts in the current account, surety granted by companies from the Agora Group (Grupa Radiowa Agory Sp.z o.o. and Yieldbird Sp.z o.o.) in the amount of 150% of the Loan amount, registered and financial pledge on selected bank accounts of Agora S.A.

Moreover, during the financing period, the Company is obliged to maintain at a certain level the financial ratios related to the EBITDA result increased by received dividends and the agreed debt ratio.

Additionally, the Company and the guarantors (Grupa Radiowa Agory Sp.z o.o. and Yieldbird Sp.z o.o.), without the Bank's written consent, may not (except for cases specified in the contract) use the components of fixed assets, establish security over fixed assets, incur additional financial liabilities, except for debt up to the limit of PLN 10 million for current operations and the existing debt as at the date of signing the agreement and the debt available in the cash pool system.

Without the consent of the Bank, Agora cannot, among others, sell shares in dividend companies included in its capital group (AMS S.A., Agora TC Sp.z o.o., Grupa Radiowa Agory Sp.z o.o., Yieldbird Sp.z o.o., Eurozet Sp.z o.o., Helios S.A.), with exceptions specified in the contract, sell real estate in Tychy, grant loans and pay dividends to shareholders earlier than in 2023 after meeting the financial ratios specified in the Loan Agreements and with no breach of the agreement, purchase shares, stocks and securities apart from obligatory buyouts from companies from the capital group, as well as make transformations or mergers, division, liquidation or disposal of the enterprise, disposal of an organized part of the enterprise, charging it to a third party or a significant change in the subject of the Company's activity.

The Bank may, among others, terminate the Credit Agreements or withdraw from the payment of funds from the Loan or limit the amount of available funds in the event of, among others, lack of achievement agreed upon financial ratios, a change of control over the Company, submission of a motion for bankruptcy of the Company, initiation of restructuring proceedings or commenced enforcement of liabilities in the amount specified in the contract.

The loan will bear interest at the WIBOR rate for three-month deposits in PLN increased by the Bank's margin. In the event of a breach of the terms of the agreement, the Bank may increase the loan margin, and in the event of overdue debt, it will charge the Company with interest on the debt. In addition, the Agreement does not contain provisions on contractual penalties.

In the current report of February 27, 2023 the Management Board of Agora S.A., in connection with regulatory filing No. 11/2022 of April 14, 2022 informed of the amendment to the overdraft agreement and a term loan concluded by the Company with Santander Bank Polska S.A. ("Bank").

In accordance with the amendment, the term in which the Company cannot pay dividends to shareholders is extended until January 1, 2024. Moreover, until the loan granted to the Company by SFS Ventures s.r.o. with its seat in Prague is fully repaid, the Bank's consent for payment of the dividend will have to be granted.

Other provisions of the agreement remain unchanged.

► **Intention to extend the period of the Agora Tax Capital Group for 2023**

In the current report of November 8, 2022 the Management Board of Agora S.A., with reference to the regulatory filings no. 35/2017 of December 21, 2017, 6/2018 of February 16, 2018, 40/2020 of November 13, 2020, 43/2020 of December 11, 2020, 21/2021 of November 10, 2021 and 23/2021 of December 9, 2021 informed that on November 8, 2022, an agreement to extend the period of operation of the Agora Tax Capital Group ("PGK"), was concluded between Agora and the following subsidiaries: Grupa Radiowa Agory sp. z o.o., Agora TC sp. z o.o., Plan D sp. z o.o., Helios S.A., AMS S.A., Yieldbird sp. z o.o. and Plan A sp. z o.o.

The extension of the PGK operation period is connected with submission of an application for registration of the extension of the operation period of the PGK to the Head of a relevant Tax Office.

In the current report of December 30, 2022 The Management Board of Agora S.A., with reference to the regulatory filings no. 35/2017 of December 21, 2017, 6/2018 of February 16, 2018, 40/2020 of November 13, 2020,

43/2020 of December 11, 2020, 21/2021 of November 10, 2021, 23/2021 of December 9, 2021 and 37/2022 of November 8, 2022 informed that on December 30, 2022, Agora received the decision dated December 29, 2022 issued by the Head of the First Mazovian Tax Office in Warsaw on the registration of the agreement to extend the period of operation of the Agora Tax Capital Group ("PGK"), which includes Agora and the following subsidiaries: Grupa Radiowa Agory Sp. z o.o., Agora TC Sp. z o.o., Plan D Sp. z o.o., Helios S.A., AMS S.A., Yieldbird Sp. z o.o. and Plan A Sp. z o.o.

In the agreement to extend the period of operation of the tax capital group, Agora was indicated as a company representing PGK in the scope of obligations under the Corporate Income Tax Act and the provisions of the Tax Ordinance.

The agreement on extending the period of operation of the PGK was concluded for the period until 31 December 2023. The Company estimates that the extension of the operating period of the tax capital group may result in a reduction of the group's tax liability by approx. PLN 7 million in 2023.

V.B. CHANGES IN CAPITAL AFFILIATIONS OF THE ISSUER WITH OTHER ENTITIES AND CAPITAL INVESTMENTS OF THE ISSUER AND ITS GROUP AND THE SHAREHOLDERS STRUCTURE

1. THE CAPITAL STRUCTURE OF THE ISSUER AND SUBORDINATED ENTITIES

The list of companies within the Group:

Tab.21

	% of shares held (effectively)	
	31 December 2022	31 December 2021
Subsidiaries consolidated		
1 Agora TC Sp. z o.o., Warsaw	100.0%	100.0%
2 AMS S.A., Warsaw	100.0%	100.0%
3 AMS Serwis Sp. z o.o., Warsaw (1)	100.0%	100.0%
4 Grupa Radiowa Agory Sp. z o.o. (GRA), Warsaw	100.0%	100.0%
5 Doradztwo Mediowe Sp. z o.o., Warsaw (2)	100.0%	100.0%
6 IM 40 Sp. z o.o., Warsaw (2)	72.0%	72.0%
7 Inforadio Sp. z o.o., Warsaw (2)	66.1%	66.1%
8 Helios S.A. , Lodz	91.5%	91.5%
9 Next Film Sp. z o.o., Warsaw (3)	91.5%	91.5%
10 Next Script Sp. z o.o., Warsaw (4)	91.5%	75.9%
11 Plan D Sp. z o.o., Warsaw	100.0%	100.0%
12 Optimizers Sp. z o.o., Warsaw (1)	100.0%	100.0%
13 Yieldbird Sp. z o.o., Warsaw (5)	100.0%	95.8%
14 GoldenLine Sp. z o.o., Szczecin (6)	79.8%	79.8%
15 Plan A Sp. z o.o., Warsaw	100.0%	100.0%
16 Agora Finanse Sp. z o.o. , Warsaw	100.0%	100.0%
17 Step Inside Sp. z o.o., Lodz (3)	82.3%	82.3%
18 HRLink Sp. z o.o., Szczecin	79.8%	79.8%
19 Video OOH Sp. z o.o. (formerly Piano Group Sp. z o.o.), Warsaw (1), (7)	92.0%	92.0%
20 Yieldbird International Ltd, London (8)	100.0%	-
21 Helios Media Sp. z o.o., Lodz (3),(9)	91.5%	-
22 Plan G Sp. z o.o., Warsaw (10)	100.0%	-
Joint ventures and associates accounted for the equity method		
23 Instytut Badań Outdooru IBO Sp. z o.o., Warsaw (1)	50.0%	50.0%
24 ROI Hunter a.s., Brno	23.9%	23.9%
25 Eurozet Sp. z o.o., Warsaw	40.0%	40.0%
Companies excluded from consolidation and equity accounting		
26 Polskie Badania Internetu Sp. z o.o., Warsaw	16.7%	16.7%
27 Garmond Press S.A., Cracow (11)	3.5%	-

(1) indirectly through AMS S.A.;

(2) indirectly through GRA Sp. z o.o.;

(3) indirectly through Helios S.A.;

(4) indirectly through Next Film Sp. z o.o., acquisition of additional shares on October 27, 2022 and November 14, 2022;

(5) acquisition of additional shares on December 9, 2022;

(6) indirectly through HRLink Sp. z o.o.;

- (7) *change of the company's business name from Piano Group Sp. z o.o. to Video OOH Sp. z o.o. on July 22, 2022;*
- (8) *indirectly through Yieldbird Sp. z o.o., company incorporated on July 27, 2022;*
- (9) *company registered in the National Court Register on September 1, 2022;*
- (10) *company registered in the National Court Register on January 27, 2023;*
- (11) *acquisition of shares in the company registered in the National Court Register on July 13, 2022.*

2. CHANGES IN CAPITAL AFFILIATIONS AND ORGANISATION OF THE CAPITAL GROUP

▶ AMS S.A.

In the current report of September 8, 2022, the Management Board of Agora S.A., with reference to the current report 27/2013 of 18 December 2013, informed that the Consortium consisting of AMS S.A. (AMS) and Ströer Polska Sp. z o.o. (Ströer), acting pursuant to clause 28.2 of the Concession Agreement, signed an annex to the above-mentioned Agreement with the Capital City of Warsaw (Concession Grantor), extending its validity until 11 May 2024. The annex was concluded as a result of arbitration proceedings won by the Consortium, which will share the costs and revenues related to the operation of the bus shelters in the time corresponding to the extension period.

▶ Eurozet Sp. z o.o.

In the current report of February 1, 2022 the Management Board of Agora S.A., with reference to current report no. 1/2019 of January 25, 2019, current report no. 3/2019 of February 20, 2019 and referring to current reports no. 26/2019 of September 17, 2019 and no. 27/2019 of September 18, 2019, informed that on January 31, 2022, the Company started negotiations with the majority shareholder of Eurozet sp. z o.o. with its seat in Warsaw („Eurozet”), ie. with SFS Ventures s.r.o. based in Prague (Czech Republic) („SFS Ventures”) on the amendment to the provisions of the shareholders' agreement concluded on February 20, 2019 regarding the conditions for the exercise of Agora's right to acquire all remaining shares in Eurozet belonging to SFS Ventures ("Call Option"). The initiated negotiations include, inter alia, the issue of extending the period of exercising the Call Option by Agora, which began after 12 months and ends 36 months from the date of concluding the shareholders' agreement.

The commencement of the negotiations described above does not mean that they will finally end with the change of the terms and conditions of the shareholders' agreement of February 20, 2019 in the scope mentioned above.

In the current report of February 16, 2022 the Management Board of Agora S.A., with reference to current report no. 1/2019 of 25 January 2019, current report no. 3/2019 of 20 February 2019 and with reference to current reports no. 26/2019 of 17 September 2019, no. 27/2019 of 18 September 2019 and no. 1/2022 of 1 February 2022, informed that on 16 February 2022, the Company signed with the majority shareholder of Eurozet sp. z o.o. with its seat in Warsaw ("Eurozet"), i.e. with SFS Ventures sro with its seat in Prague (Czech Republic) ("SFS Ventures") an annex to the shareholders' agreement concluded on 20 February 2019 regarding the extension of the term for Agora to exercise the Call Option by 3 months, which will therefore end 39 months from the date of conclusion of the shareholders' agreement.

During this time the partners will continue negotiations on the amendment of the shareholders' agreement, in particular with regard to the conditions for exercising Agora's right to acquire all remaining shares in Eurozet belonging to SFS Ventures ("Call Option"), about which the Company informed in the current report 1/2022 of 1 February 2022.

In the current report of May 12, 2022 Management Board of Agora S.A., with reference to the current report 4/2021 of 8 February 2021, informed that the District Court in Warsaw - Competition and Consumer Protection Court ("Court"), after conducting proceedings on the appeal of the Company, on 12 May 2022, announced a judgment amending in its entirety the decision of the President of the Office of Competition and Consumer Protection ("President of UOKiK") of 7 January 2021, prohibiting Agora from taking control over Eurozet Sp. z o.o. ("Decision").

The Decision was changed by the Court in such a way that it expressed unconditional consent to the takeover of Eurozet sp.z o.o. by Agora ("Transaction").

The oral reasons for the ruling presented today show that the Court, taking into account the arguments contained in Agora's appeal, concluded that the Transaction would not significantly restrict competition on the market.

The Court emphasized that the condition for issuing a decision prohibiting a concentration is to demonstrate a high probability of restriction of competition resulting directly from the concentration.

In the opinion of the Court, the hypothetical scenarios of the coordination activities of entrepreneurs presented in the Decision of the President of UOKiK, which may significantly restrict competition, are speculative and are not highly likely. In the opinion of the Court, they are not based on the market realities and economic conditions established in the course of evidence proceedings.

Moreover, the Court established that the evidence proceedings did not demonstrate the direct impact of the Transaction on such a change in market conditions that would lead to a high probability of giving up competition between competitors for mutual coordination and tacit collusion. The conducted evidence also did not confirm the hypothesis about the possible marginalization of competitors.

The judgment is not final and the parties may appeal against it within two weeks of receiving the written justification for the judgment.

In the current report of May 19, 2022 the Management Board of Agora S.A., with reference to current report no. 1/2019 of 25 January 2019, no. 3/2019 of 20 February 2019, and referring to current reports no. 26/2019 of 17 September 2019, no. 27/2019 of 18 September 2019, as well as no. 1/2022 of 1 February 2022 and no. 2/2022 of 16 February 2022, informed that the Company signed with the majority shareholder of Eurozet Sp. z o. o. with its seat in Warsaw ("Eurozet"), i.e. with SFS Ventures s.r.o. based in Prague (Czech Republic) ("SFS Ventures") Annex No. 2 to the shareholders' agreement concluded on 20 February 2019 regarding the extension by the end of June 2022 of the deadline for Agora to execute the Call Option.

During this time, the partners will continue negotiations on the amendment to the shareholders' agreement, in particular with regard to the date of exercising Agora's right to acquire all remaining shares of Eurozet belonging to SFS Ventures, about which the Company informed in the current report no. 1/2022 of 1 February 2022 and 2/2022 of 16 February 2022.

On 12 May 2022, in the current report no. 15/2022, the Company informed about the judgment of the District Court in Warsaw - the Court of Competition and Consumer Protection - changing in its entirety the decision of the President of the Office of Competition and Consumer Protection of 7 January 2021, prohibiting Agora from taking control over Eurozet Sp. z o.o. The decision was changed by the court in such a way that it expressed unconditional consent to the takeover of Eurozet sp. z o.o. by Agora. The judgment is not final.

In the current report of June 29, 2022 the Management Board of Agora S.A., with reference to current report no. 1/2019 of 25 January 2019, no. 3/2019 of 20 February 2019, and referring to current reports no. 26/2019 of 17 September 2019, no. 27/2019 of 18 September 2019, as well as no. 1/2022 of 1 February 2022, no. 2/2022 of 16 February 2022 and no. 16/2022 of 19 May 2022, informed that the Company signed with the majority shareholder of Eurozet Sp. z o. o. with its seat in Warsaw ("Eurozet"), i.e. with SFS Ventures s.r.o. based in Prague (Czech Republic) ("SFS Ventures") Annex No. 3 to the shareholders' agreement concluded on 20 February 2019 regarding the extension by the end of July 2022 of the deadline for Agora to execute the Call Option.

During this time, the partners will continue negotiations on the amendment to the shareholders' agreement, in particular with regard to the date of exercising Agora's right to acquire all remaining shares of Eurozet belonging to SFS Ventures, about which the Company informed in the current report no. 1/2022 of 1 February 2022, no. 2/2022 of 16 February 2022 and no. 16/2022 of 19 May 2022.

On 12 May 2022, in the current report no. 15/2022, the Company informed about the judgment of the District Court in Warsaw - the Court of Competition and Consumer Protection - changing in its entirety the decision of the President of the Office of Competition and Consumer Protection of 7 January 2021, prohibiting Agora from taking control over Eurozet Sp. z o.o. The decision was changed by the court in such a way that it expressed unconditional consent to the takeover of Eurozet sp. z o.o. by Agora. The judgment is not final.

In the current report of July 28, 2022 the Management Board of Agora S.A., with reference to the current report 4/2021 of 8 February 2021 and of 15/2022 of 12 May 2022, informs that on 28 July 2022 on the basis of information obtained at the registry of the District Court in Warsaw - Court of Competition and Consumer Protection ("Court"), the Company learned that on 26 July 2022, the President of the Office of Competition and

Consumer Protection ("President of UOKiK") appealed against the judgment of the Court of 12 May 2022 amending in its entirety the decision of the President of the Office of Competition and Consumer Protection of 7 January 2021, prohibiting Agora taking control over Eurozet Sp. z o.o. ("Decision").

After conducting the proceedings on the appeal of the Company on 12 May 2022, the Court announced a judgment changing in its entirety the decision of the President of UOKiK of 7 January 2021.

The Decision was changed by the Court in such a way that it expressed unconditional consent to the takeover of Eurozet Sp.z o.o. by Agora.

The President of UOKiK appealed against the above judgment. As at the date of publication of this current report, the Company has not been formally served with the appeal of the President of UOKiK. After the formal delivery of the document, about which Agora will inform separately, the Company plans to respond to the appeal of the President of UOKiK.

In the current report of July 29, 2022 the Management Board of Agora S.A., with reference to current report no. 1/2019 of 25 January 2019, no. 3/2019 of 20 February 2019, and referring to current reports no. 26/2019 of 17 September 2019, no. 27/2019 of 18 September 2019, as well as no. 1/2022 of 1 February 2022, no. 2/2022 of 16 February 2022, no. 16/2022 of 19 May 2022 and no. 26/2022 of 29 June 2022, informed that the Company signed today with the majority shareholder of Eurozet Sp. z o. o. with its seat in Warsaw ("Eurozet"), i.e. with SFS Ventures s.r.o. based in Prague (Czech Republic) ("SFS Ventures") Annex No. 4 to the shareholders' agreement concluded on 20 February 2019 regarding the extension until 19 August 2022 of the deadline for Agora to execute the Call Option.

During this time, the partners will continue negotiations on the amendment to the shareholders' agreement, in particular with regard to the date of exercising Agora's right to acquire all remaining shares of Eurozet belonging to SFS Ventures, about which the Company informed in the current report no. 1/2022 of 1 February 2022, no. 2/2022 of 16 February 2022, no. 16/2022 of 19 May 2022 and no. 26/2022 of 29 June 2022.

On 12 May 2022, in the current report no. 15/2022, the Company informed about the judgment of the District Court in Warsaw - the Court of Competition and Consumer Protection - changing in its entirety the decision of the President of the Office of Competition and Consumer Protection of 7 January 2021, prohibiting Agora from taking control over Eurozet Sp. z o.o. The decision was changed by the court in such a way that it expressed unconditional consent to the takeover of Eurozet sp. z o.o. by Agora. On 28 July 2022, the Company was informed that the President of UOKiK filed an appeal against the judgment of the Court of first instance. After the formal delivery of the appeal, about which Agora will inform separately, the Company plans to respond to the appeal of the President of UOKiK.

In the current report of August 19, 2022 the Management Board of Agora S.A., with reference to the current report No. 3/2019 of 20 February 2019 on the completion of negotiations and conclusion of the contract for the sale of shares in Eurozet sp. z o.o. with its seat in Warsaw ("Eurozet") and the agreement of shareholders of Eurozet concluded on 20 February 2019 ("Partnership Agreement"), as well as current reports: No. 1/2022 of 1 February 2022 on the commencement of negotiations on amendments to the Shareholders Agreement, and No. 2/2022 of 16 February 2022, No. 16/2022 of 19 May 2022, No. 26/2022 of 29 June 2022 and No. 29/2022 of 29 July 2022 on signing with the majority shareholder of Eurozet, i.e. with SFS Ventures s.r.o. with its seat in Prague (Czech Republic) ("SFS Ventures") of the annexes to the Shareholders' Agreement amending it with regard to extending the period of exercising Agora's right to acquire all remaining Eurozet shares belonging to SFS Ventures ("Call Option"), informed that on 19 August 2022 the Company completed negotiations on the amendment of the Shareholders' Agreement conducted so far with SFS Ventures.

As a result of the completed negotiations, Agora concluded with SFS Ventures Annex No. 5 to the Shareholders' Agreement ("Annex No. 5"). In particular, the Annex no. 5 changed the date of exercising the Call Option. Under the Annex No. 5, Agora is entitled (but not obliged) to exercise the Call Option in the period that commenced 12 months after 20 February 2019, i.e. the date of purchase of 40% of Eurozet shares by Agora S.A. and 60% of Eurozet shares by SFS Ventures, and ending on 31 July 2025.

At the same time, provisions were added to the Shareholders' Agreement regarding the possibility of shortening the period of exercising the Call Option in the event of a significant deterioration of the aggregate net debt ratio to the adjusted aggregate EBITDA ratio, in each case calculated jointly for the consolidated data of Agora Group and Eurozet Group, in accordance with the calculation mechanism specified in detail in the Shareholders' Agreement.

Changes were also made to the method of considering some of the financial ratios achieved by SFS Ventures, which affect the determination of the purchase price of Eurozet shares covered by the Call Option by Agora.

The other provisions of the contract have not been materially changed.

In the current report of November 15, 2022 the Management Board of Agora S.A., with reference to the current reports Nos. 4/2021 of February 8, 2021, 15/2022 of May 12, 2022 and 28/2022 of July 28, 2022, informed that the Company was informed of the delivery to Agora's proxy, of the appeal of the President of the Office of Competition and Consumer Protection against the judgment of the Warsaw District Court – Court for Competition and Consumer Protection of May 12, 2022 (case No. XVII AmA 61/21) ("Judgement") amending in its entirety the decision of the President of the Office of Competition and Consumer Protection dated January 7, 2021 ("Decision"), prohibiting the concentration – taking control over Eurozet sp. z o.o. by the Company ("Transaction"). The Judgement amended the Decision so that an unconditional consent for the Transaction was granted.

The Company analyzed the content of the appeal. In the appeal, the President of the Office of Competition and Consumer Protection demands amendment of the appealed Judgement through dismissal of the Company's appeal in its entirety, alternatively, revocation of the appealed Judgement in its entirety and referring the case back for rehearing to the Warsaw District Court – Court for Competition and Consumer Protection.

The Company finds the Judgement correct and does not agree with the position presented in the appeal. Consequently, in accordance with the former regulatory filing, the Company plans to respond to the appeal.

In the current report of February 19, 2023 the Management Board of Agora S.A., in connection, in particular, with regulatory filings No. 3/2019 of February 20, 2019 and also regulatory filings Nos. 1/2022 of February 1, 2022, 2/2022 of February 16, 2022, 16/2022 of May 19, 2022, 26/2022 of June 29, 2022, 29/2022 of July 29, 2022 and 31/2022 of August 19, 2022 hereby informed that today the Company commenced negotiations to conclude Annex No. 6 to the Shareholders Agreement concluded on February 20, 2019 by the Company and SFS Ventures s.r.o. with its seat in Prague ("SFS Ventures").

The Company commenced negotiations with SFS Ventures – majority shareholder of the company Eurozet sp. z o.o. ("Eurozet") – on amendment to the Shareholders Agreement concluded on February 20, 2019 (amended by annexes 1-5) ("Agreement"). The amendment consists of, in particular,:

- i. amendment to the principles of exercising the right to purchase shares of Eurozet held by SFS Ventures ("Call Option") in such a way that the Company shall be entitled to exercise the Call Option in two phases, i.e. in phase one the Company shall be entitled to purchase from SFS Ventures shares allowing the Company to hold a majority stake in Eurozet shares ("Call Option 1"), and in phase two the Company shall be entitled to purchase all remaining shares in Eurozet held by SFS Ventures ("Call Option 2");
- ii. amendment to Eurozet's corporate governance rules in the event of exercising Call Option 1 by the Company and change in the ownership structure, i.e. change of the majority shareholder of Eurozet;
- iii. establishing rules of mutual cooperation and information exchange between the Company and SFS Ventures as shareholders of Eurozet.

The commencement of the negotiations described above does not mean that they will end with the establishment of final conditions or conclusion of the annex.

In the current report of February 27, 2023 the Management Board of Agora S.A., with reference to the current reports Nos. 4/2021 of February 8, 2021, 15/2022 of May 12, 2022, 28/2022 of July 28, 2022 and 40/2022 of November 15, 2022, hereby informed that on February 27, 2023 the Court of Appeal in Warsaw issued a judgement concerning concentration consisting of Agora taking control over Eurozet sp. z o.o. ("Judgement").

In accordance with the Judgement, the Court of Appeal upheld the judgment of the Court of 1st instance expressing unconditional consent to the takeover of Eurozet sp. z o.o. by Agora

The Judgement is final and binding.

In the current report of February 27, 2023 on the basis of Article. 17 sec. 1 and 4 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (regulation on market abuse) and repealing Directive 2003/6 / EC of the European Parliament and of the Council and Commission directive 2003 / 124 / WE, 2003/125 / EC and 2004/72 / EC ("MAR"), the Management Board of Agora SA hereby disclosed

confidential information on the initiation of negotiations from February 19, 2023 to conclude with SFS Ventures s.r.o. with its seat in Prague a loan agreement to finance purchase of additional package of shares in the company Eurozet sp. z o.o. from SFS Ventures s.r.o., as result of which, the Company would become the majority shareholder of the company Eurozet sp. z o.o. ("Confidential Information").

Contents of the delayed Confidential Information:

The Management Board of Agora S.A. with its registered office in Warsaw ("Company") hereby informs that today the Company commenced negotiations to with SFS Ventures s.r.o. with its seat in Prague ("SFS Ventures") a loan agreement ("Loan Agreement") to finance purchase of additional package of shares in the company Eurozet sp. z o.o. from SFS Ventures s.r.o., as result of which, the Company would become the majority shareholder of the company Eurozet sp. z o.o. ("Shares").

The Loan Agreement is aimed at ensuring means for the Company to finance acquisition of Shares, as a result of the potential execution by the Company of the Shares call option resulting from the Shareholders Agreement of February 20, 2019 concluded between the Company and SFS Ventures as amended ("Call Option"). In case the Call Option is executed, the Company shall become the majority shareholder of the company Eurozet sp. z o.o.

Negotiations shall include, i.a., setting means and range of financing acquisition of Shares by the Company, in particular, the amount of the Loan Agreement, terms and conditions of its repayment and means of securing the lender receivables and also responsibilities of the Company as a borrower.

The commencement of the negotiations described above does not mean that they will end with the establishment of final conditions or conclusion of the negotiated agreement.

Reasons for delaying the transfer of Confidential Information to the public:

In the opinion of the Management Board, the delay in disclosure of the above Confidential Information met the conditions set out in the MAR and the guidelines of the European Securities and Markets Authority (ESMA) regarding the delay in disclosure of confidential information and interactions with prudential supervision of April 13, 2022 ("ESMA Guidelines") at the time of the decision on delay.

In the Management Board's opinion, the immediate disclosure of Confidential Information generated the risk of a negative impact on the course and outcome of the negotiations, the terms of the Loan Agreement and the probability of its conclusion. Considering the materiality of matters covered by the Loan Agreement for the rules of acquiring shares of the company Eurozet sp. z o.o. and the execution of the long-term strategy of Agora Group, disclosing information about the Company's negotiations on the Loan Agreement could contribute to third party interference, which could have a negative impact on the duration and the terms of the Loan Agreement and its very conclusion.

The above could, in particular, result in obtaining conditions worse than in the case of keeping the information confidential, and even the lack of successful completion of the negotiation in future. In the opinion of the Management Board, the above premises meet the criteria for the possibility of infringement of the legally legitimate interest of the issuer specified in point 5.1.10a of the ESMA Guidelines.

Due to the unpredictable outcome of the negotiations, the Management Board decided that publication of the Confidential Information to the public could result in inappropriate assessment of this information and its potential impact on the Company's value by the public.

In the opinion of the Management Board, there were no indications that delay in disclosing Confidential Information could mislead the public, in particular due to the fact that the considered finalization the purchase of the majority package of shares of Eurozet sp. z o.o. from SFS Ventures s.r.o. through external financing (without determining the character of such financing or subject providing such financing) was communicated by the Company as part of its filings and execution of responsibilities of a public company, which shares are listed on the regulated market. In view of the above, there were no grounds to consider that the delay in publishing the Confidential Information to the public contrasts with the market expectations based on the communication previously conducted by the Company.

The Company also took and implemented measures necessary to keep Confidential Information confidential, until it was made public, in particular by implementing, at the level of the Capital Group of the Company, the internal circulation and information protection procedure. At the time of the decision to delay disclosure of the

Confidential Information, pursuant to Art. 18 MAR, a list of persons having access to Confidential Information was prepared, which was monitored on an ongoing basis and updated as necessary.

According to art. 17 sec. 4 MAR, immediately after the publication of this report, the Company will inform the Polish Financial Supervision Authority about the delay of disclosure of the Confidential Information together with an indication of the fulfillment of the reasons for such delay.

In the current report of February 27, 2023 the Management Board of Agora S.A., in connection with regulatory filing No. 11/2022 of April 14, 2022 informed of the amendment to the overdraft agreement and a term loan concluded by the Company with Santander Bank Polska S.A. ("Bank").

In accordance with the amendment, the term in which the Company cannot pay dividends to shareholders is extended until January 1, 2024. Moreover, until the loan granted to the Company by SFS Ventures s.r.o. with its seat in Prague is fully repaid, the Bank's consent for payment of the dividend will have to be granted.

Other provisions of the agreement remain unchanged.

In the current report of February 27, 2023 the Management Board of Agora S.A., with reference to regulatory filing No. 7/2023 of February 19, 2023 and regulatory filing No. 3/2019 of February 20, 2019, together with regulatory filings Nos. 1/2022 of February 1, 2022, 2/2022 of February 16, 2022, 16/2022 of May 19, 2022, 26/2022 of June 29 2022, 29/2022 of July 29 2022 and 31/2022 of August 19, 2022, informed that today the Company has completed negotiations with SFS Ventures s.r.o. with its seat in Prague ("SFS Ventures"), the effect of which is conclusion of Annex No. 6 to the Shareholders' Agreement of February 20, 2019 ("Annex")("Agreement").

The Annex amended, in particular:

- a. the principles of exercising the right to purchase shares of Eurozet held by SFS Ventures ("Call Option") in such a way that the Company shall be entitled to exercise the Call Option in two phases, i.e. in phase one the Company shall be entitled to purchase from SFS Ventures 110 shares constituting 11% of Eurozet's share capital and 11% of the total number of votes at the Eurozet's shareholders' meeting, the execution of which shall allow the Company to hold a majority stake in Eurozet shares ("Call Option 1"), and in phase two the Company or a third party indicated by the Company shall be entitled to purchase all remaining shares in Eurozet held by SFS Ventures ("Call Option 2"). The term to exercise Call Option 2 shall expire on July 31, 2025 (in accordance with provisions of the Agreement). The Annex also introduces changes adapting rules of determining and adjusting the price to the change in exercising the Call Option by the Company. The Company and SFS Ventures also determined the minimum price of shares purchased under Call Option 2, determined in accordance with the formula stipulated in the Agreement;
- b. Eurozet's corporate governance rules to protect rights of the minority shareholder in the event of exercising Call Option 1 by the Company and holding the majority stake in Eurozet by the Company, including (i) personal rights of the Company and SFS Ventures to appoint members of the company's corporate bodies, according to which Agora, as majority shareholder, shall have the personal right to appoint all members of the Management Board and two members of the Supervisory Board, including the Chairperson, (ii) matters in which the consent of the Supervisory Board granted with a qualified majority is required, including agreements concluded with parties related to the Company, the value of which exceeds amount stated in the Agreement;
- c. rules of mutual cooperation and information exchange between the Company and SFS Ventures during the term after exercising Call Option 1 by the Company.

Additionally, the Agreement determines the possibility of reduction of the term to exercise Call Option 2 in the event the Company would not repay the load granted by the Company by SFS Ventures to purchase 110 shares under Call Option 1 in additional term resulting from the loan agreement concluded between the Company and SFS Ventures.

Other provisions of the contract have not been materially changed.

In the current report of February 27, 2023 the Management Board of Agora S.A., in connection with the delayed confidential information, of which the Company informed in the regulatory filing No. 9/2023 of February 27, 2023, hereby informed that today the Company has concluded with SFS Ventures s.r.o. with its seat in Prague (“SFS Ventures”) a loan agreement to finance purchase of 110 shares in the company Eurozet sp. z o.o. (“Eurozet”)(“Loan Agreement”).

In connection with the provisions of the Loan Agreement, SFS Ventures shall grant the Company a loan in the amount of EUR 9,170,000. The loan will be used to finance the purchase of 110 shares of Eurozet from SFS Ventures. The amount of the loan may be increased in future (as a result of the share price adjustment) up to the amount of maximum EUR 11,000,000.

The Company is obligated to repay the loan within 12 months from conclusion of the Loan Agreement, i.e. until February 27, 2024. The Loan Agreement provides for the possibility for early repayment of the loan in whole or in part.

Together with the Loan Agreement, today the Company has signed the following loan repayment security documents:

- a. registered and civil pledge agreement providing for: (i) establishing in favour of SFS Ventures a civil and registered pledge over 220 shares of Eurozet owned by the Company (and in case of the registered pledge – up to the maximum secured amount of EUR 22,000,000), and assignment of the Company’s property rights for dividends and similar payments, attaching all the shares in Eurozet owned by the Company;
- b. the Company's statement of submission to execution in favour of SFS Ventures in accordance with Article 777 § 1(5) of the Code of Civil Procedure as to the obligation to repay the principal amount of the loan, together with incidental receivables.

The Company shall not sell the shares subject to the pledges referred to above without the prior consent of the pledgee and shall allocate the proceeds from any sale of the shares in Eurozet first to the repayment of receivables of SFS Ventures under the loan.

SFS Ventures may demand early repayment of the loan in case of event of default stated in the Loan Agreement.

The loan bears interest at a rate of 9.5% per annum. Interest is payable quarterly, on the dates specified in the Loan Agreement. If the loan is not repaid on time, the interest rate is subject to increase by 3 percentage points, i.e. to 12.5% per year.

In the current report of February 27, 2023 the Management Board of Agora S.A., referring to the Company’s regulatory filing No. 11/2023 of February 27, 2023 and in connection with Judgment of the second instance court regarding the appeal of the Company from the decision of the President of the Office of Competition and Consumer Protection prohibiting the concentration consisting in the takeover by the Company control over Eurozet sp. z o.o. (“Eurozet”), of which the Company informed in the regulatory filing No. 8/2023 of February 27, 2023, informed that the Company decided to exercise, pursuant to the provisions of the Shareholders’ Agreement of February 20, 2019 concluded by the Company with SFS Ventures with its seat in Prague (“SFS Ventures”) as amended by annexes, in particular Annex No. 6 of February 27, 2023 (“Agreement”), option to purchase from SFS Ventures 110 shares in the share capital of Eurozet constituting 11% of the share capital and 11% of the total number of votes at the Eurozet’s shareholders’ meeting (“Call Option 1”).

Simultaneously, the Company, in compliance with provisions of the Agreement, has submitted to SFS Ventures the Call Option 1 request.

In the current report of February 27, 2023 the Management Board of Agora S.A., with reference to regulatory filings Nos. 8, 11, 12, 13 of February 27, 2023, informed that the Company has concluded the Share Purchase Agreement with SFS Ventures s.r.o. with its seat in Prague (“SFS Ventures”) under which the Company purchased 110 shares in the share capital of Eurozet sp. z o.o. (“Eurozet”) (“Agreement”) constituting 11% of the share capital of Eurozet and 11% of the total number of votes at the Eurozet’s shareholders’ meeting (“Shares”), in accordance with the Shareholders’ Agreement concluded between the Company and SFS Ventures on February 20, 2019 as amended (“Shareholders’ Agreement”). Purchase of Shares took place under Call Option 1 described in the Shareholders’ Agreement and in accordance with rules stated thereof.

In compliance with the Shareholders’ Agreement, the Company gained ownership of Shares in exchange for the initial sale price in the amount of EUR 9,170,000. The final price shall be determined in accordance with the formula stipulated in the Shareholders’ Agreement on the basis of financial statements of Eurozet capital group for four full quarters preceding submission of the Call Option 1 request and adjusted by final amounts of some final economic and financial parameters as described in the Shareholders’ Agreement.

The Agreement provides for set-off of mutual accounts receivables: (i) of the Company – payment of the loan agreement concluded by the Company and SFS Ventures on February 27, 2023, and (ii) SFS Ventures – payment of the initial sale price for Shares under the Agreement.

Detailed terms of the Agreement (concerning in particular representations and warranties granted by SFS Ventures in connection with the sale of Shares) do not deviate from market solutions used in contracts for similar transactions.

As a result of the Agreement concluded on February 27, 2023, the Company became owner of 510 shares of Eurozet, constituting 51% of the share capital of Eurozet and 51% of the total number of votes at the Eurozet’s shareholders’ meeting and the majority shareholder of Eurozet.

In line with previous communication (regulatory filing No. 11/2023 of February 27, 2023, in connection with rules stated in the Shareholders’ Agreement, the Company (or a third party indicated by the Company) is entitled to purchase remaining 490 shares of Eurozet under Call Option 2 until July 31, 2025.

► Helios S.A.

Call for the repurchase of shares in a subsidiary.

On 29 March 2016, a minority shareholder (“the Minority Shareholder”) of Helios S.A. holding 320,400 shares in that company, which represent 2.77% of the share capital (“the Shares”), addressed to Helios S.A. a call under Art. 418 (1) of the Code of Commercial Companies (hereinafter: “CCC”) for convening the General Shareholders’ Meeting and putting on its agenda passing a resolution on mandatory sell-out of the Shares (“the Call”).

As a result of: (i) the Call, (ii) further calls made under Article 418(1) of the CCC by the Minority Shareholder and other translation only minority shareholders of Helios S.A. who acquired a part of the Shares from the Minority Shareholder, and (iii) the resolutions passed by the General Shareholders’ Meeting of Helios S.A. on 10 May 2016 and 13 June 2016, two sellout procedures (under Art. 418(1) of the CCC) and one squeeze out procedure (under Article 418 of the CCC) are being finalized at Helios S.A., aimed at the acquisition by two shareholders of Helios S.A., including Agora S.A., the Shares held by the Minority Shareholder and other minority shareholders.

(i) Sell-out procedure

As part of the sell-out of the Shares, by June 30, 2016, Agora transferred to Helios S.A. PLN 2,938 thousand representing the sell-out price calculated in accordance with Article 418(1) par. 6 of the CCC. As at December 31, 2016, the Agora Group recognized on its balance sheet an obligation to purchase the Shares from minority shareholders of Helios S.A. totalling PLN 3,185 thousand. This included PLN 2,938 thousand already transferred by Agora S.A. to Helios S.A. (with the corresponding entry in the Group’s equity under retained earnings/(accumulated losses) and the net profit or loss for the current year) and the total amount transferred by another shareholder of Helios S.A. under the sell-out procedure. As part of the sell-out procedure, on June 2, 2017, PLN 3,171 was transferred by Helios S.A. to the Minority Shareholder for 318,930 shares sold out. Also on June 2, 2017, a total of PLN 14 thousand was transferred to other minority shareholders for the sell-out of 1,460 shares in total. As a result of these transactions, the Group fulfilled its obligation to buy shares recognized on the Group’s

balance sheet. As a result, Agora S.A. increased its shareholding in Helios S.A. from 10,277,800 to 10,573,352 shares, i.e. by 295,552 shares. Thus, Agora S.A. held 91.44% of the shares in Helios S.A.

The shareholders whose shares are subject to the sell out and squeeze out procedures did not agree to the sell-out share price calculated in accordance with Article 418(1) par. 6 of the CCC, and based on Article 418(1) par. 7 of the CCC submitted a motion to the registration court to appoint a registered auditor to determine the price of the shares being sold. The final price of the Shares being subject to the sell out and squeeze out procedures will be determined by the registration court competent for the registered office of Helios S.A. on the basis of an opinion of the registered auditor appointed by the registration court competent for the registered office of Helios S.A., A change in the valuation will result in an adjustment of the price of the shares being sold. The District Court for Lodz Srodniemie in Lodz, the 20th Department of the National Court Register, appointed a registered auditor to value shares under this procedure, both for the sell-out of the Minority Shareholder's shares with regard to 318,930 shares, and for other minority shareholders with regard to 1,460 shares in total. The Minority Shareholder and other minority shareholders referred to in the preceding sentence which had rights under 1,460 shares appealed from the Court's decision appointing the registered auditor. By a valid decision of the Regional Court in Lodz, the 13th Business Appeal Department of February 20, 2019 and September 19, 2019, the appeal of the other minority shareholders having rights under 1,460 shares was dismissed.

(ii) Squeeze-out procedure

The squeeze out procedure which entered into force on July 14, 2016 is carried out with respect to 10 shares. The holder of these shares did not respond to the Company's call published in accordance with the applicable procedure in Monitor Sadowy i Gospodarczy (Court and Business Gazette) calling minority shareholders holding the said shares to submit the share documents to the Company, within two weeks of the publication of the call, under the sanction of cancelling the shares after that date. In connection with the above, on April 7, 2017, the Management Board of Helios S.A. adopted a resolution cancelling these shares and announced this in Monitor Sadowy i Gospodarczy of May 8, 2017.

As at the date of this report, the share valuation procedure in both proceedings is still ongoing.

In the current report of March 28, 2022 the Management Board of Agora S.A. informed that it learned about the signing on 28 March 2022 by Agora's subsidiary - Helios S.A. ("Helios") a preferential loan agreements in the amount of PLN 18,912,907.00 ("Agreement") with Polski Fundusz Rozwoju S.A. based in Warsaw ("PFR") under the Government Program - Financial Shield of the Polish Development Fund for Large Companies ("Program").

Helios may apply for a loan payment until 30 June 2022, after meeting the conditions specified in the Agreement. The deadline for repayment of the loan is 31 December 2027. The loan can be used to finance Helios' day-to-day operations.

The Program Regulations concerning the terms of granting the loan provide for the possibility of redemption of its repayment up to 75% of the amount received, depending on the fulfillment by Helios of the conditions specified in the Agreement. The unredeemed part of the loan is to be repaid in 22 equal quarterly installments starting from 30 September 2022. The loan bears interest at a fixed annual rate.

The loan repayment is secured by: (i) ordinary pledge and registered pledge on the Helios trademark with the highest priority up to the highest security amount of PLN 28,369,360.50, (ii) registered pledge on the shares of the subsidiary Helios - Step Inside Sp. z o.o. based in Łódź with the highest priority to the highest security amount of PLN 28,369,360.50 and (iii) a declaration of submission to enforcement up to the amount of PLN 28,369,360.50 with the deadline for PFR to apply for an enforcement clause as of 31 December 2029.

In the current report of June 3, 2022 the Management Board of Agora S.A. with reference to the current report 9/2022 of 28 March 2022, informs that the Company learned that Agora's subsidiary - Helios S.A. ("Helios") received funds in the amount of PLN 18,912,907.00 under a preferential loan agreement ("Agreement") with Polski Fundusz Rozwoju S.A. based in Warsaw ("PFR") under the Government Program - Financial Shield of the Polish Development Fund for Large Companies ("Program") on 3 June, 2022.

The conditions for receiving funds under the Agreement and the security for the loan repayment have not changed compared to those described in the report no. 9/2022 of 28 March 2022.

In the current report of August 5, 2022 the Management Board of Agora S.A. with reference to the current report 9/2022 of 28 March 2022 and 19/2022 of 3 June 2022, informs that the subsidiary - Helios S.A. received a

declaration on the cancellation of a part of the preferential loan granted to Helios S.A. by the Polish Development Fund S.A. effective from 9 August 2022.

The value of the redemption is PLN 14,070,705.00. The remaining part of the loan amounts to PLN 4,842,202 and will be payable in 22 quarterly installments by the end of 2027.

Under the terms of the Program, Helios also applied for redemption of part of the received funds.

In the current report of August 26, 2022 the Management Board of Agora S.A. in reference to regulatory filing No. 35/2020 of 24 September 2020 and 45/2020 of 23 December 2020, informed that on 26 August 2022, it obtained information on the conclusion by the subsidiary Helios S.A. of Annex no. 1 to the revolving loan agreement with Santander Bank Polska S.A. based in Warsaw ("Santander") with a guarantee of repayment of 80.0% of the loan by Bank Gospodarstwa Krajowego ("BGK"). Under the signed Annex no. 1, the loan repayment date, originally on 26 August 2022, was changed to 26 May 2026. Additionally, the loan repayment in the amount of PLN 20.0 million from a one-off payment has been spread into 44 monthly installments, the repayment of which will start on 26 September 2022.

The other provisions of the contract remain unchanged.

In the current report of September 27, 2022 the Management Board of Agora S.A., in reference to the regulatory filing no. 35/2020 of September 24, 2020, informed that it learned about the change introduced to the overdraft agreement concluded by the subsidiary Helios S.A. with BNP Paribas Bank Polska S.A. based in Warsaw ("BNP Paribas") with a repayment guarantee of 80.0% of the loan by Bank Gospodarstwa Krajowego ("BGK"). Pursuant to the introduced changes, the loan repayment date originally falling on September 24, 2022 was changed to June 24, 2026. Additionally, the loan repayment in the amount of PLN 20.0 million from a one-off payment was spread over 45 monthly installments, the repayment of which will start from 27 September 2022.

The other provisions of the contract remain unchanged.

In the current report of October 14, 2022 the Management Board of Agora S.A. with its registered office in Warsaw ("Agora", "Company") in reference to current reports no. 35/2020 of 24 September 2020, no. 45/2020 of 23 December 2020 and no. 32/2022 of 26 August 2022 r., informed that on 14 October 2022 it obtained information on the execution by the subsidiary Helios S.A. ("Helios") of an amending agreement (the "Agreement") to the revolving loan agreement of 23 December 2020 with Santander Bank Polska S.A. based in Warsaw ("Santander") with a guarantee of repayment of 80.0% of the loan by Bank Gospodarstwa Krajowego, the conclusion of which was reported by the Company in current report no. 45/2020 of 23 December 2020. Under the executed Agreement, it was agreed that Helios will be able to draw the above mentioned revolving loan up to the amount of PLN 11 million, with the condition that amounts exceeding the amount of credit utilisation as of 14 October 2022 will be disbursed upon granting by the Company of a surety for the liabilities of Helios arising out of the disbursement instruction.

The drawdown of the given revolving loan over the amount of PLN 11 million will require a separate decision of Santander.

The other provisions of the revolving loan agreement of 23 December 2020 remain unchanged.

In the current report of November 14, 2022 the Management Board of Agora S.A. informed that on November 14th, 2022, the Management Board of Helios S.A. ("Company"), subsidiary of Agora S.A., in accordance with the Act of March 13th, 2003 on Special Rules for Termination of Employment for Reasons Not Attributable to Employees, resolved to commence the consultation on group layoffs with the representatives of the Company's employees.

The reason for the planned group layoffs is the current economic and financial situation of the Company which has recently been gravely affected by i.a.: lower than the pre-pandemic frequency in Polish cinemas, energy price increase, minimum wage and minimum rate increase, EUR rate increase, other doing business costs increase, and commencement of repayment of loans taken out in connection with tackling Covid-19 effects and doubling of this debt service cost.

The intention of the Management Board of Helios S.A. is to lay off up to 80 employees of the Company (which is ca. 20% of employees of the Company as of November 14th, 2022) between November 22nd and 21st December, 2022.

The Company shall go through these difficult changes in a thought out manner and with care for its employees, offering the dismissed employees a range of protective and supportive initiatives.

On November 14th, 2022 the Management Board of the Company shall request the representatives of the Company's employees to join in the consultation on collective redundancy process and shall provide the relevant Labor Office with information on the intention to execute group layoffs in the Company.

Agora S.A. shall publish a consecutive regulatory filing on collective redundancies after the process of consultation with representatives of the Company's employees is finalized. The final data regarding the amount of the provision and the effect of employment restructuring on the financial results of Agora Group shall be published in the annual financial statements of Agora Group for 2022.

In the current report of November 22, 2022 the Management Board of Agora S.A. with its registered seat in Warsaw, in relation to regulatory filing no. 38/2022 dated November 14, 2022, hereby informed about being informed by the Management Board of the company Helios S.A. ("Company") – subsidiary of Agora S.A. of:

- (i) concluding by the Company the consultation process with employees' representatives, under provisions of the Act of March 13, 2003 on Special Rules for Termination of Employment for Reasons Not Attributable to Employees,
- (ii) adopting by the Management Board of the Company on resolution to execute collective redundancies in the Company, in accordance with the provisions of the regulations as agreed during the consultation process.

Collective redundancies shall be executed from November 22 until December 23, 2022, and shall affect up to 53 employees. Additionally, The Company decided not to prolong given agreements or fill vacancies, which shall decrease headcount of the Company by further 16 employees.

In accordance with the regulations, the laid-off employees will be provided by the Company with a wider range of supportive measures than required by law. The redundancy payment estimated according to law regulations shall be increased by an additional compensation in the amount up to PLN 30,800, depending on the seniority at The Company. The laid-off employees shall be supported by additional protective measures provided by the Company, i.a. basic medical care. The Company, in accordance with requirements of law, shall submit an appropriate set of information, together with the signed consultation minutes, to a relevant Labor Office.

The estimated amount of provision for collective redundancies which will be charged to the Company and Agora Group's result in 4Q2022, shall amount to approximately PLN 1.9 million. The Company estimates that the restructuring measures may result in the annual savings may amount to approximately PLN 5.45 million.

Agora S.A. shall provide its estimates of costs and savings related to the process of collective redundancies in the Management Discussion and Analysis in the annual report for 2022.

In the current report of December 23, 2022 the Management Board of Agora S.A. in reference to regulatory filing No. 35/2020 of September 24, 2020 and 45/2020 of December 23, 2020, informed that on December 23, 2022 it obtained information that the company Helios S.A. ("Helios") obtained from BNP Paribas Bank Polska S.A. with its registered office in Warsaw ("BNP") information on pending decision process concerning extension of repayment date of loan granted under overdraft agreement dated December 23, 2020 ("Agreement"). In accordance with information obtained by Helios, until the final loan decision, BNP shall not exercise its rights concerning repayment of debt under the Agreement.

The Company will report relevant events regarding the above process as required by law.

In the current report of December 23, 2022 the Management Board of Agora S.A. in reference to regulatory filing No. 35/2020 of September 24, 2020, 45/2020 of December 23, 2020, 32/2022 of August 26, 2022 and 35/2022 of October 14, 2022, informed that on December 23, 2022, it obtained information on the conclusion by the subsidiary Helios S.A. of annex ("Annex") to the revolving loan agreement with Santander Bank Polska S.A. based in Warsaw ("Santander") with a guarantee of repayment of 80.0% of the loan by Bank Gospodarstwa Krajowego, the conclusion of which was communicated by the Company in the regulatory filing No. 45/2020 of December 23, 2020 ("Agreement").

Under the Annex, it was decided that the amount of the loan was reduced to PLN 8.5 million, and repayment was spread over a period until December 23, 2025. Accordingly, the loan repayment guarantee by Bank Gospodarstwa Krajowego is reduced accordingly, i.e. to PLN 6,800,000.00.

The Annex provides, inter alia, the obligation of Helios to maintain DSCR (debt-service coverage ratio) and Net Debt / EBITDA ratio on a certain level, as well as achievement of certain levels of EBITDA and CAPEX (capital expenditures). In addition, Helios has been obliged to establish additional collateral for Santander: i) a mortgage up to PLN 90,000,000.00, ii) an assignment of receivables from real estate insurance contracts, and iii) the granting of a surety by the Company up to PLN 9 million.

The Annex entered into force today.

In the current report of January 27, 2023 the Management Board of Agora S.A. in reference to regulatory filings Nos. 35/2020 of September 24, 2020, 32/2022 of August 26, 2022 and 44/2022 of December 23, 2022, informed that it obtained information on the conclusion by the subsidiary Helios S.A. of Annex no. 2 ("Annex") to the revolving loan agreement with Santander Bank Polska S.A. based in Warsaw ("Santander"), which was communicated by the Company in regulatory filing No. 35/2020 of September 24, 2020 ("Agreement"). The Company, as the guarantor, has expressed its consent for conclusion of the Annex on January 27, 2023.

Pursuant to the Annex, collaterals defined by the Agreement have been changed in such a way that within the additional collateral of debt repayment under the Agreement, the Company has secured repayment of debt under the Agreement by means of a surety in the amount of up to PLN 9 mio granted in connection with the revolving loan agreement with Santander with a guarantee of repayment of 80.0% of the loan by Bank Gospodarstwa Krajowego, the conclusion of which was communicated by the Company in the regulatory filing No. 44/2020 of December 23, 2020. The surety is additionally secured by means of a declaration of submission to execution made in the form of a notarial deed.

Other provisions on the collaterals remain unaltered.

The Annex also provides for adjustment of the financial indicators (i.a. DSCR (debt-service coverage ratio) and Net Debt / EBITDA ratio) that the company Helios S.A. is required to maintain, parallel to those indicated in regulatory filing No. 44/2022 of December 23, 2022.

In the current report of February 17, 2023 the Management Board of Agora S.A. in reference to the regulatory filing Nos. 43/2022 of December 23, 2022, 34/2022 of September 27, 2022 and 35/2020 of September 24, 2020, informs that it learned about the change introduced to the overdraft agreement concluded by the subsidiary Helios S.A. with BNP Paribas Bank Polska S.A. based in Warsaw on December 23, 2020 ("Agreement") with a repayment guarantee of 80.0% of the loan by Bank Gospodarstwa Krajowego.

Pursuant to the introduced changes, the amount of the available loan was reduced to the amount of PLN 9 mio. Repayment of the loan will be made until December 31, 2025 in accordance with the schedule accepted by the parties to the Agreement. The amendment also includes replacing the existing loan collateral in the form of a deposit with a surety in the amount of PLN 9 mio granted by the Company.

The other provisions of the Agreement remain unchanged.

▶ **Helios Media Sp. z o.o.**

On September 1, 2022 the company Helios Media Sp. z o.o., whose sole shareholder is Helios S.A., was registered in the National Court Register.

▶ **Next Script Sp. z o.o.**

On October 27, 2022 Next Film Sp. z o.o. acquired from Last Moment Production Sp. z o.o. 800 shares in Next Script Sp. z o.o.

On 14 November 2022 Next Film Sp. z o.o. acquired 800 shares in Next Script Sp. z o.o. from Dariusz Michalczewski, thereby Next Film on 14 November 2022 became the sole shareholder in Next Script Sp. z o.o. holding all 9400 shares of the share capital.

▶ **Plan A Sp. z o.o.**

On June 2, 2022, the Extraordinary Shareholders Meeting of Plan A Sp. z o.o. adopted a resolution on increasing the share capital of Plan A Sp. z o.o. from PLN 10 thousand to PLN 15 thousand by creating of 100 new equal and indivisible shares with a nominal value of PLN 50.00 each, with a total nominal value of PLN 5,000.00. All newly

created shares in the number of 100 were intended for acquisition by the sole shareholder of the Company, i.e. Agora S.A., and will be fully covered by a cash contribution in the amount of PLN 50,000.00. The surplus over the nominal value of the shares taken up, i.e. the amount of PLN 45,000.00, will be transferred to the company's supplementary capital.

▶ **Plan D Sp. z o.o.**

On July 18, 2022 the Extraordinary Meeting of Shareholders of Plan D Sp. z o.o., pursuant to §7(1) of the Articles of Association, appointed Mr Paweł Czajkowski to serve as a Member of the company's Management Board.

▶ **Plan G Sp. z o.o.**

On October 5, 2022 the company Plan G Sp. z o.o., whose sole shareholder is Agora S.A. As, was established. At the publication date of the report, the company has not yet been registered with the National Court Register.

On January 27, 2023 the company Plan G Sp. z o.o. was registered in the National Court Register.

▶ **Step Inside Sp. z o.o.**

On March 25, 2022, AMS SERWIS Sp. z o.o. and Step Inside sp. z o.o. concluded an agreement whereby Step Inside sp. z o.o. was granted a cash loan of PLN 3,700,000.00 to be repaid within 3 years from the date of conclusion of the loan agreement.

On January 31, 2023, AMS SERWIS Sp. z o.o. and Step Inside sp. z o.o. concluded an agreement whereby Step Inside sp. z o.o. was granted a cash loan of PLN 2,000,000.00. Repayment of the loan was spread over 8 quarterly installments. Repayment of the last installment was set for December 30, 2025.

▶ **Yieldbird International Ltd**

On July 27, 2022 Yieldbird International Ltd was incorporated, which is a company under UK law with Yieldbird Sp. z o.o. as the sole shareholder. Agora S.A. holds 100% of the shares in Yieldbird Sp. z o.o.

▶ **Yieldbird Sp. z o.o.**

On December 9, 2022, Agora S.A. acquired 41 shares in Yieldbird Sp. z o. o. from minority shareholders. The total purchase price of the shares was PLN 2.214.785,00. As a result of this transaction, Agora S.A. z o. o. became the sole shareholder of the company and holds 967 shares in the share capital of Yieldbird sp. z o. o. with a total nominal value of PLN 48.350,00.

The above change was registered by the District Court for the capital city of Warsaw in Warsaw on January 19, 2023.

3. PARTICIPATION IN BUSINESS ORGANIZATION, HOME AND FOREIGN

The Agora Group wants to actively influence the environment it operates in. Therefore, its related companies are active members and participants of organizations involving business specialists in fields important for Company's activities. Group's representatives participate in the activities, inter alia, of the following major organizations:

- Polish:

- Confederation of Private Employers „Lewiatan”,
- Polish Association of Stock Exchange Issuers,
- Press Publishers Chamber,
- National Circulation Audit Office (ZKDP),
- Polish Internet Survey,
- Internet Advertising Bureau Polska,
- IGRZ – Outdoor Advertising Economic Chamber,
- ReproPol (Association),
- Polish Cinemas Association,
- Polish New Cinemas Association,
- IAA Polska – International Advertising Association, Poland,

- ZPAV – Association of Audio Video Producers,
- KIPA – The Polish Audiovisual Producers Chamber of Commerce
- Polish Chamber of Books.
- Foreign:
 - INMA – International Newsmedia Marketing Association,
 - EPC – European Publishers Council.
 - EGTA - *European Group of Television Advertising,*
 - UNIC - *International Union of Cinemas.*

Moreover, the Company is active in social and charitable activities, inter alia, through Agora Foundation, *Wysokie Obcaszki* Foundation and *Gazeta Wyborcza* Foundation. Through Inforadio Sp. z o.o. Agora also participates in the TOK FM Foundation.

4. MAJOR DOMESTIC AND FOREIGN INVESTMENTS

In 2022 carrying amount of intangible assets of the Group (magazine titles, goodwill, licenses and patents, other) decreased by PLN 44.7 million (cost increased by PLN 26.7 million, amortisation and impairment losses for the period increased by PLN 71.4 million). Detailed information on intangible assets is included in note 3 to the consolidated financial statements.

In 2022 carrying amount of property, plant and equipment of the Group decreased by PLN 9.8 million (cost increased by PLN 28.5 million, depreciation and impairment losses for the period increased by PLN 38.3 million). Detailed information on property, plant and equipment is included in note 4 to the consolidated financial statements.

In 2022 the Group acquired additional shares in Yieldbird Sp. z o.o. and Next Script Sp. z o.o., as described in the section V.B.2 of this Management Discussion and Analysis.

The capital investments (shares, contribution to capital, loans) made outside the Agora Group (companies excluded from consolidation and equity accounting) in 2022 decreased by PLN 1.0 million. Detailed information is included in note 6 to the consolidated financial statements.

In 2022, the investments of the Group were financed from own funds, except for capital expenditures on property, plant and equipment related to new cinema equipment and restaurants, which were partially financed by means of bank loans and finance lease arrangements.

In 2022 the Group invested its free cash outside its capital group mainly in bank deposits. As at the end of 2022, the amount of such investments was equal to PLN 35.3 million.

5. CHANGES IN THE SHAREHOLDERS' STRUCTURE OF THE COMPANY

In accordance to the formal notifications received from the shareholders, particularly on the basis of Article 69 of Act of July 29, 2005, on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, as at the day of publication of the annual report for 2021 the following shareholders were entitled to exercise over 5% of voting rights at the general meeting of shareholders of the Company:

Tab.22

	no. of shares	% of share capital	no. of votes	% of voting rights
Agora-Holding Sp. z o.o. <i>(in accordance with the last notification of September 24, 2015) (1)</i>	5,401,852	11.60	22,528,252	35.36
Powszechne Towarzystwo Emerytalne PZU S.A. (Otwarty Fundusz Emerytalny PZU Zlota Jesien and Dobrowolny Fundusz Emerytalny PZU) <i>(in accordance with the last notification of December 27, 2012) (1)</i>	7,594,611	16.30	7,594,611	11.92
including: Otwarty Fundusz Emerytalny PZU Zlota Jesien <i>(in accordance with the last notification of December 27, 2012) (1)</i>	7,585,661	16.28	7,585,661	11.91
Media Development Investment Fund, Inc. (MDIF Media Holdings I, LLC) <i>(in accordance with the formal notification of June 6, 2016) (1)</i>	5,350,000	11.49	5,350,000	8.40
Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A. (Nationale-Nederlanden Otwarty Fundusz Emerytalny and Nationale Nederlanden Dobrowolny Fundusz Emerytalny) <i>(in accordance with the last notification of June 9, 2016) (1)</i>	4,493,055	9.65	4,493,055	7.05

(1) Number of shares according to the shareholder's notification – as at August 23, 2018; proportion of voting rights and percentage of the share capital of Agora S.A. were recalculated by the Company after reduction of the Company's share capital.

In accordance to the formal notifications received from the shareholders, particularly on the basis of Article 69 of Act of July 29, 2005, on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, as at the day of publication of this annual report, there were no changes in the shareholding structure.

The Management Board of Agora SA does not have any information about contracts, which may result in future changes in the proportions of shares held by existing shareholders.

V.C. OTHER SUPPLEMENTARY INFORMATION

1. TRANSACTIONS WITH RELATED PARTIES

Following types of transactions are witnessed within the Agora Group:

- ▶ advertising and printing services,
- ▶ rent of machinery, office and other fixed assets,
- ▶ sale of rights and granting licenses to works,
- ▶ production and service of advertising panels,
- ▶ providing various services: legal, financial, administration, trade, sharing market research results, data transmission, outsourcing,
- ▶ grant and repayment of loans and interest revenues and costs,
- ▶ dividend distribution,
- ▶ cash pooling settlements,
- ▶ settlements within the Tax Capital Group.

The above transactions within the Agora Group are carried out on arm's length basis and are within the normal business activities of companies. Detailed information on transactions with related parties is disclosed in note 39 to the consolidated financial statements.

2. AGREEMENTS BETWEEN THE COMPANY AND MANAGEMENT BOARD'S MEMBERS ON COMPENSATION IN CASE OF RESIGNATION OR DISMISSAL

In accordance with binding employment contracts concluded with members of the Management Board of Agora S.A., during the period of 30 months starting the day:

- ▶ on which the right of the shareholders holding series A shares to nominate candidates to the Management Board is removed from the Company's Statute;
- ▶ on which one entity or a group of entities acting in concert exceeds the 50% threshold of the total number of votes at the General Meeting of Shareholders of Agora S.A.;
- ▶ on which the Supervisory Board of the Company is appointed by voting by separate groups, should any of these contracts be terminated by the Company (Article 385 § 3-9 of the Code of Commercial Companies), the Management Board member will receive a compensation payment in the total amount being a sum of the following components:
 - (i) the amount equivalent to 12 times the monthly basic remuneration due to the member of the Management Board of Agora S.A. for the month preceding the month in which the member of the Management Board of Agora S.A. receives the termination notice;
 - (ii) the amount equivalent to the annual bonus for the financial year preceding the year of termination of the employment contract.

The redundancy payment mentioned above shall not be due when the employment contract is terminated for reasons indicated in Article 52 § 1 of the Labour Code.

3. REMUNERATION, BONUSES AND BENEFITS OF THE ISSUER'S MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS AND MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS OF ITS SUBSIDIARIES

The remuneration paid by Agora S.A. to Management Board members in 2022 amounted to PLN 6,006 thousand (2021: PLN 5,530 thousand). This amount includes salary and bonus payments for the period of holding the post of a Management Board member.

The remuneration paid by Agora S.A. to Supervisory Board members in 2022 amounted to PLN 624 thousand (2021: PLN 624 thousand).

Tomasz Jagiello received also remuneration as the President of the Management Board of Helios S.A. in the amount of PLN 386 thousand (in 2021: in the amount of PLN 423 thousand). The other members of Agora's Management and Supervisory Board did not receive any remuneration for serving as board members in subsidiaries, joint-controlled entities and associates.

Detailed information concerning remuneration of the Management Board and Supervisory Board Members is presented in note 27 to the consolidated financial statements.

The information related to liabilities to former Management Board members is described in note 19 to consolidated financial statements.

In 2022 the remuneration of Management and Supervisory Board Members in subsidiaries amounted to PLN 8,235 thousand (in 2021: PLN 7,888 thousand).

The Agora Group also executed incentive programs based on financial instruments, in which Management Board members of Agora S.A. and Management Board members of subsidiary Yieldbird Sp. z .o.o. participated. Detailed information concerning these plans is presented in note 28 to the consolidated financial statements.

To the best of the Company's knowledge, the Management and Supervisory Board Members of the companies comprising the Agora Group have not been entitled to remuneration, monetary awards and benefits, other than described above, paid out, due or potentially due to holding their posts.

4. THE SHARES IN AGORA S.A. AND ITS RELATED PARTIES OWNED BY MEMBERS OF THE MANAGEMENT BOARD

In the described periods, the members of the management boards of subsidiaries of Agora S.A. or members of the Management Board of Agora S.A. did not hold shares in the Company or in its related companies, except for described below.

4.1. SHARES IN AGORA S.A.

Tab.23

	as of December 31, 2022 (no. of shares)	Nominal value (PLN)
Bartosz Hojka	2,900	2,900
Wojciech Bartkowiak (1)	0	0
Tomasz Grabowski	0	0
Tomasz Jagiełło	0	0
Anna Kryńska-Godlewska	0	0
Agnieszka Siuzdak-Zyga (2)	0	0

(1) Wojciech Bartkowiak was appointed to the Management Board of the Company on April 21, 2022.

(2) Agnieszka Siuzdak-Zyga was a Member of the Management Board of the Company until August 31, 2022.

4.2 SHARES IN RELATED PARTIES

The status of ownership of shares in subsidiaries and associates by the members of the boards of subsidiaries and associates to Agora S.A. as of December 31, 2022 presents the table below.

Tab.24

	as of December 31, 2022 (number of shares)	Nominal value (PLN)
Members of the Management Board of Agora S.A. holding shares in Agora – Holding Sp. z o.o.		
Bartosz Hojka	1	10,427.84
Members of the Management Board of Agora TC Sp. z o.o. holding shares in Agora S.A.		
Maciej Łopaciński	195	195
Members of the Management Board of AMS S.A. holding shares in Agora S.A.		
Marek Kuzaka	2,172	2,172
Małgorzata Augustyniak	2,942	2,942
Members of the Management Board of AMS SERWIS Sp. z o.o. holding shares in Agora S.A.		
Marek Kuzaka	2,172	2,172
Members of the Management Board of Doradztwo Mediowe Sp. z o.o. holding shares in Agora S.A.		
Adam Fijalkowski	17,400	17,400
Members of the Management Board of Grupa Radiowa Agory Sp. z o.o. holding shares in Agora S.A.		
Adam Fijalkowski	17,400	17,400
Members of the Management Board of Goldenline Sp. z o.o. holding shares in HRLink Sp. z o.o.		
Arkadiusz Kuchto	23	1,840
Members of the Management Board of Helios S.A. holding shares in Helios S.A.		
Tomasz Jagiello	833,838	83,383
Katarzyna Borkowska	68,264	6,826
Grzegorz Komorowski	44,000	4,400
Magdalena Gorzelniak	15,800	1,580
Members of the Management Board of Helios Media Sp. z o.o. holding shares in Helios S.A.		
Marcin Jamróż	22,000	2,200
Members of the Management Board of HRLink Sp. z o.o. holding shares in HRLink Sp. z o.o.		
Arkadiusz Kuchto	23	1,840
Members of the Management Board of IM 40 Sp. z o.o. holding shares in Agora S.A.		
Adam Fijalkowski	17,400	17,400
Members of the Management Board of IM 40 Sp. z o.o. holding shares in IM 40 Sp. z o.o.		
Jan Chojnacki	933	93,300
Members of the Management Board of Inforadio Sp. z o.o. holding shares in Agora S.A.		
Adam Fijalkowski	17,400	17,400
Members of the Management Board of Optimizers Sp. z o.o. holding shares in Agora S.A.		
Marek Kuzaka	2,172	2,172
Members of the Management Board of Step Inside Sp. z o.o. holding shares in Step Inside Sp. z o.o.		
Jan Kulisiewicz	132	6,600
Members of the Management Board of Video OOH Sp. z o.o. holding shares in Agora S.A.		
Marek Kuzaka	2,172	2,172
Members of the Management Board of Video OOH Sp. z o.o. holding shares in Video OOH Sp. z o.o.		
Michał Maciuk (1)	4	400
Members of the Management Board of Yieldbird Sp. z o.o. holding shares in Yieldbird Sp. z o.o. (2)		
Marcin Ekiert	0	0
Bartłomiej Chmiel	0	0

(1) Michał Maciuk was a Member of the Management Board of Video OOH Sp. z o.o. until July 22, 2022.

(2) On December 9, 2022, Agora S.A. acquired 41 shares in Yieldbird Sp. z o.o. from minority shareholders. The total purchase price of the shares amounted to PLN 2,214,785.00. As a result of this transaction, Agora S.A. z o.o. became the sole shareholder of the company

5. THE SHARES IN AGORA S.A. AND ITS RELATED PARTIES OWNED BY MEMBERS OF THE SUPERVISORY BOARDS

In the described periods, the members of the supervisory board of Agora S.A. or members of the supervisory boards of its subsidiaries did not hold shares in the Company or in its related companies, except for described below.

5.1. SHARES IN AGORA S.A.

The status of ownership of shares in Agora S.A. by the members of the Supervisory Board is presented below:

Tab.25

	as at December 31, 2022 (number of shares)	Nominal value (PLN)
Andrzej Szlezak	0	0
Dariusz Formela	0	0
Tomasz Karusewicz	0	0
Wanda Rapaczynski	882,990	882,990
Tomasz Sielicki	33	33
Maciej Wisniewski	0	0

The members of the Supervisory Board did not have any rights to shares (options).

5.2. SHARES IN RELATED COMPANIES

Tab.26

	as of December 31, 2022 (no. of shares)	Nominal value (PLN)
Members of the Supervisory Board of Agora S.A. holding shares in Agora – Holding Sp. z o.o.		
Wanda Rapaczynski	1	10,427.84
Members of the Supervisory Board of AMS S.A. holding shares in Helios S.A.		
Tomasz Jagiello	833,838	83,383
Members of the Supervisory Board of AMS S.A. holding shares in Agora – Holding Sp. z o.o.		
Bartosz Hojka	1	10,427.84
Members of the Supervisory Board of Helios S.A. holding shares in Agora – Holding Sp. z o.o.		
Bartosz Hojka	1	10,427.84
Members of the Supervisory Board of Step Inside Sp. z o.o. holding shares in Step Inside Sp. z o.o.		
Piotr Staszczynski	132	6,600

6. CHANGES IN BASIC MANAGEMENT RULES IN THE ENTERPRISE OF THE ISSUER AND ITS CAPITAL GROUP

On June 30, 2022, the District Court of the capital city of Warsaw in Warsaw, 13th Commercial Division of the National Court Register registered amendment to the company's statutes, pursuant to the resolution No. 31 of the Ordinary Shareholders Meeting of the Company, adopted on June 21, 2022, which was communicated by the Company through the regulatory filing No. 27/2022 of June 30, 2022.

In accordance with the new wording of the Company's Statutes, from June 30, 2022, joint action of two members of the Management Board is required to make declarations of intent regarding the Company's property rights and obligations and to sign on its behalf.

The process of changing the mode of representation was also enforced in companies from the Agora Capital Group where there are more than one member of the management board.

Moreover, in connection with the amendment of the Commercial Companies Code, which came into effect on October 14, 2022, resulting from the Act of February 9, 2022, amending the Act - Commercial Companies Code and

certain other acts, the Company's Supervisory Board adopted, by resolution, the principles of the Company's Management Board's performance of its information obligations to the Supervisory Board.

In line with the adopted principles, the Company's Management Board informs the Supervisory Board of the adopted resolutions, situation of the Company and the Agora Group, including with regard to the Company's and its subsidiaries' assets, as well as of significant circumstances in the conduct of the Company's and its subsidiaries' affairs, particularly in the operational, legal and investment areas, by providing the Supervisory Board with a quarterly report on the Company's activities summarizing significant changes in senior personnel that have occurred at the Company and its subsidiaries.

Furthermore, the Company's Management Board informs the Supervisory Board of the progress in implementation in the set directions of the Company's and Agora Group's business development or implementation of the strategy indicating deviations from the previously set directions and the reasons for them.

What is more, the Company's Management Board shall provide the Audit Committee of the Company's Supervisory Board with information on transactions and other events or circumstances that materially affect or may affect the Company's or its subsidiaries' financial position, including their profitability or liquidity, immediately after their occurrence.

Additionally, the Company's Management Board immediately informs the Supervisory Board of a significant change in the factual or legal situation forming the basis for the information provided to the Supervisory Board or its advisory body in a situation where the information materially affects or may affect the situation of the Company or the Agora Group.

7. INFORMATION ON CREDIT AND LOAN AGREEMENTS TAKEN/TERMINATED IN 2022 AND GUARANTEES RECEIVED BY AGORA S.A. OR ITS SUBSIDIARIES

In 2022 no credit or loan agreements were terminated for the Company or its subsidiaries and also nor the Company or its subsidiaries terminated any credit or loan agreements.

a) Agora S.A.

As at December 31, 2022 the Company had an investment loan facility and overdraft in Santander Bank Polska S.A. on the basis of the Agreement signed on April, 14 2022.

Tab.27

Creditor	Amount of the credit line	Currency	Interest rate (%)	Agreement date	Maturity date
Santander Bank Polska S. A.	PLN 32 million	PLN	WIBOR 3M + bank margin	April 14, 2022	investment loan facility; quarterly 12 instalments from June 30, 2022 to March 31, 2025
Santander Bank Polska S. A.	PLN 35 million	PLN	WIBOR 3M + bank margin	April 14, 2022	overdraft; may be used until April 22, 2024.

More information concerning the annexes to agreements with DNB Bank Polska S. A. is described in point V.A.1 of this MD&A.

b) subsidiaries

In 2022, the company Helios S.A. received performance guarantees in the total amount of PLN 101 thousand with expiry date till July 14, 2027.

In 2022 the company Helios S.A. signed a preferential loan agreement in the amount of PLN 18,913 thousand. More detailed information concerning loans, including amounts outstanding as at 31 December 2022, is presented in note 15 to the consolidated financial statements.

8. INFORMATION ON LOANS GRANTED IN 2022 AND GUARANTEES

Information on loans granted by Agora S.A. or by its subsidiaries in 2022 is described in the table below:

Tab.28

No.	Borrower	Lender	Amount of loan (in PLN thousand)	Currency	Interest rate (%)	Agreement date	Maturity date
1	Optimizers Sp. z o.o.	AMS Serwis Sp. z o.o.	3,000	PLN	WIBOR 3M+3.35%	21-Jan-21	30-Jun-27
2	Step Inside Sp. z o.o.	AMS Serwis Sp. z o.o.	3,700	PLN	WIBOR 3M+3%	25-Mar-22	30-Mar-25
3	Hrlink Sp. z o.o.	Agora S.A.	460	PLN	WIBOR 3M+3.5%	23-Nov-22	31-Mar-27

Detailed information on contingent liabilities is presented in note 37 to the consolidated financial statements.

9. THE SYSTEM OF CONTROL OF EMPLOYEE SHARE SCHEMES

In 2022 there was not any employee share scheme.

10. INFORMATION ABOUT THE SELECTION AND AGREEMENTS SIGNED WITH AN AUDITOR ENTITLED TO AUDIT FINANCIAL REPORTS

Pursuant to the resolution of the Supervisory Board of November 7, 2019 and in accordance with the provisions of the Company's Articles of Association, KPMG Audyt Spółka z ograniczoną odpowiedzialnością spółka komandytowa based in Warsaw at 4A Inflancka Street, entered on the list of entities authorized to audit financial statements with the number 3546, has been selected as the certified auditor of the Company and the Group, which will examine the financial statements for 2020, 2021 and 2022.

Information about the agreements and the values from those agreements concluded with the certified auditor is disclosed below (net amounts in PLN thousand):

Tab.29

in PLN thousand	Financial year ended 31 December 2022	Financial year ended 31 December 2021
Remuneration for audit (1)	307.2	239.6
Other attestation services, including remuneration for review (1)	100.8	86.1

(1) Remuneration includes the amounts paid and due for professional services related to audit and review of unconsolidated and consolidated financial statements of the Company for a particular year (data based on three-year agreement signed on July 8, 2020 and on amendment no.2 as of March 18, 2021).

11. INFORMATION ABOUT FINANCIAL INSTRUMENTS

Information about financial statements in respect of:

- risk: price risk, credit risk, material disruptions to cash flow and risk of liquidity problems, on which the Group is exposed and
- objectives and methods of financial risk management

is disclosed in notes 34 and 35 to the consolidated financial statements.

12. INFORMATION ON CAPABILITY OF EXECUTION OF INVESTMENT PLANS

As at the date of this MD&A report, considering the cash position, the cash pooling system functioning in the Group and available credit facility, the Agora Group does not anticipate any liquidity problems with regards to its further investment plans (including capital investments) in 2023.

13. THE DESCRIPTION OF BASIC HAZARDS AND RISK

▀ Macroeconomic risk

The volume of advertising revenues depends on the general economic situation in Poland and Europe. These revenues increase during periods of economic recovery, and decrease during economic downturns. In 2022, the factors that significantly affected the Polish economy, the value of the advertising market and the activity of advertisers were the course of the COVID-19 pandemic and the restriction of business activity as late as the first quarter of 2022, and the outbreak of war in Ukraine in February 2022. These factors may affect decisions on whether or not to hold back promotional spending due to uncertainty about the further development of the pandemic and the situation in Ukraine and their consequences for the country's economy. Despite these circumstances, in 2022 advertisers spent 4.5% more on advertising than a year earlier. It should be remembered that the value of advertising revenues depends not only on the volume of ads and advertisements, but also on the prices received for the publication of these ads by the media. In 2023, the macroeconomic situation in Poland may be affected by the still ongoing war following Russia's attack on Ukraine. Its effects are already evident in the weakening of the Polish currency, which, together with rising commodity prices, particularly for fuel, will result in continued high inflation. Raising interest rates may further curb consumer demand. This will have a dampening effect on economic growth and may lead businesses to reduce investment in advertising.

▀ Risk related to COVID-19

The COVID-19 pandemic and government actions taken to limit further spread of the virus had a significant impact on Agora Group's business in both 2020, 2021 and 2022. With new variants of the virus and business restrictions being introduced, Agora Group's results will remain vulnerable to the negative impact of sanitary restrictions caused by a possible pandemic.

Most of the factors related to the pandemic, which have determined and may determine the Agora Group's results in the future, are completely beyond Agora's influence and depend on, among other things, actions taken by government authorities (including restrictions on business activities introduced), the pace at which various sectors of the economy return to full operations, changes in the value of GDP or the level of inflation in Poland.

Both Agora and all the companies in its Group have taken and will continue to take a number of measures to minimize the losses caused by the COVID-19 pandemic and to quickly return the Group to a path of growth in both revenues and operating results. As of the date of this report, Agora's Management Board expects that the efforts undertaken, will have a positive effect. However, the above assumptions are based on analyses and forecasts whose accuracy cannot be assessed, due to the fact that they were prepared in an unprecedented situation. The outbreak of the COVID-19 pandemic has forced governments around the world to take actions that have significantly interfered with the economic development of each of them by imposing restrictions aimed at further spread of the virus. The further development of the COVID-19 pandemic and subsequent actions that may be introduced by the Polish government to combat the pandemic are unknown to the Company. Their duration and scale may materially affect the analyses and estimates prepared by the Company, particularly with regard to the value of the advertising market, the number of cinema tickets sold and bar sales, as well as revenues from the sale of publications.

▀ Climate risk

Climate risks, or risks arising from the consequences of climate change. These are risks both determined by violent weather events and arising from the need for the economy to adapt to gradual climate change, in particular the use of low-carbon solutions. Climate risks pose a real threat to Agora's business, as in the event of a shortage/reduction of raw materials to enable all Group companies to manufacture products and provide services, the organization will be forced to change the way it conducts its current business. In 2021 The Agora Group conducted an identification and analysis of climate risks and the resulting threats and opportunities. In addition, their time horizon and management were determined.

The study was conducted in accordance with the **AXIS** (Amplification, eXclusion, Intensification, Seizure) methodology and included three stages:

1. analysis of significant climate risks in a group of companies comparable to the Agora Group;
2. a questionnaire survey involving the Board of Directors and executives of all operating segments of the Agora Group;
3. calculation of results and categorization of identified risks, threats and opportunities.

In accordance with the methodology used, 2 opportunities and 4 threats were classified in category **S (Seizure)**, that is, they were considered significant and subject to active management. Threats and opportunities belonging to categories **I (Intensification)** and **A (Amplification)** are subject to monitoring and, in selected cases, management. Most risks and opportunities belonging to category **X (eXclusion)** are subject only to monitoring. Conclusions from the survey of climate risks have been incorporated into the Agora Group's risk management system in place. Further monitoring and identification of climate change risks is carried out periodically as part of the review of non-financial risks. The study was conducted in cooperation with the external consulting firm.

The results of the climate risk analysis conducted in 2021 are also valid for 2022 and 2023. The study will be updated in 2024.

The results and a detailed description of the methodology of the current study can be found in the "**ESG Report of the Agora S.A. Group and Agora S.A. Company.**" available at: reportesg.agora.pl

▀ **Seasonality of advertising spending**

The Group's revenues from the sale of advertising services are characterized by seasonality. They tend to be lower in the first and third quarters than those obtained in the second and fourth quarters of a given fiscal year. In 2021, the cyclicity of advertising revenues was severely disrupted by the outbreak of the COVID-19 pandemic. In 2022, the market partially recovered, although it is currently difficult to assess how advertising spending will develop in 2023 in Poland and in which quarter. This is also related to the fact that it is hard to estimate how the impact of the war in Ukraine will disrupt economic activity.

▀ **Advertising market structure and the position of individual media in readership, TV and radio audience market**

The Group's advertising revenues are generated by the following media: press, outdoor advertising, radio stations, internet and cinemas. In 2022, the structure of the advertising market was seriously affected by the course of the war in Ukraine. As a result of the structural changes taking place in the media and their convergence, the media in the Group's portfolio are competing for advertising revenues not only with other players in their segments, but also with TV broadcasters, which accounted for 40.5% of the advertising market in 2022. Another large segment of the advertising market, with a 44.0% share, was the Internet. Advertising spending in magazines and dailies accounted for 2.5% and 1.0% of total ad spending, respectively. By means of outdoor advertising media, the following were realized in 2022. 5.0% of all advertising expenditures, while radio advertising accounted for 6.0% of all advertising expenditures. Meanwhile, cinema advertising accounted for 1.0% of all advertising spending. Observing the dynamics of individual media, and given the high uncertainty about the value of the advertising market in 2023, there is a risk that the shares of individual media in the total advertising market will fluctuate, which could affect the Group's position and revenues. A factor that will affect the structure of this market in 2023 will be the effects of the war in Ukraine and the macroeconomic situation in Poland, which have affected different segments of the advertising market to varying degrees. In addition, as a result of the changes described above and consolidation in the advertising market, competition between different media is intensifying, which may affect the Group's advertising revenues. Furthermore, due to changes in the media and technological developments, there is no assurance that the Group will be able to respond to the above changes to the right degree and at the right time, which may have a negative impact on its position and results. Advertising revenues also depend on the Group's position in the reading, listening and viewing markets. Due to the process of structural changes taking place in the way media are consumed, the market is changing dynamically and some segments may gain and others lose their position in this market. There can be no assurance that the Group's position in individual media segments will not change.

► Press distribution

The main distribution channel for newspapers, which is used by all press publishers in Poland, are the networks of newspaper sales points located in places with high traffic, chains of grocery stores and petrol stations. Historically, the distribution market in Poland was concentrated - the two largest distributors had over 80% share in press distribution. In 2018, RUCH S.A. has stopped paying its publisher accounts. The poor financial condition of this entity had an impact on the limitation of cooperation with him and further decreases in the sale of copy printed press. In 2020, RUCH S.A. was acquired by PKN Orlen S.A.

The outbreak of the COVID-19 pandemic in 2020, apart from the periodic reduction in the number of retail outlets, caused a sharp decline in sales of the paper press. This affected the profitability of distributors' operations, and thus further perturbations on the distribution market. As of August 1, 2021, the third largest press distributor - Garmond Press S.A. - launched a simplified arrangement proceeding, which was approved by the court of first instance in December 2021. Currently, restructuring processes are being introduced in the company. RUCH S.A. did not rebuild its position from before the collapse of 2018, however, thanks to the ownership support of PKN Orlen S.A. conducts optimizing processes of its activities, which is naturally restricted by the COVID-19 pandemic. With the problems with the above-mentioned distributors - the largest Kolporter S.A. has increased its market share and reports positive results.

The pandemic situation caused many changes in the way media, including the press, were consumed. As a result, some readers of the printed press switched traditional editions to digital ones. This partially compensates for the decline in sales of the printed press, but is also associated with a change in the operating model of most press publishers and has a significant impact on the condition of the press distribution market.

► Press

Presently press market experiences a worldwide trend of copy sales decrease and shrinking of advertising expenditure. This trend has been accelerated and enhanced by the pandemic. Press titles issued by the Group, like competing press titles, are not immune to changes in the market - their number and volume are shrinking. The dynamics of the above processes may have a negative impact on press copy sales and the Group's revenues. In addition, the operations of press publishers and their financial results are seriously affected by problems related to the availability of paper across Europe and its rising prices. At the same time, the Group is digitizing its content and in 2014 introduced a system of so-called measured paywall on Gazeta Wyborcza-related websites. At the end of December 2022, the number of paid active digital subscriptions reached more than 300,000, and the Company is currently focusing its efforts on increasing the average revenue per subscription and increasing advertising revenue on Gazeta Wyborcza-related sites. It is difficult to assess whether these goals will be achieved by the Company given the high competition in the online market.

► Internet

Polish Internet advertising market is highly competitive and number of internet users in Poland is not growing so fast as in the past. Internet business is highly dependent on technology progress and number of Internet users and maintaining a strong position on that market is possible by means of investment in modern and innovative technology. The development of this medium is also determined by the available infrastructure. The method of access to the Internet is also changing, which may significantly affect the dynamics of the development of this market. The number of mobile internet users is increasing. Both, changes in the internet usage and increase of internet speed may also affect growth dynamics of individual segments of the internet advertising market. In this segment of advertising market the Group competes with local and international players. There is no guarantee, that on such a competitive market, the Group's position and ad revenues will be unchanged. Additionally, online advertising market is undergoing transformation. Search advertising and social media, as well as programmatic, video and mobile advertising are becoming more popular among advertisers. Maintenance of the strong position in rapidly changing market requires investment in advanced technological solutions. Due to that fact there is no guarantee that the Group will be able to compete with national and foreign players with larger financial resources.

► Responsibility for published content

The Group's activity is based, in its many aspects, on publishing the content created by journalists, writers, publicists or users of Internet forums. This can result in publisher's responsibility or co-responsibility for distribution of information contradictory to law regulations, including infringement of personal interests. It cannot

be ruled out, that the Group could inadvertently violate such laws and as a result it could be a subject of claims relating to that and as a result it may have to pay relevant compensations.

► Outdoor

The outdoor advertising market in Poland is very competitive. AMS S.A. competes with Polish companies and international concerns both to acquire and retain customers, as well as to extend and win new contracts for the disposal of locations for advertising panels. In addition, operations in the outdoor advertising market are subject to high risks associated with the possibility of changes in the law, including construction and tax law, and its interpretation. The introduction of new rules for advertising activities in metropolitan areas, as well as changes in the interpretation and application of existing laws and agreements, imply the amount of fees, taxes and potential penalties associated with the business, which may affect the Group's result.

On September 11, 2015, the Law on Amending Certain Laws in Connection with Strengthening Landscape Protection Tools came into force. Under its provisions, municipal governments acquired broader powers to enact local laws regulating the presence of visual advertising and small architecture in public space and to collect so-called advertising fees. In April 2020, the adjustment period of the Gdansk landscape resolution ended. The costs of dismantling advertising media in Gdansk charged the company's current results. The reduced supply of media in the city has not caused significant negative reactions from customers as of today. As of July 2020, a landscape resolution is in force in Krakow. Its consequences, after the end of the adjustment period in July 2022, do not significantly affect the Group's results. In January 2023, the resolution was also adopted by the Poznań City Council. The real effects of this resolution, as well as those of resolutions in other major cities, are expected gradually after 2024. It should be noted, however, that for the outdoor advertising market, despite a significant recovery from the losses resulting from the COVID - 19 pandemic, facing the requirements of landscape resolutions may mean a periodic deterioration in performance during the transition period of the first years of the new local regulations on outdoor advertising.

On August 31, 2020. AMS has received information that the president of the OCCP has opened an investigation into a possible violation of competition law as a result of its cooperation with Ströer. AMS is fully cooperating with the OCCP for the clarification of doubts about a possible violation of antitrust laws. However, this does not affect the company's ongoing operational activities.

The current economic situation and uncertainty as to the GDP dynamics in 2023 is a source of risk as to the results in 2023. However, given the increase in spending in this market segment by more than 30% in 2022 indicates a significant increase in customer interest in outdoor advertising and thus significantly reduces the potential risks associated with it.

► Cinema

In the first quarter of 2022, the operations of Helios cinemas continued to be restricted by sales limits due to the ongoing COVID-19 epidemic. The epidemic restrictions on sales restrictions were lifted as of February 28, 2022, leaving only, until March 28, 2022, the obligation to wear masks.

Despite the lifting of the COVID-19 restrictions, 2022 was fraught with many negative developments of a political and economic nature, which had a clear impact on the entire economy including the cinema industry.

In February 2022 saw the outbreak of war in Ukraine, which resulted in a high spike in energy costs that will likely continue in the years to come. This has been compounded by further adverse economic developments such as high inflation, high interest rates, wage increases that have not kept pace with inflation in an economy weakened by 2 years of the COVID-19 pandemic.

All of this has a diminishing effect on the purchasing power of cinema customers, which has unfavorably translated and may translate into a decline in ticket sales and a lower propensity to purchase drinks and snacks at cinema bars.

High inflation is clearly an increase in the cost of doing cinema business in all aspects, not just energy prices and wages, and high interest rates have caused a significant increase in debt service costs reducing the company's liquidity.

The two-year COVID-19 period influenced the stoppage of work on many film sets by which noticeably fewer film titles found their way to cinema screens. This situation is slowly returning to normal, but the supply of such a

number of films per year as before the pandemic will not be expected until 2024 at the earliest. In the 3rd and 4th quarters of 2022 it was also possible to additionally observe a sudden decline in the interest of viewers in Polish films. It is uncertain whether this trend is short-lived and already in 2023 Polish titles will reach attendance levels comparable to those prior to the pandemic and so far Polish films have had their clear share of cinema attendance. In addition, streaming platforms became popular during the pandemic, and as a result, cinema operators are competing to a greater extent than before with other technologies for playing movies on the Internet, among others. Attendance is also significantly affected by the weather and the Sunday trading ban, which causes an exodus of customers from shopping malls. Periodic closures of shopping malls and cinema venues may permanently change consumers' habits - it is currently impossible to assess how they will change their habits and the way they spend their leisure time.

▶ **Risks of running licensed business**

The Group has been operating on the licensed radio market for many years, and the license terms define the scope and forms of activity during the period for which a radio broadcaster obtains a license. Therefore, there is a risk that the audience's demand for a given format may decrease, and the concession provisions may significantly limit the Group's ability to adapt to the audience's demand for a given format.

Additionally, there is a risk that, the Group may not fulfill the disposition of concession or regulations, especially in relation to programme content or cease the broadcasting of the programme which may result in sanctions from The National Broadcasting Council (KRRiT). It cannot be ruled out that KRRiT will refuse to grant the concession the Group again, after the time for which they had been granted previously, or the conditions of newly granted concessions (or contracts related to those concessions) will be less beneficial from the Group's perspective.

The regulator is working on the implementation of DAB+ digital radio in Poland. Due to the lack of clear guidelines and uniform policy of state authorities, it is not possible to estimate the impact of implementing the new mode of broadcasting on the current analogue broadcasting market.

▶ **Radio stations**

Polish radio ad market is highly competitive. Agora Group's radio stations compete with other radio broadcasters, with national reach, as well as other media – TV, press, internet and outdoor advertising. The outbreak of the COVID-19 pandemic had a significant impact on the value of spending in this segment of the advertising market. It is difficult to clearly estimate when the value of expenditure on radio advertising will recover to the value before the outbreak of the pandemic.

To maintain audience share it is important to have a demanded radio format. There is no certainty that the Group's current position in the radio audience market will be unchanged. Competing for ad revenue, radio stations (also belonging to different media concerns), create joint advertising offers. The popularity of these offers may significantly influence the shares of particular radio broadcasters in radio ad market. Additionally, radio stations compete for audience with other media, especially with Internet.

▶ **Movie business**

Movie distribution and co-production is of project nature, which may result in volatility of its results – it may also impact the Group's results. The majority of costs incurred, especially those related to movie co-production, burdens the Group results long before the profits related to that fields of operations. The degree of impact of this activity on the Group's results also depends on the popularity and attendance of a given film.

▶ **Risk of claims as a result of intellectual property rights infringement**

The Group's activity is based in its many aspects on using the intellectual property rights and on license agreements. In the Group's opinion it does not infringe the intellectual property rights of the third parties. However, it cannot be ruled out that the Group may unintentionally violate such laws. As a result the Group could be a subject of claims and could be forced to pay relevant compensations.

▶ **Risk of rapid changes in law regulations, especially those relating the Group's operations**

Due to the fact that legal regulations in Poland change quite often, they may negatively impact the Group's operations and carry risk in business operations. This risk is especially associated with regulations that directly influence the day-to-day business, including those related to the processing of personal data, changes to the Broadcasting Act and the regulations implementing those changes, Copyright and related rights Act, as well as acts

regulating capital market in Poland and rules of commercial activities in Poland. New regulations may pose a risk, due to the problems with their interpretation, lack of judicial practice, unfavourable interpretations adopted by courts or public institutions.

Additionally, tax regulations in Poland are a subject to often changes. Changes in VAT and other kinds of tax burden may negatively impact the operations and financial results of the Group. Possible changes in business taxation, both in terms of income tax, VAT, and other taxes and levies, may affect the Group's operations and results. The Group is also a subject of risk in changes of tax rules interpretation by tax organs which may affect operations and financial results of the Group.

▶ Risk related to proceedings before supervisory authorities

As part of its business operations, the Agora Group is regularly monitored by institutions supervising specific areas of its operations. In the Company's opinion, all activities undertaken by the Group are in accordance with applicable law, which is why - despite the fact that the Company currently does not expect that any of the proceedings to which it is a party may have a significant negative impact on its financial position and results of operations - neither is it certain that the final result of current or future proceedings will not have such an effect on the results or financial situation of the Group.

▶ Impairment tests

In line with the *International Financial Reporting Standards*, the Group runs impairment tests. In the past and in the current period, some of the tests resulted in impairment loss which was reflected in the income statement (unconsolidated and/or consolidated). There can be no assurance that the results of asset impairment tests performed in the future will yield positive results, particularly in a period when the negative effects caused by the war in Ukraine are affecting most sectors of the economy.

▶ Currency risk

Revenues earned by the Group are expressed in Polish zlotys. Part of the Group's operating expenses related mainly to cinema operations, services and production materials (paper) and IT services, are linked to foreign currency exchange rates. A deepening depreciation of the Polish currency, particularly in the PLN/EUR ratio, may affect the level of operating expenses and the Group's results.

▶ Financial liquidity

The ability to invest in development activities may be limited by the rising cost of obtaining financing. As a result, some entrepreneurs will not be able to afford to take on new liabilities, as even small increases in interest rates translate into much higher debt service costs. The inability to incur new liabilities will contribute to a reduction in investment activity, as only a small group of enterprises are able to finance large development activities from their own resources. In this situation, financial institutions may become much stricter in providing financing for investment activities.

▶ Debt collection risk

As a result of the outbreak of the Covid-19 pandemic, the outbreak of war in Ukraine and the deteriorating macroeconomic situation, the number of companies in Poland that declare bankruptcy has increased - this includes contractors with whom the Group works. The financial difficulties of contractors working with the Group's various segments may affect the Group's results. There can also be no certainty that the Group will recover all its receivables in the event of the bankruptcy of a particular entrepreneur.

▶ Risk related to functioning within tax capital group (TCG)

Operating within TCG requires Agora S.A. obligation to maintain at least 75.0% of shares in subsidiaries that are part of the TCG for the period of operation of the TCG extended for 2022. Taking into account the changes in the market environment and the implementation of the Agora Group's strategy, it may be necessary to make changes in the ownership structure, which - if the value of the aforementioned shares in any of the companies is reduced below the 75.0% threshold, it will be retroactive, from January 1, 2023 with the loss of the TCG status. This is related to the loss of tax savings, an increase in the costs of the fiscal year closing and the need to prepare additional transfer pricing documentation. However, the Company assumes that all statutory requirements will be met throughout the duration of the TCG.

► Risk of losing key employees

The successes achieved by the Group depend, among other things, on the commitment and skills of key employees. The Company's managerial staff has made a significant contribution to both the Group's growth and the effective optimization of its operational processes. Due to market competition for highly qualified personnel, the Group is uncertain whether it will be able to retain all of its key employees in the face of increasing salary pressure.

► The risk of collective dispute

There are currently three union organizations in the Agora Group. The first of them - the Inter-Union Organization of the Solidarity Trade Union of AGORA S.A. and INFORADIO SP. Z.O.O ("OM") - was established on December 12, 2011 and operates at Agora S.A., Inforadio Sp. z o.o., AMS S.A., Plan D Sp. z o.o. (formerly Domiporta Sp. z o.o.), Goldenline Sp. z o.o. and Agora Radio Group Sp. z o.o.

In May 2020, Agora S.A. received formal notification of the establishment of a second trade union organization - the Company Commission of the OZZ Inicjatywa Pracownicza at Agora S.A.

In mid-2021, the Group received notification of the establishment of a third trade union - the Trade Union of the Gazeta Wyborcza Defense Committee operating at Agora S.A. This organization was formed after the Agora S.A. Management Board announced a plan to integrate the Gazeta.pl division and the Company's press operations. The main assumption and idea gathering activists of the new union is to defend the independence of Gazeta Wyborcza. The risk of an industrial dispute announced by the Committee for the Defense of Gazeta Wyborcza is high, in the event of a decision by Agora S.A.'s Management Board on business activities involving the Press division.

In December 2022, the Inter-Union Organization of the Solidarity Trade Union of AGORA S.A. and INFORADIO SP. Z.O.O ("OM") also included Helios S.A. in its activities.

As required by law, the boards of directors of the companies at which the trade unions operate consult or respectively agree on the decisions specified by law with OM.

The Group strives to maintain good relations with its employees and resolve any problems that arise on an ongoing basis. However, the risk of industrial disputes in cases prescribed by law cannot be ruled out.

In addition, internal regulations at Agora S.A. that were created to safeguard Gazeta Wyborcza's editorial independence were used in the past year to halt work on business activities aimed at effectively achieving Agora's strategic objective of developing the subscription model and increasing revenue from advertising sales. Despite efforts to clarify the situation, it cannot be ruled out that it may recur in the future and have a negative impact on the development activities of Agora S.A. and the entire Agora Group.

14. FACTORS AND UNUSUAL EVENTS WHICH HAD INFLUENCE ON THE RESULTS OF BUSINESS ACTIVITIES FOR 2022 WITH THE ESTIMATION OF THEIR INFLUENCE

In the first quarter of 2022, the most significant factors that affected the results of the Agora Group's operations were the ongoing COVID-19 pandemic, the business restrictions related to its spread and the outbreak of war in Ukraine. The effects of the pandemic, mainly in the form of barriers to conducting or expanding business, affected all of the Group's businesses particularly hard in the Group's cinema and restaurant operations. Until February 28, there was a 30% limit on the sale of seats in cinemas and catering establishments. The mentioned limit did not include vaccinated persons. All restrictions were lifted on March 1.

In addition, the outbreak of war in Ukraine exacerbated macroeconomic disruption and uncertainty, which had an impact on the Agora Group's business. Indirect effects of the war and pandemic restrictions in 2022 included rising energy prices, exchange rate fluctuations, rising inflation and interest rates. As a result, there was a significant increase in operating costs, mainly energy costs, the cost of purchasing products for day-to-day operations (e.g., paper), an increase in wages and salaries, and an increase in rents (due to the rise in the EUR/PLN exchange rate). Financial costs also increased. The NBP's regular increase in interest rates caused an increase in the cost of debt service, and fluctuations in the EUR/PLN exchange rate caused an additional cost due to negative exchange rate differences in the valuation of leasing liabilities, which was particularly evident in Q3. 2022 r.

In 2022, net operating expenses were negatively impacted by asset impairment charges of PLN 46.0 million (made in the Digital and Printed Press, Movies and Books, Outdoor and Internet segments), restructuring costs carried out in the Press and Cinema business totaling PLN 5.3 million, and a write-down of receivables from one of the Outdoor segment's contractors of PLN 1.1 million. A one-time inflation allowance was paid to some of the Group's employees and associates in the third quarter of 2022. Its cost was PLN 3.1 million. The value of the Group's operating expenses was positively affected by the cancellation of a portion of the loan from the Polish Development Fund to Helios S.A. in the amount of PLN 14.1 million. In 2021, the scale of non-recurring events was significantly smaller and had a positive impact on the result. Throughout 2021, these events (subsidies from the Guaranteed Employee Benefits Fund, cancellation of part of the loan from the Polish Development Fund, exemptions from the payment of Social Security premiums, subsidies from the National Film Institute, a provision for receivables from one of the contractors, a VAT refund from the bad debt relief, and asset write-downs) had a positive impact on the Agora Group's operating expenses and reduced them by PLN 5.0 million.

15. LEGAL ACTIONS CONCERNING LIABILITIES OR DEBTS OF THE ISSUER OR ITS SUBSIDIARIES

In 2022, there were no significant legal actions in court, competent authority for arbitration procedures or public institutions related to liabilities or debts Agora S.A. or its subsidiaries.

16. INFORMATION ON PURCHASE OF OWN SHARES

In 2022 the Issuer did not conduct a program of purchasing own shares.

17. DIVISIONS OF THE COMPANY AND OF ITS SUBSIDIARIES

Agora S.A. has 9 divisions and the major headquarters in Warsaw. Other companies from the Group do not have local divisions.

18. THE MANAGEMENT BOARD'S STATEMENT OF THE REALIZATION OF FORECASTS

The Management Board did not publish any forecasts of the Group's financial results and because of that this report does not present any Management Board's statement of the realization of them, as well as any differences between actual and forecasted financial results.

19. ISSUING OF SECURITIES

In 2022 the Company did not issue any securities.

20. OTHER INFORMATION

▶ **Launch of working on the Agora Group's development strategy for the years 2023-2027**

In the current report of February 16, 2022, the Management Board of Agora S.A. announced that on 16 February 2022, it made a decision to extend the process of reviewing strategic options for the Agora Group's internet operations, including the process of integrating the current Press segment with the Gazeta.pl division in one business area of the Agora Group, the commencement of which the Company announced in the current report no. 11/2021 of 9 June 2021, to all areas of the Agora Group's operations as part of work on the preparation of the Agora Group's development strategy for the years 2023-2027.

Conclusions from the review of strategic options for the Agora Group's internet operations will be used in the course of work on the Agora Group's development strategy for the years 2023-2027. The Company plans to complete the work on a new strategic perspective in 2022.

▶ **Changes in the composition of the Management Board**

In the current report of March 24, 2022 the Management Board of Agora S.A. with its registered office in Warsaw (the "Company") informs that on March 24, 2022, in accordance with the provisions of §30 section 1 of the Company's Articles of Association, a shareholder of the Company - Agora-Holding sp.z o.o., a shareholder holding 100% of the preferred series A registered shares - submitted Wojciech Bartkowiak as a candidate for the

Management Board of the Company. Wojciech Bartkowiak is a journalist, editor and manager associated with Gazeta Wyborcza and Agora S.A. for 30 years.

Recently, as the operational director and deputy publishing director of Gazeta Wyborcza, he was responsible for the business processes of the Press segment and the activities of the former Print division - including its restructuring in 2018-2019. He is a co-creator of the digital transformation strategy of "Gazeta Wyborcza" based on the development of subscription to Wyborcza.pl content, as well as the creator of the business strategy and editorial concept for the development of traditional editions of "Gazeta Wyborcza" - incl. the magazines "Moj Biznes", "Ekonomia +" and "Wolna Sobota", created in recent years.

In 1991, he started working in the Poznań editorial office of "Wyborcza", first as a journalist, then as a reporter and editor. In 1995, he became the editor-in-chief and director of the Poznań branch of Gazeta Wyborcza. In the years 2006-2016 he was the head of all local editorial offices of Gazeta Wyborcza. At that time, he co-created and coordinated many editorial social campaigns conducted by the daily teams all over Poland. From 2012, he was responsible for the budget of the editorial office of Gazeta Wyborcza. In 2015-2017 he was the vice-president of the Agora Foundation.

A graduate of the Faculty of Polish Philology at the University of Adam Mickiewicz in Poznań. He was born in 1966.

Agora Holding Sp. z o.o. submitted the consent of Mr. Wojciech Bartkowiak to stand as a candidate for the Management Board Member of Agora S.A. and the candidate's declaration that he is not entered in the Register of Insolvent Debtors maintained pursuant to the National Court Register Act, nor does he perform any activity competitive to the activity performed in the Company's enterprise, he is not a partner in competitive civil partnerships or partnerships, or a member of the bodies of capital companies or a member of the governing bodies of any other competing legal entity.

In the current report of April 21, 2022 the Management Board of Agora SA informed that on April 21, 2022, the Extraordinary General Meeting of Shareholders of Agora S.A., pursuant to § 28 sec. 1 and § 29 sec. 2 of the Company's Statute resolved to appoint Mr. Wojciech Bartkowiak as a member of the Management Board of Agora S.A. for a joint term of office that will expire on the date of approval by the General Meeting of Shareholders Agora's financial statements for 2023.

The Extraordinary General Meeting of Shareholders also approved the co-option of Ms Agnieszka Siuzdak-Zyga to the Management Board of Agora S.A. which took place on August 5, 2021. The Company informed about this event in current report no. 17/2021 on August 5, 2021, in which it also presented information related to this appointment to the Company's Management Board.

In the current report of June 23, 2022 the Management Board of Agora S.A. ("Agora", "Company") informed that on 23 June 2022, Ms. Agnieszka Siuzdak-Zyga resigned from the position of a Member of the Management Board of Agora S.A., effective from 31 August 2022 for personal and health reasons and related to them longer absence. Ms. Agnieszka Siuzdak-Zyga will remain an employee of Agora S.A.

► **Recommendation of the Management Board of Agora S.A. to withhold the payment of dividend for 2021**

In the current report of March 24, 2022 the Management Board of Agora S.A., adopted a resolution on the submission of a motion to the Annual General Meeting of Shareholders to withhold the payment of dividend for 2021.

The above departure from the dividend policy announced on 14 February 2005, results from two years of the Company's struggle with the effects of the COVID-19 pandemic, which prevented the implementation of the Agora Group's strategy and forced the Company to make significant savings and discontinue development investments. The negative effects of the pandemic caused by restrictions and limitations in the activities of many enterprises also had a significant impact on the current condition of the Polish economy.

An additional factor increasing the uncertainty about the country's economic situation is difficult to estimate impact of Russian Federation's armed aggression in Ukraine on the Polish economy. It may significantly influence the growth rate of the Polish economy.

In the circumstances of such high uncertainty in the market environment, the Management Board of Agora considered it justified to keep the financial resources in the Company and recommend the General Meeting of Shareholders not to pay dividend for 2021 in order to strengthen the financial position of the Group. Additionally,

the Management Board of Agora, after two years of limiting investments only to the essential ones, plans to allocate free funds to the implementation of growth and maintenance projects in the current businesses of the Agora Group.

The above decision received a positive opinion from the Supervisory Board in the form of resolution.

The final decision on the dividend payment will be made by the General Meeting of Shareholders of the Company.

▶ **The General Meeting of Agora S.A.**

In the current report of March 24, 2022, the Management Board of Agora S.A. informed about convening the Extraordinary General Meeting of Agora S.A. for 21 April 2022.

In the current report of March 24, 2022 the Management Board of Agora S.A. submitted draft resolutions which the Management Board intends to present to the Extraordinary General Meeting of Shareholders of the Company ("the General Meeting") convened for 21 April 2022.

In the current report of March 24, 2022 Management Board of Agora S.A. with its registered office in Warsaw (the "Company") informs that on March 24, 2022, in accordance with the provisions of §30 section 1 of the Company's Articles of Association, a shareholder of the Company - Agora-Holding sp.z o.o., a shareholder holding 100% of the preferred series A registered shares - submitted Wojciech Bartkowiak as a candidate for the Management Board of the Company.

Wojciech Bartkowiak is a journalist, editor and manager associated with Gazeta Wyborcza and Agora S.A. for 30 years.

Recently, as the operational director and deputy publishing director of Gazeta Wyborcza, he was responsible for the business processes of the Press segment and the activities of the former Print division - including its restructuring in 2018-2019. He is a co-creator of the digital transformation strategy of "Gazeta Wyborcza" based on the development of subscription to Wyborcza.pl content, as well as the creator of the business strategy and editorial concept for the development of traditional editions of "Gazeta Wyborcza" - incl. the magazines "Moj Biznes", "Ekonomia +" and "Wolna Sobota", created in recent years.

In 1991, he started working in the Poznań editorial office of "Wyborcza", first as a journalist, then as a reporter and editor. In 1995, he became the editor-in-chief and director of the Poznań branch of Gazeta Wyborcza. In the years 2006-2016 he was the head of all local editorial offices of Gazeta Wyborcza. At that time, he co-created and coordinated many editorial social campaigns conducted by the daily teams all over Poland. From 2012, he was responsible for the budget of the editorial office of Gazeta Wyborcza. In 2015-2017 he was the vice-president of the Agora Foundation.

A graduate of the Faculty of Polish Philology at the University of Adam Mickiewicz in Poznań. He was born in 1966.

Agora Holding Sp. z o.o. submitted the consent of Mr. Wojciech Bartkowiak to stand as a candidate for the Management Board Member of Agora S.A. and the candidate's declaration that he is not entered in the Register of Insolvent Debtors maintained pursuant to the National Court Register Act, nor does he perform any activity competitive to the activity performed in the Company's enterprise, he is not a partner in competitive civil partnerships or partnerships, or a member of the bodies of capital companies or a member of the governing bodies of any other competing legal entity.

In the current report of April 21, 2022 the Management Board of Agora S.A. informed that shareholders who participated in the Extraordinary General Meeting of Agora S.A. on 21 April, 2022 held 43 847 644 votes. As a result, the statutory capital of the Company in the amount of 46 580 831 shares was represented at the Annual General Meeting in 57.36% (26 721 064 shares).

At least 5.0% of the total number of votes during the Annual General Meeting was held by:

- ▶ Agora - Holding Sp. z o.o.: 22 528 252 votes, i.e. 51.38% votes during the Extraordinary General Meeting and 35,36% total number of votes.
- ▶ Otwarty Fundusz Emerytalny PZU "Złota Jesień": 8 126 434 votes, i.e. 18.53% votes during the Extraordinary General Meeting and 12.76% total number of votes.
- ▶ MDIF Media Holdings I, LLC: 5 355 645 votes i.e. 12.21% votes during the Extraordinary General Meeting and 8.41% total number of votes.

- ▶ **Nationale-Nederlanden Otwarty Fundusz Emerytalny:** 4 119 487 votes i.e. 9.40% votes during the Extraordinary General Meeting and 6.47% total number of votes.

In the current report of April 21, 2022 the Management Board of Agora S.A. announced resolutions adopted by the Extraordinary General Meeting of Shareholders ("the General Meeting") convened for April 21, 2022 at 11:00 a.m., held at the Company's registered seat in Warsaw at 8/10 Czerska Street.

In the current report of April 21, 2022 the Management Board of Agora S.A. informed that on April 21, 2022, the Extraordinary General Meeting of Shareholders of Agora S.A., pursuant to § 28 sec. 1 and § 29 sec. 2 of the Company's Statute resolved to appoint Mr. Wojciech Bartkowiak as a member of the Management Board of Agora S.A. for a joint term of office that will expire on the date of approval by the General Meeting of Shareholders Agora's financial statements for 2023.

The Extraordinary General Meeting of Shareholders also approved the co-option of Ms Agnieszka Siuzdak-Zyga to the Management Board of Agora S.A. which took place on August 5, 2021. The Company informed about this event in current report no. 17/2021 on August 5, 2021, in which it also presented information related to this appointment to the Company's Management Board.

In the current report of May 26, 2022 the Management Board of Agora S.A. informed about convening the Annual General Meeting of Agora S.A. for 21 June 2022.

In the current report of May 26, 2022 the Management Board of Agora S.A. submitted draft resolutions which the Management Board intends to present to the General Meeting of Shareholders of the Company ("General Meeting") convened for 21 June 2022.

In the current report of June 2, 2022 the Management Board of Agora S.A., with reference to the current report no. 18/2022 of 26 May 2022 on draft resolutions that the Management Board intended to submit to the Ordinary General Meeting of the Company ("General Meeting") convened for 21 June 2022 at 11:00 a.m., corrected the content of the draft resolution on appointing members of the Supervisory Board.

In the current report of June 10, 2022 the Management Board of Agora S.A. informed that on June 10, 2022, it received information that in accordance with the provisions of §21 section 1 (a) (ii) of the Company's Statutes Powszechnie Towarzystwo Emerytalne PZU S.A. - representing the Open Pension Fund PZU "Złota Jesień" (shareholder of Agora S.A.) – informed that it intends to propose the candidacy of Mr. Tomasz Karusewicz to the Supervisory Board of the Company at the General Meeting of Shareholders of Agora S.A. convened on June 21, 2022.

The company provided the received biographical note of the candidate. The candidate consented to the candidacy and presented relevant statements. The candidate's detailed resume has been published on the Company's website.

In the current report of June 13, 2022 the Management Board informed that on June 13, 2022, it received information - according to § 21 section 1 (a) (i) of Agora's Statute- that Agora-Holding Sp. z o.o., the shareholder holding 100% of the registered preferred series A shares, submitted the following persons as candidates to the Supervisory Board of Agora S.A: Dariusz Formela, Tomasz Sielicki, Ph.D. Andrzej Szlęzak, Wanda Rapaczynski, Maciej Wiśniewski. The candidates' detailed resume have been published on the Company's website. Candidates expressed the consent to be candidates to the Supervisory Board of the Company and submitted all necessary declarations.

In the current report of June 21, 2022 the Management Board informed that shareholders who participated in the Annual General Meeting of Agora S.A. on 21 June 2022 held 40,841,270 votes. As a result, the statutory capital of the Company in the amount of 46,580,831 shares, was represented at the Annual General Meeting in 50.91% (23,714,870 shares).

At least 5% of the total number of votes during this Ordinary General Meeting of Agora S.A. was held by:

- ▶ **Agora-Holding Sp. z o.o.:** 22,281,822 votes, i.e. 54.56% votes during the Annual General Meeting and 34.98% total number of votes.
- ▶ **Otwarty Fundusz Emerytalny PZU "Złota Jesień":** 8,126,400 votes, i.e. 19.90% votes during the Annual General Meeting and 12.76% total number of votes.

- ▶ MDIF Media Holdings I, LLC: 5,355,645 votes, i.e. 13.11% votes during the Annual General Meeting and 8.41% total number of votes.
- ▶ Nationale-Nederlanden Otworthy Fundusz Emerytalny: 4,119,000 votes, i.e. 10.09% votes during the Annual General Meeting and 6.47% total number of votes.

In the current report of June 21, 2022, the Management Board of Agora S.A. informed that on the 21 June 2022 the Annual General Meeting of the Company ("AGM") acting pursuant to the provisions of article 385 § 1 of Commercial Companies Code and pursuant to § 20 and 21 of the Company's Statute appointed: Dariusz Formela, Tomasz Karusewicz, Wanda Rapaczynski, Tomasz Sielicki, Andrzej Szlęzak, Maciej Wiśniewski to the Company's Supervisory Board for the common three-year term of office commencing with the end of the General Meeting of the Company approving the financial statements for 2021.

In addition, the Management Board informs that pursuant to § 18 point 2 of the Company's Statute AGM appointed Andrzej Szlęzak to the position of the Chairman of the Supervisory Board.

The present composition of the Supervisory Board is following: Andrzej Szlęzak - chairman of the Supervisory Board, members: Wanda Rapaczynski, Tomasz Sielicki, Maciej Wiśniewski, Dariusz Formela and Tomasz Karusewicz.

In the current report of June 21, 2022 the Management Board announced resolutions adopted by the Ordinary General Meeting of Shareholders including resolutions on: (i) appointing Dariusz Formela, Tomasz Sielicki, Andrzej Szlęzak, Wanda Rapaczynski, Maciej Wiśniewski i Tomasz Karusewicz to the Supervisory Board for a joint term of office beginning at the end of this General Meeting, (ii) appointing Andrzej Szlęzak to the position of the President of the Supervisory Board for the new term of office, (iii) appropriation of the Company's net profit for the year 2021, (iv) adopting the Diversity Policy by Agora S.A. with respect to Members of the Management Board and of the Supervisory Board, (v) adopting the "Regulations on participation in meetings of the Supervisory Board of Agora S.A. using remote means of direct communication", (vi) amending the Company's Statutes.

In the current report of February 2, 2023 the Management Board of Agora S.A. informed about convening the Extraordinary General Meeting of Agora S.A. for March 1, 2023.

In the current report of February 2, 2023 the Management Board of Agora S.A. submitted draft resolutions which the Management Board intends to present to the Extraordinary General Meeting of Shareholders of the Company convened for March 1, 2023.

In the current report of March 1, 2023 the Management Board informed of the adjournment of the Extraordinary General Meeting until March 27, 2023 and resolutions adopted until the adjournment.

▶ **Dates of publication of periodic reports**

In the current report of November 23, 2022 the Management Board of Agora S.A. announced the publication dates of Agora Group's consolidated periodic reports in the financial year 2023:

I. Consolidated quarterly reports:

- for the first quarter of 2023 – May 19, 2023,

- for the third quarter of 2023 – November 17, 2023,

II. Interim consolidated report for the first half of 2023 – August 18, 2023,

III. Annual and consolidated annual report for 2022 – March 17, 2023.

Additionally, the Management Board announces that, pursuant to § 62 section 1 of the Regulation of the Minister of Finance dated 29 March 2018 on current and periodic information published by issuers of securities and on conditions under which such information may be recognized as being equivalent to information required by the regulations of law of a state which is not a member state ("Regulation"), the Company will not publish separate stand-alone quarterly reports. Therefore consolidated quarterly reports of the Agora Group will include condensed consolidated quarterly financial statement.

The Company will not publish a separate stand-alone interim report, pursuant to § 62 section 3 of the Regulation, either. The consolidated interim report shall include condensed interim report with the report and opinion of independent auditor and condensed additional information.

Moreover, the Management Board informs that the Company will not publish consolidated quarterly report for the fourth quarter of 2021 and second quarter of 2022 pursuant to § 79 section 2 of the Regulation.

All periodic reports shall be published on Company's website at www.agora.pl/en in the section Investor Relations/Reports.

► **Change of the date of the publication of the consolidated and unconsolidated financial report for 2022**

In the current report of March 15, 2022, The Management Board of Agora S.A. informed about the change of the date of publication of the consolidated and unconsolidated annual report for the fiscal year 2021, originally scheduled for 18 March 2022 (according to the current report no. 22/2021 as of 9 December 2021). The new publication date is 25 March 2022. The other due dates of publication of periodic reports in 2022 remain unchanged.

► **Validation of the court decision on the approval of a partial arrangement in restructuring proceeding of Garmond Press S.A.**

On June 28, 2022, the court decision of the District Court for Kraków-Śródmieście in Kraków of December 20, 2021, file ref. act: VIII Grz 66/21/S on the approval of a partial arrangement in restructuring proceeding of Garmond Press S.A. in restructuring based in Kraków (KRS 0000077450) was validated. According to the court decision:

- 20% of the main claim of Agora S.A. towards Garmond Press S.A. has been redeemed;
- all interest and incidental claims accrued on Agora S.A.'s principal claim towards Garmond Press S.A. as well as costs of court and enforcement proceedings, costs of legal representation and other administrative costs and handling fees have been redeemed entirely;
- 40% of the main claim of Agora S.A. towards Garmond Press S.A. is subject to repayment in 18 equal, interest-free monthly installments starting from the first full month after the lapse of 6 months from the delivery of a final court decision approving the arrangement to the debtor;
- 40% of the main claim of Agora S.A. towards Garmond Press S.A. is converted into shares in the share capital of Garmond Press S.A.

The increase in the company's capital was entered into the National Court Register on July 13, 2022 and on that date Agora S.A. became the owner of 3.51% of shares in the share capital of Garmond Press S.A. and 2.31% of votes at the company's general meeting.

► **Registration of changes to the Company's Statutes**

In the current report of June 30, 2022 the Management Board of Agora S.A. informed that it has learned about the registration by the District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register, on 30 June, 2022, changes to the Statutes of Agora, made pursuant to resolution no. 31 of the Ordinary General Meeting of the Company, adopted on 21 June, 2022, with the following wording:

§36 of the Company's Statutes in its to date wording:

"Each member of the Management Board shall be authorised to make binding statements with respect to property rights and obligations of the Company and to sign on behalf of the Company."

as amended, shall read as follows:

"Two Members of the Management Board jointly shall be authorised to make binding statements with respect to property rights and obligations of the Company and to sign on behalf of the Company."

Thus, from June 30, 2022, the new consolidated text of Agora's Statutes adopted by resolution no. 32 of Agora's Ordinary General Meeting as of 21 June 2022 applies. The Company hereby published the consolidated text of the Company's Statutes taking into account the above changes on the Company's website.

D Initiation of consultation procedure on downsizing at Agora S.A.

In the current report of October 28, 2022 the Management Board of Agora S.A. hereby informed that on October 28th, 2022, in accordance with the Act of March 13th, 2003 on Special Rules for Termination of Employment for Reasons Not Attributable to Employees, resolved to initiate the consultation on group layoffs with the trade unions operating in the Company. Additionally, in accordance with the Act of April 7th, 2006 on informing and consulting employees, the Company's works council shall also be consulted on the group layoff process.

The reason for the planned group layoffs is the Company's aim to increase the effectiveness of processes functioning within the Company and to reduce operating costs. Due to economic and financial factors, i.e. economic crisis caused by the conflict in Ukraine resulting i.a. in the increase of the price of paper and due to adverse prognosis concerning economic growth in the coming quarters, the changes of the organizational structure of the Company are essential.

The intention of the Management Board of Agora SA is to lay off up to 84 employees of the Company (which is ca. 5.9% of employees of the Company) between November 21st and December 20th, 2022.

The Company shall go through these difficult changes in a thought out manner and with care for its employees, offering the dismissed employees a range of protective and supportive initiatives.

On October 28th, 2022 the Management Board of the Company shall request the trade unions operating at the Company and the Company's works council to join in the consultation on collective redundancy process and shall provide the relevant Labor Office with information on the intention to execute group layoffs in the Company.

The Company shall publish a consecutive regulatory filing on collective redundancies after the required by law process of consultation with trade unions and works council operating at the Company is finalized. This regulatory filing shall also include information on the estimated amount of provision related to the restructuring of employment in Agora S.A. which will be fully charged to the result of the Company and of Agora Group in the 4th quarter of 2022. The final data regarding the amount of the provision and the effect of employment restructuring on the financial results of the Company and of Agora Group shall be published in the yearly financial statements of the Company and of Agora Group for 2022.

In the current report of November 14, 2022 the Management Board of Agora S.A., in relation to regulatory filing no. 36/2022 dated October 28th, 2022, hereby informed about:

(i) concluding on November 14th, 2022 an agreement with trade unions operating at the Company (which fulfills the provisions of article 3, Section 1 of the Act of March 13th, 2003 on Special Rules for Termination of Employment for Reasons Not Attributable to Employees) and with work council in the Company (which constitutes an agreement in accordance with the Act of April 7th, 2006 on informing and consulting employees) ("Agreement"),

(ii) adopting by the Management Board of the Company on November 14th, 2022 resolution to execute collective redundancies in the Company, in accordance with the provisions of the Agreement.

The collective redundancies shall be executed from November 17th until December 16th, 2022, and shall affect up to 84 employees.

In accordance with the agreement, the laid-off employees will be provided by the Company with a wider range of supportive measures than required by law. The redundancy payment estimated according to law regulations shall be increased by an additional compensation in the amount depending on the seniority at Agora Group. The laid-off employees shall be supported by additional protective measures provided by the Company, i.a. help in searching for new job and reskilling, psychological care and basic medical care. The Company, in accordance with requirements of law, shall submit an appropriate set of information, together with the signed Agreement, to a relevant Labor Office.

The estimated amount of provision for collective redundancies which will be charged to the Company and Agora Group's result in 4Q2022, shall amount to approximately PLN 3.6 million. The Company estimates that the restructuring measures shall result in the annual savings and may amount to approximately PLN 6.7 million.

The Company shall provide its estimates of costs and savings related to the process of collective redundancies in the Management Discussion and Analysis for 1Q2023.

► Impairment of assets

In the current report of January 18, 2023 the Management Board of Agora S.A. with its registered seat in Warsaw ("Company", "Agora") hereby informed that the Agora Group ("the Group") is in the process of verifying the valuation of its assets in accordance with the International Financial Reporting Standards, inter alia on the basis of an analysis of long-term financial forecasts for all of the business segments of the Group.

The above mentioned analyses show the necessity to incur impairment loss of assets in the Digital and Printed Press segment. The amount of the above mentioned impairment has an impact on both, the net results of Agora SA and the Agora Group, in the fourth quarter of 2022.

The impairment loss of assets concerns the amount of goodwill related to the Digital and Printed Press segment. Its impact on the net result of the Agora Group amounted to PLN 43.4 mio.

The individual value of the remaining impairment losses is not significant from the Company's and the Group's perspective.

All of the above data are preliminary, non-audited estimates and may change during the finalization of work on financial statements for the fiscal year 2022. The additional information will be provided in the financial statements for the fiscal year 2022.

At the same time, the Company informs that the aforementioned impairment loss is one-off and non-cash and does not affect the liquidity of both, the Company and of the Group, or the strategic intentions of Agora S.A.

In the current report of January 18, 2023 the Management Board of Agora S.A., with reference to the current report no. 1/2023 of January 18, 2023 on impairment of assets corrected the content of the regulatory filing in terms of the lack of impact of the impairment loss on the net results of the Company in the fourth quarter of 2022.

Corrected content of the report:

The Management Board of Agora S.A. with its registered seat in Warsaw ("Company", "Agora") hereby informs that the Agora Group ("the Group") is in the process of verifying the valuation of its assets in accordance with the International Financial Reporting Standards, inter alia on the basis of an analysis of long-term financial forecasts for all of the business segments of the Group.

The above mentioned analyses show the necessity to incur impairment loss of assets in the Digital and Printed Press segment. The amount of the above mentioned impairment has an impact on the net results of Agora Group in the fourth quarter of 2022.

The impairment loss of assets concerns the amount of goodwill related to the Digital and Printed Press segment. Its impact on the net result of the Agora Group amounted to PLN 43.4 mio.

The individual value of the remaining impairment losses is not significant from the Company's and the Group's perspective.

All of the above data are preliminary, non-audited estimates and may change during the finalization of work on financial statements for the fiscal year 2022. The additional information will be provided in the financial statements for the fiscal year 2022.

At the same time, the Company informs that the aforementioned impairment loss is one-off and non-cash and does not affect the liquidity of both, the Company and of the Group, or the strategic intentions of Agora S.A.

VI. REPORT AND DECLARATION RELATING TO AGORA S.A. COMPLIANCE WITH THE CORPORATE GOVERNANCE RULES IN 2022

This Statement and Report on compliance with corporate governance rules at Agora S.A. in 2022 has been prepared on the basis of § 70(6)(5) of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state.

1. CORPORATE GOVERNANCE CODE APPLICABLE TO THE COMPANY IN 2022

In 2022, Agora S.A. was subject to the corporate governance rules contained in the document "Best Practices of WSE Listed Companies 2021". This document was adopted by the Resolution of the Stock Exchange Council No. 13/1834/2021 of March 29, 2021 and is available to the public on the WSE website (<https://www.gpw.pl/dobre-praktyki>).

The Management Board of the Company exercises due diligence in order to comply with the principles of the Best Practices.

2. INDICATION OF THE PROVISIONS OF CORPORATE GOVERNANCE THAT WERE NOT USED BY THE COMPANY, WITH AN INDICATION OF THE CIRCUMSTANCES AND CAUSES OF FAILURE OF THE FOREGOING AND HOW THE COMPANY INTENDS TO REMOVE ANY PARTICULAR CONSEQUENCES OF FAILURE OR PROVISIONS TO TAKE STEPS INTENDS TO REDUCE THE RISK OF FAILURE PARTICULAR PROVISIONS FUTURE

IN 2022, THE COMPANY DID NOT MANAGE TO COMPLY WITH SOME OF THE "BEST PRACTICES OF WSE LISTED COMPANIES 2021" (DSPN 2021) THAT ENTERED INTO FORCE FROM JULY 2021.

In 2022, the Company did not fulfil the requirements of rules 1.3 and 1.4 of the DSPN 2021. The Company plans to publish the Agora Group ESG Strategy for 2023-2027 until the end of Q1 2023.

The Company did not fully implement rule 2.2 of the DSPN 2021 Best Practices. The Company has the diversity policy towards the Management Board and the Supervisory Board adopted by the General Meeting on June 21, 2022. The Company has no influence on the selection of candidates for the Supervisory Board and has a limited influence on the composition of the Management Board, therefore it is largely up to the persons authorized to propose candidates to these bodies and to the General Meeting selecting persons for these bodies to ensure the diversity of the Company's bodies. At the same time, the Company would like to emphasize that until the day of the resignation of Agnieszka Siuzdak-Zyga from the position of the Management Board member on August 31, 2022, the Company met the 30% requirement. There is one woman in the Supervisory Board.

3. DISCLOSURE POLICY AND INVESTOR COMMUNICATIONS

In terms of the information policy pursued, the Company complies with the recommendations by providing anyone interested with an easy and non-discriminatory access to information through a variety of communication tools.

The Company operates a corporate website and publishes on it, in a legible form and in a separate section, information required under the legislation and detailed rules of the Best Practices, as well as other corporate documents aimed at presenting the Company's business profile as broadly as possible to all interested parties. Although Agora S.A.'s shares are not qualified for the WIG20 and mWIG40 indices, the Company provides all the above information and documents also in English.

In addition, the Company operates a mobile version of the investor relations service and Agora's press office, as well as the Company's Twitter and LinkedIn account, thus ensuring access to information on an ongoing basis. The Company ensures direct and personal contact with employees of the Investor Relations Department and representatives of the Company's Management Board. The Company also offers a subscription to the corporate newsletter containing selected corporate information or press releases. Additionally, the Company is engaged in industry-focused mailing activities, providing reports on individual media segments. On its website, the Company also publishes reports on compliance with corporate governance rules and information on the policy for changing the entity authorized to audit financial statements, as well as and other information and documents needed for a full analysis of the Company.

When the Company becomes aware that untrue information is disseminated in the media, which may significantly affect its evaluation or image, the Management Board of the Company, as soon as such information is known, decides how to respond to such information in the most effective way – whether by publishing a statement on the Company's corporate website or by using other, selected solutions, where such solutions are considered more appropriate due to the nature of the information and the circumstances in which such information is published.

The Company makes every effort to prepare and publish periodic reports as soon as possible after the end of a reporting period, taking into account the complexity of the Company's capital structure. The Management Board of Agora S.A. regularly meets with representatives of the capital market and the media at meetings held after the publication of quarterly results. In 2022 all meetings were held online and the recording is available on the Company's website. Agora responds promptly to all investor inquiries about the Company, so far it has never happened later than within 14 days.

4. RULES FOR MANAGEMENT BOARDS OF LISTED COMPANIES AND MEMBERS OF SUPERVISORY BOARDS

The Company's Management Board and Supervisory Board act in the interest of the Company. The Management Board and the Supervisory Board are composed of members who represent high qualifications and experience.

Serving on the Management Board of the Company is the main area of the professional activity of Management Board members. The division of responsibilities for individual areas of the Company's activity among Management Board members is published by the Company on its corporate website. As part of the division of duties between Members of the Board in 2022, one of them also served as the president of the management board of the subsidiary Helios S.A., which is part of the business segment directly supervised by him. In the opinion of the Management Board, this supports the effective implementation of the development plan of this segment, as well as the entire enterprise of the issuer.

The Company's Supervisory Board has no control over the selection of candidates to the Management Board of the Company. Candidates for members of the Management Board are nominated by shareholders holding series A shares, while the Management Board members are appointed by the General Meeting (with the reservation that Management Board members may be co-opted in accordance with the Statutes). Nevertheless, when assessing the performance of individual members of the Management Board after the end of each financial year, the Supervisory Board discusses the professional plans with each of the Management Board members in order to ensure efficient operations of the Management Board.

Members of Agora's Supervisory Board represent diversified fields of expertise and have many years of professional experience allowing them to look at issues related to the Company's and the Group's operations from a broader perspective. Supervisory Board representatives are able to devote the time necessary to perform their duties. If a Supervisory Board member resigns or is unable to perform his or her duties, the Company immediately takes steps necessary to ensure substitution or replacement on the Supervisory Board, provided that members of the Supervisory Board are appointed by the General Meeting. Two members of the Company's Supervisory Board meet the criteria of independence, therefore the current composition of the Supervisory Board meets the requirement specified in point 2.3 of "Best Practices of WSE Listed Companies 2021".

Members of the Company's Supervisory Board receive all necessary information on the Company's and Group's operations on an ongoing basis. In addition, the Company allows its Supervisory Board to use professional and independent advisory services (taking into account the Company's financial position) necessary for the Supervisory Board to exercise effective supervision in the Company.

The Supervisory Board of Agora prepares a brief assessment of the Company's standing, including an evaluation of the internal control, risk management and compliance systems and the internal audit function. The aforesaid assessment covers all significant controls, in particular financial reporting and operational controls. This assessment is published by the Company together with all materials related to the general meeting on the Company's corporate website.

Additionally, the Supervisory Board together with the Company prepared the Remuneration Policy for members of the Management Board and Supervisory Board and submitted the document to the General Meeting. The Supervisory Board also adopted the procedure of periodic evaluation of transactions concluded with related entities.

At the same time, the Supervisory Board reviews and issues opinions on matters to be discussed at the general meeting. Regulations of the Company Statutes with regard to organization of the general meetings and participation of the Supervisory Board members thereof comply with the provisions of CCC.

Each year, the Supervisory Board also prepares a report on its activities in the financial year. The Board will also prepare the report on its activities in 2022. This report will comprise information on: composition of the Board and its Committees, the Board members' fulfilment of the independence criteria, number of meetings of the Board and its Committees in the reporting period and self-assessment of the Supervisory Board's performance. The Supervisory Board will also present its assessment of the Company's compliance with the disclosure obligations concerning compliance with the corporate governance principles defined in the WSE Rules and the regulations on current and periodic reports published by issuers of securities, as well as an assessment of the rationality of the Company's policy for sponsorship, charity or other similar activities or information about the absence of such policy.

Where there is any relationship between a member of the Supervisory Board and any shareholder who holds at least 5% of the total vote in the Company, such member notifies the Company's Management Board and other members of the Supervisory Board of this fact. The same applies if there is a conflict of interest or a potential conflict of interest.

The Company also makes every effort (including setting the place and date of the general meeting) to ensure that the widest possible group of shareholders can participate in the general meeting. The Company immediately informs about any changes concerning the organization of the general meeting, including those put on the agenda of the general meeting. Agora also enables representatives of the media to participate in the Company's general meeting.

4.1 COMPOSITION AND CHANGES THEREOF, AS WELL AS THE RULES OF OPERATION OF MANAGEMENT AND SUPERVISORY BODIES OF THE COMPANY AND THEIR COMMITTEES

4.1.1 Management Board

The Management Board operates on the basis of the Commercial Companies Code and the Statutes. Pursuant to the Statutes, the Management Board is composed of 3–6 members with the exact number determined by the shareholders holding the majority of preferred series A shares, and following the expiration of such preferred status of all series A shares, by the Supervisory Board (§ 28 of the Statutes).

The term of office of the Management Board is 5 years (§ 29(1) of the Statutes). Remuneration and other benefits for Members of the Management Board are determined by the Supervisory Board in consultation with the President of the Management Board. In accordance with § 27 of the Company's Statutes, the Management Board manages the Company's affairs and represents the Company in dealings with third parties. Responsibilities of the Management Board include all matters related to conducting the Company's affairs not reserved for other governing bodies of the Company. Resolutions of the Management Board are adopted by a simple majority of votes cast (§ 34(1) of the Statutes). Two Members of the Management Board jointly shall be authorised to make binding statements with respect to property rights and obligations of the Company and to sign on behalf of the Company. The Management Board's organization and manner of operation is defined in detail in the rules of organization and operation of the Management Board.

Pursuant to § 35 of the Statutes, members of the Management Board are bound by a non-competition clause. In particular, they may not engage in any competitive business or participate in such business as its participant, shareholder or member of its governing bodies. This prohibition does not pertain to the participation by members of the Management Board in supervisory and management bodies of competing entities in which the Company directly or indirectly holds any shares and the acquisition by members of the Management Board of no more than 1% of the shares in competing public companies.

As at the date of presenting this Directors' Report, the Company's Management Board is composed of the following members:

- Bartosz Hojka - President of the Management Board,
- Wojciech Bartkowiak - Member of the Management Board,
- Tomasz Grabowski - Member of the Management Board,

- Tomasz Jagiełło - Member of the Management Board,
- Anna Kryńska-Godlewska - Member of the Management Board.

The term of office of the current Management Board will expire on the day of the General Meeting of the Company approving the financial statements for 2023.

Bartosz Hojka

Member of the Company's Management Board since 28 June 2013. President of Agora's Management Board since 12 March 2014.

He supervises the Radio segment, Gazeta.pl division, including Central Data Strategy and Analyzes department, Corporate Sales division, as well HR, PR and Internal Audit departments. He is a member of supervisory boards of Helios S.A. and AMS S.A. From the very beginning of his professional career, he has been involved with the electronic media, including working as an editor in Radio Katowice TOP and TVP regional center in Katowice. He started his work in Agora in 1998 as a program director in Silesian Karolina radio. Later, as a program and marketing director of all stations of Agora Radio Group (GRA) he was responsible for, among others, the launch of the Radio Złote Przeboje brand. In 2005–2013, a member of the management board and managing director of GRA, a radio group comprising Radio Złote Przeboje, Rock Radio, Radio Pogoda and Radio TOK FM where GRA is the majority shareholder. He restructured Agora's radio operations which resulted in improvement of the segment's profitability. Under his leadership, Radio TOK FM has become one of the most influential media in Poland, while GRA has increased the scale of its operations. Furthermore, GRA founded Doradztwo Mediowe – the market leader in radio brokerage services.

Graduate of journalism faculty at the University of Silesia.

Wojciech Bartkowiak

Since April 21th, 2022 a Board Member of Agora S.A. He supervises the Press segment and Administration division.

Wojciech Bartkowiak is a journalist, editor and manager associated with Gazeta Wyborcza and Agora S.A. for 30 years.

Recently, as the operational director and deputy publishing director of Gazeta Wyborcza, he was responsible for the business processes of the Press segment and the activities of the former Print division - including its restructuring in 2018-2019. He is a co-creator of the digital transformation strategy of "Gazeta Wyborcza" based on the development of subscription to Wyborcza.pl content, as well as the creator of the business strategy and editorial concept for the development of traditional editions of "Gazeta Wyborcza" - incl. the magazines "Moj Biznes", "Ekonomia +" and "Wolna Sobota", created in recent years.

In 1991, he started working in the Poznań editorial office of "Wyborcza", first as a journalist, then as a reporter and editor. In 1995, he became the editor-in-chief and director of the Poznań branch of Gazeta Wyborcza. In the years 2006-2016 he was the head of all local editorial offices of Gazeta Wyborcza. At that time, he co-created and coordinated many editorial social campaigns conducted by the daily teams all over Poland. From 2012, he was responsible for the budget of the editorial office of Gazeta Wyborcza. In 2015-2017 he was the vice-president of the Agora Foundation.

A graduate of the Faculty of Polish Philology at the University of Adam Mickiewicz in Poznań.

Tomasz Grabowski

He has been a member of the Management Board of Agora since 1 June 2021. He supervises the Technology Division and technology tools and issues in the Analytics Department. He also supervises the various technology departments in the Agora S.A., as well as the Big Data and ESG departments and the Internet Companies. Tomasz Grabowski has been dealing with consulting in the field of strategic management, digitization of enterprises as well as IT and sales management for over 24 years.

In his professional career, as an expert and very experienced manager, he was involved in many strategic projects aimed at the digital transformation of an organization, design and implementation of corporate strategies, as well as implementation projects in the field of technology. He has conducted them for many clients in Poland and around the world, mainly in the telecommunications, financial and media industries, as well as for companies from

the energy and public sectors. He specializes in the implementation of complex strategic projects, advanced data analysis as well as in enterprise digitization projects.

He is a graduate of the Faculty of Electronics and Information Sciences of the Warsaw University of Technology. He completed numerous specialized educational programs, including those in the area of strategic management, design and implementation of complex IT systems, IT service management or designing corporate architecture.

Tomasz Jagiełło

Since 28 June 2013, a member of Agora's Management Board. He supervises the Movies and Books segment, including Helios, NEXT FILM and Agora's Publishing House, as well as the catering market of the Agora Group. He also supervises the Outdoor segment. He is a member of the Supervisory board of AMS S.A.

Tomasz Jagiełło is the founder and president of the management board of Helios S.A., the largest cinema operator in Poland in terms of the number of cinemas. Co-founder of the company's success, from the beginning responsible for its development and strategy. He represented the company during the acquisition of 5 cinemas from the Kinoplex network in 2007 and during the acquisition of a majority stake in Helios by Agora S.A. in 2010. He was one of the initiators of establishing the company NEXT FILM Sp. z o.o., so that Helios has expanded its activities into film distribution market.

Graduated from the Faculty of Law at the University of Łódź and the Faculty of Law at the University of Edinburgh.

Anna Kryńska-Godlewska

She has been a member of Agora's Management Board since 8 November 2017. She supervises Finance division, New Business Development divisions, as well as Legal and Investor Relations departments.

Anna Kryńska-Godlewska is a manager with more than twenty years of experience in the field of capital investment management. For the past 20 years, she has been associated with the Media Development Investment Fund, where she has been the Chief Investment Officer and Management Board Member, specialising in direct investments in media companies in Europe, Asia, Africa and South America. Previously, she worked at, among others, Fidea Management, the management company of X NFI, CIECH S.A. and Bank Handlowy in Warsaw. She was a member of Agora S.A.'s Supervisory Board from 23 June 2016 until 8 November 2017.

She is a graduate of the Warsaw School of Economics, Faculty of Finance and Banking System and the Institute Francais de Gestion. She has complete further professional training courses, e.g. at Harvard Business School.

4.1.2. Supervisory Board

The Supervisory Board of the Company operates on the basis of the Commercial Companies Code and the Statutes. In accordance with § 18(1) of the Company's Statutes, the Supervisory Board is composed of no less than six and no more than ten members appointed by the General Meeting subject to other provisions of the Statutes. The number of Supervisory Board members is determined by the General Meeting. The General Meeting appoints the Chairman of the Supervisory Board. Members of the Supervisory Board may elect from among themselves a deputy of the chairman or persons performing other functions (§ 18(2) of the Statutes).

Members of the Supervisory Board are appointed for a joint term of office of three years. Consequently, the term of office of the current Supervisory Board commenced with the end of the General Meeting approving the financial statements for 2021.

Pursuant to § 20(4) of the Statutes, at least three members of the Supervisory Board are independent members. At present, all of the Supervisory Board members are independent. Two members of the Supervisory Board also meet the independence requirements specified in the Best Practice.

Specific competencies of Agora's Supervisory Board include, among others, assessment of the Management Board's Report on the Company's operations and the Company's financial statements, assessment of the Management Board's proposals concerning profit distribution or loss coverage, determination of remuneration of the Management Board's members in consultation with the President of the Management Board, appointment of a statutory auditor and approval of significant transactions between the Company and its related parties, as well as other matters provided for by the provisions of law and the Statutes. Pursuant to § 23(8) of the Statutes, the Supervisory Board meetings are convened at least once a quarter. The Chairman also convenes Supervisory Board meetings at the request of the Company's Management Board, expressed in a resolution or at the request of each

member of the Supervisory Board. Supervisory Board meetings may be held with the use of means of remote communication in a manner allowing communication among all members taking part in such a meeting. The venue of a meeting held with the use of means of remote communication is the location of the person who chairs the meeting.

Pursuant to § 23(5) of the Statutes, resolutions of the Supervisory Board are adopted by an absolute majority of votes cast in the presence of at least half of the members of the Supervisory Board, except where other provision of the Statutes provide for a different majority and quorum.

As at the date of presenting this Directors' Report, the Company's Supervisory Board (current term of office) is composed of the following members:

- Andrzej Szlezak – Chairman of the Supervisory Board,
- Tomasz Karusewicz – Member of the Supervisory Board,
- Dariusz Formela – Member of the Supervisory Board,
- Wanda Rapaczynski – Member of the Supervisory Board,
- Tomasz Sielicki – Member of the Supervisory Board,
- Maciej Wisniewski – Member of the Supervisory Board

Regarding the independence of Supervisory Board members and the Supervisory Board Committees, these issues are discussed in a separate section of the report.

Andrzej Szlezak, Ph.D.

Of Counsel in the Soltysinski, Kawecki & Szlezak (SK&S) law firm (before he was its Partner). He joined SK&S shortly after its founding in 1991, in 1993 he became a partner and in 1996 a senior partner. At SK&S, he was engaged in legal services in a number of privatizations and restructuring processes of various sectors of Polish industry and banking. He supervised numerous merger and acquisition projects, participated in greenfield projects, prepared a large number of transaction documents, and was the author of numerous legal opinions from the field of civil and commercial law. He is an arbitrator of the Court of Arbitration at the Polish Chamber of Commerce in Warsaw and Vice-President of the Council of Arbitration, and was frequently appointed as an arbitrator in disputes brought before the ICC International Court of Arbitration in Paris.

Andrzej Szlezak received his master's degrees in Law and English Philology at the Adam Mickiewicz University in Poznan. In 1979–1981, he was a trainee judge at the Regional Court in Poznan. Since 1979, he was a research worker in the Institute of Civil Law at the Adam Mickiewicz University, where he received his doctorate and habilitation degree in the field of civil law. In 1994, he was appointed professor of the Adam Mickiewicz University until his departure from the Faculty of Law in 1996. A. Szlezak, Ph.D., was a scholarship holder of a number of foreign universities, including the universities of Oxford and Michigan. Currently, A. Szlezak is a professor of the University of Social Sciences and Humanities (SWPS) in Warsaw. He is the author of numerous publications, including foreign-language ones, in the area of civil and commercial law.

The General Meeting of Shareholders appointed Andrzej Szlezak to the position of the Chairman of Agora S.A.'s Supervisory Board. Andrzej Szlezak is a member of the Human Resources and Remuneration Commission in Agora's Supervisory Board.

Tomasz Karusewicz

A graduate of the University of Szczecin, Faculty of Economic Sciences and Management - specializing in enterprise management. He also completed postgraduate studies at the Warsaw University of Technology - IT resource management at the Institute of Control and Computation Engineering and Executive Master of Business Administration studies at the French Institute of Management.

He also has the qualifications of an internal auditor and the right to sit on the supervisory boards of state-owned companies.

He was associated with, among others with the Ciech Group (in 2006-2008). He served as deputy director of the Corporate Supervision Office and later a member of the Supervisory Board of Ciech S.A. He was also a member of supervisory boards in the Ciech Group companies, i.e. Zakłady Chemiczne Alwernia S.A. and Ciech Polfa Sp. z o.o. In

2007-2009 he was employed as the deputy director of the Foreign Investment Office (Business Development Office) at PZU S.A. In the period 2010-2012 he was associated with Telewizja Polska S.A., first as the deputy director of the Management Board and Corporate Affairs Office, then as the director of the Audit and Internal Control Office.

In addition, he sat on the supervisory board, including of Enea S.A. with its registered office in Poznań, IKS Solino S.A., Zakłady Azotowe w Tarnów - Mościce S.A. (currently Grupa Azoty S.A.), ZWiK w Szczecinie Sp. z o.o. He also served on the supervisory board and the management board of PWPW S.A. In 2016-2019 he was again a member and later chairman of the supervisory board of Grupa Azoty S.A.

From 2016, he was again associated with the PZU Group. He was appointed a member of the management board of PZU Życie S.A. and the director of the PZU S.A. Group, where he oversaw the Information Technology Division and the Operations Division. Currently, he is a member of the management board of the Mutual Insurance Association Polish Mutual Insurance Company in the PZU Group.

As part of the Supervisory Board of Agora S.A. Tomasz Karusewicz is a member of the Human Resources and Remuneration Commission.

Dariusz Formela

Since 1 September 2018 he is a member of Management Board of the Black Red White S.A. with its registered office in Biłgoraj and since 1 December 2018 he is a president of that company.

Before that, since 2012, the president of the management board of Gobarto S.A. (previously PKM DUDA S.A.) responsible for development and implementation of the company's strategy. In 2009–2012, he was a member of the management board of PKM DUDA S.A. and president of the management board of CM Makton S.A. In 1998–2008, he worked for the ORLEN Capital Group, where he was also a member of the management board of PKN ORLEN and Możejki Nafta responsible for, among others, the oversight of the group companies and the integration of capital assets. He was also responsible for development and implementation of the restructuring plan in the ORLEN Capital Group. Dariusz Formela is currently a member of the Supervisory Board of Radpol S.A. and Unimot S.A.

He is a graduate of the Law and Administration Faculty at the University of Gdansk. He also obtained an MBA diploma from the University of Bradford and Kozminski University.

Dariusz Formela is a chairman of the Audit Committee in Agora's Supervisory Board.

Wanda Rapaczynski

Associated with the company almost since its inception. In 1998–2007 and between 28 June 2013 and 12 March 2014, she served as the President of the Management Board. Under her leadership, Agora grew into one of the largest and most well-known media companies in Central and Eastern Europe. After resignation from the function of the President of the Management Board in 2007, she remained associated with Agora as an advisor to the Supervisory Board until her appointment to the supervisory body. Member of the Supervisory Board of the Company in 2009–2013. She represented Agora in the European Publishers Council and the Polish Confederation of Private Employers LEWIATAN, where she was a member of the main board and a member of the supervisory board of the Polish Private Media and Advertising Employer's Confederation.

In 1984–1992, she was the Head of New Product Development in Citibank NA in New York. Previously, for two years she was the director of a research project at the Faculty of Psychology at Yale University, and in 1977–1979 a research worker at Educational Testing Service in Princeton, New Jersey. Her professional career began as a psychology lecturer at universities in New York and Connecticut.

She was a member of the Supervisory Board of Adecco S.A. since 2008 to 2018, a Swiss company operating internationally, specialized in recruiting activities, where she chaired the Corporate Governance Committee. For years she was a member of the Council of the Central European University in Budapest, where she chaired its Audit Committee. She was also a member of the International Advisory Council at the Brookings Institution in Washington for many years. Since 2002 she has been a member of Polish Group in the Trilateral Commission.

In 1977 she received a Ph.D. in Psychology from City University of New York. A graduate of Yale University, School of Organization and Management, where in 1984 she received a Master of Private & Public Management.

Tomasz Sielicki

Tomasz Sielicki worked in Sygnity S.A. (formerly ComputerLand S.A.) since the company's inception in 1991. From 1992 to 2005, he served as the President of the Management Board, later for two years he served as the President of the Sygnity Group (formerly ComputerLand Group). He is widely considered to be the founder of the company's success. In 2007–2017, he was a member of the Supervisory Board of Sygnity S.A.

He is a member of, among others, the Information Society Development Foundation Council, Council of the Gessel Foundation for the National Museum in Warsaw, Trilateral Commission and Public Affairs Institute and Supervisory Board of Ovid Works S.A.

Tomasz Sielicki is a member of the Audit Committee in Agora's Supervisory Board.

Maciej Wisniewski

Maciej Wisniewski has twenty years of experience in investment management and investment funds. He successfully founded, developed and sold Investors Towarzystwo Funduszy Inwestycyjnych S.A. which was one of the first private investment fund companies on the Polish market. Previously, he was associated with BZ WBK AIB Asset Management and LG Bank. He started his professional career at Raiffeisen Capital and Bank Millennium. Since December 2018 he has been a chairman of The Board Of Directors in MacroEquity Global Investments UCITS SICAV.

Maciej Wisniewski graduated from the Faculty of Finance and Banking at the Warsaw School of Economics and the Faculty of Finance at London Business School.

Maciej Wisniewski is a chairman of the Human Resources and Remuneration Commission and a member of the Audit Committee in Agora's Supervisory Board.

Committee and Commission established within the Supervisory Board

There is one Committee and one Commission operating within the Supervisory Board: the Audit Committee, and Human Resources and Remuneration Commission established in compliance with the Company's Statutes, performing advisory role to the Supervisory Board. Competences and procedures of the Audit Committee, and Human Resources and Remuneration Commission were set forth in the by-laws of these bodies adopted by virtue of resolutions of the Supervisory Board. As at the date of submission of this Report, the Committee and Commission are composed of the following members:

(i) Audit Committee:

- Dariusz Formela – Chairperson of the Audit Committee, an independent member of the Supervisory Board with knowledge about the business which the Company operates,
- Tomasz Sielicki – a member of the Supervisory Board,
- Maciej Wisniewski – an independent member of the Supervisory Board with knowledge and skills in the field of accounting acquired in the professional education in the Faculty of Finance and Banking at the Warsaw School of Economics and the Faculty of Finance at London Business School, as well as in the course of current professional activity.

The Audit Committee is responsible for monitoring financial reporting of the Company and the Agora Group, as well as financial audit activities, performing supervisory functions with respect to monitoring of internal control systems, internal audit and risk management, and performing supervisory activities with respect to monitoring the independence of external auditors.

In order to exercise its powers, the Audit Committee may require the Company to provide certain information on accounting, finance, internal audit and risk management that is necessary for the performance of the Audit Committee's activities, and may examine the Company's documents.

The meetings of the Audit Committee are convened when necessary, but at least four times per year. In 2022 the Audit Committee was convened seven times.

Meetings of the Audit Committee are convened by its chairman on his or her own initiative or at the request of a member of the Audit Committee, as well as at the request of the Management Board, internal or external auditor. Meetings of the Audit Committee may also be convened by the Chairman of the Supervisory Board.

The Audit Committee submits to the Supervisory Board its motions, positions and recommendations in time for the Supervisory Board to take appropriate actions, as well as annual and half-yearly reports on its activities in a given financial year and an assessment of the Company's situation in the areas within its competence.

Pursuant to the resolution of the Supervisory Board of 7 November 2019 and in accordance with the provisions of the Company's Statutes, KPMG Audyt Spółka z ograniczoną odpowiedzialnością spółka komandytowa based in Warsaw at 4A Inflancka Street, entered on the list of entities authorized to audit financial statements with the number 3546, was chosen as the certified auditor of the Company and the Group who will examine the financial statements for 2020, 2021 and 2022. This selection was made in accordance with the "Policy of selecting the audit company to audit financial statements of Agora SA and Agora S.A. Capital Group".

On the basis of a circular resolution of the Supervisory Board No. 14/2022 of September 5, 2022 and in accordance with the provisions of the Company's Statutes, PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k. with its registered seat in Warsaw, at 11 Polna Street (number on the list of entities authorized to audit financial statements: 144) was chosen as the certified auditor of the Company and the Group who will examine the financial statements for 2023, 2024 and 2025. This selection was made in accordance with the "Policy of selecting the audit company to audit financial statements of Agora SA and Agora S.A. Capital Group".

In December 2017, the Supervisory Board of the Company adopted, in the form of a resolution, the "Policy on selection of the audit firm for auditing the financial statements of Agora S.A. and Agora S.A. Capital Group", which also included provisions concerning the policy for the provision by the audit firm conducting the audit, by entities associated with this audit firm and by a member of the audit firm network of permitted non-audit services, and "Procedure of selection of the audit company in Agora S.A. and the Agora S.A. Capital Group". The obligation to accept the above-mentioned documents resulted from the Act of 11 May 2017 on statutory auditors, audit firms and on public supervision. As a result of the 2022 revision of the aforementioned documents, the Supervisory Board adopted by circular resolution No. 17/2022 amendments to the Policy on selection of the audit firm for auditing the financial statements of Agora S.A. and Agora S.A. Capital Group and the Procedure of selection of the audit company in Agora S.A. and the Agora S.A. Capital Group, aimed at adjusting the wording of these documents to the current wording of the Act on Auditors, Audit Firms and Public Supervision. The amendments to the Policy and Procedure also take into account the guidelines of the Office of the Polish Financial Supervision Authority for the event that the audit firm auditing the financial statements of a public interest entity loses its authority or other reasons occur that prevent the audit firm selected by a public interest entity from conducting the audit.

The policy on selection of the audit firm for auditing the financial statements of Agora S.A. and Agora S.A. Capital Group sets out the rules and guidelines for the procedure aimed at selecting an audit firm authorised to conduct statutory audits and reviews of financial statements of Agora S.A. and Agora S.A. Capital Group by the Supervisory Board of the Company following a tender procedure provided for in the Selection Procedure, containing transparent and non-discriminatory selection criteria for the audit firm. The policy also indicates the general responsibilities of the Audit Committee of Agora S.A.'s Supervisory Board related to monitoring the risk of loss of authority by the audit firm examining financial statements of the Company.

Pursuant to the policy for the provision by the audit firm conducting the audit, by entities associated with this audit firm and by a member of the audit firm network of permitted non-audit services together with the catalogue of prohibited services, neither the statutory auditor nor the audit firm conducting statutory audits of the Company nor any member of the network of which the statutory auditor or the audit firm are members shall provide, directly or indirectly to the Company, its parent company or any entities controlled by the Company within the European Union, any prohibited non-audit services or services other than financial auditing activities. Provision of services that are not prohibited by these entities shall be acceptable only to the extent not related to the Company's tax policy, after the Audit Committee has conducted an assessment of risks and independence safeguards, and provided its consent.

The audit firm KPMG Audyt Spółka z ograniczoną odpowiedzialnością spółka komandytowa with its registered office in Warsaw provided permitted non-audit services to Agora S.A. in the financial year 2022, i.e. services within the scope of review of condensed interim individual financial statements of Agora S.A., covering the period from 1 January 2022 to 30 June 2022, and within the scope of review of condensed interim consolidated financial statements of Agora S.A. Capital Group, covering the period from 1 January 2022 to 30 June 2022.

(ii) Human Resources and Remuneration Commission:

- Maciej Wisniewski - chairperson of the Human Resources and Remuneration Commission,
- Tomasz Karusewicz,
- Andrzej Szlezak.

In accordance with the Bylaws of the Human Resources and Remuneration Commission, responsibilities of the Commission include periodic assessment of the principles of remuneration of the Management Board members and providing the Supervisory Board with appropriate recommendations in this respect, making recommendations regarding the amount of remuneration and granting additional benefits to individual members of the Management Board for consideration by the Supervisory Board.

When submitting the above recommendations to the Supervisory Board, the Commission should specify all forms of remuneration, in particular the fixed remuneration, the performance-based remuneration system and severance pay. Additionally, the Committee's competencies include advising the Supervisory Board on the selection criteria and the procedures for appointing Management Board members in cases provided for in the Company's Statutes, advising the Supervisory Board on the procedures to ensure proper succession of Management Board members in cases provided for in the Company's Statutes.

Meetings of the Human Resources and Remuneration Commission are held as frequently as needed to ensure its proper operation, at least once a year. In 2022, the Commission met four times.

Meetings of the Commission are convened by its Chairperson on his or her own initiative or at the request of a member of the Commission, Supervisory Board or of the President of the Company's Management Board. Meetings of the Commission may also be convened by the Chairman of the Supervisory Board.

The Commission submits to the Supervisory Board its motions, positions and recommendations in time for the Supervisory Board to take appropriate actions, as well as annual reports on its activities in a given financial year and an assessment of the Company's situation in the areas within its competence.

4.2. RULES GOVERNING APPOINTMENT AND DISMISSAL OF THE COMPANY'S MANAGEMENT PERSONNEL; POWERS OF THE MANAGEMENT PERSONNEL, INCLUDING IN PARTICULAR THE AUTHORITY TO RESOLVE TO BUY BACK OR ISSUE SHARES

4.2.1 Appointment

In accordance with § 28 of the Statutes, the Management Board is appointed by the General Meeting, except for the appointment of additional members of the Management Board by way of co-optation.

Subject to situations where additional members of the Management Board are co-opted, the Management Board is composed of 3–6 members with the exact number of members determined by the shareholders holding the majority of preferred series A shares, and following the expiration of such preferred status of all series A shares, by the Supervisory Board.

During the term of its office, the Management Board may appoint by co-optation not more than two additional members; the co-optation of additional members is effected by a resolution of the Management Board. In case a member of the Board is appointed by way of co-optation, the Management Board is obliged to include in the agenda of the nearest General Meeting an item concerning confirmation of appointment of a new member of the Board by way of co-optation and propose an appropriate draft resolution. Should the General Meeting not approve the appointment of the new member of the Management Board by way of co-optation, such Management Board member's mandate expires on conclusion of that General Meeting. During the Extraordinary General Meeting on April 21, 2022, the shareholders approved the appointment of Ms. Agnieszka Siuzdak-Zyga to the Management Board, who was co-opted on 5 August 2021 by a relevant resolution of the Management Board pursuant to the provisions of § 28(3) of the Company's Statutes. On 23 June 2022, Ms. Agnieszka Siuzdak-Zyga resigned from the function of the Management Board member effective from 31 August 2022.

In accordance with the Statutes, the majority of members of the Management Board must be Polish citizens residing in Poland.

In accordance with § 30 of Agora S.A.'s Statutes, candidates for the Management Board members may be nominated exclusively by shareholders holding preferred series A shares, and following the expiry of the preferred

status of all such shares, by the Supervisory Board. In 2021, Agora-Holding Sp. z o.o. - a shareholder of the Company, holding 100% of the preferred series A shares, provided information on the intention to propose Mr. Wojciech Bartkowiak as a candidate for a member of the Management Board of Agora S.A. at the next General Meeting, about which the Company informed in the relevant current report no. 24/2021 of 9 December 2021. During the Extraordinary General Meeting on April 21, 2022, the General Meeting decided to appoint Mr. Wojciech Bartkowiak to the Management Board of the Company with immediate effect.

In the event that the persons authorized to determine the number of members of the Management Board and to nominate candidates for such members do not exercise one or both of the above rights, the number of members of the Management Board may be determined by the General Meeting, while each shareholder during such General Meeting may nominate candidates for such members.

4.2.2. Dismissal

In accordance with § 31 of the Statutes, individual or all members of the Management Board may be dismissed (removed), due to important reasons, prior to the end of their term of office on the basis of a resolution of the General Meeting adopted by a simple majority of votes, provided that until the expiry of the preferred status of series A shares 80% of voting rights attached to all outstanding series A shares are cast in favour of such resolution. A resolution on dismissal (removal) of Management Board members should state the reasons for which such dismissal is made.

Members of the Management Board appointed by way of co-optation may be dismissed in the manner provided for above, or by a resolution of the Management Board; however, the persons concerned may not vote on this matter.

In the event that some members of the Management Board are dismissed or their mandate expires during the term of office for other reasons, supplementary elections shall be held only at such time as when the number of members of the Management Board performing their functions is less than three or when the requirement that the majority of members of the Management Board must be Polish citizens residing in Poland is no longer met.

If the number of members of the Management Board is lower than that required in the preceding paragraph, the Management Board will be required to immediately convene an extraordinary General Meeting in order to hold supplementary elections. Supplementary elections may take place also during the ordinary General Meeting if, in accordance with the provisions of law, such meeting must be convened within a short period of time, while convening an extraordinary General Meeting would not be appropriate in such case. In the event of supplementary elections, provisions regarding the election of members of the Management Board for their full term of office apply.

In accordance with § 33(1) of the Statutes, members of the Management Board may elect the chairman or persons performing other functions among themselves.

4.2.3 Powers of the management personnel

In accordance with § 27 of the Company's Statutes, the Management Board of the Company manages its affairs and represents the Company in dealings with third parties.

Responsibilities of the Management Board include all matters related to conducting the Company's affairs not reserved for other governing bodies of the Company.

The authority to resolve to buy back or issue shares remains with the General Meeting of the Company.

5. COMPANY'S INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS USED IN THE PROCESS OF PREPARATION OF FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

Management Boards of the Group companies are responsible for the internal control systems in individual companies and their efficiency in the process of preparing financial statements and periodic reports developed and published in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state.

The Chief Financial Officer of the parent company or chief financial officer/management board of respective company, as appropriate, supervises the process of preparing the financial statements and periodic reports in individual Group companies from the subject-matter point of view. The process of drawing up annual and interim financial statements is coordinated by the Reporting Department of the Finance and Administration Division, as well as financial and accounting departments of individual Group companies. The Company constantly monitors changes to the applicable stock market reporting laws and regulations, and makes preparations sufficiently in advance to incorporate them into its rules and policies.

Each month, following the closing of the books, the members of the Management Board of the Parent Company and the management staff of the Group receive management information reports, including analyses of key financial data and operating ratios of the business segments. On a monthly basis, meetings of the Management Board with management staff are also organized to discuss the Company's and the Group's performance by segment and division.

All financial data contained in the separate and consolidated financial statements and periodic reports are sourced from the financial and accounting systems, where all business events are recorded in accordance with the Company's and the Group's accounting policies (approved by the Management Board), based on the International Accounting Standards and the International Financial Reporting Standards. The Company has been preparing financial statements in accordance with International Financial Reporting Standards (formerly: International Accounting Standards) since 1992.

The consolidated and separate financial statements of the Company and the Group are submitted to the member of the Management Board supervising the Finance and Administration department and the Chief Financial Officer for preliminary verification and then to the Management Board for final verification. Prior to their publication, consolidated and separate financial statements are also submitted to members of the Audit Committee.

Meetings of the Supervisory Board are held at least once a quarter, during which, depending on the questions submitted by members of the Supervisory Board, the Management Board provides information on key financial data and operating ratios of business segments.

Consolidated and separate annual and semi-annual financial statements are subject to, respectively, independent audit and review by the Company's statutory auditor. The results of the audit and review are presented by the statutory auditor to the member of the Management Board supervising the Finance and Administration department, the management of the financial division (including the Chief Financial Officer) and published in the auditor's report.

Conclusions from the audit and review of the consolidated and separate financial statements are presented to the Audit Committee. Representatives of the Audit Committee analyze the results of the audit and review at closed meetings with the Company's auditor, also without the participation of the Company's Management Board.

In addition, the statutory auditor also provides the Audit Committee with recommendations concerning improvements of the internal control system in the Company and the Group, which were identified during the audit of the financial statements.

Additionally, the Company has an Internal Audit Department, whose main task is to identify risks and weaknesses of internal control. At its meetings, the Audit Committee discusses the results of the Internal Audit work with its director, also without the participation of the Company's Management Board.

The recommendations received from the statutory auditor and Internal Audit are discussed by the Audit Committee with the Company's Management Board.

Additionally, at Agora S.A. there is a Compliance team whose main task is to ensure the compliance of Agora's operations with internal regulations and legal provisions. The Compliance Officer discusses the results of his work at the Audit Committee meetings.

Remuneration of persons responsible for the Internal Audit Department and Compliance team depends on the performance of assigned tasks, and not on the short-term results of the Company. The persons responsible for the Internal Audit Department and Compliance team report directly to the president and another member of the management board. The head of internal audit reports organisationally to the President of the Management Board, and functionally to the chairman of the audit committee. In 2021, also at Helios S.A. Compliance Officer was appointed.

The company plans to implement the principle of having the internal audit function reviewed by an independent auditor selected with the participation of the audit committee.

6. GENERAL MEETING AND SHAREHOLDER RELATIONS

At present, securities issued by the Company are traded only on the Warsaw Stock Exchange, hence all the Company's shareholders acquire their rights on the same dates in accordance with the Polish legal system. All shareholders have the same rights as far as the transactions and contracts executed between the Company and its shareholders or related entities are concerned. In the event of amendments to the rules of the general meeting, the Company endeavours to do so in good time in order to enable all shareholders to exercise their rights, and the Company strives to ensure that the amendments to the rules of the general meeting take effect at the earliest as of the next general meeting.

The Company strives to organize an ordinary general meeting as soon as possible (taking into account also the organization of the Agora Group's operations) after the publication of the annual report, bearing in mind the relevant legal regulations. Two General Meetings of the Company were held in 2022. The Extraordinary General Meeting, convened at the request of a shareholder representing at least one-twentieth of the share capital, was held on 21 April 2022 and the Ordinary General Meeting was held on 21 June 2022, at the initiative of the Management Board. General Meetings were held at the Company's seat in Warsaw, and all documents related to their organization and course, including the video transmission, were posted on the Company's corporate website. Their course was in accordance with the provisions of the Code of Commercial Companies and the regulations of the General Meeting. Members of the Management Board and, in case of the Ordinary General Meeting, the auditor were present during the meeting were ready to provide explanations regarding their competences and legal provisions. Shareholders' questions asked during the general meeting and the answers given to them are available to everyone by transmitting the course of the general meeting in real time. In addition, when the need arises, the Company draws up a list of questions asked before and during the general meeting and the answers to these questions. Answers to questions are provided by representatives of the Management Board and Supervisory Board of the Company present at the general meeting.

During the Extraordinary General Meeting, the shareholders approved the appointment of Ms. Agnieszka Siuzdak - Zyga to the Management Board by co-opting on 5 August 2021 and adopted a resolution on the appointment of Mr. Wojciech Bartkowiak to the Management Board. During the Annual General Meeting of the Company in 2022, no changes were made to the Regulations of the General Meeting.

The Ordinary General Meeting approved the annual unconsolidated and consolidated financial statements of the Company for the financial year 2021 and the Management Board's report on the activities of the Company and the Capital Group in the financial year 2021, and decided to allocate profits from the financial year to the Company's supplementary capital. Additionally, the Ordinary General Meeting adopted the Report of the Supervisory Board on the remuneration of the Supervisory Board and the Management Board of Agora SA for 2021 and the Diversity Policy by Agora S.A. with respect to Members of the Management Board and of the Supervisory Board. The Ordinary General Meeting approved the performance of duties by particular members of the statutory bodies and adopted resolutions on the appointment of members of the Supervisory Board for a new term. The Ordinary General Meeting also amended the Company's Articles of Association with regard to the principles of representation of the Company.

For several years, the Company has been broadcasting the general meeting in real time, both in Polish and in English. In 2021, the Company provided shareholders with the possibility of two-way communication in real time using electronic means of communication using a dedicated web platform. Since 2021, Agora S.A. has e-General Meeting bylaws adopted by the Company's Supervisory Board, which enable the exercise, in person or through a proxy, of voting rights during the general meeting with the use of electronic means of communication.

The Management Board of the Company ensures that all resolutions of the general meeting concerning matters and decisions other than those of a procedural nature contain a justification, unless it results from the documentation presented to the general meeting. If an item is placed on the agenda of the general meeting at the request of a shareholder or shareholders, the Management Board shall request the shareholders to provide the justification for the proposed resolution.

All draft resolutions submitted by the Company to the agenda of the General Meeting are previously reviewed by the Supervisory Board.

The Company makes every effort to ensure that the draft resolutions of the general meeting regarding matters put on the agenda of the general meeting are submitted by shareholders at least 3 days before the general meeting by including an appropriate provision in the announcement on convening the general meeting.

If the agenda of the General Meeting is to appoint a member of the Supervisory Board or to appoint the Supervisory Board of a new term of office, the Company makes sure that candidates for members of the Supervisory Board are submitted in a timely manner enabling the shareholders present at the general meeting to take decisions with due consideration, but not later than 3 days before the general meeting. The company publishes the candidatures, along with a complete set of materials relating to them, immediately after receiving them on the company's website.

The company makes sure that each candidate for a Supervisory Board member submits a declaration regarding compliance with the requirements for members of the Audit Committee specified in the Act of May 11, 2017 on statutory auditors, audit firms and public supervision, as well as regarding the existence of actual and significant connections between the candidate and the shareholder holding at least 5% of the total number of votes in the company.

In the case of issuing shares with pre-emptive rights, the Company will comply with the relevant rules set out in the DSPN 2021 document.

Agora S.A. has always strived to pay dividends to shareholders. To this end, the Company adopted a dividend policy back in 2005. However, recent years forced the Company to use the option to keep cash in the Company due to the enormous situation of uncertainty caused by the Covid-19 pandemic and war in Ukraine and their negative consequences for the Polish economy. Also in 2022, the Management Board of Agora decided to submit an application to the General Meeting of Shareholders to retain the profit generated in 2021 in the Company.

6.1. OPERATION AND KEY POWERS OF THE GENERAL MEETING, SHAREHOLDERS' RIGHTS AND THE MANNER OF THEIR EXERCISE

The General Meeting of Agora ("GM") acts on the basis of the Commercial Companies Code and Agora's Statutes. Pursuant to Section 16(2) of the Statutes, the GM may adopt the Rules of the General Meeting, setting out the rules of its operation. The adoption, amendment or revocation of the Rules require three-quarters of the votes cast to be valid. The Rules of the GM is available at URL: <https://www.agora.pl/media/Dokumenty/By-laws%20of%20the%20General%20Meeting%20of%20the%20Shareholders%20of%20Agora%20SA.pdf>. The GM is convened in accordance with the provisions of the Code of Commercial Companies.

Resolutions of the General Meeting are passed by an absolute majority of the votes cast unless the Code of Commercial Companies or the Statutes provide otherwise. Pursuant to § 15(2) of the Statutes, resolutions concerning a merger of the Company with another entity, other forms of consolidation that are or will be allowed under law, division of the Company, remuneration of members of the Supervisory Board, including individual remuneration of those members who were elected to a continuous supervisory, are adopted by a majority of three-quarters of votes cast. The majority of three-quarters of votes cast when the shareholders representing at least 50% of the Company's share capital are present, is required for resolutions on the removal of matters from the agenda of the general meeting that were previously contained in the agenda. In the event a motion for such removal is submitted by the Company's Management Board, an absolute majority of votes cast is required in order to adopt such a resolution. Acquisition or disposal of real property, a perpetual usufruct right or interest in real property does not require the GM's resolution.

Pursuant to § 15(4) of the Statutes, the removal of any matters from the agenda of the general meeting at the request made, on the basis of Article 400 or Article 401 of the Code of Commercial Companies, by a shareholder representing at least such part of the Company's share capital as is indicated in the said provisions, requires consent of the shareholder who made such request. Adoption of a resolution relating to shareholder's liability with respect to the Company due to any reason shall require an majority of three-quarters of votes cast in the presence of shareholders representing at least 50% of all the Company shares conferring the right to vote in the adoption of such resolution.

According to § 17(1) of the Statutes, none of the shareholders may exercise more than 20% of the overall number of votes at the general meeting, provided that for the purposes of establishing obligations of purchasers of

material blocks of shares as provided in the Act on Public Offering such restriction of the voting rights does not exist. This restriction of the voting rights does not apply also to:

- ▶ shareholders holding the preferred series A shares;
- ▶ a shareholder who, while having no more than 20% of the overall number of votes at the general meeting, announced, in accordance with the Act on Public Offering, a tender for subscription for the sale or exchange of all the shares of the Company and in result of such tender purchased shares which, including the previously held Company shares, authorize the said shareholder to exercise at least 75% of the overall number of votes at the general meeting. For the purposes of calculating a shareholder's share in the overall number of votes at the general meeting referred to above, it is assumed that the restriction of the voting rights (up to 20%) does not exist.

Pursuant to § 17(5) of the Statutes, at any General Meeting the percentage of votes of foreign entities and entities controlled by foreign entities may not be greater than 49%. The limitation does not apply to entities with their seats or residence in a Member State of the European Economic Area.

Each share, whether preferred or not, entitles its holder to one vote in connection with passing a resolution regarding the withdrawal of the Company's shares from public trading.

Pursuant to § 7(1) of the Statutes, in addition to registered series A shares, the Company's share capital comprises also ordinary, both registered and bearer, BiD series shares. Series A registered shares are preferred in such a way that each of them carries five votes at the general meeting, subject to the above reservations.

Pursuant to § 11(1) of the Statutes, the sale or conversion of preferred series A shares into bearer shares requires the written consent of shareholders holding at least 50% of the preferred series A shares registered in the share register on the date of filing the request for a permit for sale or conversion of preferred series A shares into bearer shares. Within 14 days from the date of receipt of the request, the Management Board is obliged to deliver a copy of the request to each holder of preferred series A shares who are authorized to express their consent, to the address of each shareholder registered in the share register.

Candidates for members of the Supervisory Board may be nominated by shareholders holding preferred series A shares or shareholders who documented their entitlement to not less than 5% of the votes at the last general meeting before the candidates were nominated and who, at the time of making the nomination, hold not less than 5% of the Company's share capital (§ 21(1)(a) of the Statutes). Where a member of the Supervisory Board tenders his or her resignation, other Supervisory Board members may appoint by means of co-optation a new member who will perform his or her duties until the general meeting appoints a Supervisory Board member, however no longer than until the end of the common term of office of the Supervisory Board. Dismissal (removal) of a member of the Supervisory Board prior to the end of the common term of office of the Supervisory Board may be effected by a resolution of the general meeting adopted by a simple majority of votes, provided that until the expiry of the preferred status of series A shares 80% of voting rights attached to all outstanding series A shares are cast in favour of such resolution.

Information on powers of the general meeting and rights of shareholders to appoint and dismiss the Management Board members is provided further in this document.

Bearer shares may not be converted into registered share.

The rights of the Company's shareholders, including minority shareholders, are exercised to the extent and in a manner consistent with the provisions of the Code of Commercial Companies.

In accordance with the principles of transparency, effective information policy and in an effort to ensure that all shareholders have equal access to information about the Company, Agora S.A. broadcasts the general meeting online, in Polish and English. General meetings of the Company are always attended by representatives of the Company's Management Board, Supervisory Board and the statutory auditor.

6.2 SHAREHOLDERS WITH MAJOR HOLDINGS OF SHARES

To the best of the Company's knowledge, as at the day of publication of this Directors' Report, the following shareholders were entitled to exercise over 5% of voting rights at the General Meeting of the Company:

Tab.30

	number of shares	% of share capital	number of votes at GM	% of votes at GM
Agora-Holding Sp. z o.o. <i>(in accordance with the last notification dated 24 September 2015) (1)</i>	5,401,852	11.60	22,528,252	35.36
Powszechne Towarzystwo Emerytalne PZU S.A. (Otwarty Fundusz Emerytalny PZU Zlota Jesien and Dobrowolny Fundusz Emerytalny PZU) <i>(in accordance with the last notification dated 27 December 2012) (1)</i>	7,594,611	16.30	7,594,611	11.92
<i>of which:</i> Otwarty Fundusz Emerytalny PZU Zlota Jesien <i>(in accordance with the last notification dated 27 December 2012) (1)</i>	7,585,661	16.28	7,585,661	11.91
Media Development Investment Fund, Inc. (MDIF Media Holdings I, LLC) <i>(in accordance with the official notification received on 6 June 2016) (1)</i>	5,350,000	11.49	5,350,000	8.40
Nationale – Nederlanden Powszechne Towarzystwo Emerytalne S.A. (Nationale – Nederlanden Otwarty Fundusz Emerytalny and Nationale Nederlanden Dobrowolny Fundusz Emerytalny) <i>(in accordance with the last notification dated 9 June 2016) (1)</i>	4,493,055	9.65	4,493,055	7.05

(1) proportion of voting rights and percentage of share capital of Agora S.A. were recalculated by the Company after registration of the reduction of Company's share capital on August 23, 2018.

The Management Board of Agora S.A. is not aware of any agreements which may result in future changes in holdings of shares by its current shareholders.

6.3. HOLDERS OF ANY SECURITIES CONFERRING SPECIAL CONTROL RIGHTS IN RELATION TO THE ISSUER

Series A Shares

Agora Holding Sp. z o.o. is the only holder of registered preferred series A shares. The series A shares carry preferences regarding the number of votes per one share and right to determine the number of Management Board members and to propose candidates for the Management and Supervisory Board members, to dismiss those members, and to grant the consent to sell series A shares or convert them into bearer shares. Each of the series A shares carries 5 votes at the General Meeting and the restriction of the voting rights (according to which none of the shareholders may exercise more than 20% of the overall number of votes at the general meeting – pursuant to § 17 (1)) does not apply to shareholders holding the preferred series A shares.

Shareholders holding the preferred series A shares have the exclusive right to nominate candidates for the Management Board members. They also belong to the limited number of entities with the exclusive right to nominate candidates for the Supervisory Board of Agora S.A. Holders of the majority the preferred series A shares may also determine the exact number of the Management Board members.

Another preference carried by series A shares includes the right to dismiss members of the Management or Supervisory Board prior to the end of their term of office. The dismissal can be made on the basis of the resolution adopted by the General Meeting. For the dismissal, a simple majority of votes is required, provided that until the expiry of the preferred status of series A shares 80% of voting rights attached to all outstanding series A shares are cast in favour of such resolution.

The Statutes of Agora S.A. provide that none of the shareholders may exercise more than 20% of the overall number of votes at the General Meeting, provided that for the purposes of establishing obligations of purchasers of material blocks of shares as provided in the Act on Public Trading in Securities such restriction of the voting rights does not exist. This restriction of the voting rights does not apply to shareholders holding the preferred series A shares.

Each share, whether preferred or not, entitles its holder to one vote in connection with passing a resolution regarding the withdrawal of the Company's shares from public trading.

6.4. RESTRICTIONS ON TRANSFER OF OWNERSHIP RIGHTS TO THE ISSUER'S SECURITIES

Pursuant to the Statutes of Agora S.A., the sale or conversion of preferred series A shares into bearer shares requires the written consent of shareholders holding at least 50% of the preferred series A shares registered in the share register on the date of filing the request for such consent. The procedure for requesting and granting such consent is laid down in the Statutes. In addition, the sale of series A preferred shares may be made only at a price not higher than their nominal value.

6.5. LIMITATIONS ON THE EXERCISE OF VOTING RIGHTS

According to the Company's Statutes, none of the shareholders may exercise more than 20% of the overall number of votes at the General Meeting. For the purposes of establishing obligations of purchasers of material blocks of shares as provided in the Act on Public Offering such restriction of the voting rights does not exist. The restriction of the voting rights referred to in the preceding sentence does not apply to:

a) shareholders holding the preferred series A shares;

b) a shareholder who, while having no more than 20% of the overall number of votes at the General Meeting, announced, in accordance with the Act on Public Offering, a tender for subscription for the sale or exchange of all the shares of the Company and in result of such tender purchased shares which, including the previously held Company shares, authorize the said shareholder to exercise at least 75% of the overall number of votes at the General Meeting. For the purposes of calculating a shareholder's share in the overall number of votes at the general meeting referred to above, it is assumed that the restriction on the voting rights provided for in § 17(1) of the Company's Statutes does not exist.

For the purposes of the aforementioned limitation on the voting rights and exception from the limitation provided for in item b), exercise of votes by a subsidiary is treated as the exercise of votes by a parent company as defined in the Act on Public Offering.

At any General Meeting, the percentage of votes of foreign entities and entities controlled by foreign entities may not be greater than 49%. The limitation does not apply to entities with their seats or residence in a Member State of the European Economic Area.

Each share, whether preferred or not, entitles its holder to one vote in connection with passing a resolution regarding the withdrawal of the Company's shares from public trading.

7. PRINCIPLES TO PREVENT CONFLICT OF INTEREST

Agora S.A. and its group companies have clear rules for transactions with related parties.

Members of the Company's governing bodies avoid engaging in professional or non-professional activity that could lead to a conflict of interest or adversely affect their reputation as a member of the Company's governing body. In the event of a potential conflict of interest, members of the Management Board and Supervisory Board report the occurrence of such a situation and do not participate in meetings during the consideration of such an event.

Members of the Management Board and Supervisory Board, in the event that the decision taken is contrary to the interest of the Company, should request that a separate opinion on this matter be included in the minutes of the Management Board or Supervisory Board meeting. Such an event did not take place in the Company.

All shareholders are equal in relation to the others in terms of transactions with related entities. This also applies to transactions of the Company's shareholders concluded with entities belonging to its Group. The report of transactions with related entities is presented to the Supervisory Board of the Company by the Compliance Officer on a quarterly basis. If the transaction of the Company with a related entity requires the consent of the Supervisory Board of the Company, the Supervisory Board, before adopting a resolution on this matter, assesses

whether there is a need to first consult an external entity that will carry out the valuation of the transaction and analyze its economic effects.

The company has not been buying its own shares for many years, in the event of a decision to carry out such a process, Agora will act in accordance with rule 5.4 of the DSPN 2021 collection.

8. REMUNERATION POLICY

As regards the recommendation concerning the policy for remuneration in the Company, the principles of determining remuneration of the Company's employees, except for members of the Management Board and Supervisory Board, are established in accordance with internal remuneration regulations. In 2020, Agora's General Meeting adopted the Remuneration Policy for members of the Management and Supervisory Boards. In 2022, the Supervisory Board presented a report on the implementation of this policy for the year 2021.

The Company's remuneration policy directly supports the implementation of the Agora Group's medium-term growth plans.

The Company's remuneration system is based on fixed remuneration and variable remuneration resulting from incentive plans and discretionary bonuses.

The Agora Group's remuneration policy differentiates the level of remuneration according to the position held, performance and competences. This variable part ensures flexibility and adaptability to the employer's needs.

Through the incentive scheme, the objectives closely linked to the Agora Group's medium-term growth plan are forwarded to the managers and to employees, which ensures effective support for Agora's business ventures.

The incentive-based remuneration system for employees and managers consists of a fixed part (base salary), a variable part (including annual bonuses and discretionary awards) and non-wage benefits. Base salary in the Company and Agora Group companies is related to the employee's potential, competence and performance in achieving his or her goals.

The aim of the system is to motivate employees to achieve high performance in their work through the implementation of individual goals and evaluation of attitudes, while the management staff can use it as a tool to motivate employees. The bonus system provides for an annual assessment of the employee's performance, summarising the employee's overall contribution for a given bonus year, indicating areas of strengths and areas that require further development. The annual assessment includes an assessment of the level of accomplishment of individual objectives and attitudes throughout the year, as well as an assessment of the total employee's work in a given year.

Agora also provides employees with non-wage benefits such as co-financing of medical care, sport card and benefit system available on a dedicated platform. Employees can also take advantage of the Company's Social Benefits Fund where they can benefit from employee loans for, inter alia, housing purposes. The Company also has a Loan and Benefit Fund.

The company submitted a new remuneration policy for the Management Board and the Supervisory Board in accordance with the requirements set out in the Act of 16 October 2019 amending the Act on public offering and conditions for introducing financial instruments to an organized trading system and on public companies and certain other acts to the Annual General Meeting, which took place on 25 June 2020.

The remuneration policy adopted by the General Meeting for members of the Management Board and Supervisory Board of Agora S.A. complies with the requirements of the Act and the Company's Articles of Association. Its full content is available on the corporate website of the Company. The company presented report on the application of this policy to the General Meeting in June 2022 for the year 2021. In June 2023, the Company will present the report for 2022.

The remuneration system for members of the Management Board of Agora operates on the basis of three elements:

- a fixed part (base salary),
- a variable part (incentive system and discretionary bonus) and
- non-wage benefits, the range of which is determined by the Supervisory Board.

Remuneration paid to the Management Board members in 2022 (PLN '000)

Member of the Management Board	Total	Base salary	Variable remuneration	Other benefits
Bartosz Hojka	1 687	850	832	5
Tomasz Jagiełło	728	254	474	-
Anna Kryńska - Godlewska	1 111	632	474	5
Tomasz Grabowski	1 040	756	278	6
Agnieszka Siuzdak-Zyga (1)	609	415	194	-
Wojciech Bartkowiak (2)	436	434	-	-
Agnieszka Sadowska (3)	395	-	395	-

(1) Agnieszka Siuzdak-Zyga served as a member of the Management Board until 31 August 2022;

(2) Wojciech Bartkowiak has been a member of the Management Board since 21 April 2022;

(3) Agnieszka Sadowska served as a member of the Management Board until 20 October 2021;

Remuneration paid by Agora S.A. to members of the Management Board in 2022 amounted to PLN 6,006 thousand (in 2021: PLN 5 530 thousand). This amount includes remuneration and bonuses paid for the period of performing the function of a member of the Management Board.

Increase in the amount of remuneration paid to members of the Management Board of Agora S.A. in 2022 is a result of the increase of the base salary in mid 2022.

Remuneration paid to members of the Supervisory Board in 2022 amounted to PLN 624 thousand. PLN (2021: PLN 624 thousand).

Tomasz Jagiello received additional remuneration for the function of President of the Management Board of Helios S.A. in the amount of PLN 386 thousand (in 2021: PLN 423 thousand). Other members of the Management Board and Supervisory Board did not receive any remuneration for serving on the governing bodies of subsidiaries, jointly controlled entities and associates.

In 2022, four members of the Management Board used company cars acquired by the Company. Tomasz Jagiello used a company car purchased by Helios S.A. Members of the Management Board of Agora S.A. are also provided with medical care on the same terms as other employees of the Company.

Detailed information on the remuneration of members of the Management Board and Supervisory Board of Agora S.A. is listed in note 27 to the consolidated financial statements.

Information on liabilities towards former members of the Management Board is presented in note 19 to the consolidated financial statements.

In 2022, remuneration for serving as members of the management and supervisory bodies of Agora Group's subsidiaries amounted to PLN 8,235 thousand. PLN (in 2021: PLN 7,888 thousand).

In the Agora Group, incentive plans were also implemented based on financial instruments, in which members of the Management Board of Agora S.A. participated. and members of the management board of the subsidiary Yieldbird Sp. z o.o. Detailed information on these plans is presented in note 28 to the consolidated financial statements.

To the best knowledge of the Company, members of the management boards and supervisory boards of the Group's companies were not entitled to any remuneration, awards or benefits other than those described above, paid, due or potentially due for their functions.

Remuneration paid to the Supervisory Board members in 2022 (PLN '000)

Member of the Supervisory Board	Remuneration paid
Andrzej Szlezak (chairman)	144
Wanda Rapaczynski	96
Tomasz Sielicki	96
Dariusz Formela	96
Maciej Wisniewski	96
Tomasz Karusewicz	96

The total remuneration amounted to PLN 624 thousand (2021: PLN 624 thousand).

Employment contract terms of the Management Board members of Agora S.A.

Existing employment contracts concluded with members of the Management Board of Agora S.A. provide that in the period of 30 months from the date:

- ▶ on which the right of the shareholders holding series A shares to nominate candidates to the Management Board is removed from the Company's Statutes,
- ▶ on which one entity or a group of entities acting in concert exceeds the 50.0% threshold of the total number of votes at the General Meeting of Agora S.A.;
- ▶ on which the Supervisory Board of the Company is appointed by voting by separate groups, pursuant to Article 385 § 3-9 of the Code of Commercial Companies, should any of these contracts be terminated by the Company, the member of the Management Board of Agora S.A. will receive severance pay in the amount equal to the sum of the following components:
 - (i) the amount equivalent to 12 times the monthly base salary payable to the member of the Management Board of Agora S.A. for the month preceding the month in which the member of the Management Board of Agora S.A. receives the termination notice;
 - (ii) the amount equivalent to the annual bonus for the financial year preceding the year of termination of the employment contract.

The severance pay referred to in the preceding sentence is not due when the employment contract is terminated for reasons indicated in Article 52 § 1 of the Labour Code.

Rules for determining the value of the Incentive Plan

Management Board members of the Company participate in an incentive program ("Incentive Plan"), within which one of the components (related to the Company's share price increase) is accounted for as a cash-settled share-based payment. According to the Incentive Plan Management Board members are eligible to receive an Annual Bonus based on two components described below:

- (i) the stage of realisation of the target based on the EBITDA of the Agora Group ("the EBITDA target"). The amount of a potential bonus in this component of the Incentive Plan depends on the stage of the EBITDA target fulfilment, which is specified as the EBITDA level of the Agora Group to be reached in the given financial year determined by the Supervisory Board. The fulfilment of the EBITDA target will be determined on the basis of the audited consolidated financial statements of the Agora Group for the given financial year;
- (ii) the percentage of Company's share price increase ("the Target of Share Price Increase"). The amount of a potential bonus in this component of the Incentive Plan will depend on the percentage of Company's share price increase in the future. The share price increase will be calculated as a difference between the average of the quoted closing Company's share prices in the first quarter of the financial year commencing after the financial year for which the bonus is calculated ("the Average Share Price in IQ of Next Year") and the average of the quoted closing Company's share prices in the first quarter of the financial year for which the bonus is calculated ("the Average Share Price in IQ of Bonus Year"). If the Average Share Price in IQ of Next Year will be

lower than the Average Share Price in IQ of Bonus Year, the Target of Share Price Increase is not satisfied and the bonus in this component of the Incentive Plan will not be granted, however, the Supervisory Board retains a right to the final verification of the Target of Share Price Increase by reference to the dynamics of changes in stock exchange indexes on capital markets.

The bonus from the Incentive Plan depends also on the fulfilment of a non-market condition, which is the continuation of holding the post of the Management Board member within the period, for which the bonus is calculated.

The rules, goals, adjustments and conditions for the Incentive Plan fulfilment for the Management Board members are specified in the Supervisory Board resolution.

As at 31 December 2022, the Group did not recognise a reserve for potential reward from the fulfilment of the EBITDA target in 2022 due to the failure to reach the EBITDA result to pay the incentive plan element. As at 31 December 2021, the value of potential reward from the fulfilment of the EBITDA target has been calculated based on the best estimate of the expected fulfilment value of the EBITDA target for 2021.

The value of the potential reward concerning the realization of the Target of Share Price Increase, was estimated on the basis of the Binomial Option Price Model (Cox, Ross, Rubinstein model), which takes into account – inter alia – actual share price of the Company (as at the balance sheet date of the current financial statements) and volatility of the share price of Company during the last 12 months preceding the balance sheet date. That value is charged to the Income Statement in proportion to the vesting period of this component of the Incentive Plan. As at 31 December 2022,

the estimated Average Share Price in IQ of Next Year was below the Target of Share Price Increase and the accrual for this component of the Incentive Plan was not recognised in the balance sheet. As at 31 December 2022, the value of reserve for potential reward concerning the realization of the Target of Share Price Increase includes the value of potential reward for the share price component for 2021, which was charged to the Income Statement in proportion to the vesting period of this component of the Incentive Plan.

Total impact of the Incentive Plan on the consolidated financial statements of Agora S.A. is presented below:

	2022	2021
Income statement – (increase) of staff cost	-	(2,572)
Income statement - deferred income tax	-	489
Liabilities - accruals - as at the end of the period	-	2,572
Deferred tax asset - as at the end of the period	-	489

The cost of the Incentive Plan concerning the Management Board of Agora S.A.:

	2022	2021
Bartosz Hojka	-	808
Tomasz Jagiello	-	460
Agnieszka Sadowska (1)	-	383
Anna Krynska - Godlewska	-	460
Tomasz Grabowski (2)	-	270
Agnieszka Siuzdak - Zyga (3)	-	191
Wojciech Bartkowiak (4)	-	-
	-	2,572

(1) Agnieszka Sadowska was the member of the Company's Management Board until 20 October 2021;

(2) Tomasz Grabowski is the member of the Company's Management Board from 1 June 2021;

(3) Agnieszka Siuzdak-Zyga was the member of the Company's Management Board from 5 August 2021 until 31 August 2022;

(4) Wojciech Bartkowiak is the member of the Company's Management Board from 21 April 2022.

9. DIVERSITY POLICY

With respect to the recommendation concerning the comprehensiveness and diversity of balanced participation of women and men in the company's governing bodies, the Management Board of the Company points out that it has no influence on the composition of the Company's main governing bodies. Candidates for members of the Supervisory Board may be nominated by shareholders holding preferred series A shares or shareholders who documented their entitlement to not less than 5.0% of the votes at the last general meeting before the candidates were nominated and who, at the time of making the nomination, hold not less than 5.0% of the Company's share capital (§ 21(1)(a) of the Statutes). In accordance with § 30 of Agora S.A.'s Statutes, candidates for the Management Board members may be nominated exclusively by shareholders holding preferred series A shares, and following the expiry of the preferred status of all such shares, by the Supervisory Board. In the event that the persons authorized to determine the number of members of the Management Board and to nominate candidates for such members do not exercise one or both of the above rights, the number of members of the Management Board may be determined by the General Meeting, while each shareholder during such General Meeting may nominate candidates for such members.

Moreover, the Management Board of the Company wishes to stress that according to the Agora Group's diversity policy adopted in January 2016, the main criteria for selection of candidates for all managerial positions, remaining in the competencies of the Management Board, include expertise, experience and skills necessary to perform the function in question. Applying these principles to all employees of the Company and the Group ensures healthy functioning of the organization and accepting new business challenges.

Diversity and openness are values which form an integral part of both the Company's business activities and employment policy. The diversity policy implemented at Agora S.A. is based on Agora's Charter, which was developed jointly between the Company and *Gazeta Wyborcza* daily.

As an employer, Agora S.A. is guided by the principles of equal treatment and counteracting all forms of discrimination, believing that this brings real benefits and supports Agora S.A.'s growth and innovation. One of the objectives of the diversity policy pursued by Agora S.A. is to emphasize the openness of the organization to diversity, which increases the effectiveness of work, builds trust and counteracts discrimination. The diversity practice also aims to fully tap into the potential of employees, their diverse skills, experiences and talents in an atmosphere of respect, support and teamwork.

As an employer, Agora creates an atmosphere at work, which makes employees feel respected, and gives them the sense that they are able to fully realize their professional potential. Agora creates a culture of dialogue, openness, tolerance and teamwork.

In 2016, Agora S.A. introduced a diversity policy which applies to all employees. Its aim is to consistently create a workplace that is free from discrimination, regardless of reasons, and at the same time engages the best specialists who contribute to the company's success. Agora S.A. is an employer who cares for the development of the team through internal and external training. Agora S.A.'s diversity policy is based on overcoming barriers such as age, gender or health status and is guided by the principle that the professional potential of employees is determined by their competence. In this manner, the Company wants to support implementation of its strategy to the best of its abilities and to offer the highest-quality products and services to its consumers.

In 2022, Agora S.A. submit to the General Meeting of Shareholders the Diversity Policy referred to in rule 2.1 DSPN 2021.

Supervisory Board

The procedure for the appointment of Supervisory Board members is set forth in the Company's Statutes, other laws and regulations applicable to the Company. The Company has limited impact on the composition of the body supervising its operations, but each time it indicates to entities authorized to nominate candidates for these bodies all the requirements and recommendations that they should meet.

Despite this, the current six-person composition of the Supervisory Board in 2022 reflected most of the criteria underlying the diversity policy. The exception was the question of the 30.0% share of women in the composition of the body.

Management Board

The procedure of appointing the Management Board is also specified in the Company's Statutes. Only holders of series A shares have the right to appoint candidates for a Management Board member. In the Company's opinion, when presenting candidates, these shareholders took into account, as a decisive criterion, first of all high qualifications, professional experience in the main areas of Agora Group's operations and professional preparation for the position of a member of the Management Board.

Members of the Company's Management Board have complementary experience and competences – they are graduates of: Warsaw School of Economics, Warsaw University of Technology, University of Silesia, University of Łódź, University of Edinburgh, University of Adam Mickiewicz University in Poznań, Institute Francais de Gestion, Harvards Business School (professional training courses), and Warsaw University of Technology Business School.

It is worth emphasizing that the decisive aspect in selecting the governing bodies of the company and its key managers is ensuring versatility and diversity, especially in the area of professional experience, age, education and gender. High qualifications, as well as professional and substantive experience and preparation for the performance of a specific function are of decisive importance in this respect.

On December 31, 2022, the composition of Agora's Management Board of Agora S.A. didn't follow the postulate of participation of at least 30.0% of minorities in terms of gender in the body's structure.

Gender structure in supervisory and management bodies of Agora S.A.

	Men		Women	
	2022	2021	2022	2021
As at the end of Management Board	4	3	1	2
Supervisory Board	5	5	1	1

Administrative bodies

The administrative bodies of the Agora Group comprise employees holding managerial positions. The diversity policy for administrative bodies involves the creation of a workplace free from discrimination based on gender, age, origin, health, education, political or religious beliefs, where competence and experience are the basis of the organizational culture. This approach is reflected in the diversity of teams across the Group. Gender equality is one of the key aspects of diversity due to the similar number of male and female employees (women accounted for 56.0% of employees in the entire Group as at 31 December 2022 and men accounted for 44.0%). The gender structure in the administrative bodies confirms that this objective has been achieved.

Gender structure in administrative bodies (management positions) of Agora Group (as at 31 December 2022).

	% in the Agora Group	
	Women	Men
Agora Group	51.7%	48.3%

On 8 March 2017, the Company, as the first media group in Poland, also signed the Diversity Charter, joining the European initiative to promote diversity in the workplace.

10. ANY OBLIGATIONS ARISING FROM PENSIONS AND SIMILAR BENEFITS FOR FORMER MEMBERS OF MANAGEMENT, SUPERVISORY BODIES AND LIABILITIES INCURRED IN CONNECTION WITH SUCH PENSIONS, WITH AN INDICATION OF THE TOTAL AMOUNT FOR EACH CATEGORY OF BODY

The Issuer has no retirement or similar benefit obligations with respect to former members of management, supervisory or administrative bodies.

11. SOCIAL AND SPONSORING ACTIVITIES POLICY

The Agora Group has a Policy of social and sponsorship activities adopted by the company's Management Board in 2016 as an expression of a strategic approach to corporate social responsibility. The goals set in the document include: education, individual and social development; shaping civic attitudes and caring for human rights; promotion of culture and universal access to it; promotion of health and a healthy lifestyle; care for the environment; concern for others expressed in charity and social actions. They refer largely to the UN Sustainable Development Goals (SDGs) (Objective 3, 4, 10, 13, 16, 17) and the ISO 26000 social responsibility standards.

Agora Group's social and sponsorship activities are an expression of its social responsibility and concern for the fate of the regions in which the Group operates as places where it is worth living, working and implementing plans. These activities are also aimed at building a positive image of the Group and its brands as entities friendly to people and involved in the life of the community. The content of the document can be found at agora.pl/en.

In 2022, the Agora Group continued its long-term activities under the social, educational, cultural and charity pillars, while also initiating new activities. These included nationwide but also regional projects.

As part of **social activities**, last year Agora Group brands and media undertook primarily assistance and information initiatives related to the consequences of Russia's invasion of Ukraine, which began on February 24, 2022.

From the beginning of the war, journalists from **Gazeta.pl** reported on an ongoing basis the latest news from across the eastern border, preparing expert materials, including in Ukrainian on the *Ukrayina.pl* website, which was created for Ukrainians living in Poland. *Gazeta.pl* and *Ukrayina.pl* also joined numerous aid campaigns for Ukraine. In cooperation with PCPM and Allegro Charity, three unique stamps with the signatures of Witalij Klitschko, Dmytr Kuleba and Roman Hrybow, the famous soldier from the Island of Snakes, were auctioned. The amount from the auction was allocated for the purchase of an ambulance with equipment for the hospital in Kharkiv. In addition, *Gazeta.pl*, together with the City Jest Ours association and the *Ukrayina.pl* website, carried out the *Do not feed Putin* campaign, in which the portal's journalists suggested how ecology could contribute to reducing Russia's profits from oil trade.

Since the outbreak of the war, the editorial office of *Gazeta Wyborcza* has continuously supported the inhabitants of Ukraine fleeing from the war. An example is the aid campaign initiated in March 2022 under the slogan *Help the inhabitants of Mariupol* to get out of Ukraine. As part of it, the entire income from the sale of special donations in the form of a digital subscription to the daily went to the HumanDoc Foundation, which organizes the evacuation of people from the attacked city. A special website ***Wyborcza.pl/pomagam*** has also been created on the Internet, where current information and practical advice on how to help refugees are available. In October, the editors of the daily, together with the Nidaros Foundation, launched the *Heat for Ukraine* initiative. As part of the campaign, readers of *Wyborcza* donated over PLN 183.000 to the foundation's account, thanks to which journalists and volunteers reached Ukraine with several tons of food and things necessary to survive the winter.

The Agora Publishing House has become involved in helping Ukraine, e.g. donating 24 thousand PLN - all proceeds from the sale of Oksana Zabużko's books - the Ocalenie Foundation, which helps people fleeing the war. In July, however, it launched a literary charity project, publishing a Ukrainian-language version of Agata Romaniuk's bestselling *Cat's Ruffle and the Mystery of the Disappearance of Herrings*. Copies of the translation were provided free of charge to institutions caring for children from Ukraine.

In March 2022, as many as 168 radio stations in Poland - nationwide, supra-regional and local - appeared on the air of two special Charity Blocks. Thanks to them, radio operators from the I Love Radio agreement managed to collect as much as PLN 300,000, which went to the Polish Medical Mission. The radio stations of the **Agora Radio Group - Radio TOK FM, Radio Złote Przeboje, Radio Organizacja** and **Rock Radio** joined the initiative.

On the other hand, the **Helios cinema network** offered nearly 100.000. viewers free screenings of family films in Ukrainian. The project was co-financed by the Polish Film Institute with a grant of PLN 200.000.

Assistance to Ukraine in 2022 was also provided by foundations established as part of Agora's activities. Since 2004, the **Agora Foundation** has been operating at Agora Holding, which in 2022 continued i.a. *Different people, one world* project to support people with disabilities in professional development, while supporting collections for the needy and refugees. In 2022, the **Gazeta Wyborcza Foundation** and the **Wysokie Obcasów Foundation**, which were established by Agora in 2018, also continued their activities. The *Gazeta Wyborcza Foundation* joined the group of organizations supporting Ukraine, including establishing a fund for Ukrainian media with partners and running a special collection to support the international campaign The Fix Media and publishing and journalistic

organizations operating directly in the attacked country. On the other hand, the Wysokie Obcasy Foundation together with the editorial office of *Wysokie Obcasy* joined in helping Ukraine by launching a collection for its inhabitants. All funds were transferred to the accounts of charitable organizations focusing on helping refugees and residents of Ukraine.

An important topic for Agora's media is also the fight against **social inequalities** and actions for **gender equality**, as evidenced by numerous related projects. A great example from 2022 is e.g. a project of the Gazeta.pl team *Invisible job*, which aimed to start a discussion on the value of caring work - taking care of the home, children and the elderly, i.e. activities performed mainly by women. It also showed an order of magnitude of this "invisible job" ignored in the economy. An example of activities for gender equality is also the daily activity of the *Wysokie Obcasy* brand - a magazine of *Gazeta Wyborcza*, whose mission is to strengthen the participation and role of women in modern society. The media of the Agora Group, as it has been since the beginning of their existence, in 2022 also spoke out on **socially important issues and promoted culture**, e.g. through annual competitions and prizes. Since 2010, *Gazeta Wyborcza* has been co-organizing the Award for the best reportage. Ryszard Kapuściński, as well as supports the NIKE Literary Award. In addition, since 2018, *Gazeta Wyborcza* has been organizing an international photography competition named after Krzysztof Miller. AMS, on the other hand, as part of promoting social and cultural activities in 2022, for the 23rd time, organized the AMS Poster Gallery competition, the motto of which was The most important project is you. It was intended to draw attention to self-care, development and well-being.

As part of **educational activities**, in 2022 a special edition of the program promoting knowledge and initiatives for the development of new technologies under the slogan *Tomorrownauts* took place. This is a project that was created thanks to the cooperation of *Gazeta Wyborcza* and Sebastian Kulczyk in 2017, and last year its 6th edition took place - *Tomorrownauts 2022: Reach for the Horizon*, entirely devoted to considerations on possible scenarios of the post-pandemic future. *Gazeta.pl*, on the other hand, responded to the introduction of a controversial history and present textbook edited by Wojciech Roszkowski to secondary schools and created the *#hakujemy_HiT* initiative, providing space for a multitude of narratives, an escape from simplifications and one interpretation.

In addition, in 2022, due to the growing climate crisis, Agora's media and brands undertook numerous **environmental activities** a.o. the issue of the natural environment and the climate crisis occupied a key place in the *Gazeta.pl Editorial Declaration for 2022*, which was manifested in numerous green initiatives of the portal team, such as the Invisible National Park project, which is a multimedia story about the only national park in Poland that, although formally does not exist, evokes extreme emotions. *Gazeta Wyborcza*, on the other hand, presented the second *Climate Declaration*, in which it described its plans to engage in climate and environmental protection over the next 12 months and the most important principles that its team follows when preparing journalistic materials on ecology and issues related to responsible consumption and production. The document also talks about plans to further develop the *Climate and Environment section*, which *Wyborcza.pl* launched in February 2021, in order to better and more often than before talk about what is happening in ecology and climate issues. AMS also undertakes a number of pro-ecological activities, e.g. introducing environment-friendly OOH carriers. In 2022, the company expanded its offer with EKO Premium Citylight - another solution based on eco values, comprehensively taking into account care for the environment. For each panel purchased on behalf of the client, the company declared to plant a tree - in this way, by the end of 2022, 92 trees were planted.

The implemented Policy of social and sponsorship activities brought the company tangible benefits: it strengthened its position as a leader among the media in the implementation of social, as well as the commitment and satisfaction of employees due to participation in the undertaken activities.

Donations made by the Agora Group for social purposes in 2022 amounted to over PLN 860,000. In the reporting period, no expenses were incurred for sponsoring activities.

In Agora's opinion, the implementation of the Policy of social and sponsorship activities is in line with the interests of the Company and its stakeholders, including shareholders, as it creates goodwill, contributes to social development and expresses the responsibility of the Agora Group for its impact on the environment.

Every year, the activities undertaken by the Agora Group are monitored. Their detailed description is available on the *agora.pl* website, as well as in **ESG Report Agora S.A. Group and Agora S.A. for 2022**.

12. RULES OF AMENDING THE STATUTES OF AGORA S.A.

The Statutes of Agora S.A. do not contain any provisions different from the provisions of the Commercial Companies Code with respect to amendments to the Company's Statutes.

VII. MANAGEMENT BOARD'S REPRESENTATIONS

1. REPRESENTATION CONCERNING ACCOUNTING POLICIES

Management Board of Agora confirms that, to the best knowledge, the annual consolidated financial statements together with comparative figures, have been prepared according to all applicable accounting standards and give a true and fair view of the state of affairs and the financial results of the Issuer's Capital Group for the period.

The Management Discussion and Analysis of Group's business activities shows true view of the state of affairs of the Issuer's Capital Group, including evaluation of risks and dangers.

2. NON-FINANCIAL REPORTING

Fulfilling the requirements of Accounting Act the Company presents separate consolidated and non-consolidated report of Agora S.A. and the Agora Group regarding non-financial reporting for 2022.

ESG report for 2022 of Agora S.A. Group and Agora S.A. has been prepared in accordance with the international Global Reporting Initiative Standards (GRI Standards 2021), without being subject to external verification.

According to art 49b point 9 of Accounting Act both reports are available on the corporate website <https://www.agora.pl/en> in Polish and English.

3. INFORMATION ON SELECTION OF THE AUDIT FIRM FOR REVISION OF ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the resolution of the Supervisory Board of November 7, 2019 and in accordance with the provisions of the Company's Articles of Association, KPMG Audyt Spółka z ograniczoną odpowiedzialnością spółka komandytowa based in Warsaw at 4A Inflancka Street, entered on the list of entities authorized to audit financial statements with the number 3546, has been selected as the certified auditor of the Company and the Group, which will examine the financial statements for 2020, 2021 and 2022.

Agora did not use audit services other than auditing and reviewing financial statements based on the aforementioned agreement.

The Management Board of Agora S.A. indicates that:

- a) the auditing company and the members of the audit team met the conditions for drawing up an unbiased and independent audit report on the annual consolidated financial statements in accordance with applicable regulations, professional standards and professional ethics,
- b) the applicable regulations related to the rotation of the auditing company and the key statutory auditor and mandatory grace periods are observed,
- c) Agora has a policy regarding the selection of an audit firm and a policy regarding the provision to the Agora by an auditing company, an entity related to the auditing company or a member of its network of additional non-audit services, including services conditionally exempt from the prohibition by the audit company.

Warsaw, 16 March 2023

Bartosz Hojka - President of the Management Board

Signed on the Polish original

Tomasz Jagiello - 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

Wojciech Bartkowiak - Member of the Management Board

Signed on the Polish original