

AGORA S.A.

Condensed
semi-annual
unconsolidated
financial statements
as at 30 June 2024
and for three and six
month period ended
thereon

August 13, 2024

UNCONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2024

	Note	As at 30 June 2024 unaudited	As at 31 December 2023 audited
Assets			
Non-current assets:			
Intangible assets	9	12,303	34,170
Property, plant and equipment	9	27,691	109,168
Right-of-use assets	9	1,535	28,198
Investments in subsidiaries and associates	7	970,203	668,755
Receivables and prepayments		482	412
Deferred tax assets	9	3,358	8,753
		1,015,572	849,456
Current assets:			
Inventories	9	-	15,413
Trade and other payables		68,499	75,582
Income tax receivable		179	344
Short-term securities and other financial assets		-	417
Cash and cash equivalents		18,134	13,587
		86,812	105,343
Non-current assets held for sale		-	6,204
		86,812	111,547
Total assets		1,102,384	961,003

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

UNCONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2024 (CONTINUED)

	Note	As at 30 June 2024 unaudited	As at 31 December 2023 audited
Equity and liabilities			
Equity:			
Share capital		46,581	46,581
Share premium		147,192	147,192
Other reserves		122,978	122,978
Retained earnings		467,412	441,095
		784,163	757,846
Non-current liabilities:			
Long-term borrowings	8	179,095	23,672
Retirement severance provision	9	430	2,256
Accruals and other liabilities		4	243
Contract liabilities	9	70	140
		179,599	26,311
Current liabilities:			
Retirement severance provision	9	40	209
Trade and other payables		61,856	97,803
Short-term borrowings	8	18,963	31,077
Other financial liabilities	5	53,799	36,818
Provisions		826	371
Contract liabilities	9	3,138	10,568
		138,622	176,846
Total equity and liabilities		1,102,384	961,003

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UNCONSOLIDATED INCOME STATEMENT FOR THREE AND SIX MONTHS ENDED 30 JUNE 2024

	Note	Three months ended 30 June 2024 not reviewed	Six months ended 30 June 2024 unaudited	Three months ended 30 June 2023 not reviewed (restated)*	Six months ended 30 June 2023 unaudited (restated)*
Continuing operations:					
Revenue		14,918	16,381	1,995	3,907
Cost of sales		(14,208)	(18,700)	(4,334)	(9,074)
Gross profit/(loss)		710	(2,319)	(2,339)	(5,167)
Selling expenses		(423)	(483)	(952)	(993)
Administrative expenses		(9,885)	(28,229)	(17,908)	(35,765)
Other operating income		196	257	624	656
Other operating expenses		(922)	(1,044)	(535)	(2,295)
Impairment losses for receivables - net		1	9	(6)	(11)
Operating loss		(10,323)	(31,809)	(21,116)	(43,575)
Dividend income	4	71,749	71,749	41,602	41,602
Finance income		2,030	2,199	2,140	2,650
Finance costs		(4,725)	(5,795)	(1,874)	(3,203)
Profit/(loss) before income taxes		58,731	36,344	20,752	(2,526)
Income tax	8	(3,332)	(1,562)	513	2,196
Net profit/(loss) for the period from continuing operations		55,399	34,782	21,265	(330)
Discontinued operations (separated to subsidiaries):					
Net profit/(loss) for the period from discontinued operations (separated to subsidiaries)	9	-	(8,465)	986	2,370
Net profit for the period		55,399	26,317	22,251	2,040
Basic/diluted earnings per share from continuing operations (in PLN)		1.19	0.75	0.46	(0.01)
Basic/diluted earnings per share from discontinued operations (separated to subsidiaries) (in PLN)		-	(0.18)	0.02	0.05

*data for three and six months period ended 30 June 2023 was restated due to separation of operations to subsidiaries on April 1, 2024.

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

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THREE AND SIX MONTHS ENDED 30 JUNE 2024

	Three months ended 30 June 2024 not reviewed	Six months ended 30 June 2024 unaudited	Three months ended 30 June 2023 not reviewed (restated)*	Six months ended 30 June 2023 unaudited (restated)*
Net profit for the period	55,399	26,317	22,251	2,040
Other comprehensive income/(loss) for the period	-	-	-	-
Total comprehensive income for the period	55,399	26,317	22,251	2,040
From continuing operations	55,399	34,782	21,265	(330)
From discontinued operations (separated to subsidiaries)	-	(8,465)	986	2,370

*data for three and six months period ended 30 June 2023 was restated due to separation of operations to subsidiaries on April 1, 2024.

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

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR SIX MONTHS ENDED 30 JUNE 2024

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Six months ended 30 June 2024					
As at 31 December 2023 audited	46,581	147,192	122,978	441,095	757,846
Total comprehensive income for the period					
Net profit for the period	-	-	-	26,317	26,317
Total comprehensive income for the period	-	-	-	26,317	26,317
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Total transactions with owners	-	-	-	-	-
As at 30 June 2024 unaudited	46,581	147,192	122,978	467,412	784,163

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

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR SIX MONTHS ENDED 30 JUNE 2024 (CONTINUED)

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Six months ended 30 June 2023					
As at 31 December 2022 audited	46,581	147,192	123,279	480,860	797,912
Total comprehensive income for the period					
Net profit for the period	-	-	-	2,040	2,040
Total comprehensive income for the period	-	-	-	2,040	2,040
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Total transactions with owners	-	-	-	-	-
As at 30 June 2023 unaudited	46,581	147,192	123,279	482,900	799,952

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

UNCONSOLIDATED CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 JUNE 2024

	Note	Six months ended 30 June 2024 unaudited	Six months ended 30 June 2023 unaudited
Cash flows from operating activities			
Profit/(loss) before income taxes from continuing operations		36,344	(2,526)
Loss before income taxes from discontinued operations (separated to subsidiaries)	9	(9,723)	(262)
Profit/(loss) before income taxes		26,621	(2,788)
Adjustments for:			
Depreciation and amortisation		8,545	13,985
Foreign exchange profit		(2)	(2,464)
Interest, net		2,376	3,431
Loss on investing activities		868	2,002
Dividend income	4	(71,749)	(41,602)
Increase/(decrease) in provisions	9	1,645	(806)
Decrease in inventories	9	603	4,836
(Increase)/decrease in receivables	9	(11,742)	16,931
Increase/(decrease) in payables	9	10,771	(5,699)
Decrease in contract liabilities	9	(1,188)	(12)
Cash used in operations		(33,252)	(12,186)
Income taxes inflows (1)		2,857	2,208
Net cash used in operating activities		(30,395)	(9,978)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment, and intangibles		38	72
Disposal of subsidiaries		6,204	-
Dividends received		39,273	21,879
Repayment of loans granted		760	-
Interest received		62	103
Outflows from cash pooling		1,665	663
Loans granted		(2,250)	-
Purchase of property, plant and equipment, and intangibles		(6,572)	(8,287)
Acquisition of subsidiaries, associates and jointly controlled entities	7	(170,072)	(46,076)
Cash and cash equivalents transferred to subsidiaries	9	(15,833)	-
Other (2)		1,500	-
Net cash used in investing activities		(145,225)	(31,646)

UNCONSOLIDATED CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 JUNE 2024 (CONTINUED)

	Note	Six months ended 30 June 2024 unaudited	Six months ended 30 June 2023 unaudited
Cash flows from financing activities			
Proceeds from borrowings	8	219,276	43,248
Repayment of borrowings		(46,316)	(5,333)
Inflows from cash pooling		16,909	6,776
Payment of finance lease liabilities		(445)	(606)
Interest paid		(9,092)	(3,904)
Other		(165)	(138)
Net cash from financing activities		180,167	40,043
Net increase/(decrease) in cash and cash equivalents		4,547	(1,581)
Cash and cash equivalents			
At start of period		13,587	26,565
At end of period		18,134	24,984

- 1) The amount includes settlements with the companies participating in the Tax Capital Group.
- 2) The amount includes proceeds due to the termination of co-production agreement with the company Next Film Sp. z o.o.

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

NOTES

1. General information

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

Detailed information about the structure and the scope of activity of the Agora Group have been included in the condensed semi-annual consolidated financial statement as at 30 June 2024 and for three and six month period ended thereon.

Company's revenues are not subject to seasonality.

On April 1, 2024 there has been a separation of some of the existing operations of Agora S.A. and its assets and liabilities to subsidiaries. The transaction is described in notes 7 and 9.

The condensed semi-annual unconsolidated financial statements were prepared as at 30 June 2024 and for three and six months ended 30 June 2024 with comparative figures as at 31 December 2023 and for three and six months ended 30 June 2023.

The condensed semi-annual unconsolidated financial statements were authorised for issue by the Management Board on August 13, 2024.

2. Changes in provisions and impairment losses for assets

In the period from January 1, 2024 to June 30, 2024 the following impairment losses were changed in the condensed semi-annual unconsolidated financial statements of Agora S.A.:

- impairment loss for receivables: decrease by PLN 1,201 thousand;
- impairment loss for inventory: used in the amount of PLN 8,247 thousand related with separation to subsidiaries*;
- impairment loss on shares: decrease by PLN 2,746 thousand due to use of impairment loss on shares in the company HRLink Sp. z o.o. in connection with the disposal of the company on January 4, 2024;
- impairment loss on property, plant and equipment: used in the amount of PLN 21,675 thousand related with separation to subsidiaries*;
- impairment loss on right-of-use assets: decrease by PLN 31,760 thousand, including the use in the amount of PLN 32,066 thousand related with separation to subsidiaries* and increase by PLN 306 thousand.

* The decrease in impairment losses related with separation to subsidiaries is due to the transfer of assets covered by impairment losses to these companies. Additional information is provided in note 9.

In the period from January 1, 2024 to June 30, 2024 the following provisions were changed:

	Provision for restructuring	Provision for legal claims	Total
As at 31 December 2023	-	371	371
Set up of provisions	8,216	565	8,781
Provisions used during the period	(7,026)	-	(7,026)
Unused provisions reversed	-	(110)	(110)
Separated to subsidiaries	(1,190)	-	(1,190)
As at 30 June 2024	-	826	826
	-	-	-
Non-current part	-	-	-
Current part	-	826	826

Additionally, retirement severance provision decreased by PLN 1,995 thousand due to separation to subsidiaries.

The increase in provision for restructuring relates to cost of group layoffs due to restructuring of Digital and Printed Press segment and Internet segment announced in the first quarter of 2024.

On January 9, 2024 the Management Board of the Company informed that, in accordance with the Act of March 13, 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 7, 2006 on informing and consulting employees, the Company's works council was also consulted on the group layoff process.

The reason for the group layoffs in the field of Digital and Printed Press were market factors resulting from the steady downward trend in sales of printed press connected with the outflow of readers to other communication channels, whereas the reason for the group layoffs in the field of Internet was a clear deterioration in revenue from advertising sales in the open market model and the rise of global platforms. Due to these factors, the Company must have taken measures aiming at adapting to the changing market environment and customer expectations and the restructuring was an essential condition to stabilize the financial situation of the Digital and Printed Press and Internet, and to ensure stability, development and market position in the coming years.

The collective redundancies were executed from February 12 until March 31, 2024, and affected 153 employees.

3. Property, plant and equipment

In the period from January 1, 2024 to June 30, 2024, the Company purchased property, plant and equipment in the amount of PLN 2,224 thousand (in the period of January 1, 2023 to June 30, 2023: PLN 2,774 thousand).

The significant decrease in property, plant and equipment in the period from January 1 to June 30, 2024 in the amount of PLN 79,520 thousand is a result of a transfer of part of property, plant and equipment to subsidiaries due to the separation of part of Agora S.A. operation to subsidiaries. Additional information is provided in note 9.

As at June 30, 2024 and December 31, 2023 there were no commitments for the purchase of property, plant and equipment.

4. Related party transactions

(a) Management Board and Supervisory Board remuneration

The remuneration of Management Board members of Agora S.A. amounted to PLN 1,515 thousand (six months ended June 30, 2023: PLN 1,630 thousand). The amounts include remuneration paid during the period of holding the post of a Management Board Member.

As at June 30, 2024 value of the provision for reward concerning the realization of the Plan for the Management Board members for year 2024 amounted to PLN 967 thousand.

The remuneration of Supervisory Board members of Agora S.A. amounted to PLN 312 thousand (six months ended June 30, 2023: PLN 312 thousand).

(b) Entities related to Agora S.A.

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

	Six months ended 30 June 2024	Six months ended 30 June 2023
Subsidiaries		
Sales	23,300	9,391
Purchases	(28,832)	(11,068)
Other operating income	83	1
Dividends income	71,749	41,602
Finance income - interests on cash pooling	56	80
Finance income - interests on borrowings granted	-	24
Other finance income	80	84
Finance cost - credit guarantee	(127)	(123)
Finance cost - interests on cash pooling	(628)	(409)
Income tax - income on TCG settlements	2,013	2,170
Major shareholder		
Sales	17	16
Other operating income	1	1
Management Board of the Company		
Sales	-	1
Other operating income	(4)	-

*include transactions within continuing and discontinued operations (separated to subsidiaries)

	As at 30 June 2024	As at 31 December 2023
Subsidiaries		
Shares	950,824	655,235
Non-current loans granted	-	345
Current loans granted	-	417
Trade receivables	11,502	1,968
Dividend receivables	35,226	2,750
Other receivables	978	1,605
Cash pooling liabilities	53,799	36,818
Trade liabilities	11,211	2,460
Other liabilities and accruals	13,690	1,408
Contract liabilities	-	2
Associates		
Shares	19,057	19,057
Contract liabilities	-	1
Major shareholder		
Trade receivables	3	4
Other liabilities and accruals	6	3
Management Board of the Company		
Receivables	16	16

5. Other financial liabilities

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

6. Financial instruments measured at fair value

As at June 30, 2024 and December 31, 2023 the Company had no financial instruments measured at fair value.

7. Investment in subsidiaries

▸ Increase in capital of Plan G Sp. z o.o.

On February 1, 2024, the share capital of the company was increased by creating 700 new equal and indivisible shares with a nominal value of PLN 50 each, all acquired by the sole shareholder of the Company, i.e. Agora S.A. The increased share capital of the company amounted to PLN 50 thousand.

▸ Increases in share capital and in-kind contributions to subsidiaries

On April 1, 2024 the shareholders' meetings of the following subsidiaries were held on April 1, 2024, in connection with the ZCP Disposal:

- Wyborcza sp. z o.o.,
- Gazeta.pl sp. z o.o.,
- AGORA KSIĄŻKA I MUZYKA sp. z o.o., and
- Czerska 8/10 sp. z o.o.

(collectively, "Subsidiaries"),

at which resolutions were adopted to increase the share capitals and amend the articles of incorporation of the Subsidiaries. Moreover, on April 1, 2024, in connection with the ZCP Disposal, agreements for in-kind contributions to the increased share capital were signed between the Company and each of the Subsidiaries. As at June 30, 2024 the Company recognised increase in shares in Subsidiaries in the amount of PLN 131,722 thousand corresponding with the carrying amount of transferred net assets to the equity of Subsidiaries (including the increase in share capital of Subsidiaries in the total amount of PLN 7,980 thousand).

▸ Additional purchase of shares in Eurozet Sp. z o.o.

On May 31, 2024 the Company informed that it 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 and Annex No. 14 of November 30, 2023 ("Agreement"), option to purchase from SFS Ventures 490 shares in the share capital of Eurozet constituting 49% of the share capital and 49% of the total number of votes at the Eurozet shareholders' meeting ("Call Option 2"). Simultaneously, the Company, in compliance with provisions of the Agreement, has submitted to SFS Ventures the Call Option 2 request.

On June 14, 2024 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 490 shares in the share capital of Eurozet sp. z o.o. ("Eurozet") ("Agreement") constituting 49% of the share capital of Eurozet and representing 49% 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 2 described in the Shareholders' Agreement and in accordance with rules stated thereof.

In compliance with the Agreement and the Shareholders' Agreement, the sale price for the Shares is EUR 38,750,000 and is the final price, not subject to adjustment.

Transfer of ownership of Shares shall take place upon payment of the sale price to the SFS Ventures' bank account. The Company shall inform of the transfer in a separate regulatory filing.

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.

On June 20, 2024 SFS Ventures s.r.o. with its seat in Prague ("SFS Ventures") received EUR 38,750,000 being the sale price for 490 shares in the company Eurozet Sp. z o.o. ("Eurozet") constituting 49% of the share capital of Eurozet and representing 49% of the total number of votes at the Eurozet's shareholders' meeting ("Shares") purchased by the Company.

In view of the above, according to the provisions of the share purchase agreement concluded between the Company and SFS Ventures on June 14, 2024 and the Shareholders' Agreement concluded between the Company and SFS Ventures on February 20, 2019 as amended, on June 20, 2024 a transfer of title to the Shares took place and the Company became the sole shareholder holding the total of 1000 shares of Eurozet constituting 100% of the share capital of Eurozet and representing 100% of the total number of votes at the Eurozet's shareholders' meeting.

Total purchase price of shares amounted to PLN 168,082 thousand, while total expenditure for the purchase of shares including the transaction costs amounted to PLN 170 036 thousand.

8. Other information

▶ HRLink Sp. z o.o.

On January 4, 2024 Agora S.A. concluded with eRecruitment Solutions Sp. z o.o. with its seat in Warsaw, a company belonging to Grupa Pracuj S.A. capital group („eRecruitment Solutions”), a share purchase agreement concerning sale of all shares of HRLink Sp. z o. o. with its seat in Szczecin ("HRLink") held by Agora ("Transaction").

The Transaction consisted of sale of all shares in HRLink held by Agora, i.e. 95 shares constituting 79.83% of the share capital of HRLink for a price of PLN 6,204 thousand.

As a result of the Transaction, the investment agreement concerning HRLink concluded between Agora and natural persons being minority shareholders of HRLink and HRLink, has expired.

The Transaction did not include the company Goldenline Sp. z o.o. – a company in which HRLink held 100% of share capital. Goldenline Sp. z o.o. remains in Agora capital group.

Completion of the Transaction means the end of investment in HRLink by Agora

▶ Participation in proceedings initiated by a group of European publishers against Google Netherlands B.V.

On February 28, 2024 the Management of Agora S.A. informed that a lawsuit against Google Netherlands B.V. ("Defendant") was filed with the District Court in Amsterdam (Gerechtshof). In the lawsuit, the company Greyfield Capital ("Claimant") seeks compensation from the Defendant arising out of a claim of the European press publishers, in the amount of app. EUR 2.1 billion for the anticompetitive practices on the European AdTech market in the years 2014-2023.

One of the more than 30 European media groups engaged in the lawsuit is Agora and its subsidiaries: Grupa Radiowa Agory sp. z o.o. and Eurozet sp. z o.o. Due to the nature of the initiated proceedings, European publishers made, for the benefit of the Claimant (SPV), an assignment of compensation claims due for the anticompetitive practices performed by the Defender's capital group. The Claimant in the interest and on behalf of the publishers initiated proceedings before the Dutch court, which, as a result of legal analysis, was pointed as having jurisdiction over the case concerning compensations on the territories of several EU member states.

Arguments concerning validity of the asserted claims are based on the previous decision as of June 7, 2021 (No. 21-D-11) of the French competition authority (Autorité de la concurrence), which stated that Google abused its dominant position on the AdTech market and imposed a fine in the amount of EUR 220 million.

The amount of the claim was calculated by a team of economic experts from Charles River Associates (CRA International, Inc.) cooperating with the Claimant, basing on analyses and market tests, public information and data provided by the publishers. The potential compensation due to the Agora capital group companies was estimated in the amount of EUR 44 million. It should be noted that the above amounts are an estimation made by CRA International, Inc. and, as a consequence, are not final and may be subject to change, in particular due to mitigation made by the court and the additional costs and fees to be paid for the benefit of advisors. It is also worth noting that the proceedings initiated by the Claimant are largely of a precedent-setting nature, and based on analyses and estimations of parties, which also influence the uncertainty of the result of the suit and the amount of the potential compensation.

The Claimant cooperates with European law firms – Geradin Partners Limited and Stek Advocaten B.V. The entity funding the proceedings is Harbour Fund V L.P. who also bears the risk of possible failure of the asserted claim (i.e. bears the cost of the proceedings and remuneration of advisors in case the claim is not recognized by the court). In case the Claimant receives the compensation, its part due to Agora and its subsidiaries shall be transferred to Agora subject to payment of the proceedings costs and remuneration of advisors and the entity funding the proceedings.

► **Amendments to the overdraft agreement and the term loan concluded by the Company with Santander Bank Polska S.A.**

On April 11, 2024 the Management Board of Agora S.A. informed of the amendments to the overdraft agreement and the term loan concluded by the Company with Santander Bank Polska S.A. ("Bank").

In accordance with the amendment to the overdraft agreement, the overdraft availability period was extended until June 30, 2024.

Furthermore, amendment to the overdraft agreement and the term loan introduce new additional securities of Bank's receivables in the form of sureties in the amount of 150% of the loan amount granted by Agora's subsidiaries – Wyborcza sp. z o.o., Gazeta.pl sp. z o.o., Czerska 8/10 sp. z o.o. and Agora Książka i Muzyka sp. z o.o.

The other material provisions of the agreement remain unchanged.

► **Amendment to the overdraft agreement concluded by the Company with Santander Bank Polska S.A.**

On May 29, 2024 Agora S.A. ("Agora", "Company"), concluded with Santander Bank Polska Spółka Akcyjna amendment no. 2 to the overdraft agreement No. K00245/22 of April 14, 2022 with further amendments („Amendment”, „Agreement”).

Pursuant to the Amendment, the parties decided to delete from the Agreement a provision concerning collateral in a form of a liquidity guarantee from Bank Gospodarstwa Krajowego under the PLG FGP portfolio guarantee line covering 80% of credit amounts in the current account, i.e. PLN 28,000,000.00 for the term until July 13, 2024.

Other provisions of the Agreement have not been materially changed.

► **Conclusion of term loan and revolving facility agreement**

On May 29, 2024 a term loan and revolving facility agreement ("Loans Agreement") was concluded between Agora S.A. ("Agora", "Company"), companies Helios S.A. with its seat in Łódź ("Helios"), and AMS S.A. with its seat in Warsaw ("AMS") – as original borrowers ("Original Borrowers") and company Doradztwo Mediowe sp. z o.o. with its seat in Warsaw – as original guarantor – and consortium of banks consisting of: Santander Bank Polska S.A. with its seat in Warsaw, which became the organizer, loan agent, security agent and original lender ("Santander", "Loan Agent") and Bank Handlowy S.A. w Warszawie with its seat in Warsaw, which became the organizer and original lender ("Bank Handlowy") (jointly as "Original Lenders"), under which, in accordance with conditions indicated thereto, Original Lenders agreed to grant the Original Borrowers loans in the total amount of PLN 362 million.

Pursuant to the above Loans Agreement a term loan in the amount of PLN 208 million with a 5 year repayment period was granted to Agora S.A. of which, in the first half of 2024, the amount of PLN 206,766 thousand was taken out.

Borrowers, during the financing period are required to maintain financial ratios including (i) the Company's Group net debt to EBITDA and (ii) DSCR at certain levels. These ratios will be calculated starting from the third quarter of 2024.

Detailed information is provided in note 3 to the condensed semi-annual consolidated financial statements.

► **Changes in the composition of the Management Board and Supervisory Board.**

On June 5, 2024 the Management Board of Agora S.A. received information from Mr. Tomasz Grabowski, serving member of the Management Board of the Company, concerning his decision to resign from applying for appointment to the Management Board of the Company for the next term of office.

On June 28, 2024 pursuant to resolutions adopted by the General Meeting of Shareholders, Bartosz Hojka, Tomasz Jagiełło, Anna Kryńska-Godlewska, Wojciech Bartkowiak, Agnieszka Siuzdak-Zyga and Maciej Strzelecki were appointed to the Company's Management Board for the new, joint five-year term of office that will expire on the day the General Meeting of Shareholders approves the financial statements for the fiscal year 2029.

Pursuant to the resolutions adopted by the General Meeting of Shareholders Mr. Tomasz Karusewicz was dismissed from the composition of the Supervisory Board and Jacek Levernes was appointed as a member of the Supervisory Board of the Company.

► **Income tax**

Income tax recognised in in the Company's Income Statement differs from the theoretical amount that would arise using the tax rate ruling in the particular year in Poland mainly due to dividend income that are exempt from taxation and non-recognition of deferred tax assets on tax losses arising under Tax Capital Group due to uncertainty about achieving sufficient future tax profits.

Reconciliation of the income tax recognised in the Company's Income Statement with the theoretical amount that would arise using the tax rate ruling in the particular year (19%) as follows:

	Six months ended 30 June 2024 unaudited	Six months ended 30 June 2023 unaudited
Profit/(loss) before tax from continuing operations	36,344	(2,526)
Loss before tax from discontinued operations (separated to subsidiaries)	(9,723)	(262)
Profit/(loss) before tax	26,621	(2,788)
Tax calculated at a rate of 19% (2023: 19%)	(5,058)	530
Tax effect of:		
Dividend income	13,632	7,904
Tax losses with no deferred tax recognised	(10,591)	(8,641)
Decrease/(increase) of temporary differences with no deferred tax recognised	(456)	2,653
Tax Capital Group settlement	2,013	2,170
Other	156	212
Tax calculated at an effective rate	(304)	4,828
-tax from continuing operations	(1,562)	2,196
-tax from discontinued operations (separated to subsidiaries)	1,258	2,632

9. Discontinued operations

On December 20, 2023, the Management Board informed of adopting a resolution on the directional decision concerning disposal for the benefit of subsidiaries of selected organized parts of the enterprise of the Company ("ZCP").

In 2024 Agora S.A. commenced the process of implementation of the above resolution through separation of organised parts of the business into separate companies, resulting in a portion of the existing business of Agora S.A. being conducted since April 1, 2024 through companies Wyborcza Sp. z o.o., Gazeta.pl Sp. z o.o., Agora Książka i Muzyka Sp. z o.o. oraz Czerska 8/10 Sp. z o.o. (collectively as "Subsidiaries").

An element of the process of disposing of selected organised parts of the enterprise of Agora S.A. to the Subsidiaries was the shareholders' meetings held on April 1, 2024, at which resolutions were adopted to increase the share capitals and amend the articles of incorporation of the Subsidiaries. In addition, on 1 April 2024, agreements for in-kind contributions to the increased share capital were signed between the Company and each of the Subsidiaries. As at June 30, 2024 the Company recognised increase in shares in Subsidiaries in the amount of PLN 131,722 thousand corresponding with the carrying amount of transferred net assets to the equity of Subsidiaries (including the increase in share capital of Subsidiaries in the total amount of PLN 7,980 thousand).

The assets and liabilities that were separated to subsidiaries at carrying value were as follows:

	As at 1 April 2024
Assets transferred to subsidiaries	
Non-current assets:	
Intangible assets	17,945
Property, plant and equipment, including:	79,520
- <i>property</i>	71,938
Right-of-use assets	26,271
Other non-current assets	3,076
Inventories	14,809
Trade and other receivables	50,099
Cash and cash equivalents	15,833
	207,553
	As at 1 April 2024
Liabilities transferred to subsidiaries	
Non-current lease liabilities	21,832
Other non-current liabilities	2,085
Trade and other payables	43,209
Short-term lease liabilities	1,081
Other current liabilities	7,624
	75,831

The revenue and cost of discontinued operations (separated to subsidiaries) were as follows:

	Three months ended 30 June 2024 not reviewed	Six months ended 30 June 2024 unaudited	Three months ended 30 June 2023 not reviewed	Six months ended 30 June 2023 unaudited
Analysis of the result of discontinued operations (separated to subsidiaries)				
Revenue	-	88,188	94,485	183,829
Cost net	-	(97,911)	(93,101)	(184,091)
Profit/(loss) before income taxes	-	(9,723)	1,384	(262)
Income tax	-	1,258	(398)	2,632
Net profit/(loss) for the period	-	(8,465)	986	2,370

10. Post balance-sheet events

There were no material post balance-sheet events.

11. Other notes

The Management Board of Agora S.A. believes that the notes to Agora Group's condensed semi-annual consolidated financial statements present all other material information required to assess the Company's and Group's financial position and financial results for six months ended 30 June 2024 and therefore the condensed semi-annual unconsolidated financial statements should be read together with the condensed semi-annual consolidated financial statements, which are included in the semi-annual report.

The condensed semi-annual unconsolidated financial statements have been prepared according to International Accounting Standard 34 "Interim Financial Reporting" on the basis of art. 45 point 1a-1c of Accounting Act (Official Journal from 2024, item 120, 295 with subsequent amendments). The condensed semi-annual unconsolidated financial statements as at 30 June 2024 should be read together with the audited unconsolidated financial statements as at 31 December 2023.

In the preparation of these condensed semi-annual unconsolidated financial statements, the Company has followed the same accounting policies as used in the unconsolidated financial statements as at 31 December 2023 taking into account the changes introduced by new or amended standards, which were endorsed by the European Union. The application of the amendments to standards had no significant impact on the condensed semi-annual unconsolidated financial statements.

Warsaw, August 13, 2024

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

Wojciech Bartkowiak - Member of the Management Board

Signed on the Polish original

Agnieszka Siuzdak-Zyga - Member of the Management Board

Signed on the Polish original

Maciej Strzelecki - Member of the Management Board

Signed on the Polish original

Signatures submitted electronically.