

**CAPITAL GROUP OF
INTER CARS**

Consolidated quarterly report containing a condensed interim consolidated report on the activities of the Inter Cars S.A. Capital Group together with interim consolidated financial statements of the Inter Cars, prepared for the period of 3 months ended on 31 March 2020.



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Selected consolidated financial data of the Inter Cars Group

	<i>for the period of 3 months ended on</i>		<i>for the period of 3 months ended on</i>	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	in thousand PLN	in thousand PLN	EUR '000	EUR '000
Information on growth and profits				
Sales margin	30.3%	29.2%		
EBITDA	83,790	114,569	19,059	26,658
EBITDA as percentage of sales	4.3%	5.7%		
EBITDA (for 12 consecutive months)	431,364	426,010	98,120	99,123
Net debt / EBITDA	2.8	3.1		
Basic earnings per share (PLN)	1.86	3.56	0.42	0.83
Diluted earnings per share (PLN)	1.86	3.56	0.42	0.83
Operating profit	50,560	75,858	11,501	17,650
Net profit	26,361	50,479	5,996	11,745
Cash flows				
Operating cash flows	137,609	73,652	31,301	17,137
Investing cash flows	(6,143)	12,752	(1,397)	2,967
Financing cash flows	(109,714)	(45,853)	(24,956)	(10,669)
Employment and branches				
Employees				
Parent company	644	620		
Subsidiaries	2,628	2,763		
Branches				
Parent company	249	249		
Subsidiaries	314	308		
Consolidated statement of the financial situation				
	As at		As at	
	31/03/2020	31/12/2019	31/03/2020	31/12/2019
	in thousand PLN	in thousand PLN	EUR '000	EUR '000
Cash and cash equivalents	165,148	143,397	36,278	33,679
Balance sheet total	4,896,862	4,423,893	1,075,690	1,038,838
Loans, borrowings, finance lease and factoring	1,369,375	1,432,867	300,809	336,472
Equity attributable to the shareholders of the parent entity	2,082,247	2,046,687	457,405	480,612

The following exchange rates were applied to calculate selected financial data in EUR:

- for balance sheet items – the National Bank of Poland exchange rate of 31 March 2020 – 1 EUR = PLN 4.5523, and the National Bank of Poland exchange rate of 31 March 2019 - 1 EUR = PLN 4.3013 and the National Bank of Poland exchange rate of 31 December 2019 – 1 EUR = PLN 4.2585.
- for the profit and loss account and cash flow items – the National Bank of Poland Exchange rate constituting the average National Bank of Poland exchange rate announced on the last day of each month of the first quarter of 2020 and 2019, respectively: 1 EUR = PLN 4.3963 and 1 EUR = PLN 4.2978.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE INTER CARS GROUP

<i>(in thousand PLN)</i>	<u>31/03/2020</u>	<u>31/12/2019</u>	<u>31/03/2019</u>
ASSETS			
Non-current assets			
Property, plant and equipment	498,727	502,479	470,391
Right-of-use assets	250,462	256,825	181,978
Investment property	10,837	10,837	11,049
Real estate available for sale	-	1,088	-
Intangible assets	195,036	197,559	195,878
Investments in associates	1,029	1,030	987
Investments available for sale	298	298	301
Receivables	21,619	21,630	22,509
Non-current receivables on long-term rental	191,879	188,634	-
Deferred tax assets	37,372	18,486	33,008
	1,207,259	1,198 866	916,101
Current assets			
Inventory	2,428,583	2,062,819	2,316,317
Trade and other receivables	1,036,590	954,773	979,642
Receivables on short-term rental	59,282	64,038	137,053
Income tax receivables	-	-	3,661
Cash and cash equivalents	165,148	143,397	155,274
	3,689,603	3,225 027	3,591 947
TOTAL ASSETS	4,896,862	4,423 893	4,508,048
LIABILITIES			
Share capital	28,336	28,336	28,336
Share premium account	259,530	259,530	259,530
Supplementary capital	1,219,990	1,219,990	983,765
Other capital reserves	28,764	18,822	22,204
Foreign exchange gains /losses in subsidiaries	(16,642)	(25,841)	(29,795)
Retained earnings	562,269	545,850	612,135
Equity	2,082,247	2,046,687	1,876,175
Long-term liabilities			
Liabilities due to credits, loans	536,544	565,744	563,479
Finance lease liabilities	232,331	238,920	151,642
Non-current liabilities on long-term rental	191,879	188,634	105,163
Other long-term liabilities	4,902	8,160	6,551
Deferred income tax provision	3,580	21,067	4,103
	969,236	1,022,525	830,938
Short-term liabilities			
Trade and other liabilities	973,465	526,883	899,850
Trade and other liabilities– passed for factoring	85,658	52,290	-
Liabilities due to credits, loans	545,736	576,455	726,448
Finance lease liabilities	54,765	51,624	32,766
Liabilities on the short-term rental	59,282	64,038	31,890
Employee benefits	37,305	35,805	31,710
Income tax liabilities	89,169	47,586	78,271
	1,845 379	1,354,681	1,800,935
TOTAL LIABILITIES	4,896,862	4,423 893	4,508,048

Interim consolidated statement of comprehensive income

(in thousand PLN)

	for the period of 3 months ended on	
	31/03/2020	31/03/2019
Continued activity		
Revenues from the sale of products, goods and materials	1,955,068	1,998,064
Cost of sales	(1,363,577)	(1,414,210)
Gross profit on sales	591,491	583,854
Other operating revenues	8,271	16,655
Selling cost, general and administrative expenses	(323,118)	(301,441)
Costs of distribution service	(213,895)	(215,087)
Other operating costs	(12,189)	(8,123)
Operating profit	50,560	75,858
Financial income	3,674	652
Exchange differences	(6,714)	196
Financial costs	(15,089)	(15,281)
Profit before tax	32,431	61,425
Income tax	(6,070)	(10,946)
Net profit	26,361	50,479
Attributable to:		
shareholders of the parent company	26,361	50,479
	26,361	50,479
OTHER COMPREHENSIVE INCOME		
Foreign exchange gains /losses	9,199	(3,477)
Total other comprehensive income, net	9,199	(3,477)
COMPREHENSIVE INCOME	35,560	47,002
Net profit attributable to:		
- the shareholders of the parent entity	26,361	50,479
	26,361	50,479
Comprehensive income attributable to:		
- the shareholders of the parent entity	35,560	47,002
- minority interests	-	-
	35,560	47,002
Earnings per share (PLN)		
- basic	1.86	3.56
- diluted	1.86	3.56
Number of shares	14,168,100	14,168,100
Number of shares to be diluted	14,168,100	14,168,100

Interim consolidated statement of changes in equity

for the period from 01 January 2020 to 31 March 2020

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Foreign exchange gains /losses	Other reserve capitals	Retained earnings	Equity attributable to the shareholders of the parent entity
As at 01 January 2020	28,336	259,530	1,219,990	(25,841)	28,764	535,908	2,046,687
Profit in the reporting period	-	-	-	-	-	26,361	26,361
Foreign exchange gains /losses	-	-	-	9,199	-	-	9,199
Distribution of prior period profit - allocation to reserve capitals	-	-	-	-	-	-	-
As at 31 March 2020	28,336	259,530	1,219,990	(16,642)	28,764	562,269	2,082,247

for the period from 01 January 2019 to 31 December 2019

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Foreign exchange gains /losses in subsidiaries	Other reserve capitals	Retained earnings	Total equity
As at 01 January 2019	28,336	259,530	983,765	(26,318)	19,030	564,830	1,829,173
Statement of comprehensive income							
Profit in the reporting period	-	-	-	-	-	227,096	227,096
Foreign exchange gains /losses in subsidiaries	-	-	-	477	-	-	477
Distribution of prior period profit – dividend	-	-	-	-	-	(10,059)	(10,059)
Distribution of retained profits - transfer to supplementary and reserve capital	-	-	236,225	-	9,734	(245,959)	-
As at 31 December 2019	28,336	259,530	1,219,990	(25,841)	28,764	535,908	2,046,687

for the period from 01 January 2019 to 31 March 2019

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Foreign exchange gains /losses	Other reserve capitals	Retained earnings	Equity attributable to the shareholders of the parent entity
As at 01 January 2019	28,336	259,530	983,765	(26,318)	19,030	564,830	1,829,173
Profit in the reporting period	-	-	-	-	-	50,479	50,479
Foreign exchange gains /losses	-	-	-	(3,477)	-	-	(3,477)
Distribution of prior period profit - allocation to reserve capitals	-	-	-	-	3,174	(3,174)	-
As at 31 March 2019	28,336	259,530	983,765	(29,795)	22,204	612,135	1,876,175

Interim consolidated statement of cash flows
(in thousand PLN)

	1/01/2020 – 31/03/2020	1/01/2019 – 31/03/2019
Cash flows from operating activities		
Profit before tax	32,431	61,425
Adjustments:		
Depreciation and amortization	33,230	38,711
Foreign exchange gains /losses	5,445	(1,280)
(Profit / loss on investing activities	1,758	-
Net interest	13,129	14,768
Other adjustments, net	9,199	1,954
Operating profit before changes in the working capital	95,192	115,578
Increase (decrease) in inventories	(365,763)	(115,528)
Change in receivables	(80,043)	(109,369)
Change in short-term liabilities	492,616	194,795
Cash generated by operating activities	142,002	85,476
Corporate income tax paid	(4,393)	(11,824)
Net cash from operating activities	137,609	73,652
Cash flow from investment activities		
Proceeds from the sale of intangible assets, investment property, property, plant and equipment	623	35,959
Acquisition of intangible assets, investment property, and property, plant and equipment	(6,677)	(23,670)
Repayment of loans granted	346	355
Loans granted	(548)	-
Interest received	113	108
Net cash from investing activities	(6,143)	12,752
Cash flow from financing activities		
Revenues under credits and debt securities	4,739	-
Repayment of credits	(70,557)	(11,248)
Financial lease contracts liabilities	(30,654)	(20,873)
Interest paid	(13,242)	(13,732)
Net cash from financing activities	(109,714)	(45,853)
Net change in cash and cash equivalents	21,752	40,550
Cash and cash equivalents at the beginning of the period	143,397	114,725
Cash and cash equivalents at the end of the period	165,148	155,275

Explanatory notes to the interim condensed financial statements for the period of 3 months ended on 31 March 2020**I. Information about the Inter Cars Capital Group****Scope of activities**

The principal activities of Grupa Kapitałowa Inter Cars Spółka Akcyjna (hereinafter referred to as “the Group,” “the Inter Cars Capital Group,” the Inter Cars Group”) are import and distribution of spare parts for passenger cars and commercial vehicles.

Registered seat – the parent entity

Inter Cars S.A.
ul. Powsińska 64
02-903 Warsaw
Poland

Central Warehouse:

Europejskie Centrum Logistyczne (European Logistics Centre)
Swobodnia 35
05-170 Zakroczym

Contact and administrative details

The Company has been entered into the Register of Companies of the National Court Register kept by the District Court for the capital city of Warsaw, in Warsaw, XII Commercial Department of the National Court Register, under the following number:

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Regon 014992887
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www.intercars.com.pl

Supervisory Board (as at the date of approval of the financial statements)

Andrzej Oliszewski, President
Piotr Płoszajski
Tomasz Rusak
Jacek Klimczak
Jacek Podgórski
Radosław Kudła

Management Board (as at the date of approval of the financial statements)

Maciej Oleksowicz, President
Krzysztof Soszyński, Vice-President
Wojciech Twaróg
Piotr Zamora
Tomáš Kaštil

Statutory auditor

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
ul. Polna 11; 00-663 Warsaw

II. Composition of the Capital Group

The parent company, Inter Cars S.A. ("the Company") is registered in Poland. The interim consolidated financial statements for the period ended on 31 March 2020 contain information about the company, its subsidiaries referred to as the Inter Cars Capital Group ("the Group"), and about the Group's share in related entities.

The consolidated financial statements of the Inter Cars Capital Group for the period ended on 31 December 2019 are available at www.intercars.com.pl in Investor Relations tab.

As at 31 March 2020, the following entities comprised the Inter Cars Capital Group: Inter Cars S.A. as the parent entity, and 32 other entities, including:

- 30 subsidiaries of Inter Cars S.A.
- 2 indirect subsidiaries of Inter Cars S.A.

The Group also holds shares in one related entity.

The first quarter of 2020 saw no changes in the organizational structure of the issuer's Capital Group, including changes resulting from amalgamation or gaining or losing control over subsidiaries and long-term investments or as a result of division, restructuring or discontinuance.

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/03/2020	31/03/2019
Parent company					
Inter Cars S.A.	Warsaw, Poland	Import and distribution of spare parts for passenger cars and commercial vehicles	full	Not applicable	Not applicable
Direct subsidiaries					
Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/12/2019	31/12/2018
Inter Cars Ukraine	Khmelnitsky, Ukraine	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Q-service Sp. z o.o.	Cząstków Mazowiecki, Poland	Advisory services, organization of trainings and seminars related to automotive services and the automotive market	full	100%	100%
Lauber Sp. z o.o.	Słupsk, Poland	Remanufacturing of car parts	full	100%	100%
Inter Cars Česká republika s.r.o.	Prague, Czech Republic	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Feber Sp. z o.o.	Warsaw, Poland	Manufacture of motor vehicles, trailers and semi-trailers	full	100%	100%
IC Development & Finance Sp. z o.o.	Warsaw, Poland	Real estate development and lease	full	100%	100%
Armatus sp. z o.o.	Warsaw, Poland	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Slovenská republika s.r.o.	Bratislava, Slovakia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Lietuva UAB	Vilnius, Lithuania	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
JC Auto S.A.	Braine-le-Château, Belgium	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Hungária Kft	Budapest, Hungary	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Italia s.r.l.	Milan, Italy	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/03/2020	31/03/2019
Inter Cars d.o.o.	Zaprešić (Grad Zaprešić), Croatia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Romania s.r.l.	Cluj-Napoca, Romania	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Cyprus Limited	Nicosia, Cyprus	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Latvija SIA	Mārupes nov., Mārupe, Latvia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Cleverlog-Autoteile GmbH	Berlin, Germany	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Bulgaria Ltd.	Sofia, Bulgaria	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Marketing Services Sp. z o.o.	Częstoków Mazowiecki, Poland	Advertising, market and public opinion research	full	100%	100%
ILS Sp. z o.o.	Swobodnia, Zakroczym, Poland	Logistics services	full	100%	100%
Inter Cars Malta Holding Limited	Birkirkara, Malta	Assets management	full	100%	100%
Q-service Truck Sp. z o.o.	Warsaw, Poland	Sale of delivery vans and trucks	full	100%	100%
Inter Cars INT d.o.o.	Ljubljana, Slovenia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Eesti OÜ	Tallinn, Estonia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Piese Auto s.r.l.	Kishinev, Moldova	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars GREECE.	Athens, Greece	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars d.o.o.	Sarajevo, Bosnia and Herzegovina	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars United Kingdom - automotive technology Ltd*	Tipton, Great Britain	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars d.o.o. Beograd-Rakovica***	Belgrade-Rakovica, Serbia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Fleet Services Sp. z o.o.**	Warsaw Poland	Services for motor-vehicle fleets related to vehicle repairs	Not applicable	100%	-

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/03/2020	31/03/2019
Indirect subsidiaries					
Inter Cars Malta Limited****	Birkirkara, Malta	Sale of spare parts and advisory services related to automotive services and the automotive market	full	100%	100%
Aurelia Auto d o o*****	Vinkovci, Croatia	Distribution of spare parts and real estate rental	full	100%	100%
Associated entities					
InterMeko Europa Sp. z o.o.	Warsaw, Poland	Control and assessment of spare parts, components and accessories	equity method	50%	50%

* The company started operational activity in 2Q2019.

** The company started operational activity in 1Q2020.

*** The company started operational activity in 4Q2019

**** 100% shares held by subsidiary company Inter Cars Malta Holding Limited

***** 100% shares held by subsidiary company Inter Cars d.o.o. (Croatia)

On 4 February 2020, a resolution was adopted to liquidate the subsidiary entity Inter Cars Deutschland GmbH, which had not become operational prior to the adoption of the said resolution.

Stock exchange listings

The shares of Inter Cars S.A., i.e. the parent entity, are listed on the Warsaw Stock Exchange in the continuous trading system.

III. Declaration of compliance with IFRS

The condensed interim consolidated financial statements of the Inter Cars Capital Group were prepared for the period of 3 months ended on 31 March 2020.

The condensed interim financial statements covering first quarter of 2020 comply with the requirements of the International Accounting Standard IAS 34 *"Interim Financial Reporting"* related to interim financial statements.

The condensed interim financial statements of the Group are published together with the condensed standalone interim financial statements. The condensed standalone interim financial statements of the Company should be read together with the condensed interim consolidated financial statements of the Group in order to have a comprehensive view of the financial result and the financial situation of the company.

Preparation of financial statements in accordance with IFRS requires application of specific accounting estimates. It also requires from the Management Board to use its own judgement with regard to application of the accounting standards adopted by the Group. The areas a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are presented in note 14.

Interim condensed consolidated financial statement of Inter Cars S.A. Capital Group prepared for the period of 3 months ended on 31 March 2020 with explanatory notes to interim condensed financial statements and quarterly financial information of Inter Cars S.A. 1Q 2020 was approved by the Board of Managers for publication on 05 June 2020.

IV. Basis for preparing the condensed interim consolidated financial statements

With the exception of the changes described in "Changes to the accounting principles," these condensed interim financial statements were prepared by the Inter Cars Capital Group in accordance with the same accounting standards as those applied by the Group to prepare the consolidated financial statements for the period ended on 31 December 2019.

The condensed interim consolidated financial statements were prepared under the assumption that Group will continue as a going concern in the foreseeable future and that there are no circumstances indicating a threat to the continuance of its operations.

All values presented in the condensed interim financial statements are quoted in PLN '000, unless otherwise indicated.

V. Changes to the accounting principles

The information included in these condensed interim financial statements was prepared based on the same accounting principles and calculation methods as those applied in the preceding annual consolidated financial statements for the year 2019.

VI. Foreign Exchange rates applied to calculate the figures for 1 quarter of 2020

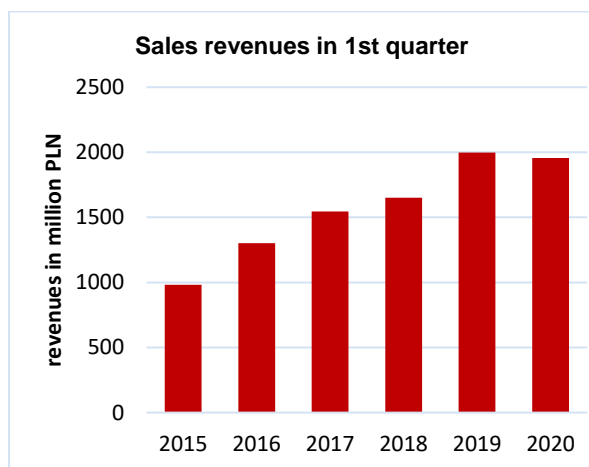
All financial figures presented in the report in EUR were translated according to the following exchange rates:

	2020	2019
exchange rate as at 31 March.....	4.5523	4.3013
average exchange rate in the period from 1 January to 31 March ...	4.3963	4.2978

The following principles have been used to convert data presented in thousand EURO in selected financial data:

- the figures resulting from the profit and loss account – the average exchange rate constituting the arithmetic mean of the exchange rates announced by President of the National Bank of Poland on the last day of each month of a given period;
- the figures resulting from the balance sheet – the exchange rate as at 31 March constituting the average EUR exchange rate announced on 31 March the President of the National Bank of Poland;
- for translating the value of the share capital – the average EUR exchange rates applicable on the day on which an increase in the share capital was registered.

Factors and events of a non-recurring nature having a material bearing on the financial result, and a description of the Company's material achievements and failures along with a list of related key events



1. Summary of activities and consolidated and separate financial results for 1Q 2020

Summary of financial results of the Inter Cars Group

- In 1Q 2020, the Group recorded a **2,2% decrease of consolidated sales revenues** compared to the same period of 2019. The decrease was attributed to the global pandemic of the SARS-COV-2 virus. Consequently, many governments implemented radical limitations to social and economic activity, as well as travel restrictions. Despite gradual lifting of the restrictions, companies, including the Inter Cars Group, have been experiencing a decrease in consumer demand.
- **Export sales** understood as sales by the overseas distribution companies, and direct sales by Inter Cars S.A. to foreign clients increased by nearly **9.1%** compared to the analogous period a year ago.
- The revenues of Inter Cars at home accounted for app. **48.5% of the total revenues** of the Capital Group (taking into account consolidation exclusions). The foreign companies' share in the distribution activities increased from 41.5% in the 1st quarter of 2019 to 46.8% in the 1st quarter of 2020. The Polish market remains the basic sales market for the Capital Group.
- The **consolidated sales margin** went up to **30.3% from 29.2%, an increase by 1.1%**.
The margin level in 1Q 2020 was also influenced by the positive exchange differences amounting to PLN 15.7m, and in the same period of 2019 - PLN 5.6m of

negative exchange differences, which lowered the margin for that period of time.

Comparing the level of gross percent margin, if we eliminate the influence of these exchange gains/losses on the margin, it would amount to 29.5% in the first quarter 2020, and was on the same level in comparison to the same period a year ago.

- **Selling cost, general and administrative expenses**, for the period of 3 months, went up by 7,2% in comparison to the first quarter of a year ago. Most of the costs incurred by the Group, including the costs of leasing office and other space as well as remuneration costs, are fixed costs. The management board has made operational decisions related to decreasing the costs of the company's activity in order for it to remain profitable in view of the sudden drop in sales. The effects of these decisions will not be visible until the next quarters of this year.
- **Consolidated net profit** amounted to PLN 26,361 million.
- **The consolidated EBITDA** for 12 months cumulatively for the period ended on 31 March 2020 was PLN 431,364 thousand (measured as a profit on operating activity plus depreciation).
- **The net debt /EBITDA** ratio is 2.79, compared to 3.10 as at 31 March 2019.
- In Q1 2020 the effective tax rate was equal to the anticipated tax rate for 2020.

Revenues decreased in all geographical markets. The Group has been expanding its business in Central and Eastern Europe. This market displays a large potential of growth and a net profitability higher than the domestic market. The highest sales increase after 1 quarter of 2020 – compared to the same period of the previous year – (after translation to PLN and consolidation exclusions) was recorded by companies in the following countries: Bosnia (65.2%), Republic of Slovenia (35.6%), Ukraine (34.8%) and Republic of Moldova (21.5%). Whilst daughter companies with the biggest influence on the sales revenues of the Group, went up accordingly: Romania (6%), Bulgaria (12%), Hungary (3%) and Slovak Republic (18%).

The underlying financial data of the Inter Cars S.A. Group for 1 quarter of 2020 were as follows:

	for the period of 3 months ended on		for the period of 3 months ended on	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
(‘000)	PLN	PLN	EUR	EUR
Profit and loss account (for the period)				
Sales revenues	1,955,068	1,998,064	444,708	464,904
Gross profit (loss) on sales	591,491	583,854	134,543	135,850
Net financial revenues / costs	(18,129)	(14,433)	(4,124)	(3,358)
Operating profit (loss)	50,560	75,858	11,501	17,650
Net profit (loss)	26,361	50,479	5,996	11,745
Other financial data				
Operating cash flows	137,609	73,652	31,301	17,137
Investing cash flows	(6,143)	12,752	(1,397)	2,967
Financing cash flows	(109,714)	(45,853)	(24,956)	(10,669)
Basic profit per share	1.86	3.56	0.42	0.83
Sales margin	31.0%	29.2%		
EBITDA margin	4.3%	5.7%		
Balance sheet (as at)				
Cash and cash equivalents	165,148	143,397	36,278	33,679
Balance sheet total	4,896,862	4,423,893	1,075,690	1,038,838
Loans, borrowings and finance lease	1,369,375	1,432,867	300,809	336,472
Equity	2,082,247	2,046,687	457,405	480,612

Overview of the financial results of the parent company – Inter Cars

The underlying financial data of Inter Cars S.A. were as follows :

	for the period of 3 months ended on		for the period of 3 months ended on	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
(‘000)	PLN	PLN	EUR	EUR
Profit and loss account (for the period)				
Sales revenues	1,396,565	1,454,307	317,668	338,384
Gross profit (loss) on sales	372,739	352,695	84,785	82,064
Costs of license	(1,518)	(2,095)	(345)	(487)
Net financial revenues / costs	(15,915)	(10,523)	(3,620)	(2,448)
Operating profit (loss)	31,937	27,052	7,265	6,294
Net profit (loss)	10,618	13,622	2,415	3,170
Other financial data				
Operating cash flows	92,228	5,312	20,979	1,236
Investing cash flows	(4,067)	25,762	(925)	5,994
Financing cash flows	(84,296)	(26,869)	(19,174)	(6,252)
Basic profit per share	0.75	0.96	0.17	0.22
Sales margin	26.7%	24.3%		
EBITDA margin	3.02%	2.88%		
Balance sheet (as at)				
	31/03/2020	31/12/2019	31/03/2020	31/12/2019
	PLN	PLN	EUR	EUR
Cash and cash equivalents	21,833	17,967	4,796	4,219
Balance sheet total	3,850,366	3,486,970	845,807	818,826
Loans, borrowings and finance lease	1,078,096	1,142,042	236,824	268,179
Equity	1,578,504	1,567,886	346,749	368,178

The sales revenues in Q1 2020 were **4% lower** than in the same period of previous year. The Company was facing limited demand on the market, following restrictions and limitations introduced after the outbreak of SARS-COV-2 virus.

The gross sales profit in Q1 2020 amounted to PLN 372,739 thousand and was higher by 5.7%, in comparison to the same period of 2019. **The sales margin** for 1 quarter of 2020 was 26.7% (compared to 24.3% in 1 quarter of 2019).

Distribution costs – the share of the entity managing the branch in the margin earned. The sales margin generated by a branch is divided between the branch and Inter Cars in the 50/50 ratio. The branch system is based on the assumption of entrusting management of a distribution point (branch) to external entities. Sales are made on behalf of Inter Cars.

Financial revenues and costs include primarily costs and revenues due to interest on credits. In Q1 2020, the Company incurred PLN 8,077k of these costs.

Liabilities resulting from credits, loans, debt securities and finance lease as at 31 March 2020 amounted to PLN 1,078 thousand.

2. Material evaluations and estimates

The preparation of the condensed consolidated interim financial statements in conformity with the EU IFRS requires the Company’s Management Board to use evaluations and estimates that affect the application of accounting principles and reported amounts of assets and liabilities, income and

expenses. The judgements and estimates are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised.

Information on particularly significant areas that are subject to evaluations and estimates and that affect the interim financial statements did not change from the information presented in the annual financial statements as at 31 December 2019.

3. Seasonality

Sales revenues display a slight degree of seasonality, with Q1 usually constituting app. 22% of the annual sales revenues. In the current financial year, the Company is expecting interference in seasonal sales, as a result of SARS-COV-2 pandemic.

4. Information on business segments

Structure of Inter Cars Capital Group results from strategy of geographical expansion in distribution of automotive spare parts (Inter Cars Ukraine LLC, Inter Cars Česká republika s.r.o., Inter Cars Slovenská republika s.r.o., Inter Cars Lietuva UAB, Inter Cars d.o.o, Inter Cars Hungária Kft., JC Auto S.A, JC Auto s.r.l, Inter Cars Romania s.r.l., Inter Cars Latvija SIA, Inter Cars Bulgaria EOOD, Cleverlog-Autoteile GmbH, Inter Cars Eesti OÜ, Inter Cars INT d.o.o. (Slovenia), Inter Cars Piese Auto s.r.l. (Moldavia), Inter Cars GREECE, Inter Cars d.o.o Sarajevo (Bosnia and Hercegovina), Inter Cars United Kingdom - automotive technology Ltd, Inter Cars d.o.o. Beograd-Rakovica and development of supporting projects for core business (Lauber Sp. z o.o., Feber Sp. z o.o., Q-Service Sp. z o.o., IC Development & Finance Sp. z o.o., Armatus Sp. z o.o., Inter Cars Cyprus Limited, Inter Cars Marketing Services Sp. z o.o., ILS Sp. z o.o., Inter Cars Malta Holding, Inter Cars Malta Limited, Q-Service Truck Sp. Z o.o. and Aurelia Auto d o o.

The above-mentioned entities were consolidated with the full method as at 31 March 2020. Financial data of InterMeko Europe Sp. z o.o. were consolidated using equity method .

The core business of the Inter Cars S.A. Capital Group is the sale of spare parts. Additionally, the companies Feber Sp. z o.o., Lauber Sp. z o.o., IC Development & Finance Sp. z o.o. and ILS Sp. z o.o. operate also in other sectors, including: manufacture of trailers, remanufacture of parts, development and logistics services, whereas the newly created company Inter Cars Fleet Services Sp. z o.o. offers comprehensive handling of car fleets, including comprehensive body and mechanical repair services.

The Inter Cars Capital Group applies uniform accounting principles to all segments. Transactions between particular segments are carried out at arm's length. The above-mentioned transactions were eliminated from these condensed consolidated quarterly financial statements.

Information on business segments

for the period of 3 months ended on 31 March 2020

	Sale of spare parts	Other segments	Eliminations	Total
External sales	1,830 464	124,604	-	1,955 068
Inter-segment sales	2,144	29,075	(31,219)	-
Profit before tax	46,692	2,266	(16,527)	32,431

for the period of 3 months ended on 31 March 2019

	Sale of spare parts	Other segments	Eliminations	Total
External sales	1,965,168	32,896	-	1,998,064
Inter-segment sales	1,920	116,326	(118,246)	-
Profit before tax	58,696	4,775	(2,046)	61,425

Assets by operating segments

	Status as at 31/03/2020	Status as at 31/12/2019
Sale of spare parts segment	6,663,773	6,253,895
Other segments	510,498	496,432
Eliminations	(2,277,409)	(2,242,279)
	4,896,862	4,508,048

5. Dividend

In the reporting period, no dividend was distributed by Inter Cars S.A.

On 5 May 2020, the Company's Management Board passed a resolution to accept the Board's motion for the distribution of the 2019 profit, in conformity with which the Board shall motion for the distribution of the 2019 profit such that the net profit of PLN 154,974,364.54 earned in 2019 shall be transferred in full to supplementary capital. The Company's Supervisory Board acknowledged and approved the Management Board's motion of 5 May 2020 regarding the distribution of the 2019 profit and recommended that the Company's Shareholders Meeting adopt a resolution on distributing the 2019 profit in conformity with the Management Board's motion.

This constitutes a deviation from the Company's dividend policy for the years 2017-2019, adopted and announced by the Company's Management Board on 9 May 2017, and is justified by the economic uncertainty caused by the SARS-CoV-2 pandemic.

6. Liabilities due to borrowings and other debt instruments

The new syndicated credit facility agreement

The credit conditions for term loans and revolving credits are described in the annual consolidated financial statements of the Group.

Bank credits concluded directly by subsidiary companies

In the reporting period subsidiary companies did not conclude any new credit agreements.

Conditions of credit facility agreements have been described in consolidated financial statements of the Group.

Loans and borrowings as at 31 March 2020

Current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	878,688	466,521	12-11-2020
<i>Inter Cars S.A.</i>		417,900	
<i>Inter Cars Slovenska Republika s.r.o.</i>		36,116	
<i>Lauber Sp. z.o.o.</i>		12,505	
ING Bank N.V. (Inter Cars Romania s.r.l.)	66,003	58,945	11-11-2020
Nova Kreditna Banka Maribor d.d. (ICSI - Inter Cars INT D o.o.)	6,828	4,552	18-11-2020
Raiffeisen a.s. (Inter Cars Česká republika s.r.o)	29,304	16,256	28-02-2021
	980,823	546,275	
Non-current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	565,500	537,000	12-11-2021
	565,500	537,000	

Loans and borrowings as at 31/03/2019

Current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	838,000	513,450	14-11-2019
<i>Inter Cars S.A.</i>		478,613	
<i>Inter Cars Slovenska Republika s.r.o.</i>		20,006	
<i>Lauber Sp. z.o.o.</i>		14,831	
Raiffeisen a.s. (Inter Cars Česká republika s.r.o)	25,573	24,990	20-02-2020
ING Bank N.V. (Inter Cars Romania s.r.l.)	63,203	49,971	27-12-2019
	926,776	588,411	
Non-current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	537,000	537,000	14-11-2021
Nova Kreditna Banka Maribor d.d. (Inter Cars INT D o.o.)	8,603	2,151	
	545,603	539,151	

7. Contingent liabilities and sureties

In the reporting period, Inter Cars S.A. and its subsidiaries did not grant any sureties for credits, loans or other guarantees with substantial value.

Sureties and guarantees granted by the Group as at 31 March 2020 amounted in total to: PLN 25,422 thousand.

8. The Management Board's standpoint on the feasibility of meeting the previously published forecasts of financial results for 2020

The Board of Directors of Inter Cars S.A. has not published any forecast of financial results for the year 2020.

9. Shareholders holding 5% or more of the total vote at the General Shareholders Meeting of Inter Cars S.A.

Shareholders holding 5% or more of the total vote at the General Shareholders Meeting of Inter Cars S.A., as at the day of publication of these financial statements:

Shareholder	Number of shares	Total nominal value (PLN)	Percentage of share in the share capital held (%)	Percentage of total vote held (%)
OK Automotive Investments B.V.*	3,726,721	7,453,442	26.30%	26.30%
AVIVA Otwarty Fundusz Emerytalny Aviva BZ WBK	1,896,778	3,793,556	13.39%	13.39%
Nationale-Nederlanden OFE and Nationale-Nederlanden DFE	1,416,799	2,833,598	9.99%	9.99%
Andrzej Oliszewski	1,277,370	2,554,740	9.02%	9.02%
Immersion Capital LLP	748,776	1,497,552	5.29%	5.29%
Total	9,066,444	18,132,888	63.99%	63.99%

*OK Automotive Investments B.V. is a company which is dependent from Krzysztof Oleksowicz - a Member of the Management Board of the Company till 31 December 2019

Until the date of release of these financial statements, the Company had not received any other shareholding notifications.

From the date of publication of the previous report, i.e. 17 April 2020, there has been no change in shareholders holding at least 5% of total shares of the Company.

One share gives one vote at the General Shareholders Meeting of the Company. Voting restrictions are laid out in §18a of the Articles of Association, according to which no shareholder holding over 33% of votes may cast more than 33% of the total number of votes they are entitled to as at the date of the General Meeting. This restriction does not apply to determining the purchasers of substantial blocks of shares.

Furthermore, pursuant to the provisions of the Articles, this limitation shall expire if one of the shareholders purchases (on their own behalf and account) and registers at the General Meeting over 50% of the total number of votes in the Company, provided that all shares above 33% of the total number of shares in the Company and all shares above this threshold are purchased by such shareholder in response to a call to subscribe for all shares of the Company announced in conformity with the Act.

Above change of Status of the Company was registered by the registry court - District Court for the Capital City of Warsaw in Warsaw, XII Commercial Department of the National Court Register, on 17 May 2017.

10.Changes in the number of shares and rights to shares (options) in Inter Cars S.A. held by the Company's Management and supervisory personnel since the publication of the most recent quarterly report.

The Company's supervisory and managing personnel hold directly 5 005 591 of shares, constituting 35,33% of the total vote at the General Shareholders Meeting of Inter Cars.

The managing and supervisory personnel hold no shares in the subsidiaries of Inter Cars.

List of shares being held by the managing and supervisory personnel of Inter Cars as at the date of publishing the report is presented in below chart:

Shareholder	Number of shares	Total nominal value	Percentage of share in the share capital held (%)	Percentage of total vote held (%)
Management Board				
Tomáš Kaštil	1,500	3,000	0.01%	0.01%
	1,500	3,000		
Supervisory Board				
Andrzej Oliszewski	1,277,370	2,554,740	9.02%	9.02%
	1,277,370	2,554,740		
Total	1,278 870	2,557,740	9.03%	9.03%

There were no changes in ownership of the Company shares held by the Company's management and supervisory personnel since the publication of the most recent quarterly report, i.e. 17 April 2020.

11.Information on important court, arbitration and administrative proceedings

No material proceedings were instituted in the reporting period before a court or a public administration authority relating to liabilities or receivables of the Company or its subsidiaries nor there are any material proceedings pending before a court or a public administration authority relating to liabilities or receivables of the Company or its subsidiaries.

12. Transactions with related entities

<i>(in thousand PLN)</i>	1.01.2020- 31.03.2020	1.01.2019- 31.03.2019
<i>remuneration of the members of the Supervisory Board and the Management Board</i>		
Remuneration of the members of the Supervisory Board	158	128
Remuneration of the members of the Management Board	611	814
	768	942
	1.01.2020- 31.03.2020	1.01.2019- 31.03.2019
<i>Transactions with related entities</i>		
Income on sales to related entities	640	626
Purchase of goods and services from related entities	4,548	4,326
	31/03/2020	31/12/2019
<i>Settlements with related entities</i>		
Receivables from related entities	1,652	1,517
Liabilities to related entities	321	253

80% of the goods and services purchased from related entities relates to the standard distribution service settled based on the same principles as those applicable to all branches. Placement in this category results from the family ties between a branch director and one of the members of the management Board of Inter Cars S.A.

13. Other information which the Company deems relevant for the assessment of its personnel, assets, financial position and financial result or changes in any of the foregoing, and for the assessment of the Company's ability to perform its obligations

This information is included in the section entitled "Factors and events of a non-recurring nature having a material bearing on the financial result, and a description of the Company's material achievements and failures along with a list of related key events."

14. Events subsequent to the balance sheet day as at which the report was prepared which may have a material bearing on the Company's future financial results

In connection with the COVID-19, many governments, including the government of Poland, had implemented radical limitations to social and economic activity, as well as travel restrictions. Consequently, many companies in Europe have suspended or limited their activity. There has been an increase in unemployment, a decrease in the consumer purchasing power and in consumption. The trans-border transport difficulties have caused disturbances to global delivery chains. Simultaneously, the costs of providing anti-virus protection to employees are increasing and so are the costs of providing them with appropriate remote working tools.

Despite gradual lifting of the restrictions, companies, including the Inter Cars Group, have been experiencing a decrease in consumer demand. In the case of the Inter Cars Group, the decrease in the demand for its products and services results from a decrease in mobility in particular countries (caused, among other things, by a major shift to the home office mode) and a drop in the sales of new and second hand cars. In the long run, the demand may further shrink due a potential increase in the number of companies having people work from home and by the resulting decrease in their car fleets and mobility. As of today, due to the quickly changing circumstances and the legal situation related to the spread of the pandemic in particular countries, it is impossible to present a precise and reliable evaluation of the impact of the present situation on the Company's results in the quarters to come.

In addition to affecting the demand and supply, the pandemic has also translated into a significant growth in the variability of prices of assets on the financial markets. Consequently, the local currency to euro exchange rate is subject to big fluctuations and banks have been changing their credit

policies. Nevertheless, the Inter Cars Group has not reported a possibility of an increased liquidity risk and the risk related to the availability of financing.

15. Information on material transactions with related entities concluded on terms other than at arm's length, including information on their amounts and nature.

All transactions with related entities were concluded at arm's length.

16. Factors which in the Company's opinion will affect its financial results in the period covering at least the next quarter.

Factors which in the Management Board's opinion will affect the Company's financial results in Q2 2020 include:

- ✓ *the condition of the Polish and European economy* and its impact on the financial situation of customers and consumers (including the impact of the COVID-19 pandemic on the global economy and the market demand);
- ✓ *optimization of business costs* to maintain profitability on a proper level in the face of a sudden decrease in sales related to the pandemic, in particular:
 - shortening of time of work by maximum 20%
 - reduction of employment
 - renegotiation of contracts with suppliers
 - suspension of projects
 - limitation of IT budget
 - decrease in expenditure on marketing
 - limitation of bonuses
 - renegotiation of lease contracts
 - optimization of distribution chain
- ✓ renegotiation of contracts with suppliers and the risk of receiving trade bonuses in the amounts lower than planned;
- ✓ *trends in the foreign exchange rates, mainly EUR, USD and YEN against PLN, UAH, HUF, CZK, HRK, RON, BGN, MDL and BAM;*
- ✓ trends in the demand from export customers, related mainly to political and legal situation in Ukraine;
- ✓ changes in interest rates, which will determine the amount of interest on contracted loans and thus affect the financial expenses;
- ✓ planned improvement in the stock turnover, which should reduce the financial costs by lowering the requirement for inventory financing;
- ✓ *optimization of logistics processes related to cost reductions;*
- ✓ enhanced awareness of the "Inter Cars" brand and obtaining new customers, which will contribute to the development of operating activities;

QUARTERLY SEPARATE FINANCIAL STATEMENTS OF INTER CARS S.A.
Statement of financial position
(in thousand PLN)

	31/03/2020	31/12/2019	31/03/2019
ASSETS			
Non-current assets			
Property, plant and equipment	114,556	119,783	135,064
Right-of-use assets	13,071	14,913	23,444
Intangible assets	185,469	187,095	182,872
Investments in subordinated entities	427,209	425,367	418,193
Investments available for sale	258	258	258
Receivables	18,043	16,012	17,163
Non-current receivables on long-term rental	95,155	96,761	-
Deferred tax assets	9,848	-	-
	863,609	860,189	776,994
Current assets			
Inventory	1,530,175	1,256,345	1,485,149
Trade and other receivables	1,393,302	1,311,271	1,352,470
Receivables on short-term rental	41,447	41,198	61,291
Cash and cash equivalents	21,833	17,967	28,487
	2,986,757	2,626,781	2,927,397
TOTAL ASSETS	3,850,366	3,486,970	3,704,391
LIABILITIES			
Equity			
Share capital	28,336	28,336	28,336
Share premium account	259,530	259,530	259,530
Supplementary capital	1,118,787	1,118,787	900,217
Other reserve capitals	5,935	5,935	5,935
Retained earnings	165,916	155,298	242,574
	1,578,504	1,567,886	1,436,592
Long-term liabilities			
Liabilities due to credits, loans	536,541	536,487	535,378
Finance lease liabilities	19,524	22,517	14,383
Non-current liabilities on long-term rental	95,155	96,761	48,106
Deferred income tax provision	-	20,777	(14,198)
	651,220	676,542	583,669
Short-term liabilities			
Trade and other liabilities	978,160	575,776	826,623
Liabilities on credits, loans, debt securities	508,304	568,810	780,486
Finance lease liabilities	13,726	14,228	10,112
Liabilities on the short-term rental	41,447	41,198	13,186
Employee benefits	20,420	19,487	15,700
Income tax liabilities	58,585	23,043	38,023
	1,620,642	1,242,542	1,684,130
TOTAL LIABILITIES	3,850,366	3,486,970	3,704,391

Statement of comprehensive income

(in thousand PLN)

	for the period of 3 months ended on	
	31/03/2020	31/03/2019
Continued activity		
Revenues from the sale of products, goods and materials	1,396,565	1,454,307
Cost of sales	(1,023,826)	(1,101,612)
Gross profit on sales	372,739	352,695
Other operating revenues	9,995	11,033
Selling cost, general and administrative expenses	(198,268)	(181,393)
Costs of distribution service	(115,792)	(125,989)
Costs of license	(1,518)	(2,095)
Other operating costs	(35,219)	(27,199)
Operating profit	31,937	27,052
Financial income	2,341	890
Dividends received	-	-
Foreign exchange gains/losses	(6,714)	196
Financial costs	(11,542)	(11,609)
Profit before tax	16,022	16,529
Income tax	(5,404)	(2,907)
Net profit	10,618	13,622
OTHER COMPREHENSIVE INCOME		
Total other comprehensive income, net	-	-
COMPREHENSIVE INCOME	10,618	13,622
Earnings per share (PLN)		
- basic	0.75	0.96
- diluted	0.75	0.96
Number of shares	14,168,100	14,168,100
Number of shares to be diluted	14,168,100	14,168,100

Statement of changes in equity

for the period from 01 January 2020 to 31 March 2020

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
Shareholder's equity as at 01 January 2020	28,336	259,530	1,118 787	5,935	155,298	1,567,886
Statement of comprehensive income						
Profit in the reporting period	-	-	-	-	10,618	10,618
Total comprehensive income in the reporting period	-	-	-	-	10,618	10,618
Distribution of retained profits - carried over to supplementary capital	-	-	-	-	-	-
Owner's equity as at 31 March 2020	28,336	259,530	1,118 787	5,935	165,916	1,578,504

for the period from 01 January 2019 to 31 December 2019

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
Shareholder's equity as at 01 January 2019	28,336	259,530	900,217	5,935	228,952	1,422,970
Statement of comprehensive income						
Profit in the reporting period	-	-	-	-	154,975	154,975
Total comprehensive income	-	-	-	-	154,975	154,975
Transactions with shareholders						
Distribution of prior period profit – dividend	-	-	-	-	(10,059)	(10,059)
Distribution of retained profits - carried over to supplementary capital	-	-	218,570	-	(218,570)	-
Owner's equity as at 31 December 2019	28,336	259,530	1,118 787	5,935	155,298	1,567,886

for the period from 01 January 2019 to 31 March 2019

(in thousand PLN)

	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
Shareholder's equity as at 01 January 2019	28,336	259,530	900,217	5,935	228,952	1,422,970
Statement of comprehensive income						
Profit in the reporting period	-	-	-	-	13,622	13,622
Total comprehensive income in the reporting period	-	-	-	-	13,622	13,622
Distribution of retained profits - carried over to supplementary capital	-	-	-	-	-	-
Owner's equity as at 31 March 2019	28,336	259,530	900,217	5,935	242,574	1,436,592

Statement of cash flows

<i>(in thousand PLN)</i>	1/01/2020 – 31/03/2020	1/01/2019 – 31/03/2019
Cash flows from operating activities		
Profit (loss) before tax	16,022	16,529
Adjustments:		
Depreciation and amortization	10,263	14,850
Foreign exchange gains /losses	5,288	639
(Profit / loss on investing activities	(78)	(1,729)
Net interest and share in profits	8,768	9,632
Net dividends	-	-
Other adjustments, net	(41)	(26)
Operating profit before changes in the working capital	40,222	39,895
Increase (decrease) in inventories	(273,829)	(133,584)
Change in receivables	(81,793)	(65,610)
Change in short-term liabilities	408,116	165,390
Cash generated by operating activities	92,716	6,091
Corporate income tax paid	(487)	(779)
Net cash from operating activities	92,228	5,312
Cash flow from investment activities		
Proceeds from the sale of plant, property, equipment and intangible assets	411	30,958
Purchase of property, plant, equipment and intangible assets	(2,063)	(11,270)
Purchase of financial assets in related and other entities	(1,841)	-
Repayment of loans granted	266	5,623
Loans granted	(1,700)	-
Interest received	288	451
Dividends received	572	-
Net cash from investing activities	(4,067)	25,762
Cash flow from financing activities		
(repayments) / proceeds from credits and leases	(14,152)	(6,590)
Liabilities on credits and loans	(61,088)	(11,371)
Deposits received /(returned)	(50)	50
Interest paid	(9,056)	(8,908)
Net cash from financing activities	(84,296)	(26,869)
Net change in cash and cash equivalents	3,866	4,205
Cash and cash equivalents at the beginning of the period	17,967	24,283
Cash and cash equivalents at the end of the period	21,833	28,488

1. Accounting principles

The accounting principles applied by Inter Cars are the same as those applied by the Group, with the exception of interest in subsidiaries, valued at the historical costs minus revaluation write-downs.

2. Investments in subordinated entities

The following investments in subordinated entities took place in the first quarter 2020:

	2020	2019
As at 1 January (gross)	425,978	426,145
Increase, including:	1,841	-
- increase in share capital in Inter Cars d o.o. Beograd Rakovica	846	-
- increase in share capital in Inter Cars Fleet Services Sp. z o.o.	995	-
As at 31 March (gross):	427,819	426,145
- write-down on Inter Cars Ukraine	-	(7,000)
- impairment on Inter Cars Hungaria Kft.	(611)	(611)
- impairment on JC Auto s.r.o	-	(341)
As at 31 March (net)	427,208	418,193

3. Transactions with related entities in the condensed standalone financial statements

	Sales revenues		Purchase of goods and services	
	1/01/2020– 31/03/2020	1/01/2019 – 31/03/2019	1/01/2020– 31/03/2020	1/01/2019 – 31/03/2019
Inter Cars Ukraine LLC	36,986	25,377	-	-
Q-Service Sp. z o.o.	2	208	54,919	71,909
Lauber Sp. z o.o.	2,357	2,151	24,601	10,323
Inter Cars Česká republika s.r.o.	41,914	37,260	1,231	1,119
Inter Cars Slovenská republika s.r.o.	46,081	37,469	1,338	907
Feber Sp. z o.o.	196	237	1,062	3,741
Inter Cars Lietuva UAB	46,820	49,235	1,046	2,607
IC Development & Finance Sp. z o.o.	5	10	122	195
Inter Cars Italia srl.	1,758	4,137	28	28
Inter Cars d.o.o.	27,006	26,789	1,663	639
JC Auto S.A.	73	-	-	3,254
Inter Cars Hungária Kft.	28,670	20,011	1,067	548
Inter Cars Romania s.r.l.	54,432	46,394	643	488
Armatus sp. z o.o.	1	1	147	282
Cleverlog-Autoteile GmbH	24,944	20,667	144	102
Inter Cars Latvija SIA	24,970	27,660	798	954
Inter Cars Bulgaria EOOD	24,161	17,370	409	363
Inter Cars Marketing Services Sp. z o.o.	60	74	19,461	(17,387)
ILS Sp. z o.o.	1,084	1,258	85,035	90,410
Q-Service Truck Sp. z o.o.	207	142	5,200	5,260
Inter Cars Malta Limited	30	1	87,619	122,575
Inter Cars INT d.o.o. (Slovenia)	1,951	2,091	126	92
Inter Cars Eesti OÜ	4,580	4,766	382	264
Inter Cars Piese Auto s.r.l.	3	2	-	-
Inter Cars Greece	2,078	1,140	51	-
Inter Cars United Kingdom - AUTOMOTIVE TECHNOLOGY LTD.	4,286	-	-	-
	374,653	324,450	287,091	298,673

Transactions with related entities in the condensed standalone financial statements (continued)

	Receivables as at		Liabilities as at	
	31/03/2020	31/12/2019	31/03/2020	31/12/2019
Inter Cars Ukraine LLC	78,879	64,095	-	-
Q-Service Sp. z o.o.	-	175	43,747	32,045
Lauber Sp. z o.o.	24,551	21,237	18,297	11,240
Inter Cars Česká republika s.r.o.	56,534	52,403	42	117
Inter Cars Slovenská republika s.r.o.	44,227	36,467	1,376	-
Feber Sp. z o.o.	139	20	6,620	5,311
Inter Cars Lietuva UAB	51,255	46,453	50	-
IC Development & Finance Sp. z o.o.	71	66	1,462	1,535
Inter Cars Italia srl.	(8,668)	520	834	752
Inter Cars d.o.o.	153,655	140,756	2,655	864
JC Auto S.A.	76	-	1	403
Inter Cars Hungária Kft.	57,584	46,695	156	18
Inter Cars Romania s.r.l.	284,969	293,387	45	65
Armatus sp. z o.o.	1	1	(161)	(250)
Cleverlog-Autoteile GmbH	2,944	2,700	155	-
Inter Cars Latvija SIA	48,096	46,698	110	189
Inter Cars Bulgaria EOOD	61,799	47,053	92	-
Inter Cars Marketing Services Sp. z o.o.	57	3	105,492	93,121
ILS Sp. z o.o.	415	3,262	25,467	47,701
Q-Service Truck Sp. z o.o.	140	73	1,498	1,483
Inter Cars Malta Holding Limited	20	19	-	-
Inter Cars Malta Limited	26	(6)	141,343	107,392
Inter Cars INT d.o.o. (Slovenia)	1,305	1,597	354	236
Inter Cars Eesti OÜ	3,856	2,359	340	6
Inter Cars Piese Auto s.r.l.	(86)	(83)	-	-
Inter Cars Greece	2,746	1,252	61	6
ILS Latvijas filialie	42	52	-	-
Intermeko Europe Sp. z o.o.	1	11	-	41
Inter Cars d o.o. (Bosnia)	183	168	-	-
Inter Cars United Kingdom - AUTOMOTIVE TECHNOLOGY LTD.	3,103	3,291	-	-
Inter Cars Cyprus Ltd.	4	4	-	-
Gross	867,901	810,705	350,018	302,260
Reserves for returns	(70,296)	(70,296)	-	-
Net	797,605	740,409	350,018	302,260

Settlements on loans and borrowings

<i>Receivables from subsidiaries</i>	31/03/2020	31/12/2019
Lauber Sp. z o.o.	8,802	8,777
IC Development & Finance Sp. z o.o.	17,801	17,776
Inter Cars Bulgaria EOOD	1,031	965
Q-Service Truck sp z o.o.	1,958	502
Inter Cars Malta	12,838	12,838
Inter Cars Greece	61	57
Inter Cars d o.o. Beograd Rakovica	923	857
Gross receivables on loans	43,414	41,772
<i>Liabilities towards subsidiary companies on loans</i>		
Inter Cars Marketing Services Sp. z o.o.	506	6,393
Inter Cars Cyprus Ltd.	90,436	84,247
	90,942	90,640

4. Contingent liabilities and sureties

Sureties and guarantees granted by Inter Cars S.A. as at 31 March 2020 amounted in total to: PLN 182,541 thousand.

In the first quarter of 2019, the Company did not grant any credit or loan sureties nor guarantees of a material value to any entity or a subsidiary of such entity.