



**CAPITAL GROUP OF  
INTER CARS S.A.**

*Interim report  
for the period from 1 January to 30 June 2021*



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## Statement of the members of the Management Board

In compliance with the requirements laid down in the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent information required by the law of a non-Member State, dated 29 March 2018, the Management Board of Inter Cars S.A. hereby represents as follows:

- Interim condensed consolidated financial statements and interim condensed separate financial statements drawn up for the period from 1 January 2021 to 30 June 2021 and comparable data were prepared, according to its best knowledge, in accordance with the existing accounting principles, and that they give a true and fair view of the assets and liabilities and financial position of the Inter Cars S.A. Capital Group and Inter Cars S.A., respectively, as well as their financial result.
- The comments to the interim report constituting an interim report on the activities of the Inter Cars Group gives a true and fair view of the development, achievements and situation of the Inter Cars Group, including description of basic threats and risks.
- PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt sp.k., an entity authorized to audit financial statements, which reviewed the condensed interim consolidated financial statements of the Inter Cars Group and the condensed interim separate financial statements of Inter Cars S.A. was appointed in accordance with the provisions of law, and that this entity and the statutory auditor that performed the audit met the requirements entitling them to release an objective and independent audit report in compliance with the existing law.

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**Maciej Oleksowicz,**  
President of the  
Management Board

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**Krzysztof Soszynski**  
Vice-President of the  
Management Board

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**Piotr Zamora**  
Member of the  
Management Board

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**Wojciech Twaróg**  
Member of the  
Management Board

## Selected consolidated financial data of the Inter Cars Group

	<i>for the period of 6 months ended on</i> <i>Not audited</i>		<i>for the period of 6 months ended on</i> <i>Not audited</i>	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	in thousand PLN	in thousand PLN	EUR '000	EUR '000
<b>Information on growth and profits</b>				
Sales margin	30.2%	30.5%		
EBITDA (for 12 consecutive months)	807,696	470,073	177,625	105,841
Net debt / EBITDA	1.32	2.03		
Basic earnings per share (PLN)	19.63	9.46	4.32	2.13
Diluted earnings per share (PLN)	19.63	9.46	4.32	2.13
Operating profit	359,468	189,502	79,053	42,668
<b>Net profit</b>	<b>278,101</b>	<b>134,092</b>	<b>61,159</b>	<b>30,192</b>
<b>Cash flows</b>				
Operating cash flows	98,947	434,288	21,760	97,784
Investing cash flows	(25,433)	(19,203)	(5,593)	(4,324)
Financing cash flows	(24,553)	(261,254)	(5,399)	(58,824)
<b>Employment and branches</b>				
Employees				
Parent company	692	639		
Subsidiaries	2,619	2,653		
Branches				
Parent company	242	243		
Subsidiaries	327	316		
<b>Consolidated statement of the financial situation</b>				
	<i>As at</i>		<i>As at</i>	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	in thousand PLN	in thousand PLN	EUR '000	EUR '000
Cash and cash equivalents	282,767	233,806	62,548	50,664
Balance sheet total	5 531 551	4,678,851	1 223 578	1,013,879
Loans, borrowings and finance lease	1,350,167	1,321 339	298,657	286,326
Equity attributable to the shareholders of the parent entity	2,646 663	2,395,496	585,441	519,090

The EBITDA ratio is calculated as the total of the operating profit and depreciation for the reporting period.

The net debt / EBITDA is measured as the quotient of the net debt (constituting total credit, loan and financial lease liabilities minus cash and cash equivalents) to the EBITDA value. Sublease liabilities are not recognized as net debt due to their completely neutral impact.

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

- for the statement of financial position items – the National Bank of Poland exchange rate of 30 June 2021 – EUR 1 = PLN 4.5208, and the National Bank of Poland exchange rate of 30 June 2020 – EUR 1 = PLN 4.4660, and the National Bank of Poland exchange rate of 31 December 2020 - EUR 1 = PLN 4,6148.
- for the comprehensive income and cash flow statement items – an exchange rate constituting the average National Bank of Poland exchange rate announced on the last day of each month of the first 6 months of 2021 and 2020, respectively: 1 EUR = PLN 4.5472 and 1 EUR = PLN 4.4413 PLN.

## INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE INTER CARS GROUP

### Consolidated statement of the financial situation

(in thousand PLN)

	<u>30/06/2021</u> Not audited	<u>31/12/2020</u>	<u>30/06/2020</u> Not audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible fixed assets	472,073	489,542	486,317
Right-of-use assets	252,598	272,956	245,920
Investment property	3,133	3,133	10,837
Real estate available for sale	8,721	8,721	-
Intangible assets	190,109	193,675	193,251
Investments in associates	1,655	1,655	1,029
Investments available for sale	299	299	298
Receivables	24,127	23,106	22,598
Non-current receivables on long-term rental	210,723	207,320	194,076
Deferred tax assets	29,946	13,534	34,669
	<b>1,193 384</b>	<b>1,213,941</b>	<b>1,188 995</b>
<b>Current assets</b>			
Inventory	2,817,736	2,223,117	2,237 772
Trade and other receivables	1,168,289	939,746	927,323
Receivables on short-term rental	69,375	68,241	63,589
Income tax receivables	-	-	9,893
Cash and cash equivalents	282,767	233,806	297,229
	<b>4,338,167</b>	<b>3,464,910</b>	<b>3,535 806</b>
<b>TOTAL ASSETS</b>	<b>5,531,551</b>	<b>4,678,851</b>	<b>4,724 801</b>
<b>LIABILITIES</b>			
Share capital	28,336	28,336	28,336
Share premium account	259,530	259,530	259,530
Supplementary capital	1,580,227	1,377,736	1,374,965
Other capital reserves	43,190	28,764	28,764
Foreign exchange gains /losses in subsidiaries	(17,167)	(10,352)	(15,300)
Retained earnings	752,547	711,482	515,025
<b>Equity</b>	<b>2,646 663</b>	<b>2,395,496</b>	<b>2,191,320</b>
<b>Long-term liabilities</b>			
Liabilities due to credits, loans	585,630	536,295	536,739
Finance lease liabilities	229,697	244,098	228,262
Non-current liabilities on long-term rental	210,723	207,320	194,076
Other long-term liabilities	4,916	7,131	7,713
Deferred income tax provision	4,938	15,438	2,439
	<b>1,035 904</b>	<b>1,010,282</b>	<b>969,229</b>
<b>Short-term liabilities</b>			
Trade and other liabilities	1,045,489	485,761	815,611
Trade and other liabilities - passed for factoring	101,587	73,908	90,738
Liabilities due to credits, loans	484,537	493,126	436,914
Finance lease liabilities	50,303	47,820	48,670
Liabilities on the short-term rental	69,375	68,241	63,589
Employee benefits	31,706	33,499	37,499
Income tax liabilities	65,987	70,718	71,231
	<b>1,848 984</b>	<b>1,273,073</b>	<b>1,564,252</b>
<b>TOTAL LIABILITIES</b>	<b>5,531,551</b>	<b>4,678,851</b>	<b>4,724 801</b>

## Consolidated statement of comprehensive income

(in thousand PLN)	for 3 months ended on 30 June		for 6 months ended on 30 June	
	Not reviewed data		Not audited	
	2021	2020	2021	2020
<b>Continued activity</b>				
Revenues from the sale of products, goods and materials	3,025,548	2,116,171	5,582,066	4,071,239
Cost of sales	(2,112,282)	(1,466,828)	(3,897,114)	(2,830,405)
<b>Gross profit on sales</b>	<b>913,266</b>	<b>649,343</b>	<b>1,684,952</b>	<b>1,240,834</b>
Other operating revenue	3,805	8,304	10,981	16,575
Selling cost, general and administrative expenses	(386,253)	(277,040)	(725,121)	(600,158)
Costs of distribution service	(310,990)	(233,004)	(586,146)	(446,899)
Other operating expenses	(13,472)	(8,661)	(25,198)	(20,850)
<b>Operating profit</b>	<b>206,356</b>	<b>138,942</b>	<b>359,468</b>	<b>189,502</b>
Financial income	3,965	4,403	7,278	8,077
Exchange differences	3,086	2,797	4,714	(3,917)
Financial costs	(11,323)	(14,048)	(23,895)	(29,137)
<b>Profit before tax</b>	<b>202,084</b>	<b>132,094</b>	<b>347,565</b>	<b>164,525</b>
Income tax	(40,090)	(24,363)	(69,464)	(30,433)
<b>Net profit</b>	<b>161,994</b>	<b>107,731</b>	<b>278,101</b>	<b>134,092</b>
Attributable to:				
shareholders of the parent company	161,994	107,731	278,101	134,092
	<b>161,994</b>	<b>107,731</b>	<b>278,101</b>	<b>134,092</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Foreign exchange gains /losses	(16,606)	1,342	(6,815)	10,541
Total other comprehensive income, net	<b>(16,606)</b>	<b>1,342</b>	<b>(6,815)</b>	<b>10,541</b>
<b>COMPREHENSIVE INCOME</b>	<b>145,388</b>	<b>109,073</b>	<b>271,286</b>	<b>144,633</b>
<b>Net profit attributable to:</b>				
- the shareholders of the parent entity	161,994	107,731	278,101	134,092
	<b>161,994</b>	<b>107,731</b>	<b>278,101</b>	<b>134,092</b>
<b>Comprehensive income attributable to:</b>				
- the shareholders of the parent entity	145,388	109,073	271,286	144,633
	<b>145,388</b>	<b>109,073</b>	<b>271,286</b>	<b>144,633</b>
<b>Net profit</b>	<b>161,994</b>	<b>107,731</b>	<b>278,101</b>	<b>134,092</b>
<b>Weighted-average number of ordinary shares (in pieces)</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>
<b>Earnings per ordinary share (in PLN)</b>	<b>11.43</b>	<b>7.60</b>	<b>19.63</b>	<b>9.46</b>
<b>Weighted-average diluted number of ordinary shares (in pieces)</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>
<b>Diluted earnings per ordinary share (in PLN)</b>	<b>11.43</b>	<b>7.60</b>	<b>19.63</b>	<b>9.46</b>

## Consolidated statement of changes in equity

for the period from 01 January 2021 to 30 June 2021 (unaudited)

<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
<b>As at 1 January 2021</b>	<b>28,336</b>	<b>259,530</b>	<b>1,377,736</b>	<b>(10,352)</b>	<b>28,764</b>	<b>711,482</b>	<b>2,395,496</b>
<b>Statement of comprehensive income</b>							
Profit in the reporting period	-	-	-	-	-	278,101	<b>278,101</b>
Foreign exchange gains /losses in subsidiaries	-	-	-	(6,815)	-	-	(6,815)
Distribution of prior period profit – dividend	-	-	-	-	-	(20,119)	<b>(20,119)</b>
Distribution of retained profits - transfer to supplementary and reserve capital	-	-	202,491	-	14,426	(216,917)	-
<b>As at 30 June 2021</b>	<b>28,336</b>	<b>259,530</b>	<b>1,580,227</b>	<b>(17,167)</b>	<b>43,190</b>	<b>752,547</b>	<b>2,646,663</b>

for the period from 1 January 2020 to 31 December 2020

<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
<b>As at 1 January 2020</b>	<b>28,336</b>	<b>259,530</b>	<b>1,219,990</b>	<b>(25,841)</b>	<b>28,764</b>	<b>535,908</b>	<b>2,046,687</b>
<b>Statement of comprehensive income</b>							
Profit in the reporting period	-	-	-	-	-	333,320	<b>333,320</b>
Foreign exchange gains /losses in subsidiaries	-	-	-	15,489	-	-	15,489
Distribution of prior period profit – dividend	-	-	-	-	-	-	-
Distribution of retained profits - transfer to supplementary and reserve capital	-	-	157,746	-	-	(157,746)	-
<b>As at 31 December 2020</b>	<b>28,336</b>	<b>259,530</b>	<b>1,377,736</b>	<b>(10,352)</b>	<b>28,764</b>	<b>711,482</b>	<b>2,395,496</b>



## Consolidated statement of changes in equity (continuation)

for the period from 01 January 2020 to 30 June 2020 (unaudited)

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplemen tary capital	Foreign exchange gains /losses	Other reserve capitals	Retained earnings	Equity attributable to the shareholders of the parent entity
<b>As at 1 January 2020</b>	<b>28,336</b>	<b>259,530</b>	<b>1,219,990</b>	<b>(25,841)</b>	<b>28,764</b>	<b>535,908</b>	<b>2,046,687</b>
Profit in the reporting period	-	-	-	-	-	134,092	134,092
Foreign exchange gains /losses	-	-	-	10,541	-	-	10,541
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,541</b>	<b>-</b>	<b>134,092</b>	<b>144,633</b>
Distribution of prior period profit - allocation to reserve capitals	-	-	154,975	-	-	(154,975)	-
<b>As at 30 June 2020</b>	<b>28,336</b>	<b>259,530</b>	<b>1,374,965</b>	<b>(15,300)</b>	<b>28,764</b>	<b>515,025</b>	<b>2,191 320</b>

## Consolidated statement of cash flows

<i>(in thousand PLN)</i>	<b>1/01/2021 – 30/06/2021</b>	<b>1/01/2020 – 30/06/2020</b>
	<i>Not audited</i>	<i>Not audited</i>
<b>Cash flows from operating activities</b>		
Profit before tax	347,565	164,525
Adjustments:		
Amortization and depreciation	64,462	64,958
Foreign exchange gains /losses	(2,556)	3,496
(Profit) /loss on the sale of property, plant and equipment	5,564	5,171
Net interest	18,365	24,119
Other adjustments, net	(5,163)	10,540
Operating profit before changes in the working capital	<b>428,236</b>	<b>272,809</b>
Increase (decrease) in inventories	(594,619)	(174,953)
Increase (decrease) in receivables	(230,241)	27,860
Increase (decrease) in receivables under rental	(4,537)	(4,993)
Change in short-term liabilities	597,881	360,065
Change in liabilities under rental	4,537	4,993
Cash generated by operating activities	<b>201,257</b>	<b>485,781</b>
Corporate income tax paid	(102,310)	(51,493)
<b>Net cash from operating activities</b>	<b>98,947</b>	<b>434,288</b>
<b>Cash flow from investment activities</b>		
Proceeds from the sale of intangible assets, investment property, property, plant and equipment	722	788
Acquisition of intangible assets, investment property, and property, plant and equipment	(25,934)	(18,890)
Repayment of loans granted	1,716	1,253
Loans granted	(2,059)	(2,580)
Interest received	122	226
<b>Net cash from investing activities</b>	<b>(25,433)</b>	<b>(19,203)</b>
<b>Cash flow from financing activities</b>		
Revenues under credits, loans and debt securities	64,133	1,837
Repayments of credits, loans and debt securities	(13,493)	(174,742)
Financial lease contracts liabilities	(56,706)	(63,954)
Interest paid	(18,487)	(24,345)
Other adjustments, net	-	(50)
<b>Net cash from financing activities</b>	<b>(24,553)</b>	<b>(261,254)</b>
<b>Net change in cash and cash equivalents</b>	<b>48,961</b>	<b>153,832</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>233,806</b>	<b>143,397</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>282,767</b>	<b>297,229</b>

**Explanatory notes to the interim condensed financial statements for the period of 6 months ended on 30 June 2021**

**1. 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. The parent company in the Group is Inter Cars S.A. Company ("the Company", "the parent entity").

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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**Supervisory Board**

Andrzej Olszewski, 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

**Statutory auditor**

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.

Ul. Polna 11; 00-633 Warsaw

**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

(in thousand PLN)

**1.1. 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 30 June 2021 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 2020 are available at [www.intercars.com.pl](http://www.intercars.com.pl) in Investor Relations tab.

As at 30 June 2021, the following entities comprised the Inter Cars Capital Group: Inter Cars S.A. as the parent entity, and 33 other entities, including:

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

The Group also holds shares in one related entity.

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				30/06/2021	30/06/2020
<b>Parent company</b>					
Inter Cars S.A.	Warsaw, Poland	Import and distribution of spare parts for passenger cars and commercial vehicles	full	Not applicable	Not applicable
<b>Direct subsidiaries</b>					
Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				30/06/2021	30/06/2020
Inter Cars Ukraine	Khmelnitsky, Ukraine	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Q-service Sp. z o.o.	Częstków 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.	Pero, Italy	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%

**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

(in thousand PLN)

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				30/06/2021	30/06/2020
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.	Częstków 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.	Ilioupoli Attiki, 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	full	100%	100%
JAG Sp. z o.o.*	Warsaw, Poland	Distribution of spare parts for passenger cars and commercial vehicles	full	-	100%
OOO Inter Cars Automobilna Technika**	Mogilev, Belarus	Distribution of spare parts for passenger cars and commercial vehicles	Not applicable	100%	100%

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				30/06/2021	30/06/2020
<b>Indirect subsidiaries</b>					
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****	Vinkovci, Croatia	Distribution of spare parts and real estate rental	full	100%	100%
<b>Associated entities</b>					
InterMeko Europe Sp. z o.o.	Warsaw, Poland	Control and assessment of spare parts, components and accessories	equity method	50%	50%

\* The Company sold on 30 June 2021

\*\*The Company does not carry out operating activities

\*\*\* 99.98% shares held by subsidiary company Inter Cars Malta Holding Limited, Inter Cars Cyprus Limited holds 1 share

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

## 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.

## 2. Information about the accounting principles applied in the preparation of the condensed interim consolidated financial statements

### 2.1. Declaration of compliance with IFRS

The condensed interim consolidated financial statements of the Inter Cars Capital Group were prepared for the period of 6 months ended on 30 June 2021.

The condensed interim financial statements covering first half of 2021 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 that require a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are presented in Note 2.4

Interim condensed consolidated financial statement of Inter Cars S.A. Capital Group prepared for the period of 6 months ended on 30 June 2021 with explanatory notes to interim condensed financial statements and half-year financial information of Inter Cars S.A. for 1H 2021 was approved by the Board of Managers for publication on 08 September 2021.

### 2.2. 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 2020.

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.

### **2.3. 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 2020.

### **2.4. 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.

In the reporting period in question there were no important changes in judgements or estimates described in the annual consolidated financial statements for 2020.

### **2.5. Seasonality**

The demand for spare parts is seasonal. Typically, the high season is recorded in the second and third quarter of a year, and the beginning and the end of the year usually present weaker demand.

This is directly linked to the seasonal nature of some repairs for which the spare parts are required, and to the smaller number of repairs made by clients during winter.

### **2.6. The functional and the presentation currencies and the principles adopted to translate the financial data.**

#### **The presentation and the functional currencies**

The functional currency of the parent company and the presentation currency of these condensed consolidated interim financial statements is the Polish zloty (PLN). The figures presented in these financial statements are expressed in thousands of PLN, unless indicated otherwise.

#### **The principles adopted to translate the financial data**

Translation into PLN of the financial statements of the foreign entities for the consolidation purposes:

- assets and liabilities - according to the exchange rate as at the end of the reporting period,
- statement of profit or loss or statement of other comprehensive income, as well as the statement of cash flows - according to the average exchange rate during the reporting period.

**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

(in thousand PLN)

Foreign currency gains/losses resulting from the above-mentioned translation are recognized in equity as foreign exchange gains/losses from translation of foreign subsidiaries.

CURRENCY	Average exchange rate during the reporting period		Exchange rate at the end of the reporting period	
	6 months 2021	6 months 2020	30/06/2021	31/12/2020
EUR/PLN	4.5472	4.4413	4.5208	4.6148
CZK/PLN	0.1758	0.1677	0.1733	0.1753
HUF/PLN	0.0127	0.0127	0.0128	0.0126
HRK/PLN	0.6028	0.5887	0.6035	0.6112
RON/PLN	0.9264	0.9205	0.9174	0.9479
BGN/PLN	2.3249	2.2708	2.3114	2.3595
UAH/PLN	0.1364	0.1532	0.1396	0.1326
MDL/PLN	0.2135	0.2274	0.2108	0.2148
BAM/PLN	2.3196	2.2518	2.3058	2.3112
GBP/PLN	5.2494	5.0497	5.2616	5.1327
RSD/PLN	0.0387	0.0377	0.0384	0.0385

The average exchange rate during the reporting period is calculated as the average NBP exchange rate applicable on the last day of each month of the first six months of 2021 and 2020.

**2.7. Information on business segments**

The core business of the Inter Cars S.A. Capital Group is the sale of spare parts. In addition, the companies Feber Sp. z o.o., Lauber Sp. z o.o., IC Development & Finance Sp. z o.o., Inter Cars Marketing Services Sp. z o.o., ILS Sp. z o.o. and Inter Cars Fleet Services, are active in other business segments, such as: the manufacturing of semi-trailers, remanufacturing of spare parts, real estate development, marketing services, logistics services and providing fleet services related to vehicle repairs, whilst Q-service Truck Sp. z o.o. is an authorized dealer of Isuzu commercial vehicles and an importer of Ford Trucks vehicles. The above-mentioned business segments may not be recognized as separate business segments individually, hence they are shown in the "Other segments" column.

The Inter Cars Group applies uniform accounting policies to all its business segments and they are also the same as the ones used for preparing these financial statements.

Transactions between particular segments are carried out at arm's length.

**Revenues and financial result by operating segments****Information on business segments****for the period of 6 months ended on 30 June 2021**

	<b>Sale of spare parts</b>	<b>Other segments</b>	<b>Eliminations</b>	<b>Total</b>
External sales	5,482,334	99,732	-	5,582,066
Inter-segment sales	2,213	293,701	(295,914)	-
<b>Profit before tax</b>	<b>366,163</b>	<b>6,409</b>	<b>(25,007)</b>	<b>347,565</b>

**for the period of 6 months ended on 30 June 2020**

	<b>Sale of spare parts</b>	<b>Other segments</b>	<b>Eliminations</b>	<b>Total</b>
External sales	4,016,240	54,999	-	4,071,239
Inter-segment sales	4,346	237,478	(241,824)	-
<b>Profit before tax</b>	<b>172,086</b>	<b>2,047</b>	<b>(9,608)</b>	<b>164,525</b>



**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

*(in thousand PLN)*

Exclusions apply to transactions of sale of commodities and services between companies that belong to different operation segments.

**Assets by operating segments**

	<b>Status as at 30 June 2021</b>	<b>Status as at 31 December 2020</b>
Sale of spare parts segment	7,570,575	6,518,825
Other segments	557,028	515,095
Eliminations	(2,596,052)	(2,355,069)
	<b>5,531,551</b>	<b>4,678,851</b>

**Liabilities by operating segments**

	<b>Status as at 30 June 2021</b>	<b>Status as at 31 December 2020</b>
Sale of spare parts segment	4,454,048	3,667,216
Other segments	180,518	138,748
Eliminations	(1,749,678)	(1,522,609)
	<b>2,884,888</b>	<b>2,283,355</b>

**3. Other amounts****3.1. Property, plant, equipment and intangible assets**

In 1H of 2021, the Group purchased property plant and equipment as well as intangible assets of a total value of PLN 25,934 thousand, of which Inter Cars' investments accounted for PLN 6,593 thousand.

Whereas in 1H of 2020, the Group purchased property plant and equipment as well as intangible assets of a total value of PLN 18,890 thousand, of which Inter Cars' investments accounted for PLN 4,915 thousand.

**3.2. Investments in related entities**

<b>Investments in subordinated entities as at 31/12/2020</b>	<b>1,655</b>
Increases	-
- share in results of Intermeko	-
Decreases	-
<b>Investments in subordinated entities as at 30/06/2021</b>	<b>1,655</b>

**3.3. Inventory**

	<b>30/06/2021</b>	<b>31/12/2020</b>
Materials	39,799	40,197
Half-products and work in progress	6,879	3,833
Finished goods	4,294	6,291
Merchandise	2,766,764	2,172,796
	<b>2,817,736</b>	<b>2,223,117</b>
Merchandise	2,777 329	2,183 361
Revaluation write-downs on goods	(10,565)	(10,565)
	<b>2,766,764</b>	<b>2,172 796</b>

**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

*(in thousand PLN)*

A revaluation write-down on goods in the holding entity Inter Cars S.A. as at 30 June 2021 amounted to PLN 1,971 k and did not change compared with 31 December 2020.

**3.4. Trade and other receivables**

	<b>30/06/2021</b>	<b>31/12/2020</b>
Trade receivables	1,001,618	844,383
Taxes, subsidies, customs, social security, health insurance and other benefits receivable	138,127	54,922
Loans granted	4,011	3,132
Other receivables and accrued expenses	57,587	68,230
<b>Short term trade and other receivables – gross</b>	<b>1,201,343</b>	<b>970,667</b>
Revaluation write-down on receivables	<b>(33,054)</b>	<b>(30,920)</b>
<b>Short-term trade and other receivables – net</b>	<b>1,168,289</b>	<b>939,746</b>

**Change in impairment loss on trade receivables**

	<b>1/01/2021 - 30/06/2021</b>	<b>1/01/2020 - 31/12/2020</b>
Status as at the beginning of the period	(30,920)	(27,480)
Increase	(2,509)	(6,774)
Used	375	3,334
Status as at the end of the period	<b>(33,054)</b>	<b>(30,920)</b>

Revaluation write-down on receivables in the Parent Entity Inter Cars S.A. amounted to PLN 24,084 thousand as at 30 June 2021, and was higher by PLN 2,000 thousand compared to 31 December 2020.

Compared to 31 December 2020, there were no significant changes to the Group's credit risk management policy.

**3.5. Equity**

Equity includes funds and capital reserves created in accordance with the applicable laws and regulations, i.e., statutory provisions and provisions of the Company's Articles of Association.

The share capital comprises 14,168,100 shares with the total par value of PLN 28,336,200. Its amount remained unchanged in the reporting period. The share premium account also remained unchanged at PLN 259,530,475.

**3.6. Dividend**

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

On 27 April 2021, the Company's Management Board passed a resolution to accept the Board's motion for the distribution of the 2020 profit, in conformity with which the Board shall motion for the distribution of the 2020 profit in such a way, that from the net profit of PLN 222,609,760.53 for 2020, the amount of PLN 20,118,702.00, i.e. PLN 1.42 per share shall be paid out to the shareholders in the form of a dividend, whilst the remaining amount of the profit in the amount of PLN 202,491,058.53 shall be transferred to supplementary capital. The Board also took a decision to propose to the General Shareholders Meeting the day of dividend for 30 June 2021 and pay-out of the dividend for 14 July 2021.

The Company's Supervisory Board acknowledged and approved the Management Board's motion of 27 April 2021 regarding the distribution of the 2020 profit and recommended that the Company's Shareholders Meeting adopt a resolution on distributing the 2020 profit in conformity with the Management Board's motion.

The dividend was paid out on 14 July 2021.

### **3.7. Liabilities due to borrowings and other debt instruments**

<b>Non-current</b>	<b>30/06/2021</b>	<b>31/12/2020</b>
Secured bank loans	585,630	535,529
Loans	-	66
Licence subscription liabilities	-	5,151
Finance lease liabilities	440,420	446,968
	<b>1,026,050</b>	<b>987,714</b>
<b>Current</b>	<b>30/06/2021</b>	<b>31/12/2020</b>
Secured bank loans	484,499	484,625
Loans	38	65
Licence subscription liabilities	4,919	12,441
Finance lease liabilities	114,759	112,056
	<b>604,215</b>	<b>609,187</b>

#### **The syndicated credit facility agreement**

The credit conditions for term loans and revolving credits are described in the annual consolidated financial statements of the Group ended on 31 December 2020.

#### **Bank credits concluded directly by subsidiary companies**

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

The credit facility bears interest at a variable rate, depending on WIBOR, ROBOR, EURIBOR, PRIBOR rates, increased by bank margins (determined at arm's length) for each individual interest period.

Source of finance	Interest rate
<b>Syndicated loan agreement</b>	
Bank Pekao S.A.	WIBOR 1M / EURIBOR 1M+ bank margin
CaixaBank S.A.	WIBOR 1M / EURIBOR 1M+ bank margin
Bank Handlowy w Warszawie S.A.	WIBOR 1M / EURIBOR 1M+ bank margin
DNB Bank Polski S.A.	WIBOR 1M / EURIBOR 1M+ bank margin
Bank BGŻ BNP Paibas S.A.	WIBOR 1M / EURIBOR 1M+ bank margin
mBank S.A.	WIBOR 1M / EURIBOR 1M+ bank margin
ING Bank Śląski S.A.	WIBOR 1M / EURIBOR 1M+ bank margin
Source of finance	Interest rate
Raiffeisenbank a.s. Czech	PRIBOR 1M + bank margin
ING Bank N.V Romania	ROBOR 1M + bank margin
Nova Kreditna Banka Maribor d.d. Slovenia	
Raiffeisenbank EAD Bulgaria	EURIBOR 1M + bank margin
Intesa Sanpaolo Banka d.d. Bosnia	Fixed bank margin

As at the balance sheet date and till the approval of the financial statements there was no breach of covenants stipulated in credit loan agreements concluded by the parent entity and related entities.

**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

(in thousand PLN)

**Loans and borrowings as at 30/06/2021**

	Contractual amount (limit)	Used	Maturity date
<b>Current loans and borrowings at nominal value</b>			
<b>Syndicated credit</b>	<b>878,688</b>	<b>405,642</b>	12/11/2021
Inter Cars S.A.		375,527	
Inter Cars Slovenska Republika s.r.o.		19,420	
Lauber Sp. z.o.o.		10,695	
<b>ING Bank N.V. (Inter Cars Romania s.r.l.)</b>	<b>64,218</b>	<b>56,793</b>	11/11/2021
<b>SKB Banka (ICSI - Inter Cars INT D o.o.)</b>	<b>9,042</b>	<b>6,420</b>	30/09/2021
<b>Raiffeisen a.s. (Inter Cars Česká republika s.r.o)</b>	<b>25,995</b>	<b>16,035</b>	28/02/2022
	<b>977,943</b>	<b>484,890</b>	
<b>Non-current loans and borrowings at nominal value</b>			
<b>Syndicated credit</b>	<b>565,500</b>	<b>537,000</b>	14/11/2022
<b>Raiffeisenbank (Bulgaria) EAD (Inter Cars Bulgaria Ltd)</b>	<b>45,208</b>	<b>40,266</b>	30/10/2022
<b>Intesa Sanpaolo Banka d.d. (Inter Cars d o.o. Bosnia and Herzegovina)</b>	<b>9,246</b>	<b>8,762</b>	15/04/2024
	<b>619,954</b>	<b>586,028</b>	

**Loans and borrowings as at 31/12/2020**

	Contractual amount (limit)	Used	Maturity date
<b>Current loans and borrowings at nominal value</b>			
<b>Syndicated credit</b>	<b>878,688</b>	<b>413,884</b>	12/11/2021
Inter Cars S.A.		376,274	
Inter Cars Slovenska Republika s.r.o.		28,276	
Lauber Sp. z.o.o.		9,334	
<b>ING Bank N.V. (Inter Cars Romania s.r.l.)</b>	<b>66,353</b>	<b>61,474</b>	11/11/2021
<b>Raiffeisen a.s. (Inter Cars Česká republika s.r.o)</b>	<b>26,295</b>	<b>7,585</b>	28/02/2021
<b>SKB Banka (ICSI - Inter Cars INT D o.o.)</b>	<b>9,230</b>	<b>2,769</b>	30/09/2021
	<b>980,566</b>	<b>485,712</b>	
<b>Non-current loans and borrowings at nominal value</b>			
<b>Syndicated credit</b>	<b>565,500</b>	<b>537,000</b>	14/11/2022
	<b>565,500</b>	<b>537,000</b>	

**3.8. Cash flow hedges**

As at 30 June 2021, the Group did not have any open futures contracts serving as cash flow hedges.

**3.9. Contingent liabilities, security and future liabilities (including those resulting from operating lease contracts)**

Contingent liabilities, security and future liabilities, including those resulting from operating lease contracts, did not change significantly compared to those described in the financial statements prepared as at 31 December 2021.

**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

*(in thousand PLN)***Changes in sureties and guaranties**

Status as at 31 December 2020	<b>17,445</b>
Increase	27
Expired	(6,806)
Status as at 30 June 2021	<b>10,666</b>

**3.10. Transactions with related entities**

All transactions with related entities are executed at arm's length. The parent entity transacts with entities related to the members of the Supervisory Board and the Management Board and their family members.

Spółka P.H. AUTO CZĘŚCI Krzysztof Pietrzak is a company linked to the Vice-President of the Management Board of Inter Cars S. A., Krzysztof Soszyński, while FF-SPORT Sp. z o.o. is managed by President of the Management Board, Maciej Oleksowicz.

Moreover, Mr Krzysztof Oleksowicz, holding the position of Advisor of the Management Board, who is affiliated with Maciej Oleksowicz, – received in first half of 2021 remuneration amounting to PLN 480 thousand.

The table below sets forth the value of the transactions.

	<b>1.01.2021- 30.06.2021</b>	<b>1.01.2020- 30.06.2020</b>
<i>Transactions with related entities</i>		
Income on sales to related entities	160	110
Purchase of goods and services from related entities	389	242

	<b>30/06/2021</b>	<b>31/12/2020</b>
<i>Settlements with related entities</i>		
Receivables from related entities	42	69
Liabilities to related entities	3	-

<i>(in thousand PLN)</i>	<b>1.01.2021- 30.06.2021</b>	<b>1.01.2020- 30.06.2020</b>
<i>remuneration of the members of the Supervisory Board and the Management Board</i>		
Remuneration of the members of the Supervisory Board	269	315
Remuneration of the members of the Management Board	5,449	4,222
	<b>5,718</b>	<b>4,537</b>

**3.11. Deferred tax**

<b>Change in deferred tax assets</b>	<b>30/06/2021</b>	<b>31/12/2020</b>
As at beginning of period	92,922	84,152
Increase/ (decrease)	16,412	8,770
As at end of period	<b>109,334</b>	<b>92,922</b>
<b>Change in deferred tax liabilities</b>	<b>30/06/2021</b>	<b>31/12/2020</b>
As at beginning of period	94,826	86,733
(Termination)/creation in the period	(10,500)	8,093
As at end of period	<b>84,326</b>	<b>94,826</b>

**Interim condensed consolidated financial statements of Inter Cars S.A. Capital Group**

for the period from 1 January to 30 June 2021

(in thousand PLN)

	31/12/2020	Effect on net profit	30/06/2021
Deferred tax assets	92,922	16,412	109,334
Deferred tax liabilities	(94,826)	10,500	(84,326)
	<b>(1,904)</b>	<b>26,912</b>	<b>25,008</b>

**Offsetting deferred income tax assets and provisions as at 30 June 2021.**

	Assets	Provision
<b>Deferred tax assets/liabilities</b>	109,334	(84,326)
Deferred tax offset against liabilities	(79,388)	79,388
<b>Deferred tax liabilities as disclosed in the balance sheet</b>	<b>29,946</b>	<b>(4,938)</b>

**3.12 Income tax**

Income tax recognised under current period profit or loss

	1/01/2021 - 30/06/2021	1/01/2020 – 30/06/2020
Current income tax	96,377	65,244
Change in deferred income tax	(26,913)	(34,811)
<b>Income tax disclosed in statement of comprehensive income</b>	<b>69,464</b>	<b>30,433</b>

Tax authorities are entitled to inspect books and accounting records. Within five years from the end of a year when a tax return is submitted, they may impose additional tax charges along with interest and other penalties. In the Management Board's opinion, no circumstances occurred which could result in material liabilities on account of such charges, interest or penalties.

Pursuant to General Anti-Avoidance Rule (GAAR) of 15 July 2016, which is to prevent blatant, artificial or contrived arrangements which are directed at tax avoidance in Poland, the Board of the parent entity considered the influence of transactions which could potentially be the subject of GAAR regulations, on the deferred tax, tax value of the assets and provision for tax risk. In the opinion of the Board, performed analysis did not indicate the need of correction of the items presented in the report on current and deferred corporate income tax, but in the opinion of the Board in case of the GAAR regulations there is inherent uncertainty that tax authorities might provide different interpretation of these regulations, change their approach to those interpretations or the GAAR regulations themselves might be amended, what might influence the possibility of realization of assets on the deferred corporate income tax in future periods and also result in possible need of payment of income tax for past periods.

**3.13 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 August 2021, a company in Norway was acquired - Inter Cars Norge AS. having its registered seat in Oslo, which will distribute spare parts and accessories for cars, buses and motorcycles. Additionally, in August 2021 the company CB Dystribucja Sp. z o.o., based in Warsaw, was established, whose main objective will be to optimise business processes in the Group.

**Warsaw, 08 September 2021**

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**Maciej Oleksowicz,**  
President of the  
Management Board

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**Krzysztof Soszynski**  
Vice-President of the  
Management Board

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**Piotr Zamora**  
Member of the  
Management Board

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**Wojciech Twaróg**  
Member of the Management  
Board

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**Julita Pałyska**  
Chief Accountant

## **MANAGEMENT BOARD'S REPORT ON THE ACTIVITIES OF THE CAPITAL GROUP**

### **1. Organizational structure of the Inter Cars Group, including entities subject to consolidation**

The parent company, Inter Cars S.A. (hereinafter referred to as "the Company" / "the parent entity") is registered in Poland. The abridged interim consolidated financial statements of the Inter Cars S.A. Capital Group for the period from 1 January to 30 June 2021 contain the details of the parent entity and its subsidiaries referred to as the Inter Cars S.A. Capital Group (hereinafter referred to as "the Group") and the Group's interest in related entity.

The financial statements of the following entities were subject to consolidation ("the Capital Group"):

- the parent entity: Inter Cars S.A., with its registered seat in Warsaw,
- subsidiaries: Inter Cars Ukraine LLC with registered seat in Khmelnytsky, Ukraine (100% of Inter Cars S.A.'s interest in the company's capital), Lauber Sp. z o.o. with registered seat in Słupsk (100%), Q-Service Sp. z o.o. with registered seat in Częstokow Mazowiecki (100%), Inter Cars Česká Republika with registered seat in Prague (100%), Feber Sp. z o.o. with registered seat in Warsaw (100%), Inter Cars Slovenska Republika with registered seat in Bratislava (100%), Inter Cars Lietuva UAB with registered seat in Vilnius (100%), IC Development & Finance Sp. z o.o. with registered seat in Warsaw (100%), Armatus Sp. z o.o. with registered seat in Warsaw (100%), Inter Cars Hungária Kft with registered seat in Budapest (100%), JC Auto S.A. with registered seat in Braine-le-Château (100%), Inter Cars d.o.o. with registered seat in Zapresic (100%), Aurelia Auto d.o.o. with registered seat in Vinkovci (100%), Inter Cars Italia s.r.l. with registered seat in Pero (100%), Inter Cars Romania s.r.l. with registered seat in Cluj-Napoca (100%), Inter Cars Cyprus Limited with registered seat in Nicosia (100%), Inter Cars Latvija SIA with registered seat in Mārupes nov., Mārupe (100%), Inter Cars Bulgaria with registered seat in Sophia (100%), Cleverlog Autoteile GmbH with registered seat in Berlin (100%), Inter Cars Marketing Services Sp. z o.o. with registered seat in Częstokow Mazowiecki (100%), ILS Sp. z o.o. with registered seat in Swobodnia (municipality Zakroczym) (100%), Inter Cars Malta Holding Limited with registered seat in Birkirkara (100%), Inter Cars Malta Limited with registered seat in Birkirkara (100%), Q-service Truck Sp. z o.o. with registered seat in Warsaw (100%), %, Inter Cars INT Trgovina z rezervnimi deli in opremo za motorna vozila d.o.o. Inter Cars INT d.o.o. with registered seat in Ljubljana (100%), Inter Cars Eesti OÜ with registered seat in Tallinn (100%), Inter Cars Moldavia with registered seat in Kishinev (100%), Inter Cars Greece with registered seat in Ilioupoli Attiki (100%), Inter Cars d.o.o. with registered seat in Sarajevo (100%), Inter Cars United Kingdom - automotive technology Ltd. with registered seat in Tipton (100%), Inter Cars d.o.o. Beograd-Rakovica with registered seat in Beograd-Rakovica (100%) and Inter Cars Fleet Services Sp. z o.o. with registered seat in Warsaw (100%).

### **2. Basis of preparing the condensed interim consolidated financial statements**

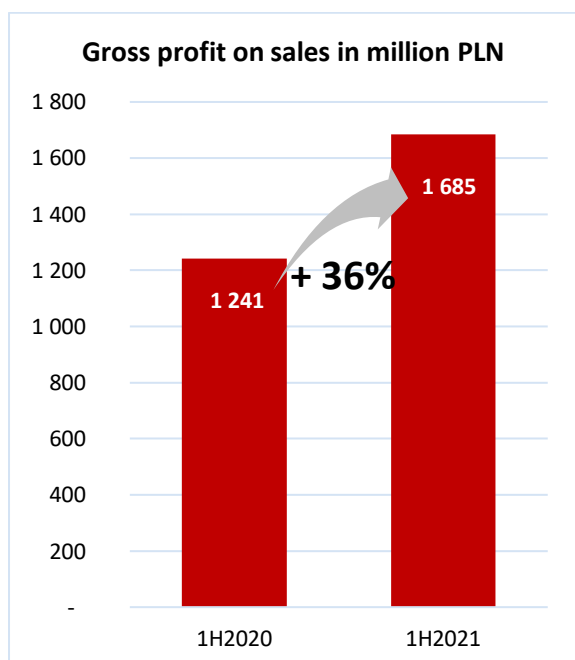
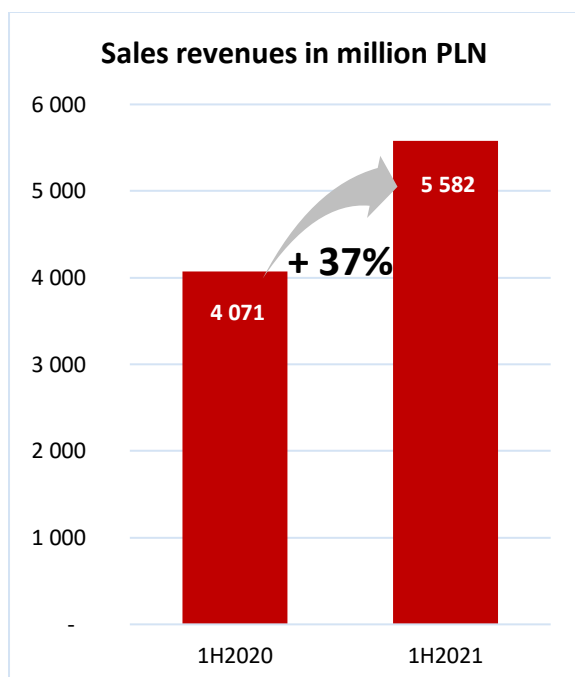
The condensed interim consolidated financial statements of the Inter Cars Capital Group were prepared for the period of 6 months ended on 30 June 2021.

The condensed interim financial statements comply with the requirements of the International Accounting Standard IAS 34 "Interim Financial Reporting" related to interim financial statements, and do not contain all the information required for annual financial statements. These condensed interim financial statements should be read together with the annual consolidated financial statements.



### 3. Overview of the Group's operations on consolidated and separate basis for the period from 01 January 2021 – 30 June 2021.

#### Overview of the financial results of the Inter Cars Group for the first and half of 2021



- The consolidated revenues on the Group's sales increased by 37% compared to the same period of 2020.
- Export sales understood as direct sales (from Inter Cars S.A.) to overseas contractors (mainly from Eastern European markets) and to overseas

distribution companies increased by 51% compared to the same period of the previous year, where: sales by the foreign distribution companies amounted to PLN 2,720 m in the first half of 2021, accounting for over 40% growth

- Inter Cars' domestic revenue accounted for app. 45% of the Group's total revenue (including consolidation exemptions), compared to 48% in the first half of 2020. The Polish market remains the basic sales market for the Capital Group.
- Consolidated margin on sales amounted to 30.2%. In the first half of 2021 the influence of currency exchange gains and losses on the margin was - 0.2 percent points, whilst in the same period of 2020 it was insignificant. After elimination of exchange rate differences, the margin would amount to 30.4% for 1H 2021 and 30.5% for 1H 2020.
- The consolidated margin on the operating activities for the first half of 2021 amounted PLN 359,468 thousand and was 169,966 thousand higher than consolidated margin on the operating activities in the same period a year before.
- Consolidated net profit for 6 months 2021 amounted to PLN 278,101 thousand and was higher by PLN 144,009 thousand, compared to the same period of 2020. The main factor influencing the level of the Group's result in the first half of 2021 was the increase in demand for spare parts for both passenger cars and trucks. The increased demand for spare parts is a consequence of the economic recovery in Europe, occurring after a period of stagnation caused by the SARS-COV-19 pandemic.
- The share of costs of sales and administrative costs in sales revenues for 6 months of 2021 went down in comparison to the same period of the previous year, and amounted to 13%.
- The effective tax rate for the Group for 6 months of 2021 cumulatively was 20%.

**Sales revenues on geographical markets.**

The Group has been consistently 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. In the current reporting period, the Group recorded sales growth on all geographical markets. In the first half of 2021 the most dynamic sales growth, as compared to the same period of 2020 (after translation into PLN and following consolidation exemptions), was recorded by companies in the following countries: Greece (up by 158%), Moldova (up by 77%), Italy (up by 62%) and Slovenia (up by 61%). Whilst the Companies in the Group with the greatest influence on Group's revenue were the companies in the following countries: Poland (up by 31%), Romania (up by 42%), Bulgaria (up by 57%), Latvia (up by 48%), Slovakia (up by 25%), Czech (up by 38%) and Hungary (up by 26%).

**Interim report on the activities of the Inter Cars Capital Group**

for the period from 1 January to 30 June 2021

(in thousand PLN)

**The underlying financial data of the Inter Cars S.A. Group for 1 half of 2021 were as follows:**

<b>for 6 months ended on 30 June</b>				
<i>Not audited</i>				
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
(‘000)	PLN	PLN	EUR	EUR
<b>Profit and loss account (for the period)</b>				
Sales revenues	5,582,066	4,071,239	1,227,583	916,677
Gross profit (loss) on sales	1,684,952	1,240,834	370,547	279,385
Net financial revenues / costs	(11,903)	(24,977)	(2,618)	(5,624)
Operating profit (loss)	359,468	189,502	79,053	42,668
Net profit (loss)	278,101	134,092	61,159	30,192
<b>Other financial data</b>				
Operating cash flows	98,947	434,288	21,760	97,784
Investing cash flows	(25,433)	(19,203)	(5,593)	(4,324)
Financing cash flows	(24,553)	(261,254)	(5,399)	(58,824)
Basic profit per share	19.63	9.46	4.32	2.13
Sales margin	30.2%	30.5%		
EBITDA margin	7.59%	6.3%		
<b>Balance sheet (as at)</b>				
	<b>30/06/2021</b>	<b>31/12/2020</b>	<b>30/06/2021</b>	<b>31/12/2020</b>
Cash and cash equivalents	282,767	233,806	62,548	50,664
Balance sheet total	5,531,551	4,678,851	1,223,578	1,013,879
Loans, borrowings and finance lease	1,350,167	1,321,339	298,657	286,326
Equity	2,646,663	2,395,496	585,441	519,090

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

- for the statement of financial position items – the National Bank of Poland exchange rate of 30 June 2021 – EUR 1 = PLN 4.5208, and exchange rate of 31 December 2020 – EUR 1 = PLN 4.6148
- for the comprehensive income and cash flow statement items – an exchange rate constituting the average National Bank of Poland exchange rate announced on the last day of each month of the first 6 months of 2021 and 2020, respectively: 1 EUR = PLN 4.5472 and 1 EUR = PLN 4.4413 PLN.

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

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

<b>for 6 months ended on 30 June</b>				
<i>Not audited</i>				
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
(‘000)	PLN	PLN	EUR	EUR
<b>Profit and loss account (for the period)</b>				
Sales revenues	3,856,991	2,852,625	848,212	642,295
Gross profit (loss) on sales	955,881	751,253	210,213	169,152
Costs of license	(16,422)	(3,251)	(3,611)	(732)
Net financial revenues / costs	9,604	(16,465)	2,112	(3,707)
Operating profit (loss)	213,949	118,766	47,051	26,741
Net profit (loss)	180,670	82,068	39,732	18,478
<b>Other financial data</b>				
Operating cash flows	57,654	278,081	12,679	62,613
Investing cash flows	1,699	(8,969)	374	(2,019)
Financing cash flows	(35,241)	(204,350)	(7,750)	(46,011)
Basic profit per share	12.75	5.79	2.80	1.30
Sales margin	24.78%	26.34%		
EBITDA margin	5.97%	4.82%		
<b>Balance sheet (as at)</b>				
	<b>30/06/2021</b>	<b>31/12/2020</b>	<b>30/06/2021</b>	<b>31/12/2020</b>
	PLN	PLN	EUR	EUR
Cash and cash equivalents	43,192	19,079	9,554	4,134
Balance sheet total	4,180,008	3,633,211	924,617	787,295
Loans, borrowings and finance lease	1,040,083	1,046,306	230,066	226,728
Equity	1,951,046	1,790,495	431,571	387,990

**The sales revenues** in 1 half of 2021 were **35.2% higher** than in the same period of 2020. The sales revenues in the parent entity include sales in Poland, sales to foreign customers and to related companies, domestic and foreign.

**The gross sales profit** (for the 1 half of 2021) was 27.2% higher than in the same period of 2020.

**The sales margin** for the 1 half of 2021 was 24.8% (compared to 26.3% in the 1 half of 2020). After eliminating the influence of currency exchange rate differences on the margin in the first half-year 2021 (-0.5% and in the same period a year before +0.8%) the sales margin would be 25.3% in the first half of 2021 and 25.5% in the same period of 2020.

**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.

**License fees** - fees for using trademarks held by Inter Cars Marketing Services S.A. for the purposes of the current activity of the distribution companies.

**The financial revenues and costs** include primarily the costs and revenues from interest and revenues from the dividend. In the first half of 2021, the Company incurred cost of PLN 9,944 k, compared with PLN 16,648 k in the same period of 2020. The revenues from the dividend amount to PLN 13,431 k for the first half of 2021 and PLN 2,859 k for the same period of 2020, respectively.

**Liabilities due to credits, loans, borrowings, debt securities and finance lease** as at 30 June 2021 amounted to PLN 1,040,083 thousand and decreased by of PLN 6,224 thousand compared with PLN 1,046,306 thousand as at 31 December 2020.

**4. 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**

***The major events affecting the current and future business activity***

- The consolidated EBITDA for 12 months cumulatively for the period ending on 30 June 2021 amounted to PLN 807,124 thousand (cumulatively as a profit on operating activity plus depreciation) and was PLN 337,051 thousand higher compared to the same period a year before.
- Net debt /EBITDA ratio was 1.32 as at 30 June 2021, (compared to 2.03 a year before)

**5. Changes in the structure of the business entity**

No such events.

**6. The Management Board's standpoint on the feasibility of meeting the previously published forecasts of financial results for 2021**

The Capital Group Inter Cars S.A. did not publish any forecasts of financial results.

**7. Shareholders holding 5% or more of the total vote as at the date 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 Santander	1,896,778	3,793,556	13.39%	13.39%
Nationale-Nederlanden OFE	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%
<b>Total</b>	<b>9,066,444</b>	<b>18,132,888</b>	<b>63.99%</b>	<b>63.99%</b>

\* OK Automotive Investments B.V. is a company which is dependent from Maciej Oleksowicz, President of the Management Board of the Company.

\*\* Immersion Capital LLP – operates on behalf and for Immersion Fund Master Fund Limited which it manages.

By the date of release of these financial statements, the Company has not received any other shareholding notifications

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.

**8. Changes in major holdings of the Company shares**

From the date of publication of the previous quarterly report, i.e., 20 May 2021, there has been no change in shareholders holding at least 5% of total shares.

**9. 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 5,004,091 of shares, constituting 35,32% 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.

**Interim report on the activities of the Inter Cars Capital Group**

for the period from 1 January to 30 June 2021

(in thousand PLN)

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 (%)
<b>Management Board</b>				
Maciej Oleksowicz*	3,726,721	7,453,442	26.30%	26.30%
	<b>3,726,721</b>	<b>7,453,442</b>		
<b>Supervisory Board</b>				
Andrzej Oliszewski	1,277,370	2,554,740	9.02%	9.02%
	<b>1,277,370</b>	<b>2,554,740</b>		
<b>Total</b>	<b>5,004 091</b>	<b>10,011,182</b>	<b>35.32%</b>	<b>35.32%</b>

\* Directly by OK Automotive Investments B.V.

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., 20 May 2021:

Shareholder	Number of shares as at 20/05/2021	Increases	Decreases	Number of shares as at 9/09/2021
Maciej Oleksowicz	3,726,721	-	-	3,726,721
Andrzej Oliszewski	1,277,370	-	-	1,277,370
<b>Total</b>	<b>5,004 091</b>	<b>-</b>	<b>-</b>	<b>5,004 091</b>

**10. Information on court, arbitration and administrative proceedings**

In 2021, no proceedings were brought before any court or administrative body with respect to any liabilities or claims of Inter Cars S.A. or its subsidiary undertakings, whose aggregate value would represent 10% or more of the Company's equity.

Furthermore, no proceedings are pending before any court or administrative body with respect to any liabilities or claims of Inter Cars S.A. or its subsidiaries whose aggregate value would represent 10% or more of the Company's equity.

**11. 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."

**12. 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 Q3 2021 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 SARS-COV -19 pandemic on the global economy and the market demand);
- ✓ *availability of goods from suppliers* and the consequent risk of maintaining continuous sales growth;;

- ✓ *trends in the foreign exchange rates, mainly EUR, USD and YEN against PLN, UAH, HUF, CZK, HRK, RON, BGN, MDL, BAM and RSD;*
- ✓ *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;*

### **13. Key threats and risks affecting the remaining months of the financial year**

The risks regarding Q3 2021, specified by the Management Board affect also the other months of 2021, as specified in section 12.

Taking into account dynamically changing circumstances, increased level of market insecurity and uncertainty of further influence of the pandemic, including possible, so called fourth wave on the economy, industry, business partners of the Group and consumer behaviours, the Board of the Company is not able to refer to the forecast for coming months.

### **14. Information on conclusion by the Company or its subsidiaries of a single or more transactions with related entities if such transactions are jointly or separately material and were not concluded at arm's length.**

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

### **15. Information on sureties issued by the Company or its subsidiary in respect of loans or borrowings or guarantees issued – jointly to a single entity or its subsidiary, where the total value of such sureties or guarantees is equivalent to at least 10% of the Company's equity.**

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 30 June 2021 amounted in total to PLN 10,666 thousand.

**Warsaw, 08 September 2021**

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**Maciej Oleksowicz,**  
President of the  
Management Board

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**Krzysztof Soszynski**  
Vice-President of the  
Management Board

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**Piotr Zamora**  
Member of the  
Management Board

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**Wojciech Twaróg**  
Member of the Management  
Board



**Interim condensed separate financial statements of Inter Cars S.A.**

for the period from 1 January to 30 June 2021

*(in thousand PLN)***INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS OF INTER CARS S.A. FOR THE PERIOD FROM 1 January 2021 TO 30 June 2021****Separate statement of financial position**

	<b>30/06/2021</b>	<b>31/12/2020</b>	<b>30/06/2020</b>
<i>(in thousand PLN)</i>	<i>Not audited</i>		<i>Not audited</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible fixed assets	105,476	112,281	112,728
Right-of-use assets	28,610	30,383	12,258
Intangible assets	183,237	183,731	182,288
Investments in subordinated entities	445,457	445,757	427,358
Investments available for sale	260	260	258
Receivables	17,308	17,085	17,552
Non-current receivables on long-term rental	103,212	99,846	100,884
Deferred tax assets	10,457	-	7,157
	<b>894,017</b>	<b>889,343</b>	<b>860,483</b>
<b>Current assets</b>			
Inventory	1,658,339	1,295,136	1,417,379
Trade and other receivables	1,539,507	1,385,571	1,255,833
Receivables on short-term rental	44,953	44,082	44,175
Cash and cash equivalents	43,192	19,079	82,729
	<b>3,285,991</b>	<b>2,743,868</b>	<b>2,800 116</b>
<b>TOTAL ASSETS</b>	<b>4,180,008</b>	<b>3,633,211</b>	<b>3,660 599</b>
<b>LIABILITIES</b>			
<b>Equity</b>			
Share capital	28,336	28,336	28,336
Share premium account	259,530	259,530	259,530
Supplementary capital	1,476,252	1,273,761	1,273,761
Other reserve capitals	5,935	5,935	5,935
Retained earnings	180,993	222,933	82,392
	<b>1,951,046</b>	<b>1,790 495</b>	<b>1,649,954</b>
<b>Long-term liabilities</b>			
Liabilities due to credits and loans	536,600	536,231	536,738
Finance lease liabilities	25,453	27,611	16,736
Non-current liabilities on long-term rental	103,212	99,846	100,884
Deferred income tax provision	-	23,845	-
	<b>665,265</b>	<b>687,533</b>	<b>654,358</b>
<b>Short-term liabilities</b>			
Trade and other liabilities	955,468	551,970	815,542
Liabilities on credits, loans, debt securities	467,193	476,684	412,091
Finance lease liabilities	10,837	5,781	13,092
Liabilities on the short-term rental	44,953	44,082	44,175
Employee benefits	15,090	18,520	22,876
Income tax liabilities	70,156	58,146	48,511
	<b>1,563,697</b>	<b>1,155 183</b>	<b>1,356 287</b>
<b>TOTAL LIABILITIES</b>	<b>4,180,008</b>	<b>3,633,211</b>	<b>3,660 599</b>

Explanatory information is an integral part of interim condensed consolidated financial statements and separate financial statements

**Separate statement of comprehensive income**

	<i>for 3 months ended on 30 June</i>		<i>for 6 months ended on 30 June</i>	
	<i>Not reviewed data</i>		<i>Not audited</i>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Revenues from the sale of products, goods and materials	2,086,359	1,456,060	3,856,991	2,852,625
Cost of sales	(1,566,962)	(1,077,546)	(2,901,110)	(2,101,372)
<b>Gross profit on sales</b>	<b>519,397</b>	<b>378,514</b>	<b>955,881</b>	<b>751,253</b>
Other operating revenue	3,717	(3,607)	6,232	6,388
Selling cost, general and administrative expenses	(227,634)	(153,339)	(419,499)	(351,608)
Costs of distribution service	(157,998)	(128,487)	(289,589)	(244,279)
Costs of license	(8,786)	(1,734)	(16,422)	(3,251)
Other operating expenses	(16,132)	(4,518)	(22,654)	(39,737)
<b>Operating profit</b>	<b>112,564</b>	<b>86,829</b>	<b>213,949</b>	<b>118,766</b>
Financial income	4,018	2,255	5,850	4,596
Dividends received	13,103	2,859	13,431	2,859
Exchange differences	3,086	2,797	4,714	(3,917)
Financial costs	(6,820)	(8,461)	(14,390)	(20,003)
<b>Profit before tax</b>	<b>125,951</b>	<b>86,279</b>	<b>223,554</b>	<b>102,301</b>
Income tax	(22,291)	(14,829)	(42,883)	(20,233)
<b>Net profit</b>	<b>103,660</b>	<b>71,450</b>	<b>180,670</b>	<b>82,068</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Total other comprehensive income, net	-	-	-	-
<b>COMPREHENSIVE INCOME</b>	<b>103,660</b>	<b>71,450</b>	<b>180,670</b>	<b>82,068</b>
<b>Net profit</b>	<b>103,660</b>	<b>71,450</b>	<b>180,670</b>	<b>82,068</b>
<b>Weighted-average number of ordinary shares (in pieces)</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>
<b>Earnings per ordinary share (in PLN)</b>	<b>7.32</b>	<b>5.04</b>	<b>12.75</b>	<b>5.79</b>
<b>Weighted-average diluted number of ordinary shares (in pieces)</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>	<b>14,168,100</b>
<b>Diluted earnings per ordinary share (in PLN)</b>	<b>7.32</b>	<b>5.04</b>	<b>12.75</b>	<b>5.79</b>

**Interim condensed separate financial statements of Inter Cars S.A.**  
for the period from 1 January to 30 June 2021  
(in thousand PLN)

**Separate statement of changes in equity**

**for the period from 01 January 2021 to 30 June 2021** (not audited)

(in thousand PLN)	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
<b>Owner's equity as at 01 January 2021</b>	<b>28,336</b>	<b>259,530</b>	<b>1,273,761</b>	<b>5,935</b>	<b>222,933</b>	<b>1,790,495</b>
<b>Statement of comprehensive income</b>						
Profit in the reporting period	-	-	-	-	180,670	180,670
<b>Total comprehensive income in the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180,670</b>	<b>180,670</b>
Distribution of retained profits - carried over to supplementary capital	-	-	202,491	-	(202,491)	-
Distribution of prior period profit – dividend	-	-	-	-	(20,119)	(20,119)
<b>Owner's equity as at 30 June 2021</b>	<b>28,336</b>	<b>259,530</b>	<b>1,476,252</b>	<b>5,935</b>	<b>180,993</b>	<b>1,951,046</b>

**for the period from 1 January 2020 to 31 December 2020**

(in thousand PLN)	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
<b>Shareholder's equity as at 1 January 2010</b>	<b>28,336</b>	<b>259,530</b>	<b>1,118,787</b>	<b>5,935</b>	<b>155,298</b>	<b>1,567,886</b>
<b>Statement of comprehensive income</b>						
Profit in the reporting period	-	-	-	-	222,609	222,609
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>222,609</b>	<b>222,609</b>
<b>Transactions with shareholders</b>						
Distribution of prior period profit – dividend	-	-	-	-	-	-
Distribution of retained profits - carried over to supplementary capital	-	-	154,974	-	(154,974)	-
<b>Owner's equity as at 31 December 2020</b>	<b>28,336</b>	<b>259,530</b>	<b>1,273,761</b>	<b>5,935</b>	<b>222,933</b>	<b>1,790,495</b>

**Separate statement of changes in equity (cont.)**

**for the period from 01 January 2020 to 30 June 2020** (not audited)

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
<b>Shareholder's equity as at 1 January 2020</b>	<b>28,336</b>	<b>259,530</b>	<b>1,118,787</b>	<b>5,935</b>	<b>155,298</b>	<b>1,567,886</b>
<b>Statement of comprehensive income</b>						
Profit in the reporting period	-	-	-	-	82,068	<b>82,068</b>
<b>Total comprehensive income in the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82,068</b>	<b>82,068</b>
Distribution of retained profits - carried over to supplementary capital	-	-	154,974	-	(154,974)	-
Distribution of prior period profit – dividend	-	-	-	-	-	-
<b>Owner's equity as at 30 June 2020</b>	<b>28,336</b>	<b>259,530</b>	<b>1,273,761</b>	<b>5,935</b>	<b>82,392</b>	<b>1,649,954</b>

**Separate statement of cash flows**

(in thousand PLN)

**Cash flows from operating activities**

Profit (loss) before tax

**1/01/2021 –  
30/06/2021**

*Not audited*

223,553

**1/01/2020–  
30/06/2020**

*Not audited*

102,301

Adjustments:

Amortization and depreciation

16,331

18,789

Foreign exchange gains /losses

(1,662)

3,760

(Profit) /loss on the sale of property, plant and equipment

(2,114)

806

Net interest and share in profits

9,307

14,980

Net dividends

(13,431)

(2,859)

Other adjustments, net

(2)

(17)

Operating profit before changes in the working capital

**231,983**

**137,760**

Increase (decrease) in inventories

(363,203)

(161,032)

Increase (decrease) in receivables

(146,287)

59,957

Increase (decrease) in receivables under rental

(4,237)

(7,100)

Change in short-term liabilities

400,336

264,094

Change in liabilities under rental

4,237

7,100

Cash generated by operating activities

**122,829**

**300,779**

Corporate income tax paid

(65,175)

(22,698)

**Net cash from operating activities**

**57,654**

**278,081**

**Cash flow from investment activities**

Proceeds from the sale of plant, property, equipment and intangible assets

122

542

Purchase of property, plant, equipment and intangible assets

(6,593)

(4,915)

Purchase of financial assets in related and other entities

-

(1,991)

Repayment of loans granted

4,247

593

Loans granted

(2,698)

(4,300)

Interest received

331

530

Dividends received

6,289

572

**Net cash from investing activities**

**1,699**

**(8,969)**

**Cash flow from financing activities**

(repayments) / proceeds from credits and leases

(24,855)

(26,680)

Deposits received (returned)

-

(50)

Loans and borrowings received / repaid

(748)

(162,110)

Interest paid

(9,638)

(15,510)

**Net cash from financing activities**

**(35,241)**

**(204,350)**

**Net change in cash and cash equivalents**

**24,113**

**64,762**

**Cash and cash equivalents at the beginning of the period**

**19,079**

**17,967**

**Cash and cash equivalents at the end of the period**

**43,192**

**82,729**

**Explanatory notes to the interim condensed separate financial statements prepared for the period of 6 months ended on 30 June 2021.**

**1.1. Accounting principles**

**Declaration of compliance with IFRS**

**Interim condensed separate financial statements of Inter Cars S.A.** (hereinafter referred to as "the condensed interim financial statements") were prepared for the period of 6 months ended on 30 June 2021.

These condensed separate interim consolidated financial statements were prepared in accordance with the International Accounting Standard IAS 34 "Interim Financial Reporting" relating to interim financial statements and is not inclusive of all information required with respect to annual financial statements. These condensed separate interim financial statements should be read together with the audited separate financial statements prepared in accordance with the IFRS for the year ended on 31 December 2020. No changes to the accounting principles applied by the Company were made during the reporting period presented compared to the those described in the financial statements for the year ended on 31 December 2020.

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.

The interim condensed separate financial statements of Inter Cars S.A. were approved for publication by the Management Board on 09 September 2021.

The interim condensed separate financial statements of Inter Cars S.A. were prepared under the assumption that the company shall continue as a going concern in the foreseeable future.

All values presented in the interim condensed financial statements were expressed in PLN, unless otherwise indicated.

**1.2. Investments in subordinated entities**

The following investments in subordinated entities took place in the first half of 2021:

	<b>2021</b>	<b>2020</b>
<b>As at 1 January (gross)</b>	<b>446,368</b>	<b>425,978</b>
Increase, including:	-	1,991
- 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
- purchase of shares of JAG Sp. z o.o.	-	150
Decrease, including:	(300)	-
- sale of shares of JAG Sp. z o.o.	(300)	-
<b>As at 30 June (gross):</b>	<b>446,068</b>	<b>427,969</b>
- impairment on Inter Cars Hungaria Kft.	(611)	(611)
<b>As at 30 June (net)</b>	<b>445,457</b>	<b>427,358</b>

**1.3. Information on business segments**

Inter Cars S.A. is only a spare parts distributor.

**1.4. Seasonality**

The demand for spare parts is seasonal. The peak season falls in the second and third quarters. The demand is lower at the beginning and the end of the year.

This is directly linked to the seasonal nature of some repairs for which the spare parts are required, and to the smaller number of repairs made by clients during winter.

**Interim condensed separate financial statements of Inter Cars S.A.**

for the period from 1 January to 30 June 2021

(in thousand PLN)

**1.5. Dividend**

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

PLN 20,118,702.00, i.e., PLN 1.42 per share, will be paid out to shareholders as dividend. The Board also took a decision to propose to the General Shareholders Meeting the day of dividend for 30 June 2021 and pay-out of the dividend for 14 July 2021.

**1.6. Material evaluations and estimates**

No material changes to the evaluations or estimates presented in the annual separate financial statements for 2020 were made during the reporting period.

**1.7. Transactions with related entities in the condensed standalone financial statements**

	Sales revenues		Purchase of goods and services	
	1/01/2021– 30/06/2021	1/01/2020 – 30/06/2020	1/01/2021 – 30/06/2021	1/01/2020 – 30/06/2020
Inter Cars Ukraine LLC	86,022	74,872	-	-
Q-Service Sp. z o.o.	33	3	109,029	99,316
Lauber Sp. z o.o.	2,724	4,156	46,044	40,434
Inter Cars Česká republika s.r.o.	121,377	85,658	1,214	1,668
Inter Cars Slovenská republika s.r.o.	124,209	95,800	1,385	1,669
Feber Sp. z o.o.	447	359	5,656	2,691
Inter Cars Lietuva UAB	139,939	91,478	1,789	1,440
IC Development & Finance Sp. z o.o.	2	7	87	211
Inter Cars Italia srl.	813	2,471	1,232	(11)
Inter Cars d.o.o.	83,371	49,370	4,433	3,149
JC Auto S.A.	50	73	-	-
Inter Cars Hungária Kft.	80,204	54,936	1,487	1,550
Inter Cars Romania s.r.l.	172,295	108,761	2,951	1,043
Armatus sp. z o.o.	2	2	-	181
Cleverlog-Autoteile GmbH	68,411	58,096	319	144
Inter Cars Latvija SIA	82,625	51,457	2,162	1,434
Inter Cars Bulgaria EOOD	84,610	51,585	1,395	1,941
Inter Cars Marketing Services Sp. z o.o.	53	225	23,080	17,870
ILS Sp. z o.o.	2,391	2,606	202,801	162,274
Q-Service Truck Sp. z o.o.	498	373	16,280	9,401
Inter Cars Malta Limited	3	33	168,114	166,093
INTER CARS INT d o.o. (Slovenia)	5,975	2,619	316	208
Inter Cars Piese Auto s.r.l.	94	3	19	-
Inter Cars Greece	23,621	4,601	618	83
Inter Cars Eesti OU	19,531	11,932	485	528
Inter Cars United Kingdom - automotive technology Ltd	7,618	7,427	-	-
Inter Cars d o.o. (Bosnia)	148	4	-	-
Inter Cars d o.o. (Serbia)	177	6	-	-
Inter Cars Fleet Services Sp. z o.o.	20,492	4,886	1,002	702
JAG Sp. z o.o.	1,104	950	7,792	6,632
OOO Inter Cars Automobila Technika (Belarus)	64	-	-	-
	<b>1,128 903</b>	<b>764,749</b>	<b>599,690</b>	<b>520,651</b>

**Interim condensed separate financial statements of Inter Cars S.A.**

for the period from 1 January to 30 June 2021

*(in thousand PLN)*

<i>Settlement</i>	<b>Receivables as at</b>	
	<b>30/06/2021</b>	<b>31/12/2020</b>
Inter Cars Ukraine LLC	74,373	76,634
Lauber Sp. z o.o.	30,776	31,749
Inter Cars Česká republika s.r.o.	42,246	49,899
Inter Cars Slovenská republika s.r.o.	54,772	39,348
Feber Sp. z o.o.	187	65
Inter Cars Lietuva UAB	54,757	46,045
Inter Cars Italia srl.	(2,161)	(3,047)
Inter Cars d.o.o.	167,663	145,252
JC Auto S.A.	28	22
Inter Cars Hungária Kft.	76,421	43,746
Inter Cars Romania s.r.l.	288,821	274,938
Inter Cars Latvija SIA	41,754	41,459
Cleverlog-Autoteile GmbH	1,390	1,427
Inter Cars Bulgaria EOOD	106,637	119,430
Inter Cars Marketing Services Sp. z o.o.	1	37
ILS Sp. z o.o.	367	2,980
Inter Cars Malta Limited	(6)	(7)
Q-Service Truck Sp. z o.o.	189	31
Inter Cars INT d.o.o. (Slovenia)	3,652	3,382
Inter Cars Eesti OÜ	4,120	3,264
Q-Service Sp. z o.o.	1	191
ILS Latvijas filialie	64	71
IC Development & Finance Sp. z o.o.	2	78
Armatus sp. z o.o.	1	-
Inter Cars Piese Auto s.r.l.	(88)	(88)
Inter Cars Greece	26,422	15,884
Intermeko Europe Sp. z o.o.	15	1
Inter Cars d.o.o. (Bosnia)	516	377
Inter Cars d.o.o. (Serbia)	175	354
JAG Sp. z o.o.	418	433
Inter Cars Fleet Services Sp. z o.o.	24,557	31,396
Inter Cars United Kingdom - AUTOMOTIVE TECHNOLOGY LTD.	3,528	3,202
OOO INTER CARS AUTOMOBILNA TEHNIKA	64	-
<b>Gross</b>	<b>1,001,662</b>	<b>928,553</b>
<b>Reserves for returns</b>	<b>(57,728)</b>	<b>(64,631)</b>
<b>Net</b>	<b>943,934</b>	<b>863,922</b>



**Interim condensed separate financial statements of Inter Cars S.A.**

for the period from 1 January to 30 June 2021

(in thousand PLN)

	<b>Liabilities as at</b>	
	<b>30/06/2021</b>	<b>31/12/2020</b>
Q-Service Sp. z o.o.	49,864	23,841
Lauber Sp. z o.o.	28,936	13,252
Inter Cars Česká republika s.r.o.	56	-
Inter Cars Slovenská republika s.r.o.	216	37
Feber Sp. z o.o.	15,759	13,333
Inter Cars Lietuva UAB	-	19
IC Development & Finance Sp. z o.o.	1,685	1,727
Inter Cars Italia srl.	2,000	850
Inter Cars d.o.o.	903	108
JC Auto S.A.	-	-
Inter Cars Hungária Kft.	125	(1)
Inter Cars Romania s.r.l.	11	923
Armatus sp. z o.o.	(342)	(342)
Inter Cars Latvija SIA	145	12
Inter Cars Bulgaria EOOD	158	44
Inter Cars Marketing Services Sp. z o.o.	151,871	119,678
ILS Sp. z o.o.	30,452	40,258
Q-Service Truck Sp. z o.o.	11,957	6,534
Inter Cars Malta Holding Limited	(20)	(21)
Inter Cars Malta Limited	122,414	112,820
Inter Cars INT d.o.o. (Slovenia)	117	72
Inter Cars Eesti OÜ	59	185
Cleverlog Autoteile GmbH	26	-
Inter Cars Greece	795	190
Inter Cars Cyprus Ltd	4	4
JAG Sp. z o.o.	1,265	933
Inter Cars Fleet Services Sp. z o.o.	162	4,648
Intermeko Europe Sp. z o.o.	111	-
Inter Cars d o.o. (Bosnia)	388	-
INTER CARS PIESE AUTO S.R.L.	17	-
<b>Liabilities to subsidiaries</b>	<b>419,133</b>	<b>339,104</b>
<b>Settlements on loans and borrowings</b>	<b>30/06/2021</b>	<b>31/12/2020</b>
<i>Receivables from subsidiaries</i>		
Lauber Sp. z o.o.	8,782	8,766
IC Development & Finance Sp. z o.o.	17,878	17,848
Q-Service Truck sp z o.o.	2,555	2,555
Inter Cars Malta Limited	-	1
Inter Cars d o.o. Beograd Rakovica	913	955
JAG Sp. Z o.o.*	-	2,003
Inter Cars Fleet Services Sp. .	3,239	3,239
<b>Gross receivables on loans</b>	<b>33,367</b>	<b>35,367</b>
<i>Liabilities to subsidiaries</i>		
Inter Cars Marketing Services Sp. z o.o.	1	1
Inter Cars Cyprus Ltd.	92,131	81,590
	<b>92,132</b>	<b>81,591</b>

\*JAG Sp. z o.o. Company was sold on 30 June 2021.

**Interim condensed separate financial statements of Inter Cars S.A.**

for the period from 1 January to 30 June 2021

*(in thousand PLN)*

<b>Receivables on dividend</b>	<b>30/06/2021</b>	<b>30/06/2020</b>
<i>Receivables from subsidiaries</i>		
Inter Cars Slovenská republika s.r.o.	5,820	-
Inter Cars Lietuva UAB	7,343	-
Inter Cars Česká republika s.r.o.	-	2,840
Feber Sp. z o.o.(advance payment)	-	(1,850)
Inter Cars Bulgaria EOOD	-	5,962
Inter Cars INT d.o.o.	-	1,192
<b>Gross receivables on dividend</b>	<b>13,164</b>	<b>8,144</b>

**Guarantees and sureties granted by Inter Cars S.A. to related entities.**

Sureties and guarantees granted by Inter Cars S.A. as at 30 June 2021 amounted in total to: PLN 369,237 thousand.

Changes in sureties and guaranties

Status as at 31 December 2020	<b>308,758</b>
Increase	105,436
Expired	(44,957)
Status as at 30 June 2021	<b>369,237</b>

In the first half of 2021, 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.

**Transactions with the members of the Supervisory Board and the Management Board and members of their families.**

	<b>1.1.2021- 30.06.2021</b>	<b>1.1.2020- 30.06.2020</b>
<i>Transactions with related entities</i>		
Income on sales to related entities	160	110
Purchase of goods and services from related entities	389	242
	<b>30/06/2021</b>	<b>31/12/2020</b>
<i>Settlements with related entities</i>		
Receivables from related entities	42	69
Liabilities to related entities	3	-

**Warsaw, 08 September 2021**

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**Maciej Oleksowicz,**  
President of the  
Management Board

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**Krzysztof Soszynski**  
Vice-President of the  
Management Board

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**Piotr Zamora**  
Member of the  
Management Board

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**Wojciech Twaróg**  
Member of the  
Management Board

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**Julita Pałyska**  
Chief Accountant