

Appendix 1 to Resolution No. 12/2019 of the Supervisory Board of INTER CARS S.A. of May 29th 2019

Report of the Supervisory Board of Inter Cars S.A.

on assessment of the Company's financial statements for 2018, the Directors' Report on the Company's operations in 2018, and the Management Board's proposal regarding distribution of the Company's net profit for 2018

This report on assessment of the Company's financial statements for 2018, the Directors' Report on the operations of the Inter Cars Group in 2018, prepared together with the Directors' Report on the operations of the Company in 2018, and the Management Board's proposal regarding distribution of the Company's net profit for 2018 has been prepared in accordance with Art. 382.3 of the Commercial Companies Code, for submission to the General Meeting, and includes the Supervisory Board's assessment of the separate and consolidated financial statements of Inter Cars S.A. and the Inter Cars Group for the year ended December 31st 2018, and the Directors' Report on the operations of the Inter Cars Group in the year ended December 31st 2018, prepared together with the Directors' Report on the operations of Inter Cars S.A., in terms of their consistency with the books, documents and facts, as adopted by the Supervisory Board's Resolution No. 5/2019 of April 17th 2019. This document also includes the report on assessment of the consolidated financial statements of the Inter Cars Group for 2018.

The Directors' Report on the operations of the Inter Cars Group in the financial year 2018, prepared together with the Directors' Report on the operations of the Company in 2018, as well as the separate and consolidated financial statements, contain all necessary information on the operations of the Company and its Group in the financial year, and the Supervisory Board gives a positive opinion on the reports and the financial statements. In the opinion of the Supervisory Board, the Company's financial statements and periodic reports are prepared in accordance with applicable laws and the accounting policies applied by the Company.

The financial statements have been audited in accordance with applicable laws by an independent auditor appointed by PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp. k. of Warsaw (formerly: PricewaterhouseCoopers sp. z o.o. of Warsaw), an audit firm, who issued an unqualified opinion on the financial statements. The Supervisory Board reviewed the independent auditor's audit reports, and obtained all necessary information on results of the audit from the Supervisory Board's Audit Committee; the Supervisory Board has not expressed any reservations or presented any comments pertaining to the above. The Supervisory Board also adopted, by Resolution No. 5/2019 of April 17th 2019, the Supervisory Board's assessment of the separate and consolidated financial statements of Inter Cars S.A. and the Inter Cars Group for the year ended December 31st 2018, as well as the Directors' Report on the operations of the Inter Cars Group in the year ended December 31st 2018, prepared together with the Directors' Report on the operations Inter Cars S.A., in terms of their consistency with the books, documents and facts.

Therefore, the Supervisory Board decided to submit for approval by the Annual General Meeting the following documents which the Supervisory Board has positively assessed and approved: the Directors' Report on the operations of the Inter Cars Group in 2018, prepared together with the Directors' Report on the operations of the Company in 2018, the Company's separate financial statements for the financial year 2018 together with the auditor's report, comprising: (i) Balance sheet as at December 31st 2018, showing total assets and total equity and liabilities of **PLN 3,443,148 thousand** (three billion, four hundred and forty-three million, one hundred and forty-eight thousand złoty); (ii) Statement of profit or loss for the period January 1st–December 31st 2018, showing net profit of **PLN 228,628 thousand** (two hundred and twenty-eight million, six hundred and twenty-eight thousand złoty); (iii) Statement of changes in equity for the financial year January 1st–December 31st 2018, showing an increase in equity of **PLN 218,569 thousand** (two hundred and eighteen million, five hundred and sixty-nine thousand złoty); (iv) Statement of cash flows for the financial year January 1st–December 31st 2018, showing a net decrease in cash of **PLN 7,171 thousand** (seven million, one hundred and seventy-one thousand złoty); (v) Supplementary information, comprising the introduction and notes to the financial statements; as well as the consolidated financial statements of the Inter Cars Group for the financial year 2018, along with the independent auditor's audit report, comprising: (i) Consolidated balance sheet of the Inter Cars Group as at December 31st 2018, showing total assets and total equity and liabilities of **PLN 3,943,261 thousand** (three billion, nine hundred and forty-three million, two hundred and sixty-one thousand złoty); (ii) Consolidated statement of profit or loss of the Inter Cars Group for the financial year January 1st–December 31st 2018, showing net profit of **PLN 223,085 thousand** (two hundred and twenty-three million, eighty-five thousand złoty); (iii) Statement of changes in consolidated equity of the Inter Cars Group for the financial year January 1st–December 31st 2018, showing an increase in equity of **PLN 213,145 thousand** (two hundred and thirteen million, one hundred and forty-five thousand złoty); (iv) Consolidated statement of cash flows of the Inter Cars Group for the financial year January 1st–December 31st 2018, showing a net decrease in cash of PLN

46,190 thousand (forty-six million, one hundred and ninety thousand zloty); (v) Supplementary information, comprising the introduction and notes to the consolidated financial statements.

Furthermore, the Supervisory Board has positively assessed, acknowledged and approved the Management Board's proposal to distribute the Company's profit for 2018 in the following manner: out of the total amount of PLN **228,628,836.14** (two hundred and twenty-eight million, six hundred and twenty-eight thousand, eight hundred and thirty-six zloty, 14/100), an amount of PLN 10,059,351.00 (ten million, fifty-nine thousand, three hundred and fifty-one zloty), i.e. PLN 0.71 (seventy-one grosz) per share, to be paid to shareholders as dividend, while the balance of PLN 218,569,485.14 (two hundred and eighteen million, five hundred and sixty-nine thousand, four hundred and eighty-five zloty, 14/100) to be transferred to statutory reserve funds, as well as the Management Board's proposal to set the dividend record date for **June 28th 2019** and the dividend payment date for **July 12th 2019**.

The Supervisory Board recommended that the Annual General Meeting pass a resolution to distribute the Company's profit for 2018 as proposed by the Management Board.

Supervisory Board of Inter Cars S.A.