

Appendix 1 to Resolution No. 6/2018 of the Supervisory Board of INTER CARS S.A. of April 26th 2018

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

on assessment of the Company's financial statements for 2017, the Directors' Report on the Company's operations in 2017, and the Management Board's proposal regarding distribution of the Company's net profit for 2017

This report on assessment of the Company's financial statements for 2017, the Directors' Report on the Company's operations in 2017 and the Management Board's proposal regarding distribution of the Company's net profit for 2017 was prepared for the Annual General Meeting pursuant to Art. 382.3 of the Commercial Companies Code. This document also includes the report on assessment of the consolidated financial statements of the Inter Cars Group for 2017 and of the Directors' Report on the operations of the Inter Cars Group in 2017.

The Directors' Report on the Company's operations, the Directors' Report on the operations of the Inter Cars Group in the financial year 2017, as well as the separate and consolidated financial statements contain all necessary information on the operations of the Company and its Group in financial year 2017, 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 interim 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 sp. z o.o. of Warsaw, an audit firm, who issued an unqualified opinion on the financial statements. The Supervisory Board reviewed the auditor's opinions and 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.

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 Company's operations in the financial year 2017 and the Company's separate financial statements for the financial year 2017, together with the auditor's opinion, as submitted by the Management Board, comprising: (i) balance sheet as at December 31st 2017, showing total assets and total equity and liabilities of **PLN 2,999,502 thousand** (two billion, nine hundred and ninety-nine million, five hundred and two thousand złoty); (ii) statement of profit or loss for the period January 1st–December 31st 2017, showing net profit of **PLN 101,058 thousand** (one hundred and one million, fifty-eight thousand złoty); (iii) statement of changes in equity for the financial year January 1st–December 31st 2017, showing an increase in equity of **PLN 90,999 thousand** (ninety million, nine hundred and ninety-nine thousand złoty); (iv) statement of cash flows for the financial year January 1st–December 31st 2017, showing a net increase in cash of **PLN 5,325 thousand** (five million, three hundred and twenty-five thousand złoty); (v) supplementary information, comprising the introduction and notes to the financial statements; and the Directors' Report on the operations of the Inter Cars Group in the financial year 2017 and the consolidated financial statements of the Inter Cars Group for the financial year 2017, together with the auditor's opinion, as submitted by the Management Board, comprising: (i) consolidated balance sheet of the Inter Cars Group as at December 31st 2017, showing total assets and total equity and liabilities of **PLN 3,402,978 thousand** (three billion, four hundred and two million, nine hundred and seventy-eight thousand złoty); (ii) consolidated statement of profit or loss of the Inter Cars Group for the financial year January 1st–December 31st 2017, showing a net profit of **PLN 216,428 thousand** (two hundred and sixteen million, four hundred and twenty-eight thousand złoty); (iii) statement of changes in consolidated equity of the Inter Cars Group for the financial year January 1st–December 31st 2017, showing an increase in equity of **PLN 192,020 thousand** (one hundred and ninety-two million, twenty thousand złoty); (iv) consolidated statement of cash flows of the Inter Cars Group for the financial year January 1st–December 31st 2017, showing a net increase in cash of **PLN 39,489 thousand** (thirty-nine million, four hundred and eighty-nine thousand złoty); (v) supplementary information, comprising the introduction and notes to the consolidated financial statements.

Furthermore, the Supervisory Board received, positively assessed and approved the Management Board's proposal to distribute the Company's profit for 2017 in the following manner: out of the total amount of PLN 101,058,048.99 (one hundred and one million, fifty-eight thousand, forty-eight zloty, 99/100), 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 90,998,697.99 (ninety million, nine hundred and ninety-eight thousand, six hundred and ninety-seven zloty, 99/100) to be transferred to statutory reserve funds; the Supervisory Board also approved the following dividend record date and the dividend payment date proposed by the Management Board: **June 29th 2018** and **July 13th 2018**, respectively.

The Supervisory Board recommended that the Annual General Meeting pass a resolution to distribute the Company's profit for 2017 as proposed by the Management Board.