



Vos Logistics Beheer B.V. **Integrated Financial & Sustainability Report 2020**

We simplify. Whatever it takes.

Information & Contact

This report provides a cohesive insight into Vos Logistics' financial and non-financial performance. It has been prepared in accordance with the Global Reporting Initiative Standards (G4 Core).

We welcome your feedback at: corporate@voslogistics.com

Vos Logistics' General Terms and Conditions

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Entered in the Trade Registry of the Dutch Chamber of Commerce under number 34054561 Vos Logistics' Integrated Report presents the company's financial and sustainability performance and customer appreciation during the year in a single integrated report.

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Colophon

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Letter from the Board of Management

This year, Vos Logistics demonstrated that we are a robust company. The year started on a positive note following our 75th anniversary celebration, IMAGINEVosLogistics100, and the smooth completion of the acquisition of SNEL Shared Logistics. In March, the arrival of the coronavirus (COVID-19) pandemic brought unprecedented challenges. Our team responded with flexibility, creativity and close collaboration.

Safety always comes first at Vos Logistics. As our people on the road, in warehouses and at home worked tirelessly to adapt to the new environment, every measure was taken to ensure their well-being and safety. The success of the speed and efficiency of our response is reflected in our safety results for 2020, as seen on page 7.

Satisfactory financial performance

In light of the exceptional circumstances, Vos Logistics' financial performance was satisfactory. We progressed our strategy and continued to invest in the future.

While the external events of 2020 heavily impacted International Transport in the first part of the year, the company was able to gain good ground by the summer. In the meantime, local business performed well. Logistics Solutions capably adapted to serve our clients' increasing demands in the areas of e-commerce, home and garden maintenance. The December lockdowns then slowed this recovery.

Business relations with new customers were created, and those with existing clients further strengthened and expanded. Vos Logistics took over the fleet and personnel from Blokker, a Dutch household items chain of 500 stores. We made home deliveries for a well-known furniture retailer in The Netherlands and supported Action stores in western France. The company also set up the Benelux distribution center for Husqvarna/Gardena at our facility in Woerden.

Continued strategic development

As outlined at IMAGINEVosLogistics100, digitalization is one of the leading topics that will most influence the logistics

industry in the next 25 years. Accordingly, we continued to progress digitalization initiatives. We implemented SmartFox that enables shipments to be scheduled with greater efficiency and effectiveness. In addition, we invested in Ultimo, a system to manage our fleet and maintenance. This means improved safety, greater availability of our trucks and trailers, and higher efficiency.

Sustainability initiatives at Vos Logistics also progressed throughout 2020. One example is that we successfully installed over 12,000 solar panels on the roofs of our buildings in Oss and Roosendaal. We will do the same on the new building that is currently under construction at the sustainable logistics center De Geer II in Oss, which will be completed in September 2021. We have also started testing solar cells on trailers and are seeing encouraging results.

While the challenges of 2020 have impacted our results, the company showed resilience, maintained its solid foundation and kept its eyes firmly on the future. We appreciated the government support provided by countries in which we operate as partly compensation or mitigation for the negative effects of the pandemic. We are particularly proud of our people this year. Their sense of responsibility, strong communication and commitment made all the difference. We are grateful for the continuing solid partnerships with our customers and stakeholders and the trust they place in us. While 2021 also brings uncertainty, we will stay resilient and continue to build a strong future.

Frank Verhoeven - Ben Vos
Board of Management

Vos Logistics

A Top 10 Logistics Service Provider

Buck Consultants International and Logistiek.nl have again placed Vos Logistics in the Top 10 of the annual industry survey. In 2020 we ranked 7th.

Index scores are based on a number of factors such as the number of employees, turnover, warehousing space, degree of innovation, sustainability and human capital. Innovation in logistics operations and supply chain management are also important factors.

The company ranked particularly well in terms of innovations in the area of sustainability and logistics operations.



About Vos Logistics

Vos Logistics is one of Europe's leading logistics service providers with a network of 30 group-owned locations. We deliver transport and supply chain services across a wide range of industries.



Profile

International Transport

Cargo (Mega and High Volume): the international transport of full and part truck loads for high-volume transport and mobile storage. We use mega trailers, CuBoLiners®, swap bodies, multimodal transport and CuBoTainers®.

Bulk Network and Storage: the international transport, storage and handling of mainly dry bulk goods (both granulates and powders).

Services include multimodal concepts (rail and road combinations), site-to-site transport, silo storage and handling, and tank cleaning. Products include chemicals, foodstuffs, animal feed, starch, minerals and waste.

Logistics Solutions

Logistics Solutions offers a range of supply chain related services.

Warehousing: inbound, storage and outbound logistics providing order fulfillment, shipping, and value added logistics (e.g. repacking, labeling, assembly, repair and building displays).

Regional distribution: fine-meshed B2B and consumer deliveries (odd-sized/shaped shipments and parcels) including customer-specific solutions.

Bulk specialties: dedicated and customized transport with specialized or custom-built equipment. Products include liquids, dangerous goods (ADR), cement, concrete, lime and gas.

International freight forwarding and management: organizing global goods flows (FTLs, part loads and groupage).

To learn more, please visit our website: voslogistics.com

Key numbers 2020

Turnover

338mln



Workforce

FTEs

Incl. temporary employees



Int. Transport	1,670
Solutions	1,260
Total	2,930

Safety



LTIR
2019: 8% ▼ **0.62**

Combined LWC
2019: 35
2020 : 24 **31% ▼**

Combined Incident Reporting
2019: 91
2020: 70 **23% ▼**

Training & Development

Time Invested



Indirect	4,300
Direct	15,600
Total	19,900

Per own employee **7.81 hrs**

Programs

Percentage of time invested in programs




Driving	51%
Safety/Health	28%
Management/Lean	10%
Other	11%


Key numbers 2020

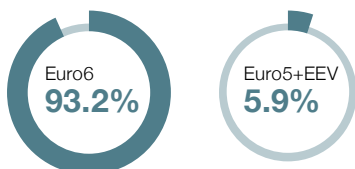
Fleet

Loading Units

	Int. Transport	3,350
	Solutions	800
	Total	4,150

Trucks

	Int. Transport	870
	Solutions	450
	Total	1,320




Warehousing

Premises

	Total	310,000 m²
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Fleet investments 2020

	Euro6 Trucks	27
	LNG Trucks	8
	Loading units	80

Through acquisitions:

Euro5 Trucks	70
Euro6 Trucks	132
Loading units	335

Carbon footprint



Fleet

Emission per ton/km

0.0336

CO₂
emission



Premises

Emission per ton/m²

0.59

6.6% Reduction in CO₂ emission since 2016

87% Reduction in CO₂ emission since 2016

Strategic framework

Mission

Vos Logistics embraces the concepts of the sharing economy, including the sharing of our knowledge, new ideas, network, facilities, equipment and technology.

Vision

As the logistics industry rapidly changes, we aim to stay ahead of the curve and become better, faster, cheaper and more sustainable. We will remain future-proof by investing in people, assets and innovations. At Vos Logistics, it's always safety first.

Our robust financial backbone provides the basis for further growth and profitability. We are able to respond quickly in highly competitive and volatile markets. We do so by keeping both feet on the ground and creating an attractive and challenging environment for the personal development of our people.

Strategy

Our strategy is based on three pillars: operational excellence, transformation and organic growth. Sustainability underpins them all.

Operational excellence – continuous improvement for maximum efficiency

We strive for the most effective way to provide our customers with sustainable transport and logistics services to create maximum value. To continuously improve our processes, reduce cost and generate value, we work according to Lean principles.

Transformation – we invest to ensure we are future-proof

The 'World of Logistics' is experiencing rapid change. To keep pace, we have identified the main drivers of this transition as being: digitalization and data analytics; sustainability; the significant effects of e-commerce on the supply chain; and constraints on the labor market. We invest in these drivers to make sure we exceed customer expectations and to create an environment where information can be seamlessly exchanged. We connect intelligent planning with efficient execution. We do all this to ensure we continually become faster, better, more efficient and increasingly sustainable.

Organic growth – focused and innovative expansion

To become a leading provider in selected market segments, we will grow our business organically and, where feasible,

through acquisitions. We have identified the following areas for growth:

- ✓ warehousing and distribution in the Benelux;
- ✓ local business in the countries in which we have a presence, especially Poland and Romania; and
- ✓ innovating new solutions for and with our customers.

Sustainability

At Vos Logistics, we are committed to providing sustainable logistics solutions. We look for the most efficient and sustainable ways to get the best results for our customers and engage in joint innovation projects. We enjoy working with companies who also value sustainability.

Lean

To continuously improve the quality of our service, we have implemented Lean as a guideline for operational excellence at all levels in the organization. Working as a Lean organization improves quality, reduces waste and keeps the focus on customer demand. It helps us develop smarter and more efficient ways of working so we can achieve more with the same resources. In 2020, we continued our Lean transformation.



Report of the Board of Management

In 2020, Vos Logistics showed resilience through extraordinary times. Confronted by the arrival of the pandemic in March, we immediately took measures to safeguard the health and safety of our staff and kept a strong focus on the liquidity of the company. The business – in particular International Transport – experienced a strong setback in spring and then made a gradual recovery.

While the external events of 2020 hurt our results, the company remained strong. We pursued our strategy agenda on performance, innovation and sustainability. We focused on servicing our customers under insecure and volatile market circumstances. In addition, we acquired significant new business and continued to strengthen our value proposition in the market.



Profile in key numbers

Turnover (x 1,000 euro)
FTE's involved
Own operational truck capacity
Own loading units capacity
Warehouse (in m ²)
EBITDA (euro x 1,000)
EBIT (euro x 1,000)

International Transport

189,000
1,670
870
3,350
70,000
7,350
1,000

Logistics Solutions

149,000
1,260
450
800
240,000
9,000
3,600

Our divisions

Vos Logistics comprises two divisions, International Transport and Logistics Solutions. International Transport (Mega, High Volume and Bulk Network) was most affected by the pandemic.

Logistics Solutions (including Bulk Specialties) performed well with strong results up to the Dutch lockdown in December. This

division represented 44% of consolidated turnover in 2020, compared to 33% in 2019. The acquisition of SNEL Shared Logistics proved to be a good match. We made good progress in integrating the two companies. Our combined abilities led to the acquisition of this sizeable new business, with strong results up to the Dutch lockdown in December.

Facing the challenges of COVID-19

When the pandemic hit Europe in March 2020, we were all faced with a new and uncertain environment. While it was clear that it would have an adverse impact, there was no way of knowing just how substantial that impact would be on our business and personal lives.

Vos Logistics acted quickly and decisively. We worked strategically through multiple crisis scenarios and promptly took measures to ensure continuity and limit the impact. While some businesses such as the international automotive business temporarily ceased production, some local businesses such as e-commerce and DIY expanded. The company also quickly facilitated office staff to work from home, enabling good communication and teamwork with impressive results.

Scan this QR-code and discover
how our colleague Maciej
experienced the pandemic.



International Transport

The international transport market was severely impacted by the arrival of the pandemic in March. Both Mega and High Volume felt this impact, most notably from the cessation of automotive production as well as multiple national lockdowns.

Mega

Mega had a modest start to 2020 and then faced challenges between March and May with the arrival of the pandemic and the measures put in place to control the virus. We immediately took action to limit the adverse consequences for our business.

In early March, Vos Logistics became aware of an investigation by Belgian authorities ('Arbeidsauditoraat') regarding our international operations in Belgium. The investigation is still ongoing, and we remain in constructive dialogue with the Belgian authorities.

Recovery began during the second quarter as the automotive industry and other sectors in Europe resumed activities. Aligned capacity and a strong customer focus enhanced utilization and

efficiency of the fleet. From June, Mega recorded better results than the previous year, albeit with a lower turnover.

In the lead up to Brexit, demand for capacity to and from the UK was high, especially in November and December. The abrupt closing of the Channel Tunnel and ferries between the UK and the continent just before Christmas caused serious inconvenience to the sector. Many of our drivers were forced to stay at the border for days and were unable to celebrate Christmas with their families.

As part of the process of centralizing our international transport activities, we closed our satellite office in Barcelona.

Although Mega's transport markets were impacted by the pandemic, several new customers in retail and automotive engaged Vos Logistics. Turnover was also affected by an e-commerce customer changing its international transport concept.



In May 2020, Vos Logistics became McBride's primary selected carrier for FTL transport from Belgium to Germany. McBride is a leading European manufacturer and supplier of private label and contract manufactured products for the domestic household and professional cleaning and hygiene markets.

When McBride was looking for a new logistics partner, they sought a company with fully digital TMS capabilities. Vos Logistics was well placed to deliver.

McBride: **a valuable addition**

“We are pleased with our collaboration with Vos Logistics. It's based on reciprocity and good communication. They make sure our loads are delivered on time and that the process runs smoothly, as well as the implementation of a new TMS.”

Paul Grist, European Transport Manager, McBride

“A positive start to a new collaboration. We deliver McBride products daily. Our analysts have ably facilitated the IT integration. Planning has been successful and communication is strong.”

Paul Kooijman, Sales Manager at Vos Logistics

High Volume

High Volume delivered a stable performance in 2020. In addition to the automotive industry, this business line mainly operates in packaging and construction - sectors less impacted by the pandemic.

The year began in line with 2019 and then experienced a headwind from reductions in automotive production and lockdowns in France. Ground was gained from May onwards.

Performance strengthened during the course of the year. Automotive customers returned to pre-pandemic levels or better, and high demand drove capacity utilization up. Textile recycling services were strong in 2020. Dutch real estate was divested in mid-2020, which generated a book profit. High Volume gained several new customers during the year.

Bulk Network and Storage

Bulk Network had a satisfactory year. The volumes were slightly impacted in the second quarter. Bookings dropped as demand was down for polymers and silicones, typically used for car parts and interiors.

Shipment volumes were reasonably strong throughout 2020. The focus on operational excellence had a positive impact on the production of the fleet, which resulted in increased profit. While the silo and handling business did grow, lower inbound volumes limited its growth.

A French customer applied for a Chapter 11 regime that continued business, although at the expense of bad debts. Our customer base and volumes remained solid.

Mobile storage: **high volume swap bodies**

In order to improve safety when moving textiles in loose bags, Vos Logistics developed an innovative swap body called the CuBoTainer®. This in-house innovation transports loose and packed goods in full truck loads by road. It is also a cost effective inside mobile storage solution.

For this project, we entered into a partnership with WECON GmbH, a specialist in commercial vehicles and container technology. A prototype of the CuBoTainer® was soon developed. This swap body features the combination of hard side panels and curtain sides. The side panels ensure that the goods stay in place while the goods can still be discharged from the sides.

This high volume equipment is stable and provides a high level of protection to the load from outside. It is particularly convenient for industrial packaging, insulation materials and textile recycling, but is also suitable for other products.

“The swap body features the combination of hard side panels and curtain sides. The side panels ensure that the goods stay in place while the goods can still be discharged from the sides.”



Extra storage space

The swap bodies are also a quick, efficient and cost-effective way to generate mobile and flexible storage space.

Handling and storage solutions: **one-stop shop**

At our two silo terminals in Oss (NL) and Lyon (France), we take care of the handling and storage of dry bulk and packaged goods. We provide silo-storage, warehousing and see to the re-bulking of granules and powders including food.



“The value of Vos Logistics in our cooperation lies in the fact that Vos Logistics can offer a very broad range of services to our total supply chain. Besides that, over the years of our partnership, it continuously challenges existing solutions to determine ways to optimize and save on total cost.”

Toni Correia, Owner and CEO of Cotra

We also provide services for the drying and blending of bulk products as well as packaging, re-packing, labeling and sampling. We also facilitate intermodal connections by rail and barge.



New business in challenging times

Despite the challenging environment of 2020, Vos Logistics expanded business relationships throughout the year.

In 2020, we extended our collaboration with Action. The international non-food discounter is expanding rapidly. Given its positive experience with Vos Logistics in Poland, Action chose Vos Logistics to supply their stores in western France.

Logistics Solutions

Logistics Solutions performed well in 2020 with variation across the different business areas we serve. The lockdowns in spring and December had an impact, but relatively limited consequences.

Bulk Specialties

Bulk Specialties experienced a challenging year. The closure of a cement oven and lower demands from some of our customers reduced revenues and results. Some of these developments necessitated restructuring initiatives, raising costs in 2020. In the second quarter, we sold our 50% share in the Lutz joint venture to the other shareholder.

“From the start of our cooperation in 2019, Vos Logistics has proven to be a reliable partner with logistic expertise and the willingness to always go the extra mile. We are happy to expand our cooperation with them further to France. Vos Logistics gives us the peace of mind of having the stores stocked up on time, making it possible to meet the demand of our customers.”

Frank Hesselmann,

Manager Central Transport Planning, Action.

Vos Logistics also expanded activities with Gardena/Husqvarna, building on SNEL Shared Logistics' decade long collaboration with the brand. From 2021, we will take care of Gardena's warehousing, fulfilment and distribution of orders to retailers, garden centers and DIY stores in The Netherlands and Belgium.

Blokker, a well-known Dutch retail chain selling household articles, outsourced its transport activities to us. By teaming up with the latter, Blokker benefits from a shared network and a strong track record in retail distribution.

AkzoNobel and Vos Logistics strengthen partnership in The Netherlands and Germany



In 2020, we further strengthened our long-term partnership with global expert in paints and coatings, AkzoNobel.

The partnership includes services such as warehousing, order fulfilment, mixing paint, in-can tinting, repacking and relabeling, as well as the handling and order preparation of marketing materials (e.g. displays). The two companies work closely together in shared user distribution centers in Roosendaal and Goch, which have a combined capacity of around 35,000 m² and 65,000 pallet locations. Vos Logistics is also a European transport partner for AkzoNobel.

Berthold Huewe, Head of Logistics Development EMEA for AkzoNobel said, "Vos Logistics' strong customer focus, specialized logistics expertise and strong alignment with our strategic development goals make it a clear choice for partnership. We are delighted that the collaboration continues to grow."

The next step in the collaboration includes entering into joint strategic partnerships with other market players with similar supply chains.

Warehousing and National Distribution

Warehousing and National Distribution began 2020 with the acquisition of SNEL Shared Logistics. Through this acquisition, our revenue grew by more than € 40 million in turnover. Even more importantly, this development further strengthened our reputation and offering in fine-meshed distribution and warehousing in The Netherlands. The acquisition also gives Vos Logistics a strong centrally located platform in The Netherlands.

Combined forces enabled Vos Logistics and SNEL Shared Logistics to accelerate the onboarding of significant new business. Since the acquisition we have welcomed Blokker, a furniture retailer, Gardena/Husqvarna and TP-link to our shared distribution network and warehouses.

DIY related distribution, storage and handling business (including paints) experienced a significant boost in 2020. Our cross-dock center in Oss experienced lower volumes due a changed logistics footprint by a large e-commerce customer. As a consequence of insourcing logistics of one of our customers, we took restructuring measures in our warehouse operations in Belgium.

SNEL Shared Logistics, our new subsidiary, performed well. Home deliveries grew by almost 30% as a result of newly gained business and the effects of lockdown. Following a strong performance during the year, national distribution experienced reduced performance after the December lockdown in The Netherlands.

Construction of a new 25,000 m² warehouse in Oss commenced in November. The new sustainable distribution center and accompanying office building are being built according to BREEAM standards. They are scheduled to be completed by the end of 2021.

Freight Management and Forwarding

Freight Management and Forwarding experienced a solid year with stable development. While second quarter results were slightly lower as all three sites were impacted by lockdowns, final quarter results showed higher volumes and turnover in all three branches.

Financial performance

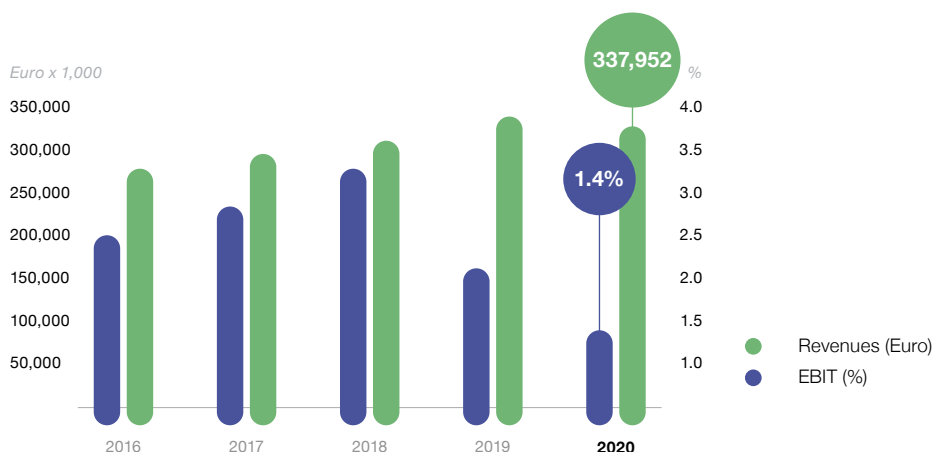
Vos Logistics proved to be resilient in 2020. While the pandemic had an impact on our staff, customers and operations, it was only the year's results that were hurt, not the company.

Excluding the acquisition of SNEL Shared Logistics in early 2020, company turnover dropped to almost € 300 million. The effects of the lockdowns in March, April and May in International Transport largely account for this drop. Consolidated turnover decreased from € 342 million to € 338 million. Lower diesel prices account for € 5 million less revenues.

In line with our strategy, Logistics Solutions (including Bulk Specialties) grew substantially and currently represents 44% of

consolidated turnover against 33% the previous year. Indirect costs and depreciations increased following the SNEL Shared Logistics acquisition.

Consolidated earnings before interest (EBIT) and taxation dropped to € 4.6 million. Net profit was € 3 million, equal to last year due to fiscal benefits and a book profit from divestment. The lower EBIT result mainly stems from the Mega network (due to the pandemic), Bulk Specialties (business developments and restructuring costs) and Logistics Solutions Warehousing and Distribution (restructuring costs and cross-dock development).



Group results

Total net turnover

Subcontracted work

Added value

Total direct costs excl. equipment & housing

Contribution margin

Total indirect costs

EBITDA before direct equipment & housing costs

Total depreciations & leases

EBIT

EBT

2020

€ (x 1,000) %

337,952

83,351 24.7

254,601 75.3

174,036 51.5

80,565 23.8

40,327 11.9

40,238 11.9

35,611 10.5

4,627 1.4

2,478 0.7

2019

€ (x 1,000) %

342,343

100,945 29.5

241,398 70.5

162,451 47.5

78,947 23.1

38,740 11.3

40,207 11.7

33,168 9.7

7,039 2.1

5,204 1.5



Financing and balance sheet

The net debt position including repayable pandemic support and the incorporated SNEL Shared Logistics balance sheet amounted to € 51 million, equal to the 2019 year end. Repayable pandemic support is € 20 million, of which € 6 million is to be repaid in 2021. The largest components are Dutch taxes, Dutch wage subsidies (NOW) and postponed installments for transport equipment leases.

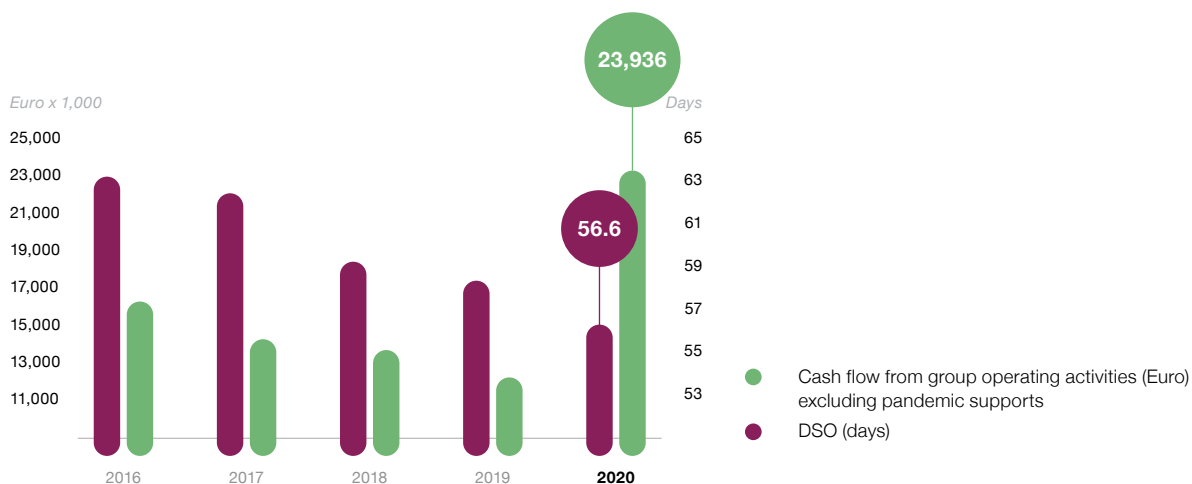
Liquidity as at 31 December is € 36 million and consists of cash at bank and available non-utilized facilities from factoring, compared with € 17 million last year. Liquidity development includes the repayable pandemic support as well as the cash out due to the SNEL Shared Logistics acquisition.

Excluding the pandemic support, the SNEL Shared Logistics

acquisition and the Lutz divestment reveal a recurring 2020 net cash flow of €3.2 million, € 4.3 up from 2019. No dividend was paid out to the company's shareholders.

Lower turnover and less subcontracting reduced the working capital, leading to a high cash flow from operating activities excluding pandemic supports. Credit management was in control, DSO levelled below previous years, except for consequences of the March-May lockdowns.

Following the lowering of working capital and the receipt of pandemic support, our liquidity increased. The high liquidity implied low utilization of factoring facilities. Total assets increased following the SNEL Shared Logistics acquisition (assets and goodwill). Solvency remained at 23%.



Growth, investments and innovation

Vos Logistics continued to strengthen the business. Total investments for the year, excluding acquisitions, amounted to € 15 million and included:

- ✓ the acquisition of 125 trailers;
- ✓ onboarding of 80 trucks for revitalization and expansion;
- ✓ investment in renewing of IT hardware, warehouse equipment and upgrading of buildings, parking spaces and offices.

Beta versions of SmartFox (planning algorithms) and Ultimo (asset management) were also implemented. The company also put considerable effort into developing a driver connectivity app, direct and real-time POD availability and other digital and connectivity initiatives.

In line with our strategy, we progressed our sustainability initiatives and gained sound results. One project was SolarOnTop, a joint initiative with IM Efficiency. This project installed solar panels on top of multiple trucks, enabling fuel savings of up to 2,000 liters of diesel per truck per year, the equivalent of about 6 tons of CO₂. We plan to continue working with IM Efficiency to continually improve the system to create a scalable business case.

Over the course of 2020, we installed over 12,000 solar panels on the rooftops of our buildings in Oss and Roosendaal. We will keep the benefits of solar panels front of mind as we further expand our premises – such as the 25,000 m² De Geer II sustainable logistics center in Oss, which is currently under construction and scheduled for delivery at the end of 2021.



Furthermore, organizational improvements were implemented or initiated. These included the closing of our Barcelona office as well as the reorganization of Belgian warehouses and the Uithoorn structure. The restructuring spend is included in the 2020 EBIT.

Innovation and digitalization

Digitalization is a high priority for Vos Logistics. In 2020, we concentrated on four main themes throughout the business, creating greater efficiencies and further strengthening the company.

SmartFox

SmartFox is a key part of our digital transformation. We started implementing SmartFox in 2019 with our partner, Nexogen, and took positive steps throughout 2020.



SmartFox

The tool aims to provide planners with an automatic shipment planning based on available capacity of the fleet and customer requirements. The planning is based on LOVOS, Vos Logistics' in-house system, and an algorithm developed by Nexogen. This algorithm is constantly optimized.

Paul van Ham, Corporate IT Manager Vos Logistics: "SmartFox has helped us take a big step in terms of digital transformation. It's a completely different way of planning, concentrating on the overall quality of the planning at the most favorable costs, while continuously improving the system."

As SmartFox is further integrated into the company, Vos Logistics expects to achieve a higher fleet production rate and loading efficiency, while reducing empty mileage. This will allow us to lower CO₂ emissions.

Ultimo

The Vos Logistics fleet is managed with Ultimo software. This asset management system was developed by an independent supplier and configured to Vos Logistics' needs. The tool gives an overview of all onboarding and off boarding activities and provides information on the maintenance and repair of all

trucks and trailers. Ultimo is expected to reduce costs and risks, and improve visibility in availability and capacity.

We have worked with Ultimo since early 2020 and are pleased to see that the tool has already improved asset management at Vos Logistics.

Remote workspace

This year, working from home became more important than ever. The facilities to work in a safe environment from home have been in place for several years. The accelerated rollout of Microsoft Teams also enabled us to quickly establish and maintain strong and clear communication throughout the company.

Driver communication

Driver communication further improved in 2020 through smart

innovations stemming from our collaboration with Transics. We launched a project to create an efficient driver-friendly exception-based workflow. The project seeks to streamline customer order processing by digitally linking the logistics process to the on-board computer.

Two new applications were introduced in 2020.

- ✓ An app for in-house drivers that directly connects to the on-board computer. This app was implemented in the International Transport division in 2020.
- ✓ An app that facilitates communication with third-party drivers about orders. This includes entering the order itself, chatting and providing feedback about the order. The app was piloted in 2020 and will be rolled out in 2021.



Sustainability and environment

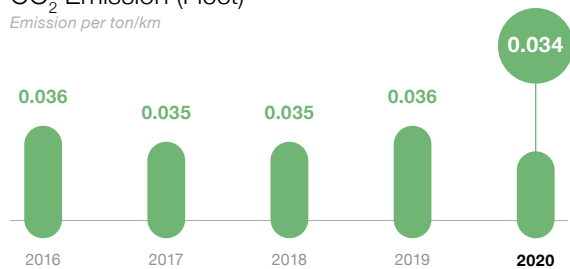
Energy Transition Board joins European Clean Truck Alliance (ECTA)

In April 2020, Vos Logistics launched the company's Energy Transition Board (ETB) as part of our commitment to contributing to cleaner mobility solutions. This group is charged with the responsibility of investigating all options available to Vos Logistics to reduce our CO₂ emissions and to follow up on the developments in alternatives to diesel.

As part of this mission, the Vos Logistics ETB recently joined the European Clean Truck Alliance (ECTA). Launched in July 2020, the ECTA seeks to achieve the fastest feasible decarbonization of road freight vehicles across the sector.

CO₂ Emission (Fleet)

Emission per ton/km



Hytrucks consortium

Vos Logistics is part of Hytrucks, a consortium initiated by Air Liquide and the Port of Rotterdam that aims to put 1,000 hydrogen trucks on the road by 2025. Several providers of hydrogen, OEMs and logistics service providers have joined this innovative consortium that was launched in 2020. The objective is to connect the ports of Rotterdam, Duisburg and Antwerp through a hydrogen corridor that includes the necessary electrolysis capacity to produce low-carbon hydrogen.

This initiative is expected to improve air quality by reducing an estimated 100,000 tons or more of CO₂ emissions per year. This is equivalent to 110 million kilometers driven.

As part of the project, Vos Logistics has jointly undertaken the feasibility study of the entire value chain, which is key to unlocking long-term improvements.

SEC: Super Eco Combi

Throughout 2020, Vos Logistics continued to support the Super Eco Combi (SEC), a new vehicle concept that increases efficiency and saves up to 27% of CO₂ emissions. While the pandemic slowed progress, our commitment to this innovation has remained strong. We are pleased that testing continues

SolarOnTop: a milestone for sustainable transport

SolarOnTop is a joint initiative with IM Efficiency to install solar panels on top of trucks and drive on solar generated energy. The electricity generated by the solar panels can be used for all the vehicle's electrical appliances.

Scan code to
see SolarOnTop
in action!



The project has been piloted and is showing promising signs. In September 2020, solar panels were installed on top of one of our trailers in combination with an LNG truck. We intend to install more panels in the future.

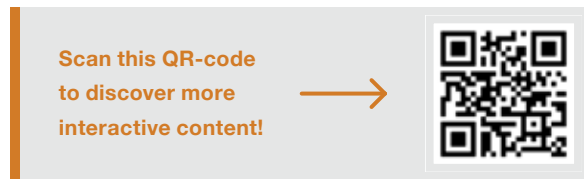
The energy savings are projected to be between 2,000 and 2,500 liters of diesel per truck per year, which is equivalent to about 6 tons of CO₂. Vos Logistics will work with IM Efficiency to further improve the system so more trucks can use the technology. Thanks to the plug and play system, SolarOnTop can be installed non-invasively on a vehicle within a day.



and we are putting much effort into seeing the SEC on the road in The Netherlands in 2021.

LHV (LZV/ Ecocombi)

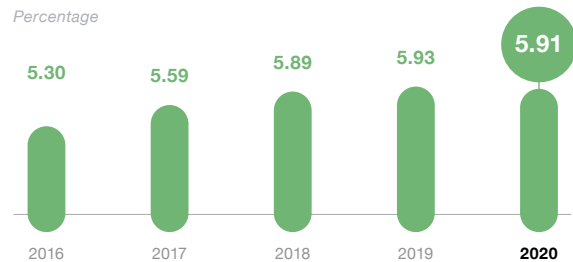
We were pleased to get our Longer Heavy Vehicles (Ecocombi) on the road in Belgium in 2020. This enabled us to load more cargo and reduce both fuel consumption and the number of trucks on the road.



working closely with our customers to provide them the most sustainable, efficient and effective ways to get great results. Examples of our sustainable approaches in 2020 include electric trucks, combining loads, reducing empty mileage and recycling items such as semitrailer curtains and brake calipers.

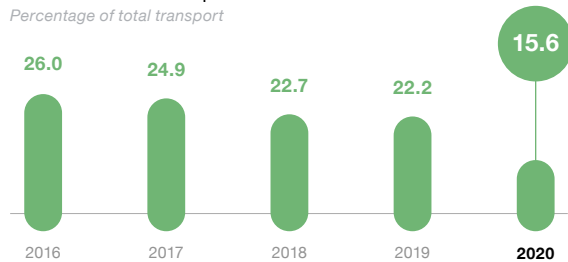
Eurostandard Trucks

Percentage



Multimodal transport

Percentage of total transport

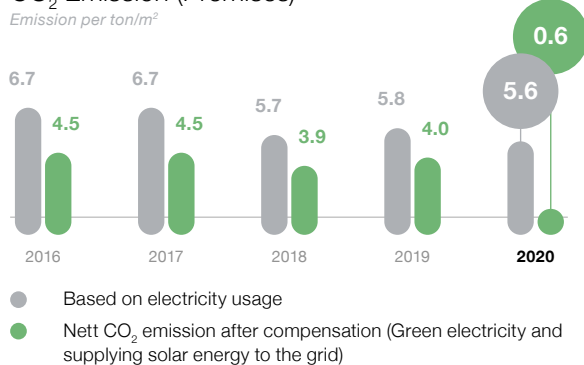


Carbon footprint of premises

In 2020, Vos Logistics installed over 12,000 solar panels on the rooftops of our buildings in Oss and Roosendaal. Building on this success, Vos Logistics will keep solar panels front of mind as we expand our premises.

CO₂ Emission (Premises)

Emission per ton/m²



Sustainable operation in the value chain

Sustainable solutions are in high demand and we are



“The panels on the warehouses of Vos Logistics generate more than 2,200 MWh per year, which is equal to the average energy consumption of 800 households. Approximately 25% of the generated energy is directly re-used in our buildings. With the solar panels in place, we have reduced the CO₂ footprint of our premises by 55% in 2020.”

Eveline Vermeulen, Quality, Environment, Safety, Health and Sustainability Coordinator.

People

Labor market

In 2020, the pandemic required more focus on the safety of our staff than ever. When the pandemic arrived in March, we acted quickly to modify work processes and establish protocols to ensure our people remained safe. We updated our staff regularly about the virus, the consequences of government decisions and the implications of these decisions on their respective jobs.

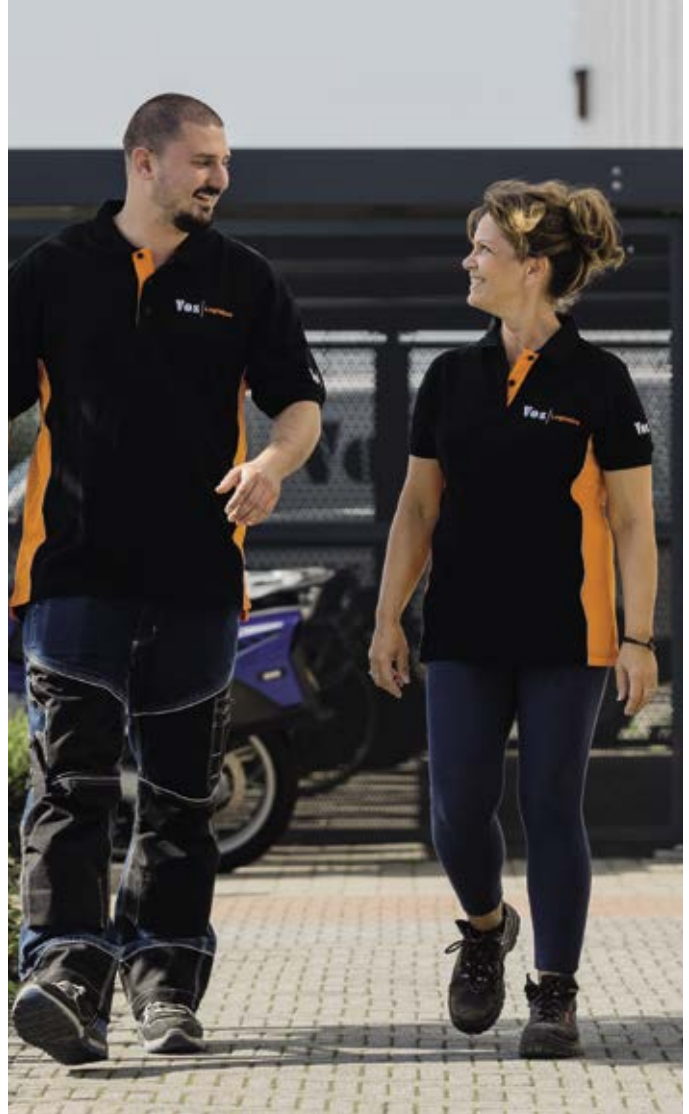
We provided protective and hygiene materials and made sure our employees were tested as soon as possible by private testing services in addition to the government testing services in the different countries we work in. Measures were taken to keep social distance and maintain hygiene in the work areas. Office workers worked from home where possible. There was strong guidance on preventive measures. Drivers were informed on how they may come into contact with the virus, directly or indirectly, and were provided with appropriate solutions.

Hiring across the company was limited to exceptional circumstances. However, the expansion of our domestic services in The Netherlands required a short-term increase in staff. We rapidly recruited via social media and our own employees.

Training and development

In 2020, we kept our safety standards high and continued to conduct digital training as well as on-site training, combining classroom learning with hands-on practical training.

Training sessions dropped from 3,268 in 2019 to 2,029 in 2020. Total training hours were reduced by around 30%, from 28,943 in 2019 to 19,933 in 2020. The reasons behind the reduction in training hours were primarily pandemic related: we hired fewer international drivers and there were fewer opportunities for physical attendance.



Young Professionals Program

The Young Professionals Program in The Netherlands kicked off at the end of 2019. Partnering with ICM, we developed a customized training program for young professionals. Eleven young professionals were given the opportunity to take part. The program was adapted in 2020 so that training could be carried out online.

Workplace Learning Program

The Workplace Learning Program gives logistics students the opportunity to work and study on site. We continued the

At Vos Logistics, it's safety first. One of the ways we equip our people to stay safe is by providing training programs to ensure employees have hands-on experience with operating heavy machinery.

Electric pallet
truck **training**

In 2020, warehouse staff attended electric pallet truck training (EPT) conducted by Smits Opleiding. The training covered an intensive theoretical segment followed by practical sessions.

“This type of training is essential to keep our skills high and incident numbers down. The combination of theory and practice yields excellent results, which we see again this year in our reporting results.”

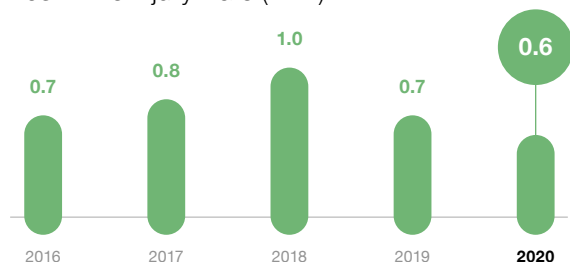
Peter van der Vloet, Warehouse Supervisor

program in 2020 with ROC De Leijgraaf. Given the success and popularity of the program, we also explored options to expand the program to other locations in The Netherlands.

Safety

As people adhered closely to the distancing measures, there were fewer accidents. Accordingly, the lost time injury rate dropped from 0.68 in 2019 to 0.62 in 2020.

Lost Time Injury Rate (LTIR)



In addition, we have kept our eyes on the latest and safest material handling equipment available and will install new equipment with an even higher safety rating in our warehouses in 2021.

Incident reporting improved

The innovative digital initiatives of recent years designed to improve incident reporting continued to bring good results in 2020.

Damage ratio

In 2020, the damage ratio of TPL accidents was 38.3%, close to 2% lower than the 2019 score of 41.5%. The 2020 results, excluding SNEL Shared Logistics, are an improvement on both the 2019 score and the general benchmark score of 42.2%.

The nature of the additional distribution activities due to acquisition led to a comparatively higher damage ratio. The Vos Logistics group average including SNEL Shared Logistics is 56.5%.

At the end of 2020, we set up a project team tasked with rolling out the SNEL Shared Logistics damage prevention policy and subsequently improve the damage ratio. In 2021, we will continue our TPL contract with TVM for 3 years for the Dutch, German and Polish fleets.

The result in 2020 was partly influenced by the pandemic in March and April when the transport orders suddenly decreased and a number of trucks were temporarily not utilized. Further, we

were unable to plan scheduled awareness training sessions with our drivers and fleet managers.

Health

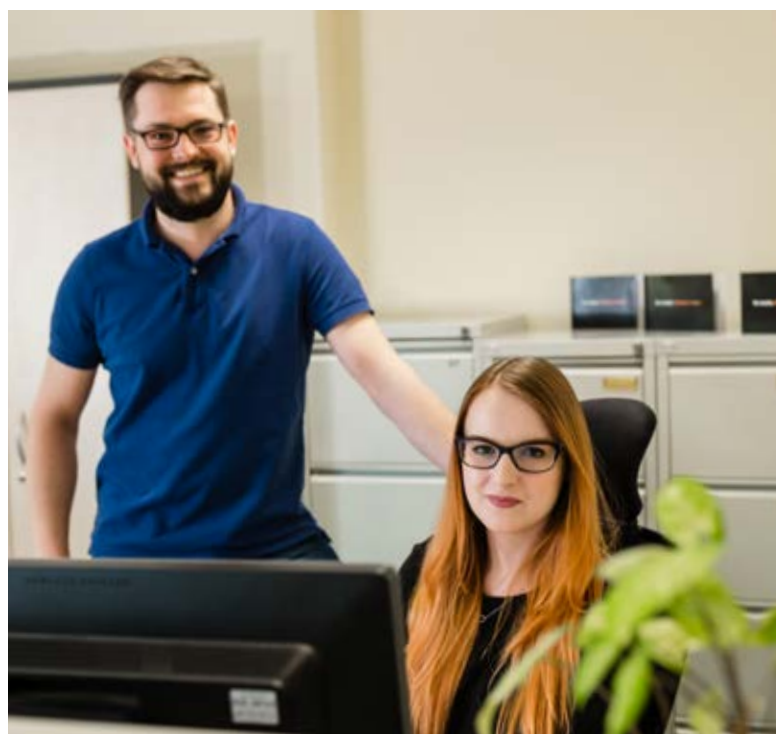
Sickness ratio development

As the pandemic restrictions required people to stay at home and get tested if they showed any symptoms, there was an increase in the sick leave rate. Absence due to illness rose to 4.37%, up from 3.18% in 2019.

Sickness absence



The sick leave rate increased substantially in 2020, with a peak in March. Although we do not know the extent to which the sick leave rate can be attributed to the pandemic, there is a strong chance that it was related. A fair comparison to 2019 – which was not influenced by the pandemic – is therefore not possible.



Society

In 2020, our employees continued to contribute to the communities Vos Logistics works in through a range of initiatives and social programs.

Donations

Donations went to KidsRights, a Dutch organization we have partnered with for 7 years. KidsRights works with children to create a world in which their rights are guaranteed and they are enabled to fulfil their potential to the fullest. Every year, KidsRights awards the International Children's Peace Prize to one child who fights courageously for children's rights.



In 2012 Kesz Valdez (13) from the Philippines won the prize. See what Kesz has to say about our contribution to the foundation.

Scan to hear
more from Kesz!



- ✓ Donated to Szlachetna Paczka, Poland's most recognized social program. In addition, Vos Logistics Poland ordered pre-paid cards for employees. Vos Logistics has supported the program since 2015.
- ✓ Donated funding, school supplies and hygiene items to a children's home in Wilkow im. J. Wyżykowski (Administrative Center for Care and Education Services).
- ✓ Donated 40 phones to be used for online schooling at Casuta Bucuriei, (House of Joy), a charity for children in need in the mountains of Romania. With the help of



Vodafone Romania, Vos Logistics also offered SIM cards for mobile data.

- ✓ Milk donation: in June and August 2020, we made three trips transporting school milk in Cluj. The milk was re-directed and donated to children from the rural area whose schools were closed.

Transport support

- ✓ Transported home appliances to Fundacja Pomocy Rodzinie, (Family Support Foundation). The home appliances were sponsored by Euro RTV AGD, a Polish foundation that supports poor families.
- ✓ Transport of 500,000 units of L'Oreal disinfectants to hospitals throughout Poland. The alcohol for production was delivered free by Wyborowa Pernod Ricard.
- ✓ Transport for our client Action to supply disposable gloves and safety glasses to 5 hospitals in Poland in Kielce, Radom, Kozienice, Chełm and Zamość.
- ✓ Building of modular hospital: in March 2020, four trips were made to transport building materials from Cluj to Constanta.
- ✓ Food Bank Cluj: in April 2020, sponsored shipment from Bucharest to Cluj with food products and milk, which were donated to the Food Bank.



Prospects

While the external events of 2020 presented unprecedented challenges, Vos Logistics demonstrated resilience. Results were impacted, yet at the same time we continued to ably serve our customers, progress strategic initiatives, expand facilities and grow new business. This confirms the company's solid foundation.

The pandemic continues to create uncertainty at a global scale, impacting our markets, our customers, our staff and our company. Vos Logistics demonstrated in 2020 that we have the strength and adaptability to remain a resilient, innovative and reliable partner to our customers. We will continue to grow business opportunities and strengthen our value proposition in the market.

In Europe, we will continue to be vigilant in monitoring challenging developments such as the pandemic, economic cycles, the consequences of Brexit and the EC's Mobility

Package. Vos Logistics complies with legislation in all the countries we operate in. Nevertheless, the outcome of recent investigations and/or possible interpretation differences by Belgian authorities remain unsure. We are confident that this matter will be resolved in good faith.

Unforeseen circumstances aside, we plan to invest approximately € 25 million in 2021 for transport equipment, warehouse inventory and ICT. Employment is expected to be stable throughout the year, subject to the prevailing business environment.

While the new environment creates significant challenges, it also creates opportunities for innovation and collaboration. Vos Logistics will be sure to grab these with both hands. We are confident that we are well equipped to remain robust and succeed in 2021.



Photography: Adrian Hackford

Risk management

Policy

We seek to mitigate the risks in our ordinary activities by maintaining a robust professional organization and high-quality services. Service and efficiency levels are assured by ensuring consistent working methods, staff training and education, administrative procedures, as well as transparency in costs and turnover. Our organization is supported by integrated communication and information systems. The group's risk management policy is supported by an ethical code.

Risk

Market risks

Vos Logistics provides transport and logistics services across many industries and our market is mainly based in Western Europe.

Our company is sensitive to fluctuations in economic activity and is affected by the ebb and flow in volumes generated by our customers. The different product-market combinations are subject to different dynamics. This partly mitigates our sensitivity to market fluctuations.

Economic developments and changes in the overall volume of international goods flows can vary per country and industry, impacting not only turnover but the capacity balance in our networks. One of our main Values of Service, agility, relates to these changes. We use our own vehicle fleet and external capacity to best serve our customers. We can effectively respond to changing demands in volumes and destinations. Potentially, market risks can have a high impact on Vos Logistics' results and/or financial position.

Political and regulatory changes

European and national transport legislation and taxation are subject to continuous change, implying operational uncertainties and extra costs. We actively track these developments and adapt our operations to remain compliant with regulations and to take changed cost settings into account. The potential impact on results and the financial position is considered to be low.

Operational risks

Liability

Liability for direct and indirect losses is limited or excluded through our general terms and conditions of trade and/or

specific agreements with customers or suppliers. Remaining risks are mitigated through internal procedures and insurance coverage. We have drawn up strict internal procedures to limit liability risks arising from non-conformity with local legislation or customs clearance activities. Compliance is continuously monitored, and our staff is trained accordingly.

Fuel prices

Fuel prices are a major component of transport costs. Fuel prices have fluctuated in recent years. We actively manage our fuel consumption and offer more multimodal transport solutions, which reduce fuel consumption. We also apply fuel clauses in most of our sales agreements so that fuel cost fluctuations are transferred to customers as quickly as possible.

IT systems' continuity and integrity

Vos Logistics relies on several IT systems to safeguard the efficiency and effectiveness of its operations. We have an external backup facility, built-in redundancy and a recovery facility that enables the continuity of IT systems that are deemed critical. Several data and access protection systems and procedures as well as 35 security systems are in place to prevent unauthorized access to sensitive data and resources. We continuously work on improving data security and our internal procedures on data access and protection.

Safety

Our operating activities carry the risk of accident, physical injury and breach of health and safety regulations and/or loss of reputation.

Our focus is on prevention and our safety policy recognizes that one of the highest risk factors is human awareness. We put a great deal of energy into training staff about safety awareness and skills. We enforce strict safety measures.

Staff availability

The availability of qualified employees is essential to operate efficiently and effectively. We manage this risk through training and retention programs and active recruitment. The potential impact of operational risks on the company's results and/or financial position is low. We consider the potential impact of operational risks on the results and financial position of the company to be low to moderate.



Financial risks

Debtor risk

Vos Logistics is vulnerable to two types of debtor risk: the risk that a debtor cannot fulfill its obligations and the cash flow risks of late payments. We mitigate these risks by making credit checks, taking out credit insurance and by actively monitoring our trade receivables and collection processes.

Liquidity risk

Vos Logistics is capital intensive with a fairly fixed cost base. Transport and logistics markets are cyclical. We mitigate liquidity risk by maintaining liquidity buffers and factoring arrangements (until the end of 2021). Liquidity risks are further mitigated by managing debtor risk (see above), using temporary workers, and using periodic exit options for our own capacity.

Financing of the asset base is secured by long-term leasing. Financing arrangements are in place for intended investment programs.

Foreign exchange risk

As the group includes Polish and Romanian companies, our balance sheet may be influenced by movements in Polish and Romanian currencies against the euro. We are also exposed to foreign exchange risks arising from purchase and sales transactions denominated in a currency other than the group's functional currency. Our policy is not to hedge these risks. The potential impact of financial risks on the results and financial position is low.

Interest rate fluctuations

Euro interest rates are currently fluctuating at a low level. Vos Logistics has several financing arrangements that could

be impacted by interest rate fluctuations. Financing from factoring includes a Euribor rate base. The interest rate risk to Vos Logistics as part of lease financing is limited as leases are based on a fixed rate. The Euribor rate is not hedged. The potential impact of financial risks on our results and financial position is considered low.

Internal control system

Vos Logistics' internal control system controls the risks inherent in our business operations. The system oversees the effectiveness and efficiency of business processes and consistency in accounting procedures. The system has been designed to control significant risks, attain operational and financial objectives, and ensure compliance.

The Board of Management is responsible for implementing, operating and monitoring the internal control system.

In control statement

To the best of our knowledge, Vos Logistics' risk management and control systems:

- ✓ provide reasonable assurance that the financial reporting is free of material misstatement; and
- ✓ have functioned effectively over the financial year.

The aforementioned risks had no material negative effects in 2020. Clearly, Vos Logistics has been, and is still being, highly impacted by the coronavirus pandemic. Effects thereof could be largely mitigated by ad hoc safety measures for our staff, agility in capacity, outsourcing and work force as well as cost reduction measures. We consider the risk probability of a pandemic as extremely incidental and rare for which no other structural risk management, control systems and risk mitigation measures are required other than what is already in place to address the aforementioned risks in this chapter. There are currently no indications that the risk management and control systems will not function effectively in 2021.

Oss, 31 March 2021

Board of Management,

F.J.M. (Frank) Verhoeven, CEO

G. (Ben) Vos, CFO

Governance

Legal structure

Vos Logistics Beheer B.V., a limited liability company incorporated under Dutch law, is Vos Logistics Group's top holding company. It is not a listed company and therefore under no obligation to adhere to the Dutch Corporate Governance Code. Nevertheless, we strongly endorse the principles underlying the Code and strive to comply with its best practice provisions wherever possible.

Vos Logistics Beheer B.V. does not meet the criteria of the 'large public company' (structuurvennootschap) regime under Dutch law due to the applicability of exemption grounds under Section 2:263 (3b) of the Dutch Civil Code. The Board of Management and shareholders continue to periodically evaluate the status of, and possible changes to, this domain of the governance structure.

Shareholders

All shares in Vos Logistics Beheer B.V. are held by Vos Logistics B.V. The ordinary shares in Vos Logistics B.V. are divided among Scheybeeck Investments III B.V., Frank Verhoeven (CEO) and Ben Vos (CFO).

Organization of the company

Management

Vos Logistics Beheer B.V. is managed by a Board of Management consisting of a CEO (Frank Verhoeven) and a CFO (Ben Vos). The Board of Management is responsible for the transparent management of the company. It defines and sets the vision and the corresponding mission, strategy and goals in close consultation with the shareholders' meeting. Members may be appointed, suspended and dismissed by a two-thirds majority of the shareholders' votes.

The Shareholders' Agreement contains reporting and consulting structures for the Board of Management and the shareholders. The shareholders' agreement also contains a list of management resolutions that may be adopted only with prior approval at the annual general meeting. Furthermore, the shareholders' agreement states that certain shareholder resolutions may be adopted only by a qualified majority of shareholders' votes. The Articles of Association of Vos Logistics B.V. and those of Vos Logistics Beheer B.V. were drawn up accordingly.

Management regulations have been drawn up and approved by the shareholders. They list all the resolutions that must be adopted by the members of the Board of Management jointly, and stipulate that in the event of a difference of opinion amongst the members on specific issues barring them from adopting resolutions, the annual general meeting may be requested to provide a binding recommendation.

The Board of Management exercises its duties in the interests of the company. It continuously and whenever required provides the shareholders with the information they need to carry out their task. We are aware that there are currently no women on the Board of Management. Gender will be one of the assessment criteria for future appointments and we will seek qualified female candidates should there be a vacancy on the Board of Management.

The shareholders of Vos Logistics B.V. have entered into a shareholders' agreement, setting out their internal arrangements with regard to, inter alia, decision-making and reporting structures.

Conflicts of interest

Any conflicts of interest between members of the Board of Management, the external auditor and the company will be resolved at the annual general meeting. There were no conflicts of interest in 2020.

The shareholders appointed an Advisory Board consisting of two persons, Mr Ruud Sondag and Mr Paul Nielen. In September 2020 Mr Dick Burger replaced Mr Paul Nielen in this position. The Advisory Board consults with and advises the Board of Management on request or on its own initiative on policy and business developments. The Advisory Board can be requested to advise on subjects such as acquisitions, strategy, organization and investments. The prime focus of the Advisory Board is the interest of Vos Logistics and its shareholders. The Advisory Board consults with and advises the shareholders on request or on its own initiative on the aforementioned subjects and the decisions as outlined in the shareholders' agreement.

Both the shareholders and the Board of Management are confident that this governance structure contains sufficient checks and balances to ensure the proper functioning of the organization.

Financial reporting

External auditor

An external auditor is appointed at the annual general meeting. The external auditor reports to the shareholders and to the Board of Management. The shareholders, the Advisory Board and the Board of Management held one meeting with the external auditor, the CFO and the Group Controller.

Annual integrated reporting

This annual integrated report combines our financial report and our sustainability report. Integrated reporting is part of how we demonstrate that sustainability is an essential part of Vos Logistics' operational management on behalf of its stakeholders. The report is supported by monthly integrated review meetings.

Governance

Sound business practices, integrity, respect, transparent reporting and accountability are the cornerstones of Vos Logistics' corporate governance policy. Our corporate governance is determined by applicable national and European legislation, codes of best practice in the countries in which we operate, and our Values of Service.

We have implemented several sets of regulations regarding the performance of the various bodies and the rules applicable within Vos Logistics. The regulations are reviewed from time to time and amended as and when necessary. They are:

- ✓ the Articles of Association of the Company;
- ✓ the Articles of Association of Vos Logistics B.V.;
- ✓ the Shareholders' Agreement;
- ✓ Vos Logistics' policy;
- ✓ Values of Service;
- ✓ the Ethical Code;
- ✓ the Whistleblower Policy;
- ✓ Management Regulations.

Ethical Code

We act in accordance with our Values of Service and ethical principles. The Vos Logistics Ethical Code provides our organization and our suppliers with detailed guidelines on conduct. The Code contains ethical principles and explains what we expect from our organization and our suppliers. The Values of Service represent what we stand for and guide all the processes in our organization.

Whistleblower Policy

Vos Logistics has a Whistleblower Policy as part of its corporate compliance framework. This Policy creates an environment in which employees and external business partners feel confident to raise concerns with Vos Logistics. The Policy includes a reporting mechanism that is objective, confidential and independent, and it protects whistleblowers from reprisal or disadvantage resulting from raising concerns. The Policy was not used by employees or business partners in 2020.

The Ethical Code, Values of Service, Whistleblower Policy and the other regulations listed above embody Vos Logistics' policies regarding environmental, social and staff matters, respect for human rights as well as the combating of corruption and bribery.

Values Of Service



Ethical code

Ethical Principles

Respect for human life and dignity

Respect for diversity

Respect for the environment

Integrity

Composition of the group's Board of Management

Board of Management

Frank Verhoeven (b. 1966)

CEO

Nationality: Dutch

Joined Vos Logistics: April 2007

Supervisory Board memberships and board positions:

NDL/HIDC, OMO (Ons Middelbaar Onderwijs),

Munckhof Groep, Secure Logistics

Previous positions:

Between 2006 and 2007 CEO of Biegelaar. From 1994 to 2006, senior management positions at the Royal Frans Maas Group (currently DSV). Before 1994, marketer at Lease Plan.

Ben Vos (b. 1966)

CFO

Nationality: Dutch

Joined Vos Logistics: March 2008

Other position: *Member of the municipal council of Moerdijk*

Previous positions:

Since 2000, senior financial management positions at Wilson Logistics (currently Geodis Wilson) and Brunel International. Before 2000, auditor (registered accountant) at Deloitte and PwC.

Advisory board

Ruud Sondag

Dick Burger

Management team

Board of Management

Frank Verhoeven

Ben Vos

International Transport

Marc van Alphen (*Managing Director Bulk*)

Henk-Jan van der Molen (*Commercial Director Mega*)

Marton Dozsa (*Business Unit Manager Romania*)

Wojciech Cybulski (*Business Unit Manager Polska*)

Management Logistics Solutions

Toine van Gils (*Managing Director*)

Peter de Vries (*Commercial Director*)

Corporate Staff

Twan Haerkens (*Controller*)

Paul van Ham (*IT Manager*)

Paul van den Brink (*HR Manager*)

About this report

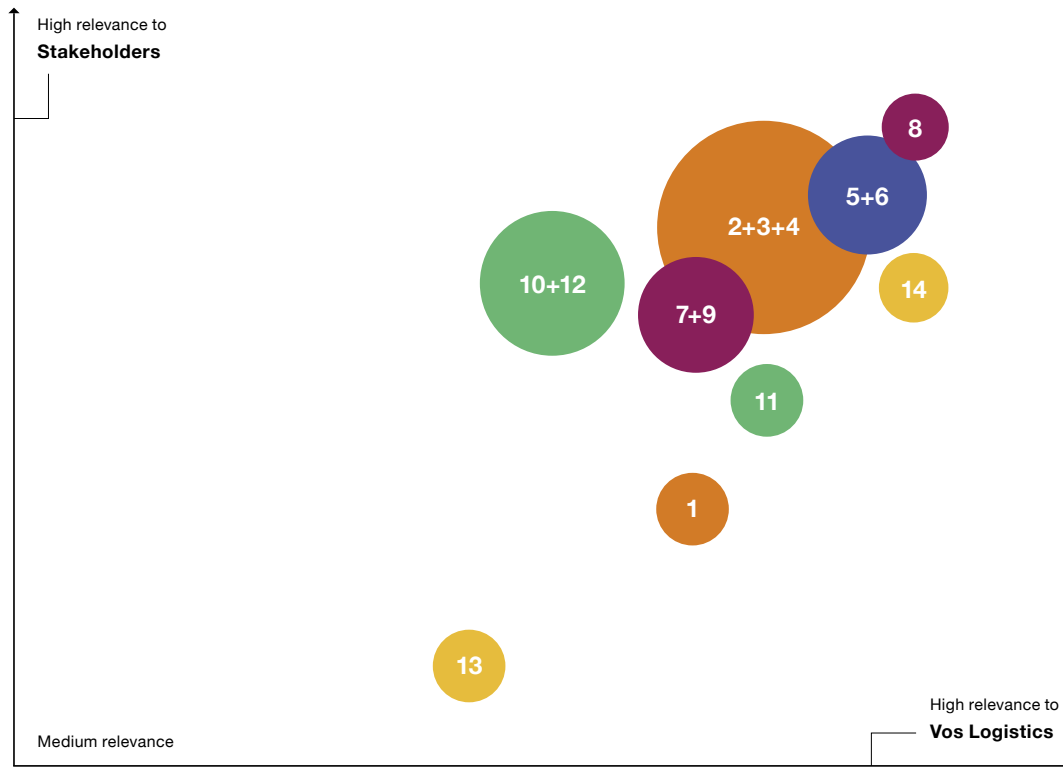
Stakeholder engagement

Vos Logistics is a responsible logistics service provider. The company recognizes five stakeholder groups: customers, staff, suppliers, society and shareholders. We identified these groups in accordance with the value chain and an impact analysis of our activities. The table below shows Vos Logistics' most important strategic themes according to our stakeholder

groups. We have used the outcome of the materiality analysis as a reporting framework and as a guideline for strategic decision-making as well as a source of dialogue with our stakeholders. The table also shows the other communication channels we have used for stakeholder engagement.

<u>Stakeholder</u>	<u>Expectations</u>	<u>Main forms of dialogue</u>
Customers	<ul style="list-style-type: none"> Value for money Optimal service Innovation Corporate sustainability Responsibility Reliability Prompt complaint handling 	<ul style="list-style-type: none"> Client relationship Visits Performance measurements Complaint management Customer satisfaction survey Panel meetings Company updates
Staff	<ul style="list-style-type: none"> Safe workplace Personal development and training opportunities Attractive terms of employment Pleasant working conditions and atmosphere Career perspectives 	<ul style="list-style-type: none"> Personal development plans Appraisal/performance interviews Newsletters, social media Staff satisfaction survey CEO roadshows to meet colleagues Staff exchange programs Internal and external training courses
Suppliers	<ul style="list-style-type: none"> Reliability Long-term relationship Competitive pricing Compliance with laws and regulations Sustainability 	<ul style="list-style-type: none"> Day-to-day practice Regular visits Supplier assessments Benchmarking
Society (civil society organizations + public authorities/supervisors)	<ul style="list-style-type: none"> Support for civil society organizations (sponsorships, donations, charity work, knowledge sharing, etc.) No activities that harm society Increasing accountability for how we create societal value Compliance with legislation and regulations Commitment to local community activities/ local sustainability initiatives 	<ul style="list-style-type: none"> Participation in/membership of alliances Bilateral consultation with various organizations Active participation in local initiatives Meetings Website
Shareholders	<ul style="list-style-type: none"> Value creation Financial solidity Solid risk policy, including reputation management Adherence to our values, including sustainability ambitions 	<ul style="list-style-type: none"> Shareholder meetings Management letters Annual report

Materiality matrix 2020



Market

1. Innovations
2. Operational excellence
3. Sustainable transport solutions
4. Client focus

Financial

5. Financial performance
6. Risk management

Staff

7. Training & Communication
8. Safety
9. Labor conditions / working climate

Environment

10. Clean vehicle technologies
11. Energy efficiency
12. Supplier assesment

Society

13. Community engagement
14. Integrity

Materiality and strategy

According to the Global Reporting Initiative, 'determining materiality for a sustainability report includes considering economic, environmental, and social impacts that cross a threshold in affecting the ability to meet the needs of the present without compromising the needs of future generations'.






In defining Vos Logistics' material themes, we consulted our stakeholders. We also reviewed and tightened up the related KPIs. The materiality matrix above shows the value of the

strategic themes for our stakeholders and the priority they give them, set against the value of the strategic themes for Vos Logistics.

The results of an earlier Employee Satisfaction Survey confirms the importance of sustainable transport solutions and client focus to our workforce. Labor conditions/working climate increased in ranking and Training and Communication slightly dropped.

Material - Theme	Strategy	Goal	KPI
Market - Controlled growth			
Innovations	<ul style="list-style-type: none"> Invest in innovation and quality of services Develop innovative logistics and transport solutions and equipment 	<ul style="list-style-type: none"> Act as a frontrunner with new developments Clean and efficient supply chain solutions 	<ul style="list-style-type: none"> Impact - (people - profit - planet)
Operational excellence	<ul style="list-style-type: none"> Maintain state-of-the-art infrastructure and equipment 	<ul style="list-style-type: none"> Reduce logistics costs for customers Efficient and effective operation 	<ul style="list-style-type: none"> Customer satisfaction
Sustainable transport solutions	<ul style="list-style-type: none"> Reduce CO₂ footprint together with customers and logistics partners Develop sustainable transport concepts 	<ul style="list-style-type: none"> Reduce CO₂ footprint of transport and warehousing Lasting and close alliances Contracts with sustainability features 	<ul style="list-style-type: none"> Multimodal solutions % Kg CO₂ emission, fleet per tonne/km Kg CO₂ emission, warehouses per m²
Client Focus	<ul style="list-style-type: none"> Provide added value and increased quality of revenue for customers Establish organic growth, using proven and new logistics and transport concepts Establish growth by selective acquisitions 	<ul style="list-style-type: none"> Focus on long-term relationships Strengthen market position Growth in the quality of revenue 	<ul style="list-style-type: none"> Growth in turnover and volume of shipments Profitability growth
Financial - Quality improvement in profit			
Financial performance	<ul style="list-style-type: none"> Ensure long term continuity by focusing on value added activities Optimize costs 	<ul style="list-style-type: none"> Improve quality of turnover Growth of added value activities 	<ul style="list-style-type: none"> Development of the margin Growth in selected business segments
Risk management	<ul style="list-style-type: none"> Focus on lasting and close alliances 	<ul style="list-style-type: none"> Financial health and scope for investment 	<ul style="list-style-type: none"> Working capital efficiency
Staff - Responsible employer			
Training & Communication	<ul style="list-style-type: none"> Facilitate training and development for employees 	<ul style="list-style-type: none"> Well-educated employees 	<ul style="list-style-type: none"> Training hours per FTE
Safety	<ul style="list-style-type: none"> Create a safe and healthy workplace 	<ul style="list-style-type: none"> Safety at work as part of the business culture Fewer accidents 	<ul style="list-style-type: none"> Lost Time Injury Rates Damage ratio
Labor Conditions / working climate	<ul style="list-style-type: none"> Ensure good labor conditions Support personal development Create an inspiring working environment 	<ul style="list-style-type: none"> Strengthen staff employability High retention rate and personal development Increase job rotation and mobility 	<ul style="list-style-type: none"> Retention rate Staff satisfaction
Environment - Sustainable business operation			
Clean vehicle technologies	<ul style="list-style-type: none"> Application of techniques and innovations in transport (Replacement and expansion measures) Increase use of Alternative transport modes 	<ul style="list-style-type: none"> Reduce CO₂ emissions 	<ul style="list-style-type: none"> Kg CO₂ emission, fleet per tonne/km Multimodal solutions %
Energy efficiency	<ul style="list-style-type: none"> Energy management 	<ul style="list-style-type: none"> Reduce CO₂ emissions of warehouses 	<ul style="list-style-type: none"> Kg CO₂ emission, warehouses per m²
Supplier assesment	<ul style="list-style-type: none"> Act as a sustainable operation in the value chain 	<ul style="list-style-type: none"> Sustainable procurement policy Innovating in collaboration with suppliers 	<ul style="list-style-type: none"> Supplier assessment % unloading and loading at the same site
Society - Responsible and involved			
Clean vehicle technologies	<ul style="list-style-type: none"> Develop the logistics sector by working with educational institutions, public authorities and interest groups 	<ul style="list-style-type: none"> Corporate Social Responsibility Social added value Labor participation, room for less abled employees 	<ul style="list-style-type: none"> Social projects carried out Participation in management bodies / engagements
Integrity	<ul style="list-style-type: none"> Work with integrity 	<ul style="list-style-type: none"> Act in accordance with the Vos Logistics Ethical Code Code of conduct for suppliers 	<ul style="list-style-type: none"> Breaches of Ethical Code Numbers of claims to Ethical Code

Vos Logistics' contribution to the Sustainable Development Goals

SDG	Definition	Reference in the report	Link to strategic pillar	contribution or alignment with SDS goal
	<p>Ensure healthy lives and promote well-being for all at all ages</p> <p>3.6 halve the number of global deaths and injuries from road traffic accidents by 2020</p>	<ul style="list-style-type: none"> • Health and safety 	<ul style="list-style-type: none"> • Responsible employer 	<ul style="list-style-type: none"> • Health and safety programmes
	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities</p> <p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p> <p>4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development.</p>	<ul style="list-style-type: none"> • Training and development • Labour conditions / working climate 	<ul style="list-style-type: none"> • Responsible employer 	<ul style="list-style-type: none"> • Encourage training and education of workforce • Share knowledge and professional skills
	<p>Decent work and economic growth</p> <p>8.8 Project labour rights and promote safe secure working environments voor all workers</p>	<ul style="list-style-type: none"> • Quality & innovation • Labour conditions / working climate 	<ul style="list-style-type: none"> • Controlled growth 	<ul style="list-style-type: none"> • Offer opportunities to enter the transport and logistics sector • Invest in innovation and quality of services • Strengthen staff employability
	<p>Climate change</p> <p>13.2 Action to improve climate change</p>	<ul style="list-style-type: none"> • Clean vehicle technologies • Energy efficiency • Innovation 	<ul style="list-style-type: none"> • Sustainable business operation 	<ul style="list-style-type: none"> • Clean and efficient supply chain solutions • Reduce CO₂ footprint of transport and warehousing • Develop innovative logistics and transport solutions and equipment
	<p>Partnerships</p>	<ul style="list-style-type: none"> • Sustainable transport solutions 	<ul style="list-style-type: none"> • Controlled growth • Sustainable business operation 	<ul style="list-style-type: none"> • Clean and efficient supply chain solutions • Reduce CO₂ footprint with customers and logistic partners

KPI Dashboard 2016-2020

Vos Logistics has defined 6 key performance indicators (KPIs) with which to measure its sustainability goals. We have consistently measured KPIs across all our business units since 2009. All KPIs are consolidated at group level. The sustainability goals and results are summarized in the KPI dashboard on the next page. As we track progress on the KPIs, we monitor our sustainability policy. Performance is measured each month and our sustainability KPIs are audited externally. Since 2014, the

KPIs have been incorporated in the monthly financial report. Each month, the Board of Management and cluster directors discuss the financial results and the sustainability, quality and safety results. The sustainability KPIs, the quality audits and the safety incidents form specific steering instruments for group and cluster management. The charts in this report show the results from 2016-2020. We are pleased with the progress we have made since our sustainability program began in 2009.

KPI dashboard definition table

KPI	Definition	Scope	Measurement, calculation and estimation method
Kg CO₂ emission per ton/km	The CO ₂ in kilograms emitted by our trucks per ton/kilometer plus the CO ₂ emission per ton/km of multimodal transport	Vos Logistics Group, including joint venture Cetra	<ul style="list-style-type: none"> Road Transport: Greenhouse Gas Protocol; Guidance on measuring and reporting Greenhouse Gas (GHG) emissions from freight transport operations. Shipments reported are actual loaded weight where data is available. Other shipments are estimated at 24 tons. Approx. 85% of the locations record their loaded kilometers in LOVOS. The loaded kilometers of the location that do not use LOVOS (approx. 15%) are estimated (varying from 50% to 85%) based upon prior experience and actual data in TMS). Multimodal transport: ((Number of multimodal shipments x average loaded weight) x average number of kilometers) x unit in accordance with 'Measuring and managing CO₂ emissions of European Chemical Transport' by Professor Alan McKinnon and Maja Pieczyk.
Kg CO₂ emission premises per m²	The CO ₂ emissions from our premises	Vos Logistics warehouse operations in the Netherlands + Goch (DE) + Oevel (BE)	Greenhouse Gas Protocol (conform DEFRA 2018) Number of kWh x GHG protocol unit divided by number of square meters. The measurement relates to the consumption of electricity; gas consumption is not concluded (limited till "0" use of gas in warehouse operations). The number of m ² per building is determined by lease contracts, measurement certificated and floor plans.
Multimodal	Transport using more than one modality, such as rail and short-sea	Vos Logistics International Transport: Cargo, Bulk and High Volume	Number of multimodal shipments (rail and short-sea), derived from the invoices of the rail and short-sea companies divided by the total number of shipments (road, rail and short-sea) from the LOVOS/Chainware planning system.
Fleet average	The average Euro standard of the fleet	Vos Logistics Group, including joint ventures, Cetra, Lutz, Gehlen Schols and Nedex	The number of trucks times the euro standard divided by the number of trucks. The euro standard for EEV (Energy Efficient Vehicles) is 5.5. PM levels at 0.02g/kWh, measured on the European transient test cycle, reduction in exhaust smoke opacity compared to Euro V.
Sickness absence	The absenteeism rate indicates the percentage of working times that is not worked owing to sickness or incapacity for work	Vos Logistics Group, including joint ventures Cetra and Lutz	Total number of days of reported in a given period divided by the number of calendar days in the same period x number of fte's x 100%
LTIR (Lost Time Injury Rate)	Number of reported accidents with one or more lost working days + number of fatal accidents involving Vos Logistics' staff relative to the number of hours worked in a given period	Vos Logistics Group, including joint venture Cetra	Number of reported Lost Workday Cases + number of fatalities x 1,000,000/number of man-hours worked/12 (153 per month). Reported and fatalities are registered and recorded centrally and checked against data at the HR department. Vos Logistics is confident that the data underlying the number Lost Workday Cases and the LTIR are reliable. Vos Logistics works on increasing safety awareness, including the reporting of incidents.

Glossary

ADR - *Accord européen relatif au transport international des marchandises Dangereuses par Route* 'ADR' is derived from the French title of the European treaty regarding international road transport of hazardous goods.

APS - Advanced planning and scheduling system such as SmartFox to optimize capacity planning and making real time freight arrival information available.

BREEAM - Building Research Establishment Environmental Assessment Method. A method to assess the sustainability performance of buildings.

Business Unit - Subsidiary of Vos Logistics.

DIY - Do It Yourself

DSO - Days Sales Outstanding

e-CMR - Electronic management of the United Nations Convention for the carriage of goods, known as the CMR (Convention relative au contrat de transport international de Marchandises par Route).

EBIT - Earnings Before Interest

EBITDA - Earnings Before Interest, Taxes, Depreciation and Amortization

ECTA - European Clean Truck Alliance

EEV - enhanced-environmentally-friendly-vehicle
A classification of European emission standards.
The euro standard for an EEV is 5.5.

EMEA - Europe, the Middle East and Africa

EPT - Electric Pallet Truck Training

ETB - Energy Transition Board

FTL - Full Truck Load

FTE - Full-time equivalent. A unit to express the size of the workforce or number of employees.

HV100 - HVO is a premium fossil free diesel product made of 100% renewable raw materials. HVO100 is pure HVO and can be used in diesel engines without modification and is approved for all heavy vehicles of market leading engine manufacturers.

ISO - International Standards Organization An international standard-setting organization. ISO has a membership made up of national standards bodies.

KPI - Key Performance Indicator Variables used to quantify and analyze performance.

LBG - Liquefied bio gas similar to LNG made from feedstocks.

LHV - Longer Heavier Vehicle

LNG - Liquefied Natural Gas. Natural gas stored as a liquid at a temperature of -162°C.

LOVOS - Transport Management System developed by Vos Logistics.

LTL - Less than Truck Load

LTIR - Lost Time Injury Rate Number of reported accidents with one or more lost working days and the number of fatal accidents involving Vos Logistics' staff, relative to the number of hours worked in a given period.

LWC - Lost Workday Cases Number of working days that were lost due to reported accidents.

LZV - Langere en Zwaardere Vrachtautocombinatie (longer and heavier vehicle combination)

Multimodal - Transport using more than one modality, such as rail and short-sea.

NGVA - Europe Natural Gas Vehicle Association Europe.

OEM - Original Equipment Manufacturer

POD - Payable on Demand

SEC - Super Eco Combi

TMS - Transportation Management System

TPL - Third Party Logistics. Outsourcing logistics services by using a third party.

Financial statements



CONSOLIDATED BALANCE SHEET

(After appropriation of the result)

in thousands of euros

	Ref. note	31 December 2020	31 December 2019
ASSETS			
Fixed assets			
Intangible fixed assets	1	5,219	1,653
Tangible fixed assets	2	66,024	62,337
Financial fixed assets	3	5,996	6,304
		77,239	70,294
Current assets			
Inventories		1,476	1,805
Receivables	4	68,928	66,645
Cash at bank and on hand	5	6,661	3,597
		77,065	72,047
Total assets		154,304	142,341
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Shareholders' equity	6	34,215	31,483
Minority interest		1,066	1,552
Group equity		35,281	33,035
Provisions			
Deferred tax liabilities	7	923	738
Other provisions	8	2,694	1,579
Long-term liabilities other	9	29,817	27,175
Current liabilities			
Liabilities to financial institutions	10	13,111	27,546
Trade creditors		36,312	33,593
Other liabilities	11	36,166	18,675
		85,589	79,814
Total equity and liabilities		154,304	142,341

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR 2020

<i>in thousands of euros</i>	Ref. note	2020	2019
NET TURNOVER	12	337,952	342,343
Subcontracted work and other external costs		83,351	100,945
Personnel costs	13	125,040	110,679
Depreciation and amortization	14	12,300	9,992
Bookprofit disposals		(592)	-
Release revaluation reserve	20	(293)	(35)
Other operating expenses	15	113,519	113,723
TOTAL OPERATING EXPENSES		333,325	335,304
EARNINGS BEFORE INTEREST AND TAX		4,627	7,039
Financial income & expense	16	(2,149)	(1,835)
PROFIT/(LOSS) BEFORE TAXATION		2,478	5,204
Income taxes gain/(loss)	17	(115)	(1,778)
Share in profit/(loss) of participating interests		867	-
Minority interests		(175)	(375)
		577	(2,153)
NET RESULT		3,055	3,051

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT FOR 2020

<i>in thousands of euros</i>	Ref. note	2020	2019
NET RESULT		3,055	3,051
Release revaluation reserve	20	(293)	(35)
Currency translation difference for the year	20	(30)	(18)
		(323)	(53)
COMPREHENSIVE INCOME		2,732	2,998

CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

in thousands of euros

	Ref. note	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		4,627	7,039
Earnings before interest and tax			
ADJUSTMENTS FOR:			
Depreciation and amortization (in) tangible fixed assets	14	12,300	9,992
Bookprofit disposals		(592)	-
Movements in equity	6	(323)	(53)
Movement provisions	8	1,798	272
		13,183	10,211
CHANGES IN WORKING CAPITAL:			
Receivables		6,598	1,839
Inventories		375	21
Current liabilities		16,832	(5,445)
		23,805	(3,585)
Paid from provisions	8	(684)	(188)
Corporate income tax paid		(1,139)	(1,157)
		(1,823)	(1,345)
Cash flow from Group operating activities		39,792	12,320
CASH FLOW FROM INVESTING ACTIVITIES			
Additions tangible fixed assets		(3,870)	(4,599)
Additions intangible fixed assets		(319)	(682)
Acquisitions participations		(5,817)	-
Disposals tangible fixed assets		852	304
Divestments participations		1,130	-
Changes financial fixed assets		660	853
Cash flow used in investing activities		(7,364)	(4,124)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to shareholders	6	-	(1,059)
Dividends paid to minority interests	6	(175)	(425)
Increase / Repayment loans	9	4,307	(310)
Repayment lease	9	(9,495)	(8,309)
Factoring	10	(21,852)	2,945
Interest paid	16	(2,149)	(1,757)
Cash flow from Group financing activities		(29,364)	(8,915)
NET CASH INFLOW (OUTFLOW)		3,064	(719)
Cash and cash equivalents			
Cash and cash equivalents at 1 January		3,597	4,316
Cash and cash equivalents at 31 December		6,661	3,597
INCREASE/(DECREASE) IN CASH AT BANK AND ON HAND		3,064	(719)

General notes

The Company and its operations

Vos Logistics Beheer B.V. ("Vos" or the "Company"), which is registered in Oss, the Netherlands, that operates throughout Europe. The activities include transportation services of packed goods and bulk goods, warehousing, value added services, forwarding, distribution services and supply chain management. Vos Logistics B.V. directly holds 100% of the shares in Vos Logistics Beheer B.V. Vos Logistics B.V. is the ultimate parent company of Vos Logistics Beheer B.V. and includes the financial data of Vos Logistics Beheer B.V. in its consolidated financial statements, copies of which are available at cost from the Trade Registry of the Chamber of Commerce.

Statement of compliance

The accounting policies applied relate to both the consolidated financial statements and the Company financial statements. The consolidated financial statements have been prepared on a historical cost basis, unless stated otherwise. The consolidated financial statements are presented in euro and all values are rounded to the nearest thousand (€ 000) except when otherwise indicated. The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. The COVID-19 pandemic has had a big impact on our revenues and operating profitability of operating result. The company however was able to adapt to the new situation and remained profitable. We obtained pandemic support which is partly repayable. Total repayable pandemic support is € 20 million, of which € 6 million is to be repaid in 2021. The largest components are Dutch taxes, Dutch wage subsidies (NOW) and postponed installments for transport equipment leases. The financial statements are prepared on the going concern assumption. In general, assets and liabilities (except for Group equity) are stated at the amounts at which they are acquired or incurred, or fair value. If not specifically stated otherwise, they are recognized at the amounts at which they were acquired or incurred. The balance sheet, income statement and cash flow statement include references to the notes. The comparable figures of previous year have been reclassified to conform to the current year's presentation and to increase the quality of the disclosures.

Basis of consolidation

The financial statements were prepared on March 31, 2021. The consolidated balance sheet and the profit and loss account comprises the financial statements of the Company and its subsidiaries as reported in the chapter Principal Participating interests at 31 December 2020. All intra-group transactions, balances, income and expenses and profits and losses resulting

from intra-group transactions that are recognized in assets, are eliminated in full. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Minority interests represent the portion of profit and loss and net assets in participating interests not held by the Group and are presented separately in the income statement and within equity in the consolidated balance sheet separately from parent shareholders' equity. Group companies are defined as participating interests which are part of the economic entity of Vos Logistics Beheer B.V., which are directly or indirectly controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Financial figures of participating interests are included in the consolidation from the effective date of acquisition or the date at which control is achieved. Goodwill is recognized for the difference between historical cost and fair value of the acquired participating interests. Since the financial data of Vos Logistics Beheer B.V. are included in the Group financial statements, the Company profit and loss account is presented in abbreviated form in accordance with the exemption permitted in Section 402 of Book 2 of the Dutch Civil Code.

Mergers and acquisitions

Acquisitions are recognized in the financial statements according to the purchase accounting method. This means that any assets and liabilities acquired are carried at fair value as at the acquisition date. The difference between cost and the company's share of the fair value of the identifiable assets and liabilities acquired at the time of the transaction of a participating interest is recognized as goodwill. On 6 January 2020 Vos Logistics acquired 100% of the shares of Snel Shared Logistics B.V., Woerden. The financial figures of Snel Shared Logistics have been taken into the consolidated accounts as per 1 January 2020.

Foreign currency

Transactions in foreign currencies are initially recorded in the functional currency rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to profit or loss except for translation differences on investments. These are taken directly to equity until the disposal of the net investment at which time they are recognized in the profit and loss account.

Notes on consolidated balance sheet

Intangible fixed assets

Intangible fixed assets are carried at historical cost net of straight line amortization. Allowance is made for any impairment losses expected at the balance sheet date; a loss qualifies as an impairment loss if the carrying amount of the asset (or the cash-generating unit to which it belongs) exceeds its recoverable amount. Fair value less costs to sell is determined based on the active market. An impairment loss is directly expensed in the profit and loss account. Goodwill and software are capitalised and amortized on a straight line basis over the estimated useful economic life of 20 or 10 years and 10 years respectively. The assessment of the useful economic life relating to goodwill of 20 or 10 years is based upon the assumptions made at the time of each acquisition.

Tangible fixed assets

Land and buildings are stated in the balance sheet at cost less accumulated depreciation. Transport equipment and other tangible fixed assets are measured at cost, less accumulated depreciation. Depreciation is calculated on a straightline basis over the estimated useful life of the assets. Maintenance which increases the useful life of assets is capitalised, however the carrying value of the asset will not exceed the fair value. An allowance is made for any impairment losses if expected on the balance sheet date.

Financial fixed assets

The Group's investments in its subsidiaries are valued according to the equity method on the basis of net asset value. Minority interests are valued at historical cost or the lower recoverable amount. Loans are carried at amortized cost. The minority interests on participations are valued at cost price or a lower absolute value. Financial assets held for trading are valued at cost.

Inventories

Inventories are valued at the lower of cost and net realizable value. Inventories consist of raw materials and consumables.

Receivables

Trade receivables, amounts receivable from participating interests and other amounts receivable are carried at face value net of a provision for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowing in current liabilities on the balance sheet.

Revaluation

The revaluation reserve is stated net of tax for assets recognized at fair value, the amount recognized in profit and loss account is determined on a gross basis. The tax amount that is connected with the decrease in the revaluation reserve is expensed in the profit and loss account within the income tax expense.

Minority interest

Minority interests in consolidated subsidiaries are carried at net asset value. Minority interests are presented separately in the consolidated financial statements. Minority interests in group companies are part of group equity. Minority interests in the income statement of group companies are deducted from result after tax.

If the losses attributable to the minority interest exceed the minority interest in equity of the group companies, the balance as well as any further losses are charged in full to the Company, unless and to the extent that the holder of the minority interest is liable for, and able to bear, those. If the group companies subsequently achieve profits, those profits accrue in full to the Company until the losses borne by the Company have been fully compensated.

Pensions

Within the Vos Logistics Group pension plans are present for Dutch employees and for a part of the employees abroad. The basic pension plan for Dutch employees is administered by an industrial pension fund. This concerns a collective pension plan that is classified as a defined benefit plan which is administered by the industrial pension fund "PVF Nederland Stichting Bedrijfstakpensioenfonds Vervoer over de weg". This defined benefit plan is therefore recognized as a defined contribution scheme in the financial statements, as the Company is not liable for the deficit in the pension scheme other than by means of adjustments to pension premiums. The other pension plans

concern state pension plans and excedent pension plans which are classified as defined contribution schemes and are recognized as such. Outside the Netherlands there are immaterial pension obligations.

Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation. Provisions are measured at the managements best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Long-term liabilities

Long-term liabilities include commitments with a term of more than one year. The amount payable on the inception of a finance lease is recognized in the balance sheet at the fair value of the asset leased on the date upon which the lease agreement is entered into or, if lower, the present value of the minimum lease payments based on the implicit rate of interest.

Leases

Finance lease

The Company leases certain property, plant and equipment, of which it has substantially all the risks and rewards incidental to the ownership. These assets are capitalized and recognized in the balance sheet at the lower of the fair value of the asset and the present value of the minimum lease payments, each determined at the inception of the lease. Each lease payment is allocated between the liability and finance charge so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance costs is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Operating lease

Leases in which a significant portion of the risks and rewards incidental to the ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

Current liabilities

Current liabilities include commitments with a term of one year.

Offsetting

Assets and liabilities are only offset in the financial statements if and to the extent that:

- ✓ An enforceable legal right exists to offset the assets and liabilities and settle them simultaneously; and
- ✓ The positive intention is to settle the assets and liabilities on a net basis or simultaneously.

Off-balance sheet commitments

This item includes commitments arising from contracts usually with a term of more than one year (operating leases and rental contracts).

Notes on income and expenses

General information

Profit or loss is determined as the differences between the realizable value of the goods delivered and services rendered versus the costs and other charges for the year. Gains or losses on transactions are recognized in the year in which they are realized; losses are taken as soon as they are foreseeable.

Foreign currencies

Transactions denominated in foreign currencies are translated at the exchange rates ruling as at transaction date.

Net turnover

Net turnover comprises invoiced amount to third parties for provided services during the financial year, net of sales related taxes and after elimination of intercompany transactions within the financial year.

Direct costs

Direct costs include costs of transportation charged by third parties, the costs of own and external means of transport (excluding depreciation and interest) and all other costs directly related to net turnover for the year under review.

Depreciation and amortization

Depreciation of tangible fixed assets and amortization of intangible fixed assets are based on a fixed percentage of the cost of the assets concerned.

Taxation

The Company and its Dutch subsidiaries form a fiscal unity for corporate income taxes. All taxes are reported separately by the participants after allocation. The Company accounts for corporate income taxes on a stand-alone basis. Transactions within the Group are based on arms length principles.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the income statement.

Deferred income tax

Deferred income tax is provided using the liability method on

temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income tax relates to the same taxable entity and the same taxation authority.

Income from minority interests

Includes the pro rata share in the results of minority interests the Company has, after deduction of applicable taxes. Dividend income is recognized as soon as the right to that income is obtained. Deferred tax liabilities and deferred tax assets are carried at non-discounted value.

Cash flow statement

The indirect method is used in preparing the cash flow statement. Bank overdrafts are presented as current liability. Dividends received from minority participating interests and profits after tax are presented under cash flow from operating activities. Non-cash transactions relating to financial leases have been excluded from the cash flow statement. The current presentation reflects cash flows from continuing operations and from discontinued operations to the extent the proceeds have been received.

NOTES ON THE CONSOLIDATED BALANCE SHEET

1. Intangible fixed assets

Changes in intangible fixed assets are mentioned below.

<i>in thousands of euros</i>	Goodwill	Other	Total
Historical cost value at 31 December 2019	3,598	5,637	9,235
Accumulated amortization at 31 December 2019	(2,874)	(4,708)	(7,582)
Net book value at 31 December 2019	724	929	1,653
Movements			
Additions	3,899	319	4,218
Amortization	(573)	(79)	(652)
Historical cost value at 31 December 2020	7,497	5,956	13,453
Accumulated amortization at 31 December 2020	(3,447)	(4,787)	(8,234)
Net book value at 31 December 2020	4,050	1,169	5,219
Amortization rate	5% - 10%	10%	

Management has assessed the valuation of the goodwill and concluded that there are no impairment triggers. Other intangible fixed assets relate to capitalized software costs. No impairment charge was deemed necessary.

The goodwill additions concern an acquisition early 2020 which is incorporated in the consolidated accounts as per 1 January 2020. The purchase price is partly conditional and can reach up to an amount of € 8 million, including acquired cash. Best estimate of the conditional purchase price regarding the Purchase Price Allocation implies a goodwill amount of € 3.9 million. For the determination of the Purchase price allocation management has determined that due to the absence of reliable market prices for trailers, the actual cost price is taken. Taking the underlying nature of this acquisition into account, amortization schedule is determined at 10 years on a straight line basis.

2. Tangible fixed assets

Movements in tangible fixed assets are mentioned below.

<i>in thousands of euros</i>	Land and buildings	Transport equipment	Other tangible fixed assets	Total
Historical cost value at 31 December 2019	14,103	82,382	18,849	115,334
Accumulated depreciation at 31 December 2019	(8,163)	(31,568)	(13,266)	(52,997)
Net book value at 31 December 2019	5,940	50,814	5,583	62,337
Movements				
Additions	481	7,950	2,604	11,035
Depreciation	(835)	(8,038)	(2,775)	(11,648)
Disposals	(214)	(1,822)	(260)	(2,296)
Changes in consolidation	-	5,573	1,342	6,915
Realization in revaluation	(319)	-	-	(319)
	(887)	3,663	911	3,687
Net book value at 31 December 2020	5,053	54,477	6,494	66,024
Historical cost value at 31 December 2020	13,194	100,049	24,834	138,077
Accumulated depreciation at 31 December 2020	(8,141)	(45,572)	(18,340)	(72,053)
Net book value at 31 December 2020	5,053	54,477	6,494	66,024
Depreciation rate	2,5 - 4 5 - 10	5,9 to 20	10 - 20	

Tangible fixed assets are depreciated on a straight line basis over their estimated useful economic lives, taking into account the residual value. The net carrying amount of transport equipment under finance lease contracts amounts to € 46.7 million as of 31 December 2020 (31 December 2019: € 42.9 million).

3. Financial fixed assets

Changes in intangible fixed assets are mentioned below.

<i>in thousands of euros</i>	Receivable on Shareholder	Other	Deferred tax assets	Total
Balance at 31 December 2019	1,143	1,336	3,825	6,304
Net payments/receipts	(589)	(67)	-	(656)
Other movements and reclassifications	-	-	348	348
Balance at 31 December 2020	554	1,269	4,173	5,996

No interest is charged on the shareholder loan (note 18).

Deferred tax assets

in thousands of euros

The deferred tax asset results from net operating loss carry-forwards, withholding tax and timing differences incurred in The Netherlands, France, Romania, Poland and Slovakia (for France including Abondances a meilleure fortune). The forecastable taxable profits for the next 9 years are included in this assessment. Total tax loss carry forward available amounts to rounded € 23 million. These can be broken down as follows:

<i>Country</i>	Tax losses available	Tax rate	Tax loss eligible for recognition	Amount recognized
Netherlands	8,392	25.0%	2,098	1,250
France	7,628	31.0%	2,365	300
Romania	5,604	16.0%	897	200
Poland	884	19.0%	168	100
Slovakia	43	19.0%	8	-
Total	22,551		5,536	1,850
Timing differences				2,323
				4,173
Estimated amounts to be realized within 1 year				1,000
Estimated amounts to be realized after 1 year				3,173
				4,173

Based upon projections the Company should be able to partly offset the available accumulative fiscal losses against future taxable income over the years from 2021 through 2029, taking in account local national terms for utilization. These projections imply further continuation of the Company's profitability. Currently expected taxable profits in this time frame justify a recognition of tax losses carry forward of at least € 1.9 million.

Projections of future (fiscal) results contain by nature uncertainty. Market as well as other external or internal circumstances influence the Company's ability to realize its projections in due course. As the valuation of the deferred tax assets is depending on said projections, uncertainty is also applicable to the assessed value of the deferred tax asset itself.

4. Receivables

<i>in thousands of euros</i>	31 December 2020	31 December 2019
Trade debtors	55,485	54,278
Corporate income tax	487	31
Value added tax	6,520	7,577
Other receivables, prepayments and accrued income	6,436	4,759
	68,928	66,645

The term of settlement of receivables is less than one year. The provision for bad debts amounting to € 2.3 million in 2020 (2019 € 1.3 million) is deducted from trade debtors.

5. Cash at bank and on hand

<i>in thousands of euros</i>	31 December 2020	31 December 2019
Cash	106	58
Current accounts with banks	6,555	3,539
	6,661	3,597

Cash at bank and on hand is at the Company's free disposal.

6. Group equity and minority interest

<i>in thousands of euros</i>	Shareholders' equity	Minority interest	Group equity
Balance at 31 December 2019	31,483	1,552	33,035
Realization revaluation reserve	(293)	-	(293)
Net result	3,055	175	3,230
Dividends	-	(175)	(175)
Minority share divestment participation	-	(486)	(486)
Other movements	(30)	-	(30)
Balance at 31 December 2020	34,215	1,066	35,281

For further details of Group equity reference is made to the Company financial statements (note 20).

Minority interests mainly relate to shares not owned by the Group in Nederlands Cement Transport Cetra B.V.

7. Deferred tax liabilities

in thousands of euros

2020

Carrying amount at 1 January	738
Addition	185
Carrying amount at 31 December	923

Deferred tax liabilities mainly refer to differences between the valuation of property for financial reporting and for tax purposes.

8. Provisions

in thousands of euros

**31 December
2020**

**31 December
2019**

Pensions	444	460
Reorganization	268	-
Other provisions	1,982	1,119
	2,694	1,579

Movements in provisions were as follows:

	Pensions	Reorganization	Other provisions	Total
Carrying amount at 1 January	460	-	1,119	1,579
Addition	20	880	1,185	2,085
Release	-	-	(284)	(284)
Usage	(36)	(612)	(38)	(686)
Carrying amount at 31 December	444	268	1,982	2,694
Estimated amounts to be paid within 1 year	36	268	846	1,150
Estimated amounts to be paid after 1 year	408	-	1,136	1,544
Carrying amount at 31 December	444	268	1,982	2,694

Other provisions relate mainly to costs for periodic maintenance of property and equipment, onerous contracts and provisions for environmental risks.

9. Long-term liabilities other

	31 December 2020			31 December 2019
	Total	Term until 5 years	Term more than 5 years	Interest rates 2020
Lease contracts	26,284	23,852	2,432	
Other long-term liabilities	3,533	3,533	-	2-3%
	29,817	27,385	2,432	27,175

Long-term liabilities concern loans provided by external lenders to individual companies. Short-term repayments of the loans and the leases amounting to € 11.0 million are recognized at the current liabilities. The Company has concluded financial lease and hire-purchase arrangements for trucks and trailers. The lower of the fair value of the asset and the present value of the minimum lease payments (including residual value) under those arrangements are mentioned above. The residual value subject to purchase options amounts to € 3.6 million.

10. Liabilities to financial institutions

	31 December 2020	31 December 2019
Factoring	2,155	19,197
Lease contracts	7,986	8,082
Other short-term liabilities	2,970	267
	13,111	27,546

Factoring concerns financing in The Netherlands, Belgium and France against a pledge of trade receivables. Interest rates are based upon Euribor plus a surcharge from 0.8% till 1.35%. Also a factoring fee over the pledged revenues is applicable. The current Dutch and Belgian factoring arrangement of € 35.0 million ends December 2021. The company is meeting it's 2020 covenants of an minimum EBITDA of € 12.0 million and a minimum solvency of 20%. A bank guarantee facility is made available by ABN AMRO Bank N.V. amounting to € 3.6 million, of which € 3.5 million is used.

11. Other liabilities

<i>in thousands of euros</i>	31 December 2020	31 December 2019
Taxes and social insurance contributions	18,720	8,541
Pension fund	735	596
Other liabilities, accruals and deferred income	16,711	9,538
	36,166	18,675

The basic pension plan for Dutch employees is administered by an industrial pension fund. This concerns a collective pension plan that is classified as a defined benefit plan which is administered by the industrial pension fund "PVF Nederland Stichting Bedrijfstakpensioenfonds Vervoer over de weg". At 31 December 2020 the pension fund had a coverage ratio of 103.52%. The required coverage ratio is 116.6%. To improve this ratio the pensions are not indexed for the next year. The premium payable by the employer will remain the same in 2021.

Relating to Covid-19 taxes and social insurance contributions include € 8.7 million extended payment terms from the Dutch State and other liabilities include € 4.6 million repayable NOW subventions.

Commitments not disclosed in the balance sheet

The Company forms part of a fiscal unity for corporate income tax purposes, of which the parent Company is Vos Logistics Beheer B.V. Under the standard conditions, the Company is jointly and severally liable for the corporate income tax and VAT due by the fiscal unity.

In order to acquire vehicles several operational lease commitments have been agreed upon. Future minimum rental payments for these lease commitments with a term of more than one year as of 31 December 2020, are as follows:

< 1 year	€	13,300
> 1 year but within 5 years	€	19,676
> 5 years	€	13
Total obligations	€	32,989

Long-term rental commitments exist among others regarding property at Oss (NL), Helmond (NL), Kerkrade (NL), Woerden (NL), Goch (DE) and Lyon (F).

Future minimal rental payments for these properties and other objects with a term of more than one year as of 31 December 2020 are as follows:

< 1 year	€	15,343
> 1 year but within 5 years	€	35,711
> 5 years	€	14,737
Total obligations	€	65,791

In 2020 Company contracted an investment and lease agreement for new trucks, trailers and other equipment.

Total remaining obligations amount to € 1.2 million.

In March 2020 Vos Logistics became aware of an investigation by Belgian authorities (Arbeidsauditoraat) regarding our international operations executed in Belgium. No formal charges have been brought against the company or any of its group companies. The inspectorate imposed preserving measures including amongst other mortgage on our premises in Pittem and a cash deposit of € 500 thousand. Vos Logistics is in dialogue with the Belgian inspectorate. It is unclear if, how and to what extent the investigation and/or dialogue will proceed. Given the uncertainty currently no possible impact can be assessed or estimated. Management is confident that Vos Logistics' operations are compliant with legislations throughout the various countries of the European Union.

Financial Risks

Interest rate fluctuations

The euro interest rates are currently fluctuating at a low level. Vos Logistics has several forms of financing which could be impacted by the interest rate fluctuations. Financing from factoring includes an Euribor base. The interest rate risk to Vos Logistics for financing from leasings is limited as they are based on a fixed rate. The Euribor rate is not hedged.

Debtor risks

Vos Logistics faces two types of debtor risk. The risk that the debtor cannot fulfill its obligations and the cash flow risks of late payments. Vos Logistics mitigates these risks by means of credit checks, credit insurance and active monitoring and collection.

Liquidity risk

Transport in general, and Vos Logistics in particular, is capital intensive with a fairly fixed cost base. The transport and logistics markets are cyclical. Liquidity risk is mitigated, by maintaining liquidity buffers and factoring arrangements (until the end of 2021). Financing of the asset base is secured by long-term leasing. The financing required for the intended investment programs is secured. Management of debtor risks (see above), utilization of a flexible non-committed capacity shell, use of temporary workers as well as periodic exit possibilities of own capacity further mitigate liquidity risks.

Foreign exchange risk

As the Group includes Polish and Romanian companies, its balance sheet may be influenced by movements in the Polish zloty and the Romanian leu against the euro. The Group is also exposed to foreign exchange risks arising from purchase and sales transactions denominated in a currency other than the Group's functional currency. It is our policy is not to hedge these risks. The potential impact of financial risks on the result and financial position is low.

NOTES ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

12. Net turnover

in thousands of euros

	2020	2019
International Transport	188,852	228,487
Solutions	149,100	113,856
	337,952	342,343

The segmentation of net turnover is based on the organizational structure of the Company.

Geographical segment information

	2020	2019
The Netherlands	164,867	133,590
Romania	118,077	151,022
Belgium	32,687	34,501
Germany	8,939	11,988
Other	13,382	11,242
	337,952	342,343

13. Personnel costs

in thousands of euros

	2020	2019
Wages and salaries	107,095	89,240
Social security charges	9,054	9,004
Pension expenses	4,271	4,252
Other personnel costs	4,620	8,183
	125,040	110,679

Wage and salary costs include € 1.0 million NOW (Covid-19) Subvention.

14. Depreciation and amortization

in thousands of euros

	2020	2019
Amortization of intangible fixed assets	652	185
Depreciation of tangible fixed assets	11,648	9,807
Total depreciation and amortization	12,300	9,992

15. Other operating expenses

in thousands of euros

	2020	2019
Transport costs	83,120	89,158
Warehouse costs	20,060	14,942
Other indirect costs	10,339	9,623
	113,519	113,723

In transport costs an amount of € 14.4 million is included for operational lease charges of trucks, trailers and other equipment. Also included in transport costs are costs for fuel, tires and repair and maintenance.

Audit fees

Total fees payable by the Group to EY for work performed in respect of the audit provided to the Company and its subsidiary companies during the period amount to € 328 (2019 € 313).

<i>in thousands of euros</i>	Annual report	Other assurance and advice	Tax	Total
EY the Netherlands	187	54	106	347
EY the rest of Europe	141	18	62	221
	328	72	168	568

Employees

Vos Logistics Beheer B.V. and its Group companies employed at year-end on a full-time basis	2,491 FTE
Previous year	2,490 FTE

The FTEs are employees that are on the Company's payroll; excluding temps and self-employed staff.

The number of foreign employees on a full-time basis amounts to 1,511 at year-end 2020.

The average number of employees was 2,548 in 2020 (2019: 2,426) on a full-time basis.

The employees can be specified by sector as follows:

	2020	2019
International Transport	1,605	1,817
Solutions	886	673
	2,491	2,490

Remuneration of the Board of Management

in thousands of euros

	2020	2019
Remuneration of the Board of Management amounts to	832	791

16. Financial income & expense

in thousands of euros

	2020	2019
Interest income	5	31
Interest expenses	(2,154)	(1,866)
	(2,149)	(1,835)

17. Corporate income tax

in thousands of euros

	2020
Result before taxes	2,478
Tax charge at nominal tax rate 25.0%	(620)
Change in taxes previous years	279
Permanent differences	(432)
Not recognized prior losses and recognized losses	983
Effect tax rate foreign countries	(325)
Effective tax rate	5% (115)

Related party transactions

The shareholder Vos Logistics B.V. is rendering services to the group against a fee of € 100 per annum. There are no material transactions at arm's length with transport companies belonging to the Scheybeek Group (one of the shareholders of Vos Logistics B.V.).

Subsequent events

There are no subsequent events to report.

COMPANY BALANCE SHEET

(After appropriation of the result)

in thousands of euros

	Ref. note	31 December 2020	31 December 2019
ASSETS			
Fixed assets			
Financial fixed assets	18	27,578	25,623
		27,578	25,623
Current assets			
Receivables	19	7,194	5,923
		7,194	5,923
Total Assets		34,772	31,546
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
	20		
Issued capital		800	800
Share premium cumulative preferent shares		4,450	4,450
Revaluation reserve		721	1,014
Reserve for translation differences		2,681	2,711
Other reserves		25,563	22,508
		34,215	31,483
Current liabilities	21	557	63
Total shareholders' equity and liabilities		34,772	31,456

COMPANY PROFIT AND LOSS ACCOUNT FOR 2020

in thousands of euros

	2020	2019
Profit/(loss) after taxation	38	(166)
Share in profit/(loss) of participating interests	3,017	3,217
Net result	3,055	3,051

NOTES ON THE COMPANY BALANCE SHEET AND THE COMPANY PROFIT AND LOSS ACCOUNT

General

The accounting policies are the same as to those used in the consolidated financial statements. In accordance with Section 402 of Book 2 of the Dutch Civil Code an abbreviated Company profit and loss account is presented.

18. Financial fixed assets

<i>in thousands of euros</i>	31 December 2020	31 December 2019
Subsidiaries	27,549	24,569
Receivable on shareholder	-	1,025
Other	29	29
	27,578	25,623

Investments in subsidiaries in which the Company has significant influence are accounted under the equity method on the basis of net asset value. Significant influence is presumed to exist if at least 20% of the voting shares is owned. Investments in subsidiaries in which the Company has no significant influence are accounted for at their acquisition costs. Financial fixed assets are revaluated in case of any permanent impairment.

Subsidiaries

<i>in thousands of euros</i>	31 December 2020	31 December 2019
Financial fixed assets at 1 January	24,569	22,028
Result for the year	3,017	3,217
Other movements	(37)	(676)
Net book value at 31 December	27,549	24,569

Movements in subsidiaries are mentioned on the next page.

Receivable on shareholder

in thousands of euros

	Total
Balance at 31 December 2019	1,025
Net payments/receipts	(1,072)
Balance at 31 December 2020	(47)
This position is reported under Other liabilities. (see note 21)	

19. Receivables

in thousands of euros

	31 December 2020	31 December 2019
Receivables from Group companies	7,172	5,802
Corporate income tax	-	55
Value added taxes	-	59
Other receivables, prepayments and accrued income	14	4
Current accounts with banks	8	3
	7,194	5,923

The receivable from Group companies have no repayment schedule and 3% interest is charged annually. Vos Logistics Beheer B.V. is part of the Group's cash pool facility with the banks. This current account position is part of the Group's net cash position of € 6.7 million (receivable).

20. Equity

	Issued capital	Share premium cumulative preferent shares	Revaluation reserve	Reserve for translation differences	Other reserve	Equity
Movements during 2020						
Opening balance	800	4,450	1,014	2,711	22,508	31,483
Release for the year and realization to P&L			(293)			(293)
Currency translation difference for the year				(30)		(30)
Result for the financial year					3,055	3,055
Closing balance	800	4,450	721	2,681	25,563	34,215

There are 800,000 shares with nominal capital of € 1.- per share. The Company holds 500 cumulative preferent shares with a nominal capital of € 0.01 and premium capital of € 8,899.99.

The revaluation reserve is used to record increases in the fair value of property and other tangible fixed assets. Part of the other tangible fixed assets has been valued at the lower recoverable value. The reserve for translation differences concerns foreign exchange adjustments as a result of consolidation.

The Board of Management proposes not to pay the 2020 € 445 dividend to the holders of the cumulative preferent shares and add the 2020 net profit of € 3,055 to the other reserves. In total € 890 dividend to the holders of the cumulative preferent shares is unpaid at year ending. Anticipating the resolution of the General Meeting of Shareholders, the financial statements have been drawn up on the assumption that the proposed appropriation of profit will be adopted.

21. Current liabilities

<i>in thousands of euros</i>	31 December 2020	31 December 2019
Trade payables	18	-
Corporate income tax	13	-
Value added taxes	218	-
Payable to shareholder	47	-
Other debts	261	63
	557	63

Oss, 31 March 2021

Board of Management, Vos Logistics Beheer B.V.

F.J.M. (Frank) Verhoeven, CEO

G. (Ben) Vos, CFO

Other information



Independent auditor's report on the audit of the financial statements 2020 included in the financial report

To: the shareholders and Board of Management of Vos Logistics Beheer B.V.

Our opinion

We have audited the financial statements 2020 of Vos Logistics Beheer B.V. (hereinafter Vos Logistics) based in Oss.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Vos Logistics as at 31 December 2020, and of its result for 2020 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- ✓ The consolidated and company balance sheet as at 31 December 2020
- ✓ The consolidated and company profit and loss account for 2020
- ✓ The notes to the consolidated and company balance sheet and profit and loss account, comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Vos Logistics in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on other information included in the financial report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- ✓ The management report
- ✓ Other information as required by Part 9 of Book 2 of the Dutch Civil Code

Based on the following procedures performed, we conclude that the other information:

- ✓ Is consistent with the financial statements and does not contain material misstatements
- ✓ Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities for the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance

with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- ✓ Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- ✓ Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- ✓ Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- ✓ Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern
- ✓ Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- ✓ Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the

group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Venlo, 31 March 2021

Ernst & Young Accountants LLP

Signed by

W.J.C.A Weijers

Ernst & Young Accountants LLP is a limited liability partnership incorporated under the laws of England and Wales and registered with Companies House under number OC335594. The term partner in relation to Ernst & Young Accountants LLP is used to refer to (the representative of) a member of Ernst & Young Accountants LLP. Ernst & Young Accountants LLP has its registered office at 6 More London Place, London, SE1 2DA, United Kingdom, its principal place of business at Boompjes 258, 3011 XZ Rotterdam, the Netherlands and is registered with the Chamber of Commerce Rotterdam number 24432944. Our services are subject to general terms and conditions, which contain a limitation of liability clause.

Result appropriation

Articles of Association provisions governing result appropriation

Following Article 17.3 of the Articles of Association the result appropriation will be at the disposal of the Annual General Meeting of Shareholders.

Article 17.4 states that, if possible, the cumulative preferent shares will receive dividend over their nominal and premium share value.

Principal participating interests as at 31 December 2020

Group companies

In cases in which less than 100% of the ordinary shares are held, the interest is stated. SNEL Shared Logistics is included in the consolidation from January 1, 2020 onwards.

The Netherlands

Vos Logistics International B.V., Oss *

Vos Logistics Solutions B.V., Oss *

Vos Logistics Oss B.V., Oss *

Vos Distri Logistics Oss B.V., Oss *

Vos Logistics Uithoorn B.V., Uithoorn *

Vos Logistics Helmond B.V., Helmond *

Vos Logistics Breukelen B.V., Woerden *#

Vos Forwarding Logistics B.V., Oss *

Nederlands Cement Transport Cetra B.V. (50%), Uithoorn

Vos Bulk Logistics Oss B.V., Oss *

Vos Management and Logistical Development B.V., Oss *

Vos Logistics Roosendaal B.V., Oss *

Vos Logistics Cargo Equipment B.V. Oss *

Vos Logistics Bulk Equipment B.V., Oss *

Gehlen Schols Transport en Logistics B.V., Kerkrade *

SNEL Shared Logistics B.V., Woerden *

**) Statement of joint and several liability issued by Vos Logistics Beheer B.V.*

#) Early in 2021 Vos Logistics Breukelen B.V. has changed it's name to Vos Logistics High Volume B.V.

Belgium

Vos Cargo Logistics Belgium N.V., Pittem

Vos Logistics België N.V., Oevel-Westerlo

Germany

Vos Logistics Holding Germany GmbH, Goch

Vos Logistics Deutschland GmbH, Goch

Nedex Internationale Spedition GmbH, Mönchengladbach

Vos Logistics Goch GmbH, Goch

Vos Logistics Goch L77 GmbH, Goch

Gehlen Schols Transport & Logistik GmbH, Duren

France

Vos Logistics Holding France S.A.S., Saint-Fons

Vos Logistics Lyon S.A.S, Saint-Fons

Poland

Vos Logistics Polska Sp. z o.o, Warsaw

Vos Logistics Forwarding Poland Sp. z o.o, Warsaw

Vos Logistics Cargo International S.A., Warsaw

Vos Logistics Bulk International S.A., Warsaw

Slovakia

Vos Logistics Slovakia sro, Bratislava

Portugal

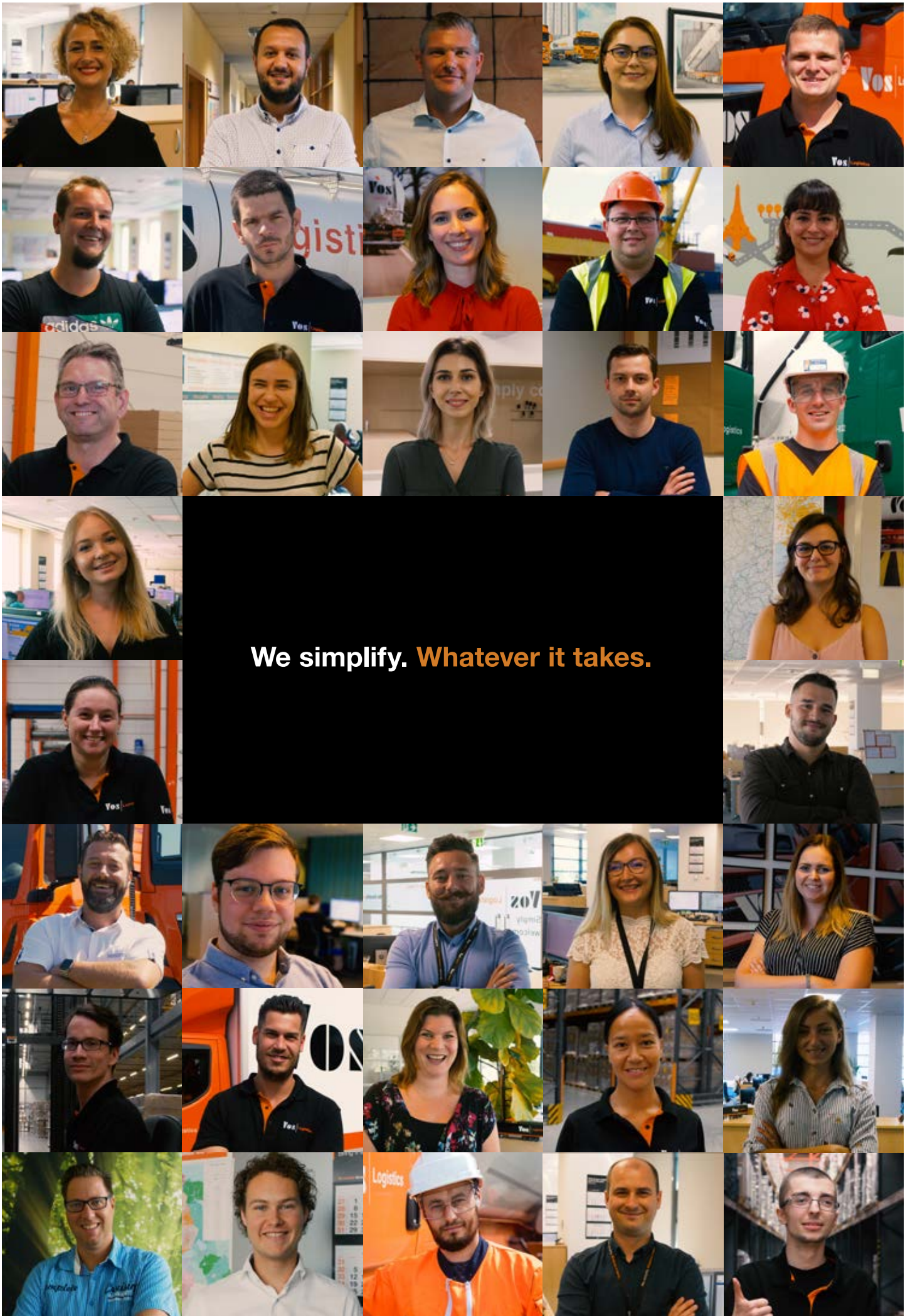
Vos Logistics Iberica UL, Matosinhos

Romania

Vos Logistics Romania SRL, Cluj-Napoca

Vos Logistics Cargo SA, Cluj-Napoca

Vos Logistics Bulk SA, Cluj-Napoca



We simplify. **Whatever it takes.**

