Apollo Vredestein B.V.
Annual Accounts 2020-21

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Supervisory Board Report

The Supervisory Board of Apollo Vredestein B.V. presents its report for the year ended March 31, 2021

Introduction

The coronavirus pandemic represents a very large shock for the Global and EU economies, with very severe economic and social consequences. Economic activity in Europe suffered a severe shock in the first half of 2020 but rebounded strongly in the third quarter as containment measures were gradually lifted. However, the resurgence of the pandemic in later part of 2020 again resulted in disruptions as national authorities introduce new public health measures to limit its spread.

The economic impact of the pandemic has differed widely across the EU and the same is true of the recovery prospects. The impact of the Coronavirus crisis on the European automobile industry is unprecedented. During 2020, the sector has suffered EU-wide production losses to the tune of 4.24 million vehicles, 22.9% drop from the production level of 2019. New vehicle registrations in 2020 were recorded as 23.7% lower in Passenger car segment and 18.9% lower in Commercial vehicle segment respectively.

Overall performance of the European tyre industry for 2020 was heavily impacted by the COVID pandemic facing different situations depending on the product category. Personal Cars tyres market suffered from a double digit decrease overall, impacted by important market decreases from March-20 to June-20 during the 1st wave of the pandemic in Europe, and then due to a mild winter and the uncertainties linked to the 2nd wave in November-20.

Truck tyres market on the other hand started a recovery after September-20 and have since shown a positive growth after remaining in negative trend between March-20 & July-20.

Agricultural tyre market performed well this year as market recovery was mostly due to the focus on agricultural goods during the pandemic as well as some barriers to external trade and imports due to transports overseas & overall capacity.

Changes in the Board

There have been following changes in the composition of the Supervisory Board.

Prof. Dr. Henk W Volberda has joined with effect from 1st April 2021. The full composition of the Supervisory Board is as under.

Mr Neeraj Kanwar
Mr Akshay Chudasama
Prof. Dr. Henk W Volberda

Meetings of Supervisory Board

The Supervisory Board met six times during the financial year on the following dates:

May 15, 2020
June 11, 2020
June 26, 2020
July 30, 2020
October 30, 2020
February 1, 2021

Role of Supervisory Board
The role of Supervisory Board is to supervise policies and business activities of the company and to provide advice in best interest of the company, its shareholders and employees.

Supervisory Board Remuneration
During the financial year ended March 31, 2021, EUR 8.944,00 was paid as remuneration to Works Council Nominee Director for his services.

Amsterdam, The Netherlands, June 11, 2021

On behalf of the Supervisory Board

Neeraj Kanwar	**Akshay Chudasama**	**Henk Volberda**

Report by the Board of Directors

The board of directors of Apollo Vredestein B.V. put on record the company's annual accounts for the year ended March 31, 2021.

The company

Apollo Vredestein B.V. is a 100% subsidiary of Apollo Tyres B.V. and ultimately held by Apollo Tyres Ltd, India, a listed multinational organisation and a global tyre manufacturer. The company, and its subsidiaries have been referred to as the group in the sections below.

The group focuses on developing, manufacturing, marketing, sales and distribution of tyres across various categories including passenger car, Truck & Bus, agriculture, industrial vehicles and bicycles. The group sells passenger vehicle tyres under two brands, Vredestein and Apollo. The groups European headquarters is based at Amsterdam, Netherlands and production facilities are based in Enschede, Netherlands and in Gyöngyöshalász, Hungary. Sales operations are managed by various subsidiary companies across Europe. The group's distribution network covers Europe, its products are also exported to various other countries. The group is well known for its distinctive designs created in collaboration with the Italian industrial design bureau, Giugiaro Design Company.

Financial information

(in millions of euros)	**2020-21**	**2019-20**
Revenue	490.3	520.6
Profit before Depreciation, Interest, Taxes & Exceptional item items (EBIDTAE)	22.5	7.0
Profit before Interest , Taxes & Exceptional Item (EBITE)	(8.6)	(22.6)
Exceptional items	(68.8)	-
Net Financing expenses	(0.9)	(0.7)
Taxes	15.8	2.9
Net profit	(62.7)	(20.3)

Economy & Market Overview

The coronavirus pandemic represents a very large shock for the Global and EU economies, with very severe economic and social consequences. Economic activity in Europe suffered a severe shock in the first half of 2020 but rebounded strongly in the third quarter as containment measures were gradually lifted. However, the resurgence of the pandemic in later part of 2020 again resulted in disruptions as national authorities introduce new public health measures to limit its spread.

The Spring 2021 Economic forecast published by The European commission projects that the euro area economy contracted by 6.6% in 2020. The economic impact of the pandemic has differed widely across the EU and the same is true of the recovery prospects.

Job losses and the rise in unemployment have put severe strains on the livelihoods of many Europeans. The unemployment rate in the EU is forecast to rise from 6.7% in 2019 to 7.1% in 2020. Core inflation, which includes all items except energy and unprocessed food, also fell substantially over 2020 due to lower demand for services, especially tourism-related services and industrial goods. Weak demand, labour market slack and a strong euro exchange rate will exert downward pressure on prices. For the EU, inflation is forecast at 0.7% in 2020.

Industry Structure & Development

The impact of the Coronavirus crisis on the European automobile industry is unprecedented. During 2020, the sector has suffered EU-wide production losses to the tune of 4.24 million vehicles, 22.9% drop from the production level of 2019. These losses are the result of factory shutdowns (during the 'lockdown' months of March, April and May 2020) and the fact that production capacity did not return to pre-crisis levels yet. New vehicle registrations in 2020 were recorded as 23.7% lower in Passenger car segment and 18.9% lower in Commercial vehicle segment respectively.

Overall performance of the European tyre industry for 2020 was heavily impacted by the COVID pandemic facing different situations depending on the product category, according to the European Tyre and Rubber Manufacturers' Association (ETRMA). Personal Cars tyres market suffered from a double digit decrease overall, impacted by important market decreases from March-20 to June-20 during the 1st wave of the pandemic in Europe, and then in November-20 due to a mild winter and the uncertainties linked to the 2nd wave.

Truck tyres market on the other hand started a recovery after September-20 and have since shown a positive growth after remaining in negative trend between March-20 & July-20.

Agricultural tyre market performed well this year after few years of decrease . The market recovery was mostly due to the focus on agricultural goods during the pandemic as well as some barriers to external trade and imports due to transports overseas & overall capacity. The EU agricultural sector has shown resilience during the COVID crisis. Higher retail sales and home consumption partially compensated for losses in foodservice. With a dynamic global demand and the reopening of foodservice expected once the vaccination campaign is sufficiently advanced, prospects for EU agricultural markets are favorable in 2021.

The imports of Passenger Vehicle tyres from outside Europe are still growing and continue to gain market share. The share of UHP and winter tyres in imports is increasing. As during the last years the All Season segment remained the segment developing the most, with again a strong double digit growth over the year, compared to a double digit decrease overall for the PCT Market. The density of players in the All Season segment keeps on increasing, resulting in strong price pressure. Winter was strongly hit by the combination of first and second lockdowns, and a mild winter. The overall UHP segment keeps on increasing its share of market, though still decreasing in volume year on year.

On short term, Covid-19 accelerated long term trends. Wholesale increased its market share overall; wholesalers stock capacity & financial sustainability helping them deal with business uncertainties as lockdowns or short term deplete in demand. Digital has become a reality in the way manufacturers interact with their customers B2B & B2C; limited live interactions in shops or trade fairs reinforced new touchpoints and ways of interacting (digital events / remote meetings).

Performance by market

During FY21, due to the combined impact of Covid & the revamp of our product portfolio through the Apollo brand, our overall PCT volumes decreased. Our Market share with the Vredestein Brand remained stable over the last year. In a decreasing market, the company gained market share in UHP & UUHP segments.

In agricultural segment, our sales and market share were stable overall. Sales in OE segment slightly declined, in line with production declines at OE factories due to COVID pandemic related issues. In contrast, sales in replacement market segment slightly increased where the market was even stronger than we could service. In Industrial Construction segment we increased sales considerably both replacement and OE (adding key customers) segments.

TBR segment closed the year with growth over FY20 on a negative market, with good development in most of the countries across Europe. In the same time period, the company has also achieved improvement in its price positioning. Due to Covid-19 situation, some new product launches were postponed to FY22.

In bicycle tyres segment, the covid pandemic had both positive and negative impact on our business. While lockdowns lasted, cycling became increasingly popular: anxiety over public transportation and surge in exercise has meant that more people choose to use (electric) bicycles. This led to spike in demand and a growth in sales. On the other hand, the deployment of our new industrial footprint got disrupted by covid-related issues, such as raw materials shortages, absence of workers, infrastructural and logistical challenges putting pressure on supply chain. We could seize only a part of the opportunities the market is offering. The entire market is facing the similar issues and strategic orientations & choices remain focus on e-bike and road cycling.

The company's overall revenue declined 5% during the financial year. The company continues to be dominantly a replacement market player and its revenue share from that market remains the same as last year at the level of 76% in FY 20-21. Total revenue during the year constituted 75,5% from Passenger car tyre, 14% from Agriculture tyres & 7,5% from Commercial vehicle tyres and balance 3% from other categories.

During the year, the company has completed specialization of its manufacturing plant in Enschede, Netherlands. After this re organization, the plant will primarily produce Ultra-high performance (UUHP) segment of passenger car tyres and continue to focus on premium agricultural tyres and Spacemaster tyres.

During the year, the company has continued to ramp-up production of tyres at its manufacturing plant in Gyöngyöshalász, Hungary.

Brand promotion initiatives

Launch of a new visual identity for the Vredestein brand, including an updated logo and a new vibrant colour scheme was major brand promotion initiative during the year which translated into a complete set of on-line and offline advertising campaigns for both passenger care tyres and bicycle tyres. Three product introductions for passenger care tyres were launched virtually including the creation of a digital experience centre for the Vredestein brand and live streams with company's top executives. Regionally targeted Digital marketing campaigns were extended with strong focus on Social Media, e.g. Facebook and Instagram.

The ongoing cooperation between the Apollo brand and Manchester United is being used to promote the brand throughout the European region. The corporate sponsorship of Manchester United was this year also activated for the Vredestein brand in Europe. Due the Covid-19 situation we activated it only on social media to the end users all over Europe. Also the Mille Miglia, one of the most prestigious classic car events in the world which we sponsored for the third year in a row, was postponed. We also renewed our existing connection with the Hungarian sports club and football team - Diósgyőr Sport Club (DVTK).

For TBR, we continue to collaborate with TOR Truck Racing but our entry for this season's FIA European Truck Racing Championship was withdrawn due to the situation surrounding COVID-19. However, we have moved forward with our preparations for participation in the next year's racing event. As an alternative to the FIA ETRC, our driver Shane Brereton, has been competing in the recently released digital version of the European Truck Racing Championship, a virtual racing series which has been streamed live on several social media channels.

For OHT, all countries successfully communicated the DLG wear test via Facebook throughout Europe with the impressive results: 2,7 Million unique Agriculture related people were reached with an 'Engagement' of 4,6%
Due to current COVID situation, the company reallocated its marketing spend to digital marketing and other new methods of tactical brand building activities in Europe instead of conventional Exhibitions and events, particularly in the OHT segment.

New product introductions

FY21 was a landmark year for new product introductions across segments. In Passenger car tyre segment, we have refreshed almost the entire product portfolio as a commitment on our product story. These upgraded products with renewed energy are helping us consolidate and grow our position in the market.

To strengthen our leadership position in the fast-growing All-Season segment, we introduced the new All Season tyre for family and compact car, Quatrac, in 47 sizes in 15" & 16". We also introduced 27 sizes as part of phase 2 of size extension for Quatrac Pro, our award winning dedicated all season tyre for the UHP segment. And we upgraded our offering for Van segment with the introduction of Comtrac 2 All Season+ in 14 sizes boosting wear life by 20% over the previous version.

To build and establish our position in the Summer tyre segment, we introduced the all-new, Ultrac, in the family and executive segment with 45 sizes in rim sizes 15" to 17". This product line reaches next level of performance in this segment while replacing 2 existing patterns - Sportrac 5 and Ultrac Satin – in these sizes. This also helped make the summer portfolio simpler and sharper. For the sports segment, we upgraded the Ultrac Vorti and Ultrac Vorti R to Ultrac Vorti+ and Ultrac Vorti R+ in total 70 sizes - boosting the performance and excitement in the market.

As a continued focus for the Winter segment We introduced the new Winter tyre for 15" and 16" segment, Wintrac, in 28 sizes. This pattern provides a more rounded and improved performance in winter conditions than the predecessor Snowtrac 5 – necessary as we see European winters becoming more and more unpredictable. The new naming also resonates the family feeling with offering for the UHP segment – Wintrac Pro. We also introduced 19 sizes as part of phase 3 of size extension for Wintrac Pro, for Ultra High Performance segment. For Van segment, we upgraded our products with the introduction of Comtrac 2 Winter+ in 13 sizes.

For our agricultural business, no new products launched. However, size extensions for Traxion 65 and Traxion Optimall were successfully communicated

In TBR business, we postponed some size extensions to FY22 when we plan to launch products in the three new segments (Long Haul, Coach, Urban) and 2nd generation of our most popular regional trailer tyre.

In the bicycle tyre segment, the company has developed and industrialized products from the completely new sourcing facility. These 'new' products are of the highest ever quality are expected to pave the way for profitable growth.

Major awards/ recognitions

As a reward for our continuous efforts in producing test winning tyres, we won podium positions and accolades from leading industry magazines and test reports in Europe. We were

6 times test winners and 7 times podium finishers during the year. In the passenger tyre segment, our All-Season tyre Quatrac won the 1^{st} place in external tests for SUV size and 2^{nd} place in tests for CAR sizes done by leading German tyre magazine "Autobild". The same magazine also ranked us at 2^{nd} place as "Summer tyre manufacturer of the year"
As per test performed by the independent German institute DLG, our agricultural tyre Traxion XXL was adjudged having 50% longer lifespan than tyres from leading competitors.

Research & Development

Company has been developing products and technology to cater to a global market and focuses on the development of Passenger Car tyres. Products developed here are manufactured and sold in several global regions including Europe, Asia and Americas. Its activities include Material science, Simulation technology, Design & Construction, CAE/FEA, Process development and Testing. Engineering professionals with very diverse backgrounds form the backbone of our R&D. The development process is strongly linked to Manufacturing, Marketing and Sales. The organization structure is flat to facilitate and enhance cross-functional approaches and drive innovation. Development initiatives are focused on following four main pillars:

Product:
- Development of new advanced product generation of for PCR, Agri radial and TBR.
- Development new product lines to support the expansion to new Markets and Geographies.

Technology:
- Development of Ultra Low Rolling Resistance, Wet Grip Increase and Noise Reduction (Silent Tyre) to be ready for future tyre performance requirements.
- Development of Electric vehicle tyres
- Research on Vehicle dynamics and Virtual Testing by FEA-Simulations in collaboration with different Universities
- Development of virtual prototyping enhancing the efficiency and effectiveness in R&D and being in line with the OEM requirements.
- Development and implementation of Tyre Sensor Technology

Materials:
- Development and implementation of innovative raw materials in polymers, fillers and resins and on renewable materials partnering with premium universities and suppliers
- Development of innovative compounds and reinforcement including new generations of polymers, fillers and resins

Design to cost:
- Optimization of materials to reduce product costs
- Optimization of processes to increase productivity

During the year, company has spent Euro 7.0 Million on R&D activities.

Company Policy

The company has implemented its strategic policy, which defines its vision, mission and way of doing business as mentioned below:

Vision

The Company is a flexible and market-oriented company that focuses on continuous innovation and the best possible deployment of competencies, aimed at improving business performance and developing talent as a foundation for successful policy.

Mission
The Company is a healthy, profitable business with a steady stream of new and innovative products of the highest quality, created by a challenging and entrepreneurial culture that encourages employees to develop and enjoy their work.

The Apollo Way
Defining values specific to the group means we can attract the right employees, customers and suppliers. It also makes for a more targeted decision-making process, which ensures that we can always act in a dedicated manner. In addition, our actions and methods become more reliable, enhancing trust and creating relationships that are longer lasting. We expect all employees to express these values in their behaviour.

Environmental Issues

There are no environmental issues outstanding.

Risk Management

The group's activities expose it to a variety of risks including market risk, price risk, interest risk, credit risk, currency risk, raw material risk, environmental & regulatory risk, product liability, and liquidity risk etc. The company's overall risk management seeks to minimise potential adverse effects on the company's financial performance.

Foreign Currency Risk: The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises because future commercial transactions are denominated in a foreign currency (not EUR). Forward foreign exchange contracts are executed with the specific intention of minimizing the impact of foreign currency fluctuations on income. The exchange rate risk primary arising on the export of tyres to the United Kingdom, Hungary, Norway, Sweden, Poland, Switzerland and the United States. Companies risk management policy requires up to 50 per cent of net currency exposure anticipated for a period of 6 to 12 months in advanced to be hedged. Derivative counter parties are limited to high-credit-quality financial institutions. Management continually monitors the entity's exposures to foreign currency risks as well as its use of derivative instruments. As of balance sheet date, there are is a limited number of derivatives or forward contracts.

The company has a management team that continually monitors its exposures to interest rate risks and uses variable rate debt to finance its operations.

Credit risk: Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Company has adopted a policy of only dealing with creditworthy counterparties and does not transact with entities with a below standard credit history. Company's account receivables are largely secured with credit insurance coverage to limit the credit risk. To the extent of uninsured portion, company uses information supplied by credit rating agencies, publicly available financial information and its own trading records to rate its exposure. A credit management team continuously monitors the exposure and the credit ratings of its counterparties.

Liquidity / Cash flow Risk: Board of directors has established an appropriate liquidity risk management framework for the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves and banking facility, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities. At balance sheet date the company does not have any utilisation under the working capital facility, have a headroom of about Euro 44 Mn. under Factoring facility, have a bank balance of Euro 53 Mn. and is well within the agreed covenants as defined in the agreement.

Price Risk: The Company's sales and purchase is exposed to inflation and general demand/supply situation. Major raw material is natural rubber and various other petroleum based chemicals. The company is normally able to pass on the impact of inflation to its customers in normal course of business. Management keeps track of price developments in the market based on various industry indices to ensure its competitiveness is not compromised.

Insurance coverage: Bigger risks in respect of property, loss of profits and liability have been brought under a worldwide insurance policy. Risks in the case of claims and legal action are monitored closely and where necessary provisions are made.

Risk management framework: The Company has an established enterprise risk management framework up to the last level of management. A Risk Management Steering Committee, headed by the President of the company, with representations from all functional heads, embraces the identification, assessment, mitigation, monitoring and reporting of material risks faced by the company.
Each business risk is measured on a scale of 1 to 3 for two key parameters likelihood and impact. Combined score of these two criterions is considered to decide the overall risk rating of low, medium or high as under:

Likelihood criterion: How likely in the near future will the event take place

- Within 6 months: High score of 3
- 6 to 12 months: Medium score of 2
- Above 1 year: Low score of 1

Impact criterion: Financial impact on profitability

- More than Euro 1 Million: High score of 3
- Euro 400k to Euro 1 Million: Medium score of 2
- Below Euro 400k: Low score of 1

Overall risk rating (combined score)

- High: Risk score from 7 to 9
- Medium: Risk score from 3 to 6
- Low: Risk score up to 2

The objective of the Committee is to assist the Board of Directors in maintaining high standards of business conduct and good risk management practices to protect the company's assets, achieve sustainable business growth, avoid major surprises and ensure compliance with applicable legal and regulatory requirements. As at 31st March 2021, committee has reported following key risks and mitigation plans to the board:

Risk No.	Category	Function	Risk identified	Likelihood/ Impact	Mitigating controls of management
1.	Strategic	Sales	Coronavirus related uncertainties impact achievement of financial results	High	Company has implemented measures like continuous steering of operations with market demand, cost budget revisions and more focus on digital channels etc. There is a

					continuous monitoring of working capital management in place
2.	Strategic	Sales	High customer concentration	High	Company is monitoring KPIs to track the customer concentration in the relevant market. The company achieved 7% of budget sales volume in FY 21 with new customers (against target of 4%)
3.	Operational	Supply Chain Management	Sourcing delays from India	High	Company has a weekly tracking by core team comprising senior management level & Europe Executive S&OP level
4.	Operational	Manufacturing	loss of productivity due to high absenteeism in Enschede plant	Medium	Plant is managing shortage of manpower through continuous rotation from one department to another with optimum results. Training programs/motivation plans are also implemented
5.	Strategic	Quality	Non-conformity of new tyre label values applicable from May 2021	Medium	Quality department is putting in place a Standard Operating Procedure (SOP) across the organization to prevent gap between actual product performance and label values

Development in Human Resources & Industrial Relations

Training & Development initiatives

During the year, the company enhanced its focus on digital learning and training activities. The company's digital learning tool "Apollo Virtual Learning Academy" has proved to be extremely efficient and productive during the pandemic situation. Various e-learning programs were organized via the organization wide platform. For Key Account Managers in Sales, a specialised skill enhancement program was carried out. Programs around health & well being were also launched in order to support employees in the long work from home situation.

Safety, Health, Wellbeing & Environment

Working in a safe and healthy environment with a maximum focus on wellbeing will continue to be a precondition for the success of our company. We will also continue with the theme of vitality and employability. On regular basis, the company is issuing coronavirus guidelines to the employees to follow local regulations and government advisories in respective countries. Detailed guidelines have been issued about procedures on safe work environments across all work locations.

Social responsibility and/or corporate philanthropy

The company continued to support the WEP initiative in the Netherlands and this is now part of the social responsibility policy and CLA agreements. It offers unemployed people the opportunity to gain work experience at the company and increase their chances of sustainable employment. The initiative focused on people with a disadvantage on the labour market. On an annual basis we offer working experience to 10 un-employed people within our company.

During the pandemic, several CSR activities were carried out by our Hungarian plant e.g. quarterly blood donation camps, establishing a web-based information platform to guide employees about the healthy behavior. The plant also donated tyres to Hungarian Blood Transfusion Services and Gyöngyös Ambulance Services. During the summer of 2020, a two weeks "Apollo Children Camp" was organized to support the parents after the school's lock down.

Industrial relations

Company in The Netherlands has three Employees' Unions and the Management holds regular meetings with Union representatives to brief them about operational performance of the company and future plans. The company has a Works council, which is involved in the operations and plans. HR team has worked hand in hand with Unions & Works Council in the successful implementation of plant specialization during the year.

The company has a diverse composition of employees in nationality, age, gender, education and work background. Currently the Company does not have any female members in the Board. The Company shall be making efforts to appoint female members to its Board.

Outlook

Economic Outlook:

The near-term outlook for the European economy looks weaker as the pandemic has tightened its grip on the continent. The resurgence in infections since the autumn, together with the appearance of new, more contagious variants of the coronavirus, have forced many European Member States to reintroduce or tighten containment measures.

However, light has now appeared at the end of the tunnel as vaccination campaigns gain momentum and the pressure on health systems to subside, containment measures are set to relax gradually. The breakthrough development of vaccines and the start of mass vaccination campaigns has brightened the outlook beyond the near term. Furthermore, the agreement reached between the European Union and the United Kingdom on the terms of their future cooperation, reduced the cost of the UK's departure from the Single Market and Customs Union, while endorsement of the Recovery and Resilience Facility is set to support Member States on their way to a sustainable recovery. Overall, GDP is now forecast to grow by 3.7% in 2021 and 3.9% in 2022 in the EU. The EU economy would reach the pre-crisis level of output earlier than anticipated back in the Autumn Forecast, largely because of the stronger momentum in the second half of 2021 and in 2022. The speed of the recovery will, however, vary significantly across the EU countries.

Tyre Market Outlook:

The company expects tyre market growth in 2021 generally in line with European economic forecast. Despite an overall European economic recovery, some of the countries still remain below their pre-covid level.

Tyre Market Outlook:

The company expects tyre market growth in 2021 generally in line with European economic forecast. Despite an overall European economic recovery, some of the countries still remain below their pre-covid level.

The new Eco label proposal with the European Commission is under implementation and will be effective from May 2021. The change will see a new visual layout including a QR code, Ice grip, among others and will bring the creation of a European database where all tyres will need to be registered before they go on sales. The next date for review of values on the label is set to 2025

Sustainability related information

Having due regard to the Company's current financial position together with its forecast results, cash flow and financial position in the coming year, the directors confirm that the company has the resources to continue in operational existence for the foreseeable future. Our aim is to meet the needs of our stakeholders in ways that are economically, environmentally and socially responsible.

Developments after March 31, 2021

There is no significant development.

The Board would like to thank all employees, business partners, bankers, customers and other associates for their commitment and efforts in the past year.

Amsterdam, The Netherlands, June 11 ,2021

On behalf of the Board of Directors

Benoit Rivallant

Sunam Sarkar

Vishal Kumar Mittal

Rakesh Dewan

Consolidated financial statements

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Consolidated financial statements

Consolidated statement of financial position

Before profit appropriation

(Euro x1,000)	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	3	111.320	139.761
Right-of-use assets	4	18.719	18.416
Intangible assets	5	52.971	63.540
Deferred tax assets	6	21.138	2.381
Other non-current assets	7	182	194
Total non-current assets		**204.331**	**224.292**
Current assets			
Inventories	8	55.042	98.458
Trade receivables	9	85.403	70.357
Cash and bank balances	10	33.996	32.283
Other current assets	11	4.055	4.452
Derivative financial assets	14	6.205	1.118
Corporate Advance tax paid	12	117	37
Total current assets		**184.818**	**206.705**
Total assets		**389.149**	**430.997**

(Euro x1,000)	Notes	As at 31 March 2021	As at 31 March 2020
Equity and liabilities			
Total group equity	13	**167.233**	**229.185**
Non-current liabilities			
Lease liabilities	4	13.753	14.066
Deferred tax liability	6	26.371	23.659
Pension liabilities	15	9.728	10.817
Other non current liabilities	16	50.950	1.971
Total non-current liabilities		**100.802**	**50.513**
Current liabilities			
Trade and other payables	17	108.633	144.743
Lease liabilities	4	5.446	4.646
Derivative financial liabilities	14	6.102	1.132
Corporate Income Tax Payable	12	931	778
Total current liabilities		**121.113**	**151.299**
Total equity and liabilities		**389.149**	**430.997**

Consolidated statement of income

(Euro x1,000)	Notes	Period ended 31 March 2021	Period ended 31 March 2020
Revenue	20	489.445	519.922
Other operating Income	21	863	656
Total Income		**490.308**	**520.578**
Changes in inventories of finished goods and work in progress	22	39.177	8.783
Raw materials and Purchase of Finished goods	23	252.660	288.155
Employee expenses	24	104.810	127.036
Depreciation and amortisation expenses	25A	31.205	29.681
Other expenses	25A	71.094	89.561
Total expenses		**498.945**	**543.216**
Profit before interest, taxes & non-recurring items		**-8.637**	**-22.637**
Non-recurring items (Restructuring expenses)	25B	68.844	-
Profit before interest and taxes		**-77.482**	**-22.637**
Interest expense	26	-963	-787
Interest income	26	7	129
Profit before taxes		**-78.438**	**-23.295**
Income tax expense	27	15.725	2.982
Profit for the year		**-62.713**	**-20.313**

Consolidated statement of comprehensive income

(Euro x1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Profit for the year	**-62.713**	**-20.313**
Items that will never be reclassified to profit and loss		
Actuarial gains or losses on pension plans gross	1.089	-1.973
Tax effect on actuarial gains and losses	-327	493
Items that are or may be reclassified to profit and loss		
Translation differences on foreign operations	-1	-112
Total other comprehensive income	**761**	**-1.592**
Total comprehensive income for the year	**-61.952**	**-21.905**

The total comprehensive income is attributable to the owner of the parent company.

Consolidated statement of changes in equity

(Euro x 1,000)	Issued Capital	Share premium reserves	Translation of foreign operations	Legal Reserves	Actuarial gains or losses on pension plans	Retained earnings	Profit for the period	Total Equity
Total as at 31 March 2019	**43**	**20.226**	**572**	**42.474**	**-1.607**	**182.705**	**6.678**	**251.090**
Profit for the period							-20.313	-20.313
Other comprehensive income, net of income tax			-112		-1.480			-1.592
Dividends						-		-
Transfers to and from reserves				6.288	-	390	-6.678	-
Total as at 31 March 2020	**43**	**20.226**	**460**	**48.762**	**-3.087**	**183.095**	**-20.313**	**229.185**
Profit for the period							-62.713	-62.713
Other comprehensive income, net of income tax			-1		762			761
Dividends						-		-
Transfers to and from reserves				-9.686	-	-10.627	20.313	-
Total as at 31 March 2021	**43**	**20.226**	**459**	**39.075**	**-2.325**	**172.469**	**-62.713**	**167.233**

Some reserves of the company (Translation of Foreign Operations, Legal Reserves () & Actuarial gain/loss on Pension) are non-distributable. Legal reserve relates to capitalised development expenses.

Consolidated statement of cash flows

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Profit before tax for the year	-78.438	-23.295
Depreciation and amortisation	31.205	29.681
Impairment of non-current assets	13.516	-
Interest	728	658
Non-Cash Items	136	212
Cash flows from operating activities	**-32.624**	**7.256**
Movements in working capital		
Decrease /(increase) in inventories	43.416	11.549
Decrease /(increase) in Trade receivables	-15.046	17.540
Decrease /(increase) in other non-current assets	12	-109
Decrease /(increase) in other current assets	317	6.773
(Decrease)/increase in current liabilities	-38.482	-3.547
(Decrease)/increase in non-current liabilities	50.602	-2.602
Cash increase due to working capital	**40.819**	**29.604**
Cash generated from operations	**8.194**	**36.859**
Net tax paid	**-507**	**7.234**
Net cash generated by operating activities	**7.688**	**44.102**
Cash flows from investing activities		
Payments for property, plant and equipment	-2.726	-9.495
Payment for intangibles	-1.941	-12.286
Proceeds from disposal of property, plant and equipment	4.952	137
Net cash (used in) /generated by investing activities	**284**	**-21.644**
Cash flows from financing activities		
Payment of lease liabilities	-6.068	-6.062
Interest received	7	129
Interest paid	-963	-787
Net cash used in financing activities	**-7.024**	**-6.720**
Other comprehensive income	766	-1.586
Adjustment opening balance Retained earnings	-	-
Net decrease/increase in cash and cash equivalents	1.714	14.153
Cash and cash equivalents at the beginning of the financial year	32.283	18.130
Cash and cash equivalents at the end of the financial year including bank overdraft	**33.996**	**32.283**

Notes to the consolidated annual accounts for 2020-21

1. General information

Apollo Vredestein B.V. is a private company with limited liability, incorporated in Enschede, the Netherlands. The registered office address of Apollo Vredestein B.V. is IR E L C Schiffstraat 370, 7547 RD Enschede, The Netherlands. Apollo Vredestein B.V. is registered in the Dutch trade register under number 34223268. As at reporting date, Apollo Tyres B.V. owns 100% of the shares in Apollo Vredestein B.V. The ultimate parent of Apollo Vredestein B.V. is Apollo Tyres Ltd., India. Apollo Tyres Ltd. files its annual report with Bombay Stock Exchange (India). Apollo Vredestein B.V. concentrates on manufacturing, marketing, sales and distribution of tyres and supplies tyres for passenger cars, commercial vehicles, agricultural and industrial vehicles and bicycles. The company's distribution network extends through Europe. The company's products are also sold in North America. The 2020-2021 financial statements are prepared by the Board of Directors and authorized by the Supervisory Board on May 7, 2021 and will be submitted for adoption to the general meeting of shareholders.

Covid-19 impact

In general, the COVID impact on the operations of the company was mainly in the first quarter of the financial year in line with the market trend. Net sales for first quarter of the financial year was recorded 27% lower from the preceding quarter and 28% lower from corresponding quarter previous year. However, market generally recovered from 2nd quarter onwards. Net Sales of the company for the financial year was recorded about 6% lower than previous financial year. During the year company improved its working capital levels through increased focus on reduction of inventory and debtor levels.
The company shows a net receipt of € 4.9 million as NOW subsidy (Covid-19 related) which has been grouped under the employee expenses on the Income statement.

Going concern

The Company has a negative net profit, resulting mainly from, one time exceptional item related to specialization of its Enschede plant. Operating cash flows are positive, and we have a strong financial position. On an operating basis, the Company is profitable and enjoys strong conditions and has sufficient liquidity for its requirements.

Accordingly the Directors and Management have concluded that it is reasonable to continue to adopt the going concern basis of presentation for the Company's financial statements in respect of the year ended 31 March 2021.

2. Accounting policies

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards published by the International Accounting Standards Board (IASB) as adopted by the European Union and Title 9 BW 2 of Dutch civil code. The consolidated financial statements have been prepared at historical cost, unless indicated otherwise. The accounting policies outlined below were applied consistently for all the periods presented in these consolidated financial statements. The financial data of subsidiaries are incorporated in the consolidated financial statements. Therefore, an abbreviated income statement is presented for the company under article 2:402 of the Dutch Civil Code. Comparative figures have been adjusted retrospectively.
The financial statements have been prepared under the assumption that the Group operates on a going concern basis.

2.1 Application of new and revised International Financial Reporting Standards(IFRS)

New Standards and interpretations

A number of new and amended standards are effective from 1 January 2020, but they do not have a material effect on the Group's financial statements.

Standards and interpretations effective and not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
- Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- COVID-19-Related Rent Concessions (Amendment to IFRS 16).b
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.

2.2. Basis for Consolidation

The consolidated financial statements include the financial statements of Apollo Vredestein B.V. and its subsidiaries, being the entities controlled by Apollo Vredestein B.V. Control is achieved where Apollo Vredestein B.V. has the power over an investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's return.

The financial data of subsidiaries acquired during the year under review are consolidated as of the moment that Apollo Vredestein B.V. obtains control. The financial data of subsidiaries disposed of during the year under review are included in the consolidation until the moment that Apollo Vredestein B.V. loses control. Apollo Vredestein B.V. did not lose control of any subsidiary during the reporting period. There are no significant restrictions on the ability of group to access or use the assets and settle the liabilities of the group. There are no contractual arrangements that require the parent or its subsidiaries to provide financial support to a consolidated entity. If necessary, the figures for the subsidiaries' financial statements are adjusted to bring the statements in line with the accounting standards applied by Apollo Vredestein B.V. The financial data of the consolidated subsidiaries are fully included in the consolidated financial statements after elimination of all intercompany balances and transactions. Unrealized profits and losses on intercompany transactions are eliminated from the consolidated financial statements. Proportion of ownership interest and voting power held by the group, directly or indirectly are:

	As at 31 March 2021	**As at 31 March 2020**
Vredestein Consulting B.V., Enschede - The Netherlands	100%	100%
Finlo B.V., Enschede - The Netherlands	100%	100%
Vredestein marketing B.V., Enschede-The Netherlands*)	-	100%
Apollo Vredestein Belux SA, Brussels – Belgium	100%	100%
Apollo Vredestein GmbH, Vallendar - Germany	100%	100%
Apollo Vredestein Limited, Kettering – United Kingdom	100%	100%
Apollo Vredestein France SAS, Paris – France	100%	100%

Apollo Vredestein Gesellschaft GmbH, Vienna – Austria	100%	100%
Apollo Vredestein Iberica SA, Cornellà de Llobregat – Spain	100%	100%
Vredestein Nordic AB, Hisings Backa - Sweden	100%	100%
Apollo Vredestein Schweiz AG, Baden –Switzerland	100%	100%
Apollo Vredestein Kft, Budapest - Hungary	100%	100%
Apollo Vredestein Opony Polska, Warsaw - Poland	100%	100%

*) Vredestein marketing BV is liquidated per 30-9-2020

Apollo Vredestein B.V. is part of the Apollo Tyres Ltd group, based in Gurgaon, India. All transactions with related parties within the Apollo group are based on regular business activities, following arms' length principle.

2.3 Foreign currency
The balance sheet and income statement are stated in euros, which is the functional currency of Apollo Vredestein B.V. and the presentation currency for the consolidated financial statements. Receivables, debts and liabilities in foreign currencies are converted at the exchange rate on the balance sheet date. Assets and liabilities of foreign subsidiaries are translated using the exchange rates at the date of the balance sheet. The income statements of foreign subsidiaries are converted at the average exchange rates applying for the periods involved. These exchange rates approximate the exchange rates at the dates of the transactions. Exchange rate differences arising from interests in foreign subsidiaries have been recorded under the other comprehensive income as a separate item.

2.4 Estimates
Apollo Vredestein B.V. makes certain estimates and assumptions when preparing the consolidated financial statements. These estimates and assumptions have an impact on the assets and liabilities, disclosure of contingent liabilities at the date of the financial statements, and income and expense items for the period under review. Important estimates and assumptions relate largely to provisions, pensions, intangible fixed assets, deferred tax assets and liabilities. Actual results may differ from these estimates and assumptions. All assumptions, expectations and forecasts that are used as a basis for estimates in the consolidated financial statements represent as accurately an outlook as possible for Apollo Vredestein B.V. These estimates only represent Apollo Vredestein B.V.'s interpretation as of the dates on which they were prepared.

2.5 Net sales / Revenue recognition
Net sales represent the income from the supply of goods, after deduction of discounts, credit notes and the like, taxes levied on revenue, and elimination of intra-group sales.

Revenue arises mainly from the sale of tyres to business customers. To determine whether to recognize revenue, the company follows a 5-step process according to IFRS 15:
1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by transferring the promised goods or services to its customers. When the company acts as a principal revenue is recognised in the gross amount of consideration to which it expects to be entitled in exchange for the specified good or service transferred.

The company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the company satisfies a performance obligation before it receives the consideration, the company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

2.5B Government grants

A government grant is recognised only when there is reasonable assurance that (a) the company will comply with any conditions attached to the grant and (b) the grant will be received.

2.6 Taxation

Income tax includes current and deferred tax. Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income or directly in equity. Current tax is the expected income tax payable or receivable in respect of taxable profit or loss for the year, taking into account tax concessions and non- deductible costs.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The most significant temporary differences arise from the depreciation differences of property, plant and equipment, measuring the net assets at Cost. A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

2.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.
This policy is applied to contracts entered into, on or after 1 April 2019.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of machines and equipment and vehicles, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

- Lease payments included in the measurement of the lease liability comprise the following:
    - fixed payments, including in-substance fixed payments;
    - variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
    - amounts expected to be payable under a residual value guarantee; and
    - the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.8 Property, plant and equipment

Property, plant and equipment include all expenditure of a capital nature and are stated at cost less accumulated depreciation and any impairment losses. Depreciation is calculated according to the straight-line method, with the rate depending on the expected useful life of the asset concerned. The expected useful lives are reviewed at each reporting date, and if they differ materially from previous estimates, the depreciation schedules are changed accordingly.

Assets held for sale are valued at the lower of book value and market value, less sales costs. The term of depreciation is generally:

- Accommodations: 25 years
- Buildings: 30 years
- Moulds and formers: 4 years
- Furniture and fixture: 4-10 years
- Plant and machinery: 10-25 years

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

2.9 Intangible assets

Expenditure on research activities is recognized as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Capitalised costs are written-down over estimated useful lives, which is 6 years. The depreciation takes place on the straight-line basis.

Software is valued at historical cost. It mainly consists of customised software, which is depreciated according to the straight-line method, with the rate depending on the expected useful life of the asset concerned (5 years).

Brand name rights have no foreseeable limit to the period over which they are expected to generate net cash inflows for the entity.

For intangible assets with indefinite lives, no indications for impairment are applicable, but instead every year an impairment test calculation is made.

The residual value, useful life and amortization /depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

2.10 Impairment or disposal of tangible and intangible fixed assets

On each balance sheet date, Apollo Vredestein B.V. tests whether there are indications that an individual non-current asset may be subject to impairment. If there are such indications, the recoverable amount of the asset involved is estimated in order to determine the extent to which impairment may apply. If it is not possible to determine the recoverable amount of the individual asset, then Apollo Vredestein B.V. determines the recoverable amount of the cash-generating unit to which the asset belongs. Impairment applies if the carrying value of an asset exceeds its recoverable amount. The recoverable amount is equal to the proceeds or value to the business, whichever is the greater, the business value being the present value of the expected future cash flows from the use of the asset and its ultimate disposal. Impairment is charged to the income statement in the period in which it occurs, unless it relates to a revalued asset at acquisition date due to an acquisition of an entity or a group of entities.

2.11 Inventories

Inventories are valued at the lower of cost and estimated net realizable value after providing for obsolescence and other losses, where considered necessary. The net realizable value is the estimated sales price less the estimated selling expenses.

In case of **raw materials, consumables and sourced finished goods**, cost comprises cost of purchase and other costs incurred in bringing such inventories to their present location and condition. The purchase price is determined on a moving weighted average basis.

In case of **produced finished goods and goods in progress**, cost comprises raw material cost and conversion cost determined on a standard cost basis. Standard cost includes all expenses directly attributable to the manufacturing process as well as suitable portion of related production overheads, based on normal operating capacity. General costs not relating to production, sales and financing costs are not considered. Inventory value is converted from standard cost to actual cost at the end of each periods.

2.12 Financial instruments

I. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

II. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets (see note 14). On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

III. Derecognition

Financial assets

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The company also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

IV. Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

V. Derivative financial instruments and hedge accounting

The company holds derivative financial instruments to hedge its foreign currency risk exposures. Derivatives are initially measured at fair value. Fair value of the derivatives is equal to inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (level 2). Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit or loss. The company does not apply hedging accounting.

Financial and non-financial contracts may contain terms and conditions that meet the definition of derivative financial instruments. Such an agreement is separated from the host contract if its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms and conditions as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value with changes in fair value recognised in the profit and loss account.

VI. Impairment

Non-derivative financial assets:

Financial instruments

The company recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost.

The company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;

- the restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off
The gross carrying amount of a financial asset is written off when the company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The company makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

2.13 Pension liabilities

Defined contribution plan Apollo Vredestein B.V
At reporting date, employees of Apollo Vredestein B.V. participated in defined contribution pension plan. Under this pension plan, fixed contributions are paid to the Insurance company. Apollo Vredestein B.V. has no legal or constructive obligation to pay further contributions and the insurance service provider is responsible to hold sufficient assets to pay all employee benefits relating to employee service. Contributions that will not be settled within 12 months are discounted and recognized as liability.

Defined benefit plan Apollo Vredestein GmbH
At reporting date, employees of Apollo Vredestein GmbH participated in defined benefit pension plan. This plan augments the pension provided by the state and provides additional support for the employees in the case of early disability or for surviving relatives in case of the death of an employee. Employees are entitled to this pension plan after 5 years of employment. The benefits of the defined benefit pension plan in Germany are based primarily on years of service and employees' compensation. The mortality level was assessed in accordance with the German Mortality table 20 G Heubeck. Independent actuary carries out valuation of the obligation under the pension plan. Actuarial gains or losses are recognised in the other comprehensive income. The present value of the DBO was measured using the projected unit credit method

2.14 Provisions
Provisions are set aside to cover present legal or constructive obligations, arising from events on or before the balance sheet date, where it is likely that the company will have to meet these obligations and to the extent that the obligations can be estimated reliably. The level of the provisions reflects the best estimate of Apollo Vredestein B.V. on the balance sheet date, regarding expected expenditures. If material, the liabilities are discounted to their present value. Provisions are recognized when a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reliably estimated. Provisions are recognized when it is probable that an outflow of economic resources will be required and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

2.15 Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.16 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Other components of equity include the following:

- *Actuarial gains or losses on pension plans* – comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.
- *Translation reserve* – comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into EURO.
- *Retained earnings* include all current and prior period retained profits and share-based employee remuneration.

All transactions with owners of the parent are recorded separately within equity.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs

2.18 Cash Flow Statement

The cash flow statement is prepared using the indirect method. The cash balance in the cash flow statement consists solely of immediately available cash. Cash flows in foreign currencies are translated using the exchange rate on the transaction date. Cash dividends are included in the cash flow from financing activities. The costs of acquisitions and other investments, as long as paid in cash, are included in cash from investing activities. Currency translation effects on foreign operations are presented in the cash flow statement in order to achieve reconciliation between the cash and cash equivalents at the beginning and the end of the period.

2.19 Information by segment

IFRS 8 requires Apollo Vredenstein B.V. to identify operational segments separately based on internal reports that are regularly reviewed by the management in order to allocate resources to the segments and to assess their performance. Apollo Vredenstein B.V. identifies only one operational segment: Europe. Sales and activities outside Europe are marginal.

3. Property, plant and equipment

(Euro x 1,000)	Land & accommo dations	Building	Moulds & formers	Assets under con-struction	Furniture & Fixture	Plant & Machinery	Total
GROSS BLOCK							

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Balance as at 31 March 2019	**19.018**	**52.667**	**86.954**	**8.219**	**9.168**	**415.067**	**591.092**
Transfer		1	2.279	-11.768	287	8.969	-163
Foreign currency translation difference		-2			1	-15	-16
Additions		32		9.192	340		9.495
Disposals			-1.106		-41	-88	-1.235
Balance as at 31 March 2020	**19.018**	**52.698**	**88.126**	**5.643**	**9.754**	**423.934**	**599.174**
Transfer		35	1.307	-6.082	24	4.026	-689
Foreign currency translation difference		-			-4		-4
Additions		17		533	24	58	632
Disposals		-6	-2.661		-77	-2.524	-5.269
Balance as at 31 March 2021	**19.018**	**52.744**	**86.773**	**94**	**9.722**	**425.493**	**593.843**
Accumulated depreciation							
Balance as at 31 March 2019	**2.329**	**32.043**	**78.280**		**6.840**	**325.443**	**444.936**
Depreciation for financial year	160	805	4.206		571	9.842	15.585
Disposals			-987		-41	-70	-1.098
Foreign currency translation difference		-1			1	-9	-10
Balance as at 31 March 2020	2.489	32.847	81.498		7.372	335.207	459.413
Depreciation for financial year	155	655	3.193		538	9.652	14.194
Impairment						13.516	13.516
Disposals		-6	-1.993		-77	-2.524	-4.600
Foreign currency translation difference					-1	3	1
Balance as at 31 March 2021	2.645	33.496	82.699		7.832	355.853	482.523
Balance NET BLOCK as at 31 March 2021	**16.373**	**19.248**	**4.074**	**94**	**1.891**	**69.640**	**111.320**
Balance NET BLOCK as at 31 March 2020	**16.529**	**19.851**	**6.628**	**5.643**	**2.383**	**88.727**	**139.761**

a. Property, plant and equipment are primarily valued at cost.

b. Due to the Specialisation of its Plant at Enschede, NL (please refer to Note 24B), number of machines were identified as redundant. The fair value of these machines have been established by an independent valuer at €2.8 million (book value €15,1 million). The difference between Book value and Fair value of these assets are recognized as Impairment provision.

c. The tangible fixed assets have an assessed value of EUR 314 million for insurance purposes as at 31 March 2021.

4. Leases

The Group distinguishes three types of leases:

- Premises: warehouses and offices. Contracts typical run for multiple year periods and have extension options.
- Machines and equipment: comprise different types of operational and warehousing machines and equipment
- Lease cars.

Information about leases for which the Group is a lessee is presented below. For accounting policy see Note 2.7.

Right-of-use assets

(Euro x 1,000)	Premises	Vehicles	Machine and equipment	Total
Carrying amount at 31 March 2020	**13.369**	**2.675**	**2.372**	**18.416**
Investments	5.149	1.166	-	6.315
Currency differences	-12	2	-1	-11
Depreciation	-4.374	-1.491	-136	-6.001
Carrying amount at 31 March 2021	**14.132**	**2.352**	**2.235**	**18.719**

Lease liabilities

(Euro x 1,000)	Premises	Vehicles	Machine and equipment	Total
Balance at 31 March 2020	**13.646**	**2.693**	**2.373**	**18.712**
Additions	5.154	1.162	-	6.315
Currency differences	-12	2	-1	-12
Repayments	-4.417	-1.514	-137	-6.068
Interest charged to the income statement	219	32	1	253
Balance at 31 March 2021	**14.589**	**2.375**	**2.236**	**19.200**

Amounts recognised in profit or loss

(Euro x 1,000)	Premises	Lease cars	Machine and equipment	Total
Depreciation of right-of-use assets	4.374	1.491	136	6.001
Interest on lease liabilities	219	32	1	253
Total	**4.593**	**1.523**	**137**	**6.254**

Ageing of lease liabilities

(Euro x 1,000)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
As at 31 March 2021				
Lease liabilities	5.466	4.395	6.933	2.406

EXTENSION OPTIONS

Some leases contain extension options exercisable by the Group. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

LEASE EXPENSES IN OUR OPERATING EXPENSES

The total amount in our operating expenses related to short-term leases, low value assets and expenses related to variable lease payments not included in the measurement of lease liabilities is € 2.1 million.

5. Intangible Assets

(Euro x 1,000)	Develop-ment	Brand names	Software	Total
As at 31 March 2019				
Cost	81.561	12.900	24.003	118.465
Depreciation	-39.088	-	-20.309	-59.397
Book value	**42.474**	**12.900**	**3.694**	**59.068**
Changes in book value				
Reclassification Investments			163	163
Investments	12.285	-	1	12.286
Foreign currency translation difference	-	-	-	-
Depreciation for financial year	-5.997	-	-1.979	-7.976
Balance	**6.288**	**-**	**-1.815**	**4.473**
As at 31 March 2020				
Cost	93.846	12.900	24.165	130.911
Depreciation	-45.085	-	-22.287	-67.371
Book value	**48.762**	**12.900**	**1.878**	**63.540**
Changes in book value				
Reclassification investments			689	689
Divestments	-2.110		-79	-2.189
Investments	1.941	-	-	1.941
Foreign currency translation difference	-	-	1	1
Depreciation for financial year	-9.518	-	-1.493	-11.011
Balance	**-9.686**	**-**	**-882**	**-10.569**
As at 31 March 2021				
Cost	93.678	12.900	24.752	131.329
Depreciation	-54.602	-	-23.756	-78.358
Book value	**39.075**	**12.900**	**996**	**52.971**

The Brand names have an indefinite life as the company has no intention to change names. An impairment test on the Brand names was carried out as at Mar 31, 2021, details of the test are outlined in table below. Based on the present value-in-use calculation, no impairment is deemed necessary:

Test method	"Relief from Royalty method" I
Discount Rate	8.2% (last year 8.2%)
Growth Rate	2.0%
No. of years for which cash flows where considered to calculate DCF	4 years

Book Value (Eur'000)	12.900
Test Result	No Impairment Loss

Management is not currently aware of any other reasonably possible changes to key assumptions that would cause a unit's carrying amount to exceed its recoverable amount.

6. Deferred tax

(Euro x 1,000)	**As at 31 March 2021**	**As at 31 March 2020**
Deferred tax asset movement		
At beginning of the year as previously reported	2.381	2.294
Current year charge	18.756	87
At end of the year	**21.138**	**2.381**

(Euro x 1,000)	**As at 31 March 2021**	**As at 31 March 2020**
Deferred tax liability movement		
At beginning of the year as previously reported	23.659	27.404
Current year charge	2.713	-3.745
At end of the year	**26.371**	**23.659**

Deferred tax	**Period ended 31 March 2021**	**Period ended 31 March 2020**
Deferred tax assets:		
Tax losses carried forward	23.915	6.467
Pension benefit plans and jubilee provision	2.020	2.067
Property Plant & Equipment	4.786	4.116
Lease Liability	-	250
Profit Elimination on Unsold stock	51	80
Others	964	-
Gross Deferred Tax Asset	**31.736**	**12.980**
Net Off Deferred Tax Liability	(10 599)	(10.599)
Total deferred tax asset	**21.138**	**2.381**
Deferred tax liability		
Property, plant and equipment	33.312	31.051
Brand names	3.263	2.832
Intangible Assets	395	375
Others		1
Gross Deferred Tax Liability	**36.970**	**34.258**
Net off Deferred Tax Asset	(10.599)	(10.599)
Total deferred tax liability	**26.371**	**23.659**
Net deferred tax liability	**5.233**	**21.278**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The most significant temporary differences arise from the depreciation differences of property, plant and equipment, pension liability and taxable losses carried forward. Brand names have no fiscal value.

7. Other non-current assets

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Rent deposits	**182**	**194**

The amortized cost approximates fair value.

8. Inventories

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Raw materials	5.032	6.603
Work in progress	2.143	2.483
Finished & Traded goods in stock	33.989	74.499
Finished & Traded goods in transit	8.201	6.528
Consumable stores	5.677	8.345
Total	**55.042**	**98.458**

Part of inventories have been ceeded as security for liabilities of the company. The cost of inventories recognized as an expense during the year in respect of continuous operations was EUR 279 million. Inventories include an allowance for slow moving/obsolete stock of EUR 0.4 million (2020:0.8 million).

9. Trade receivables

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Trade receivables	94.538	75.446
Allowance for doubtful debts	-9.135	-5.089
Total	**85.403**	**70.357**

All trade receivables shorter than a year are valued at nominal value, which is a reasonable approximation of fair value of the receivables. The credit period generally ranges from 14 days to 90 days and customer loses the incentive if not paid in time. Apollo Vredestein B.V. has no significant concentrations on credit risks. It has a policy which prevent sales to customers with a below standard credit history. Apollo Vredestein B.V. has also a good credit management team, which is responsible for overdue receivables. Credit limit is granted after assessing the credit worthiness of customer. Credit report from independent credit rating agency like D&B or equivalent is used. Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which no allowance for doubtful debts has been recognized because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Receivable balances that are held to collect are subsequently measured at amortized cost

and are subject to impairment as explained in the impairment section of this note. The company derecognizes receivables on entering into factoring transactions if the company has transferred substantially all risks and rewards or if the company does not retain control over those receivables.
The Net Receivable position as at 31 Mar 2021 includes an amount of EUR 6.2 million received under the Non Recourse Purchase of Eligible Receivables agreement.

Ageing of past due but not impaired receivables

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
0 - 60 days	3.413	7.624
61 - 180 days	-1.384	2.528
more than 180 days	-189	575
Total	**1.843**	**10.727**

The total not past due for FY 2020-2021 amounts to EUR 83.6 million. This amount includes an amount of EUR 11.3 million due from Apollo Group companies.

Movement in the allowance for doubtful debts

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-5.089	-4.663
Movement to allowance recognized in statement of income	-1.371	-683
Reclass of accrual on Debtor balances to Doubtful	-2.675	
Amounts written off during the year as uncollectible		257
Balance at end of year	**-9.135**	**-5.089**

10. Cash and bank balances

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Cash at bank	**33.996**	**32.283**

Cash is at free disposal of the company. Negative balances are included as debt (note 18).

11. Other current assets

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Prepayments	1.287	2.062
VAT recoverable	1.843	1.468
Other receivables	924	922
Total	**4.055**	**4.452**

12. Corporate tax (receivable/payable)

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Corporate Advance Tax Paid	117	37
Provision for tax	-931	-778
Net corporate tax position	-815	-742

The corporate income tax position are netted by country and jurisdiction.

13. Total group equity

Reference is made to the note on shareholders' equity in the company financial statements for a detailed note on the share of the legal entity in the group equity.

14. Derivative financial assets and liabilities

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Current assets relating to derivative financial instruments	6.205	1.118
Current liabilities relating to derivative financial instruments	6.102	1.132
Total net position	**103**	**-14**

All derivatives relate to forward foreign currency contracts The carrying amounts of the various derivatives at 31 March 2021 were equal to their fair values.

Forward exchange contracts hedge the risk of volatility of future trade activities in foreign currencies. The amount disclosed relates mainly to positions in EUR-GBP, EUR-SEK and EUR-PLN.

See note 30 for more information on risk management and financial instruments. We do not apply hedge accounting for derivative financial instruments.

15. Pension Liabilities

The pension liability as recorded in the balance sheet relates to the defined benefit plan of Apollo Vredestein GmbH in Germany and defined contribution plan of Apollo Vredestein B.V. in the Netherlands. For the defined benefit plan an actuary of a certified actuarial firm performed plan of Apollo Vredestein GmbH an actuarial calculation.

At reporting date, employees of Apollo Vredestein B.V. participated in defined contribution pension plan. Under this pension plan, fixed contributions are paid to the Insurance Company. Apollo Vredestein B.V. has no legal or constructive obligation to pay further contributions and the insurance service provider is responsible to hold sufficient assets to pay all employee benefits relating to employee service. Contributions that will not be settled within 12 months are discounted and recognized as liability.
The pension liability Apollo Vredestein GmbH is valued using the German Law on Modernisation of Accounting Regulations (BilMoG). The entity has no specific (governance) responsibilities with regards to the plan. As the plan is state operated, no entity specific / plan specific risk are applicable other than described above. The valuation method applied

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is based on the project unit credit method. The 2018 G Standard Tables of Prof. Dr. Heubeck are used as biometric basis. The service period is limited to 40 years resulting in a maximum yearly entitlement (for the first 5 years of credited service) of 0.60% of Average Pay up to the final average social security contribution ceiling (SSCC) and 15% of Average pay exceeding the final average SSCC. For each year of credited service exceeding 5 years there is an entitlement of 0.40% of Average Pay up to the final average SSCC and 1% of Average pay exceeding the final average SSCC. For each year of credited service there is an entitlement of 0.40% of Average Pay up to the final average SSCC and 1.20% of Average pay exceeding the final average SSCC.

(Euro x 1,000)	**As at 31 March 2021**	**As at 31 March 2020**
Pension liabilities		
Defined benefit plan	9.728	10.817
Defined contribution plan	-	-
At end of the year	**9.728**	**10.817**

Extracts of defined benefit plan are as follows:

Assumptions Apollo Vredestein GmbH	**Period ended 31 March 2021**	**Period ended 31 March 2020**
Inflation	1.75%	1.75%
Indexation non-active members	1.75%	1.75%
Mortality table	Heubeck 2018G	Heubeck 2018G
Individual salary increase (dependent on age)	3%	3%
Discount rate	1.0%	0.6%

Defined benefit pension plan (Euro x 1,000)	**As at 31 March 2021**	**As at 31 March 2020**
Defined benefit obligation		
Balance at beginning of the year	-10.817	-8.652
Service costs	-263	-203
Interest expense	-64	-153
Benefits paid	328	275
Remeasurements due to experience	112	98
Remeasurements due to demographic assumptions	-	-
Remeasurements due to change in financial assumptions	977	-2.182
Balance at end of year	**-9.727**	**-10.817**
Net balance pensions liability		
Defined benefit obligation		
Plan assets		
Unfunded status	**-9.727**	**-10.817**
Net balance pensions liability	**-9.727**	**-10.817**

Movement of net liability

Balance at beginning of the year	**-10.817**	**-8.652**
Service cost		
Past service cost		
Current service cost	-263	-204
Interest expense	-64	-153
Defined benefit cost recognized in profit and loss	-327	-357
Defined benefit cost recognized in OCI	1.089	-2.083
Benefits paid / contributions paid	328	275
Other adjustments	-	-
Balance at end of the year	**-9.727**	**-10.817**

The defined benefit cost recorded in profit and loss is recognized in the income statement. The key assumptions regarding the calculation of the defined benefit obligation are included below. These summarize the effects on the defined benefit obligation if there would be a change in the assumption mentioned.

Sensitivity analysis	Change in assumption	Change in defined benefit obligation
Discount rate	Increase by 1.00%	-16.25%
Salary increase	Increase by 0.50%	+1.55%
Inflation	Increase by 0.25%	+3.29%

Maturity profile (Euro x 1,000)	
Expected payments during fiscal year ending 31/03/2022	284
Expected payments during fiscal year ending 31/03/2023	284
Expected payments during fiscal year ending 31/03/2024	289
Expected payments during fiscal year ending 31/03/2025	296
Expected payments during fiscal year ending 31/03/2026	313
Expected payments during fiscal year ending 31/03/2027 through 31/3/2031	1.697

Analyses of Defined Benefit Obligation by Participant Category (Euro x 1,000)	
Active participants	3.692
Deferred participants	1.286
Pensioners	4.449

Expected Contributions for the period ending 31/03/2021	
Employer	0
Plan participants	0

Weighted average Duration of Defined Benefit Obligations: 18.02 years

16. Other non-current liabilities

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Jubilee benefits	1.281	1.971

Deferred tax payments related to Covid	49.669	-
Total Other non current liabilities	**50.950**	**1.971**

Due to Covid crisis the company was allowed by the tax authorities to defer tax payments. The repayment schedule is yet unclear.

Movement in the Jubilee provision

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Opening balance	1.971	2.189
Movements in Jubilee benefits	-690	-218
Closing balance	**1.281**	**1.971**

Jubilee Benefits

There is a jubilee scheme in place for all employees of Apollo Vredestein B.V. on Dutch payroll. For 12.5, 25 and 40 years of service, benefits are paid to the personnel.

For the provision as at Mar 31, 2021, following was considered: Salary Increase: 2.5%, Discount Rate 1.5%, Retirement Age: 65 years and Retention rate: 6.4%

Risks in the case of claims and legal action are monitored closely and where necessary provisions are made.
An amount of Eur 0.3 million was actually paid out in the current year.

17. Trade and other payables

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Trade payables	22.013	33.196
Payable to related parties	28.105	64.715
Sales deductions	10.030	10.163
Interest accrued but not due	117	24
Tax & social premiums	14.850	8.062
Other employees payable	7.221	2.337
13th month	848	1.274
Leave pay	2.122	2.695
Holiday allowance	1.998	3.008
Statutory payable	12.618	6.630
Other payables and accruals	12.131	12.637
Total trade and other payables	**108.633**	**144.743**

The credit period on purchases generally ranges from 15 days to 60 days. Apollo Vredestein B.V. has financial risk management policies put in place to ensure that all payables are paid within the pre-agreed credit terms.
No interest is calculated with respect to the payables to related parties given the short term character and periodic settling of balances. No pledges and or securities are applicable.

18. Borrowings

During FY20, the Company's parent Company (Apollo Tyres B.V.) has signed a new financing agreement for the long term loan (EUR 175 Million, of which EUR 147 Million outstanding per 31 March 2021) with a consortium of Banks led by Standard Chartered Bank, the proceeds for which were utilized for repayment of the previous facility loan.

The Company has provided guarantee for the loan which is secured by a pledge on its movable tangible assets (other than stock in trade, raw materials and trade receivables) and a mortgage of Real Estate being the Land and Buildings located in the Netherlands.

Company's sister company, Apollo Tyres (Hungary) Kft. has also provided guarantee for the loan which is secured by a pledged of Fixed Assets and movable tangible assets (other than stock in trade, raw materials and trade receivables).

19. Gearing Ratio

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Net debt	-33.996	-32.283
Equity	167.233	229.185
Net debt to equity ratio	0%	0%

Net debt is defined as the sum of the borrowings and cash and bank balances (see note 10). As per 31 March 2021 the company had no borrowing.

20. Revenue

IFRS 8 requires Apollo Tyres B.V. to identify operational segments separately based on internal reports that are regularly reviewed by the management in order to allocate resources to the segments and to assess their performance. Apollo Tyres B.V. identifies only one operational segment: Europe. Sales and activities outside Europe are marginal.

21. Other operating Income

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Royalty Income	39	33
Profit on sale of assets	344	382
Subsidies and other	480	241
Total	**863**	**656**

22. Changes in inventories of finished goods and work in progress

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Opening Stock		
Work in progress	2.483	7.394
Stock-in-trade	6.528	20.983
Finished goods	74.499	63.916
	83.510	**92.293**
Closing Stock		

Work in progress	2.143	2.483
Stock-in-trade	8.201	6.528
Finished goods	33.989	74.499
	44.333	**83.510**
Changes in work in progress and finished goods	**39.177**	**8.783**

23. Raw materials and consumables used

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Raw materials consumed	39.745	78.862
Purchase of finished goods	212.915	209.293
Total	**252.660**	**288.155**

24. Employee expenses

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Wages, salaries and welfare	83.021	103.401
Pension & social contribution	21.789	23.635
Total employees cost	**104.810**	**127.036**

Pension & social contribution include company pension expenses (see note 15), none of it related to Defined Benefit plans.

25. Depreciation, amortisation and other expenses

Depreciation and amortisation expenses

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Amortisation of intangible assets	11.011	7.976
Depreciation right-of-use assets	6.001	6.120
Depreciation of property, plant and equipment	14.194	15.585
Total costs	**31.205**	**29.681**

Other expenses

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Stores and spares consumed	3.128	4.372
Power and fuel	4.148	4.371
Repairs and maintenance :-		
- Machinery	2.803	5.281
- Others	2.160	2.621
Travelling, conveyance and vehicle expenses	1.423	2.959

Freight and forwarding	23.014	26.236
Advertisement and publicity	14.352	15.968
Research and development	7.305	12.683
Operating lease rent - property, plant & equipment	979	2.010
Legal and professional expenses	936	1.256
Corporate charges	2.144	2.396
Other cost	8.702	9.407
Total other operating expenses	**71.094**	**89.561**

25 B. Non-recurring expenses (Restructuring expenses)

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Staff transition compensation	52.732	-
Spare part inventory compensation	2.537	-
Fixed asset impairment	13.515	-
Total costs	**68.744**	**-**

The company announced on 5th March, 2020 its intention to specialize its Enschede plant in the Netherlands, bringing the production in Enschede to a level where only high-performance tyres will be produced at a profitable level. Aligning the plant to the intended specialization and sustainable production level, unfortunately resulted in the company having to reduce its workforce in the Netherlands by approximately 540 employees. The total compensation package for these redundancies amounted to approximately €53 million,

See Note 3 for further details on the impairment of the machines.

26. Interest

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Interest expenses	963	787
Interest income	-7	-129
Total	**956**	**658**

27. Income tax expense

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Current taxation	580	254
Deferred taxation	-16.304	-3.236
Total	**-15.725**	**-2.982**

Apollo Vredestein B.V. forms part of the fiscal unity with Apollo Coöperatief U.A. , head of the fiscal unity. Apollo Vredestein B.V. is therefore jointly and severally liable for the liabilities of the fiscal unity. The corporate income tax is calculated as if the company was separately liable for tax. The taxation according the profit and loss account is calculated at applicable rates taking into account permanent and temporary differences.

A reconciliation of income tax expense to the tax based on the Dutch statutory rate is as follows:

(Euro x 1,000)	**Period ended 31 March 2021**	**Period ended 31 March 2020**
Income before taxes	-78.438	-23.294
Tax based on Dutch tax rate	-19.610	-5.824
Reduction in tax rate	3.543	2.245
Higher statutory rate of foreign countries	68	145
Non-deductible expenses	554	326
Temporary differences	-	289
Dutch R&D tax incentive(innovation box)	-	-112
Recognition of tax effect on previously unrecognised tax losses	-709	-37
Other	430	-14
Total	**-15.724**	**-2.982**

The tax effects related to components of other comprehensive income is:

(Euro x 1,000)	**Period ended 31 March 2021**	**Period ended 31 March 2020**
Actuarial gains and losses on pension plans	327	74

Below is the detail for the current year deferred taxation:

(Euro x 1,000)	**Period ended 31 March 2021**
Tax effect of items constituting deferred tax liabilities:	
Deviating valuation property, plant and equipment	2.713
Tax effect of items constituting deferred tax assets:	
Carried forward tax loss	-17.691
Deviation valuation employee benefits	-428
Lease liability	-670
Other	-347
	-19.136

28. Financial assets by category

As at 31 March 2021 (Euro x1,000)	Amortised costs	FVTPL	FVTOCI	Total
Cash and cash equivalents	33.996			**33.996**

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Trade receivables	85.403			**85.403**
Derivative financial assets		6.205		**6.205**
Other current assets	4.055		-	**4.055**
	123.454	**6.205**	-	**129.659**

As at 31 March 2020 (Euro x1,000)	Amortised costs	FVTPL	FVTOCI	Total
Cash and cash equivalents	32.283			**32.283**
Trade receivables	70.351			**70.351**
Derivative financial assets		1.118		**1.118**
Other current assets	4.452		-	**4.452**
	107.096	**1.118**	**-**	**108.204**

29. Financial liabilities by category

As at March 2021 (Euro x1,000)	FVTOCI	Amortised costs	FVTPL	Total
Pension liabilities	9.728			**9.728**
Other non-current liabilities		50.950		**50.950**
Trade and other payables	-	108.633		**108.633**
Derivative financial liabilities			6.102	**6.102**
	9.728	**159.583**	**6.102**	**175.413**

As at March 2020 (Euro x1,000)	FVTOCI	Amortised costs	FVTPL	Total
Pension liabilities	10.817			**10.817**
Other non-current liabilities *)		1.971		**1.971**
Trade and other payables	-	144.737		**144.737**
Derivative financial liabilities			1.132	**1.132**
	10.817	**146.708**	**1.132**	**159.724**

*) Numbers adjusted for comparison purposes

30. Risk management

General

As a strategy, we target long-term growth in net sales and EBITDA. In addition, we set financial targets for return on average capital employed (based on the operating result). An enabling condition in our policy is a healthy financing structure that maintains a balance between adequate solvency, the leverage of loan capital and sufficient available funding. Our cash flows are strong. As a result of its activities, Apollo Vredenstein B.V. is exposed to various financial risks. We apply a group-wide treasury policy for adequate management of our cash flows and financing flows and the financial risks relating to them, including (re)financing risks, currency risks and interest rate risks.
A summary is provided below of the main financial risks relating to our objectives, categorised as liquidity risks, currency risks, interest rate risks and credit risks. We also

state how we manage these risks.

Credit risk management
Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Apollo Vredestein B.V. has adopted a policy of only dealing with creditworthy counterparties. The entity does not transact with entities with a below standard credit history. Apollo Vredestein B.V. uses information supplied by credit rating agencies, publicly available financial information and its own trading records to rate its major counterparties. A credit management team continuously monitors the exposure of Apollo Vredestein B.V. and the credit ratings of its counterparties. A Risk Management Steering Committee, headed by the CEO of the company, with representations from all functional heads, embraces the assessment, mitigation and monitoring of credit risks faced by the company. The management steering committee also uses credit insurance in various countries to limit the credit risk.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. It has a policy which prevent sales to customers with a below standard credit history. Credit limit is granted after assessing the credit worthiness of customer. Credit report from independent credit rating agency like D&B or equivalent is used. The credit risk on liquid funds and derivatives is limited because the counterparties are banks with high credit rating assigned by international credit rating agencies.

The company does not require collateral in respect of trade and other receivables. The company does not have trade receivable for which no loss allowance is recognised because of collateral.
The company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different geographic regions and customer segments.
Loss rates are based on actual credit loss experience over past periods, adjusted for current conditions and the company's view of economic conditions over the expected lives of the receivables.

The maximum credit risk is equal to the carrying amount of each financial instrument on the balance sheet and relates to the following items :

(Euro x 1,000)	**As at 31 March 2021**	**As at 31 March 2020**
Cash and cash equivalents	33.996	32.283
Derivative financial assets	6.205	1.118
Trade receivables	85.403	70.351
Other current assets	4.055	4.452
Total costs	**129.659**	**108.204**

Impairment losses on financial assets recognised in profit or loss only relate to trade receivables and were EUR 1.4 million as per March 31, 2021 (2020: 0.7 million).

Capital risk management

The company's policy is to maintain a strong capital base so as to maintain investor, creditors and market confidence and to sustain future development of the business.

Liquidity risk management

Ultimate responsible for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the company's short, medium and long-term funding and liquidity management requirements. Apollo Vredestein B.V. manages liquidity risk by maintaining adequate reserves and banking facility, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities. Note 18 set out the details of the borrowing agreements with the banks.

We had no borrowings as at 31 March 2021. The company therefore has credit facilities that are sufficient for the existing and expected credit requirements of the group.
The extent of the risk that the ratios agreed with lenders are exceeded is regularly determined. With the present (positive) net cash position of EUR 34.0 million, the leverage ratio is zero.

Table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(Euro x 1,000)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
As at 31 March 2021				
Pension liabilities	284	284	898	8.262
Other non-current liabilities		39.735	11.215	
Derivative financial liabilities	6.102			
Trade and other payables	108.633			
As at 31 March 2020				
Pension liabilities	1.330	284	868	8.335
Other non-current liabilities *)			1.971	
Trade and other payables	144.737			

*) Numbers adjusted for comparison purposes

Exchange rate risk

Foreign exchange risk arises because future commercial transactions are denominated in a foreign currency (not EUR). The management monitors continually the entity's exposures to foreign currency risks.

In addition to the above mentioned transaction related currency risk, the company is also subject to translation related currency risk as a result of consolidation of business units with different functional currencies. The translation related currency risks are not hedged by means of derivatives.
The sensitivity of the operating result of 2020-21 in respect of the currency risk of our positions outside the euro area to a 10% change in the exchange rate of the euro is EUR 0.7 million.

Within the operating result, the negative impact of appreciated foreign currencies on cost of goods sold (transaction impact) are offset by the positive impact of appreciated foreign currencies in translating the operating result of non-EUR business (translation impact). Gains or losses on forward currency contracts (reported in operating result) offset the currency risk from purchasing contracts in foreign currencies from a cash and net profit perspective

Interest rate risk

The company has a management team that continually monitors its exposures to interest rate risks and uses variable rate debt to finance its operations.

31. Fair value information

Financial instruments by category
The table in note 28 sets out the carrying amount of the various financial instruments by category as at the balance sheet date

Method for fair value measurement of financial instruments
We use a three-level fair value hierarchy:

Level 1

The financial asset at fair value through profit or loss is measured by reference to quoted prices in an active market. As per 31 March, 2021 the company had no assets in this category.

Level 2

As there are no external market prices on which to base the value of receivables, and borrowings, their fair value is determined from generally accepted valuation models. The value determined in this way is equal to the price at which the derivative can be sold in a transparent market. We set the values regularly in consultation with accepted external market parties.
For the valuation of forward currency contracts, the future cash flows in the contract currency are discounted at a rate based on the term and contract currency. The present value at the balance sheet date in the contract currency is translated at the closing exchange rate ruling on the same day.

Level 3

Financial instruments carried at fair value determined by reference to input that is not based on observable market data only apply to the pension liabilities in relation to the defined benefit plans in Germany.
The other receivables, borrowings and commitments are carried at amortised cost. The fair values of the other items do not differ materially from their carrying amount.

The following table summarizes the assets and liabilities categorized by this hierarchy. The table summarizes only the fair value measurement that has not been previously disclosed. The valuation technique used to describe level 3 measurements (pensions) has been disclosed in note 14.

At 31 March 2021				**(Euro x 1,000)**
	Level 1	**Level 2**	**Level 3**	**Total**
Derivative financial liabilities		6.102		**6.102**
Derivative financial assets		6.205		**6.205**
Pension liability			9.728	**9.728**

32. Auditor's remuneration

(Euro x 1,000)	**Period ended 31 March 2021**	**Period ended 31 March 2020**
Audit fee	393	445
Other auditing services	-	-
Total auditor's remuneration	**393**	**445**

The auditor's remuneration is charged to the financial year for which the audit was performed.

33. Board of directors and all key personnel's' remuneration

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Board of directors' remuneration	701	866
Post-employment benefits	24	27
Other benefits	-	-
Termination benefits	-	-
Share-based payment benefits	-	-
Total Board of directors remuneration	**725**	**893**
Key management compensation	1.516	2.040
Total board and key personnel remuneration	**2.241**	**2.933**

The supervisory directors received a total remuneration of EUR 8.944 for the current financial year. No loans, advances or guarantees have been issued in favour of members of the board or supervisory board.

34. Related party

34.1 Related party indebtedness

This note is related to intercompany balances between Apollo Vredestein B.V. and companies that are ultimately controlled by Apollo Tyres Ltd (ultimate parent). Intercompany balances between Apollo Vredestein B.V. and its subsidiaries (other related transactions) have been eliminated. Related party transactions were made on terms equivalent to transactions with third parties.

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Receivable from:		
Reifencom GmbH	7.247	5.456
Apollo Tyres Global R&D	665	2.649
Apollo Tyres Thailand	-	2
Apollo Tyres Limited, India (ultimate parent)	733	1.252
Apollo Tyres South Africa	37	569
Vredestein Tyres North America Inc.	2.377	2.035
Total Receivables	**11.296**	**11.963**
Payable to:		
Apollo Tyres (Germany) GmbH	11	54
Saturn F1	8	45
Reifencom GmbH	33	348
Apollo Tyres Coop	59	1.116
Apollo Tyres Brasil	301	301
Apollo Tyres Global R&D	-620	12.669
Apollo Tyres UK	338	665
Apollo Tyres B.V. (parent)	-	6.752
Apollo Tyres Limited, India (ultimate parent)	6.139	4.647
Apollo Tyres Singapore	2.587	4.346
Apollo Tyres Hungary	19.197	33.585
Apollo Tyres AG, Switzerland	52	181

Apollo Tyres Middle-East	-	5
Apollo Tyres Malaysia	-	1
Total Payables	**28.105**	**64.715**

Management has assessed the collectability of receivables from related parties. No interest is calculated with respect to the payables to related parties given the short term character and periodic settling of balances. No pledges and or securities are applicable.

34.2 Related party transactions – Income

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Apollo Tyres South Africa (sister)	209	299
Apollo Tyres Middle-East (sister)	842	410
Apollo Tyres Thailand (sister)	56	79
Apollo Tyres Limited, India (ultimate parent)	1.693	1.495
Reifencom GmbH	20.874	17.494
Apollo Tyres Malysia	-	22
Vredestein Tyres North America Inc.	12.347	11.313
Total	**35.932**	**31.112**

34.3 Related party transactions – Expenses

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Apollo Tyres Global R&D (sister)	8.330	24.371
Apollo Tyres UK (sister)	2.683	3.168
Apollo Tyres Limited, India (ultimate parent)	28.651	26.859
Apollo Tyres AG, Switserland (sister)	391	957
Apollo Tyres Singapore	10.770	18.080
Apollo Tyres GmbH	96	774
Apollo Tyres Hungary	149.808	145.010
Saturn F1	62	92
Reifencom GmbH	87	155
Total	**200.878**	**219.466**

35. Average number of employees

	Period ended 31 March 2021	Period ended 31 March 2020
Direct departments (production)	1.023	1.227
Non-direct departments	152	199
Total	**1.175**	**1.426**
Other countries	199	169

Total average number of employees	**1.374**	**1.595**

36. Capital commitment

36.1 Capital commitment

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Capital commitment	**1.349**	**1.653**

Capital commitments relate to various commitments in relation to planned investments in tangible and intangible fixed assets.

36.2 Other commitments not shown in the balance sheet

Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most of its leases, i.e. these leases are on-balance sheet. The Group uses a practical expedient when applying IFRS 16 for low value and short-term leases. Commitments on low value leases and short term leases are therefore still included in the commitments not shown in the balance sheet as at 31 March 2020. Furthermore the commitments not shown in the balance sheet comprise of other operating commitments, committed capital expenditure and other financial commitments. The commitments not shown in the balance sheet amounted to almost zero at 31 March 2021:

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Due in year one	534	623
Due between years two and five	39	627
Due after five years	-	-
Total	**573**	**1.250**

37. Contingent liabilities

The company had no contingent liabilities as per end of March 2021 (March 2020:0). The company provided securities for the rent of buildings (995k) in the form of bank guarantees.

Company financial statements

Company financial statements

Company statement of financial position

Before profit appropriation

(Euro x 1,000)	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Intangible assets	1	52.971	63.540
Property, plant and equipment	2	110.659	138.972
Right-of-use assets	3	16.323	15.593
Deferred tax assets		18.408	-
Receivables from participating interests		45	50
Investment in subsidiaries	4	55.200	50.803
Total non-current assets		**253.606**	**268.958**
Current assets			
Inventories	5	46.581	89.148
Trade receivables	6	32.739	16.777
Receivables from group companies	7	29.173	34.090
Derivative financial assets		6.204	1.118
Other current assets	8	1.652	2.119
Cash and bank balances		26.705	19.504
Total current assets		**143.053**	**162.757**
Total assets		**396.659**	**431.715**

(Euro x 1,000)	Notes	As at 31 March 2021	As at 31 March 2020
Equity and liabilities			
Equity			
Issued capital		43	43
Share premium reserves		20.226	20.226
Legal reserves		39.075	48.762
Translation of foreign operations		552	567
Actuarial gains / losses on pension plans		-2.325	-3.087
Retained earnings and other reserves		173.582	184.363
Profit for the year		-60.601	-20.467
Total equity	9	**170.552**	**230.406**
Provisions		**1.230**	**1.931**
Non-current liabilities			
Deferred tax liability	10	26.436	23.659
Other long term liabilities	10	49.669	-
Lease liabilities	4	12.346	12.334
Total non-current liabilities		**88.451**	**35.993**
Current liabilities			
Trade and other payables	11	60.993	62.137
Debt to group companies	12	64.884	96.563
Lease liabilities	4	4.447	3.553
Derivative financial liabilities		6.102	1.132
Total current liabilities		**136.426**	**163.385**
Total equity and liabilities		**396.659**	**431.715**

Company statement of income

(Euro x 1,000)	Notes	Period ended 31 March 2021	Period ended 31 March 2020
Profit from investment in subsidiaries	14	4.124	3.177
Other profit after Tax		-64.725	-23.644
Profit of the year		**-60.601**	**-20.467**

Notes to the separate annual accounts for 2020-21

Valuation principles and accounting policies relating to the determination of the result

The company financial statements of the company are prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code. We utilise the option afforded by Section 362(8) of Book 2 of the Dutch Civil Code to apply the accounting policies used for the consolidated financial statements to the holding company financial statements, with exception of the valuation for investments in subsidiaries, see Note 4. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs). The policies include those covering the presentation of financial instruments as equity or loan capital. The financial data of Apollo Tyres B.V. are incorporated in the consolidated financial statements. Therefore, an abbreviated income statement is presented for the company under article 2:402 of the Dutch Civil Code.

1. Intangible Assets

(Euro x 1,000)	Develop-ment	Brand names	Software	Total
As at 31 March 2020				
Cost	93.846	12.900	24.099	130.845
Depreciation	-45.085	-	-22.220	-67.305
Book value	**48.762**	**12.900**	**1.878**	**63.540**
Changes in book value				
Reclassification Investments			689	689
Investments	-2.110		-79	-2.189
Divestments	1.941	-	-	1.941
Foreign currency translation difference	-	-	1	1
Depreciation for financial year	-9.518	-	-1.493	-11.011
Balance	**-9.686**	**-**	**-882**	**-10.569**
As at 31 March 2021				
Cost	93.678	12.900	24.752	131.329
Depreciation	-54.602	-	-23.756	-78.358
Book value	**39.075**	**12.900**	**996**	**52.971**

2. Property, plant and equipment

(Euro x 1,000)	Land & accommo dations	Building	Moulds & formers	Assets under con-traction	Furniture & Fixture	Plant & Machinery	Total
GROSS BLOCK							
Balance as at 31 March 2020	**19.018**	**52.432**	**88.171**	**5.643**	**8.164**	**423.253**	**596.682**
Additions		35	1.307	533	24	4.026	5.925
Transfer				-6.082			-6.082
Disposals			-2.661	-		-2.500	-5.161
Balance as at 31 March 2021	**19.018**	**52.467**	**86.816**	**94**	**8.188**	**424.779**	**591.363**
Accumulated depreciation							
Balance as at 31 March 2020	**2.489**	**32.679**	**81.498**		**6.260**	**334.783**	**457.708**
Depreciation for financial year	155	635	3.193		446	9.543	13.972
Disposals			-1.993			-2.500	-4.493
Impairment						13.516	13.516
Balance as at 31 March 2021	**2.645**	**33.313**	**82.699**		**6.706**	**355.342**	**480.704**
Balance as at 31 March 2021- Net	**16.373**	**19.154**	**4.118**	**94**	**1.483**	**69.437**	**110.659**
Balance as at 31 March 2020	16.529	19.753	8.674	5.643	1.904	88.732	138.972

3. Leases

The Group distinguishes three types of leases:

- Premises: warehouses, offices, retail shops. Contracts typical run for multiple year periods and have extension options. The contracts for the Dutch distribution center and the Dutch headquarter office are the most significant leases.
- Machines and equipment: comprise different types of operational and warehousing machines and equipment and medical devices. The Group leased certain machines and equipment under a number of leases, which were classified as finance leases under IAS 17 (see note 4).
- Vehicles.

Information about leases for which the Group is a lessee is presented below. For accounting policy see Note 2.1.

Right-of-use assets

(Euro x 1,000)	Premises	Vehicles	Machine and equipment	Total
Carrying amount at 31 March 2020	**11.974**	**1.307**	**2.311**	**15.592**
Investments	5.138	350	-	5.488
Depreciation	-3.470	-606	-681	-4.757
Carrying amount at 31 March 2021	**13.642**	**1.051**	**1.630**	**16.323**

Lease liabilities

(Euro x 1,000)	Premises	Vehicles	Machine and equipment	Total
Balance at 31 March 2020	**12.255**	**1.317**	**2.315**	**15.887**
Additions	5.138	350	-	5.488
Repayments	-3.489	-618	-695	-4.802
Interest charged to the income statement	181	15	24	220
Balance at 31 March 2021	**14.085**	**1.064**	**1.644**	**16.793**

Amounts recognised in profit or loss

(Euro x 1,000)	Premises	Vehicles	Machine and equipment	Total
Depreciation of right-of-use assets	3.470	606	681	4.757
Interest on lease liabilities	181	15	24	220
Total	**3.651**	**621**	**705**	**4.977**

Ageing of lease liabilities

(Euro x 1,000)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
As at 31 March 2021				
Lease liabilities	4.447	3.778	6.421	2.147

Extension Options
Some property leases contain extension options exercisable by the Group. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Lease expenses in Our Operating expenses
The total amount in our operating expenses related to short-term leases, low value assets and expenses related to variable lease payments not included in the measurement of lease liabilities is €1.1 million.

4. Investments in subsidiaries

Subsidiaries

In accordance with article 2:362 (8) of the Dutch Civil Code, subsidiaries that are included in the consolidation are stated at net asset value, but not lower than nil.
Subsidiaries with negative equity value are valued at nil. When the company partially or in whole is liable for the debts of such subsidiary, or has the factual obligation to facilitate that subsidiary for (the companies part in) payments of its debts, a provision is formed.

This provision is calculated taking into account any bad debt provisions already formed for receivables on such subsidiary. The equity and results of the subsidiaries have been determined in accordance with the accounting policies of Apollo Vredenstein B.V.

(Euro x 1,000)	**Period ended 31 March 2021**	**Period ended 31 March 2020**
Net Position at beginning of year	50.334	49.726
Investments:		
Adjustments prior year	-609	-
Dividends	-185	-1.327
Capital contribution	-	-
Repayment of capital	-58	-
Accumulated OCI	762	-1.480
Foreign exchange result	-15	-13
Result Participations	4.548	3.509
Net position	**54.776**	**50.334**
Negative participations	424	469
Position at end of year	**55.200**	**50.803**

5. Inventories

(Euro x 1,000)	**As at 31 March 2021**	**As at 31 March 2020**
Raw materials	5.032	6.603
Work in progress	2.143	2.482
Finished goods	19.039	51.147
Stock-In-Trade	14.447	20.254
Consumable stores	5.920	8.662
Total	**46.581**	**89.148**

6. Trade receivables

(Euro x 1,000)	**As at 31 March 2021**	**As at 31 March 2020**
Trade receivables	39.721	19.224
Allowance for doubtful debts	-6.982	-2.447
Total	32.739	**16.777**

All trade receivables shorter than a year are valued at nominal value which is a reasonable approximation of fair value of the receivables. The credit period generally ranges from 14 days to 90 days and customer loses the incentive if not paid in time. Apollo Vredestein B.V. has no significant concentrations on credit risks. It has a policy which prevent sales to customers with a below standard credit history. Apollo Vredestein B.V. has also a good credit management team, which is responsible for overdue receivables. Credit limit is granted after assessing the credit worthiness of customer. Credit report from independent credit rating agency like D&B or equivalent is used. Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which no allowance for doubtful debts has been recognized because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Ageing of past due but not impaired receivables

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
0 - 60 days	2.490	3.801
61 - 180 days	615	2.255
more than 180 days	1.945	66
Total	**5.050**	**6.122**

The total not past due for FY 2019-2020 amounts 28.9 million euro. This includes EUR 0.6 million from Apollo Group companies.

Movement in the allowance for doubtful debts

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-2.447	-2.105
Movement to allowance recognized in statement of income	-1.720	-342
Reclass of balances from customer accrual to allowance	-2.815	-
Amounts written off during the year as uncollectible	-	-
Balance at end of year	**-6.982**	**-2.447**

7. Receivables from group companies

(Euro x 1,000)	As at 31 March 2021	As at 31 March 2020
Receivable from Apollo Vredestein BeLux SA	3.055	2.534
Receivable from Apollo Vredestein France SAS	4.439	4.674
Receivable from Apollo Vredestein UK Limited	1.676	1.688
Receivable from Apollo Finlo B.V.	209	209
Receivable from Apollo Vredestein Austria Gesellschaft GmbH	5.194	8.300
Receivable from Vredestein Nordic AB	3.847	3.666
Receivable from Apollo Vredestein Kft.	2.953	4.231
Receivable from Apollo Vredestein Opony Polska	4.261	6.185
Non Recourse Purchase of Eligible Receivables	-	-
Receuivable from ATGRD	243	-
Receivable from Apollo Tyres Tyres SA	37	569
Receivable from Apollo Tyres Middle East	237	-
Receivable from Apollo Tyres kft	645	-
Receivable from Apollo Tyres India	-	-
Receivable from Apollo Tyres Inc.	2.377	2.035
Total	29.173	**34.090**

No interest is calculated with respect to the payables to related parties given the short term character and periodic settling of balances. No pledges and or securities are applicable.

8. Other current assets

Other current assets consist mainly of a VAT recoverable amount per 31 March, 2021 (EUR 0.9 million) and prepayments.

9. Equity

Ordinary shares

Authorised
Ordinary shares: 200,000 ordinary shares of EUR 1,00 each.

Issued
Ordinary shares: 42,491 ordinary shares of EUR 1,00 each.
All shares issued are fully paid and registered.

There were no changes in the share capital.

(Euro x 1,000)	Issued Capital	Share premium reserves	Translation of foreign operations	Legal Reserves	Actuarial gains or losses on pension plans	Other Reserves	Retained earnings	Profit for the period	Total Equity
Total as at 31 March 2019	**43**	**20.226**	**580**	**36.414**	**-1.607**	**21.042**	**170.819**	**4.948**	**252.465**
Profit for the period								-20.467	20.467
Opening balance adjustment							-99		-99
Other comprehensive income, net of income tax			-13		-1.480				-1.493
Transfers to and from reserves				12.348			-7.400	-4.948	-
Total as at 31 March 2020	**43**	**20.226**	**567**	**48.762**	**-3.087**	**21.042**	**163.320**	**-20.467**	**230.406**
Profit for the period								-60.601	-60.601
Other comprehensive income, net of income tax			-15		762				747
Transfers to and from reserves				-9.686			-10.781	20.467	-
Total as at 31 March 2021	**43**	**20.226**	**552**	**39.075**	**-2.325**	**21.042**	**152.539**	**-60.601**	**170.552**

The company's legal reserve amounts to EUR 36.4 million (2020: EUR 36.4). The legal reserves consist of investments in development activities. The legal reserves are non-distributable.

Reconciliation consolidated equity and results to company only equity and results:

(Euro x 1,000)	Result period ended 31 March 2021	Equity per 31 March 2021
Consolidated	**(62.713)**	**167.233**
Consolidation adjustments:		
Negative participations	-424	42
Mark-up on IC profits on unsold stock	-206	
Lease (net effect)	-285	
German Pension	661	
Deferred tax on consolidation adjustments	2.366	3.277
Company only	**(60.601)**	**170.552**

Adjustment 1 is taken in company towards the negative equity value in Apollo Vredestein Austria Gesellschaft GmbH and Finlo B.V.

Proposal for result appropriation

The Board of directors did not propose a dividend payout for the current year.

Appropriation of profit for the Financial year 2019-20

The annual report for FY 2019-10 is determined in the general meeting of the shareholders held in August 20,2020

10. Deferred tax liability and Other long term liabilities

For the deferred tax liability in the separate annual accounts of the company reference is made to note 6 of the consolidated Financial Statements of the company as the deferred tax liability is mainly on the balance sheet of Apollo Vredestein B.V.

Other long term liabilities as of March 31st 2021 (EUR 49.7 million) relate to delayed tax payments due to COVID.

11. Trade and other payables

Trade and other payables as of March 31st 2021 mainly consists of (Euro x 1,000):

- Trade payables	19.561
- Employees payable	10.803
- Other payables	30.629
Total	**60.993**

12. Payable to Group companies

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
IC Payable ATGRD	-	10.199
IC Payable ATBV	-	6.752
IC Payable AT Coop	59	1.116
IC Payable AT UK	336	731
IC Payable ATL India	6.139	4.647

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IC Payable ATAG	60	181
IC Payable AT Brazil	301	300
IC Payable AT Singapore	2.587	4.345
IC Payable AT Hungary Kft	19.178	33.436
IC Payable AT Germany Gmbh	11	54
IC Payable Saturn F1	8	45
IC Payable Vredestein Consulting	3.165	2.898
IC Payable AV Gmbh	23.944	16.297
IC Payable AV Mktg BV	-	58
IC Payable AV Schweiz	1.979	617
IC Payable AV Iberica	3.728	2.958
A/R Factoring Control account - SUBS	4.020	10.955
IC Payable AT Middle East	-	5
IC Payable AT Malaysia	-	1
Translation Differences –IC Payable	- 631	968
Total	64.884	**96.563**

13. Borrowings

During FY20,the Company's parent Company (Apollo Tyres B.V.) has signed a new financing agreement for the long term loan (EUR 175 Million) with a Consortium of Banks led by Standard Chartered Bank, the proceeds for which were utilized for repayment of the previous facility loan.

The Company has provided guarantee for the loan which is secured by a pledge on its movable tangible assets (other than stock in trade, raw materials and trade receivables) and a mortgage of Real Estate being the Land and Buildings located in the Netherlands.

Company's sister company, Apollo Tyres (Hungary) Kft. has also provided guarantee for the loan which is secured by a pledged of Fixed Assets and movable tangible assets (other than stock in trade, raw materials and trade receivables).

14. Profit from investments in subsidiaries

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Apollo Vredestein GmbH	4.840	1.626
Apollo Vredestein BeLux SA	-17	155
Apollo Vredestein France SAS	63	185
Apollo Vredestein Limited	-77	314
Apollo Vredestein Austria Gesellschaft GmbH	46	238
Vredestein Nordic AB	-352	152
Apollo Vredestein Kft.	-58	74
Apollo Vredestein Opony Polska	73	84
Vredestein Norge AS	-	-
Apollo Vredestein Schweiz AG	57	152
Apollo Vredestein Iberica SA	-	106
Vredestein Marketing B.V.	-	33
Vredestein Consulting B.V.	-28	58
Adjustment for negative participations	-424	-13
Total	**4.124**	**3.176**

15. Board of directors' remuneration

(Euro x 1,000)	Period ended 31 March 2021	Period ended 31 March 2020
Board of directors' remuneration	**725**	**872**

The supervisory directors received a remuneration of EUR 9,000 for the current financial year. No loans, advances or guarantees have been issued in favour of members of the board or supervisory board.

Contingent liabilities

The company had no contingent liabilities as per end of March 2021 (March 2020:0). The company provided securities for the rent of buildings (995k) in the form of bank guarantees (March 2020: 995k).

Post balance sheet events

The company has no subsequent events.

Signing the financial statements

Enschede, The Netherlands, June 11, 2021

The Board of directors:

Benoit Rivallant

Sunam Sarkar

Vishal Kumar Mittal

Rakesh Dewan

The Supervisory Board:

Neeraj Kanwar

Neeraj Kanwar

Henk Volberda

Akshay Chudasama

Other information

Other information

Provisions of the articles of association concerning profit appropriation

Article 32: profit and distribution of profits

1. The profits shall be at the disposal of the shareholders meeting, subject to the following provisions:
   a. the company may only make distributions of profits to shareholders to the extent that the shareholders' equity exceeds the paid and called up part of its capital plus the reserves, which are required to be maintained by law;
   b. distribution of profits may only be made after adoption of the annual accounts showing that the distribution is permissible.
2. The company may make interim distributions provided that the requirements of paragraph I sub a have been met.
3. The shares that the company holds in its own capital shall not be included for the purpose of calculating the profit distribution, unless a right of usufruct has been established on those shares in favour of persons other than the company or if depositary receipts were issued for those shares.
4. As of one month after the declaration, the dividend shall be at the disposal of the shareholders, unless the shareholders meeting determines another term.
   After five years have passed, the claims shall expire.
   Dividends that are not disposed of within five years after their becoming available for payment shall revert to the company.
5. A loss may only be offset against the reserves which are prescribed by law to the extent that it is permitted by law.

Independent auditors report

The independent auditors report is stated on the following pages.

To: the general meeting and supervisory board of Apollo Vredestein B.V.

Grant Thornton
Accountants en Adviseurs B.V.
Flemingweg 10
P.O. Box 2259
2400 CG Alphen aan den Rijn
The Netherlands

T 088 - 676 90 00
F 088 - 676 90 10
www.gt.nl

INDEPENDENT AUDITOR'S REPORT

A. Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements for the year ended March 31, 2021 of Apollo Vredestein B.V. The financial statements include the consolidated financial statements and the company financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Apollo Vredestein B.V. as at March 31, 2021, and of its result and its cash flows for 2021 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying company financial statements give a true and fair view of the financial position of Apollo Vredestein B.V. as at March 31, 2021, and of its result in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1 the consolidated statement of financial position as at March 31, 2021;

2 the following statements for the year ended March 31, 2021:
the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and

3 the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1 the company balance sheet as at March 31, 2021;

2 the company profit and loss account for the year ended March 31, 2021; and

3 the notes 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 Apollo Vredestein B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), 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.

B. Report on the other information included in the annual report

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

- supervisory board report
- report by the board of directors;
- 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 report by the board of directors 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.

C. Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and 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 .

The supervisory board is responsible for overseeing the financial reporting process of the company.

Our Responsibilities for the audit of the financial statements
Our objective is to plan and perform the audit assignment 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 have detected all 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 judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- 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; and

- 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 those charged with governance 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.

Rotterdam, June 11, 2021
Grant Thornton Accountants en Adviseurs B.V.

R. Lagendijk MSc RA

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