

Annual
report
2020/21

Inventing a sustainable supply chain

FM▶LOGISTIC





Encouraging a more responsible consumption

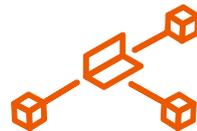
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COUNTRIES
on 3 continents:
Europe, Asia and
Latin America

1.4

BILLION EURO IN
ANNUAL REVENUE
across a broad range
of industries from
food to healthcare

27,200

EMPLOYEES
committed to
customer service

14

LEED®* / HQE**
CERTIFIED LOGISTICS
PLATFORMS

* Leadership in Energy
and Environmental
Design

**Haute qualité
environnementale
(High Environmental
Quality)





As a leading supply chain solutions company active in Europe, Asia and Latin America,

FM Logistic supports the development of responsible consumption by making supply chains more robust, agile and sustainable. With a strong presence in the retail and consumer sectors, it offers integrated supply chain and transport solutions to optimise its customers' omnichannel and e-commerce strategies.

FM Logistic also operates in the urban logistics space and designs services tailored to new consumer habits, such as packaging-free retail and click-and-collect. FM Logistic continually invests in the safety and wellbeing of its 27,200 employees.

As an independent family-owned business, it can focus on a long-term vision and control its own growth. Many leading companies across all business sectors rely on its approach and commitment to working alongside them as a true partner.

KEY
FINANCIAL
DATA



2020/21

REVENUE (€M)

2019/20
1,432

1,380

CHANGE
-3.6%

1,453

Excluding
currency
impact
+1.5%

REVENUE
BREAKDOWN



BY
GEOGRAPHY

BRAZIL	1%
ASIA	4%
WESTERN EUROPE	13%
CENTRAL EUROPE	21%
EASTERN EUROPE	21%
FRANCE	40%



NEW
CONTRACTS



2020/21

VALUE OF NEW CONTRACTS SIGNED (€M)

2019/20
150

207

CHANGE
+38%

2020/21

EBIT (€M)

2019/20
42.5

38.8

CHANGE
-8.7%

41.8

Excluding
currency
impact
-1.6%



BY
ACTIVITY

CO-PACKING	10%
TRANSPORT	36%
WAREHOUSING AND HANDLING	54%



BY
INDUSTRY
SECTOR

HEALTH	3%
PERFUMES AND COSMETICS	7%
INDUSTRY	19%
DISTRIBUTION	28%
FMCG	43%



HEADCOUNT



2019/20
27,500

Average number of FTE
employees during the year
(incl. temp. staff)

27,200

CHANGE
-1.2%

57% men / 43% women



Our markets at a glance

FM Logistic generates 60% of its revenue outside France. Its 27,200 employees include representatives of 83 nationalities. The company thus maintains both an international and local perspective, while remaining united around a common strategy and high operating standards. Things never stand still at FM Logistic.



Romania

5 YEARS

DURATION OF THE RENEWED CONTRACT WITH A FOOD INDUSTRY GIANT

Brazil

400

POINTS OF SALE IN SÃO PAULO REGULARLY SUPPLIED WITH HENKEL HOMECARE AND BEAUTY PRODUCTS

SÃO PAULO

France

€548 MILLION

IN REVENUE AND €60 MILLION IN CONTRACTS SIGNED

Central Europe

6,000 PHARMACIES AND 500 HOSPITALS IN POLAND SUPPLIED PERIODICALLY WITH MEDICINES AND MEDICAL EQUIPMENT

Ukraine

100% INCREASE IN E-COMMERCE VOLUMES

Russia

34% GROWTH IN 'LESS THAN TRUCKLOAD' (LTL) BUSINESS

China

2 NEW URBAN DISTRIBUTION CENTRES IN SHANGHAI AND GUANGZHOU

Vietnam

21,000 M² OF WAREHOUSING SPACE COMMISSIONED IN BẮC NINH

Italy

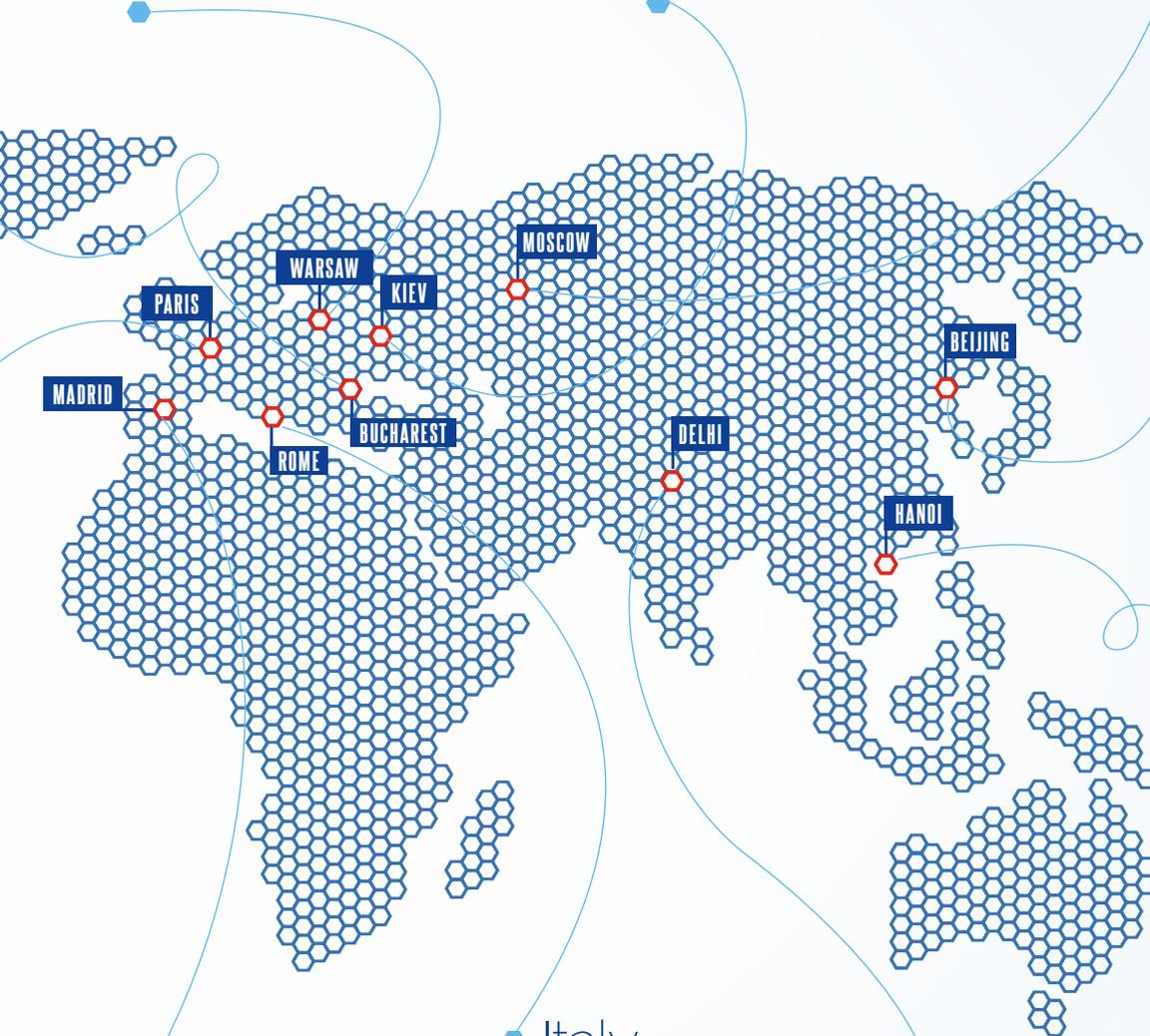
50 CUSTOMERS ALREADY FOR THE BEVERETE URBAN DISTRIBUTION NETWORK FORMED IN JANUARY 2021 BY CITYLOGIN

India

4 MAJOR CONTRACTS WITH LEADING E-COMMERCE PLAYERS

Spain

11 CITIES SERVED AND 330 VEHICLES ON THE ROAD BY THE END OF MARCH 2021: CITYLOGIN EXPANDS ITS URBAN LOGISTICS NETWORK



The FM Logistic Board of Directors

Organisational decisions and strategy validation



Jean-Claude Michel,
Chairman and
Independent Director

FM Logistic withstood the challenges of 2020 very well. And given the circumstances, I would go so far as to say we had a good year. I believe this validates the strategic choice the company has made to focus its development on consumer products - and especially food products - because the importance and resilience of this sector have become absolutely clear in recent months. The rest of our success is down to our people, who have worked wonders individually and collectively. Faced with very challenging circumstances, they remained united and confident and showed an exceptional level of adaptability. The strengths of FM Logistic lie primarily in its employees but also in its independence, which gives it more latitude to choose its own path. As a result, its business model remains robust despite a significantly disturbed trading environment. In those areas where we have control, we have to make bold choices to continue growing the company and its distinctive strengths. ””




Claude Faure
Co-Founder
of FM Logistic




Marie-Laure Faure
Family Director




Gilles Faure
Family Director




Olivier Faure
Family Director




Régis Bello
Independent Director




Vincent Mercier
Independent Director




Monique Zomeno
Independent Director



The FM Logistic Executive Committee

Strategy and change management




Jean-Christophe Machet
CEO of FM Logistic




Daniel Ciz
Financial Director




Cécile Cloarec
Human Resources,
Communication & Sustainable
Development Director




Béatrice Ogée
Sales & Marketing Director




Xavier Prévost
Business Solutions &
Information Systems
Director




Yannick Buisson
Managing Director,
Western and
Central Europe




Stéphane Descarpentries
Asia & Strategic
Projects Director




Christophe Ménivard
Managing Director,
Eastern Europe



Delivering maximum value to our customers



Despite an unprecedented environment in 2020/21, FM Logistic managed to consolidate its business, at the same time as introducing new services to facilitate the emergence of a sustainable supply chain.

How would you rate FM Logistic's performance in 2020/21?

In financial terms, we've more than held our own. After the slowdown between April and June 2020, we saw business levels recover after the summer. So we made up the ground we lost in the first quarter to end the financial year with a revenue growth of 1.5% at like-for-like foreign exchange rates.

EBIT remained consistent with the prior year. Our proactive reduction of fixed and structural costs allowed us to offset the additional costs incurred in dealing with the health crisis.

I see two reasons behind this solid performance. The first is the unflinching commitment shown by our teams. They did whatever it took to get their jobs done, and I'd like to take this opportunity of expressing just how grateful I am to them. The second is our market position and expertise, with an emphasis on general and specialist distribution, and consumer products.

Did the sales momentum suffer from the economic downturn?

Quite the opposite in fact, and that's another reason why our results have held up so well. We had a very good year in terms of new business, which was up 38% thanks to winning new contracts totalling €207 million. Among the new customers joining us are Shiseido in France, the Indian online furniture retailer Pepperfry and VinShop, a large purchasing operation in Vietnam.

Next to these new business gains, a number of existing customers renewed their contracts during the year. Once again, it's something that our employees can feel rightly proud of.

Last year, you identified the omnichannel supply chain as one of your priorities, so how far have you progressed with that?

The retail industry is reinventing itself, and we're facilitating that

transition. The health crisis has proven the necessity of combining multiple sales channels, which confirms the relevance of our strategic vision. The powerful growth we've seen in e-commerce has helped to cushion the economic impact. Many of our customers have seen online sales growth of between 50% and 100%. As a result, half of all the contracts signed by FM Logistic over the last six months involve omnichannel distribution. Sephora and Yves Rocher in Italy are just two examples of many.

“We had a very good year in terms of new business, which was up 38% thanks to winning new contracts totalling €207 million”.

Is urban logistics still a priority area for growth?

Absolutely. Driven by the boom in online shopping, that market is growing by between 8% and 10% year-on-year. Right across Europe, 10% of urban residents receive a delivery every day on average. When you see that 60% of Parisians do their food shopping online, you can appreciate the scale of the challenges involved in delivering consumer satisfaction, without sacrificing the open living environment.

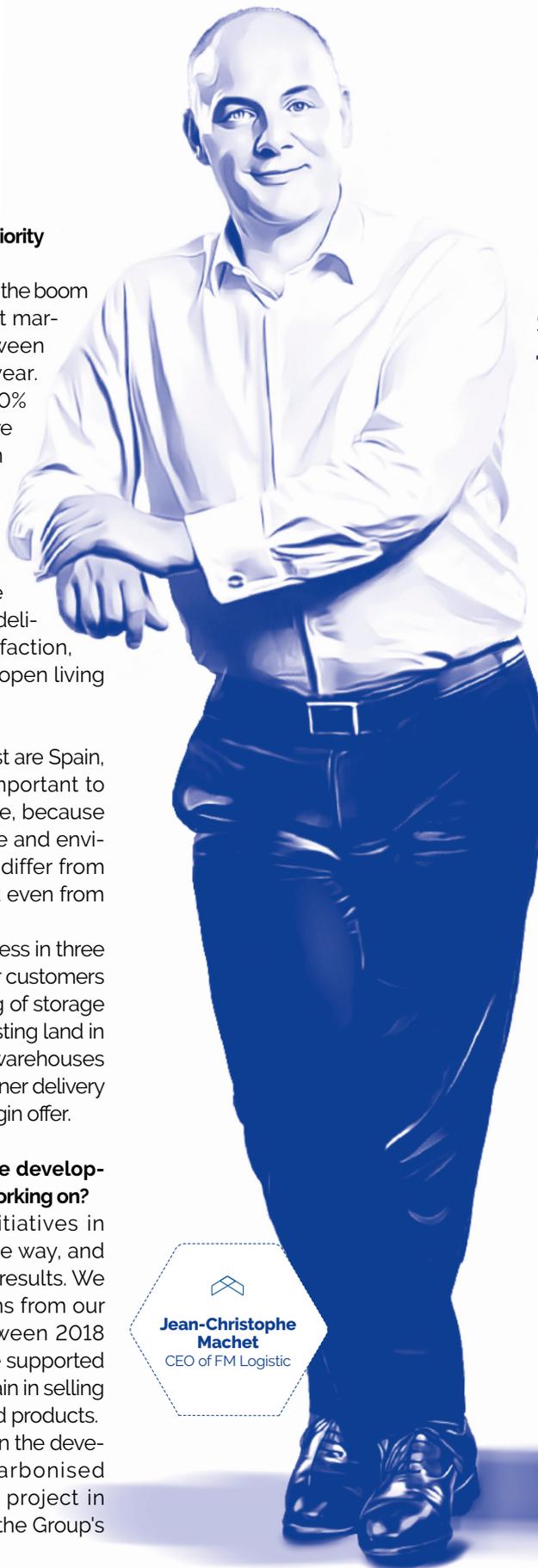
The countries where we're progressing fastest are Spain, France and Italy. It's important to be flexible and inventive, because the regulatory, land use and environmental challenges differ from country to country, and even from city to city.

We're making progress in three major areas to serve our customers even better: the pooling of storage and transport, using existing land in city centres, and local warehouses or hubs to facilitate greener delivery solutions with our Citylogin offer.

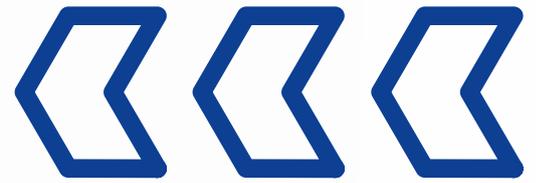
What other sustainable development projects are you working on?

We have many initiatives in place, with more on the way, and are already seeing the results. We reduced CO2 emissions from our platforms by 17% between 2018 and 2020. This year, we supported the Franprix grocery chain in selling packaging-free branded products.

I should also mention the development of our decarbonised hydrogen production project in France and Spain, and the Group's




Jean-Christophe Machet
CEO of FM Logistic



“Half of the contracts signed by FM Logistic over the last six months involve omnichannel retailing”.

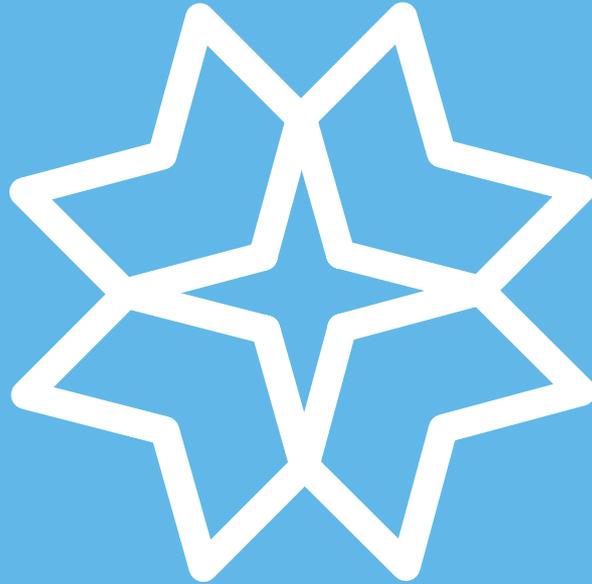
signature of a €222 million green loan, whose interest rate is indexed against the achievement of our social and environmental commitments. It's also important to note that FM Foundation continued its socially supportive work, despite Covid-19.

How would you say you're approaching the 2021/22 financial year?

Definitely with confidence and resolve as we continue to promote responsible logistics. FM Logistic has demonstrated its ability to weather the storm, its resilience and its inventiveness. But we need to improve our results to fund our investments and absorb fluctuations in business volumes.

Recent circumstances have underlined the crucial role played by the supply chain in community life. I believe we have a role to play in putting our expertise to work on making the supply chain more sustainable for the benefit of our customers. We're bringing forward more and more collective intelligence-based projects in this context. I'm in no doubt that it's the process of co-constructing solutions alongside our customers that will deliver maximum value for them.

We need to be that kind of company that leads from the front and breaks down barriers! ▶



ACTIVITY BY COUNTRY

Committed to customer service

The essential strength of FM Logistic lies in its ability to combine international expertise with detailed knowledge of local markets. Its capacity to listen closely to customer needs is the basis for offering tailor-made supply chain solutions, at the same time as delivering the guaranteed quality standards of a leading organisation.



FRANCE

FM LOGISTIC GROWS STRONGER IN OMNICHANNEL RETAIL

From facilitating drive-through services to managing dark stores and developing logistics solutions for packaging-free retail, FM Logistic supports its customers through more initiatives than ever. The result of those efforts is annual revenue of €548 million, a rise in profitability and the creation of 500 new jobs.

In 2020, the company signed a major contract with Shiseido, which chose the Escrennes platform in the Loiret region of France to be one of its major distribution centres to serve the EMEA (Europe, Middle East and Africa) region. The volumes of goods to be handled on behalf of the

Japanese cosmetics giant meant the construction of a 50,000 m² extension.

2021 was the year in which FM Logistic began receiving and handling products from Japan, the USA and France, managing incoming flows, preparing orders and shipping them to the company's sales outlets and online customers, all of which involves coordinating 18 transport companies across Europe. A supply chain 'control tower' oversees the flow management process and provides real-time visibility of storage and transport operations. To serve this new customer, FM Logistic recruited 200 additional employees

and launched a warehouse automation programme that already covers personalisation, destination sorting and package shipping. Phase two of the programme will focus on order preparation.

Also home to operations on behalf of Sephora, Escrennes is one of the most advanced cosmetics industry logistics facilities. Its certifications and green hydrogen production programme make it a leader in terms of sustainable development (see p. 36). The urban boom in online food shopping also supported business volumes during the year. In the Paris region, for example, FM Logistic makes home deliveries for Carrefour Livré chez vous. For Intermarché, the company also takes care of order preparation and delivery to stores and direct to customers. ♦



ROMANIA

Nestlé renews its contract with FM Logistic

5 YEARS. That's the duration of the renewed warehousing, co-packing and transport contract with Nestlé. FM Logistic has also expanded the transport services it provides to Romania's leading retailer, and started making deliveries for two FMCG companies direct from its Bacău hub. In addition, the Group acquired new customers such as Bioderma, Douglas and Diageo during the year. Logistics for Diageo will be based at the Timisoara site. ♦

UKRAINE

E-commerce volumes doubled

FM Logistic is able to report another profitable year in Ukraine. The addition of e-commerce fulfilment logistics contracts with three new customers meant that the company handled twice as many online orders in 2020 as in the previous year. To support this substantial increase in volume, the Dudarkiv platform near Kiev's

Borispol airport will be expanded from 43,000 to 60,000 m² in 2021. The transport business also attracted 100 new customers during the year. Less-Than-Truckload (LTL) transport volumes tripled in a single year. In 2020, FM Logistic also made more urban deliveries, with particular emphasis on fashion and food customers. ♦

ITALY

FM Logistic signs expanded contract with Sephora

FM Logistic's results improved in Italy in 2020, driven by increased business with cosmetics brands. The Sephora contract was extended during the year to include - upstream of last-mile delivery services - warehousing and order preparation for shops, private customers and export. Yves Rocher e-commerce flows also increased. CityLogin teamed up with two other logistics companies to create the urban Beve-Rete Network of 4 hubs, 35 sorting centres and 2,800 vehicles.

SPAIN

22% revenue growth driven by e-commerce

In Spain, FM Logistic passed the €100 million mark in terms of annual revenue. This 22% year-on-year increase was driven primarily by growth in e-commerce and home deliveries for three customers in particular: the fashion group Inditex, whose flagship brand is Zara, a major home decoration retailer and a leading online retailer. FM Logistic also doubled the size of its urban logistics business. As a result, CityLogin now operates in 11 Spanish cities. In the industrial sector, FM Logistic began work on a project for engine lubricant manufacturer Motul, which is already a customer in other countries.

CENTRAL EUROPE

FM LOGISTIC WINS 25 NEW CONTRACTS

FM Logistic continued to develop its business in Central Europe (Czech Republic, Hungary, Poland and Slovakia) during the year, winning 25 new contracts and renewing 29 others. Its new customers include a toys giant, a major soft drink brand, a snack brand and a global leader in sanitary ware. Renewals included a warehousing and distribution

contract for a major Polish FMCG manufacturer, covering the transport of goods from production facilities in southern Poland to Polish shops and wholesalers. The volumes to be transported have increased since the original contract.

Another contract extension covers the storage and distribution of superfoods produced by a specialist food supplement manufacturer. In the Czech Republic, FM Logistic



In 2020/21, FM Logistic Central Europe employed 5,500 people and operated 2,500 vehicles.

is now partnering with a leading German DIY store to provide warehousing services for e-commerce fulfilment.

FM Logistic has also strengthened its position in pharmaceutical logistics with the June 2020 award of Good Distribution Practice (GDP) compliance certification for its Błonie facility near Warsaw. Błonie is the largest pharmaceutical logistics platform in Central Europe.

FM Logistic delivers medicines and medical equipment to Polish pharmaceutical distributors as well as 700 hospitals and 6,000 pharmacies.



17 WAREHOUSES OPERATED IN CENTRAL EUROPE

Supporting business development

The company continues to expand its network of logistics sites. In February 2021, it announced a plan to build a new distribution centre in Wiskitki, 10 kilometres from the future airport and CPK intercontinental hub between Warsaw and Łódź. The new facility will complement the 17 warehouses and 30 cross-docking sites already operated in Central Europe. An 11,000 m² expansion project is underway in Będzin.

Automation is also progressing, with FM Logistic recently introducing a MiR500 autonomous mobile robot for a major home decoration brand in Poland. This small-scale cobot is able to load, transport and unload 500kg pallets completely unassisted. ♦

45%

OF THE REVENUE IN RUSSIA
CAME FROM TRANSPORT

RUSSIA

A 20% INCREASE IN TRANSPORT BUSINESS

Already the warehousing market leader in Russia with 890,000 m² of storage space, FM Logistic is now growing its transport business. Annual revenue in this sector increased by 20% in the year to 31 March, contributing 45% of total revenue.

Last year, the company improved shipment traceability, opened its twentieth cross-docking site in Voronezh and increased rotation frequency. The results of these efforts include shorter delivery times to 20 destinations in the South, Central, Volga and Urals regions, and a 34% increase in Less-Than-Truckload (LTL) deliveries. FM Logistic is currently experimenting with using extended truck

shuttle services between Moscow and St. Petersburg. Able to carry 41 pallets, rather than the 33 of a standard articulated trailer, they carry full loads on both legs of the journey. The range of transport options also includes rail freight services within Russia and between Vietnam and Western Europe. The annual revenue generated from rail transport services was up 25% year-on-year. Technicolor is just one of its high-profile users.

In e-commerce, FM Logistic has doubled its customer base in Russia. "Our offer is built around four pillars: order preparation, aggregation of volumes across customers to secure advantageous delivery conditions, interfacing with marketplaces, and



FM Logistic doubled its customer base in the e-logistics segment.

associated services like call centre management", explains Christophe Menivard, Managing Director for Eastern Europe. Palais des Thés, Greenway, the DIY chain Obi and a French luxury brand have brought in FM Logistic to help them deliver their omnichannel strategies. The experience gained in on-site logistics with a major oil company also helped FM Logistic to win a high-value-added warehousing contract with 3M in Elektrogli.

Another major contract win covers a wider spectrum of cooperation with the Metro supermarket chain in the southern Russian city of Rostov. The site has been handling the chain's fresh and ultra-fresh product logistics since December 2020. ♦

INDIA

Lockdown fuelled the e-commerce boom

The COVID-19 pandemic has hit the Indian economy very hard. Nevertheless, FM Logistic began work on four major e-commerce logistics contracts in 2020. The company now handles omnichannel logistics operations in western India for online furniture retailer Pepperfry. In Delhi, FM Logistic manages grocery product flows for two online retailing giants. The company also won another contract at the national level to handle e-commerce logistics for a leading fashion brand. In parallel, FM Logistic pressed ahead with the development of large-scale multi-customer Class A warehouses, like the new 30,000 m² facility opened in Mumbai during 2020. ♦



CHINA

The economy bounces back

A Chinese distribution group has contracted FM Logistic to operate a 57,000 m² platform in Kunshan. FM Logistic has also begun to provide omni-channel logistics services to a Chinese water filtration equipment manufacturer, and has expanded its long-distance transport business for a multinational food company, as well as its urban delivery services in Shanghai and Guangzhou.

BRAZIL

A little less plastic in the environment

The new method introduced by FM Logistic in São Paulo to stabilise packages on pallets reduced the amount of plastic used in 2020 by 9 tonnes. Developed by startup CGP Coating Innovation, the new solution replaces the plastic film wrap previously used with an elastic strapping system. In 2021, the same process will be rolled out to the Santa Catarina and Rio Grande do Sul sites, with the expectation of reducing plastic use by a further 24 tonnes per year.

VIETNAM

FM Logistic helps VinShop serve small stores

FM Logistic has been awarded a contract by VinShop (One Mount Group), a central purchasing operation that leverages new technologies to simplify the life of small traders through the use of its app. The Vin Group subsidiary has contracted FM Logistic to receive, store, prepare orders and make shipments across northern Vietnam.

These services are delivered from the Bắc Ninh platform, 20 kilometres from Hanoi, which opened in May 2020. FM Logistic has also expanded its transport business in Vietnam, with much of the growth dedicated to Uniben Foods, and has installed a new TMS (Transport Management System) to cope with the increase in scale. ♦



OMNICHANNEL

Inventing an agile supply chain

The global health crisis has supercharged the growth of e-commerce across every sector. So offering consumers multiple sales channels is now expected and essential, but the key to success is delivering a seamless and enjoyable customer experience. And that requires an integrated supply chain. With its experience in operating multi-client facilities for retailers and FMCG manufacturers, FM Logistic is well positioned to help customers.



70%

OF FM LOGISTIC ANNUAL REVENUE IS RELATED TO CONSUMER GOODS

Successful e-fulfillment is crucial.

THE NEW NORMAL

Facilitating the acceleration of omnichannel commerce solutions

In 2020, retailers and manufacturers faced the challenge of selling products when all the shops were closed. Many responded by converting to click & collect, drive-through and/or home delivery. Through the various lockdowns, 40% of European consumers started shopping online for the first time¹.

So what will the consequences of that be? Many consumers have definitely made the transition to the omnichannel era. According to market and consumer data specialist Statista, global online sales in 2021 are forecast to be around \$4,900 billion, and to grow by 8% year-on-year between 2020 and 2024.

This new normal means that brands now have to combine multiple

distribution channels. It also results in high levels of weekly, monthly and annual volume volatility.

Delivering the customer promise

To meet the needs of all its customers, FM Logistic pools BtoB and BtoC flows, and continues to drive innovation forward to develop new delivery and collection solutions like the new collection 'corners'. "We have to rethink every aspect of logistics", says Business Solutions and Information Systems Director Xavier Prévost, "from order management and data processing through to stock optimisation". To say nothing of eco-responsibility, which is an increasingly important issue for consumers.

FM Logistic offers its expertise² to brands in ways that help

them to deliver on their customer promise. To facilitate this success, the company designs Plug & Play supply solutions for stores and consumers.

Designed and managed globally by FM Logistic, these solutions deliver greater flexibility and efficiency. The company designs and operates its own warehouses to ensure a higher level of organisational and investment freedom.

And because it operates at the crossroads between manufacturers and retailers, FM Logistic is well positioned to encourage partnerships between the two; a fact illustrated again by winning the Franprix contract to support its experiment to sell packaging-free products from top brands. ▀

¹ Alvarez & Marsal/ Retail Economics survey conducted in May 2020.

² 57 of FM Logistic's top 100 customers use its omnichannel logistics services.

EXPERTISE

Food orders: do it fast and do it right

41% of French consumers ordered food products online in 2020 and 60% made greater use of home delivery services¹. The acceleration in these trends has clearly benefited FM Logistic, considering its experience in food logistics, which accounts for nearly half of its annual revenue. Handling food products demands a special level of care, short lead times and uncompromising temperature control.

The Group has diversified its range of services to work closely alongside its customers and support them in implementing their

strategies. It is contracted to a number of leading supermarket and hypermarket chains to provide their urban logistics services in Paris and its surrounding Île-de-France region. FM Logistic makes home deliveries to around 600 customers a day on behalf of Carrefour, using a fleet of vehicles that is becoming increasingly gas-powered. It also supports the Stardrive programme for Intermarché. FM Logistic prepares customers' online orders in a warehouse at Ivry-sur-Seine, and delivers them either to their homes or to one of the company's stores. ▶

¹SprintProject survey conducted by OpinionWay in October 2020 in partnership with DB Schenker, FM Logistic, GSI-France and Savoye



LOCAL PRESENCE

100%

available for our customers.

With the sole exception of India, all FM Logistic sites remained operational in 2020. Closed shops, border delays and peaks in order volumes? Our teams responded 7 days a week to listen to all customers' needs and concerns, and offer the right solution! At every level of the business, video conferencing, WhatsApp groups and direct calls were used to maintain active contact and continuity with all Group customers.



Logistics is a crucial link in the customer satisfaction chain.

PET SUPPLIES

NEW CONTRACT IN FRANCE

FM Logistic has signed a 5-year contract with Maxi Zoo France to provide storage, packaging and order preparation services for its physical stores and e-commerce website. The 57,000 m² Savigny-sur-Clairis logistics platform was chosen as the base for these operations. Maxi Zoo France has more than 210 stores nationwide, and is part of the European leader in pet retailing Fressnapf.




Béatrice Ogée
 Sales & Marketing
 Director

INTERVIEW

When it comes to e-commerce, we take care of everything!

What does your e-commerce logistics offer actually consist of?

Selling products online has become crucial for most of our customers. So having an efficient omnichannel supply chain is simultaneously a competitive advantage and an essential pre-condition for customer satisfaction. FM Ready is a turnkey solution developed by FM Logistic to provide quick access to e-commerce solutions. It is designed to deliver on four promises:

Ready 2 marketplace:

easy connection to all marketplaces;

Ready 2 fulfill: optimised order, packaging and stock management;

Ready 2 to deliver: urban or long-distance delivery;

Ready 2 support: a wide range of services for order follow-up and post-delivery services, such as complaints and returns management.

Why should customers choose FM Logistic?

The ability to pool resources for operational efficiency is central to the FM Logistic DNA. Our Under One Roof multi-client warehouse and transport pooling business model is the beating heart that drives performance in the omnichannel supply chain. Grouping services for a single customer together in a single location optimises all the processes involved and saves money. And the same is true when you combine deliveries for several customers in a single vehicle delivering to a defined area. But we have other strengths too, including integrated order oversight (from order placement to returns), real-time inventories, and personalised analyses of



23%

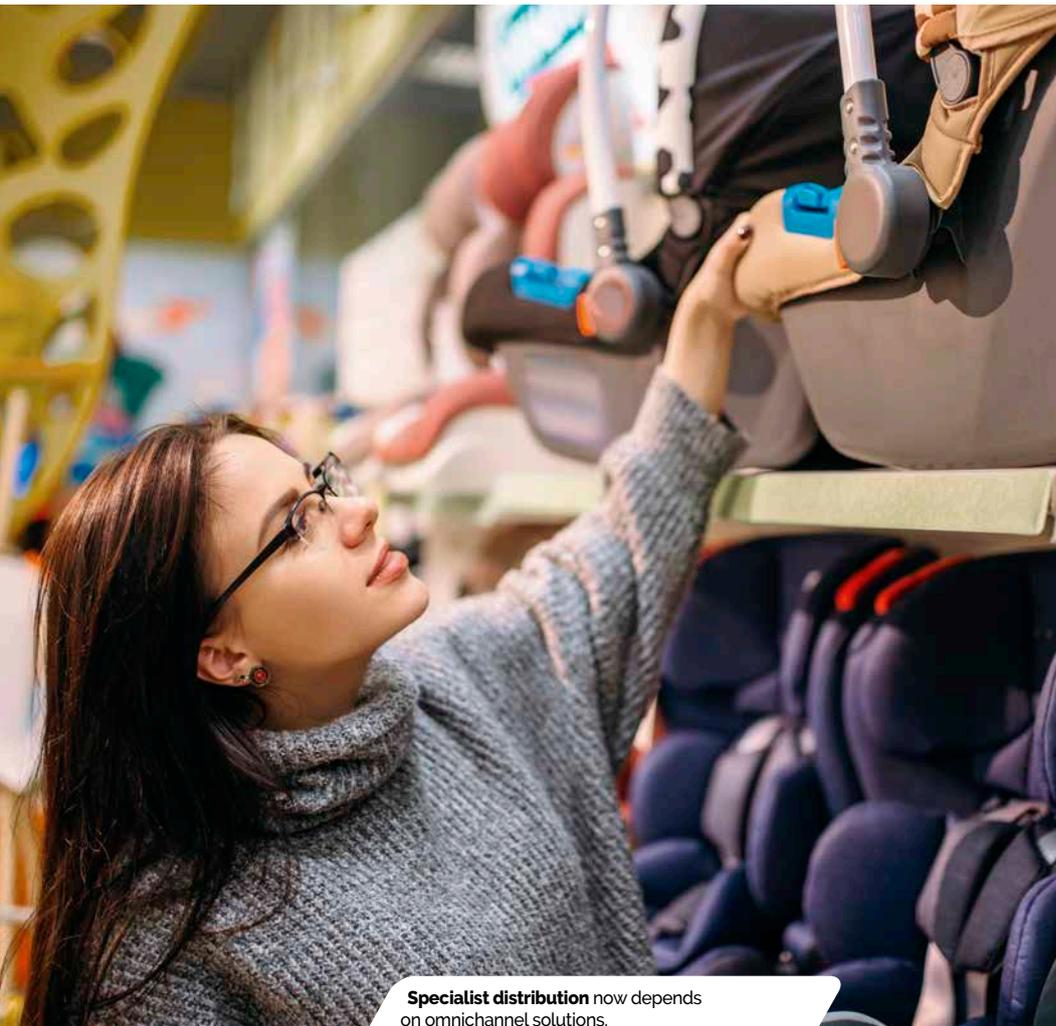
OF FRENCH CUSTOMERS MAKE AT LEAST ONE ONLINE PURCHASE PER WEEK


HAVING AN EFFICIENT OMNICHANNEL SUPPLY CHAIN IS A COMPETITIVE ADVANTAGE AND AN ESSENTIAL PRE-CONDITION FOR CUSTOMER SATISFACTION.


customer supply chains generated by our powerful simulation tools. We also offer the assurance of careful and eco-friendly packaging where customers request it, and innovative urban logistics (Cityloglin, collection 'corners', etc.) solutions that we're currently developing for our customers in Europe and Asia.

Which types of customers are most involved in this trend?

We've successfully developed omnichannel solutions for the majority of our existing customer base across the full spectrum of sectors, from retail and FMCG to cosmetics. We're also now partnering with marketplaces and new entrants in Asia, Central and Western Europe. ▶



Specialist distribution now depends on omnichannel solutions.



E-FULFILLMENT

BABY RETAILER RENEWS WITH FM LOGISTIC

A German baby product chain has renewed its contract with FM Logistic.

The contract covers preparation of online orders of prams, car seats and clothing for delivery to 14 countries from a dedicated 20,000 m² space at the Tuchoměřice logistics site, near Prague. At peak times, up to 12,000 orders per day are processed.

MULTIMODAL SERVICE

THE NEW SILK ROAD

FM Logistic travels the Silk Road for Technicolor, the French leader in image technology. Shipped from China and Vietnam, the company's containers are rail freighted to Western Europe via Poland. The 14,000-kilometre journey is twice as fast as shipping goods from China to Europe by sea, and serves many countries along the way.

E-COMMERCE

A landmark contract in India

One of the four major e-commerce logistics contracts signed in India during the year was with a leading retail platform. This specialist in grocery products has contracted FM Logistic to provide logistics services for all online orders placed by Kirana stores, the small shops that account for 90% of the grocery trade in India.

FM Logistic is tasked with several responsibilities. The company warehouses products supplied by major manufacturers, and prepares

orders placed by individual stores at its 10,000 m² multi-customer hub in Bilaspur, south-west of Delhi.

The new contract went live in September 2020, and initially covers around 500 orders (70,000 units) per day for 2,500 stores in the Delhi area. But this is just the beginning. FM Logistic will eventually serve 25,000 points of sale, delivering around 3,300 orders (500,000 units) per day.

This major service provision package further strengthens the Group's status as a major omnichannel player in the Indian market. ▀



In the east of Delhi, FM Logistic began providing a leading e-commerce company with a grocery management service (storage, handling, etc.) in 2020.



URBAN LOGISTICS

Inventing sustainable networks

Driven by the growth of e-commerce, urban logistics poses a series of economic, environmental and social challenges. Meeting consumer expectations while protecting the living environment is the difficult equation to be solved. FM Logistic is actively engaged in designing cooperative sustainable solutions and implementing collective initiatives.

FLEXIBILITY

Making good use of vacant urban premises

Pollution, traffic jams and noise: major cities face saturation as delivery volumes soar. Warehouse space is scarce. Yet, there are vacant premises. In order to make good use of them, FM Logistic has brought forward an innovative idea developed with property company Novaxia to provide local logistics solutions.

The P.L.U.M.E. (Eco-designed Modular Urban Logistics Platform) project aims to offer logistics services from these temporarily vacant urban premises. The advantage lies in bringing storage closer to consumers, enabling city-centre deliveries with clean vehicles. These locations can also serve as pedestrian drive outlets and be used to collect recyclable packaging. All these services can be offered from existing vacant places, using modular pieces of logistics equipment that can be removed and reused in other facilities.

A solution tailored to the needs of FMCG

A similar scheme is also being developed in Spain, as part of the European LEAD project. FM Logistic is planning to use a vacant car park in Madrid for logistics purposes. LEAD and P.L.U.M.E. provide practical responses to the environmental challenges posed by urban logistics and to aspirations for responsible consumption. For this



The P.L.U.M.E. project was the winner of the 2020 Île-de-France region's freight and logistics call for expressions of interest.

reason, they are of significant interest to a number of public- and private-sector actors, which have the opportunity to become stakeholders in their implementation.

Customers in the food and cosmetics sectors are the most likely to benefit, with FM Logistic offering them a range of services,

from product storage (including fresh and frozen products) and packaging to city centre deliveries using eco-friendly vehicles, collection of online customer orders, returns management, and more... The Group will also offer customers the use of washable and recyclable delivery containers. ▶



CO₂ EMISSIONS

GREENING THE FM LOGISTIC FLEET

The FM Logistic delivery fleet contains an increasing proportion of low-emission vehicles. Six gas-powered trucks were purchased this year in France, and a further four ordered in Italy. The Spanish fleet contains 75 electric or hybrid vehicles. The first electric three-wheeler LCVs are now in use in India.

FM LOGISTIC & ROLAND BERGER STUDY

MAKING THE CASE FOR GREATER COOPERATION

Producers, retailers, logistics companies, city councils, public and private sector transport companies and consumers: the challenge of optimising logistics involves many stakeholders. So how can it be achieved? The Economic and Environmental Challenges Facing Urban Logistics study published by FM Logistic and the strategy consultancy Roland Berger suggests greater pooling of logistics and more effective sharing of the city. It also recommends exploiting tech resources to the full to provide smart tracking of packages and the development of clean vehicles.

ORDER COLLECTION

New alternatives to home delivery

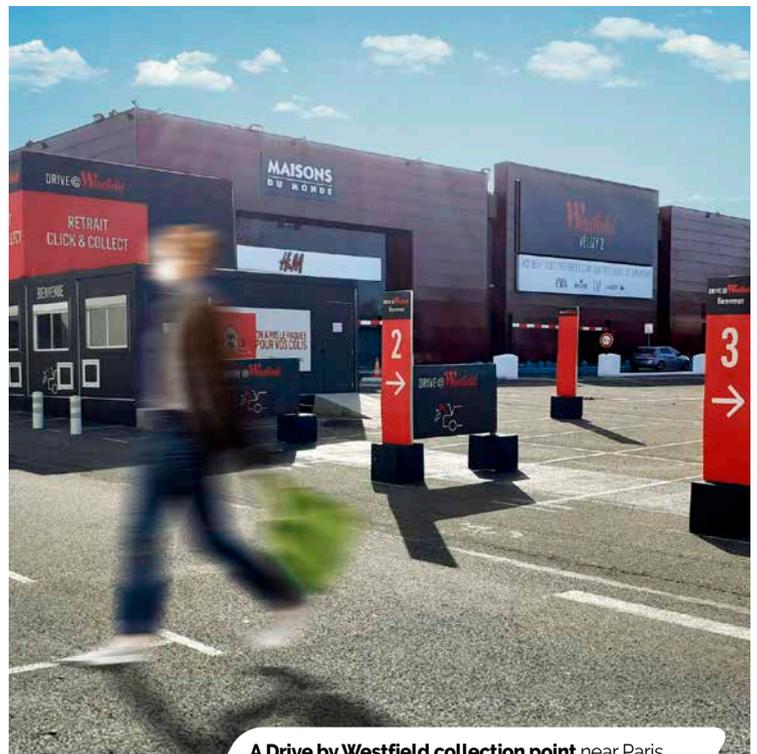
The health crisis is driving us to become more innovative. The Westfield shopping centres in the Paris region - Vélizy 2, Rosny, Parly 2 and Rosny 2 - created the 'Drive by Westfield' service during lockdown: with the help of FM Logistic, customers can now collect orders placed with centre retailers from the car park.

This experiment is integral to the overall policy of limiting delivery flows adopted by FM Logistic in recent years. Automated 24/7 collection 'corners' will soon give consumers the opportunity to collect purchases made

in different physical or online food and non-food stores from the same automated 'corner' facility.

Retailers can either drop off packages to these collection points or have them delivered. Each collection storage space will be temperature controlled and loaded by a semi-robotic system.

The first service point will open at the Vélizy 2 shopping centre in 2021. Other avenues are already being explored to enhance the range of services offered to include returns management, container reuse and local delivery by bike. ▶



A Drive by Westfield collection point near Paris.



HUMAN RESOURCES

Inventing a distinctive management style

2020 was a very challenging stress test for employers in terms of maintaining contact between employees, keeping up commitment levels and making sure that strategic plans remained on track. As social distancing rules changed everyone's frame of reference, FM Logistic focused its priorities on communication and interaction.

TEAM SPIRIT

Maintaining individual and collective commitment

FM Logistic has successfully protected jobs and its employer reputation despite the pandemic. The vast majority of its sites also remained operational. As a result, the company has been able to avoid the need for short-time working, and has even hired new staff. Nevertheless, the way work is organised has inevitably adapted to protect the health of staff and cope with high levels of fluctuation in demand. So how is it possible to maintain collective cohesion and dynamic energies under these circumstances?

Communicate, communicate, communicate

Listen, reassure, involve and motivate: FM Logistic has worked very hard to maintain a strong sense of community in its operational facilities and for those working remotely. Directors and management teams have spent even more time on the shop floor and in direct contact with employees. At head office, CEO Jean-Christophe Machet chaired a weekly and then fortnightly videoconference, which included a question-and-answer session.

These meetings covered everything from health protection measures to new customers. A virtual town hall meeting has also been



The supply chain is crucial to the customer experience.

MORE THAN 200

ACTIVE VIRTUAL COMMUNITIES ON THE "HELLO" INTRANET AS AT THE END OF MARCH 2021

held every quarter. The FM Logistic Hello intranet has been available in a mobile version since April 2020. 200 digital communities were formed during the year. Weekly team meetings, collaborative working, career development reviews and appraisals have all contributed to making it possible to continue working together, keeping business on course, encouraging everyone to express their thoughts and intensifying the feeling of belonging. FM Logistic has brought all these practices into line with today's digital age in which everything is technically possible, even brainstorming

sessions and informal team building days with remote cookery classes.

Supporting managers

The digitalisation of HR has advanced to a new stage. The PEPS (People Empowerment Solutions) HR management suite can now generate real-time comparative dashboards for each country. It also provides senior managers with a support resource for career development reviews.

At the same time, FM Logistic has introduced a 'Manager's Corner' on its intranet site to exchange good practices, tips and ideas. ▀



Its experience with using Cloud-based collaborative tools meant that the Group was able to extend support team teleworking smoothly and seamlessly.



5,000

PEOPLE COMPLETED AT LEAST ONE E-LEARNING PROGRAMME DURING THE YEAR. TARGET: 100% OF EMPLOYEES INVOLVED IN AT LEAST ONE TRAINING INITIATIVE PER YEAR.

COMMUNICATION

A 100% digital Management Week

Three months of roadshows, 2,200 participants, marathon meetings and a lot of long journeys. The annual Management Days meeting for executive committee members and country management teams usually require a great deal of costly organisation. But in the 2020/21 financial year, everything changed as the global pandemic forced all these meetings to go totally digital. So the 2021 meetings were concentrated into a single week, bringing participants together in daily sessions of between one and two hours beginning at noon CET to ensure that as many people as possible working

in Asia, America and Europe could log in. The format was tested by the Communications department in June 2020, and adopted for the in-house sustainable development week event in September.

Although it can never replace face-to-face contact, this new-generation Management Week has several advantages. As well as saving time and cost, it means that all participants can meet together at the same time, which is very much the point of this event: the opportunity to bring everyone together, strengthen the sense of belonging and focus all energies on delivering the corporate plan. ■

AUTOMATION

MAKING LABELING A BREEZE

The Chekhov site in Russia continues to extend the range of services it offers cosmetics companies, at the same time as improving working conditions. The obligation to label imported products in Cyrillic typically involves repetitive and tiring manual operations, requiring a large workforce, which is not always easy to find.

The solution has now come in the form of automation. An optical position recognition labeller was installed in January 2021 for operations carried out on behalf of a global leader in beauty products. Equipped with an articulated arm, the machine recognises and labels the brand's creams and perfumes, whether in the form of single products or batches of any size. Extended to other product lines, the system will be able to process between 8 and 10 million units per year.



Cécile Cloarec
Human Resources,
Communication &
Sustainable
Development
Director

INTERVIEW

Our priority has been to provide our employees with maximum support

What were your main goals through the global health crisis?

The health of the teams has been our priority at every stage. We've made sure that everyone is able to work safely and in full compliance with all health regulations. We've also worked to provide our employees with maximum support, and leave no one behind. Firstly, we successfully protected jobs, and secondly, we've been able to keep in contact with everyone. It's true that many supply chain jobs are not compatible with teleworking, but around 10% of our workforce - approximately 2,500 people - were teleworking full time in spring 2020, before returning to a hybrid model later in the year. In technical terms, it was a smooth transition, but managing a team remotely is not the same as doing so face-to-face.

So how did you set about achieving these goals?

We learned as we went along. We made the decision to keep everyone on board: those on fixed-term and work/study contracts, as well as those on permanent full-time contracts. We also continued to welcome

trainees into the company. Luckily, we were able to keep almost all our sites open and working. In the few countries where warehouses had to be closed, such as India, we supported our employees financially. The benefits to the company of these measures are that we've been able to retain skilled people and make it easier to return to the office whenever that has been possible. We also tried to stay individually in touch with each person, not just in terms of business, but also on a personal basis, because we recognise the importance of mental health during this time of crisis. We've always done our best to provide as much information as possible, and to do so intensively and transparently to minimise concerns and put issues in perspective whenever possible. Lastly, we've made sure that managers are fully resourced and actively supported. I'm in no doubt that this level of individual and collective care is what has allowed the company to keep up the impetus so effectively.

How do you see human resources in the post-Covid era?

We're in the process of making a paradigm shift. Which is definitely

a good thing! This whole period has demonstrated the feasibility of working and staying in contact remotely. Teleworking will probably continue, but at a lower level and combined with more organisational freedom, better access to information and an even higher level of digitalisation. Recruitment is also likely to change in ways that involve wider geographical areas, since remote working reduces concerns about commuting distances. We also remain on track with all our current projects. Our priorities are clear: to continue the process of strengthening our digital presence, move towards more participative management, and further develop our culture of continuous training. Digitalisation is itself entering a new phase of data-driven transformation. By which I mean that the technology tools we're now putting in place will make the mass of data we have available to us more accessible and transparent. At the same time, our teams need to acquire new skills and embrace continuous learning. Human resources are leading the way on all these issues. ▶

DIGITALISATION IS ENTERING A NEW PHASE OF DATA DRIVEN TRANSFORMATION.



EMPLOYER BRAND

NEW AWARDS FOR FM LOGISTIC

In 2020, FM Logistic was awarded the international Happy At Work for Starters label on the basis of a survey conducted among recent graduates working in France, Spain, Italy, Russia, Poland, India and Brazil. In Russia, the company received the Randstad award for best logistics industry employer, as well as an HR Brand 2020 award from HeadHunter. In France, FM Logistic made it into the Top 50 of Capital magazine's 500 best employers in any industry.

SKILLS

DISTANCE LEARNING WORKS!

Time saved, more participants and easier international interaction. FM University has been increasing the number of distance learning courses it offers since summer 2020. As a result, 1,250 employees have now completed the online version of the Warehousing Basics course. It has also rolled out training programmes covering customer experience, contract tendering, supply chain and management techniques. During the fiscal year, 5,000 employees received online training, compared with just 1,200 in the previous year.

SURVEY

Morale remains high



Maintaining a collaborative environment is key.

Spirits remain high among staff. That's one of the findings of a survey conducted in November 2020 among 2,900 employees from all countries and job profiles. 87% of respondents said they remained optimistic despite the ups and downs of the year. When asked about health issues, 87% said they felt safe. 90% of employees replied that they had been well informed by the company, while

89% said that work was organised appropriately, given the circumstances.

The support provided by managers was highly rated, with 95% of respondents saying that they were well supported throughout the year. In total, 95% of respondents felt that FM Logistic performed strongly throughout the period. A new "Pulse" internal survey will be carried out in the second half of 2021. ▀



SUSTAINABLE DEVELOPMENT

Inventing responsible logistics

Driven by consumer expectations and an increasingly restrictive regulatory environment, manufacturers and retailers are accelerating their transition to a more virtuous economy. As consumption patterns evolve, FM Logistic innovates to provide customers with a range of ecoresponsible supply chain solutions, at the same time as working to ensure the wellbeing and safety of its teams.



Packaging-free aisle in a Franprix store.

BRANDS GO "NAKED"

Franprix launches new packaging-free

The combination of less packaging and less waste is driving the increasing popularity of packaging-free retail, especially in France. Once available only in specialist organic food stores and supermarket organic product sections, the concept is now evolving as the Franprix chain extends it to include products from well-known food brands.

It's a way of making this option available to the maximum number of customers in their favourite supermarket, all the more so

because supermarket chains and brands are committed to offering these products at around 5% below the equivalent packaged products, on average.

FM Logistic is the logistics partner for this Franprix experiment whereby branded products are sold in a new way. The other partners are Ilec (a network of FMCG manufacturers) and Bulk&Co (a specialist in bulk shop-fitting solutions).

Ancel, Bénénuts, Carambar, Carte Noire, Eby, Kellogg's, Lutti, Panzani, Taureau Ailé, Uncle Ben's

and Vichy are the first brands to join the Franprix supermarket experiment, under the slogan Less Packaging, More Responsible.

An efficient supply chain for the circular economy

The solution combines a broad range of complementary skills: individual brands ship their products to FM Logistic, which then stores, packs and delivers them to retailers. Bulk&Co supplies the cardboard hoppers and the eco-friendly shop fittings, and Franprix makes the products avail-



The Climate and Resilience Bill presented by the French government on 10 February 2021 requires that 20% of the sales area of stores over 400 m² must be devoted to packaging-free retail by 2030 at the latest.



50%

YOY GROWTH IN PACKAGING-FREE SALES IN FRANCE
(Source: Réseau Vrac)



RISK PREVENTION

Using emojis to talk safety



What's the most effective way of involving employees in occupational safety? To rekindle the discussion around risk prevention and make the process more effective, FM Logistic launched a new communication campaign in winter 2020. This initiative uses customised emojis to encourage warehouse teams to discuss and chat about safety issues. The fact is that emojis have invaded and conquered all our screens, but especially

those of younger employees, who are particularly exposed to accident risks. The campaign is international, and uses 16 different posters to remind people of the rules governing the use of forklift trucks and the need to wear the right personal protective equipment, for example. The training programme designed to support this campaign uses immersive tools, such as virtual reality headsets, to help employees learn how to prevent safety risks as they walk through a virtual warehouse. ▶

retail concept

lable to its customers. The concept test programme in four Franprix stores in the Île-de-France region of France completed in July 2021. All four stores were supplied by FM Logistic from its Mormant warehouse in Seine-et-Marne.

This facility specialises in food product logistics, and is certified compliant with the Ecocert organic food safety standard. All the products it handles are safely packaged in a special facility compliant with extremely strict food safety standards. ▶



Charlotte Migne
Sustainable Development Director

Initiatives are springing up in all our markets

The one highlight of the past year was the multiplication of sustainable development initiatives in all our operating countries. The time for planning is over. Now is the time for implementation. These initiatives include the international expansion of CityLogin, new urban logistics solutions, the planned production of hydrogen in France and Spain, and the use of biomass in Italy.

Central Europe is now using energy from renewable sources, and Asia is investing in clean vehicles. We are also in active discussion with our customers about their carbon footprints. Sustainability is now a strategic issue for FM Logistic, a dynamic that runs through all our activities and is therefore a crucial component of our service offer. Our customers see this as a key differentiating factor that sets us apart from our competitors, and our recent major contract wins highlight our credibility in sustainable development. ▶▶

20%

Expected drop in life-cycle CO₂ emissions from FM Logistic's warehousing operations, thanks to the LEED® or HQE (™) certification obtained for 73,000 sqm of logistics space across 14 warehouses and 7 countries.



BENCHMARK

Escrennes: all the ingredients for an outstanding platform



Officially opened in 2019, the Escrennes distribution centre in the Loiret region of France specialises in supply chain solutions for cosmetics companies. Designed by NG Concept to deliver highly integrated services, it also meets the highest standards of sustainability. Employee health and wellbeing are top priorities in this 85,000 m² facility, which is compliant with international ISO 45001 Occupa-

tional Health & Safety standard. The equipment provided - electrically assisted carts, anti-fatigue mats, ergonomic optimisation of workstations, Vizo neck braces, and more - is all designed to minimise muscle fatigue. Employees also have the benefit of a gym, as well as dedicated rest and relaxation areas. The Escrennes platform is also certified compliant with the ISO 50001 Energy Management standard and is rated as 'exceptional' by the HQE (High Environ-

mental Quality) benchmarking scheme. Photovoltaic panels, triple glazing, rainwater recovery, wastewater treatment, waste sorting and recycling, zero waste policy and vehicle sharing: everything here is designed to minimise environmental impact. This platform will soon join the H2Hub project (see p. 37). As an impressive showcase for FM Logistic expertise, the platform has most recently attracted the global cosmetics brand Shiseido. ▶

17%

REDUCTION IN GREENHOUSE GAS EMISSIONS FROM FM LOGISTIC WAREHOUSES BETWEEN 2018 AND 2020



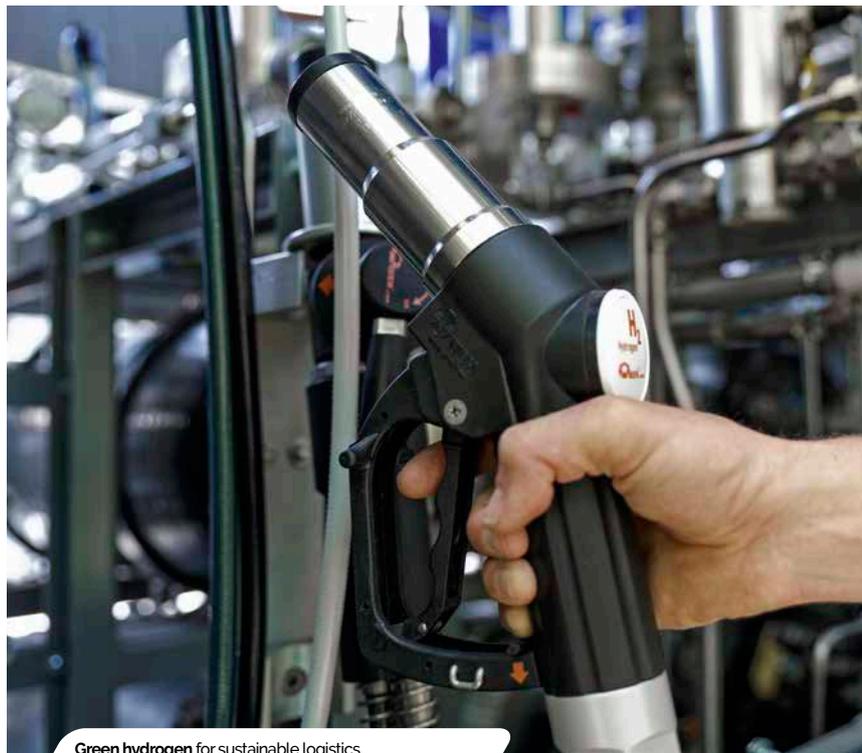
85,000 m² of warehouse space have been developed in just 2 years.



SUSTAINABLE FINANCE

A €222 million green loan

In 2021, Batilogistic, FM Logistic's sister company specialising in logistics real estate, signed a €222 million loan with a bank consortium. The interest rate will vary based on whether Batilogistic and FM Logistic can achieve defined sustainable development targets. These include the proportion of buildings with HQE™ and/or LEED® accreditation, reductions in warehouse greenhouse gas emissions and FM Logistic's retention of its EcoVadis Gold rating. ▶



Green hydrogen for sustainable logistics.

THE H2HUB AND H2-LOGIN PROJECTS

Decarbonising by adding value at local level

GREENHOUSE GASES

CUSTOMER DASHBOARDS

In 2020, FM Logistic introduced sustainable development dashboards for 50 of its customers to help them monitor every aspect of their environmental and social impact, with particular emphasis on the indirect greenhouse gas emissions generated by transport and logistics. In addition, roadmaps have been prepared and agreed with 15 customers. They include reductions in waste, single-use plastics and energy consumption, and the transition to vehicles powered by alternative energy sources.

Decarbonising logistics and making a positive contribution to local ecosystems are the two goals of the H2Hub (France) and H2-Login (Spain) projects. The concept here is to produce green hydrogen using solar energy.

In practical terms, this means using the solar energy produced at FM Logistic warehouses to power the water electrolysis process that will produce hydrogen as fuel for forklift trucks, cars and vans, and ultimately HGVs.

In Spain, the H2-Login pilot project is up and running at Illescas, near Madrid: the hydrogen produced here will be used to power 15 forklift trucks and the first Citylogin delivery van. A partnership has also been formed with alternative energy vehicles specialist TechnoVE.

A second project, known as H2Hub, is now being prepared in the Loiret region of France. The aim is to produce and distribute green hydrogen between multiple FM Logistic platforms and partner sites around the region.

A consortium is now being formed to include potential external users of the hydrogen produced, including local authorities (for buses and refuse collection vehicles), regional industrial companies and other logistics services providers. Meeting the combined needs of all stakeholders in this way has the potential to create a sustainable and eco-friendly economic model for the local community. The benefits of using hydrogen will be further increased once hydrogen-powered trucks become available in the market. ▶



The FM Foundation provided support for the NGO Emmaus Défi.

A HELPING HAND DURING COVID

FM Foundation carried out 24 projects to support people in need

In 2020, the FM Group's foundation responded to the COVID-19 crisis by helping people socially and economically impacted by the pandemic.

These initiatives focused on the three key areas of food, hygiene and support for children by:

- distributing food packs or meal vouchers to the most vulnerable individuals and families,
- donating hygiene products or equipment to families in need,
- providing face masks and protective equipment,
- donating computers and provi-

ding distance learning resources for children in care,

- helping to provide continuity of care for children with physical or psychological needs,
- providing support for childhood cancer research.

The hands-on support of the Group's employees enabled FM Foundation to carry out 24 projects that reached more than 4,000 people. Nine countries on three continents were involved: Brazil, Spain, France, India, Italy, Poland, Romania, Russia and Ukraine. ▶



URBAN LOGISTICS

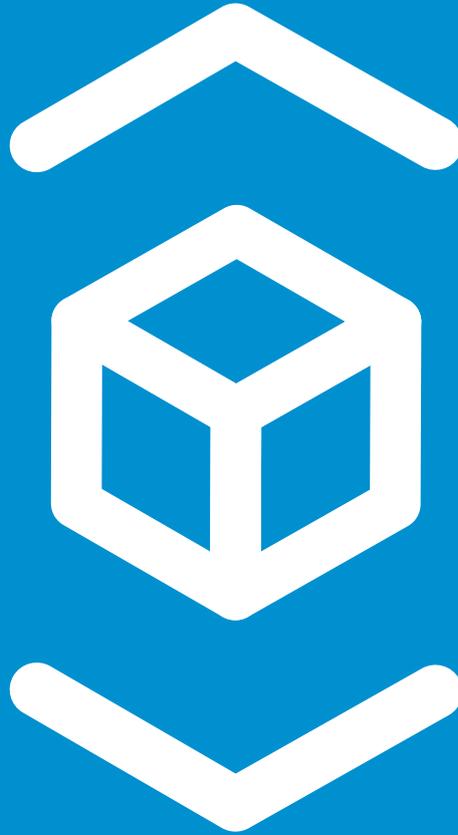
CITYLOGIN WINS GREEN MOBILITY AWARD IN MADRID

In September 2020, the Madrid City Council awarded Citylogin the Muévete Verde (green mobility) award for its efforts in sustainable urban logistics. Citylogin operates a fleet of around 330 vehicles in Spain, a quarter of which are clean vehicles.

CARBON NEUTRALITY

FM LOGISTIC SWITCHES TO GREEN POWER IN CENTRAL EUROPE

Since January 2021, all FM Logistic warehouses in Central Europe have run on renewable energy, thanks to new contracts with PGE in Poland and Pražská Energetika in the Czech Republic. The Polish contract alone will reduce CO₂ emissions by more than 10,000 tonnes per year. Slovakia had already made the transition to green power in 2019, marking another successful step towards the ultimate goal of warehouse carbon neutrality by 2030.



Financial statements

for the fiscal year ended 31 March 2021



Consolidated balance sheet

/in thousands of euros

ASSETS

	31.03.2021	31.03.2020
Goodwill	32 433	35 691
Intangible assets	17 661	14 760
Property, plant and equipment	206 619	215 402
Financial assets:	22 905	26 975
<i>Non-consolidated shares</i>	1 437	1 287
<i>Other financial assets</i>	21 468	25 688
FIXED ASSETS	279 617	292 828
Inventories	10 689	10 407
Trade receivables and related accounts	208 726	202 503
Prepayments for current assets	4 041	3 771
Tax and social receivables	17 434	17 909
Current accounts (debit)	3 799	5 587
Other receivables	4 422	799
Deferred tax assets	6 093	6 200
Prepaid expenses	5 168	6 626
Cash and cash equivalents	127 616	121 880
CURRENT ASSETS	387 987	375 682
TOTAL ASSETS	667 604	668 510

EQUITY AND LIABILITIES

	31.03.2021	31.03.2020
Share capital	43 163	43 013
Premiums and reserves	144 756	134 160
Profit for the period	18 116	19 245
Foreign currency translation adjustment	-59 924	-56 539
SHAREHOLDERS' EQUITY - GROUP SHARE	146 110	139 879
Minority interests	95	140
TOTAL EQUITY	146 205	140 019
Provisions for risks and charges	16 534	17 436
Deferred tax liabilities	4 353	3 473
Borrowings and other financial liabilities	167 253	179 949
Bank overdraft	4 187	4 245
FINANCIAL LIABILITIES	171 440	184 194
Trade payables and related accounts	172 918	164 298
Advance payments from third parties	985	1 379
Tax and social liabilities	118 362	115 052
Current accounts (credit)	14 983	135
Other liabilities	17 984	39 007
Deferred income	3 840	3 518
CURRENT LIABILITIES	329 072	323 388
TOTAL LIABILITIES	667 604	668 510



Consolidated income statement /in thousands of euros

	<i>31.03.2021</i>	<i>31.03.2020</i>
TURNOVER	1 379 706	1 431 593
Write-back of provisions and depreciations	4 272	3 534
Other operating income	8 615	9 348
TOTAL OPERATING INCOME	1 392 593	1 444 475
Purchases	-63 439	-70 838
External services	-583 653	-614 563
Other external services	-188 651	-190 142
Taxes, levies and similar payments	-15 846	-15 851
Staff costs	-431 676	-438 559
Allowances for depreciation and provisions	-55 842	-55 227
Other operating expenses	-12 386	-13 157
TOTAL OPERATING CHARGES	-1 351 493	-1 398 337
OPERATING PROFIT	41 100	46 138
Financial profit / (loss)	-2 404	-3 013
Exceptional profit / (loss)	-2 276	-3 631
PROFIT BEFORE TAX	36 420	39 494
Employee profit-sharing	-2 408	-2 458
Income tax	-11 804	-15 118
Deferred tax	-873	620
Goodwill amortisation allowance	-3 259	-3 259
PROFIT/LOSS FOR THE PERIOD	18 077	19 279
Attributable to:		
Minority interests	-39	33
Group share	18 116	19 245
Earnings per share (in €)	5.13	5.47



Consolidated cash flow statement

/in thousands of euros

	31.03.2021	31.03.2020
OPERATING ACTIVITIES		
NET PROFIT/LOSS	18 077	19 279
Adjustment for:		
Depreciation, amortisation and provisions	53 000	56 160
Gains and losses on disposal of fixed assets	306	347
Deferred taxes	873	-620
Unrealized foreign exchange gains / losses	-498	432
Deferred expenses	0	0
CASH FLOW GENERATED BY THE ACTIVITY	71 757	75 598
Change in trade current assets and liabilities	4 805	-13 477
<i>Change in inventories</i>	-335	-969
<i>Change in trade receivables</i>	-9 537	-25 028
<i>Change in trade payables</i>	14 677	12 520
Change in non-trade current assets and liabilities	-3 272	37 816
CHANGE IN WORKING CAPITAL REQUIREMENT	1 533	24 339
NET CASH FROM OPERATING ACTIVITIES	73 290	99 937
INVESTMENT ACTIVITIES		
Payment / acquisition of intangible assets	-8 827	-6 899
Payment / acquisition of PPE	-35 695	-49 281
Receipts / disposal of PPE and intangible assets	5 703	7 623
Payment / acquisition of financial assets	-1 509	-1 826
Receipts / disposal of financial asset	2 241	2 558
Net cash / acquisition and disposal of subsidiaries	0	0
NET CASH FROM INVESTMENT ACTIVITIES	-38 087	-47 824
FINANCING ACTIVITIES		
Increase in capital	0	0
Dividends paid to parent company shareholders	-8 500	0
Cash from borrowings	37 909	46 063
Repayments of borrowings	-58 802	-59 500
Variation of accrued interests payable	-4	114
NET CASH FROM FINANCING ACTIVITIES	-29 397	-13 323
VARIATION IN CASH AND CASH EQUIVALENTS BEFORE EXCHANGE RATE FLUCTUATIONS	5 806	38 790
Net effect of exchange rate fluctuations	-12	-3 679
CASH AND CASH EQUIVALENTS AT THE OPENING	117 635	82 524
CASH AND CASH EQUIVALENTS AT THE CLOSING	123 429	117 635

COMMENTS: In accordance with regulation 99-02, restatements recognised following the signature of finance leases are not shown in the cash flow statement, since they generate no cash flows. For information purposes, the total value of finance leases signed during the financial year by the companies consolidated within the FM Logistic Group was €8,391k (impact on the increase in gross values and loans from credit institutions). These leasing agreements should therefore be taken into account when comparing the cash flow statement and cash movement tables appended in the notes to the consolidated financial statements.

**ANNUAL
REPORT
2020/21**

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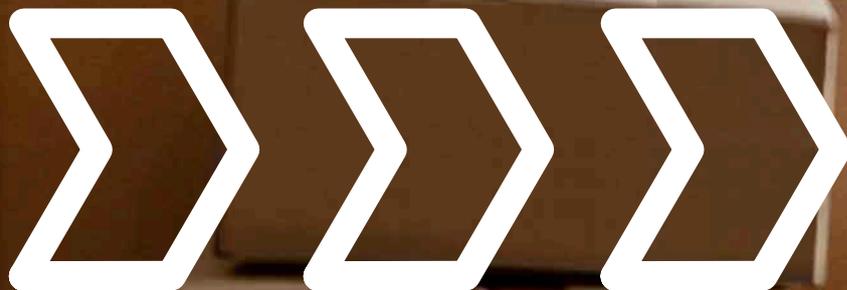
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