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PRESS RELEASE

ACCELL PROVIDES TRADING UPDATE AND REPAYS GO-C LOAN

SALES GROWTH AND PROFIT ACCRETION CONTINUE WITH EBIT YTD UP 32% AT € 107 MLN

HEERENVEEN (THE NETHERLANDS), 10 DECEMBER 2021. Accell Group N.V. (Accell) reports a strong 2021 profit accretion with EBIT YTD November reaching € 107 mln (8.3% of net sales), up 32.1% versus 2020. Taking into account a strong high H2 2020 comparison base and continued headwinds from global component shortages, YTD November net sales came in at € 1,287 mln, up 4.4% versus 2020. Accell will fully repay its GO-C facility this December and rearranged its existing Revolving Credit Facility (RCF) from seasonal to full year availability to better reflect the change in seasonal patterns.

Ton Anbeek, CEO Accell Group: “Considering the limited component availability circumstances we saw good sales levels and continued strong profit accretion in H2 2021 through November. We benefitted from our various initiatives aimed at mitigating the ongoing effects of the global component shortages and recovering added value. In parallel, we continued to execute on our strategy with good progress on our digital roadmap across brands and regions and market introductions of multiple innovations across our bicycle brand portfolios. Over the past months we also launched several new e-cargo concepts across our Raleigh, Lapierre, Batavus and Winora brands to further strengthen our leading position in this fast-growing bicycle segment. Overall, we are well on track to meet our 2022 targets.”

H2 2021 AND YTD TRADING

Underlying demand across Europe for both bicycles and parts & accessories remained strong in H2 2021 to date. Component shortages continued as anticipated and were in particular caused by lockdowns in certain Asian countries, such as Vietnam. In the course of September and October several main Asian component suppliers have resumed production again.

Output levels of Accell's own production facilities over the past few months have been stable and are higher than in H1 2021, albeit still trailing behind market demand.

Net sales over the past 5 months were up 5.8% versus a strong 2020 comparison base (same period 2020 vs 2019: +38.2%). In the Benelux and Central region growth levels were competitive. Sales in other regions were in part restrained due to low product availability. Similar to bicycles, sales of parts & accessories showed small growth against a strong H2 2020 comparison base and taking into account availability issues, particularly on a few top runners.

Net sales YTD November came in at € 1,287 mln, up 4.4% versus the same period last year. EBIT YTD November was up 32.1% at € 107 mln (8.3% of net sales) versus € 81 mln (6.6% of net sales) in the same period last year (Excluding one-offs: € 104 mln versus € 86 mln). The performance improvement was mainly driven by a continued recovery of added value (+269 bps) which was partly used to increase marketing and R&D efforts.

In light of the ongoing component availability distortions and the strong market demand, Accell has consciously been investing in inventories and product availability. Such actions are not only taken to better meet current demand, but are also taken in anticipation of a continued high demand in 2022. Against this background, TWC (as % of net sales) per end November stood at 33.8%. Average last 12 months rolling TWC was 27.5%.

GO-C PAY OFF AND RCF REARRANGEMENT

Accell will repay the remaining € 69 mln GO-C facility before year-end 2021. As a result, Accell will go back to the pre-covid covenants and restrictions such as on dividend payments are lifted. Given the overall global uncertainty due to the pandemic and the need to invest in future growth, Accell will continue to take a cautious stance with regard to cash distributions.

Consistent with the change in seasonal patterns, Accell also reached agreement with its bank consortium to change its existing RCF arrangement from seasonal to full year availability for the term remaining.

FULL YEAR OUTLOOK

Low customer inventories combined with favorable secular trends as electrification, bicycle infrastructure investments, government fiscal stimulation and subsidies are expected to drive continued strong demand.

Order books are strong and well-filled, but global component shortages will continue and sales levels of both bicycle as well as parts & accessories will be impacted by fluctuations in arrival times of certain components. Against this backdrop, it is expected that FY 2021 EBIT will substantially exceed FY 2020.

ABOUT ACCELL GROUP

We believe cycling moves the world forward. We design simple and smart solutions in order to create a fantastic cycling experience for everyone who uses our bikes. Accell Group makes bicycles, bicycle parts and accessories. We are the European market leader in e-bikes and second largest in bicycle parts and accessories, with numerous leading European bicycle brands under one roof. These brands were built by pioneers for whom the best was not good enough. We still embody the entrepreneurial spirit of those family businesses to this day. We keep pushing ourselves to create high-quality, high performance, cutting-edge products driven by the continuous exchange of know-how and craftsmanship. Well-known bicycle brands in our portfolio include Haibike, Winora, Ghost, Batavus, Koga, Lapierre, Raleigh, Sparta, Babboe and Carqon. XLC is our brand for bicycle parts and accessories. Accell Group employs approximately 3,500 people across 15 countries. Our bikes and related products are sold to dealers and consumers in more than 80 countries. In 2020, we sold around 897 thousand bicycles and recorded net sales of € 1.3 billion. www.accell-group.com

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NOTES TO THE EDITOR, NOT FOR PUBLICATION

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FINANCIAL CALENDAR

4 March 2022: Publication annual results 2021
8 March 2022: Publication annual report 2021
20 April 2022: General Meeting of Shareholders

This press release contains information that qualifies or may qualify as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation (596/2014/EU). The press release has not been audited by an external auditor.

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