



## PRESS RELEASE

# ACCELL GROUP SEES STRONG RECOVERY OF BIKE SALES IN MAY AND SECURES ROBUST ACCESS TO LIQUIDITY

**HEERENVEEN (THE NETHERLANDS), 12 June 2020.** Accell Group N.V. announces that bike sales in May rebounded after weak March and April sales. In parallel, we have arranged an additional credit facility as a precautionary action to secure robust access to liquidity in light of the uncertainty and volatility caused by the COVID-19 pandemic.

Due to the various lockdowns and subsequent shop closures in several countries, group revenue in March and April came in approximately 27% lower compared to last year. End of April shops started to reopen in Germany, our biggest market. In the second week of May the majority of all bike shops in Europe reopened. Group revenue growth in May was +23% compared to last year, bringing YTD May net sales to -5%. Based on our lower YTD net sales level which entailed some adverse mix effects and due to higher costs related to the supply chain disruptions (as a result of COVID-19) YTD EBIT came in at € 28 mln, approximately 40% behind last year.

In order to meet the surging demand for e-bikes, e-MTBs and e-cargo bikes in our markets, we have increased production again from 30% in March to 70-80% of capacity taking into account the social distance requirements for staff within our production facilities. As earlier indicated, we anticipate ongoing global supply chain disruptions caused by the COVID-19 outbreak to hamper product availability in the second half of 2020 and to cause delays in the planned introductions of new bicycle models.

The rebound of bike sales in May combined with cash management measures implemented since end of March have resulted in an improved cash position. Yet, given that our bicycle business is typically seasonal and to ensure sufficient funding headroom going forward in a still unpredictable environment, we have agreed an additional two-year amortizing bank facility of € 115 mln with our bank consortium under the Dutch GO-C scheme. The facility will be partly drawn in 2020 (€ 60 mln) and the remainder is available till 1<sup>st</sup> of April 2021. It mainly serves as an extra financial buffer in the case the impact of COVID-19 lasts longer and turns out to be more severe. Dividend limitations will be applicable as long as the GO-C is drawn and as a consequence, no dividend will be distributed over the 2020 financial year. In addition, regarding the existing facilities provided by our bank consortium we have agreed amended terms for amongst others the financial covenants and availability of the seasonal RCF (extending the seasonal facility from 15<sup>th</sup> of July till 1<sup>st</sup> of December 2020).

Ton Anbeek, CEO Accell Group: *“The strong recovery of bike sales in May is clearly a very positive development, yet we are still trailing behind last year’s numbers. The duration and impact of COVID-19 currently remains unpredictable and we anticipate that our 2020 results will be hampered by the ongoing disruptions in the global supply chain. The current uncertain environment requires us to be more prudent and this is also why we are glad to have improved our financial buffer. At the same time we are excited to see so many European governments, cities and consumers embrace cycling post lock down, which contributes to a bright future for our brands and our business in the post-COVID-19 era.”*



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## **ABOUT ACCELL GROUP**

We believe that 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 3,400 people across 18 countries. Our bikes and related products are sold to dealers and consumers in more than 80 countries. In 2019, we sold around 943 thousand bicycles and recorded a turnover of over € 1.1 billion. [www.accell-group.com](http://www.accell-group.com).

## **Note for editors, not for publication**

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## **AGENDA**

24 July 2020 Publication interim results

*This is a public announcement by Accell Group N.V. pursuant to section 17 paragraph 1 of the EU Market Abuse Regulation (596/2014/EU).*

## **FORWARD-LOOKING STATEMENTS**

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