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**ACCELL
GROUP**

PRESS RELEASE



ACCELL GROUP TO OPTIMIZE MANUFACTURING FOOTPRINT

Heerenveen, the Netherlands – Accell Group, the European market leader in e-bikes, is planning to change its manufacturing set-up, simplifying its operating model and enabling a more efficient production. Accell will combine its two Heerenveen based facilities and transfer part of the current production to its other European manufacturing facilities.

Accell Group manufactures high end bicycle brands in its fully-owned factories across Europe. In adjusting its operating model from a decentralized “house of brands” to an integrated player in the bicycle industry, Accell Group intends to better leverage its strong European manufacturing footprint, decrease operational complexity and improve its competitive position.

Accell Group’s plans to simplify its supply chain and right size its manufacturing footprint include the transfer of high volume models to its existing factories in Hungary and Turkey. These factories already have strong all-round manufacturing capabilities, thereby guaranteeing the continuation of high-quality production for customers. The two factories in Heerenveen will be combined into one, which is set to become a centre of excellence focused on R&D and innovation. This factory will produce specialist brands and models, including Babboe and Carqon which were transferred to Heerenveen last year. Accell Group plans to further modernize this factory to allow for more customisation, distinguishing it as a factory that can respond nimbly and flexibly to market demand for premium bicycles.

CEO Tjeerd Jegen: *“I am impressed by the strength of our European manufacturing capabilities and see great potential in further leveraging these to become a more efficient and less complex business. We will continue to produce all brands in Heerenveen, but I strongly believe our portfolio of iconic brands will benefit from further integration into our European platform. Regretfully, the transfer of production cannot be done without certain roles becoming redundant, and we realise this will have a big impact on the people involved.*”

We will do our utmost to inform and assist everyone as best as possible. We are convinced that these actions are necessary to improve our competitiveness and will ensure sustainable long-term growth.”

The transfer of production out of Heerenveen is expected to lead to a reduction of between 100 and 150 jobs. The proposed changes are subject to Works Council advice and local laws and regulations, while Accell Group is also working closely with the unions to ensure clarity and support for all employees.

The focused operational changes Accell Group is making across its platform, and the additional funding secured last year, will help the business to weather the exceptional disruptions in the industry and position it for further sustainable growth as the market recovers.

The long-term outlook for the business continues to be favourable. Accell Group is competitively positioned in the green mobility sector, with a portfolio of iconic brands and an experienced leadership team. There are clear growth opportunities arising from trends including electrification, bicycle infrastructure, healthier living and governmental fiscal incentives and subsidies, which are expected to drive demand in the years to come.

ABOUT ACCELL GROUP

Accell Group is the European market leader in e-bikes and second largest in bicycle parts and accessories. Our employees work closely together with tens of thousands of local dealers throughout Europe. By combining our sense of caring with our people, our products and leadership in innovation and sustainability we are helping cities to meet some of the many challenges they face.

NOTES TO THE EDITOR, NOT FOR PUBLICATION

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