

AGENDA ITEM 2

Report of the Supervisory Board for the financial year 2020

Question: Eumedion

1. Self-evaluation Supervisory Board (page 97 of the Annual Report): What is meant by the sentence "With the anticipated changes in the SB in 2021, the continuity of the role of the Remuneration Committee should be actively managed"? With 5 members in the Supervisory Board, will there be a separate remuneration and selection committee?

The sentence was prompted by the departure of the Chairman of the Selection and Remuneration Committee, who actively managed these activities. The Supervisory Board has decided that Mr Gert van de Weerdhof will take over from Mr Ernsting as Chairman of the Selection and Remuneration Committee. For the time being, we are not considering installing a third Supervisory Board committee; given the size of the company and of our Supervisory Board, the current combination of Selection and Remuneration Committee functions adequately. Once the two new members of the Supervisory Board have been onboarded, it will be decided at the end of the year which of the two committees (Audit or Selection and Remuneration) they will sit on.

AGENDA ITEM 3

Report of the Executive Board for the financial year 2020

Questions: Eumedion

2. What has Accell learned from the COVID-19 crisis in 2020, and what actions have been taken in response (e.g., supply chain, financing, internal controls, strategy update, etc.)?

There are several lessons that can be learned, especially in the areas of planning and product availability. For example, we are adding more suppliers so that dependency is reduced. We are starting to plan new model years earlier so that we are at the front of the queue with suppliers, and we are simplifying the business further with frame and component platforms.

We are also emphasising the importance of online, such as in Parts & Accessories. In addition, we have strengthened internal organisational processes, including with regard to cash management, whereby we have also mapped out the financial scenarios.

Furthermore, it is clear that the bicycle has definitively entered the political agenda of local, regional, national and EU governments, which means that further strong growth of the market is expected in the coming years.

3. Audit fee: The audit fee has increased by 9% in 2020, while the US activities have been phased out. Why is that? Has anything special occurred?

In 2019, there was indeed the phasing out of the US activities. However, in 2020 we had to deal with the effects of COVID-19 (including for additional funding). In addition, there is also an effect of the final hours of audit versus what was anticipated. For example, the 2019 audit [fee] ended up higher than anticipated, which is visible in the 2020 figures.

4. Climate targets 'end-to-end' 30% by 2025: Why is there still no zero-emission commitment from Accell? Is this on purpose?

Our targets take into account what we, as Accell, can influence, and what we can do less about. Ultimately, we will adjust our targets if this is feasible and can be achieved within the chain.

5. Customer satisfaction: How is this developing, is it not yet included in the report? Eumedion considers this to be one of the most material criteria, will there be a KPI for this?

We measure dealer and consumer satisfaction in various countries. Further improvement plans are formulated annually. We strive for the highest achievable level here.

6. Providing more insight into ESG through limited assurance by the auditor: Non-financial performance is becoming increasingly important, so a check by the auditor is advisable. There is also a new EU Directive coming up in this area. Will Accell do this?

We share your view that non-financial performance is becoming increasingly important. We have therefore included it in our strategy. We also believe it is important that the auditor ultimately provides assurance on this performance. We are already discussing this with our auditor.

Questions: VEB

7. To what extent does Accell consider the increase in turnover achieved in corona year 2020 to be structural?

The growth in e-bikes and cargo bikes was already there pre-COVID-19. This growth is driven by trends such as electrification, investment in infrastructure and subsidies and/or tax advantages from governments. These trends have only accelerated, and therefore the future of the bicycle market looks positive.

8. Why does the increase in turnover in the last two years not provide a reason to increase the turnover target in 2022?

Although demand is high, the international supply chain has problems with component availability, in addition to global logistical challenges. Therefore, we still see disruptions and shifts in the short to medium term. We will inform the market as soon as our figures deviate from the issued outlook and targets.

9. What are the main obstacles to achieving the targeted sales growth?

The main obstacle that could possibly affect sales growth is delayed delivery of components. This is an industry-wide problem.

10. To what extent is the relatively new Cargo product group necessary for the intended sales growth?

Following the full acquisition of Velosophy in 2018, we have seen the popularity of cargo bikes increase significantly in recent years. This gives a strong, healthy boost to our sales growth. We are committed to further introductions of this product with our other brands. By that, we expect this turnover to become more important for group turnover every year.

11. Accell states in its presentation of the annual figures that the disruptions in the supply chain will continue in 2021. What mitigation measures has the company taken?

We are adding more suppliers so that dependency is reduced. We have started planning for new model years earlier, which puts us at the front of the queue with suppliers. We are simplifying the business with frame and component platforms, and, where possible, we are also joining the 're-onshoring' trend of the production chain from Asia to Europe

12. During the first lockdown, the dealers were closed, but the parties that deliver directly via the internet (e.g., fietswinkel.nl and Stella) did not experience these obstacles. To what extent has Accell's absence of a fully-fledged omnichannel model been an obstacle during the corona pandemic?

We have had few obstacles. This is because most of our distributors not only have physical shops but also sell online. We also supply other online players, especially in Parts & Accessories. We continue to invest in our online proposition. An example of this is the success we have in the UK, where we deliver bicycles directly to the consumer via 'click-and-collect' from the dealer. Here, consumers can also opt for delivery directly to their homes.

13. What concrete steps has Accell taken in the past year towards new business models such as Swapfiets and other *bike-as-a-service* concepts?

In the past year, we have not prioritised this. Furthermore, we see that the earnings models for rental and shared bicycle concepts are still not convincing yet.

Questions: Mr Rienks

14. New Loan: Accell borrowed € 115 million in June 2020, of which € 60 million was actually drawn on 31 December 2020. This loan was granted using support from the Dutch government in connection with the corona crisis. This is a government guarantee, to which the government has attached some conditions. An important one is the ban on paying out dividends.

2020 was a good year for Accell, despite the crisis. No significant setbacks and a free cash flow of no less than € 195 million, a record! In such a situation, the company should be making extra repayments, not taking out an extra loan. In my opinion, this is therefore an unnecessary and superfluous loan.

a. Why do you think this is a necessary loan, and was it a wise decision to take it out?
We have agreed this facility with our banks as a result of the COVID-19 pandemic. This facility serves to provide an additional financial buffer given the uncertainty surrounding the duration and impact of the global COVID-19 crisis and related disruptions in the global supply chain. We fully support this decision to have an extra buffer in uncertain times of this global pandemic, an unprecedented circumstance that we have never experienced before.

b. Why do you accept support from the Dutch government, which you do not really need, and to which a condition that is unfavourable for the shareholders is attached?
The facility has been provided by our banks with a government guarantee. The reason behind this is, as indicated, because of the uncertainty surrounding the impact of COVID-19.

c. Have you now taken the remaining € 55 million of this loan?
Yes, we have taken it at the end of March as it would otherwise not be available to us anymore and the effects of the pandemic are not yet over.

d. What is the plan for repayment of this loan?
The GO-C will be repaid over 5 quarters starting 30 June 2021

e. How much does this loan cost us? On the one hand 1.8% interest on the loan, on the other hand the negative interest of easily 0.5% on the liquid assets. So for an amount of € 60 million, that is $2.3\% \times 0.25 \times 60,000,000 = € 345,000$ per quarter. Why do you think this is a responsible expenditure?
These are indeed the interest costs for the GO-C. In addition, there are also one-off costs, for example. We are constantly looking at the balance between risk and avoiding costs and expenses. However, at the moment we are choosing prudence in the context of this global pandemic, an unprecedented circumstance that we have never experienced before.

15. Electric mopeds and light-mopeds: Batavus used to make mopeds. One day, many years ago, Batavus stopped doing that. Now electric mopeds and light-mopeds are on the rise.

- a. Is it a good idea for Accell to start developing electric mopeds and light-mopeds based on its successful electric bikes? Are you already doing that?

Accell has formulated its business definition as follows: Accell operates in the market for 2-, 3- and 4-wheelers, but always 'pedal-assisted'. This excludes mopeds, light-mopeds, e-scooters and e-autopeds.

- b. These are largely the same sales channels as for bicycles. Are people already asking for electric mopeds and light-mopeds from Accell? Is there a demand for them?

We do not see this demand.

- c. What is the demand for electric mopeds and light-mopeds? Is it increasing rapidly? In the Netherlands? Elsewhere in Europe?

We don't know.

16. Sales via the Internet or via bicycle shops: For a long time, Accell held on to selling exclusively via local bicycle shops. They were protected by Accell. Even if you ordered a bicycle from Batavus via the internet, it was delivered to the buyer by the local bicycle shop. In recent years, however, business has also been done with large parties who sell bicycles on the internet and then have those bicycles delivered directly to the buyer.

- a. Is this trend of more sales via the internet and therefore less via the shops also reinforced for bicycles by the current crisis?

Yes, this trend is also reinforced in the bicycle market and especially in the spare parts market.

- b. What does the future look like for the bicycle industry?

Positive. The expected growth in Europe is from 20 million to 30 million units in 2030.

- c. Is the number of shops decreasing? Will they all survive the crisis?

For the time being it is stable, but gradually the number of shops may decrease due to a lack of succession.

- d. Are there still people who are willing to take over a bicycle shop or start a new one?

With the good prospects of the bicycle industry in the next 10 years, one can expect this to be the case.

e. How important is the sale of new bicycles for the bicycle mechanic, or can he also make a good living with repairs only?

Repair is also worthwhile, but the combination is ideal.

f. What are the differences in terms of sales via the Internet or via shops between the countries that are important to Accell, such as the Netherlands, Germany and Belgium?

On main lines there are no differences.

AGENDA ITEM 4

Adoption of the 2020 annual accounts

Questions: VEB (to auditor KPMG)

17. Last year, the scope of the audit (82 percent of assets, and 81 percent of sales) was smaller than in 2019 (92 percent of assets, and 85 percent of sales). Is the corona pandemic the cause of the reduction in scope?

No, this is not caused by the corona pandemic, but by the fact that the assets and sales of the smaller group entities have increased compared to those of the larger entities in the group. As the audit focuses on the significant group entities, the coverage decreased as a result.

18. Did the auditor manage to perform the audit work with the same level of accuracy as under normal circumstances?

KPMG was able to carry out all the audit work that was necessary to issue an audit opinion. As KPMG explained during the General Meeting, a number of activities, including visits to foreign countries, could not be performed due to COVID restrictions. KPMG was able to overcome this with the help of digital applications and by performing its work remotely.

AGENDA ITEM 5

Reserves and dividend policies

Question: Eumedion

19. Dividend: Companies are becoming more resilient and are maintaining larger financial buffers, so that they can hold on for a number of months on their own reserves: How does Accell view the dividend policy in the longer term?

When the uncertainty about the course of the pandemic has disappeared and there are no more restrictions from the GO-C loan, we will in principle resume the dividend policy. It is too early, however, to make any concrete statements about when this will be and how it will work out. At the next annual meeting in April 2022, we will again put the subject of the reserves and dividend policies on the agenda.

Question: Mr Rienks

20. Thanks to this loan, Accell is not allowed to pay out any dividend over 2020, even though it is a good profitable year and it is certainly justified to pay out a dividend. Is Accell also not allowed to pay dividends over 2021 and 2022?

At the time that the GO-C was drawn, there indeed were and still are restrictions on cash dividends. Repayment of the GO-C starts at the end of June 2021 and it must have been repaid by 2022. So by 2022 there will normally be no restrictions. As soon as we see that the course and impact of the global pandemic becomes clear and we have and keep sufficient buffers, we might consider an accelerated repayment. However, this is not on the table at the moment.

Question: VEB

21. Accell will not pay out dividend over 2020. This will further improve the financial position.

Is Accell considering paying a large dividend as soon as this is permitted by the financiers?

We have agreed on an additional facility with our banks in 2020 as a result of the COVID-19 pandemic. This facility serves as an additional financial buffer given the uncertainty regarding the duration and impact of the global COVID-19 crisis. This facility is guaranteed by the government (GO-C), and during the period that this facility is drawn and/or available there is a restriction with regard to dividends.

The moment we no longer have any restrictions on dividends, we will consider dividends again. It is too early now to make any announcements about the amounts thereof.