



Number of pages: 2

CLARIFICATION BANK COVENANT ACCELL GROUP

HEERENVEEN (THE NETHERLANDS), 13 NOVEMBER 2018 – Accell Group notes that recent publications in Het Financieele Dagblad and De Telegraaf may lead to lack of clarity regarding a passage in the notes to the financial statements for 2017 on one of the bank covenants: the term loan leverage ratio.

The term loan leverage ratio is determined every quarter by dividing the bank loans (term loan) by the (normalised) EBITDA. This ratio has been maximised at 2.5 since the refinancing arranged in March 2017. Accell Group has at all times complied with this bank covenant. As at end-2017, the term loan leverage ratio was 1.7 and at end of the second quarter of 2018, this ratio amounted to 1.8.

In a press release dated 10 March 2017, we informed the market on the refinancing and the bank covenants: *“Accell Group reached agreement with a syndicate of six (international) banks on a renewed group financing facility to replace / extend the existing facility. The new financing for a total of € 375 million (with an option for an additional sum of € 150 million for future acquisitions) offers greater flexibility at better terms and has a term of maximum five years with a possible extension of two years. The financing facility comprises a term loan and revolving credit facility, part of which is structured as a seasonal facility. The covenants are based on results (term loan/EBITDA), working capital (borrowing reference) and solvency. (...)”*

On 13 March 2018, Accell Group published its financial statements for 2017 on its website. In a passage in section 16 ‘Interest-bearing loans’ of chapter 5.7 ‘Notes’ of the financial statements the description of the abovementioned bank covenant was incorrectly presented. This was adjusted on 28 March 2018.

This adjustment was not only included in the online version of the financial statements that were shown on Accell Group’s website from 28 March 2018, it also appeared in the printed version of the annual report. In addition, Accell Group used the correct description for the bank covenant concerned in the presentation given during the AGM dated 25 April 2018 and at analyst presentations.

Accell Group would like to emphasise that the original description as mentioned in the notes to the financial statements has no impact whatsoever on the presented figures regarding equity or results and detracts nothing from the accuracy of the insight that the financial statements 2017 provide into the financial situation of the company. Accell Group also wishes to point out that it amply complied each quarter with the bank covenants of the group financing arranged in 2017. In hindsight, we do recognise that we could have been more clear about the adjustment we made to the description of one of the bank covenants.

Because of the digital publication in Het Financieele Dagblad of 2 November latest, we realised the digital version of the financial statements with the wrong description was available on an online platform and with the Dutch financial markets regulator AFM. Accell Group subsequently took action in order to take away the potential lack of clarity.

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ABOUT ACCELL GROUP

Accell Group N.V. focuses internationally on the mid-range and higher segments of the market for bicycles and bicycle parts and accessories. The company has leading positions in the Netherlands, Belgium, Germany, Italy, France, Finland, Turkey, the United Kingdom and the United States. In Europe, Accell Group is market leader in the bicycle market measured in turnover. Accell Group's best known brands are Haibike (Germany), Winora (Germany), Batavus (Netherlands), Sparta (Netherlands), Koga (Netherlands), Lapierre (France), Ghost (Germany), Raleigh and Diamondback (UK, US, Canada), Tunturi (Finland), Atala (Italy), Redline (US), Loekie (Netherlands) and XLC (international). Accell Group and its subsidiaries employ approximately 3,000 people in eighteen countries worldwide. The company has production facilities in the Netherlands, Germany, France, Hungary, Turkey and China. Accell Group products are sold in more than seventy countries. The company's head office is located in Heerenveen (the Netherlands). Accell Group shares are traded on the official market of Euronext Amsterdam and are included in the Amsterdam Small Cap index (AScX). In 2017, Accell Group sold around 1.3 million bicycles and recorded turnover of over € 1 billion. www.accell-group.com

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