



## ACCELL GROUP AND A CONSORTIUM LED BY KKR AGREE ON A RECOMMENDED ALL-CASH OFFER OF EUR 58.00 PER SHARE

January 24, 2022

*This is a joint press release by Accell Group N.V. ("Accell Group") and Sprint BidCo B.V. (the "Offeror"). The Offeror is an affiliate of the affiliated investment funds advised by Kohlberg Kravis Roberts & Co. LP or one of its affiliates ("KKR"). Teslin Alpine Acquisition B.V. ("Teslin Acquisition"), a wholly-owned subsidiary of Teslin Participaties Coöperatief U.A. ("Teslin"), is together with the Offeror and KKR referred to as the "Consortium". This joint press release is issued pursuant to the provisions of Section 4, paragraphs 1 and 3, Section 5, paragraph 1 and Section 7, paragraph 4 of the Netherlands Decree in Public Takeover Bids (Besluit openbare biedingen Wft) (the "Decree") in connection with the intended recommended public offer by the Offeror for all the issued and outstanding ordinary shares in the capital of Accell Group (the "Offer", and together with the Buy-Out and the Post-Offer Merger and Liquidation (both as defined below), the "Transaction"). This press release does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities. Any offer will be made only by means of an offer memorandum (the "Offer Memorandum") approved by the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten) (the "AFM"). This press release is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, the United States, Canada and Japan or in any other jurisdiction in which such release, publication or distribution would be unlawful.*

### Transaction Highlights

- Conditional agreement reached on recommended all-cash public offer by Offeror for all Shares in Accell Group at an offer price of EUR 58.00 (cum dividend) per Share, representing a total consideration of approx. EUR 1.56 billion
- The Offer Price represents a premium of 26% over the closing price on 21 January 2022, a premium of 42% over the last three months volume-weighted average price per Share, and a premium of 21% to Accell Group's all-time high closing price of EUR 48.00 per Share
- The Consortium led by KKR fully supports the Group's business ambitions and strategy, which includes a commitment to launching new innovations for green mobility among its Environmental, Social and Governance (ESG) goals
- The Consortium has a strong global track record of investments in the consumer sector, including in mobility, and a strong presence in the Netherlands. The Consortium will provide experience and resources to accelerate the growth and roll-out of the Group's business strategy, including potential acquisitions
- The Consortium and Accell Group believe that Accell Group would be better positioned under private ownership to make long-term investments in its business to drive future growth amid a dynamic global environment full of challenges and opportunities
- The Group's business and operations will be maintained in their current form under the ownership of the Consortium, the Group's corporate identity, integrity, values and culture will be maintained, and the Group's headquarters will remain in its current location in Heerenveen, the Netherlands
- All existing rights and benefits of the Group's employees will be respected and no reduction of the workforce of the Group is envisaged as a direct consequence of the Transaction or completion thereof
- Accell Group's existing Board of Management, comprised of CEO Ton Anbeek, CFO Ruben Baldew and, per 1 February 2022, CSCO Francesca Gamboni, will continue to lead the Group
- The Boards of Accell Group unanimously support the Transaction and recommend the Offer
- The Offeror has committed financing in place providing certainty of funds and high deal certainty, and will fund the Transaction through a prudent combination of equity and debt
- The Consortium and Accell Group have been working together to put in place a prudent capital structure that will provide Accell Group with sufficient liquidity to invest in its growth initiatives and to fund its working capital requirements
- Teslin, holding approx. 10.8% of the Shares, has irrevocably undertaken to support the Offer. Teslin will, via Teslin Acquisition, contribute a majority of its Shares to achieve an approx. 12% indirect equity stake in the Offeror upon settlement of the Offer and Teslin will tender the remainder of its Shares under the Offer
- In addition, Hoogh Blarick, holding approx. 7.5% of the Shares, has irrevocably committed to tender its Shares under the Offer
- The draft Offer Memorandum is expected to be submitted to the AFM in Q1 2022
- The Offer is subject to certain customary conditions and is expected to complete in late Q2 or early Q3 2022

Heerenveen, the Netherlands, 24 January 2022 – Accell Group and the Consortium led by KKR and including Teslin are pleased to announce that a conditional agreement (the "Merger Agreement") has been reached on a recommended public offer to be made by the Offeror for all of the issued and outstanding ordinary shares in the capital of Accell Group (each a "Share") for EUR 58.00 in cash per Share (cum dividend) (the "Offer Price"). This represents a total consideration of approximately EUR 1.56 billion.

Rob ter Haar, Chairman of the Supervisory Board of Accell Group:

"The Supervisory Board unanimously supports the Transaction and recommends the Offer by the Consortium, which we believe will promote the sustainable success of Accell Group. The Offer reflects a compelling and immediate value for our shareholders. Having the Consortium as a strong shareholder focused on long-term value enhancement will enable Accell Group to grow its business in an

accelerated timeframe and to strengthen its position as one of the world's leading bicycle market players, against the backdrop of continued supply chain volatility and a dynamic global environment full of challenges and opportunities."

Ton Anbeek, CEO of Accell Group:

"Today's announcement marks an important step for Accell Group. With the Consortium as our new shareholder we will have a financially strong and knowledgeable partner to accelerate the roll-out of our existing strategic roadmap, enhance our global footprint, explore suitable acquisitions and further leverage our scale. As such, the Transaction will enable us to take a leap forward as a group which also brings along enhanced career opportunities for our employees. We continuously strive to be a leader in the bicycle industry by combining smart design and innovative technology with the best value and customer experience. With KKR coming on board as majority shareholder, and with the continued support of Teslin, we would be able to accelerate the execution of our strategic agenda, launch new innovations for green mobility and support to the benefit of people and communities."

### **KKR, on behalf of the Consortium**

Daan Knottenbelt, Partner, Head of Benelux at KKR:

"With Accell Group, the Consortium is committed to further developing the Netherlands as the global capital of cycling by building on the company's leading position in European e-bikes and continuing to grow its strong heritage brands. This investment in Accell Group would build on KKR's significant experience of investing in the Netherlands. KKR has the capabilities to support high quality Dutch businesses to accelerate their domestic and global growth ambitions, and to overcome challenges such as those Accell Group faces in the competitive global bike market."

Tim Franks, Partner, Head of EMEA Consumer at KKR:

"Accell Group's transport and mobility solutions have been a thematic investment focus for KKR for some time, and we believe that the bicycle sector and e-bikes in particular will play an increasingly important role in dealing with some of the major challenges the world is facing today, whether it concerns climate change, urban mobility and connected transport or personal health. The operating environment for biking is increasingly demanding and complex from a consumer experience, supply chain and digital capability perspective. As a global investor, we will deploy our resources to support Accell Group in realizing its full potential as a global industry leader and sustainable innovator."

### **Strategic Rationale**

The Consortium and Accell Group believe that a take-private by the Consortium promotes the sustainable success of Accell Group's business, taking into account the interests of Accell Group's shareholders, employees, customers, suppliers, creditors and other stakeholders. Private ownership would enable Accell Group to accelerate the execution of its strategy in the coming years through further investment in long term strategic growth initiatives, while also mitigating challenges brought about from supply chain volatility and rising inflation.

KKR and Teslin have been working closely together to prepare the Offer as announced today. The Consortium fully supports the current business strategy of Accell Group and its subsidiaries (the "Group") and intends to make available its experience and resources to accelerate a successful execution of Accell Group's 'Lead Global. Win Local' strategy. Areas of focus will include innovation and brand development, supply chain management and distribution capabilities, international expansion, acquisitions and continued ESG integration, among other areas. KKR also intends to tap the experience and support of long-term Accell Group shareholder Teslin.

KKR is a leading global investment firm with a long track record of investing in the consumer sector, including in mobility, with investments including trainline, Lyft, Gojek, Zwift, Boots and Wella, among many others. KKR is also the largest private equity investor in digital and technology in Europe and has a strong presence in the Netherlands with recent investments in Roompot, Open Dutch Fiber, QPark, Upfield, Landal<sup>1</sup> and Exact.

As long-term investors, KKR is a partner of choice for families, founders and management, with dedicated local teams connected to a global platform focused on sustainable value creation. Social responsibility and sustainability are core elements of KKR's investment philosophy, helping its companies to build value and mitigate risks through thoughtful ESG management.

<sup>1</sup>Completion of transaction subject to customary regulatory approvals.

### **Support and Recommendation by the Boards**

The Consortium approached Accell Group with an initial expression of interest in November 2021. Over the past weeks, Accell Group has had constructive interactions with the Consortium and Accell Group's board of management (the "Board of Management") and supervisory board (the "Supervisory Board", and together with the Board of Management, the "Boards") have followed a thorough and careful process in which they have frequently discussed the developments.

Consistent with their fiduciary responsibilities, the Boards, with the support of their outside financial and legal advisors, have given careful consideration to all aspects of the Transaction, including the rationale for the Transaction, the interests of Accell Group's stakeholders and the Offer Price, Non-Financial Covenants (as defined below) and other terms of the Transaction. After due and careful consideration, the Boards consider the Transaction to be in the interest of Accell Group and to promote the sustainable success of its business, taking into account the interests of its stakeholders.

Accordingly, the Boards have unanimously resolved to support the Transaction, recommend the Offer for acceptance by the holders of Shares and recommend to Accell Group's shareholders to vote in favour of the resolutions relating to the Offer (the "Resolutions") at a general meeting of Accell Group (the "General Meeting") to be held during the acceptance period of the Offer, each in

accordance with the terms and subject to the conditions of the Merger Agreement (the "Recommendation"). The Recommendation will be included in the position statement of Accell Group which will be published simultaneously with the publication of the Offer Memorandum.

### **Fairness Opinions**

AXECO Corporate Finance has issued a fairness opinion to the Boards and Rabobank has issued a separate fairness opinion to the Supervisory Board, in each case to the effect that, as of such date and subject to the qualifications, limitations, and assumptions set forth in each fairness opinion, (i) the Offer Price in the Offer is fair, from a financial point of view, to the holders of the Shares (other than Teslin, Hoogh Blarick, Accell Group and the Offeror), and (ii) the purchase price payable in the Share Sale (as defined below) is fair, from a financial point of view, to Company Holdco (as defined below). The full text of such fairness opinions, each of which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with each such opinion, will be included in Accell Group's position statement. The opinion of AXECO Corporate Finance has been given to the Boards and the opinion of Rabobank has been given to the Supervisory Board, and not to the holders of Shares. As such, the fairness opinions do not contain a recommendation to the holders of Shares as to whether they should tender their Shares under the Offer (if and when made) or how they should vote or act with respect to the Resolutions or any other matter. Irrevocable Undertakings

Accell Group's two largest shareholders, Teslin and Hoogh Blarick, support the Transaction. Other than as set out below, no shareholders of Accell Group have been approached for an irrevocable undertaking to support the Transaction.

Teslin currently holds approx. 10.8% of the Shares for its own account. Teslin has irrevocably undertaken to support the Offer and to vote such Shares in favour of the Resolutions. Teslin will, via Teslin Acquisition, contribute a majority of its Shares to achieve an approx. 12% indirect equity stake in the Offeror upon settlement of the Offer and Teslin will tender the remainder of its Shares under the Offer in accordance with Teslin's irrevocable undertaking.

Hoogh Blarick currently holds approx. 7.5% of the Shares. Hoogh Blarick has irrevocably undertaken to tender those Shares under the Offer and to vote such Shares in favour of the Resolutions. Subject to the Merger Agreement not having been terminated and no permitted amendment of withdrawal of the Recommendation having occurred, Messrs. Anbeek and Baldew, members of the Board of Management, have committed to tender the Shares held for their own account under the Offer and to vote such Shares in favour of the Resolutions.

The irrevocable undertakings of Teslin, Hoogh Blarick and the two members of the Board of Management to tender their Shares under the Offer represent approx. 18.3% of the Shares.

In accordance with the applicable public offer rules, any information shared about the Offer by the Offeror or Accell Group with shareholders providing an irrevocable undertaking and relevant for a shareholder in connection with the Offer will, if not published prior to the Offer Memorandum being made generally available, be included in the Offer Memorandum (if and when published). These shareholders will tender their Shares on the same terms (including price) and conditions as the other shareholders.

### **Fully Committed Financing for the Transaction**

The Offer values 100% of the Shares at approximately EUR 1.56 billion. The Consortium and Accell Group have been working together to put in place a prudent capital structure that will provide Accell Group with sufficient liquidity to invest in its growth initiatives and to fund its working capital commitments. The Consortium will fund the Transaction through a combination of equity and debt financing, whereby the aggregate amount of debt financing constitutes less than 38% of the total financing required to fund the Transaction. As such, the Offeror has received a binding equity commitment letter from funds advised by KKR, for fully committed equity financing in an aggregate amount of EUR 1,150,000,000 (the "Equity Financing"). In addition, the Offeror has received binding debt commitments from KKR Capital Markets, Goldman Sachs and ABN AMRO for an aggregate amount of EUR 700,000,000, which are fully committed on a 'certain funds' basis (the "Debt Financing"). Neither the Offeror nor the Consortium has any reason to believe that any conditions to the Equity Financing or the Debt Financing will not be fulfilled on or prior to the settlement date of the Offer.

From the arranged Equity Financing and Debt Financing, the Offeror will be able to fund the acquisition of the Shares under the Offer, the purchase price under the Share Sale (if implemented), the payment or refinancing of the Group's existing debt required to be repaid or refinanced upon settlement of the Offer, and the payment of fees and expenses related to the Offer.

### **Non-Financial Covenants**

Accell Group and the Offeror have agreed to certain non-financial covenants in respect of, amongst others, strategy, financing, structure and governance, employees and minority shareholders for a duration of three years in general after settlement of the Offer (the "Non-Financial Covenants"), including the covenants summarized below.

### **Strategy**

The Offeror subscribes to the Group's business strategy (as may be updated from time to time with the prior approval of the Supervisory Board). The Offeror will support the Group to realise and accelerate such business strategy and Offeror will work with the Group to grow the business in a manner that reflects such business strategy. The Offeror intends to make additional equity capital available if required in order for the Group to finance such growth and acceleration through a balanced combination of debt and equity, subject to Accell Group's approval policies and (financial) parameters as applicable from time to time. The business of the Group will remain substantially intact, taking into account the realisation of the Group's business strategy, and there will be no break-

up of the Group or its business units or any divestment of a substantial part of the Group. The Offeror will support the Group in furthering its current Environmental, Social and Governance (ESG) goals, which are a core element of the Group's business strategy.

## **Financing**

The Offeror will procure that the Group will remain prudently capitalised and financed to safeguard the continuity of the business and the execution of its business strategy (including accompanying investments). The Offeror has secured a debt financing package in the form of a term loan B to i) partly finance the Offer and ii) fully refinance the existing financing facilities of the Group directly after the settlement of the Offer. The debt structure is in line with private equity transactions of this size and nature. The Group shall not attract additional incremental debt (excluding any drawings under existing facilities available to the Group from time to time) if the Group's net debt position exceeds, or if and to the extent that this would result in the Group's net debt position exceeding, a maximum net leverage ratio of 5.0 times structuring EBITDA from time to time (as accepted by the Group's lending institutions following the settlement of the Offer), excluding the revolving credit facility referred to below and any similar or equivalent financing for working capital purposes from time to time. The Group's net leverage ratio is anticipated to decrease over time compared to the net leverage ratio directly after the settlement of the Offer as a result of performance of the Group. The debt financing at the settlement of the Offer will exist of a term loan B structure (with repayment of the full notional value at maturity) and be based on a covenant light structure and a 7-year maturity. In addition, (i) as from the settlement of the Offer, the Group will have an additional revolving credit facility at its disposal of EUR 150 million, which will be available for working capital financing and general corporate purposes, and (ii) at the settlement of the Offer, the Offeror will use reasonable efforts to procure the deposit of EUR 50 million cash in a bank account designated by Accell Group, which will be available for working capital purposes.

## **Structure and governance**

Accell Group's existing Board of Management, comprised of CEO Ton Anbeek, CFO Ruben Baldew and, per 1 February 2022, CSCO Francesca Gamboni, will continue to lead the Group. It is envisaged that immediately following the settlement of the Offer, the Supervisory Board will be composed of: Daan Knottenbelt and Justin Lewis-Oakes (designated by KKR) and Hein van Beuningen (designated by Teslin) (together the "New SB Members"), and Rob ter Haar and Luc Volatier (who will continue to serve on the Supervisory Board as "Independent SB Members"), with Daan Knottenbelt serving as chair of the Supervisory Board. The two Independent SB Members will be tasked in particular with monitoring compliance with the Non-Financial Covenants and any deviation from the Non-Financial Covenants will require the approval of the Supervisory Board, including the affirmative vote of at least one of the two Independent SB Members. The Offeror may decide to expand the total number of members of the Supervisory Board up to eight, after consultation with the Independent SB Members and in accordance with the full large company regime.

Accell Group will remain a separate legal entity and will continue to apply the full large company regime. The Group will continue to have its own operating and reporting structure, and its headquarters, central management and key support functions, will remain in Heerenveen, the Netherlands. The Group will maintain its corporate identity, integrity, values and culture. The Offeror envisages holding its shareholding in the Group for long-term value enhancement purposes and neither the Offeror, KKR nor Teslin have an intention to dispose of their shareholding in the Group during a period of three years after settlement of the Offer.

## **Employees**

The existing rights and benefits of the employees of the Group will be respected, as will the Group's current employee consultation structure and existing arrangements with any employee representative body within the Group. No reduction of the workforce of the Group is envisaged as a direct consequence of the Transaction or completion thereof.

## **Possible Investment by Key Management**

The Consortium is focused on ensuring that Accell Group's key management is retained and has the intention to invite members of the Board of Management and certain other key employees to participate in the Offeror after settlement of the Offer.

## **Pre-Offer and Offer Conditions**

The commencement of the Offer is subject to the satisfaction or waiver of pre-offer conditions customary for a transaction of this kind, being:

- no material breach of the Merger Agreement having occurred that has not been timely remedied;
- no material adverse effect having occurred that is continuing;
- the AFM having approved the Offer Memorandum;
- no amendment or withdrawal of the Recommendation having occurred;
- no Superior Offer (as defined below) having been agreed upon by the third party offeror and Accell Group and announced or having been launched;
- no order, stay, judgment or decree having been issued by any regulatory authority that remains in full force and effect, and no regulatory authority has enacted any law, statute, rule, regulation, governmental order or injunction (any of the foregoing, a "Governmental or Court Order"), which in each case restrains or prohibits the making of the Offer in any material respect;
- no notification having been received from the AFM stating that the Offer has been prepared or announced in violation of the provisions of chapter 5.5 of the Dutch Financial Supervision Act (Wet op het financieel toezicht; "DFSA") or the Decree and that, pursuant to Section 5:80 paragraph 2 of the DFSA, investment firms will not be allowed to cooperate with the Offer;
- trading in the Shares on Euronext Amsterdam not having been suspended or ended by Euronext Amsterdam;
- no preference shares in Accell Group having been issued and remaining outstanding, the Stichting Preferente Aandelen Accell (the "Foundation") not having exercised its call option for preference shares in Accell Group, and the Foundation

having irrevocably and conditional only upon the Offer being declared unconditional agreed to termination of the option agreement with Accell Group with effect from the settlement of the Offer; and

- the Offeror having received executed copies of resignation letters from the non-continuing members of the Supervisory Board regarding their resignation with effect as per the settlement of the Offer.

If and when made, the consummation of the Offer will be subject to the satisfaction or waiver of offer conditions customary for a transaction of this kind, being:

- minimum acceptance level of at least 95% of Accell Group's issued and outstanding ordinary share capital (geplaatst en uitstaand gewoon aandelenkapitaal) on a fully diluted basis, which percentage will be automatically adjusted to 80% if the general meeting of Accell Group has adopted the resolution regarding the Post-Offer Merger and Liquidation and such resolution is in full force and effect;
- the Competition Clearances (as defined below) having been obtained;
- the general meeting of Accell Group having adopted the resolutions relating to (i) the appointment of the New SB Members as per settlement of the Offer and (ii) certain amendments to Accell Group's articles of association after settlement of the Offer or delisting of Accell Group;
- no material breach of the Merger Agreement having occurred that has not been timely remedied;
- no material adverse effect having occurred that is continuing;
- no amendment or withdrawal of the Recommendation having occurred;
- no Superior Offer having been agreed upon by the third party offeror and Accell Group and announced or having been launched;
- no Governmental or Court Order being in effect that restrains or prohibits the consummation of the Transaction in any material respect;
- no notification having been received from the AFM stating that the Offer has been prepared, announced or made in violation of the provisions of chapter 5.5 of the DFSA or the Decree and that, pursuant to section 5:80 paragraph 2 of the DFSA, investment firms will not be allowed to cooperate with the Offer;
- trading in the Shares on Euronext Amsterdam not having been suspended or ended by Euronext Amsterdam; and
- no preference shares in Accell Group having been issued and remaining outstanding, the Foundation not having exercised its call option for preference shares in Accell Group, and the Foundation having irrevocably and conditional only upon the Offer being declared unconditional agreed to termination of the option agreement with Accell Group with effect from the settlement of the Offer.

### **Post-Settlement Restructurings**

The Consortium and Accell Group believe that having the Group operate in a wholly-owned set up without a listing on Euronext Amsterdam is better for the sustainable success of its business and long-term value creation. This belief is based, inter alia, on:

- the fact that having a single shareholder with a long-term focus and operating without a public listing increases the Group's ability to achieve the goals set out in, and implement the actions of, its strategy and the strategic benefit of the Transaction;
- the ability to implement and focus on achieving in an accelerated time frame long-term strategic goals and operational achievements of the Group, as opposed to short-term performance driven by periodic reporting and market expectations;
- the ability to terminate the listing of the Shares from Euronext Amsterdam, and all resulting cost savings therefrom and from having a single shareholder; and
- the ability to achieve an efficient capital structure (both from a financing and a fiscal perspective). The Offeror and Accell Group will seek to procure the delisting of the Shares from Euronext Amsterdam, as soon as practicable after the post-acceptance period of the Offer (the "Post-Acceptance Period").

If, after the Post-Acceptance Period, the Offeror holds at least 95% of the Shares, the Offeror will as soon as possible commence a compulsory acquisition procedure or a takeover buy-out procedure to obtain 100% of the Shares.

If, after the Post-Acceptance Period, the Offeror holds less than 95%, but at least 80% of the Shares (or such lower percentage as Accell Group, in light of the then prevailing circumstances, may agree with the Offeror prior to settlement of the Offer), the Offeror intends to acquire the entire business of the Group at the same price as the Offer pursuant to:

- a legal triangular merger of Accell Group into a newly incorporated wholly-owned indirect subsidiary of Accell Group (Company Sub), with a newly incorporated wholly-owned direct subsidiary of Accell Group (Company Holdco, the sole shareholder of Company Sub) allotting shares to Accell Group's shareholders in a 1:1 exchange ratio and upon which Accell Group will cease to exist and its listing on Euronext Amsterdam will terminate (the "Triangular Merger");
- a subsequent share sale pursuant to which Company Holdco will sell and transfer the outstanding Company Sub share(s) to the Offeror (the "Share Sale"); and
- a subsequent dissolution and liquidation of Company Holdco (the "Liquidation", and together with the Triangular Merger and the Share Sale, the "Post-Offer Merger and Liquidation").

The Offeror will, with the cooperation of Accell Group, ensure that the liquidator of Company Holdco arranges for an advance liquidation distribution to the shareholders of Company Holdco, which is intended to take place on or about the date of the closing of the Share Sale and will result in a payment per share equal to the Offer Price, without any interest and less applicable withholding taxes or other taxes. The Post-Offer Merger and Liquidation is subject to the approval of Accell Group's shareholders, which will be sought at the General Meeting.



If, after the Post-Acceptance Period, the Offeror holds less than 95% of the Shares, the Offeror may effect or cause to effect other restructurings of the Group for the purpose of achieving an optimal operational, legal, financial or fiscal structure, all in accordance with applicable laws and the terms of the Merger Agreement.

### **Exclusivity and Superior Offer**

As part of the Merger Agreement, Accell Group has entered into customary undertakings not to solicit third party offers. If the Boards determine that Accell Group has received from a bona fide third party a written and binding unsolicited proposal relating to a public offer for all Shares, a legal merger or demerger involving Accell Group, a reverse takeover of Accell Group or an acquisition of all or substantially all of the business or assets of the Group, which in the good faith opinion of the Boards is on balance more beneficial to Accell Group and the sustainable success of its business than the Transaction and the consideration of which exceeds the Offer Price as included in this press release by at least 10% (a "Superior Offer"), Accell Group will promptly notify the Offeror in writing thereof. In such case, the Offeror has the opportunity to match such Superior Offer within twenty business days. If the Offeror timely submits to Accell Group a revised offer in writing that the Boards determine to be, on balance, at least equally beneficial to Accell Group and the sustainable success of its business as the Superior Offer, Accell Group will not accept the Superior Offer and the Offeror and Accell Group will remain bound to the Merger Agreement. If the Offeror does not timely match the Superior Offer or informs Accell Group that it does not wish to match the Superior Offer, Accell Group will be entitled to agree to the Superior Offer, in which case each of the Offeror and Accell Group may terminate the Merger Agreement.

### **Termination**

If the Merger Agreement is terminated because of Accell Group having agreed to a Superior Offer, Accell Group shall pay the Offeror an amount of EUR 15.5 million (approx. 1% of the aggregate value of the Shares at the Offer Price). If the Merger Agreement is terminated by Accell Group because of all pre-offer conditions having been satisfied or waived and the Offeror having failed to make the Offer or all offer conditions having been satisfied or waived and the settlement of the Offer not having occurred timely, the Offeror shall pay Accell Group an amount of EUR 15.5 million (approx. 1% of the aggregate value of the Shares at the Offer Price). These rights to payment are without prejudice to the right of the Offeror or Accell Group to demand specific performance of the Merger Agreement or any liability under the Merger Agreement to the extent the amount of the liability exceeds the amount in the two preceding sentences.

### **Timing and Next Steps**

The Offeror will make the filings with the European Commission and the Turkish Competition Authority to obtain the required competition clearances in respect of the Transaction (the "Competition Clearances") as soon as practicable and has agreed in relation to Accell Group to take the necessary steps to obtain the Competition Clearances. The Offeror and Accell Group will closely cooperate in respect of obtaining the Competition Clearances and are confident that the Offeror will secure the Competition Clearances within the timetable of the Offer.

The Offeror will launch the Offer as soon as practically possible and in accordance with the applicable statutory timetable, subject to satisfaction or waiver of the pre-offer conditions. The Offeror will submit a first draft of the Offer Memorandum to the AFM as soon as practicable. The Offer Memorandum will be published shortly after approval, which is expected to occur in Q2 2022, subject to satisfaction or waiver of the pre-offer conditions.

Accell Group will hold the General Meeting at least six business days before the offer period ends, in accordance with section 18, paragraph 1 of the Decree, to inform the shareholders about the Transaction and to adopt the Resolutions (including with respect to the Post-Offer Merger and Liquidation).

Based on the required steps and subject to the necessary approvals, Accell Group and the Offeror anticipate that the Offer will close in late Q2 or early Q3 2022.

### **Advisors**

AXECO Corporate Finance is acting as financial advisor and NautaDutilh N.V. is acting as legal advisor to Accell Group. Rabobank is acting as independent financial advisor and WAKKIE+PERRICK is acting as independent legal advisor to the Supervisory Board. CFF Communications is acting as Accell Group's communications advisor.

On behalf of KKR and the Consortium, Goldman Sachs is acting as financial advisor, Clifford Chance LLP as legal advisor and Meines Holla & Partners as communications advisor. Allen & Overy LLP is acting as Teslin's legal advisor.

### **For More Information:**

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### **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, Babboc and Carqon. XLC is our brand for bicycle parts and accessories. Accell Group employs approximately 3,100 people across 15 countries.

#### **About KKR**

KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of The Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at [www.kkr.com](http://www.kkr.com) and on Twitter @KKR\_Co.