



Offer Document

**Voluntary Public Takeover Offer
(Cash Offer)**

(Voluntary public takeover offer to acquire securities pursuant to sections 29 *et seq.*
German Securities Acquisition and Takeover Act
(*Wertpapiererwerbs- und Übernahmegesetz, WpÜG*))

by

Pon Holding Germany GmbH

Karl-Ferdinand-Braun-Str. 18

50170 Kerpen

Germany

to the holders of the shares in

Derby Cycle AG

Siemensstraße 1-3

49661 Cloppenburg

Germany

for acquisition of the shares in Derby Cycle AG held by them
in return for cash consideration of EUR 28.00 (twenty eight euros) per share

**Acceptance Period: 21 October 2011
to 18 November 2011, 24.00h CET**

Shares in Derby Cycle AG: ISIN DE000A1H6HN1 (WKN A1H6HN)

Tendered Derby Cycle AG Shares: ISIN DE000A1MBH74 (WKN A1MBH7)

Subsequently Tendered Derby Cycle Shares: ISIN DE000A1MBH82 (WKN A1MBH8)

Compulsory publication pursuant to section 14 para. 2 and 3 German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*) (WpÜG). There are no further documents which form part of the Offer Document. While the Bidder will also publish a non-binding English convenience translation of the German Offer Document, the German Offer Document shall be the only binding Offer Document. In particular the holders of shares in Derby Cycle AG whose place of residence, seat or habitual abode is outside Germany should observe Sections 1.1, 1.2 and 1.3.

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1. **GENERAL STATEMENTS, IN PARTICULAR FOR SHAREHOLDERS OUTSIDE GERMANY**

1.1 **Execution of the Offer pursuant to the provisions of the German Securities Acquisition and Takeover Act**

This voluntary public takeover offer (**Offer**) made by Pon Holding Germany GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of Germany with its registered office in Kerpen, Germany, business address at Karl-Ferdinand-Braun-Str. 18, 50170 Kerpen, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Cologne, Germany under HRB 62066 (**Bidder**), is addressed to all holders of shares in Derby Cycle AG, a German stock corporation (*Aktiengesellschaft*) with its registered office in Cloppenburg, Germany, business address at Siemensstraße 1-3, 49661 Cloppenburg, Germany, registered with the commercial register of the local court of Oldenburg, Germany under registration number HRB 205285 (**Derby Cycle AG**, the shareholders in Derby Cycle AG each a **Derby Cycle Shareholder** and together the **Derby Cycle Shareholders**) and is for the acquisition of all shares in Derby Cycle AG (**Derby Cycle Shares**) not held by the Bidder.

The Offer is a voluntary public takeover offer according to section 29 para. 1 German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, **WpÜG**). This Offer will not be implemented or applied for in accordance with the laws of any other jurisdiction. Except for the approval of the publication of this offer document (**Offer Document**) in Germany under German law no further registrations, approvals or authorisations of securities regulatory authorities have been applied for or granted in respect of this Offer Document and/or the Offer. As a result, Derby Cycle Shareholders cannot rely upon the application of other foreign laws for investor protection.

There are no further documents which form part of the Offer. While the Bidder will also publish a non-binding English convenience translation of the German Offer Document, the German Offer Document shall be the only binding Offer Document. Only the German Offer Document has been granted approval for publication by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, **BaFin**).

1.2 **Publication of the Offer Document**

This Offer Document is published on 21 October 2011 in compliance with section 14 para. 3 WpÜG on the Internet at <http://www.pon.com> and via making available for distribution free of charge in Germany. This Offer Document is published in German and in a non-binding English convenience translation. The announcement regarding (i) the making available of copies for distribution free of charge and (ii) the internet address at which the Offer Document is published has been also published in the electronic Federal Gazette (*elektronischer Bundesanzeiger*) on 21 October 2011. Other declarations and notifications of the Bidder in connection with the Offer will be published as described in Section 14.

Copies of the Offer Document and its non-binding English convenience translation will be made available to Derby Cycle Shareholders for issue free of charge at BHF-BANK AG, Bockenheimer Landstrasse 10, 60323 Frankfurt/Main, Germany, telefax: +49 69 718 4630, (e-mail: ts@bhf-bank.com).

The Bidder has not arranged for further publications of the Offer Document or the Offer and has not authorised any third party to provide information on or about the Offer or the Offer Document.

1.3 **Distribution and acceptance of the Offer outside Germany**

Notwithstanding the following statements, the Offer can be accepted by all Derby Cycle Shareholders pursuant to the provisions of this Offer Document. Derby Cycle Shareholders intending to accept the

Offer outside Germany and persons obtaining the Offer Document outside Germany are requested to observe the following statements.

This Offer and this Offer Document do not constitute the issuance, the publication nor public advertising of an offer pursuant to the laws and regulations of jurisdictions other than Germany. The publication of the Offer Document on the Internet is exclusively for the purposes of compliance with the provisions of the WpÜG and is not for the purpose of the issuance of an offer or the publication of the Offer and the Offer Document or public advertising of the Offer pursuant to any foreign law.

The publication, delivery, distribution or dissemination of this Offer Document, a summary or other description of the terms contained in the Offer Document or other informational documents on the Offer may be subject to the provisions of (in particular restrictions pursuant to) jurisdictions other than those of Germany. A publication pursuant to the laws and regulations of jurisdictions other than those of Germany is therefore not intended. The Bidder therefore does not allow that the Offer Document, a summary or another description of the terms contained in the Offer Document or other informational documents on the Offer are directly or indirectly published, distributed or circulated by third parties outside Germany if and insofar as this is not in compliance with applicable foreign regulations, or depends on the compliance with official procedures or issuance of authorisations or any other legal requirements, and such conditions are not fulfilled.

The acceptance of the Offer outside Germany may be subject to the laws of jurisdictions other than Germany. Persons who obtain possession of the Offer Document outside Germany or who wish to accept the Offer and fall within the scope of securities law provisions of jurisdictions other than those of Germany are requested to obtain information on and comply with these securities laws.

Insofar as any of the custodian credit institution or custodian financial services institution resident in Germany or a German branch of a custodian credit institution or custodian financial services institution (**Custodian Bank**) has information and circulation obligations towards its customers in connection with the Offer resulting from legal provisions applicable to the respective relationship with the customers, the Custodian Banks are responsible for examining the impact of foreign jurisdictions on such obligations.

Neither the Bidder nor any person acting jointly with the Bidder assumes any responsibility whatsoever for ensuring that the publication, mailing, distribution or dissemination of this Offer Document and/or the Offer outside Germany complies with the provisions of legal systems other than those of Germany or that the acceptance of the Offer outside Germany, is in compliance with the relevant applicable legal provisions. Any responsibility of the Bidder for third parties' non-compliance with foreign regulations is expressly excluded.

1.4 **Publication of the decision to make the Offer**

The Bidder published its decision to make the Offer on 21 September 2011 in accordance with section 10 para. 1 sentence 1 WpÜG (**Announcement**). The publication of the Announcement is available on the Internet at <http://www.pon.com>.

1.5 **Status of the information contained in this Offer Document**

All data, including plans, relating to Derby Cycle AG and Derby Cycle Group (as defined in Section 4.2) are based on publicly available sources of information or have been made available to the Bidder and Pon Holdings B.V. (*Besloten Vennootschap, B.V.*) incorporated under Dutch law with its registered office at Rondebeltweg 31, NL-1329 BN Almere, the Netherlands (**Pon Holdings**) by Derby Cycle AG during management discussions that have taken place since 4 September 2011.

Unless otherwise expressly indicated, all statements, particulars, opinions, intentions and forward-looking statements contained in the Offer Document are based on information and plans available and are made on the basis of certain assumptions of the Bidder at the time of publication of the Offer Document which correspond to the current evaluation of the Bidder and of Pon Holdings. These could change in the future or could prove to be inaccurate in the future and are subject to uncertainties and risks. For example, the actual results can deviate from results contained in the forward-looking statements in Section 9 of this Offer Document and the intentions outlined in this Section 5 reflect the current intentions of the Bidder and Pon Holdings with regard to themselves and Derby Cycle AG and are subject to change depending, in particular, upon the prevailing economic and operating environment in European markets and information available to the Bidder and Pon Holdings. The Bidder and Pon Holdings may advance these intentions; they may be amended or fully or partially abandoned as further information becomes available to the Bidder and to Pon Holdings. Moreover, some of these intentions have been agreed between the Bidder, Pon Holdings and Derby Cycle AG in the Business Combination Agreement. These may be subject to changes agreed between the Bidder, Pon Holdings and Derby Cycle AG.

2. **SUMMARY OF THE OFFER**

Note: The following summary contains selected information from this Offer Document. As it does not contain all of the information that is potentially relevant for Derby Cycle Shareholders, it should be read in conjunction with the more detailed information in this Offer Document.

Bidder:	Pon Holding Germany GmbH, Karl-Ferdinand-Braun-Str. 18, 50170 Kerpen, Germany
Target Company:	Derby Cycle AG, Siemensstraße 1-3, 49661 Cloppenburg, Germany
Subject of the Offer:	Purchase and acquisition of all no par value bearer shares in Derby Cycle AG not held by the Bidder (ISIN DE000A1H6HN1 (WKN A1H6HN)) each share with all ancillary rights existent upon completion of the Offer
Addressees of the Offer:	All Derby Cycle Shareholders
Consideration (Offer Price):	EUR 28.00 (twenty eight euros) per Derby Cycle Share
Acceptance Period:	21 October 2011 through 18 November 2011, 24.00h CET, subject to a possible extension of the Acceptance Period
Additional Acceptance Period:	Expected to be from 24 November 2011 through 7 December 2011 at 24.00h CET, subject to a possible extension of the Acceptance Period
Acceptance:	Derby Cycle Shareholders may only accept this Offer by delivering a declaration in writing to their Custodian Bank within the Acceptance Period or within the Additional Acceptance Period
No Offer Condition:	This Offer as well as the share sale and purchase agreements concluded by acceptance of this Offer are not subject to any conditions precedent
Costs/Expenses:	The acceptance of the Offer and the receipt of the Offer Price shall be free of costs and expenses for Derby Cycle Shareholders tendering their shares through a custodian securities services provider in Germany, with the exception of the costs for transmission of the acceptance declaration to the respective custodian securities services provider, as well as foreign costs and expenses
ISIN:	Derby Cycle Shares: ISIN DE000A1H6HN1 (WKN A1H6HN) Tendered Derby Cycle Shares: ISIN DE000A1MBH74 (WKN A1M BH7) Subsequently Tendered Derby Cycle Shares: ISIN DE000A1MBH82 (WKN A1M BH8)
Stock Exchange Trading:	The Tendered Derby Cycle Shares are to be admitted to trading under ISIN DE000A1MBH74 on the regulated market (<i>Regulierter Markt</i>) of the Frankfurt Stock Exchange (Prime Standard) expectedly from the second Banking Day after the beginning of the Acceptance Period during the Acceptance Period. During the Additional Acceptance Period, no trade with the Subsequently Tendered Derby Cycle Shares is envisaged
Publications:	Declarations and notifications will be published in the Electronic Federal Gazette as well as on the Internet under http://www.pon.com

3. OFFER

3.1 Subject of the Offer

The Bidder hereby offers to all Derby Cycle Shareholders to purchase and acquire on the terms and conditions set forth in this Offer Document the no par value bearer shares held by them in Derby Cycle AG, traded under ISIN DE000A1H6HN1 (WKN A1H6HN), each share representing a proportionate amount of the share capital of Derby Cycle AG of EUR 1.00 and with all ancillary rights existent as of completion of the Offer against payment of a cash consideration of

EUR 28.00 (twenty eight euros) per Derby Cycle Share (**Offer Price**).

The Offer applies to all Derby Cycle Shares not held by the Bidder.

3.2 Beginning and end of the Acceptance Period

The period for acceptance of the Offer (**Acceptance Period**)

begins with the publication of the Offer Document on **21 October 2011** and

ends on **18 November 2011** at **24.00h** Central European Time (**CET**).

If the Acceptance Period is extended, the term "Acceptance Period" shall always also mean the original period for acceptance of the Offer plus any extension thereof.

3.3 Possible extensions of the Acceptance Period

In the event of an amendment of the Offer, the Acceptance Period shall be extended by two weeks provided that the publication of the amendment takes place within the two weeks prior to the expiry of the Acceptance Period. This shall also apply if the amended Offer violates legal provisions (section 21 para. 5 WpÜG).

In the event of competing offers, if the Acceptance Period for the Offer expires prior to the expiry of the acceptance period for the competing offer, then the duration of the Acceptance Period for the Offer shall be the same as the duration of the acceptance period for the competing offer. This shall also apply if the competing offer is amended or prohibited or violates legal provisions (section 22 para. 2 WpÜG).

If, in connection with the Offer, a general meeting of Derby Cycle AG is called after the publication of the Offer Document, the Acceptance Period shall be ten weeks from the publication of the Offer Document, without prejudice to the provisions of sections 21 para. 5, 22 para. 2 WpÜG (section 16 para. 3 WpÜG).

3.4 Additional Acceptance Period

Those Derby Cycle Shareholders who have not accepted the Offer during the Acceptance Period may still accept the Offer within two weeks after the publication of the result of this Offer in accordance with section 23 para. 1 sentence 1 number 2 WpÜG (see section 16 para. 2 WpÜG, **Additional Acceptance Period**).

Unless the Acceptance Period is extended, the Additional Acceptance Period is expected to begin on 24 November 2011 and to end on 7 December 2011, 24.00h CET. After the end of the Additional Acceptance Period, acceptance of the Offer will no longer be possible except for the Disposition Right as described in Section 12.

3.5 **No Offer Condition**

This Offer as well as the share sale and purchase agreements concluded by the acceptance of this Offer is not subject to any conditions precedent.

4. **COMPANIES INVOLVED AND SHAREHOLDING STRUCTURE**

4.1 **Description of the Bidder and persons acting jointly with the Bidder**

Bidder

The Bidder is a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under German law with its registered office in Kerpen, business address at Karl-Ferdinand-Braun-Str. 18, 50170 Kerpen, Germany registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Cologne under registration number HRB 62066.

The Bidder was established in 2007 under the business name Pon Equipment Rental & Lease GmbH. By shareholders resolution dated 2 September 2009, the Bidder's business name was changed into Pon Holding Germany GmbH, such change became effective on 25 March 2010 upon registration with the commercial register. The Bidder's share capital amounts to EUR 25,000. Its current business activities comprise, *inter alia*, the investment of capital and entering into real estate, shareholdings and bonds (*Schuldverschreibungen*), the acquisition and divestment of real estate, securities and other assets, holding of shareholdings and assets and the development of connected projects as well as the establishment, participation in, financing, direction and management as well as consulting and support of domestic and foreign companies and other entities. At present, the Bidder has one subsidiary: Gazelle GmbH, with business seat in Nettetal, entered into the commercial register of the local court of Krefeld under HRB 8849.

Geveke N.V.

The Bidder is a 100% subsidiary of Geveke N.V. (*Naamloze Vennootschap, N.V.*), incorporated under Dutch law with its registered office at Rondebeltweg 31, NL-1329 BN Almere, the Netherlands (**Geveke**) with an issued share capital of EUR 46,137,500 divided into 8,000,000 Common shares (*gewone aandelen*), 840,000 Cumulative financing preferred B1 shares (*Cumulatief financierings preferente aandelen B1*) and 387,500 Cumulative financing preferred B4 shares (*Cumulatief financierings preferente aandelen B4*), all registered shares, each share with a nominal value of EUR 5.00. Geveke was established in 1919. Its main activities comprise, *inter alia*, the acting as a managing, financing, investment and participation company as well as the sale and purchase of real estate.

In the course of 2011, Geveke entered the bicycle industry with the acquisition of Gazelle Holding B.V., Dieren, the Netherlands (**Gazelle**). Gazelle is one of the leading bicycle brands in the Netherlands and also has a small operation in Germany, operating under Gazelle GmbH, Nettetal.

Pon Holdings B.V.

Geveke's sole shareholder is Pon Holdings, a (*Besloten Vennootschap, B.V.*) incorporated under Dutch law with its registered office at Rondebeltweg 31, NL-1329 BN Almere, the Netherlands with, as of the date of publication of this Offer Document, an issued share capital of EUR 61,714.08 divided into 180 Common B shares (*gewone aandelen B*), 48 Cumulative Preferred C shares (*Cumulatief preferente aandelen C*), 20 Cumulative Preferred D shares (*Cumulatief preferente aandelen D*) and 24 Cumulative Preferred E shares (*Cumulatief preferente aandelen E*), all registered shares, each share with a nominal value of EUR 226.89.

Pon Holdings was established in 1969 and to date, the internationally operating trade and service company is one of the largest family owned companies in the Netherlands. Its main activities comprise, *inter alia*, the acting as a managing, financing, investment and participation company as well as the sale and purchase of real estate and the execution of pension and standing rights agreements. Pon Holdings is the ultimate parent of a group of companies with business activities that comprise *inter alia* import, logistics, marketing, distribution, service and maintenance with respect to high quality products such as passenger cars, commercial vehicles, trucks, busses, tyres, earth-moving machines as well as products for road constructions and shipping.

Pon Holdings employs approx. 9.000 individuals worldwide in its wholly owned subsidiaries (as of 31 December 2010). Total consolidated revenues of Pon Holdings for the business year 2010 amounted to approx. EUR 5.0 billion.

Houdstermaatschappij Wilg B.V.

Pon Holdings is an approx. 66% subsidiary of Houdstermaatschappij Wilg B.V. (Besloten Vennootschap, B.V.), incorporated under Dutch law with its registered office at Zuiderinslag 2, NL- 3833 BP Leusden, the Netherlands (**Wilg**) with an issued share capital of EUR 48,001 divided into 9,000 Common shares (*gewone aandelen*) and 39,001 Preference shares (*preferente aandelen*), all registered shares, each share with a nominal value of EUR 1. Wilg was established in 1974. Its main activities comprise, *inter alia*, the investment of assets in securities and other assets and management of such assets.

Stichting Continuïteit Wilg

Wilg is an approx. 50,001% subsidiary of Stichting Continuïteit Wilg, incorporated under Dutch law with its registered office at Zuiderinslag 2, NL- 3833 BP Leusden, the Netherlands (**Stichting**). Stichting was established in 2007. Its main activities comprise, *inter alia*, monitoring and promoting the continuity of the direct and indirect assets of Wilg and its subsidiaries and to legally safeguard their continued existence, in particular by means of exercising the voting rights in Wilg.

Mr Wijnand Nicolaas Pon

Stichting is controlled by Mr Wijnand Nicolaas Pon, Zuiderinslag 2, NL- 3833 BP Leusden, the Netherlands (**Mr Pon**) who is *inter alia* the sole director of Stichting. Moreover, Mr Pon is entitled and obliged to appoint three other directors in the case that his membership in the board of Stichting ends. The power to change statutes lies within the powers of the board of directors and thus within the powers and discretion of Mr Pon.

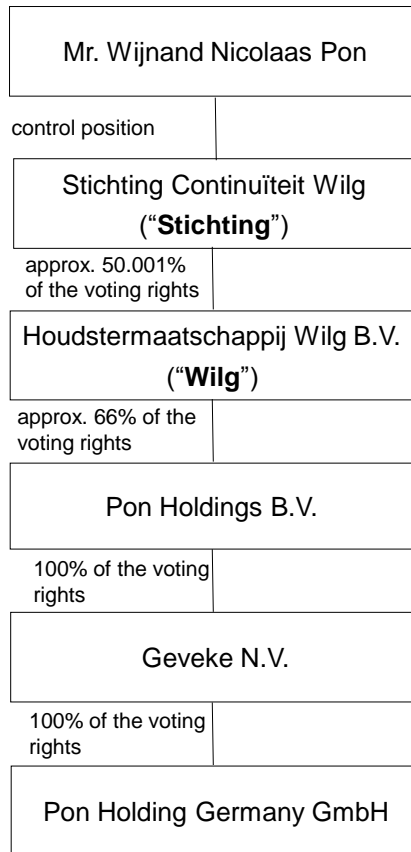
Persons acting jointly with the Bidder

In relation to the aforementioned entities and natural persons, the Bidder is regarded as a subsidiary pursuant to section 2 para 6 WpÜG. Thus, the aforementioned entities and natural persons are persons acting jointly with the Bidder pursuant to section 2 para 5 WpÜG.

The entities listed in **Annex 2** are direct and indirect subsidiaries of Pon Holdings, Geveke, Wilg, Stichting and Mr Pon and as such also regarded as persons acting jointly with the Bidder.

Corporate Structure of the Bidder

The simplified corporate structure of the Bidder's corporate group is as follows:



4.2 Description of Derby Cycle AG

Derby Cycle AG is a German stock corporation (*Aktiengesellschaft*) with its registered office in Cloppenburg, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Oldenburg, Germany under registration number HRB 205285 (**Company or Derby Cycle AG**). Derby Cycle AG was formed pursuant to the reorganisation of Derby Cycle Beteiligungs GmbH as a German stock corporation (*Aktiengesellschaft*) and recorded in the commercial register of the local court (*Amtsgericht*) of Oldenburg, Germany, on 17 January 2011.

The registered share capital (*Grundkapital*) of Derby Cycle AG amounts to EUR 7,500,000.00 (**Share Capital**) and is divided into 7,500,000 no par value ordinary bearer shares, without nominal value (*Stückaktien ohne Nennbetrag*). The Derby Cycle Shares are admitted to trading on the Regulated Market Segment (*Regulierter Markt*) of the Frankfurt Stock Exchange and the Prime Standard, a subsegment of the Regulated Market Segment with additional post-admission obligations, under ISIN DE000A1H6HN1 (WKN A1H6HN). The Derby Cycle Shares are included on the SDAX index of the Frankfurt Stock Exchange. Derby Cycle AG currently holds 22,300 treasury shares.

According to the articles of association of Derby Cycle AG as of 20 January 2011, there is an authorised share capital (*genehmigtes Kapital*) amounting to EUR 3,000,000, i.e. amounting to 40 % of the

Share Capital of Derby Cycle AG, authorizing the management board to increase the Share Capital once or several times by altogether EUR 3,000,000 new ordinary bearer shares for cash investment or non-cash contribution until 15 January 2016 and with the approval of the supervisory board. As of the date of publication of the Offer Document, Derby Cycle AG does not have any conditional capital.

A portion of the remuneration of the members of the management board of Derby Cycle AG as well as of certain members of the expanded management team consists of a so called Restricted Share Programme, in the frame of which Derby Cycle Shares are granted after expiry of market standard vesting periods (**Employee Share Participation Programme**).

Inter alia in order to being able to fulfil its obligations under the Employee Share Participation Programme, the extraordinary general meeting of Derby Cycle AG as of 20 January 2011 has authorised Derby Cycle AG's management board to buy treasury shares (eigene Aktien) amounting to up to 10% of the share capital existing at the time of the adoption of the resolution (**Authorisation**). Such Authorisation is valid until 15 January 2016. The own shares may be acquired over the stock exchange or by way of a public purchase offer directed to all shareholders. On 25 August 2011, Derby Cycle AG's management board with approval of the supervisory board passed a resolution to purchase up to 70,000 treasury shares in 2011 on the basis of the Authorisation through the XETRA trading platform. On the basis of these resolutions, until 29 September 2011 Derby Cycle AG acquired 22,300 treasury shares through the XETRA trading platform. This share repurchase was finalized as of 29 September 2011. The repurchased shares are intended to be mainly used for the remuneration of the management board. Beyond that, the management board and the supervisory board do not intend to continue the Employee Share Participation Programme in its current form, but to replace it by similar participation programmes, which do not provide for remuneration in (physical) Derby Cycle Shares.

Derby Cycle AG is the holding company of a group of companies which include Derby Holding (Deutschland) GmbH, Raleigh Univega GmbH, Derby Cycle Werke GmbH, Focus Bicycles USA, Inc. (USA), NW Sportgeräte Vertriebs-GmbH and swissbike Piero Zurino GmbH (Switzerland), and Derby Cycle Australia Pty Limited (together **Derby Cycle Group** or **Derby Cycle**).

According to information available on Derby Cycle AG's website, in 1992, Derby Cycle Holding (Deutschland) GmbH was established and Derby Cycle Werke GmbH and Raleigh Fahrräder GmbH were incorporated into this new company, followed by the merger of Raleigh Fahrräder GmbH with Derby Cycle Werke GmbH in 2002. Swissbike Piero Zurino GmbH was acquired in 2005. In 2005, Derby Holding (Deutschland) GmbH and Derby Cycle Werke GmbH were sold to Finatem II GmbH & Co. KG, Finatem II Fonds II Parallel-Beteiligungs GmbH & Co. KG, and A/M/S GmbH, whose sole shareholder is the member of the management board Mathias Seidler, and another member of the Company's extended management team as part of a management buy-out and all shares in Derby Holding (Deutschland) GmbH and Derby Cycle Werke GmbH were contributed to the new company established as Derby Cycle Beteiligungs GmbH. In 2009, Focus Bicycles USA, Inc. was established as the first subsidiary of the Company in the USA. In 2010/2011 the company was reorganized as a German stock corporation (*Aktiengesellschaft*), Derby Cycle AG. After a successful initial public offering (**IPO**), Derby Cycle shares were admitted to the regulated market and the regulated market sub-segment with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange on 3 February 2011 and have been traded there since 4 February 2011.

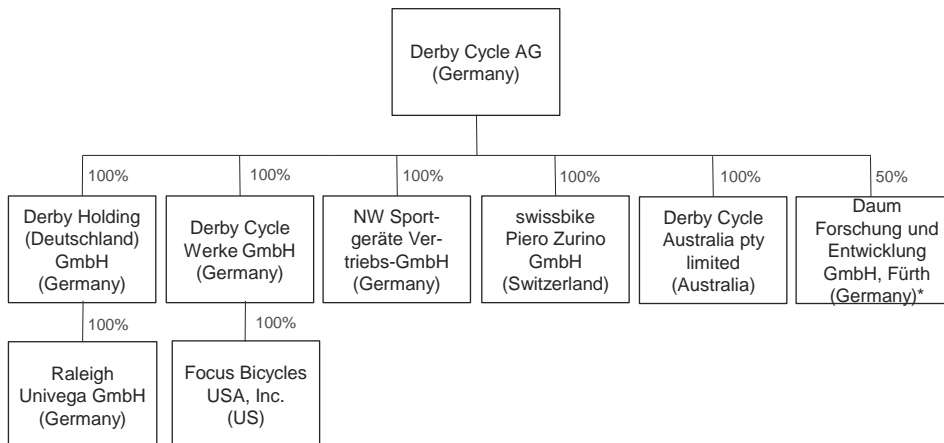
According to Derby Cycle AG's website and the IPO prospectus dated 21 January 2011 in terms of revenues, Derby Cycle is the largest bicycle manufacturer in Germany and one of the leading manufacturers in Europe. Derby Cycle's top-quality product range includes e-bikes, sport bikes for leisure cycling and competition, and comfort bikes for every day and travel use. These are sold using the well-established brands of Kalkhoff, Focus, Raleigh, Univega and Rixe. Derby Cycle sells models under each of its brands that are tailored to different target groups. All of the models are developed in Ger-

many, the frames are made by contract manufacturers in Asia, the further components, such as forks, rechargeable batteries and gears are bought in and assembled in Cloppenburg. Derby Cycle attaches great value to the high quality of its bicycles and a differentiated brand presence. This allows Derby Cycle to sell its products via specialist retailers, who offer their customers professional advice and extensive service. They are thus the most important sales channel for normal bicycles and e-bikes of Derby Cycle.

The most important suppliers for Derby Cycle in business year 2009/2010 were Shimano Inc., Panasonic Corporation and SRAM Corporation Europe.

In fiscal year 2009/2010, Derby Cycle had an average of 551 employees and generated revenues of EUR 173 million, of which 72.6% in Germany and 27.4% abroad. Derby Cycle sold a total of around 430,000 bicycles in fiscal year 2009/2010, including around 44,000 e-bikes.

The corporate structure of the Derby Cycle Group is diagrammed below:



*Daum Forschung und Entwicklung GmbH is not a fully consolidated subsidiary of Derby Cycle AG.

4.3 Persons acting jointly with Derby Cycle AG

Persons acting jointly with Derby Cycle AG pursuant to section 2 para. 5 WpÜG are the Bidder, Pon Holdings, Geveke, Wilg, Stichting and Mr Pon and the entities listed in **Annex 2** with exception of Derby Cycle AG itself.

4.4 Present shareholding and voting rights of the Bidder and persons acting jointly with it or subsidiaries of persons acting jointly

At the time of publication of this Offer Document on 21 October 2011 by the Bidder, the Bidder owns 4,190,020 Derby Cycle Shares (corresponding to approx. 55.87% of the Derby Cycle Share Capital and voting rights. Those 4,190,020 voting rights are attributed to Geveke, Pon Holdings, Wilg, Stichting and Mr Pon pursuant to section 30 para. 1 sentence 1 no. 1 WpÜG.

Beyond this, neither the Bidder, nor any persons acting jointly with the Bidder nor their subsidiaries own any Derby Cycle Shares, nor are any voting rights being attributed pursuant to section 30 WpÜG to the Bidder or to any persons acting jointly with the Bidder or to their subsidiaries.

4.5 **Acquisition of Derby Cycle Shares prior to the Offer, during the Acceptance Period and the Additional Acceptance Period**

On 21 September 2011, prior to the Announcement, A/M/S GmbH, a fully owned subsidiary of Mathias Seidler, holding 600,000 Derby Cycle Shares (corresponding to 8% of the share capital and voting rights of Derby Cycle AG), agreed in an irrevocable undertaking with the Bidder and Pon Holdings to validly tender 187,500 Derby Cycle Shares (corresponding to 2.5% of the share capital and voting rights of Derby Cycle AG) into the Offer during the first two weeks of the Acceptance Period and entered into put and call options regarding its remaining 412,500 Derby Cycle Shares (corresponding to 5.5% of the share capital and voting rights of Derby Cycle AG) (**Mathias Seidler Irrevocables**). With respect to the Mathias Seidler Irrevocables A/M/S GmbH agreed to continue to hold the remaining 412,500 Derby Cycle Shares for a period of at least 18 months following the Announcement (**Lock-up Period**). The Bidder agreed to hold any Derby Cycle Shares acquired under or in connection with the Offer for the Lock-up Period. During the last three months of the Lock-up Period, A/M/S GmbH will be entitled to sell all or parts of the Mathias Seidler Irrevocables to the Bidder (**Put Option**). Furthermore, A/M/S GmbH will be entitled to exercise the Put Option immediately, i.e. also before the expiry of the Lock-up Period, if the Company and the Bidder enter into a domination agreement or any other enterprise agreement, if the composition of management board changes significantly or if there has been a change of control, i.e. any change in ownership by more than 30 per cent of all issued shares, in the Company, the Bidder or any parent company of the Bidder.

The consideration to be paid to A/M/S GmbH in case the Put Option is exercised will be the higher of (i) the Offer Price or (ii) the three months volume weighted average price for the Derby Cycle Shares in the XETRA trading system (or any comparable successor system) on the Frankfurt Stock Exchange on the day the Put Option is exercised.

After the Lock-up Period has expired, the Bidder will be entitled to acquire the Mathias Seidler Irrevocables in total (not in part) from A/M/S GmbH (**Call Option**). The consideration to be paid to A/M/S GmbH in case the Call Option is exercised will be the Offer Price.

On 21 September 2011, prior to the Announcement, a member of the expanded management team, holding 60,000 Derby Cycle Shares (corresponding to 0.8% of the share capital and voting rights of Derby Cycle AG), agreed in an irrevocable undertaking with the Bidder and Pon Holdings to validly tender all of his shares pursuant to the Offer during the first two weeks of the Acceptance Period (**Management Team Irrevocables**).

On 20 September 2011, prior to the Announcement, also Uwe Bögershausen declared that he will validly tender all his 11,000 Derby Cycle Shares (corresponding to approx. 0.15% of the share capital and voting rights of Derby Cycle AG) into the Offer.

On 19 September 2011, prior to Announcement, the Bidder purchased in total 30,681 Derby Cycle Shares on market in the price range between EUR 24.640 per Derby Cycle Share and EUR 25.000 per Derby Cycle Share. On the same day, the Bidder unwound such purchase by the sale of such 30,681 Derby Cycle Shares.

On 21 September 2011, subsequent to the Announcement, the Bidder purchased in total 126,923 Derby Cycle Shares on market in the price range between EUR 27.785 per Derby Cycle Share and EUR

28.000 per Derby Cycle Share. Transfer of such 126,923 Derby Cycle Shares to the Bidder was effected on 23 September 2011.

On 22 September 2011, the Bidder purchased another 845,273 Derby Cycle Shares on market in a price range of EUR 27.800 to EUR 28.000 per Derby Cycle Share. Transfer of such 845,273 Derby Cycle Shares was effected on 26 September 2011.

On 22 September 2011, the Bidder purchased another 114,660 Derby Cycle Shares off market at a price of EUR 28.000. Transfer of such 114,660 Derby Cycle Shares was effected on 26 September 2011.

On 23 September 2011, the Bidder purchased another 38,144 Derby Cycle Shares on market at the price of EUR 28.000 per Derby Cycle Share. Transfer of such 38,144 Derby Cycle Shares to the Bidder was effected on 27 September 2011.

On 7 October 2011, the Bidder purchased another 288,916 Derby Cycle Shares on market in the price range between EUR 27.976 and EUR 28.000 per Derby Cycle Share. Transfer of such 288,916 Derby Cycle Shares to the Bidder was effected on 11 October 2011.

On 10 October 2011, the Bidder purchased another 1,674,136 Derby Cycle Shares (corresponding to approx. 22.32% of the share capital and voting rights of Derby Cycle AG) from In2Cycling B.V., a wholly owned subsidiary of Accell Group N.V. for a consideration of EUR 28.000 per Derby Cycle Share. The share purchase agreement contains a provision that if, in the event the price is paid by the Bidder in the Offer is a higher consideration per Derby Cycle Share, then In2Cycling B.V. is entitled to receive from the Bidder the difference, calculated per Derby Cycle share, multiplied with 1,674,136 Derby Cycle Shares. Transfer of such 1,674,136 Derby Cycle Shares was effected on 12 October 2011.

On 10 October 2011, the Bidder purchased another 102,093 Derby Cycle Shares on market at the price of EUR 28.000 per Derby Cycle Share. Transfer of such 102,093 Derby Cycle Shares to the Bidder was effected on 12 October 2011.

On 10 October 2011, the Bidder purchased another in total 337,713 Derby Cycle Shares (corresponding to approx. 4.50% of the share capital and voting rights of Derby Cycle AG) from Arbitrage Fund, Delaware, USA, Arbitrage Event-Driven Fund, Delaware, USA, Transamerica Water Island Arbitrage Strategy, Florida, USA, Litman Gregory Masters Select Fund, Delaware, USA and WIC Arbitrage Partners, Delaware, USA for a consideration of EUR 28.000 per Derby Cycle Share. The share purchase agreement is conditioned upon payment of the purchase price and contains a provision that if, in the event the price is paid by the Bidder in the Offer is a higher consideration per Derby Cycle Share, then the Arbitrage Fund is entitled to receive from the Bidder the difference, calculated per Derby Cycle Share, multiplied with the number of Derby Cycle shares sold by the respective seller. Transfer of 335,913 Derby Cycle Shares was effected on 13 October 2011 and transfer of the remaining 1,800 Derby Cycle Shares was effected on 14 October 2011.

On 11 October 2011, the Bidder purchased another 508,757 Derby Cycle Shares on market at the price of EUR 28.000 per Derby Cycle Share. Transfer of such 508,757 Derby Cycle Shares to the Bidder was effected on 13 October 2011.

On 12 October 2011, the Bidder purchased another 57,363 Derby Cycle Shares on market at the price of EUR 28.000 per Derby Cycle Share. Transfer of such 57,363 Derby Cycle Shares to the Bidder was effected on 14 October 2011.

On 13 October 2011, the Bidder purchased another 14,345 Derby Cycle Shares on market at the price of EUR 28.000 per Derby Cycle Share. Transfer of such 14,345 Derby Cycle Shares to the Bidder was effected on 15 October 2011.

On 14 October 2011, the Bidder purchased another 24,179 Derby Cycle Shares on market at the price of EUR 28.000 per Derby Cycle Share. Transfer of such 24,179 Derby Cycle Shares to the Bidder was effected on 18 October 2011.

On 17 October 2011, the Bidder purchased another 57,518 Derby Cycle Shares on market in the price range between EUR 27.997 and EUR 28.000 per Derby Cycle Share. Transfer of such 57,518 Derby Cycle Shares to the Bidder was effected on 19 October 2011.

Based on a general meeting resolution as of 20 January 2011 the management board of the Company is authorised, with the consent of the supervisory board, to resolve on an increase of the Company's share capital by up to EUR 600,000.00 without being obliged to grant the existing shareholders a pre-emptive right to subscribe the new shares (**New Derby Cycle Shares**). Under an equity funding agreement entered into between Pon Holdings and Derby Cycle AG on 21 September 2011 (**Equity Funding Agreement**), the Company is obliged to issue the new shares to the Bidder or Pon Holdings and any other company affiliated with Pon Holdings or the Bidder if Derby Cycle AG completes the acquisition of a company from a third party it considered on 21 September 2011, as stated in their ad hoc release of that date (**Acquisition**) within one year after the Announcement and the Bidder or Pon Holdings and any other company affiliated with Pon Holdings or the Bidder is obliged to subscribe for such new shares.

Beyond this, neither the Bidder nor any person acting jointly with the Bidder nor any subsidiary of such person has purchased further Derby Cycle Shares or has entered into agreements regarding the purchase of Derby Cycle Shares within the six months before the Announcement on 21 September 2011 and within the time period between the Announcement and the publication of this Offer Document. The Bidder may purchase further Derby Cycle Shares or enter into any agreements regarding the purchase of Derby Cycle Shares during the Acceptance Period and Additional Acceptance Period outside the Offer.

5. **BACKGROUND OF THE OFFER/INTENTIONS OF THE BIDDER WITH REGARD TO THE FUTURE BUSINESS ACTIVITY OF DERBY CYCLE AG AND THE BIDDER AND PON HOLDINGS**

5.1 **Background of the Offer**

Initial discussions on the possibility of a cooperation between Pon Holdings and Derby Cycle AG about their respective strategies to enhance further growth and penetration of the various markets where Pon Holdings and Derby Cycle are active have started on 4 September 2011. During the period from 11 until 20 September 2011, representatives of Pon Holdings negotiated with members of the management board of Derby Cycle AG the terms of subject of a potential cooperation between their businesses.

During such discussions, Pon Holdings, the Bidder and Derby Cycle AG agreed that a combination of their businesses will create a strong platform to realize growth, product developments and the possibility to enter into new markets. Moreover, Pon Holdings, the Bidder and Derby Cycle AG are of the opinion that a combination of their businesses would make synergies, especially with respect to e-bikes and standard bikes, in an non quantifiable amount, and efficiencies possible to support growth and further improvement of financial results and will attract and/or retain qualified employees. Following such discussions, on 21 September 2011 the Bidder, Pon Holdings and Derby Cycle AG entered into a business combination agreement (**Business Combination Agreement**). On the same day, Pon Holdings and Derby Cycle AG concluded the Equity Funding Agreement. The Bidder and Pon Holdings did not undertake any analyses with respect to the amount of potential synergies.

The Business Combination Agreement mainly sets out the binding agreement of the parties on the terms and conditions of the Offer, including (as far as legally permissible) the support of the Offer by the management board of Derby Cycle AG, a timeline for the execution of the Offer and certain principles regarding the conduct of business upon completion of the Offer including the intended combination of Pon Holdings and Derby Cycle AG's bicycle businesses as set out in Section 5.2 of this Offer Document.

5.2 **Future business activity, use of assets and future obligations**

The Bidder's and Pon Holdings' intention is that Derby Cycle remains in existence as a separate legal entity with its corporate seat in Cloppenburg and continues to exist as listed company at least for 18 months after the Announcement (for further details see Sections 5.4 and 5.6 of this Offer Document).

To the extent legally permitted and subject to the rights and duties of their corporate bodies, following the completion of the Offer, the Bidder, Pon Holdings and Derby Cycle AG shall, subject to applicable law, take all steps necessary to implement the following business strategy for the business of Derby Cycle AG:

- (a) The Bidder, Pon Holdings and Derby Cycle AG intend to integrate the business of the company (**Derby Business**) with the Gazelle biking business of the Bidder and Pon Holdings (**Gazelle Business**) and will evaluate different options for such integration which may include, inter alia, (i) an integration underneath a new bicycle holding company and (ii) a capital increase from the Company's authorized capital against contribution in kind, on the basis that during the period that Derby Cycle AG is still listed at a stock exchange and the Gazelle Business has not been contributed to the Company, the Derby Business and the Gazelle Business is intended to be operated separately from each other by their current management teams but underneath a new bicycle holding under the joint leadership of Mr. Mathias Seidler and Mr. Xeno Grimmelt and if the Gazelle Business has been contributed to Derby Cycle, the combined businesses will be operated underneath a new bicycle group under the leadership of the current management of

Derby Cycle AG. Once the Derby Business and Gazelle Business have been combined under the bicycle group its headquarters will be in Cloppenburg, Germany.

- (b) The Bidder and Derby Cycle AG will cooperate on the basis of (i) the Business Combination Agreement or (ii) cooperation agreements yet to be concluded on an at-arm's-length basis (if any) in order to maximize value for their customers, shareholders and other stakeholders.

The Bidder and Pon Holdings have no intentions with respect to use of assets and future obligations of Derby Cycle AG. The Bidder and Pon Holdings have no other intentions with respect to their respective future obligations regarding the Offer, other than completion of the Offer.

The Bidder will initially continue to act mainly as a holding company. The Bidder currently has one managing director and does not intend to change its management structure.

5.3 **Supervisory board and management board of Derby Cycle AG**

According to the articles of association, the supervisory board of Derby Cycle AG currently consists of three members, Mr Fritz-Wilhelm Krüger (chairman), Mr Felix Sulzberger (vice chairman) and Mr Gerold Heinen. The board does not include any employee representatives.

None of the members of the boards of the Bidder or any person acting jointly with the Bidder serves as an officer or director or has any other business relationship with, or function in, Derby Cycle AG or the persons acting jointly with Derby Cycle AG.

The Bidder intends to vote in favour of an amendment of the articles of association to the effect that the number of members of Derby Cycle AG's supervisory board will be increased to six in the course of the next general meeting of Derby Cycle AG. As the Bidder holds more than 50% of the Derby Cycle Shares following the completion of the Offer, it intends to be represented in the newly extended supervisory board with four out of its six members and two members in the current supervisory board consisting of three members.

The management board of Derby Cycle AG currently consists of two members: Mathias Seidler (chairman) and Uwe Bögershausen.

The Bidder and Pon Holdings believe that the existing management is of key value for the future of Derby Cycle AG and thus the Bidder and Pon Holdings are highly interested in keeping the existing management and does not seek to be represented in the management board.

The members of the management board have informed the Company that they intend to continue to remain members of the management board and have committed to Derby Cycle AG not to exercise their termination rights under their respective service agreements following the Completion of the Offer for reasons of change of control. It is the common understanding of the Bidder, Pon Holdings and Derby Cycle AG that after the Completion of the Offer and subject to applicable law, in particular the rights of Derby Cycle AG's supervisory board under the AktG, and the service agreements of the members of the management board may have to be amended in order to reflect potential changes in the structure of Company. Details have not yet been decided upon.

None of the members of Derby Cycle AG's management board and supervisory board, serves as an officer or director or has any other business relationship with or function in the Bidder or the persons acting jointly with the Bidder. Details have not yet agreed upon.

5.4 **Domicile and location of essential parts of the enterprise**

The Bidder's and Pon Holdings' intention is that Derby Cycle AG remains in existence as a separate legal entity with its corporate seat in Cloppenburg and continues to exist as a listed company until implementation of restructuring measures such as a squeeze-out of the remaining shareholders. However, as set out below in Section 5.6 of this Offer Document, the Bidder and Pon Holdings have agreed upon in the Business Combination Agreement, during the period of eighteen (18) months following the Announcement, not to execute such restructuring measures (being understood that the Bidder and Pon Holdings may start the internal preparation of such measures to be entered into effect after the lapse of the eighteen months period without the support of Derby Cycle AG for such preparations (if any).

In the Business Combination Agreement, the Bidder and Pon Holdings have agreed not to change and not to instruct, directly or indirectly, Derby Cycle AG to change its site location in Cloppenburg for a period of five years, starting from the expiry of the Acceptance Period.

The Bidder and Pon Holdings do not intend to close down any site location, and do not have any other intentions with respect to Derby Cycle AG's domicile and location of essential parts of their enterprise.

The Bidder and Pon Holdings have no intentions with respect to their domicile and location of essential parts of their enterprise relating to the Offer.

5.5 **Employees of Derby Cycle AG and its subsidiaries, their representatives and employment conditions and employees of the Bidder**

The Bidder and Pon Holdings believe that the Company's employees are highly qualified and of exceptional value for the business. The Bidder and Pon Holdings are highly interested in retaining these employees and do not intend to cause Derby Cycle AG to terminate any service agreement with any of these employees (other than in the ordinary course of business). The same applies to any subsidiaries of Derby Cycle AG and their respective employees.

Currently, there is no employment representation in the supervisory board of Derby Cycle AG and no works council or other employment representation exists on the level of the Company. However, a works council exists at Derby Cycle Werke GmbH. Pursuant to an agreement between the management of Derby Cycle Werke GmbH, the management of NW Sportgeräte Vertriebs-GmbH and the works council of Derby Cycle Werke GmbH dated 4 April 2008, this works council also serves as the works council for NW Sportgeräte Vertriebs-GmbH. In 2010, Derby Cycle Werke GmbH and NW Sportgeräte Vertriebs-GmbH elected a joint works council. The works council currently has nine members and the chairman of the works council has been released from his professional responsibilities. The Bidder and Pon Holdings do not have any intentions to make any changes in this respect. The Bidder and Pon Holdings do not intend to effect any changes to the employment conditions of the employees of Derby Cycle AG.

The Bidder has currently no employees, and does not intend to employ any personnel as a consequence of the Offer.

There are no intentions of Pon Holdings with respect to its employees, the employment representatives and the employment conditions as a consequence of the Offer.

5.6 Domination and/or profit and loss transfer agreement, exclusion of minority shareholders, further measures

- (a) The financing of the Offer is not dependent on Derby Cycle AG and/or the Bidder entering into any domination and/or profit and loss transfer agreement, merger, conversion or squeeze-out.
- (b) In the Business Combination Agreement, the Bidder has agreed to the following: for a period of eighteen months following the Announcement, the Bidder and Derby Cycle AG shall, to the extent feasible under applicable law,
 - (1) keep the current listing of the Company at the regulated market (*regulierter Markt*) and the regulated market sub-segment with additional post-admission listing obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*); and
 - (2) ensure that Derby Cycle AG's business will be operated independently on a stand-alone basis; and
 - (3) not enter into a domination and/or profit and loss agreement or any other enterprise agreement in the meaning of sections 291 et seq. of the AktG with the Derby Cycle AG ; and
 - (4) refrain from causing the management board to take any action that is, taking into account the fiduciary duties of the members of the management board, not in the best interest of Derby Cycle AG,

it being understood that the Bidder may, during the period of eighteen months following the Announcement, start the internal preparation of such measures to be entered into effect after the lapse of the eighteen months period without the support of Derby Cycle AG for such preparations (if any), however will not make public announcements to the capital markets, or apply for court appointment in respect of, such measures or cause Derby Cycle AG to make such announcements (in particular the Bidder will not make any squeeze-out or delisting requests to Derby Cycle AG).

- (c) Subject to the agreements as set out above, the Bidder and Pon Holdings intend to verify the implementation of any of the structural measures as outlined below and after the expiration of the 18 months after Announcement period as set out above, to implement such structural measures, should the Bidder and Pon Holdings regard them as beneficial:
 - (1) The Bidder will consider at its sole discretion if and when to enter into a domination and/or profit and loss transfer agreement with Derby Cycle AG as controlled entity pursuant to section 291 et seq. AktG (*Beherrschungs- und/oder Ergebnisabführungsvertrag*). The Bidder may also consider to implement other measures resulting in a cash compensation provided by law for the Derby Cycle Shareholders who stay in Derby Cycle AG (merger, conversion, delisting etc.).
 - (2) In the event that the Bidder directly or indirectly holds after completion of the Offer or any time thereafter a majority of 95% or more of the then existing share capital of Derby Cycle AG, the Bidder could, at its sole discretion, propose that the general meeting of Derby Cycle AG resolves that the shares held by the minority shareholders shall be transferred against a cash compensation to the Bidder as the main shareholder (squeeze-out, section 327a et seq. AktG).

- (3) Moreover, in the event that the Bidder directly or indirectly holds after completion of the Offer or any time thereafter a majority of 90% or more of the then existing share capital of Derby Cycle AG, it can pass a resolution pursuant to section 327a para. 1 AktG in connection with a so called group merger in accordance with section 62 para 5 German Reorganisation Act (**UmwG**) if the receiving company holds shares in the transferring company in the amount of 90 % of the registered share capital. Thus, the Bidder could accordingly pursue a merger of Derby Cycle AG into the Bidder (once the Bidder has been transformed into a stock corporation) and demand to have all shares of the remaining shareholders of the Company transferred to it against payment of an adequate cash compensation pursuant to section 327a para. 1AktG , provided that the Bidder holds at least 90 % shares of the registered share capital of Derby Cycle AG.

If as a result of any such measure a cash compensation is to be offered to the minority shareholders, such cash compensation could correspond to the Offer Price but it could also exceed or fall below it.

5.7 **Contemplated changes to the articles of association of Derby Cycle AG**

The Bidder and Pon Holdings intend proposing an increase of the number of supervisory board members from three to six members (see Section 5.3 of this Offer Document) to the general meeting of Derby Cycle AG. The Bidder does not intend to change the articles of association, in particular does not intend to change Derby Cycle AG's name (*Firma*) .

6. **EXPLANATION OF THE DETERMINATION OF THE CONSIDERATION (OFFER PRICE)**

6.1 **Minimum offer price**

The Bidder has to offer an appropriate consideration taking into account the average stock exchange price of the Derby Cycle Shares and the acquisition of the Derby Cycle Shares by the Bidder and by persons acting jointly with the Bidder (section 31 para. 1 and para. 7 WpÜG in conjunction with sections 4 and 5 of the regulation pertaining to the contents of the offer document, the consideration in the event of takeover offers and mandatory offers and the release from the obligation to publish and to make an offer (*Verordnung über den Inhalt der Angebotsunterlage, die Gegenleistung bei Übernahmeangeboten und Pflichtangeboten und die Befreiung von der Verpflichtung zur Veröffentlichung und zur Abgabe eines Angebots, WpÜG-Angebotsverordnung (WpÜG Offer Regulation)*)).

The consideration has at least to correspond to:

- (a) the volume weighted average domestic stock exchange price of the Derby Cycle Shares during the three months prior to the Announcement; or
- (b) if higher, to the value of the highest consideration granted or agreed-upon by the Bidder, a person acting jointly with the Bidder or its subsidiaries for the acquisition of the Derby Cycle Shares within the six months prior to the publication of the Offer Document.

The volume weighted average domestic stock exchange price of the Derby Cycle Shares during the three months prior to the date of the Announcement on 21 September 2011 (reference date 20 September 2011) (as described under subsection (a)), which BaFin has determined and has notified the Bidder by letter dated 7 October 2011 is EUR 19.26 per Derby Cycle Share.

The Offer Price in the amount of EUR 28.00 (twenty eight euros) per Derby Cycle Share exceeds this amount by EUR 8.74, i.e. by approximately 45 %.

The highest consideration paid or agreed upon by the Bidder or a person acting jointly with the Bidder for the acquisition of Derby Cycle Shares within the six months prior to the publication of the Offer Document (as described under subsection (b)) is EUR 28.00 per Derby Cycle Share (see Section 4.5 above).

6.2 Adequacy of the applied methods for the determination of the Offer Price

The Bidder has determined the adequacy of the Offer Price by reference to the stock exchange prices for which the Derby Cycle Shares were traded prior to the Announcement.

- (a) The Offer Price represents a premium of approx. 45% above the volume weighted average domestic stock exchange price of the Derby Cycle Shares during the three months prior to the Announcement as described in Section 6.1(a).
- (b) The Offer Price represents a premium of approx. 28% above the closing stock exchange price (XETRA) as 16 September 2011, the trading day before Derby Cycle announced advanced negotiations regarding a business agreement, which was EUR 21.91 according to Deutsche Börse.
- (c) The Offer Price represents a premium of 124% of the IPO price in February 2011 of EUR 12.50.

Overall the Offer Price represents a considerable premium above the stock exchange price for Derby Cycle Shares prior to the Announcement and is higher than any known historical closing price on the stock exchange for Derby Cycle Shares prior to the Announcement (according to Deutsche Börse). In the Bidder's view, the comparison of the Offer Price with prices achievable at the stock exchange is a comprehensible and adequate measure for the assessment of the adequacy of the Offer Price as the Derby Cycle Shareholders were able to sell and sold their shares on the stock exchange at such prices. In section 31 para. 1 WpÜG and sections 3 *et seq.* WpÜG Offer Regulation the legislator expressed that it considers the stock exchange price to have a significant role for the determination of the Offer Price. The Bidder regards this method of valuation also as appropriate for this Offer and the Offer Price, considering the compliance with the minimum pricing rules of the WpÜG and the premiums on the stock exchange prices described, as fair and adequate. Moreover, this view is supported by the fact that the Offer Price is also the result of negotiations on the Offer Price between Pon Holdings and Derby Cycle AG during the negotiations of the Business Combination Agreement and that A/M/S GmbH and a member of the extended management team have entered into the Mathias Seidler Irrevocables and the Management Team Irrevocables with the Bidder and Pon Holdings as described in section 4.4 of this Offer Document. Furthermore, the decision of other major shareholders to enter into share purchase agreements with the Bidder for a consideration of EUR 28,00 per Derby Cycle Share for their in total approx. 26.82% of Derby Cycle Shares is a strong indication for the appropriateness of the Offer Price with respect to all Derby Cycle Shareholders.

6.3 Particulars regarding monetary benefits and other benefits of monetary value to members of the management board/the supervisory board of Derby Cycle AG

In connection with this Offer neither monetary benefits nor other benefits of monetary value were granted nor were such benefits promised to members of the management board or the supervisory board of Derby Cycle AG.

6.4 Compensation for deprivation of certain rights

The articles of association of Derby Cycle AG do not provide for the application of section 33b para. 2 WpÜG. The Bidder is not required to make compensatory payments pursuant to section 33b WpÜG.

7. **STATEMENT ON THE OPINION OF THE MANAGEMENT BOARD/THE SUPERVISORY BOARD OF DERBY CYCLE AG ON THE OFFER**

Pursuant to section 27 para. 1 WpÜG, the management board and the supervisory board of Derby Cycle AG shall issue a reasoned opinion on the Offer and any amendments thereof. The management board and the supervisory board of Derby Cycle AG shall publish the opinion pursuant to section 14 para. 3 sentence 1 WpÜG without undue delay after the Bidder has forwarded the Offer Document and its amendments if any.

8. **FINANCING OF THE OFFER**

8.1 **Financing requirements**

The Bidder requires a maximum amount of approximately EUR 103 million to finance the Offer, should the Offer be accepted for all Derby Cycle Shares not held by the Bidder at the date of the publication of the Offer Document. This amount results from the multiplication of 3,309,980 Derby Cycle Shares issued and not held by the Bidder with the Offer Price of EUR 28.00 (twenty eight euros), plus costs, expenses and payments to bank accounts and bank reserve accounts incurred and to be incurred for the preparation and execution of the Offer in the amount of approximately EUR 10.5 million (**Required Funds**).

8.2 **Financing measures**

The Bidder has taken all necessary measures to ensure that it will have the Required Funds available to it when the consideration for the Offer is due.

Pon Holdings has sufficient cash available, exceeding the Required Funds. Moreover, Pon Holdings arranged a committed credit facility in the amount of up to EUR 200 million with Coöperatieve Centrale Raiffeissen-Boerenleenbank B.A. (trading as Rabobank International) on 7 October 2011, which it has used for pre acquisitions of Derby Cycle Shares and by which it can also cover a significant portion of the Required Funds. Pon Holdings has entered into an intra-group agreement on 19 September 2011 with the Bidder under which the Bidder has the right to submit utilisation requests to Pon Holdings under such intra-group financing in relation to the Offer. Amounts borrowed under the committed credit facility may only be used to satisfy claims resulting from the acceptance of the Offer as well as for on and off market purchases of Derby Cycle Shares.

8.3 **Financing confirmation**

Coöperatieve Centrale Raiffeissen-Boerenleenbank B.A. (trading as Rabobank International), a securities services company that is independent of the Bidder, with seat in Amsterdam, the Netherlands, has issued the financing confirmation for this Offer required in accordance with section 13 para. 1 sentence 2 WpÜG. The financing confirmation is attached as **Annex 3** to this Offer Document.

9. **EXPECTED EFFECTS OF A SUCCESSFUL OFFER ON THE ASSETS, FINANCIAL AND EARNINGS POSITION OF THE BIDDER AND PON HOLDINGS**

For the purpose of the following description of the expected effects of a successful Offer on the assets, financial and earnings position of the Bidder under Section 9.1 it is presumed that the Offer was fully accepted and that the Bidder has acquired all Derby Cycle Shares not held by the Bidder. (3,309,980 Derby Cycle Shares) at the Offer Price of EUR 28.00 (twenty eight euros) (**Presumed Total Acquisition**). The actual amount of total funding will, however, vary based upon the actual number of Derby Cycle Shares acquired by the Bidder in this Offer. The following analysis does not take account of any additional Derby Cycle Shares which may be issued by Derby Cycle AG pursuant to issuing the New

Derby Cycle Shares. The Bidder's shareholding to be acquired in Derby Cycle AG under this Offer is valued at the Offer Price plus costs relating to the acquisition.

The assets, financial and earnings position of the Bidder and the consolidated asset, financial and earnings position of Pon Holdings as at 31 December 2010 (the latest public information available prior to the publication of the offer document) are compared to the expected assets, financial and earnings position of the Bidder and the consolidated asset, financial and earnings position of Pon Holdings after the Presumed Total Acquisition. The following analysis does not take account of any other consequences on the assets, financial position and earnings position of Pon Holdings and the Bidder due to business activities, changes in the Share Capital, or the accounting treatment of the transactions. In particular, the acquisition of Gazelle GmbH by the Bidder in the year 2011 has not been taken into account for the purposes of this description of the expected effects of a successful Offer on the assets, financial and earnings position of the Bidder and Pon Holdings, since the acquisition of Gazelle GmbH has not been reflected in the annual financial statements of Pon Holding Germany GmbH as of 31 December 2010. As of the date of publication of the Offer Document, the acquisition of Gazelle GmbH is reflected in the books of the Bidder with an amount of EUR 1,000,000 and was financed by intercompany loans. The Bidder does not expect any changes of this value due to the Offer.

The financial information below does not purport to represent the actual results and actual financial condition of the Bidder and Pon Holdings which would actually exist if the Presumed Total Acquisition following the consummation of this Offer in fact occurred on a certain date, or to project the actual results or actual financial condition of the Bidder and Pon Holdings for any future date or period. The financial information has been prepared based upon those assumptions stated below that the Bidder believes are reasonable. The Bidder would especially like to point out that the effects of the takeover cannot be accurately predicted today, because amongst other things (i) revenue and cost synergies arising from the takeover can only be reasonably assessed and accurately quantified once the takeover has been completed, (ii) the allocation of the purchase price cannot reasonably be completed as of the date of publication of this Offer Document, and (iii) the ultimate amount of costs in relation to the Offer and the acquisition of Derby Cycle Shares depends on the Offer outcome, i.e. the number of Derby Cycle Shares tendered.

The effects of the consummation of this Offer on the balance sheet of the Bidder and the consolidated balance sheet of Pon Holdings are summarised below.

9.1 **Expected effects on the assets, financial and earnings position of the Bidder**

The Bidder has not been engaged in any activity other than those incidental to its formation and the transactions described in this Offer Document, and thus has not received any revenue and has not achieved any significant income or expense since its formation and until the publication of this Offer Document. The Bidder sets up its balance sheets in accordance with the German Commercial Code (**HGB**) and German GAAP. The fiscal year end of the Bidder is 31 December.

The Presumed Total Acquisition is expected to have the following consequences on the assets, financial position and earnings position of the Bidder, based on HGB and German GAAP, compared to its assets, financial position and earnings position at the date of the last publicly available annual financial statements of the Bidder as per 31 December 2010.

(Simplified) non-consolidated balance sheet of Bidder

Bidder/Balance Sheet Positions	Prior to Announcement (without pre-offer purchases) in EUR thousand	Prior to Completion of Offer including pre-offer purchases) in EUR thousand	Post Completion of Offer in EUR thousand
Receivables	1	1	1
Cash	16	16	16
Bank Reserve Account	0	0	0
Derby Cycle Shares	0	117,282	220,500
Total Assets	17	117,299	220,517
Equity, other comprehensive income	15	15	15
Other current liabilities	2	2	2
Inter-company liability	0	117,282	220,500
Total equity and Liabilities	17	117,299	220,517

In this simplified non-consolidated balance sheet it is assumed that the acquisitions of the Derby Cycle Shares is fully financed through intercompany loans.

- (a) Approximately EUR 10.5 million of costs will be capitalised as acquisition costs (5% of the purchase price of all Derby Cycle Shares). The book value of the Derby Cycle Shares acquired under the Offer will contain the Offer Price and acquisition costs capitalised.
- (b) Total Assets of the Bidder are expected to increase with the total purchase price of the Derby Cycle Shares (including acquisition costs). Approx. EUR 117,282,000 of such increase are related to pre-acquisitions of Derby Cycle Shares, and approx. EUR 103,218,000 are related to Derby Cycle Shares acquired under the Offer.
- (c) The sum of the inter-company liability is expected to increase according to the total purchase price of the Derby Cycle Shares (including acquisition costs). A portion of approx. EUR 117,282,000 will amount to financing of pre-acquisitions and a portion of EUR 103,218,000 will amount to financing of Derby Cycle Shares acquired under the Offer.
- (d) The future earnings position of the Bidder is expected to be determined by the following factors:
 - The income of the Bidder will mainly consist of dividends from Derby Cycle AG. The amount of any such payments cannot however be predicted. Given the fact that the annual accounts of Derby Cycle AG for the business year 2010/2011 ending on 30 September 2011 are not yet available, for reasons of precaution, the Bidder does not expect any dividend payment for the financial year 2010/2011.

- The costs of the Bidder during the first twelve months following the Presumed Total Acquisition will mainly consist of future administration costs and interest costs in respect of inter-company financing, such costs will amount to approx. EUR 8 million. The interest on the intercompany loans will be accrued for such 12 months period. Any additional funding needs of the Bidder might be provided by Pon Holdings either through additional intercompany loans or alternatively through additional equity.

9.2 Expected effects on the assets, financial and earnings position of Pon Holdings

The following calculations are based on Pon Holdings' latest results for the 12 month period from 1 January 2010 to 31 December 2010, the latest publically available information. Pon Holdings' results have been prepared in accordance with NL GAAP and are stated in euros. The fiscal year end of Pon Holdings is 31 December. The figures for Derby Cycle AG for the 9 month period are contained in the latest available unaudited consolidated results for the 9 month periods from 1 October 2010 to 30 June 2011 which have been prepared in accordance with IFRS as adopted by the European Union and are stated in euros. For the consolidated income statement the figures of Derby Cycle AG are based on the forecasted revenues and operating income as outlined in the nine month report 2010/2011 of Derby Cycle AG.

The exact effect of the acquisition of Derby Cycle Shares by Pon Holdings on Pon Holdings' future consolidated financial statements cannot be accurately predicted as of today. Reasons for this are, *inter alia*, the different accounting standards which are applied by the two companies for the preparation of their financial statements and the fact that a purchase price allocation as at the date of publication of this Offer Document cannot be reasonably made (and is, therefore, not considered in this calculation).

Overview of expected effects of the Presumed Total Acquisition on the consolidated balance sheet of Pon Holdings as of 31 December 2010 given a financing through bank financing:

(Simplified) consolidated balance sheet of Pon Holdings

Pon Holdings Balance Sheet Positions	Pon Holdings prior to Completion of Offer in EUR million	Derby Cycle AG in EUR million	Adjustments for the Offer in EUR million	Including Derby Cycle AG in EUR million
Goodwill and other intangible assets	38	4	0	41
Property, plant and equipment	1,053	4	0	1,057
Investments and other non-current assets	367	1	0	368
Current assets	1,189	92	0	1,281
Total Assets	2,647	101	0	2,748
Equity, other comprehensive income	918	60	-221	758
Minority interest	0	0	0	0
Non-current liabilities	600	5	221	826
Current liabilities	1,128	36	0	1,164

Total equity & liabilities	2,647	101	0	2,748
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Note: Amounts may not add up due to rounding

The Presumed Total Acquisition would, according to this estimation, have the following effects on the consolidated balance sheet of Pon Holdings:

- (a) Total Assets will increase from EUR 2,647 million to EUR 2,748 million.
- (b) The item "Goodwill and other intangible assets" will increase from EUR 38 million to EUR 41 million. Pon Holdings deducts goodwill from equity applying Dutch GAAP in this respect. The acquisition therefore does not have a material impact on "Goodwill and other intangible assets". The acquisition will have a negative impact on Pon Holdings' equity.
- (c) As a result of the payment of the purchase price and the transaction costs, Pon Holdings' liabilities will increase by EUR 221 million i.e., EUR 210 million total price paid for Derby Cycle Shares and EUR 11 million transaction costs.
- (d) The other items of the balance sheet will, apart from equity, increase due to the addition of the balance sheet item amounts of Derby Cycle AG.
- (e) The consolidated income statement is based on financials for the year 2010 for Pon Holdings and the forecasted results of Derby Cycle AG as outlined in the nine month report 2010/2011 of Derby Cycle AG. As set out in the assumptions above, as different accounting standards have been used and no allocation of the purchase price to the acquired assets and liabilities of Derby Cycle AG has been made, the figures are not indicative for the full year's performance. The Presumed Total Acquisition would, according to this estimation, have the following effects on the consolidated income statement position of Pon Holdings:
 - revenues, operating income and profit before tax are calculated by adding the respective line items from Derby Cycle AG to Pon Holdings' consolidated income statement. Synergies, possible restructuring costs required to attain such synergies and possible amortisation and any other effects from purchase price allocations have not been taken account of here;
 - Revenues will increase from EUR 5,014 million to EUR 5,244 million
 - Operating income will increase from EUR 173 million to EUR 192 million
 - Profit before tax will increase from EUR 163 million to EUR 173 million. This includes already a negative impact on profit before tax in the amount of EUR 8 million from interest on the financing used to finance the Offer (based on 3.5%, which is the expected interest rate on the financing offered by Pon Holdings' financiers).

10. STATEMENT ON THE STATUTORY RIGHTS OF WITHDRAWAL

In the event of an amendment of the Offer, Derby Cycle Shareholders who have accepted the Offer prior to the publication of the amendment may rescind the agreement concluded by the acceptance of the Offer before the expiry of the Acceptance Period (see section 21 para. 4 WpÜG).

In the event of a competing offer, Derby Cycle Shareholders who have accepted the Offer may rescind the agreement concluded by the acceptance of the Offer before the expiry of the Acceptance Period,

provided that the conclusion of the agreement took place prior to the publication of the offer document for the competing offer (see section 22 para. 3 WpÜG).

In both events, the declaration of rescission must be made in writing through the respective Custodian Bank and received by the Custodian Bank by the end of the Acceptance Period. The rescission becomes effective with the book-entry re-transfer of the Tendered Derby Cycle Shares of the respective rescinding shareholder under the original ISIN DE000A1H6HN1 (WKN A1H6HN) at Clearstream Banking AG, Frankfurt am Main, Germany (**Clearstream**). The book-entry re-transfer will be arranged for by the respective Custodian Bank. If the rescission is declared in writing to the Custodian Bank within the – possibly extended – Acceptance Period, the book-entry re-transfer of the Tendered Derby Cycle Shares under ISIN DE000A1H6HN1 (WKN A1H6HN) is deemed to have been duly effected if the book-entry re-transfer has been effected by the second Banking Day, 18.00h CET, after the expiry of the Acceptance Period.

11. EXECUTION OF THE OFFER

Derby Cycle Shareholders willing to accept the Offer should contact their respective Custodian Bank with respect to any questions regarding the acceptance of the Offer and the settlement of the Offer. The Custodian Banks have been informed about the handling of the acceptance and settlement of the Offer separately and are obliged to inform their customers holding Derby Cycle Shares in their deposit about the Offer and the necessary steps for its acceptance.

11.1 Central Tender Agent

The Bidder has appointed BHF-BANK AG in Frankfurt am Main, Germany as the central tender agent managing the technical processing of the Offer (**Central Tender Agent**).

11.2 Acceptance declaration and book-entry transfers

Derby Cycle Shareholders may only accept this Offer within the Acceptance Period (for acceptance within the Additional Acceptance Period see section 11.6), by:

- (a) declaring their acceptance of this Offer in writing towards their Custodian Bank (**Acceptance Declaration**); for compliance with the Acceptance Period, receipt of the Acceptance Declaration at the Custodian Bank is decisive and
- (b) instructing their Custodian Bank to effect book-entry transfers of the Derby Cycle Shares which are in their securities account and in respect of which they wish to accept this Offer at Clearstream under ISIN DE000A1MBH74 (WKN A1M BH7).

The declaration of acceptance will only become valid once the book-entry transfers of the Tendered Derby Cycle Shares in the ISIN DE000A1MBH74 (WKN A1M BH7) have been performed in a timely manner at Clearstream. The Custodian Bank has to arrange for the book-entry transfers to be performed after receipt of the declaration of acceptance, this lies in the respective Custodian Bank's responsibility. If the declaration of acceptance is given to the Custodian Bank within the Acceptance Period, the book-entry transfers of the Derby Cycle Shares at Clearstream will be deemed to have been duly effected if the book-entry transfers have been effected by the second Banking Day after the expiry of the Acceptance Period, by 18.00h CET at the latest. The Derby Cycle Shares tendered within the Acceptance Period, in each case referred to in the declaration of acceptance, for which the book-entry transfers have been duly made under the ISIN DE000A1MBH74 (WKN A1M BH7) will be identified as **Tendered Derby Cycle Shares**.

11.3 Further declarations of accepting Derby Cycle Shareholders

By making a declaration of acceptance in accordance with Section 11.2, each Derby Cycle Shareholder declares at the same time that:

- (a) it accepts this Offer of the Bidder to conclude a sale and purchase agreement for all Derby Cycle Shares held in its deposit at the time of declaration of acceptance of the Offer on the terms and conditions in this Offer Document, other than in the case where the Acceptance Declaration explicitly stipulates in writing any other number of shares;
- (b) it instructs its Custodian Bank to leave the Tendered Derby Cycle Shares in the respective deposits for the time being but arrange for the rebooking into ISIN DE000A1MBH74 (WKN AIM BH7) at Clearstream;
- (c) it accepts the Bidder's offer for the transfer of title to the Tendered Derby Cycle Shares to the Bidder as follows:
 - (i) the Bidder will acquire title to the Tendered Derby Cycle Shares;
 - (ii) the transfer of title will only become effective when the Tendered Derby Cycle Shares are made available by Clearstream to the Central Tender Agent for the purpose of transferring title to the Bidder simultaneously against (*Zug-um-Zug*) payment of the Offer consideration to the account of the respective Custodian Bank at Clearstream; and
 - (iii) upon transfer of title to the Tendered Derby Cycle Shares all rights associated with these shares including all ancillary rights existent as of the date of completion of the Offer pass to the Bidder;
- (d) it instructs its Custodian Bank, in turn, to instruct and authorise Clearstream to make the Tendered Derby Cycle Shares available to the Central Tender Agent on the Central Tender Agent's account with Clearstream for the purpose of transferring title to the Tendered Derby Cycle Shares to the Bidder;
- (e) it instructs its Custodian Bank, in turn, to instruct and authorise Clearstream to transfer the Tendered Derby Cycle Shares, including all ancillary rights attached to them at the point in time of the settlement of the Offer to the Bidder simultaneously against (*Zug um Zug*) payment of the Offer Consideration for the respective Tendered Derby Cycle Share to the Custodian Bank's account with Clearstream under the terms and conditions of the Offer;
- (f) its Tendered Derby Cycle Shares will, at the time of the transfer of title, be solely owned by it as well as unencumbered by any third party rights and claims;
- (g) it instructs and authorises its Custodian Bank and the Central Tender Agent, both having been released, as a matter of precaution, from the prohibition from contracting with itself as agent for a third party (*Selbstkontrahieren*) pursuant to section 181 German Civil Code (*Bürgerliches Gesetzbuch*), to take all necessary or appropriate measures and to make and receive any declarations for the execution of the Offer on the terms and conditions in the Offer Document, in particular, to bring about the transfer of title to the Tendered Derby Cycle Shares to the Bidder;
- (h) it instructs and authorises its Custodian Bank and possible intermediate custodians to instruct and authorise Clearstream to transmit to the Bidder and the Central Tender Agent on each trading day information necessary for announcing the status of the acquisition of the shares in particular the number of Tendered Derby Cycle Shares for which book-entry transfers have been

made under ISIN DE000A1MBH74 (WKN A1M BH7) in the Custodian Bank's account with Clearstream; and

The declarations, instructions, orders and authorisations referred to in paragraphs (a) through (h) are issued irrevocably in the interest of a smooth and expeditious execution of this Offer. They will only become null and void in the event that the sale and purchase agreement, which has come into existence as a result of the acceptance of this Offer, is validly rescinded in accordance with Section 10.

11.4 **Legal consequences of the acceptance declaration**

Upon acceptance of this Offer, a contract for the sale and purchase of the Tendered Derby Cycle Shares will come into existence between each accepting Derby Cycle Shareholder and the Bidder on the terms and conditions of this Offer Document.

In addition, by accepting the Offer, the accepting Derby Cycle Shareholder agrees with the Bidder on the terms and conditions of this Offer Document on the transfer of title to the Tendered Derby Cycle Shares to the Bidder as described under Sections 11.3 (c) 11.5 and 11.7. Upon transfer of title to the Tendered Derby Cycle Shares, all rights associated with these shares including all ancillary rights attached to the Derby Cycle Shares as of the date of completion of the Offer pass to the Bidder. Furthermore, each accepting Derby Cycle Shareholder irrevocably issues the instructions, declarations, orders and authorisations referred to in the Offer Document under Section 11.3.

11.5 **Settlement of the Offer and payment of the Purchase Price following the acceptance within the Acceptance Period**

The Central Tender Agent will transfer the Tendered Derby Cycle Shares, for which the Offer has been validly accepted within the Acceptance Period, to the Bidder simultaneously against (*Zug um Zug gegen*) payment of the Offer Price to the account of the relevant Custodian Bank at Clearstream. Such transfer will be effected without undue delay after the Tendered Derby Cycle Shares have been made available to Central Tender Agent in accordance with the provisions in Section 11.2 in conjunction with Section 11.3, but at the earliest three Banking Days but no later than seven Banking Days after expiry of the Acceptance Period.

The Bidder will perform its obligation to pay the Offer Price in accordance with this Offer upon the credit entry (*Gutschrift*) being made at the relevant Custodian Bank. It is the Custodian Bank's responsibility to credit the Offer Price to each Derby Cycle Shareholder concerned.

11.6 **Acceptance of the Offer during the Additional Acceptance Period**

During the Additional Acceptance Period as described in Section 3.4 of this Offer Document, Derby Cycle Shareholders can only accept this Offer by:

- (a) declaring in writing their acceptance of this Offer to their Custodian Bank (the **Subsequent Declaration of Acceptance**); and
- (b) instructing their Custodian Bank to effect the re-booking (*Umbuchung*) at Clearstream of the Derby Cycle Shares which are in their securities deposit account and in respect of which they wish to accept this Offer during the Additional Acceptance Period (**Subsequently Tendered Derby Cycle Shares**) under the ISIN DE000A1MBH82 (WKN A1M BH8).

The Subsequent Declaration of Acceptance will only become effective if the re-booking of the Subsequently Tendered Derby Cycle Shares to ISIN DE000A1MBH82 (WKN A1M BH8) at Clearstream has been effected by no later than 18:00 h CET on the second Banking Day after expiry of the Additional Acceptance Period. The re-booking must be effected by the Custodian Bank after receipt of the Subsequent Declaration of Acceptance, being understood that this lies within the responsibility of the Custodian Bank. Beyond this, the provisions contained in Section 11.3 and 11.4 of this Offer Document shall

apply *mutatis mutandis* to acceptances of the Offer during the Additional Acceptance Period.

Derby Cycle Shareholders who wish to accept the Offer during the Additional Acceptance Period should direct any queries to their Custodian Banks.

11.7 Settlement of the Offer and payment of the Purchase Price following the acceptance within the Additional Acceptance Period

The Central Tender Agent will transfer the Subsequently Tendered Derby Cycle Shares, for which the Offer has been validly accepted within the Additional Acceptance Period, to the Bidder simultaneously against (*Zug um Zug gegen*) payment of the Offer Price to the account of the relevant Custodian Bank at Clearstream. Such transfer will be effected without undue delay after the Subsequently Tendered Derby Cycle Shares have been made available to Central Tender Agent in accordance with the provisions in Section 11.6 in conjunction with Section 11.3, but at the earliest three Banking Days but no later than seven Banking Days after expiry of the Additional Acceptance Period.

Upon the credit entry (*Gutschrift*) being made on the account of the relevant Custodian Bank, the Bidder has fulfilled its obligation to pay the Offer Price. It will be the responsibility of the Custodian Banks to credit the Offer Price to the relevant vendor.

11.8 Costs and expenses

The acceptance of the Offer is free of costs and expenses for Derby Cycle Shareholders who hold their Derby Cycle Shares in safe custody with a Custodian Bank in Germany, with the exception of the cost for the transmission of the acceptance declaration to the Custodian Bank. Any foreign stock exchange turnover tax or stamp duties or other foreign taxes/expenses which may be incurred, as well as any costs imposed by a credit institution or custodian financial services institution outside Germany, shall be borne by the respective accepting Derby Cycle Shareholder.

11.9 Trading in Tendered Derby Cycle Shares

The Tendered Derby Cycle Shares shall be admitted to trading under ISIN DE000A1MBH74 (WKN A1M BH7) on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange (Prime Standard) from expectedly the second Banking Day after the beginning of the Acceptance Period until the end of the Acceptance Period. Trading in Subsequently Tendered Derby Cycle Shares during the Additional Acceptance Period is not envisaged.

The Bidder points out that the trading volume and the liquidity in the Tendered Derby Cycle Shares could be low and subject to strong fluctuations. Any persons who acquire any Tendered Derby Cycle Shares assume all rights and obligations in respect of these shares arising as a result of the acceptance of this Offer. Derby Cycle Shares not being tendered can continue to be traded under ISIN DE000A1H6HN1 (WKN A1H6HN).

11.10 Safe keeping of documentation

Derby Cycle Shareholders who have accepted the Offer and their Custodian Banks should keep the documentation on the acceptance of the Offer in safe custody.

12. **EFFECTS OF THE OFFER ON DERBY CYCLE SHAREHOLDERS WHO DO NOT ACCEPT THE OFFER**

Derby Cycle Shareholders who do not accept the Offer will remain shareholders of Derby Cycle AG. They should however take the following into account:

- Derby Cycle Shares for which the Offer was not accepted can still be traded on the regulated market (*Regulierter Markt*) and on XETRA of the Frankfurt Stock Exchange. It cannot be ruled out, however, that after the successful completion of this Offer, supply and demand for Derby Cycle Shares will be less than that of today and therefore the liquidity of the Derby Cycle Shares will decrease. As a result, it could become impossible to execute sale or purchase orders in a timely manner or at all. Furthermore, the possible reduced liquidity of the Derby Cycle Shares could lead to significantly higher volatility of the stock exchange price than in the past.
- Derby Cycle Shares are included in the S-Dax-Index with the consequence that investment funds that invest in companies included in indices like the S-Dax-Index (so called index funds) hold Derby Cycle Shares to match the performance of those indices. Subsequent to the successful completion of this Offer, Derby Cycle Shares may possibly not be included in those indices due to a reduced free float. Therefore, such index funds which hold Derby Cycle Shares after the settlement of the Offer may sell their Derby Cycle Shares on the stock exchange. As a result, there could be an oversupply of Derby Cycle Shares in a relatively illiquid market which may result in a decline of the market price of Derby Cycle Shares.
- The current market price of Derby Cycle Shares over the last days prior to the publication of the Offer probably reflects the fact that on 21 September 2011 the Bidder publicly announced its decision to make the Offer. It is uncertain whether the market price of Derby Cycle Shares will trade at the current level after the expiry of the Offer.
- If the Bidder takes one of the measures that leads to a statutory right to receive a compensation in cash, this would mean the following for those who remain shareholders of Derby Cycle AG. In case of a squeeze-out they would receive, and in other cases (e.g., merger, domination and/or profit and loss transfer agreement) they could accept the offer to receive a cash compensation that could be equal to, higher or lower than the Offer Price. Alternatively, remaining shareholders (other than under a squeeze-out) could keep their shareholding, the nature of which could change though. In case of conversion or merger into a non-listed company, a delisting of the Derby Cycle Shares would occur. In the event that the Bidder enters into a domination and/or profit and loss transfer agreement, the shareholders would receive a guaranteed dividend.
- In the event that, following consummation of the Offer, the Bidder directly or indirectly holds 95% or more of the then existing share capital of Derby Cycle AG which is entitled to voting rights, pursuant to section 39c, para. 4 WpÜG, Derby Cycle Shareholders who have not accepted the Offer may within three months after expiration of the Acceptance Period (Disposition Right Period) demand that the Bidder shall acquire their Derby Cycle Shares against payment of the Offer Price (Disposition Right), section 39c WpÜG. Pursuant to section 23 para. 1 no. 4 WpÜG the Bidder shall announce without undue delay if it exceeds the aforementioned threshold of 95%. The Disposition Right Period does not commence before the Bidder has complied with its obligation pursuant to section 23 para. 1 no. 4 WpÜG, at the earliest in any case after expiry of the Acceptance Period. The procedures for acceptance and settlement of the Offer set forth in Section 11 shall apply mutatis mutandis to the exercise of the Disposition Right. Derby Cycle Shareholders intending to accept the Offer during the Disposition Right Period should contact their Custodian Bank with any queries they may have about the technical aspects.

13. REQUIREMENT AND STATUS OF OFFICIAL APPROVALS AND PROCEEDINGS

13.1 Required merger control proceedings and status in Germany

The necessary merger control notification for the execution of the merger control procedures with the German Federal Cartel Office has been filed before publication of this Offer Document on 23 September 2011. Merger control clearance has been granted by the German Federal Cartel Office on 7 October 2011.

13.2 Approval for the publication of this Offer Document

BaFin has granted the Bidder approval for the publication of this Offer Document on 20 October 2011. BaFin has not considered the English translation for convenience of this Offer Document. As far as the Bidder is aware, no other administrative approval is required in connection with the transaction.

14. RESULTS OF THE OFFER AND OTHER ANNOUNCEMENTS

The Bidder will publish the notifications pursuant to section 23 para. 1 WpÜG

- (a) following the publication of this Offer Document weekly and daily in the final week prior to expiry of the Acceptance Period, and
- (b) without undue delay after expiry of the Acceptance Period, expected to be within three Banking Days after expiry of the Acceptance Period, and
- (c) without undue delay after expiry of the Additional Acceptance Period, expected to be within three Banking Days after expiry of the Additional Acceptance Period, and
- (d) without undue delay after having obtained the threshold required for a takeover squeeze-out pursuant to section 39a para. 1 and 2 WpÜG,

by notification on the Internet at <http://www.pon.com> (in German with a non-binding English convenience translation) as well as in the electronic Federal Gazette (*elektronischer Bundesanzeiger*) and will inform BaFin thereof.

Further declarations and notifications of the Bidder in connection with the Offer and the agreements concluded by acceptance of the Offer will be published by printing of the document or publishing a notification in the electronic Federal Gazette as well as on the Internet at <http://www.pon.com>, unless other or further forms of publication, notification or declaration are provided by law.

15. FINANCIAL ADVISOR/ACCOMPANYING BANK

Rabobank International M&A, , a division of Coöperatieve Centrale Raiffeissen-Boerenleenbank B.A. with seat in Amsterdam, the Netherlands] and Lazard B.V. with seat in Amsterdam, the Netherlands acted as financial advisors to the Bidder with regard to the overall transaction, including the preparation and implementation of this Offer.

In its capacity as the Central Tender Agent, BHF-BANK AG in Frankfurt am Main, Germany, will coordinate the technical execution of the Offer.

16. TAX

Before accepting the Offer, Derby Cycle Shareholders are advised to obtain advice with respect to tax law, taking account of their individual tax circumstances.

17. **APPLICABLE LAW AND FORUM**

This Offer and the sale and purchase agreements concluded on the basis of this Offer are governed exclusively by the laws of the Federal Republic of Germany. The forum shall be Frankfurt am Main, as far as legally permissible.

18. **DECLARATION OF ASSUMPTION OF RESPONSIBILITY FOR THE OFFER DOCUMENT**

The Bidder, Pon Holding Germany GmbH, with its registered office at Kerpen, Germany, assumes responsibility for the contents of this Offer Document. The Bidder declares that, to the extent of its knowledge the information contained in this Offer Document is correct and that no material circumstances have been omitted.

Almere, 20 October 2011

Pon Holding Germany GmbH

Bastiaan Sprong

Managing Director

ANNEX 1: DEFINED TERMS

Acceptance Declaration	Declaration by Derby Cycle Shareholders of the acceptance of the Offer within the Acceptance Period in writing towards their Custodian Bank as set out in Section 11.2
Acceptance Period	The period for acceptance of the Offer
Acquisition	The acquisition considered by the Company on 21 September 2011 as stated in the Company's ad hoc release dated 21 September 2011
Additional Acceptance Period	The additional acceptance period of this Offer as determined in accordance with section 16 para. 2 WpÜG
AktG	German Stock Corporation Act (<i>Aktiengesetz</i>)
Announcement	The announcement of the decision to make the Offer pursuant to section 10 WpÜG made on 21 September 2011
Authorisation	The authorisation of the extraordinary general meeting of Derby Cycle AG as of 20 January 2011 authorising Derby Cycle AG's management board to buy treasury shares (<i>eigene Aktien</i>)
BaFin	German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>)
Banking Day(s)	Day(s) on which (i) the banks in Frankfurt am Main are open for the transaction of business of the type required by this Offer and (ii) the Trans-European Automated Real Time Gross Settlement Express Transfer System (TARGET) (or any system which may substitute it) is operational
Bidder	Pon Holding Germany GmbH, Karl-Ferdinand-Braun-Str. 18, 50170 Kerpen, Germany, registered with the commercial register (<i>Handelsregister</i>) of the local court (<i>Amtsgericht</i>) of Cologne, Germany under HRB 62066
Business Combination Agreement	Business combination agreement dated 21 September 2011 between Derby Cycle AG and the Bidder
Call Option	Right of the Bidder to acquire the Mathias Seidler Irrevocables in total from A/M/S GmbH after expiry of the Lock-up Period as set out in Section 4.5
Central Tender Agent	BHF-BANK AG in Frankfurt am Main, Germany
CET	Central European Time
Clearstream	Clearstream Banking AG, Frankfurt am Main, Germany
Company	Derby Cycle AG, Siemensstraße 1-3, 49661 Cloppenburg, Germany, registered with the commercial register of the local court of Oldenburg, Germany under registration number HRB 205285
Custodian Bank	A custodian credit institution or custodian financial services institution resident in Germany or a German branch of a custodian credit institution or custodian financial services institution
Derby Business	The business of Derby Cycle AG as described in section 5.2 (a)
Derby Cycle	Derby Cycle AG together with Derby Holding (Deutschland) GmbH, Raleigh Univega GmbH, Derby Cycle Werke GmbH, Focus Bicycles USA, Inc. (USA), NW Sportgeräte Vertriebs-GmbH and swissbike Piero Zurino GmbH (Switzerland), Derby Cycle Australia Pty Limited
Derby Cycle AG	Derby Cycle AG, Siemensstraße 1-3, 49661 Cloppenburg, Germany, registered with the commercial register of the local court of Oldenburg, Germany under registration number HRB 205285

Derby Cycle Shares	All no par value bearer shares in Derby Cycle AG (ISIN DE000A1H6HN1 (WKN A1H6HN))
Derby Cycle Shareholder(s)	All holder(s) of Derby Cycle Share(s)
Derby Cycle Group	Derby Cycle AG together with Derby Holding (Deutschland) GmbH, Raleigh Univega GmbH, Derby Cycle Werke GmbH, Focus Bicycles USA, Inc. (USA), NW Sportgeräte Vertriebs-GmbH and swissbike Piero Zurino GmbH (Switzerland), Derby Cycle Australia Pty Limited
Disposition Right	The right granted pursuant to section 39c WpÜG
Disposition Right Period	Pursuant to section 39c para. 4 WpÜG, the three-month period after the expiration of the Acceptance Period during which Derby Cycle Shareholders who have not accepted the Offer may demand that the Bidder acquire their Derby Cycle Shares against payment of the Offer Price
Employee Share Participation Programme	Has the meaning as defined in Section 4.2
Equity Funding Agreement	Equity funding agreement dated September 2011 between Derby Cycle AG and Pon Holdings
Gazelle	Gazelle Holding B.V.
Gazelle Business	The Gazelle biking business of the Bidder and Pon Holdings
German GAAP	The German generally accepted accounting principles (<i>Grundsätze der ordnungsgemäßen Buchführung und Bilanzierung, GoB</i>)
Geveke	Geveke N.V.
HGB	German Commercial Code (<i>Handelsgesetzbuch</i>)
IPO	Initial public offering
Lock-up Period	Has the meaning as defined in Section 4.5
Management Team Irrevocables	Irrevocable Undertakings entered into between a member of the expanded management team, holding 60,000 Derby Cycle Shares, the Bidder and Pon Holdings on 21 September 2011
Mathias Seidler Irrevocables	Irrevocable Undertakings entered into between A/M/S GmbH, a fully owned subsidiary of Mathias Seidler, holding 600,000 Derby Cycle Shares, the Bidder and Pon Holdings on 21 September 2011
Mr Pon	Mr Wijnand Nicolaas Pon, with business address at Zuiderinslag 2, NL-3833 BP Leusden, the Netherlands
New Derby Cycle Shares	600,000 bearer shares with no-par value, each such share representing a notional interest in the share capital of EUR 1.00, to be issued by Derby Cycle AG to the Bidder according to the terms and conditions of the Equity Funding Agreement
Offer	The voluntary public takeover offer described in the Offer Document
Offer Document	The present offer document
Offer Price	Offer price amounting to EUR 28.00 per Derby Cycle Share
Pon Holdings	Pon Holdings B.V. (<i>Besloten Vennootschap, B.V.</i>) incorporated under Dutch law with its registered office at Rondebeltweg 31, NL-1329 BN Almere, the Netherlands
Presumed Total Acquisition	The presumed acquisition by the Bidder of all Derby Cycle Shares not held by itself due to the total acceptance of the Offer
Put Option	The right of A/M/S GmbH to sell all or parts of the Mathias Seidler Irrevocables to the Bidder as set out in Section 4.5
Required Funds	The amount resulting from the multiplication of 3,309,980 Derby Cycle Shares issued and not held by the Bidder with the Offer Price of EUR 28 per Derby Cycle Share plus approx. EUR 10.5 million costs, expenses and payments to bank accounts and bank reserve

	accounts incurred and to be incurred for the preparation and execution of the Offer in the amount of approximately EUR 103 million
Section	A section of this Offer Document
Share Capital	The registered share capital (<i>Grundkapital</i>) of Derby Cycle AG amounts to EUR 7,500,000
Stichting	Stichting Continuïteit Wilg, incorporated under Dutch law with its registered office at Zuiderinslag 2, 3833 BP Leusden, the Netherlands
Subsequent Declaration of Acceptance	As defined in Section 11.6
Subsequently Tendered Derby Cycle Shares	Those Derby Cycle Shares that have been tendered by Derby Cycle Shareholders within the Additional Acceptance Period and referred to in the declaration of acceptance, for which the book-entry transfers have been timely made under the ISIN DE000A1MBH82
Tendered Derby Cycle Shares	Those Derby Cycle Shares that have been tendered by Derby Cycle Shareholders within the Acceptance Period and referred to in the declaration of acceptance, for which the book-entry transfers have been timely made under the ISIN DE000A1MBH74
UmwG	German Reorganisation Act
Wilg	Houdstermaatschappij Wilg B.V. (Besloten Vennootschap, B.V.), incorporated under Dutch law with its registered office at Zuiderinslag 2, 3833 BP Leusden, the Netherlands
WpHG	German Securities Trading Act (<i>Wertpapierhandelsgesetz</i>)
WpÜG	German Securities Acquisition and Takeover Act (<i>Wertpapiererwerbs- und Übernahmegesetz</i>)
WpÜG Offer Regulation	Regulation pertaining to the contents of the offer document, the consideration in the event of takeover offers and mandatory offers and the release from the obligation to publish and to make an offer (<i>Verordnung über den Inhalt der Angebotsunterlage, die Gegenleistung bei Übernahmeangeboten und Pflichtangeboten und die Befreiung von der Verpflichtung zur Veröffentlichung und zur Abgabe eines Angebots, WpÜG-Angebotsverordnung</i>)

ANNEX 2: PERSONS ACTING JOINTLY WITH THE BIDDER

Company	Corporate seat
Baltic Marine Contractors OÜ	Talinn, Estonia
Gazelle Holding B.V.	Dieren, Netherlands
Koninklijke Gazelle N.V.	Dieren, Netherlands
Motrac Handling & Cleaning n.v.	Antwerpen, Belgium
Pelzer Fördertechnik GmbH	Kerpen, Germany
Ateliers Louis Galli	ZAC de Saumaty Seon, France
Moteurs-Marine-Méditerranée S.A.S.	Marseille, France
Pon Asia Holding PTE Ltd.	Singapore, Singapore
Pon Equipment + Power Systems B.V.	Almere, Netherlands
Pon North America, Inc.	Houston TX, United States
Equipment Depot of Illinois, Inc.	Chicago IL, United States
Equipment Depot Kentucky, Inc.	Evansville IN, United States
Equipment Depot Ltd.	Waco TX, United States
Equipment Depot Ohio, Inc	Cincinnati OH, United States
Equipment Depot Pennsylvania, Inc	Mechanicsburg PA, United States
PVI Holdings, Inc.	Wilmington DE, United States
AVC-Paltex Corporation	Houston TX, United States
DMC Carter Chambers, Inc.	Baton Rouge LA, United States
W&O Supply, Inc.	Jacksonville FL, United States
A-T Controls Inc.	Cincinnati / Hamilton OH, United States
MAN Nederland B.V.	Vianen, Netherlands
MAN Rollo B.V.	's Gravenhage, Netherlands
MRW Holding B.V.	Vianen, Netherlands
MAN Nederland Dealer B.V.	Vianen, Netherlands
Automantel B.V.	Sassenheim, Netherlands
MAN truck & bus B.V.	Vianen, Netherlands

Company	Corporate seat
MAN Diesel B.V.	Vianen, Netherlands
Pon Equipment and Pon Power B.V.	Almere, Netherlands
Dieselpower Holland B.V.	Moerdijk, Netherlands
EMC, Europe Marine Control B.V.	Arnhem, Netherlands
Machinefabriek Bolier B.V.	Dordrecht, Netherlands
Pon Power B.V.	Papendrecht, Netherlands
Pon Power Oil & Gas B.V.	Papendrecht, Netherlands
Fischcon Trading & Engineering B.V.	Vianen, Netherlands
Topec B.V.	Papendrecht, Netherlands
Pon Equipment B.V.	Amsterdam, Netherlands
Verachttert Nederland B.V.	's Hertogenbosch, Netherlands
Pon Equipment AS	Oslo, Norway
Pon Power AS	Oslo, Norway
Pon Equipment Rental & Lease B.V.	Vianen, Netherlands
Pon Equipment A/S	Brøndby, Denmark
Pon Power A/S	Esjberg, Denmark
Pon Material Handling Europe B.V.	Almere, Netherlands
Komatsu Intern Transport B.V.	Nijkerk, Netherlands
Motrac Hydrauliek B.V.	Zutphen, Netherlands
Motrac Hydraulik GmbH	Düsseldorf, Germany
Motrac Intern Transport B.V.	Zutphen, Netherlands
PEPS Asia Pacific B.V.	Amsterdam, Netherlands
Pon Equipment AB	Göteborg, Sweden
Pon Power AB	Göteborg, Sweden
W & O Supply (Canada) Inc.	Vancouver BC, Canada
Gazelle GmbH	Nettetal, Germany
Pon Logistiek B.V.	Leusden, Netherlands
Pon's Automobielhandel B.V.	Leusden, Netherlands
Continental Banden Groep B.V.	Barneveld, Netherlands

Company	Corporate seat
Dutch Rescue Vehicles B.V.	Hoogeveen, Netherlands
Euro-Tyre B.V.	Venlo, Netherlands
Holland Inbouw B.V.	Apeldoorn, Netherlands
Honac Nederland B.V.	Apeldoorn, Netherlands
I.M.S. Ltd.	Southampton, United Kingdom
Amring, Amerikanska Ringdepoten Aktiebolag	Hisings Backa, Sweden
SAF Benelux B.V.	Barneveld, Netherlands
TTd B.V.	's Gravenhage, Netherlands
VinyTouch B.V.	Hilversum, Netherlands
A-Point B.V.	Amsterdam, Netherlands
Auto Century B.V.	Groningen, Netherlands
Hoogenboom Autogroep B.V.	Rotterdam, Netherlands
Kamsteeg Auto Groep B.V.	Voorschoten, Netherlands
Pon Dealer B.V.	Amersfoort, Netherlands
Autopon Lease B.V.	's Hertogenbosch, Netherlands
Century Auto Lease B.V.	Groningen, Netherlands
VPHoogenboomlease B.V.	Rotterdam, Netherlands
Kamsteeg Auto Lease B.V.	Leiden, Netherlands
LeasePoint B.V.	Amsterdam, Netherlands
Pon Dealer Autolease B.V.	Amersfoort, Netherlands
Benzinex B.V.	Woerden, Netherlands
Derby Cycle AG	Cloppenburg, Germany
Derby Holding (Deutschland) GmbH	Cloppenburg, Germany
Raleigh Univega GmbH	Cloppenburg, Germany
Derby Cycle Werke GmbH	Cloppenburg, Germany
Focus Bicycles USA, Inc. (USA)	Carlsberg, CA, USA
NW Sportgeräte Vertriebs-GmbH	Cloppenburg, Germany
swissbike Piero Zurino GmbH (Switzerland)	Dierikon, Switzerland
Derby Cycle Australia Pty Limited	Grange, Australia

Company	Corporate seat
Koepon Holding B.V.	Garnwerd, the Netherlands
Alta Genetics Inc.	Balzac, Canada
Alta Genetics USA Inc.	Hughson, USA
Alta Genetics Do Brasil LTDA	Uberaba, Brazil
Alta Genetics de Mexico S.R.L. de C.V.	Torreon, Coahuila, Mexico
Alta Nederland B.V.	Garnwerd, the Netherlands
Alta Ltd.	Leamington Spa, United Kingdom
Alta Deutschland GmbH	Uelzen, Germany
Altagen Inc.	Hughson, USA
Alta Genetics Holding Inc.	Balzac, Canada
Alta Polska Sp. z.o.o.	Lowicz, Poland
Alta-Agricorp Holding Ltd.	Hong-Kong
Alta-Agricorp (Tangshan) animal Husbandry Limited Company	Zunhua, China
Alta Genetics Russia LLC	Moscow, Russia
Saskatoon Colostrum Company Ltd.	Saskatoon, Saskatchewan, Canada
Lac Technologies Ltd.	Saskatoon, Saskatchewan, Canada
Saskatoon Colostrum Mexico S. de R.L. de C.V.	Torreon, Coahuila, Mexico
Valley Agricultural Software Inc.	Tulare, USA
Alta Genetics Australia Ltd.	Tullamarine, Australia
Onroerend Goed Wijwingerd B.V.	Leusden, the Netherlands
Beleggingsmaatschappij Wijwingerd B.V.	Leusden, the Netherlands
Koepon Farms B.V.	Garnwerd, the Netherlands
Koepon Polen B.V.	Garnwerd, the Netherlands
EnergiePon B.V.	Garnwerd, the Netherlands
Das Schelfhaus GmbH	Kaarz, Germany
Warnon GmbH	Kaarz, Germany
Grün-Innovation GmbH	Flessenow, Germany
NG Landhandels- und Verwaltungsgesellschaft mbH	Kaarz, Germany
WinstonGolf GmbH	Kaarz, Germany

Company	Corporate seat
Reiterparadies Vorbeck GmbH	Vorbeck, Germany
Gutshof Vorbeck GmbH	Vorbeck, Germany
Agroplan Landwirtschaftliche Dienstleistungsgesellschaft mbH	Kaarz, Germany
Agripon Deutschland GmbH	Kaarz, Germany

ANNEX 3: FINANCING CONFIRMATION

FINANCING CONFIRMATION

This page is provided as a translation for convenience only of the document containing the confirmation of Coöperatieve Centrale Raiffeissen-Boerenleenbank B.A. (trading as Rabobank International) in accordance with section 13 para 1 sentence 2 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, **WpÜG**). The German-language financing confirmation, which is signed by Coöperatieve Centrale Raiffeissen-Boerenleenbank B.A. (trading as Rabobank International), is the only legally binding document.

[Letterhead of Rabobank International]

12 October 2011

Pon Holding Germany GmbH
Karl-Ferdinand-Braun-Str.18
50170 Kerpen
Germany

Confirmation according to sections 11 para 2, 13 para. 1 sentence 2 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, **WpÜG) with respect to the voluntary public takeover offer by Pon Holding Germany GmbH, a 100% indirect subsidiary of Pon Holdings B.V., Almere, the Netherlands, for acquisition of all shares of Derby Cycle AG, Cloppenburg, against payment of EUR 28,00 in cash per share**

Dear Madam or Sir,

Coöperatieve Centrale Raiffeissen-Boerenleenbank B.A. (trading as Rabobank International), Amsterdam, the Netherlands, is a securities services enterprise (*Wertpapierdienstleistungsunternehmen*) independent of Pon Holding Germany GmbH, pursuant to section 13 para. 1 sentence 2 of the WpÜG.

We hereby confirm that Pon Holding Germany GmbH has taken all necessary measures to ensure that at the time at which the claim for the cash payment becomes due it will have the necessary means available to fulfil completely the offer mentioned above.

We consent to the publication of this letter in the offer document of the offer mentioned above in accordance with section 11 para. 2 sentence 3 no. 4 of the WpÜG.

Yours faithfully

Rabobank International

[name of signatories]