

COMPANY ANNOUNCEMENT

Gabriel Holding A/S

Gabriel launches a new growth strategy to intensify development of the Gabriel Fabrics and SampleMaster business units. Carve-out of the Group's FurnMaster units starts at the same time.

For a number of years, Gabriel has made major investments in the development of the Group's three main business areas: Furniture fabrics in Gabriel Fabrics, sales promotion materials in SampleMaster, and furniture production in FurnMaster. As a result, each of the three business areas holds an established lead in its respective field. The Gabriel Group's core business, and the primary focus of its growth strategy, are to make Gabriel the preferred development partner and supplier of textile solutions to the segment of the furniture industry which has special requirements.

The global fabric business, Gabriel Fabrics, and the unit developing and selling sales promotion concepts and solutions, SampleMaster, hold exactly the right positions in this core business and will be further developed in the coming years.

Management continues to identify worthwhile opportunities for profitable growth in all three business units. However, management has reassessed what structure is most beneficial, and come to the conclusion that the Gabriel Group should be responsible for developing Gabriel Fabrics and SampleMaster while a new owner should take over the development of FurnMaster. FurnMaster has developed into a market leader but no longer falls within the defined scope of the Gabriel Group's growth strategy.

On this basis, the growth strategy includes implementation of a carve-out process in which the FurnMaster business will be fully or partly divested. The process starts immediately in partnership with chosen advisers. Management will share information as the process proceeds.