

COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S

Gabriel Holding A/S puts the sale of Gabriel Ejendomme A/S subsidiary on hold

Since March 2016, Gabriel Holding A/S has been in the process of selling the subsidiary Gabriel Ejendomme A/S.

In October 2018, management signed a letter of intent with the pension group PenSam with a view to selling the entire share capital of its fully-owned subsidiary, Gabriel Ejendomme A/S. Management's desire to find a suitable buyer and obtain a satisfactory price for the company was fulfilled in the letter of intent on the basis of which PenSam wanted to carry out a due diligence process.

Following due diligence, however, PenSam required a price reduction. Gabriel's management does not find that there is a basis for complying with this requirement and has therefore chosen to withdraw from the above-mentioned letter of intent.

Management initiated the sale of the property company in 2016 to trim the balance sheet and increase the Group's capital for further expansion. Since then revenue and earnings from the Group's core business have grown substantially which means that the property complex in Aalborg accounts for an ever-decreasing share of the statement of financial position. Operation of the property company has almost no effect on earnings.

The Group's operation is developing positively with good cash flows from operating activities, low borrowing and sufficient capital resources to perform the Group's strategy – even without a capital injection from the sale of properties.

On this basis, management has decided to put the sale of the subsidiary Gabriel Ejendomme A/S on hold.

Management is maintaining its previous expectations for the full 2018/19 financial year, which were announced in Gabriel Holding's last quarterly report on 31 January 2019.