

COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S

Gabriel North America Inc. has today acquired the share capital in the Mexican furniture manufacturer Grupo RYL, S. A. de C. V.

Gabriel North America Inc has today signed a share purchase agreement with the owner of the Mexican furniture manufacturer Grupo RYL, S. A. de C. V. (RYL), thereby taking over 100% of the share capital. The price for the shares is agreed at approx. USD 0.8 million. In addition hereto debt of USD 3.0 million to the previous owners is taken over.

The purchase of the shares in the Mexican company is to support the Group's growth in the Group's FurnMaster activities in North America

RYL is well established as a development and production unit, acting as a subcontractor to the furniture industry in the US. The company, which employs approx. 170 employees, had in 2018 a revenue of USD 8 million, where the profit before tax amounted to USD -1.2 million.

Expectations to the financial year 2018/2019

For the acquired company, revenue for the rest of the financial year is expected to be in the level of DKK 20 million, and a negative profit contribution before tax of in the level of DKK 2 million.

Management's expectations for the entire financial year 2018/2019 for Gabriel Holding A/S remain a revenue and earnings growth in the level of 10-20%.