

PRESS RELEASE

Amsterdam/Tel Aviv, August 29, 2019

Number of pages: 10

SECOND QUARTER AND FIRST HALF 2019 RESULTS KARDAN N.V.
Highlights H1 and Q2 2019:

Following is a summary of net profit (loss) by activity. Management evaluates performance of main segments by their operational result. Further information that includes detailed segment analysis can be found further in this report.

Net profit (loss) (In €thousands)	H1 2019	H1 2018	Q2 2019	Q2 2018
Real Estate (development and investment property)	1,459	(7,101)	265	(3,878)
Water Infrastructure (discontinued operations)	(11,858)	873	(8,936)	1,210
Other – Avis (discontinued operations)	1,472	925	-	452
Total Operations	(8,927)	(5,303)	(8,671)	(2,216)
Holding (Corporate Finance and G&A)	(37,648)	(5,771)	(14,399)	(13,127)
Total	(46,575)	(11,074)	(23,070)	(15,343)

Kardan N.V.

- H1 2019: €46.6 million net loss to equity holders (H1 2018: net loss of €11.1 million), including negative impact of foreign exchange differences and change in the Israeli CPI of €22.6 million (H1 2018 €4.8 million positive) and a loss at the Water Infrastructure activities (discontinued operations).
- Q2 2019: €23.1 million net loss to equity holders (Q2 2018: net loss of €15.3 million), including €6.6 million negative impact as a result of foreign exchange translation differences of the EUR versus the NIS and change in Israeli CPI on the Company's debentures (Q2 2018 €7.9 million negative impact).

Real Estate

- H1 2019: net profit to equity holders of €1.5 million (H1 2018: net loss of €7.1 million), mainly as a result of improved operations at Galleria Dalian and higher delivery of residential units in the joint venture projects, partly offset by high interest expenses on the Dalian project construction loan.

Water Infrastructure

- H1 2019: €11.9 million net loss to equity holders compared to a profit of €0.9 million in H1 2018 mainly due to provisions for impairments and for losses on projects.

Other

- The completion of the sale transaction of Avis Ukraine on March 14, 2019, resulted in a gain of €1.5 million in H1 2019 (included as part of results from discontinued operations).
- The Company did not repay the February 2018 and February 2019 scheduled payments of principal and interest to the Company's Debenture Holders (series A and B). As a result, starting February 2018 the Company is in default.
- In April 2019, each of the assemblies of Debenture Holders (series A and B) approved of the understandings reached in relation to the balance payments; following which, in June 2019, the Company carried out a partial repayment of the balance payments to Debenture Holders B in the amount of approximately €36.5 million (NIS 145 million).
- In August 2019 the Company announced it has signed a non-binding letter of intent with a third party in relation to a possible investment transaction in Tahal by the investor in exchange for issued shares that will grant the investor a controlling stake in Tahal.

Ariel Hasson, CEO of Kardan NV:

“The results of the first half of 2019 reflect the challenges Kardan is facing. On our infrastructure activities, we faced delays in the start-up of our new projects in Africa. This, together with the pressure on liquidity and new provisions on exposures to a number of projects, emphasized the importance of strengthening the financial position of Tahal through a capital increase. Since Kardan at its current state is unable to support such capital increase, we have taken steps to secure funding through the on-boarding of a new investor. We are confident that with such capital increase Tahal will be able to overcome these setbacks and move forward with further development of its business.

On the positive side, we are pleased with the continuous positive developments of our Real Estate activities. We increased our operational result thanks to improved operations of Galleria Dalian and a higher delivery of residential units in the joint venture projects.

In addition, the foreign exchange rate movements continued to burden our high interest expenses. The weakening of the Yuan and strengthening of the Israeli Shekel both impacted Kardan negatively. All in all we booked a net loss to equity holders of €46.6 million.

In the last quarter there have not been advancement in the discussions with the representatives of the debenture holders regarding the debt settlement. We still anticipate that an agreement will be reached in 2019.”

Condensed Interim Consolidated Income Statement Kardan N.V.

By quarter (in €thousands)

	H1 2019	H1 2018	Q2 2019	Q2 2018	12M - 2018
Total revenues	9,266	68,608	5,859	5,532	79,458
Total expenses	(11,432)	(72,257)	(6,684)	(7,356)	(85,173)
Loss from operations before fair value adjustments, disposal of assets and financial expenses	(2,166)	(3,649)	(825)	(1,824)	(5,715)
Loss from fair value adjustments and disposal of assets and investments, net	(112)	(2,105)	(112)	(2,105)	(7,103)
Result from operations before finance expenses	(2,278)	(5,754)	(937)	(3,929)	(12,818)
Financing income (expenses), net	(39,429)	(7,775)	(15,910)	(14,121)	(23,703)
Share of profit of investments accounted for using the equity method	5,631	1,926	2,759	688	1,491
Profit (loss) before income tax	(36,076)	(11,603)	(14,088)	(17,362)	(35,030)
Income tax (expenses) / benefit	(113)	(1,252)	(46)	375	605
Profit (loss) from continuing operations	(36,189)	(12,855)	(14,134)	(16,987)	(34,425)
Profit (loss) from discontinued operations	(12,526)	3,513	(11,310)	2,877	(311)
Profit (Loss) for the period	(48,715)	(9,342)	(25,444)	(14,110)	(34,736)
Attributable to:					
Non-controlling interests	(2,140)	1,732	(2,374)	1,233	2,039
Net result for equity holders	(46,575)	(11,074)	(23,070)	(15,343)	(36,775)
Other Comprehensive income (expense)	(655)	(3,798)	(7,404)	2,292	(12,837)
Total Comprehensive expense attributable to Kardan equity holders	(47,230)	(14,872)	(30,474)	(13,051)	(49,612)

Overall summarized review of Q2 and H1 2019 results

Q2 2019 resulted in a consolidated net loss attributable to equity holders of €23.1 million (Q2 2018: €15.3 million), bringing the result for the first half of 2019 to a consolidated net loss attributable to equity holders of €46.6 million (H1 2018: €11.1 million net loss).

The loss is mainly due to high financing expenses resulting from the devaluation of the EUR versus the NIS, and the impact of the Israeli CPI on the Company's debentures (€22.6 in H1 2019, versus a positive impact of €4.8 million in H1 2018), and impairment losses in Q2 2019 at the water infrastructure activities (discontinued operations) mainly of a project loan in the amount of €8 million.

Revenues of the Real Estate activities came in at €9.3 million in H1 2019 (H1 2018 €68.6 million which included the revenues from the delivery of Building B in the Europark Dalian project). In Q2 2019, revenues slightly increased to €5.9 million compared to €5.5 million in Q2 2018. Revenues from rental operations of Galleria Dalian increased from €2.7 million in H1 2018 to € 4.3 million in H1 2019, reflecting the continuing positive operational development.

Share of profit of the joint venture residential projects increased due to a higher delivery of residential units and amounted to €5.6 million in H1 2019 (€1.9 million in H1 2018). This resulted in a total operational profit of €6.6 million for the Real Estate segment in H1 2019 (H1 2018: operational loss of €0.9 million). Due to continued high financing costs, the net result came in at €1.5 million compared to a loss of €7.1 million in H1 2018.

Revenues of the water infrastructure activities – included in 'discontinued operations' - increased in H1 2019 to €78.8 million compared to €73.7 million in H1 2018. The gross profit decreased compared to H1 2018 due to a mix of projects with relatively lower profitability, and a provision for loss on a project. The lower gross profit was mitigated by savings in SG&A expenses compared to H1 2018. This, together with high finance expenses and provisions – mainly for impairments - resulted in a total loss of €11.9 million attributable to equity holders in H1 2019 compared to a profit of €0.9 million in H1 2018.

Taking into account the direct equity impact of foreign currency translation differences combined with the net result, the total comprehensive expense to Kardan NV's shareholders amounted to €47.2 million in H1 2019 compared to a comprehensive expense of €14.9 million in H1 2018. The total comprehensive expense was mainly a result of the loss for the period.

Equity

Kardan N.V. (company only, in €thousands)	June 30, 2019	December 31, 2018
Total Assets	321,139	351,188
Total Equity	(106,727)	(59,497)
Equity/Total assets (%)	(33.2%)	(16.9%)

The deficit in shareholders' equity of Kardan N.V. increased from a deficit of €59.5 million as of December 31, 2018 to a deficit equity of €106.7 million as of June 30, 2019, due to the loss in the period.

Negotiations with debenture holders

Since the Company did not repay the principal and interest payments which were due in February 2018 (as announced on January 11, 2018) and February 2019, the Company is in default according to the Deed of Trust as of February 2018. Accordingly, as of March 31, 2018 and until the repayments to the debenture holders are rescheduled, the debentures are presented as current liabilities.

In April 2019, each of the assemblies of Debenture Holders (series A and B) approved of the understandings reached in relation to the balance payments; following which, in June 2019 the Company carried out a partial repayment of the balance payments to Debenture Holders B in the amount of approximately €36.5 million (NIS 145 million). To date, the Company is in advanced negotiations with the Debenture Holders for a final debt settlement, although there was no advancement in the last quarter. Nevertheless, management still anticipates a final agreement to be reached later in 2019.

Covenants

The Company did not meet the debt coverage ratio financial covenant as defined in the Deeds of Trust for the seventh consecutive quarter. In addition, at June 30, 2019 certain Group companies did not meet their financial covenants for which waivers (as at June 30, 2019) were obtained subsequent to the balance sheet date.

Financial position and going concern

In their review report as of June 30, 2019, the auditors draw the attention to the existence of a material uncertainty which may cast significant doubts about the Company's ability to continue as a going concern, due to - among others - the Company's inability to meet the February 2018 and 2019 payment to the debenture holders. As mentioned, as at the date of this report, the Company is in advanced negotiation with the debenture holders (series A and B) regarding a debt settlement which includes, among others, rescheduling the payments to the debenture holders. However, there is no certainty as to the results of these discussions. For additional information see section 3 of the Report of the Board of Directors regarding the cash flow forecast and note 2 to the Condensed Interim Consolidated Financial Statements. In addition, please refer to notes 2 and 8 to the Condensed Interim Consolidated Financial Statements of the Company in relation to the financial position of the subsidiary TGI, and the emphasis of matter paragraph in this respect in the auditors review report in TGI's financial statements.

Highlights per activity:
REAL ESTATE

Kardan is active in development and management of Real Estate in China through its 100% indirect subsidiary Kardan Land China Ltd. ('KLC'). In order to better reflect the underlying activities, the Company presents the results of the Real Estate activity as two operational segments: Real Estate - Development and Real Estate - Investment Property. The Real Estate - Investment Property segment only includes the results of operation of the Galleria Dalian shopping mall; the Real Estate - Development segment includes the results of the residential development of the Europark Dalian project as well as the results of residential real estate projects under joint control.

Results

In €thousands	For the 6 months ended June 30,		For the 3 months ended June 30,		For the year ended December 31,
	2019	2018	2019	2018	2018
Real Estate - Development					
Sale of apartments	4,962	65,865	3,646	4,058	73,634
Cost of sales	(4,187)	(64,293)	(3,164)	(3,823)	(69,226)
Gross Profit	775	1,572	482	235	4,408
SG&A expenses	(1,109)	(1,375)	(662)	(802)	(2,687)
Gain from disposal of fixed assets and investments, net	-	-	-	-	2,278
Equity earnings (losses)	5,631	1,927	2,759	688	1,491
Operational profit - Real Estate Development segment	5,297	2,124	2,579	121	5,490
Real Estate - investment Property					
Rental revenues	4,304	2,742	2,213	1,473	5,824
Cost of rental revenues	(1,889)	(1,787)	(895)	(862)	(3,738)
Gross Profit	2,415	955	1,318	611	2,086
SG&A expenses	(981)	(1,841)	(487)	(865)	(4,366)
Adjustment to fair value (impairment) of investment property	(112)	(2,105)	(112)	(2,105)	(8,610)
Operational profit (loss) - Real Estate Investment Property segment	1,322	(2,991)	719	(2,359)	(10,890)
Total operational profit (loss) - Real Estate	6,619	(867)	3,298	(2,238)	(5,400)
Other unallocated expense	(1,102)	(1,228)	(543)	(591)	(2,311)
Profit (loss) before finance expenses and income tax	5,517	(2,095)	2,755	(2,829)	(7,711)
Finance expenses, net	(4,014)	(3,855)	(2,473)	(1,485)	(10,517)
Tax benefits (expenses)	(44)	(1,149)	(17)	438	835
Profit (Loss) for the period – attributed to Company's shareholders	1,459	(7,099)	265	(3,876)	(17,393)

Additional information - Kardan Land China

	For the six months ended June 30		For the three months ended June 30		For the year ended December 31
	2019	2018	2019	2018	2018
Operational Information					
Revenue Residential - JV (in €thousands)	24,584	15,695	10,947	10,569	24,505
Gross profit residential - JV (in €thousands)	10,301	5,189	4,989	3,109	8,464
Apartments sold in period (a)	316	554	239	307	842
Apartments delivered in period (b)	540	561	227	248	649
Total apartments sold, not yet delivered at balance sheet date (c)	1,647	1,680	1,647	1,680	1,896

(a) All residential apartments, incl. Dalian (100%).

(b) In H1 2019 no apartments were delivered in the Dalian project compared to 285 apartments in H1 2018 (7 apartments in Q2 2018).

(c) KLC share in the gross profit from apartments sold is €38.5 million as of June 30 2019.

Units sold in the period					
	For the six months ended, June 30		For the three months ended, June 30		For the year ended, December 31
	2019	2018	2019	2018	2018
100% owned					
Europark Dalian	22	74	11	52	105
Joint Venture projects*					
Olympic Garden	84	220	52	93	295
Suzy	92	194	64	103	230
Palm Garden	-	13	-	6	13
City Dream	118	53	112	53	199
	294	480	228	255	737
Total	316	554	239	307	842

Real Estate – Development

The Real Estate Development segment relates to the residential projects of Europark Dalian and the joint venture residential projects.

Revenue of the segment relates to the apartments in the Europark Dalian project. In H1 2019 no apartments were delivered in this project as they are all under construction, compared to 285 deliveries in H1 2018 (including the delivery of apartments in building B in the Europark Dalian project, which was sold as one bloc, and 16 units in building A). The revenues recognized in H1 2019 are related to progress in construction of certain apartments.

SG&A expenses amounted to €1.1 million in H1 2019, a decrease compared to H1 2018 (€1.4 million), mainly due to cost efficiencies.

'Equity earnings', comprises the result of the residential activities from joint venture projects, which contributed a profit of €5.6 million in H1 2019, compared to a profit of €1.9 million in H1 2018, due to higher deliveries of apartments.

This higher contribution of the joint venture projects resulted in a strong increase in profit from operations to €5.3 million in H1 2019 compared to a profit of €2.1 million in H1 2018.

The total number of units in inventory decreased from 3,265 as at December 31, 2018 to 2,922 as at June 30, 2019. The number of unsold units in inventory (including the inventory of joint venture projects) decreased to 1,275 as at June 30, 2019 (vs 1,391 as at December 31, 2018). The rate of unsold units for which construction was completed slightly increased from 9% in December 31, 2018 to 10% in June 30, 2019.

Real Estate – Investment Property

The Real Estate Investment Property segment relates to the results of operation of the Galleria Dalian shopping mall. The result of operations of this segment in H1 2019 came in at a profit of €1.3 million (H1 2018 €3.0 million loss).

Revenues of the Investment Property segment increased to €4.3 million in H1 2019, compared to €2.7 million in H1 2018 mainly as the result of the continued positive operational trends at Galleria Dalian. The occupancy level improved from 87.0% at June 30 2018 to 89.1% as at June 30 2019 and the opening rate increased from 71.1% at June 30 2018 to 80.8% as at June 30 2019.

The improved trends in 2019 are also reflected in an increased gross margin of the Investment Property segment of 56% compared to 34.8% in H1 2018.

SG&A decreased from €1.8 million in H1 2018 to €1.0 million in H1 2019, mostly due to lower marketing costs.

Investment property solely represents Galleria Dalian shopping mall, the value of which increased by approximately €0.8 million compared to December 31, 2018, which is mostly due to the appreciation of the RMB versus the EUR.

Real Estate - Total

The above resulted in an operational profit of the Real Estate activities of €6.6 million in H1 2019 compared to €0.9 million operational loss in H1 2018.

Financing expenses, net were in line with last year (€4.0 million compared to €3.9 million in H1 2018) and mainly included interest expenses related to the Europark Dalian project loan (which was partially early repaid in Q4 2018). Financing expenses also included a small positive foreign exchange impact of €0.1 million, compared with a positive foreign exchange impact of €1.6 million in H1 2018.

Tax expenses / benefit in H1 2019 income tax expenses amounted to €44 thousand (H1 2018 expenses of €1.1 million included land appreciation tax).

Net profit / loss in H1 2019 amounted to a profit of €1.5 million (H1 2018: €7.1 million loss).

Additional balance sheet information - Kardan Land China

	2019	2018
	(30.6)	(31.12)
<i>(in € thousands)</i>		
Real Estate – Development		
Share of investment in JVs	43,266	37,568
Inventory	67,755	63,980
Real Estate – Investment Property		
Investment Property	214,405	213,577
Cash & short term investments	29,897	44,517
Total Assets	406,482	403,361
Loans and Borrowings	98,722	100,800
Advance payments from buyers (Real Estate – Development)	36,319	32,486
Total Equity	215,788	213,784

WATER INFRASTRUCTURE (TGI) - Discontinued operations

The results of Tahal Group International B.V. ('TGI' or 'Tahal'), Kardan's water infrastructure company, are presented under 'Profit (loss) from discontinued operations - TGI'.

TGI focuses on executing water related projects worldwide in Africa, Central and Eastern Europe, Asia (mainly in Israel and India) and in other regions.

In € thousands	For the six months ended June 30,		For the three months ended June 30,		For the year ended December 31,
	2019	2018	2019	2018	2018
Contract revenues	78,814	73,677	43,399	42,060	175,397
Contract cost	(70,384)	(60,636)	(39,468)	(34,402)	(148,338)
Gross profit	8,430	13,041	3,931	7,658	27,059
SG&A expenses	(5,550)	(8,687)	(2,641)	(3,934)	(16,269)
Other operational income (expenses)	(12,153)	(484)	(11,302)	(497)	378
Share of profit (loss) of investments accounted for using the equity method	(2,385)	(292)	(1,577)	(219)	(2,900)
Result from operations before financing expenses	(11,658)	3,578	(11,589)	3,008	8,268
Financing income (expenses), net	(3,283)	(670)	(56)	(122)	(4,209)
Income tax benefit (expenses)	943	(303)	335	(443)	(1,955)
Net profit (loss)	(13,998)	2,605	(11,310)	2,443	2,104
Attributable to:					
Non-controlling interest holders	(2,140)	1,732	(2,374)	1,233	2,039
Equity holders (Kardan N.V.)	(11,858)	873	(8,936)	1,210	65
	(13,998)	2,605	(11,310)	2,443	2,104

Additional Information Water Infrastructure	2019 (30.6)	2018 (31.12)
<i>Balance sheet (in € thousands)</i>		
Cash & short term investments	8,348	13,974
Total Assets	219,241	227,894
Net debt	(49,644)	(37,526)
Equity	28,741	40,936
Equity / Assets	13.2%	17.9%
<i>Other (in USD million)</i>		
Backlog	720.3	687.4

During H1 2019 the Water Infrastructure activities reported a loss of €11.9 million, compared to a profit of €0.9 million in H1 2018.

Revenues in H1 2019 increased to €78.8 million compared to €73.7 million in H1 2018.

The gross margin decreased to 10.7% in H1 2019 compared to 17.7% in H1 2018 following delays in projects in Africa with a relatively higher profitability and a provision for loss on a project.

Other operational expenses significantly increased in the first half and second quarter of 2019, and include primarily provisions for impairments, mainly on an outstanding debt (€8 million). As a result of that, and the said decrease in gross profit, operational results decreased to €11.7 million loss in H1 2019 compared to €3.6 million profit in H1 2018.

Share of loss of investments accounted for using the equity method increased to €2.4 million in H1 2019 (€0.3 million in H1 2018), mainly due to losses on a project in Angola.

Financing expenses increased significantly from €0.7 million in H1 2018 to €3.3 million in H1 2019, mostly due to interest expenses on utilization of credit lines and foreign exchange differences.

Equity of TGI decreased mainly due to the loss for the period.

Order backlog:

In H1 2019, Tahal Group commenced activities in the Kazakhstan market, and in April 2019 won its first project in this country. A second project was awarded recently, subsequent to the date of this report. In July 2019, Tahal was awarded an irrigation and drainage system upgrade and expansion project near the Kyzylkum Desert in the state of Kazakhstan together with a local partner (30%). The project consideration amounts to US\$47.6 million (€42.7 million), of which Tahal's share is approximately US\$33.3 million. In addition, Tahal was awarded its 15th project in India. In total, new orders amounting to US\$119.6 million were booked in the first half of 2019. As at June 30, 2019 the order backlog amounted to US\$720.3 million (December 31, 2018 US\$687.4 million).

It should be noted that in addition to the order backlog, companies in the TGI group have received notices regarding the winning of additional projects. Upon fulfillment of conditions precedent related mainly to financial closing, signed contracts amounting to US\$363 million will be added to the existing backlog.

CORPORATE HOLDING AND OTHER

In € thousands	For the six months ended June 30,		For the three months ended June 30,		For the year ended December 31,
	2019	2018	2019	2018	2018
	Corporate expenses:				
General and administration expenses	(2,164)	(1,649)	(933)	(329)	(3,616)
Financing income (expense), net	(35,415)	(3,993)	(13,437)	(12,709)	(13,186)
Income tax expenses	(69)	(129)	(29)	(89)	(230)
	(37,648)	(5,771)	(14,399)	(13,127)	(17,032)
Other activities:					
Equity earnings (Avis Ukraine - discontinued operations)	1,472	925	-	452	(2,415)

Corporate expenses:

G&A expenses in H1 2019 amounted to €2.2 million compared to €1.6 million in H1 2018 which included a reversal of a provision.

Financing expenses increased to €35.4 million in H1 2019, compared to €4.0 million in H1 2018, mainly due to the negative impact of foreign currency exchange differences and Israeli CPI in H1 2019 compared to H1 2018. The negative impact of foreign exchange differences and the Israeli CPI on the Company's debentures, which are denominated in NIS, was €22.6 million in H1 2019 (Q2 2019: €6.6 million) compared to a positive impact of €4.8 million in H1 2018 (Q2 2018: €7.9 million negative).

The `Income tax expenses` relates to tax on hedge instruments.

Other activities

Other activities consisted of equity earnings from the Company's holding in Avis Ukraine joint venture. Following the completion of the sale transaction of the Company's holding in Avis Ukraine in Q1 2019, a gain of €1.5 million was recorded. The gain comprises a gain of €1.3 million release of capital translation reserve and a reversal of impairment loss recorded in Q4 2018 of €0.2 million.

DISCLAIMER

This press release contains forward-looking statements and information, for example concerning the financial condition, results of operations, businesses and potential exposure to market risks of Kardan N.V. and its group companies (jointly “Kardan Group”). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements (including “forward looking statements” as defined in the Israeli Securities Law). Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. These forward-looking statements are identified by the use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “objectives”, “outlook”, “probably”, “project”, “will”, “seek”, “target”, “risks”, “goals”, “should” and similar terms and phrases. A variety of factors, many of which are beyond Kardan Group’s control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of Kardan Group to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. For Kardan Group, particular uncertainties arise, amongst others but not limited to and not in any order of importance, (i) from dependence on external financing with the risk that insufficient access to capital threatens its capacity to repay its debts, grow, execute its business model, and generate future financial returns (ii) from concentration of its business in Central Eastern Europe, Africa, India and China as a result of which Kardan Group is strongly exposed to these particular markets (iii) from risks related to the financial markets as a result of Kardan N.V.’s listings on Euronext Amsterdam and the Tel Aviv Stock Exchange and (iv) from it being a decentralized organization with a large number of separate entities spread over different geographic areas in emerging markets, so that Kardan Group is exposed to the risk of fraudulent activities or illegal acts perpetrated by managers, employees, customers, suppliers or third parties which expose the organization to fines, sanctions and loss of customers, profits and reputation etc. and may adversely impact Kardan Group’s ability to achieve its objectives and (v) from any of the risk factors specified in Kardan N.V.’s Annual Report to be published in April and in the related “Periodic Report” (published by Kardan N.V. in Israel), and which is also available at the Kardan website. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Kardan N.V. does not intend or assume any obligation to update or revise these forward-looking statements in light of developments which differ from those anticipated.

About Kardan

Kardan identifies and develops assets in promising emerging markets, mainly in Asia (predominantly China), Africa and selected CEE and CIS countries. Its activities are mainly focused on two sectors that benefit from the rising middle class: Real Estate and Water Infrastructure. Company headquarters are in the Netherlands. Kardan aims at holding controlling interests in its investments and is actively involved in the definition and implementation of their strategy through its local business platforms. Total assets as of June 30, 2019 amounted to €601,810 thousands. Kardan is listed on Euronext Amsterdam and the Tel Aviv Stock Exchange.

The Directors’ Report including the condensed interim consolidated financial statements, drawn up in line with the Dutch and Israeli regulations, are presented in a separate document and form an integral part of this release.

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