



KARDAN N.V.

KARDAN SELLS ITS HOLDINGS IN AVIS UKRAINE

Amsterdam, January 15, 2019 - Kardan N.V. ('Kardan' or 'the Company'), active in Real Estate and Infrastructure in emerging markets hereby announces that it has signed an agreement to sell its (indirect) entire holdings (66%) in the joint venture AVIS Ukraine to its partner UTS.

On January 14, 2019 Kardan Financial Services B.V. ('KFS'), a 100% subsidiary of Kardan, signed an agreement to sell its 66% stake in TBIF Dan Leasing Limited ('TDLL') and its shareholder's loans to its partner in TDLL, Universal Transportation Solutions Ltd. ('UTS'). TDLL is the sole shareholder of 'company with Foreign Investment VIP Rent' which operates the AVIS franchise in the Ukraine ('AVIS Ukraine'). The consideration for KFS' 66% stake in TDLL will amount to 52.8% of the equity value of AVIS Ukraine on the basis of its (yet to be) audited financial statements as of December 31, 2018, representing 80% of the equity value of KFS' indirect stake in AVIS Ukraine.

The Company estimates, based on AVIS Ukraine's reviewed financial statements as of September 30, 2018, that the consideration will amount to USD 14.2 million.

Loans that were granted by KFS to AVIS Ukraine directly, amounting to USD 2.7 million, will remain in place, and will be repaid in quarterly instalments until December 2020. AVIS Ukraine will provide security for these loans in favour of KFS.

The completion of the transaction is subject to the fulfilment of certain conditions precedent by March 31, 2019. The main conditions include: approval of AVIS Budget EMEA Ltd., obtaining all required legal and regulatory approvals, including the approval of the debenture holders of the Company (if required), and obtaining the audited financial statements of AVIS Ukraine as of December 31, 2018.

In addition, it has been agreed that KFS and its office holders will receive, as of January 1, 2019, a discharge with respect to TDLL and AVIS Ukraine, except for matters relating to the sale transaction.

The transaction, the consideration and the conditions precedent are not wholly within the control of the Company and there is no certainty that they will be fulfilled. Accordingly, there is no certainty regarding completion of the transaction and the related final consideration.

It is noted, that according to the intentions of the Company, the net consideration to be received from the sale of TDLL, together with funds available within the Company, and the additional amounts it expects to receive by March 31, 2019, amounting to a total of EUR 38 million, will be used to repay the Company's debenture holders, upon the completion of the debt settlement. As previously announced by the Company, Kardan is conducting negotiations with the trustee to debenture holders (series B) regarding changes to the terms of the debentures (series A and B).

About Kardan

Kardan develops assets in promising emerging markets, mainly in Asia (predominantly China), Africa and selected CEE and CIS countries. Its activities are mainly focused on 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 September 30, 2018 amounted to € 636.3 million.

Kardan is listed on Euronext Amsterdam and the Tel Aviv Stock Exchange.

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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 grow, execute its business model, and generate future financial returns (ii) from concentration of its business in Central Eastern Europe 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 and in the related "Periodic Report" (published by Kardan N.V. in Israel) published in April, 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.

"This press release contains regulated information (gereguleerde informatie) as defined in the Dutch Act on Financial Supervision (Wet op het financieel toezicht)"