

First: Knauf's Ownership Before and After Completion of the Private Transaction

Prior to completion of the Private Transaction, Knauf was not a shareholder in the Company and did not hold any shares therein. As a result of the completion of the Private Transaction, Knauf has become a substantial shareholder in the Company, holding shares representing 63.2% of the total share capital of the Company.

Pursuant to Article 24(a) of the Merger and Acquisitions Regulations, Knauf will not be able to dispose any of its shares during the following 6 months of the Private Transaction completion without the CMA's prior approval and in accordance with the conditions specified by the CMA. Also, pursuant to Article 6(c) of the Rules for Foreign Investment in Securities, Knauf may not sell any of the shares it acquired in the Company within a period of two years after the date of ownership of such shares pursuant to the Private Transaction, in its capacity as a Foreign Strategic Investor.

Second: Purchase Method and Price per Share

Pursuant to the terms of the Agreement, Knauf has acquired from the Substantial Shareholders their entire shareholding in the Company, comprising eight million, eight hundred fifty thousand, six hundred sixty-nine (8,850,669) ordinary shares, representing 63.2% of the total share capital of the Company, for an aggregate value of five hundred four million, four hundred eighty-eight thousand, one hundred thirty-three Saudi Riyals (SAR 504,488,133), at a price of fifty-seven Saudi Riyals (SAR 57) per share. The Private Transaction was executed as a negotiated deal between Knauf and each of the Substantial Shareholders in accordance with the Saudi Stock Exchange (Tadawul) Trading and Membership Procedures.

Third: Parties to the Private Transaction

The Agreement was entered into between:

- (a) the Company's Substantial Shareholders (prior to completion of the Private Transaction), namely: Al Mojel Trading & Contracting Company, (Closed Joint Stock Company), Abdulqader Al Muhaidib & Sons Company (Closed Joint Stock Company), and Rashed Development Company Limited, (Single Person LLC) (collectively holding 63.2% of the Company's share capital; and

- (b) Knauf.

Fourth: Purpose of the Private Transaction and Knauf's Future Plans in Relation to the Company's Business, Shareholders and Employees

Purpose of the Private Transaction:

Through the Private Transaction, Knauf seeks to expand its presence in the region, particularly in the Saudi market, which is considered one of the largest and fastest-growing construction markets. Knauf also aims to support industrial growth in the Kingdom of Saudi Arabia and contribute to the objectives of Saudi Vision 2030.

Future plans in relation to the Company's business as a result of the Private Transaction:

By strengthening its presence in the Kingdom and leveraging its strong asset base, Knauf intends to support the Company in addressing market dynamics and conditions. Knauf also intends to evaluate a number of strategic initiatives as part of integrating the Company into Knauf's network. These initiatives remain at an early assessment stage, and no final decision has been made by Knauf or the Company regarding their viability or the potential costs and benefits associated with these initiatives. Any such initiatives will be subject to economic feasibility, market conditions, obtaining the required stakeholder approvals, and establishing appropriate legal framework between Knauf and the Company.

Future plans in relation to shareholders as a Result of the Private Transaction:

Knauf intends to submit a tender offer to acquire the remaining shares of the Company as soon as possible following the closing of the Private Transaction, of up to 100% of the Company's share capital (the "**Tender Offer**").

Future plans in relation to employees as a Result of the Private Transaction:

Knauf prides itself on being a responsible and committed partner to all stakeholders, including the Company's employees, and expects that both the completion of the Private Transaction and the Tender Offer will have a positive and tangible impact on the Company's employees.

If launched, the Tender Offer will be pursuant to the relevant laws and regulations, including the Merger and Acquisitions Regulations and any Tender Offer related announcements and information will be published in due course as required.

Disclaimer: There can be no assurance that the Tender Offer will be launched or completed. Shareholders are advised not to take any investment decisions in relation to the Tender Offer until it is formally launched, the full details of the Tender Offer are disclosed, and the relevant information is made available when the regulatory documents are published.