

Knauf International GmbH ("Knauf") announces its firm intention to make a tender offer to acquire up to 100% of the shares of United Mining Industries ("UMI")

07/01/1448H

22/06/2026G

1. Introduction

On 03/08/1447H (corresponding to 22/01/2026G), UMI announced receipt of notifications from Knauf and UMI's then substantial shareholders regarding the execution of a sale and purchase agreement, pursuant to which Knauf agreed to acquire 63.2% of UMI's total share capital, comprising 8,850,669 shares with a nominal value of SAR 10 per share, for a total consideration amount of SAR 504,448,113 (the "**Private Transaction**"). Knauf's notification was by way of a letter which also noted Knauf's preliminary intent to submit an offer to acquire the remaining shares of UMI (the "**Tender Offer**"), with the same offer price per share as the Private Transaction, which may result in Knauf owning up to 100% of UMI's share capital.

The Private Transaction was completed on 25/11/1447H (corresponding to 12/05/2026G), as announced by UMI on 26/11/1447H (corresponding to 13/05/2026G). Accordingly, Knauf announces, pursuant to paragraph (e) of Article 17 of the Merger and Acquisitions Regulations, its firm intention to submit the Tender Offer (the "**Announcement**"). Further details on the key terms of the Tender Offer and Knauf are set out below.

There will be no immediate change in UMI's businesses as a result of this Announcement, and UMI will remain independent and separate, and will continue to operate on a business-as-usual basis.

2. Key Terms of the Tender Offer

2.1. Overview

Pursuant to the Tender Offer, Knauf is offering to acquire up to 5,149,331 fully paid-up shares in UMI, each with a nominal value of SAR 10 per share, representing all shares in UMI not already held by Knauf, for cash consideration of SAR 57 per share (the "**Consideration**"). If the Tender Offer is fully accepted by UMI's shareholders (excluding Knauf) ("**UMI's Selling Shareholders**") and all of their shares are tendered, the aggregate consideration payable by Knauf will amount to SAR 293,511,867 (the "**Total Consideration**"). The acquisition by Knauf of shares tendered pursuant to the Tender Offer (the "**Tender Offer Transaction**") may result in Knauf holding up to 100% of UMI's share capital, which will result in UMI becoming a wholly owned subsidiary of Knauf. Upon completion of the Tender Offer Transaction ("**Completion of the Tender Offer**"), UMI's Selling Shareholders will receive the Consideration for each share tendered by them pursuant to the Tender Offer.

2.2. Participation in the Tender Offer

All of UMI's shareholders (excluding Knauf) who are registered in the shareholders' register of UMI during the Tender Offer acceptance period (defined below) will have the opportunity to participate in the Tender Offer and tender some or all of their shares to Knauf. UMI shareholders who wish to participate and tender their shares must submit their acceptances to Knauf. The Offer Document will, upon publication, set out the full details of the mechanism of acceptances and participation in the Tender Offer.

Shares to be tendered must be freely negotiable and free from any lien, pledge, charge or other security interest or restriction of any kind whatsoever restricting the free transfer of their ownership. Knauf reserves the right to reject, at its sole discretion, any shares tendered which do not meet this requirement.

If the Tender Offer is not accepted by all UMI shareholders in respect of all of their shares, Knauf will acquire only those shares for which valid acceptances are received, and any non-accepting minority shareholders will retain their shares in UMI. Following the Completion of the Tender Offer, if Knauf's ownership in UMI reaches the threshold of 90%, Knauf could exercise its right to squeeze-out the remaining UMI minority shareholders, by making a mandatory offer with the approval of the CMA to force UMI's minority shareholders to sell their shares to Knauf, which would result in the transfer of their shares to Knauf for cash consideration.

2.3. Tender Offer Acceptance Period

The Offer Document will, upon publication, set out the full details of the Tender Offer acceptance period.

2.4. Consideration Price

The Consideration price will be SAR 57 per share, to be paid by Knauf to UMI's Selling Shareholders.

2.5. Tender Offer Conditions

The Tender Offer, will not be conditional upon a minimum acceptance threshold nor any other conditions or events, except to the extent required to satisfy the requirements of the Merger and Acquisitions Regulations to obtain the approval of UMI's independent and disinterested shareholders for the submission of the Tender Offer

2.6. Tender Offer Acceptance Results

The results of the Tender Offer will be announced no later than half an hour before the scheduled market opening on the day following the closing date. The announcement will include the following details: (1) the shares in respect of which acceptance of the Tender Offer has been received; (2) the shares owned by Knauf prior to the commencement of the Tender Offer acceptance period; and (3) the shares acquired or agreed to be acquired during the Tender Offer acceptance period. The Offer Document will, upon its publication set out the full details related to the mechanism and timing of announcing the Tender Offer acceptance results.

2.7. Withdrawal Rights

The Offer Document will, upon publication, set out the full details of the withdrawal rights available to shareholders.

2.8. Settlement of the Tender Offer

Settlement will take place following the announcement of the results of the Tender Offer, in accordance with the timetable to be disclosed in the Offer Document, following coordination with the CMA, the Saudi Exchange (Tadawul) and the Securities Depository Center Company (Edaa).

2.9. Delisting

Following the Completion of the Tender Offer, Knauf intends, as a substantial shareholder of UMI and subject to obtaining the applicable regulatory approvals and satisfying the relevant requirements, to take the necessary steps for the delisting of UMI from the Saudi Exchange (Tadawul). Upon delisting, there will no longer be a public market for trading UMI's shares. Shareholders who do not accept the Tender Offer (if any) may find it difficult to dispose of their shares and may hold illiquid shares following the Completion of the Tender Offer.

2.10. Procedures of Completion of the Tender Offer

The submission of the Tender Offer will be subject to satisfying the requirements of the Merger and Acquisitions Regulations to obtain the approval of UMI's independent and disinterested shareholders. The Completion of the Tender Offer will also be subject to obtaining all required regulatory approvals from the CMA, including approval of

the publication of the Offer Document and the convening of UMI's general assembly in relation to the Tender Offer Transaction, in accordance with the Merger and Acquisitions Regulations.

The date and time of any general assembly will be announced on the website of the Saudi Exchange (Tadawul).

3. Identity of Knauf and Any Persons Acting in Concert

Knauf International GmbH (as the offeror), is a limited liability company incorporated under the laws of the Federal Republic of Germany with registration number HRB 5956 and its registered address at Am Bahnhof 7, 97346 Iphofen, Germany.

Knauf is solely controlled by Gebr. Knauf KG, a limited partnership incorporated under German law, which directly owns 99.99920% of Knauf, with the remaining 0.00080% of the share capital of Knauf being directly owned by Isogranulat GmbH, a company incorporated under German law, which is 100% owned by Gebr. Knauf KG.

Knauf is a part of Knauf Group, an international building materials manufacturer founded in 1932G, which is a family-owned company, and today is the world's leading producer of gypsum-based construction materials and systems, energy-efficient insulation, and system solutions for ceilings. It operates more than 300 production sites and sales organizations in over 90 countries on all continents. In 2024, its approximately 43,500 employees generated sales of EUR 15.6 billion.

4. Knauf's Shareholding

On 25/11/1447H (corresponding to 12/05/2026G), Knauf acquired from UMI's then substantial shareholders a total of 63.2% of UMI's shares through the Private Transaction, amounting to (8,850,669) fully paid-up shares, for a total consideration of SAR 504,448,113. As at the date of this Announcement, Knauf is the sole substantial shareholder in UMI, holding 63.2% of its share capital.

There are no shares in UMI owned or controlled by a person acting in concert with Knauf.

5. The Composition of UMI's Board after Completion of the Tender Offer and the Integration Committee

The current board of UMI will continue to act and exercise all of its powers for the current term ending on 23/12/1448H (corresponding to 29/05/2027G), unless any changes are made to the board composition (for any reason) in compliance with the relevant regulatory conditions and subject to the approval of the shareholders of UMI (where required).

6. Related Parties and Conflicted Directors

The Tender Offer constitutes a related party transaction, given the fact that Knauf is a substantial shareholder in UMI with an ownership percentage of 63.2% of the total share capital. As such, the submission of the Tender Offer will be subject to satisfying the requirements of the Merger and Acquisitions Regulations to obtain the approval of UMI's independent and disinterested shareholders (i.e., excluding Knauf). This requirement is a pre-requisite for launching the Tender Offer and making it available for acceptance by UMI's shareholders.

Additionally, it should also be noted that there are members of UMI's board of directors who have an interest in the Tender Offer, namely (1) Dr. Markus Haaf (in his capacity as Knauf's Inhouse Tax Consultant); (2) Paul Christopher Button (in his capacity as Knauf's CEO in the Gulf Cooperation Council); and (3) Serge Nicolas Bekhaazi (in his capacity as Knauf's CEO in Middle East, Turkey, Africa). These board members have all declared their interest in the Tender Offer to UMI's board of directors and subsequently will abstain from voting on any resolution regarding the launch of the Tender Offer.

7. Cash Sufficiency

Lazard Saudi Arabia, in its capacity as financial adviser to Knauf and for the purposes of Article 17(e)(3) of the Merger and Acquisitions Regulations, has confirmed that it is satisfied that the financial and practical capabilities available to Knauf are sufficient to satisfy full acceptance of the Tender Offer.

8. Confirmations

Pursuant to the requirements of the Merger and Acquisitions Regulations, Knauf confirms at the date of this Announcement the following:

- There is no person acting in concert with Knauf in relation to the Tender Offer.
- Knauf does not own an option to purchase such shares.
- Knauf has not received any irrevocable commitment to accept the Tender Offer.
- There are no indemnity arrangements in relation to UMI's shares involving Knauf, UMI or any person acting in concert with any of them.
- The Tender Offer's terms do not include a break-up fee.
- Lazard Saudi Arabia, the financial adviser to Knauf, confirms that sufficient resources are available to Knauf to fully satisfy acceptance of the Tender Offer.

9. Stages of the Tender Offer Transaction and Next Steps

Knauf and UMI will commence working toward the Completion of the Tender Offer, including obtaining the relevant regulatory approvals. It should be noted the Completion of the Tender Offer is not guaranteed, as it remains subject to the procedures set out in the Offer Document, which will be published at a later time after obtaining the regulatory approvals.

The Offer Document will include certain information relating to the Tender Offer Transaction and the terms, conditions and procedures of the Tender Offer and the risks associated therewith and the approvals and procedures required to complete the Tender Offer, including the details of any required approval of the general assembly of UMI in respect of the Tender Offer, in accordance with the Merger and Acquisitions Regulation. The Offer Document will also include any other information necessary to enable shareholders of UMI to make an informed decision regarding the Tender Offer. UMI's board of directors will also publish a circular to its shareholders containing the board's opinion on the Tender Offer. Accordingly, UMI's shareholders should carefully review the circular and Offer Document before making any decision relating to the Tender Offer.

Knauf has appointed Lazard Saudi Arabia as its financial advisor in relation to the Tender Offer Transaction, and appointed Fahad Abuhimed, Majid Alsheikh, Mansoor Alhagbani and Clifford Chance Law Firm as its legal advisor in relation to the Tender Offer Transaction.

Knauf will make further announcements as and when material developments occur in relation to the Tender Offer in accordance with the applicable laws and regulations.

Disclaimer

This is an unofficial English translation. In case of discrepancy, the Arabic Announcement shall prevail.

The Announcement shall not be relied on separately from the offer document and the circular of the board of directors of UMI to be issued later, and such documents shall be read in full and in detail to be aware of all details and risks of the Tender Offer (where applicable).