KNAUF





Offer Document



Offer Document

This Offer Document is issued by Knauf International GmbH ("Knauf") and addressed to the shareholders of United Mining Industries Company in connection with Knauf's Tender Offer to United Mining Industries Company's ("UMI") shareholders to acquire up to 100% of the shares in UMI for cash consideration pursuant to the Merger and Acquisitions Regulations. Capitalized terms have the meanings given to them in Section (1) (Terms and Definitions).

This Offer Document includes essential information about the Tender Offer. All of its sections must be reviewed carefully, including the **"Important Notice"** section, before making any decisions regarding the Tender Offer. In case of any doubt regarding the decision on the Tender Offer, a CMA-licensed independent financial advisor should be consulted.

On 03/08/1447H (corresponding to 22/01/2026G), UMI announced the execution of the Sale and Purchase Agreement entered into between Knauf and UMI's Substantial Shareholders at the time, being Al Mojel Trading & Contracting Company, Abdulqader Al Muhaidib & Sons Company, and Rashed Development Company Limited, dated 02/08/1447H (corresponding to 21/01/2026G), for the purpose of acquiring a total of 63.2% of UMI's shares amounting to 8,850,669 fully paid-up shares with a nominal value of SAR 10 per share, for a total amount of SAR 504,488,133 (for more details about the Sale and Purchase Agreement please refer to Section (5) (**"Arrangements, conditions, and transactions"**)).

On 02/08/1447H (corresponding to 21/01/2026G), Knauf, a company with limited liability incorporated under the laws of the Federal Republic of Germany with registration number HRB 5956, with a share capital of €62,000,000 and its registered address at Am Bahnhof 7, 97346 Iphofen, Germany, submitted a Letter of Intent to UMI indicating its intention to submit an offer to acquire up to all of the remaining shares in UMI following the completion of the Private Transaction, in accordance with applicable laws and regulations, including the Merger and Acquisitions Regulations. This Letter of Intent also indicated Knauf's intent to make a Tender Offer to UMI's shareholders as soon as possible following the completion of the Private Transaction, and the price per share for the Tender Offer would be at the same price per share as the Private Transaction.

On 07/01/1448H (corresponding to 22/06/2026G), Knauf submitted a letter to UMI's Board to align on the key terms of the Tender Offer and to reach an understanding with UMI's board regarding such key terms, as disclosed in this Offer Document, which UMI's Board intends to recommend to its shareholders as per the FIA published on 07/01/1448H (corresponding to 22/06/2026G). (for more details about the Tender Offer Key Terms Letter please refer to Section (5) (**"Arrangements, conditions, and transactions"**)).

On 26/11/1447H (corresponding to 13/05/2026G), UMI, on behalf of Knauf, announced the completion of Knauf's acquisition of 63.2% of UMI's shares pursuant to the Private Transaction. On 07/01/1448H (corresponding to 22/06/2026G), UMI on behalf of Knauf announced its firm intention to proceed with the Tender Offer to acquire up to 100% of the remaining shares in UMI. These would comprise up to 5,149,331 fully paid-up shares with a nominal value of SAR 10 per share, to be acquired in exchange for cash at SAR 57 per share, amounting to a total of SAR 293,511,867 if all UMI shareholders (other than Knauf) decided to sell all of their shares as part of the Tender Offer. (for more details about Tender Offer Transaction financing, please refer to Section (9) (**"Tender Offer Transaction Financing"**)).

If the Tender Offer is fully accepted by UMI's shareholders (other than Knauf), all of UMI's shares will be acquired by Knauf in exchange for the Total Consideration. UMI's Selling Shareholders will receive the Consideration within a period not exceeding 10 days from the date of satisfaction of all Tender Offer conditions as set out in the Key Dates and Milestones table (**Key Dates and Milestones**) of this Offer Document. Upon the Completion of the Tender Offer, Knauf intends, subject to obtaining the CMA's approval for delisting, and the approval of UMI's Delisting EGM, to take the necessary steps for the delisting of UMI from the Saudi Exchange (Tadawul) (for more details about the terms of the Tender Offer Transaction, please refer to Section (3-4) (**"The Procedures of the Completion of the Tender Offer"**)).

If the Tender Offer is fully accepted by UMI's shareholders (other than Knauf) (through accepting to tender their shares), this will result in UMI becoming a wholly owned subsidiary of Knauf. For more details about Knauf and UMI's rationale for the Tender Offer, please refer to Section (3-2) (**"Rationale of the Tender Offer Transaction"**).

UMI has only one class of shares and no shareholder benefits from any preferential rights, including dividend and voting rights. At the Completion of the Tender Offer, the relevant shares which Knauf will acquire will be transferred to Knauf and will entitle Knauf to receive dividends (in respect of such shares)) paid by UMI following the date of the Completion of the Tender Offer and in accordance with the eligibility date for each such dividend.

All UMI shareholders during the Tender Offer Acceptance Period may participate in the Tender Offer and sell some or all of their shares to Knauf. Shareholders wishing to accept the Tender Offer and sell their shares must submit their acceptance through their investment portfolios held with licensed capital market institutions in accordance with the procedures specified by the Securities Depository Center Company (Edaa). Shareholders wishing to reject or ignore the Tender Offer are not required to take any action, and no shareholder will be compelled to accept, and non-response during the Tender Offer Acceptance Period will not create any obligation towards Knauf. The Tender Offer will proceed in accordance with the timeline set out in the Key Dates and Milestones section (Key dates and Milestones) of this Offer Document. For more details about the terms of the Tender Offer, please refer to Section (3-1-2) (**"Tender Offer Acceptance Period"**).

UMI was established pursuant to His Excellency the Minister of Commerce's Resolution No. (3516) issued on 22/11/1427H (corresponding to 13/12/2006G) as a closed joint stock company holding commercial registration number (4030216779) dated 05/01/1428H (corresponding to 24/01/2007G) issued in Jeddah. The current share capital of UMI is SAR 140,000,000 divided into 14,000,000 ordinary shares of equal value, with a nominal value of SAR 10 per share, all of which are fully paid and listed on the Saudi Exchange (Tadawul).

As at the date of this Offer Document, the sole Substantial Shareholder of UMI is Knauf, with an ownership percentage of 63.2%. If the Tender Offer is fully accepted by UMI's shareholders and the Tender Offer Transaction is completed, Knauf will become the sole shareholder of UMI. Acceptance of the Tender Offer (whether fully or partially) and completion of the Tender Offer Transaction will increase the control of Knauf in UMI, giving Knauf the ability to influence decisions that require shareholder approval (including voting on the appointment of directors, approving amendments to the bylaws, approving material transactions and other matters requiring shareholder approval).

It should be noted that the Tender Offer involves Knauf (as a Substantial Shareholder in UMI with an ownership percentage of 63.2%) as a Related Party. For more details in this regard, please refer to Section (3-5) (**"Related Parties and Conflicted Directors"**).

It should also be noted that there are members of UMI's Board 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 and will subsequently abstain from voting on any of UMI's Board resolutions in relation to the Tender Offer. For more details in this regard, please refer to Section (3-5) (**"Related Parties and Conflicted Directors"**).

The shares to be acquired pursuant to the Tender Offer shall be acquired with all rights attaching thereto, including any entitlement to dividends. As at the date of this Offer Document, there are no declared but unpaid dividends in respect of such shares.

This Offer Document has been submitted to the CMA and has been approved for publication. All CMA requirements have been met and all regulatory approvals related to the Tender Offer have been obtained. For further information in this regard, please refer to Section (3-4) (**"The Procedures of the Completion of the Tender Offer"**).

Knauf has issued and addressed this Offer Document to UMI's shareholders. This Offer Document has been prepared in accordance with the requirements of Article (38) of the Merger and Acquisitions Regulations. None of Knauf, its board members, executives, employees or advisors bear any responsibility for the correctness, accuracy, or completeness of the information related to UMI, its shareholders or board members contained in this Offer Document. All of this information was obtained from UMI and at the stage when Knauf was conducting - with the assistance of advisors - customary due diligence on UMI.

This Offer Document has been published around the publication date of UMI's Board Circular. UMI's Board Circular includes information related to the Tender Offer, the related risks and the opinion of UMI's Board in relation to the Tender Offer. Knauf, its board members, executives, employees or advisors, whether collectively or individually, bear no responsibility towards UMI's shareholders in relation to the information contained in UMI's Board Circular. Thus, Knauf, its board members, executives, employees or advisors will not make, whether collectively or individually, any warranties or representations, explicitly or implicitly, in relation to correctness, accuracy or completeness of the information contained in UMI's Board Circular.

The shareholders of UMI should read this Offer Document fully and review all its sections carefully, particularly the **"Important Notice"** section, in addition to reading UMI's Board Circular and the opinion of UMI's independent financial advisor thoroughly and carefully before making any decisions in relation to the Tender Offer.

Knauf has appointed Lazard Saudi Arabia as an independent financial advisor in relation to the Tender Offer Transaction.

The CMA and Saudi Exchange (Tadawul) shall not bear any responsibility for the contents of this Offer Document. They make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from the content of this Offer Document or reliance on any part thereof.

This Offer Document was published on: 16/04/1448H (corresponding to 27/09/2026G) and was drafted in both Arabic and English. Arabic is the official language of the Offer Document and in case of any discrepancy between the Arabic and English texts, the Arabic text shall prevail.

Independent Financial Advisor

LAZARD

This Offer Document is an unofficial English translation of the official Arabic version and is provided for information purposes only. The Arabic Offer Document remains the only official, legally binding version and shall prevail in the event of any conflict between the two languages.

Important Notice

This Offer Document contains detailed information about the Tender Offer and aims to provide UMI's shareholders with information about the Tender Offer submitted by Knauf to UMI's shareholders.

The CMA and Saudi Exchange (Tadawul) shall not bear any responsibility for the contents of this Offer Document. They make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from the content of this Offer Document or reliance on any part thereof.

The information and statements contained in this Offer Document are presented as at the date of issuance of this Offer Document unless another date is specified for any information or statements contained in this Offer Document. Consequently, the information contained in this Offer Document is subject to change after the issuance date of this Offer Document. Accordingly, publication of this Offer Document does not necessarily mean that any facts or information contained in this Offer Document in respect of Knauf or UMI have not changed. None of the information contained in this Offer Document should be considered to be expectations or projections of the future financial performance of Knauf or UMI.

No person has been authorized to give any information or to make any representations on behalf of Knauf other than those contained in this Offer Document and, if given or made, such information or representations must not be relied on as having been authorized by Knauf, or Lazard Saudi Arabia or any of the other advisors in connection with the Tender Offer.

This Offer Document should not be considered as a recommendation from Knauf or any of its advisors in relation to the Tender Offer and, whether to accept or reject it. This Offer Document does not include all the information related to Knauf and does not include all the information to be taken into account in any investment decision related to the Tender Offer. Moreover, all the information contained in this Offer Document is of a general nature and has been prepared without considering the individual investment objectives, the financial situation or the investment needs of any specific recipient of the Offer Document. Each recipient of this Offer Document will be responsible for obtaining independent professional advice from a CMA-licensed financial advisor in relation to the Tender Offer.

Copies of this Offer Document may be obtained from the CMA website (www.cma.org.sa) or the Saudi Exchange (Tadawul) website (www.saudiexchange.sa). Except for the Offer Document, no contents of the abovementioned websites shall constitute part of this Offer Document and Knauf does not bear any responsibility for the content of such websites.

Knauf has appointed Lazard Saudi Arabia as an independent financial advisor in connection with the Tender Offer. Lazard Saudi Arabia – a capital market institution licensed by the CMA to operate in the KSA – shall act as the exclusive independent financial advisor of Knauf in relation to the Tender Offer. Lazard Saudi Arabia shall not be liable towards any party except for Knauf when giving advice on the Tender Offer or any other issue referred to in this Offer Document.

Furthermore, Lazard Saudi Arabia and Knauf's other advisors referred to in the (**"Corporate Directory"**) Section have ascertained the correctness and accuracy of the information contained in this Offer Document. However, neither such advisors nor any of their affiliates, partners, managers or employees shall be liable for any direct or indirect loss or damage that any person may incur due to their reliance on any information included in this Offer Document.

This Offer Document may not be construed as legal, financial, zakat-related or tax advice. The recipient of this Offer Document should seek specialized advice from their own legal, financial and tax advisors in relation to such topics. In case of any doubt regarding whether to sell any shares, Knauf recommends seeking independent financial advice from a CMA-licensed independent financial advisor.

The Tender Offer relates to the acquisition of securities of a Saudi company listed on the Saudi Exchange (Tadawul). Accordingly, this Offer Document and any other documents or announcements relating to the Tender Offer have been and will be prepared in accordance with the disclosure requirements applicable in the Kingdom only. The type and presentation of the information contained therein may vary if they were to be prepared according to the requirements of another jurisdiction. Knauf does not intend to take any action to publish or register this Offer Document in any jurisdiction other than the Kingdom.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offer Document contains certain forward-looking statements. Such forward-looking statements can be identified by the use of forward-looking words or phrases, including but not limited to, "anticipate", "target", "expect", "estimate", "intend", "plan", "will", "believe", "aim", "may", "would", "could", "should" or other words of similar meaning or the negative thereof. Forward-looking statements in this Offer Document include, without limitation, statements relating to the following: (i) anticipated benefits from the Tender Offer, future expectations of financial performance and conditions, and other future events; (ii) business and management strategies and the expansion and growth of the operations of Knauf and UMI following the Tender Offer; and (iii) the Tender Offer and the dates on which events are expected to occur.

The forward-looking statements appearing in this Offer Document reflect the current point of view of Knauf. They are based on numerous assumptions, including assumptions regarding the present and future business strategies of Knauf and the regulatory environment in which it will operate in the future. Forward-looking statements are not a promise or a guarantee of future events, given several known and unknown factors that may affect future events, causing matters to be materially different from the scenarios expressed or implied by this Offer Document. The risks and uncertainties relating to forward-looking statements are beyond Knauf's control and cannot be estimated precisely, such as future market conditions and the behaviors of other market participants. Therefore, the recipient of this Offer Document should read these forward-looking statements in light of this notice and should not rely on them.

All forward-looking statements made by Knauf or any persons acting on its behalf are expressly qualified in their entirety by the Important Notice contained in this Section.

Knauf does not intend to amend or update any forward-looking or other statements contained in this Offer Document, except as required pursuant to applicable laws and regulations, and in the event of any material developments or changes, these will be disclosed.

PUBLICATION AND DISTRIBUTION RESTRICTIONS

This Offer Document is addressed to UMI's shareholders, subject to any restriction in the laws and regulations of any Restricted Jurisdiction. This Offer Document does not constitute an offer to sell or a request to purchase any securities for any person in any jurisdiction where the law does not permit such offer or request.

Notice to UMI's Shareholders outside the KSA

Whilst all of UMI's shareholders (other than Knauf) have the right to accept or reject the Tender Offer (subject to any restrictions arising from conflicts of interest or any other restrictions imposed under the applicable laws and regulations of the Kingdom), shareholders residing outside the Kingdom are hereby made aware that this Offer Document has not been filed or registered with any regulatory authority outside the KSA.

Financial and Other Information

UMI's financial statements for the financial years ended on 31 December 2023G, 31 December 2024G, and 31 December 2025G are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in KSA and other standards and versions issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Save where expressly stated otherwise, financial information contained in this Offer Document is based on management estimates and has not been independently audited by chartered accountants or otherwise, and all financial information is set out in SAR, unless specified otherwise. This Offer Document contains percentages and rounded figures which are approximate numbers for the purpose of presentation.

Corporate Directory

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Note: The above advisors have given and, as at the date of this Offer Document, have not withdrawn their written consent to the publication of their names, addresses, logos and the statements attributed to each of them in the context in which they appear in this Offer Document (as applicable). The advisors have also confirmed that neither they nor any of their employees hold any shares or interest of any nature in Knauf or the Tender Offer.

KEY DATES AND MILESTONES

The table below sets out the expected timeline of the key events related to the Tender Offer. Knauf or UMI (as the case may be) shall announce the actual events that must be announced on the Saudi Exchange's (Tadawul) website according to the relevant laws and regulations and including any changes that may be made to the timeline.

	Event	Timeline/Expected Date
1-	**The Steps of the Completion of the Tender Offer Transaction**	
a-	Submission of the final draft of the Offer Document to the CMA.	The final draft of the Offer Document was submitted to the CMA on 24/03/1448H (corresponding to 06/09/2026G)
b-	Publication of the Offer Document and UMI's Board Circular	16/04/1448H (corresponding to 27/09/2026G)
c-	Providing documents available for inspection.	16/04/1448H (corresponding to 27/09/2026G)
d-	Commencing acceptances by UMI's shareholders (other than Knauf) of the Tender Offer	16/04/1448H (corresponding to 27/09/2026G)
e-	Closing Date of the Tender Offer	24/05/1448H (corresponding to 04/11/2026G), provided that such date shall be no later than one Business Day before the expiration date of the Tender Offer Period, in the case of any amendment to the Tender Offer.
f-	The last date on which UMI may announce profit or dividend forecasts, asset valuations or proposals for dividend payments	07/06/1448H (corresponding to 17/11/2026G),no later than 60 days from Publication of the Offer Document (step 1(b) above)
g-	The last date on which Knauf may revise its Tender Offer or publish new information related to it	07/06/1448H (corresponding to 17/11/2026G), no later than 60 days from Publication of the Offer Document (step 1(b) above), provided that such date shall be no later than two Business Days before the Settlement Date in the case of any cancellation of the Tender Offer
h-	Allocation and deposit of the acquired shares to Knauf	08/06/1448H (corresponding to 18/11/2026G), no later than 10 days from the last date for satisfaction of all other conditions
i-	Payment of the Consideration to UMI's Selling Shareholders	08/06/1448H (corresponding to 18/11/2026G), no later than 10 days from the last date for satisfaction of all other conditions
j-	Announcement by UMI/Knauf of the completion of the Tender Offer	09/06/1448H (corresponding to 19/11/2026G)

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1. TERMS AND DEFINITIONS

The following definitions shall apply throughout this Offer Document, unless the context requires otherwise:

Acting in Concert	Means, at the CMA's discretion, actively cooperating, pursuant to an agreement (whether binding or non-binding) or an understanding (whether formal or informal) between persons, to be controllers (whether directly or indirectly, excluding indirect ownership of shares through swap agreements or through an investment fund whose unit owners have no discretion in its investment decisions) of a company, through the acquisition by any of them (through direct or indirect ownership) of voting shares in that company. Moreover, **"concert parties"** shall be construed accordingly. Without prejudice to the general application of this definition, the following persons shall be presumed to be acting in concert with other persons of the same class unless the contrary is established, including but not limited to: 1- members of the same group; 2- a person's relatives; 3- person(s) who provided financial assistance to the offeror (i.e., Knauf) or members of the group with such person (other than a bank in the ordinary course of business) in order to purchase shares that carry voting rights or convertible debt instruments.
Affiliate	A person who controls another person or is controlled by such other person, or who is under common control with that person by a third person. In any of the preceding, control could be direct or indirect.
Business Day	Any day, other than a Friday, Saturday or a public holiday in KSA.
CGR or Corporate Governance Regulations	The Corporate Governance Regulations, issued pursuant to CMA Board Resolution No. 8-16-2017 dated 16/05/1438H (corresponding to 13/02/2017G), and amended pursuant to CMA Board Resolution No. 8-5-2023 dated 25/06/1444H (corresponding to 18/01/2023G), as may be further amended from time to time.
Closing Date	The date of the end of the Tender Offer Acceptance Period.
Closing Price	Last trading price for the shares, according to the mechanism set by Saudi Exchange.
CMA	The Capital Market Authority of Saudi Arabia.
Companies Law	The Saudi Arabian Companies Law issued pursuant to Royal Decree No. M/132 dated 01/12/1443H (corresponding to 30/06/2022G), as may be further amended from time to time.
Completion of the Tender Offer	The date on which the Tender Offer Transaction is completed and the tendered shares are allocated and deposited in the account of Knauf, and the Consideration is deposited in the accounts of UMI's Selling Shareholders.
Consideration	SAR 57 per share.
Control	For the purposes of the Merger and Acquisitions Regulations, the ability to influence the actions or decisions of another person, whether directly or indirectly (excluding indirect ownership of shares through swap arrangements or through an investment fund whose unit owners have no discretion in its investment decisions), individually or collectively with a person or persons Acting in Concert, through holding (directly or indirectly) 30% or more of the voting rights in a company, and **"controller"** shall be construed accordingly. For other purposes: the ability to influence the actions or decisions of another person through, whether directly or indirectly, alone or with a relative or affiliate, (a) holding 30% or more of the voting rights in a company, or (b) having the right to appoint 30% or more of the members of the governing body, and **"controller"** shall be construed accordingly.
Exchange	The Primary Exchange or Alternative Trading System, including, where the context permits, any committee, sub-committee, employee, officer, affiliate or agent to whom any function of the Exchange may, for the time being, be delegated, and **"on Exchange"** means any activity taking place through or by the facilities provided by the Exchange.
FIA	The announcement published by Knauf on the Saudi Exchange (Tadawul) website on 07/01/1448H (corresponding to 22/06/2026G) regarding its firm intention to submit the Tender Offer, in accordance with Article (17) (e) of the Merger and Acquisitions Regulations.
Knauf	Knauf International GmbH, a company with limited liability 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.
KSA or Kingdom or Saudi Arabia	Kingdom of Saudi Arabia.
Letter of Intent	The letter of intent sent by Knauf to UMI on 02/08/1447H (corresponding to 21/01/2026G), to express its intention to submit an offer to acquire up to 100% of the shares in UMI.

Listing Rules	The Listing Rules approved by CMA Board Resolution No. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G), as amended by CMA Board Resolution No. 1-46-2026 dated 13/10/1447H (corresponding to 01/04/2026G), as may be further amended from time to time.
Merger and Acquisitions Regulations	The Merger and Acquisitions Regulations issued by the board of CMA pursuant to its resolution No. (1-50-2007), dated 21/09/1428H (corresponding to 03/10/2007G), amended by Resolution No. (08-05-2023), dated 25/06/1444H (corresponding to 18/01/2023G), as may be further amended from time to time.
MOC	The Ministry of Commerce of Saudi Arabia.
Offer Document or Document	This offer document prepared by Knauf pursuant to Article (38) of the Merger and Acquisitions Regulations in relation to the Tender Offer.
Ordinary General Assembly (OGM)	An ordinary general assembly meeting of the shareholders of UMI convened in accordance with the provisions of UMI's bylaws.
OSCOs	The Rules on the Offer of Securities and Continuing Obligations issued by CMA Board Resolution No. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G), as amended by the CMA Board Resolution 3-6-2026 dated 30/07/1447H (corresponding to 19/01/2026G), as may be further amended from time to time.
Private Transaction	The acquisition by Knauf of 63.2% of UMI's shares from the Sellers in accordance with the Sale and Purchase Agreement.
Related Party	Means a person who (whether or not acting in concert with Knauf, UMI, or any of their subsidiaries), owns or deals, directly or indirectly, in the shares of Knauf or UMI, whether through a private sale and purchase transaction, an offer, or any person (in addition to their ordinary interests as a shareholder) who has an interest or potential interest—whether personal, financial, or commercial—in the outcome of the Tender Offer, or a party related to either Knauf or UMI. In accordance with the general application of this definition, the definition includes—by way of example and not limitation—the following: 1- any person(s) who has provided financial assistance (other than a bank in the ordinary course of business) to Knauf or UMI; 2- the board members of Knauf or UMI (or any of their affiliates); 3- any person owning 20% of Knauf or UMI (whether individually or by acting in concert with other(s)); and/or 4- any Substantial Shareholder in Knauf who is, at the same time, a board member in UMI, or vice versa.
Relative	Means husband, wife, children, and parents.
Restricted Jurisdiction	Any country or jurisdiction where the distribution or publication of this Offer Document or any other documents related to the Tender Offer would violate the laws of, or regulations applicable in, that country or jurisdiction.
Rules for Foreign Investment in Securities	The Rules for Foreign Investment in Securities issued by the board of the CMA pursuant to its resolution No. (2-26-2023), dated 05/09/1444H (corresponding to 27/03/2023G), amended by Resolution No. (1-2-2026), dated 16/07/1447H (corresponding to 05/01/2026G), as may be further amended from time to time.
Sale and Purchase Agreement	The sale and purchase agreement dated 02/08/1447H (corresponding to 21/01/2026G) entered into between Knauf and the Sellers, setting out the terms and conditions of Knauf's acquisition of 63.2% of UMI's shares.
SAR	Saudi Arabian Riyals, the official currency of KSA.
Saudi Exchange	The Saudi Stock Exchange (Tadawul), which is the market on which securities are traded in the Kingdom and is managed and operated by the Saudi Exchange and regulated by the CMA. It also means, depending on the context, Saudi Exchange, a wholly owned subsidiary of Saudi Tadawul Group, which is responsible for operating the market.
Sellers	UMI's Substantial Shareholders at the time of signing the Sale and Purchase Agreement, being Al Mojel Trading & Contracting Company, Abdulqader Al Muhaidib & Sons Company, and Rashed Development Company Limited.
Settlement Date	A period not exceeding 10 days from the date of satisfaction of all other Tender Offer conditions, which is expected to be on 08/06/1448H (corresponding to 18/11/2026G).
Squeeze-out Right	An offer made by pursuant to article 230 of the Companies Law and article 24(f) of the Merger and Acquisitions Regulations to obligate the remaining shareholders of a company to sell their shares to the shareholder making such offer where its ownership reaches ninety per cent (90%) or more.
Substantial Shareholder	A shareholder owning five per cent. (5%) or more of the shares of a company.
Tender Offer	The tender offer submitted by Knauf to UMI's shareholders for the purpose of acquiring up to 100% of UMI's shares, in exchange for the Consideration, pursuant to applicable laws and regulations (including the Merger and Acquisitions Regulations).

Tender Offer Acceptance Period	The period during which UMI's shareholders will have the opportunity to participate in accepting the Tender Offer and tender some or all of their shares to Knauf, which shall start on Sunday dated 16/04/1448H (corresponding to 27/09/2026G) and will end on Wednesday dated 24/05/1448H (corresponding to 04/11/2026G).
Tender Offer Key Terms Letter	The letter sent by Knauf to UMI's Board on 07/01/1448H (corresponding to 22/06/2026G), to align on the key terms of the Tender Offer and to reach an understanding with UMI's board regarding such key terms.
Tender Offer Period	The period commencing from the date of the FIA until the end of the Tender Offer Acceptance Period.
Tender Offer Transaction	Knauf's acquisition of up to 100% of UMI's shares, pursuant to the Tender Offer, and in accordance with the Merger and Acquisitions Regulations.
Total Consideration	The total amount of Consideration, being SAR 293,511,867 if UMI's remaining shareholders tender all of their shares such that Knauf acquires 100% of UMI's share capital.
UMI	United Mining Industries Company, a listed joint stock company having its head office based in Jeddah, KSA, registered in the Commercial Register under No. (4030216779) and with share capital of one hundred and forty million Saudi Riyals (SAR 140,000,000).
UMI's Board	The board of directors of UMI
UMI's Board Circular	The circular issued by UMI's Board pursuant to Article (39) of the Merger and Acquisitions Regulations in response to this Offer Document and which contains (among other things) the views of UMI's Board on the Tender Offer.
UMI's Delisting EGM	The extraordinary general assembly of UMI to be convened following the Completion of the Tender Offer and obtaining CMA approval, for the purpose of approving the delisting of UMI's shares from the Saudi Exchange (Tadawul) in accordance with Article (39)(c) of the Listing Rules.
UMI's Selling Shareholders	UMI's minority shareholders who accept to tender their shares to Knauf as part of the Tender Offer, and to whom Knauf will pay the Consideration in return for every share in UMI they tender to Knauf.

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2. RISK FACTORS

In considering whether or not to accept the Tender Offer, UMI's shareholders should carefully review this Offer Document in its entirety, including the risk factors set out below. Additional risks and uncertainties not currently known to Knauf, or which Knauf currently considers immaterial, may also have an adverse effect on UMI or its shareholders. To review the risks relating to the Consideration, the adequacy and fairness of the price, the costs incurred to complete the acquisition, and the independent advice provided by UMI's financial advisor, please refer to the risks set out in UMI's Board Circular.

2.1 Risks related to fluctuations in the market price of UMI's shares during the Tender Offer Period

The FIA and Tender Offer-related announcements to the market, the managements of Knauf and UMI or their businesses, any delay in completing the Tender Offer Transaction for any reason or any other political, economic or other reason may impact the market price of UMI's shares through increased volatility until the Completion of the Tender Offer.

The market price of UMI's shares may fluctuate between the date of publication of this Offer Document and the Completion of the Tender Offer (and also during the Tender Offer Period). There can be no assurance that the Consideration of SAR 57 per share will be greater or less than the prevailing market price at any time during or after such time periods. The effect of the Tender Offer Transaction on the market price of UMI's shares, both during and following such time periods, cannot be predicted, and may impact the market value of UMI's shares.

2.2 Risks related to reducing the liquidity in trading of UMI shares

UMI's shares validly tendered and purchased in the Tender Offer will be acquired by Knauf. Accordingly, the total volume of UMI shares available for trading will be reduced by a corresponding amount. Fewer UMI shares available for trading may result in a lower price compared to prices at greater trading volumes, in particular in combination with reduced liquidity as a result of the majority of UMI's shares being held by a single shareholder. The reduced volume may also make the trading price of UMI's shares more volatile. Consequently, the liquidity, market value and price volatility of UMI's shares not tendered in the Tender Offer could be adversely affected by the Tender Offer. There can be no assurance that the volumes of trading in UMI's shares following the Completion of the Tender Offer will match or exceed those prior to the Tender Offer, and they may for any number of reasons be lower. In addition, a market expectation of a reduction in the total number of UMI shares available for trading can itself give rise to one or more of the foregoing adverse consequences even prior to the Completion of the Tender Offer and/or the announcement of the level of tendering into the Tender Offer.

2.3 Risk related to the delisting of UMI

Upon the Completion of the Tender Offer, Knauf intends, subject to obtaining the CMA's approval for delisting, and the approval of UMI's Delisting EGM, to take the necessary steps for the delisting of UMI from the Saudi Exchange (Tadawul). Consequently, there will no longer be a public market for trading UMI's shares in case the necessary approvals for delisting are obtained. UMI shareholders who do not accept the Tender Offer (if any) may find it difficult to dispose of their shares and may therefore hold illiquid shares. There can be no assurance that any alternative trading market will be available, and the absence of a trading market may adversely affect the value of any shares not sold by shareholders in response to the Tender Offer.

2.4 Risks related to the reduced regulatory and governance protections post delisting

Subject to obtaining the CMA's approval for delisting, and the approval of UMI's Delisting EGM, it is intended that UMI will be delisted and would therefore no longer be subject to the Listing Rules, OSCOs, CGR and other requirements applicable to listed companies. As a result, the disclosure and transparency obligations on UMI will be reduced, corporate governance requirements applicable to companies listed in the parallel market will cease to apply, and minority shareholder protections arising under such governance framework may no longer be available after delisting. UMI's shareholders who remain following its delisting may therefore have fewer protections than those afforded to shareholders of a listed company.

2.5 Risks related to the consequences of partial acceptance of the Tender Offer

If not all of UMI's shareholders accept to tender all of their shares (other than Knauf), Knauf will acquire less than 100% of UMI's share capital and any minority shareholders who did not accept the Tender Offer will retain their shares. There can be no assurance that Knauf will make a further offer to acquire any remaining shares, or that any such offer would be on terms equivalent to those of the current Tender Offer. Minority shareholders may therefore remain in a company controlled by Knauf, with limited influence and no public market for their shares if UMI is delisted.

There is also no guarantee that any UMI shares held by shareholders who did not accept the Tender Offer will be repurchased in any other manner, and such repurchase (if any) may take significantly longer and/or may be for a higher or lower price than the price offered in the Tender Offer.

2.6 Risks of remaining as a minority shareholder in a controlled company

Knauf is currently the sole substantial shareholder of UMI, owning 63.2% of UMI's shares. Upon the Completion of the Tender Offer, and subject to the level of acceptance by UMI's shareholders to the Tender Offer, Knauf's ownership in UMI will increase and Knauf will gain more control over UMI, including with respect to the composition of UMI's Board, business, strategic and operational decisions to be approved at UMI's general assemblies, and the minority shareholders may have limited ability to influence such decisions.

Accordingly, and subject to the applicable regulatory thresholds, Knauf will be able to approve related party transactions requiring shareholder approval, elect and remove board members of UMI, approve amendments to UMI's bylaws and approve mergers, acquisitions, restructurings, or asset disposals, and UMI's minority shareholders may have limited practical ability to influence such matters.

2.7 Risks related to Knauf's exercise of its Squeeze-out Right to require UMI's shareholders to sell their shares

If, as a result of the Tender Offer, Knauf owns at least 90% of UMI's shares, then Knauf could exercise its right under Article 230 of the Companies Law and Article 24(f) of the Merger and Acquisitions Regulations to squeeze-out the remaining UMI minority shareholders, pursuant to which Knauf would apply to the CMA for approval of a mandatory offer to force UMI's minority shareholders, who kept their shares, to sell their shares to Knauf.

In such case, UMI's minority shareholders would be obligated to sell and transfer their shares to Knauf for cash consideration of no less than the Consideration Price, being SAR 57 per share, thus, they would not be able to retain their shares in UMI. There can be no assurance that the Consideration would reflect the future value of UMI following the Completion of the Tender Offer. It should be noted, in all cases, the Consideration will not be less than SAR 57 per share, in accordance with the relevant regulatory requirements.

2.8 Risk related to the increase of related party transactions between Knauf and UMI

Following the Completion of the Tender Offer, related party transactions between Knauf and UMI may increase. Although related party transactions are subject to applicable disclosure and, to the extent applicable, approval requirements pursuant to applicable law and regulations, following the Completion of the Tender Offer, Knauf may control shareholder approvals required for certain related party transactions at UMI's general assemblies. As a result, UMI's minority shareholders who remain following the Completion of the Tender Offer may have limited ability to influence decisions or prevent related party transactions from continuing.

2.9 Risks related to settlement of the cash consideration

Settlement of the Consideration is expected to occur in accordance with the timetable set out in the Key Dates and Milestones table (Key dates and Milestones) of this Offer Document. However, administrative, technical, or regulatory issues may result in delays in the payment of such Consideration to UMI's Selling Shareholders.

2.10 Risks related to Knauf receiving material non-public information during the Tender Offer Period

During the Tender Offer Period, Knauf may come to possess material non-public information about UMI, which Knauf may not be in a position to disclose during the Tender Offer Period due to governance or confidentiality restrictions, or may decide to delay the disclosure of such information in order to protect the legitimate interests of UMI. Because this Tender Offer may not be amended or terminated after the date hereof, save as included in this Offer Document, Knauf does not have any influence over how, when, or whether to effect purchases of UMI's shares pursuant to the Tender Offer and, therefore, the Tender Offer will proceed regardless of the fact that Knauf may acquire and not disclose any material non-public information during the Tender Offer Period.

2.11 Risks related to the completeness and accuracy of information

The information contained in this Offer Document is based on information provided by UMI and other publicly available sources. Neither Knauf nor its advisors have independently verified all such information. Accordingly, there is a risk that shareholders may not have access to all material information relevant to their decision. In addition, Knauf may come into possession of material non-public information during the Tender Offer Period which it may be unable to disclose due to legal, regulatory or other restrictions.

2.12 Risks related to forward-looking statements

This Offer Document contains forward-looking statements regarding the anticipated benefits of the Tender Offer Transaction and future expectations for Knauf and UMI. Such statements are based on assumptions and are subject to risks and uncertainties, many of which are beyond Knauf's control. Actual results may differ materially from those expressed or implied by such forward-looking statements.

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3. OVERVIEW OF THE TENDER OFFER TRANSACTION

On 03/08/1447H (corresponding to 22/01/2026G), UMI announced the execution of the Sale and Purchase Agreement for the purpose of acquiring a total of 63.2% of UMI's shares through the Private Transaction, and Knauf's intention to submit an offer to acquire up to 100% of the remaining shares in UMI, in accordance with applicable laws and regulations, including the Merger and Acquisitions Regulations. In the Letter of Intent, Knauf indicated its intention to launch a Tender Offer to UMI's shareholders as soon as possible following the completion of the Private Transaction, with the price per share for the Tender Offer being the same as under the Private Transaction, where applicable.

On 26/11/1447H (corresponding to 13/05/2026G), UMI, on behalf of Knauf, announced the completion of Knauf's acquisition of 63.2% of UMI's shares pursuant to the Private Transaction. On 07/01/1448H (corresponding to 22/06/2026G), UMI, on behalf of Knauf, announced Knauf's firm intention to proceed with the Tender Offer to acquire up to 100% of the remaining shares in UMI. These would comprise up to 5,149,331 fully paid-up shares with a nominal value of SAR 10 per share, to be acquired in exchange for cash at SAR 57 per share, amounting to a total of SAR 293,511,867 if all UMI shareholders (other than Knauf) decided to sell all of their shares as part of the Tender Offer.

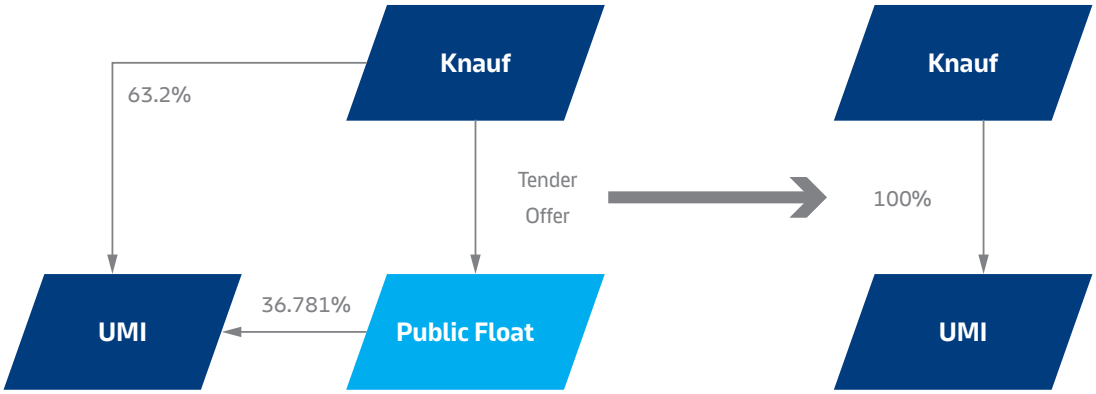
If the Tender Offer is fully accepted by UMI's shareholders (other than Knauf), all of UMI's shares (except for the shares owned by Knauf) will be acquired by Knauf in exchange for the Total Consideration. At the Completion of the Tender Offer, UMI's Selling Shareholders will receive the Consideration. Upon Completion of the Tender Offer, Knauf intends, subject to obtaining the CMA's approval for delisting, and the approval of UMI's Delisting EGM, to take the necessary steps for the delisting of UMI from the Saudi Exchange (Tadawul) (for more details about the terms of the Tender Offer Transaction, please refer to Section (3-4) (**"The Procedures of the Completion of the Tender Offer"**)).

If the Tender Offer is fully accepted by UMI's shareholders (other than Knauf) (through accepting to tender all of their shares), this will result in UMI becoming a wholly owned subsidiary of Knauf. For more details about Knauf and UMI's rationale for the Transaction, please refer to Section (3-2) (**"Rationale of the Tender Offer Transaction"**).

The total value of the Tender Offer will be determined on the basis of the number of shares tendered by UMI's Selling Shareholders as part of the Tender Offer. If the Tender Offer is fully accepted by all of UMI's shareholders (other than Knauf), the value of the Total Consideration would be SAR 293,511,867. This is based on the Consideration of SAR 57 per share.

It should be noted that no involuntary staff redundancies are expected as a result of the Tender Offer Transaction (if completed).

The diagram below is a simplified description of the structure of the Tender Offer before and after the Tender Offer, assuming the Tender Offer is fully accepted and all UMI's shareholders tender their shares to Knauf:



3.1 Terms of the Tender Offer

3.1.1 Participation in the Tender Offer

All of UMI's shareholders will have the opportunity to participate in the Tender Offer and tender some or all of their shares to Knauf during the Tender Offer Acceptance Period. UMI's shareholders who do not wish to accept the Tender Offer are not required to take any action, and no shareholder will be compelled to accept the Tender Offer. A shareholder's failure to submit its acceptance of the Tender Offer during the Acceptance Period shall be deemed an automatic rejection of the Tender Offer, without creating any obligation towards Knauf or UMI. UMI shareholders who wish to accept the Tender Offer and tender their shares must submit their acceptances through their investment portfolios held with licensed capital market institutions in accordance with the procedures specified by the Securities Depository Center Company (Edaa). By way of example and not limitation, if a shareholder wishes to accept the Tender Offer, the relevant shareholder should contact the licensed capital market institution through which it holds its shares in UMI in its investment portfolio, and instruct such institution to accept the offer with respect to the number of shares it wishes to tender for sale. The licensed capital market institution will then submit the relevant instructions to the Securities Depository Center Company (Edaa) through Edaa's corporate actions system on behalf of the shareholder.

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. This condition also applies in the event Knauf exercises its right to submit a mandatory offer obligating the remaining shareholders to sell their shares in case Knauf's ownership in UMI reaches 90% or more.

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, unless Knauf exercises its right to submit a mandatory offer obligating the remaining shareholders to sell their shares, for the purpose of acquiring the remaining shares in UMI, which applies if Knauf owns 90% or more of UMI's shares, entitling Knauf to compel the remaining minority shareholders to sell their shares for cash consideration of not less than the Consideration, being SAR 57 per share. It should be noted that acceptance or rejection of the Tender Offer is an individual decision for each shareholder at their own discretion.

3.1.2 Tender Offer Acceptance Period

The Tender Offer Acceptance Period shall start on Sunday dated 16/04/1448H (corresponding to 27/09/2026G) and will end on Wednesday dated 24/05/1448H (corresponding to 04/11/2026G).

3.1.3 Rights of Shareholders Who Do Not Accept the Tender Offer

UMI shareholders may choose not to accept the Tender Offer and retain their shares in UMI. In the event shareholders retain their shares in UMI, the following should be noted:

First: Squeeze-Out Right: If Knauf owns 90% or more of UMI's shares as a result of the Tender Offer, Knauf is entitled under Article (230) of the Companies Law and Article (24)(f) of the Merger and Acquisitions Regulations to apply to the CMA for approval to submit a mandatory offer to compel minority shareholders who retained their shares in UMI to sell their shares to Knauf. In such case, those shareholders will be obligated to sell and transfer ownership of their shares to Knauf for cash consideration of not less than the Consideration, being SAR 57 per share.

Second: Shareholder-Initiated Sell Right: Any minority shareholder may, within 90 days of the date of disclosing that Knauf's ownership in UMI reached 90% or more, request Knauf to submit an offer to purchase their shares, and Knauf must submit an offer to purchase those shares within 30 days of receiving such request. However, this right may not be available to UMI's minority shareholders, given Knauf's intention to exercise its Squeeze-Out Right, as described in paragraph "First" above.

Third: Delisting: Knauf intends to take the necessary steps to delist UMI's shares from the Saudi Exchange (Tadawul) upon Completion of the Tender Offer, which may render the shares illiquid and may make it difficult for non-accepting shareholders to dispose of their shares in the future.

3.1.4 Consideration Price

The Consideration price will be SAR 57 per share for each share in UMI to be paid by Knauf to UMI's Selling Shareholders. The Consideration price was determined to be equal to the price per share in the Private Transaction, as agreed in the Sale and Purchase Agreement and following the preceding negotiations between Knauf and UMI's Substantial Shareholders.

The Consideration Price represents a premium of approximately 26.7% to UMI's closing share price of SAR 45.00 on 21 January 2026, being the last trading day prior to the announcement of the Private Transaction; a premium of approximately 2.7% to UMI's closing share price of SAR 55.50 on 24 September 2026, being the last trading day prior to the announcement of the Tender Offer; and a premium of approximately 6.0% to UMI's volume-weighted average share price of SAR 53.75 for the 90 calendar days ending on such date.

The Consideration Price is the highest price paid by Knauf to purchase shares in UMI within the period commencing twelve months prior to the start of the Tender Offer Period. As of the date of this Offer Document, Knauf has no intention of revising the Consideration Price. For more details about the adequacy and fairness of the price and the independent advice provided by UMI's financial advisor in this regard, please refer to UMI's Board Circular.

3.1.5 Tender Offer Conditions

The Tender Offer will not be conditional upon a minimum acceptance threshold or any other conditions or events. (For more details about the Tender Offer conditions, please refer to Section (5) (**"Arrangements, conditions, and transactions"**)).

3.1.6 Tender Offer Acceptance Results

The results of the Tender Offer will be announced no later than half an hour before the scheduled Exchange 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 Period; and (3) the shares acquired or agreed to be acquired during the Tender Offer Period by no later than Thursday dated 25/05/1448H (corresponding to 05/11/2026G).

As at the date of this Offer Document, Knauf does not intend to terminate the Tender Offer or amend the terms of the Tender Offer during the Tender Offer Acceptance Period, including to change (i) the number of shares being sought pursuant to the Tender Offer; (ii) the Consideration under the Tender Offer; or (iii) the Tender Offer timetable. Knauf or UMI, as applicable, will announce on the Tadawul website any changes that may be made to the timetable, including any amendment to the terms of the Tender Offer.

3.1.7 Withdrawal Rights

UMI shareholders who accept the Tender Offer may not withdraw their acceptance at any time.

3.1.8 Settlement of the Tender Offer

Settlement will take place within a period not exceeding 10 days from the date of satisfaction of all other Tender Offer conditions, which is expected to be on the Settlement Date through the system of the Securities Depository Center Company (Edaa).

Ownership of the tendered shares accepted for sale by UMI's Selling Shareholders will be automatically transferred to Knauf on the Settlement Date through the platform of the Securities Depository Center Company (Edaa), and Knauf shall then pay the Consideration to UMI's Selling Shareholders on the Settlement Date through the system of the Securities Depository Center Company (Edaa).

3.1.9 Delisting

Following the Completion of the Tender Offer, Knauf intends, subject to obtaining the CMA's approval for delisting, and the approval of UMI's Delisting EGM, to take the necessary steps for the delisting of UMI from the Saudi Exchange (Tadawul). Consequently, there will no longer be a public market for trading UMI's shares in case the necessary approvals for delisting are obtained. 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.

The delisting process will follow the sequence below: (1) submission of the delisting application to the CMA and obtaining its approval; followed by (2) obtaining the approval of UMI's Delisting EGM, in accordance with Article (39)(c) of the Listing Rules. Knauf intends to vote in favor of the delisting resolution at UMI's Delisting EGM.

3.1.10 Knauf's Intention to Exercise the Squeeze-Out Right Obligating the Remaining Shareholders to Sell their Shares

If, as a result of the Tender Offer, Knauf owns 90% or more of UMI's shares, Knauf intends to exercise its right under Article (230) of the Companies Law and Article (24)(f) of the Merger and Acquisitions Regulations to submit a mandatory offer to obligate UMI's minority shareholders, who retained their shares in UMI, to sell their shares to Knauf for the purpose of acquiring the remaining shares in UMI, in accordance with the following procedures:

1- **Satisfaction of the threshold condition:** A prerequisite for exercising this right is that Knauf owns, pursuant to the Tender Offer, 90% or more of UMI's total shares.

2- **Application to the CMA:** If the threshold condition referred to above is satisfied, Knauf will apply to the CMA for approval to submit the mandatory offer to obligate the remaining shareholders to sell their shares, in accordance with applicable regulatory requirements.

3- **Determination of mandatory offer price to obligate the shareholders to sell their shares:** The consideration payable in the mandatory offer will not be less than SAR 57 per share, being the same price offered in the Tender Offer, in accordance with applicable regulatory requirements.

4- **Notification of minority shareholders:** Knauf will notify UMI's minority shareholders of the mandatory offer obligating the shareholders to sell their shares and its terms and procedures in accordance with applicable laws and regulations.

5- **Transfer of share ownership:** After satisfying all regulatory requirements and obtaining the necessary approvals, UMI's minority shareholders will be obligated to sell and transfer ownership of their shares to Knauf for the cash consideration specified in the paragraph above, and they will not be able to retain their shares in UMI following execution of the mandatory offer which will result in the sale of their shares to Knauf.

For more details about the risks relating to the mandatory offer obligating the shareholders to sell their shares, please refer to Section (2-7) (**"Risks related to the Knauf's exercise of its Squeeze-out Right to require UMI's shareholders to sell their shares"**) of this Offer Document.

3.2 Rationale of the Tender Offer Transaction

This section contains the views of Knauf on the expected benefits resulting from the Tender Offer Transaction. It contains forward-looking statements, which are subject to risks and uncertainties, and hence reliance should not be placed on such statements. For further information on such risks, please refer to the (**"Important Notice"**) section of this Offer Document and Section (2) (**"Risk Factors"**).

Knauf has been active in the Middle East for over 30 years with a long and successful track record of operations. It prides itself on being a responsible and committed partner in its markets of operations to all stakeholders: employees, customers, partners and societies with a special focus on preserving the environment around it. Knauf is an industry innovator in the building materials industry strengthened by more than 90 years of success, a global network in more than 90 countries, a strong brand and product portfolio, world-class technology and know-how, and extensive research and development. Its product portfolio continues to meet the most complex building requirements across the full value chain: from interior finishings, thermal insulation and design ceilings to dry construction systems and sustainable solutions.

Knauf views the Kingdom as one of its key growth markets and a central pillar of its regional strategy. The Saudi market is viewed as a large and growing construction market with potential for further improvement through innovation and technology. Through its expanded presence, Knauf aims to support the Kingdom's industrial growth, sustainable development and Vision 2030 goals.

The completed acquisition of 63.2% of UMI through the Private Transaction as well as this Tender Offer showcases Knauf's commitment to the Kingdom and the aim is to provide Knauf with a manufacturing base in Saudi Arabia.

UMI is a strong industrial player in the building materials space, with a substantial market presence in Saudi Arabia and the region, a strong brand, diversified sales channels, and a successful track record of growth since its inception. Its existing asset base, coupled with the newly launched additional gypsum plasterboard production line, adds further to the growth potential of UMI in the Kingdom and beyond. By combining this foundation with Knauf's global manufacturing expertise, innovation capabilities, and technical know-how, the aim is to further support the Kingdom's localization agenda and contribute to the development of a more resilient and competitive construction sector. In addition, the UMI platform provides Knauf with a growth opportunity to expand its business in the Kingdom and select regional markets through growth in UMI production.

Following the Completion of the Tender Offer, Knauf intends to explore opportunities through UMI and to support UMI in addressing current market dynamics and capitalizing on market opportunities. As a strong and reliable industrial partner, Knauf is committed to supporting UMI with the aim of fostering long-term value creation. Depending on economic feasibility, market conditions, required approvals from the relevant authorities and subject to establishing the appropriate legal framework between Knauf and UMI, while adhering to UMI's corporate governance framework, Knauf intends to assess a number of key strategic initiatives as it integrates UMI into Knauf's network, including the potential introduction of Knauf's brand, processes, operational and safety improvements. It is important to note that any potential initiatives are still in the initial stages of assessment. No decision has yet been made by UMI or Knauf with respect to the viability of these initiatives and the potential costs and benefits associated with these initiatives. Any decisions related to these initiatives will adhere to the relevant governance procedures.

With respect to Knauf's intentions towards UMI following the Completion of the Tender Offer, Knauf intends to: (1) continue UMI's business and operations on a normal basis; (2) work to enhance UMI's operational and manufacturing capabilities in line with the global Knauf Group strategy; and (3) delist UMI's shares from the Saudi Exchange (Tadawul) upon Completion of the Tender Offer in accordance with applicable regulatory requirements. Knauf does not intend to make any material changes to the nature of UMI's business or the situation of its employees as described in this Offer Document.

Knauf believes the future growth and development of UMI will benefit from a strategic partner such as Knauf who is capable of providing UMI with:

- long-term strategic commitment and alignment;
- complementary and scalable industrial capabilities (such as production, research and development, sales); and
- financing capacity and support as needed.

3.3 Agreements related to the Tender Offer Transaction

3.3.1 Other Agreements

Other than the Sale and Purchase Agreement, there are no material agreements entered into between Knauf, UMI or UMI's shareholders in relation to the Tender Offer Transaction (for more details about the Sale and Purchase Agreement please refer to Section (5) (**"Arrangements, conditions, and transactions"**)).

3.4 The Procedures of the Completion of the Tender Offer

The Completion of the Tender Offer is subject to obtaining all required approvals of the CMA with respect to the Tender Offer. It should be noted that the CMA's approval of the publication of the Offer Document has been obtained.

It is worth noting that the General Authority for Competition's approval was obtained for the economic concentration application relating to Knauf's acquisition of control over UMI, as one of the procedures for the completion of the Private Transaction pursuant to its non-objection letter issued on 10/03/2026G, as announced by UMI on 11/03/2026G and 15/03/2026G.

3.4.1 Completion of the Tender Offer

At the Completion of the Tender Offer, ownership of the tendered shares accepted for sale by the Selling Shareholders will be automatically transferred to Knauf through the system of the Securities Depository Center Company (Edaa) no later than Wednesday dated 08/06/1448H (corresponding to 18/11/2026G), and Knauf shall then pay the Consideration to UMI's Selling Shareholders no later than Wednesday dated 08/06/1448H (corresponding to 18/11/2026G).

3.5 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%.

Additionally, it should also be noted that there are members of UMI's Board who have an interest in the Transaction, 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 and will subsequently abstain from voting on any of UMI's Board resolutions in relation to the Tender Offer.

The following table sets out the names and shareholdings of the Related Parties in relation to the Tender Offer Transaction as of 10/01/1448H (corresponding to 25/06/2026G):

Name	Reason for being Related Party	Direct Ownership in UMI		Indirect Ownership in UMI	
		No. of Shares	Shareholding %	No. of Shares	Shareholding %
Knauf	Substantial shareholder in UMI	8,850,669	63.2%	N/A	N/A
Total		**8,850,669**	**63.2%**	**N/A**	**N/A**

3.6 Restrictions on Knauf Selling Shares

Pursuant to the Rules for Foreign Investment in Securities, Knauf is classified as a foreign strategic investor and as such may not sell any of the shares it owns in any Saudi listed company within a period of two years after the date on which it became the owner of such shares. Knauf became the owner of 63.2% of UMI's shares on 25/11/1447H (corresponding to 12/05/2026G). As such, Knauf is restricted from selling any shares it currently owns in UMI within this lock-up period.

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4. SHAREHOLDING AND TRANSACTIONS

4.1 Knauf's Shareholding and Transactions

On 25/11/1447H (corresponding to 12/05/2026G), Knauf acquired 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 amount of SAR 504,488, 133 pursuant to the Sale and Purchase Agreement. (For more details about the Sale and Purchase Agreement please refer to Section (5) (**"Arrangements, conditions, and transactions"**)).

4.2 Shareholding and Interest of Knauf's Directors in UMI

There are no shares in UMI that are owned or controlled by Knauf's directors as of the publication date of this Offer Document. None of Knauf's directors has traded in shares of UMI within the period commencing twelve months prior to the start of the Tender Offer Period and ending on the day prior to the publication date of this Offer Document.

The table below indicates the shareholding of Knauf's directors and the size of their controlling stake in UMI as of 10/01/1448H (corresponding to 25/06/2026G):

Name	Position	Role	Shareholding in UMI			
			Direct	Indirect Interest*	Total	%
Mr. Jörg Kampmeyer	Managing director of Knauf	Executive/non-independent	N/A	N/A	N/A	0%
Dr. Uwe Knotzer	Managing director of Knauf	Executive/non-independent	N/A	N/A	N/A	0%
Dr. Kristin Neumann	Managing director of Knauf	Executive/non-independent	N/A	N/A	N/A	0%
Mr. Murat Akyildiz	Managing director of Knauf	Executive/non-independent	N/A	N/A	N/A	0%

* Indirect interest means shares owned by the managing directors of Knauf in Gebr. Knauf KG, the sole shareholder of Knauf; Knauf is the controller of UMI.

4.3 Knauf's Shareholding and Transactions through Acting in Concert

There are no shares in UMI owned or controlled by a person Acting in Concert with Knauf as of the publication date of this Offer Document. Nor has any person Acting in Concert with Knauf traded in shares of UMI within the period commencing twelve months prior to the start of the Tender Offer Period and ending on the day prior to the publication date of this Offer Document.

4.4 Dealings in UMI's Shares

The following persons have dealt in UMI shares within period commencing twelve months prior to the start of the Tender Offer Period and ending on the day prior to the publication date of this Offer Document:

Shareholder	Type of Dealings	Date of Dealings	Number of Shares	Price
Knauf	Purchase	25/11/1447H (corresponding to 12/05/2026G)	8,850,669	SAR 57 per share Total of SAR 504,488,133
Al Mojel Trading & Contracting Company	Sale	25/11/1447H (corresponding to 12/05/2026G)	2,704,296	SAR 57 per share Total of SAR 154,144,872
Abdulqader Al Muhaidib & Sons Company	Sale	25/11/1447H (corresponding to 12/05/2026G)	2,786,373	SAR 57 per share Total of SAR 158,823,261
Rashed Development Company Limited	Sale	25/11/1447H (corresponding to 12/05/2026G)	3,360,000	SAR 57 per share Total of SAR 191,520,000

5. ARRANGEMENTS, CONDITIONS, AND TRANSACTIONS

Letter of Intent

On 02/08/1447H (corresponding to 21/01/2026G), Knauf submitted a Letter of Intent to UMI indicating its intention to submit an offer to acquire up to all of the remaining shares in UMI, in accordance with applicable laws and regulations, including the Merger and Acquisitions Regulations. The Letter of Intent also indicated Knauf's intent to make a Tender Offer to UMI's shareholders as soon as possible following the completion of the Private Transaction, and the price per share for the Tender Offer would be at the same price per share as the Private Transaction, where applicable.

Sale and Purchase Agreement

On 02/08/1447H (corresponding to 21/01/2026G), Knauf entered into the Sale and Purchase Agreement with the Sellers, which governed the terms and conditions of the Private Transaction. The Sale and Purchase Agreement contained terms relating to (among other matters):

- the purchase price, which was SAR 504,488,133 (with a price per share of SAR 57, which is equal to the Consideration under the Tender Offer);
- conditions precedent to completion, and the mechanics of completion (both of which have already occurred);
- detailed representations and warranties relating to (among other matters) the Sellers' ownership of the shares, UMI's business, financial and tax/zakat matters, its assets and liabilities;
- certain limitations on the Sellers' liability to Knauf;
- indemnities for specific risks; and
- limited obligations applying following completion (e.g. relating to non-solicitation of employees and the Sellers' obligation not to compete with UMI's business in the markets in which it operates).

Tender Offer Key Terms Letter

On 07/01/1448H (corresponding to 22/06/2026G), Knauf submitted a letter to UMI's Board to align on the key terms of the Tender Offer and to reach an understanding with UMI's board regarding such terms, as disclosed in this Offer Document, which UMI's Board intends to recommend to its shareholders as per the FIA published on 07/01/1448H (corresponding to 22/06/2026G).

Other than the Letter of Intent, the Sale and Purchase Agreement, and the Tender Offer Key Terms Letter, there is no agreement, arrangement or understanding in relation to the Tender Offer Transaction (including any compensation arrangement) between Knauf (or any other person Acting in Concert with it) or any of the board members or shareholders or any person who was a board member or shareholder in UMI during the twelve months prior to the date of publication of this Offer Document.

6. CASH SUFFICIENCY

Knauf obtained a bank guarantee issued by BNP Paribas on 21/01/1448H (corresponding to 06/07/2026G) for a maximum amount of SAR 293,511,867, guaranteeing Knauf's ability to fulfill the full value of the Tender Offer in accordance with the requirements of Article 38(a)(d) of the Merger and Acquisitions Regulations.

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7. ULTIMATE BENEFICIAL OWNERS OF UMI'S SHARES

7.1 Substantial Shareholder

As at the date of this Offer Document, Knauf is the sole Substantial Shareholder of UMI, owning 63.2% of its shares.

Knauf is a privately held, family-owned building materials group founded in 1932G and headquartered in Iphofen, Germany. Its core business includes gypsum-based building systems (drywall/plasterboard, plasters, joint compounds), interior partition/ceiling systems, flooring systems and building insulation (glass/mineral wool, rock/mineral wool). Knauf also has a ceilings business (acoustic/mineral fiber/metal) and various specialty boards (e.g., cement boards). As of 2025G, Knauf has about 43,500 employees world-wide and is present in more than 90 countries on all continents and operates more than 320 plants. Aside from UMI's operations in the Kingdom, in the Middle East, Knauf operates across the Gulf Cooperation Council countries, including the United Arab Emirates, Qatar, Bahrain, Kuwait and Oman, with manufacturing plants in Ras Al Khaimah (UAE) and Salalah (Oman). Knauf also manages a quarry in Salalah and Knauf maintains a presence in Iraq and Lebanon. It is also noted that Knauf Group's revenue (turnover) for the last three financial years was as follows: EUR 15.6 billion in 2023G, EUR 15.6 billion in 2024G, and EUR 15.3 billion in 2025G.

There has been no transfer of any UMI shares acquired by Knauf through the Private Transaction to any person. Knauf also does not intend to transfer any of the securities to be acquired pursuant to the Tender Offer to any other person.

7.2 The ultimate beneficial owner of UMI's shares and the controlling shareholder

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. The ultimate beneficial owners of Knauf are individuals from the Knauf family in their capacity as limited partners of Gebr. Knauf KG.

Gebr. Knauf KG has four **"general directors"** (German: **"Komplementäre"**) (Mr. Jörg Kampmeyer, Dr. Uwe Knotzer, Dr. Kristin Neumann and Mr. Murat Akyildiz) without capital contribution and several limited partners within the Knauf family with different financial contributions to the limited partnership. None of the limited partners hold a share, directly or indirectly, of more than 12.63% of the share capital of Gebr. Knauf KG. There are also no other means of control or agreements that allow a limited partner or any other person to have greater control or influence over Gebr. Knauf KG. These limited partners are considered to be the ultimate beneficial owners of Gebr. Knauf KG, and ultimately, Knauf.

The general directors of Gebr. Knauf KG (i.e. Mr. Jörg Kampmeyer, Dr. Uwe Knotzer, Dr. Kristin Neumann and Mr. Murat Akyildiz) are also acting as managing directors of Knauf.

None of the four managing directors of Knauf – Mr. Jörg Kampmeyer, Dr. Uwe Knotzer, Dr. Kristin Neumann and Mr. Murat Akyildiz – holds, directly or indirectly, any shares or any direct legal or beneficial ownership interest in Knauf International GmbH, Gebr. Knauf KG or Isogranulat GmbH.

Other than as described above, no person(s) owns or controls 30% or more of UMI's share capital or is able to direct and manage its decisions.

8. FINANCIAL INFORMATION

8.1 Closing Price of UMI's Shares

The table below contains the closing price of UMI's shares for: the first day of each month of the six months directly preceding the publication date of the Offer Document; the last day preceding the commencement of the Tender Offer Acceptance Period; and for the last available date before publication of the Offer Document.

Date	Closing Price of UMI's Share (SAR)
01/03/2026G	48.76
01/04/2026G	47.26
03/05/2026G	49.36
01/06/2026G	52.40
01/07/2026G	53.75
02/08/2026G	53.00
01/09/2026G	53.00
The last day preceding the commencement of the Tender Offer Period	
24/09/2026G	55.50
The last available date before publication of the Offer Document	
24/09/2026G	55.50

Source: Saudi Exchange website (Tadawul)

9. TENDER OFFER TRANSACTION FINANCING

The Consideration payable by Knauf to UMI's Selling Shareholders will be financed through existing financial resources available to Knauf. No debt financing of facilities will be required by Knauf to satisfy its obligation to pay the Consideration. Knauf does not intend to rely on UMI's business or assets to pay any fees, fulfill any obligation, or provide any guarantee in connection with the Tender Offer, and no such arrangements exist.

Knauf has received confirmation from BNP Paribas (licensed by the Saudi Central Bank (SAMA)) indicating that Knauf has the necessary financial resources to pay the Total Consideration. In addition, Lazard Saudi Arabia, in its capacity as independent financial advisor 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.

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10. WAIVER

A waiver has been obtained from the CMA from the requirements of Article 48 of the Merger and Acquisitions Regulations, and accordingly, the Tender Offer will not be subject to obtaining the approval of the independent and disinterested shareholders of UMI at UMI's Tender Offer OGM. A waiver has also been obtained from the CMA from the requirements of Article (40)(a)(2) of the Merger and Acquisitions Regulations, relating to making the Offeror's audited consolidated financial statements available for inspection, given that this Offer Document includes details of the bank guarantee and the confirmation of Knauf's independent financial advisor that Knauf has sufficient resources to fully satisfy the value of the Tender Offer.

11. DOCUMENTATION AVAILABLE FOR INSPECTION

Knauf shall make the following documentation available for inspection at UMI's headquarters from 8:00 am to 5:30 pm during working days, from the date of publication of this Offer Document until the end of the Tender Offer Acceptance Period:

1- Knauf's bylaws.
2- UMI's bylaws and articles of associations.
3- UMI's audited financial statements for the fiscal years ended on 31 December 2024G and 2025G.
4- The opinion of UMI's independent financial advisor.
5- The Sale and Purchase Agreement.
6- The Letter of Intent.
7- The Tender Offer Key Terms Letter.
8- Knauf's advisors' letters of consent to use their names, logos and affidavits (as applicable) in this Offer Document.

knauf.com