

COMMUNIQUÉ

Further to the Cautionary Announcement issued by The United Basalt Products Limited (the "Company") on 01 September 2021, the Board of Directors of the Company wishes to inform the shareholders of the Company and the public in general that, further to the exercise of the rights of first refusal of the Company in respect of the proposed sale of shares by Associated International Cement Ltd and Cementia Holding AG in Drymix Ltd ('Drymix'), a company engaged in the manufacture and sale of "Ready to use" dry mortar and Pre-Mixed Concrete Limited ('Pre-Mixed'), a company offering ready-mix concrete solutions, the Board of the Company has approved the following acquisitions in Drymix and Pre-Mixed (the "Transaction"):

- Drymix: Acquisition of 17.23% of the shareholding, such that the Company shall thereafter hold 71.83% of Drymix; and
- Pre-Mixed: Acquisition of 51% of the shareholding, such that the Company shall thereafter hold 100 % of Pre-Mixed.

The completion of the Transaction is subject to necessary regulatory approvals being obtained.

Rationale behind the Transaction

The Company is of the opinion that the Transaction is a strategic opportunity since it will generate value by enabling the enhancement of synergies within the group.

With the augmented offerings, the group is poised to harness the opportunities presented by the initiatives heralded by the Government to boost the construction industry in Mauritius and is expected to yield higher profitability.

Terms of the Transaction

The agreed purchase prices in respect of the acquisitions are as follows:

- Drymix: Approximately Rs 96 million; and
- Pre-Mixed: Approximately Rs 280 million.

The Transaction results in material changes into the sphere of activities of the Company as per the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 but does not qualify as notifiable transactions as per Chapter 13 of the Listing Rules of the Stock Exchange of Mauritius Ltd.

By Order of the Board.

Bhooneshi Nemchand
Company Secretary

October 18, 2021

BRN: C07000862

This communiqué is issued pursuant to Listing Rule 11.3 and Rule 5 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

The Board of Directors of The United Basalt Products Limited accepts full responsibility for the accuracy of the information contained in this communiqué.