

Press Release

Mumtalakat announces the development of US\$ 40 million copper manufacturing facility in the Kingdom of Bahrain

The new facility will create over 200 jobs and will make a positive contribution to the local economy

Manama, Kingdom of Bahrain, 12 January 2016: Bahrain Mumtalakat Holding Company (“Mumtalakat”), the investment arm of the Kingdom of Bahrain, announced the signing of an agreement with Mueller Industries (“Mueller”), a leading manufacturer and distributor of flow control and industrial products listed on the NYSE, and Cayan Ventures (“Cayan”), a GCC-based industrial projects developer and investor, to build the first copper tube manufacturing facility in Bahrain. The parties will invest approximately US\$40 million in the facility, which will address the increasing demand for quality copper tubes in the Middle East and North Africa (“MENA”) region.

The copper tube mill will be located at the Bahrain International Investment Park (“BIIP”) and will produce commercial copper tubes to serve regional air conditioning and refrigeration (“ACR”) original equipment manufacturers (“OEMs”). The business will operate and market its products under the Mueller family of brands.

Under the agreement, Mueller will be the technical and marketing lead in the venture with a 40% ownership of the joint venture. Mumtalakat will be responsible for providing on the ground support, including procuring regulatory approvals for establishing the business, and will hold a 30% stake in the joint venture. Cayan will invest, structure and mobilise the project and will also hold a 30% stake in the joint venture.

Commenting on the signing of the agreement, Mr. Mahmood Hashim Al Kooheji, Chief Executive Officer of Mumtalakat, said: “We are delighted to have signed this strategic agreement with Mueller Industries and Cayan Ventures to develop the first regional copper tube manufacturing facility in the Kingdom of Bahrain.

Significant demand for high quality copper tubes in the region, almost entirely supplied by East Asia, made a compelling case for establishing this facility, which will supply an ever-growing OEM production capacity and the fastest growing ACR market globally.

This investment underscores Mumtalakat’s continued commitment to partner with leading international players to facilitate their expansion into the Kingdom. The facility will create over 200 jobs in Bahrain and will make a positive contribution to the local economy.”

Mueller Industries CEO Greg Christopher said, “As part of our continuous effort to expand and strengthen our core business, we have entered into an agreement to establish a copper tube mill in Bahrain. This mill will produce copper tube for the air conditioning and refrigeration markets and will have the capacity to support the surrounding MENA region. The MENA region is one of the fastest-growing markets for air conditioning and refrigeration.

We are pleased to secure this arrangement with established financial partners, ensuring us the expertise and relationships necessary to progress in this new venture.”

Cayan’s Managing Partner Thomas F. Stein added, “Cayan Ventures is pleased to see this project move toward becoming a reality. This is a significant project for the Kingdom of Bahrain given the complement it brings to Bahrain’s industrial base and value it brings to the economy. This is the first copper tubing facility in the region and we expect to capitalize on the strength of the shareholders and the project’s geographic positioning to ensure success.”

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