

DOWLAIIS

29 January 2025

To: Dowlais Group plc (“**Dowlais**” or the “**Company**”) employees and employee representatives

We are required by the City Code on Takeovers and Mergers (the “Takeover Code”) to make this communication and the announcement to which it refers available to you.

Dear Colleague,

Announcement of a recommended cash and share offer for Dowlais by American Axle & Manufacturing Holdings, Inc. (“AAM”).

On 29 January 2025, Dowlais and AAM announced that they have reached an agreement on the terms of a recommended cash and share offer for the entire issued, and to be issued, share capital of Dowlais pursuant to which Dowlais shareholders would be entitled to receive 0.0863 new AAM shares and 42 pence in cash for each Dowlais share held (the “**Offer**”).

In accordance with Rule 2.11 of the Takeover Code, a copy of the announcement made pursuant to Rule 2.7 of the Takeover Code in connection with the Offer (the “**Announcement**”) has been made available to you on Dowlais’ website at dowlais.com. A copy of the Announcement, and all other information, documents and announcements relating to the Offer will also remain available during the course of the offer period on the above website. This communication is not to be taken as a summary of the information in the Announcement and should not be regarded as a substitute for reading the Announcement in full. For the avoidance of doubt, the content of the Dowlais website is not incorporated into, and does not form part of, this communication.

It is expected that the Offer will be implemented by way of a scheme of arrangement under Part 26 of the Companies Act 2006. Employee representatives of Dowlais have a right under Rule 25.9 of the Takeover Code to have published, at Dowlais’ cost, a separate opinion on the effects of the Offer on employment. Any such opinion will be appended to a circular on the Offer that may be published by Dowlais in accordance with the requirements of Rule 25.9 of the Takeover Code. Dowlais will be responsible for the costs reasonably incurred by the employee representatives in obtaining advice required for the verification of the information contained in that opinion in order to comply with the highest standards of care and accuracy that are required by Rule 19.1 of the Takeover Code.

If you would like to comment in response to this Rule 2.11 notice, please send your responses via email to Company.Secretary@dowlais.com. All emails should be entitled in the subject line “Rule 2.11 notice”.

Please be aware that addresses, electronic addresses and certain other information provided by you for the receipt of communications from Dowlais may be provided to AAM during the offer period as required under Section 4 of Appendix 4 of the Takeover Code.

Yours faithfully,



John Nicholson
General Counsel and Company Secretary
Dowlais Group plc

Notes

Directors' responsibility statement

The directors of Dowlais (the "Directors") accept responsibility for the information contained in this email relating to Dowlais. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this email is in accordance with the facts and does not omit anything likely to affect the import of such information.

Right to request hard copies

You may access an electronic copy of the Announcement on Dowlais' website at dowlais.com. You may request a copy of the Announcement and any information incorporated into it by reference to another source in hard copy form by contacting Company.Secretary@dowlais.com during normal business hours. A hard copy of the Announcement will not be sent to you unless you so request it.

You may also request that all future documents, announcements and information sent to you in relation to the Offer should be sent to you in hard copy form by contacting Company.Secretary@dowlais.com.

Dealing Disclosure Requirements

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

If you are in any doubt as regards the contents of this communication, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager or other independent adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom. If you have sold or otherwise transferred all of your ordinary shares in Dowlais Group plc, please send this communication at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of ordinary shares in Dowlais Group plc, you should retain this communication and consult the bank, stockbroker or other agent through whom the sale was effected. However, this communication should not be transmitted in whole or in part in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of that jurisdiction.