
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**SCHEDULE 14A
(Rule 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

**AMERICAN AXLE & MANUFACTURING
HOLDINGS, INC.**

(Name of Registrant as Specified In Its Charter)

Not applicable

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 - Fee paid previously with preliminary materials.
 - Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11.
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RNS Number : 92301
American Axle & Mfg Hldgs, Inc.
16 May 2025

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FOR IMMEDIATE RELEASE

16 May 2025

**AMERICAN AXLE & MANUFACTURING HOLDINGS, INC. ("AAM") AND
DOWLAIS GROUP PLC ("DOWLAIS")**

**UPDATE ON RECOMMENDED COMBINATION OF AAM AND DOWLAIS AND UK
SECONDARY LISTING**

On 29 January 2025, the boards of AAM and Dowlais announced (the "**Rule 2.7 Announcement**") that they had reached an agreement on a recommended cash and share combination (the "**Combination**").

Unless otherwise defined in this announcement, capitalised terms used in this announcement shall have the same meanings given to them in the Rule 2.7 Announcement.

The boards of both AAM and Dowlais continue to believe that the strategic rationale for the Combination remains compelling. Recent global events have further highlighted the attractiveness of the Combination, which will create a stronger business that is resilient across customers, geographies and products, resulting in the Combined Group being better positioned to navigate and succeed in an increasingly dynamic automotive industry and macroeconomic environment.

Since the Rule 2.7 Announcement, the momentum of integration planning has continued at pace. Both integration planning teams have worked together over recent weeks, including site visits, further increasing the confidence and excitement in the value creation opportunity that the Combination brings and enabling the delivery of the announced synergies as planned. This ongoing work will include defining a joint organisation structure and taking a best of both approach to how the combined group can operate post completion. The board of AAM remains confident in realising annual run rate cost synergies of at least \$300m, expected to be substantially complete by the end of the third year after Completion.⁽¹⁾

Regulatory filings are progressing as planned and remain on-track, with the U.S. Antitrust Condition already satisfied, as announced on 13 March, and completion of all other initial antitrust submissions with the required jurisdictions listed in the Rule 2.7 Announcement.

UK Secondary Listing

AAM is pleased to announce that as part of the envisaged Combination, it intends to seek a secondary listing and admission of AAM Shares to trading on the London Stock Exchange (the "**Secondary Listing**"). AAM Shares would be admitted to the equity shares (international commercial companies secondary listing) category of the Official List maintained by the Financial Conduct Authority (the "**FCA**") and to trading on the Main Market for listed securities of the London Stock Exchange. This will ensure a greater range of both existing and

prospective shareholders are able to access the future value creation opportunity of the Combination. AAM will now commence the process of obtaining such listing, including the publication of a prospectus approved by the FCA (the "**AAM Prospectus**"). It is noted that the obtaining of the Secondary Listing is not a condition to the Scheme. However, AAM and Dowlais have entered into an amendment to the Co-operation Agreement (which will be available on AAM's website at https://www.aam.com/investors/offer-for-dowlais-group-plc_documentation and Dowlais' website at <https://www.dowlais.com/investors/recommended-combination-with-american-axle-manufacturing-holdings-inc-/> promptly and in any event by no later than 12 noon (London time) on the business day following the date of this announcement), pursuant to which AAM agrees to use all reasonable efforts to ensure the Secondary Listing is effective at Completion and Dowlais has agreed to customary provisions regarding the provision of information necessary for the publication of the AAM Prospectus.

Publication of AAM Proxy Statement

On 15 May 2025, AAM filed a preliminary proxy statement on Schedule 14A with the United States Securities and Exchange Commission (the "**Preliminary Proxy Statement**"). A copy of the Preliminary Proxy Statement is available on AAM's website at <https://www.aam.com/investors/offer-for-dowlais-group-plc-documentation>.

As contemplated in the Rule 2.7 Announcement, the Scheme Document is expected to be posted to Dowlais Shareholders in June 2025, following publication of the AAM Proxy Statement.

- (1) This statement includes a quantified financial benefits statement in relation to the Combination which was been reported on for the purposes of Rule 28 of the Code. Further information on the quantified financial benefits statement, including the basis of preparation and principal assumptions, are set out in the Appendix to this announcement.

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Disclaimers

Important notices relating to financial advisers

J.P. Morgan Securities LLC, together with its affiliate J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove and which is authorised in the United Kingdom by the Prudential Regulation Authority and regulated in the United Kingdom by the Prudential Regulation Authority and the Financial Conduct Authority). J.P. Morgan is acting as financial adviser exclusively for AAM and no one else in connection with the Combination and will not regard any other person as its client in relation to the Combination and will not be responsible to anyone other than AAM for providing the protections afforded to clients of J.P. Morgan or its affiliates, nor for providing advice in relation to the Combination or any other matter or arrangement referred to herein.

Barclays, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Dowlais and no one else in connection with the Combination and will not be responsible to anyone other than Dowlais for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Combination or any other matter referred to in this announcement.

In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Barclays and its affiliates will continue to act as exempt principal trader in Dowlais securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Rothschild & Co, which is authorised and regulated in the UK by the Financial Conduct Authority, is acting exclusively as financial adviser to Dowlais and for no-one else in connection with the Combination and shall not be responsible to anyone other than Dowlais for providing the protections afforded to clients of Rothschild & Co, nor for providing advice in connection with the Combination or any matter referred to herein. Neither Rothschild & Co nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with this announcement, any statement contained herein, the Combination or otherwise. No representation or warranty, express or implied, is made by Rothschild & Co as to the contents of this announcement.

Investec, which is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for Dowlais and no one else in connection with the subject matter of this announcement and will not regard any other person as its client in relation to the subject matter of this announcement and will not be responsible to anyone other than Dowlais for providing the protections afforded to the clients of Investec, or for providing advice in connection with the subject matter of this announcement or any other matters referred to herein. Neither Investec nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Investec in connection with the subject matter of this announcement, any statement contained herein or otherwise, and no representation, express or implied, is made by Investec or any of its subsidiaries, branches or affiliates, or purported to be made on behalf of Investec or any of its subsidiaries, branches or affiliates, in relation to the contents of this announcement, including with regard to the accuracy or completeness of the announcement or the verification of any other statements made or purported to be made by or on behalf of Investec or any of its subsidiaries, branches or affiliates in connection with the matters described in this announcement.

Further information

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Combination or otherwise. In particular, this announcement is not an offer of securities for sale into the U.S. No offer of securities shall be made in the U.S. absent registration under the U.S. Securities Act, or pursuant to an exemption from, or in a transaction not subject to, such registration requirements. The Combination will be made solely through the Scheme Document (or, if the Combination is implemented by way of a Takeover Offer, the Takeover Offer documents), which, together with the accompanying Forms of Proxy and Forms of Election in relation to the Mix and Match Facility, which will contain the full terms and conditions of the Combination, including details of how to vote in respect of the Combination. Any decision in respect of the Combination should be made only on the basis of the information in the Scheme Document (or, if the Combination is implemented by way of a Takeover Offer, the Takeover Offer documents).

Dowlais will prepare the Scheme Document to be distributed to Dowlais Shareholders. Dowlais and AAM urge Dowlais Shareholders to read the Scheme Document (or any other document by which the Combination is made) in full when it becomes available because it will contain important information relating to the Combination, including details of how to vote in respect of the Scheme.

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set forth in this announcement since such date.

This announcement does not constitute a prospectus or a prospectus equivalent document.

This announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.

The Combination will be subject to the applicable requirements of English law, the Code, the Panel, the London Stock Exchange and the FCA.

Neither the SEC nor any U.S. state securities commission has approved, disapproved or passed judgment upon the fairness or the merits of the Combination or determined if this announcement is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the U.S.

Overseas Shareholders

The release, publication or distribution of this announcement in jurisdictions other than the UK, and the availability of the Combination to Dowlais Shareholders who are not resident in the UK, may be restricted by law and therefore any persons who are not resident in the UK or who are subject to the laws of any jurisdiction other than the UK (including Restricted Jurisdictions) should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the UK or who are subject to the laws of another jurisdiction to participate in the Combination or to vote their Dowlais Shares in respect of the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. Any failure to comply with applicable legal or regulatory requirements of any jurisdiction may constitute a violation of securities laws in that jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by AAM or required by the Code, and permitted by applicable law and regulation, the Combination shall not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Combination by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction.

Accordingly, copies of this announcement and any formal documentation relating to the Combination are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from

any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of acceptance of the Combination.

Further details in relation to Dowlais Shareholders in overseas jurisdictions will be contained in the Scheme Document (or, if the Combination is implemented by way of a Takeover Offer, the Takeover Offer documents).

Additional information for U.S. investors in Dowlais

The Combination relates to an offer for the shares of an English company and is proposed to be implemented by means of a scheme of arrangement provided for under English company law. The Combination, implemented by way of a scheme of arrangement, is not subject to the tender offer rules or the related proxy solicitation rules under the U.S. Exchange Act. Accordingly, the Combination is subject to the disclosure requirements and practices applicable to a scheme of arrangement involving a target company in the UK listed on the London Stock Exchange, which differ from the disclosure requirements of the U.S. tender offer and related proxy solicitation rules. If, in the future, AAM exercises its right to elect to implement the Combination by way of a Takeover Offer and determines to extend the Takeover Offer into the U.S., such Takeover Offer will be made in compliance with applicable U.S. laws and regulations.

The New AAM Shares to be issued pursuant to the Combination have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold by AAM in the U.S. absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act. The New AAM Shares to be issued pursuant to the Combination will be issued pursuant to the exemption from registration set forth in Section 3(a)(10) of the U.S. Securities Act. If, in the future, AAM exercises its right to elect to implement the Combination by way of a Takeover Offer or otherwise determines to conduct the Combination in a manner that is not exempt from the registration requirements of the U.S. Securities Act, it will file a registration statement with the SEC that will contain a prospectus with respect to the issuance of New AAM Shares. In this event, Dowlais Shareholders are urged to read these documents and any other relevant documents filed with the SEC, as well as any amendments or supplements to all such documents, because they will contain important information, and such documents will be available free of charge at the SEC's website at www.sec.gov or by directing a request to AAM's contact for enquiries identified above.

This announcement contains, and the Scheme Document will contain certain unaudited financial information relating to Dowlais that has been prepared in accordance with UK-endorsed International Financial Reporting Standards ("IFRS") and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles. U.S. generally accepted accounting principles differ in certain significant respects from IFRS.

Dowlais is incorporated under the laws of a non-U.S. jurisdiction, some or all of Dowlais' officers and directors reside outside the U.S., and some or all of Dowlais' assets are or may be located in jurisdictions outside the U.S. Therefore, U.S. Dowlais Shareholders (defined as Dowlais Shareholders who are U.S. persons as defined in the U.S. Internal Revenue Code or "IRC") may have difficulty effecting service of process within the U.S. upon those persons or recovering against Dowlais or its officers or directors on judgments of U.S. courts, including judgments based upon the civil liability provisions of the U.S. federal securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment. It may not be possible to sue Dowlais or its officers or directors in a non-U.S. court for violations of the U.S. securities laws.

The receipt of New AAM Shares and cash by Dowlais Shareholders as consideration for the transfer of Dowlais Shares pursuant to the Combination may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Such consequences, if any, are not generally described herein. Each Dowlais Shareholder is urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Combination, including in light of the potential application of Section 304 of the IRC to the Combination.

Forward-looking statements

In this announcement, AAM makes statements concerning its and Dowlais' expectations, beliefs, plans, objectives, goals, strategies, and future events or performance, including, but not limited to, certain statements related to the ability of AAM and Dowlais to consummate AAM's business combination with Dowlais (the "Business Combination") in a timely manner or at all; future capital expenditures, expenses, revenues, economic performance, synergies, financial conditions, market growth, dividend

policy, losses and future prospects and business; and management strategies and the expansion and growth of AAM's and the combined company's operations. Such statements are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 and relate to trends and events that may affect AAM's or the combined company's future financial position and operating results. The terms such as "will," "may," "could," "would," "plan," "believe," "expect," "anticipate," "intend," "project," "target," and similar words or expressions, as well as statements in future tense, are intended to identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. These risks and uncertainties related to AAM include factors detailed in the reports AAM files with the United States Securities and Exchange Commission (the "SEC"), including those described under "Risk Factors" in its most recent Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this communication. AAM expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its or Dowlais' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Additional Information

This announcement may be deemed to be solicitation material in respect of the Business Combination, including the issuance of AAM's shares of common stock in respect of the Business Combination. In connection with the foregoing proposed issuance of AAM's shares of common stock, AAM expects to file a proxy statement on Schedule 14A (together with any amendments and supplements thereto, the "Proxy Statement") with the SEC. To the extent the Business Combination is effected as a scheme of arrangement under English law, the issuance of AAM's shares of common stock in connection with the Business Combination would not be expected to require registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), pursuant to an exemption provided by Section 3(a)(10) under the Securities Act. In the event that AAM exercises its right to elect to implement the Business Combination by way of a takeover offer (as defined in the UK Companies Act 2006) or otherwise determines to conduct the Business Combination in a manner that is not exempt from the registration requirements of the Securities Act, AAM expects to file a registration statement with the SEC containing a prospectus with respect to the AAM's shares that would be issued in the Business Combination. INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT, THE SCHEME DOCUMENT, AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED BY AAM WITH THE SEC OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT (IF ANY) CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT AAM, THE BUSINESS COMBINATION AND RELATED MATTERS. Investors and shareholders will be able to obtain free copies of the Proxy Statement, the scheme document, and other documents filed by AAM with the SEC at the SEC's website at <http://www.sec.gov>. In addition, investors and shareholders will be able to obtain free copies of the Proxy Statement, the scheme document, and other documents filed by AAM with the SEC at <https://www.aam.com/investors>.

Participants in the Solicitation

AAM and its directors, executive officers and certain other members of management and employees will be participants in the solicitation of proxies from AAM's shareholders in respect of the Business Combination, including the proposed issuance of AAM's shares of common stock in connection with the Business Combination. Information regarding AAM's directors and executive officers is contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which was filed with the SEC on February 16, 2024, the definitive proxy statement on Schedule 14A for AAM's 2024 annual meeting of stockholders, which was filed with the SEC on March 21, 2024 and the Current Report on Form 8-K of AAM, which was filed with the SEC on May 2, 2024. Additional information regarding the identity of participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the Proxy Statement when it is filed with the SEC. To the extent holdings of AAM's securities by its directors or executive officers change from the amounts set forth in the Proxy Statement, such changes will be reflected on Initial Statements of Beneficial Ownership on Form 3 or Statements of Change in Ownership on Form 4 filed with the SEC by AAM. These documents may be obtained free of charge from the SEC's website at www.sec.gov and AAM's website at <https://www.aam.com/investors>.

No Offer or Solicitation

This announcement is not intended to and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote of approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale

would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Publication on website

This announcement is required to be published pursuant to Rule 26 of the Code and will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on AAM's website at <https://www.aam.com/investors> promptly and in any event by no later than 12 noon (London time) on the business day (as defined in the Code) following the date of this announcement. Neither the content of the websites referred to in this announcement nor the content of any website accessible from hyperlinks in this announcement is incorporated into, or forms part of, this announcement.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

General

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

APPENDIX

STATEMENT ON QUANTIFIED FINANCIAL BENEFITS

The Rule 2.7 Announcement contained statements of estimated cost synergies arising from the Combination (together, the "**Quantified Financial Benefits Statement**"), which are repeated in the Preliminary Proxy Statement and this announcement.

A copy of the Quantified Financial Benefits Statement is set out below.

The AAM Directors, having reviewed and analyzed the potential cost synergies of the Combination, and considering the factors they can influence, are highly confident in the Combined Group's ability to realize approximately \$300 million USD of annual run rate cost synergies, expected to be substantially achieved by the end of the third year following Completion.

The quantified cost synergies, expected to originate from the cost bases of AAM and Dowlais, are anticipated to be realised primarily from:

- **SG&A** - approximately 30 per cent. across the following sources:
 - o Eliminating duplicate public company costs and other costs;
 - o Optimization of the combined workforce;
 - o Streamlining of engineering, research, and development expenses; and
 - o Elimination of duplicate business and technical offices.
- **Purchasing** - approximately 50 per cent. across the following sources:
 - o Leveraging enhanced economies of scale and spend across direct and indirect material suppliers;
 - o Utilising vertical integration capabilities to deliver insourcing initiatives; and
 - o Achieving global freight and logistical savings through increased scale, utilisation and benefits from third-party logistics suppliers.
- **Operations** - approximately 20 per cent. across the following sources:
 - o Increasing operating efficiencies through the implementation of a best-of-best operating system; and
 - o Optimizing the combined global manufacturing footprint.

The AAM Directors expect that approximately 60 per cent. of the annual run rate cost synergies will be realized by the end of the second year following Completion, and the full run rate cost savings are expected to be substantially achieved by the end of the third year following Completion.

The AAM Directors expect that the one-off costs required to deliver on the synergy plan are approximately equal to one year of full run rate savings.

In addition, the AAM Directors expect an increase in operating working capital of approximately \$13 million required to deliver identified run rate freight and logistics synergies.

The synergy savings stated are net of anticipated dis-synergies (expected to be approximately \$22 million).

The expected synergies will accrue as a direct result of the Combination and would not be achieved on a standalone basis.

These statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to herein may not be achieved, may be achieved later or sooner than estimated, or those actually achieved could be materially different from those estimated. For the purposes of Rule 28 of the Code, the statements of estimated cost savings and synergies contained in the Rule 2.7 Announcement, the Preliminary Proxy Statement and this announcement are solely the responsibility of AAM and the AAM Directors. Any statement of intention, belief or expectation for the Combined Group following the Effective Date is also an intention, belief or expectation of the AAM Directors and not of the Dowlais Directors.

These statements are not intended as a profit forecast or profit estimate for any period and should not be interpreted as such. No part of these statements, or the Rule 2.7 Announcement, the Preliminary Proxy Statement or this announcement generally, should be construed or interpreted to mean that the Combined Group's earnings in the first year following the Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of AAM and/or Dowlais for the relevant preceding financial period or any other period.

The AAM Board believes that the Combined Group should be able to achieve the synergies set out in the Quantified Financial Benefits Statement.

Further information on the bases of belief supporting the Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out below.

Basis of calculation of the Quantified Financial Benefits Statement

In preparing the Quantified Financial Benefits Statement, AAM has relied on a combination of publicly available information and information obtained through due diligence. In such circumstances, AAM management has made estimates and assumptions to aid its development of individual synergy initiatives. The assessment and quantification of the potential synergies have, in turn, been informed by AAM management's industry experience and knowledge of the existing businesses, together with consultation with Dowlais management.

The cost bases used as the basis for the Quantified Financial Benefits Statement are a blend of AAM's FY24 forecast financial results and Dowlais' FY24 forecast financial results, supported where relevant by certain information from AAM's and Dowlais' budgeted FY25 cost bases.

An exchange rate of £ to \$1.30 has been used in the compilation of the synergy initiatives.

Cost synergy assumptions were based on (A) a mix (i) detailed, bottom-up evaluation of the benefits resulting from elimination of duplicate activities or (ii) AAM's and Dowlais' synergy attainment experience from other relevant savings programs, (B) the benefits of combined scale economics and (C) operational efficiencies arising from consolidation.

Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies.

In general, the synergy assumptions have been risk-adjusted.

In arriving at the Quantified Financial Benefits Statement, the AAM Directors have made the following assumptions, which are outside the influence of AAM:

- there will be no material change in underlying operations of either business from the Combination;
 - there will be no material impact from divestments from Dowlais existing businesses;
 - there will be no material change to macroeconomic, political, inflationary, regulatory or legal conditions in the markets or regions in which AAM and Dowlais operate;
 - there will be no material change in current foreign exchange rates or interest rates;
 - there will be no material change in accounting standards; and
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- there will be no change in tax legislation or tax rates or other legislation in the United Kingdom, United States or other countries that could materially impact the ability to achieve any benefits.

In addition, the AAM Directors have made an assumption within the influence of AAM, that there will be no material divestments made by AAM.

In addition, the AAM Directors have assumed that the cost synergies are substantively within AAM's control, albeit that certain elements are dependent in part on negotiations with third parties.

Reports

As required by Rule 28.1(a) of the Code, Deloitte, as reporting accountants to AAM, and J.P. Morgan Cazenove, as financial adviser to AAM, have provided the reports required under the Code. Copies of those reports were set out in the Rule 2.7 Announcement.

As required by Rule 27.2(d) of the Code, the AAM Directors confirm that:

- there have been no material changes to the Quantified Financial Benefits Statement since January 29, 2025 and the Quantified Financial Benefits Statement remains valid; and
- each of Deloitte and J.P. Morgan Cazenove has confirmed to AAM that their respective reports produced in connection with the Quantified Financial Benefits Statement continue to apply.

Important Notes

- The statements of estimated synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the synergies referred to may not be achieved, or those achieved could be materially different from those estimated.
- No statement in the Quantified Financial Benefits Statement should be construed as a profit forecast.
- Due to the size of the combination and potential scale of the Combined Group, there may be additional changes to the Combined Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.
- In arriving at the estimate of synergies set out in the Rule 2.7 Announcement, the Preliminary Proxy Statement and this announcement, the AAM Board has assumed that there will be no significant impact on the business of the Combined Group.

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