

PART FOUR

THE SCHEME OF ARRANGEMENT

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**IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT (ChD)**

CR-2025-004022

IN THE MATTER OF DOWLAIS GROUP PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

DOWLAIS GROUP PLC

AND

THE HOLDERS OF THE SCHEME SHARES

(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

“AAM” Dauch Corporation (formerly American Axle & Manufacturing Holdings, Inc.), a Delaware corporation;

“AAM Dis” a dematerialised depositary interest representing New AAM Shares issued by the DI Depositary whereby the DI Depositary will hold New AAM Shares, represented by book-entry interests in the DTC system, via the DI Custodian as its custodian, on trust for the CREST member to whom it has issued a depositary interest;

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| “AAM Group” | AAM and its subsidiary undertakings from time to time; |
| “Admission” | admission of all of the AAM Shares (including the New AAM Shares) to: (a) the equity shares (international commercial companies secondary listing) category of the Official List (in accordance with the Listing Rules and FSMA); and (b) trading on the Main Market for listed securities of the London Stock Exchange (in accordance with the Admission and Disclosure Standards of the London Stock Exchange); |
| “Announcement” | the announcement by AAM of a firm intention to make an offer for Dowlais dated 29 January 2025; |
| “Business Day” | a day, not being a public holiday, Saturday or Sunday, on which banks in London and New York are open for normal business; |
| “Buyback Programme” | the share buyback programme of up to £50 million announced on 21 March 2024 by Dowlais on the London Stock Exchange; |
| “certificated form” or “in certificated form” | a share or other security which is not in uncertificated form (that is, not in CREST); |
| “Code” | the City Code on Takeovers and Mergers, as amended from time to time; |
| “Combination” | the proposed acquisition by AAM of the entire issued and to be issued ordinary share capital of Dowlais not already owned or controlled by AAM on the terms and subject to the conditions set out in the Announcement and in this Document, to be implemented by way of the Scheme (or should AAM so elect under certain circumstances described in this Document, by means of an Offer), and where the context requires, any subsequent revision, variation, extension or renewal thereof; |
| “Combined Group” | the combined group following the Combination, comprising the AAM Group and the Dowlais Group; |
| “Companies Act” | the Companies Act 2006, as amended from time to time; |
| “Condition(s)” | the conditions to the Combination and to the implementation of the Scheme set out in Part Three |

(Conditions to the Implementation of the Scheme and to the Combination) of this Document;

“Co-operation Agreement”

the co-operation agreement between AAM and Dowlais dated 29 January 2025, as described in paragraph 12 of Part Nine (*Additional Information on Dowlais and AAM*) of this Document;

“Consideration”

the consideration payable to Scheme Shareholders under the terms of the Scheme, comprising 0.0881 New AAM Shares and 43 pence per Scheme Share and any subsequent adjustments thereof;

“Court”

the High Court of Justice in England and Wales;

“Court Meeting”

the meeting or meetings of Dowlais Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering, and if thought fit, approving the Scheme (with or without amendment) including any adjournment, postponement or reconvention of any such meeting, notice of which is set out on Part Eleven (*Notice of Court Meeting*) of this Document;

“Court Order”

the order of the Court sanctioning the Scheme under section 899 of the Companies Act;

“Court Sanction Date”

the date on which the Scheme is sanctioned by the Court;

“Court Hearing”

the hearing of the Court of the application to sanction the Scheme under Part 26 of the Companies Act;

“CREST”

the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755), including as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018) in respect of which Euroclear is the Operator (as defined in said Regulations);

“CREST Manual”

the CREST Manual published by Euroclear, as amended from time to time;

“CREST Regulations”

the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time (including by means of the Uncertificated

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| | Securities (amendment and EU Exit) Regulations 2019 (SI 2019/679)); |
| “CSN Custodian” | Computershare Company Nominees Limited, in its capacity as custodian for the CSN Nominee; |
| “CSN Facility” | the corporate sponsored nominee service provided by the CSN Nominee for Scheme Shareholders resident in a CSN Jurisdiction and who hold their Scheme Shares in certificated form (that is, not in CREST) immediately prior to the Scheme Record Time, operated under the CSN Facility Terms and Conditions; |
| “CSN Facility Terms and Conditions” | the terms and conditions of the CSN Facility as set out at Appendix 3 to the Document dated 19 June 2025 of which this Scheme forms part; |
| “CSN Jurisdiction” | Argentina, Botswana, Brazil, Chile, Gibraltar, Guernsey, Guinea, Hong Kong, Indonesia, Isle of Man, Jersey, Mexico, Namibia, Paraguay, Peru, South Africa, South Korea, Switzerland, Taiwan and the UK; |
| “CSN Nominee” | Computershare Investor Services PLC; |
| “DI Custodian” | Computershare Trust Company, N.A., in its capacity as custodian for the DI Depositary; |
| “DI Depositary” | Computershare Investor Services PLC; |
| “Document” | the document, of which the Scheme forms part, dated 19 June 2025 addressed to Dowlais Shareholders; |
| “Dowlais” or “Company” | Dowlais Group plc, a public limited company incorporated in England and Wales with registered number 14591224; |
| “DRS” | the Direct Registration System, a system that allows electronic direct registration of securities in an investor’s name on the books of the transfer agent or issuer, and allows shares to be transferred between a transfer agent and broker electronically; |
| “DTC” | The Depository Trust Company, a wholly-owned subsidiary of The Depository Trust and Clearing Corporation; |

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| “Effective” | the Scheme having become effective pursuant to its terms, upon the delivery of the Court Order to the Registrar of Companies; |
| “Effective Date” | the date on which the Scheme becomes effective; |
| “Election Restricted Jurisdiction” | a Restricted Jurisdiction and any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if a Dowlais Shareholder resident in such jurisdiction is offered the right to make an election under the Mix and Match Facility; |
| “Election Restricted Shareholders” | Restricted Shareholders and Dowlais Shareholders with registered addresses in, or who are resident and/or located in, one or more Election Restricted Jurisdiction; |
| “Election Return Date” | the Business Day following the Court Sanction Date; |
| “Election Return Time” | 1.00 p.m. on the Election Return Date; |
| “Electronic Election” | a Transfer to Escrow instruction made in respect of the Mix and Match Facility by a Scheme Shareholder who holds Scheme Shares in uncertificated form immediately prior to the Election Return Time in accordance with the procedure detailed in Part Six (<i>Notes for Making Elections Under the Mix and Match</i>) of the Scheme Document; |
| “Euroclear” | Euroclear UK & International Limited, incorporated in England and Wales with registered number 02878738; |
| “Exchange Rate” | the spot reference rate for a transaction between Pounds Sterling and U.S. Dollars as quoted by the Bank of England on the last Business Day prior to the Effective Date; |
| “Excluded Shares” | any Dowlais Shares which are: <ul style="list-style-type: none"> (i) registered in the name of or beneficially owned by AAM and/or any member of the AAM Group (and/or any nominee of the foregoing); or (ii) held in treasury, |

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| | in each case, at any relevant date or time as the context permits; |
| “FY24 Final Dividend” | has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of Dowlais</i>) of this Document; |
| “holder” | a registered holder and includes any person(s) entitled by transmission; |
| “Latest Practicable Date” | close of business on 17 June 2025, being the latest practicable date before publication of this Document; |
| “Mix and Match Facility” | the facility provided for in clause 3 under which a Scheme Shareholder (other than an Election Restricted Shareholder) may elect, subject to elections of other Scheme Shareholders, to receive more cash or more New AAM Shares in respect of his/her Scheme Shares than he/she would receive absent any such election; |
| “New AAM Shares” | the new AAM Shares, the DTC book-entry interests representing such shares, or the AAM DLs (as the context requires), proposed to be issued to Scheme Shareholders under the Scheme; |
| “Panel” | the UK Panel on Takeovers and Mergers; |
| “Registrar” | Equiniti Limited; |
| “Registrar of Companies” | the Registrar of Companies in England and Wales; |
| “Sanctioned Shareholder” | any person holding a direct or indirect interest in Scheme Shares who is the subject of Sanctions that impose restrictions or prohibitions on (i) dealing in any Dowlais Shares which such person (directly or indirectly, including as a custodian or nominee) owns, holds or controls, or (ii) dealing in any consideration payable by AAM for the Scheme Shares to or for the benefit of such person (including, without limitation, accepting, receiving, holding or transferring such consideration); |
| “Sanctions” | any economic or financial sanctions laws or regulations, as amended from time to time, administered, enacted or enforced by: (i) the United Kingdom; (ii) the European Union or any member state thereof; (iii) the United States; (iv) the United |

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| | Nations; or (v) any other jurisdiction applicable to and binding on Dowlais and/or AAM; |
| “Scheme” or “Scheme of Arrangement” | this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Dowlais and AAM; |
| “Scheme Record Time” | 6.00 p.m. (London time) on the Business Day immediately after the Court Hearing; |
| “Scheme Shareholders” | holders of Scheme Shares and a “Scheme Shareholder” shall mean any one of those Scheme Shareholders; |
| “Scheme Shares” | the Dowlais Shares: <ul style="list-style-type: none"> (i) in issue at the date of this Scheme; (ii) (if any) issued after the date of this Scheme and prior to the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time but before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by this Scheme, in each case (where the context requires), which remain in issue at the Scheme Record Time but excluding any Excluded Shares at any relevant date or time; |
| “Transfer Agent” | Computershare Trust Company, N.A.; |
| “UK” or “United Kingdom” | the United Kingdom of Great Britain and Northern Ireland; |
| “uncertificated form” or “in uncertificated form” | a share or other security recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST; and |
| “Voting Record Time” | 6.30 p.m. on the day which is two Business Days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before the date of such adjourned meeting. |

- (A) In this Scheme: (i) all references to times of day are to London time; (ii) all references to “£”, “GBP”, “Pounds Sterling”, “pence” and “p” are to the lawful currency of the United Kingdom; and (iii) all references to clauses and sub-clauses are to clauses and sub-clauses of this Scheme.
- (B) As at the Latest Practicable Date, the issued share capital of the Company was £13,166,586 divided into 1,316,658,644 ordinary shares of 1 pence each, all of which are credited as fully paid up. As at the Latest Practicable Date, no shares were held in treasury.
- (C) AAM was incorporated on 15 May 1998 under the laws of Delaware. As at the Latest Practicable Date, AAM had in issue 118,662,478 shares of common stock of \$0.01 par value each.
- (D) As at the Latest Practicable Date, no member of the AAM Group held any Dowlais Shares.
- (E) AAM has agreed, subject to satisfaction or (where applicable) waiver of the Conditions, to appear by counsel at the Court Hearing and to undertake to the Court to be bound by the provisions of this Scheme in so far as it relates to AAM and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.

1. TRANSFER OF SCHEME SHARES

- (A) Upon and with effect from the Effective Date, AAM shall acquire all of the Scheme Shares fully paid up, with full title guarantee, free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights or interests of any nature whatsoever, and together with all rights or interests of any nature at the Effective Date or thereafter attached thereto, including voting rights and the right to receive and retain all dividends and other distributions (if any) and any return of capital (whether by reduction of share capital or share premium account or otherwise) announced, authorised, declared, made or paid in respect of the Scheme Shares by reference to a record date falling on or after the Effective Date (other than the FY24 Permitted Dividend).
- (B) Notwithstanding sub-clause 1(A), no right, title or interest in any Scheme Shares held directly or indirectly by or on behalf of a Scheme Shareholders who is, or whom AAM reasonably believes to be, at the Scheme Record Time, a Sanctioned Shareholders, shall be transferred to AAM on the Effective Date but shall, subject to the Scheme becoming Effective, be transferred to AAM upon the earlier of: (i) the date on which each direct and indirect interest holder in such Scheme Shares ceases to be a Sanctioned Shareholders; or (ii) the date on which AAM obtains a licence or other authorisation or oral or written confirmation from the relevant authority in accordance with all applicable Sanctions, to acquire such Scheme Shares (the “Release Date”).
- (C) For the purposes of the acquisition set out in sub-clauses 1(A) and 1(B), the Scheme Shares shall be transferred to AAM and such transfer shall be effected by means of a form or forms of transfer (which shall constitute the principal instrument giving effect to the transfer of the Scheme Shares) or other instrument of transfer and to give effect to such transfer(s) any person may be appointed by AAM as attorney and/or agent and shall be authorised as such attorney

and/or agent on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor a form or forms of transfer or other instrument of transfer (whether as a deed or otherwise) of such Scheme Shares and every form or instrument of transfer so executed shall be as effective as if it had been executed by the holder or holders of the Scheme Shares thereby transferred.

(D) Pending the transfer of the Scheme Shares pursuant to sub-clauses 1(A), 1(B) and 1(C) of this Scheme on the Effective Date and the updating of the register of members of the Company to reflect such transfer, each Scheme Shareholder irrevocably:

- (i) appoints AAM as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges attaching to its Scheme Shares;
- (ii) undertakes to sign any consent to short notice of any general or separate class meeting of Dowlais; and
- (iii) authorises Dowlais and/or its agents to send to AAM any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of Dowlais,

such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares otherwise than in accordance with the directions of AAM. In respect of any Scheme Shares held directly or indirectly by or on behalf of any Sanctioned Shareholders, the provisions of sub-clause 1(D) shall only apply in respect of such Scheme Shares with effect from the Release Date.

2. CONSIDERATION FOR THE TRANSFER OF SCHEME SHARES

(A) In consideration for the transfer of the Scheme Shares to AAM pursuant to clause 1 of this Scheme, AAM shall, subject as hereinafter provided, allot and issue or procure the allotment and issuance to or for the account of each Scheme Shareholder (as appearing on the register of members of Dowlais at the Scheme Record Time):

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| for each Scheme Share | 0.0881 New AAM Share |
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and shall pay or procure that there shall be paid to or for the account of each Scheme Shareholder (as appearing on the register of members of Dowlais at the Scheme Record Time):

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| for each Scheme Share | 43 pence in cash |
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(B) The New AAM Shares to be issued pursuant to this clause 2 and the remaining provisions of this Scheme will be issued credited as fully paid and shall rank *pari passu* in all respects with the issued ordinary shares in AAM in issue at the time the New AAM Shares are issued, including the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid, or any other return of value (whether by reduction of share

capital or share premium account or otherwise) made, in each case by reference to a record date falling on or after the Effective Date.

- (C) Immediately after the Scheme becomes effective, AAM shall make all such allotments of and shall issue such New AAM Shares as are required to be issued to give effect to this Scheme to the persons entitled thereto, such consideration to be settled as set out in clauses 5 and 7 of this Scheme but subject to clauses 6 and 7 of this Scheme.
- (D) In addition to the consideration payable in connection with the Combination, Dowlais Shareholders were entitled to receive and retain the FY24 Final Dividend (paid on 29 May 2025 as part of Dowlais' ordinary course 2024 financial year dividend calendar) without any reduction of the consideration payable under the terms of the Combination.
- (E) If any dividend or other distribution is announced, declared, made or paid, or becomes payable, in respect of Dowlais Shares on or after the date of the Announcement and before the Effective Date, other than the FY24 Final Dividend or any repurchases of Dowlais Shares by Dowlais pursuant to the Buyback Programme, AAM reserves the right to reduce the consideration payable in respect of each Dowlais Share by the amount of all or part of any such dividend or other distribution. If AAM exercises this right or makes such a reduction in respect of a dividend, other distribution or return of capital that has not been paid, Dowlais Shareholders will be entitled to receive and retain that dividend, other distribution or return of capital.
- (F) From the date of the Announcement until the Effective Date, AAM is not permitted to announce, declare, make or pay any dividend, other distribution or return of capital and, if AAM does not comply with this restriction, Dowlais shall be entitled (at its sole discretion) to declare and pay an equalising dividend to Dowlais Shareholders, without any consequential reduction to the consideration.

3. MIX AND MATCH FACILITY

- (A) Elections made by Scheme Shareholders under the Mix and Match Facility will not affect the entitlements of Scheme Shareholders who do not make any such election.
- (B) An election will only be accepted under the Mix and Match Facility in respect of a whole number of Scheme Shares. Any election which is made in respect of a number of Scheme Shares which is not a whole number shall be deemed to be made in respect of the nearest whole number of Scheme Shares when rounded down.
- (C) The entitlements of Dowlais Shareholders under the Mix and Match Facility will be based on the Mix and Match Reference Price, which will be calculated using the 5 Day VWAP of AAM Shares as at the close of trading on the NYSE on the Trading Day falling immediately prior to the Scheme Record Date (the "**Measurement Date**") (such AAM share price being the "**AAM Mix and Match Price**"), converted into pounds sterling based on the closing spot rate of exchange for GBP into USD as published by Bloomberg L.P. on the Measurement Date (the "**Mix and Match FX Rate**").
- (D) The following provisions shall apply:

- (i) the aggregate number of New AAM Shares to be issued to Scheme Shareholders in accordance with clause 2 will not be increased or decreased as a result of elections made pursuant to this clause 3 save where required to accommodate rounding of individual entitlements down to the nearest whole Scheme Share;
- (ii) the aggregate amount of cash consideration to be paid to Scheme Shareholders in accordance with clause 2 will not be increased or decreased as a result of elections made pursuant to this clause 3;
- (iii) valid elections made by Scheme Shareholders to receive more New AAM Shares than they would receive absent such an election so as to surrender all of their cash component in respect of that Scheme Share (each such election a “**Share Election**”) will be satisfied only to the extent that other Scheme Shareholders make equal and opposite elections under the Mix and Match Facility for more cash than they would receive absent such an election so as to surrender all of their New AAM Share entitlement in respect of that Scheme Share (each such election a “**Cash Election**”);
- (iv) valid Cash Elections made by Scheme Shareholders will be satisfied only to the extent that other Scheme Shareholders make equal and opposite Share Elections; and
- (v) a Scheme Shareholder may make a Cash Election or a Share Election in respect of all or part of his/her holding of Scheme Shares. A Scheme Shareholder may make a Cash Election in respect of some of his/her Scheme Shares and a Share Election in respect of others.

(E) To the extent that Share Elections or Cash Elections cannot be satisfied in full:

- (i) the number of Scheme Shares in respect of which an elector has made a Share Election or Cash Election will be scaled down *pro rata* in proportion to the number of Scheme Shares in respect of which the election is made (or as near thereto as AAM and Dowlais in their absolute discretion consider practicable) amongst electors; and
- (ii) in respect of the balance of Scheme Shares held by each such elector, such Scheme Shareholder shall be deemed not to have made any election.

(F) Minor adjustments to the entitlements of Scheme Shareholders pursuant to elections made under this Scheme may be made by Dowlais’ Registrar with the prior consent of Dowlais and AAM on a basis that Dowlais and AAM consider to be fair and reasonable to the extent necessary to satisfy all entitlements pursuant to elections under this Scheme as nearly as may practicable. Such adjustments shall be final and binding on Scheme Shareholders.

(G) Elections under the Mix and Match Facility made by Scheme Shareholders who hold their Scheme Shares in certificated form shall be made by completion of a Form of Election sent to Scheme Shareholders by or on behalf of Dowlais which shall be signed by the Scheme Shareholder or his/her duly authorised agent and in the case of joint holders in like manner by or on behalf of all such holders. To be effective, the Form of Election must be completed and returned in accordance with the instructions printed thereon so as to arrive by not later than the Election Return Time at the offices of Dowlais’ registrar, Equiniti, at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.

(H) Elections under the Mix and Match Facility made by Scheme Shareholders who hold their Scheme Shares in uncertificated form shall be made by way of Electronic Election. To be effective an Electronic Election must be made and received by not later than the Election Return Time.

(I) Upon execution and delivery by a Scheme Shareholder of a valid Form of Election or the making of a valid Electronic Election (as applicable) such holder shall be bound by the terms and provisions contained in the Form of Election or the Electronic Election (as the case may be) and by the terms and provisions contained in Part Six of the Scheme Document entitled "Notes for making elections under the Mix and Match Facility".

(J) If a Form of Election or an Electronic Election is received after the Election Return Time or is received before such time but is not, or is deemed not to be, valid or complete in all respects at such time, then such election shall be void unless Dowlais and AAM in their absolute discretion, elect to treat as valid in whole or in part any such election.

(K) A Form of Election duly completed and delivered or an Electronic Election made in accordance with this clause 3 may be withdrawn by notice to Dowlais' Registrar in writing for those Scheme Shareholders who have returned a Form of Election and in electronic format for those Scheme Shareholders who have made an Electronic Election (in both cases), to be received by 1.00 p.m. on the Election Return Date.

(L) If a Scheme Shareholder has made a valid election under the Mix and Match Facility in respect of all of their Scheme Shares then:

(i) the validity of the Cash Election or the Share Election (as the case may be) shall not be affected by any alteration in the number of Scheme Shares held by the Scheme Shareholder at any time prior to the Scheme Record Time; and

(ii) accordingly, the Cash Election or the Share Election (as the case may be) will apply in respect of all of the Scheme Shares which the Scheme Shareholder holds immediately prior to the Scheme Record Time.

(M) If a Scheme Shareholder has made a valid Cash Election and/or a valid Share Election in respect of a specified number of their Scheme Shares and immediately prior to the Scheme Record Time the number of Scheme Shares held by the Scheme Shareholder is:

(i) equal to or in excess of the aggregate number of Scheme Shares to which such election(s) relate, then the validity of the election(s) made by the Scheme Shareholder shall not be affected by any alteration in the number of Scheme Shares held by the Scheme Shareholder in the period prior to the Scheme Record Time and any reduction in his holding shall be treated first as a disposal of those Scheme Shares in respect of which he did not make such election; or

(ii) less than the aggregate number of Scheme Shares to which such election(s) relate then:

(a) if the Scheme Shareholder has made only a valid Cash Election, they shall be treated as having made a Cash Election in respect of their entire holding of Scheme Shares;

- (b) if the Scheme Shareholder has made only a valid Share Election, they shall be treated as having made a Share Election in respect of their entire holding of Scheme Shares;
- (c) if the Scheme Shareholder has made both a valid Cash Election and a valid Share Election then:
 - (A) Share Elections made by the Scheme Shareholder (the “**Relevant Share Elections**”) shall be reduced so as to apply to the number of Scheme Shares calculated by multiplying (i) the number of Scheme Shares held by the Scheme Shareholder immediately prior to the Scheme Record Time by (ii) the fraction calculated by dividing the number of Scheme Shares that were subject to the Relevant Share Elections by the aggregate number of Scheme Shares the subject of all of the Share Elections and Cash Elections made by the Scheme Shareholder, rounding down to the nearest whole number of Scheme Shares; and
 - (B) Cash Elections made by the Scheme Shareholder shall be reduced so as to apply to all the Scheme Shares held by the Scheme Shareholder immediately prior to the Scheme Record Time which are not the subject of Share Elections as scaled down pursuant to clause 3(L)(ii)(c)(A).

(N) No election shall be available to Election Restricted Shareholders or to any Scheme Shareholder to whom clause 6(A)(i) or 6(A)(ii) applies. Any purported election by such a Scheme Shareholder shall be void.

4. CERTIFICATES IN RESPECT OF SCHEME SHARES AND CANCELLATION OF CREST ENTITLEMENTS

With effect from and including the Effective Date or, in respect of any Scheme Shares held directly or indirectly by or on behalf of a Sanctioned Shareholders, if later, the Release Date:

- (A) Scheme Shareholders shall, in accordance with this Scheme, cease to have any rights with respect to the Scheme Shares, except the right to receive the Consideration determined as set out in clauses 2, 3, 6 and 7 of this Scheme;
- (B) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder of Scheme Shares shall be bound at the request of Dowlais to deliver the same to Dowlais (or any person appointed by Dowlais to receive such certificates), or, as Dowlais may direct, to destroy the same;
- (C) Dowlais shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form;
- (D) following cancellation or transfer of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, Dowlais shall procure (if necessary) that entitlements to such Scheme Shares are rematerialised; and

(E) subject to the completion of such form or forms of transfer or other instruments or instructions of transfer as may be required in accordance with clause 1 of this Scheme and the payment of any UK stamp duty thereon, Dowlais will make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to AAM pursuant to clause 1 of this Scheme.

5. SETTLEMENT OF CONSIDERATION

(A) Subject to clause 6, settlement of the New AAM Shares to which a Scheme Shareholder is entitled shall be effected as follows:

(i) in respect of a holding of Scheme Shares in certificated form at the Scheme Record Time:

(a) where such Scheme Shareholder is resident in a CSN Jurisdiction, and subject to Admission taking place on or around the Effective Date, AAM shall procure that the New AAM DIs to which such Scheme Shareholder is entitled shall be issued to the CSN Custodian in the manner set out in paragraph 5(A)(ii)(b) below and the CSN Nominee will credit such Scheme Shareholder subject to the CSN Facility Terms and Conditions as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date;

(b) where such Scheme Shareholder is ineligible to participate in the CSN Facility, or where Admission has not taken place on or around the Effective Date, AAM shall procure that the New AAM Shares to which the holder of such Scheme Shares is entitled shall be issued by the Transfer Agent through DRS, registered in the same name(s) and address as appeared on Dowlais' register of members for each relevant Scheme Shareholder as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date;

(ii) in respect of a holding of Scheme Shares in uncertificated form at the Scheme Record Time, AAM shall procure that:

(a) the New AAM Shares to which such Scheme Shareholder is entitled shall be issued to Cede & Co. as nominee for DTC, which shall be the registered holder of such New AAM Shares;

(b) DTC shall issue book entry interests representing such New AAM Shares to the securities deposit account of the DI Custodian, which shall hold such interests as nominee for the DI Depositary; and

(c) the DI Depositary shall issue AAM DIs representing interests in such New AAM Shares in CREST for final delivery to the securities deposit account in the CREST system in which each such uncertificated Scheme Shareholder previously held Scheme Shares as soon as practicable after the Effective Date and in any event within 14 days of the Effective Date,

provided that AAM reserves the right to settle all or part of such consideration in accordance with the procedures set out in clause 5(A)(i) if, for any reason outside AAM's control, it is not able to effect settlement in accordance with clause 5(A)(ii);

(B) Subject to clause 6, settlement of the cash consideration to which a Scheme Shareholder is entitled shall be effected as follows:

- (i) in respect of a holding of Scheme Shares in certificated form at the Scheme Record Time, any cash consideration to which a Scheme Shareholder is entitled shall be settled by AAM (i) by electronic payment (where the relevant Scheme Shareholder has set up a standing electronic payment mandate with Dowlais' Registrar, Equiniti); (ii) by cheque drawn on a branch of a UK clearing bank; or (iii) by such other method as may be elected by AAM and, where required, approved by the Panel. Cheques shall be despatched as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date (subject to any obligation on AAM to withhold all or a portion of the cash consideration to which a Scheme Shareholder is entitled); and
- (ii) in respect of a holding of Scheme Shares in uncertificated form at the Scheme Record Time, any cash consideration to which a Scheme Shareholder is entitled shall be paid by means of CREST by AAM procuring that Dowlais' Registrar is instructed to create an assured payment obligation in favour of the Scheme Shareholder's payment bank in respect of the cash consideration due to them as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date (subject to any obligation on AAM to withhold all or a portion of the cash consideration to which a Scheme Shareholder is entitled), in accordance with the CREST assured payment arrangements,

provided that AAM reserves the right to make such payment by cheque as set out in clause 5(B)(i) if, for reasons outside of its reasonable control, it is not able to effect settlement in accordance with this clause 5(B)(ii).

(C) With effect from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.

(D) All deliveries of notices, documents of title, cheques, certificates or statements of entitlement required to be made pursuant to this Scheme will be effected by sending the same by first class post in pre-paid envelopes or by international standard post if overseas (or by such method as may be approved by the Panel) addressed to the persons entitled thereto at their respective registered addresses as appearing in the register of members of Dowlais at the Scheme Record Time or, in the case of joint holders, at the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time.

(E) All cheques shall be in Pounds Sterling and drawn on a United Kingdom clearing bank and shall be made payable to the Scheme Shareholder concerned (or, in the case of Scheme Shareholders holding jointly, to that one of the joint holders whose name stands first in the register of members of the Company in respect of such joint holding of Scheme Shares at the Scheme Record Time). The encashment of any such cheque or the creation of any assured payment obligation through CREST or otherwise, each in connection with this Scheme, shall

be a complete discharge of AAM's obligations (and those of AAM's respective agents or nominees) under this Scheme to pay the monies represented thereby.

- (F) None of Dowlais, AAM or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, declarations of title, cheques, certificates or statements of entitlement sent in accordance with this Scheme, which shall be sent at the risk of the person or persons entitled thereto.
- (G) The preceding sub-clauses of this clause 5 shall take effect subject to any prohibition or condition imposed by law.

6. OVERSEAS SHAREHOLDERS

- (A) The provisions of clauses 1, 2, 5, 7 and 8 of this Scheme shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any holder of Scheme Shares with a registered address in a jurisdiction outside the United Kingdom or whom AAM reasonably believes to be a citizen, resident or national of, or located in, a jurisdiction outside the United Kingdom, AAM is advised that the allotment, issue or delivery to such holder of New AAM Shares under clause 6 would or may infringe the laws of such jurisdiction or would or may require Dowlais or AAM (as the case may be) to comply with any governmental or other consent or any registration, filing or other formality with which Dowlais or AAM (as the case may be) is unable to comply or compliance with which Dowlais or AAM (as the case may be) regards as unduly onerous, then AAM may, in its sole discretion:
 - (i) determine that the New AAM Shares shall not be allotted and/or issued to such holder under clause 6 of this Scheme but shall instead be allotted and issued to a nominee on terms that such person shall, as soon as practicable following the Effective Date, sell the New AAM Shares so allotted and issued at the best price which can reasonably be obtained at the time of sale and account for the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) by sending a cheque in accordance with the provisions of sub-clause 6(B) of this Scheme (as applicable); or
 - (ii) determine that the New AAM Shares shall be sold, in which event the New AAM Shares shall be allotted and/or issued to such holder and AAM shall appoint a person to act pursuant to this sub-clause 6(A)(ii) and such person shall be authorised on behalf of such holder to procure that any shares in respect of which AAM has made such determination shall as soon as practicable following the Effective Date be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to such holder by sending a cheque in accordance with the provisions of sub-clause 6(B) of this Scheme (as applicable).

To give effect to any sale under this sub-clause 6(A), the person appointed will be authorised to execute and deliver a form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) and to give such instructions and to do all other things which such person may consider necessary or expedient in connection with such sale.

In the absence of bad faith or wilful default, none of Dowlais, AAM or the person so appointed shall have any liability for any loss or damage arising as a result of the timing or terms of such sale.

- (B) In the case of Scheme Shares to be sold in accordance with sub-clause 6(A) of this Scheme, AAM will on behalf of the person appointed pursuant to sub-clause 6(A) of this Scheme make any cash payment pursuant to sub-clause 6(A) of this Scheme by despatching to the Scheme Shareholder, or procuring the despatch to the Scheme Shareholder of, a cheque in Pounds Sterling drawn on a UK clearing bank by post as soon as practicable after such sale and in any event within 14 days of such sale.
- (C) Any payment of consideration or other monies pursuant to the terms of clause 5 or this clause 6 payable in respect of Scheme Shares held directly or indirectly by or on behalf of a Sanctioned Shareholder shall, for so long as such person is a Sanctioned Shareholder, be paid into a blocked or frozen account (as applicable) in accordance with applicable Sanctions (which shall constitute full and final settlement of such amounts and no interest shall be paid thereon).

7. SANCTIONED SHAREHOLDERS

- (A) Subject to the Scheme becoming Effective, the rights and entitlements which would otherwise be exercisable in respect of or attach to any Scheme Shares held directly or indirectly by or on behalf of a Sanctioned Shareholder, will not be exercisable or apply in respect of such Scheme Shares until such time as the Scheme Shares are transferred to AAM pursuant to sub-clauses 1(B) and 1(C) of this Scheme and the Register is updated to reflect such transfer, including, without limitation:
 - (i) the right to receive documents from or in respect of Dowlais, including notice of, or the right to be present at or vote at any general meeting or at any separate meeting of the holders of any calls of shares or on any poll and any votes purported to be cast by or on behalf of such member in respect of such Scheme Shares will be disregarded;
 - (ii) save for any transfer pursuant to sub-clause 1(B), the right to transfer such Scheme Shares or have such transfer registered and any purported transfer of any such Scheme Shares will be void; and
 - (iii) any sums payable in respect of such Scheme shares shall be paid into a blocked or frozen account (as applicable) in accordance with applicable Sanctions (which shall constitute full and final settlement of Dowlais' obligations in respect of such payments and no interest shall be paid thereon)
- (B) In respect of any Scheme Shares transferred to AAM in accordance with sub-clause 1(B), on and with effect from the Release Date:
 - (i) any consideration payable for the transfer of the Scheme Shares pursuant to the terms of this Scheme which is held in a blocked or frozen account (as applicable) shall be released from that account and paid to the relevant holder of such Scheme Shares in accordance with their entitlements under this Scheme (provided that if any Sanctions would prohibit such payments, such amounts shall continue to be held in the blocked or

frozen accounts (as applicable) until such Sanctions cease to apply or all required licences permitting such payments are obtained); and

(ii) AAM shall receive an amount equal to the amount of all dividends and other distributions (if any) and any return of capital (whether by reduction of share capital or share premium account or otherwise) announced, authorised, declared, made, and paid in respect of such Scheme Shares by reference to a record date falling on or after the Effective Date and prior to the Release Date, which has been held in a blocked or frozen account (as applicable) in accordance with applicable Sanctions.

8. FRACTIONAL ENTITLEMENTS

(A) Fractions of New AAM Shares will not be allotted to Scheme Shareholders. Instead, any Scheme Shareholder who would have been entitled to such fractional entitlement shall receive, in lieu of such fractional entitlements, cash in an amount (applying the Exchange Rate and rounded down to the nearest penny) equal to such fractional entitlement (which such Scheme Shareholder would otherwise have been entitled) multiplied by the last reported sale price of AAM Shares on the New York Stock Exchange (as reported by Bloomberg L.P. or, if not reported therein, in another authoritative source selected by AAM) on the last Business Day prior to the Effective Date.

(B) AAM shall make any cash payments to which a Scheme Shareholder is entitled under clause 8(A):

(i) in the case of Scheme Shares which are in uncertificated form at the Scheme Record Time, by instructing Dowlais' Registrar, or procuring that Dowlais' Registrar is instructed, to create an assured payment obligation in favour of the payment bank of the holders of such Scheme Shares in accordance with the CREST assured payment arrangements (as set out in the CREST Manual) as soon as practicable and in any event within 14 days of the Effective Date, provided that AAM shall reserve the right to pay all or part of such consideration by cheque in Pounds Sterling drawn on a UK clearing bank; and

(ii) in the case of Scheme Shares which are in certificated form at the Scheme Record Time, by despatching, or procuring the despatch of, to the Scheme Shareholder, a cheque in Pounds Sterling drawn on a UK clearing bank by post as soon as practicable and in any event within 14 days of the Effective Date.

(C) All such cash payments will be made in Pounds Sterling. Payments made by cheque will be payable to the Scheme Shareholder concerned or, in the case of joint holders, to all joint holders on the register of members of Dowlais. Cheques will be despatched not later than the fourteenth day following the Effective Date to the person entitled thereto at the address as appearing in the register of members of Dowlais at the Scheme Record Time. Neither AAM nor any of its nominee(s) or agents shall be responsible for any loss or delay in the

transmission of cheques sent in this way, and such cheques shall be sent entirely at the risk of the person entitled thereto.

9. WITHHOLDING RIGHTS

Notwithstanding any other provision of this Scheme of Arrangement, AAM, any member of the AAM Group and any affiliate(s), nominee(s) or agent(s) of any member of the AAM Group, shall be entitled to deduct and withhold from any amount payable pursuant to the Scheme of Arrangement such amounts, if any, as it is required to deduct and withhold with respect to the making of such payment under the Code, the rules and regulations promulgated thereunder, or any other applicable law. To the extent that amounts are so deducted and withheld, such deducted and withheld amounts (a) shall be remitted to the applicable governmental authority, if required by applicable law, and in accordance with the timing requirements thereunder; and (b) shall be treated for all purposes of the Scheme of Arrangement as having been paid to the person in respect of which such deduction and withholding was made.

10. MANDATES

All communication preferences and mandates relating to the payment of dividends and other instructions given to Dowlais by (i) Scheme Shareholders who hold their Scheme Shares in certificated form where such Scheme Shareholder is resident in a CSN Jurisdiction, and (ii) Scheme Shareholders holding their Scheme Shares in CREST, which are in force at the Scheme Record Time relating to holdings of Scheme Shares will, to the extent possible, become a valid instruction in respect of the corresponding AAM DIs, and no new communication and payment preferences will need to be provided following the issuance of AAM DIs.

All communication preferences and mandates relating to the payment of dividends and other instructions given to Dowlais by Scheme Shareholders (other than (i) Scheme Shareholders who hold their Scheme Shares in certificated form where such Scheme Shareholder is resident in a CSN Jurisdiction and (ii) Scheme Shareholders holding their Scheme Shares in CREST) in force at the Scheme Record Time relating to holdings of Scheme Shares will not become a valid instruction in respect of the corresponding New AAM Shares, and new communication and payment preferences will need to be provided following the issuance of New AAM Shares. Details of how to submit these instructions will be provided with the DRS statements.

11. OPERATION OF THIS SCHEME

- (A) This Scheme shall become effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies in England and Wales.
- (B) Unless this Scheme has become effective on or before 11.59 p.m. (London time) on 29 June 2026, or such later date, if any, as Dowlais and AAM may agree in writing (with the Panel's consent and as the Court may allow (if such approval(s) are required)) this Scheme shall never become effective.

12. MODIFICATION

Dowlais and AAM may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition that the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Code. For the avoidance of doubt, no modification may be made to this Scheme once it has become effective.

13. GOVERNING LAW

This Scheme is governed by English law and is subject to the exclusive jurisdiction of the courts of England and Wales. The rules of the Code will apply to this Scheme.