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Equipmake Holdings PLC
31 March 2025

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This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"). With the publication of this announcement, this inside information is now considered to be in the public domain.

31 March 2025

Equipmake Holdings plc
("Equipmake" or the "Company")

£5 million Strategic Investment by Caterpillar Venture Capital Inc. successful conclusion of Strategic Review and end of Formal Sale Process

Equipmake, a market leader in engineering-driven differentiated electrification technologies, products and solutions across the automotive, truck, bus and speciality vehicle industries, is pleased to announce the successful conclusion of its strategic review (the "Strategic Review") and Formal Sale Process with immediate effect, following its announcements of 6 December 2024 and 6 January 2025.

Strategic Investment

The Board is delighted to announce that the Company has entered into a £5 million senior secured convertible loan note (the "Convertible Loan") with Caterpillar Venture Capital Inc. together with a development agreement with Caterpillar Inc. ("Caterpillar") to develop electric drivetrain products and solutions across Caterpillar's applications.

With 2024 sales and revenues of $64.8 billion, Caterpillar is the world's leading manufacturer of construction and mining equipment, off-highway diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives.

Highlights:

- £5 million financing secured through a Convertible Loan with Caterpillar Venture Capital Inc., a wholly owned subsidiary of Caterpillar, a global leader in the design and manufacturing of heavy equipment, engines, and machinery.
- Development Agreement signed with Caterpillar to develop electric drivetrain products and solutions.

Ian Foley, CEO, Equipmake said: *"Securing a relationship with a global industry leader like Caterpillar and receiving such a substantial investment is not only a remarkable achievement for Equipmake but also a testament to the outstanding quality and forward-thinking innovation embedded in our products and team. This milestone reflects the hard work, dedication, and expertise that has driven our success thus far. I am truly delighted to share this news with our stakeholders and investors.*

"The £5 million investment is a significant step forward, but what excites me most is the new horizon of opportunities that may emerge from the Master Development Agreement with Caterpillar. This collaboration may create additional commercial opportunities, foster innovations, and create greater scalability, positioning Equipmake at the forefront of the rapidly evolving electrification sector.

"With the investment by Caterpillar, we are well poised to accelerate our mission of transforming transportation through sustainable technology. It is my hope that this investment, and the related Master Development Agreement, will not only enhance the future prospects of Equipmake but also bring substantial value to our investors, partners, and customers."

Summary Terms of the Convertible Loan:

- **Term**: 4 years
- **Interest**: 10% per annum, rolled up and paid upon maturity or included upon conversion.
- **Maturity**: The original maturity date is March 31, 2029, the date which is the fourth anniversary of completion of investment (the "Maturity Date"). Unless repaid or converted prior to the Maturity Date, Caterpillar may, in its sole discretion, on or after the Maturity Date, elect to (i) extend the Maturity Date for additional six-month increments, (ii) demand repayment of the note, or (iii) convert the principal and accrued interest into Equipmake equity securities (as described below).
- **Conversion Option**: On the Maturity Date, or in the event of an earlier financing, Caterpillar may elect to convert the principal and accrued interest into Equipmake equity securities at the lower of:
  - 80% of the average trailing thirty (30) day price per share of the Company; or
  - a price of 3.125p per share.
- **Security**: The Convertible Loan is secured on the assets of the Company and its subsidiaries.
- **Use of funds**: The funds will be used for general working capital purposes, subject to certain conditions within the Master Development Agreement.
- **Other Terms**: Standard terms for a convertible loan apply, including provisions related to acquisition events, changes in ownership, and other relevant conditions.

Termination of Strategic Review and Formal Sale Process

As a result of the strategic investment from Caterpillar Venture Capital Inc. the Board has concluded that the business is now in a strong financial and commercial position and that the Strategic Review has reached a successful conclusion and should be terminated with immediate effect. The Board has also resolved to terminate the Formal Sale Process under the City Code on Takeovers and Mergers (the "Takeover Code") with immediate effect. The Company is not in discussions with any party in relation to a sale of the business or the Company and is not in receipt of any approaches. Accordingly, the Company is no longer in an "Offer Period" as defined in the Takeover Code and the requirement to make disclosures under Rule 8 of the Takeover Code has now ceased with effect from the publication of this announcement.

****ENDS****

For further information, please contact:

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About Equipmake

Equipmake is a UK-based industrial technology company specialising in the engineering, development and production of electrification products to meet the needs of the automotive and other sectors in support of the transition from fossil-fuelled to zero-emission drivetrains.

Equipmake is a leader in high performance technologically advanced electric motors, inverters and complete zero-emission electric drivetrains and power electronic systems. Equipmake has developed a vertically integrated solution providing fully bespoke solutions to its customers. The Company is focussed on accelerating traction with OEM and Tier 1 suppliers in relation to higher margin component and drivetrain supply under long-term growth contracts.

Key differentiators of the Company offerings are its advanced technology and performance, reliability and adherence to ASIL-D[2] functional safety. Equipmake's advanced motor and inverter technology, featuring ASIL-D compliance, are designed to customers' highest Functional Safety standards. With decades of experience in electric drivetrain integration and a dedicated prototype vehicle testing facility, Equipmake can significantly accelerate product development for customers.

[2]Automotive Safety Integrity Level ("ASIL") is a risk classification scheme defined by the ISO 26262 - Functional Safety for Road Vehicles standard and is a critical requirement for road vehicles. Of the four ASILs identified by the standard, ASIL-D dictates the highest integrity requirements on the product, which require exceptional rigour in their development.

Important Notices

VSA Capital Limited ('VSA Capital'), which is authorised and regulated by the FCA in the UK, is acting as Financial Adviser, Aquis Corporate Adviser and Broker exclusively for Equipmake and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Equipmake for providing the protections afforded to its clients or for providing advice in relation to matters referred to in this announcement. Neither VSA Capital Limited, nor any of its 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 VSA Capital in connection with this announcement, any statement contained herein or otherwise.

Publication on website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement will be available on the investor section of the Company's website at https://equipmake.co.uk/investors/ by no later than 12 noon (London time) on the business day immediately following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Miscellaneous

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Formal Sale Process, and other information published by Equipmake may contain statements about Equipmake that are or may be deemed to be forward looking statements. Such statements are prospective in nature. All statements other than historical statements of facts may be forward looking statements. Without limitation, statements containing the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or "considers" or other similar words may be forward looking statements. Forward looking statements inherently contain risks and uncertainties as they relate to events or circumstances in the future. Important factors such as business or economic cycles, the terms and conditions of Equipmake's financing arrangements, tax rates, or increased competition may cause Equipmake's actual financial results, performance or achievements to differ materially from any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Equipmake disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law

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