KONE

# KONE and TKE – Rise together

Dedicated to People Flow™

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# Creating a world-class company in the Elevator & Escalator industry

KONE and TKE to combine in a cash and share transaction, accelerating execution of Rise to Lead strategy

**Significant customer benefits** driven by **complementary commercial** and **innovation capabilities**

**Attractive shareholder returns** underpinned by **compelling industrial logic** and **best-in-class financial profile**

**Unified leadership** and **ownership continuity** secure long-term strategic focus

# Accelerated execution of Rise to Lead strategy

Core market drivers

Urbanization • Digitalization • Sustainability

Rise to Lead

- Accelerate Digital
- Drive Modernization
- Win Residential
- Cut Carbon

Aligned strategic ambition

#1 for Employees & Customers • Innovation & Sustainability • Growth & Profitability

# TKE – a global leader with service at its core

**~65%**
of sales from Service and Modernization [1]

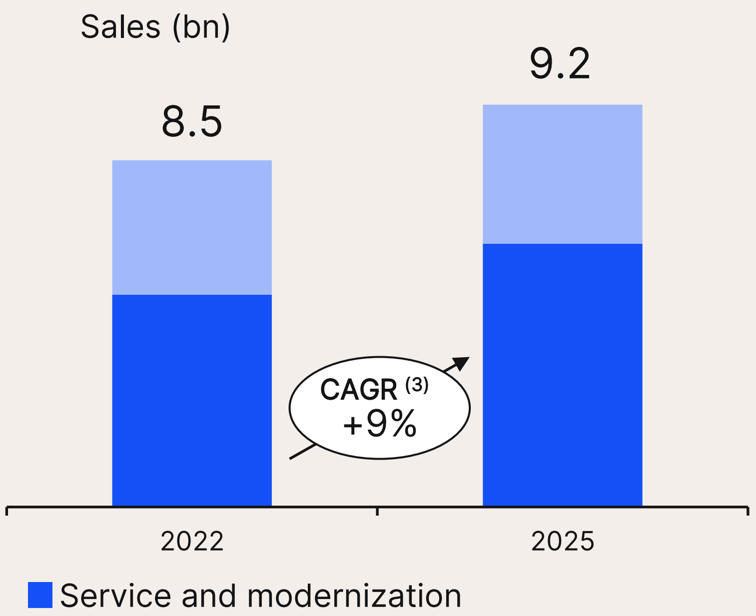
**>1.4m**
E&E units under maintenance

**~25k**
Service technicians

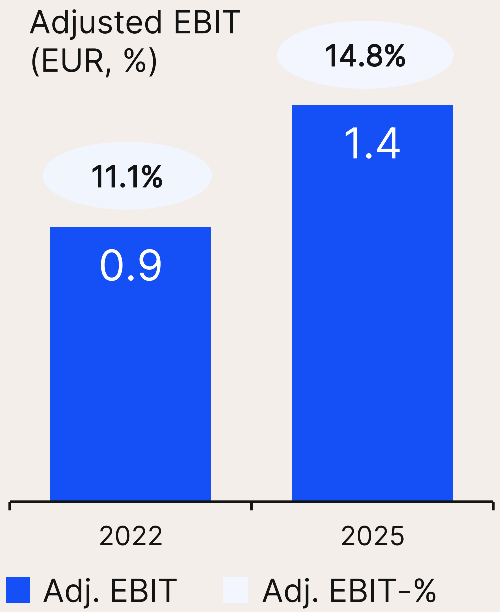
**>100**
Countries with operations

## Strong performance track record

**+8 pts** Growth in share of Service and Modernization sales [2]




**+3.7 pts** Improvement in adj. EBIT-% [2]




(1) IN FYE-SEP 2025 (2) FYE-SEP 2022 – 2025 (3) ON FX ADJUSTED BASIS

NOTE: FIGURES ARE SHOWN AS REPORTED BY TKE

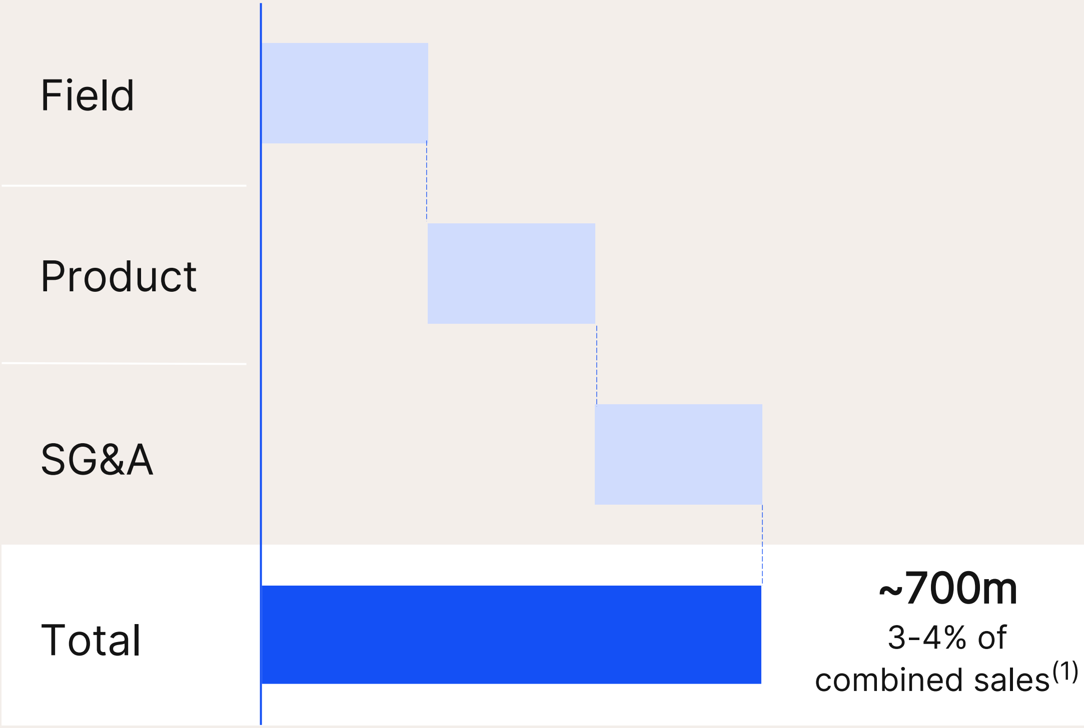
# Compelling industrial logic

| | TKE | KONE + TKE |
|---|---|---|
| Balanced global presence | **~45%** of total sales in Americas[1] | KONE's **presence in Asia** complemented by TKE's **footprint in North America** |
| Enhanced innovation and digital capabilities | **Industry's 1st** Two-shaft elevator TWIN | Combined scale and innovation **accelerates development** of new technology and digital solutions |
| Increased service density | **>1.4m** Units under maintenance | Improved response times, efficiency and reliability provides **meaningful uplift in Lifts in Service / Technician** |
| Unlocked modernization opportunities | **~14%** Modernization sales CAGR[2] | Growth momentum fueled by **combined 3.2m units in service** moving into prime modernization age |

(1) IN FYE-SEP 2025 (2) FYE-SEP 2022 – 2025, ON FX ADJUSTED BASIS

# Meaningful value creation and scalable growth from synergies

**Pre-Tax Run-Rate Synergies** (EURm)




- Productivity from higher density of combined service networks
- Simplification of platforms and efficiencies in R&D and procurement
- Improved non-personnel spend, fixed cost absorption, and IT / infrastructure
- **Fully implemented within 3 years after completion** (2)

(1) CALCULATED AS A SUM OF KONE AND TKE FY25 SALES, DEC-YE FOR KONE AND SEP-YE FOR TKE

(2) 1-1.2X SYNERGIES CUMULATIVE ONE-OFF IMPLEMENTATION COSTS EXPECTED TO BE INCURRED ACROSS 2 YEARS.

# An industry-revitalizing combination

| | KONE | + | TKE | → | Combined Group (Illustrative financials, excl. synergies) |
|---|---|---|---|---|---|
| Sales (EURbn) | 11.2 | | 9.2 | | **20.5** |
| Adj. EBIT margin | 12.2% | | 14.8% | | **13.4%** |
| Serviced units (m) | 1.8m | | 1.4m | | **3.2m** |
| Number of employees | >60k | | >50k | | **>100k** |

NOTE: FINANCIALS ARE SHOWN AS OF FY2025, DEC-YE FOR KONE AND SEP-YE FOR TKE

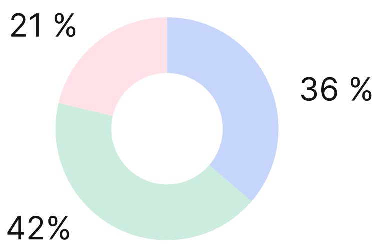
# Increased exposure to resilient Service growth and the attractive Americas market

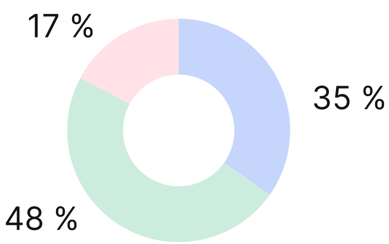
KONE + TKE → **Combined Group**

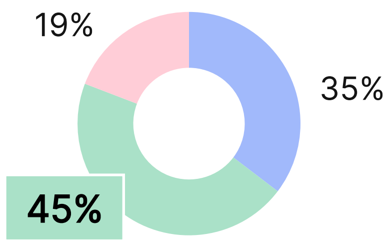
(Illustrative financials)

## Sales by business FY 2025

- New equipment
- Service
- Modernization

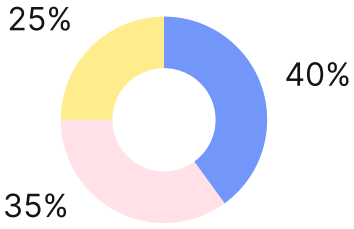


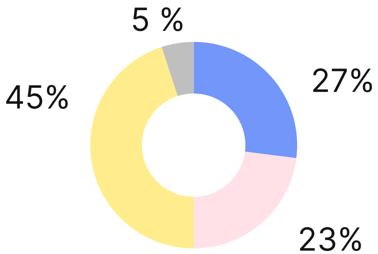



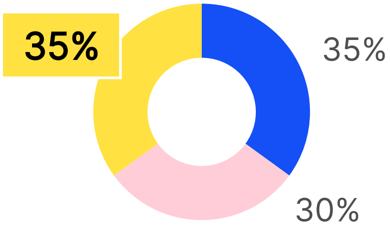




## Sales by geography FY 2025

- Europe
- APMEA and Greater China
- Americas
- Access Solutions




NOTE: FINANCIALS ARE SHOWN AS OF FY2025, DEC-YE FOR KONE AND SEP-YE FOR TKE

NOTE: AFRICA IS INCLUDED UNDER "EUROPE" CATEGORY FOR TKE. ACCESS SOLUTIONS REVENUE IS ALLOCATED PROPORTIONALLY TO EACH GEOGRAPHY UNDER COMBINED GROUP VIEW

# Delivering significant customer benefits

## Competitiveness in the volume markets

Affordable, high-quality platforms with differentiated strengths

## Best-in-class high-rise offering

Exceptional space efficiency and energy performance

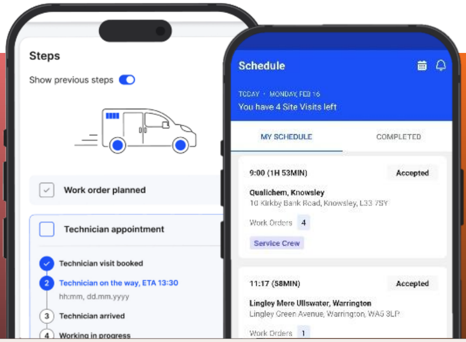
## Elevating everyday living

Safe, independent mobility in the home environment

## Advancing safe, sustainable modernization

Minimized disruption and optimized costs

Underpinned by **strong installation and service capabilities** with **added value from digital innovation**



# Creating a stronger, more diverse global team

- Strong cultural compatibility grounded in safety, integrity, customer focus and operational excellence
- Broader development opportunities across a truly global company
- Shared strong traditions of employee consultation and co-determination

# Attractive returns for KONE shareholders

- Resets long-term targets: combining **scalable growth** with an ambition of **adj. EBIT margin substantially beyond current 16% target**
- **Adj. EPS accretion** in first full year post-closing [(1)]
- Solid **investment grade** profile post completion, supported by ongoing cash generation and synergy realization
- Targeted ≥**50% payout ratio** supports a **stable to over time increasing DPS**

(1) BASED ON PHASE-IN SYNERGIES, EPS ADJUSTED FOR AMORTIZATION OF INTANGIBLES RESULTING FROM THE TRANSACTION AND ONE-OFF TRANSACTION AND INTEGRATION COSTS

# Unified leadership and governance with aligned interests to drive value creation

## Leadership expertise

- Combined group to be led by KONE's **CEO Philippe Delorme** with **Ilkka Hara as CFO**
- Area and functional leadership will build on **strengths of both companies**

## Ownership continuity

- Antti Herlin will retain control with **more than 50% of the voting rights** in KONE
- Commitment from Antti Herlin to **purchase EUR 1bn of KONE class B shares from TKE shareholders** at market price at completion (1)
- **180-day lock-up period** for TKE shareholders' remaining shares

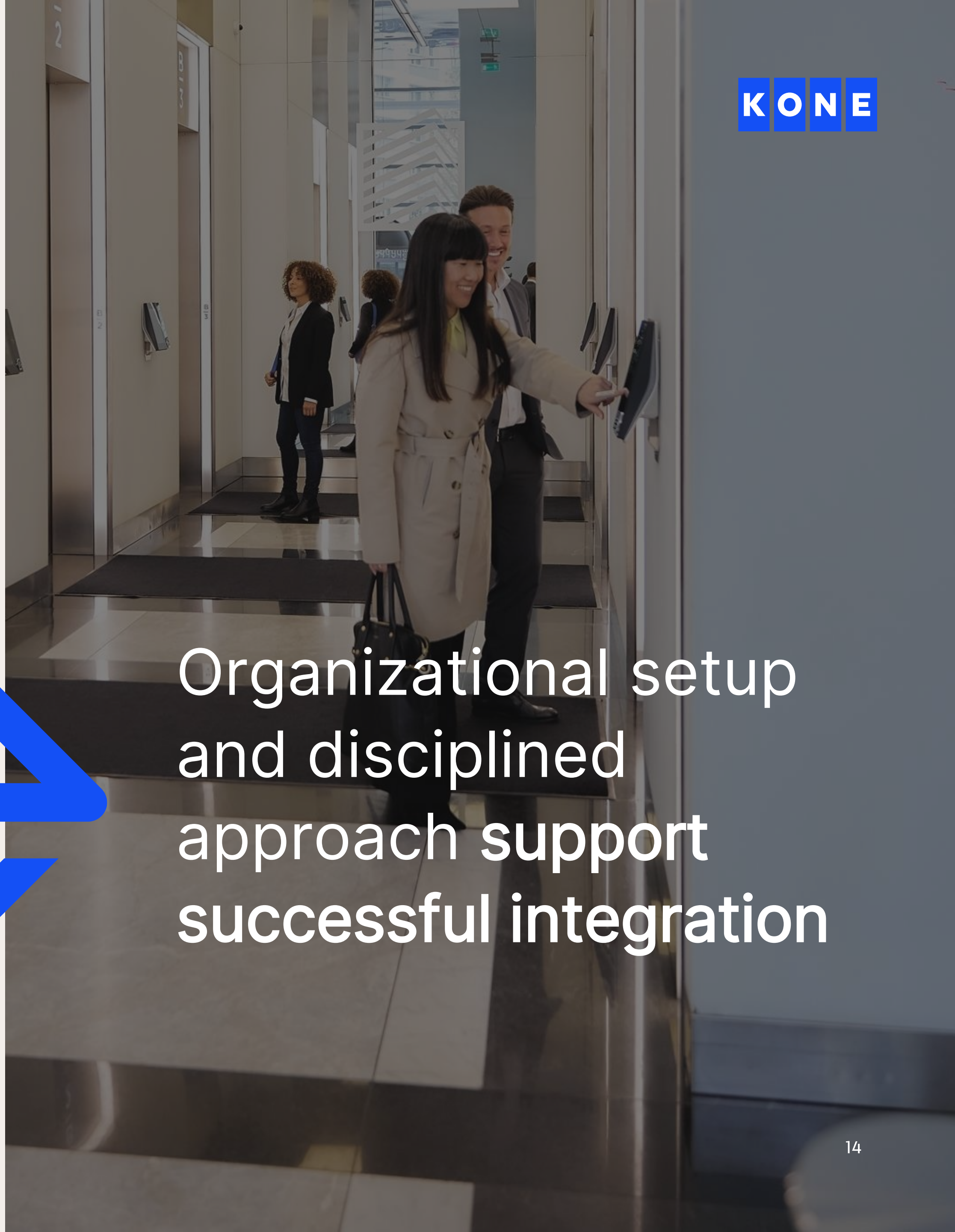
## Strong governance framework

- **Antti Herlin will continue as Chairman** of the combined group
- **Advent and Cinven** will have the right to **appoint two members of the Board of Directors,** one of whom will serve as **co-vice chair** (2)
- **New board-level committee** to support smooth **integration** and **synergy realization** (3)

(1) THE PURCHASE WILL BE EXECUTED ON MARKET TERMS AT A PRICE PER SHARE CORRESPONDING TO THE VOLUME-WEIGHTED AVERAGE PRICE OF KONE CLASS B SHARES FOR THE PERIOD OF 10 CONSECUTIVE TRADING DAYS BEFORE COMPLETION
(2) THIS APPOINTMENT RIGHT DECREASES TO ONE MEMBER WHEN THE AGGREGATE OWNERSHIP OF THE TKE SHAREHOLDERS FALLS BELOW 15% AND TERMINATES WHEN IT FALLS BELOW 10%
(3) THIS COMMITTEE WILL RECEIVE THE DENOMINATION "STRATEGIC AND INTEGRATION COMMITTEE" AND WILL HAVE AN EQUAL REPRESENTATION FROM KONE'S CURRENT BOARD MEMBERS, AND THE BOARD MEMBERS APPOINTED BY TKE

# Clear and ready execution model

- Strong Board-level oversight
- Defined organizational structure in place to manage integration
- New Head of Integration role to drive synergy realization



# Overview of transaction terms

## Transaction consideration

- **TKE shareholders to receive EUR 5bn** in cash and **max. 270m newly issued class B shares** valued at EUR 15.2bn [(1)], representing 33.8% of issued shares and 18.3% of total votes [(2)] in KONE
- TKE's existing **net financial indebtedness of approximately EUR 9.2bn** [(3)] is expected to be refinanced
- Consideration would result in an **enterprise value for TKE of EUR 29.4bn** [(4)], including interest-bearing net debt

## Financing

- **Fully committed financing in place**
- Targeting a **solid investment grade** credit profile for the combined group

(1) BASED ON THE CLOSING PRICE OF APRIL 28, 2026
(2) TOTAL VOTES EXCLUDES TREASURY SHARES
(3) IN FYE-SEP 2025
(4) ENTERPRISE VALUE BASED ON THE ASSUMPTION SET OUT ABOVE

# Pathway and timeline

KONE

### April 2026

- Signing and announcement

### June 2026

- Extraordinary General Meeting

### Within 12-18 months

- Expected regulatory approvals
- Integration planning
- **Expected completion earliest Q2 2027**

### Post completion

- Integration execution and synergy realization

## Shaping cities

Forming a world-class elevator and escalator company to redefine the future of urban mobility.

## Moving people

Best-positioned to develop the next generation of digitally-enabled and sustainable solutions.

## Creating value

Ambition to achieve industry-leading growth and profitability fueled by meaningful synergies.