

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

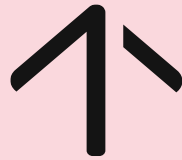
Core market drivers

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 <sup>(1)</sup>

>1.4m

E&E units under maintenance

~25k

Service technicians

>100

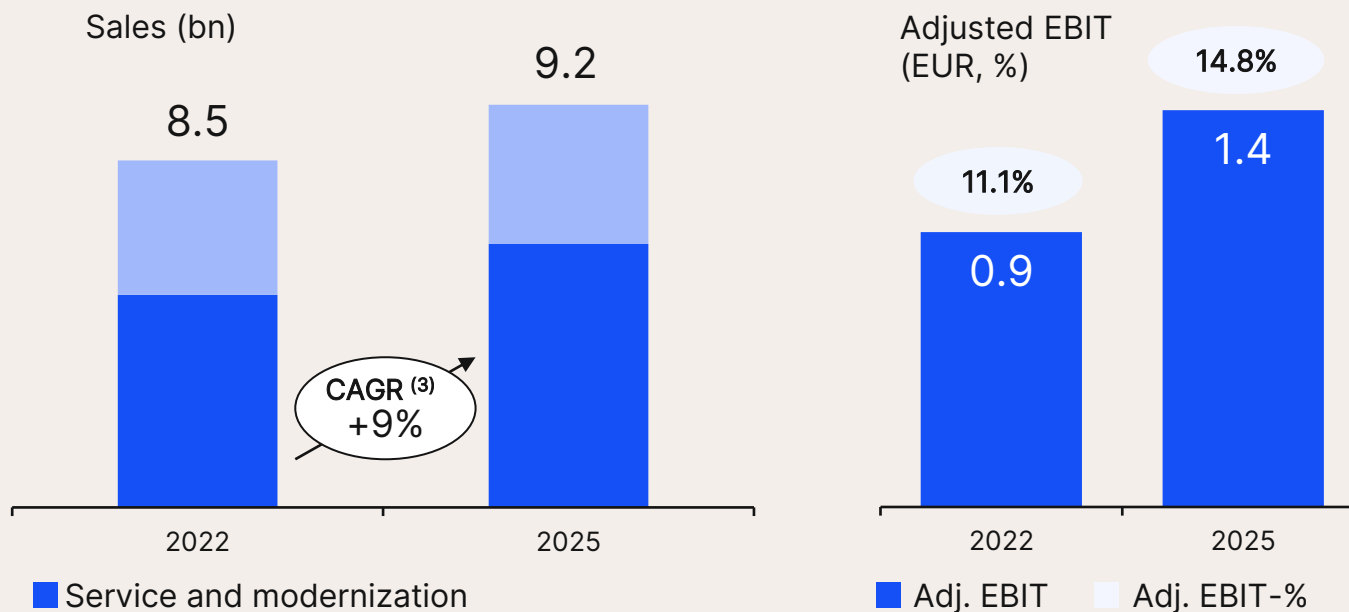
Countries with operations

(1) IN FYE-SEP 2025 (2) FYE-SEP 2022 – 2025 (3) ON FX ADJUSTED BASIS  
NOTE: FIGURES ARE SHOWN AS REPORTED BY TKE

## → Strong performance track record

→ **+8 pts** Growth in share of Service and Modernization sales <sup>(2)</sup>

→ **+3.7 pts** Improvement in adj. EBIT-% <sup>(2)</sup>



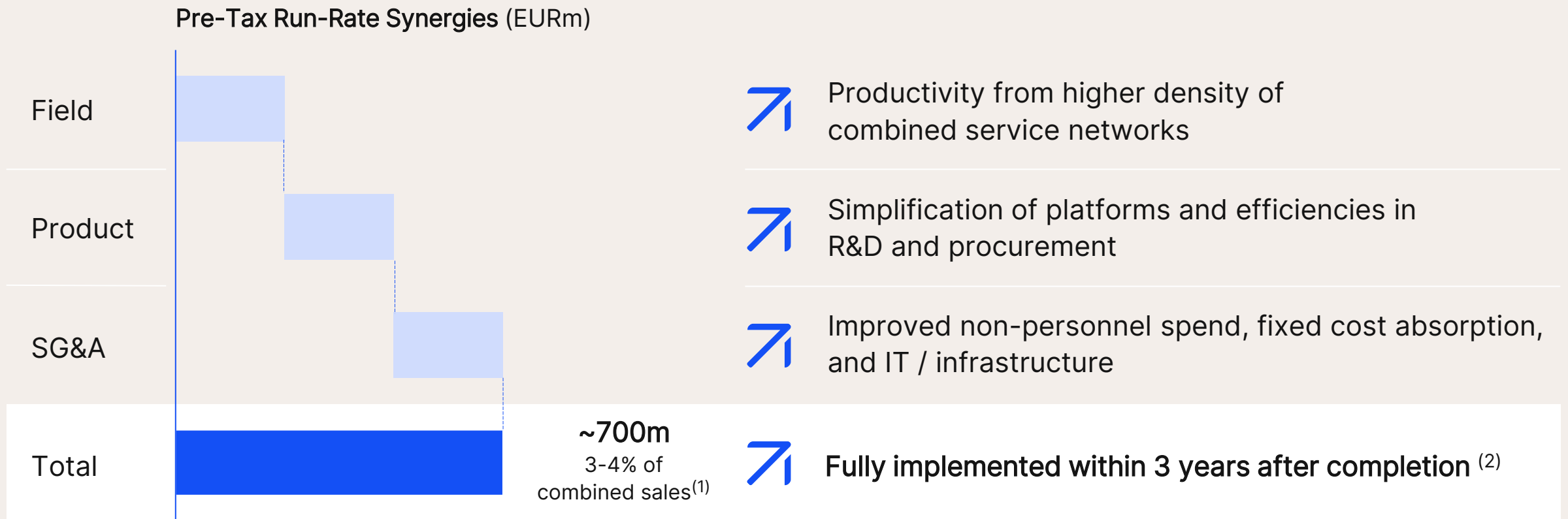
# Compelling industrial logic



Balanced global presence	<p><b>~45%</b> Of total sales in Americas<sup>(1)</sup></p>	KONE's presence in Asia complemented by TKE's footprint in North America
Enhanced innovation and digital capabilities	<p><b>Industry's 1st</b> Two-shaft elevator TWIN</p>	Combined scale and innovation accelerates development of new technology and digital solutions
Increased service density	<p><b>&gt;1.4m</b> Units under maintenance</p>	Improved response times, efficiency and reliability provides meaningful uplift in Lifts in Service / Technician
Unlocked modernization opportunities	<p><b>~14%</b> Modernization sales CAGR<sup>(2)</sup></p>	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



(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

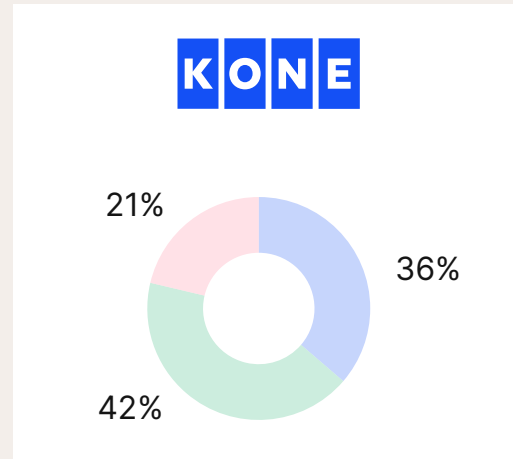
# An industry-revitalizing combination

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

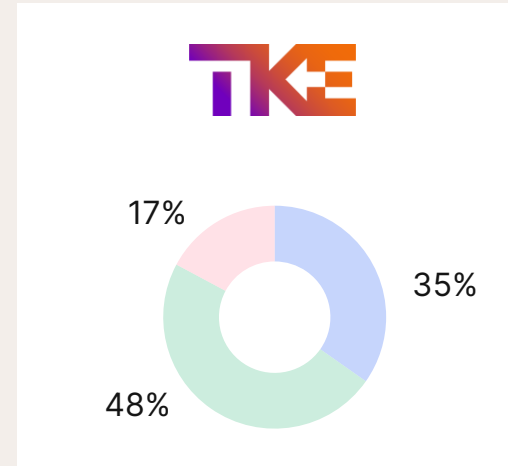
# Increased exposure to resilient Service growth and the attractive Americas market

## Sales by business FY 2025

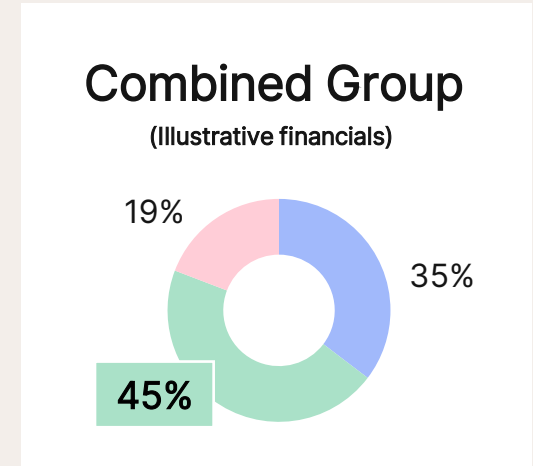
- New equipment
- Service
- Modernization



+

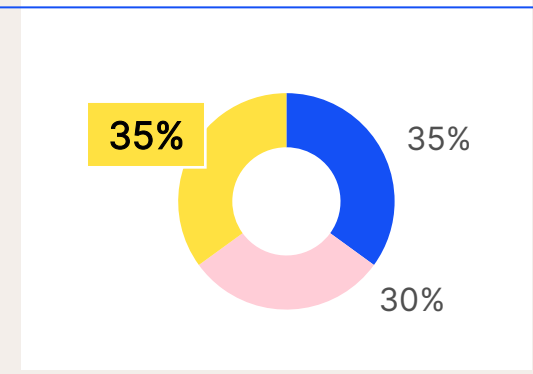
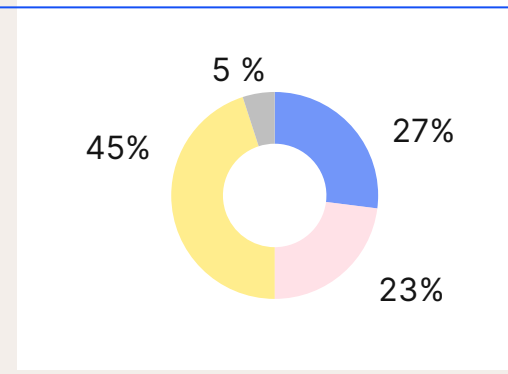
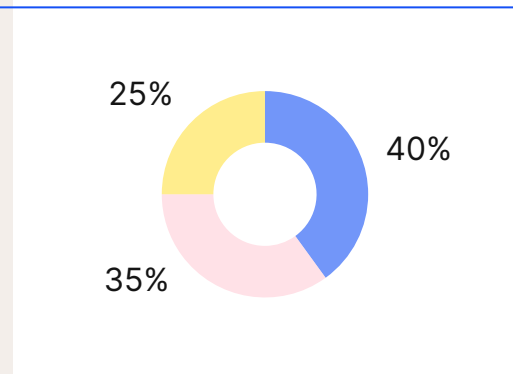


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## Sales by geography FY 2025

- 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

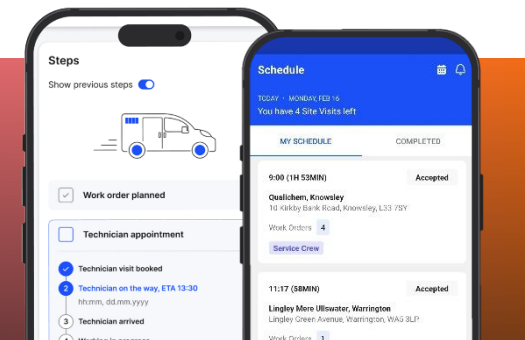
## Elevating everyday living

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 <sup>(1)</sup>
- **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 dividend per share**

(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 <sup>(1)</sup>
- 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** <sup>(2)</sup>
- **New board-level committee** to support smooth integration and synergy realization <sup>(3)</sup>

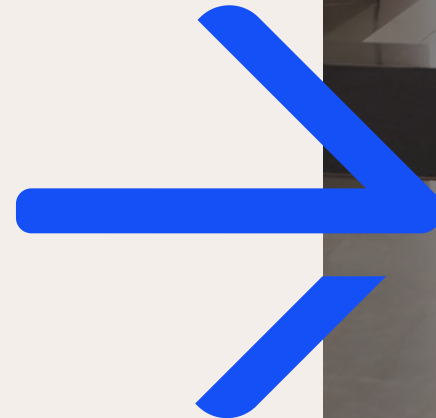
<sup>(1)</sup> THE PURCHASE WILL BE EXECUTED ON MARKET TERMS AT A PRICE PER SHARE CORRESPONDING TO THE VOLUME-WEIGHTED AVERAGE PRICE OF KONE CLASS B SHARES FOR THE PERIOD OF 10 CONSECUTIVE TRADING DAYS BEFORE COMPLETION

<sup>(2)</sup> 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%

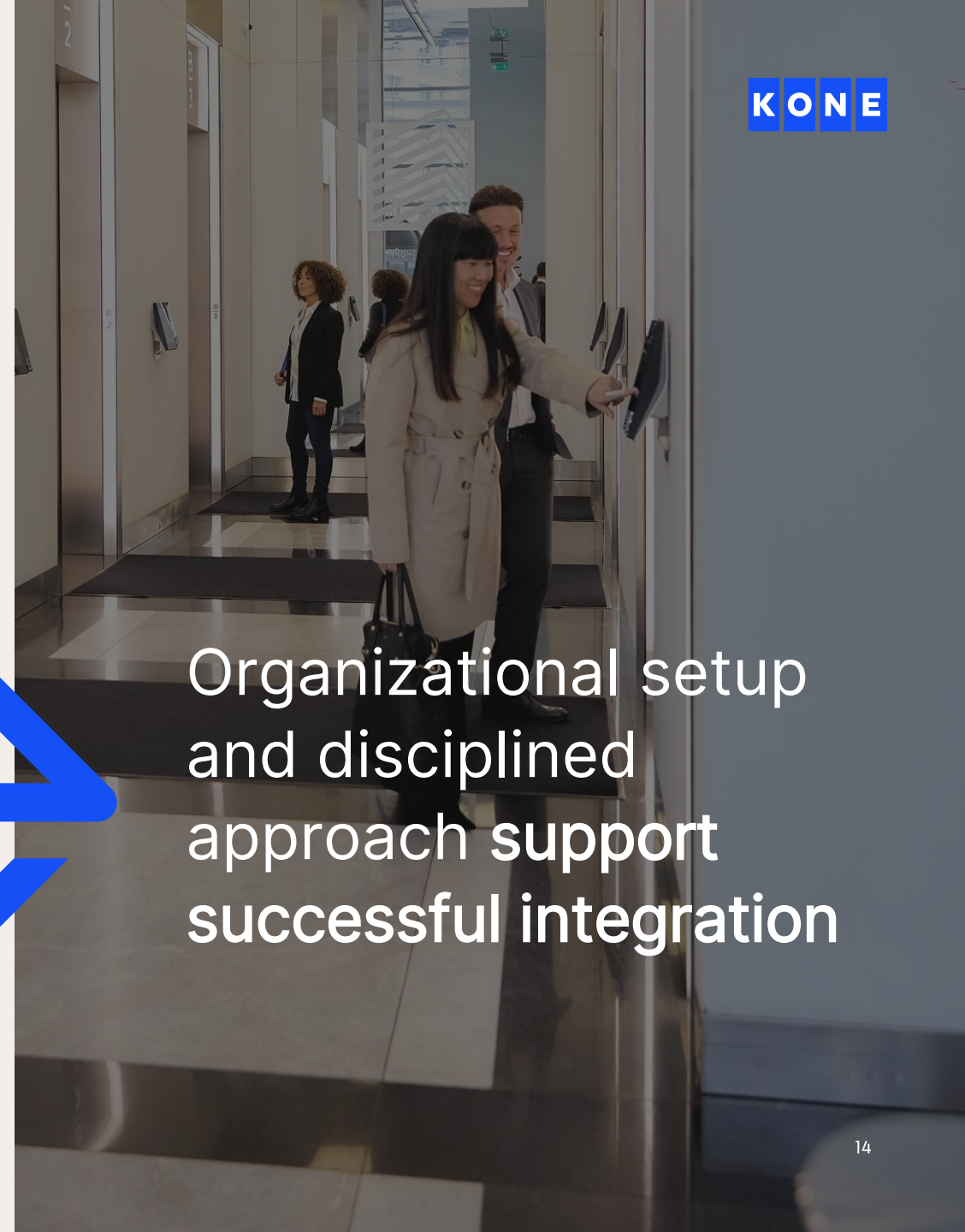
<sup>(3)</sup> THIS COMMITTEE WILL RECEIVE THE DENOMINATION "STRATEGIC AND INTEGRATION COMMITTEE" AND WILL HAVE AN EQUAL REPRESENTATION FROM KONE'S CURRENT BOARD MEMBERS, AND THE BOARD MEMBERS APPOINTED BY TKE

# 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



Organizational setup  
and disciplined  
approach support  
successful integration



# 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 13.7bn <sup>(1)</sup>, representing 33.8% of issued shares and 18.3% of total votes <sup>(2)</sup> in KONE
- TKE's existing net financial indebtedness of approximately EUR 9.2bn <sup>(3)</sup> is expected to be refinanced
- Consideration would result in an **enterprise value for TKE of EUR 27.9bn** <sup>(4)</sup>, 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 JUNE 2, 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 TKE

## 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.