



## **Inside information: KONE and TKE to combine, creating a world-class company in the elevator and escalator industry**

KONE Corporation, inside information, April 29, 2026 at 08:35 a.m. EEST

KONE Corporation and a consortium led by Advent and Cinven, through their jointly controlled holding company Vertical Topco I S.A., have entered into an agreement to combine KONE and TKE in a cash and share transaction.

This industry-revitalizing transaction brings together two exceptional global businesses with highly complementary geographic footprints and innovation platforms. The combined group would have a balanced global presence, leading service and modernization capabilities, and the resources to accelerate the development of new solutions and digital services. As such it would be in a better position to meet its customers' rising demand for safe, sustainable and data driven urban vertical transportation solutions. The combination would offer substantial value creation from realized synergies, estimated to be approximately EUR 700 million on an annual run-rate basis, benefitting customers and shareholders alike.

On an illustrative basis for the last financial year, the combined group would have approximately EUR 20.5 billion in annual sales, of which approximately 65% in service and modernization, more than EUR 2.7 billion in adjusted EBIT, excluding synergies, and approximately 3.2 million units under maintenance.

### **Transaction highlights**

- The combination of KONE and TKE would bring together two global elevator and escalator companies with complementary geographical footprints and innovation capabilities.
- TKE is a global E&E leader with a differentiated service and modernization delivery model and a highly attractive platform in the Americas. The company's strong financial performance reflects successful execution of a comprehensive multi-year transformation.
- By bringing KONE and TKE together, customers would benefit from faster innovation, improved installation and services, and greater ability to deliver safe and sustainable modernization across an aging global elevator and escalator base.
- For employees, the combination would offer broader development opportunities across a larger, more diverse, and truly global company with strong prospects.
- The transaction is expected to create substantial value through synergies of approximately EUR 700 million in annual run-rate pre-tax cost savings, anticipated to be achieved with full P&L effect by the end of year three after completion of the transaction. Synergies are expected to be realized primarily through higher density of service networks, enhancement of combined R&D capabilities, platform optimization, procurement efficiencies and SG&A savings.
- KONE would acquire the entire issued share capital of Vertical Topco II S.A., which holds all assets of TK Elevator GmbH and its direct and indirect subsidiaries ("TKE").

- Vertical Topco I S.A. would receive a cash consideration of EUR 5 billion and a maximum share consideration of 270 million newly issued KONE class B shares, each subject to certain adjustments. At the closing price of KONE's class B shares on April 28, 2026, and assuming a maximum consideration of 270 million shares, the share consideration would be valued at EUR 15.2 billion and correspond to 33.8% of all issued shares and 18.3% of total votes, excluding treasury shares, in KONE following completion of the transaction.
- The total consideration would result in an enterprise value for TKE of EUR 29.4 billion, including interest-bearing net debt, based on the above assumptions. The majority of TKE's existing interest-bearing net debt, amounting to approximately EUR 9.2 billion, would be refinanced.
- The combined group is expected to receive a solid investment grade credit rating supported by ongoing cash generation and expected synergy realization.
- KONE aims to initially maintain dividends at an approximate level of 2026 post completion. Going forward it would aim to pay a dividend of at least 50% of net income through the cycle, delivering attractive shareholder returns.
- KONE's current President and CEO Philippe Delorme would lead the combined group, with Ilkka Hara as CFO. Antti Herlin would remain as Chairman of the Board of Directors, with an ownership representing over 50% of KONE's voting rights, ensuring continuity and a sustained long-term strategic focus. TKE shareholders would have the right to nominate up to two members of KONE's Board of Directors.
- Completion is subject to, among others, regulatory approvals and the approval of the relevant elements of the transaction by the Extraordinary General Meeting of KONE, which is expected to be convened in June 2026. KONE is confident that it will secure all necessary regulatory approvals in accordance with its contractual commitments while preserving the strategic rationale of the combination. The parties are prepared to work constructively with regulators to ensure full compliance. Completion of the transaction is expected to occur earliest in the second quarter of 2027.
- Shareholders of KONE holding in aggregate approximately 40.3% of all outstanding shares and approximately 74.3% of the total votes (excluding treasury shares) have irrevocably undertaken, subject to certain customary conditions, to attend the Extraordinary General Meeting of KONE and vote in favour of the Board proposals related to the transaction.

**Philippe Delorme, President and CEO of KONE** said: "For over a century, both KONE and TKE have successfully developed their businesses, in tandem with an urbanizing world. By uniting, we are laying the foundation for an even more innovative company, well positioned for long-term success. This combination would meaningfully enhance our ability to meet customers' growing demand for reliable and sustainable solutions and services in a rapidly evolving environment, while creating a stronger, more diverse global team grounded in the combined expertise of both organizations. It would also accelerate our strategic shift to service and modernization, reinforcing our resilience. Together, we aim to shape the future of urban mobility to the benefit of our people, our customers and our shareholders."



**Antti Herlin, Chairman of the Board of Directors of KONE** said: “This transaction reflects the Board's clear ambition to create the strongest possible foundation for long-term value creation. We are confident that it would ultimately drive greater innovation and improved customer service, while positioning the combined group for sustainable growth.”

**Uday Yadav, CEO of TKE** said: “Four years ago, we set out to build something genuinely great – a business defined by operational excellence, customer trust, and the conviction that extraordinary people, given the right tools and leadership, will always outperform. What 50,000 colleagues have delivered with passion, pride and capability speaks for itself. As peers, we have deep respect for what KONE has built over more than a century. Together we will bring the very best of both companies to our customers, our people, and the cities we serve. The best of our story lies ahead.”

**Bruno Schick, Co-Managing Partner at Cinven** said: “TKE’s journey has been an extraordinary one. Together with TKE’s management team and employees, we are proud to have actively supported its carve out and transformation into the world-class strategic platform it is today, driving excellence in services and innovation while delivering significant value for all stakeholders. The planned combination with KONE provides a unique opportunity to accelerate the successful journey of innovation in urban mobility. As a shareholder of the planned combined company, we are delighted to see the business so well positioned for its next phase of growth.”

**Ranjan Sen, Managing Partner at Advent** said: “Since acquiring TKE in 2020, we partnered closely with management and employees to navigate a complex carve-out and build a highly resilient, focused business. Significant investment in technology, innovation, and product development has enabled TKE to emerge as a leader in urban mobility. Moving forward, we see compelling industrial logic in combining two highly complementary businesses and creating a world-class company in the elevator and escalator industry. Our continued ownership in the combined group reflects our conviction in its long-term potential, and we look forward to supporting the management team on this next chapter.”

### **Strategic rationale: compelling industrial logic**

By combining two highly complementary organisations the transaction would build a joint path for KONE and TKE with a solid foundation for sustainable growth and lasting value creation.

KONE’s presence in Asia is complemented by TKE’s footprint in the Americas and TKE opens new geographies for KONE, resulting in a well-balanced global presence. KONE and TKE are united in their proud heritage, strong track record in developing world-class urban vertical transportation solutions, and commitment to quality and customer value. Their complementary innovation capabilities and customer base would provide the opportunity to more effectively develop new solutions and services, including IoT tools and predictive maintenance technologies.

Customers and end users would further benefit from enhanced installation and service capabilities through the higher density and increased reach of the combined service networks. A larger maintenance base would also better position the combined group to meet customers’ growing need for safe and sustainable modernization solutions in the context of an aging

global elevator and escalator base. The combined group would generate approximately 65% recurring sales from service and modernization, providing stability and resilience.

KONE and TKE are both known for their people-driven approach built on trust and employee involvement. Their distinct corporate cultures are highly compatible with a shared focus on customer service, operational excellence, and good corporate citizenship. KONE recognizes that TKE's employees would play a pivotal role in the success of the combined group. Both KONE and TKE have strong traditions of employee consultation and co-determination. An open dialogue will be held with all relevant employee representatives on questions regarding integration. The transaction would result in broader development opportunities across a larger, more diverse, and truly global company with strong prospects.

***Financial benefits: significant synergies create strong upside potential for shareholders***

KONE foresees substantial value creation from realized synergies, which would benefit shareholders and customers of both parties. The expected synergies would arise primarily through higher density of service networks, enhancement of combined R&D capabilities, platform optimization, procurement efficiencies and SG&A savings. KONE currently estimates synergies of approximately EUR 700 million in annual run-rate pre-tax cost savings which would be achieved with full P&L effect by the end of year three after completion of the transaction. The related cumulative one-off costs are estimated to be approximately 1-1.2 times expected run-rate synergies, incurred over a two-year period. The transaction resets KONE's current long-term financial targets, with synergies supporting an ambition to accelerate adjusted EBIT margin progression substantially beyond KONE's current standalone target of 16%.

The combined group is expected to receive a solid investment grade rating post-completion supported by ongoing cash generation and anticipated synergy realization. KONE aims to initially maintain dividends at an approximate level of 2026 post completion. Going forward it would aim to pay a dividend of at least 50% of net income over the cycle, delivering attractive shareholder returns.

***Valuation and consideration: ensuring shareholder value creation***

Vertical Topco I S.A., a holding company jointly controlled by Advent and Cinven would, at completion, receive a cash consideration of EUR 5 billion and a maximum share consideration of 270 million newly issued KONE class B shares, each subject to certain adjustments. At the closing price of KONE's class B shares on April 28, 2026, and assuming a maximum consideration of 270 million shares, the share consideration would be valued at EUR 15.2 billion. The majority of TKE's existing interest-bearing net debt, amounting to approximately EUR 9.2 billion, is expected to be refinanced. Based on the above assumptions, the total consideration would result in an enterprise value of EUR 29.4 billion for TKE, including interest-bearing net debt, reflecting the substantial value creation opportunity from the transaction. The consideration structure preserves KONE's financial flexibility, while aligning KONE and TKE's interests to drive value creation and synergy realization.

The transaction is expected to be accretive to KONE's earnings per share, adjusted for amortization of intangibles resulting from the transaction and one-off transaction and

integration costs, in the first full year post-completion with an accelerating trajectory in subsequent years.

Under the terms of the share purchase agreement entered into between KONE and Vertical Topco I S.A. (the "SPA") the total consideration, including the number of class B shares in KONE to be issued as share consideration and the cash consideration, would be adjusted in connection with completion, based on (i) the terms and scope of any potential divestments of TKE's or KONE's current business operations required for the satisfaction of regulatory conditions to completion, and (ii) certain other customary purchase price adjustments.

## **The Combined Group**

### *Overview*

The combined group would have nearly double the size of the current KONE Group, with more than 100,000 employees in over 100 countries. On an illustrative basis for the last financial year, annual sales of the combined group would amount to approximately EUR 20.5 billion, of which approximately 65% from service and modernization, adjusted EBIT to more than EUR 2.7 billion, excluding synergies, and the number of units under maintenance to approximately 3.2 million. The combined group would be headquartered in Finland.

### *Governance and Board of Directors*

Vertical Topco I S.A., a holding company controlled by Advent and Cinven, would receive new KONE class B shares corresponding to approximately 33.8% of all issued shares and approximately 18.3% of total votes, excluding treasury shares, in the combined group following completion, without accounting for any adjustments to the share consideration.

The principal shareholder of KONE, Antti Herlin, would continue to exercise controlling power with more than 50% of the voting rights in KONE after completion.

Antti Herlin would continue as the Chairman of the Board of Directors and the current KONE Board members would continue to serve as members of the Board of Directors in accordance with their election. KONE's current President and CEO Philippe Delorme would lead the combined group, with Ilkka Hara as CFO.

Advent and Cinven, through their jointly controlled holding company Vertical Topco I S.A., would have a right under the SPA to nominate two members of KONE's Board of Directors following completion, one of whom would serve as co-vice chair of the Board. If the aggregate proportion of consideration shares held by Vertical Topco I S.A. falls below 15% of all shares in KONE, the nomination right would be reduced to one Board member, and if it falls below 10%, the nomination right would cease entirely. Vertical Topco I S.A. may distribute the consideration shares to certain of its shareholders and associated entities of those shareholders without reducing the aggregate shareholding counted towards the 15% and 10% thresholds. Advent and Cinven would also be permitted to assign the nomination right to another entity jointly controlled by them but would lose the nomination rights if any entity holding the nomination rights is no longer under their joint control. The nomination right would be implemented through the KONE Board's Rules of Procedures and the charter of the Board Nomination and Compensation Committee. KONE's principal shareholder, Antti Herlin, and his



associated companies, have undertaken to support and vote for the election of the Board members nominated by Vertical Topco I S.A. for the duration of the nomination right.

The Board of Directors would establish a Strategic and Integration Committee, comprising equal representation from KONE's current Board members and Board members appointed by Vertical Topco I S.A., to develop plans for combining the companies' strong networks and customer relationships while preserving the quality and service standards associated with both businesses. The Committee would also prepare and provide recommendations to the Board of Directors with respect to selection of the combined group's senior managers.

### ***Financing***

As part of the transaction, KONE has received committed financing from Bank of America and BNP Paribas and intends to fund the cash component of the transaction consideration, including refinancing of the majority of TKE's interest-bearing net debt, through a combination of cash from its balance sheet and the proceeds from new debt raised.

### **Illustrative combined financial information**

The illustrative combined financial information presented below is based on and has been calculated as a sum of the audited consolidated financial statements of KONE as at and for the financial year ended 31 December 2025 and TKE as at and for the financial year ended 30 September 2025.

The combined financial information is presented for illustrative purposes only and is unaudited. The illustrative combined financial information is presented assuming the activities were included in the same group, thus the illustrative combined financial information presented herein is based on a hypothetical situation. The illustrative combined financial information does not include any impacts of potential adjustments under the terms of SPA referred above, impacts of purchase price allocation, alignment of differences in accounting principles, adjustments related to transaction costs, tax impacts or impacts of the possible refinancing and therefore it should not be viewed as pro forma financial information.

The illustrative combined financial information does not reflect any expected synergy benefits or future integration costs that are expected to be generated or may be incurred as a result of the transaction.

The actual consolidated financial information for the combined group will be prepared based on the final total purchase consideration, the fair values of TKE's identifiable assets and liabilities transferring at the closing date, including the possible refinancing impacts. The final total purchase consideration will be determined by the share value of KONE's class B share at closing and any potential adjustments under the terms of SPA. The combined group's consolidated financial information that will be published following the completion could therefore differ significantly from the illustrative combined financial information presented herein. Accordingly, this information is not indicative of what the combined group's actual financial position, results of operations or key figures would have been had the proposed transaction been completed on the dates indicated.

For the purposes of combined figures herein, the definitions of adjusted EBIT and adjusted EBITDA presented below have not been aligned between KONE and TKE. Further information and reconciliations are available in Appendix 1 to this announcement.

		1-12/2025	10/2024-9/2025	
		KONE	TKE	Combined <sup>1)</sup>
Sales	MEUR	11,245	9,230	20,475
Adjusted EBIT	MEUR	1,369	1,365	2,734
Adjusted EBIT margin	%	12.2	14.8	13.4
Adjusted EBITDA	MEUR	1,689	1,617	3,306
Adjusted EBITDA margin	%	15.0	17.5	16.1
Operating income	MEUR	1,336	920	2,256
Operating income margin	%	11.9	10.0	11.0

1) The illustrative combined financial information do not include any impact of the purchase price allocation related to the transaction or alignment of the accounting policies.

		31 Dec 2025	30 Sept 2025		
		KONE	TKE adjusted <sup>1)</sup>	Net adjustments <sup>2)</sup>	Combined
Total assets	MEUR	9,052	22,647 <sup>3)</sup>	13,354	45,053
Total equity	MEUR	2,827	6,944	8,354	18,124
Total liabilities	MEUR	6,225	15,704	5,000	26,929
Total equity and liabilities	MEUR	9,052	22,647	13,354	45,053
Interest-bearing net debt	MEUR	-700	9,192 <sup>4)</sup>	5,000	13,492

1) TKE's adjusted statement of financial position includes the reclassification of shareholder loans of EUR 3,571 million to equity and inclusion of Vertical Topco II S.A.'s cash and cash equivalents of EUR 6 million to reflect the statement of financial position subject to the transaction. The PIK note of EUR 1,392 million of Vertical Topco II S.A is excluded as it is not part of the transaction.

2) Net adjustments include the impacts of the preliminary purchase consideration consisting of a share consideration of EUR 15,201 million based on 270 million newly issued shares of KONE valued at closing share price of KONE's class B share on 28 April 2026 of EUR 56.30 per share and a cash consideration of EUR 5,000 million, elimination of TKE's net assets of EUR 6,847 million (excluding non-controlling interest of EUR 96 million) and allocation of the difference of EUR 13,354 million between the preliminary purchase consideration and TKE's net assets to total assets. The net adjustments do not include any impact of the purchase price allocation related to the transaction or alignment of the accounting policies. For net debt, the net adjustments include the impact of the cash consideration of EUR 5,000 million. No alignment of net debt definitions of KONE and TKE has been done.

3) TKE's total assets include goodwill and other intangible assets of EUR 17,458 million that are largely attributable to the initial purchase price allocation resulting from the acquisition of TKE by the financial investor consortium led by Advent and Cinven.

4) TKE's interest-bearing net debt comprises loans and other interest-bearing liabilities of EUR 8,979 million, lease liabilities of EUR 463 million, employee benefit liabilities of EUR 271 million less cash, cash equivalents and current deposits of EUR 521 million.

### **Approvals and timing**

Completion of the transaction is subject to approval by the General Meeting of KONE of (i) an authorisation for the KONE's Board of Directors to issue the share consideration to Vertical Topco I S.A. in a directed share issuance (by a majority of two-thirds of votes cast and shares represented), and (ii) election of two members of the Board of Directors of KONE nominated by Vertical Topco I S.A. (by a simple majority), conditionally on completion of the transaction. An Extraordinary General Meeting of KONE is expected to be convened in June 2026 to decide on these matters.

Completion of the transaction is also subject to regulatory approvals in several jurisdictions. KONE is confident that it will secure all necessary regulatory approvals in accordance with its contractual commitments while preserving the strategic rationale of the combination. The parties are prepared to work constructively with regulators to ensure full compliance.

Subject to the conditions to completion of the transaction being fulfilled or waived, completion of the transaction is expected to occur earliest in the second quarter of 2027.

### **Shareholder support: strong commitment from key KONE shareholders**

Shareholders of KONE holding in aggregate approximately 40.3% of all outstanding shares and approximately 74.3% of the total votes (excluding treasury shares) have irrevocably undertaken, subject to certain customary conditions, to attend the Extraordinary General Meeting of KONE and vote in favour of the Board proposals related to the transaction. These shareholders include all holders of KONE class A Shares and several major holders of KONE class B shares, including certain institutional investors such as Ilmarinen Mutual Pension Insurance Company, Varma Mutual Pension Insurance Company, and Elo Mutual Pension Insurance.

### **Secondary share purchase by Antti Herlin from Vertical Topco I S.A.**

Separate from the SPA between KONE and Vertical Topco I S.A., the Board of Directors of KONE has been informed that KONE's principal shareholder Antti Herlin, through Security Trading Oy, has agreed to purchase from Vertical Topco I S.A. a number of the KONE class B shares issued as share consideration corresponding to EUR 1 billion in value immediately following completion of transaction. The secondary purchase would be executed on market terms at a price per share corresponding to the volume-weighted average price of KONE class B shares on Nasdaq Helsinki for the period of 10 consecutive trading days ending on (and including) the day on which completion of the transaction occurs.

Antti Herlin would continue to control more than 50% of the voting rights in KONE after completion of the transaction, irrespective of the secondary share purchase.

The arrangement facilitates the commercial viability of the transaction by enabling Vertical Topco I S.A. to receive a larger proportion of the consideration in cash, in accordance with their preferences, while limiting the indebtedness of the combined group.

**Lock-up**

Vertical Topco I S.A. has submitted a lock-up undertaking, according to which it has, subject to customary exceptions and without restricting the above secondary purchase, undertaken not to dispose of shares in KONE during a period of 180 days after the date on which the share consideration is delivered.

**Background on TKE**

TKE is a Germany-based global leader in vertical transportation providing full lifecycle services for urban mobility including design, installation, maintenance, modernization, design and manufacturing. The company provides engineering and digital solutions across the vertical transportation spectrum covering elevators, escalators, walkways, lifts, passenger boarding bridges, stairlifts, platform lifts and home elevators - with sales of EUR 9.2 billion in financial year 2024/25, and more than 50,000 employees (of which 25,000 are service technicians).

TKE operates in over 100 countries worldwide, supported by about 1,000 sales and service support centres, and serves more than 1.4 million elevator and escalator units under maintenance.

TKE became independent following its separation from the thyssenkrupp AG in 2020 and is owned by a consortium led by Advent and Cinven.

**The Share Purchase Agreement**

KONE and Vertical Topco I S.A. entered on 29 April 2026 into an SPA, pursuant to which KONE and Vertical Topco I S.A. have agreed on, among other things, the sale and purchase of the entire issued share capital of Vertical Topco II S.A. The SPA contains certain customary undertakings, such as, each party conducting its business in the ordinary course of business before completion, preparing the necessary regulatory filings and notifications in cooperation with the other party, and cooperating with the other party in relation to the financing of the combined group. Moreover, KONE and Vertical Topco I S.A. have given each other certain customary warranties.

If the transaction is completed, all reasonably incurred costs and expenses in connection with the transaction (including in relation to the satisfaction of the regulatory conditions) would be borne by the combined group. If the SPA terminates, each party would bear their own costs and expenses in relation to the transaction, with the exception of (i) certain jointly incurred costs borne jointly by the parties, and (ii) certain fees and expenses in relation to the satisfaction of the regulatory conditions that would be borne by KONE.

The SPA may be terminated by either of KONE or Vertical Topco I S.A. if, among other grounds, certain consents and waivers have not been obtained, completion has not occurred by ten business days following a long-stop date agreed between the parties, or the Extraordinary General Meeting of KONE, expected to be held in June 2026, does not approve the proposals by the KONE Board of Directors, including the authorisation for the KONE Board of Directors to issue the share consideration or such resolutions fail to remain in full force and effect at completion.



In the event the SPA is terminated due to the KONE shareholder approval not being obtained or failing to remain in full force and effect, the parties have agreed that KONE will pay certain break fees to Vertical Topco I S.A. as agreed in the SPA.

### **Fairness opinions and recommendation by the Board of Directors of KONE**

The Board of Directors of KONE has unanimously concluded that the consideration to be paid in connection with the transaction is fair from a financial point of view to the shareholders of KONE. The Board of Directors of KONE made its assessment after taking into account several factors.

On 28 April 2026, KONE's financial advisor, Bank of America DAC, Stockholm branch, issued a written fairness opinion to the Board of Directors of KONE to the effect that, as of the date of such fairness opinion, the consideration to be paid by KONE in the transaction is fair, from a financial point of view, to KONE.

On 28 April 2026, KONE's debt advisor and fairness opinion provider, BNP Paribas SA Stockholm branch, issued a written fairness opinion to the Board of Directors of KONE to the effect that, as of the date of such fairness opinion, the base consideration to be paid by KONE is fair, from a strict financial point of view, for KONE.

The fairness opinions were provided solely for the use and benefit of the Board of Directors of KONE (in its capacity as such) and do not constitute a recommendation to KONE shareholders as to how to vote or act in connection with the transaction, any related transactions or any other matter.

The Board of Directors of KONE has furthermore unanimously concluded that the transaction is in the best interests of KONE and all of its shareholders and will propose that the Extraordinary General Meeting of KONE approves both the authorisation for the Board of Directors of KONE to issue new class B shares in KONE as share consideration and the resolutions on the future governance of the combined group.

### **Advisors**

Bank of America is acting as financial advisor to KONE.

Hannes Snellman Attorneys Ltd and Skadden, Arps, Slate, Meagher & Flom (UK) LLP are acting as legal counsel to KONE.

Goldman Sachs is acting as financial advisor to TKE.

Kirkland & Ellis International LLP, Roschier Attorneys Ltd and Freshfields LLP are acting as legal counsel to TKE.

KONE CORPORATION

Board of Directors



### **Investor and analyst webcast**

A webcast for investors and analysts, hosted in English by KONE's President & CEO Philippe Delorme and CFO Ilkka Hara, will begin at 10:30 a.m. EEST/ 09:30 a.m. CEST and will be available on <https://join.rajuicast.tv/KONE-2026-0429-Q1>. An on-demand version of the webcast will be available on [www.kone.com](http://www.kone.com) later the same day.

The event can also be joined via a telephone conference.

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### **Press conference**

A press conference hosted by KONE's President & CEO Philippe Delorme and KONE's Chief Financial Officer Ilkka Hara will be held at 12 p.m. EEST/ 11 a.m. CEST. An in-person participation option will be available for Finnish media and international correspondents at the KONE Building in Keilaniemi, Espoo (Finland). Participation requires prior registration; please request instructions for both the online webcast and in-person event by emailing [media@kone.com](mailto:media@kone.com). This webcast replaces the previously announced media call related to the January-March 2026 Interim report.

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Information and material on the combination of KONE and TKE can be found at KONE deal site at <https://rise-together.kone.com>.

### **About KONE**

At KONE, our purpose is to shape the future of cities. As a global leader in the elevator and escalator industry, we move two billion people every day, making their journeys safe, convenient, and reliable with smart and sustainable People Flow®. In 2025, KONE had annual sales of EUR 11.2 billion, and at the end of the year over 60,000 employees in close to 70 countries. KONE class B shares are listed on the Nasdaq Helsinki Ltd. in Finland.

[www.kone.com](http://www.kone.com)

### **About TK Elevator**

TK Elevator (TKE) is a global leader in vertical transportation and urban mobility. We provide engineering that keeps the world moving, including design, installation, and maintenance of elevators, escalators, walkways, lifts, passenger boarding bridges, stairlifts, platform lifts and home elevators – including multi-brand modernization and service any place, any time. With TKE's AI and digital solutions there are no longer any limits to urban mobility. TKE became independent following its separation from the thyssenkrupp group in 2020. The company achieved sales of €9.2 billion in fiscal year 2024/2025. With around 50,000 employees, 25,000 service technicians and over 1,000 support centers globally, we are moved by what moves people. TKE – Move Beyond.

[www.tkelevator.com](http://www.tkelevator.com)

### **Forward-looking statements**

This release includes “forward-looking statements.” These statements may not be based on historical facts but are statements about future expectations. When used in this release, the words “aims,” “anticipates,” “assumes,” “believes,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “should,” “will,” “would” and similar expressions as they relate to KONE, TKE or the transaction identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements are set forth in a number of places in this release, including wherever this release includes information on the future results, plans and expectations with regard to, following completion of the transaction, the combined group's business, including its strategic plans and plans on growth and profitability, and the general economic conditions. These forward-looking statements are based on present plans, estimates, projections and expectations and are not guarantees of future performance. They are based on certain expectations, which may turn out to be incorrect. Such forward-looking statements are based on assumptions and are subject to various risks and uncertainties. Numerous factors may cause the actual results of operations or financial condition of, following completion of the transaction, the combined group to differ materially from those expressed or implied in the forward-looking statements. Except as required by law, neither KONE nor TKE, nor any of their respective affiliates, advisors or representatives or any other person undertakes any obligation to review or confirm or to



release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this release.

This release contains financial information regarding the businesses and assets of KONE and TKE and their consolidated subsidiaries. Such financial information may not have been audited, reviewed or verified by any independent accounting firm. Certain financial data included in this release consists of “alternative performance measures.” These alternative performance measures, as defined by KONE and TKE, may not be comparable to similarly titled measures as presented by other companies, nor should they be considered as an alternative to the historical financial results or other indicators of KONE’s and TKE’s financial performance based on International Financial Reporting Standards (“IFRS”) or other applicable laws and regulations governing the preparation of financial information. Even though the alternative performance measures are used by the management of KONE and TKE to assess the financial position and financial results and these types of measures are commonly used by investors, they have important limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of KONE’s or TKE’s financial position or results of operations as reported under IFRS or other applicable laws and regulations governing the preparation of financial information.

This release includes estimates relating to the cost synergy benefits expected to arise from the transaction (which are forward-looking statements), which have been prepared by KONE and TKE and are based on a number of assumptions and judgments. Such estimates present the expected future impact of the transaction on, following completion of the transaction, the combined group’s business, financial condition and results of operations. The assumptions relating to the estimated cost synergy benefits and related integration costs are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause the actual cost synergy benefits from the transaction, if any, and related integration costs to differ materially from the estimates in this release. Further, there can be no certainty that the transaction will be completed in the manner and timeframe described in this release, or at all.

### **Important notice**

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This release is not intended to be, and shall not constitute in any way, a binding or legal agreement, or impose any legal obligation on TKE, KONE or their respective subsidiaries.

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## **Appendix 1**

### **SUMMARY OF FINANCIAL INFORMATION**

This appendix includes key financial information of TKE and reconciliation of TKE's alternative performance measures. Key financial information and reconciliations of adjusted EBIT and net debt of KONE can be found from KONE's Annual reviews for the years ended 31 December 2025, 2024, and 2023 respectively published on KONE's website [www.kone.com](http://www.kone.com). KONE's adjusted EBITDA is calculated as operating income plus depreciation and amortization plus items impacting comparability.

This appendix also includes cash flow information on combined basis as presented below.

#### **TKE Key Financial Information**

The following TKE key financial information has been derived from TK Elevator Topco GmbH's audited consolidated financial statements for the financial years 2025, 2024, and 2023 prepared in accordance with IFRS accounting standards. Consolidated statement of financial position information of TK Elevator Topco GmbH has been adjusted with financial information derived from Vertical Topco II S.A.'s audited standalone financial statements to reflect the statement of financial position subject to the transaction. The presentation of TKE key financial information also includes certain financial measures that are not recognized by IFRS or any other generally accepted accounting principles and that may not be permitted to appear on the face of the financial statements or footnotes thereto ("Non-IFRS Measures"). Non-IFRS Measures should not be considered as alternatives to performance measures derived in accordance with IFRS or any other generally accepted accounting principles, may not be

comparable to other similarly titled measures of other companies and have limitations as analytical tools.

#### TKE consolidated statement of profit or loss information

		10/2024- 9/2025	10/2023- 9/2024	10/2022- 9/2023
		TKE	TKE	TKE
Sales	MEUR	9,230	9,298	8,924
Adjusted EBIT	MEUR	1,365	1,241	1,099
Adjusted EBIT margin	%	14.8	13.3	12.3
Adjusted EBITDA	MEUR	1,617	1,472	1,304
Adjusted EBITDA margin	%	17.5	15.8	14.6
Operating income	MEUR	920	767	562
Operating income margin	%	10.0	8.2	6.3

#### TKE consolidated statement of financial position information (adjusted)

		30 Sept 2025	30 Sept 2024	30 Sept 2023
		TKE adjusted <sup>1)</sup>	TKE adjusted <sup>1)</sup>	TKE adjusted <sup>1)</sup>
Total assets <sup>2)</sup>	MEUR	22,647	23,509	24,655
Total equity	MEUR	6,944	7,166	7,691
Total liabilities	MEUR	15,704	16,343	16,964
Total equity and liabilities	MEUR	22,647	23,509	24,655

1) TKE's statement of financial position has been adjusted with the reclassification of shareholder loans of EUR 3,571 million, EUR 3,293 million and EUR 3,014 million as at 30 September 2025, 2024, and 2023 respectively to equity and inclusion of Vertical Topco II S.A.'s cash and cash equivalents of EUR 6 million, EUR 0 million and EUR 0 million as at 30 September 2025, 2024, and 2023 respectively to reflect the statement of financial position subject to the transaction. PIK note of EUR 1,392 million, EUR 3,215 million and EUR 2,956 million as at 30 September 2025, 2024, and 2023 respectively have been excluded as it is not part of the transaction.

2) TKE's total assets include goodwill and other intangible assets of EUR 17,458 million, EUR 18,292 million and EUR 19,109 million as at 30 September 2025, 2024, and 2023 respectively that are largely attributable to the initial purchase price allocation resulting from the acquisition of TKE by the financial investor consortium led by Advent and Cinven.

## TKE reconciliation of adjusted EBITDA and adjusted EBIT

		10/2024- 9/2025	10/2023- 9/2024	10/2022- 9/2023
		TKE	TKE	TKE
<b>Income from operations</b>	<b>MEUR</b>	<b>920</b>	<b>767</b>	<b>562</b>
Depreciation and amortization	MEUR	505	487	465
Impairment losses	MEUR	30	42	-
<b>EBITDA</b>	<b>MEUR</b>	<b>1,455</b>	<b>1,296</b>	<b>1,027</b>
Special items excluding impairments <sup>1)</sup>	MEUR	162	176	277
<b>Adjusted EBITDA</b>	<b>MEUR</b>	<b>1,617</b>	<b>1,472</b>	<b>1,304</b>
Regular depreciation and amortization (pre-PPA) <sup>2)</sup>	MEUR	-252	-231	-205
<b>Adjusted EBIT</b>	<b>MEUR</b>	<b>1,365</b>	<b>1,241</b>	<b>1,099</b>

1) Special items include restructuring expenses, disposal gains/losses from M&A transactions and other non-operating expenses and income that consist of project-related consultation and implementation costs with a particular focus on operating efficiency and performance, as well as the transformation of the product portfolio.

2) The item represents regular depreciation and amortization excluding the effects of purchase price allocation related depreciation and amortization arising from TKE's historical business combinations, that are largely attributable to the initial purchase price allocation resulting from the acquisition of TKE by the financial investor consortium led by Advent and Cinven.

## Illustrative combined cash flow

		1-12/2025	10/2024- 9/2025	
		KONE	TKE	Combined
Cash flow from operations before financing items and taxes	MEUR	1,761	1,286	3,047
Financing items and taxes	MEUR	-445	-904	-1,349
Cash flows from investing activities	MEUR	-284	-282	-566
Cash flows from financing activities	MEUR	-1,140	95	-1,045
Change in cash and cash equivalents <sup>1)</sup>	MEUR	-108	194	86

1) Change in cash and cash equivalents does not reconcile with cash, cash equivalents and time deposits at beginning/ending of period due to the effect of exchange rate differences.