

## MERGER PLAN

The Board of Directors of Cargotec Corporation (“**Cargotec**” or the “**Receiving Company**”) and the Board of Directors of Konecranes Plc (“**Konecranes**” or the “**Merging Company**”) propose to the Extraordinary General Meetings of the respective companies that the General Meetings would resolve upon the merger of Konecranes into Cargotec through an absorption merger, so that all assets and liabilities of Konecranes shall be transferred without a liquidation procedure to Cargotec, as set forth in this merger plan (the “**Merger Plan**”, including appendices) (the “**Merger**”).

Immediately prior to the registration of the execution of the Merger, Cargotec will effect a 3 for 1 share split of both its class B shares and class A shares. The split has been described in more detail in Section 5 of this Merger Plan. The shareholders of Konecranes shall, after the above-mentioned split, receive as merger consideration 2.0834 new class B shares and 0.3611 new class A shares in Cargotec for each share they hold in Konecranes. In case the number of shares in Cargotec received by a shareholder of Konecranes as merger consideration is a fractional number, the fractions shall be rounded down to the nearest whole number, and fractional entitlements shall be aggregated and sold in public trading on the official list of Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) for the benefit of the shareholders of Konecranes entitled to such fractions. The merger consideration has been described in more detail in Section 6 of this Merger Plan.

Konecranes shall automatically dissolve as a result of the Merger.

The Merger shall be carried out in accordance with the provisions of Chapter 16 of the Finnish Companies Act (624/2006, as amended) (the “**Finnish Companies Act**”) and Section 52 a of the Finnish Business Income Tax Act (360/1968, as amended).

### 1 Companies Participating in the Merger

#### 1.1 Merging Company

Corporate name:	Konecranes Plc
Business ID:	0942718-2
Address:	Koneenkatu 8, 05830 Hyvinkää
Domicile:	Hyvinkää, Finland

Konecranes is a public limited liability company, the shares of which are publicly traded on Nasdaq Helsinki.

#### 1.2 Receiving Company

Corporate name:	Cargotec Corporation
Business ID:	1927402-8
Address:	Porkkalankatu 5, 00180 Helsinki
Domicile:	Helsinki, Finland

Cargotec is a public limited liability company, with two classes of shares, class A shares (“**A Shares**”) and class B shares (“**B Shares**”). B Shares are publicly traded on the official list of Nasdaq Helsinki and A Shares are at the date of this Merger Plan unlisted but will be listed in connection with the Merger.

Konecranes and Cargotec are hereinafter jointly referred to as the “**Parties**” or the “**Companies Participating in the Merger**” and, each individually, a “**Party**” or a “**Company Participating in the Merger**”.

### 2 Reasons for the Merger

The Companies Participating in the Merger have on 1 October 2020 entered into a business combination agreement concerning the combination of the business operations of the Companies Participating in the Merger through a statutory absorption merger of Konecranes into Cargotec in accordance with the Finnish Companies Act and this Merger Plan (the “**Combination Agreement**”).

The purpose of the Merger is to create a global leader in sustainable material flow, with numerous valuable customer-facing brands bolstering its position across all its businesses in industries, factories,

ports, road and sea-cargo handling. The Merger is expected to be value-creating from geographical; product and services offering; employee; customer; and shareholder perspectives. The combined company is expected to rely on the skills of both companies and the combination is expected to deliver benefits to all stakeholders. The combined company aims to be a leader in sustainable material flow through its vision based on decarbonisation, safety, productivity and efficiency as well as maximizing the lifetime value of the equipment and solutions of its customers.

Furthermore, the Merger is expected to unlock value for shareholders through complementary strengths, increased R&D scale, global top talent and cost synergies. By combining the offerings of the two companies, the combined company is expected to be better positioned to provide customers with integrated services, equipment, software and systems engineering and optimization, resulting in solutions that have greater customer value than the sum of their parts.

### **3 Amendments to the Receiving Company's Articles of Association**

Articles 2, 5, 6, 9 and 12 of the Articles of Association of the Receiving Company are proposed to be amended in connection with the registration of, and conditional upon, the execution of the Merger to read as follows:

#### **2 § Line of business**

The Company operates in various businesses to enable the facilitation of efficient material flows. The Company also operates in the metal industry, primarily in the mechanical and electrical engineering industries, engaging in trade in metal-industry products and the related industrial and business activities. In addition, the Company may engage in buying, selling, holding and managing real properties and securities.

#### **5§ Board of Directors**

The Company's Board of Directors comprises a minimum of six (6) and a maximum of twelve (12) members. The General Meeting shall elect the Chairman and may elect the Vice Chairman of the Board of Directors. The Board members' term of office expires at the end of the first Annual General Meeting following their election.

#### **6 § Managing Director and Deputy Managing Director**

The Board of Directors shall elect the Managing Director and may elect the Deputy Managing Director.

#### **9§ Audit**

The Company has a minimum of one (1) and a maximum of two (2) auditors. The auditor shall be an audit firm approved by the Patent and Registration Office with an authorized public accountant as the auditor in charge.

The term of office of auditor(s) elected by the Annual General Meeting lasts until the end of the Annual General meeting following their election.

#### **12 § Annual General Meeting**

At the Annual General Meeting, the following shall be presented:

1. the Financial Statements of the Company, which also include the Financial Statements of the Group, and the report of the Board of Directors; and
2. the Auditor(s)'s report(s) concerning the Company and the Group;

resolved:

3. approval of the Financial Statements of the Company, which also include the approval of the Financial Statements of the Group;
4. any measures justified by the profit indicated by the confirmed balance sheet;

5. releasing the Members of the Board of Directors and the Managing Director from liability;
6. the number of Members of the Board of Directors and Auditors;
7. the remuneration of the Chairman, Vice Chairman (if any) and other members of the Board of Directors as well as the Auditor(s);
8. the adoption of the remuneration policy, when necessary;
9. the adoption of the remuneration report; and
10. any other matters specified in the notice convening the meeting;

elected:

11. the Chairman, Vice Chairman (if any) and other necessary members of the Board of Directors; and
12. Auditor(s).

If voting is performed at the shareholders' meeting, the Chairman of the meeting shall determine the voting method.

The Articles of Association of the Receiving Company, including the above amendments, are attached to this Merger Plan as **Appendix 1**.

The Board of Directors of the Receiving Company shall propose to a Shareholders' General Meeting of the Receiving Company to be convened prior to the date of registration of the execution of the Merger (the "**Effective Date**") that Article 1 of the Articles of Association of the Receiving Company be amended in connection with the registration of, and conditional upon, the execution of the Merger to contain a new name of the combined company and its translations, as applicable.

## **4 Administrative Bodies of the Receiving Company**

### **4.1 Board of Directors and Auditor of the Receiving Company and Their Remuneration**

According to the proposed Articles of Association of the Receiving Company, the Receiving Company shall have a Board of Directors consisting of a minimum of six (6) and a maximum of twelve (12) members. The number of the members of the Board of Directors of the Receiving Company shall be conditionally confirmed and the members of the Board of Directors shall be conditionally elected by a Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date. Both decisions shall be conditional upon the execution of the Merger. The term of such members of the Board of Directors shall commence on the Effective Date and shall expire at the end of the first Annual General Meeting of the Receiving Company following the Effective Date.

The Board of Directors of the Receiving Company shall propose to a Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date that the number of the members of the Board of Directors of the Receiving Company shall be eight (8) and that Christoph Vitzthum, currently the Chairman of the Board of Directors of the Merging Company, be conditionally elected as Chairman of the Board of Directors of the Receiving Company, Tapio Hakakari, Ilkka Herlin, Kaisa Olkkonen and Teuvo Salminen, each a current member of the Board of Directors of the Receiving Company, be conditionally elected to continue to serve on the Board of Directors of the Receiving Company and Janina Kugel, Ulf Liljedahl and Niko Mokka, each a current member of the Board of Directors of the Merging Company, be conditionally elected as new members of the Board of Directors of the Receiving Company for the term commencing on the Effective Date and expiring at the end of the first Annual General Meeting of the Receiving Company following the Effective Date.

The Board of Directors of the Receiving Company, after consultation with the Shareholders' Nomination Board of the Merging Company, shall also propose to a Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date a resolution on the remuneration of the members of the Board of Directors of the Receiving Company, including remuneration of the members of relevant Board committees to be established, for the term commencing on the Effective Date. The annual remuneration

of the members to be elected shall be paid in proportion to the length of their term of office. Otherwise the resolutions on Board remuneration made by the Annual General Meeting of the Receiving Company held on 27 May 2020 shall remain in force unaffected.

The term of the members of the Board of Directors of the Receiving Company not conditionally elected to continue to serve on the Board of Directors of the Receiving Company for the term commencing on the Effective Date shall end on the Effective Date.

The term of the members of the Board of Directors of the Merging Company shall end on the Effective Date. The members of the Board of Directors of the Merging Company shall be paid a reasonable remuneration for the preparation of the final accounts of the Merging Company.

The Board of Directors of the Receiving Company, after consultation with the Shareholders' Nomination Board of the Merging Company, may amend the above-mentioned proposal concerning the election of members of the Board of Directors of the Receiving Company, in case one or more of the persons proposed would not be available for election at the relevant Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date due to his or her resignation or otherwise. If a proposed member of the Board of Directors who has been nominated by the Board of Directors of the Merging Company would not be available for election at the relevant Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date due to his or her resignation or otherwise, the Board of Directors of the Merging Company, after consultation with the Nomination and Compensation Committee of the Receiving Company, may replace such proposed member and, if requested by the Board of Directors of the Merging Company, the Board of Directors of the Receiving Company shall, to the extent possible under applicable regulation, amend its proposal to conform with the replacement.

The auditor of the Receiving Company will continue in its position and the Merger will not impact the resolution previously adopted in respect of the auditor's remuneration. However, the Merging Company and the Receiving Company may jointly agree to invite tenders from reputable audit firms. In such case, the Merging Company and Receiving Company shall jointly, based on tenders received, agree on a proposal to a Shareholders' General Meeting of the Receiving Company to be convened prior to the Effective Date regarding the nomination of the auditor to serve for a term starting no earlier than as from the Effective Date, conditionally upon the execution of the Merger.

The Board of Directors of the Receiving Company, after consultation with the Shareholders' Nomination Board of the Merging Company, may as necessary convene an additional Shareholders' General Meeting after the Shareholders' General Meeting making the resolutions referred to above in this Section 4.1 to resolve to supplement or amend the composition or remuneration of the Board of Directors of the Receiving Company or to replace the auditor of the Receiving Company, in each case prior to the Effective Date, always provided, however, that resolutions on such supplements or amendments shall be in conformity with the principles laid out in the preceding paragraphs.

**4.2 Shareholders' Nomination Board**

The Board of Directors of the Receiving Company shall propose to a Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date the establishment of a shareholders' nomination board and the adoption of the Charter of the Shareholders' Nomination Board as set out in **Appendix 2**

, conditionally upon the execution of the Merger.

**4.3 President and CEO of the Receiving Company**

The Board of Directors of the Receiving Company shall appoint a person to be agreed with the Board of Directors of the Merging Company as the President and CEO of the Receiving Company with his/her consent prior to the Effective Date. The President and CEO's agreement, which shall be consistent with customary practice, shall become effective on the Effective Date. In the event that such person to be appointed resigns or otherwise must be replaced by another person prior to the Effective Date, the Boards of Directors of the Receiving Company and the Merging Company shall mutually agree on the appointment of a new President and CEO.

## 5 Receiving Company's Share Split

As part of the Merger, the Board of Directors of the Receiving Company shall propose to a Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date that it would authorize the Board of Directors of the Receiving Company to issue new shares without payment to the shareholders of the Receiving Company in proportion to their existing shareholding by issuing two (2) new A Shares for each A Share and two (2) new B Shares for each B Share. New shares will be similarly issued without payment to the Receiving Company for its treasury shares. Based on the number of shares on the date of this Merger Plan, a total of 19,052,178 new A Shares and a total of 110,364,158 new B Shares will be issued. The total number of shares in the Receiving Company would then be 194,124,504 shares divided into 28,578,267 A Shares and 165,546,237 B Shares. The new A Shares and B Shares will be issued immediately prior to the registration of the execution of the Merger.

The Board of Directors of the Receiving Company may propose to a Shareholders' General Meeting to be convened prior to the Effective Date that the Shareholders' General Meeting replaces the share issue authorisation decided by the Annual General Meeting on 19 March 2019 with a new authorisation where the maximum amount of shares that may be issued by virtue of such authorisation will be increased in proportion to the share split. The authorisation is proposed to enter into force on the Effective Date and remain in force until the expiry of the first Annual General Meeting following the Effective Date.

## 6 Merger Consideration and Grounds for its Determination

### 6.1 Merger Consideration

The shareholders of the Merging Company shall, after the share split referred to in Section 5 above, receive as merger consideration 2.0834 new B Shares and 0.3611 new A Shares in the Receiving Company for each share they hold in the Merging Company (the "**Merger Consideration**"). For illustrative purposes, the Merger Consideration shall be issued to the shareholders of the Merging Company in proportion to their existing shareholding so that the shareholders of the Merging Company shall receive 75 new B Shares and 13 new A Shares in the Receiving Company for each 36 shares they hold in the Merging Company. In accordance with Chapter 16, Section 16, Subsection 3 of the Finnish Companies Act, shares in the Merging Company held by the Merging Company or the Receiving Company do not carry a right to the Merger Consideration.

In case the number of shares received by a shareholder of the Merging Company as Merger Consideration is a fractional number, the fractions shall be rounded down to the nearest whole number. Fractional entitlements to new shares of the Receiving Company shall be aggregated and sold in public trading on Nasdaq Helsinki and the proceeds shall be distributed to shareholders of the Merging Company entitled to receive such fractional entitlements in proportion to holding of such fractional entitlements. Any costs related to the sale and distribution of fractional entitlements shall be borne by the Receiving Company.

There are two (2) share classes in the Receiving Company. The shares of the Receiving Company do not have a nominal value. The total number of shares in the Receiving Company is at the date of this Merger Plan 64,708,168 shares divided into 55,182,079 B Shares and 9,526,089 A Shares.

The allocation of the Merger Consideration is based on the shareholding in the Merging Company at the end of the last trading day preceding the Effective Date. The final total number of shares in the Receiving Company issued as Merger Consideration shall be determined on the basis of the number of shares in the Merging Company held by shareholders, other than the Merging Company itself, at the end of the day preceding the Effective Date. Such total number of shares issued shall be rounded down to the nearest full share. On the date of this Merger Plan, the Merging Company holds 87,447 treasury shares. Based on the situation on the date of this Merger Plan, the total number of shares in the Receiving Company to be issued as Merger Consideration would therefore be 193,444,184 shares divided into 164,868,731 B Shares and 28,575,453 A Shares after the registration of the split of A Shares and B Shares of the Receiving Company, as set out in Section 5 above and Section 12(i) below.

Apart from the Merger Consideration to be issued in the form of new shares of the Receiving Company and proceeds from the sale of fractional entitlements, no other consideration shall be distributed to the shareholders of the Merging Company.

## **6.2 Grounds for Determination of Merger Consideration**

The Merger Consideration has been determined based on the relation of valuations of the Merging Company and the Receiving Company. The value determination has been made by applying generally used valuation methods. The value determination has been based on the stand-alone valuations of the Companies Participating in the Merger including market-based valuation adjusted for company specific factors.

Based on their respective relative value determination, which is supported by a fairness opinion received by each of the Merging Company and the Receiving Company from their respective financial advisors, the Board of Directors of the Merging Company and the Board of Directors of the Receiving Company have concluded that the consideration being paid in connection with the Merger is fair from a financial point of view to the shareholders of the Merging Company and the shareholders of the Receiving Company, respectively.

## **7 Distribution of the Merger Consideration**

The Merger Consideration shall be distributed to the shareholders of the Merging Company on the Effective Date or as soon as reasonably possible thereafter.

The Merger Consideration shall be distributed in the book-entry securities system maintained by Euroclear Finland Oy. The Merger Consideration payable to each shareholder of the Merging Company shall be calculated, using the exchange ratio set forth in Section 6.1 above, based on the number of shares in the Merging Company registered in each separate book-entry account of each such shareholder at the end of the last trading day preceding the Effective Date. The Merger Consideration shall be distributed automatically, and no actions are required from the shareholders of the Merging Company in relation thereto. The new shares of the Receiving Company distributed as Merger Consideration shall carry full shareholder rights as from the date of their registration.

## **8 Option Rights and Other Special Rights Entitling to Shares**

The Merging Company has not issued any option rights or other special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act.

## **9 Share-based Incentive Plans**

The Merging Company has nine (9) share-based long-term incentive plans under which share rewards have not been paid in their entirety by the date of this Merger Plan: Performance Share Plan 2018 – 2020, Performance Share Plan 2019 – 2021, Performance Share Plan 2020 – 2022, Employee Share Savings Plan 2016 – 2020, Employee Share Savings Plan 2017 – 2021, Employee Share Savings Plan 2018 – 2022, Employee Share Savings Plan 2019 – 2023, Employee Share Savings Plan 2020 – 2021, the Restricted Share Unit Plan 2017 and the Performance Share Plan 2017 – 2021 for the CEO.

The Board of Directors of the Merging Company shall, subject to the Combination Agreement and Section 12 below, resolve on the impact of the Merger on such incentive plans in accordance with their terms and conditions prior to the Effective Date.

## **10 Share Capital and Other Equity of the Receiving Company**

The share capital of the Receiving Company is EUR 64,304,880. The share capital of the Receiving Company shall be increased by EUR 13,695,120 in connection with the registration of the execution of the Merger, after which the share capital of the Receiving Company shall be EUR 78,000,000. The equity increase of Receiving Company, insofar as it exceeds the amount to be recorded into the share capital, shall be recorded as an increase of the reserve for invested non-restricted equity in accordance with Section 11 below.

## **11 Description of Assets, Liabilities and Shareholders' Equity of the Merging Company and of the Circumstances Relevant to Their Valuation, of the Effect of the Merger on the Balance Sheet of the Receiving Company and of the Accounting Treatment to be Applied in the Merger**

In the Merger, all (including known, unknown and conditional) assets, liabilities and responsibilities as well as agreements and commitments and the rights and obligations relating thereto of the Merging Company, and any items that replace or substitute any such item, shall be transferred to the Receiving Company.

The Merger is to be carried out by applying the acquisition method using book values. The assets and the liabilities in the closing accounts of the Merging Company are recognised at book value in appropriate asset and liability line items in the balance sheet of the Receiving Company in accordance with the Finnish Accounting Act (1336/1997, as amended) and the Finnish Accounting Decree (1339/1997, as amended), except for the items relating to receivables and liabilities between the Receiving Company and the Merging Company; these receivables and liabilities will be extinguished in the Merger.

The equity of the Receiving Company shall be formed in the Merger by applying the acquisition method so that the amount corresponding the book value of the net assets of the Merging Company shall be recorded into reserve for invested non-restricted equity of the Receiving Company with the exception of the increase in share capital as described in Section 10.

A description of the assets, liabilities and shareholders' equity of the Merging Company and an illustration of the post-Merger balance sheet of the Receiving Company is attached to this Merger Plan as **Appendix 3**.

The final effects of the Merger on the Receiving Company's balance sheet will be determined according to the circumstances and the laws and regulations governing the preparation of the financial statements in Finland (the "**Finnish Accounting Standards**") at the Effective Date of the Merger.

## **12 Matters Outside Ordinary Business Operations**

From the date of this Merger Plan, each of the Parties shall continue to conduct their operations in the ordinary course of business and in a manner consistent with past practice of the relevant Party, unless the Parties specifically agree otherwise.

Except as set forth in this Merger Plan or the Combination Agreement or as otherwise specifically agreed by the Parties, the Merging Company and the Receiving Company shall during the Merger process not resolve on any matters (regardless of whether such matters are ordinary or extraordinary) which would affect the shareholders' equity or number of outstanding shares in the relevant company, including but not limited to corporate acquisitions and divestments, share issues, issue of special rights entitling to shares, acquisition or disposal of treasury shares, dividend distributions, changes in share capital, or any comparable actions, or take or commit to take any such actions, except for:

(A) In case of the Receiving Company:

- (i) the decision of a Shareholders' General Meeting of the Receiving Company to be held prior to the Effective Date to authorize the Board of Directors of the Receiving Company to issue new shares without payment to the shareholders in proportion to their existing shareholding by issuing two (2) new A Shares for each A Share and two (2) new B Shares for each B Share in accordance with Section 5 above, and the decision of the Board of Directors of the Receiving Company made by virtue of such authorization;
- (ii) distribution of funds prior to the Effective Date for the financial year ending December 31, 2020 and, if the execution of the Merger has not been registered prior to June 30, 2022, for the financial year ending December 31, 2021 in an aggregate amount for each financial year not exceeding the amount of the distribution of funds for the same financial year by the Merging Company; and
- (iii) issuance of shares under the current share-based incentive plans;

(B) In case of the Merging Company:

- (i) distribution of funds prior to the Effective Date for the financial year ending December 31, 2020 and, if the execution of the Merger has not been registered prior to June 30, 2022, for the financial year ending December 31, 2021 in an aggregate amount for each financial year not exceeding the amount of the distribution of funds for the same financial year by the Receiving Company;
- (ii) subject to Section 12(B)(iii), an extra distribution of funds in the amount of EUR 2.00 per share in one or several instalments prior to the Effective Date to the shareholders of the Merging Company (based on the current amount of outstanding shares, i.e. 79,134,459 shares and such shareholders who have received shares under the share-based incentive plans referred to in Section 9 above after the date of this Merger Plan;
- (iii) if the Merging Company is not able to pay the extra distribution of funds referred to in Section 12(B)(ii) due to limitations set forth in the Merging Company's financing agreements, the Companies Act or other applicable law, the Merging Company has the right to issue instruments (one instrument per each share in the Merging Company) entitling to a distribution of funds in the amount of EUR 2.00 per each instrument in one or several instalments payable prior to or after the Effective Date; and
- (iv) issuance of shares under the current share-based incentive plans;

in each case listed above under sub-Sections (A) and (B), as agreed in more detail and in accordance with the Combination Agreement.

For the sake of clarity, the Receiving Company may, subject to a prior written consent by the Merging Company, amend its Articles of Association in other respects as set out in Section 3 above.

### **13 Capital Loans**

Neither the Merging Company nor the Receiving Company has issued any capital loans, as defined in Chapter 12, Section 1 of the Finnish Companies Act.

### **14 Shareholdings Between the Merging Company and the Receiving Company**

On the date of this Merger Plan, the Merging Company or its subsidiaries do not hold and the Merging Company agrees not to acquire (and to cause its subsidiaries not to acquire) any shares in the Receiving Company and the Receiving Company does not hold and agrees not to acquire any shares in the Merging Company, unless the Parties specifically agree otherwise in writing.

On the date of this Merger Plan, the Merging Company holds 87,447 treasury shares. Neither of the Companies Participating in the Merger has a parent company.

### **15 Business Mortgages**

On the date of this Merger Plan, the following business mortgages as defined in the Finnish Act on Business Mortgages (634/1984, as amended) pertain to the assets of the Merging Company: six (6) promissory notes, numbers 1-6, dated 23 June 1994, each with a nominal value of EUR 840,939.63.

There are no business mortgages pertaining to the assets of the Receiving Company.

### **16 Special Benefits or Rights in Connection with the Merger**

Save for certain incentive and retention arrangements for the managing directors of the Merging Company and the Receiving Company ("CEOs"), no special benefits or rights, each within the meaning of the Finnish Companies Act, shall be granted in connection with the Merger to any members of the Board of Directors, the CEOs or the auditors of either Merging Company or the Receiving Company, or to the auditors issuing statements on this Merger Plan.

The remuneration of the auditors issuing their statement on this Merger Plan and remuneration of the auditor of the Merging Company is proposed to be paid in accordance with an invoice approved by the Board of Directors of the Receiving Company in the case of the auditor of the Receiving Company and by the Board of Directors of the Merging Company in the case of the auditor of the Merging Company.



The Merging Company's auditor will issue a statement referred to in Chapter 16, Section 4, Subsection 1 of the Finnish Companies Act to the Merging Company and the Receiving Company's auditor will issue the said statement to the Receiving Company.

## **17 Planned Registration of the Execution of the Merger**

The planned Effective Date, meaning the planned date of registration of the execution of the Merger, is 1 January 2022 (effective registration time approximately at 00:01), however, subject to the fulfilment of the preconditions in accordance with the Finnish Companies Act and the conditions for executing the Merger set forth below in Section 20.

The Effective Date may change if, among other things, the execution of measures described in this Merger Plan takes a shorter or longer time than what is currently estimated, or if circumstances related to the Merger otherwise necessitate a change in the time schedule or if the Boards of Directors of the Companies Participating in the Merger jointly resolve to file the Merger to be registered prior to, or after, the planned registration date.

## **18 Listing of the New Shares of the Receiving Company and Delisting of the Shares of the Merging Company**

The Receiving Company shall apply for the listing of the new shares to be issued by the Receiving Company as Merger Consideration to public trading on Nasdaq Helsinki. For the purposes of the Merger and the listing of the new shares to be issued by the Receiving Company as Merger Consideration, a merger prospectus will be published by the Receiving Company before the Extraordinary General Meetings of the Receiving Company and the Merging Company, respectively, resolving on the Merger. The trading in the new shares shall begin on the Effective Date or as soon as reasonably possible thereafter.

The trading in the shares of the Merging Company on Nasdaq Helsinki is expected to end at the end of the last trading day preceding the Effective Date and the shares in the Merging Company are expected to cease to be listed on Nasdaq Helsinki as of the Effective Date, at the latest.

## **19 Language Versions**

This Merger Plan (including any applicable appendices) has been prepared and executed in Finnish and translated into English. In addition, a Swedish language translation of the Merger Plan will be prepared and made available before the Extraordinary General Meetings of the Receiving Company and the Merging Company, respectively, resolving on the Merger. Should any discrepancies exist between the Finnish version and the unofficial English and Swedish translations, the Finnish version shall prevail.

## **20 Conditions for Executing the Merger**

The execution of the Merger is conditional upon the satisfaction or, to the extent permitted by applicable law, waiver of each of the conditions set forth below:

- (i) the Merger having been duly approved by the Extraordinary General Meeting of shareholders of the Merging Company;
- (ii) shareholders of the Merging Company representing no more than fifteen (15) per cent of all shares and votes in the Merging Company having demanded the redemption of their shares in the Merging Company pursuant to Chapter 16, Section 13 of the Finnish Companies Act;
- (iii) the Shareholders' General Meeting of the Receiving Company having approved the authorisation concerning the split of A Shares and B Shares in accordance with Section 5 and the split being pending for registration, at the latest, on the Effective Date, or the split having been registered with the Trade Register;
- (iv) the Merger, the proposed amendments to the Articles of Association, the number and election of the members of the Board of Directors (including the election of the Chairman of the Board of Directors) and the remuneration of the members of the Board of Directors (including remuneration of the members of relevant committees to be established) of the Receiving Company and the adoption of the Charter of the Shareholders' Nomination Board, as set forth in Sections 3 and 4 above, as well as the issuance of new shares of the Receiving Company as

Merger Consideration to the shareholders of the Merging Company, having been duly approved by a Shareholders' General Meeting of the Receiving Company;

- (v) the competition approvals, as defined in the Combination Agreement, having been obtained and being valid in accordance with the Combination Agreement, and, in the event the competition approvals are subject to any such commitments, undertakings or remedies, which a Party or the Parties are obliged to execute prior to the completion, all such commitments, undertakings or remedies being duly executed;
- (vi) the regulatory approvals, as defined in the Combination Agreement, having been obtained in accordance with the Combination Agreement;
- (vii) the Receiving Company having obtained from Nasdaq Helsinki written confirmations that the listing of the Merger Consideration on the official list of said stock exchange will take place as at or promptly after the Effective Date;
- (viii) the financing required in connection with the Merger being available on a certain funds basis under the facilities agreements entered into on the date of this Merger Plan;
- (ix) three business days prior to the Effective Date the receipt of (i) a certificate of the Receiving Company confirming that no default or any mandatory prepayment event has occurred under the EUR 400 million term facility agreement and (ii) a certificate of the Merging Company confirming that no default or any mandatory prepayment event has occurred under the EUR 300 million term facility agreement or the EUR 635 million term facilities agreement;
- (x) no event, circumstance or change having occurred on or after the date of the Combination Agreement that would have a material adverse effect, as defined in the Combination Agreement, provided that in the event of a material adverse effect regarding the Receiving Company, this condition precedent shall not have been satisfied for the Merging Company, and in the event of a material adverse effect regarding the Merging Company, this condition precedent shall not have been satisfied for the Receiving Company;
- (xi) there being no material breach of the representations given by each of the Parties in the Combination Agreement, the direct consequence of which is, in the opinion of the board of directors of the non-breaching Party acting in good faith and after consultation with board of directors of the other Party and reputable financial and legal advisers, a material adverse effect, as defined in the Combination Agreement, provided that in the event of a material breach of a representation made by the Receiving Company, this condition precedent shall not have been satisfied for the Merging Company, and in the event of a material breach of a representation made by the Merging Company, this condition precedent shall not have been satisfied for the Receiving Company. For the purposes of this sub-Section (xi), the determination as to whether there has been any breach of any of the representations given by each of the Parties, as the case may be, shall be made without regard to any references to material adverse effect, as defined in the Combination Agreement, and, for the purposes of this sub-Section (xi), each such representation by a Party, as the case may be, shall be read as if such reference to material adverse effect were deleted from the relevant representation, as the case may be; and
- (xii) the Combination Agreement remaining in force and not having been terminated in accordance with its provisions.

## **21 Auxiliary Trade Names**

In connection with the execution of the Merger, the auxiliary trade names set out in **Appendix 4** are registered for the Receiving Company.

## **22 Transfer of Employees**

All the employees of the Merging Company shall be transferred to the Receiving Company in connection with the execution of the Merger by operation of law as so-called old employees.

**23 Dispute Resolution**

Any dispute, controversy or claim between the Parties arising out of or relating to this Merger Plan, or the transactions contemplated hereby, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The number of arbitrators shall be three (3). Konecranes shall appoint one (1) arbitrator and Cargotec shall appoint one (1) arbitrator. In the event of a failure by any Party to appoint such party-appointed arbitrator, the Arbitration Institute of the Finland Chamber of Commerce will make the appointment upon the request of the other Party. The third arbitrator, who will act as chairman of the arbitral tribunal, will be appointed by the Arbitration Institute of the Finland Chamber of Commerce unless the two party-appointed arbitrators reach an agreement on the arbitrator to be appointed as chairman within fourteen (14) days of the appointment of the latter party-appointed arbitrator. The seat of arbitration shall be Helsinki, Finland. The language of the arbitration shall be English.

The Parties agree that the arbitral tribunal may, at the request of either Party, decide by an interim arbitral award a separate issue in dispute if the rendering of an award on other matters in dispute is dependent on the rendering of such an interim arbitral award.

**24 Other Issues**

The Boards of Directors of the Companies Participating in the Merger are jointly authorised to decide on technical amendments to this Merger Plan or its appendices as may be required by authorities or otherwise considered appropriate by the Boards of Directors.

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*(Signature pages follow)*

This Merger Plan has been made in two (2) identical counterparts, one (1) for the Merging Company and one (1) for the Receiving Company.

In Helsinki, on 1 October 2020

**CARGOTEC CORPORATION**

By: \_\_\_\_\_  
Name: Ilkka Herlin  
Title: Chairman of the Board of Directors

By: \_\_\_\_\_  
Name: Mika Vehviläinen  
Title: CEO

**KONECRANES PLC**

By: \_\_\_\_\_  
Name: Christoph Vitzthum  
Title: Chairman of the Board of Directors

By: \_\_\_\_\_  
Name: Rob Smith  
Title: President and CEO

## **Appendices to Merger Plan**

- |                   |   |
|-------------------|---|
| <b>Appendix 1</b> | Amended Articles of Association of the Receiving Company  |
| <b>Appendix 2</b> | Charter of Shareholders' Nomination Board   |
| <b>Appendix 3</b> | Description of assets, liabilities and shareholders' equity and valuation of the Merging Company and the preliminary presentation of the balance sheet of the Receiving Company |
| <b>Appendix 4</b> | Auxiliary trade names   |

## **Appendix 1**

### **Amended Articles of Association of the Receiving Company**

#### **Articles of Association of Cargotec Corporation**

##### **1 § Company name and domicile**

The Company's name is Cargotec Oyj and, in English, Cargotec Corporation. Its domicile is Helsinki.

##### **2 § Line of business**

The Company operates in various businesses to enable the facilitation of efficient material flows. The Company also operates in the metal industry, primarily in the mechanical and electrical engineering industries, engaging in trade in metal-industry products and the related industrial and business activities. In addition, the Company may engage in buying, selling, holding and managing real properties and securities.

##### **3 § Share classes**

The Company's shares are grouped into Class A and Class B shares.

##### **Share issue**

In accordance with a decision by the shareholders' meeting, either both classes of shares or only Class B shares may be issued in a rights issue.

In the issue of both classes of shares, these two classes of shares shall be offered in their previous proportion, in which case Class A shares entitle their holders to subscribe for Class A shares only and Class B shares entitle their holder to subscribe for Class B shares only.

##### **Dividend on Class B shares**

In dividend distribution, Class B shares earn a higher dividend than Class A shares. The difference between dividends paid on the two classes of shares is a minimum of one (1) cent and a maximum of two and a half cents.

##### **Voting rights entitled by shares**

At the shareholders' meeting, Class A shares entitle their holders to one vote and each full set of ten Class B shares entitle their holders to one vote, but in such a way that each shareholder has a minimum of one vote.

##### **Conversion of Class A shares to Class B shares**

Based on an offer submitted by the Board of Directors, a holder of a Class A share has the right to present a claim that the Class A share (s)he holds be converted to a Class B share at a ratio of 1:1. This Board of Directors' offer shall be delivered to the holders of Class A shares by mail, using addresses entered in the Company's Shareholder Register. Any claims for said conversion shall be presented in writing to the Company's Board of Directors, stating those shares which the shareholder wishes to convert. Upon the expiry of said offer, the Board of Directors shall immediately convert the shares based on the presented claims. Thereafter, the conversion shall immediately be notified to the Trade Register for registration. The conversion takes effect as soon as the registration has been carried out.

##### **4 § Book entry securities system**

The Company's shares have been registered in the book entry securities system.

##### **5 § Board of Directors**

The Company's Board of Directors comprises a minimum of six (6) and a maximum of twelve (12) members. The General Meeting shall elect the Chairman and may elect the Vice Chairman of the Board of Directors. The Board members' term of office expires at the end of the first Annual General Meeting following their election.

#### 6 § Managing Director and Deputy Managing Director

The Board of Directors shall elect the Managing Director and may elect the Deputy Managing Director.

#### 7 § Representing the Company

The Board's Chairman and the Managing Director each severally or two Board members, together may represent the Company.

#### 8 § Procuracy

The Board of Directors is authorized to grant powers of procuracy.

#### 9 § Audit

The Company has a minimum of one (1) and a maximum of two (2) auditors. The auditor shall be an audit firm approved by the Patent and Registration Office with an authorized public accountant as the auditor in charge.

The term of office of auditor(s) elected by the Annual General Meeting lasts until the end of the Annual General meeting following their election.

#### 10 § Notice of shareholders' meeting

Notice of shareholders' meeting must be published on the website of the company, no earlier than three (3) months prior to the record date of the meeting and no later than three (3) weeks prior to the meeting, provided that the date of the publication must be at least nine (9) days before the record date of the meeting.

#### 11 § Registration for shareholders' meeting

In order to be authorized to attend the shareholders' meeting, a shareholder must notify the Company by the deadline stated in the notice of shareholders' meeting fixed by the Board of Directors, which may be no earlier than ten (10) days prior to the meeting.

#### 12 § Annual General Meeting

At the Annual General Meeting, the following shall be presented:

1. the Financial Statements of the Company, which also include the Financial Statements of the Group, and the report of the Board of Directors; and
2. the Auditor(s)'s report(s) concerning the Company and the Group;

resolved:

3. approval of the Financial Statements of the Company, which also include the approval of the Financial Statements of the Group;
4. any measures justified by the profit indicated by the confirmed balance sheet;
5. releasing the Members of the Board of Directors and the Managing Director from liability;
6. the number of Members of the Board of Directors and Auditors;
7. the remuneration of the Chairman, Vice Chairman (if any) and other members of the Board of Directors as well as the Auditor(s);
8. the adoption of the remuneration policy, when necessary;
9. the adoption of the remuneration report; and
10. any other matters specified in the notice convening the meeting;

elected:

11. the Chairman, Vice Chairman (if any) and other necessary members of the Board of Directors; and

12. Auditor(s).

If voting is performed at the shareholders' meeting, the Chairman of the meeting shall determine the voting method.

#### 13 § Financial year

The Company's financial year is one calendar year.

#### 14 § Arbitration

Any disputes arising from the application of the Companies Act and these Articles of Association between the Company, on the one hand, and the Board of Directors, any Board member, the Managing Director, the Auditor or any shareholder, on the other, shall be submitted to arbitration, as prescribed by the Companies Act and the Arbitration Act.



## Appendix 2

### Charter of Shareholders' Nomination Board

#### CHARTER OF THE SHAREHOLDERS' NOMINATION BOARD OF [●] PLC

##### 1 Purpose of the Nomination Board

[●] Plc's (the **Company**) shareholders' nomination board (the **Nomination Board**) is a governing body appointed by the Company's shareholders to prepare and present proposals on the number, election and remuneration of the members of the Company's board of directors to the Company's annual, and if necessary extraordinary, general meeting.

The Nomination Board must ensure that the Company's board of directors and its members have sufficient expertise, knowledge and experience to meet the needs of the Company.

The Nomination Board shall comply with valid legislation and other applicable regulation in its activities.

The Nomination Board has been established until further notice until the Company's general meeting resolves otherwise.

This charter presents the composition, appointment of members and procedural rules of the Nomination Board.

##### 2 Composition and Appointment of Members of the Nomination Board

The Nomination Board has four members. The chairperson of the Company's board of directors participates in the work of the Nomination Board as an expert without the right to participate in the Nomination Board's decision making.

The members of the Nomination Board are appointed so that the shareholder whose shares bestow the most votes in the Company (the **Highest Voting Shareholder**) is entitled to appoint one member and the three shareholders who own the most B shares in the Company, but are not the Highest Voting Shareholder, are each entitled to appoint one member.

The number of shares owned by the shareholders is determined on the basis of the Company's shareholders' register in accordance with the situation on the last day of August each year.

The following principles shall also be applied when determining the shareholders entitled to appoint members to the Nomination Board:

- (a) If the shareholders are obligated under the Securities Markets Act to take other parties' holdings in the Company into account when stating changes to their percentage of holdings (**Flagging Obligation**), the holdings of such shareholders and such other parties shall be aggregated, provided that the shareholder submits a written request concerning the matter to the chairperson of the Company's board of directors no later than on the last business day of August. A reliable account of the grounds for the Flagging Obligation must be included with the request.
- (b) If a holder of nominee registered shares wishes to exercise its appointment right, such holder must present a written request concerning the matter to the chairperson of the Company's board of directors no later than on the last business day of August. A reliable account of how many shares the holder of nominee registered shares owns must be included with the request.

If the shares owned by two shareholders bestow the same number of votes or two shareholders own the same number of shares and it is not possible for both shareholders to appoint members, the chairperson of the company's board of directors will draw lots to determine which shareholder's appointee will be appointed.

Each year, the chairperson of the board of directors must request each of the four largest shareholders determined in the manner set forth above to appoint a member to the Nomination Board by the last day of September. A shareholder can appoint a member of the Company's board of directors who is not the chairperson of the board of directors serving as an expert to the Nomination Board. If a shareholder does not exercise their appointment right, the right shall transfer to the next largest shareholder who would not otherwise have this right.

The chairperson of the board of directors shall convene the first meeting of the Nomination Board, in which the Nomination Board will appoint its own chairperson from amongst its members. The member appointed by the Highest Voting Shareholder shall be appointed as the chairperson of the Nomination Board, unless the Nomination Board unanimously decides otherwise. The chairperson of the board of directors cannot serve as the chairperson of the Nomination Board.

A member appointed by a shareholder must resign from the Nomination Board if the appointing shareholder's holdings change during the term of the Nomination Board in such a way that said shareholder is no longer among the Company's ten largest shareholders. In such a situation, the Nomination Board must request the appointment of a new member by the next largest shareholder, determined on the day of the request, who has not appointed a member to the Nomination Board.

Shareholders that have appointed a member to the Nomination Board are entitled to change their appointee at any time.

The Company shall publish the composition of the Nomination Board and any changes to the composition in a stock exchange release.

The term of the members of the Nomination Board ends annually upon the appointment of new members of the Nomination Board.

The members of the Nomination Board (including the chairperson of the board of directors serving as an expert) are not remunerated for their membership in the Nomination Board. The travel expenses of the members (including the chairperson of the board of directors serving as an expert) will be compensated in accordance with the Company's travel policy against receipts.

### **3 Decision Making**

The meetings of the Nomination Board will be convened by the chairperson of the Nomination Board.

The Nomination Board shall have a quorum when more than half of its members are present. The Nomination Board shall not make a decision unless all of its members have been provided the opportunity to participate in the matter. For the avoidance of doubt, the presence of the chairperson of the Company's board of directors, who serves as an expert on the Nomination Board, is not counted when determining quorum.

The Nomination Board must make its decisions unanimously. If unanimity cannot be reached, the Nomination Board must inform the Company's board of directors of this without delay.

Minutes must be kept of all of the Nomination Board's decisions. The minutes shall be dated, numbered and retained in a reliable manner. The chairperson of the Nomination Board and at least one member of the Nomination Board shall sign the minutes.

#### **4 Duties**

The duties of the Nomination Board are to:

- prepare and present a proposal to the general meeting for the number of members of the board of directors,
- prepare and present a proposal to the general meeting for the chairperson, deputy chairperson and members of the board of directors,
- prepare and present a proposal to the general meeting for the remuneration of the members of the board (including the chairperson and deputy chairperson) in accordance with the remuneration policy for governing bodies,
- respond in the general meeting to the shareholders' questions concerning the proposals prepared by the Nomination Board,
- prepare and see to it that the Company has up to date principles on the diversity of the board of directors and
- see to the successor planning for the members of the board of directors.

#### **5 Duties of the Chairperson**

The duty of the chairperson of the Nomination Board is to direct the work of the Nomination Board in such a way that the Nomination Board reaches its goal efficiently and takes into account the shareholders' expectations and the interests of the Company.

The chairperson of the Nomination Board:

- convenes the meetings of the Nomination Board and sees to it that the meetings are held on schedule,
- convenes extraordinary meetings if so required by the duties of the Nomination Board and in any case within 14 days of a request presented by a member of the Nomination Board and
- prepares the agenda for meetings and chairs the meetings.

#### **6 Preparation of the Proposal for the Composition of the Board of Directors**

##### **6.1 Preparation of the Proposal in General**

The Nomination Board will prepare the proposal for the composition of the board of directors to the Company's annual general meeting and, if necessary, for the extraordinary general meeting. However, every shareholder in the Company can also make their own proposals directly to the general meeting in accordance with the Limited Liability Companies Act.

The Nomination Board can hear shareholders of the Company in the preparation of the proposal and use outside advisors to find and evaluate candidates. The Company shall bear

the costs of outside advisors provided that these costs have been approved by the Company in advance.

When preparing the proposal for the composition of the new board or directors, the Nomination Board is entitled to receive the results of the annual assessment of the board of director's activities, material information relating to the independence of candidates for the board of directors as well as other information reasonably needed by the Nomination Board for the preparation of its proposal.

## **6.2 Qualifications of the Members of the Board of Directors**

The Company's board of directors must have sufficient expertise and collectively sufficient knowledge and experience in the matters within the Company's field of operation and business. Each member of the board of directors must be able to dedicate sufficient time to their duties.

In order to ensure sufficient expertise, the Nomination Board must take into account the applicable legislation and other applicable regulation and, as applicable, the principles of the Finnish Corporate Governance Code.

In particular, the board of directors must collectively have sufficient knowledge and experience of:

- matters relating to the Company's field of operations and business,
- the management of public companies of corresponding size,
- group and financial administration,
- strategy and mergers and acquisitions,
- internal control and risk management and
- good governance.

## **7 Proposals to the General Meeting**

The Nomination Board must submit its proposals to be made to the general meeting to the Company's board of directors no later than on the last day of the January preceding the annual general meeting.

If a matter to be prepared by the Nomination Board is to be resolved on in an extraordinary general meeting, the Nomination Board must seek to submit its proposal to the Company's board of directors in good enough time to be included in the notice convening the general meeting.

The proposals of the Nomination Board will be published in a stock exchange release and included in the notice convening the general meeting. The Nomination Board will present its proposals and their justifications to the general meeting.

If the Nomination Board has not submitted proposals for the matters (or one of them) that the Nomination Board is responsible for preparing to the Company's board of directors by the aforementioned dates, such lacking proposals shall be prepared and presented to the general meeting by the Company's board of directors.

## **8 Confidentiality**

The members of the Nomination Board and the shareholders who have appointed the members must keep the information concerning the proposals to be presented to the general meeting confidential until the Nomination Board has made its final decision and the Company has published the proposals. This confidentiality obligation also extends to other confidential information received in connection with the work of the Nomination Board and shall remain in force until the Company has published such information.

The chairperson of the Nomination Board or the chairperson of board of directors may at their discretion propose to the Company's board of directors that the Company should make separate confidentiality agreements with a shareholder or the member of the Nomination Board appointed by it.

## **9 Amendment of the Charter**

The Nomination Board will review the contents of this charter annually and propose that the general meeting make amendments to it as necessary. The Nomination Board is authorised to make updates and amendment of a technical nature to this charter itself. However, material amendments, such as changes to the number and method of appointment of members of the Nomination Board, must be decided by the general meeting.

## **10 Language versions**

This charter has been drafted in Finnish and English.

### Appendix 3

#### Description of assets, liabilities and shareholders' equity and valuation of the Merging Company and the preliminary presentation of the balance sheet of the Receiving Company

The following Receiving Company's Illustrative Merger Balance sheet is based on Cargotec's and Konecranes balance sheets as at 30 June 2020 and illustrates the application of the acquisition method using book values for the recording of the Merger to Receiving Company's balance sheet. Konecranes' balance sheet information has been aligned with Cargotec's Accounting principles. The final effects of the Merger on the balance sheet of the Receiving Company will be determined according to the balance sheet position and the Finnish Accounting Standards in force as per the Effective Date thus the illustrative balance sheet information presented herein is therefore only indicative and subject to change.

EUR million	Receiving Company, Cargotec Corporation before Merger	Merging Company, Konecranes Plc before Merger	Preliminary Merger adjustments	Note	Receiving Company's Merger Balance Sheet
<b>Assets</b>					
<b>Non-current assets</b>					
Intangible assets	31		-		31
Tangible assets	0	1	-		1
Investments	2 561	153	-		2 714
<b>Total non-current assets</b>	<b>2 592</b>	<b>154</b>	<b>-</b>		<b>2745</b>
<b>Current assets</b>					
Non-current receivables	66	1 132	(6)	3)	1 191
Current receivables	795	11	6	3)	812
Cash and cash equivalents	314	0	(82)	2)	232
<b>Total current assets</b>	<b>1 175</b>	<b>1 143</b>	<b>(82)</b>		<b>2 235</b>
<b>Total assets</b>	<b>3 766</b>	<b>1 296</b>	<b>(82)</b>		<b>4 981</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	64	30	(16)	1)	78
Share premium account	98	39	(39)	1)	98
Reserve for invested non-restricted equity	74	775	48	1), 2)	897
Retained earnings	800	148	(186)	1), 2)	761
Loss / Profit for the period	(169)	47	(47)	1)	-169
<b>Total equity</b>	<b>867</b>	<b>1 038</b>	<b>(240)</b>		<b>1 665</b>
<b>Appropriations</b>					
Accumulated depreciation difference	-	0	-		0
Provisions	0	1	-		1
<b>Liabilities</b>					
Non-current liabilities	1 018	249	158	2)	1 426
Current liabilities	1 881	8	-		1 889
<b>Total liabilities</b>	<b>2 899</b>	<b>258</b>	<b>(82)</b>		<b>3 315</b>
<b>Total equity and liabilities</b>	<b>3 766</b>	<b>1 296</b>	<b>(82)</b>		<b>4 981</b>

- 1) The equity of the Receiving Company shall be formed in the Merger by applying the acquisition method so that the amount corresponding the book value of the net assets of the Merging Company shall be recorded into reserve for invested non-restricted equity of the Receiving Company with the exception of the increase of EUR 14 million in share capital as described in Section 10.
- 2) Both Cargotec's and Konecranes's dividend distribution of EUR 39 million and EUR 44 million respectively from the year 2019 resolved and paid subsequent to 30 June 2020 have been deducted from cash and cash equivalents and from retained earnings and the extra distribution of funds to Konecranes's shareholders of EUR 2.00 per share altogether EUR 158 million proposed to be distributed prior to the completion of the Merger have been presented as non-current liability and deducted from the reserve for invested non-restricted equity.
- 3) The presentation of certain Konecranes's receivables have been aligned with Cargotec's presentation for similar receivables.

The illustrative Receiving Company's Merger Balance Sheet presented above does not take into account among others the group contributions, distributions of funds, except for the fund distributions mentioned in note 2, which may be paid prior to the Effective Date, any structural transactions to be consummated prior to the Merger or transaction costs related to the Merger which all could have a significant impact on the Receiving Company's merger balance sheet and the Merging Company's assets and liabilities prior to the execution of the Merger.

## Appendix 4

### Auxiliary trade names

In connection with the registration of, and conditional upon, the execution of the Merger, the following auxiliary trade name is registered for the Receiving Company:

- **Konecranes**, through which the Receiving Company will carry out purchasing, sales, imports, exports, planning, manufacture and repairs of equipment for materials handling, lease and rent of such equipment, consulting, research, product development and marketing services, factory maintenance and maintenance services, owning and renting of real estate and own securities as well as securities and real estate trading.

Furthermore, in connection with the registration of, and conditional upon, the execution of the Merger, and subject to a decision by the Shareholders' General Meeting of the Receiving Company to change the name of the Receiving Company prior to the Effective Date, the following auxiliary trade name is registered for the Receiving Company:

- **Cargotec**, through which the Receiving Company will engage in the metal industry, primarily in the mechanical and electrical engineering, trade in metal-industry products and the related industrial and business activities as well as buying, selling, holding and managing real properties and securities.