

PROPOSAL BY THE BOARD OF DIRECTORS FOR THE RESOLUTION ON THE MERGER

Introduction

Konecranes announced on 1 October 2020 the combination of Konecranes and Cargotec Corporation's ("**Cargotec**") business operations through a statutory absorption merger of Konecranes into Cargotec pursuant to the Finnish Companies Act (624/2006, as amended) (the "**Finnish Companies Act**") whereby all assets and liabilities of Konecranes are transferred without a liquidation procedure to Cargotec (the "**Merger**"). As a consequence of the completion of the Merger, Konecranes will dissolve and automatically cease to exist as a separate legal entity. The shareholders of Konecranes will receive new shares in Cargotec as merger consideration in proportion to their existing shareholdings.

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 leverage the strengths 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.

In order to complete the Merger, the Board of Directors of Konecranes proposes that the General Meeting would resolve on the statutory absorption merger of Konecranes into Cargotec, including the approval of the merger plan.

Shareholders holding in aggregate approximately 28.3 percent of the shares and votes in Konecranes, including HC Holding Oy Ab, Solidium Oy, Ilmarinen Mutual Pension Insurance Company, Varma Mutual Pension Insurance Company, Holding Manutas Oy, Elo Mutual Pension Insurance Company and Security Trading Oy, have undertaken to attend the General Meeting by way of proxy representation arranged by the Company and to vote in favour of the Board of Director's proposal regarding the Merger.

Resolution on the Merger

The Board of Directors of Konecranes and Cargotec approved on 1 October 2020 a merger plan, which was registered with the trade register of the Finnish Patent and Registration Office on 29 October 2020. Pursuant to the merger plan, Konecranes shall be merged into Cargotec through an absorption merger, so that all assets and liabilities of Konecranes shall be transferred without a liquidation procedure to Cargotec in a manner described in more detail in the merger plan.

The Board of Directors of Konecranes proposes that the General Meeting resolves on the Merger of Konecranes into Cargotec in accordance with the merger plan and approves the merger plan.

Immediately prior to the registration of the execution of the Merger, Cargotec will effect a share split so that it will issue two (2) new class A shares for each class A Share and two (2) new class B shares for each class B share to the shareholders Cargotec of without payment in proportion to their existing shareholding. The shareholders of Konecranes shall, after the share split, receive as merger consideration 2.0834 new B Shares and 0.3611 new A Shares in Cargotec for each share they hold in Konecranes. In case the number of shares received by a shareholder of Konecranes as merger consideration is a fractional number, the fractions shall be rounded down to the nearest whole number. Fractional entitlements to new shares of Cargotec shall be aggregated and sold in public trading on the Nasdaq Helsinki Ltd and the proceeds shall be distributed to shareholders of Konecranes 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 Cargotec.

Based on the number of issued and outstanding shares in Konecranes on the date of this notice, a total of 28,575,453 new A shares and a total of 164,868,731 new B shares in Cargotec (after the share split referred to above) would be issued to shareholders of Konecranes as merger consideration.

A shareholder of Konecranes, who has voted against the Merger in the General Meeting, has the right as referred to in Chapter 16, Section 13 of the Companies Act to demand redemption of his/her/its shares at the General Meeting.