

Notice of Ponsse's Annual General Meeting

Ponsse Plc's ("Ponsse") shareholders are hereby invited to attend the Annual General Meeting to be held on Wednesday 27 May 2020, at 10:00 a.m. EET, in the auditorium of the company's customer service centre at Ponssentie 22, FI-74200 Vieremä, Finland, using exceptional arrangements due to the coronavirus situation. Reception of those registered for the meeting and the distribution of ballots will begin at 9:30 a.m. EET.

Ponsse takes the coronavirus situation seriously and has decided to organise the Annual General Meeting in these exceptional circumstances so that the number of participants will be kept at a minimum. The company therefore requests shareholders not to participate in the meeting in person, but to exercise their right to vote by authorising legal counsel Jaana Tervakoski from Asianajotoimisto Kääriäinen Oy to represent them at the AGM free of charge and to participate in the meeting via a live video feed. Exceptional arrangements will be described in more detail in item d).

The company's largest shareholders, who in total represent more than 50% of the votes of the company, have notified beforehand that they will be in favour of the proposals made by the Board of Directors as decisions made at the AGM. Instead of participating in the meeting in person, the company's largest shareholders will primarily participate in the AGM using a power of attorney.

MATTERS DISCUSSED AT THE ANNUAL GENERAL MEETING

1. Opening the meeting
2. Electing the Chairman
3. Summoning the secretary
4. Selecting examiners of the minutes and scrutineers
5. Recording the legality and competence of the meeting
6. Recording the participants and confirming the list of votes
7. Approving the agenda
8. Presenting the 2019 financial statements, including the consolidated financial statements and the annual report

THE PRESIDENT AND CEO'S REVIEW

9. Presenting the auditor's report

10. Confirming the financial statements and the consolidated financial statements

11. Payment of dividend

Ponsse's Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.30 per share be paid for 2019. The dividend shall be paid to all shareholders who are listed in the shareholder register maintained by Euroclear Finland Ltd as a company shareholder on the record date, 29 May 2020. The dividend shall be paid on 5 June 2020.

Shareholders who in total represent more than 50% of the votes of the company have notified that they will be in favour of the proposal of the Board of Directors.

12. Deciding on the discharge from liability for the members of the Board of Directors and the President and CEO

13. The company's remuneration policy

The remuneration policy applied to the company's bodies is presented in Appendix 1 of this notice.

Shareholders who in total represent more than 50% of the votes of the company have notified that they will be in favour of approving the company's remuneration policy.

14. Deciding on fees for Board members and the auditor

Shareholders who in total represent more than 50% of the votes of the company have notified that they will make a proposal for fees as follows: the chairman of the Board of Directors will receive EUR 48,000, the deputy chairman of the Board of Directors will receive EUR 45,000 and ordinary members will receive EUR 38,000 a year.

Shareholders who in total represent more than 50% of the votes of the company have notified that they will propose that the auditors be paid a fee in accordance with a reasonable invoice presented to the company.

15. Deciding on the number of Board members

Shareholders who in total represent more than 50% of the votes of the company have notified that they will propose that seven (7) persons be confirmed as the number of members of the Board of Directors.

16. Electing the members of the Board of Directors

Shareholders who in total represent more than 50% of the votes of the company have notified that they will propose that Mammu Kaario, Matti Kylävainio, Juha Vanhainen, Janne Vidgrén, Juha Vidgrén and Jukka Vidgrén be re-elected as members of the Board of Directors and that Jarmo Vidgrén be elected as a new member.

Jarmo Vidgrén (44, marketing business college graduate) has extensive experience in international business and working in the Management Team. He has worked in Ponsse Group as sales and marketing director and the President and CEO's deputy and chaired the Boards of Directors of Ponsse Group's subsidiaries since 2008. Jarmo Vidgrén started at Ponsse in 1997 and has been a member of Ponsse Plc's Management Team since 2001. Previously, Vidgrén worked as vice president in charge of Northern Europe, sales director and district sales manager in Finland, as well as warranty clerk and district sales manager for trade-in machines at Ponsse AB.

17. Electing the auditor for 2020

The Board of Directors proposes that auditing firm KPMG Oy Ab be selected as the company's auditor for the 2020 financial period. KPMG Oy Ab has announced that Ari Eskelinen, authorised public accountant, would act as the principal auditor. The Board of Directors also proposes that the Annual General Meeting request the auditor to report on the confirmation of the financial statements, the discharge from liability and the Board of Directors' proposal for the distribution of profit in the auditor's report.

The Board of Directors' proposal is based on a bidding process concerning auditing services. As a result of the bidding process, the company received offers from three auditing firms. The Board of Directors evaluated the bidders using several selection criteria, including understanding of Ponsse and its industry, the high level of quality of auditing services, the ability to conduct audits using modern auditing methods and tools, and the competitiveness of fees. The selection criteria were indicated transparently to all bidders in the selection process. According to the Board of Directors' view, KPMG Oy Ab best meets the selection criteria defined in the invitation to tender.

The Board of Directors states that no third party has affected the proposal, and the Board of Directors has not been required to comply with any clause referred to in Article 6 of the Regulation (EU) No

537/2014 on specific requirements regarding statutory audit of public-interest entities to restrict the selection of a statutory auditor or auditing firm.

Shareholders who in total represent more than 50% of the votes of the company have notified that they will be in favour of the proposal of the Board of Directors.

18. Proposal for authorising the Board of Directors to acquire treasury shares

Shareholders who in total represent more than 50% of the votes of the company have notified that they will propose that the Annual General Meeting authorise the Board of Directors to decide on the acquisition of treasury shares so that a maximum of 250,000 shares can be acquired in one or several tranches. The maximum amount corresponds to approximately 0.89% of the company's total shares and votes.

The shares will be acquired in public trading organised by Nasdaq Helsinki ("the Stock Exchange"). Furthermore, they will be acquired and paid for according to the rules of the Stock Exchange and Euroclear Finland Ltd.

The Board may, pursuant to the authorisation, only decide upon the acquisition of treasury shares using the company's unrestricted shareholders' equity.

The authorisation is required to support the company's growth strategy and for use in the company's potential corporate acquisitions or other arrangements. In addition, shares can be distributed to the company's current shareholders, used for increasing the shareholders' ownership value by invalidating shares after their acquisition or used in personnel incentive systems. The authorisation includes the right of the Board to decide upon all other terms and conditions in the acquisition of treasury shares.

The authorisation is proposed to be valid until the next Annual General Meeting; however, no later than 30 June 2021. The previous authorisations are cancelled.

19. Proposal for authorising the Board of Directors to decide on share issues by assigning the treasury shares

Shareholders who in total represent more than 50% of the votes of the company have notified that they will propose that the Annual General Meeting authorise the Board of Directors to decide on the assignment of treasury shares held by the company in one or more tranches for payment or without payment so that a maximum of 250,000 shares will be issued on the basis of the authorisation. The maximum amount corresponds to approximately 0.89% of the company's total shares and votes.

The authorisation includes the right of the Board to decide upon all other terms and conditions of the share issue. Thus, the authorisation includes the right to organise a special issue in deviation of the shareholders' subscription rights under the conditions prescribed by law.

The authorisation is proposed for use in supporting the company's growth strategy in the company's potential corporate acquisitions or other arrangements. In addition, the shares can be issued to the company's current shareholders, sold through public trading or used in personnel incentive systems. A directed issue may only be free of charge if there is a particularly weighty economic reason for this considering the company, taking into account the interests of the company and all of its shareholders.

The authorisation is proposed to be valid until the next Annual General Meeting; however, no later than 30 June 2021. The previous authorisations are cancelled.

20. Proposal for authorising the Board of Directors to decide on share issues

Shareholders who in total represent more than 50% of the votes of the company have notified that they will propose that the Annual General Meeting authorise the Board of Directors to decide on a directed share issue and to issue special rights entitling to shares as referred to in Section 10(1) of the Finnish Limited Liability Companies Act, in one or more tranches, for payment or without a payment.

Based on the authorisation, a maximum of 200,000 shares can be issued, which is approximately 0.7% of the current total number of shares in the company. Shares can be issued as part of the company's share-based incentive plans. The Board of Directors will decide on all the terms and conditions for the granting of special rights entitling to shares in the share issue. Based on the authorisation, a derogation from the pre-emptive subscription right of shareholders (targeted share issue) may be granted for the special rights entitling to shares. A directed issue may only be free of charge if there is a particularly weighty economic reason for this considering the company, taking into account the interests of the company and all of its shareholders.

The authorisation is valid until the next Annual General Meeting; however, no later than 30 June 2021.

21. Payment of profit bonuses to personnel

The company's Board of Directors proposes to the Annual General Meeting that a profit bonus of at most EUR 100 per person per working month be paid for 2019 to the personnel employed by the Group.

Shareholders who in total represent more than 50% of the votes of the company have notified that they will be in favour of the proposal of the Board of Directors.

22. Other issues

23. Closing the meeting

ANNUAL GENERAL MEETING DOCUMENTS ON DISPLAY FOR PUBLIC INSPECTION AND THE ANNUAL REPORT

The aforementioned Board of Directors' decision proposals on the Annual General Meeting's agenda, this notice of the meeting, the documents concerning the financial statements, including their attachments, and the remuneration policy are on display for the shareholders three weeks before the Annual General Meeting at the company's head office at Ponsentie 22, Vieremä, and on the company's website at www.ponsse.com/agm.

Ponsse Plc's annual report, which includes the company's financial statements, Board of Directors' report and auditor's report, are available on the company's website at www.ponsse.com/investors/financial-information/annual-reports. The company's revised corporate governance statement, remuneration statement and remuneration policy are available on the company's website at www.ponsse.com/investors/corporate-info.

The Board of Directors' proposals, financial statements documents and remuneration policy will also be available at the Annual General Meeting, and copies of them and this notice of meeting will be sent to shareholders upon request. Minutes of the AGM will be available on the aforementioned websites no later than on 10 June 2020.

INSTRUCTIONS FOR MEETING PARTICIPANTS

a) Right of participation and registration

To be eligible to attend the Annual General Meeting, shareholders must be registered as shareholders in Ponsse Plc's shareholder register maintained by Euroclear Finland Ltd by the record date of 14 May 2020. Shareholders whose shares are registered in their personal book-entry account are registered in the company's shareholder register.

Shareholders wishing to attend the Annual General Meeting should notify the company of their intention to do so by 4:00 p.m. EET on Sunday 17 May 2020, either online at www.ponsse.com/agm or in writing to Ponsse Plc, Share Register, Ponssentie 22, FI-74200 Vieremä, Finland, or. Written notifications must arrive before the aforementioned deadline.

When registering, shareholders must provide their name, personal identity code or business ID and telephone number, as well as the name and personal identity code of a possible representative, and the name of a possible assistant. Personal data will only be used to process registrations for the AGM and other related registrations required.

Shareholders who are present at the Annual General Meeting will, according to Chapter 5, Section 25, of the Limited Liability Companies Act, have the right to present questions related to the matters discussed at the meeting.

b) The use of a representative and a power of attorney

Shareholders may take part in the Annual General Meeting and exercise their rights through representatives. Shareholders' representatives must present a dated power of attorney or they must, in another reliable manner, prove their entitlement to represent the shareholder. If a shareholder participates in the Annual General Meeting by a number of representatives who represent the shareholder through shares in different book-entry accounts, the shares on the basis of which each representative represents the shareholder must be indicated.

To minimise the number of people present at the meeting, shareholders are requested not to attend the meeting in person and to exercise their right to vote by issuing a power of attorney using the company's power of attorney service. More detailed information about the power of attorney service can be found from item d).

c) Holders of administrative-registered shares

Holders of administrative-registered shares have the right to participate in the Annual General Meeting by virtue of the shares, on the basis of which they have the right to be registered in the shareholder register maintained by Euroclear Finland Ltd on the record date of 14 May 2020. To be eligible to participate, shareholders must also be temporarily registered, by virtue of these shares, in the shareholder register maintained by Euroclear Finland Ltd by 10:00 a.m. EET on 22 May 2020. With regard to administrative-registered shares, this will be deemed as a registration for the AGM. Any

changes in shareholding following the AGM record date do not affect the right to participate in the AGM or the number of votes held by each shareholder.

Holders of administrative-registered shares are advised to acquire instructions well in advance from their administrator regarding registration in the shareholder register, the issuance of powers of attorney and registration in the Annual General Meeting. The administrator's account management organisation shall notify holders of administrative-registered shares who wish to participate in the Annual General Meeting that they must register in the company's temporary shareholder register by the aforementioned date.

d) Special arrangements for the AGM

We hope that shareholders understand the aforementioned changes in AGM arrangements caused by the coronavirus pandemic and decide not to participate in person. To minimise the number of people present at the AGM, shareholders are advised not to participate in person, but instead to attend via a video feed.

Ponsse will apply the following special arrangements at the AGM to protect the health of shareholders and the company's representatives:

- Shareholders may send questions beforehand to members of the company's management, following instructions available on the company's website.
- The AGM will be as brief as possible, covering the matters listed in the notice of the meeting. For example, the President and CEO's review will be shorter than usual.
- The participation of members of the company's Board of Directors will be minimised, and the person proposed as a new member of the Board of Directors will not be present at the AGM, and he will present himself via a video feed. After the AGM, the presentation will be available on the company's website.
- There will be no catering or special programme at the AGM, and no extra material will be handed out.
- Hand sanitisers will be available to participants.
- Participants will be seated as far away from each other as possible.
- If required, they will be seated in several smaller rooms.

Due to the exceptional situation, Ponsse requests shareholders to monitor and read the AGM instructions available on the company's website (www.ponsse.com/agm) beforehand. The instructions will be updated as necessary.

1. Instructions for watching a live video feed

Shareholders can watch the AGM via a live video feed on the internet. The link will be sent to shareholders who have registered to the meeting the day before the AGM if the shareholder has informed his/her e-mail address when registering.

We request shareholders to note that shareholders watching the AGM via a video feed will not be registered as being present at the meeting, and the video feed does not allow shareholders to ask questions or vote at the AGM.

Shareholders can send questions beforehand regarding matters listed on the AGM agenda through the link provided on the company's website www.ponsse.com/agm.

2. The company's power of attorney service

To exercise their right to vote, shareholders are requested to authorise legal counsel Jaana Tervakoski from Asianajotoimisto Kääriäinen Oy or her appointed representative to represent shareholders and exercise their right to vote at the AGM on their behalf. The aforementioned authorisation is free of charge for shareholders. In addition to issuing a power of attorney, shareholders must also register for the AGM in accordance with this notice.

The power of attorney and voting instructions are available at www.ponsse.com/agm, and they should be sent completed via email to tanja.kyllonen@ponsse.com or by post to Ponsse Plc, Share Register, Ponssentie 22, FI-74200 Vieremä before the end of the registration period by 17 May 2020.

3. Instructions for sending questions beforehand

Shareholders can send questions beforehand regarding matters listed on the AGM agenda during the registration period by 17 May 2020 through the link provided on the company's website

(www.ponsse.com/agm). If possible, the content of the meeting will be prepared so that any questions sent beforehand can be answered.

e) Other information

On the date of the notice of the Annual General Meeting, the company has a total of 28,000,000 shares, producing 28,000,000 votes.

Vieremä, 5 May 2020

PONSSE PLC

Board of Directors

FURTHER INFORMATION

Petri Härkönen, CFO, tel. +358 20 768 800 or +350 50 409 8362

DISTRIBUTION

Nasdaq Helsinki Ltd

Principal media

www.ponsse.com

Ponsse Plc specialises in the sale, production, maintenance and technology of cut-to-length method forest machines, and is driven by a genuine interest in its customers and their business operations. Ponsse develops and manufactures sustainable and innovative harvesting solutions based on customer needs.

The company was established by forest machine entrepreneur Einari Vidgrén in 1970, and has been a leader in timber harvesting solutions based on the cut-to-length method ever since. Ponsse is headquartered in Vieremä, Finland. The company's shares are quoted on the Nasdaq Nordic List.

APPENDIX 1. The company's remuneration policy