

Board of Directors

Yleiselektroniikka Oyj

Luomannotko 6

PL 73

02201 Espoo

Finland

Dear Sirs,

Fairness Opinion relating to the transaction terms in connection with the acquisition of Machinery Group Oy by Yleiselektroniikka Oyj

1. Introduction

On February 3rd, 2020, Yleiselektroniikka Oyj ("YE") and the main owners of Machinery Group Oy ("Machinery" or "the Target") signed a share purchase agreement ("SPA") by which YE agreed to acquire 100 % of shares in Machinery ("Transaction").

In the context of the above, YE and the owners of Machinery have agreed following transaction:

- Based on the final SPA, the enterprise value of Machinery is determined at 26.159 million euro, and the equity value in the Target 18.750 million euro which is calculated by deducting the adjusted net debt of the Target of approximately 7.409 million euro from the enterprise value.
- The final purchase price for the equity will be paid in cash at closing after all the conditions precedents has been fulfilled according the terms described in more detail in the SPA.
- The acquisition is financed by YE's cash and in the form of the bank loan in the total amount of 23.5 million euro provided by OP Corporate Bank PLC.

We understand that the ultimate main owner of YE, Preato Capital AB, is also the ultimate main owner of Machinery Group Oy and therefore the Transaction takes place between close related parties. Therefore

special attention should be paid when evaluating the Transaction and its terms to ensure, that the Transaction does not jeopardize the interest and rights of the minority shareholders of YE. We have understood that the Transaction and transaction terms have been negotiated by the independent committee authorized by the Board of Directors of YE. We understand that the final completion of the Transaction is conditional upon decision by YE's General Meeting.

In connection with the Transaction, the Board of YE and its independent committee is seeking independent advice to assess the fairness of the Transaction from financial point of view.

Sisu Partners Oy ("Sisu") has been appointed as the independent financial advisor to YE, to provide opinion as to whether the terms and conditions of the transaction are fair and reasonable from YE's shareholders' point of view. Sisu is entitled to receive a fixed fee (and VAT if applicable) for preparation of this opinion.

For the purpose of this opinion, the Fair Market Value and the Fair Value are defined as the price which a property would change hands between well informed, prudent parties acting arm's length in an open and unrestricted market, under no compulsion to act, expressed in the money or money's worth.

2. Procedures

The assessment of fair and reasonable is determined primarily on qualitative and reasonableness on qualitative issues.

The Transaction may be considered fair if the pricing is within the range of Fair Value.

In arriving at our opinion, we have, inter alia, considered following:

- Analysis of the Transaction terms based on the final SPA
- Analysis of the historical and budgeted financial information of the Target
- Analysis of the Fair Value by using following valuation methodologies we have deemed to be appropriate for valuing the Target:
 - o Discounted cash flow;
 - o Valuation multiples of comparable publicly traded companies and
 - o Valuation multiples of comparable precedent transactions
- Analysis of the Transaction's financial impact on the key performance indicators and valuation multiples of YE
- Analysis of the financial position of YE after Transaction compared to such industry peers active in lines of business and industry sectors, which we believe to be generally comparable
- Analysis on potential risks associated with the Transaction
- Other financial studies and analyses as deemed necessary or appropriate.

Our opinion does not address the relative merits of the Transaction as compared to other business strategies or transactions that might be available with respect to the YE.

3. Assumptions and Limitations

Sisu has relied upon the fact that all of the financial and other factual information, data, advice, opinions or representations obtained by it from public sources and from YE and its advisors (collectively, the "Information") is complete, accurate and has been fairly presented. Our procedures and enquiries did not constitute an audit and accordingly, we do not express any opinion on the financial data or other information used in arriving at our opinion. Forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Consequently, this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely the actual results will correspond to those projected by management or by other advisors or persons.

In providing this opinion, Sisu is not making any recommendations as to how to decide, agree or vote or otherwise deal in connection with the Transaction in whole or in part. An individual security holder's decision may be influenced by such holder's particular circumstances and such a holder should consult an independent expert if such a holder is in any doubt as to the merits or otherwise of the Transaction. Sisu's opinion does not purport to cater for an individual security holder.

Sisu's conclusions are rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at 3 February 2020 (and thus all market data is from or prior that date and events and market development after this date are not taken into consideration) and the condition and prospects, financial and otherwise, of the Target as they were reflected in the information provided and as they have been represented to Sisu in discussions with management of YE.

In connection with our review, at your direction, we have assumed and relied upon, without independent verification, the accuracy and completeness of the Information that was publicly available or was furnished to us by or on behalf of the Target, or otherwise reviewed by us for the purposes of this opinion, and we have not assumed and we do not assume any responsibility or liability for any such information. In addition, at your direction, we have not made any independent valuation or appraisal of the assets or liabilities (contingent or otherwise) of the Target, nor have we been furnished with any such evaluation or appraisal.

With respect to the financial forecasts and estimates of the Target as referred to above, we have assumed, at your direction, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgements of the management of the Target as to the future performance of the Target.

We accept no responsibility for the accounting or other data and commercial assumptions on which this opinion is based. Furthermore, our opinion does not address any legal, regulatory, taxation or accounting matters or other professional advice, as to which we understand that such opinions, counsel or interpretations have been or will be obtained from the appropriate qualified professional sources.

We have also assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Transaction will be obtained without any material adverse effect on the Target or the Transaction.

In our analyses and in preparing this opinion, we made various assumptions with respect to industry performance, general economic conditions and company specific issues and other matters, many of which are beyond of the control of Sisu and the Transaction counterparts.

This opinion is given as of 3 February 2020 based on our current understanding about fairness of the Transactions. Sisu has no obligation to advise any person of any change in any fact or matter affecting this opinion, which may happen or occur after the date of this opinion. We reserve right, but will be under no obligation, to change, modify or withdraw this opinion.

This opinion is governed by and constructed in accordance with Finnish law. Any dispute, controversy or claim arising out of or relating to this Fairness Opinion, shall be finally settled by arbitration in accordance with the Arbitration Rules of Finland Chamber of Commerce.

4. Opinion

Based upon and subject to the foregoing and such other matters Sisu considered to be relevant, as at the date hereof, Sisu considers that the terms and conditions of the Transaction are fair and reasonable to the shareholders of YE.

This Fairness Opinion letter is provided solely for the benefit of the Board of Directors of YE, in connection with and for the purposes of their consideration of the Transaction.

This letter may not be used for any other purpose or reproduced or quoted at any time and in any manner without our written consent. This Fairness Opinion is made without legal liability or responsibility on our part. We accept no responsibility to any person other than the Board of Directors of YE in relation to the content of this letter.

Yours,



Juha Karttunen

Managing Partner

Sisu Partners



Jukka Järvelä

Partner

Sisu Partners