

Private & Confidential
Christoph Vilanek, Chairman
Dimitar Dimitrov, Co-CEO
Wolfgang Kirsch, Co-CEO
Shelly Group SE
51 Cherni Vrah Boulevard
1407 Sofia

October 2nd, 2026

Attention: The Board of Directors of Shelly Group SE

Re: Fairness Opinion regarding the registered voluntary public tender offer by Schneider Electric SE for all outstanding shares of Shelly Group SE

Gentlemen:

Pursuant to the engagement letter between Shelly Group SE (“Shelly” or the “Company”) and Freitag & Co. GmbH (“Freitag”) dated August 6th, 2026 (the “Engagement Letter”), you have asked us to render our opinion, as investment bank, as to the fairness, from a financial point of view, of the consideration proposed to the shareholders of the Company in connection with the voluntary public tender offer registered on September 28th, 2026, (the “Tender Offer”) by SE 2026 A SAS (“Schneider” or the “Bidder”, and together with the Company, the “Parties”) (the “Fairness Opinion”). SE 2026 A SAS is a fully-owned subsidiary of Schneider Electric SE.

I. Background

On July 29th, 2026, the Company issued a public statement confirming discussions with Schneider Electric SE regarding a potential Tender Offer for the shares of the Company. On August 6th, 2026, the Company engaged Freitag to provide a Fairness Opinion on a possible Tender Offer, if and when it materializes.

As agreed in the Engagement Letter, our Fairness Opinion consists of this vertical opinion letter (the “Letter”) and a horizontal valuation memorandum (the “Valuation Memorandum”). Freitag confirmed that it is free of any conflict of interest in relation to the Parties and this engagement. On August 24th, 2026, Freitag mandated Kinstellar Sofia and DTT Law Sofia to advise Freitag from a legal perspective in connection with the Fairness Opinion.

On August 25th, 2026, in a call with the Company and its other advisors, Freitag presented its preliminary views on valuation before being informed of the expected offer price (the “Offer Price”) of the Tender Offer.

II. The Transaction

On September 24th, 2026, Shelly disclosed publicly that the Company and Schneider entered into an investment agreement (the “Investment Agreement”). The Investment Agreement governs the terms and conditions under which the Company would provide its support and endorsement for the offer registration and the Tender Offer if registered. On September 28th, 2026, the Bidder registered the Tender Offer, together with the offer documents, with the Financial Supervision Commission of Bulgaria (the “FSC”) and Shelly, pursuant to the Public Offering of Securities Act (“POSA”).

Based on publicly disclosed information, the key terms and relevant details of the Tender Offer are as follows:

- a. Consideration: €70.00 in cash per share (the “Offer Price”).
- b. Premium: The Offer Price represents a premium of approximately 26.9% over the Company’s XETRA six-months-VWAP of €55.16 per share on July 28th, 2026 (i.e., the last trading day prior to the public disclosure of discussions between the Parties, the “Unaffected Price”).
- c. The Tender Offer is for all shares in the Company not already held by Schneider or subject to a binding agreement with Schneider for their acquisition prior to the publication of the Tender Offer
- d. Minimum acceptance threshold: A specified number of shares that would result in Schneider holding at least 95% of the Company following the completion of the Tender Offer.
- e. Irrevocable undertakings:
 - i. Dimitar Dimitrov will tender all his shares (28.84%) into the Tender Offer and will reinvest a portion of the proceeds alongside the Bidder.
 - ii. Svetlin Todorov and Salisto Holdings LLC, fully controlled by Svetlin Todorov, will sell their shareholdings in Shelly (22.73%), subject to merger-control clearance.

III. Basis of Information

In connection with rendering this Fairness Opinion, we have reviewed, among other things, publicly available information and non-public information made available to us. We have not independently verified the accuracy or completeness of any such information. The information reviewed by us includes, without limitation:

Public Information

- a. The annual, half-year, and quarterly financial reports of the Company between and including 2023 and H1 2026;
- b. Third-party financial databases, including S&P Capital IQ and Mergermarket;

- c. Published broker research reports on the Company from Baader Bank, Berenberg, and Montega and on peers;
- d. Regulatory or other announcements relating to this Tender Offer and comparable public tender offers; and
- e. Historical trading prices and volumes of the Company's shares on relevant stock exchanges.

Non-Public Information

- f. The Company's confidential Business Plan for the years 2026 – 2031 (the "Business Plan");
- g. A confidential Information Memorandum;
- h. Discussions with the Company's management regarding, among other things, its projected financial performance.

We have, in addition, taken into account the Company's unaudited balance sheet as of June 30th, 2026, for the purpose of calculating net cash and general economic, market, and other conditions as they exist and could be evaluated as of the date of this Letter.

IV. Assumptions and Qualifications

We have assumed, with your permission and without independent verification, the accuracy and completeness of all financial, operating, and other information provided to us or otherwise reviewed by, or discussed with, us for the purpose of this Fairness Opinion, and have relied upon such information being prepared in good faith and on a reasonable basis.

We have made the following technical and methodological assumptions:

- a. The Company is valued on a standalone basis. Synergies of the Bidder with the Company are not explicitly considered (they are implicitly considered in the private market method and premium analysis);
- b. With respect to the Business Plan and other financial forecasts, projections, and estimates reviewed by us, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the Board of Directors (the "Board") as to the future financial performance of the Company. We express no opinion as to any such projections or forecasts or the assumptions on which they are based;
- c. Our analyses are based on financial forecasts, expectations or market assessments that may prove to be inaccurate in the future. Our analyses are necessarily based on financial, economic, market, and other conditions, and the information made available to us, as they exist and can be evaluated as of the date of this Letter. Events occurring, and information becoming available, after such date may materially affect the assumptions used in and conclusions reached from this Fairness Opinion. We do not assume, and expressly disclaim, any obligation to update, revise, or reaffirm this Fairness Opinion on the basis of circumstances or events occurring, or information becoming available, after the date hereof;

- d. This Fairness Opinion was prepared based on the principles of IDW S8, to the extent applicable to the engagement and the circumstances of the contemplated transaction;
- e. This Fairness Opinion addresses only the fairness, from a financial point of view and as of the date hereof, of the Offer Price to be received by the shareholders of the Company pursuant to the Tender Offer. It does not address any other aspects or implications of the Tender Offer, including, without limitation, the form or structure of the Tender Offer, its compliance with the POSA or implementing regulations thereunder. This Fairness Opinion also does not address any consequences of the Tender Offer to the Company, its management, employees, creditors, or other constituencies.

V. Basis of Opinion

For this Fairness Opinion, we performed such analyses as we deemed necessary, giving consideration to customary valuation methodologies for engagements of this nature, including an analysis of historical trading prices, a discounted cash flow valuation, a review of comparable listed companies, a review of comparable precedent transactions, a premium analysis based on comparable public tender offers, and available equity research analyst target prices. No single methodology was assigned a specific mathematical weighting; rather, we considered the results of each in light of its respective merits and limitations to reach our overall assessment. The detailed calculations, assumptions, and results underlying each of these analyses are set out in the Valuation Memorandum provided separately to the Board.

The date of our analyses is September 30th, 2026. Events or information occurring after this date were not taken into consideration.

VI. Opinion

We are providing this Fairness Opinion to the Board, which may use this document in its communications with the Company's shareholders, employees, the regulated markets on which its shares are traded, and regulatory authorities concerning the Tender Offer as contemplated under POSA. Our opinion expressed below must not be construed as a recommendation as to whether the shareholders of the Company should accept the Tender Offer or as to how the Board should act in connection therewith.

Based upon and subject to the foregoing, and in reliance thereon, and based upon such other matters as we have considered relevant, it is our opinion, as of the date of this Letter, that the Offer Price of €70.00 per share in cash proposed to be paid to the shareholders of the Company pursuant to the Tender Offer is fair, from a financial point of view, to the shareholders of the Company.

VII. Limitations and Disclaimers

a. Basis for the Board Only:

This Fairness Opinion has been prepared solely for the use and benefit of, and is addressed solely to, the Board in connection with, and for the purposes of its consideration of the Tender Offer, and may not be used, quoted, referred to, published, reproduced, disseminated, or relied upon by any other person, or for any other purpose, without our prior written consent, except that this Fairness Opinion may be reproduced, published, disseminated or quoted, provided it is appropriately referenced, in any reasoned statement or other filing or publication that the Company publishes or files in connection with the Tender Offer.

b. Not a Recommendation:

This Fairness Opinion does not constitute, and should not be construed as, a recommendation to the Board or any investor as to whether to support, recommend, approve or accept the Tender Offer. The Fairness Opinion is not a recommendation to any shareholder of the Company as to whether to tender its shares into the Tender Offer, or as to any other matter, and no shareholder should rely on this Fairness Opinion as such.

c. No Comparison with Alternatives:

We have not been requested to, and this Fairness Opinion does not, opine on the relative merits of the Tender Offer as compared to any alternative transaction or business strategy that might be available to the Company, including a continuation of the Company's business on a standalone basis. However, certain methods or analyses imply a comparison of the offer with standalone or divestiture scenarios.

d. No Legal, Tax, Accounting, or Regulatory Advice:

This Fairness Opinion is rendered on the basis of financial and valuation considerations only. It does not constitute, and should not be relied upon as, legal, tax, accounting, or regulatory advice. The Board should consult with its own legal, tax, and other professional advisors as to such matters, including as to compliance with applicable Bulgarian, European Union, German or any other applicable law.

e. No Opinion on Trading Prices:

We express no view or opinion as to the price at which the Company's shares or any other securities may trade at any time, including following the announcement, commencement, consummation, or termination of the Tender Offer.

f. No Independent Verification; Reliance on Third-Party or Company Information:

We have relied, without independent verification, upon the accuracy and completeness of all financial and other information that was publicly available or supplied or otherwise made available to us by, or on behalf of, the Company. We have not assumed any responsibility or liability for any independent verification of such information nor have we conducted any independent valuation or appraisal of any assets or liabilities of the Company.

g. No Third-Party Reliance; Limitation of Liability:

This Fairness Opinion is provided without any liability on the part of Freitag, its partners, members, officers, employees, or agents, to any person other than the Board (in its capacity as such), and no such person shall have any duty, liability, or obligation of any kind whatsoever, whether in contract, tort, under statute, or otherwise, to any other party in connection with this Fairness Opinion, to the fullest extent permitted by applicable law.

h. No Regulatory Endorsement; Cross-Border Regulatory Considerations:

We understand that Bulgarian law does not impose a specific regulatory requirement for a fairness opinion of this nature in connection with a voluntary public tender offer. While we have sought, to the extent reasonably practicable, to take into account considerations relevant to holders of the Company's shares in other jurisdictions in which the Company's shares are listed or held, including Germany, we express no formal opinion, and provide no assurance, as to compliance of the Tender Offer, this Fairness Opinion, or any related document with the securities laws, takeover regulations, or other laws of Bulgaria, Germany, the European Union, the United States, or any other jurisdiction. Shareholders of the Company resident outside Bulgaria should seek independent advice as to the requirements applicable to them.

i. Confidentiality:

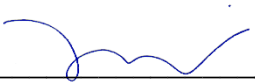
This Letter, including its contents, is strictly confidential and, other than as set out under "Basis for the Board only" above, may not be disclosed, in whole or in part, to any third party without our prior written consent, except as required by any applicable law, regulation, or the rules of any competent stock exchange or regulatory authority applicable to the Tender Offer. For the avoidance of doubt, we expressly consent to this Letter being included, in whole or in part, in the reasoned opinion of the Board pursuant to Article 151(5) of the POSA, and be reproduced, published, disseminated or quoted, provided it is appropriately referenced, in or together with any such reasoned opinion or any other filing or publication that the Company publishes or files in connection with the Tender Offer.

VIII. Governing Law and Jurisdiction

This Letter and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with German law. The exclusive place of jurisdiction for all disputes arising out of or in connection with this Letter is, to the extent legally permissible, Frankfurt am Main, Germany. This choice of law and jurisdiction is without prejudice to the requirements of Bulgarian law applicable to the Tender Offer itself, as described under "Background" above.

We appreciate the opportunity to be of service to the Board in connection with this important matter.

Very truly yours,

A handwritten signature in blue ink, consisting of a series of loops and curves, positioned above a horizontal line.

Sebastian Freitag
Managing Director