

## ADDITIONAL INFORMATION

**in accordance with Art.12, item 4 of Ordinance № 2 of FSC dated 09.11.2021 about initial and subsequent disclosure of information in public offerings of securities and admission of securities to trading on a regulated market**

**as of the third quarter of 2023**

**on consolidated basis**

**(reporting period 01.01.2023 – 30.09.2023)**

### **1. Information about the changes in the accounting policy during the reporting period, the reasons for their connection and how they affect the financial result and the equity of the issuer**

During the reporting period there was no change in the accounting policy of SHELLY GROUP PLC (previous company name Allterco JSCo).

### **2. Information about changes in the economic group of the issuer, if it participates in such a group**

There is change in the business group of the Company during the reporting period, whereas in January 2023 the Company has closed the 1st stage of the acquisition of the Slovenian IoT provider GOAP Računalniški inženiring in avtomatizacija procesov d.o.o. Nova Gorica, (current company name Shelly Tech avtomatizacija stavb, d.o.o), referred to hereinafter as “the Slovenian Company” or “the Target Company”, acquiring 60% of the share capital of the Target Company. The transaction is based on Share Purchase Agreements (“SPAs”) that were signed with all four shareholders of the Target Company. The total purchase price for the 1st stage transactions is EUR 2 million.

The remaining 40% of share capital of the Slovenian Company belonging to three individual shareholders are subject to Option Agreement that was signed together with the SPAs. Under the Option Agreement Shelly Group will have unconditional call options and the selling shareholders will have conditional put options on two packages of shares (the exercise of each of the sellers' options is conditional upon the achievement of certain minimum criteria of KPI, EBITDA and revenue within the period 2023 – 2025). One option is for 16% and the other option is for 24% of the share capital of the Slovenian Company. The aggregate price for the shares in case of the exercise of the options depends on the extent to which the conditions therefore are met and may range from EUR 699,999.70 (BGN 1,369,080.41) to EUR 3,449,998.60 (BGN 6,747,610.76).

SHELLY GROUP PLC has participation of 625 new preference shares representing 10% of the capital of Corner Solutions Ltd. The participation was acquired for the price of BGN 196 thousand (EUR 100 000) as a result of an Investment Agreement that was entered into in the reporting quarter by and between Shelly Group PLC and Vitosha Venture Partners - Fund I KD, UIC: 206223492, as co-investors, on one hand, and Ground Solutions Group AD, its founders Mr. Vladimir Konstantinov Todorov, Mr. Denis Krasimirov Florov, Mr. Nikola Konstantinov Ruychev and Corner Solutions Ltd, with UIC 206375571, on the other hand.

### **3. Information on the results of organizational changes within the issuer, such as transformation, sale of companies from the economic group, in-kind contributions from the company, rental of property, long-term investments, suspension of activity**

During the reporting period in 2023 there have been

- ✓ no organizational changes within the issuer

- ✓ no transformation proceedings have been initiated;
- ✓ no in-kind contributions have been made by the issuer;
- ✓ no property of the company has been leased;
- ✓ no suspended activities;
- ✓ long-term investments were made during the reporting period as shown under item 2 here above as well as the following investment in a company outside the business group of Shelly Group PLC:

Investment in Ground Solutions Group AD by way of participation in the capital increase and subscription for new preference shares in the capital of its subsidiary Corner Solutions Ltd (the Investment), namely 625 new preference shares representing 10% of the capital of Corner Solutions Ltd after the increase, for the price of EUR 100 000, according to a signed Investment Agreement. There are no interested or related parties involved in the transaction. The parties to the Investment Agreement are SHELLY GROUP PLC and Vitosha Venture Partners - Fund I KD, UIC: 206223492, as investors, on one hand, and Ground Solutions Group AD, its founders Mr. Vladimir Konstantinov Todorov, Mr. Denis Krasimirov Florov, Mr. Nikola Konstantinov Ruychev and the target company Corner Solutions Ltd, with UIC 206375571, on the other hand.

**4. Opinion of the management body on the possibilities for realization of published forecasts for the results of the current financial year, taking into account the results of the current half-year, as well as information on the factors and circumstances that will affect the achievement of the forecast results at least until the end of the current financial year. year:**

As of the end of the reporting period SHELLY GROUP PLC reported on consolidated basis a profit of BGN 19 451 thousand which is an increase by 65.6% compared to the previous year.

During the reporting period SHELLY GROUP PLC reports revenue from business activities in the amount of BGN 87 195, which is an increase by 44.0% compared to the same period of previous year.

The revenue from sale of devices has increased by 49.4% compared to the same period in the previous year.

SHELLY GROUP PLC has published forecasts on consolidated basis as part of the Prospectus for the public offering of shares from the capital increase of SHELLY GROUP PLC together with the supplements thereto 2020. SHELLY GROUP PLC is updating its guidelines and targets on group level, whereas the Company has last updated its guidelines and targets in May 2023.

For the current financial year 2023, the Board of Directors has set a target revenue from sales of IoT devices and related services of EUR 72.0 million (BGN 140.8 million) compared to EUR 47.6 million in the previous year (BGN 93.1 million). 2023 earnings before interest and taxes (EBIT) are likely to be above EUR 17.0 million (BGN 33.2 million) compared to EUR 10.4 million in the previous year (BGN 20.3 million). Based on its expansion efforts and the market launch of new products, Shelly Group projects average annual growth of around 43.2% in the medium term to a revenue target of more than EUR 200.0 million by the end of 2026. For EBIT, the medium-term target is above EUR 50.0 million by the end of 2026, with average annual growth of around 48.1%.

**5. Data on the persons holding directly and indirectly at least 5 per cent of the voting shares in the General Meeting at the end of the respective quarter, and the changes in the number of voting shares held by the persons for the period from the end of the previous quarter**

**Shareholders holding at least 5 percent of the votes in the GMS of Shelly Group PLC as of 30.06.2023**

NAME OF SHAREHOLDER	CAPITAL PERCENTAGE
SvetlinTodorov	30,39 %
Dimitar Dimitrov	32,00 %
Other individuals and legal entities	37,61 %

As of 30 September, 2023 the Company does not hold any treasury shares.

**6. Data on the shares held by the management and supervisory bodies of the issuer at the end of the respective quarter period, as well as the changes that have occurred for the period from the end of the previous quarter for each person separately**

**Members of the Board of Directors**

NAME OF SHAREHOLDER	CAPITAL PERCENTAGE
Svetlin Todorov	30,39 %
Dimitar Dimitrov	32,00 %
Nikolay Martinov *	0 %
Wolfgang Kirsch***	0 %
Gregor Bieler**	0 %

\* Nikolay Martinov has no direct interest in the capital of the Issuer. The companies Unicom Consult EOOD, in which he is the sole owner of the capital and manager, Impetus Capital OOD and Impetus Partners OOD, in which he is a partner respectively with 50% and 43,75 % of the capital and manager, as well as ImVenture I KDA and ImVenture II KDA, in which he is a representative of the legal entity - "Impetus Capital" OOD, have respectively: "Unicom Consult "EOOD – 84,750 shares (0.47%), Impetus Capital OOD 162,000 shares (0.9%), Impetus Partners OOD 405,000 shares (2.25%) ImVenture I KDA 123,288 shares (0.68%), ImVenture II KDA - 68,493. shares (0.38%) in the capital of Shelly Group PLC and a total number of shares 843,531 (4.686%) of the voting rights in its General Meeting.

\*\*Gregor Bieler holds approx. 0.03% of the Company's capital, acquired before his appointment as member of the Board of Directors.

\*\*\* Wolfgang Kirsch holds approx. 0.03% of the voting rights in the General Meeting of the Shareholders of the Issuer;

**7. Information on pending court, administrative or arbitration proceedings concerning liabilities or receivables amounting to at least 10 percent of the issuer's equity; if the total value of the issuer's liabilities or receivables under all initiated proceedings exceeds 10 per cent of its own capital, information shall be provided for each proceeding separately**

During the reporting period there are no pending court, administrative or arbitration proceedings concerning liabilities or receivables amounting to at least 10 percent of the issuer's equity; nor such individual cases with the total value of the issuer's liabilities or receivables under all initiated proceedings exceeds.

**8. Information on the loans granted by the issuer or its subsidiary, providing guarantees or assuming obligations in total to one person or its subsidiary, including related parties, indicating the nature of the relationship between the issuer and the person, the amount of outstanding principal, interest rate, payment deadline, amount of commitment, conditions and term**

Except to the transactions specified here below, during the reporting period SHELLY GROUP PLC has not granted any loans or guarantees and has not assumed obligations towards one person or its subsidiary, including related parties.

During the first quarter of 2022 SHELLY GROUP PLC has approved financing for the operations of the subsidiary Shelly USA Inc. (previous company name Allterco Robotics Inc, USA) with the following

parameters: (1) provision of an additional cash contribution of USD 1 million, for a term of 1 year as of the payment date, at an annual interest rate of 1% and (2) a capital increase of USD 500 000. At the end of the reporting period, the financing is fully provided to the subsidiary. During the reporting period, Shelly Group PLC accrued interest income of BGN 15 thousand on an additional cash contribution Shelly USA Inc.

In the first quarter of 2023 SHELLY GROUP PLC has granted a cash loan to its subsidiary GOAP Računalniški inženiring in avtomatizacija proces d.o.o., Nova Gorica (current company name Shelly Tech avtomatizacija stavb, d.o.o) in the amount of BGN 978 thousand (EUR 500 thousand) under the following conditions: repayment term 31.12.2029, interest rate – according to the statistical data published by the Bulgarian National Bank on ,Interest rates and volumes on non-overdraft balances for the non-financial corporations’ sector (in EUR over 5 years). The accrued interest income for the reporting period is BGN 27 thousand;

In the second quarter of 2023 SHELLY GROUP PLC has granted an additional cash contribution to its subsidiary GOAP Računalniški inženiring in avtomatizacija 4rocess d.o.o., Nova Gorica (current company name Shelly Tech avtomatizacija stavb, d.o.o), in the amount of BGN 978 thousand (EUR 500 thousand) under the following conditions: repayment term 1 year as of the date of provision of the cash, interest rate – 1% interest to be charged at the end of the period; the additional cash contribution is provided for the purpose of covering losses from previous years and temporary cash requirements for the normal continuation of business as usual. The interest income accrued for the reporting period is BGN 3 thousand.

In the second quarter of 2023 SHELLY GROUP PLC has provided a cash loan to a to an unrelated and not-interested third party – Expat Capital AD, UIC 175192462, Bulgarian joint stock company in the amount of EUR 280 000 (BGN 547 632) under the following conditions: term – 1 year as of the date of provision of the cash, interest rate of 1% per annum on the amount borrowed in proportion to the period for which the amount has been used, which interest shall accrue at the end of the loan period. The interest income accrued for the reporting period is BGN 1 thousand.

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Dimitar Dimitrov  
CEO, SHELLY GROUP PLC