



Translation from Bulgarian language

Materials to proposal for including item 20 in the agenda of the General Meeting of the Shareholders as of 29.06.2026

Regarding the proposal to add an additional Item 20 to the agenda of the General Meeting of Shareholders, namely:

Item 20. Adoption of a resolution establishing the fulfilment of the criteria for the payment of an Annual Bonus to the executive members of the Board of Directors of SHELLY GROUP SE for 2025 on the basis of adjusted financial results, establishing the payability, determining the amount, and the payment of the Annual Bonus.

PROPOSAL FOR A RESOLUTION ON THE NEW AGENDA ITEM:

The General Meeting of Shareholders of SHELLY GROUP SE RESOLVED:

Approves the financial criteria for the payment of the Annual Bonus under Article 4(1) of the Terms and Conditions for Payment of Annual Bonus to Executive Members of the Board of Directors of SHELLY GROUP SE for 2025 (the “Terms and Conditions”) as fulfilled on the basis of the financial results achieved for the financial year 2025, namely:

– adjusted EBIT on a consolidated basis in the amount of **EUR 37.83 million**, which exceeds the minimum value of the Target EBIT (EUR 35 million) under the Terms and Conditions; – reported (unadjusted) revenue in the amount of **EUR 149.74 million**, which exceeds the minimum value of the Target Revenue (EUR 145 million) but remains below the maximum value of the Target Revenue (EUR 155 million) under the Terms and Conditions.

Approves the non-financial criteria under Article 4(2)(a) and (c) of the Terms and Conditions as fulfilled.

Determines the amount due and approves the payment of an Annual Bonus to the executive members of the Board of Directors for 2025 in the following amounts:

– **Dimitar Dimitrov:** EBIT Bonus – EUR 133,275.00; Revenue Bonus – EUR 73,065.00;
Total: EUR 206,340.00;

– **Wolfgang Kirsch:** EBIT Bonus – EUR 133,275.00; Revenue Bonus – EUR 73,065.00;
Total: EUR 206,340.00; Authorizes the Board of Directors to undertake all legal and factual actions for the payment of the Annual Bonus, in compliance with Article 8 of the Terms and Conditions.

I. FACTS AND GROUNDS

1. Applicable bonus scheme for 2025

By a resolution of the General Meeting of Shareholders of **Shelly Group SE** dated June 2, 2025, the granting of variable cash compensation (“Annual Bonus”) to the executive directors was approved; the amount and payment of which amount, and payment are determined in accordance with the **Terms and Conditions for the Payment of an Annual Bonus to**

Executive Members of the Board of Directors of Shelly Group SE for 2025 ("the Terms"), applicable for the period **January 1, 2025 – December 31, 2025** ("the Performance Year").

The Terms establish a two-component scheme for annual bonus remuneration (**Annual Bonus**) for the executive members of the Board of Directors (**Executive Directors**), consisting of:

1. **EBIT Bonus** – tied to consolidated EBIT achieved within the range of EUR 35 million (minimum) – EUR 40 million (maximum), with a maximum bonus amount of EUR 187,500 for each executive director;
2. **Revenue Bonus** – tied to consolidated revenue achieved in the range of EUR 145 million (minimum) – EUR 155 million (maximum), with a maximum amount of EUR 112,500 each executive director.

Pursuant to Article 5, paragraph 1, in conjunction with Article 4, (1) of the Terms, the fulfillment of the financial criteria is subject to assessment **based on the Company's annual consolidated financial statements** for the Performance Year, as **certified by a registered auditor and approved by the General Meeting of Shareholders**, and expressly allows for and takes into consideration **adjustments to the financial result**. The maximum amount of the Annual Bonus for each Executive Director is **EUR 300,000** (Article 7(2) of the Terms).

Pursuant to Article 26, paragraph 4 of the Remuneration Policy, effective as of June 28, 2021, last amended effective as of June 2, 2025 "In the event that adjusted (relative to the audited financial statements) values of the financial criteria must be used to determine the amount of the Annual Bonus, the General Meeting shall decide on the payment of the Annual Bonus and determines its amount."

2. Adjusted financial results for 2025

On the base of the Company's publicly disclosed **audited annual consolidated financial statements for 2025**, the financial indicator subject to adjustment is EBIT as follows:

Reported EBIT: EUR 30.45 million, which is below the EBIT target (EUR 35 million).

Adjusted EBIT: EUR 37.83 million, exceeding the minimum Target EBIT (EUR 35 million);

Reported EBIT reflects a non-cash charge related to the Scheme in the amount of EUR 7.38 million.

Excluding this amount, EBIT would have been **EUR 37.83 million** – an amount adjusted against the audited financial statements – and the adjusted figure would have qualified for payment of the EBIT Bonus component in accordance with the Terms.

Given that the adjustment of EBIT relates to a non-cash charge associated with the Scheme for granting additional remuneration in shares to the Executive Directors, and insofar as the Terms expressly allow for the reporting of the adjusted result (Article 5, paragraph 1 of the Terms), the adjusted financial indicators constitute an appropriate basis for assessing the fulfillment of the financial criteria.

3. Fulfilment of the non-financial criteria

Pursuant to Article 4(2), and Article 6(2), of the Terms, for the purposes of calculating the Annual Bonus, it is sufficient to meet at least one of the following non-financial criteria: (a) new product categories; (b) market growth based on the number of devices sold; (c) expansion of distribution markets, including through new subsidiaries, branches, or representative offices.

Based on the Company's consolidated activity report for 2025 and publicly available information, the following non-financial criteria under Article 6, paragraph 2 of the Terms and Conditions have been met:

(a) new product categories; (i) Launch of Gen 4 devices: Shelly 1, 1PM, 2PM, Flood, 1 Mini, 1PM Mini, EM Mini (ii) Introduction of Shelly LoRa and Z-Wave for long-range connectivity (c) expansion of distribution markets, including through new subsidiaries, branches, or representative offices (i) Incorporation of Shelly Poland sp. z o.o. (Seligi, Poland — reg. no. 0001169440) (ii) (ii) Onboarding of new sales teams – Poland and Netherlands teams

4. Conclusion

Upon review of the adjusted financial results and the fulfillment of at least one non-financial criterion, all conditions for the payment of the Annual Bonus under Article 7, paragraph 4 of the Terms have been **met**. All prerequisites are met for approving the payment of the Annual Bonus to each Executive Director in the amounts determined in accordance with Article 7(3) of the Terms.

II. DETERMINATION OF THE AMOUNT OF THE ANNUAL BONUS

Indicator	Target min (million EUR)	Target max (million EUR)	Achieved (million EUR)	Achieved (million BGN)	Status
EBIT	35.00	40.00	37.83 (<i>adjusted result</i>)	73.99 (<i>adjusted result</i>)	Achieved
Consolidated revenue	145.00	155.00	149.74	292.87	Achieved

Official exchange rate EUR 1 = 1.95583 BGN

Given the fulfillment of at least one of the non-financial criteria and based on the fulfillment of the financial criteria, the amount of the Annual Bonus that each executive director is entitled to receive is determined in accordance with Article 7(3) of the Terms, as follows:

CALCULATION OF THE BONUS (ARTICLE 7(3))			
Component / Formula	EUR	BGN	Note
EBIT Bonus = EUR 62 500 + (EBIT - EUR 35 million) x 2.5% = EUR 62 500 + (37 831 000 - 35 000 000) x 2.5%	133,275.00	260,663.24	Please refer to Article 7(3)(i)(c)
Revenue bonus = EUR 37 500 + (Revenue - EUR 145 million) x 0.75% = EUR 37 500 + (149 742 000 - 145 000 000) x 0.75%	73,065.00	142,902.72	Please refer to Article 7(3)(ii)(c)

ANNUAL BONUS DUE (for each of the directors)	206,340.00	403,565.96	
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The calculations provided are based on rounded values of the financial results, as reported in the Company's consolidated annual financial statements for 2025.

The Annual Bonus amount determined in this manner does not exceed the maximum Bonus amount for each director of EUR 300,000 pursuant to Article 7, paragraph 2 of the Terms.

Appendix:

Terms and Conditions for the Payment of the 2025 Annual Bonus to Executive Members of the Board of Directors of SHELLY GROUP SE are available on the company's corporate website at the following address: <https://corporate.shelly.com/api/documents/Bonus-Conditions>

The report on the Adjusted Financial Results for the Financial Year 2025 is available on the company's corporate website at the following address: [https://corporate.shelly.com/en/financial-results-consolidated2025/annual-reports/others/Report on Adjusted Results BG_EN.pdf](https://corporate.shelly.com/en/financial-results-consolidated2025/annual-reports/others/Report_on_Adjusted_Results_BG_EN.pdf)

I, the undersigned translator Kaloyan Todorov Kirilov, hereby certify that the translation from Bulgarian into English of the document attached hereto, consisting of 4 (four) page(s), is true and accurate.

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