Explore the
POSSIBILITIES

TRADING UPDATE H1 2026

13th August 2026

Safety & Security

- Security
- Monitoring
- Cameras
- Locks

Energy Management

- Energy meters
- HVAC control
- Circuit breakers
- Energy monitoring
- PV

Core Automation

- Relays & Switching modules
- Smart plugs & power strips
- Lighting control
- Control panels
- Appliance automation
- IT/ Audio/ Video

TRADING UPDATE H12026

- Highlights
- H1 Financials
- Product Development
- Operations

PRESENTERS

Dimitar Dimitrov
CO-CEO
Research & Development

Wolfgang Kirsch
CO-CEO
Strategy & Operations

Iliyana Krushkova
CFO
Finance & Administration

HIGHLIGHTS

Highlights

FINANCIAL GROWTH

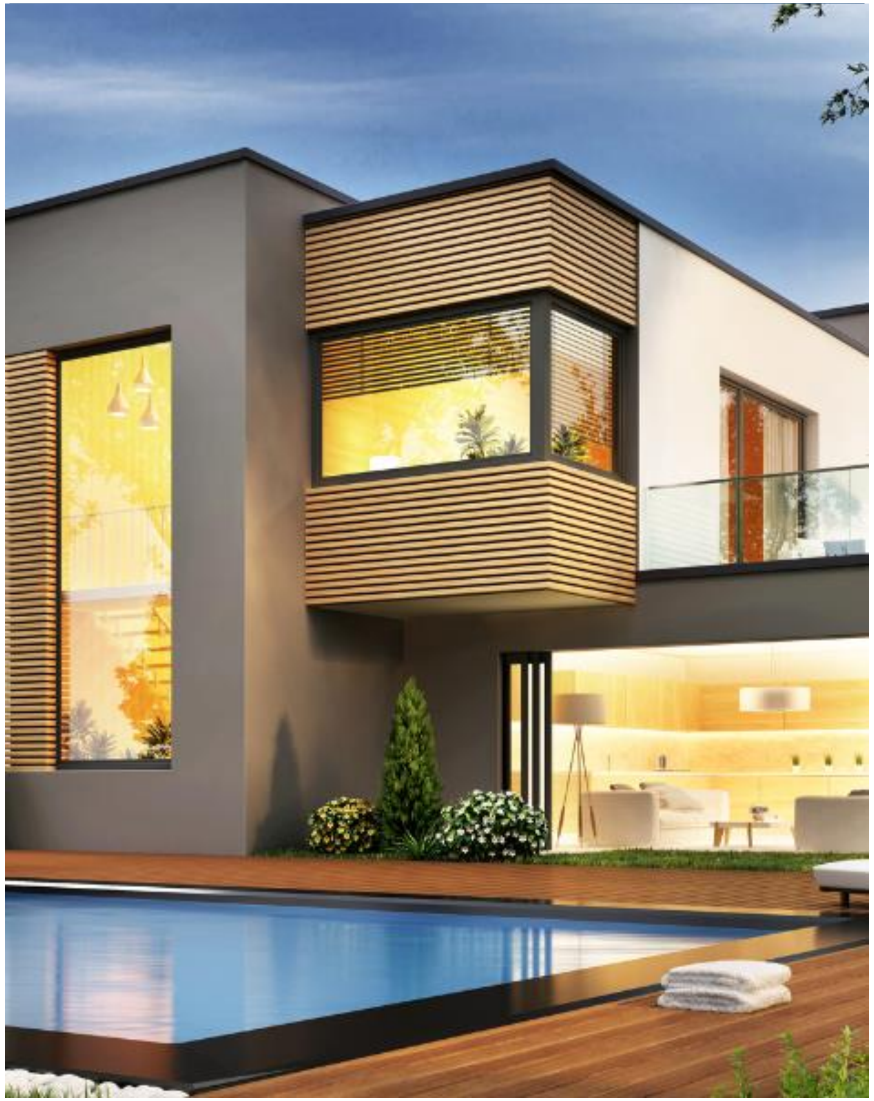
- **H1** Revenue and EBIT growth **on target**
- Gross profit growth outpaced revenue, driven by strong margin expansion

DISTRIBUTION

- Installer network scaling supports **strong Pro adoption**
- **Amazon sell out back on track** via indirect channels
- New distribution contract signed with **Pan-European broadline distributor**
- New distribution agreement signed with **specialized distributor for DIY channel in DACH**

CUSTOMER OWNERSHIP

- Continued growth in **cloud users**
- Installed base expansion supports **long-term monetization**
- Continued growth in **Premium App usage**
- Expanding installer base supports **ecosystem development**



Key Performance Metrics (as of June 2026)

YoY growth (June 2026 vs June 2025)

HOUSEHOLDS	CLOUD USERS	PREMIUM SERVICE USERS	INSTALLERS
6.7M*	2.9M	43K	8600
+37%	+31%	+36%	+237%

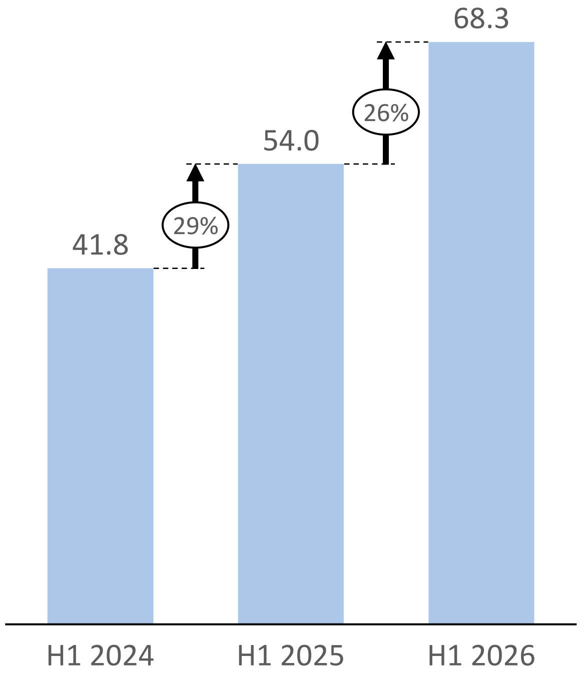
*Households represent an estimate based on active cloud users and assumed multi-device usage per household

H1 Financials

H1 2026 Financial Highlights

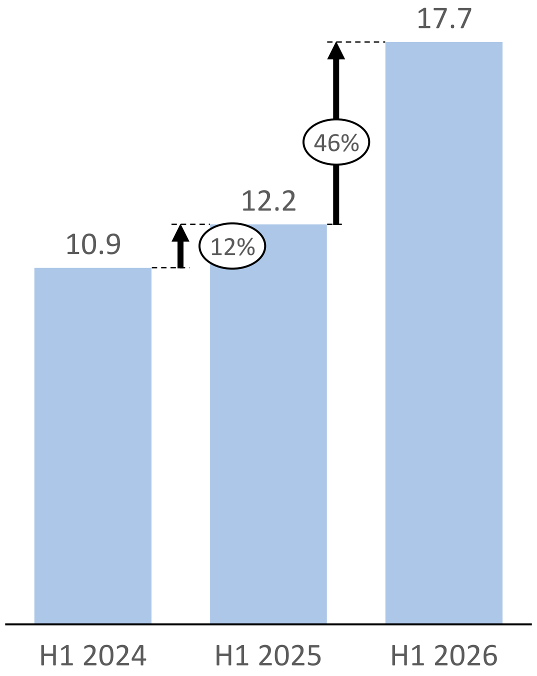
Strong H1 growth with sustained profitability and improving cash generation

REVENUE



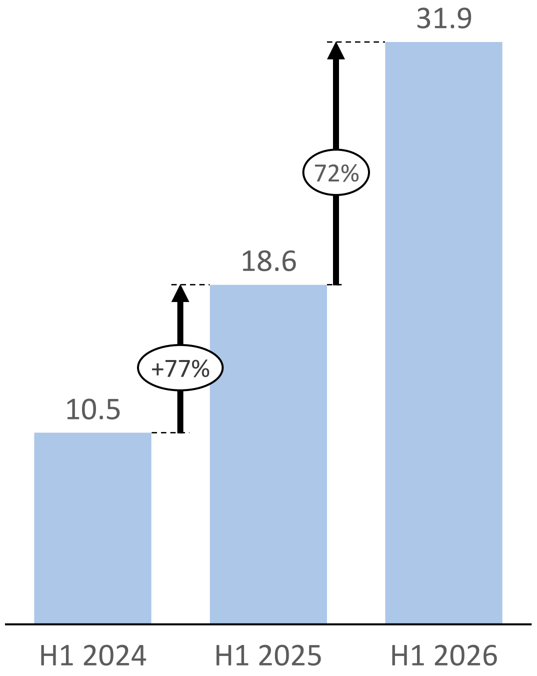
- **Strong H1 revenue momentum continued**, with revenue reaching €68.3m, **up +26.5% YoY**
- **H1 revenue grew at a ~28% two-year CAGR**, demonstrating sustained growth momentum

EBIT



- **H1 EBIT increased +46% YoY to €17.7m**, with EBIT margin remaining strong at **26.0%**
- **Strong gross margin** and operating leverage supported continued profitability expansion

CASH

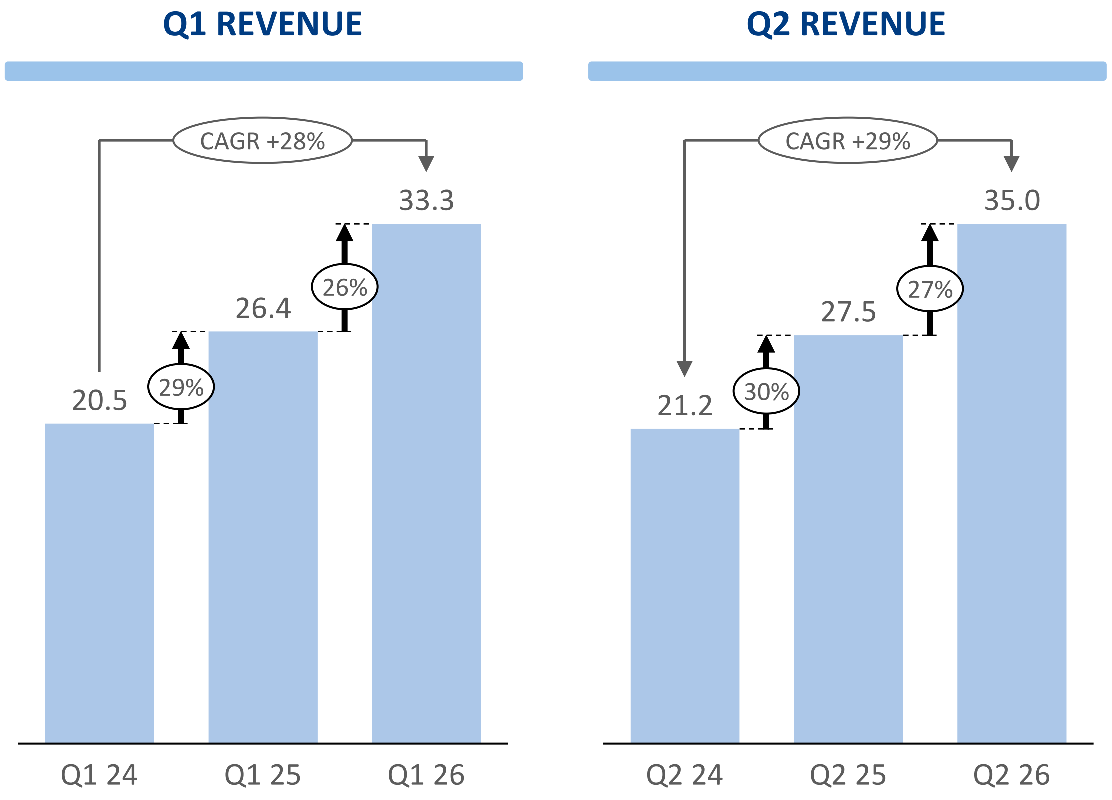


- **Cash increased to €31.9m, up +61.1% since March 2026**
- **Strong cash generation** supported by improved working capital efficiency

Note: All figures are in Million EUR

Revenue by Quarter (2024 – 2026)

Consistent revenue growth across consecutive quarters

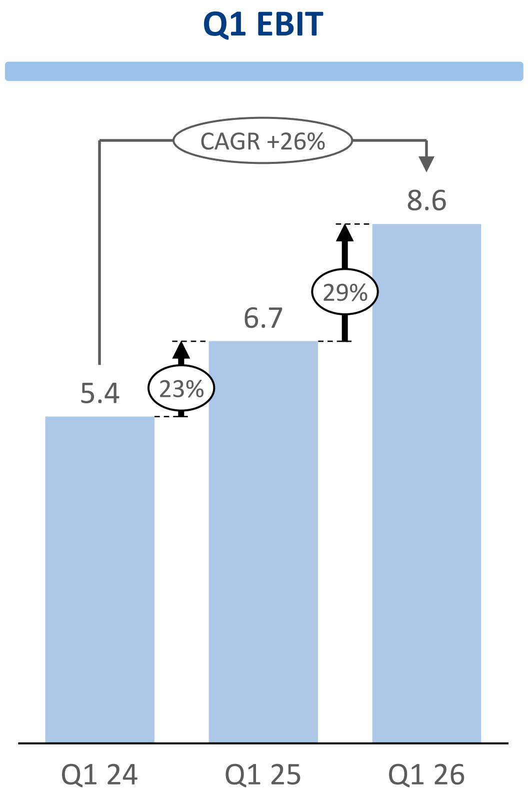


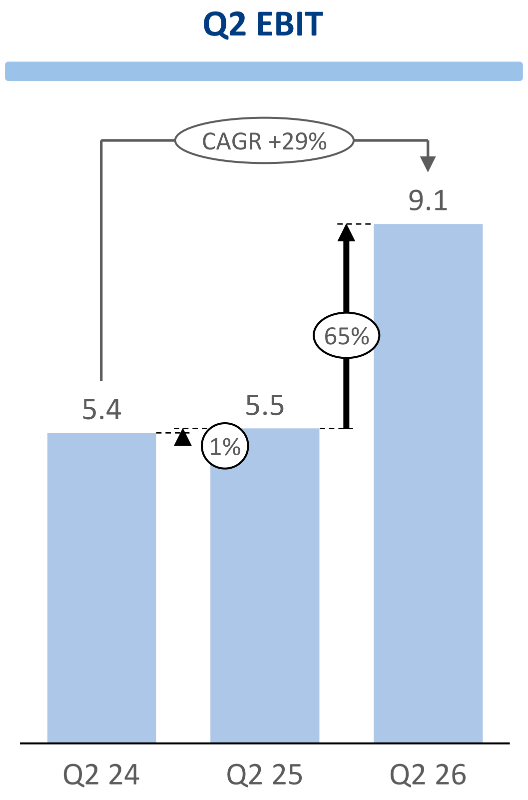
- **Revenue growth remained consistently above 25% YoY** across both Q1 and Q2
- **Strong momentum continued**, with two-year CAGR of **28–29%**
- Growth supported by expanding installed base and continued channel execution

Note: All figures are in Million EUR

EBIT by Quarter (2024 – 2026)

Profitability strengthened while maintaining disciplined growth investments



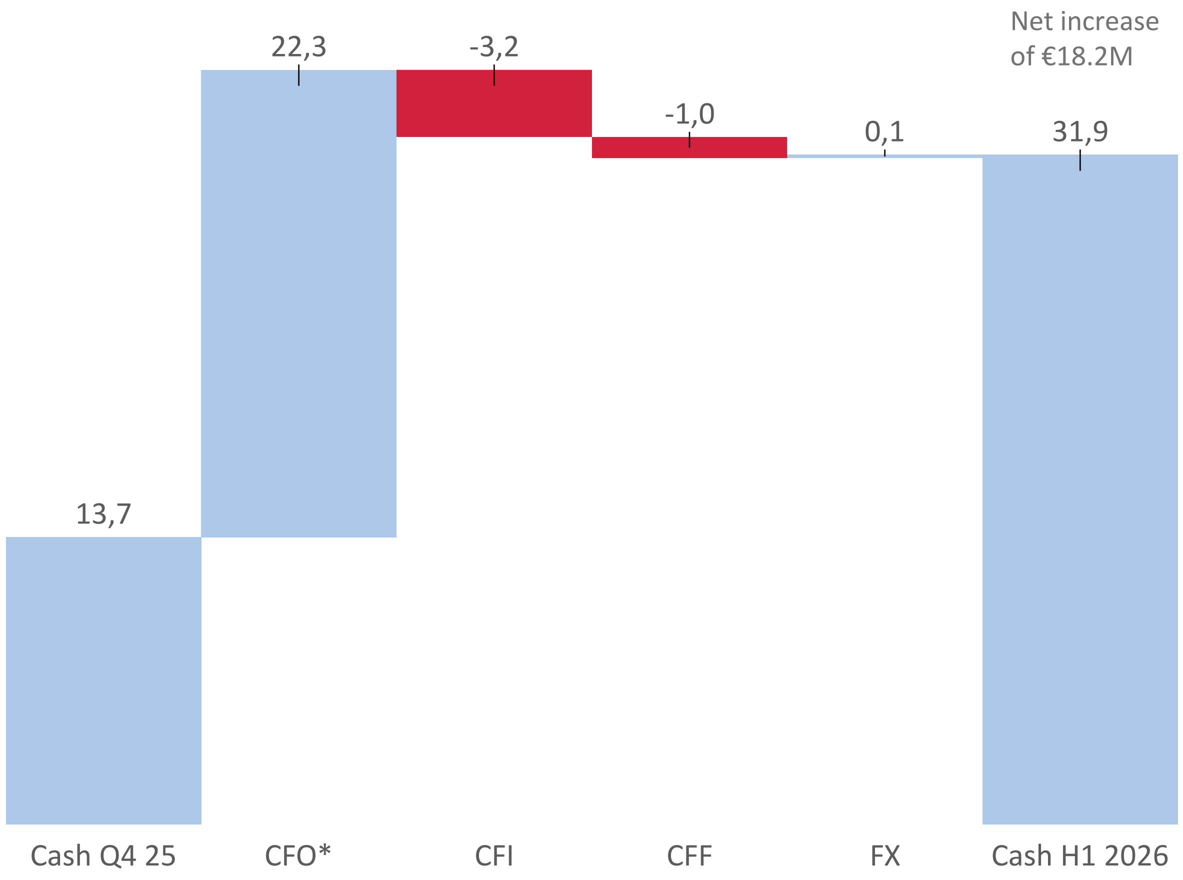


- **EBIT increased across both quarters**, with Q2 reaching **€9.1m (+65% YoY)**
- **Profitability remained resilient**, supported by strong gross margins and operating leverage
- Continued investment in growth while maintaining **healthy EBIT margins**
- **EBIT Margin in both quarters above the 25% mid term target** (Q1: 25.8%, Q2: 26.0%)

Note: All figures are in Million EUR

Strong Cash Generation in H1 2026

Operating cash flow drives €18.2M net increase in cash in H1 2026



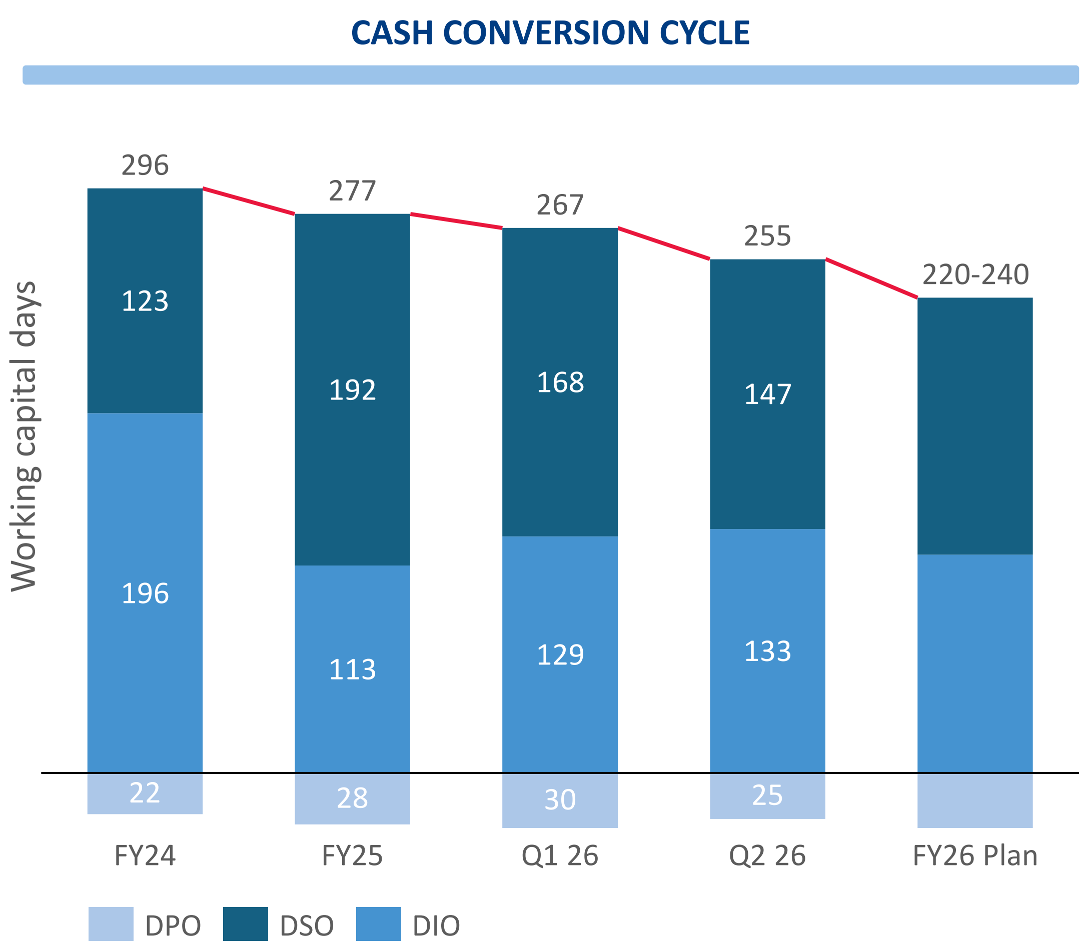
- Operations generated **€22.3M of cash**
- **Equipment acquisition for the new production facility in Bulgaria** (€0.5M, net of grant financing) and continued **investment in R&D** (€2.4M) drove investment cash outflows
- Financing outflows reflect **lease payments, overdraft repayment and loan repayment in China**
- **Insignificant FX impact**
- **Equity ratio of 81%** reflects **strong balance sheet position**

** **CFO** – Cash Flow from Operations, **CFI** – Cash Flow from Investing Activities, **CFF** – Cash Flow from Financing Activities, **FX** – Foreign Exchange*

Note: All figures are in Million EUR

Working capital improvement plan

Solid Q2 progress supports continued normalization of working capital metrics through FY26



- **DSO fell a further 21 days in Q2 to 147 days** — a cumulative 45-day improvement since December, with further normalization targeted through 2026 toward FY24 levels
- **Supplier advances remain ~38% below December levels,** though they picked up quarter-over-quarter in line with increased supplier orders
- DIO rose to 133 days in Q2, consistent with the planned inventory build ahead of H2 demand
- **DPO remained stable in throughout H1,** with additional supplier credit optimization planned going forward
- CCC continued **to trend down from 267 in Q1 to 255 in Q2;** further reduction remains a key 2026 priority

Strong Revenue Growth with Expanding Profitability

Strong gross margin expansion supports stable profitability despite higher investment

Period	H124	H125	YoY	H126	YoY
Revenue	**41.8**	**54.0**	**+29%**	**68.3**	**+26%**
Gross Profit Gross margin	**23.0** 55.1%	**30.1** 55.8%	**+31%**	**41.8** 61.2%	**+39%**
Sales & Marketing % of Revenue	**(4.0)** (9.6%)	**(6.2)** (11.4%)	**+53%**	**(9.2)** (13.5%)	**+50%**
G&A % of Revenue	**(8.1)** (19.5%)	**(9.8)** (18.2%)	**+21%**	**(14.9)** (21.9%)	**+52%**
EBIT* EBIT Margin	**10.9** 26.0%	**12.2** 22.6%	**+13%**	**17.7** 26.0%	**+46%**
Net Income Net Income Margin	**9.3** 22.2%	**10.2** 18.9%	**+10%**	**15.4** 22.6%	**+51%**

* Certain other operating income items are not presented separately in the table but are reflected in EBIT.

- **Revenue increased 26% YoY to €68.3m**, driven by continued demand across core markets
- **Gross profit increased 39% YoY**, with gross margin expanding to **61.2%**
- **Sales & Marketing increased 50% YoY**, reflecting intensified marketing activities and continued international expansion. Excluding the effect of revenue-related marketing spend, Sales & Marketing increased by 11% YoY.
- **G&A increased 52% YoY**, reflecting continued investment in organizational scaling and international expansion
- **EBIT increased 46% YoY to €17.7m**, with EBIT margin expanding to **26.0%**
- **Net income increased 51% YoY to €15.4m**, with net income margin improving to **22.6%**

Note: All figures are in Million EUR

Product Development

2026 Key Products Launch Pipeline

Sequential product launches, led by the new camera category, are expected to drive H2 revenue acceleration

✓ LAUNCHED H1 2026

✓ Launched
Plug M

✓ Launched
Pro Circuit Breaker

✓ Launched
Flood sensor

✓ Launched
Presence Sensor

✓ Launched
Loqed Pure

Q3 2026 LAUNCHES

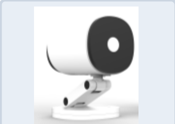
Q3 2026
Indoor Camera

Q4 2026 LAUNCHES

Q4 2026
Mini Circuit Breaker


Illustrative picture

Q4 2026
AI Outdoor Camera


Illustrative picture

Q4 2026
TRV Entry Series


Illustrative picture

Q4 2026
Loqed Entry Series


Illustrative picture

Commercial rollout of H1 launches, combined with the introduction of the new camera category, is expected to drive stronger revenue contribution in H2, particularly in Q4.

AI Accelerating Software Development

AI is transforming software development through higher automation and faster delivery

73%
AI-assisted code generation
↑ from 54% at the beginning of the year

40-50% faster
Reduction in time spent on
- feature descriptions
- documentation
- task definition
- process documentation

44% faster
Prototype to production-ready feature

78%
AI-assisted code reviews
↑ from 45% at the beginning of the year

38%
AI-powered prototyping
UI/UX designs fully generated with AI

26%
AI-powered test automation
Automated tests generated with AI

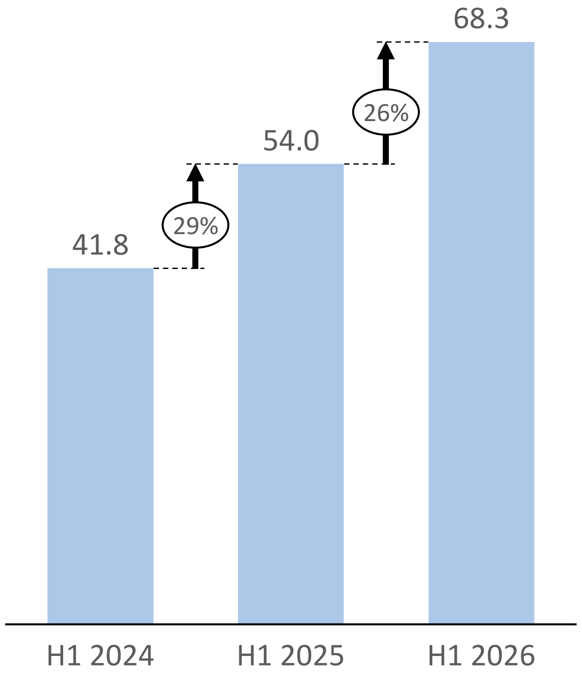
AI is now embedded across the software development lifecycle, enabling faster delivery, higher automation and improved engineering productivity.

Operations

H1 2026 Financial Highlights

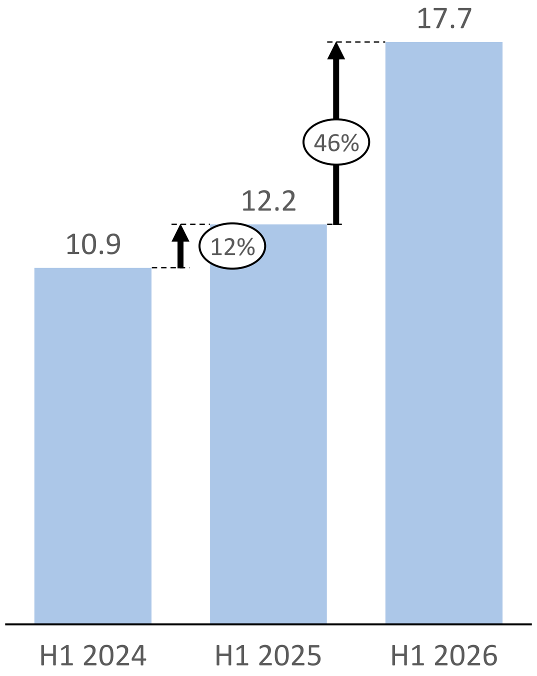
Strong H1 growth with sustained profitability and improving cash generation

REVENUE



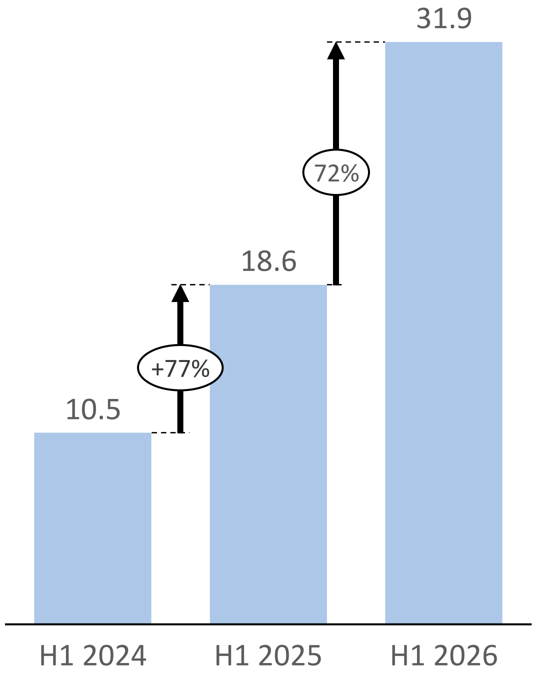
- **Strong H1 revenue momentum continued**, with revenue reaching €68.3m, **up +26.5% YoY**
- **H1 revenue grew at a ~28% two-year CAGR**, demonstrating sustained growth momentum

EBIT



- **H1 EBIT increased +46% YoY to €17.7m**, with EBIT margin remaining strong at **26.0%**
- **Strong gross margin** and operating leverage supported continued profitability expansion

CASH



- **Cash increased to €31.9m, up +61.1% since March 2026**
- **Strong cash generation** supported by improved working capital efficiency

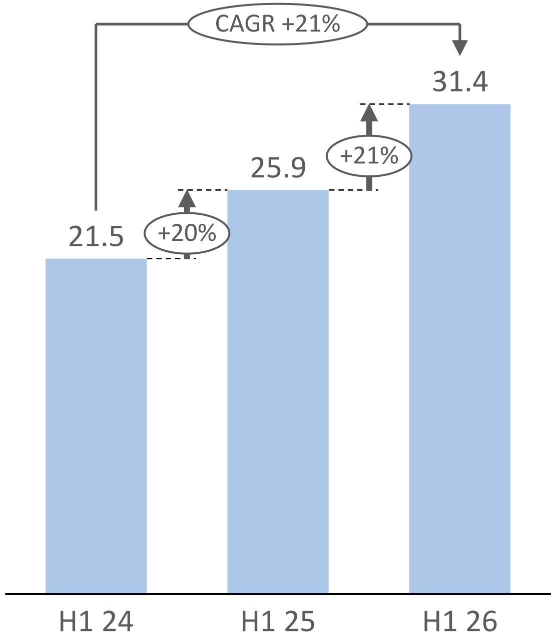
Note: All figures are in Million EUR

Regional Revenue Share and Growth

Regional revenue split and growth development in H1 2026

DACH

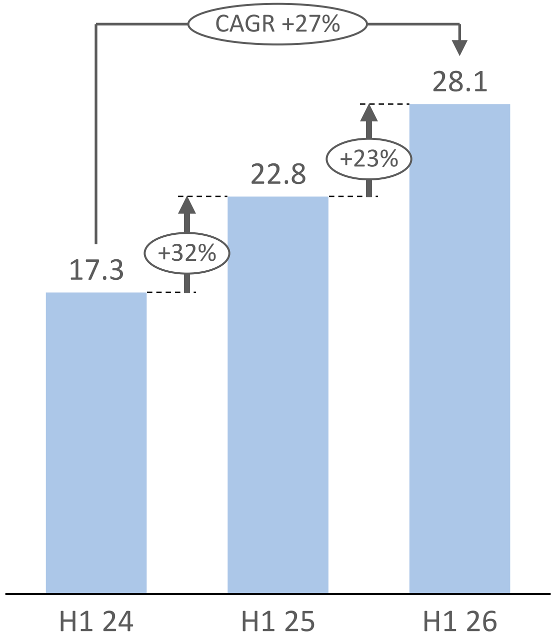
46% of revenue*



- **Strong growth continued in DACH (+21% YoY),** following +20% growth in H1 2025
- The region accounted for **46% of Group revenue**

Rest of Europe

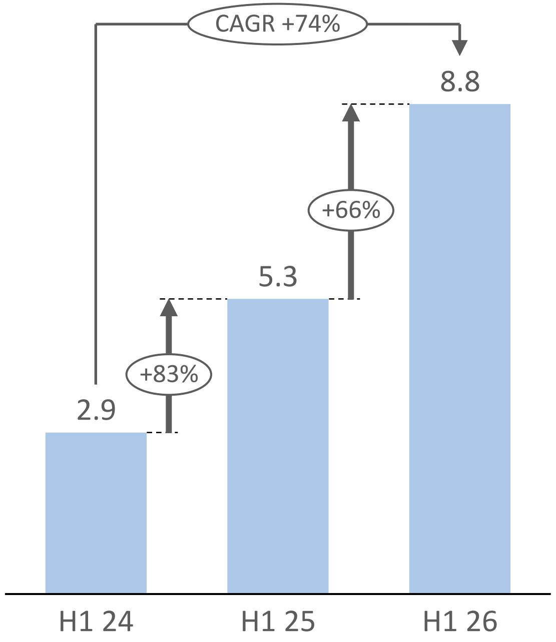
41% of revenue*



- **Rest of Europe maintained strong momentum (+23% YoY)**, following +32% growth in H1 2025
- The region accounted for **41% of Group revenue**

Rest of World

13% of revenue



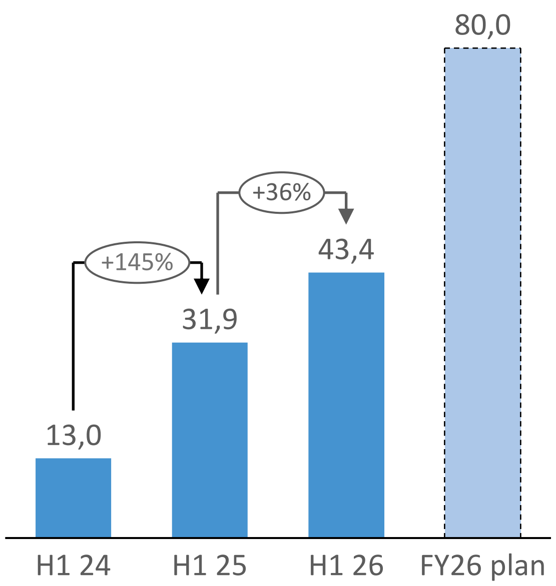
- Strong growth continued in Rest of World (+66% YoY), with revenue nearly tripling versus H1 2024

*Revenue has been reallocated to reflect the end market of cross-border sales.

Premium Service Adoption and Monetization Growth

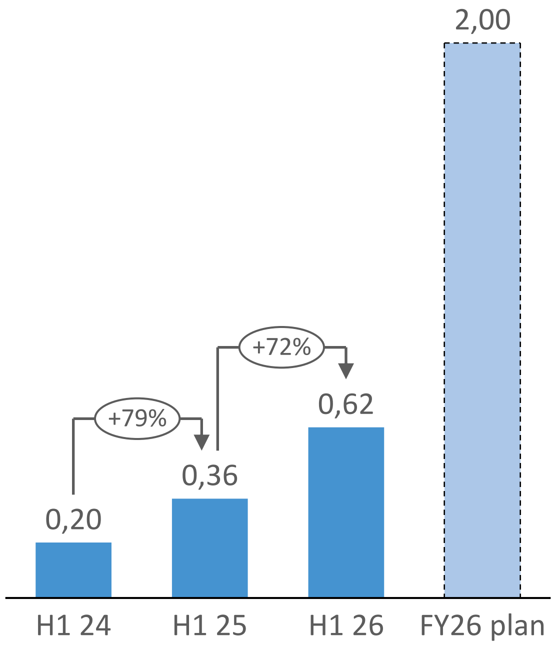
Growing premium penetration supports recurring revenue expansion

Number or Users



(in thousands)

Revenue



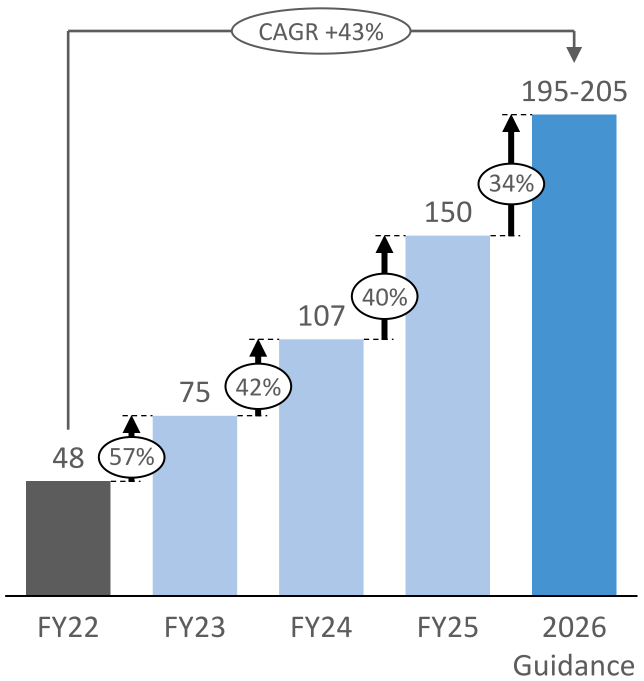
(in million EUR)

- **Premium user base continued to expand**, reaching **43k users (+36% YoY)** in H1 2026
- **Premium revenue increased +72% YoY to €0.62m**, with H1 performance impacted by deferred revenue recognition
- **Camera launch in August expected to accelerate premium adoption** and support user and revenue growth in H2 2026

2026 Guidance Recap

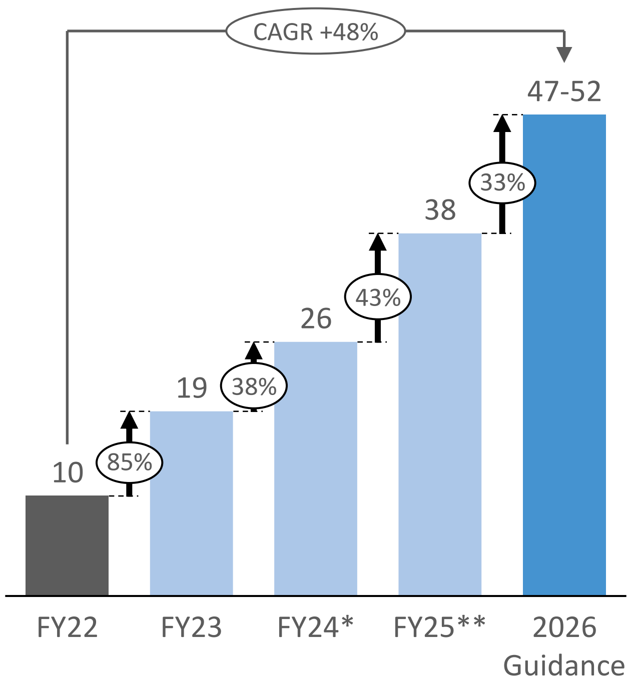
FY26 guidance aligned with the long-term guidance communicated in Q1 2023

REVENUE
(aligned with 2023 long-term guidance)



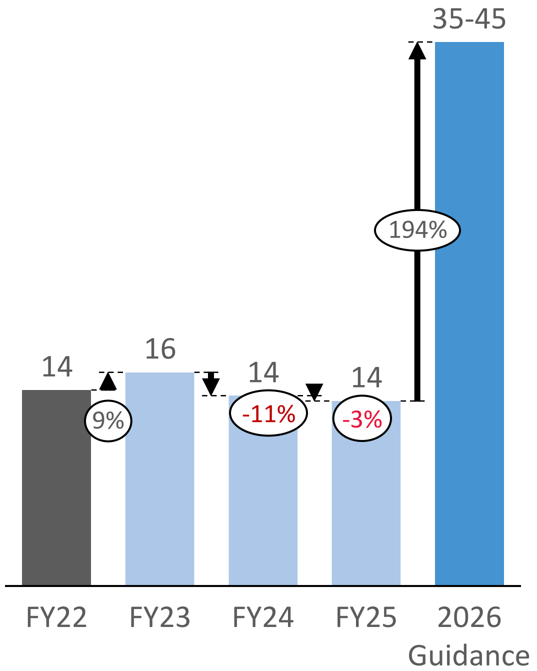
- **~43% CAGR** (FY22–FY26G) driven by market, product and country expansion

EBIT
(aligned with 2023 long-term guidance)



- **~49% CAGR** significantly outpacing revenue growth through operating leverage

EXPECTED FY26 CASH POSITION



- **Strong cash build-up** expected by FY2026 while continuing to invest in growth

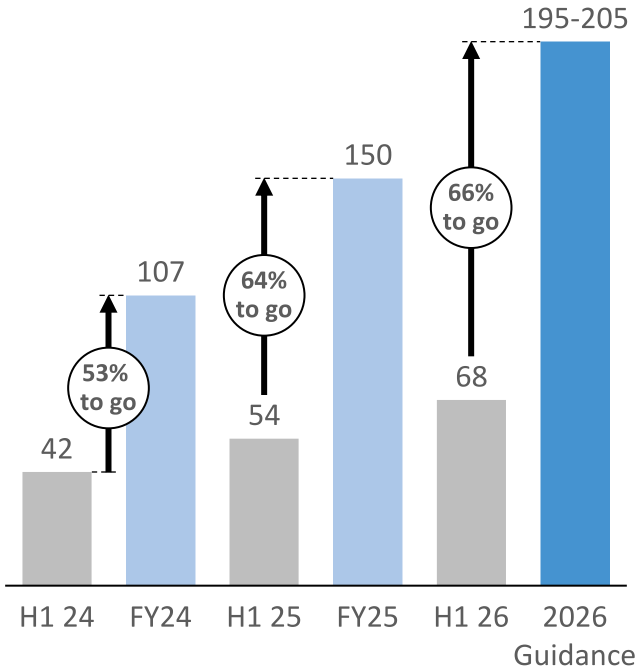
*FY24 EBIT shown is adjusted and includes €0.6m gain from sale of assets.
**FY25 EBIT shown is adjusted and excludes a €7.4m share-based remuneration accrual, which is cash neutral.

Note: All figures are in Million EUR

Progress Towards FY2026 Guidance

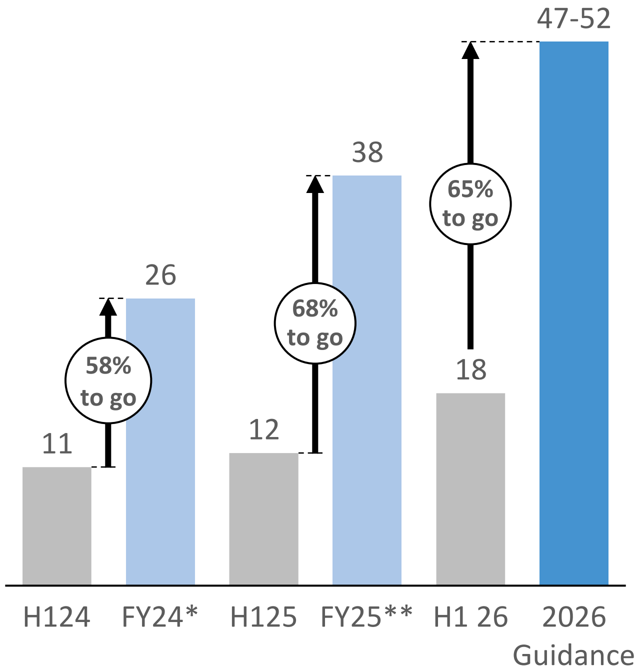
Progress vs. FY26 Guidance – remaining to achieve full-year target

REVENUE



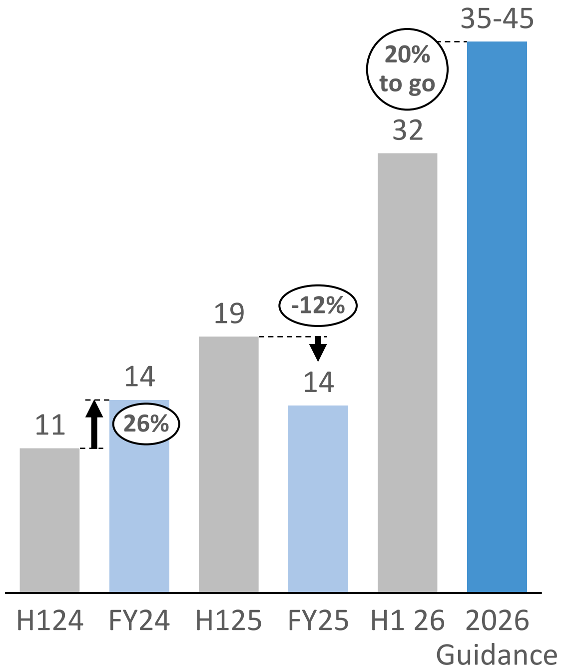
- Revenue growth has historically been **H2-weighted**, supported by DIY seasonality, **Black Friday** and **Christmas** sales.
- **Additional H2 growth drivers** expected from the product roadmap.

EBIT



- **H1 EBIT is closer to full-year guidance than in previous year**

EXPECTED FY26 CASH POSITION



- **Strong H1 cash generation leaves only 20% to reach the FY target**

*FY24 EBIT shown is adjusted and includes €0.6m gain from sale of assets.
**FY25 EBIT shown is adjusted and excludes a €7.4m share-based remuneration accrual, which is cash neutral.

Note: All figures are in Million EUR

Summary

H1 26 Execution

- **Revenue and EBIT H1 26 on target** despite temporary headwinds
- Strong improvement in **working capital efficiency**
- Strong momentum in the Pro channel, with **1,900+ installers onboarded in Q2** (vs. 1,400+ in Q1)
- **Key new distribution agreements signed**
- **Continued expansion in new markets**, with further growth potential

FY26 Outlook

- Guidance confirmed at **€195–205M revenue** and **€47–52M EBIT**
- **Continued focus on cash flow improvement**
- **Camera category** launch ahead; **Pro Circuit Breakers** entering mass production
- Geographic expansion and portfolio ramp-up to drive **H2-weighted growth**
- **AI embedded across the software development lifecycle**, accelerating delivery and increasing engineering productivity
- **Positive outlook for Rest of World**, particularly the US and Australia

Strong H1 2026 execution provides a solid foundation for accelerated H2 growth and delivery of FY26 guidance.

Q&A

Scan to download presentation

APPENDIX

Investor relations

- Jan 22 — Roadshow in Munich
- Feb 4 - 5 — Montega HIT Hamburg
- Feb 24 — 2025 Trading Update Guidance 2026
- Feb 26 — Roadshow in Milan
- Feb 27 — Roadshow in Frankfurt
- Apr 29 — Investors Day Sofia
- May 5-6 — Roadshow in Nordics
- May 12 — Q1 26 Trading Update
- May 19 — Roadshow in Paris

Investor relations

Date	Event
May 20	Roadshow in London
June 16-18	Planet Microcap Conference in Las Vegas
June 19-23	Roadshow in US
June 26	General Meeting of the Shareholders Update on Strategy
Aug 13	H1 26 Trading Update
Sep 24	Baader Investment Conference Munich
Nov 11	Q3 26 Trading Update
Nov 23-25	German Equity Forum Frankfurt
Dec 1	Berenberg European Conference London

Definitions

Term	Definition
EBIT	Earnings before interest and taxes (EBIT) is an indicator of a company's profitability. EBIT can be calculated as revenue minus expenses excluding tax and interest.
EBITDA	EBITDA, or earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance and is used as an alternative to net income in some circumstances.
FCF	Free Cash Flow (FCF) represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets.
IoT	Objects with computing devices in them that are able to connect to each other and exchange data using the Internet.
YOY	Year over Year (YOY) sometimes referred to as Year on Year. It is a frequently used financial comparison for looking at two or more measurable events on an annualized basis.
PY	The previous Financial Year
Organic Growth	Organic growth is the growth a company achieves by increasing output and enhancing sales internally.

Term	Definition
Inorganic Growth	Inorganic growth arises from mergers or takeovers rather than an increase in the company's own business activity.
CAGR	The compound annual growth rate (CAGR) is the rate of return (RoR) that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's lifespan.
Quarterly	A fiscal quarter is a three-month period in which a company reports its financial results.
Opex	An operating expense is an expense a business incurs through its normal business operations.
Capex	Capital expenditures (CapEx) are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.
ROCE	Return on capital employed (ROCE) is a long-term profitability ratio that measures how effectively a company uses its capital.
EBITDA Margin	The EBITDA margin is a measure of a company's operating profit as a percentage of its revenue.

Appendix – Notice to reporting

The following presentation, including any printed or electronic copy of these slides, the talks given by the presenters, the information communicated during any delivery of the presentation and any question and answer session and any document or material distributed at or in connection with the presentation (together, the “Presentation”), has been prepared by Shelly Group AD (the “Company”), is not an offer to sell any securities or an invitation to purchase securities or the solicitation of an offer to buy securities. This Presentation is not an advertisement and not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, as amended.

The Presentation is provided for general information only and does not purport to contain all the information that may be required to evaluate the Company. The information in the Presentation is subject to updating, completion, revision and verification.

No reliance may be placed for any purpose whatsoever on the information or opinions contained or expressed in the Presentation or on the accuracy, completeness or fairness of such information and opinions. To the extent permit ed by law and regulation, no undertaking, representation or warranty or other assurance, express or implied, is made or given by or on behalf of the Company, or any of its parent or subsidiary undertakings or the subsidiary undertakings of any such parent undertakings or any of its respective directors, officers, partners, employees, agents, affiliates, representatives or advisers, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Presentation.

None of the Company, its affiliates and advisers, agents and/or any other party undertakes or is under any duty to update the Presentation or to correct any inaccuracies in any such information which may become apparent or to provide you with any additional information. Save in the ca se of fraud, no responsibility or liability is accepted by any such person for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred, however, arising, directly or indirectly, from any use of, because of the reliance on, or otherwise in connection with, the Presentation. In addition, no duty of care or otherwise is owed by any such person to recipients of the Presentation or any other person in relation to the Presentation.

The Presentation includes statements that are, or may be deemed to be, forward looking statements. These statements are based on the current views, expectations and assumptions of the management of the Company and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations and competition from other companies, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, affecting the Company and other factors. The Company does not assume any obligations to update any forward-looking statements.

The presentation includes statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's business and markets. Unless otherwise indicated, such information is based on analysis by the Company of multiple sources, including certain studies commissioned from third parties (the “Market Repots”). The Market Repots may include and be based on, amongst other things, information obtained from primary interviews and field visits conducted by third parties with industry experts and participants, third parties’ secondary market research and intern al financial and operational information supplied by, or on behalf of, the Company, as well as information obtained from (i) data providers; (ii) industry association s and country organizations; and (iii) publicly available information from other sources, such as information publicly released by the Company’s competitors. To the extent available, the industry, market and competitive position data contained in the Presentation has come from official or third-party sources. Third party industry publications, studies and surveys generally state that the data contained in them have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source , the Company has not independently verified the data contained therein. In addition, certain of the industry, market and competitive position data contained in the Presentation come from the Company’s own internal research and estimates based on the knowledge and experience of the Company’s management in the markets in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry, market or competitive position data contained in the Presentation. All projections, valuations and statistical analyses are provided to assist the recipient in the evaluation of the matters described in the Presentation. They may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results and, to the extent that they are based on historical information, they should no t b e relied upon as an accurate prediction of future performance.

The distribution of this Presentation in certain jurisdictions is restricted by law. Therefore, it must not be distributed, published or reproduced (in whole or in pat) or disclosed by its recipients to any other person for any purpose, other than with the consent of the Company. All trademarks remain the property of their respective owners. By accepting receipt of, a ending any delivery of, or electronically accessing, the Presentation, you agree to be bound by the above limitations and conditions and, in particular, you represent, warrant and undertake to the Company that: (i) you will not forward the Presentation to an y other person or reproduce or publish this document, in whole or in part, for any purpose; and (ii) you have read and agree to comply with the contents of this notice.

Investor relations

Denitsa Georgieva
Investor Relations Officer
investors@shelly.com

THANK YOU!

shelly.com