Shelly Group SE

Trading Update H1 2026 - Q&A Session (Open Questions)

#	Question	Answer
1	**Which countries in the Rest of World segment are driving growth?**	We have already highlighted during the call the U.S. and Australia as key growth drivers. Beyond that, we do not disclose revenue contributions at individual country level.
2	**You said that Rest of World revenues should be similar to DACH over the next two years. Is that correct?**	As mentioned during the call, over the next two years we expect our business to become more balanced geographically, with three major regions each contributing approximately one third of Group revenue.
3	**What are the capital costs for the factory in Plovdiv? Has all equipment CapEx already been spent?**	The machinery and equipment for the factory in Plovdiv amounting to € 909 thousand was fully acquired and reflected in the reported Property, plant and equipment as at 30 June 2026. Additional € 150 thousand of fittings & leasehold improvements was booked as Assets under construction. We do not anticipate any additional material CapEx related to the factory in Plovdiv.
4	**Can you speak about the QoQ development of cloud users, which remained at 2.9 million, the same as in Q1?**	As explained during the earnings call, cloud account growth has not stagnated. We report the figure rounded to the nearest 100,000 accounts, and the apparent lack of movement is purely a rounding effect. The underlying number of cloud accounts continued to grow during the quarter.
5	**Are the cameras sold with premium cloud solutions?**	Our cameras include a three-month free trial of our premium cloud service. After the trial period, customers can choose whether to continue using the cloud subscription. Alternatively, they can use local storage via an SD card without a subscription. In that case, certain cloud-based features and functionalities will no longer be available. More details on the available cloud services, pricing, and premium features will be shared alongside the official camera launch.
6	**How is the regional expansion progressing?**	As mentioned during the earnings call, we currently have no concrete plans to establish additional local country organizations during H2 2026 or H1 2027. We are evaluating potential future markets, but no decisions or implementation plans have been made at this stage.

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7	**Can you explain who your top two competitors are in the DACH region across your top three product categories?**	There is limited reliable market data available on competitor revenues and market shares by product category. Broadly speaking, our closest competitors in the DACH region include Homematic, Bosch, and established building automation providers such as Gira, Busch-Jaeger and other comparable players. We do not disclose revenue or market share by product category.
8	**Will you hold another Capital Markets Day (CMD)?**	We are evaluating the possibility of hosting another Capital Markets Day. No decision has been made yet, but if we proceed, it would most likely take place during the first half of 2027.
9	**As Shelly continues to generate strong cash flows, how do you prioritize capital allocation between acquisitions, product development and potential shareholder returns?**	At present, we have no specific capital allocation decisions to announce. Our current priority is to maintain a strong balance sheet and preserve financial flexibility. Over time, our preference would generally be to invest in future growth, whether organically through additional product categories and innovation, or inorganically through acquisitions. Any such investments would need to support and accelerate our profitable growth strategy.
10	**How is demand developing in the U.S. market, and when do you expect it to become a significant contributor to Group revenue?**	As discussed during the earnings call, demand in the U.S. continues to develop very positively and is growing significantly faster than the Group average. Based on current trends, we expect the U.S. market to become a meaningful contributor to Group revenue from 2028 onwards.
11	**Who are your five largest customers as a share of revenue, and did that concentration change in the half?**	We do not disclose revenue contributions of individual customers or customer concentration metrics.
12	**The installer network increased from 5,300 to 6,700 members. What does an active installer purchase annually compared with a retail customer?**	The installer network grew from approximately 5,300 members at the end of 2025 to approximately 8,600 members at the end of Q2 2026, an increase of more than 60%. Since we do not sell directly to installers, but rather through distribution and retail channels, we do not have reliable data on the annual purchasing volume of individual installers.
13	**Advances to suppliers fell from EUR 12.8 million to EUR 8.3 million. Are you benefiting from better payment terms or ordering less in advance?**	The reduction primarily reflects improved payment terms with suppliers. We also continue to identify opportunities to further optimize working capital and supplier payment structures. At the same time, we continue to see opportunities to further optimize working capital and supplier payment structures going forward.

**Certain answers contain forward-looking statements based on current expectations.*