

# Shelly Group SE

Telecom Equipt. / Bulgaria

## An attractive Smart IOT high growth story

10/07/2025

### Change in Opinion

Add vs Reduce

### Change in Target Price

€ 60.0 vs 47.2 **+27.2%**

We have added Tuya Inc to the peer group, a Chinese company also operating in the IOT space and with a market cap similar to that of Shelly. This addition has provided a boost to our PE and EV/EBITDA based valuations, more than offsetting the P/B and yield.

### Change in NAV

€ 62.4 vs 52.2 **+19.6%**

We have updated our NAV to account for the recent appreciation of Shelly's peer group whose valuations are used to derive the multiple applied to Shelly. We have also added Tuya Inc as a new peer, leading to an increase in the EV/Sales multiple from 6x to 7.2x.

# Baader Europe

<b>Add</b>	<b>Upside : 22.8%</b>
Target Price (6 months)	€ 60.0
Share Price	€ 48.9
Market Cap. €M	885
Price Momentum	<b>STRONG</b>
Extremes 12 Months	31.9 ▶ 50.8
Fundamental Strength	8 / 10
Bloomberg	SLYG BU Equity
Reuters	SLYG.BB


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PERF	1w	1m	3m	12m
Shelly Group SE	2.95%	-1.81%	49.1%	35.5%
IT Hardware	-1.96%	-4.31%	14.9%	15.0%
SXXR Index	1.65%	-0.47%	18.7%	10.4%

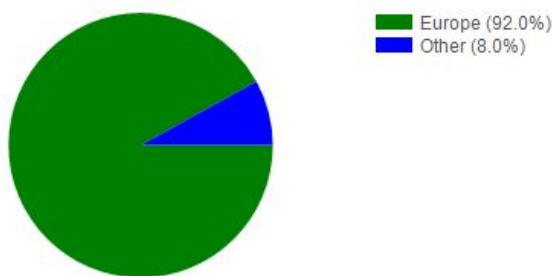
Sector Opinion	<b>Overweight</b>
Strongest upside	Nokia
Worst potential	Logitech International

[Complete Sector Analysis](#)

Last updated: 10/07/2025	12/24A	12/25E	12/26E	12/27E
Adjusted P/E (x)	26.7	28.8	20.5	14.7
Dividend yield (%)	0.74	0.51	0.51	0.51
EV/EBITDA(R) (x)	23.6	23.6	16.4	11.4
Adjusted EPS (BGN)	2.50	3.32	4.67	6.51
Growth in EPS (%)	32.4	33.1	40.6	39.4
Dividend (€)	0.25	0.25	0.25	0.25
Sales (BGNM)	209	290	395	517
EBIT margin (%)	22.8	24.2	25.1	26.6
Attributable net profit (BGN...)	43.9	60.1	84.6	118
ROE (after tax) (%)	33.7	34.1	34.2	34.0
Gearing (%)	-14.5	-11.1	-15.6	-22.1

[Company Valuation](#) - [Company Financials](#)

## Sales by Geography



## Consolidated P&amp;L Accounts

		12/24A	12/25E	12/26E
Sales	BGNM	209	290	395
Change in sales	%	42.4	39.0	36.0
Change in staff costs	%	26.5	26.1	23.8
EBITDA	BGNM	49.9	71.6	101
<b>EBITDA(R) margin</b>	<b>%</b>	<b>23.9</b>	<b>24.7</b>	<b>25.6</b>
Depreciation	BGNM	-1.16	-1.50	-1.96
Underlying operating profit	BGNM	47.7	70.1	99.0
<b>Operating profit (EBIT)</b>	<b>BGNM</b>	<b>50.3</b>	<b>70.1</b>	<b>99.0</b>
Net financial expense	BGNM	-0.12	-0.53	-1.21
of which related to pensions	BGNM		-0.01	-0.02
Exceptional items & other	BGNM	0.00	0.00	0.00
Corporate tax	BGNM	-6.26	-9.39	-13.2
Equity associates	BGNM	-0.03	0.00	0.00
Minority interests	BGNM	0.00	0.00	0.00
<b>Adjusted attributable net profit</b>	<b>BGNM</b>	<b>45.1</b>	<b>60.1</b>	<b>84.6</b>
NOPAT	BGNM	36.2	52.6	74.3

## Cashflow Statement

		12/24A	12/25E	12/26E
EBITDA	BGNM	49.9	71.6	101
Change in WCR	BGNM	-35.7	-26.8	-19.7
Actual div. received from equity holdi...	BGNM	0.00	0.00	0.00
Paid taxes	BGNM	-5.31	-9.39	-13.2
Exceptional items	BGNM			
Other operating cash flows	BGNM	-3.41	-3.41	-3.41
Total operating cash flows	BGNM	5.43	32.0	64.6
Capital expenditure	BGNM	-7.79	-11.6	-16.6
Total investment flows	BGNM	-3.73	-11.6	-28.6
Net interest expense	BGNM	-0.12	-0.53	-1.21
Dividends (parent company)	BGNM	-4.59	-4.53	-4.53
Dividends to minorities interests	BGNM	0.00	0.00	0.00
New shareholders' equity	BGNM	0.06	0.00	0.00
Total financial flows	BGNM	-5.24	-5.04	9.99
Change in cash position	BGNM	-3.43	15.3	46.0
<b>Free cash flow (pre div.)</b>	<b>BGNM</b>	<b>-2.48</b>	<b>19.8</b>	<b>46.8</b>

## Per Share Data

		12/24A	12/25E	12/26E
No. of shares net of treas. stock (year...	Mio	18.1	18.1	18.1
Number of diluted shares (average)	Mio	18.1	18.1	18.1
<b>Benchmark EPS</b>	<b>BGN</b>	<b>2.50</b>	<b>3.32</b>	<b>4.67</b>
Restated NAV per share	BGN			
<b>Net dividend per share</b>	<b>€</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>

## Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 54.2	35%	● Legrand
NAV/SOTP per share	€ 62.4	20%	
EV/Ebitda	€ 97.8	20%	
P/E	€ 66.9	10%	
Dividend Yield	€ 11.3	10%	
P/Book	€ 24.5	5%	
TARGET PRICE	€ 60.0	100%	

## NAV/SOTP Calculation

## Balance Sheet

		12/24A	12/25E	12/26E
Goodwill	BGNM	3.64	3.64	19.6
Total intangible	BGNM	17.0	21.0	46.5
Tangible fixed assets	BGNM	2.20	8.26	20.6
Financial fixed assets	BGNM	0.00	0.00	0.00
WCR	BGNM	103	130	150
Other assets	BGNM	0.42	1.99	2.16
Total assets (net of short term liab.)	BGNM	134	172	230
<b>Ordinary shareholders' equity</b>	<b>BGNM</b>	<b>150</b>	<b>203</b>	<b>291</b>
Quasi Equity & Preferred	BGNM			
Minority interests	BGNM	-0.53	-0.50	-0.50
Provisions for pensions	BGNM	0.33	0.29	0.33
Other provisions for risks and liabilities	BGNM			
Total provisions for risks and liabilities	BGNM	0.33	0.29	0.33
Tax liabilities	BGNM	-0.97	-0.98	-0.99
Other liabilities	BGNM	0.00	0.00	0.00
<b>Net debt (cash)</b>	<b>BGNM</b>	<b>-14.8</b>	<b>-30.2</b>	<b>-60.5</b>
Total liab. and shareholders' equity	BGNM	134	172	230

## Capital Employed

		12/24A	12/25E	12/26E
Capital employed after depreciation	BGNM	122	159	217

## Profits &amp; Risks Ratios

		12/24A	12/25E	12/26E
<b>ROE (after tax)</b>	<b>%</b>	<b>33.7</b>	<b>34.1</b>	<b>34.2</b>
ROCE	%	29.6	33.0	34.3
<b>Gearing (at book value)</b>	<b>%</b>	<b>-14.5</b>	<b>-11.1</b>	<b>-15.6</b>
Adj. Net debt/EBITDA(R)	x	-0.29	-0.42	-0.60
Interest cover (x)	x	401	137	82.8

## Valuation Ratios

		12/24A	12/25E	12/26E
<b>Reference P/E (benchmark)</b>	<b>x</b>	<b>26.7</b>	<b>28.8</b>	<b>20.5</b>
Free cash flow yield	%	-0.21	1.15	2.70
P/Book	x	8.05	8.51	5.94
<b>Dividend yield</b>	<b>%</b>	<b>0.74</b>	<b>0.51</b>	<b>0.51</b>

## EV Calculation

		12/24A	12/25E	12/26E
Market cap	BGNM	1,204	1,731	1,731
+ Provisions	BGNM	0.33	0.29	0.33
+ Unrecognised actuarial losses/(gains)	BGNM	0.00	0.00	0.00
+ Net debt at year end	BGNM	-25.5	-40.9	-71.2
+ Leases debt equivalent	BGNM	0.00	0.00	0.00
- Financial fixed assets (fair value)	BGNM			
+ Minority interests (fair value)	BGNM	-0.53	-0.50	-0.50
= EV	BGNM	1,178	1,690	1,660
<b>EV/EBITDA(R)</b>	<b>x</b>	<b>23.6</b>	<b>23.6</b>	<b>16.4</b>
EV/Sales	x	5.65	5.83	4.21

Analyst : Alexandre Desprez, Changes to Forecasts : 10/07/2025.

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