



Earnings Release FY 2021

Shaker maintains profitability for second consecutive year in FY21

Successful growth strategy delivers sustained revenue increase

- Brand and product portfolio expansion combined with enhanced distribution channels drive sales growth in 2021
- Revenue growth to SAR 1.1 billion up 16.5% from SAR 933 million in 2020
- Net profit of SAR 28 million in FY21 up from SAR 8 million in FY20
- Earnings per share significant increase to SAR 0.44 from SAR 0.12 in FY20

Riyadh, Saudi Arabia, 16 March 2022: Al Hassan Ghazi Ibrahim Shaker Co. ("Shaker", the "Group" or the "Company"), Saudi Arabia's leading importer, manufacturer and distributor of Air Conditioners and Home Appliances, has announced today its financial year 2021 (FY21) results.

During the 12-month period ended 31 December 2021, the Group achieved full-year revenue of SAR 1.1 billion, growing by 16.5% as compared to 2020. Gross profit for the full year was SAR 235.5 million an increase of 20.4% year-on-year. Shaker's 12-month net profit reached SAR 28 million, an increase of 248.4% from the previous year.

Mohammed Ibrahim Abunayyan, Chief Executive Officer at Shaker, said:

"We delivered a solid financial performance in 2021 as evidenced by the significant and sustained increase in revenues and profitability in every quarter of the year, despite the continued impacts of COVID-19.

This strong result was driven by the clear strategy for future growth launched during the year to grow our market share across various consumer electronics and home appliances segments and cement our position as the Kingdom's AC market leader.

During the year, we remained agile in our approach to expand both our product and brand portfolios to cater to more diverse business segments and a broader customer base and as a result, we saw dynamic sales and market share growth across our main product lines.

We continued to foster new commercial partnerships and successfully established major international alliances to further expand our home appliances offering in the Kingdom.

We also continued to invest in our infrastructure and technology updates with the introduction of the new AI and robotics capacity and technology upgrades at our Shaker-LG air-conditioner joint manufacturing facility in Riyadh to further improve manufacturing processes and capacity.

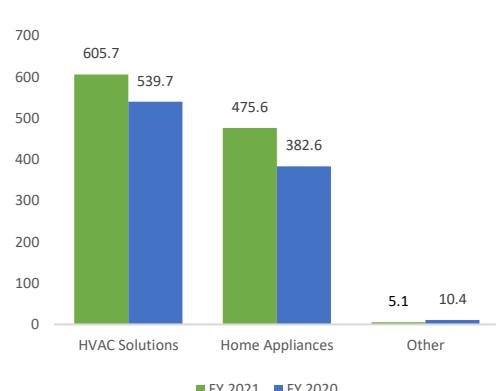
The proposed capital restructuring we announced in 2021, when approved, is expected to provide Shaker with an optimized financial framework to benefit from new opportunities, by raising further capital from existing shareholders thus strengthening their alignment with our strategic objectives and support for the company's future."

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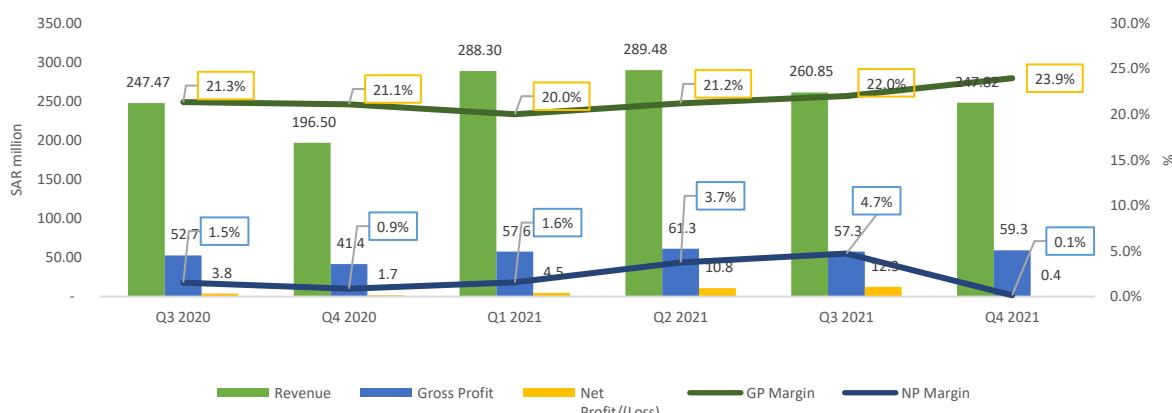
FY21 Financial Highlights

- Total revenue of SAR 1.1 billion up by 16.5% from 2020
- Gross profit of SAR 236 million an increase of 20.4% year-on-year
- Operating profit of SAR 37 million up by 208.1% from SAR 12 million in the previous year
- Net profit of SAR 28 million a significant increase of 248.4% from SAR 8 million in 2020

FY21 Segmental Revenues (SAR m)



FY21 Income Statement Highlights (SAR m)



FY21 Operational Highlights

- Successful execution on product and brand diversification strategy and optimization of supply chain efficiencies
- Enhancement of existing manufacturing capabilities through seamless integration of robotics and AI technology at LG-Shaker factory in Riyadh
- Upgrades of technology framework and security infrastructure
- Significant B2B and ESCO sales growth; Shaker awarded projects including F1 VIP suites and PIF's Roshn residential project

Outlook and strategy

Shaker's growth strategy is underpinned by three key pillars including growth of market share and product mix and the enhancement of both the organizational and operational efficiencies. The successful implementation of this strategy positions the Group well to deliver sustainable profitability and growth of its revenue and market share across existing segments while further exploring opportunities to expand into new segments to meet growing market and customer demand.

The Group will continue to explore new acquisitions that complement the existing revenue streams and further diversify its product and brand mix which supports its goal of becoming the preferred choice for partners and customers in the Saudi consumer electronics and home appliances sector.



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In the AC segment, Shaker sees significant growth opportunities stemming from the Saudi economic recovery, the execution of mega projects in line with Vision 2030 and real estate initiatives which will help grow its market share and cement its position as the Saudi AC market leader. Mega projects, including Neom, Amaala and Red Sea Development, remain a steady and important source of opportunities for Shaker's AC business in tandem with energy efficiency programs by the government, including Saudi Energy Efficiency Center's ("SEEC") high-efficiency AC initiative, and Tarsheed, the Saudi government's National Energy Services Company.

These strategic objectives will be supplemented by the ongoing initiatives to enhance digitalization and increase efficiencies across the value chain particularly in the distribution and e-commerce channels.

Shaker, a Saudi Exchange (Saudi Exchange) listed company (symbol: SHAKER), is a leader in the Saudi market as an importer and distributor for international electrical brands and a local manufacturer of LG Air Conditioners. The Company's portfolio brands include LG Air Conditioners, as well as Indesit, Ariston, Maytag, Midea, Bompani and Panasonic. The Company took an important strategic step towards diversifying operations and revenue streams by establishing ESCO, as a business unit of Shaker.

Ends.

About Shaker

Shaker was founded in 1950 and was amongst the first in Saudi Arabia to introduce Air Conditioning & Home Appliances for Saudi consumers. Shaker is the importer and distributor of several leading international brands including Maytag, Ariston, Indesit, Midea, Bompani and Panasonic in Saudi Arabia, and the sole distributor of LG Air Conditioners in Saudi Arabia. ESCO, as a business unit of Shaker, provides Energy Solutions. Shaker has been a publicly listed company on the Saudi Exchange (Saudi Exchange) since 2010. Throughout the years, Shaker has positioned its name within the top Saudi companies, providing a range of integrated solutions in terms of Air Conditioners and Home Appliances in the Saudi market and the region. For more information, visit: <http://www.shaker.com.sa/>

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