



Al Hassan Ghazi Ibrahim Shaker Co. reports a significant 72.3% year-on-year increase in net profit reaching SAR 26.4 million in H1 2022

- Total revenue of SAR 635.9 million, up by 10.1% compared to H1 2021
- Gross profit of SAR 143.2 million, an increase of 20.4% year-on-year (y-o-y)
- Net profit 72.3% higher at SAR 26.4 million y-o-y
- Operating profit 77.4% higher by SAR 12.4 million y-o-y
- Successfully completed capital restructuring to eliminate accumulated losses

Riyadh, Saudi Arabia, 14 August 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 announced its financial results for the first half of 2022.

Revenues for the first half of 2022 increased by 10.1% reaching SAR 635.9 million from SAR 577.8 million in H1 2021, driven by growth in the HVAC solutions and Home Appliances segments of 13.4% and 6.8% respectively.

Shaker’s net profit in H1 2022 rose to SAR 26.4 million from SAR 15.3 million in H1 2021, a growth of 72.3%. Gross profit increased by 20.4% reaching SAR 143.2 million in H1 2022 from SAR 119.0 million in H1 2021.

Following the regulatory and subsequent shareholder approval received at the Extraordinary General Meeting (EGM) held on 15 May 2022, the company has reduced its share capital from SAR 630 million to SAR 482.3 million (or 23.4% of the capital) via cancellation of 14.8 million ordinary shares. This led to the elimination of the company’s accumulated losses and therefore improving Shaker’s financial positioning.

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

“We have maintained a strong financial and operational performance in the first half of 2022, attributed to the successful execution of our growth strategy. Overall, we have demonstrated a healthy performance across the core business segments, underpinned by a strong balance sheet to support ongoing and sustained growth initiatives while strengthening our positioning as a leader in the Kingdom’s AC and home appliance market.

We have also continued to develop our core business with a focus on increasing our sales and maximizing efficiencies within our operational model through digitalization, enhancement of our IT framework and supply chain resulting in a positive long-term impact.

As part of our continued ESG efforts, we have successfully obtained the stamp of approval by the for the Saudi Energy Efficiency Ratio (SEER) standard and are well positioned to meet the



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rigorous new requirements of the higher efficiency standards for air conditioners that are manufactured locally at our state-of-the-art Shaker LG factory.

Moreover, we have actively pursued opportunities to benefit from emerging market and consumer trends through horizontal and vertical diversification of our growth investments and partnerships.”

H1 2022 Operational Highlights:

- Successfully obtained the stamp of approval for the Saudi Energy Efficiency Ratio (SEER) standard for AC's manufactured at Shaker LG factory
- Signed a MoU with Bompani to form a joint venture company to launch a manufacturing facility in KSA to produce cooker ranges
- Signed a MoU for a proposed 40% possible investment in Cashew KSA to launch its operations and support market share gains as a leading buy now pay later (BNPL) provider in the kingdom

Outlook and strategy

Shaker maintains strong financial fundamentals with robust risk and capital management practices, defined forward-looking strategy and drivers and a strong leadership team and visionary board of directors that will enable the company to benefit from future growth opportunities.

The company's core business strategy is focused on increasing market share and optimizing its existing and new brand and product portfolio mix. Shaker continues to explore and strengthen its engagement and partnerships with leading international brands to manufacture and distribute home appliances and ACs in the Kingdom.

In addition, the company contributes to the economic growth and attracting investments that support the goals of Vision 2030, including the continuous support for megaprojects such as NEOM, Amaala, Red Sea Development and Roshn.

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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 and Bompani 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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