



Al Hassan Ghazi Ibrahim Shaker Co. extends its growth trajectory into Q3-FY23, achieving a 75.8% YoY increase in net profit reaching SAR 61.43 million year to date

Riyadh, Saudi Arabia, 02 November 2023: 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 its financial results for the nine months and third quarter ended 30 September 2023. Defying conventional seasonal trends, Q3 showcased a robust and standout performance, affirming the significant impact and success of the company’s strategic initiatives.

9M-FY23 Highlights:

- Revenues in 9M-FY23 of SAR 976.68 million, up by 18.07% year-on-year (YoY) driven by growth in the HVAC solutions and Home Appliances segments of 20.03% and 14.77% respectively.
- Gross profit of SAR 242.70 million, up 31.64% YoY, attributed to higher revenues and improved margins through an enhanced portfolio mix, pushing gross profit margin from 22.29% to 24.85%.
- Operating income registered a significant increase of 76.64% YoY to reach SAR 67.52 million. This was primarily driven by higher revenue and gross profits, expanding operating margin from 4.62% to 6.91%.
- Net profit of SAR 61.43 million, up 75.83% YoY, driven by higher revenue and operating profit, along with an 87.28% increase in share of profit from the LG-Shaker HVAC factory, which offset the higher finance costs.
- EPS of SAR 1.27 per share, increased by 75.83% YoY.

Q3-FY23 saw Shaker’s revenues rose sharply by 36.99% YoY to SAR 322.72 million. The Home Appliances segment led the way with a 56.33% YoY revenue increase in Q3, backed by an expanded product range, while the HVAC segment grew by 30.28% YoY. In addition, the growth in Shaker’s HVAC sales significantly improved the performance of the LG-Shaker factory. Amidst these gains, the Company strategically managed finances in response to rising SIBOR rates, by optimizing the usage of short-term loans and Letter of Credits (LC).

Despite the seasonal nature of the third quarter, Shaker’s strategic marketing efforts boosted sales across all product categories. While the 7th Shaker store was launched in October, another store is set to open by year’s end, signaling continued expansion to broaden the retail market footprint.

Shaker’s commitment to e-commerce is more pronounced than ever and is seeing significant growth in its digital retail offerings. The Company is actively expanding its online offerings and optimizing user experiences, in line with the changing consumer preferences in the Kingdom. Coupled with the anticipated transition to SAP’s S/4HANA ERP system in 2024, Shaker is well-positioned for enhanced operational efficiency and continued e-commerce expansion.



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

“Our Q3-FY23 results mark another growth period for Shaker, highlighting our resilience and position as the Kingdom's preferred destination for quality home solutions. This is a direct outcome of our strategic focus on innovation, partnership expansions and a diversified and balanced product portfolio, reinforcing our adaptability and commitment to sustained growth. The growth in our B2B portfolio is adding to the resilience of our business, enabling us to overcome the impact of seasonality.

We take pride in being integral to the Kingdom's ambitious mega-projects and our well positioned to leverage these opportunities. As we progress, we remain committed to strengthening our financial performance, expanding our market share, pursuing strategic diversification, and delivering consistent long-term value for our shareholders.”

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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, Bompani, and LG 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 among 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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