

Shaker reports stable Q1 2025 results and marks a milestone with first dividend recommendation since 2016

Riyadh, Saudi Arabia, 7 May 2025: Al Hassan Ghazi Ibrahim Shaker Co. ("Shaker", the "Group" or the "Company"), Saudi Arabia's leading manufacturer, importer, and distributor of Air Conditioners and Home Appliances, has announced its financial results for the first quarter 2025.

Financial Highlights:

- **Revenue** of SAR 400.42 million in Q1-FY25, down 3.1% year-on-year (YoY), driven by a decline in revenue from the home appliance segment, partially offset by a modest increase in the HVAC segment.
- **Gross profit** of SAR 100.63 million in Q1-FY25, up 2.93% YoY, supported by cost efficiencies and product mix.
- **Operating income** of SAR 25.08 million in Q1-FY25, down 20.00% YoY, mainly due to higher operating expenses, which offset the slight growth in gross profit.
- **Net profit**¹ of SAR 27.21 million in Q1-FY25, down 15.64% YoY, primarily due to a lower share of profit from an associate combined with the recognition of foreign exchange losses during the period which was partially offset by a decrease in the finance cost.
- **Net Debt** reduced by 32% YoY to SAR 237.29 million and improved Net Debt to EBITDA ratio to 6.4x from 7.6x as at Q1 2024 reflecting enhanced deleveraging efforts and improved capital structure efficiency.

1: Attributable to equity owners

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

"Shaker Group is making steady progress in executing our Elevate 2027 roadmap. Following a strong finish to 2024, we began 2025 on a stable note. Our HVAC solutions unit showed consistent growth this quarter, reflecting the strength of our operations. We continue to strengthen our position through expanded partnerships with global brands such as Samsung, LG, Black & Decker, and Midea, which are crucial in enhancing our product offerings and broadening our market reach. In line with our continued growth, we are proud to announce the first cash dividend since 2016, reflecting our strong financial position and commitment to delivering value to our shareholders. At the same time, we are focused on improving operational efficiency across all areas of our business. As we build on our solid foundation, we remain determined to solidify Shaker Group as a regional powerhouse in manufacturing, logistics, retail, and after-sales service, fully aligned with Saudi Vision 2030."

On the financial front, revenue reached SAR 400 million, reflecting a 3% decline year-on-year, while gross profit increased by 3% to SAR 101 million, driven by a favourable product mix and improved cost efficiencies. EBITDA totalled SAR 37 million, and net profit amounted to SAR 27 million, marking declines of 19% and 16%, respectively.

Shaker continues to strengthen its position as a leading player in Saudi Arabia's home appliance and HVAC sectors through strategic partnerships, operational expansion, and a focus on customer-centric growth.

The HVAC segment continued to be the primary driver of performance, bolstered by sustained strength in B2B sales, indicating stable consumer demand. Meanwhile, softer performance was observed in the Home Appliances segment compared to the same quarter in the previous year.

Shaker also maintained a robust balance sheet, with total borrowing reducing by 25% year-on-year and net debt reducing by 32%, alongside a significant improvement in leverage metrics, reflecting enhanced cash flow discipline and ongoing efforts to optimize its capital structure.

Shaker's strengthened financial position has allowed it to deliver tangible returns to shareholders. For the first time since 2016, Shaker's Board of Directors has proposed a cash dividend of SAR 0.50 per share for fiscal year 2024, totalling SAR 27.75 million. This recommendation reflects the company's consistent financial performance and operational discipline, underlining its commitment to creating value for its shareholders.

The company remains focused on growing its core segments, enhancing operational efficiency, and strengthening partnerships with leading global brands to solidify its position as a trusted end-to-end solutions provider in Saudi Arabia.

Shaker was also recognized as Best Strategic Partner at the Midea MEARI Partner Conference 2024, celebrating over 15 years of collaboration built on trust and a shared commitment to excellence.

Strategic Updates

Shaker continues to make progress on its strategic priorities under the Elevate 2027 roadmap. This initiative is aimed at accelerating growth and reinforcing the company's leadership position by building on its core strengths and unlocking new opportunities in alignment with Saudi Arabia's Vision 2030. Elevate 2027 seeks to drive sustainable growth, operational excellence, and long-term success in the home appliances and HVAC sectors.

In February 2025, Shaker extended its Memorandum of Understanding with LG and the Ministry of Investment (MISA) to explore the local manufacturing of AC compressors. The MoU will now remain in effect through February 2026. The company also marked 30 years of successful collaboration with LG Electronics, a long-standing partnership that has been instrumental in the development of Saudi Arabia's HVAC market. As the exclusive partner for LG's residential and commercial air conditioning solutions, Shaker has played a key role in promoting energy-efficient technologies aligned with national sustainability goals.

In February 2025, during the PIF Private Sector Forum, Shaker signed strategic agreements with ROSHN to supply its products and services at preferential terms over the long term. These agreements are aimed at ensuring inventory availability and timely delivery in line with the evolving needs of ROSHN's large-scale development projects, further strengthening Shaker's position as a trusted partner in the Kingdom's real estate ecosystem.

In November 2024, Shaker Group also signed a supply agreement with Samsung to distribute home appliances in Saudi Arabia. This agreement aims to showcase the innovative features and high-quality design of Samsung products.

In December 2024, Shaker signed an agreement with Stanley Black & Decker to add BLACK+DECKER® appliances to its portfolio, enhancing its product offering with a trusted global brand and supporting its commitment to delivering quality, innovation, and convenience to consumers across the Kingdom.

Building on this strong foundation, Shaker continues to strengthen its strategic partnerships and support initiatives that drive local manufacturing, innovation, and sustainability within the Kingdom.

-End-

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, Midea, Bompani, Stanley Black & Decker, Samsung, 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/>

For investor and media inquiries

Sam Ryan Siahpolo, Instinctif Partners

sam.siahpolo@instinctif.com

+971 58 831 8632

Joann Joseph, Instinctif Partners

joann.joseph@instinctif.com

+971 58 257 5490