

Shaker

Earnings Presentation – Q1 FY24

May 28, 2024



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Today's Presenters



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Agenda

1. Q1-FY24 Financial performance
2. Strategic Priorities 2024
3. Q&A Session

A photograph of a business meeting with a blue overlay. Two people are seated at a table, looking at documents. One person's hand is pointing at a document. On the table are a pen, a calculator, and a keyboard. A teal cup is visible on the left. The background is blurred, showing other people in a meeting.

**Q1 FY2024
FINANCIAL PERFORMANCE**

Q1 FY24 Highlights



Landmark MoU with LG and Ministry of Investment of Saudi Arabia (MISA) to explore **local manufacturing of AC compressors in the Kingdom**



Localization of manufacturing of LG Electronics Multi V5 unit featuring the cutting-edge Variable Refrigerant Flow (VRF) technology



Phase 1 of SAP's S/4HANA ERP implementation underway, advancing business digitalization and driving operational improvements



E-commerce channel showing **significant growth**, with focused expansion efforts ongoing

Revenue

SAR **413.24**mn

+19.24%
YoY²

Gross Profit

SAR **97.77**mn

+12.24%
YoY²

EBITDA

SAR **45.96**mn

-0.15%
YoY²

Net Profit¹

SAR **32.25**mn

+12.09%
YoY²

EPS

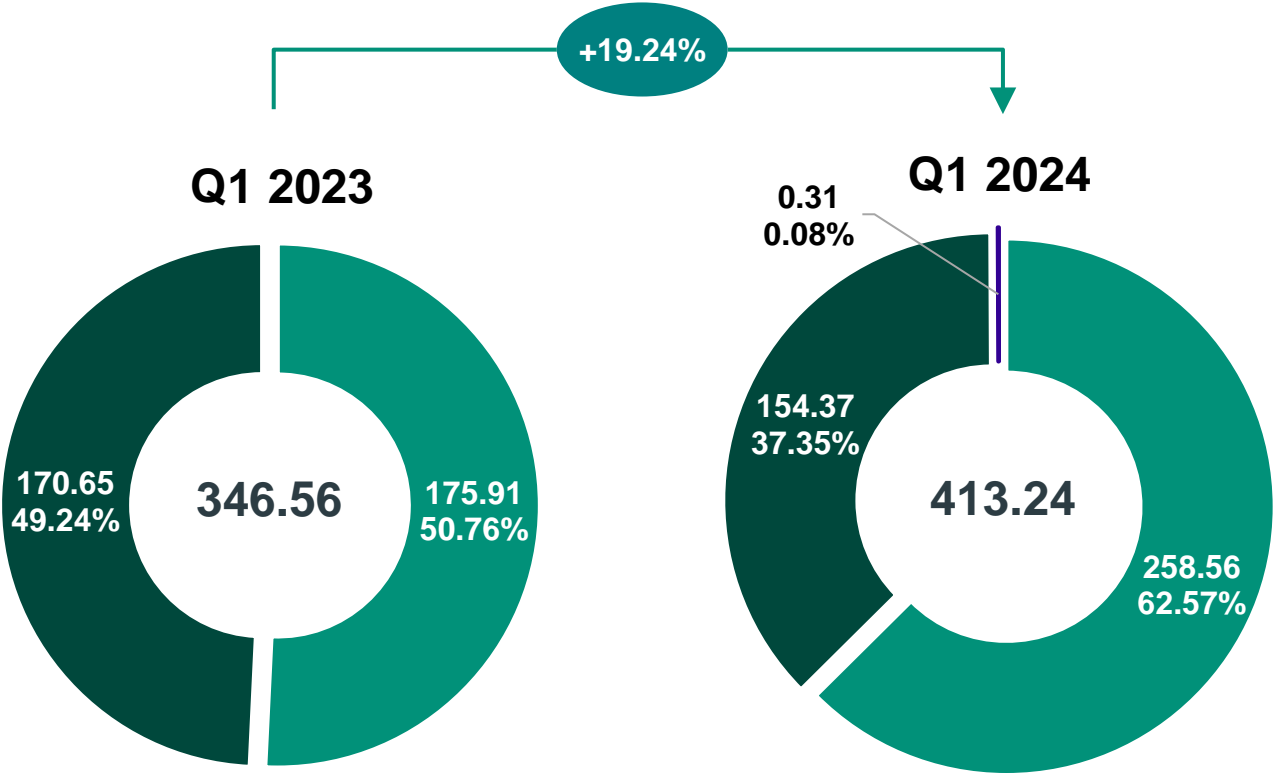
SAR **0.67**

+12.09%
YoY²

Continued growth trajectory through balanced growth across the brand portfolio

Key Highlights: Q1 2024

Revenue by Segment



SAR (Millions)

Gross Profit ▲ +12.24%

Q1 2024 97.77

Q1 2023 87.11

EBITDA ▼ -0.15%

Q1 2024 45.96

Q1 2023 46.03

Net Income* ▲ +12.09%

Q1 2024 32.25

Q1 2023 28.77

Gross Profit Margin ▼ -1.48pp

Q1 2024 23.66%

Q1 2023 25.13%

EBITDA Margin ▼ -2.16pp

Q1 2024 11.12%

Q1 2023 13.28%

Net Income* Margin ▼ -0.50pp

Q1 2024 7.80%

Q1 2023 8.30%

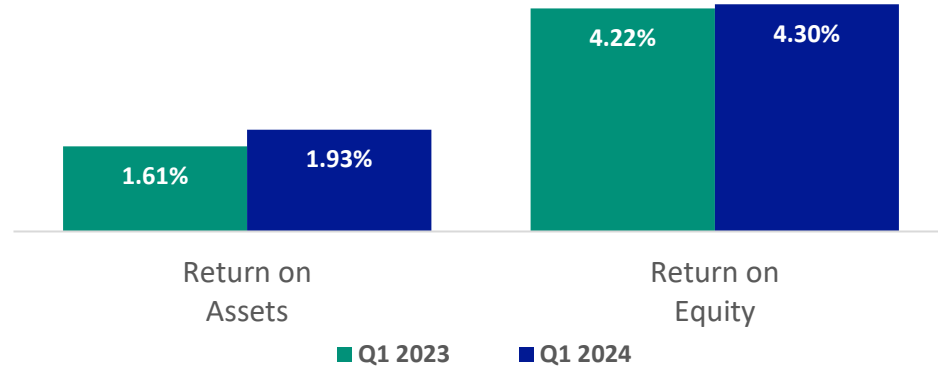
*Attributable to shareholders of company



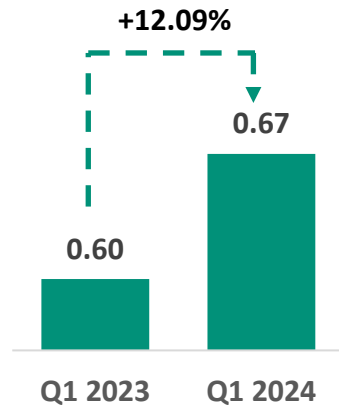
■ HVAC ■ Home Appliances ■ Others

Healthy Balance Sheet

Key Return Ratios (YoY)



Earnings per Share (YoY)



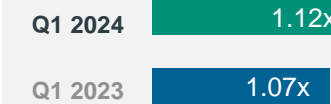
ROA* ▲ +0.32pp



ROE* ▲ +0.09pp



Current Ratio ▲ +4.21%

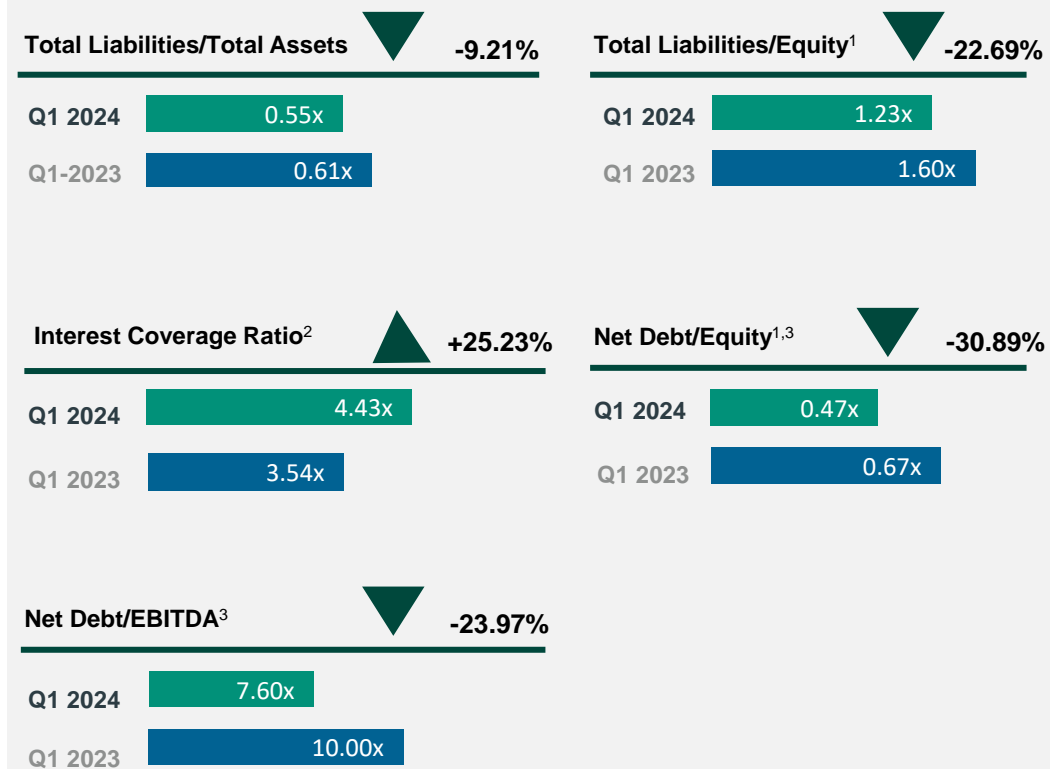
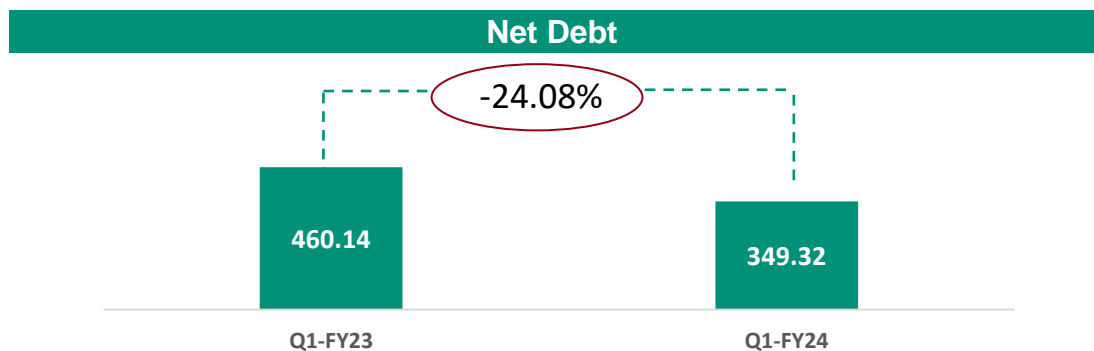
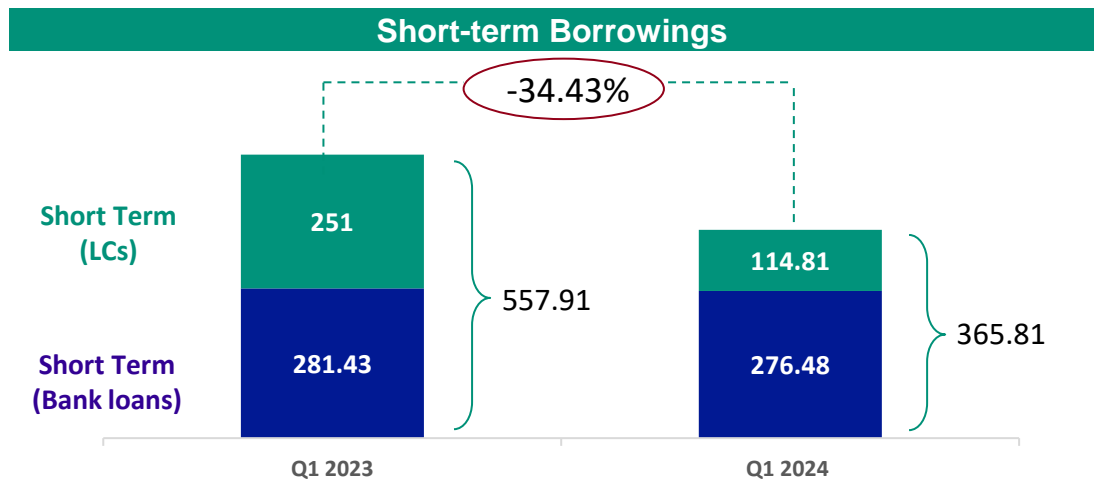


Total Borrowings/Equity** ▼ -33.10%



* Using net profit attributable to equity owners
 **Using equity attributable to shareholders of company

Leverage Levels: Q1 2024



1: Equity attributable to shareholders of company

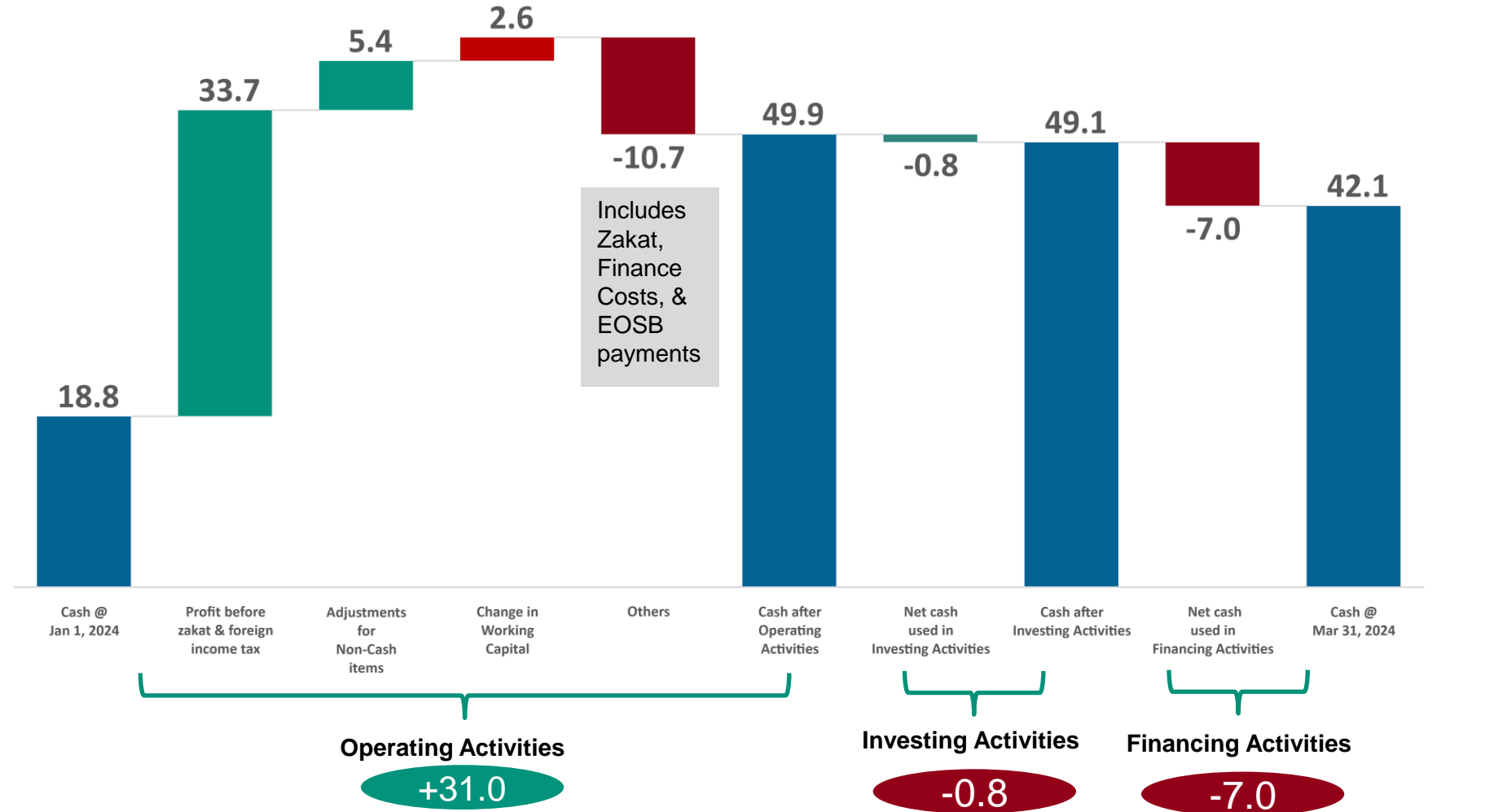
2: EBIT / Interest Expense

3: Net Debt calculated as short & long-term borrowings (ex-lease liabilities) less cash & cash equiv.

Cash Flow Bridge

Highlights

- Net Cash position was 42.0 mn compared to 2023 year-end of 18.8 mn mainly driven by higher cash flow from operating activities
 - Cash Flow from operating activities mainly driven by higher profitability.
 - Cash Flow from financing Activity is mainly impacted by reduction in debts.



Strategic Priorities for 2024

Expanding Market Footprint

- Expand HVAC solutions (B2B & B2C)
- 2 retail stores set to open in FY24
- Manufacture full portfolio of ACs in LG Shaker factory

Optimize Inventory Levels

- Streamlining inventory for efficiency
- Maximizing value from stock management

Enhance Operational Efficiency

- Transitioning to SAP's S/4 Hanna
- Roll out in Q3-FY24

Disciplined capital allocation

- Deleveraging of balance sheet

A new strategic vision expected to be unveiled by mid-2024 to guide the next phase of growth



Q&A Session

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