

# Shaker

Investor Presentation

Q3 2023 & 9M 2023



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# Today's Presenters



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# Agenda

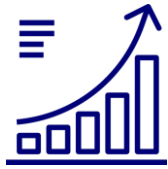
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- 1. Strategic Highlights
- 2. Financial Performance
- 3. Strategic priorities for 2023
- 4. Q&A Session



**Q3 2023  
Strategic Highlights**

# Q3-FY23 Highlights



Marketing agility and portfolio mix overcome seasonality, boosting HVAC and HA/HE revenue QoQ and YoY



87.3% YoY increase in share of profit from LG-Shaker HVAC factory



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

## Revenue

SAR **322.72**mn

**+36.99%**  
YoY<sup>2</sup>

## Gross Profit

SAR **81.36**mn

**+56.88%**  
YoY<sup>2</sup>

## EBITDA

SAR **35.16**mn

**+76.49%**  
YoY<sup>2</sup>

## Net Profit<sup>1</sup>

SAR **16.77**mn

**+96.81%**  
YoY<sup>2</sup>

## EPS

SAR **0.35**

**+96.81%**  
YoY<sup>2</sup>

Core business demonstrated standout performance, building on the gains from Q1 and Q2

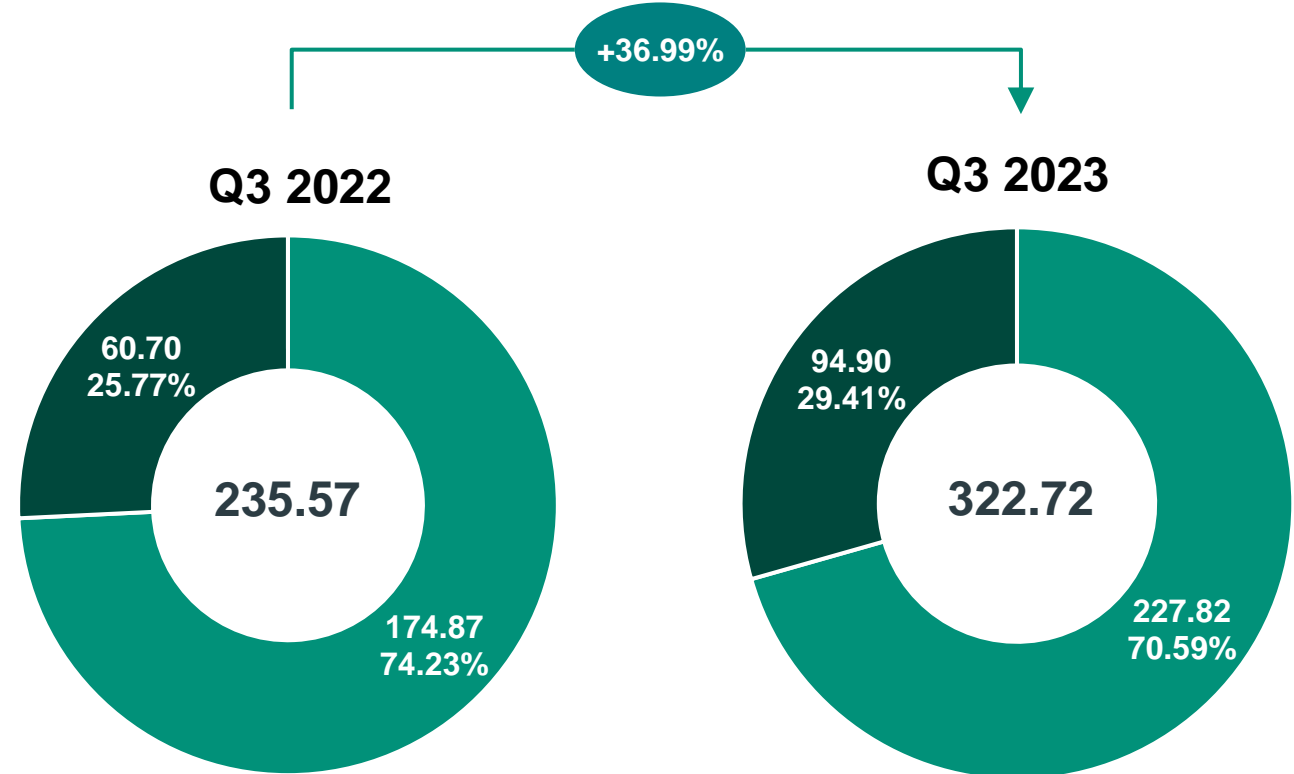


A photograph of a business meeting. Two people are seated at a table, looking at and pointing to documents. The scene is overlaid with a semi-transparent blue and white geometric pattern. The text 'FINANCIAL PERFORMANCE' is written in white, bold, uppercase letters on the left side of the image.

**FINANCIAL PERFORMANCE**

# Key Highlights: Q3 2023

## Revenue by Segment



### SAR (Millions)

**Gross Profit** ▲ **+56.88%**

Q3 2023 81.36

Q3 2022 51.86

**Gross Profit Margin** ▲ **+3.20pp**

Q3 2023 25.21%

Q3 2022 22.02%

**EBITDA** ▲ **+76.49%**

Q3 2023 35.16

Q3 2022 19.92

**EBITDA Margin** ▲ **+2.44pp**

Q3 2023 10.89%

Q3 2022 8.46%

**Net Income\*** ▲ **+96.81%**

Q3 2023 16.77

Q3 2022 8.52

**Net Income\* Margin** ▲ **+1.58pp**

Q3 2023 5.20%

Q3 2022 3.62%

\*Attributable to shareholders of company

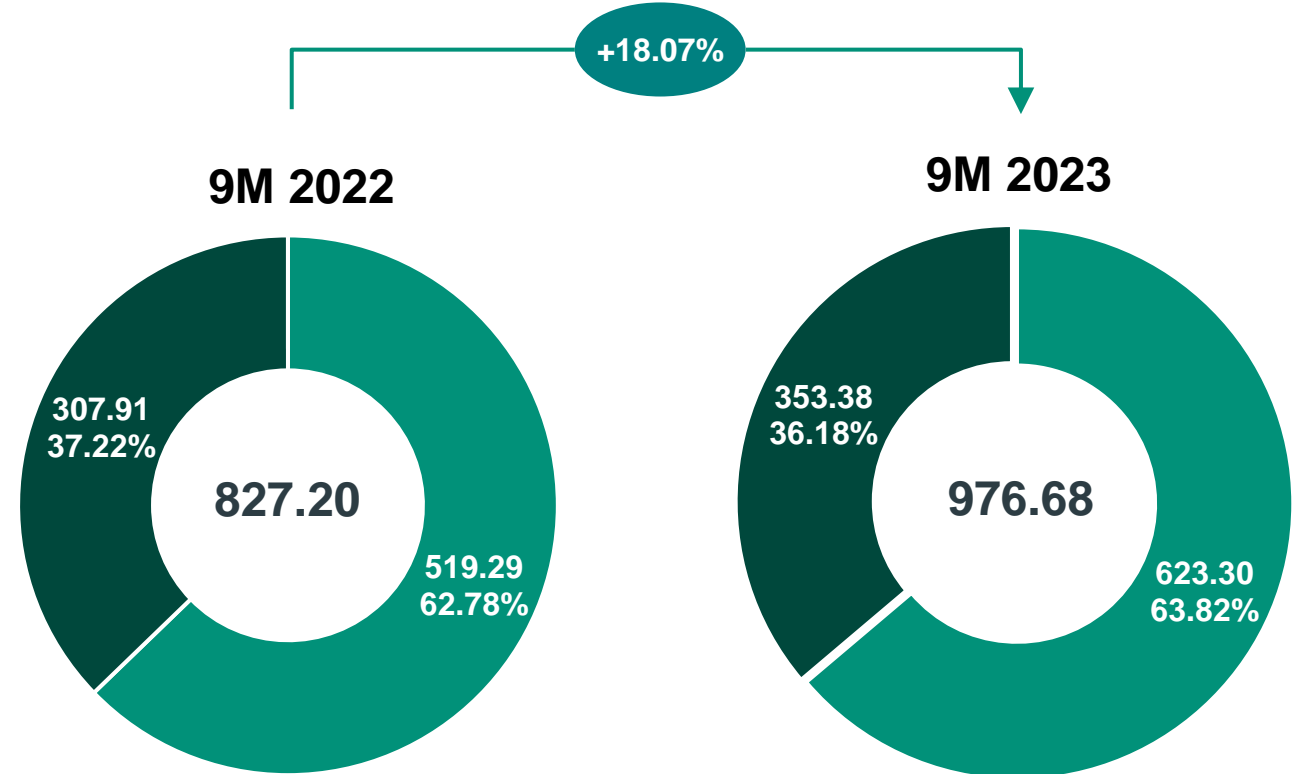


■ HVAC ■ Home Appliances



# Key Highlights: 9M 2023

## Revenue by Segment



### SAR (Millions)

**Gross Profit** ▲ +31.64%

9M 2023 242.70

9M 2022 184.37

**Gross Profit Margin** ▲ +2.56pp

9M 2023 24.85%

9M 2022 22.29%

**EBITDA** ▲ +66.06%

9M 2023 114.91

9M 2022 69.20

**EBITDA Margin** ▲ +3.40pp

9M 2023 11.77%

9M 2022 8.37%

**Net Income\*** ▲ +75.83%

9M 2023 61.43

9M 2022 34.94

**Net Income\* Margin** ▲ +2.07pp

9M 2023 6.29%

9M 2022 4.22%

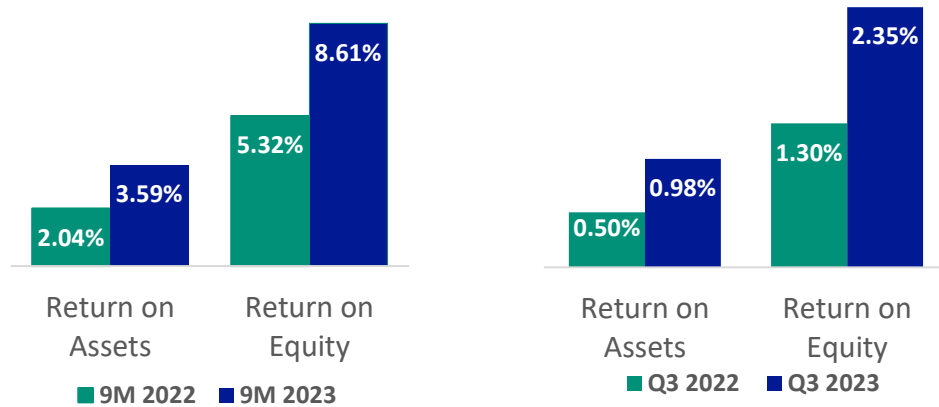
\*Attributable to shareholders of company



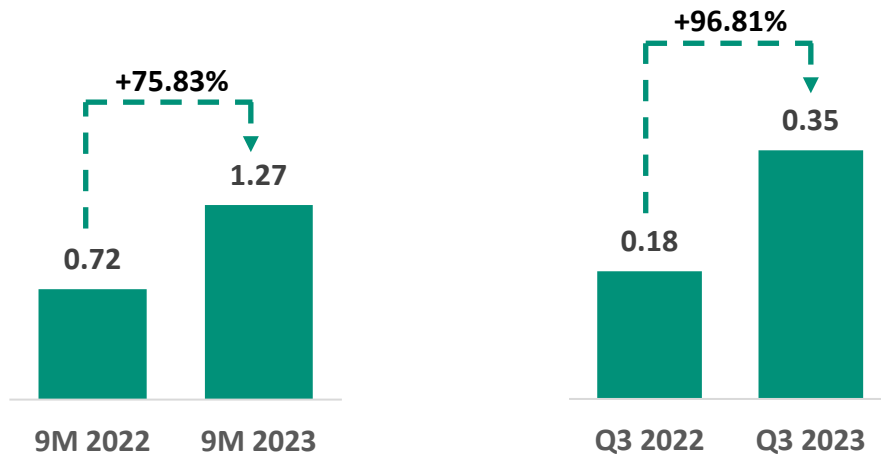
■ HVAC ■ Home Appliances

# Healthy Balance Sheet

## Key Return Ratios (YoY)



## Earnings per Share (YoY)



ROA\* ▲ +1.55pp



ROE\* ▲ +3.28pp



Current Ratio ▲ +0.88%



Total Borrowings/Equity ▲ +2.36%



\*Using net profit and equity attributable to shareholders of company

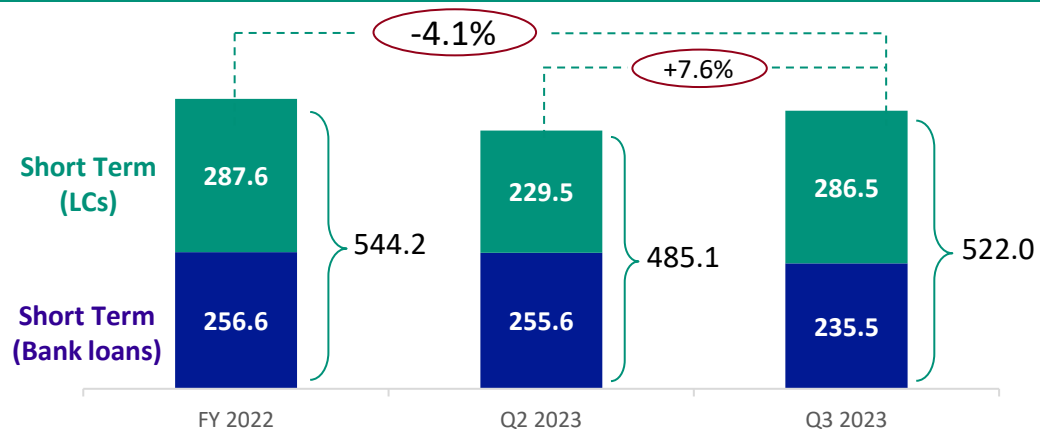
# Leverage Levels: Q3 2023

## Long-term Borrowings

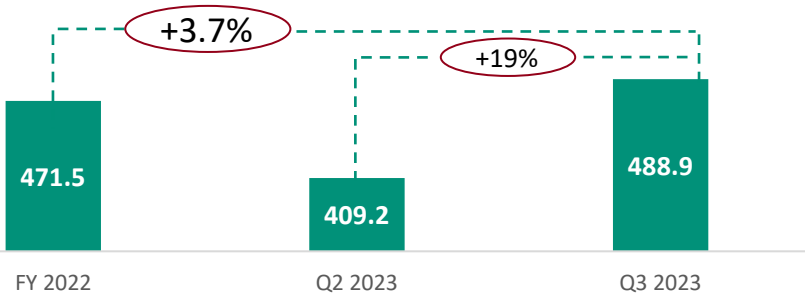


Long-term borrowing at zero since Q3 2022

## Short-term Borrowings



## Net Debt



Total Liabilities/Total Assets ▼ -4.20%

9M 2023 0.58x

9M 2022 0.61x

Total Liabilities/Equity<sup>1</sup> ▼ -11.93%

9M 2023 1.40x

9M 2022 1.59x

Interest Coverage Ratio<sup>2</sup> ▼ -28.87%

9M 2023 2.95x

9M 2022 4.14x

Net Debt/Equity<sup>1</sup> ▲ +15.07%

9M 2023 0.68x

9M 2022 0.60x

Net Debt/EBITDA ▼ -24.62%

9M 2023 4.25x

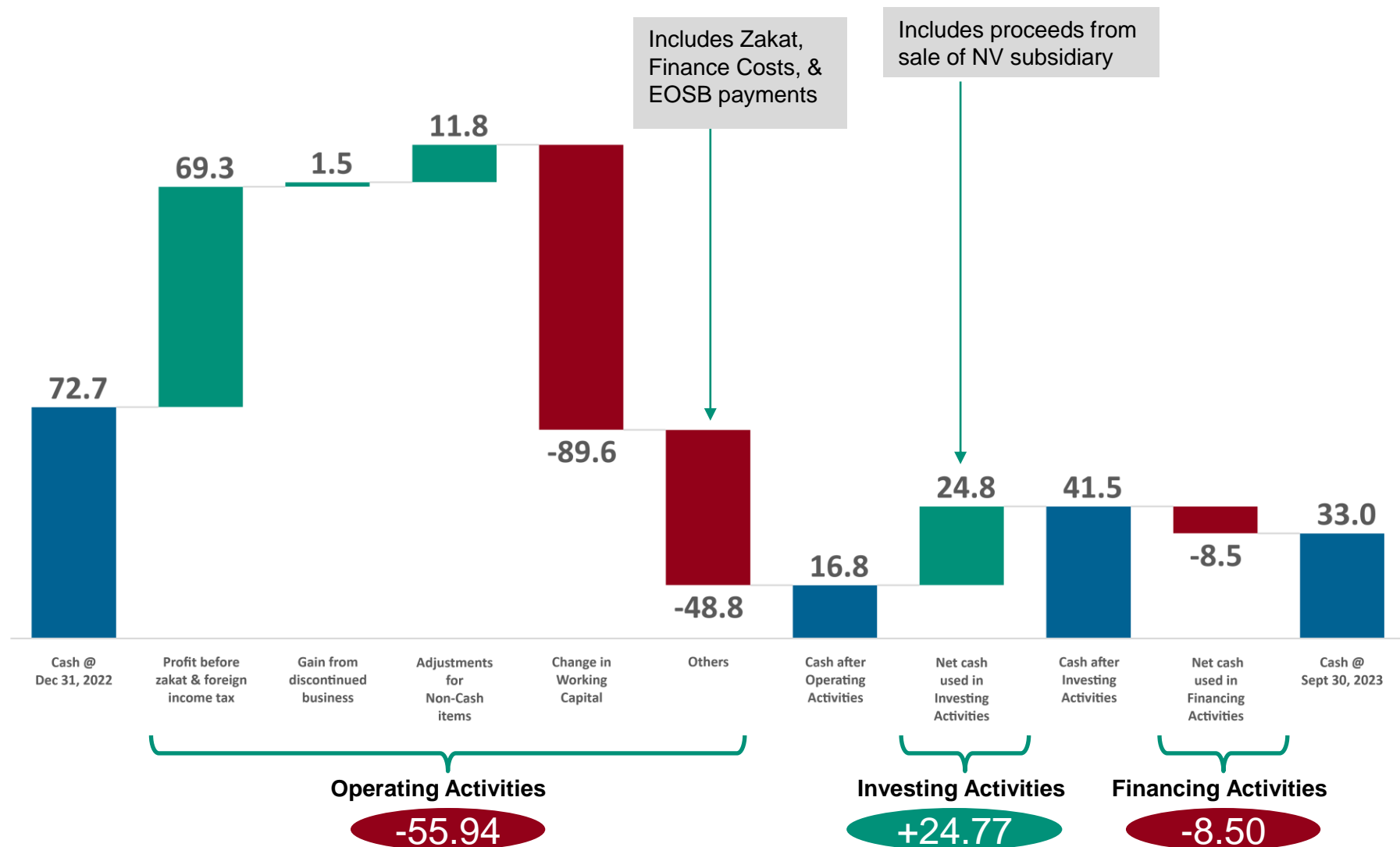
9M 2022 5.64x

1: Equity attributable to shareholders of company  
2: EBIT / Interest Expense

# Cash Flow Bridge

## Highlights

- Net Cash Position was 33.0mn compared to 2022 year-end of 72.7mn mainly driven by lower Operating Cash flow (55.9mn).
  - Cash flow from Operating Activities mainly impacted by changes in working capital due to increase in trade receivables & other receivables offset by trade payables
  - Cash flow from Financing Activities is mainly impacted by reduction in debts offset by change in NCI (disposal of NV)



(SAR millions)

# Strategic Priorities for 2023

## Expanding Market Footprint

- Expand HVAC solutions (B2B & B2C)
- 7<sup>th</sup> store launched in Oct\*; 8<sup>th</sup> store by year-end
- Aim to manufacture full portfolio of ACs in LG Shaker factory

## Optimize Inventory Levels

- Streamlining inventory for efficiency
- Maximizing value from stock management

## Progress on Cashew

- Finalizing regulatory readiness
- Targeting integration and roll-out by 2024

## Enhance Operational Efficiency

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

## Maintaining discipline in capital allocation

Deleveraging of balance sheet: Continued focus on STL reduction

No set cash dividends at this time

*\*Post-period soft opening*



# Q&A Session



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