

البورصة المصرية

قطاع الشركات المقيدة

إدارة الإفصاح

السيد/ د. زكريا حمزه – رئيس قطاع الإفصاح و الحوكمه

تحية طيبة وبعد،

مرفق الى سيادتكم طيه ملف الافصاح الخاص بنتائج الاعمال عن الفتره المنتهيه في ٣١ من مارس ٢٠٢٣ و الذى يحتوى على الاتى:

- القوائم الماليه المجمعه عن الفتره المنتهيه في ٣١ من مارس ٢٠٢٣
- القوائم الماليه المستقله عن الفتره المنتهيه في ٣١ من مارس ٢٠٢٣
- تقرير مجلس الاداره عن الفتره المنتهيه في ٣١ من مارس ٢٠٢٣
- تقرير لجنة المراجعه عن الفتره المنتهيه في ٣١ من مارس ٢٠٢٣
- محضرين اجتماعات مجلس الاداره المنعقدين في ٢٨ من مايو ٢٠٢٣
- تقرير نتائج اعمال باللغه الانجليزيه عن الفتره المنتهيه في ٣١ من مارس ٢٠٢٣

و تفضلوا بقبول وافر الاحترام و التقدير،،،



كريم سعودى
رئيس قطاع الاستثمار و علاقات المستثمرين
التوقيع:

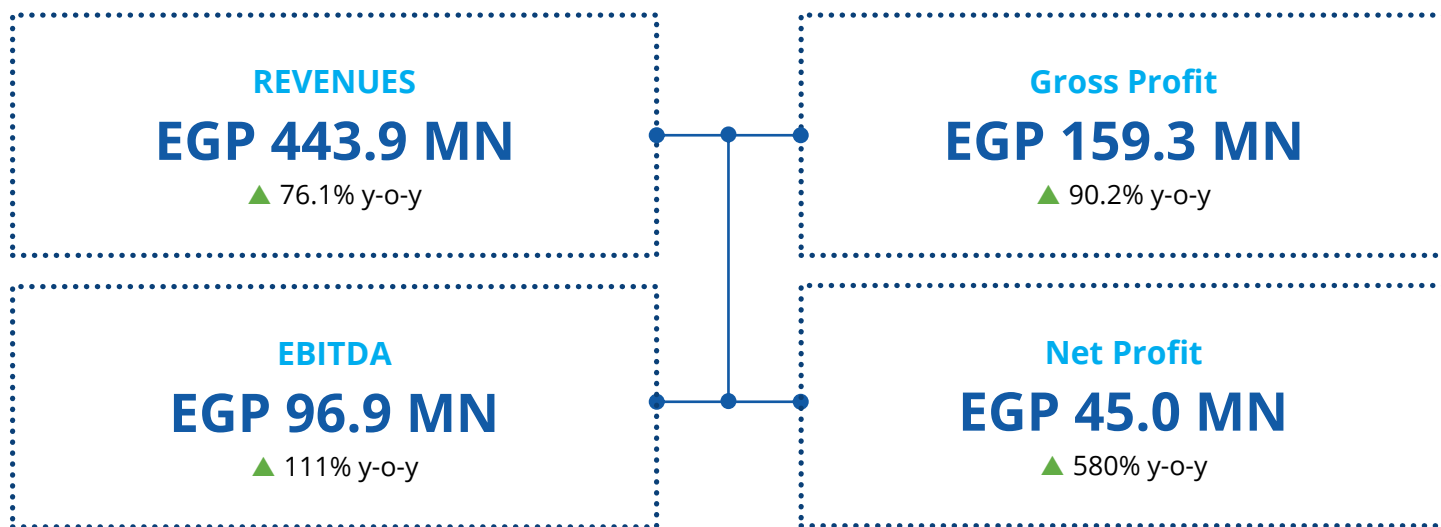
Karim Seoudy

HEADQUARTERS

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Raya Customer Experience Reports 1Q 2023 Results



Raya Customer Experience (RACC.CA on EGX), Egypt's leading business process outsourcing (BPO) and contact center outsourcing (CCO) services provider, announced today its consolidated results for the quarter ended 31 March 2023, recording revenues of EGP 443.9 million, a 76.1% y-o-y increase. Gross profit increased by 90.2% y-o-y to EGP 159.3 million, while net profit recorded EGP 45.0 million in 1Q 2023, up 580% compared to the same quarter of 2022, with a net profit margin of 10.1%.

Summary Income Statement

EGP	1Q2022	1Q2023	% Change
Revenue	252,173,789	443,987,415	76.1%
<i>Outsourcing</i>	<i>119,359,519</i>	<i>273,896,062</i>	<i>129.5%</i>
<i>Insourcing</i>	<i>90,159,173</i>	<i>90,791,350</i>	<i>0.7%</i>
<i>Hosting</i>	<i>42,655,097</i>	<i>79,300,003</i>	<i>85.9%</i>
Gross Profit	83,771,485	159,303,776	90.2%
<i>Gross Profit Margin</i>	<i>33.2%</i>	<i>35.9%</i>	<i>+2.7 pts</i>
EBITDA	45,939,046	96,917,679	111%
<i>EBITDA Margin</i>	<i>18.2%</i>	<i>21.8%</i>	<i>+3.6 pts</i>
Net Profit	6,616,144	45,001,096	580.2%
<i>Net Profit Margin</i>	<i>2.6%</i>	<i>10.1%</i>	<i>+7.5 pts</i>

Note from the CEO

I am pleased to report on our 1Q 2023 results and thrilled with our performance as we enter 2023. The results are a testament to the potential RCX is capable of realizing. Our extensive commercial and internal transformation efforts are yielding positive results down the income statement. Our outlook is positive despite the uncertainty of global market developments with full confidence in our strategy to capitalize on shifting market dynamics.

RCX achieved double-digit revenue growth and an outstanding improvement in profitability in Q12023. The impressive results were achieved through the strong recovery of our BPO business across our facilities, coupled with our continuous efforts to streamline our operations. In addition, our FX revenue that is currently at around 70% of total revenues, has placed us in an advantageous position to mitigate the impact of the recent devaluation of the Egyptian pound.

RCX is strategically positioned as a key regional player and continue to unlock the significant potential for the company in the Gulf region. We are very pleased with our operations in the Kingdom of Saudi Arabia thus far particularly with regards to our lucrative BPO segment. Our presence in the KSA has been welcomed with strong demand for our products and services. Consequently, we are expanding into a new 400-seat facility in Riyadh, which is expected to be operational in June 2023. With newly secured strategic contracts in the KSA and additional ongoing discussions, the facility will equip us to meet the needs of our growing pipeline and sustain business growth in the Kingdom.

We are pushing forward with our global expansion and diversification plans. Growing our operations and strengthening our presence as a key player in the European market remains a top priority. Our goal is to expand the business beyond its current revenue contribution and to attract clients from other European markets. Additionally, we remain actively pursuing expansion opportunities in LATAM to act as an attractive nearshore delivery location to the US market.

I am certain that we possess the necessary fundamentals to pave the way for the next chapter in RCX's story. Our innovative solutions and service optimization as well as strategic locations have equipped us with the necessary tools to navigate the challenging macroeconomic environment and strategically capture growth opportunities. We are well-positioned to maintain the strong performance in the coming period and create long-lasting value for our shareholders.

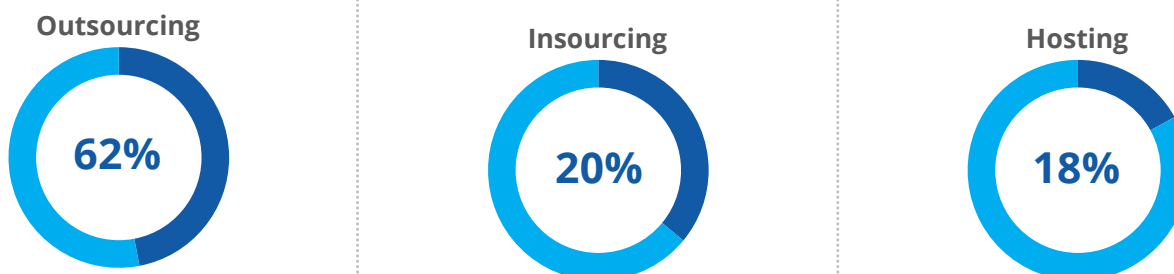
Ahmed Aboulezz
Chief Executive Officer

Financial Performance

Consolidated revenues in 1Q 2023 grew 76.1% y-o-y to reach EGP 443.9 million, driven by i) the expansion of our BPO business on the back of our continuous efforts to enhance the revenue mix, ii) the realization of revenues related to major accounts that were implemented in H2 2022, and iii) the upside from the recent devaluation of the EGP.

In terms of the revenue breakdown by **service segment**, *Business Process Outsourcing* continues to be the primary contributor recording EGP 273.8 million in 1Q 2023, representing 61.7% of total revenue. Our *insourcing business*, also known as *HR outsourcing*, recorded EGP 90.7 million to make up 20.4% of total revenue, while the *hosting business* recorded EGP 79.3 million, accounting for the remaining 17.9% of total revenue.

Revenue by Segment



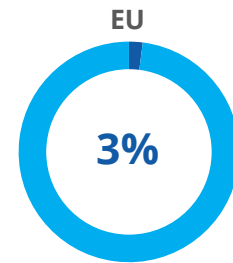
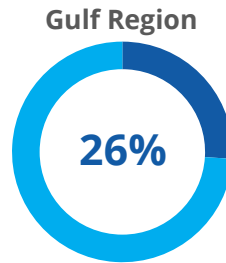
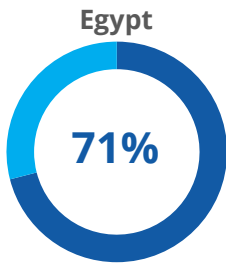
Analyzing 1Q 2023 revenues by **currency**, *offshore* revenue (USD) recorded EGP 307.6 million, accounting 69.3% of total revenue, compared to 50.2% in the same quarter last year. In light of the recent devaluation of the Egyptian pound, maintaining over 60% of revenues in US dollars has exhibited the company's resilience and competitive advantage.

Revenue by Currency



Analyzing revenue by **geographical location**, RCX derived 71.3% of its revenues from **Egypt's** facilities, which recorded EGP 316.6 million in 1Q 2023. The second largest contribution came from the **Gulf Region** operations, which saw revenues reach EGP 115.0 million, representing 25.9% of total revenue. Finally, the **Poland** facility recorded EGP 8.3 million, up 69% y-o-y compared to 1Q 2022, and contributing 2.0% of total revenues.

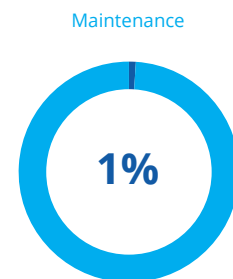
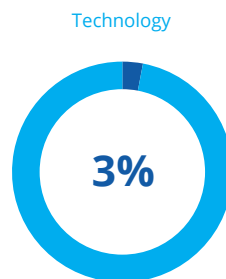
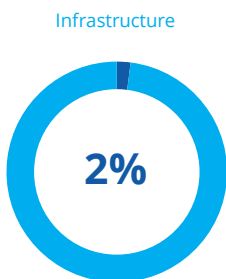
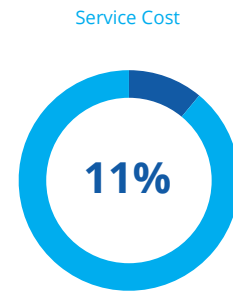
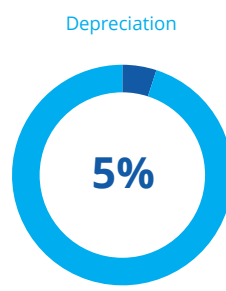
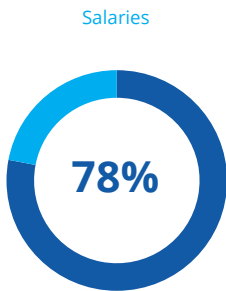
Revenue by Geographical Location



Gross Profit section

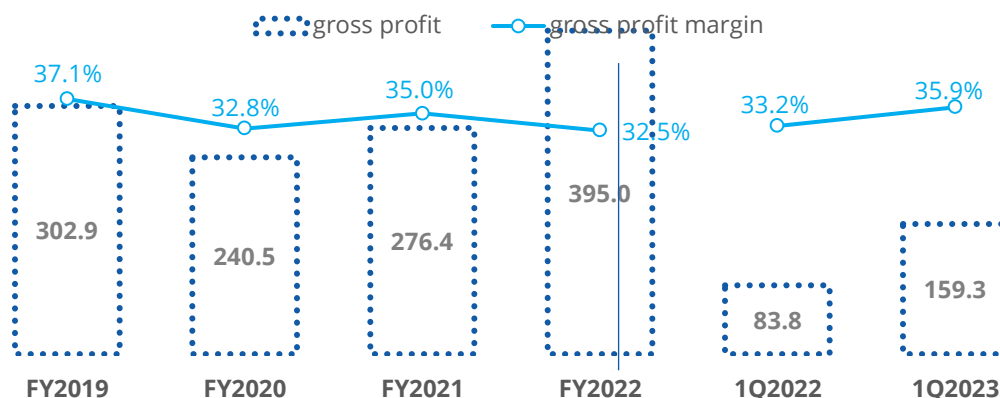
Total *costs of goods sold (COGS)* for 1Q 2023 was EGP 296.2 million, COGS as a percentage of revenues to decreased to 67% compared to 69% in 1Q 2022. Salaries & wages constituted the largest share of COGS standing at 78.0%, up 2% from 1Q2022, due to an increase in salaries on the back of the heightened inflationary environment and the currency devaluation.

COGS Breakdown



In 1Q 2023, RCX's *gross profit* recorded EGP 159.3 million, up 90.2% y-o-y, with a gross profit margin of 35.9% versus the 33.2% recorded in the same period last year. The expansion in our Gross Profit and Gross Profit Margin is a result of a GP enhancement exercise that tackled pricing and operation optimization across some of our major accounts.

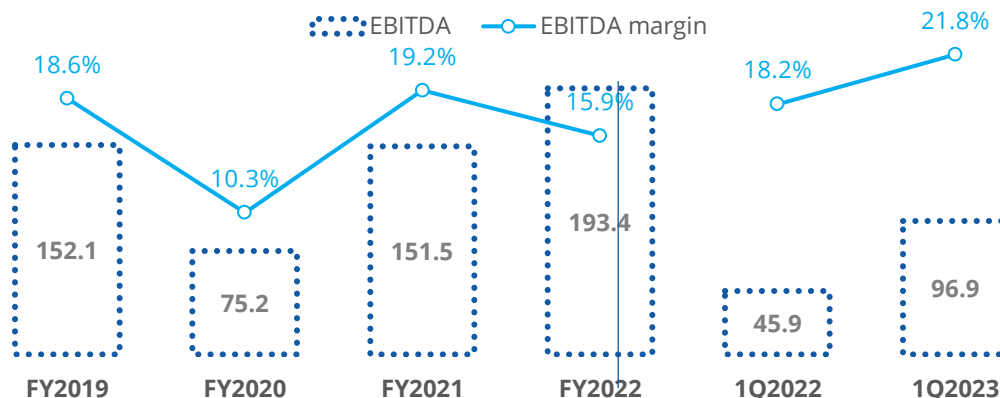
Gross Profit (MN) and Gross Profit Margin Evolution



Meanwhile, **selling, general and administrative (SG&A)** for 1Q 2023 totaled EGP 58.7 million, up 67.8% y-o-y, representing 13.2% as a percentage of revenues compared to 13.9% in 1Q 2022.

EBITDA recorded EGP 96.9 million, reflecting a staggering 111 % y-o-y increase compared to the EGP 45.9 million recorded in 1Q 2022, which yielded an EBITDA margin of 21.8% compared to 18.2% in 1Q 2022.

EBITDA (MN) and EBITDA Margin Evolution



RCX reported a **net profit** of EGP 45.0 million in 1Q 2023 with a net profit margin of 10.1% versus a net profit of EGP 6.6 million with a net profit margin of 2.6% in 1Q 2022. The sharp increase in net profit is a testament to our continuous efforts to maintain a healthy account portfolio and streamline our operations.

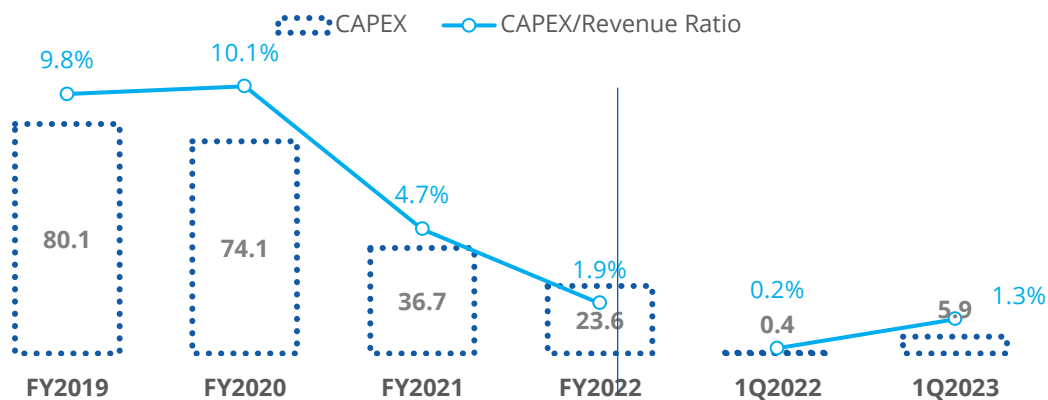
As at 31 March 2023, the company's financial position remained liquid with a healthy **cash balance** of EGP 251.1 million.

Operational Performance

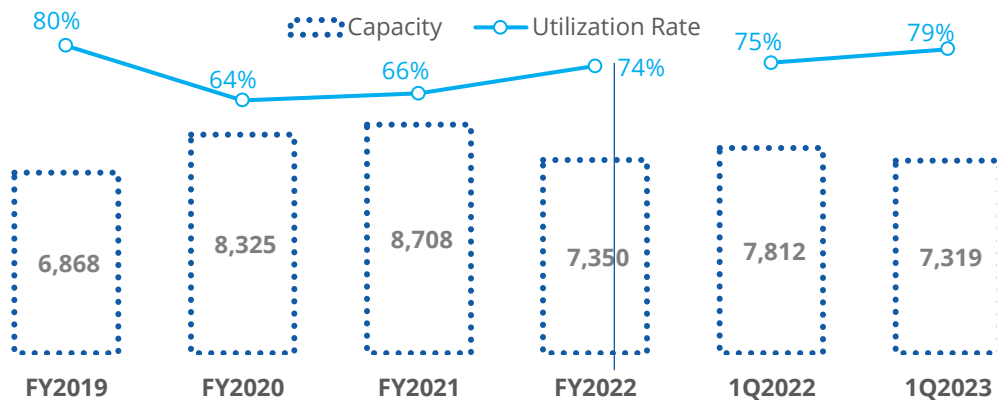
In 1Q 2023, RCX's total workstation capacity stood at 7,320 with utilization rates recording 79%, compared to 75% in the same quarter last year. Total CAPEX for 1Q 2023 recorded EGP 5.9 million compared to EGP 0.4 million in 1Q 2022 and recorded 1.3% as a percentage of revenues at in 1Q 2023 compared to 0.2% in the same quarter the previous year.

RCX is recognized as an industry expert and prides itself on consistently delivering reliable, secure, high-quality service to its customers. The company's competitive strength is a function of its continued investment in human resources development and quality assurance programs. In 2023, RCX successfully renewed and maintained its operational quality accreditation certificates, including its COPC accreditation for performance management for the 16th consecutive year, the ITIL information technology framework and the PCI-DSS e-payment security accreditation. Moreover, RCX adheres to the Information Security Management System (ISMS) best practices as outlined by the NIST and SANS institutes.

CAPEX (MN) / Revenue Evolution



Workstation Evolution and Utilization



About Raya Customer Experience

Raya Customer Experience (RCX) is a world-class business process outsourcing (BPO) and contact center outsourcing (CCO) service provider offering contact center, professional, back office and inside sales channel management services to global clients, including Fortune 1,000 companies in the Middle East, Europe, Africa, & North America in over 25 different languages. In 2023, Raya Customer Experience operated 13 state-of-the-art delivery sites, spanning eight facilities nation-wide in Egypt, one facility in the UAE, one in the Kingdom of Bahrain, two in KSA and one in Poland. The facilities combined have an approximate seating capacity of 7,500 and over 6,500 employees. RCX serves a diversified clientele base of over 100 clients operating in the EMEA region, focusing on high growth industries, namely telecom & media, technology & consumer electronics, travel & hospitality, banking, automotive, and retail industries.

Raya Customer Experience is the number one BPO provider in Egypt boasting the largest market share by total FTEs (Full Time Equivalent) and aspires to be the leading BPO provider in the MENA region. Raya Customer Experience is the only listed BPO player on the Egyptian Stock Exchange and is currently trading under the symbol "RACC.CA".

For further information,
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RACC.CA on the EGX

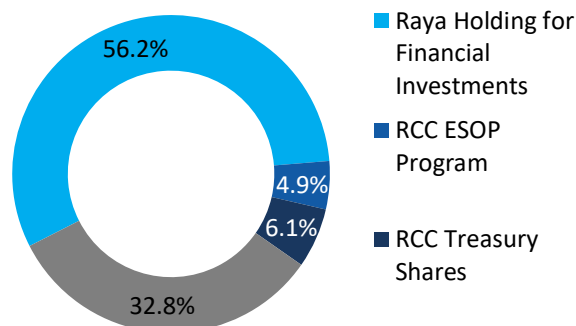
Number of Shares 218,454,770

Share Price (31 March 2022) EGP 2.15

Market Cap (31 March 2023) EGP 469,677,756

Shareholding Structure

(as at 31 March 2023)



Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management’s (“Management”) current views of future events, are based on Management’s assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations in the prices of raw materials or employee costs required by our operations, its ability to retain the services of certain key employees, its ability to compete successfully, changes in political, social, legal or economic conditions in Egypt, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management’s ability to timely and accurately identify future risks to our business and manage the risks mentioned above.

Consolidated Income Statement

EGP	1Q2022	1Q2023	Change
Revenue	252,173,789	443,987,415	76.1%
COGS	(172,954,752)	(296,208,657)	71.3%
Government Support	4,552,448	11,525,018	-
Gross Profit	83,771,485	159,303,776	90.2%
General & Administrative Exp.	(32,186,514)	(53,141,747)	65.1%
Selling & Marketing Exp.	(2,806,567)	(5,601,004)	99.6%
Rent	(12,955,848)	(17,475,931)	34.9%
Depreciation Leased Assets	(16,040,727)	(24,523,591)	52.9%
Operating Profit	19,781,829	58,561,503	196%
EBITDA	45,939,046	96,917,679	111%
Provisions	-	(3,660,044)	
Impairments	(3,199,642)	(1,062,565)	
Impairments Reversal	51,180	160,997	
Financing Interest on Leased Assets	(5,983,380)	(9,971,634)	
Interest Income (Expense)	(177,250)	(355,060)	
FX Gain (Loss)	(2,279,516)	20,252,132	
EBT	8,193,221	63,925,329	680.2%
Tax	(1,577,077)	(18,924,233)	
Net Income	6,616,144	45,001,096	580.2%
<u>Distributed as follows:</u>			
Shareholders of the Parent Company	7,110,588	47,154,136	-
Minority Interest	(494,444)	(2,153,040)	-
Earnings Per Share	0.03	0.21	-

Consolidated Balance Sheet

EGP	31 December 2022	31 March 2023
Assets		
Long Term Assets		
Fixed Assets	173,042,066	200,529,950
Right of Use Assets	329,224,331	377,646,087
Assets Under Construction	11,862,054	-
Intangible Assets	-	-
Deferred Tax Asset	1,715,895	27,202
Goodwill	142,034,688	142,034,688
Total Long term Assets	657,879,034	720,237,927
Current Assets		
Accounts Receivables	300,070,341	327,324,534
Advance Payment & Other Debit Balances	147,035,330	179,081,044
Due from Related Parties	1,400,212	16,843,358
Cash & Cash Equivalents	152,253,736	251,557,334
Total Current Assets	600,759,619	774,806,270
Total Assets	1,258,638,653	1,495,044,197
Equity		
Issued and Paid Capital	103,924,355	103,924,355
ESOP Program	5,303,030	5,303,030
Additional Paid in Capital	25,941,331	25,941,331
Legal Reserves	43,659,815	43,659,815
Merger Reserves	(2,834,374)	(2,834,383)
FX Translation Reserve	4,565,144	13,605,854
Treasury Stock	(45,817,430)	(45,817,430)
Retained Earnings	212,485,625	258,880,878
Net Income Attributable to Majority Owners	46,395,253	47,154,136
Total Parent's Shareholders' Equity	393,622,749	449,817,586
Minority Interest	1,399,720	(753,320)
Total Equity	395,022,469	449,064,266
Liabilities		
Long Term Liabilities		
Long Term Debt	56,411,830	59,656,353
Deferred Tax Liability	3,000,098	2,876,661
Other long term Liabilities	4,045,910	5,681,118
Long Term Loan for Right of Use	270,892,694	335,334,842
Total long term Liabilities	334,350,532	403,548,974
Current Liabilities		
Bank Overdraft	4,609,580	
Accounts Payable	159,657,579	228,873,311
Other Credit Balance	163,731,175	183,007,873

Provisions	2,364,207	2,883,307
Due to Related Parties	8,418,287	3,291,287
Taxes Payable	25,424,341	37,930,124
Current Portion of Long Term Loan	34,422,160	43,006,936
Lease Liability	130,638,323	143,438,119
Total Current Liabilities	529,265,652	642,430,957
Total Liabilities	863,616,184	1,045,979,931
Total Liabilities & Equity	1,258,638,653	1,495,044,197