



From: IR Department- Raya Holding for Financial Investments

To: Dr. Zakaria Hamza – Vice President of Disclosure & Corporate Governance Department-EGX

Company: Egyptian Stock Exchange

Subject: 1Q2023 Full Earning Release

Date: 29/05/2023

Number of Pages: 1

Listed Companies Sector
Disclosure Department

Dr. Zakaria Hamza – Vice President of Disclosure & Corporate Governance Department- Egyptian Stock Exchange

Cairo, Egypt | May 29th, 2023- Raya Holding for Financial Investments (RAYA.CA on EGX), a leading Egyptian investment conglomerate with a diverse business portfolio, announced today its consolidated and standalone results for the period ending 31/03/2023.

Kindly find a copy of the detailed Earning Release of Raya Holding for Financial Investments in English.

Thank You

من: قطاع علاقات المستثمرين – شركة راية القابضة للاستثمارات المالية

الى: دكتور / زكريا حمزة- نائب رئيس قطاع الافصاح بالبورصة المصرية

الشركة: البورصة المصرية

الموضوع: اعلان نتائج الأعمال الشركة المفصل عن الفترة المالية المنتهية

في ٣١ مارس ٢٠٢٣

التاريخ: ٢٠٢٣/٠٥/٢٩

عدد الصفحات: ١

قطاع الشركات المقيدة

إدارة الافصاح

دكتور/ زكريا حمزة- نائب رئيس قطاع الافصاح بالبورصة المصرية

تحية طيبة وبعد،

القاهرة، مصر | ٢٩ مايو ٢٠٢٣ – اعلنت شركة راية القابضة للاستثمارات المالية، وهي احدى الشركات القابضة للاستثمار المقيدة بالبورصة المصرية، عن نتائج الاعمال والقوائم المالية المجمعة والمستقلة وذلك عن الفترة المالية المنتهية في ٣١ مارس ٢٠٢٣.

ومرفق الى سيادتكم صورة من اعلان نتائج الأعمال المفصل الخاص بالشركة "Earning Release" باللغة الانجليزية.

و تفضلوا بقبول الاحترام والتقدير،

Raneem Medhat Meligy

Investor Relations and

Corporate Finance Section Head

Raya Holding for Financial Investments

Ahmed Nour El-Din Hassan

Corporate Finance

and Investments Senior Director

Raya Holding for Financial Investments

رنيم مدحت مليجي

مساعد مدير

علاقات المستثمرين والاستثمار

راية القابضة للاستثمارات المالية ش.م.م.

أحمد نورالدين حسن

رئيس قطاع التمويل والاستثمار

ومدير علاقات المستثمرين

راية القابضة للاستثمارات المالية ش.م.م.



The logo for RAYA, featuring the letters 'R', 'A', 'Y', and 'A' in a bold, white, sans-serif font. The letters are closely spaced and have a slight shadow effect. The background is a solid blue color with faint, light blue geometric shapes (triangles and circles) and a network of white dots connected by thin lines at the bottom.

1Q2023 EARNINGS RELEASE

Cairo | May 29, 2023

Raya Holding Reports Exceptional 1Q2023 Financial Results

Despite the prevailing global economic uncertainties, Raya Holding for Financial Investments has shown resilience during a challenging period. We are thrilled to announce achieving exceptional financial performance and significant growth during 1Q2023 while delivering outstanding quarter profitability.



Raya Holding for Financial Investments (RAYA.CA on EGX), a leading Egyptian investment conglomerate with diverse business portfolio, announced today its consolidated results for 1Q2023. Despite the prevailing macroeconomic difficulties and global challenges, 1Q2023 consolidated results continue to display strong revenue and profitability growth. The group reported consolidated revenue of EGP 6,547 million, up by 46% y-o-y. The extraordinary revenue growth is mainly driven by top-line growth across the Trade, Information Technology (IT), Fintech Non-Bank Financial Services (NBFS), and Raya Customer Experience (RCX) business units. Gross profit for 1Q2023 recorded EGP 1,369 million, rising by 63% y-o-y, and recording a stellar gross profit margin of 21%.

Capitalizing on the company's strengths focused on employee development and recognition, Raya Holding was given the privilege of being granted the top employer award in 2022, an honorable certification program that enables organizations to assess and improve the workplace environment.



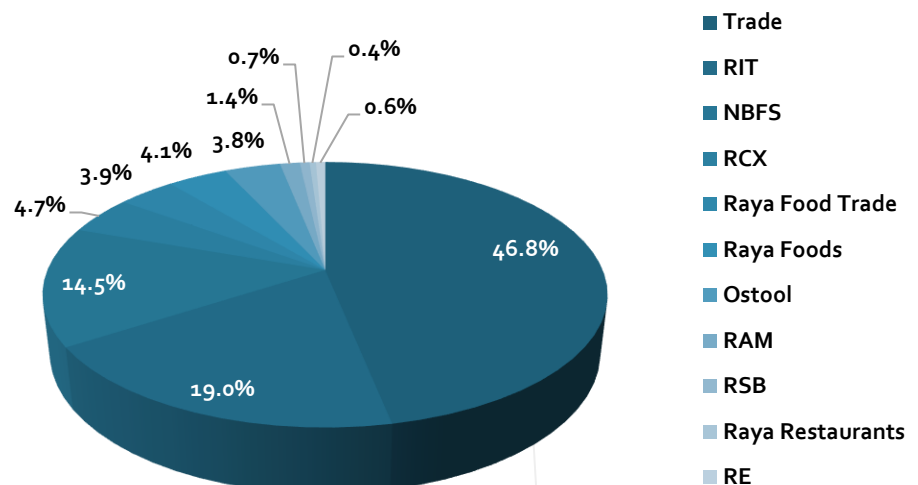
Summary Consolidated Income Statement:

	1Q2022	1Q2023	% Change - YoY
Revenue	4,480	6,547	46%
Gross Profit	840	1,369	63%
Gross Profit Margin	19%	21%	2.2x
EBITDA	376	660	76%
EBITDA Margin	8.4%	10.1%	1.7pts
Net Income (Loss) before Minority	54	168	2.14x
Net Profit (Loss) Margin	1.2%	2.6%	1.4pts
Net Income (Loss) after Minority	45	143	2.17x

Consolidated Financial Performance

Revenues: During 1Q2023, the group recorded EGP 6,547 million of which Raya Holding embarked on a continuous and fruitful expansion while continuing to support and develop new activities. Revenue expanded by 46% y-o-y driven by growth across the following strategic business units: Trade, IT, Fintech NBFS, and RCX. The beforementioned business units contributed 46.8%, 19%, 14.5%, and 4.7% of total consolidated revenues in 1Q2023; respectively.

Revenue Breakdown by Sector
1Q2023

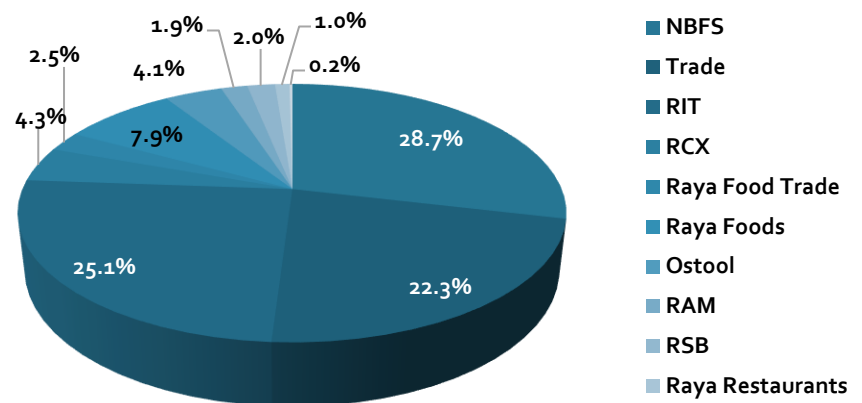


Cost of goods sold (COGS): Driven by recent inflationary pressures, Cost of sales increased by 42% y-o-y to record EGP 5,177 million during 1Q2023 up-from EGP 3,640 million during 1Q2022; however, Cost of sales to Revenue enhanced YoY to record 79% compared to 81.3% a year earlier.

Gross profit: Gross Profit posted EGP 1,369 million in 1Q2023, 63% higher y-o-y and yielding a margin of 21%. The Gross Profit margin witnessed a 2.2 y-o-y percentage point increase driven by exponential growth and margin enhancement in the Fintech NBFS LOB, on the back of growth in lending portfolios and positive development in Net Interest Margins (NIMs).



**GP Breakdown by Sector
1Q2023**

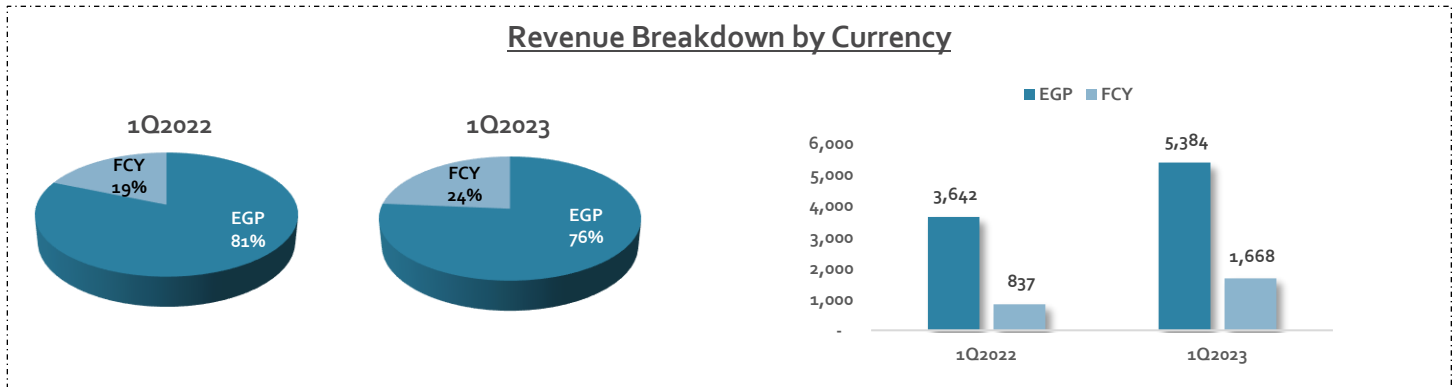


Selling, general and administrative (SG&A): SG&A for the period stood at EGP 846 million with a 45% y-o-y increase reflecting an SG&A to Revenue of 12.9%. This increase is driven by inflationary pressures, expansions in new activities for the group, increased level of investment across almost all LOBs, and other costs associated with the expenses spent on the group's administrative buildings, including facilities, security, maintenance, etc...

EBITDA: 1Q2023 recorded EGP 660 million, up 76% y-o-y, with a remarkable contribution to such annual uptick due to the higher-than-expected performance from the Trade & NBFS business units. EBITDA margin recorded a 1-percentage point y-o-y increase to record a healthy 10%.

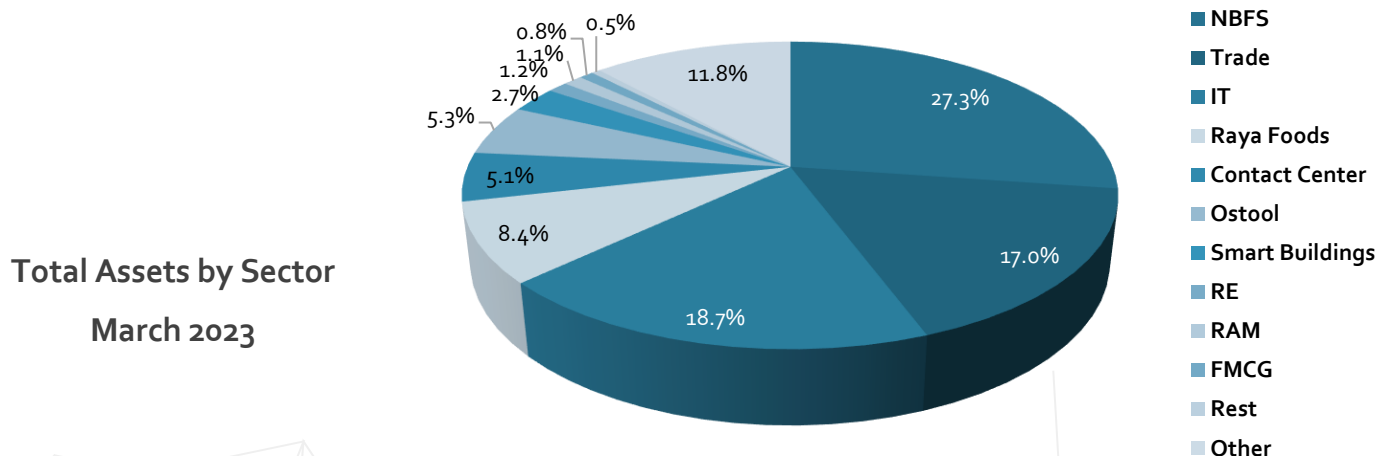


Net Income before Minority: Net income before minority recorded EGP 168 million for 1Q2023 compared to EGP 54 million recorded a year prior, recording an annual increase of c. 2.14x. Net Income remarkable enhancement was driven by two main pillars, the 1st pillar related to currency depreciation, and its positive effect on profit margins for export oriented businesses within the group (mainly RCX and Raya Foods), and the 2nd related to market share enhancement, economies of scale, and ability to leverage market leading position to attain better profitability margins (mainly within the IT and the Trade LOBs). Moreover, revenue in foreign currency remarkably increased during 1Q2023 to record 24% from total group turnover, up from just 19% a year earlier; significantly impacting the group's revenue profile and profitability margins.



Cash Position: As of the period ending March 31st, 2023, the group maintained a cash balance of nearly EGP 1,669 million equivalent to c. 7% of total assets, reflecting the group's stellar position. **Net Debt** recorded EGP 9,142 million at the period ending March 31st, 2023, and Net Debt to "annualized" EBITDA recorded an acceptable 3.46x, given that a large proportion of such Net Debt is related to the NBFS arm, Aman Holding, to fund its lending portfolios in both the Microfinance and Consumer finance businesses.

The group's **Net Cash flows from Operations** posted a negative EGP 17 million compared to a negative net cash flow from operations of EGP 600 million recorded during 1Q2022; showing a remarkable enhancement y-o-y; while Operating Cash Flows before working-capital-adjustments recorded a positive EGP 630 million during 1Q2023, maintaining almost the same level compared to last year.



Consolidated Income Statement

Consolidated Income Statement (EGP 000)	1Q2022	1Q2023	YoY Growth
Revenue	4,479,590	6,546,681	46%
COGS	(3,639,675)	(5,177,771)	42%
Gross Profit	839,914	1,368,910	63.0%
General & Administrative Exp.	(393,300)	(580,657)	47.6%
Selling & Marketing Exp.	(191,015)	(264,976)	38.7%
Board Remuneration	(65)	(1,230)	17.9x
EBITDA	375,518	659,690	75.7%
Right of Use Assets Depreciation	(45,235)	(48,831)	8.0%
Fixed Assets & Intangibles Depreciation	(74,749)	(88,813)	18.8%
Provisions	(6,631)	(5,570)	-16.0%
Expected Credit Losses	(30,596)	(68,858)	1.3x
Reversal of expected credit losses	2,013	2,819	40.1%
Operating Profit	220,320	450,438	104.4%
FX Gain (Loss)	1,748	23,871	12.7x
Company's share in profits of associates	4,172	26,085	5.3x
Other Income (expense)	111	(6,557)	(60.3x)
Gain (losses) on Sale of Fixed Assets	330	553	68%
Takaful contribution	(7,421)	(9,601)	29.4%
EBIT	219,259	484,790	121.1%
Interest Expense	(132,398)	(238,312)	80.0%
EBT	86,861	246,478	1.8x
Income Tax	(33,273)	(78,085)	1.3x
Net Income before minority	53,588	168,393	2.14x
<u>Distributed as follows:</u>			
Shareholders of the Parent Co.	45,149	142,978	2.17x
Minority Interest	8,439	25,415	2.01x

Consolidated Balance Sheet

Consolidated Balance Sheet (EGP 000)	31-Dec-22	31-Mar-23
Fixed Assets	1,787,779	1,806,204
Investment Properties	633,778	626,135
Projects under Construction	190,426	196,258
Intangible Assets	19,662	19,089
Leased Assets	809,609	857,016
Goodwill	325,268	325,268
Investments in Associates	126,992	153,077
Available for Sale Investments through Comprehensive Income	22,980	22,076
Long-term Investments through Comprehensive Income	1,031	1,051
Deferred Tax Assets	87,712	40,641
Total Non-Current Assets	4,005,237	4,046,815
Inventory	2,208,840	2,960,009
Work in Progress	411,315	769,107
Accounts And Notes Receivable	9,166,401	9,296,879
Debtor of Sale of investments in associates	4,120	4,200
Prepayments And Other Debit Balances	3,456,243	5,116,353
Share Based Compensation (ESOP)	7,088	7,088
Debit balances (Tax Authority)	181,505	140,877
Cash on Hand and at Banks	1,329,423	1,668,714
Total Current Asset	16,764,935	19,963,226
Total Assets	20,770,172	24,010,041
Provisions	141,406	154,747
Accounts And Notes Payable	3,318,502	4,642,053
Short-term loans	396,037	395,662
Current Portion of long-term loans	979,872	913,637
Advance Payments	0	0
Current Portion of Long-Term Liabilities-Right of Use	51,398	115,633
Credit Facilities	6,567,615	7,860,435
Accrued Expenses and other Credit Balances	4,360,524	4,929,905
Dividends Payable	7,793	63,079
Total Current Liabilities	15,823,147	19,075,152
Working Capital	941,788	888,074
Total Investments	4,947,025	4,934,889
Issued & Paid-up Capital	1,071,998	1,071,998
Legal Reserve	92,010	96,298
General reserve	41,936	41,936
Treasury Shares	(53,686)	(53,686)
Revaluation reserve of available for sale investments through comprehensive income	3,390	2,690
FX Gains (losses)	0	(89,124)
Net Profit from Share Sale in Aman	0	0
Foreign Currency Translation Adjustments	(2,850)	36,378
Dividends Payable	0	0
Retained Earnings/ (Losses)	190,454	447,212
Profits for the year after minority interest	347,313	142,978
Total Shareholder's Equity	1,690,565	1,696,679
Minority Interest	566,757	573,763
Total Equity	2,257,323	2,270,441
Notes Payable - Noncurrent portion	64,724	52,885
Long Term loan	1,664,908	1,640,518
Long Term Liabilities-Right of Use	855,743	879,443
Other Long-term Liabilities	104,327	91,601
Total Noncurrent liabilities	2,689,702	2,664,447
Total Equity & Non-current Liabilities	4,947,025	4,934,889

About Raya Holding

Raya Holding is an auspicious investment conglomerate Headquartered in Cairo, Egypt, managing a diversified investment portfolio. As the parent company of three mature lines of business, and nine up-and coming lines of business, Raya Holding operates in the fields of information technology (IT), consumer electronics & home appliances trading, contact center outsourcing services (CCO), data center outsourcing services (DCO), smart buildings, food and beverage manufacturing and trading, land transport, logistical solutions, light-mobility vehicles, E-payments and Non-banking financial services. Raya Holding empowers more than 18,000 proficient employees, accommodating a wide international customer base from on-ground operations spanning Egypt, Saudi Arabia, UAE, Bahrain, Poland, and Nigeria. In 1Q2023, Raya Holding delivered a group consolidated turnover of EGP 6.5 billion, a gross profit of EGP c. 1.4 billion, an EBITDA "Earnings Before Interest, Taxes, Depreciation and Amortization" of EGP 660 million and a net-income before minority of EGP 168 million.

Raya Holding for Financial Investments is one of the leading investments' holding companies in Egypt boasting the largest market share in its mature lines of business (IT, NBFS, Trading, RCX) and aspires to be the marketleader in its remaining up-and coming lines of business. Raya Holding is listed on the Egyptian Stock Exchange and is currently trading under the symbol "RAYA.CA".

For further information, please contact:
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RAYA.CA on the EGX

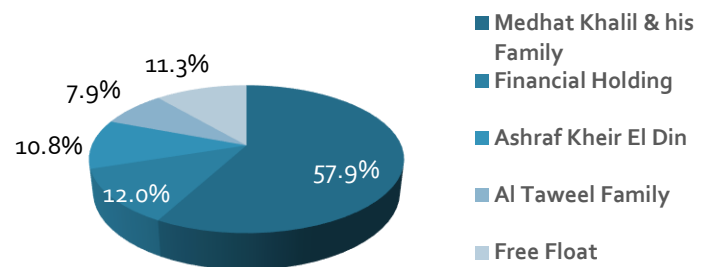
Number of Shares	2,143,995,190
Share Price (May 29th ,2023)	EGP 2.51
Market Cap (May 29th ,2023)	EGP 5,381,427,927

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Shareholder's Structure

(As of March 31st, 2023)



Shareholders by Geography

(As of March 31st, 2023)

