

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 الفتره المنتهيه في ٣٠ من يونيو ٢٠٢٣ و الذى يحتوى على الاتى:

- القوائم الماليه المجمعه عن الفتره المنتهيه في ٣٠ من يونيو ٢٠٢٣
- القوائم الماليه المستقله عن الفتره المنتهيه في ٣٠ من يونيو ٢٠٢٣
- تقرير مجلس الاداره عن الفتره المنتهيه في ٣٠ من يونيو ٢٠٢٣
- تقرير لجنة المراجعه عن الفتره المنتهيه في ٣٠ من يونيو ٢٠٢٣
- تقرير نتائج اعمال باللغه الانجليزيه عن الفتره المنتهيه في ٣٠ من يونيو ٢٠٢٣
- محضر اجتماع مجلس الاداره المنعقد في ١٣ من اغسطس ٢٠٢٣

و تفضلوا بقبول وافر الاحترام و التقدير،،،

كريم سعودى  
رئيس قطاع الاستثمار و علاقات المستثمرين  
التوقيع:

Karim Seoudy

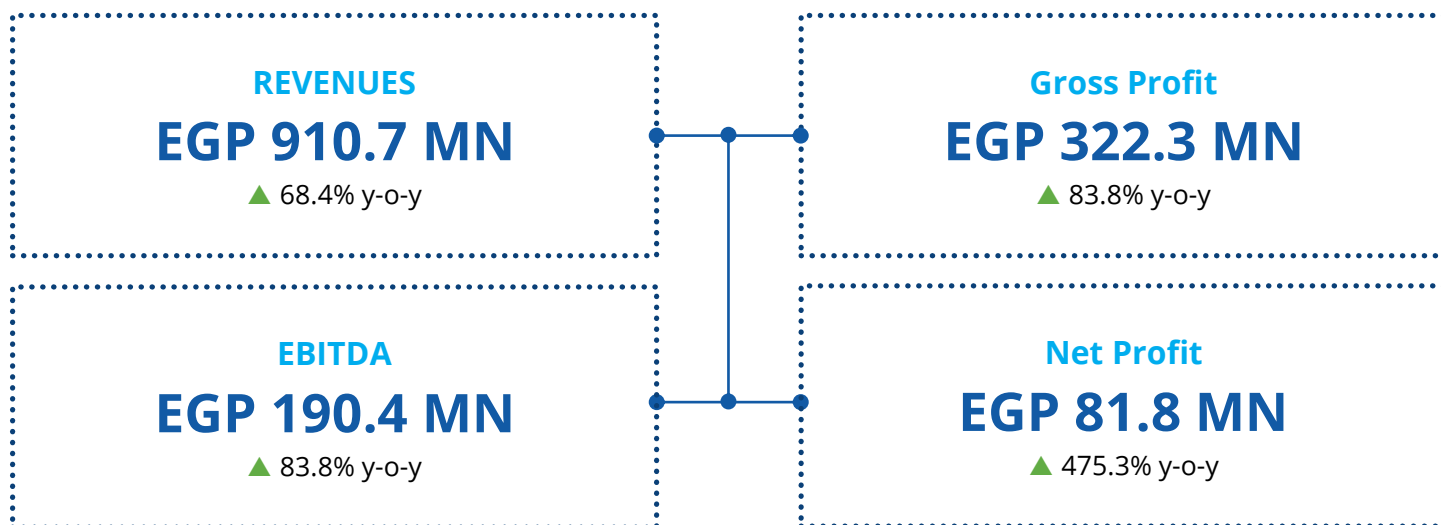


## HEADQUARTERS

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## Raya Customer Experience Reports 1H 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 six-month period ended 30 June 2023, recording revenues of EGP 910.7 million, a 68.4% y-o-y increase. Gross profit increased 83.8% y-o-y to EGP 322.3 million, while net profit recorded EGP 81.8 million in 1H 2023, up 475.3% compared to 1H 2022, with a net profit margin of 9%.

### Summary Income Statement

EGP	1H2022	1H2023	% Change
<b>Revenue</b>	<b>540,820,385</b>	<b>910,744,258</b>	<b>68.4%</b>
<i>Outsourcing</i>	272,136,625	561,355,471	106.3%
<i>Insourcing</i>	171,854,855	186,277,362	8.4%
<i>Hosting</i>	96,828,905	163,111,425	68.5%
<b>Gross Profit</b>	<b>175,391,772</b>	<b>322,304,408</b>	<b>83.8%</b>
<i>Gross Profit Margin</i>	32.4%	35.4%	+3.0 pts
<b>EBITDA</b>	<b>99,384,491</b>	<b>190,441,735</b>	<b>91.6%</b>
<i>EBITDA Margin</i>	18.4%	20.9%	+2.5 pts
<b>Net Profit</b>	<b>14,218,804</b>	<b>81,805,214.41</b>	<b>475.3%</b>
<i>Net Profit Margin</i>	2.6%	9.0%	+6.4 pts

## Note from the CEO

I am pleased to share with you our exceptional performance during the first half of 2023, a testament to the dedication and hard work of the entire RCX team. In a dynamic and challenging business landscape, our focus on innovation, customer-centricity, and operational excellence has driven remarkable results. Despite the volatile economic dynamics globally and locally, we are fully confident in our ability to capitalize on our solid position and shifting market dynamics and to push ahead with our growth strategy.

In the first half of 2023, RCX continued its double-digit revenue growth and improved profitability on the back of strong performance across our business segments. Our BPO segment has been showing tremendous growth, due to the price competitiveness of Egypt as a delivery market, thus improving our revenue allocation and consequently our profitability margins.

Moreover, a key strategy at RCX has long been to diversify sources of revenue in terms of currency, geography, and business segment. In an increasingly inflationary environment exacerbated by the volatility of the Egyptian pound, our strategy has served us well and supported our growth. RCX finds itself in an enviable position whereby nearly 70% of its revenues are in US dollars, which has been instrumental amidst recent FX fluctuations.

On the regional front, we are continuously strengthening our position in the GCC regions, and have added 2 new facilities in Riyadh, KSA and mainland Dubai, UAE. Additionally, I have been deeply engaged in a comprehensive review of our operations in Europe, with a keen focus on identifying strategic opportunities for growth. Europe holds immense potential, and we are tirelessly working to maximize the value we can derive from this important market.

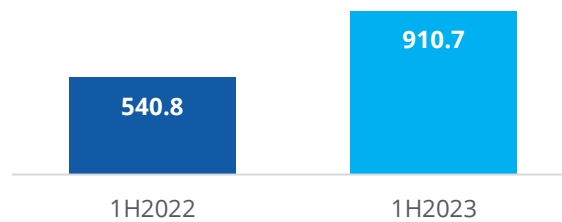
As we head into the second half of the year, I am committed to ensuring that we leverage our strengths and seize the right opportunities to further enhance shareholder value and position our company for sustained success.

**Ahmed Aboulezz**  
Chief Executive Officer

## Financial Performance

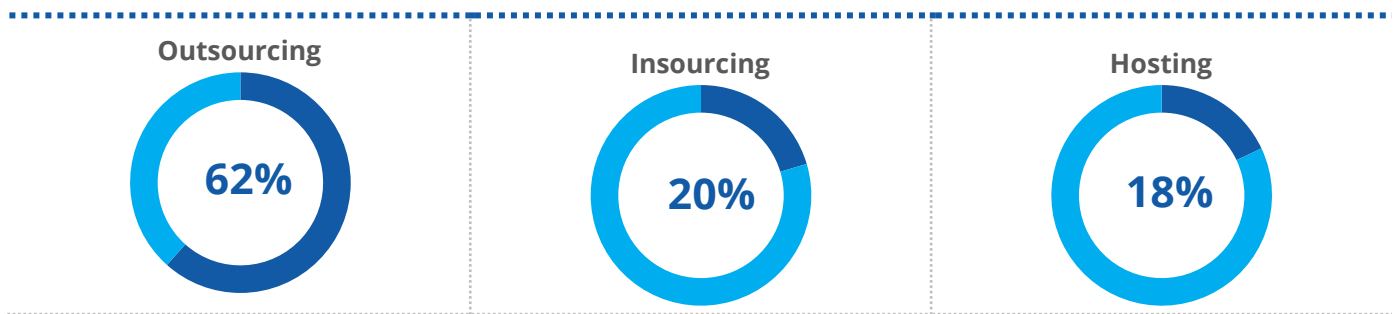
**Consolidated revenues** grew 68.4% y-o-y to reach EGP 910.7 million in 1H 2023 compared to EGP 540.8 million the previous year. Revenue growth was driven by an expansion in our operations, growing our offshore business especially in the Kingdom of Saudi Arabia, and increased utilization rates across our facilities.

### Consolidated Revenue



In terms of the revenue breakdown by **service segment**, *contact center outsourcing* continues to be the primary contributor recording EGP 561.3 million in 1H 2023, representing 61.6% of total revenue. Our *insourcing business*, also known as *HR outsourcing*, recorded EGP 186.2 million to make up 20.4% of total revenue, while the *hosting business* recorded EGP 163.1 million, accounting for the remaining 17.9% of total revenue.

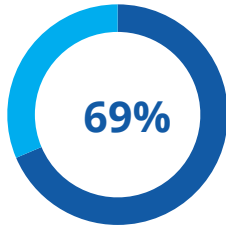
### Revenue by Segment



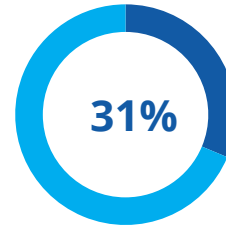
Analyzing 1H 2023 revenues by **currency**, *offshore* revenue (USD) recorded EGP 625 million, accounting for 53.7% of total revenue, compared to 53.7% in the same period last year. RCX's strategy is to consolidate USD recurring revenues to enable it to absorb fluctuations in foreign exchange rates.

**Revenue by Currency**

Offshore (USD)



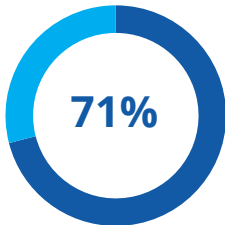
Local



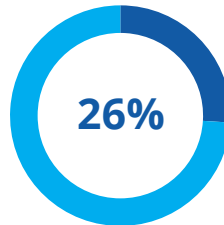
Analyzing revenue by **geographical location**, RCX derived 71% of its 1H 2023 revenues from **Egypt's** facilities, which recorded EGP 646 million, up 42.7% compared to 1H 2022. The second largest contribution came from the **Gulf area** operations, which saw revenues increase by 208% year-on-year to reach EGP 240.8 million in 1H 2023. One of RCX's strategies is to grow its geographic footprint into more high-value markets in the region and beyond. Our expansion in the Gulf area has proven to be a successful step in realizing our regional growth strategy. Finally, the **Poland** facility recorded EGP 17.7 million in revenues in 1H 2023, representing 2% of total revenues.

**Revenue by Geographical Location**

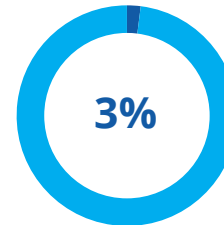
Egypt



GCC



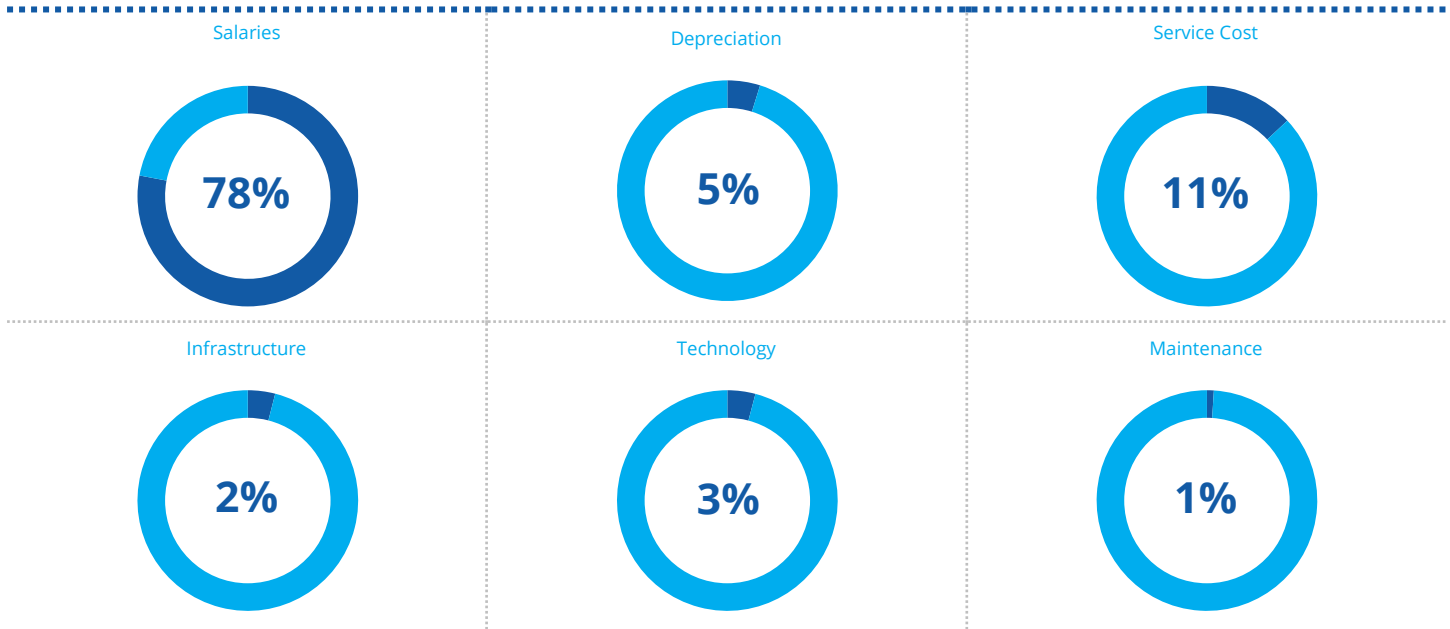
EU



**Gross Profit section**

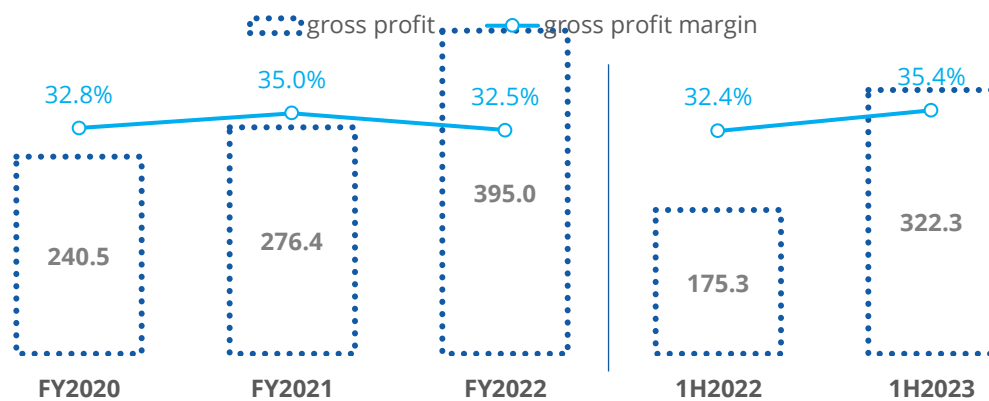
Total **costs of goods sold (COGS)** for 1H 2023 was EGP 614.8 million, a 65.6% y-o-y increase, which resulted in RCX's COGS as a percentage of revenues to increase to 67.5% compared to 68.7% in 1H 2022. Salaries & wages constituted the largest share of COGS standing at 78%, slightly higher than our historical trends on the back of salary adjustments due to inflationary pressure.

**COGS Breakdown**



In 1H 2022, RCX's **gross profit** recorded EGP 175.4 million, up a strong 35.4% y-o-y, with a gross profit margin of 32.4% versus the 34.4% recorded in the same period last year. While gross profit expanded significantly, our gross profit margin was impacted by the higher salaries and wages expenses as well as service costs associated with growing the business. Profitability is showing a steady improvement and RCX aims to restore profitability through reverting to the historical revenue mix and growing the outsourcing segment.

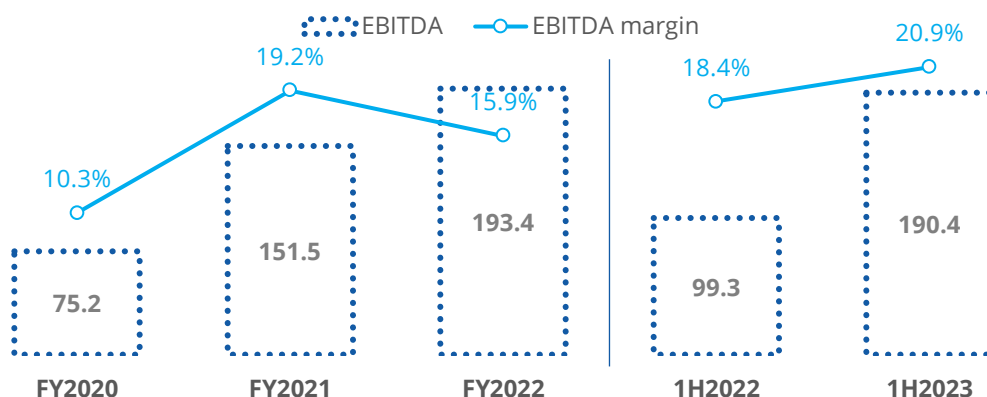
**Gross Profit (MN) and Gross Profit Margin Evolution**



Meanwhile, **selling, general and administrative (SG&A)** for 1H 2023 totaled EGP 123.8 million, up 64.0% y-o-y; however, RCX's SG&A as a percentage of revenues stood at 13.6% versus 14.0% in 1H 2022, despite the increase. The increase in SG&A expenses was due to higher annual salaries, currency devaluation related salary adjustments, and marketing expenses.

**EBITDA** recorded EGP 190.4 million in 1H 2023, up 91.6% y-o-y, with an EBITDA margin of 20.9% compared to 18.4% in 1H 2022.

### EBITDA (MN) and EBITDA Margin Evolution

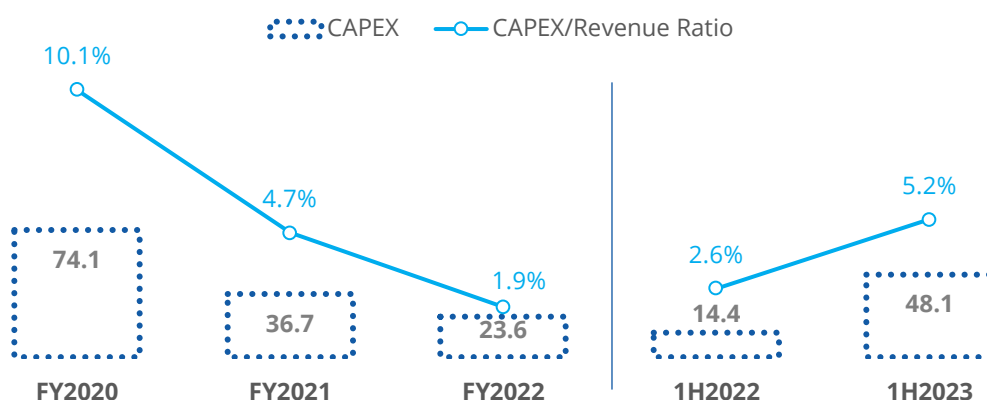


RCX reported a **net profit** of EGP 81.8 million in 1H 2023, up a strong 475.3% y-o-y, with net profit margin at 9%, up from 2.6% from the previous period last year. The increase in net profit reflects business growth and operational efficiencies across the company. Additionally, as at 30 June 2023, the company's financial position remained solid with a healthy **cash balance** of EGP 241.8 million.

### Operational Performance

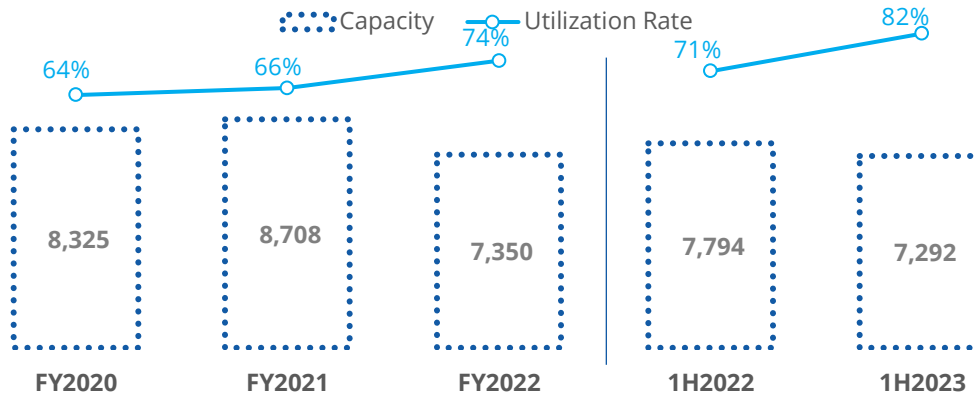
In 1H 2022, RCX's total workstation capacity stood at 7,292 with utilization rates recording 82%, compared to 71% in the same period last year. Total CAPEX in 1H 2023 was EGP 48.1 million compared to EGP 14.4 million in 1H 2022. The increase in CAPEX is attributable to infrastructure enhancements. CAPEX as a percentage of revenues increased to 5.2% in 1H 2023 compared to 2.6% in the first half of the previous year.

### 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 14 state-of-the-art delivery sites, spanning eight facilities nation-wide in Egypt, two facilities 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 7,300 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,  
please contact:

### Raya Customer Experience

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#### RACC.CA on the EGX

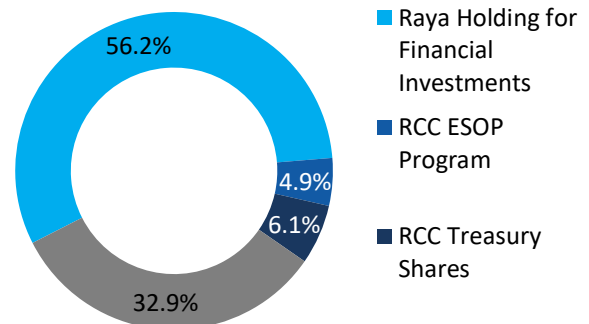
**Number of Shares** 218,454,770

**Share Price (26 June 2023)** EGP 2.54

**Market Cap (26 June 2023)** EGP 554,875,116

#### Shareholding Structure

(as at 30 June 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	1H2022	1H2023	Change
<b>Revenue</b>	<b>540,820,385</b>	<b>910,744,258</b>	<b>68.4%</b>
COGS	(371,358,982)	(614,856,266)	65.6%
<b>Export Subsidy</b>	-	<b>4,634,339</b>	-
<b>Gross Profit</b>	<b>175,391,772</b>	<b>322,304,408</b>	<b>83.8%</b>
General & Administrative Exp.	(68,815,563)	(112,457,477)	63.4%
Selling & Marketing Exp.	(6,710,821)	(11,438,367)	70.4%
Rent	(26,970,548)	(31,463,213)	16.7%
Depreciation Leased Assets	(34,133,685)	(53,299,532)	56.1%
<b>Operating Profit</b>	<b>38,761,155</b>	<b>113,645,819</b>	<b>193.2%</b>
<b>EBITDA</b>	<b>99,384,491</b>	<b>190,441,735</b>	<b>91.6%</b>
Provisions	(7,596,971)	(5,558,054)	-
Provisions Reversal	53,293	848,426	-
Impairments	(50,000)	(1,038,200)	-
Financing Interest on Leased Assets	(14,385,065)	(20,387,020)	-
Interest Income (Expense)	(1,188,962)	(1,090,416)	-
Gain on Sale of Fixed Assets	613,586	474,277	-
FX Gain (Loss)	5,945,706	39,830,673	-
Other Non Operating Expenses	-	(6,543,960)	-
<b>EBT</b>	<b>21,539,156</b>	<b>120,181,545</b>	<b>458.0%</b>
Tax	(7,320,352)	(38,376,331)	424.2%
<b>Net Income</b>	<b>14,218,804</b>	<b>81,805,214.41</b>	<b>475.3%</b>
<u>Distributed as follows:</u>			
Shareholders of the Parent Company	15,221,141	85,381,083	460.9%
Minority Interest	(1,002,338)	(3,575,869)	-123.5%
<b>Earnings Per Share</b>	<b>0.06</b>	<b>0.37</b>	<b>516.7%</b>

## Consolidated Balance Sheet

EGP	31 December 2022	30 June 2023
<b>Assets</b>		
<b>Long Term Assets</b>		
Fixed Assets	173,042,066	201,623,407
Right of Use Assets	329,224,331	356,840,445
Assets Under Construction	11,862,054	24,785,390
Deferred Tax Asset	1,715,895	687,572
Goodwill	142,034,688	142,034,688
<b>Total Long term Assets</b>	<b>657,879,034</b>	<b>725,971,502</b>
<b>Current Assets</b>		
Accounts Receivables	300,070,341	358,053,971
Advance Payment & Other Debit Balances	147,035,330	169,447,380
Due from Related Parties	1,400,212	1,783,304
Cash & Cash Equivalents	152,253,736	241,853,532
<b>Total Current Assets</b>	<b>600,759,619</b>	<b>771,138,187</b>
<b>Total Assets</b>	<b>1,258,638,653</b>	<b>1,497,109,689</b>
<b>Equity</b>		
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)	(2,834,374)
FX Translation Reserve	4,565,144	13,480,763
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	85,381,083
<b>Total Parent's Shareholders' Equity</b>	<b>393,622,749</b>	<b>487,919,451</b>
Minority Interest	1,399,720	(2,176,148)
<b>Total Equity</b>	<b>395,022,469</b>	<b>485,743,303</b>
<b>Liabilities</b>		
<b>Long Term Liabilities</b>		
Long Term Debt	56,411,830	49,251,721
Deferred Tax Liability	3,000,098	3,052,955
Other long term Liabilities	4,045,910	6,519,202
Long Term Loan for Right of Use	270,892,694	310,133,955
<b>Total long term Liabilities</b>	<b>334,350,532</b>	<b>368,957,833</b>
<b>Current Liabilities</b>		
Bank Overdraft	4,609,580	445,510
Accounts Payable	159,657,579	226,902,096
Other Credit Balance	163,731,175	184,935,067
Provisions	2,364,207	3,402,407

Due to Related Parties	8,418,287	10,417,947
Taxes Payable	25,424,341	27,511,329
Current Portion of Long Term Loan	34,422,160	43,006,810
Lease Liability	130,638,323	145,787,387
<b>Total Current Liabilities</b>	<b>529,265,652</b>	<b>642,408,553</b>
<b>Total Liabilities</b>	<b>863,616,184</b>	<b>1,011,366,386</b>
<b>Total Liabilities &amp; Equity</b>	<b>1,258,638,653</b>	<b>1,497,109,689</b>