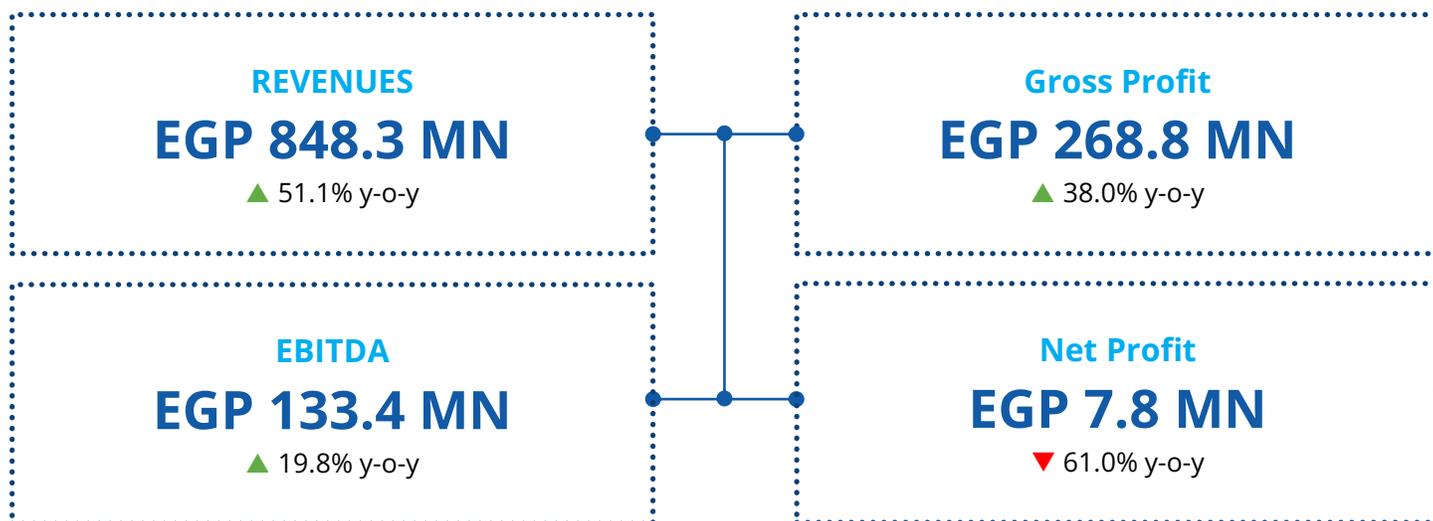


## Raya Customer Experience Reports 9M 2022 Results



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 nine-month period ended 30 September 2022, recording revenues of EGP 848.3 million, a 51.1% y-o-y increase. Gross profit increased by 38.0% y-o-y to EGP 268.8 million, while net profit recorded EGP 7.8 million in 9M 2022, down 61.0% compared to 9M 2021, with a net profit margin of 0.9%.

### Summary Income Statement

EGP	9M2021	9M2022	% Change
<b>Revenue</b>	<b>561,367,888</b>	<b>848,265,554</b>	<b>51.1%</b>
<i>Outsourcing</i>	273,780,737	455,096,782	62.6%
<i>Insourcing</i>	170,241,772	253,370,094	48.8%
<i>Hosting</i>	117,345,379	149,798,678	27.7%
<b>Gross Profit</b>	<b>194,737,601</b>	<b>268,786,632</b>	<b>38.0%</b>
<i>Gross Profit Margin</i>	34.7%	31.7%	-3.0 pts
<b>EBITDA</b>	<b>111,285,473</b>	<b>133,361,850</b>	<b>19.8%</b>
<i>EBITDA Margin</i>	19.8%	15.7%	-4.1 pts
<b>Net Profit</b>	<b>20,033,064</b>	<b>7,804,079</b>	<b>-61.0%</b>
<i>Net Profit Margin</i>	3.6%	0.9%	-2.7 pts

## Note from the CEO

As the year comes to a close, we are happy to announce that our 9M results for 2022 continue to display strong revenue growth, despite the prevailing macro-economic difficulties and global challenges. It is a true testament to our focused strategy, which has enabled us to reap the benefits of transformation and optimization initiatives across our business lines. With the expected movement in foreign currency against the Egyptian Pound, RCX's business model is safeguarded by its strategic contracts and client-base, shielding performance from exogenous market shocks.

The third quarter of the year exhibited robust top-line growth, with revenues climbing over 50% compared to last year, particularly boosted by our Outsourcing segment. This segment has long been a pillar of our expansion strategy as opportunities begin to materialize and benefit our growth. Offshore revenues coupled with an increasing impact of our Gulf CX operations has played a pivotal role in securing our income.

As we continue to consolidate and cement our position as a regional player, we are pleased to see the upside potential of our operations in the Kingdom of Bahrain and the Kingdom of Saudi Arabia (KSA) materialize. Through our selected partner network in KSA, we expect to see a continuation of this growth trajectory in the coming months. In addition to our Gulf area footprint, RCX has been active in establishing physical presence on the ground to serve the Western Hemisphere markets across North and Latin America. We expect to reap the benefits of our business development efforts in the upcoming year, 2023.

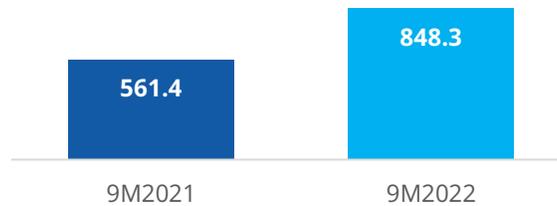
With one quarter left to the year, RCX finds itself in a unique position to weather the global economic difficulties, as well as the devaluation of the Egyptian Pound. We remain confident in the growth of our services and the diversification efforts that have afforded the Company a foundation to build upon strong performance and customer service excellence in the long-term.

**Ahmed Refky**  
Chief Executive Officer

## Financial Performance

**Consolidated revenues** grew 51.1% y-o-y to reach EGP 848.3 million in 9M 2022 compared to EGP 561.4 million the previous year. Revenue growth was driven by an expansion in our operations, growing business at our recently acquired Gulf CX and increased utilization rates across our facilities.

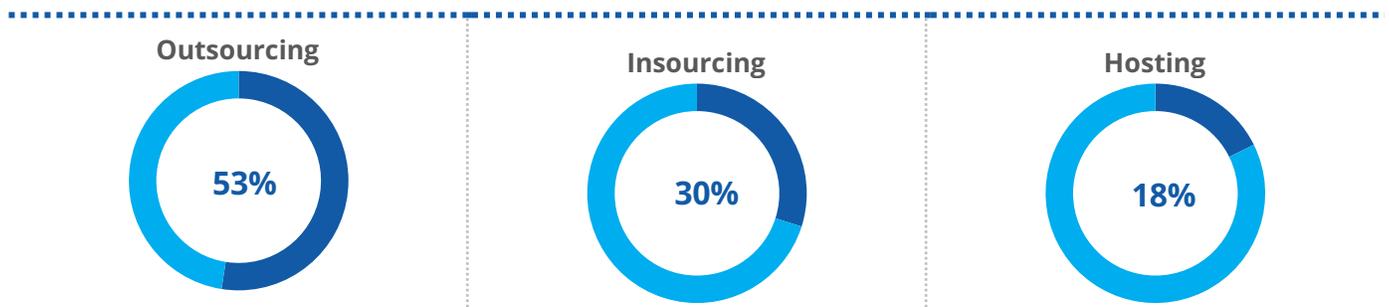
### Consolidated Revenue



In terms of the revenue breakdown by **service segment**, *contact center outsourcing* continues to be the primary contributor recording EGP 445.1 million in 9M 2022, representing 52.5% of total revenue. Our *insourcing business*, also known as *HR outsourcing*, recorded EGP 253.4 million to make up 29.9% of total revenue, while the *hosting business* recorded EGP 149.8 million, accounting for the remaining 17.7% of total revenue.

With recovery underway following the challenges witnessed in recent years, RCX is working to shift its revenue mix to achieve a more optimal breakdown in segment contribution. The outsourcing business, which historically contributes 70% of total revenue, accounted for just over half of total revenue in the third quarter of the year. As conditions normalize, RCX will continue increasing contributions from the outsourcing business as a driver for growth given its high profit margins. Furthermore, the insourcing business currently represents a larger share of total revenue at around 30% compared to historical levels of 15-20%. This segment delivers a relatively low profit margin due to the high HR cost associated with its operations. Finally, the company is going through an expansion phase resulting in higher costs, particularly salaries, which is causing a delay in margin recovery.

### Revenue by Segment



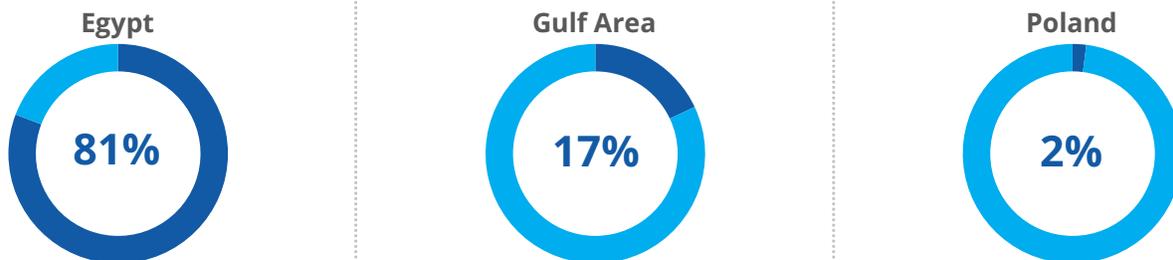
Analyzing 9M 2022 revenues by **currency**, *offshore* revenue (USD) recorded EGP 473.7 million, accounting for 55.8% of total revenue, compared to 50.3% in the same period last year. RCX's strategy is to consolidate USD recurring revenues to enable it to absorb fluctuations in foreign exchange rates. This has proven highly effective and will help mitigate the impact of the most recent devaluation of the Egyptian pound. Moving forward, as the company continues to increase its USD revenue share it will further strengthen its position relative to competitors amidst a volatile macroeconomic environment.

**Revenue by Currency**



Analyzing revenue by **geographical location**, 80.8% of RCX's 9M 2022 revenues were delivered from the facilities in **Egypt**, which recorded EGP 685.4 million, up 29.6% compared to 9M 2021. This was followed by the **Gulf area** operations, which saw revenues increase over eight-folds year-on-year to EGP 147.7 million in 9M 2022, thanks to our recent acquisition of Gulf CX. The acquisition came as part of RCX's strategies to grow its geographic footprint into more high-value markets in the region and beyond. Finally, the **Poland** facility recorded EGP 15.2 million in revenues in 9M 2022, nearly unchanged from the previous year.

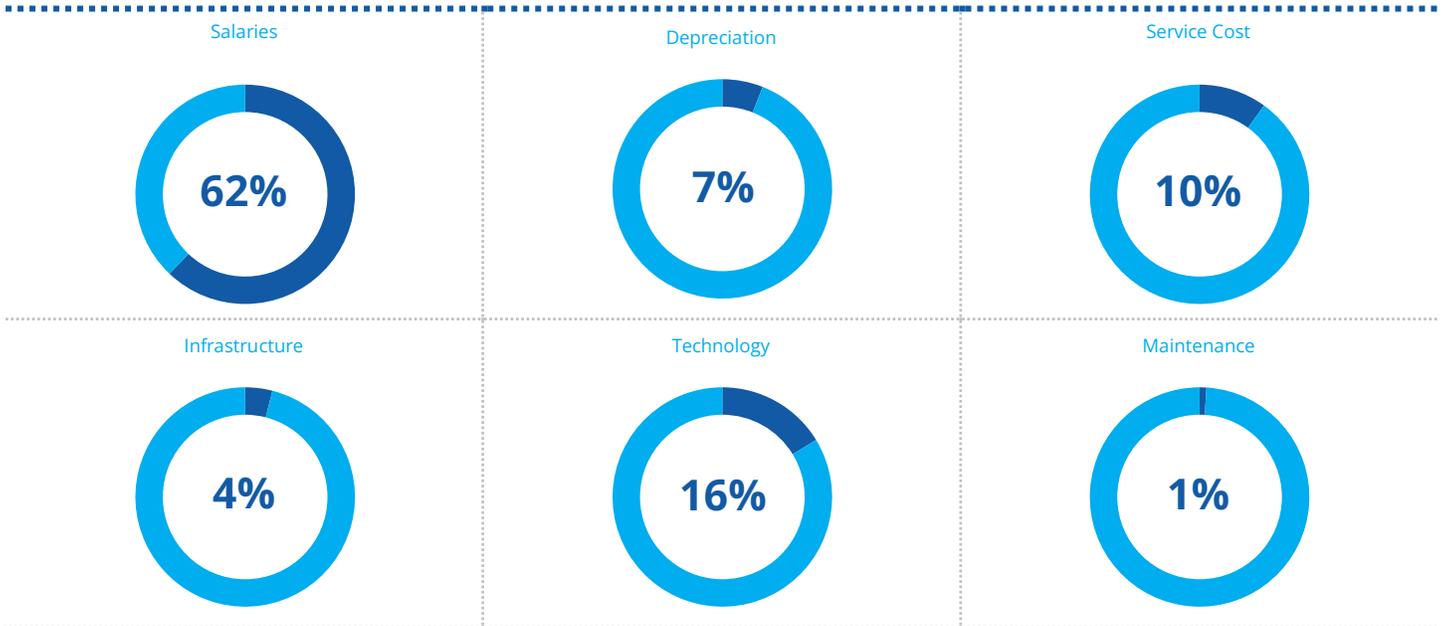
**Revenue by Geographical Location**



**Gross Profit**

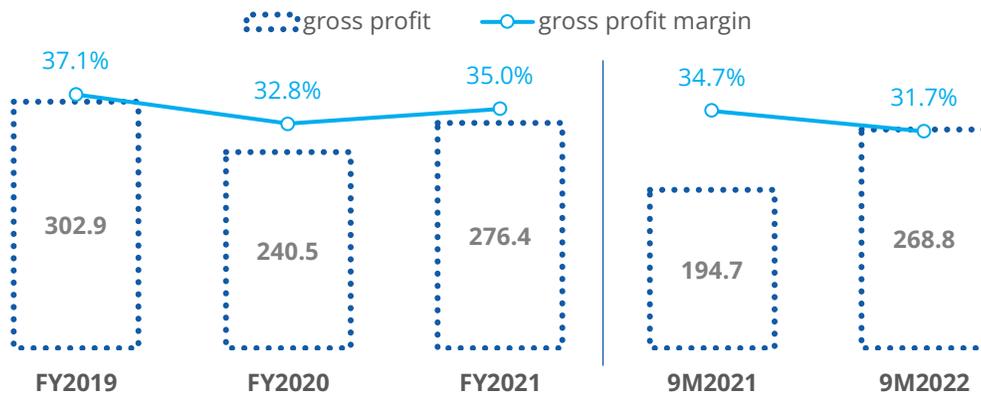
9M 2022 total **costs of goods sold (COGS)** stood at EGP 587.0 million, a 60.1% y-o-y increase, which resulted in RCX's COGS as a percentage of revenues to stand at 69.2% compared to 65.3% in 9M 2021. Salaries & wages constituted the largest share of COGS standing at 62.1%, which is in line with the lower profit revenue mix due to the higher contribution from the insourcing segment, along with increased hiring associated with expansion plans.

**COGS Breakdown**



RCX's 9M 2022 **gross profit** recorded EGP 268.8 million, up a solid 38.0% y-o-y, with a gross profit margin of 31.7%, slightly down from last year. Despite the gross profit expansion, our gross profit margin was impacted by the higher salaries and wages expenses as well as technology costs. Profitability is showing a steady improvement and RCX aims to restore profitability through reverting to the historical revenue mix and growing the outsourcing segment.

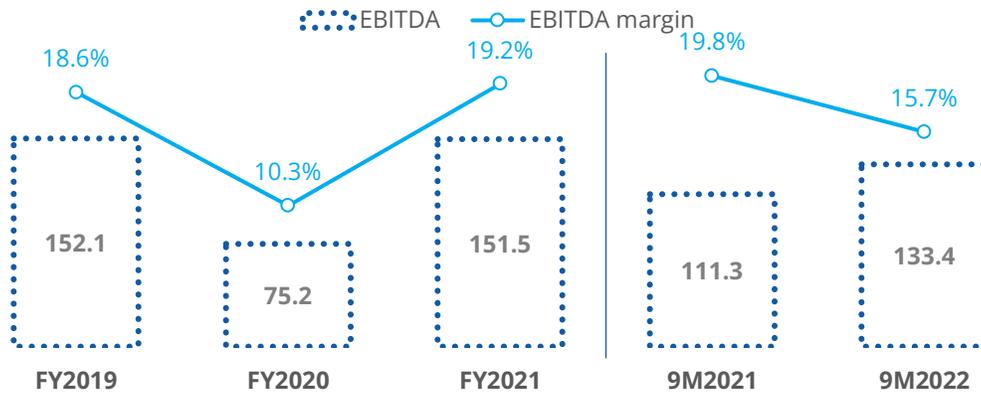
**Gross Profit (MN) and Gross Profit Margin Evolution**



Meanwhile, **selling, general and administrative (SG&A)** for 9M 2022 totaled EGP 120.6 million, up 43.8% y-o-y; despite this increase, RCX's SG&A as a percentage of revenues stood at 14.2% versus 14.9% in 9M 2021. Higher SG&A expenses came on the back of higher annual salaries and currency devaluation related salary adjustments.

**EBITDA** recorded EGP 133.4 million in 9M 2022, up 19.8% y-o-y, with an EBITDA margin of 15.7% compared to 19.8% in 9M 2021, impacted by higher SG&A expenses.

**EBITDA (MN) and EBITDA Margin Evolution**

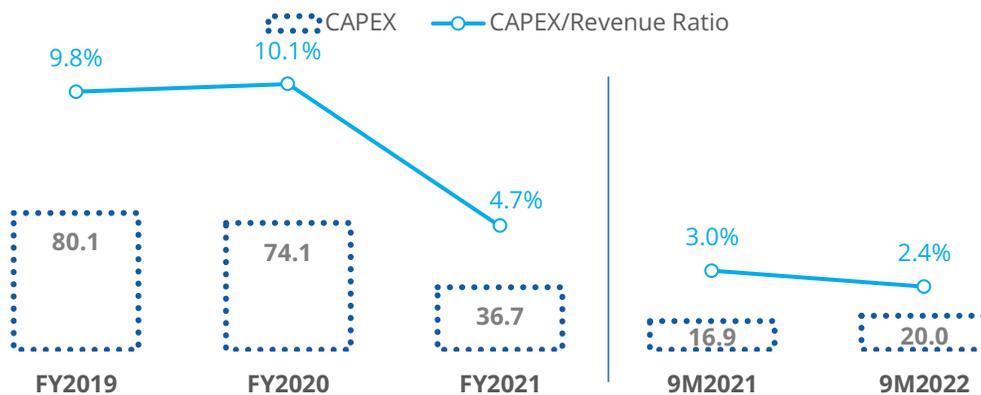


RCX reported a **net profit** of EGP 7.8 million in 9M 2022, falling 61.0% from the previous year, with a net profit margin of 0.9%. The decline in net profit is mainly attributed to higher COGS, driven by a significant increase in technology cost and salaries due to the ongoing expansion. Additionally, as at 30 September 2022, the company's financial position remained liquid with a healthy **cash balance** of EGP 78.0 million. Our historically large cash balance was used to finance our recent acquisition of 85% of Gulf CX.

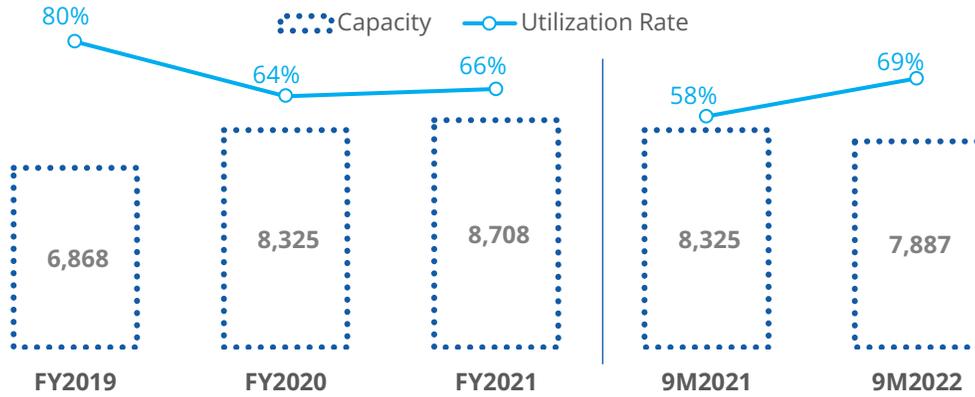
**Operational Performance**

In 9M 2022, RCX's total workstation capacity stood at 7,887 with utilization rates recording 69.1%. Total CAPEX in 9M 2022 was EGP 20.0 million compared to EGP 16.9 million in 9M 2021 when RCX was completing infrastructure enhancements. CAPEX as a percentage of revenues dropped to 2.4% in 9M 2022 compared to 3.0% in the first nine months 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 2021, 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 9,000 and 5,700 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

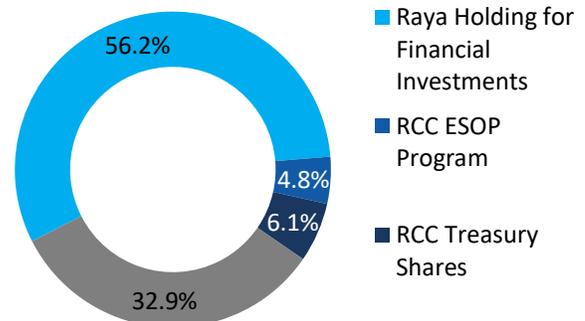
**Number of Shares** 218,454,770

**Share Price (29 September 2022)** EGP 2.52

**Market Cap (29 September 2022)** EGP 550,506,020

#### Shareholding Structure

(as at 30 September 2022)



## 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	9M2021	9M2022	Change
<b>Revenue</b>	<b>561,367,888</b>	<b>848,265,554</b>	<b>51.1%</b>
COGS	(366,630,287)	(587,031,214)	60.1%
<b>Government Support</b>	<b>-</b>	<b>7,552,292</b>	<b>-</b>
<b>Gross Profit</b>	<b>194,737,601</b>	<b>268,786,632</b>	<b>38.0%</b>
General & Administrative Exp.	(76,289,678)	(109,406,648)	43.4%
Selling & Marketing Exp.	(7,561,614)	(11,169,984)	47.7%
Rent	(37,202,772)	(40,848,742)	9.8%
Depreciation Leased Assets	(44,696,171)	(52,355,844)	17.1%
<b>Operating Profit</b>	<b>28,987,366</b>	<b>55,005,414</b>	<b>89.8%</b>
<b>EBITDA</b>	<b>111,285,473</b>	<b>133,361,850</b>	<b>19.8%</b>
Provisions	-	(203,951)	-
Impairments	(2,275,018)	(13,812,666)	507.1%
Impairments Reversal	4,882,015	77,635	-104.2%
Financing Interest on Leased Assets	(10,259,938)	(22,384,030)	118.2%
Interest Income (Expense)	7,915,433	(2,491,215)	-131.5%
Gain on Sale of Fixed Assets	613,586	-	-
FX Gain (Loss)	(2,231,831)	1,335,928	117.7%
<b>EBT</b>	<b>27,631,610</b>	<b>17,527,115</b>	<b>-36.6%</b>
Tax	(7,598,546)	(9,723,036)	28.0%
<b>Net Income</b>	<b>20,033,064</b>	<b>7,804,079</b>	<b>-61.0%</b>
<b><u>Distributed as follows:</u></b>			
<b>Shareholders of the Parent Company</b>	<b>19,066,035</b>	<b>10,193,891</b>	<b>-46.5%</b>
<b>Minority Interest</b>	<b>967,029</b>	<b>(2,389,812)</b>	<b>-</b>
<b>Earnings Per Share</b>	<b>0.08</b>	<b>0.04</b>	<b>-50.0%</b>

## Consolidated Balance Sheet

EGP	31 December 2021	30 September 2022
<b>Assets</b>		
<b>Long Term Assets</b>		
Fixed Assets	174,105,107	156,579,731
Right of Use Assets	227,722,857	280,923,394
Intangible Assets	60,140	61,227
Deferred Tax Asset	95,153	3,111,897
Goodwill	188,031,146	142,034,688
<b>Total Long-term Assets</b>	<b>590,014,403</b>	<b>582,710,937</b>
<b>Current Assets</b>		
Accounts Receivables	145,501,584	261,620,223
Advance Payment & Other Debit Balances	84,347,750	135,546,786
Due from Related Parties	485,225	1,064,376
Cash & Cash Equivalents	82,856,958	76,952,144
<b>Total Current Assets</b>	<b>313,191,517</b>	<b>475,183,529</b>
<b>Total Assets</b>	<b>903,205,920</b>	<b>1,057,894,466</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	31,129,608	35,381,345
Merger Reserves	(2,834,374)	(2,834,374)
FX Translation Reserve	(5,757,706)	(506,669)
Treasury Stock	(27,658,910)	(45,817,430)
Retained Earnings	229,891,911	237,442,798
Net Income Attributable to Majority Owners	21,030,613	10,193,891
<b>Total Parent's Shareholders' Equity</b>	<b>380,969,858</b>	<b>369,028,277</b>
Minority Interest	5,569,861	3,180,050
<b>Total Equity</b>	<b>386,539,719</b>	<b>372,208,327</b>
<b>Liabilities</b>		
<b>Long Term Liabilities</b>		
Long Term Debt	57,532,060	52,795,042
Deferred Tax Liability	6,031,280	2,636,282
Other long-term Liabilities	2,420,604	3,038,705
Long Term Loan for Right of Use	198,048,244	251,996,664
<b>Total long-term Liabilities</b>	<b>264,032,188</b>	<b>310,466,693</b>
<b>Current Liabilities</b>		
Bank Overdraft	9,575,615	11,813,960
Accounts Payable	51,046,451	100,958,314
Other Credit Balance	96,256,689	120,002,162
Provisions	2,014,207	2,214,207

Due to Related Parties	8,044,298	9,066,934
Taxes Payable	8,504,071	14,781,028
Current Portion of Long-Term Loan	21,492,496	25,953,724
Lease Liability	53,030,822	85,332,425
Dividends Payable	2,669,364	5,096,692
<b>Total Current Liabilities</b>	<b>252,634,013</b>	<b>375,219,446</b>
<b>Total Liabilities</b>	<b>516,666,201</b>	<b>685,686,139</b>
<b>Total Liabilities &amp; Equity</b>	<b>903,205,920</b>	<b>1,057,894,466</b>