RAYA CONTACT CENTER REPORTS 9M & 3Q2018 RESULTS

HIGHLIGHTS: TOP-LINE UP 8.1% Q-O-Q & EBITDA UP 27.2% Q-O-Q | BOD RECOMMENDS 1:1 STOCK DIVIDENDS TO STIMULATE LIQUIDITY

REVENUES

EGP 672.2 MN

▲ 20.7% y-o-y

GROSS PROFIT

EGP 261.1 MN

▲ 5.5% y-o-y

EBITDA

EGP 163.5 MN

▲ 0.20% y-o-y

NET PROFIT

EGP 138.7 MN

▲ 11.9% y-o-y

Cairo, Egypt, on November 13th, 2018 | Raya Contact Center ("RCC" or "the Company") (RACC.CA on EGX | RACC.EY on Bloomberg), Egypt's largest provider of comprehensive business process outsourcing (BPO) services, announced its consolidated results for the period ending September 30th, 2018, reporting revenue of EGP 672 million, up 20.7% y-o-y. The largest contributor to revenue was the outsourcing segment (71%), followed by hosting services (15%) and insourcing services (14%). Net profit for the period grew by 12% to reach EGP 138.7 million in 9M18, compared to 9M17 recorded profits of EGP 124 million, with a net profit margin of 20.7%.

Summary Income Statement

EGP	9M2018	9M2017	% Chg. Y-o-Y	3Q2018	3Q2017	% Chg. Y-o-Y	% Chg. Q-o-Q
Revenue	**672,190,799**	**557,050,209**	***20.70%***	**238,351,023**	**196,248,728**	***21.50%***	***8.08%***
Outsourcing	*477,980,695*	*420,007,510*	*13.80%*	*167,457,566*	*146,531,449*	*14.30%*	*7.37%*
Insourcing	*94,998,035*	*60,961,414*	*55.80%*	*34,867,469*	*21,566,925*	*61.70%*	*12.15%*
Hosting	*99,212,068*	*76,081,285*	*30.40%*	*36,025,988*	*28,150,354*	*28.00%*	*7.57%*
Gross Profit	**261,134,153**	**247,592,996**	***5.50%***	**93,841,145**	**81,963,686**	***14.50%***	***15.00%***
Gross Profit Margin	*38.90%*	*44.50%*	*(5.6% pts)*	*39.40%*	*41.80%*	*(2.4 pts)*	*2.3 pts*
EBITDA	**163,459,444**	**163,107,256**	***0.20%***	**60,144,042**	**52,892,794**	***13.70%***	***27.19%***
EBITDA Margin	*24.32%*	*29.28%*	*(4.96 pts)*	*25.23%*	*26.95%*	*(1.7% pts)*	*3.7 pts*
Net Profit	**138,743,213**	**123,978,007**	***11.90%***	**48,461,575**	**42,505,018**	***14.00%***	***14.00%***
Net Profit Margin	*20.70%*	*22.30%*	*(1.6 pts)*	*20.40%*	*21.70%*	*(1.3 pts)*	*1.1 pts*

Note from the CEO

We are pleased to announce our financial and operational performance for the nine months ending September 30, 2018. We closed 9M18 having delivered 20.7% increase in revenue y-o-y to EGP672 million, while on a quarterly basis revenue grew by a robust 8.1% q-o-q driven by continued growth in our core offerings of professional and offshore contact center services, which comes in-line with our strategic directives to bolster our foreign currency proceeds and capitalize on our growing footprint. Top-line growth was fueled by our continued efforts towards organic growth of our business, capitalizing on our prominent track record, along with our unique proposition as a market leading business process outsourcing (BPO) service exporter in Egypt and the region.

We added an additional 992 seats during the nine months ending September 30th, 2018. These additions were in Palm Strip, our most recent addition in West Cairo, Downtown Cairo facility and some further capacities in our HQ in 6th of October City. These new capacities in Downtown and HQ facilities' were finalized by end of 2Q18, and were fully utilized during 3Q18, a clear testimony for the huge demand for our service offerings. We also managed to lease a new facility in Smart Village, the prominent business park in West Cairo, which is expected to house c.1,460 seats and would be ready for operations during the second half of 2019. These expansions come in-line with our communicated strategies for sustainable growth, supported by the favorable BPO industry fundamentals in Egypt and the region.

We remain successful in onboarding new business, while replenishing our clientele base with an additional 15 new clients added throughout 9M18, out of which seven are offshore contracts with foreign currency revenue streams. 9M18 also witnessed amicable clientele portfolio reforms, in which we exerted considerable efforts to enhance contracts' profitability to reconcile with the witnessed inflationary pressures post the EGP devaluation. We were successful in re-negotiating pricing terms with some of our local clients, and relocating some others from a top tier facility to a more-economic mid-tier facility to sustain a profitable relationship.

Foreign-currency (FCY) sources in our revenue mix accounted for 75% of our top-line in 9M18 generated from offshore accounts, with a recorded organic growth in FCY revenue of 15% year-over-year (YoY) and 9% quarter-over-quarter (QoQ) in constant-currency terms. Moreover, our operations in Dubai and Poland together contributed 27% to our 9M18 top-line up from 23% in 9M17, depicting our relentless efforts to bolster and expand our international footprint to diversify our revenue sources, while overflowing business back to Egypt.

Our portfolio management efforts, along with the on-boarded new business, led to reinforcing our 3Q18 EBITDA to record EGP60 million, up 13.7% YoY and 27.2% QoQ, and recording a healthy EBITDA margin of 25.2%. 9M18 EBITDA recorded EGP163.5 million, almost flat YoY on the back of the witnessed inflationary pressures post the EGP devaluation. We closed 9M18 with a net profit of EGP139 million, recording 20.7% net profit margin. Our cash balance remains healthy, recording EGP198 million by end of 9M18, which will be partially used to fund our ongoing expansion initiatives. CAPEX spending during 9M18 recorded EGP37 million, representing 5.5% of revenue, in-line with our guidance, which was invested into the recent capacity expansions, along with the progressive automation and digitization efforts to keep-up with latest BPO technological developments.

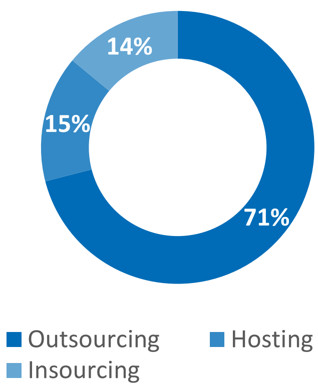
Our employee average monthly attrition levels have improved to record an average c.4.2% per month during 9M18, down from 5% and 6% in FY17 and FY16 respectively; on the back of working environment enhancements, providing hands-on training, personal development, career progression, and emerging to be an employer of choice in the regional BPO front.

Our BoD recommended a 1:1 stock dividends to be financed from FY17 retained earnings, in order to stimulate liquidity. We expect to call for a shareholders' meeting to approve such initiative upon obtaining required regulatory approvals.

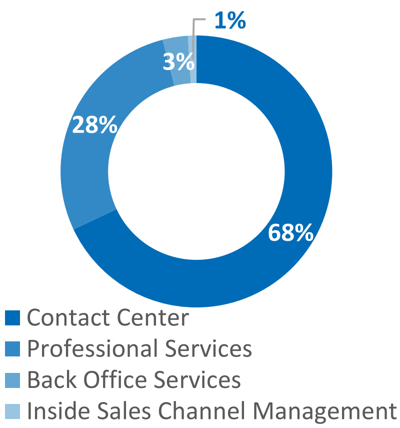
I would like to leave our shareholders and investors with a message of comfort that we remain in line with our growth targets, and aligned to our strategies of service development, market penetration and market development.

Reem Asaad
Chief Executive Officer

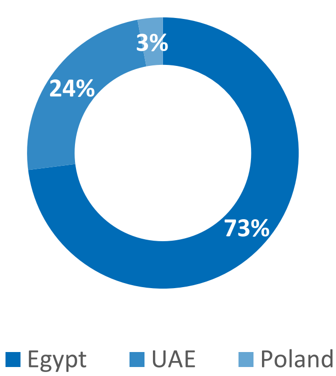
Revenue by Segment
(9M18)



Revenue by Service
(9M18)



Revenue by Geography
(9M18)



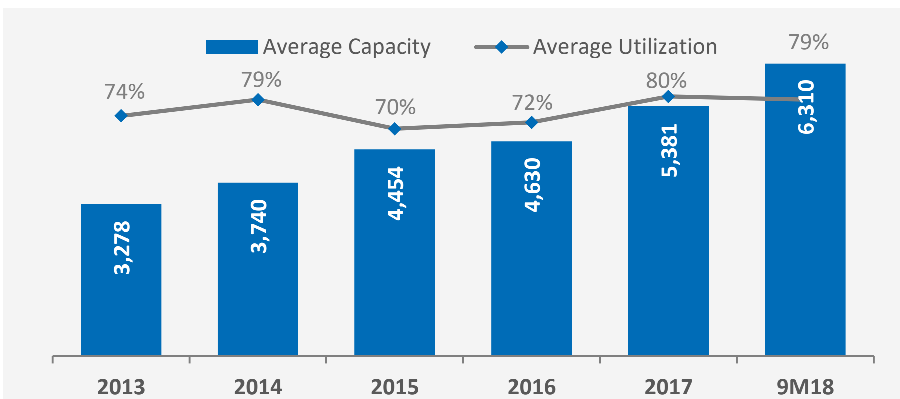
Operational Review

During the nine months ended 30 September 2018, RCC added 992 new workstations across its centers, bringing its total capacity to 6,707 compared to 5,715 as at year-end 2017, up 18% y-o-y and almost flat q-o-q. RCC's total CAPEX as a percentage of sales recorded 5.5% in 9M18 versus 7.5% in the same period last year.

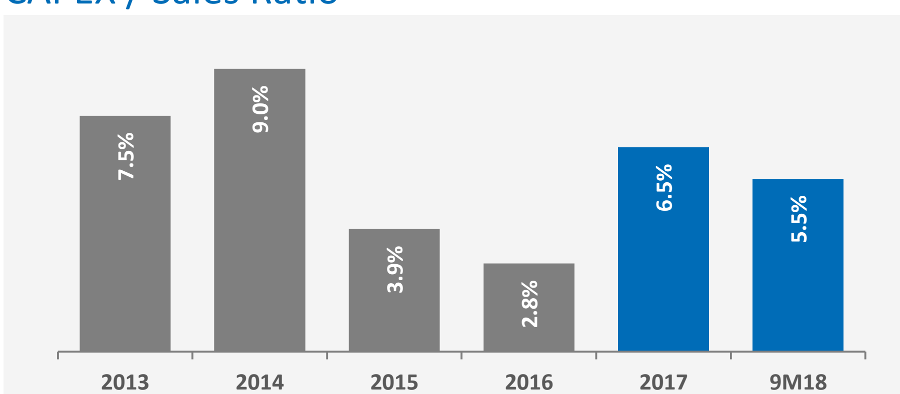
Over 76% of RCC's revenue for the year were generated from clients who have been in contract with the company for over five years, while client retention rate was at a healthy c.88%, slightly down from 90% by end of FY17, driven by managed attrition of non-profitable local currency accounts.

RCC prides itself on the quality, reliability and security of its service, a key competitive strength that is a function of its continued investment in human resources development and quality assurance programs. In 9M18, RCC extended over 220k hours of operational training to its advisors across its onboarding, ongoing and client-specific programs. In parallel, the company successfully renewed and maintained its operational quality accreditation certificates, including upgrading its COPC accreditation for performance management to the higher-tier version 6, the ITIL information technology framework, and the PCI-DSS e-payment security accreditation. Moreover, RCC follows best practices as (ISMS) Information Security Management system, which is mapped by NIST and SANS institute.

Workstation Evolution & Utilization[1]

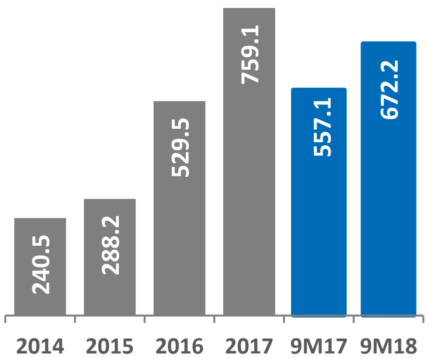


CAPEX / Sales Ratio

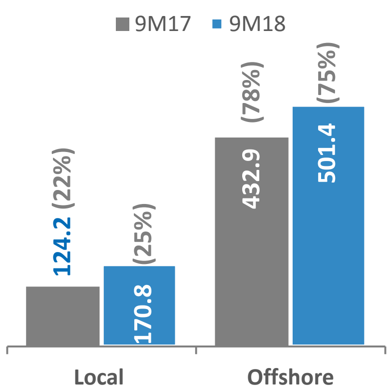


[1] Utilization is calculated as the average productive workstations' utilization by the average total workstations.

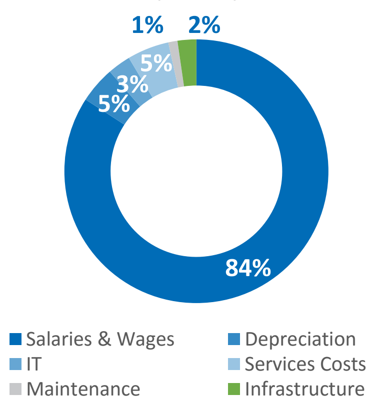
Revenue Progression
(EGP mn)



Revenue Progression by Location
(EGP mn)



COGS Breakdown
(9M18)



Financial Review

Consolidated revenues in 9M18 recorded EGP 672 million, up 20.7% y-o-y driven by both organic growth — securing new clients and increasing services to existing clients — as well as the Company's increasing footprint in the region to satisfy growing demand for its high-quality BPO service offerings.

Analyzing 9M18 revenue by ***currency***, *offshore* revenue (USD pegged) recorded EGP 501 million, representing 75% from total revenue for 9M18, posting an increase in absolute value of 15.8% y-o-y. *Onshore* (*local*) revenue accounted for the balance. When it comes to 9M18 revenue by ***service segment***, RCC's core function, *contact center outsourcing* revenue recorded EGP 478 million, representing 71% of total revenue, and posting 14% y-o-y growth. *Insourcing* (*HR outsourcing*) recorded EGP 95 million, representing 14% of total revenue, and posting 56% growth y-o-y. *Hosting segment* recorded EGP 99 million, representing 15% of revenue, and growing 30% y-o-y.

Analyzing 9M18 revenue by ***geographical location***, **Egypt** operated facilities generated revenue for EGP 493 million, representing 73% from total revenue, and posting 15% annual increase. **UAE** operated facility generated EGP 163 million revenue, representing 24% from total revenue, and posting a favorable 53% annual increase. **Poland** facility generated revenue for EGP 17 million, posting 25% annual decline, and representing 3% from total revenue.

Overall, 3Q18 witnessed enhancement in top-line growth and profitability margins q-o-q, driven by the successful efforts to restructure non-profitable local accounts, the kick-off of new profitable business, and economies of scale efficiencies.

At the ***costs of goods sold*** (COGS) level, RCC recorded EGP 413 million in 9M18, up 33% y-o-y, which is a higher rate than revenue growth and comes on the back of the inflationary pressures on the company's cost base. Constituting the largest share of COGS at 84%, employees' salaries and wages recorded EGP 348 million in 9M18, up 36% compared to 9M17.

Management's efforts to curb the effect of cost inflation saw it deliver a ***gross profit*** of EGP 261 million in 9M18, up 6% y-o-y, and yielding a GP margin of 38.9%. GP margin witnessed a 5.6 percentage-point y-o-y contraction affected by inflation.

Meanwhile, ***selling, general and administrative*** (SG&A) expenses recorded 9% y-o-y increase to record EGP 59.5 million in 9M18. However, as a percentage of sales, SG&A stood at 8.9% during 9M18 with 1% enhancement y-o-y, down from 9.8% during 9M17, driven by cost reduction efficiencies and economies-of-scale.

EBITDA for 9M18 recorded EGP 163 million, almost flat y-o-y on the back of the inflationary pressures affecting direct cost items. EBITDA margin recorded a 4.9 percentage-point decline y-o-y to record 24.4%. EBITDA for 3Q18 recorded EGP60 million, witnessing an upside of 13.7% y-o-y and 27.2% q-o-q.

RCC's international diversification contributed positively to its **Effective Tax Rate (ETR)**, bringing it to 17.5% in 9M18, down from 20.7% in 9M17, which was successful to curb the decline witnessed on 9M18 EBITDA margin y-o-y resulting from the uncontrollable inflationary pressures. ***Net profit*** for the period recorded EGP138.7 million in 9M18, up 12% compared to the EGP124 million posted in the same period last year.

As at the period ending September 30th 2018, the company's financial position remained liquid with a healthy ***cash balance*** of EGP198 million or c.34% of total assets.

About Raya Contact Center

Raya Contact Center (RCC) 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 1000 companies in the Middle East, Europe, Africa, & North America in over 25 different languages. ***As at end of 3Q2018***, Raya Contact Center operated nine top-of-the-line facilities, spanning seven facilities in various locations around Egypt, one facility in Dubai, UAE, and one in Warsaw, Poland, with over 6,707 seat capacity and 6,520 employee. RCC serves a diversified clientele base of over 106 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 Contact Center 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 Contact Center is the only listed BPO player on the Egyptian Stock Exchange, and is currently trading under the symbol "RACC.CA".

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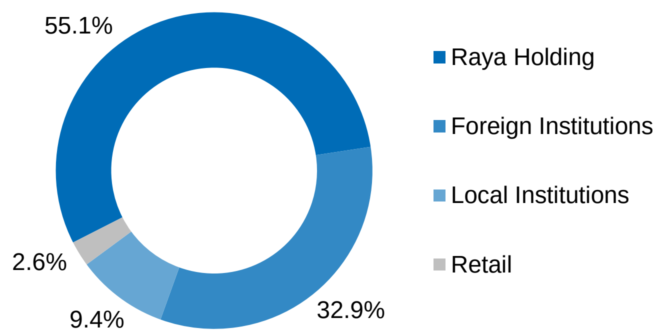
RACC.CA on the EGX	
Number of Shares	106,060,606
Share Price (12 Nov. '18)	EGP 10.49
Market Cap (12 Nov. '18)	EGP 1,112,575,757

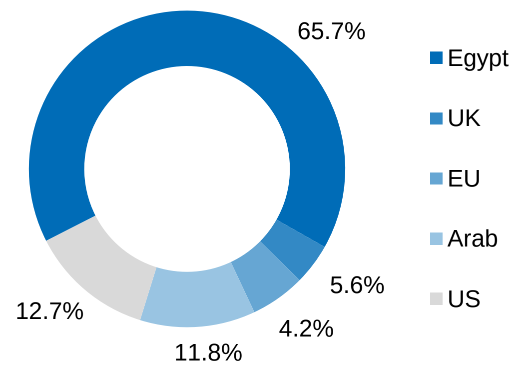
Shareholding Structure

(as at October 31, 2018)



Shareholders by Geography

(as at October 31, 2018)



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 for0ward-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	9M2018	9M2017	*Change*	3Q2018	3Q2017	*Change*
Sales	**674,260,794**	**558,556,272**	***20.7%***	**238,351,023**	**196,248,728**	***21.5%***
COGS	(413,126,641)	(310,963,276)	*32.9%*	(144,509,878)	(114,285,042)	*26.4%*
Gross Profit	**261,134,153**	**247,592,996**	***5.5%***	**93,841,145**	**81,963,686**	***14.5%***
General & Administrative Exp.	(55,993,673)	(50,534,631)	*10.8%*	(17,886,633)	(15,792,606)	*13.3%*
Selling & Marketing Exp.	(3,523,471)	(4,001,585)	*(11.9%)*	(768,114)	(1,484,807)	*(48.3%)*
Rent	(57,746,914)	(47,429,974)	*21.8%*	(21,525,910)	(17,886,400)	*20.3%*
Provisions / No Longer Required	(16,400)	8,800		0	8,800	
Impairments	(1,944,609)	(997,132)	*95.0%*	(1,032,260)	(346,183)	*198.2%*
Impairments Reversal	3,027,309	2,997,324	*1.0%*	919,011	288,793	*218.2%*
Operating Profit	**144,936,395**	**147,635,798**	***(1.8%)***	**53,547,239**	**46,751,283**	***14.5%***
Interest Income (Expense)	23,896,988	8,822,244		6,321,253	6,950,828	
Gain on Sale of Fixed Assets	0	34,980		0	34,980	
FX Gain (Loss)	(575,478)	(88,949)		123,041	(439,798)	
EBT	**168,257,905**	**156,404,073**	***7.6%***	**59,991,533**	**53,297,293**	***12.6%***
Tax	(29,514,692)	(32,426,066)	*(9.0%)*	(11,529,958)	(10,792,275)	*6.8%*
Net Income	**138,743,213**	**123,978,007**	***11.9%***	**48,461,575**	**42,505,018**	***14.0%***
Distributed as follows:						
Shareholders of the Parent Co.	137,584,326	123,072,124	*11.8%*	48,074,943	42,163,931	*14.0%*
Minority Interest	1,158,887	905,883	*27.9%*	386,632	341,087	*13.4%*
Earnings Per Share	**1.12**	**1.05**	***6.7%***	**0.33**	**0.36**	***(8.3%)***

Consolidated Balance Sheet

	30-Sep-18	31-Dec-17
Assets		
Long Term Assets		
Fixed Assets	71,434,796	57,538,373
Intangible Assets	117,902	160,446
Deferred Tax Asset	2,592,333	1,696,128
Goodwill	26,582,777	26,582,777
Total Long term Assets	**100,727,808**	**85,977,724**
Current Assets		
Accounts Receivables	220,389,745	167,988,981
Advance Payment & Other Debit Balances	59,610,306	34,300,958
Due from Related Parties	6,162	6,162
Cash & Cash Equivalents	198,404,360	243,841,269
Total Current Assets	**478,410,573**	**446,137,370**
Total Assets	**579,138,381**	**532,115,094**
Equity		
Issued and Paid Capital	53,030,303	53,030,303
Additional Paid in Capital	75,306,925	75,306,925
Legal Reserve	31,060,282	31,060,282
Merger Reserves	(2,834,374)	(2,834,374)
FX Translation Reserve	10,732,944	10,031,639
Retained Earnings	100,534,016	29,596,331
Net Income Attributable to Majority Owners	137,584,326	157,312,669
Total Parent's Shareholders' Equity	**405,414,422**	**353,503,775**
Minority Interest	1,534,505	1,532,869
Total Equity	**406,948,927**	**355,036,644**
Liabilities		
Long Term Liabilities		
Deferred Tax Liability	3,399,159	2,923,846
Other long term Liabilities	6,550,639	3,697,237
Total long term Liabilities	**9,949,798**	**6,621,083**
Current Liabilities		
Bank Overdraft	4,474,373	8,070,284
Accounts Payable	44,026,017	52,070,098
Other Credit balance	73,264,543	67,016,330
Provisions	1,925,377	1,908,977
Due to Related Parties	4,609,279	6,890,228
Taxes Payable	23,159,212	32,459,513
Dividends Payable	10,780,855	2,041,937
Total Current Liabilities	**162,239,656**	**170,457,367**
Total Liabilities	**172,189,454**	**177,078,450**
Total Liabilities & Equity	**579,138,381**	**532,115,094**