

The logo for RAYA, featuring the letters in a bold, white, sans-serif font. The letters are slightly stylized, with the 'A's having a unique shape. The logo is centered on a blue background.

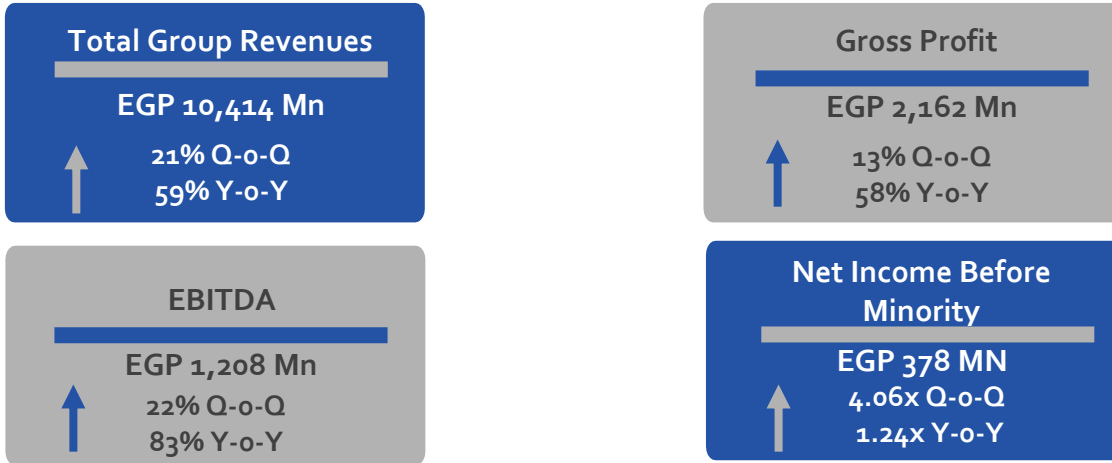
# RAYA

**1Q2024 EARNINGS RELEASE**  
Cairo | May 27, 2024

## Notable Achievement: Raya Holding Accomplishes Remarkable Operational Performance in 1Q2024

Raya Holding's accomplishments in 1Q2024 highlight its skill in overcoming obstacles and capitalizing on market openings, demonstrating its resilience and strategic expertise, ultimately resulting in a strong start to the year.

### 1Q2024 Key Performance Consolidated Highlights



**27 May 2024-(Cairo, Egypt)-** Raya Holding for Financial Investments (Ticker: RAYA.CA), a leading Egyptian investment company with a diverse range of investment portfolios, announced today its consolidated and standalone financial results for the quarter ended on March 31<sup>st</sup> 2024, demonstrating the company's continued ability to deliver growth even amidst a complex and challenging economic environment in Egypt.

Facing considerable challenges from currency devaluations, inflationary pressures, and a significant rise in overnight lending rates to a record 28.25%, Raya Holding demonstrated remarkable resilience and strategic acumen. Despite these obstacles, the core business remained strong, underscoring persistent demand for its products and services, and enabling the company to uphold robust profit margins. Effective strategic measures, such as maximizing foreign currency earnings and expanding the export market, drove significant revenue increases. Substantial growth in EBITDA reflected a focus on operational efficiency and profitability, while enhanced revenue generation from international subsidiaries contributed positively to overall performance. Raya Holding's adeptness in navigating a complex economic environment showcases its dedication to maintaining profitability and growth amid evolving market conditions.

## Financial & Operational Highlights:

- RAYA A strong start to the year with Group revenues up 59% Y-o-Y and 21% QoQ to reach EGP 10.4 billion in 1Q2024. This strong set of results was supported by higher revenues driven by initiatives aimed at maximizing foreign currency earnings and expanding the export market.
- RAYA In terms of currency dynamics, Raya Holding generates 26% of its overall group turnover in foreign currencies.
- RAYA In 1Q2024, Raya Holding's "Big Four" platforms achieved notable operational milestones, showcasing robust performance across various key metrics.
- RAYA Raya Holding's retail arm, Raya Trade, witnessed substantial revenue growth through effective supply chain management and solid business partnerships. Total revenues reached EGP 4.7 billion in the first quarter of 2024, marking a notable 66% increase YoY.
- RAYA Raya Information Technology, the IT arm, has experienced substantial revenue growth, attributed to its proficiency in delivering advanced technology solutions and services. Notably, Raya Information Technology (RIT) witnessed a remarkable 98% YoY revenue increase in the first quarter of 2024, reaching EGP 2.5 billion.
- RAYA AMAN Holding, the flagship non-banking financial institution arm, experienced a notable 23% YoY increase in gross revenues in 1Q2024, reaching EGP 1.3 billion compared to EGP 1 billion during the same period of 2023. This growth underscores AMAN's ability to navigate interest rate fluctuations and inflation pressures, further reinforced by its strategic expansion plans.
- RAYA In the first quarter of 2024, RCX reported a significant surge in revenue, reaching EGP 625 million, marking a substantial 41% increase compared to the same period in 2023.
- RAYA **Gross profit** increased to record EGP 2.2 billion in 1Q2024, representing a healthy 58% YoY and 13% QoQ.
- RAYA Despite this increase, the **gross profit margin** experienced a slight decline by 0.1 pts YoY and 1.4 pts QoQ to record 20.8% in 1Q2024, due to the interest hikes in the NBFS sector.
- RAYA **EBITDA** reflected a healthy increase by 83% YoY and 22% QoQ to record EGP 1.2 billion in 1Q2024. This reflected an **EBITDA margin** improved by 1.5 pts YoY and 0.2 pts QoQ to reach 11.6% in 1Q2024.
- RAYA During 1Q2024, **Net Income before minority** increased by a remarkable 1.24 x YoY and 4.06x QoQ, reaching EGP 378 million compared to EGP 168 million in 1Q2023 and EGP 75 million in 4Q2023. This reflected an outstanding net profit margin of 3.6% in 1Q2024, up by 1.1 pts YoY and 2.8 pts QoQ.
- RAYA As of March 31st, 2024, Raya Holding's assets and equity stood at EGP 32.3 billion and EGP 3.5 billion, respectively.
- RAYA Looking ahead, Raya Holding will continue to focus on leveraging its strengths in foreign currency revenue generation and international market expansion.

## Partnerships Recap:

- RAYA Etisalat by e& in Egypt has formed an exclusive partnership with Raya Electronics to enhance e-commerce offerings. This collaboration will enable the sale of a wide range of electronics and home appliances through Etisalat's app and website, leveraging Raya's distribution and logistics capabilities. The partnership builds on a decade-long relationship where Raya manages over 120 Etisalat branches

in Egypt. Both companies aim to improve customer experience and expand their market presence, with Etisalat customers benefiting from loyalty programs and high-quality products.

- RAYA** Raya Electronics has partnered with Giftologer, a group gifting platform, to offer a wide range of electronics and home appliances exclusively from Raya on Giftologer's platform. Basem Megahed, CEO of Raya Trade, highlighted the partnership's focus on innovation and customer service, with benefits including Raya's comprehensive after-sales services and warranties. Mai Bilal, CEO of Giftologer, emphasized the platform's unique shopping experience and the enhanced product range and customer service quality from Raya. This partnership supports Raya's expansion and improvement in electronic sales and customer satisfaction.
- RAYA** Raya Electronics has installed an advanced VRF central air conditioning system at Seavill Hotel in Ain Sokhna, making it the first hotel in the area to use this energy-efficient and cost-effective technology. This project is part of a strategic partnership with Residence Real Estate. Bassem Megahed, CEO of Raya Electronics, highlighted the project's role in enhancing the hotel's efficiency and sustainability, while Essam Mansour, Chairman of Residence Real Estate, praised the successful implementation. Residence Real Estate, a leading developer since 1996, focuses on high-quality tourist and recreational communities. Raya Electronics, known for its institutional sales, serves over 500 clients across various sectors.
- RAYA** Telecom Egypt partners with Raya Information Technology (Raya IT) to launch the second phase of its Regional Data Hub (RDH), aimed at enhancing connectivity and sustainability. Raya IT will provide services and innovative technology for RDH Phase 2, including data center design and construction. RDH Phase 2 will serve as a regional hub, offering scalability options and connectivity to 10 Mediterranean and Red Sea subsea landing stations. With a capacity of up to 4.6MW IT load, future plans involve constructing two additional phases, bringing the total capacity to 16.3MW IT load. RDH Phase 1, launched in 2021, is now fully utilized, hosting over 22 international customers.
- RAYA** A memorandum of understanding was signed between "Nutanix" and "Raya Data Centers" during the Gitex Global Exhibition in Dubai 2023, aiming to provide cloud computing services and solutions in the Egyptian market. This cooperation is part of Egypt's efforts to achieve its vision for 2030 in the field of technology and cloud computing. "Nutanix" intends to support "Raya Data Centers" in developing its workforce and providing cloud computing solutions to clients, while "Raya Data Centers" aims to enhance its position as a leading provider of data center services in the Egyptian market.
- RAYA** Ostool was established in 2011 with the aim of becoming a major player in transportation and logistics in Egypt and the region. Specializing in land transportation, it is part of the Raya Holding for Financial Investments. With a fleet of over 250 vehicles equipped with advanced technology, Ostool plans to double its size by acquiring a local company. It dominates the market for coal supply to cement factories in Egypt and seeks expansion in the Gulf while introducing electric transport vehicles. Ostool prioritizes safety, employs qualified drivers, and aims to increase its use of natural gas. It is committed

to achieving its strategic goals and providing high-quality, safe services to customers in Egypt and beyond.

**RAYA** Raya Holding for Financial Investments has partnered with the Women's Economic and Social Empowerment Program, funded by USAID and implemented by Pathfinder International in Egypt, to promote gender equality and inclusion in its business practices. The collaboration aims to integrate more women into Raya's value chain, create safer workplaces, and achieve gender-sensitive practices, with the goal of obtaining the Egyptian Gender Equity Seal (EGES) Certification. CEO Ahmed Khalil emphasizes Raya's commitment to gender equality, while Dina Kafafi of USAID highlights the economic importance of women's participation in the private sector. The program seeks to empower women and promote gender-inclusive policies, with a focus on creating a conducive work environment and enhancing women's economic participation. Additionally, Raya Holding was recognized as a "Top Employer 2023" by the Top Employers Institute for its exemplary human resources practices.

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Management commented: *"We are pleased to announce another quarter of strong financial performance, marked by robust revenue growth and improved profitability. Our relentless focus on operational efficiency and strategic investments has positioned us well for sustained success in the dynamic landscape. Our first-quarter performance underscores Raya Holding's resilience and strategic agility in navigating a challenging economic landscape. The significant revenue growth and EBITDA demonstrates the effectiveness of our initiatives to diversify income sources and expand our international presence. We remain committed to our strategic goals and are confident in our ability to deliver sustained growth and value to our shareholders."*

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The title "Group Overview" is centered within a large, rounded rectangular box. The box has a blue background with a geometric pattern of overlapping triangles in various shades of blue. The text "Group Overview" is written in a large, white, sans-serif font.

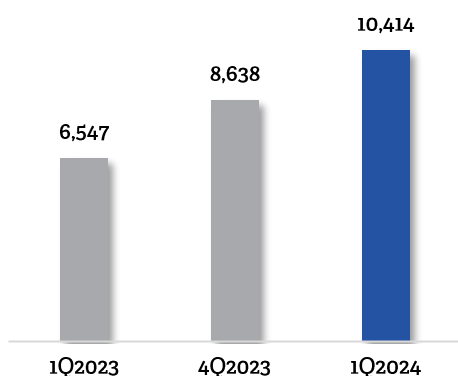
## Summary Consolidated Income Statement:

EGP Mn	1Q2023	4Q2023	1Q2024	% Change - QoQ	% Change - YoY
<b>Revenue</b>	<b>6,547</b>	<b>8,638</b>	<b>10,414</b>	<b>21%</b>	<b>59%</b>
<b>Gross Profit</b>	<b>1,369</b>	<b>1,916</b>	<b>2,162</b>	<b>13%</b>	<b>58%</b>
Gross Profit Margin	20.9%	22.2%	20.8%	-1.4%	(1.4pts)
<b>EBITDA</b>	<b>660</b>	<b>989</b>	<b>1,208</b>	<b>22%</b>	<b>83%</b>
EBITDA Margin	10.1%	11.4%	11.6%	0.2%	0.2x
<b>Net Income (Loss) Before Minority</b>	<b>168</b>	<b>75</b>	<b>378</b>	<b>4.06x</b>	<b>1.24x</b>
Net Profit (Loss) Margin	2.6%	0.8%	3.6%	2.8%	2.8x
<b>Net Income (Loss) after Minority</b>	<b>143</b>	<b>48</b>	<b>331</b>	<b>5.84x</b>	<b>1.31x</b>

## Consolidated Financial Performance

### Income Statement Highlights | 1Q2024

Revenue ( EGP Mn)

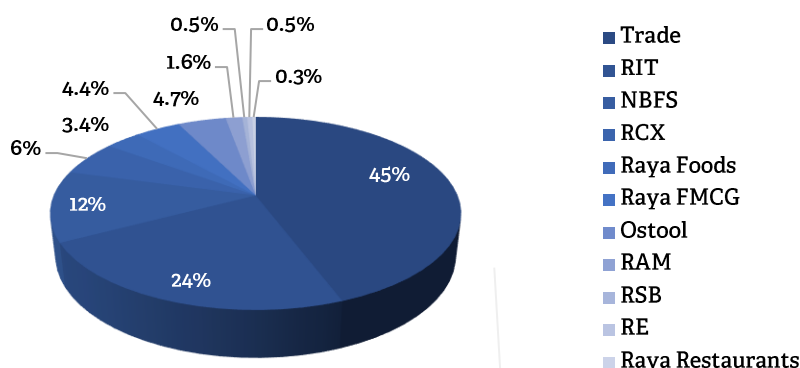


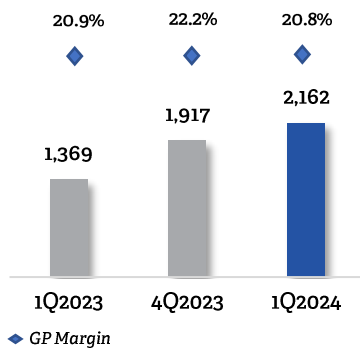
**Revenues:** In 1Q2024, the group showcased robust financial performance, reporting a total revenue of EGP 10.4 billion. This impressive figure reflects a substantial 21% increase QoQ and a noteworthy 59% increase YoY. Key drivers behind this remarkable growth include significant expansions in revenue from device and goods distribution, and suppliers and installations, which surged by 32% and 1.01x YoY, respectively.

Moreover, our revenue denominated in foreign currency saw a remarkable 65% YoY increase, contributing 26% to the total revenue. This notable uptick underscores our company's global market reach and adeptness in seizing international opportunities.

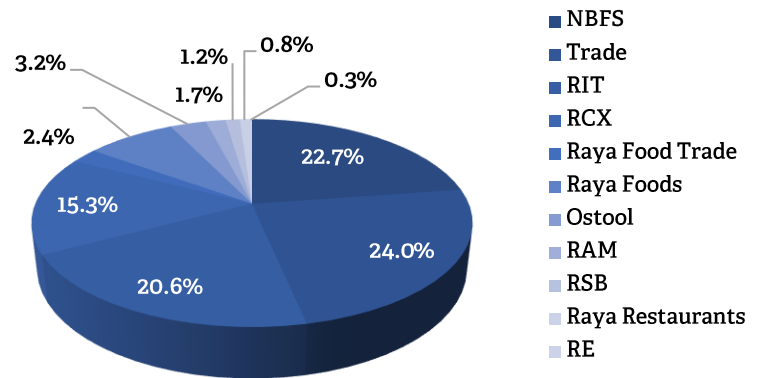
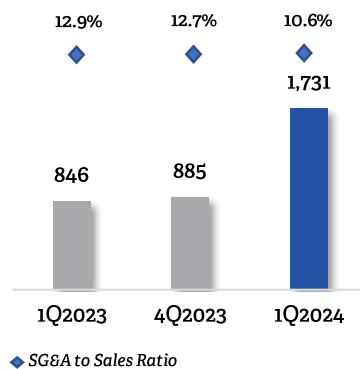
Key drivers behind this remarkable growth include significant expansions in revenue from various segments, with Trade, RIT, and NBFS leading the way. Trade recorded a revenue of EGP 4.7 billion, marking a 41% YoY increase and contributing 44% to the total revenue. RIT followed closely, with revenue reaching EGP 2.5 billion, boasting a remarkable 98% YoY growth and contributing 23% to the total revenue. Additionally, NBFS recorded a revenue of EGP 1.3 billion, reflecting a 23% YoY increase and contributing 12% to the total revenue. Furthermore, other segments such as RCX, Ostool, Raya Foods, and Raya FMCG also contributed significantly to the revenue growth, highlighting the diversification and strength of the company's portfolio.

### Revenue Breakdown by LOB 1Q2024



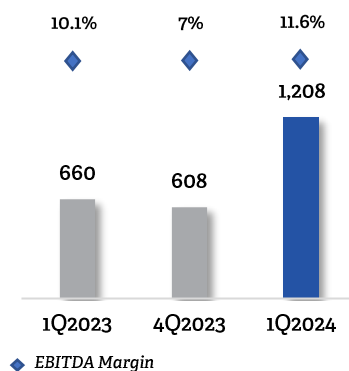
**Gross Profit(EGP Mn)**


**Gross profit:** During 1Q2024, the company's Gross Profit exhibited remarkable performance, achieving an impressive EGP 2.2 billion. This figure represents a noteworthy 58% YoY and 13% QoQ increase.

**Gross Profit Breakdown(EGP Mn)**

**SGA Expenses ( EGP Mn)**


**SG&A:** During 1Q2024, the company recorded Selling, General, and Administrative (SG&A) expenses amounting to EGP 1.9 billion, reflecting a noticeable 31% YoY increase and a modest 0.4% QoQ uptick. Despite the rise in absolute expenditure, the SG&A to sales ratio recorded a significant improvement, decreasing from 12.9% in 1Q2023 and 12.7% in 4Q2023 to 10.6%. This efficiency enhancement suggests effective cost management relative to sales.

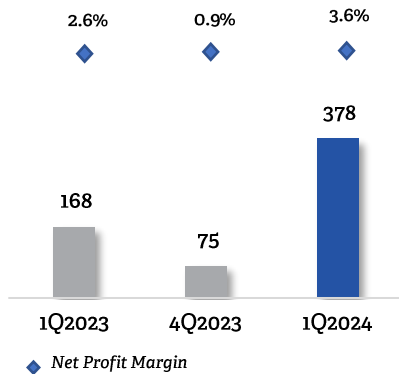
The rise in selling, general, and administrative (SG&A) expenses can be attributed to several factors. These include inflationary pressures, expansion of new activities within the group, and increased investments across various lines of business, such as the construction of an administrative building for Aman Holding and enhancements to the Galleria 40 building. Additionally, these expenses cover costs associated with the related expenditures

**EBITDA(EGP Mn)**


**EBITDA:** In 1Q2024, the company attained a remarkable EBITDA of EGP 1.2 billion, marking a substantial 83% YoY and 22% QoQ growth. This impressive achievement can be credited to notable growth and margin enhancements observed across various strategic business units, including trade and distribution, information technology, non-banking financial services, and food-related segments. Furthermore, the EBITDA margin showed positive progress, reaching a robust 12% up from 10% in 1Q2023 and 11% in 4Q2023.



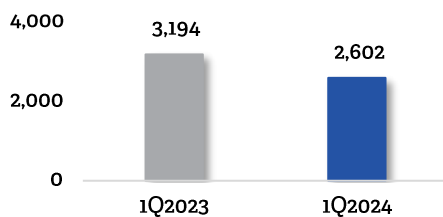
### Net Income Before Minority (EGP Mn)



**Net Income before Minority:** As evidence of the company's remarkable financial advancement during the period, Net Income before Minority soared to EGP 378 million for 1Q2024, compared to EGP 168 million in the preceding year, marking a significant annual surge of approximately 1.24x YoY and 4.06x QoQ. The improvement in Net Income can be attributed to two main factors. Firstly, currency depreciation positively influenced profit margins for export-oriented businesses within the group, particularly RIT, RCX, and Raya Foods. Secondly, strategic initiatives aimed at enhancing market share, attaining economies of scale, and leveraging market-leading positions contributed to improved profitability margins, primarily within the IT and Trade lines of business (LOBs)

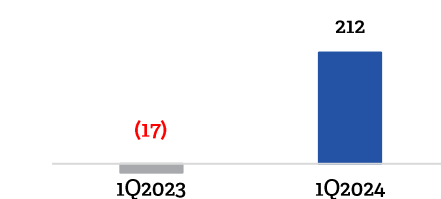
### Balance Sheet Highlights March 31<sup>st</sup>, 2024

#### Cash (EGP Mn)



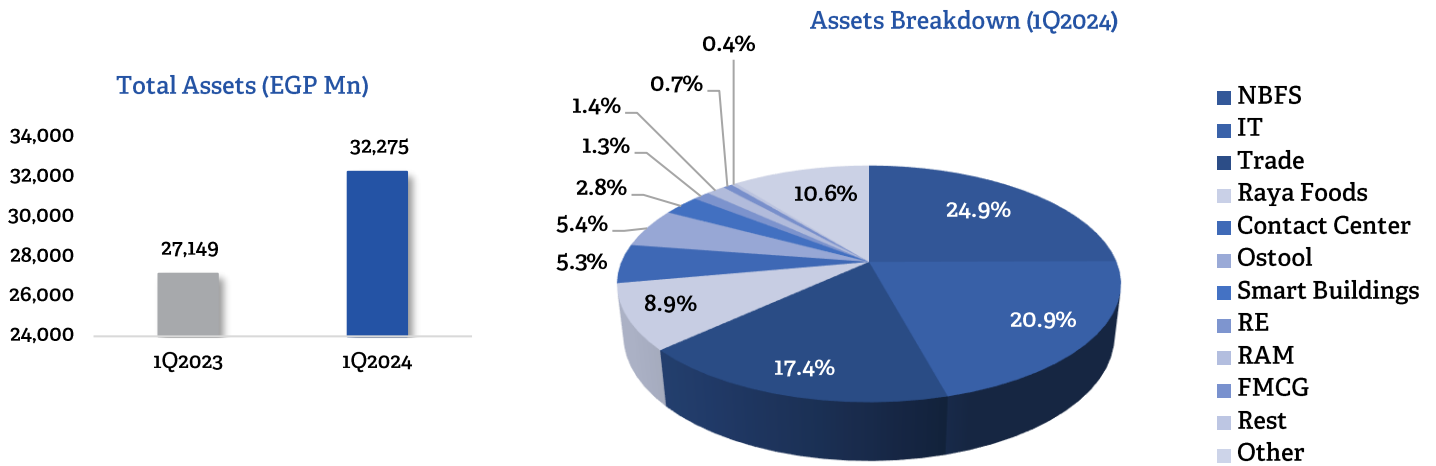
**Cash Position:** As of March 31st, 2024, the group maintains a robust cash reserve of approximately EGP 2.6 billion, representing approximately 8% of our total assets. This solid financial position underscores our prudent resource management, ensuring the availability of funds to meet both immediate obligations and future growth opportunities. It demonstrates the resilience of our balance sheet and reflects our commitment to sustained growth.

#### Net Cashflow from Operations (EGP Mn)



**Net Cashflow from Operations:** The group's Net Cash flows from Operations have experienced a substantial surge, reaching EGP 212 million compared to a net cash flow from operations recorded at a negative EGP 17 million in March 2023. This impressive increase underscores the group's exceptional ability to generate cash from its core operations. The improved cash flow stems from various factors, such as efficient management of working capital, heightened profitability, and successful implementation of cost control measures. These efforts reflect the robust financial position of the group, ensuring sufficient liquidity to meet short-term obligations and pursue strategic initiatives.

**Assets:** As of March 31st, 2024, the group reported a significant expansion in total assets, reaching EGP 32.3 billion, marking a notable 19% increase compared to the EGP 27.1 billion recorded during December 2023. The primary driver behind this asset growth was the fintech-NBFS arm, fueled mainly by the expansion of loan portfolios in microfinance, consumer finance, SME lending, and Islamic finance businesses. Following closely in contributions were the IT and Trade sectors, both of which successfully bolstered healthy inventory levels to meet the rising demands of customers, despite prevailing challenging market conditions.



## Consolidated Income Statement

Consolidated Income Statement (EGP 000)	1Q2023	4Q2023	1Q2024	QoQ Growth	YoY Growth
Revenue	6,546,681	8,637,655	10,413,602	20.6%	59.1%
COGS	(5,177,771)	(6,721,168)	(8,251,512)	22.8%	59.4%
<b>Gross Profit</b>	<b>1,368,910</b>	<b>1,916,487</b>	<b>2,162,090</b>	<b>12.8%</b>	<b>57.9%</b>
General & Administrative Exp.	(580,657)	(766,830)	(771,441)	0.6%	32.9%
Selling & Marketing Exp.	(264,976)	(329,085)	(327,280)	(0.5%)	23.5%
Board Remuneration	(1,230)	(890)	(310)	(65.2%)	(74.8%)
<b>EBITDA</b>	<b>659,690</b>	<b>988,671</b>	<b>1,208,038</b>	<b>22.2%</b>	<b>83.1%</b>
Right of Use Assets Depreciation	(48,831)	(77,529)	(56,174)	(27.5%)	15.0%
Fixed Assets & Intangibles Depreciation	(88,813)	(91,459)	(88,805)	(2.9%)	0%
Provisions	(5,570)	(23,395)	(6,344)	(72.9%)	13.9%
Expected Credit Losses	(68,858)	(84,008)	(216,886)	1.58x	2.15x
Reversal of expected credit losses	2,819	(1,094)	103,477	95.6x	-
Goodwill Impairment	-	(28,016)	-	-	-
Expected Credit Losses for Debit Balances	-	-	(13,711)	-	N/A
<b>Operating Profit</b>	<b>450,438</b>	<b>683,169</b>	<b>929,595</b>	<b>36.1%</b>	<b>1.06x</b>
FX Gain (Loss)	23,871	(213,539)	(23,978)	(88.8%)	(2.0x)
Company's share from profits of associates	26,085	-	54,251	-	1.1x
Other Income (expense)	(6,557)	(2,813)	244	1.09x	(1.0x)
Gain (losses) on Sale of Fixed Assets	553	3,312	626	(81%)	13%
Takaful contribution	(9,601)	(13,761)	(15,672)	14%	63%
<b>EBIT</b>	<b>484,790</b>	<b>456,368</b>	<b>945,066</b>	<b>1.07x</b>	<b>95%</b>
Interest Expense	(238,312)	(313,546)	(372,912)	19%	56%
<b>EBT</b>	<b>246,478</b>	<b>142,822</b>	<b>572,154</b>	<b>3x</b>	<b>1.32x</b>
Income Tax & Deferred Income Tax	(78,085)	(68,168)	(194,273)	92%	1.49x
<b>Net Income before minority</b>	<b>168,393</b>	<b>74,654</b>	<b>377,880</b>	<b>4.06x</b>	<b>1.24x</b>
<b>Distributed as follows:</b>					
Shareholders of the Parent Co.	142,978	48,410	330,955	5.84x	1.32x
Minority Interest	25,415	26,244	46,926	78.8%	70.4%

## Consolidated Balance Sheet

Consolidated Balance Sheet (EGP 000)	31-Dec-23	31-Mar-24
Fixed Assets	1,964,957	1,944,725
Investment Properties	608,711	600,837
Projects under Construction	239,587	260,209
Intangible Assets	30,742	45,097
Right of Use Assets	819,385	884,606
Goodwill	297,252	393,917
Investments in Associates	167,897	222,149
Investments at fair value through other comprehensive income	25,605	25,230
Long-term Investments through Other Comprehensive Income	1,130	2,043
<b>Total Non-Current Assets</b>	<b>4,155,266</b>	<b>4,378,812</b>
Inventory	2,858,525	3,856,720
Work in Progress	916,768	1,042,087
Accounts And Notes Receivable	9,460,906	12,312,029
Short-term Investments through profit and loss	4,515	3,813
Prepayments And Other Debit Balances	6,344,542	8,007,042
ESOP	2,994	2,994
Debit balances (Tax Authority)	211,038	70,104
Cash on Hand and at Banks	3,194,400	2,601,714
<b>Total Current Asset</b>	<b>22,993,687</b>	<b>27,896,503</b>
<b>Total Assets</b>	<b>27,148,954</b>	<b>32,275,315</b>
Provisions	169,932	169,748
Accounts And Notes Payable	4,805,707	6,889,341
Short-term loans	614,405	545,360
current Portion of long-term loans	1,353,072	1,264,166
Current Portion of Long-Term Liabilities-Right of Use	49,107	63,304
Bank Overdraft	8,430,892	8,993,513
Accrued Expenses and other Credit Balances	5,684,053	7,057,116
Dividends Payable	36,268	46,510
<b>Total Current Liabilities</b>	<b>21,143,434</b>	<b>25,029,058</b>
<b>Working Capital</b>	<b>1,850,253</b>	<b>2,867,446</b>
<b>Total Investments</b>	<b>6,005,519</b>	<b>7,246,258</b>
Issued & Paid-up Capital	1,071,998	1,071,998
Legal Reserve	96,298	96,298
General reserve	41,936	41,936
Credit Risk Reserve	78,461	64,863
Treasury Shares	(7,869)	(7,868,547)
Revaluation reserve of available-for-sale investments through comprehensive income	5,424	5,134
Accumulated foreign currency translation	71,333	165,105
Foreign currency translation	0	212,356
Retained Earnings/ (Losses)	274,817	716,174
Profits for the year after minority interest	441,357	330,955
<b>Total Shareholder's Equity</b>	<b>2,073,756</b>	<b>2,696,949</b>
Minority Interest	849,644	818,229
<b>Total Equity</b>	<b>2,923,400</b>	<b>3,515,178</b>
Notes Payable - Noncurrent portion	20,393	13,280
Long Term loan	1,352,911	1,257,383
Bank Overdraft	697,255	1,142,997
Long Term Liabilities-Right of Use	884,656	1,189,045
Other Long-term Liabilities	121,983	110,744
Deferred Tax Liability	4,921	17,632
<b>Total Noncurrent liabilities</b>	<b>3,082,119</b>	<b>3,731,080</b>
<b>Total Equity &amp; Non-current Liabilities</b>	<b>6,005,519</b>	<b>7,246,258</b>

## About Raya Holding

**Raya Holding**, headquartered in Cairo, Egypt, is a promising investment conglomerate managing a diverse investment portfolio. It serves as the parent company for four established lines of business and seven emerging ones, operating across various sectors such as 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. With over 18,961 skilled employees, Raya Holding caters to an extensive international clientele through operations in Egypt, Saudi Arabia, UAE, Bahrain, Poland, and Nigeria. In 1Q2024, it achieved a group consolidated turnover of EGP 10.4 billion, a gross profit of EGP 2.2 billion, an EBITDA of EGP 1.2 billion, and a net income before minority interests of EGP 378 million.

Raya Holding for Financial Investments stands out as a leading investment holding company in Egypt, holding the largest market share in its mature lines of business (IT, NBFS, Trading, RCX), with aspirations to become the market leader in its emerging lines of business. It is listed on the Egyptian Stock Exchange under the symbol "RAYA.CA", driving growth and innovation in the Egyptian investment landscape.

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### RAYA.CA on the EGX

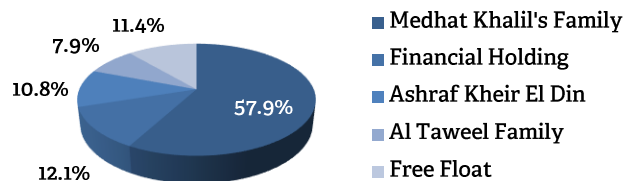
Number of Shares	2,143,995,190
Share Price (May 27 <sup>th</sup> ,2024)	EGP 3.55
Market Cap (May 27 <sup>th</sup> ,2024)	EGP 7,611,182,925

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<http://www.rayacorp.com/investor-relations/>

## Shareholder's Structure

(As of March 31st, 2024)



## Shareholders by Geography

(As of March 31st, 2024)

