



## **Startek Authorizes \$20 Million Share Repurchase Program and Revises Repayment Schedule of Senior Debt Facilities**

April 26, 2023

*Utilizing Proceeds from Completed Divestitures, Startek Further Improves Balance Sheet and Liquidity Position*

DENVER--(BUSINESS WIRE)--Apr. 26, 2023-- Startek, Inc. (NYSE: SRT) ("Startek" or the "Company"), a global customer experience (CX) solutions provider, has announced a revised repayment schedule of its senior debt facility, along with further paying down its revolving credit facility. In addition, the Company's board of directors has announced a new share repurchase authorization of \$20 million, which it intends to begin utilizing at the earliest date possible.

Utilizing the \$55 million in proceeds generated from the divestiture of its interest in Contact Center Company (CCC), the Company allocated \$7 million towards the prepayment of its revolving credit facility and \$48 million towards prepayments on its senior term loan, significantly lowering the outstanding repayment amounts through February 2026. With this, the Company does not have any repayment obligations until May 2024. Further details on the amendments to the repayment schedule can be found on the 8-K filed with the Securities and Exchange Commission (SEC) on April 21, 2023.

"Over the last several months, Startek made two strategic divestitures that generated a significant amount of cash flow for the Company," said Bharat Rao, Global CEO of Startek. "Utilizing the proceeds from these events, we have been able to substantially de-lever our balance sheet with approximately 60% of debt repaid during the first four months of 2023. This is particularly favorable in the current interest rate environment as it significantly lowers our interest cost burden and improves the overall health of our balance sheet. The prepayments to the repayment schedule, along with the paying down of our revolving credit line, also provide us with further liquidity over the long-term."

Upon further review of the Company's capital allocation strategy amidst these de-leverage initiatives, Startek's board of directors has authorized a new \$20 million share repurchase program. Startek may repurchase shares from time to time through open market purchases, in privately negotiated transactions, or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, in accordance with applicable securities laws and other restrictions. The timing and total amount of stock repurchases will depend upon business, economic and market conditions, corporate and regulatory requirements, prevailing stock prices, and other considerations.

Rao continued, "As we've made meaningful improvements to our balance sheet, our board has been evaluating our capital allocation priorities. While we continue to expect to make accelerated investments in sales, digital and IT upgrades, we also believe that Company shares represent an attractive investment opportunity at the prevailing share price. We will therefore expect to begin utilizing the repurchase program as soon as possible. We look forward to executing against our strategic roadmap with a new brand identity and the strongest balance sheet we've seen in five years, which we believe can return Startek to growth and deliver long-term shareholder value."

### **About Startek®**

For more than 35 years, Startek has delivered customer experience (CX) excellence for the world's leading brands. Spread across 12 countries, our 38,000 associates create memorable, personalized experiences in both voice and non-voice channels. Our clients span from fortune 500s to fast-growing startups in a diverse range of industries including cable, media and telecom; travel and hospitality; retail and e-commerce and banking and financial services.

By creating closer connections, Startek delivers value for our clients, opportunity for our people and sustainable growth for our shareholders.

To learn more visit [www.startek.com](http://www.startek.com) and follow us on LinkedIn [@Startek](https://www.linkedin.com/company/startek).

### **Forward-Looking Statements**

The matters regarding the future discussed in this news release include forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are intended to be identified in this document by the words "anticipate," "believe," "estimate," "expect," "intend," "may," "objective," "outlook," "plan," "project," "possible," "potential," "should" and similar expressions. As described below, such statements are subject to a number of risks and uncertainties that could cause Startek's actual results to differ materially from those expressed or implied by any such forward-looking statements. Readers are encouraged to review risk factors and all other disclosures appearing in the Company's Form 10-K for the fiscal year ended December 31, 2022, as well as other filings with the SEC, for further information on risks and uncertainties that could affect Startek's business, financial condition and results of operation. Copies of these filings are available from the SEC, the Company's website or the Company's investor relations department. Startek assumes no obligation to update or revise any forward-looking statements as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date herein.

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