

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **January 11, 2023**

**StarTek, Inc.**

(Exact name of registrant as specified in charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**1-12793**  
(Commission File Number)

**84-1370538**  
(IRS Employer  
Identification No.)

**4610 South Ulster Street, Suite 150**  
**Denver, CO 80237**  
(Address of Principal Executive Offices) (Zip Code)

**(303) 262-4500**  
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Common Stock, \$0.01 par value</b>	<b>SRT</b>	<b>New York Stock Exchange, Inc.</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 1.01 Entry into a Material Definitive Agreement.**

**CCC Sale Transaction**

On January 11, 2023, an indirect subsidiary of Startek, Inc. (the “Company”) entered into a definitive Sale and Purchase Agreement (the “Purchase Agreement”) pursuant to which Arabian Internet and Communications Services Company (“Solutions”) will acquire the Company’s indirect 51 percent ownership interest in Contact Center Company (“CCC”), which is the Company’s joint venture that operates in the Kingdom of Saudi Arabia. Solutions will also be acquiring the remaining 49 percent ownership interest in CCC held by Saudi Telecom Company (“STC”) pursuant to the Purchase Agreement. The Purchase Agreement provides for a transaction based on an enterprise value for CCC of SAR 450 million, on debt free and cash free basis, to be paid in cash at closing, subject to the adjustments set forth in the Purchase Agreement. Under the Purchase Agreement, the Company will act as a guarantor for the obligations of its indirect subsidiary that owns the Company’s interests in CCC.

The closing of the transactions contemplated by the Purchase Agreement are subject to customary conditions as set forth in the Purchase Agreement, including consents required under the Company’s secured revolving credit facility and senior term loan facility agreement. The Purchase Agreement contains representations, warranties, indemnification obligations and covenants of the parties customary for a transaction of this type.

It is anticipated that the closing of the closing of the transactions contemplated by the Purchase Agreement will occur during the second quarter of 2023.

**Forward-Looking Statements**

The matters regarding the future discussed in this Form 8-K 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 the actual Startek 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, 2021, as filed with the Securities and Exchange Commission (SEC) on March 14, 2022, as well as other filings with the SEC, for further information on risks and uncertainties that could affect the Startek 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.

**Item 9.01 Financial Statements and Exhibits.**

<u>Exhibit Number</u>	<u>Exhibit Description</u>
99.1	<a href="#">Press Release Dated January 11, 2023</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STARTEK, INC.

Date: January 17, 2023

By: /s/ Nishit Shah  
Nishit Shah  
Chief Financial Officer



## **Startek® Enters Into Definitive Agreement to Sell Interest in Contact Center Company**

*Divestiture Further Strengthens Balance Sheet, Allows Startek to Focus on Growing Core Business*

**DENVER, CO. – January 11, 2023** – Startek, Inc. (NYSE: SRT) (“Startek” or the “Company”), a global customer experience (CX) solutions provider, today announced that ESM Holdings Limited, an indirect wholly-owned subsidiary of the Company, has entered into a definitive share purchase agreement with Arabian Internet and Communications Services Company (Solutions) to divest its stake in Contact Center Company (CCC) to Solutions. The agreement is subject to customary closing conditions, third-party consents and regulatory approvals, including consents required under the Startek secured revolving credit facility and senior term loan facility agreement.

Established in 2011 as a joint venture between Startek and Saudi Telecom Company (STC), CCC has gained significant momentum to become a premier provider of CX solutions to enterprises in the Kingdom of Saudi Arabia (KSA). Startek is proud of the lineage CCC has created in KSA with many notable accomplishments over the years. Recently, Frost & Sullivan recognized CCC as 2022 Saudi Arabia Company of the Year Award and Market Leadership Award in the Contact Center Services industry.

Startek owns 51 percent ownership interest in CCC with the remaining 49 percent ownership interest held by STC. Pursuant to a share purchase agreement with Solutions, Startek and STC will divest their respective ownership interest in CCC at an enterprise value of SAR450 million, subject to debt-like and working capital adjustments. At prevailing exchange rates, this values the Startek stake at U.S.\$61.2 million subject to closing adjustments and capital gains taxes. It is anticipated that Startek will utilize the net proceeds from the transaction to pay down amounts outstanding under its secured revolving credit facility and senior term loan facility agreement.

Startek constantly evaluates its capital allocation strategy and reviews its business portfolio. Given the many growth opportunities available to Startek, the company is divesting its stake in CCC to focus on its core business activities.

"The journey with CCC has been highly successful and I am grateful to all the associates who have made this possible. I am confident of their continued success under the ownership of Solutions," said Bharat Rao, CEO, Startek. "The divestment of CCC will support the Startek business as we deleverage the balance sheet and prioritize growing our core business."

The transaction is expected to be completed during the second quarter of 2023.

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## **About Startek®**

Startek is a global provider of tech-enabled customer experience (CX) management solutions, digital transformation and technology services to leading brands. Startek is committed to impacting clients' business outcomes by enhancing customer experience and digital and AI enablement across all touchpoints and channels. Present in 13 countries, Startek has more than 46,000 CX experts servicing clients across a range of industries, including banking and financial services, insurance, technology, telecom, healthcare, travel and hospitality, e-commerce, consumer goods, retail, energy and utilities. To learn more, visit [www.startek.com](http://www.startek.com)

## **Forward-Looking Statements**

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## **Media Relations**

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## **Investor Relations**

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