



First Quarter 2023 Results

May 2023



First Quarter 2023 and Recent Highlights

Q1'23

- Execution focus – be amongst the top quartile in terms of performance for all our clients
- 12 total new wins, with 5 new logos
- Combined digital and sales teams under Chief Growth Officer
- Continued focus on increasing offshoring
- Gross margins beginning to expand with agent ramp up work largely complete

Post-Quarter

- Unveiled new visual identity
- Closed CCC Deal and repaid 60% of debt
- Announced \$20 million share repurchase authorization

Unveiled New Visual Identity

- Start of a bold new chapter for Startek®
- New visual identity better reflects the company's commitment to combining the latest technology and data-driven insights with its associates' expertise to deliver memorable and personalized experiences for customers
- The power of positive experiences and the role of stakeholders in the brand's long-term success is brought to life in the new Startek logo through the pink Stakeholder Bar
- The company's new brand identity and vision statement is showcased across digital and physical channels

Bringing brands across the globe closer to their customers through memorable, personalized experiences.

Startek™

Awards and Recognitions 2023

Business Intelligence Group



- **Outsource Partner of the Year** at the 2023 Excellence in Customer Service Award presented by Business Intelligence Group
- Testament to our commitment to delivering exceptional results for our clients

Stevie Awards



- Silver Stevie® Award, 2023, **Corporate Learning**
- Silver Stevie® Award, 2023, **Contact Center of the Year**
- Bronze Stevie® Award, 2023, **Best Use of Technology in Customer Service**
- Bronze Stevie® Award, 2023, **Asia-Pacific Awards for Customer Service**

Comparably



- **Choice employer** – A+ 4.6/5 culture score
- 2023 **Best Global Culture**
- 2023 **Best HR Teams**

Strongest Balance Sheet in Five Years

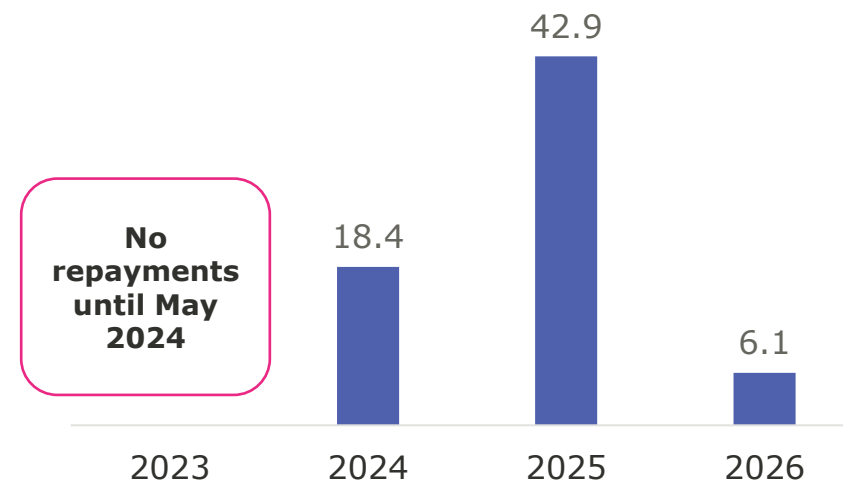
Pro-forma net debt

| | U.S.\$M |
|--------------------------|---------|
| Debt as on Jan 1, 2023 | 175.9 |
| Less: YTD repayments | 100.4 |
| Current debt outstanding | 75.5 |
| Less: Cash & equivalents | 24.9 |
| Net debt | 50.6 |
| LTM EBITDA | 37.8 |
| Net leverage ratio | 1.3x |

~60% debt repaid
\$41.3M in Jan
\$04.1M in Feb
\$55.0M in April

Revised repayment schedule

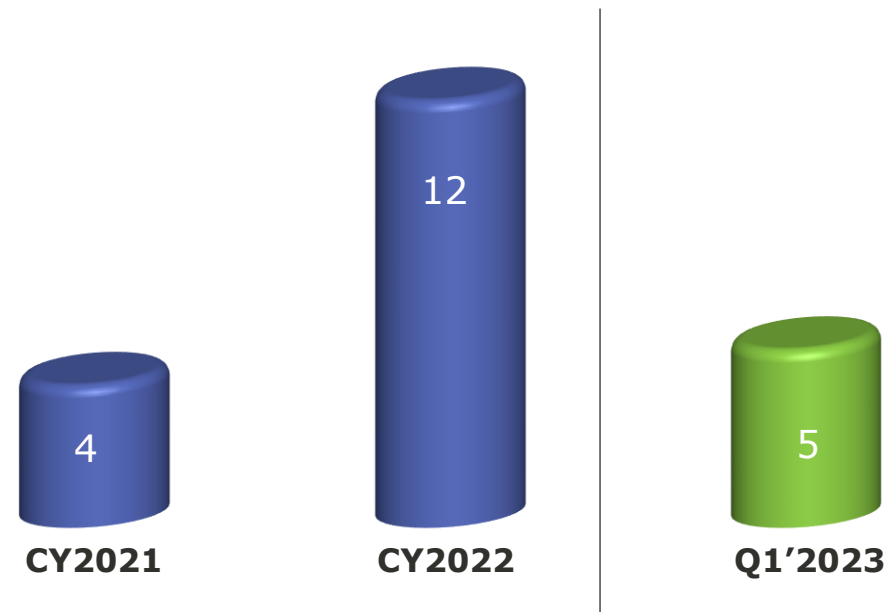
Based on the consent received from the banks on April 19th, we have recreated the repayment schedule to the below.



Continued Momentum in New Business Wins

- 12 new campaigns and five new logos signed in Q1, 2023
- TCV > 50M
- Digital and Sales teams aligned under remit of Chief Growth Officer
- Created a single view of Marketing and Sales data, enabling data-driven lead generation and stronger collaboration across functions

New logo wins



Q1 2023 Financial Snapshot

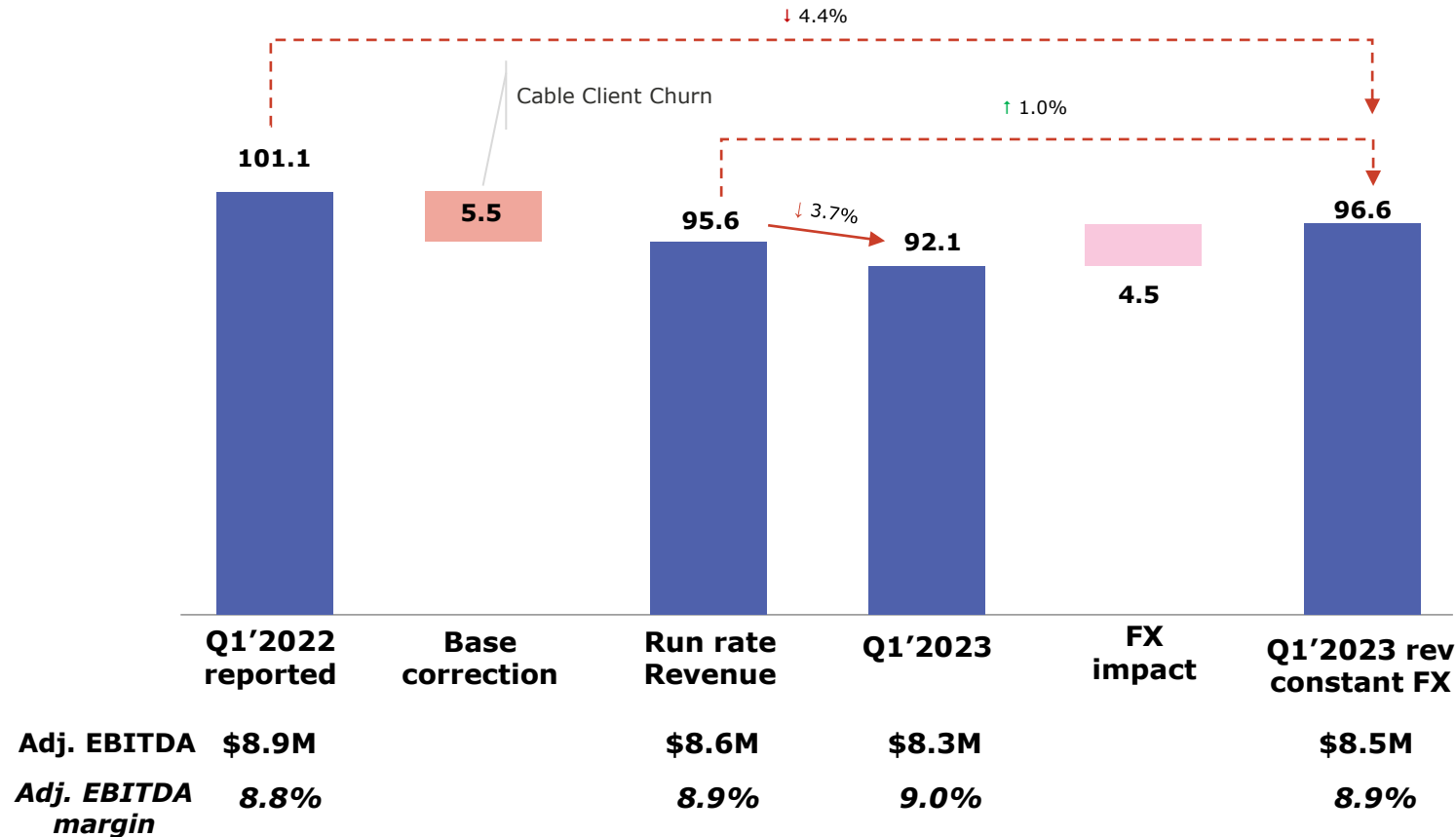
Discontinued operations represent CCC (Saudi JV) and Argentina operations that are Held For Sale

| US\$'000 | Q12023 | | | Q12022 | | |
|-----------------|------------|--------------|--------------|------------|--------------|--------------|
| | Continuing | Discontinued | Consolidated | Continuing | Discontinued | Consolidated |
| Revenue | 92,089 | 70,497 | 162,586 | 101,092 | 66,226 | 167,317 |
| GM | 12,960 | 9,354 | 22,314 | 13,790 | 6,562 | 20,351 |
| GM% | 14.1% | 13.3% | 13.7% | 13.6% | 9.9% | 12.2% |
| SG&A | 10,287 | 3,865 | 14,152 | 11,962 | 3,615 | 15,577 |
| Adj. EBITDA | 8,291 | 5,770 | 14,061 | 8,947 | 5,106 | 14,053 |
| % margin | 9.0% | 8.2% | 8.6% | 8.9% | 7.7% | 8.4% |
| Net Income | (558) | 2,477 | 1,919 | (767) | 1,055 | 288 |
| EPS (US\$) | (0.01) | 0.06 | 0.05 | (0.02) | 0.03 | 0.01 |
| Adj. Net Income | 2,233 | 945 | 3,178 | 2,761 | 583 | 3,344 |
| Adj. EPS (US\$) | 0.06 | 0.02 | 0.08 | 0.07 | 0.01 | 0.08 |

*Reconciliation of non-GAAP figures can be found in the appendix of this presentation, starting on page 13.

Q1 2023 Revenue

Revenue growth analysis

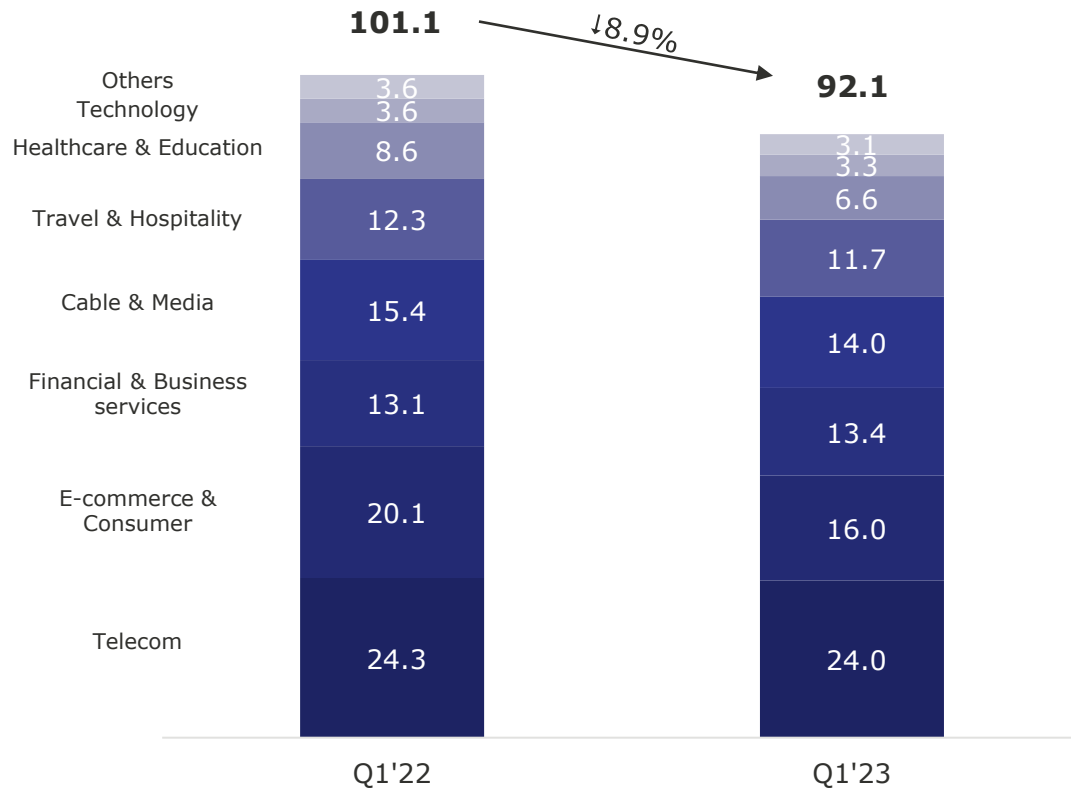


- Q1'23 revenue decreased 4.4% on a constant currency basis
- Adjusting for high base in Q1'22, revenue in Q1'23 declined 3.7% LFL and increased 1.0% on constant currency basis
- Ramped new cable and media client through Q1. Ramp of the new utility client progressing well
- Investment phase in sales, marketing and technology verticals is complete. Focus now on execution and pipeline conversion
- Higher mix of revenue from offshore geographies leading to sustenance of margins

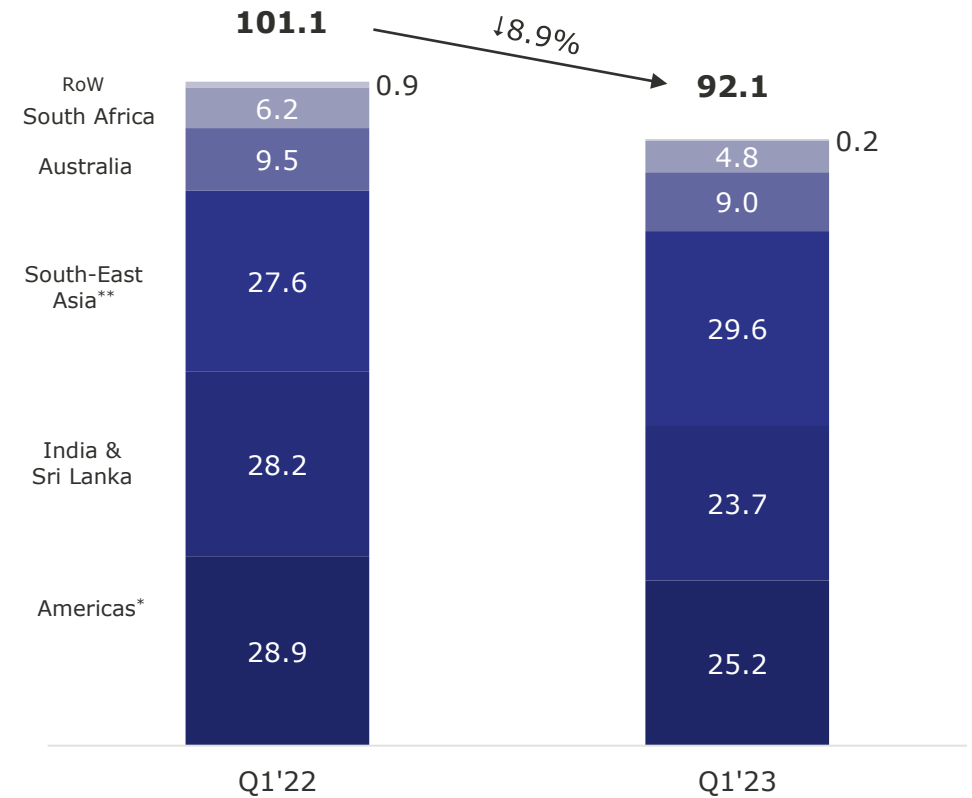
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Revenue Internals

Revenue by verticals (\$M)



Revenue by delivery geography (\$M)

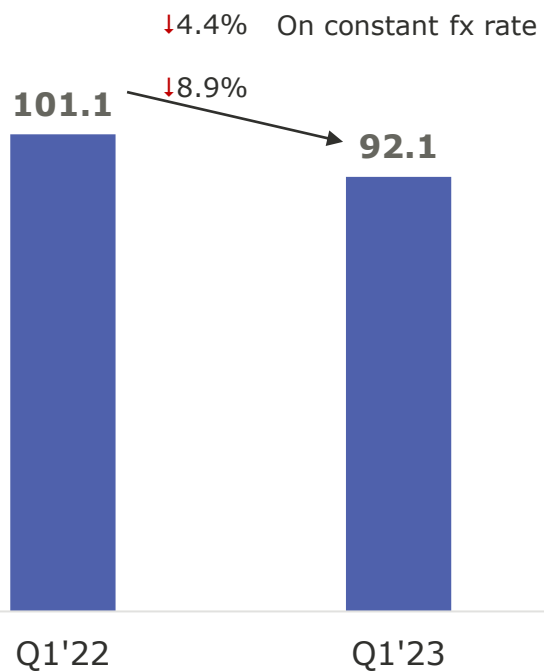


*Americas includes Canada, Honduras, Jamaica and USA

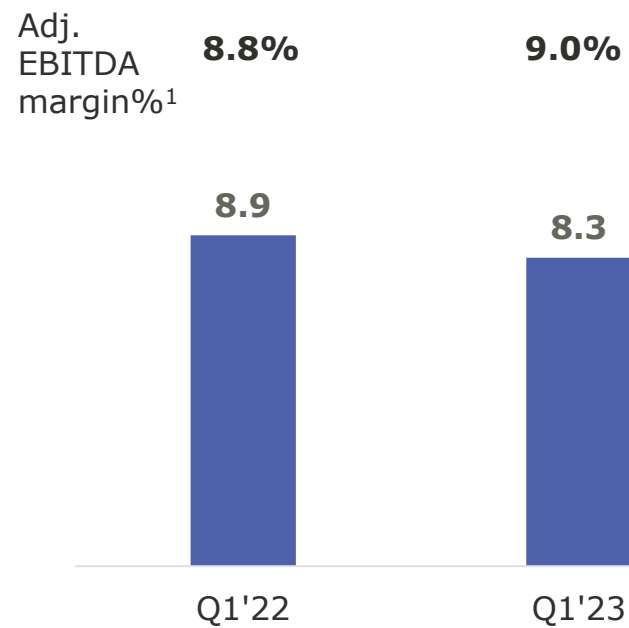
** South-East Asia includes Malaysia and Philippines

Q1 2023 Financial Performance

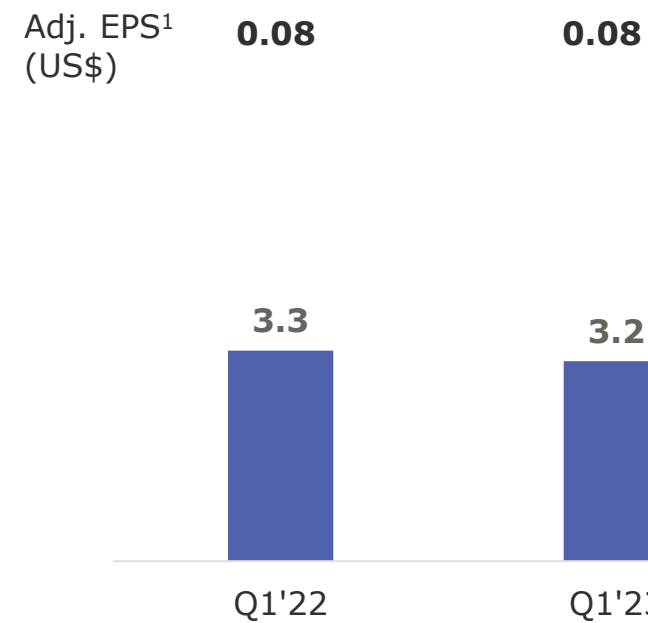
Revenue (\$M)



Adj. EBITDA¹ (\$M)



Adj. net income¹ (\$M)



¹Reconciliation of non-GAAP figures can be found in the appendix of this presentation, starting on page 13.

The Startek[®] Benefit



Global Player

- Present in 5 continents, offering 40+ languages
- Onshore, nearshore, offshore and cross-shore solutions
- Publicly listed (NYSE)



Designed to delight customers

- Focused on voice of the customer to drive continuous improvement
- “Extra mile” engagement to manage service recovery
- Driven to enable and enhance CX
- Long standing client relationships reflect our ability to consistently deliver our CX promise



Award-winning associate experience

- Recognition across multiple global locations, including Great Place to Work Institute and Comparably
- High associate engagement, initiatives focused on retention and longevity
- Prioritizing promotion from within drives focus development and growth



Empathy-based CX design and delivery

- Whether automated or delivered by live agents, our human-centric approach delivers a consistently superior CX



Investments in infrastructure and security

- Extensive investments into technology upgrades and cybersecurity
- Annual commitment to digitization, innovation and R&D

Annexures

US GAAP Reconciliation – Adjusted EBITDA

Adjusted EBITDA:

| | <u>Three Months Ended March 31,</u> | |
|--|-------------------------------------|----------------------|
| | <u>2023</u> | <u>2022</u> |
| Continuing Operations | | |
| Net income (loss) | (558) | (767) |
| Tax expense | 909 | 638 |
| Share of income of equity accounted investee | - | 8 |
| Interest expense and other income (expense), net | 2,077 | 1,730 |
| Foreign exchange gains (losses), net | (72) | 224 |
| Depreciation and amortization expense | 5,238 | 5,831 |
| Private offer transaction cost | - | 500 |
| Impairment losses and restructuring cost | 317 | (5) |
| Share-based compensation expense | 380 | 428 |
| CSS option amortisation | - | 360 |
| Adjusted EBITDA | <u>8,291</u> | <u>8,947</u> |
| Discontinued Operations | | |
| Net income (loss) | 2,477 | 1,055 |
| Income tax expense | 1,184 | 1,454 |
| Interest expense, net | 640 | (756) |
| Foreign exchange gains (losses), net | 124 | 184 |
| Depreciation and amortization expense | - | 1,758 |
| Impairment losses and restructuring cost | 1,345 | 1,411 |
| Adjusted EBITDA from Discontinued Operations | <u>5,770</u> | <u>5,106</u> |
| Adjusted EBITDA from Continuing and Discontinued Operations | <u>14,061</u> | <u>14,053</u> |

US GAAP Reconciliation – Adjusted Net Income

Adjusted EPS:

Continuing Operations

Income (loss) attributable to Startek shareholders
 Share based compensation expense
 Amortization of intangible assets, net of tax
 Private offer transaction cost
 Impairment losses and restructuring cost
 CSS option amortization

Adjusted net income

Discontinued Operations

Income (loss) attributable to Startek shareholders
 Impairment losses and restructuring cost

Adjusted net income (loss) from Discontinued Operations

Adjusted Net Income from Continuing and Discontinued Operations

Weighted average common shares outstanding

Adjusted EPS from Continuing Operations - Diluted

Adjusted EPS from Discontinued Operations - Diluted

Adjusted EPS from Continuing and Discontinued Operations - Diluted

| | Three Months Ended March 31, | |
|--|-------------------------------------|---------------------|
| | 2023 | 2022 |
| | <u> </u> | <u> </u> |
| Income (loss) attributable to Startek shareholders | (558) | (767) |
| Share based compensation expense | 298 | 428 |
| Amortization of intangible assets, net of tax | 2,244 | 2,244 |
| Private offer transaction cost | - | 500 |
| Impairment losses and restructuring cost | 249 | (4) |
| CSS option amortization | - | 360 |
| Adjusted net income | <u>2,233</u> | <u>2,761</u> |
| | <u> </u> | <u> </u> |
| Income (loss) attributable to Startek shareholders | (112) | (474) |
| Impairment losses and restructuring cost | 1,057 | 1,059 |
| Adjusted net income (loss) from Discontinued Operations | <u>945</u> | <u>584</u> |
| | <u> </u> | <u> </u> |
| Adjusted Net Income from Continuing and Discontinued Operations | <u>3,178</u> | <u>3,344</u> |
| | <u> </u> | <u> </u> |
| Weighted average common shares outstanding | 40,321 | 40,338 |
| Adjusted EPS from Continuing Operations - Diluted | 0.06 | 0.07 |
| Adjusted EPS from Discontinued Operations - Diluted | 0.02 | 0.01 |
| Adjusted EPS from Continuing and Discontinued Operations - Diluted | 0.08 | 0.08 |

Thank you!



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