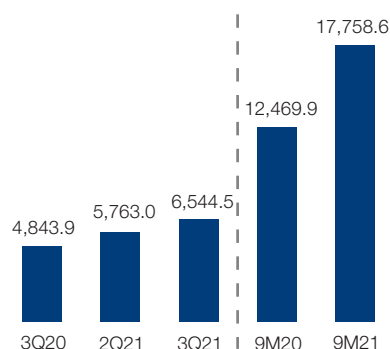


GB Auto Reports 3Q/9M21 Results

GB Auto delivered a solid performance on the back of strong demand and is reaping the rewards of its successful rollout of its two new car brands

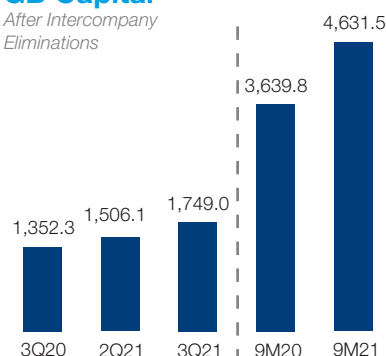
Revenue Progression
(all figures in LE million)

GB Auto & Auto Related



GB Capital

After Intercompany
Eliminations



14 November 2021 — (Cairo, Egypt) GB Auto (AUTO.CA on the Egyptian Exchange), a leading automotive company in the Middle East and non-bank financial services provider in Egypt, announced today its segmental and consolidated results for the third quarter and nine-month period ending 30 September 2021. GB Auto's revenues increased by 15.0% q-o-q and 33.8% y-o-y to LE 8,293.5 million in 3Q21 on the back of solid performances across the majority of GB Auto's business lines during the period. On a YTD basis, GB Auto's revenues increased by 39.0% y-o-y to LE 22,390.1 million in 9M21 with a net income increase of 59.8% y-o-y to LE 1,005.4 million as the company reaped the benefits of its comprehensive operational efficiency initiatives as well as the operational leverage from higher revenues and the overall improved demand during the period.

"I am pleased to report that strong demand for our product and service offerings continued to support our operations and drove GB Auto's solid performance in 3Q21," said GB Auto Chief Executive Officer Nader Ghabbour. "Our Auto & Auto-related segment successfully captured the healthy demand with an optimized product lineup and improved pricing strategy, leaving the segment with robust margins despite global supply chain disruptions and inflationary pressures. This has resulted in a reduction of net debt at the A&AR segment to the lowest level since 2Q18. At the Passenger Cars LoB, despite the impacts of the semiconductor shortage, we were able to capitalize on our two newly launched car brands, Changan and Haval, with their performance standing testament to our ability to launch and grow successful brands across our markets. On the Two and Three-Wheelers front, we continued to deliver steady growth, reaping the benefits of resilient consumer demand. At the Commercial Vehicles and Construction Equipment LoB, while bus sales continue to be impacted by a sluggish tourism sector and COVID-19-related hiatus of in-person learning at schools, we are partially offsetting this with increased business for trucks and construction equipment driven by growing infrastructure spend and national projects," said Ghabbour.

The Auto & Auto-Related (A&AR) segment recorded a revenue increase of 13.6% q-o-q and 35.1% y-o-y to LE 6,544.5 million in 3Q21. On a YTD basis, revenues at the A&AR segment grew by 42.4% y-o-y to LE 17,758.6 million in 9M21. The positive performance was driven primarily by healthy demand and increasing consumer purchasing power, which benefitted both the PC and Two & Three-Wheelers (2&3Ws) LoBs in 3Q21 and on a YTD basis. At the segment's regional operations, positive market demand for the MG brand, coupled with improved 2&3W sales despite suboptimal conditions in Iraq, drove quarter-on-quarter regional top-line growth in 3Q21. However, on a year-on-year basis, regional revenues inched down in 3Q21 and 9M21 due to a high base effect from Hyundai sales prior to completing the brand's liquidation of all remaining inventory. It is worthy to note that as of 3Q21, GB Auto has completed the full liquidation of its Hyundai inventory in Iraq.

"Growing demand for our MG brand has continued to be one of our primary performance drivers across our regional operations in Iraq. I am proud to say that we have maintained MG's position as the leading Chinese car brand in Iraq with a market share of c. 4.5% in 3Q21, despite the challenging business environment. Overall, we continue to believe in the longer-term outlook of this market. With oil prices increasing to more favorable levels, as well as the continued rollout of nationwide reconstruction activities aimed at bolstering the Iraqi economy, we are confident that we can continue to grow our presence in Iraq and generate value going forward."

“ I am pleased to report that strong demand for our product and service offering continued to support our operations and drove GB Auto’s solid performance in 3Q21 ”

EBITDA at the A&AR segment increased by 29.1% y-o-y to LE 483.0 million in 3Q21 and yielded a margin of 7.4%, reflecting a contraction of 0.3 percentage points during the period. On a YTD basis, EBITDA grew by 59.5% y-o-y to LE 1,353.5 million in 9M21, yielding a margin expansion of 0.8 percentage points to 7.6% in 9M21. The impressive EBITDA results were driven by strong top-line growth coupled with increased efficiencies at the SG&A level during the first nine months. Total SG&A expenses grew by 19.6% y-o-y to LE 1,238.2 million, however, declined as a percentage of revenues to 7.0% in 9M21 from 8.3% last year.

The A&AR segment’s net income declined by 19.9% q-o-q and 20.9% y-o-y to LE 185.6 million in 3Q21 due to a high base effect of one-off capital gains in the comparable periods. On a YTD basis, net income recorded strong growth to LE 595.3 million in 9M21 compared LE 209.8 million in 9M20 on the back of the segment’s strong top line performance during the period.

GB Capital recorded a revenue increase of 10.9% q-o-q and 26.4% y-o-y to LE 2,057.1 million in 3Q21 as normalizing market conditions continued to positively impact the company’s subsidiaries. On a YTD basis, revenues increased by 29.2% to LE 5,635.1 million in 9M21. GB Capital’s loans/receivables portfolio grew by 19.7% q-o-q and 43.7% y-o-y to LE 16.6 billion in 3Q21. It is worthy to note that dues for delinquent customers are being gradually collected – in line with management’s comprehensive debt recovery plan – and has already reflected positively on NPLs, dropping to 2.28% in 3Q21 compared to 2.60% in 2Q21 and 2.66% in 1Q21. In year-on-year terms, NPLs increased to 2.28% in 3Q21 compared to 1.60% in 3Q20 due to the delayed recognition of delinquencies arriving between March and September of 2020 following the CBE’s declaration of a six-month moratorium on all repayments owed to lenders. Accumulated delinquencies during this six-month period were recognized in 4Q20. At its bottom line, GB Capital’s net profits remained largely flat quarter-on-quarter at LE 146.3 million as the company recognized losses associated with the recent acquisition of Halan, as well as a small dilution pertaining to the sale of a 5% stake in MNT Investments. In year-on-year terms, net profits increased by 4.4% y-o-y in 3Q21. On a YTD basis, net profit declined by 2.0% y-o-y in 9M21 due to the SLA charges relating to GB Capital recognizing shared costs starting 1Q21 that were historically booked under the Auto and Auto-Related segment. Excluding SLA’s, net profit would have been up by 17.3% y-o-y in 9M21.

“At GB Capital, we continued to reap the benefits of normalizing market conditions and stronger consumer demand with increased bookings and disbursements as well as healthy portfolio growth in 3Q21. At our leasing operations, we successfully delivered the second batch of vehicles related to our milestone contract with a leading company in the FMCG space, and have already secured a solid pipeline of vehicle contracts over the coming period with multiple industry leading companies. At our consumer financing operations, we rolled out the soft launch of our consumer financing application in partnership with a leading distributor of consumer technology in Egypt. We anticipate to fully launch the application across the 150 merchants that we have already secured contracts with by the end of 2021. Additionally, we have continued to press on with our expansion efforts and have successfully signed a contract with a large sports club to provide financing services for its new members going forward. Finally, at our fin-tech platform, I am pleased to report that our new core banking system is operating smoothly and that our e-commerce platform is recording healthy growth, leaving us well-positioned to continue delivering on our digital growth strategy going forward,” said Ghabbour.

“Looking ahead, we are confident that we can continue delivering on our digital expansion strategies, building on our recent successes, and widening our product offerings across Egypt’s thriving fintech space. As for our Auto & Auto-Related segment, we plan to continue leveraging the strong demand for our products as well as utilize a superior pricing strategy to offset the impacts of the anticipated supply chain disruptions, and maintain our strong market position in the automotive sector,” concluded Ghabbour.

Highlights of GB Auto Group’s 3Q/9M21 results, along with management’s analysis of the company’s performance and complete financials are available for download on ir.ghabbourauto.com

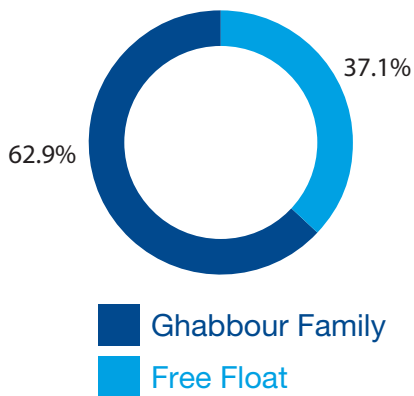
GB Auto Group Income Statement

Income Statement

	Three Months Ended			Nine Months Ended		
(LE million)	3Q20	3Q21	% Change	9M20	9M21	% Change
Egypt Passenger Cars Revenues	2,162.8	3,374.6	56.0%	4,918.5	9,055.9	84.1%
Egypt Motorcycles & Three-Wheelers Revenues	807.5	893.9	10.7%	2,001.3	2,698.5	34.8%
Egypt Commercial Vehicles & Construction Equipment Revenues	167.9	239.9	42.9%	655.3	649.6	-0.9%
Egypt Tires Revenues	305.6	391.7	28.2%	845.2	1,011.4	19.7%
GB Capital (Financing Businesses) Revenues	1,352.3	1,749.0	29.3%	3,639.8	4,631.5	27.2%
Egypt After-Sales Revenues	290.9	374.1	28.6%	795.1	972.8	22.4%
Regional Revenues	900.8	879.7	-2.3%	2,813.3	2,292.5	-18.5%
Others Revenues	208.3	390.6	87.5%	441.2	1,077.8	-
Total Sales Revenues	6,196.2	8,293.5	33.8%	16,109.7	22,390.1	39.0%
Total Gross Profit	1,249.6	1,605.0	28.4%	3,269.2	4,416.3	35.1%
Gross Profit Margin	20.2%	19.4%	-0.8	20.3%	19.7%	-0.6
Selling and Marketing	(489.4)	(697.0)	42.4%	(1,353.4)	(1,953.0)	44.3%
Administration Expenses	(166.5)	(151.6)	-9.0%	(416.7)	(379.3)	-9.0%
Other Income (Expenses)	174.4	30.9	-82.3%	379.5	158.4	-58.3%
Operating Profit	768.0	787.4	2.5%	1,878.6	2,242.4	19.4%
Operating Profit Margin (%)	12.4%	9.5%	-2.9	11.7%	10.0%	-1.6
Net Provisions and Non-Operating FV of Investment Property	(80.9)	(59.2)	-26.8%	(177.9)	(158.7)	-10.8%
Intercompany Investment Losses	-	-	-	-	(1.3)	-
EBIT	687.1	728.2	6.0%	1,700.7	2,082.3	22.4%
EBIT Margin (%)	11.1%	8.8%	-2.3	10.6%	9.3%	-1.3
Foreign Exchange Gains (Losses)	26.7	(2.7)	-	7.2	15.4	-
Net Finance Cost	(186.6)	(140.9)	-24.5%	(655.0)	(439.5)	-32.9%
Earnings Before Tax	527.2	584.5	10.9%	1,052.9	1,658.3	57.5%
Income Taxes	(95.5)	(141.4)	48.1%	(258.2)	(399.7)	54.8%
Net Profit / Loss Before Minority Interest	431.8	443.1	2.6%	794.8	1,258.6	58.4%
Minority Interest	(56.8)	(110.9)	95.4%	(165.6)	(253.2)	52.9%
Net Income/Loss	375.0	332.3	-11.4%	629.2	1,005.4	59.8%
Net Profit Margin (%)	6.1%	4.0%	-2.1	3.9%	4.5%	0.6

GB Auto's Shareholding Structure

as of 30 September 2021



Head Office

Cairo-Alex Desert Road, Km 28
Industrial Zone
Abu Rawash, Giza, Egypt

Investor Relations

Mansour Kabbani
Board of Directors Member

Sarah Maged
Investor Relations
Communications Manager

Marina Kamal
Investor Relations Manager

Direct: +202 3910 0485
Tel: +202 3539 1201
Fax: +202 3539 0139
e-mail: ir@ghabbour.com

ir.ghabbourauto.com

Shareholder Information

Reuters Code: AUTO.CA
Bloomberg Code: AUTO.EY

Shares Outstanding:
1,094,009,733

About GB Auto S.A.E.

GB Auto S.A.E. (AUTO.CA on the Egyptian Exchange) is a leading automotive company in the Middle East and non-bank financial services provider in Egypt. Across six primary lines of business — Passenger Cars, Motorcycles & Three-Wheelers, Commercial Vehicles & Construction Equipment, Tires, After-Sales, and Iraqi operations — the company's main business activities include assembly, manufacturing, sales and distribution, financing and after-sales services. GB Auto's portfolio of brands includes Hyundai, Mazda, Changan, Haval, Chery, Bajaj, Marcopolo, Iveco, Volvo Truck & Bus, Volvo Construction Equipment, Mitsubishi Fuso, YTO, Karry, SDLG, Aksa, Lassa, Yokohama, Westlake, Double Coin, Verde, Techking, MG, Good-year and Gazpromneft. GB Auto has operations in Egypt and Iraq. The Company's NBFS' segment branded GB Capital offers leasing, consumer finance, microfinance, fleet quasi-operational leasing, factoring, securitization, mortgage finance, and insurance under the following brands - GB Lease, MNT-Halan, Drive, Haram, Capital Securitization, Bedaya, and Tokio Marine Egypt Family Takaful. The company is headquartered in Giza, Greater Cairo Area, Egypt. www.ghabbourauto.com

Forward-Looking Statements

This document may contain certain "forward-looking statements" relating to the Company's business. These may be identified in part through the use of forward-looking terminology such as "will," "planned," "expectations" and "forecast" as well as similar explanations or qualifiers and by discussions of strategy, plans or intentions. These statements may include descriptions of investments planned or currently under consideration or development by the Company and the anticipated impact of these investments. Any such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance, decisions or achievements of the Company to be materially different from any future results that may be expressed or implied by such forward-looking statements.