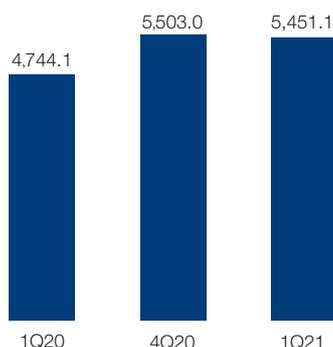


AUTO.CA
on the Egyptian Exchange

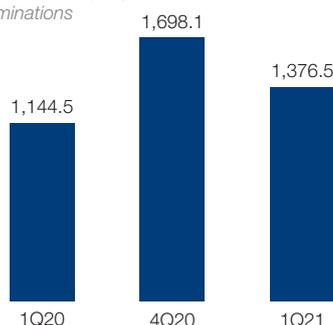
Revenue Progression
(all figures in LE million)

GB Auto & Auto Related



GB Capital

After Intercompany
Eliminations



GB Auto Reports 1Q21 Results

GB Auto starts the year with a twofold year-on-year increase in net profit in 1Q21 driven by recovering market conditions and consumer demand

11 May 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 period ending 31 March 2021. Revenues increased by 15.9% y-o-y to LE 6,827.6 million on the back of recovering market conditions and increasing demand across GB Auto's lines of business in 1Q21. In quarter-on-quarter terms, revenues declined by 5.2% q-o-q due to seasonality associated with the first quarter of the year. GB Auto's net income increased by a strong 116.0% y-o-y to LE 298.9 million in 1Q21, reaping the rewards of its comprehensive operational improvements, cost optimization efforts and reduced interest costs throughout 2020 that have continued into the new year. In quarter-on-quarter terms, net income increased by 3.8% q-o-q for the period.

“With the initial impact of the pandemic on our operations and market behind us, GB Auto entered the new year well-prepared to capitalize on an improved external environment,” said GB Auto Chief Executive Officer Nader Ghabbour. “Despite the typically lower seasonality associated with the first quarter of the year, pent up demand and strengthening purchasing power supported our strong year-on-year recovery in 1Q21, even as a global semiconductor shortage temporarily impacted the supply of our CKD models. Meanwhile, the resilient Two and Three-wheelers LoB booked similarly solid volume and top line growth in 1Q21, owing to their income producing nature and an enhanced product mix. In parallel, we capitalized on a pipeline of national mega projects being implemented across the nation to increase volume sales at our Commercial Vehicles & Construction Equipment LoB for the period, although we are yet to recover from a sluggish tourism sector. Overall, improved market conditions supported the performance of our Auto and Auto-Related segment and our results for the period are a testament to the strong demand for our product offerings across our lines of business.”

The Auto & Auto-Related (A&AR) segment recorded a revenue increase of 14.9% y-o-y to LE 5,451.1 million on the back of increasing demand and as consumers increasingly adapted to COVID-19 restrictions. In quarter-on-quarter terms, revenues remained largely flat despite the seasonality associated with the start of the year. At the PC LoB, revenues increased by 67.4% y-o-y to LE 2,763.6 million in 1Q21 on the back of a 53.0% growth in PC volumes. In quarter-on-quarter terms, PC revenues remained flat, reflecting a positive performance considering the historically slow season at the start of the year, which came on the back of strengthening consumer purchasing power and the growing demand for passenger cars. Similarly, the Two and Three-Wheelers (2&3W) LoB's revenues increased by 41.2% y-o-y to LE 934.8 million in 1Q21 on the back of strong demand driving 2&3W volume sales compared to the same period last year. In quarter-on-quarter-terms, despite a decline in volumes on the back of lower demand due to seasonality, revenues remained largely flat. The A&AR's regional operations continued to be hindered by the unfavorable economic conditions in Iraq and recorded a revenue decline of 57.5% y-o-y and by 22.1% q-o-q to LE 634.6 million in 1Q21.

“A suboptimal market environment in Iraq due to the country-wide lockdown, coupled with the devaluation of the Iraqi Dinar in 4Q20 with its effects taking hold in 1Q21, resulted in weakened consumer purchasing power and hampered our regional performance for the quarter. Despite that, three-wheeler volumes and its corresponding revenues recorded year-on-year growth on the back of the product's income-producing nature. Moreover, we reaped the rewards of our recent MG launch and successfully positioned it as the leading Chinese car brand in Iraq, with a market share of 3.7% in 1Q21, representing an exceptional milestone considering the challenging external environment. As external pressures

“ Overall, the improved market environment supported the performance of our Auto and Auto-Related segment and our results for the period are a testament to the strong demand for our product offering across our lines of business ”

on Iraq ameliorate and market conditions gradually improve, we are looking to continue investing in the MG brand and are confident that we can leverage our decades of industry experience and well-established presence in the Iraqi market to position MG as a leading brand,” said Ghabbour.

At the segment's Commercial Vehicles & Construction Equipment (CV&CE) LoB, revenues fell by 14.8% y-o-y on the back of the pandemic's impact on the tourism and education sectors, causing a decline in bus volumes in 1Q21, historically the largest contributor to CV&CE revenues. In quarter-on-quarter terms, CV&CE revenues increased by 95.8% q-o-q to LE 224.9 million on the back of the growing demand for trucks and construction equipment, driven by a healthy and growing pipeline of national infrastructure projects across Egypt. The After-Sales LoB's revenues remained largely flat year-on-year at LE 293.8 million and declined by 3.2% q-o-q in 1Q21. The Tires LoB's revenues grew by 18.8% y-o-y and by 1.0% q-o-q to LE 282.7 million in 1Q21 on the back of stable demand and a solid performance from GB Auto's recently launched Goodyear brand. Additionally, the LoB began performing fleet sales as opposed to its historical reliance on a single channel, wholesale or dealer networks, which reflected positively on the LoB's top line performance in 1Q21.

The A&AR delivered profitability and recorded a turnaround at its bottom-line, booking a net profit of LE 178.0 million in 1Q21 compared to a net loss of LE 5.2 million in the same period last year. Efficient management of working capital levels as well as a favorable interest rate environment helped support the A&AR's profitability for the period. In quarter-on-quarter terms, net profit from the A&AR increased by 137.4% q-o-q in 1Q21.

GB Capital recorded a revenue increase of 21.6% y-o-y, driven by recovering market conditions which supported portfolio growth and increased disbursements at all of its leasing, consumer financing, factoring, and microfinancing subsidiaries in 1Q21. In quarter-on-quarter terms, revenues declined by 15.4% q-o-q to LE 1,724.0 million on the back of two successful securitizations in 4Q20. GB Capital's loans/receivables portfolio grew by 26.6% y-o-y and by 9.0% q-o-q to LE 12.7 billion in 1Q21. However, non-performing loans increased to 2.66% in 1Q21 compared to 2.48% in 4Q20. This increase reflects 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. The combination of accumulated delinquencies arriving during this six-month period having been recognized in 4Q20, coupled with a portion of clients unable to make timely settlements, which are expected to be recovered in the short-term, led to the above trend change in NPLs. Additionally, the increase in NPLs is partially attributed to a decrease in receivables following the conclusion of two sizeable securitizations in 4Q20. Despite the increase in NPLs, provisions are on the decline, as management has already reversed the majority of the ones booked in 2020 and anticipates returning to normal provision levels by the end of 1H21. GB Capital's net profits declined by 15.8% y-o-y and 43.2% q-o-q to LE 120.9 million due to the SLA charges relating to GB Capital recognizing costs that were historically recorded under the A&AR segment in 1Q21. Additionally, performance was further dampened by the two sizeable securitization transactions that boosted profitability in 4Q20.

“GB Capital recorded a strong year-on-year performance, delivering growth across the board and achieving multiple operational milestones in the first quarter of the year. Most notably, we reaped the rewards of our operational developments and expansion efforts at GB Lease and successfully positioned the company as the second largest leasing company in Egypt in market share terms, which stood at 10.3% in 1Q21. At Drive, we grew our disbursements and propelled it to the leading position in the market in 1Q21. On the provisions front, GB Capital's subsidiaries have reversed the majority of conservative provisions taken on in 2020 and anticipate the reversal of the remainder over the course of the year. In terms of profitability, the reversal of provisions will bode well for our bottom-line performance over the coming periods,” said Ghabbour.

“Looking ahead, we will continue to identify and assess opportunities to grow GB Capital, enhance its operations, and expand its footprint. On the consumer finance front, we are anticipating the release of Drive’s mobile application in the second half of 2021, and we are optimistic that this digitization initiative will help fuel our growth trajectory and further cement our position as an innovative player in the consumer financing space in Egypt. On the microfinance front, we successfully launched a number of our digital core banking systems at Mashroey and Tasaheel and we look forward to their contribution to our microfinancing platforms. We remain bullish regarding the outlook for GB Capital and its subsidiaries as we continue to capitalize on the broad-based improvement in market fundamentals as well as the increase in consumer demand and appetite for our products. I would also like to highlight that GB Auto has tapped Arqaam Capital to assess GB Lease’s strategic options going forward, as we feel it is an opportune moment to capitalize on GB Lease’s growth story and realize returns on the investments made at the company over the years.

“We anticipate the continuation of the strong start of the year, particularly as market conditions continue to improve and consumers normalize to the COVID-19 situation, making us optimistic about the Auto and Auto-Related segment’s performance for 2021. At our Passenger Car LoB, we are looking to continue capitalizing on the government’s engine replacement program and are excited about the growing demand for our dual-fuel car models. Additionally, we are anticipating the impact of the global semiconductor shortage and its effects on our supply of CKD units to subside towards the end of the year. At our Commercial Vehicles and Construction Equipment LoB, we are looking at a slower recovery due the effect of the pandemic on the tourism and education sectors. However, a healthy pipeline of national infrastructure projects, which has already significantly improved our truck and construction equipment sales in 1Q21, is expected to support the LoB’s performance going forward.

“Our optimism towards GB Auto’s outlook is reinforced by an improved market environment and the accelerating global rollout of COVID-19 vaccines. We will remain focused on expanding operations at our Auto and Auto Related segment and GB Capital with an eye to unlock value for our shareholders and further solidify GB Auto’s position as a leading and innovative player in the automotive and non-banking financial services space,” concluded Ghabbour.

Highlights of GB Auto Group’s 1Q21 results follow, along with management’s analysis of the company’s performance. Complete financials are available for download on ir.ghabbourauto.com

First Quarter 2021 Financial Highlights

- GB Auto Group recorded a net profit of LE 298.9 million in 1Q21.
- GB Capital net profits declined by 15.8% y-o-y and 43.2% q-o-q to LE 120.9 million due to SLA charges and due to the impact of two sizeable securitization deals in 4Q20.
- The A&AR segment recorded a 14.9% y-o-y increase in revenues on the back of improving market conditions. Quarter-on-quarter revenue remained stable despite the the slower season.
- Gross profit at the A&AR segment increased by 22.3% y-o-y to LE 735.6 million in 1Q21 (down 2.1% q-o-q). GPM expanded by 0.8 percentage points year-on-year.
- A&AR recorded an EBITDA of LE 427.5 million, up by 39.0% y-o-y and 17.6% q-o-q in 1Q21. EBITDA margin stood at 7.8% compared to 6.5% 1Q21 and 6.6% in 4Q20.
- The A&AR segment recorded a net profit of LE 178.0 million in 1Q21.

Financial Position and Working Capital of Auto & Auto-Related

Growing demand and recovering market conditions reflected positively on the Auto and Auto-Related segment, delivering a strong year-on-year performance in 1Q21. Despite a typically slow season at the start of the year, working capital has increased marginally by 3.7% q-o-q which reflects the company's ability to maintain healthy financials at the working capital, receivables, and inventory levels.

Table 1: Development of Working Capital of Auto & Auto-Related

		1Q20	2Q20	3Q20	4Q20	1Q21
Inventory	(LE million)	3,586.2	3,544.1	2,959.2	3,285.4	3,637.5
Receivables	(LE million)	1,675.6	1,643.4	1,660.6	1,540.0	2,035.0
Advances	(LE million)	545.8	539.5	640.8	363.9	515.5
Debtors & Other Debit Balances	(LE million)	567.1	682.4	765.3	992.3	1,191.4
Payables (Net)*	(LE million)	2,723.3	2,370.8	2,627.8	2,578.1	3,614.0
Working Capital	(LE million)	3,651.4	4,038.6	3,398.1	3,603.6	3,738.5

* Payables are shown net of operating lease-related liabilities amounting to LE 1,128.3 million, which are now added to our Net Debt calculations. Due to a change in Egyptian Accounting Standards, the related leased assets have been recorded on the balance sheet under PP&E, while the liabilities have been booked under Payables, starting from 2Q19 onwards.

Management considers only the net debt of the Auto & Auto-Related business as the relevant figure for Group operations and the key yardstick by which shareholders evaluate performance. Net debt increased by 8.0% q-o-q to LE 5.4 billion in 1Q21 on the back of increased inventory and higher receivables during the period. Looking ahead, management intends to further reduce debt levels over the course of the year.

Table 2: Development of Auto & Auto-Related Net Debt

(LE million)	1Q20	2Q20	3Q20	4Q20	1Q21
Total Debt	5,297.1	5,795.1	4,920.5	4,951.3	5,363.6
Notes Payable (Due to leasing)*	990.6	965.6	999.2	969.9	1,128.3
Cash	991.5	1,171.3	1,027.4	904.4	1,097.6
Due from Related Parties - Inter segment	(92.8)	(117.0)	20.6	21.2	(2.4)
Net Debt	5,389.0	5,706.3	4,871.7	4,995.6	5,396.8

*Notes payables have increased by including lease obligation of LE 208.8 million due to a change in Egyptian Accounting Standards.

Table 3: Development of Key Financials of Auto & Auto-Related

(LE million)	1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
Revenues	4,497.7	5,181.9	5,116.0	-1.3%	13.7%
Inter-Segment Revenues	246.4	321.1	335.1	4.4%	36.0%
Total Revenues	4,744.1	5,503.0	5,451.1	-0.9%	14.9%
Cost of Sales	(3,896.5)	(4,430.7)	(4,380.4)	-1.1%	12.4%
Inter-Segment Cost of Sales	(246.4)	(321.1)	(335.1)	4.4%	36.0%
Total Cost of Sales	(4,142.9)	(4,751.8)	(4,715.5)	-0.8%	13.8%
Gross Profit	601.2	751.2	735.6	-2.1%	22.3%
<i>Gross Profit Margin</i>	<i>12.7%</i>	<i>13.7%</i>	<i>13.5%</i>	<i>-0.2</i>	<i>0.8</i>
General, Selling & Administrative Expenses	(353.7)	(453.4)	(375.0)	-17.3%	6.0%
Operating Profit	247.6	297.9	360.6	21.1%	45.6%
<i>Operating Profit Margin</i>	<i>5.2%</i>	<i>5.4%</i>	<i>6.6%</i>	<i>1.2</i>	<i>1.4</i>
Other Operating Income	21.5	31.3	28.2	-9.8%	31.4%
Provisions (Net)	(2.1)	(34.2)	(16.8)	-51.0%	-
Finance Cost / Income	(256.1)	(164.3)	(161.1)	-1.9%	-37.1%
FOREX	19.5	(13.5)	5.2	-	-73.3%
Net Profit / (loss) Before Tax	30.4	117.1	216.1	84.5%	-
Income Tax	(9.4)	(34.3)	(44.1)	28.6%	-
Net Profit / (loss) After Tax and Before NCI	21.0	82.8	172.0	-	-
NCI	(26.1)	(7.9)	6.0	-	-
Net Profit / (loss) After NCI	(5.2)	75.0	178.0	-	-
EBITDA	307.7	363.7	427.5	17.6%	39.0%
<i>EBITDA Margin</i>	<i>6.5%</i>	<i>6.6%</i>	<i>7.8%</i>	<i>1.2</i>	<i>1.3</i>

*The finance cost includes leasing expenses of LE (35.1) million for 1Q21

Table 4: Key Ratios

		1Q20	2Q20	3Q20	4Q20	1Q21
Net Debt / Equity*	Units	1.77	1.88	1.50	1.52	1.75
Total Liabilities Less Cash / Equity	Units	2.96	2.96	2.61	2.53	3.25
Current Ratio	Units	0.89	0.88	0.90	0.90	0.89
Net Debt / LTM EBITDA [^]	Units	6.50	6.86	4.81	4.12	4.05
LTM EBITDA / Finance Cost	Units	0.65	0.73	1.05	1.46	1.81
Capital Employed **	LE million	7,767.3	8,042.1	7,168.4	7,154.1	6,932.1
ROCE ***	%	7.5%	7.4%	10.4%	13.4%	15.5%

* Net Debt for segments = (short term debt + long term debt + due to related parties - inter-segment + payables related to leasing expenses) - cash and cash equivalents including due from related parties - inter-segment

** Average capital employed for segments at the end of the period = (property, plant and equipment + Intangible assets and goodwill + Investment property + inventories + Trade receivables + Debtors and other debit balance) - (Trade payables + Other current liabilities)

*** ROCE for segments = Last twelve months operating profit / average capital employed at the beginning and end of the period

Table 5: Income Statement by Segment

(LE million)	1Q21			
	GB Auto (Auto & Auto-Related)	GB Capital (Financing Business)	Elimination	GB Auto Consolidation
Revenues	5,116.0	1,711.6	-	6,827.6
Inter-segment revenues	335.1	12.4	(347.5)	-
Total revenues	5,451.1	1,724.0	(347.5)	6,827.6
Cost of sales	(4,380.4)	(1,094.2)	-	(5,474.6)
Inter-segment cost of sales	(335.1)	(8.7)	343.8	-
Cost of sales	(4,715.5)	(1,102.9)	343.8	(5,474.6)
Gross Profit	735.6	621.1	(3.7)	1,353.0
General, selling and administrative expenses	(375.0)	(337.4)	0.6	(711.8)
Operating profit	360.6	283.7	(3.1)	641.2
Other operating income	28.2	12.4	(0.7)	39.8
Provisions (Net)	(16.8)	(52.4)	-	(69.2)
Finance cost / income	(161.1)	2.8	3.8	(154.5)
Investment losses	-	(1.3)	-	(1.3)
FOREX	5.2	2.7	-	7.9
Net profit / (loss) before tax	216.1	247.8	-	463.8
Income tax	(44.1)	(70.2)	-	(114.3)
Net profit / (loss) after tax and before NCI	172.0	177.6	-	349.5
NCI	6.0	(56.7)	-	(50.7)
Net profit / (loss) after NCI	178.0	120.9	-	298.9

Eliminations of inter-segment items compose of trading of Auto and Auto related, Leased items as well as reclassification between cost of sales and finance cost for consistent application of consolidation procedure of the group.

Historical data for GB Auto Group's segregated financials can be downloaded at ir.ghabbourauto.com/fundamentals

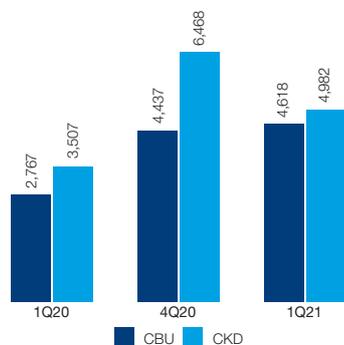
Table 6: Balance Sheet by Segment

As at 31 March 2021				
(LE million)	GB Auto (Auto & Auto-Related)	GB Capital (Financing Business)	Elimination	GB Auto Consolidation
Property plant and equipment	3,722.4	410.5	15.1	4,147.9
Intangible assets and goodwill	449.2	2.7	-	451.9
Asset right of use	275.0	78.6	(7.0)	346.5
Payment under investments	54.5	10.0	-	64.5
Investments in subsidiaries (GB Capital)	322.0	96.6	(322.0)	96.6
Notes receivable	25.4	5,830.3	(344.5)	5,511.2
Other debit balance	-	152.8	-	152.8
Investments property	90.9	-	-	90.9
Deferred tax assets	487.9	2.9	-	490.8
Non current assets	5,427.1	6,584.3	(658.3)	11,353.1
Inventories	3,637.5	140.5	-	3,778.0
Trade receivables	2,009.6	6,270.5	(159.0)	8,121.1
Advance payments to suppliers	515.5	54.3	-	569.8
Debtors & other debit balance	1,191.4	337.5	(28.2)	1,500.7
Due from related parties	180.0	226.5	-	406.5
Due from related parties - Inter-segment	177.5	51.1	(228.7)	-
Cash and cash equivalents	1,097.6	962.5	-	2,060.1
Current assets	8,809.2	8,042.9	(415.9)	16,436.2
Total assets	14,236.3	14,627.2	(1,074.2)	27,789.3
Share Capital	1,094.0	318.0	(318.0)	1,094.0
General Reserve	-	100.3	-	100.3
Legal Reserves	344.0	111.5	-	455.5
Private Reserve	2,201.5	(45.5)	6.0	2,162.0
Risk reserve	-	94.0	-	94.0
Accumulated profit (losses)	(1,654.9)	2,134.6	15.1	494.8
Net income / (loss) for the period	178.0	120.9	-	298.9
Total shareholders' Equity before NCI	2,162.6	2,833.7	(296.9)	4,699.5
Total NCI	929.8	584.5	(10.0)	1,504.3
Total Equity	3,092.4	3,418.3	(306.9)	6,203.8
Trade payables	4,095.7	657.4	(194.2)	4,558.9
Loans and overdraft	5,363.6	6,176.6	-	11,540.2
Due to related parties	109.1	11.4	-	120.5
Due to related parties - inter-segment	180.0	48.7	(228.7)	-
Provision	189.6	2.6	-	192.1
Other current liabilities	3.3	361.2	-	364.5
Total current liabilities	9,941.2	7,257.9	(422.9)	16,776.2
Loans	-	3,799.8	-	3,799.8
Provision	5.2	-	-	5.2
Lease obligation	208.8	73.7	-	282.5
Trade and notes payable	673.7	41.8	(344.5)	371.1
Deferred tax liabilities	315.0	35.7	-	350.6
Total non current liabilities	1,202.7	3,951.0	(344.5)	4,809.3
Total equity and Liabilities	14,236.3	14,627.2	(1,074.2)	27,789.3

 Historical GB Auto Group segregated financials can be downloaded at ir.ghabbourauto.com/fundamentals

Table 7: Cash Flow Statement for the Auto & Auto-Related Segment of GB Auto

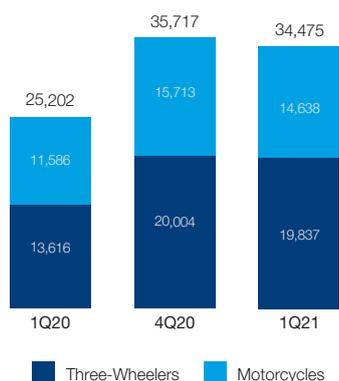
(LE million)	1Q20	1Q21
Cash Flows from Operating Activities		
Net (Loss) / Profit Before Tax	30.4	216.1
Adjustments:		
Interest Expense	268.8	172.2
Depreciation & Amortization	60.1	67.0
Provisions - Net	13.5	11.4
Impairment in Current Assets - Net	(11.4)	5.4
Interest Income	(12.8)	11.1
Gain on Sale of PP&E and Assets Held for Sale	(2.2)	(0.8)
Operating Cash Flow Before Changes in Working Capital	346.4	482.4
Changes in Working Capital		
Inventories	142.1	(341.5)
Trade Receivables	57.1	(508.3)
Debtors & Other Debit Balances	46.7	(350.1)
Due from Related Parties	60.0	(57.5)
Due to Related Parties	23.6	1.2
Due from Related Parties - Inter-Segment	(19.7)	(20.8)
Due to Related Parties - Inter-Segment	50.4	78.8
Trade Payables & Other Credit Balances	252.0	894.8
Provisions Used	(19.9)	(8.9)
Cash Flow (Generated from Operating Activities)	938.7	169.9
Dividends Paid	-	(29.3)
Income Tax Paid During the Period	(1.2)	(3.1)
Net Cash Flow (Generated from Operating Activities)	937.5	137.5
Cash Flows From Investing Activities:		
Purchase of Property, Plant & Equipment	(25.0)	(38.1)
Purchase of Projects Under Construction	(107.3)	(6.6)
Interest Received	12.8	(11.1)
Payment for Investment	-	(54.5)
Proceeds from Sale of Property, Plant & Equipment	8.4	8.8
Net Cash Flow (Generated from Investing Activities)	(111.2)	(101.5)
Cash Flows From Financing Activities		
Loans & Borrowings	(430.8)	412.3
Dividends paid- Non Controlling Interest	-	(53.5)
Paid for Purchase of Treasury Stock	(19.6)	-
Received from Sale of Treasury Stock	-	30.2
Interest Paid	(268.8)	(172.2)
Long term Notes Payable Paid	(52.7)	(50.9)
Paid from Minority to Increase Capital of Subsidiaries	4.3	0.6
Net Cash Flow (Generated from Financing Activities)	(767.6)	166.5
Net Increase (Decrease) in Cash & Cash Equivalents	58.7	202.5
Cash & Cash Equivalents at Beginning of the Period	981.2	904.4
Translation Differences	(48.5)	(9.3)
Cash & Cash Equivalents at End of the Period	991.5	1,097.6

Breakdown of Units Sold

Egypt Passenger Cars

- The passenger car market has recorded an increase of 37.1% y-o-y on the back of recovering market conditions, the gradual strengthening of consumer purchasing power, and the government-sponsored taxi replacement program. However, the passenger car market declined by 15.6% q-o-q due to seasonality.
- In year-on-year terms, PC volumes grew by a strong 53.0% y-o-y on the back of recovering market conditions supporting growing consumer demand. Consequently, PC revenues increased by 67.4% y-o-y to LE 2,763.6 million in 1Q21.
- PC volumes declined by 12.0% q-o-q in 1Q21. The quarterly volume decline was driven by a shortage in CKD supply due to a global shortage in semiconductors impacting the supply of ECUs. However, revenues remained largely flat in 1Q21.
- The LoB's GPM increased by 1.4 percentage points quarter-on-quarter and 2.0 percentage points year-on-year to 13.0%, reflecting the success of management's profitability strategy.
- Management anticipates that the impact of semiconductor shortages should ameliorate by the end of the year. Moreover, the LoB's performance will continue to be driven by recovering demand for passenger cars as well as growing demand for dual-fuel car models, supported by the government's national engine replacement program.

Table 8: Egypt Passenger Cars Sales Activity

		1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
CBU Sales Volume (Hyundai)	(Units)	2,665	4,408	4,515	2.4%	69.4%
CBU Sales Volume (Geely)	(Units)	66	-	-	-	-
CBU Sales Volume (Chery)	(Units)	25	18	90	-	-
CBU Sales Volume (Mazda)	(Units)	11	11	13	18.2%	18.2%
CKD Sales Volume (Hyundai)	(Units)	1,398	2,729	2,443	-10.5%	74.7%
CKD Sales Volume (Chery)	(Units)	2,094	3,736	2,538	-32.1%	21.2%
CKD Sales Volume (Karry)	(Units)	3	2	1	-50.0%	-66.7%
CKD Sales Volume (Geely)	(Units)	12	1	-	-	-
Total Sales Volume	(Units)	6,274	10,905	9,600	-12.0%	53.0%
Total Sales Revenue	(LE million)	1,651.1	2,780.4	2,763.6	-0.6%	67.4%
Gross Profit	(LE million)	180.8	322.5	358.6	11.2%	98.3%
<i>Gross Profit Margin</i>	<i>(%)</i>	<i>11.0%</i>	<i>11.6%</i>	<i>13.0%</i>	<i>1.4</i>	<i>2.0</i>

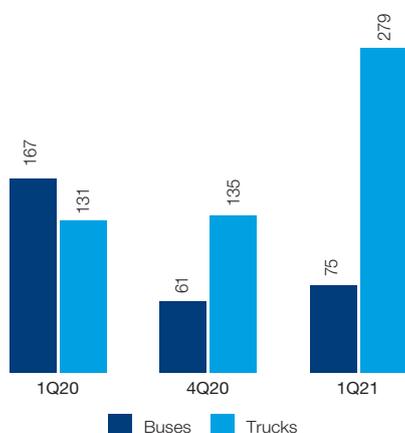
Breakdown of Units Sold

Egypt Motorcycles & Three-Wheelers

- The LoB's volumes grew by 36.8% y-o-y, leading to a revenue increase of 41.2% y-o-y on the back of recovering market conditions and increasing consumer demand in 1Q21.
- In quarter-on-quarter terms, two and three-wheeler volumes declined by 3.5% q-o-q to 34,475 units on the back of lower demand due to seasonality in 1Q21. Despite the decline, revenues remained largely flat quarter-on-quarter and recorded LE 934.8 million in for the period.
- Three-wheeler volumes increased by 45.7% y-o-y and motorcycles grew by 26.3% y-o-y in 1Q21. In comparison to 4Q20, three-wheeler volumes came in flat at 19,837 units in 1Q21, while motorcycle volumes declined by 6.8% q-o-q to 14,638 units for the period.
- The LoB's GPM for the quarter remained largely flat at 17.8%, both on a quarter-on-quarter and year-on-year basis.
- Performance is expected to improve in the coming quarters as the effects of lower seasonality subsidy and consumer appetite grows.

Table 9: Egypt Motorcycle & Three-Wheeler Sales Activity

		1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
Three-Wheeler Sales Volume	(Units)	13,616	20,004	19,837	-0.8%	45.7%
Motorcycle Sales Volume	(Units)	11,586	15,713	14,638	-6.8%	26.3%
Total Sales Volume	(Units)	25,202	35,717	34,475	-3.5%	36.8%
Total Sales Revenue	(LE million)	661.8	943.3	934.8	-0.9%	41.2%
Gross Profit	(LE million)	119.7	171.1	166.4	-2.7%	39.0%
<i>Gross Profit Margin</i>	<i>(%)</i>	<i>18.1%</i>	<i>18.1%</i>	<i>17.8%</i>	<i>-0.3</i>	<i>-0.3</i>

Breakdown of Units Sold



Egypt Commercial Vehicles & Construction Equipment

- The LoB's volumes declined by 3.6% y-o-y and revenues fell by 14.8% y-o-y, on the back of the pandemic's impacts on the tourism and education sectors in 1Q21.
- In quarter-on-quarter terms, the LoB recorded a strong volume increase of 70.5% q-o-q in 1Q21 on the back of GB Auto capitalizing on the growing demand for trucks and construction equipment, driven by the healthy and growing pipeline of national infrastructure projects across Egypt. Consequently, revenues for the period increased by 95.8% q-o-q to LE 224.9 million.
- The LoB's GPM declined by 3.4 percentage points quarter-on-quarter and by 9.8 percentage points year-on-year in 1Q21 as a result of management's decision to off-load outdated inventory. This is expected to continue throughout the first half of the year, with margins seen returning to normal levels by 3Q21.
- Management anticipates a slower recovery for this LoB, which will only begin to recover once external market conditions normalize, particularly in tourism.

Table 10: Egypt Commercial Vehicles & Construction Equipment (CV&CE) Sales Activity

		1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
Bus Sales Volume	(Units)	167	61	75	23.0%	-55.1%
Truck Sales Volume	(Units)	131	135	279	-	-
Tractor Sales Volume	(Units)	-	-	-	-	-
Trailer Sales Volume	(Units)	85	27	18	-33.3%	-78.8%
Construction Equipment Sales Volume	(Units)	36	14	32	-	-11.1%
Total Sales Volume	(Units)	419	237	404	70.5%	-3.6%
Total Sales Revenue	(LE million)	263.9	114.8	224.9	95.8%	-14.8%
Gross Profit	(LE million)	19.5	-6.8	-5.6	-18.3%	-
<i>Gross Profit Margin</i>	<i>(%)</i>	<i>7.4%</i>	<i>-5.9%</i>	<i>-2.5%</i>	<i>3.4</i>	<i>-9.8</i>

Egypt After-Sales Line of Business

- The LoB's revenues remained largely flat year-on-year at LE 293.8 and declined by 3.2% q-o-q in 1Q21.
- Profitability declined by 3.7 percentage points quarter-on-quarter and 4.6 percentage points year-on-year to 13.6% in 1Q21. The decline is primarily attributable to the decline in year-on-year CV&CE volumes and its impacts on its corresponding after-sales revenues.
- Management anticipates that as consumers continue to adapt to the market's situation, and barring further material impact from COVID-19, the LoB's performance will improve going forward. Moreover, a combination of increasing demand for passenger cars and growing consumer purchasing power since the devaluation of the Egyptian pound in 2016, has reinforced management's positive view on the LoB's prospects..

Table 11: Egypt After-Sales

		1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
Passenger Car Egypt After-Sales Revenue	(LE million)	182.6	196.3	190.7	-2.8%	4.4%
Motorcycle & Three-Wheeler After-Sales Revenue	(LE million)	53.2	57.0	50.8	-10.9%	-4.4%
CV&CE After-Sales Revenue	(LE million)	55.9	50.3	52.3	3.9%	-6.4%
Total Egypt After-Sales Revenue	(LE million)	291.7	303.6	293.8	-3.2%	0.7%
Total Egypt After-Sales Gross Profit	(LE million)	53.0	52.4	40.0	-23.6%	-24.5%
<i>Total Egypt After-Sales Gross Profit Margin</i>	<i>(%)</i>	<i>18.2%</i>	<i>17.3%</i>	<i>13.6%</i>	<i>-3.7</i>	<i>-4.6</i>

Egypt Tires Line of Business

- The LoB's revenues grew by 18.8% y-o-y and by 1.0% q-o-q to LE 282.7 million in 1Q21 on the back of stable demand and a solid performance from GB Auto's recently-launched Goodyear brand. Additionally, the LoB began performing fleet sales as opposed to its historical reliance on a single channel, wholesale or dealer sales, which reflected positively on the LoB's top line performance in 1Q21.
- The LoB's GPM declined by 0.7 percentage points year-on-year and by 0.6 percentage points quarter-on-quarter in 1Q21.
- Management is confident about the additional sales channel going forward and anticipates that its contribution to the LoB's top line will continue to grow in the medium term.

Table 12: Tires Sales Activity – Egypt

		1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
Total Sales Revenue	(LE million)	237.9	279.9	282.7	1.0%	18.8%
Gross Profit	(LE million)	57.8	67.6	66.8	-1.2%	15.4%
<i>Gross Profit Margin</i>	(%)	24.3%	24.2%	23.6%	-0.6	-0.7

Regional

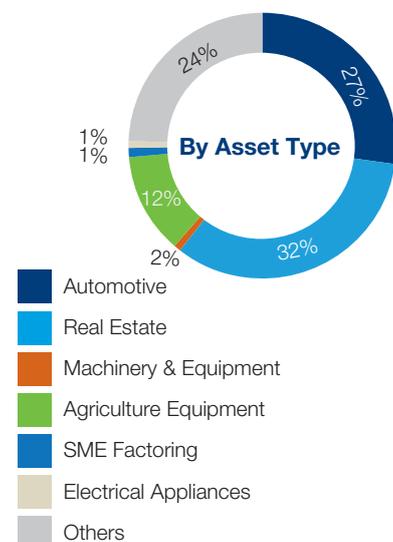
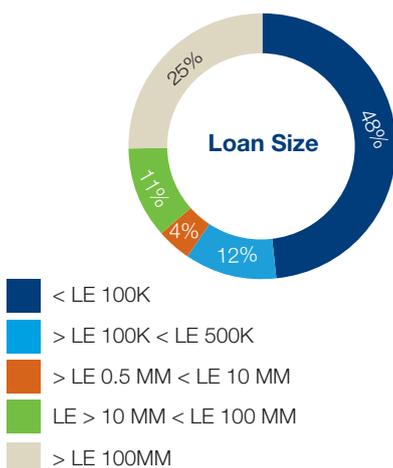
- In line with expectations, a challenging external environment in Iraq continued to hinder regional performance in 1Q21. A country-wide lockdown, coupled with the devaluation of the Iraqi Dinar in 4Q20, further strained consumer purchasing power in 1Q21. Consequently, revenues for the period declined by 57.5% y-o-y and by 22.1% q-o-q in 1Q21.
- As such, PC volumes declined by 78.0% y-o-y and recorded a drop in revenues by 80.4% y-o-y in 1Q21. In quarter-on-quarter terms, PC volumes inched up 4.5% q-o-q.
- Three-wheeler volumes increased by 30.9% y-o-y on the back of its income producing nature. On a quarterly basis, volumes declined by 21.0% q-o-q on the back of the devaluation of the Iraqi Dinar in late December impacting consumer purchasing power in 1Q21.
- Motorcycles were similarly affected in 1Q21 with volumes down 16.9% y-o-y and 51.9% q-o-q.
- Despite suboptimal market conditions in Iraq, GB Auto was able to position MG as the leading Chinese car brand in Iraq, with a market share of 3.7% in 1Q21. Management is hopeful that as the Iraqi market recovers, it will be able to further expand its market share and position MG as a leading brand in the region. Management also sees a quick rebound on the horizon for two- and three-wheelers in Iraq.

Table 13: Total Sales Activity from Regional Operations

		1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
Total Regions Revenue	(LE million)	1,494.6	814.1	634.6	-22.1%	-57.5%
Total Regions Gross Profit	(LE million)	151.3	136.4	88.0	-35.5%	-41.8%
<i>Gross Profit Margin</i>	(%)	10.1%	16.8%	13.9%	-2.9	3.8

GB Capital Portfolio Breakdown

(As of 31 March 2021)



GB Capital (Financing Businesses)

- GB Capital's top line grew by 21.6% y-o-y, driven by recovering market conditions supporting portfolio growth and increased disbursement at all of its leasing, consumer financing, factoring, microfinancing subsidiaries. In quarter-on-quarter terms, revenues declined by 15.4% q-o-q to LE 1,724.0 million on the back of two successful securitizations in 4Q20.
- Net profits declined by 15.8% y-o-y and 43.2% q-o-q to LE 120.9 million on the back of the SLA charges relating to GB Capital recognizing shared costs in 1Q21 that were historically booked under the Auto and Auto-Related segment. Additionally, performance was further dampened due to the two sizeable securitization transactions which boosted profitability in 4Q20.
- GB Capital's Annualized ROAE (excluding NCI) stood at 17.6% in 1Q21 compared to 26.9% in 4Q20. The decline came on the back of the effects of securitization as well as the impact of the SLA charges on the company's returns. Additionally, annualized ROAA stood at 13.9% in 1Q21 vs. 17.2% in 4Q20.
- Annualized NIMS increased 17.9% in 1Q21, up from 17.6% in 4Q20.
- GB Capital's loans/receivables portfolio grew by 26.6% y-o-y and 9.0% q-o-q to LE 12.7 billion in 1Q21.
- Non-Performing Loans (NPLs) increased to 2.66% in 1Q21 compared to 2.48% in 4Q20 and 1.50% in 1Q20. This increase reflects 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 arriving during this six-month period were recognized in 4Q20. Additionally, the increase in NPLs between 1Q21 and 4Q20 is attributed to a portion of clients unable to make timely settlements, which are expected to be recovered in the short-term, as well as a decrease in receivables following the conclusion of two sizeable securitizations in 4Q20.
- The NPL coverage ratio declined to 145% in 1Q21 from 153% in 4Q20.
- GB Capital related companies' debt stood at LE 10.0 billion as of 31 March 2021, which is fully backed by the loans and receivables portfolio of GB Capital.
- GB capital's strong results demonstrate once again the underlying strength of the Group's non-bank financial services. As the appetite for consumer finance products continues to grow, the team is aiming to continuously expand GB Capital's product offering and capitalize on this thriving space.
- GB Lease, Drive, and Tasaheel are regulated by and operate under the auspices of the FRA.

Leasing

- GB Lease recorded a decline in year-on-year revenues, however, managed to rank second among leasing companies in Egypt, recording a market share of 10.3% in 1Q21. The company's strong market position came on the back of recovering market conditions boding well for disbursements and portfolio growth, as well as the comparatively lower interest rates due to the CBE's rate cuts in 2020. In quarter-on-quarter terms, revenues declined due to seasonality in 1Q21.
- GB Lease has reversed the conservative provisions it had recorded in 2020 on the back of growing collections as market conditions continue to improve in 2021.
- It is worthy to note that GB Auto has contracted Arqaam Capital to assess GB Lease's strategic options going forward, including the potential sell-down of part of GB Auto's stake in GB Lease.
- Haram Tourism Transport (HTT) revenues remained flat quarter-on-quarter due to the effects of lower seasonality associated with the start of the year.

However, HTT recorded an increase in revenues in year-on-year terms as recovering market conditions reflected positively on operations in 1Q21.

- Management is optimistic about the performance of its leasing operations at GB Lease and HTT and is anticipating a solid pipeline over the coming periods. Additionally, management is pressing on with its team expansions to further extend its reach to SMEs and corporate clients and grow its market share in the leasing market.

Consumer Finance and Factoring

- Drive recorded an increase in revenues year-on-year on the back of growing disbursements and normalized bookings. The positive performance successfully positioned Drive as the leading factoring company by market share at 18.0% in 1Q21. In quarter-on-quarter terms, revenues declined due to a sizeable securitization deal in 4Q20 as well as the impacts of seasonality in 1Q21.
- Drive pressed on with its expansions efforts and has already launched two new branches and is looking to further extend its reach and launch an additional four branches over the course of the year.
- Drive has made significant headways in its digitization efforts and is anticipating releasing its digital application in the second half of the year. The company is also continuously working to expand its presence and open new branches across the nation. Moreover, Drive is in the final stages of receiving the last approvals for its consumer financing license, which would position the company to launch new consumer finance products towards the end of 2021.

Microfinance

- Mashroey's revenues increased year-on-year in 1Q21 on the back of a growing portfolio and disbursement levels normalizing as the initial impacts of the pandemic and the market continues to recover. In quarter-on-quarter terms, revenues declined due to seasonality in 1Q21.
- At Tasaheel, the company recorded a top-line increase year-on-year and quarter-on-quarter on the back of increased disbursements in 1Q21.
- Management has successfully launched a number of digital core banking systems across its microfinancing operations at Mashroey and Tasaheel and is looking to complete its digital transformation over the upcoming period. Moreover, management is optimistic about the performance of Mashroey and Tasaheel going forward as markets continue to recover.

Table 14: Income Statement Analysis for GB Capital

(LE million)	1Q20	4Q20	1Q21	Q-o-Q	Y-o-Y
Revenues	725.4	1,264.3	940.3	-25.6%	29.6%
Interest Income	691.9	774.2	783.7	1.2%	13.3%
Total Revenues	1,417.3	2,038.4	1,724.0	-15.4%	21.6%
Cost of Sales	(653.3)	(1,026.4)	(862.9)	-15.9%	32.1%
Cost of Funds	(261.4)	(264.8)	(240.0)	-9.4%	-8.2%
Total Cost of Revenues	(914.7)	(1,291.1)	(1,102.9)	-14.6%	20.6%
Gross Profit	502.7	747.3	621.1	-16.9%	23.6%
SG&A	(236.0)	(390.4)	(337.4)	-13.6%	42.9%
Provisions	(32.3)	(60.8)	(52.4)	-13.8%	62.2%
Operating Profit	234.4	296.1	231.3	-21.9%	-1.3%
Other Income	11.0	15.6	12.4	-20.8%	12.8%
Investment (Losses) / Gain	-	-	(1.3)	-	-
EBIT	245.3	311.7	242.3	-22.2%	-1.2%
Other Interest & Similar Income	(3.3)	50.1	2.8	-94.4%	-185.2%
FOREX	13.1	(7.1)	2.7	-137.8%	-79.6%
EBT	255.1	354.8	247.8	-30.2%	-2.9%
Income Tax	(59.9)	(116.3)	(70.2)	-39.6%	17.2%
Profit after Tax & before NCI	195.2	238.4	177.6	-25.5%	-9.0%
NCI	51.7	25.6	56.7	121.2%	9.7%
Net Profit after Tax & NCI	143.6	212.8	120.9	-43.2%	-15.8%
Breakdown of Revenue by Company:					
GB Capital	5.7	17.6	16.7	-5.0%	-
GB Lease	135.0	214.6	130.8	-39.1%	-3.1%
Drive	498.3	928.8	683.4	-26.4%	37.1%
Mashroey	382.6	440.7	406.2	-7.8%	6.1%
Tasaheel	372.8	405.1	456.7	12.8%	22.5%
Haram	22.9	30.4	30.1	-1.0%	31.4%
Capital Securitization	-	1.3	-	-	-
Total	1,417.3	2,038.4	1,724.0	-15.4%	21.6%

Table 15: Supplementary Financial Information - GB Capital

	1Q20	FY20	1Q21
Net Portfolio Assets	10,000.3	11,615.9	12,661.1
Debt / Equity	3.17x	2.90x	2.92x
Equity / Loan Portfolio	25.3%	27.0%	27.0%
Annualized Return on Average Equity (ROAE) - Excluding NCI *	27.4%	26.9%	17.6%
Annualized ROAA [Annualized the period EBIT pre funding costs after tax / average assets of period]	18.3%	17.2%	13.9%
Annualized net interest margin (%) [(interest income - interest expense) for the last quarter X 4 / average portfolio size for the quarter]	18.0%	17.6%	17.9%
Provision for Portfolio:			
Provision (BS) / Loan portfolio %	2.99%	3.78%	3.87%
Provision (BS) / NPL % (Coverage ratio)	199%	153%	145%
NPL / Loan portfolio %	1.50%	2.48%	2.66%

* Annualized ROAE is calculated as the annualized net profit -after NCI- for the period then divided by the average shareholders equity -excluding- NCI for the period.

GB Auto Group Income Statement

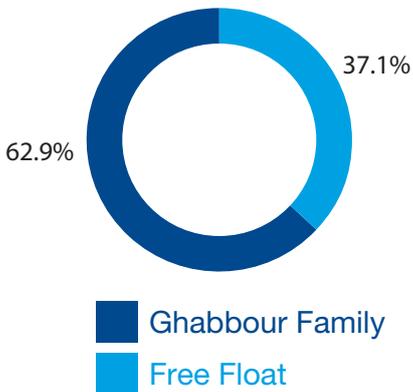
Income Statement

Three Months Ended

(LE million)	1Q20	1Q21	% Change
Egypt Passenger Cars Revenues	1,651.1	2,763.6	67.4%
Egypt Motorcycles & Three-Wheelers Revenues	661.8	934.8	41.2%
Egypt Commercial Vehicles & Construction Equipment Revenues	263.9	224.9	-14.8%
Egypt Tires Revenues	237.9	282.7	18.8%
GB Capital (Financing Businesses) Revenues	1,144.5	1,376.5	20.3%
Egypt After-Sales Revenues	291.7	293.8	0.7%
Regional Revenues	1,494.6	634.6	-57.5%
Others Revenues	143.2	316.7	-
Total Sales Revenues	5,888.7	6,827.6	15.9%
Gross Profit			
Egypt Passenger Cars Gross Profits	180.8	358.6	98.3%
Egypt Motorcycles & Three-Wheelers Gross Profits	119.7	166.4	39.0%
Egypt Commercial Vehicles & Construction Equipment Gross Profits	19.5	-5.6	-
Egypt Tires Gross Profits	57.8	66.8	15.4%
GB Capital (Financing Businesses) Gross Profits	496.7	617.4	24.3%
Egypt After-Sales Gross Profits	53.0	40.0	-24.5%
Regional Gross Profits	151.3	88.0	-41.8%
Others Gross Profits	19.3	21.3	10.3%
Total Gross Profit	1,098.2	1,353.0	23.2%
Gross Profit Margin	18.6%	19.8%	1.2
Selling and Marketing	(463.7)	(603.1)	30.1%
Administration Expenses	(123.7)	(108.7)	-12.2%
Other Income (Expenses)	30.1	39.8	32.1%
Operating Profit	540.9	681.0	25.9%
Operating Profit Margin (%)	9.2%	10.0%	0.8
Net Provisions and Non-Operating FV of Investment Property	(34.4)	(69.2)	-
Inter-company Investment Losses	-	(1.3)	-
EBIT	506.5	610.5	20.5%
EBIT Margin (%)	8.6%	8.9%	0.3
Foreign Exchange Gains (Losses)	32.4	8.0	-75.3%
Net Finance Cost	(253.5)	(154.6)	-39.0%
Earnings Before Tax	285.5	463.8	62.5%
Income Taxes	(69.3)	(114.3)	65.0%
Net Profit / Loss Before Minority Interest	216.2	349.5	61.7%
Minority Interest	(77.8)	(50.7)	-34.8%
Net Income/Loss	138.4	298.9	-
Net Profit Margin (%)	2.4%	4.4%	2.0

GB Auto's Shareholding Structure

as of 31 March 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, Geely, Chery, Bajaj, Marcopolo, Iveco, Volvo Truck & Bus, Volvo Construction Equipment, Mitsubishi Fuso, YTO, Karry, SDLG, Aksa, Lassa, Yokohama, Westlake, Double Coin, Verde, Techking, MG, Goodyear 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, Mashroey, Drive, Tasaheel, Haram, Capital Securitization, and Bedaya. 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.