

AUTO.CA  
on the Egyptian Exchange

**Group Revenue Breakdown**  
(As of 31 December 2022)



Auto & Auto-Related (LE 21,794.0 mn)  
GB Capital (LE 7,995.1 mn)

## GB Auto Reports 4Q/FY22 Results

*GB Auto reports strong operational results and demonstrates long value creation in GB Capital via strategic transactions*

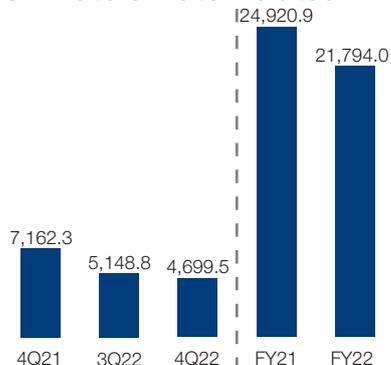
<p><b>Group Revenue</b></p> <p>LE 29,789.1 mn</p>	<p><b>Group Operating Profit</b></p> <p>LE 3,955.5 mn</p>	<p><b>Group Net Profit After Tax &amp; Minority</b></p> <p>LE 9,984.9 mn</p>
<p>Halan concludes its first securitized bond offering in the amount of LE 978 mn</p>	<p>GB Lease completes its seventh securitization bond offering in the amount of LE 1.7 bn</p>	<p>Drive concludes its third securitized bond offering in the amount of LE 650 mn</p>
<p>GB Auto sells a 7.5% stake in MNT-Halan</p>	<p>Chimera acquires a 45% stake in GB Lease</p>	<p>Drive becomes the first consumer finance company to issue corporate bonds in the amount of LE 700 mn</p>
<p><b>Blended Net Interest Margin (GB Capital)</b></p> <p>11.5%</p>	<p>GB Auto supplies 30 best-in-class Higer electric buses to the government for COP27</p>	<p>GB Auto maintains PC market leader position with a market share of 23.5%</p>

26 February 2023 — (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 December 2022. GB Auto's revenue fell 4.3% q-o-q and 23.7% y-o-y to LE 6,901.5 million amidst challenging market conditions. Net profit significantly grew quarter-on-quarter and year-on-year in 4Q22 to LE 8,720.3 million, due to the divestment of a 7.5% stake in MNT-Halan. In full-year terms, revenue fell by 5.2% y-o-y to LE 29,789.1 million and net profit increased nearly seven-folds year-on-year to LE 9,984.9 million in FY22, due to the capital gain realized in 4Q22. Excluding the capital gain, net profit grew 26.2%.

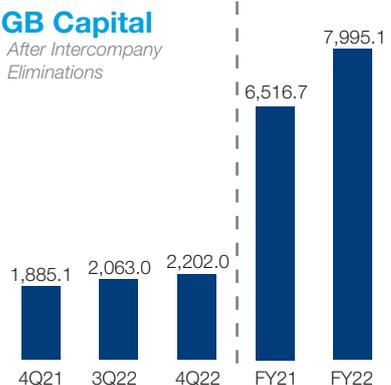
“On a strategic level, we have shown the intrinsic value of GB Capital's portfolio with two transactions that attracted reputable international private equity investors,” said GB Auto Chief Executive Officer Nader Ghabbour. “Our prudent strategies and prompt reaction to shifting market dynamics allowed us to grow the company and deliver on our objectives for the year. Operationally, we started off the year 2022 with higher inventory levels and improved pricing, which eased the impact of import restrictions and slowdowns in opening letters of credit (LCs) for the remainder of the year. Furthermore, our diverse portfolio of products and services hedged against disruptions in any

**Revenue Progression**  
(all figures in LE million)

**GB Auto & Auto Related**



**GB Capital**  
After Intercompany  
Eliminations



line of business. The past year has truly tested the resilience of our business model and the strength of our market position. We believe that the CBE's adoption of a flexible exchange rate will ease import restrictions and improve supply levels in the course of 2023. However, inflationary pressures are likely to persist. We expect the market will take a few quarters to stabilize and we will closely monitor the effects of inflation on purchasing power and consumer demand across our lines of business," said Ghabbour.

The Auto & Auto-Related (A&AR) segment recorded a revenue of LE 4,699.5 million in 4Q22, down 8.7% q-o-q and 34.4% y-o-y. For the full year, revenue at the A&AR segment fell 12.5% to LE 21,794.0 in FY22. The segment's results were affected by the devaluation of the Egyptian pound, restrictions on imports and a slowdown in opening LCs, which limited supply across the portfolio. At the Passenger Car (PC) LoB, despite the aforementioned factors, volume declined by less than the passenger car market in Egypt during the respective periods. Moreover, GB Auto retained its position as a market leader reaching a market share of 24.7% in 4Q22 and 23.5% for the full year. At the Two and Three-Wheelers LoB, we have completed the liquidation of the three-wheeler inventory and continue working with the government to introduce a suitable replacement in this segment. Meanwhile, our Commercial Vehicles & Construction Equipment LoB saw its truck and bus sales increase due to a growing pipeline of national infrastructure projects and an improved inventory of minibuses. The After-Sales LoB continues to perform well as consumers seek maintenance services due to shortages and delays in new vehicle availability. Finally, the Tires LoB delivered strong results despite a significant shortage in the supply of tires.

On the regional front, revenue increased 17.7% q-o-q and 70.6% y-o-y to LE 1,376.9 million in 4Q22. For the full-year 2022, revenue grew 52.6% to record LE 4,731.5 million. In Iraq, MG maintained its growth momentum and strengthened its position as the leading Chinese car brand. During the year, passenger car volume and revenue significantly grew and profitability margins improved. The Iraqi market holds considerable growth potential and the brand's turnaround performance supports our long-term plans to expand our footprint and grow our portfolio in the country.

EBITDA at the A&AR segment in 4Q22 fell 5.8% q-o-q but was up 41.1% y-o-y to LE 672.9 million with a greatly improved margin of 14.3% compared to 13.9% in 3Q22 and 6.7% in 4Q21. In full-year terms, EBITDA grew 35.5% y-o-y to LE 2,551.1 million in FY22, with an improved margin of 11.7% compared to 7.6% in FY21. The results were achieved due to cost control and improved pricing which outweighed lower volumes, higher provisions and a significant FX loss incurred due to the devaluation of the Egyptian pound. The segment achieved a strong financial position with a record low net debt-to-EBITDA ratio of 0.83 at year-end, down from 1.67 in 3Q22 and 2.56 in 4Q21. The net debt-to-equity ratio stood at 0.34 at the end of 4Q22, the strongest it has been in a number of years. The A&AR segment's net profit declined 8.1% q-o-q but increased 42.9% y-o-y to LE 292.8 million in 4Q22. In FY22, the segment booked a net profit of LE 933.2 million, up 16.6% y-o-y, on the back of improved pricing across the product portfolio.

"Our A&AR segment's exemplary performance was further enhanced by our operational achievements throughout the year. Egypt's presidential initiative to convert vehicles to compressed natural gas (CNG) has been at the forefront of GB Auto's portfolio expansion strategy and sustainability agenda. In 2022, despite the severe shortage of supply in the market, we delivered 5,821 vehicles out of the yearly total 15,121 vehicles supplied through the initiative. We are proud to have supplied 7,192 through this initiative in 2021 and 2022 capturing a market share of 30% of the CNG market. Furthermore, we are proud to have supplied 30 best-in-class Higer electric buses to the government for COP27, pushing forward sustainable and green transportation solutions," said Ghabbour.

GB Capital recorded a revenue increase of 5.8% q-o-q and 11.4% y-o-y to LE 2,577.5 million in 4Q22 as strong demand continues to drive growth across the company's subsidiaries. In full-year terms, revenue grew 17.7% y-o-y to LE 9,358.7 million in FY22. GB Capital's net profit reached LE 8,422.8 million in 4Q22 due to the sale of a 7.5% stake in MNT-Halan. In full-year terms, GB Capital's net profit surged to LE 9,054.4 million. Excluding the capital gains, net profit grew by 24.8%. As part of GB Capital's strategy to mitigate risk exposure and hedge against fluctuations in interest rates, GB Capital portfolio companies are continuing with a series of securitizations and corporate bond issuances. The transactions will drive further growth opportunities at GB Capital and help diversify funding sources.

"GB Capital achieved record financial and operational results in a challenging year. Our recent transactions are a testament to the value of the segment and our strength in the financing business market. Our stakes in GB Lease and MNT-Halan are currently valued at LE 15 billion in total based on the valuation of the two recent transactions in 4Q22. This demonstrates the large value creation and significant hidden value at GB Capital. Along with our strategic partners, we will expand our portfolio and continue introducing to the market innovative products and solutions that garner consumer demand," said Ghabbour.

"On the digital front, Drive's consumer finance app "Forsa" delivered notable milestones in its first year of operations, attracting well-known merchants and growing its customer base. MNT-Halan's buy-now-pay-later digital consumer finance product has also achieved significant growth and strengthened our position in the fintech space," said Ghabbour.

"I am excited to announce that GB Auto is rebranding the company to GB Corp. The new brand name, GB Corp, encompasses the operations of GB Auto (previously Auto & Auto-Related), GB Capital, GB Logistics, GB Ventures, GB Academy and the Ghabbour Foundation for Development. GB Corp is centered on creating a well-diversified company that leverages synergies between different business lines and provides customers with a comprehensive range of high-quality products and services. Our slogan **The Power of Mobility** reflects the new vision and strategic direction of the company as we mobilize people through transport as well as enable social and economic prosperity through innovative financial and educational services," said Ghabbour.

"Looking ahead, market conditions remain unpredictable with multiple factors affecting supply availability and consumer demand. That being said, our company is well-diversified and capable of adapting to changing dynamics. We are confident that our strategies, robust fundamentals and decades of expertise will allow us to push ahead and overcome market challenges. 2023 will be a year where we focus on unleashing the next phase of growth for GB Capital and protecting our profitability at the A&AR segment. As always, we look forward to a new year of success, resilience and value creation for our shareholders," concluded Ghabbour.

Highlights of GB Auto Group's 4Q/FY22 results, along with management's analysis of the company's performance and complete financials are available for download on [ir.gb-corporation.com](http://ir.gb-corporation.com)

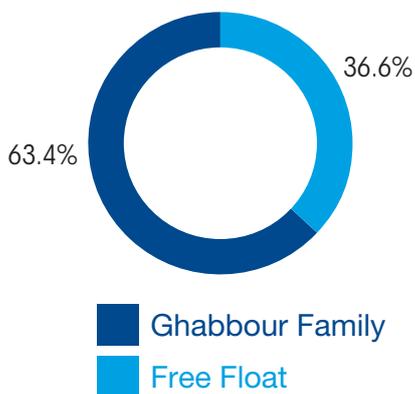
## GB Auto Group Income Statement

### Income Statement

(LE million)	Three Months Ended			Full Year Ended		
	4Q21	4Q22	% Change	FY21	FY22	% Change
Egypt Passenger Cars Revenue	3,824.4	1,398.9	-63.4%	12,880.4	9,231.1	-28.3%
Egypt Motorcycles & Three-Wheelers Revenue	1,021.4	289.7	-71.6%	3,719.9	1,915.0	-48.5%
Egypt Commercial Vehicles & Construction Equipment Revenue	403.8	505.2	25.1%	1,053.4	1,515.0	43.8%
Egypt Tires Revenue	420.3	413.4	-1.6%	1,431.7	1,634.2	14.1%
GB Capital (Financing Businesses) Revenue	1,885.1	2,202.0	16.8%	6,516.7	7,995.1	22.7%
Egypt After-Sales Revenue	363.8	542.0	49.0%	1,336.6	1,803.4	34.9%
Regional Revenue	807.1	1,376.9	70.6%	3,099.7	4,731.5	52.6%
Others Revenue	321.4	173.4	-46.0%	1,399.2	963.7	-31.1%
<b>Total Sales Revenue</b>	<b>9,047.4</b>	<b>6,901.5</b>	<b>-23.7%</b>	<b>31,437.5</b>	<b>29,789.1</b>	<b>-5.2%</b>
<b>Total Gross Profit</b>	<b>1,886.3</b>	<b>2,004.0</b>	<b>6.2%</b>	<b>6,302.6</b>	<b>8,112.9</b>	<b>28.7%</b>
Gross Profit Margin	20.8%	29.0%	8.2	20.0%	27.2%	7.2
Selling and Marketing	(910.7)	(881.6)	-3.2%	(2,868.0)	(3,576.9)	24.7%
Administration Expenses	(203.7)	(178.8)	-12.2%	(591.1)	(636.4)	7.7%
Net Provisions and Non-Operating FV of Investment Property	54.7	(57.9)	-	(104.0)	(229.8)	-
Other Income (Expenses)	(13.3)	67.0	-	143.8	285.6	98.6%
<b>Operating Profit</b>	<b>813.4</b>	<b>952.7</b>	<b>17.1%</b>	<b>2,833.3</b>	<b>3,955.5</b>	<b>37.2%</b>
Operating Profit Margin (%)	9.0%	13.8%	4.8	9.2%	13.3%	3.1
Gain from Sale of Investment	-	8,207.3	-	-	8,207.3	-
Investment Gain	-	47.1	-	-	100.6	-
<b>EBIT</b>	<b>813.4</b>	<b>9,207.2</b>	<b>-</b>	<b>2,883.3</b>	<b>12,263.4</b>	<b>-</b>
EBIT Margin (%)	9.0%	133.4%	124.4	9.2%	41.2%	32.0
Foreign Exchange Gains (Losses)	(3.5)	26.2	-	11.9	(239.0)	-
Net Finance Cost	(124.0)	(245.2)	97.7%	(563.5)	(724.0)	28.5%
<b>Earnings Before Tax</b>	<b>685.8</b>	<b>8,988.2</b>	<b>-</b>	<b>2,331.7</b>	<b>11,300.4</b>	<b>-</b>
Income Taxes	(163.6)	(198.1)	21.1%	(563.3)	(762.3)	35.3%
Net Profit / Loss Before Minority Interest	522.3	8,790.1	-	1,768.4	10,538.1	-
Minority Interest	(109.7)	(75.6)	-31.1%	(359.9)	(553.2)	53.7%
<b>Net Income/Loss</b>	<b>412.6</b>	<b>8,714.4</b>	<b>-</b>	<b>1,408.5</b>	<b>9,984.9</b>	<b>-</b>
Net Profit Margin (%)	4.6%	126.3%	121.7	4.5%	33.5%	29.0

### GB Auto's Shareholding Structure

as of 31 December 2022



#### Head Office

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

#### Investor Relations

Mansour Kabbani  
Board of Directors Member

Marina Kamal  
Investor Relations AVP

Sarah Maged  
Investor Relations  
Communications Manager

Direct: +202 3910 0485  
Tel: +202 3539 1201  
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e-mail: [ir@gb-corporation.com](mailto:ir@gb-corporation.com)

[ir.gb-corporation.com](http://ir.gb-corporation.com)

#### Shareholder Information

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

Shares Outstanding:  
1,085,500,000

### 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, Chery, Changan, Haval, Karry, Bajaj, Marcopolo, Iveco, Volvo Truck and Volvo Bus, Volvo Construction Equipment, Mitsubishi Fuso, SDLG, Higer, Shacman, Lassa, Yokohama, Westlake, Double Coin, Goodyear, Thunderer, Verde, Techking, Sunfull, MG, and Gazpromneft. GB Auto has operations in Egypt and Iraq. The company's NBFS' segment branded GB Capital offers leasing, consumer finance, microfinance, Nano loans, SME lending, BNPL, collection, Peer-to-Peer transfers, Bill payments, fleet quasi-operational leasing, factoring, securitization, mortgage finance, and insurance under the following brands - GB Lease, Drive, MNT-Halan, GB Auto Rental, Capital Securitization, Bedaya, KAF, and Forsa. The company is headquartered in Giza, Greater Cairo Area, Egypt. [ir.gb-corporation.com](http://ir.gb-corporation.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.