

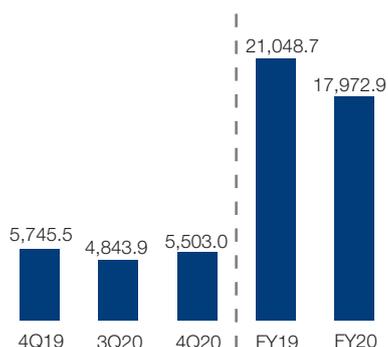


## GB Auto Reports 4Q/FY20 Results

*GB Auto delivers resilient revenue performance and records its strongest bottom-line to date; Auto & Auto-Related closes year with solid profitability*

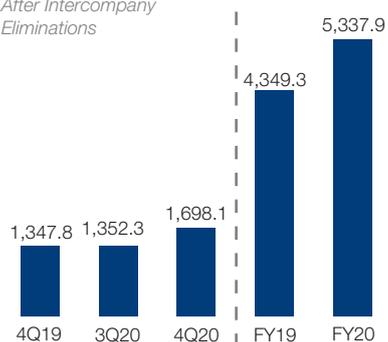
### Revenue Progression (all figures in LE million)

#### GB Auto & Auto Related



#### GB Capital

After Intercompany Eliminations



25 February 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 December 2020. Revenues increased by 16.2% q-o-q and by 1.5% y-o-y in 4Q20 to LE 7,201.1 million on the back of recovering market conditions. Net profits recorded an exceptional near seven-fold increase year-on-year to LE 287.8 million in 4Q20. In full-year terms, revenues declined by 8.2% to LE 23,310.8 million in FY20 due to the impact of COVID-19 during the first half of the year. However, company-wide operational improvements drove a significant increase in net income to LE 917.0 million in FY20, successfully delivering GB Auto's best bottom-line performance to date.

“The past year has truly tested the resilience of our business model and the strength of our market position. During the onset of the pandemic in the first half of the year, our local markets witnessed a nationwide lockdown and restrictions on tourism that saw reduced demand for our products across our lines of business,” said GB Auto Chief Executive Officer Raouf Ghabbour. “Accordingly, we began monitoring inventory levels and prudently managing our working capital to ensure business continuity and mitigate material impacts on our operations. As consumers normalized to the COVID-19 situation and restrictions eased across the nation, we saw increased demand for our product offering as a result of a strong recovery in Egypt. In the passenger car segment, we outperformed our 2019 results while at our two and three-wheeler LoB we managed to deliver an improved performance despite the impact that COVID-19 during the first half of the year. Overall, we were able to reap the rewards of our swift and early response measures across our operations, as well as the improved market conditions over the last six months, to close out an unprecedented year on a positive note.”

The Auto & Auto-Related (A&AR) segment recorded a revenue increase of 13.6% q-o-q to LE 5,503.0 million in 4Q20, reflecting the continued market recovery. In year-on-year terms, the segment's revenues declined by 4.2% in 4Q20 and by 14.6% y-o-y to LE 17,972.9 in FY20. Slower performance was due to the impact of COVID-19 in 1H20 in Egypt as well as the muted performance from the A&AR's regional operations due to unfavorable economic conditions in Iraq. At the PC LoB, revenues increased by 28.6% q-o-q and 25.7% y-o-y to reach LE 2,780.4 million in 4Q20. This came on the back of a recovery in the PC market and an increase in PC sales volume from the LoB's Hyundai and Chery brands. In full-year terms, the PC LoB's revenues increased by 1.3% y-o-y, reaching LE 7,699.0 million in FY20. At the segment's Two and Three-Wheelers (2&3W) LoB, revenues increased by 16.8% q-o-q and 65.7% y-o-y to LE 943.3 million, driven by growing sales volume and increasing consumer demand. In full-year terms, the LoB's revenues grew by 40.2% y-o-y to LE 2,944.7 million in FY20, showcasing the strength of this market's fundamentals. At the segment's regional operations, revenues declined by 9.6% q-o-q and by 59.4% y-o-y to LE 814.1 million in 4Q20 due to unfavorable economic conditions in Iraq. In full-year terms, regional revenues declined by 49.3% y-o-y to LE 3,627.4 million in FY20.

“At our regional operations, a complete lockdown in Iraq enforced between March and July, coupled with suboptimal oil prices and the devaluation of Iraqi Dinar towards the end of the year hindered our regional performance in 2020. However, despite the unfavorable market conditions, our two and three-wheelers delivered a solid performance on the back of their income-producing nature. Additionally, the September launch of our MG brand has already shown promise in the region. These positive developments, combined with our comprehensive understanding of the Iraqi market, leaves us well-positioned to propel MG as a leading brand in the region and to continue growing our regional operations going forward.”

*“ Overall, we were able to reap the rewards of our swift and early response measures across our operations, as well as the improved market conditions over the last six months, to close out an unprecedented year on a positive note ”*

In line with management's expectations, the Commercial Vehicles & Construction Equipment (CV&CE) LoB's performance was muted in the final quarter of the year, primarily due to the pressures on the tourism sector. The LoB recorded a revenue decline of 31.6% q-o-q and 60.2% y-o-y to LE 114.8 million in 4Q20. In full-year terms, revenues declined by 44.8% y-o-y to LE 770.1 million in FY20. The After-Sales LoB recorded a revenue increase of 4.4% q-o-q and by 2.4% y-o-y in 4Q20 to LE 303.6 million on the back of increased traffic at GB Auto's service centers. In full-year terms, After-Sales revenues declined by 5.1% y-o-y to LE 1,098.7 million in FY20, due to the impact of COVID-19 in the first half of the year. The Tires LoB recorded a revenue decline of 8.4% q-o-q but recorded an increase of 4.2% y-o-y to LE 279.9 million in 4Q20. In full-year terms, the LoB's revenues declined by 4.7% y-o-y to LE 1,125.1 in FY20 on the back of harsh market conditions in 1H20. Additionally, high tires inventories at the distributor level at the start of the year resulted in slower orders from distributors in 1Q20.

“The majority of our lines of business across our Auto and Auto-Related segment saw significant improvements in their performance during the final stretch of the year, reflecting the positive impact of a recovering market environment on our operations. I would also like to highlight, that despite the unprecedented challenges, we were able to efficiently manage our net working capital and maintain healthy debt levels, as well as capitalize on the progressive rate cuts over the course of the year. This allowed us to deliver a profitable performance at our Auto and Auto-Related segment in 2020,” said Ghabbour.

GB Capital recorded revenues of LE 2,038.4 million before intercompany eliminations, an increase of 25.2% q-o-q and 24.7% y-o-y in 4Q20. Resilient demand for GB Capital's services boded well for full-year revenue performance, recording an increase of 19.7% y-o-y to LE 6,399.8 million in FY20. GB Capital's loans/receivables portfolio expanded by 27.6% y-o-y to reach LE 11.6 billion in 4Q20. However, the portfolio's NPLs increased to 2.48% in 4Q20 vs. 1.60% in 3Q20 due to the accumulation of delayed loan payments following the CBE's six-month grace period on loans, that were recognized in the final quarter of 2020. Additionally, the NPL increase is partially attributable to a decrease in receivables following the conclusion of two sizeable securitizations in 4Q20. With an expectation for delayed payments, GB capital adopted a conservative approach to provisions over the course of the year to account for anticipated loan delinquencies. However, with market conditions improving and collection levels normalizing, GB Capital is expecting to record reversals for these provisions incrementally in 2021. GB Capital's net profits increased by 51.8% q-o-q and 17.6% y-o-y to LE 212.8 million in 4Q20, supported by the conclusion of two securitized bond offerings at Drive and GB Lease. In full-year terms, net income after minority grew by 2.7% y-o-y to reach LE 632.2 million in FY20.

“GB Capital delivered a solid performance in 2020 on the back of resilient demand and strong market fundamentals for its products and services. At GB Lease, we accomplished a milestone transaction for the company and set a new benchmark for the market, completing its largest securitization to date in the final quarter of the year taking to market LE 2 billion in bonds. At Haram Tourism Transport, we successfully completed the largest quasi-operational lease contract in Egypt and delivered a fleet of 636 passenger cars in July. Additionally, at GB Capital's consumer financing and factoring business, Drive, we concluded our second securitized bond offering at LE 892 million, enabling us to further unlock value in this growing sector,” said Ghabbour.

"Looking ahead, we are eyeing to expand GB Capital's operations and continuously grow its market share across the non-banking financial services space. To that end, we have already started implementing digital initiatives, which should see increased efficiency across our organization. Moreover, we started transferring our collections and investigations functions to become part of our in-house operations, which are anticipated to significantly improve overall efficiency and cost optimization. On the expansions front, we are also aiming to extend our reach across our markets for our leasing operations and are looking to launch new branches at Drive, as well as expand our team at GB Lease to further penetrate the SME

space. At our microfinancing business, we will capitalize on a recently finalized microfinance law that doubled the loan ticket size to LE 200,000, which has unlocked a new avenue for growth at Tasaheel.”

“At our Auto and Auto-Related segment, we look forward to continue capitalizing on recovering market conditions and rising consumer demand for GB Auto’s products to bolster our performance going forward. To that end, we anticipate a growing impact of our recent Hyundai launches and will continue identifying opportunities where we can unlock additional value across our Passenger Car LoB. Moreover, GB Auto stands to benefit from the government’s national program to replace car engines powered by traditional fuels with dual-fuel engines that run on both gasoline and natural gas. We currently have two models ready in our pipeline with dual-fuel to offer to our customers, the Elantra HD and Accent RB. At our Two and Three-Wheelers business, we are optimistic about its continued growth trajectory on the back of its resilient demand and income producing nature. Additionally, motorcycle volume performance has become nearly parallel with three-wheelers, and is anticipated to generate greater contributions towards the LoB’s top line going forward. Finally, as global tourism gradually recovers with the rollout of the COVID-19 vaccines, we are anticipating an improved performance from our Commercial Vehicles and Construction Equipment business.”

“We are already witnessing continued growth in demand in the first quarter of the new year and are optimistic about our outlook going forward. GB remains committed to its growth strategies and to delivering exceptional value to our shareholders,” concluded Ghabbour.

Highlights of GB Auto Group’s 4Q/FY20 results follow, along with management’s analysis of the company’s performance and complete financials are available for download on [ir.ghabbourauto.com](http://ir.ghabbourauto.com)

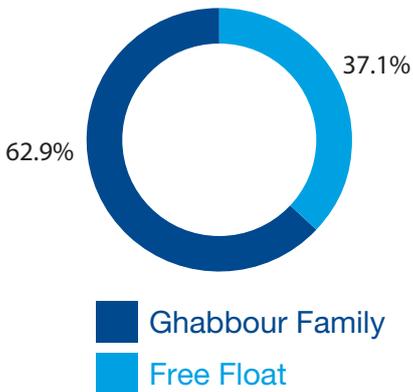
## GB Auto Group Income Statement

### Income Statement

| (LE million)   | Three Months Ended |                |              | Full Year Ended |                 |              |
|--|--------------------|----------------|--------------|-----------------|-----------------|--------------|
|  | 4Q19               | 4Q20           | % Change     | FY 19           | FY 20           | % Change     |
| Egypt Passenger Cars Revenues                                    | 2,212.5            | 2,780.4        | 25.7%        | 7,597.8         | 7,699.0         | 1.3%         |
| Egypt Motorcycles & Three-Wheelers Revenues                      | 569.1              | 943.3          | 65.7%        | 2,100.2         | 2,944.7         | 40.2%        |
| Egypt Commercial Vehicles & Construction Equipment Revenues      | 288.5              | 114.8          | -60.2%       | 1,394.6         | 770.1           | -44.8%       |
| Egypt Tires Revenues   | 268.7              | 279.9          | 4.2%         | 1,180.8         | 1,125.1         | -4.7%        |
| GB Capital (Financing Businesses) Revenues                       | 1,347.8            | 1,698.1        | 26.0%        | 4,349.3         | 5,337.9         | 22.7%        |
| Egypt After-Sales Revenues                                       | 296.6              | 303.6          | 2.4%         | 1,157.5         | 1,098.7         | -5.1%        |
| Regional Revenues  | 2,006.7            | 814.1          | -59.4%       | 7,156.6         | 3,627.4         | -49.3%       |
| Others Revenues  | 103.7              | 266.8          | -            | 461.2           | 708.0           | 53.5%        |
| <b>Total Sales Revenues</b>                                      | <b>7,093.6</b>     | <b>7,201.1</b> | <b>1.5%</b>  | <b>25,398.0</b> | <b>23,310.8</b> | <b>-8.2%</b> |
| <b>Gross Profit</b>  |                    |                |              |                 |                 |              |
| Egypt Passenger Cars Gross Profits                               | 161.9              | 322.5          | 99.1%        | 482.0           | 834.0           | 73.0%        |
| Egypt Motorcycles & Three-Wheelers Gross Profits                 | 64.9               | 171.1          | -            | 280.4           | 536.8           | 91.4%        |
| Egypt Commercial Vehicles & Construction Equipment Gross Profits | 40.9               | (6.8)          | -            | 205.0           | 62.3            | -69.6%       |
| Egypt Tires Gross Profits  | 62.9               | 67.6           | 7.4%         | 236.2           | 272.8           | 15.5%        |
| GB Capital (Financing Businesses) Gross Profits                  | 562.5              | 743.9          | 32.3%        | 1,668.9         | 2,314.4         | 38.7%        |
| Egypt After-Sales Gross Profits                                  | 61.1               | 52.4           | -14.2%       | 272.4           | 202.5           | -25.7%       |
| Regional Gross Profits   | 179.4              | 136.4          | -23.9%       | 619.4           | 492.8           | -20.4%       |
| Others Gross Profits   | 4.4                | 8.1            | 81.4%        | 51.5            | 48.7            | -5.5%        |
| <b>Total Gross Profit</b>  | <b>1,138.1</b>     | <b>1,495.2</b> | <b>31.4%</b> | <b>3,816.0</b>  | <b>4,764.4</b>  | <b>24.9%</b> |
| Gross Profit Margin  | 16.0%              | 20.8%          | 4.8          | 15.0%           | 20.4%           | 5.4          |
| Selling and Marketing  | (488.1)            | (702.7)        | 44.0%        | (1,661.6)       | (2,056.1)       | 23.7%        |
| Administration Expenses  | (128.3)            | (140.3)        | 9.4%         | (522.6)         | (557.0)         | 6.6%         |
| Other Income (Expenses)  | 50.0               | 46.1           | -7.9%        | 157.5           | 425.6           | -            |
| <b>Operating Profit</b>  | <b>571.7</b>       | <b>698.3</b>   | <b>22.1%</b> | <b>1,789.3</b>  | <b>2,576.8</b>  | <b>44.0%</b> |
| Operating Profit Margin (%)                                      | 8.1%               | 9.7%           | 1.6          | 7.0%            | 11.1%           | 4.1          |
| Net Provisions and Non-Operating FV of Investment Property       | (171.6)            | (95.0)         | -44.6%       | (306.3)         | (272.9)         | -10.9%       |
| <b>EBIT</b>  | <b>400.1</b>       | <b>603.3</b>   | <b>50.8%</b> | <b>1,483.0</b>  | <b>2,304.0</b>  | <b>55.4%</b> |
| EBIT Margin (%)  | 5.6%               | 8.4%           | 2.8          | 5.8%            | 9.9%            | 4.1          |
| Foreign Exchange Gains (Losses)                                  | 25.2               | (20.6)         | -            | 182.1           | (13.3)          | -            |
| Net Finance Cost   | (295.9)            | (110.8)        | -62.6%       | (1,349.1)       | (765.8)         | -43.2%       |
| <b>Earnings Before Tax</b>                                       | <b>129.3</b>       | <b>471.9</b>   | <b>-</b>     | <b>316.0</b>    | <b>1,524.9</b>  | <b>-</b>     |
| Income Taxes   | (79.8)             | (150.6)        | 88.8%        | (92.4)          | (408.8)         | -            |
| Net Profit / Loss Before Minority Interest                       | 49.5               | 321.3          | -            | 223.6           | 1,116.1         | -            |
| Minority Interest  | (5.7)              | (33.5)         | -            | (180.9)         | (199.1)         | 10.1%        |
| <b>Net Income/Loss</b>   | <b>43.9</b>        | <b>287.8</b>   | <b>-</b>     | <b>42.7</b>     | <b>917.0</b>    | <b>-</b>     |
| Net Profit Margin (%)  | 0.6%               | 4.0%           | 3.4          | 0.2%            | 3.9%            | 3.7          |

## GB Auto's Shareholding Structure

as of 31 December 2020



### Head Office

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

### Investor Relations

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### 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, Sinotruk, Aksa, Lassa, Yokohama, Pirelli, Westlake, Double Coin, Doublestar, Verde, Techking, 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](http://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.