



GB Corp Earnings

2Q/1H23

GB Corp Reports 2Q/1H23 Results

GB Corp delivers strong results amidst challenging market conditions and launches a new SME lending company as part of its strategy to offer diversified and comprehensive financial solutions.

Key Highlights 1H23



Note from our CEO

In the face of challenging market conditions, our performance demonstrated our company's resilience and prudent strategies. In the second quarter of the year, net profit for GB Corp grew nearly five-folds quarter-on-quarter and was up 2.1% y-o-y to reach EGP 500.5 million.

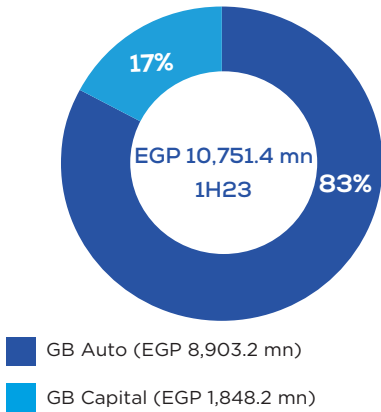
GB Auto, a cornerstone of our business, continued to grapple with supply shortages across the different lines of business in Egypt. However, in view of the persistent import restrictions, our Auto business in Egypt delivered positive results. In addition, by leveraging our regional footprint, we demonstrated the ability to identify and capitalize on growth opportunities within the passenger car LoB in Iraq, where revenues witnessed a remarkable 80.2% increase compared to the previous quarter and nearly tripled when compared year-on-year. This trend continued on a year-to-date basis, with revenue more than doubling in the first half of 2023. The results are a testament to the efficacy and significance of our diversified revenue streams approach. Regarding net debt for GB Auto, it has maintained a relatively stable position below the EGP 3.5 billion mark with a quarter-on-quarter increase attributed to higher inventory levels.

In parallel, GB Capital continues to achieve commendable financial and operational milestones. In May 2023, we took an additional step forward in diversifying our service offerings with the launch of Kredit, an FRA-regulated SME lending company. With this strategic move, GB Capital reaffirms its commitment to driving financial inclusion and supporting the growth of SMEs in Egypt. The company's expansion into the SME financing space aligns with the national direction of Egypt, to provide comprehensive financial solutions and contribute to the development of the Egyptian economy. With extensive expertise and a deep understanding of the challenges faced by SMEs, we are eager to explore the full potential of an underserved market segment.

Looking ahead, it is important to acknowledge that while macroeconomic challenges persist, they also present opportunities for us to reaffirm our commitment to excellence. We continue to focus on improving our operational efficiencies, updating our IT infrastructure, upgrading our processes to meet the evolving business requirements, increasing our digitization footprint, as well as expanding reliance on data analytics and data mining. These substantial efforts will lay the ground for our future growth. As we continue to grow GB Corp, we operate from a position of strength with a solid foundation and a wealth of experience garnered over the years. Our long-term vision is resolute, and we are poised to capitalize on emerging opportunities as conditions improve.

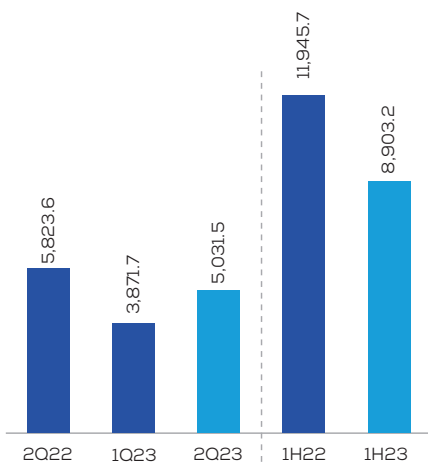
Nader Ghabbour
Chief Executive Officer

Group Revenue Breakdown (As of 30 June 2023)

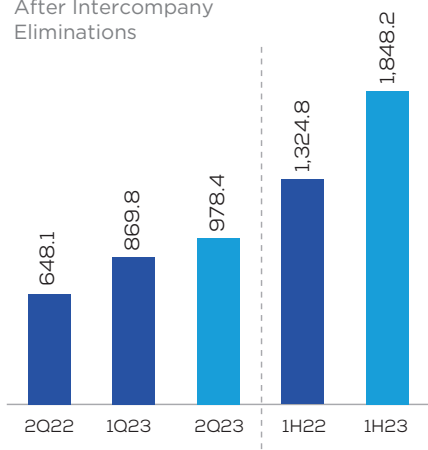


Revenue Progression (all figures in EGP million)

GB Auto



GB Capital After Intercompany Eliminations



Consolidated Financial Overview

14 August 2023 – (Cairo, Egypt) GB Corp (GBCO.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 second quarter and first half ending 30 June 2023. GB Corp’s revenue increased 26.8% q-o-q but was down 23.3% y-o-y, recording EGP 6,009.9 million in 2Q23. Net profit grew nearly five-folds quarter-on-quarter and was up 2.1% y-o-y to reach EGP 500.5 million in 2Q23. On a YTD basis, GB Corp’s revenue fell 31.4% y-o-y to EGP 10,751.4 million and net income decreased 15.5% y-o-y to EGP 608.2 million in 1H23.

GB Auto recorded a revenue of EGP 5,031.5 million in 2Q23, up 30.0% q-o-q and down 13.6% y-o-y. On a YTD basis, GB Auto’s revenue decreased by 25.5% to EGP 8,903.2 million in 1H23. GB Auto’s results continue to be affected by the restrictions on imports and a slowdown in opening LCs, limiting inventory supply across the portfolio. Despite the unfavorable environment at GB Auto’s Passenger Car LoB in Egypt, the local assembly of cars coupled with product repricing has largely mitigated the negative impact of tight import controls put in place since March 2022. At the Two and Three-Wheeler LoB, year-on-year results were hindered due to the complete phasing out of the three-wheeler inventory and further accentuated by supply shortages. Similarly, volume at the Commercial Vehicles & Construction Equipment LoB was impacted by a shortage in supply and slowdown in opening LCs. The After-Sales LoB on the other hand has performed particularly well as consumers focus on maintaining their existing vehicles given limited availability of new vehicles. Finally, the Tires LoB benefited from a higher supply of tires during the quarter, more than doubling its contribution to profits quarter-on-quarter.

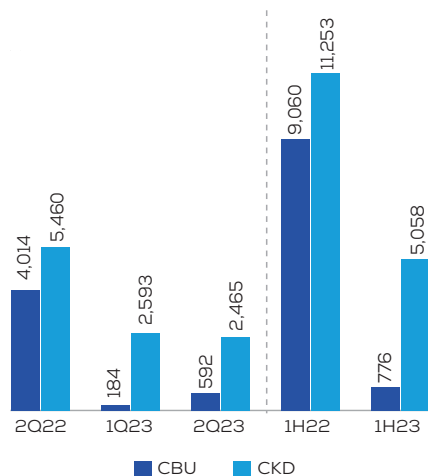
On the regional front in Iraq, PC delivered a stellar performance as the MG brand’s popularity continues to grow as the leading Chinese brand in the market, with an expanded market share of 8.3% in 1H23 compared to 7.3% in the same period last year. The Iraqi market presents significant opportunities for expansion and the MG brand’s consistently robust performance supports GB Auto’s plans to further grow its portfolio and footprint in Iraq.

EBITDA at GB Auto grew by 35.6% q-o-q and 33.0% y-o-y to EGP 723.2 million in 2Q23, yielding an improved EBITDA margin of 14.4% versus 13.8% in 1Q23 and 9.3% in 2Q22. On a YTD basis, EBITDA grew 8.0% to EGP 1,256.5 million, yielding a margin expansion of 4.4 percentage points to 14.1% in 1H23. The segment maintained a strong financial position with a low net debt-to-EBITDA ratio of 1.28 and a net debt-to-equity ratio of 0.46 at the end of 2Q23. GB Auto reported a net profit of EGP 248.8 million in 2Q23, up significantly quarter-on-quarter and 16.2% y-o-y. On a YTD basis, net profit booked EGP 168.2 million in 1H23, down 47.7% y-o-y, due to a significant FOREX loss incurred in the first quarter of the year along with a rise in finance costs. However, it is worth noting that a significant portion of the FOREX loss incurred is expected to be recoverable throughout the remainder of the year upon the sale of inventory with higher profit margins, offsetting the initial loss.

GB Capital recorded a revenue of EGP 1,166.8 million in 2Q23, up 14.4% q-o-q and 32.0% y-o-y. Net profit grew by 33.6% q-o-q but was down 8.6% y-o-y booking EGP 253.0 million in 2Q23, due to the impact of Non-Controlling Interest (NCI) resulting from the sale of a stake in GB Lease. On a YTD basis, GB Capital recorded a 10.9% year-on-year increase in net profit to EGP 442.4 million in 1H23. GB Capital’s companies delivered an exemplary performance in the first half of the year with higher disbursements and a 23.8% q-o-q expansion in the loans portfolio to EGP 8.2 billion on the books (excludes securitized portfolio).

Highlights of GB Corp’s 2Q/1H23 results follow, along with management’s analysis of the company’s performance. Complete financials are available for download on ir.gb-corporation.com

Breakdown of Units Sold



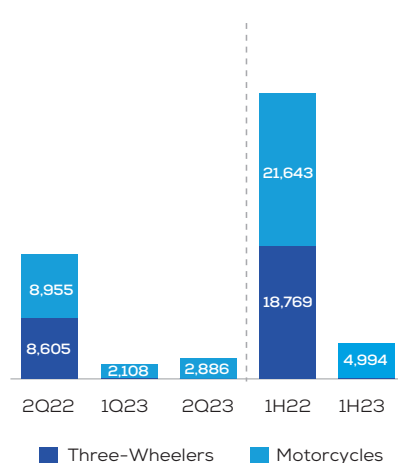
Egypt Passenger Cars

- GB Auto's passenger car volume went up by 10.1% q-o-q and fell 67.7% y-o-y. As a result, revenue increased by 35.9% q-o-q and decreased by 40.4% y-o-y to EGP 1,625.9 million in 2Q23.
- On a YTD basis, PC volume declined 71.3% and revenues fell by 50.4% y-o-y to EGP 2,822.2 million in 1H23 as the market continued to experience supply shortages.
- GB Auto successfully altered its product mix towards more CKD units with improved profitability margins and will leverage its position in the locally assembled vehicle segment while capitalizing on every opportunity to improve supply levels.

Table 1: Egypt Passenger Cars Sales Activity

		2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
CBU Sales Volume	(Units)	4,014	184	592	-	-85.3%	9,060	776	-91.4%
CKD Sales Volume	(Units)	5,460	2,593	2,465	-4.9%	-54.9%	11,253	5,058	-55.1%
Total Sales Volume	(Units)	9,474	2,777	3,057	10.1%	-67.7%	20,313	5,834	-71.3%
Total Sales Revenue	(EGP million)	2,729.2	1,196.3	1,625.9	35.9%	-40.4%	5,690.2	2,822.2	-50.4%

Breakdown of Units Sold



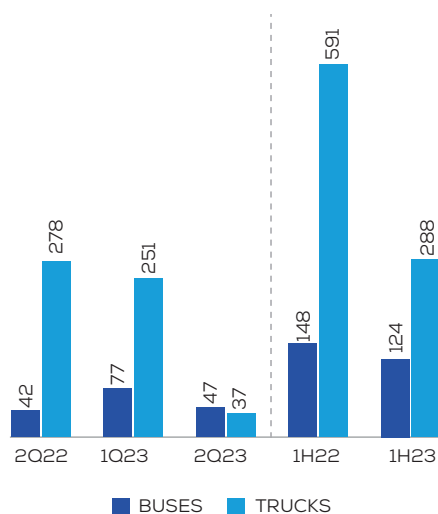
Egypt Motorcycles & Three-Wheelers

- The LoB's volume grew 36.7% q-o-q to 2,886 units, resulting in a 42.6% q-o-q increase in revenue to record EGP 101.1 million in 2Q23.
- Volume fell 83.6% y-o-y due to the complete phasing out of the three-wheeler inventory and limited FX availability, resulting in a shortage of supply affecting motorcycles. Consequently, revenue was down 82.6% y-o-y in 2Q23.
- On a YTD basis, volumes were down 87.6% y-o-y in 1H23 which led to an 85.8% y-o-y decline for the first half of the year.

Table 2: Egypt Motorcycle & Three-Wheeler Sales Activity

		2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
Three-Wheeler Sales Volume	(Units)	8,605	3	-	-	-	18,769	3	-
Motorcycle Sales Volume	(Units)	8,955	2,108	2,886	36.9%	-67.8%	21,643	4,994	-76.9%
Total Sales Volume	(Units)	17,560	2,111	2,886	36.7%	-83.6%	40,412	4,997	-87.6%
Total Sales Revenue	(EGP million)	581.7	70.9	101.1	42.6%	-82.6%	1,209.2	172.0	-85.8%

Breakdown of Units Sold



Egypt Commercial Vehicles & Construction Equipment

- The LoB's volume dropped by 73.3% q-o-q and 78.3% y-o-y to 91 units in 2Q23 due to the shortage in supply and slowdown in opening LCs. Consequently, revenue fell 32.0% q-o-q and 44.8% y-o-y to EGP 214.8 million in 2Q23.
- On a YTD basis, the LoB's revenue fell by 25.8% y-o-y to EGP 530.5 million as volumes contracted 50.3% y-o-y to 432 units in the first half of the year.

Table 3: Egypt Commercial Vehicles & Construction Equipment (CV&CE) Sales Activity

		2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
Bus Sales Volume	(Units)	42	77	47	-39.0%	11.9%	148	124	-16.2%
Truck Sales Volume	(Units)	278	251	37	-85.3%	-86.7%	591	288	-51.3%
Trailer Sales Volume	(Units)	71	-	-	-	-	79	-	-
Construction Equipment Sales Volume	(Units)	28	13	7	-46.2%	-75.0%	52	20	-61.5%
Total Sales Volume	(Units)	419	341	91	-73.3%	-78.3%	870	432	-50.3%
Total Sales Revenue	(EGP million)	389.0	315.7	214.8	-32.0%	-44.8%	714.7	530.5	-25.8%

Egypt After-Sales Line of Business

- The LoB's revenues reached EGP 587.8 million in 2Q23, up 8.0% q-o-q and 46.1% y-o-y, as consumers continue to face challenges in purchasing new vehicles and prioritize maintaining their existing vehicles.
- On a YTD basis, revenue grew 45.0% y-o-y to EGP 1,132.3 million in 1H23 driven by strong after-sales demand across all segments.
- Management anticipates that the LoB will maintain its strong performance as consumer demand for maintenance services grows in light of the expected shortages and delays in new vehicle availability.

Table 4: Egypt After-Sales

		2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
Passenger Car Egypt After-Sales Revenue	(EGP million)	276.0	381.2	424.1	11.2%	53.6%	524.9	805.3	53.4%
Motorcycle & Three-Wheeler After-Sales Revenue	(EGP million)	61.3	77.8	85.0	9.3%	38.7%	130.9	162.8	24.4%
CV&CE After-Sales Revenue	(EGP million)	65.0	85.5	78.7	-7.9%	21.1%	125.3	164.2	31.0%
Total Egypt After-Sales Revenue	(EGP million)	402.3	544.5	587.8	8.0%	46.1%	781.1	1,132.3	45.0%

Egypt Tires Line of Business

- Revenue increased by 35.9% q-o-q and 28.9% y-o-y to EGP 464.9 million in 2Q23 as the company secured a higher supply of tires. On a YTD basis, revenue was stable year-on-year and recorded EGP 807.1 million in 1H23.
- Management is confident that a rebound in supply levels and healthy market demand for GB Auto's brands and product suite will support the LoB's performance moving forward.

Table 5: Tires Sales Activity – Egypt

	2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
Total Sales Revenue (EGP million)	360.6	342.2	464.9	35.9%	28.9%	806.9	807.1	-

Regional

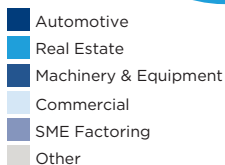
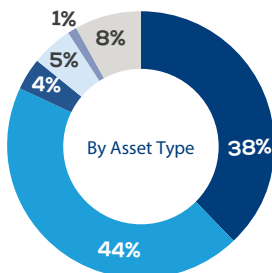
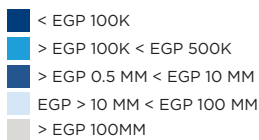
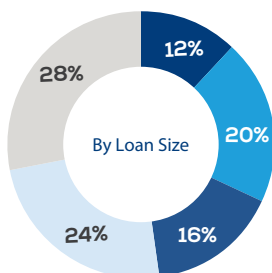
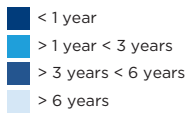
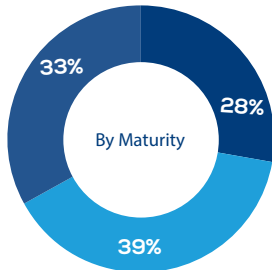
- Regional revenue increased 64.2% q-o-q and 50.2% y-o-y to EGP 1,733.4 in 2Q23 on the back of growing PC sales during the period despite a challenging operating environment in Iraq. On a YTD basis, regional revenue grew 27.6% to reach EGP 2,789.1 million.
- Two and Three-Wheelers revenue increased by 34.2% q-o-q but was down 50.2% y-o-y in 2Q23. On a YTD basis, revenue was down 56.2% y-o-y in 1H23. On July 1, 2023, the Iraqi government banned the import of two and three-wheelers, which will impact sales in the coming period. GB Auto is already working on the future plan for this company and will announce developments in due time.
- In 2Q23, PC revenue increased 80.2% q-o-q and nearly tripled year-on-year. On a YTD basis, revenue more than doubled year-on-year in 1H23 as PC sales volume continued to grow consistently.
- The MG brand's presence in Iraq is steadily growing, with an expanded market share of 8.3% in 1H23 compared to 7.3% in the same period last year. This growth serves as a strong testament to the brand's growing popularity among customers in the market.

Table 6: Total Sales Activity from Regional Operations

	2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
Total Regions Revenue (EGP million)	1,153.8	1,055.7	1,733.4	64.2%	50.2%	2,185.1	2,789.1	27.6%

GB Capital Portfolio Breakdown

(As of 30 June 2023)



GB Capital (Financing Businesses)

- GB Capital's revenue increased 14.1% q-o-q and 32.0% y-o-y to EGP 1,166.8 million in 2Q23, reflecting strong performances across subsidiaries. On a YTD basis, GB Capital's revenue grew 25.6% year-on-year to reach EGP 2,189.5 million in 1H23.
- Net profit grew by 33.6% q-o-q but was down 8.6% y-o-y to reach EGP 253.0 million in 2Q23, due to the impact of Non-Controlling Interest (NCI) resulting from the sale of a stake in GB Lease. On a YTD basis, GB Capital recorded a 10.9% year-on-year increase in net profit to EGP 442.4 million in 1H23.
- GB Capital's annualized ROAE stood at 6.7% in 2Q23 versus 5.7% in 1Q23. Similarly, annualized ROAA stood at 8.2% in 2Q23 versus 7.3% in 1Q23.
- Annualized NIMS increased to 7.4% in 2Q23, up from 7.0% in 1Q23.
- GB Capital's loans/receivables portfolio on the books grew by 23.8% q-o-q and 9.8% y-o-y to reach EGP 8.2 billion in 2Q23 due to higher disbursements.
- NPLs increased marginally to 3.98% in 2Q23 compared to 3.88% in 1Q23 and decreased compared to 4.06% in 2Q22.
- The NPL coverage ratio stood at 95% in 2Q23 compared to 102% in 1Q23.
- Debt-to-equity ratio stood at 0.43x in 2Q23 versus 0.35x in 1Q23.
- GB Capital's debt, which fluctuates with the size of the portfolio, stood at EGP 6.4 billion as of 30 June 2023. This debt is fully backed by the loans and receivables portfolio of GB Capital.
- Microfinancing, nano-financing, SME lending, factoring, mortgage finance, leasing, venture capital, life insurance, securitization and consumer lending services offered by GB Capital's various affiliates are regulated by the FRA.

Leasing

- Despite a challenging macroeconomic landscape, GB Lease recorded a significant 71.2% increase in quarter-on-quarter and a 45.2% year-on-year revenue in 2Q23 supported by higher disbursements. On a YTD basis, revenue grew 26.9% year-on-year in 1H23.
- GB Auto Rental revenue recorded both quarter-on-quarter and year-on-year increases in 2Q23 as the company successfully delivered 25 vehicles during the quarter. In the first half of the year, the company secured a total of 7 new vehicle contracts.
- GB Lease will soon be offering factoring services as it has recently received its factoring license from the Egyptian Financial Regulatory Authority (FRA). Management is confident that expanding and diversifying its service offering will support further growth for the company.

Consumer Finance and Factoring

- Drive recorded growth in both quarter-on-quarter and year-on-year revenue in 2Q23 by 5.3% and 28.3%, respectively. Similarly, on a YTD basis, revenue grew in 1H23 by 25.6% y-o-y.
- Drive's revenue growth was attributed to the company's unwavering commitment to expand its portfolio of used cars and commercial vehicles to mitigate the impact of the slowdown in new car sales in Egypt. In 1H23, the market experienced a 71% y-o-y contraction in new PC sales while Drive's sales declined 40% y-o-y, owing to its resilience and the strong market presence established in the first half of the year.
- Forsa merchant network is consistently growing and has reached over 1,000 merchants in more than 5,000 stores at the end of 2Q23. This growth was driven by collaborations with additional brands as well as the inclusion of a broader range of products and services.
- Forsa added large ticket items by offering financing options for club memberships, tuition fees and home finishing products. This strategic approach is aimed at retaining existing customers and attracting new ones through a wide spectrum of products and services.

Fintech

- MNT-Halan reported another strong quarter as the company further solidified its position in the market and expanded its services, driving portfolio and profitability growth.
- MNT-Halan's outstanding loan book micro-finance share is currently +25% of the Egyptian market.
- MNT-Halan's payments throughput has increased 4x year-on-year in 1H23, while FMCG's business has grown 4.2x in the same period.
- MNT-Halan expanded its range of digital products by launching a savings product through the Halan app in partnership with Azmiut (AZ Halan fund), where clients receive their interest on a daily basis.
- MNT-Halan's microfinance subsidiary Tasaheel has successfully closed its third securitization issuance worth EGP 3.34 billion, which comes as part of a wider approved EGP 13.0 billion program to fuel further growth.

Financial Position and Working Capital of GB Auto

Table 7: Development of Working Capital for GB Auto

Strong demand for GB Auto's portfolio and efficient management of working capital continued to support performance in 2Q23 amidst uncertain market conditions. Inventory levels and receivables increased to be at the optimal levels and payables are extended due to import restrictions and limited FX availability.

		2Q22	3Q22	4Q22	1Q23	2Q23
Inventory	(EGP million)	4,619.0	3,613.5	3,920.0	4,871.8	5,693.2
Receivables	(EGP million)	1,703.2	1,531.2	1,432.2	1,493.4	1,530.0
Advances	(EGP million)	891.5	753.6	742.5	880.7	858.5
Debtors & Other Debit Balances	(EGP million)	1,443.5	1,231.2	1,927.1	1,979.0	2,502.8
Payables (Net)*	(EGP million)	4,307.0	3,482.9	4,715.9	4,934.7	5,527.5
Working Capital	(EGP million)	4,350.3	3,646.5	3,305.9	4,290.2	5,057.0

* Payables are shown net of financial lease-related liabilities amounting to EGP 355.3 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.

Table 8: Development of Net Debt for GB Auto

Net debt for GB Auto has maintained a relatively stable position below the EGP 3.5 billion mark with a quarter-on-quarter increase attributed to higher working capital needs.

(EGP million)	2Q22	3Q22	4Q22	1Q23	2Q23
Total Debt	5,135.2	4,596.4	4,376.3	4,785.5	5,294.8
Notes Payable (Due to leasing)	1,265.1	1,114.2	1,011.9	902.2	783.3
Cash	1,099.5	1,426.5	2,776.9	3,222.4	2,435.0
Due from Related Parties - Inter segment	293.4	350.6	498.7	(103.3)	246.4
Net Debt	5,007.3	3,933.6	2,112.5	2,568.6	3,396.7

Table 9: Development of Key Financials for GB Auto

(EGP million)	2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
Revenue	5,489.6	3,729.7	4,854.6	30.2%	-11.6%	11,352.1	8,584.4	-24.4%
Inter-Segment Revenue	334.0	142.0	176.9	24.6%	-47.0%	593.5	318.8	-46.3%
Total Revenue	5,823.6	3,871.7	5,031.5	30.0%	-13.6%	11,945.7	8,903.2	-25.5%
Cost of Sales	(4,548.4)	(2,853.3)	(3,735.0)	30.9%	-17.9%	(9,504.1)	(6,588.3)	-30.7%
Inter-Segment Cost of Sales	(333.4)	(142.0)	(176.9)	24.6%	-47.0%	(593.5)	(318.8)	-46.3%
Total Cost of Sales	(4,881.8)	(2,995.3)	(3,911.8)	30.6%	-19.9%	(10,097.6)	(6,907.1)	-31.6%
Gross Profit	941.7	876.4	1,119.7	27.8%	18.9%	1,848.1	1,996.0	8.0%
Gross Profit Margin	16.2%	22.6%	22.3%	-0.4	6.1	15.5%	22.4%	6.9
General, Selling & Administrative Expenses	(489.4)	(487.1)	(568.8)	16.8%	16.2%	(918.9)	(1,055.9)	14.9%
Other Operating Income	46.0	59.7	73.4	22.8%	59.3%	126.8	133.1	5.0%
Provisions (Net)	(15.7)	(13.7)	12.1	-	-	(14.0)	(1.6)	-88.8%
Operating Profit	482.6	435.3	636.3	46.2%	31.8%	1,041.9	1,071.6	2.9%
Operating Profit Margin	8.3%	11.2%	12.6%	1.4	4.4	8.7%	12.0%	3.3
Finance Cost*	(173.3)	(198.9)	(309.8)	55.8%	78.7%	(322.8)	(508.6)	57.6%
FOREX	(14.9)	(264.0)	16.8	-	-	(213.1)	(247.2)	16.0%
Dividends Income	(0.1)	-	-	-	-	-	-	-
Net Profit / (loss) Before Tax	294.3	(27.6)	343.3	-	16.6%	506.0	315.7	-37.6%
Income Tax	(53.7)	(65.0)	(67.1)	3.2%	24.9%	(127.5)	(132.0)	3.6%
Net Profit / (loss) After Tax and Before NCI	240.6	(92.5)	276.2	-	14.8%	378.6	183.7	-51.5%
NCI	(26.6)	12.0	(27.5)	-	3.4%	(56.6)	(15.4)	-72.7%
Net Profit / (loss) After NCI	214.1	(80.5)	248.8	-	16.2%	322.0	168.2	-47.7%
EBITDA	543.8	533.2	723.3	35.6%	33.0%	1,163.8	1,256.5	8.0%
EBITDA Margin	9.3%	13.8%	14.4%	0.6	5.0	9.7%	14.1%	4.4

* Includes leasing expenses of EGP (36.9) million for 2Q23

Table 10: Cash Flow Statement for GB Auto

(EGP million)	2Q22	2Q23
Cash Flows from Operating Activities		
Net (Loss) / Profit Before Tax	294.4	343.3
Adjustments		
Interest Expense	201.1	338.8
Depreciation & Amortization	63.3	96.1
Provisions - Net	12.3	(12.1)
Impairment in Current Assets - Net	6.0	(16.1)
Interest Income	(27.8)	(29.0)
Translation Adjustment	20.0	-
Unrealized FOREX Loss	(126.0)	(59.8)
Gain on Sale of PP&E and Assets Held for Sale	9.0	9.1
Operating Cash Flow Before Changes in Working Capital	452.4	670.3
Changes in Working Capital		
Inventories	916.2	(867.0)
Trade Receivables	650.3	(90.7)
Debtors & Other Debit Balances	488.4	(633.0)
Due from Related Parties	(8.5)	(315.5)
Due to Related Parties	(101.9)	-
Due from Related Parties - Inter-Segment	(31.4)	9.8
Due to Related Parties - Inter-Segment	(71.0)	(104.8)
Trade Payables & Other Credit Balances	(1,980.4)	829.1
Rent Paid for Assets Right of Use	(6.1)	(1.7)
Provisions Used	(14.5)	(0.9)
Cash Flow (Generated from Operating Activities)	293.4	(504.4)
Dividends Paid - Employees	(76.0)	-
Income Tax Paid During the Period	-	(201.5)
Net Cash Flow (Generated from Operating Activities)	217.4	(705.9)
Cash Flows From Investing Activities		
Purchase of Property, Plant & Equipment	(4.5)	(77.3)
Purchase of Projects Under Construction	(61.6)	(226.8)
Interest Received	15.1	(15.2)
Proceeds from Sale of Property, Plant and Equipment	22.5	81.2
Net Cash Flow (Generated from Investing Activities)	(28.5)	(238.1)
Cash Flows From Financing Activities		
Loans & Borrowings	(74.0)	499.8
Dividends Paid - Non Controlling Interest	(108.6)	-
Interest Paid	(196.1)	(328.9)
Long Term Notes Payable Paid	70.8	(22.8)
Net Cash Flow (Generated from Financing Activities)	(307.8)	148.1
Net Increase (Decrease) in Cash & Cash Equivalents	(118.9)	(795.9)
Cash & Cash Equivalents at Beginning of the Period	1,200.3	3,222.4
Translation Differences	18.1	8.5
Cash & Cash Equivalents at End of the Period	1,099.5	2,435.0

Table 11: Key Ratios for GB Auto

		2Q22	3Q22	4Q22	1Q23	2Q23
Net Debt / Equity*	Units	1.11	0.91	0.34	0.36	0.46
Total Liabilities Less Cash / Equity	Units	2.33	2.04	1.43	1.29	1.45
Current Ratio	Units	1.00	1.01	1.13	1.15	1.14
Net Debt / LTM EBITDA [^]	Units	2.35	1.67	0.83	1.04	1.28
LTM EBITDA / Finance Cost	Units	3.51	3.76	3.85	3.46	3.11
Capital Employed **	EGP million	8,869.2	8,522.6	8,177.3	8,726.7	9,870.7
ROCE ***	%	21.0%	24.5%	27.2%	24.0%	22.8%

* 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

** 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 12: Income Statement by Segment

	1H23			
(EGP million)	GB Auto	GB Capital	Elimination	GB Corp
Revenue	8,584.4	2,167.0	-	10,751.4
Inter-segment revenue	318.8	22.5	(341.3)	-
Total revenue	8,903.2	2,189.5	(341.3)	10,751.4
Cost of sales	(6,588.3)	(1,776.7)	-	(8,365.0)
Inter-segment cost of sales	(318.8)	(18.5)	337.3	-
Total Cost of Sales	(6,907.1)	(1,795.2)	337.3	(8,365.0)
Gross Profit	1,996.0	394.3	(4.0)	2,386.4
General, selling and administrative expenses	(1,055.9)	(354.8)	1.1	(1,409.6)
Other operating income	133.1	11.3	(3.6)	140.8
Provisions (Net)	(1.6)	(65.6)	-	(67.2)
Operating profit	1,071.6	(14.8)	(6.4)	1,050.4
Finance cost / income	(508.6)	65.1	4.0	(439.5)
Income from associates	-	482.6	-	482.6
FOREX	(247.2)	(10.8)	-	(258.1)
Net profit / (loss) before tax	315.7	522.1	(2.4)	835.4
Income tax	(132.0)	(50.7)	-	(182.8)
Net profit / (loss) after tax and before NCI	183.7	471.4	(2.4)	652.6
NCI	(15.4)	(29.0)	-	(44.4)
Net profit / (loss) after NCI	168.2	442.4	(2.4)	608.2

Historical data for GB Corp's segregated financials can be downloaded at ir.gb-corporation.com/fundamentals

Table 13: Balance Sheet by Segment

As at 30 June 2023				
(EGP million)	GB Auto	GB Capital	Elimination	GB Corp
Property Plant & Equipment	5,070.2	391.3	14.8	5,476.3
Intangible Assets & Goodwill	357.2	1.8	-	359.0
Asset Right of Use	417.9	42.4	(7.0)	453.3
Investments in Subsidiaries (GB Capital)	325.1	11,787	(1,967.3)	10,144.3
Notes Receivable	5.1	4,705.5	(212.9)	4,497.7
Other Debit Balance	-	1,049.5	-	1,049.5
Intercompany loan	-	50.0	-	50.0
Investments Property	90.9	-	-	90.9
Deferred Tax Assets	295.1	-	-	295.1
Non-Current Assets	6,561.5	18,027.2	(2,172.4)	22,416.3
Asset held for sale	-	855.0	-	855.0
Inventories	5,693.2	-	-	5,693.2
Trade Receivables	1,530.0	2,175.3	(65.1)	3,640.2
Advance Payments to Suppliers	858.5	21.9	-	880.4
Debtors & Other Debit Balance	2,502.8	175.3	-	2,678.1
Due from Related Parties	284.9	246.9	(177.8)	353.9
Due from Related Parties - Inter-Segment	536.6	306.7	(843.4)	-
Cash and Cash Equivalents	2,435.0	1,466.8	-	3,901.8
Current Assets	13,841.0	5,247.8	(1,086.2)	18,002.6
Total Assets	20,402.5	23,275.0	(3,258.7)	40,418.9
Share Capital	1,087.4	318.0	(319.9)	1,085.5
Share Capital Premium	1,645.5	-	(1,645.5)	-
General Reserve	-	-	-	-
Legal Reserves	401.5	112.6	-	514.0
Private Reserve	4,105.6	226.6	(1.9)	4,330.3
Risk Reserve	-	20.4	-	20.4
Accumulated Profit (Losses)	(1,033.3)	13,051.6	11.0	12,029.4
Net Income / (Loss) for The Period	168.2	442.5	(2.4)	608.2
Total Shareholders' Equity Before NCI	6,374.9	14,171.7	(1,958.7)	18,587.9
Total NCI	944.8	663.6	-	1,608.4
Total Equity	7,319.7	14,835.3	(1,958.7)	20,196.3
Trade Payables	5,882.8	1,188.4	(65.9)	7,005.3
Loans & Overdraft	5,294.8	1,587.1	-	6,881.9
Due to Related Parties	121.5	176.2	(177.8)	119.9
Due to Related Parties - Inter-Segment	290.2	553.1	(843.4)	-
Provision	317.4	24.2	-	341.7
Other Current Liabilities	182.9	46.7	-	229.7
Short term bond	-	103.1	-	103.1
Total Current Liabilities	12,089.6	3,678.9	(1,087.1)	14,681.4
Loans	-	4,454.2	-	4,454.2
Provision	9.6	-	-	9.6
Lease Obligation	257.2	14.3	-	271.5
Trade and Notes Payables	441.5	13.9	(212.9)	242.6
Deferred Tax Liabilities	284.8	38.5	-	323.3
Bonds Payable	-	240.0	-	240.0
Total Non-Current Liabilities	993.2	4,760.9	(212.9)	5,541.2
Total Equity And Liabilities	20,402.6	23,275.0	(3,258.7)	40,418.9

 Historical GB Corp segregated financials can be downloaded at ir.gb-corporation.com/fundamentals

Table 14: Income Statement Analysis for GB Capital

This table has been restated in 2022 without consolidating MNT-Halan to be comparable to 2023

(EGP million)	2Q22	1Q23	2Q23	Q-o-Q	Y-o-Y	1H22	1H23	Y-o-Y
Revenue	586.5	751.8	780.7	3.8%	33.1%	1,178.9	1,532.5	30.0%
Interest Income	297.6	270.9	386.0	42.5%	29.7%	552.1	656.9	19.0%
Total Revenue	884.1	1,022.7	1,166.8	14.1%	32.0%	1,731.0	2,189.5	26.5%
Cost of Sales	(554.7)	(682.2)	(698.5)	2.4%	25.9%	(1,119.4)	(1,380.8)	23.4%
Cost of Funds	(158.0)	(165.2)	(249.2)	50.8%	57.7%	(280.2)	(414.4)	47.9%
Total Cost of Revenue	(712.7)	(847.5)	(947.7)	11.8%	33.0%	(1,399.5)	(1,795.2)	28.3%
Gross Profit	171.5	175.3	219.1	25.0%	27.8%	331.5	394.3	19.0%
SG&A	(138.4)	(158.3)	(196.5)	24.1%	42.0%	(249.3)	(354.8)	42.3%
Provisions	(10.1)	(37.1)	(28.5)	-23.0%	-	(40.5)	(65.6)	61.8%
Operating Profit	23.0	(20.1)	(5.9)	-70.5%	-	41.6	(26.1)	-
Other Income	1.5	6.3	5.0	-21.6%	-	1.9	11.3	-
Income from associates*	280.2	222.1	260.4	17.2%	-7.1%	395.6	482.6	22.0%
EBIT	304.7	208.4	259.4	24.5%	-14.9%	439.2	467.8	6.5%
Other Interest & Similar Income	(2.7)	5.1	60.0	-	-	1.5	65.1	-
FOREX	(4.0)	(1.3)	(9.5)	-	-	(0.6)	(10.8)	-
EBT	298.0	212.1	310.0	46.1%	4.0%	440.1	522.1	18.6%
Income Tax	(21.1)	(14.4)	(36.3)	-	71.7%	(41.2)	(50.7)	23.2%
Profit after Tax & before NCI	276.9	197.7	273.7	38.4%	-1.2%	398.9	471.4	18.2%
NCI**	-	(8.3)	(20.7)	-	-	(0.1)	(29.0)	-
Net Profit after Tax & NCI	276.9	189.4	253.0	33.6%	-8.6%	398.8	442.4	10.9%
Breakdown of Revenue by Company								
GB Lease	152.1	129.0	220.8	71.2%	45.2%	275.7	349.8	26.9%
Drive	695.8	847.4	892.6	5.3%	28.3%	1,385.5	1,740.0	25.6%
GB Auto Rental	35.9	46.0	52.6	14.3%	46.6%	69.5	98.6	41.8%
Capital Securitization	0.3	0.3	0.4	18.2%	18.2%	0.3	0.7	-
Kredit	-	-	0.3	-	-	-	0.3	-
Total	884.1	1,022.7	1,166.8	14.1%	32.0%	1,731.0	2,189.5	26.5%

* Includes MNT-Halan, Bedaya and Kaf
** Includes 45% of GB Lease

Table 15: Supplementary Financial Information - GB Capital (Excluding MNT-Halan)

	1H22	FY22	1H23
Net Portfolio Assets	7,492.4	5,384.5	8,223.1
Debt / Equity	2.05x	0.44x	0.43x
Equity / Loan Portfolio	39.7%	216.4%	180.4%
Annualized Return on Average Equity (ROAE)*	26.3%	20.8%	6.7%
Annualized ROAA [Annualized the period EBIT pre funding costs after tax / average assets of period]	15.5%	73.4%	8.2%
Annualized net interest margin (%) [(interest income - interest expense) for the last quarter X 4 / average portfolio size for the quarter]	7.7%	11.5%	7.4%
Provision for Portfolio:			
Provision (BS) / Loan portfolio %	4.21%	5.34%	3.78%
Provision (BS) / NPL % (Coverage ratio)	104%	105%	95%
NPL / Loan portfolio %	4.06%	5.08%	3.98%

* Annualized ROAE figures have been adjusted to exclude the MNT-Halan capital gain to ensure accurate comparison.

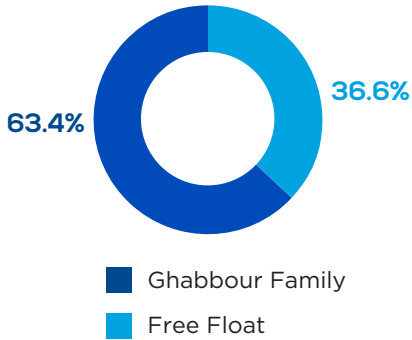
GB Corp Income Statement

Income Statement

(EGP million)	Three Months Ended			Six Months Ended		
	2Q22	2Q23	% Change	1H22	1H23	% Change
Egypt Passenger Cars Revenue	2,729.2	1,625.9	-40.4%	5,690.2	2,822.2	-50.4%
Egypt Motorcycles & Three-Wheelers Revenue	581.7	101.1	-82.6%	1,209.2	172.0	-85.8%
Egypt Commercial Vehicles & Construction Equipment Revenue	389.0	214.8	-44.8%	714.7	530.5	-25.8%
Egypt Tires Revenue	360.6	464.9	28.9%	806.9	807.1	-
GB Capital (Financing Businesses) Revenue	2,010.2	978.4	-51.3%	3,730.2	1,848.2	-50.5%
Egypt After-Sales Revenue	402.3	587.8	46.1%	781.1	1,132.3	45.0%
Regional Revenue	1,153.8	1,733.4	50.2%	2,185.1	2,789.1	27.6%
Others Revenue	207.0	303.6	46.7%	558.5	650.0	16.4%
Total Sales Revenue	7,833.8	6,009.9	-23.3%	15,675.8	10,751.4	-31.4%
Total Gross Profit	2,177.1	1,337.0	-38.6%	4,010.8	2,386.4	-40.5%
Gross Profit Margin	27.8%	22.2%	-5.6	25.6%	22.2%	-3.4
Selling and Marketing	(906.2)	(561.5)	-38.0%	(1,753.0)	(1,049.3)	-40.1%
Administration Expenses	(183.7)	(203.2)	10.6%	(297.9)	(360.3)	21.0%
Other Income (Expenses)	65.2	76.5	17.3%	125.7	140.8	12.0%
Operating Profit	1,152.5	648.8	-43.7%	2,085.7	1,117.6	-46.4%
Operating Profit Margin (%)	14.7%	10.8%	-3.9	13.3%	10.4%	-2.9
Provisions (Net)	(15.2)	(16.4)	8.5%	(51.4)	(67.2)	30.6%
Intercompany Investment Losses	-	260.4	-	-	482.6	-
EBIT	1,137.3	892.7	-21.5%	2,034.2	1,532.9	-24.6%
EBIT Margin (%)	14.5%	14.9%	0.4	13.0%	14.3%	1.3
Foreign Exchange Gains (Losses)	(13.4)	7.3	-	(224.6)	(258.1)	14.9%
Net Finance Cost	(181.5)	(248.0)	36.7%	(308.2)	(439.5)	42.6%
Earnings Before Tax	942.4	652.1	-30.8%	1,501.4	835.4	-44.4%
Income Taxes	(214.2)	(103.4)	-51.7%	(407.6)	(182.8)	-55.1%
Net Profit / Loss Before Minority Interest	728.2	548.7	-24.6%	1,093.9	652.6	-40.3%
Minority Interest	(237.8)	(48.1)	-79.8%	(374.0)	(44.4)	-88.1%
Net Income/Loss	490.4	500.5	2.1%	719.9	608.2	-15.5%
Net Profit Margin (%)	6.3%	8.3%	2.0	4.6%	5.7%	1.1

GB Corp's Shareholding Structure

as of 30 June 2023



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

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e-mail: ir@gb-corporation.com

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Shareholder Information

Reuters Code: GBCO.CA

Bloomberg Code: GBCO.EY

Shares Outstanding:

1,085,500,000

About GB Corp S.A.E.

GB Corp S.A.E. (GBCO.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, factoring, consumer finance, fleet quasi-operational leasing, securitization and SME lending, under the following brands - GB Lease, Drive, Forsa, GB Auto Rental, Capital Securitization, Kredit, in addition to investments in affiliates offering micro-finance, nano-finance, BNPL, collection, peer-to-peer transfers, bill payments, mortgage finance and insurance under - MNT-Halan, Bedaya and Kaf. The company is headquartered in Giza, Greater Cairo Area, Egypt.

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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.