

CHANGE IN MOTION

2023 ANNUAL REPORT

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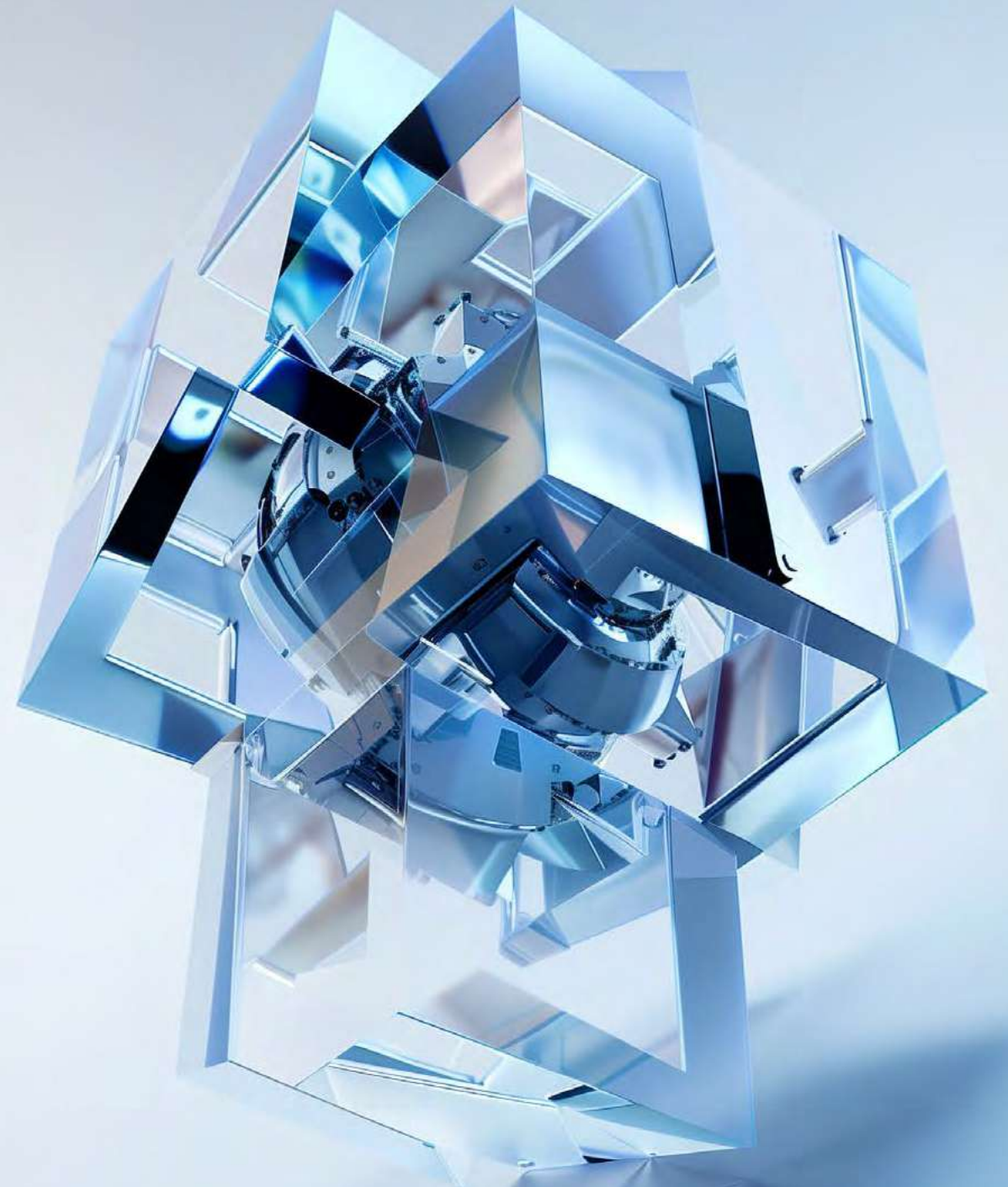
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Vision, Mission, and Values



Vision

The world is constantly moving, transforming, and evolving. Change is inevitable and accelerating. At GB Corp, we aspire to make mobility in all its forms accessible for everyone.



Mission

GB Corp provides integrated mobility solutions. Whether you are moving from point A to B, planning for a better opportunity, or aspiring for a better quality of life, we make the next step easier. With GB Corp, you will always be moving forward.



Core Values

As a company with many subsidiaries, our internal core values connect and align all of our sub-brands in a cohesive manner while staying true to our essence and identity.



We Are Ambitious Achievers

We are a result-driven organization; we set ambitious and challenging targets and aspire to consistently achieve them in the best interest of the communities we serve.



We Operate as One Team

Our people are the backbone of our success. We work within a culture of mutual trust and integrity, common objectives, and accountability.



We Don't Compromise Quality

We are driven by excellence; we constantly search for innovative solutions to ensure that the quality we offer is always up to the required standard.



We Are Resilient

We embrace everyday challenges with open hearts and minds, and we view them as opportunities for improvement.



We Act with Dignity and Respect

We believe that the cornerstone of our culture is to act and treat everyone with fairness and respect.

At a Glance

GB Corp boasts a diversified business portfolio spanning automotive manufacturing and distribution, non-bank financial services (NBFS), and fintech.

GB Corp (GBCO.CA on the Egyptian Exchange), is a leading automotive company in the Middle East and non-bank financial services (NBFS) provider in Egypt. The organization functions through two well-defined segments: GB Auto, managing the core automotive business, and GB Capital, responsible for overseeing the

NBFS providers within the group. GB Corp has a legacy spanning more than six decades in the automotive industry and has established itself as a leading player in the NBFS industry through an impressive track record of product launches in the sector.



28,317.2 EGP MN

Group Revenue in 2023



6,884.5 EGP MN

Group Gross Profit in 2023



1,890.8 EGP MN

Group Net Profit in 2023



16,469

Number of Cars Sold in 2023



30,000

Customers Financed Through GB Capital in 2023



+25

Number of Brands in Portfolio



1940

Year Established



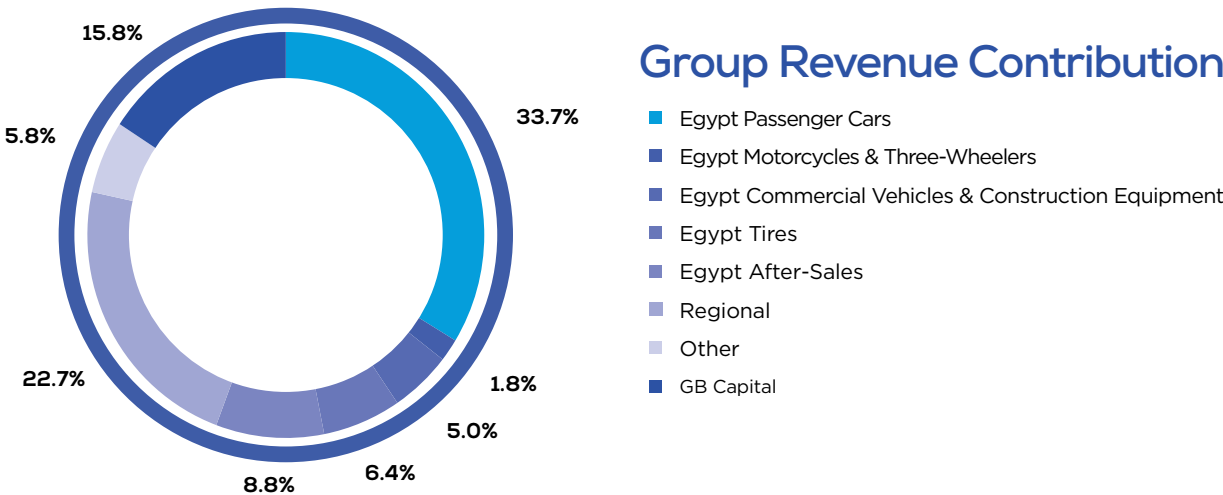
GBCO.CA (2007)

IPO



8.6 EGP BN

Market Cap



GB Corp has positioned itself as a full-fledged automotive provider offering comprehensive services that cover the full spectrum of the automotive sector. The company engages in assembly, manufacturing, sales and distribution, and after-sales services through six distinct lines of business: passenger cars, motorcycles and three-wheelers, commercial vehicles and construction equipment, after-sales, tires, and regional operations in Iraq.

GB Corp caters to a diverse range of customer needs and expectations, managing an expansive portfolio that includes renowned global brands, such as Hyundai, Mazda, Chery, Changan, Haval, Karry, Bajaj, Volvo Truck and Volvo Bus, Volvo Construction Equipment, Mitsubishi Fuso, SDLG, Higer, Shacman, Lassa, Yokohama, Westlake, Double Coin, Goodyear, Thunderer, MRF, Sunfull, and MG, demonstrating its commitment to meeting a wide spectrum of customer preferences.

Passenger Cars

Motorcycles & Three-Wheelers

Commercial Vehicles & Construction Equipment

Tires

After-Sales Service

Regional



GB Corp is committed to continuously expanding its product suite to cater to the rising demand for alternative financing solutions in the Egyptian market. As part of GB Corp's overarching strategy to diversify its service offering, GB Capital was established to deliver essential NBFS to customers.

GB Capital offers a wide range of solutions, including leasing, factoring, consumer finance, auto fleet operational leasing, securitization, and SME financing. These solutions are delivered under various brands, including GB Lease and Factoring, Drive Finance, Forsa, GB Auto Rental, Capital for Securitization, and Kredit.

Additionally, GB Capital has made strategic investments in affiliates specializing in micro-finance, nano-finance, buy now pay later (BNPL) services, collection, peer-to-peer transfers, bill payments, mortgage finance, and insurance. These affiliates — MNT-Halan, Bedaya, and Kaf — complement GB Capital's core services, enriching its ecosystem and enhancing its ability to serve clients comprehensively.



An Evolutionary Journey

Despite a challenging operating environment, GB Corp recorded robust performance in 2023 on the back of its solid fundamentals, dynamic strategies, and unmatched expertise. The company was able to leverage its diverse product suite and brand loyalty to achieve significant growth in the majority of its verticals. Looking ahead, GB Corp is well-positioned to navigate prevailing operating challenges and is poised to capture future growth through its dynamic strategies as markets stabilize.

2007

- GB Corp completes an IPO raising EGP 1.2 billion and starts trading on the Egyptian Exchange (EGX)

2008

- GB Lease and Factoring, formerly known as GB Lease, is established as a financial leasing company specializing in financing commercial vehicle sales and passenger cars for fleets
- GB Corp enters a joint venture with Marcopolo, the Brazil-based global bus manufacturer, to build a production facility in Suez for domestic bus and export sales production

2009

- Establishment of a joint-venture trailer distributorship in Algeria
- Launch of GDR program to allow global investors to trade GB Corp shares in London and New York
- GB Corp participates in the government-sponsored taxi replacement program
- Mashroey is established as a majority owned micropayments joint venture to finance the purchase of Bajaj-branded motorcycles and three-wheelers

2010

- GB Corp enters into an exclusive agreement to import and distribute Mazda vehicles in Egypt
- GB Corp enters a joint venture with the Al-Kasid group, which holds exclusive rights to distribute Hyundai vehicles in Iraq
- Signs an agreement to be the exclusive distributor of Yokohama vehicles and construction equipment tires in Egypt
- Opens a new after-sales service center in Hurghada with 22 working bays

2011

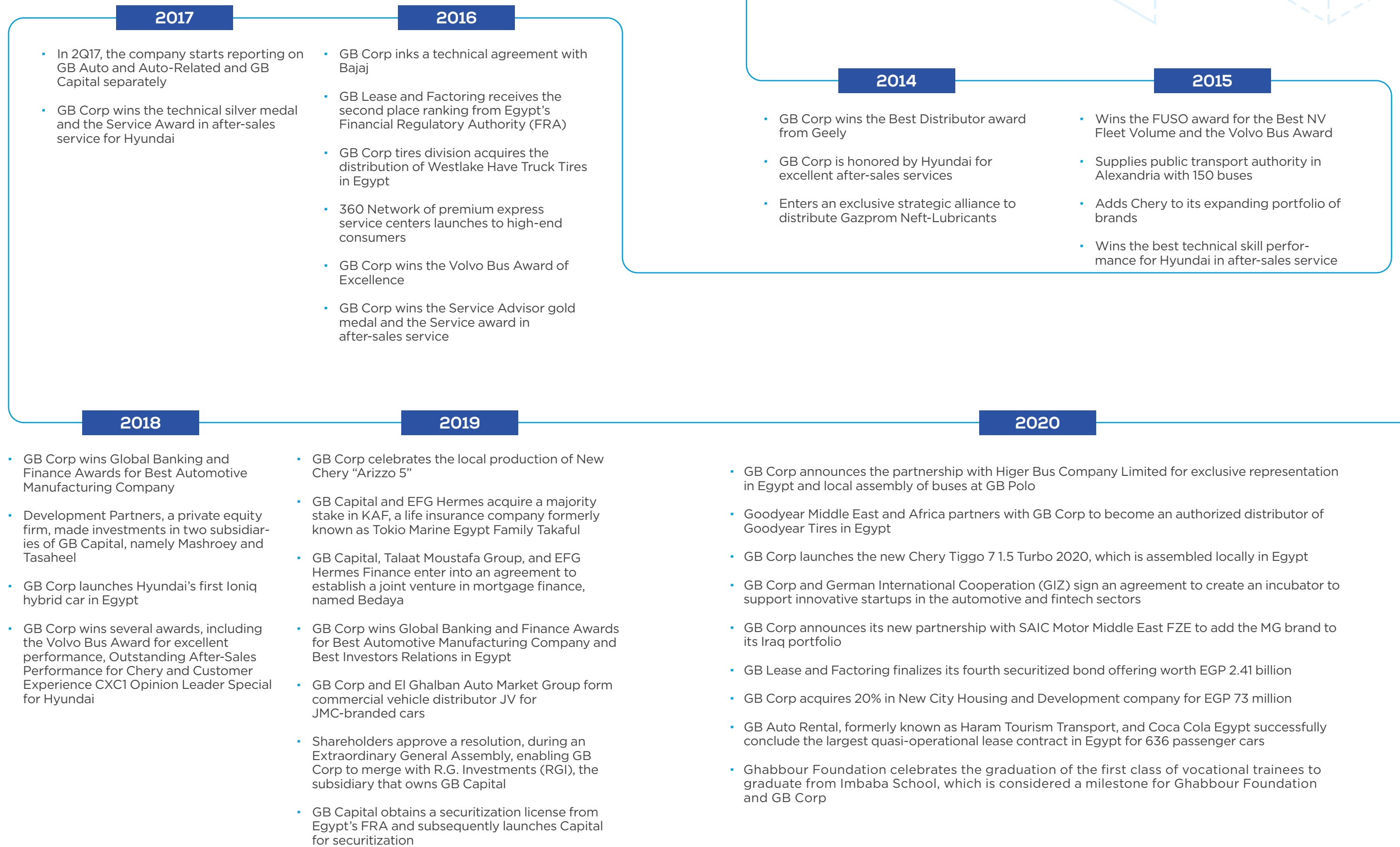
- Soft launches GB Academy, which focuses on improving employees' communication strategy, critical thinking, and time management skills
- Opens its first after-sales facility in Iraq with 70 working bays

2013

- GB Corp expands its regional footprint with key brand representation in Algeria and Libya
- Signs a contract with General Motors East Africa to export more than 200 buses
- Acquires exclusive rights to distribute Goodyear tires in Algeria

2012

- Partners with Geely for CKD assembly in Egypt and distribution in the MENA region
- Signs a contract with Iveco Irisbus, a Fiat industrial company, to be the exclusive distributor of Iveco bus chassis in Egypt
- Launches two new after-sales facilities in Egypt, one in Assiut and one on the Cairo-Ismaliyaa desert road
- Acquires the exclusive right to distribute ZC Rubber's Westlake passenger car, TBR and OTR tires in Egypt
- Drive, GB Corp's consumer finance venture, begins operating and financing the purchase of passenger cars



2021

- GB Corp announces the partnership with Great Wall Motors and launches Wingle 5
- GB Corp proudly announces COVID-19 mass vaccination process to our GB Corp family
- GB Corp is proudly awarded the IDC Excellence Award for “Excellence in Digital Innovation,” recognizing it as one of the region’s top 10 leaders in technology
- Drive Finance receives the final approval for its consumer financing license from Egypt’s FRA
- GB Corp officially acquires Changan’s sole distributorship and introduces four new models (New Alsvin, EADO DT, CS15, and CS55)
- GB Corp launches the Haval 2022 with innovative technology and superior capabilities
- MNT-Halan, Egypt’s leading fintech ecosystem, announces a c. USD 120 million investment by major global and regional growth investors: Apis Growth Fund II, Development Partners International (DPI), and Lorax Capital Partners
- GB Lease and Factoring closes two securitization issues valued at EGP 4.3 billion, making it the largest securitization for a leasing company in Egypt

2022

- GB Corp introduces the latest Volvo FH, Volvo FM, and Volvo FMX Trucks to support the heavy-duty truck market in Egypt
- Drive Finance successfully completes its third securitized bond offering, totaling EGP 649 million and comprising three tranches with tenors of 13, 36, and 48 months
- Drive Finance concludes its first bond offering, raising EGP 700 million, which marks Drive Finance as the first consumer finance company to issue bonds in the market
- Tasaheel achieves a significant milestone by closing Egypt’s largest securitization in the microfinance sector, amounting to EGP 2.7 billion, through securitized bonds issuance. This accomplishment is further highlighted by the securitization being oversubscribed by a factor of 2x
- GB Corp is recognized by HMC during the Hyundai Asia Pacific Middle East conference and receives awards for best “VOC Management” and “Excellent Technical Hotline Operations”
- GB Corp launches Changan’s new models CS35 Plus and CS55 Plus and Chery’s Tiggo 8 Pro
- GB Corp supplies the 2021–2022 African Cup of Nation buses with 24 high-quality, reliable, and comfortable buses with intricate designs
- GB Corp supplies 30 best-in-class Higer Electric buses to the government for COP27, pushing forward sustainable and green transportation solutions
- GB Capital successfully sells a 7.5% stake in MNT Investments B.V. in a transaction valuing the company at USD 800 million. The deal includes an earnout component that could potentially increase the total valuation to USD 950 million
- GB Lease and Factoring successfully completes its seventh securitized bond offering, raising EGP 1.7 billion. The offering comprises three tranches with tenors of 13, 36, and 56 months, further strengthening its position in the market
- Abu Dhabi-based private investment firm Chimera Investment LLC acquires a 45.0% stake in GB Lease



- GB Corp introduces Chery app – redefine your ride with seamless experiences
- GB Auto introduces the Hyundai IONIQ 5 as a part of GB Auto’s portfolio expansion strategy and sustainability agenda
- GB Lease and Factoring receives its factoring license from the Egyptian FRA and signs its first factoring ticket
- KAF receives its commercial life insurance license from the Egyptian FRA
- GB Capital launches Kredit, an FRA-regulated SME lender, with the aim of empowering SMEs and driving economic growth
- Drive Finance successfully completes an EGP 1.4 billion securitized bond issuance, marking a significant milestone in its EGP 5 billion, three-year securitization program
- GB Auto launches the new Chery Tiggo 8 CKD in both five- and seven-seaters as a part of its strategy to increase volumes on the CKD front
- GB Auto receives the Hyundai Dealer of the Year Award, reflecting the company’s operational excellence
- GB is awarded the Global Outstanding Distributor award for its MG operation in Iraq on the back of a significantly expanded market share
- GB Auto introduces a new Tricycle product to the Egyptian market, which gained significant traction in the market
- GB Corp announces that the two- and three-wheeler’s manufacturing team were selected out of 12 participating countries to receive the 1st and 4th ranks in the Kaizen award organized by Bajaj Auto Limited India for their international distributors
- MNT-Halan introduces a savings product in collaboration with Azimut (AZ Halan fund), allowing clients to earn daily interest on their deposits
- GB Corp proudly participates in the UITP convention under the distinguished banner of Volvo Bus Egypt
- GB Logistics participates in the Supply Chain Innovation Conference, with a focus on meeting the logistical needs of their global clientele, and offers a comprehensive range of products and services to ensure an efficient supply chain
- GB Corp partners with Shell Marketing Corporation (Middle East) to distribute Shell oils in central and southern Iraq
- GB Corp is proud to be recognized by Forbes as one of the Top 50 companies of the year
- GB Corp proudly organizes the “First Line Managers” event, with the engagement of more than 350 employees, focusing on integrating GB Corp values
- GB Auto’s “Makn Team” ranks second among 92 teams competing in the prestigious Volvo International Service Training Award (VISTA), the world’s largest competition for service market personnel
- GB Corp is proud to be recognized as the “Most Innovative Auto Finance Company” in Egypt in 2023 by International Finance Awards
- GB Lease & Factoring signed its first factoring ticket and completed its eighth securitization worth EGP 1.6 billion
- GB Auto celebrates the launch of the new Changan UNI-T
- GB Auto, represented by MG Iraq through GK Auto, celebrates the launch of the new MG One SUV in Iraq

Highlights of 2023

In 2023, GB Corp leveraged its stellar track record and unmatched capabilities to achieve transformational growth on both the auto and capital fronts.

28,317.2 EGP MN
Group Revenue
(-4.9% y-o-y)

6,884.5 EGP MN
Group Gross Profit
24.3% Gross Profit Margin

1,890.8 EGP MN
Group Net Profit
6.7% Net Profit Margin

15.9%
GB Auto EBITDA Margin

A Transformative Year



Enhanced Product Mix and an Improved Pricing Strategy

During the year, GB Auto enhanced its product mix to offset the slowdown in imports of CBU units. As such, the company altered its product mix toward more CKD units with improved profitability margins and leveraged its position in the locally assembled vehicle segment to capitalize on the opportunity in the absence of CBU imports. Additionally, GB Auto implemented improved pricing strategies across all of its segments to maintain healthy profitability margins amid high inflationary pressures and the devaluation of the EGP against the USD.

- GB Auto introduced the new Tiggo 8 CKD model in both five and seven seaters, as well as the Changan UNI-T.
- GB Auto secured a solid pipeline of CKD units and CBU electric vehicles to be released in the near future.
- 14,637 passenger cars locally assembled in Egypt in 2023, representing a 45% of the CKD market.
- GB Auto maintained its leading position in the Egyptian PC market at 23.3% market share in 2023.
- At the two- and three-wheelers segment, the company introduced a new tricycle product under the Lifan brand to offset the impact of the complete phasing out of the three-wheelers inventory.
- MG continues to grow as the leading Chinese brand in Iraq with an expanded market share of 8.3%.
- The company commenced exports of Fuso and Volvo buses to the Middle East and Africa.
- GB Auto also launched the new MG One SUV in Iraq to further solidify its market-leading position in the market.

Driving Sustainability

- We are driving toward a greener future mandate that demands an urgent collaborative action to reduce carbon emissions. 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 2023, despite the severe shortage of supply in the market, we delivered 712 vehicles out of the total 2,422 vehicles availed through the initiative, capturing a market share of 29.4% of the CNG market. In addition, EVs will gain traction with the introduction of new models in 2024, pushing forward sustainable and green transportation solutions.

Regional Expansion

GB Auto took significant strides in expanding its regional footprint through commencing export operations of Fuso and Volvo buses to the Middle East, as well as expanding its presence in the Iraqi market through the MG brand.



Portfolio Expansion and Diversification

GB Capital continues to execute its overarching strategy of expanding its product suite and diversifying revenue streams by venturing into various verticals within the NBFS sector.

- Kredit, an FRA-regulated SME-lending company, was launched by GB Capital in 3Q23 on the back of GB Corp's strategy to diversify its revenue streams. Since its inception, Kredit has secured EGP 225.0 million in credit facilities, disbursing EGP 150.0 million, with an additional EGP 294.0 million in the pipeline.
- At MNT-Halan, the Company introduced its first physical store "Halan Mart," and expanded its digital products by launching the Halan Card and a savings product through the Halan app in partnership with Azimut, offering daily interest to clients.

Continued Bond Securitizations

GB Capital for Securitization executed a series of bond securitizations across its segments to meet the rising demand for GB Capital's product offerings.

- GB Lease and Factoring obtained its factoring license from the Egyptian FRA and secured its first factoring client in 3Q23.

Sustainable Growth

- Drive Finance expanded its product range to include financing for used cars and commercial vehicles, diversifying its offerings in response to the slowdown in new vehicle purchases.
- Forsa expanded its service offering to encompass large-ticket items, such as club memberships, tuition fees, and home finishing products.
- GB Lease & Factoring completed its eighth securitized bond offering worth EGP 1.6 billion
- Drive completed its fourth securitized bond offering with an amount of EGP 1.4 billion.





Specialized Technology Venture Capital

GB Ventures is a specialized technology Venture Capital focused primarily on seed investments within the mobility space. It was founded to identify high-potential startups in a wide range of sectors and, more importantly, to efficiently help the next generation of innovators and entrepreneurs become scalable market leaders. GB Ventures' acceleration program supports startups with the needed funding, expertise, mentorship, resources, and networks to develop their strategies and expand their businesses.



Cutting-Edge Logistics Solutions

GB Logistics is an Integrated Service Provider (ISP), specialized in offering high-quality logistics services to customers in Egypt and worldwide. GB Logistics provides comprehensive full-service logistic solutions that add value to its partners. Managing an integrated supply chain on behalf of our partners is done using the latest operational solutions and advanced technologies.





Premium Quality Trainings

GB Academy is outfitted with state-of-the art workshops and classrooms equipped to provide professional technical training. Ranging from mechanical, electrical, and paint work to soft skills trainings and numerous industry-specific skills that are tailored to customer needs. Through accessible theoretical courses paired with practical training modules, the Academy offers its rich educational services and technical simulations to all types of interested individuals, starting from companies, universities, public and governmental institutions, all the way to students, employees, and professionals.

GB Academy

With a vision of setting the pace in a world of lifelong learning, GB Academy celebrated 10 years of practical training and customized programs according to internationally recognized standards. The Academy is managed by the German SIS-Middle East GmbH (Saxony International School), and it has gained achievements in pioneering, cutting-edge instruction, empowering thousands of engineers and trainees with specialized skills and forming valuable partnerships.

During 2023, GB Academy offered multiple training programs to our employees on various topics, such as management, leadership, communication, and soft skills. A total of 89,260 hours of training were delivered to over 17,852 attendees, with the majority of training hours delivered to personnel in management positions in revenue-generating functions.



Ghabbour Foundation for Development

The Ghabbour Foundation for Development is committed to driving positive social impacts in the communities in which it operates through developing and operating vocational schools.

Giving Back to Our Communities

44.0 EGP MN

Foundation Funding

5

Vocational Schools Developed

1,000

Enrolled Students

+500

Ghabbour Foundation School Graduates Since 2020

60

Trainers

40

Theoretical Teachers



A Note from Our CEO



Dear Shareholders,

GB Corp delivered a strong set of results in 2023 driven by exceptional performance across all regions. The Company continued to deliver on its strategic objectives with double-digit organic revenue growth, expanded profitability margins, enhanced EPS, and generated high levels of cash.

During the year, we faced economic headwinds affecting both our Auto and Capital sides of the business, characterized by high inflationary pressures, currency devaluation, import restrictions, and geopolitical tensions, resulting in unplanned supply chain disruptions. Despite these challenges, we were able to maintain our market-leading position in the automotive market and expand our NBFI portfolio, which is a testament to our resilient strategies and steadfast commitment to maximizing shareholder value. To that end, when normalizing for the deconsol-

idation of MNT-Halan, our consolidated top line increased by 12.4% y-o-y, and our bottom line increased by 6.4% y-o-y in 2023.

In GB Auto, we deployed an enhanced product mix and improved pricing strategies to mitigate the impact of the drop in supply across the different lines of business (LoBs), mainly driven by import restrictions, a slowdown in opening letters of credit, and limited FX availability. Nonetheless, we were able to achieve solid results on the back of our agile mindset and consistently strengthening our products while proactively managing supply and demand. As such, the segment recorded a 9.5% y-o-y increase in revenues to reach EGP 23,854.0 million in 2023.

We achieved growth across the majority of our automotive LoBs on the back of our dynamic strategies, which have allowed us to quickly respond to changing market dynamics. At the Egyptian passenger car LoB, we retained our market-leading position, with a market share of 23.3%, reflecting the healthy demand for our brands. Moreover, we altered our strategy by placing greater focus on CKD units with enhanced profitability margins. At the commercial vehicles and construction equipment LoB, we initiated export operations of Fuso and Volvo buses to the Middle East and Africa, with ambitious plans to expand our footprint across the region over the coming period. On the two- and three-wheelers front, we launched a new tricycle product to expand our portfolio. On the regional front, we continued to expand our operation in Iraq, having achieved record sales for the MG brand, exceeding 10,000 units. Additionally, we expanded our market share to 8.3% in FY23 compared 6.8% in FY22, reflecting the growing popularity of the brand in the Iraqi market.

At GB Capital, we continued to achieve significant growth, with the company expanding its portfolio of alternative financing solutions to meet rising demand in the Egyptian market. To that end, I am thrilled to announce the launch of Kredit, an FRA-regulated SME-lending company, as well as the launch

of our factoring business after successfully acquiring the license in 3Q23. We have also taken significant strides in expanding our physical and digital direct-to-consumer reach, allowing us to reach new segments of customers through our expansive product offering. In terms of securitizations, we completed issuances at GB Lease and Drive, highlighting our ability to successfully conclude transactions with prime credit ratings and to efficiently manage GB Capital's liquidity requirements in the prevailing market conditions. As such, our loans portfolio grew by 66.8% to reach EGP 9,000 million in 2023.

As part and parcel of our overarching strategy, we have unwavering commitment to reducing GB Corp's carbon emissions and promoting sustainable practices across our expansive footprint. This entails enhancing industrial efficiency, introducing green transportation options, and driving social development through GB Academy and the Ghabbour Foundation for Development which provides quality vocational education to Egypt's youth. In 2023, we continued to spearhead Egypt's presidential initiative to convert vehicles to CNG, having delivered 29.0% of the total vehicles availed through the initiative. Additionally, we are actively working on ramping up EV penetration through the introduction of new models in 2024, pushing forward sustainable and green transportation solution. We are also implementing best practices throughout our industrial footprint through the adoption of renewable and alternative energy sources, with the aim of 75.0% renewable energy across all plants by 2030. I am also proud to announce that we have been recognized by Rotary International for our efforts in providing freshwater connections to 247 families across five villages since 2016.

Moving forward, we will continue to navigate challenging operating conditions by leveraging our expansive product portfolio and operational excellence to drive future growth on both the Auto and Capital fronts. With a synergized back end and

fully equipped front end, both GB Auto and GB Capital are poised for significant growth with clearly defined objectives to track financial and market outcomes. At the Auto side, we aim to continue to deliver market beating growth, ramp up EV penetration, optimize our market share, and sustain positive free cash flows. We are also targeting regional expansion by leveraging our strong home base in Egypt and our operations in Iraq to further expand our footprint. On the Capital front, we will continue to widen our product offering to meet the rising demand for alternative financing solutions. Additionally, we will focus on ramping up our factoring and SME-lending services to achieve further growth in 2024.

Our results during the period and the operational milestones achieved would not have been possible without the contributions of all our stakeholders, employees, board members, and shareholders. Our team's resilience, dedication, and commitment have been instrumental to our success amid challenging conditions. The unique strengths of our business, our highly talented employees, diverse operations, and industry leading capabilities ensure that we remain resilient and well-positioned for sustainable growth in the future.

Mr. Nader Ghabbour
Chief Executive Officer

Our Business Model & Strategy

GB Corp has continued to deliver solid results amid macroeconomic headwinds on the back of its dynamic strategies and resilient business model.

Pursuant to GB Corp's strategy, the Company boasts an expansive portfolio of automotive products and a comprehensive financial service offering, allowing the Company to capitalize on synergistic opportunities between both segments. As part and parcel of the Company's strategy, GB Corp aims to achieve a balanced portfolio that boasts a myriad of revenue streams and leverages the synergies between its diverse

business lines. GB Corp's portfolio allows it to come to market with a comprehensive range of high-quality products and services to meet rising demand in the automotive sector and the alternative financial services space. In doing so, the Company adheres to three main strategic pillars that guide all facets of its operations: digital transformation, sustainable development, and women empowerment.



Digital Transformation



GB Corp's continuous digital transformation has been an important catalyst for its success over the past years. The Company's digital transformation strategy focuses on achieving three main goals: operational excellence, boosting customer satisfaction, and driving innovation. As such, GB Corp has digitalized and automated many of its processes to enhance time and manpower utilization and reduce direct/indirect expenses, allowing the Company to achieve operational excellence. Additionally, GB Corp was able to boost customer satisfaction and employee engagement through adopting a culture that fosters a customer-centric ecosystem based on dynamic market conditions and customer journeys. GB Corp has also capitalized on its digital solutions to drive innovation

across the group. To that end, the three objectives of GB Corp's digital transformation contribute directly and indirectly to the Company's profitability and growth.

Operational Excellence

On a group level, GB Corp established the Master Data Management division to develop a database infrastructure with a focus on items, suppliers, customers, documents, analytics, and insights. The system is utilized to enable master data utilization across the group through eradicating silos, which also guarantees the integrity of GB Corp's database in a centralized system. This digital transformation of operational processes

has significantly heightened efficiency, improved workflows, and fostered a more conducive workplace environment for internal stakeholders.

Utilizing ML, AI, and ECM to Enhance Efficiency

GB Corp implemented advanced machine learning (ML) and artificial intelligence (AI) algorithms across its operations to enhance efficiency across both its Auto and Capital segments. On the Auto front, data scraping is utilized as a used car leads generator, as well as a spare parts pricing and availability manager. This allows GB Auto to improve its pricing recommendations for used cars and efficiently manage spare parts' pricing and availability. Additionally, the Company uses ML and AI as a master data quality booster by using automated data cleansing, deduplication, and validation processes. The Company also utilizes ML and AI as a PC Market Competitive Intelligence Supporter through leveraging data analytics to analyze market trends and track compet-

itors. On the Capital side, ML and AI are used as a financial business risk moderator by using OCR technology to provide real-time risk evaluations. It is also worth noting that GB Corp embeds sustainability practices within AI initiatives by optimizing algorithms for energy efficiency and contributing to environmental responsibility.

Similarly, the Company is using an advanced Enterprise Content Management (ECM) software, Laserfiche, with the aim of streamlining business processes, improving collaboration, enhancing regulatory compliance, and facilitating effective decision-making by ensuring that accurate information is always available to the right person when needed. Additionally, it allows for seamless storage, retrieval, and management of digital content by implementing advanced metadata tagging and categorization techniques to enhance search capabilities, making it easier for teams to access relevant information swiftly. ECM is integrated with other systems to create a unified and efficient data ecosystem.

In addition, the Company utilizes AI in its GB Se7a platform, which supports its employees in health-related decision making. To that end, GB Se7a provides real-time data insights, tracks health trends, and ensures compliance, allowing GB Corp's HR team to improve its employees' well-being and streamline healthcare operations.

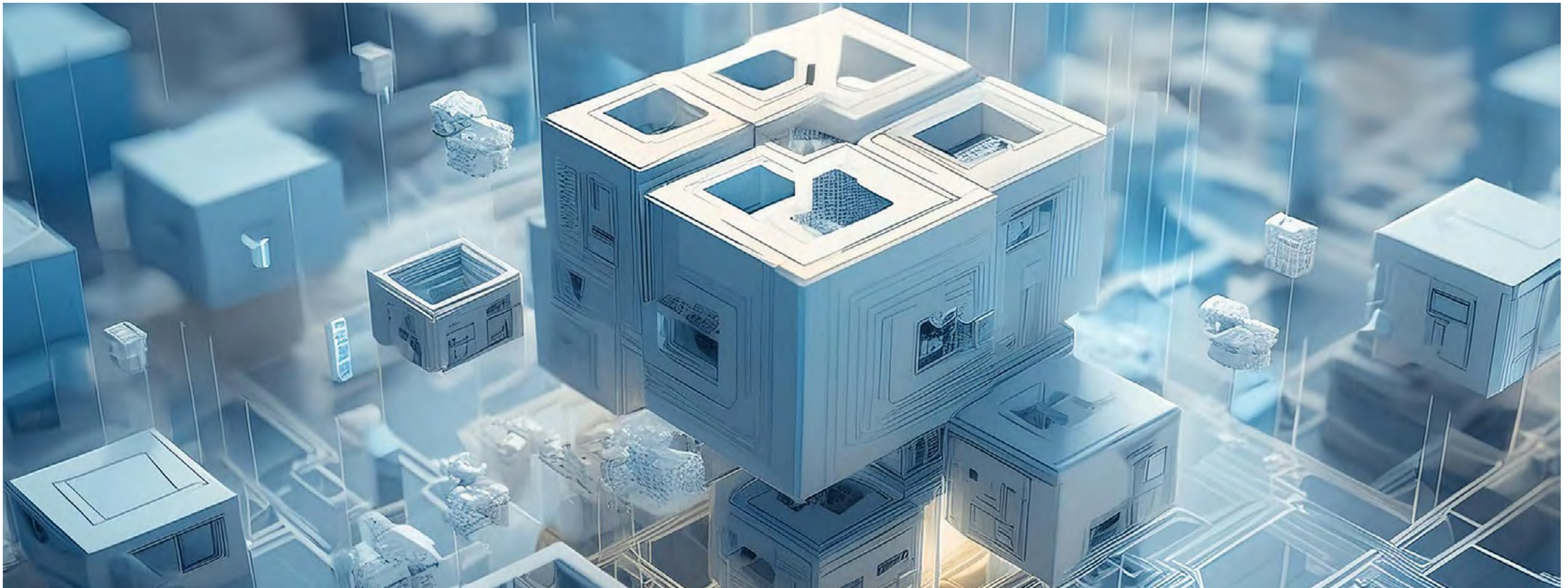
Boosting Customer Satisfaction

Through building solid back-office automation and by injecting top-notch digital solutions, GB Corp was able to create new opportunities for a seamless customer journey across digital channels while developing a unique profiled customer experience. On the Auto front, a robust digital platform has transformed customer experience through offering features like a chatbot, vehicles tracking systems working from vehicle entry through to car washing, and a tax e-invoice system. Moreover, through leveraging data analytics, GB Auto gained profound insights into

customer behavior, preferences, and needs, allowing the Company to personalize offerings and recommendations. To that end, our growing digital presence is aimed at improving customer engagement and retention, as well as attracting new customers.

Driving Innovation

Another aspect of GB Corp's digital transformation is to drive innovation across the group to come to market with solutions that meet dynamic customer demands, which is evident by GB Capital's expansive portfolio of innovative digital products. At GB Capital, we are continuously expanding our fintech platform to bring cutting-edge products and services to the Egyptian market. As such, the Company is continuously scanning the market for opportunities to introduce digital solutions and applications to bridge service gaps and reinforce our presence in the fintech space.



Sustainable Development

GB Corp has unwavering commitment to minimizing its carbon footprint and promoting sustainable practices across its extensive footprint. To that end, GB Corp's sustainability strategy is focused on improving industrial efficiency and introducing green options in its portfolio. On the Auto front, the company boasts an expansive portfolio of electric and CNG vehicles that is continuously growing with the addition of new and more carbon-efficient vehicles. As such, GB Auto is spearheading Egypt's presidential initiative to convert vehicles to CNG, having delivered 712 vehicles out of the total 2422 vehicles, representing a 29.0% share of the CNG market. Additionally, GB Auto introduced the Hyundai IONIQ 5 EV, which quickly gained traction in the market.

Throughout our plants and facilities, the Company is implementing best practices in terms of its industrial and manufacturing operations to preserve

the environment. This entails the increased adoption of renewable and alternative energy sources, with the target of 75.0% renewable energy across all plants by 2030. Moreover, the Company is focused on reducing energy consumption, refining water and wastewater treatment, and enhancing resource utilization and recycling methods.

Additionally, GB Corp is driving social sustainability through the Ghabbour Foundation for Development, which avails access to quality education for the youth, and is supporting the industry ecosystem through the GB Academy. Moreover, GB Corp was recognized by Rotary International for its life-changing impact on underserved communities in Egypt through its initiative in 2016 that saw the Company provide freshwater connections to 247 families in five villages in Beni Suef.



Women Empowerment

Another important aspect of GB Corp's strategy is driving women empowerment across its different business lines. The Company has unwavering commitment to gender diversity through women empowerment initiatives aimed at increasing gender diversity of the group's work force. To that end, GB Corp's strategic focus is to empower women through its subsidiary brands that directly impact our community, consumers, and employees. In addition, the Ghabbour Foundation for Development holds social initiatives that empower women in the automotive industry. As such, more than 25.0% of the Company's BOD are women, and it aims to increase the number of women in its executive team to 20.0% by 2027.

To realize this objective, GB Corp has implemented a number of programs with the aim of empowering women and driving gender diversity. These initiatives include #GBforShe and tailored training programs at the GB Academy. GB Corp has also taken significant strides in promoting gender equality in the communities in which it operates through signing the Women's Empowerment Principle (WEP) agreement with the UN. This allows GB Corp to have a measurable impact on gender equality in the workplace, marketplace, and community. In parallel, the Ghabbour Foundation for Development, under the banner of Ghalya by Ghabbour, spearheads an initiative tailored to empower and support female students in vocational schools, with a specific focus on those studying car maintenance.

The Company has also demonstrated its commitment to women empowerment through a range of initiatives, including supporting education, promoting professional development, and providing physical and mental health support, such as breast cancer awareness campaigns. As such, GB Corp, in partnership with Goodyear, contributed to women's education by covering the cost of education for three female students over a span of three years. Additionally, the Company partnered with Baheya to conduct a breast cancer awareness session for women with a focus on providing valuable information and education. Meanwhile, the Company collaborated with Volvo Trucks to introduce an initiative called Iron Women, which is a heavy-duty truck driving school for women. Volvo Trucks has also partnered with

Shell to run a campaign featuring an Egyptian woman truck-driver. GB Ventures, along with Fawry Academy, introduced a fintech education program for women and offered special discounts to women business owners. El Mikaneeky also established itself as a safe, convenient, and fast service place for women. To achieve this, the Company partnered with the Kattemia Ladies event to offer physical and mental health support, motherhood mentorship, and women empowerment with small businesses through small events, digital campaigns, and talks.

Women's Month Dedication

GB Corp celebrated March as women's month to recognize, value, and empower the GB Corp ladies who play a significant role in sustaining an inclusive and diverse company culture, which falls in line with GB Corp's new strategic direction that focuses on women empowerment. A panel discussion was held on 22 March 2023 that featured female leaders as our panelists — including Odette Gamil, GB Corp's Chief Internal Audit Officer, and Aleya Serag El Din, Ghabbour Foundation's Executive Director — who discussed some of the challenges facing working women, such as harassment, culture norms, mental health, and self care. This panel discussion was attended by over 100 women representing different business units who participated in these heartfelt and deep conversations that aim to create a more enabling work environment for women.



Group Overview

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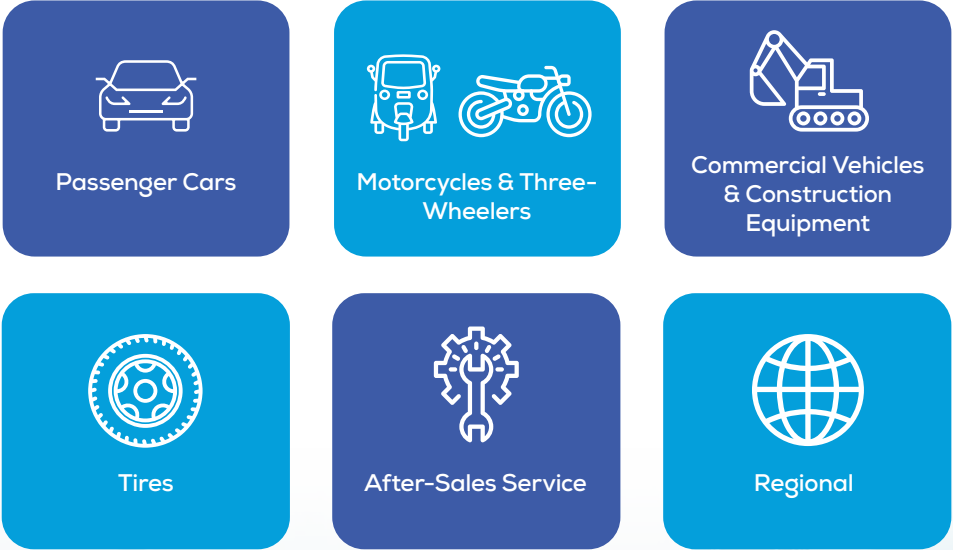
Our Business

GB Corp operates in the automotive and NBFS sectors under two distinct segments: GB Auto and GB Capital, which complement each other, enabling the Company to deliver exceptional and comprehensive services to its clients.

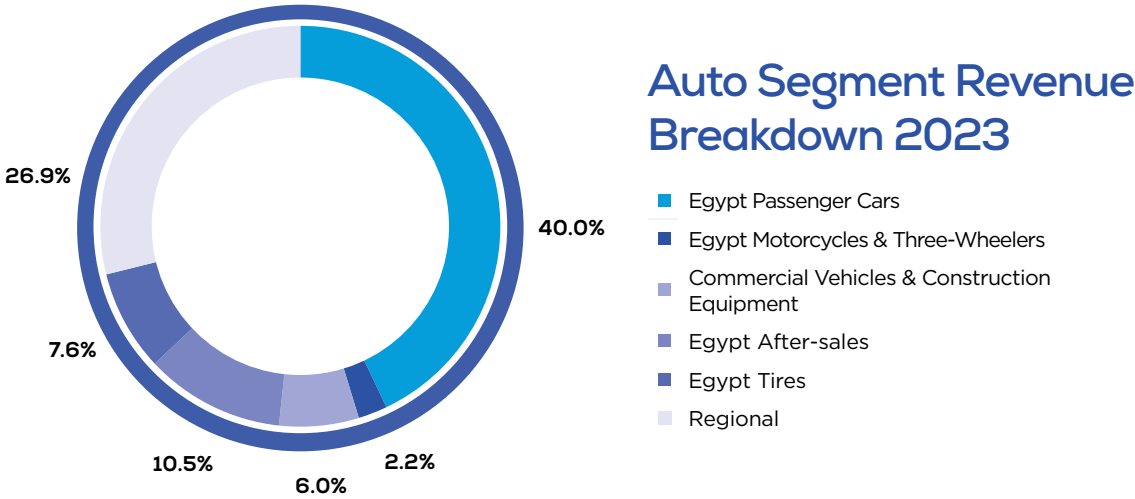
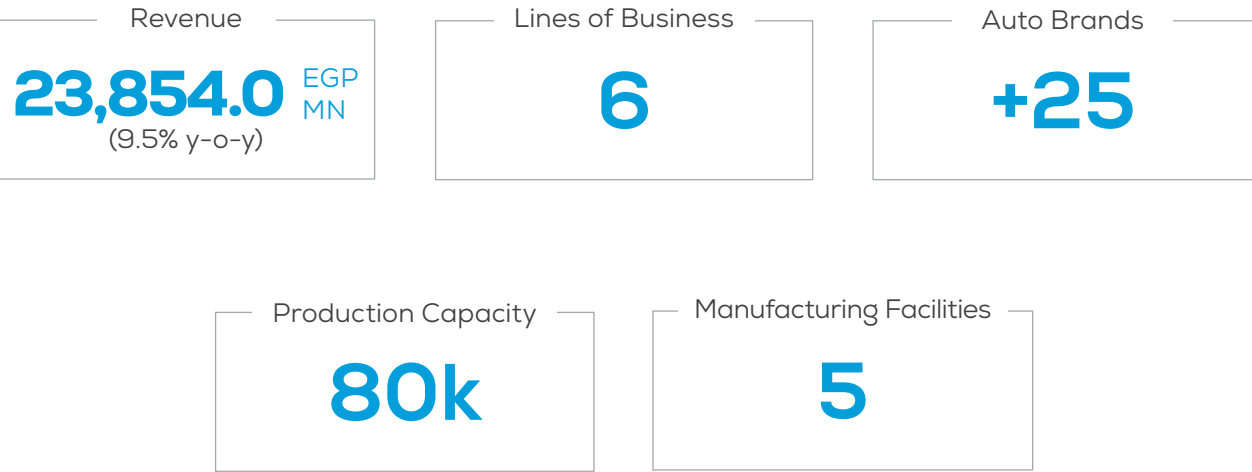




GB Auto unifies the core automotive business activities within the group in Egypt and Iraq. The segment offers a diversified range of products and services covering the entire spectrum of transportation needs, including passenger cars, motorcycles and three-wheelers, commercial vehicles and construction equipment, after-sales services, and tires.



Key Highlights



Egypt Passenger Cars

Revenue Contribution to Group 2023



33.7%

Passenger Cars

2023 Key Highlights

9,545.2

EGP
MN

Revenue
(3.4% y-o-y)

16,469

Sales Volume
(-47.8% y-o-y) – CBU
3,603 vs. CKD 12,866

23.3%

Market Share of Automotive
Market in Egypt



HAVAL



GB Auto is a leading player in the Egyptian passenger car market in terms of sales revenue, market share, and production capacity. GB Auto is well-positioned in the market through its geographical representations and its diversified brand portfolio, which includes Hyundai, Mazda, Chery, Changan, and Haval, allowing it to come to market with the latest and most innovative models. Additionally, the Company's product portfolio caters to the needs and expectations of a wide customer base through models of different sizes and price ranges.

Despite challenging conditions in the Egyptian passenger car market characterized by import restrictions, unplanned supply chain disruptions, high inflationary pressures, and limited FX availability, GB Auto was able to leverage its diversified portfolio and dynamic strategy to deliver solid performance. To that end, the Company maintained its market-leading position with a market share of 23.3%.

During the year, the Company continued to expand its product suite despite the prevailing operational challenges affecting the industry. As such, GB Auto recently launched the new Tiggo 8 CKD in both five and seven seaters, which marks the latest edition to the Chery models in Egypt. GB Auto also launched the new Changan UNI-T and the Hyundai IONIQ 5 EV. As such, GB Auto is spearheading Egypt's presidential initiative to convert vehicles to CNG, having delivered 712 vehicles out of the total 2,422 vehicles, representing a 29.0% market share of the CNG market.

At the Prima plant, GB Corp engages in the assembly of passenger cars using both imported CKD kits and locally sourced components. The plant covers approximately 58,000 m² and has an unmatched capacity of 80,000 units per year. Originally established in 1994, the Prima

plant was revamped in September 2012 when it underwent significant investments, which focused on expanding its production line capacity, incorporating advanced techniques, and modernizing the assembly process with the latest technologies. The facility boasts state-of-the-art features, including fully automated conveyor systems, welding robots, and an ED coating paint shop, allowing GB Auto to deliver exceptional quality to its clients.

The Company currently boasts an impressive CKD portfolio, including the Chery Arrizo 5, Tiggo 7, Tiggo 8, and Hyundai's Accent RB.

The Company boasts a strong pipeline, including new CKD models and new CBU electric vehicles, to meet the evolving market demands. In FY24, the company aims to continue to deliver market beating growth, drive up EV penetration, consolidate market share gains, and sustain positive free cash flows. The company will integrate the new Sadat factory into its industrial footprint and unlock new capacity.

Market Review

The passenger car market faced significant challenges throughout the year characterized by supply shortages attributable to import restrictions and limited FX availability, as well as a slowdown in the issuance of letters of credit. Despite these market conditions, the segment recorded solid results on the back of prudent strategies focused on an enhanced product mix and better pricing.

Consequently, volumes were down 47.8% in FY23, reflecting the broader 48.3% contraction in the total passenger car market. Meanwhile, revenues grew 3.4% y-o-y to reach EGP 9,545.2 million in FY23.

Egypt Motorcycles & Three-Wheelers

Revenue Contribution to Group 2023



1.8%

Egypt Motorcycles and Three-Wheelers

2023 Key Highlights

513.4

EGP
MN

Revenue
(-73.2% y-o-y)

13,610

in Sales Volume
(-77.0% y-o-y)



GB Auto holds the exclusive rights to assemble and distribute Bajaj motorcycles in the Egyptian market. Bajaj is a world-renowned motorcycle manufacturer and is the world's largest producer of three-wheelers. GB Auto imports CKD units from the Indian manufacturer and conducts the assembly process at its Badr manufacturing facility situated in the Sixth of October City Industrial zone. Most recently in 2022, the Badr assembling facility achieved certification under the IATF International Automotive Standard through a collaboration with Near East Services, reflecting a significant accomplishment for both the facility and GB Corp.

GB Auto began operating in import and distribution activities of three-wheelers in the Egyptian market in 1999. However, due to regulatory changes that limit the import of three-wheelers, the company completely phased out three-wheeler inventory and continued working with the government to introduce a suitable replacement in this segment.

Moreover, GB Corp introduced a new tricycle product under the Lifan brand during the period, which is gaining significant traction in the market.

Bajaj's motorcycles models have gained significant demand in the Egyptian market on the back of the brand's quality, reliability, and fuel efficiency, making it one of the leading motorcycle brands in the market. Recently, GB Corp announced that the two- and three-wheeler's manufacturing team was selected out of 12 participating countries to receive the 1st and 4th ranks in the Kaizen award organized by Bajaj Auto Limited India for their international distributors.

Market Review

Volumes fell 77.0% y-o-y in FY23 on the back of the complete phasing out of three-wheelers inventory due to regulatory restrictions, as well as limited FX availability and import restrictions impacting motorcycle inventory. As such, revenues fell 73.2% y-o-y in FY23.



Egypt Commercial Vehicles & Construction Equipment

Revenue Contribution to Group 2023



5.0%

Egypt Commercial Vehicles & Construction Equipment

2023 Key Highlights

1,424.1 EGP MN

in revenue
(-6.0% y-o-y)

354

in Bus Sales Volume
(-49.6% y-o-y)

533

in Truck Sales Volume
(-53.1% y-o-y)

9

in Trailer Sales Volume
(-89.8% y-o-y)

47

in Construction
Equipment Sales Volume
(-40.5% y-o-y)



GB Auto's Commercial Vehicles and Construction Equipment (CV&CE) line of business distributes imported and locally assembled buses, trucks, trailers, and construction equipment in Egypt and exports buses to the Middle East and Africa.

The business unit assembles Fuso and Volvo buses, along with Fuso trucks, at facilities situated in Sadat and Suez. The business unit is also involved in the local distribution of Volvo heavy trucks, Shacman, and, most recently, UD Trucks.

The bus division offers the full spectrum of transportation solutions, ranging from 16-seat micro-buses to maxi buses boasting a capacity of 55 seats. Additionally, GB Bus operates a 285,000-m² bus body manufacturing facility, targeting local and export markets. To that end, the business unit started export operations of Fuso and Volvo buses to the Middle East and Africa with plans to expand its market presence in the region.

GB Auto boasts a diverse portfolio and unmatched manufacturing capabilities in its commercial vehicle line, which includes light, medium, and heavy-duty trucks tailored for individual contractors, fleet operators, large industrial entities,

and governmental agencies in Egypt. It is worth noting that GB Auto is the exclusive agent for Volvo Trucks in Egypt, through which it introduced three new models, namely Volvo FH, Volvo FM, and Volvo FMX in March 2022. These trucks are characterized by their fuel efficiency, cutting-edge technical features, and their contribution to strengthening the heavy-duty truck market in Egypt.

Meanwhile, the construction equipment arm of the division distributes a diverse range of products in the Egyptian market, including earth moving equipment and road machinery. The distribution is facilitated through agreements with leading companies, including Volvo Construction and SDLG. The division has a wide customer base for its heavy-duty equipment, including both private and public sector entities.

Market Review

In recent years, the main challenge facing the Commercial Vehicles and Construction Equipment segment was the shortage in supply, mainly driven by import restrictions and a slowdown in opening letters of credit.



Egypt After-Sales

Revenue Contribution to Group 2023



8.8%

Egypt After-Sales

2023 Key Highlights

1,781.7 EGP MN

Passenger Cars After-Sales Revenue

340.8 EGP MN

Motorcycle & Three-Wheelers After-Sales Revenue

374.1 EGP MN

Commercial Vehicles & Construction Equipment After-Sales Revenue

2,496.5

in After-Sales Revenue (38.4% y-o-y)

23

Services Centers

43

Showrooms

GB Auto manages Egypt’s most extensive and rapidly expanding network of after-sales service centers for passenger cars, motorcycles and three-wheelers, as well as commercial vehicles and construction equipment. GB Auto’s exceptional after-sales service acts as a differentiating factor in terms of the availability of spare parts and service, which are considered imperative to the Egyptian consumer. Additionally, it is an important element of the Company’s strategy as it complements its core sales across all of GB Auto’s lines of business. To that end, the Company had made substantial investments to continuously expand its network of after-sales centers and

showrooms nationwide to capture the rising demand as consumers face challenges in purchasing new vehicles and prioritize maintaining their existing ones.

Market Review

The after-sales segment recorded significant growth on the back of a change in consumer behavior, as consumers increasingly prioritize maintaining their existing vehicles due to difficulties in purchasing new ones. The Company’s extensive network of showrooms, sales, service, and spare part centers allowed it to capture the rising demand for after-sales services.



Egypt Tires

Revenue Contribution to Group 2023



6.4%

Egypt Tires

2023 Key Highlights

1,806.2 EGP MN

in Revenue
(10.5% y-o-y)



Passenger Car Tires



Light Truck Tires



Truck Tires



Off-the-Road-Tires



GB Auto maintained its position as one of the leading tire distributors in Egypt, boasting a stellar track record of more than 50 years. The Company distributes a range of leading tire brands for cars, vans, construction equipment, light trucks, and buses. These brands include Yokohama, Lassa, Westlake, Double Coin, Goodyear, Thunderer, MRF, and Sunfull.

Market Review

The tires line of business is one of the major contributors to GB Auto's top and bottom line. During the year, the segment recorded solid performance despite a challenging operating environment on the back of significant demand for its range of brands. Additionally, management is confident that as long as supply is secured, demand is healthy to drive further growth in the segment.

Regional

Revenue Contribution to Group 2023



22.7%

Regional

2023 Key Highlights

6,423.0

EGP
MN

revenue (35.7% y-o-y)



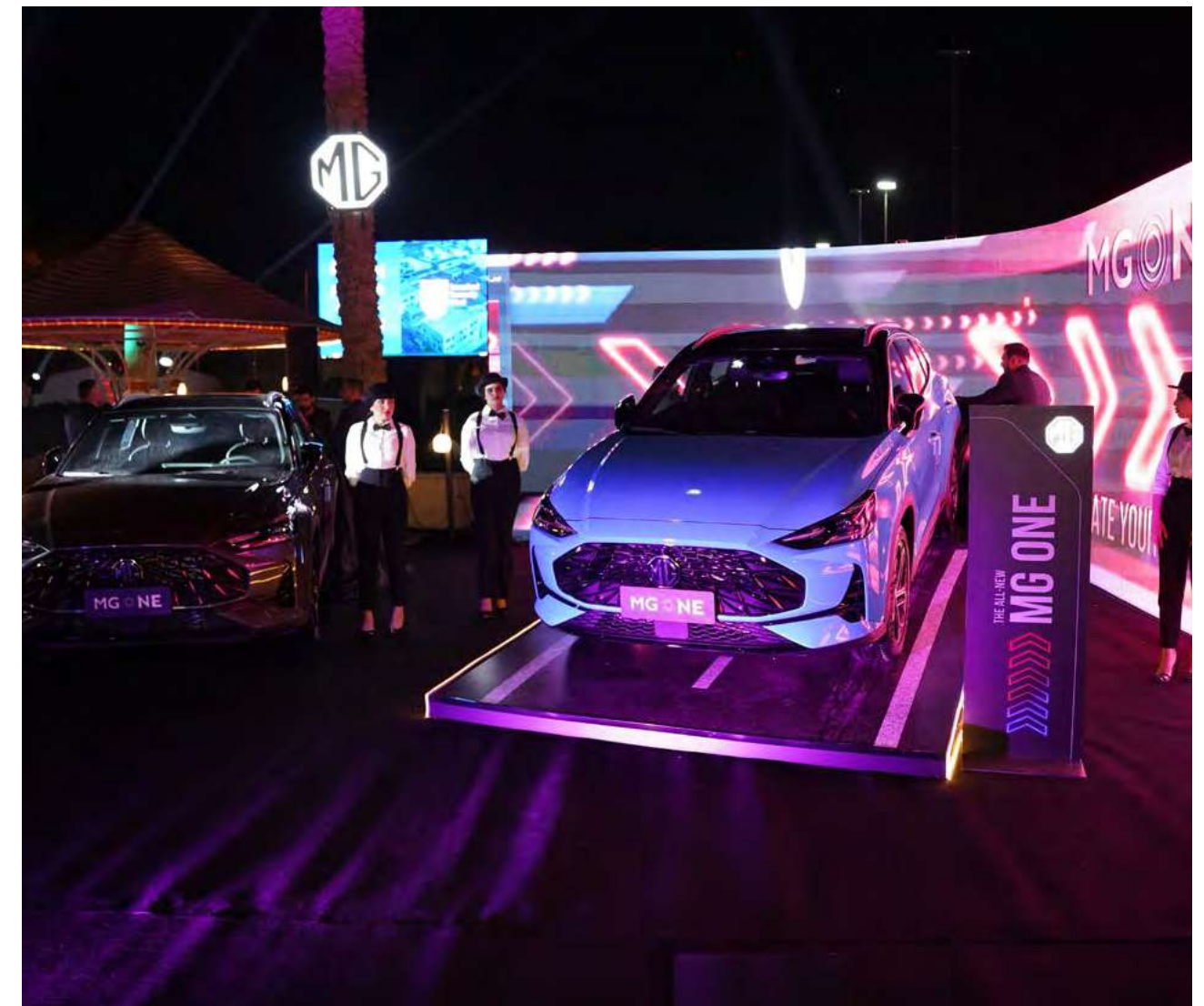
GB Auto continued to solidify its position as a leading automotive player in the Iraqi market. The Company currently imports MG CBU passenger cars, along with Bajaj motorcycles and three-wheelers, and distributes them in Iraq. However, recent regulatory changes came into effect on 1 July 2023, banning the importing of two- and three-wheelers. Despite this challenge, GB Auto continues to operate within the Iraqi market, focused on providing spare parts and comprehensive service offerings.

In September 2020, GB Auto introduced the Chinese MG brand in Iraq and has since gained significant traction in the market, which is reflected through the continuous increase in volumes and market share, as well as the channel mix and network development of the MG brand. To that end, in recognition of GB Auto's stellar performance in the Iraqi market, the Company was awarded the best market share, best product launch, best parts

operations, and most notably, the 5 Stars Distributor award. Looking ahead, the Company plans to expand its presence in the Iraqi market, and the positive performance of the brand thus far reinforces its long-term plans.

Market Review

GB Auto's presence in the Iraqi market is steadily growing on the back of the MG brand's increasing popularity, which saw its market share expand to 8.3% in FY23 compared to 6.8% in FY22. As such, GB Auto was awarded the recognition of global outstanding distributor for the MG operation in Iraq. GB Auto is focused on expanding its market share in the Iraqi market through capitalizing on further growth potential in the country. Additionally, management is cognizant of the latest regulatory changes pertaining to the ban on importing two- and three-wheelers and has already started identifying adequate plans for the future of the Company with developments expected to materialize in the beginning 2024.





Startups


Pursuant to GB Corp’s overarching strategy to continuously expand its product suite in the automotive sector, the Company has made strategic investments in a number of startups that complement its diversified portfolio.





Some of the startups in which GB Corp has made investments in include:

- 

Fabrika is GB Auto’s pre-owned vehicle division that offers consumers a wide variety of used cars from all manufacturers as well as trade in offers at GB Auto showrooms.
- 

El Mikaneeky is a trusted professional car servicing company that provides affordable solutions to the entire car market.
- 

GB Ventures is an entity that combines the automotive and financial know-how of GB Corp with the goal to empower Egyptian startups.
- 

GB Logistics is an Integrated Service Provider (ISP) that specializes in the delivery of high-quality logistics services to customers in Egypt and worldwide. GB Logistics provides excellent full-service logistic solutions that add value to its appreciated partners.
- 

Transport Vehicles Distribution (TVD) is a commercial vehicle distribution company in partnership with El Ghalban Auto Market Group that distributes JMC and Foton branded vehicles.



Since its inception, GB Capital has been driven by a solid vision and mission to establish a well-diversified and synergistic portfolio of non-banking financial services that align with GB Corp’s strategic objectives. With six majority owned and three minority owned subsidiaries, GB Capital offers an expansive product portfolio that caters to the rising demand for alternative financing solutions.

Currently, GB Capital, through its LoBs, provides corporate and individual clients with a diverse range of innovative lending solutions tailored to their specific needs. Additionally, the introduction of Kredit, GB Capital’s SME-lending arm, came on the back of GB Corp’s overarching strategy to diversify its portfolio and expand its product offering in the NBFS sector.

Despite a challenging operating environment, GB Capital achieved robust growth in 2023, underpinned by the company’s diverse portfolio that caters to a broad customer base. Looking forward, GB Capital remains committed to capitalizing on the rising demand for alternative financing solutions to further expand its product suite and drive sustainable growth.



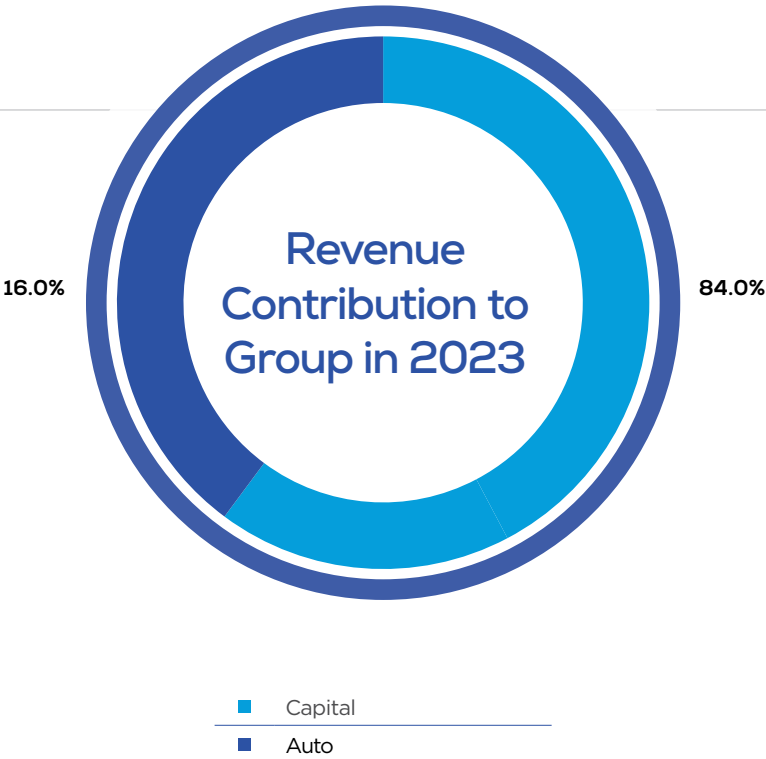
Key Highlights

4,463.2 EGP MN
Revenue (-44.2% y-o-y)

9.0 EGP BN
Loan Portfolio

20.8%
ROAE

15,650.4 EGP MN
Equity Value



Leasing

Revenue Contribution to GB Capital 2023



24.1%
Leasing

2023 Key Highlights

1,193.4 EGP MN
in Revenue
(57.2% y-o-y)

4.3 EGP BN
On-Book Portfolio
(-5.5% y-o-y)



The establishment of GB Lease and Factoring in 2008 marked a significant milestone for GB Capital, representing its first venture into the NBFIs space. Initially focused on providing finance for GB Auto’s commercial vehicles and corporate fleet clients, the company has since expanded its services to cater to a diverse range of clients, including both multinational and local corporates.

In line with the group’s overarching strategy to expand its product suite and diversify revenue streams, GB Lease and Factoring obtained its factoring license from the Egyptian FRA and initiated its factoring operations with the company signing its first client in 3Q23. Furthermore, GB Lease and Factoring made considerable efforts to streamline its operations with the aim of laying a solid foundation for growth in 2024.



GB Auto Rental, formerly known as Haram Tourism Transport, serves as GB Capital’s auto rental and operational lease arm. Despite the competitive landscape in the market, GB Auto Rental sustained its growth trajectory and secured solid market share, positioning itself as the leading fleet leasing company in Egypt.

The Company offers a diverse range of services, including acquisition, registration, vehicle maintenance, and insurance covering third-party damage and passengers. This comprehensive service offering has enabled GB Auto Rental to build a broad client base, including multinationals, financial institutions, and various private sector companies.

Throughout the year, GB Auto Rental continued to expand its fleet by securing new vehicle contracts, resulting in a total of c.400 units delivered and leading to solid revenue growth in 2023. Additionally, the company is poised for stellar growth in 2024 on the back of its solid pipeline to be executed in the near future.



Consumer Finance

Revenue Contribution to GB Capital 2023



75.7%

Consumer Finance

2023 Key Highlights

12.1%

Sales Volume Growth

3.7 EGP BN

Portfolio (-11.4% y-o-y)



Drive Finance offers comprehensive factoring and car loan services, along with a diverse range of financial solutions tailored to both individuals and institutions. Since its inception, Drive has achieved significant market penetration and established a robust presence in the highly competitive automotive financing sector. The Company focuses on medium-term tenors and prioritizes risk diversification through its expansive product offerings, broad client base, and strategic partnerships with renowned brands.

Despite the challenges in the automotive market, Drive achieved notable year-on-year growth supported by widespread increases in car prices, coupled with rising demand for automobile financing solutions. By diversifying revenue streams through enhanced market penetration in the used cars segment as well as expanded presence in the new passenger cars space, Drive successfully expanded its market share in 2023. As such, while the passenger car market contracted by 48.3% y-o-y in FY23, Drive's sales volumes increased by 12.1% in the same period. Additionally, Drive completed its fourth bond securitized offering worth EGP 1.4 billion to fuel future growth and expand its lending capacity. Consequently, revenues increased by 13.5% in FY23. It is important to note that in addition to the financing of GB Corp's passenger cars, as well as the agreements with key independent dealers within the Company's network, the Company's FRA-regulated financial solutions extend to a variety of SMEs and consumers that are unrelated to GB Corp.



Forsa, Drive's digital mobile app, achieved significant growth during the period as the company continued to grow its merchant network, which has now reached over 1,300 merchants in more than 6,000 stores. Additionally, the growth was driven by its collaboration with additional brands and expanding its products suite. During the year, Forsa introduced new financing options for large ticket items, such as club memberships, tuition fees, and home finishing products, as the company aims to retain existing clients and attract new ones through an expanded product offering.

Forsa has prioritized the enhancement of its asset quality by shifting towards large ticket items and by upgrading its credit scoring algorithm, ensuring clients have a better level of commitment. Additionally, the Company recently launched the Forsa Elite program with the aim of expanding its portfolio while maintaining its quality and minimizing its NPLs.



SME-Lending

Revenue Contribution to GB Capital 2023



0.2%

SME-Lending

2023 Key Highlights

8.7 EGP MN

in Revenue

150.0 EGP MN

in Disbursements

139.1 EGP MN

Loan Portfolio
(187.4% y-o-y)



Launched in 2023, Kredit is an innovative SME-lending institution authorized by the FRA with a focus on addressing the financial requirements of SMEs in Egypt. Prioritizing accessibility, dependability, and transparency, Kredit delivers customized loan solutions and a simplified approval procedure to empower its clients. Moreover, by leveraging strategic alliances with local experts, Kredit extends supplementary services to SME customers, including auditing, tax, accounting consultancy, export facilitation, and digitalization of sales platforms.

Throughout the year, Kredit gained significant traction in the market having secured EGP 224 million in credit facilities to kickstart its operations, with EGP c.150 million disbursed and an additional EGP 294 million in the pipeline. Notably, the Company has embraced a transformational approach through automating its internal operations to process requests efficiently.





Fintech

2023 Key Highlights

+5 MN

Clients Served

+2.5 USD
BN

Total Loans Disbursed

+100 USD
MN

Monthly Throughput

mnt | Halan

MNT-Halan holds a strong market position as the largest and fastest-growing non-bank lender targeting the unbanked population in Egypt. With cutting-edge technology and data-driven solutions, the company is spearheading the digitalization of traditional banking services. To that end, the company's outstanding microfinance loan book market share is +26.0% of the Egyptian market, with more than five million customers served through its platform.

MNT-Halan facilitates financial and commercial transactions through a comprehensive platform covering digital lending, payments, e-commerce, and consumer finance services, including buy-now-pay-later options. Emphasizing digital expansion, the company introduced the Halan card, which

gained significant traction in the market, with the number of users increasing by 30-40% q-o-q.

Furthermore, MNT-Halan partnered with Azimut to launch a savings product, providing daily interest to users. The company also introduced its first physical store, Halan Mart, offering a wide range of products and serving as a client onboarding hub to expand its customer base.

Strategically focused on delivering diverse financial services, MNT-Halan achieved solid growth in its loan book size and disbursements, further solidifying its leading position in the market. In addition, the company is exploring additional securitizations and sukuk offerings to fuel future growth.



Mortgage & Insurance



Bedaya, ranking third in its market segment and experiencing significant sales growth in 2023, is a joint venture between GB Capital, Talaat Moustafa Group, and EFG Hermes. As a mortgage finance provider, Bedaya offers long-term and competitive financial solutions for new move-in homes, aiming to enhance home affordability for Egypt's growing population. Moreover, Bedaya extends its services to support individuals acquiring residential, commercial, and administrative properties in Egypt.

With a focus on tailored mortgage solutions, Bedaya ensures individual customer needs are met. The company also prioritizes enhancing loan process efficiency to deliver prompt turnaround times and exceptional customer service. To achieve this, Bedaya invests in empowering its workforce with the necessary tools, knowledge, and support to provide unparalleled service quality.



KAF is a life insurance company that was acquired by GB Corp and EFG Hermes to capture the rising demand for insurance services in Egypt. The company offers a comprehensive product suite through innovative life and medical insurance solutions. As an Egyptian insurance company, KAF is licensed to offer life, savings, and health insurance products.

To internally improve operations, Kaf has secured partnerships with leading asset managers to introduce a suite of innovative solutions to fill clear market gaps. This will be pivotal for the year 2024 as Kaf enters the retail and savings insurance space.



Our Performance

In 2023, despite a challenging operating environment affecting both its Auto and Capital segments, GB Corp recorded solid results, reflecting its resilient business model and dynamic strategies.

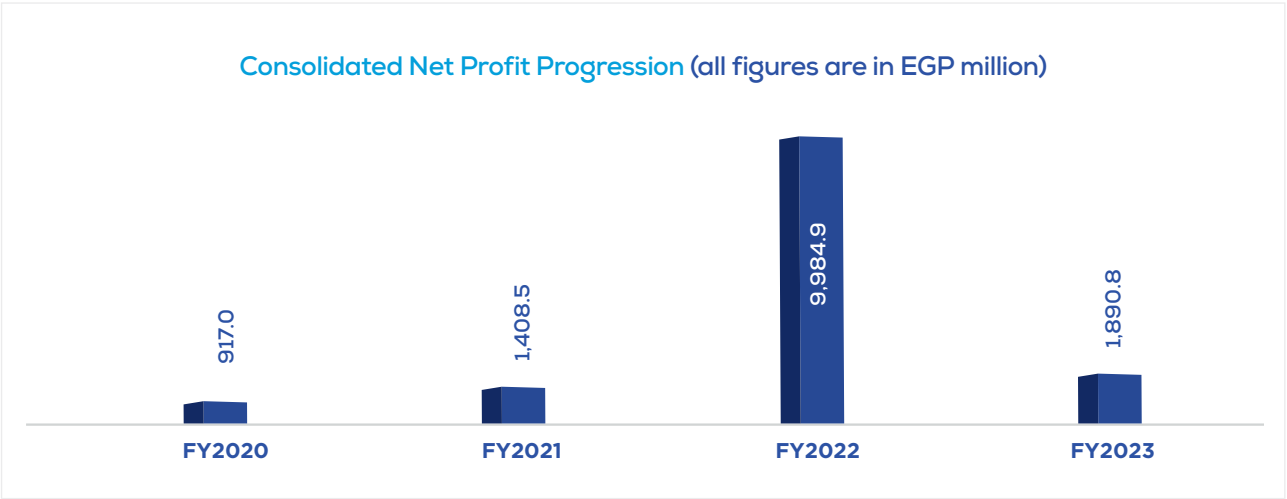
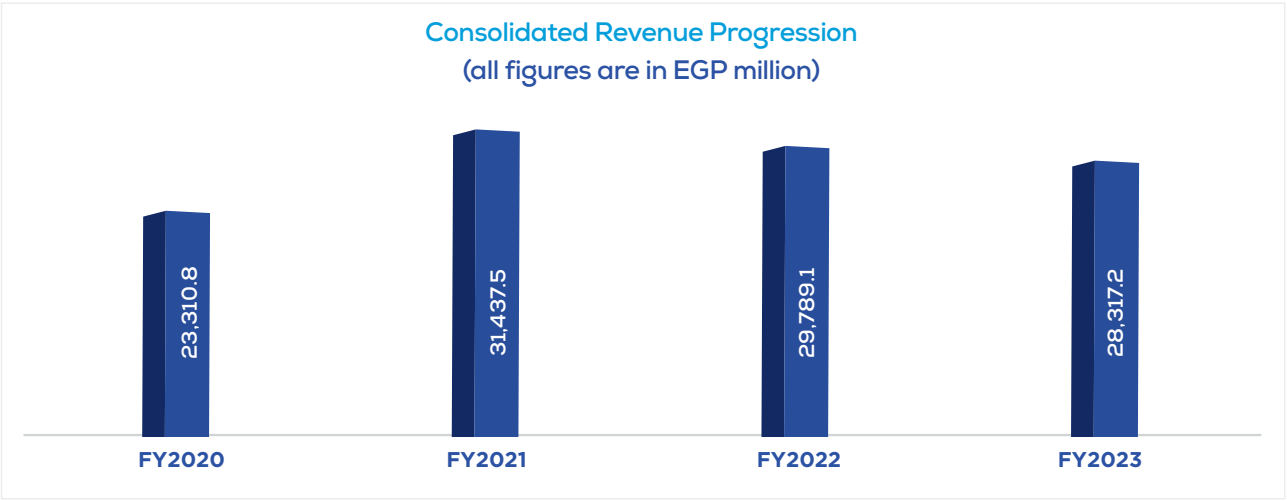
Consolidated Performance

GB Corp recorded solid results amid a challenging operating environment on the back of a resilient business model and diverse product suite. In 2023, GB Corp recorded revenues of EGP 28,317.2 million, representing a 4.9% y-o-y decline. Meanwhile, net profit decreased by 81.1% y-o-y to reach EGP 1,890.8 million due to the capital gain realized in

4Q22 through the sale of a 7.5% stake in MNT-Halan. It is worth noting that when normalizing for MNT-Halan’s deconsolidation and resultant capital gain, revenues would have shown a 12.4% y-o-y increase in 2023 and net profit would have recorded a 6.4% y-o-y increase.

Summary Income Statement

EGP MN	2022	2023	Change
Revenue	29,789.1	28,317.2	-4.9%
Gross Profit	8,113.0	6,884.5	-15.1%
Margin %	27.2%	24.3%	-2.9
Earnings Before Tax	12,263.4	4,769.7	-61.1%
Margin %	41.2%	16.8%	-24.3
Net Profit	9,985.0	1,890.8	-81.1%
Margin %	33.5%	6.7%	-26.8

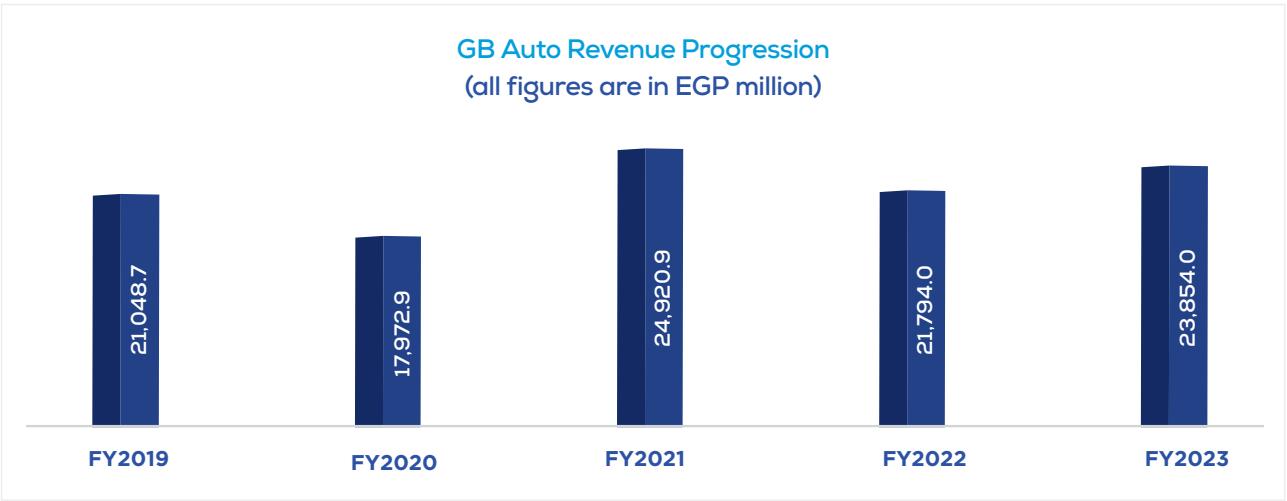


GB Auto

GB Auto’s revenues increased 9.5% y-o-y to reach EGP 23,854.0 million in 2023. The segment’s performance was largely affected by prevailing economic headwinds characterized by import restrictions, the devaluation of the EGP, a slowdown in opening letters of credit, and unplanned supply disruptions. Nonetheless, GB Auto was able to record stellar results on the back of improved pricing and an enhanced product mix across its LoBs, allowing it to maintain healthy margins. In terms of profitability, net profit fell 26.2% to reach EGP 688.6 million, with the decline mainly attributable to the full impairment of the group’s invest-

ment in Algeria by EGP 522.0 million and the capital gain realized in 4Q22.

During the year, the majority of GB Auto’s segment recorded solid year-on-year growth with the exception of Egypt Motorcycles and Three-Wheelers and the Commercial Vehicles and Construction Equipment segments, both of which were largely impacted by supply shortages and import restrictions. As such, GB Auto’s diverse product suite, which covers the entire spectrum of the automotive sector, offset the declined in the aforementioned segments, allowing GB Auto to record solid growth during the year.

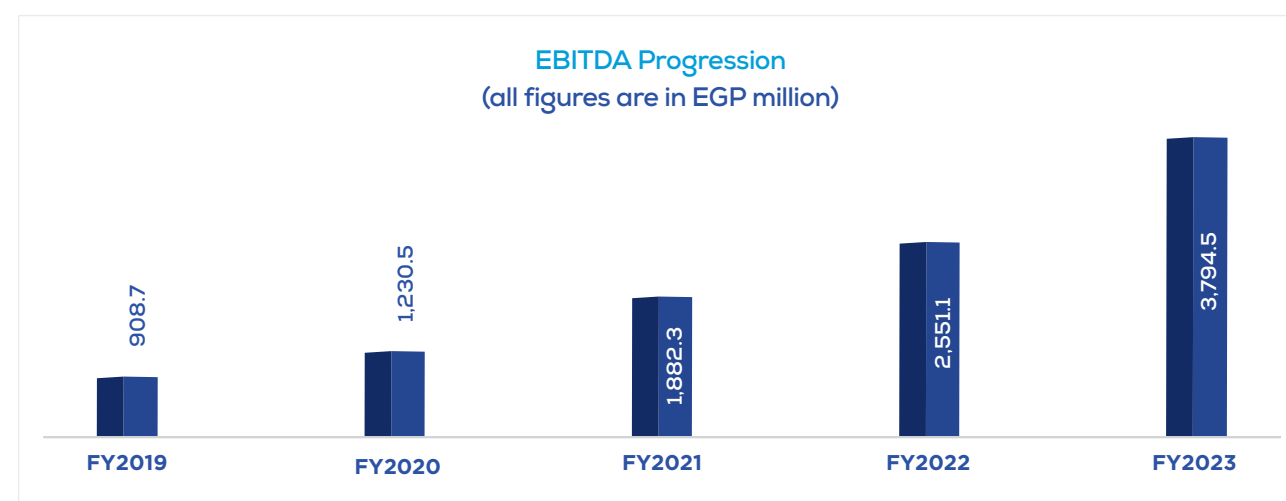


Breakdown of Revenue by Line of Business

EGP MN	2022	2023	Change
Passenger Cars	9,231.1	9,545.2	3.4%
Motorcycles & Three-Wheelers	1,915.0	513.4	-73.2%
Commercial Vehicles & Construction Equipment	1,515.0	1,424.1	-6.0%
After-Sales	1,803.4	2,496.5	38.4%
Tires	1,634.2	1,806.2	10.5%
Regional	4,731.5	6,423.0	35.7%

In 2023, GB Auto's EBITDA recorded EGP 3,794.5 million, representing a 48.7% y-o-y increase, with a margin expansion of 4.2 to reach 15.9%. This growth came on the back of enhanced cost

management and improved pricing, which helped offset the impacts of lower volumes, higher provisions, and FX losses realized due to the devaluation of the EGP.



Strong demand for GB Auto's portfolio and efficient management of working capital on GB Corp's end continued to support performance in 2023 amid uncertain market conditions. Inventory levels

and receivables have been optimized, while payables are extended due to import restrictions and limited FX availability.

Development of Working Capital of GB Auto

EGP MN	4Q22	1Q23	2Q23	3Q23	4Q23
Inventory	3,920.0	4,871.8	5,693.2	5,539.9	6,366.1
Receivables	1,432.2	1,493.4	1,530.0	2,045.3	1,743.5
Advances	742.5	880.7	858.5	776.9	913.6
Debtors & Other Debit Balances	1,927.1	1,979.0	2,502.8	2,267.0	1,547.9
Payables (Net)*	4,715.9	4,934.7	5,527.5	6,811.8	5,828.9
Working Capital	3,305.9	4,290.2	5,057.0	3,817.3	4,742.2

*Payables are shown net of financial lease-related liabilities amounting to EGP 275.9 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.

GB Auto has maintained a net debt position below the EGP 3,000 million mark, with the quarter-on-quarter increase attributable to higher working capital needs.

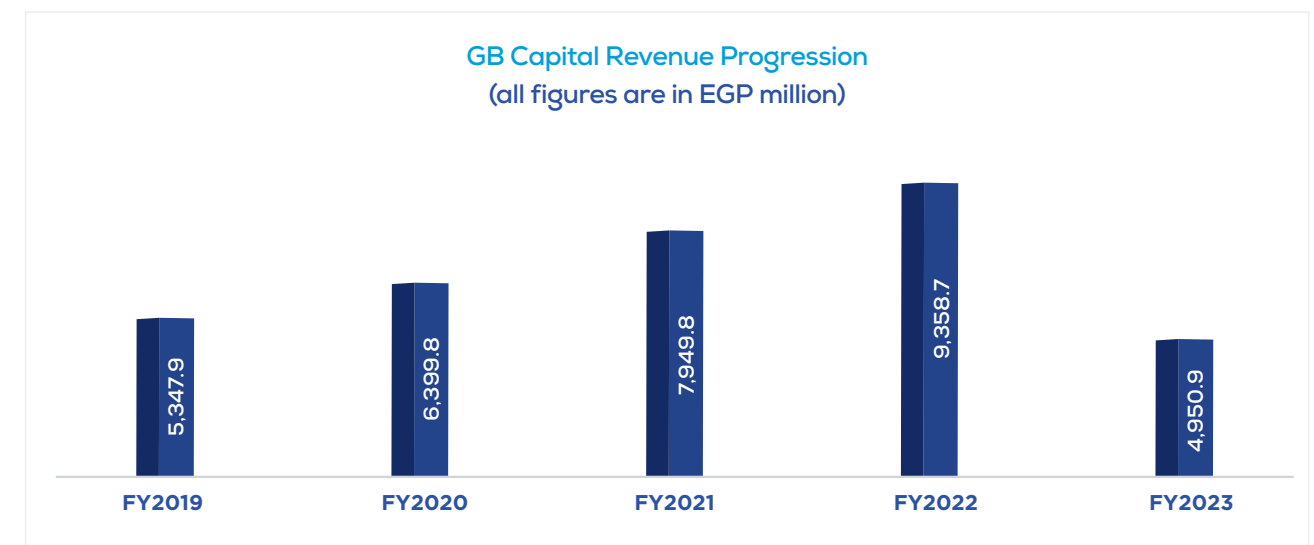
Development of Net Debt for GB Auto

EGP MN	4Q22	1Q23	2Q23	3Q23	4Q23
Total Debt	4,376.3	4,785.5	5,294.8	4,795.2	5,788.8
Notes Payable (Due to leasing)	1,011.9	902.2	783.3	685.0	1,030.6
Cash	2,776.9	3,222.4	2,435.0	3,231.6	3,446.1
Due from Related Parties – Inter segment	498.7	(103.3)	246.4	407.9	451.5
Net Debt	2,112.5	2,568.6	3,396.7	1,840.6	2,921.8

GB Capital

GB Capital continued to achieve solid growth, reflecting the resilience of its portfolio despite economic headwinds affecting the NBFS sector. GB Capital also continued to hedge its exposure to fluctuations in interest rates through a series of securitizations and corporate bond issuances across several of its LoBs, which helped mitigate risks amid the economic crisis currently taking place in Egypt. Additionally, these transactions fuel GB Capital's ambitious growth plans and help diversify funding sources. To that end, GB Capital is continuously scanning the market for opportunities to expand its portfolio, which is evident by the launch of Kredit – an FRA-regulated SME-lending company – in 2023.

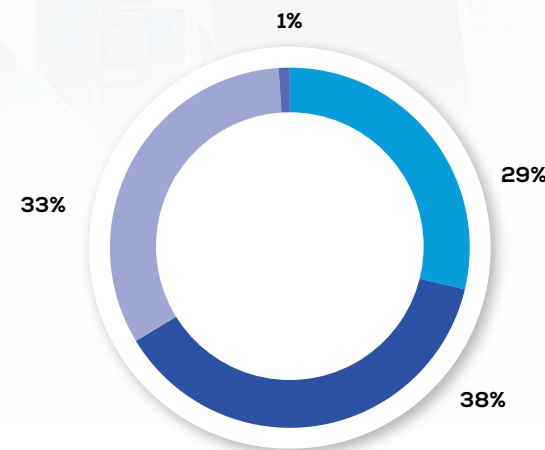
GB Capital's diverse product offering capitalizes on synergies with GB Auto and caters to the rising demand for alternative financing solutions through comprehensive financial services. During the year, revenues from GB Capital's companies contributed 16% to GB Corp's consolidated revenues. Revenues stood at EGP 4,950.9 million, representing a 15.8% y-o-y increase. Meanwhile, net profit fell 86.7% to record EGP 1,207.6 million in 2023 on the back of the capital gain realized in 4Q22 through the sale of a 7.5% stake in MNT-Halan. Excluding the capital gain, net profit increased 42.6% in 2023. It is worth noting that GB Capital's results were impacted by the deconsolidation of MNT-Halan.



GB Capital Portfolio Breakdown

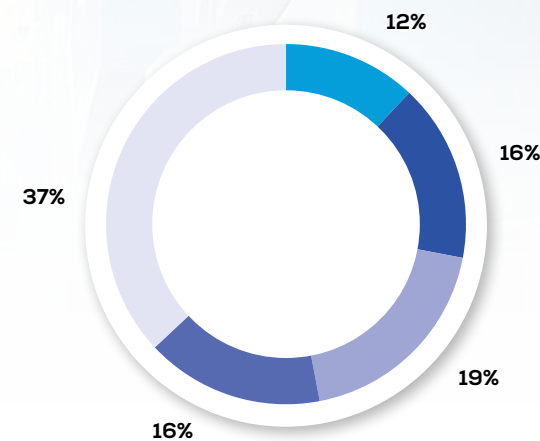
(As of 31 December)

9.0 EGP
BN



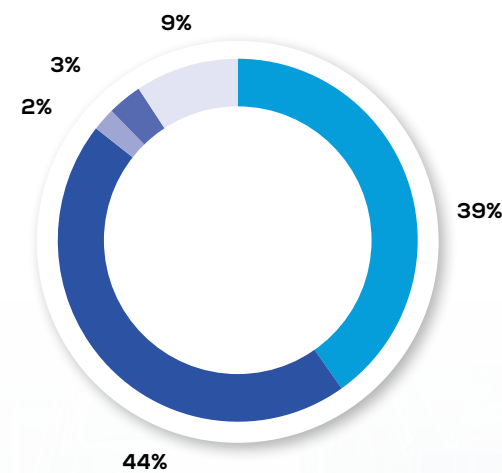
By Maturity

- < 1 year
- > 1 year < 3 years
- > 3 years < 6 years
- > 6 years



By Loan Size

- < EGP 100K
- > EGP 100K < EGP 500K
- > EGP 0.5MM < EGP 10MM
- > EGP 10MM < EGP 100MM
- > EGP 100MM



By Asset Type

- Automotive
- Real Estate
- Machinery & Equipment
- Commercial
- Other

Supplementary Financial Information – GB Capital (Excluding MNT-Halan)

	2022	2023	Change
Net Portfolio Assets	5,384.5	9,455.1	8,980.5
Debt / Equity	0.39x	0.48x	0.43x
Equity / Loan Portfolio	246.6%	159.0%	174.3%
Annualized Return on Average Equity (ROAE) – Excluding NCI*	20.8%	15.1%	20.8%
Annualized ROAA [Annualized the period EBIT pre-funding costs after tax / average assets of period]	68.8%	8.6%	11.2%
Annualized net interest margin (%) [(interest income – interest expense) for the last quarter X 4 / average portfolio size for the quarter]	11.5%	6.5%	6.6%
Provision for Portfolio:			
Provision (BS) / Loan Portfolio %	5.34%	3.65%	3.29%
Provision (BS) / NPL % (Coverage ratio)	105%	99%	111%
NPL / Loan Portfolio %	5.08%	3.69%	2.96%

*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.



Share Performance & Information

GB Corp has been publicly listed since 2007 and trades as GBCO.CA on the EGX. As at 31 December 2023, the company’s 1,085,500,000 shares had a market capitalization of c. EGP 8,600 million.¹ At year-end 2023, GB Corp had 11,785 shareholders, of which 168 were corporate investors and the

remaining 11,617 were individuals. The Company has 60 shareholders who own a million or more GB Corp shares, representing 84.2% of the issued shares. The following tables provide an overview of GB Corp’s shareholders:

GB Corp shareholders according to nature of shareholder (free float)

Investor Type	Number of Shareholders	Number of Shares	Percentage of Ownership
Corporate	168	338,757,018	85.2%
Individuals	11,617	58,708,851	14.8%

GB Corp shareholders according to nationality (free float)

Investor Type	Number of Shareholders	Number of Shares	Percentage of Ownership
Egypt	11,647	217,888,380	54.8%
Saudi Arabia	67	61,546,108	15.5%
USA	13	63,982,836	16.1%
Rest of EU	11	47,254,977	11.9%
Rest of World	44	6,070,283	1.5%
UK	3	723,285	0.2%

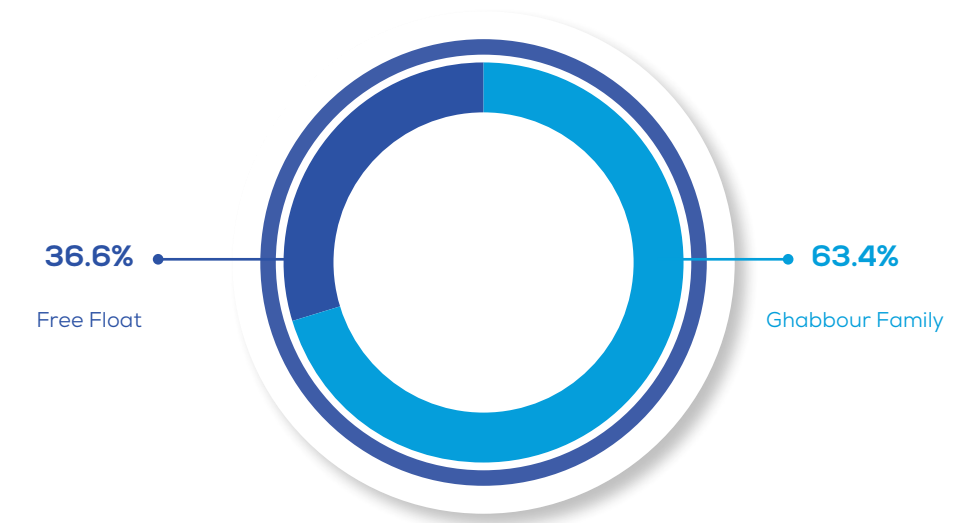
¹Based on share price of EGP 7.90 on 31 December 2023.

GB Corp shareholders according to size of ownership

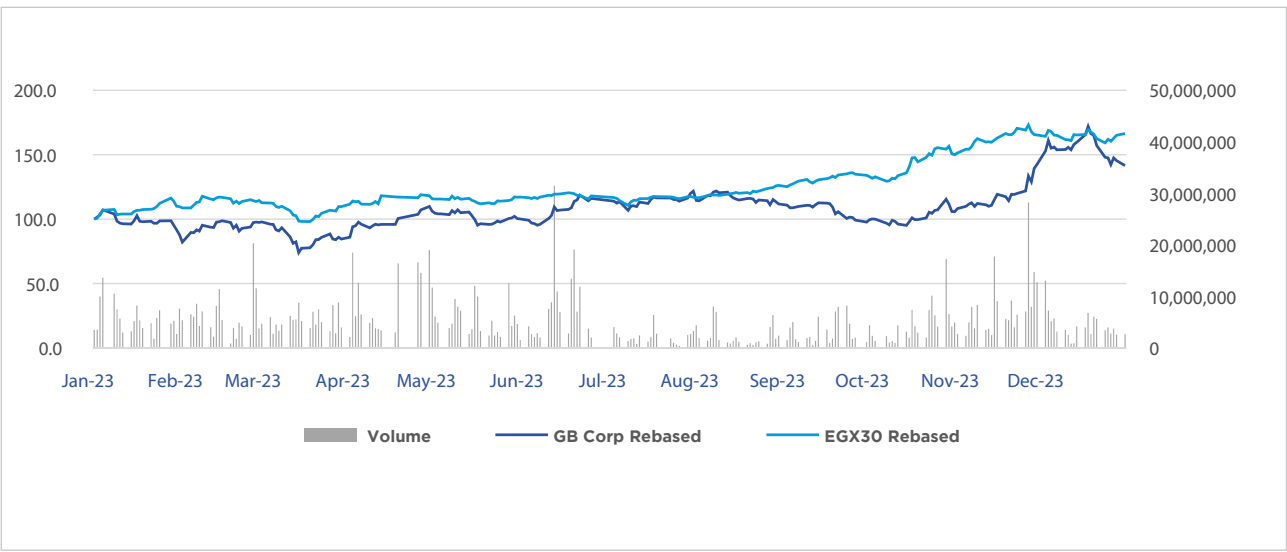
Investor Type	Number of Shareholders	Percentage Ownership
More than 10 million	3	37.8%
From 1 million to 10 million	57	46.3%
From 100,000 to 1 million	151	11.0%
Less than 100,000	11,574	4.9%



GB Corp shareholding structure (as at 31 December 2023)



GB Corp Share Price FY23 vs. EGX 30



¹Based on share price of EGP 7.90 on 31 December 2023.

Environmental, Social, & Governance

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Environmental Sustainability

GB Corp's new strategy integrates sustainable development as an integral pillar within its business model. As part and parcel of its long-term success, GB Corp recognizes the importance of sustainable industrial and manufacturing practices that prioritize environmental protection and the well-being of the communities in which it operates. As such, GB Corp is actively implanting international best practices across all operations and

consistently seeking opportunities to minimize its environmental impact. The Company's sustainability policy entails waste treatment initiatives, stringent controls on energy consumption, and measures to mitigate pollution risks. Additionally, GB Corp abides by local environmental regulations, adheres to international best practices, and follows expert recommendations concerning energy use and emissions.

3

Solar Energy Developments Underway Across Facilities

4.387 MWP

Expected Total Solar Energy Production Capacity

5,821

CNG Vehicles Delivered as of 2023

25 M³/HOUR

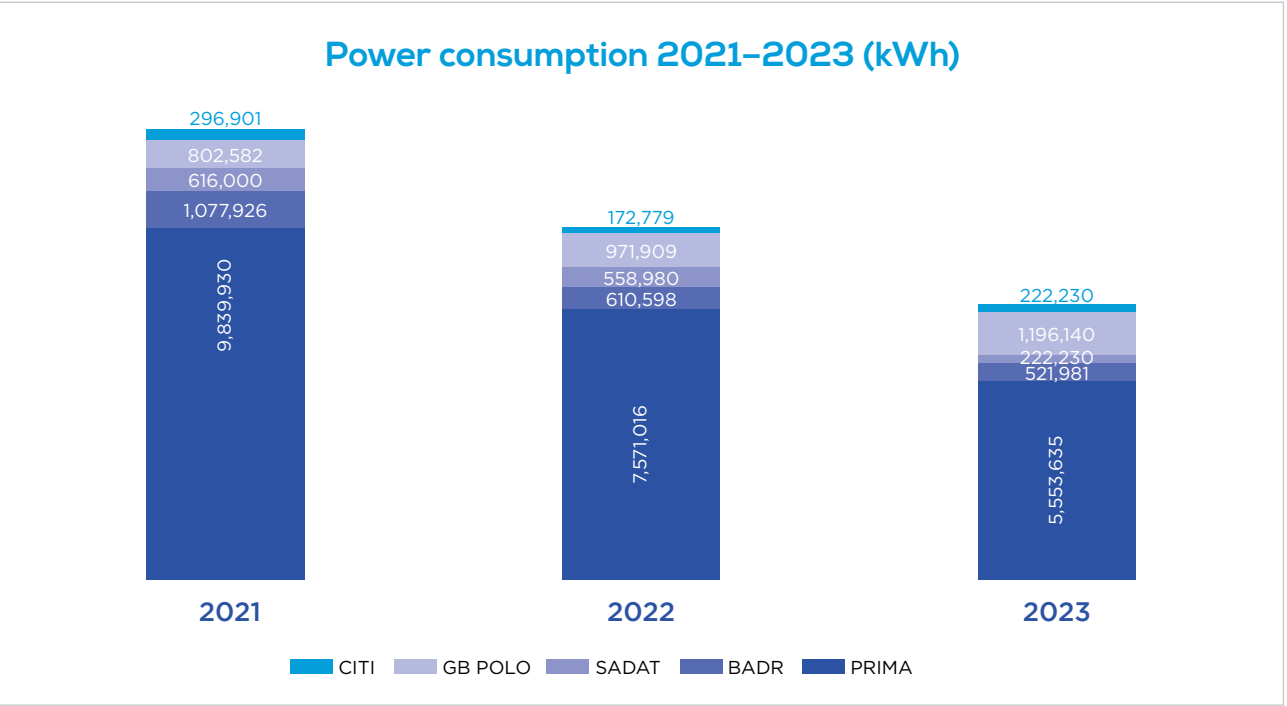
Wastewater Treatment Capacity

Reducing GB Plants’ Environmental Impacts

Solar Energy Developments

As part of GB Corp’s sustainability strategy, the Company is focused on integrating renewable and alternative energy sources across its footprint with the aim of reducing consumption and the reliance on traditional power sources. Additionally, one of the pillars of GB Corp’s sustainability efforts is its solar energy development initiative, which has a positive environmental impact across the Company’s plants. The strategic retrofitting of the PRIMA, Sadat, and Badr plants to incorporate these energy sources not only contributes to environmental advantages but also promises substantial annual cost savings

for the Company. Most recently, the Company began to collect offers to build a new solar energy station at the GB Bus plant with a capacity of 0.497 MWp. Additionally, the Company completed studies to build solar energy stations at ITAMCO 1, ITAMCO 2, Badr Plant, and Obour Service Center, with the study expected to be finalized in 1Q24. along with different financing strategies for the plants. Simultaneously, the Company is completing an energy saving management survey and study, which will start in Q124 and be ready by June 2024.



Facility	PV Panels Capacity (MWp)	Annual Yield (MWh)	% Coverage of Total Annual Demand	Annual Estimated Avoided CO ₂ Emissions (tCO ₂ e)	Operation Date
Prima	2.468	4,000	40%	1,740	Since June 2022 and awaiting electric authority contract
El Sadat	1.5	2,475	25%	1,076	June 2024
Badr	0.419	700	70%	304	June 2024
GB Polo	0.497	866	40%	1,092	August 2024

Natural Gas Development

Another aspect of GB Corp's sustainability strategy is to integrate natural gas into its plants. As such, the Company is currently undergoing a natural gas project at its Sadat Plant, which is expected to substitute 600,000 liters/year of diesel oil with 648,000 m³/year of natural gas. This project is expected to offset nearly 1,700 tons/year of CO₂ and save approximately EGP 2 million/year.

GB Logistics Obtains ISO Certificates

ISO certificates are globally recognized benchmarks for evaluating work systems and adhering to international standards. In 2022, GB Logistics, a leading provider of logistics and shipping services, achieved three ISO certificates for its operating systems. These certifications underscore GB Logistics'

unwavering dedication to sustainable operations and continuously enhancing its environmental impact. The following certifications were attained:

- ISO 9001 – specifies requirements for a quality management system (QMS)
- ISO 14001 – specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance
- ISO 45001 – specifies requirements for an occupational health and safety (OHS) management system



IATF International Automotive Standard

We are delighted to acknowledge the remarkable achievement of the Badr Plant and GB Corp in collaborating with Near East Services to achieve the IATF 16949:2016 International Automotive Standard. This milestone signifies significant advancement in our automotive production capabilities and underscores our commitment to growth and modernization.

Driving a More Sustainable Future

Natural Gas Vehicles

As part and parcel of GB Corp's sustainability and portfolio expansion strategy, GB Corp continued to spearhead Egypt's presidential initiative to transition vehicles to CNG. As such, GB Corp successfully delivered 712 vehicles in 2023, allowing the Company

to capture a 29.4% share of the CNG market. This comes amid a severe shortage of supply, underscoring GB Auto's unwavering commitment to driving a more sustainable future in the Egyptian automotive market. GB Corp's current CNG vehicle lineup comprises the Hyundai Accent RB and Elantra HD, as well as the Cherry Arrizo 5 and Tiggo 3.

Electric Vehicles

Another focal point of GB Corp's sustainability framework is the expansion of GB Auto's electric vehicle lineup, which comes on the back of the Company's commitment to reduce its carbon footprint and drive for a more environmentally sustainable future. In addition, GB Corp's expansion into electric vehicles aims to capture a new customer segment focused on minimizing emissions and

contributing positively to the environment. As such, GB Corp has secured a solid pipeline of electric vehicles with an expected launch in the coming year.

Enhancing Water Consumption and Resource Efficiency

Water and Wastewater Treatment

GB Corp adheres to the wastewater standards set forth by the National Center for the Study of OSH. During the year, GB Corp adopted a best practice approach, with the Company expanding its capacity of repurposing wastewater for utility purposes. Currently, GB Corp is equipped to treat up to 25 m³ of wastewater per hour, and the Company is actively constructing a sludge disposal unit and desalination unit, which would enable the reuse of treated water for both manufacturing and irrigation purposes. At the Sadat Plant, the Company is currently developing a wastewater treatment plant with a capacity of 25 m³ per hour, which, in addition to the aforementioned projects, reflects GB Corp's commitment to responsible water waste management and sustainable practices.

Waste Reduction and Disposal

In alignment with its sustainability objectives, GB Corp persistently seeks to enhance resource efficiency and advance its recycling processes. The Company engages industry experts, operating under the supervision of the Ministry of Environment, to manage its waste and hazardous material disposal procedures. This collaborative effort underscores GB Corp's commitment to responsible waste management and environmental stewardship. To that end, the Company implemented a paper reduction initiative with the aim of reducing paper usage across all levels of the organization. As such, the Company has eliminated the need for 1.7 million papers between 2020 and 2023, with 174,000 saved through digitizing documentations and forms in certain areas of the business. Additionally, GB Auto approved the digitization of three stages in its invoicing process, which will eliminate an additional 51,000 papers and save 20,000 in 2024. Similarly, GB Corp developed a comprehensive strategy for the secure disposal of outdated or irrelevant documents, ensuring compliance with data protection regulations. As a result, more than 146 tons of paper were shredded and disposed of throughout the past three year, with a return of approximately EGP 718,000.



Corporate Social Responsibility

At GB Corp, corporate social responsibility (CSR) initiatives are in line with the Company’s sustainability objectives and are supported by a solid business strategy. Our foremost priority lies in the establishment of a vocational education framework aimed at enhancing the lives of Egyptians and driving economic development.

Additionally, the foundation organizes events to promote people’s well-being and develop strong ties with the communities it operates in. These events include football tournaments, open-house gatherings, Go-Kart competitions, career orientation sessions, and campaigns aimed at promoting safe driving.

45.4 EGP MN

Donations by GB Corp in 2023

44.0 EGP MN

Annual funding for Ghabbour Foundation

5

Vocational Schools Developed

1,000

Students Enrolled

500

Graduates Since 2020

60

Trainers

40

Theoretical Teachers





Ghabbour Foundation for Development

The Company's social development initiatives are closely linked to its ability to develop vocational education and training within its specialized sectors, especially the automotive industry. As such, GB Corp recognizes the shortage of skilled labor and the widening gap between vocational school graduates' skills and the industry's competitive requisites, which is the main reason behind the establishment of the Ghabbour Foundation for Development in 2017. The Foundation collaborates with governmental entities to provide three-year vocational training programs across its schools, serving more than 1,000 students across its three years, of which 150 are young women hard driven to join the highly competitive automotive job market. Additionally, the Foundation opened doors in July 2023 for applicants from all over Egypt to the Ghabbour 1 and Ghabbour 2 schools, selecting the top 210 students to join both schools out of 4,000 applications submitted by eligible preparatory school graduates.

The Foundation's vocational schools mainly focus on areas such as automotive mechatronics, body repair, and automotive painting. Upon completion

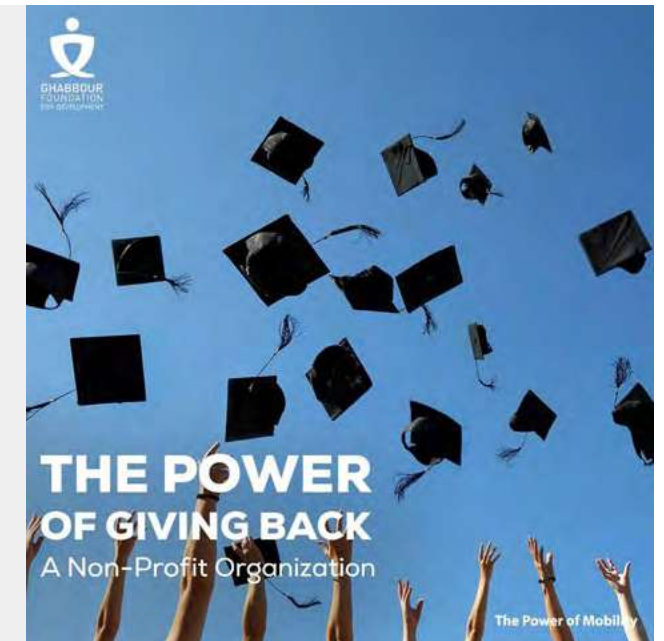
of the program, graduates are prepared to enter the workforce, having undergone accreditation exams administered by the German Arab Chamber of Industry and Commerce (AHK), which adheres to the rigorous standards of the German Dual Education System in assessing the knowledge, skills, and application of material presented throughout the course of the program. Furthermore, to guarantee effective academic oversight and management, the Foundation partners with Saxony International School Middle East (SIS ME) to ensure its vocational schools are consistently providing best-in-class education.

We are also pleased to announce that the Foundation has secured two major international grants, the first being from the KFW-funded Investing for Employment (IFE) initiative, which will be used to establish state-of-the-art training facilities. Meanwhile, the second grant received from the Erasmus+ program goes toward the Future VET Skills project, which is aimed at expanding the capacities of trainers and teachers in our schools, enabling them to deliver technical and soft skills that are considered critical for the jobs of the future within the industry 4.0.



Class of 2023

The Ghabbour Foundation is pleased to announce the graduation of its fourth cohort of vocational training students. We take great pride in our students' accomplishments and are confident in their ability to make a meaningful impact wherever they go. Through the institution's employment office, we remain committed to guiding our graduates on their journey toward securing employment at leading plants and esteemed companies. In 2024, the Ghabbour Applied Technology schools will witness the graduation of 400 students, including the first Egyptian female technicians in the automotive industry.



Community Engagement

Zayed Children's Book Exhibition

GB Logistics, a subsidiary of GB Corp, is dedicated to giving back to our community and inspiring the next generation through continuous learning. We are thrilled to have provided transportation services for the "Zayed Children's Book Exhibition," ensuring effortless access for all children. Our devoted team offered a fleet of buses, guaranteeing a hassle-free experience. As a result, we are honored to receive an appreciation trophy for our commitment to making the exhibition easily accessible. We are immensely grateful for the opportunity to contribute to the resounding success of Sheikh Zayed City's first-ever Children's Book Exhibition.



Most Powerful Women from the Middle East

In February 2023, Ghabbour 2 Applied Technology School received a visit from a group of the Fortune-US Department of State Most Powerful Women from the Middle East program, which is part of the International Alumnae component of the Fortune-US Department of State Global Women's Mentoring Partnership. The four-day program, led by an American trainer and a mentor, allowed participants to benefit from the personal and professional insights of a successful businesswoman and leader. Also, Aleya Serageldin, Executive Director of Ghabbour

Foundation and an alumna of the Fortune-US Department of State Mentoring Partnership, provided participants with a presentation regarding the Foundation's mission and led a detailed tour of the school premises. Additionally, participants got an opportunity to know more about the Foundation's role in developing vocational education in Egypt and hear the stories of young female students breaking into a male-dominated field, including the challenges and opportunities they face and their aspirations for the future.



Edu Tech Egypt 2023

The Ghabbour Foundation was the main sponsor of the International Exhibition for Technological Education and Vocational Training (Edu Tech) in its second edition. The forum brought together all those interested in technological education in Egypt, including various modern technical universities and leading specialized educational schools. Edu Tech aims to contribute to the development of technical and vocational education in Egypt and to involve different stakeholders from the vocational education

ecosystem. Ghabbour Foundation's students also got the opportunity to participate in the forum's activities and introduce their schools to their peers and the visitors of the exhibition. Students also got the chance to meet their counterparts from different schools and discuss potential collaboration opportunities. The forum's activities include panel discussions revolving around the future of technical education in Egypt and how to link graduates to the local and global labor market.

Ghabbour Foundation Football Tournament 2023

As part of our efforts toward shaping our students' integrated personality, the Ghabbour Foundation relaunched the Ghabbour Tournament, which had originally started in 2019. In 2023, the tournament took a more comprehensive form over the course of two weeks across the Ghabbour 1 and Ghabbour 2 schools with several activities under its umbrella, including sports events, hobbies exhibition, and training on health and well-being. The activities took place in the form of different team-building games, a football league, workshops, and lectures. This annual event reinforced positive values among our students and provided all participants, including students, teachers, trainers, and administrators, with the opportunity to interact and network in a constructive environment.

Service Advisors Yearly Conference

We are pleased to announce that the second

Service Advisors Conference took place at the esteemed Dr. Raouf Ghabbour Ballroom. The conference, organized by the Operation Development (KAIZEN) team, aimed to update our front-line staff on current and upcoming projects in the PC service. The event provided a platform for service advisors to discuss their daily operational challenges and find solutions to enhance operations. This conference has empowered our service advisors to enhance their performance, leading to improved customer satisfaction and the achievement of GB Corp's objectives.

Dr. Raouf Ghabbour Awards Ceremony

This year, GB Stars' finalists and teams came together at the GB Academy to celebrate the cohort of 2022-2023 on our annual GB Stars event. The teams were joined by executive management and GB Corp's CEO, Mr. Nader Ghabbour. Most Notably, this year's event witnessed the naming of GB Academy's ballroom after our former CEO, Dr. Raouf Ghabbour.

People's Choice Q1 Recognition Ceremony

This year's recognition ceremony saw 30 winners recognized for their efforts and lasting impact within GB Corp. During the ceremony, we had the pleasure of welcoming our guests of honor: Dr. George Sedky, Eng. Ramez Adeeb, and Mr. Ahmed Ossama, who shared insightful and inspirational words during the event.



One Team Ramadan Competition

This year saw the launch of the One Team Ramadan Competition, where employees came together as One Team to provide 120 children and toddlers with new pairs of shoes for Eid. The campaign held was in collaboration with the Face for Children in Need association.

Amwal Al Ghad Award

We are proud to share that GB Corp has been awarded the prestigious Amwal Al Ghad award for its outstanding efforts in overcoming global challenges and breaking barriers. This momentous occasion was celebrated under the esteemed patronage of Dr. Mostafa Madbouly, Prime Minister of Egypt.



Bajaj Kaizen Awards

GB Corp, as the distributor of Bajaj in Egypt, participated in the “Second BAL Kaizen Award” competition for international distributors, which gave Bajaj India 54 nominations from 11 countries. Three kaizen ideas submitted by GB Corp were selected to receive the second quarterly BAL Kaizen Award among all 54 nominations.

GB Corp First Aid Essential Course

In 2023, GB Corp held the First Aid Essential course, designed to equip employees with essential life-saving skills.

Community Investment

Goodyear Middle East and Africa and the Ghabbour Foundation Partnership

Goodyear Middle East and Africa and the Ghabbour Foundation for Developed announced a three-year partnership focused on implementing a state-of-the-art tire maintenance training workshop and a dedicated sponsorship program for three female students toward training, upskilling, and enhancing automotive and technical talent at the Ghabbour Applied Technology Schools in Cairo.



Launch of the Erasmus+ Project

The Ghabbour Foundation for Development received a grant for the European Union funded by Erasmus+ in cooperation with two educational institutions in Germany and the Netherlands, alongside SIS ME, the academic partner in Egypt. The project aims to build the capacities of trainers and teachers in Egyptian vocational schools to enable them to deliver technical and soft skills in line with industry 4.0 and globalization requirements in the automotive industry. The program aims to empower a new

generation of automotive technicians capable of leading industry reform in Egypt and to serve the growing needs of European job market for a capable and mobile taskforce. The program focuses on essential skills, such as e-mobility, programming, robotics, industry 4.0, cognitive, self-leadership, entrepreneurship, and digital skills.

GB Corp & Rotary International:
A Partnership of Impact



GB Corp received an award of appreciation from Rotary International in recognition of our joint effort to provide 247 families across five communities in Beni Suef with essential freshwater connections. This underscores our unwavering commitment to building a better future for all.

Kick Down 2nd Batch Graduation – Youth Empowerment

As an integral component of the GDP technical track, the Kick Down program aims to develop future automotive engineering graduates by enabling them to foster imperative technical and theoretical expertise. This entails formal instruction and hands-on experience, which ensures well-rounded formal training and on-the-job development.

1st Changan World Skills Competition by PC Service – After Sales

GB Corp firmly believes that investment begins with people, and therefore, PC Service played a significant role in the 1st Changan World Skills competition, effectively bridging the gap between GB Auto and the OEM, Changan Automobile Company. In collaboration with the GB Academy, a skills contest was organized, attracting 14 service advisors, four technicians, six team leaders, and five support engineers. Notably, GB Corp Egypt secured the top positions in the Service Advisors Semi Finals, excelling in the certification test and role-play evaluation. The culmination of these efforts resulted in the service advisor’s achievement of a prestigious bronze medal.

The British University in Egypt field visit to GB Academy

The GB Academy welcomed a visit from the Faculty of Engineering of the British University in Egypt, including Dr. Sayed Akl, Vice Dean of Engineering for Community Service, and professors and a group of 20 student. The visit included inspecting workshops,

training classes, the latest tools and equipment, training in the technical field, and viewing all the programs offered by the GB Academy.

Expansive Regional Footprint

This year saw us continue expanding our portfolio through including new plants, factories, and facilities aimed at enhancing our operational capabilities.

- **Sadat Assembly Factory:** Our projects team is currently overseeing the construction of a state-of-the-art vehicle assembly factory in Sadat, featuring a total built-up area (BUA) exceeding 43,000 m². This facility will include essential components, such as a body shop, final assembly line, paint shop, and utility buildings.
- **East Africa Projects – Kenya:** We are currently developing a two-phase project in Kenya, including a showroom, warehouse, and office space covering an area of 2,200 m². Phase two will see the establishment of a PC/CV service center on a rear land spanning 23,000 m².
- **Mombasa** – We are renovating an existing 3S facility in Mombasa, converting it into a multi-use space for commercial vehicles, passenger cars, and light trucks. The facility boasts a total area of 4,036 m² and is scheduled to be operational in the near future.
- **Aswan** – In Aswan, we continued to work on our expansion plan. The first phase involves the construction of a CV workshop with two long bays. The second phase of the project entails the addition of a CV workshop, administration building, and a PC workshop and showroom.
- **Damietta** – We are developing a plot of land spanning 7,142 m² in Damietta to accommodate Hyundai and multi-brand showrooms, along with a PC service center encompassing both body and mechanical services.






Ghalya by Ghabbour: A Collaboration Between the Ghabbour Foundation and ALEXBANK

In the second year of the “Ghalya by Ghabbour” initiative, GB Corp continued to have a strong impact on women’s empowerment through its strategic partnership with ALEXBANK, which aims to provide a complete program to prepare female students

for careers in auto maintenance. To do this, students of the program are enrolled in the Ghabbour Schools of Technology, which are established in collaboration with the Ministry of Education and Technical Education. Initially spanning three academic years (2022-2025), this partnership is geared toward promoting gender equity through technical educational and vocational training. Moreover, the

program provides employment opportunities for female students and offers a one-year scholarship for further certified training in Germany for select, high-achieving individuals.

Community Donations

Organization	2023	Change from 2022
	EGP 5.3 million	23%
	EGP 37.3 million	7.2%
	EGP 1.9 million	200%
	EGP 0.25 million	-
	EGP 0.65 million	-
Total	EGP 45.4 million	-



FACE for Children in Need

GB Corp is the main partner of FACE, a children outreach agency that implements a number of services to address the needs of children through family reintegration and institutional placement. FACE's programs include National Family Reintegration, Street Children, Abandoned Children, and Sustainability Training programs. During the year, FACE teams were able to reach and support 4,500 children and 1,400 family

members through its extensive on-ground presence, supported by 155 local staff — 60% of which were women. To achieve this, FACE's teams made over 32,000 contacts across different communities in Egypt, allowing them to deliver essential support to in-need children. The FACE program underpins GB Corp's commitment to having a positive social impact on Egypt's underserved communities.

4,500

Children Support

1,400

Family Members Supported

200

Daily Capacity for Immediate Protection of Babies

155
(60% Female)

Egyptian Staff Network



FACE Street Children Program

The program is dedicated to providing protection and support services to children living on the streets, in detention centers, and in impoverished communities. Through proactive outreach efforts, teams of social workers connect directly with vulnerable children and families, delivering essential services that include medical care education, psychosocial support, and legal aid.

- Street Outreach: over 1,100 street children
- Detention Outreach: 600 detained children
- Community Outreach: 2,500 children and 1,200 family members
- Transitional Home: 58 Children
- Case Management Support: 81 Cases
- Networking and Collaboration: FACE collaborates with local and national authorities, international organization, and civil society to improve child protection in Egypt



FACE Abandoned Children Program

During the year, the program made significant strides in providing holistic care for vulnerable children, including:

- Making preparations for the opening of the National Kafala Center to protect abandoned babies and facilitate safe family placements
- Maintenance of three FACE homes, caring for 229 children and offering medical, psychological, and education support
- Enrollment of children in non-formal and public education, alongside recreational activities for social development
- Implementation of robust case management to support family reunification and alternative care placements
- Successful reintegration of 20 children into families or Kafala arrangement with aftercare support for transitioning youth
- Active engagement in advocacy and capacity building to reform child welfare policies.



Development of FACE Training Unit

The Face Training Unit enhanced its impact through internal and external training. External efforts included training 104 school students and providing support to 26 Kafala families. Internally, staff received training on child development, social work, and strategic planning. The abandoned children program focused on childcare techniques and implementing child protection guidelines. These initiatives aim to enhance the quality of services provided and ensure the well-being of children in all FACE programs.

Corporate Governance

Board of Directors

The Board of Directors at GB Corp leverages its extensive decades-long experience and foresight to oversee the Company’s activities and evaluate its performance. Led by accomplished professionals and industry veterans with diverse expertise in both public and private sectors of the region, GB Corp’s BoD brings a wealth of expertise to guide

the business, make strategic decisions, and promote success across all verticals of the group. In line with its responsibilities, the Board ensures transparency across the organization and works to mitigate risks. The Board comprises two executive and five non-executive members, including three independent members.



Mr. Mohamed Naguib
Non-Executive Chairman of the Board

November 2022–PRESENT

Mr. Mohamed Naguib has served at the boards of various prominent banks and corporations in Egypt and has accumulated nearly 40 years of experience in the fields of banking, leasing, and credit. Between 2011 and 2018, Mr. Naguib was Chairman and Managing Director of SAIB Bank and, prior to that, served as Vice Chairman and Head of the Credit and Investment Committee at Banque Misr. Mr. Naguib had also served at Misr International (MIBank) for over 20 years as General Manager of Credit and Marketing before joining Incolease as Member of the board from 2000 to 2010. Furthermore, Mr. Naguib served

as Non-Executive Chairman of Misr Bank-Europe in Germany for two years, and he was a member of the boards of the National Bank of Egypt, the Civil Aviation Finance Holding Company, and the Small and Medium-Sized Projects Fund, among many others. Mr. Naguib has attended various banking and credit seminars across the United States and the UK, in addition to retaining a CPA certification in the state of Colorado for 12 years. Mr. Naguib holds a BA in accounting from Cairo University and an MBA from The American University in Cairo (AUC).



The Board of Directors at GB Corp leverages its extensive decades-long experience and foresight to oversee the Company’s activities and evaluate its performance.



Mr. Nader Ghabbour
Chief Executive Officer

March 2021–PRESENT

Mr. Nader Ghabbour brings over 15 years of specialized experience in the automotive industry to his role, which he has cultivated through the managerial and operational positions he has held at GB Corp. Prior to his current role, Mr. Ghabbour served as Group Chief Operating Officer, where he was responsible for a multitude of vehicular operations in Egypt and the region. Beforehand, he had served

as Passenger Car Chief Operating Officer and Project Management Officer Leader. Mr. Ghabbour trained in Mergers and Acquisitions at the London Business School in the UK. He holds a BA in business administration from Boston University and an MBA from IE Business School, Madrid.



Mr. Mansour Kabbani
Non-Executive Director

April 2017–PRESENT

Mr. Kabbani brings more than 30 years of experience to GB Corp. He joined in 2015 as VP for Project Coordination and currently oversees group investments as well as investor relations. In 2017, Mr. Kabbani joined the Board of Directors of GB Corp. In 2021, he was elected as the Chairman of GB Capital. Mr. Mansour Kabbani spent a decade working in textile spinning before becoming CFO at Techno-

logical and Electrical Systems (TES) for two years. Along with Dr. Ghabbour and partners, he helped establish CITI in 1997 which later merged with GB Corp. Between 1997 and 2015, Mr. Kabbani ran his family investments and accumulated vast experience in capital markets. Mr. Kabbani graduated from AUC in 1981 with a BA in Economics.

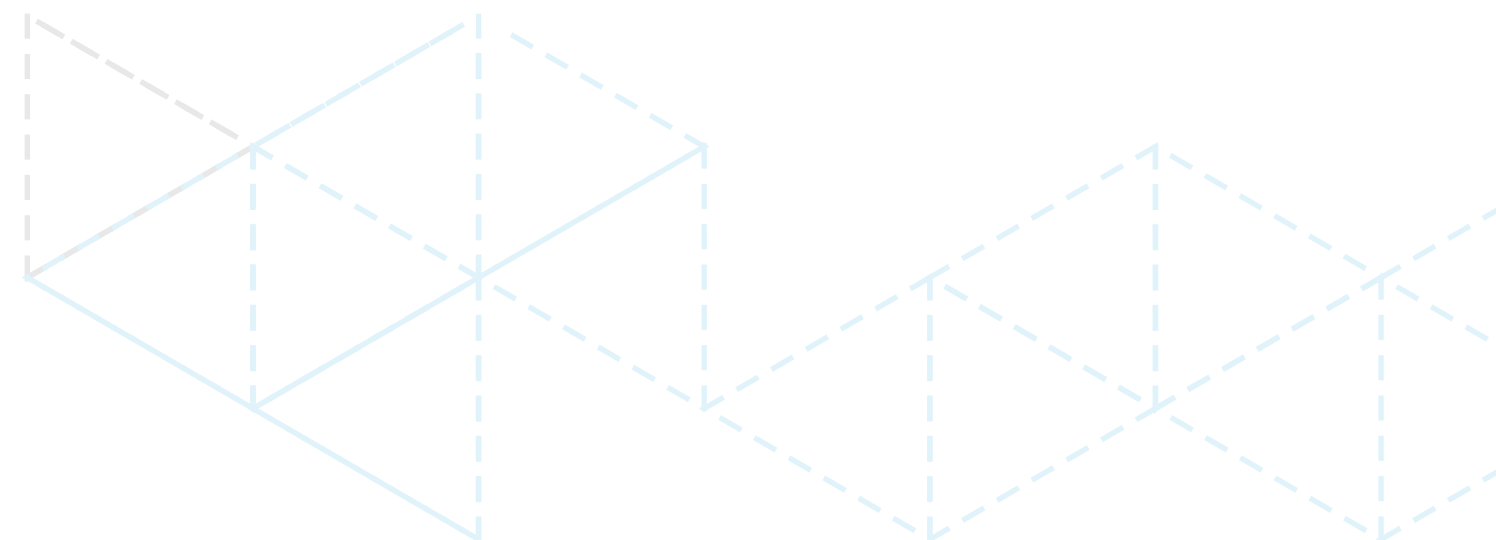


Mr. Mounir Fakhry Abdelnour
Independent Board Member

April 2016–PRESENT

Mr. Mounir Fakhry Abdelnour is currently Chairman of the Cairo Company for Oil and Soap and a Member of the Board of Directors of GB Corp, Edita, Domty, and Mabaret Al-Asafra Hospitals. He also acts as Senior Adviser for Rothschild & Co., one of the world's largest independent financial advisory groups. Mr. Abdelnour was Minister of Tourism, Minister of Investments, and Minister of Trade and Industry between 2011 and 2015; Secretary General of the Wafd Party between 2006 and 2011; and leading the opposition in the Egyptian Parliament between 2000 and 2005. Prior to joining the Egyptian Cabinet, Mr. Abdelnour was Founder and Chairman of Hero Middle East and Africa, previously Société Egypto-Française pour les industries agro-alimentaires (Vitrac); Chairman of Beltone Financial Holding

(BHF); member of the Board of Directors of Egypt Arab African Bank and Audi Bank; Founder and Managing Director of Egyptian Finance Company; Vice President of American Express Bank; and representative of Banque de l'Union Européenne Paris in Egypt and the Middle East. Mr. Abdelnour was a member of the Board of Directors of the Federation of Egyptian Industries, the Egyptian Competition Authority, the Cairo Stock Exchange, and the Egyptian Expo and Convention Authority. He also served as Chairman of the Egyptian Center for the Economic Studies. Mr. Abdelnour earned his undergraduate degree in statistics from the Faculty of Economics and Political Science from Cairo University and an MA in economics from The American University in Cairo.





Mr. Abbas El Sayed
Executive Director

March 2019–PRESENT

Mr. Abbas El Sayed joined GB Corp in 2014 as Group Vice President of Finance. He has 14 years of experience gained from KPMG and Deloitte, including 1.5 years in the UK at KPMG UK LLP. Mr. El Sayed has vast experience in corporate finance, restructuring, strategic planning, audit, internal controls,

advisory, and compliance. He holds a BA in accounting from Ain Shams University. Mr. El Sayed is a member of the Association of Chartered Certified Accountants (ACCA) in the UK and is a Certified Management Accountant (CMA).



Ms. Marwa El Ayouti
Independent Board Member

March 2022–PRESENT

Ms. El Ayouti has been the CFO of Orange Egypt since 2018, and she was previously the CFO of Vodafone Egypt from 2011 to 2018, becoming the first Egyptian and first woman to take the role at the age of 32. Ms. El Ayouti brings over 20 years of local and international experience in finance and telecommunications and has held various senior finance roles in Egypt and the UK. She also has extensive hands-on experience in senior manage-

ment and strategic leadership, as well as a wealth of experience in financial management. Ms. El Ayouti has been ranked on the Forbes 200 Most Powerful Arab Women since 2014, selected in 2018 on the Middle East Most Influential Women, and been recognized further by several accreditations for her influence. Ms. El Ayouti graduated from the American University in Cairo in 1998, and she holds an MBA from Maastricht University School of Business.



Ms. Lobna El Dessouky
Independent Board Member

March 2020–PRESENT

Ms. El Dessouky leverages over two decades of professional experience in a wide range of sectors to fulfill her numerous advisory and board roles. She is currently an independent member of the Advisory Board of Alexandria Business Association Small and Micro Enterprise Project, Independent Board and Audit Committee member at Cleopatra Hospital Company, Advisor for the European Bank for Construction and Development's Enterprise Growth Program, and an Advisor to the Audit Committee at Qalaa Holdings, having served as a member of the committee from December 2012 to 2014. Prior to this, she spent six years as Group Chief Financial Officer at Asec Holding and served on the Group's board for eight years. Ms. El Dessouky spent most of her career with Coca Cola Egypt, starting as Head Office Financial Controller in 1997 and eventually working her way to Group Chief

Financial Officer in 2001 and serving in that post until 2006. She began her career at PricewaterhouseCoopers as part of the audit staff in 1993, ending her stint at the company as Audit Senior in 1997. She has also been highly involved in teaching since 1997; she worked with Eslsca Business School, Edinburgh Business School, The American University in Cairo (AUC), and The Regional Information Technology Institute (RITI) in association with Maastricht School of Management (MSM). Ms. El Dessouky holds a BA in commerce from Helwan University and an MBA in Management Consultancy from Sheffield University, UK. She is a CPA, CFM, and CMA holder and is also a Member of the Association of Corporate Governance Practitioners and a Certified Director from the Egyptian Institute of Directors.

Board of Directors' Meetings in 2023

Member Name	26 Feb	25 May	14 Aug	14 Nov	Attendance Rate
Mr. Mohamed Naguib	1	1	1	1	4/4
Mr. Nader Ghabbour	1	1	1	1	4/4
Mr. Abbas El Sayed	1	1	1	1	4/4
Mr. Mansour Kabbani	1	1	1	1	4/4
Mr. Mounir Fakhry Abdel-nour	1	1	1	1	4/4
Ms. Marwa El Ayouti	1	1	1	1	4/4
Ms. Lobna El Dessouky	1	1	1	1	4/4

Board Committees GB Corp

Committees

GB Corp’s Board of Directors has three committees that help it carry out its duties and ensure it is able to act in the best interests of shareholders and stakeholders. The committees play a monumental role in the corporate governance framework by supporting the implementation of transparent procedures that provide the Board with reliable oversight into the Company’s operations and financial performance.

Audit Committee

The Board has established an Audit Committee, comprising three independent members, in compliance with EGX listing regulations. The Audit Committee assures impartial reporting on the Company’s performance, with a focus on risk management and financial operations.

Its responsibilities include ensuring the following:

- The soundness and integrity of GB Corp’s financial statements
- GB Corp’s full compliance with relevant legal and regulatory requirements set forth by the EGX and the Egyptian Capital Markets Authority
- The appointment of qualified, independent external auditors
- The effective performance of the internal audit function, by regularly reviewing its guidelines, procedures, and results, to guard against corruption and improve efficiency across the Company

Audit Committee Members and Attendance in 2023

Member Name	Position	9 Feb	22 Feb	25 May	8 Aug	9 Aug	8 Nov	9 Nov	Attendance Rate
Ms. Lobna El Dessouky	President	1	1	1	1	1	1	1	7/7
Mr. Mounir Abdelnour	Member	1	1	1	1	1	1	1	7/7
Mr. Mohamed Naguib	Member	1	1	1	1	1	1	1	7/7

Remuneration Committee

The Board of Directors relies on the Remuneration Committee to achieve the following:

- Outline the Company’s remuneration policy
- Advise on all matters pertaining to the Company’s pay and benefits frameworks
- Advise on methods to further integrate transparency into the Company’s remuneration process, which includes the compensation structure for the chairman, executive directors, and senior management

Fees and other payments made out to non-executive directors do not fall under the purview of the Remuneration Committee. The payment structure is reviewed by a sub-committee comprising the chairman and executive directors of the Board.

Remuneration Committee Members and Attendance in 2023

Member Name	Position	26 Feb	Attendance Rate
Mr. Mounir Abdelnour	President	1	1/1
Ms. Lobna El Dessouky	Member	1	1/1
Mr. Mohamed Naguib	Member	1	1/1

Corporate Governance Committee

The Corporate Governance Committee assists the Board of Directors by ensuring the following:

- Company-related strategic decisions and opportunities are evaluated and acted upon as needed
- Communication between the Board and executive management prioritizes the interests of shareholders and plays an effective role in serving the functionality of the Company
- Management is held accountable to the Board by means of structures set in accordance with applicable laws, regulations, and industry best practices
- The Company maintains and updates an overarching corporate governance framework by regularly assessing the guidelines in place and making recommendations for needed advancements
- Recommendations are made to the Board on new candidates, for election or appointment
- Risks are identified and mitigated in line with GB Corp’s relevant policies and procedures

Remuneration Committee Members and Attendance in 2023

Member Name	Position	26 Feb	14 Nov	Attendance Rate
Ms. Lobna El Dessouky	President	1	1	2/2
Mr. Mounir AbdelNour	President	1	1	2/2
Mr. Mohamed Naguib	Member	1	1	2/2

Internal Control and Risk Management

The risk mitigation and management framework that GB Corp applies through its crisis evasion platform detects and manages potential risks, tightens internal controls, and maximizes operational effectiveness. The framework oversees the effective and efficient use of resources, confirms the accuracy of financial reporting, and ensures compliance with applicable laws and regulations, including FRA and EGX requirements. It also supports the Company's business strategy and operations while upholding its vision and mission.

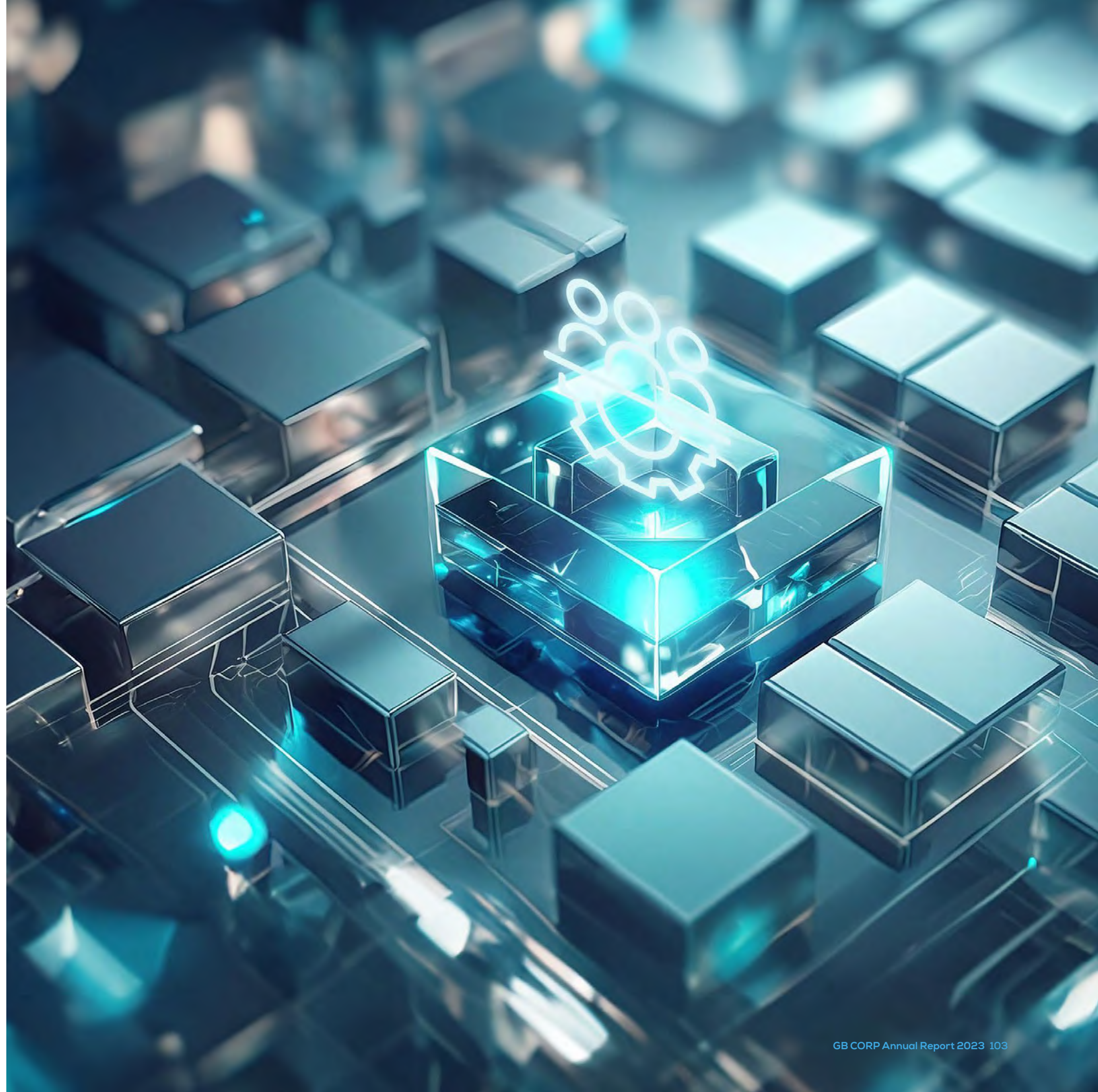
Business Continuity

To ensure that there are minimal disruptions to their operations, companies must be predictive and proactive in their decision-making. A strong Business Continuity and Crisis Management Policy is essential to our performance, since exposure to events such as supply chain disruptions, failed procedures, or policy violations have the potential to negatively impact our financial and operational results.

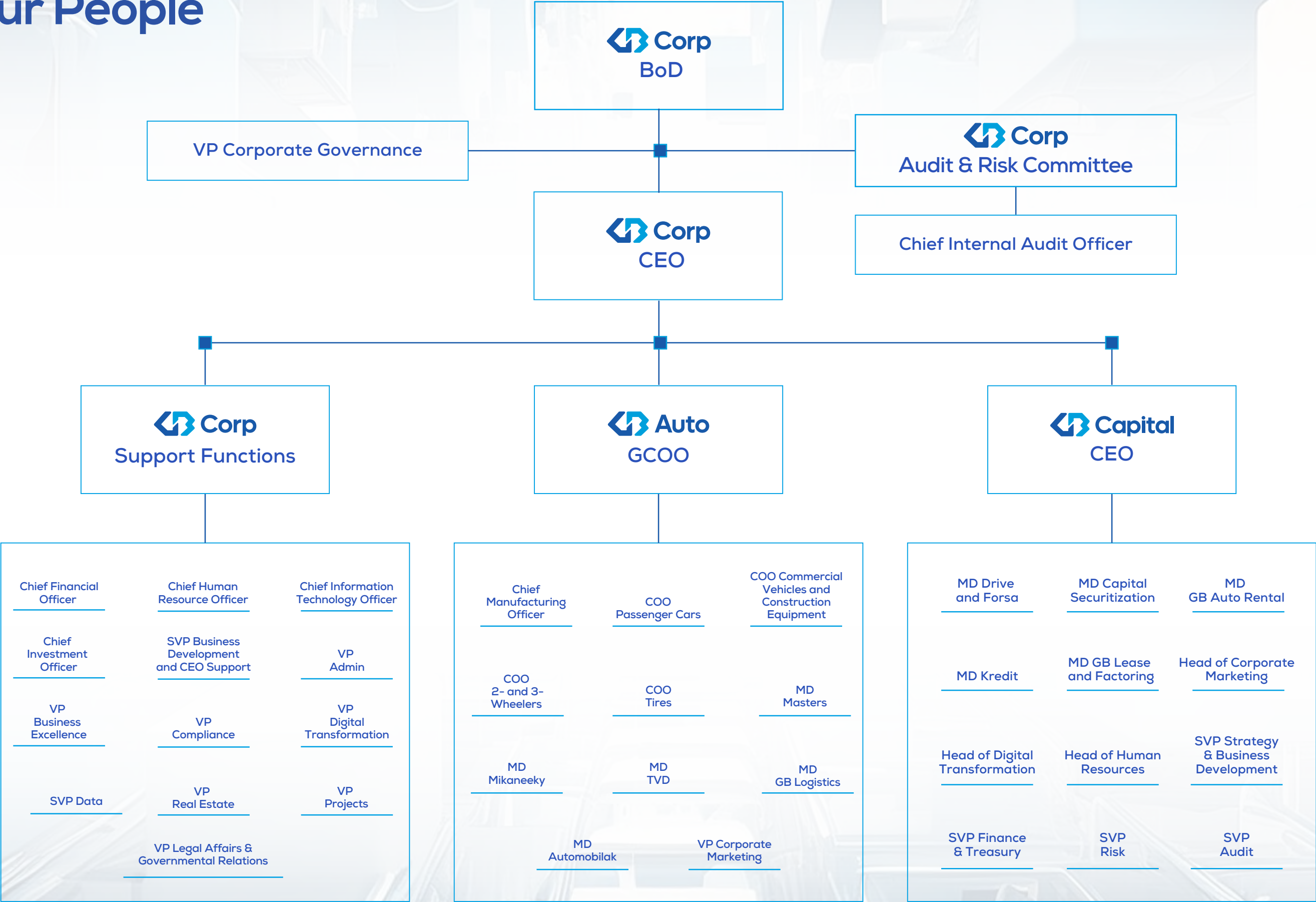
All employees at GB Corp adhere to the Company's emergency Business Continuity and Crisis Management Policy, which is implemented under the supervision of the Chairman of the Board, the Group Chief Operating Officer, and the Business Continuity Planning Committee (BCPC). Outside active incidents, the BCPC tests prospective crisis management strategies and collaborates with the Crisis Management Control Committee (CMCC) to develop the Company's appropriate official responses and courses of action. Both committees may also request the support of the Company's auditors to ensure correct application.

Anti-Corruption Efforts

GB Corp seeks to promote a work environment free from any corruption or illicit activity. The Company continues to improve its policies and procedures, as well as the code of conduct, in order to support these efforts and dedication to operate with integrity. The policies establish constant, company-wide standards that deal with bribery and corruption and serve to guide our day-to-day business operations. GB Corp adopts a zero-tolerance policy against any deviation from the best practices outlined in the policy that could be harmful to the business or its stakeholders.



Our People



Executive Management

The highly experienced executive management team at GB Corp brings a wealth of diverse knowledge to the Company's divisions and lines of business.



Mr. Nader Ghabbour
Chief Executive Officer

Mr. Nader Ghabbour brings over 15 years of specialized experience in the automotive industry to his role, which he has cultivated through the managerial and operational positions he has held at GB Corp. Prior to his current role, Mr. Ghabbour served as Group Chief Operating Officer, where he was responsible for a multitude of vehicular operations in Egypt and the region. Beforehand, he had served as Passenger Car Chief Operating Officer and Project Management Officer Leader. Mr. Ghabbour trained in Mergers and Acquisitions at the London Business School in the UK. He holds a BA in business administration from Boston University and an MBA from IE Business School, Madrid.





Mr. George Sedky
Chief Human Resources Officer (CHRO)

Mr. George Sedky is an accomplished business professional with proven results in developing and leading world-class HR programs and operations domestically and internationally to complement corporate strategy in the public and private sectors. Through more than 24 years of experience, Mr. Sedky's role as an HR leader in major corporations included the successful re-engineering of the HR department strategy to be in alignment with the company's business strategy. He is specialized in strategic management and planning, directing all HR functions, introducing new methodologies that maximize performance through training and development, compensation and benefits, and organizational development. Mr. Sedky has a PhD in HR and a deep technical and engineering acumen.



Mr. Abbas El Sayed
Chief Financial Officer

Mr. Abbas El Sayed joined GB Corp in 2014 as Group Vice President of Finance. He has 14 years of experience gained from KPMG and Deloitte, including 1.5 years in the UK at KPMG UK LLP. Mr. El Sayed has vast experience in corporate finance, restructuring, strategic planning, audit, internal controls, advisory, and compliance. He holds a BA in accounting from Ain Shams University. Mr. El Sayed is a member of the Association of Chartered Certified Accountants (ACCA) in the UK and is a Certified Management Accountant (CMA).



Mr. Kamal Khafagy
Chief Information Technology Officer

Mr. Khafagy joined GB Corp as SVP of Business Solutions in the IT department in 2015, and he is currently the Chief Information Technology Officer. He came to GB Corp with more than 23 years of experience, most of which was gained from KPMG, Saudi Telecom, and Oger International. During his career, he contributed to enabling business transformation and implementing business-oriented and value-driven information systems, aligned with organizational strategies and objectives. He has diverse business and IT knowledge in the automotive, manufacturing, construction, retail, and telecom sectors.



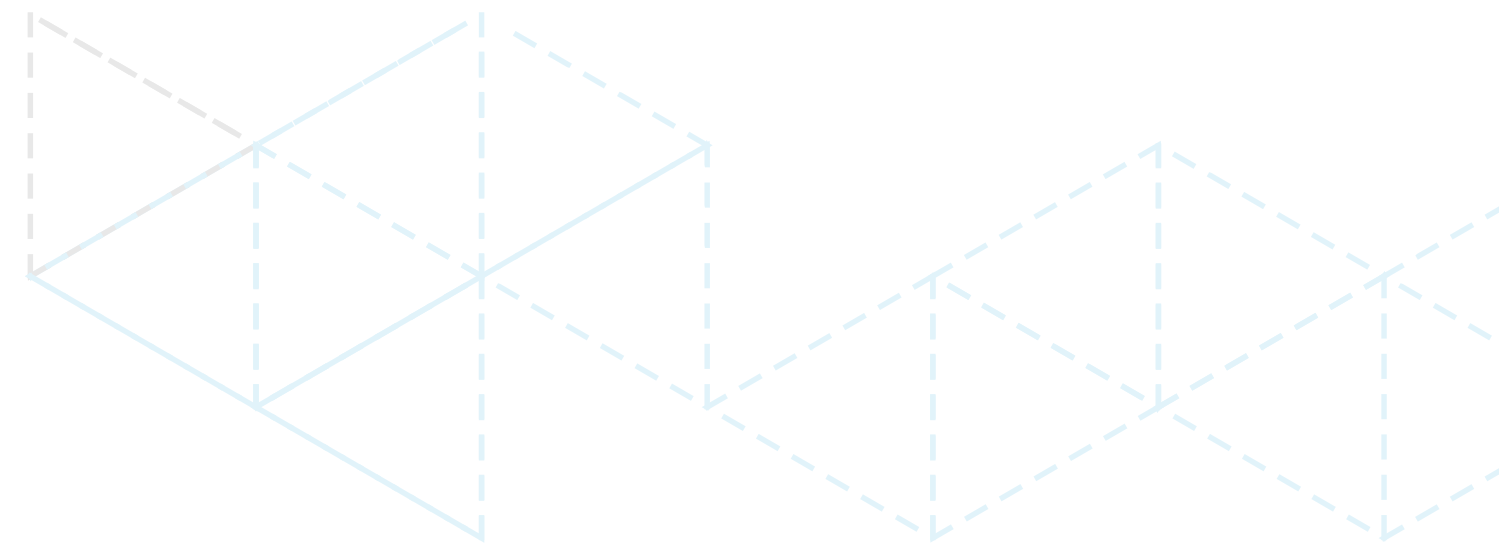
Mrs. Odette Gamil
Chief Internal Audit Officer

Mrs. Odette Gamil joined GB Corp in September 2013 as Senior Vice President – CEO Assistant. She brings 23 years of experience in finance and internal audit in multinational companies. Prior to joining GB Corp, Mrs. Gamil spent five years at Heineken Egypt as Head of Internal Audit, where she was responsible for auditing the company's operations in Egypt and offices across Africa and the Middle East. Prior to this, she spent nine years with Nestle Egypt across multiple functions, including budgeting and reporting, financial analysis, cost analysis, and cost control.



Ms. Cherine Kallal
Senior Vice President Business Development & CEO Support

Ms. Cherine Kallal joined GB Corp in November 2011, and she currently spearheads the group's Business Development Division in her capacity as Senior Vice President of Business Development. She is responsible for overseeing the successful execution of business development initiatives and strategic projects as part of the group's growth strategy. She also directs the group's China-based unit. In January 2016, Ms. Kallal was appointed as CEO Support, in addition to her Business Development role, where she directly supports the group's CEO in designated operational and organizational tasks. In her roles, she is a member of the GB Corp's Executive Committee and Management Steering Committee. A diligent and results-oriented strategist with strong experience in structured planning and cross-functional management, Ms. Kallal spent several years in the telecom services sector, where she served in several roles prior to joining GB Corp. Ms. Kallal holds a BSc in mechanical engineering from Loughborough University in UK.



GB Auto Management



Mr. Karim Gaddas
Group Chief Operating Officer

Mr. Karim Gaddas joined GB Corp in 2015 as Chief Executive Officer of Tires, boasting over 20 years of experience in general management, operations, and sales and marketing. In the last 16 years, he occupied various positions at Pirelli that included headquarter-level roles in Milan and regional-level roles in Paris, Cairo, Alexandria, and Dubai. In addition to being the Global Sales Director for BU trucks, the CEO of the company's Middle East and India operations, and the CEO of African and Egyptian operations, Mr. Gaddas also served as Pirelli's Vice Chairman. He was also a member of the board at the Alexandria Tire Company for eight years. Mr. Gaddas began his career in 1996 at Gewiss, an electrical materials company based in Bergamo, Italy, where he was the Area Manager for Central America, the Middle East, and Africa. He holds a BA in business administration from the Sup de Co Montpellier in France and an MBA from SDA Bocconi in Milan, Italy.



Mr. Ramez Adeeb
Chief Manufacturing Officer

Mr. Ramez Adeeb joined GB Corp in 1995, holding a number of positions and gaining experience in various functions, including planning, engineering, and quality control, until he left the Company in 2001 for a position as a Project Manager at RITEC Consultancy. Mr. Adeeb rejoined GB Corp in 2003, garnering additional experience in the segments of localization management, aggregate planning, sales technical support, industrial projects management, and, finally, the group technical support directorship. Mr. Adeeb graduated with a BSc from Cairo University's Mechanical Engineering Department in 1993. He served as a Research Assistant in Rotor Dynamics and Vibration at Cairo University from 1994 to 1995. He earned an MBA in marketing management from the Netherlands' Maastricht School of Management in 2005.



Mr. Ghassan Kabbani
Chief Operating Officer of Two- and Three-Wheelers

Mr. Ghassan Kabbani brings more than 30 years of experience to GB Corp. He first worked in the family textile business from 1980 through to 1994 when he left to join T.E.S. sheet metal. In 1996, together with Dr. Ghabbour and other partners, he established CITI (a two- and three-wheeler company). In 2007 CITI merged with GB Corp, at which time Mr. Kabbani joined the Company. Mr. Kabbani graduated from the AUC in 1979 with a BA in economics and business administration.



Mr. Ibrahim Naguib
Chief Operating Officer of Passenger Car Operations

Mr. Ibrahim Naguib has accumulated over 15 years of experience in the automotive industry. He currently serves as Chief Operating Officer of the Passenger Car Operations, where he is responsible for both sales and after-sales operations. Mr. Naguib first joined GB Corp in 2003 as the Tires Department General Manager, where he managed to double the business turnover in a period of three years. In 2007, he took charge of the Commercial Vehicles business, where he managed to grow sales volumes and expand market share. In 2009, he assumed the role of Sales and Marketing Director for the Hyundai and Mazda franchises. After briefly relocating abroad, Mr. Naguib returned to GB Corp in 2016, where he was appointed SVP of the Passenger Cars sales operations, and under his leadership, market share surged to an unprecedented 36.0%. Mr. Naguib holds a BA from the American International University in London, UK, and an MBA from the Maastricht School of Management, The Netherlands.



Mr. Laurent Friederich
Chief Operating Officer of Egypt Commercial
Vehicles & Construction Equipment

Mr. Laurent Friederich joined GB Corp in 2022 as Chief Operating Officer of Egypt Commercial Vehicles and Construction Equipment. Mr. Friederich holds an MA in finance and brings a wealth of experience in the automotive and commercial vehicles industry, as well as the fields of finance, sales, marketing and international development. He also has a background in large multinational companies specializing in B2B transportation, logistics, and construction equipment. Mr. Friederich started his career in 1996 in the USA with Mack Trucks Inc. as Head of Operational Marketing. In 2002, he joined Renault Trucks in Lyon, France, and worked in different departments, including Product Planning, Product Management, and International Marketing. In 2008, he was promoted to Commercial Director at Renault Trucks in Morocco, where he managed the Sales and After-Sales department and the SKD Factory. In 2011, he joined CFAO as General Manager for Commercial Vehicles and Tires division in Gabon and moved to CFAO's headquarters in Paris in 2015 as Equipment Director in charge of Norther Africa and East Africa countries. In 2018, he was the General Manager for Commercial Vehicles and Equipment in CFAO Nigeria, a position he held until he joined GB Corp.



Mr. Khaled Arafa
COO Tires

Mr. Arafa boasts over 30 years of experience in the tires industry, including management roles in sales, marketing, and business development across different multi-national organizations. Most recently, Mr. Arafa was General Manager Middle East & Africa at Goodyear Tire and Rubber Company in the UAE. Previously, Mr. Arafa held the Commercial Business Unit Director Nordic at Goodyear Dunlop Tires in Sweden and was General Manager Ethiopia at Michelin Tires Company. Mr. Arafa holds a bachelor degree in chemistry from Alexandria University.

GB Capital Management



Mr. Tamer Elemery
GB Capital CEO

Mr. Tamer Elemery joined the GB Corp in 2022, serving as CEO of GB Capital. He is a seasoned global business development executive, with more than 25 years of experience delivering accelerated growth and increased top- and bottom-line performance. He previously served as Chief Operating Officer of cross-border payments and global fintech, Thunes, and before that, as Chief Commercial Officer of global remittance scale-up, WorldRemit. Prior to that, Mr. Elemery was SVP and Group Head at MasterCard for the UK and Ireland, and he also held various global leadership roles at American Express after starting his career at Citigroup. He holds a Juris Doctor degree from the University of Virginia School of Law, an MA from the Fletcher School of Law and Diplomacy, and a BA in history and international relations from Tufts University.



Mr. Sherif Sabry
GB Lease Chairman and MD

Mr. Sherif Sabry is the MD of GB Lease, having held the post since 2008 when he was appointed to manage the restructuring of the company upon GB Corp Group's acquisition of the firm under its financing arm. He has been a member of the GB Corp family since 1995 in several capacities, including Group Treasury Division Head and Group Treasury Director. He holds a BA in commerce from Cairo University and an MBA in finance and banking from Maastricht School of Management. He is also a graduate of the Chase Manhattan Bank Credit Program.



Mr. Sherif Tawadros
Senior Vice President Finance

Mr. Tawadros is currently the Senior Vice President of Finance for GB Capital. He has under his belt over 30 years of experience in the field of finance in treasury and cash management, banking, leasing, company portfolio management, and financial and strategic planning. He holds a BA in business administration and an MBA from The American University in Cairo.



Mr. Ahmed Ossama
Drive Chairman and MD Operations

Mr. Ahmed Ossama holds the position of Chairman and MD of Drive. He has under his belt over two decades of experience in accounting and finance across a broad range of industries, including telecoms, petroleum, manufacturing, mining, and financial institutions. He holds a BA in accounting from Helwan University.



Mr. Hisham Helmy
GB Auto Rental MD

Mr. Hisham Helmy joined GB Capital in 2021 as Managing Director (Executive) for GB Auto Rental, bringing more than 30 years of experience in tourism and transportation services to the company. Mr. Helmy gained his accumulative experience by joining multinational franchisees, such as Hertz, Thrifty, Dollar, SIXT, and the American Telecom giant Lucent Technologies (AT&T). He also served in several major national entities, such as New Shahd Limousine (Abu Ghali Group), Alkan Travel (Alkan Group), and Corplease (CI Capital). Before joining GB Group, Mr. Helmy had been serving during the last 17 years in the role of General Manager. He holds a BA in English language and literature from Cairo University, with additional education in business management, leadership management, contracts management, budgeting and cost management, leasing, as well as customer service and client satisfaction.



Mr. Ahmed Emam
Kredit MD

Ahmed Emam brings more than 30 years of local and GCC experience in the Banking and finance field. He has formulated strategies and developed innovative ideas as well as headed many divisions; Corporate banking (Kuwait), SME, Retail, Credit initiation, Collection, Recovery, bank network and digital banking. Furthermore, he has very good working experience in credit, risk, project management, private banking, operation, and trade business. He also launched the first real estate financing product to Egyptian expat and GCC nationals for units in Egypt in 2013. To that end, Mr. Emam held the managing director position at two banks as well as CEO and CFO in various companies in the fields of SME financing, Petroleum, leasing and real estate mortgage companies. Finally he has joined the board of the Egyptian federation for SME financing MSMEF. He was also part of the executive team that was able to obtain the first license for a foreign bank in the State of Kuwait. Moreover, he formulated the team that was able to obtain a license for Kredit; the first specialized company in financing small and medium enterprises in Egypt.

Recruitment

GB Corp is committed to expanding its business through strategic talent acquisitions with the aim of recruiting individuals with the requisite skills and experience to achieve its objectives and long-term goals. The Company places great importance on its workforce by ensuring a fair and objective hiring process is implemented. Candidates are evaluated based on their qualifications and competencies in alignment with the principles outlined in GB Corp's equality and diversity policies, which prioritize merit over factors such as age, race, gender, or religion.

GB Corp is proud to have hired 609 employees in 2023, 82 of whom being woemn and 527 being men. To support the success of its new hires, GB Corp offers comprehensive onboarding and orientation programs, ensuring they are well-versed in company policies, systems, and procedures. The Company is dedicated to fostering a supportive

environment that addresses the unique needs of each employee. Additionally, GB Corp is committed to providing resources to support employees with disabilities to ensure they can succeed in their roles.

GB Corp has prioritized the promotion of diversity, inclusion, and non-discriminatory practices as a fundamental principle within its recruitment strategy. The Company is dedicated to fostering an environment that values and develops the skills of all dedicated individuals, including those from underrepresented groups. Notably, within the Egyptian automotive industry, there has been a noticeable gender disparity. As such, GB Corp actively highlights and celebrates the achievements, contributions, and success stories of women within the industry all the while ensuring they receive equal opportunities and empowerment.

Employee Recognition and Engagement

GB People’s Choice

The People’s Choice Recognition Ceremony is a social recognition program designed to empower and acknowledge employees, aiming to foster a positive work environment. Launched in August 2022, the program aims to provide emotional support, boost morale, and help employees feel

more valued and inspired during challenging times. In 2023, we honored 30 winners in recognition of their efforts and lasting impact with GB Corp. The winners are chosen based on three main categories that award behavior and personal and professional development, as well as promote good citizenship.



First-Line Manager Team Building

GB Corp recognizes that building a strong organization and cohesive team involves more than just hiring skilled professionals; it also entails fostering effective collaboration and communication among team members. To achieve this, GB Corp organizes various initiatives throughout the year aimed at aligning overall goals, fostering productive working relationships, clarifying team members’ roles, and promoting problem-solving skills.

PC Parts Day

In line with GB Corp’s culture of promoting teamwork and fostering a positive work environment, the PC Spare Parts division recently held its annual PC Parts Day. This initiative serves as a platform to boost employee engagement, strengthen team spirit, and facilitate networking opportunities

outside the typical office setting. The event featured various engaging activities that encouraged teamwork and collaboration, providing employees, including members of top management, with a shared experience.

Drive Team Building Day

Drive organized the Drive Team Building Day, bringing together over 400 employees in a dynamic and relaxed setting. The event aimed to foster engagement, strengthen bonds, and facilitate communication among teams. Through various team-building activities, participants worked together to achieve common goals, boost morale, and create a sense of unity and belonging within the organization.

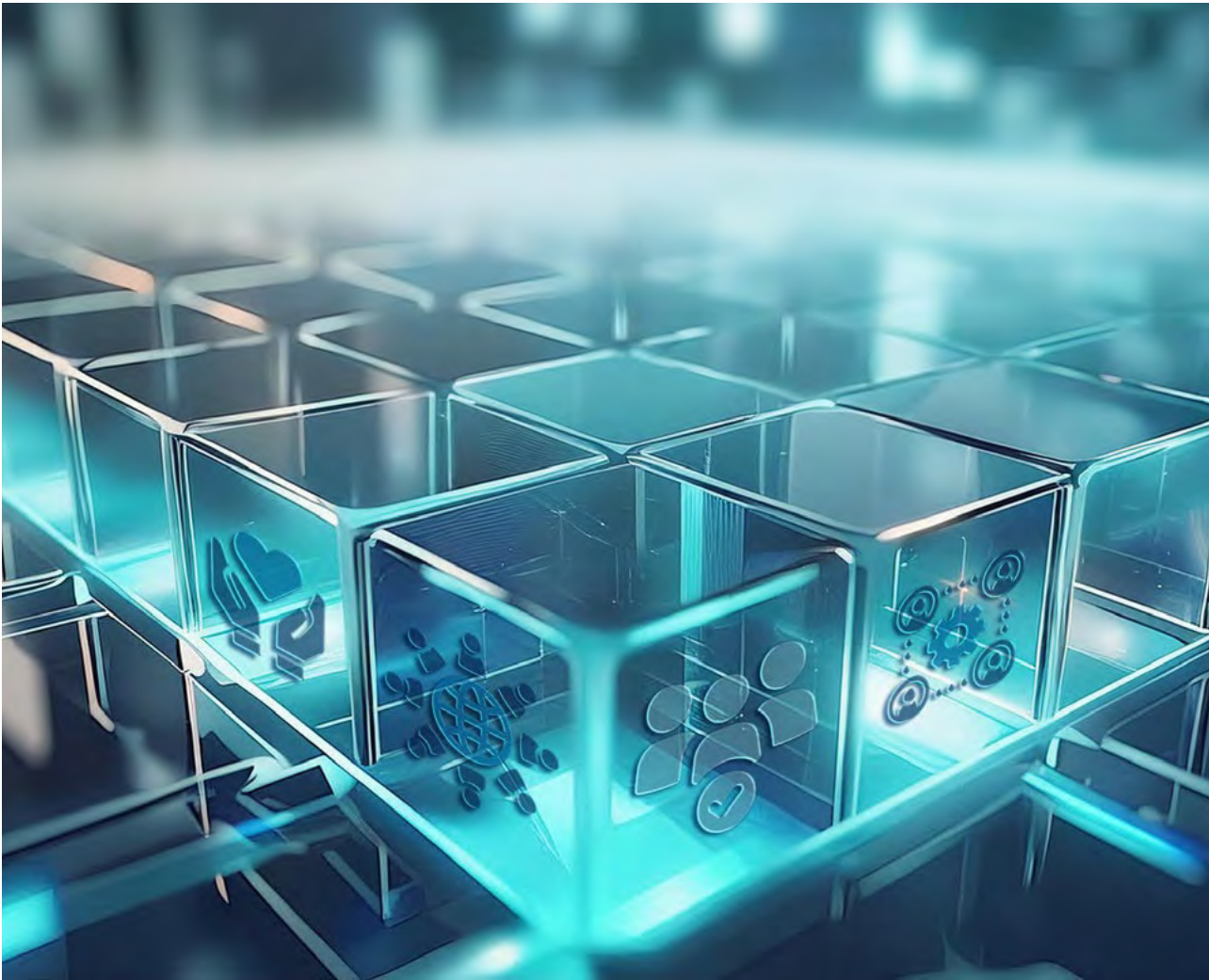


GB Academy

For over eight years, the GB Academy has been under the management of German SIS-Middle East GmbH (Saxony International School), emphasizing its commitment to excellence in education. The Academy’s vision is setting the pace in a world of lifelong learning, while its mission focuses on enhanc-

ing the competitiveness of the Egyptian economy through practical training and tailored programs adhering to globally recognized standards. Additionally, it aims to instill the understanding that learning is a valuable investment for future success.

Requirement	2023
Total training hours	12,805
Total training days	2,561
Total number of attendees	17,852
Online attendees	651
In-class attendees	17,201
Female attendees (%)	9.0%



Talent Management and Organizational Development

GB Stars

GB Stars is an initiative established by GB Corp, designed to foster an environment that provides team members with ample opportunities for both personal and professional development, essential for progression into managerial roles within the organization. The talent team assesses potential candidates on a yearly basis, evaluating their current

competencies and capacity for growth. The program encompasses mentorship, developmental activities, and practical on-the-job assignments, all geared toward empowering selected individuals with the requisite skills for future managerial responsibilities within the Company.



This year, eight teams with 38 members came together at the GB Academy to celebrate the class of 2022/2023 at the annual GB Stars event. The teams were joined by GB Corp executives,

including CEO Mr. Nader Ghabbour. One of the key highlights at the event was the renaming of GB Academy's ballroom to the Dr. Raouf Ghabbour Ballroom.



GB Corp Middle Management Program

GB Corp's Middle Management Event, CONNECT, brought together 136 middle managers in a two-day event to foster connections, enhance communication, build trust, and cultivate a positive culture, all with the aim of shaping the leaders of tomorrow. Through a series of workshops, sessions, and activi-

ties, GB Corp's middle managers showcased exceptional enthusiasm and dedication toward building a collaborative work environment to improve overall performance and set the stage for a unified and promising future.



Professional Coaching Training Course for HR Staff

As part of GB Corp's commitment to the development and advancement of its workforce, the Company introduced an immersive, six-day program titled "Professional Coaching Training Course" aimed at empowering HR personnel with essential skills to:

- Enable individuals to unlock their full potential and enhance their performance levels
- Prepare individuals to navigate transitions in their personal or professional lives
- Guide others in effectively managing stress, change, conflict, and crises while undertaking various tasks and responsibilities



Executive Coaching

Since its inception in 2018, our leadership journey had begun with a series of coaching and leadership sessions that included executives, middle management, first-line managers, and staff members. These sessions transformed our environment to empower collaboration at all levels of the organization. Leaders from across GB Corp were engaged in active discussions to share invaluable experiences on crucial topics, such as adaptability and resilience during this year's executive coaching event. We continue to leverage these essential skills to circumvent difficult operating conditions and effectively guide our organization toward success.

Empowering GB Corp: Unleashing the Power of Data for Informed Decision-Making

GB Corp's data team launched the "Data-Driven Organization" initiative, aimed at raising awareness and transforming how we leverage data within GB Corp. The initiative entailed a series of engaging workshops, as we continue to equip our business units with the tools and knowledge needed to make data-driven decisions guided by insights from our customer touchpoints. By implementing this initiative, our representatives, who are at the forefront of customer interactions, will be empowered to navigate their roles with a deeper understanding of the impact of data. To that end, we believe that by enhancing our employees' awareness of the essential role data plays in their day-to-day operations, we can unlock new levels of efficiency and effectiveness in the customer data collection process.

Customer Service Interactive Workshop

To enhance the Sales Greeters' customer service skills, a comprehensive workshop was designed to ensure that customers are greeted by informed professionals capable of promptly and efficiently addressing their needs and inquiries. Moreover, efforts were made to enhance the overall customer experience and create welcoming environments across all stores, showrooms, and service centers. GB Corp emphasizes the importance of continuous training and development at all organizational levels as fundamental to building and sustaining a successful company.

Energy Management System (EnMS) Implementation Training

To achieve GB Corp's sustainability goals, the Company held an EnMS implementation training to guide managers across the organization on how to implement EnMS in line with ISO 50001. The training program was held with a central message that it is not difficult to reduce energy consumption across the Company as long as effective systems are put in place. The training program's content was based on the United Nations Industrial Development Organization's (UNIDO) practical guide for implementing EnMS.

Compensation and Benefits

GB Corp prioritizes the well-being, satisfaction, and motivation of its workforce, aiming to empower its personnel for success and growth. In addition to competitive compensation, GB Corp offers its staff a comprehensive benefits package tailored to their needs, recognizing their hard work and dedication.

All Employees	Blue-Collar Employees	Need-to Basis
Life insurance		
Medical insurance	▪ Back-to-school packages	▪ Company car
Pension plan	▪ Ramadan food packages	▪ Mobile phone
Company buses	▪ Meal	▪ Travel allowance
Loans		
Short mission		▪ Relocation allowance

Vodafone 50% Discount Offer

All GB Corp employees are eligible to receive the latest Vodafone corporate offer: a 50% discount on a variety of plans. In collaboration with Vodafone, GB Corp organized on-site activations, where Vodafone personnel were present to assist with activations and address any questions.

Health, Safety, and Mental Health

AXA One Health Campaign

GB Corp is focused on taking the proper steps to protect the health and safety of its employees. In 2023, the Company launched the “AXA One Health Wellness Campaign” in partnership with AXA One Health. This initiative, targeting all employees at GB Corp, aimed to increase awareness of the most prevalent illnesses through on-site screening and awareness seminars offered by medical specialists. By putting these procedures in place across all locations, GB Corp ensured that the health and safety of its employees are always prioritized.

The Institution of Occupational Safety and Health Advanced Training Course

In 2023, the Manufacturing Leaders, Industrial Safety Team, and the Medical Department attended a refresher advanced training course by the Institution of Occupational Safety and Health to stay up to date with the latest health and safety fundamentals. Ensuring employees' health and safety measures are effectively implemented at Prima, Sadat, and Badr will remain a high priority to GB Corp due to their effectiveness in reducing manufacturing hazards and risks, therefore decreasing absenteeism and turnover rates.



Whistleblowing Policy

GB Corp is committed to nurturing an open and safe culture, encouraging everyone to share their ideas and address challenges freely. Mainly, GB Corp maintains a culture that upholds inclusivity as part and parcel of its core values and operational ethos. As part of its dedication to integrity and fairness, the Compliance Business

unit introduced the GB Whistleblowing Policy, which enables employees to report suspected misconduct anonymously. This ensures prompt and appropriate follow-up by management on any concerns raised by customers, suppliers, employees, or external parties.

Back to School

As part of GB Corp's annual Back to School initiative, which targets GB Corp's blue-collar employees across all locations, 3,000 school supply boxes have been distributed. Additionally, the Company held the third edition of its Mawaheb Awladna competition for the children of our GB Corp employees.



Women Empowerment

GB Talks – Women Leadership

The Egyptian automotive sector has long been known for its lack of gender diversity. March is a month dedicated to recognizing and empowering the women who work for GB Corp. To celebrate Talks – Women Leadership 2023, all female employees were sent a care package and a recognition statement painted

on canvas for their desks. Moreover, top female engineers came together to create a video in which they shared their experiences as women working in the field. With over 370 female employees participating, the video of their success stories and journeys was a great success across the Company.



Financial Statements

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Auditor's Report

To the Shareholders of GB Corp (S.A.E.)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GB Corp (S.A.E.), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated Statements of Profit or Loss and comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these Consolidated financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Consolidated financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of GB Corp (S.A.E.) as at December 31, 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

Emphases of matter

We would like to draw attention to Note No. (29 -1- A-1) of the accompanying notes of the financial statements , that as a result of the current global and local economic circumstances and geopolitical risks and its consequences, this may affect the Company's ability to manage its financial and operational obligations in foreign currencies..

Report on Other Legal and Regulatory Requirements

The financial information included in the Board of Directors' report, prepared in accordance with Law No. 159 of 1981 and its executive regulations, is in agreement with the Company's books of account, within the limits that such information is recorded therein.

KPMG Hazem Hassan

Public Accountants & Consultants

Cairo February 29, 2024

Consolidated Statement of Financial Position

As at December 31, 2023

(All amounts in thousand Egyptian Pound)			
	Note No.	31 December 2023	31 December 2022
Assets			
Non-current assets			
Property, plant, equipment and projects under construction (Net)	(16)	5 965 736	4 945 174
Assets right of use	(17)	530 025	431 535
Intangible assets and goodwill	(18)	350 473	361 277
Payments under investment in fair value through profit or losses	(31)	72	72
Investment in associate	(35)	10 625 833	9 559 706
Investments in fair value through OCI	(36)	106 500	106 500
Long term notes receivables (Net)	(12)	5 382 482	2 973 743
Deferred tax assets	(10-B)	186 945	257 769
Investment property	(19)	90 905	90 905
Debtors and other debit balances	(14-A)	182 642	398 886
Subordinated Loan	(35)	50 000	50 000
Total non-current assets		23 471 613	19 175 567
Current assets			
Assets held for sale	(44)	855 000	855 000
Inventories (Net)	(11)	6 366 072	3 920 044
Accounts and notes receivables (Net)	(13)	4 042 327	3 060 579
Debtors and other debit balances (Net)	(14-B)	2 998 370	3 323 285
Due from related parties	(34)	347 598	185 008
Cash and cash equivalents	(15)	4 504 238	4 098 083
Total current assets		19 113 605	15 441 999
Total assets		42 585 218	34 617 566
Equity			
Issued and paid in capital	(20)	1 085 500	1 085 500
Reserve for financial Solvency	(43)	7 612	10 711
General risk reserve	(42)	-	131
Legal reserve	(22)	562 734	533 542
Other reserves	(23)	4 383 857	3 277 220
Private risk reserve - Non banking financial service	(41)	20 393	20 393
Retained Earning		11 887 833	1 820 099
Net Profit for the year		1 890 727	9 984 958
Equity attributable to parent Company		19 838 656	16 732 554
Non-controlling interests	(24)	1 362 958	728 195
Total equity		21 201 614	17 460 749
Liabilities			
Non-current liabilities			
Loans	(26)	4 563 174	2 940 313
Bonds Long term	(39)	200 000	280 000
Long term notes payables and creditors		288 593	380 317
Right of use Liability		371 314	344 343
Warranty provisions	(28)	7 070	13 935
Deferred tax liabilities	(10-B)	333 053	331 615
Total non-current liabilities		5 763 204	4 290 523
Current liabilities			
Provisions	(28)	340 596	346 315
Current tax liabilities	(10-A)	415 090	324 089
Loans, borrowings and overdrafts	(26)	7 674 496	6 040 231
Due to related parties	(34)	68	101 739
Bonds	(39)	80 000	241 538
Trade payables and other credit balances	(27)	7 110 150	5 812 382
Total current liabilities		15 620 400	12 866 294
Total liabilities		21 383 604	17 156 817
Total equity and liabilities		42 585 218	34 617 566

* The accompanying notes form an integral part of these consolidated financial statements, and to be read therewith.

** Auditor's report attached

Group Chief Financial Officer and
Executive Board Member
Abbas Elsayed

Executive Board
Member
Nader Ghabbour

Consolidated Statement of Profit or Loss

for the financial year ended 31 December 2023

(All amounts in thousand Egyptian Pound)			
	Note No.	31 December 2023	31 December 2022
Operating revenue	(5)	28 317 230	29 789 079
Operating cost	(5)	(21 432 690)	(21 676 145)
Gross profit		6 884 540	8 112 934
Other income	(37)	523 052	285 557
Selling and marketing expenses	(37)	(1 027 837)	(2 164 790)
General and administrative expenses		(2 402 802)	(2 048 396)
Provisions and Impairment of Current and Non-Current assets (Net)	(8)	(268 832)	(229 788)
Operating Profit		3 708 121	3 955 517
Finance costs (Net)	(7)	(2 465 024)	(962 993)
Gain from investment in associate	(35)	1 066 090	100 587
(Loss) / Gain from sale & Revaluation of investment associate	(40)	(4 425)	8 207 309
Net profit for the year before income tax		2 304 762	11 300 420
Income tax	(10-C)	(493 234)	(762 322)
Net profit for the year after income tax		1 811 528	10 538 098
Attributable to:			
Shareholder's of the parent company		1 890 727	9 984 958
Non-controlling interests		(79 199)	553 140
		1 811 528	10 538 098
Basic earning per share (EGP/Share)			
	(9)	1.682	9.175

* The accompanying notes form an integral part of these consolidated financial statements, and to be read therewith.

Consolidated Statement of Comprehensive Income

for the financial year ended 31 December 2023

	(All amounts in thousand Egyptian Pound)	
	31 December 2023	31 December 2022
Net profit for the period after income tax	1 811 528	10 538 098
Other comprehensive income items		
Foreign currency translation difference	1 222 124	1 429 548
Unrealized Foreign currency exchange losses	-	(447 997)
Modification of fixed assets cost	(13 368)	(13 580)
Total other comprehensive income for the year before income tax	1 208 756	967 971
Income tax related to other comprehensive income	1 320	2 982
Total other comprehensive income for the year after income tax	1 210 076	970 953
Total comprehensive income for the year	3 021 604	11 509 051
Comprehensive income is attributable to:		
Shareholder's of the parent company	2 946 857	11 289 556
Non-controlling interests	74 747	219 495
	3 021 604	11 509 051

* The accompanying notes form an integral part of these consolidated financial statements, and to be read therewith.

Consolidated Statement of Shareholder Equity

for the financial year ended 31 December 2023

(All amounts in thousand Egyptian Pound)														
	Shareholder's equity of the parent company													
	Share capital	Legal reserve	Foreign currency translation reserve	ESOP (Fair value) reserve	Revaluation surplus of fixed assets	Share premium (Special reserve)	Reserve for financial solvency risk	General risk reserve	Non banking financial service reserve – special risk	Retained Earning the year	Total	Non-Controlling Interests	Totalequity	
Balance at December 31, 2022	1 085 500	533 542	2 214 460	88 882	69 837	904 041	10 711	131	20 393	1 820 099	9 984 958	16 732 554	728 195	17 460 749
Transferred to retained earnings	-	-	-	-	-	-	-	-	-	9 984 958	(9 984 958)	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-	-	-	-	1 890 727	1 890 727	(79 199)	1 811 528
Modification surplus of fixed assets cost after income tax	-	-	-	-	(12 048)	-	-	-	-	-	-	(12 048)	-	(12 048)
Other Comprehensive income items	-	-	1 014 871	-	-	-	-	-	-	-	-	1 014 871	207 253	1 222 124
Total comprehensive income	-	-	1 014 871	-	(12 048)	-	-	-	-	-	1 890 727	2 893 550	128 054	3 021 604
Transactions with owners of the Company	-	-	-	-	-	-	4 792	-	-	(4 792)	-	-	-	-
Reserve for financial solvency risk	-	-	-	-	-	-	-	-	-	13 368	-	13 368	-	13 368
Modification of fixed assets cost	-	-	-	-	-	-	-	(131)	-	131	-	-	-	-
General risk reserve	-	-	-	-	-	-	-	-	-	(64 636)	-	(64 636)	(159 087)	(223 723)
Dividends Distributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-controlling interests without changing in control	-	(25 245)	103 814	-	-	-	(7 891)	-	-	193 142	-	263 820	647 573	911 393
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	15 535	15 535
Transferred to legal reserve	-	54 437	-	-	-	-	-	-	-	(54 437)	-	-	-	-
Payment under capital increase	-	-	-	-	-	-	-	-	-	-	-	-	2 688	2 688
Total Transactions with owners of the company	-	29 192	103 814	-	-	-	(3 099)	(131)	-	82 776	-	212 552	506 709	719 261
Balance at December 31, 2023	1 085 500	562 734	3 333 145	88 882	57 789	904 041	7 612	-	20 393	11 887 833	1 890 727	19 838 656	1 362 958	21 201 614

* The accompanying notes form an integral part of these consolidated financial statements, and to be read therewith.

Consolidated Statement of Shareholders Equity

for the financial year ended 31 December 2023

(All amounts in thousand Egyptian Pound)															
Shareholder's equity of the parent company															
	Share capital	Legal reserve	Treasury Bills	Foreign currency translation reserve	ESOP (Fair value) reserve	Revaluation surplus of fixed assets	Share premium (Special reserve)	Reserve for financial solvency risk	General risk reserve	special reserve - Non banking financial service	Retained Earning	Net profit for the year	Total	Controlling interests	Non-Controlling interests
31 December 2022	1 094 010	523 961	(8 510)	1 067 263	88 882	80 435	904 041	-	49 472	90 399	440 890	1 408 511	5 739 354	1 640 720	7 380 074
Restated	-	-	-	-	-	-	-	-	-	-	1 408 511	(1 408 511)	-	-	-
Transferred to retained earnings															
Total comprehensive income															
Net profit for the year	-	-	-	-	-	-	-	-	-	-	-	9 984 958	9 984 958	553 140	10 538 098
Modification of fixed assets cost after income tax (Net)	-	-	-	-	-	(10 598)	-	-	-	-	13 580	-	2 982	-	2 982
Other Comprehensive income items	-	-	-	1 147 706	-	-	-	-	-	-	-	-	1 147 706	281 842	1 429 548
Foreign currency translation losses	-	-	-	-	-	-	-	-	-	-	(447 997)	-	(447 997)	-	(447 997)
Total comprehensive income	-	-	-	1 147 706	-	(10 598)	-	-	-	-	(434 417)	9 984 958	10 687 649	834 982	11 522 631
Transactions with owners of the Company															
Reserve for financial solvency risk	-	-	-	-	-	-	-	10 711	-	-	(10 711)	-	-	-	-
special risk reserve - Non banking financial service	-	-	-	-	-	-	-	-	-	(43 322)	43 322	-	-	-	-
capital decrease of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	(5 361)	(5 361)
Cancel Treasury Bills	(8 510)	-	8 510	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Distribution	-	-	-	-	-	-	-	-	-	-	(499 989)	-	(499 989)	(150 507)	(650 496)
Disposal net profit for the period of the non-controlling interest until the date of loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	(433 889)	(433 889)
Loss of control of subsidiary	-	(56 888)	-	(509)	-	-	-	-	(49 309)	(26 666)	939 819	-	806 447	(1 190 916)	(384 469)
Change in non-controlling interests without changing in control	-	(30)	-	-	-	-	-	-	(32)	(18)	(827)	-	(907)	17 966	17 059
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	14 700	14 700
Transferred to legal reserve	-	66 499	-	-	-	-	-	-	-	-	(66 499)	-	-	-	-
Payment under capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	500	500
Total Transactions with owners of the company	(8 510)	9 581	8 510	(509)	-	-	-	10 711	(49 341)	(70 006)	405 115	-	305 551	(1 747 507)	(1 441 956)
Balance at December 31, 2022	1 085 500	533 542	-	2 214 460	88 882	69 837	904 041	10 711	131	20 393	1 820 099	9 984 958	16 732 554	728 195	17 460 749

* The accompanying notes form an integral part of these consolidated financial statements, and to be read therewith.

Consolidated Statement of Cash Flows

for the financial year ended 31 December 2023

(All amounts in thousand Egyptian Pound)			
	Note No.	31 December 2023	31 December 2022
Net profit for the year before tax		2 304 762	11 300 420
Adjustments for:			
Interest expense	(7)	1 296 592	890 717
Depreciation and amortization for the year	(16-17,18)	531 403	451 098
Provisions movements (net)	(28)	26 884	81 784
Impairment losses on current assets (net)		5 495	159 270
Interest income	(7)	(330 691)	(166 751)
(Loss) / Gain from sale & Revaluation of investment associate		4 425	(8 207 309)
Gain from sale of property, plant, equipment and assets held for sale	(6)	(37 741)	(15 063)
Impairment on fixed assets		375 486	-
Gain from investment in associate		(1 066 090)	(100 587)
Dividends from associates		-	6 143
Gain from foreign currency exchange		-	(447 997)
Unrealized Foreign currency exchange losses		77 699	-
		3 188 224	3 951 725
Changes in:			
Inventories (Net)		(2 204 041)	471 040
Accounts and notes receivables		(3 248 248)	10 295 375
Debtors and other debit balances		957 158	(414 234)
Due from related parties		(185 199)	(69 673)
Due to related parties		(101 671)	(24 259)
Payment rent for asset right of use		(67 687)	(63 364)
Proceeds from loans and borrowings		1 844 623	(7 062 762)
Trade payables and other credit balances		1 060 765	708 614
Cash provided from operating activities		1 243 924	7 792 462
Provisions used		(45 082)	(28 234)
Income tax paid		(328 651)	(729 999)
Dividends distributions paid for employees and members of the board of directors		(45 560)	(96 029)
Net cash provided from operating activities		824 631	6 938 201
Cash flows from investing activities			
Payment for acquisition of property, plant, equipment and projects under constructions		(2 055 957)	(1 160 574)
Payment to acquire non controlling interest		(7 000)	-
Proceeds from sale of shares from subsidiaries		1 032 134	-
Payment for acquisition of intangible assets		(7 431)	(6 118)
Interest income received		184 412	121 803
Payment under investment		-	54 456
Proceed from sale of invesment		-	1 361 104
Payment for investments in associates	(40)	-	(2 456 148)
Proceeds from sale of property, plant, equipment and assets held for sale		254 339	29 029
payment to purchase assets held for sale		-	(855 000)
Net cash (used in) investing activities		(599 503)	(2 911 448)
Cash flows from financing activities			
Bonds		(241 538)	521 538
Dividends distributions paid -non-controlling interest		-	(150 507)
Dividends distributions paid		-	(403 960)
Proceeds from loans and borrowings		1 412 503	(1 099 910)
capital decrease of subsidiary		-	(5 361)
Long-Term notes payable		(91 724)	(207 771)
Interest expense paid		(1 348 858)	(943 502)
Net cash (used in) financing activities		(269 617)	(2 289 473)
Net Increase in cash and cash equivalents		(44 489)	1 737 279
Cash and cash equivalents at the beginning of the year		4 098 184	1 935 991
Effect of movements in exchange rates on cash and cash equivalents		453 212	424 914
Cash and cash equivalents at end of the year	(15)	4 506 907	4 098 184

* The accompanying notes form an integral part of these consolidated financial statements, and to be read therewith.

Notes to the Consolidated Financial Statements

for the financial year ended 31 December 2023

(All amounts in thousand Egyptian Pound)

1. Background of the Group

GB Corp S.A.E is an Egyptian joint stock Company incorporated on July 15, 1999 under the name of GB Capital for Trading and Capital Lease and under Law No. 159 of 1981, and was registered in the commercial register under No. 3422, Cairo.

Based on the decision of the Extraordinary General Assembly Meeting held on April 26, 2007, it has been agreed to change the Company's name to be GB Auto. This amendment was registered in the commercial register on May 23, 2007.

Based on the decision of the Extraordinary General Assembly Meeting held on March 26, 2023, it has been agreed to change the Company's name to be GB Corp S.A.E. This amendment was registered in the commercial register on May 7, 2023.

The Company is domiciled in the Industrial Zone – Abou Rawash Kilo meter 28 Cairo – Alexandria Desert Road, Arab Republic of Egypt.

The Company and its subsidiaries (will be referred to as the Group) main activities include trading, distributing and marketing of all transportation means including heavy trucks, semi-trucks, passenger cars, buses, mini buses, micro buses, agriculture tractors, crans, mechanical tools equipment for soil movement and motors with their different structures and types whether locally manufactured and imported new and used ones and trading in spare parts, accessories whether locally manufactured or imported and tires for vehicles and equipment whether locally manufactured and tires for vehicles and equipment whether locally manufactured or imported. The Company also undertakes import and export activities, selling locally manufactured and imported products for cash, on credit or through finance leasing and microfinance. Also trade in all goods including light trucks and sale by instalments and provide services of factoring and nonbanking financial services. The factoring services intended to buy existing and future rights of sellers of goods and services and provide related services.

The major shareholder's of the Company are the family of Dr. Raouf Ghabbour who collectively owns 63.38% of the Company's shares as at December 31, 2023.

The consolidated financial statements were authorized for issue by the Company's Board of Directors on February 29, 2024.

2. Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with the updated Egyptian Accounting Standards (EAS) and the related Egyptian laws and regulations.

3. Functional and presentation currency

The consolidated financial statements are presented in Egyptian Pounds which is the Group's functional currency.

4. Use of judgement and estimates

- In preparing the consolidated financial statements in accordance with Egyptian Accounting Standards (EAS), management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on past experience and various factors. Actual results may differ from these estimates.
- Estimates and underlying assumptions are reviewed on an ongoing basis.
- The recognition of the change in accounting estimates in the period in which the change in estimate occurs, if the change affects only that period, or in the period of change and future periods if the change affects both.

A. Measurement of fair value

- The fair value of financial instruments determines based on the market value of a financial instrument or similar financial instruments at the date of the financial statements without deducting any estimated future costs of sale. The financial asset values are determined at current prices for the purchase of those assets, while determining the value of financial liabilities at current prices, which could be settled by those liabilities.
- In the absence of an active market to determine the fair value of financial instruments, the fair value is estimated using various valuation techniques, taking into consideration the transactions price that has recently or be guided by the current fair value of other instruments which is substantially similar. Or the use of discounted cash flow or any other evaluation method that leads to results that can be relied upon it.
- When using the discounted cash flow method as a way for the evaluation, the future cash flows are estimated based on the best estimates of management. And determined the discount rate used in the prevailing market price at the date of the financial statements of financial instruments are similar in nature and terms.

5. Operating Segments

- The Group has the following four operational segments, which are its reportable segments to top management. These segments offer different products and services and are managed separately because they require different technology and marketing strategies.
- The following summary describes the operations for each reportable segment:

Reportable segment	Operations
Passenger car	Trading, distributing, and marketing for all kinds of passenger cars, whether locally manufactured or imported.
Buses and trucks	Trading, distributing, and marketing for all kinds of heavy trucks, semi-trucks, buses, minibuses, micro buses, agriculture tractors, whether locally manufactured or imported.
2 & 3 Wheels	Trading, distributing, and marketing for all kinds of 2 & 3 Wheels, whether locally manufactured or imported.
Financial non-Banking Services	Providing services of investments and real estate financing and insurance and provides services of factoring and financial non-banking services. And operation and finance lease and microfinancing and factoring services intended to buy existing and future rights of sellers of goods and services and provide related services and selling the locally and imported goods and products by cash or on credit and trade in all kinds of goods such as light transportation and selling it by installments.
Other Operations	Trading spare parts, and its accessories whether locally manufactured or imported, tires for vehicles and equipment whether locally manufactured or imported and exported.

A. Total Revenue

1. Percentage of total Revenue by sectors

	December 31, 2023	%	December 31, 2022	%
Passenger car	16 682 367	58.91%	12 750 795	42.80%
Buses and trucks	1 798 176	6.35%	1 790 339	6.01%
2 & 3 Wheels	1 921 730	6.79%	4 654 904	15.63%
Financial non-Banking Services	4 463 218	15.75%	7 995 111	26.84%
Other Operations	3 451 739	12.20%	2 597 930	8.72%
	28 317 230	100%	29 789 079	100%

2. Percentage of revenues from foreign operations out of total revenues

	December 31, 2023	%	December 31, 2022	%
Passenger car	5 355 487	32.10%	2 291 318	17.97%
2 & 3 Wheels	2 479 350	55.55%	2 439 635	52.41%

B. Segments results

	December 31, 2023	%	December 31, 2022	%
Passenger car	4 005 782	58.19%	2 219 887	27.36%
Buses and trucks	423 772	6.16%	282 441	3.48%
2 & 3 Wheels	385 068	5.59%	1 005 120	12.39%
Financial non-Banking Services	1 070 849	15.55%	4 111 801	50.68%
Other Operations	999 069	14.51%	493 686	6.09%
	6 884 540	100%	8 112 934	100%

C. Assets

	December 31, 2023	%	December 31, 2022	%
Passenger car	5 654 036	13.3%	5 642 663	16.3%
Buses and trucks	7 921 770	18.6%	5 123 400	14.8%
2 & 3 Wheels	3 627 779	8.5%	3 877 167	11.2%
Financial non-Banking Services	15 325 289	36.0%	11 596 885	33.5%
Other Operations	10 056 345	23.6%	8 377 451	24.2%
	42 585 218	100%	34 617 566	100%

D. Liabilities

	December 31, 2023	%	December 31, 2022	%
Passenger car	6 163 794	28.8%	3 191 168	18.6%
Buses and trucks	5 324 517	24.9%	4 186 263	24.4%
2 & 3 Wheels	406 288	1.9%	1 921 564	11.2%
Financial non-Banking Services	7 313 334	34.2%	5 747 534	33.5%
Other Operations	2 175 670	10.2%	2 110 288	12.3%
	21 383 604	100%	17 156 817	100%

E. Reconciliations of information on reportable segments to financial statements according to EASs

	December 31, 2023	December 31, 2022
Revenues		
Total revenues of operating segments	30 413 736	32 576 933
Elimination of revenue between group inter-segment	(2 096 506)	(2 787 854)
Consolidated Revenue	28 317 230	29 789 079
Segments result		
Gross profit of operating segment	6 946 685	8 188 595
Elimination of gross profit between group inter-segment	(62 145)	(75 661)
Consolidated Gross Profit	6 884 540	8 112 934
Assets		
Total assets of operating segments	76 802 482	62 435 956
Elimination of assets between group inter-segment	(34 217 264)	(27 818 390)
Total Consolidated Assets	42 585 218	34 617 566
Liabilities		
Total Liabilities of operating segments	38 572 508	30 649 859
Elimination of Liabilities between group inter-segment	(17 188 904)	(13 493 042)
Total Consolidated Liabilities	21 383 604	17 156 817

F. Other profit or loss amounts

	Total reportable segment	Elimination between group	Total consolidated December 31, 2023
Finance income	330 691	-	330 691
Interest expense and Bank Charges	(1 592 464)	295 872	(1 296 592)
Capital expenditure	(2 063 388)	-	(2 063 388)
Depreciation and Amortization	531 403	-	531 403

	Total reportable segment	Elimination between group	Total consolidated December 31, 2022
Finance income	166 751	-	166 751
Interest expense and Bank Charges	(903 920)	13 203	(890 717)
Capital expenditure	(1 166 692)	-	(1 166 692)
Depreciation and Amortization	451 098	-	451 098

H. Operations results

	Passenger cars			trucks and busses			Two and three wheelers			Financial Non Banking Services			Other operations			Total		
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Operating revenue	16 682 367	12 750 795	1798 176	1790 339	1921 730	4 654 904	4 463 218	7 995 111	3 451 739	2 597 929	28 317 230	29 789 078						
Operating cost	(12 677 015)	(10 530 245)	(1 374 449)	(1 507 928)	(1 536 704)	(3 649 891)	(3 391 744)	(3 883 748)	(2 452 777)	(2 104 332)	(21 432 690)	(21 676 145)						
Gross profit	4 005 352	2 220 550	423 727	282 411	385 026	1 005 013	1 071 474	4 111 363	998 962	493 597	6 884 540	8 112 934						
Selling and Marketing expenses											(1 027 837)	(2 164 790)						
General and administrative expenses											(2 402 802)	(2 048 396)						
Provisions and Impairment of Current and Non-Current assets (Net)													(268 832)					
Other income											523 052	285 557						
Operating profit											3 708 121	3 955 517						
Gain from investment in associate											1 066 090	100 587						
(loss) / gain from the sale and remeasurement of investments in associate											(4 425)	8 207 309						
Finance cost (Net)											(2 465 024)	(962 993)						
Net profit for the year before income tax											2 304 763	11 300 420						
Income tax expense											(493 234)	(762 322)						
Net profit for the year after income tax											1 811 528	10 538 098						
Attributable to:																		
Shareholders of the parent Company											1 890 727	9 984 958						
Non-controlling interests											(79 199)	553 140						
											1 811 528	10 538 098						

6. Other Income

	December 31, 2023	December 31, 2022
Gain on sale of fixed asset	37 741	15 063
Gain from Scrap Sales	62 843	54 876
Commission for restructuring of loans	-	65 457
Other revenues	165 476	125 595
Cash incentive revenue	253 478	6 589
Rent income	3 514	17 977
Total	523 052	285 557

7. Finance Costs (Net)

	December 31, 2023	December 31, 2022
Interest income	313 906	147 471
Interest income on installment sales	16 785	19 280
Total Finance Income	330 691	166 751
Interest expense and bank charges	(1 296 592)	(890 717)
Foreign exchange loss	(1 499 123)	(239 027)
Total Finance Cost	(2 795 715)	(1 129 744)
Net Finance Cost	(2 465 024)	(962 993)

8. Provisions and Impairment of Current and Non-Current Assets

	Balance at 1/1/2023	Provisions formed during the year	Disposal During the year	Provisions no longer required during the year	Effect of movements of exchange rates	Balance at 31/12/2023
Expected credit loss of Accounts & Notes receivable	366 775	91 220	-	(128 975)	1 556	330 576
Expected credit loss of due from related parties	64 623	165 234	-	(142 625)	-	87 232
Expected credit loss of Debtors & Other debit balances	77 400	41 349	-	(26 112)	(55)	92 582
Expected Credit Loss of Cash and cash equivalent	101	5 239	-	(2 671)	-	2 669
Warranty provision	24 476	36 008	-	(23 419)	-	37 065
Other Provision	64 312	261 803	-	(8 219)	-	317 896
	597 687	600 853	-	(332 021)	1 501	868 020
* Impairment of Inventory	72 103	35 039	-	(32 346)	934	75 730
	669 790	635 892	-	(364 367)	2 435	943 750

*The formation and reversal of inventory impairment are charged in cost of sales at income statement.

9. Earnings per share

A. EPS in consolidated net profit

Basic earnings per share is calculated by dividing net consolidated profit for the year by the weighted average number of ordinary shares issued during the year.

	December 31, 2023	December 31, 2022
Net profit for the year (parent company share)	1 890 727	9 984 958
Employees share of profit*	(48 258)	-
Board of directors bonus*	(17 183)	-
	1 825 286	9 984 958
Weighted average number of ordinary shares issued	1 085 500	1 088 222
Basic profit earnings per share/ EGP	1.682	9.175

* Proposed from the board of directors and under the approval of the general assembly

10. Income tax

A. Income tax liabilities

	December 31, 2023	December 31, 2022
Balance at 1 January	324 089	351 279
Taxes paid during the year	(328 651)	(729 999)
Current income tax during the year (Note 10-C)	419 652	702 809
Balance at the end of the year	415 090	324 089

B. Deferred tax Asset and Liability

Total									
Note No.	Fixed Assets	Carried forward losses	Inventory Impairment	Warranty Provision	Revaluation surplus of fixed assets*	Notes payable	Capital Gains	31-Dec-23	31-Dec-22
Deferred tax assets									
Balance at 1 January	11	155 295	3 349	35 709	-	63 405	-	257 769	331 341
Charged to the income statement	-	(24 468)	5 794	(6 398)	-	(45 752)	-	(70 824)	(73 572)
Balance at the end of the year	11	130 827	9 143	29 311	-	17 653	-	186 945	257 769
Deferred tax liabilities									
Balance at 1 January	(306 512)	-	-	-	(6 377)	-	(18 726)	(331 615)	(348 657)
Charged to the income statement	(19 018)	-	-	-	-	-	16 260	(2 758)	14 059
Charged to Statement of comprehensive income	-	-	-	-	1 320	-	-	1 320	2 983
Balance at the end of the year	(325 530)	-	-	-	(5 057)	-	(2 466)	(333 053)	(331 615)
Net Balance at the end of the year	(325 519)	130 827	9 143	29 311	(5 057)	17 653	(2 466)	(146 108)	(73 846)
Net									
Balance at 1 January	(306 501)	155 295	3 349	35 709	(6 377)	63 405	(18 726)	(73 846)	(17 316)
Charged to the income statement	(10-C) (19 018)	(24 468)	5 794	(6 398)	-	(45 752)	16 260	(73 582)	(59 513)
Charged to Statement of comprehensive income	-	-	-	-	1 320	-	-	1 320	2 983
Balance at the end of the year	(325 519)	130 827	9 143	29 311	(5 057)	17 653	(2 466)	(146 108)	(73 846)

* The deferred tax charge for revaluation surplus of fixed assets has been charged to the consolidated statement of other comprehensive income

Unrecognised deferred tax assets

Some deferred tax assets have not been recognised because it is not certain confirmation to use that tax benefit in the future

	December 31, 2023	December 31, 2022
Expected credit loss for accounts and notes receivables	74 380	82 524
Expected credit loss for other debit balances	20 831	17 415

Liability for temporary differences related to investments in subsidiaries, associates and joint venture was not recognized because the group controls the timing of reversal of the related temporary differences and given that they will not reverse in the foreseeable future.

C. Income tax expense

	December 31, 2023	December 31, 2022
Current income tax (Note 10-A)	(419 652)	(702 809)
Deferred tax - (Note 10-B)	(73 582)	(59 513)
Income tax for the year	(493 234)	(762 322)

D. Amounts recognized in OCI

	December 31, 2023			December 31, 2022		
	Before Tax	Taxes	After Tax	Before Tax	Taxes	After Tax
Foreign Currency translation difference	1 222 124	-	1 222 124	1 429 548	-	1 429 548
revaluation surplus of fixed assets cost	(13 368)	1 320	(12 048)	(13 580)	2 983	(10 597)
	1 208 756	1 320	1 210 076	1 415 968	2 983	1 418 951

11. Inventories

	December 31, 2023	December 31, 2022
Goods in transit	1 306 965	561 352
Cars, buses and trucks	2 576 045	1 681 277
Raw material and car components	1 063 733	791 597
Spare parts for sale	958 374	681 779
Work in progress	391 112	171 001
Tires	144 300	102 806
Oils	1 273	2 335
Total	6 441 802	3 992 147
* Impairment of inventory	(75 730)	(72 103)
Net	6 366 072	3 920 044

* The formation and reversal of inventory impairment are charged in cost of sales at statement of profit / loss.

12. Long term notes receivables

	December 31, 2023	December 31, 2022
Long-term notes receivable	6 596 222	3 488 544
Interest income on installment sales	(1 098 666)	(431 255)
Net present value for long-term notes receivable	5 497 556	3 057 289
Expected credit loss for long-term notes receivable	(115 074)	(83 546)
Net	5 382 482	2 973 743

13. Accounts and notes receivables

	December 31, 2023	December 31, 2022
Total notes receivable	3 805 621	2 675 735
Unamortized interest	(1 098 666)	(431 255)
Net present value for short-term notes receivable	2 706 955	2 244 480
Trade receivable	1 550 874	1 099 328
Total	4 257 829	3 343 808
Expected credit loss for accounts and notes receivable balances	(215 502)	(283 229)
Net	4 042 327	3 060 579

The following table represents the Expected credit loss for accounts and notes receivables according to the expected losses model on December 31, 2023:

1. Non Banking –Financial Services

	Stage 1: Expected credit losses over 12 months	Stage 2: Lifetime ECL that is not credit impaired	Stage 3: Lifetime ECL with impaired credit	Total
Account & notes receivables	7 014 364	469 360	454 669	7 938 393
Adjust:				
Expected credit loss for accounts and notes receivable balances	(53 713)	(33 590)	(174 751)	(262 054)
Net	6 960 651	435 770	279 918	7 676 339

2. The sector of passenger and transport vehicles, buses, two- and three-wheelers vehicles and other operations

	The Balance	* The percentage of expected losses	Expected credit loss of account & notes receivables	Net
Notes Receivable	344 518	3%	(10 904)	333 614
Trade receivables	994 137	2%	(21 790)	972 347
From 1 to 30	237 638	1.0%	(2 334)	235 304
From 31 to 60	110 922	2%	(2 583)	108 339
From 61 to 90	23 699	5%	(1 147)	22 552
From 91 to 120	7 413	18%	(1 331)	6 082
More than 120	98 665	29%	(28 433)	70 232
Total	1 816 992		(68 522)	1 748 470

* The percentage vary according to the nature of each sector of the group and the payment method nature of customers (Bank purchase order customers - Governmental customers - Credit customers - Insurance & Foreign warranty customers - Other customers)

14. Debtors and other debit balances

A. Long term debtors and other debit balance

	December 31, 2023	December 31, 2022
Excess in securitization operations	182 642	398 886
	182 642	398 886

B. Debtors and other debit balances

	December 31, 2023	December 31, 2022
Advance payments to suppliers	971 926	764 608
Withholding tax	487 668	575 580
Value added tax	50 696	47 714
Accrued interest	146 279	44 948
Accrued revenue	152 399	6 040
Letters of credit	442 262	1 070 366
Prepaid expenses	196 206	78 339
Security deposits with others	16 217	24 998
Letters of guarantee margin	208 238	332 354
Staff loans and custodies	90 936	33 493
Other debit balances	326 256	420 793
Customs duties	1 869	1 452
Total	3 090 952	3 400 685
Expected credit loss for debtor and other debit balances	(92 582)	(77 400)
Net	2 998 370	3 323 285

15. Cash and cash equivalents

	December 31, 2023	December 31, 2022
Time deposits	931 063	145 745
Cash and Cash equivalents	3 401 510	3 852 593
Checks under collections	54 103	74 990
Treasury bills	120 231	24 856
Cash and Cash equivalents According to cash flow	4 506 907	4 098 184
Expected credit loss for Cash and cash equivalant	(2 669)	(101)
Net	4 504 238	4 098 083

16. Property, plant, equipments and projects under construction

	Land and Buildings	Machinery & equipment	Vehiles	Computers	Fixtures & furniture	Leasehold improvements	* Projects under construction	Total
Cost								
Cost at 1 January 2022	2 659 560	1 077 846	706 108	285 110	1 108 461	110 183	333 497	6 280 765
Additions during the year	176 925	22 770	171 654	15 528	49 868	4 391	522 022	963 158
Transferred from projects under construction to PP&E and intangible assets	-	26 858	-	37	16 148	5 731	(48 774)	-
Disposals during the year	(2 601)	(77 979)	(106 882)	(106 007)	(130 361)	(603)	(27 119)	(451 552)
Effect of cost modification using modification factor	-	-	(884)	(4 809)	(231)	-	-	(5 924)
Effect of movements of translation of foreign entities	246 773	26 477	18 779	7 745	72 023	8 315	-	380 112
Balance at 31 December 2022	3 080 657	1 075 972	788 775	197 604	1 115 908	128 017	779 626	7 166 559
Cost at 1 January 2023	3 080 658	1 075 972	788 775	197 604	1 115 908	128 017	779 626	7 166 560
Additions during the year	263 827	70 683	221 711	14 746	16 403	3 350	1 109 508	1 700 228
Transferred from projects under construction to PP&E and intangible assets	91 160	22 374	-	7 447	91 455	-	(212 436)	-
Disposals during the year	(87 226)	(5 702)	(69 160)	(4 429)	(15 753)	(203)	(12 059)	(194 532)
Effect of movements of translation of foreign entities	170 361	19 112	11 961	4 645	51 389	6 146	-	263 614
Balance at 31 December 2023	3 518 780	1 182 439	953 287	220 013	1 259 402	137 310	1 664 639	8 935 870
Accumulated depreciation and impairment losses								
Accumulated depreciation at 1 January 2022	347 194	646 565	262 131	211 318	500 214	47 368	13 278	2 028 068
Depreciation during the year	35 351	65 753	74 456	19 644	86 188	16 617	-	298 009
Disposals during the year	(7 773)	(26 640)	(55 279)	(50 892)	(45 779)	(30 658)	-	(217 021)
Effect of accumulated depreciation modification using modification factor	-	(9 343)	(691)	(23)	(1 229)	-	-	(11 286)
Effect of movements of translation of foreign entities	53 401	15 686	3 551	5 943	38 507	6 527	-	123 615
Accumulated depreciation at 31 December 2022	428 173	692 021	284 168	185 990	577 901	39 854	13 278	2 221 385
Accumulated depreciation at 1 January 2023	428 173	692 021	284 168	185 990	577 901	39 854	13 278	2 221 385
Depreciation during the year	46 720	91 185	85 858	26 567	102 921	11 338	-	364 589
Disposals during the year	(13 961)	(3 688)	(38 802)	(2 369)	(10 702)	(197)	-	(69 719)
Effect of accumulated depreciation modification using modification factor	-	(1 315)	(2 429)	-	(2 188)	-	-	(5 932)
Impairment of fixed assets	370 653	4 687	-	-	22	122	-	375 485
Effect of movements of exchange rates	37 907	11 430	(3 131)	4 351	28 145	5 625	-	84 327
Accumulated depreciation at 31 December 2023	869 492	794 320	325 664	214 539	696 099	56 742	13 278	2 970 134
Net carrying Amount								
At 1 January 2022	2 312 366	431 281	443 977	73 792	608 247	62 815	320 219	4 252 697
At 31 December 2022	2 652 484	383 951	504 607	11 614	538 007	88 163	766 348	4 945 174
At 31 December 2023	2 649 286	388 117	627 621	5 472	563 301	80 566	1 651 359	5 965 736

* Projects under construction represented in the cost of buildings, factories expansions and showrooms, which are being prepared and fixed for the group use

17. Asset Right Of Use

	Land & building	Total
Cost		
Balance at January 1, 2022	537 049	537 049
Addition during the year	151 703	151 703
Disposals during the year	(118 659)	(118 659)
Effect of exchange rates	63 383	63 383
Balance at December 31, 2022	633 476	633 476
Balance at January 1, 2023	633 476	633 476
Addition during the year	243 948	243 948
Disposals during the year	(53 107)	(53 107)
Effect of exchange rates	71 105	71 105
Balance at December 31, 2023	895 422	895 422
Accumulated depreciation and impairment losses		
Accumulated depreciation at January 1, 2022	96 716	96 716
Depreciation during the year	115 344	115 344
Disposals during the year	(21 709)	(21 709)
Effect of exchange rates	11 590	11 590
Accumulated depreciation at December 31, 2022	201 941	201 941
Accumulated depreciation at January 1, 2023	201 941	201 941
Depreciation during the year	148 578	148 578
Disposals during the year	(12 576)	(12 576)
Effect of exchange rates	27 454	27 454
Accumulated depreciation at December 31, 2023	365 397	365 397
Net Book value at December 31, 2023	530 025	530 025
Net Book value at December 31, 2022	431 535	431 535

The right of use is represented in renting warehouses and showrooms, which are used in the activities of the group companies.

18. Intangible assets and goodwill

	Goodwill	Computer software	Knowhow	Right to use trademark	Total
Cost					
Balance at 1 January	252 780	70 748	5 703	177 375	506 606
Additions during the year	-	7 431	-	-	7 431
Balance at December 31, 2023	252 780	78 179	5 703	177 375	514 037
Accumulated amortization					
Balance at 1 January	-	50 938	5 703	88 688	145 329
Amortization during the year	-	12 323	-	5 912	18 235
Balance at December 31, 2023	-	63 261	5 703	94 600	163 564
Net Book value at December 31, 2023	252 780	14 918	-	82 775	350 473
Net Book value at December 31, 2022	252 780	19 810	-	88 687	361 277

Goodwill

On September 8, 2008, GB Corp (GB Auto Previously) fully acquired the shares of GB for financial lease (S.A.E) which its business is financial leasing with all its fields, and the acquisition resulted in goodwill amounted to EGP 1 million.

During November 2010, the Group entered into 50% investment as a joint venture agreement in Almajmoa Alalamia Litijaret Alsaiaarat (GK), in Jordan, to acquire the existing business in Iraq, the joint venture agreement gives the group the power to govern the financial and operating policies of (GK) and as a result of this investment the group recognized a goodwill with an Amount EGP 249 million . During 30 september 2021 increased its stake in Almajmoa Alalamia Litijaret Alsaiaarat (GK) from 50% to 83.33% .

On October 26, 2017 the group fully acquired the shares of Egyptian International Maintenance and cars Manufacturing Company EIAC (S.A.E), and the acquisition resulted in goodwill amounted EGP 2.8 million.

Goodwill is allocated as presented below:

	December 31, 2023	December 31, 2022
Iraq PC- Sales	248 910	248 910
Financial leasing activity	1 000	1 000
After Sale service- PC	2 870	2 870
	252 780	252 780

The Company assesses annually the impairment of goodwill at December 31, to ensure whether the carrying amount of the goodwill is fully recoverable, unless there are indicators required to test the impairment through the year.

Impairment of goodwill is assessed based on value in use, which is determined using the expected discounted cash flows based on estimated business plan approved by the Board of Directors covering five years' period. The management is preparing these estimated business plan based on the financial, operating and market performance in the previous years and its expectations for the market development.

Right to use trademark

On June 28, 2007, GB Corp (GB Auto Previously) fully acquired the shares of Cairo Company for Personal Transportation Industries (Citi) by purchasing 49.03%, which was owned by the minority, at a value of 210 million Egyptian pounds, in return for obtaining shares from the issuance of shares to increase the capital of the company. GB Corp (GB Auto Previously). Based on this acquisition, the company obtained the right to use the trademark of one of the company's main suppliers related to the activity of the 2&3 wheleers Sector, at an amount of 177 million Egyptian pounds on the date of acquisition.

19. Investments property

	December 31, 2023	December 31, 2022
Balance at 1 January	90 905	90 905
Balance at the end of the period	90 905	90 905

The fair value of investment property which is represented in the fair value of the land held on December 31 ,2023 amounted to 157 million Egyption pounds according to a prepared study by an independent a real estate office .

20. Issued and paid in Capital

	December 31, 2023	December 31, 2022
Authorized capital (5 000 000 000 shares with par value EGP 1 each)	5 000 000	5 000 000
Issued and paid capital (1 085 500 000 shares with par value of EGP 1 each)	1 085 500	1 085 500

On August 31, 2014, the Board of Directors according to the delegation of the extra ordinary assembly meeting held on June 27, 2013, has decided unanimously to increase the Company's issued capital with the par value in the limit of the authorized capital with an amount of EGP 6 444 645 divided on 6 444 645 shares with a par value of 1 EGP /share, wholly allocated to ESOP system which is applied by the Company, resulted in an issued capital of EGP 135 337 545 after the increase divided on 135 337 545 shares with a par value of 1 EGP/share, and this increase financially fully paid from the special reserve balance and annotated in the commercial register at December 31, 2014.

Private placement (Capital Increase)

on February 4, 2015, the extra ordinary general assembly meeting, has agreed to increase the Company's authorized capital from 400 million EGP to 5 billion EGP and to increase the Company's issued capital from EGP 135 337 545 to be EGP 1 095 337 545 with an increase of EGP 960 000 000 to be divided on 1 095 337 545 shares with a par value of 1 EGP each. (In additional to issuance cost of 1 pts./share), and that increase to be fully allocated for the favor of old shareholders each according to their share in the Company's issued capital , and it is agreed to use the subscription right separately from the original share, with the Company's issued capital increase to be paid either cash and/or using due cash debts for the subscriber by the Company according to their contribution share.

This increase was subscribed by an amount of EGP 958 672 188 (EGP 473 225 502 in Cash and EGP 485 446 686 covered through the outstanding balances due to shareholders) divided on 958 672 188 shares with a par value of EGP each to be the total capital issued and fully paid after the increase equals to EGP 1 094 009 733, it has been annotated in the commercial register at May 31, 2015.

The Extraordinary General Assembly unanimously agreed on June 5, 2022 to excute the company's treasury shares amounting to 8,509,733 shares and to reduce the capital by the amount of these shares, so that the issued and paid-up capital of the company after the reduction becomes 1,085,500,000 Egyptian pounds, and it was approved by the General Authority for Investment on 3/8/2022 It was annoted in the Commercial Register on August 15, 2022.

Misr for Central Clearing Depsitory & Registry accepted the implementation of the capital reduction decision on October 26, 2022.

21. Treasury Shares

On March 1, 2020, the Board of Directors of the company decided to purchase treasury shares with an maximum amount of 10 000 000 shares of the company, which represents 0.914% of the total shares of the company, through the open market, and that implementation be carried out from the session of March 2, 2020 and Until April 2, 2020, or until the full amount is executed, with the same price of the security during trading sessions in the execution period in light of the amendment issued in Article (51) of the registration rules issued by the Board of Directors of the Financial Supervisory Authority No. 27 of 2020 on February 29, 2020 And that works in it as of the date of its issuance, as well as the statement posted on the announcement screens on the Egyptian Stock Exchange on March 1, 2020 regarding the exceptional procedures for companies whose securities are listed on the stock exchange wishing to purchase treasury shares.

During the period from March 3,2020 to March 18, 2020 ,The company has purchased 10 million shares with a total value of 19.570 million Egyptian pounds. The amount of 10 million pounds has been recorded as treasury shares representing the nominal value of the share. The difference between the purchase cost and the nominal value of the amount of 9.570 million Egyptian pounds has been recorded in the other reserves (Note 23).

During the year of 2020, the company sold 2 million shares with a total value of 6 750 Thousand Egyptian pounds, resulting in a reduction of 2 million Egyptian pounds. This represents the nominal value of the share, and the difference between the sale value and the nominal value of 4 750 thousand Egyptian pounds was recorded within the other reserves .

During the period from January 1, 2021 to March 31, 2021, the company sold 8 million shares with a total value of 30 232 thousand Egyptian pounds, resulting in a reduction of 8 million Egyptian pounds. This represents the nominal value of the share and the difference between the sale value and the face value of 22 232 Thousand Egyptian pounds among other reserves (Note 23)

During the period from November 28, 2021 to December 21, 2021The company has purchased 8 509 733 shares with a total value of 38 681 thousand Egyptian pounds. The amount of 8 510 Thousand Egyptian pounds has been recorded as treasury shares representing the nominal value of the share. The difference between the purchase cost and the nominal value of the amount of 30 172 thousand Egyptian pounds has been recorded in the other reserves (Note 23).

On June 5, 2022 the Extraordinary General Assembly unanimously approved the execution of the company's treasury shares, amounting to 8 509 733 shares, and the reduction of the capital by the amount of these shares, so that the issued and paid-up capital of the company after the reduction became 1 085 500 000 Egyptian pounds, and it was approved by the General Authority for investment on August 3, 2022 and annoted in commercial register on 15 August 2022 .

22. Legal reserve

	December 31, 2023	December 31, 2022
Balance at 1 January	533 542	523 961
Transferred to legal reserve	54 437	9 581
Change of non controlling interest without change in control	(25 245)	-
Balance at the end of the period	562 734	533 542

In accordance with the Companies Law No 159 of 1981 and the Company's articles of association, 5% of annual net profit is transferred to the legal reserve. Upon the recommendation of the board, the Company may stop such transfer when the legal reserve reaches 50% of the issued capital. The legal reserve is not eligible for distribution to shareholders.

The legal reserve includes an amount of EGP 74 773 thousand related to the parent Company, the rest of the balance represents the legal reserve of the Group's Companies

23. Other reserves

ESOP					
	Foreign currency translation reserve	(Fair value) reserve	Surplus Revaluation of fixed assets reserve	Share premium (special reserves)	Total
Balance as at January 1, 2023	2 214 460	88 882	69 837	904 041	3 277 220
Foreign currency differences	1 118 685	-	-	-	1 118 685
Modification surplus of fixed assets cost	-	-	(12 048)	-	(12 048)
Balance at September 30, 2023	3 333 145	88 882	57 789	904 041	4 383 857

Share premium

The share premium represented in the difference between the amount paid and nominal value for issued shares and issuance cost is deducted from it. The share premium was transferred to both legal reserve and special reserve according to Law No. 159 of 1981.

	December 31, 2023	December 31, 2022
Share premium	904 041	904 041

The special reserve represented in the transferred amount from the net share premium in 2007 less the amount transferred to the legal reserve.

During 2011, the special reserve was reduced by an amount of EGP 2 990 thousand which represents the difference between treasury shares purchasing cost amounted to EGP 3 097 thousand and the nominal value of these shares amounted to EGP 107 thousand which was written off during 2012.

During 2012, the special reserve was reduced by an amount of EGP 2 114 thousand which represents the differences between treasury shares purchasing cost amounted to EGP 6 365 thousand and its reselling price amounted to EGP 4 251 thousand.

The share premium was reduced by an amount of 9 570 thousand EGP ,which represent the difference between cost of purchasing treasury shares during the year 2020 with an amount of 19 570 thousand EGP and the nominal value of shares of 10 million EGP.

The share premium has also been increased by an amount of 4,750 thousand Egyptian pounds, representing the difference between the sale price of treasury shares during the year 2020 by an amount of 6,750 thousand Egyptian pounds and the nominal value of the shares of 2 million Egyptian pounds.

24. Non-controlling Interest

	Capital	Payment Under capital increase	Reserves	Legal reserve	Financial Solvency Reserve	General risk reserve	Retained earnings	Total	
								December 31, 2023	December 31, 2022
Balance at 1 January	314 141	2 688	571 559	45 861	-	-	(206 054)	728 195	1 640 720
Net profit for the year	-	-	-	-	-	-	(79 199)	(79 199)	553 140
Foreign currency translation results	-	-	207 253	-	-	-	-	207 253	281 842
Capital increase	2 688	15 535	-	-	-	-	-	18 223	15 200
Capital Decrease	-	-	-	-	-	-	-	-	(5 361)
Change in Non-controlling interests without changing in control	185 304	-	(49 856)	25 213	-	-	486 912	647 573	17 966
Transfer to legal reserve	-	-	-	5 449	-	-	(5 449)	-	-
Change in Non-controlling interests with change in control	-	-	-	-	-	-	-	-	(1190 916)
Transfer to financial solvency reserve	-	-	-	-	6 228	-	(6 228)	-	(433 889)
Dividends Distributions	-	-	-	-	-	-	(159 087)	(159 087)	(150 507)
Balance at the end of the period	502 133	18 223	728 956	76 523	6 228	-	30 895	1 362 958	728 195

The following table summarizes the information relating to each of the Group's subsidiaries that has material NCI (Almajmoa Alalamia Litijaret Alsaiaarat (GK),Ghabbour AL Qalam (GQ) & GB Company for financial lease and factoring S.A.E Autombilak S.A.E & Transport Vechile distribution S.A.E) , before any intra-group eliminations:

	December 31, 2023
Non-current assets	3 754 685
Current assets	8 062 893
Non-current liabilities	(2 999 999)
Current liabilities	(4 124 322)
Net asstes attributable to NCI	1 294 956
Revenue	8 512 243
Net Profit for the year	692 634
Net profit attributable to NCI	193 004

25. Capital Management

The group's management aims to manage capital to maintain the group's ability to continue in a way that achieves a return for shareholders and provides benefits to other stakeholders that use the financial statements. Providing and maintaining the best capital structure for the purpose of reducing the cost of capital. To maintain the best capital structure, management changes the value of dividends paid to shareholders, reduces capital, or issues new shares for the group's capital.

The Group's management monitors the capital structure using the ratio of net loans to total capital. Net loans are the total of loans, advances and notes payable minus cash. The total capital represents the company's total equity as shown in the consolidated balance sheet, in addition to net loans.

Net debt to equity ratio at December 31, 2023 and December 31, 2022 as follows:

Total loans and notes payables

	December 31, 2023	December 31, 2022
Loans, borrowings and overdrafts	12 237 670	8 980 544
Short-term notes payable - suppliers	387 663	330 992
Total loans and notes payables	12 625 333	9 311 536
Less:		
Cash and cash equivalent	(4 504 238)	(4 098 083)
Letters of credit	(442 262)	(1 070 366)
Letters of guarantee	(208 238)	(332 354)
Net debt	7 470 595	3 810 733
Shareholders' equity	19 838 656	16 732 554
Net debt to equity ratio	0.38	0.23

26-Loans, borrowings and overdrafts

	December 31, 2023			December 31, 2022		
	Current portion	Long-term portion	Total	Current portion	Long-term portion	Total
Banks overdraft	5 788 806	-	5 788 806	4 376 303	-	4 376 303
Loans	1 885 690	4 563 174	6 448 864	1 663 928	2 940 313	4 604 241
Total	7 674 496	4 563 174	12 237 670	6 040 231	2 940 313	8 980 544

A. Banks overdraft

	December 31, 2023	December 31, 2022
Less than one year	5 788 806	4 376 303
	5 788 806	4 376 303

B. Loans

The group (the non-banking financial services sector) obtained medium and long-term bank loans for the purpose of financing car sales contracts and operational and financial lease contracts. The repayment period for these loans reached 5 years for each operation financed by guaranteeing the financial rights of the contracts concluded and arising from those contracts towards the clients of the group companies

	December 31, 2023	December 31, 2022
Less than one year	1 885 690	1 663 928
More than one year and less than five years	4 563 174	2 940 313
	6 448 864	4 604 241

27. Trade payables and other credit balances

	December 31, 2023	December 31, 2022
Trade payables	3 249 478	2 855 987
Other credit balances	358 992	323 623
Advances from customers	821 168	282 774
Tax Authority	13 912	14 625
Value added tax	145 907	82 588
Accrued expenses	1 307 251	1 095 372
Accrued interest expense	52 266	52 785
Retention from others	89 642	58 681
Notes payables	387 663	330 992
Right of use liability	514 038	580 374
Dividends payable	10 317	7 948
Deferred revenues	134 387	6 511
Due to clients for securitization	25 129	120 122
	7 110 150	5 812 382

28. Provisions

	Legal Claims	Warranty Provision	Other Provisions	Total
Balance at January 1, 2023	62 931	108 536	188 783	360 250
Provisions formed during the year	10 990	36 009	94 689	141 688
Provisions utilized during the year	-	(14 528)	(30 554)	(45 082)
Provisions no longer required	-	(23 419)	(91 386)	(114 805)
Effect of movement of exchange rates	203	2 319	3 093	5 615
Balance at December 31, 2023	74 124	108 917	164 625	347 666
Balance at January 1, 2022	18 195	104 995	173 240	296 430
Provisions formed during the year	44 440	54 543	161 026	260 009
Provisions utilized during the year	-	(25 111)	(3 123)	(28 234)
Provisions no longer required	-	(30 067)	(148 158)	(178 225)
Effect of movement of exchange rates	296	4 176	5 798	10 270
Balance at December 31, 2022	62 931	108 536	188 783	360 250

Legal claims provision

The amounts shown comprises of gross provisions in respect of legal claims brought against the Group, and management opinion after taking appropriate legal advice, that the outcome of these legal claims will not exceed significantly the provision formed as at December 31, 2023.

Warranty Provision

The Group provides warranty on its products and guarantees to either fix or replace the products that are not working properly, and the Group has estimated its warranty provisions to be EGP 108 917 thousand at the end of the period for expected warranty claims (local component) in the light of management experience for repair and returns level in previous years the warranty provision includes a long-term provision amounted as at December 30, 2023 EGP 7 070 thousand (at December 31, 2022 EGP 13 935 thousand).

Other provisions

Other provisions are related to claims expected to be made by a third party in connection with the Group operations. The information usually required by accounting standards is not disclosed because the management believes that to do so would seriously affects the outcome of the negotiation with that third party. These provisions are reviewed by management yearly and adjusted based on latest developments, discussions and agreements with the third party.

A portion of the value of the formed and (no longer required) of the other provisions is included in the sales revenue. The value of the formed provisions on December 31, 2023 amounted to 167 114 thousand Egyptian pounds and the value of the no longer required provisions is 83 176 thousand Egyptian pounds EGP.

29. Financial risk management

1. Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including foreign currency exchange rates risk, price risk, cash flows and fair value interest rate risk), credit risk and liquidity risk.

A. Market risk

1. Foreign currency exchange rate risk

The Group is exposed to foreign exchange rate risk arising from various currency exposures, primarily with respect to the US Dollar and Euro. Foreign exchange rate risk arises from future commercial transaction, assets and liabilities in foreign currency outstanding at the consolidated balance sheet date, and also, net investments in foreign entity.

The below table shows the exposures of foreign currencies at the consolidated balance sheet date, presented in EGP, as follows:

	December 31, 2023		December 31, 2022	
	Assets	Liabilities	Net	Net
US Dollars	2 537 474	(1 239 863)	1 297 611	(1 220 191)
Euros	98 498	(65 593)	32 905	171 453
Other currencies	90 253	(54 594)	35 659	(23 970)

In light of the global and local economic conditions and geopolitical risks facing the country, the government, represented mainly by the Central Bank of Egypt, took a package of financial measures during the years 2022 and 2023 to contain the impact of these crises, as well as the resulting inflationary impact on the Egyptian economy, which led to the devaluation of the Egyptian pound. in exchange for foreign currencies, raising the interest rate on full day deposits and lending, and setting maximum limits on cash withdrawals and deposits in banks. Which resulted in a decrease in the rates of exchange and availability of foreign currencies through official channels, which led to a delay in the payment of debts in foreign currencies, as well as an increase in purchase costs and payment costs.

With reference to Minister of Finance Resolution No. 34 of 2024 regarding the adoption of the percentage of change in price differences resulting from the arrangement of foreign currencies when determining the income tax base for the year 2023, and if the company uses it as guidance when translating net balances of a monetary nature into the currency on December 31, 2023, and the effect will be positive in the profit or loss as there is a surplus in the foreign currency in the group.

2. Price risk

The Group has no investments in a quoted equity security, so it’s not exposed to the fair value risk due to changes in prices

3. Cash flows and fair value interest rate risk

Some of the group companies are exposed to the risk of changes in interest rates due to the existence of long-term loans. Long-term loans with variable interest rates expose the group to the risk of cash flows being affected by changes in interest rates. Long-term loans with fixed interest rates expose the group to the risk of the fair value being affected by changes in interest rates.

Loans, advances and bank overdrafts with variable interest rates amounted to 12,237,670 thousand Egyptian pounds on December 31, 2023 (8,980,544 thousand Egyptian pounds on December 31, 2022). It is worth noting that most of these loans and advances (non-banking financial services sector) were used for customer contracts for the purpose of financing car sales contracts and operating and financing lease contracts, and they are transferred by guaranteeing the financial rights of the contracts concluded and arising from those contracts towards the customers of the group companies.

Financial assets that carry fixed interest rates are amounted to EGP 931 063 thousand as at December 31, 2023 (EGP 145 745 thousand as at December 31, 2022).

		December 31, 2023	December 31, 2022
Time deposits	USD	863 450	136 659
Time deposits	EGP	67 613	9 086
		931 063	145 745

B. Credit risk

Credit risk is managed on a group basis. Due to presence of cash and bank deposits, as well as credit exposures to wholesalers and retail customers, including outstanding accounts and notes receivables.

For banks, the Group is dealing with the banks which have a high independent rating and banks with a good solvency in the absence of an independent credit rating.

For suppliers and wholesalers, the Credit Controllers assess the credit quality of the wholesale customer, taking into account their financial position, past experience and other factors.

For individuals the legal arrangements and documents accepted by the customer are minimizing the credit risk to its lowest level. Provisions are accounted for doubtful debts on an individual basis.

The ratio of allowance for impairment of accounts and notes receivables to the total debts is as following:

	December 31, 2023	December 31, 2022
Notes and accounts receivables	11 952 717	7 263 607
Expected credit loss for accounts and notes receivable balances	330 576	366 775
The ratio of the expected credit loss to the total accounts and notes receivable	2.77%	5.05%

C. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group’s management aims at maintaining flexibility in funding by keeping committed credit lines available.

D. Fair value estimation

the fair value is assumed to approximate the fair value less than any estimated credit adjusments for financial assets and financial liabilities with maturity dates of less than one year, and for disclosure purposes, the interest rates available to the company for similar financial instruments are used to reduce the contractual future cashflow to estimate the fair value of the financial liabilities

For the fair value of financial instruments that are not traded in an active market, The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for the financial instruments or similar instruments are used for long-term debt.

Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. At the balance sheet date, the fair value of non-current liabilities does not significantly differ from their carrying amount, as the interest rates do not significantly differ.

30. Invesments in subsidiaries

The consolidated financial statements for GB Corp. S.A.E., include the financial statements which represents the proportion of direct and indirect investment as follows:

Company Name	December 31, 2023	December 31, 2022
RG Investment S.A.E.	99.99%	99.99%
International Trade Agencies and Marketing Co. (ITAMCO) S.A.E.	99.45%	99.45%
Egyptian Vehicles Manufacturing Co. (Ghabbour Egypt) S.A.E.	99.53%	99.53%
Ghabbour Continental Trading Co. (GCT) –Alex S.A.E.	100.00%	100.00%
GB Polo Buses Manufacturing S.A.E.**	100.00%	80.00%
Haram Company for Transportation and trading S.A.E.	99.00%	99.00%
GB Company for Financial Lease and Factoring S.A.E.**	55.00%	100.00%
GB Auto Rental For Transportation S.A.E.	100.00%	100.00%
GB Allab Company	66.20%	66.20%
Masters Automotive Company S.A.E.	75.00%	75.00%
Almajmoa Alalamia Litijaret Alsaierat (GK)	83.33%	83.33%
GB Logistics S.A.E.	99.98%	99.98%
GB Capital holding for Financial Investments S.A.E.	99.00%	99.00%
Gulf Company*****	100.00%	100.00%
Drive for Car Trading S.A.E.	100.00%	100.00%
Drive for Financing and Non Banking Service S.A.E.	100.00%	100.00%
Ghabbour Al Qalam	68.00%	68.00%
GB Global Company	100.00%	100.00%
GBR Auto Company	54.00%	54.00%
GBR Services Company	48.80%	48.80%
Egypt Auto Mall Company for used car S.A.E.	99.00%	99.00%
GB El Bostan*****	60.00%	60.00%
Ghabbour General Trade*****	25.00%	25.00%
Pan African Egypt Company for Oil S.A.E.	100.00%	100.00%
Tires & More Company for Car Services S.A.E.	100.00%	100.00%
Ready Parts for Automotive Spare Parts S.A.E.	97.67%	97.67%
Engineering Company for Transportation Maintenance El Mikaneeky S.A.E.	65.00%	65.00%
Egyptian International Maintenance and cars Manufacturing Company EIAC S.A.E.	100.00%	100.00%
GB Finance BV (Luxembourg previously)	100.00%	100.00%
Salexia L.T.D. Trading (Cyprus)	100.00%	100.00%
BBAL Blue Bay Auto Loan Investments Cyprus LTD	100.00%	100.00%
GB Capital Securitization S.A.E.	100.00%	100.00%
GB for Import & export	100.00%	100.00%

Company Name	December 31, 2023	December 31, 2022
GB Capital BV	100.00%	100.00%
GB Real Estate Mortgage Finance BV	100.00%	100.00%
Transport Vehicle Distribution TVD S.A.E.****	75.07%	75.07%
Automobilk S.A.E*	85.00%	65.00%
GB Finance Lease BV**	40.00%	100.00%
GB Operational Lease BV	100.00%	100.00%
GB Consumer Finance BV	100.00%	100.00%
SME's credit facilities company B.V.(GB Factoring B.V. Previously)	100.00%	100.00%
GB Global BV	100.00%	100.00%
GB Automotive For Trade and Manufacture	100.00%	100.00%
SME Credit Eteman S.A.E.	100.00%	100.00%
International Company For car components (S.A.E)	51.00%	51.00%
GB Kenya	100.00%	100.00%
GB capital sukuk (S.A.E)	100.00%	-
GB Tanzania	100.00%	-

* During 2023, the group increased the percentage of investment in Automobilak S.A.E by 20%, so the total value of the investment became 85% instead of 65%.

** The Board of Directors of GB Capital for Financial Investments S.A.E, which is 99.99% owned by GB Corp S.A.E (GB Auto previously) , on September 6, 2022, agreed to to enter a negotiation into an agreement to sell an indirect percentage representing 60% of GB Lease BV shares, with a total value of 855 million Egyptian pounds, and on January 19, 2023, GB Capital for Financial Investments S.A.E. carried out the final sale process, as the sale resulted in a decrease in the company's shareholding in GB Leasing Company S.A.E. 45%, so that the indirect ownership percentage of GB Corp (GB Auto Previously) in GB Leasing S.A.E, after executing the sale transaction, reached 55%.

*** During 2023, the group increased the percentage of investment in GB Polo Buses Manufacturing S.A.E. by 20%, so the total value of the investment became 100% instead of 80%.

**** During 2023, the group increased the percentage of investment in Transport Vehicle Distribution TVD S.A.E. by 18.93%, so the total value of the investment became 94% instead of 75.07%.

***** Companies under liquidation

31. Payment under Investment fair value through profit and losses

	December 31, 2023	December 31, 2022
GBM Global	72	72
Total	72	72

32. Capital Commitments

The capital contractual expenditure of the Group at the consolidated financial statements date reached EGP 158 965 thousand at December 31,2023 (EGP 463 730 thousand as at December 31, 2022) represented in the amount to be paid upon the completion of the new production lines under construction and other branches across the country.

33. Cointaingent Liabilities

There are contingent liabilities on the Group represented in letters of guarantee .The balance of the letters of guarantee granted by the Group in Egyptian Pounds and foreign currencies through its ordinary business, presented in EGP are as follows:

	December 31, 2023	December 31, 2022
USD	2 206 887	1 573 452
EGP	143 129	138 112
Japanese Yen	152 993	72 210
Euro	279 223	3 620
Crona Swidish	16 457	64 052

34. Related party transactions

The subsidiaries have current accounts with related parties which include all payments made on behalf of the subsidiaries.

Balances due from and to related parties are as follows:

Due from related parties	December 31, 2023	December 31, 2022
El Bostan Holding	65 350	105 091
SIPAC – Algeria	23 243	18 015
Algematco – Algeria	48 536	41 048
MNT Investment B.V. Group	289 408	81 517
Auto Market Misr	3 345	-
El Qalam Shareholders' Current Account	4 948	3 960
Total	434 830	249 631
Expected credit loss for due from related parties	(87 232)	(64 623)
	347 598	185 008

Due from related parties	December 31, 2023	December 31, 2022
Due to related parties		
Marco Polo Company	-	93 587
Al Watania for car accessories and spare parts	-	8 084
Wahdan Company	68	68
	68	101 739

The following is the nature and the values for the most significant transactions with the related- parties during the year:

Related party name	Relation type	Transaction nature	Transaction amount	
			December 31, 2023	December 31, 2022
Executive BOD Members	Board of Directors	Top Management Salaries	48 158	43 597
SIPAC – Algeria	Associate	Foreign Currency translation difference	(5 228)	(6 764)
El- Qalam Shareholder current account	Shareholder in one of the subsidiaries	Services	4 949	3 960
Marco Polo Company	Shareholder in one of the subsidiaries	Services	93 587	(34 042)
Algematco – Algeria	Shareholder in one of the subsidiaries	Foreign Currency translation difference	7 488	13 757
Bostan Holding	Company owned by a shareholder of one of the subsidiaries	Foreign Currency translation difference	39 741	(38 226)
MNT Investment B.V. Group	Associate	Cash transfers	207 891	(10 988)
QI Investment (Gaya previously)	Shareholder in one of the subsidiaries	Cash transfers	-	10 345

35. Investment in associates

	Contribution percentage	December 31, 2022	Net Profit /Losses for the year	settlements	credit balances	Dividends Distribution	December 31, 2023
MNT Invest-ment B.V. Group (Nether-lands) *	49.50%	9 456 932	1 085 424	-	-	-	10 542 356
Bedaia for Real estate Financing	33.33%	84 898	1 065	1 975	-	(4 461)	83 477
Kaf for life insurance	37.50%	17 876	(20 399)	-	2 523	-	-
		9 559 706	1 066 090	1 975	2 523	(4 461)	10 625 833

* During the year 2022, the company sold a share of its shares by 7.5% in the (MNT BV) group , so that the percentage of the company after the sale became 49.5%, and as a result of this sale, it lost control of the (MNT BV) group , then the company by re-evaluating the remaining shares at fair value in the (MNT BV) group on the date of losing control, and the re-evaluation resulted in profits resulting from the re-measurement at fair value, and it was classified on the income statement during the year 2022, and therefore the comparative figures include the results of the business of the (MNTBV) group.

** GB Capital holding for Financial Investments S.A.E. has granted KAF for life insurance (Tokyo Marine previously) a long term subordinated loan amounted EGP 50 Million without any interests and/or returns starting from May 30, 2022 and will end on May 29,2027.

36. Other investments with fair value through comprehensive income

	Contribution percentage	December 31, 2023	December 31, 2022
Sky reality holding	7.49%	103 500	103 500
Atlana company for car service	29.60%	2 000	2 000
Seatr application	17.50%	500	500
Tawfiqia .com	10.00%	500	500
		106 500	106 500

These investments have not been classified as associated companies due to the lack of significant influence on the financial and operational policies of these companies.

37. Income statement according to expense nature

	December 31, 2023	December 31, 2022
Operating Revenue	28 317 230	29 789 079
Operating Cost	(21 432 690)	(21 676 145)
Gross Profit	6 884 540	8 112 934
Other income	523 052	285 557
Provisions no longer required	101 418	86 206
Gain from investment in associate	1 066 090	100 587
(Loss) / Gain from selling and remeasurement of investments in subsidares	(4 425)	8 207 309
Interest income	313 906	147 472
Installment sales interest	16 784	19 280
Bank Expense	(183 609)	(134 947)
Interest expense	(1 112 983)	(755 770)
Salaries & Benefits	(1 711 571)	(2 514 607)
Selling & Marketing	(145 828)	(181 449)
Rents	(88 857)	(121 486)
Net Losses foreign exchange transaction	(1 499 123)	(239 027)
Provisions formed	(370 250)	(315 994)
Depreciation and Amortization	(230 105)	(301 491)
Consulting	(173 996)	(272 843)
Transportation	(41 051)	(48 101)
Vehicles expense	(62 627)	(72 258)
Governmental Fees & stamps	(109 638)	(98 749)
IT Expense	(75 715)	(83 842)
Other Expenses	(111 979)	(202 323)
Impairment in fixed assets	(375 486)	-
Insurance	(29 697)	(26 451)
Security Expense	(28 432)	(24 500)
Training employees	(29 310)	(27 222)
Repair/Maintenance Expenses	(2 906)	(1 309)
Administration Supplies	(43 932)	(65 493)
Utilities	(23 644)	(26 586)
Donations & Public relation	(54 917)	(60 625)
Medical Fund	(60 096)	(69 545)
Freight	(30 849)	(14 307)
Net profit for the period before income tax	2 304 762	11 300 420

38. Securitized Operations

During the period the group (the non-banking financial services sector) signing into money transfer contracts and the data on securitization operations are as follows:

The securitization portfolio consists of financial rights and deferred dues secured by various guarantees in favor of the assignor, which have been transferred to the assignee. The assignor has transferred financial rights and deferred payment dues for the purpose of issuing securitized bonds.

December 31, 2023		December 31, 2022	
Total Value	Present Value	Total Value	Present Value
37 704 694	16 660 872	19 146 302	12 396 833

39. Bonds

Drive finance company has adopted a bond issuance program on several issues under the private placement system, which are tradable and non-transferable nominal bonds over several issues for a period of (3) years at an amount of 2,000,000 Egyptian pounds (only two billion Egyptian pounds only) and for a period of no less than For thirteen months for each issue, and with an equal rank in the priority of payment and guarantee with the rank of the current and future long-term financial debts of the issuing company with the exception of the legally established privileges and with the exception of the secured loans mentioned in the information memorandum in accordance with the decision of the Board of Directors of the Financial Supervisory Authority No. 54 of 2014 and its amendments And at a nominal value of (100) pounds per bond.

The first version of the program was launched at an amount of 700 million Egyptian pounds on 23/06/2022, as follows:

Part (A): Nominal bonds that are negotiable, non-convertible to shares and not subject to accelerated call-up for a period of thirteen (13) months starting from the day following the date of closing the subscription door, with a value of EGP 300,000,000,000 (only three hundred million Egyptian pounds) with a nominal value of 100 EGP (only one hundred Egyptian pounds) per bond, it is to be consumed monthly as of the first month from the date of closing the subscription door with a fixed monthly installment amounting to 23 076 923 Egyptian pounds and with a fixed annual return of 14%, calculated starting from the day following the date of closing the subscription door It is paid monthly, starting from the first month of the subscription closing date.

Part (B): Nominal bonds that are negotiable, non-convertible into shares, and subject to accelerated call-up starting from coupon No. (14) (the 14th month of issuance) and for a period of sixty (60) months starting from the next day from the date of closing the subscription door, with a total value of 400,000,000,000 EGP (only four hundred million Egyptian pounds) with a nominal value of 100 EGP (only one hundred Egyptian pounds) per bond to be amortized over a period of (60) months starting from the first month of the subscription closing date with a fixed monthly installment 6 666 667 EGP with a fixed annual return It amounts to 13.5% and is calculated starting from the day following the closing date of the subscription and is paid monthly, starting from the first month of the closing date.

December 31, 2023					
	Total Value	Borrowing Cost	Converted from more than one year	Paid	Net
Installments Due within a year	356 923 077	(1 907 072)	140 534 160	(415 550 165)	80 000 000
Installments Over a year	343 076 923	(2 542 763)	(140 534 160)	-	200 000 000
Total	700 000 000	(4 449 835)	-	(415 550 165)	280 000 000

40. Loss of control on subsidiary

During the year 2022, the company sold a share by 7.5% in the MNT BV group of companies, often the percentage of the company after the sale became 49.5% , accordingly, it lost control on the MNT BV group of companies, after that the company re-evaluate the remaining shares at the fair value in the MNT BV group of companies on the date of loss of control, there's a profits resulting from the re-measurement at fair value, and it was classified to the Profit and Losses during the year.

The company has applied the accounting treatment related to the loss of control on the subsidiary in accordance with the requirements of Egyptian Accounting Standard No. (42) Consolidated Financial Statements.

40.1. Gain from sale of investment

December 31, 2022	
Proceed from sale 7.5% from shares of MNT BV Group	1 361 104
* Payment will be collect at first quarter at 2023	258 302
Expenses related to the sale of share have not been paid	(186 600)
Net sale value	1 432 806
The book value of the sold shares at the date of loss of control	(305 336)
Gain for the group from sale of 7.5% from shares of MNT BV Group	1 127 470

* The payment was collected on February 9, 2023.

40.2. Gain from revaluation investment at fair value

December 31, 2022	
Net book value of the investment	(393 338)
Disposal the book value of the assets and liabilities of the subsidiary at the date of loss of control	(3 135 110)
Disposal the book value of the Non-Controlling interest at the date of loss of control	1 190 917
Net revaluation of investment at fair value through profit and losses	9 417 370
Gain for the group from revaluation of the investment in associates	7 079 839
Total Gain from Sale & revaluation of investment in associates	8 207 309

The following is a statement of the net profits of MNTB Group during the period ending in :

	The period from January 1, 2022 until the date of loss of control
Operating revenue	5 207 226
Expenses	(3 788 586)
Net profit for the year before income tax	1 418 640
Income Tax	(363 091)
Net profit for the period	1 055 549
Shareholder's of the parent company	621 709
Non-controlling interests	433 840
	1 055 549

40.3. For cash flow purposes

Net Movement of investments in associates	(8 842 352)
Net revaluation of investment at fair value through profit and losses	9 417 370
Disposal of investments in associates at the date of loss of control	(693 635)
Disposal the book value of the assets and liabilities of the subsidiary at the date of loss of control	(3 135 110)
Disposal the book value of the Non-Controlling interest at the date of loss of control	1 190 917
Net book value of the investment	(393 338)
The net movement of investments in associates as shown in the statement of cash flows	(2 456 148)

41. Special Risk Reserve

The risk reserve is represented in non-banking financial services, the effects of applying the Egyptian Accounting Standard No. 47 Financial Instruments equivalent to 1% of the assets listed in the risk weights in accordance with the provisions of the decisions issued by the Board of Directors of the General Authority for Financial Supervision No. 200 of 2020 on some companies that engage in financial activities

Non-banking, and the balance on December 31, 2023, reached 20.3 million Egyptian pounds, and the balance of this reserve will not be used after applying Standard No. 47 except after obtaining the prior approval of the Authority.

42. General Risk Reserve

A general risk reserve is the difference between applying the expected credit loss model according to the non-bank financial companies' application of the Egyptian Accounting Standard No. 47 on January 1, 2021, for the provision for doubtful debts.

43. Reserve for financial solvency

In accordance with Article No. (6) of the Financial Regulatory Authority's Board of Directors Decision No. (191) of 2018, a general provision is formed at the rate of (1%) of the total regular balances, and a provision is formed on doubtful balances according to the rates of delay in collection divided into four Levels according to the degree of regularity in payment for each individual case.

An amount of retained profits or losses is set aside in the solvency risk reserve account within equity, and the reserve amount is calculated and always adjusted by deduction from or refund to the retained profits or losses, by the amount of the excess of the impairment provision calculated in accordance with the solvency standards over the provision for impairment of customers that was recognized in accordance with Egyptian accounting standards at the date of the financial statements.

Account	
(1) The balance of provisions for doubtful financing balances in accordance with the basis for calculating provisions in Article No. (6) of the Financial Regulatory Authority's Board of Directors Resolution No. (191) of 2018.	41 036
(2) Balance of net impairment of customers as recorded in the books and according to Egyptian accounting standards (expected credit losses).	(33 424)
The balance of reserve for financial solvency	7 612

44. Significant accounting policies

The following accounting policies that are adopted in the preparation of the consolidated financial statements are summarized below:

A. Business combination

- The Group accounts for business combination using the acquisition method when control is transferred to the Group.
- The consideration transferred in the acquisition is generally measured at fair value, as are the net assets acquired.
- Any goodwill that is tested annually for Impairment. Any gain on a bargain purchase recognized in profit or loss immediately.
- Transaction cost is expensed as incurred, except for the issuance of securities related to the issue of debt or equity securities.
- The consideration transferred does not include amounts related to the settlement of previously outstanding relationship. Such amounts are generally recognised in profit or loss.
- Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that met the definition of financial instrument is classified as equity, then it is not re-measured, and settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and in addition to the changes in the fair value of the contingent consideration are recognized in profit or loss.

1) Subsidiaries

- Subsidiaries are entities controlled by the Group.
- The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its authority over the entity.
- The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

2) Non-controlling interests

NCI are measured at their proportionate share of the acquirer's recognized net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

4) Transaction elimination from consolidation financial statements

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from investment transactions that are accounted for using equity method with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment of the transferred assets.

B. Foreign currency

1) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary items that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in Other comprehensive income.

2) Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates at the reporting date. The income and expenses of foreign operations are translated at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss. Then the partial share must be reclassified.

C. Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative period.

D) Revenue from customer contracts.

Egyptian Accounting Standard No. 48 – Revenue from contracts with customers.

Egyptian Accounting Standard No. 48 specifies a comprehensive framework for determining the value and timing of revenue recognition. This standard replaces the following Egyptian accounting standards (Egyptian Accounting Standard No. (11) Revenue and Egyptian Accounting Standard No. (8) Construction Contracts. Revenue is recognized When a customer is able to control units or services, determining the timing of the transfer of control - over a period of time or at a point in time - requires a measure of personal judgment.

The costs of assign a contract with customers

Under Egyptian Accounting Standard 48, some of the additional costs incurred in acquiring a contract with a customer (contract costs), which previously did not qualify for recognition as an asset under any of the other accounting standards, have been deferred in the consolidated statement of financial position.

E. Employee benefit

1) Short – term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or implied obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2) Share – based payment arrangements

The fair value (at the date of grant) of equity-settled share-based payment arrangements granted to employees in the form of equity instrument is generally recognised as an expense, with a corresponding increase in equity, over the maturity period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of grants that meet the related service and non-market performance conditions at the maturity date.

For share-based payment (equity instrument) grants with non-maturity conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no outstanding adjustments between expected and actual outcomes.

3) Defined contribution plans

The Obligations for the defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. The Group pays contributions to the government social insurance system for their employees based on the rules of the social insurance law no 79 for the year 1975. The employees and employers contribute under this law with a fixed percentage of wages. The Group's commitment is limited to the value of their contribution. And the Group's contribution amount expensed in profits and losses according to accrual basis.

4) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the financial statements date, then they are discounted - before tax - to reflect the time value of money.

F. Finance income and finance costs

The Group's finance income and finance costs include:

- interest income.
- interest expense.
- Foreign currency gains or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

Interest income of non-banking financial corporations is represented in cost of sales and other corporations within finance costs.

G. Income Tax

The recognition of the current tax and deferred tax as income or expense in the profit or loss for the period, except in cases in which the tax comes from process or recognized event - at the same period or in a different period - outside profit or loss, whether in other comprehensive income or in equity directly or business combination.

1) Current income tax

The recognition of the current tax for the current period and prior periods and that have not been paid as a liability, but if the taxes have already been paid in the current period and prior periods in excess of the value payable for these periods, this increase is recognized as an asset. The taxable current liabilities (assets) for the current period and prior periods measured at expected value paid to (recovered from) the tax authority, using the current tax rates (and tax laws) or in the process to issue in the end of the financial period. Dividends are subject to tax as part of the current tax. But do not be offset for tax assets and liabilities only when certain conditions are met.

2) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- a. Taxable temporary differences arising on the initial recognition of goodwill.,
- b. Temporary differences on the initial recognition of assets or liabilities in a transaction

that is not: 1) business combination
 2) And not affects neither accounting nor taxable profit or loss.

- c. Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. deferred tax assets are reassessed at each reporting date, and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

H. Inventories

Inventories are valued at cost or net realisable value whichever is lower. Cost is determined by the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and an appropriate share of production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

I. Property, plant and equipment

1) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

The modified cost model was adopted which the cost and accumulated depreciation for some categories of fixed assets (Machinery and equipment, Vehicles, Furniture and office equipment, Tools and supplies) are modified using modification factors stated in annex (A) of EAS no. (13). The increase of net fixed assets which are qualified to modification, were recognized in other comprehensive income items and was presented as a separate item in equity under the name of modification surplus of fixed assets. The realized portion of modification surplus of fixed assets is transferred to retained earnings or losses in case of disposal or abandonment of the asset which qualified for modification or usage (depreciation difference resulting from the adoption of the special accounting treatment).

2) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the (straight-line method) over their estimated useful lives for each item and is generally recognised in profit or loss.

Land is not depreciable. Estimated depreciation rates for each type of assets for current and comparative periods are as follow:

Asset	Depreciation rate
Buildings	2%-4%
Machinery & equipment	10%-20%
Vehicles	20%-25%
Fixtures & Office furniture	6%-33%
IT infrastructures & Computers	%25
Leasehold improvements	20% - or lease period whichever is less

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4) Reclassification to investment property

The reclassification of assets to investment property when the use of a property changes from owner-occupied to investment property.

5) Project under construction

The projects under construction recognized at cost. All expenses related to cost includes direct and necessary to prepare the asset to the state that is ready to use and in the purpose for which it was acquired for. The asset transferred from projects under construction to fixed assets when it is completed and ready to use.

J. Intangible assets and goodwill

1) Recognition and measurement

Goodwill:

Arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Other intangible assets:

Other intangible assets, including patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

The right of use of the trademark is amortized on a straight line method over the expected 30 years of use.

Computer software

Costs associated with developing or maintenance of computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Company and will probably generate future economic benefits for more than one year, are recognised as intangible assets.

Expenditure, which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Expenditure to acquire computer software is capitalized and included as an intangible asset. Computer software costs recognised as assets are amortised using the straight-line method over their useful lives and not exceeding of 3 years.

Knowhow

The amounts paid against knowhow are recognized as intangible assets in case of knowhow have a finite useful life and amortized over their estimated useful lives.

2) Subsequent expenditure

Subsequent expenditure is capitalised only as an asset if it is an intangible asset when the intangible asset will increase the future economic benefits embodied in project, research, and development under construction which is recognized as intangible assets. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

3) Amortization

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the (straight-line method) over their estimated useful lives, and is generally recognised in profit or loss.

Goodwill is not amortised.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

K. Investment property

Investment property is property held by the Group for rental or rise in value, or both and initially measured at cost and subsequently at cost less accumulated depreciation and impairment, and recognize in profit and loss the depreciation expenses and impairment losses.

The depreciation of investment property calculated using (straight-line method) over their estimated useful lives for each type of investment property, land is not depreciated.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

L. Financial instruments**EAS 47. Financial instruments**

EAS 47 – Defined the recognition and measurement of financial assets and financial liabilities and some of non-financial items agreements for sale or purchase. This standard replaces EAS 25 financial instruments: presentation and disclosure and EAS 26 financial instruments.

The recognition and measurement and EAS 40 financial instruments disclosures applied on 2021 disclosures.

Financial assets and financial liabilities classification and measurement

- The new standard requires the company to evaluate the classification of financial assets at the company's financial statements according to the financial assets cash flow conditions and the company related business module for financial assets certain category.
- EAS 47 has no longer available for sale classification for financial assets. The new standard contains different requirements for financial assets in debit instruments or equity instruments.

The financial instruments must be classified and measured by one of the following:

- Amortized cost, which actual interest rate will be applied or
- Fair value through comprehensive profit and loss with subsequent reclassification to profits and losses when the financial assets sale.
- fair value through profit and losses
 - a. Investments in equity instruments must be classified and measured by one of the following methods except for those considered and applied owners' equity accounting.
 - Fair value through other comprehensive income through subsequent reclassification to profits and losses statement when financial assets have been sold.
 - Fair value through profits and losses

b. The company initially continues in measurement of financial assets by using fair value plus cost of transaction at the initial recognition except the financial assets measured at fair value through profits and loss in accordance with the current practices.

EAS 47 largely retains the current requirements including those in EAS 26 for financial liabilities classification and measurements.

The application of EAS 47 didn't have a significant impact on the company's accounting policies related to financial liabilities and derivatives.

Impairment: –

- EAS 47 uses the expected credit loss model, which replaces the exposure loss model EAS 26, where there was no need for a provision for doubtful debts except in cases in which there is actual loss incurred in contrast, the ECL model requires the company to recognize for doubtful debts provisions on all financial assets included in amortized cost as well as debt instruments classified as fair value through other comprehensive income since initial recognition regardless of whether loss was incurred.
- Below are the main changes in the group's accounting policy for impairment of financial assets.

When determining a default for the purpose of determining the risk of a default, the entity shall apply a default definition consistent with Identification used for internal credit risk management purposes of the relevant financial instrument and theoretical qualitative indicators when appropriate. However, it is a rebuttable assumption that the default does not occur later when the financial asset is due.

for a period of 90 days unless an entity has reasonable and supportive information to demonstrate that the non-satisfactory default criterion is the most appropriate.

The definition of default used for these purposes is applied consistently to all financial instruments unless information is available that demonstrates that another default definition is more appropriate for a particular financial instrument.

A three-stage approach is applied to measure expected credit losses for financial assets listed at cost.

depreciated and debt instruments designated as Fair value through other comprehensive income. Assets are transferred through.

The following three stages are based on the change in the quality of credit ratings since initial recognition for these assets:

- Principle of these assets

- Stage one: 12-month expected credit losses.

For exposures that have not resulted in a quantitative increase in credit risk since initial recognition, a portion of the credit risk is recognized. Lifetime ECL based on the probability of default occurring over the next 12 months.

- Stage two: Lifetime ECL - not credit-impaired

For credit exposures that have resulted in a significant increase in credit risk since initial recognition, but not Credit impaired, lifetime expected credit losses are recognized.

- Stage Three: Lifetime Expected Credit Loss Financial assets are credit-impaired when the One or more events that have a detrimental effect on the estimated future cash flows of those assets Finance.

-Measurement

The company apply the simplified approach to calculate expected credit losses for the Auto &Auto related sector companies due to the absence of an important credit component associated with their contracts with customers while apply for the non-banking financial sector companies, the general approach was applied to calculate expected credit losses due to the presence of an important credit component in contracts with customers of that sector.

- Hedge accounting

Egyptian Accounting Standard No. 47 increases the company's ability to apply hedge accounting. In addition, it has been Align the requirements of the standard more closely with the company's risk management policies, so high coverage will be measured in the future.

M. Share capital

1) Ordinary Shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with EAS No. (24) Income Tax.

2) Repurchase and reissue of ordinary shares (treasury shares)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

N. Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

1) Warranties

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

2) Legal Claims

The recognition of the provision for legal claims when there are legal claims against the Group and after receiving appropriate legal advice.

3) Other Provisions

Provisions are recognized when there are other expected claims from third parties with respect to the activities of the Group and, according to the latest developments and discussions and agreements with those parties.

O. Leases

Egyptian Accounting Standard (49) replaces Egyptian Accounting Standard No. (20) - Accounting rules and standards related to financial leasing operations.

- -The Egyptian Accounting Standard No. (49) Lease Contracts provides a single accounting model for the lessor and the lessee, where the lessee recognizes the Asset right for use of the leased asset within the company's assets and also recognizes a liability, which represents the present value of the unpaid lease payments within the company's obligations, taking into account that Leases for the lessee are not classified as an operating lease or as a finance lease. There are optional exemptions for short-term and low-value leases.

With regard to the lessor, the lessor must classify each of its lease contracts as either an operating lease or a finance lease.

- With regard to the finance lease, the lessor must recognize the assets held under a finance lease contract in the statement of financial position and present them as amounts receivable in an amount equal to the net investment in the lease contract.

For operating leases, the lessor must recognize lease payments from operating leases as income either on a straight-line basis or on any other regular basis.

Recognition and measurement

- At the inception of the contract, the company evaluates whether the contract contains lease arrangements. For such lease arrangements, the company recognizes Asset right for use and lease contract liabilities, with the exception of short-term lease contracts and low-value asset contracts as follows:
- On initial recognition, a right-of-use asset is measured as the amount equal to the lease liability, which is initially measured, adjusted for pre-contract lease payments, initial direct cost, lease incentives, and the discounted value of the estimated costs of dismantling and removing the asset. On subsequent measurement, the right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the shorter of the estimated useful lives of the Asset right for use or the lease term.
- The lease contract obligation is measured at the beginning of the lease contract at the present value of the unpaid lease payments on that date over the lease period, and the lease payments must be discounted at the rate using the incremental borrowing prevailing in the country. In general, the company uses the incremental borrowing rate as a discount rate. The lease liability is then measured at amortized cost using the effective interest method.
- The Asset right for use and lease liability will be remeasured later in the event of one of the following events:
 - The change in the rental price due to the linkage to the prices or the rate that became effective in the period.
 - Amendments to the lease contract.
 - Re-evaluation of the lease term.

Leases of non-core assets not related to the Company's main operating activities, which are short-term in nature (less than 12 months including renewal options) and leases of low-value goods are recognized in the income statement as incurred.

Important judgments in determining the lease term for contracts that include renewal options

The Company determines the term of the lease as the non-cancellable term of the lease, together with any periods covered by the option to extend the lease if such right can reasonably be exercised, or any periods covered by the option to terminate the lease, if it is certain to be exercised That right.

The Company has the option under some lease contracts to lease the assets for additional periods, the Company applies judgment in assessing whether it is certain and reasonably certain to exercise the option to renew, that is to say, all relevant factors that create an economic incentive to exercise the renewal, after the commencement date, are taken into account The Company reinstates the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not exercise) the option to renew (for example) a change in business strategy.

P. Segmental reports

A segment is a group of related assets and operations that are subject to risks and returns that are different from those of other sectors or within a single economic environment subject to risks and returns that relate to it, other than those relate of segments operating in a different economic environment.

Q. Dividends

Dividends are recorded in the Group's financial statements in the year in which they are approved by the Group's shareholders.

R. Comparative figures

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

S. New versions and amendments to the Egyptian Accounting Standards:

On March 6, 2023, the Prime Minister’s Decree No. (883) of 2023 was issued amending some provisions of the Egyptian Accounting Standards, the following is a summary of the most significant amendments:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (10) amended 2023 Fixed Assets and Egyptian Accounting Standard No. (23) amended 2023 Intangible Assets.	<div>1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets.</div> <div><ul style="list-style-type: none">• This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows:• Egyptian Accounting Standard No. (5) Accounting Policies, Changes in Accounting Estimates and Errors.• Egyptian Accounting Standard No. (24) Income Taxes• Egyptian Accounting Standard No. (30) Interim Financial Reporting• Egyptian Accounting Standard No. (31) Impairment of Assets• Egyptian Accounting Standard No. (49) Leasing Contracts</div> <div>2- In accordance with the amendments made to the Egyptian Accounting Standard No. (35) amended 2023 Agriculture, paragraphs (3), (6) and (37) of Egyptian Accounting Standard No. (10) Fixed assets have been amended, and paragraphs 22(a), 80(c) and 80(d) have been added to the same standard, in relation to agricultural produce harvested.</div> <div><ul style="list-style-type: none">• The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) for the current period, which is the period of the financial statements in which the Egyptian Accounting Standard No. (35) amended 2023 and Egyptian Accounting Standard No. (10) amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be disclosed for each comparative period presented.• The company may elect to measure an agricultural produce harvested item at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the company have been applied the above-mentioned amendments for the first time and to use that fair value as its deemed cost on that date. Any difference between the previous carrying amount and the fair value in the opening balance should be recognized by adding it to the revaluation surplus account in equity at the beginning of the earliest period presented.</div>	The company's management will not use a revaluation model during the current year.	The amendments of adding the option to use the revaluation model are effective for financial periods starting on or after January 1, 2023, retrospectively , cumulative impact of the preliminary applying of the revaluation model shall be added to the revaluation surplus account in equity, at the beginning of the financial period in which the company applies this model for the first time.

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (34) amended 2023 Investment property .	<p>1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property.</p> <p>2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows:</p> <ul style="list-style-type: none">• Egyptian Accounting Standard No. (1) Presentation of Financial Statements• Egyptian Accounting Standard No. (5) Accounting Policies, Changes in Accounting Estimates and Errors.• Egyptian Accounting Standard No. (13) The Effects of Changes in Foreign Exchange Rates• Egyptian Accounting Standard No. (24) Income Taxes• Egyptian Accounting Standard No. (30) Interim Financial Reporting• Egyptian Accounting Standard No. (31) Impairment of Assets• Egyptian Accounting Standard No. (32) Non-Current Assets Held for Sale and Discontinued Operations• Egyptian Accounting Standard No. (49) Leasing Contracts	The company's management will not use the fair value model standard during the current year.	The amendments of adding the option to use the fair value model are effective for financial periods starting on or after January 1, 2023 retrospectively , cumulative impact of the preliminary applying of the fair value model shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this model for the first time.
Egyptian Accounting Standard No. (50) Insurance Contracts.	<p>1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the company provides appropriate information that truthfully reflects those contracts. This information provides users of the financial statements with the basis for assessing the impact of insurance contracts on the company's financial position, financial performance, and cash flows.</p> <p>2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 Insurance Contracts.</p> <p>3-Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50).</p> <p>4-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) Insurance Contracts, as follows:</p> <ul style="list-style-type: none">• Egyptian Accounting Standard No. (10) Fixed Assets .• Egyptian Accounting Standard No. (23) Intangible Assets.• Egyptian Accounting Standard No. (34) Investment property .	The company's management will study the impact of implementing the standard during the next year.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting on or after July 1, 2024 , and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the company should disclose that fact.

45. Significant Events

1. The Board of Directors of GB Capital for Financial Investments S.A.E, which is 99.99% owned by GB Corp. S.A.E (GB Auto previously) , on September 6, 2022, agreeing to negotiate to enter into an agreement to sell an indirect percentage representing 60% of the shares of GB Lease BV, with a total value of 855 million Egyptian pounds, and on January 19, 2023, GB Capital for Financial Investments S.A.E carried out the final implementation of the sale process as a result of the sale process, the company’s shareholding in GB Leasing Company S.A.E decreased. 45%, so that GB Corp (GB Auto previously) indirect ownership percentage in GB Leasing S.A.E, after executing the sale transaction, becomes 55%.
2. During the year 2022, the company sold a 7.5% share of its shares in the (MNT BV) group, so that the percentage of the company after the sale became 49.5%, and as a result of this sale, it lost control of the (MNT BV) group, then the company By re-evaluating the remaining shares at fair value in the (MNT BV) group on the date of losing control, and the re-evaluation resulted in profits resulting from the re-measurement at fair value, and it was classified on the income statement during the year 2022. Therefore, the comparison figures include the results of the group (MNT BV) .
3. On May 16, 2023, Prime Minister Decision No. 1847 of 2023 was issued to replace the texts of paragraphs 5 / (c), (7), (9) of Appendix (c) accompanying the Egyptian Accounting Standard No. (13) related to The Effects of Changes in Exchange Rates. Foreign currencies added to the Prime Minister’s Resolution No. 4706 of 2022, the following texts:

Paragraph 5 / (c): The financial period for applying the special accounting treatment mentioned in this appendix is the fiscal year or period that begins before October 27, 2022, the date of the exchange rate move, and ends on or after this date, and the following fiscal period or year.

Paragraph (7): An entity that, prior to the date of moving the exchange rate, may acquire fixed assets, real estate investments, exploration and evaluation assets, intangible assets (other than goodwill) and Asset right of use for lease contracts, financed by commitments listed on that date in foreign currencies, to recognize within the cost of those assets the debit currency differences resulting from the settled part of these obligations during the financial period for applying this special accounting treatment, in addition to the currency difference resulting from translating the remaining balance of these obligations at the end of day of December 31 2023 or at the end of the closing date of the financial statements for the financial period to apply this special accounting treatment, using the exchange rate used on that date. The facility can apply this option for each asset separately.

Paragraph (9): As an exception to the requirements of Paragraph No. 28 of the amended Egyptian Accounting Standard No. (13) The effects of changes in foreign exchange rates for the recognition of currency differences, the entity whose business results were affected by the net profits or losses of currency differences as a result of moving the price of Foreign exchange, whether the currency of its entry is the Egyptian pound or any other foreign currency, to recognize within the items of other comprehensive income the net debit and credit currency differences realized during the period, in addition to the differences resulting from retranslating the balances of the existing monetary items At the end of day of December 31, 2023 or at the end of the closing date of the financial statements for the financial period to apply this special accounting treatment, using the exchange rate used on that date, less any currency translation differences recognized as cost of assets in accordance with paragraph (7) of this Appendix. Considering that these differences resulted mainly from the unusual movements of the exchange rate.

- 4. On July 1, 2023, the Iraqi government stopped importing 2&3 wheelers. The company's management is currently studying the future plan of Ghabbour Al-Qalam Company (a subsidiary) and the extent of the decision's impact on the subsidiary's activity.
- 5. The company filed an arbitration case against the People's Democratic Republic of Algeria during the year 2022. These proceedings were initiated as a result of the severe damage and losses suffered by the company due to the measures taken by the Algerian government against the company's business and investments in Algeria through the company's indirect shareholding amounting to 54% of the company's shares GBR Auto and 48.8% of the shares of GBR Service, which were incorporated in Algeria.

During the year 2023, the group recorded an impairment loss of the remaining consolidated assets of GBR Auto and GBR Service. The total value of the impairment losses that was recorded amounted to EGP 522 million, which is represented as follows: -

2023	(All amounts are in thousand Egyptian pounds)
Fixed Assets	375 486
Inventory	5 014
Accounts and notes receivables	9 195
Debtors and debit balances	16 912
Due from related parties	115 032
Cash and cash equivalent	396
Total	522 035

It should be noted that the minimum damage suffered by the company is the loss of its invested capital, amounting to approximately USD 24 million, excluding foregone profit and interest.