Translation of co	nsolidated financial statement
	Originally issued in Arabic
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GB Auto (S.A.E.)
(An Egyptian Joint Stock Company)

Consolidated Interim Financial Statements
For The Financial Period Ended March 31, 2023

And Limited Review Report

KPMG-Hazem Hassan Public Accountants & Consultants

<u>Translation of consolidated financial statement</u> <u>Originally issued in Arabic</u>

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Hazem Hassan Public Accountants & Consultants

B (105) – Avenue (2) – Smart Village Km 28 Cairo – Alex Desert Road

Giza – Cairo – Egypt Postal Code : 12577

<u>Translation of limited review report</u> <u>Originally issued in Arabic</u>

Telephone: (202) 35 37 5000 - 35 37 5005

E-mail : Egypt@kpmg.com.eg Fax : (202) 35 37 3537 P.O. Box : (5) Smart Village

Limited review report on consolidated interim financial statements

To: The Board of Directors of GB Auto (S.A.E)

Introduction

We have performed a limited review for the accompanying consolidated balance sheet of GB Auto (S.A.E) as at March 31, 2023 and the related consolidated statements of income and comprehensive income, changes in equity, and cash flows for the three -months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our limited review.

Scope of Limited Review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements (no. 2410), "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim consolidated financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2023 and of its financial performance and its cash flows for the three -month then ended in accordance with Egyptian Accounting Standards.

KPMG Hazem Hassan

Public Accountants & Consultants

KPMG Hazem Hassan
Public Accountants and Consultants
Caro May 25, 2023

GB Auto (S.A.E) (An Egyptian Joint Stock Company) Consolidated Interim Statement of Financial Position as at March 31, 2022

	Note	31 March 2023	31 December 2022
(All amounts in thousand Egyptian Pound)	No.	31 Waren 2023	31 December 2022
Assets			
Non-current assets Property, plant, equipment and projects under construction (Net)	(16)	5 295 503	4 945 174
Assets right of use	(17)	458 774	431 535
Intangible assets and goodwill	(18)	363 699	361 277
Payments under investment with fair value through P&L	(31)	72	72
Investment in associate with fair value through P&L	(35)	9 781 872	9 559 706
Other investments with fair value through profit and losses	(36)	106 500	106 500
Long term notes receivables (Net)	(12)	4 074 439	2 973 743
Deferred tax assets	(10-B)	286 691	257 769
Investment property	(19)	90 905	90 905
Debtors and other debit balances	(14-A)	399 006	398 886
Subordinated Loan		50 000	50 000
Total non-current assets		20 907 461	19 175 567
Current assets			
Assets held for sale		855 000	855 000
Inventories (Net)	(11)	4 871 833	3 920 044
Accounts and notes receivables (Net)	(13)	3 248 457	3 060 579
Debtors and other debit balances (Net)	(14-B)	3 085 228	3 323 285
Due from related parties	(34)	254 846	185 008
Cash on hand and at banks	(15-A)	4 247 466	4 098 083
Total current assets		16 562 830	15 441 999
Total assets		37 470 291	34 617 566
Equity			
Issued and paid in capital	(20)	1 085 500	1 085 500
Reserve for financial Solvency	(42)	9 514	10 711
General risk reserve	(41)	131	131
Legal reserve	(22)	508 300	533 542
Other reserves	(23)	4 333 524	3 277 220
Private risk reserve - Non banking financial service Retained Earning	(40)	20 393	20 393
Net Profit for the period / year		12 033 775 107 693	1 820 099 9 984 958
Equity attributable to shareholders of the parent		18 098 830	16 732 554
Non-controlling interests	(24)	1 559 860	728 195
Total equity	(2.)	19 658 690	17 460 749
Liabilities			
Non-current liabilities			
Loans	(26)	3 261 488	2 940 313
Bond Payable Long term	(39)	260 000	280 000
Long term notes payables and creditors	(37)	256 378	380 317
Right of use Liability		296 995	344 343
Warranty provisions	(28)	9 429	13 935
Deferred tax liabilities	(10-B)	332 486	331 615
Total non-current liabilities		4 416 776	4 290 523
Current liabilities			
Provisions	(28)	335 466	346 315
Current tax liabilities	(10-A)	430 038	324 089
Loans, borrowings and overdrafts	(26)	6 199 289	6 040 231
Due to related parties	(34)	119 908	101 739
Bond Payable	(39)	172 308	241 538
Trade payables and other credit balances	(27)	6 137 816	5 812 382
Total current liabilities		13 394 825	12 866 294
Total liabilities		17 811 601	17 156 817
Total equity and liabilities		37 470 291	34 617 566

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

Group Chief Financial Officer Executive Board Member Abbas E sayed

**Limited Review report "attached"

Executive Board Member Nader Ghabbour

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GB Auto (S.A.E) (An Egyptian Joint Stock Company) Consolidated Interim Statement of Income for the financial Period ended 31 March 2023

(All amounts in thousand Egyptian Pound)	Note No.	31 March 2023	31 March 2022
Operating revenue		4 741 480	7 842 085
Operating cost		(3 692 030)	(6 008 545)
Gross profit	•	1 049 450	1 833 540
Other income	(6)	64 229	87 480
Selling and marketing expenses		(222 563)	(585 490)
General and administrative expenses		(422 348)	(375 160)
Provisions and Impairment of Current and Non-Current assets (Net)	(8)	(50 720)	(36 217)
Operating Profit	•	418 048	924 153
Finance costs (Net)	(7)	(456 833)	(337 861)
Gain /(Loss)from investment in associate & liquidation	(35)	222 165	(27 286)
Net profit for the period before income tax	•	183 380	559 006
Income tax (expense)	(10-C)	(79 428)	(193 359)
Net profit for the period after tax	•	103 952	365 647
Attributable to:	•		
Shareholder's of the parent company		107 693	229 394
Non-controlling interests		(3 741)	136 253
		103 952	365 647
Basic earning per share (EGP/Share)	(9)	0.099	0.210

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

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GB Auto (S.A.E)

(An Egyptian Joint Stock Company)

Consolidated Interim Statement of Comprehensive Income

for the financial Period ended 31 March 2023

(All amounts in thousand Egyptian Pound)	Note No.	31 March 2023	31 March 2022
Net profit for the period after income tax		103 952	365 647
Other comprehensive income items			
Foreign currency translation difference		1 241 790	395 258
Modification surplus of fixed assets result		(2 908)	(3 966)
Total other comprehensive income for the period before income tax		1 238 882	391 292
Income tax related to other comprehensive income item		883	875
Other comprehensive income for the period after income tax		1 239 765	392 167
Total other comprehensive income for the period		1 343 718	757 814
Other comprehensive income is attributable to:			
Shareholder's of the parent company		1 195 884	555 286
Non-controlling interests		147 834	202 528
		1 343 718	757 814

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

Translation of Consolidated financial statements
Originally issued in Arabic

GB Auto (SAE) (An Egyilan John Stock Company) Consolidated Interim Statement of Shareholders Equity for the Insureial Period getied 3,1 March 2023

(All amounts in thousand Exyptian Found)							Single Chord of the parent company	TANK TO THE PERSON TO THE PERS							
	Share capital	Legal	Treasury Bills	Foreign currency translation reserve	Foreign ESOP randadoo (Fair value) reserve reserve	Revaluation surplus of fixed assets reserve	Share premium (Special reserve)	Reserve for financial solvency	General risk reserve	Private risk Non Non banking financial service	Retained Earning	Net profit for the period	Total	Non-Coutrolling interests	Total equity
Balance at December 31, 2022	1 085 500	533 542		2 214 460	88 882	69 837	904 041		131	20 393	1 820 099	9 984 958	16 732 554	728 195	17 460 749
Transferred to retained carnings		,		,				,	,	,	9 984 958	(9 984 958)			•
Total comprehensive income															
Net profit for the period	•	,	,	ı	,	,		•				107 693	107 693	(3.741)	103 952
Modification surplus of fixed assets after income tax (Net)	•	,	,	,	,	(2 025)	•	•	,		2 908		883	1	883
Other Comprehensive income items				1 036 908	•			,		,			1 036 908	204 882	1 241 790
Total comprehensive income				1 036 908		(2025)			$ \cdot $		2 908	107 693	1 145 484	201 141	1 346 625
Transactions with owners of the Company															
Reserve for financial solvency	•			•	•	•		6694	•	,	(6 694)	٠			•
Change in non-controlling interests without changing in control	•	(25 245)	•	21 421	•	•	•	(1891)			232 507	,	220 792	630 524	851 316
Capital increase	•					•	•			,		,		2 688	2 688
Transferred to legal reserve	•	8				•	•			,	3	,		•	
Payement under capital increase	1	,	•	•	•	•			,	,	,	,		(2688)	(2688)
Total Transactions with owners of the company		(25 242)	 -	21 421				(1197)			225 810	1	220 792	630 524	851316
Balance at March 31, 2023	1 085 500	568 300	,	3 272 789	88 882	67 812	904 041	9 514	131	20 393	12 033 775	107 693	18 098 830	1 559 860	19 658 690

Translation of Consolidated financial statements
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GB Auto (S.A.E.)
(An Egyptian Joint Stock Company)
Consolidated Interim Statement of Shareholders Equity
for the financial Period ended 31 March 2023

Private Priv	31 March 2022					Cha	Changes in equity of the parent company	parent comp	ıny						:
1 094 010 523 961 (8 510) 1 067 263 88 882 80 435 904 041 49 472 90 399 min clax (Net) 328 976 (3 091) 328 976 (3 091) 328 976 318 976	(All amounts in thousand Egyptian Pound)	Note No.		Treasury Bills	Foreign currency translation reserve	ESOP (Fair value) reserve	Revaluation surplus of fixed assets reserve	Share premium (Special reserve)	General risk reserve	Private risk reserve - Non banking financial service	Retained Earning	Net profit for the period	Total	Non-Controlling interests	Total equity
mmc lax (Net) (3.091)	Balance at December 31, 2021	1 094 010	523 961	(8510)	1 067 263	88 882	80 435	904 041	49 472	90 399	547 392	1 477 953	5 915 298	1 649 730	7 565 028
mmc tax (Net) 32.8 976 (3.091)	Transferred to retained earnings	,	,	,	,		•	,		•	1 477 953	(1477953)		•	
nnc tax (Net) (3.091)	Total comprehensive income														
min c tax (Net) (3.091)	Net profit for the period	,	,	,	,	,	٠	•	•			229 394	229 394	136 253	365 647
728.976 (3.091)	Modification surplus of fixed assets after income tax (Net)	,	,	,	,	,	(3091)	,	,	,	3 966	,	875		875
pany 1094 010 524 727 (8 510) 1396 239 88 882 77344 904 041 49 472 90 399	Other Comprehensive income items	,	,	,	328 976	,			,	,		•	328 976	66 282	395 258
pany 1094 010 524 727 (8 510) 1396 239 88 882 77344 904 041 49 472 90 399	Total comprehensive income		-		328 976	-	(3091)				3 966	229 394	559 245	202 535	761 780
766	Transactions with owners of the Company													16.36.37	(140.4)
766	Decrease capital of subsidary	r	•		•					1				(5555)	(ccr c)
766	Dividends Distrbution	•	•		•				,	1	(10687)		(10687)	(69)	(10756)
766 524 727 (8.516) 1.396 239 88 882 77 344 904 041 49 472 90 399	Transferred to legal reserve	1	766		•	•				1	(166)	1			,
1 094 010 524 727 (8510) 1 396 239 888 77 344 904 041 49 472 90 399	Total Transactions with owners of the company	•	266	•	,		•			•	(11453)	•	(10 687)	(5422)	(16 109)
	Balance at March 31, 2022	1 094 010	524 727	(8 510)	1 396 239	88 882	77 344	904 041	49 472	90 399	2 017 858	229 394	6 463 856	1 846 843	8 310 699

^{*} The accompanying notes form an integral part of those consolidated interim financial statements, and to be read therewith.

GB Auto (S.A.E) (An Egyptian Joint Stock Company) Consolidated Interim Statement of Cash Flows for the financial Period ended 31 March 2023

(All amounts i	in thousand	Egyptian	Pound)
(1 xm announts)	HI CHOUSAND	L. J. P. CHAIL	Lound

Adiustments for: Interest expense (7) 245 902 199 636 Depreciation and amortization for the period (16-17,18) 155 547 154 649 Provisions movements (net) (28) 21 616 49 821 Impairment losses on current assets (net) 43 599 12 177 Interest income (7) (54 429) (72 933) Gain from sale of property, plant, equipment and assets held for sale (6) (2 277) (3 415) Investment in associates and liquidation losses (222 165) 27 286 Foreign currency translation losses 364 661 211 158 Changes in: 735 834 1 137 385 Inventories (707 137) (1 275 224) Accounts and notes receivables (1 210 849) (1 605 686) Debtors and other debit balances 458 138 63 337	(All amounts in thousand Egyptian Pound)	Note No.	31 March 2023	31 March 2022
Internate papers	Net profit for the year before tax		183 380	559 006
Deprecision and anortication for the period (164 17.18) 1.55 547 1.94 649 Previsions morements (not) 2.10 16 4.98 11 1.21 177 Interest income (7) (54 429) (7.2933) Claim from sale of property, plant, equipment and assets held for sale (6) (2.22165) 2.7286 Investment in associates and liquidation losses (2.22 165) 2.7286 Foreign currency translation losses (2.22 165) 2.7286 Foreign currency translation losses (707 137) (1.275 224) Changes in: 1.75 854 1.137 385 Changes in: (707 137) (1.255 224) Accounts and notes receivables (1.267 13) (1.267 13) Due to related parties (3.18 169) 4.57 85 <td>Adjustments for:</td> <td></td> <td></td> <td></td>	Adjustments for:			
Provisions unovenedas (net) 16 49 821 11 11 11 11 11 11 11	Interest expense	(7)	245 902	199 636
Impairment losses on current assets (net) Interest income (7) (34 429) (72 933) Interest income (8) (2277) (34 439) Interest income (8) (2271) (34 439) Investment in associators and liquidation losses (222 165) 27 286 Foreign currency translation losses (364 661) 211 158 Foreign currency translation losses (707 137) (1275 244) Interest income receivables (707 137) (1275 244) Accounts and notes receivables (707 137) (1275 244) Accounts and notes receivables (10 108 49) (1 605 869) Debtors and ollor debit balances (49 994) (45 115) Due to related parties (49 994) (45 115) Due to related parties (49 994) (45 115) Due to related parties (49 994) (45 115) Throceds from least and borrowings (10 00 12 97 498) Trade papables and other credit balances (39 163) (125 944) Cash provided from operating activities (49 914) (45 913) (45 662) Internet tax paid (43 911) (36 662) Internet tax paid (43 911) (36 662) Internet tax paid (43 911) (36 662) Internet tax paid (56 77 787) (480 935) Pyrount for acquisition of property, plant, equipment and projects under constructions (58 787) (480 935) Pyrount for acquisition of property, plant, equipment and projects under constructions (58 787) (480 935) Pyrount for acquisition of property, plant, equipment and projects under constructions (58 787) (480 935) Pyrount for acquisition of internetile activities (58 787) (480 935) Pyrount for acquisition of internetile activities (69 97) Pyrount for acquisition of internetile activities (89 230) Interest income received (89 240) Interest income received (89 240) Interest income notes property, plant, equipment and assets held for sale (89 230) Interest income notes property, plant, equipment and assets held for sale (89 230) Interest income notes property, plant, equipment and assets held for sale (89 230) Interest income notes provibe (89 230)	Depreciation and amortization for the period	(16,17,18)	155 547	154 649
Interest income	Provisions movements (net)	(28)	21 616	49 821
Gain from sale of property, plant, equipment and assets held for sale (6) (227) (3 415) Investment in associates and ilquidation losses (222 165) 27 286 Foreign currency translation losses 364 661 211 188 Clauges in: 735 834 1137 385 Univentified (707 137) (1 275 224) Accounts and notes receivables (1 210 849) (1 605 869) Due from related parties 489 818 63 337 Due from related parties 18 169 45 765 Payment rent for asset right of use (14 719) (16 501) Proceeds from base and borrowings 7 1000 1 297 498 Tride payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provisions used (43 911) (8 662) Income tax paid (647) (10 428) Net cash provided from operating activities (783 239) 1 207 623 Cash flows from livesting activities (679 787) (480 935) Payment for acquisition of property, plant, equipment and projects under	Impairment losses on current assets (net)		43 599	12 177
Investment in associates and liquidation losses 364 661 21 1188 767 676 currency translation losses 364 661 21 1188 778 8184 1137 388 71	Interest income	(7)	(54 429)	(72 933)
Foreign carrency translation losses 364 661 211 158 Changes In: 738 584 1137 385 Inventories (707 137) (127 5224) Accounts and notes receivables (12 10 849) (16 505 684) Debtors and officer debit balances 458 118 63 337 Due for related parties (49 954) (45 115) Due to related parties 18 169 45 705 Pyrment rent for saster right of use (14 179) (16 301) Proceeds from loans and borrowings 71 000 1 297 498 Trade payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (39 163) 1 625 054 Cash provided from operating activities (39 163) 1 2267 13 Provisions used (49 911) (8 662) Income tax paid (647) (10 428) Net cash provided from operating activities (567 787) (480 935) Payment for acquisition of property, plant, equipment and projects under constructions (567 787) (480 935) Payment for acquisition of property, plant, equipment and projects under constructio	Gain from sale of property, plant, equipment and assets held for sale	(6)	(2 277)	(3 415)
Changes in:	Investment in associates and liquidation losses		(222 165)	27 286
Classes in:	Foreign currency translation losses		364 661	211 158
Inventories			735 834	1 137 385
Accounts and notes receivables (1210 449) (1605 686) Debtors and other debit balances 458 138 63 337 Due from related parties (49954) (45 115) Due from related parties 18169 45765 Payment rent for asset right of use (14719) (16 301) Proceeds from loans and borrowings 71 000 1 297 498 Trade payables and other credit balances (39163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provisions used (45 911) (8 662) Income tux paid (647) (10 428) Net cash provided from operating activities (788 239) 1 207 623 Cash flaws from investing activities (789 239) 1 207 623 Cash flaws from investing activities (567 787) (480 935) Payto by non controlling interest (6595) - Proceeds from subsidiaries (6595) - Proceeds from subsidiaries (6595) - Interest income received	Changes in:			
Debtors and other debit balances 45\$ 138 63 337 Due from related parties (49 954) (45 115) Due to related parties 81 809 45 765 Peyment rent for Sastright of use (14 719) (16 301) Proceeds from loans and borrowings 71 000 1 297 498 Tinde payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provisions used (4 89 11) (8 652) Income tux paid (647) (10 428) Net cash provided from operating activities (738 239) 1 207 623 Cash flows from investing activities (557 787) (480 935) Payment for acquisition of property, plant, equipment and projects under constructions (557 787) (480 935) Payment for acquisition of property, plant, equipment and projects under constructions (557 787) (480 935) Payment for acquisition of property, plant, equipment and assets held for sale 1 032 134 - Payment for acquisition of property, plant, equipment and assets held for sale 3 1 103 12 985 Net cash (used in) investing activit	Inventories		(707 137)	(1 275 224)
Due from related parties (49 954) (45 115) Due to related parties 18 169 45 765 Payment rent for asset right of use (14 719) (16 301) Procects from loans and borrowings 71 000 1 297 498 Trade payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provisions used (43 911) (8 662) Income tax paid (647) (10 428) Net eash provided from operating activities (783 239) 1 207 623 Cash flows from Investing activities (783 239) 1 207 623 Cash flows from Investing activities (567 787) (480 935) Payment for acquisition of intangible assets (56 787) (480 935) Payment in for acquisition of intangible assets (65 995) - Interest income received 36 146 10 542 Payment under investment 31 103 12 985 Net cash (used in) investing activities (89 230) - Cash flows from linancing activities (89 230) - <t< td=""><td>Accounts and notes receivables</td><td></td><td>(1 210 849)</td><td>(1 605 686)</td></t<>	Accounts and notes receivables		(1 210 849)	(1 605 686)
Due to related parties 18 169 45 765 Payment rent for asset right of use (14 719) (16 301) Proceeds from loans and borrowings 71 000 1 297 498 Trade payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provisions used (43 911) (8 662) Income tax paid (647) (10 428) Net cash provided from operating activities (783 239) 1 207 623 Cash flows from investing activities (567 787) (480 935) Payment for acquisition of property, plant, equipment and projects under constructions (567 787) (480 935) Payment for acquisition of intengible assets (7 000) - Procects from sale of shares from subsidaries (30 32) - Payment for acquisition of intengible assets (567 787) (480 935) Payment for acquisition of intengible assets (587 787) (480 935) Interest income received 36 146 10 542 Payment for acquisition of intengible assets (699) 129 58 Net each (Debtors and other debit balances		458 138	63 337
Payment rent for asset right of use (14 719) (16 301) Proceeds from leans and borrowings 71 000 1 297 498 Trade payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (39 163) 1 226 713 Provisions used (43 911) (8 662) Income tux paid (647) (10 428) Net eash provided from operating activities (783 239) 1 207 623 Cash flaws from investing activities (567 787) (480 935) Payment for acquisition of property, plant, equipment and projects under constructions (567 787) (480 935) Payment for acquisition of intangible assets (7000) - Posceeds from sale of shares from subsidaries 1 032 134 - Payment for acquisition of intangible assets (6 595) - laterest income received 35 146 10 542 Payment true under investment 31 103 12 985 Proceeds from sale of property, plant, equipment and assets held for sale 89 230) - Let cash (used in) investing activities 89 230) - (69)	Due from related parties		(49 954)	(45 115)
Proceeds from Joans and borrowings 71 000 1 297 498 Trade payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provisions used (43 911) (8 662) Net cash provided from operating activities (783 339) 1 207 623 Cash flows from investing activities (7000) - Payment for acquisition of property, plant, equipment and projects under constructions (567 787) (480 935) Pay to buy non controlling interest (7000) - Pocceds from subsidiaries (0595) - Payment for acquisition of intangible assets (6 595) - Interest income received 36 146 10 542 Payment under investment 31 103 12 985 Proceeds from sale of property, plant, equipment and assets held for sale 31 103 12 985 Net cash flows from financing activities (89 230) - Cash flows from financing activities (89 230) - Dividends paid—minority equity 9 (5 561) Decrease capital of subsidary	Due to related parties		18 169	45 765
Proceeds from Joans and borrowings 71 000 1 297 498 Trade payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provisions used (43 911) (8 662) Net cash provided from operating activities (783 339) 1 207 623 Cash flows from investing activities (7000) - Payment for acquisition of property, plant, equipment and projects under constructions (567 787) (480 935) Pay to buy non controlling interest (7000) - Pocceds from subsidiaries (0595) - Payment for acquisition of intangible assets (6 595) - Interest income received 36 146 10 542 Payment under investment 31 103 12 985 Proceeds from sale of property, plant, equipment and assets held for sale 31 103 12 985 Net cash flows from financing activities (89 230) - Cash flows from financing activities (89 230) - Dividends paid—minority equity 9 (5 561) Decrease capital of subsidary	Payment rent for asset right of use		(14 719)	(16301)
Trade payables and other credit balances (39 163) 1 625 054 Cash provided from operating activities (738 681) 1 226 713 Provision used (43 911) (8 662) Income tax paid (647) (10 428) Net cash provided from operating activities (783 239) 1 207 623 Cash flows from investing activities (567 787) (480 935) Payment for acquisition of property, plant, equipment and projects under constructions (567 787) (480 935) Pay to buy non controlling interest (7000) - Popoceds from sole of shares from subsidaries 1 032 134 - Payment for acquisition of intangible assets (6595) - Interest income received 36 146 10 542 Payment under investment 31 103 12 985 Net cash flows from sale of property, plant, equipment and assets held for sale (89 230) - Net cash flows from floancing activities (89 230) - Dividends paid minority equity (89 230) - Proceeds from floancing activities (89 230) - Dividends paid minority eq	•		, ,	
Cash provided from operating activities (738 681) 1226 713 Provisions used (43 911) (8 662) Income tax paid (647) (10 428) Net cash provided from operating activities (783 239) 1207 623 Cash flows from investing activities (783 239) 1207 623 Payment for acquisition of property, plant, equipment and projects under constructions (567 787) (480 935) Payment for acquisition of integets (7 000) - Payment for acquisition of intangible assets (6595) - Interest income received 36 146 10 542 Payment under investment 31 103 12 985 Net cash (used in) investing activities 518 001 (422 933) Cash flows from financing activities 518 001 (422 933) Cash flows from financing activities (89 230) - Dividends paid - minority equity - (69) Proceeds from loans and borrowings 418 648 (217 754) Decrease capital of subsidary - (5 361) Long-Term notes payable (123 939) (324 168)	-			1 625 054
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Interest income received 36 146 10 542 Payment under investment 34 475 Proceeds from sale of property, plant, equipment and assets held for sale 31 103 12 985 Net cash (used in) investing activities 518 001 (422 933) Cash flows from financing activities 89 230) - Bonds (89 230) - Dividends paid -minority equity - (69) Proceeds from loans and borrowings 418 648 (217 754) Decrease capital of subsidary - (5 361) Long-Term notes payable (123 939) (324 168) Interest expense paid (232 548) (161 331) Net cash(used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068				_
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Proceeds from sale of property, plant, equipment and assets held for sale 31 103 12 985 Net cash (used in) investing activities 518 001 (422 933) Cash flows from financing activities 89 230) - Bonds (89 230) - Dividends paid -minority equity - (69) Proceeds from loans and borrowings 418 648 (217 754) Decrease capital of subsidary - (5 361) Long-Term notes payable (123 939) (324 168) Interest expense paid (232 548) (161 331) Net cash (used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068			00 2 70	
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Bonds (89 230) - Dividends paid -minority equity - (69) Proceeds from loans and borrowings 418 648 (217 754) Decrease capital of subsidary - (5 361) Long-Term notes payable (123 939) (324 168) Interest expense paid (232 548) (161 331) Net cash(used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068	Net cash (used in) investing activities		518 001	(422 933)
Dividends paid -minority equity - (69) Proceeds from loans and borrowings 418 648 (217 754) Decrease capital of subsidary - (5 361) Long-Term notes payable (123 939) (324 168) Interest expense paid (232 548) (161 331) Net cash (used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068	Cash flows from financing activities			
Proceeds from loans and borrowings 418 648 (217 754) Decrease capital of subsidary - (5 361) Long-Term notes payable (123 939) (324 168) Interest expense paid (232 548) (161 331) Net cash (used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068	Bonds		(89 230)	-
Decrease capital of subsidary - (5 361) Long-Term notes payable (123 939) (324 168) Interest expense paid (232 548) (161 331) Net cash (used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068	Dividends paid -minority equity		•	(69)
Long-Term notes payable (123 939) (324 168) Interest expense paid (232 548) (161 331) Net cash(used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068			418 648	(217754)
Interest expense paid (232 548) (161 331) Net cash(used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068	•			
Net cash (used in) financing activities (27 069) (708 683) Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 41 690 114 068				
Net Increase in cash and cash equivalents (292 307) 76 007 Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068				
Cash and cash equivalents at the beginning of the period 4 098 184 1 935 644 Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068	Net cash(used in) financing activities		(27 069)	(708 683)
Effect of movements in exchange rates on cash and cash equivalents 441 690 114 068	Net Increase in cash and cash equivalents		(292 307)	76 007
	Cash and cash equivalents at the beginning of the period		4 098 184	1 935 644
Cash and cash equivalents at end of the period (15-B) 4 247 567 2 125 719	Effect of movements in exchange rates on cash and cash equivalents		441 690	114 068
	Cash and cash equivalents at end of the period	(15-B)	4 247 567	2 125 719

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

	Translation of consolidated financial statements Originally issued in Arabic B Auto (S.A.E)
	otes to the consolidated interim financial statements for the financial Period ended March 31, 2023 In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)
1-	Background of the Group
	GB Auto Co. 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 Corporation. 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 Deser 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, pick-ups, mechanical tools equipment for sail 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 or imported. The Group 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 truck 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 approximately 63.38% of the Company's shares as at March 31, 2023.
	The consolidated financial statements were authorized for issue by the Company's Board of Directors on May 25, 2023.
2-	Basis of preparation of consolidated financial statements
	The consolidated interim financial statements have been prepared in accordance with an 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.

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.

Translation	of consolidated	financial	statements.
	Origina	ally issued	l in Arabic

GB Auto (S.A.E)

Notes to the consolidated interim financial statements for the financial Period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

- The recognition of the change in accounting estimates in the period in which the change in estimate, 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 estimate future costs of sale. The financial asset values determine 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 commitments.
- 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 evaluating method that leads to results can rely on 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 summery describes the operations for each reportable segment:

Reportable	Operations
<u>segment</u>	
Passenger car	Trading, distributing and marketing for all kinds of passenger cars, whether locally manufactured or imported.
Buses and	Trading, distributing and marketing for all kinds of heavy trucks, semi-
trucks	trucks, buses, mini buses, 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	Providing services of factoring and financial services non-banking.
Services non-	The factoring services intended to buy existing and future rights of sellers
Banking	of goods and services and provide related services and selling the locally and imported goods and products by cash or post-paid financial leasing, small financing entities in all kinds of goods and trading such as light transportation and selling it by installments.
Other	Trading spare parts, and its accessories whether locally manufactured or
Operations	imported, tires for vehicles and equipment whether locally manufactured or imported and exported.

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		<u>Tran</u>	slation of Consolidated financial statemen
	CR Auto (C A E)		Originally issued in Aral
L. i	GB Auto (S.A.E) Notes to the consolidated interim financial statements for the financial	cial period ended March 31.	2022
	(In the notes all amounts are shown in Thousand Egyptian Pounds	•	
ш. J	5-OperatingSegments(Continued)		
	A-Total Revenue		
	1-Perecentage of total Revenue by sectors	** . 1 04 0000	
	Passenger car	March 31, 2023 50.53%	March 31, 2022 46.04%
	Buses and trucks	8.46%	4.92%
וְררו	2 & 3 Wheels	8.14%	16.93%
	Financial Services non-Banking	18.34%	21,93%
	Other Operations	14.53%	10.18%
ليا		100%	100%
			-
	2-Percentage of revenues from foreign operations out of total revenues		
		March 31, 2023	March 31, 2022
	Passenger car	34.15%	11.09%
	2 & 3 Wheels	61.49%	47.50%
	B- Segments results		
	B	March 31, 2023	March 31, 2022
	Passenger car	51.57%	27.40%
$\overline{}$	Buses and trucks 2 & 3 Wheels	8.12% 7.00%	0.09%
لــــا	Financial Services non-Banking	7.00% 16.49%	13.23% 50.57%
	Other Operations	16.82%	8.71%
J	Other Operations		
_		100%	100%
_	C-Assets		
		March 31, 2023	March 31, 2022
	Passenger car	9.5%	13.7%
,—m	Buses and trucks	16.1%	11.7%
	2 & 3 Wheels	10.1%	7.6%
	Financial Services non-Banking	35.8%	49.3%
	Other Operations	28.5%	17.7%
		100%	100%
	D- Liabilities		
		March 31, 2023	March 31, 2022
	Passenger car	31.1%	22.2%
	Buses and trucks	22.9%	18.7%
)	2 & 3 Wheels	1.9%	1.3%
	Financial Services non-Banking	31.8%	51.9%
	Other Operations	12.3%	5.9%

100%

100%

GB Auto (S.A.E)
Notes to the consolidated interim financial statements for the financial period ended March 31, 2022
(In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

5-Operating Segments (Continued)

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

	March 31, 2023	March 31, 2022
Revenues		
Total revenues for operating segments	5 179 053	8 575 603
Elimination of revenue between group inter-segment	(437 573)	(733 518)
Consolidated Revenue	4 741 480	7 842 085
Segments result		
Gross profit for operating segment	1 064 170	1 852 747
Elimination of gross profit between group inter-segment	(14 720)	(19 207)
Consolidated Gross Profit	1 049 450	1 833 540
Assets		
Total assets for operating segments	70 775 887	58 177 625
Elimination of assets between group inter-segment	(33 305 596)	(22 551 042)
Total Consolidated Assets	37 470 291	35 626 583
Liabilities		
Total Liabilities for operating segments	35 102 894	37 971 738
Elimination of Liabilities between group inter-segment	(17 291 293)	(10 655 854)
Total Consolidated Liabilities	17 811 601	27 315 884

F-Other martial amounts

	Total reportable segment	Adjustments	Total consolidated March 31, 2023
Finance income	54 429	•	54 429
Interest expense and Bank Charges	(252 815)	6 913	(245 902)
Capital expenditure	(574 382)	•	(574 382)
Depreciation and Amortization	155 547	•	155 547
	Total reportable segment	Adjustments	Total consolidated
Finance income	72 933		March 31, 2022 72 933
Interest expense and Bank Charges	(203 005)	3 369	(199 636)
Capital expenditure	(480 935)	-	(480 935)
Depreciation and Amortization	154 649	•	154 649

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GB Auto (S.A.E.)

Notes to the consolidated interim financial statements for the financial period ceded March 31, 2023

(In the notes all amounts are shown in Thousand Egyptian Founds unless otherwise stated)

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Translation of consolidated financial statements Originally issued in Arabic

	1	Pessegren	Commer	Commercial relative	Te mel.	The med three Wheelers	Paracial Ser	Pitters fol Services New Postbling	- Go	Other operations	_	Tenal
	March 31, 2023	March 31, 2023 March 31,2022	March 31, 2023	March 31,2022	March 31, 2025	March 31,2022	March 31, 2023	March 31,2022	March 31, 2023	March 31,2022	March 31, 2023	March 31,2022
Operating revenue	2 395 868		401 186	386 034	386 103	1 327 815	869 793	1 719 984	688 530	797 861	4 741 480	7 842 085
Gross profit	541 114	541 114 502 391	85 190	21 160	73 483	242 633	173 062	927 132	176 601	110 124	1 049 450	1 833 540
Marketing and Selling expenses											(222 563)	(585 490)
General and administrative expenses											(412 348)	(375 160)
Provisions and Impairment of Current and Non- Current assets (Net)											(50 720)	(76217)

General and administrative expenses
Provisions and Impairment of Current and Non-Current assets (Net)
Other income

Operating results

Gain /(Loss)from investment in associate & Equidation

87 480 924 153 (27 286) (337 861) 559 006

64 229 418 048 222 165 (456 833) 183 380

(193 359) 365 647 229 394 136 253

(79 428) 103 952 (3 741) 103 952

Finance cost(Not)

Net profit for the period before income tax

Net profit for the period after income tax

Income tax expense

Equity holders of the Company Attributable to:

Non-controlling interests

6- Оther Іпсотс

	March 31, 2023 March 31, 2022	2 277 3 415	14 602	7 682	49 628	1 179	2 240 10 084	64 229 87 480	
P Other Income	March	Gain on sale of fixed asset	Scrap Sales	Commission for reissuance loans		SCORE SCORE		Total 64	

tatements I in Arabic

(13 596) (49 994)

(36 217)

			Translation of conolidated financial stat
			Originally issued in
L 1	GB Auto (S.A.E) Notes to the consolidated interim financial statements for the		2023
	(In the notes all amounts are shown in Thousand Egyptian P	ounds unless otherwise stated)	
_	7-Finance Costs (Net)		
	_	March 31, 2023	March 31, 2022
\Box	Interest income	50 957	67 545
L_,	Interest income on installment sales	3 472	5 388
	Total Finance Income	54 429	72 933
	Interest expense and bank charges	(245 902)	(199 636)
	Foreign exchange loss	(265 360)	(211 158)
	Total Finance Cost	(511 262)	(410 794)
Ll	Net Finance Cost	(456 833)	(337 861)
	_	-	
	9 Provinces and Impairment of Course t and New Course	4 *****	
	8-Provisions and Impairment of Current and Non-Curren	1 455615	
	Provisions no longer required	March 31, 2023	March 31, 2022
	Warranty provision	5 485	5 389
	Expected credit loss for accounts and notes receivables	17 875	-
 1	Expected credit loss for debtors and other debit	,	1 277
	balances	0.400	
	Other Provisions	3 462	6 798
— 4	Expected credit loss for Cash and cash equivalents —	-	313
	Total provisions no longer required	26 822	13 777
·	Provisions formed		
	Warranty provision	(10 377)	(16 363)
	Impairment of accounts and notes receivable	(33 341)	(20 035)
	Impairment of due from related parties	(19 455)	-
	Impairment of debtors and other debit balances	(7 747)	-

Other provisions

Total provisions formed

Net provisions in the income statement

(6622)

(77 542)

(50 720)

<u>Translation of consolidated financial statements</u> <u>Originally issued in Alabic</u>

GB Auto (S.A.E)

Notes to the consolidated interim financial statements for the financial period ended March 31, 2023
(In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

	Balance at 1/1/2023	Impairment during the period	Disposal During the period	Reversal of Impairment during the period	Effect of movements of exchange rates	Balance at 31/03/2023
Expected credit loss for Accounts & Notes receivable	366 775	33 341	-	(17 875)	12 768	395 009
Expected credit loss for due from related parties	64 623	19 455	-	-	-	84 078
Expected credit loss for Debtors & Other debit balances	77 400	7 747	-	-	-	85 147
forCash and cash equivalent	101	-	-	<u></u>	-	101
	508 899	60 543	-	(17 875)	12 768	564 335
* Impairment of Inventory	72 103	931		-	-	73 034
	581 002	61 474	-	(17 875)	12 768	637 369

^{*}The formation and reversal of inventory impairment are charged in cost of revenue at income statement.

9-Earnings per share

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

	March 31, 2023	March 31, 2022
Net profit for the period attributable to the shareholders	107 693	229 394
Weighted average number of ordinary shares issued	1 085 500	1 091 426
Basic profit earnings per share/ EGP	0.099	0.210
10-Income tax A-Income tax liabilities	March 31, 2023	March 31, 2022
Balance at 1 January	324 089	351 279
Taxes paid during the period	(647)	(729 999)
Current income tax during the period (Note 10-C)	106 596	702 809
Balance at the end of the period	430 038	324 089

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Notes to the consolidated interim financial statements for the financial period ended March 31, 2023
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10-Income tax (Continued)								•	Total	fal
B-Defered tax Asset and Liability	Note No.	Fixed Assets	Carried forward losses	Impairment of Inventory	Warranty Provision	Revaluation surplus of fixed assets*	Notes payable	Capital Gains	31-Mar-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		ı	32 464	755	(4297)	ı		ı	28 922	(73 572)
Balance at the end of the period		11	187 759	4 104	31 412	1	63 405		286 691	257 769
Deferred tax madnicles										
Balance at 1 January		(306 512)	ı	ļ	t	(6377)	1	(18 726)	(331 615)	(348 657)
Charged to the income statement		(2683)	1	I	ı	1	ı	929	(1754)	14 059
Charged to Statement of comprehensive income	ı	ı	_	-	-	883	ı	_	883	2 983
Balance at the end of the period		(309 195)				(5 494)		(17 797)	(332 486)	(331 615)
Net Balance at the end of the period		(309 184)	187 759	4 104	31 412	(\$ 494)	63 405	(17 797)	(45 795)	(73 846)
Net	11									
Balance at 1 January		(306 501)	155 295	3 349	35 709	(6377)	63 405	(18 726)	(73 846)	(17 316)
Charged to the income statement	(10-C)	(2683)	32 464	755	(4297)	I		929	27 168	(59 513)
Charged to Statement of comprehensive income	·	1	1	ı	ı	883	1	ı	883	2 983
Balance at the end of the period		(309 184)	187 759	4 104	31 412	(5 494)	63 405	(17 797)	(45 795)	(73 846)

^{*} The deferred tax charge for revaluation surplus of fixed assets has been deducted in the consolidated interim statement of comprehensive income

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10-Income tax (Continued)

B-Deferred tax assets and liabilities (Continued)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the group can use the benefits therefrom.

	March 31, 2023	December 31, 2022
Expected credit loss for accounts and notes receivables	88 877	82 524
Expected credit loss for other debit balances	19 158	17 415
Foreign currency translation losses	124 343	100 799

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 satisfied that they will not reverse in the foreseeable future.

C-Income tax (expenses)

	March 31, 2023	March 31, 2022
Current income tax (Note 10-A)	(106 596)	(120 407)
Deferred tax expenses – (Note 10-B)	27 168	(72 952)
Income tax for the period	(79 428)	(193 359)

D-Amounts recognized in OCI

		March 31, 2022		Mai	rch 31, 20	22
	Before Tax	Taxes	After Tax	Before Tax	Taxes	After Tax
Foreign Currency translation difference	1 241 790	•	1 241 790	395 258	-	395 258
Modification surplus of fixed assets cost	(2 908)	883	(2 025)	(3 966)	875	(3091)
•	1 238 882	883	1 239 765	391 292	875	392 167

11-Inventories

March 31, 2023	December 31, 2022
543 204	561 352
2 173 627	1 681 277
973 710	791 597
919 490	681 779
240 607	171 001
91 303	102 806
2 926	2 335
4 944 867	3 992 147
(73 034)	(72 103)
4 871 833	3 920 044
	543 204 2 173 627 973 710 919 490 240 607 91 303 2 926 4 944 867 (73 034)

^{*} The formation and reversal of inventory impairment are charged in cost of revenue at income statement.

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Notes to the consolidated interim financial statements for the financial period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated) 12-Long term notes receivables December 31, 2022 March 31, 2023 Long-term notes receivable 4 670 501 3 488 544 Interest income on installment sales (508 677) (431 255) Net present value for long-term notes receivable 4 161 824 3 057 289 Expected credit loss long-term notes (87 385) (83 546) receivable Net 4 074 439 2 973 743 13-Accounts and notes receivables March 31, 2023 December 31, 2022 Total notes receivable 2 801 068 2 675 735 Long-term notes receivable Unamortized Interest Net present value for short-term notes (508 677) (431 255) 2 292 391 2 244 480 receivable Trade receivable 1 263 690 3 556 081 1 099 328 3 343 808 Total Expected credit loss for accounts and (307 624) (283 229) notes receivable balances 3 248 457 3 060 579 The following table represents the Expected credit loss of account and notes receivables according to the expected losses model on March 31, 2022: 1-Non Banking -Financial Services Stage 1: Stage 3: Life Expected Stage 2: Lifetime ECL is Expected credit Credit Losses with Impaired Total losses over 12 not credit impaired credit months 5 424 630 348 248 260 558 6 033 436 Account & notes recivables Adjust: Impairment of accounts and notes (7561) (134 483) (80 978) (223 021) receivable balances 5 290 147 340 687 179 580 5 810 415 2- Passenger cars, transport, buses and motorcycles sector - 3 wheels and other operations Decrease in the balance of The percentage of account & notes recivable The Balance Net expected losses Notes Recivable 454 824 24% (110 135) 344 689 855 184 3.8% (32 510) 822 674 Trade recivables From 1 to 30 83 167 5% (3917) 79 250 17 164 12 738 8% 5% (1333) (627) 15 831 12 111 From 31 to 60 From 61 to 90 From 91 to 120 179 712 81 680 1% 25% (2 647) 177 065 60 861 More than 120 (20.819)1 684 469 (171 988) 1 512 481

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GB Auto (S.A.E) Notes to the consolidated interim financial statements for the financial period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

14-Debtors and other debit balances A-Long term debtors and other debit balance

	March 31, 2023	December 31, 2022
Debt securitization Companies	399 006	398 886
	399 006	398 886
B-Debtors and other debit balances	March 31, 2023	December 31, 2022
Advance payments to suppliers	912 422	764 608
Withholding tax	596 804	575 580
Value added tax	36 636	47 714
Accrued interest	63 231	44 948
Accrued revenue	12 073	6 040
Letters of credit	953 369	1 070 366
Prepaid expenses	127 739	78 339
Security deposits with others	22 205	24 998
Letters of guarantee margin	129 989	332 354
Staff loans and custodies	74 297	33 493
Other debit balances	239 786	420 793
Customs duties	1 824	1 452
Total	3 170 375	3 400 685
Impairment of debtor and other debit balances	(85 147)	(77 400)
Net	3 085 228	3 323 285
15-Cash and cash equivalents A-Cash and cash equivalents	March 31, 2023	December 31, 2022
Time deposits	91 271	145 745
Current accounts	4 049 626	3 852 593
Checks under collections	64 300	74 990
Treasury bills	42 370	24 856
Cash and Cash equivalents According to cash flow	4 247 567	4 098 184
Impairment of Cash and cash equivilant According to EAS 47	(101)	(101)
Net	4 247 466	4 098 083

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Notes to the consolidated interim financial statements for the financial period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated) GB Auto (S.A.E.)

16 - Property, plant, equipments and projects under construction	Land and Buildings	Machinery & equipment	Vehicles	Computers	Fixtures & furniture	Leasehold	* Projects under construction	Total
Cost								
Cost at 1 January 2022	2 659 561	1 077 846	706 108	285 110	1 108 461	110 183	333 497	9 280 266
Additions during the year	176 925	22 770	171 654	15 528	26 079	4 391	522 022	939 369
Transferred from projects under construction to PP&E and intangible assets	ı	26 858	ı	37	39 937	,	(48 774)	18 058
Disposals during the year	(2601)	(616 11)	(106 882)	(106 007)	(130 361)	(603)	(27 119)	(451 552)
Effect of cost modification using modification factor	ı	•	(884)		(231)	•	•	(5924)
Effect of movements of exchange rates	246 773	26 477	18 779	7 745	72 023	8 315		380 112
Balance at 31 December 2022	3 080 658	1 075 972	788 775	202 413	1 115 908	122 286	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	7 166 559
Additions during the period	75 291	7 360	27 331	2 834	662 61	3 212	140 369	276 196
Transferred from projects under construction to PP&E and intangible assets	ı	2 298		,	18 693	,	(20 991)	
Disposals during the period		(237)	(17 798)	•	(2784)		(17216)	(38 035)
Effect of movements of exchange rates	175 049	19 021	13 130	5 471	51 787	5 910		270 368
Balance at 31 March 2023	3 330 998	1 104 414	811 438	205 909	1 203 403	137 139	881 788	7 675 088
Accumulated depreciation and impairment losses								
Accumulated depreciation at I 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	(7773)	(26 640)	(55 279)	(50 892)	(45 779)	(30 658)	ı	(217 021)
Effect of accumulated depreciation modification using modification factor	ĺ	(9343)	(169)	(23)	(1229)	ı	ı	(11 286)
Effect of movements of exchange rates	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	2 028 068
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 period	17 152	27 838	34 667	14 451	3 306	13 996		111 410
Disposals during the period)	(207)	(8 371)	•	(631)	ı	1	(9 2 0 9)
Effect of accumulated depreciation modification using modification factor		ı	(128)	ı	537	ı	•	409
Effect of movements of exchange rates	37 635	11 378	(3 164)	4 342	ı	5 399	•	55 590
Accumulated depreciation at 31 March 2023	482 960	731 030	307 172	204 783	581 113	59 249	13 278	2 379 585
Net carrying Amount								
At I January 2022	2 312 368	431 280	443 978	73 792	608 247	62 815	320 219	4 252 697
At 31 December 2022	2 652 485	383 951	504 607	11 614	538 007	88 163	766 348	4 945 174
At 31 March 2023	2 848 038	373 384	504 266	1 126	622 290	77 890	868 510	5 295 503

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

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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
Asset right of use during the year	32 868	32 868
Disposals during the year	(17 372)	(17 372)
Effect of exchange rates	58 502	58 502
Balance at March 31,2023	707 474	707 474
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
Balance at December 31, 2022	201 941	201 941
Accumulated depreciation at January 1, 2023	201 941	201 941
Depreciation during the year	33 591	33 591
Disposals during the year	(6 836)	(6 836)
Effect of exchange rates	20 004	20 004
Accumulated depreciation at March 31, 2023	248 700	248 700
Net Book value at March 31, 2023	458 774	458 774
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.

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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 period	-	6 595	-	-	6 595
Balance at March 31, 2023	252 780	77 343	5 703	177 375	513 201
Accumulated amortization		-			
Balance at 1 January	-	50 938	5 703	88 688	145 329
Amortization during the period	-	2 695	-	1 478	4 173
Balance at March 31, 2023	-	53 633	5 703	90 166	149 502
Net Book value at March 31, 2023	252 780	23 710		87 209	363 699
Net Book value at December 31, 2022	252 780	19 810	_	88 678	361 277

Goodwill

On September 8, 2008, GB Auto Company fully acquired the shares of GB for financial lease (S.A.E) which its business is financial leasing with all its dated, 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 Alsaiarat (GK), in Jordan, to acquire the existing business of Hyundai Vehicles Agency 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 249 EGP. During the period the group increased its stake in The International Group For Cars Trading Company (GK) from 50% to 83.33% (Note no.42).

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

Goodwill is allocated to the Group's cash generating units according to operating segments as presented below:

	March 31, 2023	December 31, 2021
Hyundai Iraq sales	248 910	248 910
Financial leasing activity	1 000	1 000
After Sale service- PC	2 870	2 870
	252 780	252 780

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GB Auto (S.A.E) Notes to the consolidated interim financial statements for the financial period ended March (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)		•
18-Intangible assets and goodwill (Continued)	,	
The Company assesses annually the impairment of goodwill at Decenthe goodwill is fully recoverable, unless there are indicators required to		
Impairment of goodwill is assessed based on value in use, which is debased on estimated business plan approved by the Board of Directors preparing these estimated business plan based on the financial, opera and its expectations for the market development.	covering five years' p	eriod. The management is
Right to use trademark		
On June 28, 2007, GB Auto fully acquired the shares of Cairo Compa purchasing 49.03%, which was owned by the minority, at a value of 2' shares from the issuance of shares to increase the capital of the company obtained the right to use the trademark of one of the company wheleers Sector, at an amount of 177 million Egyptian pounds on the	10 million Egyptian pou pany. GB Auto. Based ny's main suppliers rela	nds, in return for obtaining on this acquisition, the
19-Investments property		
Balance at 1 January	March 31, 2023 90 905	December 31, 2022 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 la million egyption pounds according to a study by independent a real estate evaluation		22 amounted to 226
20-Issued and paid in capital	March 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 June 27, 2013, has decided unanimously to increase the Company's is authorized capital with an amount of EGP 6 444 645 divided on 6 444 allocated to ESOP system which is applied by the Company, resulted EGP 135 337 545 after the increase divided on 135 337 545 shares with financially fully paid from the special reserve balance and annotated in at December 31, 2014.	ssued capital with the placed sales with a partin an issued capital of with a par value of 1 EC	par value in the limit of the value of 1 EGP /share, wholly GP/share, and this increase
Private placement (Capital Increase)		
At the date of February 4, 2015, the extra ordinary general assembly authorized capital from 400 million EGP to 5 billion EGP and to increas 545 to be EGP 1 095 337 545 with an increase of EGP 960 000 000 1 095 337 545 shares with a par value of 1 EGP each. (In additional to be fully allocated for the favor of old shareholders each according to the agreed to use the subscription right separately from the original share paid either cash and/or using due cash debts for the subscriber by the	se the Company's issu to be divided on o issuance cost of 1 pto heir share in the Comp , with the Company's is	ed capital from EGP 135 337 s./share), and that increase to any's issued capital, and it is sued capital increase to be
The subscription was covered by an amount of EGP 958 672 188 (EG covered through the outstanding balances due to shareholders) divided 1 EGP each to be the total capital issued and fully paid after the increasunotated in the commercial register at May 31, 2015.	ed on 958 672 188 sha	res with a par value of
The Extraordinary General Assembly unanimously agreed on June 5, amounting to 8,509,733 shares and to reduce the capital by the amou capital of the company after the reduction becomes 1,085,500,000 Eg Authority for Investment on 3/8/2022 It was noted in the Commercial F	nt of these shares, so t yptian pounds, and it w	that the issued and paid-up vas approved by the General
Misr for Central Clearing Depsitory & Registry accepted the implement October 26, 2022.	ntation of the capital re	duction decision on

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Notes to the consolidated interim financial statements for the financial period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

21-Treasury Bills

On March 1, 2020, the Board of Directors of the company decided to purchase treasury shares with an 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) bis 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 million 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.

22-Legal reserve

	March 31, 2023	December 31, 2022
Balance at 1 January	533 542	523 961
Transferred to legal reserve	3	9 581
Change of non controlling interest without change in control	(25 245)	
Balance at the end of the period	508 300	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 66 762 related to the Company, the rest of the balance represents the legal reserve of the Group's Companies

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23-Other reserves

	Foreign currency translation reserve	ESOP (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	1 058 329	-	-	-	1 058 329
Modification surplus of fixed assets cost	-	-	(2 025)	-	(2 025)
Balance of March 31, 2023	3 272 789	88 882	67 812	904 041	4 333 524

Share premium

The share premium represented in the difference between the amount paid and par 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 Lew No. 159 of 1981.

March 31, 2023 904 041

December 31, 2022 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 (Note 22).

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 par 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 10 570 thousand EGP

The share premium has also been increased by an amount of 4,750,000 Egyptian pounds, representing the difference between the sale price of treasury shares during the year 2020 by an amount of 6,750,000 Egyptian pounds and the nominal value of the shares of 2 million Egyptian pounds.

24-Non-controlling Interest

								7	otal
_	Capital	Payment Under capital increase	Reserves	Legal reserve	Private risk reserve - Non banking	General risk reserve	Retained carnings	March 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	-	-	-	-	-	-	(3 741)	(3 741)	553 140
Foreign currency translation results	-	-	204 882	-	-	-	-	204 882	281 842
Capital increase	2 688	(2 688)	-	-	-	-	-	-	15 200
Capital Decrease	-	-	-	-	-	-	-	-	(5 361)
Change in Non-controlling interests	247 955	-	(21 420)	25 244	7 892		370 853	630 524	17 966
Change in Non-controlling interests with change in control	-	-	-	-	-	-	-	-	(1 190 916)
Disposal Net profit for the period of the non controlling interest until the date of loss of control	-	-	-	-	-	-	-	-	(433 889)
Dividends	-	-	-	-	-	-	-	=	(150 507)
Balance at the end of the period	564 784	+	755 021	71 105	7 892		161 058	1 559 860	728 195

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Common common Common common Common common Common c		ed interim financial	statements for the fir	nancial period ended N	larch 31, 2023		Originally issued i
The group's management aims to manage capital to maintain the group's ability to cortinue in a way that achieves a return for shanholders and provides to other statesholder sharts at the facinated statements. Providing and maintaining the best capital structure for the purpose of reducing the cost of capital. To the best capital structure, management monitors the capital structure, 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. The gearing ratio at March 31, 2023 and December 31, 2023 restated were as follows: **The gearing ratio at March 31, 2023 and December 31, 2023 restated were as follows:** **The gearing ratio at March 31, 2023 and December 31, 2023 restated were as follows:** **The gearing ratio at March 31, 2023 and December 31, 2023 restated were as follows:** **The gearing ratio at March 31, 2023 and December 31, 2023 restated were as follows:** **The gearing ratio at March 31, 2023 and December 31, 2023 restated were as follows:** **The gearing ratio at March 31, 2023 and December 31, 2023 and December 31, 2022 **The gearing ratio at March 31, 2023 and December 31, 2023 and December 31, 2022 **Total loans and notes payable: supplies:	AF A-1135		ousand Egyptian Pou	nds unless otherwise s	tated)		
other stakeholders that use the financial statements. Providing and maintaining the best capital structure for the purpose of reducing the cost of capital. To: the best capital structure, management manieth the value of dividends paid to shareholders, reduces capital, or issues an share 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. **The gearing ratio at March 31, 2023 and December 31, 2023 restated were as follows:** **Loans, borrowings and overdrafts** **Per 446 329** **Per 106** **Per 106**							
Payable minus cash. The total capital represents the company's total equity as shown in the consolidated balance sheet, in addition to net loans.	other stakeholders that	use the financial s	tatements. Providing	and maintaining the be	st capital structure for the p	surpose of reducing the co	ost of capital. To m
March 31, 2023 December 31, 2022							
March 31, 2023 December 31, 2022	The gearing ratio at Ma	rch 31. 2023 and D	December 31, 2023 re	estated were as follows	•		
Short-term notes payable - suppliers 446 329 330 992							
Part	Loans, borrowings and ov	erdrafts	-				
Lest: Cash and cash equivalent	Short-term notes payable -	suppliers		446 329	330 9 9 2		
Lest: Cash and cash equivalent	Total loans and notes pa	yables	•	9 907 106	9 311 536		
Letters of credit (953 369) (1 1070 366) Letters of guarantee (129 989) (332 354) Net debt 4 576 282 3 810 733 Shareholders' equity 18 098 830 16 732 554 Net debt to equity ratio December 31, 2022 Current portion Long-term portion Total Banks overdraft 4 785 36 4 376 303 - 4 376 303 Leas 1 413 753 3 261 488 4 675 241 1 663 928 2 940 313 8 980 544 A Banks overdraft Less than one year March 31, 2023 December 31, 2022 Less than one year March 31, 2023 December 31, 2022 A 785 536 4 376 303 4 785 536 4 376 303 4 785 536 4 376 303 4 785 536 4 376 303 4 785	Less: Cash and cash equiv	alent		(4 247 466)	(4 098 083)		
Cutters of guarantee 129 889 1332 354	•			,	` ,		
Net debt 4 576 282 3 810 733 Shareholders' equity 18 098 830 16 732 554 Net debt to equity ratio December 31, 2022 Zef-Loans, borrowings and overdrafts December 31, 2022 Current portion Long-term portion Total Loans 1413 753 3 261 488 4 675 241 1 663 928 2 940 313 4 604 241 Total 6 199 289 3 261 488 9 460 777 6 040 231 2 940 313 8 980 544 ABanks overdraft March 31, 2023 December 31, 2022 Polymore and							
18 098 830 16 732 554	Ü		-	`		_	
Net debt to equity ratio							
March 31, 2022 March 31, 2022 March 31, 2022	• •		•				
March 31, 2022 Total December 31, 2022 Total Current portion Long-term portion Total			•			_	
Current portion Long-term portion Total Current portion Long-term portion Total	26-Loans, borrowings an	id overdratts	March 31, 2022		· n	ecember 31, 2022	
Loans		Current portion		Total			Total
Total 6 199 289 3 261 488 9 460 777 6 040 231 2 940 313 8 980 544 A.Banks overdraft Less than one year March 31, 2023 December 31, 2022 4 785 536 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 March 31, 2023 December 31, 2021 Less than one year March 31, 2023 December 31, 2021 Less than one year 1 413 753 1 663 928 More than one year 3 261 488 2 940 313	Banks overdraft	4 785 536		4 785 536	4 376 303	_	4 376 303
A Banks overdraft March 31, 2023 December 31, 2022 4 785 536 4 376 303 4 785 536 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 March 31, 2023 December 31, 2021 Less than one year March 31, 2023 December 31, 2021 Less than one year 1 413 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313	Loans	-			1 663 928	2 940 313	4 604 241
Less than one year 4 785 536 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 March 31, 2023 December 31, 2021 Less than one year March 31, 2023 December 31, 2021 Less than one year 1 413 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313	Total	6 199 289	3 261 488	9 460 777	6 040 231	2 940 313	8 980 544
Less than one year 4 785 536 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 March 31, 2023 December 31, 2021 Less than one year March 31, 2023 December 31, 2021 Less than one year 1 413 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313	A Banks overdraft						
Less than one year 4 785 536 4 376 303 4 785 536 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 March 31, 2023 December 31, 2021 Less than one year 1 4 13 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313	. I. Daniel O'To. Carping						
Less than one year 4 785 536 4 376 303 4 785 536 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 March 31, 2023 December 31, 2021 Less than one year 1 413 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313				March 31 2023	Becomber 31 2022		
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 March 31, 2023 December 31, 2021 Less than one year 1 413 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313	Less than one year		-			-	
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 March 31, 2023 December 31, 2021			-	4 785 536	4 376 303		
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 March 31, 2023 December 31, 2021			•			_	
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 March 31, 2023 December 31, 2021	B. <u>Loans</u>						
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 March 31, 2023 December 31, 2021	The group (the non-bar	ıking financial serv	ices sector) obtained	medium and long-term	bank loans for the purpose	of financing car sales co	ontracts and
March 31, 2023 December 31, 2021 Less than one year 1 413 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313	operational and financia	il lease contracts.	The repayment period	l for these loans reach	ed 5 years for each operation		
Less than one year 1 413 753 1 663 928 More than one year and less than five years 3 261 488 2 940 313	rigins of the contracts c	oncluded and arisi	ng irom those contrac	as lowards the chemis	or trie group companies		
More than one year and less than five years 3 261 488 2 940 313	T sh		-			_	
4 675 241 4 604 241		ss than five years					
	•	·		4 675 241	4 604 241		

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GB Auto (S.A.E) Notes to the consolidated Interim financial statements for the finan-	ncial period ended March 31, 2023			
(in the notes all amounts are shown in Thousand Egyptian Pounds	s unless otherwise stated)			
27-Trade payables and other credit balances				
	March 31, 2023	December 31, 2022		
Trade payables	2 988 519	2 855 987		
Other credit balances	506 591	443 745		
Advances from customers	287 483	282 774		
Tax Authority	137 661	14 625		
Value added tax	123 354	82 588		
Accrued expenses	779 436	1 095 372		
Accrued interest expense	39 431	52 785		
Deposits from others	70 622	58 681		
Notes payables	446 329	330 992		
Right of use liability	653 663	580 374		
Dividends payable	5 029	7 948		
Deferred revenues	99 698	6 511		
	6 137 816	5 812 382	_	
28-Provisions	Legal Claims	Warranty Provision	Other Provisions	Total
Balance at January 1, 2023	62 931	108 536	18R 783	360 250
Provisions formed during the period	-	10 377	16 774	27 151
Provisions utilized during the period	(6 103)	(4 062)	(33 746)	(43 911)
Provisions no longer required	, <u>-</u>	(5 485)	(50)	(5 535)
Effect of movement of exchange rates	203	2 319	4 418	6 940
Balance at March 31, 2023	57 031	111 685	176 179	344 895
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 March 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 111 685 at the end of the year for expected warranty claims 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 March 31, 2023 EGP 9 429 (December 31, 2021 EGP 13 935).

GB Auto (S.A.E)

Notes to the consolidated interim financial statements for the financial period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

28-Provisions (Continued)

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 March 31, 2023 amounted to 10 152 thousand Egyptian pounds and the value of the no longer required provisions is 3 412 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.

The Group's efforts are addressed to minimize potential adverse effects of such risks on the Group's financial performance

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:

		March 31, 202	December 31, 2022	
	Assets	Liabilities	Net	Net
US Dollars	2 195 647	(2 003 175)	192 472	(1 220 191)
Euros	241 989	(33 433)	208 556	171 453
Other currencies	24 267	(106 638)	(82 371)	(23 970)

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 9,460,777 thousand Egyptian pounds on March 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 91 271 as at March 31, 2023 (EGP 145 745 as at December 31, 2022).

		March 31, 2023	December 31, 2022
Time deposits	USD	33 950	136 659
Time deposits	EGP	57 321	9 086
		91 271	145 745

Translation of	consolidated fir	ancial	statements
	Origina	lly issu	ed in Arabic

GB Auto (S.A.E)

Notes to the consolidated interim financial statements for the financial period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

R-Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, and deposits with banks, 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:

	March 31, 2023	December 31, 2022
Notes and accounts receivables	8 735 259	7 263 607
Expected credit loss for accounts and notes receivable balances	395 009	366 775
The ratio of the expected credit loss to the total accounts and notes receivable	4.52%	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 of financial assets or liabilities with maturity dates less than one year is assumed to approximate their carrying value less any estimated credit adjustments. The fair value of financial liabilities – for disclosure purposes – is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

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.

GB Auto (S.A.E)
Notes to the consolidated interim financial statements for the financial period ended March 31, 2023
(In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

30-Invesments in subsidiaries

The consolidated financial statements for GB Auto "S.A.E.", include the financial statements of the following subsidiaries:

Company Name	March 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."	80.00%	80.00%
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%
Masters Automotive Company "S.A.E."	75.00%	75.00%
Haram Company for tansportation and trading "S.A.E."	99.00%	99.00%
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%
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%
GB for Import & export	100.00%	100.00%
GB Allab Company	66.20%	66.20%
Engineering Company for transportation maintenance El Mikaneeky	65.00%	65.00%
Egyptian International Maintenance and cars Manufacturing Company EIAC "S.A.E."	100.00%	100.00%
GB Finance BV (Luxinburg previously)	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%
Almajmoa Alalamia; Litijaret Alsaiarat (GK)	83.33%	83.33%

GB Auto (S.A.E) Notes to the consolidated interim financial statements for the (In the notes all amounts are shown in Thousand Egyptian Policy (In the notes all amounts are shown in Thousand Egyptian Policy (In the notes all amounts are shown in Thousand Egyptian Policy (In the notes all amounts are shown in Thousand Egyptian Policy (In the notes all amounts are shown in Thousand Egyptian Policy (In the International Securitization S.A.E. GB Capital SV Transport Vehicle Distribution TVD S.A.E. Automobilk S.A.E GB Finance Lease BV GB Operational Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit facilities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global	ounds unless otherwise s	 farch 31, 2023	100.00 100.00 100.00 100.00 51.009 65.009 100.00 100.00 100.00 100.00
BBAL Blue Bay Auto Loan Investments Cyprus LTD Salexia L.T.D. Trading (Cyprus) GB Capital Securitization S.A.E. GB Real Estate Mortgage Finance B.V. GB Capital BV Transport Vehicle Distribution TVD S.A.E. Automobilk S.A.E GB Finance Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		100.00% 100.00% 100.00% 100.00% 100.00% 51.00% 65.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	100.00 100.00 100.00 51.009 100.00 100.00 100.00 100.00 100.00
Salexia L.T.D. Trading (Cyprus) GB Capital Securitization S.A.E. GB Real Estate Mortgage Finance B.V. GB Capital BV Transport Vehicle Distribution TVD S.A.E. Automobilk S.A.E GB Finance Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses		100.00% 100.00% 100.00% 100.00% 51.00% 65.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	100.00 100.00 100.00 100.00 51.00 65.00 100.00 100.00 100.00 100.00
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GB Real Estate Mortgage Finance B.V. GB Capital BV Transport Vehicle Distribution TVD S.A.E. Automobilk S.A.E GB Finance Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses		100.00% 100.00% 51.00% 65.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	100.00 100.00 51.00 65.00 100.00 100.00 100.00 100.00
GB Capital BV Transport Vehicle Distribution TVD S.A.E. Automobilk S.A.E GB Finance Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses		100.00% 51.00% 65.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	100.00 51.00 65.00 100.00 100.00 100.00 100.00 100.00
Transport Vehicle Distribution TVD S.A.E. Automobilk S.A.E GB Finance Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses		51.00% 65.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	51.00° 65.00° 100.00 100.00 100.00 100.00
Automobilk S.A,E GB Finance Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		65.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	65.00° 100.00° 100.00° 100.00° 100.00° 100.00°
GB Finance Lease BV GB Operational Lease BV GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses		100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	100.00 100.00 100.00 100.00 100.00
GB Operational Lease BV GB Consumer Finance B.V. SME's credit facilities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		100.00% 100.00% 100.00% 100.00% 100.00% 51.00%	100.00 100.00 100.00 100.00
GB Consumer Finance B.V. SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		100.00% 100.00% 100.00% 100.00% 51.00%	100.00 100.00 100.00
SME's credit faciliities company B.V. GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		100.00% 100.00% 100.00% 100.00% 51.00%	100.00 100.00 100.00
GB Global BV GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		100.00% 100.00% 100.00% 51.00%	100.00 100.00
GB Automative For Trade and Manfacture SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		100.00% 100.00% 51.00%	100.00
SME Credit Eteman International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		100.00% 51.00%	
International Company For car components (S.A.E) GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global		51.00%	100.00 - -
GB Kinya 31- Payment under Investment fair value through profit and losses GBM Global			-
31- Payment under Investment fair value through profit and losses GBM Global		100.00%	-
profit and losses I GBM Global			
GBM Global			
	March 31, 2023	December 31, 2022	
Total	72	72	
	72	72	_
32-Capital commitments The capital contractual expenditure of the Group at the c EGP 290 885 at March 31,2023 (EGP 463 730 as at De completion of the new production lines under constructio 33- Contingent liabilities There are contingent liabilities on the Group represented by the Group in Egyptian Pounds and foreign currencies	ecember 31, 2022) represent and other branches and other branches and in letters of guarantee	resented in the amount to be paid unacross the country. The balance of the letters of guar	rantee grante
	March 31, 2023	December 31, 2022	
USD	1 976 385	1 573 452	
EGP	122 572	138 112	
Japanese Yen	67 131	72 210	
Euro	147 100	3 620	
Crona Swidish	121 848	64 052	

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Notes to the consolidated interim financial statements for the financial period ended March 31, 2023

(In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

34-Related party transactions

The subsidiaries have current accounts with related parties which include all payments made on behalf of or through the subsidiaries. The subsidiaries collect and pay these amounts regularly.

Balances due from and to related parties are as follows:

Due from related parties	March 31, 2023	December 31, 2022
El Bostan Holding	131 311	105 091
SARL SIPAC – Algeria	22 822	18 015
Algematco – Algeria	59 009	41 048
MNT Investment B.V. Group	74 409	81 517
El Qalam Shareholders' Current Account	51 373	3 960
Total	338 924	249 631
Impairment of due from related parties	(84 078)	(64 623)
	254 846	185 008
	March 31, 2023	December 31, 2022
Due to related parties		
Marco Polo Company	116 937	93 587
Al Watania for car accessories and spare parts	2 903	8 084
Wahdan Company	68	68
	119 908	101 739

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Notes to the consolidated interim financial statements for the financial period ended March 31, 2023
(In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

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

			Transa	ction amount
Related party name	Relation type	Transaction nature	March 31, 2023	December 31, 2022
Executive BOD Members	Board of Directors	Top Management Salaries	10 608	43 597
SARL SIPAC - Algeria	Related Party	Cash transfer	(4 807)	(6 764)
El- Qalam Sharcholder current account	Shareholder in one of the subsidiaries	Services	4 948	3 960
Marco Polo Company	Shareholder in one of the subsidiaries	Services	(23 350)	(34 042)
Algematoo – Algeria	Shareholder in one of the subsidiaries	Cash transfers	17 961	13 757
Bostan Holding	Related Party	Foreign Currency translation difference	(26 220)	(38 226)
MNT Investment B,V, Group	Related Party	Cash transfers	(7108)	(10 988)
QI Invesmeta (Gaya priviously)	Shareholder in one of the subsidiaries	Cash transfers	=	10 345

35- Investment in associates

	Contribution percentage	December 31, 2022	Net Profit /Losses for the period	Additions during the period	Disposal During the period	Dividends Distrbution	March 31, 2023
MNT Investment B.V. Group	49.50%	9 456 932	231 367	-	-	-	9 688 299
Bedaia for Real estate Pinancing	33.33%	84 899	(8 206)	-	-	-	76 693
Tokyo Marine for insurance	37.50%	17 876	(996)	-		-	16 880
		9 559 707	222 165	-		-	9 781 872

During the year 2022, the company sold a share of its shares by 7.5% in the (MNTBV) group of companies, 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 (MNTBV) group of companies, then the company By re-evaluating the remaining shares at fair value in the (MNTB) group of companies 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 (M) group of companies NTB).

36-Other lovestments with fair value through profit and losses

	Contribution percentage	March 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

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Notes to the consolidated interim financial statements for the financial period ended March 31, 2023

(In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

37- Income statement according to expense nature

	March 31, 2023	March 31, 2022
Operating Revenue	4 741 480	7 842 085
Operating Cost	(3 692 030)	(6 008 545)
Gross Profit	1 049 450	1 833 540
Other income	64 228	87 480
Provisions no longer required	25 480	33 826
Gain /(Loss)from investment in associate & liquidation	222 165	(27 286)
Interest income	50 956	67 545
Installment sales interest	3 472	5 388
Bank charge	(30 079)	(26 580)
Interest expense	(215 823)	(173 056)
Salaries & Benefits	(368 418)	(620 405)
Selling & Marketing	(43 258)	(42 414)
Rents	(20 454)	(30 070)
Net Gain/Losses foreign exchange transaction	(265 360)	(211 158)
Provisions formed	(76 201)	(70 043)
Depreciation and Amortization	(55 865)	(66 206)
Consulting	(26 036)	(35 645)
Transportation	(7 107)	(10 986)
vehicles expense	(16 830)	(16 477)
Governmental Fees & stamps	(18 213)	(14 739)
IT Expense	(19 811)	(18 678)
Other Expenses	(8 964)	(19 538)
Insurance	(7 220)	(5 683)
Security Expense	(6 190)	(6 314)
training employees	(5 936)	(15 139)
Repair/Maintenance Expenses	(579)	, ,
Administration Supplies	(9 481)	(16 348)
Utilities	(4 836)	(5 066)
Donations & Puplic relation	(`12 066)	(16 439)
Medical Fund	(9 608)	(18 700)
Freight	(4 036)	(1 803)
Net profit for the year before income tax	183 380	559 006

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 assigne. The assignor has transferred financial rights and deferred payment dues for the purpose of issuing securitized bonds.

March 31	, 2023	December 31, 2022		
Total Value	Fair Value	Total Value	Fair Value	
22 231 709	13 002 824	19 146 302	12 396 833	

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41	GB Auto (S.A.E.)								
	Notes to the consolidated interim financial statements for the financial period ended March 3	31, 2023							
Li	(In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)								
\Box	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 23/0	06/2022, as follows:							
	Part (A): Nominal bonds that are negotiable, non-convertible to shares and not subject to accelerate value of EGP 300,000,000,000 (only three hundred million Egyptian pounds). With a nominal value of closing the subscription door with a fixed monthly installment amounting to 23 076 923 Egyptian door It is paid monthly, starting from the first month of the subscription closing date.	of 100 EGP (only one hundre	d Egyptian pounds) per bond	l, it is to be consumed mo	onthly as of the first mo	onth from the date			
	Part (B): Nominal bonds that are negotiable, non-convertible into shares, and subject to accelerated next day from the date of closing the subscription door, with a total value of 400,000,000,000 EGP to be amortized over a period of 60 months starting from the first month of the subscription closing starting from the day following the closing date of the subscription and is paid monthly, starting from	(only four hundred million Eg date with a fixed monthly insta	yptian pounds) with a nomina allment 6,666,667 EGP with	al value of 100 EGP (only	one hundred Egyptian	n pounds) per bond			
			Mar	reh 31, 2023					
		Total Value	Borrowing Cost	Convert from long to short term	Paled	Net			
	lstallments Due within a year Istallments Over a year	356 923 077 343 076 923	(1 907 072) (2 542 763)	80 534 160 (80 534 160)	(263 242 472) -	172 307 693 260 000 000			
() ¹	Total	700 000 000	(4 449 835)		(263 242 472)	432 307 693			

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Notes to the consolidated interim financial statements for the financial Period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

40 -Private 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 March 31, 2023 reached 20.2 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.

41 - 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, and the management of the subsidiaries decided to create this reserve until it was presented to the general assemblies of the subsidiaries for approval.

42- 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.	43 618
(2) Balance of net impairment of customers as recorded in the books and according to Egyptian accounting standards (expected credit losses). (53 132)	
The balance of reserve for financial solvency	9 514

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Notes to the consolidated interim financial statements for the financial Period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

43- Significant accounting policies

The principal accounting policies adopted in the preparation of these 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 identifiable net assets acquired.
- -Any goodwill that arises is tested annually for Impairment. Any gain on a bargain purchase recognized in profit or loss immediately.
- -Transaction cost is expensed as incurred, except if related to the issue of debt or equity securities.
- -The consideration transferred does not include amounts related to the settlement of pre-exiting 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 subsequent 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 power 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 identifiable 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 on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions 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.

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43 -Significant accounting policies (Continued)

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.

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3 -Significant accounting policies (Continued)
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

(In the notes all amounts are shown in Thousand Egyptian

Egyptian Accounting Standard No. 48 - Revenue from c

The costs of assign a contract with customers

Under Egyptian Accounting Standard 48, some of the acwith a customer ("contract costs"), which previously diany of the other accounting standards, have been deferred in the consolidated statement of fina position. The effect of capitalization of contracts costs resulting from the application of Egyptian Accounting Standards (no.48)

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 constructive 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 grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting 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 awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

3) Defined contribution plans

Obligations for contributions to 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 Public Authority for Social Insurance 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.

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43 -Significant accounting policies (Continued)

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 reporting 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 event recognized - at the same year 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

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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 depreciated. Estimated depreciation rates for each type of assets for current and comparative periods are as follow:

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43 -Significant accounting policies (Continued)

Asset	Depreciation rate		
Buildings	%4 - %2		
Machinery & equipment	%20 - %10		
Vehicles	%25 - %20		
Fixtures & Office furniture	%33 - %6		
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

I. Goodwill:

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

II. 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 trade mark is amortized on a straight line method over the expected 30 years of use.

III. 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 beyond 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 a year of 3 years.

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IV. 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. 43- Significant accounting policies (Continued)
2) Subsequent expenditure Subsequent expenditure is capitalised only 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. 43 -Significant accounting policies (Continued) 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 – 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 valuate the classification of financial assets at the company's financial statements according to the financial assets cash flow conditions and the

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company related business module for financial assets certain category.

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• EAS 47 has no longer available for sale classification for financial assets. The new standard contains different requirements for financial asset 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: -
c.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 as a result, the company's doubtful debts provisions has been increased when applying EAS 47 at 1 January 2021. 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 default definition used for these purposes is applied consistently to all financial instruments unless information is available.

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	a prove that non-consensual recognition of the other is not appropriate for a particular ial instrument.
A thre	e-stage approach is applied to measure expected credit losses for financial assets listed
depred	ciated and debt instruments designated as Fair value through other comprehensive income transferred through
The for	ollowing three stages are based on the change in the quality of credit ratings since initial aution for these assets:
Princi _j	ple of these assets Stage one: 12-month expected credit losses
recogn	posures that have not resulted in a quantitative increase in credit risk since initial nition, a portion of the credit risk is recognized. Lifetime ECL based on the probability toccurring over the next 12 months
•	Stage two: Lifetime ECL - not credit-impaired
	edit exposures that have resulted in a significant increase in credit risk since initial nition, 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 floof those assets Finance.
Me	<u>asurment</u>
&A ass	e company apply the simplified approach to calculate expected credit losses for the Autorelated sector companies due to the absence of an important credit component ociated with their contracts with customers while apply for the non-banking financial tor companies, the general approach was applied to calculate expected credit losses dupresence of an important credit component in contracts with customers of that sector.
- <u>He</u>	dge accounting
acc	ounting. In addition, it has been Align the requirements of the standard more closely we company's risk management policies, so high coverage will be measured in the future.
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Notes to the consolidated interim financial statements for the financial Period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)
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.

Notes to the consolidated interim financial statements for the financial Period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

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 usufruct right 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 usufruct assets 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 usufruct assets 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 usufruct assets 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.
- · 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.

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

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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 period 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 period.

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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:

	ptian Accounting Standards, the following is a summary 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".	1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets. - 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" 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. - 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.	Management is currently studying the possibility of changing the applied accounting policy and using the revaluation model option stated in those standards and assessing the potential impact on the financial statements in case of using this option. Management is currently assessing the potential impact on the financial statements from the application of amendments to the standard.	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.

Notes to the consolidated interim financial statements for the financial Period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

New or reissued standards	However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be	Potential impact on the financial statements	These amendments are effective for annual financial
	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.		on periods starting or after January 1, 2023, retrospectively, cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this treatment for the first time.
Egyptian Accounting Standard No. (34) amended 2023 "Investment property ".	 This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property. 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: 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" 	Management is currently studying the possibility of changing the applied accounting policy and using the fair value model option stated in the standard and assessing the potential impact on the financial statements in case of using this option.	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

Notes to the consolidated interim financial statements for the financial Period ended March 31, 2023 (In the notes all amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	 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" 		applies this model for the first time.
Egyptian Accounting Standard No. (50) "Insurance Contracts".	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. 2- Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3- Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standards No. (50). 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: - Egyptian Accounting Standard No. (10) "Fixed Assets". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".	Management is currently evaluating the potential impact on the financial statements from the application of the standard.	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.

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44-Significant Events

- The Central Bank of Egypt decided, in its session held on October 27, 2022, to announce the application of a flexible exchange rate system for pricing foreign exchange, provided that the buying and selling prices of currencies are determined in Egyptian pounds based on the conditions of supply and demand, and accordingly the exchange rate of the US dollar increased against the pound. The Egyptian. In the session held on March 30, 2023, the Central Bank of Egypt raised the rates of the one-night deposit and lending return and the price of the main operation of the Central Bank by 200 basis points, to reach 18.25%, 19.25%, and 18.75%, respectively. The credit and discount rate was also raised by 200 basis points, to reach 18.75%.
- The Board of Directors of GB Capital for Financial Investments LLC, which is 99.99% owned by GB Auto LLC, on September 6, 2022, agreeing to negotiate to enter into an agreement to sell an indirect percentage representing 60% of the shares of GB Lis 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 LLC decreased. 45%, so that GB Auto's indirect ownership percentage in GB Leasing LLC, after executing the sale transaction, becomes 55%.
- During the year 2022, the company sold a 7.5% share of its shares in the (MNTBV) group of companies, 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 (MNTBV) group of companies, then the company By re-evaluating the remaining shares at fair value in the (MNTB) group of companies 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).

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45-Subsequent Events

1- 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 usufruct assets 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 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 establishment 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 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.

2- Based on the decision of the Extraordinary General Assembly held on March 26, 2023, it was approved to change the name of the company to become GB Corporation, and an entry has been made in the commercial register to amend the company's name on May 7, 2023.