



GB Corp Earnings

1Q24

GB Corp Reports 1Q24 Results

GB Corp navigates challenging market conditions to record a strong start to the year with solid top and bottom-line growth



Key Highlights 1Q24

- GB Corp recorded consolidated revenues of EGP 9,006.2 million in 1Q24, representing a quarter-on-quarter and year-on-year increase of 2.4% and 89.9%, respectively, mainly driven by solid performance at both the Auto and Capital segments as the market started to acclimate to the floatation of the Egyptian Pound in 1Q23.
- Gross profit more than doubled year-on-year to record EGP 2,563.5 million in 1Q24, yielding an expanded margin of 28.5% compared to 22.1% in 1Q23 on the back of improved market conditions leading to increased supply volumes and revenues with higher economies of scale. Additionally, GPM was also supported by GB's efficient pricing strategies and product mix in response to the challenging environment.
- GB Corp's bottom-line was stable quarter-on-quarter and recorded exponential year-on-year growth at 481.6% to reach EGP 626.3 million in 1Q24, yielding an expanded margin of 7.0% compared to 2.3% in 1Q23, mainly driven by increased revenues and enhanced efficiency across the majority of LoBs as well as improved supply compared to 1Q23.
- GB Auto recently launched its distribution of the MG Motor brand in Jordan through a joint venture with MG's former distributor in the Jordanian market.
- GB Auto recently secured the exclusive representation of the JAC and Foton brands in the Iraqi market with operations expected to begin in July 2024. We believe this will mitigate the ban on the import of two and three-wheelers in the Iraqi market.
- GB Auto maintained its market leading position in the Egyptian passenger car market, recording a market share of 30.6% in 1Q24 versus 22.5% in 1Q23 on the back of its solid performance as well as its unmatched CKD capacity, which offset the complete slowdown in LC issuances for CBU models.
- MNT-Halan launched the new "Halan" card, which gained significant traction in the market with the company distributing more than 1,800 cards per day.
- GB Capital received its Sukuk issuance license from the FRA and launched GB Capital Sukuk in 1Q24.

Disclaimer to Change in Reporting Structure

Starting 1Q24, management has adopted a new reporting structure, with new groupings within the Auto segment. Most notably, the passenger car LoB now encompasses both our Egypt and Iraq operation (including sales and after-sales), and Ready Parts and tires are now grouped under the trading business.

Note from our CEO

I am pleased to report on a strong start to the year with solid top and bottom-line growth driven by strong performance on both the Auto and Capital fronts. During the quarter, we were able to navigate challenging market conditions by leveraging our end-to-end offering on the Auto side and our expansive portfolio on the Capital side to achieve yet another strong set of financial and operational results.

At GB Auto, we mitigated challenging operating conditions characterized by import restrictions and limited FX availability at the beginning of the quarter coupled with a slowdown in demand at the end of 1Q24 as a result of the flotation of the Egyptian pound. Despite the headwinds, we were able to achieve solid year-on-year growth across most of our LoBs, driven by our dynamic strategies allowing us to quickly adapt to shifting market conditions. At the passenger car LoB, we applied strategic price reductions to counteract the fall in demand in the Egyptian market, leading to a gradual rebound in sales in 2Q24. Additionally, our performance in the Egyptian passenger car market was bolstered by GB Auto's unmatched CKD capacity, which helped it offset a complete slowdown in LC issuances for CBU models. Meanwhile, as the Iraqi market grew rapidly in size, we continued to expand our presence in the market, with our market share increasing from 6.9% in 1Q23 to 8.8% in 1Q24. Moreover, we secured the exclusive representation of the JAC and Foton brands in Iraq as a pivot to our two and three-wheeler business following the ban on imports of motorcycles and three-wheelers in Iraq. I am also pleased to announce the launch of our exclusive distribution business of the MG Motor brand in Jordan, as part of our regional expansion strategy. At the two, three, and four-wheeler LoB, we recently launched a new four-wheeler model in Egypt, to offset the impact of the phasing out of three-wheeler inventory, with selling operations expected to begin in July.

At GB Capital, despite higher interest rates, we maintained our exceptional growth trajectory with our loan-book portfolio expanding by 61.1% y-o-y to reach EGP 10.7 billion in 1Q24. To that end, we continue to capitalize on rising demand for alternative financing solutions, as we maintain our efforts in growing Kredit, our newly founded SME-Lending company, and our factoring business under GB Lease, which we recently received the license to operate. On the fintech front, our affiliate, MNT-Halan, launched the Halan card, which gained significant traction in the market, further solidifying its position as the leading fintech company in Egypt.

Looking ahead, while the business environment continues to improve, we remain cautiously optimistic as we adapt to shifting market dynamics. Moving forward, we plan to capitalize on the ongoing economic reforms and improved market sentiment to achieve sustainable growth across our different business segments. It is worth noting that we have seen higher than usual EBIT margins due to FX losses being booked under the gross profit and EBIT lines, whereas following the flotation of the EGP, the increased costs will be reflected at the gross profit level, thus returning margins to healthy industry norms in the coming quarters. While we expect market and business conditions to improve with the gradual return of higher supply and economies of scale, as reflected in this quarter's performance, however, we also believe that the current market and economic difficulties will linger as the full impact of the devaluation and the interest rate spike take effect. Nevertheless, we are well-positioned through our diverse portfolio to continue on our growth trajectory, enhance our profitability, and create value for our shareholders.

Nader Ghabbour
Chief Executive Officer

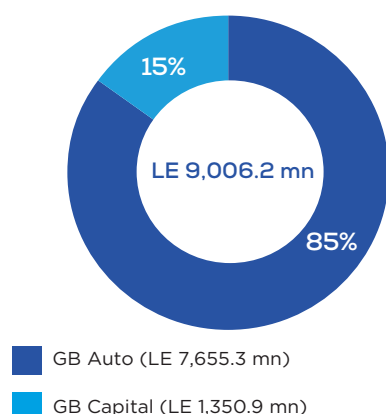
Consolidated Financial Overview

Table 1: GB Corp Income Statement

(EGP million)	Three Months Ended		
	1Q23	1Q24	% Change
Total Sales Revenues	4,741.5	9,006.2	89.9%
Total Gross Profit	1,049.4	2,563.5	144.3%
Gross Profit Margin	22.1%	28.5%	6.3
Selling and Marketing	(487.8)	(645.0)	32.2%
Administration Expenses	(157.1)	(471.3)	-
Other Income (Expenses)	64.3	119.3	85.7%
Operating Profit	468.8	1,566.5	234.2%
Operating Profit Margin (%)	9.9%	17.4%	7.5
Net Provisions and Non-Operating	(50.7)	(40.0)	-21.2%
Intercompany Investment Gains (Losses)	222.1	182.1	-18.0%
EBIT	640.2	1,708.6	166.9%
EBIT Margin (%)	13.5%	19.0%	5.5
Foreign Exchange Gains (Losses)	(265.4)	(384.0)	44.7%
Net Finance Cost	(191.5)	(368.4)	92.4%
Earnings Before Tax	183.4	956.3	421.5%
Income Taxes	(79.4)	(289.3)	-
Net Profit Before Minority Interest	104.0	667.0	541.6%
Minority Interest	3.7	(40.7)	-
Net Income	107.7	626.3	481.6%
Net Profit Margin (%)	2.3%	7.0%	4.7

Group Revenue Breakdown

(As of 31 March 2024)

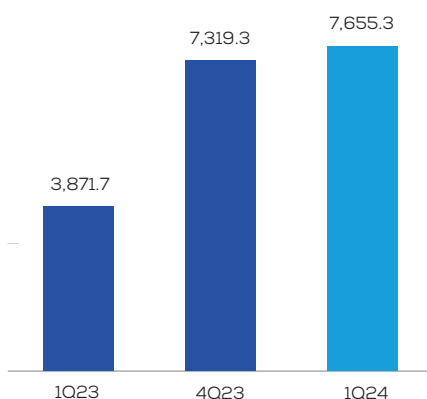


28 May 2024 – (Cairo, Egypt) GB Corp (GBCO.CA on the Egyptian Exchange), a leading automotive company in the Middle East and Africa and non-bank financial services provider in Egypt, announced today its segmental and consolidated results for the quarter ended 31 March 2024. GB Corp's revenues were stable quarter-on-quarter and increased significantly year-on-year by 89.9% to EGP 9,006.2 million in 1Q24. Similarly, net profit was stable quarter-on-quarter and grew almost six-fold year-on-year to reach EGP 626.3 million in 1Q24.

GB Auto's revenues grew 4.6% q-o-q and 97.7% y-o-y to reach EGP 7,655.3 million in 1Q24. Despite the headwinds characterized by limited FX availability and import restrictions at the beginning of the quarter as well as a slowdown in demand following the floatation of the Egyptian Pound at the end of the quarter, the segment recorded solid top-line growth driven by its dynamic pricing strategies and diverse product mix across its LoBs. At the Passenger Car LoB, the segment recorded solid growth both quarter-on-quarter and year-on-year at 7.9% and 134.8% in 1Q24, respectively. In Egypt passenger cars, revenues fell by 4.4% q-o-q, but more than doubled year-on-year, mainly driven by enhanced pricing strategies to mitigate the impacts of limited supply at the beginning of the quarter and a slowdown in demand at the end of the quarter. It is worth noting that the quarter-on-quarter decline is primarily due to the seasonality of the automotive market. Meanwhile in Iraq passenger cars, revenues increased both quarter-on-quarter and year-on-year by 44.9% and 148.1% in 1Q24, respectively, reflecting the growing popularity of the MG brand in the market. At the Trading business, the Company's diverse offering of tires in Egypt as well as Ready Parts in Egypt and Iraq supported the LoB's growth, with revenues increasing by 18.6% q-o-q and 69.8% y-o-y in 1Q24. The Commercial Vehicle and Construction Equipment LoB recorded a year-on-year increase in revenues at 37.2% in 1Q24, mainly driven by improved pricing strategies to offset a 48.6% fall in volumes. Meanwhile, the LoB's revenues fell by 18.1% q-o-q in 1Q24 on the back of a 46.2% q-o-q fall in volumes due to import restrictions and limited FX availability. At the Two, Three, and Four-Wheelers LoB, revenues fell by 21.1% q-o-q, but grew by 61.3% y-o-y in 1Q24 on the back of market normalization, improved pricing strategies, and management versatility.

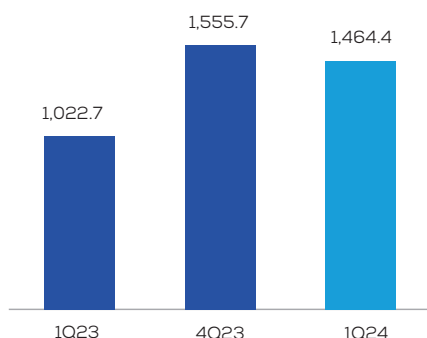
Revenue Progression (all figures in EGP million)

GB Auto



GB Capital

Before Intercompany
Eliminations



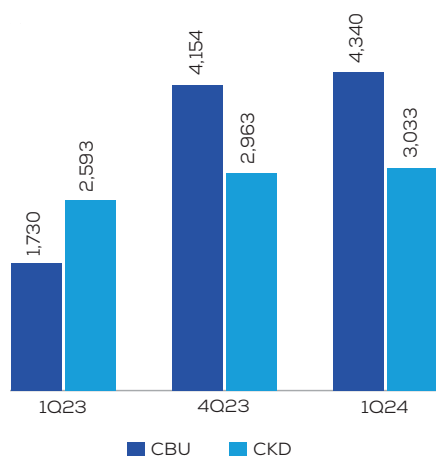
In terms of profitability, GB Auto's gross profit grew both quarter-on-quarter and year-on-year by 9.5% and 161.9%, respectively, to record EGP 2,295.7 million, yielding an expanded margin of 30.0% in 1Q24 compared to 22.6% in 1Q23. The significant increase in gross profit came on the back of improved market conditions resulting in a significant increase in volumes across most of the segment's LoBs. Similarly, the company recorded an EBITDA of EGP 1,549.5 million in 1Q24, representing a 20.0% q-o-q and 190.6% y-o-y increase, and yielding an expanded margin of 20.2% compared to 13.8% in 1Q23. The solid growth in EBITDA and the expansion in its margin reflects the Company's resilient business model amidst a challenging operating environment. Additionally, the segment maintained a strong financial position with a net debt-to-EBITDA ratio of 0.47 and a net debt-to-equity ratio of 0.22 in 1Q24. Meanwhile, GB Auto recorded a net profit of EGP 380.0 million in 1Q24, representing a rebound from a negative bottom-line figure in 1Q23 and an eight-fold increase from 4Q23. The growth in GB Auto's profitability came on the back of an expanded top-line figure coupled with improved cost management and enhanced efficiency across the board as well as decreased FX losses.

GB Capital recorded revenues (before intercompany eliminations) of EGP 1,464.4 million in 1Q24, down 5.9% q-o-q, but up 43.2% y-o-y, driven by an expansion in the company's offerings, which cater to the rising demand for alternative financing solutions. Similarly, net profit grew 30.8% y-o-y to reach EGP 247.7 million on the back of the significant expansion in the company's loan book portfolio. Meanwhile, GB Capital's loans portfolio grew both quarter-on-quarter and year-on-year by 19.1% and 61.1%, respectively, to reach EGP 10.7 billion in 1Q24.

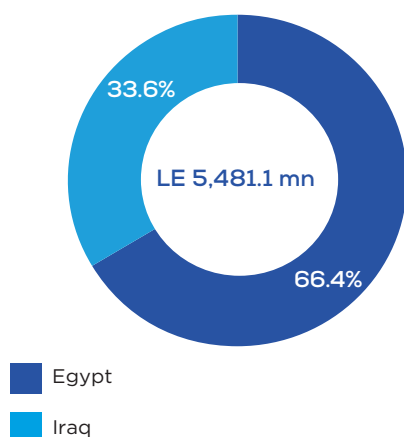
Despite a challenging operating environment characterized by higher interest rates, GB Capital's LoBs continued on their growth trajectory. At GB Lease and Factoring, despite the CBE directive implemented in March 2024 limiting a bank's ability to extend financing to leasing companies to 5.0% of the bank's total loan book portfolio, the company's portfolio grew by 18.0% q-o-q and 37.8% y-o-y on the back of an increase in its factoring portfolio as well as optimizing its leasing portfolio. On the consumer finance front, Drive Finance recorded a significant increase in its portfolio at 26.4% q-o-q and 58.8% y-o-y, driven by greater penetration of the used car market for its auto loan business as well as an expansion in Forsa's portfolio through the introduction of large-ticket financing. At GB Auto Rental, the company's portfolio was stable quarter-on-quarter and increased by 34.4% y-o-y on the back of a significant expansion in the company's fleet as well as its client base. Launched in 3Q23, Kredit maintained its growth trajectory with its portfolio increasing by 31.4% q-o-q on the back of increased disbursements, which was bolstered by an expansion in the company's credit facilities. At the fintech side, MNT-Halan's loan book portfolio grew by 12.4% q-o-q and 69.2% y-o-y in 1Q24. Additionally, the company launched its the new "Halan" card, which gained significant traction in the market and significantly improved its customer acquisition capabilities. Despite the significant growth in GB Capital's portfolio, the company maintained a healthy NPL-to-portfolio ratio of 2.8% on the back of its continuous efforts to improve the quality of its portfolio.

Highlights of GB Corp's 1Q24 results follow, along with management's analysis of the company's performance. Complete financials are available for download on ir.gb-corporation.com

Breakdown of Units Sold



PC Revenue Breakdown



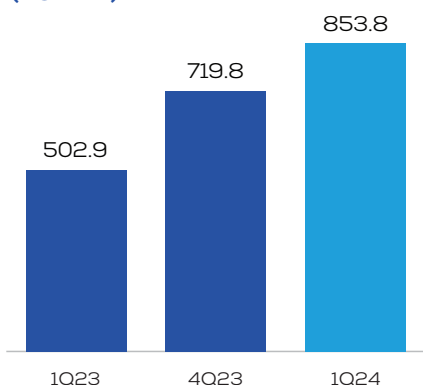
Egypt and Iraq Passenger Cars

- GB Auto's passenger car volumes in Egypt and Iraq grew both quarter-on-quarter and year-on-year by 3.6% and 70.6%, respectively. This growth was driven by enhanced performance across both markets on the back of rising demand for the MG brand in Iraq and improved operating conditions in Egypt.
- Consequently, GB Auto maintained its market leading position in Egypt, with a market share of 30.6% in 1Q24, mainly driven by improved pricing strategies as well as an enhanced product mix. Meanwhile, we continued to grow our presence in the Iraqi market, with an expanded market share of 8.8% in 1Q24 versus 6.9% in 1Q23.
- The passenger car segment recorded revenues of EGP 5,481.1 million in 1Q24, representing a 7.9% q-o-q and 134.8% y-o-y increase. The significant year-on-year increase came on the back of GB Auto's expanded presence in Iraq through the MG brand as well as improved supply conditions, an enhanced product mix, and improved pricing strategies in Egypt.
- In addition, the LoB's performance was bolstered by GB Auto's unmatched CKD capacity in Egypt, which helped it offset the complete slowdown in LC issuances for CBU units.
- Moreover, GB Auto secured the exclusive representation of the JAC brand in Iraq, building on its success with the MG brand.
- In the Egyptian passenger car market, strategic price reductions were implemented to mitigate the impacts of a slowdown in demand following the floatation of the Egyptian pound in March 2024. Additionally, GB Auto is putting larger focus on CKD models to circumvent the slowdown in opening letters of credit (LCs) for the import of CBU models.
- On the after-sales front, the segment recorded solid growth, mainly driven by healthy demand in the Egyptian market as customer continue to prioritize maintaining their vehicles amidst difficulties in purchasing new passenger cars.
- It is also worth noting that GB Auto recently launched its operation in the Jordanian market through the distribution of the MG brand.

Table 2: Egypt and Iraq Passenger Cars Sales and After-Sales Activity

		1Q23	4Q23	1Q24	Q-o-Q	Y-o-Y
CKD Volume	(Units)	2,593	2,963	3,033	2.4%	17.0%
CBU Volume	(Units)	1,730	4,154	4,340	4.5%	150.9%
Total Volume	(Units)	4,323	7,117	7,373	3.6%	70.6%
Total Revenue	(LE million)	2,334.0	5,080.0	5,481.1	7.9%	134.8%

Trading Revenue Progression
(EGP mn)



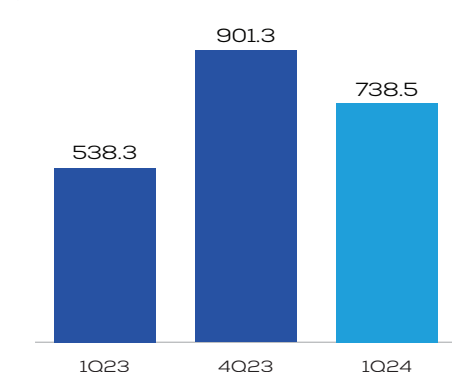
Trading Business

- The segment, which encompasses Ready Parts distribution in Egypt and Iraq and the tires business in Egypt, achieved solid performance with revenue growth at 18.6% q-o-q and 69.8% y-o-y to reach EGP 853.8 million. This organic growth came on the back of improved supply conditions as well as healthy demand for both the Ready Parts and tires businesses.
- The LoB's performance was driven by improved pricing strategies as well as healthy demand for its range of brands on both the tires and Ready Parts fronts. To that end, management is confident that as long as there is adequate supply, the LoB will maintain its growth trajectory in the Egyptian and Iraqi markets.

Table 3: Trading Sales Activity

		1Q23	4Q23	1Q24	Q-o-Q	Y-o-Y
Tires Revenue - Egypt	(LE million)	342.2	542.9	675.2	24.4%	97.3%
Ready Parts Revenue - Egypt & Iraq	(LE million)	160.7	176.9	178.6	1.0%	11.1%
Total Revenue	(LE million)	502.9	719.8	853.8	18.6%	69.8%

CV&E Revenue Progression
(EGP mn)



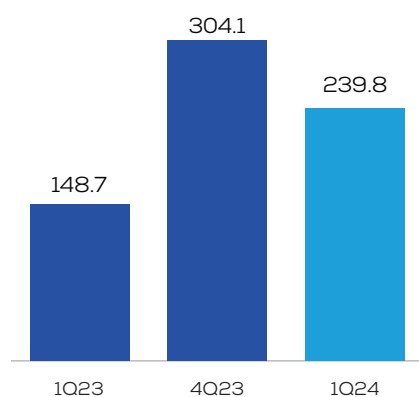
Egypt Commercial Vehicles & Construction Equipment

- The LoB's volumes fell both quarter-on-quarter and year-on-year by 46.2% and 48.6%, respectively, to record 427 units in 1Q24 due to a slowdown in opening LCs, import restrictions, and limited FX availability.
- Meanwhile, revenues fell by 18.1% q-o-q and grew 37.2% y-o-y to reach EGP 738.5 million in 1Q24 on the back of improved pricing strategies offsetting the fall in volumes. Additionally, the year-on-year increase in revenues is driven by the export of Fuso and Volvo buses to the Middle East and Africa.

Table 4: Egypt Commercial Vehicles & Construction Equipment (CV&CE) Sales and After-Sales Activity

		1Q23	4Q23	1Q24	Q-o-Q	Y-o-Y
Bus Sales Volume	(Units)	151	209	76	-63.6%	-49.7%
Truck Sales Volume	(Units)	666	564	341	-39.5%	-48.8%
Trailer Sales Volume	(Units)	-	3	5	66.7%	-
Construction Equipment Sales Volume	(Units)	13	18	5	-72.2%	-61.5%
Total Sales Volume	(Units)	830	794	427	-46.2%	-48.6%
Total Revenue	(LE million)	538.3	901.3	738.5	-18.1%	37.2%

Two, Three, and Four Wheelers
Revenue Progression
(EGP mn)



Two, Three, and Four Wheelers

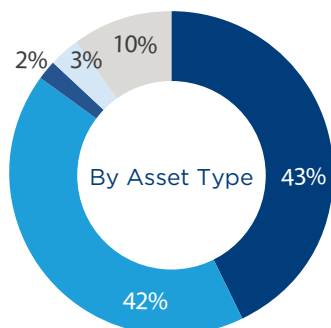
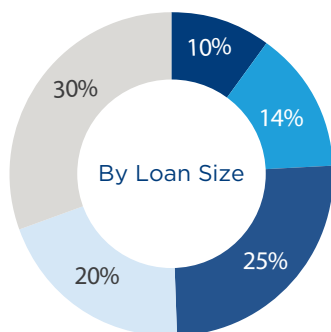
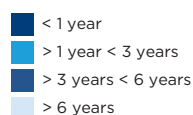
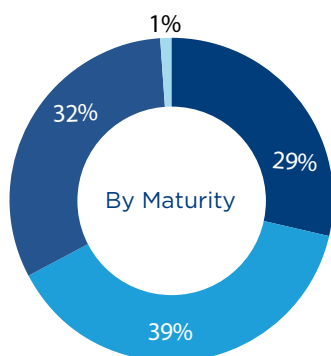
- The LoB's volumes fell 41.8% q-o-q, but increased 42.8% y-o-y to reach 3,015 units in 1Q24. The quarter-on-quarter decrease came on the back of limited FX availability and import restrictions impacting motorcycle inventories. Meanwhile, the year-on-year increase was driven by the introduction of a new tricycle product to offset the impact of the phasing out of three-wheelers following its ban in the Egyptian market.
- Revenues from two and three-wheelers fell by 21.1% q-o-q, but increased by 61.3% y-o-y to record EGP 239.8 million in 1Q24. It is worth noting that improved pricing offset a share of the quarter-on-quarter fall in volumes and amplified the year-on-year growth in volumes.

Table 5: Two, Three, and Four-Wheelers Sales and After-Sales Activity

		1Q23	4Q23	1Q24	Q-o-Q	Y-o-Y
Sales Volume	(Units)	2,111	5,177	3,015	-41.8%	42.8%
Total Revenue	(LE million)	148.7	304.1	239.8	-21.1%	61.3%

GB Capital Portfolio Breakdown

(As of 31 March 2024)



GB Capital (Financing Businesses)

- GB Capital's revenues fell by 5.9% q-o-q, but increased by 43.2% y-o-y to record EGP 1,464.4 million in 1Q24, mainly driven by a significant increase in disbursements and an expansion in the segment's offerings.
- In terms of profitability, GB Capital's net profit recorded EGP 247.7 million in 1Q24, representing a fall of 57.0% q-o-q and an increase of 30.8% y-o-y. The quarter-on-quarter fall in net profit is attributable to a high-base effect driven by significant securitization gains realized in 4Q23. On a year-on-year basis, solid bottom-line growth came on the back of enhanced performance across all of GB Capital's LoBs.
- GB Capital's annualized ROAE stood at 14.1% in 1Q24 compared to 20.8% in 4Q23. Similarly, annualized ROAA recorded 10.2% in 1Q24 versus 11.4% in 4Q23. It is worth noting that annualized ROAE figures have been adjusted to exclude the high equity base due to the revaluation of deconsolidating MNT-Halan. Annualized NIMS reached 7.0% in 1Q24 compared to 6.6% in 4Q23.
- GB Capital's loans/receivables portfolio on the books increased both quarter-on-quarter and year-on-year by 19.1% and 61.1%, respectively, to record EGP 10.7 billion in 1Q24. The expansion in the segment's loans portfolio is attributable to higher disbursements driven by GB Capital's expanded offering.
- GB Capital continued to improve to its loan book quality and collection rates, which remain as the key drivers behind the company's growth. To that end, NPLs decreased to 2.8% in 1Q24 compared to 3.05% in 4Q23, while the company maintained a solid NPL coverage ratio of 94% in 1Q24.
- Debt-to-equity ratio stood at 0.53x in 1Q24 versus 0.43x in 4Q23.
- GB Capital's debt, which moves in correspondence with the size of the portfolio, increased by 23.2% y-o-y to reach EGP 8.3 billion as of 31 March, 2024.
- Microfinancing, nano-financing, SME-lending, factoring, mortgage finance, leasing, venture capital, life insurance, securitization, sukuk, and consumer lending services offered by GB Capital's various subsidiaries affiliates are regulated by the FRA.

Leasing & Factoring

- GB Lease & Factoring navigated difficult operating conditions characterized by higher interest rates and a change in regulation implemented by the CBE in March 2024 limiting a bank's ability to extend financing to leasing companies to 5.0% of the bank's total loan book portfolio, thus limiting the company's ability to fund its new business. Nevertheless, the company achieved significant growth on the back of a ramp up in its factoring operation as well as optimizing its leasing portfolio, resulting in an 18.0% q-o-q and 37.8% y-o-y increase in its portfolio in 1Q24.
- On the factoring front, the company is quickly growing its presence in the market, as its factoring portfolio more than tripled quarter-on-quarter in 1Q24.
- GB Auto Rental's revenues grew both quarter-on-quarter and year-on-year at 5.2% and 49.0%, respectively, on the back of expanding its capacity by securing new vehicle contracts. The company's portfolio was stable quarter-on-quarter and increased 34.4% y-o-y, driven by the expansion of its fleet.

Consumer Finance

- Drive Finance's revenues grew by 8.5% q-o-q and 77.4% y-o-y in 1Q24 on the back of enhanced performance on both the auto loan and consumer finance fronts.
- Drive Finance's portfolio grew by 26.4% q-o-q and 58.8% y-o-y in 1Q24, driven by the LoB's expanded offerings, resulting in higher disbursements. To that end, growth in the auto-loan portfolio was supported by enhanced market penetration as well as higher car prices, allowing the company's portfolio to grow amidst a fall in market volumes
- At Forsa, Drive Finance's consumer finance arm, the company maintained its exceptional growth trajectory on the back of its extensive merchant network of more than 1,300 merchants across 6,000 stores. Additionally, Forsa's expansive product offering, which now includes large ticket items was a main driver for its success during the quarter.

Fintech

- MNT-Halan's revenues were stable quarter-on-quarter and increased by 58.3% y-o-y, driven by significant growth in its loan book at 12.4% q-o-q and 69.2% y-o-y in 1Q24. Additionally, disbursements increased by 48.0% y-o-y in 1Q24, further solidifying MNT-Halan's position as the leading non-bank lender in the Egyptian market.
- On the operational front, MNT-Halan's number of users continued to grow, with the number of quarterly active users increasing by 61.8% y-o-y to reach 2.3 million in 1Q24 on the back of an expansion in the company's digital offering, which increased both retention rates as well as cross selling opportunities.
- MNT-Halan maintained a solid financial position with a debt-to-equity ratio of 3.4x in 1Q24 compared to 2.8x in 4Q23, with additional regulatory capacity to grow by up to 10x.

SME-Lending

- Kredit's revenues more than doubled quarter-on-quarter in 1Q24 on the back of its expanded operations and solid portfolio growth.
- Kredit's portfolio grew 31.4% q-o-q in 1Q24, driven by an expansion of its capacity through securing additional credit facilities during the quarter.

Financial Position and Working Capital of GB Auto

Table 6: Development of Working Capital for GB Auto

Strong demand for GB Auto's portfolio and efficient management of working capital continued to support performance in 1Q24 amidst shifting market dynamics. Inventory levels and receivables have been optimized, while payables are extended due to import restrictions and limited FX availability prevalent at the beginning of the quarter.

		1Q23	2Q23	3Q23	4Q23	1Q24
Inventory *	(EGP million)	4,871.8	5,693.2	5,539.9	6,366.1	10,459.3
Receivables	(EGP million)	1,493.4	1,530.0	2,045.3	1,743.5	2,201.1
Advances	(EGP million)	880.7	858.5	776.9	913.6	1,204.4
Debtors & Other Debit Balances	(EGP million)	1,979.0	2,502.8	2,267.0	1,547.9	2,192.2
Payables	(EGP million)	5,362.6	5,882.8	7,107.8	6,104.7	9,665.7
Working Capital	(EGP million)	3,862.3	4,701.8	3,521.3	4,466.3	6,391.2

* The quarter-on-quarter increase in inventory is attributable to the floatation of the EGP causing its devaluation against the USD from 31 EGP at the beginning of the period to c.48 EGP by the end of the quarter.

Table 7: Development of Net Debt for GB Auto

Net debt for GB Auto fell to EGP 2,281.0 million in 1Q24 compared to 2,921.8 in 4Q23, reflecting the company's solid financial position.

(EGP million)	1Q23	2Q23	3Q23	4Q23	1Q24
Total Debt	4,785.5	5,294.8	4,795.2	5,788.8	7,633.2
Notes Payable (Due to leasing)	902.2	783.3	685.0	1,030.6	908.5
Cash	3,222.4	2,435.0	3,231.6	3,446.1	5,636.2
Due to Related Parties - Inter Segment	-	-	-	-	38.8
Due from Related Parties - Inter Segment	(103.3)	246.4	407.9	451.5	663.4
Net Debt	2,568.6	3,396.7	1,840.6	2,921.8	2,281.0

Table 8: Development of Key Financials for GB Auto

(EGP million)	1Q23	4Q23	1Q24	Q-o-Q	Y-o-Y
Revenue	3,729.7	7,267.7	7,573.1	4.2%	103.0%
Inter-Segment Revenue	142.0	51.6	82.2	59.4%	-42.1%
Total Revenue	3,871.7	7,319.3	7,655.3	4.6%	97.7%
Cost of Sales	(2,853.3)	(5,170.6)	(5,277.4)	2.1%	85.0%
Inter-Segment Cost of Sales	(142.0)	(51.6)	(82.2)	59.4%	-42.1%
Total Cost of Sales	(2,995.3)	(5,222.2)	(5,359.7)	2.6%	78.9%
Gross Profit	876.4	2,097.1	2,295.7	9.5%	161.9%
Gross Profit Margin	22.6%	28.7%	30.0%	1.3	7.4
General, Selling & Administrative Expenses	(487.1)	(1,024.6)	(901.6)	-12.0%	85.1%
Other Operating Income	59.7	287.1	112.4	-60.8%	88.2%
Provisions (Net)	(13.7)	(145.8)	(30.0)	-79.4%	119.9%
Operating Profit	435.3	1,213.8	1,476.5	21.6%	239.2%
Operating Profit Margin	11.2%	16.6%	19.3%	2.7	8.0
Finance Cost*	(198.9)	(243.0)	(400.9)	65.0%	101.6%
Investment Gain	-	(4.4)	-	-	-
FOREX	(264.0)	(1,019.7)	(430.6)	-57.8%	63.1%
Net Profit / (loss) Before Tax	(27.6)	(53.3)	645.0	-	-
Income Tax	(65.0)	(121.9)	(239.1)	96.1%	268.0%
Net Profit / (loss) After Tax and Before NCI	(92.5)	(175.2)	405.9	331.7%	538.5%
NCI	12.0	220.2	(25.9)	-111.7%	-315.5%
Net Profit / (loss) After NCI	(80.5)	45.0	380.0	744.4%	571.8%
EBITDA	533.2	1,291.0	1,549.5	20.0%	190.6%
EBITDA Margin	13.8%	17.6%	20.2%	2.6	6.5

* The finance cost includes leasing expenses of LE (65.2) million for 1Q24

Table 9: Cash Flow Statement for GB Auto

(EGP million)	1Q23	1Q24
Cash Flows from Operating Activities		
Net (Loss) / Profit Before Tax	(27.6)	645.0
Adjustments		
Interest Expense	233.1	332.0
Depreciation & Amortization	100.0	107.0
Provisions - Net	13.7	30.0
Impairment in Current Assets - Net	38.2	155.2
Interest Income	(34.2)	(47.7)
Unrealized FOREX Loss	364.7	863.1
Gain on Sale of PP&E and Assets Held for Sale	2.1	(34.0)
Operating Cash Flow Before Changes in Working Capital	689.9	2,050.7
Changes in Working Capital		
Inventories	(707.1)	(2,692.1)
Trade Receivables	37.3	(142.0)
Debtors & Other Debit Balances	9.3	(500.8)
Due from Related Parties	(46.7)	634.2
Due to Related Parties	18.2	43.6
Due from Related Parties - Inter-Segment	217.5	(665.2)
Due to Related Parties - Inter-Segment	387.4	(26.5)
Trade Payables & Other Credit Balances	(122.1)	2,173.8
Rent Paid for Assets Right of Use	(14.7)	(19.0)
Provisions Used	(37.8)	(5.4)
Cash Flow (Generated from Operating Activities)	431.2	851.3
Dividends Paid - Employees	-	(30.7)
Income Tax Paid During the Period	(2.6)	(3.6)
Net Cash Flow (Generated from Operating Activities)	428.5	817.0
Cash Flows From Investing Activities		
Purchase of Property, Plant & Equipment	(395.5)	(704.6)
Purchase of Projects Under Construction	(142.5)	(332.3)
Interest Received	6.0	(181.4)
Received From Investment	-	-
Proceeds from Sale of Property, Plant and Equipment	11.6	100.8
Net Cash Flow (Generated from Investing Activities)	(520.4)	(1,117.4)
Cash Flows From Financing Activities		
Loans & Borrowings	418.6	1,844.4
Interest Paid	(189.0)	(70.3)
Long Term Notes Payable Paid	(133.6)	(58.4)
Net Cash Flow (Generated from Financing Activities)	96.0	1,715.7
Net Increase (Decrease) in Cash & Cash Equivalents	4.2	1,415.3
Cash & Cash Equivalents at Beginning of the Period	2,776.9	3,446.1
Translation Differences	441.2	774.8
Cash & Cash Equivalents at End of the Period	3,222.4	5,636.2

Table 10: Key Ratios for GB Auto

		1Q23	2Q23	3Q23	4Q23	1Q24
Net Debt / Equity*	Units	0.36	0.46	0.24	0.39	0.22
Total Liabilities Less Cash / Equity	Units	1.29	1.45	1.34	1.39	1.32
Current Ratio	Units	1.15	1.14	1.15	1.16	1.23
Net Debt / LTM EBITDA [^]	Units	1.04	1.28	0.58	0.77	0.47
LTM EBITDA / Finance Cost	Units	3.46	3.11	3.15	3.50	3.74
Capital Employed **	EGP million	8,916.0	10,042.3	9,034.3	10,046.6	12,456.9
LTM ROCE ***	%	25.3%	23.7%	29.2%	36.2%	40.0%

* Net Debt for segments = (short term debt + long term debt + due to related parties - inter-segment + payables related to leasing expenses) - cash and cash equivalents

** Average capital employed for segments at the end of the period = (property, plant and equipment + Intangible assets and goodwill + Investment property + inventories + Trade receivables + Debtors and other debit balance) - (Trade payables + Other current liabilities)

*** ROCE for segments = Last twelve months operating profit / average capital employed at the beginning and end of the period

Table 11: Income Statement by Segment

	1Q24			
(EGP million)	GB Auto	GB Capital	Elimination	GB Corp
Revenue	7,573.1	1,433.1	-	9,006.2
Inter-segment revenue	82.2	31.3	(113.6)	-
Total revenue	7,655.3	1,464.4	(113.6)	9,006.2
Cost of sales	(5,277.4)	(1,165.2)	-	(6,442.6)
Inter-segment cost of sales	(82.2)	(23.1)	105.4	-
Total Cost of Sales	(5,359.7)	(1,188.3)	105.4	(6,442.6)
Gross Profit	2,295.7	276.1	(8.2)	2,563.5
General, selling and administrative expenses	(901.6)	(215.4)	0.6	(1,116.3)
Other operating income	112.4	8.9	(2.1)	119.3
Provisions (Net)	(30.0)	(9.9)	-	(40.0)
Operating profit	1,476.5	59.6	(9.6)	1,526.5
Finance cost / income	(400.9)	24.3	8.2	(368.4)
Investment Gain	-	182.1		182.1
FOREX	(430.6)	46.6	-	(384.0)
Net profit / (loss) before tax	645.0	312.7	(1.4)	956.3
Income tax	(239.1)	(50.2)	-	(289.3)
Net profit / (loss) after tax and before NCI	405.9	262.5	(1.4)	667.0
NCI	25.9	14.8	-	40.7
Net profit / (loss) after NCI	380.0	247.7	(1.4)	626.3

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

Table 12: Balance Sheet by Segment

As at 31 March 2024				
(EGP million)	GB Auto	GB Capital	Elimination	GB Corp
Property Plant & Equipment	6,155.1	494.6	14.8	6,664.5
Intangible Assets & Goodwill	344.3	1.6	-	345.9
Asset Right of Use	601.9	99.6	(7.4)	694.0
Investments in Subsidiaries (GB Capital)	324.9	12,368	(1,961.3)	10,731.4
Notes Receivable	3.4	7,084.7	(418.0)	6,670.1
Other Debit Balance	-	63.4	-	63.4
Intercompany loan	-	-	-	-
Investments Property	90.9	-	-	90.9
Deferred Tax Assets	190.4	-	-	190.4
Non-Current Assets	7,710.9	20,111.6	(2,372.0)	25,450.3
Asset held for sale	-	855.0	-	855.0
Inventories	10,459.3	13.6	-	10,472.9
Trade Receivables	2,201.1	2,886.9	(104.2)	4,983.8
Advance Payments to Suppliers	1,204.4	47.2	-	1,251.6
Debtors & Other Debit Balance	2,192.2	458.9	-	2,651.1
Due from Related Parties	144.5	399.8	(2.1)	542.4
Due from Related Parties - Inter-Segment	663.4	26.9	(690.3)	-
Cash and Cash Equivalents	5,636.2	1,454.1	-	7,090.3
Current Assets	22,501.1	6,142.4	(796.6)	27,847.1
Total Assets	30,212.0	26,254.0	(3,168.5)	53,297.3
Share Capital	1,087.4	318.0	(319.9)	1,085.5
Share Capital Premium	1,645.5	-	(1,645.5)	-
Payment Under Capital Increase	-	-	-	-
General Reserve	-	10.8	-	10.8
Legal Reserves	533.1	128.0	-	661.1
Private Reserve	6,685.0	247.2	4.2	6,936.7
Risk Reserve	(0.0)	26.3	-	26.3
Accumulated Profit (Losses)	(829.4)	13,978.9	5.7	13,155.2
Net Income / (Loss) for The Period	380.0	247.7	(1.4)	626.3
Total Shareholders' Equity Before NCI	9,501.6	14,956.9	(1,956.8)	22,501.9
Total NCI	1,072.6	732.6	-	1,805.2
Total Equity	10,574.2	15,689.5	(1,956.8)	24,307.1
Trade Payables	9,665.7	1,330.5	(101.0)	10,897.6
Loans & Overdraft	7,633.2	2,322.7	-	9,955.9
Due to Related Parties	4.2	(0.0)	(2.6)	0.1
Due to Related Parties - Inter-Segment	38.8	652.6	(690.3)	0.0
Provision	376.5	31.3	-	407.8
Other Current Liabilities	528.1	145.7	-	673.7
Short term bond	-	80.0	-	80.0
Total Current Liabilities	18,246.5	4,562.8	(793.9)	22,015.1
Loans	-	5,709.2	-	5,709.2
Provision	7.1	-	-	7.1
Lease Obligation	376.4	61.3	0.2	437.8
Trade and Notes Payables	703.4	-	(418.0)	285.4
Deferred Tax Liabilities	304.5	51.2	-	355.7
Bonds Payable	-	180.0	-	180.0
Total Non-Current Liabilities	1,391.3	6,001.8	(417.8)	6,975.2
Total Equity And Liabilities	30,212.0	26,254.0	(3,168.6)	53,297.3

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

Table 13: Income Statement Analysis for GB Capital

(EGP million)	1Q23	4Q23	1Q24	Q-o-Q	Y-o-Y
Revenue	751.8	1,022.3	889.0	-13.0%	18.2%
Interest Income	270.9	533.5	575.4	7.9%	112.4%
Total Revenue	1,022.7	1,555.7	1,464.4	-5.9%	43.2%
Cost of Sales	(682.2)	(701.1)	(786.1)	12.1%	15.2%
Cost of Funds	(165.2)	(382.0)	(402.3)	5.3%	143.5%
Total Cost of Revenue	(847.5)	(1,083.1)	(1,188.3)	9.7%	40.2%
Gross Profit	175.3	472.6	276.1	-41.6%	57.5%
SG&A	(158.3)	(204.5)	(215.4)	5.3%	36.1%
Provisions	(37.1)	(37.7)	(9.9)	73.6%	73.2%
Operating Profit	(20.1)	230.4	50.7	-78.0%	352.0%
Other Income	6.3	14.8	8.9	-39.7%	40.5%
Investment (Losses)/Gain	222.1	411.0	182.1	-55.7%	-18.0%
EBIT	208.4	656.2	241.7	-63.2%	16.0%
Other Interest & Similar Income	5.1	14.9	24.3	63.2%	-
FOREX	(1.3)	(5.2)	46.6	-	-
EBT	212.1	665.9	311.2	-53.0%	47.4%
Income Tax	(14.4)	(35.8)	(50.2)	40.0%	-
Profit after Tax & before NCI	197.7	630.1	261.0	-58.3%	32.8%
NCI**	8.3	53.7	14.8	-72.4%	78.0%
Net Profit after Tax & NCI	189.4	576.4	247.7	-57.0%	30.8%
Breakdown of Revenue by Company					
GB Capital	-	0.1	0.2	100.0%	-
GB Lease	129.0	369.0	299.6	-18.8%	132.3%
Drive	847.4	1,113.9	1,083.2	-2.8%	27.8%
GB Auto Rental	46.0	65.1	68.6	5.2%	49.0%
Capital Securitization	0.3	1.8	0.6	-70.0%	66.7%
Kredit	-	5.8	12.3	-	-
Total	1,022.7	1,555.7	1,464.4	-5.9%	43.2%

* Includes MNT-Halan, Bedaya and Kaf

** Includes 45% of GB Lease

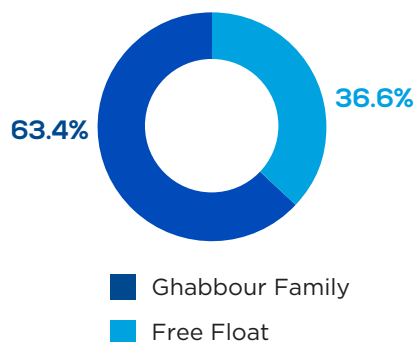
Table 14: Supplementary Financial Information - GB Capital (Excluding MNT-Halan)

	1Q23	FY23	1Q24
Net Portfolio Assets	6,640.2	8,980.5	10,694.8
Debt / Equity	0.35x	0.43x	0.53x
Equity / Loan Portfolio	219.4%	174.3%	146.7%
Annualized Return on Average Equity (ROAE)*	13.8%	20.8%	14.1%
Annualized ROAA [Annualized the period EBIT pre funding costs after tax / average assets of period]	7.3%	11.4%	10.2%
Annualized net interest margin (%) [(interest income - interest expense) for the last quarter X 4 / average portfolio size for the quarter]	7.03%	6.6%	7.0%
Provision for Portfolio:			
Provision (BS) / Loan portfolio %	3.94%	3.29%	2.6%
Provision (BS) / NPL % (Coverage ratio)	102%	108%	94%
NPL / Loan portfolio %	3.88%	3.05%	2.8%

* Annualized ROAE figures have been adjusted to exclude the high equity base due to the the revaluation of deconsolidating MNT-Halan.

GB Corp's Shareholding Structure

as of 31 March 2024



Head Office

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

Investor Relations

Mansour Kabbani
Board of Directors Member

Mohamed Younis
Chief Investment Officer

Sarah Maged
Investor Relations
Communications Manager

Direct: +202 3910 0485
Tel: +202 3539 1201
Fax: +202 3539 0139
e-mail: ir@gb-corporation.com

ir.gb-corporation.com

Shareholder Information

Reuters Code: GBCO.CA
Bloomberg Code: GBCO.EY

Shares Outstanding:
1,085,500,000

About GB Corp S.A.E.

GB Corp S.A.E. (GBCO.CA on the Egyptian Exchange), a leading automotive company in the Middle East and Africa and non-bank financial services provider in Egypt. Across four primary lines of business — Passenger Cars, Trading, Commercial Vehicles & Construction Equipment, and Two, Three, and Four-Wheelers — the company's main business activities include assembly, manufacturing, sales and distribution, financing and after-sales services. GB Auto's portfolio of brands includes Hyundai, Mazda, Chery, Changan, Haval, MG, JAC, Foton, Karry, Bajaj, Marcopolo, Volvo Truck and Volvo Bus, Volvo Construction Equipment, Mitsubishi Fuso, SDLG, Higer, Shacman, Lassa, Yokohama, Westlake, Double Coin, Good-year, Thunderer, Verde, Techking, MRF, and Sunfull. GB Auto has operations in the Middle East and Africa. The company's NBFS' segment branded GB Capital offers leasing, factoring, consumer finance, fleet quasi-operational leasing, securitization, SME lending, and Sukuk under the following brands - GB Lease, Drive, Forsa, GB Auto Rental, Capital Securitization, Kredit, GB Capital Sukuk in addition to investments in affiliates offering micro-finance, nano-finance, BNPL, collection, peer-to-peer transfers, bill payments, mortgage finance and insurance under - MNT-Halan, Bedaya and Kaf. The company is headquartered in Giza, Greater Cairo Area, Egypt.

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Forward-Looking Statements

This document may contain certain "forward-looking statements" relating to the company's business. These may be identified in part through the use of forward-looking terminology such as "will," "planned," "expectations" and "forecast" as well as similar explanations or qualifiers and by discussions of strategy, plans or intentions. These statements may include descriptions of investments planned or currently under consideration or development by the company and the anticipated impact of these investments. Any such statements reflect the current views of the company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance, decisions or achievements of the company to be materially different from any future results that may be expressed or implied by such forward-looking statements.

