



GB Corp Press Release

3Q/9M24

GB Corp Reports 3Q/9M24 Results

GB Corp delivers strong results amidst challenging market conditions with revenues and net profit growing 81.4% and 41.2% year-on-year, respectively, in 9M24

Key Highlights 9M24



- GB Corp recorded consolidated revenues of EGP 35,403.7 million in 9M24, up 81.4% y-o-y, driven by solid performance in both the Auto and Capital segments. During the quarter, revenues increased 85.0% y-o-y and 59.4% q-o-q to EGP 16,222.6 million in 3Q24.
- Gross profit increased by 66.7% y-o-y to EGP 7,216.1 million in 9M24; however, GPM declined slightly to 20.4% versus 22.2% in 9M23. On a quarterly basis, gross profit grew by 46.1% y-o-y and 56.3% q-o-q to EGP 2,837.2 million in 3Q24 with an associated GPM of 17.5% compared to 17.8% in 2Q24 and 22.1% in 3Q23.
- GB Corp's bottom-line grew 41.2% y-o-y to EGP 1,794.2 million in 9M24, yielding a NPM of 5.1% compared to 6.5% in 9M23. Meanwhile, net profit grew both quarter-on-quarter and year-on-year by 76.8% and 12.6%, respectively, to EGP 746.0 million in 3Q24.
- GB Auto, in partnership with "Bajaj Auto Limited" and in cooperation with the Ministry of Military Production, is gearing up to assemble and manufacture a new light vehicle called "Qute".
- GB Corp acquired a license to rent transportation vehicles through GB Capital's subsidiaries.
- MNT-Halan acquires "Tam Finans", a leading fintech company in Turkey, expanding its market presence to a new country in addition to Egypt, UAE, and Pakistan.
- GB Capital obtains a Promoting and Underwriting license from the FRA to expand its service offering into debt capital markets.
- GB Capital's loans/receivables portfolio on the books increased by 19.8% q-o-q to EGP 12.6 billion in 3Q24 on the back of higher disbursements driven by the company's expanded offering.

Note from our CEO

GB Corp leveraged its strong foundation and expertise to deliver solid financial and operational results. Our growth was propelled by the success of GB Auto's broadened product offering, GB Capital's diverse portfolio of alternative financing solutions, along with our team's operational agility and exceptional execution of our strategies.

At GB Auto, our distinguished product mix and proactive approach in managing supply allowed us to deliver solid year-on-year growth in 9M24 across all LoBs. As challenging operating conditions, including the effect of the flotation of the Egyptian Pound, import restrictions, and FX availability begin to ease, we are confident that GB Auto is well-positioned to capitalize on new opportunities. At the passenger car LoB, revenues more than doubled year-on-year in 9M24 fueled by volume growth in Iraq, effective pricing strategies, and a more diversified product mix in Egypt. Within the Egyptian market, we leveraged our unmatched CKD capacity to offset the impact of the slowdown in LC issuances for CBU models. Regionally, we expanded our operations in Iraq by introducing the JAC and Foton brands, pivoting away from two- and three-wheelers in response to a regulatory ban on motorcycle and three-wheeler imports.

GB Capital demonstrated resilience amid unprecedented high interest rates and a shifting macroeconomic landscape, achieving strong year-on-year growth through an expanded product offering and increasing demand for alternative financing solutions. GB Capital benefited from higher disbursements and saw its portfolio expand 19.8% q-o-q to reach EGP 12.6 billion in 9M24. Our SME-lending company, Kredit, is gaining traction in the market while our new factoring arm under GB Lease & Factoring is delivering robust portfolio growth. On the Fintech front, we are pleased to see our affiliate, MNT-Halan, expand to a new market through the acquisition of "Tam Finans" in Turkey. GB Capital subsidiaries' performance aligns with our strategy to expand our product offering, diversify revenue streams, and leverage synergies within GB Corp.

Moving forward, we will continue to respond effectively to the evolving market landscape, leveraging our dynamic business model and strategic approach to drive sustainable growth. At GB Auto, we are committed to expanding our regional footprint by accelerating the growth of the JAC and Foton brands in Iraq and the MG Motor brand in Jordan. In Egypt, as economic conditions stabilize, we anticipate increased demand across our LoBs. At GB Capital, we will continue to diversify our product offerings, to meet the growing demand for alternative financing solutions, and introduce innovative solutions to the market. Looking forward, we are confident in our capacity to navigate challenges and capitalize on emerging opportunities from the ongoing economic reforms and improving market conditions to achieve sustainable long-term growth and create value for our shareholders.

Nader Ghabbour
Chief Executive Officer

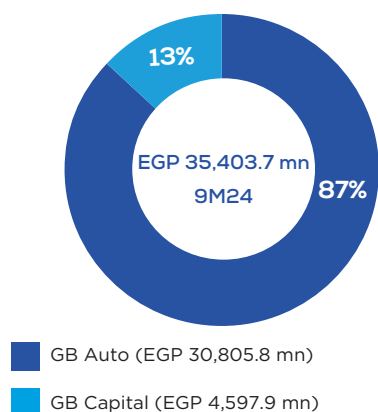
Consolidated Financial Overview

Table 1: GB Corp Income Statement

Three Months Ended						
(EGP million)	3Q23	3Q24	% Change	9M23	9M24	% Change
Total Sales Revenues	8,770.6	16,222.6	85.0%	19,521.9	35,403.7	81.4%
Total Gross Profit	1,942.5	2,837.2	46.1%	4,328.9	7,216.1	66.7%
Gross Profit Margin	22.1%	17.5%	(4.7)	22.2%	20.4%	(1.8)
Selling and Marketing	(553.5)	(952.8)	72.1%	(1,602.8)	(2,432.1)	51.7%
Administration Expenses	(239.0)	(278.9)	16.7%	(599.3)	(1,006.4)	67.9%
Other Income (Expenses)	83.6	135.7	62.3%	224.4	386.0	72.0%
Operating Profit	1,233.6	1,741.1	41.1%	2,351.1	4,163.6	77.1%
Operating Profit Margin (%)	14.1%	10.7%	(3.3)	12.0%	11.8%	(0.3)
Provisions (Net)	(18.2)	(104.0)	-	(85.3)	(74.8)	(12.3%)
Intercompany Investment Gains (Losses)	172.5	157.2	(8.9%)	655.1	447.9	(31.6%)
EBIT	1,387.9	1,794.3	29.3%	2,920.8	4,536.7	55.3%
EBIT Margin (%)	15.8%	11.1%	(4.8)	15.0%	12.8%	(2.1)
Foreign Exchange Gains (Losses)	(216.2)	(18.9)	(91.3%)	(474.2)	(349.4)	(26.3%)
Net Finance Cost	(313.5)	(703.6)	-	(752.9)	(1,671.4)	-
Earnings Before Tax	858.3	1,071.7	24.9%	1,693.7	2,515.9	48.5%
Income Taxes	(153.0)	(277.6)	81.5%	(335.7)	(614.6)	83.1%
Net Profit Before Minority Interest	705.3	794.1	12.6%	1,358.0	1,901.3	40.0%
Minority Interest	(42.9)	(48.1)	12.3%	(87.3)	(107.1)	22.7%
Net Income	662.4	746.0	12.6%	1,270.7	1,794.2	41.2%
Net Profit Margin (%)	7.6%	4.6%	(3.0)	6.5%	5.1%	(1.4)

Group Revenue Breakdown

(As of 30 September 2024)



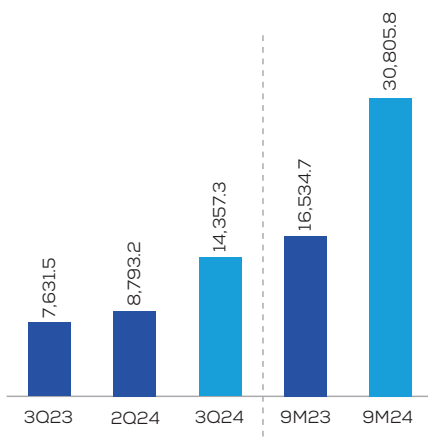
14 November 2024 — (Cairo, Egypt) GB Corp (GBCO.CA on the Egyptian Exchange), a leading automotive company in the Middle East and Africa and non-bank financial services provider in Egypt, announced today its segmental and consolidated results for the quarter ended 30 September 2024. GB Corp's revenues increased 85.0% y-o-y to EGP 16,222.6 million in 3Q24. Meanwhile, net profit grew 12.6% y-o-y to EGP 746.0 million in 3Q24. On a YTD basis, revenues increased by 81.4% y-o-y to EGP 35,403.7 million and net income grew 41.2% to EGP 1,794.2 million in 9M24.

GB Auto recorded revenues of EGP 14,357.3 million in 3Q24, representing both a quarter-on-quarter and year-on-year increase of 63.3% and 88.1%, respectively. On a YTD basis, revenues grew 86.3% to reach EGP 30,805.8 million in 9M24 driven by enhanced pricing strategies and an improved product mix. At the Passenger Car LoB, revenues grew 101.8% y-o-y in 9M24 on the back of strong performance in Egypt, Iraq, and Jordan, which saw volumes increase 40.2% y-o-y. In Egypt, a shift to CKD models and refined pricing strategy helped navigate challenging market conditions, where demand was hindered by the devaluation of the Egyptian Pound and we saw a slowdown in LC issuances for CBU models. At the Trading business, revenues increased by 70.6% y-o-y in 9M24 driven by a strong demand for the LoB's diverse offerings in both the Ready Parts and Tires segments. At the Commercial Vehicles & Construction Equipment LoB, volumes increased 14.1% y-o-y, resulting in a 97.7% y-o-y growth in revenues in 9M24. On the Two, Three, and Four-Wheelers front, the complete phasing out of three-wheelers inventory is no longer impacting the LoB's performance as revenues increased by 47.8% y-o-y in 9M24 and volumes continued to grow year-on year.

In terms of profitability, gross profit grew by 67.6% q-o-q and 44.2% y-o-y to EGP 2,480.6 million in 3Q24, yielding a GPM of 17.3%. On a YTD basis, gross profit increased by 68.4% y-o-y to reach EGP 6,256.1 million in 9M24, with an associated GPM of 20.3%. Meanwhile, EBITDA increased 75.6% q-o-q and 34.3% y-o-y to EGP 1,675.2 million, with a margin of 11.7% in 3Q24. On a YTD basis, EBITDA grew 66.9% y-o-y to EGP 4,178.7 million, yielding a margin of 13.6% in 9M23.

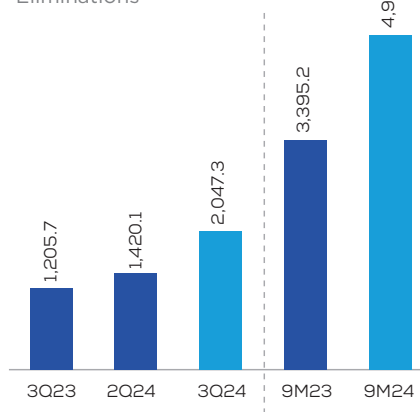
Revenue Progression (all figures in EGP million)

GB Auto



GB Capital

Before Intercompany
Eliminations



The segment maintained a strong financial position with a net debt-to-EBITDA ratio of 0.92 and a net debt-to-equity ratio of 0.42 in 3Q24. GB Auto's net profit more than doubled quarter-on-quarter and increased by 16.9% y-o-y to EGP 555.7 million in 3Q24, with an associated margin of 3.9%. On a YTD basis, net profit increased 84.2% y-o-y to reach EGP 1,185.3 million, yielding a margin of 3.8% in 9M24. The growth in GB Auto's profitability was supported by an expanded top-line figure, which helped offset high inflationary pressures.

GB Capital's revenues (before intercompany eliminations) grew by 44.2% q-o-q and 69.8% y-o-y to EGP 2,047.3 million in 3Q24, primarily driven by an expansion in GB Capital's portfolio of alternative financing solutions. Meanwhile, net profit booked EGP 188.3 million in 3Q24, up q-o-q and relatively stable year-on-year. On a YTD basis, revenues increased by 45.3% to EGP 4,931.8 million and net profit fell by 3.4% to EGP 609.6 million in 9M24. Additionally, GB Capital's loans portfolio expanded by 19.8% and 32.5% y-o-y, respectively, to EGP 12.6 billion in 9M24. Despite the significant growth in GB Capital's portfolio, the company maintained a healthy NPL-to-portfolio ratio of 2.13% on the back of its continuous efforts to enhance the quality of its portfolio.

At GB Lease and Factoring, despite the CBE's directive limiting a bank's ability to extend financing to leasing companies, the company's portfolio grew by 12.4% q-o-q and 43.1% y-o-y in 3Q24, primarily driven by a significant ramp up in factoring operations.

At Drive Finance, the portfolio grew 28.3% q-o-q and 18.4% y-o-y in 3Q24 due to an expansion in the car market segment for its auto loan business and strong growth in Forsa's portfolio.

GB Auto Rental's portfolio increased 38.6% q-o-q and 52.7% y-o-y in 3Q24 on the back of an expansion in the company's fleet and client base.

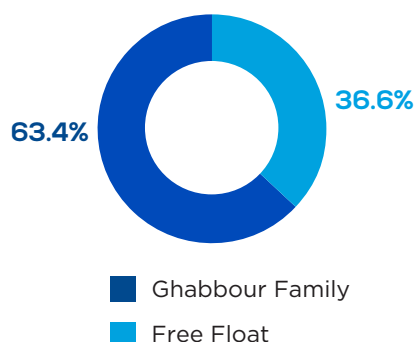
Kredit in its first full year of operation yielded strong results as it continued to ramp up operations, resulting in a 67.3% q-o-q growth in its portfolio in 3Q24 as disbursements grew and credit facilities increased.

MNT-Halan expanded into Turkey through the acquisition of "Tam Finans", the country's leading SME lender, in July 2024, with a loan book exceeding USD 300 million.

Highlights of GB Corp's 3Q24 results follow, along with management's analysis of the company's performance. Complete financials are available for download on ir.gb-corporation.com

GB Corp's Shareholding Structure

as of 30 September 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.