

## **Drive Accelerates Growth with EGP 1.4 billion securitized bond issuance as a part of EGP 5 billion Three-Year Securitization Program**

5 December 2023

(Cairo, Egypt) — GB Corp (GBCO.CA on the Egyptian Exchange), a leading automotive company in the Middle East (GB Auto) and a non-bank financial services provider in Egypt (GB Capital), announced on 5 December 2023 that its subsidiary Drive has completed its fourth securitized bond offering with an amount of EGP 1.4 billion. Proceeds from the transaction will be used to deleverage Drive's balance sheet to improve its liquidity position, create new borrowing limits with lender banks and support the company's future growth plans.

Drive is an Automotive Financing Company, falls under the umbrella of GB Corp's financing arm, GB Capital. Drive has been at the forefront of offering services to traders and car owners in the Egyptian market since 2012. We offer immediate purchasing and selling options, as well as installment plans for all types of vehicles, both new and old (passenger cars, commercial vehicles, and minivans...). In addition, Drive is the parent company of Forsa, a digital consumer finance app offering a suite of financial services to individuals.

Drive is set to embark on a groundbreaking journey with the launch of an EGP 5 billion three-year securitization program. The company has successfully issued the first tranche, with a total value of EGP 1.4 billion, Over-subscribed by 1.7X, reflecting the high quality, diversity, and granularity of the portfolio.

The issuance came in three tranches, each with varying tenors of 13, 36 and 59 months, respectively. The first tranche received a rating of AA+, the second tranche received an AA rating, and the third tranche received an A rating by Middle East Rating & Investors Service (MERIS). The structure of the transaction is as follows:

- The first tranche valued at LE 497.5 million.
- The second tranche valued at LE 695.6 million.
- The third tranche valued at 274.4 million

"We are excited to launch this securitization program, which represents a significant milestone in Drive's journey," said Drive Finance Managing Director Ahmed Ossama. "This initiative not only strengthens our financial position but also positions us to better serve our clients by providing more flexible and tailored financial solutions."

The securitization program marks a strategic move by Drive to diversify its funding sources and enhance its financial capabilities. The company aims to leverage this program to support its expansion plans and provide increased financial solutions to a broader customer base. To date, Drive has successfully concluded four securitization issuances worth EGP 3.3 billion in addition to a bond issuance in the amount of LE 700 million. These monumental achievements attest to the quality of Drive's portfolio.

"This successful closure is a testament to our strategic vision and commitment to sustainable growth," remarked Tamer EL-Emary, CEO of GB Capital. "The move aligns seamlessly with Drive's overarching goal to solidify its standing, fortify its liquidity position, and pave the way for future expansion plans."

Capital Securitization Co. was the issuer of the bond, which is backed by a portfolio generated by Drive, while Commerical International Bank (CIB) acted as an advisor and Arab African International Bank (AAIB) acted as the bookrunner. Arab African International Bank (AAIB) and Ahli United Bank (AUB) were joint underwriters with Dreny as the legal advisor and KPMG as the auditor for the transaction.

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**About GB Corp S.A.E.**

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

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