



The Power of Mobility

Annual Report 2022



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Introduction



Vision, Mission and Values



Vision

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



Mission

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

Core Values



We Are Ambitious Achievers

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



We Don't Compromise Quality

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



We Act with Dignity and Respect

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



We Operate as One Team

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



We Are Resilient

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

GB Corp At a Glance



GB Corp demonstrated strong financial performance amid challenging market conditions brought by import restrictions, and it maintains its position as a leading automotive and non-bank financial services provider in Egypt.

GB Corp — AUTO.CA on the Egyptian Exchange (EGX) — is a leading automotive company in the Middle East and non-bank financial services provider in Egypt. The company operates under two distinct segments: GB Auto, which operates the core

automotive business, and GB Capital, which oversees the operations of the group's non-bank financial service providers. GB Corp has a renowned standing for its automotive service offerings with a history of over six decades in the industry.

LE **29,789** MN

Group Revenue
in 2022

LE **8,113** MN

Group Gross Profit
in 2022

LE **9,985** MN

Group Net Profit
in 2022



31,541

Number of Cars Sold
in 2022



+25

Number of Brands
in Portfolio



GB Corp has established itself as a wholly integrated, one-stop shop automotive provider. The company's business activities include assembly, manufacturing, sales and distribution, financing and after-sales services distributed across the following seven primary lines of business:



Passenger Cars



Three-Wheelers



Motorcycles



Commercial Vehicles



Construction Equipment



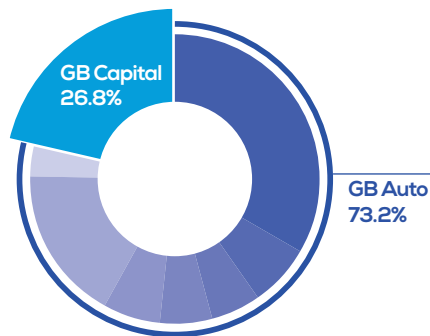
After-Sales



Tires

GB Corp handles a broad range of customer requirements with diverse expectations and needs. Its portfolio comprises global brands, including Hyundai, Mazda, Chery, Changan, Haval, Karry, Bajaj, Marcopolo, Iveco, Volvo Truck and Volvo Bus, Volvo Construction Equipment, Mitsubishi Fuso, SDLG, Higer, Shacman, Lassa, Yokohama, Westlake, DoubleCoin, Goodyear, Thunderer, MRF, Verde, Techking, Sunfull, MG and Gazpromneft.

Group Revenue Contribution



GB Auto	73.2%
Egypt Passenger Cars	31.0%
Egypt Motorcycles & Three-Wheelers	6.4%
Egypt Commercial Vehicles & Construction Equipment	5.1%
Egypt Tires	5.5%
Egypt After-Sales	6.1%
Regional	15.9%
Other	3.2%
GB Capital	26.8%





GB Corp strives for solutions that add to its core offerings and expand the current service suite available to its customers. GB Capital was established with a mission to create a well-diversified and collaborative set of financial services that support GB Corp's strategy while providing customers with exemplary solutions. Today, GB Capital oversees the operations of FRA regulated non-bank financial service providers offering microfinancing, nano-financing, SME lending, factoring, mortgage finance, leasing, venture capital, securitization and consumer lending services.

The GB Capital segment includes the following companies:



GB Lease provides business-to-business financial leasing services to a wide range of companies, covering all asset classes.



GB Auto Rental offers car rental services on a quasi-operational lease basis to companies in the market.



MNT-Halan is Egypt's leading fintech ecosystem with multiple financial services including lending, payments and e-commerce solutions, available to consumers and merchants. MNT-Halan was created to digitally bank the unbanked and substitute cash with electronic solutions.



Drive provides factoring services to a diversified client base, ranging from business-to-business (SMEs) to business-to-consumer (retail), with a focus on the auto finance sector. Drive has also rolled out its digital consumer finance app, Forsa, which is attracting well-known merchants. To date, Drive has over 520 merchants in more than 4,000 stores.



Bedaya is a mortgage finance venture offering long-term and competitive mortgages for new move-in homes.



> KAF is a life insurance company that was acquired along with EFG Hermes to capitalize on the growing demand for insurance offerings in Egypt.



A Tribute to Our Founder and Former Chairman



It is with deep sadness that we remember the passing of our beloved founder and former Chairman, Dr. Raouf Ghabbour, who passed away on 9 November 2022. Dr. Ghabbour was a leading figure who dedicated his life to building a world-class manufacturing, automotive and distribution business, as well as a non-banking financial services business, and he prided himself in creating meaningful jobs that made a lasting contribution to the nation's economic development. He had a passion for excellence and an unwavering commitment to our mission, which has inspired us all.

Under his leadership over a span of four decades, Dr. Ghabbour steered GB Corp to success and transformed the company from a family business to the conglomerate that it is today. He was a brilliant strategist with exceptional foresight who navigated the company in the right direction. Through his vision and relentless efforts, Dr. Ghabbour helped institutionalize GB Corp, strengthen its governance framework, and instill a strong work ethic in management and staff, who continue to be the driving force of the company.

In addition to his invaluable contributions to the growth and success of the company, Dr. Ghabbour was also a beacon of philanthropy and social responsibility. He had always believed in the importance of giving back to the community and making a positive impact on the country. To that end, he established the Ghabbour Foundation for Development, which has provided much-needed support and assistance to a wide range of causes and initiatives. His unwavering commitment to social responsibility and vocational education has set an example for all of us to follow, and we are proud to continue this legacy in his honor.

We will always be grateful for the legacy that Dr. Ghabbour has built. His vision, wisdom and guidance will continue to inspire us as we move forward, and we will honor his memory by continuing to build on the foundation that he laid and by striving for excellence in everything we do.

A Note from Our CEO



Our slogan **The Power of Mobility** reflects the new vision and strategic direction of the company as we mobilize people through transport as well as enable social and economic prosperity through innovative financial and educational services.

Dear Shareholders,

I am pleased to report on GB Corp's success this year as we advanced our strategic agenda and demonstrated our resilience amid extremely challenging operating conditions. 2022 was with no doubt an uncertain year with many shifting market dynamics; however, our prudent strategies and prompt responses allowed us to grow the company and deliver on our objectives for the year.

Amongst our key highlights this year is the rebranding of GB Auto to GB Corp. The new brand name encompasses the operations of GB Auto (previously Auto & Auto-Related), GB Capital, GB Logistics, GB Ventures, GB Academy and the

Ghabbour Foundation for Development. GB Corp's focus is to establish a diversified company that capitalizes on the benefits of integrating various business lines to deliver a wide range of superior quality products and services to its customers. Our slogan **The Power of Mobility** reflects the new vision and strategic direction of the company as we mobilize people through transport as well as enable social and economic prosperity through innovative financial and educational services.

Under the new identity, we established a refined strategy that focuses on three key pillars: digital transformation, sustainability, and women empower-

ment. Our focus on digital transformation has enabled us to leverage technology to streamline our operations, improve efficiency, and provide our customers with a better experience. We have also made significant strides in our sustainability efforts, reducing our carbon footprint and promoting responsible business practices throughout our organization. Furthermore, we have made a commitment to women empowerment, recognizing the importance of diversity and inclusion in our industry. In addition to the steps taken to promote gender equality within our organization, we prepare women for careers in car maintenance through the Ghabbour Foundation for Development. At GB Corp, we believe that it is our duty to spearhead the change we wish to witness

in society. By providing high-quality education and employment prospects, we are leading by example and forging the path ahead.

In 2022, we saw global inflationary pressures and continued supply chain disruptions. The situation in Egypt was exacerbated by import restrictions, which significantly hindered supply, as well as multiple rounds of devaluation and significant FX losses. Despite these headwinds, our company performed well and remained steadfast in its commitment to delivering value to customers and shareholders.

Although our consolidated revenue fell 5.2% year-on-year (y-o-y) to LE 29,789.1 million due to the challenging operating environment, we have shown our ability to navigate a myriad of circumstances and emerge even more resilient. Net profit increased nearly seven-folds y-o-y to LE 9,984.9 million in FY22, due to the capital gain realized in the last quarter of the year. Excluding the capital gain, net profit grew 26.2%. We have proven that a diverse product and service portfolio is the best response to a challenging environment.

Our GB Auto segment, which encompasses seven distinct lines of business, was particularly affected by the restriction on imports and a slowdown in opening letters of credit (LCs) during the year. We started off 2022 with higher inventory levels and improved pricing across our portfolio, which helped ease the impact of the above-mentioned factors. Overall, revenue dropped 12.5% y-o-y to LE 21,794.0; however, the segment booked a net profit of LE 933.2 million, up 16.6% y-o-y, benefiting from improved

pricing across the product portfolio. Furthermore, our balanced portfolio consists of multiple revenue streams and draws synergies between different business lines, which helped mitigate against disruptions in any line of business.

Despite the prevalent operational conditions, we continued to expand our portfolio and reach operational achievements. In terms of the Egyptian passenger car line of business, we retained our position as a market leader, reaching a market share of 23.5% for the full year compared to 21.1% in 2021. Furthermore, Egypt's presidential initiative to convert vehicles to compressed natural gas (CNG) has been at the forefront of our portfolio expansion strategy and sustainability agenda. In 2022, we delivered 5,821 vehicles out of the yearly total of 15,121 vehicles supplied through the initiative capturing a 38% market share of the CNG market. We are also proud to have supplied 30 best-in-class electric buses to the government for COP27, pushing forward sustainable and green transportation solutions.

At GB Capital, we had an incredible year with stellar financial and operational results. This was a year where we truly highlighted the intrinsic value of the segment's portfolio with two transactions that attracted reputable international private equity investors. Our transactions with Chimera and our securitization bond offerings accentuate our value and strength in the financing business market. Along with our strategic partners, we are well-positioned to expand our portfolio and continue introducing to the market innovative products and solutions that garner consumer demand.



This year's accomplishments would not have been attainable without the support and collaborative efforts of all our teams, employees, board members and shareholders. Their unwavering dedication, hard work, and commitment to excellence have been instrumental in our success this year. As we continue to grow the business, we will lean on their expertise to deliver exceptional results and milestones.

We are entering 2023 from a position of strength with undeniable knowledge acquired through years of experience and persistence. Looking ahead, we are hopeful that the economic reforms taking place will provide more visibility and yield a more positive outlook for our economy, country and business. As always, we will remain vigilant in monitoring market trends, identifying new opportunities and leveraging our strengths and capabilities to drive growth and create value for our shareholders.

Mr. Nader Ghabbour
Chief Executive Officer

A Journey of Growth & Transformation

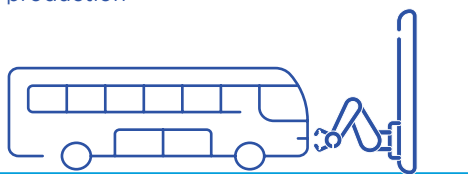


2007

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

2008

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



2009

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



2011

Academy



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



2010

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

2012

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

2013

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

2014

- > GB Corp wins the best distributor award from Geely
- > Gets honored by Hyundai for excellent after-sales services
- > Enters an exclusive strategic alliance to distribute Gazprom Neft-Lubricants





2017

- > In 2Q17, the company starts reporting on GB Auto and GB Capital separately
- > GB Corp wins the technical silver medal and the Service Award in after-sales services for Hyundai

2016

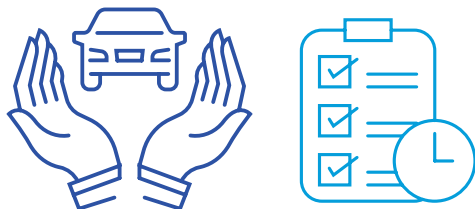
- > GB Corp inks technical agreement with Bajaj
- > GB Lease receives second place ranking from FRA
- > GB Corp tires division acquires the distribution of Westlake Have Truck Tires in Egypt
- > 360 Network of premium express service centers launches to high-end consumers
- > GB Corp wins the Volvo Bus Award of Excellence
- > GB Corp wins the Service Advisor gold medal and the Service Award in after-sales services

2015

- > Wins the FUSO award for the Best NV Fleet Volume and the Volvo bus award
- > Supplies public transport authority in Alexandria with 150 buses
- > Adds Chery to its expanding portfolio of brands
- > Wins the best technical skill performance for Hyundai in after-sales services

2015

2015



2018

- > GB Corp wins Global Banking and Finance Awards for Best Automotive Manufacturing Company
- > Development Partners, a private equity firm, invests in two GB Capital subsidiaries (Mashroey and Tasaheel)
- > GB Corp launches Hyundai's first Ioniq hybrid car in Egypt
- > GB Corp wins several awards, including the Volvo Bus Award for excellent performance, outstanding after-sales performance for Chery and Customer experience CXC1 Opinion Leader Special for Hyundai

2019

- > GB Corp celebrates the local production of New Chery "Arrizo 5"
- > GB Corp and EFG Hermes acquire majority stake in life insurance company Tokio Marine Egypt Family Takaful
- > GB Capital, Talaat Moustafa Group and EFG Hermes Finance enter an agreement to create a mortgage finance joint venture called Bedaya
- > GB Corp launches the locally assembled car Tiggo 3 facelift
- > GB Corp wins Global Banking and Finance Awards for Best Automotive Manufacturing Company and Best Investors Relations in Egypt
- > GB Corp and El Ghalban Auto Market Group form commercial vehicle distributor JV for JMC-branded cars
- > Shareholders approve, at an Extraordinary General Assembly, a resolution that allows GB Corp to merge with R.G. Investments (RGI), the subsidiary that owns GB Capital

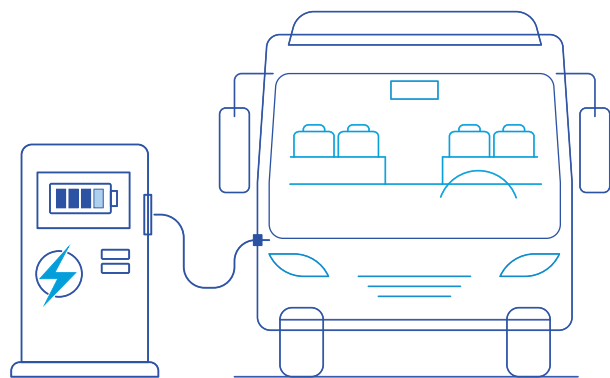


2020

- > GB Corp announces the partnership with Higer Bus Company Limited for exclusive representation in Egypt and local assembly of buses at GB Polo
- > Goodyear Middle East and Africa partners with GB Corp to become an authorized distributor of Goodyear Tires in Egypt
- > GB Corp launches the new Chery Tiggo 7 1.5 Turbo 2020, which is assembled locally in Egypt
- > GB Corp and German International Cooperation (GIZ) signed an agreement to create an incubator to support innovative startups in the automotive and fintech sectors
- > GB Corp announces its new partnership with SAIC Motor Middle East FZE to add the MG brand to its Iraq portfolio
- > GB Lease finalizes its fourth securitized bond offering worth LE 2,041 million
- > GB Corp acquires 20% in New City Housing and Development company for LE 73 million
- > GB Corp celebrates a collaboration between two leaders in their respective industries, Haram Tourism Transport and Coca Cola Egypt, the largest quasi-operational lease contract in Egypt for 636 passenger cars
- > Ghabbour Foundation celebrates the graduation of the first class of vocational trainees to graduate from Imbaba School, which is considered a milestone for Ghabbour Foundation and GB Corp



2021



- > GB Corp collaborates with Bank Al Ahly to customize their buses according to their needs
- > GB Corp announces the partnership with Great Wall Motors and launches Wingle 5
- > GB Corp proudly announces COVID-19 mass vaccination process to the GB Corp family
- > GB Corp announces an initiative in partnership with the Egyptian Clothing Bank that allows GB Corp's employees to donate clothes to children in need
- > GB Corp is proudly awarded the IDC Excellence Award for "Excellence in Digital Innovation", recognizing it as one of the region's top 10 leaders in technology
- > Drive receives final approval on its consumer financing license from Egypt's Financial Regulatory Authority to launch consumer financing activities
- > GB Corp officially acquires Changan's sole distributorship and introduces four new models (New Alsvin, EADO DT, CS15 and CS55)
- > GB Corp launches the Haval 2022 with innovative technology and superior capabilities
- > MNT-Halan, Egypt's leading fintech ecosystem, announces a c. USD 120 million investment by major global and regional growth investors: Apis Growth Fund II, Development Partners International (DPI) and Lorax Capital Partners
- > GB Lease closes two securitization issues valued at LE 4.3 billion, making it the largest securitization for a leasing company in Egypt
- > GB Polo selected to supply buses for the 2022 African Cup of Nations



2022

- > GB Corp supplies the 2021-2022 African Cup of Nations with 24 high-quality, reliable and comfortable buses with intricate designs
- > GB Corp announces the launch of the "Ghalya by Ghabbour" initiative, an agreement between Alex Bank and Ghabbour Foundation to support female students studying at Ghabbour Applied Technology Schools
- > Drive concludes its first bond offering for LE 700 million, becoming the first consumer finance company to issue bonds
- > GB Corp introduces the latest Volvo FH, Volvo FM and Volvo FMX Trucks to support the heavy-duty truck market in Egypt
- > GB Corp receives the Amwal Al Ghad 2022 Award for being one of Egypt's top 100 performing companies in terms of unprecedented business results, financial indicators and growing market share in 2021
- > GB Logistics LLC obtains three ISO certificates in environmental, quality and occupational health management
- > GB Corp partners with Shezlong, the first online psychotherapy platform in the MENA region
- > Drive completes its third securitized bond offering in the amount of LE 649 million. The offering consists of three tranches with tenors of 13, 36 and 48 months.
- > Tasaheel closes Egypt's largest securitization in the microfinance sector with a LE 2.7 billion securitized bonds issuance — the securitization was 2x oversubscribed
- > GB Corp launches Changan's new models, CS35 Plus and CS55 Plus, and Chery's Tiggo 8 Pro
- > GB Corp supplies 30 best-in-class Higer electric buses to the government for COP27, pushing forward sustainable and green transportation solutions
- > GB Corp sells a 7.5% stake in MNT Investments B.V. in a transaction that would value the company at USD 800 million, with an earnout component that could potentially lead to a total of USD 950 million
- > Frost & Sullivan Institute (FSI) recognizes GB Corp with an award for Enlightened Growth Leadership 2022
- > GB Lease completes its seventh securitized bond offering in the amount of LE 1.7 billion, consisting of three tranches with tenors of 13, 36 and 56 months
- > Abu Dhabi-based private investment firm Chimera Investment LLC acquires a 45% stake in GB Lease
- > Bajaj participates in "Second BAL Kaizen Award" competition for international distributors
- > GB Corp receives awards for best "VOC management" and "Excellent Technical Hot Line Operations" at the Hyundai Asia-Pacific-Middle East Conference and GSCC Conference



Highlights of 2022

In 2022, GB Corp successfully navigated a challenging environment and grew the business, achieving solid financial results and operational milestones across its segments and lines of business.



13 Lines of Business Seven automotive & six financial

LE 29,789 MN

Group Revenue
(-5.2% y-o-y)

LE 8,113 MN

27.2%
Gross Profit Margin

LE 3,956 MN

Group Operating Profit
(+37.2% y-o-y)

LE 9,985 MN

33.5%
Net Profit Margin

Corporate Highlights

New Branding for GB Corp



The company has launched its new corporate strategy and identity as **GB Corp** with the slogan: **The Power of Mobility**. The new identity reflects the company's leadership position across many vital economic and industrial sectors over the past 80 years. The unified entity encompasses GB Auto, GB Capital, GB Logistics, GB Ventures, GB Academy and the Ghabbour Foundation for Development as subsidiaries of GB Corp.

The new strategic direction centers around sustainable business practices and focuses on digital transformation, green transition and women empowerment. "The Power of Mobility" embodies GB Corp's vision and mission, while highlighting the company's role as a catalyst in enabling social and economic prosperity through supporting its customers in achieving new aspirations.

Digital Transformation



As a key pillar in its new strategy, GB Corp continues to deliver on its digital transformation objectives through the digitalization of the customer experience across all touchpoints, as well as the digitalization and automation of internal company functions.

On the customer front, GB Auto manages a customer experience mobile app, WhatsApp chatbot, workshop automation app from vehicle entry to car washing and a tax e-invoice system. GB Capital's applications include FORSA consumer finance app, the Halan app and Bedaya mortgage finance app.

On a company level, the Digital Transformation business unit works with each line of business and function to govern and regulate the digital transformation pipeline to ensure that digital-related projects benefit the organization and result in the efficient utilization of resources.

Ghabbour Foundation for Development

Ghabbour Foundation



2022 in Numbers

LE **34.7** MN

Total Foundation Spending in 2022

830

Enrolled Students

60

Trainers

5

Vocational Schools Developed

LE **28.3** MN

Donations by GB Corp in 2022

+500

Ghabbour Foundation School Graduates Since 2020

40

Theoretical Teachers

Amwal Al Ghad Award

GB Corp received the 2022 Amwal Al Ghad Award from the Minister of Trade and Industry, Nevine Gamea, for being one of Egypt's top 100 performing companies in terms of "unprecedented business results, financial indicators and growing its market share in 2021".



GB Auto

80,000 UNITS

Passenger cars
production capacity

Introduced three new 2022
passenger car models under
Changan and Chery in Egypt

20,813

Passenger cars locally
assembled in Egypt in 2022

Introduced three new Volvo
truck models in Egypt

+25

Global Brands in Egypt and Iraq

Supplied 30 Higer electric
buses for COP27

23.5%

Egypt PC market share

1 million service
customer visit

GB Capital

LE 9,054 MN

GB Capital net profit
after minority

Drive becomes the first consumer
finance company to issue corporate
bonds in the amount of LE 700 mn

GB Auto sells a 7.5% stake
in MNT-Halan

Tasaheel closes Egypt's largest
securitization in the microfinance sector
with a LE 2.7 billion securitized
bonds issuance

GB Lease completes its seventh
securitized bond offering in the
amount of LE 1.7 bn

Chimera Investment LLC acquires a
45% stake in GB Lease

Bedaya is ranked in the second
place among the mortgage
finance companies by FRA

Drive concludes its third securitized
bond offering in the
amount of LE 650 mn

Halan concludes its first securitized
bond offering in the amount of
LE 978 mn

Group Overview





Our business operates under two primary segments, GB Auto and GB Capital, which complement one another. GB Corp capitalizes on the synergies between both segments to further expand its operations.

Our Business





GB Auto consolidates the group's core automotive business activities in Egypt and Iraq. The segment offers a diverse portfolio of products and services to meet the varying expectations and needs of different customers.

Egypt Passenger Cars

GB Auto is a key player in the Egyptian passenger car market with regards to sales revenue, market share and production capacity. Over the years, GB Auto has steered the industry as a passenger car importer, assembler and distributor. Through five major brands — Hyundai, Mazda, Chery, Changan and Haval — GB Auto brings the latest and most innovative models to the market. The company has succeeded to deliver products with a wide range of sizes and prices to accommodate the needs of various customer segments.

GB Auto's diversified portfolio and prudent strategies allowed the company to navigate the inflationary macroeconomic environment, import restrictions and supply chain disruptions that were exacerbated by the devaluation of the Egyptian pound and a slowdown in opening letters of credit. Moreover, the company con-

tinues to hold the exclusive license to assemble and distribute Hyundai and Chery passenger cars — completely knocked-down (CKD) units.

In 2022, GB Auto continued to expand its portfolio in spite of the prevalent operational challenges. The group successfully launched three new SUVs throughout the year under the Chery and Changan brands. The Tiggo 8 Pro is the latest edition to the Chery Pro Series models in Egypt with increased levels of comfort, features, technology and performance. Two Changan SUVs were introduced to the market, CS55 Plus and CS35 Plus, both offering bold exteriors and limitless technological features. The new vehicles complement the company's strategy to enhance the automotive industry in Egypt by offering the most sought-after models and adapting to changing consumer preferences.

With regards to production capacity, GB Auto is transforming a former facility in Sadat City into a passenger car manufacturing facility to cater for its newest Chinese brand additions, Changan and Haval. The facility is expected to be operational in the first quarter of 2024 and to have a capacity of 50,000 vehicles per year. At the Prima plant, the company assembles passenger cars from imported CKD kits, as well as locally sourced components. The plant spans across nearly 58,000 m² and has an assembly capacity of approximately 80,000 units per year. Prima was first established in 1994 and underwent a significant investment in September 2012 to expand its production line capacity and implement more advanced techniques while modernizing the assembly process. Prima is a state-of-the-art facility with entirely automated conveyor systems, welding robots and ED coating paint shop.

Market Review

The passenger car market was severely impacted during the year as it continued to deal with supply chain shortages due to import restrictions and a slowdown in opening letters of credit. In light of market conditions, GB Auto is pleased with its performance during the year. As per the Egyptian Automotive Marketing Information Council (AMIC)'s full year report on the Egyptian passenger car market, the total automotive market contracted to 133,857 units in 2022 compared to 215,072 units in 2021. Furthermore, GB Auto retained its position as the market leader in the passenger car market in 2022 with a market share of 23.5% compared to 21.1% in 2021.

While visibility regarding imports and supply availability remains limited, management believes that the adoption of the flexible exchange rate in October 2022 was the first step towards a turnaround period where FX availability and import restrictions improve in the coming year. Moreover, GB Auto is confident in its pricing strategy, which capitalizes on the high demand for its brand, to offset challenges in the supply chain that may affect sale volumes.

GB Auto managed to significantly alter its product mix towards more CKD units, bringing up their contribution to 65% in 2022 from 45% in 2021. The company will leverage its unique position in the locally assembled vehicle segment and capitalize on the opportunity in the absence of CBU importation.



2022 Key Highlights

LE 9,231.1 MN

Revenue
(-28.3% y-o-y)

31,541

Sales Volume
(-30.8% y-o-y)
CBU 11,158 vs. CKD 20,383

23.5%

PC Market Share
in Egypt





2022 Key Highlights

LE 1,915.0 MN	59,100
Revenue (-48.5% y-o-y)	Sales Volume (-56.9% y-o-y)

Egypt Motorcycles & Three-Wheelers

GB Auto is the exclusive assembler and distributor of Bajaj motorcycles in the Egyptian market. Bajaj is a leading manufacturer of motorcycles and the largest global manufacturer of three-wheelers, also referred to as tuk-tuks. GB Auto imports CKD units from the Indian producer and assembles the vehicles at the company's Badr manufacturing facility located in the 6th of October City Industrial

Zone. In 2022, the Badr factory obtained the IATF International Automotive Standard in partnership with Near East Services, marking a great achievement for the facility and GB Auto.

GB Auto first started to import and sell three-wheelers in the Egyptian market in 1999. The segment's wide success can be attributed to the level of quality provided, affordable after-sales services and the introduction of microfinancing solutions through GB Capital. The three-wheelers' popularity in Egypt can be ascribed to the fact that the vehicles are used for both personal and commercial use in rural and low-income areas, acting as an alternative for common urban means of transport.

Bajaj's motorcycles range has amassed a great deal of popularity amongst its users and has become one of the largest selling motorcycle brands. This success is due to the brand's quality, reliability and fuel efficiency. Bajaj participated in the "Second BAL Kaizen Award" competition for international

distributors. Bajaj India received 54 nominations from 11 countries, which gave them the opportunity to witness the numerous Kaizen ideas being implemented across Bajaj international distributor partners. Ultimately, three Kaizens submitted by GB Auto were selected for the second quarterly BAL Kaizen Award among all international distributors.

Market Review

GB Auto has been closely following regulatory developments regarding the ban on importing key three-wheeler components. In response, the company phased out its remaining inventory during the year and has identified viable alternatives that would meet the needs of its customers and support the longer-term sustainability of the line of business. GB Auto is cooperating with the government to introduce a fitting replacement for the three-wheeler segment.





Egypt Commercial Vehicles & Construction Equipment

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

The Commercial Vehicles division assembles Fuso and Volvo buses, as well as Fuso trucks, at plants located in Sadat and Suez. It also engages in the local distribution of Volvo heavy trucks and Shacman trucks, as well as the manufacturing and distribution of semitrailers and super-structures.

The company's bus segment delivers a full range of transportation solutions from 16-seat micro-buses to maxi buses with a seating capacity of 55 passengers. The segment also manufactures diesel, gas and electrical powered sustainable solutions. GB Polo operates on a 285,000 m² state-of-the-art bus body manufacturing facility, with a capacity of up to 5,000 units per year, that targets local and export markets. GB Polo was the selected supplier of coaches for the 2022 African Cup of Nations, delivering 24 top-of-the-line buses for the event in Cameroon. Furthermore, the division was responsible for supplying 30 best-in-class Higer electric buses to the government for COP27.

GB Auto's commercial vehicle line proves the company's competence as a manufacturer with a diverse portfolio, which includes light, medium and heavyweight trucks for contractors, fleet operators, large industrial operators and government agencies in Egypt. GB Auto is the exclusive agent for Volvo



2022 Key Highlights

LE 1,515.0 MN

Revenue
(+43.8% y-o-y)

2,005

Sales Volume
(+27.2% y-o-y)

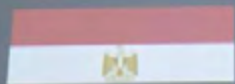
Trucks in Egypt. In March 2022, the company introduced three new models of Volvo Trucks: **Volvo FH**, **Volvo FM** and **Volvo FMX**. The trucks are fuel-efficient, equipped with the latest technical capabilities and support the heavy-duty truck market in Egypt.

GB Auto's construction equipment division distributes a variety of products in the Egyptian market, including earth moving equipment and road machinery, in accordance with distribution agreements with Volvo Construction, SDLG and ASKA. The Group offers its heavy-duty equipment line to both private sector companies and government-related entities.

Market Review

Over the past couple of years, the line of business benefitted greatly from the pipeline of national infrastructure projects being implemented in Egypt. The sizeable sales volume of construction equipment offset the lagging bus sales, which were affected by the Russia-Ukraine war's impact on tourism and a shortage in minibus supply.

Awards for Excellent VOC Management



EGYPT



Egypt After-Sales

GB Auto operates Egypt's largest and fastest-growing network of after-sales service centers for passenger cars, and motorcycles and three-wheelers, as well as commercial vehicles and construction equipment. Providing exceptional after-sale service is a key element to the group's business as it complements its core sales across the various lines of business. The availability of spare parts and service are considered to be important factors for the Egyptian consumer and stand as a differentiator for GB Auto. GB Auto has invested significantly towards the continued expansion of the company's network of after-sales centers and showrooms throughout the country to meet increasing demand and provide best-in-class service.

In 2022, GB Auto was honoured by HMC during the Hyundai Asia-Pacific-Middle East Conference and GSCC Conference to receive awards for best "VOC management" and "Excellent Technical Hot Line Operations". The company takes pride in the unmatched level of quality service that its after-sales team provides clients.

Market Review

The After-Sales division delivered exceptional results, as consumers increasingly seek maintenance services for their existing cars due to shortages and delays in new vehicle availability. The company's vast network of showrooms and sales, service and spare part centers throughout the country guarantees that customers can rely on GB Auto's network to maintain their vehicles.

2022 Key Highlights

LE1,803.4 MN
Revenue (+34.9% y-o-y)



LE1,227.8 MN
Passenger Cars
After-Sales Revenue



LE300.3 MN
Motorcycles &
Three-Wheelers
After-Sales Revenue



LE275.4 MN
CV&CE After-Sales
Revenue



57
Services Centers



60
Showrooms



2022 Key Highlights

LE 1,634.2 MN

Revenue
(+14.1% y-o-y)

10

Brands

Egypt Tires

GB Auto continues to be among Egypt's leading tire distributors, with a track record exceeding 50 years. Several highly valuable brands in car, van, construction equipment, light-truck, truck and bus tires are distributed by GB Auto, including Turkey's Lassa, Japan's Yokohama, Thailand's Westlake, Turkey's Verde, Thunderer, China's Techking, DoubleCoin, SunFull, MRF and Goodyear.

Market Review

The tires line of business is an important contributor to GB Auto's revenue and profitability. In 2022, despite shortages in tire supply and a slowdown in opening letters of credit, the line of business delivered a strong performance on the back of healthy market demand for its product suite.

2022 Key Highlights

LE **4,731.5** MN

Revenue (52.6% y-o-y)

Regional

GB Auto has established itself as a leading automotive player in Egypt, and it aims to replicate this success story in Iraq. At the moment, GB Auto imports MG brand CBU passenger cars, as well as Bajaj motorcycles and three-wheelers, into Iraq and operates after-sales service centers for its products.

The company launched the Chinese MG brand in Iraq in September 2020 and is pleased with the volume, market share, channel mix and network development of the MG brand, which has proven to be a successful venture. GB Auto's long-term strategy is to expand its footprint in Iraq and the brand's performance to date supports its plans.

Market Review

The MG brand maintained its momentum to close the year ranked fourth in the Iraqi market and first amongst Chinese brands with an enlarged market share of 6.8% compared to 4.7% in 2021. The company is confident in its ability to further expand its market share, unlock further growth potential in the country and diversify revenue streams. GB Auto's strong performance thus far has cemented MG as the leading Chinese car brand in Iraq. Two and Three-Wheelers revenue increased 17.7% y-o-y in FY22 on the back of a solid position in the market.



Startups

In accordance with GB Auto's strategy to expand its service and product offerings within the automotive industry, the company has invested in various startups that display promising future potential to complement the GB Auto portfolio, including:



PAL distributes lubricant products at GB Auto-branded and third-party points of sale in Egypt under an exclusive strategic alliance with Gazprom Neft Lubricants.



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



Transport Vehicles Distribution (TVD) is a commercial vehicle distribution company established in partnership with El Ghalban Auto Market Group to distribute JMC-branded vehicles.



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

Logistics

GB Logistics is an Integrated Service Provider (ISP) that specializes in the delivery of high-quality logistics services to customers in Egypt and worldwide. GB Logistics provides an excellent full-service logistic solutions that add value to its appreciated partners. The company's ISO certificates attest to its level of efficiency, security, sustainability and competitiveness.



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





GB Capital marked the start of a new era for the company in 2017. Today, with six subsidiaries offering a vast array of solutions, GB Capital has developed a synergetic group of financial services that complements GB Corp's core offerings.

GB Capital's performance in 2022 demonstrates the underlying strength of the group's non-bank financial services. Moving forward, the segment will continue to capitalize on the steadily increasing demand for consumer finance products to expand its portfolio and achieve various operational initiatives. Microfinancing, nano-financing, SME lending, factoring, mortgage finance, leasing, venture capital, securitization and consumer lending services offered by GB Capital's various affiliates are regulated by the FRA.

Leasing



GB Lease is GB Corp's first financing venture established in 2008 to provide business-to-business financial leasing solutions including direct leasing and sale-and-lease back. GB Lease's diverse asset base covers all asset classes ranging from real estate and automotive to production lines. In 2022, GB Lease completed its seventh securitization bond offering in the amount of LE 1.7 billion. Furthermore, Chimera acquired a 45% stake in GB Lease, demonstrating the intrinsic value of the company.



Auto Rental

GB Auto Rental, previously known as Haram Tourism Transport, operates as a car rental and quasi-operational lease company and is considered Egypt's leading vehicle fleet leasing company. The company serves a variety of multinationals, financial institutions and private sector companies and its service agreements entail acquisition, registration, and vehicle maintenance, as well as insurance that extends to third-party damage and passengers. In 2022, GB Auto Rental's revenue increased y-o-y as the company grew its fleet and successfully delivered vehicles despite inventory shortages. The company also secured a total of 414 new vehicle contracts in 2022.

Consumer Finance and Factoring



Drive provides factoring services to a diversified client base, ranging from business-to-business (SMEs) to business-to-consumer (retail), with a focus on the auto finance sector. Operating under a robust credit policy, Drive keeps a well-developed portfolio, providing medium-term tenors, and focuses on risk diversification by product type, client base and brand.

Drive handles the financing of GB Corp's passenger cars out of the company's showrooms and transacts with key independent dealers within the company's network. In 2022, as the car sales market in Egypt

slowed down, Drive shifted its focus on growing its portfolio of used cars and commercial vehicles. The company's FRA-regulated financial solutions are non-exclusive to GB Corp and are available to a variety of SMEs and consumers.

In June 2022, Drive completed its first bond offering for LE 700 million, making it the first consumer finance company to issue bonds. In November 2022, Drive launched a successful marketing campaign, which is attracting more customers and supporting the company's efforts as it rebrands and continues with its expansion plans. Drive's digital mobile app, Forsa, performed exceptionally well in its first year of operation and continues to attract well-known merchants. To date, Drive has over 520 merchants in more than 4,000 stores.



Fintech

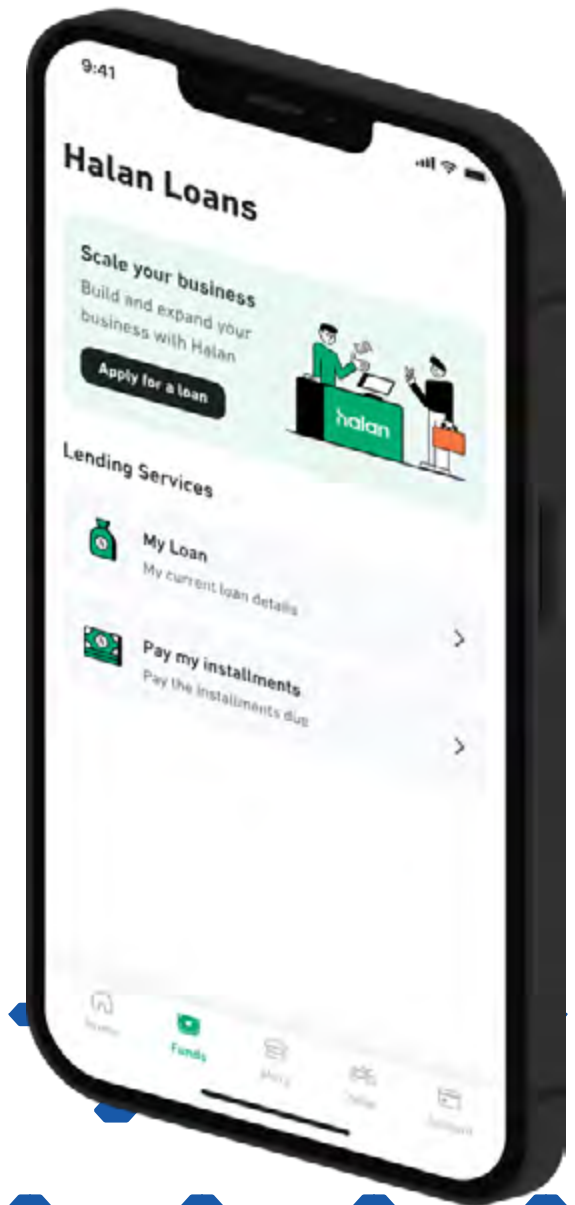


MNT-Halan is the largest and fastest growing non-bank lender to the unbanked in Egypt, digitizing conventional banking through its technology and data-driven solutions. The company currently serves over 5 million customers in Egypt, of which over 4 million are financial clients and over 2.5 million are borrowers.

MNT-Halan empowers customers by allowing them to execute a variety of financial and commercial transactions through an innovative platform that encompasses digital lending, payments, e-commerce and other value adding services. The company developed its scalable proprietary fintech ecosystem in-house, connecting customers, vendors and micro-enterprises through Halan, its consumer facing app;

Neuron, a merchant app (distributed lending and payment processing software) and payment solutions (wallets and cards).

In 2022, MNT-Halan completed the acquisition of Talabeyah, a B2B e-commerce platform that provides next-day delivery of FMCG supplies directly to small merchants, retailers and, soon, consumers. MNT-Halan continues to explore cross-border expansions through operational and technological capabilities, with an aim to replicate its business model in other countries. Furthermore, GB Corp sold 7.5% of its stake in MNT-Halan in a strategic deal with investors that will support the existing management team in replicating the business model in other countries and creating additional value for GB Capital.





Bedaya is a mortgage finance joint venture between GB Capital, Talaat Moustafa Group and EFG Hermes. The company provides long-term and competitive mortgages for new move-in homes, thereby increasing home affordability for Egypt's growing population. Bedaya also offers a variety of financial solutions to support individuals interested in owning residential, commercial or administrative properties in Egypt.

Bedaya's value proposition lies in its superior mortgage experience and customizable innovative solutions that address the needs of each customer. Bedaya streamlines the loan process to ensure a timely turnaround and an exceptional level of customer service. In this regard, Bedaya empowers its own employees by providing them with tools, knowledge and support in order to provide clients the quality of service they deserve.



KAF is an Egyptian insurance company licensed to offer life, savings and health products. It was acquired by GB Corp and EFG Hermes to capitalize on the growing demand for insurance offerings in Egypt. The company also adds innovative products to establish a comprehensive suite of life and medical insurance solutions.





Our Strategy

GB Corp's prudent strategy and agile business model have allowed the company to navigate global macroeconomic challenges and emerge as a world-class manufacturing, automotive and distribution business, as well as a non-banking financial service provider.

Under a new identity, a refined strategy was developed with a focus on three key pillars: **digital transformation, sustainability and women empowerment**. GB Corp is centered on creating a well-diversified and synergetic company that encompasses a broad range of automotive products and specialized financial services. The company aims to achieve a balanced portfolio that combines multiple revenue streams and leverages the synergies between different business lines. This approach will allow GB Corp to capitalize on the strengths of each of its business areas and provide customers with a comprehensive range of high-quality products and services.



Digital Transformation

Digital transformation is vital for GB Corp's success and involves incorporating digital technologies into all business areas, as well as changing operations and value delivery to meet customer expectations and market requirements. It also converts non-digital business processes into digital ones, changing how businesses are managed and operated.

On a company level, GB Corp established a Digital Transformation business unit to build a 360-degree digital image, focusing on internal automation and customer experience. Its objectives are operational excellence, cost savings, gross profit contribution and enhanced engagement with customers and suppliers. To achieve this, GB Corp is building

efficient technological capabilities, adopting agile business models and fostering a digital culture among employees. A governance model has been created to regulate digital transformation projects, ensuring positive business impact and efficient resource utilization. Robotics Process Automation is one digital technology being developed to optimize resource use and increase productivity, and GB Corp has a roadmap to adopt other digital technologies, including industrial automation, artificial intelligence, machine learning, IoT, telemetry and cloud-based solutions for customer engagement. This is in addition to mobile applications and portals being developed in-house by the IT department.

At GB Auto, a robust digital platform offering a range of features and services, including a chatbot, vehicle tracking at workshops from entry through to car washing and a tax e-invoice system, have completely altered the customer experience and set the company apart from its competition. Using data analytics, GB Auto has a better understanding of customer behavior, preferences and needs, and is able to create personalized offers and recommendations. GB Auto is also growing its online presence to improve customer engagement and retention and to attract new customers.

At GB Capital, the company is aggressively growing its fintech platform by delivering innovative products and services to the Egyptian market. The company will continue introducing digital solutions and applications to address real-life service gaps in the market and further solidify its position in the fintech space.

Sustainable Development

As a responsible company with reach across the country, GB Corp is committed to reducing its carbon footprint and promoting sustainable practices. Egypt's presidential initiative to convert vehicles to CNG has been at the forefront of GB Auto's portfolio expansion strategy and sustainability agenda. The company's plants and facilities are implementing the highest industrial and manufacturing practices to safeguard the environment. This includes widening the use of renewable and alternative energy sources, reducing energy consumption, enhancing water and wastewater treatment and improving resource utilization and recycling methods.



Women Empowerment

GB Corp has made women empowerment a fundamental part of its new corporate strategy, striving to create an organizational culture that promotes and endorses gender diversity. The company has implemented numerous initiatives aimed at empowering women in the workplace, with the ultimate goal of creating a safe and inclusive environment that enhances employee performance and fosters a sense of belonging.

To achieve this goal, GB Corp has established a longstanding commitment to gender diversity and has developed a range of women empowerment programs. These include initiatives such as #GBforShe, breast cancer awareness campaigns and specialized training programs at the GB Academy. The company has set ambitious targets for itself, including a 20% representation of women on its Executive Management and Board of Directors, as well as a goal of increasing women's headcount to 10% of the workforce.

GB Corp has also taken concrete steps to promote gender equality beyond its own organization. The company has signed the Women's Empowerment Principle (WEP) agreement with the UN, enabling it to have a tangible impact on gender equality in the workplace, marketplace and community. Through the WEP nine-principle program, GB Corp addresses key aspects of value change and empowerment for women. Additionally, through the Ghabbour Foundation for Development, the



company has launched Ghalya by Ghabbour, an initiative aimed at empowering and supporting female students in vocational schools, specifically those studying car maintenance. GB Corp is committed to promoting gender diversity and empowering women across all aspects of its operations as part of its broader strategy for a better future.

In 2022, GB Corp demonstrated its unwavering commitment to women's empowerment through a range of initiatives, including supporting education, promoting professional development and providing physical and mental health support. Goodyear contributed to women's education by covering the education of cost for three female students over a period of three years. Baheya conducted an awareness session for women, providing valuable information and education. Volvo

Trucks launched an innovative program called Iron Women, which is a heavy-duty truck driving school for women. The program is sponsored by Volvo Group South Africa and aims to enhance the capacity of professional drivers and improve road safety. Additionally, Volvo Trucks is planning to collaborate with Shell to run a campaign featuring an Egyptian woman-truck driver. GB Ventures partnered with Fawry to promote fintech education for women through the Fawry Academy, as well as offering special discounts to women business owners. Finally, El Mikaneeky promoted itself as a safe, convenient, and fast service place for women. To support this initiative, they partnered with Kattemia Ladies event to provide physical and mental health support, motherhood mentorship and empower women with small businesses through bazars, talks and digital campaigns.

Our Performance

In 2022, GB Corp showcased its prudent strategies and agility, reporting strong operational results and demonstrating long-term value creation in GB Capital via strategic transactions.

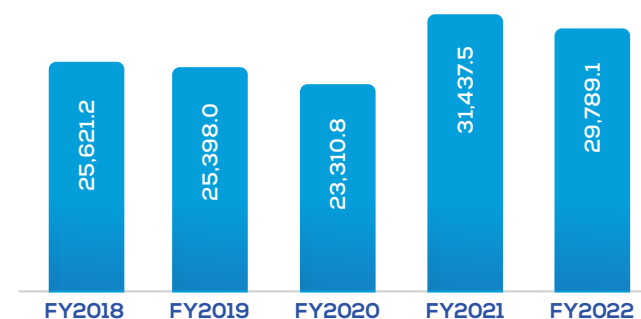
Consolidated GB Corp

GB Corp's performance demonstrates the company's resilience and the diversity of its product and service portfolio. In 2022, revenue fell by 5.2% y-o-y to LE 29,789.1 million amid challenging market conditions. Net profit increased nearly seven-folds y-o-y to LE 9,984.9 million due to the divestment of a 7.5% stake in MNT-Halan in 4Q22. Excluding the capital gain, net profit grew 26.2%.

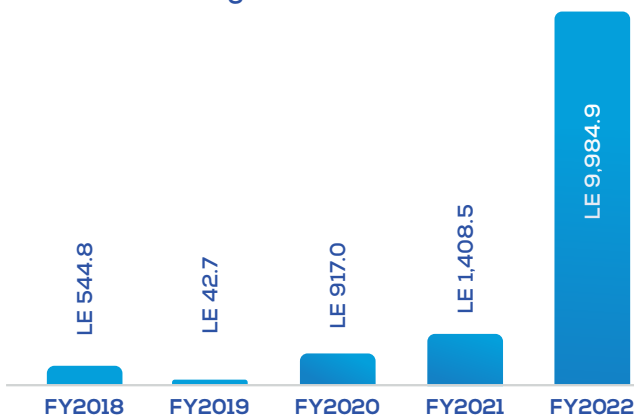
Summary Income Statement

LE mn	2021	2022	Change
Revenue	31,437.5	29,789.1	-5.2%
Gross Profit	6,302.6	8,112.9	28.7%
Margin %	20.0%	27.2%	7.2
Earnings Before Tax	2,331.7	11,300.4	-
Margin %	7.4%	37.9%	
Net Profit	1,408.5	9,984.9	-
Margin %	4.5%	33.5%	

Consolidated Revenue Progression
(all figures are in LE million)



Consolidated Net Profit Progression
(all figures are in LE million)



GB Auto

GB Auto accounted for 73.2% of GB Corp's consolidated revenue in 2022. The segment's results were affected by the devaluation of the Egyptian pound, restrictions on imports and a slowdown in opening LCs, which limited supply across the portfolio. The segment focused on maintaining healthy margins by capitalizing on strong consumer demand and implementing an enhanced pricing strategy. In 2022, revenue at GB Auto fell 12.5% y-o-y to LE 21,794.0; however, net profit was up 16.6% y-o-y to LE 933.2

million on the back of improved pricing across the product portfolio.

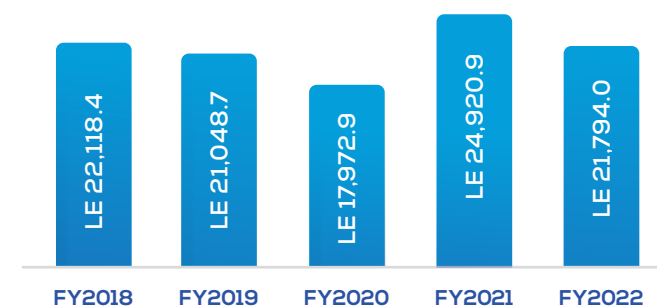
With the exception of Egypt Passenger Cars and Egypt Motorcycles and Three-Wheelers, which were particularly affected by supply shortages and import restrictions, all lines of business in GB Auto saw their revenues increase y-o-y in 2022. GB Auto's diverse portfolio hedged against disruptions in certain lines of business.

Breakdown of Revenue by Line of Business

LE mn	2021	2022	Change
Passenger Cars	12,880.4	9,231.1	-28.3%
Motorcycles & Three-Wheelers	3,719.9	1,915.0	-48.5%
Commercial Vehicles & Construction Equipment	1,053.4	1,515.0	43.8%
After-Sales	1,336.6	1,803.4	34.9%
Tires	1,431.7	1,634.2	14.1%
Regional	3,009.7	4,731.5	52.6%
Others	1,399.2	963.7	-31.1%

GB Auto Revenue Progression

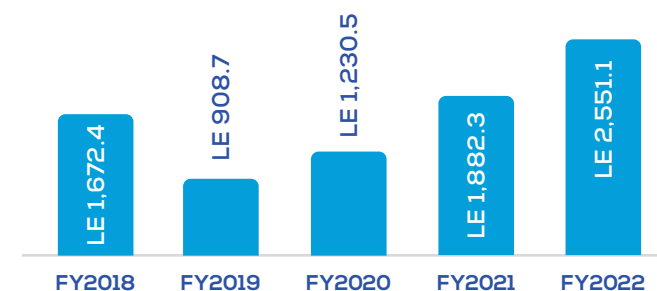
(all figures are in LE million)



In 2022, EBITDA at GB Auto grew 35.5% y-o-y to LE 2,551.1 million, with a margin expansion of 4.2 percentage points to 11.7%. The results were achieved due to cost control and improved pricing, which outweighed lower volumes, higher provisions and a significant FX loss incurred due to the devaluation of the Egyptian pound.

EBITDA Progression

(all figures are in LE million)



GB Corp efficiently managed working capital to support performance at GB Auto amid uncertain market conditions. Inventory levels and receivables were below the optimal levels, and payables were extended due to import restrictions and limited FX availability.

Development of Working Capital of GB Auto

LE mn	4Q21	1Q22	2Q22	3Q22	4Q22
Inventory	4,016.7	5,528.7	4,619.0	3,613.5	3,920.0
Receivables	2,051.0	2,349.0	1,703.2	1,531.2	1,432.2
Advances	745.8	866.7	891.5	753.6	742.5
Debtors & Other Debit Balances	1,547.9	1,957.4	1,443.5	1,231.2	1,927.1
Payables (Net)*	4,612.9	6,378.9	4,307.0	3,482.9	4,715.9
Working Capital	3,748.4	4,322.9	4,350.3	3,646.5	3,305.9

*Payables are shown net of financial lease-related liabilities amounting to LE 444.7 million, which are now added to our Net Debt calculations. Due to a change in Egyptian Accounting Standards, the related leased assets have been recorded on the balance sheet under PP&E, while the liabilities have been booked under Payables, starting from 2Q19 onwards.

Management has significantly reduced net debt as a result of the cash proceeds from the sale of a 7.5% stake in MNT-Halan.

Development of GB Auto Net Debt

LE mn	4Q21	1Q22	2Q22	3Q22	4Q22
Total Debt	5,426.9	5,209.2	5,135.2	4,596.4	4,376.3
Notes Payable (Due to Leasing)	860.0	1,154.0	1,265.1	1,114.2	1,011.9
Cash	1,142.4	1,200.3	1,099.5	1,426.5	2,776.9
Due from Related Parties – Inter Segment	316.9	204.8	293.4	350.6	498.7
Net Debt	4,827.6	4,958.0	5,007.3	3,933.6	2,112.5

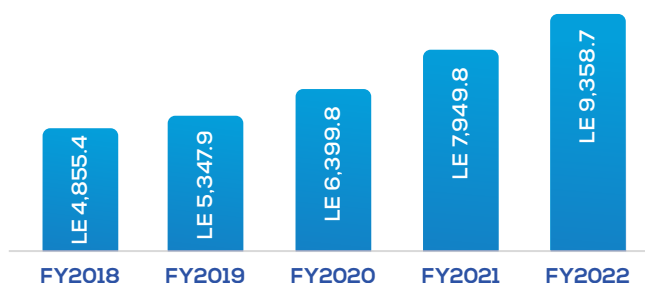
GB Capital

In 2022, GB Capital exemplified the intrinsic value of its portfolio with two transactions that attracted reputable international private equity investors. As part of GB Capital's strategy to mitigate risk exposure and hedge against fluctuations in interest rates, GB Capital portfolio companies will continue with a series of securitizations and corporate bond issuances. The transactions will drive further growth opportunities at GB Capital and help diversify funding sources. GB Capital intends to identify new opportunities to further expand its presence in the financing space.

GB Capital Revenue Progression

(all figures are in LE million)

Before Intercompany Elimination



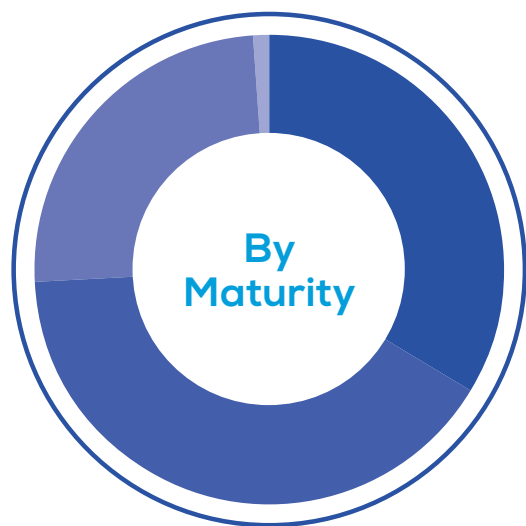
Breakdown of Revenue by Company

LE mn	2021	2022	Change
GB Capital	67.7	12.8	-81.1%
GB Lease	695.6	807.3	16.1%
Drive	3,069.5	3,298.7	7.5%
MNT-Halan	3,991.4	5,084.4	27.4%
Haram	124.6	154.2	23.8%
Capital Securitization	1.0	1.3	35.6%
Total	7,949.8	9,358.7	17.7%

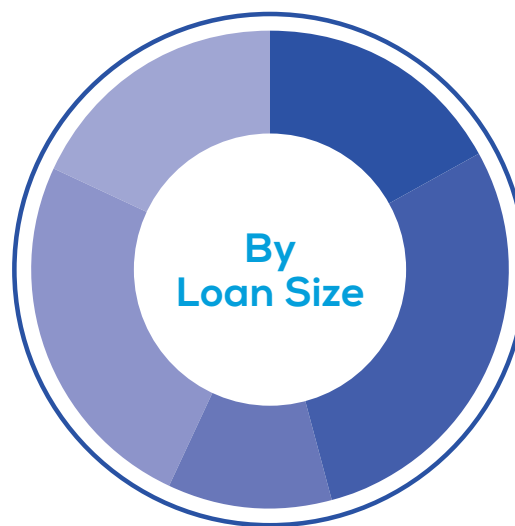


GB Capital's services complement GB Auto's portfolio by offering customers a variety of innovative financial solutions tailored to their needs. In 2022, GB Capital's companies collectively contributed to 26.8% of GB Corp's consolidated revenues. GB Capital's revenue grew 17.7% y-o-y to LE 9,358.7 million, and its net profit reached LE 9,054.4 million due to the sale of a 7.5% stake in MNT-Halan. Excluding capital gain, net profit grew by 24.8%.

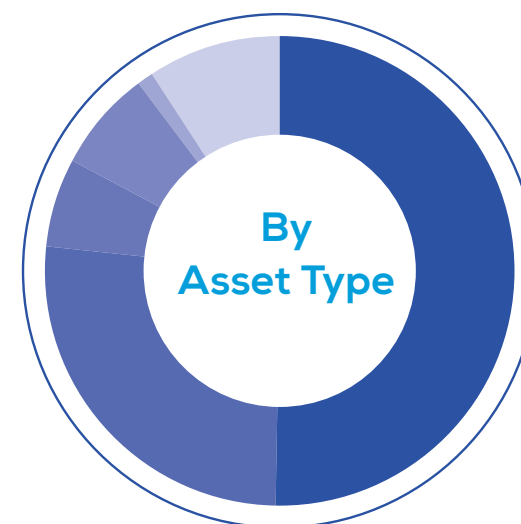
GB Capital Portfolio Breakdown (as of 31 December 2022)



■ < 1 year	34%
■ > 1 year < 3 years	41%
■ > 3 years < 6 years	25%
■ > 6 years	1%



■ < LE 100K	17%
■ > LE 100K < LE 500K	29%
■ > LE 0.5MN < LE 10MN	11%
■ > LE 10MN < LE 100MN	25%
■ > LE 100MN	18%



■ Automotive	50%
■ Real Estate	26%
■ Machinery & Equipment	6%
■ Commercial	7%
■ SME Factoring	1%
■ Electrical Appliances	9%

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

	FY21	9M22	FY22
Net Portfolio Assets	6,273.6	7,935.6	5,384.5
Debt / Equity	1.61x	1.96x	0.44x
Equity / Loan Portfolio	49.1%	40.3%	216.4%
Annualized Return on Average Equity (ROAE) – Excluding NCI*	24.6%	26.8%	122.9%
Annualized ROAA [Annualized the period EBIT pre-funding costs after tax / average assets of period]	16.6%	16.3%	73.4%
Annualized Net Interest Margin (%) [(interest income – interest expense) for the last quarter X 4 / average portfolio size for the quarter]	7.0%	9.2%	11.5%
Provision for Portfolio:			
Provision (BS) / Loan portfolio %	3.40%	4.13%	5.34%
Provision (BS) / NPL % (Coverage ratio)	117%	108%	105%
NPL / Loan portfolio %	2.90%	3.83%	5.08%

Annualized ROAE is calculated as the annualized net profit after NCI for the period, then divided by the average shareholders equity excluding NCI for the period

Share Performance and Information



GB Corp

Shareholding Structure

GB Auto S.A.E. has been publicly listed since 2007 and trades as AUTO.CA on the EGX. As at 31 December 2022, the company's 1,085,500,000 shares outstanding had a market capitalization of c. LE 5.8 billion¹. At year-end 2022, GB Corp had 7,292 shareholders, of which 87.3%

were corporate investors and the remaining 12.7% were individuals. The company has 74 shareholders who own a million or more GB Corp shares, representing 98% of the issued shares. The following tables provide an overview of GB Corp's shareholders:

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

Investor Type	Number of Shareholders	Number of Shares	Percentage of Ownership
Corporate	676	947,678,027	87.3%
Individuals	6,616	137,821,673	12.7%

GB Corp shareholders according to nationality (free float)

Investor Type	Number of Shareholders	Number of Shares	Percentage of Ownership
Egypt	7,150	222,824,913	56%
Saudi Arabia	67	111,271,220	28%
UK	4	2,501,041	1%
US	10	2,175,859	1%
Rest of EU	12	50,763,027	13%
Rest of World	49	7,929,809	2%

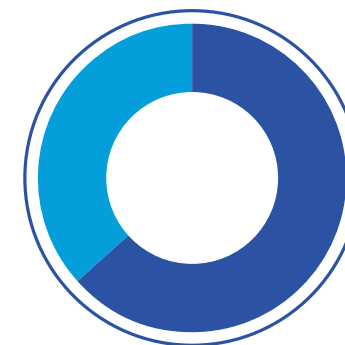


¹Based on share price of LE 5.36 on 31 December 2022

GB Corp shareholders according to size of ownership

Investor Type	Number of Shareholders	Percentage of Ownership
More than 10 million	3	71.4%
From 1 million to 10 million	68	21.3%
From 100,000 to 1 million	185	5.4%
Less than 100,000	7,036	1.8%

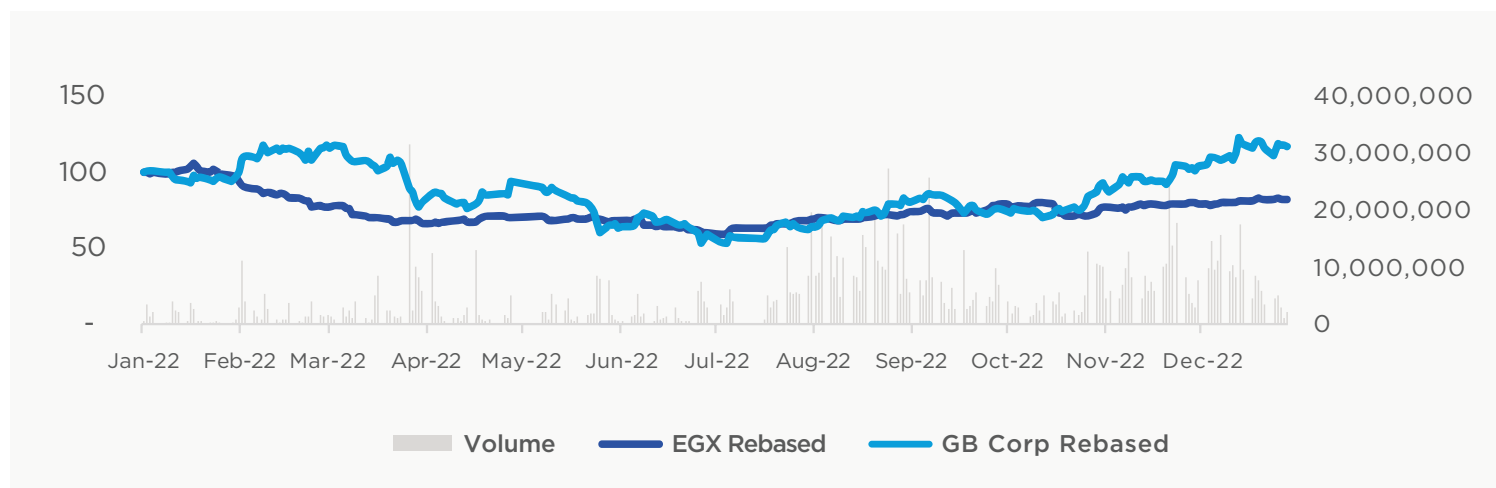
GB Corp's Shareholding Structure (as at 31 December 2022)



Ghabbour Family	63.4%
Free Float	36.6%

GB CORP SHARE PRICE FY2022 VS. EGX 30

GB Corp Stock January 2022 – December 2022



DR Information

DR Symbol	: GBAXY
CUSIP	: 368290102
DR Exchange	: OTC
DR ISIN	: US3682901026
Ratio	: 01:50
Depository	: BK (Sponsored)
Effective Date	: 05/28/09
Underlying ISIN	: EGS673T1C012
Underlying SEDOL	: B1Y9TD5

Environmental, Social, Governance



Environmental Sustainability

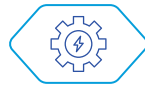
GB Corp's new strategy incorporates sustainable development as a crucial pillar and component of its business model. The company recognizes that its long-term success in the industry is linked to its ability to maintain sustainable industrial and manufacturing practices that prioritize environmental protection and the wellbeing of the communities in which it operates. As a result, GB Corp has made a concerted effort to implement eco-friendly solutions across all its operations, and it continuously seeks opportuni-

ties to minimize its negative impact on the environment. The company's comprehensive sustainability policy outlines waste treatment efforts, enforces energy consumption controls and mitigates pollution risks, among other measures. GB Corp also ensures compliance with local environmental laws, adheres to international best practices and follows expert recommendations regarding energy use and emissions.



3

Solar Energy Developments Underway Across Facilities



4.387 MWP

Expected Total Solar Energy Production Capacity



5,821

CNG Vehicles Delivered in 2022



25 M³/HOUR

Wastewater Treatment Capacity

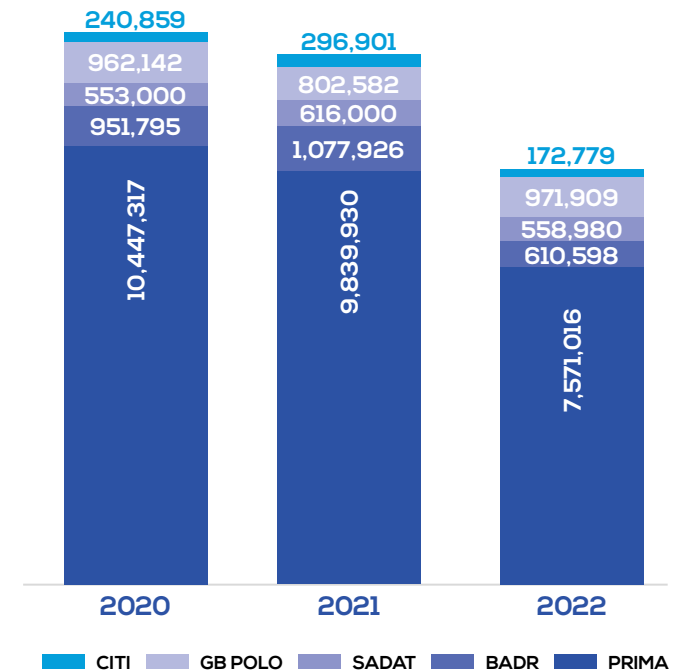




Solar Energy Developments

GB Corp's long-term strategy includes a significant focus on expanding the use of renewable and alternative energy sources to regulate consumption and reduce the company's reliance on conventional power sources. The solar energy development initiative is a critical component of GB Corp's sustainability efforts and has numerous environmental benefits. Moreover, retrofitting the PRIMA, Sadat and Badr plants to incorporate these energy sources will not only create environmental advantages but will also lead to annual cost savings for the company.

Power Consumption 2020–2022 (kWh)



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



Natural Gas Vehicles

Egypt's presidential initiative to convert vehicles to compressed natural gas (CNG) has been at the forefront of GB Corp's portfolio expansion strategy and sustainability agenda. In 2022, despite the severe supply shortage of CKD models in the market, the company delivered 5,821 vehicles out of the yearly total of 15,121 vehicles supplied through the initiative. To date, GB Corp has supplied 7,192 vehicles through this initiative in 2021 and 2022, capturing a market share of 30% of the CNG market. GB Corp's current CNG vehicle portfolio includes the Hyundai Accent RB and Elantra HD, as well as the Chery Arrizo 5 and Tiggo 3.

Electric Vehicles

Sustainable development is a pillar of GB Corp's new strategy. A core component of this pillar is expanding GB Auto's portfolio of electric vehicles, which aligns with its long-term vision of reducing its carbon footprint and promoting a greener future. GB Auto also hopes to attract a new segment of customers who are looking to lower their emissions and have a positive environmental impact. GB Corp has also supplied 30 Higer electric buses to the government for COP27.

Water and Wastewater Treatment

GB Corp abides by the wastewater standards established by the National Center for the Study of Occupational Safety and Health. In 2022, the company implemented a best practice approach and repurposed around 60% (4,000 m³) of its yearly water consumption for utility purposes, specifically for the paint shop circulation process. The company currently has the capability to treat up to 25 m³ of wastewater per hour and is in the process of building a sludge disposal unit and desalination unit, which would enable the reuse of treated water for both manufacturing and irrigation. These initiatives underline GB Corp's dedication to responsible water management and its commitment to sustainable practices.

Waste Reduction and Disposal

As part of its sustainability plans, GB Corp continues to pursue more efficient resource utilization and recycling methods. The company employs the expertise of industry professionals under the supervision of the Ministry of Environment to handle its waste and hazardous material disposal process.



In 2022, the company implemented a best practice approach and repurposed around 60% (4,000 m³) of its yearly water consumption.





GB Logistics Obtains ISO Certificates

ISO certificates are among the most important international certificates for reviewing work systems and conforming to international requirements. GB Logistics, which specializes in providing logistics and shipping services, obtained three quality certificates in 2022. The certifications affirm GB Logistics' commitment to operating a sustainable business and to continuously improving its environmental footprint. GB Logistics obtained the following certificates:

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



Corporate Social Responsibility



Corporate Social Responsibility (CSR) initiatives at GB Corp integrate sustainability goals with a robust business strategy. The development of a framework for vocational education that improves Egyptians' lives and promotes economic development is one of our primary focuses. Furthermore, GB Corp hosts a number of events to advance people's wellbeing and strengthen ties within the community, such as football tournaments, open-house events, Go-Kart competitions, career orientation and campaigns to raise awareness about safe driving. In 2022, GB Corp donated LE 37.4 million to the Ghabbour Foundation, Face for Children in Need Organization, Baheya, Tahya Misr Fund, the Egyptian Food Bank and the Egyptian Federation for Financing Medium, Small and Micro Projects.

Ghabbour Foundation for Development

GB Corp's social development initiatives are largely focused on vocational education and training in its areas of specialization. With a long track record in the automotive industry, GB Corp is cognizant of the shortage of qualified personnel and the mismatch between vocational school graduates' skills and industry demands. As such, the Ghabbour Foundation for Development was established in 2017 to fulfill its social responsibilities and address the crucial need to advance vocational education towards driving social progress and meeting workforce demands.

The Foundation collaborates with governmental partners to offer three-

year vocational education and training programs through two schools, specializing in areas such as automotive mechatronics, body repair and automotive paint. Graduates are eligible to enter the job market after passing accreditation exams offered by the German Arab Chamber of Industry and Commerce (AHK), which assess their knowledge, skills and application of program material based on the requirements of the German Dual Education System. To ensure academic oversight and management support, the Foundation partners with Saxony International Middle East (SIS ME) in the schools it establishes.



LE **28.3** MN

Donations by
GB Corp in 2022

LE **34.7** MN

Total Foundation
Spending in 2022

830

Students Enrolled
in 2022

5

Vocational Schools
Developed

+500

Graduates
Since 2020

60

Trainers

40

Theoretical
Teachers



Class of 2022 Ghabbour Foundation Graduation Ceremony

Ghabbour Foundation celebrated the graduation of the third class from Imbaba Automotive Vocational Training Center, as well as the second class of graduates from Muharam-Bek and Kafr El-Zayat Automotive Vocational Training Centers. Graduates received certificates of accreditation from AHK, certificates for completion of studies from SIS ME and the Egyptian Diploma for Apprenticeship from the Productivity and Vocational Training Department. Through the Foundation's employment office, graduates gained access to work opportunities at GB Corp and at other reputable companies.

The ceremony was attended by Ms. Dina Ghabbour, Chairperson of the Ghabbour Foundation; esteemed members of the Ghabbour Foundation Board of Trustees; Mr. Jan Noether, CEO of the German Arab Chamber of Industry and Commerce; Ms. Mona Ayoub, Head of the Vocational Training Department at the Chamber; as well as partners and collaborators of the Foundation who were also recognized on the occasion for their contributions and support to the Foundation.

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

The Ghabbour Foundation announced the launch of a new initiative for women empowerment in 2022: Ghalya by Ghabbour. The initiative, in partnership with the National Council for Women and ALEXBANK, will provide a comprehensive program to prepare female students for careers in the field of car maintenance. This will be accomplished by enrolling them in the Ghabbour Schools for Applied Technology, established in collaboration with the Ministry of Education and Technical Education, addressing Egypt's 2030 Vision and the United Nations' Sustainable Development Goals (SDGs) related to quality education, gender

equality, decent labour, economic growth and reduction of inequalities.

The strategic partnership between ALEXBANK and the Ghabbour Foundation is initially set for a period of three academic years (2022-2025). The partnership aims to implement gender equity through technical education and vocational training services. This will provide female students with employment and entrepreneurship opportunities, as well as one-year scholarships of further certified training in Germany for a selected number of high-achieving students.



Youth Empowerment

As part of the GDP technical track, the Kick Down program's objective is to foster future automotive engineering graduates to enable and empower them by developing their technical and theoretical expertise with thorough training, while offering a combination of formal training and on-the-job development. In its first year, the Kick Down program had 10 members who received guidance from dedicated mentors in the Passenger Car After-Sales department. The hands-on practical experience across different service centers prepared them for future leadership roles within the organization and helped hone their business talents and skills.



Sane Egypt Campaign

GB Corp partnered with Sane Egypt for the "من طفل إلى طفل" initiative, which allowed GB Corp employees to donate toys to children residing in Alnas Hospital.

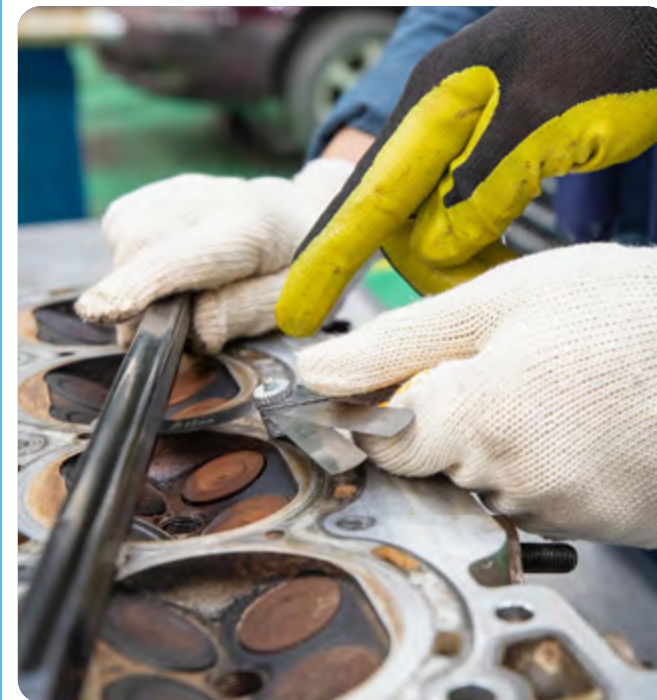
GK Auto – Rebuilding Mosul, Iraq

GK Auto is the official distributor of the MG brand in Iraq. In an effort to help rebuild and recover the city of Mosul, GK Auto has opened its eighth MG branch, which includes a 3S facility, showroom, service center and spare parts. The city has over 8,000 destroyed buildings, and GK Auto is taking an active role in Mosul's renovation and ensuring residents have access to the services they need.



The Ministry of Defense visit to GB Corp

The Government Sales division of GB Corp welcomed a delegation of 50 Engineer Officers in December 2022 as part of their ongoing partnership with the Ministry of Defense, represented by the Armed Forces' Vehicles Department. Those are students of the various technical courses at the Vehicles Department Institute. The tour consisted of the following facilities: GB Academy, Prima PC Assembly Plant and Abu Rawash CV&CE Service Center. The partnership accentuates GB Corp's focus on vocational education in Egypt.



Expanding GB Auto's Footprint

GB Corp is growing GB Auto's geographic footprint in Egypt and abroad. The new plants, factories and facilities being established are building infrastructure and creating job opportunities for the communities it operates in. The projects in progress include:

- > **Sadat Assembly Factory, Egypt** – a vehicles assembly factory with a total built-up area of over 43,000 m², which includes a body shop, final assembly line, paint shop and utility buildings.
- > **East Africa Projects in Kenya** – Phase one is a 2,200 m² area that includes a showroom, warehouse and offices. Phase two is a 23,000 m² passenger car and commercial vehicle service center.
- > **Mombasa, Kenya** – GB Auto is renovating an existing 4,036 m² multi-use 3S facility for passenger cars, commercial vehicles and light trucks. The facility is expected to be operational in the first half of 2023.
- > **Aswan, Egypt** – Phase one includes two long bays and a commercial vehicle workshop. Phase two entails a commercial vehicle workshop, passenger car workshop, administration building and showroom. The facility is expected to be operational in the first half of 2023.
- > **Damietta, Egypt** – with a land area of 7,142 m², the facility will house a multi-brand passenger car showroom and service center with body and mechanical services. The facility is expected to be operational in the second half of 2023.



Corporate Sponsorships

Hyundai Sponsorships

BeFit 360 Automotive Sponsor

Hyundai continues to be the automotive sponsor for BeFit 360, one of Egypt's leading fitness hubs. Hyundai aims to enhance the driving experience and to shift the driver's state of mind by creating a healthier mental and physical state. In February 2022, all BeFit 360 members were able to enter a training session for free at all BeFit locations by simply presenting their Hyundai key. As Egypt continues to achieve greater heights in sports, Hyundai will remain committed to being an enthusiastic supporter.



Official FIFA™ World Cup Qatar 2022 Sponsor

For the 23rd consecutive year, Hyundai announced its official sponsorship of the FIFA World Cup in Qatar in 2022. In light of this sponsorship, Hyundai organized a contest on its social media platforms, inviting 2022 Hyundai car owners to record a 30-second video showcasing their car features as football commentators. GB Corp put together a committee to choose the best three videos and awarded winners tickets to the FIFA World Cup Final in Qatar 2022.



Pulsar Power Fest

Building on the success of the Pulsar brand in Egypt, the two and three-wheelers division launched Pulsar Power Fest in August 2022. The mega stunt show was the first of its kind to be held in Egypt and took place in Mall of Arabia with more than 4,000 visitors in attendance. Visitors had the opportunity to watch the show and motorcycles on display, test drive Pulsar motorcycles and receive branded giveaways. The event was a wide success and engaged participants through social media as well as in-person at the event with a series of activities.



Haval One-Year Anniversary in Egypt

The Haval brand celebrated its one-year anniversary since entering the Egyptian market, achieving significant success and strong presence among its customers. To celebrate this milestone, Haval invited eight families who own the Haval H6 and Jolion SUVs, for a family trip to El Gouna, sponsored by Shell Lubricants Egypt. It also offered them complementary maintenance service for their cars.

Corporate Governance

Board of Directors

GB Corp's Board of Directors leverages its decades of expertise and vision to guide the company's operations and monitor its performance. The Board is led by experts with a broad range of experience across public and private sectors in the region. These leaders' combined expertise allows them to advise the business, make strategic decisions and foster success across all areas of GB Corp's operations. As part of its mandate, the Board ensures transparency and works to mitigate risks. The Board is comprised of two executive members and five non-executive members, including three independent members.



DR. RAOUF GHABBOUR
FORMER CHAIRMAN

2007–NOVEMBER 2022

Dr. Raouf Ghabbour, the founder of the Ghabbour Group of Companies, began his career at his family's auto-related trading business where he gained a reputation for his business acumen. In 1985, he founded his own company and acquired agency agreements from global original equipment manufacturers, which he successfully turned into profitable ventures. He grew the Ghabbour Group of Companies into a leading automotive assembler and distributor in the Middle East and North Africa (MENA) and chaired the Board since 2007. Sadly, Dr. Ghabbour passed away on 9 November 2022, leaving behind a legacy as a visionary leader who dedicated his life to building a world-class manufacturing, automotive, and distribution business, as well as a non-banking financial services business. Through his relentless efforts, he helped institutionalize GB Corp and positioned the group as a leading industry player.



MR. MOHAMED NAGUIB
NON-EXECUTIVE CHAIRMAN OF THE BOARD
2019–PRESENT

Mr. Mohamed Naguib was appointed as the Chairman of GB Corp after the passing of Dr. Raouf Ghabbour. Mr. Naguib has served on the boards of numerous prominent Egyptian banks and corporations and has accumulated nearly 40 years of experience in the fields of banking, leasing and credit. Mr. Naguib served as the Chairman and Managing Director of SAIB Bank between 2011 and 2018, and prior to that, he served as Vice-Chairman and Head of the Credit and Investment Committee at Banque Misr. Mr. Naguib had also served at Misr International (MIBank) for over 20 years as General Manager of Credit and Marketing before joining Incolease as Member of the board from 2000 to 2010. Furthermore, Mr. Naguib served as Non-Executive Chairman of Misr Bank-Europe in Germany for two years. He was also a member of the boards of the National Bank of Egypt, the Civil Aviation Finance Holding Company and the Small- and Medium-Sized Projects Fund, among many others. Mr. Naguib attended various banking and credit seminars across the United States and the UK, in addition to retaining a CPA certification in the state of Colorado for 12 years. Mr. Naguib holds a Bachelor of Accounting from Cairo University and a Master of Business Administration from The American University in Cairo.



MR. NADER GHABBOUR
CHIEF EXECUTIVE OFFICER
2012–PRESENT

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



MR. MANSOUR KABBANI

NON-EXECUTIVE DIRECTOR

2017–PRESENT

Mr. Mansour Kabbani brings more than 30 years of experience to GB Corp. He joined in 2015 as VP for Project Coordination, and he currently oversees group investments and investor relations. In 2017, Mr. Kabbani joined the Board of Directors of GB Corp. In 2021, he was elected as the Chairman of GB Capital then as Chairman of GB Lease in 2022. Mr. Kabbani spent a decade working in textile spinning before becoming CFO at Technological and Electrical Systems (TES) for two years. Along with Dr. Ghabbour and partners, he helped establish CITI in 1997, which later merged with GB Corp. Between 1997 and 2015, Mr. Kabbani ran his family investments and accumulated vast experience in capital markets. Mr. Kabbani graduated from AUC in 1981 with a Bachelor of Economics.



MR. MOUNIR FAKHRY ABDELNOUR

INDEPENDENT BOARD MEMBER

2016–PRESENT

Mr. Mounir Fakhry Abdelnour is currently Chairman of Cairo Company for Oil and Soap and a Member of the Board of Directors of GB Corp, Editra, Domty and Mabaret Al-Asafra Hospitals. He also acts as Senior Adviser for Rothschild & Co., one of the world's largest independent financial advisory groups. Between 2011 and 2015, Mr. Abdelnour was Minister of Tourism, Minister of Investments and Minister of Trade and Industry; between 2006 and 2011, Secretary General of the Wafd Party; and between 2000 and 2005, leading the opposition in the Egyptian Parliament. Prior to joining the Egyptian Cabinet, Mr. Abdelnour was founder and Chairman of Hero Middle East and Africa, previously Société Egypto-Française pour les industries agro-alimentaires (Vitrac); Chairman of Beltone Financial Holding (BHF); member of the Board of Directors of Egypt Arab African Bank and Audi Bank; Founder and Managing Director of Egyptian Finance Company; Vice President of American Express Bank and representative of Banque de l'Union Européenne Paris in Egypt and the Middle East. Mr. Abdelnour was a member of the Board of Directors of the Federation of Egyptian Industries, the Egyptian Competition Authority, the Cairo Stock Exchange and the Egyptian Expo and Convention Authority. He also served as Chairman of the Egyptian Center for the Economic Studies. Mr. Abdelnour earned his undergraduate degree in Statistics from the Faculty of Economics and Political Science from Cairo University and a Master's degree in Economics from The American University in Cairo.



MR. HISHAM EZZ EL ARAB
INDEPENDENT BOARD MEMBER

MAY 2022–NOVEMBER 2022

Mr. Ezz Al-Arab is the Chairman of the Board of Trustees of the CIB Foundation and has been a director at MasterCard Middle East and Africa's Regional Advisory Board since June 2007, in addition to being a principal member of the American Chamber of Commerce. Mr. Ezz Al-Arab was elected as a member of the board of trustees for The American University in Cairo from November 2012 to March 2018.



MR. ABBAS EL SAYED
EXECUTIVE DIRECTOR

2019–PRESENT

Mr. Abbas El Sayed joined GB Corp in 2014 as Group Vice President Finance and joined the Board in 2019. He has 14 years of experience gained from KPMG and Deloitte, including one and half years in the UK at KPMG UK LLP. Mr. El Sayed has vast experience in corporate finance, restructuring, strategic planning, audit, internal controls, advisory and compliance. He holds a Bachelor of Accounting from Ain Shams University. He is also a member of the Association of Chartered Certified Accountants (ACCA) in the UK and is a Certified Management Accountant (CMA).



MS. MARWA EL AYOUTI

INDEPENDENT BOARD MEMBER

MAY 2022–PRESENT

Ms. Marwa El Ayouti has been the CFO of Orange Egypt since 2018, and she was previously the CFO of Vodafone Egypt from 2011 to 2018, becoming the first Egyptian and first female to take the role at the age of 32. Ms. El Ayouti brings over 20 years of local and international experience in finance and telecommunications and has held various senior finance roles in Egypt and the UK. She also has extensive hands-on experience in senior management and strategic leadership, as well as a wealth of experience in financial management. Ms. El Ayouti has been ranked on the Forbes 200 Most Powerful Arab Women since 2014, included in 2018 on the Middle East Most Influential Women list and been recognized further by several accreditations for her influence. Ms. El Ayouti graduated from The American University in Cairo in 1998 and holds a Master of Business Administration from Maastricht School of Business.



MS. LOBNA EL DESSOUKY

INDEPENDENT BOARD MEMBER

2020–PRESENT

Ms. Lobna El Dessouky leverages over two decades of professional experience in a wide range of sectors to fulfill her numerous advisory and board roles. She's currently an independent member of the Advisory Board of Alexandria Business Association Small and Micro Enterprise Project, independent Board and Audit Committee member at Cleopatra Hospital Company, Advisor for the European Bank for Construction and Development's Enterprise Growth Program and is an Advisor to the Audit Committee at Qalaa Holdings, having served as a member of the committee from December 2012 to 2014. Prior to this, she spent six years as Group Chief Financial Officer at Asec Holding and served on the Group's board for eight years. Ms. El Dessouky spent most of her career with Coca Cola Egypt, starting as Head Office Financial Controller in 1997 and eventually working her way to Group Chief Financial Officer in 2001 and serving in that post until 2006. She began her career at PricewaterhouseCoopers as part of the audit staff in 1993, ending her stint at the company as Audit Senior in 1997. She has also been highly involved in teaching since 1997; she worked with EsIsca Business School, Edinburgh Business School, The American University in Cairo (AUC), and The Regional Information Technology Institute (RITI) in association with Maastricht School of Management (MSM). Ms. El Dessouky holds a Bachelor of Commerce from Helwan University and a Master of Business Administration in Management Consultancy from Sheffield University, UK. She is a CPA, CFM and CMA holder, as well as a Member of the Association of Corporate Governance Practitioners and a Certified Director from the Egyptian Institute of Directors.

Board of Directors' Meetings in 2022

Member Name	Feb 24th	Mar 3rd	Apr 13th	May 19th	Aug 14th	Oct 30th	Nov 14th	Nov 15th	Nov 17th	Nov 22nd	Dec 18th	Dec 20th	Dec 29th	Attendance Rate
Dr. Raouf Ghabbour	✓	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	6/13
Mr. Mohamed Naguib	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13/13
Mr. Nader Ghabbour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	12/13
Mr. Abbas El Sayed	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	12/13
Mr. Mansour Kabbani	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12/13
Mr. Mounir Fakhry Abdelnour	✓	-	-	✓	✓	✓	-	✓	✓	-	-	✓	✓	8/13
Mr. Hisham Ezz El Arab	-	-	-	✓	✓	✓	✓	✓	-	-	-	-	-	5/13
Ms. Marwa El Ayouti	-	-	-	✓	✓	✓	✓	✓	-	-	-	✓	-	6/13
Ms. Lobna El Dessouky	✓	-	✓	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	11/13

Board Committees

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

Audit Committee

The Board has established an Audit Committee comprising four experienced non-executive members, three of whom are independent, in compliance with EGX listing regulations. The Audit Committee assures impartial reporting on the performance of the company with a focus on risk management and financial operations.

Its responsibilities include ensuring the following:

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



Audit Committee Members and Attendance in 2022

Member Name	Position	Feb 22nd	May 10th	Aug 8th	Nov 12th	Attendance Rate
Ms. Lobna El Dessouky	President	✓	✓	✓	✓	4/4
Mr. Mounir Abdelnour	Member	✓	✓	✓	✓	4/4
Mr. Mansour Kabbani	Member	✓	✓	✓	✓	4/4
Mr. Mohamed Naguib	Member	✓	✓	✓	✓	4/4

Remuneration Committee

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

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

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

Remuneration Committee Members and Attendance in 2022

Member Name	Position	Feb 24th	Attendance Rate
Mr. Mounir Abdelnour	President	✓	1/1
Ms. Lobna El Dessouky	Member	✓	1/1
Mr. Mansour Kabbani	Member	✓	1/1
Mr. Mohamed Naguib	Member	✓	1/1

Corporate Governance Committee

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

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

Corporate Governance Committee Members and Attendance in 2022

Member Name	Position	Feb 24th	Nov 14th	Attendance Rate
Ms. Lobna El Dessouky	President	✓	✓	2/2
Mr. Mounir Abdelnour	President	✓	✓	2/2
Mr. Mansour Kabbani	Member	✓	✓	2/2
Mr. Mohamed Naguib	Member	✓	✓	2/2



Internal Control and Risk Management

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

Business Continuity

To ensure that there are minimal disruptions to their operations, companies must be predictive and proactive in their decision-making. A strong Business Continuity and Crisis Management policy is essential to the

company's performance since exposure to events such as supply chain disruptions, failed procedures or policy violations have the potential to negatively impact our financial and operational results.

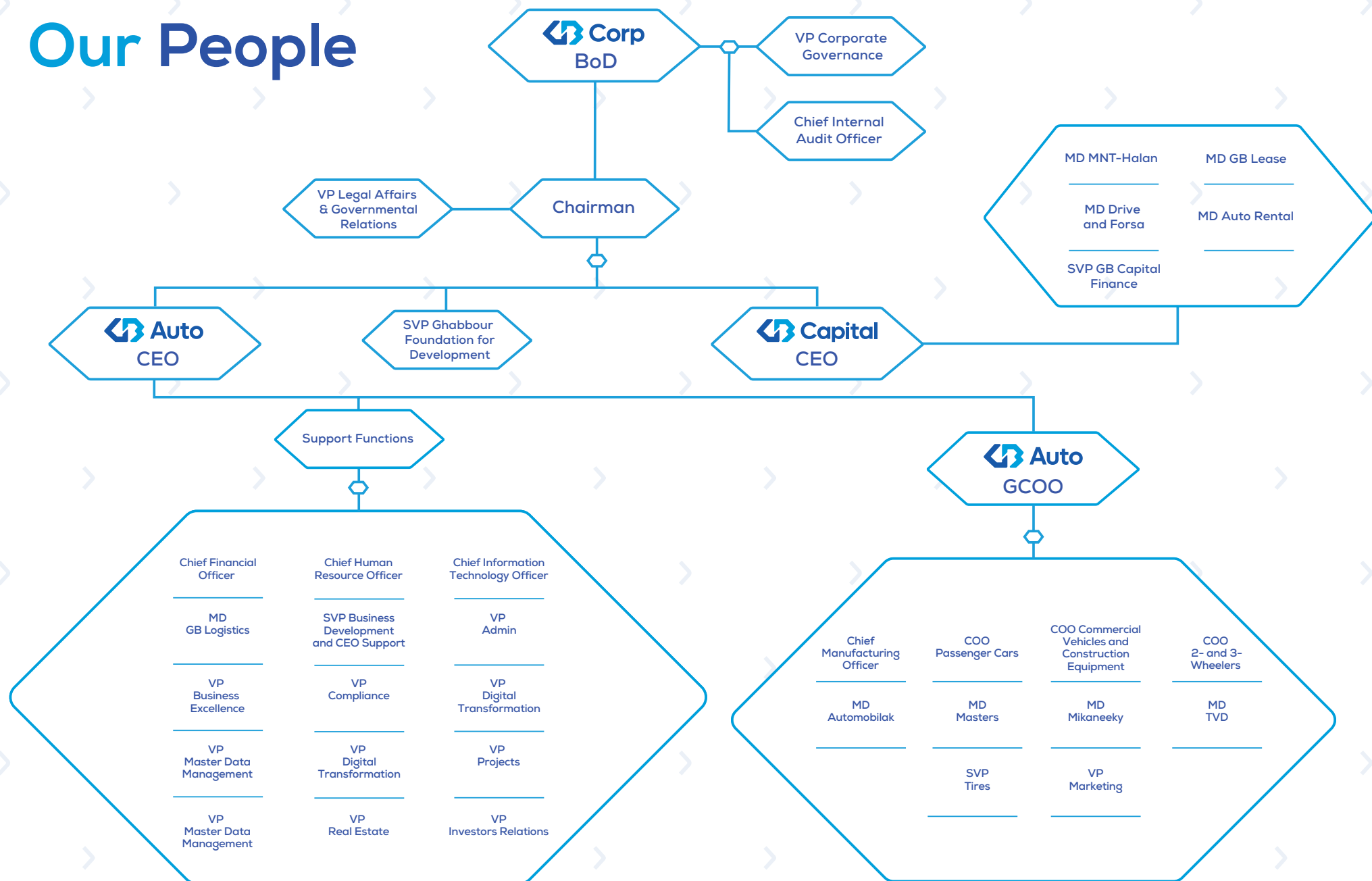
All employees at GB Corp adhere to the company's emergency Business Continuity and Crisis Management policy, which is implemented under the supervision of the Chairman of the Board, the Group Chief Operating Officer and the Business Continuity Planning Committee (BCPC). Outside active incidents, the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

Anti-Corruption Efforts

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



Our People



Our People

Executive Management

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



MR. NADER GHABBOUR

CHIEF EXECUTIVE OFFICER

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



MR. GEORGE SEDKY

CHIEF HUMAN RESOURCES OFFICER

Mr. George Sedky has over two decades of experience in personnel management, having held positions in the Human Resources divisions of several major corporations. He has a long track record of success in recruiting and gaining top talent, organizational transformation and building cultures of engagement. He was successful in re-engineering the goals and practices of GB Corp's Human Resources department, aligning them with the group's strategic business goals. He is specialized in strategic management and planning; directing all HR functions; introducing new methodologies that maximize performance through training and development; compensation and benefits; and organizational development. He holds a Bachelor of Science in Aerospace Engineering from Cairo University and a Master of Business Administration with a specialization in HR from the Arab Academy for Science, Technology and Maritime Transport.



MR. ABBAS EL SAYED

CHIEF FINANCIAL OFFICER

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



MR. KAMAL KHAFAGY

CHIEF INFORMATION TECHNOLOGY OFFICER

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



MRS. ODETTE GAMIL

CHIEF INTERNAL AUDIT OFFICER

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



MS. CHERINE KALLAL

SENIOR VICE PRESIDENT BUSINESS DEVELOPMENT & CEO SUPPORT

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



GB Auto Management



MR. KARIM GADDAS

GROUP CHIEF OPERATING OFFICER

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



MR. RAMEZ ADEEB

CHIEF MANUFACTURING OFFICER

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



MR. GHASSAN KABBANI

CHIEF OPERATING OFFICER
OF TWO- AND THREE-WHEELERS

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



MR. IBRAHIM NAGUIB

CHIEF OPERATING OFFICER
OF PASSENGER CAR OPERATIONS

Mr. Ibrahim Naguib has accumulated over 15 years of experience in the automotive industry. He currently serves as Chief Operating Officer of the Passenger Car Operations, where he is responsible for both sales and after-sales operations. Mr. Naguib first joined GB Corp in 2003 as the Tires Department General Manager, where he managed to double the business turnover in a period of three years. In 2007, he took charge of the Commercial Vehicles business and managed to grow sales volumes and expand market share. In 2009, he assumed the role of Sales and Marketing Director for the Hyundai and Mazda franchises. After briefly relocating abroad, Mr. Naguib returned to GB Corp in 2016 where he was appointed as SVP of the Passenger Cars sales operations, where market share surged under his leadership to an unprecedented 36%. Mr. Naguib holds a Bachelor's degree from the American International University in London, UK, and a Master of Business Administration from the Maastricht School of Management, the Netherlands.



MR. LAURENT FRIEDERICH

**CHIEF OPERATING OFFICER OF EGYPT COMMERCIAL
VEHICLES & CONSTRUCTION EQUIPMENT**

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



MR. AHMED FATHY

SENIOR VICE PRESIDENT, TIRES

Mr. Ahmed Fathy brings over 17 years of experience in the automotive and engineering fields to his role at GB Corp. Prior to his current role, he served across a plethora of positions at the group, which include VP Commercial Vehicles in the Heavy Trucks, Trailers and Superstructure department, as well as Division Head B2B, Trucks Sales Manager B2B and Trucks Senior Sales Engineer B2B for Volvo. Before joining GB Corp, Mr. Fathy held the position of Sales Engineer at Cairo Hydraulic Group. He has a Bachelor of Science in Engineering from the faculty of Engineering, Zagazig University, and a mini-MBA in management from the Knowledge Academy.

GB Capital Management



MR. TAMER EL EMARY

GB CAPITAL CEO

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



MR. SHERIF TAWADROS

SENIOR VICE PRESIDENT FINANCE, GB CAPITAL

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



MR. SHERIF SABRY

GB LEASE MD

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



MR. AHMED OSSAMA

DRIVE MD

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



MR. MOUNIR NAKHLA

MNT-HALAN MD

Mr. Mounir Nakhla is the Founder and CEO of MNT-Halan, Egypt's largest and fastest growing lender to the unbanked. Due to Mr. Nakhla's entrepreneurial drive, shrewd management style and hands-on, bias-for-action approach to problem-solving, Halan is positioned to being the fastest growing fintech player in the region with two million downloads surpassed and the facilitation of millions of transactions. Prior to Halan, Mr. Nakhla established what is now Egypt's largest microfinance company in 2015 and an asset-based microfinance company in 2010 that focused on selling two- and three-wheelers, where both companies have disbursed more than USD 1.7 billion since inception. Nakhla holds a Master of Science in Environment and Development from the London School of Economics (2003) and a Bachelor of Science in International Business Studies from the European Business School (2000).



MR. HISHAM HELMY

GB AUTO RENTAL MD

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

Recruitment

GB Corp is dedicated to expanding its business through strategic talent acquisitions. The company strives to attract individuals who possess the skills and experience necessary to help it achieve its objectives and long-term goals. GB Corp places a strong emphasis on its workforce and ensures that its hiring process is fair and objective. In this regard, the company evaluates candidates based on their qualifications and competencies rather than other factors, such as age, race, gender or religion, as outlined in its equality and diversity statements.

GB Corp is proud to have hired 662 employees in 2022, excluding MNT-Halan, 92 of whom were female and 570 were male hires. To support the success of its new employees, the company provides comprehensive onboarding and orientation, ensuring that they are apprised of all policies, systems and procedures. GB Corp firmly believes in creating a supporting environment that caters to the individual needs of employees and is committed to providing resources to support employees with disabilities to ensure they can thrive in their roles.

GB Corp has made promoting diversity, inclusion and non-discriminatory behavior a central pillar of its recruitment strategy. The company takes pride in creating an environment that supports and nurtures the talents of all committed individuals, including underrepresented segments of the community. In the automotive industry in Egypt, there has been a noticeable lack of gender diversity. In response, GB Corp highlights and celebrates the accomplishments, sacrifices and success stories of women in the industry while empowering them and giving them equal opportunities.



Employee Recognition and Engagement

GB People's Choice

People's Choice is a social recognition program for employees providing them with emotional support to help empower and acknowledge them with the aim of creating a positive work environment and instilling a sense of appreciation and acknowledgment. The program helps employees feel more valued and inspired during challenging times, which reduces stress and boosts overall morale. A total of 10 winners per month were chosen based on three main categories that award behavior, personal and professional development, as well as promote good citizenship. The program was launched in August 2022 and has had a total of 70 winners to date.



Team Building

GB Corp understands that maintaining a robust organization and strong team entails more than just hiring experts. It is about how these highly skilled individuals interact with each other and collaborate to complete tasks. As such, GB Corp hosts multiple initiatives throughout the year to align overall goals, build effective working relationships, reduce team members' ambiguity and encourage problem-solving.

As part of GB Corp's culture to promote team building and fun competitive activities, PC spare parts got together for their annual **PC Parts Day**. The initiative drives engagement, enhances team spirit

and creates an opportunity for employees to network and socialize outside the office. Spare parts took part in numerous engagement activities, enabling teamwork while bringing everyone together in a shared experience, including top management.

Similarly, Drive hosted a Drive Team Building Day for over 400 employees to engage, bond and communicate in a dynamic and casual atmosphere. The day focused on team building activities to unite teams and help them to achieve goals and engage in activities that improve morale and create a sense of belonging.





Ma3an Initiative

The "Ma3an Nata3lam" and "Ma3an Natwsal" initiatives place employees at the heart of everything the company does. The workshops were attended by over 2,000 employees with the aim of implementing a process of rapid skill development so they could succeed in their roles and contribute to organizational success. This was successfully achieved through GB Academy's interactive workshops. These workshops also allowed GB Corp to address employees' feedback through the "For Better Communication" HRBPs sessions.



GB Academy

For more than seven years, the GB Academy has been managed by the German SIS-Middle East GmbH (Saxony International School). The Academy's vision is setting the pace in a world of lifelong learning, and its mission is to strengthen competitiveness of the Egyptian economy through practical trainings and customized programs according to internationally recognized standards, as well as raising awareness that learning is an investment for future success.



Total Training Hours

8,240

Total Training Days

1,648

Total Number of Attendees

13,578

Online Attendees

1,702

In-Class Attendees

10,208

Offsite Attendees

1,668

Female Attendees

228

(2% of total)

Talent Management and Organizational Development

GB Stars

GB Starts is a developmental program established by GB Corp to foster a supportive atmosphere that offers team members the necessary personal and professional growth opportunities needed to advance into managerial positions within the organization. Each year, the talent team evaluates potential candidates for the program by analyzing their existing competencies and growth potential. The program consists of mentorship, developmental activities and hands-on, on-the-job assignments, all aimed at equipping the chosen individuals with the necessary skills for future managerial positions within the company.

This year, eight teams with 38 members came together at the GB Academy to celebrate the class of 2022-2023 at the annual GB Stars event. The teams were joined by GB Corp executives, including CEO Mr. Nader Ghabbour. One of the key highlights at the event was the renaming of GB Academy's ballroom to the Dr. Raouf Ghabbour Ballroom.





Ignition Program

The Ignition Program was introduced by GB Corp in 2013 as a means of enabling recent graduates to commence their professional journey with the company. In 2022, 11 talented young individuals joined GB Corp's GDP program to start their 12-month journey of development and exposure within various functions within the organization to equip them with the right knowledge and skill set that will support them in building a successful career path. Throughout the program, graduates receive supervision and guidance from dedicated mentors in the PC service After-Sales department providing hands-on practical experience across different service centers and preparing them for future leadership roles within the organization, guiding their career and increasing their business talents and skills.

GB Corp Middle Management Program

GB Corp's Golden Circle initiative is a program aimed at enhancing the leadership skills of all levels of management, from senior vice presidents to front-line staff managers. The initiative equips leaders with the tools they need to effectively guide themselves, their teams and the company as a whole towards realizing its full potential and delivering successful and consistent results. This is achieved by providing leaders with the necessary knowledge, skills and mindset to drive solid results. This year, all 160 middle managers were fully trained through a comprehensive program called "Setting KPIs & Smart Objectives for Teams", which focused on building teams' accountability and aligning them towards goals, monitoring progress over time and identifying areas of improvement and development.

Customer Service Interactive Workshop

To further develop Sales Greeters' customer service skills, an interactive workshop was created to guarantee that clients are received by knowledgeable professionals who can promptly and effectively attend to their needs. The company also took steps to improve the general client experience and make all stores, showrooms and service centers more pleasant and visitor-friendly. GB Corp firmly believes that building and maintaining a successful company needs discipline, commitment and ongoing training for all levels of employees.

Professional Coaching Training Course for HR Staff

As part of GB Corp's ongoing efforts to develop and nurture the growth of its employees, the company launched an extensive six-day course called "Professional Coaching Training Course" to equip HR employees with the skills they need to:

- > Assist people in realizing their full potential and achieving the highest level of performance
- > Prepare people for changes in their lives or careers
- > Assist others in the assignment of different tasks and teaching them effective stress, change, conflict and crisis management techniques



Compensation and Benefits

GB Corp's dedication to assisting its staff is rooted in prioritizing the wellness, contentment and drive of its workforce to empower them to succeed and flourish. Alongside their compensation, GB Corp team members enjoy a comprehensive benefits package that caters to their requirements and acknowledges their diligent efforts.



All Employees

- Life insurance
- Medical insurance
- Pension scheme
- Company buses
- Loans



Blue-Collar Employees

- Back-to-school packages
- Ramadan food packages
- Meal allowance

Need-to Basis

- Company car
- Mobile phone
- Travel allowance



Vodafone 50% Discount Offer

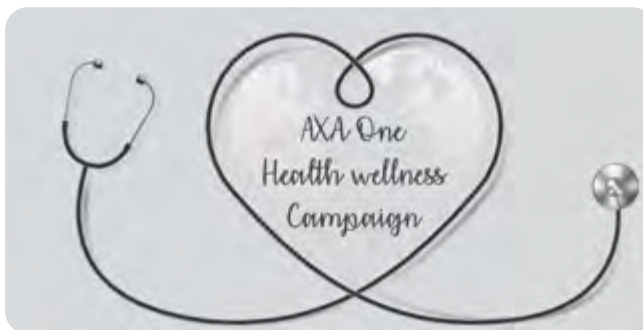
All GB Corp employees are eligible to receive the latest Vodafone corporate offer: a 50% discount on a variety of plans. In collaboration with Vodafone, GB Corp organized on-site activations where Vodafone personnel were present to assist with activations and address any questions.



Health, Safety and Mental Health

AXA One Health Campaign

GB Corp is focused on taking the proper steps to protect the health and safety of its employees. In 2022, the company launched the “AXA One Health Wellness Campaign” in partnership with AXA One Health. This initiative, targeting all employees at GB Corp, aims to increase awareness of the most prevalent illnesses through on-site screening and awareness seminars offered by medical specialists. By putting these procedures in place across all locations, GB Corp ensured that the health and safety of its employees are always prioritized.



The Institution of Occupational Safety and Health Advanced Training Course

In 2022, the Manufacturing Leaders, Industrial Safety Team and the Medical Department attended a refresher advanced training course by the Institution of Occupational Safety and Health to stay up to date with the latest health and safety fundamentals. Ensuring employees' health and safety in Prima, Sadat and Badr will remain a high priority at GB Corp due to its effectiveness in reducing manufacturing hazards and risks, therefore decreasing absenteeism and turnover rates.

Whistleblowing Policy – An Open and Safe Culture

GB Corp believes in fostering an open and safe culture where everyone feels comfortable to express themselves and bring their ideas and challenges to the table. By creating an inclusive workplace, the company reinforces its values, which are central to its identity and how it operates. As part of its commitment to conducting business with integrity and fairness, the Compliance Business unit launched the GB Whistleblowing Policy. The purpose of this policy is to allow employees to raise concerns freely and anonymously about suspected misconduct. The system also ensures timely and appropriate follow-ups are conducted by management on any whistleblower tips received from customers, suppliers, employees or external parties.

Mental Health Awareness – Shezlong Partnership

GB Corp is proud to continue with its #MentalHealthMattersToo campaign in partnership with Shezlong, the first online psychotherapy platform in the MENA region, which anonymously provides contact with professional, licensed therapists. GB Corp employees are provided with discount promo codes for all therapy sessions and are encouraged to seek professional help to improve their mental health and progressively reduce stress levels in the workplace. Therapy can assist in identifying certain triggers that may be stressful for some people, as well as offer support with practical stress-reduction strategies. Shezlong offers specifically tailored corporate mental wellness programs consisting of training for HRBPs and managers to help create a stress-free environment for employees.





Back to School

As part of GB Corp's annual **Back to School** initiative, the company launched its second edition of the **Mawaheb Awladna** competition. The initiative welcomes children of technicians and blue-collar workers aged 18 and under to compete in the acting, poetry reciting, singing and instrument playing categories. With numerous submissions, the initiative was highly popular and successful in engaging employees and their families.

Women Empowerment

#GB for She 2022

The Egyptian automotive sector has long been known for its lack of gender diversity. GB for She is a month dedicated to recognizing and empowering the women who work for GB Corp. This year, to celebrate, all female employees were sent a care package along with a recognition statement painted on canvas for their desks. Moreover, top female engineers came together to create a video in which they shared their experiences as women working in the field. With over 370 female employees, the video of achievement stories and journeys was a wide success within the company.

Ghalya by Ghabbour – Blue-Collar Recognition Ceremony

GB Corp has always been committed to fostering an inclusive workplace and corporate culture. With the approval of the National Council for Women, the Ghabbour Foundation for Development partnered with ALEXBANK to create a comprehensive program aimed at qualifying female students for careers in the field of car maintenance. By presenting this flagship initiative for women empowerment, the company underlined the importance of preparing GB Corp technicians to embrace this shift at the workplace. Following an extensive six-week training, in collaboration with Care Egypt, covering the topics of workplaces differences and embracing diversity, a recognition ceremony was held to celebrate the technicians who attended the training at Obour service center. During the event, they received appreciation certificates, and the Foundation team and HRBP made sure to express their gratitude to all of the course participants.



Financial Statements

A photograph of a business meeting. In the foreground, a wooden table is covered with several sheets of paper containing financial charts, graphs, and tables. A person's hand is visible, pointing at one of the documents with a pen. In the background, two people are standing. One person is wearing a dark suit and tie, and the other is wearing a white shirt and dark trousers, holding a notebook and pen. The scene is brightly lit, suggesting an indoor office environment. A white diagonal overlay with a pattern of small blue hexagons is on the left side of the image, containing the text 'Financial Statements'.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2022

(All amounts in thousand Egyptian Pound)	Note No.	31 December 2022	Restated 31 December 2021
Assets			
Non-current assets			
Property, plant, equipment and projects under construction (Net)	(16)	4,945,174	4,252,697
Assets right of use	(17)	431,535	440,333
Intangible assets and goodwill	(18)	361,277	367,215
Payments under investment	(31)	72	54,528
Investment in associate	(35)	9,559,706	622,910
Other investments with fair value through profit and losses	(36)	106,500	104,000
Long term notes receivables (Net)	(12)	2,973,743	5,758,369
Deferred tax assets	(10-B)	257,769	331,341
Investment property	(19)	90,905	90,905
Debtors and other debit balances	(14-A)	398,886	688,262
Subordinated Loan		50,000	0
Total non-current assets		19,175,567	12,710,560
Current assets			
Assets held for sale		855,000	0
Inventories (Net)	(11)	3,920,044	4,203,342
Accounts and notes receivables (Net)	(13)	3,060,579	10,239,476
Debtors and other debit balances (Net)	(14-B)	3,323,285	2,787,409
Due from related parties	(34)	185,008	193,228
Cash on hand and at banks	(15-A)	4,098,083	1,935,644
Total current assets		15,441,999	19,359,099
Total assets		34,617,566	32,069,659
Equity			
Issued and paid in capital	(20)	1,085,500	1,094,010
Treasury bills	(21)	0	(8,510)
Reserve for financial Solvency	(44)	10,711	0
General risk reserve	(43)	131	49,472
Legal reserve	(22)	533,542	523,961
Other reserves	(23)	3,277,220	2,140,621
Private risk reserve - Non banking financial service	(42)	20,393	90,399
Retained Earning		1,820,099	440,890
Net Profit for the year		9,984,958	1,408,511
Equity attributable to shareholders of the parent		16,732,554	5,739,354

(All amounts in thousand Egyptian Pound)	Note No.	31 December 2022	Restated 31 December 2021
Non-controlling interests	(24)	728,195	1,640,720
Total equity		17,460,749	7,380,074
Liabilities			
Non-current liabilities			
Loans	(26)	2,940,313	3,514,992
Bond Payable Long term	(39)	280,000	0
Long term notes payables and creditors		380,317	588,088
Right of use Liability		344,343	327,299
Warranty provisions	(28)	13,935	13,909
Deferred tax liabilities	(10-B)	331,615	348,657
Total non-current liabilities		4,290,523	4,792,945
Current liabilities			
Provisions	(28)	346,315	282,521
Current tax liabilities	(10-A)	324,089	351,279
Loans, borrowings and overdrafts	(26)	6,040,231	13,628,224
Due to related parties	(34)	101,739	125,998
Bond Payable	(39)	241,538	0
Trade payables and other credit balances	(27)	5,812,382	5,508,618
Total current liabilities		12,866,294	19,896,640
Total liabilities		17,156,817	24,689,585
Total equity and liabilities		34,617,566	32,069,659

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

Group Chief Financial Officer

Executive Board Member

Abbas El Sayed

Executive Board Member

Nader Ghabbour

**Auditor's report "attached"

CONSOLIDATED STATEMENT OF INCOME

For the financial year ended 31 December 2022

(All amounts in thousand Egyptian Pound)	Note No.	31 December 2022	Restated 31 December 2021
Operating revenue		29,789,079	31,437,533
Operating cost		(21,676,145)	(25,134,960)
Gross profit		8,112,934	6,302,573
Other income	(6)	285,557	184,364
Selling and marketing expenses		(2,164,790)	(1,849,389)
General and administrative expenses		(2,048,396)	(1,582,763)
Provisions and Impairment of Current and Non-Current assets (Net)	(8)	(229,788)	(130,938)
Operating Profit		3,955,517	2,923,847
Finance costs (Net)	(7)	(962,993)	(551,569)
Gain from sale & Revaluation of investment	(35)	100,587	(40,592)
Gain from sale & Revaluation of investment	(40)	8,207,309	0
Net profit for the year before income tax		11,300,420	2,331,686
Income tax (expense)	(10-C)	(762,322)	(563,274)
Net profit for the year after tax		10,538,098	1,768,412
Attributable to:			
Shareholder's of the parent company		9,984,958	1,408,511
Non-controlling interests		553,140	359,901
		10,538,098	1,768,412
Basic earning per share (EGP/Share)	(9)	9.175	1.288

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

(All amounts in thousand Egyptian Pound)	Note No.	31 December 2022	Restated 31 December 2021
Net profit for the year after income tax		10,538,098	1,768,412
Other comprehensive income items			
Foreign currency translation difference		1,429,548	(14,825)
Foreign currency translation losses	(45)	(447,997)	0
Modification surplus of fixed assets result		(13,580)	(22,284)
Total other comprehensive income for the year before income tax		967,971	(37,109)
Income tax related to other comprehensive income item		2,983	4,886
Other comprehensive income for the year after income tax		970,954	(32,223)
Total other comprehensive income for the year		11,509,052	1,736,189
Other comprehensive income is attributable to:			
Shareholder's of the parent company		11,289,557	1,400,655
Non-controlling interests		219,495	335,534
		11,509,052	1,736,189

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

CONSOLIDATED STATEMENT OF SHAREHOLDERS EQUITY

For the financial year ended 31 December 2022

31 December 2022	Shareholder's equity of the parent company															
	Note No.	Share capital	Legal reserve	Treasury Bills	Foreign currency translation reserve	ESOP (Fair value) reserve	Revaluation surplus of fixed assets reserve	Share premium (Special reserve)	Reserve for financial solvency	General risk reserve	Private risk reserve - Non banking financial service	Retained Earning	Net profit for the period	Total	Non-Controlling interests	Total equity
(All amounts in thousand Egyptian Pound)																
Balance at December 31, 2021 Restated	(41-1)	1,094,010	523,961	(8,510)	1,067,263	88,882	80,435	904,041	-	49,472	90,399	440,890	1,408,511	5,739,354	1,640,720	7,380,074
Transferred to retained earnings		-	-	-	-	-	-	-	-	-	-	1,408,511	(1,408,511)	-	-	-
Total comprehensive income																
Net profit for the year		-	-	-	-	-	-	-	-	-	-	-	9,984,958	9,984,958	553,140	10,538,098
Modification surplus of fixed assets after income tax (Net)		-	-	-	-	-	(10,598)	-	-	-	-	13,580	-	2,982	-	2,982
Other Comprehensive income items		-	-	-	1,147,706	-	-	-	-	-	-	-	-	1,147,706	281,842	1,429,548
Foreign currency translation losses		-	-	-	-	-	-	-	-	-	-	(447,997)	-	(447,997)	-	(447,997)
Total comprehensive income		-	-	-	1,147,706	-	(10,598)	-	-	-	-	(434,417)	9,984,958	10,687,649	834,982	11,522,631
Transactions with owners of the Company																
Reserve for financial solvency		-	-	-	-	-	-	-	10,711	-	-	(10,711)	-	-	-	-
Private risk reserve - Non banking financial service		-	-	-	-	-	-	-	-	-	(43,322)	43,322	-	-	-	-
Decrease capital of subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	-	(5,361)	(5,361)
Cancel Treasury Bills		(8,510)	-	8,510	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Distribution		-	-	-	-	-	-	-	-	-	-	(499,989)	-	(499,989)	(150,507)	(650,496)
Disposal net profit for the period of the non-controlling interest until the date of loss of control		-	-	-	-	-	-	-	-	-	-	-	-	-	(433,889)	(433,889)
Loss of control of subsidiary		-	(56,888)	-	(509)	-	-	-	-	(49,309)	(26,666)	939,819	-	806,447	(1,190,916)	(384,469)
Change in non-controlling interests without changing in control		-	(30)	-	-	-	-	-	-	(32)	(18)	(827)	-	(907)	17,966	17,059
Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	14,700	14,700
Transferred to legal reserve		-	66,499	-	-	-	-	-	-	-	-	(66,499)	-	-	-	-
Payment under capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	500	500
Total Transactions with owners of the company		(8,510)	9,581	8,510	(509)	-	-	-	10,711	(49,341)	(70,006)	405,115	-	305,551	(1,747,507)	(1,441,956)
Balance at December 31, 2022		1,085,500	533,542	-	2,214,460	88,882	69,837	904,041	10,711	131	20,393	1,820,099	9,984,958	16,732,554	728,195	17,460,749

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

CONSOLIDATED STATEMENT OF SHAREHOLDERS EQUITY

For the financial year ended 31 December 2022

31 December 2021 Restated		Shareholder's equity of the parent company													
(All amounts in thousand Egyptian Pound)	Note No.	Share capital	Legal reserve	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 year	Total	Non-Controlling interests	Total equity
Balance at December 31, 2020		1,094,010	451,064	(8,000)	1,057,721	88,882	97,833	911,981	-	-	20,333	916,955	4,630,779	1,485,969	6,116,748
Adjustments on opening balance															
Investment in associate losses		-	-	-	-	-	-	-	-	-	(2,680)	-	(2,680)	-	(2,680)
Adjustments		-	-	-	-	-	-	-	-	-	(124,053)	-	(124,053)	(11,534)	(135,587)
Balance at December 31, 2020 Restated		1,094,010	451,064	(8,000)	1,057,721	88,882	97,833	911,981	-	-	(106,400)	916,955	4,504,046	1,474,435	5,978,481
Transferred to retained earnings		-	-	-	-	-	-	-	-	-	916,955	(916,955)	-	-	-
Total comprehensive income															
Net profit for the year		-	-	-	-	-	-	-	-	-	-	1,408,511	1,408,511	359,901	1,768,412
Modification surplus of fixed assets after income tax (Net)		-	-	-	-	-	(17,398)	-	-	-	22,285	-	4,887	-	4,887
Other Comprehensive income items		-	-	-	9,542	-	-	-	-	-	-	-	9,542	(24,367)	(14,825)
Total comprehensive income		-	-	-	9,542	-	(17,398)	-	-	-	22,285	1,408,511	1,422,940	335,534	1,758,474
Transactions with owners of the Company															
The impact of applying the new Egyptian standards.		-	-	-	-	-	-	-	-	-	15,016	-	15,016	22,732	37,748
General risk reserve		-	-	-	-	-	-	-	49,472	-	(49,472)	-	-	-	-
Private risk reserve - Non banking financial service		-	-	-	-	-	-	-	-	90,399	(90,399)	-	-	-	-
Decrease in capital		-	-	-	-	-	-	-	-	-	-	-	-	(80,471)	(80,471)
Change in non-controlling interests without changing in control		-	16,634	-	-	-	-	-	-	-	197,832	-	214,466	(250,664)	(36,198)
Dividends Distribution		-	-	-	-	-	-	-	-	-	(408,664)	-	(408,664)	(154,414)	(563,078)
Payment under capital increase		-	-	-	-	-	-	-	-	-	-	-	-	293,568	293,568
Buy Treasury Bills		-	-	(8,510)	-	-	-	(30,172)	-	-	-	-	(38,682)	-	(38,682)
Selling Treasury Bills		-	-	8,000	-	-	-	22,232	-	-	-	-	30,232	-	30,232
Transferred to legal reserve		-	56,263	-	-	-	-	-	-	-	(56,263)	-	-	-	-
Total Transactions with owners of the company		-	72,897	(510)	-	-	-	(7,940)	49,472	90,399	(391,950)	-	(187,632)	(169,249)	(356,881)
Balance at December 31, 2021 Restated	(41-1)	1,094,010	523,961	(8,510)	1,067,263	88,882	80,435	904,041	49,472	90,399	440,890	1,408,511	5,739,354	1,640,720	7,380,074

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

(All amounts in thousand Egyptian Pound)	Note No.	31 December 2022	Restated 31 December 2021
Net profit for the year before tax		11,300,420	2,331,686
Adjustments for:			
Interest expense	(7)	890,717	733,545
Depreciation and amortization for the period	(16 17,18)	451,098	426,281
Provisions movements (net)	(28)	81,784	182,146
Impairment losses on current assets (net)		159,270	44,709
Interest income	(7)	(166,751)	(170,032)
Gain from sale & Revaluation of investment	(40)	(8,207,309)	-
Gain from sale of property, plant, equipment and assets held for sale	(6)	(15,063)	(57,023)
Investment in associates and liquidation losses	(9)	(100,587)	40,592
Dividends Distribution From Associates		6,143	-
Foreign currency translation losses		(447,997)	-
		3,951,725	3,531,904
Changes in:			
Inventories		471,040	(836,794)
Accounts and notes receivables		10,295,375	(4,033,848)
Debtors and other debit balances		(414,234)	(1,605,003)
Due from related parties		(69,673)	(137,186)
Due to related parties		(24,259)	5,800
Payment rent for asset right of use		(63,364)	(66,245)
Proceeds from loans and borrowings		(7,062,762)	2,625,908
Trade payables and other credit balances		708,614	1,992,141
Cash provided from operating activities		7,792,462	1,476,677
Provisions used		(28,234)	(74,077)
Income tax paid		(729,999)	(305,001)
Employees and members of the board of directors		(96,029)	(109,428)
Net cash provided from operating activities		6,938,200	988,171
Cash flows from investing activities			
Payment for acquisition of property, plant, equipment and projects under constructions		(1,160,574)	(485,789)
Pay to buy non controlling interest		-	(206,010)

(All amounts in thousand Egyptian Pound)	Note No.	31 December 2022	Restated 31 December 2021
Proceeds from sale of shares from subsidiaries		-	273,750
Payment for acquisition of intangible assets		(6,118)	(2,451)
Interest income received		121,803	132,919
Payment under investment		54,456	(54,456)
Proceed from sale of investment		1,361,104	-
Net investments in associates	(40-3)	(2,456,148)	(9,750)
Payment for other investments		-	(104,000)
Proceeds from sale of property, plant, equipment and assets held for sale		29,029	166,481
Paid to buy asset held for sale		(855,000)	-
Net cash (used in) investing activities		(2,911,448)	(289,306)
Cash flows from financing activities			
Proceeds from non controlling interest to increase capital of subsidiaries		-	588
Payment to Purchase Treasury bills		-	(38,682)
Bonds		521,538	-
Dividends Distribution		(403,960)	(299,236)
Dividends paid -minority equity		(150,507)	(154,414)
Gain From selling Treasury bills		-	30,232
Proceeds from loans and borrowings		(1,099,910)	475,641
Decrease capital of subsidiary		(5,361)	(80,471)
Long-Term notes payable		(207,771)	263,006
Interest expense paid		(943,502)	(766,910)
Net cash(used in) financing activities		(2,289,473)	(570,246)
Net Increase in cash and cash equivalents		1,737,279	128,619
Cash and cash equivalents at the beginning of the period		1,935,991	1,797,830
Effect of movements in exchange rates on cash and cash equivalents		424,914	9,542
Cash and cash equivalents at end of the period	(15-B)	4,098,184	1,935,991

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

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

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.

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

The Company and its subsidiaries (will be referred to as “the Group”) main activities include trading, distributing and marketing of all transportation means including heavy trucks, semi-trucks, passenger cars, buses, mini buses, micro buses, agriculture tractors, 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 installments 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 31 December, 2022.

The consolidated financial statements were authorized for issue by the Company's Board of Directors on February 26, 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.

4. Use of judgement and estimates

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

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

A-Total Revenue

	31 December 2022	31 December 2021
Passenger car	33.88%	47.13%
Buses and trucks	4.04%	4.05%
2 & 3 Wheels	12.71%	19.09%
Financial Services non-Banking	19.45%	20.73%
Other Operations	29.92%	9.00%

B-Revenue from foreign operations

	31 December 2022	31 December 2021
Passenger car	13.88%	6.93%
2 & 3 Wheels	51.61%	34.55%

C- Segments results

	31 December 2022	31 December 2021
Passenger car	27.36%	30.38%
Buses and trucks	3.48%	0.22%
2 & 3 Wheels	12.39%	16.65%
Financial Services non-Banking	50.68%	46.81%
Other Operations	6.09%	5.94%

D-Assets

	31 December 2022	31 December 2021
Passenger car	16.3%	11.5%
Buses and trucks	14.8%	10.2%
2 & 3 Wheels	11.2%	8.4%
Financial Services non-Banking	33.5%	53.1%
Other Operations	24.2%	16.8%

E- Liabilities

	31 December 2022	31 December 2021
Passenger car	18.6%	26.0%
Buses and trucks	24.4%	16.6%
2 & 3 Wheels	11.2%	1.3%
Financial Services non-Banking	33.5%	50.9%
Other Operations	12.3%	5.2%

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

	31 December 2022	Restated 31 December 2021
Revenues		
Total revenues for operating segments	32,576,933	35,029,129
Elimination of inter-segment revenue	(2,787,854)	(3,591,596)
Consolidated Revenue	29,789,079	31,437,533
Segments result		
Gross profit for operating segment	8,188,595	6,384,396
Elimination of inter-segment gross profit	(75,661)	(81,823)
Consolidated Gross Profit	8,112,934	6,302,573
Assets		
Total assets for operating segments	62,435,956	52,141,142
Elimination inter-segment assets	(27,818,390)	(20,071,483)
Total Consolidated Assets	34,617,566	32,069,659
Liabilities		
Total Liabilities for operating segments	30,649,859	33,296,308
Elimination inter-segment Liabilities	(13,493,042)	(8,606,723)
Total Consolidated Liabilities	17,156,817	24,689,585

G. Other martial amounts

	Total reportable segment	Adjustments	Total consolidated December 31, 2022
Finance income	166,751	-	166,751
Interest expense and Bank Charges	(903,920)	13,203	(890,717)
Capital expenditure	(1,166,692)	-	(1,166,692)
Depreciation and Amortization	451,098	-	451,098
	Total reportable segment	Adjustments	Total consolidated December 31, 2021
Finance income	170,032	-	170,032
Interest expense and Bank Charges	(772,645)	39,100	(733,545)
Capital expenditure	(488,240)	-	(488,240)
Depreciation and Amortization	420,369	-	420,369

H. Operations results

	Passenger cars		Commercial vehicles		Two and three Wheelers		Financial Services Non Banking		Other operations		Total	
	December 31, 2022	December 31, 2021 Restated	December 31, 2022	December 31, 2021 Restated	December 31, 2022	December 31, 2021 Restated	December 31, 2022	December 31, 2021 Restated	December 31, 2022	December 31, 2021 Restated	December 31, 2022	December 31, 2021 Restated
Operating revenue	10,093,613	14,817,588	1,203,919	1,271,724	3,785,821	6,000,667	5,793,144	6,516,668	8,912,582	2,830,886	29,789,079	31,437,533
Gross profit	2,219,650	1,914,736	282,411	13,656	1,005,013	1,049,118	4,111,363	2,950,260	494,497	374,803	8,112,934	6,302,573
Marketing and Selling expenses											(2,164,790)	(1,849,389)
General and administrative expenses											(2,048,396)	(1,582,763)
Provisions and Impairment of Current and Non-Current assets (Net)											(229,788)	(130,938)
Other income											285,557	184,364
Operating results											3,955,517	2,923,847
Investment in associates and liquidation losses											100,587	(40,592)
Investment liquidation losses											8,207,309	-
Finance cost(Net)											(962,993)	(551,569)
Net profit for the year before income tax											11,300,420	2,331,686
Income tax expense											(762,322)	(563,274)
Net profit for the year after income tax											10,538,098	1,768,412
Attributable to:												
Equity holders of the Company											9,984,958	1,408,511
Non-controlling interests											553,140	359,901
											10,538,098	1,768,412

6. Other Income

	31 December 2022	31 December 2021
Gain on sale of fixed asset	15,063	11,575
Scrap Sales	54,876	66,154
Commission for reissuance loans	65,457	43,564
Other revenues	125,595	26,309
Cash incentive revenue	6,589	6,510
Rent income	17,977	30,252
Total	285,557	184,364

7. Finance Costs (Net)

	31 December 2022	31 December 2021
Interest income	147,471	149,652
Interest income on installment sales	19,280	20,380
Foreign exchange gain	-	11,944
Total Finance Income	166,751	181,976
Interest expense and bank charges	(890,717)	(733,545)
Foreign exchange loss	(239,027)	-
Total Finance Cost	(1,129,744)	(733,545)
Net Finance Cost	(962,993)	(551,569)

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

	31 December 2022	31 December 2021
Provisions no longer required		
Warranty provision	30,067	11,450
Expected credit loss for accounts and notes receivables	15,077	131,229
Expected credit loss for debtors and other debit balances	16,751	2,067
Other Provisions	9,500	7,657
Expected credit loss for Cash and cash equivalents	332	1,274
Total provisions no longer required	71,727	153,677
Provisions formed		
Warranty provision	(54,543)	(40,707)
Impairment of accounts and notes receivable	(109,521)	(148,534)
Impairment of due from related parties	(19,053)	(11,000)
Impairment of debtors and other debit balances	(44,586)	(18,306)
Other provisions	(73,812)	(66,068)
Total provisions formed	(301,515)	(284,615)
Net provisions in the income statement	(229,788)	(130,938)

	Balance at 1/1/2022	Impairment during the year	Disposal During the year	Reversal of Impairment during the year	Effect of movements of exchange rates	the impact of the change in Egyptian accounting standard charget on equity	Balance at 31/12/2022
Expected credit loss for Accounts & Notes receivable	560,409	109,521	(289,532)	(15,077)	1,454	-	366,775
Expected credit loss for due from related parties	36,730	19,053	-	-	8,840	-	64,623
Expected credit loss for Debtors & Other debit balances	47,522	44,586	-	(16,751)	2,043	-	77,400
Expected Credit Loss for Cash and cash equivalent	347	86	-	(332)	-	-	101
	645,008	173,246	(289,532)	(32,160)	12,337	-	508,899
* Impairment of Inventory	53,919	39,338	-	(21,154)	-	-	72,103
	698,927	212,584	(289,532)	(53,314)	12,337	-	581,002

.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 year by the weighted average number of ordinary shares issued during the year.

The General Assembly unanimously agreed on 24/3/2022 to distribute dividends for the financial year ending on 31/12/2021 amount to distribute 379,925,000 EGP (at the rate 0.35 Piasters per share in the total capital 1,085,500,000 after excluding treasury shares of 8,509,733 shares)

It was also agreed on the payment would be in two installments:

the first on 21/4/2022 will be 10 piasters per share while the second payment on 29/9/2022 it will be 25 piasters per share and the general authority for investment approved the decision on 3/04/2022

	31 December 2022	31 December 2021
Net profit for the period attributable to the shareholders	9,984,958	1,408,511
Weighted average number of ordinary shares issued	1,088,222	1,093,524
Basic profit earnings per share/ EGP	9.175	1.288

10. Income tax

A. Income tax liabilities

	31 December 2022	31 December 2021
Balance at 1 January	351,279	296,730
Taxes paid during the period	(729,999)	(305,001)
"Current income tax during the period (Note 10-C)"	702,809	359,550
Balance at the end of the period	324,089	351,279

B. Deferred tax Asset and Liability

									Total	
	Note No.	Fixed Assets	Carried forward losses	Impairment of Inventory	Warranty Provision	Revaluation surplus of fixed assets*	Notes payable	Capital Gains	31-Dec-22	31-Dec-21
Deferred tax assets										
Balance at 1 January		11	179,856	4,305	44,450	-	102,719	-	331,341	540,626
Charged to the income statement		-	(24,561)	(956)	(8,741)	-	(39,314)	-	(73,572)	(209,285)
Balance at the end of the year		11	155,295	3,349	35,709	-	63,405	-	257,769	331,341
Deferred tax liabilities										
Balance at 1 January		(306,451)	-	-	-	(9,360)	-	(32,846)	(348,657)	(359,105)
Charged to the income statement		(61)	-	-	-	-	-	14,120	14,059	5,561
Charged to Statement of comprehensive income		-	-	-	-	2,983	-	-	2,983	4,887
Balance at the end of the year		(306,512)	-	-	-	(6,377)	-	(18,726)	(331,615)	(348,657)
Net Balance at the end of the year		(306,501)	155,295	3,349	35,709	(6,377)	63,405	(18,726)	(73,846)	(17,316)
Net										
Balance at 1 January		(306,440)	179,856	4,305	44,450	(9,360)	102,719	(32,846)	(17,316)	181,521
Charged to the income statement	(10-C)	(61)	(24,561)	(956)	(8,741)	-	(39,314)	14,120	(59,513)	(203,724)
Charged to Statement of comprehensive income		-	-	-	-	2,983	-	-	2,983	4,887
Balance at the end of the year		(306,501)	155,295	3,349	35,709	(6,377)	63,405	(18,726)	(73,846)	(17,316)

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.

	31 December 2022	31 December 2021
Expected credit loss for accounts and notes receivables	82,524	126,092
Expected credit loss for other debit balances	17,415	10,692
Foreign currency translation losses	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)

	31 December 2022	31 December 2021
Current income tax (Note 10-A)	(702,809)	(359,550)
Deferred tax expenses - (Note 10-B)	(59,513)	(203,724)
Income tax for the period	(762,322)	(563,274)

D. Amounts recognized in OCI

	December 31, 2022			December 31, 2022		
	Before Tax	Taxes	After Tax	Before Tax	Taxes	After Tax
Foreign Currency translation difference	1,429,548	-	1,429,548	(14,825)	-	(14,825)
Modification surplus of fixed assets cost	(13,580)	2,983	(10,597)	(22,284)	4,886	(17,398)
	1,415,968	2,983	1,418,951	(37,109)	4,886	(32,223)

11. Inventories

	31 December 2022	31 December 2021
Goods in transit	561,352	1,055,434
Cars, buses and trucks	1,681,277	1,536,578
Raw material and car components	791,597	736,660
Spare parts for sale	681,779	459,787
Work in progress	171,001	165,096
Tires	102,806	299,247
Oils	2,335	4,459
Total	3,992,147	4,257,261
* Impairment of inventory	(72,103)	(53,919)
Net	3,920,044	4,203,342

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

12. Long term notes receivables

	31 December 2022	31 December 2021
Long-term notes receivable	3,488,544	6,650,569
Interest income on installment sales	(431,255)	(782,428)
Net present value for long-term notes receivable	3,057,289	5,868,141
Expected credit loss long-term notes receivable	(83,546)	(109,772)
Net	2,973,743	5,758,369

13. Accounts and notes receivables

	31 December 2022	31 December 2021
Total notes receivable	2,675,735	10,541,069
Long-term notes receivable (Note 12)		
Unamortized interest	(431,255)	(782,428)
Net present value for short-term notes receivable	2,244,480	9,758,641
Trade receivable	1,099,328	931,472
Total	3,343,808	10,690,113
Expected credit loss for accounts and notes receivable balances	(283,229)	(450,637)
Net	3,060,579	10,239,476

The following table represents the Expected credit loss of account and notes receivables according to the expected losses model on December 31, 2022:

1. Non Banking -Financial Services

	Stage 1: Expected credit losses over 12 months	Stage 2: Lifetime ECL is not credit impaired	Stage 3: Life Expected Credit Losses with impaired credit	Total
Account & notes receivables	3,773,362	524,432	497,254	4,795,048
Adjust:				
Impairment of accounts and notes receivable balances	(36,985)	(38,833)	(126,373)	(202,191)
	3,736,377	485,599	370,881	4,592,857

2. Passenger cars, transport, buses and motorcycles sector – 3 wheels and other operations

	The Balance	The percentage of expected losses	Decrease in the balance of account & notes receivable	Net
Notes Receivable	534,288	21%	(110,608)	423,680
Trade receivables	679,197	3.8%	(25,790)	653,407
From 1 to 30	236,230	2%	(3,705)	232,525
From 31 to 60	70,140	2%	(1,333)	68,807
From 61 to 90	15,202	4%	(627)	14,575
From 91 to 120	23,110	11%	(2,442)	20,668
More than 120	47,882	42%	(20,079)	27,803
Total	1,606,049		(164,584)	1,441,465

14. Debtors and other debit balances

A. Long term debtors and other debit balance

	31 December 2022	31 December 2021
Debt securitization Companies	398,886	689,733
Provision of Expected credit loss	-	(1,471)
	398,886	688,262

B. Debtors and other debit balances

	31 December 2022	31 December 2021
Advance payments to suppliers	764,608	789,448
Withholding tax	575,580	450,966
Value added tax	47,714	41,378
Accrued interest	44,948	40,606
Accrued revenue	6,040	2,739
Letters of credit	1,070,366	791,566
Prepaid expenses	78,339	172,946
Security deposits with others	24,998	31,938
Letters of guarantee margin	332,354	285,919
Staff loans and custodies	33,493	37,004
Other debit balances	420,793	187,613
Customs duties	1,452	2,808
Total	3,400,685	2,834,931
Impairment of debtor and other debit balances	(77,400)	(47,522)
Net	3,323,285	2,787,409

15. Cash and cash equivalents

A. Cash and cash equivalents

	31 December 2022	31 December 2021
Time deposits	145,745	359,595
Current accounts	3,852,593	1,308,674
Checks under collections	74,990	230,343
Treasury bills	24,856	37,379
Total	4,098,184	1,935,991
Impairment of Cash and cash equivalent According to EAS 47	(101)	(347)
Net	4,098,083	1,935,644

B-Cash and cash equivalents

	31 December 2022	31 December 2021
Cash and cash equivalents	4,098,184	1,935,991
	4,098,184	1,935,991

16. Property, plant, equipments and projects under construction

	Land and Buildings	Machinery & equipment	Vehicles	Computers	Fixtures & furniture	Leasehold improvements	* Projects under construction	Total
Cost								
Cost at 1 January 2021 Restated	2,450,124	1,056,333	658,995	248,966	991,829	72,909	509,059	5,988,214
Additions during the year	93,620	19,727	136,599	33,194	68,595	38,312	77,933	467,980
Transferred from projects under construction to PP&E and intangible assets	170,687	11,014	766	3,825	57,577	-	(238,177)	5,692
Disposals during the year	(44,373)	(9,431)	(89,029)	(859)	(12,790)	(368)	(15,318)	(172,170)
Effect of cost modification using modification factor	-	-	(1,112)	-	(308)	-	-	(1,420)
Effect of movements of exchange rates	(10,496)	202	(109)	(16)	3,558	(670)	-	(7,531)
Balance at 31 December 2021 Restated	2,659,561	1,077,846	706,108	285,110	1,108,461	110,183	333,497	6,280,765
Cost at 1 January 2022 Restated	2,659,561	1,077,846	706,108	285,110	1,108,461	110,183	333,497	6,280,765
Additions during the year	176,925	22,770	171,654	15,528	26,079	4,391	522,022	939,369
Transferred from projects under construction to PP&E and intangible assets	-	26,858	-	37	39,937	5,731	(48,774)	23,789
Disposals during the year	(2,601)	(77,979)	(106,882)	(106,007)	(130,361)	(603)	(27,119)	(451,552)
Effect of cost modification using modification factor	-	-	(884)	(4,809)	(231)	-	-	(5,924)
Effect of movements of 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	197,604	1,115,908	128,017	779,626	7,166,559
Accumulated depreciation and impairment losses								
Accumulated depreciation at 1 January 2021	315,000	583,278	221,609	188,793	419,872	34,437	13,278	1,776,267
Depreciation during the year	25,955	71,976	96,129	23,223	87,149	13,523	-	317,954
Disposals during the year	6,368	(8,073)	(53,094)	(831)	(6,713)	(368)	-	(62,711)
Effect of accumulated depreciation modification using modification factor	-	(674)	(2,608)	8	(631)	-	-	(3,905)
Effect of movements of exchange rates	(129)	59	95	125	537	(224)	-	463
Accumulated depreciation at 31 December 2021	347,194	646,565	262,131	211,318	500,214	47,368	13,278	2,028,068
Accumulated depreciation at 1 January 2022	347,194	646,565	262,131	211,318	500,214	47,368	13,278	2,028,068
Depreciation during the year	35,351	65,753	74,456	19,644	86,188	16,617	-	298,009
Disposals during the year	(7,773)	(26,640)	(55,279)	(50,892)	(45,779)	(30,658)	-	(217,021)
Effect of accumulated depreciation modification using modification factor	-	(9,343)	(691)	(23)	(1,229)	-	-	(11,286)
Effect of movements of 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	2,221,385
Net carrying Amount								
At 1 January 2021	2,135,124	473,055	437,385	60,173	571,957	38,472	495,780	4,211,946
At 31 December 2021 Restated	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	383,952	504,607	11,614	538,007	88,163	766,348	4,945,174

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

17. Asset Right Of Use

The company applied an Egyptian Accounting Standard No. (49) (lease contracts) as of January 1, 2021, and this resulted in the recognition of right of use assets and liabilities as follows:

	Land & building	Total
Cost		
Balance at January 1, 2021	-	-
Asset right of use during the year	537,049	537,049
Balance at December 31, 2021	537,049	537,049
Balance at January 1, 2022	537,049	537,049
Asset right of use 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
Accumulated depreciation at January 1, 2021	-	-
Depreciation during the year	96,716	96,716
Balance at December 31, 2021	96,716	96,716
Accumulated depreciation at January 1, 2022	96,716	96,716
Depreciation during the year	115,344	115,344
Disposals during the year	(21,709)	(21,709)
Effect of exchange rates	11,590	11,590
Accumulated depreciation at December 31, 2022	201,941	201,941
Net Book value at December 31, 2022	431,535	431,535
Net Book value at December 31, 2021	440,333	440,333

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

18. Intangible assets and goodwill

	Goodwill	Computer software	Knowhow	Right to use trademark	Total
Cost					
Balance at 1 January	430,155	64,630	5,703	-	500,488
Adjustments	(177,375)	-	-	177,375	-
Balance at 1 January Restated	252,780	64,630	5,703	177,375	500,488
Additions during the year	-	6,118	-	-	6,118
Balance at December 31, 2022	252,780	70,748	5,703	177,375	506,606
Accumulated amortization					
Balance at 1 January	-	44,795	5,703	-	50,498
Adjustments	-	-	-	82,775	82,775
Balance at 1 January Restated	-	44,795	5,703	82,775	133,273
Amortization during the year	-	6,143	-	5,913	12,056
Balance at December 31, 2022	-	50,938	5,703	88,688	145,329
Net Book value at December 31, 2022	252,780	19,810	-	88,687	361,277
Net Book value at December 31, 2021 Restated	252,780	19,835	-	94,600	367,215

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 Alsaiaarat (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:

	December 31, 2022	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

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

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

Right to use trademark

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

19. Investments property

	December 31, 2022	December 31, 2021
Balance at 1 January	90,905	90,905
Balance at the end of the period	90,905	90,905

20. Issued and paid in capital

	December 31, 2022	December 31, 2021
Authorized capital (5 000 000 000 shares with par value EGP 1 each)	5,000,000	5,000,000
Issued and paid capital (1 094 009 733 shares with par value of EGP 1 each)	1,085,500	1,094,010

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

Private placement (Capital Increase)

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

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

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

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

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 million 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 million 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 million 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 million Egyptian pounds among other reserves (Note 23)

During the period from November 28, 2021 to December 21, 2021 The company has purchased 8,509,733 shares with a total value of 38,681 million 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 million 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

	December 31, 2022	December 31, 2021
Balance at 1 January	523,961	451,064
Transferred to legal reserve	9,581	72,897
Balance at the end of the period	533,542	523,961

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

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, 2022	1,067,263	88,882	80,435	904,041	2,140,621
Foreign currency differences	1,147,197	-	-	-	1,147,197
Modification surplus of fixed assets cost	-	-	(10,598)	-	(10,598)
Balance at December 31, 2022	2,214,460	88,882	69,837	904,041	3,277,220

Share premium

	December 31, 2022	December 31, 2021
Share premium	904,041	904,041

The special reserve represented in the transferred amount from the net share premium in 2007 less the amount transferred to the legal reserve (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 19,570 thousand EGP and the par value of shares of 10 million 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

	Capital	Payment Under capital increase	Reserves	Legal reserve	Private risk reserve - Non banking financial service	General risk reserve	Retained earnings	Total	
								December 31, 2022	December 31, 2021 Restated
Balance at 1 January	738,006	2,188	283,805	56,755	36,829	19,918	503,219	1,640,720	1,485,969
Adjustments	-	-	-	-	-	-	-	-	(11,534)
Net profit for the year	-	-	-	-	-	-	553,140	553,140	359,901
Foreign currency translation results	-	-	281,842	-	-	-	-	281,842	(24,367)
Capital increase	14,700	500	-	-	-	-	-	15,200	293,568
Capital Decrease	(5,361)	-	-	-	-	-	-	(5,361)	(80,471)
Change in Non-controlling interests	17,057	-	-	30	33	18	828	17,966	(250,664)
Transfer to general reserve	-	-	-	31,593	-	-	(31,593)	-	-
Loss of Control	(450,261)	-	5,912	(42,517)	(36,862)	(19,936)	(647,252)	(1,190,916)	-
Disposal net profit for the period of the non-controlling interest until the date of loss of control	-	-	-	-	-	-	(433,889)	(433,889)	-
The Impact of new Egyptian accounting standards	-	-	-	-	-	-	-	-	22,732
Dividends	-	-	-	-	-	-	(150,507)	(150,507)	(154,414)
Balance at the end of the period	314,141	2,688	571,559	45,861	-	-	(206,054)	728,195	1,640,720

25. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue on a going concern basis in order to provide returns to shareholders and benefits for other stakeholders who use these financial statements and to maintain an optimal capital structure to reducing the cost of capital.

In order to maintain an optimal capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total loans and borrowings and notes payables, less cash and cash equivalents. Total capital is calculated as equity, as shown in the consolidated balance sheet, plus net debt.

The gearing ratio at December 31, 2022 and December 31, 2021 restated were as follows:

	December 31, 2022	December 31, 2021
Loans, borrowings and overdrafts	8,980,544	17,143,216
Short-term notes payable - suppliers	330,992	800,964
Total loans and notes payables	9,311,536	17,944,180
Less: Cash and cash equivalent	(4,098,083)	(1,935,644)
Letters of credit	(1,070,366)	(791,566)
Letters of guarantee	(332,354)	(285,919)
Net debt	3,810,733	14,931,051
Shareholders' equity	16,732,554	5,739,354
Net debt to equity ratio	0.23	2.60

26. Loans, borrowings and overdrafts

	December 31, 2022			December 31, 2022		
	Current portion	Long-term portion	Total	Current portion	Long-term portion	Total
Banks overdraft	4,376,303	-	4,376,303	12,104,392	86,128	12,190,520
Loans	1,663,928	2,940,313	4,604,241	1,523,832	3,428,864	4,952,696
Total	6,040,231	2,940,313	8,980,544	13,628,224	3,514,992	17,143,216

A. Banks overdraft

	December 31, 2022	December 31, 2021
Less than one year	4,376,303	12,104,392
	4,376,303	12,104,392

B. Loans

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

	December 31, 2022	December 31, 2021
Less than one year	1,663,928	1,523,832
More than one year and less than five years	2,940,313	3,428,864
	4,604,241	4,952,696

27. Trade payables and other credit balances

	December 31, 2022	December 31, 2021
Trade payables	2,855,987	2,144,143
Other credit balances	443,745	305,269
Advances from customers	282,774	1,128,358
Tax Authority	14,625	30,102
Value added tax	82,588	28,899
Accrued expenses	1,095,372	860,932
Accrued interest expense	52,785	52,612
Deposits from others	58,681	45,370
Notes payables	330,992	800,964
Right of use liability	580,374	94,532
Dividends payable	7,948	2,237
Deferred revenues	6,511	15,200
	5,812,382	5,508,618

28. Provisions

	Note No.	Legal Claims	Warranty Provision	Other Provisions	Total
Balance at January 1, 2022 Restated	(41-1)	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
Balance at January 1, 2021		7,140	79,296	102,272	188,708
Provisions formed during the year		11,055	40,707	187,390	239,152
Provisions utilized during the year		-	(3,558)	(70,519)	(74,077)
Provisions no longer required		-	(11,450)	(45,904)	(57,354)
Effect of movement of exchange rates		-	-	1	1
Balance at December 31, 2021 Restated		18,195	104,995	173,240	296,430

Legal claims provision

The amounts shown comprises of gross provisions in respect of legal claims brought against the Group, and management opinion, after taking appropriate legal advice, that the outcome of these legal claims will not exceed significantly the provision formed as at December 31, 2022.

Warranty Provision

The Group provides warranty on its products and guarantees to either fix or replace the products that are not working properly, and the Group has estimated its warranty provisions to be EGP 108,536 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 December 31, 2022 EGP 13,935 (December 31, 2021 EGP 13,909).

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 September 30, 2022 amounted to 65,073 thousand Egyptian pounds and the value of the no longer required provisions is 95,227 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:

	December 31, 2022			December 31, 2021
	Assets	Liabilities	Net	Net
US Dollars	292,695	(1,512,886)	(1,220,191)	(1,191,480)
Euros	199,623	(28,170)	171,453	90,612
Other currencies	23,975	(47,945)	(23,970)	(79,546)

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

The Group's interest rate risk arises from long-term loans. Long-term loans issued at variable rates expose the Group to cash flow interest rate risk. Long-term borrowings issued at fixed rates expose the Group to fair value interest rate risk.

"Loans, borrowings and overdrafts at the balance sheet date with variable interest rates are amounted to EGP 8,980,544 as at December 31, 2022 (EGP 17,143,216 as at December 31, 2021)."

"Financial assets that carry fixed interest rates are amounted to EGP 145,745 as at December 31, 2022 (EGP 359,595 as at December 31, 2021)."

		December 31, 2022	December 31, 2021
Time deposits	USD	136,659	57,489
Time deposits	EGP	9,086	302,106
		145,745	359,595

B. 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:

	December 31, 2022	December 31, 2021
Notes and accounts receivables	7,263,607	18,123,110
Expected credit loss for accounts and notes receivable balances	366,775	560,409
The ratio of the expected credit loss to the total accounts and notes receivable	5.05%	3.09%

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."

30. Investments in subsidiaries

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

* Subsidiaries which control has been lost (Note 35 and Note 40)

Company Name	December 31, 2022	December 31, 2021
RG Investment "S.A.E."	99.99%	99.99%
International Trade Agencies and Marketing Co. (ITAM-CO) "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 "S.A.E."	100.00%	100.00%
GB Auto Rental For transportation "S.A.E."	100.00%	100.00%
Masters Automotive Company "S.A.E."	75.00%	75.00%
Microfinance consultancy Services (Mashro'ey) "S.A.E."	57.26%	57.26%
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."	100.00%	100.00%
GB for Import & export	100.00%	100.00%
Tasaheel Microfinance Company ((Tasaheel)) "S.A.E."	57.26%	57.26%

Company Name	December 31, 2022	December 31, 2021
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 S.A.R.L.	100.00%	100.00%
BBAL Blue Bay Auto Loan Investments Cyprus LTD	100.00%	100.00%
Salexia L.T.D. Trading (Cyprus)	100.00%	100.00%
GB Capital Securitization S.A.E.	100.00%	100.00%
GB Real Estate Mortgage Finance B.V.	100.00%	100.00%
GB Capital BV	100.00%	100.00%
Transport Vehicle Distribution TVD S.A.E.	51.00%	51.00%
Automobilk S.A.E	65.00%	65.00%
GB Finance Lease BV	100.00%	100.00%
GB Operational Lease BV	100.00%	100.00%
GB Consumer Finance B.V.	100.00%	100.00%
SME's credit facilities company B.V.	100.00%	100.00%
GB Global BV	100.00%	100.00%
GB Automotive For Trade and Manufacturing	100.00%	-
SME Credit Eteman	100.00%	100.00%
International Company For car components (S.A.E)	51.00%	-
GB Kinya	100.00%	-
* Microfinance consultancy Services (Mashro'ey) "S.A.E."	-	57.26%
* Tasaheel Microfinance Company ((Tasaheel)) "S.A.E."	-	57.26%
* MNT for SME Development "S.A.E."	-	57.26%
* MNT Investment B.V. (Netherlands)	-	57.26%
* Rassedy S.A.E.	-	55.10%
* GB Microcredit BV	-	57.26%
* Rassedy For Collection S.A.E	-	55.10%
* Halan Consumer Finance	-	57.26%
* Talabiya For Distribution	-	-
* Talabiya For Distribution B.V.	-	-

31. Payment under Investment fair value through profit and losses

	December 31, 2022	December 31, 2021
Auto Market Company	-	54,456
GBM Global	72	72
Total	72	54,528

32. Capital Commitments

"The capital contractual expenditure of the Group at the consolidated financial statements date reached EGP 463 730 at December 31,2022 (EGP 98,353 as at December 31, 2021) represented in the amount to be paid upon the completion of the new production lines under construction and other branches across the country."

33. Contingent liabilities

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

	December 31, 2022	December 31, 2021
USD	1,573,452	2,566,108
EGP	138,112	1,164,349
Japanese Yen	72,210	9,752
Euro	3,620	7,026
Crona Swedish	64,052	-
CNY	-	124

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:

	December 31, 2022	December 31, 2021
Due from related parties		
El Bostan Holding	105,091	66,865
SARL SIPAC – Algeria	18,015	11,251
Algematco – Algeria	41,048	27,291
MNT Investment B.V. Group	81,517	92,505
Kassed Shareholders' Current Account	-	10,805
El Qalam Shareholders' Current Account	3,960	2,520
Auto Market misr	-	18,721
Total	249,631	229,958
Impairment of due from related parties	(64,623)	(36,730)
	185,008	193,228
Due to related parties		
Marco Polo Company	93,587	59,545
EQI	-	761
Al Watania for car accessories and spare parts	8,084	8,084
Gaya	-	10,345
Wahdan Company	68	68
EL Ghalban Company	-	47,195
	101,739	125,998

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

Related party name	Relation type	Transaction nature	Transaction amount	
			December 31, 2022	December 31, 2021
Executive BOD Members	Board of Directors	Top Management Salaries	43,597	40,070
Al Watania for Vehicles Accessories and spare parts	Related Party	Purchases	-	11
SARL SIPAC – Algeria	Related Party	Cash transfer	(6,764)	-
Kassed Shareholders' current account	Shareholder in one of the subsidiaries	Sales	-	-
		Cash transfer	-	(7,746)
El- Qalam Shareholder current account	Shareholder in one of the subsidiaries	Sales		(108,271)
		Services	3,960	34,427
Marco Polo Company	Shareholder in one of the subsidiaries	Services	(34,042)	113
Algematco – Algeria	Shareholder in one of the subsidiaries	Cash transfers	13,757	2,021
Bostan Holding	Related Party	Foreign Currency translation difference	(38,226)	127
MNT Investment B.V. Group	Related Party	Cash transfers	(10,988)	(85,645)
Gaya	Shareholder in one of the subsidiaries	Cash transfers	10,345	774
El Ghalban	Shareholder in one of the subsidiaries	Cash transfers	-	7,216

35. Investment in associates

	Contribution percentage	December 31, 2021	Net Profit / Losses for the year	Additions during the year	Disposal During the year	Dividends Distribution	December 31, 2022
MNT Investment B.V. Group	49.50%	-	39,562	9,417,370	-	-	9,456,932
Halan for Information technology	40.13%	535,869	39,148	118,618	(693,635)	-	-
Bedaya for Real estate Financing	33.33%	62,621	28,421	-	-	(6,143)	84,899
Tokyo Marine	37.50%	24,420	(6,544)	-	-	-	17,876
		622,910	100,587	9,535,988	(693,635)	(6,143)	9,559,706

36. Other investments with fair value through profit and losses

	Contribution percentage	December 31, 2021	Net Profit / Losses for the year
Sky reality holding	7.49%	103,500	103,500
Atlanta company for car service	29.60%	2,000	-
Seatr application	17.50%	500	-
Tawfiqia .com	10.00%	500	500
		106,500	104,000

37. Income statement according to expense nature

	December 31, 2022	December 31, 2021 Restated
Operating Revenue	29,789,079	31,437,533
Operating Cost	(21,676,145)	(25,134,960)
Gross Profit	8,112,934	6,302,573
Other income	285,557	184,364
Provisions no longer required	86,206	46,533
Gain from sale & Revaluation of investment	100,587	(40,592)
Interest income	147,472	149,652
Installment sales interest	19,280	20,380
Bank charge	(134,947)	(86,421)
Interest expense	(755,770)	(647,125)
Salaries & Benefits	(2,514,607)	(2,124,611)
Selling & Marketing	(181,449)	(239,557)
Rents	(121,486)	(86,048)
Net Gain/Losses foreign exchange transaction	(239,027)	11,944
Provisions formed	(315,994)	(177,470)
Depreciation and Amortization	(301,491)	(235,360)
Consulting	(272,843)	(137,137)
Transportation	(48,101)	(42,782)
Vehicles expense	(72,258)	(61,785)
Governmental Fees & stamps	(98,749)	(39,919)
IT Expense	(83,842)	(73,145)
Other Expenses	(154,854)	(30,086)
Penalties	(47,469)	(23,466)
Insurance	(26,451)	(18,475)
Security Expense	(24,500)	(27,119)
Training employees	(27,222)	(198)
Repair/Maintenance Expenses	(1,309)	(1,261)
Administration Supplies	(65,493)	(50,876)
Utilities	(26,586)	(24,770)
Donations & Public relation	(60,625)	(127,670)
Medical Fund	(69,545)	(78,433)
Freight	(14,307)	(9,454)
Net profit for the year before income tax	11,300,420	2,331,686

38. Securitized Operations

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

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

December 31, 2022		December 31, 2021	
Total Value	Fair Value	Total Value	Fair Value
19,146,302	12,396,833	11,764,213	10,565,882

39. Bonds

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

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

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

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

	December 31, 2022				
	Total Value	Borrowing Cost	Convert from long to short term	Paid	Net
Installments Due within a year	356,923,077	(1,907,072)	60,534,160	(174,011,703)	241,538,462
Installments Over a year	343,076,923	(2,542,763)	(60,534,160)	-	280,000,000
Total	700,000,000	(4,449,835)	-	(174,011,703)	521,538,462

40. Loss of control on subsidiary

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

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

40-1 Gain from sale of investment

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

* The payment was collected on February 9,2023.

40.2. Gain from revaluation investment at fair value

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

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

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

40.3. For cash flow purposes

	The period from January 1, 2022 until the date of loss of control
Net Movement of investments in associates	(8,842,352)
Net revaluation of investment at fair value through profit and losses	9,417,370
Disposal of investments in associates at the date of loss of control	(693,635)
Disposal the book value of the assets and liabilities of the subsidiary at the date of loss of control	(3,135,110)
Disposal the book value of the Non-Controlling interest at the date of loss of control	1,190,917
Net book value of the investment	(393,338)
The net movement of investments in associates as shown in the statement of cash flows	(2,456,148)

41.1. Adjustment on Consolidated statement of financial position as in 31 December 2021

(All amounts in thousand Egyptian Pound)	Note	Before the restatement	Adjustments	After the restatement
Assets				
Non-current assets				
Property, plant, equipment and projects under construction (Net)	(16)	4,208,324	44,373	4,252,697
Assets right of use	(17)	440,333	-	440,333
Intangible assets and goodwill	(18)	449,990	(82,775)	367,215
Payments under investment	(31)	54,528	-	54,528
Investment in associate	(35)	622,910	-	622,910
Other investments	(36)	104,000	-	104,000
Long term notes receivables (Net)	(12)	5,758,369	-	5,758,369
Deferred tax assets	(10-B)	331,341	-	331,341
Investment property	(19)	90,905	-	90,905
Debtors and other debit balances	(14-A)	688,262	-	688,262
Subordinated Loan		-	-	-
Total non-current assets		12,748,962	(38,402)	12,710,560
Current assets				
Inventories (Net)	(11)	4,203,342	-	4,203,342
Accounts and notes receivables (Net)	(13)	10,239,476	-	10,239,476
Debtors and other debit balances (Net)	(14-B)	2,787,409	-	2,787,409
Due from related parties	(34)	193,228	-	193,228
Cash on hand and at banks	(15-A)	1,935,644	-	1,935,644
Total current assets		19,359,099	-	19,359,099
Total assets		32,108,061	(38,402)	32,069,659
Equity				
Issued and paid in capital	(20)	1,094,010	-	1,094,010
Treasury bills	(21)	(8,510)	-	(8,510)
General risk reserve	(42)	49,472	-	49,472

(All amounts in thousand Egyptian Pound)	Note	Before the restatement	Adjustments	After the restatement
Legal reserve	(22)	523,961	-	523,961
Other reserves	(23)	2,140,621	-	2,140,621
Private risk reserve - Non banking financial service	(41)	90,399	-	90,399
Retained Earning		547,392	(106,502)	440,890
Net Profit for the period / year		1,477,953	(69,442)	1,408,511
Equity attributable to shareholders of the parent		5,915,298	(175,944)	5,739,354
Non-controlling interests	(24)	1,649,730	(9,010)	1,640,720
Total equity		7,565,028	(184,954)	7,380,074
Liabilities				
Non-current liabilities				
Loans	(26)	3,514,992	-	3,514,992
Bond Payable Long term	(39)	588,088	-	588,088
Long term notes payables and creditors		-	-	-
Right of use Liability		327,299	-	327,299
Warranty provisions	(28)	13,909	-	13,909
Deferred tax liabilities	(10-B)	348,657	-	348,657
Total non-current liabilities		4,792,945	-	4,792,945
Current liabilities				
Provisions	(28)	225,970	56,551	282,521
Current tax liabilities	(10-A)	351,279	-	351,279
Loans, borrowings and overdrafts	(26)	13,628,224	-	13,628,224
Due to related parties	(34)	125,998	-	125,998
Trade payables and other credit balances	(27)	5,418,617	90,001	5,508,618
Total current liabilities		19,750,088	146,552	19,896,640
Total liabilities		24,543,033	146,552	24,689,585
Total equity and liabilities		32,108,061	(38,402)	32,069,659

41.2. Adjustment on Consolidated income statement as of December 31,2022

(All amounts in thousand Egyptian Pound)	Note	Before the restatement	Adjustments	After the restatement
Continuing operations				
Operating revenue		31,437,533	-	31,437,533
Operating cost		(25,134,960)	-	(25,134,960)
Gross profit		6,302,573	-	6,302,573
Other income	(6)	229,992	(45,628)	184,364
Selling and marketing expenses		(1,849,389)	-	(1,849,389)
General and administrative expenses		(1,576,850)	(5,913)	(1,582,763)
Provisions and Impairment of Current and Non-Current assets (Net)	(8)	(104,027)	(26,911)	(130,938)
Operating results		3,002,299	(78,452)	2,923,847
Finance costs (Net)	(7)	(551,569)	-	(551,569)
Investment in associates and liquidation losses	(35)	(40,592)	-	(40,592)
Net profit for the period before income tax		2,410,138	(78,452)	2,372,278
Income tax (expense)	(10-C)	(563,274)	-	(563,274)
Net profit for the period after tax		1,846,864	(78,452)	1,809,004
Attributable to:				
Shareholder's of the parent company		1,477,953	(69,442)	1,408,511
Non-controlling interests		368,911	(9,010)	359,901
		1,846,864	(78,452)	1,768,412
Basic earnings per share/ EGP	(9)	1.352	(0.063)	1.288

41.3. Adjustment on consolidated Comprehensive income 31 December 2022

(All amounts in thousand Egyptian Pound)	Before the restatement	Adjustments	After the restatement
Net Profit for the period before income tax	1,846,864	(78,452)	1,768,412
Other comprehensive income items			
Foreign currency translation difference	(14,825)	-	(14,825)
Modification surplus of fixed assets result	(22,284)	-	(22,284)
Total other comprehensive income for the period before income tax	(37,109)	-	(37,109)
Income tax Related to other comprehensive income item	4,886	-	4,886
Other comprehensive income for the period after income tax	(32,223)	-	(32,223)
Total other comprehensive income for the period	1,814,641	(78,452)	1,736,189
Other comprehensive income is attributable to:			
Owners of the company	1,470,097	(69,442)	1,400,655
Non-controlling interests	344,544	(9,010)	335,534
	1,814,641	(78,452)	1,736,189

42. 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 December 31, 2022 reached 20 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.

43. 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.

44. 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.	102,733
(2) Balance of net impairment of customers as recorded in the books and according to Egyptian accounting standards (expected credit losses).	92,022
The balance of reserve for financial solvency	10,711

45. Foreign currency exchange through comprehensive income

On December 27, 2022, Prime Minister Decision No. 1568 of 2022 was issued to amend some provisions of the Egyptian Accounting Standards, represented in the issuance of Appendix (C) to Egyptian Accounting Standard No. (13), amended in 2015, "The Effects of Changes in Foreign Currency Exchange Rates," which deals with accounting treatment. This special optional accounting treatment issued in this appendix is not considered an amendment to the amended Egyptian accounting standards currently in force, beyond the time period for the validity of this appendix, and these treatments are as follows:

1- An establishment that, prior to the date of the abnormal exchange rate movements, may acquire fixed assets, real estate investments, exploration and evaluation assets, intangible assets (other than goodwill) and usufruct assets for lease contracts, funded by existing obligations. On that date in foreign currencies, to recognize within the cost of those assets the currency differences resulting from the retranslation of the outstanding liability balance relating to them on the date of the exchange rate movement using the exchange rate on the date of the exchange rate movement. The facility can apply this option for each asset separately.

2- As an exception to the requirements of Paragraph No. 28 of the amended Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Currency Exchange Rates" regarding the recognition of currency differences, an enterprise whose business results were affected by net profits or losses of currency differences as a result of moving the currency exchange rate. Foreign companies may recognize in other comprehensive income the debit and credit currency differences resulting from the retranslation of the balances of monetary items outstanding at the end of December 31, 2022 using the closing price on the same date, minus any currency translation differences that were recognized within the cost of assets in accordance with the previous paragraph. . Considering that these differences were mainly caused by the decision of the unusual foreign exchange rate movements.

The company's management decided to apply accounting treatment No. (2), whereby the currency differences charged to the statement of comprehensive income amounted to an amount 447 997 thousand Egyptian pounds on December 31, 2022.

46. 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-existing 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.

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:

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.
- Qualifying cash flow hedges to the extent that the hedges are effective.

2) Foreign Operations

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

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

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

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

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

C. Discontinued operation

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

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

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

D. Revenue from customer contracts.

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

Egyptian Accounting Standard No. 48 specifies a comprehensive framework for determining the value and timing of revenue recognition. This standard replaces the following Egyptian accounting standards (Egyptian Accounting Standard No. (11) "Revenue" and Egyptian Accounting Standard No. (8) "Construction Contracts". Revenue is recognized

When a customer is able to control units or services, determining the timing of the transfer of control - over a period of time or at a point in time - requires a measure of personal judgment.

Revenue Recognition

According to the nature of the group's activities, in addition to the group's current accounting policies, the effect of Egyptian Accounting Standard No. 48 on the recognition of revenue by the group will be immaterial, as the net effect of retained earnings amounted to 12.5 million Egyptian pounds.

The costs of assign a contract with customers

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

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.

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 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:

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

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

4) Reclassification to investment property

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

5) Project under construction

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

J. Intangible assets and goodwill

1) Recognition and measurement

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.

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.

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.

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.

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 value the classification of financial assets at the company's financial statements according to the financial assets cash flow conditions and the company related business module for financial assets certain category.
 - EAS 47 has no longer available for sale classification for financial assets. The new standard contains different requirements for financial 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, most of financial assets classification have not been effected by the adoption of EAS 47 at 1 January 2021

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.

Which prove that non-consensual recognition of the other is not appropriate for a particular financial instrument.

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

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

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

Principle of these assets

- Stage one: 12-month expected credit losses

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

- Stage two: Lifetime ECL - not credit-impaired

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

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

- Measurement

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

- Hedge accounting

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

M. Share capital

1) Ordinary Shares

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

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

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

N Provisions

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

1) Warranties

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

2) Legal Claims

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

3) Other Provisions

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

O. Leases

This standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

An entity shall determine the lease term as the non-cancellable period of a lease, together with both:

- Periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option.
- Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

As a lessor:

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Whether a lease is a finance lease or an operating lease depends on the substance of the transaction rather than the form of the contract.

Examples of situations that individually or in combination would normally lead to lease being classified as a finance lease are:

- A- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term.
- B- The lessee has the option to purchase the underlying asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception date, that the option will be exercised.
- C- The lease term is for the major part of the economic life of the underlying asset even if title is not transferred.
- D- At the inception date, the present value of the lease payments amounts to at least substantially all of the fair value of the underlying asset.
- E- The underlying asset is of such a specialised nature that only the lessee can use it without major modifications..

Recognition and measurement

Initial measurement

At the commencement date, a lessor shall recognise assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

- A- Fixed payments (including in-substance fixed payments as described in paragraph B42), less any lease incentives payable.
- B- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- C- Any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee. The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- D- Assessed considering the factors described in paragraph B37 (payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option).
- E- Terminate the lease.

Operating leases

Recognition and measurement

Recognition of the lease payments from operating leases as income on either a straight-line basis or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Sale and leaseback transactions

If an entity (the seller-lessee) transfers an asset to another entity (the buyer-lessor) and leases that asset back from the buyer-lessor, both the seller-lessee and the buyer-lessor shall account for the transfer contract and the lease applying:

1) Assessing whether the transfer of the asset is a sale

The Company shall apply the requirements for determining when a performance obligation is satisfied in EAS (48) to determine whether the transfer of an asset is accounted for as a sale of that asset.

2) Transfer of the asset is a sale

- a) If the transfer of an asset by the seller-lessee satisfies the requirements of EAS (48) to be accounted for as a sale of the asset:
 - The seller-lessee shall measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. Accordingly, the seller-lessee shall recognise only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.
 - The buyer-lessor shall account for the purchase of the asset applying applicable Standards, and for the lease applying the lessor accounting requirements in this Standard.

- b) If the fair value of the consideration for the sale of an asset does not equal the fair value of the asset, or if the payments for the lease are not at market rates, an entity shall make the following adjustments to measure the sale proceeds at fair value:
 - Any below-market terms shall be accounted for as a prepayment of lease payments.
 - Any above-market terms shall be accounted for as additional financing provided by the buyer lessor to the seller-lessee.
- c) The entity shall measure any potential adjustment required on the basis of the more readily determinable of:
 - The difference between the fair value of the consideration for the sale and the fair value of the asset.
 - The difference between the present value of the contractual payments for the lease and the present value of payments for the lease at market rates.

3) Transfer of the asset is not a sale

If the transfer of an asset by the seller-lessee does not satisfy the requirements of

EAS (48) "Revenue from Contracts with Customers" to be accounted for as a sale of the asset:

- The seller-lessee shall continue to recognise the transferred asset and shall recognise a financial liability equal to the transfer proceeds. It shall account for the financial liability applying EAS (47) "Financial Instruments".
- The buyer-lessor shall not recognise the transferred asset and shall recognise a financial asset equal to the transfer proceeds. It shall account for the financial asset applying EAS (47) "Financial Instruments".

As a lessee:

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. The Company may elect not to apply that for the short-term leases and leases for which the underlying asset is of low value, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Initial measurement of the right-of-use asset

The cost of the right-of-use asset shall comprise:

- A- The amount of the initial measurement of the lease liability shall measure at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.
- B- Any lease payments made at or before the commencement date, less any lease incentives received.
- C- Any initial direct costs incurred by the lessee.
- D- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Subsequent measurement of the right-of-use asset

After the commencement date, a lessee shall measure the right-of-use asset applying a cost model:

- a) Less any accumulated depreciation and any accumulated impairment losses.
- b) Adjusted for any re-measurement of the lease liability.

Initial measurement of the lease liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Subsequent measurement of the lease liability

After the commencement date, a lessee shall measure the lease liability by:

- a) Increasing the carrying amount to reflect interest on the lease liability.
- b) Reducing the carrying amount to reflect the lease payments.
- c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.
 - Right-of-use asset and lease liabilities shall present in the statement of financial position separately from other assets and other liabilities.
 - Lease contracts includes lessee performing maintenance and insurance for the leased asset, the lease contract does not include any arrangements to transfer of ownership by the end of the lease period.
 - For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. As a practical expedient, a lessee may elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

Egyptian Accounting Standard No. (49 - Lease contracts

- The Egyptian Accounting Standard (49) replaces the Egyptian Accounting Standard No. (20) - the accounting rules and standards related to financial leasing operations.
- Egyptian Accounting Standard No. (49) "Lease Contracts" provides a single accounting model for the lessor and the lessee where the lessee recognizes the right to use the leased asset within the company's assets and recognizes a commitment which represents the current value of unpaid lease payments within the company's obligations, bearing in mind that Leases are not classified to the lessee as an operating lease or 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 his lease contracts either as an operating lease contract or as a finance lease contract.
- With regard to the financial lease, the lessor must recognize the assets held under a finance lease contract in the balance sheet and display them as receivable sums in an amount equal to the net investment in the lease contract.
- For an operating lease, the lessor must recognize lease payments from operating lease contracts as income, either on a straight line basis or on any other regular basis.

Recognition and measurement

- Upon the commencement of the contract, the company evaluates whether the contract contains lease arrangements, and for such arrangements for leasing contracts, the company recognizes Right of use assets and liabilities for lease contracts, with the exception of short-term leasing contracts and low-value asset contracts as follows:
- On initial recognition, the Right of use asset is measured as the amount equal to the rental obligation measured initially and adjusted for pre-contract lease payments, initial direct cost, rental incentives, and the discounted value of the estimated costs of dismantling and removing the asset.
- In the subsequent measurement, the right of use base is measured at cost deducted from the depreciation aggregate and the sum of the impairment losses.
- Depreciation is calculated on a straight-line basis over the estimated useful lives of the Right of use assets or the lease term, whichever is less.
- Lease commitment is measured at the beginning of the lease contract at the present value of the lease payments unpaid on that date over the lease period. Lease payments must be deducted using the country's incremental borrowing rate in general. The company uses the additional borrowing rate as the discount rate.
- Then the lease contract liability is measured at amortized cost using the effective interest rate method.
- The Right of use assets and lease obligation of the lease contracts will be re-measured later in the event that any of the following events occur:
 - The change in the rental price due to the link to the price or the rate that became effective in the period.
 - Amendments to the lease contract
 - Reassessment of the lease term

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

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

The term of the leasing contract determines, along with a period of time, the lease option contract, or this right may be exercised, and to a reasonable extent, or periods covered by the option to terminate the lease, may exercise this right.

The company has the option under some lease contracts to lease assets for additional periods, the company applies judgment in assessing whether it is certain and to a reasonable degree to exercise the renewal option, and this means that all relevant factors that create an economic incentive to practice renewal are taken into consideration, after the start date

The company shall return the lease term if there is a major event or change in the circumstances under its control that affects its ability to exercise (or not exercise) the renewal option (for example) a change in the 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 subjects 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 to changes in presentation in the current period.

47. Significant Events

The Central Bank of Egypt decided, in its session held on October 27, 2022, to announce the implementation 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 Egyptian pound. In conjunction with the liberalization of the exchange rate, the Central Bank of Egypt also raised the deposit and lending rates, which affected the company's revenues and financing costs.

48. Subsequent Events

The Board of Directors of GB Capital for Financial Investments, which is owned 99.99% of GB Auto, on September 6, 2022, by agreeing to negotiate to enter into an agreement to sell an indirect percentage representing 45% of the shares of GB Lease Company. On December 18, 2022, GB Capital for Financial Investments signed a definitive agreement to sell an indirect percentage representing 45% of the shares of GB Financial Lease Company. 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 of an indirect percentage representing 45% of the shares of GB Leasing Company S.A.E. With a total value of 855 million Egyptian pounds. The percentage of GB Auto's indirect ownership in GB Lease, after executing the sale transaction, becomes 55%.

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