

GB Corp
(An Egyptian Joint Stock Company)

Consolidated Financial Statements
For The Financial Year Ended December 31, 2025

And Auditor Report

 **Hazem Hassan**
Public Accountants & Consultants

Contents	Page
Auditor Report	1
Consolidated Statement of Financial Position	3
Consolidated Statement of Profit or Loss	4
Consolidated Statement of Comprehensive Income	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9



Hazem Hassan
Public Accountants & Consultants

Translation of Auditor's Report

originally issued in Arabic

B (105) – Avenue (2) – Smart Village
Km 28 Cairo – Alex Desert Road
Giza – Cairo – Egypt
Postal Code : 12577

Telephone : (202) 35 37 5000 – 35 37 5005
E-mail : Egypt@kpmg.com.eg
Fax : (202) 35 37 3537
P.O. Box : (5) Smart Village

Auditor's Report

To the Shareholders of GB Corp (S.A.E.)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GB Corp (S.A.E.), which comprise the consolidated financial position as at December 31, 2025, and the consolidated Statement of Profit or Loss and comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these Consolidated financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Consolidated financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Except for what will be discussed in the basis for the qualified opinion below, we conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Hazem Hassan

Translation of Auditor's Report

originally issued in Arabic

Basis of qualified opinion

We were not provided with the consolidated audited financial statements for the financial year ended December 31, 2025 for one of the associate companies (MNT – BV - Consolidated) which is accounted for using the equity method, as the group owns approximately 44% of the shares of this company, in order to verify the accuracy of calculating the group's share of the profits resulting from this investment amounted to EGP 965,6 Million recorded by the company's management during the year

Qualified Opinion

Except for the impact of the potential adjustments, the necessity of which could have been determined if we were able to obtain the consolidated audited financial statements for the financial year ending December 31, 2025, for one of the associate companies (MNT – BV - Consolidated) in order to verify the accuracy of calculating the group's share of the profits resulting from this investment amounted to EGP 965,6 Million recorded by the company's management during the year, in our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of GB Corp (S.A.E.) as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

KPMG Hazem Hassan
Public Accountants & Consultants

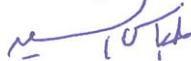
Cairo February 26, 2026

GB Corp
(An Egyptian Joint Stock Company)
Consolidated Statement of Financial Position
as at December 31, 2025

(All amounts in thousand of Egyptian Pound)	Note No.	31 December 2025	31 December 2024 Restated
Assets			
Non-current assets			
Property, plant, equipment and projects under construction	(17)	10 729 640	8 193 201
Assets right of use	(18-A)	1 672 868	1 115 089
Intangible assets and goodwill	(19)	986 474	1 052 278
Equity accounted investees	(34)	13 272 208	12 107 366
Investments in fair value through OCI	(35-A)	417 197	145 261
Long term accounts and notes receivables	(13)	9 370 162	7 274 964
Deferred tax assets	(11-B)	234 886	111 767
Debtors and other debit balances	(15-A)	347 282	254 129
Total non-current assets		37 030 717	30 254 055
Current assets			
Assets held for sale	(43)	866 096	896 270
Inventories	(12)	24 649 734	21 134 299
Accounts and notes receivables	(14)	13 465 131	8 334 218
Investments in fair value through profit or loss	(35-B)	-	79 999
Debtors and other debit balances	(15-B)	5 818 602	5 478 585
Due from related parties	(33)	4 852	53 286
Cash and cash equivalents	(16)	9 523 553	7 420 866
Total current assets		54 327 968	43 397 523
Total assets		91 358 685	73 651 578
Equity			
Issued and paid up capital	(20)	1 085 500	1 085 500
Reserve for financial Solvency	(42)	192 044	122 655
General risk reserve	(41)	3 943	1 359
Legal reserve	(22)	910 894	710 245
Other reserves	(23)	6 979 776	7 482 454
Private risk reserve	(40)	-	20 393
Fair value reserve		2 012 393	1 348 087
Retained earning		14 724 117	12 534 638
Net profit for the year		2 880 046	2 928 121
Equity attributable to parent Company		28 788 713	26 233 452
Non-controlling interests	(24)	1 801 442	2 016 109
Total equity		30 590 155	28 249 561
Liabilities			
Non-current liabilities			
Loans	(26)	10 721 880	6 835 835
Bonds	(38)	40 000	120 000
Long term notes payables and creditors		1 352 805	384 389
Lease liabilities	(18-B)	1 554 311	1 123 775
Warranty provisions	(28)	22 955	7 070
Deferred tax liabilities	(11-B)	763 537	495 907
Total non-current liabilities		14 455 488	8 966 976
Current liabilities			
Provisions	(28)	771 679	702 803
Current tax liabilities	(11-A)	1 158 633	744 120
Loans, borrowings and overdrafts	(26)	27 199 462	15 572 866
Due to related parties	(33)	19 568	2 058
Bonds	(38)	80 000	80 000
Lease Liabilities	(18-B)	320 781	211 359
Trade payables and other credit balances	(27)	16 762 919	19 121 835
Total current liabilities		46 313 042	36 435 041
Total liabilities		60 768 530	45 402 017
Total equity and liabilities		91 358 685	73 651 578

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

Group Chief Financial Officer and
Executive Board Member
Abbas Elsayed



Executive Board Member
Nader Ghabbour



**Auditor Report "attached"

GB Corp
(An Egyptian Joint Stock Company)
Consolidated Statement of Profit or Loss
for the financial year ended 31 December 2025

(All amounts in thousand of Egyptian Pound)	Note No.	2025	2024
Operating revenue	(5)	80 229 809	53 969 539
Operating costs	(5)	(67 798 681)	(43 454 917)
Gross profit		12 431 128	10 514 622
Other income	(6)	912 225	505 593
Selling and marketing expenses	(36)	(2 987 521)	(1 815 019)
General and administrative expenses	(36)	(3 559 775)	(3 028 632)
Other Revenue / (Expenses)	(8)	64 387	(240 108)
Expected Credit Losses	(9)	(229 488)	(115 616)
Operating Profit		6 630 956	5 820 840
Finance costs (Net)	(7)	(3 747 179)	(2 689 349)
Share of profit of equity accounted investees	(34)	986 361	867 641
Change in fair value of financial investments at fair value through the profit or loss	(35-B)	7 967	-
Losses from revaluation of disposal of subsidiaries companies		(11 584)	-
Net profit for the year before income tax		3 866 521	3 999 132
Income tax expense	(11-C)	(1 086 066)	(939 239)
Net profit for the year after income tax		2 780 455	3 059 893
Attributable to:			
Shareholder's of the parent company		2 880 046	2 928 121
Non-controlling interests		(99 591)	131 772
		2 780 455	3 059 893
Basic earning per share (EGP/Share)	(10)	2.635	2.609

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

GB Corp
(An Egyptian Joint Stock Company)
Consolidated Statement of Comprehensive Income
for the financial year ended 31 December 2025

(All amounts in thousand of Egyptian Pound)	<u>Note No.</u>	<u>2025</u>	<u>2024</u>
Net profit for the year after income tax		2 780 455	3 059 893
Other comprehensive income items			
Foreign currency translation difference		(564 742)	3 729 319
Net change of investments at fair value		336 154	-
Net change of financial assets at fair value		532 048	417 483
Effect of adjustments to fixed assets cost	(11-D)	(8 249)	(9 379)
Total other comprehensive income for the year before income tax		<u>295 211</u>	<u>4 137 423</u>
Income tax related to other comprehensive income	(11-D)	(195 967)	(90 479)
Total other comprehensive income for the year after income tax		<u>99 245</u>	<u>4 046 944</u>
Total comprehensive income for the year		<u><u>2 879 699</u></u>	<u><u>7 106 837</u></u>
Comprehensive income is attributable to:			
Shareholder's of the parent company		2 179 808	6 584 188
Non-controlling interests		699 891	522 649
		<u><u>2 879 699</u></u>	<u><u>7 106 837</u></u>

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

GB Corp
(An Egyptian Joint Stock Company)
Consolidated Statement of Changes in Equity
for the financial year ended 31 December 2025

31 December 2025	Issued and paid up capital	Legal reserve	Fair value reserve	Foreign currency translation reserve	ESOP (Fair value) reserve	Revaluation surplus of fixed assets reserve	Share premium (Special reserve)	Reserve for financial solvency risk	General risk reserve	Private risk reserve	Retained Earning	Net profit for the year	Total	Non-Controlling Interests	Total equity
(All amounts in thousand of Egyptian Pound)															
Balance at December 31, 2024	1 085 500	710 245	-	6 845 278	88 882	51 865	904 041	122 655	1 359	20 393	12 680 163	2 928 121	25 438 502	1 978 417	27 416 919
Adjustments on the beginning balance	-	-	1 348 087	(407 612)	-	-	-	-	-	-	(145 575)	-	794 950	37 692	832 642
Balance at December 31, 2024 Restated	1 085 500	710 245	1 348 087	6 437 666	88 882	51 865	904 041	122 655	1 359	20 393	12 534 638	2 928 121	26 233 452	2 016 109	28 249 561
Transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	2 928 121	(2 928 121)	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-	2 880 046	2 880 046	(99 591)	2 780 455
Net profit for the year	-	-	-	-	-	(6 663)	-	-	-	-	-	-	(6 663)	-	(6 663)
Net impact of adjustment to fixed assets cost after tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net change of financial assets at fair value	-	-	447 846	-	-	-	-	-	-	-	-	-	447 846	-	447 846
Other Comprehensive income items	-	-	-	(496 015)	-	-	-	-	-	-	-	-	(496 015)	-	(564 742)
Net change of investments at fair value	-	-	260 496	-	-	-	-	-	-	-	-	-	260 496	-	260 496
Disposal of investments at fair value through retained earnings	-	-	(44 036)	-	-	-	-	-	-	-	44 036	-	-	-	-
Total comprehensive income	-	-	664 306	(496 015)	-	(6 663)	-	-	-	-	44 036	-	2 880 046	(196 301)	2 683 409
Transactions with owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve for financial solvency risk	-	-	-	69 389	-	-	-	-	-	-	(69 389)	-	-	-	-
Modification of fixed assets cost	-	-	-	-	-	-	-	-	-	-	8 409	-	8 409	-	8 409
General risk reserve/ private	-	-	-	-	-	-	-	2 584	(20 393)	-	17 809	-	-	-	-
Dividends Distributions	-	-	-	-	-	-	-	-	-	-	(51 238)	-	(51 238)	(6 190)	(57 428)
Change in NCI without change in control	-	-	-	-	-	-	-	-	-	-	(27 620)	-	(27 620)	(13 002)	(40 622)
Payment under capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	826	826
Transferred to legal reserve	-	200 649	-	-	-	-	-	-	-	-	(200 649)	-	-	-	-
Total Transactions with owners of the company	-	200 649	-	-	-	-	-	69 389	2 584	(20 393)	(782 678)	-	(510 449)	(18 366)	(548 815)
Balance at December 31, 2025	1 085 500	910 894	2 012 393	5 941 651	88 882	45 202	904 041	192 044	3 943	-	14 724 117	2 880 046	28 788 713	1 801 442	30 590 155

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

GB Corp
(An Egyptian Joint Stock Company)
Consolidated Statement of Changes in Equity
for the financial year ended 31 December 2025

31 December 2024

(All amounts in thousand of Egyptian Pound)

	Issued and paid up capital	Legal reserve	Fair value reserve	Foreign currency translation reserve	ESOP (Fair value) reserve	Revaluation surplus of fixed assets reserve	Share premium (Special reserve)	Reserve for financial solvency risk	General risk reserve	Private risk reserve	Retained Earning	Net profit for the year	Total	Non-Controlling interests	Total equity
Balance at December 31, 2023	1 085 500	562 734	-	3 333 145	88 882	57 789	904 041	7 612	-	20 393	11 887 833	1 890 727	19 838 656	1 362 958	21 201 614
Adjustments on opening balance	-	-	-	184 635	-	-	-	-	-	-	(230 341)	-	(45 706)	-	(45 706)
Balance at December 31, 2023 Restated	1 085 500	562 734	-	3 517 780	88 882	57 789	904 041	7 612	-	20 393	11 657 492	1 890 727	19 792 950	1 362 958	21 155 908
Transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	1 890 727	(1 890 727)	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-	-	-	-	2 928 121	2 928 121	2 928 121	131 772	3 059 893
Net impact of adjustments fixed assets after tax	-	-	-	-	-	(5 924)	-	-	-	-	-	-	(5 924)	-	(5 924)
Other Comprehensive income items	-	-	-	3 327 498	-	-	-	-	-	-	-	-	3 327 498	401 821	3 729 319
Total comprehensive Income	-	-	-	3 327 498	-	(5 924)	-	-	-	-	2 928 121	2 928 121	6 249 695	533 593	6 783 288
Transactions with owners of the Company	-	-	-	-	-	-	-	115 043	-	-	(115 043)	-	-	-	-
Reserve for financial solvency risk	-	-	-	-	-	-	-	-	-	-	9 098	-	9 098	-	9 098
Modification surplus of fixed assets	-	-	-	-	-	-	-	-	1 359	-	(1 359)	-	-	-	-
General risk reserve	-	-	-	-	-	-	-	-	-	-	(588 232)	-	(588 232)	(15 751)	(603 983)
Dividends distributions	-	-	-	-	-	-	-	-	-	-	(25 009)	-	(25 009)	25 009	-
Change in non-controlling rights without change in control	-	-	-	-	-	-	-	-	-	-	-	-	-	72 608	72 608
Capital increase	-	147 511	-	-	-	-	-	-	-	-	(147 511)	-	-	-	-
Transferred to legal reserve	-	147 511	-	-	-	-	-	115 043	1 359	-	(868 056)	-	(604 143)	81 866	(522 277)
Total Transactions with owners of the company	-	147 511	-	-	-	-	-	115 043	1 359	20 393	(868 056)	-	(604 143)	81 866	(522 277)
Balance at December 31, 2024	1 085 500	710 245	-	6 845 278	88 882	51 865	904 041	122 655	1 359	20 393	12 680 653	2 928 121	25 438 502	1 978 417	27 416 919
Adjustments on the ending balance	-	-	1 348 087	(407 612)	-	-	-	-	-	-	(145 525)	-	794 950	37 692	832 642
Balance at December 31, 2024 Restated	1 085 500	710 245	1 348 087	6 437 666	88 882	51 865	904 041	122 655	1 359	20 393	12 534 638	2 928 121	26 233 452	2 016 109	28 249 561

GB Corp
(An Egyptian Joint Stock Company)
Consolidated Statement of Cash Flows
for the financial year ended 31 December 2025

(All amounts in thousand of Egyptian Pound)

	Note No.	31 December 2025	31 December 2024
Net profit for the year before tax		3 866 521	3 999 132
Adjustments for:			
Interest expense	(7)	4 287 126	2 882 401
Depreciation and amortization for the year	(17,18,19)	999 313	1 138 459
Net movement of provisions	(28)	125 373	237 937
Impairment losses on current assets (net)		342 490	205 904
Interest income	(7)	(577 055)	(484 619)
Gain from sale of property, plant, equipment	(6)	(233 279)	(132 247)
Impairment on Goodwill		47 790	-
Share of profit of equity accounted investees		(986 361)	(867 641)
Losses from revaluation of disposal of subsidiaries companies		11 584	-
Unrealized foreign currency exchange (gain) / losses		(114 044)	616 304
		7 769 458	7 595 630
Changes in:			
Inventories		(3 769 976)	(13 586 959)
Accounts and notes receivables		(7 578 684)	(5 737 127)
Debtors and other debit balances		(331 344)	(1 585 831)
Due from related parties		115 089	(256 287)
Due to related parties		17 510	1 990
Payment rent for asset right of use		(263 370)	(85 962)
Proceeds from loans and borrowings		6 145 669	3 840 496
Trade payables and other credit balances		(2 350 325)	11 960 242
Cash (used in) / provided from operating activities		(245 972)	2 146 192
Provisions used		(33 286)	(49 797)
Income tax paid		(723 008)	(391 828)
Dividends distributions paid for employees and Board of Directors		(131 312)	(138 483)
Net cash (used in) / provided from operating activities		(1 133 578)	1 566 084
Cash flows from investing activities			
Payment for acquisition of property, plant, equipment and projects under constructions		(3 664 188)	(3 171 932)
Payment for acquisition of intangible assets		(7 806)	(25 520)
Interest income received		612 195	592 112
Payment for acquisition of investment in subsidiaries		-	(187 259)
Proceed from sale of investment		64 218	-
Net proceed of investments in fair value		79 999	(79 999)
Paid for other investments and associates		(191 702)	(516 591)
Proceeds from sale of property, plant, equipment and assets held for sale		634 603	313 109
Net cash (used in) investing activities		(2 472 681)	(3 076 080)
Cash flows from financing activities			
Bonds repayment		(80 000)	(80 000)
Dividends paid		(379 925)	(217 000)
Proceeds from loans and borrowings		9 366 972	6 330 535
Proceed from long-Term notes payable		968 416	95 796
Interest expense paid		(3 842 096)	(2 711 478)
Net cash Provided from financing activities		6 033 367	3 417 853
Net change in cash and cash equivalents		2 427 107	1 907 857
Cash and cash equivalents at the beginning of the year		7 422 549	4 506 907
Effect of movements in exchange rates on cash and cash equivalents		(325 647)	1 007 785
Cash and cash equivalents at end of the year	(16)	9 524 009	7 422 549

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

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

1- Background of the Group

GB Corp S.A.E is an Egyptian joint stock Company "The Company" incorporated on July 15,1999, under the name of GB Capital for Trading and Capital Lease and under Law No. 159 of 1981, and was registered in the commercial register under No. 3422, Cairo.

Based on the decision of the Extraordinary General Assembly Meeting held on April 26, 2007, it has been agreed to change the Company's name to be GB Auto. This amendment was registered in the commercial register on May 23, 2007.

Based on the decision of the Extraordinary General Assembly Meeting held on March 26, 2023, it has been agreed to change the Company's name to be GB Corp S.A.E This amendment was registered in the commercial register on May 7, 2023.

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

The main activities of the company and its subsidiaries (will be referred to as "the Group") include trading, distributing and marketing of all transportation means including heavy trucks, semi-trucks, passenger cars, buses, mini buses, micro buses, agriculture tractors, crans, mechanical tools equipment for soil 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 and tires for vehicles and equipment whether locally manufactured or imported. The Company 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 trucks and sale by instalments and provide services of factoring and nonbanking financial services. The factoring services intended to buy existing and future rights of sellers of goods and services and provide related services.

The ultimate controlling parties of the Company are the family of Dr. Raouf Ghabbour who collectively owns 63.38% also, El Olayan Saudi Investment Company owns 3.73% and The Miri Strategic Emerging Markets Fund LP company owns 7.37% and other investors owns 25.52% of the Company's shares as at December 31, 2025.

The consolidated financial statements were authorized for issue by the Company's Board of Directors on February 26, 2026.

2- Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with the 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.

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 occurs, if the change affects only that period, or in the period of change and future periods if the change affects both.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

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 consolidated financial statements without deducting any estimated future costs of sale. The financial asset values are determined 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 liabilities.
- 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 evaluation method that leads to results that can be relied upon 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 reporting date of financial instruments are similar in nature and terms.

5- Operating Segments

- The Group has the following six 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:

<u>Reportable segment</u>	<u>Operations</u>
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, minibuses, 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 non-Banking Services	Providing services of investments and real estate financing and insurance and provides services of factoring and financial non-banking services. And operation and finance lease and microfinancing and 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 on credit and trade in all kinds of goods such as light transportation and selling it by installments.
Tires	Trading tires for passenger cars, vehicles and equipment.
Other Operations	Trading spare parts, and its accessories whether locally manufactured or imported.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

5-Operating Segments(Continued)

A-Total Revenue

1-Percentage of total Revenue by sectors

	December 31, 2025	%	December 31, 2024 Reclassified	%
Passenger car	54 022 065	67.33%	37 522 706	69.53%
Buses and trucks	5 956 796	7.42%	3 984 793	7.38%
2 & 3 Wheels	2 459 519	3.07%	2 188 442	4.06%
Financial non-Banking Services	13 871 513	17.29%	6 904 571	12.79%
Tires	3 281 994	4.09%	2 873 376	5.32%
Other Trading Operations	637 922	0.80%	495 651	0.92%
	80 229 809	100%	53 969 539	100%

2-Percentage of revenues from foreign operations out of total revenues

	December 31, 2025	%	December 31, 2024 Reclassified	%
Passenger car	10 863 081	20.11%	10 867 511	28.96%
2 & 3 Wheels	255 704	10.40%	810 289	37.03%

B- Sectors results

	December 31, 2025	%	December 31, 2024 Reclassified	%
Passenger car	7 714 765	62.06%	6 569 005	62.47%
Buses and trucks	1 189 419	9.57%	1 075 861	10.23%
2 & 3 Wheels	296 108	2.38%	467 779	4.45%
Financial non-Banking Services	2 594 323	20.87%	1 457 257	13.86%
Tires	456 350	3.67%	839 709	7.99%
Other Trading Operations	180 163	1.45%	105 011	1.00%
	12 431 128	100%	10 514 622	100%

C-Assets

	December 31, 2025	%	December 31, 2024 Reclassified	%
Passenger car	42 554 022	46.58%	35 567 493	48.29%
Buses and trucks	4 868 123	5.33%	3 532 433	4.80%
2 & 3 Wheels	986 955	1.08%	1 030 353	1.40%
Financial non-Banking Services	35 507 317	38.87%	26 473 400	35.94%
Tires	2 050 971	2.24%	1 596 618	2.20%
Other Trading Operations	5 391 297	5.90%	5 451 282	7.51%
	91 358 685	100%	73 651 579	100%

D- Liabilities

	December 31, 2025	%	December 31, 2024 Reclassified	%
Passenger car	31 406 305	51.68%	25 202 194	55.51%
Buses and trucks	3 598 313	5.92%	2 387 440	5.26%
2 & 3 Wheels	869 947	1.43%	787 570	1.73%
Financial non-Banking Services	18 239 858	30.02%	11 352 035	25.00%
Tires	1 763 471	2.90%	1 124 023	2.48%
Other Trading Operations	4 890 636	8.05%	4 548 756	10.02%
	60 768 530	100%	45 402 018	100%

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

5-Operating Segments (Continued)

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

	December 31, 2025	December 31, 2024 Reclassified
Revenues		
Total revenues of operating segments	91 608 495	59 960 780
Elimination of revenue between group inter-segment	(11 378 686)	(5 991 241)
Consolidated Revenue	80 229 809	53 969 539
Segments result		
Gross profit of operating segment	13 270 870	10 733 027
Elimination of gross profit between group inter-segment	(839 742)	(218 405)
Consolidated Gross Profit	12 431 128	10 514 622
Assets		
Total assets of operating segments	129 249 865	113 130 963
Elimination of assets between group inter-segment	(37 891 180)	(39 479 385)
Total Consolidated Assets	91 358 685	73 651 578
Liabilities		
Total Liabilities of operating segments	83 252 707	68 192 025
Elimination of Liabilities between group inter-segment	(22 484 177)	(22 790 007)
Total Consolidated Liabilities	60 768 530	45 402 018

F-Other profit or loss amounts

	Total reportable segment	Elimination between group	Total consolidated December 31, 2025
Finance income	577 055	-	577 055
Interest expense and Bank Charges	(4 528 731)	241 605	(4 287 126)
Depreciation and Amortization	999 313	-	999 313
	Total reportable segment	Elimination between group	Total consolidated December 31, 2024
Finance income	484 619	-	484 619
Interest expense and Bank Charges	(3 385 903)	503 502	(2 882 401)
Depreciation and Amortization	1 138 459	-	1 138 459

GH Corp. (S.A.E)
Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

Translation of non-validated financial statements
Originally issued in Arabic

5- Operating segments (continued)

11- Operations results

	Passenger cars		In-cab solutions		Trucks and vans		Trucks		Other Trading Operations		Total
	December 31, 2025	December 31, 2024 Revised	December 31, 2025	December 31, 2024 Revised	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024 Revised	
Operating revenue	54,023,065	37,522,706	5,956,796	3,984,793	2,439,519	2,188,442	13,871,513	6,904,371	2,873,376	495,651	80,229,809
Operating costs	(46,317,300)	(30,933,701)	(4,767,377)	(2,908,932)	(2,163,411)	(1,720,663)	(11,277,190)	(5,447,314)	(2,033,667)	(390,640)	(67,798,681)
Gross profit	7,714,765	6,589,005	1,189,419	1,075,861	296,108	467,779	2,594,323	1,457,057	839,709	105,011	12,431,128
Selling and Marketing expenses											(3,987,521)
General and administrative expenses											(3,559,775)
Other Revenue / (Expenses)											64,387
Expected Credit Losses											(229,488)
Other Income											912,225
Operating profit											6,630,956
Share of profit of equity accounted investees											986,361
Change in fair value of financial investments at fair value through the profit or loss											7,967
Losses from revocation of disposal of subsidiaries companies											(11,384)
Finance cost (Net)											(3,747,179)
Net profit for the year before income tax											3,866,521
Income tax expense											(1,086,066)
Net profit for the year after income tax											2,780,455
Attributable to:											
Shareholders of the parent Company											2,880,646
Non-controlling interests											(99,591)
											2,780,455
6- Other Income											
Gain on sale of fixed asset											132,247
Gain from Scrap Sales											124,146
Other revenues											97,078
* Incentive revenue											152,122
Total											505,593

* Incentive revenues consist of incentives granted by some of the company's suppliers, in addition to government incentives granted by the Automotive Industry of Financing Fund

GB Corp (S.A.E)
Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

7-Finance Costs (Net)

	December 31, 2025	December 31, 2025 Reclassified
Interest income	522 118	450 578
Interest income on installment sales	54 937	34 041
Total Finance Income	577 055	484 619
Interest expense	(4 287 126)	(2 882 401)
Foreign exchange (loss)	(37 108)	(291 567)
Total Finance Cost	(4 324 234)	(3 173 968)
Net Finance Cost	(3 747 179)	(2 689 349)

8- Other Revenue / (Expenses)

	December 31, 2025	December 31, 2024
Net change in provisions	64 387	(240 108)
	<u>64 387</u>	<u>(240 108)</u>

9- Expected Credit Losses

	Note No.	Balance at 1/1/2025	Provisions formed during the year	Provisions no longer required during the year	Provisions used during the year	Effect of movements of exchange rates	Balance at 31/12/2025
Net movement Expected credit loss of Accounts & Notes receivable	(14-13)	(341 416)	(259 420)	27 366	130 685	(11 830)	(454 615)
Expected credit loss of due from related parties	(33)	(204 692)	-	-	79 435	(12 780)	(138 037)
Net movement Expected credit loss of Debtors & Other debit balances	(15)	(136 229)	(1 000)	2 057	66 368	10 628	(58 176)
Net movement Expected Credit Loss of Cash and cash equivalent	(16)	(1 683)	-	1 509	-	(282)	(456)
		<u>(684 020)</u>	<u>(260 420)</u>	<u>30 932</u>	<u>276 488</u>	<u>(14 264)</u>	<u>(651 284)</u>

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

10-Earnings per share (EPS)

A- EPS in consolidated net profit

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

The Board of Directors of the company prepared a dividend proposal until it is approved by the General Assembly of the company.

	<u>December 31, 2025</u>	<u>December 31, 2025</u> <u>Reclassified</u>
Net profit for the year (Attributable to the owners of the company)	2 880 046	2 928 121
Employees share of profit*	-	(76 549)
Board of directors bonus*	(19 470)	(19 016)
	<u>2 860 576</u>	<u>2 832 556</u>
Divided by:		
Weighted average number of ordinary shares issued (thousand)	1 085 500	1 085 500
Basic profit earnings per share/ EGP	<u>2.635</u>	<u>2.609</u>

11-Income tax

A-Income tax liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Balance at 1 January	744 120	344 262
Taxes paid during the year	(723 008)	(391 828)
Current income tax during the year (Note 11-C)	1 137 521	791 686
Balance at the end of the year	<u>1 158 633</u>	<u>744 120</u>

GB Corp (S.A.E)
Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

11-Income tax (Continued)		Total								
B-Deferred tax Asset and Liability	Note No.	Fixed Assets	Carried forward losses	Inventory Impairment	Warranty Provision	Other comprehensive income*	Notes payable	Capital Gains	31-Dec-25	31-Dec-24
Deferred tax assets										
Balance at 1 January		11	63 229	6 266	40 343	-	1 919	-	111 768	186 945
Charged to the profit or loss statement		(11)	59 006	12 939	48 566	4 552	(1 934)	-	123 118	(75 177)
Balance at the end of the year			122 235	19 205	88 909	4 552	(15)	-	234 886	111 768
Deferred tax liabilities										
Balance at 1 January Restated	(39)	(401 268)	-	-	-	(95 536)	-	896	(495 907)	(333 053)
Charged to the profit or loss statement		(66 315)	(1 525)	-	-	(2 927)	-	(896)	(71 663)	(72 376)
Charged to Statement of comprehensive income		-	-	-	-	(195 967)	-	-	(195 967)	(90 479)
Balance at the end of the year		(467 583)	(1 525)	-	-	(294 430)	-	-	(763 537)	(495 907)
Net Balance at the end of the year		(467 583)	120 710	19 205	88 909	(289 878)	(15)	-	(528 651)	(384 139)
Net										
Balance at 1 January		(401 257)	63 229	6 266	40 343	(95 536)	1 919	896	(384 139)	(146 108)
Charged to the profit or loss statement	(11-C)	(66 326)	57 481	12 939	48 566	1 625	(1 934)	(896)	51 455	(147 553)
Charged to Statement of comprehensive income		-	-	-	-	(195 967)	-	-	(195 967)	3 455
Balance at the end of the year		(467 583)	120 710	19 205	88 909	(289 878)	(15)	-	(528 651)	(290 206)

* The deferred tax charge related to other comprehensive income has been charged to the consolidated statement of other comprehensive income

GB Corp (S.A.E)
Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

11-Income tax (Continued)

B-Deferred tax assets and liabilities (Continued)

Unrecognized deferred tax assets

Some deferred tax assets have not been recognized because it is not certain confirmation to use that tax benefit in the future

	December 31, 2025	December 31, 2024
Expected credit loss for accounts and notes receivables	102 289	76 819
Expected credit loss for other debit balances	13 090	30 652

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 given that they will not reverse in the foreseeable future.

C-1 Income tax expense

	December 31, 2025	December 31, 2024
Current income tax (Note 11-A)	(1 137 521)	(791 686)
Deferred tax – (Note 11-B)	51 455	(147 553)
Income tax for the year	(1 086 066)	(939 239)

C-2 Reconciliation for Calculating Effective Tax Rate

	December 31, 2025	December 31, 2024
Net profit for the year before income tax	3 866 521	3 999 132
Income tax rate according to the law	22.5%	22.5%
Income tax calculated according to the tax law	869 967	899 805
Adjustments	216 099	39 434
Income tax as shown in the income statement	1 086 066	939 239
Effective tax rate	28.09%	23.49%

D-Amounts recognized in OCI

	December 31, 2025			December 31, 2024 Restated		
	<u>Before Tax</u>	<u>Taxes</u>	<u>After Tax</u>	<u>Before Tax</u>	<u>Taxes</u>	<u>After Tax</u>
Net change of financial assets at fair value	532 048	(121 895)	410 153	417 483	(93 934)	323 549
Net change of investment at fair value	336 154	(75 658)	260 496	-	-	-
Modification surplus of fixed assets cost	(8 249)	1 586	(6 663)	(9 379)	3 455	(5 924)
	859 953	(195 967)	663 986	408 104	(90 479)	317 625

12-Inventories

	December 31, 2025	December 31, 2024
Goods in transit	5 674 372	5 757 717
Cars, buses and trucks	11 923 060	9 491 858
Raw material and car components	3 516 517	2 988 523
Spare parts for sale	2 084 808	1 827 043
Work in progress	648 497	420 846
Tires	1 064 854	803 636
Oils	1 199	79
Total	24 913 307	21 289 702
* Impairment of inventory	(263 573)	(155 403)
Net	24 649 734	21 134 299

* The formation and reversal of inventory impairment are charged in cost of sales at statement of profit / loss.

	Balance at 1 January 2025	Provisions formed during the year	Provisions no longer required during the year	Provisions used during the year	Effect of movements of exchange rates	Balance at 31 December 2025
Net movement impairment of inventory	(155 403)	(142 996)	27 200	880	6 746	(263 573)
	(155 403)	(142 996)	27 200	880	6 746	(263 573)

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

13-Long term accounts and notes receivables

	December 31, 2025	31 December 2024 Restated
Long-term accounts and notes receivable	9 491 624	7 961 834
Accounts receivables in fair value	3 779 289	2 051 950
Interest income on installment sales	(3 734 734)	(2 615 280)
Net present value for long-term notes receivable	9 536 179	7 398 504
Expected credit loss for long-term notes receivable	(166 017)	(123 540)
Net	<u>9 370 162</u>	<u>7 274 964</u>

14-Accounts and notes receivables

	December 31, 2025	31 December 2024 Restated
Total notes receivable	13 116 771	6 294 824
Unamortized interest	(3 065 336)	(1 865 434)
Net present value for short-term notes receivable	10 051 435	4 429 390
Trade receivable	864 434	2 431 969
Accounts receivables in fair value	2 837 861	1 690 735
Total	13 753 730	8 552 095
Expected credit loss for accounts and notes receivable balances	(288 599)	(217 876)
Net	<u>13 465 131</u>	<u>8 334 219</u>

The following table represents the Expected credit loss for accounts and notes receivables according to the expected losses model on December 31, 2025:

1-Non Banking -Financial Services

	Stage 1: Expected credit losses over 12 months	Stage 2: Lifetime ECL that is not credit impaired	Stage 3: Lifetime ECL with impaired credit	Total
Account & notes receivables	17 009 797	322 357	479 089	17 811 243
Deduct:				
Expected credit loss for accounts and notes receivable balances	(69 253)	(36 177)	(187 919)	(293 350)
Net	<u>16 940 544</u>	<u>286 180</u>	<u>291 169</u>	<u>17 517 893</u>

2- The sector of passenger and transport vehicles, buses, two- and three-wheelers vehicles and other operations

	The Balance	* The percentage of expected losses	Expected credit loss of account & notes receivables	Net
Notes Receivable	1 781 350	1.73%	(30 862)	1 750 488
Trade receivables	3 210 245	2.68%	(86 130)	3 124 115
From 1 to 30 Day	272 763	2.52%	(6 884)	265 879
From 31 to 60 Day	109 665	5.92%	(6 493)	103 172
From 61 to 90 Day	60 756	11.92%	(7 242)	53 514
From 91 to 120 Day	10 219	29.09%	(2 973)	7 246
More than 120 Day	33 668	61.43%	(20 682)	12 986
Total	<u>5 478 666</u>		<u>(161 266)</u>	<u>5 317 400</u>

* The percentage vary according to the nature of each sector of the group and the payment method nature of customers
purchase order customers - Governmental customers - Credit customers - Insurance & Foreign warranty customers - Other customers)

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

15-Debtors and other debit balances**A-Long term debtors and other debit balance**

	<u>December 31, 2025</u>	<u>31 December 2024 Reclassified</u>
Excess in securitization operations	347 282	254 129
	<u>347 282</u>	<u>254 129</u>

The balance represents the present value for the expected amount to be collected back at the maturity of each Securitization transaction at December 31 of each year.

B-Debtors and other debit balances

	<u>December 31, 2025</u>	<u>31 December 2024 Reclassified</u>
Advance payments to suppliers	1 398 452	1 616 468
Withholding tax	1 180 327	780 197
Value added tax	394 097	413 647
Accrued interest	3 646	38 786
Accrued revenue	608 453	462 425
Letters of credit	479 617	1 118 470
Excess in securitization operations	54 008	31 758
Prepaid expenses	638 544	416 374
Security deposits with others	86 009	31 416
Letters of guarantee	340 133	237 521
Accrued customers	30 837	26 377
Staff loans and custodies	112 542	47 480
Other debit balances	504 117	386 710
Customs duties	45 996	7 185
Total	<u>5 876 778</u>	<u>5 614 814</u>
Expected credit loss for debtor and other debit balances	(58 176)	(136 229)
Net	<u>5 818 602</u>	<u>5 478 585</u>

16-Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Time deposits	4 918 746	3 468 453
Cash on hand and in banks	3 527 933	3 660 802
Checks under collections	1 077 330	211 294
Treasury bills	-	82 000
Cash and Cash equivalents According to cash flow	<u>9 524 009</u>	<u>7 422 549</u>
Expected credit loss for Cash and cash equivalent	(456)	(1 683)
Net	<u>9 523 553</u>	<u>7 420 866</u>

Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

Originally issued in Arabic

17 - Property, plant, equipments and projects under construction

Cost	Land and Buildings	Machinery & equipment	Vehicles	Computers	Fixtures & furniture	Leasehold improvements	* Projects under construction	Total
Cost at 1 January 2024	3 518 779	1 182 439	953 287	220 013	1 259 402	137 310	1 651 361	8 922 591
Additions during the year	147 305	99 496	569 717	62 304	138 218	12 243	1 348 429	2 377 712
Transferred from projects under construction to PP&E and intangible assets	1 282	178 471	-	268	71 572	13 350	(305 337)	(40 394)
Disposals during the year	(54 907)	(10 164)	(259 939)	(2 986)	(39 884)	(2 625)	(490)	(370 995)
Effect of movements of translation of foreign entities	417 839	75 213	45 792	18 601	180 464	16 384	-	754 293
Balance at 31 December 2024	4 030 298	1 525 455	1 308 857	298 200	1 609 772	176 662	2 693 963	11 643 207
Cost at 1 January 2025	4 030 298	1 525 455	1 308 857	298 200	1 609 772	176 662	2 693 963	11 643 207
Additions during the year	4 003	131 004	486 309	47 588	188 248	4 035	2 803 001	3 664 188
Transferred from projects under construction to PP&E and intangible assets and asset right of use	3 264	223 321	472 555	10 883	168 337	13 434	(1 201 560)	(309 766)
Disposals during the year	(42 743)	(65 773)	(127 487)	(1 992)	(33 630)	-	(67 395)	(339 020)
Effect of movements of translation of foreign entities	(70 338)	(12 970)	(12 259)	(3 897)	(34 142)	(725)	-	(134 331)
Balance at 31 December 2025	3 924 484	1 801 037	2 127 975	350 782	1 898 585	193 406	4 228 009	14 524 278
<u>Accumulated depreciation and impairment losses</u>								
Accumulated depreciation at 1 January 2024	869 492	794 320	325 664	214 539	696 099	56 741	-	2 956 855
Depreciation during the year	46 783	111 108	128 916	21 157	112 081	9 439	-	429 484
Disposals during the year	(1 464)	(6 169)	(195 831)	(2 530)	(25 391)	-	-	(231 385)
Effect of accumulated depreciation modification using modification factor	-	(118)	(4 421)	-	(627)	-	-	(5 166)
Effect of movements of translation of foreign entities	118 530	44 789	450	15 893	102 406	18 150	-	300 218
Accumulated depreciation at 31 December 2024	1 033 341	943 930	254 778	249 059	884 568	84 330	-	3 450 006
Accumulated depreciation at 1 January 2025	1 033 341	943 930	254 778	249 059	884 568	84 330	-	3 450 006
Depreciation during the year	46 092	140 974	203 038	26 720	138 594	8 656	-	564 074
Disposals during the year	(6 888)	(52 957)	(74 287)	(986)	(15 663)	-	-	(150 781)
Effect of accumulated depreciation modification using modification factor	-	(6 671)	(577)	-	(4 185)	-	-	(11 433)
Effect of movements of translation of foreign entities	(16 555)	(8 811)	(1 368)	(3 381)	(26 287)	(826)	-	(57 228)
Accumulated depreciation at 31 December 2025	1 055 990	1 016 465	381 584	271 412	977 027	92 160	-	3 794 638
Net carrying Amount								
At 1 January 2024	2 649 287	388 119	627 623	5 474	563 303	80 569	1 651 361	5 965 736
At 31 December 2024	2 996 957	581 525	1 054 079	49 141	725 204	92 332	2 693 963	8 193 201
At 31 December 2025	2 868 494	784 573	1 746 391	79 370	921 558	101 246	4 228 009	10 729 640

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

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

18- Assets and Liabilities Right Of Use

A- Asset Right Of Use

<u>Cost</u>	<u>Land & building</u>	<u>Total</u>
Balance at January 1, 2024	895 422	895 422
Addition during the year	794 220	794 220
Disposals during the year	(26 559)	(26 559)
Effect of exchange rates	185 790	185 790
Balance at December 31, 2024	1 848 873	1 848 873
Balance at January 1, 2025	1 848 873	1 848 873
Addition during the year	823 980	823 980
Transfer to PUC	252 106	252 106
Disposals during the year	(146 323)	(146 323)
Effect of exchange rates	(26 884)	(26 884)
Balance at December 31, 2025	2 751 752	2 751 752
<u>Accumulated depreciation</u>		
Accumulated depreciation at January 1, 2024	365 397	365 397
Depreciation during the year	305 438	305 438
Disposals during the year	(14 693)	(14 693)
Effect of exchange rates	77 642	77 642
Accumulated depreciation at December 31, 2024	733 784	733 784
Accumulated depreciation at January 1, 2025	733 784	733 784
Depreciation during the year	407 755	407 755
Disposals during the year	(66 762)	(66 762)
Effect of exchange rates	4 107	4 107
Accumulated depreciation at December 31, 2025	1 078 884	1 078 884
Net Book value at December 31, 2025	1 672 868	1 672 868
Net Book value at December 31, 2024	1 115 089	1 115 089

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

B- Lease Liabilities

	<u>December 31, 2025</u>	<u>December 31,2024</u>
Total un-discounted lease contracts liabilities	3 306 110	2 298 283
Interests on lease contracts	(1 431 018)	(963 149)
Net present value of total liabilities on right of use	1 875 092	1 335 134
Divided into:		
Current portion of lease contracts liabilities	320 781	211 359
Non-current portion of lease contracts liabilities	1 554 311	1 123 775

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

19- Intangible assets and goodwill

	<u>Goodwill</u>	<u>Computer software</u>	<u>Right to use trademark*</u>	<u>Total</u>
Cost				
Balance at 1 January	914 726	144 094	177 375	1 236 195
Additions during the year	-	7 806	-	7 806
Transfer from PUC	-	57 660	-	57 660
Changes impact in the translation of foreign entities	(55 995)	-	-	(55 995)
Balance at December 31, 2025	858 731	209 560	177 375	1 245 666
Accumulated amortization				
Balance at 1 January	-	83 405	100 512	183 917
Amortization during the year	-	21 573	5 912	27 485
Impairment on Goodwill *	47 790	-	-	47 790
Balance at December 31, 2025	47 790	104 978	106 424	259 192
Net Book value at December 31, 2025	810 941	104 582	70 951	986 474
Net Book value at December 31, 2024	914 726	60 689	76 863	1 052 278

Goodwill

On September 8, 2008, GB Corp (GB Auto Previously) fully acquired the shares of GB for financial lease (S.A.E) which its business is financial leasing with all its fields, 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 Alsaariat (GK), in Jordan, to acquire the existing business 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 USD 14 million equivalent to EGP 669 million . During 30 September 2021 increased its stake in Almajmoa Alalamia Litijaret Alsaariat (GK) from 50% to 83.33% .

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

During the second quarter of 2024, through a partnership agreement, the group invested 64.16% in Superior International For Automotive Trading company for the purpose of acquiring the existing car activity in Jordan. This agreement gives the group rights that enable it to control the financial and operational policies of Superior International For Automotive Trading company. This investment resulted in Recognition of goodwill amounting to USD 3.9 million equivalent to 137 million Egyptian pounds.

* During 2025 the group recognized impairment on goodwill amounting to USD 1 million equivalent to 47.8 million Egyptian pounds.

Goodwill is allocated as presented below:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Iraq PC- Sales	669 387	713 235
Financial leasing activity	1 000	1 000
After Sale service- PC	2 870	2 870
Jordan PC- Sales	137 684	197 621
	810 941	914 726

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

19-Intangible assets and goodwill (Continued)

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 Corp fully acquired the shares of Cairo Company for Personal Transportation Industries (Citi) 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 Corp . 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.

20-Issued and paid up capital

	December 31, 2025	December 31, 2024
Authorized capital (5 000 000 000 shares with par value EGP 1 each)	5 000 000	5 000 000
Issued and paid capital (1 085 500 000 shares with par value of EGP 1 each)	1 085 500	1 085 500

On August 31, 2014, the Board of Directors according to the delegation 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.

(Capital Increase)

on 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 additional 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.

This increase was subscribed 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 execute 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 annotated 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.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

21-Treasury Shares

On March 1, 2020, the Board of Directors of the company decided to purchase treasury shares with an maximum 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) of the registration rules issued by the Board of Directors of the Financial Supervisory Authority No. 27 of 2020 on February 29, 2020 And that works in it as of the date of its issuance, as well as the statement posted on the announcement screens on the Egyptian Stock Exchange on March 1, 2020 regarding the exceptional procedures for companies whose securities are listed on the stock exchange wishing to purchase treasury shares.

During the period from March 3, 2020 to March 18, 2020, The company has purchased 10 million shares with a total value of 19.570 million Egyptian pounds. The amount of 10 million pounds has been recorded as treasury shares representing the nominal value of the share. The difference between the purchase cost and the nominal value of the amount of 9.570 million Egyptian pounds has been recorded in the other reserves (Note 23).

During the year of 2020, the company sold 2 million shares with a total value of 6 750 Thousand Egyptian pounds, resulting in a reduction of 2 million Egyptian pounds. This represents the nominal value of the share, and the difference between the sale value and the nominal value of 4 750 thousand Egyptian pounds was recorded within the other reserves .

During the period from January 1, 2021 to March 31, 2021, the company sold 8 million shares with a total value of 30 232 thousand Egyptian pounds, resulting in a reduction of 8 million Egyptian pounds. This represents the nominal value of the share and the difference between the sale value and the face value of 22 232 Thousand Egyptian pounds among other reserves.

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 thousand Egyptian pounds. The amount of 8 510 Thousand Egyptian pounds has been recorded as treasury shares representing the nominal value of the share. The difference between the purchase cost and the nominal value of the amount of 30 172 thousand Egyptian pounds has been recorded in the other reserves.

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 and annotated in commercial register on 15 August 2022 .

22-Legal reserve

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Balance at 1 January	710 245	562 734
Transferred to legal reserve	200 649	147 511
Balance at the end of the year	<u><u>910 894</u></u>	<u><u>710 245</u></u>

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, after the approval of the company's results by the General Assembly Meeting. Upon the recommendation of the board, the Company may stop such transfer when the legal reserve reaches between 20% - 50% of the issued capital. The legal reserve is not eligible for distribution to shareholders.

The legal reserve includes an amount of EGP 147 536 thousand related to the parent Company, the rest of the balance represents the legal reserve of the Group's Companies

OB Corp (S.A.E)
Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

23-Other reserves

	ESOP **				Total
	Foreign currency translation reserve	(Fair value) reserve	Surplus Revaluation of fixed assets reserve	Share premium (special reserves)*	
Balance as at January 1, 2025 Restated	6 437 666	88 882	31 865	904 041	7 482 454
Foreign currency differences	(496 015)	-	-	-	(496 015)
Modification effect of fixed assets cost	-	-	(6 663)	-	(6 663)
Balance at December 31, 2025	5 941 651	88 882	45 202	904 041	6 979 776

*Share premium

The share premium represented in the difference between the amount paid and nominal value for issued shares and issuance cost is deducted from it. The share premium was transferred to both legal reserve and special reserve according to Law No. 159 of 1981.

	December 31, 2025	December 31, 2024
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.

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 nominal 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 difference between treasury shares purchasing cost amounted to EGP 4 365 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 19 370 thousand EGP and the nominal value of shares of 10 million EGP.

The share premium has also been increased by an amount of 4,750 thousand Egyptian pounds, representing the difference between the sale price of treasury shares during the year 2020 by an amount of 8,750 thousand Egyptian pounds and the nominal value of the shares of 2 million Egyptian pounds.

** The balance represents an employee benefit plan based on share based payments settled in the form of shares and is measured at fair value on the date the benefits are granted. The fair value of the plan is recognized in the Statement of Profit or Loss over the period of the benefit according to management's estimates of what will be implemented during the grant period. This plan ended at the end of 2018.

24-Non-controlling interests

	Capital	Payment Under capital increase	Reserves	Legal reserve	Financial Solvency Reserve	Fair value reserve	Retained earnings	Total	
								December 31, 2025	December 31, 2024
Balance at 1 January Restated	578 895	18 223	1 130 777	92 035	8 569	37 692	149 818	2 016 109	1 352 958
Net (loss) / profit for the year	-	-	-	-	-	-	(99 591)	(99 591)	131 772
Foreign currency translation results	-	-	(68 727)	-	-	-	-	(68 727)	481 823
Capital increase	18 223	(18 223)	-	-	-	-	-	-	72 468
Change in Non-controlling interests without changing in control	(66 649)	-	-	-	-	-	53 647	(13 002)	35 869
Transfer to legal reserve	-	-	-	7 745	-	-	(7 745)	-	-
Net change of disposal of accounts and notes receivables at fair value	-	-	-	-	-	(27 983)	-	(27 983)	37 692
Transfer to financial solvency reserve	-	-	23 273	-	-	-	(23 273)	-	-
Dividends Distributions	-	-	-	-	-	-	(6 190)	(6 190)	(15 751)
Payment under capital increase	-	826	-	-	-	-	-	826	-
Balance at the end of the year	512 246	716	1 062 050	99 780	8 569	9 709	66 686	1 881 442	2 016 109

The following table summarizes the information relating to each of the Group's subsidiaries that has material NCI (Almajma'a Alalamia Lijarat Alasarat (GK) 16.67%, Ghabbour AL Qasem (CQ) 32% & GB Company for financial lease and factorag "S.A.E" 45%, Astamblik "S.A.E" 17% & Transport Vehicle distribution "S.A.E" 7.5%), before any intra-group eliminations:

	December 31, 2025	December 31, 2024
Non-current assets	7 183 493	4 789 532
Current assets	18 256 759	20 181 800
Non-current liabilities	(4 506 383)	(2 380 291)
Current liabilities	(13 910 335)	(15 057 364)
Net assets attributable to NCI	1 854 002	1 970 611
Revenue	12 279 999	14 254 453
Net (Loss) / Profit for the year	(436 471)	625 097
Net (Loss) / profit year attributable to NCI	(59 985)	192 373

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

25-Capital Management

The group's management aims to manage capital to maintain the group's ability to continue in a way that achieves a return for shareholders and provides benefits to other stakeholders that use the financial statements. Providing and maintaining the best capital structure for the purpose of reducing the cost of capital. To maintain the best capital structure, management changes the value of dividends paid to shareholders, reduces capital, or issues new shares for the group's capital.

The Group's management monitors the capital structure using the ratio of net loans to total capital. Net loans are the total of loans, advances and notes payable minus cash. The total capital represents the company's total equity as shown in the consolidated balance sheet, in addition to net loans.

Net debt to equity ratio at December 31, 2025 and December 31, 2024 as follows:

Total loans and notes payables

	<u>December 31, 2025</u>	<u>December 31, 2024</u> Restated
Loans, borrowings and overdrafts	37 921 342	22 408 701
Short-term notes payable - suppliers	900 961	383 524
Total loans and notes payables	38 822 303	22 792 225
Less:		
Cash and cash equivalents	(9 523 553)	(7 420 866)
Net debt	29 298 750	15 371 359
Equity	28 788 713	26 233 452
Net debt to equity ratio	1.02	0.59

26-Loans, borrowings and overdrafts

	<u>December 31, 2025</u>			<u>December 31, 2024</u>		
	Current portion	Long-term portion	Total	Current portion	Long-term portion	Total
Banks overdraft	17 885 928	-	17 885 928	8 660 891	-	8 660 891
Loans	9 313 534	10 721 880	20 035 414	6 911 975	6 835 835	13 747 810
Total	27 199 462	10 721 880	37 921 342	15 572 866	6 835 835	22 408 701

A. Banks overdraft

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Less than one year	17 885 928	8 660 891
	17 885 928	8 660 891

B. Loans

The group obtained medium and long-term bank loans for the purpose of financing car sales contracts and operational and financial lease contracts and fixed assets. 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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Less than one year	9 313 534	6 911 975
More than one year and less than five years	10 721 880	6 835 835
	20 035 414	13 747 810

Guarantees

GB Corporation Company (The Holding Company) has issued promissory notes to the sake of the Company as a guarantee at the banks either the operating in Egypt or outside of Egypt.

Interest Rate

The average interest rate of the current EGP and USD loans & borrowings is amounted to 21.91% and 8.30% respectively during the year, the interest rate of EGP and USD 29.19% and 8.40% respectively during 2024.

GB Corp (S.A.E)
Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)
27-Trade payables and other credit balances

	December 31, 2025	December 31, 2024
Trade payables	11 151 273	14 500 562
Other credit balances	482 486	189 040
Advances from customers	840 484	622 868
Tax Authority	69 027	59 838
Value added tax	297 686	213 581
Accrued expenses	1 656 522	2 251 380
Accrued interest expense	668 219	223 189
Retention from others	210 333	135 313
Notes payables	900 961	383 524
Finance Lease liability	171 468	131 115
Dividends payable	1 125	42 579
Deferred revenues	98 540	41 173
Due to clients for securitization	214 795	327 673
	16 762 917	19 121 835

28-Provisions	Legal Claims	Warranty Provision	Other Provisions	Total
Balance at January 1, 2025	128 793	107 152	473 928	709 873
Provisions formed during the year	21 400	63 510	419 908	504 817
Provisions utilized during the year	(808)	(24 993)	(7 485)	(33 286)
Provisions no longer required	(58 198)	(18 774)	(302 471)	(379 443)
Effect of movement of exchange rates	(103)	(858)	(6 366)	(7 327)
Balance at December 31, 2025	91 084	126 037	577 514	794 634
Balance at January 1, 2024 Restated	74 124	108 916	235 455	418 495
Provisions formed during the year	54 751	36 878	310 546	402 175
Provisions utilized during the year	(739)	(27 880)	(21 178)	(49 797)
Provisions no longer required	-	(16 983)	(67 820)	(84 803)
Effect of movement of exchange rates	657	6 221	16 925	23 803
Balance at December 31, 2024	128 793	107 152	473 928	709 873

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, 2025.

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 126 036 thousand at the end of the year for expected warranty claims (local component) 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, 2025 EGP 22 955 thousand (at December 31, 2024 EGP 7 070 thousand).

The provisions movements are distributed between the other expenses account and the sales account.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

28-Provisions (Continued)

Other provisions

Other provisions are related to claims expected to be made by a third party due to the interpretation disputes related to some laws and regulations regarding the Group operations.

The information normally published about provisions in accordance with accounting standards has not been disclosed as the management believes that doing so would drastically affect the outcome of the negotiation with those related third parties according to the paragraphs no. 91 and 92 of the EAS 28 and such provisions are reviewed by management on a yearly basis and adjusted based on latest developments, discussions and agreements with the third party.

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 management aims 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, 2025			December 31, 2024
	Assets	Liabilities	Net	Net
US Dollars	5 669 680	(7 861 755)	(2 192 075)	(4 107 528)
Euros	228 195	(92 831)	135 364	137 618
Other currencies	42 618	(220 106)	(177 488)	(182 113)

2.Price risk

The Group has no investments in a quoted equity security, so it's not exposed to the fair value risk due to changes in prices

3.Cash flows and fair value interest rate risk

Some of the group companies are exposed to the risk of changes in interest rates due to the existence of long-term loans. Long-term loans with variable interest rates expose the group to the risk of cash flows being affected by changes in interest rates. Long-term loans with fixed interest rates expose the group to the risk of the fair value being affected by changes in interest rates.

Loans, borrowing and bank overdrafts with variable interest rates amounted to 37,921,342 thousand Egyptian pounds on December 31, 2025 (22,408,701 thousand Egyptian pounds on December 31, 2024). It is worth noting that most of these loans and advances (non-banking financial services sector) were used for customer contracts for the purpose of financing car sales contracts and operating and financing lease contracts, and they are transferred by guaranteeing the financial rights of the contracts concluded and arising from those contracts towards the customers of the group companies.

Financial assets that carry fixed interest rates are amounted to EGP 4,918,746 thousand as at December 31, 2025 (EGP 3,468,453 thousand as at December 31, 2024).

		December 31, 2025	December 31, 2024
Time deposits	USD	4 634 788	3 333 346
Time deposits	EUR	100 376	66 416
Time deposits	EGP	183 582	68 691
		<u>4 918 746</u>	<u>3 468 453</u>

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

B-Credit risk

Credit risk is managed on a group basis. Due to presence of cash and bank deposits, 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:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Notes and accounts receivables	23 472 829	20 763 676
Debtors and other debit balances	6 224 060	5 868 943
Due from related parties	142 889	257 978
Cash	9 524 009	7 422 549
Total	39 363 787	34 313 146
Expected credit loss for the above	651 284	684 020
The ratio of the expected credit loss to the total debts	1.65%	1.99%

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.

2- Fair value estimation

the fair value is assumed to approximate the carrying amount less than any estimated credit adjustments for financial assets and financial liabilities with maturity dates of less than one year, and for disclosure purposes, the interest rates available to the company for similar financial instruments are used to reduce the contractual future cashflow to estimate the fair value of the financial liabilities

For the fair value of financial instruments that are not traded in an active market, The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for the financial instruments or similar instruments are used for long-term debt.

Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. At the balance sheet date, the fair value of non-current liabilities does not significantly differ from their carrying amount, as the interest rates do not significantly differ.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

30-Investments in subsidiaries

The consolidated financial statements for GB Corp. "S.A.E.", include the financial statements which represents the proportion of direct and indirect investment as follows:

Company Name	December 31, 2025	December 31, 2024
RG Investment "S.A.E."	99.99%	99.99%
International Trade Agencies and Marketing Co. (ITAMCO) "S.A.E."	99.45%	99.45%
Egyptian Vehicles Manufacturing Co. (Ghabbour Egypt) "S.A.E."	99.53%	99.53%
Ghabbour Continental Trading Co. (GCT) –Alex "S.A.E."	100.00%	100.00%
GB Polo Buses Manufacturing "S.A.E."	100.00%	100.00%
Haram Company for Transportation and trading "S.A.E."	99.00%	99.00%
GB Company for Financial Lease and Factoring "S.A.E."	55.00%	55.00%
GB Auto Rental For Transportation "S.A.E."	100.00%	100.00%
GB Allab Company	66.20%	66.20%
Masters Automotive Company "S.A.E."	75.00%	75.00%
Almajmoa Alalamia Litijaret Alsaierat (GK)	83.33%	83.33%
GB Logistics "S.A.E."	99.98%	99.98%
GB Capital "S.A.E."	99.00%	99.00%
Gulf Company	100.00%	100.00%
Drive Automotive "S.A.E."	100.00%	100.00%
Drive for Financing and Non Banking Service "S.A.E."	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 (Liquidated) ****	-	60.00%
Ghabbour General Trade (Under Liquidation)*	25.00%	25.00%
Pan African Egypt Company for Oil "S.A.E."(Liquidated)**	-	100.00%
Tires & More Company for Car Services "S.A.E."	100.00%	100.00%
Ready Parts for Automotive Spare Parts "S.A.E."	95.78%	95.78%
Engineering Company for Transportation Maintenance El Mikaneeky "S.A.E."	65.00%	65.00%
Egyptian International Maintenance and cars Manufacturing Company EIAC "S.A.E."	100.00%	100.00%
Salexia L.T.D. Trading (Cyprus)	100.00%	100.00%
BBAL Blue Bay Auto Loan Investments Cyprus LTD (Liquidated)***	-	100.00%
GB Capital Securitization S.A.E.	100.00%	100.00%
GB for Import & export	100.00%	100.00%

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

GB Capital BV*****	100.00%	100.00%
GB Real Estate Mortgage Finance BV	100.00%	100.00%
Transport Vehicle Distribution TVD S.A.E.	92.50%	92.50%
Automobilk S.A.E	83.00%	83.00%
GB Finance Lease BV*	40.00%	40.00%
GB Operational Lease BV	100.00%	100.00%
GB Consumer Finance BV	100.00%	100.00%
SME's credit facilities company B.V.(GB Factoring B.V. Previously)	100.00%	100.00%
GB Global BV	100.00%	100.00%
GB Automotive For Trade and Manufacture	100.00%	100.00%
SME Credit Eteman "S.A.E."	100.00%	100.00%
International Company For car components "S.A.E."	51.00%	51.00%
GB Kenya	100.00%	100.00%
GB capital sukuk "S.A.E."	100.00%	100.00%
GB Tanzania	100.00%	100.00%
Superior International For Automotive Trading company	88.83%	77.15%
GB Rental for Busses "S.A.E."	100.00%	100.00%
GB For Technology Solutions	100.00%	100.00%
NRG Investment Services Co "S.A.E."	99.5%	-
Ghabbour for Trading & Investment Services "S.A.E."	99.5%	-

* These investments are classified as investments in subsidiaries, where the group control this investments , where it is entitled to variable returns during its participation and its ability to control returns through its authority over the Investments.

** The company has been liquidated and the commercial register has been written off in 20 January 2025.

*** The company has been liquidated and the commercial register has been written off in 17 May 2025.

**** The company has been liquidated and the commercial register has been written off in 20 May 2025.

***** During the fourth quarter of 2024, GB Capital holding for Financial Investments "S.A.E." has merged GB Finance – BV in GB Capital BV , which is wholly owned by GB Capital holding for Financial Investments "S.A.E." , and GB Capital BV, which is wholly owned by GB Finance – BV. As a result of the merger, GB Capital BV became 100% owned by GB Capital holding for Financial Investments "S.A.E." instead of GB Finance – BV. Also it is worth mentioning that the merger process was carried out at the book value of all the company's assets.

***** The company filed an arbitration case against the People's Democratic Republic of Algeria during the year 2022. These proceedings were initiated as a result of the severe damage and losses suffered by the company due to the measures taken by the Algerian government against the company's business and investments in Algeria through the company's indirect shareholding amounting to 54% of the company's shares GBR Auto and 48.8% of the shares of GBR Service, which were incorporated in Algeria. It should be noted that the minimum damage suffered by the company is the loss of its invested capital, amounting to approximately USD 24 million, excluding foregone profit and interest. And the procedures of the arbitration case are ongoing.

31- Capital Commitments

The capital contractual expenditure of the Group at the consolidated financial statements date reached EGP 525 479 thousand at December 31, 2025 (EGP 674 864 thousand as at December 31, 2024) represented in the amount to be paid upon the completion of the new production lines under construction and other branches across the country.

32- 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:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
USD	3 614 082	4 285 158
EGP	1 929 980	1 736 400
Japanese Yen	276 037	199 010
Euro	22 222	326 234
Swedish Krona	86 650	72 169
Chinese Yuan	4 420	-

GB Corp (S.A.E)
Notes to the consolidated financial statements for the financial year ended December 31, 2025
(In the notes all amounts are shown in thousand of Egyptian Pounds unless otherwise stated)

33-Related party transactions

The related party transactions are represented in the transactions of the company's shareholders and the companies in which the company owns in it and / or the shareholders who owns shares directly or indirectly and has the right of control or practice with significant influence over those companies.

<u>Due from related parties</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
El Bostan Holding	-	79 435
SIPAC – Algeria	36 410	37 064
Algemaco – Algeria	78 077	79 480
MNT Investment B.V. Group	5 363	30 820
El Qalam Shareholders' Current Account	-	8 141
El Teriak Shareholders' Current Account	23 039	23 038
Total	142 889	257 978
Expected credit loss for due from related parties	(138 037)	(204 692)
	4 853	53 286

<u>Due to related parties</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Wahdan Company	2 058	2 058
Al Qalam Shareholders' Current Account	17 510	-
	19 568	2 058

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, 2025	December 31, 2024
Executive BOD Members	Board of Directors	Top Management Salaries	91 300	72 807
MNT Investment B.V. Group	Associate	Cash transfers	(42 967)	(258 588)

34- Investment in associates

	Contribution percentage	December 31, 2024	Adjustments on the beginning balance	December 31, 2024 Restated	Net Profit for the year	Additions	Dividends	December 31, 2025
MNT Investment B.V. Group (Netherlands)	44.01%	11 378 583	509 093	11 887 676	965 645	-	-	12 853 321
Mtor E-commerce B.V. *	27.8%	-	-	-	-	125 701	-	125 701
Medbia for Real estate Financing	33.33%	113 943	-	113 943	52 259	-	(13 219)	152 983
Kaf for life insurance	37.50%	105 747	-	105 747	(31 543)	66 000	-	140 204
		11 598 273	509 093	12 107 366	986 361	191 701	(13 219)	13 272 208

* During 2025 GB Corp has invested in Mtor B.V an amount of EGP 125,7 million and has finalized the purchase price allocation study which resulted in an intangible asset (Applications) amounted EGP 78 million which will be amortized over 8 years.

35-A Other Investments with fair value through Other Comprehensive Income

	Contribution percentage	December 31, 2024	Net Change in fair value	Disposal	December 31, 2025
Sky reality holding	7.61%	142 261	336 154	(64 218)	414 197
Seatr application	10.0%	2 000	-	-	2 000
Aifans company for car service	9.0%	500	-	-	500
Towfiqia .com	10%	500	-	-	500
		145 261	336 154	(64 218)	417 197

*These investments have not been classified as associated companies due to the lack of significant influence on the financial and operating policy decisions of these companies.

35-B Investments in fair value through profit or losses

SME Credit Eteman "S.A.E." invested in "Themar" investment fund at the Qatar National Bank by purchasing 114 143 units during the year 2024. The unit price was 700.873 Egyptian pounds, with a total cost of 79 999 746 Egyptian pounds. And during the year 2025 the company has recovered the total units 114 143.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

36- Income statement according to expense nature

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Operating Revenue	80 229 809	53 969 539
Operating Cost	<u>(67 798 681)</u>	<u>(43 454 917)</u>
Gross Profit	12 431 128	10 514 622
Other income	912 225	505 593
Other Revenue / (Expenses)	64 386	(240 108)
Expected Credit Losses	(229 488)	(115 616)
Share of profit of equity accounted investees	986 361	867 641
Losses from revaluation of disposal of subsidiaries companies	(11 584)	-
Change in fair value of financial investments at fair value through the profit or loss	7 967	-
Interest income	522 119	450 578
Installment sales interest	54 937	34 041
Bank Expense	(565 987)	(428 807)
Interest expense	(3 721 139)	(2 453 594)
Employees salaries & benefits	(3 383 330)	(2 795 546)
Selling & Marketing	(745 209)	(294 927)
Rents	(433 494)	(219 074)
Net (Losses) foreign exchange transaction	(37 108)	(291 567)
Impairment on Goodwill	(47 790)	-
Depreciation and Amortization	(480 903)	(353 737)
Consulting	(141 531)	(213 068)
Transportation	(76 979)	(68 469)
Vehicles expense	(90 588)	(88 462)
Governmental Fees & stamps	(159 947)	(123 936)
IT Expense	(189 777)	(124 661)
Other Expenses	(214 633)	(84 651)
Reverse of expenses from previous years	45 922	-
Insurance	(77 843)	(53 266)
Security Expense	(66 169)	(40 502)
Training employees	(12 015)	(54 371)
Repair/Maintenance Expenses	(5 104)	(4 684)
Administration Supplies	(93 251)	(68 886)
Utilities	(53 219)	(41 474)
Donations & Public relation	(109 142)	(89 474)
Medical Fund	(197 378)	(120 119)
Freight	(14 916)	(4 344)
Net profit for the year before income tax	<u>3 866 521</u>	<u>3 999 132</u>

37- Securitized Operations

The group (the non-banking financial services sector) signing into money transfer contracts issued to subsidiaries companies 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, and during 2025 transfer contracts issued amounted Zero from the total value 16 687 547.

<u>December 31, 2025</u>		<u>December 31, 2024</u>	
Total Value	Present Value	Total Value	Present Value
24 069 874	13 946 887	19 378 886	10 840 394

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

38-Bonds

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

The first version of the program was launched at an amount of 700 million Egyptian pounds on 23/06/2022, 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 6 666 667 EGP 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, 2025				
	Total Value	Borrowing Cost	Converted from more than one year	Paid	Net
Installments Due within a year	356 923 077	(1 907 072)	300 534 160	(575 550 165)	80 000 000
Installments Over a year	343 076 923	(2 542 763)	(300 534 160)	-	40 000 000
Total	700 000 000	(4 449 835)	-	(575 550 165)	120 000 000

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

39-1 Adjustments to the consolidated statement of financial position as of 31 December 2024

During the current fiscal year, the company's management has reconciled certain items in the financial statements from previous years. The following is a statement of asset, liability, and equity balances as of December 31, 2024, and the adjustments are on MNT Investment B.V. Group and GB Company for Financial Lease and Factoring and Drive for Financing and Non Banking Service

(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		8 193 201		8 193 201
Assets right of use		1 115 089	-	1 115 089
Intangible assets and Goodwill		1 052 278	-	1 052 278
Investment in associate	(34)	11 598 273	509 093	12 107 366
Investments in fair value through OCI		145 261	-	145 261
Long term accounts and notes receivables	(14)	7 610 377	(335 413)	7 274 964
Deferred tax assets		111 767	-	111 767
Debtors and other debit balances		254 129	-	254 129
Total non-current assets		30 080 375	173 680	30 254 055
Current assets				
Assets Held for sale		896 270	-	896 270
Inventories		21 134 299	-	21 134 299
Accounts and notes receivables	(14)	7 581 323	752 895	8 334 218
Investments in fair value through profit or loss		79 999	-	79 999
Debtors and other debit balances		5 478 585	-	5 478 585
Due from related parties		53 286	-	53 286
Cash on hand and at banks		7 420 866	-	7 420 866
Total current assets		42 644 628	752 895	43 397 523
Total assets		72 725 003	926 575	73 651 578
Equity				
Issued and paid in capital		1 085 500	-	1 085 500
Reserve for financial Solvency		122 655	-	122 655
General risk reserve		1 359	-	1 359
Legal reserve		710 245	-	710 245
Other reserves	(23)	7 890 066	(407 612)	7 482 454
Private risk reserve		20 393	-	20 393
Fair value reserve		-	1 348 087	1 348 087
Retained Earning		12 680 163	(145 525)	12 534 638
Net Profit for the year		2 928 121	-	2 928 121
Equity attributable to shareholders of the parent		25 438 502	794 950	26 233 452
Non-controlling interests	(24)	1 978 417	37 692	2 016 109
Total equity		27 416 919	832 642	28 249 561
Liabilities				
Non-current liabilities				
Loans		6 835 835	-	6 835 835
Long term Bond		120 000	-	120 000
Long term notes payables and creditors		384 389	-	384 389
Lease liability		1 123 775	-	1 123 775
Warranty provisions		7 070	-	7 070
Deferred tax liabilities	(11-B)	401 974	93 933	495 907
Total non-current liabilities		8 873 043	93 933	8 966 976
Current liabilities				
Provisions		702 803	-	702 803
Current tax liabilities		744 120	-	744 120
Loans, borrowings and overdrafts		15 572 866	-	15 572 866
Due to related parties		2 058	-	2 058
Bond		80 000	-	80 000
Lease Liabilities		211 359	-	211 359
Trade payables and other credit balances		19 121 835	-	19 121 835
Total current liabilities		36 435 041	-	36 435 041
Total liabilities		45 308 084	93 933	45 402 017
Total equity and liabilities		72 725 003	926 575	73 651 578

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

39-2 Adjustment on consolidated Comprehensive income 31 December 2024

(All amounts in thousand Egyptian Pound)

	<u>Before the restatment</u>	<u>Adjustments</u>	<u>After the restatment</u>
Net Profit for the year before income tax	3 059 893	-	3 059 893
Other comprehensive income items			
Foreign currency translation difference	3 729 319	-	3 729 319
Net change of financial assets at fair value	-	417 483	417 483
Modification surplus of fixed assets result	(9 379)	-	(9 379)
Total other comprehensive income for the year before income tax	<u>3 719 940</u>	<u>417 483</u>	<u>4 137 423</u>
Income tax Related to other comprehensive income item	3 455	(93 934)	(90 479)
Other comprehensive income for the year after income tax	<u>3 723 395</u>	<u>(323 549)</u>	<u>4 046 944</u>
Total other comprehensive income for the year	<u>6 783 288</u>	<u>323 549</u>	<u>7 106 837</u>
Other comprehensive income is attributable to:			
Owners of the company	6 249 696	334 492	6 584 188
Non-controlling interests	533 592	(10 943)	522 649
	<u>6 783 288</u>	<u>323 549</u>	<u>7 106 837</u>

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

40 – Private Risk Reserve

The risk reserve is represented in non-banking financial services, the effects of applying the Egyptian Accounting Standard No. 47 “Financial Instruments” equivalent to 1% of the assets listed in the risk weights in accordance with the provisions of the decisions issued by the Board of Directors of the General Authority for Financial Supervision No. 200 of 2020 on some companies that engage in financial activities

Non-banking activities, and the balance on December 31, 2024, reached 20.3 million Egyptian pounds, and the balance of this reserve has been reversed during the first quarter of 2025 after obtaining the approval of the FRA.

41 – General Risk Reserve

A general risk reserve is the difference between applying the expected credit loss model according to the non-bank financial companies' application of the Egyptian Accounting Standard No. 47 on January 1, 2021, for the provision for doubtful debts.

42- Reserve for financial Solvency

In accordance with Article No. (6) of the Financial Regulatory Authority’s Board of Directors Decision No. (191) of 2018, a general provision is formed at the rate of (1%) of the total regular balances, and a provision is formed on doubtful balances according to the rates of delay in collection divided into four Levels according to the degree of regularity in payment for each individual case.

An amount of retained profits or losses is set aside in the solvency risk reserve account within equity, and the reserve amount is calculated and always adjusted by deduction from or refund to the retained profits or losses, by the amount of the excess of the impairment provision calculated in accordance with the solvency standards over the provision for impairment of customers that was recognized in accordance with Egyptian accounting standards at the date of the financial statements.

Account

(1) The balance of provisions for doubtful financing balances in accordance with the basis for calculating provisions in Article No. (6) of the Financial Regulatory Authority’s Board of Directors Resolution No. (191) of 2018.	426 857
---	---------

(2) Balance of net impairment of customers as recorded in the books and according to Egyptian accounting standards (expected credit losses).	(234 813)
--	-----------

The balance of reserve for financial solvency	192 044
---	---------

43- Assets held for sale

The balance represents the value of land obtained from one of the group's subsidiaries customers, as the company's management intends to sell this land in the short term. However, exceptional economic changes have prevented the completion of the sale despite receiving purchase offers. Management continues to receive offers and reaffirms its commitment to the sale plan.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

44- Significant accounting policies

The following accounting policies that are adopted in the preparation of the consolidated interim 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 net assets acquired.
- Any goodwill that is tested annually for Impairment. Any gain on a bargain purchase recognized in profit or loss immediately.
- Transaction cost is expensed as incurred, except for the issuance of securities related to the issue of debt or equity securities.
- The consideration transferred does not include amounts related to the settlement of previously outstanding 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 in addition to the 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 authority 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.

Associates

Associates are accounted as interests in equity

The Group's equity accounted investees comprise interests in associates Companies.

Associates are those entities in which the Group has significant influence, but not control over the financial and operating policies.

Interests in associates is accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence ceases.

2) Non-controlling interests

NCI are measured at their proportionate share of the acquirer's recognized 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.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

4) Transaction elimination from consolidation financial statements

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from investment transactions that are accounted for using equity method 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 of the transferred assets.

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 are recognised in Other comprehensive income.

2) Foreign Operations

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

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

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

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

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

C- Discontinued operation

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

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

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

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

D) Revenue from customer contracts.

The Company recognizes revenue from contracts with customers based on a five-step model as specified in the standard:

Step 1: Define the contract(s) with the customer: A contract is defined as a binding agreement between two or more parties that creates enforceable rights and obligations and specifies the criteria that must be met for each contract.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount the company expects to receive in exchange for the transfer of goods or services promised to the customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that includes more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that identifies the amount paid that the Company expects to receive in exchange for performance of obligation.

Step 5: Revenue is recognized when (or whenever) the entity performance an obligation. A company satisfies a performance obligation and recognizes revenue over a period of time if one of the following criteria is met:

(a) The Company's performance does not create any asset that has an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

(b) The Company creates or enhances an asset that the Customer controls when the asset is created or enhanced.

(c) The customer simultaneously receives and consumes the benefits provided by the company's performance as soon as the company performs.

- For performance obligations, if one of the above conditions is met, revenue is recognized over a period of time, which represents the time in which the performance obligation is fulfilled.

- When a company satisfies a performance obligation by providing the promised services, it creates a contract-based asset on the amount obtained from the performance. When the amount received from the customer exceeds the amount of revenue generated, this results in advance payments from the customer (a contract obligation).

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs can be measured reliably, where appropriate. Costs of obtaining a contract with the customer

- Under EAS 48, certain additional costs incurred in obtaining a contract with a customer ("contract costs"), which previously did not qualify for recognition as an asset under any of the other accounting standards, are deferred in the statement of financial position.

1) Sales – wholesale and showrooms

Sales of goods are recognised when a Company entity has delivered products to the wholesaler, the wholesaler has full discretion over the price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products.

Delivery does not occur until the products have been delivered either in the Company entity warehouse or in the wholesalers' locations depending on the agreements. Accordingly, the risks and benefits have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

No element of financing is deemed present as the sales are made on a short credit term basis.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

2) Sales – retail and Companies

The Company operates a chain of showrooms for selling, and sales of goods are recognised when a Company entity has delivered.

Instalment sales revenues are those that require the payment of the value in instalments that are charged at sale price excluding interest as revenues on the sales date. The selling price is the present value of the instalments and is determined by discounting the value of the instalments due using the interest rate applicable. The deferred interest income is charged as a revenue when due and based on the matching principle, taking into account the applied interest rate on the transaction.

3) Sales of services – maintenance

The Company's entities provide maintenance service that measure on basis of labour hours and spare parts. The revenue from maintenance service is recognised when the service is done.

4) Interest income

Interest income is recognized on a time proportion basis, as it accrues using the effective interest rate method. When an impairment exists in the debit balances resulting from recognizing the interest, hence the book value is reduced to the value expected to be collected.

5) Dividend income

Dividend income is recognised when the right to receive payment is established.

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

For share-based payment (equity instrument) grants with non-maturity conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no outstanding adjustments between expected and actual outcomes.

3) Defined contribution plans

The Obligations for the 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 government social insurance system 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.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

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 financial statements date, then they are discounted - before tax – to reflect the time value of money.

F- Finance income and finance costs

The Group's finance income and finance costs include:

- interest income.
- interest expense.
- Foreign currency gains or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

Interest expense of non-banking financial corporations is represented in cost of sales and other corporations within finance costs.

G- Income Tax

The recognition of the current tax and deferred tax as income or expense in the profit or loss for the period, except in cases in which the tax comes from process or recognized event - 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. Should only be offset when specific 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
and 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 such 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. unrealized deferred tax assets are reassessed at each reporting date, and

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

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 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 a future economic benefits associated with the expenditure will flow to the Group.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

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

<u>Asset</u>	<u>Depreciation rate</u>
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****Goodwill:**

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

Other intangible assets:

Other intangible assets, including patents and trademarks, that are acquired by the business combination and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

The right of use of the trademark is amortized on a straight line method over the expected 30 years of use.

Computer software

Costs associated with developing or maintenance of computer software programmes when 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 for more than one year, are recognised as intangible assets.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

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 of 3 years.

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 as an asset if it is an intangible asset when the intangible asset will increase the future economic benefits related research and development projects 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.

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.

K - Financial instruments

Financial assets and financial liabilities Classification and measurement

- The company evaluates 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.

The financial instruments are 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

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

- 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.

Impairment:

- The expected credit loss model requires the company to recognize a provision for doubtful debts on all financial assets carried at amortized cost, as well as debt instruments classified as financial assets at fair value through other comprehensive income since initial recognition, regardless of whether the loss has occurred.

- 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 definition of default used for these purposes is applied consistently to all financial instruments unless information is available that demonstrates that another default definition is more 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 applied 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

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

approach was applied to calculate expected credit losses due to the presence of an important credit component in contracts with customers of that sector.

L- 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.

M-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 increase in book value of the provision resulting from the use of discount rate to determine the present value, which reflects the passage of time is recognized 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.

N- Leases

- The group recognizes the Asset right for use of the leased asset within the company's assets and also recognizes a liability, which represents the present value of the unpaid lease payments within the company's obligations, taking into account that Leases for the lessee are not classified as an operating lease or as a finance lease. There are optional exemptions for short-term and low-value leases.

With regard to the lessor, the lessor must classify each of its lease contracts as either an operating lease or a finance lease.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

- With regard to the finance lease, the lessor must recognize the assets held under a finance lease contract in the statement of financial position and present them as amounts receivable in an amount equal to the net investment in the lease contract.
For operating leases, the lessor must recognize lease payments from operating leases as income either on a straight-line basis or on any other regular basis.

Recognition and measurement

- At the inception of the contract, the company evaluates whether the contract contains lease arrangements. For such lease arrangements, the company recognizes Asset right for use and lease contract liabilities, with the exception of short-term lease contracts and low-value asset contracts as follows:

- On initial recognition, a right-of-use asset is measured as the amount equal to the lease liability, which is initially measured, adjusted for pre-contract lease payments, initial direct cost, lease incentives, and the discounted value of the estimated costs of dismantling and removing the asset. On subsequent measurement, the right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the shorter of the estimated useful lives of the Asset right for use or the lease term.

- The lease contract obligation is measured at the beginning of the lease contract at the present value of the unpaid lease payments on that date over the lease period, and the lease payments must be discounted at the rate using the incremental borrowing prevailing in the country. In general, the company uses the incremental borrowing rate as a discount rate. The lease liability is then measured at amortized cost using the effective interest method.

- The Asset right for use and lease liability will be remeasured later in the event of one of the following events:

- The change in the rental price due to the linkage to the prices or the rate that became effective in the period.
- Amendments to the lease contract.
- Re-evaluation of the lease term.

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

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

The Company determines the term of the lease as the non-cancellable term of the lease, together with any periods covered by the option to extend the lease if such right can reasonably be exercised, or any periods covered by the option to terminate the lease, if it is certain to be exercised That right.

The Company has the option under some lease contracts to lease the assets for additional periods, the Company applies judgment in assessing whether it is certain and reasonably certain to exercise the option to renew, that is to say, all relevant factors that create an economic incentive to exercise the renewal, after the commencement date, are taken into account The Company reinstates the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not exercise) the option to renew (for example) a change in business strategy.

O- Segmental reports

A segment is a group of related assets and operations that are subject to risks and returns that are different from those of other sectors or within a single economic environment subject to risks and returns that relate to it, other than those relate of segments operating in a different economic environment.

GB Corp (S.A.E)

Notes to the consolidated financial statements for the financial year ended December 31, 2025

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

P- Interests in equity - accounted investees

The Group's equity-accounted investees comprise interests in associates Companies and joint ventures. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

Q- Dividends

Dividends are recorded in the Group's financial statements in the year in which they are approved by the Group's shareholders.

R- Comparative figures

When necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

45 – Significant Events

- The year 2025 witnessed a series of decisions by the Central Bank of Egypt regarding interest rate cuts. The Monetary Policy Committee, in its meeting held on April 17, 2025, decided to lower the overnight deposit and lending rates, as well as the main operation rate, by 225 basis points, bringing them to 25.00% for deposits, 26.00% for lending, and 25.50% for the main operation, while reducing the credit and discount rate to 25.50%.
- Subsequent rate-cut decisions continued in the following meetings held on May 22, August 28, October 2, and finally December 25, 2025. In these meetings, rates were further reduced by a total of 500 basis points, bringing them to 20.00% for deposits, 21.00% for lending, and 20.50% for the main operation, with the credit and discount rate also reduced to 20.50%.

46 – Subsequent Events

- On February 12, 2026, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the overnight deposit rate, the overnight lending rate, and the main operation rate by 100 basis points, bringing the deposit rate to 19.00%, the lending rate to 20.00%, and the main operation and discount rate to 19.50%.