

GB Auto microfinance subsidiary Tasaheel launches operations

The Group's fifth venture in the non-bank financial services sector will prioritize group lending for female micro-entrepreneurs as well as retail micro-lending.

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(Cairo, Egypt) – GB Auto (AUTO.CA on the Egyptian Exchange), a leading automotive assembler and distributor in the Middle East and North Africa, announced the incorporation of Tasaheel Microfinance Company S.A.E, with authorized capital of EGP 40 million. Tasaheel, which is 90% owned by GB Auto's financial business subsidiary GB Capital and 10% by EQI -a veteran in the field of microfinance, will complement GB Auto's non-bank financial services business, offering micro-entrepreneurs access to much-needed financing solutions.

“This exciting new venture will allow us to capitalize on our success of working with reliable partners, with whom we've taken Mashroey from the flicker of an idea into a thriving business,” said GB Auto CEO Raouf Ghabbour, adding that “Tasaheel will allow us to pursue a growth opportunity in the finance sector at exactly the right moment in the microfinance industry's development.”

Tasaheel was incorporated on 22 June, 2015, under Law 159; and has already received its license to operate from the Egyptian Financial Supervisory Authority under the Microfinance Act (Law 141 of 2014). Operations are expected to commence immediately.

Mounir Nakhla, Managing Director of Tasaheel, said: “I am very excited to take on this challenge. Not only do I believe that we will achieve impressive returns, but we will be doing so while empowering a new generation of entrepreneurs who will help shape the face of our new Egypt. Tasaheel aims to establish over 100 branches nationwide, and plans to employ more than 2,000 people over the next five years.”

Amal Ragheb, Chairman of Tasaheel noted: “We are particularly excited about group lending to micro-entrepreneurs, especially females. The deployment of capital to this market segment will help increase household income and improve both families' and communities' standard of living. Growth of these micro-enterprises supports the nation's social and economic development by turning individuals with potential into drivers of growth.”

GB Auto's existing portfolio of financing businesses currently includes GB Lease (financial leasing), Mashroey (asset-based lending to eligible microfinance clients), Drive (factoring), Haram Tourism Transport (car rental on a quasi operational leasing basis) and now Tasaheel (microfinance).

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About GB Auto S.A.E.

GB Auto S.A.E. (AUTO.CA on the Egyptian Exchange) is a leading automotive producer and distributor in the Middle East and North Africa. Across five primary lines of business — Passenger Cars, Motorcycles & Three-Wheelers, Commercial Vehicles & Construction Equipment, Tires and Financing Businesses — the company’s main business activities include assembly, manufacturing, sales and distribution, financing businesses and after-sales services. GB Auto’s portfolio of brands includes Hyundai, Mazda, Geely Emgrand, Bajaj, Marcopolo, Iveco, Volvo Truck & Bus, Volvo Construction Equipment, Mitsubishi Fuso, YTO, Karry, SDLG, Aksa, Lassa, Yokohama, Goodyear, Westlake, Triangle, Grandstone, Diamond Back, Diamond Coin, Jumbo, Monroe and Gazpromneft. GB Auto has operations in Egypt, Iraq, Libya and Algeria, and is actively pursuing opportunities in new geographies within its core footprint. The company is headquartered in Giza, Greater Cairo Area, Egypt. www.ghabbourauto.com

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