

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

2019 Interim Results

21 August 2019



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Note: Sources of all data contained in this presentation are from Geely Automobile Holdings Ltd. except specified otherwise.

2019 First Half Results

- Attributable profit -40% to RMB4.01bn
- Wholesale volume -15% YoY due to proactive destocking at dealers
- Retail sales volume +5% YoY
- Average selling price +3%
- Lower margins due to price pressure (GP at 17.8%; OP at 9.2%)
- Strong growth at Genius AFC more than offset lower contribution from Lynk&Co JV

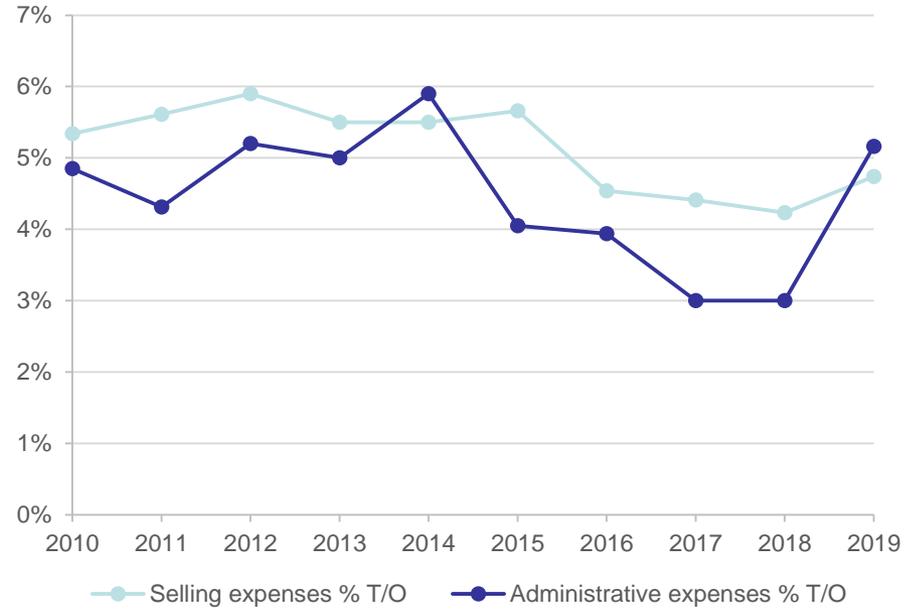
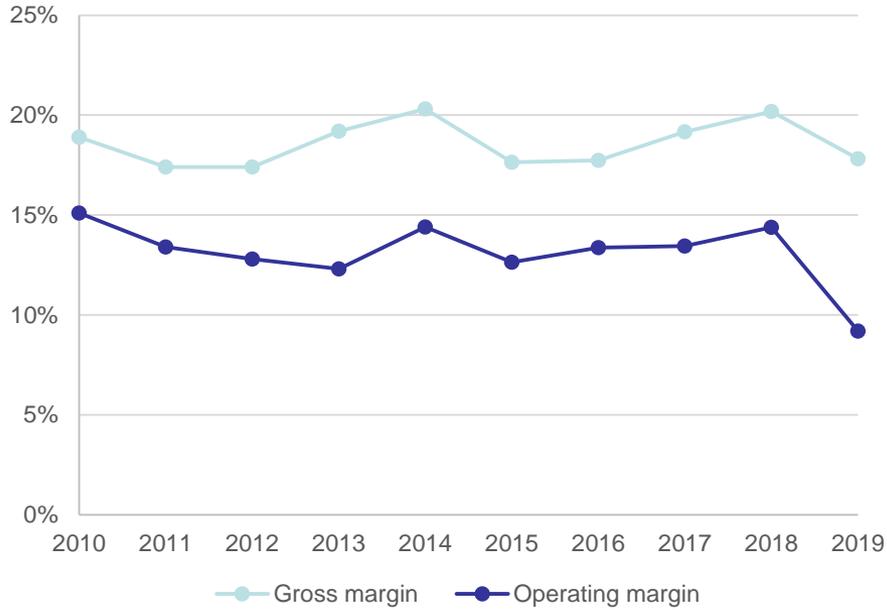


2019 Interim Highlights

- Higher retail market share at 6.5% for passenger vehicles in China(6.3% in 1H 2018)
- Successful launch of pure electric brand “Geometry” and its first sedan model “Geometry A”
- Profit contribution from joint-ventures (mainly Genius AFC & Lynk&Co) up 26%
- NEEV sales volume up 301%
- Total R&D expenses up 82% to maintain competitiveness



Profitability



Genius AFC

- Provision of automobile financing for 3 key auto brands under Zhejiang Geely Group
- Additional capital injection of RMB2 billion by shareholders to support growth
- Loan assets increased from RMB19.3bn by end of 2018 to RMB23.6bn by end of June 2019
- Negligibly low default rate
- Net profit of RMB232.7mn (2018 1H : RMB90.8mn)



吉致汽车金融
GENIUS AFC

Lynk&Co

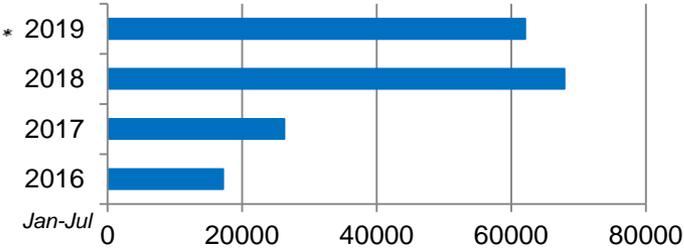
- Sales volume +21% to 55,877 units in 1H 2019
- Launch of “NEEV” version for “02” and “03” and two brand new models in next 12 months
- Net profit down 22% YoY to RMB266.2mn
- 243 “LYNK&CO Centres” and 20 “LYNK&CO Spaces” in China



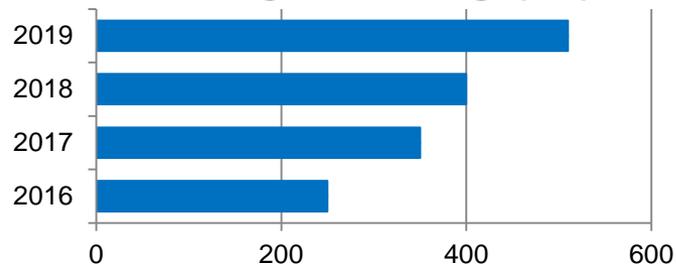
New Energy and Electrified Vehicles

New NEEV models

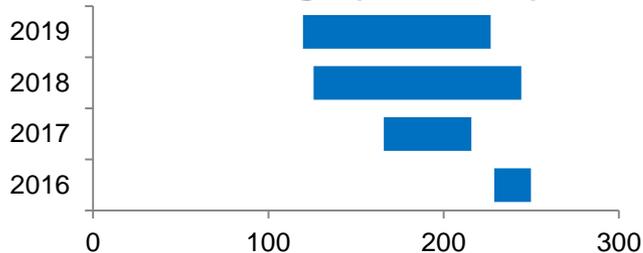
NEEVs - Sales Volume (units)



EV - Range Per Charge(km)



Price Range (RMB '000)



2019			
	Xingyue MHEV	Xingyue PHEV	Geometry A
2019			
	Binyue MHEV	Binyue PHEV	Jiaji MHEV/PHEV
2018			
	Borui GE MHEV	Borui GE PHEV	01 PHEV
2018			
	Emgrand EV350	Emgrand EV450	GSe
2017 2016			
	Emgrand EV300 (2017)	Emgrand PHEV (2017)	Emgrand EV (2016)

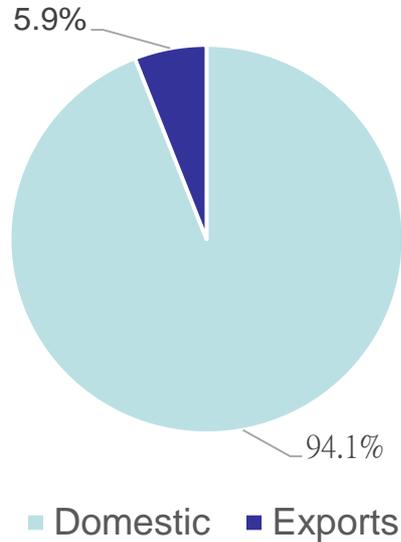
Sales Volume Breakdown

(6M to June) Units	2019	2018	YoY change
Total *	651,680	766,630	-15%
-Domestic *	613,061	757,931	-19%
-Exports	38,619	8,699	344%
Sedans	255,700	316,945	-19%
SUVs	379,728	449,685	-16%
MPVs	16,252	-	-
Geely	591,668	720,378	-18%
Geometry	4,135	-	-
Lynk&Co	55,877	46,252	21%
NEEVs	57,600	14,362	301%

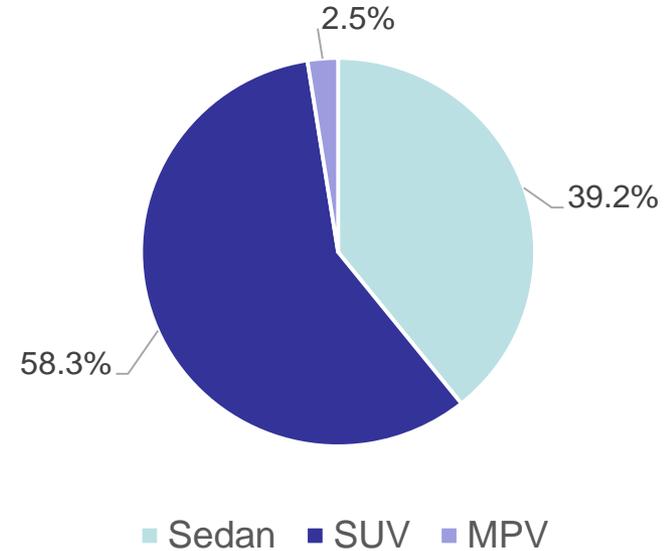
* Including sales volume of Lynk&Co vehicles

Sales Volume Breakdown (continue)

Sales by Locations



Sales by Segments



Key Models:
 Sedan: New Emgrand, Vision, Emgrand GL, Lynk&Co 03
 SUV: Boyue, Binyue, Vision X3, Emgrand GS, Vision SUV, Lynk&Co 01, Lynk&Co 02, Vision S1
 MPV: Jiaji

**Source = China Association of Automobile Manufacturers ("CAAM")

2019 Interim Results

6M to June (RMB mn)	2019	2018	YoY change
Sales Volume (units)	651,680	766,630	-15%
Revenue	47,559	53,709	-11%
Gross profit margin ratio*	17.8%	20.2%	-
Operating margin ratio**	9.2%	14.4%	-
Profit after tax	4,047	6,736	-40%
Attributable profit	4,009	6,670	-40%
Diluted EPS (RMB cents)#	43.86	72.65	-40%
	<u>Jun-19</u>	<u>Dec-18</u>	
Shareholders' equity	46,536	44,944	4%
Net cash###	10,604	12,333	-14%

* Gross profit margin ratio = gross profit / revenue

Operating margin ratio = (pre-tax margin before net finance income, share-based payments, and share of results of associates/joint ventures) / revenue

Diluted EPS = profit attributable to equity holders of the Company (diluted) / weighted average number of ordinary shares (diluted)

Net cash = all cash / bank deposits – all bank borrowings – bonds payables

Financial Analysis

6M to June	2019	2018	YoY change
Sales of vehicles (RMB mn) [#]	44,979	52,810	-15%
Average unit price (RMB) [#]	75,494	73,308	3%
Return on equity	17.2%	34.2%	-
EBITDA ratio*	13.1%	16.6%	-
Selling expenses (% of T/O)	4.7%	4.2%	-
Admin. expenses (% of T/O)	5.2%	3.0%	-

* EBITDA margin ratio = (Profit for the year plus taxes, depreciation and amortization, and finance costs) / revenue

Excluding sales volume of Lynk&Co vehicles

Financial Summary

- Healthy financial position despite lower revenue and operating profit
- Strong net cash level at RMB10.6bn
- US\$300mn club loan facility extension after end of June 2019
- Moody's credit rating outlook upgraded to "Baa3"/stable



New Products

“Geely” brand:

- A MPV model targeted at business and corporate users
- A compact SUV model
- A compact sedan model
- “NEEV” versions for major existing models



“Geometry” brand:

- A brand new model

New Products

“Lynk&Co” brand:

- Two brand new models
- “NEEV” versions for “02” and “03” models



2019 Outlook

- Still uncertainties for passenger vehicle demand in China in 2H 2019
- Revised target sales volume down 10% to 1.36mn units
- New product offerings at high levels
- Significantly increase in NEEV models
- Oversea sales continue to recover and boost growth further
- YTD (first 7 months) total sales volume -16% YOY to 743,055 units

