

# GEELY

# 2023 Interim Results

Geely Automobile Holdings Limited

Stock codes: 175 (HKD counter) and 80175 (RMB counter)

22nd Aug 2023

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

# Sales Growth Continues, Performance Remains Steady

- Total sales in 23H1 were approximately 694K units, an increase of 13.1% YoY; sales of new energy vehicles were approximately 158K units, an increase of 43.9% YoY; export sales were approximately 121K units, an increase of 38.3% YoY;
- Revenue reached RMB 73.18 billion, YoY increase of 25.8%; the Average Selling Price\* was approximately RMB 101K, YoY increase of 6.8%;
- Accelerating the electrification, whilst solidifying ICE business, resulted in a slight YoY increase of 1.2% in net profits attributable to shareholders, reaching RMB 1.57 billion. Influenced by intensified market competition and an increased proportion of new energy, the gross profit margin slightly fell to 14.4%;
- Increased investment in intelligence and electrification R&D, the total R&D investment was RMB 5.91 billion, YoY increase of 62.8%;
- Financial condition is strong: the total cash level\*\* remained stable, at RMB 33.64 billion; the operating cash flow increased by 9.1% to RMB 10.70 billion;
- Zeekr completed a Series A financing of USD 750 million, with a valuation of USD 13 billion.

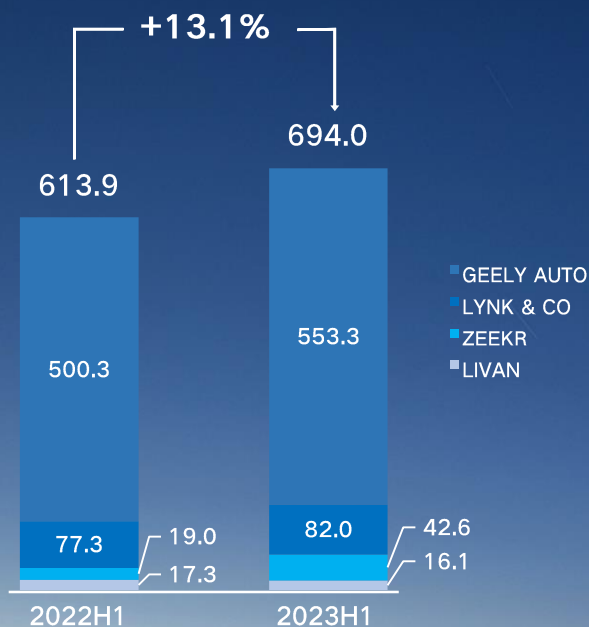


\*Average Selling Price = Vehicle Revenue / Sales volume, not include LYNK & CO and LIVAN brands.

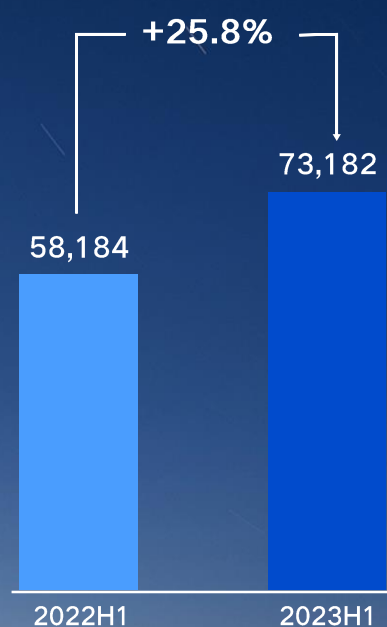
\*\*Total cash level = Bank balances and cash + Restricted and pledged bank deposits.

# Sales Continuously Increase, Revenue Hits Record High for the Same Period

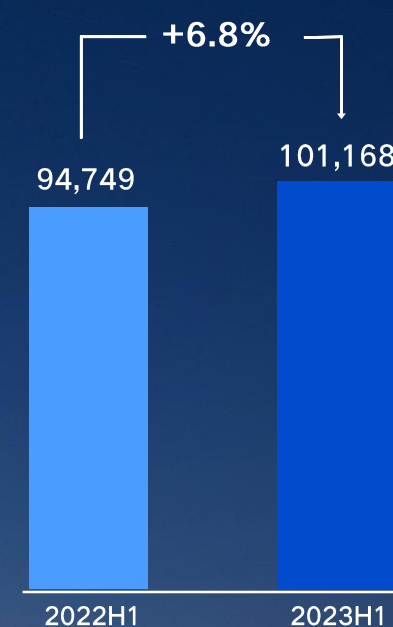
Overall Sales Volume  
( in thousand units )



Revenue  
( in million RMB )



Average Selling Price\*  
( RMB )

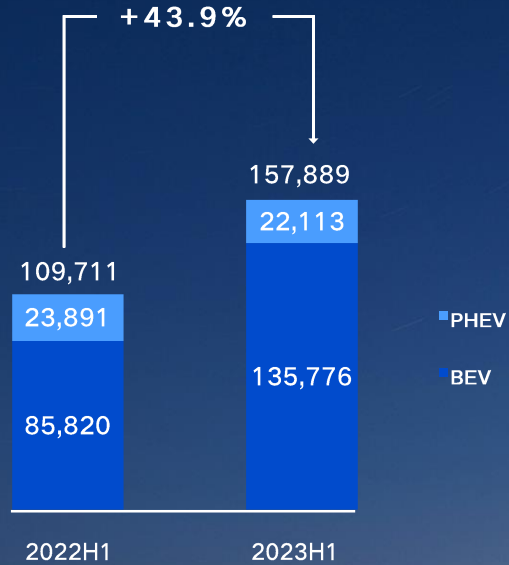


\* Average Selling Price = Vehicle Revenue / Sales volume , not include LYNK & CO and LIVAN brands.

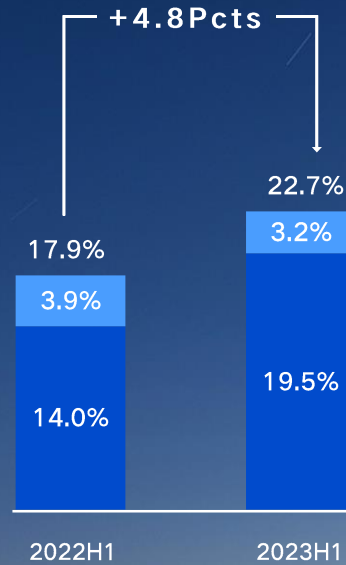


# Firm Commitment to New Energy Transition, Rapid Growth in Sales Volume

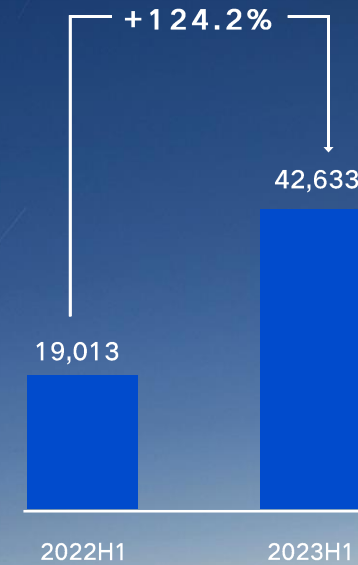
### NEV Sales Volume \* (units)



### Proportion of NEV Volume \*



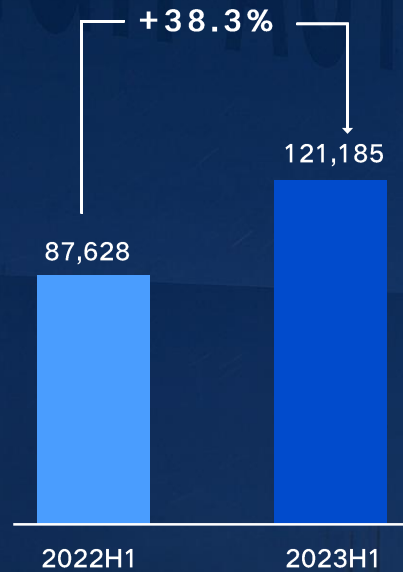
### Zeekr's Sales Volume (units)



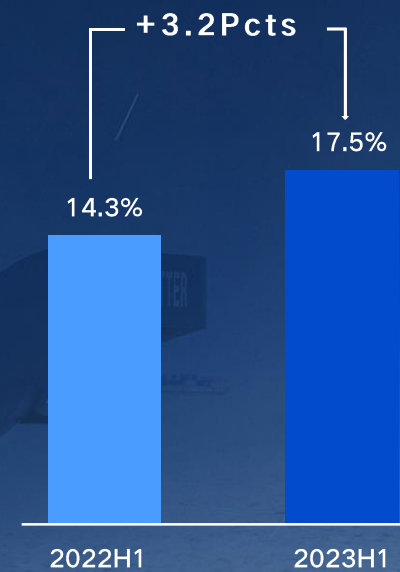
\* incl. LYNK & CO, and LIVAN.

# Sustained Growth in Export Business

Export Sales Volume  
\* (units)



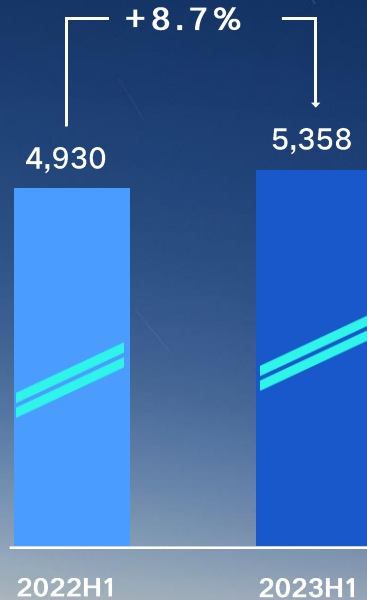
Proportion of Export Sales Volume \*



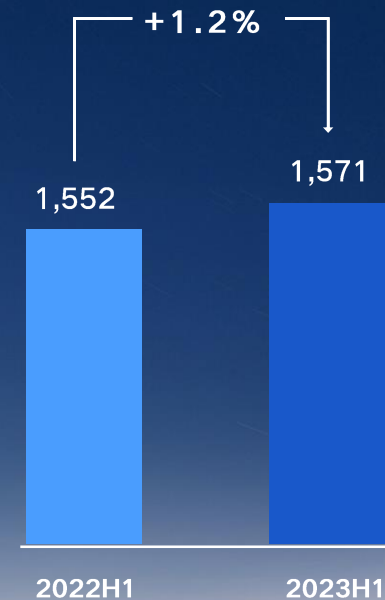
\* incl. LYNK & CO, and LIVAN.

# Despite Intensified Competition, Profit Still Maintains Growth

EBITDA  
(in million RMB)



Profit attributable to shareholders  
(in million RMB)

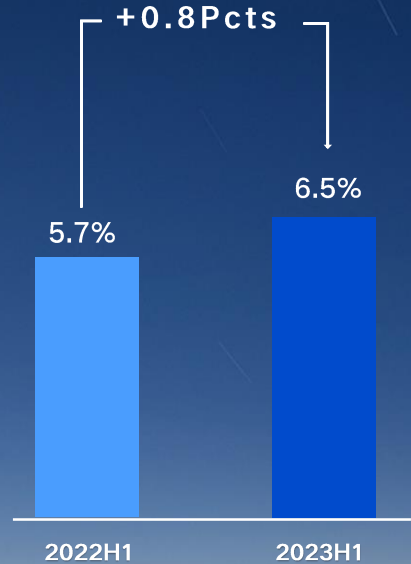


• EBITDA = Profit before tax + interest expense for finance expenses – other income excluding government grants, net foreign exchange gain + depreciation + amortization.

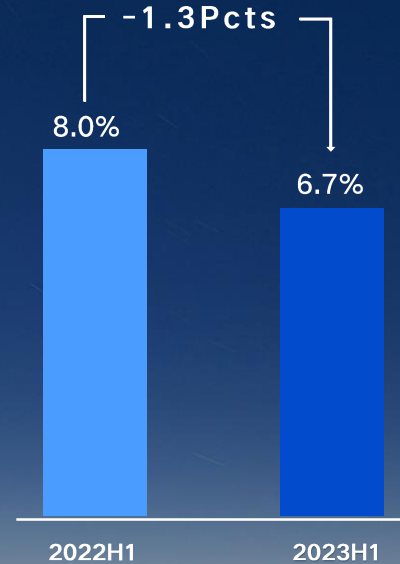


# Diversified Sales Channels Lead to Increased Costs, but Management Efficiency Improves

Distribution and Selling Expenses Ratio\*



Administrative Expense Ratio\*

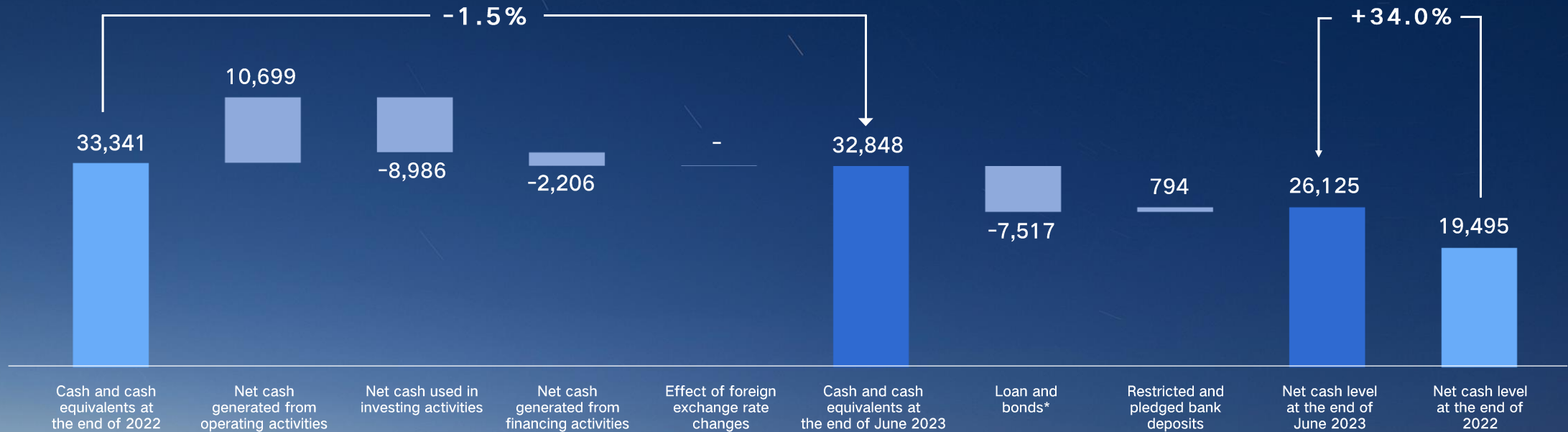


\* Selling Expense Ratio = Distribution and Selling Expenses / Revenue, Administrative Expense Ratio = Administrative Expense / Revenue.



# Ample Cash Reserves, Significant Increase in Net Cash Levels

2023 H1 Cash Flow (in million RMB)



\* Loan and bonds = Bank borrowings + Bonds payable + Loan from a related company + Perpetual capital securities.

# Blue Geely Initiatives Implemented



Mass Market  
Long Range PHEV and BEV  
ADAS L2 above



Main Selling  
Price Range  
RMB 100K-  
200K



High-end Market  
Long Range PHEV and BEV  
ADAS L2+ above



Main Selling  
Price Range  
RMB 200K-  
300K



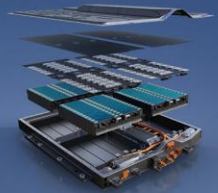
Premium Market  
BEV  
ADAS L2++ above



Main Selling  
Price Range  
from RMB  
300K

# Successfully Launched Geely's dedicated NEV series "Galaxy"

- Launched a new energy series "Galaxy", focusing on the hybrid and pure electric car market;
- The L7 plug-in hybrid SUV broke the 10,000 sales mark in the month after its launch, setting a speed record for hybrid SUV sales in China, and over half the orders are for the top-of-the-line model;
- Plans to launch the L6 plug-in hybrid sedan in the third quarter and the E8 pure electric sedan in the fourth quarter;
- Independent sales channels, as of July, over 400 new stores have been opened for the Geely Galaxy series, with a plan to open 700 stores throughout the year;
- Innovative sales model, combined with online digital marketing, providing more transparent on order placement and services.



Shield Battery Safety System



NordThor Power



3-Gear Variable Frequency Electric Drive





# “Zeekr’s Speed” Accelerating the Pace in Premium Pure Electric Intelligence Market

## Records

120K+ units

Cumulative  
delivered of ZEEKR

42,633 units

YOY 124%

## Continuous Evolution

12 versions of  
OTAs  
for ZEEKR 001 and  
ZEEKR 009

500K+ times of  
OTA  
upgrades at  
user side for ZEEKR 001

250+ functions  
update

Nearly 2,500  
experience  
optimizations



# ZEEKR - User ecosystem services continuously advancing

## User contact

- 300+ direct sales stores, covering 75 cities; since first ZEEKR center launched in Sep. 2021, a new store every two days on average;
- The delivery service covers 330+ cities; the after-sales service covers 208 cities in 31 provinces, and there are nearly 300 high-quality service centers.

## Charging facilities

- Nearly 750+ self-owned stations covering 120+ cities, averaging 1.2 stations built per day;
- Charging network operates with nearly 520K+ charging guns in 340+ cities.

## Community

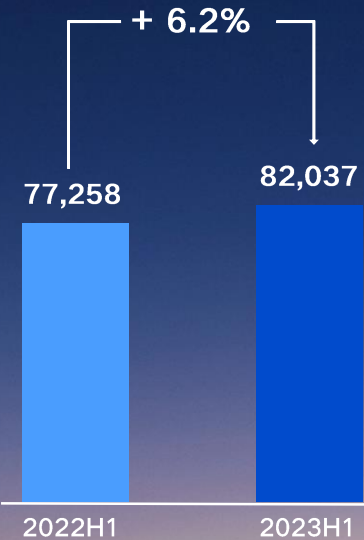
- ZEEKR App: monthly interaction over 5.83 million times, users co-create over 29K enhancement features;
- User community: Nearly 352 activities per month, covering 63 cities across the country;
- Life e-commerce: nearly 400 premium accessories, and nearly 20 cross-sector products are jointly launched by 14 well-known brands.





# LYNK & CO – Accelerating the New Energy Transition

## Sales volume ( in units )



- Sales in 23H1 increased by 6.2% YoY to 82K units, and the cumulative sales of Lynk & Co have broken through 900K units, steadily increasing its market share in the domestic high-end car market;
- Completely stopped investing in ICE cars, accelerating the pace of new energy transition;
- Collaborated with Meizu to create the intelligent cockpit system LYNK Flyme Auto, and launched the first equipped model, Lynk & Co 08;
- Expanding into emerging markets in the Asia-Pacific region, exporting to countries like Israel, the first-half export sales in the Asia-Pacific region increased by 420% YoY;
- The number of subscribers in Europe is growing rapidly, with an additional 12.7K subscriptions\*, doubling the growth compared to the same period, and the number of registered members has exceeded 220K.

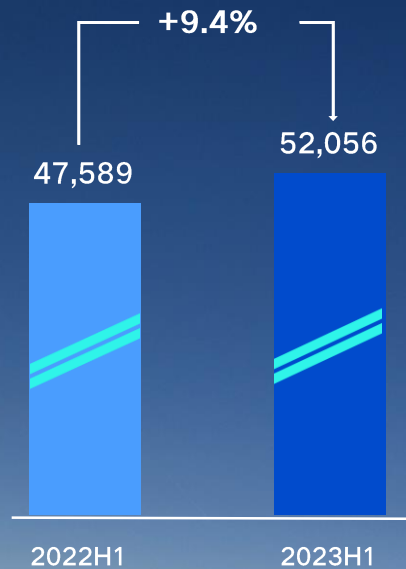


\* New subscriptions: Subscription volume refers to the number of vehicles operated in subscription mode, not the contracted quantity.

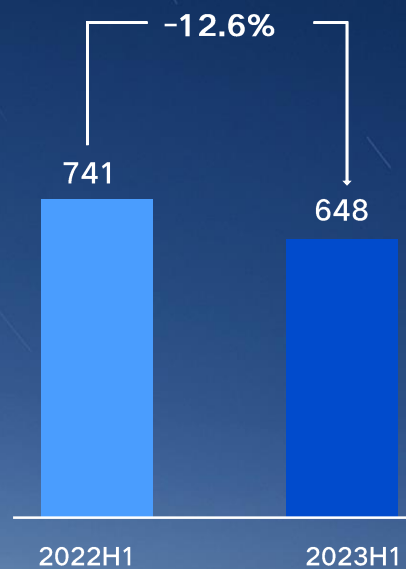


# GENIUS AFC - Stable Profit Contribution

Outstanding Loan Assets  
( in million RMB )



Net Profit  
( in million RMB )



- Continued to provide stable profit contributions to the group: Net profit in the first half of the year was RMB 648 million, a YoY decrease of 12.6%;
- Robust risk control system: The Non-performing loan ratio is 0.2%;
- Continuously expanding external financing channels: Issued two deals of ABS, with a total amount reaching RMB 9.5 billion; successfully signed carbon neutrality and social responsibility linked syndicated loans, with the initial loan amount reaching RMB 2.2 billion.

# Building a Globally Leading Powertrain Joint Venture



GEELY

Renault  
Group

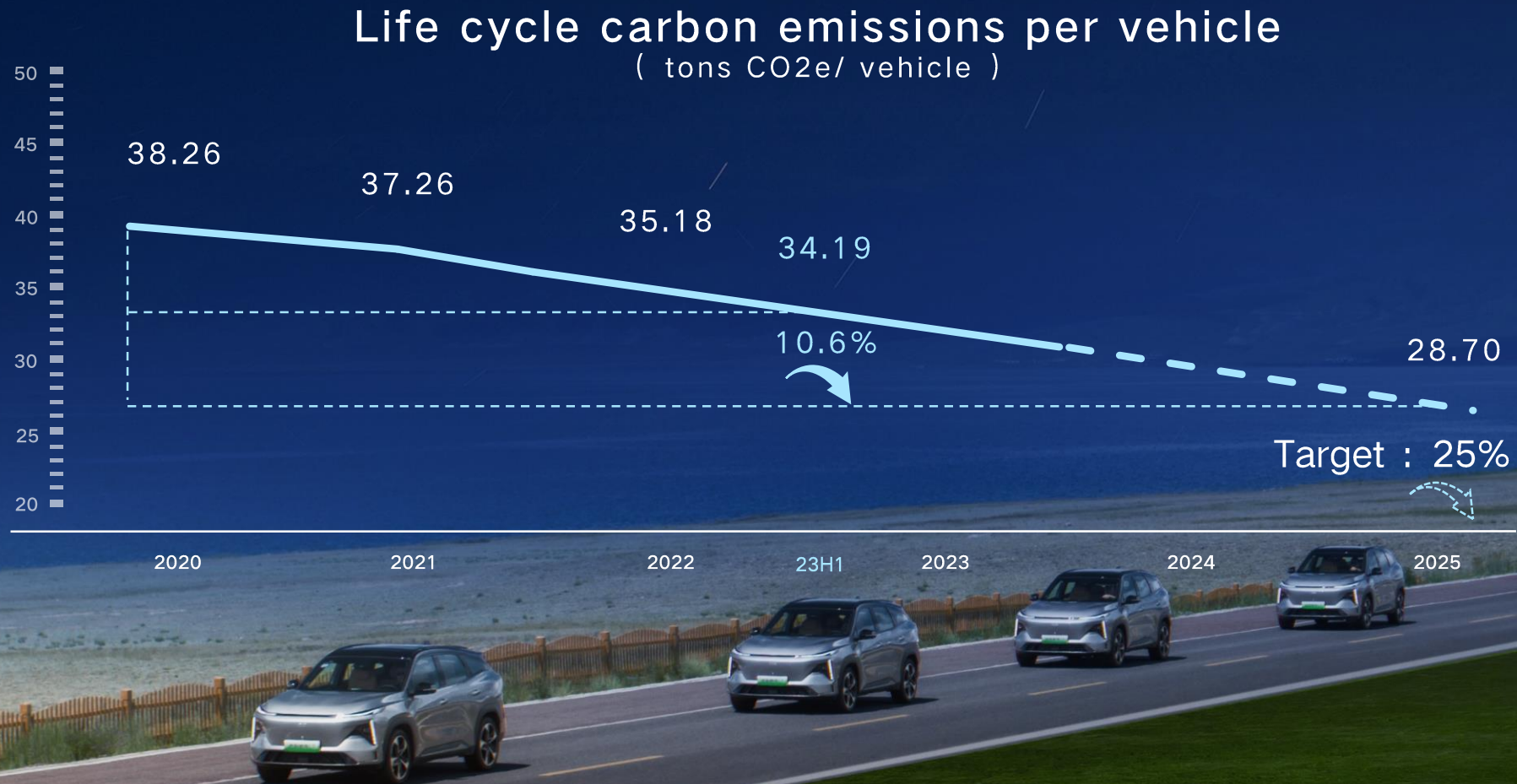
33 : 17 : 50

A conditional agreement has been jointly signed with Geely Holding and Renault to establish a powertrain JV company.

The operation of the new company will create scale effects and synergy effects, lower the costs of operations, and become a global leader in hybrid technology, providing the world with low-carbon and zero-carbon hybrid powertrain solutions.

# Striving Towards Becoming the ESG Leader in the Global Automotive Space

- With 2020 as baseline, the accumulated 2023 H1's life cycle carbon emission per vehicle reduced by 10.6%.





# Environmental, Social and Governance ( “ESG” )

## Carbon Emissions

- Short-term target: With 2020 as baseline, life cycle carbon emission per vehicle reduced by more than 25% in 2025;
- Mid-term target: Lifecycle carbon emissions per vehicle reduced by more than 68% in 2035;
- Long-term target: Achieve carbon neutrality by 2045.

With 2020 as baseline, 2023 H1's life cycle carbon emission per vehicle  10.6%

## Vehicle Use

- Sales volume of NEVs reached 158,000 units (+44% YoY) , accounting for 23% of the total sales volume; sales volume of BEVs reached 136,000 units (+58% YoY), accounting for 86% of total NEVs sales volume.

## Manufacturing

- Total photovoltaic installed capacity reached 338 MW (+132% YoY);
- Utilization of renewable electricity in vehicle plants accounts for 43%;
- In addition to Xi'an factory, Baoji factory also obtained the five-star certification of “Zero Carbon Factory” .

## Board Independence and Gender Diversity

- Nomination Committee and Remuneration Committee are composed of 100% independent non-executive directors;
- Set a target of 30% or more female directors by the end of 2025.

# Environmental, Social and Governance ( “ESG” )

## Geely Auto ' s ESG performance has also been widely recognized

- Selected for the first time as constituent of the Hang Seng Corporate Sustainability Index, which comprises the top 30 Hong Kong listed companies in ESG performance;
- Included in S&P Global “ Sustainability Yearbook (China Edition) ” and ranked 1st in 2022 S&P ESG score among Chinese automobile companies;
- Ranked 8th on the China Central Television "China ESG Listed Company Pioneer 100" list, with a five-star rating and ranked 1st among Chinese automobile companies;
- Received MSCI ESG rating of A and Sustainalytics ESG Risk Rating of low risk;
- Selected as constituent of "Hang Seng ESG 50 Index", "Hang Seng Corporate Sustainability Benchmark Index “ and "FTSE4Good Index Series”;
- The first Chinese automobile company upgraded to “ Level 3 ” (Level 0-4) in the management quality assessment of Transition Pathway Initiative (TPI).



# H2 Outlook

- Maintain the annual sales target of 1.65 million units (of which, Zeekr' s annual delivery target is 140K units ) ;
  - **Geely brand:** Full speed ahead with the "Galaxy " layout, launch the Galaxy L6 and E8, rapidly and effectively promote channel construction, establish a new energy brand image. Launch a more advanced intelligent driving solution 6V5R, focus on improving the performance of NOA and APA. Release Galaxy N OS2.0 to achieve an integrated experience of system, identity and cloud.
  - **Zeekr brand:** launch an all-new smart pure electric sedan, improve market share in the luxury market. Launch commercial applications such as NZP in Shanghai, Hangzhou and other places; the intelligent driving demonstration line specially developed for the Hangzhou Asian Games will be put into operation to fully demonstrate technical strengths in urban open road and other scenarios.
  - **Lynk & Co brand:** Make Lynk & Co 08 a star new energy vehicle model, and fully embark on the brand's electric transformation. Cooperate with Meizu Technology to launch Flyme AUTO OS.
- Through globalized R&D, manufacturing and marketing, the Geely, Zeekr and Lynk & Co brands will achieve breakthroughs in key markets, further penetrate the markets in the Middle East, Asia-Pacific, Latin America, and Europe. At the same time, we will enhance service value, accelerate market development, and leverage advantages of global cooperation partners to promote the globalization of new energy and intelligent vehicle models.





# New Models

## GEELY

### ◆ Geely Galaxy Series

L6 - A compact plug-in hybrid Sedan

E8 - A BEV mid-size sedan

### ◆ Geely Star Series

Brand New Xingyue L HEV

Brand New Xingrui L HEV

## ZEEKR

A smart BEV sedan

## LYNK & CO

LYNK & CO 08

A Plug-in hybrid mid-sized SUV









吉利银河 L6



GEELY

# 造每个人的智能精品车

Making Intelligent and Refined Cars for Everyone

吉利汽车控股有限公司2023年中期业绩发布会

Geely Automobile Holdings Limited 2023 Interim Results Announcement

股票代码：175（港币柜台） 80175（人民币柜台）

Stock codes: 175(HKD counter) and 80175(RMB counter)

2023/08/22 22nd Aug 2023

# 2023 H1 RESULTS

As at 30 June	2023H1	2022H1	Movement
Sales Volume (units)*	694,045	613,845	+ 13.1% YoY
Revenue (RMB m)	73,182	58,184	+ 25.8% YoY
Gross profit margin ratio**	14.4%	14.6%	- 0.2 Pcts
Operating margin ratio ***	1.8%	1.6%	+ 0.2 Pcts
Profit after tax (RMB m)	1,274	1,278	- 0.4% YoY
Profit attributable to shareholders (RMB m)	1,571	1,552	+ 1.2% YoY
Diluted EPS (RMB cents) #	14.75	14.71	+ 0.3% YoY
	Jun 2023	Dec 2022	Movement
Shareholders' equity (RMB m)	76,569	75,130	+ 1.9% YoY
Net Cash Level (RMB m) ##	26,125	19,495	+ 34.0% YoY

\*Incl. Lynk&Co and Livan.

\*\*Gross profit margin ratio = gross profit ÷ revenue.

\*\*\*Operating margin ratio = (Profit before tax + interest expense for finance expenses - other income excluding government grants, net foreign exchange gain) ÷ Revenue.

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

##Net cash level = cash - bank borrowings - bonds payable - perpetual capital securities - loan from a related company.

# 2023 H1 RESULTS

As at 30 June	2023H1	2022H1	Movement
Sales of vehicles (RMB m)	60,284	49,203	+ 22.5% YoY
Average Selling Price (RMB)	101,168	94,749	+ 6.8% YoY
Return on equity *	2.1%	2.2%	- 0.1 Pcts
EBITDA ratio**	7.3%	8.5%	- 1.2 Pcts
Distribution and Selling Expenses (% of Revenue)	6.5%	5.7%	+ 0.8 Pcts
Admin. expenses (% of Revenue)	6.7%	8.0%	- 1.3 Pcts

\*Return on equity = Net profit attributable to equity holders of the company ÷ equity attributable to equity holders of the company.

\*\*EBITDA margin ratio = (operating profit + depreciation and amortization) ÷ revenue.