

GEELY

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 0175)



19th Asian Games
Hangzhou 2022



GEELY AUTO

Official Prestige Partner of the 19th Asian Games Hangzhou 2022

**MOVING
FORWARD**

2020

INTERIM RESULTS

17 August 2020

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

2020 FIRST HALF RESULTS

- Attributable profit -43% to RMB2.30 billion
- Sales Volume -19% YoY
- Average selling price -6% YoY
- Lower margins (GP at 17.1%; OP at 5.7%)
- Strong financial position with RMB20.21 billion cash

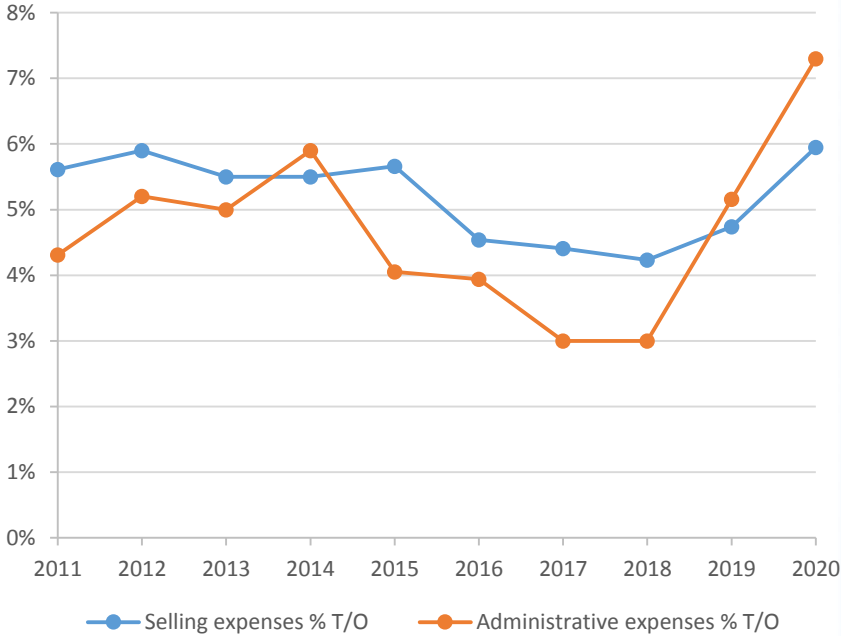
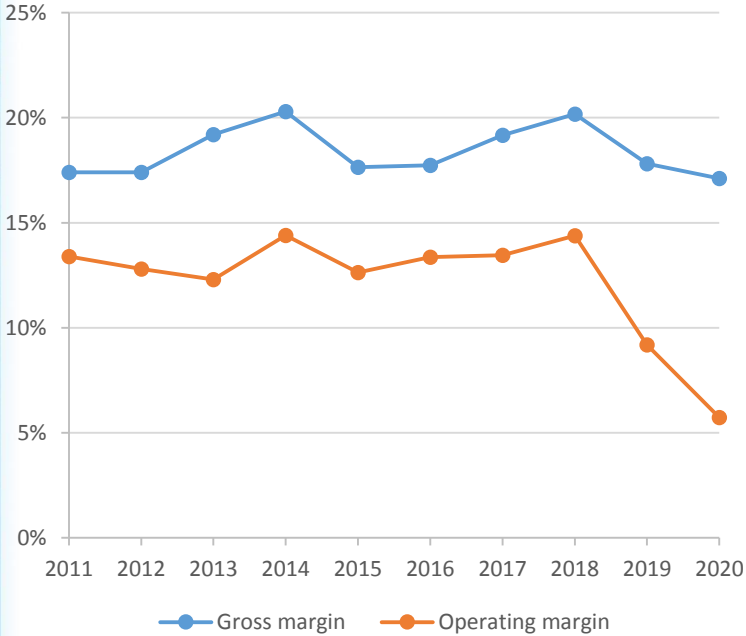


2020 HIGHLIGHTS

- Higher wholesale market share at 6.7% (6.5% in 2019)
- Profits contribution from joint-ventures (mainly Genius AFC & Lynk&Co) up 38%
- Placing of 600 million of new shares with net proceeds of HK\$6.447 billion
- Proposed issue of RMB Shares and listing on the Sci-Tech Board



PROFITABILITY



GENIUS AFC

- Provision of automobile financing for 3 key auto brands under Zhejiang Geely Group
- Loan assets increased from RMB31.6 billion by end of 2019 to RMB34.8 billion by end of June 2020
- Still healthy default rate despite impact from COVID-19
- Net profit of RMB423 million (2019 1H: RMB233 million)



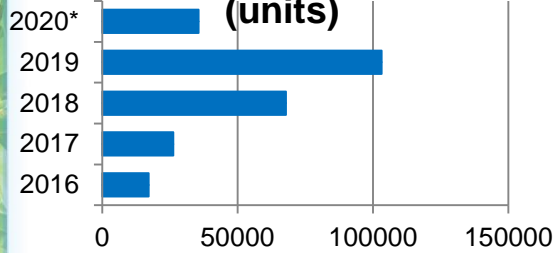
LYNK&CO

- Sales volume -2% to 54,763 units in 1H 2020
- Successful launch of Lynk&Co 05
- Net profit down 29% YoY to RMB189 million due to partial shutdown and production disruption
- 259 “Lynk&Co Centres” and 16 “Lynk&Co Spaces” in China



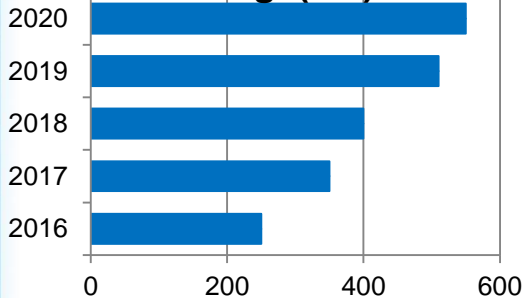
New Energy and Electrified Vehicles(NEEVs)

NEEVs - Sales Volume (units)

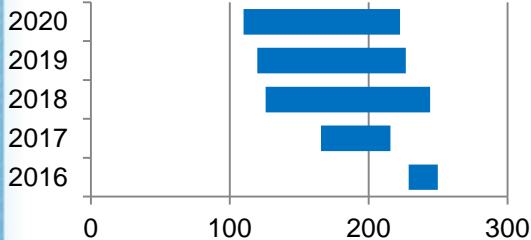


*End to Jan-Jul 2020

EV - Range Per Charge(km)



Price Range (RMB '000)



NEEV models



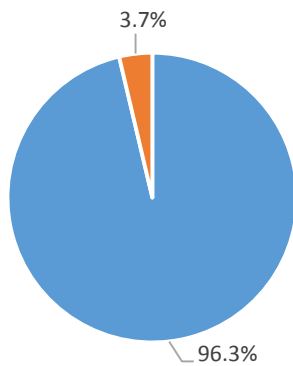
SALES VOLUME BREAKDOWN

(6M to June) Units	2020	2019	YoY change
Total *	530,446	651,680	-19%
-Domestic *	510,873	613,061	-17%
-Exports	19,573	38,619	-49%
Sedans	197,030	255,700	-23%
SUVs	324,061	379,728	-15%
MPVs	9,355	16,252	-42%
Geely	474,518	591,668	-20%
Geometry	1,165	4,135	-72%
Lynk&Co	54,763	55,877	-2%
NEEVs	29,214	57,600	-49%

* Including sales volume of Lynk&Co vehicles

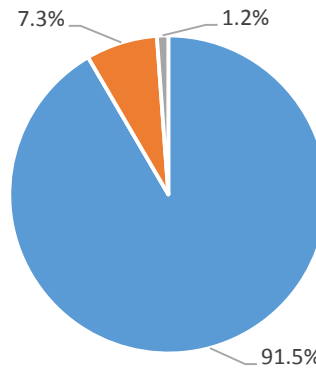
SALES VOLUME BREAKDOWN (CONTINUED)

Sales by location



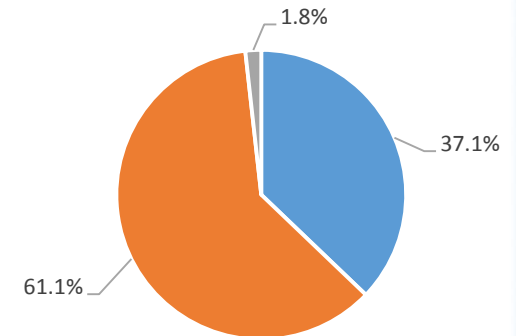
■ Domestic ■ Exports

Revenue by nature



■ Sales of automobiles ■ Sales of parts and components ■ License fee income

Automobile by segment



■ Sedan ■ SUV ■ MPV

Key Models:

Sedan: New Emgrand, Binrui, Vision, Lynk&Co 03

SUV: Boyue, Binyue, Vision X3, Emgrand GS, Vision X6, Lynk&Co 01, Lynk&Co 02,

MPV:Jiaji

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

2020 INTERIM RESULTS

6M to June (RMB mn)	2020	2019	YoY change
Sales Volume (units)	530,446	651,680	-19%
Revenue	36,820	47,559	-23%
Gross profit margin ratio*	17.1%	17.8%	-
Operating margin ratio**	5.7%	9.2%	-
Profit after tax	2,320	4,047	-43%
Attributable profit	2,297	4,009	-43%
Diluted EPS (RMB cents) [#]	24.70	43.92	-44%
	<u>Jun-20</u>	<u>Dec-19</u>	
Shareholders' equity	60,538	54,436	11%
Net cash ^{##}	12,562	11,759	7%

* 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 payable – perpetual capital securities

FINANCIAL ANALYSIS

6M to June	2020	2019	YoY change
Sales of vehicles (RMB mn) [#]	33,720	44,979	-25%
Average unit price (RMB) [#]	70,888	75,494	-6%
Return on equity	7.6%	17.2%	-56%
EBITDA ratio*	12.6%	13.1%	-4%
Selling expenses (% of T/O)	5.9%	4.7%	25%
Admin. expenses (% of T/O)	7.3%	5.2%	40%

* 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 cash level at RMB20.21 billion
- Placing of new shares to further strengthen capital in view of highly uncertain environment
- Moody's credit rating outlook upgraded to "Baa3"/ stable



NEW PRODUCTS

“Geely” brand:

- A brand new compact mid to high end sedan model (Preface)
- New generation of “Borui GE” model

“Geometry” brand:

- A brand new compact electrified SUV model (Geometry C)
- A compact electrified sedan model



NEW PRODUCTS

“Lynk&Co” brand:

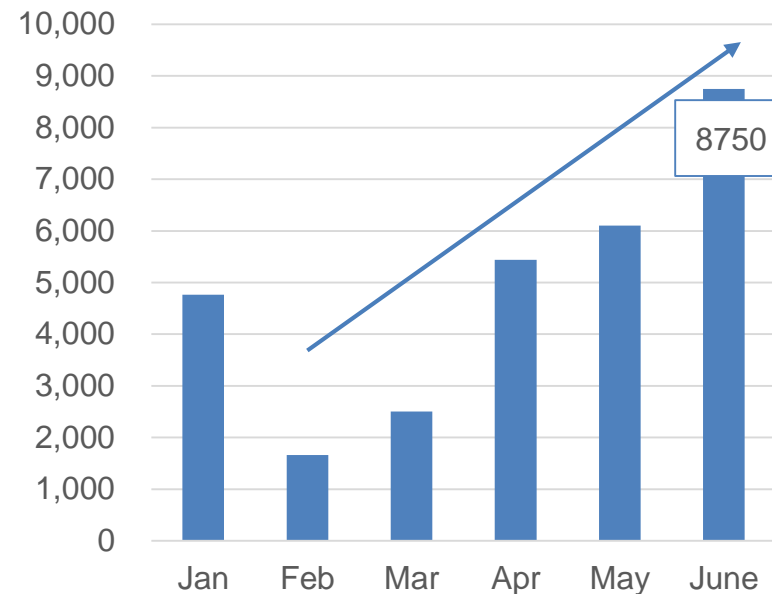
- Lynk&Co 06 compact SUV
- New generation of Lynk&Co 01



ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”)

- Despite initial setback at the beginning of the year, sales of NEEVs rebounded in 2Q 2020 with an increase of 43% month-on-month in June 2020
- 68% of existing models offer NEEV versions (2019: 57%)
- Launch of our first fully electrified SUV models (Geometry C) in August

NEEVs – Sales Volume (units)



ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) (CONTINUED)

- Strengthened governance after proposed RMB share issue, (e.g. dividend return plan, amended shareholders’ authority)
- Approved reduction of general mandate to issue shares from 20% to 10%
- Reduced potential continuing connected transactions via restructuring
- Engaged international advisor to upgrade ESG performance
- Received MSCI ESG AA Rating
- Ranked top 20 among HSI constituents in the “Hong Kong Business Sustainability Index”



MSCI
ESG RATINGS



CCC	B	BB	BBB	A	AA	AAA
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2020 OUTLOOK

- Uncertainties remain for passenger vehicle demand in China in 2H 2020
- Production resumed to normal in 2Q 2020 after COVID-19 outbreak
- Proposed issue of RMB Shares and listing on the Sci-Tech Board
- Revise down 2020 sales volume target by 6% from 1.41 million units to 1.32 million units

