

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

2018 Final Results

21 March 2019



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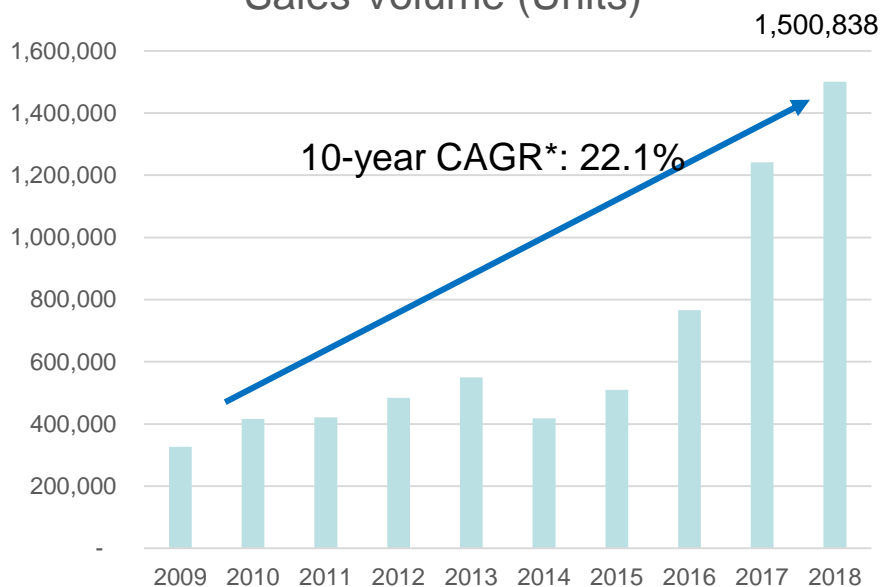
2018 Full Year Results

- Attributable profit +18% to RMB12.55 billion
- Sales volume +20%
- Average selling price +1% (+8% if including Lynk&Co sales)
- Higher margins (GP at 20.2%; OP at 13.6%)
- Cash dividend +21% to HK35 cents

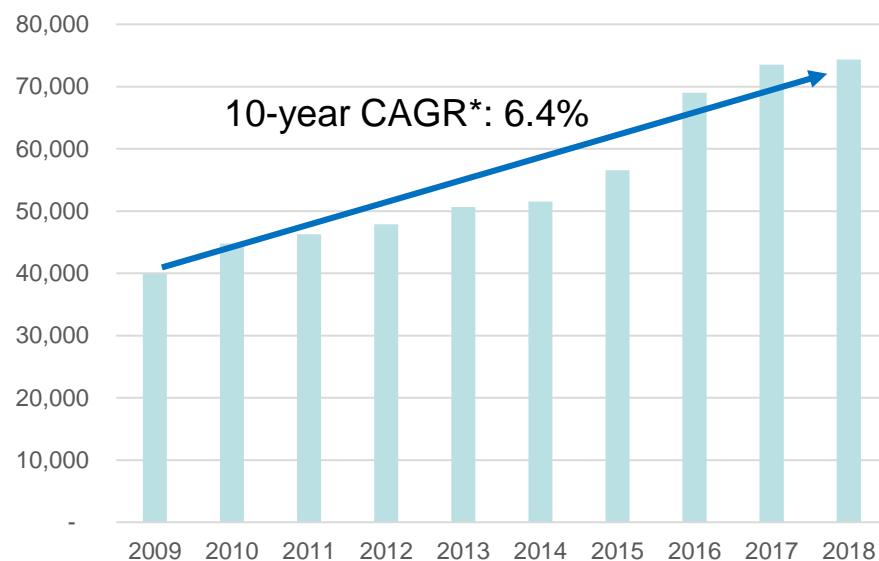


Sales Performance

Sales Volume (Units)



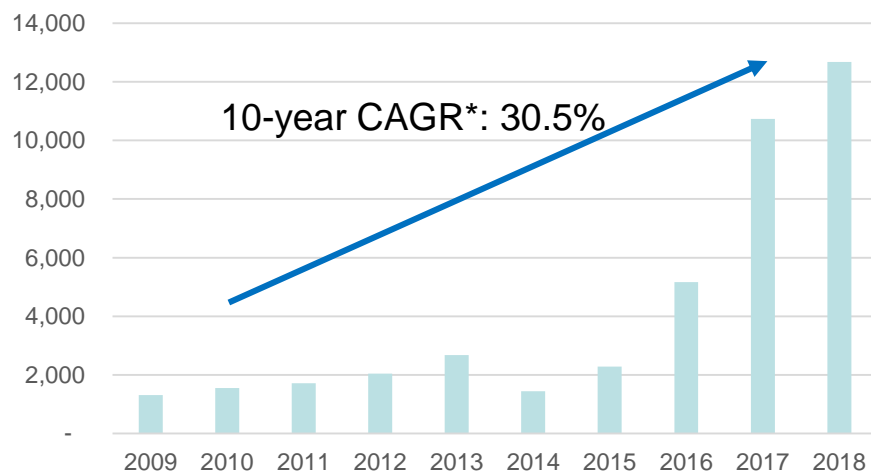
Average Ex-factory Prices (RMB)



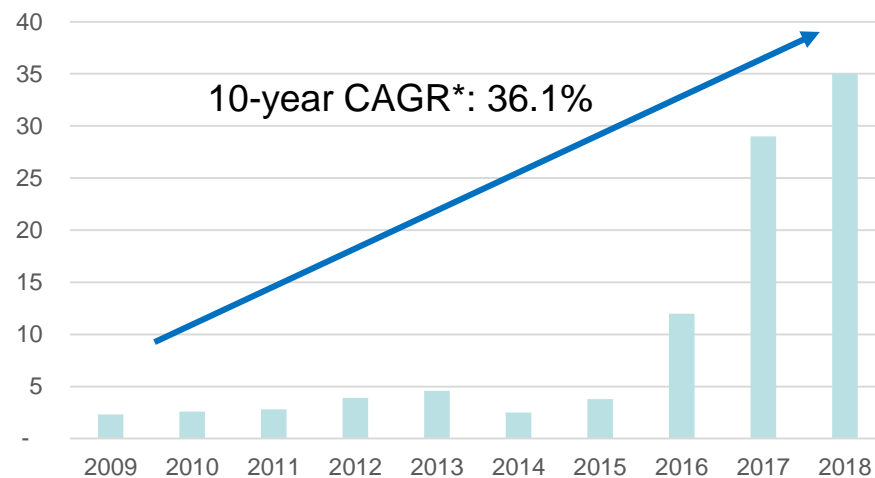
* CAGR: Compound Annual Growth Rate

Shareholders' Return

Net Profit (RMB Million)



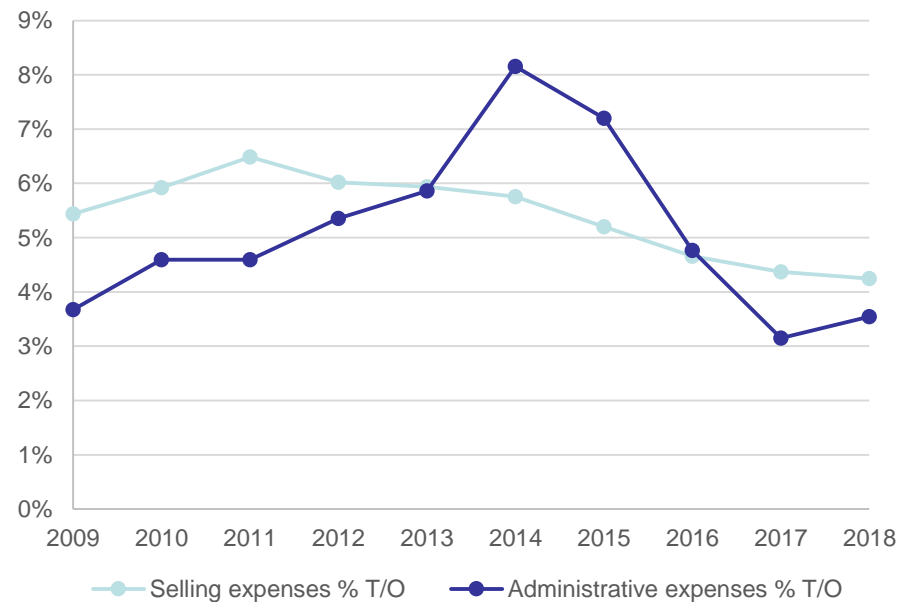
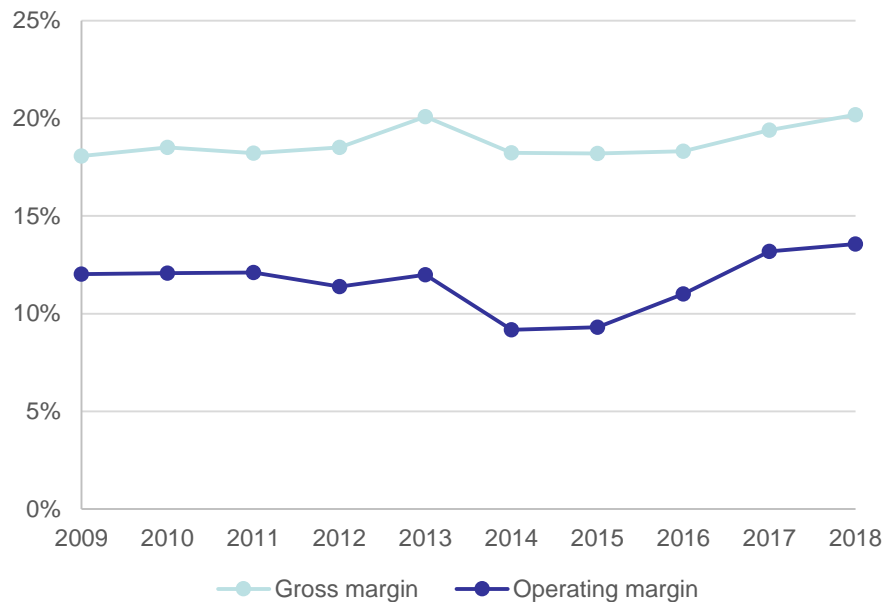
Cash DPS** (HK cents)



* CAGR: Compound Annual Growth Rate

** DPS: Dividend Per Share

Profitability



2018 Highlights

- Growth driven by new models
- Full year contribution from Lynk&Co JV
- Successful launch of Geely Smart Ecosystem “GKUI”
- Market share for passenger vehicles in China (from 5% to 6.2%)
- Substantial growth at Genius AFC
- NEV sales volume up 165%



Genius AFC

- Additional capital injection of RMB1.1 billion by shareholders
- Provision of automobile financing for 3 key auto brands under Zhejiang Geely Group
- Loan assets doubled from RMB9.7 billion by end of 2017 to RMB19.3 billion by end of 2018
- Negligibly low default rate
- Net profit of RMB217 million (2017: RMB48 million)



吉致汽车金融
GENIUS AFC

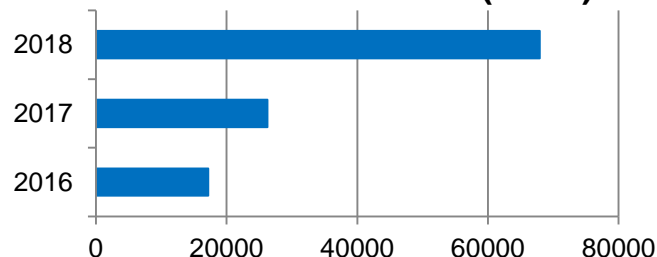
Lynk&Co

- “01” well received at better than expected sales volume and retail prices
- Net profit of RMB668 million (Net loss of RMB70 million in 2017)
- Launch of PHEV version for “01” and two new models (i.e. “02” & “03”)
- Ranked number 3 in J.D. Power 2018 China Initial Quality study (IQS)-mass market segment

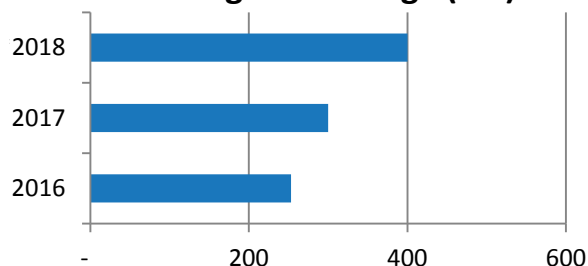


New Energy & Electrified Vehicles (NEEVs)

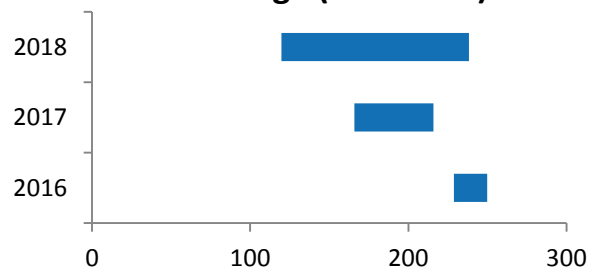
NEEVs - Sales Volume (units)



EV - Range Per Charge (km)



Price Range (RMB '000)



New NEEV models

2018	<div data-bbox="859 364 1174 464"></div> <div data-bbox="909 475 1120 504">Borui GE MHEV</div> <div data-bbox="1219 357 1534 456"></div> <div data-bbox="1263 468 1470 496">Borui GE PHEV</div> <div data-bbox="1593 357 1845 456"></div> <div data-bbox="1657 461 1779 489">01 PHEV</div> <div data-bbox="884 599 1141 692"></div> <div data-bbox="921 701 1132 729">Emgrand EV350</div> <div data-bbox="1244 599 1503 692"></div> <div data-bbox="1306 706 1520 735">Emgrand EV450</div> <div data-bbox="1590 592 1835 692"></div> <div data-bbox="1696 704 1754 732">GSe</div>
2017	<div data-bbox="981 849 1238 942"></div> <div data-bbox="1029 962 1242 991">Emgrand EV300</div> <div data-bbox="1425 849 1696 942"></div> <div data-bbox="1474 958 1676 986">Emgrand PHEV</div>
2016	<div data-bbox="1188 1085 1464 1178"></div> <div data-bbox="1257 1189 1421 1218">Emgrand EV</div>

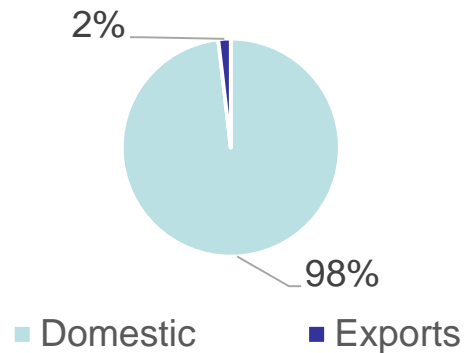
Sales Volume Breakdown

(Y/E December)		2018	2017	YoY change
Total	*	1,500,838	1,247,116	20%
-Domestic	*	1,473,070	1,235,361	19%
-Exports		27,768	11,755	136%
Key Models:				
Boyue		226,160	271,485	-17%
New Emgrand		223,068	214,075	4%
Vision		160,168	165,996	-4%
Emgrand GS		152,338	161,385	-6%
Emgrand GL		144,181	113,311	27%
Vision X3		136,997	35,733	283%
Vision SUV		122,809	127,042	-3%
Lnyk&Co 01		78,235	6,012	1201%
Vision S1		67,908	14,865	357%
Binrui		40,632	-	-

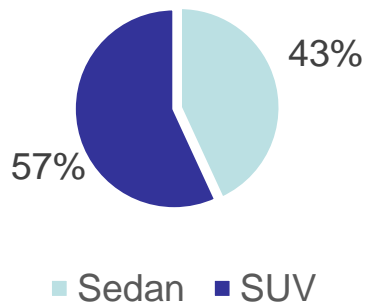
* Including sales volume of Lynk&Co vehicles

Sales Volume Breakdown (continue)

Sales by Locations



Sales by Segments

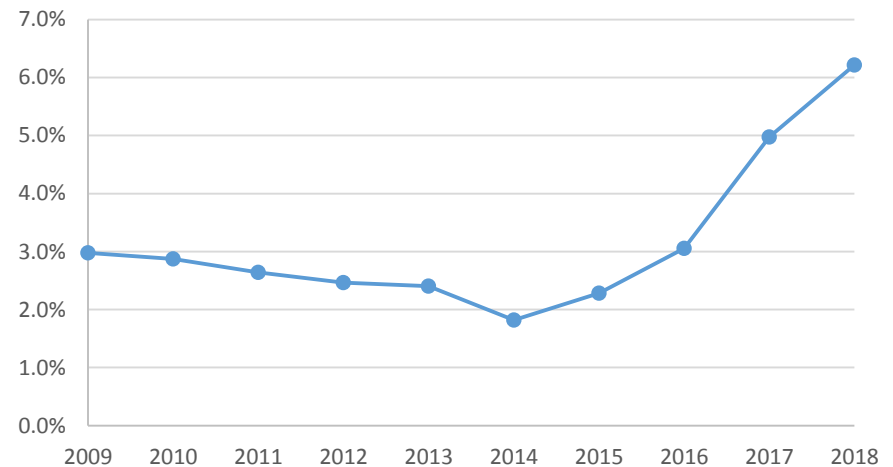


Key Models:

Sedan: New Emgrand, Vision, Emgrand GL

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

(Geely+Lynk&Co) - Market Share in China PV Market**



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

2018 Final Results

Y/E December (RMB m)	2018	2017	YoY change
Revenue	106,595	92,761	15%
Gross profit margin ratio*	20.2%	19.4%	4%
Operating margin ratio**	13.6%	13.2%	3%
Profit after tax	12,674	10,735	18%
Attributable profit	12,553	10,634	18%
Diluted EPS (RMB cents) [#]	136.83	116.14	18%
Cash DPS (HK cents)	35.00	29.00	21%
	<u>Dec-2018</u>	<u>Dec-2017</u>	
Shareholders' equity	44,944	34,462	30%
Net cash ^{##}	12,333	12,154	1%

* Gross profit margin ratio = gross profit / revenue

Operating margin ratio = (pre-tax margin before net finance costs, share-based payments, gain on disposal of subsidiaries 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 – bond payables

Financial Analysis

Y/E December	2018	2017	YoY change
Sales of vehicles (RMB m) [#]	102,651	91,283	12%
Average unit price (RMB) [#]	74,362	73,550	1%
Average unit price (including Lynk&Co) (RMB)	79,510	73,895	8%
Return on equity	27.9%	30.9%	-10%
EBITDA ratio*	15.8%	15.3%	3%
Selling expenses (% of T/O)	4.2%	4.4%	-5%
Admin. expenses (% of T/O)	3.5%	3.2%	9%

* 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

- Profit grew faster at 25% after excluding one off items
- Positive free cashflow despite much higher capex
- High net cash level at RMB12.33 billion level
- Issuance of US\$300m bonds
- Interest expenses down 30%
- Moody's credit rating outlook upgraded to positive



New Products

“Geely” brand:

- Two multi-purpose vehicle (MPV) models (including Jiaji)
- A new version of mid-size sporty SUV under the “Boyue” family
- A new A0 segment SUV
- A pure electric sedan model
- Upgraded versions of all major existing models
- “NEEV” versions for all major existing models



New Products

“Lynk&Co” brand:

- A brand new model of “Lynk&Co”
- “NEEV” versions for “02” and “03” models



2019 Outlook

- Target sales volume flat at 1.51 million units
- New product offerings at high levels
- Significantly increase in NEEV models
- Oversea sales continue to recover and boost growth further

