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This circular, for which the directors (“Directors”) of BYD Company Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this circular misleading. All opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, other licensed corporation, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or otherwise transferred all your shares in the Company, you should at once hand this circular and the accompanying form of proxy and the confirmation slip to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, licensed corporation, or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



比亞迪股份有限公司
BYD COMPANY LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1211)

PROPOSED 2020 PROFIT DISTRIBUTION PLAN
PROPOSED PROVISION OF GUARANTEE BY THE GROUP
PROPOSAL OF ESTIMATED CAP OF ORDINARY CONNECTED
TRANSACTIONS FOR 2021
PROPOSED GENERAL MANDATE FOR THE ISSUE OF SHARES
PROPOSED GENERAL MANDATE TO ISSUE SHARES OF
BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED
PROPOSED PROVISION OF PHASED GUARANTEE FOR
MORTGAGE-BACKED CAR BUYERS
PROPOSED INCREASE OF SHAREHOLDERS' DEPOSITS LIMIT
PROPOSED AUTHORISATION TO ISSUE DEBT FINANCING INSTRUMENT(S)
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company to be held on Tuesday, 8 June 2021 at 10:00 a.m. at the Company's Conference Room, No. 3009, BYD Road, Pingshan District, Shenzhen, the People's Republic of China, is set out in pages AGM-1 to AGM-7 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the meeting (i.e. not later than 10:00 a.m. on Monday, 7 June 2021, Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

15 April 2021

CONTENTS

	<i>Pages</i>
Definitions	1
Letter from the Board	3
(1) Introduction	3
(2) Proposed 2020 Profit Distribution Plan	4
(3) Proposed Provision of Guarantee by the Group	5
(4) Proposal of Estimated Cap of Ordinary Connected Transactions for 2021	6
(5) Proposed General Mandate for the Issue of Shares	7
(6) Proposed General Mandate to Issue Shares of BYD Electronic (International) Company Limited	7
(7) Proposed Provision of Phased Guarantee for Mortgage-Backed Car Buyers	8
(8) Proposed Increase of Shareholders' Deposits Limit	8
(9) Proposed Authorisation to Issue Debt Financing Instrument(s)	9
(10) Closure of Register of Members	10
(11) The AGM	10
(12) Recommendations	10
Notice of the Annual General Meeting	AGM-1

DEFINITIONS

In this circular, the following words and expressions shall, unless the context otherwise requires, have the following respective meanings:

“Annual General Meeting” or “AGM”	the annual general meeting which is scheduled to be held at the Company’s Conference Room, No. 3009, BYD Road, Pingshan District, Shenzhen, the PRC on Tuesday, 8 June 2021 at 10:00 a.m.;
“AGM Notice”	notice convening the Annual General Meeting as set out on pages AGM-1 to AGM-7 of this circular;
“A Share(s)”	ordinary domestic share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Shenzhen Stock Exchange and traded in RMB;
“Articles of Association”	the articles of association of the Company, as amended from time to time;
“Board”	the board of Directors of the Company;
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong, Macau Special Administrative Region, and Taiwan;
“Company”	BYD Company Limited, a joint stock company incorporated in the PRC with limited liability;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“H Share(s)”	ordinary overseas listed foreign invested share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in Hong Kong Dollar;

DEFINITIONS

“Latest Practicable Date”	Monday, 12 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	A Share(s) and H Share(s);
“Shareholder(s)”	registered holder(s) of the Shares; and
“Shenzhen Listing Rules”	the Rules Governing the Listing of Securities on the Shenzhen Stock Exchange.

Note: In the event of any discrepancy between the English and Chinese versions of this circular, the Chinese version shall prevail.

LETTER FROM THE BOARD



比亞迪股份有限公司
BYD COMPANY LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1211)

Board of Directors:
Executive Director
Mr. Wang Chuan-fu

Non-executive Directors
Mr. Lv Xiang-yang
Mr. Xia Zuo-quan

Independent Non-executive Directors
Mr. Cai Hong-ping,
Mr. Zhang Min and
Mr. Jiang Yan-bo

Registered Office:
LEGAL ADDRESS
No. 1, Yan'an Road
Kuichong Street
Dapeng New District
Shenzhen
Guangdong Province
The PRC

**PRINCIPAL PLACE OF BUSINESS
IN HONG KONG**
Unit 1712, 17th Floor
Tower 2
Grand Central Plaza
No. 138 Sha Tin Rural Committee Road
New Territories
Hong Kong

15 April 2021

To the Shareholders

Dear Sir or Madam,

**PROPOSED 2020 PROFIT DISTRIBUTION PLAN
PROPOSED PROVISION OF GUARANTEE BY THE GROUP
PROPOSAL OF ESTIMATED CAP OF ORDINARY CONNECTED
TRANSACTIONS FOR 2021
PROPOSED GENERAL MANDATE FOR THE ISSUE OF SHARES
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MORTGAGE-BACKED CAR BUYERS
PROPOSED INCREASE OF SHAREHOLDERS' DEPOSITS LIMIT
PROPOSED AUTHORISATION TO ISSUE DEBT FINANCING INSTRUMENT(S)
AND
NOTICE OF ANNUAL GENERAL MEETING**

(1) INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to make a decision on whether to vote for or against certain ordinary resolutions and special resolutions to be proposed at the AGM of the Company to be held on Tuesday, 8 June 2021.

LETTER FROM THE BOARD

(2) PROPOSED 2020 PROFIT DISTRIBUTION PLAN

Having considered factors including the operation and financial conditions of the Company as a whole and in order to share the results of the operation and development of the Company with all Shareholders, the Board passed the resolution on “2020 Profit Distribution Plan 《關於審議公司2020年度利潤分配方案的議案》” at a Board meeting held on Monday, 29 March 2021 to recommend the proposed 2020 profit distribution plan as follows: based on the total Shares of 2,861,142,855 as at 29 March 2021, it is proposed to distribute to all Shareholders a cash dividend of RMB1.48 (including tax) per 10 Shares. No bonus Shares will be issued and no reserves will be converted into share capital.

The final dividend will be denominated and declared in RMB. The holders of A Shares will be paid in RMB and the holders of H Shares will be paid in Hong Kong dollars. The exchange rate for the dividend to be paid in Hong Kong dollars will be the mean of the exchange rates of RMB to Hong Kong dollars as announced by the People’s Bank of China during the five business days prior to the date of declaration of the dividend at the AGM.

In accordance with the Enterprise Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法》) and its implementation regulations which came into effect on 1 January 2008, the Company is required to withhold and pay enterprise income tax at the rate of 10% on behalf of the non-resident enterprise Shareholders whose names appear on the register of members for H Shares when distributing the cash dividends. Any H Shares not registered under the name of an individual Shareholder, including HKSCC Nominees Limited, other nominees, agents or trustees, or other organisations or groups, will be deemed as shares held by non-resident enterprise Shareholders. Therefore, enterprise income tax will be withheld from dividends payable to such Shareholders. If holders of H Shares intend to change its shareholder status, please enquire about the relevant procedures with your agents or trustees.

The Company will strictly comply with the law or the requirements of relevant government authorities and withhold and pay enterprise income tax on behalf of the relevant shareholders based on the register of members for H Shares as at the record date of the final dividend.

In accordance with the “Circular on Certain Issues Concerning the Policies of Individual Income Tax” (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the Ministry of Finance and the State Administration of Taxation on 13 May 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividend or bonuses received from foreign invested enterprises.

In accordance with the “Letter of the State Administration of Taxation concerning Taxation Issues of Dividends Received by Foreign Individuals Holding Shares of Companies Listed in China” (Guo Shui Han Fa [1994] No. 440) (《外籍個人持有中國境內上市公司股票所取得的股息有關稅收問題的函》(國稅函發[1994]440號)) as promulgated by the State Administration of Taxation on 26 July 1994, dividends (capital bonuses) received by foreign

LETTER FROM THE BOARD

individuals holding B shares or overseas shares (including H shares) from Chinese enterprises issuing such B shares or overseas shares are temporarily exempted from individual income tax. Accordingly, the Company will not withhold and pay the individual income tax on behalf of foreign individual Shareholders when the Company distributes the final dividend to individual Shareholders whose names appear on the register of members of H Shares of the Company.

Shareholders are recommended to consult their tax advisor regarding the ownership and disposal of H shares of the Company in the PRC and in Hong Kong and other tax effects.

The proposed 2020 profit distribution plan is subject to Shareholders' approval at the AGM by way of an ordinary resolution and if approved, the final dividend is expected to be distributed before 31 August 2021.

(3) PROPOSED PROVISION OF GUARANTEE BY THE GROUP

At the AGM, approval will be sought from the Shareholders in respect of the following guarantees: (a) provision of guarantee by the Company in respect of the banking and other financial institutional credit businesses and other businesses of the subsidiaries controlled by the Company within the PRC, and provision of guarantee in respect of the banking and other financial institutional credit businesses and other businesses of the subsidiaries controlled by the Company outside the PRC in accordance with the relevant regulations of the PRC; (b) provision of cross-guarantee in respect of the banking and other financial institutional credit businesses and other businesses between the subsidiaries controlled by the Company within and outside the PRC in accordance with the relevant regulations of the PRC. The total amount of the guarantees to be provided by the Company and subsidiaries controlled by the Company within and outside the PRC under paragraphs (a) and (b) above shall not exceed RMB150 billion; and (c) provision of guarantee on pro-rata basis by the Company and its controlling subsidiaries in respect of the banking and other financial institutional credit businesses and other businesses of their invested entities within the PRC according to (but not limited to) their capital contribution ratios, and provision of guarantee on pro-rata basis in respect of the banking and other financial institutional credit businesses and other businesses of their invested entities outside the PRC according to (but not limited to) their capital contribution ratios and the relevant regulations of the PRC, with the total guaranteed amount not exceeding RMB16.5 billion and in strict compliance with the relevant regulations of the China Securities Regulatory Commission and Shenzhen Stock Exchange. The approval from the Shareholders is expected to be valid until the date of the conclusion of the 2021 annual general meeting to be held in 2022. The Board believes that the one-off approval of the Shareholders to the Company and its subsidiaries to provide such guarantees will allow greater flexibility to the members of the Group in obtaining credit facilities on a timely basis. The Group will comply with relevant requirements under the Listing Rules upon execution of the relevant guarantees if such guarantees constitute transactions which are subject to disclosure under the Listing Rules.

LETTER FROM THE BOARD

(4) PROPOSAL OF ESTIMATED CAP OF ORDINARY CONNECTED TRANSACTIONS FOR 2021

In order to satisfy the Group's daily production and operation needs in 2021, it is expected that the Group will enter into various transactions which will constitute ordinary connected transactions under the Shenzhen Listing Rules with the following parties in 2021: Beijing Easpring Material Technology Co., Ltd. (北京當升材料科技股份有限公司), Beijing Hualin Special Vehicle Co., Ltd. (北京華林特裝車有限公司), BYD TOYOTA EV Technology Co., Ltd. (比亞迪豐田電動車科技有限公司), BYD Auto Finance Company Limited (比亞迪汽車金融有限公司), Chengdu Shudu BYD New Energy Vehicles Co., Ltd. (成都蜀都比亞迪新能源汽車有限公司), Dongguan Tec-Rich Engineering Co., Ltd. (東莞市德瑞精密設備有限公司), Onyx International Inc. (廣州文石信息科技有限公司), Meihaochuxing (Hangzhou) Automobile Technology Company Limited (美好出行(杭州)汽車科技有限公司), Youngy Investment Holding Group Co., Ltd (融捷投資控股集團有限公司), Shenzhen BYD Electric Car Investment Co., Ltd. (深圳比亞迪電動汽車投資有限公司), Shenzhen Faurecia Automotive Parts Co., Ltd. (深圳佛吉亞汽車部件有限公司), Shenzhen Didi New Energy Vehicle Technology Co., Ltd. (深圳市迪滴新能源汽車科技有限公司), Shenzhen Uni-Fortune Supply Chain Service Co., Ltd. (深圳市聯合利豐供應鏈管理有限公司), Shenzhen Shendianneng Electricity Co., Ltd (深圳市深電能售電有限公司), Shenzhen UBTECH Robotics Co., Ltd. (深圳市優必選科技股份有限公司), Shenzhen Zhengxuan Qianzhan Venture Capital Co. Ltd. (深圳市正軒前瞻創業投資有限公司), Shenzhen DENZA New Energy Automotive Co., Ltd. (深圳騰勢新能源汽車有限公司), Tianjin BYD Automobile Co., Ltd. (天津比亞迪汽車有限公司), Xi'an Northern Qinchuan Company Ltd. (西安北方秦川集團有限公司), China Railway Engineering Consulting Group Co., Ltd. (中鐵工程設計諮詢集團有限公司), Yinchuan Sky Rail Operation Co., Ltd. (銀川雲軌運營有限公司), Sichuan Changhe Huali Technology Co., Ltd. (四川長和華鋰科技有限公司), MCC Ramu New Energy Technology Company Limited (中冶瑞木新能源科技有限公司), Guangzhou Guang Qi BYD New Energy Bus Co., Ltd. (廣州廣汽比亞迪新能源客車有限公司).

The Group will (i) purchase raw materials from the connected parties, (ii) purchase water, electricity, coal, gas and other fuels and energy as required for the operation of production of the Group from the connected parties, (iii) sell and provide products and goods (including water, electricity, coal, gas and other fuels and energy) to the connected parties, (iv) provide labour services (including technology development) to the connected parties, (v) accept labour services provided by the connected parties, (vi) sell various products and merchandise manufactured or operated by the connected parties on behalf of the connected parties; and (vii) accept electric power design and engineering and construction services from the connected parties, in an aggregate amount of not more than RMB13,905.56 million. The Company expects the ordinary connected transactions to occur based on the normal production and operation of the Group expected in 2021, market prices, the principle of fair and reasonable pricing, the transaction prices determined through negotiation by the respective parties, while without violation of the principles of openness, fairness and justice and not prejudicial to the interests of the Company and its shareholders. The Group will comply with relevant requirements under the Listing Rules upon implementation of the said connected transactions if and when necessary.

LETTER FROM THE BOARD

(5) PROPOSED GENERAL MANDATE FOR THE ISSUE OF SHARES

A special resolution will be proposed at the AGM for the granting of a general mandate (the “Share Issue Mandate”) to the Directors, on terms as set out in special resolution No. 9 in the AGM Notice, allowing them to exercise all the powers of the Company to issue, allot and deal with additional H Shares. Under the Share Issue Mandate, the aggregate nominal amount of H Shares to be issued shall not exceed 20 per cent of the aggregate nominal amount of H Shares in issue as at the date of passing such special resolution. As at the Latest Practicable Date, the total issued shares of the Company is 2,861,142,855 Shares comprising 1,813,142,855 A Shares and 1,048,000,000 H Shares. Subject to the passing of the special resolution regarding the Share Issue Mandate and assuming that no further Shares will be issued prior to the AGM, the Company would be allowed under the Share Issue Mandate to issue a maximum of 209,600,000 H Shares.

In connection with the Share Issue Mandate, the Company’s authority shall be restricted to the period from the passing of the abovementioned special resolution until the earliest of the date of the Company’s next annual general meeting, the expiration of 12 months following the passing of such special resolution and the date upon which such mandate is revoked or varied by a special resolution of the Shareholders of the Company in general meeting.

(6) PROPOSED GENERAL MANDATE TO ISSUE SHARES OF BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED

BYD Electronic (International) Company Limited (“BYD Electronic”), a subsidiary of the Company, will seek approval from its shareholders to grant the directors of BYD Electronic a general mandate for the allotment and issue of new shares up to a maximum of 20% of the number of shares of BYD Electronic in issue as at the date of passing of the relevant resolution of BYD Electronic granting such mandate (the “BYD Electronic Share Issue Mandate”). As at the Latest Practicable Date, the total number of issued shares of BYD Electronic was 2,253,204,500 shares. Subject to (a) the approval of the shareholders of BYD Electronic at its annual general meeting (the “BYD Electronic AGM”) which will be held on 8 June 2021; and (b) the approval of the Shareholders at the AGM, and assuming that no further shares of BYD Electronic will be issued or repurchased prior to the BYD Electronic AGM, BYD Electronic would be allowed under the BYD Electronic Share Issue Mandate to issue a maximum of 450,640,900 shares.

Special resolution No. 10 as set out in the AGM Notice will be proposed at the AGM to seek Shareholders’ approval of the BYD Electronic Share Issue Mandate.

LETTER FROM THE BOARD

(7) PROPOSED PROVISION OF PHASED GUARANTEE FOR MORTGAGE-BACKED CAR BUYERS

At the AGM, approval will be sought from the Shareholders in respect of the following guarantee: the store directly run by the Company's holding subsidiary will provide phased joint and several liability guarantee to BYD Auto Finance Company Limited (比亞迪汽車金融有限公司) ("BYD Auto Finance") for mortgage-backed BYD brand car buyers. The guarantee period shall be from the date when the car buyer signs a single car loan contract with BYD Auto Finance to the date when mortgage of the vehicle under the loan contract takes effect, that is, when BYD Auto Finance obtains the qualified vehicle mortgage registration certificate. The total amount of phased guarantee shall not exceed RMB408 million, and the specific amount and duration shall be as specified in the contract signed with BYD Auto Finance.

The guaranteed person is a loan customer who meets the loan conditions of BYD Auto Finance, purchases a BYD brand car, signs a loan contract and a mortgage contract, and makes a down payment for the car. According to the Retail Car Loan Cooperation Agreement of BYD Auto Finance Company Limited provided by BYD Auto Finance, the store directly run by the Company's holding subsidiary will guarantee all the debts and contractual obligations of the mortgage-backed car buyers, including but not limited to all loan principal, interest, default interest, penalty, fees for realising the creditor's right, and other expenses as stipulated in the Car Loan Contract and the Car Mortgage Contract.

The Board of Directors believes that the aforesaid phased guarantee is a business practice for an auto financial institution to carry out auto financing business and the one-time shareholder approval of the provision of relevant guarantee will facilitate the expansion of automobile sales and speed up the withdrawal of funds. If relevant guarantee constitutes a discloseable transaction under the Listing Rules, the Group will observe the relevant provisions of the Listing Rules for the signing of relevant guarantee.

(8) PROPOSED INCREASE OF SHAREHOLDERS' DEPOSITS LIMIT

In order to promote the business development of the Company and BYD Auto Finance Company Limited (比亞迪汽車金融有限公司) (hereinafter referred to as "**BYD Auto Finance**"), the Company intends to increase the limit for its shareholders' deposits from the Company and its controlled subsidiaries with BYD Auto Finance from RMB6.8 billion to RMB20 billion. The period of use of the said limit is from the date on which the resolution is considered and approved at the AGM to 28 March 2024, based on the benchmark interest rate published by the People's Bank of China for deposits with financial institutions in the PRC plus an upward margin (which is determined by both parties based on comprehensive factors such as market interest rates, finance costs and market rate of return) to calculate and pay the deposit interest, and authorize the management of the Company to sign all agreement(s) related to the matter and execute the relevant procedures.

LETTER FROM THE BOARD

As Ms. Zhou Ya-lin, the vice president and Chief Financial Officer of the Company, is also the chairperson of BYD Auto Finance, BYD Auto Finance is therefore a connected person of the Company under section (3) of Rule 10.1.3 of the Shenzhen Listing Rules. As the proposed limit of shareholders' deposits accounts for more than 5% of the Company's most recent audited net assets, the proposed increase of the shareholders' deposits limit is subject to Shareholders' approval at the AGM according to the Articles of Association and the Shenzhen Listing Rules. The Company will comply with relevant requirements under the Listing Rules upon execution of the relevant deposit agreement(s) if such deposits constitute transactions which are subject to disclosure under the Listing Rules.

The Board (including the independent non-executive directors of the Company) considers that the shareholders' deposits placed by the Company with BYD Auto Finance will not harm the interests of the Company and the Shareholders. Meanwhile, the Company will strengthen the monitoring and management of the business of BYD Auto Finance in accordance with the internal control management standards to ensure the security of the Company's fund.

(9) PROPOSED AUTHORISATION TO ISSUE DEBT FINANCING INSTRUMENT(S)

For the purpose of a more flexible choice in financing instruments, timely fulfillment of capital requirements, improvement in debt structure and reduction in finance costs, pursuant to the relevant laws and regulations, the Articles of Association and the actual circumstances, a general and unconditional authorisation to the Board (or the directors authorised by the Board) is proposed to determine, within the extent of the amount of the bonds that may be issued, the matters on the issuance of domestic and overseas debt financing instrument(s) with a principal amount of not more than RMB50.0 billion or equivalent in domestic and overseas bond markets, including (but not limited to) determining the actual amount to be issued, the interest rate, the term, the target of issuance and use of proceeds of the relevant debt financing instrument(s), the preparation, signing and disclosure of all necessary documents and the handling of all other matters in relation to the issuance of debt financing instrument(s) under this resolution. The relevant debt financing instrument(s) include but are not limited to short-term debentures, super-short term debentures, medium term notes, corporate bonds, enterprise bonds, asset-backed securities (ABS), asset-backed notes (ABN), REITs and similar REITs products, RMB bonds and foreign currency bonds in overseas market, domestic exchangeable bonds, convertible bonds which are convertible to the overseas listed H shares of the Company and other debt financing instrument(s) in RMB or foreign currency, trust financing arrangements made by trust companies, insurance asset management financing products such as insurance capital debt investment schemes arranged by insurance asset management companies. If convertible bonds are to be issued, the size of each tranche shall not exceed USD1.2 billion or equivalent in principal amount, and the new H shares to be converted by the holders of convertible bonds may be issued under the relevant general mandate as considered and approved at the general meeting of the Company. The Group will comply with relevant requirements under the Listing Rules upon implementation of the said transactions if and when necessary.

LETTER FROM THE BOARD

(10) CLOSURE OF REGISTER OF MEMBERS

In order to determine the list of Shareholders who will be entitled to attend and vote at the AGM, the registers of members of the Company will be closed from Tuesday, 1 June 2021 to Tuesday, 8 June 2021, both days inclusive, during which no transfer of H Shares will be effected. Holders of H Shares whose names appear on the registers of members of the Company on Tuesday, 8 June 2021 shall be entitled to attend and vote at the AGM. In order for the holders of H Shares to qualify to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 31 May 2021 for registration.

(11) THE AGM

The AGM Notice is set out on pages AGM-1 to AGM-7 of this circular. Shareholders are advised to read the AGM Notice and to complete and return the form of proxy and the reply slip (which are enclosed in this circular) in accordance with the instructions printed thereon. The appointment of a proxy will not prevent a Shareholder from subsequently attending and voting in person at the AGM if he so wishes. If a Shareholder who has lodged a form of proxy attends the meeting, his form of proxy will be deemed to have been revoked.

All resolutions will be put to vote by way of poll at the AGM. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

(12) RECOMMENDATIONS

The Directors believe that all the resolutions proposed for consideration and approval by Shareholders at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of all the resolutions to be proposed at the AGM as set out in the AGM Notice.

Yours faithfully,
Wang Chuan-fu
Chairman

NOTICE OF THE ANNUAL GENERAL MEETING



比亞迪股份有限公司 BYD COMPANY LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1211)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting (the “AGM”) of BYD Company Limited (the “Company”) will be held at 10:00 a.m. on Tuesday, 8 June 2021 at the Company’s Conference Room, No. 3009, BYD Road, Pingshan District, Shenzhen, the People’s Republic of China to consider and, if thought fit, pass the following resolutions:

By way of Ordinary Resolutions:

1. To consider and approve the report of the board of directors of the Company for the year ended 31 December 2020.
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2020.
3. To consider and approve the audited financial statements of the Company for the year ended 31 December 2020.
4. To consider and approve the annual reports of the Company for the year ended 31 December 2020 and the summary thereof.
5. To consider and approve the profit distribution plan of the Company for the year ended 31 December 2020.
6. To consider and approve the re-appointment of Ernst & Young Hua Ming LLP as the Company’s PRC auditor and internal control audit institution and Ernst & Young as the Company’s auditor outside the PRC for the financial year of 2021 and to hold office until the next annual general meeting of the Company, and to authorise the Board to determine their remuneration.

NOTICE OF THE ANNUAL GENERAL MEETING

By way of Special Resolutions:

7. To consider and approve the provision of guarantees by the Company and its subsidiaries from the date on which this resolution is passed until the date of the conclusion of the next annual general meeting of the shareholders of the Company, with details set out as follows:
 - (a) provision of guarantee by the Company in respect of the banking and other financial institutional credit businesses and other businesses of the subsidiaries controlled by the Company within the PRC, and provision of guarantee in respect of the banking and other financial institutional credit businesses and other businesses of the subsidiaries controlled by the Company outside the PRC in accordance with the relevant regulations of the PRC;
 - (b) provision of cross-guarantee in respect of the banking and other financial institutional credit businesses and other businesses between the subsidiaries controlled by the Company within and outside the PRC in accordance with the relevant regulations of the PRC; and
 - (c) provision of guarantee on pro-rata basis by the Company and its subsidiaries in respect of the banking and other financial institutional credit businesses and other businesses of their invested entities within the PRC according to (but not limited to) their respective capital contribution ratios, and provision of guarantee on pro-rata basis in respect of the banking and other financial institutional credit businesses and other businesses of their invested entities outside the PRC according to (but not limited to) their respective capital contribution ratios and the relevant regulations of the PRC, with the total guaranteed amount not exceeding RMB16.5 billion and in strict compliance with the relevant regulations of the China Securities Regulatory Commission and Shenzhen Stock Exchange.

The total amount of the guarantees to be provided by the Company and subsidiaries controlled by the Company within and outside the PRC pursuant to paragraphs (a) and (b) above shall not exceed RMB150 billion.

8. To consider and approve the estimated cap of ordinary connected transactions of the Company for the year of 2021.

NOTICE OF THE ANNUAL GENERAL MEETING

9. To consider and approve:
- (a) the grant to the Board a general mandate to allot, issue and deal with additional H shares in the capital of the Company subject to the following conditions:
 - (i) that the aggregate nominal amount of H shares of the Company allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Board pursuant to the general mandate shall not exceed 20 per cent of the aggregate nominal amount of H shares of the Company in issue;
 - (ii) that the exercise of the general mandate shall be subject to all governmental and/or regulatory approval(s), if any, and applicable laws (including but without limitation, the Company Law of the PRC and the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”));
 - (iii) that the general mandate shall remain valid until the earliest of (1) the conclusion of the next annual general meeting of the Company; or (2) the expiration of a 12-month period following the passing of this resolution; or (3) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting; and
 - (b) the authorisation to the Board to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary or expedient in connection with the allotment and issue of any new shares pursuant to the exercise of the general mandate referred to in paragraph (a) of this resolution.
10. To consider and approve:
- (a) subject to paragraph 10(c) below and pursuant to the Listing Rules, the exercise by the directors of BYD Electronic (International) Company Limited (“BYD Electronic”) during the Relevant Period (as defined below) of all the powers of BYD Electronic to allot, issue and deal with additional shares of BYD Electronic and to make or grant offers, agreements and options (including bonds, warrants, corporate bonds and other securities which carry rights to subscribe for or are convertible into shares of BYD Electronic) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the approval in paragraph 10(a) above shall authorise the directors of BYD Electronic during the Relevant Period (as defined below) to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of BYD Electronic) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued from time to time by the directors of BYD Electronic pursuant to the approval in paragraph 10(a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) an exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by BYD Electronic carrying rights to subscribe for or are convertible into shares of BYD Electronic; or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to the employees of BYD Electronic and/or any of its subsidiaries or any other eligible person(s) of shares or right to acquire shares of BYD Electronic; or (iv) an issue of shares as scrip dividend pursuant to the articles of association of BYD Electronic, shall not exceed 20 per cent of the number of issued shares of BYD Electronic as at the date of passing the ordinary resolution as referred to in the notice convening the annual general meeting of BYD Electronic to be held on 8 June 2021 (the “BYD Electronic Resolution”) (subject to adjustment in the case of any conversion of any or all of the shares of BYD Electronic into a larger or smaller number of shares after passing of the BYD Electronic Resolution), and the said approval shall be limited accordingly; and
- (d) for the purposes of this special resolution No. 10:

“Relevant Period” means the period from the passing of the BYD Electronic Resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of BYD Electronic;
- (ii) the expiration of the period within which the next annual general meeting of BYD Electronic is required to be held by the articles of association of BYD Electronic or any applicable law; or
- (iii) the date on which the authority given under the BYD Electronic Resolution is revoked or varied by ordinary resolution of the shareholders of BYD Electronic in general meeting of BYD Electronic; and

NOTICE OF THE ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares of BYD Electronic, open for a period fixed by the directors of BYD Electronic to holders of shares of BYD Electronic (and, where appropriate, to holders of other securities of BYD Electronic entitled to the offer) on the register on a fixed record date in proportion to the then holdings of such shares of BYD Electronic (or, where appropriate, such other securities) of such holders as at that date (subject to such exclusions or other arrangements as the directors of BYD Electronic may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to BYD Electronic).

11. To consider and approve the following: the store directly run by the subsidiary controlled by the Company will provide phased joint and several liability guarantee to BYD Auto Finance Company Limited (“BYD Auto Finance”) for mortgaged-backed BYD brand car buyers. The guarantee period shall be from the date when the car buyer signs a single car loan contract with BYD Auto Finance to the date when mortgage of the vehicle under the loan contract takes effect, that is, when BYD Auto Finance obtains the qualified vehicle mortgage registration certificate. The total amount of phased guarantee does not exceed RMB408 million, and the specific amount and duration shall be as specified in the contract signed with BYD Auto Finance.

By way of Ordinary Resolution:

12. To consider and approve:

To consider and approve the limit of the shareholders’ deposits of BYD Auto Finance be increased from RMB6.8 billion to RMB20 billion, the approval is expected to be valid from the date on which this ordinary resolution is passed at the AGM until 28 March 2024. The interest of shareholders’ deposits is calculated based on the benchmark interest rate published by the People’s Bank of China for deposits with financial institutions in the PRC plus an upward margin (which is determined by both parties based on comprehensive factors such as market interest rates, finance costs and market rate of return).

NOTICE OF THE ANNUAL GENERAL MEETING

By way of Special Resolution:

13. To consider and approve:

- (a) pursuant to the relevant laws and regulations, the articles of association of the Company and the actual circumstances, the matters on the issuance of domestic and overseas debt financing instruments with a principal amount of not more than RMB50 billion or equivalent in domestic and overseas bond market. The relevant debt financing instruments include but are not limited to short-term debentures, super-short term debentures, medium term notes, corporate bonds, enterprise bonds, asset-backed securities (ABS), asset-backed notes (ABN), REITs and similar REITs products, RMB bonds and foreign currency bonds in overseas market, domestic exchangeable bonds, convertible bonds which are convertible to the overseas listed H shares of the Company and other debt financing instruments in RMB or foreign currency, trust financing arrangements made by trust companies, insurance asset management financing products such as insurance capital debt investment schemes arranged by insurance asset management companies. If convertible bonds are to be issued, the size of each tranche shall not exceed USD1.2 billion or equivalent in principal amount, and the new H shares to be converted by the holders of convertible bonds may be issued under the relevant general mandate as considered and approved at the general meeting of the Company.
- (b) the grant of an unconditional authorisation to the Board (or the directors authorised by the Board) to determine and deal with, within the extent of the amount of the bonds that may be issued as stated in resolution (a), including (but not limited to) the matters on the determining the actual amount to be issued, the interest rate, the term, the target of issuance and use of proceeds of the relevant debt financing instruments, the preparation, signing and disclosure of all necessary documents and the handling of all other matters in relation to the issuance of debt financing instruments under this resolution.

By Order of the Board
Wang Chuan-fu
Chairman

Shenzhen, the PRC, 15 April 2021

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

- (A) In order to determine the list of shareholders of the Company who will be entitled to attend and vote at the AGM, the registers of members of the Company will be closed from Tuesday, 1 June 2021 to Tuesday, 8 June 2021, both days inclusive, during which no transfer of H shares in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollar and listed on the Hong Kong Stock Exchange (“H Shares”), will be effected. Holders of H Shares whose names appear on the registers of members of the Company on Tuesday, 8 June 2021 shall be entitled to attend and vote at the AGM. In order for the holders of H Shares to qualify to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 31 May 2021 for registration.
- (B) Holders of H Shares intending to attend the AGM (or any adjournment thereof) should complete and return the reply slip for attending the AGM (or any adjournment thereof) personally, by facsimile or by post.
- Holders of H Shares should complete and return the reply slip to the Company’s H Share Registrar and Transfer Office by facsimile at (852) 2865 0990 or by post to (or by depositing it at) 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong such that the reply slip shall be received by the Company’s H Share Registrar and Transfer Office 7 days before the AGM (i.e. on or before Tuesday, 1 June 2021).
- (C) Each holder of H Shares may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the AGM (or any adjournment thereof) on his behalf. A proxy need not be a shareholder of the Company.
- (D) Holders of H Shares must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant shareholder of the Company or by a person duly authorised by the relevant shareholder of the Company in writing (a “power of attorney”). If the form of proxy is signed by the person authorized by the relevant shareholder of the Company as aforesaid, the relevant power of attorney and other relevant documents of authorisation (if any) must be notarised. If a corporate shareholder of the Company appoints a person other than its legal representative to attend the AGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate shareholder of the Company or duly signed by the chairman of the board of directors or any other person duly authorised by that corporate shareholder of the Company as required by the articles of association of the Company.
- (E) To be valid, the form of proxy and the relevant notarised power of attorney (if any) and other relevant documents of authorisation (if any) as mentioned in note (D) above must be delivered to the Company’s H Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong), not less than 24 hours before the time appointed for the AGM (i.e. not later than 10:00 a.m. on Monday, 7 June 2021, Hong Kong time) (or any adjournment thereof).
- (F) Shareholders may contact the Company’s H Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited by telephone at (852) 2862 8555 or by online enquiry at www.computershare.com/hk/en/online_feedback in connection with the AGM.
- (G) A shareholder of the Company or his proxy should produce proof of identity when attending the AGM (or any adjournment thereof). If a corporate shareholder’s legal representative or any other person duly authorised by such corporate shareholder attends the AGM (or any adjournment thereof), such legal representative or other person shall produce his proof of identity, proof of designation as legal representative and/or the valid authorisation document (as the case may be).
- (H) The AGM (or any adjournment thereof) is expected to last for one day. Shareholders who attend the AGM (or any adjournment thereof) shall bear their own travelling and accommodation expenses.

As at the date of this notice, the Board of Directors of the Company comprises Mr. Wang Chuan-fu being the executive Director, Mr. Lv Xiang-yang and Mr. Xia Zuo-quan being the non-executive Directors, and Mr. Cai Hong-ping, Mr. Zhang Min and Mr. Jiang Yan-bo being the independent non-executive Directors.