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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)

Website: <http://www.byd.com>

**VOLUNTARY ANNOUNCEMENT**

**RESTRUCTURING OF THE WHOLLY-OWNED SUBSIDIARY AND  
THE PROPOSED INTRODUCTION OF STRATEGIC INVESTORS**

This announcement is made voluntarily by BYD Company Limited (the “**Company**” together with its subsidiaries, the “**Group**”) to inform the shareholders of the Company and potential investors of the latest news of business development of the Group.

Recently, the Group has completed the internal restructuring of BYD Microelectronics Co., Ltd. (“**BYD Microelectronics**”), a wholly-owned subsidiary of the Company. BYD Microelectronics has recently changed its name to BYD Semiconductor Co., Ltd. (the “**BYD Semiconductor**”) officially. BYD Semiconductor intends to introduce strategic investors by way of capital increase and allotment of shares (“**Proposed Introduction**”). As of the date of this announcement, the proposed introduction is still in preparation, and no legally binding agreement or arrangement has been entered into.

**There is uncertainty as to the specific object, time and relevant terms of agreement in relation to the Proposed Introduction by BYD Semiconductor. Further announcement(s) will be made by the Company as and when appropriate in due course. Shareholders and potential investors of the Company are advised to exercise caution in dealing securities of the Company.**

Recently, the Group has completed the internal restructuring of BYD Microelectronics, a wholly-owned subsidiary of the Company, through equity transfer and business transfer between its subsidiaries. Through the internal restructuring, BYD Microelectronics accepted the transfer of 100% equity interest in Ningbo BYD Semiconductor Co., Ltd. (寧波比亞迪半導體有限公司) and Guangdong BYD Energy Saving Technology Co., Ltd (廣東比亞迪節能科技有限公司), respectively, and acquired the intelligent photo-electricity, LED light source and LED application related business of BYD (Huizhou) Co., Ltd. (惠州比亞迪實業有限公司).

As a result of the change of the business scope and future strategic development positioning of BYD Microelectronics after the internal restructuring, BYD Microelectronics has recently changed its name to BYD Semiconductor Co., Ltd. officially.

The key business of BYD Semiconductor covers the development, production and sale of power semiconductor, intelligent control (IC), intelligent sensor and optoelectronic semiconductor and it owns an integrated industrial chain including chip design, wafer manufacturing, assembly, testing and downstream applications. After more than ten years of research and development accumulation and large-scale application in new energy vehicles, BYD Semiconductor has become a leading automotive grading IGBT manufacturer with autonomous and controllable technology in China. Meanwhile, in the field of industrial grading IGBT, BYD Semiconductor's downstream product applications include industrial welding machine, inverter and household appliance, which will bring new growth points for BYD Semiconductor. In other business segments, BYD Semiconductor has also accumulated fruitful experience in research and development after years of attentive efforts, and possesses ample technology reserves and rich product offerings, and has established a long-term and close business relationship with key customers from automotive, consumption and industrial fields. In the future, BYD Semiconductor will focus on automotive grading semiconductor, and promote the development of semiconductor in industrial and consumption fields, seeking to become a provider of efficient, smart and integrated new semiconductors.

BYD Semiconductor intends to introduce strategic investors by way of capital increase and allotment of shares. As of the date of this announcement, the Proposed Introduction is still in preparation, and no legally binding agreement or arrangement has been entered into.

The internal restructuring of BYD Semiconductor is based on the Company's strategic positioning and future development planning, and is designed to deeply integrate and focus on the Company's semiconductor business, in order to boost a faster development of the semiconductor business of the Company with independent operation.

BYD Semiconductor intends to introduce strategic investors and diversify the shareholders' structure, in order to enhance the independence of the company and assist third parties in expanding their customer base, and, in the meantime, to expand its capital strength and production capacity and accelerate the business development of BYD Semiconductor. It is expected that after the completion of the Proposed Introduction, BYD semiconductor will remain as a subsidiary of the Group.

The Company expects that driven by market demand, BYD Semiconductor will proactively secure more orders from external market, and accelerate the development of the company by seizing the opportunity of the rise of China's semiconductor industry in the future. In the meantime, it is expected that BYD semiconductor will make full use of the financing platform of the capital market, actively seek separate listing in the due course, and establish an independent capital market platform and market-oriented incentive mechanism, so as to stimulate the vitality of the company and drive the sustainable growth of its businesses.

The Proposed Introduction is an important milestone in the marketization process of subsidiaries of the Group. The Company will continue to accelerate the marketization of other subsidiaries, to fully release the market potential of subsidiaries of the Company and enhance the overall value of the Group.

**There is uncertainty as to the specific details, time and relevant terms of agreement in relation to the Proposed Introduction by BYD Semiconductor. Further announcement(s) will be made by the Company as and when appropriate in due course. Shareholders and potential investors of the Company are advised to exercise caution in dealing securities of the Company.**

By Order of the Board  
**BYD Company Limited**  
**Wang Chuan-fu**  
*Chairman*

Shenzhen, PRC, 14 April 2020

*As at the date of this announcement, 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. WANG Zi-dong, Mr. ZOU Fei and Ms. ZHANG Ran being the independent non-executive directors.*