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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

ANNOUNCEMENT

DISTRIBUTION OF THE 2020 FINAL DIVIDEND

Reference is made to the circular (the "**AGM Circular**") of BYD Company Limited (the "**Company**") dated 15 April 2021 in relation to, among others, the distribution of the 2020 final dividend and the announcement of the Company dated 8 June 2021 in relation to poll results of the annual general meeting of the Company (the "**AGM**") held on 8 June 2021. The Company's shareholders (the "**Shareholders**") has approved the 2020 final profit distribution plan of the Company at the AGM.

DISTRIBUTION OF THE 2020 FINAL DIVIDEND

The board of directors of the Company (the "**Board**") wishes to inform the Shareholders that details of the distribution of the final dividend for the year ended 31 December 2020 (the "**2020 Final Dividend**") are as follows:

The Company will distribute a final dividend of RMB0.148 per share of the Company (the "**Share(s)**") (equivalent to HK$0.17988 per Share) (including tax) to the Shareholders for the year ended 31 December 2020. As set out in the announcement of the Company dated 14 April 2021 on closure of register of members, the 2020 Final Dividend will be paid to Shareholders whose names appeared on the register of members of the Company at the close of business on Friday, 18 June 2021 (the "**Record Date**"). As set out in the AGM Circular, the 2020 Final Dividend payable to the Shareholders shall be denominated and declared in Renminbi. The 2020 Final Dividend payable to the holders of A Shares shall be paid in Renminbi while the 2020 Final Dividend payable to the holders of H Shares shall be paid in Hong Kong dollars. The amount of Hong Kong dollars payable shall be calculated on the basis of the average benchmark exchange rate of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the five business days prior to the declaration of the 2020 Final Dividend at the AGM (RMB0.82278 equivalent to HK$1.00).

The Company has appointed Bank of China (Hong Kong) Trustees Limited as the Receiving Agent in Hong Kong (the "**Receiving Agent**") and will pay to such Receiving Agent the 2020 Final Dividend declared for payment to holders of H Shares. The Receiving Agent will distribute the 2020 Final Dividend on Friday, 6 August 2021. Relevant cheques will be dispatched to holders of H Shares entitled to receive such dividend by ordinary post and at their own risk on or around Friday, 6 August 2021.

TAXATION ON THE 2020 FINAL DIVIDEND

Non-resident enterprise Shareholders

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 the "Rules for the Implementation of 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實施條例》), both implemented on 1 January 2008 and the "Notice of the State Administration of Taxation on Issues Relevant to the Withholding of Enterprise Income Tax on Dividend Paid by PRC Enterprises to Offshore Non-resident Enterprise Holders of H Shares" (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated on 6 November 2008, the Company is obliged to withhold and pay PRC enterprise income tax on behalfof non-resident enterprise Shareholders at a tax rate of 10% from 2008 onwards when the Company distributes any dividend to non-resident enterprise Shareholders whose names appear on the register of members of H Shares of the Company. As such, any H Shares of the Company which are not registered in the name(s) of individual(s) (which, for this purpose, includes Shares registered in the name of HKSCC Nominees Limited, other nominees, trustees, or other organisations or groups) shall be deemed to be H Shares held by non-resident enterprise Shareholder(s), and the PRC enterprise income tax shall be withheld from any dividend payable thereon. Non-resident enterprise Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividend.

Non-resident individual Shareholders

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 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, for the payment of 2020 Final Dividend, the Company will not withhold and pay the individual income tax on behalf of individual Shareholders when the Company distributes the 2020 Final Dividend to individual Shareholders whose names appear on the register of members of H shares of the Company.

Investors of Southbound Trading

For investors investing in the H Shares of the Company listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") through the Shenzhen Stock Exchange (including enterprises and individuals) (the "Southbound Trading"), the Company has entered into the Agreement on Appropriation of Cash Dividends of H Shares for Southbound Trading (《港股通 H 股股票現金紅利派發協議》) with the Shenzhen Branch and Shanghai Branch of China Securities Depository and Clearing Corporation Limited, pursuant to which, China Securities Depository and Clearing Corporation Limited,

as the nominee of the holders of H Shares for Southbound Trading, will receive the cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depositary and clearing system.

The cash dividends for the investors of H Shares of Southbound Trading will be paid in Renminbi. Pursuant to the relevant requirements under the "Notice on the Tax Policies Related to the Pilot Program of the Shenzhen- Hong Kong Stock Connect" (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127 號)), and"Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect" (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), for dividends received by domestic investors from investing in H shares listed on the Hong Kong Stock Exchange through Southbound Trading, the H shares company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Southbound Trading, the tax payable shall be the same as that for individual investors. The H shares company will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Investors of Northbound Trading

For investors (including enterprises and individuals) investing in the A shares of the Company listed on the Shenzhen Stock Exchange through the Hong Kong Stock Exchange (the "**Northbound Trading**"), their dividends will be distributed in Renminbi by the Company through the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominees holding such shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for such withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may apply to the competent tax authorities for the entitlement of the rate under such tax treaty by themselves. Upon approval by the tax authorities, the paid amount in excess of the tax payable by such enterprises and individuals based on the tax rate according to such tax treaty will be refunded.

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

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

29 July 2021, Shenzhen, PRC

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