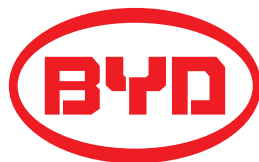


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**比亞迪股份有限公司**  
**BYD COMPANY LIMITED**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1211)**

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

- (A) PROPOSED APPLICATION FOR THE ISSUE OF NOT MORE THAN 261,320,000 A SHARES IN THE PRC**  
**(B) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**  
**(C) CLASS MEETINGS AND EXTRAORDINARY GENERAL MEETING**  
**(D) RESUMPTION OF TRADING**

**PROPOSED APPLICATION FOR THE ISSUE OF NOT MORE THAN 261,320,000 A SHARES IN THE PRC**

At the Board meeting held on 3 June 2015, the Board resolved to convene the Extraordinary General Meeting, the A Shareholders Class Meeting and H Shareholders Class Meeting to obtain the Shareholders' approval for the Additional A Shares Issue.

The amount of gross Proceeds from the Additional A Shares Issue is expected to be not more than RMB15,000,000,000. The issue price of the new A Shares under the Additional A Shares Issue will be not less than RMB57.40 per A Share, being not less than 90% of the average trading price per A Share as quoted on the Shenzhen Stock Exchange for the Price Determination Period (which is calculated by dividing the total turnover of the A Shares during the Price Determination Period by the total trading volume of the A Shares during the same period). The number of A Shares to be issued under the Additional A Shares Issue shall be calculated by dividing the actual total amount of gross Proceeds by the actual issue price. Based on the minimum issue price, the total number of A Shares to be issued under the Additional A Shares Issue shall not exceed 261,320,000 (rounded to the nearest thousand) new A Shares, representing approximately 16.74% of the A Shares and approximately 10.55% of the total issued shares of the Company as at the date of this announcement.

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

As a result of the issue of new A Shares pursuant to the Additional A Shares Issue, the shareholding structure of the Company will change upon completion of the Additional A Shares Issue and as such, the Articles of Association will need to be amended to reflect the relevant changes. The Board proposes to seek the approval of the Shareholders at the Extraordinary General Meeting to authorize the Board or its authorised representatives to make consequential amendments to relevant provisions in the Articles of Association based on the results of the Additional A Shares Issue.

In addition, in accordance with the Rules for the Shareholders' Meetings of Listed Companies (2014) (《上市公司股東大會規則(2014年)》), the Guidelines on Articles of Association of Listed Companies (2014)《上市公司章程指引(2014)》) and the Listed Companies Regulatory Guidance No.3 – Cash Dividends Distribution of Listed Companies (《上市公司監管指引第3號 – 上市公司現金分紅》) issued by the CSRC and other relevant laws, rules and regulations, the Board proposed to make certain amendments to the Articles of Association in relation to the rules for convening Shareholders' general meetings, profit distribution and other housekeeping changes. The proposed amendments to the Articles of Association will be subject to the approval of the Shareholders at the Extraordinary General Meeting. Further details of the new provisions of the Articles of Association will be contained in the notice of the Extraordinary General Meeting and the circular to be despatched to the Shareholders by 4 June 2015 and 3 July 2015, respectively.

## **EXTRAORDINARY GENERAL MEETING, A SHAREHOLDERS CLASS MEETING AND H SHAREHOLDERS CLASS MEETING**

The Company will convene the Extraordinary General Meeting and class meetings on 21 July 2015 to seek approval from the Shareholders for, amongst others, the Additional A Shares Issue. The proposed amendments to the Articles of Association will also be subject to approval by the Shareholders at the Extraordinary General Meeting. A circular containing, amongst others, further details of the aforesaid will be despatched to the Shareholders on or before 3 July 2015.

**It should be noted that in addition to the approvals being sought from the Shareholders at the Extraordinary General Meeting, the A Shareholders Class Meeting and H Shareholders Class Meeting, the Additional A Shares Issue is also subject to the approval by the CSRC and the relevant PRC authorities. There is no assurance that the Additional A Shares Issue will proceed. Investors are advised to exercise caution in dealing in the H Shares. Further details of the Additional A Shares Issue will be disclosed by the Company when the Additional A Shares Issue materializes.**

## **RESUMPTION OF TRADING**

The H Shares of the Company were suspended from trading on the Hong Kong Stock Exchange with effect from 9:00 a.m. on 26 May 2015 at the request of the Company pending the release of this announcement. The Company has made an application to the Hong Kong Stock Exchange for the resumption of trading of the H Shares of the Company on the Hong Kong Stock Exchange with effect from 9:00 a.m. on 4 June 2015.

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

At the Board meeting held on 3 June 2015, the Board resolved to convene the Extraordinary General Meeting, the A Shareholders Class Meeting and H Shareholders Class Meeting to obtain the Shareholders' approval for the Additional A Shares Issue.

## **1. SHAREHOLDERS' APPROVAL IN RESPECT OF THE ADDITIONAL A SHARES ISSUE**

The Company proposes to issue not more than 261,320,000 new A Shares, representing approximately 16.74% of the A Shares and approximately 10.55% of the total issued Shares of the Company as at the date of this announcement. The Company will seek a specific mandate in respect of the Additional A Shares Issue from the Shareholders which will be valid for a period of 12 months from the date of passing of the relevant resolution at the Extraordinary General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting. The Additional A Shares Issue is subject to, among other things, the obtaining of the necessary approval from the CSRC. As at the date of this announcement, the Company has not made the relevant application to the CSRC and such formal application to the CSRC can only be made after obtaining the relevant approvals from the Shareholders at the Extraordinary General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting. Specific terms of the Additional A Shares Issue will be determined in accordance with the approval from the CSRC.

## **2. GENERAL INFORMATION ON THE ADDITIONAL A SHARES ISSUE**

### **2.1. Number of new A Shares to be issued**

The number of A Shares to be issued under the Additional A Shares Issue shall be calculated by dividing the actual total amount of gross Proceeds by the actual issue price. Based on the expected gross Proceeds of not more than RMB15,000,000,000 and the minimum issue price of not less than RMB57.40 per A Share, the total number of A Shares to be issued under the Additional A Shares Issue shall not exceed 261,320,000 (rounded to the nearest thousand) new A Shares (with an aggregate nominal value of not more than RMB261,320,000), representing (i) approximately 16.74% of the A Shares of the Company and approximately 10.55% of the total issued Shares of the Company as at the date of this announcement; and (ii) approximately 14.34% of the A Shares of the Company and approximately 9.55% of the total issued Shares of the Company as enlarged by the number of new A Shares to be issued pursuant to the Additional A Shares Issue (assuming the maximum number of 261,320,000 new A Shares are issued and subscribed for). The maximum number of new A Shares to be issued under the Additional A Shares Issue will be adjusted based on the adjusted minimum issue price in cases of ex-rights or ex-dividend matters such as distribution of dividend, bonus issue and capitalisation of reserve during the period from the Price Determination Date to the date of issue of such new A Shares.

The number of A Shares to be issued shall be determined by the Board in accordance with the authorization granted by the Shareholders in consultation with the lead underwriter within the ambit set forth above. The A Shares may be issued within six months of the date of approval of the Additional A Shares Issue by CSRC.

## **2.2. Price determination date and basis of determination of issue price**

The price determination date of the new A Shares under the Additional A Shares Issue is the date of announcement of the Board's resolution passed at the 8th meeting of the 5th session of the Board (i.e. 4 June 2015).

The issue price of the new A Shares under the Additional A Shares Issue will be not less than RMB57.40 per A Share, being not less than 90% of the average trading price per A Share as quoted on the Shenzhen Stock Exchange for the Price Determination Period (which is calculated by dividing the total turnover of the A Shares during the Price Determination Period by the total trading volume of the A Shares during the same period).

The minimum issue price will be adjusted in accordance with relevant requirements of the Shenzhen Stock Exchange in cases of ex-rights or ex-dividend matters such as distribution of dividend, bonus issue and capitalisation of reserve during the period from the Price Determination Date to the date of issue of such new A Shares. The actual issue price will be determined by the Board, in accordance with the authorization granted by the Shareholders, with the lead underwriter after the necessary approvals for the Additional A Shares Issue from the CSRC have been obtained and in accordance with the Implementation Rules for the Non-public Issue of Shares by Listed Companies (《上市公司非公开发行股票实施细则》) and other relevant requirements, having regard to the price offered by the investors and based on principles such as price priority.

The closing price of H Shares on the trading day (being 22 May 2015) immediately prior to the date of suspension of trading of the H Shares on the Hong Kong Stock Exchange (being 26 May 2015) is HK\$54.50 per H Share. The closing price of A Shares on the trading day (being 22 May 2015) immediately prior to the date of suspension of trading of the A Shares on the Shenzhen Stock Exchange (being 25 May 2015) is RMB76 per A Share.

## **2.3. Target subscribers and method of subscription**

The new A Shares to be issued under the Additional A Shares Issue will be issued for subscription by not more than ten specific investors meeting relevant requirements, including securities investment fund management companies, securities companies, trust investment companies, finance companies, insurance institutional investors, qualified foreign institutional investors and other qualified domestic investors. A securities investment fund management company subscribing through over two funds managed by it will be regarded as one target subscriber. Trust investment companies may only pay the subscription price with their own funds. The subscription price shall be paid in cash.

The actual subscribers will be determined by the Board and the lead underwriter after the approval for the Additional A Shares Issue from the CSRC pursuant to relevant laws, regulations and requirements of regulatory authority, having regard to the price offered by investors and based on principles such as price priority. Connected persons of the Company will not participate in the subscription of new A Shares under the Additional A Shares Issue.

## **2.4. Validity period of the resolutions in respect of the Additional A Shares Issue**

The resolutions will be valid for 12 months from the date of approval of the proposal for the Additional A Shares Issue at the Extraordinary General Meeting, the H Shareholders Class Meeting and the A Shareholders Class Meeting.

## 2.5. Lock-up period (“Lock-up Period”)

None of the new A Shares subscribed under the Additional A Shares Issue may be transferred within a period of 12 months from the date of issue of such A Shares.

## 2.6. Amount and use of proceeds

The amount of gross Proceeds from the Additional A Shares Issue is expected to be not more than RMB15,000,000,000. The Company intends to use the Proceeds (after deducting the relevant expenses) for the following purposes:

Intended use of proceeds	Total amount of capital required <i>(RMB million)</i>	Proposed amount of Proceeds to be applied <i>(RMB million)</i>	Implementation entity
1. Expansion project for production of Li-ion ferrous power batteries (鐵動力鋰離子電池擴產項目)	6,022.7436	6,000	深圳市比亞迪鋰電池有限公司 (Shenzhen BYD Lithium Battery Co., Ltd.*), a wholly owned subsidiary of the Company
2. Research and development project of new energy vehicles (新能源汽車研發項目)	5,000	5,000	比亞迪汽車工業有限公司 (BYD Auto Industry Co., Ltd.*), a wholly owned subsidiary of the Company
3. Additional working capital and repayment of bank loans (補充流動資金及償還銀行借款)	4,000	4,000	The Company
<b>Total</b>	<b>15,022.7436</b>	<b>15,000</b>	

\* *English translations of the names are provided for ease of reference only and they are not official English names of the companies concerned.*

In the event that the actual amount of net Proceeds raised under the Additional A Shares Issue is less than the total amount of Proceeds proposed to be applied to the projects set out above, the Company will use its own resources or seek alternative financing to fund the shortfall. If the Company funds the projects by other resources based on the Company’s operation conditions and development plans before the net proceeds from the Additional A Shares Issue are made available, the Company may exchange such funds with the proceeds from the Additional A Shares Issue when they are available.

## 2.7. Ranking of new A Shares to be issued

The new A Shares to be issued under the Additional A Shares Issue will, when fully paid and issued, rank *pari passu* in all respects with the A Shares in issue at the time of issue of such new A Shares, except that the new A Shares to be issued under the Additional A Shares Issue will be subject to the Lock-up Period of 12 months from the date of issue of such new A Shares as mentioned above.

After completion of the Additional A Shares Issue, both existing and new Shareholders will be entitled to the distributable profits of the Company accumulated but not declared proportionate to their shareholding in the Company after completion of the Additional A Shares Issue.

## 2.8. Listing of the new A Shares to be issued

The Company will apply to the Shenzhen Stock Exchange for the listing of the new A Shares to be issued pursuant to the Additional A Shares Issue. After the expiry of the Lock-up Period, such A shares may be traded on the Shenzhen Stock Exchange.

## 3. EFFECT OF THE ADDITIONAL A SHARES ISSUE ON THE COMPANY'S SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company as at the date of this announcement and immediately after completion of the Additional A Shares Issue, assuming that 261,320,000 new A Shares will be issued under the Additional A Shares Issue and no other change to the shareholding structure:

	As at the date of this announcement		Immediately after the completion of the Additional A Shares Issue	
	<i>Number of Shares in issue</i>	<i>% (approx.)</i>	<i>Number of Shares in issue</i>	<i>% (approx.)</i>
A Shares				
– Existing A Shares	1,561,000,000	63.05%	1,561,000,000	57.03%
– New A Shares to be issued	–	–	261,320,000	9.55%
H Shares	<u>915,000,000</u>	<u>36.95%</u>	<u>915,000,000</u>	<u>33.43%</u>
<b>Total</b>	<u><u>2,476,000,000</u></u>	<u><u>100%</u></u>	<u><u>2,737,320,000</u></u>	<u><u>100%</u></u>

## 4. FUND RAISING IN THE PAST 12 MONTHS

The Company has not conducted any fund raising activity involving issue of equity securities in the period of 12 months preceding the date of this announcement.

## **5. REASONS FOR AND BENEFITS OF THE ADDITIONAL A SHARES ISSUE**

The Directors (including independent non-executive Directors) believe that the Additional A Shares Issue will benefit the Company in respect of its business operation and financial position. With respect to the business operation, the Additional A Shares Issue will facilitate the Company in expanding its production of Li-ion ferrous power batteries and further meet the needs for the new energy vehicle business, which in turn may benefit the Company in maintaining its leading position in the new energy vehicle sector. With respect to the financial position, the Additional A Shares Issue will provide additional working capital, which in turn may benefit the Company in reducing financial risks and optimising its overall financial position. The Additional A Shares Issue may establish a stable and sustainable foundation for the Company's future growth in the long term. Accordingly, the Directors (including independent non-executive Directors) consider that the Additional A Shares Issue and utilisation of the Proceeds in the Projects are in the interest of the Company and its Shareholders as a whole.

The Directors (including the independent non-executive Directors) further consider that the Additional A Shares Issue to be fair and reasonable.

## **6. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

As a result of the issue of new A Shares pursuant to the Additional A Shares Issue, the shareholding structure of the Company will change upon completion of the Additional A Shares Issue and as such, the Articles of Association will need to be amended to reflect the relevant changes. The Board proposes to seek the approval of the Shareholders at the Extraordinary General Meeting to authorize the Board or its authorised representatives to make consequential amendments to relevant provisions in the Articles of Association based on the results of the Additional A Shares Issue.

In addition, in accordance with the Rules for the Shareholders' Meetings of Listed Companies (2014) (《上市公司股東大會規則(2014年)》), the Guidelines on Articles of Association of Listed Companies (2014)《上市公司章程指引(2014)》) and the Listed Companies Regulatory Guidance No.3 – Cash Dividends Distribution of Listed Companies (《上市公司監管指引第3號 – 上市公司現金分紅》) issued by the CSRC and other relevant laws, rules and regulations, the Board proposed to make certain amendments to the Articles of Association in relation to the rules for convening Shareholders' general meetings, profit distribution and other housekeeping changes. The proposed amendments to the Articles of Association will be subject to the approval of the Shareholders at the Extraordinary General Meeting. Further details of the new provisions of the Articles of Association will be contained in the notice of the Extraordinary General Meeting and the circular to be despatched to the Shareholders by 4 June 2015 and 3 July 2015, respectively.

## **7. EXTRAORDINARY GENERAL MEETING, A SHAREHOLDERS CLASS MEETING AND H SHAREHOLDERS CLASS MEETING**

The Additional A Shares Issue will be subject to, among other things, the approval of the Shareholders at the Extraordinary General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting by way of a special resolution. It is therefore proposed that the Extraordinary General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting be convened and held on 21 July 2015 to consider and, if thought fit, approve, among other things, the Additional A Shares Issue. The proposed amendments to the Articles of Association will also be subject to the approval of the Shareholders at the Extraordinary General Meeting. Notices convening the Extraordinary General Meeting and the H Shareholders Class Meeting will be despatched to Shareholders on 4 June 2015. A circular containing, *inter alia*, details of the Additional A Shares Issue will be despatched to the Shareholders on or before 3 July 2015.

In order to determine the list of shareholders of the Company who will be entitled to attend and vote at the Extraordinary General Meeting and the H Shareholders Class Meeting, the registers of members of the Company will be closed from Sunday, 21 June 2015 to Tuesday, 21 July 2015, 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, 21 July 2015 shall be entitled to attend and vote at the Extraordinary General Meeting and the H Shareholders Class Meeting. In order for the holders of H Shares to qualify to attend and vote at the Extraordinary General Meeting and the H Shareholders Class Meeting, 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 Friday, 19 June 2015 for registration.

**It should be noted that in addition to the approvals being sought from the Shareholders at the Extraordinary General Meeting, the A Shareholders Class Meeting and H Shareholders Class Meeting, the Additional A Shares Issue is also subject to the approval by the CSRC and the relevant PRC authorities. There is no assurance that the Additional A Shares Issue will proceed. Investors are advised to exercise caution in dealing in the H Shares. Further details of the Additional A Shares Issue will be disclosed by the Company when the Additional A Shares Issue materializes.**

## **8. RESUMPTION OF TRADING**

The H Shares of the Company were suspended from trading on the Hong Kong Stock Exchange with effect from 9:00 a.m. on 26 May 2015 at the request of the Company pending the release of this announcement. The Company has made an application to the Hong Kong Stock Exchange for the resumption of trading of the H Shares of the Company on the Hong Kong Stock Exchange with effect from 9:00 a.m. on 4 June 2015.



## DEFINITIONS

“A Shareholder(s)”	holder(s) of A Shares;
“A Shareholders Class Meeting”	the class meeting of the A Shareholders to be convened to consider and, if thought fit, approve, among other things, the Additional A Shares Issue;
“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;
“Additional A Shares Issue”	the proposed issue of not more than 261,320,000 new A Shares in the PRC, which shares are proposed to be listed and traded on the Shenzhen Stock Exchange;
“Articles of Association”	the articles of association of the Company, as amended from time to time;
“Board”	the board of directors of the Company;
“Company”	BYD Company Limited, a joint stock company incorporated in the PRC with limited liability;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“CSRC”	China Securities Regulatory Commission;
“Director(s)”	the director(s) of the Company;
“Extraordinary General Meeting”	the forthcoming extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the Additional A Shares Issue and the proposed amendments to the Articles of Association;
“H Shareholder(s)”	holder(s) of H Shares;
“H Shareholders Class Meeting”	the class meeting of the H Shareholders to be convened to consider and, if thought fit, approve, among other things, the Additional A Shares Issue;
“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;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“Lock-up Period”	has the meaning as set out in paragraph 2.5 of this announcement;
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement only, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“Price Determination Date”	4 June 2015;
“Price Determination Period”	the period of 20 trading days of A Shares on the Shenzhen Stock Exchange immediately prior to the Price Determination Date;
“Proceeds”	the proceeds raised from the Additional A Shares Issue;
“Projects”	the various projects as described under the paragraph headed “Amount and Use of Proceeds” in this announcement to which the Proceeds are intended to be applied;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shenzhen Stock Exchange”	The Shenzhen Stock Exchange of the PRC;
“Share(s)”	A Share(s) and H Share(s);
“Shareholder(s)”	registered holder(s) of the Shares; and
“%”	per cent.

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

4 June 2015, Shenzhen, PRC

*As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Chuan-fu being the executive director of the Company, Mr. Lv Xiang-yang and Mr. Xia Zuo-quan being the non-executive directors of the Company, Mr. Wang Zi-dong, Mr. Zou Fei and Ms. Zhang Ran being the independent non-executive directors of the Company.*