

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**比亞迪電子(國際)有限公司**  
**BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED**

*(incorporated in Hong Kong under the Companies Ordinance with limited liability)*

**(Stock code: 285)**

**(1) REVISION OF EXISTING ANNUAL CAP FOR CONTINUING  
CONNECTED TRANSACTIONS; AND**  
**(2) CONNECTED TRANSACTION IN RELATION TO THE PROVISION  
OF ENTRUSTED LOAN TO BYD COMPANY LIMITED**

**REVISION OF EXISTING ANNUAL CAP FOR CONTINUING CONNECTED  
TRANSACTIONS**

Reference is made to the announcement of the Company dated 6 August 2020, in relation to, amongst others, the Batteries Purchase Agreement entered into between the Company and BYD, pursuant to which the BYD Group agreed to supply batteries for certain new intelligent products produced by the Group.

Following the signing of the Batteries Purchase Agreement, with the development of the Novel Coronavirus (COVID-19) pandemic and the growth of “stay-at-home” economy, the demand in the European market for the new intelligent products produced by the Group has been increasing rapidly since the third quarter in 2020. Due to the better-than-expected increase in market demand for the smart home equipment of the Group, it is expected that the transaction amount under the Batteries Purchase Agreement for the year ending 31 December 2020 will be higher than the existing annual cap of RMB686,236,000. On 27 November 2020 (after trading hours), the Company entered into the Supplemental Agreement with BYD to further revise the existing annual cap. Save for the revision of the annual cap for the year ending 31 December 2020 from RMB686,236,000 to RMB986,236,000, all other terms and conditions under the Batteries Purchase Agreement remain the same.

## **CONNECTED TRANSACTION IN RELATION TO THE PROVISION OF ENTRUSTED LOAN TO BYD COMPANY LIMITED**

Reference is made to the Previous Disclosure in relation to, the Original Bank (as the entrusted loan lending agent) being entrusted by BYD Precision (as the lender), a wholly-owned subsidiary of the Company, to provide the Previous Loan to BYD (as the borrower). The outstanding amount under the Previous Loan has been fully settled and repaid on 26 November 2020.

On 27 November 2020, the Company convened a Board meeting which the Board considered and approved to provide an entrusted loan with a total principal amount of RMB400 million by BYD Precision (as the lender) to BYD (as the borrower) through China Merchants Bank (as the New Entrusted Loan lending agent) to meet the further development funding needs of BYD.

### **LISTING RULES IMPLICATIONS**

As BYD is the controlling Shareholder of the Company and indirectly interested in approximately 65.76% of the issued share capital of the Company, BYD is therefore a connected person of the Company. As such, the transactions contemplated under the Supplemental Agreement constitute continuing connected transactions of the Company and the provision of the New Entrusted Loan constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

In relation to the Batteries Purchase Agreement, pursuant to the Listing Rules, if the Company proposes to revise the annual cap for continuing connected transactions, the Company will be required to re-comply with the rules of Chapter 14A of the Listing Rules in respect of the relevant continuing connected transactions. As the applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the new annual cap under the Batteries Purchase Agreement are more than 0.1% but less than 5%, the revision of the existing annual cap under the Batteries Purchase Agreement and the continuing transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirements as set out under Chapter 14A of the Listing Rules.

In relation to the New Entrusted Loan Agreement, as certain applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the New Entrusted Loan are more than 0.1% but less than 5%, the New Entrusted Loan Agreement is only subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirements as set out under Chapter 14A of the Listing Rules.

## **REVISION OF EXISTING ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcement of the Company dated 6 August 2020, in relation to, amongst others, the Batteries Purchase Agreement entered into between the Company and BYD, pursuant to which the BYD Group agreed to supply batteries for certain new intelligent products produced by the Group.

Following the signing of the Batteries Purchase Agreement, with the development of the Novel Coronavirus (COVID-19) pandemic and the growth of “stay-at-home” economy, the demand in the European market for the new intelligent products produced by the Group has been increasing rapidly since the third quarter in 2020. Due to the better-than-expected increase in market demand for the smart home equipment of the Group, it is expected that the transaction amount under the Batteries Purchase Agreement for the year ending 31 December 2020 will be higher than the existing annual cap of RMB686,236,000. On 27 November 2020 (after trading hours), the Company entered into the Supplemental Agreement with BYD to further revise the existing annual cap. Save for the revision of the annual cap for the year ending 31 December 2020 from RMB686,236,000 to RMB986,236,000, all other terms and conditions (including the annual cap for the year ending 31 December 2021) under the Batteries Purchase Agreement remain the same.

### **Batteries Purchase Agreement (as amended by the Supplemental Agreement)**

#### **Parties**

- (1) The Company
- (2) BYD

#### **Date of the Supplemental Agreement**

27 November 2020 (after trading hours)

#### **Duration**

From 6 August 2020 to 31 December 2021, unless terminated earlier in accordance with the terms of the Batteries Purchase Agreement (as amended by the Supplemental Agreement).

#### **Subject matter**

Pursuant to the Supplemental Agreement, the existing annual cap for the year ending 31 December 2020 is revised from RMB686,236,000 to RMB986,236,000 (the “**New Annual Cap**”).

## **Annual cap**

The Company estimates that the transaction amount under the Batteries Purchase Agreement (as amended by the Supplemental Agreement) shall not exceed RMB986,236,000 for the year ending 31 December 2020, and such amount has accordingly been set as the New Annual Cap for the year ending 31 December 2020.

The New Annual Cap was determined based on arm's length negotiations between the Company and BYD with reference to, among others:

- (i) the historical transaction amounts. As of 30 September 2020, the actual transaction amount incurred under the Batteries Purchase Agreement was approximately RMB533,792,000, representing approximately 77.79% of the existing annual cap for the year ending 31 December 2020;
- (ii) the Group further adjusts the relevant production plan for the year in response to the demand for the new intelligent products. The Group has actively commenced the development and trial production of new intelligent products (mainly smart home equipment) since 2019. In particular, given the demand in the European market for the new intelligent products has been increasing rapidly since the third quarter in 2020 due to the development of the Novel Coronavirus (COVID-19) pandemic and the growth of "stay-at-home" economy, the market demand for the smart home equipment of the Group had further increased. The sales department of the Group stays abreast of market changes and adjusts the annual sales forecast of the relevant products of the Group in a timely manner, and it is expected to increase substantially by approximately 55%. The Group has further increased the expected production volume to capture market demand accordingly, and it is expected that the Group will require more batteries for the production of the aforementioned new intelligent products; and
- (iii) the expected selling price of the batteries to be provided by the BYD Group taking into consideration, among others, the estimated cost of production and the maximum amount of batteries to be purchased by the Group.

If the total transaction amount under the Batteries Purchase Agreement (as amended by the Supplemental Agreement) is expected to exceed the annual cap(s), the Company will re-comply with the relevant requirements in accordance with the Listing Rules such as the publication of a further announcement or to seek approval from the Independent Shareholders, if applicable.

Save for the aforementioned revision, all other terms and conditions (including the annual cap for the year ending 31 December 2021) under the Batteries Purchase Agreement remain the same.

## **Principal terms and price determination**

The parties shall execute separate orders in accordance with the terms of the Batteries Purchase Agreement (as amended by the Supplemental Agreement) and must comply with the terms of the Listing Rules and applicable laws. The prices of the batteries offered by the BYD Group to the Group shall be with reference to the costs of production of the batteries of the BYD Group plus a profit margin of not greater than 15%, and in any event on terms and at prices no less favourable than those offered to the Group by an independent third party for the same or similar type of batteries offered in the PRC and for the same or comparable volume, delivery schedules and terms, unless no such comparable reference price is available. Members of the Group shall have the right to engage different suppliers, including the BYD Group, through bidding or price comparison procedures depending on the expected quantity and/or the specification of the batteries required.

In accordance with the Company's internal policies, the Group will conduct market price consultation for same or similar type of batteries and other criteria (such as for same or comparable volume, delivery schedules, quality and terms) offered by its independent third party suppliers in the PRC and obtain at least two to three quotations, to ensure that the Group will only purchase the batteries from the BYD Group at prices not greater than the then prevailing market prices, unless no such comparable reference price is available. The Group will conclude the purchase with the BYD Group only when those selection criteria can be met after taking into consideration all relevant factors in order to safeguard the interests of the Group. As the management of the Group will review the aforesaid pricing policy on a regular basis, the Directors are of the view that the aforesaid method and procedures can ensure that the transactions contemplated under the Batteries Purchase Agreement will be conducted on normal commercial terms and are not prejudicial to the interest of the Company's minority Shareholders.

## **Payment terms**

Specific payment terms will be stipulated in the relevant order forms, which will generally be payable within 45 days from the date of invoice.

## **CONNECTED TRANSACTION IN RELATION TO THE PROVISION OF ENTRUSTED LOAN TO BYD COMPANY LIMITED**

Reference is made to the Previous Disclosure in relation to, amongst others, the Original Bank (as the entrusted loan lending agent) being entrusted by BYD Precision (as the lender), a wholly-owned subsidiary of the Company, to provide the Previous Loan to BYD (as the borrower). The outstanding amount under the Previous Loan has been fully settled and repaid on 26 November 2020.

On 27 November 2020, the Company convened a Board meeting which the Board considered and approved to provide the entrusted loan with a total principal amount of RMB400 million by BYD Precision (as the lender), a wholly-owned subsidiary of the Company, to BYD (as the borrower) through China Merchants Bank (as the New Entrusted Loan lending agent) to meet the further development funding needs of BYD.

Pursuant to the entrusted loan arrangement, BYD Precision (as the lender) will enter into the New Entrusted Loan Agreement with China Merchants Bank and BYD to provide BYD an entrusted loan with a total principal amount of RMB400 million. The New Entrusted Loan Agreement will contain the following principal terms:

### **New Entrusted Loan Agreement**

#### **(1) Date**

No later than 31 December 2020

#### **(2) Parties**

Lender: BYD Precision

Borrower: BYD

New Entrusted Loan Lending Agent: China Merchants Bank

#### **(3) Total principal amount of the New Entrusted Loan**

RMB400 million, to be lent by BYD Precision to BYD through China Merchants Bank.

#### **(4) Term**

The term for the New Entrusted Loan is 36 months commencing from the date of drawdown of the New Entrusted Loan by BYD.

#### **(5) Interest rate**

A fixed interest rate based on the prime rate as at the actual drawdown date of the New Entrusted Loan less 35 basis points, and the prime rate is based on the one-year term loan prime rate (LPR) announced by the National Interbank Funding Center (全國銀行間同業拆借中心) one business day prior to the drawdown date.

**(6) Repayment schedule of the principal of the New Entrusted Loan**

BYD shall make a one-off repayment of the principal upon maturity of the New Entrusted Loan, or opt for early repayment. Should BYD opt for early repayment, BYD shall have the right to repay all or part of the outstanding principal amount of the New Entrusted Loan and all the accrued interests before maturity of the New Entrusted Loan after serving a three (3) months' prior written notice and having obtained the consent to early repayment from BYD Precision.

BYD Precision shall have the right to require BYD to repay all or part of the outstanding principal amount of the New Entrusted Loan and all the accrued interests before maturity of the New Entrusted Loan by serving a written notice on BYD. BYD shall repay such sum within three (3) months after receiving the written notice from BYD Precision.

**(7) Payment schedule of interests of the Entrusted Loan**

Interests for the New Entrusted Loan shall be settled by BYD on the twenty-first (21) day of each month.

**(8) Handling charge**

The handling charge for arranging the New Entrusted Loan under the New Entrusted Loan Agreement is calculated at 0.01% of the total principal amount of the New Entrusted Loan. BYD Precision shall pay the handling charge on a one-off basis to China Merchants Bank when the New Entrusted Loan is released to BYD.

**REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

**Entering into the Supplemental Agreement and revision of existing annual cap for the year ending 31 December 2020**

As set out in the announcement of the Company dated 6 August 2020 in relation to the supply of batteries by the BYD Group for certain new intelligent products produced by the Group, the Group has actively commenced the development and trial production of new intelligent products since 2019. In 2020, the Group has made encouraging progress in seizing the growth opportunity in domestic and overseas markets of new intelligent products, and has expanded the relevant customer scale. With the development of the Novel Coronavirus (COVID-19) pandemic and the growth of “stay-at-home” economy, the demand in the European market for the new intelligent products produced by the Group has been increasing rapidly since the third quarter in 2020. The market demand for the smart home equipment of the Group has further increased beyond expectation. In particular, some relevant products have been promoted as the first choice for customers in certain European countries. The Group has made further adjustments to the development and production plan, and will require more batteries for the production of certain new intelligent products, especially smart home equipment.

The Board believes that the batteries to be provided by the BYD Group pursuant to the Batteries Purchase Agreement (as amended by the Supplemental Agreement) can enable the Group to focus on and enhance product quality and assembly services and reduce the capital expenditures and time required for developing battery suppliers for the abovementioned new intelligent products, so as to increase the market share of new intelligent products and further expand the customer base rapidly. Given the actual transaction amount incurred under the Batteries Purchase Agreement was approximately RMB533,792,000 as of 30 September 2020, representing approximately 77.79% of the existing annual cap for the year ending 31 December 2020, and the Group has recently made further adjustments to the corresponding development and production plan, the Group expects that the existing annual cap for the year ending 31 December 2020 will be exceeded. The main purpose of entering into the Supplemental Agreement is to revise the relevant annual cap, so as to ensure that the Group and the BYD Group can continue the relevant transactions.

The Directors (including the independent non-executive Directors) have confirmed that the Batteries Purchase Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder have been subject to arm's length negotiations between the parties and were entered into by the Group in the ordinary and usual course of business and on normal commercial terms, and are of the view that the Batteries Purchase Agreement (as amended by the Supplemental Agreement) and the annual cap(s) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Entering into the New Entrusted Loan Agreement**

As at 30 September 2020, the Group had cash and cash equivalents of approximately RMB3.4 billion. Based on the evaluation of the cash flow under contractual commitment of the Group and its business development plan, the Directors (including the independent non-executive Directors) are satisfied that the Group will have adequate cash to meet its needs for daily operation and capital expenditures, and therefore the principal of the New Entrusted Loan shall be financed by internal resources of the Group. Further, BYD Precision may exercise its right to demand BYD to repay all or any part of the outstanding principal amount of the New Entrusted Loan and accrued interest therefrom before the maturity of the New Entrusted Loan by serving a three months' notice on BYD.

As at the date of this announcement, the one-to-five-year term loan prime rate (LPR) announced by the National Interbank Funding Center (全國銀行間同業拆借中心) under the authority of the People's Bank of China was 3.85%, whereas the surplus cash of the Group is generally placed with banks as time deposit for up to a 3-year term with a deposit interest rate of up to 2.75% per annum as stipulated by the People's Bank of China. Therefore, the provision of the New Entrusted Loan will facilitate the Group to enhance the return on its surplus cash resources.

The terms of the New Entrusted Loan Agreement, including the interest rate applicable, were agreed by the parties after arm's length negotiations having taken into account the prevailing market interest rates and practices. The Directors (including the independent non-executive Directors) consider that the provision of the New Entrusted Loan pursuant to the New Entrusted Loan Agreement will be beneficial to the Group in terms of return and risk control, and that the New Entrusted Loan Agreement is on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INTERNAL CONTROL MEASURES IN RELATION TO CONTINUING CONNECTED TRANSACTIONS**

In addition to (i) our measures to ensure that pricing policy under the Supplemental Agreement will be complied with as detailed in the subparagraph headed “Batteries Purchase Agreement (as amended by the Supplemental Agreement) – Principal terms and price determination” in this announcement; and (ii) our compliance with the requirements on annual review by external auditors and independent non-executive Directors under the Listing Rules in respect of the Group’s continuing connected transactions, to ensure the transactions contemplated under the Batteries Purchase Agreement (as amended by the Supplemental Agreement) do not exceed the annual cap, the business department of the Group shall fill in and submit statistical charts for the continuing connected transactions at least quarterly. In the event that the amount of the transactions incurred and/or to be incurred under the Batteries Purchase Agreement (as amended by the Supplemental Agreement) is expected to reach the relevant annual cap, the business department will follow up forthwith by reporting and proposing a response to the management of the Company, and in case that an amendment to the annual cap is required, report particulars to the Board and hold a Board meeting for considering the matters thereabout to ensure compliance with the requirements under the Listing Rules.

The Company also arranges compliance trainings for the Directors, senior management and staff from relevant departments of the Company and its subsidiaries from time to time, primarily focusing on the rules relating to continuing connected transactions under Chapter 14A of the Listing Rules.

## **GENERAL INFORMATION**

### **The Company**

The Company is incorporated under the laws of Hong Kong with limited liability, whose Shares are listed on the Stock Exchange. Approximately 65.76% of the equity interests of the Company is owned by Golden Link Worldwide Limited, a company incorporated in the British Virgin Islands, which is ultimately wholly-owned by BYD. Approximately 5.85% of the equity interests of the Company is owned by Gold Dragonfly Limited, a company incorporated in the British Virgin Islands and wholly-owned by BF Gold Dragon Fly (PTC) Limited as trustee of BF Trust, the beneficiaries of which are 28 employees of BYD, its subsidiaries and the Group. Approximately 0.76% of the equity interests of the Company is owned by Mr. Wang Nian-qiang, an executive Director, in his personal capacity and as a beneficiary of BF Trust. Approximately 0.12% of the equity interests of the Company are beneficially owned by Mr. Wang Bo, a non-executive Director, as a beneficiary of BF Trust. The Group is one of the world’s most competitive providers of design, components manufacturing and system products assembly services for electronic products, providing vertically integrated one-stop services to global leading brand manufacturers for mobile intelligent terminals.

## **BYD**

BYD is a joint stock company incorporated in the PRC with limited liability, whose shares are listed on the Stock Exchange and the Shenzhen Stock Exchange. Based on public information available to the Directors, (i) approximately 19.00% of the entire equity interests of BYD is beneficially owned by Mr. WANG Chuan-fu, a non-executive Director and also an executive director and chairman of the board of directors of BYD; (ii) approximately 14.61% of the entire equity interests of BYD is beneficially owned by Mr. Lv Xiang-yang (a non-executive director of BYD) in his personal capacity and through Youngy Investment Holding Group Co., Ltd. (融捷投資控股集團有限公司) which is in turn held by Mr. Lv and his spouse; (iii) approximately 3.49% of the entire equity interests of BYD is beneficially owned by Mr. Xia Zuo-quan (a non-executive director of BYD); (iv) approximately 0.70% of the entire equity interests of BYD is owned by Mr. Wang Nian-qiang, an executive Director; (v) approximately 8.25% of the entire equity interests of BYD is owned by Berkshire Hathaway Energy Company (formerly known as MidAmerican Energy Holdings Company) which is controlled by Berkshire Hathaway Inc. (a company listed on the New York Stock Exchange); (vi) Citigroup Inc. (a company listed on the New York Stock Exchange) holds approximately 3.06% interests in BYD (approximately 1.68% as long position, approximately 0.48% as short position and approximately 0.90% as approved lending agent); and (vii) approximately 2.76% of the entire equity interests of BYD is owned by Himalaya Capital Investors, L.P. (formerly known as LL Investment Partners, L.P.) which is indirectly controlled by Li Lu. BYD Group is principally engaged in rechargeable battery and photovoltaic business, handset components and assembly services, as well as automobile business which includes traditional fuel-engined vehicles and new energy vehicles and is actively developing the urban rail transportation business segment.

### **BYD Precision**

BYD Precision Manufacture Co., Ltd., is an indirect wholly-owned subsidiary of the Company incorporated in the PRC which is principally engaged in businesses of manufacture and sales of handset components and modules.

### **China Merchants Bank**

China Merchants Bank Co., Ltd. Shenzhen Branch, a commercial bank established in the PRC which is principally engaged in businesses including accepting public deposits and providing loans. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, as of the date of this announcement, China Merchants Bank and its ultimate beneficial owners are all third parties independent of the Company and its connected persons.

## **LISTING RULES REQUIREMENTS**

As BYD is the controlling Shareholder of the Company and is indirectly interested in approximately 65.76% of the issued share capital of the Company, it is therefore a connected person of the Company. As such, the transactions contemplated under the Supplemental Agreement constitute continuing connected transactions of the Company and the provision of the New Entrusted Loan constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

In relation to the Batteries Purchase Agreement, pursuant to the Listing Rules, if the Company proposes to revise the annual cap for continuing connected transactions, the Company shall be required to re-comply with the rules of Chapter 14A of the Listing Rules in respect of the relevant continuing connected transactions. As the applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the new annual cap under the Batteries Purchase Agreement are more than 0.1% but less than 5%, the revision of the existing annual cap under the Batteries Purchase Agreement and the continuing transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirements as set out under Chapter 14A of the Listing Rules.

In relation to the New Entrusted Loan Agreement, as certain applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules under the New Entrusted Loan are more than 0.1% but less than 5%, the New Entrusted Loan Agreement is only subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirements as set out under Chapter 14A of the Listing Rules.

Mr. WANG Chuan-fu, being a non-executive Director of the Company, is also an executive director and chairman of the board of directors of BYD and is interested in approximately 19.00% of the total issued share capital of BYD as at the date of this announcement. Accordingly, Mr. WANG Chuan-fu, being a Director who may have a material interest, had voluntarily abstained from voting on the board resolutions of the Company concerning the Supplemental Agreement and the New Entrusted Loan Agreement.

The Company, being a non-wholly-owned subsidiary of BYD, is not a connected person of BYD under Rule 14A.16(1) of the Listing Rules as, to the Directors' best knowledge, information and belief after making all reasonable enquiries, (a) none of the connected persons of BYD is or are (individually or together) entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company; and (b) the Company is not an associate of the connected persons of BYD. Accordingly, the transactions contemplated under the Supplemental Agreement and the New Entrusted Loan Agreement do not constitute connected transactions of BYD under Chapter 14A of the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Batteries Purchase Agreement”	the agreement dated 6 August 2020 between the Company and BYD in relation to the purchase of batteries by the Group from the BYD Group
“Supplemental Agreement”	the supplemental agreement dated 27 November 2020 entered into between the Company and BYD to revise the Batteries Purchase Agreement
“China Merchants Bank”	China Merchants Bank Co., Ltd. Shenzhen Branch (招商銀行股份有限公司深圳分行). To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as of the date of this announcement, China Merchants Bank and its ultimate beneficial owners are third parties independent of the Company and its connected person(s)
“Original Bank”	China Construction Bank Corporation Shenzhen Branch (中國建設銀行股份有限公司深圳市分行). To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as of the date of this announcement, China Construction Bank Corporation Shenzhen Branch and its ultimate beneficial owners are third parties independent of the Company and its connected person(s)
“BYD Precision”	BYD Precision Manufacture Co., Ltd.* (比亞迪精密製造有限公司), a wholly-owned subsidiary of the Company incorporated in the PRC
“BYD”	BYD Company Limited (比亞迪股份有限公司), a company incorporated in the PRC, whose H shares are listed on the Main Board of the Stock Exchange
“BYD Group”	BYD and its subsidiaries (excluding, except where the context indicates otherwise, the Group)
“Company”	BYD Electronic (International) Company Limited (比亞迪電子(國際)有限公司), a company incorporated under the laws of Hong Kong with limited liability, whose Shares are listed on the Main Board of the Stock Exchange

“Board”	the board of directors of the Company
“Director(s)”	the director(s) of the Company
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Group”	the Company and its subsidiaries
“New Entrusted Loan”	the entrusted loan with a total principal amount of RMB400 million by BYD Precision (as the lender) to BYD (as the borrower) through China Merchants Bank (as the New Entrusted Loan lending agent)
“New Entrusted Loan Agreement”	the agreement proposed to be entered into by BYD Precision (as lender) and BYD (as borrower) with China Merchants Bank (as entrusted lending agent) in relation to the provision of the New Entrusted Loan from BYD Precision to BYD through China Merchants Bank as entrusted lending agent
“Previous Disclosure”	the announcements of the Company dated 9 September 2011, 15 September 2011, 21 November 2014 and 27 November 2017 and the circular of the Company dated 28 September 2011 in relation to the Previous Loan
“Previous Loan”	the entrusted loan provided to BYD pursuant to the terms of the first entrusted loan agreement dated 23 November 2011 (in the principal amount of RMB400 million as amended by two extension agreements dated 21 November 2014 and 27 November 2017 respectively), details of which are set out in the announcements of the Company dated 9 September 2011, 15 September 2011, 21 November 2014 and 27 November 2017 and the circular of the Company dated 28 September 2011. BYD has fully settled and repaid the principal and interest of the Previous Loan as at 26 November 2020
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	the shares of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

\* *for identification purpose only*

By order of the Board  
**BYD Electronic (International) Company Limited**  
**Wang Nian-qiang**  
*Director*

Hong Kong, 27 November 2020

*As at the date of this announcement, the Board consists of Mr. WANG Nian-qiang and Mr. JIANG Xiang-rong being the executive Directors, Mr. WANG Chuan-fu and Mr. WANG Bo being the non-executive Directors and Mr. CHUNG Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. QIAN Jing-jie being the independent non-executive Directors.*