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BYD COMPANY LIMITED

比亞迪股份有限公司

(a joint stock company incorporated in the PRC with limited liabilities)

Pledging of Non-tradable Domestic Shares by Shareholder

The Company was notified by Guangzhou Rongjie that it had pledged 18,000,000 non-tradable existing Domestic Shares beneficially held by it to an independent third party.

The Pledge

On 20 June 2003, BYD Company Limited (比亞迪股份有限公司) (the "Company") received a notice from Guangzhou Rongjie Investment Company Limited (廣州融捷投資管理集團有限公司) ("Guangzhou Rongjie"), informing the Company that it had on 20 June 2003 pledged 18,000,000 existing Domestic Shares beneficially held by it ("Pledged Shares") to China Construction Bank, Dongshan branch (中國建設銀行廣州市東山支行) ("CCB") (the "Pledge") to secure its own borrowing. The Domestic Shares are denominated in Renminbi ("RMB") with par value of RMB1.00 each in the capital of the Company and are not traded or listed on any stock exchange. The Pledge will, to the extent applicable, be registered with the relevant regulatory authority in the People's Republic of China (the "PRC") in accordance with PRC laws and regulations.

CCB is an independent third party which is not, and is not connected with, any promoter, director, supervisor, chief executive or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them.

Parties

Guangzhou Rongjie is a company established in the PRC and beneficially owned by Mr. Lu Xiang-yang ("Mr. Lu") as to 84%, Ms. Zhang Chang-hong as to 9.5%, Mr. Lu Shou-guo and Mr. Lu Tian-shou, each as to 2%, Ms. Jiang Xiao and Mr. Zhang Hui-bing, each as to 1% and Mr. Wu Jing-sheng as to 0.5% ("Mr. Wu"). As at the date of this announcement, Guangzhou Rongjie beneficially owns 44,800,700 Domestic Shares, representing approximately 8.304% of the entire issued share capital of the Company, other than which it does not have any other shareholding interest in the Company. The Pledged Shares represent approximately 3.336% of the entire issued share capital of the Company.

Mr. Lu is a non-executive director and a substantial shareholder of the Company. As at the date of this announcement, Mr. Lu is interested in 62,954,900 Domestic Shares, representing approximately 11.699% of the share capital of the Company. Mr. Lu held approximately 84% interest in Guangzhou Rongjie and pursuant to the Hong Kong Securities and Futures Ordinance (Cap. 571), Mr. Lu is deemed to be interested in the 44,800,700 Domestic Shares held by Guangzhou Rongjie. Accordingly, Mr. Lu is taken to be interested in an aggregate of 107,755,600 Domestic Shares, representing an approximate 19.973% of the total issued share capital of the Company. Mr. Wu is one of the company secretaries of the Company.

This announcement is made pursuant to the undertakings made by Guangzhou Rongjie and Mr. Lu to the Company and The Stock Exchange of Hong Kong Limited that within 12 months from the date on which dealings in the H shares first commence, they will immediately inform the Company of, among other things, any pledge or charge together with the number of securities so pledged.

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

Hong Kong, 20 June 2003