

China's EV giant BYD misses Q1 revenue estimates

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Major Chinese electric carmaker BYD reported lower-than-expected revenue for the first quarter of 2024 on Monday, as an aggressive domestic price war and Western regulatory pressure weighed on the

company's growth.

BYD posted an operating revenue of 124.94 billion yuan (\$17.25 billion) for the first three months of the year, up 3.97 percent from a year ago, according to a stock exchange filing.

Bloomberg analysts had predicted a quarterly revenue of 132.53 billion yuan.

The Shenzhen-based company is moving quickly overseas—including into Southeast Asian countries but also further afield in Latin America and Europe—as a price war continues to be waged in China, the world's largest automotive market.

BYD overtook Elon Musk's Tesla in the fourth quarter of 2023 to become the world's top seller of [electric vehicles](#). Tesla reclaimed that title in the [first quarter](#) of this year, but BYD remains firmly on top in its home market.

The Chinese automaker recorded a record annual profit of 30 billion yuan last year.

Its profit in the first quarter was 4.57 billion yuan, up 10.62 percent from a year ago, BYD said on Monday.

BYD said its research and development and marketing expenses had shot up in the first quarter due to an "increase in advertising and exhibition expenses and depreciation and amortization", as well as higher "material consumption".

China has led the global transition to electric vehicles, with almost 1 in 3 cars on Chinese roads set to be electric by 2030, according to the International Energy Agency's annual Global EV Outlook published last

week.

There are a staggering 129 EV brands in China, but just 20 have managed to achieve a domestic market share of one percent or more, according to data compiled by Bloomberg.

Rival brands have sought in recent months to undercut each other's prices, offering customers built-in gadgets and trendy customisation options at lower and lower pricetags.

Meanwhile European regulators are raising the alarm on what they describe as Chinese industrial "overcapacity" created by excessive state subsidies, which could flood global markets with cheap vehicles.

The European Union launched an investigation last year into the subsidies, which it said had given Chinese companies an "unfair" leg up in the local market.

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