

# Chinese EV giant BYD posts 24.4% rise in profit

August 28 2024

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Leading Chinese automaker BYD's sales were boosted by strong demand for electric cars.

Leading Chinese automaker BYD posted on Wednesday a 24.4 percent rise in net profit for the first half of 2024, boosted by continuing strong

demand for electric cars in its home and overseas markets.

The company posted a [net profit](#) of \$1.91 billion in the January-June period, up from \$1.54 billion in the same period last year, according to results published at the Hong Kong Stock Exchange where BYD is listed.

The firm said sales during the period stood at \$42.3 billion, up 15.8 percent year-on-year.

The Shenzhen-based company—which adopts the English slogan "Build Your Dreams"—is the most prominent EV manufacturer in China, the world's largest automotive market.

Leaders in Beijing are aiming for car sales to be mainly made up of electric and hybrid models by 2035.

In July, such vehicles accounted for more than half of all domestic sales, passing the threshold for the first time, according to the Chinese Association of Automobile Manufacturers.

Generous government subsidies initially helped sales take off—but the policies were phased out in late 2022 and the market now appears to be reaching maturity.

Local EV firms have since been locked in a cut-throat price war as they fight to remain competitive, weighing on their profitability.

BYD has "effectively dealt with challenges brought by intensified industrial competition", it said in the filing.

## **Overseas challenges**

BYD and other Chinese EV giants have accelerated overseas expansion

in recent years, despite concerns in Western countries that local markets will become flooded with imports at prices they view as artificially low.

The European Union has alleged that Beijing's automotive subsidies have given Chinese firms an unfair leg up in foreign markets, distorting competition and harming the competitiveness of European automakers.

Earlier this month, Brussels released a draft plan to impose tariffs of up to 36.3 percent on Chinese EVs—a measure that will become permanent in October unless a deal is reached with Beijing.

The United States said in May that it would significantly raise customs duties on Chinese EVs to 100 percent.

Canada also announced a 100 percent tariff on Monday, accusing China of "not playing by the same rules as other countries" in areas such as environmental and labor standards.

BYD has nonetheless been ramping up globalization efforts, with plans to open factories in Hungary and Turkey.

Originally specializing in the design and production of batteries, BYD diversified into the automotive industry in 2003.

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