

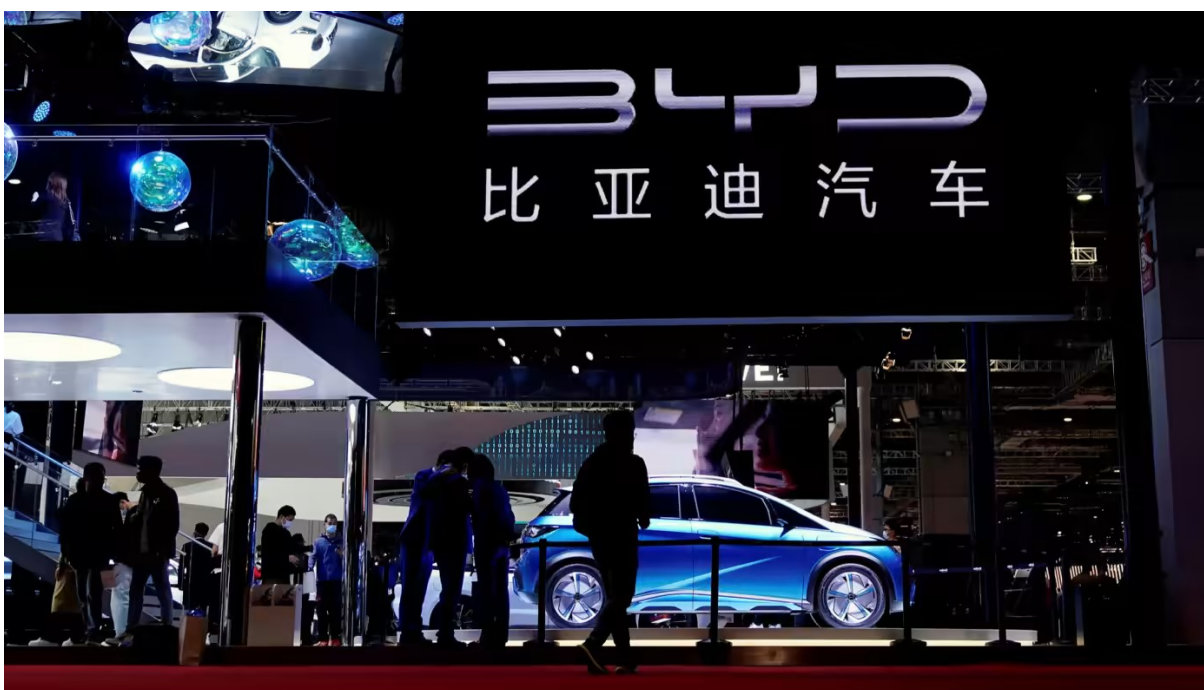
## Your guide to a disrupted world

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### BYD Co Ltd

## Warren Buffett-backed Chinese group BYD overtakes Tesla in global electric vehicle sales

Shenzhen-based carmaker and battery group prepares for push into foreign markets



BYD has also overtaken South Korea's LG as the world's second-biggest producer of electric vehicle batteries, trailing only China's CATL © Aly Song/Reuters

**Edward White** in Wellington, **Gloria Li** in Hong Kong and **Song Jung-a** in Seoul 4 HOURS AGO

BYD, the Chinese auto group backed by Warren Buffett's Berkshire Hathaway, has dethroned Elon Musk's Tesla as the world's biggest electric vehicle producer by sales, signalling China's rising dominance of the sector.

Shenzhen-based [BYD](#) sold 641,000 vehicles in the first six months of the year, a more than 300 per cent jump from the same period a year earlier, according to company filings.

That compared with 564,000 vehicles sold by Tesla, which has [blamed a tough second quarter](#) on supply chain and sales disruptions in China after its operations were hit by coronavirus lockdowns and travel restrictions.

BYD's rise underscores China's strengthening position in renewable energy, boasting scale and cost advantages across much of the supply chain for [electric vehicles](#), batteries and wind and solar energy.

"The performance looks impressive," said Jeff Chung, an auto analyst with Citigroup, of BYD's sales growth.

Many of BYD's models are plug-in hybrid vehicles, which use a large battery in addition to a traditional engine for longer journeys, but are counted as "zero

emission” vehicles under China’s sales rules.

BYD, which is part-owned by Buffett’s Berkshire Hathaway, has also overtaken South Korea’s LG as the world’s second-biggest producer of EV batteries, behind China’s Contemporary Amperex Technology, known as CATL.

According to Seoul-based SNE Research, BYD has outpaced LG Energy in terms of monthly market share since April. This was in part because of disruptions at Tesla’s Shanghai factory after China’s most populous city was forced into a two-month lockdown to suppress a wave of Omicron coronavirus cases.

Tesla, along with a clutch of Chinese EV makers including Li Auto, Xpeng and Nio, were harder hit by the lockdowns than BYD, which benefited because most of its factories are not based in the regions and cities that suffered the most severe restrictions.

Analysts view the rise of China’s domestic auto industry as a forerunner to a [tectonic shift in the global auto market](#) as Chinese EV makers start to sharpen their focus on export markets.

Last year, China, the world’s largest car market, exported more than half a million electric vehicles, more than double the previous year’s figure.

Yet about a third of China’s exports into Europe were Chinese-owned European brands, such as Volvo Cars and MG Motor, while just 2 per cent represented Chinese brands, according to researchers at the Mercator Institute for China Studies, a Berlin-based think-tank. Almost half were from Tesla and the remaining 14 per cent were from [European joint ventures in China](#).

However, Tu Le, managing director of advisory group Sino Auto Insights, said BYD, was “firing on all cylinders”, with products covering many critical EV market segments.

He also expected BYD to soon challenge foreign automakers on their home turf, especially in the US. “They’re going to make some really aggressive moves to go international,” he said.

