

## PRESS RELEASE

### Groupe Renault sets its new Strategy for China

- **Groupe Renault will focus in China on light commercial vehicles (LCV) and electric vehicles (EV).**
- **Groupe Renault will transfer its shares in Dongfeng Renault Automotive Company Ltd (DRAC) to Dongfeng Motor Corporation. DRAC will stop its Renault brand-related activities.**
- **LCV business is operated through Renault Brilliance Jinbei Automotive Co., Ltd. (RBJAC), leveraging Jinbei legacy with Renault know-how.**
- **EV business will be developed through the two existing joint ventures: eGT New Energy Automotive Co., Ltd (eGT) and Jiangxi Jiangling Group Electric Vehicle Co. Ltd (JMEV).**

Boulogne-Billancourt, April 14<sup>th</sup>, 2020 - Groupe Renault unveiled today its new strategy for the Chinese Market, building on two of its key pillars: Electric Vehicles (EV) and Light Commercial Vehicles (LCV).

Within this new strategy, Groupe Renault activities in China will be driven as follow:

#### **About Chinese ICE Passenger Car Market**

Regarding ICE passenger car, Groupe Renault has entered into a preliminary agreement with Dongfeng Motor Corporation under which Renault transfers its shares to Dongfeng. DRAC will stop its Renault brand-related activities.

Renault will continue to provide high quality aftersales service for its 300,000 customers through Renault dealers but also through Alliance synergies.

Further development for Renault brand passenger cars will be detailed later within future new mid-term-plan Renault.

Furthermore, Renault and Dongfeng will continue to cooperate with Nissan on new generation engines like components supply to DRAC and diesel license to Dongfeng Automobile Co., Ltd. Renault and Dongfeng will also engage in innovative cooperation in the field of intelligent connected vehicles.

#### **About Chinese LCV Market**

Increasing urbanization rate, e-commerce extension, inner-city transportation schemes and versatile customers usages are the key characteristics of a rapidly changing LCV market in China. It reached 3.3 million in 2019 and is forecasted to maintain a steady upwards path.

Renault Brilliance Jinbei Automotive Co., Ltd. (**RBJAC**), launched in December 2017, is Groupe Renault's sword arm for its LCV business in China.

Groupe Renault is leading the LCV market in Europe in terms of sales volumes for light commercial vehicles, as well as sales of electric light commercial vehicles.

Jinbei is a well-established Brand with 1.5 million customers in China and close to 162,000 sales in 2019.

With Renault expertise and technologies, RBJAC is modernizing Jinbei models and extending the line-up with a total of 5 core models by 2023. The joint venture will also export in the future.

## About Chinese EV Market

With 860,000 electric vehicles sold in China in 2019, China is by far the largest EV market in the world. EV sales are expected to reach 25% of the Chinese market by 2030.

Groupe Renault was a pioneer on EV and has sold close to 270,000 electric vehicles in the world since 2011. It gives a strong competitive advantage in China as shown by the successful launching of Renault City K-ZE, the first joint venture EV car competing in A segment with the best local automakers.

Groupe Renault expect to reinforce its partnership with Nissan and Dongfeng within **eGT** to make K-ZE a worldwide car. A derivative for Europe based on “Dacia Spring” concept will be sold from 2021.

**JMEV** is known as an agile and efficient EV player since its creation in 2015. With Renault support in terms of quality and technologies, JMEV will cover 45% of Chinese EV market in 2022 with 4 core models.

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This new China strategy will enhance Renault competitive advantages to sustain long-term presence in the Chinese market and maximize synergies with Nissan under the new Alliance concept of “leader-follower”.

*“We are opening a new chapter in China. We will concentrate on electric vehicles and light commercial vehicles, the two main drivers for future clean mobility and more efficiently leverage our relationship with Nissan”* said **Francois Provost**, Chairman of China region of Groupe Renault.

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## **About Groupe Renault**

Car manufacturer since 1898, Groupe Renault is an international group present in 134 countries that sold nearly 3.8 million vehicles in 2019. Today it has more than 180,000 employees, 40 manufacturing sites and 12,700 sales outlets worldwide. To meet the major technological challenges of the future and pursue its strategy of profitable growth, the Group is relying on its international development. It relies on the complementary nature of its five brands (Renault, Dacia, Renault Samsung Motors, Alpine and LADA), the electric vehicle and its unique alliance with Nissan and Mitsubishi Motors. With a 100% Renault team committed to the Formula 1 World Championship since 2016, the brand is involved in motorsports, a real vector for innovation and recognition.

## **About Groupe Renault in China**

Renault has 50% capital in DRAC and JMEV, 49% in RBJAC. eGT capital is 50% Alliance, 50% Dongfeng.

## **For more information:**

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