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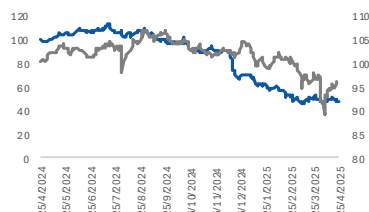
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Recommendation:	BUY
Current Price:	RM1.04
Previous Target Price:	-
Target Price:	RM1.40
Capital Upside/ Downside:	34.6%
Dividend Yield (%)	25.0%
Total Upside/ Downside:	59.6%

Stock information

Board	MAIN
Sector	Automotive
Bursa / Bloomberg Code	5248 / BAUTOMK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	1,161.2
Market Cap (RM' m)	1,207.6
52-Week Price Range (RM)	2.502-0.99
Beta (x)	0.9
Free float (%)	64.9
3M Average Volume (m)	3.8
3M Average Value (RM' m)	4.4

Top 3 Shareholders	(%)
Dynamic Milestone Sdn Bhd	15.3
Employees Provident Fund Board	14.5
Amanah Saham Nasional Bhd	8.3

Share Price Performance

	1M	3M	12M
Absolute (%)	-8.8	-25.2	-52.8
Relative (%)	-8.3	-21.8	-50.8

Bermaz Auto Berhad

Riding the EV wave

Executive Summary

- BAUTO engages in distributorship and dealership of international brands namely Mazda, Kia, Xpeng, and Deepal as well as manufacturing of vehicles and automotive parts in Malaysia.
- Looking forward. We project BAUTO core earnings to taper off -25.4%/-3.5% yoy in FY25F-FY26F reflecting the heightened Chinese competition before recovering by +8.8% yoy to RM271m in FY27F, supported by i) Broader product lineup ii) Expansion into EV iii) Strong net cash of RM557.74m.
- We initiate coverage on BAUTO with a BUY recommendation and a target price of RM1.40 pegged to 6.0x PER based on FY27F EPS of 23.3 sen and based with three-star ESG rating.

Key Investment Highlights

Strategic Brand Diversification and CKD Focus. We favour BAUTO for its diversified brand portfolio Mazda, Kia, and newly secured Deepal EV and its integrated business model across CBU/CKD distribution, after-sales, and parts. FY24 core net profit rose +15% yoy to RM351m, on strong CKD Mazda CX-30 sales. Despite a -66% yoy drop in 3QFY25 earnings on intensified competition and softer Mazda volumes, the pivot to higher-margin CKD units remains in focus.

Government Support on Automotive Sector. BAUTO's proactive approach to leverage government initiatives enhance its competitiveness in Malaysia's evolving automotive landscape. The pro-automotive policies such as EV tax exemptions, CKD incentives, and NAP strengthens market demand for EVs, and create opportunities for the Group to expand its product offerings and strengthen its market position.

Strategic Multi-Marque Distribution and Assembly. Expanded brand line-up comprising Mazda, Kia, Xpeng, and Deepal is backed by a comprehensive business model spanning CBU and CKD vehicle distribution, after-sales services, and spare parts. Strategic partnerships and local assembly via associates for Mazda and Kia enhance vertical integration, supporting operational resilience and recurring revenue streams.

Expansion into Electric Vehicles (EVs). Progressively positioning itself within Malaysia's EV landscape through strategic brand partnerships and selective model introductions. Its EV portfolio led by Xpeng and Deepal targets the mid-to-premium segment, enabling exposure to evolving consumer demand without diluting brand positioning.

Valuation & Recommendation. We initiate coverage on BAUTO with a BUY recommendation and TP of RM1.40 based on 6.0x PER pegged to FY27F EPS of 23.3 sen and based on three-star ESG rating. The ascribed P/E multiple reflects a 14.3% discount to the 5-year sector average of 7.0x, which we view as justified given near-term macro headwinds, such as 1) intensifying Chinese OEM competition 2) inflationary environment 3) Limited EV Contribution over the near term.

Earnings Summary

FYE Apr (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Revenue	3540.6	3911.0	3002.1	2913.8	3141.7
EBITDA	400.7	457.3	330.2	320.5	345.6
Pre-tax profit	329.3	372.3	278.6	269.4	292.7
Net profit	305.8	345.6	257.6	249.1	270.7
Core net profit	305.8	345.6	257.6	249.1	270.7
Core EPS (sen)	26.3	29.8	22.2	21.4	23.3
P/E (x)	4.1	3.6	4.8	5.0	4.6
P/B (x)	1.5	1.4	1.3	1.2	1.2
EV/EBITDA (x)	4.2	3.4	4.8	5.2	4.9
Dividend Yield (%)	20.6%	24.3%	16.8%	15.0%	18.7%
Net Gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

Source: Company, Apex Securities





Business Overview

BAuto is one of the key players in Malaysia’s automotive sector, primarily engaged in motor trading and after-sales services. The Group serves as the exclusive distributor of several prominent automotive marques, including Mazda, Kia, Peugeot, and Xpeng, across Malaysia and the Philippines. Mazda remains the flagship brand, anchoring BAuto’s revenue base with consistently strong domestic demand.

The Group’s motor trading operations encompass the sale of new vehicles, distribution of spare parts, and provision of maintenance and repair services. From FY20 to FY24, motor vehicle sales have accounted for over 90% of total Group revenue, underscoring the significance of this segment. Meanwhile, after-sales services including repairs, parts replacement, and fitting services offer recurring income and support long-term customer retention.

BAuto also has a limited but strategic presence in automotive parts manufacturing, strategically aligned to support its dealership network and enhance supply chain integration. Its regional expansion into the Philippines provides an avenue for sustainable long-term growth, capitalising on a relatively underpenetrated automotive market in Southeast Asia. The multi-brand portfolio enhances earnings visibility and positions the Group to benefit from evolving consumer preferences, particularly in the transition towards electrification.

Line-up of Mazda models

	2025	<div><div>CX-5 MS LE (Jan 25')</div></div> <div><div>New CX-60 (Q2 '25)</div></div> <div><div>New CX-80 (Q3 '25)</div></div>
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Source: Company, Apex Securities

Line-up of Kia models

	2025	<div><div>All-New EV9 CBU (June 24')</div></div> <div><div>All-New Sportage CBU (Dec '24)</div></div>
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Source: Company, Apex Securities

EV models line-up

	New MX-30 EV 		
	New EV6 EV 	All-New EV9 EV (Jun 24') 	
	All-New G6 CBU (Aug 24') 		All-New G9 CBU (Q3 25') 
	Deepal S07 EV (Q3 25') 	Deepal S05 EV (Q4 25') 	Deepal E07 EV (Q4 25') 

Source: Company, Apex Securities

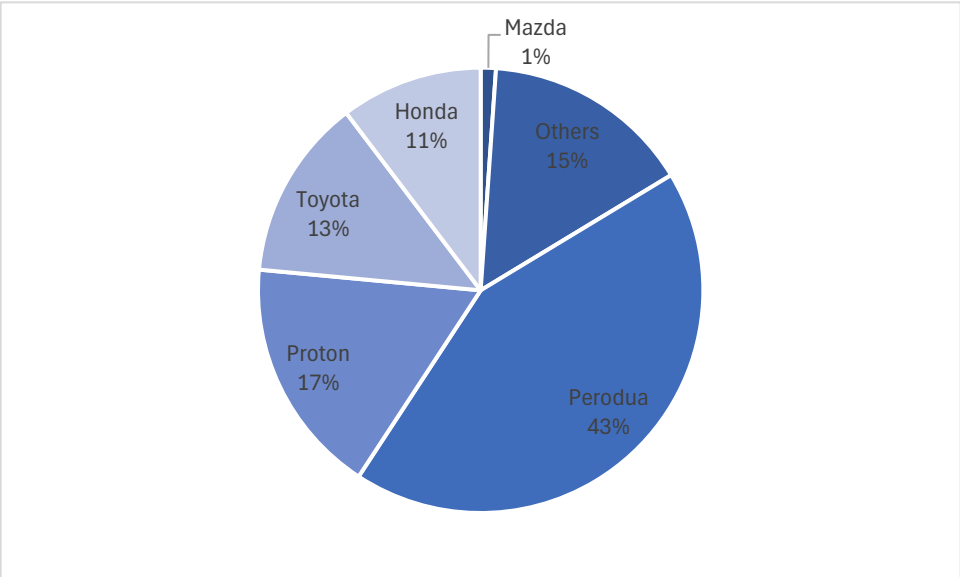
Brand Portfolio Diversification. Over the years, BAuto has expanded from a single-brand distributor into a multi-brand automotive player. While Mazda remains the core contributor, BAuto has secured stakes in Dinamikjaya Motors and Kia Malaysia for the distribution of Kia vehicles and, more recently, ventured into EVs through XPeng and Deepal (Changan) via 85%-owned subsidiaries. The exit from Peugeot in early 2024 reflects Stellantis' strategic realignment and has limited impact on BAuto's earnings profile. Supporting infrastructure includes a 51% stake in Bermaz Auto Parts and full ownership of Bermaz Anshin, bolstering aftersales and multi-brand dealership capabilities.

Aftersales Value Proposition. BAuto offers competitive warranty packages across its marques. Mazda vehicles in Malaysia come with up to 5 years or 100,000 km coverage, with imported units receiving an additional 2-year extended warranty. Kia models are covered by a 5-year or 100,000 km warranty. Peugeot-related warranty obligations ceased in Feb 2024 following Stellantis' takeover of aftersales services. These offerings support brand loyalty and strengthen resale value.

Tapping into Chinese EV Giants to Future-Proof ASEAN Portfolio. BAuto is accelerating its EV strategy by introducing XPeng and Deepal to the Malaysian market, reinforcing its multi-brand distribution model. XPeng's G6 and X9 have entered the mid-to-premium segment, while Deepal's S05 and S07 SUVs are set to arrive by mid-2025 via Changan's Thai hub. With advanced features like Snapdragon-powered infotainment and up to 510 km range, these models target tech-savvy consumers. Though still in early stages, BAuto is well-positioned to benefit from rising EV adoption and regional policy tailwinds.

In our view, EV contributions are expected to be non-material to Group earnings over the near term. However, BAuto's active positioning in this segment serves as a strategic hedge against ICE displacement risk and reinforces its relevance within Malaysia's transitioning automotive landscape.

Industry Overview
Market Share by Car Brands as of 3M25

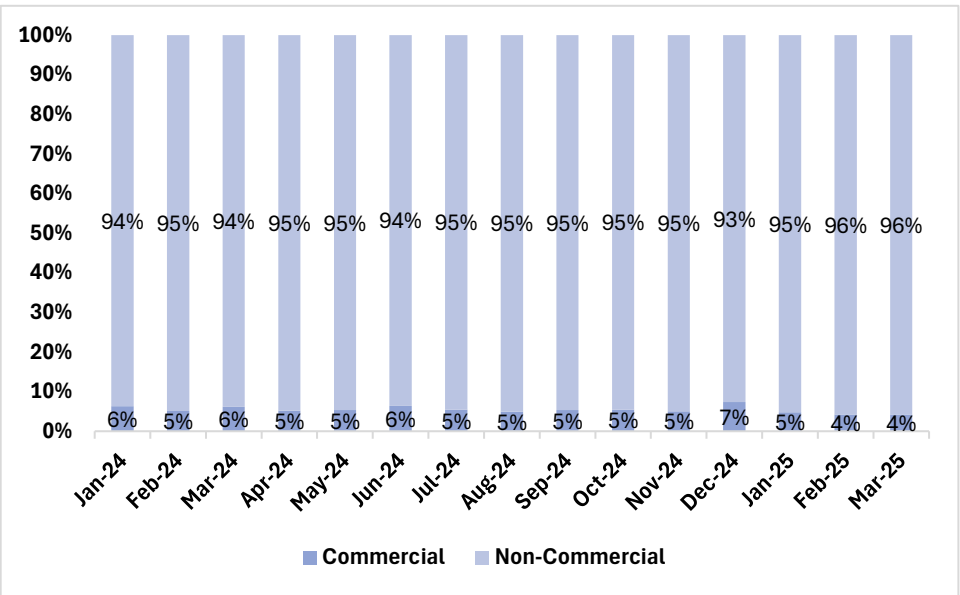


Source: MAA, Apex Securities

As of the latest industry data, Mazda holds a modest 1% market share in the Malaysian passenger vehicle segment. This positions Mazda significantly behind major players like Perodua, Proton, Toyota, and Honda. Mazda remains a niche player in the Malaysian market, appealing to a more targeted, likely more affluent or brand-loyal consumer segment. Despite the brand's global reputation for quality engineering, innovative design (especially its SkyActiv technology), and driving dynamics, its limited product offerings and relatively higher price point compared to local brands appear to cap its mass appeal.

Malaysia's EV market is expected to reach 15% of TIV by 2030, fueled by strong policy incentives and rising adoption. BAuto is well-positioned to capitalize on this growth with its diverse EV portfolio, including Mazda's MX-30, Kia's EV6, and the newly acquired Deepal and Xpeng distributorship. BAuto's ability to localize EV assembly and leverage tax exemptions enhances its competitiveness. As electrification accelerates, BAuto stands to capture a significant share of the EV-driven TIV growth.

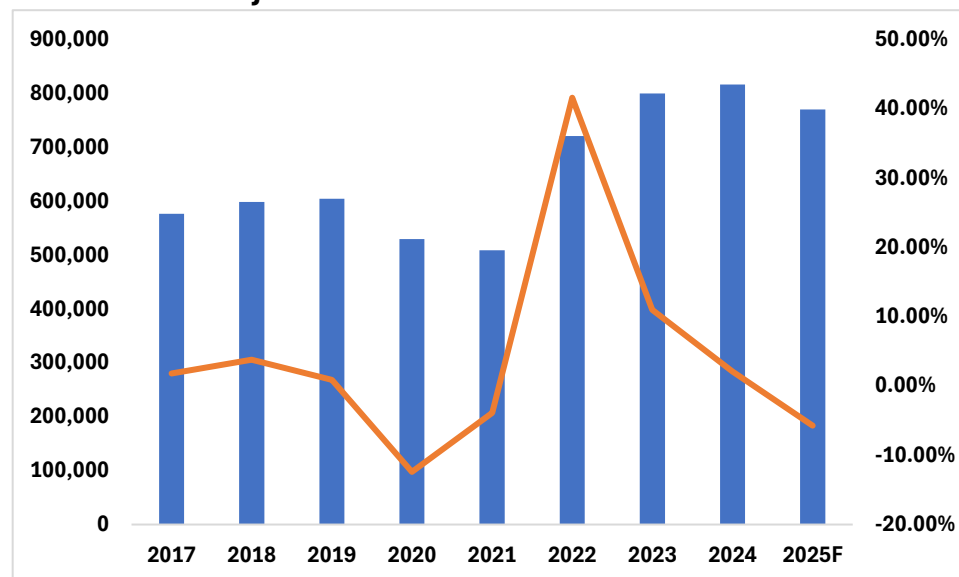
Commercial and non-commercial vehicles



Source: MAA, Apex Securities

The Malaysia Automotive Association (MAA) reported total industry volume (TIV) of 77,121 units in Mar 2025, representing +14.5% mom and +2.7% yoy growth. The improvement was largely attributed to the return of normal operating days following a shorter working period in January due to Chinese New Year holidays. Commercial vehicle sales rose 14.8% mom to 3,246 units but remained down 29.4% yoy. As a result, cumulative TIV for 3M25 declined -6.5% yoy, reflecting a slow start to the year and persistent weakness in the commercial segment.

Historical & Projected TIV



Source: MAA, Apex Securities

Within the passenger vehicle segment, national brands Perodua and Proton posted strong mom rebounds in Mar 2025 (+35% / +19% respectively, though their YTD volumes were still down -0.9% yoy and -11.0% yoy. Non-national marques had mixed performance. Honda and Toyota rebounded sequentially, but Mazda, under BAuto, saw a sharp -53.1% yoy decline in Q1CY25, due to rising competitive pressure in the C-segment SUV space and the absence of new model launches.

Chinese OEMs continue to gain traction, led by BYD, Chery, and Jaecoo, which are reshaping the mid-size SUV category with feature-rich offerings at competitive prices. As of 3M25, the combined market share of Chinese brands rose +1.5% yoy, while Japanese marques fell from -2% yoy highlighting a structural shift in consumer preferences.

In response to these headwinds, BAuto is realigning its strategy through EV diversification. The Group has launched the XPeng G6 and X9 in Malaysia and is set to introduce Deepal's S05 and S07 by mid-2025, with units sourced from Changan's production base in Rayong, Thailand. These models are positioned in the mid-to-premium segment, offering competitive range and tech specs such as 510 km CLTC range and Snapdragon 8155 powered infotainment systems appealing to tech-forward buyers.

While Mazda's near-term sales trajectory remains cloudy, BAuto's move into the EV space offers a potential credible medium-term growth lever. The Group is well-placed to benefit from supportive EV policies and shifting consumer demand, providing a strategic hedge against the cyclical and structural challenges facing its legacy business.

Investment Highlights

Strategic Brand Diversification and CKD Focus. We favour BAuto for its strategically diversified brand portfolio, comprising Mazda, Kia, and Deepal EV—backed by an integrated CBU/CKD model spanning sales, after-sales, and parts. FY24 core net profit rose +15% yoy to RM345.6m, driven by robust CKD Mazda CX-30 demand. While 3QFY25 earnings dipped -66% yoy on softer Mazda volumes and price competition, BAuto's shift toward high-margin CKD models reinforces a structurally stronger earnings base.

Government Support for the Automotive Sector. BAuto's alignment with pro-automotive policies EV tax exemptions, CKD incentives, and NAP strengthens its competitive edge. These initiatives support volume growth, enable portfolio expansion, and enhance ESG appeal, reinforcing BAuto's positioning in the non-national segment and appeal to sustainability-focused investors.

Strategic Multi-Marque Distribution and Assembly. BAuto's expanded brand line-up comprising Mazda, Kia, XPeng, and Deepal is backed by a comprehensive business model spanning CBU and CKD vehicle distribution, after-sales services, and spare parts. Strategic partnerships and local assembly via associates for Mazda and Kia enhance vertical integration, supporting operational resilience and recurring revenue streams.

Expansion into Electric Vehicles (EVs). BAuto is strategically positioning itself in the EV space through partnerships with Xpeng and Deepal, targeting the mid-to-premium segment and carving out a specific niche within Malaysia's non-national EV market. By focusing on CBU models, BAuto captures early adoption trends while maintaining brand equity and margin discipline. This asset-light approach allows for flexible scaling, with potential CKD localisation as volume and infrastructure ramp up. The Group's measured entry underscores its intent to build a defensible, premium EV franchise without diluting brand positioning.

Financial Highlights

In FY23, BAuto revenue and core net profit stood at RM3.5bn and RM353m respectively. This was a turnaround against core net losses recorded in the previous corresponding financial year driven by higher sales volumes in Mazda operations, notably the Mazda CX-30 CKD model, which continued to perform well since its launch in 1QCY23.

In FY24, BAuto recorded a core net profit of RM345.6m on the back of RM3.91bn in revenue, marking a yoy improvement of +13.0% and +10.5% respectively from RM305.8m and RM3.54bn in FY23. Despite ongoing investments in EV distribution and regional expansion, the Group sustained positive operating cash flow and maintained healthy profitability, with a gross margin of 17% and a net margin of 8.8%. BAuto's cash and short-term fund position rose to RM364.8m in FY24, underscoring its solid liquidity and disciplined financial management.

BAuto 3QFY25 core net profit declined 35% qoq and -61% yoy to RM27m, bringing 9MFY25 core earnings to RM137m (-47% yoy), primarily due to softer sales volumes amid intensifying competition from competitively priced China-made vehicles, while elevated operating expenses driven by higher advertising and promotional spending and increased dealer incentives as part of a defensive strategy to protect market share further compressed margins although its newly launched XPeng saw a strong +118% qoq growth in sales to 341 units, its contribution remained modest at 12% of total Malaysia sales volume.

Earnings Outlook. Moving forward, we project BAuto's core net profit is forecasted at RM257.6m/RM249.1m/RM270.7m in FY25E/FY26F/FY27F, respectively. Growth will be driven by i) a broader model rollout under Mazda, Kia, and Deepal. ii) Deepal's EV entry targeting structural demand shifts and iii) a strong net cash position RM557.74m and sustaining its industry-leading dividend payout forecasted at 15%–18.7% for FY26F–27F.

Valuation & Recommendation

Initiation Coverage. We initiate coverage on BAuto with a **BUY** recommendation and a target price of **RM1.40**, based on a 6.0x P/E tagged to FY27F EPS of 23 sen, supported by a three-star ESG rating. The assigned multiple reflects a 14.3% discount to the 5-year sector average of 7.0x, justified by (i) heightened competition from Chinese OEMs, (ii) ongoing inflationary pressures and (iii) limited near-term earnings from EV models. The recent share price weakness stems from policy overhang post-NAP2020 review and demand normalization post-SST exemption. At RM1.10, BAuto trades at just 4.8x FY27F EPS, offering a compelling accumulation opportunity given its net cash position, resilient dividends, and strategic brand diversification.

Investment Thesis. We favour Bauto for its (i) Diversified brand portfolio, having evolved from a single-brand Mazda distributor into a multi-brand player with strategic stakes in Kia and new EV entrants like XPeng and Deepal (Changan), (ii) Offering competitive coverage across marques (e.g., up to 7 years for imported Mazda and 5 years for Kia models), which underpin customer retention and resale value, (iii) Strategic EV positioning, with first-mover access to Chinese EVs (XPeng G6/X9, Deepal S05/S07), (iv) Resilience to brand exits, as seen in the Peugeot withdrawal with minimal impact on earnings, showcasing adaptability to OEM realignments.

Peers Comparison

Company	FYE	Price	TP	Potential	P/E (x)		P/B (x)		Div Yield (%)		ESG Rating
		(RM) ^	(RM)	Upside	CY26	CY27	CY26	CY27	CY26	CY27	
Bermaz Auto Bhd	Apr	1.04	1.40	34.6%	4.9	4.7	1.2	1.2	15.6	17.4	★★★
MBM Resources Berhad	Dec	5.64	6.54	16.0%	6.5	6.3	0.7	0.7	9.0	9.2	★★★
Tan Chong Motor Holdings Bhd*	Dec	0.34	0.96	186.6%	11.8	9.8	0.9	0.9	6.4	7.5	N/A
Average					7.7	6.9	1.0	0.9			

* Based on Bloomberg consensus

^ As at 24 Apr 25

Source: Apex Securities

Investment Risk

Foreign Exchange Risk. The Group's earnings remain susceptible to adverse currency fluctuations, particularly the depreciation of the MYR against the Japanese Yen and USD, given its exposure to imported components and CBU units.

Policy and taxation risk. Reintroduction of the Sales and Service Tax (SST) and potential implementation of a luxury goods tax could dampen demand in the premium vehicle segment, where Mazda plays a significant role

Margin compression from intense competition. The influx of Chinese OEMs offering aggressively priced models, particularly EVs, may pressure BAuto's pricing power, impacting vehicle margins and market share.

Initiation Coverage

Friday, 25 Apr, 2025

Financial Highlights

Income Statement

FYE Apr (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Revenue	3540.6	3911.0	3002.1	2913.8	3141.7
Gross Profit	583.5	659.3	480.3	495.4	534.1
EBITDA	400.7	457.3	330.2	320.5	345.6
Depreciation & Amortisation	-9.2	-10.8	-9.6	-8.4	-11.3
EBIT	391.5	446.5	339.8	328.9	356.9
Net Finance Income/(Cost)	3.4	3.1	0.8	1.7	3.0
Associates & JV	41.1	44.6	30.0	29.1	31.4
Pre-tax Profit	423.3	483.7	362.0	350.1	380.3
Tax	-94.0	-111.4	-83.4	-80.6	-87.6
Profit After Tax	329.3	372.3	278.6	269.4	292.7
Minority Interest	23.5	26.7	21.0	20.4	22.0
Net Profit	305.8	345.6	257.6	249.1	270.7
Exceptionals	0.0	0.0	0.0	0.0	0.0
Core Net Profit	305.8	345.6	257.6	249.1	270.7

Key Ratios

FYE Apr	FY23	FY24	FY25F	FY26F	FY27F
EPS (sen)	26.3	29.8	22.2	21.4	23.3
P/E (x)	4.1	3.6	4.8	5.0	4.6
P/B (x)	1.5	1.4	1.3	1.2	1.2
EV/EBITDA (x)	4.2	3.4	4.8	5.2	4.9
DPS (sen)	22.0	26.0	18.0	16.0	20.0
Dividend Yield (%)	20.6%	24.3%	16.8%	15.0%	18.7%
EBITDA margin (%)	11.3%	11.7%	11.0%	11.0%	11.0%
EBIT margin (%)	11.1%	11.4%	11.3%	11.3%	11.4%
PBT margin (%)	12.0%	12.4%	12.1%	12.0%	12.1%
PAT margin (%)	9.3%	9.5%	9.3%	9.2%	9.3%
NP margin (%)	8.6%	8.8%	8.6%	8.5%	8.6%
CNP margin (%)	8.6%	8.8%	8.6%	8.5%	8.6%
ROE (%)	36.3%	38.0%	27.0%	24.5%	25.7%
ROA (%)	17.1%	18.3%	13.7%	13.1%	13.9%
Gearing (%)	21.6%	17.2%	16.4%	15.0%	14.0%
Net gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

Valuations	FY27F
Core EPS (RM)	0.23
P/E multiple (x)	6
Fair Value (RM)	1.40

Source: Company, Apex Securities

Balance Sheet

FYE Apr (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Cash	537.6	364.8	407.5	468.9	494.2
Receivables	207.8	223.7	164.5	151.7	172.2
Inventories	503.9	686.8	559.3	558.8	585.3
Other current assets	0.3	2.1	0.0	0.0	0.0
Total Current Assets	1249.6	1277.5	1131.3	1179.4	1251.6
Fixed Assets	116.8	132.0	133.3	135.5	135.6
Intangibles	105.1	117.1	117.1	117.1	117.1
Other non-current assets	316.6	360.6	492.7	472.1	439.2
Total Non-Current Assets	538.5	609.7	743.2	724.7	692.0
Short-term debt	113.0	74.6	84.4	82.2	80.1
Payables	360.1	381.0	320.7	296.9	304.3
Other current liabilities	129.8	135.8	135.8	131.6	131.0
Total Current Liabilities	602.9	591.3	540.9	510.8	515.4
Long-term debt	68.8	81.7	72.3	70.2	68.1
Other non-current liabilities	274.9	305.5	305.5	305.5	305.5
Total Non-Current Liabilities	343.7	387.2	377.8	375.6	373.5
Shareholder's equity	764.9	815.8	862.9	924.9	961.8
Minority interest	76.6	92.9	92.9	92.9	92.9
Total Equity	841.5	908.6	955.8	1017.8	1054.7

Cash Flow

FYE Apr (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Receipts from customers	3564.0	3929.6	3032.1	2943.0	3173.2
Operating expenses	-3347.0	-3596.6	-2760.8	-2679.6	-2889.2
Tax paid	-102.5	-129.0	-90.5	-87.5	-95.1
Others	-1.4	-1.8	0.0	0.0	0.0
Operating cash flow	113.2	202.2	180.8	175.8	188.9
Net capex	-10.5	-14.2	-10.9	-10.6	-11.4
Others	13.2	-0.8	0.7	0.0	0.0
Investing cash flow	2.7	-15.0	-10.2	-10.6	-11.4
Dividends paid	-154.0	-297.7	-210.5	-187.0	-233.8
Others	-114.6	-63.7	82.5	83.2	81.6
Financing cash flow	-268.7	-361.4	-127.9	-103.8	-152.2
Net cash flow	-152.8	-174.2	42.7	61.4	25.2
Forex	-4.0	1.4	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	694.4	537.6	364.8	407.5	468.9
Ending cash	537.6	364.8	407.5	468.9	494.2

Initiation Coverage

Friday, 25 Apr, 2025

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Generated 196,652 kWh of solar energy, resulting in 149 tCO ₂ e avoided.
Waste & Effluent	★★★	Total carbon emissions reduced from 3.0m kg (FY21) to 2.5m kg (FY23).
Energy	★★★	Improved energy efficiency, with consumption down to 7,810,114 kWh.
Water	★★★	Water usage increased by 5.4% yoy, totaling 112,658m ³ in FY23.
Compliance	★★★	In compliance with local and international environmental regulations

Social

Diversity	★★★	29% female board. 73% of employees are below 40 years old
Human Rights	★★★	Enforce and adopts Code of Ethics and Conduct
Occupational Safety and Health	★★	292 hours of OSH trainings completed, one worksite incidence in FY24
Labour Practices	★★★	Adheres to National Wages Act 732; compensation aligns with industry.

Governance

CSR Strategy	★★★	Contributions to local causes including school donations and charity fair.
Management	★★	Board consists of 9 members: 2 female, 4 independent; avg. age is 53.
Stakeholders	★★★	4x analyst briefings per annum, 1x AGM per annum

Overall ESG Scoring: ★★★

Recommendation Framework:

BUY: Total returns* are expected to exceed 10% within the next 12 months.

HOLD: Total returns* are expected to be within +10% to -10% within the next 12 months.

SELL: Total returns* are expected to be below -10% within the next 12 months.

TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.

TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.

*Capital gain

Sector Recommendations:

OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.

NEUTRAL: The industry defined by the analyst is expected to be within +10% to -10% within the next 12 months.

UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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(a) nil.