

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**北京汽車股份有限公司**  
**BAIC MOTOR CORPORATION LIMITED\***  
*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 1958)**

**CONNECTED TRANSACTION**  
**ACQUISITION OF POWER SWAP STATIONS**

**THE ASSETS ACQUISITION AGREEMENT**

The Company announces that on 28 March 2025 (after market trading hours in Hong Kong), BAIC Powertrain, a wholly-owned subsidiary of the Company, and BluePark Energy, an indirect 30%-controlled company of BAIC Group (being the sole controlling shareholder of the Company), entered into the Assets Acquisition Agreement pursuant to which BluePark Energy agreed to sell to BAIC Powertrain, and BAIC Powertrain agreed to purchase from BluePark Energy, all rights and interests of the Target Assets for a total consideration of RMB128,974,555.12.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, BAIC Group is the sole controlling shareholder of the Company and holds approximately 46.90% of the total issued share capital of the Company, and hence is a connected person of the Company. As BluePark Energy is an indirect 30%-controlled company of BAIC Group, BluePark Energy is an associate of BAIC Group. Therefore, BluePark Energy is a connected person of the Company and the transaction contemplated under the Assets Acquisition Agreement (i.e., the Acquisition) constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in relation to the Acquisition is more than 0.1% but are all less than 5%, the Acquisition is subject to the reporting and announcement requirements, but is exempt from circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## INTRODUCTION

The Company announces that on 28 March 2025 (after market trading hours in Hong Kong), BAIC Powertrain, a wholly-owned subsidiary of the Company, and BluePark Energy, an indirect 30%-controlled company of BAIC Group (being the sole controlling shareholder of the Company), entered into the Assets Acquisition Agreement pursuant to which BluePark Energy agreed to sell to BAIC Powertrain, and BAIC Powertrain agreed to purchase from BluePark Energy, all rights and interests of the Target Assets for a total consideration of RMB128,974,555.12.

## THE ASSETS ACQUISITION AGREEMENT

The principal terms of the Assets Acquisition Agreement are as follows:

Date: 28 March 2025

Parties: (i) BAIC Powertrain, a wholly-owned subsidiary of the Company; and  
(ii) BluePark Energy, an indirect 30%-controlled company of BAIC Group.

Subject matter: BAIC Powertrain agreed to purchase from, and BluePark Energy agreed to sell to BAIC Powertrain, all rights and interests of the Target Assets for a total consideration of RMB128,974,555.12.

The consideration for the Acquisition was determined with reference to (i) the appraised value of the Target Assets as at 31 December 2024 of approximately RMB115,243,376.35 based on the Valuation Report; and (ii) the estimated tax fees to be incurred resulting from the Acquisition by BAIC Powertrain.

Payment: BAIC Powertrain shall pay the consideration in the following manner:

- (i) RMB116,074,555.12 shall be paid by BAIC Powertrain to an account(s) designated by BluePark Energy, subject to the transfer of the use right(s) and ownership(s) of the Target Assets, the payment schedule of which shall be agreed by the parties; and
- (ii) RMB12,900,000 shall be retained by BAIC Powertrain as warranty and shall be paid by BAIC Powertrain to BluePark Energy in a manner otherwise agreed by both parties upon the fulfillment of operating conditions by the Target Assets.

Completion: BluePark Energy shall deliver the Target Assets to the BAIC Powertrain within three working days following the signing of the Assets Acquisition Agreement.

The use right(s) and ownership(s) of the Target Assets that are free from encumbrance shall be transferred to BAIC Powertrain on the date of the Assets Acquisition Agreement.

For the Target Assets with encumbrances, the use right(s) and ownership(s) of such Target Assets shall be transferred to BAIC Powertrain on the date of completion of such cancellation of encumbrances.

## **INFORMATION ON BLUEPARK ENERGY**

BluePark Energy is a limited liability company incorporated under the laws of the PRC in June 2016. As at the date of this announcement, BluePark Energy is an indirect 30%-controlled company of BAIC Group. BluePark Energy is principally engaged in power swap, cascade utilisation of batteries and power storage businesses and has become the enterprise meeting the requirements under the Industry Standards and Conditions for the Comprehensive Utilization of Waste Power Batteries for New Energy Vehicles (《新能源汽車廢舊動力蓄電池綜合利用行業規範條件》) since 2021.

As at 31 December 2024, the unaudited book value of the Target Assets was approximately RMB120,184,187.06. As the Target Assets primarily consisted of equipment and intangible assets, which cannot operate independently or generate revenue, there were no pre-tax or post-tax net profits/losses attributable to the Target Assets for the years ended 31 December 2023 and 2024.

According to the Valuation Report issued by the Valuer, the appraised value of the Target Assets was RMB115,243,376.35 as at 31 December 2024 using the cost approach. Please refer to the Appendix to this announcement for a summary of the Valuation Report containing, among other things, the valuation methodology, assumptions and key inputs.

As the valuation of the Target Assets was conducted using the cost approach, such valuation does not constitute profit forecasts as stipulated in Rule 14.61 of the Listing Rules.

## **REASONS FOR AND BENEFITS OF ENTRY OF THE ASSETS ACQUISITION AGREEMENT**

The products in respects of new energy vehicles of the Group have made the layout on the market in Beijing. Through the Acquisition and operation of the Target Assets (which mainly serve the Company's battery-swapping vehicles), the Company can further enhance the operational stability of battery-swapping in Beijing, which will in turn increase the Company's market influence and further boosts overall vehicle sales.

The Board (including the independent non-executive Directors but excluding the Directors who have abstained from voting as more particularly described below) is of the view that (i) the terms of the Acquisition are fair and reasonable; (ii) although the Acquisition is not in the ordinary and usual course of business of the Group, it is on normal commercial terms or better; and (iii) the Acquisition is in the interests of the Company and its shareholders as a whole.

Since Mr. Hu Hanjun, Mr. Chen Hongliang and Mr. Peng Jin, each being a Director, also hold office in BAIC Group and/or its subsidiaries, they are therefore considered to be materially interested in the Acquisition. In addition, considering that Mercedes-Benz Group AG, Beijing State-owned Capital Operation and Management Company Limited\* (北京國有資本運營管理有限公司) and Beijing Energy Holding Co., Ltd.\* (北京能源集團有限責任公司), each being a Shareholder indirectly holds equity interest in BluePark Energy, the Directors designated by them, namely Mr. Paul Gao, Mr. Kevin Walter Binder, Mr. Gu Tiemin and Mr. Sun Li are also considered to be materially interested in the Acquisition. As a result, each of Mr. Hu Hanjun, Mr. Chen Hongliang, Mr. Peng Jin, Mr. Paul Gao, Mr. Kevin Walter Binder, Mr. Gu Tiemin and Mr. Sun Li has abstained from voting on the Board resolutions for approving the Assets Acquisition Agreement and the transaction contemplated thereunder. Save for the above Directors, none of the other Directors has any interest in the above-mentioned transaction.

## **INFORMATION ON BAIC POWERTRAIN**

BAIC Powertrain is a limited liability company incorporated under the laws of the PRC in February 2010. As at the date of this announcement, BAIC Powertrain is a wholly-owned subsidiary of the Company. The primary businesses of BAIC Powertrain comprise the R&D, production, and sales of automotive engines, transmissions, and related products.

## INFORMATION ON THE COMPANY

The Company was established in September 2010, and its H shares were listed on the Main Board of the Hong Kong Stock Exchange in December 2014. As at the date of this announcement, approximately 46.90% of the equity interest in the Company is directly owned by BAIC Group, which is the controlling shareholder of the Company and ultimately owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality. The Company's brands cover joint venture premium passenger vehicles, joint venture premium multi-purpose passenger vehicles, joint venture mid- to high-end passenger vehicles, proprietary brand passenger vehicles and other vehicles, which can maximally satisfy various customers' demands.

## LISTING RULES IMPLICATIONS

As at the date of this announcement, BAIC Group is the sole controlling shareholder of the Company and holds approximately 46.90% of the total issued share capital of the Company, and hence is a connected person of the Company. As BluePark Energy is an indirect 30%-controlled company of BAIC Group, BluePark Energy is an associate of BAIC Group. Therefore, BluePark Energy is a connected person of the Company and the transaction contemplated under the Assets Acquisition Agreement (i.e., the Acquisition) constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in relation to the Acquisition is more than 0.1% but are all less than 5%, the Acquisition is subject to the reporting and announcement requirements, but is exempt from circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“30%-controlled company”	has the meaning ascribed to it under the Listing Rules
“Acquisition”	the transfer of all interests in the Target Assets by BluePark Energy to BAIC Powertrain under the Asset Acquisition Agreement
“Assets Acquisition Agreement”	the assets acquisition agreement entered into between BAIC Powertrain and BluePark Energy on 28 March 2025
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“BAIC Group”	Beijing Automotive Group Co., Ltd.* (北京汽車集團有限公司), a state-owned enterprise incorporated in the PRC, the sole controlling shareholder of the Company

“BAIC Powertrain”	BAIC Motor Powertrain Co., Ltd.* (北京汽車動力總成有限公司), a limited liability company incorporated under the laws of the PRC, and a wholly-owned subsidiary of the Company
“BluePark Energy”	Bluepark Smart (Beijing) Energy Technology Co., Ltd.* (藍谷智慧(北京)能源科技有限公司), a limited liability company incorporated under the laws of the PRC, and an indirect 30%-controlled company of BAIC Group
“Board”	the board of Directors
“Company”	BAIC Motor Corporation Limited* (北京汽車股份有限公司), a company limited by shares duly incorporated under the laws of the PRC, whose H shares are listed on the Hong Kong Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Target Assets”	equipment and ancillary assets for 40 power swap stations
“Valuation Report”	the valuation report dated 5 March 2025 prepared by the Valuer, in relation to the appraised value of the Target Assets

“Valuer” Beijing Tianyuankai Appraisal Co., Ltd.\* (北京天圓開資產評估有限公司), an independent valuer

“%” percent

*Certain amounts and percentage figures in this announcement have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables and charts may not be an arithmetic aggregation of the figures preceding them.*

By Order of the Board  
**BAIC Motor Corporation Limited**  
**Yu Dan**  
*Secretary to the Board and Company Secretary*

Beijing, the PRC, 28 March 2025

*As at the date of this announcement, the Board comprises Mr. Wang Hao, as Chairman of the Board and executive Director; Mr. Hu Hanjun and Mr. Chen Hongliang, as non-executive Directors; Mr. Song Wei, as executive Director; Mr. Peng Jin, Mr. Ye Qian, Mr. Paul Gao, Mr. Kevin Walter Binder, Mr. Gu Tiemin and Mr. Sun Li, as non-executive Directors; and Ms. Yin Yuanping, Mr. Xu Xiangyang, Mr. Tang Jun, Mr. Edmund Sit and Mr. Ji Xuehong, as independent non-executive Directors.*

\* For identification purpose only

## **APPENDIX SUMMARY OF VALUATION REPORT**

*The following is an English-translated summary of the Valuation Report in Chinese dated 5 March 2025 prepared and confirmed by the Valuer in connection with its valuation of the Target Assets as at 31 December 2024, for the purpose of, among others, inclusion in this announcement.*

*Terms defined in this announcement shall have the same meanings when used in this summary unless the context otherwise requires.*

**Beijing Tianyuankai Appraisal Co., Ltd.**

### **SUMMARY**

#### **I. PURPOSE OF VALUATION**

The purpose of the Valuation Report is to provide a valuation on the value of the Target Assets for the Acquisition by BAIC Powertrain.

#### **II. SUBJECT AND SCOPE OF VALUATION**

The subject of the valuation is the asset group portfolio related to the power swap stations of Bluepark Smart (Beijing) Energy Technology Co., Ltd.\* (藍谷智慧(北京)能源科技有限公司). The scope of the valuation covers the inventory, fixed assets, construction in progress, and intangible assets involved in the asset group portfolio related to the power swap stations of Bluepark Smart (Beijing) Energy Technology Co., Ltd.

According to the purpose of this valuation, market conditions, the conditions of the subject of valuation and other factors, the type of appraised value is determined as the market value.

The market value referred for this valuation means the estimated amount for which the subject of valuation should be traded normally and fairly on the valuation benchmark date between a willing buyer and a willing seller, where each of the parties has acted rationally under no compulsion.

#### **III. VALUATION BENCHMARK DATE**

The valuation benchmark date of this valuation is 31 December 2024.

#### **IV. INDEPENDENCE OF THE VALUER**

The Valuer has no existing or foreseeable conflict of interests with or bias against BAIC Powertrain or the relevant parties.



## **V. VALUATION APPROACH AND RATIONALE OF THE SELECTION**

In conducting asset valuation, one shall analyze the applicability of the three fundamental valuation approaches – market approach, income approach, and cost approach – along with their derivative approaches, based on the valuation’s objectives, the subject of valuation, the type of value, and the data collection, in order to select the appropriate valuation approach.

The equipment included in the valuation lacks sufficient market comparables and cannot generate cash flows independently; therefore, the market approach and income approach are inapplicable.

The valuation using cost approach takes the cost replacement of assets as the value standard, reflecting the necessary social labor consumed by asset investment (acquisition and construction cost), which usually changes with the changes of national economy and market supply and demand. Considering that the various assets under entrusted valuation can fulfill the procedures of on-site inspections and meet the documentation criteria for assessed estimate, the cost approach, by analyzing the assets of the appraised entity, allows a larger extent of certainty and prudence in recognising the values of asset groups. This method fundamentally reflects the current market value of the enterprise’s asset group and possesses a larger extent of reliability; therefore, the cost approach has been adopted for the valuation.

### **1. Inventory**

The valuer first reviewed the quantity, unit price, and amount in the raw materials assessment declaration form provided by the property holder, and then organized on-site random sampling and physical inventory checks. Based on the inventory results, they adjusted the quantities by adding receipts and deducting issues between the benchmark date and the inventory date to derive the book quantity on the benchmark date, which was then cross-checked with the book quantity on the benchmark date. The valuer also randomly checked recent the purchase evidence of raw materials and found that the book value composition was reasonable and aligned with the market value on the valuation benchmark date. Therefore, the verified book value was used as the appraised value.

## 2. Fixed Assets – Equipment

The appraised value of the equipment is obtained by multiplying the total cost of reacquiring and reconstructing a functionally equivalent equipment at current prices as of the benchmark date by the residual ratio. The basic formula is:

Appraised value = Replacement Cost × Consolidated residual ratio

### *(1) Machinery & Equipment*

#### *1) Determination of Replacement Cost*

Replacement Cost = Purchase Price + Transportation & Miscellaneous Fees + Installation and commissioning fees + Basic fees + Pre-construction costs and other expenses + Capital Costs – Deductible VAT

##### 1 Purchase price

As for the large key equipment, the purchase price shall be determined mainly by asking the manufacturer for market price on the valuation benchmark date or based on the recent contract price for similar equipment on the valuation benchmark date; as for the small equipment, the purchase price shall be confirmed by querying the market quotation information on the valuation benchmark date; for the equipment lacking market pricing information, the acquisition cost is primarily determined by referencing the purchase prices of comparable machinery.

##### 2 Transportation and miscellaneous fees

Based on the purchase price of the equipment (tax inclusive), according to the loading and unloading, transportation, storage, insurance and other related expenses incurred between the manufacturer and the location of the equipment, it is calculated at different rates of miscellaneous fees. If the purchase price of the equipment includes transportation costs, transportation and miscellaneous fees will no longer be counted.

##### 3 Installation and commissioning fees

According to the characteristics, weight, and difficulty of installation of the equipment, based on the purchase price (tax inclusive), it is calculated at different installation rates. If the purchase price of the equipment includes installation and commissioning fees, installation and commissioning fees will no longer be counted.

#### 4 Basic fees

Individual benchmark refers to the project budget or settlement data, and the determination is made through analysis and calculation using methods such as the pre-settlement adjustment method or the price index adjustment method.

#### 5 Other costs of project construction

Pre-construction costs and other expenses are calculated based on the construction investment amount of the entity being assessed, in accordance with the industry, national, or local government prescribed fee standards.

#### 6 Capital cost

The equipment included in the scope of valuation has a relatively short construction period, and capital costs will not be considered in this valuation.

#### 7 Deductible Input VAT

According to the relevant VAT regulations, the deductible VAT is calculated for equipment that meets the conditions for VAT deduction.

### 2) *Determination of Consolidated residual ratio*

This valuation is mainly based on the economic service life and service life of the equipment, through the on-site investigation and understanding of the usage and technical status of the equipment, in order to comprehensively determine its usable life, and then to determine its consolidated residual ratio according to the following formula.

Consolidated residual ratio = Remaining Usable Life  $\div$  (Remaining Usable Life + Years of Service)  $\times$  100%

### 3) *Determination of Appraised Value*

Appraised value = Replacement Cost  $\times$  Consolidated residual ratio

## ***(2) Machinery and Equipment – Land Infrastructure and Power Capacity Expansion***

### ***1) Determination of Replacement Cost***

Replacement Cost = Construction and Installation Cost + Pre-construction Costs and Other Expenses + Capital Cost – Deductible Input VAT

#### **1 Construction and Installation Cost**

For the land infrastructure and power capacity expansion projects included in this valuation, the construction drawings and settlement (final account) documents are relatively complete. The final account adjustment method is used in this valuation to estimate the construction and installation cost.

The final account adjustment method refers to the approach used for buildings (or structures) with complete as-built drawings and final account data. The confirmed quantities in the final account data serve as the basis, and the various cost components in the final account are analyzed. The construction and installation cost of the building (or structure) is determined by adjusting the final account cost according to the current local engineering budget prices, rates, and market prices for labor, materials, and equipment as of the valuation benchmark date.

#### **2 Pre-construction costs and other expenses**

Pre-construction costs and other expenses mainly include pre-construction consulting fees, environmental impact consulting fees, construction unit management fees, construction cost consulting fees, and bidding agency fees.

#### **3 Capital Costs**

Given the short construction period of this project, capital costs are not considered in this valuation.

#### **4 Deductible Input VAT**

Calculated in accordance with relevant tax laws and Beijing's VAT reform policies for the construction industry. The specific formula is:

Deductible Input VAT = Construction and installation cost (or deductible Pre-construction costs and other expenses)/(1 + applicable tax rate) × applicable tax rate

Of which, the applicable tax rate for the construction and installation cost is 9%; for pre-construction costs and other expenses, deductible items mainly include pre-construction consulting fees, environmental impact consulting fees, survey and design fees, construction cost consulting fees, engineering supervision fees, and bidding agency fees, with an applicable tax rate of 6%.

## *2) Determination of Consolidated Residual Ratio*

Since the land infrastructure and power capacity expansion included in this valuation fall under structures and machinery and equipment, their economic service life is referenced. Combined with on-site inspections of their condition and maintenance status as of the valuation benchmark date, the remaining usable life is estimated, and the consolidated residual ratio is calculated using the following formula:

$$\text{Consolidated residual ratio} = \text{Remaining Usable Life} / (\text{Remaining Usable Life} + \text{Used Life}) \times 100\%$$

## *3) Determination of Appraised Value*

$$\text{Appraised value} = \text{Replacement Cost} \times \text{Consolidated Residual Ratio}$$

### ***(3) Electronic Equipment***

#### *1) Determination of Replacement Cost*

Based on local market information and recent price data (e.g., online IT quotes), the price of electronic equipment as of the valuation benchmark date is determined according to its configuration. Transportation & miscellaneous fees as well as installation and commissioning fees are generally not counted.

#### *2) Deductible VAT*

According to the provisions of the relevant VAT documents, the deductible VAT is calculated for the equipment eligible for VAT deduction.

#### *3) Determination of Consolidated Residual Ratio*

This valuation is mainly based on the economic service life and service life of the equipment, through the on-site investigation and understanding of the usage and technical status of the equipment, to comprehensively determine its serviceable life, and then to determine its consolidated residual ratio according to the following formula.

$$\text{Consolidated residual ratio} = \text{Remaining Usable Life} / (\text{Remaining Usable Life} + \text{Used Life}) \times 100\%$$

#### *4) Determination of Appraised Value*

$$\text{Appraised value} = \text{Replacement Cost} \times \text{Consolidated residual ratio}$$

### **3. Construction in Progress – Civil Engineering**

- (1) For ongoing power capacity expansion projects with no finalized settlement data, the appraised value is determined based on the verified book value after on-site inspections and reviewing construction contracts and drawings, as the estimated contract amount is deemed reasonable.
- (2) For Xiguomao S Station – Power Capacity Expansion and Xiguomao D Station, as the completion date of the power capacity expansion civil construction project is similar to the valuation benchmark date, the material price has basically no change during the period, and the replacement cost is determined by the settlement amount after the valuation benchmark date, and then the consolidated residual ratio is determined by considering various depreciation factors, so as to determine the appraised value of the asset.
- (3) For other civil engineering projects that have been completed but not yet settled as of the valuation benchmark date, due to the lack of engineering settlement data, the provisional estimated amount of the contract is determined to be reasonable through site investigation and comparison with similar projects that have been settled in machinery and equipment, combined with engineering construction contracts, drawings and other data, and its completion date is similar to the valuation benchmark date. During the period, the price of materials remained basically unchanged, and the replacement cost was determined by the verified book value in this valuation, and then the consolidated residual ratio was determined by taking into account various depreciation factors, so as to determine the appraised value of the asset.

### **4. Construction in Progress – Equipment Installation Project**

The market or construction value of similar assets in new condition is obtained through various channels, and costs required to bring the asset to its current state are considered. The appraised value is then determined by applying depreciation factors and the consolidated residual ratio. The valuation method is the same as that of machinery and equipment.

### **5. Intangible Assets – Software Copyrights, Proprietary Technologies and Software**

Since the software copyrights, proprietary technologies, and software included in this valuation are fully utilized in power swap station operations and cannot be individually distinguished for revenue attribution, they are appraised as an intangible asset portfolio.

## VI. CONCLUSION OF VALUATION

The book value of the asset group portfolio included in the scope of the valuation amounted to RMB120,184,187.06, the appraised value amounted to RMB115,243,376.35, and the appraised impairment amounted to RMB4,940,810.71 with an impairment rate of 4.11%. The list is as follows:

### Summary of Assets Appraisal Results

*Unit: RMB*

No.	Items	Book Value	Appraised value	Increase or decrease	Percentage
1	I. Total current assets	70,779.65	70,779.65	—	—
2	Inventory	70,779.65	70,779.65	—	—
3	II. Total non-current assets	120,113,407.41	115,172,596.70	-4,940,810.71	-4.11
4	Fixed assets	110,965,098.48	102,953,839.00	-8,011,259.48	-7.22
5	Construction in progress	9,028,295.23	7,908,757.70	-1,119,537.53	-12.40
6	Intangible assets	120,013.70	4,310,000.00	4,189,986.30	3,491.26
7	III. Total assets	120,184,187.06	115,243,376.35	-4,940,810.71	-4.11

## VII. VALIDITY OF VALUATION

The validity of the valuation conclusion shall be one year from the valuation benchmark date, being 31 December 2024 to 30 December 2025.

## **VIII. ASSUMPTIONS OF VALUATION**

In this valuation, the valuer followed the following appraisal assumptions:

### **1. Open Market Assumption**

The open market assumption assumes that the parties to the assets transaction or the proposed assets transaction in the market have equal bargaining power and have the opportunities and time to obtain sufficient market information in order to make a rational judgment on the assets, including their functions, uses and transaction prices. The basis of open market assumption is that the assets can be traded openly in the market.

### **2. Assumption of Trading**

It is assumed that all the assets to be valued are being transacted. The valuer values the assets price by simulating a market transaction with reference to, among others, trading conditions of the subject of valuation.

### **3. Asset Going-concern Assumption**

Asset going-concern assumption refers to the need to continue to use the assets according to the specified purpose of the assets to be valued, regardless of the conversion of assets to use.

### **4. Assumption of On-site Use of Assets**

Assumption of on-site use of assets refers to the assumption that assets will remain in use in their original location or where it was installed.