



CONTROL PREMIUM & DISCOUNT FOR LACK OF MARKETABILITY STUDY

Issue 1 - February 2024

SUMMARY

	4 th Quarter of 2023	Trailing 12-months
Cover Period	1 Oct 2023 to 31 Dec 2023	1 Jan 2023 to 31 Dec 2023
Published Notifiable Transactions Circular on HKEX	110	360
Including Full Valuation Reports with the Adoption of Control Premium(s)	7	24
Including Full Valuation Reports with the Adoption of Discount(s) for Lack of Marketability	15	38

Research Study — Disclaimer and Limitation of Liability

This study was prepared through manual research and analysis, with figures compiled from publicly filed HKEX notifiable-transaction circulars. It reflects substantial professional effort and care; however, manual research is inherently subject to human error, oversight, and the limits of the time and resources applied, the outputs were checked on a sample basis rather than exhaustively audited, and absence of a flagged error does not mean a record is correct.

This disclaimer is not limited to the accuracy of individual figures — it applies to the study as a whole, including its completeness, methodology, interpretation and judgment choices, scope and period, and assumptions. The study relies on source documents that may themselves contain errors, ambiguities, or omissions; it reflects classification and judgment calls that reasonable professionals might make differently; it is not exhaustive; and it reports figures as stated in or derived from those documents without independently verifying the correctness of the underlying valuations.

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2023 4th Quarter Key Findings

Control Premium

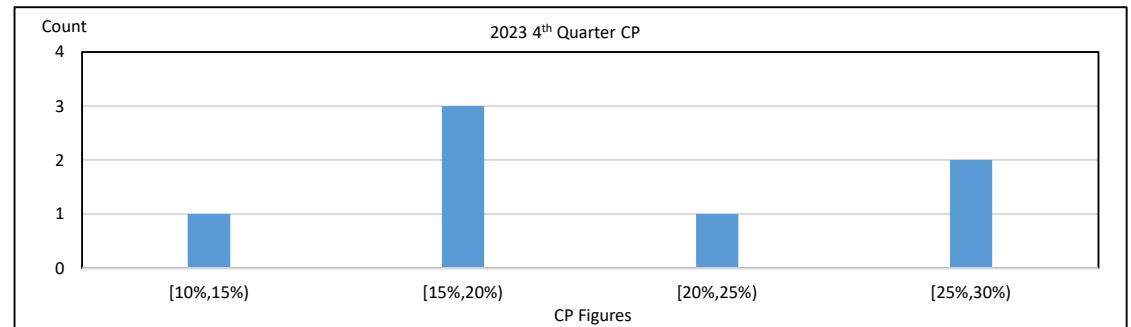
- 7 out of 110 circulars included valuation reports with the adoption of 7 control premiums (“CP”).
- 71.4% of valuers quoted figures from the ‘Control Premium Study’ by FactSet Mergerstat, LLC.
- 28.6% of valuers quoted figures from other sources.

Table 1(a) Summary Statistics of CP adopted

CP Range	CP Average	CP Median	CP Upper Quartile	CP Lower Quartile
11.0%- 28.0%	20.3%	17.8%	25.0%	17.8%

Table 1(b) Sources of CP

‘Control Premium Study’ published by FactSet Mergerstat, LLC	Others
5	2



Discount for Lack of Marketability

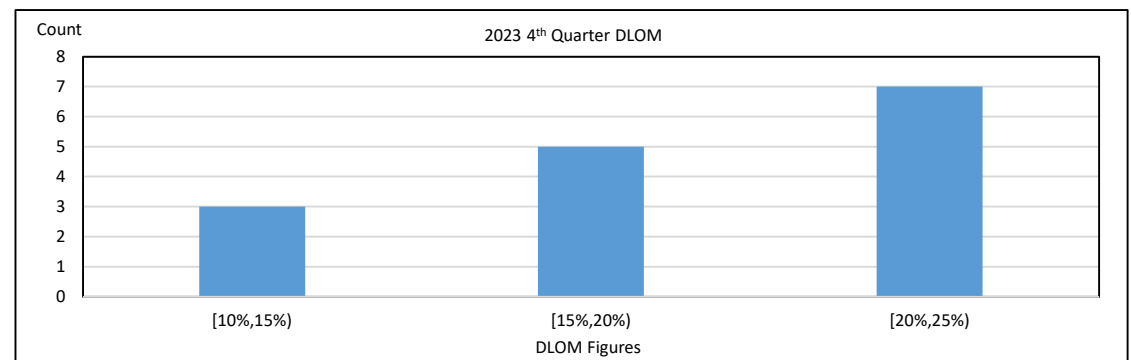
- 15 out of 110 circulars included valuation reports with the adoption of discounts for 15 lack of marketability (“DLOM”).
- 73.3% of valuers quoted figures from the ‘Stout Restricted Stock Study Companion Guide’ by Stout Risius Ross, LLC.
- 26.7% of valuers quoted figures from other sources.

Table 2(a) Summary Statistics of DLOM adopted

DLOM Range	DLOM Average	DLOM Median	DLOM Upper Quartile	DLOM Lower Quartile
10.2%- 24.0%	17.7%	18.5%	20.5%	15.7%

Table 2(b) Sources of DLOM

‘Stout Restricted Stock Study Companion Guide’ by Stout Risius Ross, LLC	Others
11	4



31 December 2023 Trailing 12-Months Key Findings

Control Premium

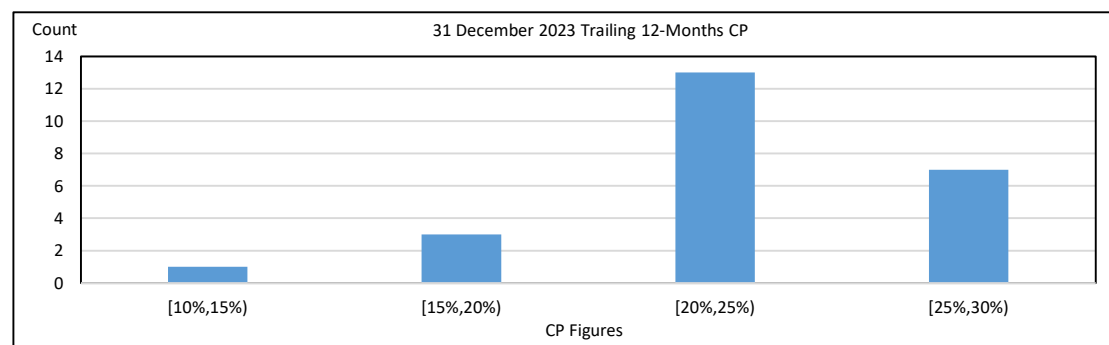
- 18 out of 360 circulars included valuation reports with the adoption of 24 control premiums.
- 83.3% of valuers quoted figures from the 'Control Premium Study' by FactSet Mergerstat, LLC.
- 16.7% of valuers quoted figures from other sources.

Table 3(a) Summary Statistics of CP adopted

CP Range	CP Average	CP Median	CP Upper Quartile	CP Lower Quartile
11.0%- 28.7%	22.2%	20.0%	25.3%	20.0%

Table 3(b) Sources of CP

'Control Premium Study' published by FactSet Mergerstat, LLC	Others
20	4



Discount for Lack of Marketability

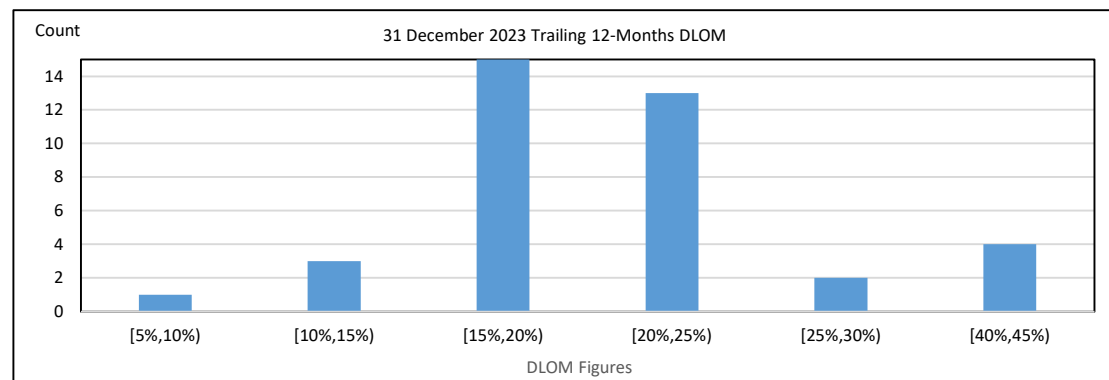
- 32 out of 360 circulars included valuation reports with the adoption of 38 discounts for lack of marketability.
- 73.7% of valuers quoted figures from the 'Stout Restricted Stock Study Companion Guide' by Stout Risius Ross, LLC.
- 26.3% of valuers quoted figures from other sources.

Table 4(a) Summary Statistics of DLOM adopted

DLOM Range	DLOM Average	DLOM Median	DLOM Upper Quartile	DLOM Lower Quartile
9.0% - 42.9%	20.8%	19.5%	21.8%	15.8%

Table 4(b) Sources of DLOM

'Stout Restricted Stock Study Companion Guide' by Stout Risius Ross, LLC	Others
28	10



FY 2023 4th Quarter Research Summary

Publish Date	Stock Code	Listed Entity	Valuation Subject(s)	Location ¹	Transaction Type	Equity Stake (%)	Connected Transaction	CP	DLOM
24-Oct-2023	2798	Perennial Energy Holdings Limited	PowerChina Panzhou Low Calorific Value Coal Power Generation Co., Ltd.	China	Major Transaction	49.0%	No	N/A	20.5%
24-Oct-2023	1592	Anchorstone Holdings Limited	Pacific Mining Industry Limited and PMG (China) Limited and Xiamen Yatai Hongkang Marble Limited	China	Very Substantial Acquisition	100.0%	Yes	11.0%	24.0%
9-Nov-2023	899	Asia Resources Holding Limited	1) Yonyin Investment Holdings Limited 2) Yongming Investment Holdings Limited	China	Major Transaction	1) 100.0% 2) 73.1%	No	N/A	16.0%
14-Nov-2023	451	GCL New Energy Holdings Limited	36 Solar Power Plants	China	Very Substantial Disposal	100.0%	Yes	26.1%	10.2%
16-Nov-2023	1611	Sinohope Technology Holdings Limited	1) New Huo Solutions Limited 2) HBTPower Limited 3) HBTPower Inc	Multi-national	Major Transaction	1) 100.0% 2) 80.0% 3) 80.0%	Yes	N/A	21.0%
27-Nov-2023	923	Integrated Waste Solutions Group Holdings Limited	An Jie Supply Chain Management Co., Ltd.	China	Very Substantial Acquisition	13.2%	No	N/A	20.5%
28-Nov-2023	1848	China Aircraft Leasing Group Holdings Limited	China Aviation Aftermarket Holdings Limited	US, Europe, HK and PRC	Major Transaction	100.0%	Yes	17.8%	13.15%
28-Nov-2023	1632	Minshang Creative Technology Holdings Limited	Prosperity One Limited	HK	Major Transaction	100.0%	No	28.0%	15.7%
29-Nov-2023	189	Dongyue Group Limited	1) Dongyue Polymers 2) Dongyue Organosilicon 3) Dongyue Hydrogen	China	Major Transaction	1) 23.1% 2) 13.4% 3) 2.3%	Yes	N/A	20.5%
30-Nov-2023	8083	China Youzan Limited	Youzan Technology Inc.	China	Major Transaction	48.1%	Yes	17.8%	18.5%
30-Nov-2023	1396	Guangdong – Hong Kong Greater Bay Area Holdings Limited	Shenzhen Jingzhen Industrial Company Limited	China	Major Transaction	100.0%	No	23.9%	15.7%
3-Dec-2023	1098	Road King Infrastructure	Road King (China) Infrastructure Limited (BVI)	China	Very Substantial Disposal	100.0%	No	N/A	15.7%

Publish Date	Stock Code	Listed Entity	Valuation Subject(s)	Location ¹	Transaction Type	Equity Stake (%)	Connected Transaction	CP	DLOM
8-Dec-2023	6136	Kangda International Environmental Company Limited	Zhongyuan Water Group Co., Ltd	China	Major Transaction	31.0%	Yes	N/A	11.9%
14-Dec-2023	3963	China Rongzhong Financial Holdings Company Limited	Ultimate Harvest Global Limited	HK, China and Singapore	Major Transaction	49.0%	Yes	N/A	22.1%
26-Dec-2023	929	IPE Group Limited	1) Yutai Hydraulic Technology (Shanghai) Co., Ltd. 2) Wuhu Inno Hydraulic Technology Co., Ltd.	China	Major Transaction	1) 75.0% 2) 22.5%	No	17.8%	20.5%

Remarks:

1. Location refers to the location of the valuation subject.
2. For each circular we studied, if there are more than one valuation subject involved:
 - the CP and DLOM figures weight equally in our statistical analysis, if any.

31 December 2023 Trailing 12-Months Research Summary

Publish Date	Stock Code	Listed Entity	Valuation Subject(s)	Location ¹	Transaction Type	Equity Stake (%)	Connected Transaction	CP	DLOM
18-Jan-2023	3377	Sino-Ocean Group Holding Limited	Chengdu Qianhao Property Services Company Limited	China	Major Transaction	50.0%	No	N/A	25.6%
24-Feb-2023	834	China Kangda Food Company Limited	Qingdao Kangda-Eurolap Rabbit Selection Co., Ltd.	China	Major Transaction	70.0%	Yes	25.0%	15.8%
27-Feb-2023	750	China Shuifa Singyes Energy Holdings Limited	Shuifa Energy (Tongyu County) Co., Ltd. and Shuifa Clean Energy Co., Ltd.	China	Major Transaction	100.0%	Yes	20.0%	15.0%
28-Feb-2023	498	Blue River Holdings Limited	Paul Y. Engineering Group Limited	HK, China, Macau, SEA	Major Transaction	29.8%	Yes	N/A	15.8%
22-Mar-2023	472	New Silkroad Culturaltainment Limited	Beijing Chaolaichaowang Culture Media Company Limited	China	Major Transaction	100.0%	Yes	22.9%	15.8%
31-Mar-2023	1582	CR Construction Group Holdings Limited	Zhejiang Construction Investment Environment Engineering Company Limited	China	Major Transaction	100.0%	Yes	27.6%	20.6%
3-Apr-2023	1400	Moody Technology Holdings Limited	Leader Elastic Limited	China	Very Substantial Acquisition	81.0%	No	28.2%	17.0%
26-Apr-2023	1515	China Resources Medical Holdings Company Limited	1) Liaoning CR Healthcare Group 2) Shenzhen CR 3) Healthcare JE Subjects	China	Major Transaction	1) 76.1% 2) 100.0% 3) 80.0%	Yes	28.7%	15.8%
8-May-2023	510	Cash Financial Services Group Limited	Cash Algo Finance Group International Limited and its subsidiaries	China	Major Transaction	51.0%	Yes	24.4%	20.6%
25-May-2023	1611	New Huo Technology Holdings Limited	Pantene Group	Hong Kong	Major Transaction	100.0%	No	26.00%	29.0%
30-May-2023	2107	First Service Holding Limited	Century Golden Resources Services Group Co., Ltd	China	Major Transaction	8.0%	No	N/A	24.0%
28-June-2023	1758	Bojun Education Company Limited	1) Sichuan Zhengzhou Education Investment Company Limited 2) Sichuan Gao Investment Company Limited	China	Very Substantial Acquisition	51.0%	No	N/A	24.0%

Publish Date	Stock Code	Listed Entity	Valuation Subject(s)	Location ¹	Transaction Type	Equity Stake (%)	Connected Transaction	CP	DLOM
28-Jun-2023	1085	Hengxin Technology Ltd	Zhejiang Zhongguang New Energy Technology Co., Ltd	China	Major Transaction	44.5%	Yes	22.6%	15.7%
7-Jul-2023	1527	Zhejiang Tengy Environmental Technology Co., Ltd	Zhejiang Tianjie New Energy Co., Ltd.	China	Major Transaction	95.0%	Yes	N/A	9.0%
24-Aug-2023	1609	Chong Kin Group Holdings Limited	Chong Kin Group Holdings Limited	Hong Kong	Major Transaction	100.0%	No	N/A	17.1%
31-Aug-2023	295	Kong Sun Holdings Limited	1) Dingbian Wanheshun New Energy Power Generation Limited 2) Wangshi Wangyuan Photovoltaic Power Development Limited 3) Yulin Zhengxin Electricity Limited 4) Shengzhou Yihui Photovoltaic Power Generation Limited 5) Dingbian Jingyang Electric Co., Ltd. 6) Dingbian County Zhixinda New Energy Limited	1) China 2) China 3) China 4) China 5) China 6) China	Very Substantial Disposal	1) 100.0% 2) 100.0% 3) 100.0% 4) 100.0% 5) 100.0% 6) 100.0%	No	1) 20.0% 2) 20.0% 3) 20.0% 4) 20.0% 5) 20.0% 6) 20.0%	1) 42.9% 2) 42.9% 3) 42.9% 4) 42.9% 5) 15.8% 6) 15.8%
11-Sep-2023	8026	China Brilliant Global Limited	1) Shenzhen China Brilliant Property Services Company Limited 2) Brillink Holdings Limited	China Kazakhstan	Major Transaction	1) 100.0% 2) 18.9%	Yes	1) 22.6% 2) 23.3%	1) 20.5% 2) 20.5%
24-Oct-2023	2798	Perennial Energy Holdings Limited	PowerChina Panzhou Low Calorific Value Coal Power Generation Co., Ltd.	China	Major Transaction	49.0%	No	N/A	20.5%
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9-Nov-2023	899	Asia Resources Holding Limited	1) Yonyin Investment Holdings Limited 2) Yongming Investment Holdings Limited	China	Major Transaction	1) 100% 2) 73.1%	No	N/A	16.0%
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27-Nov-2023	923	Integrated Waste Solutions Group Holdings Limited	An Jie Supply Chain Management Co., Ltd.	China	Very Substantial Acquisition	13.2%	No	N/A	20.5%
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Further Research and Analysis

The above table represents an extract of our comprehensive research. Further research data and analysis are available upon request.

For details, please contact Kenneth Ma, Director of Moore Transaction Services Limited, at kennethma@moore.hk.

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- We have extensive sector knowledge to provide customised advice to suit each client, considering their size, capabilities and goals.
- Backed by our international network, we have the capabilities to provide clients with all solutions and expertise they require and wherever they choose to do business.

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