



CONTROL PREMIUM & DISCOUNT FOR LACK OF MARKETABILITY STUDY

Issue 3 - August 2024

SUMMARY

	2nd Quarter of 2024	Trailing 12-months
Cover Period	1 Apr 2024 to 30 Jun 2024	1 Jul 2023 to 30 Jun 2024
Published Notifiable Transactions Circular on HKEX	88	356
Including Full Valuation Reports with the Adoption of Control Premium(s)	1	19
Including Full Valuation Reports with the Adoption of Discount(s) for Lack of Marketability	12	43

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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Nothing herein constitutes financial, valuation, investment, legal, accounting, tax, or other professional advice or a substitute for independent professional judgment; before relying on any figure, verify it against the original source document and seek appropriate advice. We have applied our best endeavours, but this is not a guarantee of accuracy.

2024 2nd Quarter Key Findings

Control Premium

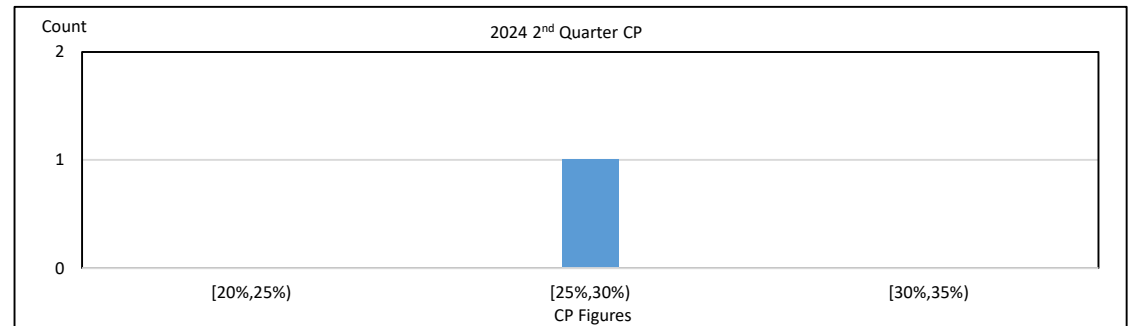
- 1 out of 88 circulars included valuation reports with the adoption of 1 control premiums (“CP”).
- 100% of valuers quoted figures from the ‘Control Premium Study’ by FactSet Mergerstat, LLC.

Table 1(a) Summary Statistics of CP adopted

CP Range	CP Average	CP Median	CP Upper Quartile	CP Lower Quartile
29.9%	29.9%	29.9%	29.9%	29.9%

Table 1(b) Sources of CP

‘Control Premium Study’ published by FactSet Mergerstat, LLC	Others
1	0



Discount for Lack of Marketability

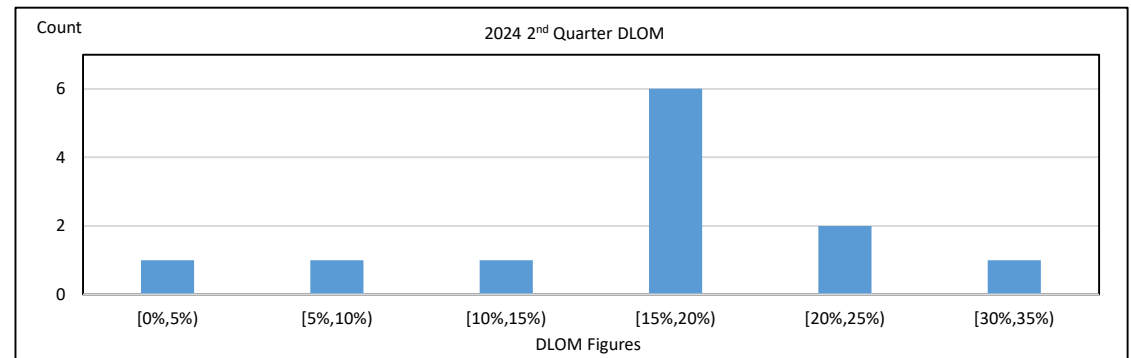
- 11 out of 88 circulars included valuation reports with the adoption of discounts for 12 lack of marketability (“DLOM”).
- 75% of valuers quoted figures from the ‘Stout Restricted Stock Study Companion Guide’ by Stout Risius Ross, LLC.
- 25% of valuers quoted figures from other sources.

Table 2(a) Summary Statistics of DLOM adopted

DLOM Range	DLOM Average	DLOM Median	DLOM Upper Quartile	DLOM Lower Quartile
2.6%- 33.3%	15.6%	15.7%	17.1%	14.3%

Table 2(b) Sources of DLOM

‘Stout Restricted Stock Study Companion Guide’ by Stout Risius Ross, LLC	Others
9	3



30 June 2024 Trailing 12-Months Key Findings

Control Premium

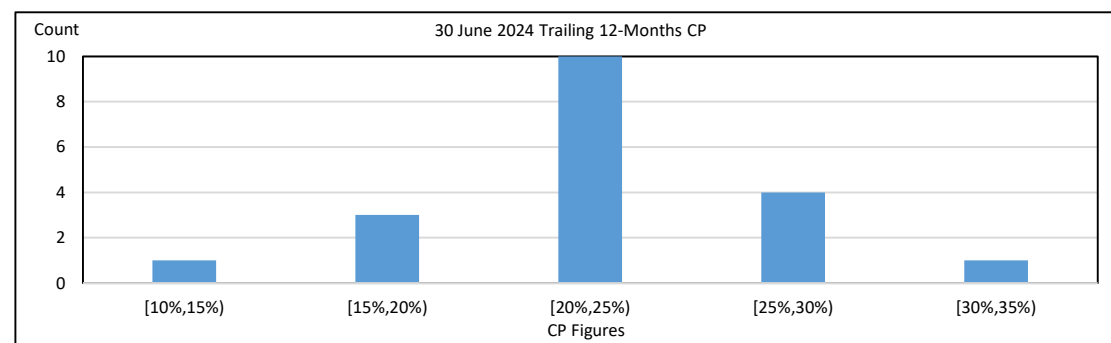
- 13 out of 356 circulars included valuation reports with the adoption of 19 control premiums.
- 84.2% of valuers quoted figures from the 'Control Premium Study' by FactSet Mergerstat, LLC.
- 15.8% of valuers quoted figures from other sources.

Table 3(a) Summary Statistics of CP adopted

CP Range	CP Average	CP Median	CP Upper Quartile	CP Lower Quartile
11.0%- 34.2%	23.0%	23.5%	26.0%	20.0%

Table 3(b) Sources of CP

'Control Premium Study' published by FactSet Mergerstat, LLC	Others
16	3



Discount for Lack of Marketability

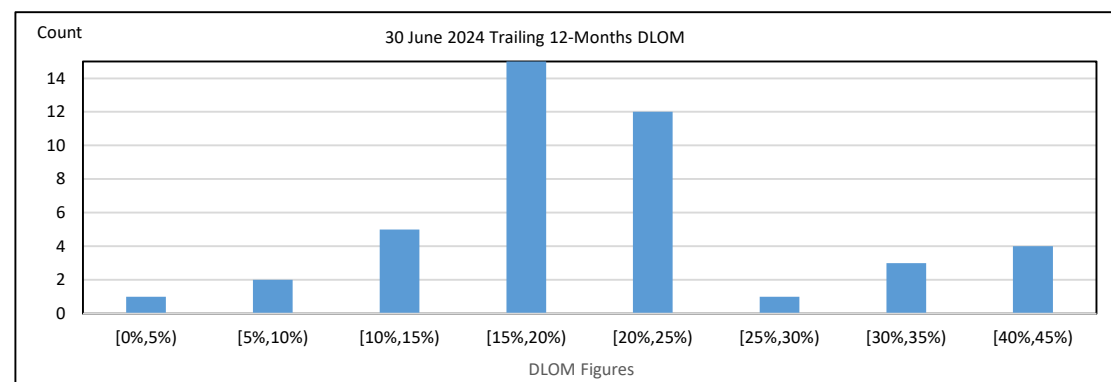
- 35 out of 356 circulars included valuation reports with the adoption of 43 discounts for lack of marketability.
- 74.4% of valuers quoted figures from the 'Stout Restricted Stock Study Companion Guide' by Stout Risius Ross, LLC.
- 25.6% of valuers quoted figures from other sources.

Table 4(a) Summary Statistics of DLOM adopted

DLOM Range	DLOM Average	DLOM Median	DLOM Upper Quartile	DLOM Lower Quartile
2.6% - 42.9%	19.6%	17.5%	21.3%	15.7%

Table 4(b) Sources of DLOM

'Stout Restricted Stock Study Companion Guide' by Stout Risius Ross, LLC	Others
32	11



FY 2024 2nd Quarter Research Summary

Publish Date	Stock Code	Listed Entity	Valuation Subject(s)	Location ¹	Transaction Type	Equity Stake (%)	Connected Transaction	CP	DLOM
19-Apr-2024	1420	Chuan Holdings Limited	Hulett Construction (S) Pte. Ltd.	Singapore	Very Substantial Acquisition	100%	Yes	N/A	2.6%
26-Apr-2024	732	Truly international holdings limited	Truly (Renshou) High-end Display Technology Limited	China	Major Acquisition	12.55%	No	N/A	10.2%
26-Apr-2024	1129	China Water Industry Group Limited	Onfar International Limited	China	Major Disposal	100%	No	N/A	15.7%
23-May-2024	1002	V.S. International Group Limited	VS Industry Vietnam Joint Stock Company	Vietnam	Very Substantial Acquisition	100%	Yes	N/A	15.7%
11-Jun-2024	2138	EC Healthcare	Pangenia Inc	China, Hong Kong	Major Acquisition	55.26%	No	N/A	33.0%
17-Jun-2024	3883	China Aoyuan Group Limited	Ontario Aoyuan Property Limited	Canada	Major Disposal	100%	No	N/A	20.0%
20-Jun-2024	554	Hans Energy Company Limited	Bravo Transport Holdings	Hong Kong	Major Acquisition	54.44%	No	N/A	5.0%
21-Jun-2024	6108	New Ray Medicine International Holding Limited	China Nvwa Pharmaceutical Group Limited	China	Major Acquisition	16.0%	No	N/A	15.7%
24-Jun-2024	1085	Hengxin Technology Ltd.	(1) Nanjing Zhangyu Information Technology Co., Ltd. (2) Shanghai Zhangyu Information Technology Co., Ltd.	China	Very Substantial Acquisition	(1) 49% (2) 49%	Yes	29.9%	(1) 15.8% (2) 22.1%
27-Jun-2024	866	China Qinfa Group Limited	Lead Far Development Limited	Indonesia	Very Substantial Disposal	40%	No	N/A	15.7%
28-Jun-2024	2668	Pak Tak International Limited	Zongchuan Investment Group Co., Limited	China	Major Acquisition	100%	No	N/A	15.7%

Remarks:

- Location refers to the location of the valuation subject.
- 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.

30 June 2024 Trailing 12-Months Research Summary

Publish Date	Stock Code	Listed Entity	Valuation Subject(s)	Location ¹	Transaction Type	Equity Stake (%)	Connected Transaction	CP	DLOM
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% 2) 100% 3) 100% 4) 100% 5) 100% 6) 100%	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% 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%
24-Oct-2023	1592	Anchorstone Holdings Limited	Pacific Mining Industry Limited and PMG (China) Limited and Xiamen Yatai Hongkong Marble Limited	China	Very Substantial Acquisition	100%	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% 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%	Yes	26.1%	10.2%

Publish Date	Stock Code	Listed Entity	Valuation Subject(s)	Location ¹	Transaction Type	Equity Stake (%)	Connected Transaction	CP	DLOM
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% 2) 80% 3) 80%	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%	Yes	17.8%	13.2%
28-Nov-2023	1632	Minshang Creative Technology Holdings Limited	Prosperity One Limited	HK	Major Transaction	100%	No	28%	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%	18.53%
30-Nov-2023	1396	Guangdong – Hong Kong Greater Bay Area Holdings Limited	Shenzhen Jingzhen Industrial Company Limited	China	Major Transaction	100%	No	23.9%	15.7%
3-Dec-2023	1098	Road King Infrastructure	Road King (China) Infrastructure Limited (BVI)	China	Very Substantial Disposal	100%	No	N/A	15.7%
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%
15-Jan-2024	2048	E-House (China) Enterprise Holdings Limited	1) TM Home Limited 2) CRIC Holdings Limited	China	1) Very Substantial Disposal 2) Special Deal	1) 65% 2) 100%	No	1) N/A; 2) 25%	1) N/A; 2) 27.0%
16-Jan-2024	931	China HK Power Smart Energy Group Limited	Oasetech Limited	China	Major Acquisition	100%	No	34.20%	15.7%

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30-Jan-2024	2280	HC Group Inc.	Beijing Huicong Hui'an Information Technology Co., Ltd., which held 1) 9.22% of Jingu Bank; and 2) 30% of Chongqing Micro-credit	China	Major Disposal	100%	No	N/A	1) 11.7%; 2) 32.7%
05-Feb-2024	8211	Zhejiang Yongan Rongtong Holdings Co., Ltd.	Zhejiang Shaoxing Huiju Water Technology Co., Ltd.	China	Major Disposal	100%	Yes	N/A	20.5%
20-Mar-2024	295	Kong Sun Holdings Limited	Shaanxi Yirun New Energy Technology Co., Ltd.	China	Major Disposal	60.0%	No	20%	42.7%
19-Apr-2024	1420	Chuan Holdings Limited	Hulett Construction (S) Pte. Ltd.	Singapore	Very Substantial Acquisition	100%	Yes	N/A	2.6%
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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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