



Newsletter

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About TAG-Value

As a member of TAG-Org, Abu-Ghazaleh Valuation (TAG-Value) is an international valuation and consulting firm with offices spanning the Middle East and North Africa, and a network of associates and representatives that spreads to Asia, Europe, North and Latin America. TAG-Value's expertise covers a complete range of services that include Valuation, Due Diligence and Financial Modeling.

TAG-Value was established at a time when the valuation profession was still in its early stages of development in the Arab region. Since the early beginnings, TAG-Value has consistently been spearheading the efforts to develop the framework of valuation services worldwide.

TAG-Value has an impeccable record of assisting and supporting governments, public institutions and non-governmental organizations in raising the levels of awareness of the importance of business valuation and the valuation of intellectual property in several Arab countries such as Syria, Lebanon, Tunisia, Jordan, Saudi Arabia and the United Arab Emirates. We offer the business community an array of services aimed at delivering sensible

IN THIS ISSUE:

Our Valuation Services

Abu-Ghazaleh Patronizes Cfa Charter Holders And Research Challenge Competition Ceremony

Agip Receives Mip's Middle East Ip Firm Of The Year Award For 2019

Abu-Ghazaleh Sounds The Alarm On A Devastating Global Economic Crisis In 2020

and tangible solutions, derived from experience and combined with sound judgment. Our team of professionals has extensive experience in providing efficient solutions to any situation covering nearly every industry sector.

Source: Abu-Ghazaleh Valuation Co. Manual for Business Valuation.

Our Valuation Services

As the business environment is constantly changing, becoming more complex and sophisticated, businesses must be flexible and ready to adapt and respond promptly. Valuation is a crucial component of the management process that leads to understanding the underlying dynamics of your enterprise. Valuation is therefore essential for estimating the fair value of your business, financial assets or even liabilities.

TAG-Value offers the following Business Valuation services:

Securities Valuation

Securities are negotiable and exchangeable instruments that represent a financial value, and they are categorized as either debt securities, such as bonds and debentures issued by governments and corporations, or equity securities, such as common and preferred stocks, which reflect a proof of partial ownership or right in a corporation.

TAG-Value provides the valuation of a broad range of securities, which include equity, equity and interest rate options, swaps, treasuries, corporate and government bonds, mortgage-backed securities, collateralized mortgage obligations, credit derivative swaps, and many more.

TAG-Value uses diagnostic tools for valuing securities, applying a series of mathematical relationships and financial models to determine the price at which a security should be exchanged.

Stock Valuation

We apply sophisticated valuation techniques that can be used to find the fair value of stock options. These valuation techniques include:

- Monte Carlo simulations
- The Black-Scholes Models
- Lattice models, including the Binomial Options Pricing model.
- Synthetic option modeling

Tangible Asset Valuation

Our team of experts works in conjunction with university professors and experts in various fields, along with licensed appraisers in order to value a wide range of tangible assets.

Our areas of expertise of valuing tangible assets include:

- Real Estate such as;
 - ◇ Residential sector: apartments, housing buildings, villas, condos.
 - ◇ Commercial sector: office space, retail space, hotels.
 - ◇ Industrial properties.
 - ◇ Land.
- Machinery & Equipment
 - ◇ Machinery: multi-purpose machines, special use machines.
 - ◇ Equipment: sporting equipment, apparatus, gear, material.
 - ◇ Vehicles: trucks, bulldozers, cars, motorbikes, loaders, forklifts, cranes, compactors.
 - ◇ Oil Pumps.
- Mines & Mineral Reserves
 - ◇ Valuation of fully developed and operational mines
 - ◇ Valuation of partly explored deposits, exploration property
 - ◇ Major and minor material, metallic and non-metallic material and fuel minerals
 - ◇ Open-pit as well as underground mines
- Specialized Assets
 - ◇ Aircrafts, aircraft engines (gas turbines)
 - ◇ Ocean-going vessels
 - ◇ Gas turbines for energy generation
- Infrastructure
 - ◇ Airports
 - ◇ Harbors and ports
 - ◇ Railroads and highways
 - ◇ Lakes and water bodies
 - ◇ Mineral reserves

Valuation of Intellectual Property and Other Intangible Assets

A company's overall value comprises tangible and intangible assets and intellectual property rights. According to recent studies, close to 70% of a corporation's value lies in its intangible assets. According to Financial Accounting Standards Board (FASB), intangible assets are any assets that are neither physical nor financial nor human.

TAG-Value offers Intellectual Property valuation solutions for brands, patents, trademarks, trade names, industrial designs, copyrights, and other intangible assets.

Purchase Price Allocation

Purchase Price Allocation (PPA) is the process in which fair and new values are assigned to all assets, as well as liabilities, based on the paid price of an acquired business entity following a merger or an acquisition. The need for this process stems from the fact that the book values of many companies are considered less than market values.

PPA aims at allocating new values that are characterized as accurate which allows arriving at a net residual value that is eventually attributed to goodwill, which is subject to annual impairment tests rather than amortization as in the case of other intangible assets.

Goodwill Impairment Testing

After the Financial Accounting Standards Board has adopted the Statement of Financial Accounting Standards 142, audited companies are required to test goodwill at least once annually for impairment.

Goodwill impairment takes place when the value of the goodwill of a business unit declines to an amount less than the carrying value of the goodwill on the company's books.

TAG-Value provides you with a complete set of tests that enables you to determine the annual value of your goodwill.

Valuation Review and Fairness Opinion

A fairness opinion is a report with a primary objective of determining whether a business transaction is fair from a financial point of view to other parties such as but not limited to shareholders and retirement plan beneficiaries who are not directly involved in the actual dealings that include negotiations and execution. Such reports are usually sanctioned by top management in order to obtain a non-biased third-party opinion that attests to the fairness of the transactions.

We conduct rigorous valuation reviews and provide our clients with fairness opinions in regards to their transactions such as buybacks, spin-offs and private placements.

Valuation Consulting

Our team of professionals provides you with consultations in respect to:

- Privatization
- Mergers & Acquisitions
- Litigation
- Buy/sell agreements
- Stock option plans
- Financial reporting
- Reorganizational purposes
- Business Dissolution & Liquidation

Abu-Ghazaleh Patronizes Cfa Charter Holders And Research Challenge Competition Ceremony



AMMAN- HE Dr. Talal Abu-Ghazaleh, chairman of Talal Abu-Ghazaleh Global (TAG.Global) patronized the graduation of the new CFA charter holders and the annual local Research Challenge of the CFA Society in Jordan, the organization that offers the Chartered Financial Analyst (CFA) in a special ceremony held at the Four Seasons Hotel.

In his keynote speech, Dr. Abu-Ghazaleh expressed his pride in the effort exerted by all graduates requesting them to innovate and plan for a better world for the next generation.

“We have witnessed change in almost everything but education. There is something wrong in the education system and I want you as future leaders to lead this change. I want you to become leaders and agents of change. The world needs your effort and dedication in addition to your vision and my advice to you all is to keep on working and never rest because working is good for health,” Dr. Abu-Ghazaleh who is also president of the Arab International Association of Certified Public accountants, said.

“I need you to focus on innovation and not education similar to our focus at Talal Abu-Ghazaleh University College for Innovation (TAGUCI), an entity where no student will graduate from unless they innovate a new ICT related product or service. The word Education is derived from the Roman root “Educa” which means pull; knowledge is there but you need to pull it,” he added.

Dr. Abu-Ghazaleh stressed that professional qualifications are vital. “Allow me to share with you some wisdom by a former English teacher who is worth today \$35.9B, Jack Ma cofounded and chairs Alibaba Group, one of the world’s largest e-commerce businesses who once told his son: “You don’t need to be in the top three in your class, being in the middle is fine, so long as your grades aren’t too bad. Only this kind of person has enough free time to learn other skills,” Dr. Abu-Ghazaleh who considers himself still a student, said.

“During my speech at Harvard University, I “your avid knowledge advocate” stressed on the future of



knowledge, methods for creating learning societies and knowledge economies and how we are able to contribute positively to this sector through a complete transformation into a knowledge society. I am proud to be with you and congratulations to all. Success and failure are the same thing, you only fail when you stop trying,” he added.

At the end of the ceremony, Dr. Abu-Ghazaleh presented awards to nine graduates who either earned the right to use the CFA designation or recently passed all three levels of the CFA programs and shields to the winners of the Research Challenge competition in which Princess Summaya University for Technology won the top spot.

He also awarded graduates and winners with the high-tech Talal Abu-Ghazaleh Laptop (TAGITOP), the first laptop

produced with an Arab design and Arab investment.

The Research Challenge competition is a global high quality equity research contest among universities. The 2018 participation includes 5,700+ students, 4,000+ volunteers, 1,100+ universities, 150+ CFA Societies, 112 local challenges, taking place in 85 countries across the globe. The participating universities from Jordan this year were: Al Ahliyya Amman University, Hashemite University, University of Jordan, Yarmouk University in addition to Princess Summaya University for Technology.

The winning university team from Jordan will advance to the Europe, Middle East & Africa (EMEA) regional finals taking place in Zurich/Switzerland in April.

Agip Receives Mip's Middle East Ip Firm Of The Year Award For 2019



**FIRM OF THE YEAR
2019**

LONDON - Abu-Ghazaleh Intellectual Property (AGIP) was awarded 'Middle East IP Firm of the Year 2019' at the Managing Intellectual Property (MIP) Annual IP Awards Ceremony held at the Royal Lancaster Hotel, London, on March 2019.

The MIP Awards recognize achievements in IP work over the past year in areas such as prosecution, litigation, licensing or other works. According to survey results released last month, AGIP was ranked in Tier One for trademark, patent and copyright prosecution

in all Arab countries.

This is the 10th year that AGIP has earned regional recognition for its outstanding IP practices in the Middle East and for its continuous efforts in providing its clients with the best-quality services in the field of IP protection.

Ms. Dima Naber, AGIP Counsel and International Business Development Executive Director, accepted the award on behalf of AGIP, saying: "We are very proud to receive this prestigious award, which we consider as a testament to the dedication and

innovative approaches of AGIP to deliver above and beyond expectations."

"Over the years, AGIP has reached greater levels of success, and our clients have trusted us with the quality of IP services. This award recognizes their confidence and loyalty in our services," she added.

Managing Intellectual Property hosted the Annual IP Awards 2019 in front of nearly 380 IP professionals, representing 40 countries, 80 private practice firms, and including about 90 corporate/in-house practitioners.

It is worth mentioning that the MIP's 2019 survey is the largest ever, covering 75 jurisdictions, and that its results are based on extensive research and interviews with practitioners worldwide.

Abu-Ghazaleh Sounds The Alarm On A Devastating Global Economic Crisis In 2020



AMMAN - HE Dr. Talal Abu-Ghazaleh, founder and chairman of Talal Abu-Ghazaleh Organization (TAG-Org) warned of the upcoming Global Economic Crisis in 2020 to affect western countries and subsequently the Arab region, resulting in high unemployment rates and inflation, ultimately followed by a World War III

In a lecture held at the University of Jordan on the ‘Fourth Industrial Revolution, Knowledge Economy and the Necessity to Shift from Education to Learning’, Dr. Abu-Ghazaleh stated that the Arab world’s problem lies in its lack of future forecasting in preparation for the Fourth Industrial Revolution in which Artificial Intelligence (AI) will enable man and machine to live side by side in one community.



Furthermore, Dr. Abu-Ghazaleh underscored the need to benefit from the expected war and crisis by keeping abreast of the Knowledge Revolution developments.

Dr. Abu-Ghazaleh focused, in the presence of the UJ President Dr. Abdel Karim Al-Qudah, on the importance of shifting from education to learning with a special emphasis on the quality of education and creativity.

Meanwhile, he affirmed the need to transform communities into digital knowledge-based societies pointing out that future making and

competitiveness will be based on information technology in all fields.

In addition, Dr. Abu-Ghazaleh underlined the need to change the current stereotypical educational system which aims at graduating job seekers, or certificate holders, and replace it with a new educational system which aims at graduating innovators and inventors who will create jobs.

Meanwhile, Dr. Abu-Ghazaleh referred to his recently issued book entitled “The Brave Knowledge World” which presents the statement of his absolute belief in the power of knowledge and technology that will lead to “a glowing” future. Knowledge, which is available on the Internet, according to Dr. Abu-Ghazaleh, provides democratic and equal opportunities for all.

His Excellency affirmed that education should adapt to the future and rapid development in the field of creativity and innovation, noting that a knowledge based society is a society in which everything is operated by an Internet-connected computer.

“We have to pave the way for future students and think of educational means that meet their capacities particularly since we are entering the Age of Knowledge in which a child can use ICT,” adding that: “any profession in the future will be based on ICT”.

According to Dr. Abu-Ghazaleh, the Fourth Industrial Revolution, the Knowledge Revolution, will wipe out those who have not been able to adapt to the rapid progress in technology.

me people physically and mentally better.”

Dr. Abu-Ghazaleh called on students to work, innovate and invent for knowledge creation, noting that the world is passing through radical changes to transform into a knowledge world and such development should be embraced.

Abu-Ghazaleh stressed that his message for the University of Jordan is different from his previous messages, as it is the translation of his discussion with the President of the University, Prof. Al-Qudah, on making the UJ a cultural platform that empowers and qualifies its graduates to enter the labor market.

“We want to establish an economic platform through joint cooperation with the University to establish a center for future studies that makes

future related studies, policies and strategies in a mechanism to boost the national economy,” he added.

At the beginning of the lecture, which was moderated by Dr. Ashraf bani Mohammad, Director of the US’s Innovation and Entrepreneurship Center, Al-Qudah expressed his happiness to host Senator Dr. Abu-Ghazaleh, the founder and chairman of Talal Abu-Ghazaleh Organization; which has an outstanding record of achievements in national and community service, pointing out that Dr. Abu-Ghazaleh, due to his achievements, has become a role model in all fields mainly in the education, economy, trade and industry fields.

Al-Qudah briefed the attendees on Dr. Abu-Ghazaleh’s success stories, referring to a number of partnerships signed between TAG-Org and the University, represented by the Innovation and Entrepreneurship Center and Women Studies Center, and expressing hope to further expand the scope of cooperation between the two parties.

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