



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

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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 Launches “Famous Arab Trademarks” Initiative



AMMAN - HE Dr. Talal Abu-Ghazaleh, chairman of the Arab Society for Intellectual Property (ASIP), launched an initiative that sheds light on the widely recognized and famous Arab trademarks on the regional and global levels as a part of its mission in developing and enhancing Intellectual Property (IP) protection in the Arab world.

The launch came during a workshop organized by ASIP in collaboration with the Licensing Executives Society – Arab Countries (LES-AC), entitled “Famous Trademarks” that was held in conjunction with World Intellectual Property Day with the aim to keep abreast with the latest developments in the IP field to build a better future for the next generation.

Ms. Majd Khaddash, ASIP manager, said that the Society exerted great efforts in supporting the Arab trademarks, maximizing trademark rights and increasing the level of their prevalence, noting that ASIP is working on establishing an association for the protection of well-known Arab trademark owners.

Based on the proposed bylaws of the association, its objectives include promoting awareness on the importance of trademarks by holding conferences and seminars, featuring famous trademarks in the Arab world and improving capacity building of staff working in this field through training and learning. The association, according to Khaddash, will be a platform to exchange ideas and help owners manage and protect their trademarks at regional and global levels.

During the workshop, a host of experts tackled a number of trademark related issues including the importance of trademarks and rights of trademark holders. Mr. Charles Shaban, executive director of Abu-Ghazaleh for Intellectual Property (AGIP), briefed attendees on the concept of Famous Trademarks, their Values, in addition to Domain Names, while Dr. Mohammad Al Jaghbeer, head of Organizations and International Agreements at the Ministry of Industry and Trade and Supply/ Industrial Property Directorate, talked about the national and international legal framework for the protection of well-known trademarks.

Meanwhile, Mr. Malek Hamdan, AGIP Valuation manager, reviewed the factors and standards that lead to the fame of a trademark in addition to trademark valuation.

It is noteworthy to mention that ASIP was established in 1987 in Munich, Germany under the name “Arab Society for the Protection of Industrial Property”. It aims at promoting and developing Intellectual Property protection system in the Arab world through a set of concepts of public awareness in IP rights and its influential role in globalization, in addition to developing and identifying effective mechanisms to support Intellectual Property rights worldwide by appropriate methods to create harmony among regional and global laws.

Abu-Ghazaleh: Our Agreement with Delta University will Take Education to Another Higher Level



CAIRO - The International Arab Society of Certified Accountants (IASCA) and Egypt's Delta University for Science and Technology (DU) signed a Memorandum of Understanding (MoU) to develop the level of quality in the education and research fields through cooperation in training, qualification and consulting.

According to the MoU, signed by HE Dr. Talal Abu-Ghazaleh, founder and chairman of IASCA, and Dr. Yahya Mashad, President of Delta University the two parties will exchange experts, lecturers and specialists in different sectors to engage in implementing training courses and programs, in addition to research

and scientific studies and organizing conferences and seminars.

Dr. Abu-Ghazaleh stated that signing the MoU is a positive move that will enhance IASCA's mission in developing and facilitating the dissemination of information relating to the accounting profession to be exchanged among accountants.

He also expressed satisfaction in reaching such an agreement with Delta University as both parties share the same goal in developing quality of education and in translating and publishing the International Accounting Standards (IAS), noting that IASCA is the sole Arab entity authorized to translate the Standards into Arabic.

Meanwhile, Dr. Mashad commended

the keenness of the two parties to sign the MoU saying that the expertise of IASCA in the MBA and DPA programs are excellent and students will definitely “benefit from such a cooperation.”

It is noteworthy to mention that IASCA was established in 1984 as a non-profit professional accounting association in London, UK. It was formally registered in Amman on February 24, 1994, aiming at advancing the profession of

accounting, auditing and other related disciplines in the countries of the League of Arab States. IASCA also aims at maintaining the professional independence of Arab accountants and their protection, as well as the application of professional supervisory measures.

Delta University for Science and Technology in Mansoura is one of the entities of Delta Group. It is a University that operates according to

the highest national and international accreditation standards and includes many faculties. The University is looking forward to becoming a leading University in education, research and community service on the national and regional levels. This can be achieved by preparing the graduate to become the nucleus for future leaders with their scientific skills, to participate in developing Egyptian society and seek solutions to community problems.

Abu-Ghazaleh: MoU with the Council of Arab Economic Unity will Contribute to Capacity Development in the Arab World

CAIRO - The International Arab Society of Certified Accountants (IASCA), chaired by HE Dr. Talal Abu-Ghazaleh, signed a memorandum of understanding (MoU) with the Arab Training, Research and Studies Center under the umbrella of the Council of Arab Economic Unity (CAEU) - the League of Arab States.

The MoU aims at cooperating towards capacity development in the scientific and technological fields by offering a number of training, management development and accounting programs to contribute to the economic development in Arab countries. According to the MoU, the two parties will cooperate in holding training courses and workshops related to the fields of joint interest, particularly in launching the certificate of International Public Sector Accounting Standards (IPSAS) Expert with a training course on how to better understand the Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities in the Arab countries.

Furthermore, Dr. Abu-Ghazaleh, founder and chairman of IASCA, highlighted the importance of the memorandum in exchanging professional expertise and qualifying the administrative leadership through development programs in the financial Arabic market.

For his part, Dr. Sami Kreishan, the Director General of the Center, expressed his gratitude for signing the agreement which reflects the vision of HE the Ambassador Mohammad Rabie, CAEU Secretary General, by providing the opportunity for exchanging information, studies, reports and research, in addition to holding training courses, workshops, seminars and conferences as well as exchanging multimedia and global publications that benefit the Center and IASCA affiliates.

It is noteworthy to mention that the International Arab Society of Certified Accountants (IASCA) was established in 1984 as a non-profit professional accounting association in London, UK. It was formally registered in Amman on February 24, 1994, aiming at advancing the profession of accounting, auditing and other related disciplines in the countries of the League of Arab States. IASCA also aims at maintaining the professional independence of Arab accountants and their protection, as well as the application of professional supervisory measures.

The Council of Arab Economic Unity was established in 1964. It aims at establishing a comprehensive economic unity among the Arab League countries.

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