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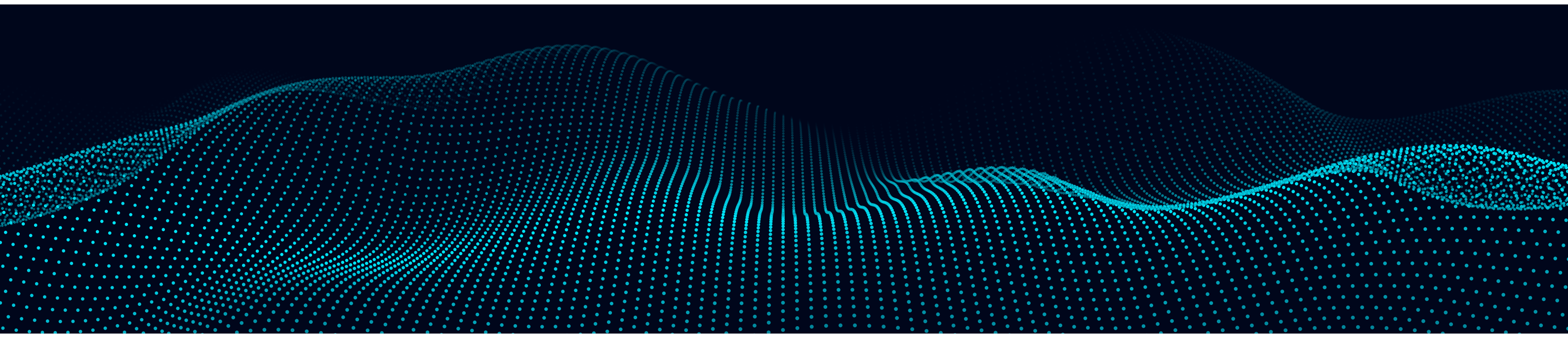

GIFT™ 2023

Global Intangible Finance Tracker (GIFT™)
— an annual review of the World's Intangible Value

November 2023

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About Brand Finance.

Brand Finance is the world's leading brand valuation consultancy.

We bridge the gap between marketing and finance
Brand Finance was set up in 1996 with the aim of 'bridging the gap between marketing and finance'. For more than 25 years, we have helped companies and organisations of all types to connect their brands to the bottom line.

We quantify the financial value of brands
We put thousands of the world's biggest brands to the test every year. Ranking brands across all sectors and countries, we publish over 100 reports annually.

We offer a unique combination of expertise
Our teams have experience across a wide range of disciplines from marketing and market research, to brand strategy and visual identity, to tax and accounting.

We pride ourselves on technical credibility
Brand Finance is a chartered accountancy firm regulated by the Institute of Chartered Accountants in England and Wales, and the first brand valuation consultancy to join the International Valuation Standards Council.

Our experts helped craft the internationally recognised standards on Brand Valuation – ISO 10668 and Brand Evaluation – ISO 20671. Our methodology has been certified by global independent auditors – Austrian Standards – as compliant with both, and received the official approval of the Marketing Accountability Standards Board.

BRIDGING THE • GAP

IVSC MEMBER

MARKETING ACCOUNTABILITY STANDARDS BOARD MASB CERTIFIED 2019 MARKETING METRIC AUDIT PROTOCOL

ICAEW

CERTIFIED BY AUSTRIAN STANDARDS

Get in Touch.

For business enquiries, please contact:
Annie Brown
General Manager, Consultancy London
a.brown@brandfinance.com

For media enquiries, please contact:
Michael Josem
Communications Director
m.josem@brandfinance.com

For all other enquiries:
enquiries@brandfinance.com
+44 207 389 9400
www.brandfinance.com

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Brand Finance®

Request your own **Brand Value Report**

A Brand Value Report provides a complete breakdown of the assumptions, data sources, and calculations used to arrive at your brand's value.

Each report includes expert recommendations for growing brand value to drive performance and offers a cost-effective way to gaining a better understanding of your position against peers.

Visit **brandirectory.com/request-a-valuation**
or email **enquiries@brandfinance.com**

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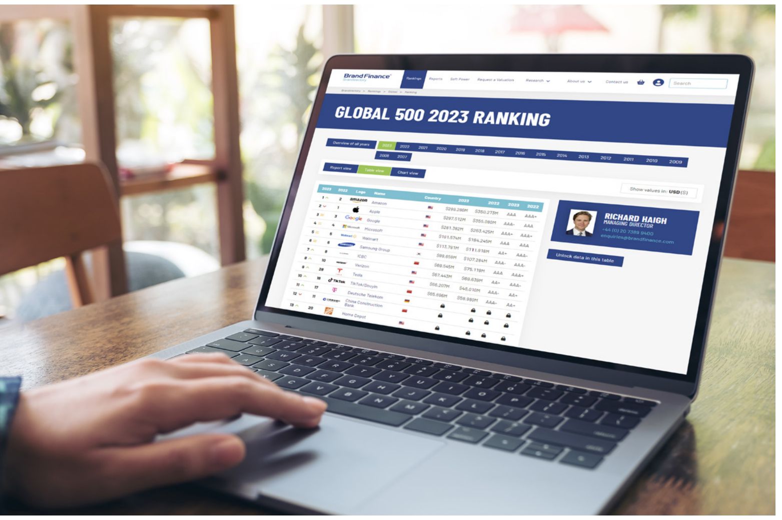

Brandirectory is the world's largest database of current and historical brand values, providing easy access to all Brand Finance rankings, reports, whitepapers, and consumer research published since 2007.

+ Browse thousands of published brand values
+ Track brand value, strength, and rating across publications and over time
+ Use interactive charts to compare brand values across countries, sectors, and global rankings
+ Purchase and instantly unlock premium data, complete brand rankings, and research

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Brand Finance Group.

Brand Finance Institute

Brand Finance Institute is the educational division of Brand Finance, whose purpose is to create and foster a professional environment for knowledge-sharing and networking among practitioners and experts in the market. BFI organises events, in-company training, and corporate educational initiatives around the world. In the quest for marketing excellence and with the purpose to equip the brand valuation and strategy practitioners with the necessary skills and tools, we have developed a wide range of programmes and certifications in collaboration with the most coveted business schools, universities and thought leaders in the field.

Brand Dialogue

Brand Dialogue is a public relations agency developing communications strategies to create dialogue that drives brand value. Brand Dialogue has over 25 years of experience in delivering campaigns driven by research, measurement, and strategic thinking for a variety of clients, with a strong background in geographic branding, including supporting nation brands and brands with a geographical indication (GI). Brand Dialogue manages communications activities across Brand Finance Group's companies and network.

VI360

VI360 is a brand identity management consultancy working for clients of all sizes on brand compliance, brand transition, and brand identity management. VI360 provide straightforward and practical brand management that results in tangible benefits for your business.

Foreword.

David Haigh
Chairman,
Brand Finance

On 1st April 1996, I launched Brand Finance to 'Bridge the Gap Between Marketing and Finance'. I thought that the gap between the silos would progressively disappear as finance people learned the importance of marketing for driving growth and marketing people learned the need for financial accountability.

Progress has been made but the gap is still there and we are now working hard through our publications, rankings, forums and the Brand Finance Institute training programmes to narrow the gap.

Over the last 25 years we have lived through four major recessions: 2001, when the dotcom bubble burst; 2009, when the Great Financial Crash washed over us; 2013, when the Euro caused a meltdown in Europe and in 2020, when the Covid Pandemic brought the world to a halt.

Brand Finance has been through many ups and downs but we have survived because we have always tried to lead our growing niche market. We claim to be the World's Leading Brand Valuation Consultancy. Over the last 25 years we have innovated continuously in our market place and we have transparently shared our innovations, knowledge and techniques to help grow the market, most obviously via ISO global standards on Brand Valuation and Brand Evaluation.

Throughout the last 25 years we have always invested heavily in training and professionalising our staff, in research to bring greater insight to our work and in high profile marketing and communications. We practice what we preach to clients.

There has never been greater recognition of brands as assets and the need to manage them for value. We are poised for significant growth as CEOs and Boards wake up to the need to manage brands better. I started Brand Finance in the spare bedroom in Teddington.

We now operate from the Brand Exchange building in the heart of the City of London and in 25 cities worldwide. But while there may be volatility, brands have never been more important for Nations, Companies, Products and Services. With a nudge from Brand Finance even Football teams and the Monarchy now recognise that they have valuable brands. I hope the next 25 years will be as interesting and fun as the last.

I would like to thank all the clients, staff and partners who have helped Brand Finance over the last 25 years.

Definitions.

Intangible assets can be grouped into three broad categories – rights, relationships and intellectual property:

1 Rights.
Leases, distribution agreements, employment contracts, covenants, financing arrangements, supply contracts, licences, certifications, franchises.

2 Relationships.
Trained and assembled workforce, customer and distribution relationships.

3 Intellectual property.
Patents; copyrights; trademarks; proprietary technology (for example, formulas, recipes, specifications, formulations, training programmes, marketing strategies, artistic techniques, customer lists, demographic studies, product test results); business knowledge — such as suppliers' lead times, cost and pricing data, trade secrets and knowhow. Internally generated intangibles cannot be disclosed on the balance sheet, but are often significant in value, and should be understood and managed appropriately. Under IFRS 3, only intangible assets that have been acquired can be separately disclosed on the acquiring company's consolidated balance sheet (disclosed intangible assets).

The following diagram illustrates how intangible value is made up of both disclosed and undisclosed value.

Breakdown of corporate assets, including intangibles

'Undisclosed intangible assets', are often more valuable than the disclosed intangibles. The category includes 'internally generated goodwill', and it accounts for the difference between the fair market value of a business and the value of its identifiable tangible and intangible assets.

Although not an intangible asset in a strict sense — that is, a controlled 'resource' expected to provide future economic benefits (see below) — this residual goodwill value is treated as an intangible asset in a business combination on the acquiring company's balance sheet. Current accounting practice does not allow for internally generated intangible assets to be disclosed on a balance sheet. Under current IFRS only the value of acquired intangible assets can be recognised.

In accounting terms, an asset is defined as a resource that is controlled by the entity in question and which is expected to provide future economic benefits to it.

The International Accounting Standards Board's definition of an intangible asset requires it to be non-monetary, without physical substance and 'identifiable'.

In order to be 'identifiable' it must either be separable (capable of being separated from the entity and sold, transferred or licensed) or it must arise from contractual or legal rights (irrespective of whether those rights are themselves 'separable'). Therefore, intangible assets that may be recognised on a balance sheet under IFRS are only a fraction of what are often considered to be 'intangible assets' in a broader sense.

However, the picture has improved since 2001, when IFRS 3 in Europe, and FAS 141 in the US, started to require companies to break down the value of the intangibles they acquire as a result of a takeover into five different categories — including customer- and market related intangibles — rather than lumping them together under the catch-all term 'goodwill' as they had in the past. But because only acquired intangibles, and not those internally generated, can be recorded on the balance sheet, this results in a lopsided view of a company's value. What is more, the value of those assets can only stay the same or be revised downwards in each subsequent year, thus failing to reflect the additional value that the new stewardship ought to be creating. Clearly, therefore, whatever the requirements of accounting standards, companies should regularly measure all their tangible and intangible assets (including internally-generated intangibles such as brands and patents) and liabilities, not just those that have to be reported on the balance sheet. And the higher the proportion of 'undisclosed value' on balance sheets, the more critical that robust valuation becomes.

Categories of intangible asset under IFRS 3

Marketing-Related Intangible Assets	Customer-Related Intangible Assets	Contract-Based Intangible Assets	Technology-Based Intangible Assets	Artistic-Related Intangible Assets
• Trademarks, tradenames • Service marks, collective marks, certification marks • Trade dress (unique colour, shape, or package design) • Newspapers • Internet Domain Names • Mastheads • Non-competition agreements	• Customer lists • Order or production backlog • Customer contracts & related customer relationships • Non-contractual customer relationships	• Licensing, royalty, standstill agreements • Advertising, construction, management, service or supply contracts • Lease agreements • Construction permits • Permits • Franchise agreements • Operating and broadcast rights • Use rights such as drilling, water, air, mineral, timber cutting & route authorities • Servicing contracts such as mortgage servicing contracts • Employment contracts	• Patented technology • Computer software and mask works • Unpatented technology • Databases • Trade secrets, such as secret formulas, processes, recipes	• Plays, operas and ballets • Books, magazines, newspapers and other literary works • Musical works such as compositions, song lyrics and advertising jingles • Pictures and photographs • Video and audio-visual material, including films, music, • videos etc.

Intangible Asset Classes

Goodwill	Reputation of the company (generally calculated at the time of acquisitions)
Franchise Agreements	Legal right to operate under the name of another company
Parents	Exclusive rights to manufacture, sell or use of specific invention
Copyright	Eextensive right to reproduce and sell a software, book, journal, etc.
Trademark	Legal rights to a business's name, logo or other branding item
Licenses	Permits licensee to use trademark, patent or copyright though a license.
Broadcast Rights	Allows broadcasting organisation to display products/activities
Government Grants	Financial aid provided by the government to promote businesses
Non-Competition Agreement	Prevents a party from working with or becoming a competitor
Internet Domain Name	Ownership or control of the internet domain
Customer Lit	List of key clientele
Order Backlog	Orders yet to be fulfilled by the business
Work of Artistic Importance	Musical or dramatic stage works, audio-visual works, graphic novels and comics and works of pictorial art, and photographic works
Service Contract	An agreement between the business and its employees, the clients or customers
Trade Secret & Know How	Proprietary information or materials used in the trade which provide a competitive advantage
Research & Development	Planned and detailed investigation into a product or service for gaining scientific or technical know-how and application of this to develop new and better products and service

Financial Reporting: Background.

In 2001, FAS 141 introduced the requirement for US companies to capitalize acquired intangibles following an acquisition. Intangible assets should be separately disclosed on the acquiring company's consolidated balance sheet. In 2004 , IFRS 3 introduced the same requirement as a global standard.

In 2005, all listed companies in EU member countries adopted IFRS.

At present, approximately 90 nations have fully conformed with IFRS, with further 30 countries and reporting jurisdictions either permitting or requiring IFRS compliance for domestically listed companies.

The adoption of IFRS accounting standards means that the value of disclosed intangible assets is likely to increase in the future. Strong advocates of 'fair value reporting' believe that the requirements should go further and that all of a company's tangible and intangible assets and liabilities should regularly be measured at fair value and reported on the balance sheet, including internally generated intangibles such as brands and patents, so long as valuation methods and corporate governance are sufficiently rigorous.

Some go as far as to suggest that 'internally generated goodwill' should be reported on the balance sheet at fair value, meaning that management would effectively be required to report its own estimate of the value of the business at each year end together with supporting assumptions.

However, the current rules state that internally generated intangible assets generally should not be recognised on the balance sheet. Under IFRS, certain intangible assets should be recognised, but only if they are in the "development" (as opposed to "research") phase, with conditions on, for example, technical feasibility and the intention and ability to complete and use the asset. "Internally generated goodwill", as well as internally generated "brands, mastheads, publishing titles, customer lists and items similar in substance", may not be recognised.

IFRS: Allocating the cost of a business combination

At the date of acquisition, an acquirer must measure the cost of the business combination by recognising the target's identifiable assets (tangible and intangible), liabilities and contingent liabilities at their fair value. Any difference between the total of the net assets acquired and the cost of acquisition is treated as goodwill (or gain on a bargain purchase).

Goodwill: After initial recognition of goodwill, IFRS 3 requires that goodwill be recorded at cost less accumulated impairment charges. Whereas previously (under IAS 22) goodwill was amortised over its useful economic life (presumed not to exceed 20 years), it is now subject to impairment testing at least once a year. Amortisation is no longer permitted.

Gain on a bargain purchase: Gain on a bargain purchase arises where the purchase price is determined to be less than the fair value of the net assets acquired. It must be recognised immediately as a profit in the profit and loss account.

However, before concluding that "negative goodwill" has arisen, IFRS 3 says that an acquirer should "reassess" the identification and measurement of the acquired identifiable assets and liabilities.

Impairment of assets

A revised IAS 36 'Impairment of Assets' was issued at the same time as IFRS 3, on 31 March 2004. Previously an impairment test was only required if a 'triggering event' indicated that impairment might have occurred.

Under the revised rules, an annual impairment test is still required for certain assets, namely:

- **Goodwill**
- **Intangible assets with an indefinite useful economic life and intangible assets not yet available for use.**

Brands are one major class of intangible assets that are often considered to have indefinite useful economic lives. Where acquired brands are recognised on the balance sheet post-acquisition, it is important to establish a robust and supportable valuation model using best practice valuation techniques that can be consistently applied at each annual impairment review.

The revised IAS 36 also introduces new disclosure requirements, the principal one being the disclosure of the key assumptions used in the calculation. Increased disclosure is required where a reasonably possible change in a key assumption would result in actual impairment.

Impact on managers and investors

a) Management

Perhaps the most important impact of new reporting standards has been on management accountability. Greater transparency, rigorous impairment testing and additional disclosure should mean more scrutiny both internally and externally. The requirement for the acquiring company to attempt to explain at least a part of what was previously lumped into "goodwill" should help analysts to analyse deals more closely and gauge whether management have paid a sensible price.

The new standards are also having a significant impact on the way companies plan their acquisitions. When considering an acquisition, a detailed analysis of all the target company's potential assets and liabilities is recommended to assess the impact on the consolidated group balance sheet and P&L post-acquisition.

Companies need to pay close attention to the likely classification and useful economic lives of the identifiable intangible assets in the target company's business. This will have a direct impact on the future earnings of the acquiring group.

In addition to amortisation charges for intangible assets with definite useful economic lives, impairment tests on assets with indefinite useful economic lives may lead to one-off impairment charges, particularly if the acquired business falls short of expectations post-acquisition.

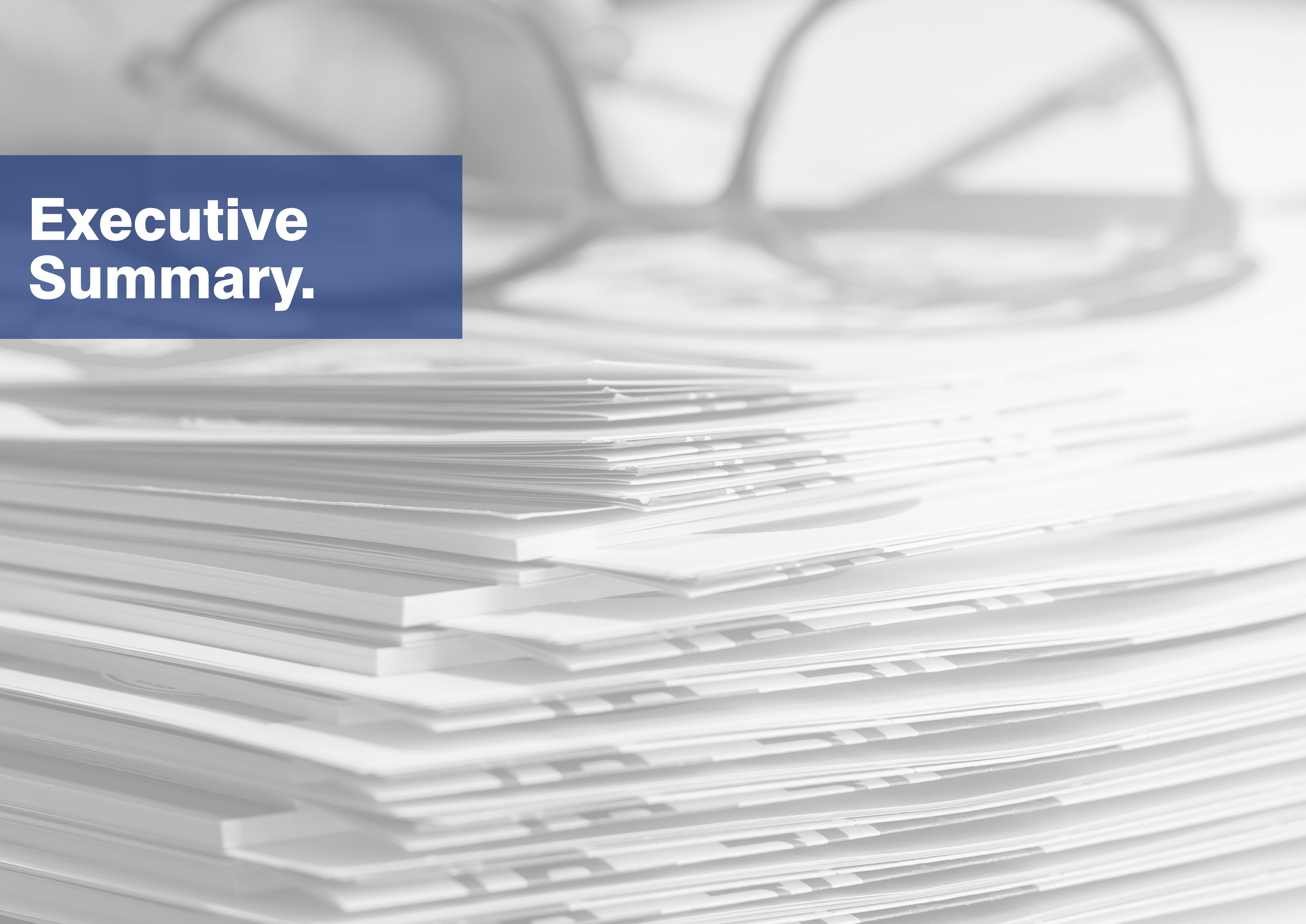
The requirement for separate balance sheet recognition of intangible assets, together with impairment testing of those assets and also goodwill, is expected to result in an increase in the involvement of independent specialist valuers to assist with valuations and on appropriate disclosure.

b) Investors

The requirement for companies to attempt to identify what intangible assets they are acquiring as part of a corporate transaction may provide evidence as to whether a group has paid too much in a deal. Subsequent impairment tests may also shed light on whether the price paid was a good one for the acquiring company's shareholders.

Regular impairment testing is likely to result in a greater volatility in financial results. Significant one-off impairment charges may indicate that a company has overpaid for an acquisition and have the potential to damage the credibility of management in the eyes of the investor community.

Executive Summary.



Ranking Analysis.

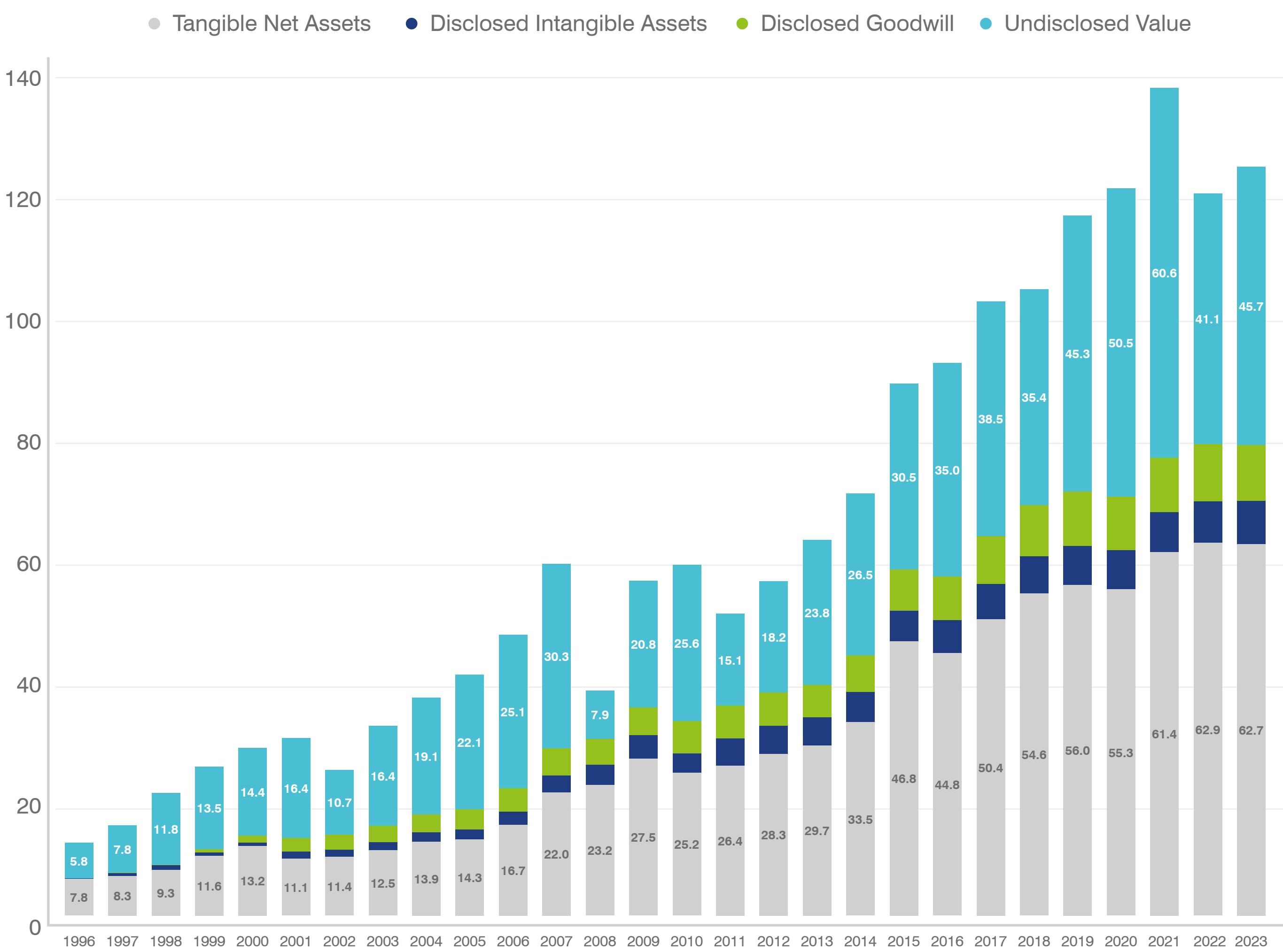
More than 25 years ago, Brand Finance was established to bridge the gap between marketing and finance. Our mission has always revolved around ensuring that we provide you with the tools and insights to facilitate interaction to drive growth.

Intangible assets are the valuable capabilities and tools owned by firms which cannot be touched, such as a strong brand, an exhaustive customer database, innovative new software, and artistic rights such as films and music.

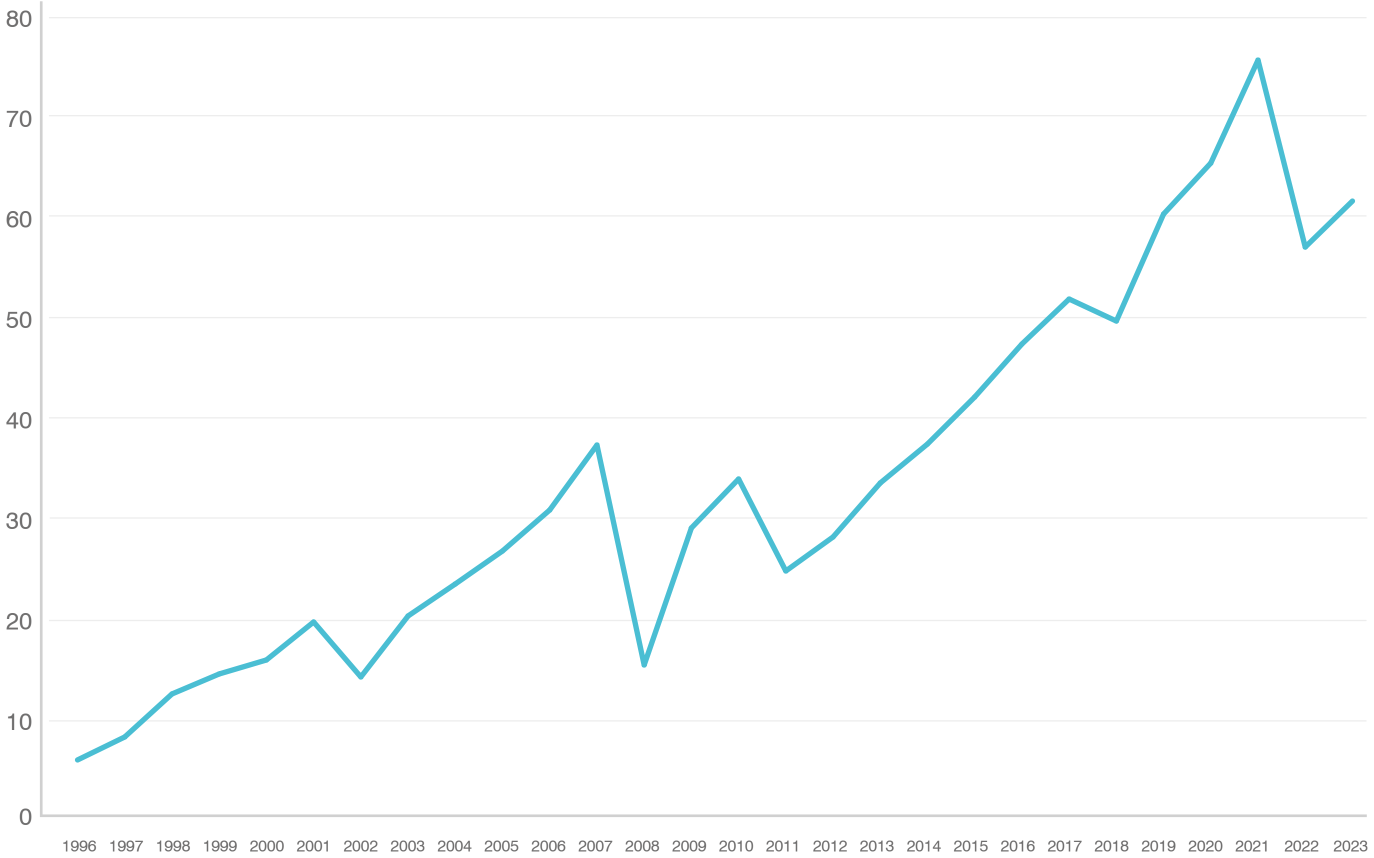
When Brand Finance started trading, global intangible assets were worth an estimated USD8 trillion. The past two decades have seen accelerated growth in the importance and therefore value of intangible assets. Innovation such as AI has contributed to the growth in value of software, marketing and customer relationships both as standalone assets and also through synergies; due to software advancements, marketing can be tailored to different customers, who are increasingly connected with tech organisations due to technology advancements such as FinTech and HealthTech.

The GIFT™ study examines the value of these intangible assets among publicly traded firms worldwide. In 2023, global intangible value has recovered to exceed pre-pandemic levels and has increased by 8% from USD57.3 trillion in 2022 to USD61.9 trillion in 2023. This figure is significant; almost 3x the value of the GDP of the United States. During the same period, the value of global tangible net assets remains stable.

Global Value Composition Trend (USD trn)



Global Intangible Value (USD trn)



Intangible asset value peaked at USD76 trillion in 2021, a function of the rally on tech stocks during the global pandemic, where bullish investor outlook on the industry ultimately led to a bubble which burst last year.

Our methodology relies on investor valuation of firms to determine implied intangible asset value because most intangible asset value cannot be reported on by the companies that create it. This is why 73% of intangible asset value is unaccounted for in company financial reports.

This is also why we reported a 25% loss to global intangible value in our 2022 edition of the GIFT report, as big tech firms began to make significant layoffs and investor sentiment waned.

This year's recovery in intangible asset value continues the healthy trend seen since 2012 and therefore reflects the continued growing importance of intangible assets in the global economy today.

International and local accounting standards prevent firms from disclosing most of the value of the intangible assets they create. Instead, intangible assets are typically only disclosed when acquired as part of a merger or acquisition.

Disclosed intangibles as a whole are constant this year, but further analysis by intangible asset class revealed that the value of disclosed intangibles has shifted away from goodwill and towards specific intangible assets such as brand, technology and relationships for the first time since 2008.

This was driven by a higher volume and value of goodwill impairment particularly in the Telecoms industry, triggered by the uncertain economic environment over the past 12 months.

These impairments were offset by additional new recognised intangible asset value due to significant acquisitions in the Pharma and Tobacco sectors.

Brand Finance's latest data shows that the rate of global intangible value growth has returned to a more positive trajectory as the global economy stabilises and investor confidence is cautiously restored. Our research aims to demonstrate the continued growing importance of intangible assets like strong brands and innovative technology in driving productivity and growth potential. Companies that strategically deploy their intangible assets have the ability to significantly outperform their competitors.

Annie Brown,
General Manager, UK Consulting, Brand Finance

Disclosed intangible value (USD trn)

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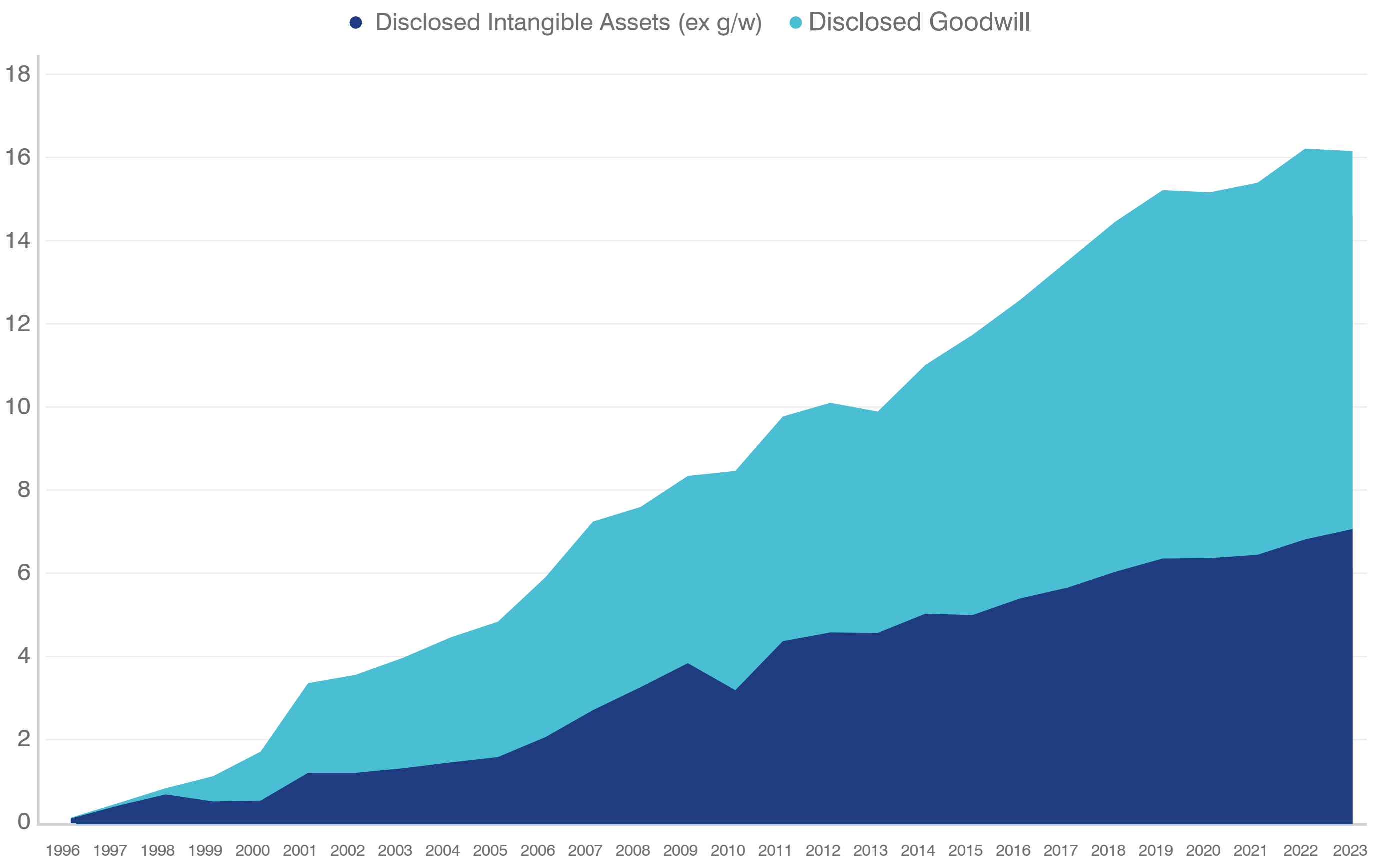

Sector trends

In 2023, Pharma is the sector with the highest intangible value relative to other sectors in absolute terms. The sector has seen an 8% increase in intangible asset value, increasing from USD5.61 trillion to USD6.07 trillion.

The Engineering and Construction sector has also gone up three ranks, recovering its value to 2021 levels with a 54% increase, now standing at USD5.41 trillion.

This increase is partly driven by significant acquisitions; **Siemens** acquired **Varian Medical Systems** in 2022, while **Schneider** acquired **Aveva Group Plc**. As such, these companies have moved up 24 and 20 ranks respectively in the top 100 ranking of most intangible companies (see pages 30-31).

Total Intangible Value by Sector 2023 (USD trn)

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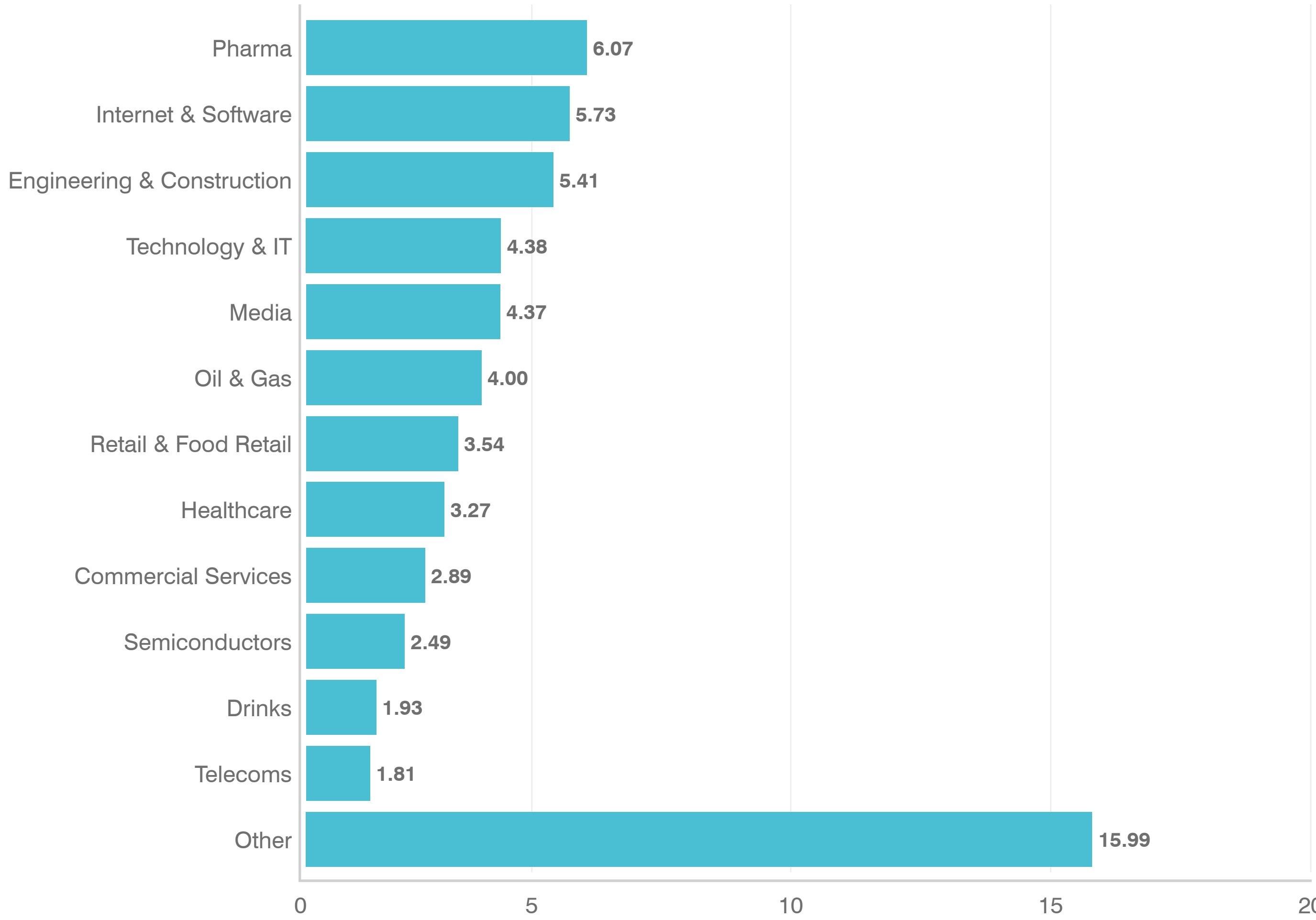
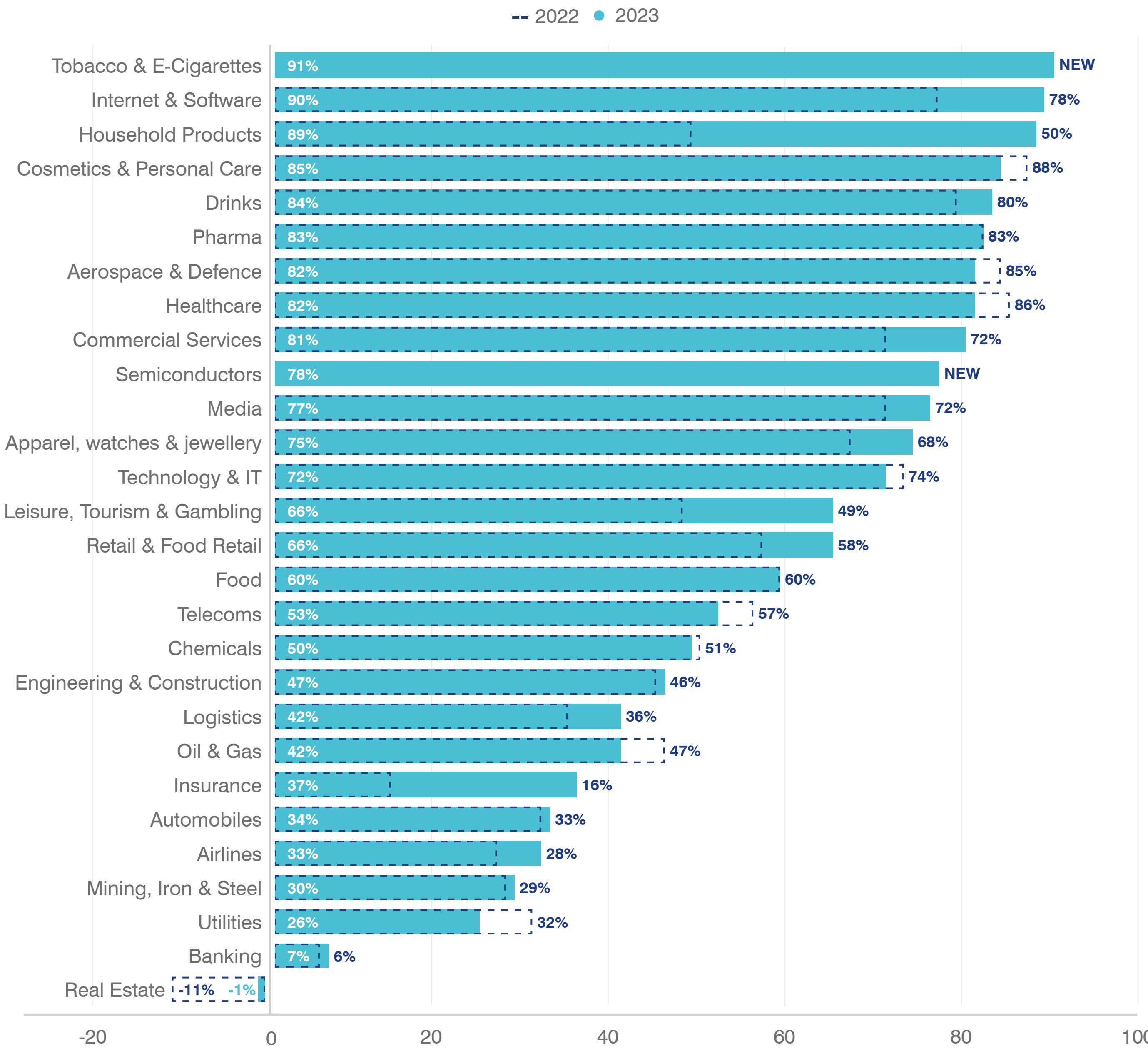
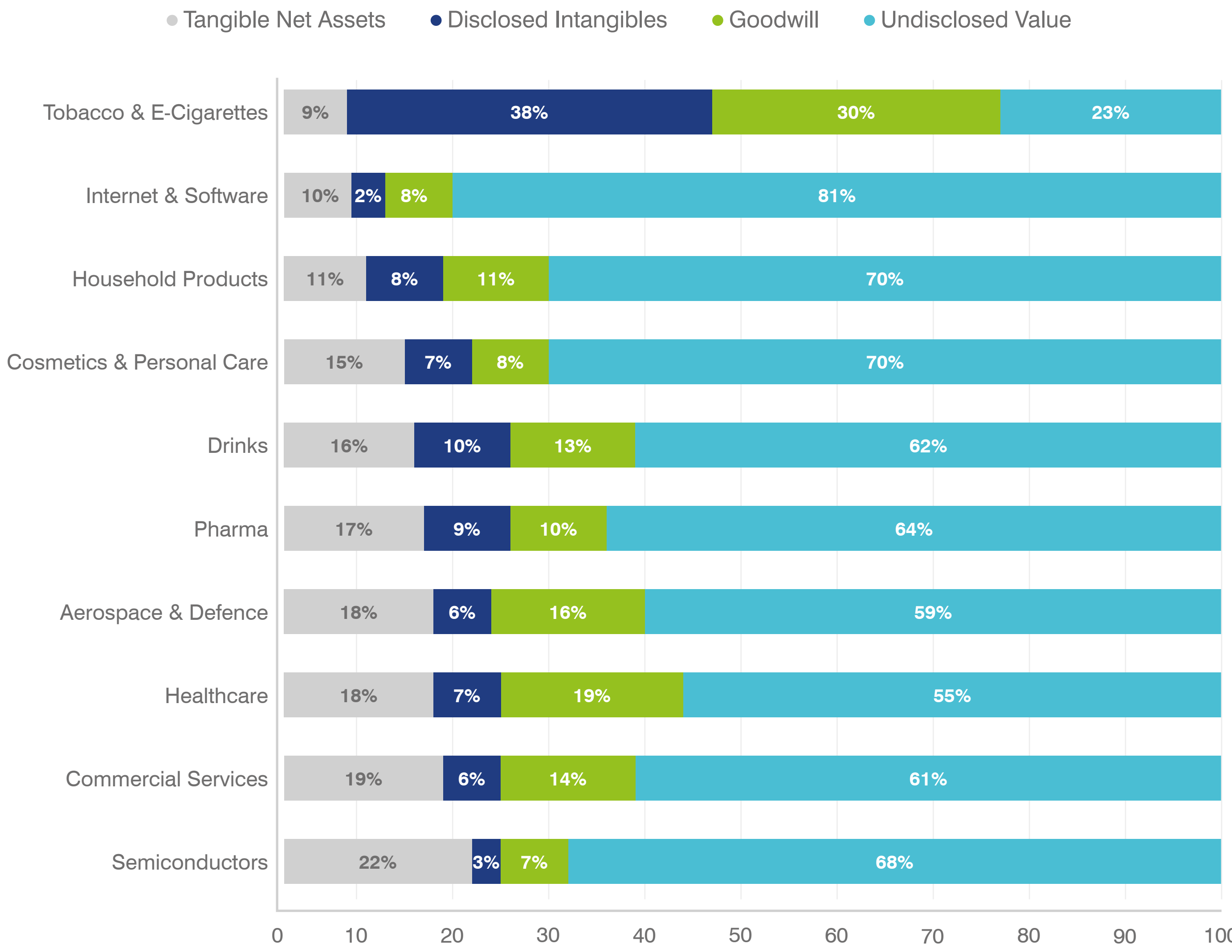


This year's most intangible sector in relative terms (91% of total enterprise value) is Tobacco & E-Cigarettes, as companies benefit from heavy investment in proprietary technology and patented intellectual property around vaping devices which is driving growth. In addition, three large corporations have accumulated significant disclosed intangibles and goodwill due to large acquisitions. These are **China National Tobacco Corporation**, **BAT**, and **Philip Morris**, the latter having enjoyed significant success with its expanding portfolio of 'smoke-free' products. While tobacco products are increasingly regulated in developed markets, e-cigarettes are at nascent stage and currently proving to generate high intangible value thanks in part due to lack of regulation of marketing these products. Unconstrained by stringent rules and regulation, e-cigarette manufacturers are free to continuously iterate on device design, flavours, and other product attributes to boost appeal and drive sales growth.

Intangible Share of Total Value by Sector (%)



Most Intangible Sectors 2023 (%)



Internet & Software remains at the top of the ranking in terms of the ratio of undisclosed intangibles to total value (81%) and is the second most intangible sector overall (90% of total enterprise value).

The industry is defined by software development, a critical intangible asset. Other highly intangible industries include those related to health and personal consumption goods; pharma, cosmetics and drinks.

Health and pharma are highly intangible due to the importance of innovation and research to develop new medicine which provides a future income stream.

This year saw a rise in the importance and value of intangible assets for various industries going through significant transformation such as commercial services, media and insurance. Commercial services firms are actively seeking to integrate innovative technology such as AI into their platforms and services.

The media industry is increasingly driven by social media megafirms such as **Meta**, which itself went through significant restructuring this past year, most driven by cost-cutting but also with the underlying motive of promoting the Metaverse to "build the future of human connection".

Insurance firms are transforming both their capacity and readiness to provide a financial safety net against the increasing volume and impact of climate-related and cyber-risks.

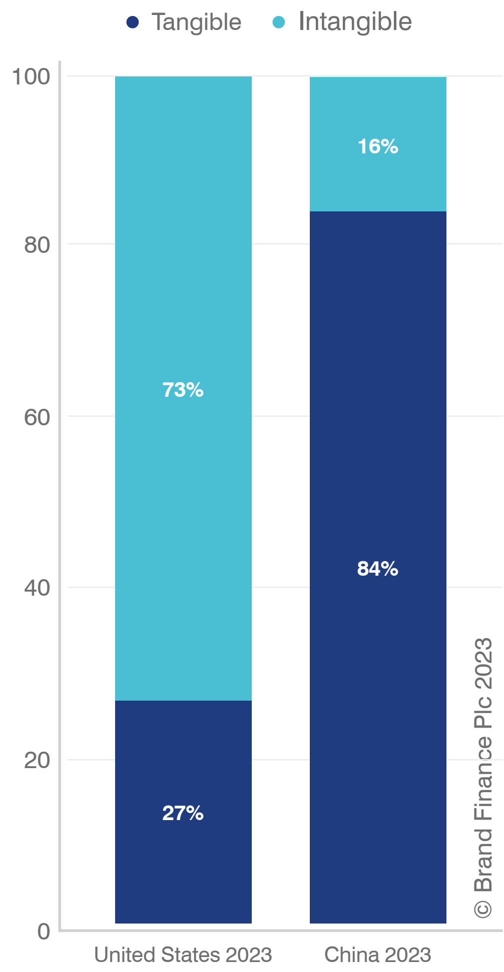
Country trends

Our data this year highlights that the US market remains highly intangible (73% intangible) relative to the global average (50%) whilst China remains highly tangible, with just 16% of assets estimated to be intangible.

73% of the USA's corporate value is attributable to intangibles including technology and brands. By comparison, China's intangible asset intensity is only 16% this year. The intangible intensity of the USA is undoubtedly driven by some of the biggest Tech, Internet, and Media giants it houses. **Apple**, the company with the highest intangible value globally, contributes to 8% of the USA's total intangible value.

The US has seen a USD836 billion increase in intangible asset value from 2022, highlighting partial recovery from its USD4.9 trillion drop last year, giving it the largest absolute increase as a country. Behind the USA, Japan has seen the second largest increase in total intangible value this year, USD587 billion. This increase can be attributed to the significant growth of the Tobacco & E-Cigarette and Semiconductor industries, which now rank as the primary and secondary contributors to Japan's intangible value percentage. Increased product innovations and a heightened emphasis on reducing health risks has propelled the shift towards e-cigarettes in Japan.

US vs China - Intangible Asset Intensity (%)



Largest Absolute Changes in IV (USD bn) - Top 5 & Bottom 5

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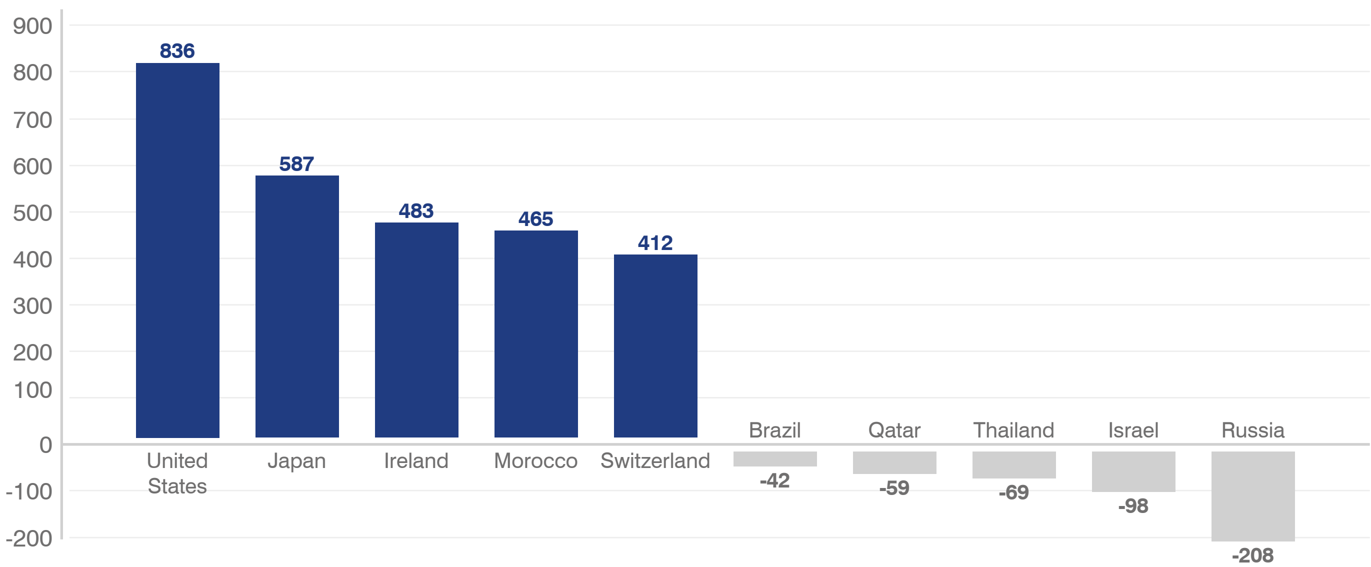
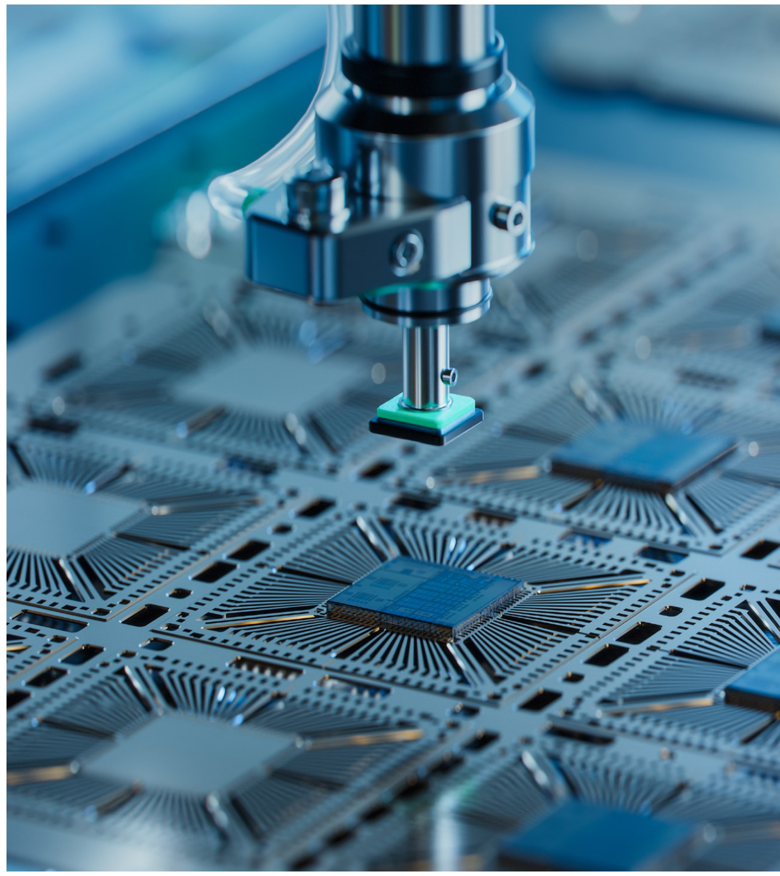


Intangible assets now represent 73% of Japan's semiconductor industry, up 58% from 2022. Investments in intellectual property, research and development, and complex design tools have boosted the sector's intangible value this year.

Companies responsible for this growth include Japanese telecoms giant **Sony Group**, and **Tokyo Electron**, Japan's biggest producer of semiconductor materials. The firms are investing in tangible assets too. In light of increased demand in the semiconductor industry, the latter has invested approximately USD167 million to construct a new production facility in north Japan, while continuing to invest heavily in innovative and groundbreaking new technologies.

In the ranking of markets with the highest percentage of intangible value relative to total enterprise value, Switzerland has also made a substantial leap from 11th to 5th place. This increase is underpinned by a 15% increase in undisclosed intangible value. Swiss commercial services brands have experienced notable growth, with a 21% increase in intangible value percentage, while the drinks sector has seen a 24% rise in its intangible value percentage.



Intangible Asset Value Intensity - Top 3 Most Intangible Markets

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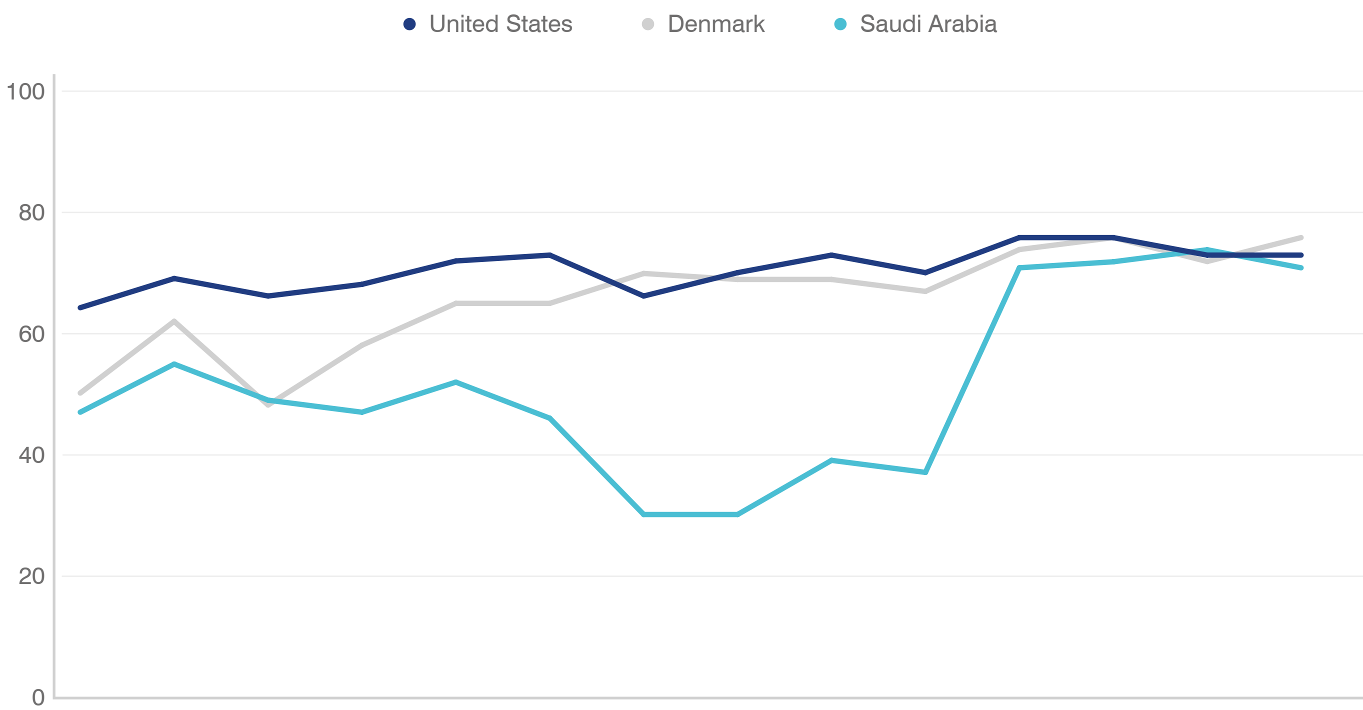


Notable movements in the commercial services domain include **Adecco Group's** acquisition of 59% of **Akka** in February 2022, and **SGS's** acquisition of the remaining 40% of **Maine Pointe** in September 2023.

Ireland has risen from 4th rank this year to become the most intangible market globally, with the Irish market seeing an 8% rise in total intangible value.

This increase can be attributed to an increase in intangibility in the healthcare, retail, and food retail sectors.

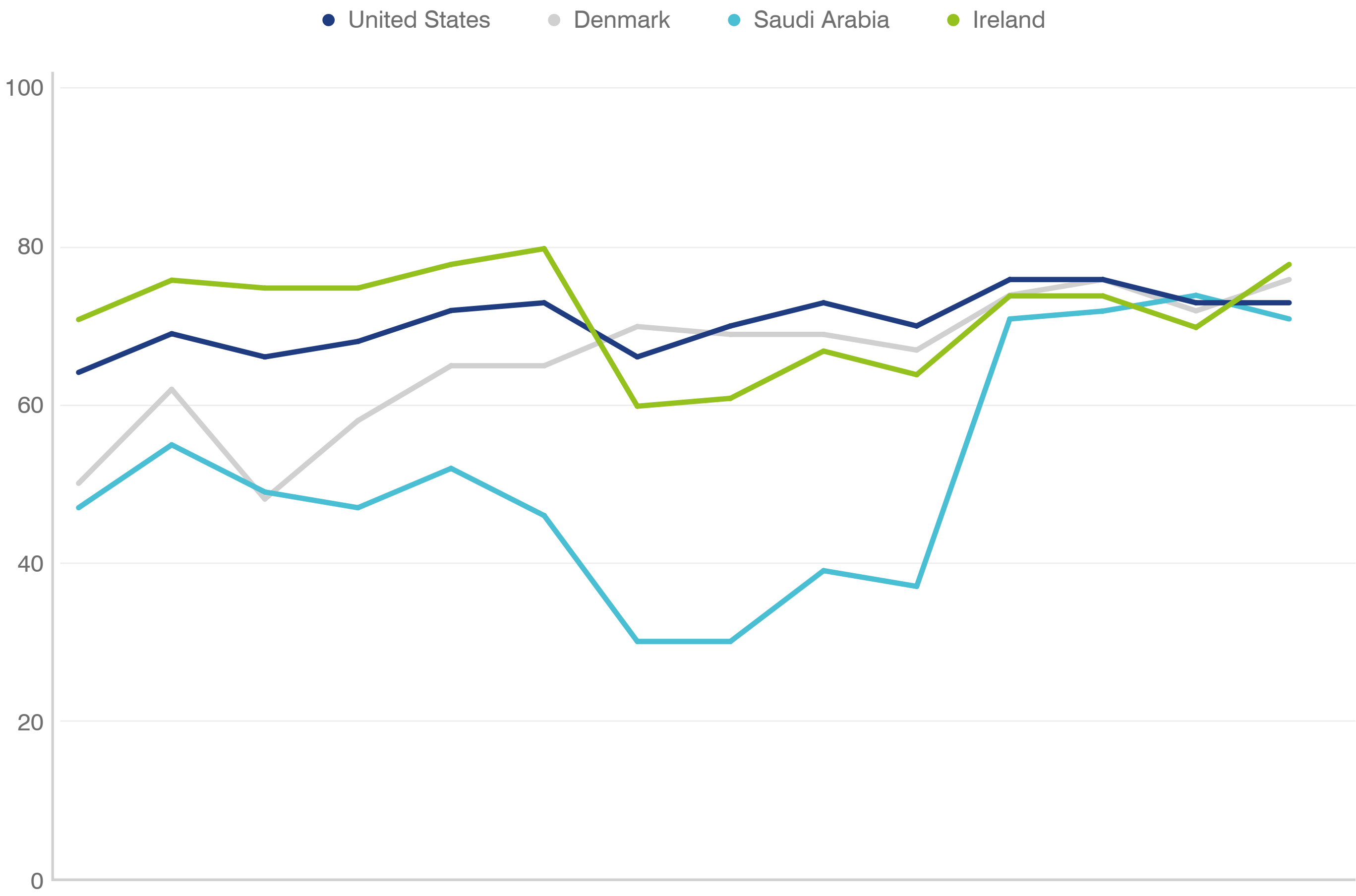
A notable example is **PDD Holdings**, parent company of China's major e-commerce site Pinduoduo, which has moved its HQ to Ireland, a favoured destination for international tech companies due to its low corporate tax and access to the common European market, in support of the company's international expansion efforts. The company has also moved up a significant 178 places to 84th in this year's top 100, having seen a 152% rise in its total intangible value.

The giant's e-commerce platform, Temu, has expanded its marketing efforts in a bid to enhance brand awareness in the US, aiming to rival popular fast-fashion giant Shein. The Temu app has also garnered over 50 million installations since September 2022.

In the ranking of markets by percentage of intangible value relative to total enterprise value, the USA dipped from second to third place this year, while Saudi Arabia moved down from first to fourth. These shifts can be explained by changes at the company level.

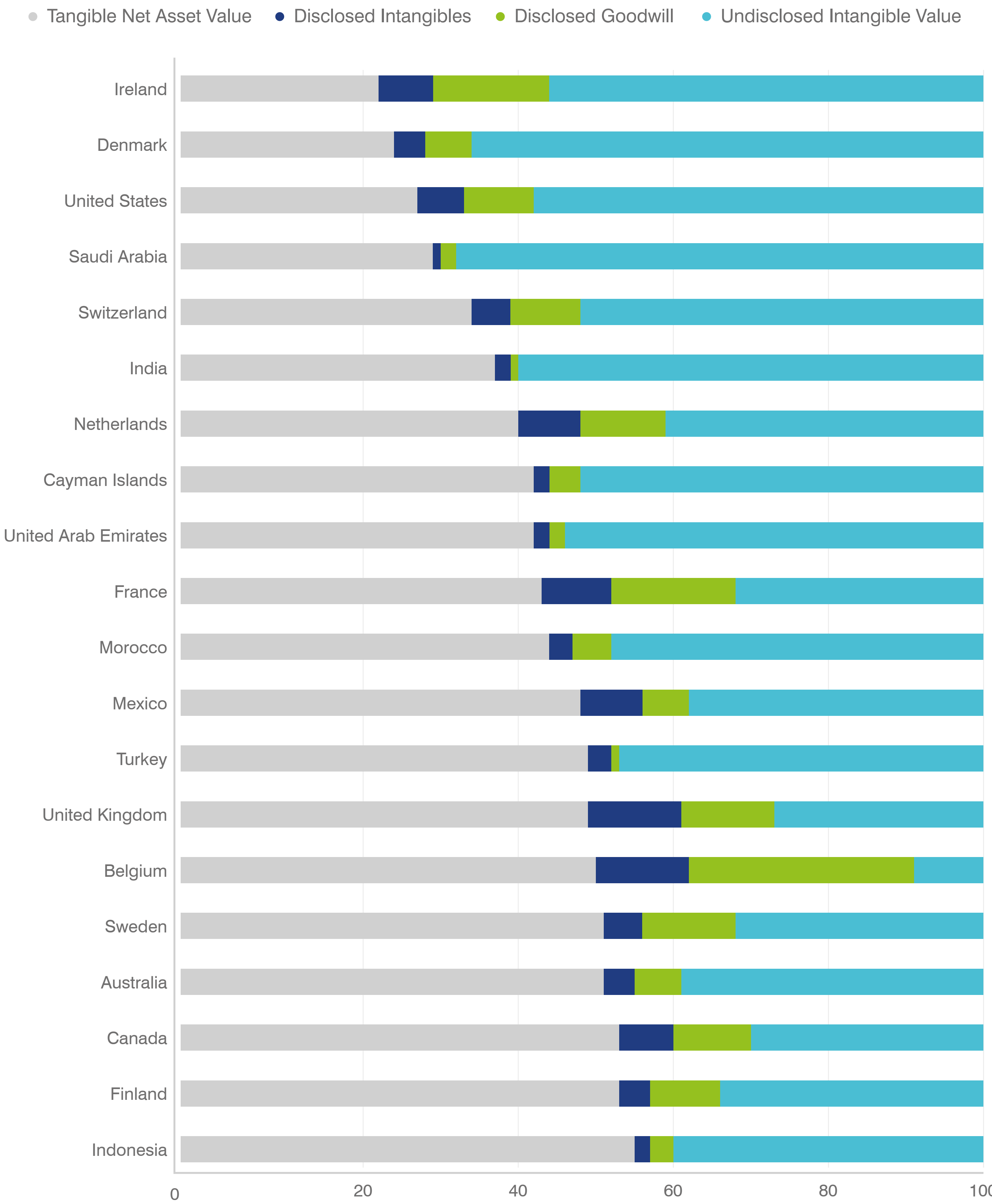
US giant **Microsoft** surpassed Saudi giant **Aramco** in terms of intangible asset gains. Microsoft's two big acquisitions contributed to the 46% increase in its intangible value, compared to Aramco's slight 4% increase.

Intangible Asset Value Intensity - Top 4 Most Intangible Markets



Ranking Analysis.

Top 20 Most Intangible Markets - Value Composition 2023



Ranking Analysis.

Stock Exchanges

This year, Brand Finance has analysed results according to stock exchange in its assessment of global intangible value for the first time.

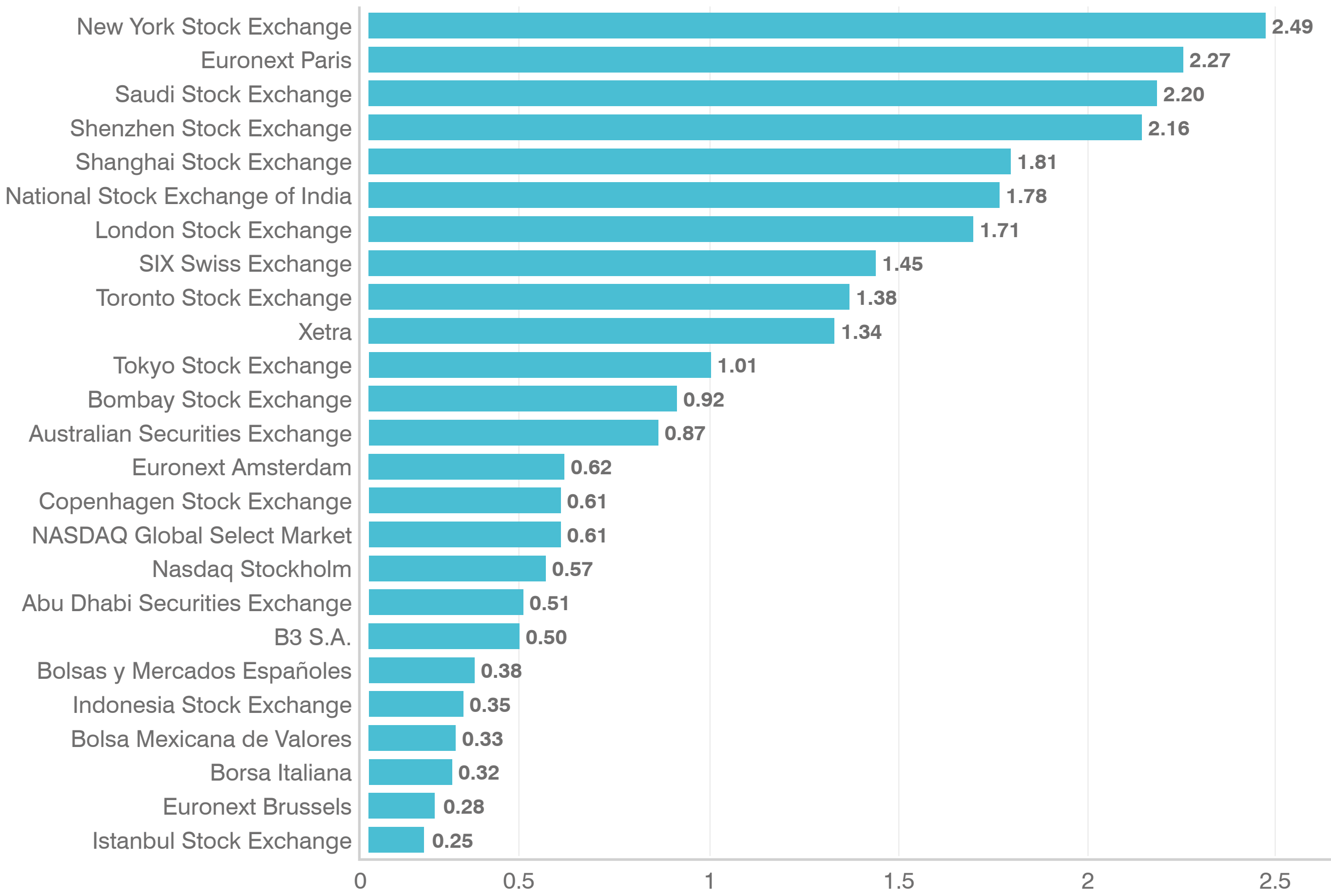
The **New York Stock Exchange** (NYSE) ranks as the world's largest stock exchange by intangible value, valued at USD2.5 trillion. As one of the world's most globally recognised and respected stock exchanges, the NYSE continues to attract major corporations and investors, and lists some of the world's most valuable companies. Its cultural significance within the US market further amplifies its overall intangible value, embodying the iconic symbol of Wall Street.

However, **OTCQB Venture Market** holds the top position as the most intangible stock exchange overall in relative terms. OTCQB operated by OTC Markets Group Inc., a financial marketplace operator based in New York City, is an over the counter (OTC) securities exchange platform that primarily hosts early-stage companies which are not listed on major stock exchanges.

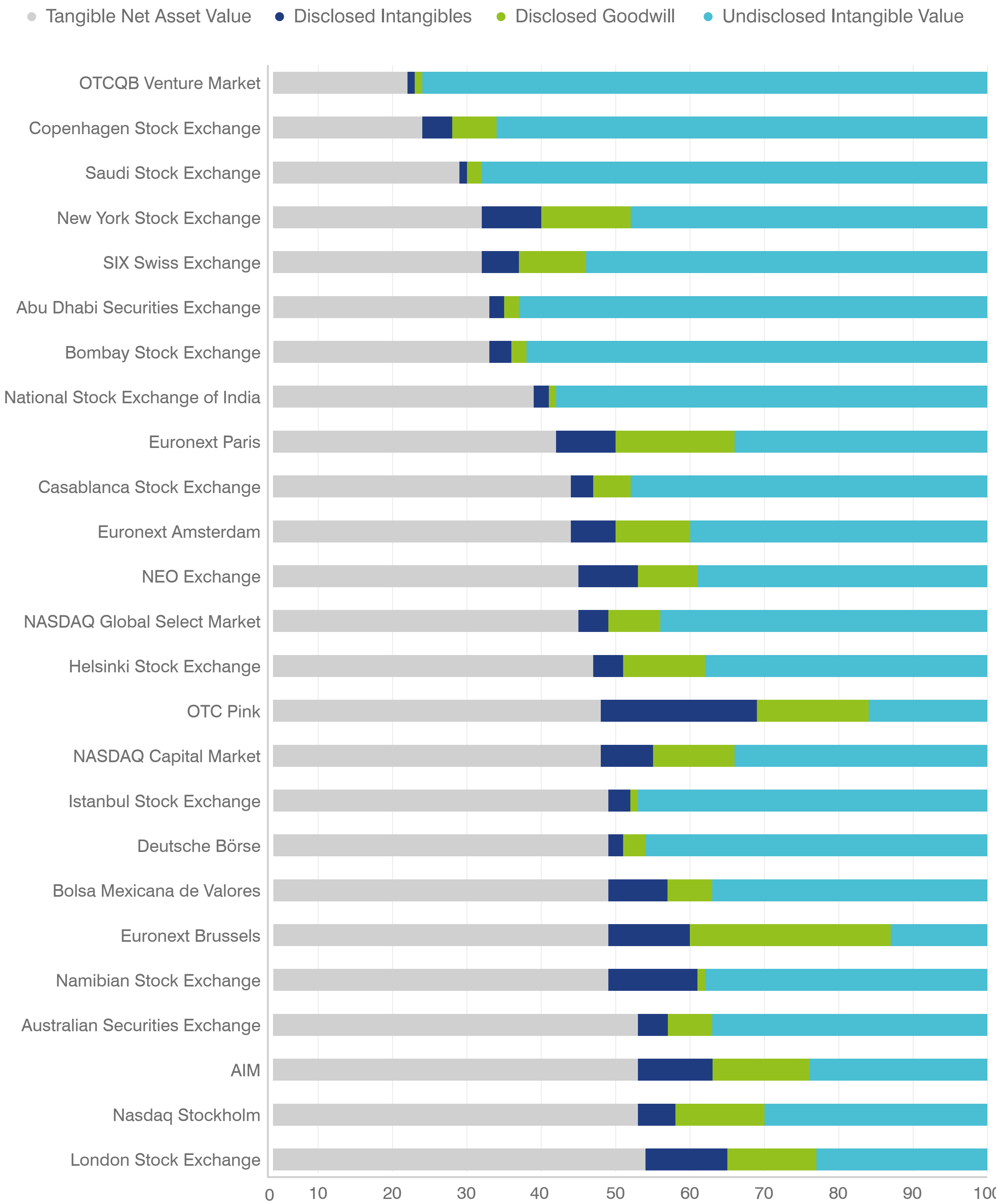
The highly intangible nature of securities platforms (the fact that they are primarily digital, data-driven, and network-dependent) explains OTCQB's high 78% intangibility percentage. **Copenhagen SX** (76%), **Saudi SX** (71%), **NYSE** (68%), and **SIX Swiss Exchange** (68%), ranking second, third, fourth and fifth respectively.

The **London Stock Exchange** (LSE) also ranks in the top 25 most intangible stock exchanges this year. Looking ahead, the UK is well poised to create a more welcoming landscape for tech and innovation companies, bringing with it heightened investor appetite.

Total Intangible Value 2023 (USD trn)



Most Intangible Stock Exchanges - 2023



Ranking Analysis.

Ranking (Top 100 most intangible)

In this year's ranking, **Apple** maintains its lead as the company with the highest intangible value, increasing by USD384 billion since 2022. Having topped the ranking in 2021, **Microsoft** has rebound from behind Aramco to take second place.

American tech giant **Alphabet**, the owner of **Google**, **YouTube**, and other brands, has surpassed **Amazon** to take fifth position, while **Tesla** remains in sixth place. A significant standout is **Meta**, which has increased its position by 61 ranks to seventh place, following restructuring and the reassignment of the company from Facebook to Meta.

Top 10 Intangible Companies 2023

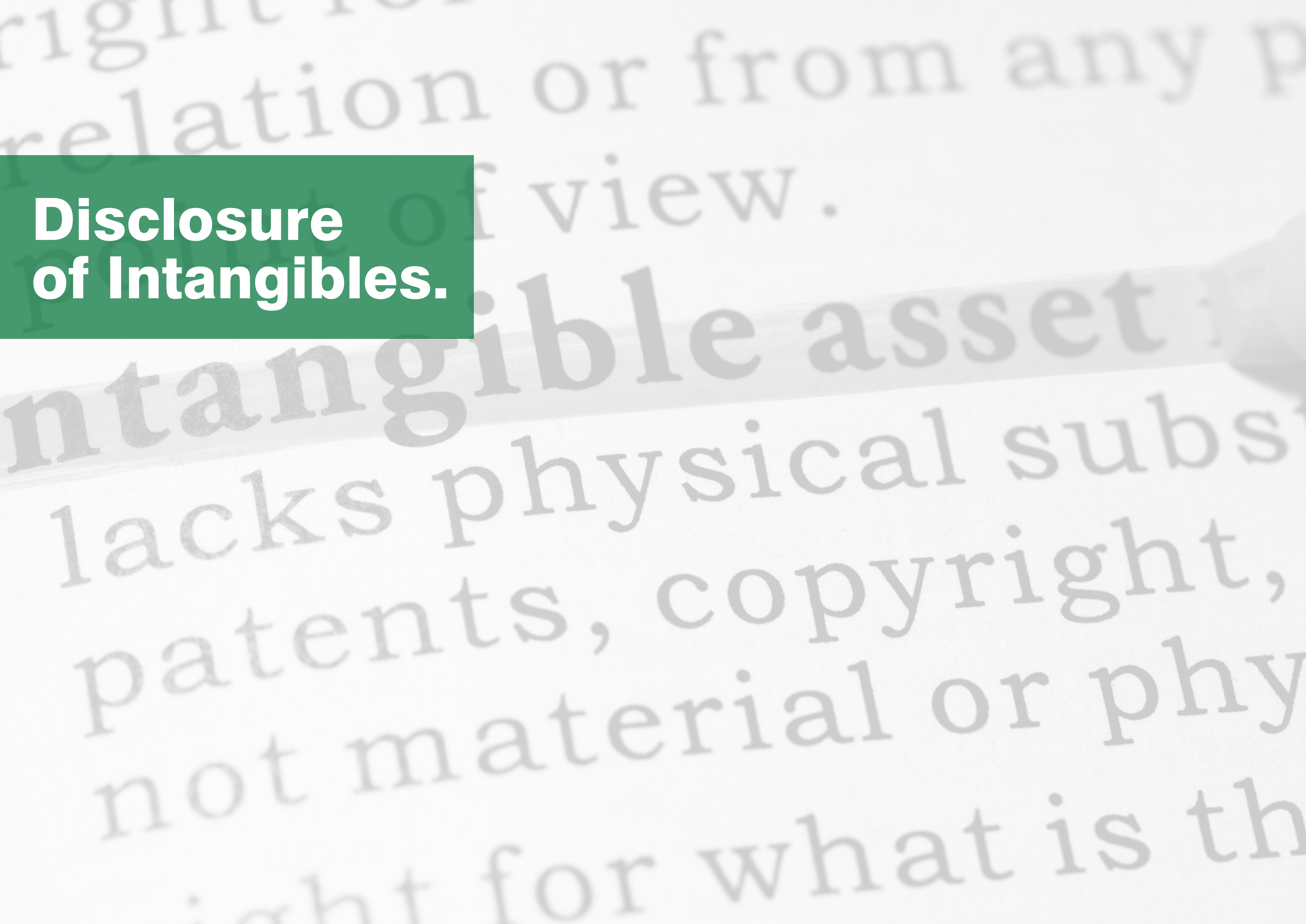
#1 Apple	$2,681.1 bn +16.7%	#2 Microsoft	$2,320.3 bn +46.3%
#3 Saudi Aramco	$1,849.6 bn +3.5%	#4 Alphabet	$1,436.6 bn +67.6%
#5 Amazon	$1,216.3 bn +39.9%	#6 Tesla	$776.2 bn +14.9%
#7 Meta Platforms	$707.2 bn +435.4%	#8 Eli Lilly	$521.6 bn +54.5%
#9 UnitedHealth Group	$515.6 bn -2.0%	#10 VISA	$492.8 bn +9.2%

Intangible Value Ranking.

Rank 2023	Rank 2022		Name	Country	Industry	Total Intangible Value 2023 (USD bn)	Total Intangible Value/ Enterprise Value (USD bn)	Total Intangible Value 2022 (USD bn)	Year on Year Change	Tangible Net Asset Value 2023 (USD bn)	Net Disclosed Intangibles 2023 (USD bn)	Disclosed Goodwill 2023 (USD bn)	Undisclosed Intangible Value 2023 (USD bn)	Enterprise Value 2023 (USD bn)
1	1	←	Apple	United States	Technology & IT	2,681	96%	2,297	+16.7%	108	-	-	2,681	2,789
2	3	↑	Microsoft	United States	Internet & Software	2,320	95%	1,586	+46.3%	120	11	68	2,242	2,440
3	2	↓	Saudi Aramco	Saudi Arabia	Oil & Gas	1,850	84%	1,786	+3.5%	358	16	27	1,807	2,208
4	5	↑	Alphabet	United States	Media	1,437	82%	857	+67.6%	314	2	29	1,406	1,751
5	4	↓	Amazon	United States	Retail & Food Retail	1,216	84%	870	+39.9%	230	6	20	1,190	1,446
6	6	←	Tesla	United States	Automobiles	776	93%	676	+14.9%	61	0	0	776	837
7	68	↑	Meta Platforms	United States	Media	707	85%	132	+435.4%	121	1	20	686	828
8	12	↑	Eli Lilly	United States	Pharma	522	97%	338	+54.5%	15	7	4	510	536
9	7	↓	UnitedHealth Group	United States	Healthcare	516	99%	526	-2.0%	4	14	93	408	519
10	9	↓	VISA	United States	Commercial Services	493	102%	451	+9.2%	(8)	27	18	448	485
11	29	↑	Novo Nordisk	Denmark	Pharma	407	99%	238	+71.2%	6	7	1	400	413
12	8	↓	Johnson & Johnson	United States	Pharma	398	100%	458	-13.1%	2	48	45	305	400
13	28	↑	Berkshire Hathaway	United States	Banking	396	41%	246	+61.2%	566	30	78	288	962
14	14	←	LVMH	France	Apparel, watches & jewellery	383	91%	328	+16.8%	37	27	26	329	420
15	15	←	Mastercard	United States	Commercial Services	382	99%	324	+17.9%	4	4	8	371	386
16	32	↑	Broadcom	United States	Semiconductors	382	100%	223	+71.4%	(1)	7	44	332	382
17	13	↓	Walmart	United States	Retail & Food Retail	375	78%	338	+11.0%	108	5	29	341	483
18	11	↓	Procter & Gamble	United States	Household Products	359	97%	339	+6.0%	11	24	40	295	370
19	10	↓	Abbvie	United States	Pharma	345	109%	353	-2.1%	(30)	67	32	246	315
20	18	↓	Nestle	Switzerland	Food	315	86%	299	+5.3%	51	22	34	259	366
21	46	↑	Tencent	China	Media	292	76%	178	+63.7%	91	9	17	266	383
22	25	↑	Merck & Co	United States	Pharma	258	88%	259	-0.1%	35	20	21	217	293
23	35	↑	Kweichow Moutai	China	Drinks	257	84%	217	+18.5%	48	1	-	256	305
24	38	↑	Comcast	United States	Media	250	89%	203	+22.7%	30	89	58	103	280
25	19	↓	Exxon Mobil	United States	Oil & Gas	245	53%	292	-16.1%	215	-	-	245	460
26	22	↓	Coca-Cola	United States	Drinks	243	93%	270	-9.8%	20	15	19	210	263
27	21	↓	PepsiCo	United States	Drinks	243	93%	270	-10.0%	18	16	18	209	261
28	60	↑	Adobe	United States	Internet & Software	239	99%	145	+64.5%	3	1	13	225	243
29	45	↑	ASML	Netherlands	Semiconductors	235	98%	188	+24.6%	4	1	5	229	239
30	24	↓	Verizon	United States	Telecoms	232	74%	263	-11.7%	80	161	29	42	312
31	37	↑	Astrazeneca	United Kingdom	Pharma	231	99%	208	+11.2%	2	39	20	172	233
32	-	New	IHC	United Arab Emirates	Engineering & Construction	223	89%	-	-	29	2	1	220	252
33	39	↑	Costco	United States	Retail & Food Retail	223	90%	202	+10.2%	26	-	1	222	249
34	20	↓	Roche	Switzerland	Pharma	217	87%	273	-20.6%	33	10	12	195	250
35	54	↑	L'Oreal	France	Cosmetics & Personal Care	213	92%	158	+34.8%	18	4	13	197	231
36	51	↑	JP Morgan Chase & Co	United States	Banking	211	39%	168	+25.9%	326	1	52	158	537
37	30	↓	T-Mobile	United States	Telecoms	209	75%	230	-8.9%	68	99	12	98	277
38	31	↓	Thermo Fisher	United States	Pharma	209	93%	224	-6.8%	16	17	41	150	225
39	26	↓	AT&T	United States	Telecoms	207	73%	257	-19.6%	75	129	68	9	282
40	41	↑	Deutsche Telekom	Germany	Telecoms	204	69%	198	+3.0%	93	126	22	56	297
41	47	↑	Cisco	United States	Technology & IT	203	93%	178	+13.6%	16	3	38	162	218
42	44	↑	Novartis	Switzerland	Pharma	201	91%	191	+5.4%	20	27	29	144	221
43	57	↑	Salesforce	United States	Internet & Software	200	99%	151	+32.1%	3	9	48	143	203
44	43	↓	AB InBev	Belgium	Drinks	186	98%	191	-2.2%	3	40	113	33	190
45	23	↓	Pfizer	United States	Pharma	186	89%	267	-30.1%	22	43	51	92	208
46	61	↑	Linde	United Kingdom	Chemicals	183	91%	144	+27.0%	17	12	26	145	200
47	52	↑	Accenture	Ireland	Internet & Software	183	93%	167	+9.5%	14	-	13	170	197
48	75	↑	Hermes	France	Apparel, watches & jewellery	176	89%	125	+40.4%	21	0	0	176	197
49	48	↓	IBM	United States	Internet & Software	175	101%	174	+0.3%	(1)	11	56	108	174
50	36	↓	Danaher	United States	Pharma	173	100%	208	-16.9%	1	20	40	113	174

Rank 2023	Rank 2022		Name	Country	Industry	Total Intangible Value 2023 (USD bn)	Total Intangible Value/ Enterprise Value (USD bn)	Total Intangible Value 2022 (USD bn)	Year on Year Change	Tangible Net Asset Value 2023 (USD bn)	Net Disclosed Intangibles 2023 (USD bn)	Disclosed Goodwill 2023 (USD bn)	Undisclosed Intangible Value 2023 (USD bn)	Enterprise Value 2023 (USD bn)
51	50	↓	Amgen	United States	Pharma	173	100%	169	+2.4%	(1)	16	16	141	172
52	1585	↑	AMD	United States	Semiconductors	167	95%	6	+2757.4%	10	24	24	118	176
53	49	↓	Abbott Labs	United States	Healthcare	166	93%	173	-4.3%	12	10	23	133	178
54	58	↑	Christian Dior	France	Apparel, watches & jewellery	166	81%	151	+9.3%	38	26	25	114	203
55	77	↑	Netflix	United States	Media	158	91%	122	+29.7%	16	13	-	145	175
56	59	↑	Charter Communications	United States	Media	158	94%	151	+4.4%	10	71	30	57	168
57	33	↓	Chevron	United States	Oil & Gas	156	48%	222	-29.5%	167	-	5	152	324
58	40	↓	Disney	United States	Media	153	75%	200	-23.3%	51	15	78	61	205
59	85	↑	SAP	Germany	Internet & Software	146	95%	113	+29.0%	7	4	35	107	153
60	62	↑	Unilever	United Kingdom	Cosmetics & Personal Care	144	96%	140	+3.4%	6	20	23	101	150
61	42	↓	Bristol Myers Squibb	United States	Pharma	144	97%	192	-25.2%	5	36	21	87	148
62	72	↑	TCS	India	Internet & Software	142	89%	128	+11.7%	17	0	0	142	160
63	56	↓	BAT	United Kingdom	Tobacco & E-Cigarettes	135	116%	155	-12.8%	(19)	98	58	(21)	117
64	90	↑	S&P Global	United States	Banking	134	101%	106	+26.8%	(1)	18	35	81	133
65	64	↓	Texas Instruments	United States	Semiconductors	133	92%	138	-3.5%	12	0	4	129	145
66	89	↑	Caterpillar	United States	Engineering & Construction	130	76%	106	+22.0%	41	1	5	124	170
67	63	↓	Honeywell	United States	Engineering & Construction	128	93%	139	-8.3%	10	3	17	107	138
68	87	↑	Sanofi	France	Pharma	126	84%	110	+15.0%	24	16	53	57	151
69	53	↓	Raytheon Technology	United States	Aerospace & Defence	125	89%	160	-22.3%	15	37	54	34	140
70	55	↓	CVS Health	United States	Healthcare	124	79%	157	-21.2%	34	25	78	21	158
71	65	↓	UPS	United States	Logistics	120	80%	137	-12.5%	30	3	4	113	150
72	67	↓	Cigna	United States	Healthcare	120	109%	132	-9.3%	(10)	32	46	41	110
73	70	↓	Qualcomm	United States	Semiconductors	120	91%	131	-8.3%	12	2	11	107	132
74	170	↑	General Electric Company	United States	Engineering & Construction	118	95%	60	+95.3%	6	8	26	84	124
75	71	↓	Lockheed Martin	United States	Aerospace & Defence	114	93%	130	-11.8%	9	3	11	100	123
76	88	↑	Union Pacific	United States	Logistics	114	72%	107	+7.0%	46	1	-	114	160
77	101	↑	Siemens	Germany	Engineering & Construction	112	69%	90	+24.2%	50	12	33	67	162
78	79	↓	Gilead Sciences	United States	Pharma	111	99%	120	-8.0%	1	29	8	73	111
79	138	↑	Booking Holdings	United States	Leisure, Tourism & Gambling	110	101%	69	+58.8%	(1)	2	3	106	109
80	139	↑	Applied Materials	United States	Semiconductors	110	93%	69	+59.9%	9	0	4	106	118
81	115	↑	ServiceNow	United States	Internet & Software	108	94%	80	+34.3%	7	0	1	106	114
82	110	↑	Stryker	United States	Healthcare	107	92%	86	+24.6%	9	5	15	88	116
83	125	↑	HDFC Bank	India	Banking	106	70%	73	+45.4%	47	-	0	106	153
84	262	↑	PDD Holdings	Ireland	Retail & Food Retail	106	73%	42	+151.8%	39	0	-	106	146
85	81	↓	Elevance Health	United States	Healthcare	106	86%	118	-10.2%	18	10	24	71	123
86	76	↓	Medtronic	Ireland	Healthcare	105	88%	125	-16.0%	14	16	41	49	119
87	69	↓	Reliance Industries Limited	India	Oil & Gas	104	51%	131	-20.5%	102	29	2	74	206
88	104	↑	Marsh & McLennan Companies	United States	Insurance	103	104%	89	+16.7%	(4)	3	16	85	100
89	102	↑	Airbus SE	Netherlands	Aerospace & Defence	103	98%	90	+14.7%	2	2	14	87	105
90	96	↑	ADP	United States	Commercial Services	103	99%	99	+4.1%	1	1	2	99	104
91	74	↓	American Tower	United States	Real Estate	102	81%	126	-18.6%	23	34	-	68	126
92	120	↑	BHP	Australia	Mining, Iron & Steel	100	63%	75	+33.1%	59	0	1	99	159
93	113	↑	Schneider Electric	France	Engineering & Construction	98	91%	81	+21.5%	10	5	27	66	108
94	184	↑	Uber	United States	Logistics	98	99%	55	+77.4%	1	2	8	88	99
95	92	↓	John Deere	United States	Engineering & Construction	98	57%	103	-5.7%	73	2	4	92	171
96	82	↓	ConocoPhillips	United States	Oil & Gas	96	63%	117	-18.0%	58	-	-	96	154
97	118	↑	TJX	United States	Retail & Food Retail	96	87%	78	+23.3%	14	0	0	95	109
98	200	↑	Inditex	Spain	Apparel, watches & jewellery	95	81%	52	+83.5%	22	1	0	94	117
99	372	↑	Alibaba Group	China	Retail & Food Retail	94	43%	31	+205.9%	127	9	43	43	222
100	98	↓	BlackRock	United States	Banking	92	82%	95	-3.5%	20	18	15	58	112

Disclosure of Intangibles.



Intangible Asset Reporting: Developments.

Annie Brown
General Manager
UK Consulting

Regular readers of the GIFT™ report will be familiar with Brand Finance's position on intangible asset reporting. We are not alone in promoting the importance of intangible asset value. We are proud to partner with various organisations including the IPA, the IVSC and WIPO to promote better monitoring and understanding of intangible assets.

For example, intangible asset intensity of nations- as measured by the Brand Finance GIFT™ study is included as a indicator of innovation productivity within the UN-backed WIPO Global Innovation Index.

Previous GIFT™ reports and consultation by Brand Finance have covered the challenge of such low disclosure in intangible assets, and the challenge it creates for efficient fund allocation and growth support. The majority of intangible assets are not on balance sheets, due to the historic limitations set by the accounting standards boards which state that internally generated intangible assets such as brands cannot be disclosed in a company balance sheet.

However, over the past year, the IASB (International Accounting Standards Board) has added Intangible Assets to its official agenda, stating that "this project will aim comprehensively to review the accounting requirements for intangible assets. Initial research will seek to identify the scope of the project and how best to stage work on this topic to deliver timely improvements to IFRS Accounting Standards."

In addition, the Intellectual Property Office of Singapore released an Intangibles Disclosure Framework earlier this year, the first of its kind, demonstrating the commitment of Singapore to the intangible asset agenda.

Other intellectual property offices, including the World Intellectual Property Office and the UK IPO are placing greater emphasis on finding ways to unlock intangible asset finance so that companies can both invest in new intellectual property and leverage their IP to secure financing through IP-backed loans.

We are delighted to see movement in this area, recognising the importance of intangibles in the modern economy. We often talk about intangible asset reporting being critical for investor information, but ultimately, the benefit is to the company.

Demonstrating the value of your intangibles is a key way to secure funding and fuel growth, manage risk, and identify the critical success factors for value generation at your firm.

We believe management should consider the following actions, to prepare for future evolutions in intangible asset reporting requirements, and to leverage the benefits of intangible asset management:

1. Identify the key intangibles of the entire business – both internally generated and acquired.

2. Seek expert advice on the value of those intangibles, and consider sharing it in the notes to your financial statements.

3. Monitor the various intangible assets and the factors impacting their value.

One of the key challenges in measuring intangibles is that there are synergies between the different intangible assets, and between investing in different intangibles. For instance, investing in an advertising campaign to promote a new software platform to better engage with customers will have synergistic benefits to brand, technology and customer intangible value.

Therefore, it is important to consider the wider business value and then employ analytical tools to unpick the value generation from specific drivers.

This process is highly valuable from a management perspective, as it informs analysts as to how much different intangible assets are worth, indicating if the brand is over or underinvesting in various key areas of the business. The relative role and strength of a brand's different intangibles, and the remaining value of synergies between those different intangibles would also be determined. We encourage leadership to monitor the value of their intangibles periodically and where feasible and taking into consideration corporate governance rules, disclose this value to investors.

Our Services.

Consulting Services.

Make branding decisions using hard data

Brand Research
What gets measured

Brand evaluations are essential for understanding the strength of your brand against your competitors. Brand Strength is a key indicator of future brand value growth whether identifying the drivers of value or avoiding the areas of weakness, measuring your brand is the only way to manage it effectively.

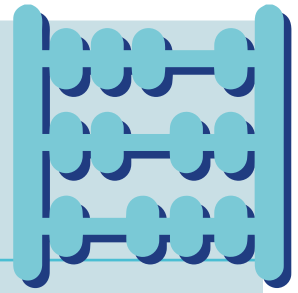
+ Brand Audits
+ Primary Research
+ Syndicated Studies
+ Brand Scorecards
+ Brand Drivers & Conjoint Analysis
+ Soft Power

+ Are we building our brands' strength effectively?
+ How do I track and develop my brand equity?
+ How strong are my competitors' brands?
+ Are there any holes in my existing brand tracker?
+ What do different stakeholders think of my brand?

Brand Valuation
Make your brand's business case

Brand valuations are used for a variety of purposes, including tax, finance, and marketing. Being the interpreter between the language of marketers and finance teams they provide structure for both to work together to maximise returns.

+ Brand Impact Analysis
+ Tax & Transfer Pricing
+ Litigation Support
+ M&A Due Diligence
+ Fair Value Exercises
+ Investor Reporting

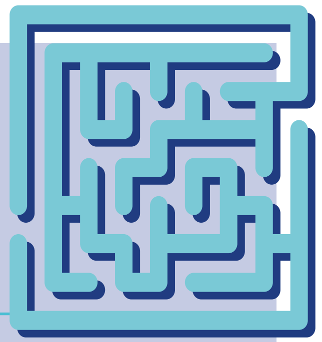


+ How much is my brand worth?
+ How much should I invest in marketing?
+ How much damage does brand misuse cause?
+ Am I tax compliant with the latest transfer pricing?
+ How do I unlock value in a brand acquisition?

Brand Strategy
Make branding decisions with your eyes wide open

Once you understand the value of your brand, you can use it as tool to understand the business impacts of strategic branding decisions in terms of real financial returns.

+ Brand Positioning
+ Brand Architecture
+ Franchising & Licensing
+ Brand Transition
+ Marketing Mix Modelling
+ Sponsorship Strategy



+ Which brand positioning do customers value most?
+ What are our best brand extension opportunities in other categories and markets?
+ Am I licensing my brand effectively?
+ Have I fully optimised my brand portfolio?
+ Am I carrying dead weight?
+ Should I transfer my brand immediately?
+ Is a Masterbrand strategy the right choice for my business?

Brand Evaluation Services.

How are brands perceived in my category?

Brand Finance tracks brand fame and perceptions across over 38 markets in 31 consumer categories. Clear, insightful signals of brand performance, with data mining options for those who want to dig deeper – all at an accessible price.

What if I need more depth or coverage of a more specialised sector?

Our bespoke brand scorecards help with market planning and can be designed to track multiple brands over time, against competitors, between market segments and against budgets. Our 30-country database of brand KPIs enables us to benchmark performance appropriately.

Do I have the right brand architecture or strategy in place?

Research is conducted in addition to strategic analysis to provide a robust understanding of the current positioning. The effectiveness of alternative architectures is tested through drivers analysis, to determine which option(s) will stimulate the most favourable customer behaviour and financial results.

How can I improve return on marketing investment?

Using sophisticated analytics, we have a proven track record of developing comprehensive brand scorecard and brand investment frameworks to improve return on marketing investment.

What about the social dimension? Does my brand get talked about?

Social interactions have a proven commercial impact on brands. We measure actual brand conversation and advocacy, both real-world word of mouth and online buzz and sentiment, by combining traditional survey measures with best-in-class social listening.

Brand Dialogue®

With strategic planning and creative thinking, we develop communications plans to create dialogue with stakeholders that drives brand value.

Our approach is integrated, employing tailored solutions for our clients across PR and marketing activations, to deliver strategic campaigns, helping us to establish and sustain strong client relationships. We also have a specific focus on geographic branding, including supporting nation brands and brands with a geographical indication (GI).

Brand Dialogue Limited is a member of the Brand Finance Plc Group

Research, Strategy & Measurement

Brand & Communications Strategy

Campaign Planning

Market Research & Insights

Media Analysis

Public Relations & Communications

Media Relations

Press Trips & Events

Strategic Partnerships & Influencer Outreach

Social Media Management

Marketing & Events

Promotional Events

Conference Management

Native Advertising

Retail Marketing

Content Creation

Bespoke Publications, Blogs & Newsletters

Press Releases

Marketing Collateral Design

Social Media Content

Strategic Communications

Crisis Communications

Brand Positioning & Reputation

Geographic Branding

Corporate Social Responsibility (CSR)

Brand Finance Network.

For further information on our services and valuation experience, please contact your local representative:

Market	Contact	Email
Africa	Jeremy Sampson	j.sampson@brandfinance.com
Asia Pacific	Alex Haigh	a.haigh@brandfinance.com
Australia	Mark Crowe	m.crowe@brandfinance.com
Brazil	Eduardo Chaves	e.chaves@brandfinance.com
Canada	Laurence Newell	l.newell@brandfinance.com
China	Scott Chen	s.chen@brandfinance.com
East Africa	Walter Serem	w.serem@brandfinance.com
France	Bertrand Chovet	b.chovet@brandfinance.com
Germany/Austria/Switzerland	Ulf-Brun Drechsel	u.drechsel@brandfinance.com
India	Ajimon Francis	a.francis@brandfinance.com
Ireland	Declan Ahern	d.ahern@brandfinance.com
Italy	Massimo Pizzo	m.pizzo@brandfinance.com
Mexico	Laurence Newell	l.newell@brandfinance.com
Middle East	Andrew Campbell	a.campbell@brandfinance.com
Nigeria	Tunde Odumeru	t.odumeru@brandfinance.com
Poland	Konrad Jagodzinski	k.jagodzinski@brandfinance.com
Portugal	Pilar Alonso Ulloa	p.alonso@brandfinance.com
Romania	Mihai Bogdan	m.bogdan@brandfinance.com
South America	Pilar Alonso Ulloa	p.alonso@brandfinance.com
Spain	Pilar Alonso Ulloa	p.alonso@brandfinance.com
Sri Lanka	Aliakber Alihussain	a.hussain@brandfinance.com
Sweden	Anna Brolin	a.brolin@brandfinance.com
Turkey	Muhterem Ilgüner	m.ilguner@brandfinance.com
United Kingdom	Annie Brown	a.brown@brandfinance.com
USA	Laurence Newell	l.newell@brandfinance.com
Vietnam	Quyen Luong	q.luong@brandfinance.com

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Contact us.

The World's Leading Brand Valuation Consultancy
T: +44 (0)20 7389 9400
E: enquiries@brandfinance.com
www.brandfinance.com

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