

Sallmanns

Corporate Valuation and Consultancy

Sallmanns Group

Founded in 1988, Sallmanns is one of Asia's foremost independent asset valuers, covering both tangible and intangible assets. Our work extends from advising investment bankers on share pricing for future capital projects to total asset valuations of multinational diversified corporations on a going-concern or insolvency basis.

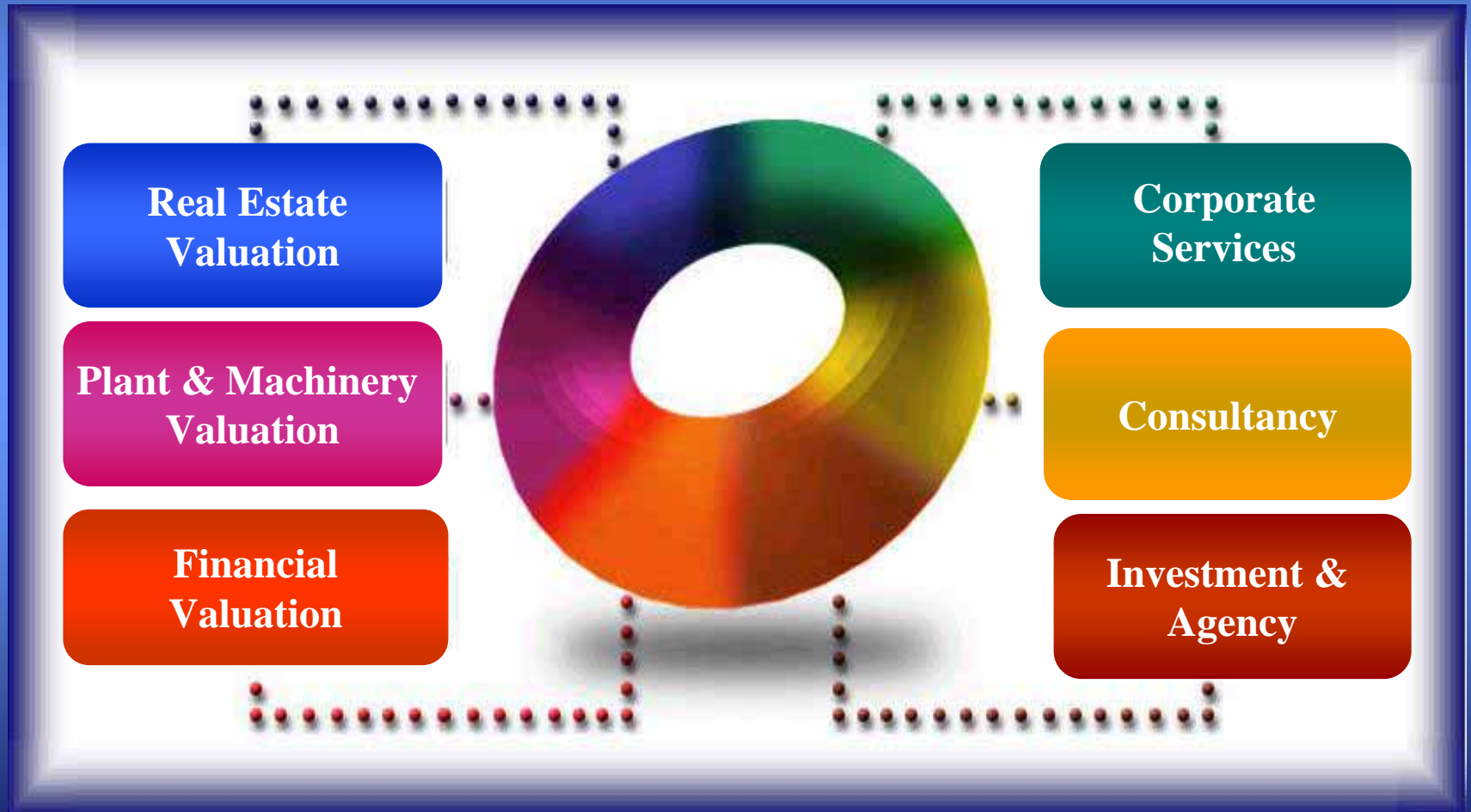


Our Offices

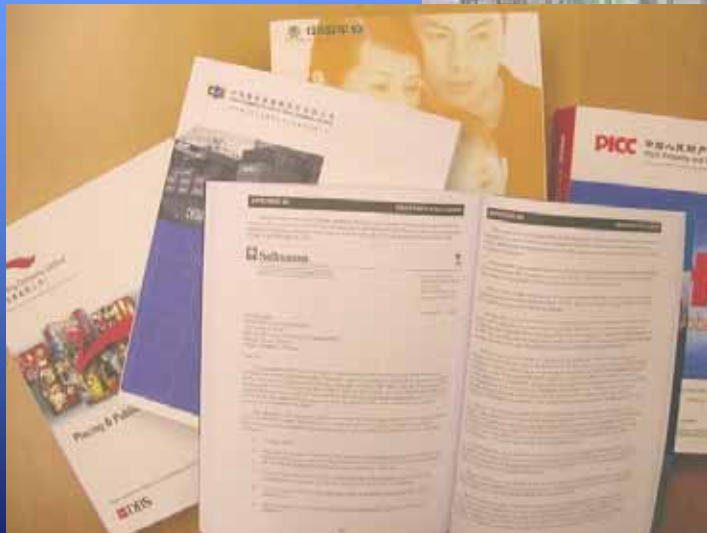


- Hong Kong
- Beijing
- Guangzhou
- Shanghai
- Shenzhen
- Bangkok
- Manila
- Kuala Lumpur
- Singapore
- Seoul
- Tokyo
- **Moscow**
- Vietnam

Our Services



REAL ESTATE VALUATION





Purposes of Real Estate Valuation



IPOs and Major Transaction Disclosures

- Chapter 5 of the Listing Rules
- Chapter 14 and 14A of the Listing Rules

CPA

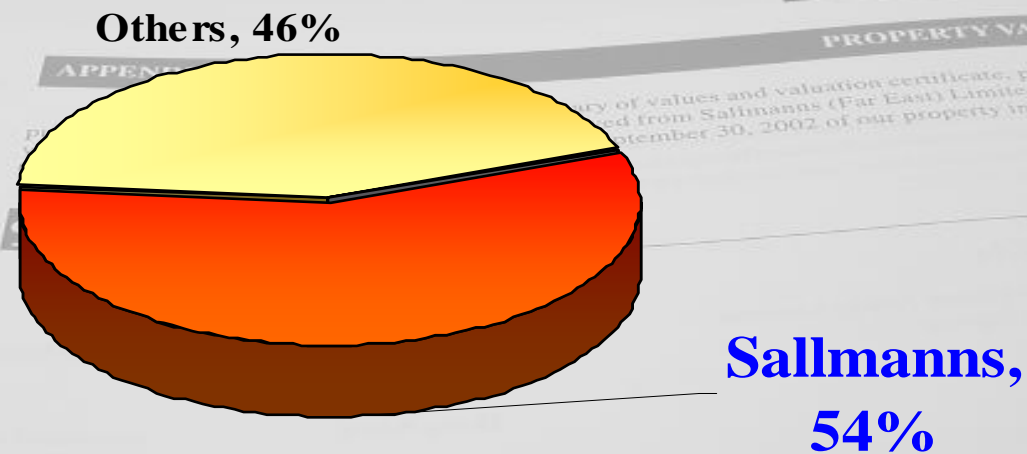
Hong Kong Institute of
Certified Public Accountants
香港會計師公會

Internal and Accounting References

- HKAS 16 - Property, Plant and Equipment

Real Estate Valuation for IPO

Market share of valuation for companies listed in Hong Kong in 2006
(in terms of fund raised by listing candidates)



The Directors
China Oilfield Services Limited
3-1516 Hebei Road
Haiyang New and Hi-Tech Development Zone
Tanggu, Tianjin 300451
People's Republic of China

Selective List of Representative IPO Clients Served



中国工商银行

INDUSTRIAL AND COMMERCIAL BANK OF CHINA



中国海洋石油总公司
CHINA NATIONAL OFFSHORE OIL CORP.



中国平安
PING AN OF CHINA

专业·价值



蒙牛

MENGNIU



CHINA LIFE INSURANCE COMPANY LIMITED

中國人壽保險股份有限公司



ExxonMobil

Taking on the world's toughest energy



中国人民财产保险股份有限公司

PICC Property and Casualty Company Limited



中遠國際控股有限公司

COSCO International Holdings Limited



China unicom 中国联通



中国中信集团公司

CITIC Group



COSL

CHINA OILFIELD SERVICES LIMITED*



中国石油化工股份有限公司

CHINA PETROLEUM & CHEMICAL CORPORATION



招商局國際有限公司

CHINA MERCHANTS HOLDINGS (INTERNATIONAL) COMPANY LIMITED

New IPO Listings showing largest funds raised (2002-2006)

Client name	Fund raised (US Million)	Valuer
Industrial and Commercial Bank of China Limited - H Shares	22,019	Sallmanns
Bank of China Limited - H Shares	11,121	American Appraisal Grant Sherman Appraisal
China Construction Bank Corporation - H Shares	9,177	Chesterton Petty
China Life Insurance Company Ltd- H Shares	3,425	Sallmanns
China Shenhua Energy Company Limited - H Shares	3,268	American Appraisal
China Merchants Bank Co., Ltd. - H Shares	2,653	Sallmanns
BOC Hong Kong (Holdings) Ltd	2,630	Chesterton Petty
China Communications Construction Company Limited - H Shares	2,374	Sallmanns
Bank of Communications Co., Ltd - H Shares	2,158	Sallmanns
China Coal Energy Company Limited - H Shares	1,938	Savills

Source: HKEX



Plant & Machinery Valuation



Our services - Plant & Machinery Valuation

- Industrial Valuation
- Oil & gas – rigs and refineries
- Aircraft / Aviation Equipment Valuation
- Plant Operating Review
- Remaining Life Studies



Financial Valuation & Consultancy



Our Services - Financial Valuation

Business Valuation

Intangible Valuation



Biological Asset Valuation

Mineral Resources Valuation





Business Valuations are now required for ...

- Purchase Price Allocation
- Financial instruments
- Employee Share Options
- Biological Assets



Due to the “Fair value accounting” in US, UK, HKGAAP, International accounting standards (IAS)





Intangible Assets Valuation

Examples

- Trademarks – Tsingtao Beer
- Film library – Media Asia
- Operating Licenses – New World Development





Mineral Resources Valuation

Recent Experience

- Molybdenum mine in Mongolia
- Copper Mines in the PRC

Mineral Resources Valuation

Methodology

- DRC?
- DCF?

What is the purpose of valuation?



Biological Asset Valuation

Complying with SSAP 36 - Biological Assets

- Livestock Farms
- Fruit Orchards



THANK YOU!



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