



Executive Summary

Lao World Public Company

LAO WORLD PUBLIC COMPANY

Lao World Public Company was originally established as a limited company on 31 March 2004 in accordance with Agreement on Lao International Trade Exhibition and Convention Center (the “Lao ITECC”) dated 24 December 2003

The Lao ITECC Agreement granted the establishment of Lao World Company Limited in the form of Build-Operate and Transfer (BOT) concession during the period of 90 years.

In 2011, the Company increased its share capital to Kip 44,190,000,000 consisting of 22,095,000 shares with Kip 2,000 par value. The Company’s shares were held by 5 foreign individuals and 4 Lao individuals at approximately 99.96% and 0.04% respectively.

Furthermore, on 28 May 2013, the company had combine of business of Lao World Savan Co., LTD (“Lao World Savan”) to under company’s subsidiary by acquiring the share from Lao World Savan’s shareholders. and the company had increased register capital of Kip 27,019,618,000 from Kip 44,190,000,000 to Kip 71,209,618,000, after the acquisition, Lao World Public company had owned 99.99 percent of total shares in Lao World Savan.

BUSINESS

The principal activities of the Company involve managing and providing facilities for its exhibition and convention centre at Lao International Trade Exhibition and Convention Center, the Lao ITECC in Vientiane Capital, Pakse Exhibition Center in Champasak province, and Savan ITECC in Savannakhet province.

The Company’s services can be divided into two types:

- 1) Exhibition facilities services
 - Lao ITECC Building, Vientiane Capital
 - Pakse Exhibition Center, Champasak province
 - Savan ITECC, Savannakhet province.
- 2) Other services
 - Tang Freres Lao Supermarts
 - Entertainment
 - LITECC cinema, Bowling
 - Security service
 - Banquet and wedding

MANAGEMENTS

1. Mr. Sackchai Wongmalasith, Chair man, Chief Executive Officer.
2. Mr. Visanh Nalongsak, Vice Chairman, Chief Operating Officer.
3. Mr. Sunthorn Manodharm, Vice Chairman, Independent Director.
4. Ms. Phephanome Nhoyvanisvong, Director.
5. Ms. Somprasong Palamee, Director.
6. Mr. Khamphone Phonekeo, Director.
7. Ms. Kittima Leelayouva, Independent Director.

CAPITAL STRUCTURE

| | |
|-----------------------------|---------------------------|
| Register capital before IPO | 79,121,818,000 kip |
| Paid up capital before IPO | 71,209,618,000 kip |
| Par Value | 2,000 Kip per share |
| Combine offer | 3,956,100 ordinary shares |
| Offering price | 10,200 Kip per share |

SELECTED FINANCIAL INFORMATION

| Balance Sheet (Kip) | 2012 | 2011 | 2010 |
|--------------------------|------------------------|-----------------------|-----------------------|
| Cash | 3,131,367,829 | 5,727,416,256 | 2,964,167,413 |
| Current assets | 39,354,848,822 | 12,474,357,105 | 10,856,754,383 |
| Non-Current assets | 69,706,599,123 | 73,345,805,758 | 77,098,731,489 |
| Total Assets | 109,061,447,945 | 85,820,162,863 | 87,955,485,872 |
| Current liabilities | 30,378,076,823 | 24,207,059,131 | 40,309,194,066 |
| Total liabilities | 30,378,076,823 | 24,207,059,131 | 40,309,194,066 |
| Paid up capital | 44,190,000,000 | 44,190,000,000 | 7,875,000,000 |
| Retain earning | 28,333,379,705 | 12,970,139,054 | 36,715,008,321 |
| Total equity | 78,683,371,122 | 61,613,103,732 | 47,646,291,806 |

| Income Statement(Kip) | 2012 | 2011 | 2010 |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Revenue | 75,297,132,412 | 61,993,684,902 | 61,540,051,717 |
| COGS | (44,430,912,248) | (37,537,062,045) | (38,127,856,265) |
| Gross Profit | 30,866,220,164 | 24,456,622,857 | 23,412,195,452 |
| Operating profit | 17,046,358,492 | 13,966,811,926 | 16,638,961,901 |
| Net profit | 17,070,267,390 | 13,966,811,926 | 16,606,836,064 |

INCOME BREAKDOWN

| Kind of business | 2012 | | 2011 | | 2010 | |
|-------------------|-----------|----|-----------|----|-----------|----|
| | Mil. Kip | % | Mil. Kip | % | Mil. Kip | % |
| 1. Exhibition | 25,578.10 | 34 | 24,697.68 | 40 | 21,307.13 | 35 |
| 2. Other services | 49,718.98 | 66 | 37,295.96 | 60 | 40,232.92 | 65 |

FINANCIAL RATIO

| | 2012 | 2011 | 2010 |
|-------------------------|------|------|------|
| Gross Profit Margin (%) | 41.0 | 39.5 | 38.0 |
| EBIT Margin (%) | 22.6 | 22.5 | 27.0 |
| Net Profit Margin (%) | 22.7 | 22.5 | 27.0 |
| ROE (%) | 21.7 | 22.7 | 34.9 |
| ROA (%) | 15.7 | 16.3 | 18.9 |
| D/E (x) | 0.4 | 0.4 | 0.8 |

INVESTMENT HIGHLIGHT

- ITECC is a single largest exhibition and convention centre in Laos PDR.
- The company signed a 90-years concession agreement with the Government of the Lao PDR.
- The company has management team which has over 30 years experience.
- The company has many potential to expand its business.

IPO TENTATIVE TIMELINE

- Final filing to SECO: 08 / 10 / 2013
- SECO Approval: 06 / 12 / 2013
- Subscription period: 17-19 / 12 / 2013
- First day trade in LSX : 25 / 12 / 2013

BUSINESS PLAN

- Expand the areas of exhibition and convention center.
- Establishing the new shopping mall in the name of “ITECC Market”, it is a 9 storey building with the project area is about 45,000 sqm and a construction cost of approximately USD 32 million.
- Operate full service of all 6 storey building at Savan –ITECC.