



ຄະນະກຳມະການຄຸ້ມຄອງຫຼັກຊັບ
Lao Securities Commission



ບົດລາຍງານປະຈຳປີ
Annual Report 2014

Statement of LSCO

“Annual Report 2014” is the 3rd Annual Report of Lao Securities Commission Office (LSCO). I am honored and believe that this report will provide significant information to public on securities activities of Lao PDR in 2014.

In 2014, Lao Securities Commission (LSC) has paid attention and put every effort to create efficiency, transparency and fairness for securities regulatory. We completed the formulation and amendment of 9 legislations, granted an approval for Initial Public Offering (IPO) to 1 company to raise fund, permitted Lao Securities Exchange to change its trading method from “Call Auction” (6 times per day) to “Continuous Auction” (real time trading) as well as to increase daily stock price movement limit from $\pm 5\%$ to $\pm 10\%$ by comparing to closing price of the previous day, and certified 1 commercial bank to provide custodian bank service. In addition, LSCO has regularly conducted seminars and workshops, which aim to provide knowledge and understanding to the society on securities activities. Furthermore, in order to follow the international affair policies set out by the Party and Government, LSCO has regularly extended the international co-operation through bilateral and multilateral collaborations with the Securities Commissions in the region as well as the international organizations. Besides, LSCO also accomplished the creation of Strategic Plan on Lao Capital Market Development from 2016-2025 and Vision up to 2030 in order to boost the development of securities regulatory as well as capital market regulatory of Lao PDR continuously and sustainably.

For the 2015 outlooks, LSCO shall execute its roles and right on macro management in securities activities with more focus on legislations formulation and amendment to ensure the stability of Lao Securities Exchange and market participants, to encourage potential companies to be listed in the exchange, to prepare all necessary conditions for foreign credit rating company to provide rating service in the Lao PDR, to extend the diversity of education on securities activities to public, to expand relationship with other securities commissions and international organizations in order to seek for technical assistance and to apply for International Organization of Securities Commissions (IOSCO) membership. Moreover, we shall prepare our readiness for hosting the 5th Mekhong Capital Market Cooperation (MCMC) Meeting.

Secretary General

Signed and sealed

Vathana Dalaloy

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I. Securities Supervisory Authority

1. Lao Securities Commission

The Lao Securities Commission, abbreviated as “LSC”, is an organization of the Government of the Lao PDR and has the Lao Securities Commission Office, abbreviated as “LSCO”, as a secretariat.

The LSC acts as a secretariat to the Government in the management of securities activities at a macro and centralized level in the Lao PDR particularly to supervise, monitor and inspect securities activities to ensure market efficiency, continuous and sustainable expansion of fundraising activities and securities market development as well as to contribute to national socio-economic development of the Lao PDR.

The primary rights and duties of the LSC are to formulate and amend necessary strategic plans, policies and laws relating to securities activities as recommended by the LSCO in order to propose to the Government for consideration; to approve project and work plans, operating plans, recruiting and capacity building plans and budget plans including plans on the development of infrastructure and the purchase of technical equipments of the LSCO; to approve the regulations relating to securities activities proposed by the LSCO; to grant an approval for establishment or dissolution of securities intermediaries, issuance of securities proposed by the LSCO; to study and propose for the establishment and dissolution of securities exchange to the Government for consideration as recommended by the LSCO; to lead the LSCO in implementing the supervision of securities activities and to support related parties to provide training and education to the public concerning securities activities; to collaborate with foreign countries and international organizations in exchanging information and seeking technical assistance regarding securities activities; to promote and encourage persons, juristic persons, and organizations to contribute to the development of securities activities, especially to encourage companies in all business sectors to list in LSX; and to summarize and report its operation to the Government regularly.

As of the end of 2014, the organizational structure of the LSC comprises a total of 13 commissioners in line with the “Decree on Organization and Operation of the LSC”. That is the LSC comprises 1 Chairman, 2 Vice Chairmen, 9 Commissioners and 1 Secretary to the LSC including Deputy Prime Minister, in charge of macro-economic and service affairs as a chairman of LSC¹; Governor of the Bank of the Lao PDR as the 1st Standing Vice Chairman of LSC; Minister of Ministry of Finance as the 2nd Vice Chairman of LSC²; Chairman of the National Business Reform Commission³, Deputy Minister of Ministry of Industry and Commerce⁴, Deputy Minister of Ministry of Planning and Investment, Deputy Minister of Ministry of Justice, Deputy Minister of Ministry of Home Affairs, Vice Chairman of Economic Planning and

¹ In August 2014 Dr. Bounpone BOUDTANAVONG, Deputy Prime Minister, in charge of macro-economic and services affairs was appointed as the Chairman of LSC.

² In May 2014 Dr. Lien THIKEO, Minister of Ministry of Finance was appointed as Vice Chairman of LSC.

³ In September 2014 Mr. Phouphet KHAMPHOUNVONG, Minister of Ministry of Finance was appointed as commissioner of LSC.

⁴ In December 2014 Mr. Somchit INTHAMITH, Deputy Minister of Ministry of Industry and Commerce was appointed as Commissioner of LSC.

Finance Commission of the National Assembly; Deputy Governor of the Bank of the Lao PDR; Deputy Director of the Supreme Public Prosecutor, Deputy Minister of the Government Office as commissioners of the LSC and Secretary General of LSCO as Secretary to the LSC⁵ (Chart 1).

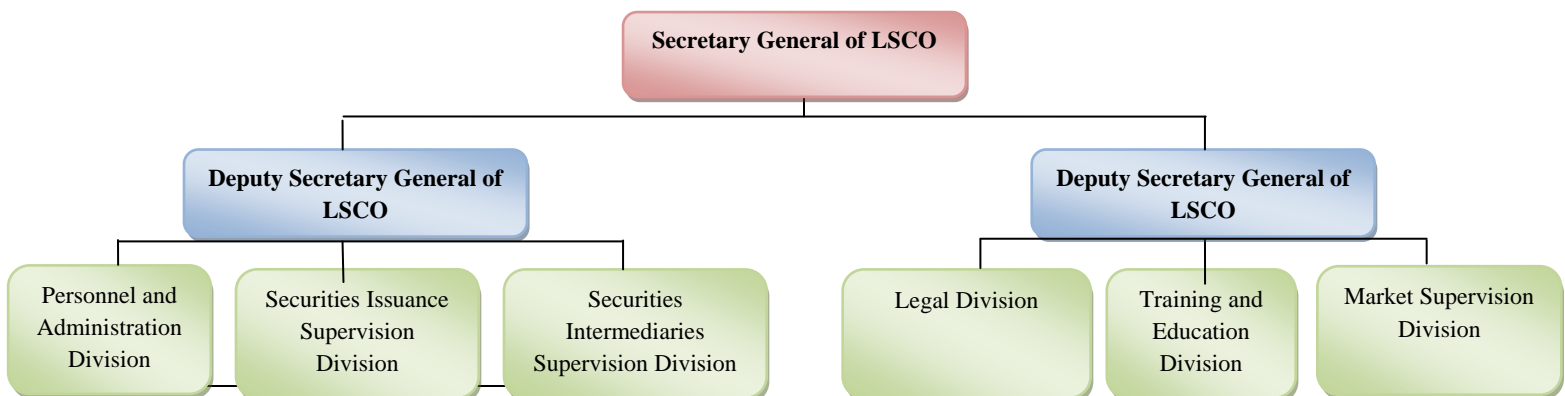
Chart 1: The Organizational Structure of Lao Securities Commission



2. Lao Securities Commission Office

The LSCO is an organization operated in compliance with the “Decision on Organization and Operation of LSCO” No. 013/LSC, Dated 17 December 2013. The organizational structure of the LSCO comprises 6 Divisions namely: Personnel and Administration Division, Securities Issuance Supervision Division, Securities Intermediaries Supervision Division, Market Supervision Division, Legal Division and Training and Education Division (Chart 2).

Chart 2: The Organizational Structure of Lao Securities Commission Office



⁵ According to Decree on the Appointment of the Deputy Governor of the Bank of Lao PDR” No.348/PM Dated 2 October 2014, Mrs. Vathana DALALOY Secretary General of LSCO was appointed as Deputy Governor of the Bank of Lao PDR.

The primary rights and duties of the LSCO are to issue decisions, orders, notifications and instructions relating to securities activities; to issue securities business establishment license, suspend or revoke the operation of securities companies, branches and service units of securities companies and asset management companies based on the LSC's approval and to permit on the change in securities business operation and others changes in these companies; to issue, revoke business license, to suspend or revoke an approval for custodian banks, audit companies, credit rating agencies and securities business associations as agreed by the LSC to issue, revoke securities professional license; to grant the issuance of securities in both domestic and oversea markets, to suspend or revoke the issuance of securities in Lao PDR in accordance with the "Law on Securities" as agreed by the LSC; to grant an approval on the establishment, merger or dissolution of public funds as approved by the LSC; to identify types of securities or other assets in which public funds can invest in and to approve rules or contracts on the governance of public funds; to approve regulations on operation of Securities Exchange and to permit an additional service or suspend such a service provided by Securities Exchange; to suspend or terminate or grant partly or fully the continuation of trading activities of Securities Exchange in case of malfunction of IT system, irregular fluctuation of securities trading, unfavorable socio-economic situations or the occurrence of any force majeure which seriously result or may result in damage to investors; to define types of members of the securities depository centre; to grant an approval on the use of registered capital of the Securities Exchange, Securities Companies and Asset Management Companies; to approve a code of conduct of securities professionals proposed by Securities Business Association; to settle securities related disputes; to propose the LSC to issue an instruction to initiate an investigation relating to securities cases; to appoint On-site inspection committee and propose the LSC to appoint securities investigators; to give instruction on suspension of the operation of securities or cash account associated with violation of securities related laws and regulations; to take administrative measures against persons or juristic persons violating securities related laws and regulations; to provide rewards to persons or juristic persons with outstanding performance in securities operation; and to exercise other rights as assigned by the Chairman of the LSC.

To ensure that securities activities are operated properly and in compliance with the "Law on Securities", in 2014 the LSCO has created and amended a number of regulations namely: Regulation on Inspection of Securities Activities (amended), Regulation on Supervision of Securities Professional (amended), Regulation on Share Issuance (amend), Regulation on Capital Adequacy of Securities Companies (new), Regulation on Reporting and Information Disclosure (new), Regulation on Custodian Banks (new), Regulation on Bond Issuance (new) which has been approved by the Chairman of the LSC.

Besides a number of regulations mentioned above, the LSCO has approved a number of legislation as reference for securities business operation such as Guideline on Implementation of Shareholders' Meeting of Listed Companies, Guideline on Implementation of Regulation on Capital Adequacy of Securities Companies, Decision on Fees for Cross-Border for Sale of

Corporate Bond, Notice on Fundraising by Securities Issuance and Listing Abroad. Additionally, the LSCO has continued to create and amend a number of securities related regulations, including Regulation on Securities Exchange Supervision (amended), Regulation on Management of Share Trading of Foreign Investors (amended), Regulation on Related Party Transactions (new) and Regulation on Acquisition and Disposition of Assets (new). Up to now, the LSCO has enacted a total of 24 legislations (Appendix 1).

As of the end of 2014, the LSCO has a total of 49 staff members (21 female), comprising 1 Acting Secretary-General (female) and 1 Deputy Secretary-General (male), 2 chiefs and 7 deputy chiefs of division (4 female), 24 technical staffs (11 females), 14 interim staffs (5 female). In terms of educational background, we have 1 Ph D, 17 Master's degree (7 female), 30 Bachelor's degree (14 female) and 1 Diploma.

II. Fundamental understanding on securities

- Shareholder's meeting

Shareholders' meeting is the highest level in the listed company's hierarchy; the shareholders' meeting is divided into 2 categories namely Ordinary Shareholders' meeting and Extraordinary Shareholders' meeting. Ordinary shareholders' meeting shall be organized at least once a year; meanwhile the duration of the meeting is mentioned in the article of association of the company. The objective of the shareholders' meeting is to summarize the performance of the company, approve financial statements, dividend payment, future business plan etc. In addition, extraordinary shareholders' meeting can be held any time as if necessary such as there is any change in article of association of the company, registered capital reduction or increase, reselection of external auditors etc.

Shareholders' meeting participation is the right and duty of all company's shareholders, which listed, in the record book. The shareholders should attend the meeting in order to maintain their rights and interest in decision making on the company's critical issues, direction and business plan. Furthermore, the shareholders should provide the comments and raise questions to the board of directors about the company performance and examine financial statements to protect their own benefit.

- Custodian bank

Both domestic and foreign commercial banks can provide custodian bank services once they have been approved by LSCO.

The custodian bank can provide various services likewise information keeping, assets deposit, and cash or securities settlement, customers' cash and securities transfer between custodian banks. Act as representative of customers in shareholders' meeting as assigned by customers. Besides, the custodian bank also provides the result of securities trading notification after trading completed, keep customers' information confidentially and perform other rights and duties which mentioned in contract between the custodian bank and customers.

III. Securities Markets Performance

1. Global securities markets

In 2014, the foreign stock market indexes have generally picked up compared to the previous year. It is partly due to the Fed's stimulus measure by maintaining QE policy and the amount of monthly bond purchase and the increasing in employment rate in the United States. In Euro zone, GDP has widened at 0.3%, while the ECB has announced the further reduction in policy rate and the plan to purchase household's assets to stimulate its overall economy. Asia was also accommodated by the central bank of China that previously injected money to its economy and the Tax Office of China also reported that the export grew at 9.4% and Purchasing Manager Index also recorded a 17-month high.

These factors have driven the index of major global market up at remarkable rate. The NASDAQ, S&P500 and Dow Jones uniformly went up above 10%. In Europe, the DAX of Germany rose slightly at 4% while there was almost no change at the FTSE. Similarly in Asia, the major stock exchanges also marked the significant rise. Shenzhen Exchange rose to almost 30% while Taiwan Index (TWSE) and NEKKEI showed a notable rate at 10-11%. There was also the same trend in ASEAN where the PCOMP of Philippines, JCI of Indonesia, SET of Thailand and Vietnamese Stock Exchanges were among best performers at the rate above 15%. STRAIT TIMES of Singapore and FBMLCI in Malaysia have a slighter growth at 5% and 2% respectively.

2. LSX's overview

2.1 Fund raising through Public Offering

In 2014, there is only 1 IPO of Petroleum Trading Lao successfully completed with the amount of capital accounting for 240 billion kip in total as showing in table 1. The objective of this IPO is to extend the business likewise firstly investing in 20 gas stations all over the country, secondly supporting the liquidity of the company to make sure about importing fuel and improving the logistic system.

Table 1: Summary of fund raising through IPO of PTL (December 2014)

No.	Type of investor	No. of Share	Percentage	No. of shareholder	Capital (Kip)
1	Domestic	21,503,200	9.15	451	86,012,800,000
2	Foreign	38,496,800	16.35	59	153,987,200,000
	Total	60,000,000	25.53	510	240,000,000,000

In addition, in December 2014 EDL-Gen also got corporate bond issuing approval from LSCO in the form of private placement in Thailand (only institutional investor is eligible for the subscription). As a result, EDL-Gen is able to raise funds amounting totally for 1,625 billion kip (equivalent to 6,500 million Thai baht) as illustrated in table 2. The objective of this corporate bond issuing is to purchase 4 hydropower projects of EDL such as Num Khan 2 Dam, Num Khan 3 Dam, Num Sa Na Dam and Huay Lum Phun Yai Dam and also other Independent Power

Producer (IPP) which EDL has invested likewise Num Ngeum 5 Dam, Num Long Dam, Num Ou 5 Dam and Num Ou 6 Dam.

Table 2: Summary of EDL-GEN's corporate bond issuing in Thailand (December 2014)

No.	Type of investor	Bond description	Maturity	Coupon Rate per annum	Amount (Million Baht)
1	Institution and High Net Worth	Unamortized and unsecured	5 years	4.95	1,500
2			7 years	5.20	2,000
3			10 years	5.45	3,000
Total					6,500

2.2 Listed companies' performance

As the end of 2014, there are 4 listed companies in the LSX including EDL-Gen, BCEL, LWPC and PTL. Table 3 illustrates dividend payment paying of all 4 listed companies.

Table 3: Summary of listed companies' dividend payment from 2011 to 2013

Unit: Kip/share

No.	BCEL			EDL-GEN			LWPC
	2011	2012	2013	2011	2012	2013	2013
1 half year	Once paid	436	405	177.97	170	182	N/A
2 half year		443	443	320	280	293	N/A
Total	776.58	879	879	497.97	450	475	N/A

2.3 LSX's Performance

In order to meet the demand of larger number of investors, the Lao Securities Exchange (LSX) has improved its service by introducing the continuous auction that allows the price matching on real time basis. The daily price change limit was also widened from ± 5 to $\pm 10\%$. This measure was effective from December 2014.

As the end of 2014, the LSX composite index closed at 1,414.19 points or went up 12.83% (Chart 3). Trading value stood at 156.3 billion kip, growing 17.24%. There were also 27 million shares traded or 2.3% increased from last year. Market Capitalization accounted for 13.26% of GDP. (Chart 5)

Chart 3: Lao Stock Exchange Index

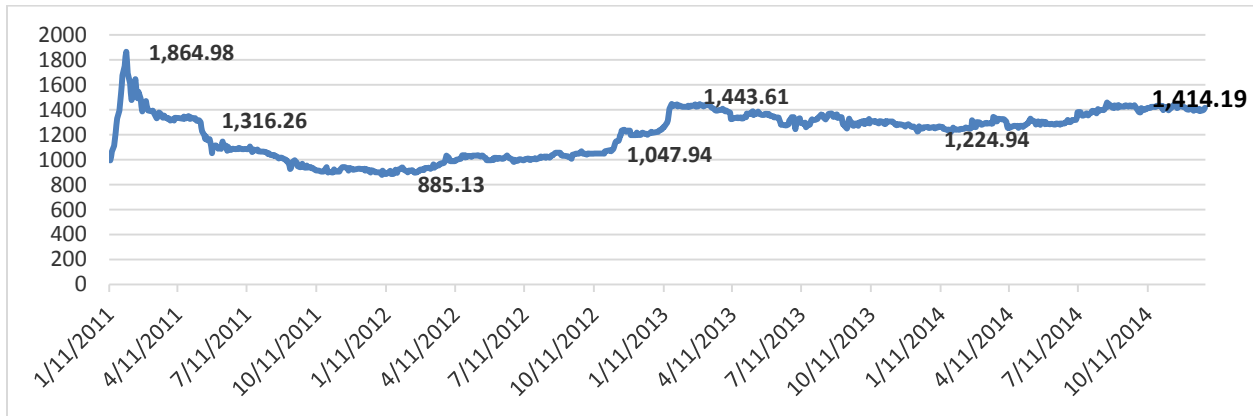


Chart 4: trading value and volume

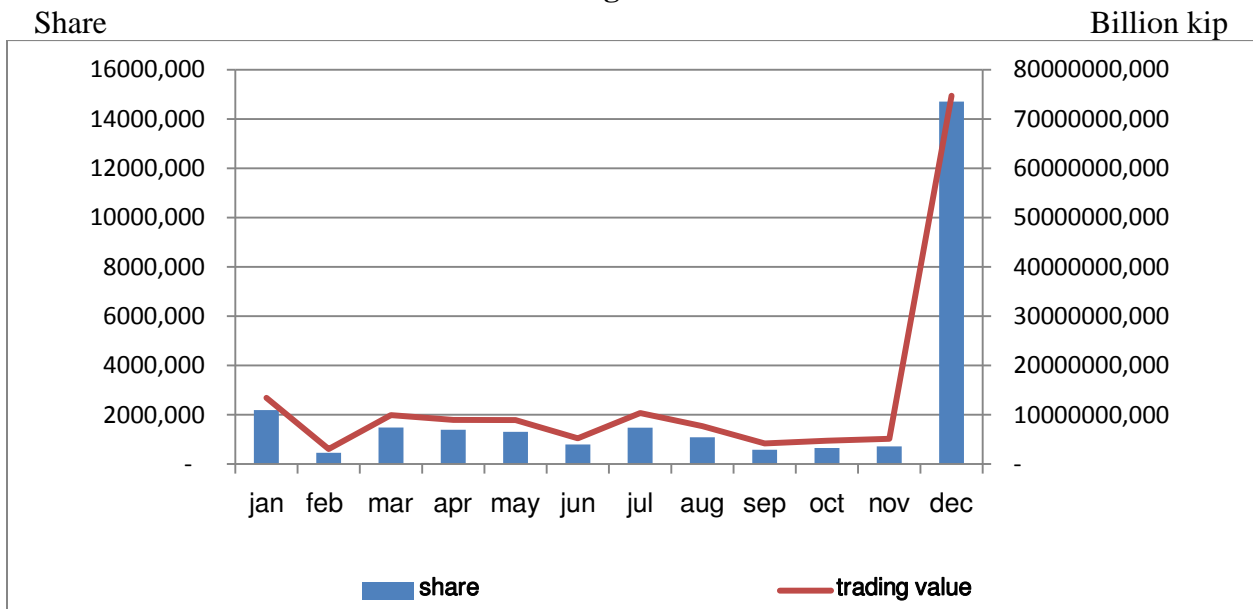
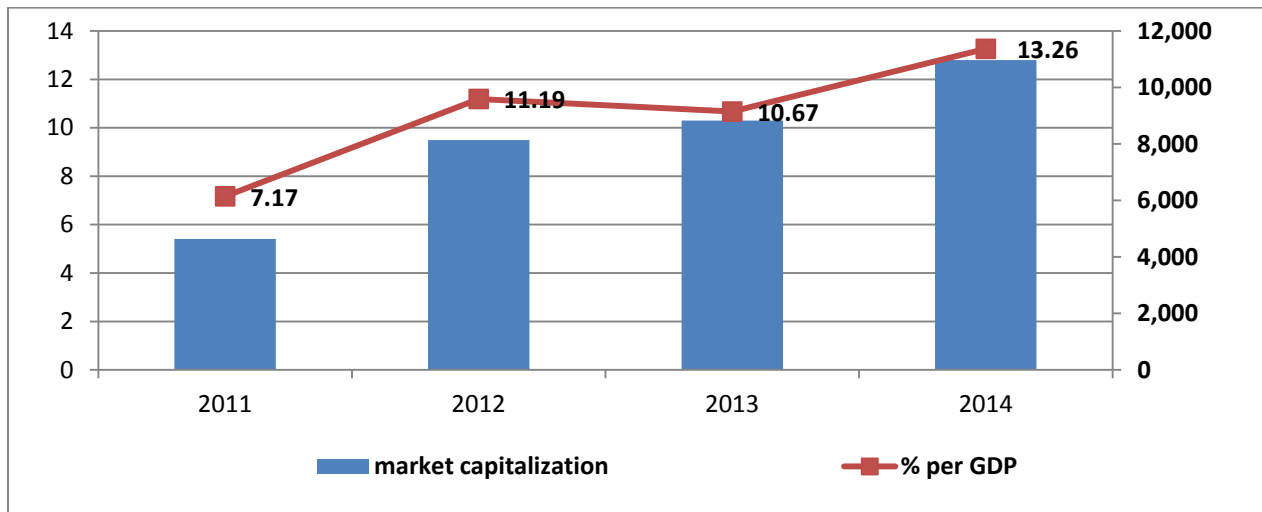


Chart 5: Market Capitalization from 2011-2014



Remark: market cap 2014 was compare with GDP in 2013.

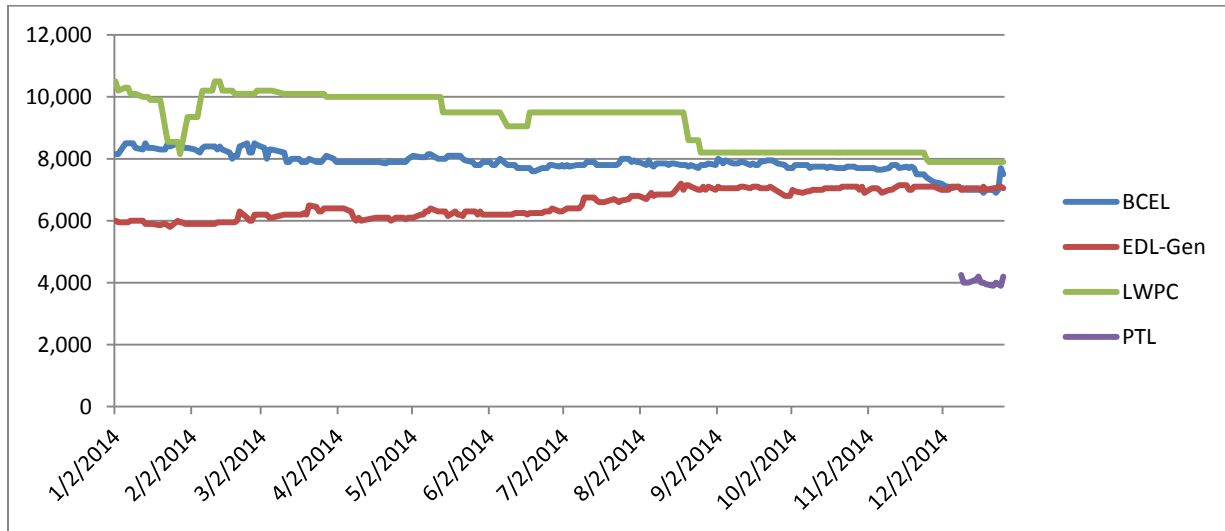
BCEL share movement was weakened in 2014. The average price went down 718 kip or about 10% from previous year and its trading value decreased seven fold, 45% of trading value was made by foreign investors who own 9.52% out of 10% of total shares (foreign limit is 10%).

Despite the slight decrease of 5% in trading value, the EDL-Gen shares gained 227 kip rise in its price, marked average price of 6,612 kip. Foreign investors traded almost 60% of its value, while had 14.25% of total shares (foreign limit is 20%)

The share of LWPC marked at 9,852 kip on annual average or 1,144 kip drop from last year. However, trading volume increased 150% or 1.6 million shares per day. Foreigners are still the major traders, accounted 63% of total value. There is no foreign limit and foreign investor hold 2.70% of total shares.

As for a newly listed company in December 2014 namely PTL, the opening price recorded at 4,250 kip or 250 kip higher than its IPO price. However, the average trading price stood at 4,000 kip, 9.5 million shares were traded within one month or 38 billion kip in value. There is no foreign limit and foreign investor hold 13.10% of total shares.

Chart 6: Price Trend



After four years of operation, the Lao Securities Exchange has gained continuous attraction from domestic and foreign investors. This was shown the number of trading account, which constantly increased from 8.910 accounts in 2012 to 9.464 accounts and 11.406 accounts, 2013 and 2014 respectively. In 2014, domestic investors own 9.188 accounts or approximately 80% of total accounts. Foreign investors own the rest of 20% or 2.164 accounts but they have dominated trading value, which was 70% high.

Chart 7: Number of Securities Accounts

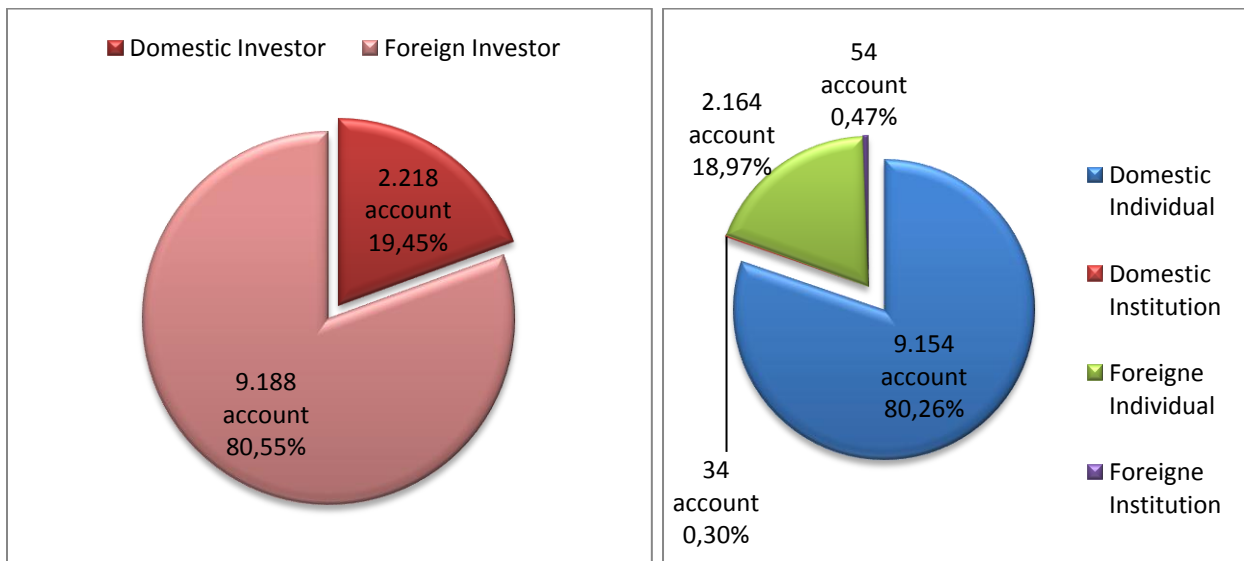
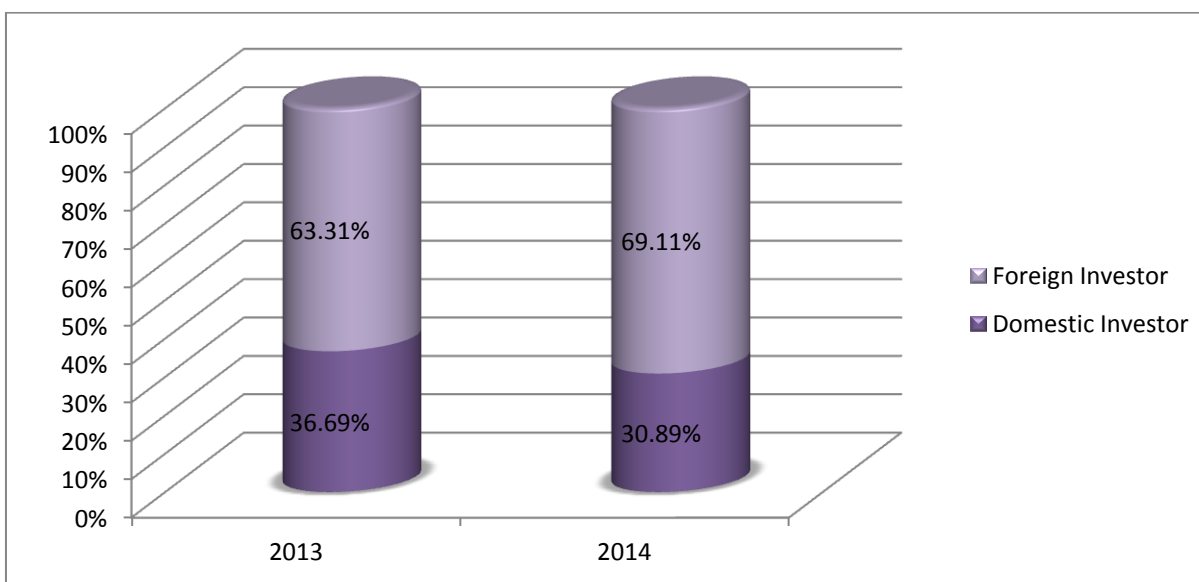


Chart 8: Trading Proportion by investor

2.4 Securities Intermediaries Performance

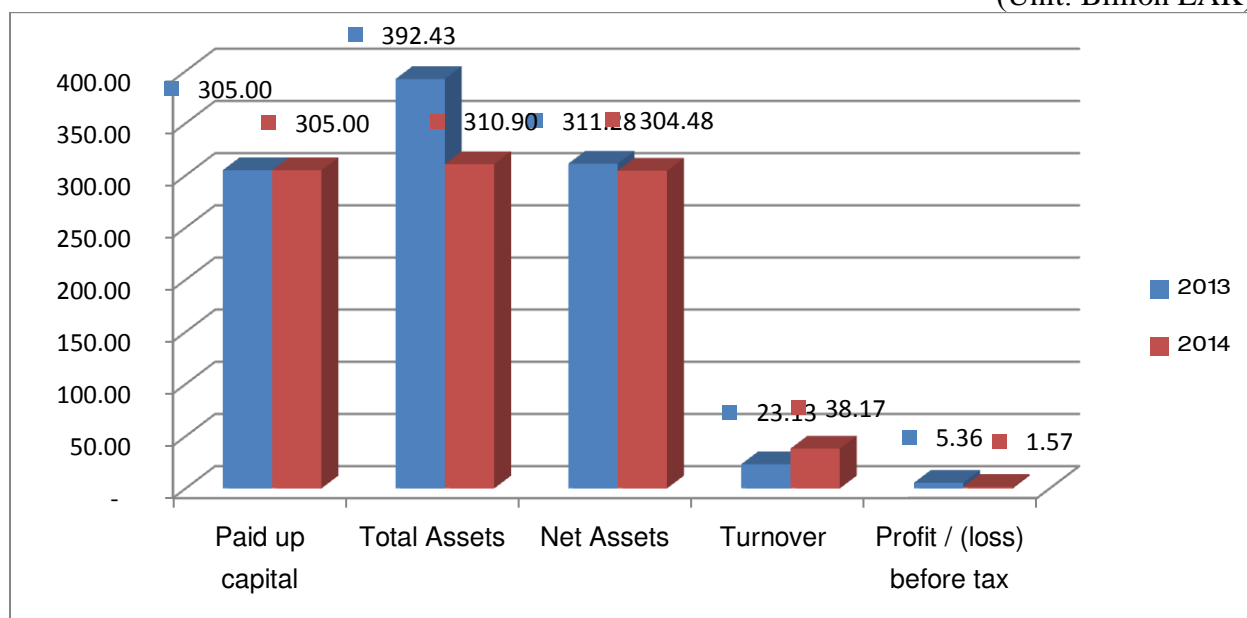
Securities Intermediaries comprise of securities companies, asset management companies, custodian banks, audit companies, credit rating agencies and securities business association. Currently, there are only 4 securities companies, 3 audit companies and 1 custodian bank in Lao PDR.

Presently, there are 4 securities companies namely Lanexang Securities Public Company, BCEL-KT Securities Company Limited, Lao-China Securities Company Limited and APM (LAO) Securities Company Limited (reference 2). Regarding their business operation, securities companies still have liquidity and none of financial risks because they don't have any debts or long-term investments and most of their variable assets are bank deposits. In 2014, securities companies have improved their accounting systems in order to be able to report their net capital ratio. Since July 2014, 2 securities companies including Lanexang Securities Public Company and BCEL-KT Securities Company Limited have regularly submitted the report on net capital ratio.

At the end of 2014, all 4 securities companies recorder a total amount of registered capital of LAK 305 billion which was the same figure of the last year. Total assets decreased by LAK 1.88 billion or 0.48% to LAK 390.55 billion. Net assets decreased by LAK 6.8 billion or -2,18% to LAK 304.48 billion, Revenue increased by LAK 15,04 billion or 65,04% to LAK 38.17 billion compared to last year. Additionally, their profit dropped by LAK 3.78 billion or -70.62% to LAK 1.57 billion. The reason for a lower profit was due to the newly established securities company has not made enough revenue to cover great expense of business operation (chart 9).

Chart 9: Securities business operation between 2013-2014

(Unit: Billion LAK)



In 2014, there were 27 securities business professionals including 25 securities brokers and 2 financial advisors, which increased by 4 individuals compared to 2013.

In addition, the LSCO also granted an approval to act as a custodian bank for Bangkok Bank Public Company Limited (Vientiane Branch). There are 3 audit companies who are granted approval from the LSCO in providing auditing service on securities activities namely Price Water House Coopers Co., Ltd, KPMG Lao Co., Ltd and Ernst & Young Lao Co., Ltd.

2.5 Training and Education

LSCO pays a close attention on providing securities training and education in various forms to increase public awareness and involve developing in the capital market. Especially, advertising through media such as: Lao Phatthana newspaper, Lao national television on Channel 1 and Channel 3, LSCO website and also through radio station on 99.7 MHz; LSCO organized a number of seminars on securities related topic at educational and governmental organizations in Vientiane Capital (16 times, 1,922 participants) and other provinces (7 provinces, 586 participants). Beside this, LSCO together with LSX, Asset Pro Management Lao (APM) and Nomura representative office held the seminar on securities related topics in 5 provinces, 372 participants.

2.6 International cooperation

In 2014, LSCO has broadly implemented the international collaboration policies imposed by the Party and the Government. Bilateral co-operations between LSC and the State Securities Commission of Vietnam (SSC), the China Securities Regulatory Commission (CSRC), and the Securities and Exchange Commission Thailand (SEC) were further strengthened. Upon such co-

operation, LSCO has learned and shared the securities supervisory experiences from each other by holding annual bilateral meetings, sending LSCO staffs to on-site training programs, and co-conducting seminars and workshops on securities professional program to market participants.

LSCO has executed ASEAN Capital Market Integration Plan through the participation in ASEAN Integration Projects such as ASEAN Capital Market Forum (ACMF) and Working Committee on Capital Market Development (WC-CMD), ASEAN Bond Market Forum (ABMF) etc. to discuss on principles and standards making for cross-border securities transactions in ASEAN. Moreover, LSCO has started to study into details on conditions and criterias of the International Organization of Securities Commissions (IOSCO) and prepared the readiness of the Lao PDR to become its member which is one of the most important conditions for Lao Capital Market in order to integrate into the ASEAN Economic Community (AEC) integration in 2015. Furthermore, LSCO also strengthened its collaboration among 5 Securities Commissions in the Greater Mekong Sub-region by attending the Mekong Capital Markets Co-operation meeting regularly.

In additions, LSCO has deepened its relationship with the international organizations as well, such as Inter-national Finance Corporation (IFC), Asian Development Bank (ADB), the World Bank (WB) etc. to seek for technical supports in terms of assistance on regal formulating and short term training programs.

IV. Outlook for 2015

To start the implementation of the strategy plan on capital market development of the Lao PDR for 2016-2025, especially to accomplish the vision of capital market, that is, "to create the capital market to be a key driver for fund allocation by the year 2030 and to ensure the effectiveness, fairness and transparency of capital market, the LSCO will continue formulating and amending legislations that necessary for securities supervisory activity; studying on securities dispute resolution mechanism; encouraging and supporting listed companies to adopte and implemente IFRS as its reporting standards; studying and formulating guideline for listed companies on the Implementation of Corporate Governance (CG) to laying down foundation for adopting the ASEAN CG Score Card; creating list for potential listed companies to issue shares and list on the Lao Securities Exchange; studying on securities company supervisory method by using Risk-Based Supervision; organizing trainings and semminars for schools, universities, state agencies, private sectors and general public to raise the awareness on securities activities; creating special TV and radio programs on securities activity; seeking for technical assistance from securities regulator of Vietnam, China, Thailand, S. Korea, Ministry of Justice of S. Korea and international organizations; working with international organization to prepare readiness to become a member of the International Organization of Securities Commissions (IOSCO) and preparing to host the 5th Mekong Capital Market Cooperation (MCMC) meeting in the Lao PDR.

To conclude, securities acitivities are changing and moving quite fast. To achieve the goals set in 2015, therefore, LSCO should pay much efforts on 2 out of 4 breakthroughs including the virtualization and human resource development to serve for Lao Captal Market Development and to ensure the international securities market integration.

Appendix 1: As of the end of 2014, the legislation of the Lao Securities Commission comprises the following:

1. “Law on Securities” No. 21/NA, Dated 10 December 2012;
2. “Decision on the promulgation of Regulation on Issuance of Stock to the Public” No. 008/SEC, Dated 21 July 2010;
3. “Decision on the promulgation of Regulation on Securities Exchange Supervision” No. 012/SEC, Dated 10 November 2010;
4. “Decision on the promulgation of Regulation on Accounting and Auditing of Related Securities Activities” No. 013/SEC, Dated 10 November 2010;
5. “Decision on the promulgation of Regulation on Management of Share Trading of Foreign Investor” No. 012/SEC, Dated 19 May 2011;
6. “Decision on the promulgation of Regulation on Disclosure of Information” No. 014/SEC, Dated 19 May 2011;
7. “Notice on Creation, Development and Application of IT System of Securities Companies” No. 371/SECO, Date 24 February 2012;
8. “Regulation on Reporting” No. 373/SECO, Dated 24 February 2012;
9. “Guideline on the Licensing Structure of Securities Companies” No. 482/SECO, Dated 27 February 2012;
10. “Regulation on Supervision of Share Trading on Internet” No. 001/LSC, Dated 24 July 2013;
11. “Regulation on Organization and Operation of Securities Companies” No. 002/LSC, Dated 24 July 2013;
12. “Decree on Organization and Operation of Lao Securities Commission” No. 188/PM, Dated 24 July 2013;
13. “Regulation on Transfer of Share Registered in the Securities Exchange” No. 006/LSC, Dated 20 September 2013;
14. “Decision on Organization and Operation of Lao Securities Commission Office” No. 013/LSC, Dated 17 December 2013;
15. “Notice on Fundraising by Securities Issuance and Listing Abroad” No. 001/LSC, Dated 14 February 2014;
16. “Regulation on Inspection of Securities Activities” No. 002/LSC, Dated 18 February 2014;
17. “Regulation on Capital Adequacy of Securities Companies” No. 003/LSC, 18 February 2014;
18. “Regulation on Supervision of Securities Professional” No. 004/LSCO, Dated 18 February 2014;
19. “Guideline on Implementation of Shareholders’ Meeting of Listed Companies” No. 257/LSCO, Dated 3 March 2014;
20. “Guideline on Implementation of Regulation on Capital Adequacy of Securities Companies” No. 281/LSCO, Dated 6 March 2014;

21. "Regulation on Reporting and Information Disclosure" No. 007/LSC, Dated 3 April 2014;
22. "Regulation on Custodian Banks" No. 010/LSC, Date 7 May 2014;
23. "Decision on fees for Cross-Border Offer for Sale of Corporate Bond" No. 011/LSC, Dated 7 May 2014;
24. "Regulation on Bond Issuance" No. 019/LSC, Dated 22 December 2014.

Appendix 2: Securities Companies in the Lao PDR

No	Name	Date of establishment	Shareholder Structure	Number of service center	Scope of business
1	Lanexang Securities Public Company	1.12.2010	Lao Development Bank holds 100%	-	Full license: Financial Advisory, Securities Broker, and Securities Underwriter.
2	BCEL-KT Securities Company Limited	20.12.2010	-Banque pour le Commerce Exterieur Lao Public holds 70% -KT ZMICO Securities Company (Thailand) holds 30%	2	Full license: Financial Advisory, Securities Broker, and Securities Underwriter.
3	Lao-China Securities Company Limited	16.11.2013	- Agriculture Promotion Bank holds 41% - Pacific Securities Company Limited (China) holds 39% - Lao IT Industrial Company Limited holds 20%	-	Full license: Financial Advisory, Securities Broker, and Securities Underwriter.
4	APM Securities Company Limited	16.11.2013	- Asset Pro Management Co., Ltd (Thailand) holds 60% - Foreign Investors (Thailand) hold 20% - Domestic investors hold 20%	-	Financial Advisory