



WALLECO COMPANY LIMITED

Faculty Advisor

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AU-GSB, Full time Lecturer & Academic Committee Member

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Assumption University

EXECUTIVE SUMMARY

Question: What would be the implications of all households in Thailand using our innovative multifunctional product?

Answer: They could help themselves reduce electricity costs as well as collectively reduce global carbon dioxide emission considerably!! The components of the product can help in saving up to USD 547 millions in electricity costs annually and reduces carbon dioxide by approximately 4.2 million tons per year in Thailand.

Our product - Walleco - is simply wallpaper boards manufactured in Thailand but with a difference. It is not just any other normal wallpaper but one that minimizes the transfer of heat energy, reduces the intensity of sound and is equally visually appealing for households as well as offices.

With the growing concerns regarding global warming issues energy conservation and saving costs are top priorities among the people. On the other hand, people are also suffering from noise pollution coming from the streets as well as the audio/video systems of their neighbors. We take it as a great opportunity to provide a multifunctional environmentally friendly, energy conserving product with acoustic insulation at an affordable price to the consumers.

Walleco Technologies Co. Ltd. aims to maximize performance of its product through the use of honeycomb combined with sugar canes fiber as the main structure. A major feature of the product is the use of sugar canes (bagasse) which will help to absorb the sound as well as insulate heat. The effectiveness after install Walleco (1cm) with concrete wall the heat insulation is proven by the R-value is a high 8.525. The R-value is an indication of how well a material insulates. Walleco is an environmentally friendly product with attractive design which makes it superior to other normal

wallpapers. Competitive prices can be attained through the use of natural materials such as bagasse and recycled paperboards which are abundant in Thailand. The product will come in two types: 1 cm thick for households and 2.5 cm thick for industrial buildings.

Patents are still pending for the product, machine (designed by Walleco technologies) and the manufacturing process. Given the fact that there is yet to be any competition in the market, it is essential to register the patents. It will give us a sustainable advantage in the construction, renovation and interior decoration market. Walleco Technologies also intends to continue to innovate through consistent R&D.

Even though one of the lowest consumer confidences has been reported in Thailand this year. The interior decoration has shown no effect with a 10-15% expansion annually. The market size is a healthy Baht 1.17 billion in 2007 with big names such as Home Pro, Home Mart, Living Mall, Index furniture, SB Furniture, Boontrawarn, and many other having more than 90% of their in store materials related to interior decoration and renovations. The target market includes existing condominium owners, new condominiums, townhouse owners, private home owners, offices, convention halls, industrial sectors and intermediaries such as real estate agencies and companies that provide manpower specializing in fitting the wallpaper boards.

The production process is divided into two stages starting with making honeycomb board from paper. In the second stage the sugar cane foam layer is added, cover both sides with hard paper and decorate the cover. The product also has a coating to protect against fire, insects and humidity.

The management team comprises of 5 students from the Assumption University, Thailand who are currently in the last stages of their MBA programs. Mr. Piyabutr Chantrapanichgul, CEO, has a degree in engineering in Mechanics from Kasetsart

University with working experience in CNC and automation system company, Fanuc Co. Ltd. He also has hands-on experience in his family paper business. The remaining multinational management team from Thailand, China and Bangladesh share responsibilities for R&D, Finance and Accounting, Marketing and Sales, Human Resources and Operations departments.

Their highly diverse backgrounds will contribute to a comprehensive understanding of both the domestic and international markets.

Walleco will be available for consumers to buy from early 2009 solely in the Bangkok market. We will expand to other provinces in the second year such as Chang Mai, Pattaya, Phuket and others. The product will be launched internationally from third year to countries such as Vietnam, Malaysia, and Singapore. Walleco Technologies intends to deploy its international expansion through, exports, licencing and joint ventures. The following year, we expect to license our product in Vietnam and establish a subsidiary (joint venture) in China. 2013 will see an expansion towards the Middle East and Mediterranean region. At the end of 2009 we expect to generate USD 328,077.6 in sales and grow steadily to USD 23,153,932 with in 5 years.

In terms of finances, Walleco Technologies Co. Ltd need seed equity amounts to USD 850,000 while a second round of financing should take place early in the third year around USD 1,000,000. With its projected figures, it expects its investment to yield an IRR of 104%, and NPV of USD 10,566,000 discounted at 10%. Walleco Technologies Co. Ltd seeks a total of USD 250,000 in seed funding from investors and in return will provide an equity stake of 20% and 1 seat in the board of directors. We believe the venture has high possibilities to flourish in terms of finances and also enhancing environmental and social responsibilities. Further detailed discussions with potential investors are welcome.