

WHAT IS THE BULGARIAN ENTERPRISE ACCELERATOR MARKET?

- ✓ A special market organised by the Bulgarian Stock Exchange (BSE) that provides an opportunity for alternative financing of the activity of small and medium-sized businesses under more favourable conditions, which significantly decreases administrative burden
- ✓ Free promotion and an opportunity to gaining publicity in business and financial circles in Bulgaria and abroad.
- ✓ A possibility to issue various financial instruments to finance the activity and increase the capital – shares, bonds, warrants, depositary receipts, etc.
- ✓ A possibility for an easier subsequent listing on the Main Exchange Market where tax preferences would apply, including when a decision is taken to exit the business.

WHICH COMPANIES IS IT INTENDED FOR?

- ✓ The Accelerator Market is intended for the small and medium-sized companies established as Joint Stock Companies in Bulgaria and abroad.
- ✓ The Market is attractive for ambitious and innovative companies with existing business and growth potential, which need additional financing to develop their activity and achieve greater publicity for their offered products and services.
- ✓ Larger companies, which classify as SMEs, can also be listed on this Market with the restriction that after they are admitted to trading, their market capitalisation must not exceed EUR 200 mln. for the next 3 years.
- ✓ Companies cannot be traded on this Market if they are already listed on the BSE Main Market, however there is no limitation for companies listed on stock exchanges in the EU Member States.

REQUIREMENTS TO COMPANIES

- ✓ They must be registered as Joint Stock Companies in Bulgaria or abroad
- ✓ Their shares must be dematerialised or immobilised accordingly with a depository institution and there must be no limitations or conditions for their transfer.
- ✓ Their incorporation documents must contain special texts related to admitting their shares to trading on this market, e.g. – specific conditions aimed at protecting investors, providing explicit powers to the General Assembly of the Shareholders, etc.
- ✓ They must have audited financial statements for the preceding financial year.
- ✓ They must have a contract in place with an Advisor approved by the BSE for a term of at least 2 years.
- ✓ They must prepare a document on admittance to trading in Bulgarian or English language.

WHAT INFORMATION MUST BE DISCLOSED BY COMPANIES AFTER LISTING

- ✓ Occurred changes in the rights attached to their financial instruments;
- ✓ Amendment of the Articles of Association;
- ✓ Changes in their management and controlling bodies;
- ✓ Invitations and materials for forthcoming general assemblies of the shareholders/bondholders;
- ✓ Minutes of general assemblies of the shareholders/bondholders;
- ✓ Decisions on conversion;
- ✓ Information about delays in repayment of interest and/or principal of a registered issue of bonds;
- ✓ Semi-annual and annual financial statements;
- ✓ Other current or periodic information, which is essential and can influence the formation of the price of the financial instruments, or if this is required by a legal act.

PREFERENTIAL TERMS FOR THE COMPANIES LISTED ON BEAM

- ✓ For a company to be listed on this market no Prospectus is required that must be approved by the Financial Supervision Commission. An Admittance Document is prepared, which is approved by the Advisor and the Stock Exchange.
- ✓ To raise capital of up to EUR 3 mln. it is not required to prepare a Prospectus for an initial public offering that must be approved by the Financial Supervision Commission.
- ✓ To raise capital of more than EUR 3 mln. (up to a maximum of EUR 20 mln.), a Public Offering Prospectus must be prepared, which is to be approved by the Financial Supervision Commission but with less strict requirements as to its form and content.
- ✓ There is a requirement to disclose only semi-annual and annual financial statements.
- ✓ Dispositive transactions with fixed assets above a certain value, and transactions, in which receivables or liabilities above a certain limit occur, can be concluded without prior approval by the general assembly of the shareholders and by the Financial Supervision Commission. The dispositive action is performed only after a decision of the company managing bodies.
- ✓ A possibility for listing on the Main Market of the Bulgarian Stock Exchange under preferential terms.
- ✓ Summoning of general assemblies of the shareholders under less strict requirements.
- ✓ No requirement to prepare and keep a list of the persons who have permanent or occasional access to company's essential information.
- ✓ The shareholders are not obliged to disclose their share interest above a certain threshold and/or the acquisition of a certain percentage of the company's voting shares.
- ✓ The shareholders are not obliged to make tender offers to purchase the shares of the minority shareholders after the acquisition of a certain percentage of the voting shares and exceeding certain thresholds of the company capital.
- ✓ At increase of the capital, there is no legal requirement that each shareholder has the right to acquire part of the new shares corresponding to their share interest before the increase.

IN OUR CAPACITY OF ADVISOR AND LICENSED INVESTMENT INTERMEDIARY, WE OFFER

- ✓ We assess whether the company meets the requirements of the Bulgarian Stock Exchange for admittance to the BEAM
- ✓ We provide consultancy on all legal and factual actions of converting the company into a Joint Stock Company pursuant to the Commerce Act, the Rules of the Bulgarian Stock Exchange and other applicable legal provisions
- ✓ We carry out the procedure of registering the issues of financial instruments with the Central Depository and issuing the respective registration codes – ISIN, FSIN, CFI, LEI
- ✓ We prepare the full package of documents for admitting the financial instruments to trading on the BEAM, incl. the Admittance Document, as required by the Rules of the Bulgarian Stock Exchange
- ✓ We provide full assistance to the company in relation to the Bulgarian Stock Exchange during the document approval process for admitting the financial instruments to trading
- ✓ We advise the company on the preparation and implementation of a promotional campaign about the expected start of the trading with the financial instruments
- ✓ We administer the procedure of registering the issues of financial instruments for trading with the Stock Exchange
- ✓ We administer the procedure of starting the actual trade with the shares
- ✓ We administer the entire procedure of increasing the capital and issue of new financial instruments
- ✓ We advise the company on its obligations as per the Rules of the Stock Exchange and the current legislation
- ✓ We support in, advise on and supervise at all times how the company performs its obligations as stated in the Rules of the Stock Exchange and the current legislation
- ✓ We advise the company on the establishment and implementation of appropriate mechanisms, measures and procedures that ensure performance of its obligations
- ✓ We inform the Stock Exchange in a timely manner regarding the company's performance of its legal obligations

CONTACT US

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