



# AERO

BVB Market for Equities

**InvestingRomania**





## INVESTMENTS

In making an investment decision must be taken into account some basic principles, among which – the desired return, the risks that investor is willing to assume, liquidity of the selected instruments (how easily they can turn into money if needed) etc.

**The difference between saving and investing is simple:** saving aims keeping the money in reserves at low-risk

conditions, while investing means taking a risk in order to obtain larger gains. For savings, the most suitable financial instruments are bank deposits, government securities and, to some extent, the municipal bonds. For investing, depending on your risk appetite, you can choose corporate bonds, shares, rights, fund units, derivatives or structured products.

The decision to buy or sell certain financial instruments at a particular time is based on economic factors, such as the company's business evolution, the evolution of the market segment, GDP etc. (**fundamental analysis**) or on a price history system to determine the likely future evolution of the price, through graphics and specific indicators (**technical analysis**).

## STEPS FOR INVESTING AT BVB

Investments at Bucharest Stock Exchange (BVB) are done through financial investment services companies (SSIF) or credit institutions that are participants at BVB (intermediaries). The list of authorized intermediaries, with contact details of each company, is available on the website [www.bvb.ro](http://www.bvb.ro) in the Intermediaries section. Here can be accessed also

monthly or annual charts for showing the performance of intermediaries and, thus, supporting investors in choosing their broker. Following the selection, the investor signs a brokerage agreement which stipulates both the investment objectives and the level of involvement of the investor. Investors can choose between an individual investment account, through which the broker's role is reduced to placing orders in the system, or a discretionary account that authorizes the broker to manage your account as he considers appropriate. Regardless of the account type and no matter the time, the investor, as owner, has both access and control over its assets - money and/or financial instruments (shares, bonds etc.).

## ABOUT AeRO

AeRO is a market designed for listing of early stage companies, start-ups and SMEs, to finance their projects, growth stories, increase their visibility

and contribute to the development of the business environment. Based on the BVB alternative trading system, the AeRO market, under a redesigned concept, was launched on February 25, 2015.

## SHARES AS INVESTMENT INSTRUMENTS AVAILABLE ON AeRO

**Shares** represent a participation in the share capital of a company. The shareholders own a property right in the assets of that company, in proportion to the number of shares held. They have the right to be informed about the activity of the company, to participate in the General Meeting of Shareholders, to vote on decisions being taken by this organism and to cash in dividends if the company had profit.

On the other hand, if the company has a negative trend and get insolvent (bankrupt), shareholders are the last to be compensated, after the payment of debt to the state and to the employees, after the repayment of bank loans and repurchase of bonds issued.

Currently, on AeRO, are listed shares of Romanian and foreign companies, of relatively small size. AeRO was created to provide start-ups and SMEs access to financing through the capital market mechanisms. Listed companies must adhere to certain principles of transparency - to publish on [www.bvb.ro](http://www.bvb.ro) their annual and half-yearly financial reports (quarterly reports are also advisable) and to inform shareholders through current reports, on any event that could influence the share price.

## The number of companies listed on AeRO will increase over 2015, following the listing of private companies and the transfer of companies from Rasdaq market.

For an investor, buying shares in a company wishing to list on AeRO means the possibility to enter a company in an early stage of development. Companies listed on AeRO may have

accelerated growth and the return on investment could be remarkable. Prospective investors in companies listed on AeRO should know that an alternative trading system is a market dedicated primarily to smaller companies and start-ups, to which tend to be attached a higher risk than to the investment in companies listed on a main market.





## **INTERESTED IN AeRO?**

### **Below are some answers to AeRO FAQ.**

#### **What companies will I have the chance to buy on AeRO?**

AeRO does not target companies from a particular sector, therefore we expect to have listed firms from sectors such as IT, services and even agriculture or manufacturing. By attracting entrepreneurs from different areas, investors will be able to diversify their portfolio, with riskier asset classes, but in sectors with high potential for growth and development, which were not available until now on the Romanian capital market.

#### **Which are the risks associated with trading on AeRO?**

Investing always has risks. Companies listed on AeRO, unlike those of the main market, carry a higher risk, but, at the same time, the return on investment can be significantly higher. Investors are always encouraged to diversify their portfolio in order to minimize potential risks.

#### **Why should I invest in the companies listed on AeRO instead of the ones of the main market?**

The companies which are going to be listed on AeRO will generally have a higher growth potential, which means that they can provide better results over the next years. We expect to have companies from various sectors. Besides financial gains, investing in companies listed on AeRO will allow you to earn your own share of booming Romanian companies. Investing in companies listed on AeRO can be complemented with investments in other financial instruments and on other capital market segments.

#### **How can I buy shares of the companies listed on AeRO?**

With the support of intermediaries who are participants at the BVB trading system. Trading on AeRO is not different than trading on main market! The list of participants to the BVB trading system is available [here](#).

#### **Where do I find the companies listed on AeRO?**

BVB webpage offers complete information for all companies listed on all market segments and for all available financial instruments. By choosing AeRO from various menus of the webpage, you will be redirected in the section dedicated to this market. In this way, you have access to information regarding listed companies, trading statistics, company's reports etc.

**YOU CAN CONTACT US** at [aero@bvb.ro](mailto:aero@bvb.ro) for more information on investing in AeRO. You can also follow us on social media for being connected with the latest updates on AeRO.

