

OPINION

by professor, doctor Daniela Bobeva

VUZF

of a dissertation for awarding the educational and scientific degree "doctor"

in Higher Education Area 3. Social, economic and legal sciences

Professional direction 3.8. Economy

Author: SNEZHANA DIMITROVA YOTINSKA

**Topic: "FUNDING OPPORTUNITIES THROUGH THE CAPITAL MARKET
OF SMALL AND MEDIUM-SIZED ENTERPRISES IN BULGARIA"**

1. General description of the presented materials

By order No. 138 of 21.06.2022 of the Rector of the Higher School of Insurance and Finance Prof., Doctor of Law Boris Velchev, I have been appointed as a member of the scientific jury to ensure a procedure for the defense of a dissertation work on the topic "OPPORTUNITIES FOR FINANCING THROUGH THE CAPITAL MARKET OF SMALL AND MEDIUM-SIZED ENTERPRISES IN BULGARIA" for the acquisition of the educational and scientific degree "doctor" in the field of higher education: 3. Social, economic and legal sciences; Professional direction: 3.8. Economics; Doctoral Program "Finance, Insurance and Assurance" of Snezhana Yotinska, doctoral student of self-study at the Department of "Finance and Insurance" with scientific supervisor Assoc. Ph.D. Manyu Moravenov.

The materials submitted by Mrs. Iotinska include documents according to the presented inventory:

- Dissertation - Presentation of the PhD student - CV with an attached list of projects and publications,
- Copy of the diploma for the acquired educational and qualification degree "master"

- Abstract

- Summary of publications

- **Certificate of fulfillment by the candidate of the minimum national requirements for acquiring the educational and scientific degree "doctor" in the professional direction 3.8. Economy.**

The submitted documents are sufficient to prepare this opinion.

2. Brief biographical data about the candidate

The doctoral student holds a master's degree in macroeconomics from UNSS. Her professional experience creates a good foundation for her academic development. For more than ten years, she was a lecturer - assistant and senior assistant in macroeconomics at UNSS.

The data from the attached resume show that a significant part of Ms. Jotinska's professional experience is related to the development of the capital market and its functioning. She also worked as director of investor relations, as well as at the Bulgarian Stock Exchange.

The scientific research activity of the candidate is not limited only to the research subject of the dissertation work. She has actively participated in the implementation of two projects, in the field of corporate governance in Bulgaria and in the field of entrepreneurship - "Capital Markets". The accumulated knowledge and skills help the doctoral student to identify significant problems and formulate adequate policies as a result of her scientific research.

3. Characterization and evaluation of the dissertation work

The author of the dissertation argued the relevance of the dissertation with the ongoing processes of financial integration of the capital markets in the EU, with the attractiveness of the so-called "SME Growth Markets" on exchanges.

In a theoretical aspect, it is rightly pointed out that the topic of the creation of new segments of the capital market for SMEs is poorly represented in the academic literature, although this policy and practice has been developing in the world and in the EU for the last fifteen years. Small and medium-sized enterprises are still mainly financed by the banking sector, which is also characteristic of Bulgaria. Theory and practice need a thorough study and answer to the problem of financing this sector in the context of capital market innovation.

The introduction precisely defines the object, the subject, the overall tasks and the main thesis of the dissertation work. The main goal is to present, analyze and evaluate the theoretical and practical aspects of the opportunities to finance SMEs in Bulgaria through the capital market.

On the basis of an in-depth study of the capital market on the one hand, and of small and medium-sized enterprises on the other, the main thesis is proven, that the Bulgarian capital market has a potential that, if appropriate stimulating measures are taken, and above all the creation of a segment for trading of small and medium-sized enterprises on the stock exchange may lead to an increase in the role of the capital market as a source of financing for small and medium-sized enterprises.

The methodology is only marked without arguing why and how the relevant scientific methods are applied in the research. The studied literature contains few theoretical sources, and mainly official sources fill the information vacuum on the subject.

In the first chapter, a good impression is made by examining the macro-framework, and in this context, the dynamics of the capital market and the financing of small and medium-sized enterprises are further explored. The formation and development of the capital market in Bulgaria is traced, revealing the main problems and obstacles to its development. The main factors influencing the dynamics of the capital market have been identified. With enviable skill, the doctoral student has analyzed the regulatory framework and the role of regulatory factors, as well as the institutional aspects for its development.

In the second chapter, an in-depth analysis is made of all the variety of sources and forms of financing of small and medium-sized enterprises for the purpose of seeking the place of the capital market in this highly diversified financial infrastructure. Bank and non-bank financing are analyzed, including modern forms such as crowdfunding.

In the third chapter, the experience of two countries (Poland and Romania) in financing small and medium-sized enterprises through the capital market is studied in detail. The choice of these two countries is argued by the PhD student. The comparative analysis also includes other EU countries, which makes it possible to identify good practices applicable in Bulgaria as well. The analysis leads to significant scientific-applied conclusions and represents a substantial theoretical and practical-applied contribution of the author.

It should be noted that in this part of the thesis, a huge amount of empirical work has been done to extract the data from various sources, incl. from the websites of the respective exchanges. The financial analysis of four listed companies in Poland and Romania makes it possible to assess the effects of financing through the capital market.

The conclusion correctly reflects the main conclusions of the dissertation work.

The review of the dissertation work shows that there is a logical connection between the individual structural elements of the dissertation and clarity in the exposition, which is reinforced by the formulation of conclusions at the end of each chapter.

The quality of the dissertation meets high academic standards. 4. Contributions and significance of the development for science and practice

The doctoral student has formulated four scientific contributions that reflect the significance of the development.

The research covers a complex period of time incl. global financial crisis and stock markets, slow and contradictory recovery and over-regulations that definitely have a restraining effect on the development of the capital market. This has enabled the author to define and prove that growth markets can and already serve as a catalyst for the revival of European capital markets and for countries such as Bulgaria, Poland and Romania. This scientific result has significant practical application potential.

5. Evaluation of publications on the dissertation work

The doctoral student presented a list of nine publications in total, of which five scientific publications are directly related to the topic of the dissertation, and the rest are in the field of economic growth and macroeconomics. Most of the publications are part of proceedings of scientific conferences in which Ms. Jotinska participated. The candidate is also the author of educational materials within the framework of her teaching activity. All posts are individual contributions of the author.

Ms. Jotinska's publication activity exceeds the requirements for acquiring the scientific degree, and the content of the scientific publications meets academic standards.

6. Assessment of compliance with minimum national requirements

The attached "Certificate of fulfillment by the candidate of the minimum national requirements for obtaining the educational and scientific degree "doctor" in the professional direction 3.8. Economics" shows that the candidate fully meets and even exceeds the minimum requirements. In total, according to the criteria, she scores 100 points, of which 50 points come from publications.

7. Abstract

The abstract comply with the regulations' requirements and represents the main finding of the research.

8. Critical remarks and recommendations

The dissertation is a conscientious and professionally done study, to which the following critical remarks could be addressed, which do not change my overall high assessment of the work.

First: The research methodology is not described in sufficient detail, as well as the theoretical contributions, which could be even more significant with a greater emphasis in the literature review precisely on theoretical sources instead of official sources and regulatory documents.

Second: Descriptive approach and qualitative analysis prevail in much of the dissertation work, while quantitative analysis is limited to some of its rudimentary tools.

Third: The critical analysis and the identification of factors, causes and their quantitative assessment could be expanded, which would contribute to deepening the research and additional argumentation of the conclusions drawn.

Fourth: Practical-applied contributions are not clearly defined enough.

Questions:

1. Why and how were the companies selected for the financial analysis? How representative are they to draw relevant conclusions from this part of the analysis? Can it be argued that the small and medium-sized companies that the author researches are making significant progress and how much of this is due to listing on the growth market?
2. Where is the BEAM market positioned among all the SME financing sources analyzed by the PhD student? Can it compete with financing from companies under Art. 3a of the ZKI, with grant funding or with crowdfunding?

CONCLUSION

The dissertation contains scientific, scientific-applied and applied results, which represent an original contribution to science and meet the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (ZRASRB) and the Regulations for the Implementation of ZRASRB. The presented materials and dissertation results fully comply with the specific requirements of the Regulations for the Admission and Training of Doctoral Students at the Higher School of Insurance and Finance

The dissertation work shows that Mrs. Snezhana Iotinska has in-depth theoretical knowledge and professional skills in Professional direction 3. 8. Economics, demonstrating qualities and skills for independent conduct of scientific research.

Due to the above, I confidently give my positive assessment of the conducted research, presented in the above-evaluated dissertation work, abstract and achieved results and contributions, and I propose to the honorable scientific jury to award the educational and scientific degree "Doctor" to Snezhana Iotinska in the Department of Higher Education education 3. Social, economic and legal sciences; Professional direction 3. 8. Economics; (Finance, Insurance and Assurance)

25 July 2022 .

Reviewer

(Prof., Dr. Daniela Bobeva)