

Translation from Bulgarian language



Allterco JSCo

SUPPLEMENT

to

SUMMARY

Part I of the Prospectus for public offering of 3,000,000 (three million) ordinary dematerialized shares from the capital increase of Allterco JSCo, ISIN BG1100003166

21 October 2020

This Supplement to the Summary, part of the Prospectus for public offering of shares of Allterco JSCo, together with the Registration Document and the Securities Note, has been drawn up in accordance with Article 23, paragraph 1 of Regulation (EU) 2017/1129 and Article 18 of Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 in relation to a sale by Allterco JSCo of a part of its position of shares in the capital of Link Mobility Group Holding ASA and concluded in respect to it a Placement Agreement on 20.10.2020 between Allterco JSCo and ABG Sundal Collier ASA – manager of the offering of Link Mobility Group Holding ASA.

1. Supplement to the information under Section 1. Introduction and warnings, item 1.5 Date of approval of the Prospectus

The Supplement to the Summary is intended to supplement item 1.5 of the Summary, whereby the provided information shall be updated and the text of the item shall be revised as follows:

The Prospectus was approved by the Financial Supervision Commission by Decision No. 148 – E of 18.02.2020.

The Supplement to the Prospectus dated 2 June 2020 was approved by the Financial Supervision Commission by Decision No. 405-E of 11.06.2020. The Supplement to the Prospectus dated 29 July 2020 was approved by the Financial Supervision Commission by Decision No. 601 - E of 13 August 2020. The Supplement to the Prospectus dated 29 July 2020 was approved by the Financial Supervision Commission by Decision No. 791-E of 29.10.2020.

2. Supplement to the information under Section 2. Key Information on the Issuer, item 2.2. What is the key financial information regarding the Issuer?

The Supplement to the Summary is intended to supplement item 2.2 of the Summary, whereby the provided information before the tables and the tables thereto shall be updated as follows:

The information set out below is extracted from the audited annual consolidated financial statement for the years 2018 and 2019 and the unaudited interim consolidated financial statement as at 30.06.2019 and 30.06.2020.

The pro forma financial information, provided in the tables below, has been compiled in connection with the sale of 100% of the interest of the Issuer in a package of subsidiaries, namely Teravoice EAD, Tera Communications AD, Tera Communications DOOEL, Allterpay EOOD and Teracomm Ro SRL that took place in the second half of 2019 and the post-sale change in the goodwill related to the investments in Allterco PTE Ltd., Singapore.

THE POTENTIAL INVESTORS SHOULD BEAR IN MIND THAT THE PRESENTED PRO FORMA FINANCIAL INFORMATION HAS BEEN COMPILED FOR ILLUSTRATIVE PURPOSE ONLY TO DESCRIBE THE IMPACT OF THE OUTLINED EVENTS, AS IF THEY HAD OCCURRED AT AN EARLIER DATE. DUE TO ITS NATURE, THE PRO FORMA FINANCIAL INFORMATION REFLECTS A HYPOTHETICAL SITUATION AND DOES NOT PRESENT THE ISSUER'S ACTUAL FINANCIAL POSITION OR

RESULTS.								
<i>Statement of comprehensive income on a consolidated basis</i>								
(BGN thousands)	2019	2018	2017	30.6.2020	30.6.2019	30.6.2018	2018 pro forma	30.6.2019 pro forma
Sales revenue	33,318	44,880	39,186	18,536	24,044	18,155	22,415	12,398
Operating profit(loss)	89	3,364	3,265	3,327	1,235	-101	-2,243	-3,721
Profit(loss) before interest and tax, EBIT	8,564	3,364	3,265	3,327	1,235	-101	6,722	5,244
Net profit(loss) for the owners of the equity of the parent company	7,169	2,648	2,685	2,858	747	-411	5,821	4,542
Annual revenue growth	-25.76%	14.53%	20.03%	-22.91%	32.44%			
EBIT margin	25.70%	7.50%	8.33%	17.95%	5.14%	-0.56%		
Net profit margin	21.93%	5.81%	6.93%	15.02%	3.57%	-1.36%		
Earnings per share attributable to the owners of the Parent company (BGN) (last 4 quarters)	0.48	0.18	0.18	0.62	0.25	0.14		
<i>Statement of financial position on a consolidated basis</i>								
(BGN thousands)	2019	2018	2017	30.06.2020	30.06.2019		2018 pro forma	30.6.2019 pro forma
Total assets	39,891	42,297	39,644	40,714	41,469		38,508	37,182
Total equity	30,336	28,924	26,247	33,168	29,560		29,697	30,178
Net financial debt	-7,763	3,767	1,132	-8,585	1,495		-6,876	-8,872
<i>Cash flow statement on a consolidated basis</i>								
(BGN thousands)	2019	2018	2017	30.06.2020	30.06.2019	30.06.2018		
Net cash flow from operating activities	6,358	592	1,328		1,856	4,299		-1,001
Net cash flow from investment activities	8,273	-2,329	-5,020		-868	-297		-915
Net cash flow from financing activities	-3,729	1,325	3,146		-263	-1,157		849
3. Change to the information under Section 3.3. What are the key risks that are specific to the securities?								
<i>The Supplement to the Summary is intended to supplement item 3.3 of the Summary whereas the text of the third paragraph "Risk of a change in the interests of the majority shareholders" shall be revised as follows:</i>								
<p>Risk of a change in the interests of the majority shareholders – the members of the Board of Directors Dimitar Dimitrov and Svetlin Todorov hold 38.51% of the shares each and the corresponding voting rights in the Issuer's General Meeting. At the date of the Supplement to the Prospectus of 21.10.2020 the majority shareholders have exercised their rights by subscribing a total of 142,000 new shares in the capital increase. Assuming that the full issue is subscribed, their participation will be reduced down to 32.48% each and a total of 64.96% of the shares and voting rights in the General Meeting of the Company, which also permits the exercise of significant influence. For the investors, there is a risk of possible changes in the major shareholders' interests, which could have an unfavourable impact both on the Company's activities and with respect to the interests of the minority shareholders.</p>								
4. Change to the information under Section 4. Key Information on the Offer of Securities to the Public and the Admission to Trading on a Regulated Market, item 4.1. Under which conditions and timetable can I invest in this security								
<i>The Supplement to the Summary is intended to supplement item 4.1 of the Summary whereas the respective parts shall be supplemented and revised as follows:</i>								
<p>4.1. <i>The information provided in section "Terms, conditions and expected timetable of the offering" shall be revised, whereas before the last paragraph a new one shall be added as follows:</i></p> <p>Insofar as at the time of the circumstances in view of which the Supplement of 21.10.2020 is prepared, the period of the offer - subject of this Prospectus, has not expired, respectively - the shares, subject of this offer, have not been issued, each investor, who, before the publication of the Supplement of 21.10.2020, has subscribed for shares in the offering, subject to the Prospectus, has the right, exercisable within two business days after the publication of the Supplement of 21.10.2020, to withdraw their subscription by filing a written statement to this effect within the said period with the investment intermediary, where the shares were subscribed in the first place.</p>								
<p>4.2. <i>The information provided in section "Admission of the shares to trading on a regulated market" shall be updated and revised as follows:</i></p> <p>In accordance with the timetable, subscription for the shares in the Offering starts on 08.10.2020 and will end on 30.10.2020. If the Offering is closed successfully, immediately after the increase of the Company capital is</p>								

recorded in the Commercial Register, registration of the new shares in Central Depository AD and recording of the new issue in the register kept by the Financial Supervision Commission, an application shall be filed with the BSE to admit the newly-issued shares to trading in a regulated market. The execution of such transactions may begin as of the date set by the Board of Directors of BSE, expected to be on or around 08.12.2020.

4.3. *The information provided in section "Capital dilution resulting from the offering" shall be updated and revised as follows:*

The immediate dilution of the share participation and the voting rights of the shareholders not participating in the capital increase, shall be equal to the portion of the newly-issued shares within the total number of shares after the increase. Any shareholder who does not subscribe for new shares, shall dilute their participation by between 6.25% and 16.67%, respectively, at the minimum and maximum size of the issue. The issue price of one newly-issued share of BGN 3.00 is higher than the book value (net asset value) of one share of the Issuer prior to the Offering which amounts to BGN 1.31 on an individual basis.

4.3. *The information provided in section "Costs related to the offering" shall be updated and revised as follows:*

Upon subscription of the minimum and maximum amount of the issue, the total costs related to the Offering for the Issuer are expected to be around BGN 166 thousand and BGN 421 thousand, respectively.

5. Supplement to the information under Section 4. Key Information on the Offer of Securities to the Public and the Admission to Trading on a Regulated Market, item 4.2. Why is this Prospectus being produced?

The Supplement to the Summary is intended to amend item 4.2 of the Summary, whereas the text and the table thereto shall be revised as follows:

The present initial public offering is carried out based on a decision of the BD of Allterco JSCo of 20.12.2019 to increase the Company capital from BGN 15,000,000 to BGN 18,000,000, as well as a decision of the BD of 24.01.2020, defining the remaining parameters of the Offer. In addition, under minutes of 03.06.2020 a resolution was adopted to carry out public offering of the issue from the capital increase also on the territory of the Italian Republic and on the territory of the Federal Republic of Germany in addition to the territory of the Republic of Bulgaria. In respect to new development and opinion of the Financial Supervision Commission on the need to supplement the Prospectus, including a consolidated version with the supplements prepared to it, under minutes of 31.07.2020 the Board of Directors of Allterco JSCo adopted a resolution to approve the new supplement to the approved Prospectus and the consolidated version of the same with all supplements prepared to it. In relation to a new circumstance under minutes of 21.10.2020 the BD of Allterco JSCo adopted a resolution to approve the new (third) supplement to the approved Prospectus and the consolidated version of the same with all supplements prepared to it. The decisions were passed pursuant to the explicit authorization under the Articles of Association of the Company, adopted by a resolution of the General Meeting of Shareholders on 29.01.2018. The raised net proceeds will be used for the following intended purposes depending on the results of the Offering:

Investment projects	Minimum size of the issue		Maximum size of the issue	
	Size of the investment, BGN thousands	% of the net proceeds	Size of the investment, BGN thousands	% of the net proceeds
Widening and development of the distribution network: increasing the sales team and trade representatives by region; participation in local and international exhibitions.	1,700	60%	2,574	30%
Working capital to establish regional logistics centres to optimize deliveries and redirect the sales channels.	709	25%	3,431	40%
R&D: increasing of IT and engineering personnel; device certification.	425	15%	2,574	30%
Total invested funds	2,834	100%	8,579	100%

The offered shares are not subject to an underwriting agreement on a firm commitment basis.

The Issuer is not aware of potential conflicts of interest related to the Offering.

THE UNDERSIGNED, IN HIS CAPACITY OF EXECUTIVE DIRECTOR OF THE ISSUER, DECLARES BY HIS SIGNATURE THAT THE SUPPLEMENT TO THE SUMMARY COMPLIES WITH THE REQUIREMENTS OF THE LAW.

For the Issuer:

/sign.ill./
Dimitar Dimitrov – Executive Director

The undersigned, Atanas Svetlozarov Igov, do hereby certify the fidelity of the foregoing translation of the enclosed document from Bulgarian into English. The translation consists of 4 (four) pages.

Translator: Atanas Svetlozarov Igov

See official translation 