

About Investbx



Investbx raising equity for local SMEs, Investbx incorporates a stock market for West Midlands based companies. Investbx share dealing and investment advice services are provided and administered by The Share Centre Limited



Investbx is a new vehicle for West Midlands based SMEs to raise transitional finance; it acts as a catalyst to bring companies and investors together



Companies approaching Investbx will typically have been trading for a minimum of 18 months to 2 years and will be looking to make the next leap in growth



They will probably have received an initial round of funding from early stage venture capital funds and drawn on loan sources but now face difficulties in raising relatively small amounts of between £500k and £2million – known as the equity gap – at a vital stage in their growth



Investbx has a remit to help address the equity gap and provides a new dimension in the private equity market



It is innovative in its approach and turns the traditional model on its head by taking responsibility for facilitating the company's journey to IPO and connecting it with investors, differing from the more traditional markets where this role is fulfilled by the corporate sponsor or nomad



The company is required to engage with reporting professionals to undertake due diligence but this is via a lighter touch process; a process which the professional community of Birmingham has helped design and develop



This lighter touch process is designed to be less onerous for smaller companies and at a cost which is more appropriate, ensuring more of the funds raised go to supporting the company's growth



Investors will have the chance to diversify their investment portfolios as they will have access to well prepared opportunities which would not typically be available to them (as with all investment opportunities, the prices of shares and the income from them may go down as well as up; investors may get back less than their initial investment)



Investors should also benefit from the tax advantages available for investments into unquoted companies, although bases and levels of taxation may change



Investbx also provides a secondary market for investors to trade their shares, should they wish. The market is operated by The Share Centre, which works on a matched bargain basis via an online auction; there are no market makers



This is an approach which has been adopted to improve the opportunity for liquidity in the shares, something which smaller companies joining the more senior markets do not typically enjoy as analysts do not report on them and they fall below the radar of the institutional investors



Investbx will provide access to independent research on the companies on an ongoing basis and this will be supplemented by showcasing to raise their profile in the region and beyond, helping to maintain interest in their stock



Our aim is to generate interest in a company's shares in preparation for progressing to the senior markets at the appropriate point in their development

connecting companies to investors