

When someone acquires shares, this person becomes the holder of a fraction of the share capital of a company. For instance, if a company holds 1,000,000 shares issued, and an investor buys 100 shares, he or she will then have a 0.01% stake in the company.

The subscription right is also granted to shareholders in cases of issuance of securities convertible into shares, such as convertible debentures and subscription bonuses.

However, the subscription right may only be wielded within a limited period, which must be fixed by the company's bylaws or at the Assembly at which the increase in the share capital or the issuance of the convertible bond into shares of the company, and may not be less than 30 (thirty) days. In this period, the shareholder must express his intention to subscribe to the newly issued shares under the scope of capital increase or convertible securities into shares, as the case may be. If you fail to do so, the preemptive Rights will lapse.