

REVIEW

by a member of the scientific jury,
for obtaining an educational and scientific degree "Doctor"
under the program "Finance, money circulation, credit and insurance" (Finance)
in D. A. Tsenov Academy of economics - Svishtov

Reviewer: Assoc. Prof. Dr. Ivaylo Mihaylov Mihaylov, University „Prof. Dr. Assen Zlatarov“ – Burgas, habilitated in the scientific specialty 05.02.05 "Finance, Money Circulation, Credit and Insurance".

Author of the dissertation: Bilyana Diyanova Damyanova, Doctoral № d020218173

Topic of the dissertation: „ Asset financing through leasing – current issues and challenges“.

Scientific supervisor: Prof. Dr. Teodora Dimitrova, Finance and Credit Department, D. A. Tsenov Academy of economics - Svishtov.

I. General presentation of the dissertation

The basis for writing the review is the decision of the Faculty of Finance (protocol No. 3/November 11, 2022) at the D. A. Tsenov Academy of economics - Svishtov, approved by order of the rector №1005/November 16, 2022. The review of the dissertation was prepared in accordance with the normative requirements of Law on the development of the academic staff in the republic of Bulgaria and complied with the requirements of the D. A. Tsenov Academy of economics - Svishtov for composition and structure of the content.

The subject of the development are current problems and challenges in the management of the leasing process.

The object of research in the dissertation is leasing as a source of asset financing.

Structurally, the presentation of the dissertation work is presented as follows: introduction, three chapters, conclusion, bibliography and appendices. The development includes 180 standard pages, of which 164 pages are main text, 3 tables and 62 figures. There is a relative balance between the individual chapters of the dissertation. The bibliographic reference includes 100 sources, of which 63 are in bulgarian and 37 in english and russian, which shows a relatively good literary awareness of the author. The literature used is relatively new, which shows that the doctoral student is familiar with the current state of the problem and the scientific achievements of other authors in the relevant field.

Two appendices in the volume of 4 pages are presented to the dissertation work, which include standard forms of commercial banks for requesting a lease of individuals and legal entities.

II. Assessment of the form and content of the dissertation

The introductory part of the dissertation substantiates the relevance and significance of the researched problem - the specific forms of bank lending and, more specifically, leasing as a form of asset financing. It is considered that in the modern market conditions, more and more economic agents are resorting to leasing as a specific, highly effective and flexible method of financing, due to the presence of the significant advantages it possesses. In support of his theses, the author proves that the leasing market in Bulgaria is increasingly expanding its scope and contributes to the dynamism of economic growth in the country. This justifies

the increased academic efforts in recent years to research the specific forms of financing and their effective application in economic activity both as independent techniques and in combination with other financial instruments.

I believe that the research thesis that the author defends is correctly formulated and has a discursive nature. It states: "highlighting the problem-oriented challenges facing the leasing market is a prerequisite for optimizing the leasing process and for improving the management of leasing companies".

The author aims to research, argue and present the process of financing assets through leasing for the period 2010-2020, identifying the current problems and challenges facing the industry.

To achieve the goal, PhD student Bilyana Damyanova defined five tasks that outline the logic of the development:

First, performing a retrospective analysis regarding the origin and evolution of the lease - the theoretical foundations for the essence of the lease and its forms offered on the leasing market;

Second, analysis of the dynamics and trends of the state of the leasing market in Bulgaria for the period 2010-2020;

Third, structuring the parametric profile of the leasing transaction;

Fourth, research on the factors affecting the leasing process;

Fifth, development of a toolkit for optimization of the leasing process.

The first chapter has an introductory nature to the topic and is dedicated to the theoretical and applied aspects of the lease. Basic concepts, concepts and theoretical statements are defined. A retrospective analysis of the origin and evolution of the lease was made. The essential characteristics and forms of the lease were examined and on this basis the comparative advantages and disadvantages were deduced. Emphasis is placed on financial and operating leases, which are the most common in practice, due to the fact that they are the most preferred by economic agents. An overview of the specialized economic literature devoted to the nature and role of the lease was made. At the end of the chapter, the main conclusions of the research are presented.

Regarding the theoretical overview, I can state that PhD student Bilyana Damyanova structured and presented the information relatively well.

In the second chapter, the problems of financing assets with leasing are discussed. An analysis was made of the state of the leasing market in Bulgaria for the period 2010–2020 based on the structure of receivables under contracts for financial and operating leases on the basis of balances by type of asset and on the basis of balances by maturity. A parametric profile of the leasing transaction and the management of the leasing process is derived. The separate phases of the leasing process have been consistently examined and analyzed: accounting, termination of the contract under condition, rescheduling of the residual value, early purchase of the leased object, etc. The author considered it necessary to indicate how the process changed during the COVID 19 pandemic. Based on the analysis, PhD student Bilyana Damyanova reached the relevant conclusions and conclusions.

A third chapter is devoted to the challenges of financing assets with leases. For this purpose, an analysis of the factors influencing the leasing process was made and on this basis the relevant conclusions were drawn. Attention is also paid to the risk management of the leasing activity, and some of the indicators for the analysis of the financial condition of the lessee (individuals and legal entities) are briefly considered. The author defines the types of

risk affecting the lessor and the lessee. Finally, possibilities for optimization of the leasing process are indicated.

In the conclusion of the dissertation, the author successfully summarizes the achieved results of the theoretical-applied research of the financing of assets through leasing and outlines the current problems and challenges related to this process. The realization of the set goals and tasks is reflected, with which the thesis of the dissertation is argued.

A variety of research methods were used for the development of the dissertation, such as: ex post, structural, comparative analysis, practical-applied and survey methods. The obtained results are presented through a graphical method, which gives a clear idea of the leasing market in Bulgaria.

Doctoral student Bilyana Diyanova Damyanova submitted a declaration of originality and credibility, with which she guarantees that the dissertation work is authentic and represents her own scientific production.

The volume of the dissertation work is completely sufficient for the study of the chosen topic. I think the style and language are at a good level, from the point of view of academic norms and standards.

The author's abstract of the dissertation work was developed according to the generally accepted requirements and is 31 pages long. It summarizes the author's theses and results of the conducted scientific research, which give a comprehensive idea of achieving the set goal. There is a reference for the scientific and scientific-applied contributions in the dissertation. A list of publications on the subject is also attached, which includes: one article published in a peer-reviewed scientific publication and 3 nos. scientific reports, one of which is in English, also published in peer-reviewed volumes. In the scientific production, doctoral student Bilyana Damyanova is the sole author. The publication activity is not high, but it is sufficient (the total number of points is 35) to award the educational and scientific degree "doctor", according to Regulations for the implementation of the law on the development of the academic staff in Bulgaria. There is no citation data for the submitted publications.

III. Scientific and scientific-applied contributions to the dissertation

Contributions are indicated in the submitted Statement of Contributions. The author made four contributions - one scientific-theoretical and three of a scientific-applied nature. The contributions are as follows:

First, a retrospective analysis of the origin and evolution of the lease was made, and on this basis an attempt was made to formulate an author's definition of the term "lease" as "a specific type of written agreement by which the lessor transfers to the lessee the right to use a certain asset for a fixed period of time against the corresponding agreed payment". With the help of the comparative analysis, the main advantages of the lease are shown, defining it as a highly efficient and flexible method of financing assets.

Secondly, based on an analysis of the leasing market in Bulgaria for the period 2010-2020, the problems and challenges facing the industry are highlighted, and on this basis specifics in the parametric profile of the leasing transaction are identified and an algorithm for its effective management is proposed.

Third, consumer interest in leasing products and services was investigated through a survey. Based on a detailed causal analysis, the factors determining the tendency to use leasing as a method of financing assets, as well as the main risks for the participants in the

leasing process, have been systematized. A toolkit for minimizing the risks in the leasing activity is proposed.

Fourth, with the help of the author's methodological analysis of the leasing process, possibilities for its optimization are proposed, including through a modeled web-based platform of the type "Leasing experience". The digitization of the leasing activity is outlined as an economic necessity and a prospect for flexibility, efficiency and prosperity.

IV. Critical notes, questions and recommendations on the dissertation

There are also some gaps and weaknesses in the doctoral student's work, which gives me the reason to make the following critical remarks:

1. In many places in the work there are statements that are not supported by the relevant source of information. For example, on page 76 *"The leasing market of the Republic of Bulgaria according to this criterion is approximately in the middle class in Europe..."*. Here the question arises according to which calculations Bulgaria occupies this position, how representative and reliable these data are, etc. In my opinion, this is important because it is based on these statements that inferences are made, conclusions are formed, and contributions are made. The lack of representativeness and correctness of the data invalidates the meaning of the recommendations and the credibility of the conclusions.

2. I do not find it serious that information such as that in chapter two items 2.1, 2.2, 2.3, 2.4, 2.5, chapter three items 2, 2.1 should participate in the analytical part of a doctoral dissertation.

3. It was good to go through a style edit before printing the final version of the dissertation work.

In connection with the defense of the dissertation, the following specific questions can be addressed to doctoral student Bilyana Damyanova:

1. What are the reasons for the lower penetration of operational compared to financial leasing in Bulgaria for the period under consideration?

2. What are the advantages of financial leasing compared to bank credit when financing non-current assets?

3. What are the advantages for the lessee of long-term operating leasing?

V. Summary conclusion and opinion

In conclusion, I can summarize my opinion that the thesis submitted to me for review on the topic "Financing of assets through leasing - current problems and challenges" is dedicated to a current and significant problem for science and business. The theoretical and scientific-applied contributions contained in it meet the requirements of Law on the development of the academic staff in the republic of Bulgaria and the Rules for its implementation.

In view of the presented arguments, I give a positive assessment of the dissertation work and call on the scientific jury to vote positively for the awarding of the educational and scientific degree "doctor" to Bilyana Diyanova Damyanova in the field of higher education 3. Social, economic and legal sciences, professional direction 3.8. Economics, scientific specialty "Finance, money circulation, credit and insurance".

Date: December 27, 2022 г.

Reviewer:

Assoc. Prof. Dr. Ivaylo Mihaylov