Market Notice 2018-11-06_01

AIX book-building service

Date	06/11/2018

1   Purpose

The purpose of this Market Notice is to describe the book-building mechanism and procedures that is enforced at the Astana International Exchange (the "**AIX**") and its subsidiaries. It cancels and replaces the previous Market Notice 2018-10-22_01 issued on October 22nd, 2018.

The present Market Notice sets the principles that apply to book-building sessions. Additional precisions or restrictions may apply on a case-by-case basis.

2   Definitions

AIX Bookrunner means the AIX Trading Member selected by the issuer or seller of securities to conduct and manage the IPO or SPO process.

AIX CSD means Astana International Exchange Central Securities Depository Ltd.

AIX Registrar means Astana international Exchange Registrar Ltd.

AIX Trading Member(s) means a member(s) who has a valid and active trading membership agreement with AIX.

Book-Build Settlement Account means the account into which AIX Trading Members will transfer cash to participate in the book-building.

Custodian Bank means the bank selected by AIX CSD to use in the settlement process regarding GDRs denominated in USD.

Static Data means the set of basic information pertaining to a specific security including the ISIN, symbol, number of securities available and long / short name.

Unique Identifier means the NIN or National Investor Number of the account opened by investors at AIX Registrar and / or AIX CSD.

3   Book-building Process Guidelines

3.1 Book-building is conducted at the request of the AIX Bookrunner appointed by the issuer or seller. It is not mandatory for new or secondary listings.

3.2 Book-building can be used for all asset classes.

3.3 The book-building process is performed on a dedicated segment of the AIX trading platform.

3.4 All AIX Trading Members are eligible to submit buy orders in book-building subject to the requirements in Section 4.

3.5 AIX set up the security on the trading platform based on the Static Data provided by the AIX Bookrunner.

3.6 The AIX Bookrunner define whether or not a mid-point price is disclosed to the AIX Trading Members. If not, the market notice indicating the price range is disclosed via the AIX official website or distribution lists to the AIX Trading Members.

3.7 The AIX Bookrunner defines the duration of the book-building.

3.8 At the day agreed in written with the AIX Bookrunner, AIX issue the market news via the trading platform informing AIX Trading Members of the book-build including the following details which are required to specified by the AIX Bookrunner:

3.8.1 Static Data and the prospectus;

3.8.2 The duration of the book-build;

3.8.3 The price range or in the absence of a price range, a mid-point price;

3.8.4 The time beyond which no order can be cancelled, if applicable;

3.8.5 Whether or not pre-funding of the buy orders to the AIX CSD Book-Build Settlement Account prior the book closure is required to the AIX Trading Members and if so, the specific pre-funding requirements;

3.8.6 Any other restrictions that may apply to the bookbuild.

3.9 The AIX Trading Members shall enter buy orders either on their own account or from investors with a "Good 'til Cancel"[1] ("GTC") attribute.

3.10 Orders shall be carried over throughout the duration of the book-building process.

3.11 Securities going through book-building shall display "IPO" label in the "Board" column to be distinguished from the other securities listed on the AIX trading platform.

3.12 At the end of each day, the AIX shall provide the AIX Bookrunner with the end-of-day order book through secured channel, in a format which is agreed upon with the AIX Bookrunner (Annex 1).

3.13 On the final day of the book-building period, the AIX Bookrunner shall receive the total order book, which shall include all orders for the whole book-building period as well as the identities of investors bidding for securities, if required by the AIX Bookrunner, in addition to previously provided data.

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[1] "Good 'til Cancel" Orders – active in the system for up to 90 days.

3.14 The AIX Bookrunner shall provide AIX with an allocation file to AIX CSD in a format specified by AIX for the distribution of the securities into the investors' sub account or AIX Trading Member's own account based on the details in the allocation file.

3.15 AIX CSD is solely responsible for the actual allocation of securities at the end the book-building process based on the allocation file provided by the AIX Bookrunner.

4   AIX Bookrunner Obligations

4.1 The AIX Bookrunner should provide AIX with all the necessary information required to conduct book-building for the security at least 2 working days prior to the intended start of the book-building process (see section 3.8 above).

4.2 The AIX Bookrunner shall:

    1)   Provide necessary information to AIX in the form included in Annex 2 (book-build application form):

        (a)   The security's Static Data;

        (b)   The price range for the security. If not readily available, this information must in any case be provided by the AIX Bookrunner to the AIX before the start of the book-building for the AIX to release by way of Market Notice;

        (c)   The duration of the book-building process is between one and five working days. Exceptions may apply if agreed between the AIX Bookrunner and the AIX;

        (d)   The deadline for the transfer of funds executed by AIX CSD to Seller/Issuer after the completion of the book-build;

        (e)   The secured file transfer channel between the AIX and Bookrunner;

        (f)   The provision of share distribution instructions to AIX CSD;

        (g)   The pre-funding requirements for AIX Trading Members;

        (h)   The instructions for the transfer of funds for the offer.

    2)   Coordinate the activities of book-building;

    3)   Coordinate communication between all book-building related parties (except communication between AIX and AIX Trading Members).

4.3 The Bookrunner may decide to cancel the book-building before the official end of the book-building period. In that case, AIX must be notified in writing at least a day in advance indicating the reason for the cancellation of the of book-building.

4.4 No allocation of securities can occur after cancellation of the book-build and any funds held in the Book-Build Settlement Account would be returned to AIX Trading Members within one working day.

5   Participating AIX Trading Member Requirements

5.1 AIX Trading Members who wish to participate in the book build process must:

5.1.1 if so instructed by AIX, provide AIX CSD with the names and Unique Identifiers of all potential investors in the format agreed with AIX five (5) working days prior to the last day of the book build.

5.1.2 undertake to ensure that all bids submitted by investors are pre-funded; i.e. AIX Trading Members are in possession / receipt of the funds from the investors prior to submitting a bid. AIX

reserves the right to request evidence of the pre-funding from the AIX Trading Members at any stage of the process.

5.2   AIX Trading Members should, upon advice of AIX, deposit the investor funds to the Book-Build Settlement Account and notify by email the AIX CSD with the exact sum remitted into the account.

5.2.1   If the funds deposited / transferred to the Book-Build Settlement Account by an AIX Trading Member are insufficient to cover the total sum of the bids submitted by such AIX Trading Member, the AIX CSD would contact the AIX Trading Member and request the transfer of the cash shortfall to the Book-Build Settlement Account.

5.2.2   if the funds are not received in the Book-Build Settlement Account before the start of the book-building session on its last day, AIX would require the AIX Trading Member to cancel the corresponding unfunded bids.

5.2.3   New bids submitted on the last day of the book-build should be funded in the Book-Build Settlement Account within one hour from their submission.

5.2.4   if the AIX Trading Member fails to comply with 5.2.2 and 5.2.3 , AIX reserves the right to cancel some or all bids submitted through this AIX Trading Member and cancel its access to the book-building segment of the AIX Trading Platform or take any other action that AIX at its sole discretion deems appropriate to ensure that the orders are matched by the cash deposited by the AIX Trading Member.

5.3   Participating AIX Trading Members acknowledge that AIX CSD could, on instruction from the AIX Bookrunner, create instructions and transactions in AIX CSD system on their behalf for the purposes of DVP settlement of Book Build transactions and are willing and accept that each buy order entered in AIX CSD system may be considered as an authorisation for the AIX Bookrunner to initiate action in AIX CSD system on their behalf.

5.4   By participating in the book-building, the AIX Trading Members explicitly consent to provide to the Issuer and the Seller (through the AIX Bookrunner) the identity of the investors (including the ultimate beneficial owners) who have submitted bids and undertake that they have received from such investors the authorisation to provide this information to the Issuer, the Seller and the AIX Bookrunner.

5.5   By participating in the book-building, the AIX Trading Members accept that each of the Issuer and the Seller (through the AIX Bookrunner) may, at its sole discretion, refuse to allocate securities to any bid for any reason. Participating AIX Trading Members undertake to convey this information to their clients and receive their approval prior to these clients submitting bids.

6   Settlement

6.1   AIX CSD shall, based on the allocation file provided by the AIX Bookrunner, transfer the total equivalent funds to the account designated by the AIX Bookrunner in the book-building services agreement.

6.2   After confirmation of the receipt of funds by the issuer or the seller, AIX CSD shall proceed with the allocation of securities into investors' sub-accounts within the AIX Trading Members' account at the AIX CSD.

6.3   The AIX CSD shall confirm the successful distribution to the AIX Bookrunner and the AIX Trading Members.

6.4   Excess funds are transferred back to AIX Trading Members when applicable.

6.5   The settlement of the book-building process is regulated as per the AIX CSD rules.

6.6 AIX Trading Member who fail to meet their settlement obligations upon their book-building bid in a timely manner by failure to deliver cash, have to take responsibility under the AIX CSD rules.

Example of the Order Book for the Lead Manager

Order Date	Order No	Security	Board	Buy Sell	Firm	User	Price	Qty	Investor Account Number	Account	Order Value	Broker Name
11-Jul-18	4300	KZTC	EQTY	Buy	T02	T02FM006	14.5	80,000.00		T02CL	1,160,000.00	Broker B
11-Jul-18	4299	KZTC	EQTY	Buy	T02	T02FM006	18	100,000.00		T02CL	1,800,000.00	Broker B
11-Jul-18	4298	KZTC	EQTY	Buy	T02	T02FM006	14	1,000.00		T02CF	14,000.00	Broker B
10-Jul-18	4297	KZTC	EQTY	Buy	T12	T12FM001	16	100.00		T12BL	1,600.00	Broker K
10-Jul-18	4296	KZTC	EQTY	Buy	T11	T11TR002	16	32,333.00		T11CL	517,328.00	Broker J
10-Jul-18	4295	KZTC	EQTY	Buy	T11	T11TR002	16	6,622.00		T11CL	105,952.00	Broker J
10-Jul-18	4294	KZTC	EQTY	Buy	T11	T11TR002	16	123,332.00		T11CL	1,973,312.00	Broker J
10-Jul-18	4293	KZTC	EQTY	Buy	T11	T11TR002	16	1,113,332.00		T11CL	17,813,312.00	Broker J
10-Jul-18	4292	KZTC	EQTY	Buy	T11	T11TR002	16.05	333,323.00		T11CL	5,349,834.15	Broker J
10-Jul-18	4290	KZTC	EQTY	Buy	T11	T11TR002	16	2,223.00		T11CL	35,568.00	Broker J
10-Jul-18	4291	KZTC	EQTY	Buy	T11	T11TR002	16	111,111.00		T11CL	1,777,776.00	Broker J
10-Jul-18	4289	KZTC	EQTY	Buy	T11	T11TR002	16	123,333.00		T11CL	1,973,328.00	Broker J
10-Jul-18	4288	KZTC	EQTY	Buy	T11	T11TR002	16	1,334.00		T11CL	21,344.00	Broker J
10-Jul-18	4287	KZTC	EQTY	Buy	T11	T11TR002	16	140.00		T11CL	2,240.00	Broker J
10-Jul-18	4286	KZTC	EQTY	Buy	T11	T11TR002	16	150.00		T11CL	2,400.00	Broker J

Annex 2

Application for book-building

Details of an allocated AIX Bookrunner	
Full name of the company	
Appointed contact person:	
Tel. No.	
Mobile No.	
E-mail address	
Security information for book-building procedures	
For Equity securities:	
Security Code/Symbol	
Security Short Name	
Instrument (type of security)	
Security Name	
Face Currency	
Country	
Issuer	
ISIN	
Mid-point price (if applicable)	
Price range (if available)	
Issued Quantity	
Tradeable Quantity	
Original Issued Quantity*	
Maturity Date*	
Face Value*	
Year Basis* (360 or 365)	
Coupon Rate*	
Price Multiplier*	
Coupon Freq*	
Coupon Date Holiday*	
Duration:	
Start date (YYYY-MM-DD)	
End date (YYYY-MM-DD)	
Secured file transfer channel between the AIX and Bookrunner	
Deadline date for the transfer of funds	
Details of the payment bank and account for the transfer of funds	

For Debt Securities