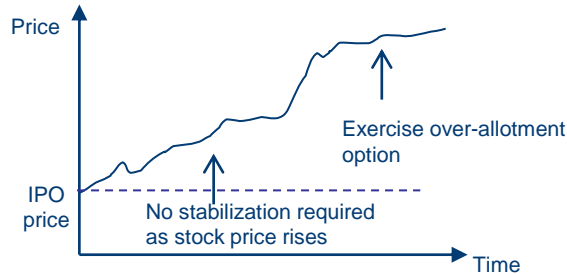


# STABILIZATION AND TRADING SUPPORT

## Scenario 1: stock price rises



### Stabilization mechanism

- The Lead Manager allocates more shares in a case of over-subscription (typically between 5 to 15%) and so creates a short position
  - Covered by an option and lending agreement with some of the existing shareholders

### As stock price rises

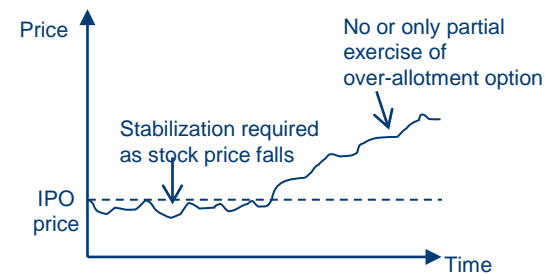
- The Lead Manager will not cover his short position by buying back stocks on the stock market

### Given the strong demand

- The over-allotment option will be exercised

**Total free float after 30 days → 115%**

## Scenario 2: stock price falls



### Stabilization mechanism

- The Lead Manager allocates more shares in case of over-subscription (typically between 5 to 15%) and so creates a short position
  - Covered by an option and lending agreement with some of the existing shareholders

### As stock price falls

- The Lead Manager will cover his short position by buying back stocks on the stock market
  - Sustaining the stock price

### Given the limited demand

- The over-allotment option will not or only partially be exercised

**Total free float after 30 days → Between 100% and 150%**

**I. Preparation**

**II. Pre-Listing**

**III. Listing**

**IV. Post-Listing**



### Objectives

- Make sure that offer price is sustained
- Guarantee liquidity and stability