

KYRGYZ REPUBLIC INAUGURAL EUROBOND ISSUANCE AS AN EXAMPLE OF GLOBAL DISTRIBUTION STRATEGY FOR EURASIAN ISSUERS



Today's Presenters



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Kyrgyz Republic at a Glance



Central Asia

Location



Bishkek

Capital



199,951

Territory ('000 sq.km)



Presidential Republic

Government System



Kyrgyz, Russian

Official Language



7.3 million

Population as of 01 Jan 2025



Gold, Silver, Uranium, Antimony, Water

Resources



USD 17.5 billion

Nominal GDP (2024)



USD 2,419

GDP per Capita (2024)



9.0%

Real GDP Growth (2024)



37.6%

Government Debt
(As of 31 December 2024, % of GDP)



Kyrgyzstani Som

Currency



1 USD = 87.1 KGS

Exchange Rate as of Apr 2025

S&P Global

B+

Credit Rating

Stable

Outlook

FitchRatings

B

Credit Rating

Stable

Outlook

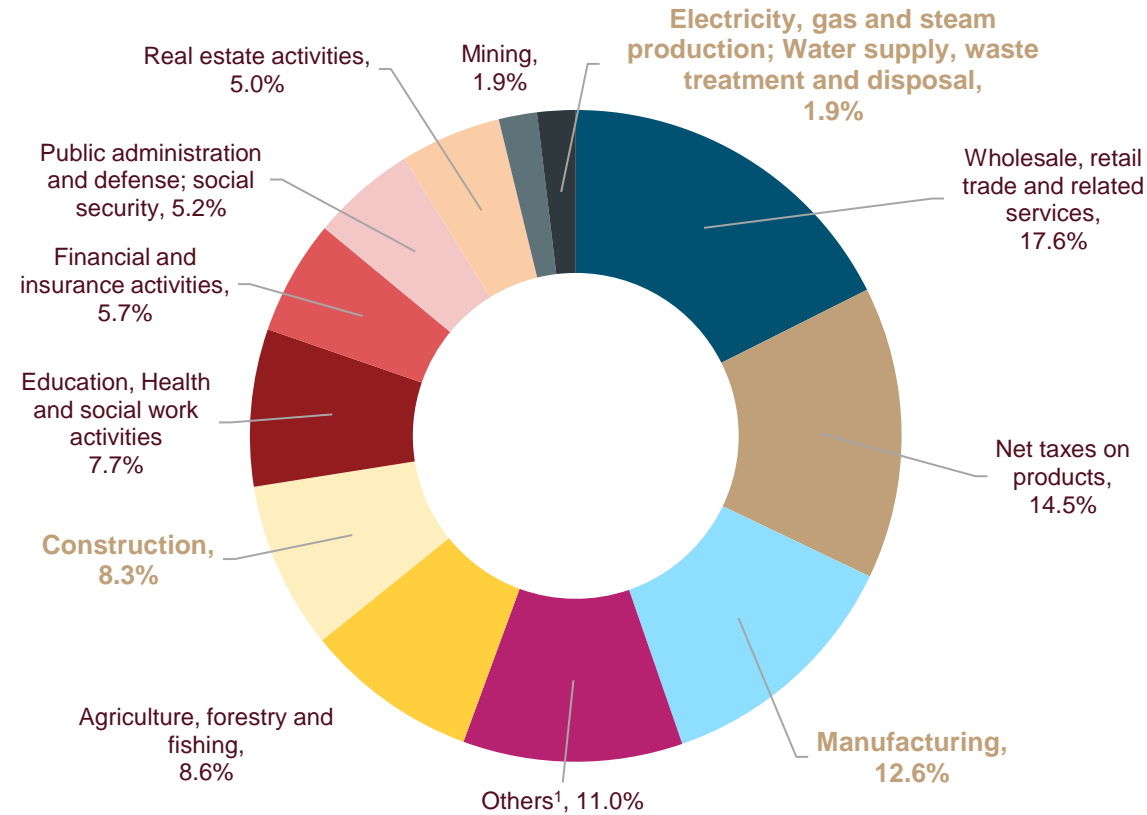
Strong and Sustainable Growth Momentum



The Kyrgyz Republic has demonstrated resilience to the impacts of the Russia-Ukraine conflict with continued growth and a double of GDP since 2020.

Diversified GDP Composition

Nominal GDP Breakdown (% of Total), 2024



Strategic areas boosting growth: Construction, Manufacturing, Electricity, Gas and Steam Production.

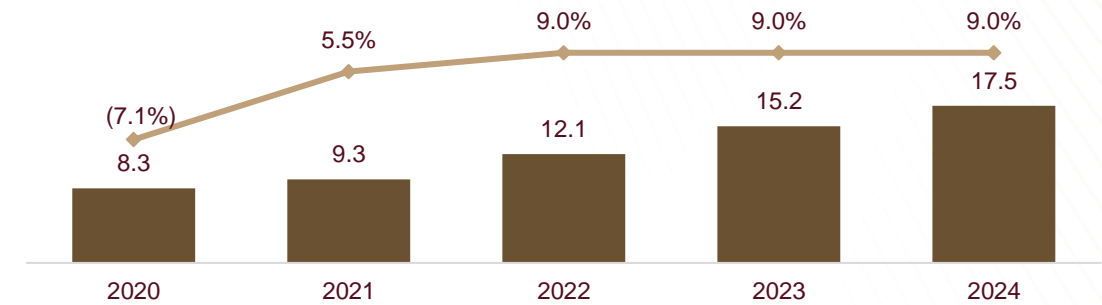
Source(s): IMF, Ministry of Finance, S&P Global

Note(s): 1. "Others" includes Accommodation and food service activities, Transportation and storage, Arts, entertainment and recreation, Information and communication, Professional, scientific and technical activities, etc.

2. 2024 economic statistics represent preliminary estimates, including illustrative 2024 GDP projections, and are subject to revision as final data becomes available.

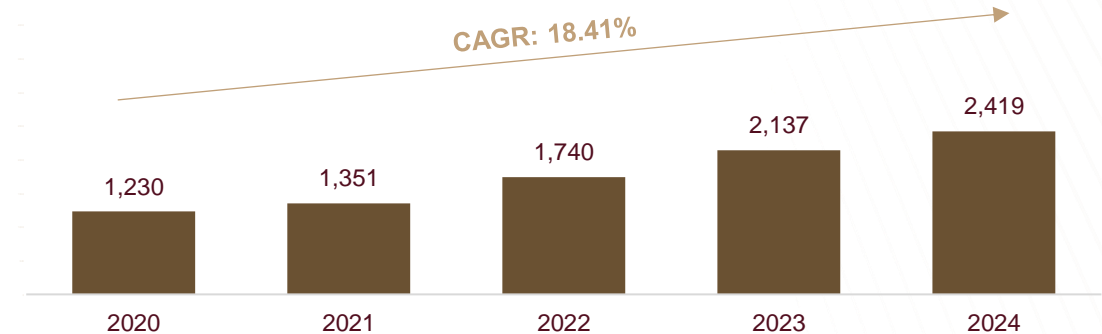
Nominal GDP Doubled Since 2020

Nominal GDP (USD bn), Real GDP Growth Rate (%)



Increasing Income Levels Providing Strong Buffers to Shocks

Nominal GDP per Capita (USD)



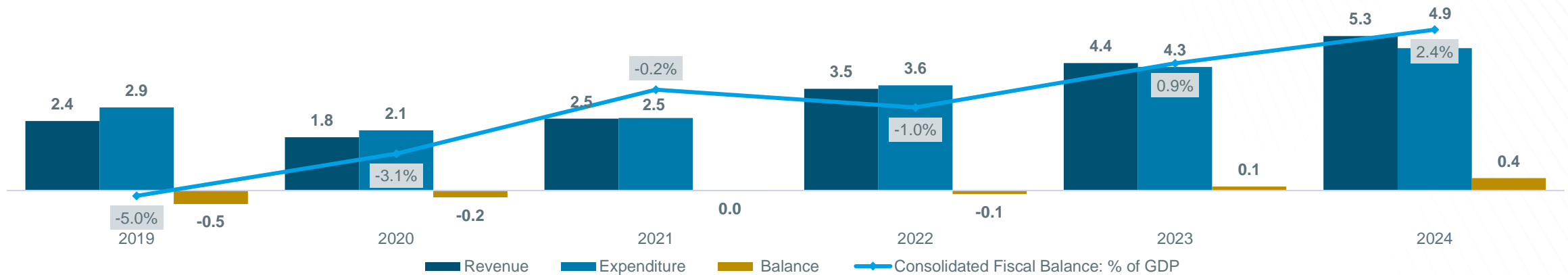
Track Record of Prudent Fiscal Policy



Kyrgyz Republic has maintained its commitment to fiscal consolidation, even during the Russia-Ukraine conflict. Tax revenues have more than doubled since 2020, **partly due to the implementation of the Electronic Invoice Note system, moving tax payments online.**

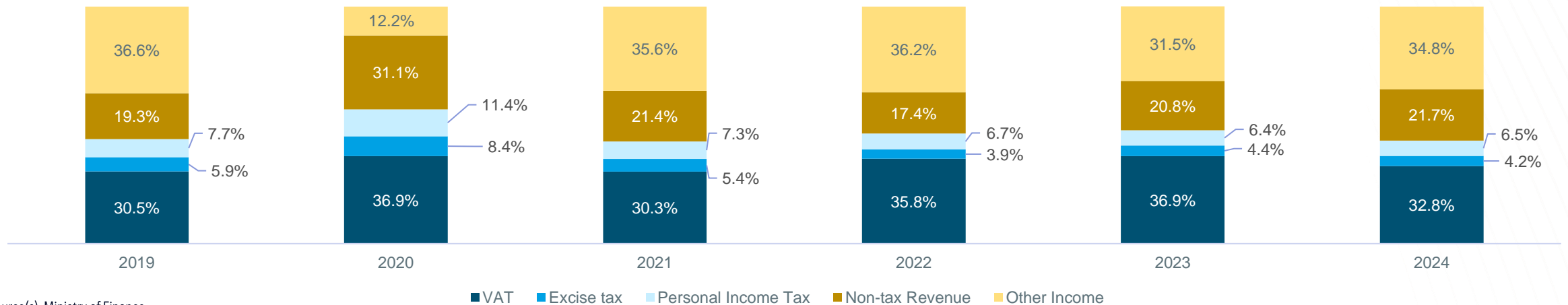
Fiscal Consolidation Efforts have Resulted in a Fiscal Surplus since 2023

State Budget (USD bn)



Increasing Government Income Driven by Increased Revenues

Revenue Composition (% of Total)



Source(s): Ministry of Finance

Note(s): 1. Other Income includes but not limited to Mining & Energy Development, Public-private partnership (PPP) revenues and and technical labor exports complementing remittances etc.

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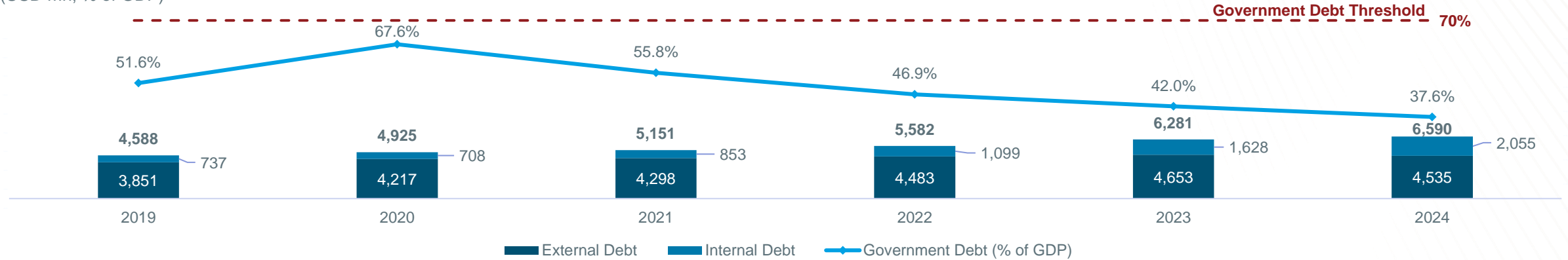
Prudent Debt Management Reducing Overall Debt Burden



The Kyrgyz Republic has maintained a prudent debt management strategy and a relatively low debt burden at affordable levels, providing the Republic additional fiscal space for other priority spending areas and the ability to absorb shocks.

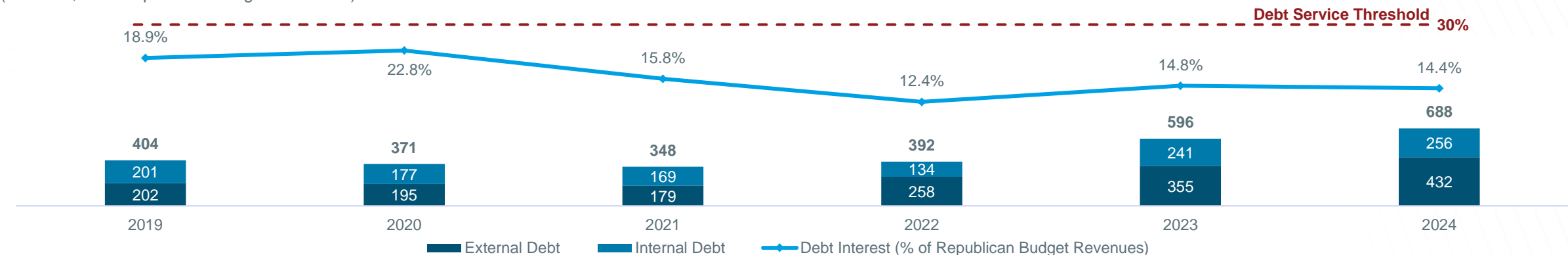
Low and Declining Government Debt

(USD mn, % of GDP)



Affordable Debt Service well within Debt Service Threshold

(USD mn, % of Republican Budget Revenues)



Source(s): Ministry of Finance, World Bank Group

Note(s): 1. 2024 economic statistics represent preliminary estimates and are subject to revision as final data becomes available.

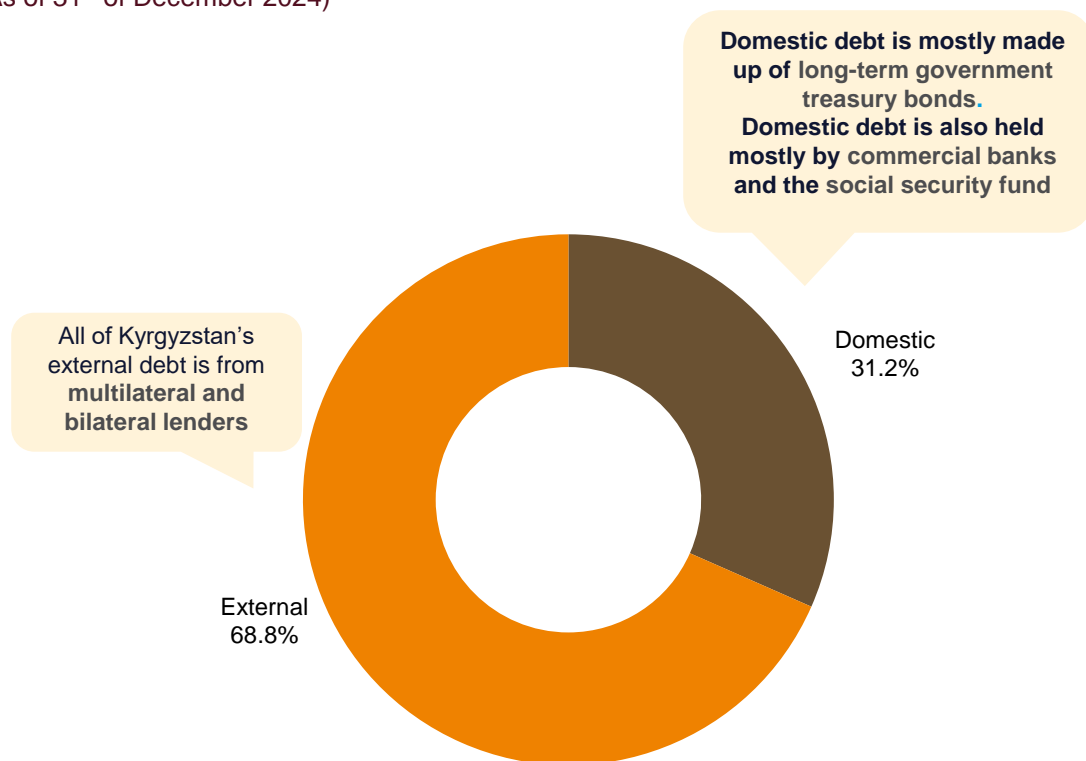
Kyrgyz Republic's Debt Structure



The Republic benefits from a strong relationship with international financing institutions and multilateral development banks. This allows for a large share of concessional debt, keeping debt servicing costs low.

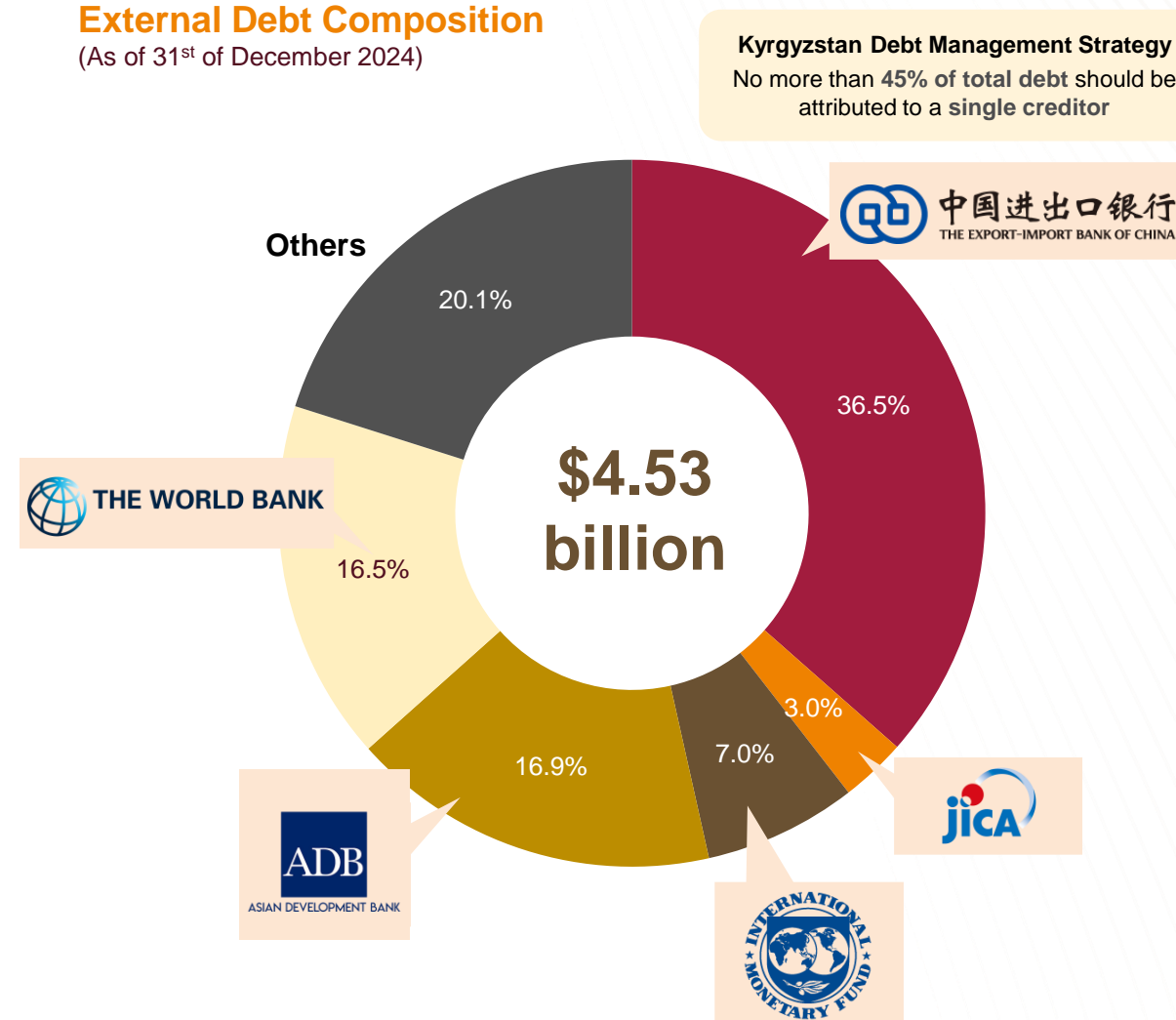
Total Debt Split

(As of 31st of December 2024)



External Debt Composition

(As of 31st of December 2024)



Source(s): Ministry of Finance, Bloomberg





Note(s): 1. 2024 economic statistics represent preliminary estimates and are subject to revision as final data becomes available.

Use of Proceeds



The issuer intends to use the net proceeds from the upcoming issuance to partially finance selected infrastructure projects that will facilitate the growth of the economy and make Kyrgyzstan self-sufficient in electricity.

Ongoing Projects (Excerpt)

 Hydroelectric Power Plants (HPP)	 Power (MW)	 Average Annual Output (MM kWh)	 Project Cost (USD mn)
Chatkal River	251.0	1,700.0	627.5
Upper Naryn cascade	237.7	942.4	727.7
Kara-Kulzha	14.1	85.5	16.0
Talas	7.0	36.7	8.4
Tar-Zhogorku	17.0	67.0	37.4
Tar-Kapchygai	30.0	121.0	80.2
Chon-Ak-Suu	11.4	63.4	31.2

Future Potential



Total natural hydropower potential in Kyrgyzstan:

142.5 billion kWh



Total installed capacity of prospective HPP cascades:

7,247 MW



Ranked **3rd** in the CIS after Russia and Tajikistan



Average annual electricity generation:

>26 billion kWh



Plans to build **6 HPP cascades** of **38 hydroelectric power plants** in Naryn region and Jalalabad regions.

Other Infrastructure Projects



Constructing and rehabilitating highways to boost regional connectivity



Upgrading school and public buildings to improve seismic resilience



Constructing and upgrading water infrastructure and sanitation facilities in rural villages and small towns



Developing digital infrastructure and services to foster innovation and improve public service

Case Study: Kyrgyz Republic Inaugural Eurobond



Key Milestones

September 2024

Tender

December 2024

ASIAN NDR: Hong Kong, Shanghai, Beijing

February 2025

US and EU NDR: Boston, New York and Washington

March 2025

Decision on merging two syndicates

28 March 2025

S&P assigned The Kyrgyz Republic with B+ / Stable Outlook

2 April 2025

Liberation Day Tariffs

24 April 2025

Fitch assigned The Kyrgyz Republic with B / Stable Outlook

May 2025

Global investors call and the Roadshow

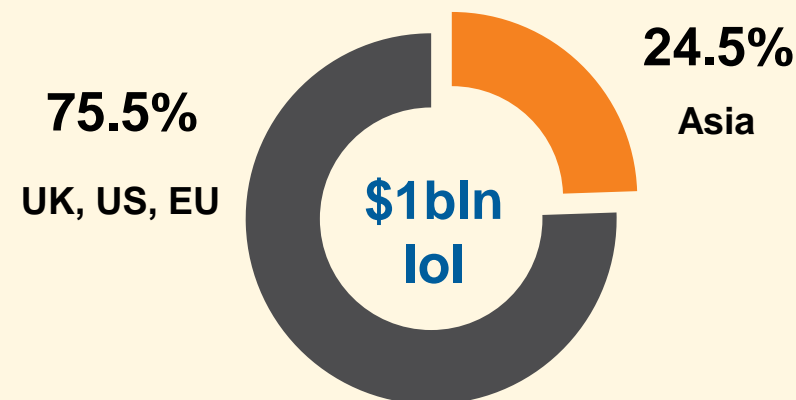
27 May 2025

Pricing

Indication of Interest

\$1bln soft demand

\$2bln soft demand



Top 5 among most active Offshore CNY DCM Teams*

Manager	Number of deals, 2025Y
Bank of China	114
Guotai Haitong Securities	59
HSBC	51
TF Securities	38
China CITIC Bank	37

About TF Securities

TF Securities Co., Ltd. (601162.SH) was established in 2000 and is headquartered in Wuhan, Hubei Province, China. It is a prominent financial enterprise in Hubei Province. The company operates 100 branch offices in key regions and cities across the country, including a subsidiary based in Hong Kong, with more than 3,800 employees.

With a registered capital of RMB 8.666 billion, the total assets of TF Securities has amounted to RMB 99.548 billion as of December 2023. Relying on the layout of more than 100 branches, the company is able to provide comprehensive financial services worldwide and across the whole country. TF Securities attaches great importance to undertaking economic, environmental and social responsibilities, promotes the growth of real economy, and continuously improves the development.



- ◆ Financial backbone of Hubei Province
- ◆ Comprehensive full-licensed listed securities company
- ◆ Rapid growth, ascend into one of the top among industry

Case Study: Kyrgyz Republic Inaugural Eurobond



The Kyrgyz Republic

Coupon Rate 7.75% p.a.

USD 700 Million

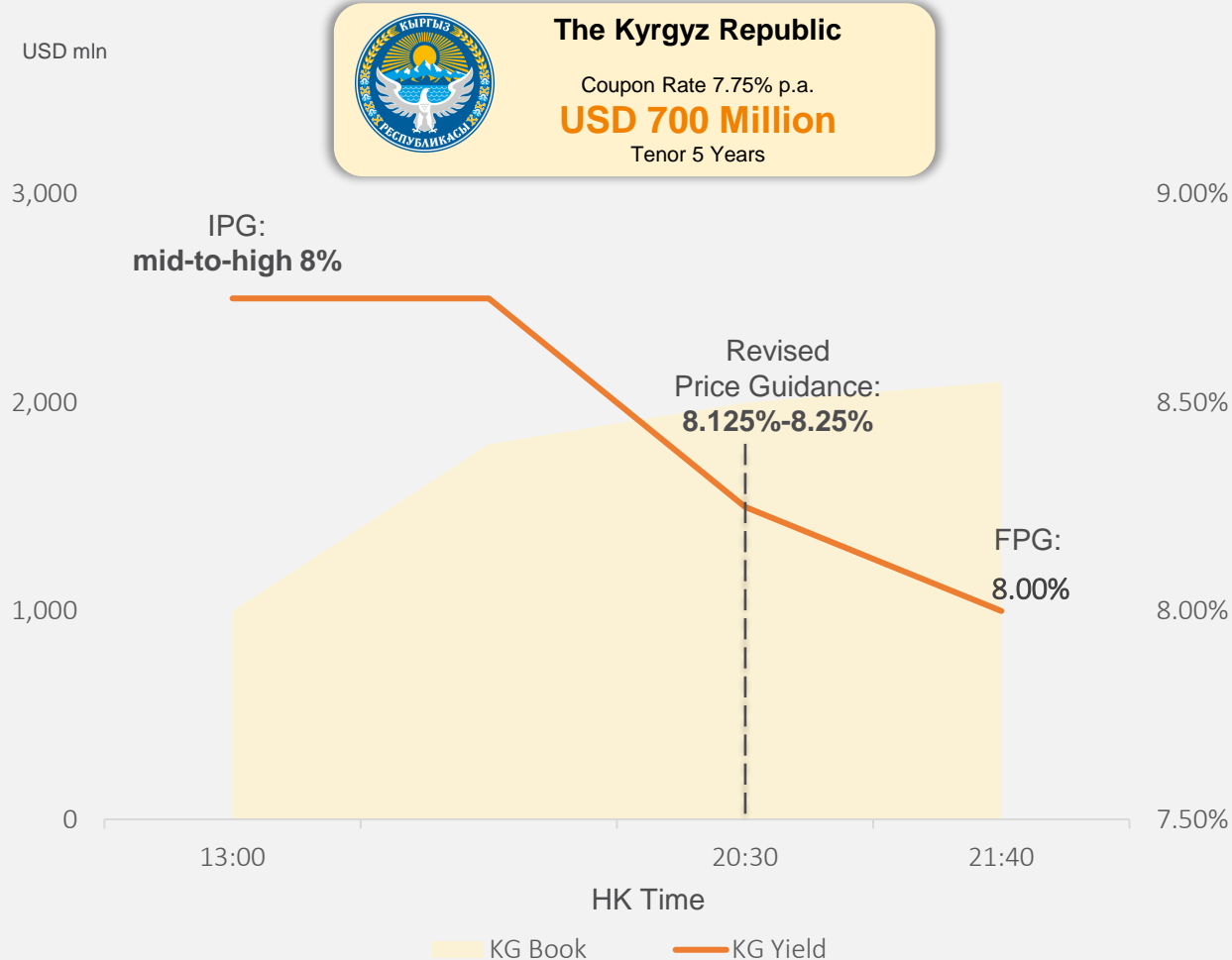
Tenor 5 Years

Issuer	The Kyrgyz Republic (represented by the Cabinet of Ministers of the Kyrgyz Republic acting through the Ministry of Finance of the Kyrgyz Republic)
Issuer Rating	B+ (S&P) / B (Fitch)
Issuance Format	144A / Reg S, Senior Unsecured Note
Currency	USD
Initial Issuance Amount	Benchmark
Final Issuance Amount	700 million
Pricing Date	27 May 2025
Settlement Date	3 June 2025
Tenor	5 Years
Maturity	30 June 2030
IPG	mid-to-high 8%
FPG	8%
Coupon	7.75%
Coupon Payment	Fixed, Payable semi-annual
Issue Price	98.986%
Use of proceeds	General Government Purposes
Book Opened in	Hong Kong SAR, China
Listing	LSE, HKEX
Global Coordinators	Citigroup, China CITIC, Oppenheimer, TF International

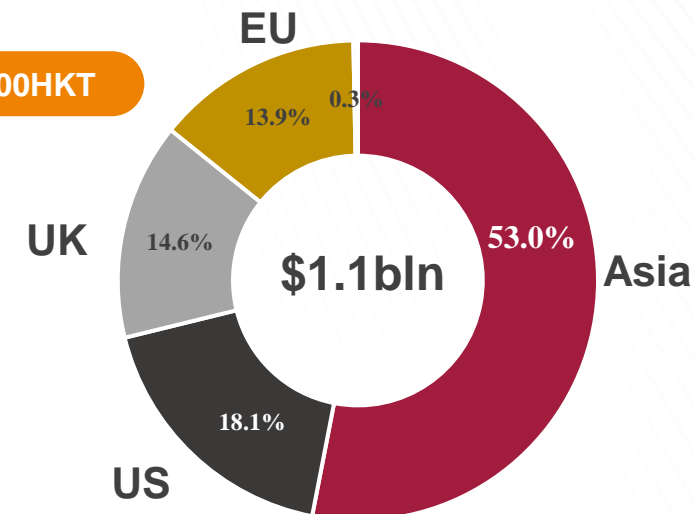
Case Study: Kyrgyz Republic inaugural Eurobond



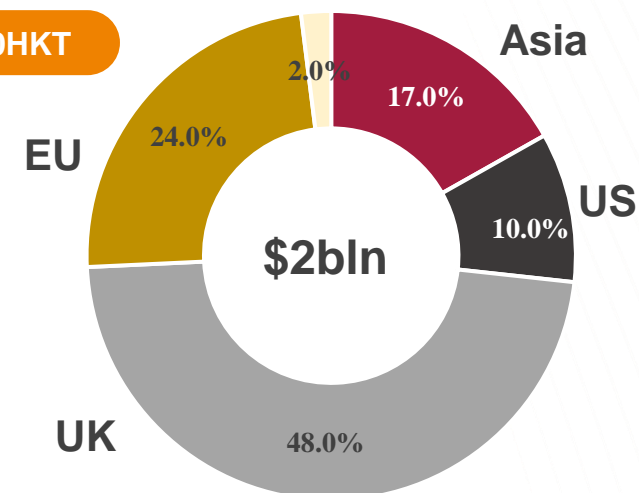
Book Building History



Book 15:00HKT



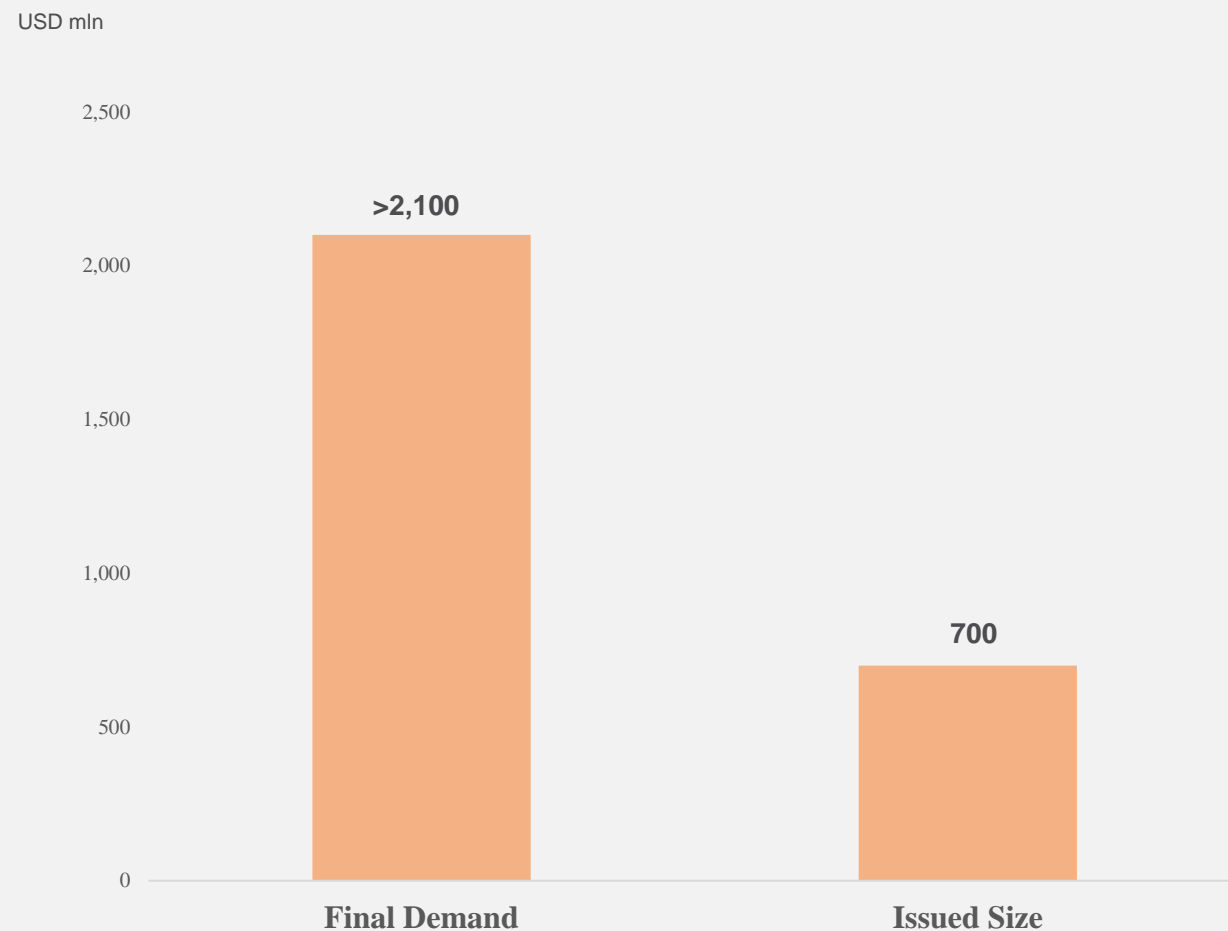
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Case Study: Kyrgyz Republic Inaugural Eurobond



Total Demand & Issued Size



PRICING SPREADS: 27.05.2025*

5Y UST SPREAD

+397bps

SPREAD TO MONGOLIA (B+)

+58bps

SPREAD TO UZBEKISTAN (BB-)

+91bps

* Cbonds.ru: spread to Uzbekistan (UZB30: 25nov2030, USD), spread to Mongolia (6.625% 25feb2030, USD)

Case Study: Mongolia vs Uzbekistan

Issuance Overview



The Government of Mongolia

Coupon Rate 6.625% p.a.
USD 500 Million
Tenor 5 Years

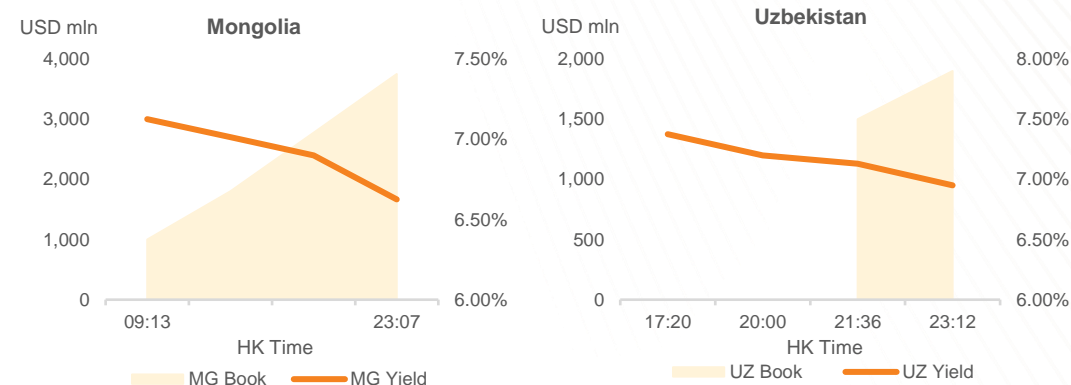


The Republic of Uzbekistan

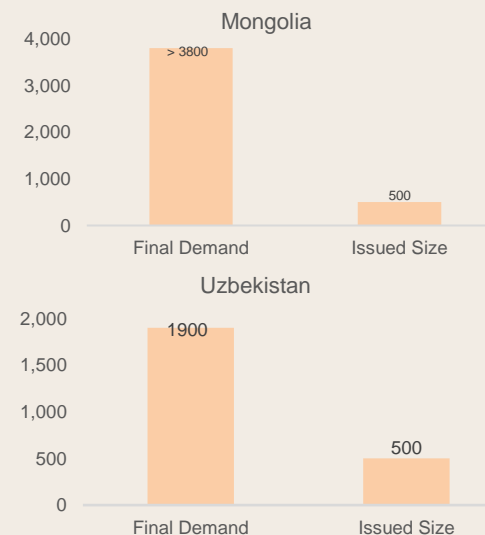
Coupon Rate 6.95% p.a.
USD 500 Million
Tenor 7.25 Years

Issuer	The Government of Mongolia	The Republic of Uzbekistan
Issuer Rating	B+ (S&P) / B2 (Moody's) / B+ (Fitch)	BB- (S&P) / Ba3 (Moody's) / BB- (Fitch)
Issuance Format	144A / Reg S, Senior Unsecured Note	144A / Reg S, Senior Unsecured Note
Currency	USD	USD
Amount	500 million	500 million
Pricing Date	18 Feb 2025	18 Feb 2025
Tenor	5 Years	7.25 Years
Maturity	25 Feb 2030	25 May 2032
IPG	7.125%	7.375%
FPG	6.625%	6.95%
Coupon	Fixed, Payable semi-annual	Fixed, Payable semi-annual
Book opened in	Hong Kong	London

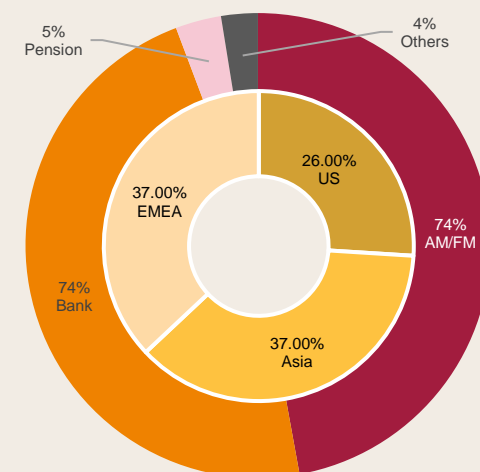
Book Building History



Total Demand & Issue Size



Mongolia: Investor Distribution





Thank You