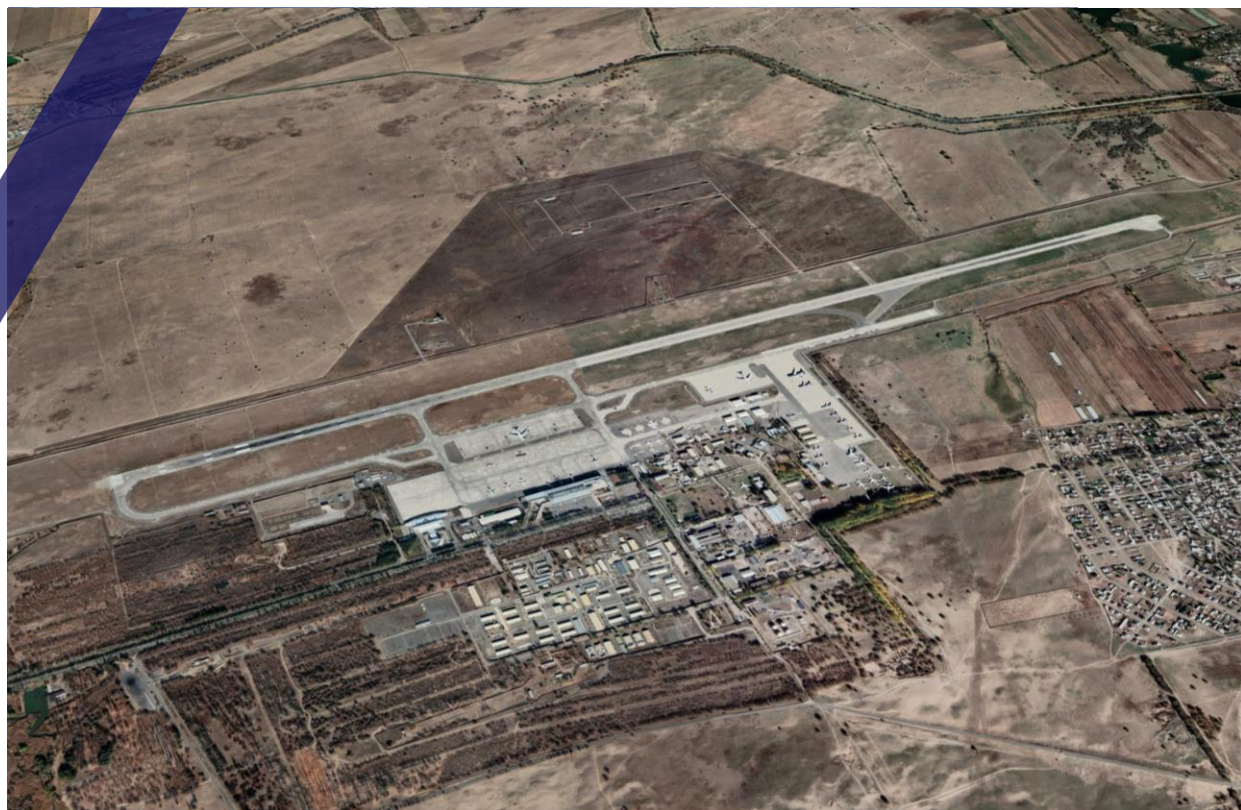


**PPP Center under the National Investments Agency
under the President of the Kyrgyz Republic**

Public-Private Partnership (PPP) project of Manas International Airport (FRU)

Preliminary Information Notice (Teaser)



DISCLAIMER

This document (hereafter referred to as the “Teaser”) has been prepared by the International Finance Corporation (“IFC”) solely for the purpose of assisting prospective investors to preliminarily assess the opportunity (“Opportunity”) to invest in the Public-Private Partnership (PPP) of Manas International Airport (“Project”).

As a recipient of the Teaser, you must read this section before considering the information set out or referred to in this Teaser. If you do not accept, agree or understand the provisions set out in this section, you must immediately return this Teaser and any other information supplied to you.

The Teaser has been prepared by IFC on the basis of information supplied to IFC by the PPP Center of the Kyrgyz Republic and other local public entities.

The Teaser and anything contained in this Teaser does not, nor is intended to constitute or create (i) an offer capable of acceptance or solicitation of an offer to invest or participate in the Project, and/or (ii) any binding legal relationship or other duty or obligation enforceable in law by any prospective investor and other recipient of the Teaser under, or in connection with, its subject matter in respect of any of the IFC, PPP Center and other local public entities, in which regard none of IFC and other local public entities shall have any liability for any loss, cost and expense incurred by any prospective investor and other recipient of the Teaser under, or in connection with matters disclosed in it and/or the recipient’s reliance on it.

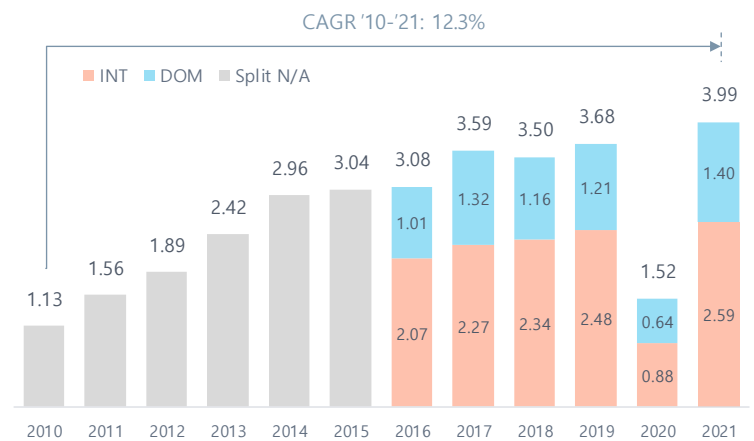
Furthermore, the Teaser contains information and data which is by its nature selective and indicative and which was available as of 10 May 2022 and is subject to updating, expansion, revision and amendment. Such information may involve significant elements of subjective judgment and analysis, which may or may not be correct. In particular, the Teaser does not contain or purport to contain all of the information that any prospective investor and other recipients of the Teaser may desire for the purpose of evaluating the Opportunity. The IFC, PPP Center and other public entities accepts no responsibility to notify any prospective investor or recipient if any information or data set out in this Teaser changes or is found to be inaccurate or incomplete nor to update the Teaser to reflect any changes, inaccuracies or incompleteness.

In all cases, any prospective investor and other recipient of the Teaser should conduct their own investigation and analysis of the Opportunity and of the data set forth in the Teaser. Neither IFC, PPP Center and other local public entities, nor any of their other representatives or agents make any representation (expressed or implied) or warranties as to the accuracy or completeness of the data and information contained in the Teaser, and shall have no liability for the Teaser or for any other written or oral communication transmitted to the recipient in the course of the recipient’s evaluation of the Opportunity. Neither IFC, PPP Center, and other local public entities will be liable to reimburse or compensate any prospective investor and other recipient of the Teaser for any losses, costs or expenses incurred by any prospective investor and other recipient of the Teaser in evaluating or acting upon the Teaser or otherwise in connection with the Opportunity as contemplated herein.

HIGHLIGHTS

Kyrgyz Republic; a dynamic and growing market

- 3.99 Mpax handled in 2021 (CAGR of 12.3%); the country has already surpassed pre-COVID traffic levels;
- Market dynamics are driven by Turkish and Russian airlines (e.g. Aeroflot, Turkish or Ural) and three local carriers (Tez Jet, Avia Traffic and Air Manas). Low-cost presence in the country is still in early stages of development;
- An economy expected to grow by an average of 4.0% in the long-term (source: Oxford Economics);
- An emerging tourist destination starting to develop its potential: 8.5m arrivals in 2019 and growing at 25%.



The Kyrgyz airport network is currently managed by a state-owned entity: Manas International Airport OJSC

- Airport network managed by Manas International Airport Open Joint Stock Company (MIA OJSC);
- MIA OJSC was created in 2001 as an independent enterprise and legal entity with eight subsidiaries;
- MIA OJSC is owned by the State Property Fund of the KR (79.0%), the Social Fund of the KR (8.5%) and other legal entities (12.5%).

Manas International Airport (FRU): the main gateway of the country

- Concrete runway of 4,204m x 55m (Cat. 4E);
- Partial parallel TWY;
- 62 aircraft positions across 5 aprons;
- Passenger terminal 33,000 sqm, recently expanded in 2017-2019 and 2021;
- 5 surface car parking (3 of them for pax use);
- 27 km distance from the center of the nation's capital, Bishkek.



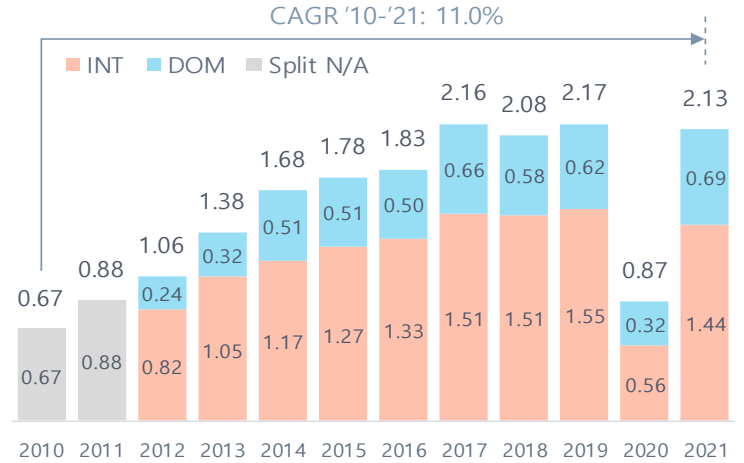
THE ENVISAGED PPP

Traffic

- Passenger traffic at FRU has grown at 11.0% CAGR, and has almost recovered pre-COVID traffic levels in 2021;
- FRU is the most important airport in the country, handling 59% of the total traffic and 50% of international traffic.

Passenger traffic is expected to grow to 8 – 10 Mpax in the next 30 years

[Real 2021 mUSD]	2019	2020	2021
Aeronautical revenues	34.5	19.3	35.9
Commercial revenues	3.0	1.4	2.5
Operating expenses	24.9	16.9	19.9
EBITDA	12.6	3.8	18.5
Operating margin	33.6%	18.3%	48.2%



Operating performance

- 48% operating margin in 2021;
- 94/6 split of aero & non-aero revenue;
- EBITDA excludes the contribution of the Airport Development Tax (15 USD per DEP INT pax), which is used for the development of the infrastructure of international and regional airports by the Government of the Kyrgyz Republic.

28-year Investment Plan: 400 – 500 mUSD (real 2021)

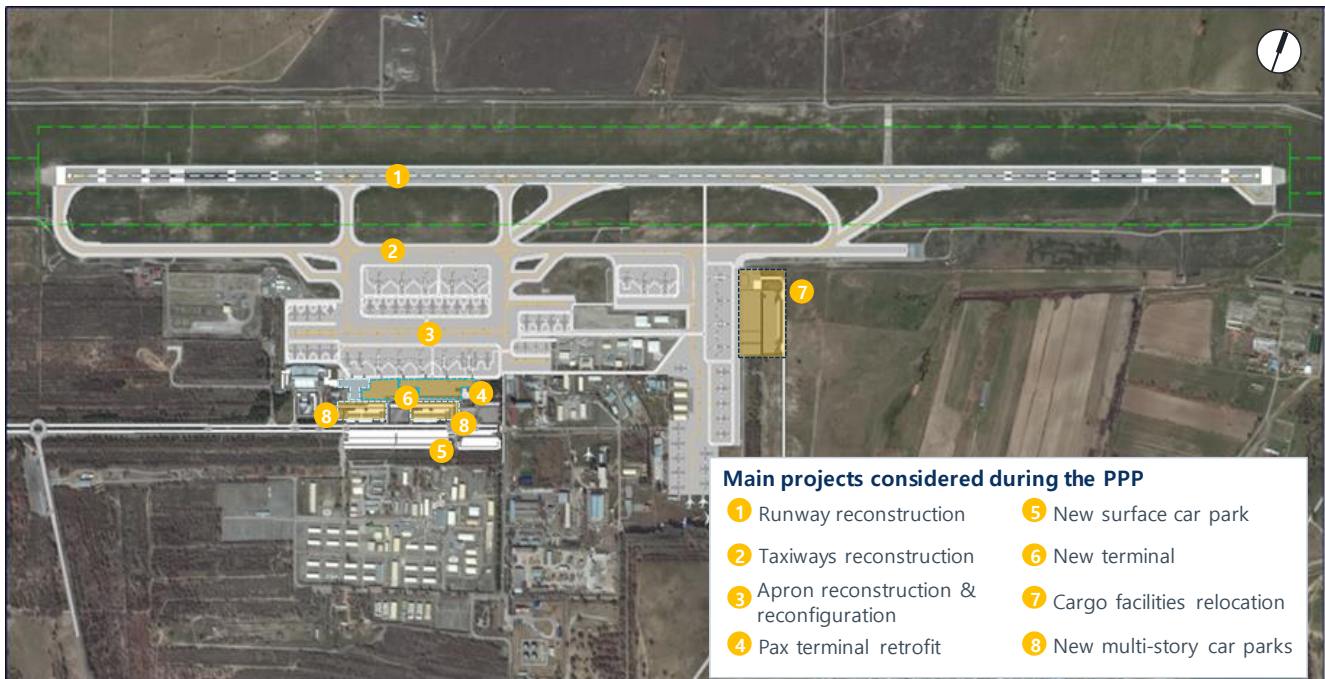


Table 1: overview of the key terms of the proposed PPP agreement.

	Definition
Grantor	Ministry of Economy, on behalf of the Government of the Kyrgyz Republic
Term, Type	28 years Design-Build-Operate-Transfer (to be confirmed)
Scope	The PPP operator will take over in full the operations and development of the airport of Manas (runway, taxiways, apron, fire-fighting, airport security and handling, etc.). None of the subsidiaries of MIA OJSC (e.g. cargo or fuel operators in FRU) or the other regional airports are included in the scope of the project.
Aeronautical revenues	The PPP operator will have the right to collect and retain all aeronautical revenues, to be set in either USD or local currency (SOM).
Non-aeronautical revenues	The PPP operator will have the right to enter into new commercial contracts to optimize non-aeronautical revenues. This will include developing additional commercial activities and services customarily conducted at airports such as duty free, advertising, retail, food and beverage, car parking, and other real estate. The PPP operator will be assigned the existing contracts which have not been terminated by MAM OJSC prior to the commencement date of the PPP agreement.
Revenue Share	The PPP operator will pay a PPP fee to the Grantor, calculated as a percentage of gross aggregate (aeronautical and non-aeronautical) revenues. The PPP fee is expected to be determined through the tender.
Mandatory Investment	As an immediate priority, the PPP operator be expected to rehabilitate the airport runway. Other short-term investments are to include the upgrade of the airport terminal and other airport infrastructure.
Standard Provisions	PPP agreement to include bankable provisions with respect to key performance indicators, supervening events, early termination, governing law and dispute resolution.

Table 2: Indicative Timeline.

	Target Date
Launch of the prequalification Process	Jul. 22
Launch of the Tender Process	Sep. 22
Bid submission	Jan. 22
Bid Evaluation - PPP Contract Award	Feb. 23
Financial close, Contract Effectiveness and Start of Commercial Operations.	Dec. 23

Advisors

- Lead Transaction Advisor: International Finance Corporation (IFC);
- Legal: DLA Piper, DEMAL Law;
- Technical, Commercial, Environmental and Social: ALG, Ensphere.

Contacts

PPP Center Under the National Investment Agency under the President of the Kyrgyz Republic: pppgovkg@gmail.com

IFC Advisory Team: ManasPPP@ifc.org