

## **Report on the activities of JSC 'Uzavtosanoat**

2024 demonstrated steady growth in the production and export indicators of the country's automotive industry. According to data, production volumes reached 82.1 trillion soums, including the production of 431,100 vehicles. This represents a 4.9-fold increase compared to 2016. As a result, the share of the automotive industry in the industrial sector reached 11.7%.

Taxes and other payments amounting to more than 9.6 trillion soums were transferred to the state budget. The vehicle fleet in Uzbekistan grew to 4.3 million units (a 1.6-fold increase compared to 2016), with 117 vehicles per 1,000 people (a 1.8-fold increase compared to 2016).

### **Investments and Localization**

In 2024, enterprises of Uzavtosanoat JSC mastered \$243.2 million within the framework of investment projects, including \$188.1 million in direct foreign investments.

Under 25 localization program projects, products worth 23.8 trillion soums were manufactured. Localization of 186 automotive components reduced production costs by 693.9 billion soums. Specifically, through inter-sectoral collaboration, companies established the supply of tires for the "Damas" and "Treker" models, as well as roof rails, instrument panels, wheels, lighting devices, upholstery materials, and artificial leather for "Treker" and "Oniks" models. Over 2,395 new jobs were created this year, bringing the total number of employees in the industry to 38,000 (a 1.6-fold increase compared to 2016).

### **Agricultural Machinery Manufacturing**

Significant results were also achieved in agricultural machinery manufacturing in 2024. Modern specialized equipment, including tractors, combines, and auxiliary machines, significantly increased agricultural productivity. For instance, in the Chirchik cluster, agricultural machinery worth 2.1 trillion soums (5,000 units) was produced, which is 3.8 times more than the previous year.

The products were exported to Turkmenistan, Azerbaijan, Tajikistan, Kazakhstan, and Kyrgyzstan. Together with the South Korean company SammiK So., a welding line was launched. Additionally, a painting line was modernized and commissioned in collaboration with Eunsung Industry Co.

Local enterprises introduced processes for casting parts, laser cutting, stamping, machining, welding, painting, and assembly. Seven new types of machinery were developed, including a laser land leveler, cultivator, mineral fertilizer spreader, sprayer, plow, and trailers. The average localization level was 60% for trailing machinery and 25% for self-propelled machinery.

A partnership agreement with Weichai Lovol was signed for a \$5.7 million project with a production capacity of 2,000 units per year. Collaboration with the German company Claas increased the localization level of the Claas Dominator 260 combine and Arion 630C tractor to 25%.

In 2024, over 400 components for combines were localized, including bins, chambers, linings, ladders, harnesses, and load-bearing parts. By 2025, the localization level is expected to reach 30%, with plans to supply localized components to Claas production lines in Germany, France, and other countries, amounting to \$1 million in 2025 and \$1.5 million in 2026.

Partnerships were established with South Korean companies such as KOAMI, KITECH, Agro Solution Korea, Jeonbuk Technopark, and KIAT. Approximately 250 employees underwent training in 3D modeling, safety, and equipment modernization in accordance with Korean standards.

Through a grant from Jeonbuk Technopark and KIAT, 31 pieces of equipment and laboratory tools worth \$750,000 were supplied. Using this equipment, a project to convert the TTZ-812 tractor to compressed natural gas was implemented, and a prototype was produced. By 2025, other tractors in the country will be converted to natural gas, and staff qualifications in this area will be improved.

The number of service centers across the republic increased to 75, with 320 mobile services and 600 highly qualified mechanics. To improve the efficiency of cotton harvesters, 100 foreign specialists were engaged.

In collaboration with regional administrations, commercial banks, and leasing companies, demonstration training events were organized for farming enterprises and cluster employees. Leasing conditions for farmers were improved: the initial payment was reduced from 30% to 20%, interest rates decreased from 26% to 10%, and the leasing term was extended from 5 to 10 years.

### **Production of Electric and Hybrid Vehicles**

In collaboration with the Chinese company BYD, the production of Chazor and Song Plus Champion models began at the new BYD Uzbekistan Factory in Jizzakh.

The project involved \$60 million in direct foreign investments, created 1,200 new jobs, and established 21 dealership and service centers across the republic. The plant is equipped with advanced technology for welding, painting, and vehicle assembly, as well as a unique laboratory for the CIS countries.

The current plant capacity is 50,000 vehicles per year, with plans to increase this to 500,000 in three stages, making Uzbekistan a regional leader in electric vehicle production.

Localization efforts are underway at seven enterprises in the country to produce components for BYD vehicles.

All vehicles have been tested and adapted to local climatic conditions. Uzbek and Russian languages have been added to the multimedia systems, along with remote control and internet functions using local SIM cards.

The range of BYD models on the local market has been expanded with three new affordable models: Seagull, E2, and Yuan Up. Currently, official dealers in Uzbekistan offer eight models.

Official service centers employ qualified specialists, and all types of spare parts for BYD vehicles are available with nationwide delivery.

Production at the Jizzakh plant is organized according to the BVPS (BYD Vehicle Production Standard). Advanced technologies are used to ensure high-quality vehicles, including automated welding and painting using robots, body dimension inspection in a specialized measurement laboratory, assembly, and track testing.