

# VEON

2Q23 TRADING UPDATE



STRONG RESULTS  
FULL-YEAR REVENUE GUIDANCE RAISED

Amsterdam, 3 August 2023

1. OPENING

Nik Kershaw

2. HIGHLIGHTS & BUSINESS UPDATE

Kaan Terzioğlu

3. TRADING RESULTS

Joop Brakenhoff

4. CLOSING REMARKS

Kaan Terzioğlu

5. Q&A

Kaan Terzioğlu, Joop Brakenhoff

# NOTICE TO READERS: FINANCIAL INFORMATION PRESENTED



VEON's results and other financial information presented in these financial statements are, unless otherwise stated, prepared in accordance with International Financial Reporting Standards ("IFRS") based on internal management reporting, are the responsibility of management, and have not been externally audited, reviewed, or verified. As such, you should not place undue reliance on this information. This information may not be indicative of the actual results for any future period.

# NOTICE TO READERS: IMPACT OF THE CONFLICT

The ongoing conflict between Russia and Ukraine and the sanctions imposed by the United States, member states of the European Union, the European Union itself, the United Kingdom, Ukraine and certain other nations, counter-sanctions by Russia and other legal and regulatory responses, as well as responses by our service providers, partners, suppliers and other counterparties, and the consequences of all of the foregoing have impacted and, if the conflict, sanctions and such responses continue or escalate, may significantly impact our results and aspects of our operations in Russia and Ukraine, and may significantly affect our results and aspects of our operations in the other countries in which we operate. We are closely monitoring events in Russia and Ukraine, as well as the possibility of the imposition of further sanctions in connection with the ongoing conflict between Russia and Ukraine and any resulting further rise in tensions between Russia and the United States, the United Kingdom and/or the European Union. Although our Russian operations are now classified as 'held for sale' and 'discontinued operations' and do not contribute to our comparison base or actual reported numbers in this release (except as specifically stated), our operations in Ukraine continue to be affected by the conflict. We hope that there will be a peaceful and amicable resolution and are doing everything we can to protect the safety of our employees, while continuing to ensure the uninterrupted operation of our communications, financial and digital services.

The comprehensive sanctions on investment and vendors in Russia and the ongoing conflict between Russia and Ukraine have had a significant impact on the Company's operations and business plans in Russia and Ukraine and may continue to have a significant impact on the Company's operations and business plans in Ukraine. During the six months ended 30 June 2023, we recorded significant impairment charges related to the Russian operations. However, we may need to record future impairment charges, which could be significant if the conflict continues or escalates and as more information becomes available to management. It is possible further impairment charges may rise to such a level on an accounting basis as to require additional analysis of true asset values in order to determine the true value of assets to be compared to liabilities as outlined in the provisions of our debt agreements.

# DISCLAIMER



VEON's results presented in this trading update are, unless otherwise stated, based on IFRS and have not been externally reviewed and audited. The financial information included in this trading update is preliminary and is based on a number of assumptions that are subject to inherent uncertainties and subject to change. The financial information presented herein is based on internal management accounts, is the responsibility of management and is subject to financial closing procedures which have not yet been completed and has not been audited, reviewed or verified. Certain amounts and percentages that appear in this trading update have been subject to rounding adjustments. As a result, certain numerical figures shown as totals, including those in the tables, may not be an exact arithmetic aggregation of the figures that precede or follow them. Although we believe the information to be reasonable, actual results may vary from the information contained above and such variations could be material. As such, you should not place undue reliance on this information. This information may not be indicative of the actual results for the current period or any future period.

This trading update contains "forward-looking statements", as the phrase is defined in Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. These forward-looking statements may be identified by words such as "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible" and other similar words. Forward-looking statements include statements relating to, among other things, VEON's plans to implement its strategic priorities, including operating model and development plans; anticipated performance, including VEON's ability to generate sufficient cash flow; VEON's assessment of the impact of the conflict surrounding Russia and Ukraine, including related sanctions and counter-sanctions, on its current and future operations and financial condition; future market developments and trends; operational and network development and network investment, including expectations regarding the roll-out and benefits of 3G/4G/LTE networks, as applicable; spectrum acquisitions and renewals; the effect of the acquisition of additional spectrum on customer experience; VEON's ability to realize the acquisition and disposition of any of its businesses and assets and to execute its strategic transactions in the timeframes anticipated, or at all; VEON's ability to realize financial improvements, including an expected reduction of net pro-forma leverage ratio following the successful completion of certain dispositions and acquisitions; our dividends; completion of VEON's sale of its Russian operations; and VEON's ability to realize its targets and commercial initiatives in its various countries of operation.

The forward-looking statements included in this trading update are based on management's best assessment of VEON's strategic and financial position and of future market conditions, trends and other potential developments. These discussions involve risks and uncertainties. The actual outcome may differ materially from these statements as a result of, among other things: further escalation in the conflict surrounding Russia and Ukraine, including further sanctions and counter-sanctions and any related involuntary deconsolidation of our Russian and/or Ukrainian operations; demand for and market acceptance of VEON's products and services; our plans regarding our dividend payments and policies, as well as our ability to receive dividends, distributions, loans, transfers or other payments or guarantees from our subsidiaries; continued volatility in the economies in VEON's markets; governmental regulation of the telecommunications industries; general political uncertainties in VEON's markets; government investigations or other regulatory actions; litigation or disputes with third parties or regulatory authorities or other negative developments regarding such parties; the impact of export controls and laws affecting trade and investment on our and important third-party suppliers' ability to procure goods, software or technology necessary for the services we provide to our customers; risks associated with our material weakness in internal control over financial reporting; risks associated with data protection or cyber security, other risks beyond the parties' control or a failure to meet expectations regarding various strategic priorities, the effect of foreign currency fluctuations, increased competition in the markets in which VEON operates and the effect of consumer taxes on the purchasing activities of consumers of VEON's services.

Certain other factors that could cause actual results to differ materially from those discussed in any forward-looking statements include the risk factors described in VEON's Annual Report on Form 20-F for the year ended 31 December 2022 filed with the U.S. Securities and Exchange Commission (the "SEC") on 24 July 2023 and other public filings made from time to time by VEON with the SEC. Other unknown or unpredictable factors also could harm our future results. New risk factors and uncertainties emerge from time to time and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Under no circumstances should the inclusion of such forward-looking statements in this press release be regarded as a representation or warranty by us or any other person with respect to the achievement of results set out in such statements or that the underlying assumptions used will in fact be the case. Therefore, you are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements speak only as of the date hereof. We cannot assure you that any projected results or events will be achieved. Except to the extent required by law, we disclaim any obligation to update or revise any of these forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made, or to reflect the occurrence of unanticipated events.

The sale of VEON's Russian operations is subject to customary closing conditions, including receipt of requisite regulatory approvals and licenses from relevant government authorities. There can be no assurance that the requisite approvals will be received or that such sale will complete.

Furthermore, elements of this release contain or may contain, "inside information" as defined under the Market Abuse Regulation (EU) No. 596/2014.

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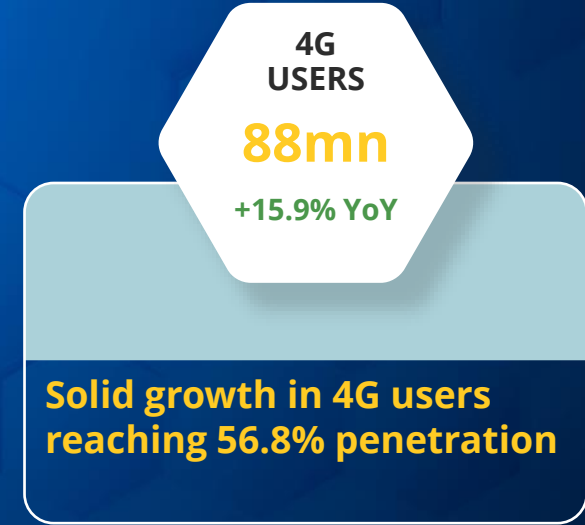
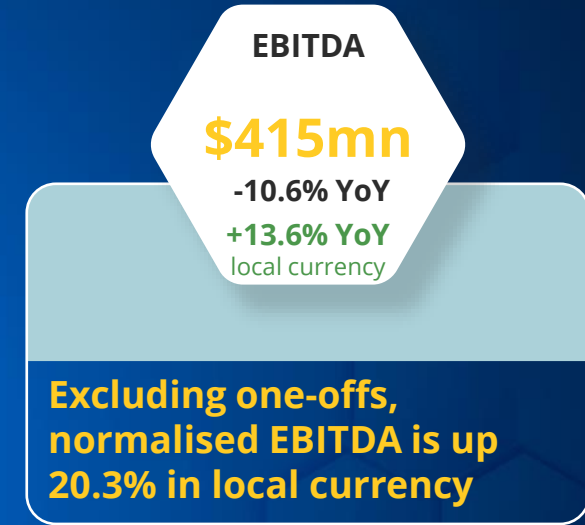
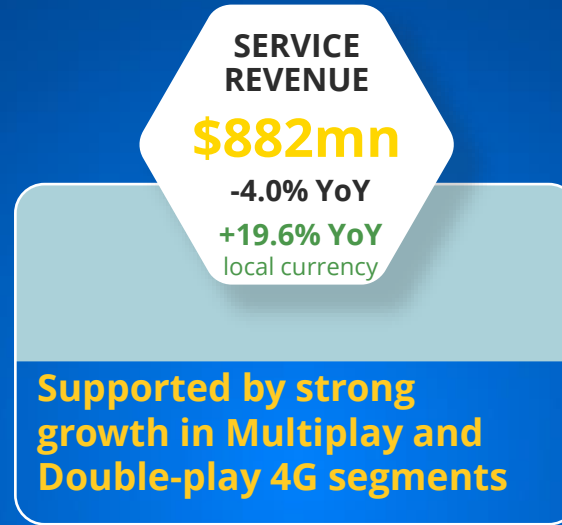
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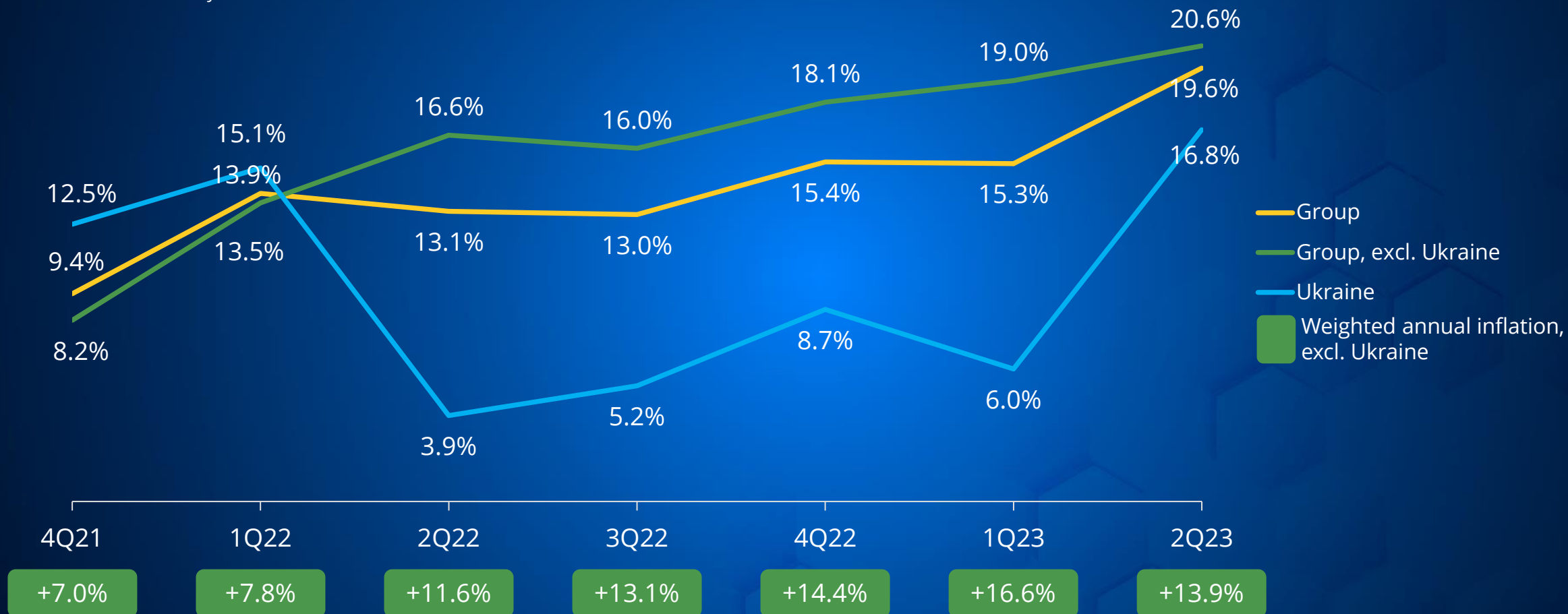
# 2Q23 HIGHLIGHTS



# ACCELERATING TOP LINE, GROWING ABOVE INFLATION

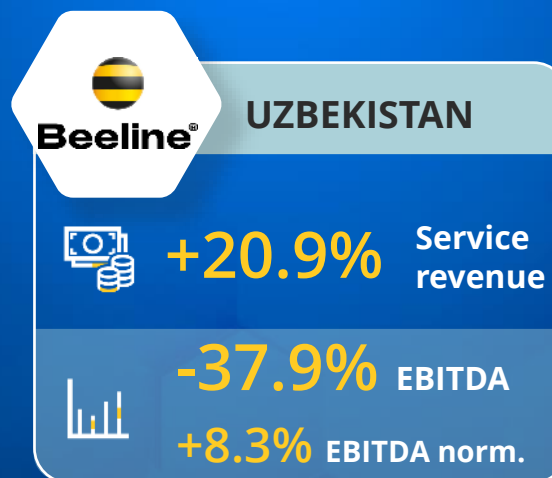
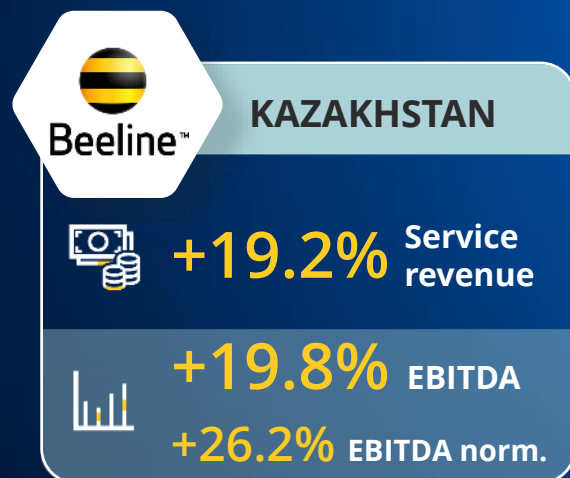
## REVENUE PERFORMANCE

YoY in local currency



Note: Group revenue YoY performance is normalised for one-offs

# 2Q23 GROUP EBITDA (NORMALISED) +20.3% YOY IN LOCAL CURRENCY VEON



Note: EBITDA in Kazakhstan, Uzbekistan and Kyrgyzstan was impacted by extraordinary non-recurring items in 2Q22 and 2Q23 as noted in the Country Performance section of the 2Q23 trading update. YoY growth in local currency for Group EBITDA and EBITDA in these operations is normalised accordingly.



# 4G GROWTH DRIVING REVENUES

Mobile customer base

**156mn** mobile subscribers  
**-0.6%** YoY

Mobile ARPU growth across all markets

**+8.9% to +27.4%** YoY in local currency

Network expansion focused on speed and quality

**60k** 4G Sites  
**+15.6%** YoY

Steady growth in 4G uptake

4G users and penetration (3 month active, million)

Quarter	4G users (million)	4G penetration (%)
2Q21	61.3	41.3%
2Q22	76.4	48.7%
2Q23	88.5	56.8%

**+15.9%** 4G users YoY growth

**+8.1p.p.** 4G penetration YoY growth

Revenues from 4G users drive top line growth

Multiplay and Doubleplay 4G (B2C) revenue (USD million)

Quarter	Multiplay (USD million)	2Play 4G (USD million)
2Q21	185.8	181.8
2Q22	222.6	194.5
2Q23	268.0	185.3

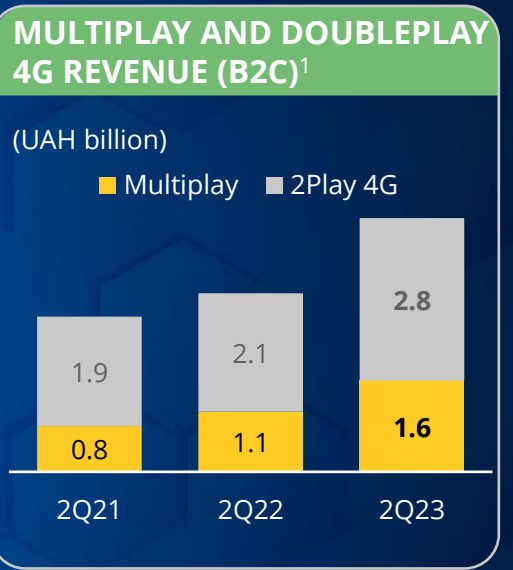
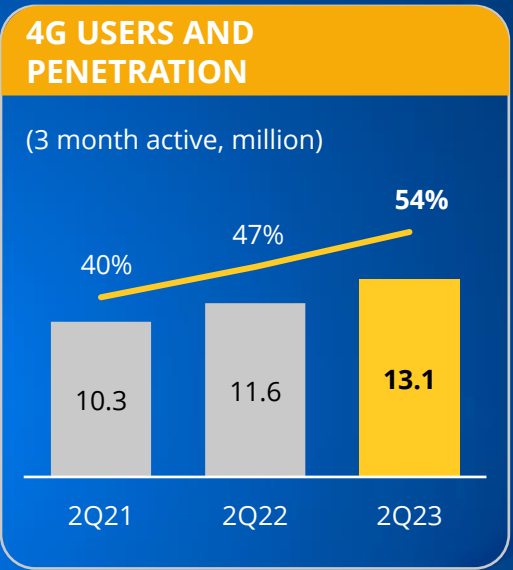
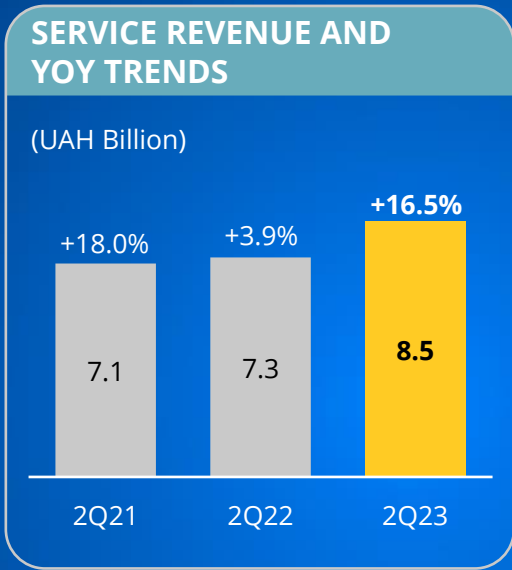
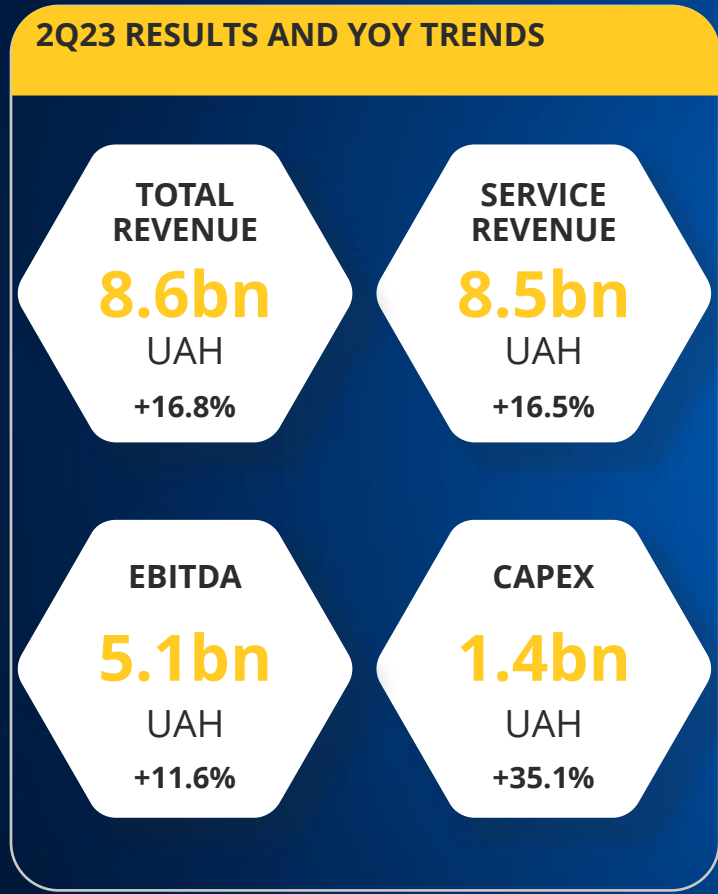
**+45.7%** Multiplay segment YoY revenue growth in local currency

**+14.5%** 4G double play segment YoY revenue growth in local currency

Note: 2Q21 and 2Q22 4G users and revenues on this slide exclude Georgia, which was sold in June 2022, and Russian operations, which were reclassified as 'held for sale' and 'discontinued operations' in 4Q22  
Multiplay - Multiplay 4G segment, 2play 4G - Doubleplay 4G segment

# UKRAINE

## Keeping Ukraine connected and investing in its future



- Kyivstar and VEON announced their commitment to invest the equivalent of USD 600 million in the recovery of Ukraine over the next three years
- Around 94% of the Kyivstar network remained operational at the end of 2Q23 as team remains focused on keeping Ukraine connected
- Kyivstar continues to support its employees and the community, including the demining and recovery initiatives in Ukraine with UAH 92 million in 2Q23
- Kyivstar remains focused on its “4G everywhere” with 80 settlements connected to 4G network, more than 1,800 4G base stations installed and upgraded in 2Q23
- Helsi, the country’s largest digital healthcare platform closed the quarter with over 25 million registered users and 1.8 million monthly active users

1. Revenue share and subscriber numbers based on the mobile B2C segment

# HELSI

## The largest digital healthcare platform in Ukraine



Users registered in the system

**25 million**

Active healthcare institutions

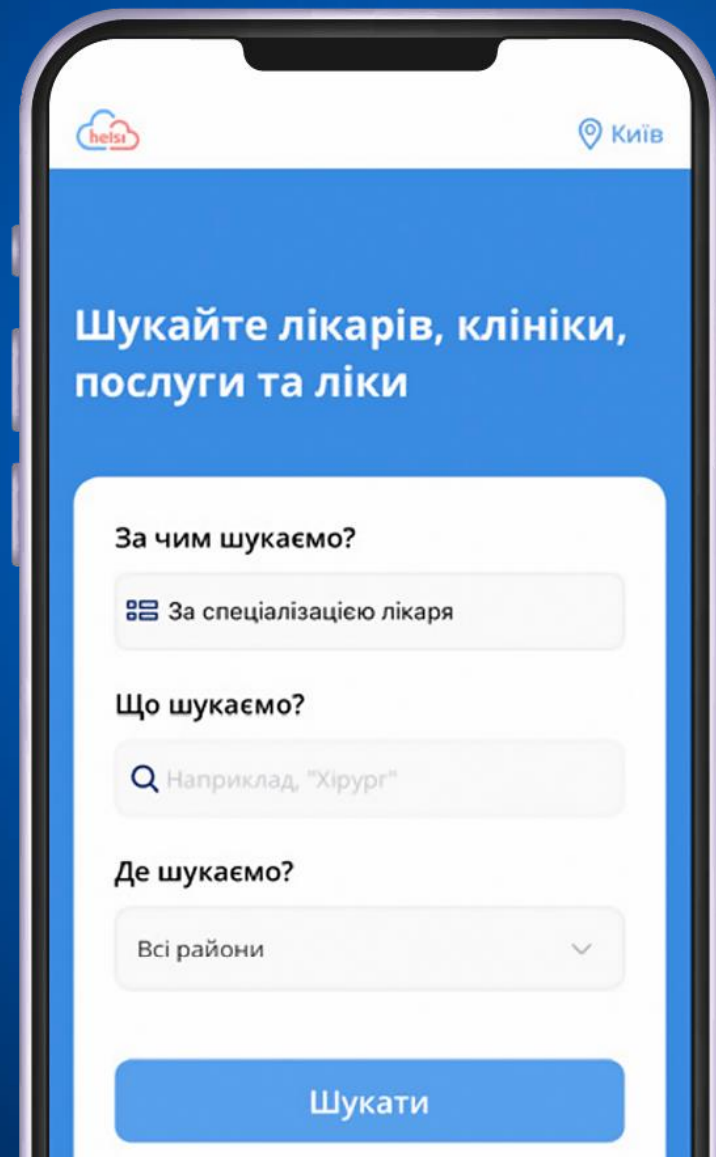
**2,200**

Active doctors and specialists

**34,000**

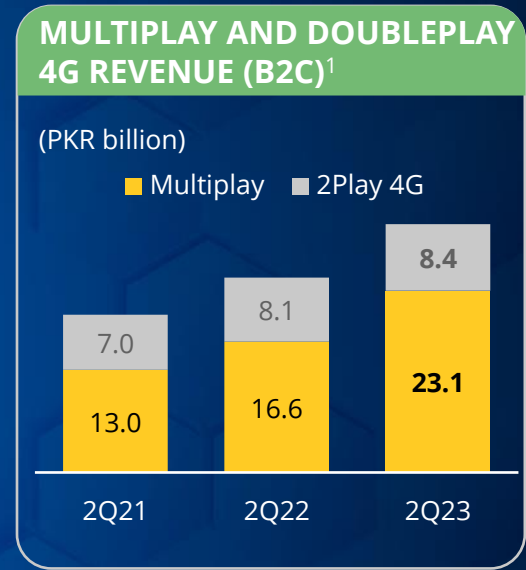
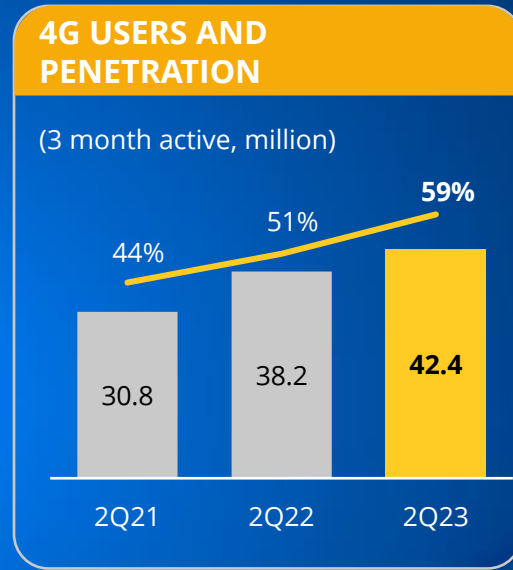
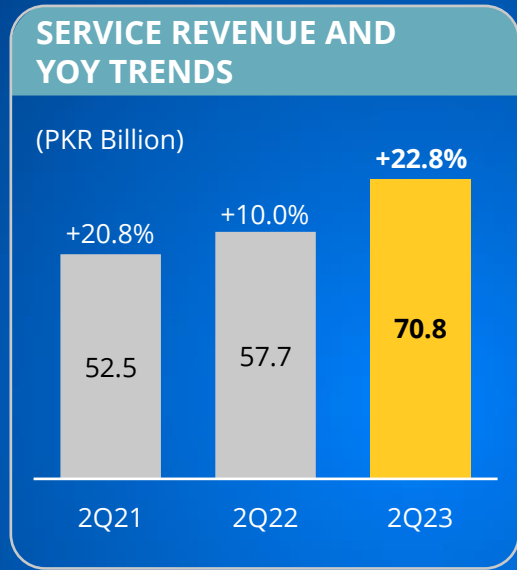
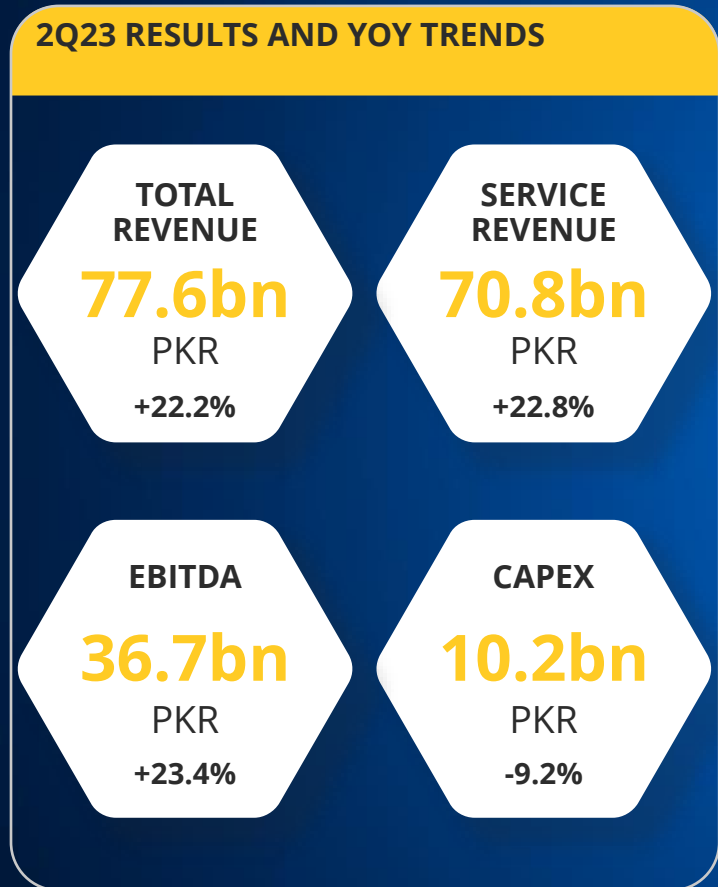
Appointments in 2Q23

**1.8 million**



# PAKISTAN

## Growth above 20% in both revenue and EBITDA, gaining market share



- Revenue growth above 20%, despite challenging macroeconomic environment, as Jazz continues to execute on its Digital Operator strategy (“DO1440”)
- Encouraging momentum in our fintech offering with accelerating growth in service revenue in Mobilink Microfinance Bank (2.0 times YoY) and JazzCash (+98.3% YoY)
- EBITDA up 23.4% YoY supported by strong topline and focused cost control across the business
- Multiplay customers up 15.8% YoY reaching 23.2% of monthly active users with ARPU 3.0 times higher than voice-only users and delivering nearly half of B2C segment revenues

# JAZZCASH

The most popular mobile financial services app in Pakistan



MAU

**14.7 million**

-9.0% YoY

Active merchants

**192,000**

+22.1% YoY

LTM Gross Transaction Value

**PKR 4.9 trillion**

+33.2% YoY

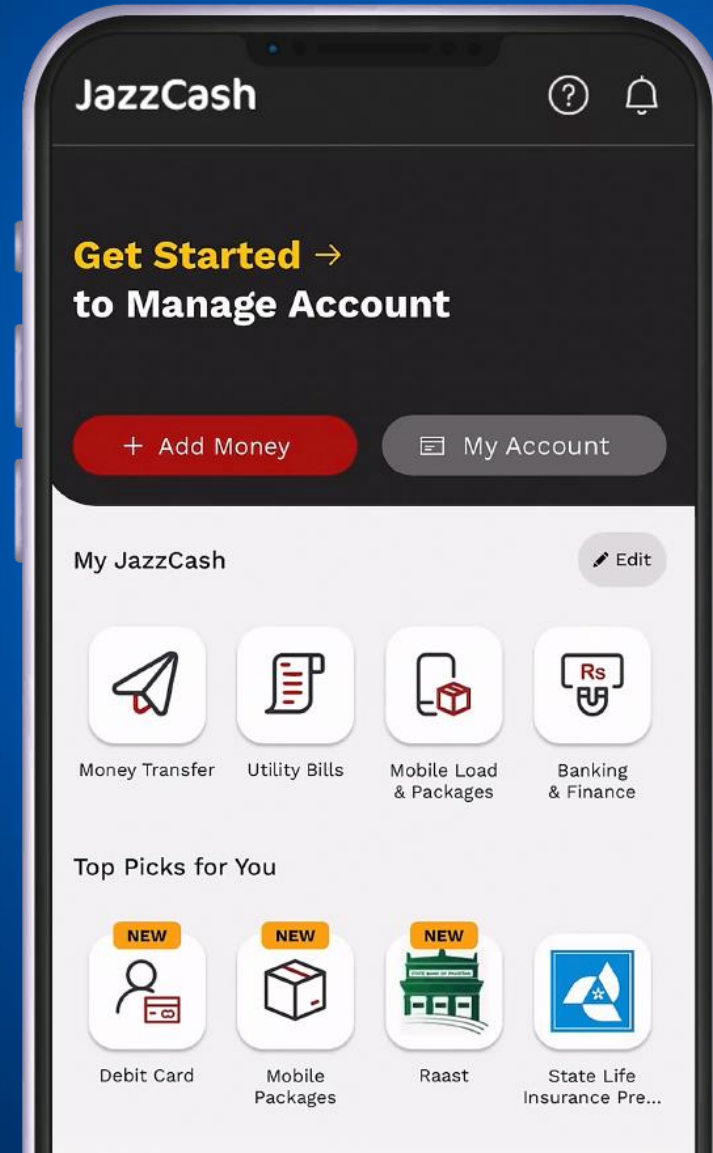
LTM # of transactions

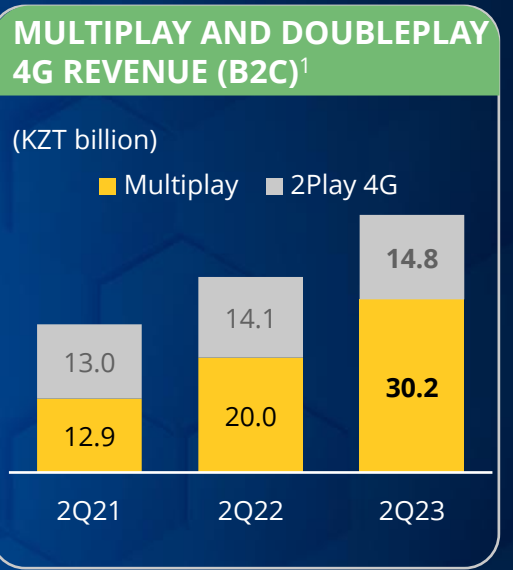
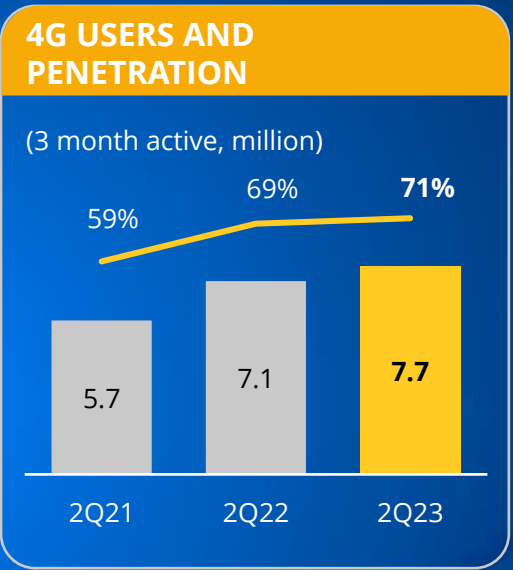
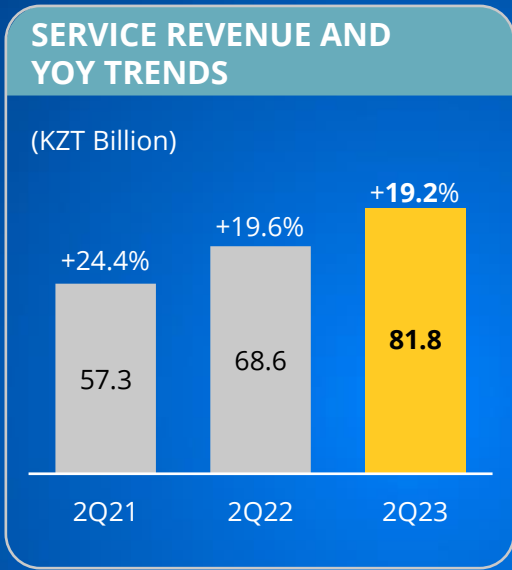
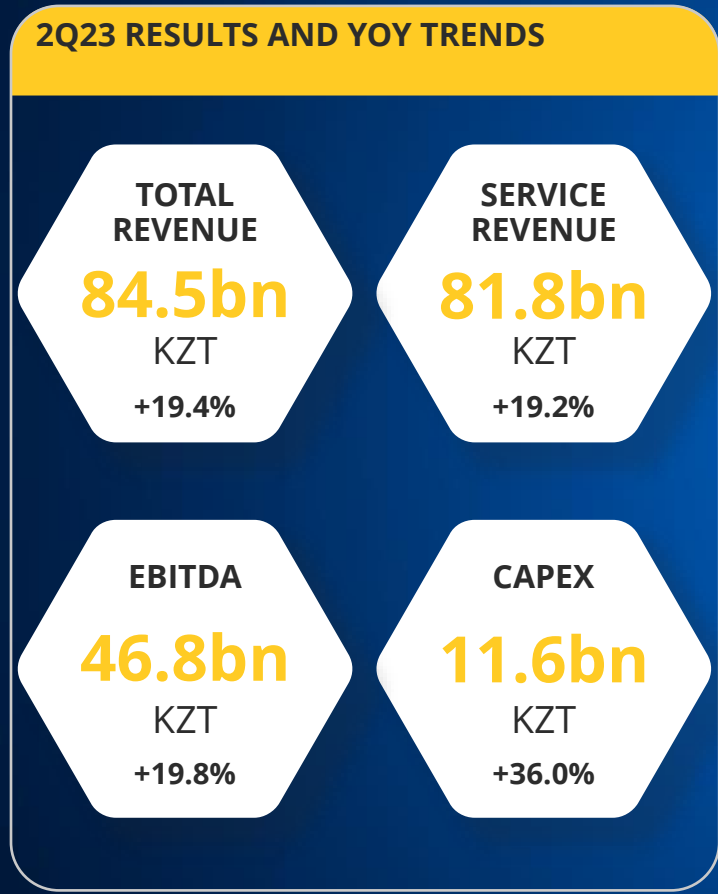
**2.0 billion**

+0.7% YoY

Daily average # of issued loans

**55,000**

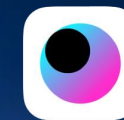




- Strong execution of Digital Operator strategy results in market share gains, continued NPS leadership
- Revenue growth of 19.4% driven by higher ARPU, growing customer base and strong consumption of data and digital services
- Revenue was impacted by prior period adjustment. Normalized for this one-off, revenue grew by +20.8% YoY, recording the 9th consecutive quarter of YoY growth above 20%
- In 2Q22, EBITDA was positively impacted by reclassification of KZT 2.0 bn charitable donation. Adjusting for this, normalised EBITDA in 2Q23 is up by 26.2% YoY
- Beeline Kazakhstan reached 71.0% 4G penetration, with 27.6% YoY growth in multiplay customers and 50.7% YoY growth in revenues from multiplay segment

# IZI

## First digital-only mobile operator in Kazakhstan



MAU of IZI app  
**415,000**

4.4x YoY

non-Beeline Kazakhstan users of IZI app

**50.2%**

Monthly active mobile customers

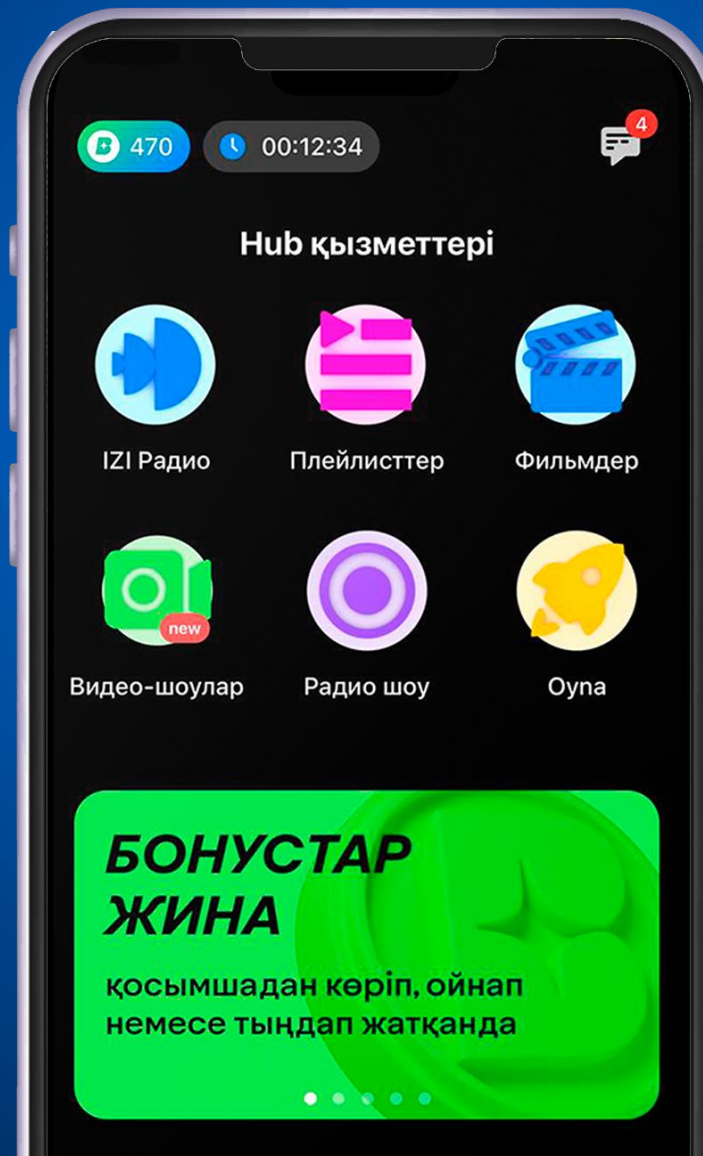
**191,000**

+57% YoY

ARPU of IZI customers with digital experience

**KZT 1,682**

4.5 times higher than non-app IZI customers

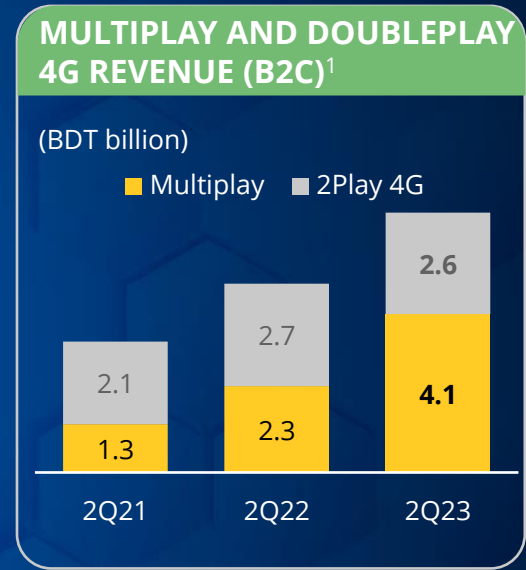
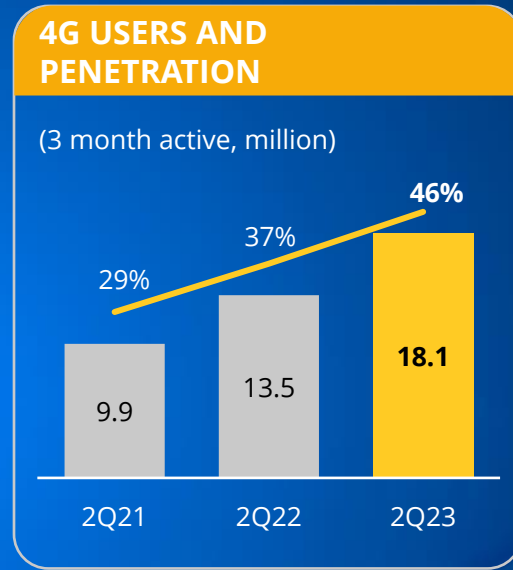
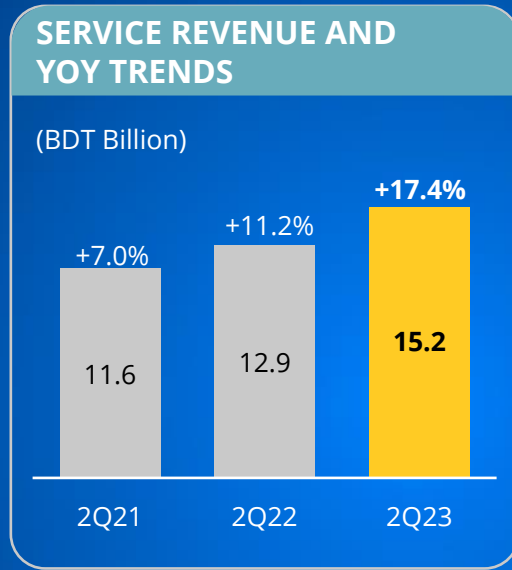
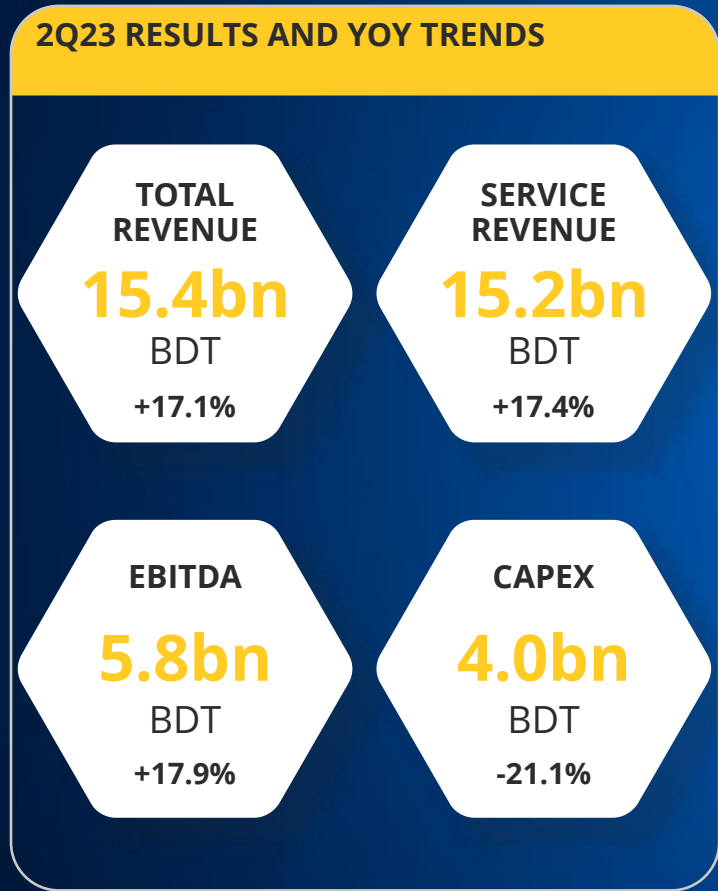


# BANGLADESH

## High double-digit growth gaining further market share



VEON



- Successful network rollout and execution of Digital Operator strategy saw the fifth consecutive quarter of double-digit revenue growth with further gains in revenue and subs market share
- Following one year of strong revenue performance, Banglalink reported its second quarter of double-digit growth in EBITDA as the network investment and market expansion delivers results
- EBITDA increased by 17.9% YoY despite the marked increase in electricity tariffs and fuel prices as strong focus on cost control and inflationary pricing is delivering results
- Subscriber base reached 39.1 million in 2Q23 (+7.9% YoY) with 4.8 million Multiplay customers (+79.5% YoY) supporting 82.8% YoY growth in revenues in multiplay segment



# TOFFEE

## The largest mobile entertainment platform in Bangladesh



MAU

**9.0 million**

+31.9% YoY

non-Banglalink users of Toffee

**67.9%**

Total # of sessions

**128.3 million**

+41.2% YoY

ARPU of Banglalink customers watching Toffee

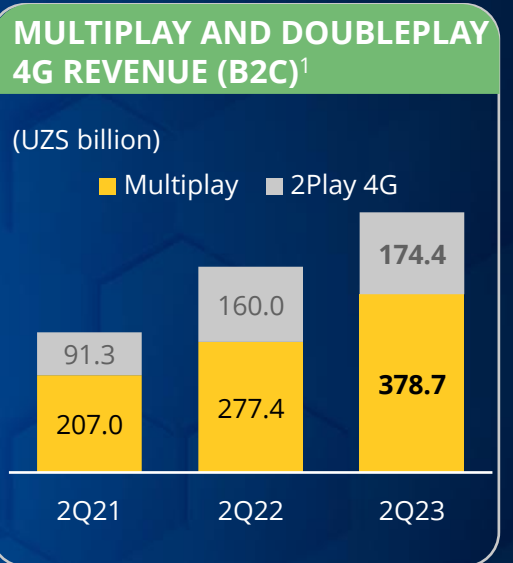
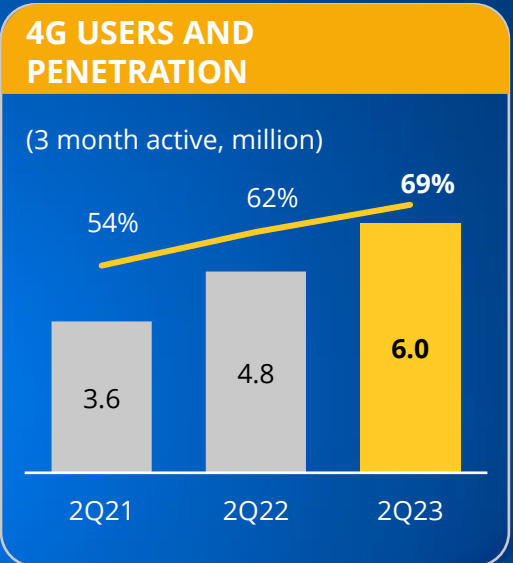
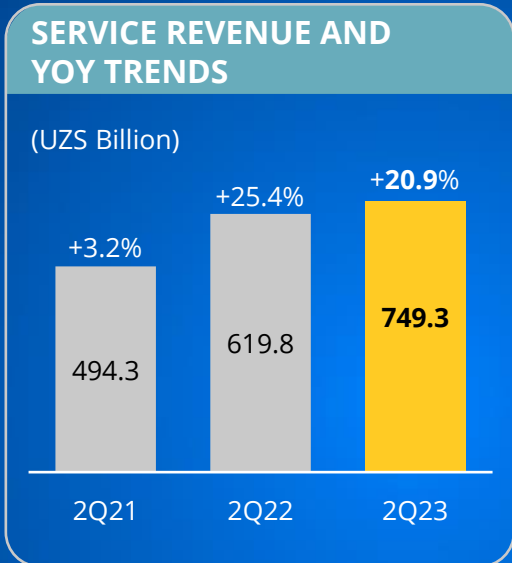
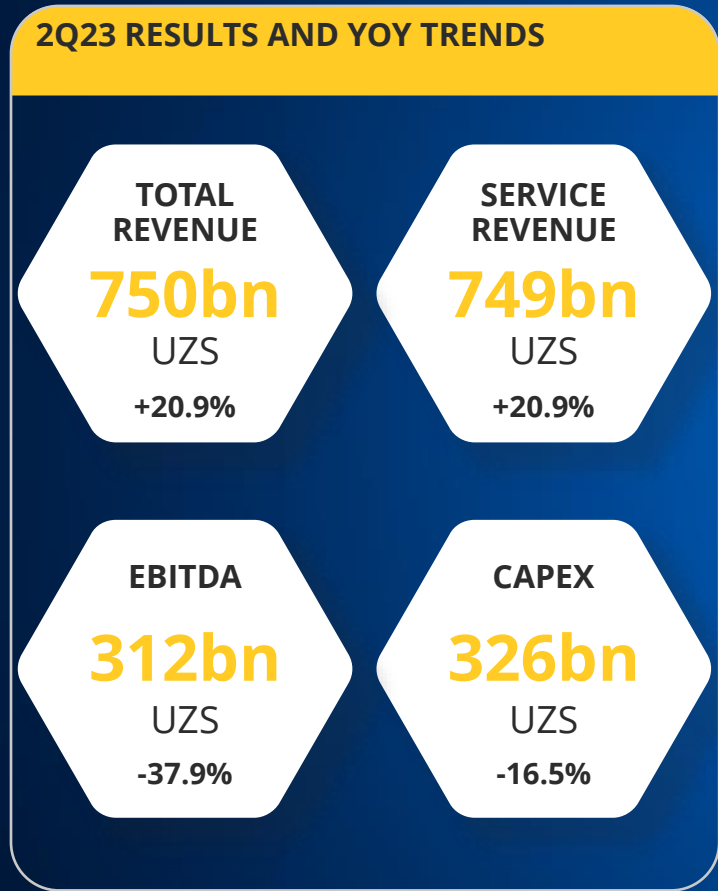
**BDT 310**

2.8 times higher than single play voice customers



# UZBEKISTAN

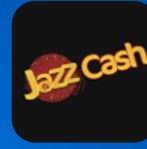
## Sixth consecutive quarter of topline growth above 20%



- Beeline Uzbekistan delivered its sixth consecutive quarter of topline growth above 20%, gaining further market share and improving its NPS position
- Revenue growth of 20.9% driven by double-digit growth in the customer base, 23.6% YoY increase in 4G users and higher data usage up 36.6% YoY
- EBITDA was down by 37.9% YoY, impacted by extraordinary one-offs in 2Q22 and 2Q23. Adjusted for these one-offs, EBITDA was up by 8.3% YoY impacted by regulatory costs.
- Beeline Uzbekistan reached 69.3% 4G penetration, moving closer to VEON's target of 70% 4G penetration in the customer base
- Beeline Uzbekistan reported 27.9% YoY growth in multiplay customers contributing 56.6% of B2C revenues during 2Q23

# OUR STRATEGIC DIGITAL PLATFORMS

Offer new experiences to our customers by adding adjacent services



	Tamasha Pakistan		Toffee Bangladesh		BeeTV Kazakhstan		Helsi Ukraine		JazzCash Pakistan		Simply Kazakhstan		MyBL Bangladesh		IZI Kazakhstan		BIP Pakistan	
2Q23	ACT	YoY	ACT	YoY	ACT	YoY	ACT	YoY	ACT	YoY	ACT	YoY	ACT	YoY	ACT	YoY	ACT	YoY
MAU (million)	4.3	2.6x	9.0	31.9%	0.7	24.7%	1.8	-	14.7	-9.0%	0.3	2.2x	6.9	62.9%	0.4	4.4x	0.9	-
MAU mobile users (million)	4.3	2.6x	9.0	31.9%	0.5	32.5%	0.8	-	6.4	-1.6%	0.3	2.2x	6.9	63.2%	0.4	4.4x	0.9	-
Average DAU (million)	0.5	2.1x	1.6	-46.0%	0.1	4.5x	0.2	-	3.0	-14.8%	38k	67.3%	1.6	n.a.	41k	2.9x	50k	-
Total Usage Time on App (billion min)	1.6	4.2x	1.3	-19.8%	1.3	3.5x	-	-	-	-	-	-	86	n.a.	-	-	-	-
Total Transaction Value (billion LCCY)	-	-	-	-	-	-	-	-	1,378	38.1%	84.6	2.5x	-	-	-	-	-	-
App Store Ratings (Google Play)	4.0		4.1		3.4		4.6		4.5		3.8		3.9		3.8		4.0	

# SALE OF RUSSIAN OPERATIONS ANNOUNCED ON 24 NOVEMBER 2022

## Represents the optimal solution for all stakeholders



### 1 Timeline

- Russian regulatory approval received on 7 February 2023
- Submission for cancellation of VEON's Eurobonds held by PJSC VimpelCom on 30 May 2023 to Euroclear, Clearstream and registrars

### 2 Transaction details

- As at Dec'22, expected EV c.USD 5.0bn, EV/2022 EBITDA of c.3x
- As at Jun'23, PJSC VimpelCom has independently acquired USD 1.6 billion of VEON Holdings B.V. notes

### 3 Capital structure and deleveraging

- In 2Q23, leverage of the Group reduced to 1.68x (post-IFR16) - a material deleveraging

### 4 Status and next steps

- Engaging with European regulatory authorities
- Evaluating alternative options to protect interest of all stakeholders

# AGENDA

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# 2022 DELIVERS STRONG GROWTH IN CONTINUING OPERATIONS

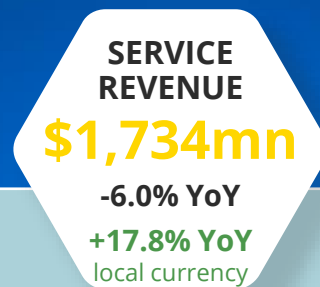


VEON Ltd., audited (USD millions, except per share amounts)	2021	2022
<b>Total operating revenues</b>	<b>3,850</b>	<b>3,755</b>
<b>EBITDA</b>	<b>1,840</b>	<b>1,747</b>
Operating profit	1,023	1,163
Profit / (loss) before tax	464	802
<b>Profit / (loss) from continuing operations</b>	<b>120</b>	<b>733</b>
Profit / (loss) after tax from discontinued operations and disposals of discontinued operations	681	(742)
<b>(Loss) / profit for the period</b>	<b>801</b>	<b>(9)</b>
Attributable to:		
<b>The owners of the parent (continuing operations)</b>	<b>75</b>	<b>656</b>
The owners of the parent (discontinued operations)	599	(818)
Non-controlling interest	127	153
Basic and diluted gain / (loss) per share attributable to ordinary equity holders of the parent, thereof	\$0.38	(\$0.09)
<b>From continuing operations</b>	<b>\$0.04</b>	<b>\$0.37</b>
From discontinued operations	\$0.34	(\$0.46)

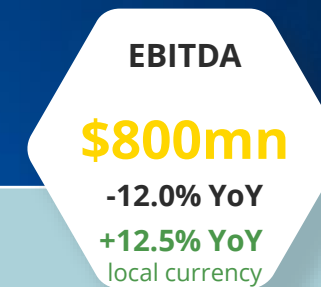
# 1H23 HIGHLIGHTS



Revised FY2023 local currency guidance to 16%-19%



Growth supported by inflationary pricing



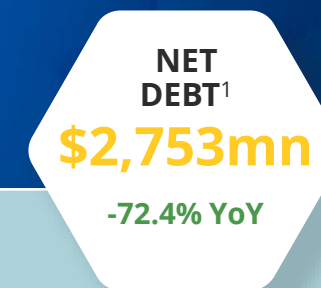
EBITDA margin at 44.5% with continued focus on cost control



1H23 Capex intensity trending lower YoY to 14.5%



Marked reduction following the announcement of sale of Russian operations



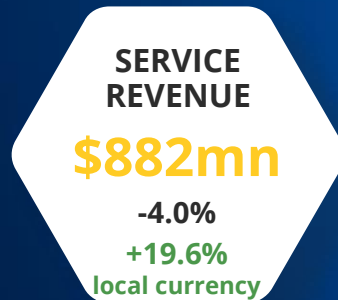
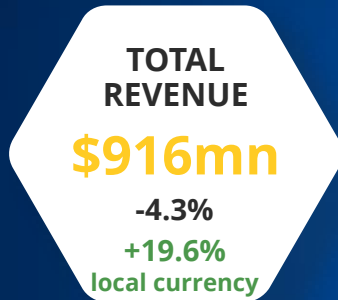
HQ net debt reduced to USD 1.7 billion as PJSC VimpelCom purchased bonds

1. Amounts exclude Russian operations, which were reclassified as 'held for sale' and 'discontinued operations' in 4Q22

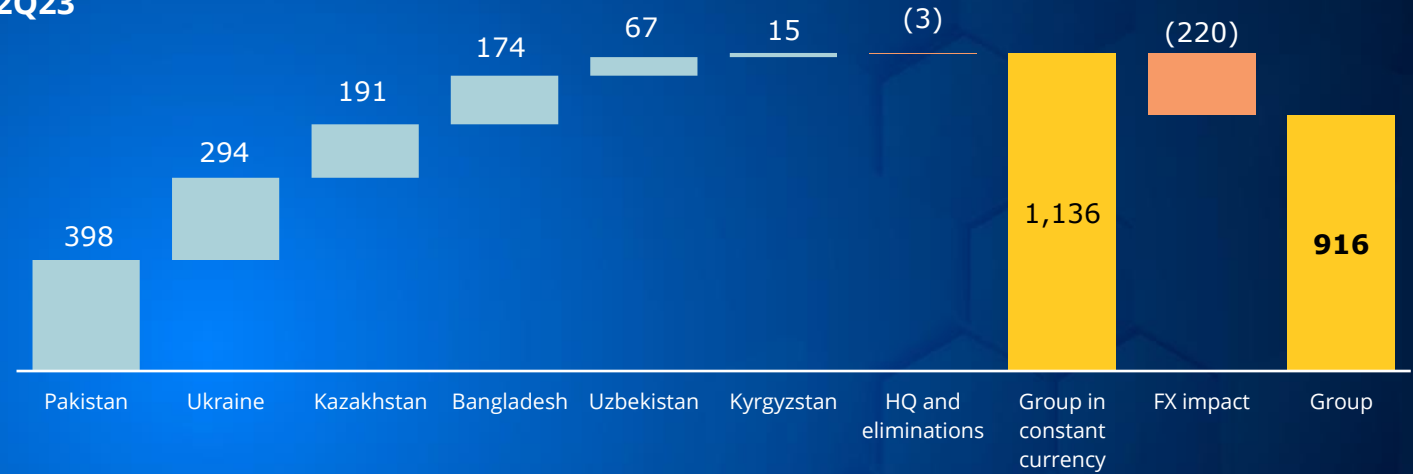
# 2Q23 REVENUES

## Accelerating local currency revenue growth

### 2Q23 results YoY trends



### REVENUE IN 2Q23 (USD million)



Local currency YoY growth	Pakistan	Ukraine	Kazakhstan	Bangladesh	Uzbekistan	Kyrgyzstan	Group
Total revenue	+22.2%	+16.8%	+19.4%	+17.1%	+20.9%	+22.2%	<b>+19.6%</b>
Service revenue	+22.8%	+16.5%	+19.2%	+17.4%	+20.9%	+22.3%	<b>+19.6%</b>

- Reported revenue growth for the Group was impacted by significant YoY depreciation of local currencies particularly in Pakistan, Ukraine and Bangladesh
- Revenue growth in Kazakhstan was impacted by prior period adjustment of c.USD 2.0 million, and the normalised Kazakhstan growth rate for total revenue is 20.8% YoY
- Excluding the one-off, normalised Group total revenue and service revenue increased by 19.8% YoY in local currency



# 2Q23 EBITDA AND EBITDA MARGIN

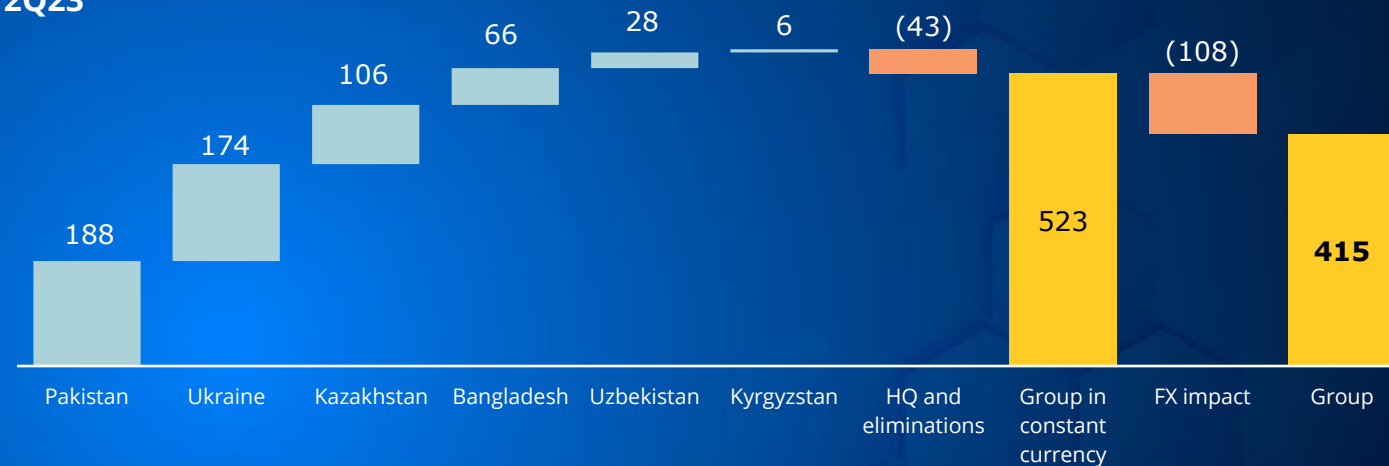
## Acceleration in local currency EBITDA

### 2Q23 results YoY trends

**EBITDA**  
**\$415mn**  
 -10.6%  
 +13.6%  
 local currency

**EBITDA MARGIN**  
**45.3%**  
 -3.2 p.p.

### EBITDA IN 2Q23 (USD million)



Local currency YoY growth	+23.4%	+11.6%	+19.8%	+17.9%	-37.9%	-0.7%	<b>+13.6%</b>
Local currency YoY growth normalised			+26.2%		+8.3%	+36.2%	<b>+20.3%</b>

- Inflation rose across operations negatively impacting energy costs which increased +c.54% YoY for the Group
- EBITDA in Kazakhstan, Uzbekistan and Kyrgyzstan was impacted by extra-ordinary one-offs in 2Q22 and in 2Q23
- Excluding these one-offs, normalised Group EBITDA increased by 20.3% YoY in local currency

# 2Q23 DEBT AND LIQUIDITY UPDATE

30 Jun 2023 vs. 31 Mar 2023

LEVERAGE  
INCL. LEASES

**1.68x**

1.61x in 1Q23

LEVERAGE  
EXCL. LEASES

**1.34x**

1.29x in 1Q23

GROSS  
DEBT

**\$5.2bn**

-9.7% QoQ

NET  
DEBT

**\$2.8bn**

+1.7% QoQ

## CASH

- Total cash USD 2.4 billion, excluding banking operations in Pakistan, with USD 2.0 billion held at the HQ level
- Operations remain self-funding

## DEBT

- VEON was informed that, as of 30 June 2023, PJSC VimpelCom has independently acquired USD 1.6 billion of VEON Holdings B.V. notes to satisfy certain Russian regulatory obligations. PJSC VimpelCom has funded the purchase primarily by issuing new ruble-denominated notes of longer maturity
- Following the purchase of the notes by PJSC VimpelCom, HQ external net debt has declined to USD 1.7 billion
- The amendments to the 2023 Notes pursuant to the Scheme of Arrangement have been implemented after receiving the required licenses
- The Put Option for 2023 Notes was completed in April with holders of USD 459 million of 2023 notes exercising the put

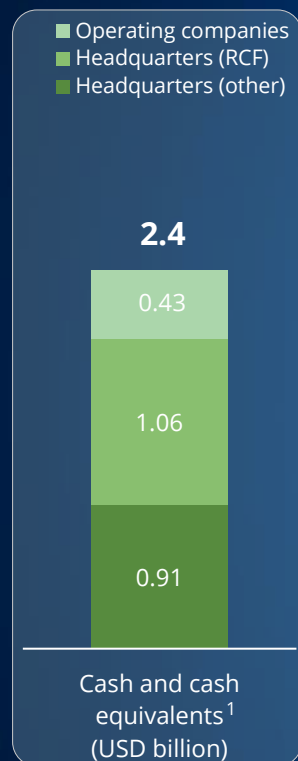
# GROUP DEBT AND LIQUIDITY AS OF 30 JUNE 2023

Currency mix (USD equivalent, million)	Gross debt	Capitalised leases	Gross debt excluding leases	Cash	Net debt excluding leases
USD / EUR	3,388	9	3,379	2,099	1,280
RUB	284	-	284	1	283
PKR	774	215	559	17	542
BDT	417	323	94	71	23
UAH	172	172	-	149	(149)
Other	127	119	8	66	(58)
<b>Total</b>	<b>5,162</b>	<b>838</b>	<b>4,324</b>	<b>2,403</b>	<b>1,921</b>
<i>PJSC VimpelCom (classified as 'held for sale')</i>	<i>3,870</i>	<i>1,444</i>	<i>2,426</i>	<i>202</i>	<i>2,223</i>

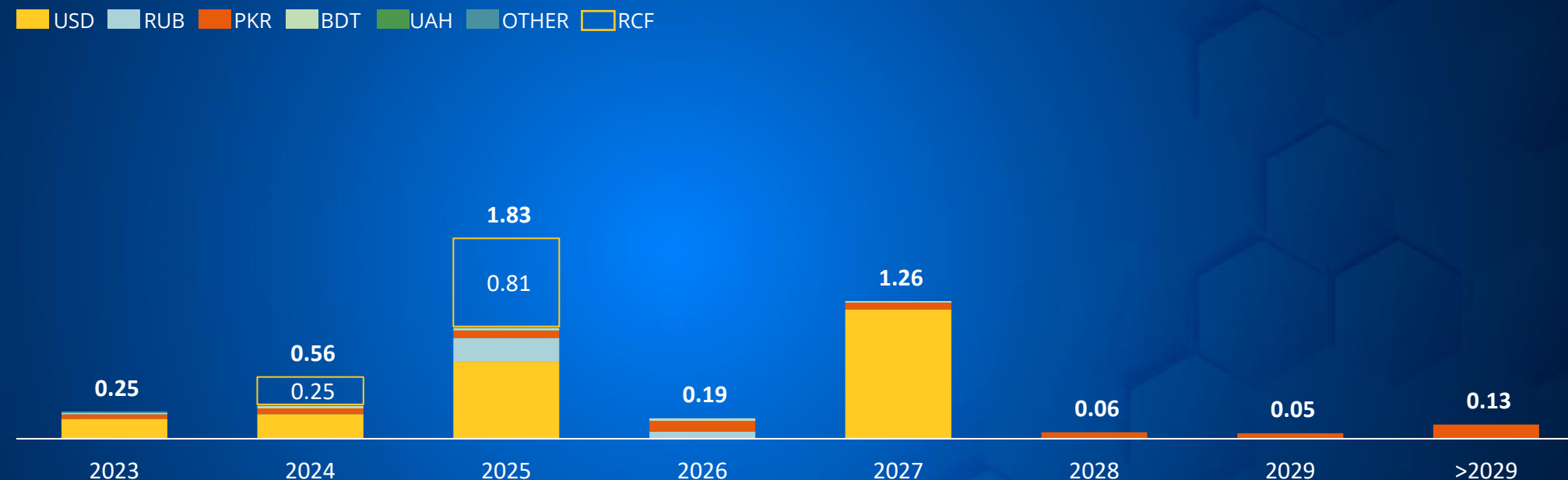
- Total gross debt excluding leases USD 4,324 million
- USD 1,968 million cash at HQ level (>99% of HQ cash is in USD and EUR)
- Group leverage – 1.68x, Group leverage excluding leases – 1.34x; PJSC VimpelCom's post-IFRS 16 leverage – 2.65x
- VEON was informed that, as of 30 June 2023, PJSC VimpelCom has independently acquired USD 1.6 billion of VEON Holdings' notes to satisfy certain Russian regulatory obligations. PJSC VimpelCom has funded the purchase primarily by issuing new ruble-denominated notes of longer maturity

Note: PKR and Total cash amounts exclude c.USD 53 million relating to banking operations in Pakistan; PJSC VimpelCom data reflects operations based within Russia alone and excludes intercompany debt; Lease liabilities in Russia are related to towers, shops and other "right-of-use" assets

# DEBT MATURITY



## DEBT MATURITY SCHEDULE AS OF 31 JUNE 2023 (USD billion)



- USD 494 million of debt maturing in next 12 months, excluding RCF
- USD 1,055 million outstanding under the RCF, can be rolled over until the final maturity of the RCF: USD 250 million and USD 805 million of the total commitments under RCF matures in 2024 and 2025 respectively

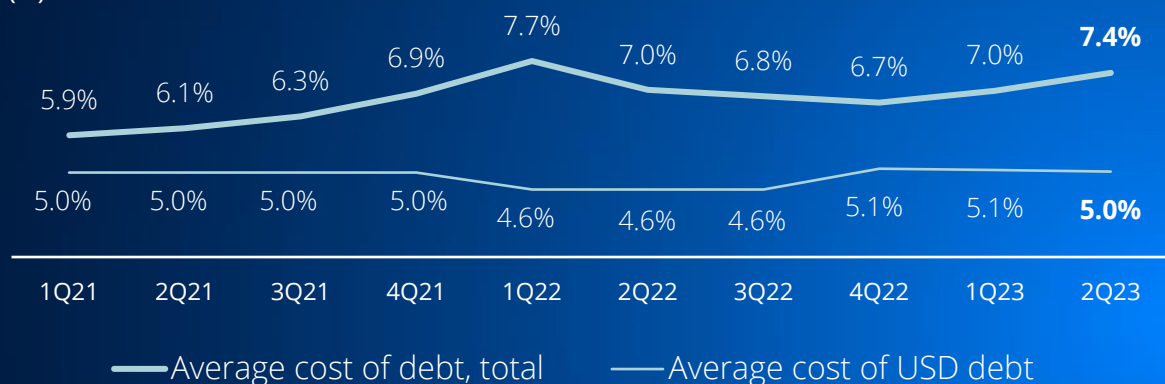
1. As of 30 June 2023

Note: Cash amount excludes c.USD 53 million relating to banking operations in Pakistan

# DEBT MANAGEMENT UPDATE

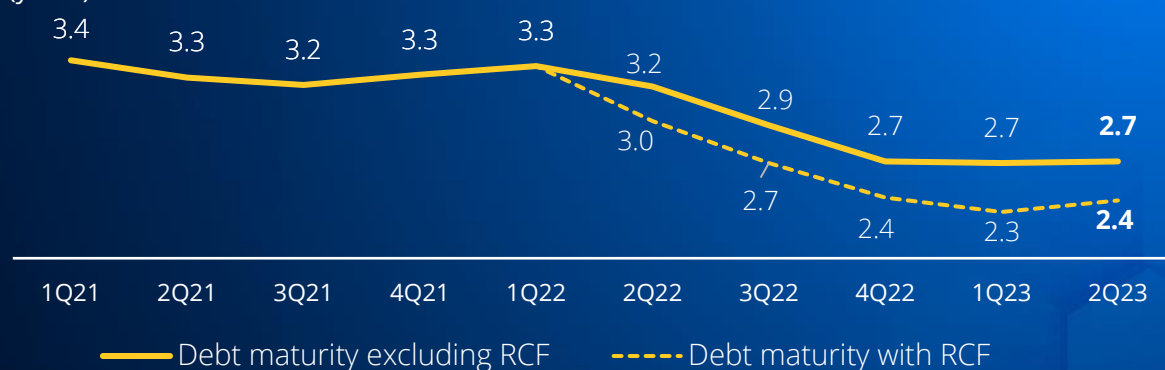
## AVERAGE COST OF DEBT

(%)



## AVERAGE MATURITY OF DEBT

(years)



- The higher cost of debt vs. 1Q23 was impacted by the increased interest rates on floating USD and PKR debt
- Debt cost reflects blended rate of borrowings, mainly USD, RUB and PKR (average USD cost 5.0%). Average debt maturity excluding RCF is 2.7
- Amendments to the 2023 notes pursuant to the Scheme of Arrangement have been implemented and the maturity dates of the February 2023 and April 2023 notes are now moved to October and December 2023, respectively
- The 2023 Put Option closed on 19 April 2023 with holders of USD 165 million of the October 2023 notes, and holders of USD 294 million of the December 2023 notes exercising the put option
- The Notes accepted for repurchase pursuant to the 2023 Put Option were repurchased by the Issuer on 26 April 2023 and cancelled on 27 April 2023

1. OPENING

Nik Kershaw

2. HIGHLIGHTS & BUSINESS UPDATE

Kaan Terzioğlu

3. TRADING RESULTS

Joop Brakenhoff

4. CLOSING REMARKS

Kaan Terzioğlu

5. Q&A

Kaan Terzioğlu, Joop Brakenhoff

# 2023 OUTLOOK

## We have raised our full-year revenue guidance

	FY 2023 Guidance <sup>1</sup>	1H23 Actual	FY 2023 Guidance
<b>Total Revenue, YoY in local currency</b>	10%-14% growth	+17.5%	16%-19% growth (revised)
<b>EBITDA, YoY in local currency</b>	10%-14% growth	+12.5%	10%-14% growth
<b>LTM Capex intensity</b>	18%-20%	19.6%	18%-20%

- Following the strong YTD local currency performance in revenue, we have raised our guidance for 2023 local currency revenue growth to 16-19%, and EBITDA growth remains at 10-14%
- EBITDA growth was impacted by a number of one-off items, adjusting for these and the material one-off in Pakistan in 4Q22, local currency EBITDA guidance would be 15%-17%
- VEON's 2023 outlook for the Group's capex intensity is in the range of 18%-20%

1. Communicated with preliminary 4Q22 and FY22 results on 16 March 2023 and 1Q23 trading update on 4 May 2023  
Note: See "Disclaimer" on slide 4 above for a discussion of factors that could cause actual results to differ from expectations.

# 2023 AMBITIONS

## We are progressing towards our full-year ambitions

1 Russia sale

- **Aim to conclude Russia sale transaction**

2 Focus on capital structure

- **Scheme of Arrangement was completed**
- **Material deleveraging of the Group**

3 Driving growth and expanding margin

- **Execution on “4G for all” and “Digital Operator”**
- **Disciplined inflationary pricing**
- **Leaner HQ Management Team, smaller Board of Directors**

4 Executing on asset-light portfolio

- **Continued work on monetizing towers assets**

5 Unlocking shareholder value

- **Concluding Russia sale transaction, monetizing towers assets, optimizing capital structure, assessing local listings, considering strategic investors for our digital assets**



# VEON

2Q23 TRADING UPDATE




Q&A

# VEON

2Q23 TRADING UPDATE

THANK YOU!

 [ir@veon.com](mailto:ir@veon.com)

 Tel: +31 (0)20 79 77 200



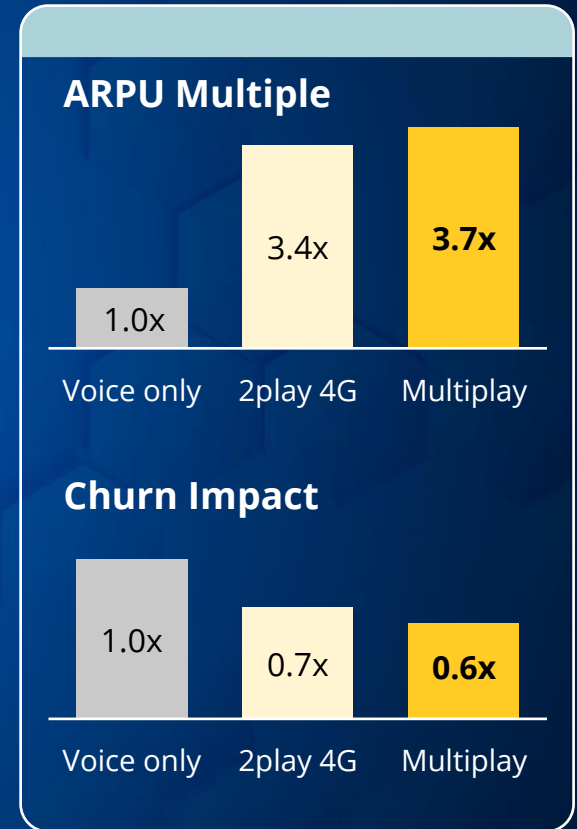
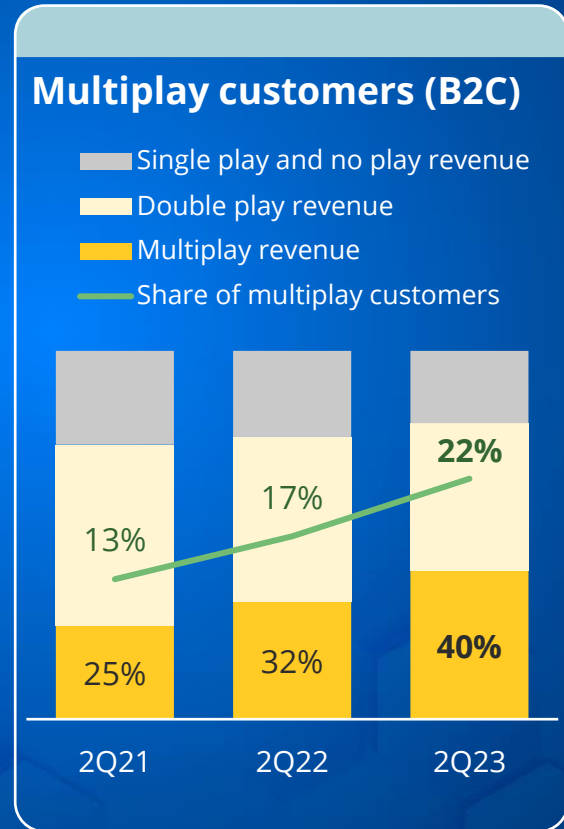
# VEON

2Q23 TRADING UPDATE



APPENDIX

# DIGITAL OPERATOR STRATEGY DELIVERING RESULTS



1. Revenue share and subscriber numbers based on the mobile B2C segment  
 Note: Voice only – customers using only voice services, 2play 4G – Doubleplay 4G customers, Multiplay – Multiplay customers

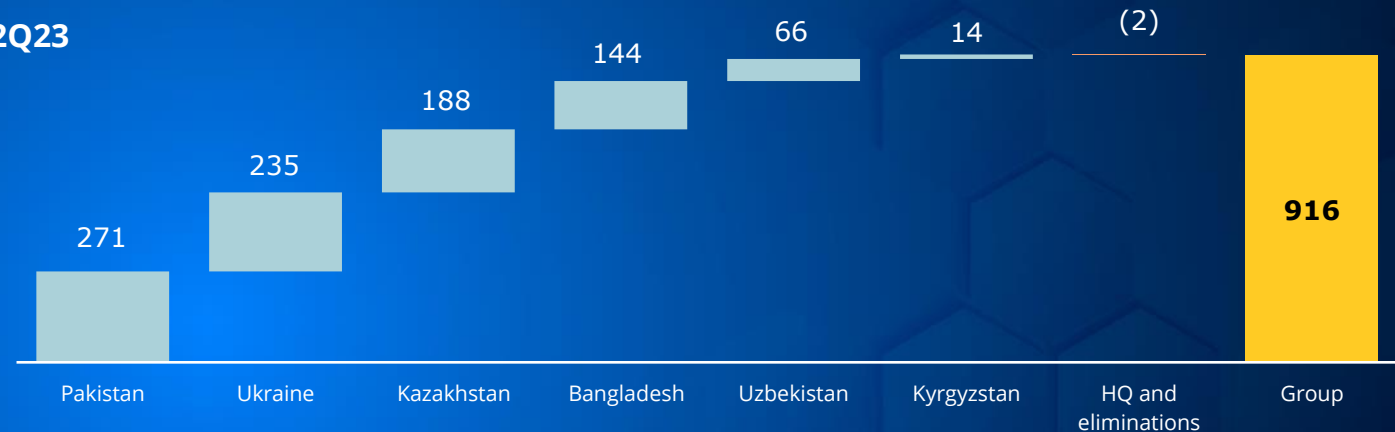
# 2Q23 REVENUES

## 2Q23 results YoY trends

**TOTAL REVENUE**  
**\$916mn**  
 -4.3%  
 +19.6%  
 local currency

**SERVICE REVENUE**  
**\$882mn**  
 -4.0%  
 +19.6%  
 local currency

## REVENUE IN 2Q23 (USD million)



	Pakistan	Ukraine	Kazakhstan	Bangladesh	Uzbekistan	Kyrgyzstan	Group
Local currency YoY growth							
Total revenue	+22.2%	+16.8%	+19.4%	+17.1%	+20.9%	+22.2%	<b>+19.6%</b>
Service revenue	+22.8%	+16.5%	+19.2%	+17.4%	+20.9%	+22.3%	<b>+19.6%</b>

- Reported revenue growth for the Group was impacted by significant YoY depreciation of local currencies particularly in Pakistan, Ukraine and Bangladesh
- Revenues in Kazakhstan were impacted by prior periods adjustment of c.USD 2.0 million, and therefore the normalised growth rate for total revenue is 20.8% YoY, for service revenue +20.6% YoY
- Excluding the Kazakhstan one-off, normalised Group total revenue and service revenue increased by 19.8% YoY in local currency

Note: Countries' revenues are in constant currency

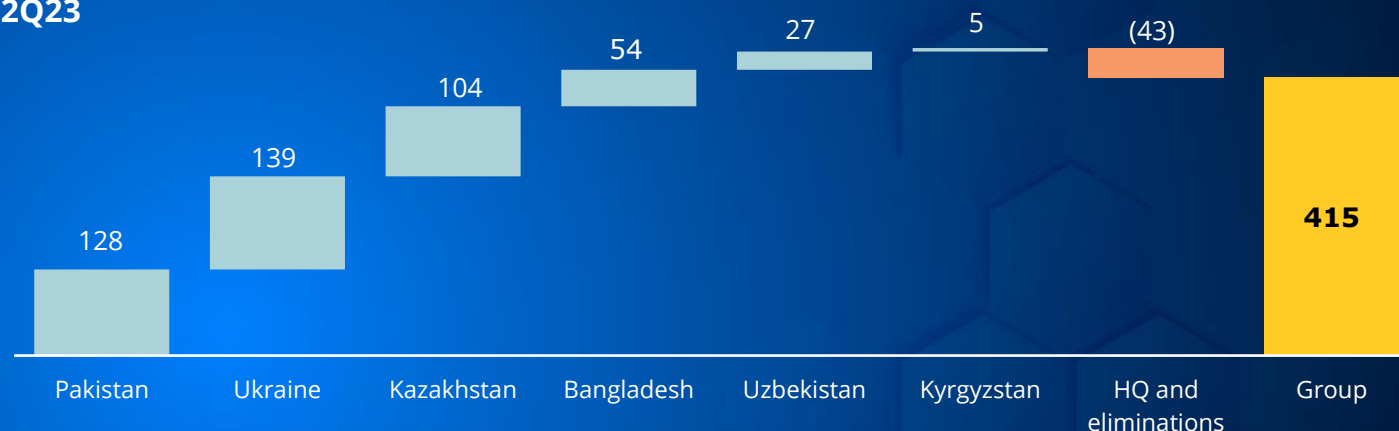
# 2Q23 EBITDA AND EBITDA MARGIN

## 2Q23 results YoY trends

**EBITDA**  
**\$415mn**  
 -10.6%  
 +13.6%  
 local currency

**EBITDA MARGIN**  
**45.3%**  
 -3.2 p.p.

## EBITDA IN 2Q23 (USD million)



Local currency YoY growth	+23.4%	+11.6%	+19.8%	+17.9%	-37.9%	-0.7%	<b>+13.6%</b>
Local currency YoY growth normalised			+26.2%		+2.2%	+36.2%	<b>+20.0%</b>

- Inflation rose across operations negatively impacting energy costs which increased +c.54% YoY for the Group
- EBITDA in Kazakhstan, Uzbekistan and Kyrgyzstan was impacted by extra-ordinary one-offs in 2Q22 and in 2Q23
- Excluding these one-offs, normalised Group EBITDA increased by 20.0% YoY in local currency

# DEBT BY ENTITY<sup>1</sup>

**30 JUNE 2023**  
(USD MILLION EQUIVALENT)

## Outstanding debt

## Type of debt

Entity	Bonds	Loans	Cash-pool overdrafts and other	Total
VEON Holdings B.V.	2,575	1,055	-	3,630
Pakistan Mobile Communications Limited	-	533	12	545
Banglalink Digital Communications Ltd.	-	102	-	102
Other	7	8	32	47
<b>Total</b>	<b>2,582</b>	<b>1,698</b>	<b>44</b>	<b>4,324</b>
<i>PJSC VimpelCom (classified as 'held for sale')</i>	<i>1,392</i>	<i>1,034</i>	<i>-</i>	<i>2,426</i>

1. Excluding lease liabilities

# DEBT MATURITY

## Debt maturity schedule 2023-2024 as of 30 June 2023

### DEBT MATURITY SCHEDULE 2023-2024 (Millions)

Maturity period	Sep 2023	Oct 2023	Dec 2023	2023 other	Mar 2024	Mar 2024 <sup>1</sup>	Jun 2024	Sep 2024	2024 other
<b>Outstanding debt, USD equivalent</b>	21	40	140	31	21	250	226	21	45
<b>Outstanding debt, debt currency</b>	PKR 6,027	USD 40	USD 140	MIX	PKR 6,027	USD 250	USD 226	PKR 6,027	MIX
<b>Entity</b>	Pakistan Mobile Communications Limited	VEON Holdings B.V.	VEON Holdings B.V.	Other	Pakistan Mobile Communications Limited	VEON Holdings B.V.	VEON Holdings B.V.	Pakistan Mobile Communications Limited	Other

- USD 1,055 million outstanding under the RCF, can be rolled over until the final maturity of the RCF in 2024 (USD 250 million) and in 2025 (USD 805 million)

1. Assuming RCF rollover till maturity in March 2024



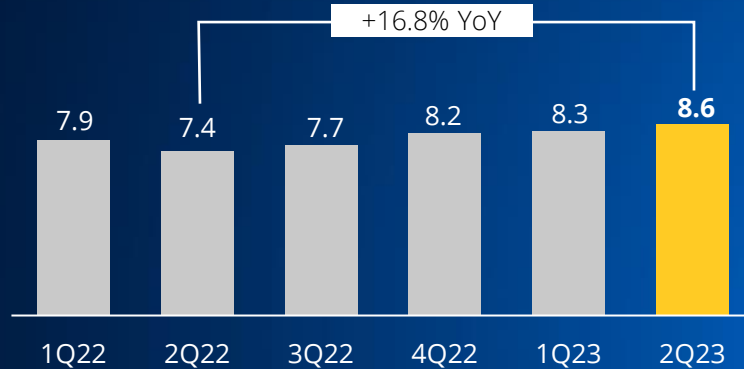
# LEASE LIABILITIES (PRINCIPAL)

	USD, million		Local currency, million	
	30 June 2023	31 March 2023	30 June 2023	31 March 2023
Pakistan	215	197	61,809	55,735
Ukraine	172	161	6,274	5,872
Bangladesh	323	325	34,906	34,506
Kazakhstan	79	76	36,055	34,104
Uzbekistan	35	32	397,867	360,876
Kyrgyzstan	5	5	404	428
Headquarters	9	9	9	9
<b>Total</b>	<b>838</b>	<b>804</b>		

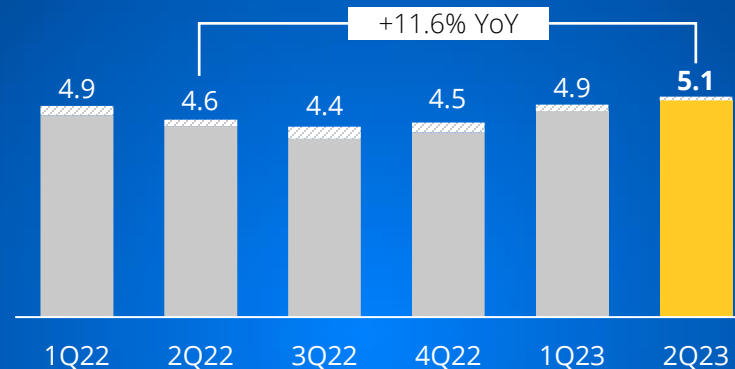
# UKRAINE



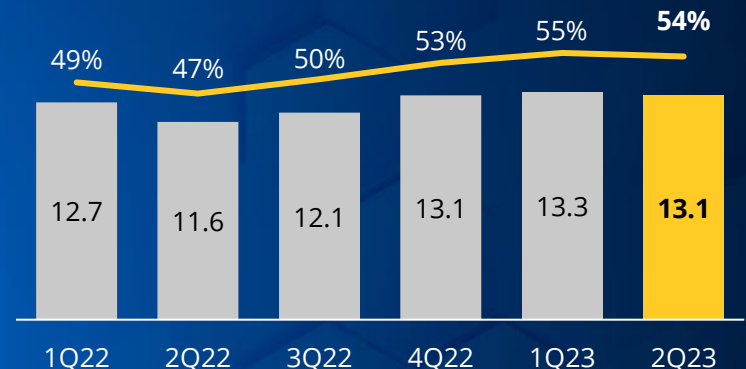
## REVENUE (UAH Billion)



## EBITDA<sup>1</sup> (UAH Billion)



## 4G USERS AND PENETRATION (3 months active, million)



### INFRASTRUCTURE



# of physical sites **14.0k**

# of 4G sites **17.8k**  
(+24.8% YoY)

4G population coverage **94.3%**  
(+1.3p.p. YoY)

Data Usage per subscriber **9.9Gb**  
(+25.6% YoY)

### DIGITAL OPERATOR



Total mobile subscribers **24.1mn**

Self-care app MAU **3.6mn**  
(+17.9% YoY)

ARPU **UAH 110**  
(+22.6% YoY)

### VENTURES



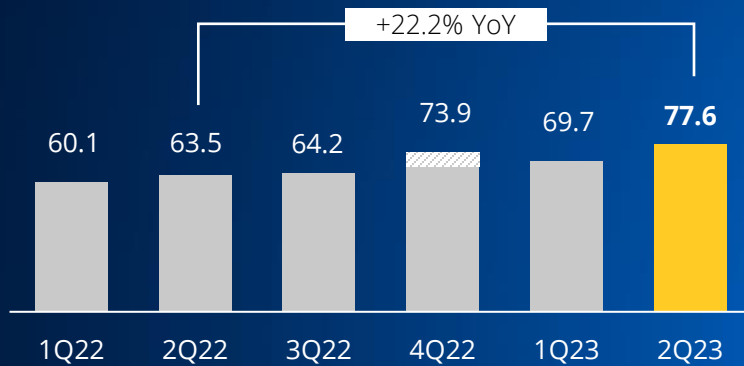
Multiplay customers (B2C), MAU **3.4mn**

Kyivstar TV MAU **1.1mn**  
(+35.0% YoY)

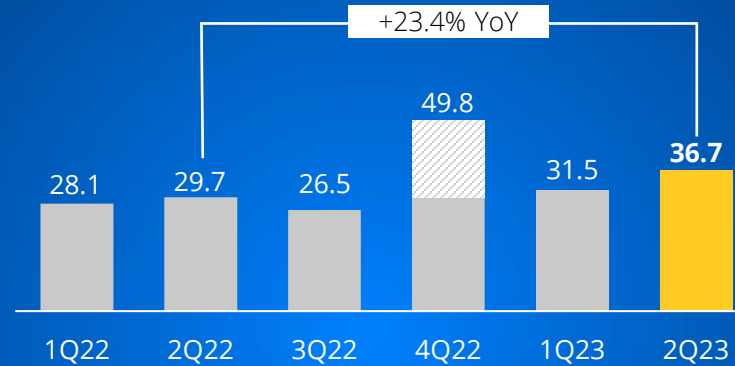
Helsi MAU<sup>2</sup> **1.8mn**  
(acquired in 3Q22)

1. One-offs negatively impacting EBITDA: extraordinary charitable donations and employee support in 1Q22 (UAH 216.5mn), in 2Q22 (UAH 148.9mn), in 3Q22 (UAH 279.0mn) and in 4Q22 (UAH 229.5mn)  
2. Sum of monthly active users of the app and of the web version of the platform

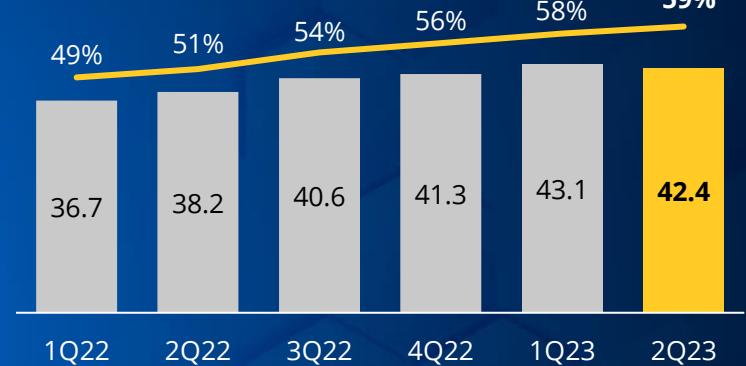
## REVENUE<sup>1</sup> (PKR Billion)



## EBITDA<sup>1</sup> (PKR Billion)



## 4G USERS AND PENETRATION (3 months active, million)



### INFRASTRUCTURE



# of sites

15.5k

# of 4G sites

14.4k  
(+7.0% YoY)

4G population coverage

66.0%

Data Usage per subscriber

5.9Gb  
(+8.4% YoY)

### DIGITAL OPERATOR



Total mobile subscribers

71.2mn

Self-care app MAU

12.3mn  
(+11.5% YoY)

ARPU

PKR 323  
(+27.4% YoY)

### VENTURES



Multiplay customers (B2C), MAU

13.4mn

JazzCash MAU

14.7mn  
(-9.0% YoY)

Entertainment apps MAU<sup>2</sup>

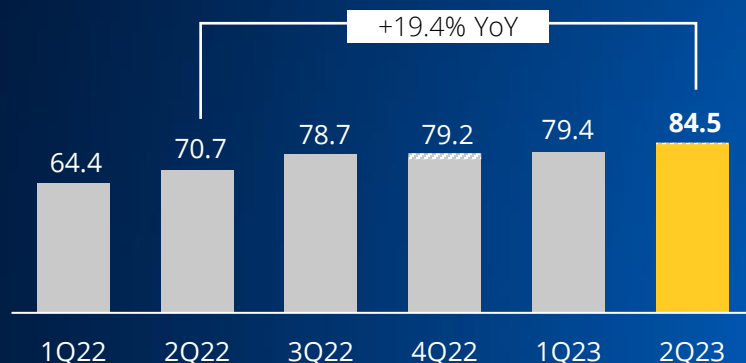
8.0mn  
(+58.4% YoY)

1. One-off reversal positively impacting revenue (PKR 6.6 billion) and EBITDA (PKR 20.2 billion) in 4Q22

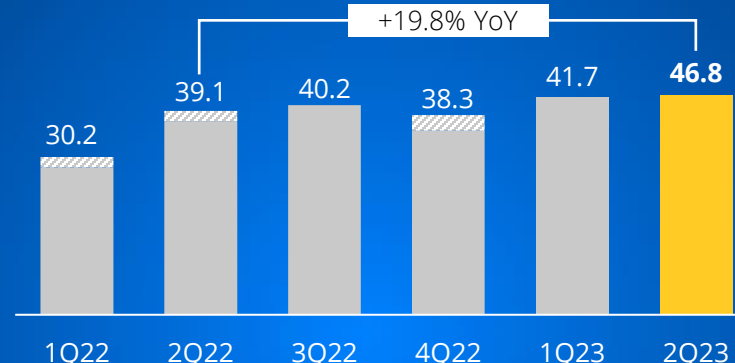
2. Includes users who are active in more than one application

# KAZAKHSTAN

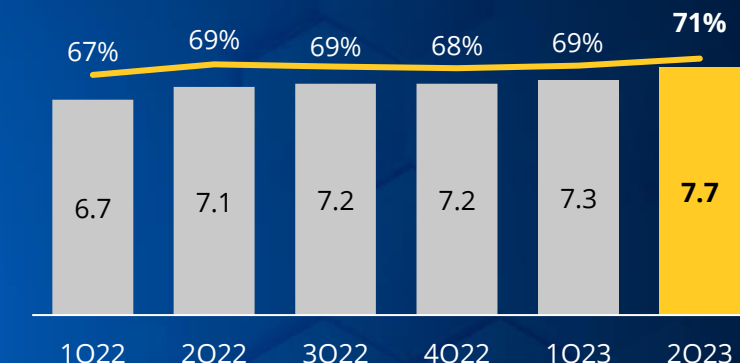
## REVENUE<sup>1</sup> (KZT Billion)



## EBITDA<sup>2</sup> (KZT Billion)



## 4G USERS AND PENETRATION (3 months active, million)



### INFRASTRUCTURE



# of sites

**7.5k**

# of 4G sites

**7.5k**  
(+16.0% YoY)

4G population coverage

**88.3%**  
(+4.1p.p. YoY)

Data Usage per subscriber

**16.8Gb**  
(+15.0% YoY)

### DIGITAL OPERATOR



Total mobile subscribers

**10.8mn**

Self-care app MAU

**4.0mn**  
(+22.8% YoY)

ARPU

**KZT 2,030**  
(+15.5% YoY)

### VENTURES



Multiplay customers (B2C), MAU

**3.5mn**

BeeTV MAU

**748k**  
(+24.7% YoY)

FinTech MAU<sup>3</sup>

**2.6mn**  
(+61.6% YoY)

Big Data & AdTech Revenue Growth

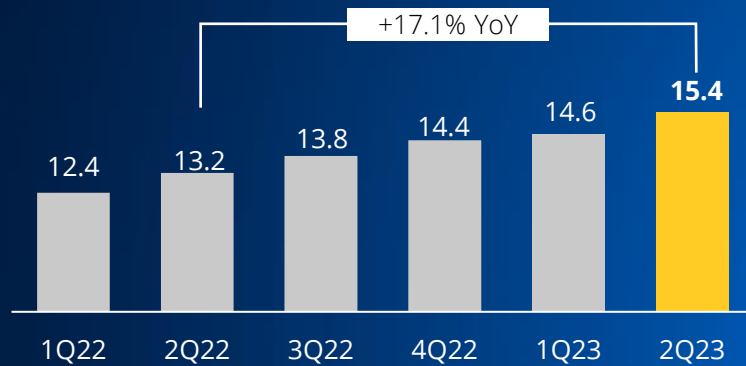
**2.6x YoY**

1. One-offs negatively impacting revenue: accounting adjustment for revenue recognition of bundles (KZT 3.0 billion) in 4Q22; prior period adjustments (KZT 0.9 billion in 2Q23)  
 2. One-offs impacting EBITDA: tax incentive for radio frequencies positively in 4Q21 (KZT 0.6 billion), extraordinary charitable donations negatively in 1Q22 (KZT 2.0 billion) that were reclassified below EBITDA in 2Q22  
 3. Includes users of more than one product

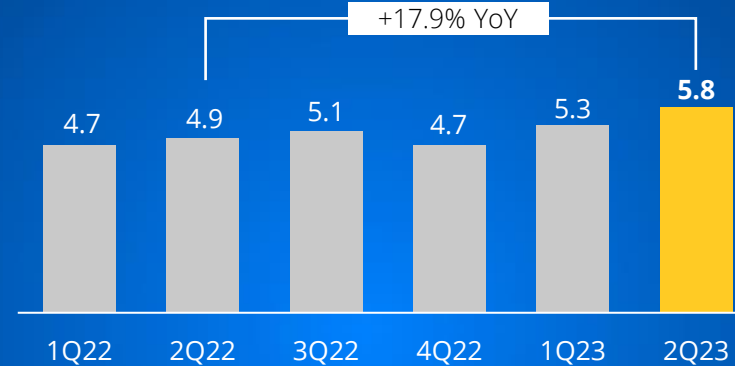
# BANGLADESH



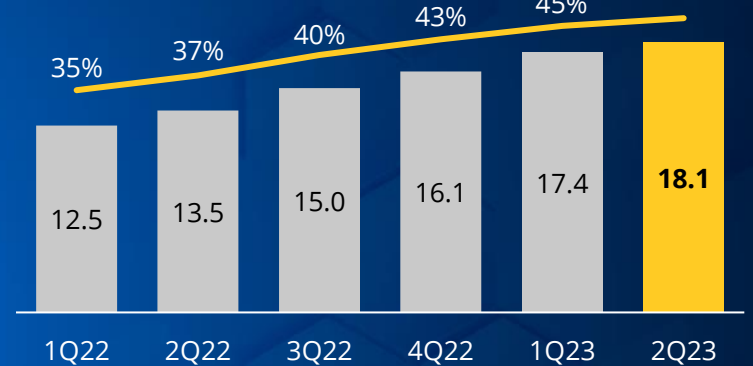
## REVENUE (BDT Billion)



## EBITDA (BDT Billion)



## 4G USERS AND PENETRATION (3 months active, million)



### INFRASTRUCTURE



# of sites

**14.6k**

# of 4G sites

**14.6k**  
(+15.7% YoY)

4G population coverage

**83.4%**  
(+6.0p.p. YoY)

Data Usage per subscriber

**5.5Gb**  
(+20.3% YoY)

### DIGITAL OPERATOR



Total mobile subscribers

**39.1mn**

Self-care app MAU

**6.9mn**  
(+63.2% YoY)

ARPU

**BDT 130**  
(+8.9% YoY)

### VENTURES



Multiplay customers (B2C), MAU

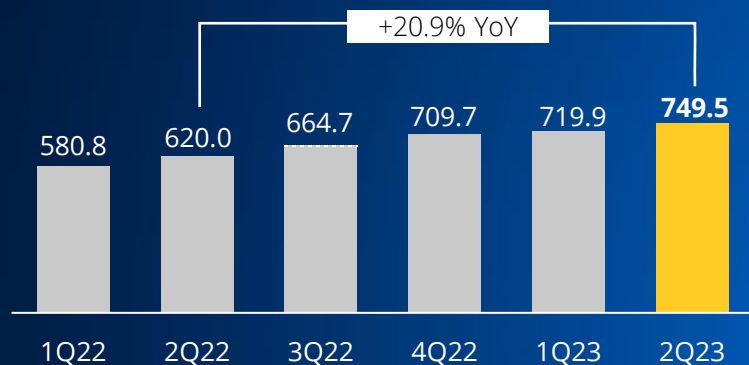
**4.8mn**

Toffee TV MAU

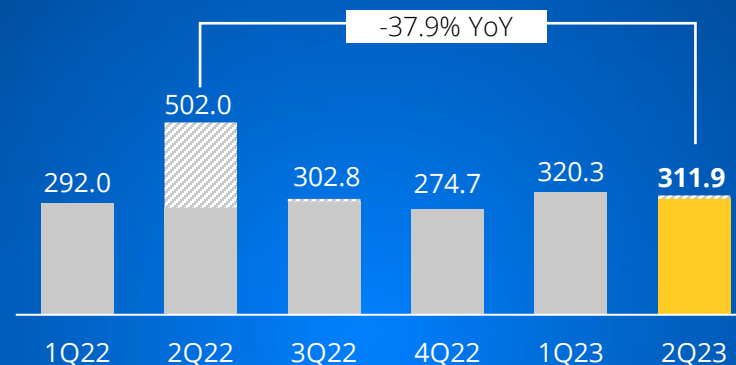
**9.0mn**  
(+31.9% YoY)

# UZBEKISTAN

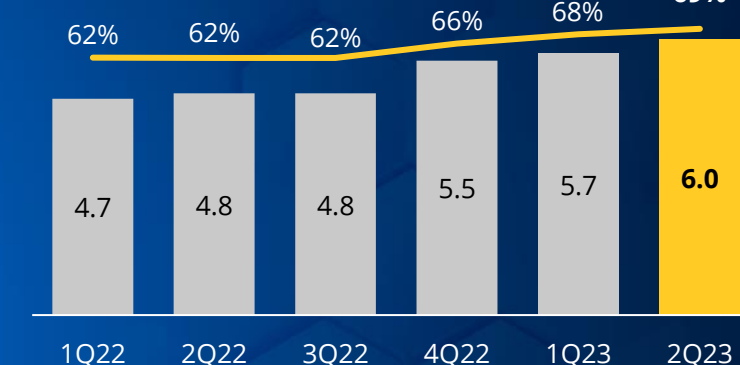
## REVENUE<sup>1</sup> (UZS Billion)



## EBITDA<sup>2</sup> (UZS Billion)



## 4G USERS AND PENETRATION (3 months active, million)



### INFRASTRUCTURE



# of sites

4.2k

# of 4G sites

3.9k  
(+13.1% YoY)

4G population coverage

78.0%  
(+11.0p.p. YoY)

Data Usage per subscriber

9.3Gb  
(+36.6% YoY)

### DIGITAL OPERATOR



Total mobile subscribers

8.6mn

Self-care app MAU

3.0mn  
(+22.5% YoY)

ARPU

UZS 29,013  
(+9.0% YoY)

### VENTURES



Multiplay customers (B2C), MAU

2.6mn

Beepul MAU

268k  
(+3.1% YoY)

Entertainment apps MAU<sup>3</sup>

984k  
(-14.8% YoY)

1. One-off positively impacting total revenue: reversal of excise tax provision in 3Q22 (UZS 6.6 billion)

2. One-offs impacting EBITDA: tax provision reversals in 2Q22 (UZS 222 billion), in 3Q22 (UZS 6.6 billion), in 3Q22 (UZS 25.6 billion); an extraordinary regulatory project in 2Q23 (UZS 17.0 billion)

3. Includes users who are active in more than one application

# RECONCILIATION TABLES

## Extract from VEON Ltd.'s 2Q23 earnings release

### RECONCILIATION OF LOCAL CURRENCY AND REPORTED GROWTH RATES

#### - 2Q23 COMPARED TO 2Q22

	Total Revenue			EBITDA		
	Local currency	Forex and Other	Reported	Local currency	Forex and Other	Reported
Ukraine	16.8%	(23.4%)	(6.5%)	11.6%	(22.3%)	(10.7%)
Pakistan	22.2%	(38.8%)	(16.6%)	23.4%	(39.1%)	(15.8%)
Kazakhstan	19.4%	(1.7%)	17.8%	19.8%	(1.8%)	18.0%
Bangladesh	17.1%	(20.2%)	(3.0%)	17.9%	(20.3%)	(2.4%)
Uzbekistan	20.9%	(3.3%)	17.5%	(37.9%)	(2.2%)	(40.0%)
<b>Total</b>	<b>19.6%</b>	<b>(23.9%)</b>	<b>(4.3%)</b>	<b>13.8%</b>	<b>(24.1%)</b>	<b>(10.3%)</b>

#### - 1H23 COMPARED TO 1H22

	Total Revenue			EBITDA		
	Local currency	Forex and Other	Reported	Local currency	Forex and Other	Reported
Pakistan	11.2%	(23.4%)	(12.1%)	6.2%	(22.3%)	(16.2%)
Ukraine	19.2%	(37.7%)	(18.5%)	17.8%	(37.4%)	(19.5%)
Bangladesh	21.2%	(0.8%)	20.4%	27.7%	(0.6%)	27.1%
Kazakhstan	17.4%	(21.0%)	(3.6%)	14.9%	(20.6%)	(5.7%)
Uzbekistan	22.4%	(3.7%)	18.7%	(20.4%)	(2.6%)	(23.0%)
<b>Total</b>	<b>17.5%</b>	<b>(24.0%)</b>	<b>(6.5%)</b>	<b>12.6%</b>	<b>(24.5%)</b>	<b>(11.9%)</b>

# DEFINITIONS

**4G users** are mobile customers who have engaged in revenue-generating activity during the three months prior to the measurement date as a result of activities over fourth-generation (4G or LTE – long term evolution) network technologies.

**ARPU (average revenue per user)** measures the monthly average revenue per mobile user. We generally calculate mobile ARPU by dividing our mobile service revenue during the relevant period (including data revenue, roaming revenue, MFS and interconnect revenue, but excluding revenue from connection fees, sales of handsets and accessories and other non-service revenue), by the average number of our mobile customers during the period and the number of months in that period.

**Capital expenditures (capex)** are purchases of property and equipment, new construction, upgrades, software, other long-lived assets and related reasonable costs incurred prior to intended use of the non-current asset, accounted at the earliest event of advance payment or delivery. Purchase of licenses and capitalized leases are not included in capital expenditures.

**Capex intensity** is a ratio, which is calculated as last-twelve-months (LTM) capex divided by LTM total revenue.

**Data and digital revenues** include data revenue, revenues from mobile financial services and from digital entertainment.

**Digital services monthly active users (“MAUs”)** is a gross total of monthly active users of all digital products and services offered by an entity or by VEON Group and includes MAUs who are active in more than one application

**Discontinued operations** means that under IFRS, the results of discontinued operations that are presented separately in current and prior year income statements and have no impact on prior year balance sheet amounts. Following the exercise of the put option for our stake in Algeria on 1 July 2021, the Algerian business was, in line with the IFRS 5 requirements, a discontinued operation, and was accounted for as “Asset held for sale”. This means that its operations do not contribute to the base performance of VEON for the prior year, and from the balance sheet perspective, it was measured at the lower of (i) the carrying amount of the discontinued business; and (ii) its fair market value, less costs to sell. Any deviation from this value in respect of the final valuation resulted in a gain/loss, which was accounted for as a profit/loss from discontinued operations.

**Doubleplay 4G customers** are mobile B2C customers who engaged in usage of our voice and data services over 4G (LTE) technology at any time during the one month prior to such measurement date.

**EBITDA** is a non-IFRS financial measure and is called “Adjusted EBITDA” in the Form 20-F published by VEON. VEON calculates Adjusted EBITDA as (loss)/profit before interest, tax, depreciation, amortization, impairment, gain/loss on disposals of non-current assets, other non-operating gains/losses and share of profit/loss of joint ventures and associates. Our Adjusted EBITDA may be helpful in evaluating our performance against other telecommunications companies that provide EBITDA. Additionally, a limitation of EBITDA’s use as a performance measure is that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenue or the need to replace capital equipment over time.

**EBITDA margin** is calculated as EBITDA divided by total revenue, expressed as a percentage.

**Equity free cash flow** is a non-IFRS measure and is defined as free cash flow from operating activities less cash flow used in investing activities excluding license payments, principal amount of lease payments, balance movements in Pakistan banking, M&A transactions, inflow/outflow of deposits, financial assets and other one-off items.

**Fixed-mobile convergence customer** (FMC customer) is a customer on a one-month active broadband connection subscribing to a converged bundle consisting of at least a fixed internet subscription and at least one mobile SIM.

**Gross Debt** is calculated as the sum of long-term notional debt and short-term notional debt including capitalized leases.

**Local currency trends (growth/decline)** in revenue and EBITDA are non-IFRS financial measures that reflect changes in Revenue and EBITDA, excluding foreign currency movements and other factors, such as businesses under liquidation, disposals, mergers and acquisitions, including the sale of operations in Georgia and the classification of Algeria and Russia as discontinued operations.

**Mobile customers** are generally customers in the registered customer base at a given measurement date who engaged in a mobile revenue generating activity at any time during the three months prior to such measurement date. Such activity includes any outgoing calls, customer fee accruals, debits related to service, outgoing SMS and MMS, data transmission and receipt sessions, but does not include incoming calls, SMS and MMS or abandoned calls. Our total number of mobile customers also includes customers using mobile internet service via USB modems and fixed-mobile convergence (“FMC”).

**Mobile data customers** are mobile customers who have engaged in revenue-generating activity during the three months prior to the measurement date as a result of activities including USB modem Internet access using 2.5G/3G/4G/HSPA+ technologies.

**Mobile financial services (MFS) or digital financial services (DFS)** is a variety of innovative services, such as mobile commerce that uses a mobile phone as the primary payment user interface and allows mobile customers to conduct money transfers to pay for items such as goods at an online store, utility payments, fines and state fees, loan repayments, domestic and international remittances, mobile insurance and tickets for air and rail travel, all via their mobile phone.

**Multiplay customers** are doubleplay 4G customers who also engaged in usage of one or more of our digital products at any time during the one month prior to such measurement date.

**Net debt** is a non-IFRS financial measure and is calculated as the sum of interest-bearing long-term debt including capitalized leases and short-term notional debt minus cash and cash equivalents excluding cash and cash deposits from our banking operations in Pakistan, long-term and short-term deposits. We believe that net debt provides useful information to investors because it shows the amount of notional debt that would be outstanding if available cash and cash equivalents and long-term and short-term deposits were applied to repay such indebtedness. Net debt should not be considered in isolation as an alternative to long-term debt and short-term debt, or any other measure of our financial position.

**Net Promoter Score (NPS)** is the methodology VEON uses to measure customer satisfaction. Relational NPS (rNPS) – advantage or gap in NPS comparing to competition.

**Revenues from telecommunications services (Telco revenues)** are revenues generated by VEON from data, voice, connectivity, television, and similar services, regardless of medium of transmission, including transmission by satellite. **Non-telco revenues** are revenues generated by VEON from other products and services, e.g., sale of equipment and devices, entertainment and content, MFS, Machine-to-Machine, post-transactional management services, and sub-leasing income.

**VEON’s reportable segments** are the following, which are principally based on business activities in different geographical areas: Pakistan, Ukraine, Kazakhstan, Uzbekistan and Bangladesh. We also present our results of operations for “Others” and “HQ” separately, although these are not reportable segments. “Others” represents our operations in Kyrgyzstan and Georgia (which now contributes only to first six months of 2022 results) and “HQ” represents transactions related to management activities within the group in Amsterdam, London and Dubai.