



VEON

4Q 2020 RESULTS

18 February 2021

**Delivering on expectations  
Back to growth in an unexpected year**



# AGENDA



1. OPENING

Nik Kershaw: Head of IR

2. HIGHLIGHTS AND 2020 ACHIEVEMENTS

Kaan Terzioğlu: Co-CEO

3. REVIEW OF RUSSIA AND GROUP

Kaan Terzioğlu: Co-CEO  
Sergi Herrero: Co-CEO

4. 4Q20 FINANCIAL RESULTS

Serkan Okandan: CFO

5. 2021 PRIORITIES

Sergi Herrero: Co-CEO

# DISCLAIMER



This presentation 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, among others; anticipated performance and guidance for 2021, including VEON’s ability to sufficient cash flow; VEON’s assessment of the impact of the COVID-19 pandemic 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; and VEON’s ability to realize its targets and commercial initiatives in its various countries of operation. The forward-looking statements included in this presentation 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 further unanticipated developments related to the COVID-19 pandemic, such as the effect on consumer spending, that negatively affected VEON’s operations and financial condition; 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; including adverse macroeconomic developments caused by recent volatility in oil prices in the wake of COVID-19; unforeseen developments from competition; 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 other negative developments regarding such parties; the impact of export controls and laws affecting trade and investments 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 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 December 31, 2019 filed with the U.S. Securities and Exchange Commission (the “SEC”) and other public filings made 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 presentation 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.

## PRESENTATION OF THE FINANCIAL RESULTS:

All non-IFRS measures disclosed further in this presentation (including, without limitation, EBITDA, Operational Capex, net debt, equity free cash flow, local currency growth) are being defined and reconciled to comparable IFRS measures in VEON Ltd.’s earnings release published on its website on the date hereof. Reported growth is growth in Group’s reporting currency – USD. In addition, we present certain information on a forward-looking basis. We are not able to, without unreasonable efforts, provide a full reconciliation to IFRS due to potentially high variability, complexity and low visibility as to the items that would be excluded from the comparable IFRS measure in the relevant future period, including, but not limited to, depreciation and amortization, impairment loss, loss on disposal of non-current assets, financial income and expenses, foreign currency exchange losses and gains, income tax expense and performance transformation costs, cash and cash equivalents, long term and short-term deposits, interest accrued related to financial liabilities, other unamortized adjustments to financial liabilities, derivatives, and other financial liabilities.

# AGENDA



1. OPENING

Nik Kershaw: Head of IR

2. HIGHLIGHTS AND 2020 ACHIEVEMENTS

Kaan Terzioğlu: Co-CEO

3. REVIEW OF RUSSIA AND GROUP

Kaan Terzioğlu: Co-CEO  
Sergi Herrero: Co-CEO

4. 4Q20 FINANCIAL RESULTS

Serkan Okandan: CFO

5. 2021 PRIORITIES

Sergi Herrero: Co-CEO

# FY2020 FINANCIAL PERFORMANCE

## Delivering in a challenging environment



	FY2020 meeting our guidance...			...with 4Q20 back to growth
Revenue	<b>\$8.0bn</b> (-10.0% reported YoY)	<b>-1.6% YoY</b> in local currency	✓	<b>+1.4% YoY</b> in local currency (-11.3% reported YoY)
EBITDA	<b>\$3.5bn</b> (-18.1% reported YoY)	<b>-2.1% YoY</b> in local currency	✓	<b>+0.8% YoY</b> in local currency (-11.6% reported YoY)
Operational Capex	<b>\$1.9bn</b> (+8.5% reported YoY)	<b>23.7%</b> Capex Intensity	✓	
Net Debt/EBITDA	<b>2.3x</b>	<b>2.0x</b> pre IFRS-16	✓	

2020 guidance was: low to mid-single-digit local currency decline in revenue and EBITDA, 22%-24% Capex Intensity. The Group's target is to keep Net Debt/EBITDA at around 2.4x (2.0x pre IFRS 16) over the medium term.

# FY2020 HIGHLIGHTS

## Significant achievements in a challenging year

1

### ENHANCING GOVERNANCE & CAPITAL STRUCTURE

- New operating model with leaner HQ
- Significantly lower depository fees for shareholders
- Execution of Pakistan put option in progress
- Sale of Armenia operations
- \$3.8bn in debt refinanced in 2020
- Cost of debt -1.5 p.p. YoY and maturity +13 months YoY
- Better currency match: new RUB, UAH and KZT debt

### CONTINUED PROGRESS ON 4G COVERAGE

- Key driver of revenue growth
- Capex investment of \$1.9bn +8.5% YoY
- 73% 4G population coverage
- 80mn 4G users, +34% YoY
- 38% 4G penetration across our subscriber base

2

Key  
Focus  
Areas

3

### EXECUTING ON RUSSIA TURNAROUND

- New management team established
- Delivering on network improvements
- Customer-centric offers & improved experience
- Positive YoY revenue trend in December 2020
- Focus on digital initiatives

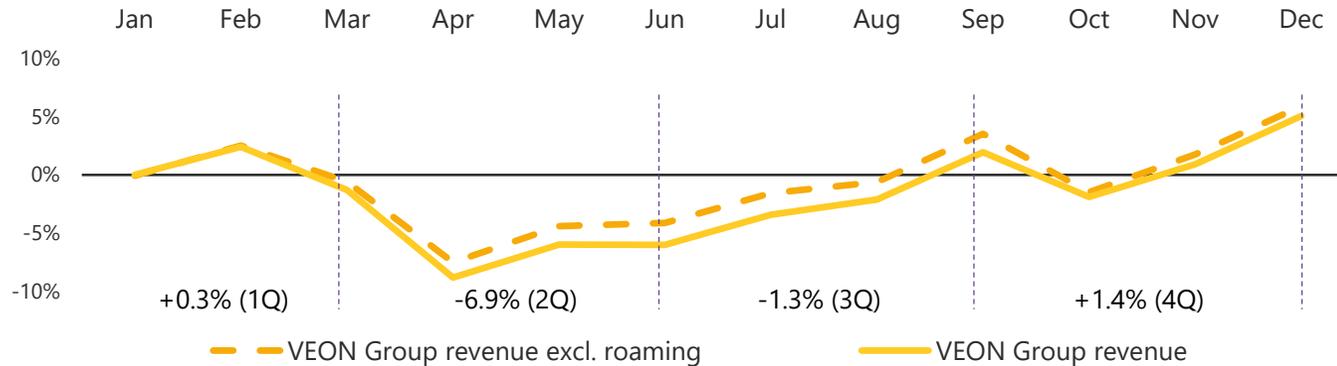
### GROWING DIGITAL VERTICALS

- 12.2mn JazzCash MAU<sup>1</sup>, +67% YoY
- 2.3mn Toffee MAU since launch one year ago
- 2.7mn Beeline TV MAU, +33% YoY
- Venture's investment in ShopUp
- Global Mastercard partnership

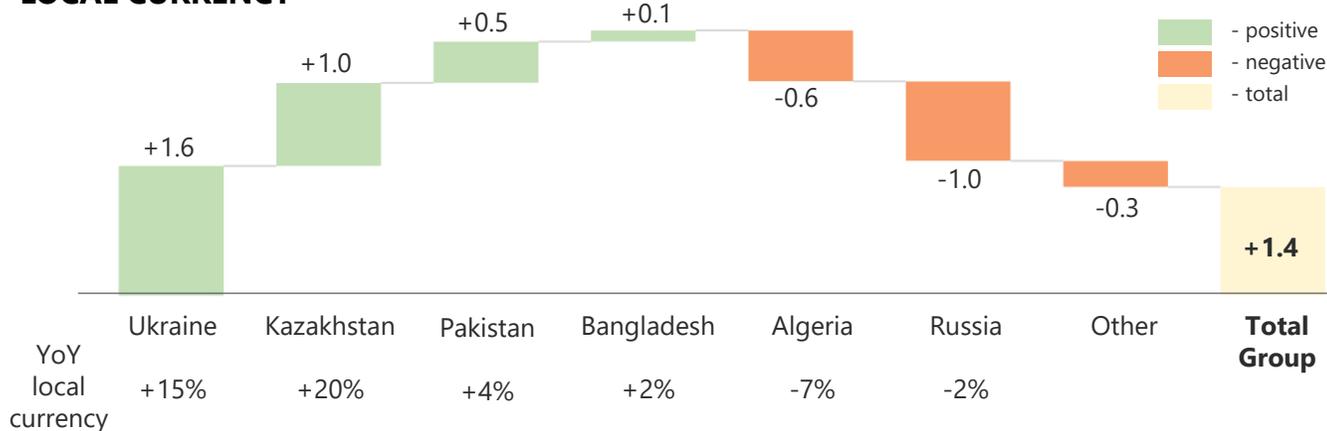
4

# GROUP REVENUE BACK TO GROWTH IN 4Q20

## TOTAL REVENUE YOY PERFORMANCE IN LOCAL CURRENCY



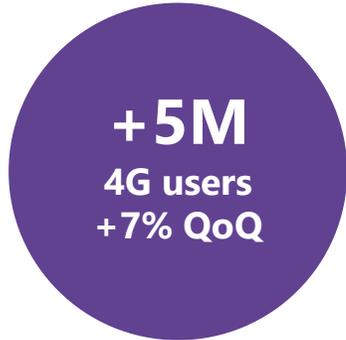
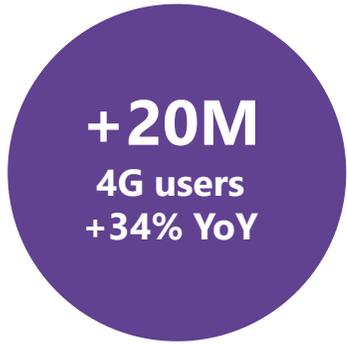
## 4Q 2020 REVENUE: PERCENTAGE POINTS CONTRIBUTION TO YOY GROWTH IN LOCAL CURRENCY



- 4Q20 group revenue increased (+1.4% YoY) in local currency terms
- This growth in local currency revenue was achieved despite the decline in roaming revenues which accounted for 1.6% of Group revenues in 4Q19 and 0.9% in 4Q20
- The improvement in YoY revenue trends to continue in 2021, supported by the continued Russia turnaround
- In Russia, a solid improvement in revenue and subscriber activity levels despite the revenue impact of customer appreciation actions for billing complaints, decline in roaming revenues and loss of the migrant workforce
- In 4Q20 mobile data usage was up 36% YoY across the Group, with data revenues up 14.4%. This remains a key driver of revenue growth
- Fixed-line revenue grew significantly as working from home became the new normal: +31% YoY in Kazakhstan, +21% YoY in Ukraine, +10% YoY in Russia in 2020

# CONTINUED PROGRESS ON 4G COVERAGE, QUALITY AND UPTAKE

## Driving growth across our businesses



### The 4G uplift<sup>1</sup>

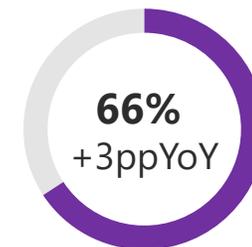
<b>Data usage</b>	<b>2x to 4x higher</b> versus average consumption
<b>Churn</b>	<b>2x less</b> than total base
<b>ARPU</b>	<b>1.5x to 2x higher</b> than total base

### 4G USER BASE AND PENETRATION

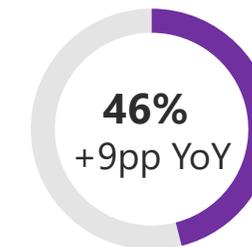
(users in millions and penetration in percentages, %)



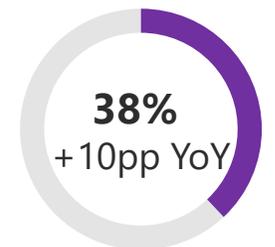
### DATA USER PENETRATION



### 4G SMARTPHONE PENETRATION



### 4G USER PENETRATION



1. Data usage, Churn and ARPU comparisons are for one month active 4G users (that use both voice and data services) against one month active total mobile customer base

# VEON INFRASTRUCTURE

## One of the largest emerging markets tower portfolios



INFRASTRUCTURE THAT COVERS 9%  
OF THE WORLD POPULATION

### COMBINED GROUP PORTFOLIO



c.50,000  
TOWERS

- Establishment of dedicated business units, country by country
- Take advantage of latent value of an asset class in high demand globally
- **Focusing on various opportunities, from improving efficiency of operation to monetization of tower infrastructure assets**

# AGENDA



1. OPENING

Nik Kershaw: Head of IR

2. HIGHLIGHTS AND 2020 ACHIEVEMENTS

Kaan Terzioğlu: Co-CEO

3. REVIEW OF RUSSIA AND GROUP

Kaan Terzioğlu: Co-CEO  
Sergi Herrero: Co-CEO

4. 4Q20 FINANCIAL RESULTS

Serkan Okandan: CFO

4. 2021 PRIORITIES

Sergi Herrero: Co-CEO

# EXECUTING ON RUSSIA TURNAROUND

## Management team established



**Alexander Torbakhov,**  
Chief Executive Officer



**Svetlana Kirsanova,**  
B2C



**Maxim Zaykov,**  
B2B



**George Held,**  
Digital



**Dmitry Mashin,**  
Moscow Region



**Ekaterina Kudryashova,**  
Central Region



**Dmitry Glotov,**  
West Region



**Andrey Pyatakhin,**  
South Region



**Maxim Sharkov,**  
East Region



**Lyudmila Smirnova,**  
Finance



**Valeriy Shorzhin,**  
Technology



**Maria Elaeva,**  
Customer Experience



**Igor Bardintsev,**  
Data Intelligence



**Olga Filatova,**  
People



**Viktor Biryukov,**  
Legal



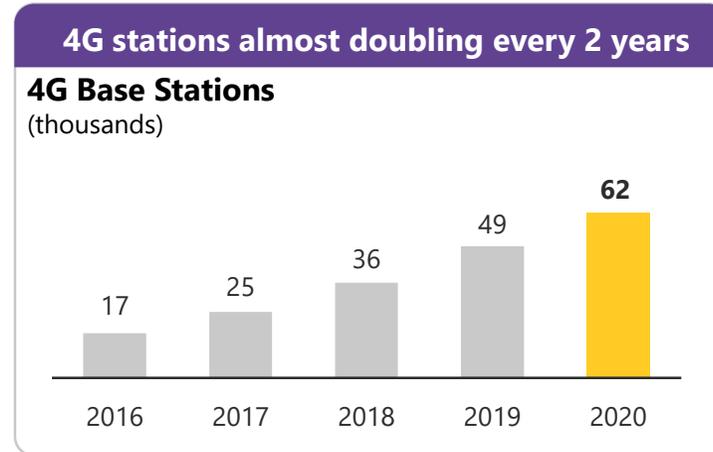
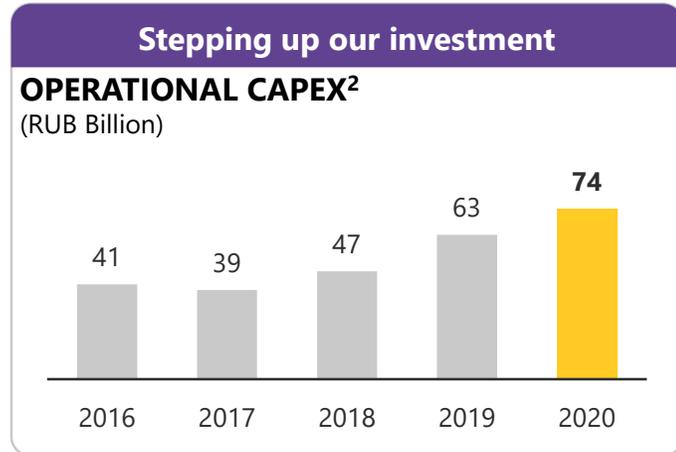
**Anton Rubenchik,**  
ICT



Joined Beeline team in 2020

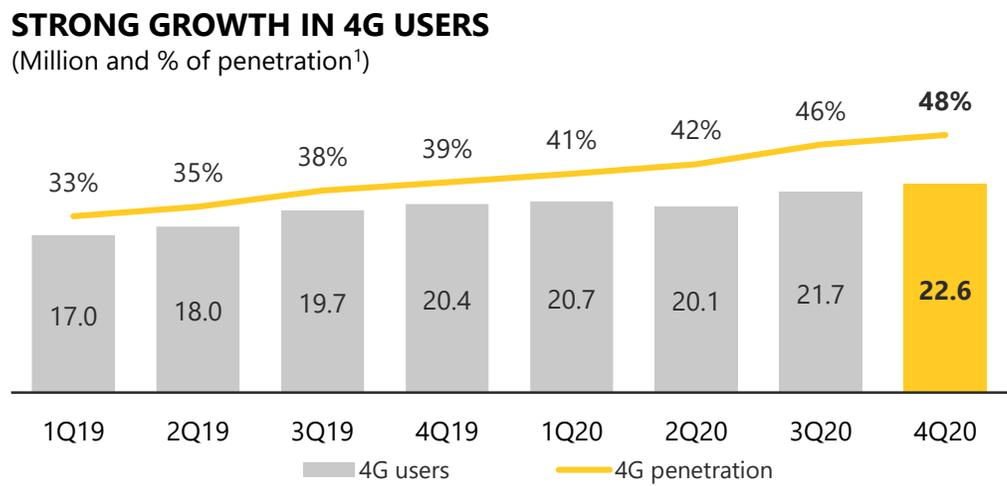
# EXECUTING ON RUSSIA TURNAROUND

## Ongoing investment delivering results



**VoLTE platform** to improve voice services, used by **one out of three clients**

**100% 4G coverage** in Moscow metro stations, which has 7mn daily commuters



### IMPROVED NETWORK EXPERIENCE: (2H20 vs 2H19)

- Increase in data speeds:**  
+74% Moscow, +19% Novosibirsk, +42% Volgograd, +21% Barnaul, +25% Voronezh
- Lower call drop rates :**  
-13% Russia, incl.  
-17% Moscow, -24% Saint-Petersburg, -20% Krasnodar
- Data traffic up 5-fold** in Moscow metro

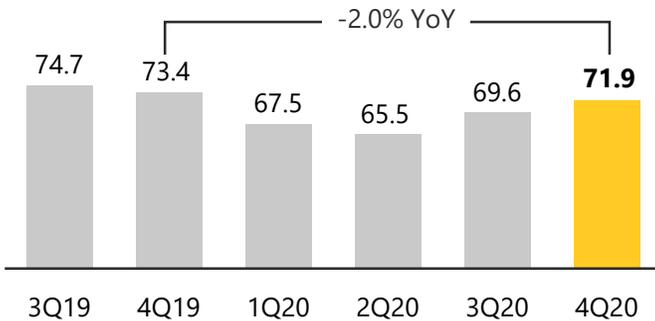
1. % of Active 4G data users in total 3 months active customer base (excluding M2M)  
2. Operational Capex – capital expenditures before licenses and lease payments

# EXECUTING ON RUSSIA TURNAROUND

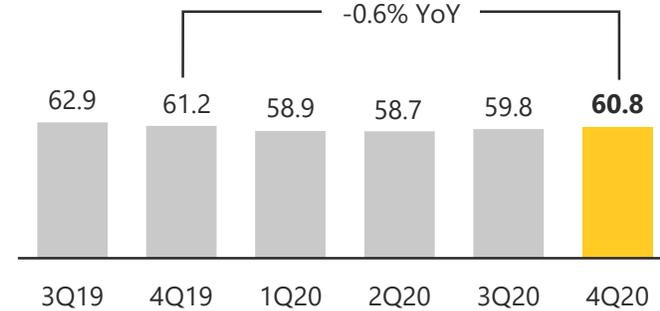
## On track to return to growth



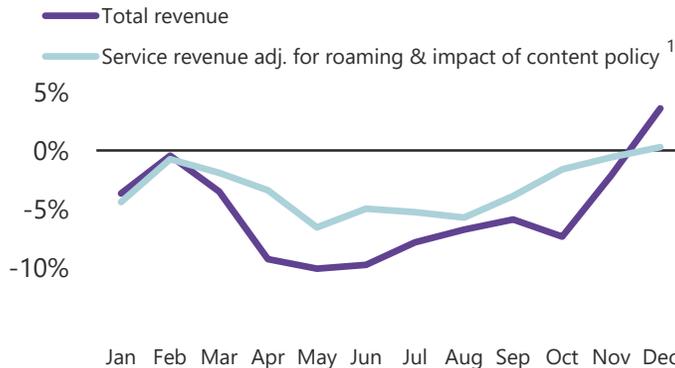
**REVENUE**  
(RUB Billion)



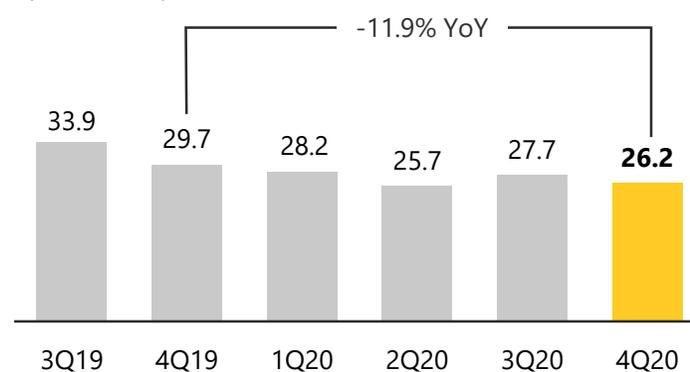
**SERVICE REVENUE**  
adj. for roaming & impact of content policy<sup>1</sup>  
(RUB Billion)



**YOY PERFORMANCE IN LOCAL CURRENCY**



**EBITDA**  
(RUB Billion)

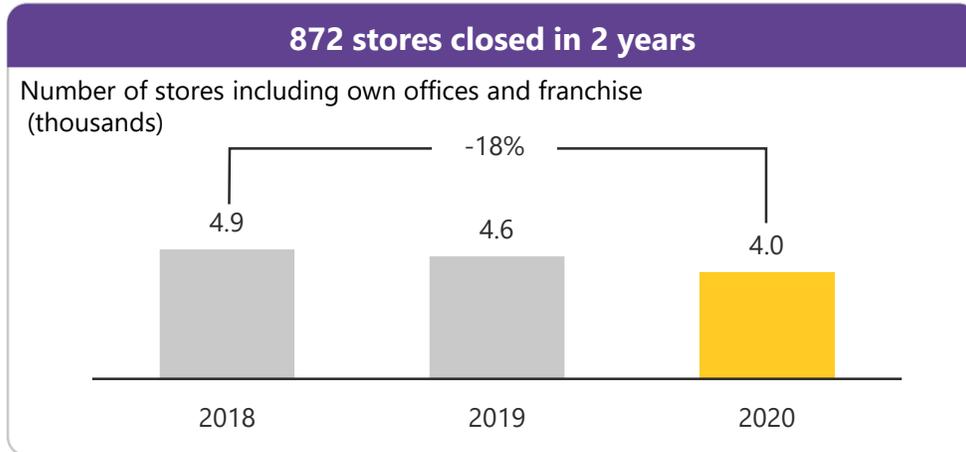


- Steady sequential improvement in YoY revenue trends during 2H20, from -6.8% in 3Q20 to -2.0% in 4Q20. December and January '21 positive YoY revenues
- 4Q20 service revenue (excluding roaming and the impact of the stricter content policy) declined by only -0.6% YoY
- 50 million mobile subscribers in 4Q20; a return to growth (+0.3% QoQ) after four quarters of decline
- EBITDA impacted by revenue decline, stricter content policy and loss in roaming, as well as higher network expenses
- With encouraging positive revenue trends Russia's turnaround is well on track return to positive YoY growth

1. Total service revenue excluding revenue from roaming and revenue from content subscriptions, which was impacted by stricter content policy

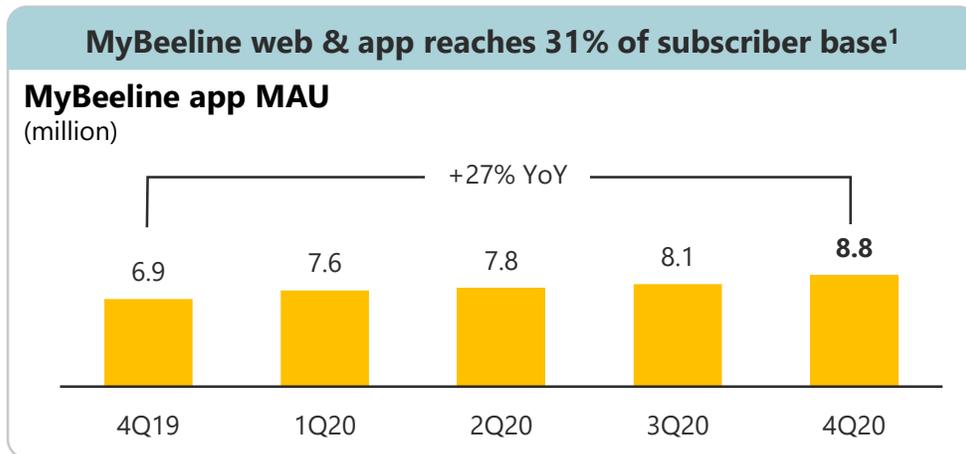
# EXECUTING ON RUSSIA TURNAROUND

## Improving distribution and customer experience



### Beeline e-sim sales increased 4x QoQ

- E-sim sales up 4-fold QoQ
- Beeline first to introduce distance activation of e-sim
- Sold in shops, through MyBeeline and re:Store



### Customer experience digitalization

- 5-fold increase in revenue from devices sold online during 2H20
- +10% YoY SIM cards sold online
- Partnerships with online stores: MVideo, OZON, etc.

1. Penetration is calculated based on one-month active MyBeeline users divided by one-month active subscribers (B2C, excluding M2M)

# EXECUTING ON RUSSIA TURNAROUND

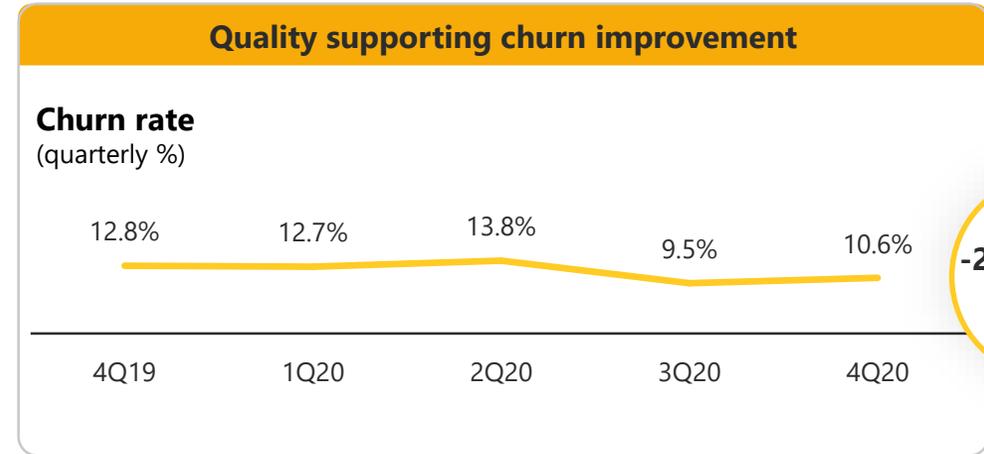
## Improved customer journey, with better offers and experience



### "Z": meeting flexible demand of Gen Z

- Offer with the highest NPS
- GB & minutes curator
- on demand, zero waste
- GB & min – no expiry date

**Innovative offer fully managed through MyBeeline**



### Friends & family offer

**+20% YoY subscriptions**

- sharable between 3 people
- unlimited data on messengers
- +home internet
- +BeelineTV free for 2 months
- Converged offers

**Best offer for multi-user groups**



### Prioritizing multiplay: 3 million monthly users

**4G users using one of Beeline's digital services**

- Data usage** → **3x higher** versus average subscriber
- Churn** → **3x less** than total base
- ARPU** → **2x higher** than ARPU of total base

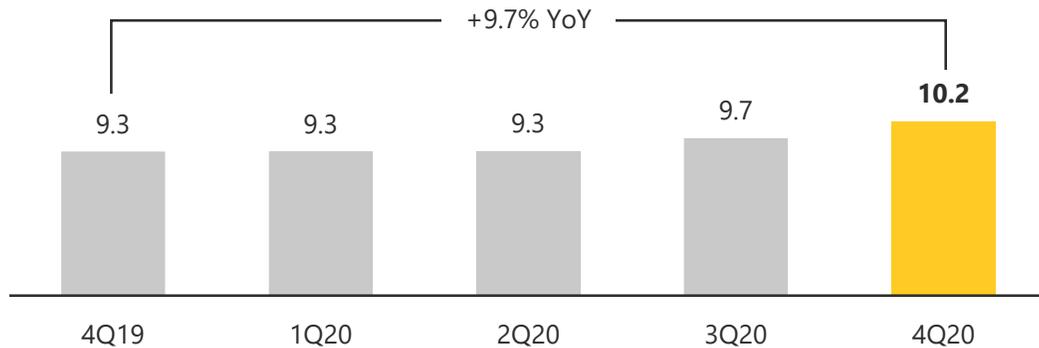
# EXECUTING ON RUSSIA TURNAROUND

## Fixed-line becomes growth engine



### 4Q20 fixed-line revenue +9.7% YoY...

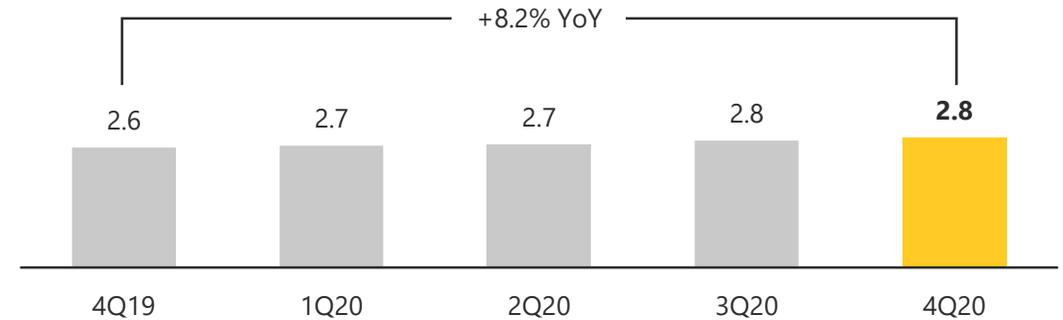
#### TOTAL REVENUE, FIXED-LINE (RUB Billion)



- Targeted investment has seen a revitalization of our fixed line business over the past year, +200,000km of fiber
- 3 elements: B2B, B2C and Fiber to the Site
- +41% YoY growth in fixed-line traffic, as working from home becomes the new normal
- +34% cities with speed 100+ Mb/sec, Moscow 500+ Mb/sec

### .. supported by strong broadband performance

#### BROADBAND CUSTOMERS (Million)



- 54% of broadband customers using fixed-mobile converged services
- Broadband revenue +4% YoY in 4Q20
- 13.9 million home passes

# EXECUTING ON RUSSIA TURNAROUND

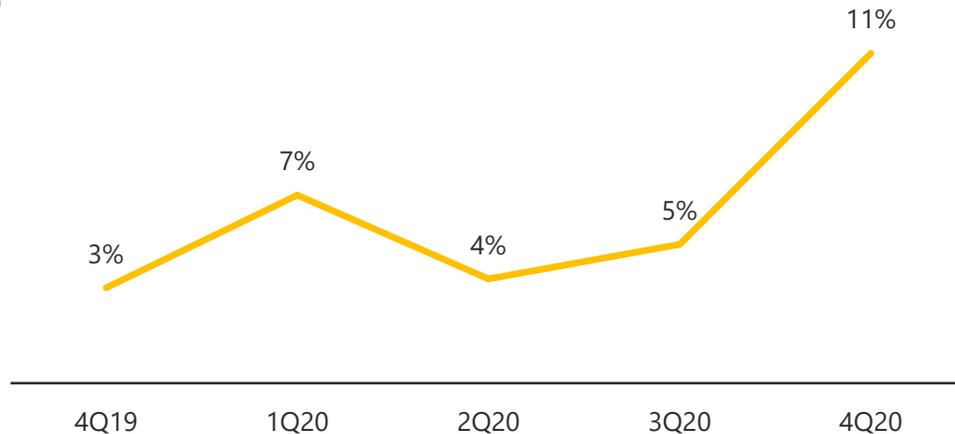
## Digital services supporting B2B growth



**B2B revenue +11% in 4Q20**

### B2B TOTAL REVENUE YOY GROWTH

(%)



### LEVERAGING DIGITAL EXPERTISE TO ENRICH B2B OFFER:

'Analytics-in-a-box' approach to serve unmet business needs in geo-analytics, video-analytics and audio-analytics

### Impressive performance in 4Q20

- Big Data revenue +44% YoY
- AdTech +14% YoY
- 9-fold increase YoY in revenue system integration services - solutions for business digitalization

### Out today's clients include:



# GROWING DIGITAL VERTICALS

## Russia: focusing on three digital verticals

### FinTech

Market size, 2020  
**\$110bn**

2020-2025 CAGR  
**+15%**

- Underbanked population: 20%
- Debit card penetration: 65%
- Traditional banks dominate
- Effective credit scoring

### AdTech

Market size, 2020  
**\$8bn**

2020-2025 CAGR  
**+13%**

- Growing demand for tailored solutions and integrated experiences
- Digital Ad market: \$4bn
- Digital Ad spend / user: \$38

### Entertainment

Market size, 2020  
**\$1.5bn**

2020-2025 CAGR  
**+8%**

- Fragmented market with multiple players and low-price points
- Relatively low penetration: 47% pay TV, 35% OTT pay TV, 56% gaming
- Significant long-term upsell opportunities

#### BEELINE ADVANTAGES:

- (1) >50mn customers; (2) Data ownership & Big Data capabilities; (3) Connectivity infrastructure  
(4) Expand existing strategic partnerships that broaden Beeline's customer and product reach into adjacent industries

# GROWING DIGITAL VERTICALS

## Russia: already delivering results

### FinTech

Partnership with Alfa Bank



- Co-branded financial instruments: credit and debit cards, loans, micro credit, etc.
- Big Data with deep integration and high frequency transactions
- Mobile ID - application process 3x faster

**20%**

AlfaBank cards sold today are co-branded

**+29%**

Dec'20 MoM credit cards sales

### AdTech

Partnership with X5 Retail



- Indoor marketing based on Big Data analytics

**250**

X5 retail stores

**300,000**

Daily audience

- Seamless consumer receipts data exchange between retail stores (physical and online) and tax authority

**82k**

Cash machines connected

**350**

Cheques per second

### Entertainment

Beeline TV



- Beeline's next-generation recommendation engine draws on big data:
  - consumer behavior on both media and internet
  - physical geographical movements

**2.7mn**

MAU 4Q20

**+33%**

MAU YoY growth

**+2.5x**

YoY increase in watching hours

# GROWING DIGITAL VERTICALS

## Establishing dominant local ecosystems

### Financial Services

>50% of people with  
**no bank account** in  
half of our markets

Only 20-25%  
**financial inclusion** in  
Pakistan



**12.2mn**  
(+67% YoY)  
Active Users

**+56,800**  
Active Merchants  
in 2020

**2.27Tln PKR**  
Value Processed

### eCommerce

**Bangladesh's leading full-stack B2B platform**  
for online & offline SMEs



**3.7-fold**  
**increase**  
in total revenues in  
2H20 vs 1H20

**+260%**  
B2B Commerce  
revenue increase in  
2H20 vs 1H20

**Doubled value**  
of monthly digital credit  
disbursements through 2H20

### Entertainment

**Double-digit market growth** in Bangladesh in  
entertainment



Toffee TV

**2.3mn**  
MAU in one  
year

**+53%**  
**Dec/Nov'20**  
Engagement  
time

**70%**  
Customers are not  
(yet) Banglalink sim  
users

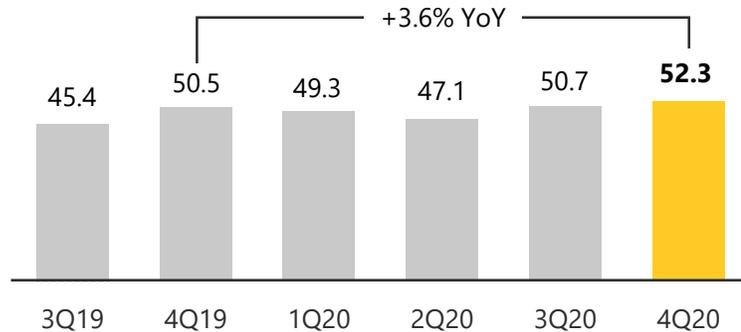
**#1 app**  
Entertainment,  
Google play

# PAKISTAN

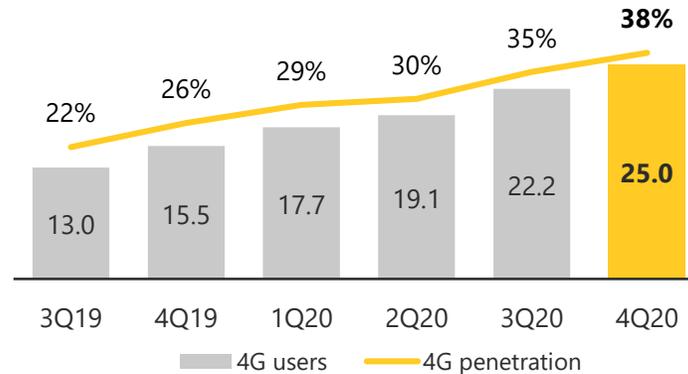
## Leading the market, reaching record revenues in 4Q20



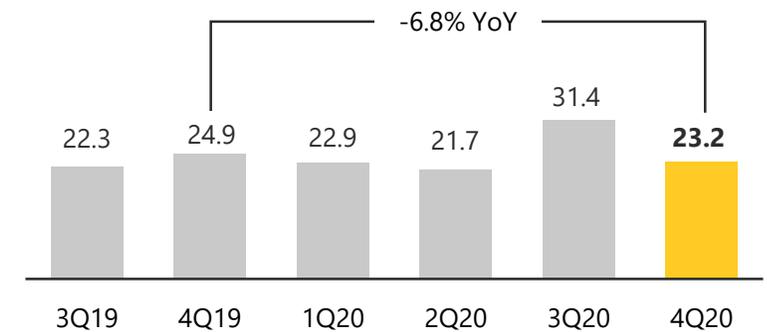
**REVENUE**  
(PKR Billion)



**4G USERS AND PENETRATION**  
(Million and %)



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



- 4G users +9.5mn YoY in 2020, resulting in 38% 4G subscriber penetration (+12p.p. YoY) in 4Q20
- Continued network investment, leading the market on 4G growth
- Driving customer engagement through digital self-care with Jazz World reaching over 7.8 million MAU (+122% YoY)
- EBITDA impacted as we invest to accelerate growth in JazzCash, as well as by re-classification of amortization of the Ex-Warid license and a positive one-off in 4Q19. Excluding these, EBITDA in 4Q20 increased by 9% YoY
- Regulatory engagement on license renewal and tax matters continues

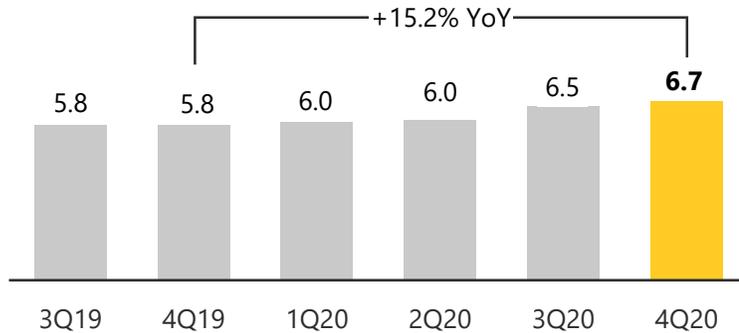
1. 3Q20 EBITDA was positively impacted by a reversal of a provision (PKR 8.6 billion)

# UKRAINE

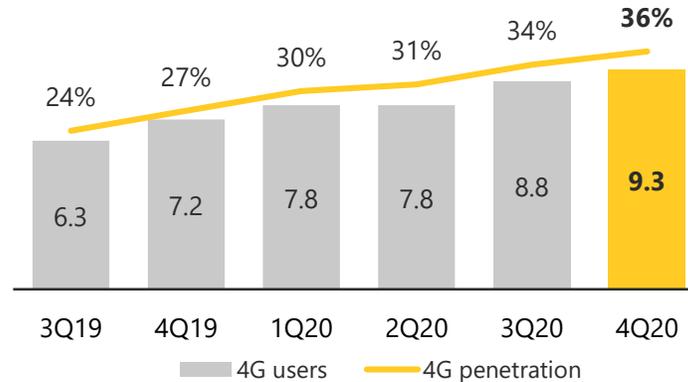
## Strong results, building on the best 4G network



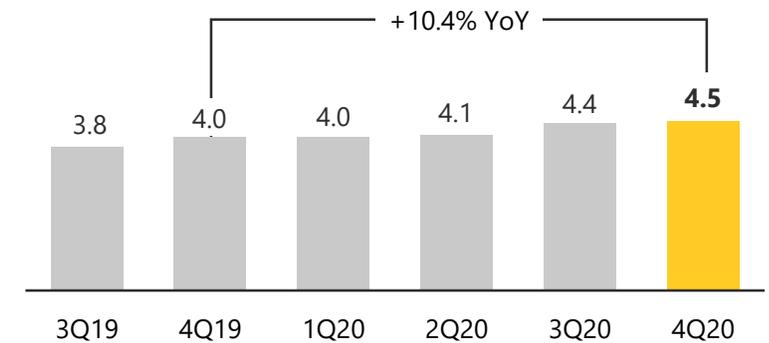
**REVENUE**  
(UAH Billion)



**4G USERS AND PENETRATION**  
(Million and %)



**EBITDA**  
(UAH Billion)



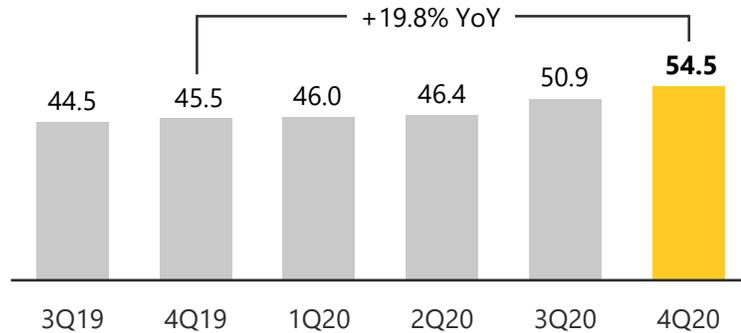
- Progressing on 4G rollout with base stations +45% YoY; Kyiv metro coverage 98% (now in 47 stations)
- Increase in MyKyivstar users to 2.9 million (+81% YoY), strong growth in Kyivstar TV users to 433,000 (+73% QoQ)
- B2B revenue growth 8% YoY, Microsoft partnership concluded, policy of open API, AdTech, growth in Big Data and Analytics deals
- Growth in fixed-line revenue of 21% YoY as a result of FTTB rollout, working from home is the new normal and growth in B2B segment
- Kyivstar corporate social responsibility program "Smartphone for parents" received international recognition – European Excellence Awards 2020
- For 2021, double digit growth in revenue set to continue

# KAZAKHSTAN

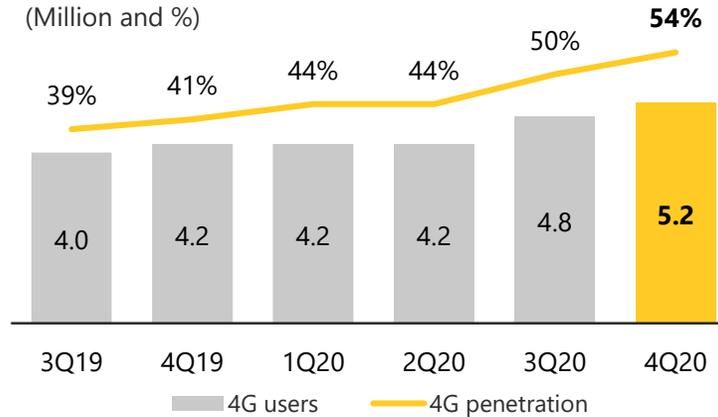
## 20% year-on-year growth in revenue as 4G momentum continues



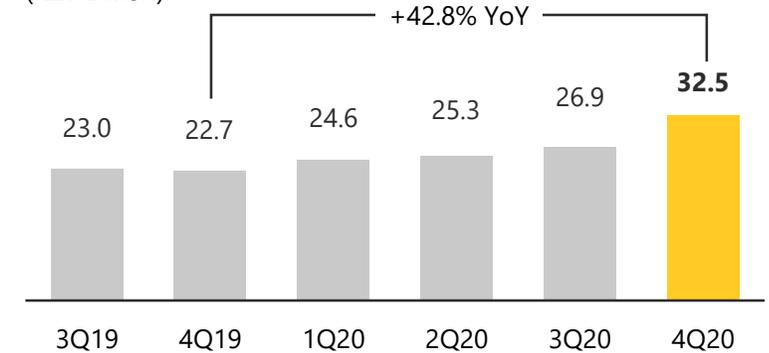
**REVENUE**  
(KZT Billion)



**4G USERS AND PENETRATION**  
(Million and %)



**EBITDA**  
(KZT Billion)



- Acceleration in 4G subscriber growth coupled with expansion of 4G ARPU driving data revenue
- Beeline 4G network covered 1.4 million new residents in 2020
- Self-care app users reached 1.9 million, almost doubled YoY
- Growth of fixed-line revenue by 31% YoY
- Beeline TV users up 99% YoY, reaching 386K MAU, due to increased sales in fixed business and integration of TV offer in mobile bundles
- Increase in financial services by 40% YoY in wallet users, reaching 710,000
- EBITDA increase as a result of strong revenue performance and a tax incentive for radio frequencies (KZT 4.8 billion)
- Roll-out related to expanding rural coverage via network sharing in progress

# AGENDA



1. OPENING

Nik Kershaw: Head of IR

2. HIGHLIGHTS AND 2020 ACHIEVEMENTS

Kaan Terzioğlu: Co-CEO

3. REVIEW OF RUSSIA AND GROUP

Kaan Terzioğlu: Co-CEO  
Sergi Herrero: Co-CEO

4. 4Q20 FINANCIAL RESULTS

Serkan Okandan: CFO

5. 2021 PRIORITIES

Sergi Herrero: Co-CEO

# FINANCIAL RESULTS

## 4Q20 Results



-11.3% reported YoY  
+1.4% local currency YoY



-11.6% reported YoY  
+0.8% local currency YoY



23.7% Capex intensity  
+16.5% reported YoY



-27.6% YoY



-0.1p.p YoY



(2.0x pre IFRS-16 in 4Q20)

# FINANCIAL RESULTS

## Key financial highlights



USD million	4Q20	4Q19	YoY% reported	YoY% in local currency	FY20	FY19	YoY% reported	YoY% in local currency
<b>Revenue</b>	<b>1,998</b>	<b>2,254</b>	<b>-11.3%</b>	<b>+1.4%</b>	<b>7,980</b>	<b>8,863</b>	<b>-10.0%</b>	<b>-1.6%</b>
EBITDA	826	935	-11.6%	+0.8%	3,453	4,215	-18.1%	-11.3%
EBITDA Margin	41.4%	41.5%	-0.1p.p.	-0.2p.p.	43.3%	47.6%	-4.3p.p.	-4.4p.p.
<b>EBITDA Adj.<sup>1</sup></b>	<b>826</b>	<b>935</b>	<b>-11.6%</b>	<b>+0.8%</b>	<b>3,453</b>	<b>3,827</b>	<b>-9.8%</b>	<b>-2.1%</b>
<b>EBITDA Margin Adj.<sup>1</sup></b>	<b>41.4%</b>	<b>41.5%</b>	<b>-0.1p.p.</b>	<b>-0.2p.p.</b>	<b>43.3%</b>	<b>43.2%</b>	<b>-0.1p.p.</b>	<b>-0.2p.p.</b>
Impairments	7	-8	n.m.		-785	-108	n.m.	
Net Profit	35	48	-27.6%		-315	683	n.m.	
<b>Net Profit before one-off items<sup>2</sup></b>	<b>28</b>	<b>56</b>	<b>-49.2%</b>		<b>469</b>	<b>403</b>	<b>+16.4%</b>	
Operational Capex	674	579	+16.5%	+32.7%	1,889	1,741	+8.5%	+19.7%
<b>Capex intensity (LTM)</b>	<b>23.7%</b>	<b>19.6%</b>	<b>+4.0p.p.</b>	<b>+5.9p.p.</b>	<b>23.7%</b>	<b>19.6%</b>	<b>+4.0p.p.</b>	<b>+5.9p.p.</b>

1. EBITDA Adjusted in FY19 excludes special compensation of USD 38 million and other operating income of USD 350 million

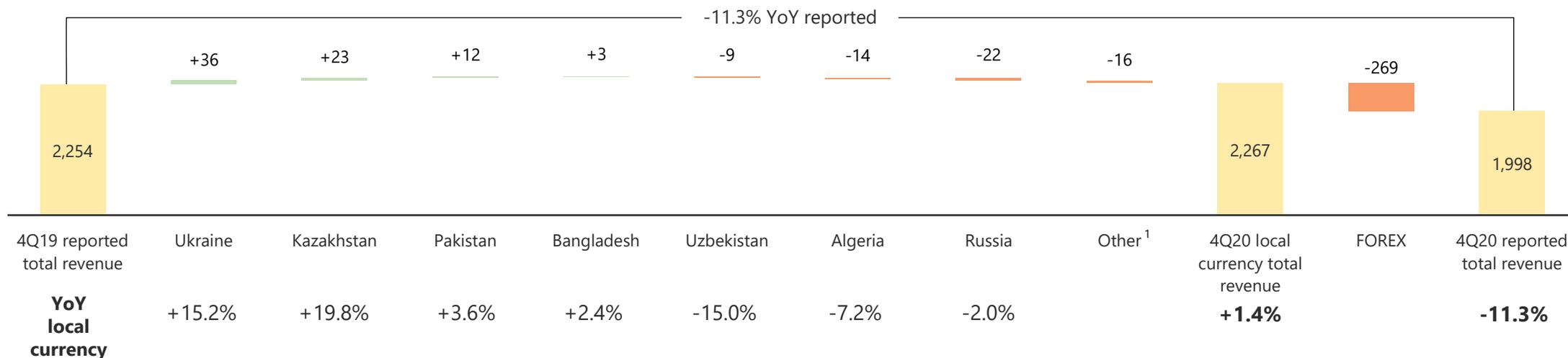
2. One-off items include non-cash impairments, in addition FY19 excludes special compensation of USD 38 million and other operating income of USD 350 million (tax affects are ignored)

# FINANCIAL RESULTS

## 4Q20 Revenue breakdown



USD MILLION



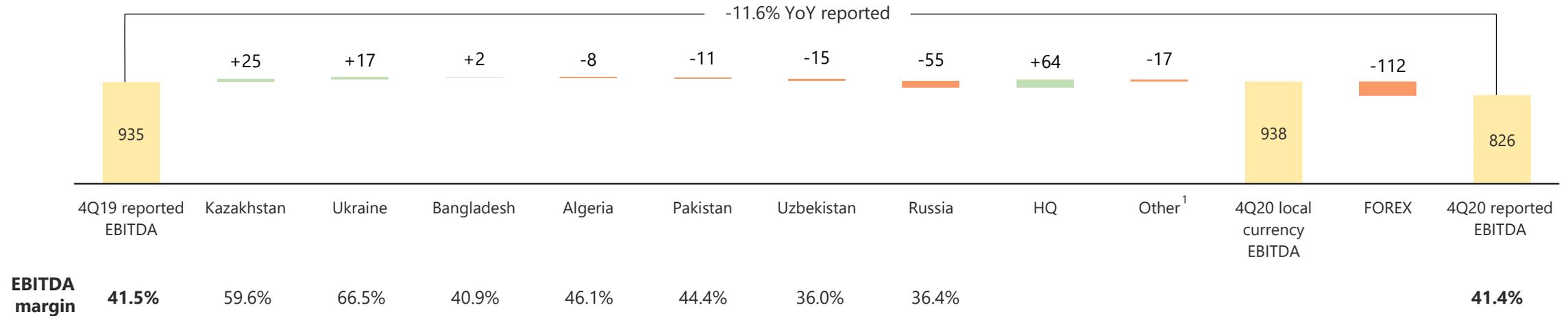
- Continued recovery in operational trends and improved dynamics in Russia supported a return to growth for Group revenues in local currency terms (+1.4% YoY), although currency headwinds drove reported revenues lower (-11.3% YoY)
- Ukraine, Kazakhstan, Pakistan and Bangladesh recorded growth in local currency revenues, with other markets, except Algeria, recorded improved YoY trends versus 3Q20
- Strong growth in 4G users in 4Q (+7% QoQ) helped drive both a rebound in the Group mobile subscriber base (209 million in 4Q, versus 207 million in 3Q) and double-digit mobile data growth in local currency terms (+14.4% YoY)

1. Other mainly includes the results of Kyrgyzstan, Armenia, Georgia, corporate and other global operations and services, and intercompany eliminations.

# FINANCIAL RESULTS

## 4Q20 EBITDA breakdown

USD MILLION



- EBITDA growth of 0.8% YoY in local currency, reflecting the double-digit growth in Ukraine and Kazakhstan against the EBITDA decline in Russia, Pakistan and Uzbekistan
- Russia EBITDA decline reflects the impact of lower service revenue, including the loss of higher-margin roaming revenues and content services revenues (due to customer appreciation measures taken), an increase in network costs due to the acceleration in network rollout and insourcing of maintenance activities
- Reported EBITDA decline of 11.6% YoY mainly reflects increased currency headwinds of USD 112 million, slightly higher than in 3Q20 (USD 90 million). HQ costs of USD 41 million in 4Q20, was down 61% YoY

1. Other primarily includes the results of Kyrgyzstan, Armenia, Georgia, other global operations and services, Intercompany eliminations

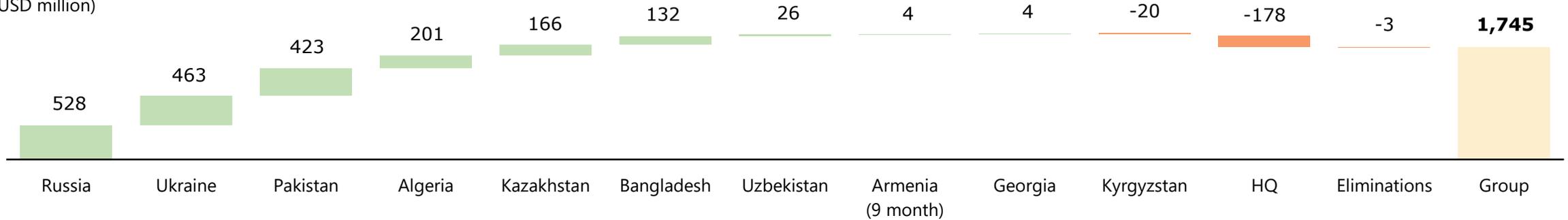
# FINANCIAL RESULTS

## FY20 Cash flow generation



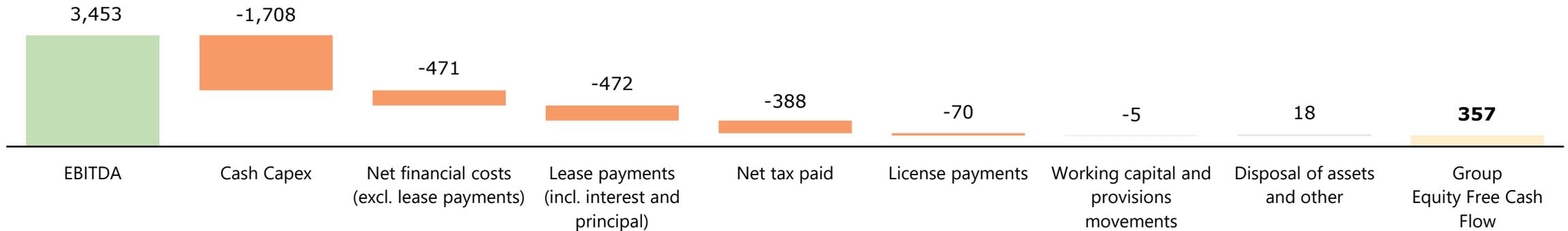
### OPERATIONAL CASH FLOW<sup>1</sup> GENERATION IN 2020

((USD million))



### EQUITY FREE CASH FLOW<sup>2</sup> GENERATION IN 2020

((USD million))



Note:

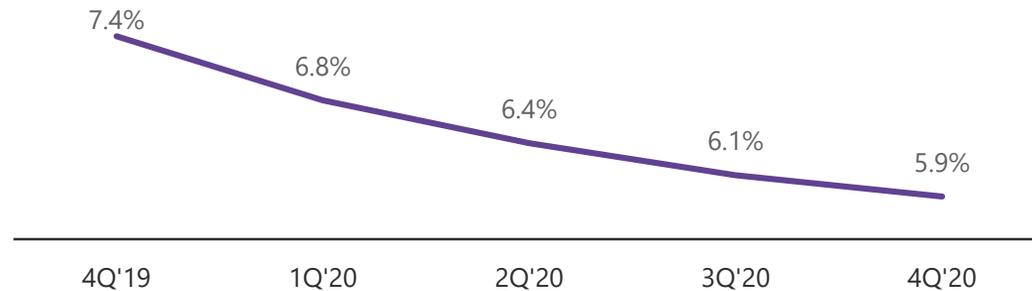
1. Operational Cash Flow is defined as EBITDA less Cash Capex, see appendix for reconciliations

2. Equity free cash flow is defined as free cash flow from operating activities less cash flow used in investing activities, after license payments and lease payments

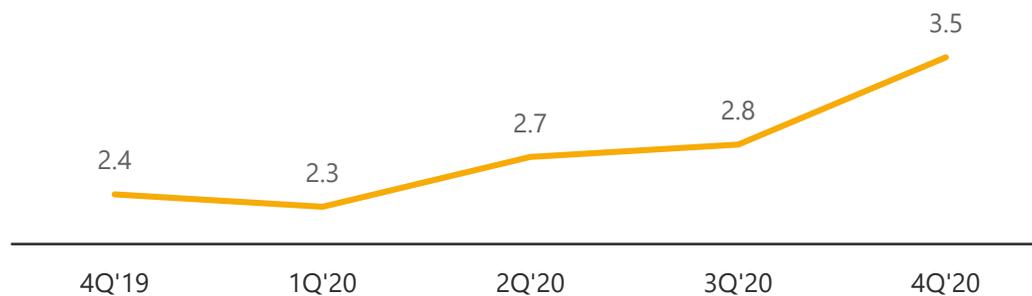
# FINANCIAL RESULTS

## 2020 debt transactions extended maturity & lowered cost of debt

**AVERAGE COST OF DEBT (%)**



**AVERAGE MATURITY OF DEBT (in years)**



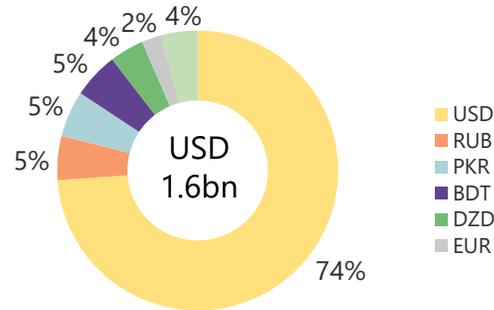
- \$300 million tap issuance of existing 4.0% notes (2025), at a price of 103.75% (effective yield 3.18%)
- \$6.5 billion global MTN program established with three issuances in 2020
  - RUB 20bn (\$260mn), 6.3% 2025
  - RUB 10bn (\$130mn), 6.5% 2025
  - \$1.25bn, 3.375% 2027
- Refinanced RUB 100bn (\$1.5bn) with Sberbank across different tranches at 7.35% and CBR+2.2/2.4%
- Refinanced RUB 30bn (\$420mn) with VTB at CBR+1.85% 2025
- Facility with AlfaBank refinanced and increased to RUB 30bn (\$420mn) at 7.5% 2025
- Concluded early redemption of \$600mn 3.95% notes due June 2021
- VEON's subsidiaries in Ukraine and Kazakhstan signed bilateral long-term loan agreements in local currencies for \$170mm
- Banglalink's \$300mn external loan repaid

**COST OF DEBT 1.5 p.p. LOWER THAN 4Q19, GENERATING \$100mn IN ANNUAL RUN-RATE SAVINGS**

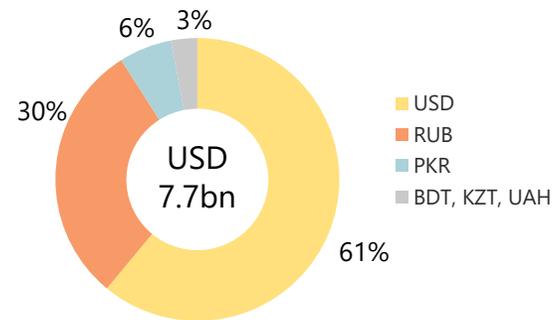
# FINANCIAL RESULTS

## Capital structure as at 31 December 2020

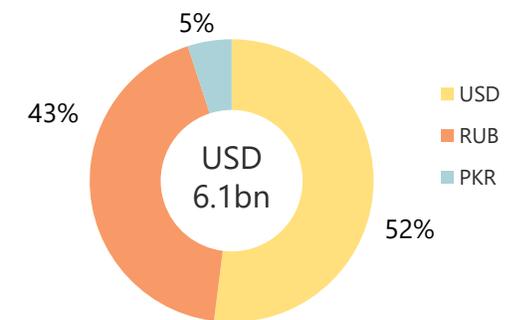
**4Q20 GROUP CASH  
CURRENCY MIX**



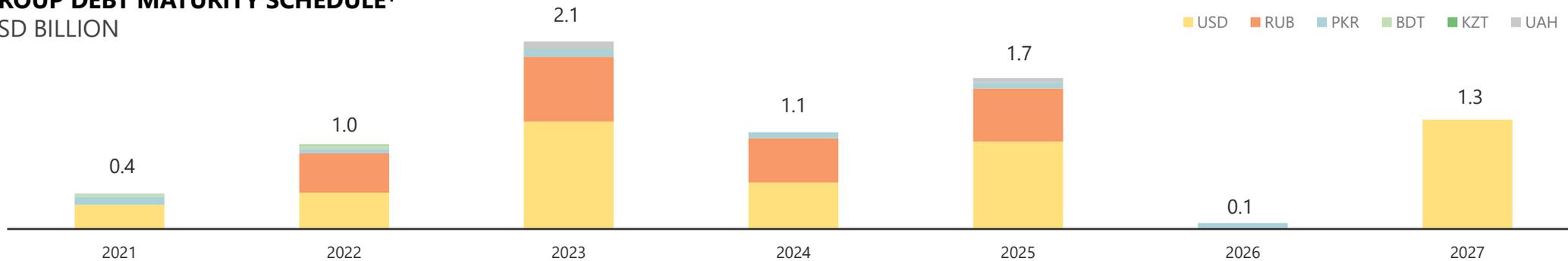
**4Q20 GROUP GROSS DEBT<sup>1</sup>  
CURRENCY MIX**



**4Q20 GROUP NET DEBT<sup>1</sup>  
CURRENCY MIX (AFTER HEDGING<sup>2</sup>)**



**GROUP DEBT MATURITY SCHEDULE<sup>1</sup>  
USD BILLION**



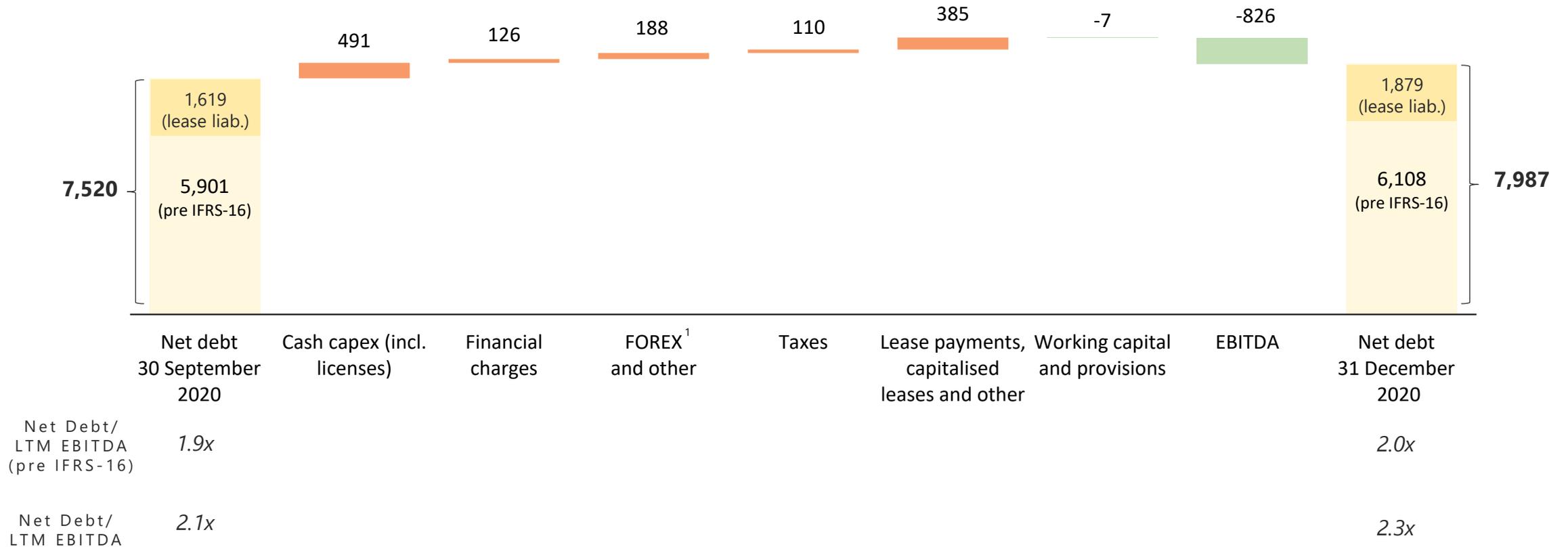
**TOTAL LIQUIDITY OF \$3.2 BILLION**

1. Excluding lease liabilities  
2. For Q4 2020 the amount of USD debt swapped to RUB amounted to USD 360 million.

# FINANCIAL RESULTS

## 4Q20 Net debt and leverage development

USD MILLION



1. FOREX and Other mainly consists of FOREX (USD 124 million), partly offset by other investing activities.

# FY 2021 OUTLOOK

## Return to full year growth with financial discipline



	FY2020 Actual	FY 2021 Guidance
<b>Total Revenue</b>	-1.6% YoY in local currency	<b>Low to mid-single-digit local currency growth in revenue and EBITDA</b>
<b>EBITDA</b>	-2.1% YoY in local currency	
<b>Capex intensity</b>	23.7%	<b>22-24%</b>

# AGENDA



1. OPENING

Nik Kershaw: Head of IR

2. HIGHLIGHTS AND 2020 ACHIEVEMENTS

Kaan Terzioğlu: Co-CEO

3. REVIEW OF RUSSIA AND GROUP

Kaan Terzioğlu: Co-CEO  
Sergi Herrero: Co-CEO

4. 4Q20 FINANCIAL RESULTS

Serkan Okandan: CFO

5. 2021 PRIORITIES

Sergi Herrero: Co-CEO

# FY 2021 PRIORITIES



- 1** **4G network** rollout at 2020 pace, enabling substantial 4G take-up in our customer base
- 2** **Russia** revenue and customer base **back to YoY growth**
- 3** **Double-digit growth** in aggregate from **Ukraine, Pakistan and Kazakhstan**
- 4** **Build digital scale** through targeted verticals (Russia, Kazakhstan) and leading local ecosystems (Pakistan, Bangladesh and others)
- 5** Further **optimize capital structure** and **streamline portfolio**
- 6** Focus on **cost efficiencies** across the Group
- 7** Establishment of **tower business units, country by country** to grow **efficiencies, alliances and value**

# APPENDIX

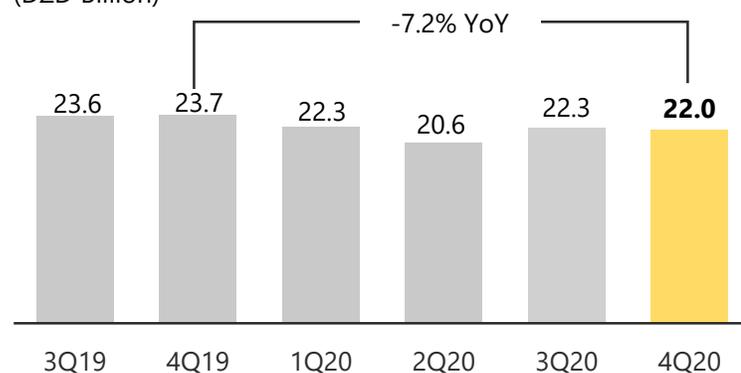


# ALGERIA



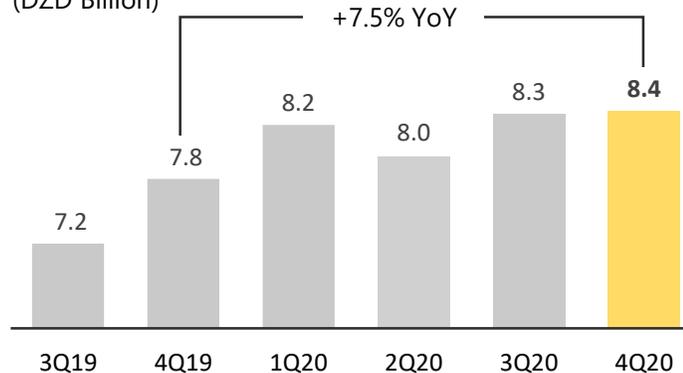
## REVENUE

(DZD Billion)



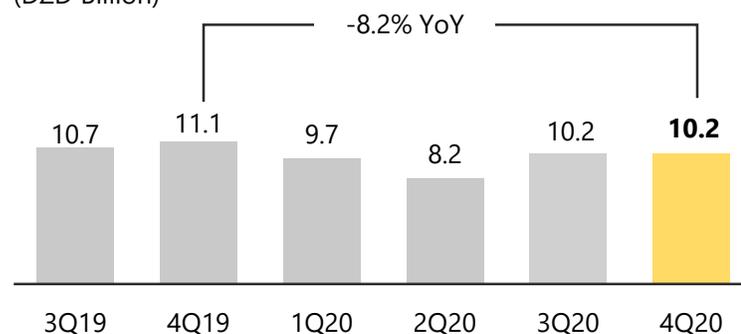
## DATA REVENUE

(DZD Billion)



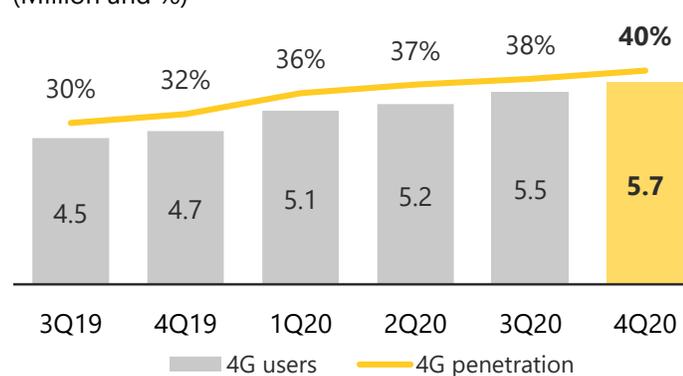
## EBITDA

(DZD Billion)



## 4G USERS AND PENETRATION

(Million and %)



## KEY OPERATIONAL METRICS

**14 million** **-3%**  
Total mobile subscribers YoY

**38%** **+5 p.p.**  
Data revenue % of mobile service revenue YoY

**40%** **+8 p.p.**  
4G subscriber base penetration<sup>1</sup> YoY

**47%** **+8 p.p.**  
4G Smartphone penetration YoY

**52%** **+14 p.p.**  
4G Population Coverage YoY

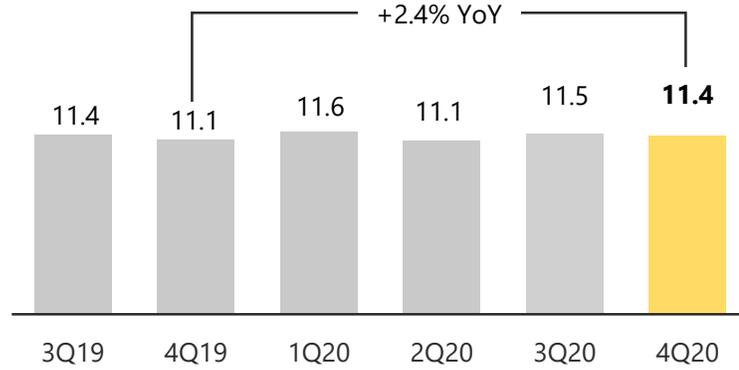
1. % of Active 4G data users in total 3 months active customer base.

Note: 4G users were restated for historical periods to fully comply with the Group definition of 3 months active

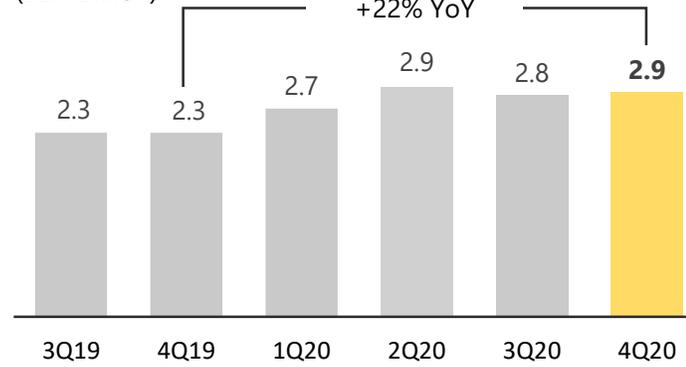
# BANGLADESH



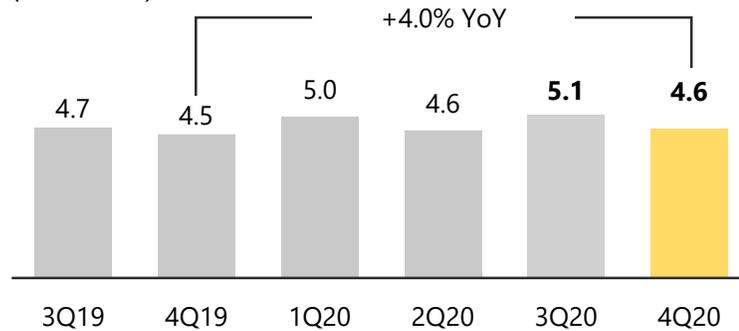
## REVENUE (BDT Billion)



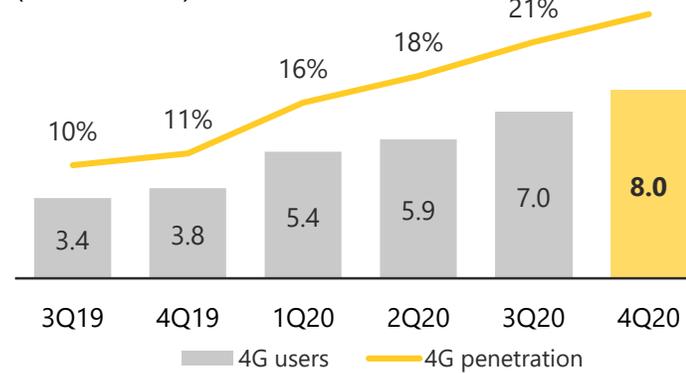
## DATA REVENUE (BDT Billion)



## EBITDA (BDT Billion)



## 4G USERS AND PENETRATION (Million and %)



## KEY OPERATIONAL METRICS

**33 million** **-1%**  
Total mobile subscribers YoY

**26%** **+4 p.p.**  
Data revenue % of mobile service revenue YoY

**24%** **+12 p.p.**  
4G subscriber base penetration<sup>1</sup> YoY

**27%** **+8 p.p.**  
4G Smartphone penetration YoY

**60%** **+31 p.p.**  
4G Population Coverage YoY

1. % of Active 4G data users in total 3 months active customer base.

# EXECUTING ON 4G GROWTH OPPORTUNITIES IN OTHER MARKETS



**UZBEKISTAN**

- -1% YoY increase in data revenue<sup>1</sup>
- 11% YoY increase in 4G users
- 52% 4G population coverage<sup>2</sup>
- 4% YoY increase in ARPU




**GEORGIA**

- -3% YoY decrease in data revenue<sup>1</sup>
- 11% YoY increase in 4G users
- 90% 4G population coverage<sup>2</sup>




**KYRGYSTAN**

- 11% YoY increase in data revenue<sup>1</sup>
- 27% YoY increase in 4G users
- 90% 4G population coverage<sup>2</sup>

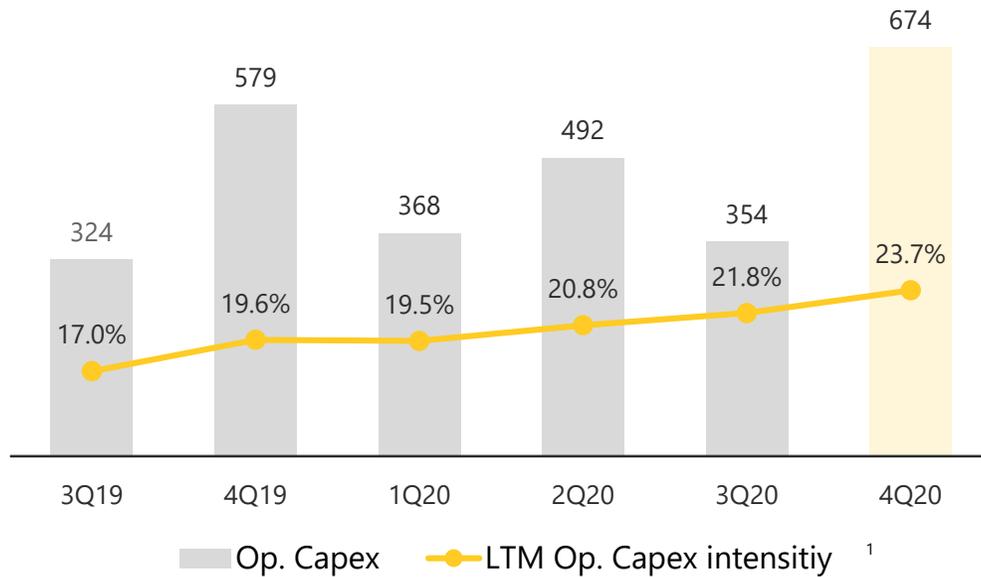


1. Data revenue YoY growth refers to local currency growth  
 2. % of Active 4G data users in total 3 months active customer base

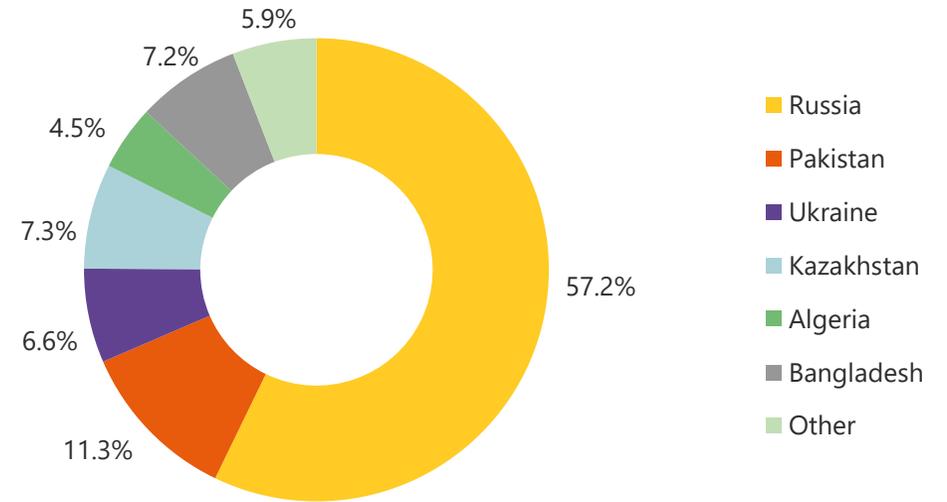
# CAPITAL EXPENDITURE

## OPERATIONAL CAPEX (EXCL. LICENSES) & CAPEX INTENSITY<sup>1</sup>

(USD million)



## 4Q20 OPERATIONAL CAPEX (EXCL. LICENSES)



CONTINUED INVESTMENT IN 4G INFRASTRUCTURE TO CAPTURE STRONG DATA DEMAND

1. Last twelve months (LTM) Operational Capex intensity is calculated as last twelve months operational capex divided by last twelve months total revenue.

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



**31 DECEMBER 2020**  
**USD MILLION EQUIVALENT**

## Outstanding debt

## Type of debt

Entity	Bonds	Loans	Cash-pool overdrafts <sup>2</sup> and other	Total
VEON Holdings B.V.	4,835	1,895	7	6,737
Pakistan Mobile Communications Limited	-	425	-	425
PJSC VimpelCom	271	-	-	271
Private Joint Stock Company Kyivstar	-	142	-	142
Banglalink Digital Communications Ltd.	-	88	-	88
Other	-	12	3	15
<b>Total</b>	<b>5,106</b>	<b>2,562</b>	<b>10</b>	<b>7,678</b>
<i>Total excl. cash pool overdrafts</i>				7,669

1. Excluding lease liabilities

2. As of December 2020, some bank accounts forming part of a cash pooling program and being an integral part of VEON's cash management remained overdrawn by USD 7 million. Even though the total balance of the cash pool remained positive, VEON has no legally enforceable right to set-off and therefore the overdrawn accounts are presented as financial liabilities and form part of our debt in our financial statements.

# EBITDA NON-RECURRING ITEMS



USD million	4Q20	4Q19	YoY%	FY2020	FY2019	YoY%
<b>EBITDA</b>	<b>826</b>	<b>935</b>	<b>-11.6%</b>	<b>3,453</b>	<b>4,215</b>	<b>-4.3%</b>
<b><i>Non-recurring items excluded from EBITDA Adjusted</i></b>						
Vendor settlement	-	-	-	-	(350)	-
Special compensation to Kcell	-	-	-	-	(38)	-
<b><i>Non-recurring items included into EBITDA Adjusted</i></b>						
Reversal of a provision in Pakistan	-	-	-	(52)	-	-
Provision in Uzbekistan	-	-	-	15	-	-
Reclass of Pakistan license amortization	-	-	-	10	-	-
Tax regime change in Pakistan	-	-	-	-	(37)	-
GTH tax settlement provision at HQ	-	-	-	-	35	-

# 2020 IMPAIRMENTS



**VEON has recognised a non-cash impairment charges of \$785 million for 2020, of which \$723 million against goodwill in Russia.**

Goodwill is tested for impairment annually (at September 30) or when circumstances indicate the carrying value may be impaired. When reviewing for indicators of impairment in interim periods, the Company considers, amongst others, the relationship between its market capitalization and its book value, as well as weighted average cost of capital and the quarterly financial performances of each cash-generating unit. In addition to the above, the Company also considered the impact of COVID-19 when reviewing for indicators of impairment

In recent years, Beeline Russia has seen a decline in its subscriber and revenue market share on the back of competitive pressures in the market, which have impacted both revenues and profitability. This underperformance has negatively impacted the fair value of our Russian business, and over time has eroded the existing headroom over the book value of the business. The impact of a weaker Russian ruble, along with ongoing COVID lockdowns and associated travel restrictions, have had a negative impact on consumer spending, which weakened during the quarter. Together with a slower than anticipated recovery in Beeline's ARPU, which has in turn impacted our future projected revenue, as well as the low market capitalization of the Group, a revision to our previous estimates has been deemed necessary.

Key assumptions for Russia	30 September 2020
Discount rate	10.1%
Average growth rate <sup>1</sup>	3.9%
Average operating margin <sup>1</sup>	32.0%
Average CAPEX / revenue <sup>1,2</sup>	26.8%
<sup>1</sup> Based on explicit forecast period of five years (2021-2025) and terminal period (2026), excludes intervening period of 2020	
<sup>2</sup> CAPEX excludes licenses and right-of-use assets	

Based on these revisions, VEON recorded an impairment of \$723 million against the carrying value of goodwill in Russia in the third quarter of 2020. Management anticipates further improvement in operational KPIs including network performance metrics and subscriber trends in the first half of 2021 with positive YoY growth in total Russian revenue during the period.

# RECONCILIATION TABLES

## extract from VEON Ltd.'s Earnings Release



### RECONCILIATION OF CONSOLIDATED EBITDA

USD mln	4Q20	4Q19	FY20	FY19
<b>Unaudited</b>				
<b>EBITDA Adjusted</b>	<b>826</b>	<b>935</b>	<b>3,453</b>	<b>3,827</b>
Non-recurring income related to the cancelation of the network sharing agreement in Kazakhstan				38
Non-recurring income related to the compensation from a vendor				350
<b>EBITDA</b>	<b>826</b>	<b>935</b>	<b>3,453</b>	<b>4,215</b>
Depreciation	(383)	(434)	(1,578)	(1,652)
Amortization	(83)	(95)	(343)	(394)
Impairment loss	7	(8)	(788)	(108)
Loss on disposals of non-current assets	(98)	(15)	(114)	(43)
<b>Operating profit</b>	<b>269</b>	<b>383</b>	<b>635</b>	<b>2,019</b>
Financial Income and Expenses	(112)	(213)	(860)	(839)
- including finance income	3	9	23	53
- including finance costs	(115)	(222)	(883)	(892)
Net foreign exchange (loss)/gain and others	(35)	16	50	2
- including other non-operating (losses)/gains	10	7	111	21
- including net foreign exchange gain	(45)	10	(60)	(19)
<b>Profit before tax</b>	<b>122</b>	<b>186</b>	<b>26</b>	<b>1,181</b>
Income tax expense	(87)	(138)	(342)	(498)
<b>Profit (loss) for the period</b>	<b>35</b>	<b>48</b>	<b>(315)</b>	<b>683</b>
of which profit(loss) attributable to non-controlling interest	27	28	33	82
of which profit(loss) for the year attributable to VEON shareholders	8	22	(348)	622

### RECONCILIATION OF CAPEX

USD mln unaudited	4Q20	4Q19	FY20	FY19
<b>Cash paid for purchase of property, plant and equipment and intangible assets</b>	<b>491</b>	<b>487</b>	<b>1,778</b>	<b>1,684</b>
Net difference between timing of recognition and payments for purchase of property, plant and equipment and intangible assets	467	197	605	396
<b>Capital expenditures</b>	<b>958</b>	<b>684</b>	<b>2,383</b>	<b>2,081</b>
Less capital expenditures in licenses and other	(3)	(2)	(54)	(34)
<b>Capital expenditures excl. licenses</b>	<b>955</b>	<b>682</b>	<b>2,329</b>	<b>2,046</b>

### RECONCILIATION OF EQUITY FREE CASH FLOW

USD million	4Q20	4Q19	YoY	FY20	FY19	YoY
<b>EBITDA Adjusted</b>	<b>826</b>	<b>935</b>	<b>(11.6%)</b>	<b>3,453</b>	<b>3,827</b>	<b>(9.8%)</b>
Termination of a network sharing agreement in Kazakhstan in 2Q19	-	-	0.0%	-	38	(100.0%)
One-off vendor payment to the Company in 1Q19	-	-	0.0%	-	350	(100.0%)
<b>EBITDA</b>	<b>826</b>	<b>935</b>	<b>(11.6%)</b>	<b>3,453</b>	<b>4,215</b>	<b>(18.1%)</b>
Changes in working capital	35	4	814.7%	28	(202)	n.m.
Movements in provision	(19)	55	n.m.	(29)	106	n.m.
Net interest paid received	(165)	(188)	(12.2%)	(621)	(655)	(5.2%)
Income tax paid	(110)	(144)	(23.6%)	(388)	(516)	(24.7%)
Non cash adjustment on operating activities related to IFRS 16	(87)	(94)	(8.5%)	(318)	(358)	(11.0%)
<b>Cash flow from operating activities (excl. lease liabilities)</b>	<b>481</b>	<b>567</b>	<b>(15.2%)</b>	<b>2,124</b>	<b>2,591</b>	<b>(18.0%)</b>
Capex excl. licenses	(955)	(682)	40.0%	(2,329)	(2,046)	13.8%
Non cash adjustment on Capex excl. licenses related to IFRS 16	281	103	171.8%	441	305	44.5%
Working capital related to Capex excl. license	188	111	69.0%	181	127	42.5%
Disposals of capital assets	2	2	15.0%	10	28	(62.8%)
Licenses	(5)	(20)	(73.9%)	(70)	(70)	0.2%
<b>Equity Free Cash Flow after licenses and lease payments</b>	<b>(8)</b>	<b>82</b>	<b>n.m.</b>	<b>357</b>	<b>934</b>	<b>(61.8%)</b>

# RECONCILIATION TABLES

## extract from VEON Ltd.'s Earnings Release

### RECONCILIATION OF ORGANIC AND REPORTED GROWTH RATES

4Q20 compared to 4Q19						
	Total Revenue			EBITDA		
	Local currency	Forex and Other	Reported	Local currency	Forex and Other	Reported
Russia	(2.0%)	(16.0%)	(18.0%)	(11.9%)	(14.5%)	(26.4%)
Pakistan	3.6%	(3.3%)	0.3%	(6.8%)	(2.9%)	(9.8%)
Ukraine	15.2%	(16.4%)	(1.2%)	10.4%	(15.9%)	(5.4%)
Algeria	(7.2%)	(7.0%)	(14.2%)	(8.2%)	(7.0%)	(15.2%)
Bangladesh	2.4%	0.0%	2.4%	4.0%	0.0%	4.0%
Kazakhstan	19.8%	(11.0%)	8.8%	42.8%	(12.9%)	29.9%
Uzbekistan	(15.0%)	(7.5%)	(22.5%)	(44.2%)	(4.9%)	(49.1%)
<b>Total</b>	<b>1.4%</b>	<b>(12.7%)</b>	<b>(11.3%)</b>	<b>0.8%</b>	<b>(12.5%)</b>	<b>(11.6%)</b>

FY20 compared to FY19						
	Total Revenue			EBITDA		
	Local currency	Forex and Other <sup>1</sup>	Reported	Local currency	Forex and Other <sup>1</sup>	Reported
Russia	(5.3%)	(9.5%)	(14.8%)	(14.9%)	(8.2%)	(23.2%)
Pakistan	0.8%	(7.5%)	(6.6%)	(0.9%)	(7.6%)	(8.4%)
Ukraine	12.4%	(5.1%)	7.3%	15.6%	(5.5%)	10.2%
Algeria	(5.7%)	(5.4%)	(11.1%)	(9.4%)	(5.2%)	(14.6%)
Bangladesh	0.7%	(0.6%)	0.1%	2.9%	(0.6%)	2.3%
Kazakhstan	15.3%	(16.8%)	(1.5%)	23.0%	(25.1%)	(2.2%)
Uzbekistan	(12.7%)	(10.5%)	(23.3%)	(43.6%)	(6.3%)	(49.9%)
<b>Total</b>	<b>(1.6%)</b>	<b>(8.4%)</b>	<b>(10.0%)</b>	<b>(2.1%)</b>	<b>(15.9%)</b>	<b>(18.1%)</b>

<sup>1</sup> In 2Q19 exceptional item of a one-off payment of USD 38 million received in 2Q19 in relation to the termination of a network sharing agreement in Kazakhstan between our subsidiary KaR-Tel LLP and Kcell Joint Stock Company ("Kcell") following Kazakhtelecom JSC's acquisition of 75 percent of Kcell's shares and a one-off vendor payment of USD 350 million received in 1Q19.

### RECONCILIATION OF VEON CONSOLIDATED NET DEBT

USD mln	31 December 2020	30 September 2020	30 June 2020
<b>Net debt</b>	<b>7,987</b>	<b>7,520</b>	<b>8,166</b>
Cash and cash equivalents	1,594	1,081	1,168
Long - term and short-term deposits	1	1	21
<b>Gross debt</b>	<b>9,582</b>	<b>8,602</b>	<b>9,353</b>
Interest accrued related to financial liabilities	92	105	92
Other unamortised adjustments to financial liabilities (fees, discounts etc.)	(5)	(7)	(8)
Derivatives not designated as hedges	325	377	320
Derivatives designated as hedges	1	-	88
Other financial liabilities	60	94	54
<b>Total financial liabilities</b>	<b>10,056</b>	<b>9,170</b>	<b>9,901</b>

# MAIN DEFINITIONS



**Capital expenditures (capex)** are purchases of new equipment, new construction, upgrades, licenses, 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. Long-lived assets acquired in business combinations, are not included in capital expenditures. **Operational capital expenditures (operational capex)** calculated as capex, excluding purchases of new spectrum licenses and capitalised leases. **Capex intensity** is a ratio, which is calculated as LTM operational capex divided by LTM revenue.

**EBITDA** (called Adjusted EBITDA in the Form 20-F published by VEON) is a non-IFRS financial measure. 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 used to evaluate 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. Reconciliation of EBITDA to net income attributable to VEON Ltd., the most directly comparable IFRS financial measure, is presented in the reconciliation tables section in Attachment C below. **EBITDA margin** is calculated as EBITDA divided by total revenue, expressed as a percentage. **EBITDA Adjusted** is calculated as EBITDA adjusted on non-recurring items that materially affect year-on-year comparison, reconciliation to EBITDA and list of non-recurring items are presented in the reconciliation tables in Attachment C below. **EBITDA Adjusted margin** is calculated as EBITDA Adjusted divided by total revenue, expressed as a percentage.

**Gross Debt** is calculated as the sum of long-term notional debt and short-term notional debt including capitalised leases. **Net debt** is a non-IFRS financial measure and is calculated as the sum of interest bearing long-term debt including capitalised leases and short-term notional debt minus cash and cash equivalents, long-term and short-term deposits. The Company believes that net debt provides useful information to investors because it shows the amount of notional debt outstanding to be paid after using available cash and cash equivalents and long-term and short-term deposits. Net debt should not be considered in isolation as an alternative to long-term debt and short-term debt, or any other measure of the Company financial position. **Net debt excluding lease obligations** is a net debt less capitalised leases.

**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, after license payments and lease payments (principal amount); excluding M&A transactions, inflow/outflow of deposits, financial assets and other one-off items. Reconciliation to the most directly comparable IFRS financial measure, is presented in the reconciliation tables section in Attachment C below.

**Mobile customers** are generally customers in the registered customer base as 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").

**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. For other factors please refer to section "non-recurring items that affect year-on-year comparisons".

**All non-IFRS measures disclosed further in this presentation (including, without limitation, EBITDA, Operational Capex, net debt, equity free cash flow, local currency growth) are being defined and reconciled to comparable IFRS measures in VEON Ltd.'s earnings release published on its website on the date hereof.**