

# **Q2 2020 VF Ukraine Group Results**



September 02, 2020



# SOLID TRACK RECORDS IN 2Q 2020

## Changes in key indicators

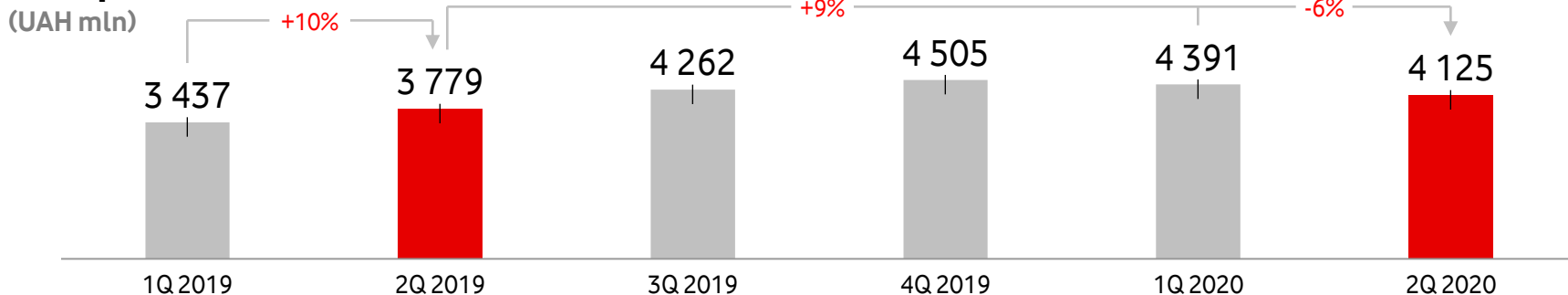
	UAH (mln)			USD (mln)*		
	2Q 2019	2Q 2020	↑↓	2Q 2019	2Q 2020	↑↓
Revenue	3 779	4 125	9%	142	153	8%
OIBDA	1 952	2 170	11%	73	81	11%
OIBDA, %	51,7%	52,6%	1%	51,4%	52,9%	2%
Net profit	515	1 012	97%	19	38	100%
CAPEX	828	709	-14%	31	26	-16%

\* Average rate for quarter (26.56 UAH/USD for 2Q 2019, 26.91 UAH/USD for 2Q 2020)

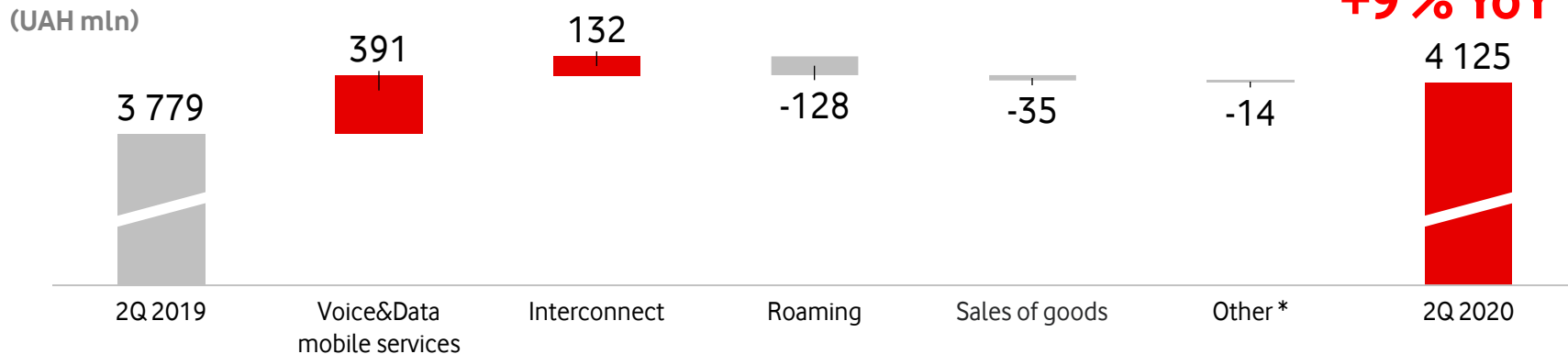


# GROUP PERFORMANCE

## Group revenue



## Group revenue: factor analysis



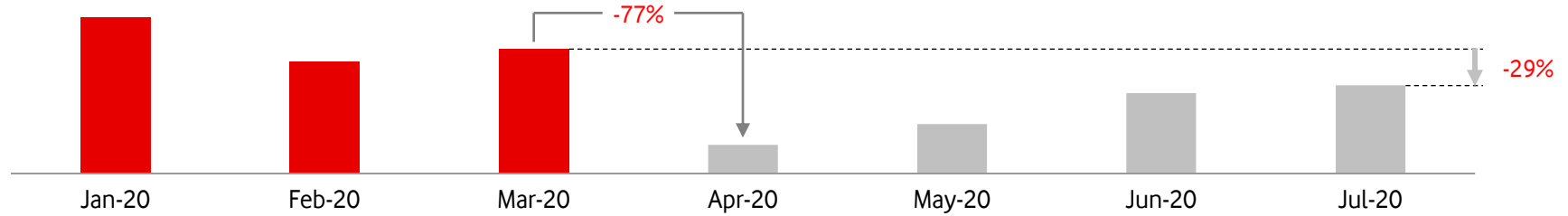
To prevent the spread of coronavirus COVID-19 Government introduced quarantine restrictions from March 12 to May 22, 2020

\* other includes other mobile and integration services

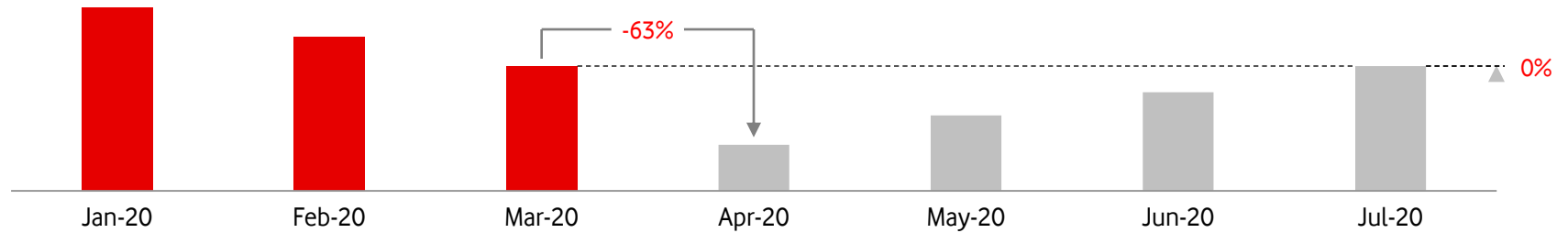


# OBSERVED COVID-19 IMPACT ON REVENUE

## Roaming revenue



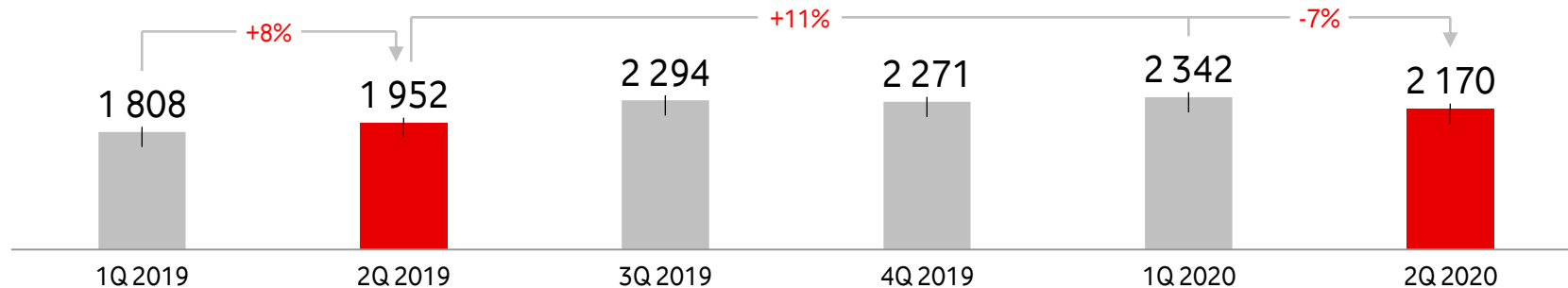
## Sales of goods



# GROUP PERFORMANCE

## Group OIBDA

(UAH mln)



## Group OIBDA : factor analysis

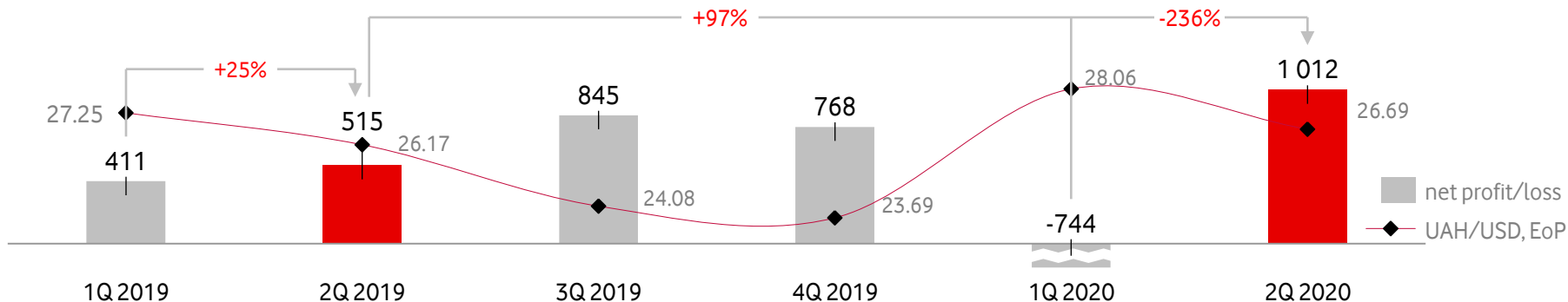
(UAH mln)



# GROUP PERFORMANCE

## Group net profit/(loss)

(UAH mln)



## Group net profit: factor analysis

(UAH mln)



\* other includes interest income , income from disposal of assets



# CAPITALIZATION

## Debt profile

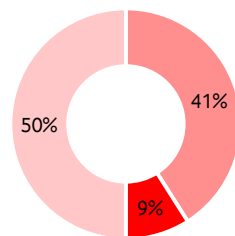
- ✓ On 5-th February 2020 the Group successfully issued debut Eurobonds – a 5- years tranches in amount of USD 500 million with a coupon rate of 6.2%
- ✓ As of 30.06.2020 the total amount of pay off Eurobonds is. USD 2,7 million
- ✓ Other debt in main part is Lease obligation (application of IFRS16 ‘Leases’ standard).

## CREDIT RATINGS as of 30.06.2020:

**Fitch**    **B / Stable**

**S&P**     **B / Stable**

## As of 30 June 2020 (UAH, bln)



- Total equity
- Cash, cash eq. and deposits
- Total debt

Cash, cash equivalents and deposits<sup>1</sup>

### Total debt

Notes<sup>2</sup> payable (Eurobond issue, principal)

Notes payable (Eurobond issue, %)

Lease obligations (under IFRS 16)

Total equity

**Total Capitalization**

**Net debt**

OIBDA LTM

**Total Debt/OIBDA**

**Net Debt/OIBDA**

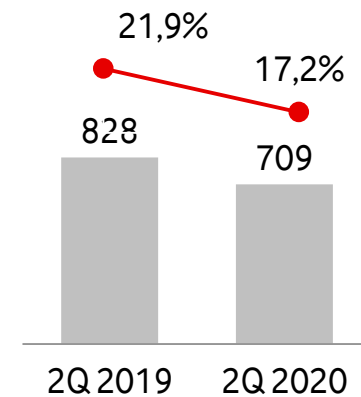
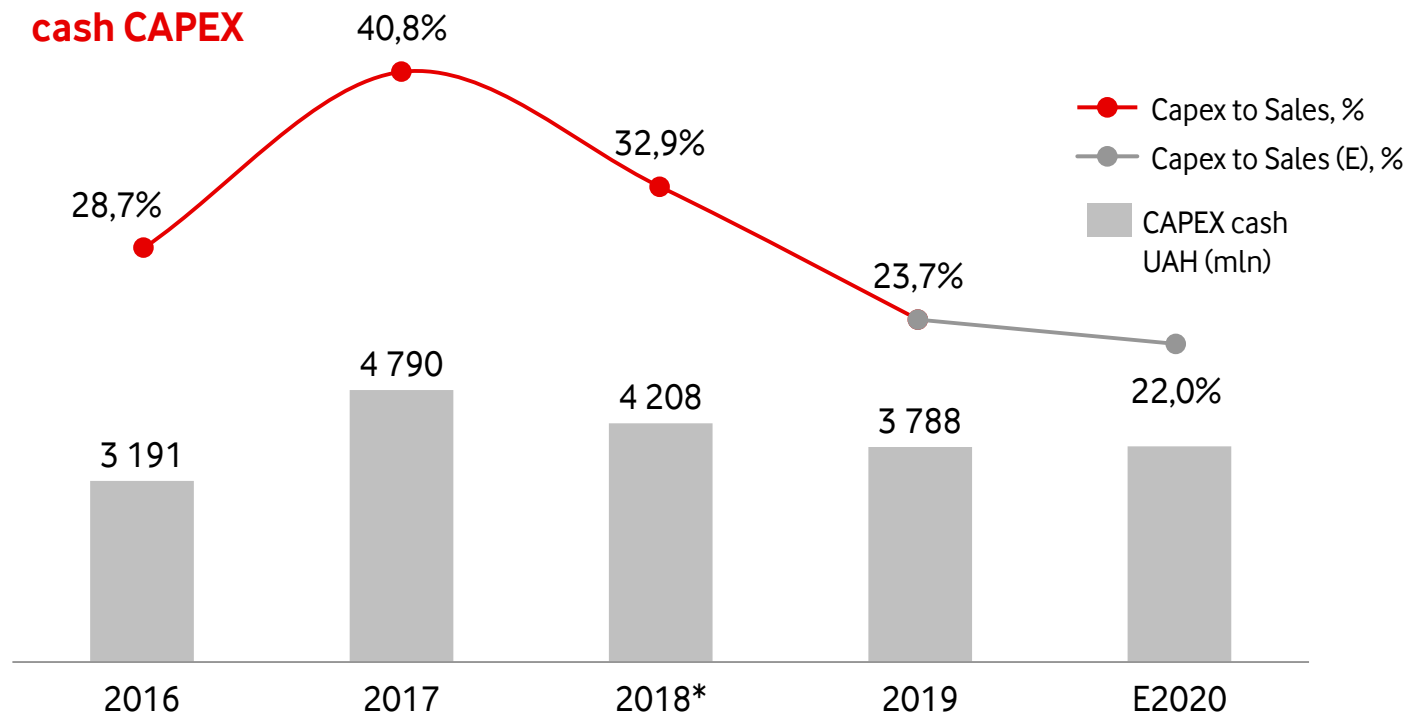
	26,69 UAH/USD	-10%	+10%
	24,02 UAH/USD		29,36 UAH/USD
	<b>3,3</b>	<b>3,1</b>	<b>3,5</b>
<b>Total debt</b>	<b>17,9</b>	<b>16,4</b>	<b>19,3</b>
	<b>12,9</b>	<b>11,6</b>	<b>14,1</b>
	<b>0,3</b>	<b>0,3</b>	<b>0,4</b>
	4,7	4,5	4,8
Total equity	14,6	14,6	14,6
<b>Total Capitalization</b>	<b>32,5</b>	<b>31,0</b>	<b>33,9</b>
<b>Net debt</b>	<b>14,6</b>	<b>13,3</b>	<b>15,8</b>
OIBDA LTM	9,1	9,1	9,0
<b>Total Debt/OIBDA</b>	<b>2,0x</b>	<b>1,8x</b>	<b>2,1x</b>
<b>Net Debt/OIBDA</b>	<b>1,6x</b>	<b>1,5x</b>	<b>1,8x</b>

<sup>1</sup> structure: 32% UAH; 23% EUR; 46% USD

<sup>2</sup> Fair value amount - USD 482 million



# GROUP CAPEX



\*excluding costs UAH 2,4 billions related to the purchase of 4G licenses in 2018





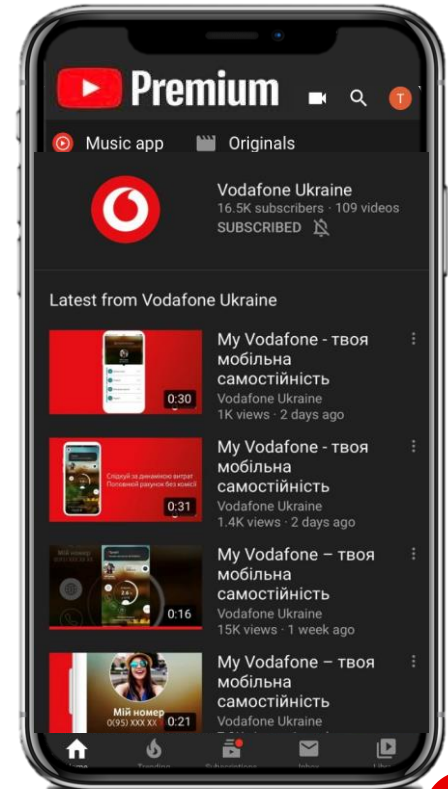
# VODAFONE AGREED WITH YOUTUBE FOR ANNUAL PARTNERSHIP AND LAUNCHED JOINT ADVERTISEMENT PROMO

## BACKGROUND:

- YouTube is the biggest video service in the World
- YouTube is the main App by penetration and traffic consumption for data-users in Ukraine
- Vodafone Ukraine and YouTube agreed for exclusive partnership and launched unique promo offer

## PROMO DETAILS:

- Promo offer is available to all Vodafone subscribers from 1.06.2020
- Subscribers will get 4 month free trial period for YouTube Premium, YouTube Music, YouTube Kids with unlim video traffic from Vodafone
- Promo has strong marketing support with popular Ukrainian Celebrity (TV, OOH, Digital, POSM, CVM, etc.)
- Promo offer has already attracted more than 1 M participants by the end of July 2020

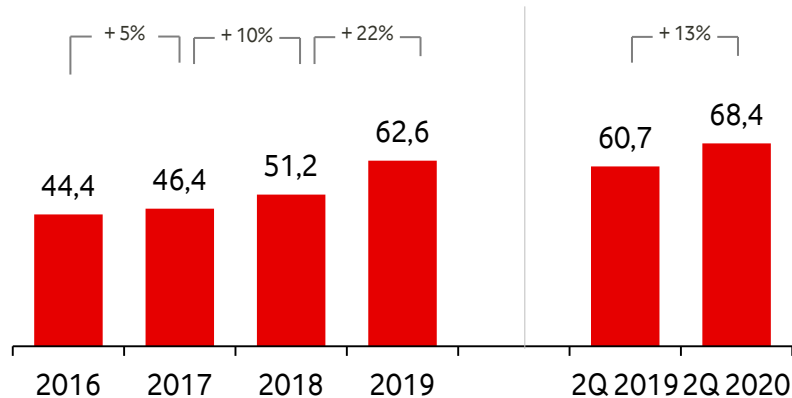


# GROUP OPERATIONAL PERFORMANCE

## (ARPU & Customer base)

### ARPU evolution (UAH)

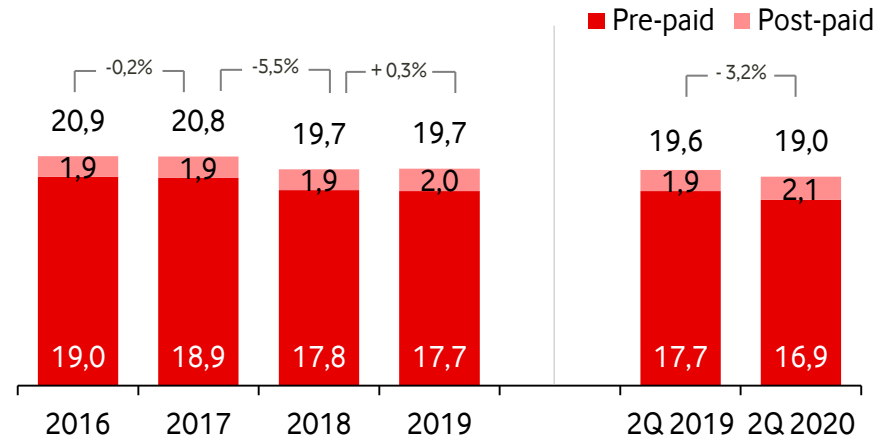
Q2'20 vs Q2'19 ↑ 13% / UAH 7,6



➤ **New tariffs capitalize** on the increasing demand for data usage, forming positive backdrop for growth in ARPU **from UAH 60.7 as of Q2 2019 to UAH 68.4 in Q2 2020**. ARPU dynamics reflect evolution of the wider mobile market resulting from an increased smartphone penetration and 4G network development

### Customer base, EoP (mln)

Q2'20 vs Q2'19 ↓ (3,2)% / (0,6) mln



➤ As a result of lower gross adds during quarantine measures as well as reduction of multi-SIM users trend, the customer base decreased by 3,2% in Q2 2020 vs. Q2 2019. The Post-paid base has tendency to grow with higher level of B2B V&D and IoT connections



# SOCIAL RESPONSIBILITY DURING THE PANDEMIC

## Services for customers

- Public awareness campaign “To stay at home” with special info-memo on the ring back tone for Vodafone customers
- Free online passes and free access to the Vodafone Books, Vodafone Music an Vodafone TV
- Support for citizens of Ukraine who are forced to stay abroad due to limited transport operations
- Regular communications from the Ministry of Health: recommendations and actual COVID status

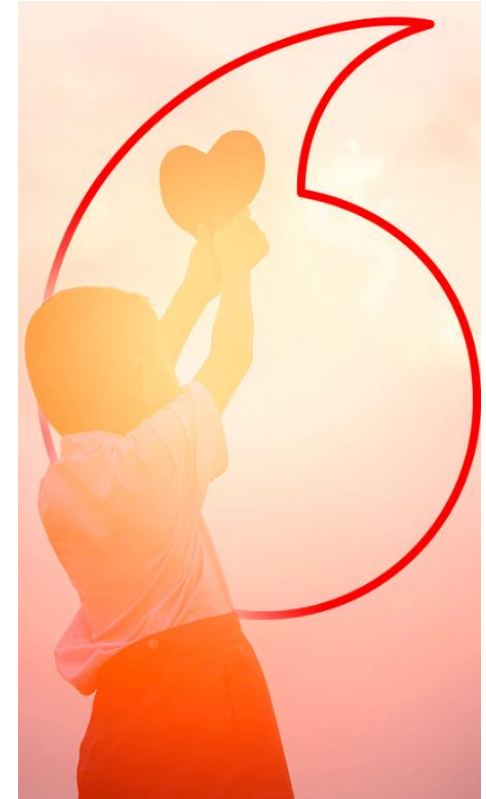
## Help for medicals and hospitals

- Supply and Installation the number of lung ventilation devices in hospitals around the country (extremely needed medical equipment for patients with coronavirus)
- Help with buying of protective overalls for health workers
- Free access to Vodafone Services for medicals

## Financial Aid

- Support the Government, customers and partners in the race against the Covid-19 pandemic via providing direct Financial Aid to the Government (more than EUR 1 mln.)

**More than USD 2 mln. in total starting March'20**



# Q&A

