



November 7, 2022

Vodafone Ukraine in the 3rd quarter: restoring the network and assisting the country

Vodafone Ukraine, which is part of NEQSOL Holding, reports on the results of its work for 9 months of 2022.

«The full-scale invasion significantly affected the company's plans and its activities during this period, – CEO Vodafone UA Olga Ustynova comments on the results of 9 months of 2022. – We focused on three important things: network performance, employee safety and assisting the country. These three principles, on which we rely in all our decisions, have provided an opportunity to lay a solid foundation for manageability, transparency and sustainable business development, even in critical circumstances of war».

The company managed to maintain the level of income at previous year's level. Vodafone's revenue for 9 months of 2022 made up UAH 14.7 billion, which is 1% less than for the same period in 2021. OIBDA (+2%) and OIBDA margin (+1.4 percentage points) figures also remain stable, showing small increase. Growth of fixed business revenues, roaming and services of mobile networks integration for business customers partially compensated for the lost revenue from mobile services and sales in our own outlets.

Vodafone's investments in the country's critical infrastructure exceeded UAH 2 billion. In a difficult period for business, the company did not reduce investments, leaving them at the level of the previous year. The main directions are increasing the reliability and efficiency of the network in extreme conditions, restoring damaged and destroyed communication facilities, rebuilding the network in the liberated territories, expanding capacity in the regions that became a new home for the most internal migrants. During this period, Vodafone engineers recover 242 sites that were damaged in the course of war. The company's specialists expanded the network capacity in western regions, where the number of subscribers and usage level have grown due to internal migration. During 9 months Vodafone built 147 new base stations, put about 3000 4G base stations on the air and upgraded 1422 3G base stations.

The company estimates the costs associated with the war in February-September 2022 at UAH 810 million, which certainly affected the profitability of the business. At the same time, fluctuations in the exchange rates were the main factor in profitability decrease.

Migration of subscribers outside Ukraine as a result of warfare affected the size of the subscriber base. As of the end of September, the operator's subscriber base made up 15.8 million customers.

Since the beginning of the full-scale invasion, Vodafone has been helping the country. The total volume of free services provided in February-September amounted to UAH 1.15 billion. The total amount of humanitarian and direct financial assistance of the company to the country as of the end of September 2022 is estimated at UAH 275 million.

<i>Million UAH</i>	<i>9 months of 2021</i>	<i>9 months of 2022</i>	<i>Dynamics</i>
<i>Income</i>	14,833	14,720	-1%
<i>OIBDA</i>	8,226	8,372	2%
<i>OIBDA, %</i>	55,5%	56,9%	1.4 percentage points
<i>Net income/loss</i>	3120	-620	-120%
<i>Investment</i>	2 082	2030	-2%

Press Release



Сторінка 2 з 2

For more information, please contact:

Vodafone

Press service

press@vodafone.ua

About Vodafone

Vodafone is one of the world's largest telecommunications companies, providing a wide range of services including mobile voice, data transfer, messaging, fixed broadband and cable television. The Company operates across 21 countries and partners with mobile networks in 47 countries. As of 30 September 2022, Vodafone provides services to over 300m mobile customers and 28m fixed broadband customers, 22m TV customers and connects more than 159m IoT devices. For more information, please visit www.vodafone.com.

Vodafone Ukraine is a leading telecommunications company that provides high-speed 3G and 4G Internet services and fixed broadband services. The Vodafone's investments during the active construction of high-speed Internet networks in 2015 – 3Q2022 exceeded 34 billion UAH. The record investments have ensured the technological leadership and the development of new technological services – Internet of Things (IoT), technologies and solutions for Smart City, big data analytics, fintech services, cloud services. Vodafone has 15,8 m customers in Ukraine. Since December 2019, Vodafone Ukraine is part of NEQSOL Holding.

About NEQSOL Holding

NEQSOL Holding is a diversified group of companies operating across industries and countries. The main business areas cover oil and gas, telecommunications, hi-tech, and construction industries.

The group of companies operates in the UK, the USA, Turkey, Azerbaijan, Ukraine, Georgia, Kazakhstan, the UAE, and more.

Along with its plans for further business development in Ukraine, the Holding opened its representation office in Ukraine at the end of 2020.