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Vodafone Ukraine results in H1 2023: increased income and investments

Vodafone Ukraine reports on its performance in the first half of 2023. The company shows growth in most of the key operational indicators. The company's revenue in the first half of 2023 amounted to 10.4 billion hryvnias, which is 5% more compared to the same period last year.

Despite the impact of the war, the company increased its investments in the network by 75% compared to the first half of last year. In doing so, the efficiency of the business remains at a stable level with a tendency to grow. The OIBDA indicator for the first six months of 2023 amounted to 5.9 billion hryvnias, which is +3% compared to last year's indicators for the same period. The OIBDA margin indicator remains stable – at 57%, the decrease is 1 pp. Vodafone's net profit in the first half of 2023 amounted to almost 2.3 billion hryvnias. The increase in the indicator by 242% compared to the same period last year is due to a decrease in losses from exchange rate differences as a result of the NBU's currency policy in conditions of martial law (from July 21, 2022, the NBU fixed the exchange rate of the US dollar to the hryvnia).

The subscriber base in the second quarter of 2023 compared to the 1st quarter of 2023 remains stable – 15.2 million customers. The decrease by 8% compared to the 2nd quarter of last year is due to a decrease in the number of mobile phone users due to active hostilities, unavailability of mobile networks in temporarily occupied territories and in areas of hostilities and mass migration.

More than 2 million of them remain abroad and continue to use Vodafone services. At the beginning of 2023, Vodafone extended the validity of a special offer – in most Vodafone tariffs, free connection to the "Affordable roaming" service is available. Within the service, 10GB of mobile Internet and 100 minutes for calls with subscribers in Ukraine and in the country of stay are available subject to payment of a Ukrainian package of services.

The company's ARPU also increased to 108.4 hryvnias per month as a result of growth in penetration of mobile Internet and volumes of use.

Vodafone increased its capital investments by 75% – in the first half of 2023 they amounted to 2.2 billion hryvnias. Thanks to this, Vodafone engineers restored destroyed infrastructure, quickly repaired equipment, developed and expanded the network, and also prepared infrastructure for possible power outages in winter.

To create a sufficient reserve of electricity, more than 9,000 base stations were retrofitted with new battery packs. Batteries of a new type are adapted to harsh operating conditions, less sensitive to voltage fluctuations in the network and frequent power outages, and have a charging speed that is 2.5-3 times higher than batteries that were used earlier.

To ensure emergency power supply, the company additionally equipped 1,124 nodal technical facilities with backup power using stationary generators. Additionally, 522 mobile generators are prepared. The company has created a sufficient reserve of diesel fuel and gasoline for generator operation and established backup logistics channels for fuel supply. The company's power engineers are testing new solutions, alternative energy sources such as solar power plants and microturbine generators are already used at some facilities.

Press Release



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<i>Million UAH</i>	<i>1H23</i>	<i>1H22</i>	<i>Dynamics</i>
<i>Income</i>	<i>10,404</i>	<i>9,916</i>	<i>+5%</i>
<i>OIBDA</i>	<i>5,934</i>	<i>5,764</i>	<i>+3%</i>
<i>OIBDA, %</i>	<i>57%</i>	<i>58,1%</i>	<i>-1.1 п.п.</i>
<i>Net income/loss</i>	<i>2 266</i>	<i>663</i>	<i>+242%</i>
<i>Investment</i>	<i>2,231</i>	<i>1,276</i>	<i>+75%</i>

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 17 countries and partners with mobile networks in 46 countries. As of 30 June 2023, Vodafone provides services to over 323m mobile customers and 28m fixed broadband customers, 21m TV customers and connects more than 160m 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 – 2Q23 exceeded 39 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 15.2 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 the energy, telecommunications, hi-tech, and construction industries.

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

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