

# VEON

## Investor Presentation



12 January 2023

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# DISCLAIMER (2/2)



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# AGENDA

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# EXECUTIVE SUMMARY (1/4)

## Background



- Over the past nine months, VEON Ltd. ("VEON" or together with its subsidiaries, the "Group") has successfully strengthened its liquidity position, and this will remain a key priority in the near term
- However, despite the resilient performance of its underlying operating companies, which are considered largely self-sustaining, VEON's ability to upstream cash for debt service is currently impaired by currency and capital controls in two of its major markets (Ukraine and Russia) and other geopolitical/FX pressures affecting emerging markets generally, including the countries in which the Group has operations
- In addition, the conflict between Russia and Ukraine and developments since February 2022 with respect to sanctions laws and regulations have resulted in unprecedented challenges for VEON, limiting access to the international debt capital markets in which VEON has traditionally refinanced maturing debt and so hampering its ability to refinance indebtedness. Without a change in the status quo, the situation is likely to remain challenging, including as a result of the withdrawal of VEON's credit ratings by rating agencies due to VEON's current exposure to Russia
- As a result of sanctions laws and regulations imposed on Russia, cash payments of both interest and principal amounts that either have already been made or will be made by VEON Holdings B.V. (the "Company") under its various RUB and USD notes (the "Notes") through the international clearing systems do not reach the beneficial owners of the Notes that are held directly or indirectly (through the chain of Russian depositaries) via the Russian National Settlement Depository (the "NSD" and, such owners, the "NSD Noteholders")
  - VEON understands that such cash payments are instead being blocked by the international clearing systems, as the international clearing systems are not making payments to the NSD, due to the European Union's targeting of the NSD, and possibly in response to United States and United Kingdom sanctions laws and regulations targeting Russia more broadly
- Given the Company believes a significant proportion of NSD Noteholders are among the holders of the 5.95% notes due February 2023 and 7.25% notes due April 2023 issued by the Company (together, the "2023 Notes"), any maturity payments made by the Company in respect of the 2023 Notes on their respective maturity dates are expected to result in an inefficient use of material sums of liquidity, due to the cash remaining blocked in the international clearing systems

# EXECUTIVE SUMMARY (2/4)

## Russian Regulatory Backdrop



- On 5 July 2022, the President of the Russian Federation issued Decree 430, which states that *"Russian legal entities with obligations related to Eurobonds are required to ensure the fulfilment of obligations to holders of Eurobonds whose rights are recorded by Russian depositaries"*
- Although the Notes have been issued by the Company and PJSC VimpelCom is neither a co-obligor nor a guarantor under the Notes, on 20 September 2022, PJSC VimpelCom received correspondence from the Russian Ministry of Finance (the "Russian MinFin") where the Russian MinFin stated that it *"consider[s] it appropriate that PJSC VimpelCom ensure the fulfilment of obligations under [the Notes] ... to holders of Eurobonds whose rights are recorded by Russian depositaries"*
  - In addition, the Russian MinFin requested PJSC VimpelCom to provide information on payments made with respect to the Notes
  - Certain Russian bondholders have also commenced legal proceedings in Russia against PJSC VimpelCom requesting PJSC VimpelCom to pay under certain Notes
- On 23 November 2022, the Russian Central Bank issued clarification that that these obligations under Decree 430 would also apply to a Russian legal entity in the same Group as a Eurobond issuer with holders whose rights are recorded by Russian depositaries, confirming the position of the Russian MinFin that Decree 430 would also apply to PJSC VimpelCom
- VEON is currently assessing the potential impact of this obligation on PJSC VimpelCom as a matter of Russian law to assume direct responsibility for the discharge of the Notes held through Russian depositaries and potential solutions to the same
- In the event that PJSC VimpelCom were to make principal or interest payments directly to beneficial owners of the Notes that are held through Russian depositaries, the Group has no comfort that the clearing systems would recognise the payment by PJSC VimpelCom as being good discharge of the Company's payment obligations (and the trust deeds do not otherwise make provision for recognising such payments)
- Accordingly, as matters stand, it is possible that PJSC VimpelCom and VEON Holdings B.V. could both be required to make material payments in respect of the same amounts of interest and principal due on 2023 Notes held through Russian depositaries

# EXECUTIVE SUMMARY (3/4)

## Transaction Rationale



- The scheme of arrangement in England (the “Scheme”) launched by the Company on 24 November 2022 proposes an eight-month extension to the respective maturity dates of the 2023 Notes, together with certain other amendments to the terms of the 2023 Notes and related trust deeds
- The Scheme represents the culmination of more than six months of discussions between the Group and its advisers during which they have considered multiple different potential transaction structures. It also incorporates recent feedback received from various noteholders. If the status quo were to continue, the options available to it would be significantly constrained by the current and evolving political situation, international sanctions laws and Russian regulations. In these circumstances, the Group has concluded that a short-term extension of the maturity of the 2023 Notes represents the best option available to the Group and its stakeholders, as it will provide the Group with additional time to pursue a number of strategic transactions
- The Amendments (as defined on the following page) will allow the Group time to conclude the agreed sale of its Russian subsidiary, PJSC VimpelCom (“VimpelCom”), as announced separately (<https://www.veon.com/media/media-releases/2022/veon-ltd-press-release-24-11-2022/>) (the “VimpelCom Disposal”), which is expected to be completed in early June 2023 (subject to receipt of required regulatory approvals and satisfaction of customary closing conditions)
  - Under the sale agreement for the VimpelCom Disposal, VEON will receive total consideration of RUB 130bn (approximately USD 2.1bn<sup>1</sup>). Subject to receipt of the necessary licenses and/or approval from competent sanctions authorities, it is expected that the total consideration will be paid primarily by PJSC VimpelCom taking on and discharging certain notes issued by the Company, thus significantly deleveraging VEON’s balance sheet
  - The Group considers that the VimpelCom Disposal would represent the single-most material deleveraging action available to the Group, which will at the same time increase the prospect of future access to international debt capital markets, which are currently not available to the Group
- The Amendments (as defined on the following page), together with the deleveraging described above, are also expected to curtail the inefficient use of cash which would result from the payments on the NSD-held portion of the 2023 Notes being trapped in the international clearing systems and the principal amount of the 2023 Notes held through Russian depositaries being repaid by both the Company and PJSC VimpelCom due to the European Union’s sanctions targeting the NSD, and possibly in response to United States and United Kingdom sanctions laws and regulations targeting Russia more broadly
- It will also provide short term stability and further optionality to implement the asset monetisation strategy underpinning VEON’s objectives to further reduce leverage and maximize its stakeholders’ returns

1. Converted at illustrative exchange rate of 60.5043 RUB/USD (Central Bank of Russia FX rate as of 24 November 2022)  
2. Subject to receipt of all requisite regulatory approvals, licenses from relevant government authorities and any required approvals from VEON creditors



# EXECUTIVE SUMMARY (4/4)

## Transaction Overview



- The Scheme launched by the Company proposes the following changes with respect to the 2023 Notes (together, the “Amendments”):
  - An eight-month extension of the respective maturity dates of the February 2023 Notes and April 2023 Notes to October 2023 and December 2023 respectively;
  - An amendment excluding beneficial owners of the 2023 Notes who are the target of applicable sanctions laws or regulations that prohibit them from dealing with the 2023 Notes from counting in the consent and quorum thresholds;
  - Payment of an amendment fee of 200bps payable on the 2023 Notes outstanding on their respective amended maturity dates; and
  - Inclusion of an uncapped put right in the trust deeds of the 2023 Notes exercisable from the first business day following the date on which the Amendments to the 2023 Notes become effective for a period of 14 calendar days at a price equal to 102% of the principal amount plus accrued but unpaid interest, subject to compliance with all applicable laws and regulations, including Sanctions laws and regulations (*see details on page 32*)
- The Scheme is expected to enable the Amendments to be implemented upon obtaining the necessary majority consents (being a majority in number, representing at least 75% by value of those beneficial owners of the 2023 Notes present and voting at the Scheme meeting, either in person or by proxy)<sup>1</sup>
- All actions taken in connection with the Amendments shall be in full compliance with all applicable sanctions laws and regulations<sup>2</sup>, and any necessary licenses and approvals issued by the competent sanctions authorities of the foregoing jurisdictions
  - The Scheme will include a standstill provision whereby if the Company (in its sole discretion) has determined to seek any sanctions licenses in connection with the Amendments and any such license has not been granted by the time the Scheme is sanctioned, a standstill on enforcement action shall commence and the principal amount of the 2023 Notes will be treated for all purposes as if it has not fallen due for payment<sup>3</sup>
- Subject to the Amendments being successfully implemented, and completion of the VimpelCom Disposal, the Group intends to use excess liquidity to redeem financial liabilities to de-leverage and reduce its interest obligations

1. Any sanctioned beneficial owners of the 2023 Notes and sanctioned persons that may act as custodian for beneficial owners of the 2023 Notes will be excluded from participating in and voting on the Scheme

2. All actions taken in connection with the Amendments shall be in full compliance with all applicable sanctions laws and regulations, including any economic or financial sanctions laws or regulations as amended from time to time, administered, enacted, or enforced by: the United States; the United Nations; the European Union or any member states thereof; the United Kingdom; Bermuda and other jurisdictions applicable to the Group (excluding the Russian Federation and the Republic of Belarus), and any necessary licenses and approvals issued by the competent sanctions authorities of the foregoing jurisdictions.

3. The Scheme and Scheme Standstill would terminate on the earlier of (i) the date on which the Company issues a Required Licence Notice confirming that the Company has determined (in its sole discretion) that the Scheme cannot be implemented in compliance with applicable laws, including, without limitation, Sanctions laws and regulations, (ii) the date the amendments to the 2023 Notes pursuant to the Scheme become effective, or (iii) breaches by the Company of certain specified undertakings of the Company under the Scheme or of VEON Ltd. or VEON Amsterdam B.V. under the Deed Poll (in certain cases subject to materiality and cure periods). The Amended Explanatory Statement also provides that the Standstill Period will terminate on 2 May 2023



# AGENDA



1. EXECUTIVE SUMMARY

2. 3Q22 HIGHLIGHTS

3. PORTFOLIO STRATEGY

4. FUTURE PERFORMANCE AMBITION

5. AMENDMENTS OBJECTIVES

6. AMENDMENTS OVERVIEW

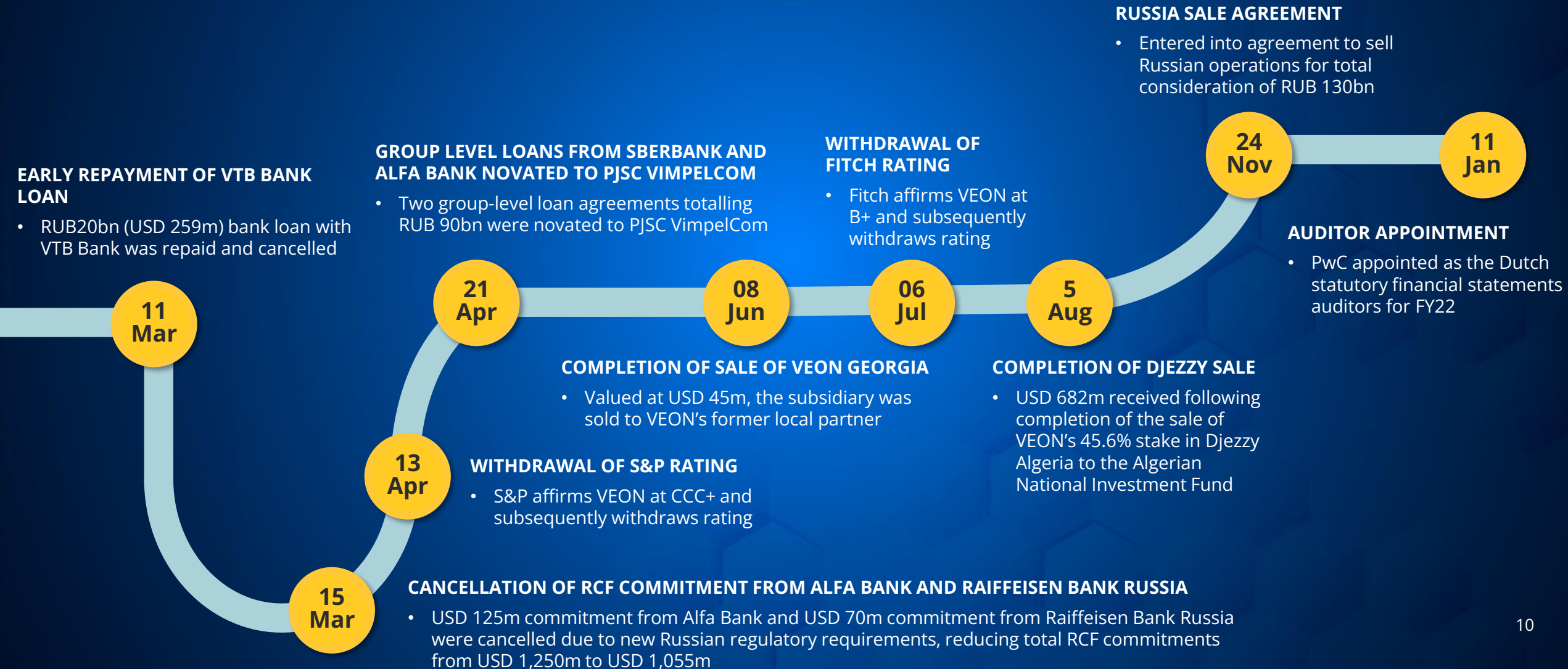
7. PROCESS & TIMELINE

APPENDIX

# KEY RECENT DEVELOPMENTS

VEON

Management continues to execute its strategic plan while navigating a complex sanctions environment



# 4G GROWTH DRIVING DATA & DIGITAL REVENUES



Growth in customer base

**203.2mn** subscribers  
**+0.8%** YoY



Mobile ARPU growth across all markets

**+0.8% to +11.9%** YoY  
in local currency



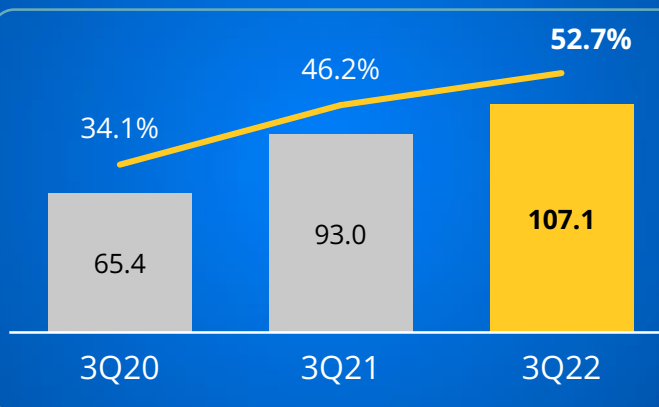
Network expansion focused on speed and quality

**104.5k** 4G Sites  
**+14.4%** YoY



Steady growth in 4G uptake

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



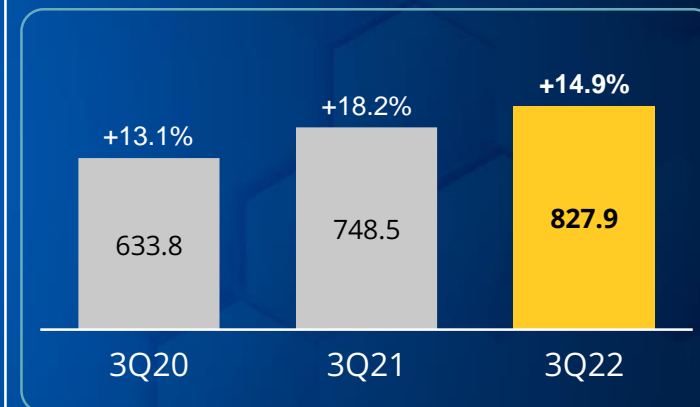
**+15.1%** 4G users  
YoY growth

**+6.5p.p.** 4G penetration  
YoY growth



Steady growth in data and digital revenues<sup>1</sup>

**Data and digital revenues, YoY trends**  
(USD million and % in local currency)



**+14.9%** Data and digital revenues  
YoY growth in local  
currency



# 3Q22 HIGHLIGHTS

VEON

## TOTAL REVENUE

**USD 2,077mn**

**+3.6% YoY**

+3.4% YoY  
local currency

**Equipment revenue in Russia down 58.5% YoY due to lower device sales**

## SERVICE REVENUE

**USD 1,968mn**

**+7.9% YoY**

+7.8% YoY  
local currency

**Mobile ARPU up YoY in local currency across all markets**

## 4G USERS

**107mn**

**+15.1% YoY**

**Subscriber base +0.8% YoY  
4G penetration reaches 52.7%**

## EBITDA

**USD 889mn**

**0.0% YoY**

+0.7% YoY  
local currency

**Solid EBITDA performance across the Group**

## CAPEX

**USD 404mn**

**+6.0% YoY**

-3.6 p.p. YoY  
Capex intensity

**At 21.6%, LTM capex intensity continues to decrease**

## GROUP CASH POSITION

**USD 3,293mn**

**\$2,560mn  
at HQ**

**Sale of the Algerian business for c.USD 682mn**

# GROUP SERVICE REVENUE GROWTH +7.1% YOY IN LOCAL CURRENCY

VEON



Note: In some countries EBITDA was impacted by extraordinary non-recurring items in 3Q22 and in 3Q21 as noted on subsequent country performance slides

# UKRAINE

## Keeping Ukraine connected and rebuilding the country's infrastructure

### 3Q22 RESULTS YOY TRENDS

TOTAL  
REVENUE

**7.7bn**

UAH  
+5.2%

SERVICE  
REVENUE

**7.6bn**

UAH  
+5.1%

EBITDA

**4.4bn**

UAH  
-10.7%

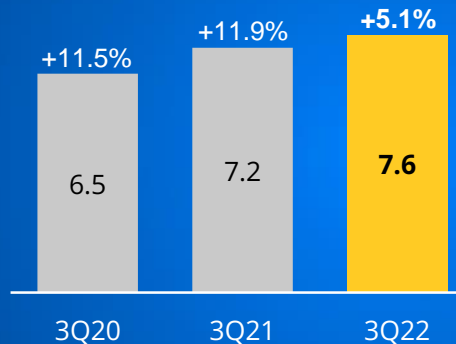
CAPEX

**1.8bn**

UAH  
+52.5%

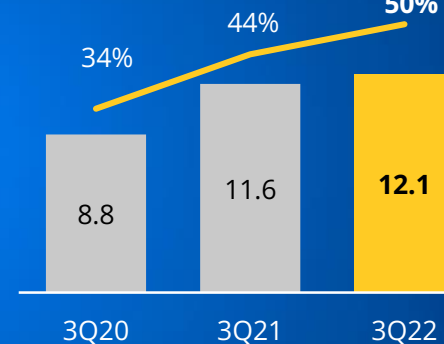
### SERVICE REVENUE AND YOY TRENDS

(UAH Billion and %)



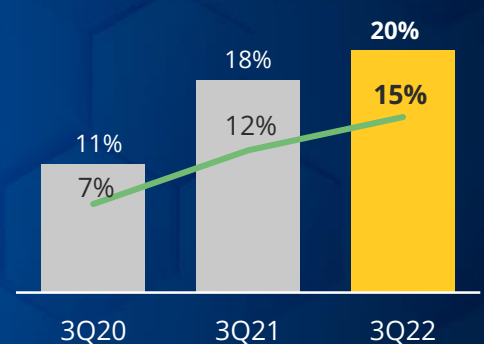
### 4G USERS AND PENETRATION

(3 month active, million and %)



### MULTIPLAY CUSTOMERS

Revenue share  
Share of monthly active users



- 121 settlements reconnected to Kyivstar network in 3Q22
- Since February, around 400 new 4G base stations built and some 6,000 4G base stations upgraded
- Around 90% of Kyivstar network was operational at the end of 3Q22
- Cooperation on network sharing continues
- UAH 279 million in charitable donations and employee support in 3Q22
- 47% YoY increase in electricity prices and 5% YoY indexation of radio frequency fees
- "Roam-like-home" offers extended to the end of 2022

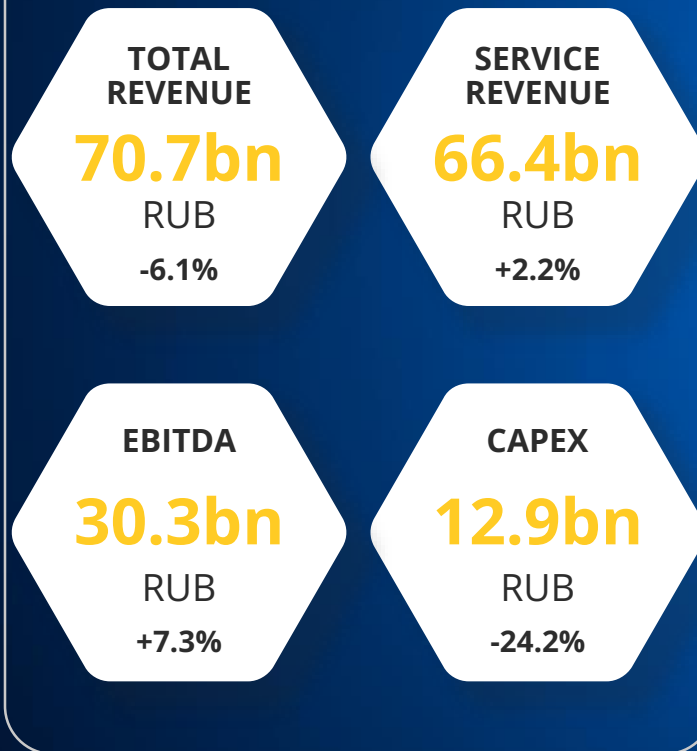


# RUSSIA

## Higher customer value drives service revenue and EBITDA growth

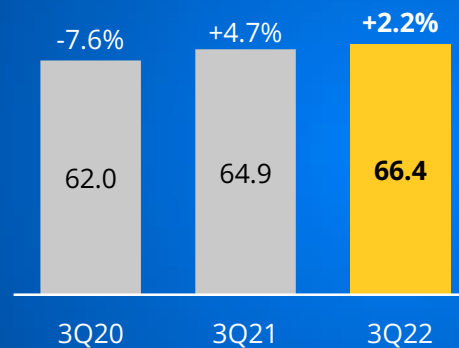


### 3Q22 RESULTS YOY TRENDS



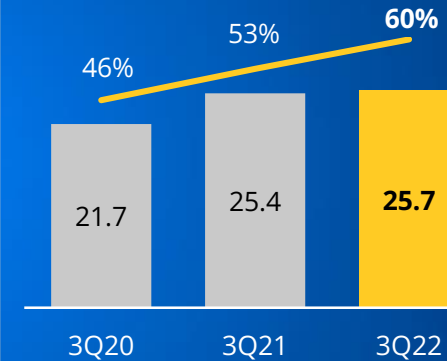
### SERVICE REVENUE AND YOY TRENDS

(RUB Billion and %)



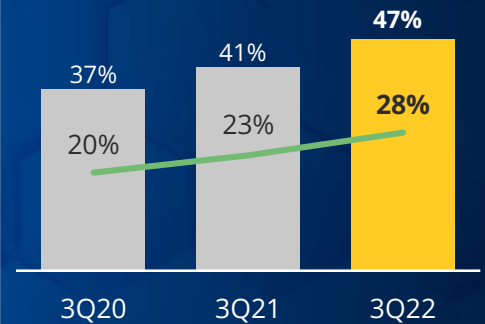
### 4G USERS AND PENETRATION<sup>1</sup>

(3 month active, million and %)



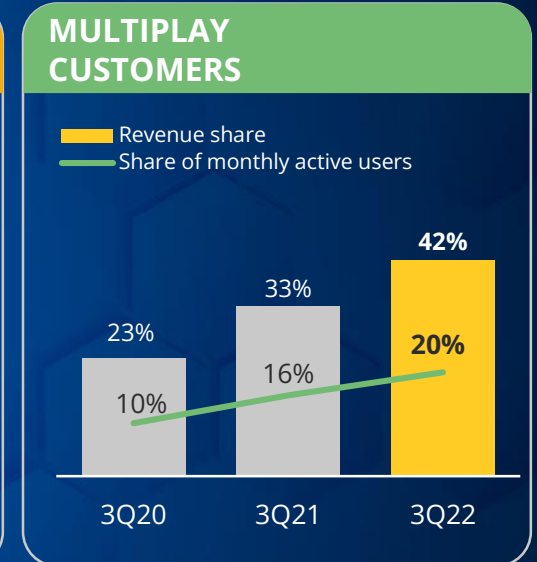
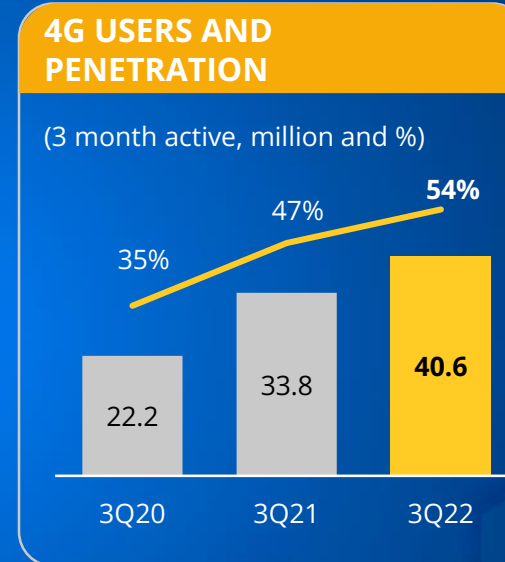
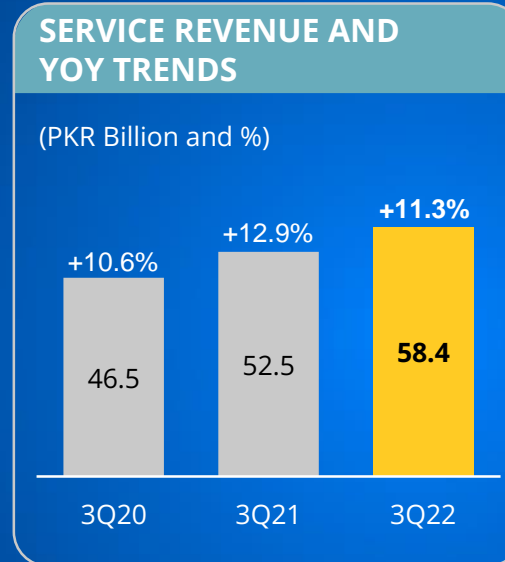
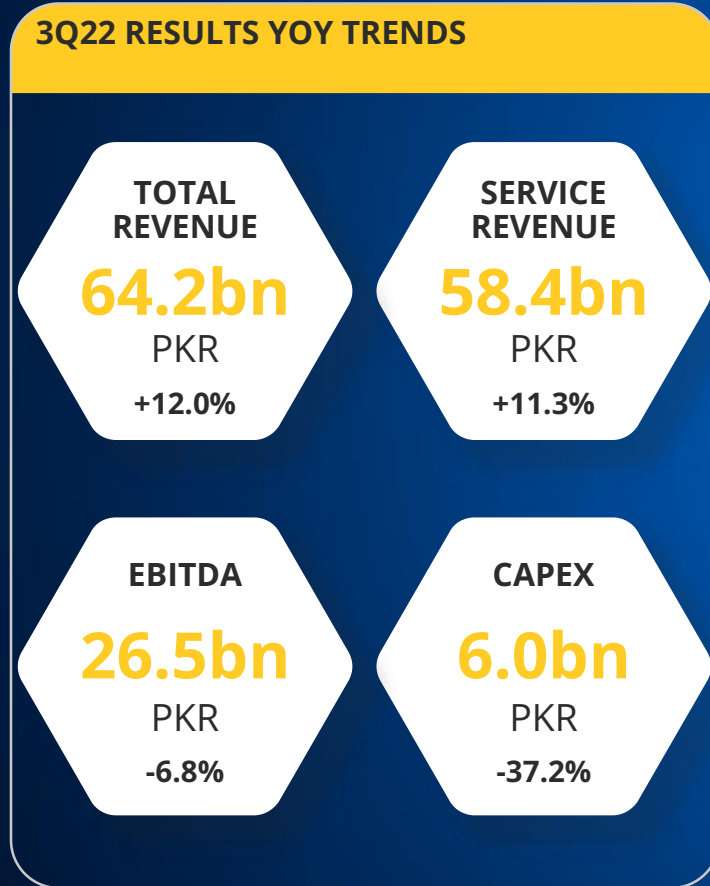
### MULTIPLAY CUSTOMERS

Revenue share  
Share of monthly active users



- Service revenue up 2.2% YoY supported by mobile data revenue growth (+7.5% YoY)
- Equipment sales lower on supply chain constraints, down 58.5% YoY
- +7.3% YoY growth in EBITDA and higher margin at 42.8% (+5.4 p.p. YoY)
- Stronger engagement of the customer base with higher 4G penetration
- Revised pricing and effective cost management supported rise in EBITDA margin

1. 4G penetration in Russia: % of active 4G data users in total 3 months active customer base excluding machine-to-machine (M2M) connections



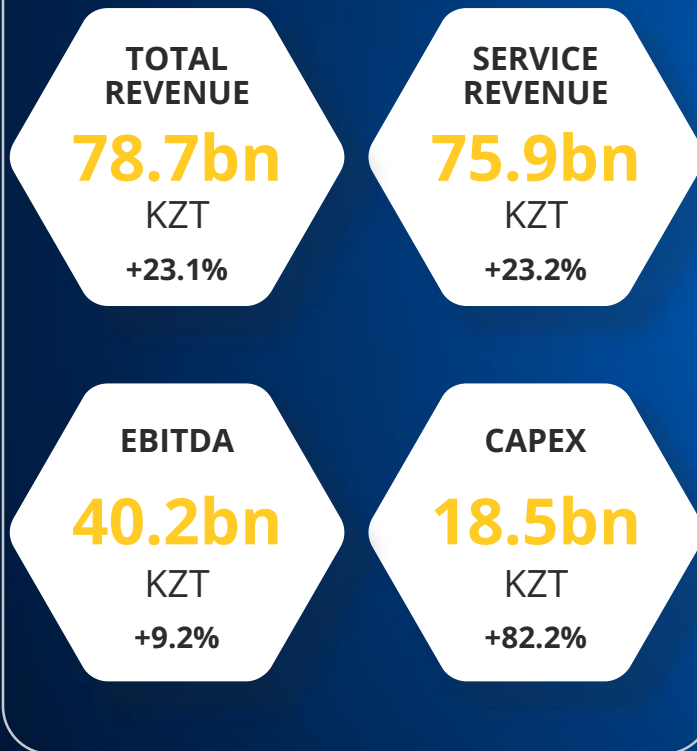
- High inflation and elimination of energy subsidies impacted utility prices: diesel +139% YoY, electricity +69% YoY, negatively impacting EBITDA margin c.6%
- Amidst the country-wide floods in August, Jazz ensured availability of telecom services
- Balanced revenue growth with YoY increase in subscribers and ARPU, gaining market share
- Continued revenue growth in Mobilink Bank (+37.9% YoY) and JazzCash (+78.6% YoY)
- Double-digit YoY revenue growth accomplished despite the impact of increased withholding tax and MTR reduction with further reductions in 2H22

# KAZAKHSTAN

## Sixth consecutive quarter of revenue YoY growth above 20%

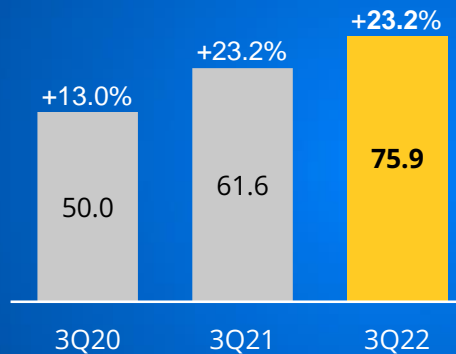


### 3Q22 RESULTS YOY TRENDS



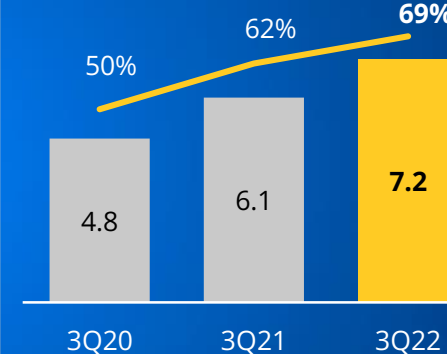
### SERVICE REVENUE AND YOY TRENDS

(KZT Billion and %)



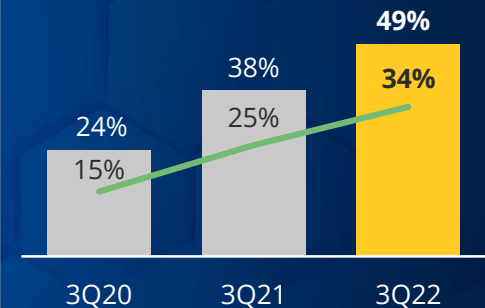
### 4G USERS AND PENETRATION

(3 month active, million and %)



### MULTIPLAY CUSTOMERS

Revenue share  
Share of monthly active users



- Beeline Kazakhstan gaining market share and maintaining leadership position in NPS
- Top line supported by growing data users (+11.9%) with higher consumption (+18.8%)
- Adjusting for one-off in 3Q21, Beeline Kazakhstan's EBITDA grew by 17.8% YoY
- Beeline Kazakhstan connected 334 remote and rural settlements to 4G network during 3Q22, reaching 69% 4G penetration in the customer base (+7.0p.p. YoY)
- Multiplay customers increase 43.5% YoY driven by strong growth in digital services
- My Beeline +40.0% (3.5 million MAU), BeeTV +42.7% (634,000 MAU), Simply (159,000 MAU)



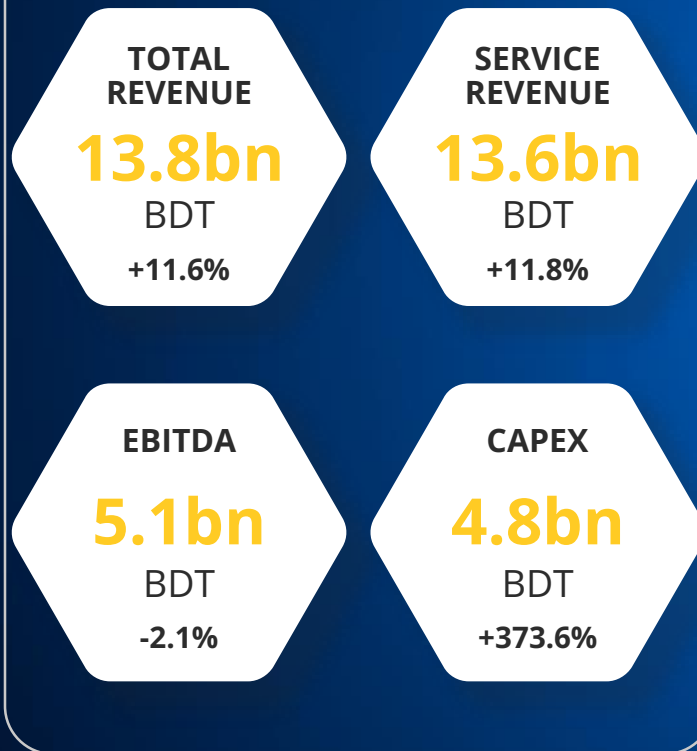
# BANGLADESH

## Gaining market share as double-digit topline growth continues



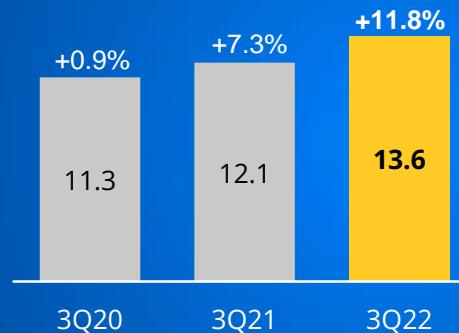
VEON

### 3Q22 RESULTS YOY TRENDS



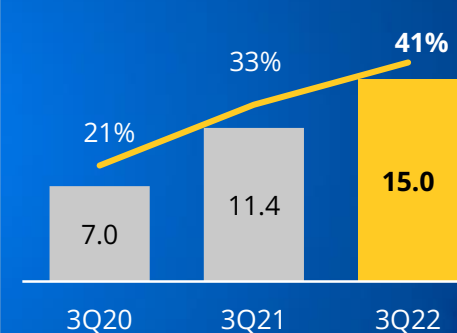
### SERVICE REVENUE AND YOY TRENDS

(BDT Billion and %)

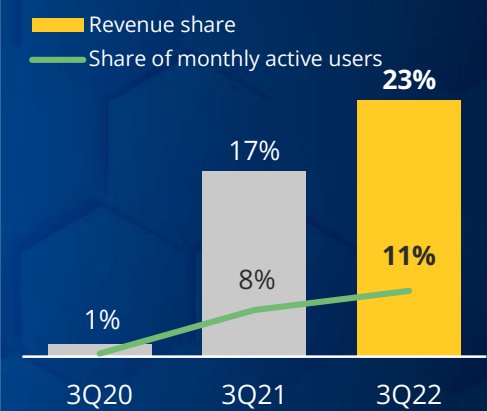


### 4G USERS AND PENETRATION

(3 month active, million and %)



### MULTIPLAY CUSTOMERS

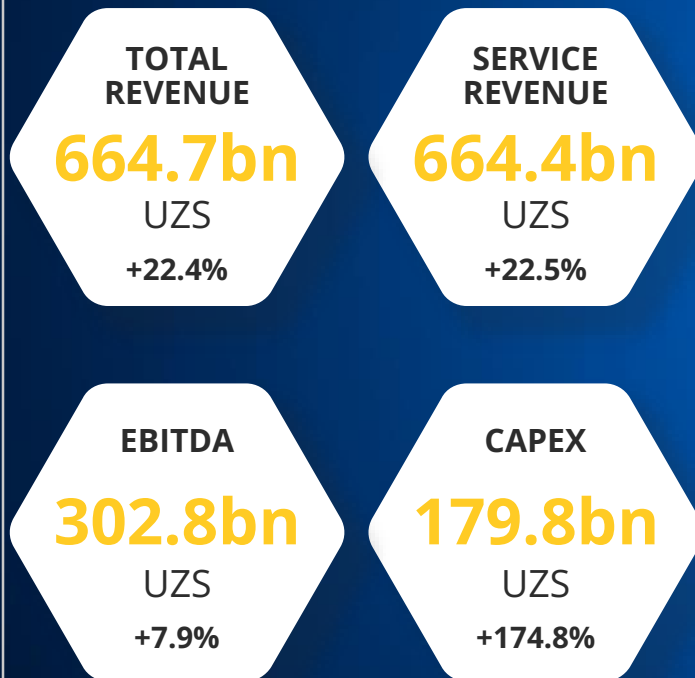


- Double-digit top line growth with data revenue up 21.4% YoY, gaining market share
- 4G users +31.7% YoY with 4G penetration up 7.8 p.p. YoY, supporting higher ARPU (+5.4% YoY)
- Banglalink executes on its strategy to become a national operator
- Strong expansion in 4G network with more than 3,600 new base stations YTD
- High-quality connectivity and continued 4G network rollout drive further NPS improvement
- Toffee reached 7.0 million MAUs (+11.0% YoY) with average daily active users up 55.1% YoY
- Revamped self-care app MyBanglalink recorded a 62.8% YoY increase in MAUs to 5.1 million

# UZBEKISTAN

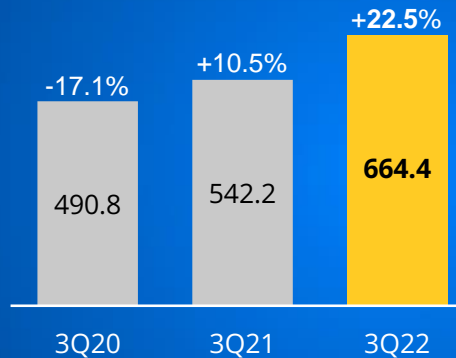
## Third consecutive quarter of 20%+ topline YoY growth

### 3Q22 RESULTS YOY TRENDS



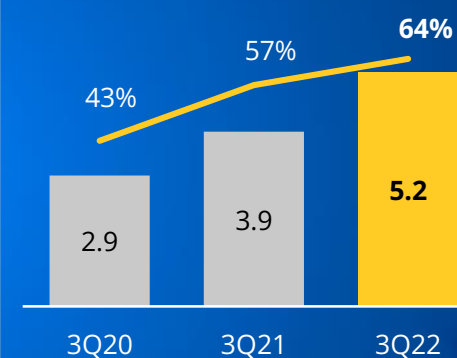
### SERVICE REVENUE AND YOY TRENDS

(UZS Billion and %)



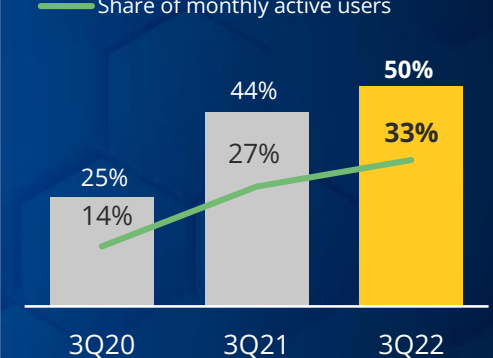
### 4G USERS AND PENETRATION

(3 month active, million and %)



### MULTIPLAY CUSTOMERS

Revenue share  
Share of monthly active users



- Third consecutive quarter of revenue YoY growth above 20%
- Adjusted for one-offs, revenue increased by 27.7% YoY, service revenue +27.9% YoY, and EBITDA was 17.1% higher YoY
- 4G users +34.7% YoY with 4G penetration reaching 64.0%
- Strong increase in mobile data usage +42.2% YoY supporting a 40.0% YoY rise in data revenue
- Portfolio of digital products and bundles support 36.9% YoY growth in multiplay customers
- For the fourth consecutive quarter Beeline Uzbekistan is market leader in terms of NPS

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# PORTFOLIO STRATEGY

VEON

## Focus on crystallising infrastructure value and digital operator model

### GROUP CAPITAL ALLOCATION PRIORITIES

- Monetise assets to enhance HQ liquidity and deleveraging
- Unlock infrastructure value through tower transactions
- Continue to invest into connectivity, digital opportunities, and support portfolio investments to drive growth in core countries
- Establish VEON as a digital operator focusing on Emerging Markets
- Continue to simplify portfolio and ownership structures to focus on operations with critical size or opportunity, which already resulted in successful sale of Algeria and Georgia

### SPECIFIC ACTION PLANS BY COUNTRY

- **Russia:** Completion of the VimpelCom Disposal in compliance with applicable sanctions laws and regulations
- **Ukraine:** Ensure people remain connected by keeping the network operational and re-invest cash generated locally to create value
- **Pakistan & Kazakhstan:** Consolidate market leadership positions and unlock infrastructure value while pioneering digital services
- **Bangladesh:** Unlock infrastructure value and free up capital for country-wide investment
- **Uzbekistan:** Capitalize on growth opportunities
- **Kyrgyzstan:** Continue to develop business while exploring strategic options

# MAIN INFRASTRUCTURE MONETISATION OPPORTUNITIES

## Aiming for several infrastructure monetisation deals across VEON markets

VEON

PAKISTAN	BANGLADESH	KAZAKHSTAN	UZBEKISTAN	UKRAINE
 <b>10.5k towers + up to 3.7k BTS</b>  Ongoing value crystallisation process	 <b>5.5k towers + up to 3.9k BTS</b>  Ongoing value crystallisation process	 <b>4.4k sites</b>  1.5k towers planned for short-term separation	 <b>3.7k sites</b>  Separation expected to conclude within 12 months	 <b>12.5k sites</b>  8.8k sites ready for value crystallisation

- More than 40k sites and “Build-to-Suit” (BTS) commitments selected for short to medium term value crystallisation
- Proven in-house expertise in infrastructure separation & monetisation following recent sale of tower portfolio in Russia and historic sale of towers in Italy
- Model and process for crystallising value optimized on a country-by-country level based on market-specific conditions
- Options to unlock value of fibre assets under consideration
- Aiming for several value crystallization deals to be announced within the next 9-12 months

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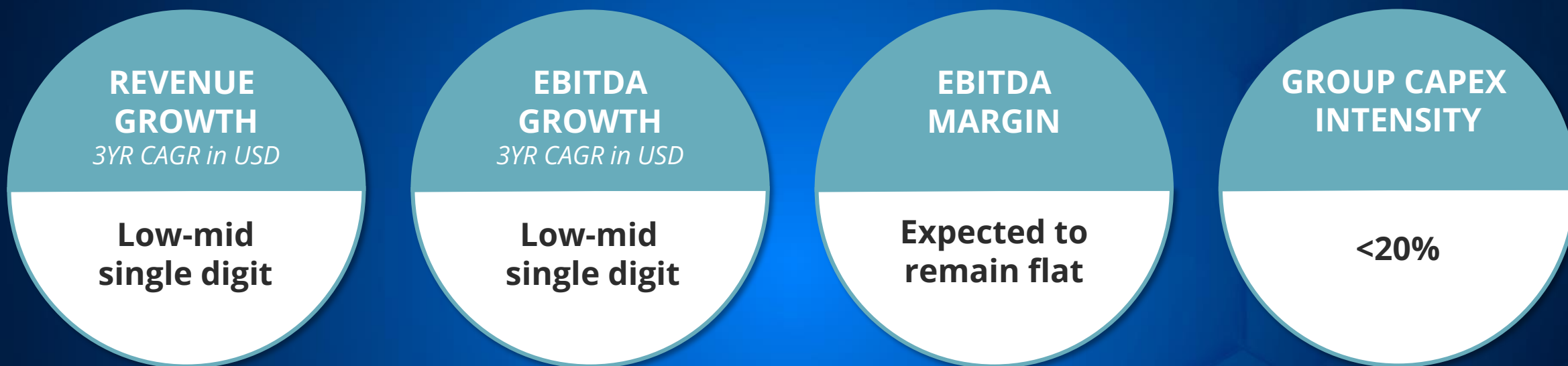
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# GROUP CONSOLIDATED AMBITION<sup>1</sup>

## 3-year forward 2022 – 2024 ambition



- Revenue, EBITDA growth, EBITDA margin revised downward from previously communicated guidance<sup>2</sup>
- Digital operator customer offers roll-out
- Continue to execute on infra value crystallisation
- Unlock value of high-potential digital assets
- Financial and operational discipline

1. Ambition levels based on current geographic footprint taking into account anticipated VimpelCom Disposal  
2. Ambition levels communicated per "Veon Growth Day – 7 December 2021" presentation materials

# PORTFOLIO FUTURE PERFORMANCE AMBITION

## 3-year forward 2022 – 2024 ambition

		Focus	Dividend Potential
	<b>Russia</b>	<ul style="list-style-type: none"> <li>Complete VimpelCom Disposal in compliance with applicable sanctions laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Expected proceeds of RUB 130bn</li> </ul>
	<b>Ukraine</b>	<ul style="list-style-type: none"> <li>Ensuring service continuity</li> </ul>	<ul style="list-style-type: none"> <li>No dividends anticipated</li> </ul>
	<b>Pakistan</b>	<ul style="list-style-type: none"> <li>Growing 4G penetration and digital services</li> </ul>	<ul style="list-style-type: none"> <li>Medium-high expected probability</li> </ul>
	<b>Kazakhstan</b>	<ul style="list-style-type: none"> <li>Execution of digital operator strategy</li> </ul>	<ul style="list-style-type: none"> <li>Medium-high expected probability</li> </ul>
	<b>Bangladesh</b>	<ul style="list-style-type: none"> <li>Continuing to gain market share</li> </ul>	<ul style="list-style-type: none"> <li>Low expected probability</li> </ul>
	<b>Uzbekistan</b>	<ul style="list-style-type: none"> <li>Expanding user base and high topline growth</li> </ul>	<ul style="list-style-type: none"> <li>Medium-high expected probability</li> </ul>
	<b>Kyrgyzstan</b>	<ul style="list-style-type: none"> <li>Maintaining position as leading telecoms provider in the area</li> </ul>	<ul style="list-style-type: none"> <li>Low expected probability</li> </ul>



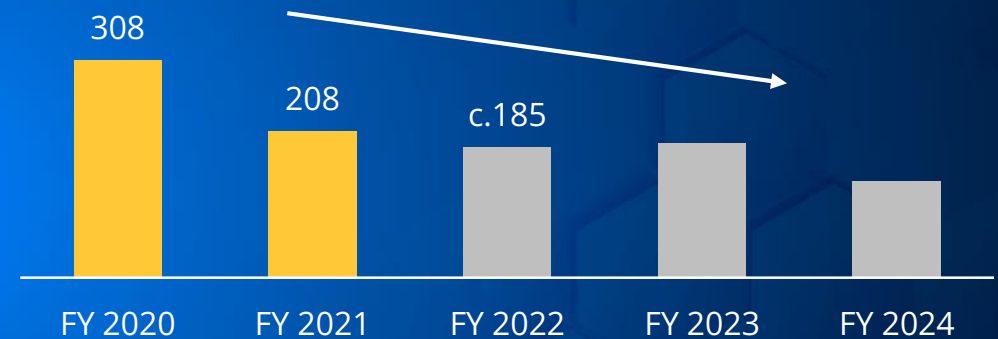
# HQ CASH FLOWS

**Decreasing corporate costs but uncertain cash upstreaming from OpCos, in particular in the current macro environment**

## CORPORATE COSTS<sup>1</sup> (CASH FLOW)

- FY2021 corporate costs were USD 208m, a decrease of ~32% YoY from USD 308m in FY2020
- FY2022 corporate costs expected of around USD 185m, down by ~10% YoY

### PROJECTED CORPORATE COSTS CASH FLOW (USDm)



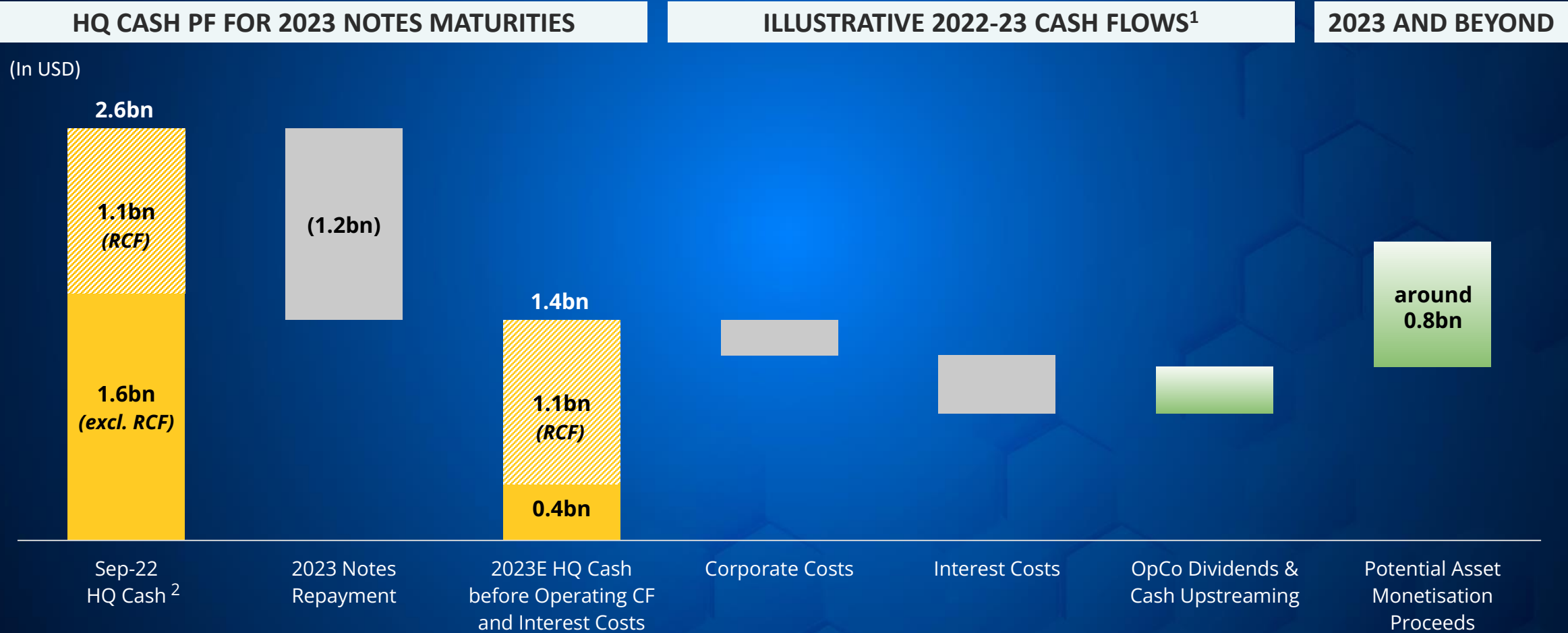
## CASH UPSTREAMING

- Given ongoing conflict, capital controls and sanctions environment, no dividend upstream expected from Russia and Ukraine in the foreseeable future
- Upstream potential in Pakistan, Uzbekistan, Kazakhstan

1. Including extraordinary costs as result of the current circumstances

# HQ LIQUIDITY PROFILE

Potential USD 1.2bn 2023 Notes repayment would imply PF HQ cash balance of USD 1.4bn (USD 0.4bn excl. RCF) prior to HQ cash flows and any asset monetisation proceeds



1.

Does not include RUB 130bn total consideration from the expected VimpelCom Disposal (which is anticipated to be discharged primarily via PJSC VimpelCom taking on and extinguishing VEON HQ debt)

2.

Pro forma adjusted for remaining USD 82m funding received under the RCF in November, following which the RCF is currently fully drawn

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## AMENDMENTS OBJECTIVES

**Amendments aim to provide additional time for the situation in Russia to become clearer following recent developments and to maximize value for all stakeholders whilst ensuring fair and equal treatment**

- ✓ Creating short-term maturity runway, allowing more time for the VimpelCom Disposal to complete
- ✓ Avoiding risk of double principal repayment to NSD Noteholders of the 2023 Notes (estimated to represent c.60%<sup>1</sup> of the 2023 Notes), i.e. by both VEON Holdings B.V. and PJSC VimpelCom
- ✓ Avoiding inefficient use of cash by having NSD-held portion of principal repayments trapped in international clearing systems
- ✓ Providing short-term stability and further optionality to implement asset monetisation strategy thereby underpinning VEON's objectives to reduce leverage and maximize stakeholder returns

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# SUMMARY TERM SHEETS – 2023 NOTES (1/2)

## Amendment to existing February 2023 and April 2023 Notes to extend maturities by 8 months with a put right

		Current Terms		Amended Terms
5.95% Notes due Feb-23	Principal Outstanding	<ul style="list-style-type: none"> <li>USD 529m</li> </ul>		<ul style="list-style-type: none"> <li>No change</li> </ul>
	Maturity	<ul style="list-style-type: none"> <li>13 February 2023</li> </ul>		<ul style="list-style-type: none"> <li>13 October 2023</li> </ul>
	Interest	<ul style="list-style-type: none"> <li>5.95%</li> </ul>		<ul style="list-style-type: none"> <li>No change</li> </ul>
	Amendment Consent Levels	<ul style="list-style-type: none"> <li>Reserved Matters                             <ul style="list-style-type: none"> <li>Consent threshold: 100% in aggregate principal amount of notes outstanding</li> <li>Quorum requirement: 100%</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>No change to voting thresholds and quorum requirements</li> <li>Beneficial owners of the Feb-23 Notes who are the target of applicable sanctions laws or regulations that prohibit them from dealing with the 2023 Notes to be excluded from counting in the consent and quorum thresholds (such beneficial owners would be excluded from both the numerator and denominator)</li> </ul>
	Amendment Fee <sup>1</sup>	<ul style="list-style-type: none"> <li>N/A</li> </ul>		<ul style="list-style-type: none"> <li>200bps (represents 300bps on an annualized basis)</li> </ul>
	Put Right	<ul style="list-style-type: none"> <li>N/A</li> </ul>		<ul style="list-style-type: none"> <li>See details on following page</li> </ul>
7.25% Notes due Apr-23	Principal Outstanding	<ul style="list-style-type: none"> <li>USD 700m</li> </ul>		<ul style="list-style-type: none"> <li>No change</li> </ul>
	Maturity	<ul style="list-style-type: none"> <li>26 April 2023</li> </ul>		<ul style="list-style-type: none"> <li>27 December 2023</li> </ul>
	Interest	<ul style="list-style-type: none"> <li>7.25%</li> </ul>		<ul style="list-style-type: none"> <li>No change</li> </ul>
	Amendment Consent Levels <sup>1</sup>	<ul style="list-style-type: none"> <li>Reserved Matters                             <ul style="list-style-type: none"> <li>Consent threshold: &gt;50% of votes cast on a poll</li> <li>Quorum requirement: ≥75% (or if at adjourned meeting, ≥50%)</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>No change to voting thresholds and quorum requirements</li> <li>Beneficial owners of the Apr-23 who are the target of applicable sanctions laws or regulations that prohibit them from dealing with the 2023 Notes to be excluded from counting in the consent and quorum thresholds (such beneficial owners would be excluded from both the numerator and denominator)</li> </ul>
	Amendment Fee	<ul style="list-style-type: none"> <li>N/A</li> </ul>		<ul style="list-style-type: none"> <li>200bps (represents 300bps on an annualized basis)</li> </ul>
	Put Right	<ul style="list-style-type: none"> <li>N/A</li> </ul>		<ul style="list-style-type: none"> <li>See details on following page</li> </ul>

No changes to other terms of the 2023 Notes

1. Payable on the amended maturity dates of the 2023 Notes on the 2023 Notes outstanding at that time

# SUMMARY TERM SHEETS – 2023 NOTES (2/2)

## Amendment to existing February 2023 and April 2023 Notes to extend maturities by 8 months with a put right

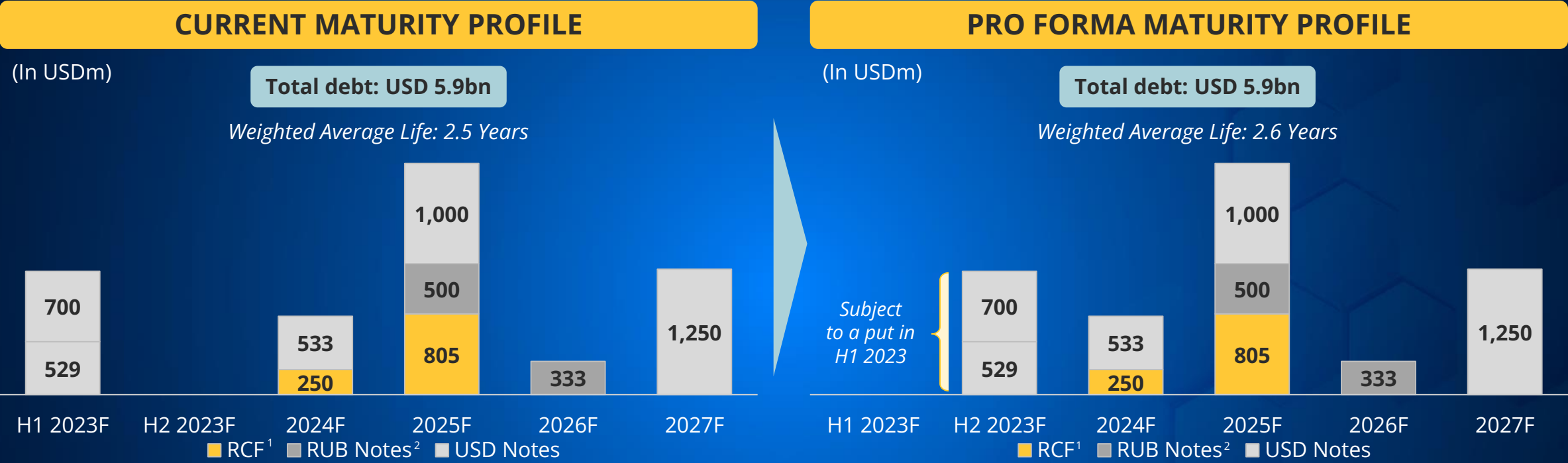
- Inclusion of uncapped put right allows noteholders to receive cash repayment just after the Scheme becomes effective

		Put Right
2023 Notes	Put Right Start Date	<ul style="list-style-type: none"> <li>The first business day following the Amendment Effective Date<sup>1</sup> under the Scheme</li> </ul>
	Put Right Period	<ul style="list-style-type: none"> <li>14 calendar days</li> </ul>
	Put Right Deadline	<ul style="list-style-type: none"> <li>14 calendar days following the first business day after the Amendment Effective Date<sup>1</sup> under the Scheme</li> </ul>
	Put Price	<ul style="list-style-type: none"> <li>102% of the principal amount plus accrued and unpaid interest to (but excluding) the Settlement Date</li> </ul>
	Put Right Conditions	<ul style="list-style-type: none"> <li>Compliance by the Company with all applicable laws and regulations, including Sanctions laws and regulations</li> <li>2023 Noteholders will need to comply with procedures specified in the Put Right Notice, in accordance with the Amended 2023 Notes Trust Deeds, including (i) submission of an election notice to the settlement agent (if any, or if not, to the Company); and (ii) delivery of the Amended 2023 Notes that are the subject of the put to the Company's account</li> </ul>
	Undertaking	<ul style="list-style-type: none"> <li>The Company will undertake pursuant to the Scheme and the amended 2023 Notes Trust Deeds not to, and to procure that its Subsidiaries do not, and VEON Ltd and VEON Amsterdam B.V. will undertake pursuant to a deed poll in the form appended to the Amended Explanatory Statement (the "Deed Poll") not to, tender for, redeem, conduct open market purchases of, or make any other repurchases of, any notes until after the settlement of each validly exercised Put Right, with the exception of (i) any tenders, redemptions, open market purchases or other repurchases of notes by or through Russian depositary institutions made by PJSC VimpelCom and its Subsidiaries and (ii) any purchase by any of them of notes acquired by PJSC VimpelCom or its Subsidiaries pursuant to limb (i)</li> </ul>

1. As defined in the Scheme

# RCF AND NOTE MATURITY PROFILE PRE & POST EXTENSION

## 2023 Notes extended by 8 months with no changes to other maturities



► We estimate that c.60% of the 2023 Notes and c.50% of all Notes maturing through 2027 are held via the NSD<sup>3</sup>



1.

Pro forma adjusted for remaining USD 82m funding received under the RCF in November, following which the RCF is currently fully drawn

2.

RUB Notes converted at 60 RUB/USD

3.

Estimate based on custodian data from Kroll

4.

RUB 130bn VimpelCom Disposal consideration converted at illustrative exchange rate of 60.5043 RUB/USD (Central Bank of Russia FX rate as of 24 November 2022)

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# ANTICIPATED PROCESS & TIMELINE

## Scheme expected to complete by early 2023

KEY DATE	STEPS
24 November 2022	Transaction announcement and launch of the Scheme via issuance of the practice statement letter
9 December 2022	Issuance of supplemental practice statement letter
20 December 2022	Convening hearing
21 December 2022	Issuance of explanatory statement (and accompanying documents) and, subject to receipt of any necessary licenses and approvals, invitation to submit voting and proxy forms, and notice of Scheme meeting
24 January 2023	Scheme meeting
30 January 2023	Sanction hearing, filing of sanction order and implementation of the Amendments*

*\*Subject to receipt of the necessary sanctions licenses and/or approvals from competent sanctions authorities*

Note: final dates subject to Court availability and confirmation



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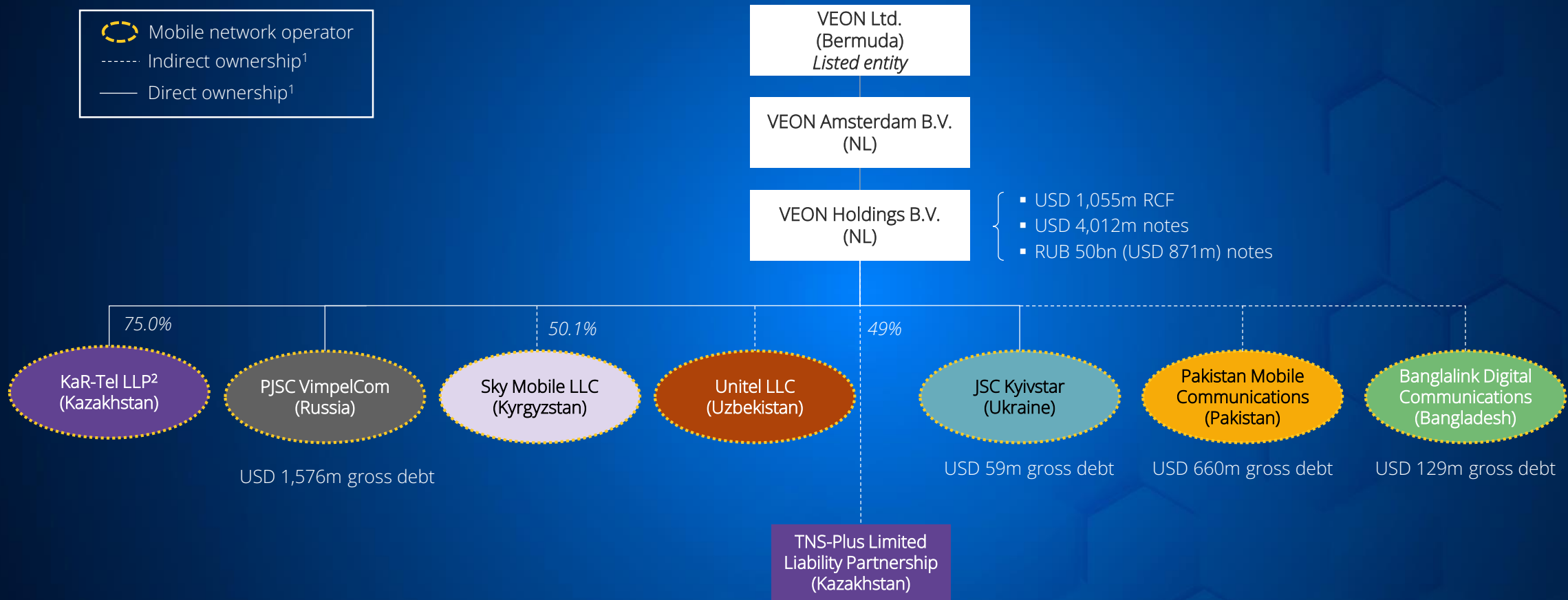
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# SUMMARY ORGANIZATION CHART



Note: Gross external debt outstanding as of 30-Sep-22 pro forma adjusted for remaining USD 82m funding received under the RCF in November, following which the RCF is currently fully drawn; excludes IFRS-16 lease liabilities; local currency debt converted at exchange rate as of 30-Sep-22 (57 RUB/USD for RUB-denominated debt); overview does not breakout small amount of debt outstanding (<USD 20m in aggregate) at other entities

1. 100% (direct and indirect) ownership unless indicated otherwise

2. In December 2022, the Group's 75% interest in KaR-Tel LLP was transferred from a subsidiary of PJSC VimpelCom to VEON Holdings B.V., with corresponding set-off of the sale proceeds against the relevant i/c loan balances between Veon Holdings B.V. and PJSC VimpelCom to be completed

# VEON

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