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Press release

Naftogaz postponed placement of Eurobonds

20 October 2020, Kyiv — NJSC Naftogaz of Ukraine has decided to postpone the placement of dollar Eurobonds, a plan to attract at least a \$500 million investment on the best possible terms for the company and its shareholder.

This decision was impacted by a series of negative news from Ukraine.

Peter van Driel, CFO of the Naftogaz Group, commented on the transfer of the Eurobond issue: "Naftogaz of Ukraine has chosen not to proceed with its new issue despite an oversubscription of demand and will defer the funding exercise to a later date.

Naftogaz was ready to attract foreign investment to the country. It has become clear however that international investors are becoming more and more concerned about the political and operating environment in Ukraine. They referred to the State Audit Service making allegations without any proof regarding reporting according to International Financial Reporting Standards.

Investors also mentioned, that they closely follow corporate governance reform in Ukraine as a key factor for the development of investment in Ukraine. While second important factor is the development of relations with IMF

We look forward to working with the government to address the concerns and seek to make Ukraine a country that is attractive for foreign direct investment".

On October 16, the Audit and Risks Committee of Naftogaz's Supervisory Board [issued a statement](#) assuring that Naftogaz's financial statements complied with Ukrainian legislation and international financial reporting standards (IFRS).

**Integrated Communications department
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