

Trends

Speculative Peace Trades Cushion Sovereigns; MHP Drives Credit Higher

Indicative quotes for Ukrainian sovereign Eurobonds edged only 0.2% lower, supported by lingering speculative demand from investors betting on a potential breakthrough in peace talks in the near term.

Ukrainian President Volodymyr Zelenskyy has said the US wants a peace settlement between Ukraine and Russia by early summer, despite repeated rounds of talks failing to reach a breakthrough over the issues of territory and security guarantees. Zelenskyy said that Washington had proposed that Ukrainian and Russian delegations meet in the United States, likely in Miami, in a week's time. The latest deadline follows US-brokered trilateral talks in Abu Dhabi in January that produced no breakthrough. Giving an insight to what happened at the last round of talks, Zelenskyy said: "Difficult issues remained difficult. Ukraine once again confirmed its positions on the Donbas issue.

Zelenskyy also said no common ground was reached on managing the Russian-occupied Zaporizhzhia nuclear plant and expressed skepticism about a US proposal to turn the Donbas region, coveted by Russia, into a free economic zone as a compromise.

U.S. Treasury Secretary Scott Bessent, who took part in earlier talks with Russian officials and Witkoff, said the imposition of further sanctions on Russia would depend on how the talks proceeded. Bessent maintained his belief that Russia's 2022 invasion of Ukraine was illegal and continued to believe Russian President was a war criminal.

Corporate Eurobonds of Ukrainian issuers, meanwhile, extended gains after MHP's successful tap of the market. The company initially raised USD 450mn through 2029 notes carrying a 10.5% coupon, and later upsized the deal by an additional USD 100mn at 104% of par, implying a yield to maturity of about 9.5%.

Metinvest's notes maturing in April jumped 6.5% to 98.6 cents on the dollar as the steelmaker prepares to refinance the repayment with a new bond sale. At the same time, indicative pricing for Metinvest's 2029 securities remained at 75.2 cents on the dollar, corresponding to a yield of 17.8%.

Highlights

- Metinvest Reports EBITDA of USD 565mn in 9M2025 (-33% YoY)

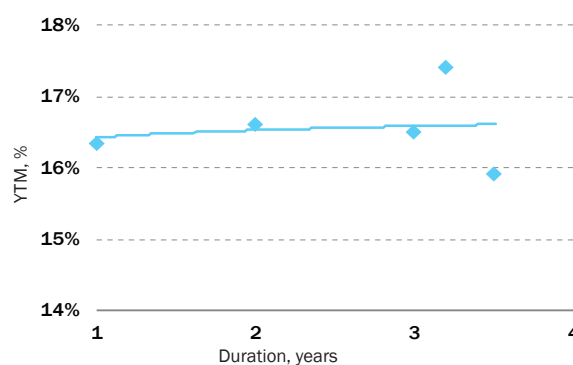
The National Bank of Ukraine has opened a special fundraising account to support the Armed Forces of Ukraine. Please find more at the National Bank's official website under the link below:

www.bank.gov.ua/en/about/support-the-armed-forces

The National Bank also opened fundraising account for Humanitarian Assistance to Ukrainians. Please see details under the link below:

www.bank.gov.ua/en/about/humanitarian-aid-to-ukraine

UAH-DENOMINATED BOND YIELD CURVE



Source: Bloomberg, Eavex Capital

FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	15.0%	0.0 p.p.	-0.5 p.p.
UAH 1-year bond yield	15.7%	-0.5 p.p.	-0.7 p.p.
Ukraine-2029 yield	17.1%	-1.0 p.p.	-0.9 p.p.
Ukraine-2036 yield	14.2%	-0.3 p.p.	-0.3 p.p.

CASH EXCHANGE RATES

	Last, UAH	1W chg.	YTD
USD/UAH	43.25	0.3%	2.2%
EUR/UAH	51.15	-0.5%	2.4%

Source: Eavex Capital

Metinvest Reports EBITDA of USD 565mn in 9M2025 (-33% YoY)

by Dmitry Churin
d.churin@eavex.com.ua

NEWS

Metinvest, Ukraine's largest metals & mining group, reported that its EBITDA dropped by 33% YoY to USD 565mn in 9M2025 as sales decreased by 7% YoY to USD 5.47bn in the period.

The company said its net debt to EBITDA ratio worsened to 1.7x as of September from 0.7x at the start of last year.

Metinvest's net debt amounted to USD 1.21bn as of September 2025.

The company's CAPEX amounted to USD 142mn with the metallurgical segment accounting for 56% of total investments in 9M2025.

METINVEST FINANCIAL RESULTS

USD mn	9M2024	9M2025	YoY
Revenue	5,858	5,473	-7%
EBITDA adj*	846	565	-33%
<i>margin</i>	14%	10%	-4 p.p.

	31 Dec 2024	30 Sept 2025	YtD
Total debt	1,701	1,514	-11%
Cash and equivalents	657	309	-53%
Net debt	1,445	1,214	-16%

*EBITDA adj figure does not include foreign exchange gains and losses and some other non-core expenses.

Source: Company Data

COMMENTARY

The company's worsening financial results were result of both the steel pricing pressure on the global market and the suspension of operations at Pokrovske Coal which located on the frontline of the war. Metinvest implemented adjustments within its steelmaking supply chain with no impact on steel volumes to replace coal from Pokrovske Mine.

On the positive side, the company said that it had stronger profitability of the Metallurgical segment in the reported period amid healthier margins supported by vertical integration.

Meanwhile, Metinvest's iron ore mining assets operated at just half of their of pre-war capacity during 9M2025.

The company said it is in the final stage of the sale of its US coal mine United Coal. In our view, the proceeds will support Metinvest's overall liquidity in the short-term. Metinvest acquired United Coal Company in April 2009 when it paid about USD 900mn for the business.

Metinvest-2026 (April) Eurobonds are traded at 98 cents on the dollar, implying a yield to maturity of 24%.

Metinvest-2027 (October) Eurobonds have indicative price of 92.5 cents, implying a yield of 12.8%.

Metinvest-2029 have indicative quotes at 75.2 cents of the dollar (17.8% YTM).

SELECTED UKRAINIAN EURO BONDS								
Issue	Indicative Price	Price change in one week	YTM, %	Coupon	Maturity Date	Volume USD mn	Currency	Ratings ¹
Sovereign Eurobonds								
Ukraine, 2029	77.1	-0.4%	17.2%	4.50%	1 Feb 2029	1,168	USD	Ca/CCC+/CCC
Ukraine, 2030 (B)	62.9	-0.2%	12.4%	-	1 Feb 2030	531	USD	Ca/CCC+/CCC
Ukraine, 2034	62.4	0.2%	14.6%	4.50%	1 Feb 2034	3,150	USD	Ca/CCC+/CCC
Ukraine, 2035	61.2	-0.3%	14.4%	4.50%	1 Feb 2035	2,946	USD	Ca/CCC+/CCC
Ukraine, 2036	60.2	0.0%	14.2%	4.50%	1 Feb 2036	2,456	USD	Ca/CCC+/CCC
Corporate Eurobonds								
MHP, 2029	103.7	0.1%	9.7%	10.5%	28 Jul 2029	550	USD	//
Kernel, 2027	95.4	0.6%	9.8%	6.75%	27 Oct 2027	300	USD	//
DTEK Energy, 2027	75.6	7.1%	24%	5.00%	31 Dec 2027	1,645	USD	//
Metinvest, 2026	98.6	6.5%	21%	8.50%	23 Apr 2026	648	USD	Caa3//CCC
Metinvest, 2029	75.2	0.0%	17.8%	7.75%	17 Oct 2029	500	USD	Caa3//CCC
NaftoGaz, 2026	77.0	1.2%	19.5%	7.625%	8 Nov 2026	500	USD	//
Ukrainian Railways, 2026	74.7	3.3%	n/a	8.25%	9 Jul 2026	500	USD	/CC/C

¹ Moody's/S&P/Fitch

Source: Boerse-Berlin, Boerse-Stuttgart. TR Data, Eavex Research

Eavex Capital

7 Klovsyky uzviz, 16th Floor
Carnegie Center
Kyiv, 01021, Ukraine

Telephone: +38 044 590 5454

E-mail: research@eavex.com.ua

Web-page: www.eavex.com.ua

Yuriy Yakovenko

Chairman of the Board

SALES & TRADING

Pavlo Korovitskiy

Managing Director

Equity and Fixed Income

p.korovitskiy@eavex.com.ua

RESEARCH

Dmytro Churin

Head of Research

d.churin@eavex.com.ua

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