



VEON  
VEON LTD.

*(formerly VimpelCom Ltd.)*

*(an exempted company limited by shares registered in Bermuda)*

This is a prospectus (“**Prospectus**”) relating exclusively to the admission to listing and trading of common shares, with a nominal value of \$0.001 each, in the capital of VEON Ltd. (“**Common Shares**”), on Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V. (“**Euronext Amsterdam**”). The Common Shares will trade in euros on Euronext Amsterdam.

An application has been made to have all Common Shares admitted to listing and trading on Euronext Amsterdam (the “**Listing**”). It is expected that the Listing will occur on or about April 4, 2017. An application has been made to list all Common Shares under the symbol “VEON” on Euronext Amsterdam under ISIN (International Security Identification Number) Code: BMG9349W1038. American Depositary Receipts of the Common Shares are currently listed on the NASDAQ Global Select Market under the symbol “VEON” (the “**VEON ADSs**”). On March 31, 2017, the last practicable date prior to the date of this Prospectus, the closing price per VEON ADS on the NASDAQ Global Select Market was \$4.08 (€3.83 based on the closing spot rate as published by Bloomberg at 4:59 p.m. EDT on March 31, 2017).

VEON, which has its headquarters in Amsterdam, the Netherlands, expects the Listing will further improve its profile in the international capital markets, including through a potential future inclusion in the Euronext and other indices, and will provide broader access to European based investors, offering optimal visibility and access to the euro zone capital markets.

On March 30, 2017, VimpelCom Ltd. changed its name to VEON Ltd. References in this Prospectus to “VEON” and the “VEON Group,” as well as references to “our company,” “the company,” “our group,” “the group,” “we,” “us,” “our” and similar pronouns, are references to VEON Ltd., as of March 30, 2017 and to VimpelCom Ltd. prior to March 30, 2017, an exempted company limited by shares registered in Bermuda, and its consolidated subsidiaries. References to VEON Ltd. are to VEON Ltd. alone as of March 30, 2017 and to VimpelCom Ltd. alone prior to March 30, 2017.

VEON Ltd. prepares its Annual Report on Form 20-F pursuant to the U.S. Securities Exchange Act of 1934, as amended. On March 31, 2016, VEON Ltd. published such Annual Report relating to the financial year ended December 31, 2015 (the “**2015 20-F**”) and on April 3, 2017, VEON Ltd. published such Annual Report on Form 20-F relating to the financial year ended December 31, 2016 (the “**2016 20-F**”).

The 2016 20-F is incorporated by reference into this Prospectus. This Prospectus may not be used for and does not constitute an offer to sell, or the solicitation of an offer to buy, any of the Common Shares, the VEON ADSs or any other securities issued by VEON Ltd.

This Prospectus constitutes a prospectus for the purposes of Article 3 of the Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003, as amended, including as amended by Directive 2010/73/EU (the “**Prospectus Directive**”). This Prospectus has been prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder. This Prospectus has been filed with, and approved by, the Autoriteit Financiële Markten (the “**AFM**”).

Investing in Common Shares involves risks. Please read this entire Prospectus carefully, including all information incorporated by reference into this Prospectus, including the 2016 20-F. Please see the section entitled ‘Risk Factors’ beginning on page 10 of the 2016 20-F for a description of the material risks that should be considered before investing in the Common Shares.

VEON has appointed ING Bank N.V. as its listing and Euroclear agent (the “**Listing Agent**”) for the Listing. Distribution of this Prospectus may, in certain jurisdictions, be subject to specific regulations or restrictions. Persons in possession of this Prospectus are urged to inform themselves of any such regulations or restrictions which may apply in their jurisdiction and to observe them. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. VEON disclaims all responsibility for any violation of such restrictions by any person.

**Listing Agent**

ING Bank N.V.

**The date of this Prospectus is April 3, 2017.**

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## Summary

Summaries are constructed on a modular basis, consisting of disclosure requirements known as “Elements”. These Elements are numbered below in sections A—E (A.1—E.7). This summary contains all the Elements that must be disclosed in this Prospectus. The order of sections A—E, as well as the Elements contained in these sections, is mandatory. Where an Element is not applicable to this Prospectus, the Element will appear in the summary with the mention ‘not applicable’.

<b>Section A—Introduction and warnings</b>	
<b>A.1</b>	<b>Introduction and warnings</b> <p>This summary should be read as an introduction to this Prospectus of which this summary forms part. This Prospectus relates to the admission to listing and trading of all of the Common Shares on Euronext Amsterdam.</p> <p>Any decision to invest in the Common Shares should be based on consideration of this Prospectus as a whole by the investor, including the information incorporated by reference into this Prospectus.</p> <p>On March 30, 2017, VimpelCom Ltd changed its name to VEON Ltd. References in this Prospectus to “VEON” and the “VEON Group,” as well as references to “our company,” “the company,” “our group,” “the group,” “we,” “us,” “our” and similar pronouns, are references to VEON Ltd., as of March 30, 2017 and to VimpelCom Ltd. prior to March 30, 2017, an exempted company limited by shares registered in Bermuda, and its consolidated subsidiaries. References to VEON Ltd. are to VEON Ltd. alone as of March 30, 2017 and to VimpelCom Ltd. alone prior to March 30, 2017.</p> <p>Where a claim relating to the information contained in, or incorporated by reference into, this Prospectus is brought before a court in a member state of the European Economic Area (“<b>Member State</b>”), the plaintiff investor might, under the national legislation of that Member State, have to bear the costs of translating this Prospectus, or any information incorporated by reference therein, before the legal proceedings are initiated.</p> <p>Civil liability in relation to this summary (including any translation thereof) could attach to VEON, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or if it does not provide, when read together with the other parts of this Prospectus, including the information incorporated by reference therein, key information in order to aid investors when considering whether to invest in the Common Shares.</p>
<b>A.2</b>	<b>Consent for placement by third parties</b> <p>Not applicable.</p>
<b>Section B—Issuer</b>	
<b>B.1</b>	<b>Name of the issuer</b> <p>VEON’s legal name is VEON Ltd.</p> <p>On February 27, 2016, the Company announced its name change from “VimpelCom” to “VEON” which was approved by its shareholders on 30 March 2017.</p> <p>VEON operates under the “Beeline”, “Djezzy”, “Jazz”, “banglalink”, and “Kyivstar” brands and owns 50% of a joint venture in Italy, which operates under the “WIND” and “3” brands.</p>
<b>B.2</b>	<b>General information on the issuer</b> <p>VEON is an exempted company limited by shares, incorporated under the laws of Bermuda and registered under the Companies Act 1981 of Bermuda, as amended (the “<b>Companies Act</b>”) on 5 June 2009. VEON’s registered office is located at Victoria Place, 31 Victoria Street, Hamilton HM 10, Bermuda and its headquarters are located at Claude Debussylaan 88, 1082 MD, Amsterdam, the Netherlands.</p>
<b>B.3</b>	<b>Business</b> <b>Main activities</b> <p>VEON’s main activity is offering telecommunication services.</p>

	<p><b>Main products</b></p> <p>VEON provides voice and data services through a range of traditional and broadband mobile and fixed-line technologies.</p> <p><i>Mobile telecommunication business</i></p> <p>Our mobile telecommunication business covers a wide range of mobile services under contract and prepaid plans for both corporate and consumer segments. These services include voice services, wireless internet access, mobile financial services and other data services, such as fixed mobile convergence, corporate SMS services and mobile cloud solutions. We also offer value added services, including messaging services, content/infotainment services data access services, location based services, media and content delivery channels, as well as call completion services. Furthermore, we provide access to both national and international roaming services, which allows our customers and customers of other mobile operators to receive and make international, local and long distance calls while outside of their home network.</p> <p><i>Fixed-line Telecommunications and Fixed-line Internet Business</i></p> <p>Through our fixed-line telecommunications and fixed-line internet business we offer voice, data and internet services to corporations, operators and consumers using a metropolitan overlay network in major cities throughout Russia, Ukraine, and Uzbekistan. In our fixed-line/mobile integrated business structure in Russia, Ukraine, and Uzbekistan, fixed-line telecommunications use inter-city fiber optic and satellite-based networks. Our fixed-line business in Armenia includes a wide range of services, including PSTN-fixed and IP telephony, internet, data transmission and network access, domestic and international voice termination and TCP/IP international transit, over our national networks. Through our fixed-line business in Kazakhstan we offer range of services for business-to-operation, business-to-business and business-to-customer segments. In Pakistan, we offer internet and value added services over a wide range of access media, but we do not report customer numbers and other data on our fixed-line business in Pakistan, as we do with Russia, Ukraine and Uzbekistan, because the fixed-line business in Pakistan is not material to our overall business. VEON does not offer fixed-line services in Algeria, Bangladesh, Kyrgyzstan, Tajikistan, Laos or Georgia.</p> <p><i>Interconnection Agreements</i></p> <p>Our mobile and fixed-line businesses are also dependent on interconnection services, which are required to complete calls that originate on our respective networks but terminate outside our respective networks, or that originate from outside our respective networks and terminate on our respective networks. In order to provide a local, domestic and international network, we have interconnection agreements in the markets in which we operate.</p> <p><b>Main markets</b></p> <p>VEON offers services to customers in a total of 12 countries including Russia, Pakistan, Algeria, Uzbekistan, Ukraine, Bangladesh, Kazakhstan, Kyrgyzstan, Tajikistan, Armenia, Georgia and Laos. VEON operates under the “Beeline”, “Djezzy”, “Jazz”, “banglalink”, and “Kyivstar” brands. VEON Ltd. owns 50% of a joint venture in Italy, which offers services to customers in Italy and provides services under the “WIND” and “3” brands.</p>
<p><b>B.4a/ B.4b</b></p>	<p><b>Trends</b></p> <p><i>Customer and revenue growth</i>—The mobile markets in Russia, Algeria, Ukraine, Kazakhstan, Kyrgyzstan, Armenia, Georgia, Tajikistan and Italy have each reached mobile penetration rates exceeding 100.0%. As a result, we will focus less on customer market share growth and more on revenue market share growth in each of these markets. The key components of our growth strategy in these markets will be to increase our share of the high-value customer market, increase usage of our value added services, improve customer loyalty and retain our customers.</p> <p>The remaining mobile markets in which we operate, including Pakistan and Bangladesh are still in a phase of customer growth with penetration rates substantially lower than in our other markets. In these markets, our management expects revenue growth to come primarily from customer growth in the short term and increasing usage of voice and data traffic in the medium term.</p>

	<p>Our management expects revenue growth in our mobile business to come primarily from an increase in data revenue and the ability to upsell our customers, and in our fixed-line business from broadband, as well as business and corporate services.</p> <p><i>Strong competition in Russia</i>—In Russia, we see continued signs of strong competition in the market, with pricing pressure on devices and increased data allowances, while the macro environment remains challenging. We are aiming to improve the customer proposition by focusing on customer service, offering integrated bundles including voice, text, and data, and introducing innovative products and services.</p>												
<p><b>B.5</b></p>	<p><b>The group</b></p> <p>VEON Ltd. is the group parent company and its principal assets are the equity interests it directly or indirectly holds in its operating subsidiaries. In Italy, VEON Ltd. owns 50% of a joint venture, which operates under the “WIND” and “3” brands.</p>												
<p><b>B.6</b></p>	<p><b>Major shareholders</b></p> <p>The following table sets forth information with respect to the beneficial ownership of VEON Ltd. as of March 29, 2017 by each person who is known by us to beneficially own 5.0% or more of the Common Shares. As of March 29, 2017, we had 1,756,731,135 issued Common Shares.</p> <table border="1" data-bbox="279 750 1398 952"> <thead> <tr> <th data-bbox="279 817 406 840"><u>Shareholder</u></th> <th data-bbox="1085 772 1236 840"><u>Number of VEON Ltd. Common Shares</u></th> <th data-bbox="1268 750 1396 840"><u>Percent of VEON Ltd. Common and voting Shares</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="279 851 1061 873"><b>LIT VIP Holdings S.à r.l.</b><sup>(1)</sup> .....</td> <td data-bbox="1085 851 1236 873">840,625,001</td> <td data-bbox="1268 851 1396 873">47.9%</td> </tr> <tr> <td data-bbox="279 884 1061 907"><b>Telenor East Holding II A</b><sup>(2)</sup> .....</td> <td data-bbox="1085 884 1236 907">416,703,840</td> <td data-bbox="1268 884 1396 907">23.7%</td> </tr> <tr> <td data-bbox="279 918 1061 940"><b>The Stichting</b><sup>(3)</sup> .....</td> <td data-bbox="1085 918 1236 940">145,947,562</td> <td data-bbox="1268 918 1396 940">8.3%</td> </tr> </tbody> </table> <p>(1) As reported on Schedule 13D, Amendment No. 19, filed on April 1, 2016, by LIT VIP Holdings S.à r.l. and LetterOne Investment Holdings S.A. with the SEC, LIT VIP Holdings S.à r.l. is the direct beneficial owner of 840,625,001 of VEON Ltd.’s common shares, representing approximately 47.9% of VEON Ltd.’s issued and outstanding shares. Each of LIT VIP Holdings S.à r.l. and LetterOne Investment Holdings S.A may be deemed the beneficial owner of 840,625,001 of VEON Ltd.’s common shares, representing approximately 47.9% of VEON Ltd.’s issued outstanding shares, held for the account of LIT VIP Holdings S.à r.l.</p> <p>(2) As reported on Schedule 13D, Amendment No. 36, filed on September 27, 2016, by Telenor East Holdings II AS, Telenor Mobile Holding AS and Telenor ASA (collectively, “Telenor”) with the SEC, Telenor is the direct beneficial owner of, and Telenor Mobile Holding AS and Telenor ASA may be deemed to be the beneficial owners of 416,703,840 of VEON Ltd.’s common shares. The common shares held by Telenor East represent approximately 23.7% of VEON Ltd.’s issued and outstanding shares.</p> <p>(3) As reported on Schedule 13G, filed on April 1, 2016, by Stichting Administratiekantoor Mobile Telecommunications Investor (“Stichting”) with the SEC, Stichting is the direct beneficial owner of 145,947,562 of VEON Ltd.’s common shares. As the holder of depositary receipts issued by Stichting, LIT VIP Holdings S.à r.l. is entitled to the economic benefits (dividend payments, other distributions and sale proceeds) of such depositary receipts, and indirectly of the 145,947,562 common shares represented by the depositary receipts. Stichting is a foundation incorporated under the laws of the Netherlands. The common shares held by Stichting represent approximately 8.3% of VEON Ltd.’s issued and outstanding shares.</p> <p>None of VEON Ltd.’s major shareholders has different voting rights.</p> <p>We may purchase our own shares for cancellation or acquire them as treasury shares in accordance with Bermuda law on such terms as the supervisory board may determine. As our Common Shares and convertible preferred shares have equal voting rights, we sometimes refer to them collectively as “voting shares”.</p>	<u>Shareholder</u>	<u>Number of VEON Ltd. Common Shares</u>	<u>Percent of VEON Ltd. Common and voting Shares</u>	<b>LIT VIP Holdings S.à r.l.</b> <sup>(1)</sup> .....	840,625,001	47.9%	<b>Telenor East Holding II A</b> <sup>(2)</sup> .....	416,703,840	23.7%	<b>The Stichting</b> <sup>(3)</sup> .....	145,947,562	8.3%
<u>Shareholder</u>	<u>Number of VEON Ltd. Common Shares</u>	<u>Percent of VEON Ltd. Common and voting Shares</u>											
<b>LIT VIP Holdings S.à r.l.</b> <sup>(1)</sup> .....	840,625,001	47.9%											
<b>Telenor East Holding II A</b> <sup>(2)</sup> .....	416,703,840	23.7%											
<b>The Stichting</b> <sup>(3)</sup> .....	145,947,562	8.3%											

**B.7**

**Selected historical financial information**

The following tables set forth our summary consolidated historical financial information as for the periods ended on the dates indicated below. The summary financial information as of and for years ended December 31, 2014, 2015 and 2016, stated below is derived from VEON’s consolidated financial statements incorporated by reference into this Prospectus.

Our consolidated historical financial information set forth below is derived from VEON’s consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

**CONSOLIDATED INCOME STATEMENT**

for the years ended December 31, 2016, 2015 and 2014

	<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>(In millions of U.S. dollars, except amounts per share)</i>				
Service revenues . . . . .		8,553	9,313	13,200
Sale of equipment and accessories . . . . .		184	190	218
Other revenues/ other income . . . . .		148	103	68
<b>Total operating revenues . . . . .</b>	<b>8</b>	<b><u>8,885</u></b>	<b><u>9,606</u></b>	<b><u>13,486</u></b>
Service costs . . . . .		1,769	1,937	2,931
Cost of equipment and accessories . . . . .		216	231	252
Selling, general and administrative expenses . . . . .	9	3,668	4,563	4,743
Depreciation . . . . .	16	1,439	1,550	1,996
Amortization . . . . .	17	497	517	647
Impairment loss . . . . .	10	192	245	976
Loss on disposals of non-current assets . . . . .		20	39	68
<b>Total operating expenses . . . . .</b>		<b><u>7,801</u></b>	<b><u>9,082</u></b>	<b><u>11,613</u></b>
<b>Operating profit . . . . .</b>		<b><u>1,084</u></b>	<b><u>524</u></b>	<b><u>1,873</u></b>
Finance costs . . . . .		830	829	1,077
Finance income . . . . .		(69)	(52)	(52)
Other non-operating losses / (gains) . . . . .	14	82	42	(121)
Share of (profit) / loss of associates and joint ventures accounted for using the equity method . . . . .	13	(48)	(14)	38
Impairment of associates and joint ventures accounted for using the equity method . . . . .	13	99	—	—
Net foreign exchange (gain) / loss . . . . .		(157)	314	556
<b>Profit/ (loss) before tax . . . . .</b>		<b><u>347</u></b>	<b><u>(595)</u></b>	<b><u>375</u></b>
Income tax expense . . . . .	11	635	220	598
<b>Loss for the period from continuing operations . . . . .</b>		<b><u>(288)</u></b>	<b><u>(815)</u></b>	<b><u>(223)</u></b>
Profit/(loss) after tax for the period from discontinued operations . . . . .	6	920	262	(680)
Gain on disposal of discontinued operations, net of tax . . . . .	6	1,788	—	—
<b>Profit/(loss) for the period from discontinued operations . . . . .</b>		<b><u>2,708</u></b>	<b><u>262</u></b>	<b><u>(680)</u></b>
<b>Profit/ (loss) for the period . . . . .</b>		<b><u>2,420</u></b>	<b><u>(553)</u></b>	<b><u>(903)</u></b>
<b>Attributable to:</b>				
The owners of the parent (continuing operations) . . . . .		(380)	(917)	33
The owners of the parent (discontinued operations) . . . . .		2,708	262	(680)
Non-controlling interest . . . . .	12	92	102	(256)
		<b><u>2,420</u></b>	<b><u>(553)</u></b>	<b><u>(903)</u></b>
<b>Earnings/ (loss) per share from continued operations</b>				
Basic and diluted, (loss)/ profit for the period attributable to ordinary equity holders of the parent . . . . .	15	(\$0.22)	(\$0.52)	\$0.02
<b>Earnings/ (loss) per share from discontinued operations</b>				
Basic and diluted, profit/ (loss) for the period attributable to ordinary equity holders of the parent . . . . .	15	\$1.55	\$0.15	(\$0.39)
<b>Total earnings / loss per share</b>				
Basic and diluted, profit/ (loss) for the period attributable to ordinary equity holders of the parent . . . . .		\$1.33	(\$0.37)	(\$0.37)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at December 31, 2016, 2015 and 2014

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>(In millions of U.S. dollars)</i>			
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment .....	6,719	6,239	11,849
Intangible assets .....	2,257	2,224	7,717
Goodwill .....	4,696	4,223	10,285
Investments in joint ventures .....	2,179	201	265
Deferred tax assets .....	343	150	575
Non-current income tax advance .....	25	28	91
Other financial assets .....	306	164	602
Other assets .....	118	105	26
<b>Total non-current assets .....</b>	<b><u>16,643</u></b>	<b><u>13,334</u></b>	<b><u>31,410</u></b>
<b>Current assets</b>			
Inventories .....	125	104	117
Trade and other receivables .....	685	677	1,886
Other assets .....	439	334	797
Current income tax assets .....	169	259	219
Other financial assets .....	190	395	266
Cash and cash equivalents .....	2,942	3,614	6,342
<b>Total current assets .....</b>	<b><u>4,550</u></b>	<b><u>5,383</u></b>	<b><u>9,627</u></b>
Assets classified as held for sale .....	—	15,137	5
<b>Total assets .....</b>	<b><u>21,193</u></b>	<b><u>33,854</u></b>	<b><u>41,042</u></b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity attributable to equity owners of the parent .....	5,960	3,765	5,006
Non-controlling interests .....	83	129	(1,030)
<b>Total equity .....</b>	<b><u>6,043</u></b>	<b><u>3,894</u></b>	<b><u>3,976</u></b>
<b>Non-current liabilities</b>			
Financial liabilities .....	8,070	8,095	23,936
Provisions .....	148	350	527
Other liabilities .....	44	95	401
Deferred tax liabilities .....	331	404	1,637
<b>Total non-current liabilities .....</b>	<b><u>8,593</u></b>	<b><u>8,944</u></b>	<b><u>26,501</u></b>
<b>Current liabilities</b>			
Trade and other payables .....	1,744	1,768	4,007
Other liabilities .....	1,236	1,039	1,930
Other financial liabilities .....	3,046	1,693	3,188
Current income tax payables .....	57	19	72
Provisions .....	474	1,020	1,368
<b>Total current liabilities .....</b>	<b><u>6,557</u></b>	<b><u>5,539</u></b>	<b><u>10,565</u></b>
Liabilities associated with assets held for sale .....	—	15,477	—
<b>Total equity and liabilities .....</b>	<b><u>21,193</u></b>	<b><u>33,854</u></b>	<b><u>41,042</u></b>

No significant change in the financial or trading position of the VEON Group has occurred since the end of the last financial period for which financial statements were published, being the audited financial statements as of and for the financial year ended on December 31, 2016. Since the publication of the financial statements as of and for the financial year ended December 31, 2016, VEON has not yet published any interim financial statements.

**B.8 Selected key unaudited pro forma financial information**

Not applicable. No pro forma financial information has been included in this Prospectus.

**B.9 Forecast or estimate of the profit**

Not applicable. VEON has not issued a profit forecast.

<b>B.10</b>	<p><b>Qualification of the auditor</b></p> <p>Not applicable. The selected consolidated financial information is derived from VEON’s consolidated financial statements as included in the 2016 20-F. The auditors have not qualified their reports on the historical financial information included in, or incorporated by reference into, this Prospectus.</p>
<b>B.11</b>	<p><b>Working capital statement</b></p> <p>VEON is of the opinion that it has sufficient working capital available for its present requirements; that is, for at least 12 months following the date of this Prospectus.</p>
<b>Section C—Securities</b>	
<b>C.1</b>	<p><b>Description of Common Shares</b></p> <p>The Common Shares are common shares in the issued share capital of VEON Ltd. with a nominal value of \$0.001 each. An application has been made to list all Common Shares under the symbol “VEON” on Euronext Amsterdam under ISIN (International Security Identification Number) Code: BMG9349W1038.</p>
<b>C.2</b>	<p><b>Currency of the Common Shares</b></p> <p>On Euronext Amsterdam, the Common Shares will trade in Euro.</p> <p>On the NASDAQ Global Select Market, the VEON ADSs will continue to trade in US dollars.</p>
<b>C.3</b>	<p><b>Share capital</b></p> <p>On the date of this Prospectus, the authorized share capital of VEON consists of Common Shares and convertible preferred shares. The Common Shares and the convertible preferred shares have a nominal value of \$0.001 per share. Both have equal voting rights.</p> <p>As of December 31, 2016, the authorized share capital was divided into Common Shares, par value US\$0.001, of which 2,759,171,830 were authorized and 1,756,731,135 were issued and convertible preferred shares, par value US\$0.001, of which 305,000,000 were authorized and nil were issued. Subject to VEON’s bye-laws (the “<b>Bye-Laws</b>”) and to any shareholders’ resolution to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, our supervisory board has the power to issue any authorized but unissued shares on such terms and conditions as it may determine.</p>
<b>C.4</b>	<p><b>Rights attached to the Common Shares</b></p> <p><i>Dividend rights</i></p> <p>The holders of Common Shares are, subject to our Bye-laws and Bermuda law, generally entitled to enjoy all the rights attaching to Common Shares. Except for treasury shares, each fully paid VEON Common Share entitles its holder to:</p> <ul style="list-style-type: none"> <li>• participate in shareholder meetings;</li> <li>• have one vote on all issues voted upon at a shareholder meeting, except for the purposes of cumulative voting for the election of the supervisory board, in which case each Common Share shall have the same number of votes as the total number of members to be elected to the supervisory board and all such votes may be cast for a single candidate or may be distributed between or among two or more candidates;</li> <li>• receive dividends approved by the supervisory board;</li> <li>• in the event of our liquidation, receive a pro rata share of our surplus assets; and</li> <li>• exercise any other rights of a common shareholder set forth in our Bye-laws and Bermuda law.</li> </ul> <p><i>Pre-emptive rights</i></p> <p>The Bye-laws and Bermuda law do not provide for pre-emptive rights of shareholders in respect of new shares issued by VEON.</p>



	<p><b><i>Attendance of shareholders' meetings</i></b></p> <p>Shareholders' meetings are convened and held in accordance with our Bye-laws and Bermuda law. Registered holders of voting shares as of the record date for the shareholder meeting may attend and vote.</p> <p><b><i>Voting rights</i></b></p> <p>The holders of Common Shares, subject to the provisions of our Bye-laws, are entitled to one vote per common share, voting together with the convertible preferred shares as a single class, except where cumulative voting applies when electing directors. No votes may be cast at a VEON general meeting in respect of shares that are held by VEON or its subsidiaries.</p> <p>Any question proposed for the consideration of the shareholders at any general meeting may be decided by the affirmative votes of a simple majority of the votes cast, except for:</p> <ul style="list-style-type: none"> <li>• whitewash procedure for mandatory offers, which requires the affirmative vote of a majority of the shareholders voting in person or by proxy at a general meeting, excluding the vote of the shareholder or shareholders in question and their affiliates;</li> <li>• voting for directors, which requires directors to be elected by cumulative voting at each annual general meeting;</li> <li>• changes to our Bye-laws, which require a resolution to be passed by shareholders representing not less than 75.0% of the total voting rights of the shareholders who vote in person or by proxy on the resolution;</li> <li>• any merger, consolidation, amalgamation, conversion, reorganization, scheme of arrangement, dissolution or liquidation, which requires a resolution to be passed by shareholders representing not less than 75.0% of the total voting rights of the shareholders who vote in person or by proxy on the resolution;</li> <li>• loans to any director, which require a resolution to be passed by shareholders representing not less than 90.0% of the total voting rights of the shareholders who vote in person or by proxy on the resolution; and</li> <li>• the discontinuation of VEON Ltd. to a jurisdiction outside Bermuda, which requires a resolution to be passed by shareholders representing not less than 75.0% of the total voting rights of the shareholders who vote in person or by proxy on the resolution.</li> </ul> <p>Our Bye-laws require voting on any resolution at any meeting of the shareholders to be conducted by way of a poll vote. Except where cumulative voting is required, each person present and entitled to vote at a meeting of the shareholders shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot or, in the case of a general meeting at which one or more shareholders are present by electronic means, in such manner as the chairman of the meeting may direct. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.</p>
C.5	<p><b>Restrictions on transferability</b></p> <p>Not applicable. The Common Shares may only be offered, sold or transferred in accordance with applicable law.</p>
C.6	<p><b>Listing</b></p> <p>Application has been made to have all Common Shares admitted to listing and trading on Euronext Amsterdam. It is expected that the Listing, under the symbol "VEON" will occur on or about April 4, 2017, and the expected date of the Listing will be announced by means of press release.</p> <p>The VEON ADSs are currently listed on the NASDAQ Global Select Market under the symbol "VEON". The ISIN (International Security Identification Number) for the VEON ADSs is US91822M1062.</p>
C.7	<p><b>Dividend policy</b></p> <p>Our supervisory board approved a new dividend policy following the completion of the joint venture in Italy, improved cash flows and stabilization of the macroeconomic environment.</p> <p>For the financial year ended December 31, 2016, we intend to pay a dividend in the aggregate amount of USD 0.23 per Common Share, comprised of USD 0.035 per Common Share paid as an interim</p>

dividend in December 2016 and USD 0.195 per Common Share, with a record date of March 30, 2017, as a final dividend intended to be paid on April 12, 2017. We aim to thereafter pay a sustainable and progressive dividend based on the evolution of our equity free cash flow, which is defined as net cash flow from operating activities less net cash used in investing activities, as reported in our consolidated financial statements. The precise amount and timing of dividends for a particular year is subject to the approval of our supervisory board and compliance with the Companies Act and other applicable law. The financial terms referred to above are derived from and computed on the basis of measurements that appear in our audited annual consolidated IFRS financial statements. Unless otherwise specified, all financial measurements in these guidelines shall be calculated based on the financial statements for the year ended prior to the decision being taken. For interim dividends, these financial measurements shall be calculated based on the financial statements for the quarters in the year ended prior to the decision being taken (whether such financial statements are audited or unaudited).

## Section D—Risks

### D.1

#### Risks Related to Our Business

- Substantial amounts of indebtedness and debt service obligations could materially decrease our cash flow, adversely affect our business and financial condition and prevent us from raising additional capital.
- We may not be able to successfully implement our strategic priorities.
- We may not be able to raise additional capital.
- We are exposed to foreign currency exchange loss and currency fluctuation and translation risks.
- As a holding company, VEON Ltd. depends on the ability of its subsidiaries to pay dividends and therefore on the performance of its subsidiaries, and is affected by changes in exchange controls and currency restrictions in the countries in which its subsidiaries operate.
- We have incurred and are continuing to incur costs in connection with our obligations under the Deferred Prosecution Agreement (the “DPA”) with the U.S. Department of Justice (the “DOJ”), filed with the United States District Court for the Southern District of New York, the judgment entered by the United States District Court for the Southern District of New York related to the agreement with the SEC, including the consent incorporated therein (the “SEC Judgment”) and the settlement agreement with the Dutch Openbaar Ministerie (the “OM”), which may be significant.
- We could be subject to criminal or civil prosecution if we breach the DPA with the DOJ, the SEC Judgment or the settlement agreement with the OM, and we may face other potentially negative consequences relating to the investigations by, and agreements with, the DOJ, SEC and OM, including additional investigations and litigation.
- Efforts to merge with or acquire other companies or product lines, or to otherwise form strategic partnerships with third parties, may divert management attention and resources away from our business operations, and if we complete a merger, an acquisition or other strategic partnership, we may incur or assume additional liabilities or experience integration problems.
- Integration of the Warid and Mobilink (now Jazz) businesses is subject to significant uncertainties and risks.
- The Italy Joint Venture is subject to integration and performance risks.
- Our strategic shareholders may pursue diverse development strategies, and this may hinder our ability to expand and/or compete in such regions.
- We may not be able to detect and prevent fraud, other misconduct or unethical actions by our employees, joint venture partners, representatives, agents, suppliers, customers or other third parties.
- We may be adversely impacted by work stoppages and other labor matters.
- Our majority stake in an Egyptian public company may expose us to legal and political risk and reputational harm.

#### Risks Related to the Industry

- The telecommunications industry is highly capital intensive and requires substantial and ongoing expenditures of capital.

- Our revenue is often unpredictable, and our revenue sources are short-term in nature.
- We operate in competitive markets, and we may face greater competition as a result of market and regulatory developments.
- We may be unable to develop additional sources of revenue in markets where the potential for additional growth of our customer base is limited.
- Our failure to keep pace with technological changes and evolving industry standards could harm our competitive position and, in turn, materially harm our business.
- Our brand, business, financial condition, results of operations and prospects may be harmed in the event of cyber-attacks or severe systems and network failures, or the perception of such attacks or failures, leading to the loss of integrity and availability of our telecommunications, digital and financial services and/or leaks of confidential information, including customer information.
- Our ability to profitably provide telecommunications services depends in part on the commercial terms of our interconnection agreements.
- Our existing equipment and systems may be subject to disruption and failure for various reasons, including the threat of terrorism, which could cause us to lose customers, limit our growth or violate our licenses.
- Our intellectual property rights are costly and difficult to protect, and we cannot guarantee that the steps we have taken to protect our intellectual property rights will be adequate.

#### **Legal and Regulatory Risks**

- We operate in a highly regulated industry and are subject to a large variety of laws and extensive regulatory requirements.
- We face uncertainty regarding our frequency allocations and may experience limited spectrum capacity for providing wireless services.
- We are subject to anti-corruption laws.
- We may be subject to legal liability associated with providing new online services or content as part of our strategic priorities.
- New or proposed changes to laws or new interpretations of existing laws in the markets in which we operate may harm our business.
- Recent anti-terror legislation passed in Russia could result in additional operating costs and may harm our business.
- Our licenses may be suspended or revoked and we may be fined or penalized for alleged violations of law, regulations or license terms.
- Our licenses are granted for specified periods and they may not be extended or replaced upon expiration.
- It may not be possible for us to procure in a timely manner the permissions and registrations required for our base stations.
- We are, and may in the future be, involved in disputes and litigation with regulators, competitors and third parties.
- We could be subject to tax claims that could harm our business.
- Unpredictable tax systems give rise to significant uncertainties and risks that could complicate our tax planning and business decisions.
- Repeated tax audits and extension of liability beyond the limitation period may result in additional tax assessments.
- Adverse decisions of tax authorities or changes in tax treaties, laws, rules or interpretations could have a material adverse effect on our business, results of operations, financial conditions or cash flows.
- The Italy Joint Venture may be subject to a deferral or to a limitation of the deduction of interest expenses in Italy.
- We operate in uncertain judicial and regulatory environments.
- Laws restricting foreign investment could materially harm our business.

<b>D.3</b>	<p><b>Risks related to the Common Shares</b></p> <ul style="list-style-type: none"> <li>• There is currently no market for the Common Shares on Euronext Amsterdam and, notwithstanding our intention to be admitted to trading on Euronext Amsterdam, a market for the Common Shares may not develop on Euronext Amsterdam, which could adversely affect the liquidity and price of the Common Shares;</li> <li>• If securities or industry analysts do not publish research or reports about VEON’s business, or if they adversely change their recommendations regarding the Common Shares, the market price and trading volume of the Common Shares could decline.</li> </ul>
<b>Section E—Offer</b>	
<b>E.1</b>	<p><b>Proceeds and expenses</b></p> <p>The Listing will not generate any proceeds.</p> <p>The aggregated costs of the Listing, which will be borne by VEON, are estimated not to exceed EUR 1.6 million, including AFM fees and Euronext Amsterdam fees.</p> <p>No expenses have been or will be charged to shareholders by VEON in relation to the Listing.</p>
<b>E.2</b>	<p><b>Reasons for the offering</b></p> <p>VEON, which has its headquarters in Amsterdam, the Netherlands, expects the Listing will further improve its profile in the international capital markets, including through a potential future inclusion in the Euronext and other indices, and will provide broader access to European based investors, offering optimal visibility and access to the euro zone capital markets.</p>
<b>E.3</b>	<p><b>Terms and conditions of the issue</b></p> <p>Not applicable. VEON will not issue any shares in connection with the Listing.</p>
<b>E.4</b>	<p><b>Interest material to the issue</b></p> <p>Not applicable. VEON will not issue any shares in connection with the Listing.</p>
<b>E.5</b>	<p><b>Selling shareholder and lock-up agreements</b></p> <p>Not applicable.</p> <p>The Common Shares will not be subject to lock-up agreements.</p>
<b>E.6</b>	<p><b>Dilution</b></p> <p>Not applicable. VEON will not issue any shares in connection with the Listing.</p>
<b>E.7</b>	<p><b>Estimated expenses charged to the investor</b></p> <p>Not applicable. No expenses have been or will be charged to VEON shareholders.</p>

## **RISK FACTORS**

Investing in Common Shares and/or VEON ADSs involves risks. Investors should read, understand and consider all risk factors in their entirety in the section entitled ‘Risk Factors’ beginning on page 10 of the 2016 20-F (also see Section D of the summary above) and below.

*There is currently no market for the Common Shares on Euronext Amsterdam and, notwithstanding our intention to be admitted to trading on Euronext Amsterdam, a market for the Common Shares may not develop on Euronext Amsterdam, which could adversely affect the liquidity and price of the Common Shares.*

Prior to the Listing, there has been no public trading market for the Common Shares on Euronext Amsterdam. There can be no assurance that an active trading market for the Common Shares will develop on Euronext Amsterdam after the Listing or, if it does develop, that it will be sustained or liquid. If such market fails to develop or be sustained, this could negatively affect the liquidity and price of the Common Shares, as well as increase their price volatility. In addition, an illiquid market for the Common Shares may result in lower market prices and increased volatility, which could adversely affect the value of an investment in the Common Shares.

*If securities or industry analysts do not publish research or reports about VEON’s business, or if they adversely change their recommendations regarding the VEON ADSs and/or the Common Shares, the market price and trading volume of the Common Shares could decline.*

Whether there is an active trading market for our Common Shares on Euronext Amsterdam will be influenced by, among other things, the availability and recommendations of research reports covering our business. If one or more research analysts ceases to cover our business or fails to regularly publish reports on our business, we could lose visibility in the financial markets, which could cause the market price or trading volume of our Common Shares to decline. In addition, if research analysts do not make positive recommendations regarding our Common Shares, or if negative research is published on the industry or geographic markets we serve, the price and trading volume of our Common Shares could decline.

The occurrence of one or more of the events or circumstances described in the risk factors above or those included in 2016 20-F, alone or in combination with other events or circumstances, may have a material adverse effect on the business, cash flows, financial condition or operating results of VEON.

For the avoidance of doubt, each of the risk factors included in the section entitled ‘Risk Factors’ beginning on page 10 of the 2016 20-F that relates to the VEON ADSs is equally relevant for the Common Shares except for those headed “Holders of our ADSs may not receive distributions on our common shares or any value for them if it is illegal or impractical to make them available to them” and “Holders of ADSs may be restricted in their ability to exercise voting rights and the information provided with respect to shareholder meetings” on page 42 and 43 of the 2016 20-F.

Although we believe that the risks and uncertainties described in the combination of the section entitled ‘Risk Factors’ beginning on page 10 of the 2016 20-F and above are the material risks and uncertainties concerning our business and the Common Shares, additional risks and uncertainties that are not presently known to us or that we currently deem immaterial may also materially and adversely affect our business, results of operations and financial condition and may cause the market price of the Common Shares and/or the VEON ADSs to fall.

## **CERTAIN DUTCH TAX CONSEQUENCES FOR HOLDERS OF COMMON SHARES**

The following summary outlines certain principal Dutch tax consequences of the acquisition, holding, redemption and disposal of Common Shares, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Common Shares may include an individual or entity who does not have the legal title of these Common Shares, but to whom nevertheless the Common Shares or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Common Shares or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of Common Shares.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch corporate and individual income tax consequences for:

- (i) investment institutions (*fiscale beleggingsinstellingen*) within the meaning of article 28 of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*);
- (ii) pension funds, exempt investment institutions within the meaning of article 6a of the Dutch Corporate Income Tax Act 1969 (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;
- (iii) corporate holders of Common Shares which qualify for the participation exemption (*deelnemingsvrijstelling*) or would qualify for the participation exemption had the corporate holders of Common Shares been resident in the Netherlands or which qualify for participation credit (*deelnemingsverrekening*). Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption or participation credit if it represents an interest of 5% or more of the nominal paid-up share capital;
- (iv) holders of Common Shares holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in VEON and holders of Common Shares of whom a certain related person holds a substantial interest in VEON. Generally speaking, a substantial interest in VEON arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of VEON or 5% or more of the issued capital of a certain class of shares of VEON, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in VEON;
- (v) persons to whom the Common Shares and the income from the Common Shares are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) or the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- (vi) holders of Common Shares which are not considered the beneficial owner (*uiteindelijk gerechtigde*) of these Common Shares or the benefits derived from or realised in respect of these Common Shares; and
- (vii) individuals to whom Common Shares or the income therefrom are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Any reference hereafter made to a treaty for the avoidance of double taxation concluded by the Netherlands includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*) and the Tax Regulation for the Country of the Netherlands (*Belastingregeling voor het land Nederland*).

### ***Dividend Withholding Tax***

#### *Withholding requirement*

VEON is required to withhold 15% Dutch dividend withholding tax in respect of dividends paid on the Common Shares. Generally, the Dutch dividend withholding tax will not be borne by VEON, but will be withheld from the gross dividends paid on the Common Shares. In the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), dividends are defined as the proceeds from Common Shares, which include:

- (i) direct or indirect distributions of profit, regardless of their name or form;
- (ii) liquidation proceeds, proceeds on redemption of the Common Shares and, as a rule, the consideration for the repurchase of the Common Shares by VEON in excess of its average paid-in capital recognised for Dutch dividend withholding tax purposes, unless a particular statutory exemption applies;
- (iii) the nominal value of Common Shares issued to a holder of the Common Shares or an increase of the nominal value of the Common Shares, insofar as the (increase in the) nominal value of the Common Shares is not funded out of VEON's paid-in capital as recognised for Dutch dividend withholding tax purposes; and
- (iv) partial repayments of paid-in capital recognised for Dutch dividend withholding tax purposes, if and to the extent there are qualifying profits (*zuivere winst*), unless the general meeting of the shareholders of

VEON has resolved in advance to make such repayment and provided that the nominal value of the Common Shares concerned has been reduced by an equal amount by way of an amendment of the articles of association and the paid-in capital is recognised as capital for Dutch dividend withholding tax purposes. The term “qualifying profits” includes anticipated profits that have yet to be realized.

#### *Residents of the Netherlands*

If a holder of Common Shares is a resident or deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, Dutch dividend withholding tax which is withheld with respect to proceeds from the Common Shares will generally be creditable for Dutch corporate income tax or Dutch individual income tax purposes (and, to the extent exceeding such Dutch corporate income tax or Dutch individual income tax, refunded).

#### *Non-residents of the Netherlands*

If a holder of Common Shares is a resident of a country other than the Netherlands and if a treaty for the avoidance of double taxation with respect to taxes on income is in effect between the Netherlands and that country, and such holder is a resident for the purposes of such treaty, such holder may, depending on the terms of that particular treaty, qualify for full or partial relief at source or for a refund in whole or in part of the Dutch dividend withholding tax.

A refund of the Dutch dividend withholding tax is available to entities resident in another EU member state, Norway, Iceland, or Liechtenstein provided (i) these entities are not subject to corporate income tax there and (ii) these entities would not be subject to Dutch corporate income tax, if these entities would be tax resident in the Netherlands for corporate income tax purposes and (iii) these entities are not comparable to investment institutions (*fiscale beleggingsinstellingen*) or exempt investment institutions (*vrijgestelde beleggingsinstellingen*). Furthermore, a similar refund of Dutch dividend withholding tax may be available to entities resident in other countries, under the additional condition that (i) the Common Shares are considered portfolio investments for purposes of article 63 (taking into account article 64) of the Treaty on the functioning of the European Union and (ii) the Netherlands can exchange information with this other country in line with the international standards for the exchange of information.

A (partial) refund of Dutch dividend withholding tax is available to a holder of Common Shares resident in another EU member state, Norway, Iceland or Liechtenstein if (i) this holder of Common Shares is not subject to Dutch individual income tax or Dutch corporate income tax with respect to the income from the Common Shares and (ii) such Dutch dividend withholding tax is higher than the Dutch individual income tax or Dutch corporate income tax would have been had this holder of Common Shares been tax resident in the Netherlands, after taking into account a possible refund based on the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) or a refund based on a treaty for the avoidance of double taxation with respect to taxes on income and (iii) no credit based on a treaty for the avoidance of double taxation with respect to taxes on income is granted in the state in which the holder of Common Shares is tax resident, for the full amount of Dutch dividend withholding tax withheld. and (iv) this holder of Common Shares does not have a similar function as an investment institution (*fiscale beleggingsinstelling*) or exempt investment institution (*vrijgestelde beleggingsinstelling*). Furthermore, a similar refund of Dutch dividend withholding tax may be available to a holder of Common Shares resident in another country, under the additional conditions that (i) the Common Shares are considered portfolio investments for purposes of article 63 (taking into account article 64) of the Treaty on the functioning of the European Union and (ii) the Netherlands can exchange information with this other country in line with the international standards for the exchange of information and (iii) no credit based on a treaty for the avoidance of double taxation with respect to taxes on income is granted in the state in which the holder of Common Shares is tax resident, for the full amount of Dutch dividend withholding tax withheld. and (iv) this holder of Common Shares does not have a similar function as an investment institution (*fiscale beleggingsinstelling*) or exempt investment institution (*vrijgestelde beleggingsinstelling*).

### *Beneficial Owner*

A recipient of proceeds from the Common Shares will not be entitled to any exemption, reduction, refund or credit of Dutch dividend withholding tax if such recipient is not considered to be the beneficial owner of such proceeds. The recipient will not be considered the beneficial owner of these proceeds, if, in connection with such proceeds, the recipient has paid a consideration as part of a series of transactions in respect of which it is likely:

- (a) that the proceeds have in whole or in part accumulated, directly or indirectly, to a person or legal entity that would:
  - (i) as opposed to the recipient paying the consideration, not be entitled to an exemption from dividend withholding tax; or
  - (ii) in comparison to the recipient paying the consideration, to a lesser extent be entitled to a reduction or refund of dividend withholding tax; and
- (b) that such person or legal entity has, directly or indirectly, retained or acquired an interest in Common Shares, profit-sharing certificates or loans, comparable to the interest it had in similar instruments prior to the series of transactions being initiated.

### **Corporate and Individual Income Tax**

#### *Residents of the Netherlands*

If a holder of Common Shares is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Common Shares are attributable, income derived from the Common Shares and gains realised upon the redemption or disposal of the Common Shares are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Common Shares and gains realised upon the redemption or disposal of the Common Shares are taxable at the progressive rates (at up to a maximum rate of 52%) under the Dutch Income Tax Act 2001 if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Common Shares are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Common Shares are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Common Shares that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Common Shares must determine taxable income with regard to the Common Shares on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realized. This deemed return on income from savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Common Shares will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. Up to a yield basis of €75,000 the rate is 2.87% in 2017; between €75,000 and € 975,000 the rate is 4.6% in 2017; and above €975,000 the rate is 5.39%. The deemed return on income from savings and investments is taxed at a rate of 30%.

#### *Non-residents of the Netherlands*

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Common Shares and gains realised upon the redemption or disposal of the Common Shares, unless:

- (i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which



permanent establishment or a permanent representative the Common Shares are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Common Shares are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25%.

- (ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Common Shares are attributable, or (2) realises income or gains with respect to the Common Shares that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Common Shares that exceed regular, active portfolio management, or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Common Shares are attributable.

Income derived from the Common Shares as specified under (1) and (2) by an individual is subject to Dutch individual income tax at progressive rates up to a maximum rate of 52%. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments (as described above under “Residents of the Netherlands”). In such case, the fair market value of the entitlement to the share in the profits of the enterprise will be part of the individual’s Dutch yield basis.

### ***Gift and Inheritance Tax***

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Common Shares by way of gift by, or on the death of, a holder of the Common Shares, unless:

- (i) the holder of the Common Shares is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

### ***Value Added Tax***

In general, no value added tax will arise in respect of payments in consideration for the acquisition of the Common Shares or in respect of a cash payment made under the Common Shares, or in respect of a transfer of Common Shares.

### ***Other Taxes and Duties***

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, placement, allotment, delivery or transfer of the Common Shares.

## **DOCUMENTS INCORPORATED BY REFERENCE AND DOCUMENTS ON DISPLAY**

### ***Documents incorporated by reference***

This Prospectus incorporates by reference the documents set out in the exhaustive list below. The documents specifically included in or deemed incorporated by reference into the 2016 20-F that are not included in the exhaustive list below shall not be deemed to form part of this Prospectus in accordance with the applicable EU prospectus rules.

- 2016 20-F (it being understood that the documents deemed incorporated by reference into the 2016 20-F are not deemed to form part of this Prospectus), including the consolidated financial statements of the year 2016 as attached thereto.
- VEON’s consolidated financial statements set out on p. F-2 and F-4 to and including F-88 of VEON’s annual report 2015 on Form 20-F.

Where parts of documents are incorporated by reference into this Prospectus, the non-incorporated parts are either not relevant for the investor or are covered elsewhere in this Prospectus. No other documents or information, including the content of VEON's website ([www.veon.com](http://www.veon.com)) or of websites accessible from hyperlinks on those websites, form part of, or are incorporated by reference into, this Prospectus.

### ***Documents on display***

During twelve months following the date of this Prospectus the following documents can be obtained free of charge, by electronic means, on VEON's website at [www.veon.com](http://www.veon.com):

- Bye-laws
- The historical financial information of VEON and its subsidiary undertakings, for each of the three financial years preceding the date of this Prospectus
- Finance and strategy committee charter
- Nominating and corporate governance committee charter
- Compensation committee charter
- Audit committee charter

### ***Market and Industry Data***

Certain market and industry data in the 2016 20-F is sourced from a report of Analysys Mason, dated March 16, 2017. Mobile penetration rate is defined as mobile connections divided by population. Population figures for mobile penetration rates provided by Analysys Mason are sourced from the Economist Intelligence Unit. Mobile connections are on a three-month active basis such that any SIM card that has not been used for more than three months is excluded. This market and industry data has been accurately reproduced. As far as we are aware and able to ascertain from the report of Analysys Mason no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **THE LISTING**

### ***Reasons***

VEON, which has its headquarters in Amsterdam, the Netherlands, expects the Listing will further improve its profile in the international capital markets, including through a potential future inclusion in the Euronext and other indices, and will provide broader access to European based investors, offering optimal visibility and access to the euro zone capital markets.

### ***Trading***

An application for the Listing has been made. It is expected that the Listing will occur on or about April 4, 2017. An application has been made to list all Common Shares under the symbol "VEON" on Euronext Amsterdam under ISIN (International Security Identification Number) Code: BMG9349W1038. The Common Shares have been created under the laws of Bermuda.

The VEON ADSs are currently listed on the NASDAQ Global Select Market under the symbol "VEON". On March 31, 2017, the last practicable date prior to the date of this Prospectus, the closing price per VEON ADS on the NASDAQ Global Select Market was \$4.08 (€3.83 based on the closing spot rate as published by Bloomberg at 4:59 p.m. EDT on March 31, 2017).

On Euronext Amsterdam, the Common Shares will trade in Euro. On the NASDAQ Global Select Market, the VEON ADSs will continue to trade in US dollars.

## **IMPORTANT INFORMATION**

### ***Information regarding members of the supervisory board and management board***

With respect to each of the members of the supervisory board and management board of VEON, we are not aware of (i) any circumstance that may lead to a potential conflict of interest between the private interests or

other duties of those members vis-a-vis their duties to VEON, (ii) any convictions in relation to fraudulent offences in the last five years; (iii) any bankruptcies, receiverships or liquidations with which such person, acting in the capacity of a senior manager or a member of the administrative, management or supervisory bodies, was associated for in the last five years; or (iv) any official public incriminations or sanctions of such member by statutory or regulatory authorities (including designated professional bodies), or disqualifications by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years. There is no family relationship between any member of the supervisory board and management board of VEON.

### ***Responsibility statement***

This Prospectus is made available by VEON. VEON accepts responsibility for the information contained in this Prospectus. VEON declares that it has taken all reasonable care to ensure that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

ING Bank N.V. in its capacity as Listing Agent in connection with the Listing accepts no responsibility whatsoever for the contents of the Prospectus nor for any statements made or purported to be made in connection with VEON, the Common Shares or the Listing. Accordingly, ING Bank N.V. disclaims any and all liability, whether arising in tort or contract or otherwise in respect of the Prospectus or any such statement.

### ***Working capital***

VEON is of the opinion that it has sufficient working capital available for its present requirements; that is, for at least 12 months following the date of this Prospectus.

### ***Capitalization and indebtedness***

In addition to the two tables below, we advise investors to also review the section entitled 'Operating and Financial Review and Prospects' beginning on page 98 of the 2016 20-F and VEON's consolidated financial statements, incorporated by reference into this Prospectus.

## Capitalization

The table below sets out VEON's capitalization as at February 28, 2017 on an actual basis, i.e., based upon the consolidated balance sheet of VEON as at February 28, 2017.

	<u>Actual</u>
	<u>As at February 28, 2017</u>
	<u>(unaudited)</u>
	<i>(In millions of U.S. dollars)</i>
<b>Total current debt</b> .....	<b>3,308</b>
<i>Guaranteed*</i> .....	1,882
<i>Secured</i> .....	272
<i>Unguaranteed / Unsecured:</i> .....	1,154
—Current portion of long-term debt .....	1,139
—Current portion of finance lease liabilities .....	9
—Short term borrowings .....	6
<b>Total non-current debt (excluding current portion of long-term debt)</b> .....	<b>7,458</b>
<i>Guaranteed*</i> .....	4,493
<i>Secured</i> .....	729
<i>Unguaranteed and unsecured:</i> .....	2,235
—Notes .....	1,450
—Financing obligations .....	—
—Other loans .....	728
—Finance lease liabilities .....	57
—Cumulative preferred financing shares .....	—
<b>Shareholders' equity:</b> .....	<b>5,891</b>
Share capital .....	2
Additional paid-in capital .....	12,496
Legal reserves .....	—
Other reserves .....	<u>(6,607)</u>
<b>Total</b> .....	<b><u>16,657</u></b>

\* Guaranteed by Group member

\* Current portion of the Total debt is 2,856

## **Indebtedness**

The table below sets out VEON net indebtedness as at February 28, 2017 on an actual basis, i.e., based upon the unaudited consolidated balance sheet of VEON as at February 28, 2017.

	<u>Actual</u>
	<u>As at February 28, 2017</u>
	<u>(unaudited)</u>
	<i>(In millions of U.S. dollars)</i>
A. Cash .....	1,553
B. Cash equivalents .....	1,529
—Investments and deposits with maturity within 3 months .....	1,282
—Deposits and similar instruments with maturity between 3 and 12 months .....	247
C. Trading securities .....	—
<b>D. Liquidity (A) + (B) + (C) .....</b>	<b>3,081</b>
<b>E. Current Financial Receivable .....</b>	<b>964</b>
F. Current Bank debt .....	—
G. Current portion of non-current debt .....	3,293
H. Other current financial debt .....	15
<b>I. Current Financial Debt (F) + (G) + (H) .....</b>	<b>3,308</b>
<b>J. Net Current Financial Indebtedness (I) - (E) - (D) .....</b>	<b>(737)</b>
K. Non-current Bank loans .....	1,355
L. Bonds Issued <sup>1</sup> .....	5,528
M. Other non-current loans .....	576
<b>N. Non-current Financial Indebtedness (K) + (L) + (M) .....</b>	<b>7,458</b>
<b>O. Net Financial Indebtedness (J) + (N) .....</b>	<b>6,721</b>

For more information on VEON's indebtedness, see also Note 18 of the consolidated financial statements in the 2016 20-F, incorporated by reference into this Prospectus.

VEON has no indirect or contingent indebtedness. For further information on VEON's contingent liabilities and guarantees to unrelated parties, see Note 27 of the consolidated financial statements in the 2016 20-F incorporated by reference into this Prospectus.

## **Material changes in the group's financial or trading position**

No significant change in the financial or trading position of the VEON Group has occurred since the end of the last financial period for which financial statements were published, being the audited financial statements as of and for the financial year ended on December 31, 2016. Since the publication of the financial statements as of and for the financial year ended December 31, 2016, VEON has not yet published any interim financial statements.

## **Independent auditor**

The selected consolidated financial data for the three years ended December 31, 2016 has been derived from our historical consolidated financial statements which have been audited by PricewaterhouseCoopers Accountants N.V. ("PwC"), an independent registered public accounting firm. The auditors of PwC are members of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*)

PwC has issued an unqualified independent auditor's report in respect of the consolidated financial statements, referred to above, which are incorporated by reference into this Prospectus.

PwC is located at: Thomas R. Malthusstraat 5, 1066 JR Amsterdam, the Netherlands.

## **Financial Reporting**

The selected consolidated financial data of VEON for the three years ended December 31, 2016, derived from VEON's consolidated financial statements incorporated by reference into this Prospectus, which have been

prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS IASB**”). For the period presented in this Prospectus there are no material differences between IFRS IASB and the International Financial Reporting Standards as endorsed by the European Commission.

#### **PROCEEDS AND EXPENSES**

The aggregated costs of the Listing, which will be borne by VEON, are estimated not to exceed EUR 1.6 million, including AFM fees and Euronext Amsterdam fees. No expenses have been or will be charged to shareholders by VEON in relation to the Listing.

## DIRECTORY

### **Company**

VEON Ltd.  
Claude Debussylaan 88  
1082 MD Amsterdam  
The Netherlands  
Registration number with the Dutch Trade Register: 34374835  
Date of incorporation: 5 June 2009  
Statutory seat: Bermuda  
Tel: +31 20 79 77 200

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### **Legal Advisor**

Allen & Overy LLP

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### **Independent auditor**

PricewaterhouseCoopers Accountants N.V.

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### **Listing Agent**

ING Bank N.V.  
P.O. Box 1800  
1000 BV Amsterdam  
The Netherlands

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## SCHEDULE A—REFERENCES

In the table below, references to the documents incorporated by reference are made.

	2016 Form 20-F*	2016 financial statements
<b>Selected historical key financial information</b>	2016 20-F, p. 7 – 10, Selected Financial Data	F-2016, F-4 – F-9, Consolidated Financial Statements
<b>Risk factors</b>	2016 20-F, p. 10 – 43, Risk Factors	
<b>Important events in the development of the issuers business</b>	2016 20-F, p. 43 – 44, Information on the Company 2016 20-F, p. 44 – 46, History and Development 2016 20-F, p. 46, Leadership	
<b>Investments</b>	2016 20-F, p. 22, Risks related to the industry 2016 20-F, p. 53 – 54, Description – Mobile Services in Pakistan 2016 20-F, p. 57 – 58, Description – Mobile Businesses in Bangladesh 2016 20-F, p. 124, Certain Performance Indicators 2016 20-F, p. 88, Research and Development – Italy 2016 20-F, p. 89 – 90, Research and Development 2016 20-F, p. 147, Investing Activities 2016, 20-F, p. 147 – 153, Financing Activities	
<b>Principal activities</b>	2016 20-F, p. 49 – 95, Description of Our Business	
<b>Principal markets</b>	2016 20-F, p. 49 – 95, Description of Our Business	
<b>Competitive position</b>	2016 20-F, p. 53, 55, 56 – 57, 58, 59 – 60, 61, 63, 67 – 68, 69, 70, 71, 72, Description of Our Business	
<b>Organizational structure</b>	2016 20-F, p. 46 – 49, Organizational Structure	
<b>Property, plants and equipment</b>	2016 20-F, p. 90 – 95, Property, Plant and Equipment	
<b>Financial condition</b>	2016 20-F, p. 7 – 10, Selected Financial Data 2016 20-F, p. 111 – 145, Results of Operations 2016 20-F, p. 103 – 108, Certain Ongoing Factors Affecting our Financial Position and Results of Operations	F-2016, Note 27, Risks, commitments, contingencies and uncertainties



	<b>2016 Form 20-F*</b>	<b>2016 financial statements</b>
<b>Operating results</b>	2016 20-F, p. 9 – 10, Selected Operating Data 2016 20-F, p. 111 – 145, Results of Operations 2016 20-F, p. 145 – 146, Operating Activities	
<b>Capital resources</b>	2016 20-F, p. 145 – 153, Liquidity and Capital Resources	
<b>Trend information</b>	2016 20-F, p. 99 – 102, Key Developments and Trends	
<b>Administrative, management, and supervisory bodies and senior management</b>	2016 20-F, p. 154 – 160, Directors, Senior Management and Employees	
<b>Remuneration</b>	2016 20-F, p. 160 – 161, Compensation 2016 20-F, p. 161 – 162, Board Practices	F-2016, Note 26, Related Parties
<b>Defined benefit plans</b>	2016 20-F, p. 160 – 161, Compensation 2016 20-F, p. 161 – 162, Board Practices	
<b>Term of office</b>	2016 20-F, p. 154, Directors, Senior Management and Employees 2016 20-F, p. 161 – 162, Board Practices	
<b>Service contracts and benefits upon termination</b>	2016 20-F, p. 161, Board Practices	
<b>Audit committee / Remuneration committee</b>	2016 20-F, p. 161, Board Practices 2016 20-F, p. 189, Audit Committee Financial Expert 2016 20-F, p. 190, Audit Committee Pre-Approval Policies and Procedures 2016 20-F, p. 191 – 192, Corporate Governance	
<b>Governance</b>	2016 20-F, p. 42 – 43, Risks Related to the Ownership of our ADSs 2016 20-F, p. 95, Corporate Social Responsibility 2016 20-F, p. 161 – 162, Board Practices 2016 20-F, p. 191 – 192, Corporate Governance	
<b>Number of employees</b>	2016 20-F, p. 162 – 163, Employees	
<b>Shareholdings and stock options</b>	2016 20-F, p. 163, Share Ownership	F-2016, Note 26, Related Parties
<b>Arrangements for involving employees in capital</b>	2016 20-F, p. 163, Share Ownership	F-2016, Note 26, Related Parties

	2016 Form 20-F*	2016 financial statements
<b>Major shareholders</b>	2016 20-F, p. 164 – 165, Major Shareholders	
<b>Different voting rights</b>	2016 20-F, p. 164 – 165, Major Shareholders 2016 20-F, p. 171 – 172, Issued Share Capital 2016 20-F, p. 172 – 174, Shareholders' Meetings 2016 20-F, p. 174 – 175, Voting Rights	
<b>Change of control arrangements</b>	2016 20-F, p. 176, Dividends and Dividend Rights	
<b>Related party transactions</b>	2016 20-F, p. 165 – 168, Related Party Transaction	F-2016, Note 26, Related Parties
<b>Historical financial information and audited financial statements</b>		F-2016, F-4 – F-9, Consolidated Financial Statements
<b>Dividend policy</b>	2016 20-F, p. 8 – 10, Selected Financial Data 2016 20-F, p. 168 – 169, Policy on Dividend Distributions	
<b>Legal and arbitration proceedings</b>	2016 20-F, p. 168, Legal Proceedings	F-2016, Note 25, Provisions F-2016, Note 27, Risks, commitments, contingencies and uncertainties
<b>Share capital</b>	2016 20-F, p. 171 – 172, Issued Share Capital	F-2016, Note 23, Issued capital and reserves
<b>Treasury shares</b>	2016 20-F, p. 171 – 172, Issued Share Capital	F-2016, Note 23, Issued capital and reserves
<b>Acquisition right</b>	N/A	N/A
<b>Options</b>		F-2016, Note 26, F-77, 78, Compensation of key management personnel of the Company
<b>History of share capital</b>		F-2016, F-7 – F-8, Consolidated statement of changes in equity
<b>Memorandum and articles of association</b>	2016 20-F, p. 171 – 177, Memorandum and Articles of Association	
<b>Material contracts</b>	2016 20-F, p. 99 – 102, Key Developments and Trends 2016 20-F, p. 177, Material Contracts	
<b>Information on holdings</b>	2016 20-F, p. 46 – 49, Organizational Structure	F-2016, Note 12, Investments in subsidiaries
<b>Legislation of incorporation</b>	2016 20-F, p. 44, Information on the Company	
<b>Form</b>	2016 20-F, p. 44, Information on the Company	
<b>Currency</b>	2016 20-F, p. 171, Issued Share Capital	

	<b>2016 Form 20-F*</b>	<b>2016 financial statements</b>
<b>Rights attached to the securities</b>	2016 20-F, p. 171 – 172, Issued Share Capital 2016 20-F, p. 172– 174, Shareholders’ Meetings 2016 20-F, p. 174 – 175, Voting Rights	
<b>Mandatory takeover bids, squeeze-out or sell-down rules</b>	2016 20-F, p. 176, Dividends and Dividend Rights	

