Country performance *continued*

Kazakhstan

Beeline Kazakhstan grew in FY2025 as it expanded across multiple verticals. We believe in contributing to a sustainable future for Kazakhstan, where high-quality connectivity, responsible environmental stewardship and care for people form the foundation of long-term success.

"Beeline Kazakhstan evolved into a holding structure with five business verticals, which enhanced flexibility, operational efficiency and the ability to scale each business line."

Jabbor Kayumov, CEO Beeline Kazakhstan

Beeline Kazakhstan's customer base includes 11.8 million mobile subscribers and 14.1 million users of digital products. Since 2018, the Company has been executing its digital operator strategy. Over the past five years, leveraging its expertise in digital solution development, Beeline Kazakhstan has created an ecosystem of 60 internal and external products.

QazCode, Beeline Kazakhstan's software development Company, is one of the largest companies in the country. The 750-person QazCode team delivers expertise in the creation of private LLMs with a focus on data security, process optimization using agile methodologies, full-cycle implementation of business support systems and IT outsourcing services.

During the year, we focused on the following key strategic developments:

- Transforming into a diversified holding structure with five business verticals supported by digital ecosystem growth and new global partnerships.
- Contributing to strengthening national digital sovereignty through the launch of HyperCloud and the construction of a Tier III data center.
- Acquiring OLX Kazakhstan as another step toward the implementation of the digital operator strategy.
- Accelerating AI capabilities through Aventa, a platform for building localized AI agents that automate business processes.
- Conducting the first successful Direct to Cell trials, marking progress toward achieving 100% nationwide coverage and enhanced network reliability.
- Maintaining regulatory cooperation and industry-leading anti-fraud measures that reinforced market leadership despite pricing and competitive pressures.

KZT425.6bn
Revenue
(2024: KZT399.8bn)

KZT213.0bn
EBITDA
(2024: KZT206.3bn)

50.1%
EBITDA margin
(2024: 51.6%)

KZT56.4bn
Total digital revenue
(2024: KZT43.2bn)

9.0m
4G users
(2024: 8.8m)

75.8%
4G user base penetration
(2024: 76.0%)

Country performance *continued*

Kazakhstan continued

Awards/recognitions

1. **Top Employers Institute: Certified Top Employer.**
2. **Top 3 among the Top 10 Best Employers of Kazakhstan according to the ProHunters National Employer Ranking (December 2025).**
3. **Gold Award from Eurobak in the Human Development category, recognizing the Company's contribution to people development and talent sustainability.**

Beeline Kazakhstan successfully tested Starlink Direct-to-Cell connectivity, completing Central Asia's first WhatsApp call using the technology, and plans to introduce Direct-to-Cell services starting with SMS in 2026, subject to regulatory approval.

Our performance

Domestic economic growth continued to underpin demand for telecom and digital services in Kazakhstan throughout FY2025, even as high inflation and elevated interest rates increased operating costs and constrained household budgets. The volatility of oil prices influenced investment sentiment while government stimulus and national digital transformation priorities aligned with Beeline Kazakhstan's expansion across telecom, digital platforms and fintech. With heightened geopolitical uncertainty, the strategic importance of diversifying into digital ecosystems and strengthening international partnerships became more important than ever.

Against this backdrop, Beeline Kazakhstan pursued a focused agenda of growth, diversification and digital transformation. The Company evolved into a holding structure with five business verticals: telecommunications services, QazCode, Enterprise Co, fintech and digital platforms, and entertainment. This enabled greater flexibility and operational efficiency while allowing us to scale the success of each business line more rapidly. Continued investment in infrastructure and digital product development enhanced operational agility and supported rapid scaling across business lines. Partnerships with Starlink, MeetKai, Tencent and Rakuten also opened new avenues for innovation while the expanding digital ecosystem—now larger than the mobile subscriber base—demonstrated execution of VEON's AI1440 strategy.

Market positioning is expected to be strengthened through the planned acquisition of OLX Kazakhstan, which highlights the synergy potential between the country's leading online classifieds platform and Beeline Kazakhstan's digital ecosystem. AI capabilities continued to strengthen, as QazCode and Beeline built on the expertise gained through the development of KazLLM to create new AI-driven products, while the partnership with MeetKai is enabling faster and more efficient deployment of AI-based solutions across VEON's markets. These initiatives, powered by multilingual AI agents like Aventa, will enable next-generation digital products across education, healthcare, agritech and enterprise services. Connectivity innovation also accelerated with Kazakhstan's first successful trials of Starlink Direct to Cell technology in December 2025 which is a major step towards near-universal coverage in a geographically vast country.

Total revenue increased 6.5% to KZT425.6 billion (USD0.8 billion), driven by mobile service revenue growth, device sales and direct digital performance. Adjusting for the deconsolidation of the fiber and wholesale broadband business TNS+, total revenue growth would have been 22.5% on a like-for-like basis.

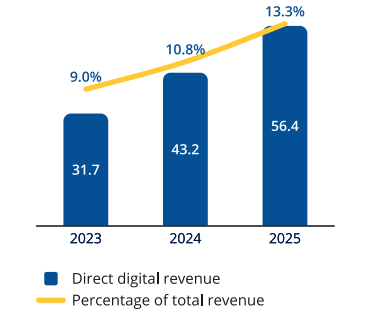
Telecom and infrastructure revenues rose by 3.5% YoY to KZT369.2 billion (USD0.7 billion) for FY2025 adjusting for TNS+ deconsolidation, telecom and infrastructure revenue growth would have been 27.2% on a like-for-like basis. This was supported by device sales and ARPU increase due to repricing of the legacy base.

Beeline Kazakhstan continues to expand bundled contracts with mobile devices through contract and premium family offers. Supporting ARPU uplift and higher customer lifetime value, these bundled offers continue to drive migration from prepaid to contract users.

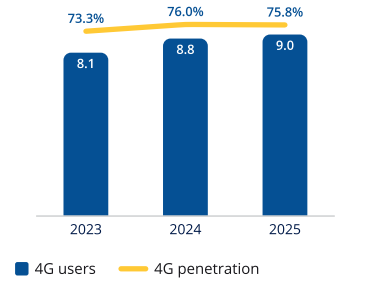
Direct digital revenue increased by 30.5% to KZT56.4 billion (USD0.11 billion), representing 13.3% of total revenue. Growth was supported by momentum across Beeline's digital ecosystem including Janymda, Simply, BeeTV and IZI, and by the launch of on-platform e-commerce as well as device sales as new revenue streams within the ecosystem.

Beeline Kazakhstan's EBITDA increased by 3.2% to KZT213 billion (USD0.4 billion) with EBITDA margin reducing 1.55 percentage points to 50.1%. This was assisted by recognition of regulatory tax benefits, which were recognized in July, and continued operational efficiency and scale benefits.

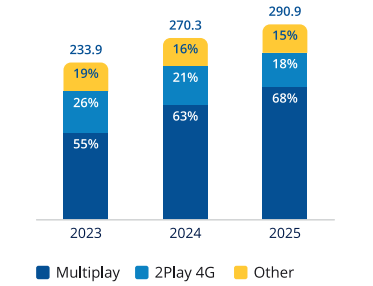
Direct digital revenue and percentage in total revenue (KZT billion)



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



Segment revenues in consumer revenue (KZT billion)



Country performance *continued*

Kazakhstan continued

Enterprise and digital infrastructure capabilities continued to strengthen. QazCode doubled the number of active AI agents deployed across the business during the year and is starting to ramp up on revenues from external customers as well. Digital engagement remained robust, with total digital customers reaching 14.1 million at December 2025, up 2.4% YoY.

Strategic pillars

Infrastructure

4G sites

↑ **7.8%**

increase YoY

9.0k sites
(2024: 8.3k)

DO1440 + AI1440

Multiplay users penetration

↓ **0.3pp**

change YoY

39.6% base penetration
(2024: 39.3%)

Digital assets

MAUs of digital services

↑ **2.4%**

increase YoY

14.1 million MAUs
(2024: 13.8 million)

Beeline Kazakhstan's digital ecosystem is scaling rapidly in line with VEON's DO1440 strategy. The mobile subscriber base increased by 1.6% to 11.8 million while 4G users increased by 1.3% to 9.0 million – now representing 75.8% of the total customer base. Multiplay customers grew by 1.6% to 4.3 million, contributing 67.8% of total consumer revenue.

The Janymda super app (formerly My Beeline) recorded 4.6 million MAUs, with strong brand awareness among Beeline users and rising lifestyle activity. Key new partnerships included collaboration with Tencent Cloud for about 30 new titles and a new digital learning partner for families. The Simply platform continued to develop as foundational financial infrastructure underpinning the entire digital ecosystem. Simply MAUs reached 4.1 million with new insurance products launched in-app and card onboarding via Janymda driving ecosystem convergence. The multiplatform entertainment service BeeTV, with 5.3% growth, maintained solid traction across mobile and smart TV platforms with most activity occurring through the BeeTV mobile app – underscoring preference for mobile-led content consumption. Supported by competitive mobile offers and expanded localized in-app content, the premium digital brand IZI also recorded momentum, with MAUs up 57.8% to 1.1 million.

QazCode continued product launches with its Aventa AI platform's first version live for customers in FY2025. It enables users to leverage built-in agents with HR, procurement and finance-related capabilities, and offers the ability to create private bots.

Capex increased by 22.2% to KZT104.7 billion (USD0.2 billion) with capex intensity of 24.6%.

Investments were directed towards LTE and 4G roll-out, capacity upgrades and early delivery of network equipment. Beeline Kazakhstan continues to strengthen its performance leadership against 5G competitors while enhancing digital readiness and resilience.

Our commitment to ESG

ESG remained a core driver of sustainable value creation for our society, the economy and our shareholders. During the year, our initiatives focused on expanding connectivity and narrowing the digital divide by investing in LTE infrastructure, introducing innovative technological solutions, and significantly, completing Direct to Cell field trials—a solution with the potential to fundamentally address connectivity challenges in remote areas, along highways and during emergencies.

We also continued to manage our environmental footprint and transition to sustainable technologies. During the year, we deployed 13 solar-powered telecommunications relay stations and commissioned the country's first hybrid solar-wind site. Under the Giga City 2.0, Green and AI New Era initiative, the Company introduced the Magic Pole solution, which integrates base-station capability with energy-efficient street lighting. Importantly, transitioning to modern technical solutions, extending equipment lifecycles, and optimizing infrastructure enabled us to systematically reduce waste volumes and improve resource efficiency.

We focused on delivering social impact through long-term programs with the Zhyly Zhurek Corporate Foundation, through which we provide IT training in rural schools, free connectivity for social institutions and dedicated tariff plans for vulnerable groups. Diversity, equity and inclusion remained central as reflected in women's leadership representation, inclusive employment practices and gender-neutral parental leave. These commitments were recognized with Top Employer certification when Beeline Kazakhstan exceeded the global benchmark with a score of 86.08%.

Country performance *continued*

Kazakhstan continued

Cooperation with government and regulators deepened. Joint operations with the Ministry of Internal Affairs and the National Security Committee disrupted the activities of fraud groups in Temirtau, Saryagash and Pavlodar while a memorandum with the Prosecutor General's Office and integration with the National Bank's Anti-Fraud Center strengthened national coordination. Beeline Kazakhstan blocked 7.5 million fraudulent calls and pioneered industry-leading measures, such as biometric verification and a 10-SIM limit per individual, now adopted as mandatory standards. Despite challenges including pricing sensitivity and competitive pressure from operators promoting 5G, Beeline Kazakhstan maintained its market leadership, supported by the adoption of premium family tariffs, growth in digital services, and the strong performance of brands like IZI.

Guided by VEON's renewed purpose, "Better Life for All" Beeline Kazakhstan continued to support initiatives that improve quality of life, expand equal opportunities and support people in moments that matter.

Through efforts such as modernizing schools, providing housing after natural disasters or ensuring connectivity during emergencies, the Company demonstrated a commitment that extends beyond commercial objectives. The progress achieved in FY2025 reflects a unified vision: building a sustainable, inclusive and technologically advanced future for Kazakhstan, grounded in high-quality connectivity, environmental responsibility and care for people.

Outlook

Beeline Kazakhstan is working with Starlink Direct to Cell to expand essential connectivity across the country, including in remote regions that remain beyond the reach of terrestrial networks. The first phase of this collaboration will introduce messaging services in FY2026, followed by the roll-out of data connectivity as the technology matures.

Looking ahead, Beeline Kazakhstan will continue advancing several strategic priorities. The premium family offering will evolve into a more comprehensive flagship product providing customers with a choice of contract devices, access to Direct to Cell technology and an expanded suite of digital services. Together with MeetKai, Beeline Kazakhstan will also accelerate the development of localized, agent-based AI services across VEON's five markets to strengthen the Group's regional innovation capabilities and enable a new generation of products. Continued investment in telecom and digital infrastructure will ensure the delivery of high-quality services at scale while customer service enhancements will focus on convenience, reliability and security across all touchpoints.

Country performance *continued*

Kazakhstan continued

Initiative

Satellite connectivity launched in Kazakhstan

In late 2025, Beeline Kazakhstan became the first operator in Central Asia to successfully test Starlink's Direct to Cell technology through a WhatsApp voice call, as well as exchanging SMS and app-based messages using a standard 4G smartphone and a Beeline SIM card. Conducted in the Akmolinskaya Region, the test demonstrated seamless interoperability between Starlink's satellite constellation and Beeline's terrestrial network. It proved that everyday devices could stay connected in areas outside of traditional mobile coverage.

This milestone is significant for Kazakhstan as it is one of the world's largest countries with vast remote regions. It also advances VEON's mission to deliver resilient, inclusive connectivity by integrating space-based and ground-based networks. Satellite-enabled mobile services will complement existing infrastructure, close remaining coverage gaps and strengthen national communication resilience.

The achievement builds on a partnership between Beeline Kazakhstan, Starlink Direct to Cell and the Ministry of Artificial Intelligence and Digital Development. Under this cooperation, Beeline Kazakhstan plans to introduce Direct to Cell services beginning with SMS in FY2026, followed by data connectivity in the next phase. The initiative extends Beeline's efforts to connect remote communities, including previous expansion of terrestrial coverage to small villages and deploying solar-powered off-grid base stations.

Expanding Kazakhstan's digital ecosystem

In October 2025, Beeline Kazakhstan agreed to acquire OLX Kazakhstan for USD75 million, subject to regulatory approvals. With around 10 million MAUs and over 3.6 million listings, OLX Kazakhstan is one of the country's most widely used digital services, reaching over half of the nation's active internet users.

Beeline Kazakhstan is a leader in digital innovation for consumers and enterprises, and the proposed acquisition of OLX Kazakhstan represents a significant opportunity to further enhance our offering to customers by integrating a profitable, market-leading marketplace into our growing ecosystem of consumer and enterprise services. For OLX Group, the transaction aligns with its focus on core markets while placing OLX Kazakhstan with an owner that brings local reach and a strong digital platform.

Subject to regulatory approvals, OLX Kazakhstan is expected to transition into Beeline Kazakhstan's ecosystem, supported by temporary IT services from OLX Group during the handover period.

Related UN SDGs

Initiative

Empowering Kazakh students with AI

In June 2025, Beeline Kazakhstan and QazCode launched AI Tutor, an AI-powered learning assistant built on KazLLM, the first Kazakh language LLM. Integrated into Beeline Kazakhstan's super app Janymda, AI Tutor expands digital inclusion by making high-quality Kazakh language learning accessible to millions of users.

Developed by QazCode, AI Tutor offers six interactive, gamified modules guided by an intuitive virtual assistant. While the initial focus is Kazakh language learning, the platform will expand into additional subjects over time.

KazLLM was created through a national partnership between QazCode, Beeline Kazakhstan, Nazarbayev University's Institute of Smart Systems and Artificial Intelligence, Astana Hub and the Ministry of Digital Development. Its integration into Janymda, which reaches nearly 5 million monthly users, enables AI Tutor to scale rapidly across the country.

AI Tutor reflects VEON's AI1440 strategy of using augmented intelligence to enhance human capability and broaden access to education. It also builds on QazCode's growing expertise in AI for low-resource languages. It follows earlier innovations such as Kaz-RoBERTa-conversational and international collaborations with the Barcelona Supercomputing Center and GSMA Foundry.

By combining sovereign AI infrastructure with a widely used digital platform, AI Tutor demonstrates how locally developed technology can meaningfully improve learning outcomes and support Kazakhstan's digital education ambitions.

Related UN SDGs