

# Message from our Chief Financial Officer



VEON delivered disciplined execution in FY2025 while continuing to make progress towards its ambition of generating 50% of revenue from digital services. In September 2025, monthly digital service users surpassed monthly mobile users for the first time, marking an important milestone in our evolution as a digital operator. This milestone demonstrates the scale of the opportunity ahead and the continued growth potential of our digital platforms.

VEON achieved solid operational and financial performance, demonstrating the resilience and scalability of our digital operator strategy amid ongoing macroeconomic and geopolitical challenges. The Group continued to execute against its DO1440 + AI1440 strategy, expanding digital services, strengthening cash flow generation, enhancing capital efficiency and supporting long-term value creation.

**USD4.4bn**

Revenue

(FY2024: USD4.00bn)

**USD2.0bn**

EBITDA

(FY2024: USD1.69bn)

**USD1.7bn**

Total cash and cash equivalents

(FY2024: USD1.69bn)

VEON continued to implement its asset-light strategy, streamlining the Group's portfolio and simplifying financial structures to focus on core growth markets. These actions strengthened our operational flexibility and financial robustness across a dynamic operating environment. During the year, the Group completed the sale of its Kyrgyzstan operations and divested Deodar, supporting financial robustness by improving liquidity and further enhancing focus and financial flexibility. These portfolio actions were complemented by disciplined cost management and capital allocation.

### Disciplined cost management and capital allocation

VEON strengthened its financial position in FY2025 through disciplined cost management and capital allocation. Following the relocation of our headquarters to Dubai, the Group benefitted from a competitive cost base and improved access to Middle Eastern financial markets. This supported the execution of a USD210 million syndicated loan, which included first-time participation from GCC banks and further broadened our regional banking relationships. In parallel, VEON executed a USD200 million private placement, marking the Company's return to capital markets.

VEON enhanced its financial structure and foreign currency risk management framework by improving the natural hedge between foreign-currency assets and liabilities, increasing local-currency funding to approximately half of total Group debt, and reducing refinancing risk through a bond repayment ahead of the USD1 billion maturity in 2027. VEON HQ launched RCF funding to strengthen the Company's liquidity, ensuring it is well prepared to manage the unforeseen challenges.

## Message from our Chief Financial Officer *continued*

Debt was further aligned with operating company balance sheets while maintaining appropriate central liquidity to support resilience against geopolitical and operational risks.

The Group manages its digital portfolio through a decentralized model supported by consistent governance and financial oversight, enabling operating companies to pursue local growth opportunities while leveraging Group-wide expertise.

### Capital markets developments

Kyivstar Group Ltd.'s Nasdaq listing marked an important development in VEON's capital markets profile. The listing underscored the value of greater transparency and disclosure.

We also expanded EBITDA reporting across our digital businesses to support clearer market assessment of assets such as JazzCash and Mobilink Bank in Pakistan.

The separation of JazzCash as a standalone entity further clarifies VEON's portfolio structure. As an independent business operating within financial services regulatory frameworks, JazzCash can be evaluated on its own performance metrics and growth profile. Operating separately broadens its potential investor base and provides strategic flexibility as the business scales. This structural clarity supports a transparent assessment of VEON's digital ecosystem and long-term value creation.

### ESG embedded in financial planning

As part of our broader risk management framework, VEON has embedded ESG considerations into financial planning, with the FY2026 budget resourced to support these priorities. Execution of ESG initiatives is led by local markets, with headquarters providing consolidation, oversight and alignment. This decentralized model leverages the strength of local teams while ensuring ESG initiatives remain closely linked to operational realities across our footprint.

Consistent with VEON's asset-light operating model, the sale of tower infrastructure frees capital for customer-facing priorities while shifting tower management to specialized operators. Alongside this approach, energy efficiency and renewable initiatives form an evolving part of our operational framework. VEON has implemented select renewable energy deployments, including solar-powered sites in Ukraine and Kazakhstan, as well as the commissioning of a hybrid base station in Kazakhstan operating on solar and wind energy. These installations, while currently limited in scale, are intended to diversify energy sources at certain locations, reduce reliance on diesel-powered backup systems, and support operational continuity in markets with unstable power supply.

### Liquidity and funding profile

During the first half of 2025, VEON strengthened liquidity and its funding profile by demonstrating access to both the loan and debt capital markets. This included a USD210 million syndicated term loan executed on March 27, 2025 and a USD200 million bond issuance of senior unsecured notes completed on July 2, 2025. In parallel, the Group reduced debt through repayments at maturity, including VEON Holdings notes due April 2025 (USD472 million) and June 2025 (USD100 million). Together with ongoing risk mitigation measures implemented amid geopolitical challenges, management concluded that substantial doubt regarding the Company's ability to continue as a going concern no longer exists.

These actions, supported by updated cash flow projections, enabled the removal of the going concern uncertainty disclosed in prior periods. Management is now focused on refinancing in advance and executing its plan for the 2027 bond maturity.

### Capital allocation

Capital allocation remains disciplined and responsive to market conditions. During the year, VEON repurchased ADS and a limited portion of bonds, totaling USD108 million.

VEON's capital-allocation framework is based on three pillars:

- Deleveraging, including shifting leverage into local currency structures within operating markets.
- Shareholder returns, currently centered on buybacks.
- Disciplined M&A to expand the digital ecosystem.

Recent acquisitions, including the agreed acquisition of OLX in Kazakhstan (subject to regulatory approvals), Uklon and Tableki in Ukraine, are aligned with this framework and support long-term value creation.

### Key priorities for 2026

Building on the strengthened liquidity and funding profile established in 2025, VEON enters FY2026 with a more resilient balance sheet and solid performance across its core businesses. Supported by an expanding digital portfolio and a disciplined capital allocation framework, the Group remains focused on sustainable growth and disciplined capital deployment.

In FY2026, VEON will prioritize financial resilience and disciplined execution across its core markets, supported by selective organic and inorganic growth initiatives. This includes continuing to increase local-currency funding within operating markets and reducing the hard currency denominated loans at HQ and country level, in order to increase the ratio of local currency debt vs. foreign currency debt to more than 50%, which is the current level.

With ongoing digital adoption, favorable demographic trends and expanding connectivity across its markets, VEON will continue to develop its digital operator model. By combining telecom infrastructure, digital platforms and financial services, the Group aims to deliver sustainable growth while supporting long-term value for customers, communities, governments and shareholders.

**Burak Ozer**  
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