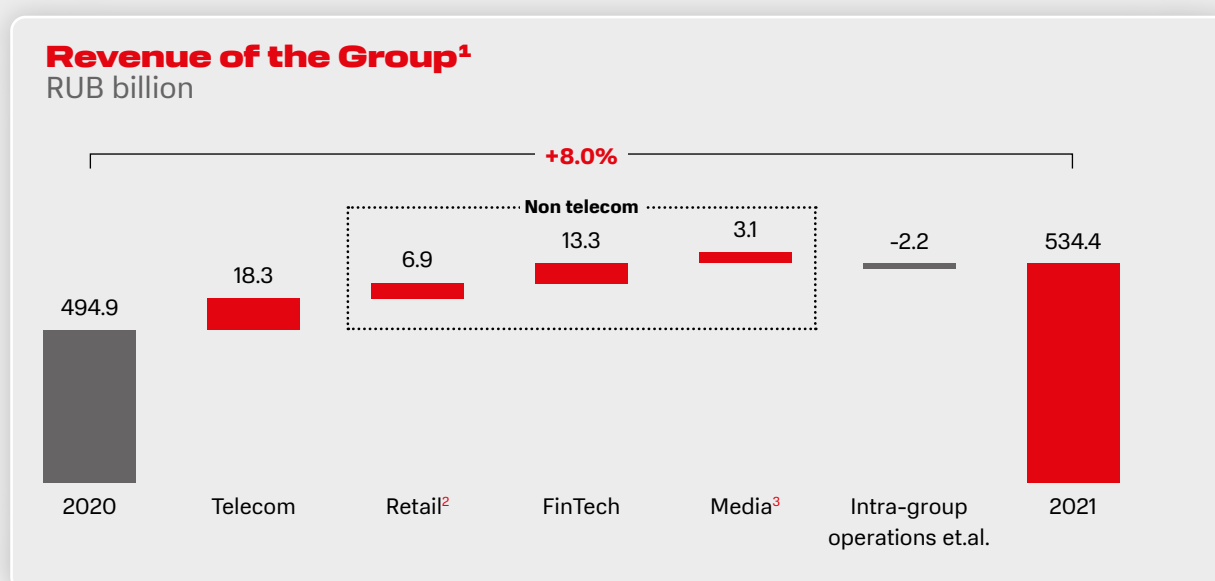


FINANCIAL OVERVIEW

- 64** Revenue Of The Group
 - 66** OIBDA Of The Group
 - 68** Net income indicators
 - 69** Principal business in Russia
 - 70** Investment
 - 71** Financial strength
- 
- A decorative graphic at the bottom of the page consists of several interlocking, 3D-rendered metallic rings. The rings are highly reflective, showing highlights and shadows, and are arranged in a complex, overlapping pattern that extends across the bottom right portion of the page.

REVENUE OF THE GROUP

GROWTH OF THE CORE BUSINESS AND NEW AREAS



Positive results of MTS Group in 2021 due to:

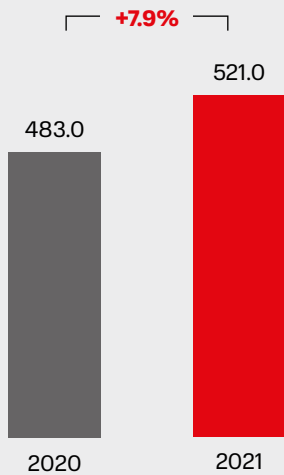
- > **growth of mobile revenue in Russia related to the growth of Internet traffic and communication services consumption,**
- > **growth of consumption of ecosystem services, in particular, FinTech and media,**
- > **increase in sales of mobile phones and accessories, as well as increase in the efficiency of the MTS retail chain.**

¹ The revenue is calculated taking into account intra-group transactions. The amount may vary due to rounding of individual digits.

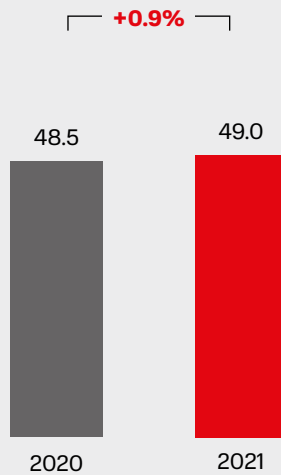
² Retail — RTC JSC, 100% subsidiary of MTS, provides customer service and sells SIM cards, services, products of the MTS ecosystem, gadgets and other devices in retail stores.

³ Information on the consolidated financial and operating results of MTS Group for Q4 2021 and entire 2021 is available on the company's website: [Financial and operating results of MTS Group for Q4 2021 and entire 2021 | MTS – Moscow \(mts.ru\)](https://www.mts.ru/en/financial-and-operating-results-of-mts-group-for-q4-2021-and-entire-2021).

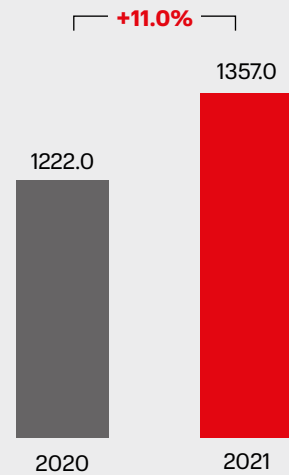
Revenue in Russia
RUB billion



Revenue in Armenia
AMD billion



Revenue in Belarus
BYN million



2021 became a landmark year for MTS, as we managed to significantly accelerate the development of priority areas of our digital ecosystem. I am glad to report that we have achieved strong financial results in terms of both revenue and net income. The launch of the KION platform provided MTS with a key strategic breakthrough in the field of media, and the reliability of the business strategy of MTS Bank allowed it to quickly achieve significant scale and market autonomy. Our core telecom business went on demonstrating stable and strong growth in both mobile and fixed-line segments. These achievements further demonstrate the efficiency of our long-term strategy to ensure better user experience for our dozens of millions of customers.



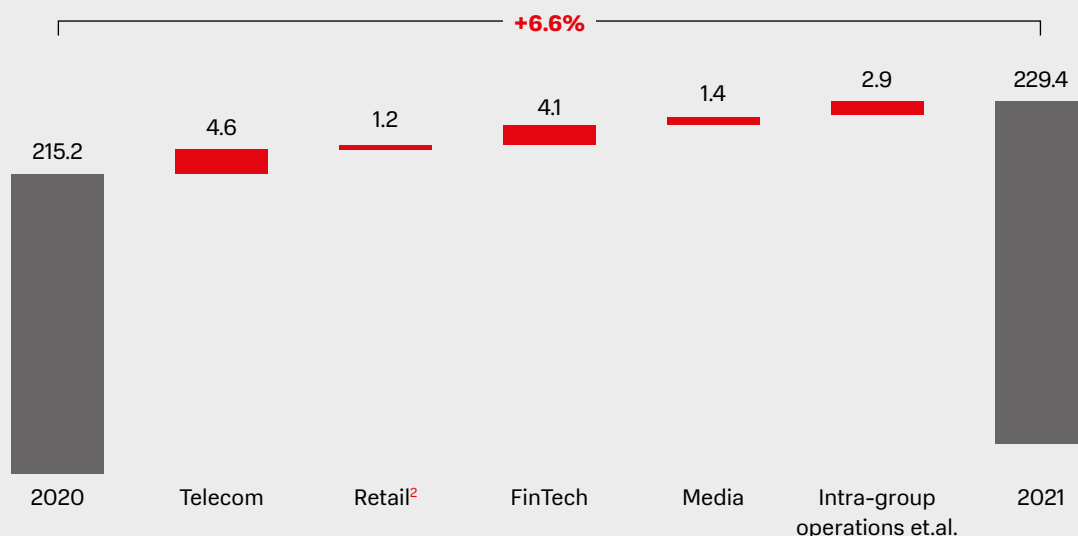
Vyacheslav Nikolaev,
President of MTS

OIBDA OF THE GROUP

SUSTAINABILITY

Factor analysis of adjusted¹ OIBDA of the Group

RUB billion



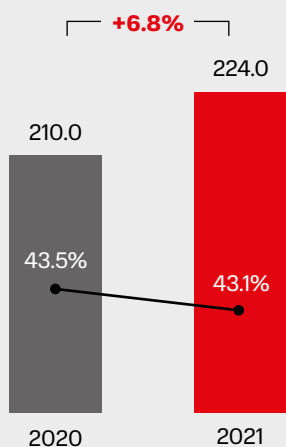
The OIBDA growth was due to the following:

- > - high performance indicators in Russia,
- > - stable growth of income from telecom services, growth of consumption of financial services,
- > - recovery of the entertainment industry, as well as revision of the product portfolio in 2020.

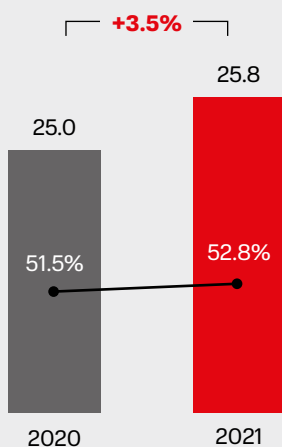
¹ Adjusted OIBDA does not include losses from impairment of non-current assets amounting to RUB 808 million for Q4 2020 and to RUB 2.088 billion for the entire 2020.

² Retail – RTC JSC, 100% subsidiary of MTS, provides customer service and sells SIM cards, services, products of the MTS ecosystem, gadgets and other devices in retail stores.

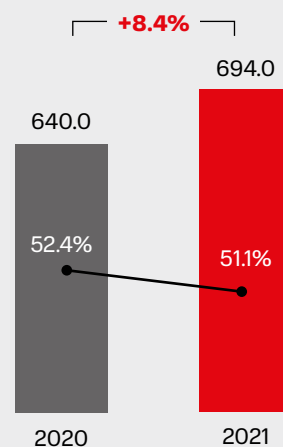
Adjusted¹ OIBDA and margin in Russia
RUB billion



OIBDA and margin in Armenia
AMD billion



OIBDA and margin in Belarus
BYN million

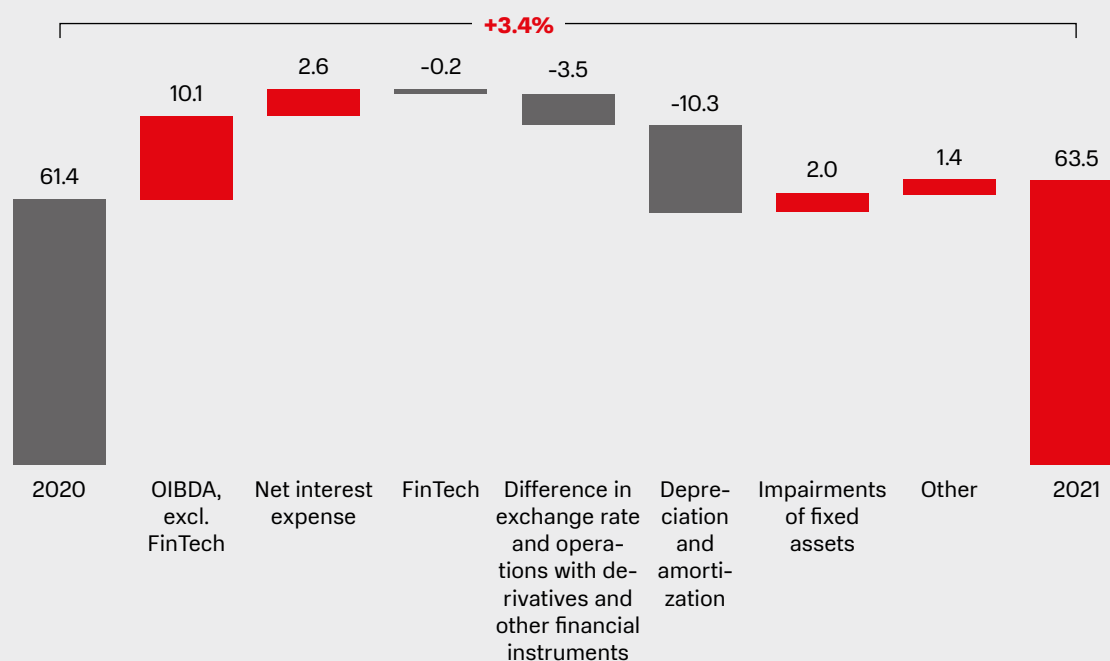


¹ Adjusted OIBDA does not include losses from impairment of non-current assets amounting to RUB 808 million for Q4 2020 and to RUB 2.088 billion for the entire 2020.

NET INCOME INDICATORS

Net income of the Group

RUB billion



Net income of the Group for 2021 increased by 3.4% year-on-year to RUB 63.5 billion.

The income growth was ensured by the following:

- > **successful operation of the telecom vertical,**
- > **FinTech results.**

The deterrent effect was caused by the following:

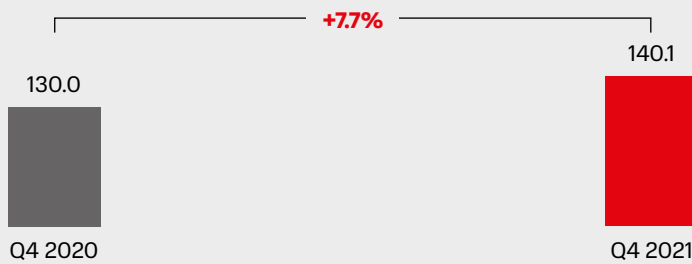
- > **increased depreciation due to increased capital investments and inorganic growth,**
- > **increased interest expenses against the backdrop of an increased key interest rate,**
- > **difference in exchange rate and operations with derivative financial instruments.**

PRINCIPAL BUSINESS IN RUSSIA

STABLE GROWTH

Revenue growth in Russia

RUB billion

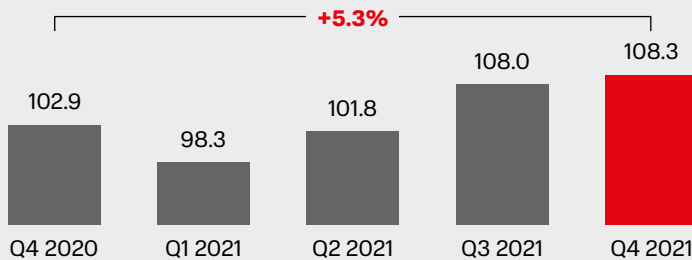


+25%

convergent base growth, Q4 2021 to Q4 2020

Growth of revenue from communication services in Russia

RUB billion

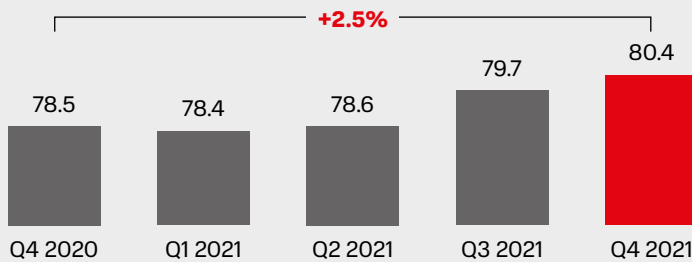


+30%

growth in the 4G base stations' amount, 2021 to 2020

Subscriber base in Russia

million



51%

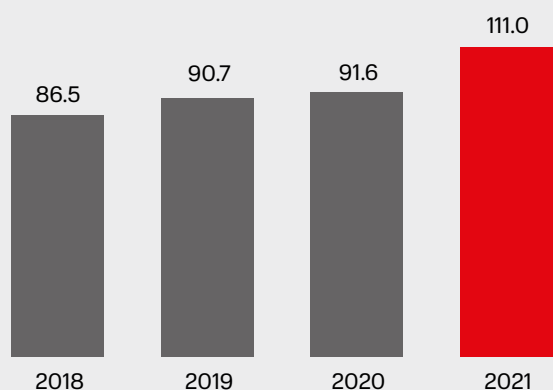
of households are covered by gigabit broadband Internet

INVESTMENT

INVESTMENT IN INFRASTRUCTURE FOR DIGITAL PRODUCTS

Capital expenditures of the Group¹

RUB billion



- > In Q4 2021, MTS Group launched **10,755** base stations in **81** regions of Russia, including **8,990** 4G standard stations
- > All in all, in 2021, MTS Group launched **27,320** base stations in **81** regions of Russia, including **26,364** 4G standard stations



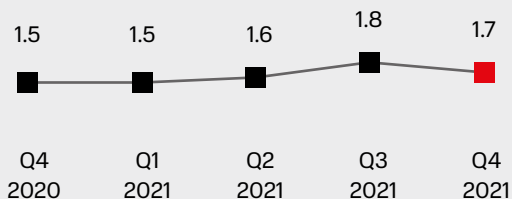
	2021		2020	
	Capital expenditures of the Group, RUB billion	As % of revenue	Capital expenditures of the Group, RUB billion	As % of revenue
Russia²	109.0	21%	94.8	n/a
Armenia	1.7	24%	1.9	26%
Czech Republic	0.3	4%	0.3	5%
Group²	111.0	21%	96.9	n/a

¹ CAPEX of the Group in 2020 was RUB 91.6 billion, taking into account money receipts under swap contracts related to changes in foreign exchange rates against the ruble; excluding this factor, CAPEX of the Group in 2020 was RUB 96.9 billion.

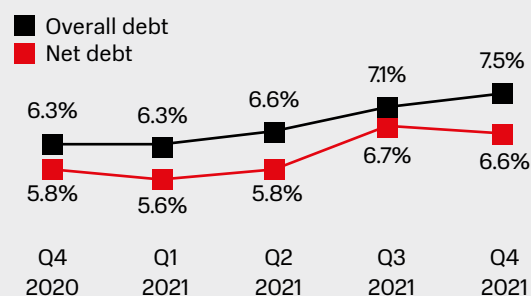
² Excluding money receipts under sharing agreements.

FINANCIAL STRENGTH

Net debt / LTM of adjusted OIBDA



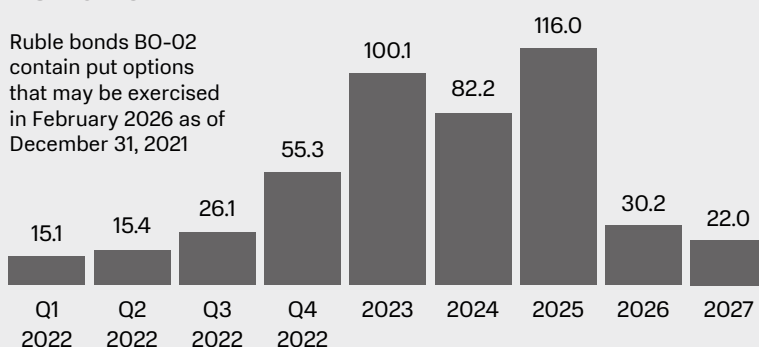
Weighted average interest rates



Debt payment schedule

RUB billion

Ruble bonds BO-02 contain put options that may be exercised in February 2026 as of December 31, 2021



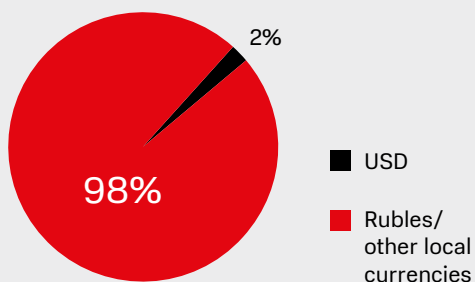
Overall debt²

462.3
RUB billion

Net debt²

389.5
RUB billion

Structure of overall debt¹



- > **Ratio of net debt to LTM of adjusted OIBDA remains at the comfortable level 1.7x, which makes it possible to maintain financial stability and capability of the company to both maintain the level of investment and high yield for shareholders**
- > **In Q4 2021, the weighted average interest rates of the net debt for MTS Group increased to 6.6 percent from 5.8 percent in Q4 2020, which followed an increase in ruble interest rates, as well as refinancing of previously raised liabilities**

¹ Excluding leasing obligations.

² Excluding borrowing costs.