

## MTS REPORTS 2Q 2024 FINANCIAL AND OPERATING RESULTS

2Q 2024 Consolidated Group Revenue	2Q 2024 Group OIBDA	2Q 2024 Group Net Profit <sup>1</sup>
increased by <b>18.5%</b> year-over-year to <b>RUB 170.9 bn.</b>	rose <b>5.0%</b> year-over-year to <b>RUB 65.4 bn.</b>	amounted to <b>RUB 7.2 bn</b> (-57.2% year-over-year)

Moscow, August 22, 2024 — Mobile TeleSystems Public Joint Stock Company (“MTS” or “the Company”) (MOEX: MTSS), a digital ecosystem, announces its second-quarter 2024 financial and operating results.

In 2Q 2024, consolidated Group revenue rose 18.5% year-over-year to RUB 170.9 bn on the back of increased revenue across all business lines. Group OIBDA in the reporting period increased by 5.0% to RUB 65.4 bn, driven by higher revenue in the Telecom, Media and Adtech business lines in addition to excellent performance in Fintech. OIBDA growth was constrained by investments in high-potential business streams. The Group’s net profit in 2Q 2024 was RUB 7.2 bn.



### Viacheslav Nikolaev, President and CEO, commented:

Our most significant corporate event of the first half of the year was the consolidation of our media assets into a single holding company, MTS Media, which will focus on developing large-scale franchises and partnerships across all platforms. The first example of this kind of synergy was our exclusive-content universe based on the novel *The Master and Margarita*, which we presented across five different ecosystem services.

Our kicksharing service, MTS Urent, continues to thrive as part of our ecosystem. Scooter rides completed by users with a Premium subscription already make up 65% of all rides taken on the platform. Some 1.2 million unique Premium subscribers have taken at least one ride, a number that has continued to grow considerably throughout July and August.

In May, we hosted our MTS Platform 2024 and True Tech Day conferences, which showcased new services and technologies. Given the tremendous interest in the events, we have decided to hold them on a regular basis.

We remain committed to exploring innovative solutions and technologies that will enhance our existing arsenal of online and offline services. We plan to make significant investments in R&D in the coming years, which will enable us to maintain and strengthen our technological leadership.



<sup>1</sup> Attributable to the owners of the Company.

# BUSINESS-LINE HIGHLIGHTS

## TELECOM

- Revenue from connectivity services increased by 6.0% year-over-year in 2Q 2024 to RUB 115.1 bn.
- The number of three-month active subscribers increased year-over-year by 1.3 m reaching 81.6 m.

## ECOSYSTEM

- The number of ecosystem clients surpassed 15 m in 2Q 2024, up 7.0% from 2Q 2023.
- Ecosystem revenue<sup>2</sup> increased 14.2% in 2Q 2024.

## FINTECH

- MTS Bank's revenue rose 53.0% year-over-year in 2Q 2024.
- MTS Bank's net profit in 6 months of 2024 increased by 32.3% year-over-year to RUB 7.8 bn.
- MTS Bank's gross retail loan portfolio amounted to RUB 378.1 bn as of the end of the reporting period (+31.6% year-over-year).

## MEDIA HOLDING

- The total number of pay TV subscribers (satellite, cable, IPTV, OTT) grew by 13.7% year-over-year, to 13.3 million subscribers at the end of the reporting quarter.
- x2.5 increase in the monthly audience of MTS Music compared to 2Q 2023.

<sup>2</sup> B2C revenue generated by ecosystem clients

# FINANCIAL RESULTS

## Consolidated Group key figures (RUB bn)<sup>3</sup>

	2Q24	2Q23	Change, %
Revenue	170.9	144.2	18.5%
OIBDA	65.4	62.2	5.0%
Operating profit	37.7	33.6	12.4%
Profit attributable to the owners of the Company	7.2	16.8	-57.2%
Cash CAPEX	31.1	20.0	55.9%
Net debt <sup>4</sup>	424.0	416.0	1.9%
Net debt / LTM OIBDA	1.8x	1.8x	-

In 2Q 2024, **Group revenue** increased by 18.5% to RUB 170.9 bn thanks to positive contributions from all Group business lines. High double-digit revenue growth rate in the reporting quarter was driven by higher revenues from core telecom services, increased sales in the retail business, growth in MTS Bank's retail loan portfolio, interest and commission income, as well as the development of the advertising business (Adtech).

**Group OIBDA** in 2Q 2024 amounted to RUB 65.4 bn (up 5.0% year-over-year). Although increased revenue across all business lines had a positive impact on OIBDA, growth was constrained in 2Q 2024 due to ecosystem advertising and marketing expenses, Fintech funding costs and the cost of developing ecosystem products.

**Group net profit** in 2Q 2024 amounted to RUB 7.2 bn (down 57.2% year-over-year). Interest expense and the revaluation of financial instruments and derivatives put pressure on net profit.

**Group cash capital expenditures** in 2Q 2024 increased by 55.9% year-over-year to RUB 31.1 bn as a result of investments in the development of telecom infrastructure and new business streams.

As of June 30, 2024, **MTS's net debt** amounted to RUB 424.0 bn. The Group's net debt to LTM OIBDA ratio remained unchanged from the previous year, at 1.8x.

<sup>3</sup> Financial results for 2Q 2023 have been restated in connection with the deconsolidation of MTS Armenia.

<sup>4</sup> Excluding lease obligations.

## Financial and operating results

RUB bn	2024	2023	Change, %
<b>Revenue</b>	170.9	144.2	18.5%
<b>B2C</b>	115.1	98.9	16.3%
Connectivity	74.8	69.9	7.0%
Sales of handsets	10.0	8.2	21.7%
Bank revenue	26.1	18.8	39.2%
Other	4.1	2.0	102.8%
<b>B2B/G</b>	48.2	34.8	38.6%
Connectivity	21.5	19.6	9.7%
Adtech	14.3	8.5	69.6%
Sales of handsets	2.8	1.7	67.0%
Bank revenue	5.7	2.1	173.0%
Other	3.9	3.0	31.0%
<b>B2O</b>	18.8	19.1	-1.3%
Intragroup transactions	-11.2	-8.6	29.8%
<b>OIBDA</b>	65.4	62.2	5.0%
margin	38.3%	43.2%	-4.9 p.p.
<b>Net profit</b>	7.2	16.8	-57.2%
margin	4.2%	11.7%	-7.5 p.p.
Number of MTS retail stores <sup>5</sup>	4,224	4,776	-552
For informational purposes only: connectivity revenue	115.1	108.6	6.0%

**Connectivity revenue** in 2Q 2024 rose 6.0% year-over-year to RUB 115.1 bn thanks to a 7.0% increase in revenues from basic and digital services in the B2C segment and a 9.7% increase in the B2B segment. The Company's advertising business (**Adtech**) is accelerating its growth rate by expanding its product portfolio, building up its advertising inventory and increasing its client base. Adtech revenue rose 69.6% to RUB 14.3 bn in 2Q 2024. Revenue from **banking services** rose 52.5% year-over-year thanks to increased lending and higher commission income. **Sales of handsets and accessories** in 2Q 2024 increased by 29.4% year-over-year.

<sup>5</sup> Number of Company-owned and franchised stores in operation at the end of the reporting period.

# SHAREHOLDER RETURNS

In April, MTS's Board of Directors approved a new dividend policy for 2024–2026 that stipulates a target dividend yield of not less than RUB 35.0 per ordinary MTS share each calendar year.

At the same time, the Board recommended that the Annual General Meeting of Shareholders, scheduled for June 26, 2024, approve annual dividends based on the Company's financial results for 2023 in the amount of RUB 35.0 per share, or RUB 68.6 bn (RUB 68,590,090,555). July 16, 2024, was recommended as the dividend record date.

In June 2024, the Annual General Meeting of Shareholders approved annual dividends for 2023 in the amount of RUB 35.0 per share.

In August 2024, MTS paid out dividends for 2023 in the amount of RUB 35.0 per share.

# RECENT COMPANY NEWS

## Corporate developments

On August 7, 2024 Stream Digital LLC, a wholly owned subsidiary of MTS PJSC, announced an additional tender offer for the purposes of buying back up to 57,705,102 shares, or up to 2.89% of the Company's shares outstanding, from MTS shareholders, including JPMorgan Chase Bank, N.A., the depository bank for the Company's depository receipts program, for a price of RUB 95 per share. Bids will be accepted until September 6, 2024.

## Debt

In July, MTS issued floating-rate exchange-traded bonds worth RUB 17 bn: the coupon for the series 002P-06 bonds is tied to the Bank of Russia's key rate. The issue meets the requirements for investing pension savings as well as pension and insurance provisions, and it also meets the requirements for inclusion on the Bank of Russia's Lombard List. The bonds were added to Moscow Exchange's Level 1 quotation list. The rating agencies ACRA, Expert RA and NCR assigned the bonds ratings of AAA(RU), ruAAA and AAA.ru, respectively.

## Innovation and products

In April, MTS launched a proprietary platform for purchasing ads through Telegram Ads. Called Trading Desk, the new platform is designed for professional traders, who can set all the parameters for targeting and ad duration in Telegram Ads on a single screen and record traffic at each audience touchpoint to track conversions. Ruble-based billing simplifies cost projections as well as campaign planning and reporting. The ability to perform batch operations enables users to create and edit up to several hundred advertising campaigns at once.

In April, MTS Urent introduced its own electric scooter, called Urent 2.0, which was designed with Russian road infrastructure in mind. The scooter was developed by MTS Urent in collaboration with Eleven, which has been developing micromobility devices for more than four years. The Urent 2.0 model takes into account the user experience and operational features of scooters used by kicksharing services in order to improve their reliability and user-friendliness, wear resistance and durability. This is the first electric scooter for kicksharing developed in the Union State with SKD assembly in Russia. The partners plan to consolidate production in a single location in the coming years.

In May, MTS launched Tariff 24, which includes the MTS Music streaming service and offers new opportunities for active city living: exchanging calling minutes for bonus points that can be used to pay for Urent scooter rides, data rollover and unlimited access to popular messenger services and social networks. One of the main advantages of Tariff 24 is the ability to exchange unused calling minutes for bonus points from the Urent kicksharing service, which is part of the MTS ecosystem. Users can exchange minutes for rides in the My MTS app or in their personal account by clicking on the Urent advertising banner.

In May, MTS launched its DevX platform, an integrated development environment that will greatly reduce the time it takes to bring new products and services to market. The launch of the platform will make it possible to apply the same performance standards to all IT specialists working in the MTS ecosystem and minimize the number of routine operations at all stages—from systems design to testing and rollout. Developers will get access to user-friendly collaboration tools that are based primarily on open-source solutions. Process transparency will make it possible to configure tools for measuring performance and managing development, reducing the time needed to launch new products and services and improve the quality of the coding.

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In July, MTS launched its WordPulse speech analytics service across all ecosystem services. Every day, neural networks will verify more than 300,000 customer requests by phone or in chats, as well as study feedback received through messenger services and social networks. WordPulse was developed by MTS AI. The service assesses the topic of the conversation and its tone, and the neural network determines at what point the customer's mood changes—for better or for worse. Based on the results of the analysis, the system helps create a report on the work of each employee. Based on this data, customer service center managers can, for example, provide additional training materials to employees who are experiencing difficulties or take other measures to increase customer satisfaction. In addition, the AI-based system can quickly understand the most frequent requests and will be able to indicate growth points.



# CAUTIONARY STATEMENT

This press release was prepared by Mobile TeleSystems Public Joint Stock Company (“MTS” or “the Company”), without independent verification, on the basis of the Company’s unaudited interim consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the six months ended June 30, 2024.

Some of the information in this press release may contain projections or other forward-looking statements or statements regarding the future financial performance of MTS or of MTS Group subsidiaries. Forward-looking statements include projections regarding beliefs and expectations. MTS cautions that projections are not a guarantee of future results and that they involve risks and other important factors that MTS cannot accurately predict. Actual outcomes and results may differ considerably from what MTS projects in its forward-looking statements. MTS does not undertake any obligation to update or revise these statements, whether as a result of new information or for any other reason, or to align them with actual results. The figures used in this press release may be rounded, which could result in minor differences in data and percentages compared with the figures presented in the Company’s published financial statements.

The information contained in this press release should in no way be considered complete, accurate or impartial. The information in this press release is subject to verification, finalization and revision. MTS has not made, nor does it make, on behalf of itself, its shareholders, its directors, its officers or any other party any representation or warranty, express or implied, as to the accuracy, completeness or objectivity of the information contained herein. None of the directors of MTS, its shareholders, its officers or any other party assumes any responsibility for any losses of any kind that may be incurred as a result of any use of the content of this press release.

## NOTE ON FINANCIAL MEASURES & DEFINITIONS

This press release includes financial information prepared in accordance with International Financial Reporting Standards, or IFRS, as well as other financial measures referred to as non-IFRS. The non-IFRS financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Due to rounding and translation practices, Russian ruble and functional currency margins, as well as other financial measures, may differ.

**OIBDA and OIBDA margin can be reconciled to our consolidated statements of profit or loss as follows<sup>7</sup>:**

Group (RUB bn)	2Q23	3Q23	4Q23	1Q24	2Q24
Operating profit	33.6	30.0	30.7	33.2	37.7
Add: D&A	28.7	28.8	26.0	25.9	27.7
OIBDA	62.2	58.8	56.7	59.1	65.4

**OIBDA margin can be reconciled to our operating margin as follows<sup>7</sup>:**

Group	2Q23	3Q23	4Q23	1Q24	2Q24
Operating margin	23.3%	19.2%	18.3%	20.6%	22.1%
Add: D&A	19.9%	18.4%	15.4%	16.1%	16.2%
OIBDA margin	43.2%	37.6%	33.7%	36.7%	38.3%

**Free cash flow excl. Bank can be reconciled to our free cash flow as follows<sup>7</sup>:**

Group (RUB bn)	6m23	9m23	12m23	3m24	6m24
Group free cash flow	-3.1	27.1	34.8	-6.5	-17.3
Less: Bank free cash flow	-39.3	-30.4	-10.0	-6.0	-34.6
Free cash flow excl. Bank	36.2	57.6	44.8	-0.5	17.3

<sup>7</sup> Totals may add up differently due to rounding.

### *Definitions*

**Total debt.** Total debt represents short-term and long-term debt excluding lease obligations and debt issuance costs.

**Net debt.** Net debt represents total debt less cash and cash equivalents, short-term investments, long-term deposits, swap and currency hedging. Our net debt calculation is commonly used as one of the bases for investors, analysts and credit rating agencies to evaluate and compare our periodic and future liquidity within the wireless telecommunications industry. Our net debt calculation may not be similar to the net debt calculation of other companies. The non-IFRS financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS.

**Free Cash Flow.** Free cash flow is represented by net cash from operating activities less cash used for certain investing activities. Free cash flow is commonly used by investors, analysts and credit rating agencies to assess and evaluate our performance over time and within the wireless telecommunications industry. Our free cash flow calculation may not be similar to the free cash flow calculation of other companies. Because free cash flow is not based in IFRS and excludes certain sources and uses of cash, the calculation should not be looked upon as an alternative to our consolidated statement of cash flows or other information prepared in accordance with IFRS.

**Operating Income Before Depreciation and Amortization (OIBDA) and OIBDA margin.** OIBDA represents operating income before depreciation and amortization. OIBDA margin is defined as OIBDA as a percentage of our net revenues. OIBDA may not be similar to OIBDA measures of other companies, is not a measurement under IFRS and should be considered in addition to, but not as a substitute for, the information contained in our consolidated statement of profit or loss. We believe that OIBDA provides useful information to investors because it is an indicator of the strength and performance of our ongoing business operations, including our ability to fund discretionary spending such as capital expenditures, acquisitions of mobile operators and other investments and our ability to incur and service debt. While depreciation and amortization are considered operating costs under IFRS, these expenses primarily represent the non-cash current period allocation of costs associated with long-lived assets acquired or constructed in prior periods. Our OIBDA calculation is commonly used as one of the bases for investors, analysts and credit rating agencies to evaluate and compare the periodic and future operating performance and value of companies within the wireless telecommunications industry. We use the term Adjusted for OIBDA and operating profit where there were items that do not reflect underlying operations that were excluded.

**Subscriber.** We define a “subscriber” as an organization or individual whose SIM-card:

- shows traffic-generating activity or
- accrues a balance for services rendered or
- is replenished or topped off

over the course of any three-month period, inclusive within the reporting period, and was not blocked at the end of the period.



# CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

(AMOUNTS IN MILLIONS OF RUB EXCEPT PER SHARE AMOUNT)



	Six months ended		Three months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Service revenue	305 278	260 259	157 659	133 817
Sales of goods	26 905	21 337	13 209	10 342
<b>Revenue</b>	<b>332 183</b>	<b>281 596</b>	<b>170 868</b>	<b>144 159</b>
Cost of services	(99 969)	(77 262)	(50 268)	(39 152)
Cost of goods	(24 917)	(19 091)	(12 186)	(9 354)
Selling, general and administrative expenses	(71 531)	(59 262)	(37 257)	(29 058)
Depreciation and amortization	(53 596)	(56 602)	(27 652)	(28 685)
Operating share of the profit of associates and joint ventures	4 581	3 120	3 560	1 849
Other operating expenses	(15 823)	(10 390)	(9 342)	(6 195)
<b>Operating profit</b>	<b>70 929</b>	<b>62 109</b>	<b>37 723</b>	<b>33 564</b>
<b>Other non- operating income / (expenses):</b>				
Finance income	2 319	1 232	1 269	734
Finance costs	(43 321)	(25 523)	(22 544)	(12 970)
Other non-operating income / (expenses)	5 062	(1 860)	(7 017)	(997)
<b>Total other non-operating expenses, net</b>	<b>(35 940)</b>	<b>(26 151)</b>	<b>(28 291)</b>	<b>(13 233)</b>
<b>Profit before tax from continuing operations</b>	<b>34 989</b>	<b>35 958</b>	<b>9 432</b>	<b>20 331</b>
Income tax expense	(7 109)	(6 832)	(1 627)	(3 691)
<b>Profit for the period from continuing operations</b>	<b>27 880</b>	<b>29 126</b>	<b>7 805</b>	<b>16 640</b>
<b>Discontinued operation:</b>				
Profit after tax for the period from discontinued operation	19 670	840	(39)	396
<b>Profit for the period</b>	<b>47 550</b>	<b>29 966</b>	<b>7 765</b>	<b>17 036</b>
Profit for the period attributable to non-controlling interests	(901)	(467)	(576)	(230)
<b>Profit for the period attributable to owners of the Company</b>	<b>46 649</b>	<b>29 499</b>	<b>7 190</b>	<b>16 806</b>
<b>Other comprehensive (loss) / income</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translating foreign operations	(511)	5 597	(648)	3 122
Net fair value loss on financial instruments	(120)	(73)	(32)	2
<b>Total other comprehensive (loss)/income, net of taxes</b>	<b>(631)</b>	<b>5 524</b>	<b>(680)</b>	<b>3 124</b>
<b>Total comprehensive income/(loss)</b>	<b>46 919</b>	<b>35 490</b>	<b>7 085</b>	<b>20 160</b>
Less comprehensive loss/(income) for the period attributable to the noncontrolling interests	(901)	(467)	(576)	(230)
<b>Comprehensive income/(loss) attributable to the Group</b>	<b>46 018</b>	<b>35 023</b>	<b>6 509</b>	<b>19 930</b>
Weighted average number of common shares outstanding, in thousands - basic	1 686 146	1 687 339	1 687 308	1 689 672
Earnings per share attributable to the Group - basic:				
EPS from continuing operations, RUB	16,00	16,98	4,28	9,71
EPS from discontinued operation, RUB	11,67	0,50	(0,02)	0,23
Total EPS - basic, RUB	27,67	17,48	4,26	9,94
Weighted average number of common shares outstanding, in thousands - diluted	1 697 614	1 708 499	1 696 981	1 708 499
Earnings per share attributable to the Group - diluted:				
EPS from continuing operations, RUB	15,89	16,77	4,26	9,60
EPS from discontinued operation, RUB	11,59	0,49	(0,02)	0,23
Total EPS - diluted, RUB	27,48	17,26	4,24	9,83





# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2024 AND AS OF DECEMBER 31, 2023



(AMOUNTS IN MILLIONS OF RUB)

	As of June 30, 2024	As of December 31, 2023
<b>ASSETS</b>		
NON-CURRENT ASSETS:		
Property, plant and equipment	321 316	314 270
Investment property	9 329	8 546
Right-of-use assets	104 310	111 305
Goodwill	62 271	49 229
Other intangible assets	134 866	120 470
Investments in associates and joint ventures	15 123	22 170
Other investments	9 409	43 462
Deferred tax assets	9 670	9 221
Accounts receivable, related parties	1 210	1 202
Trade accounts receivable	1 671	1 607
Bank loans to customers and interbank loans due from banks	215 368	188 713
Other financial assets	8 246	12 510
Other assets	3 275	3 232
<b>Total non-current assets</b>	<b>896 064</b>	<b>885 937</b>
CURRENT ASSETS:		
Inventories	19 289	19 009
Trade and other receivables	43 945	40 746
Accounts receivable, related parties	4 514	4 820
Bank loans to customers and interbank loans due from banks	144 932	148 144
Short-term investments	85 076	39 791
Advances paid and prepaid expenses	12 202	12 360
VAT receivable	11 998	11 984
Income tax assets	3 695	3 754
Assets held for sale	158	19 952
Cash and cash equivalents	71 647	73 752
Other financial assets	49 366	30 481
Other assets	2 222	815
<b>Total current assets</b>	<b>449 044</b>	<b>405 608</b>
<b>TOTAL ASSETS</b>	<b>1 345 108</b>	<b>1 291 545</b>
<b>EQUITY AND LIABILITIES</b>		
EQUITY:		
Equity attributable to owners of the Company	-	5 098
Non-controlling interests	19 128	6 818
<b>Total equity</b>	<b>-</b>	<b>1 720</b>
NON-CURRENT LIABILITIES:		
Borrowings	300 125	312 868
Lease obligations	105 792	113 003
Bank deposits and liabilities	19 298	20 774
Deferred tax liabilities	6 438	6 911
Provisions	11 842	10 374
Contract liabilities	1 281	1 102
Other financial liabilities	6 793	5 230
Other non-financial liabilities	2 766	2 426
<b>Total non-current liabilities</b>	<b>454 335</b>	<b>472 688</b>
CURRENT LIABILITIES:		
Trade and other payables	152 703	95 951
Accounts payable, related parties	793	762
Contract liabilities	31 056	29 614
Borrowings	280 031	241 187
Lease obligations	21 407	20 509
Bank deposits and liabilities	350 490	347 110
Income tax liabilities	877	711
Provisions	37 375	41 780
Other financial liabilities	5 330	6 146
Other non-financial liabilities	29 255	30 161
Liabilities directly associated with the assets held for sale	-	3 206
<b>Total current liabilities</b>	<b>909 317</b>	<b>817 137</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 345 108</b>	<b>1 291 545</b>





# CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023

(AMOUNTS IN MILLIONS OF RUB)

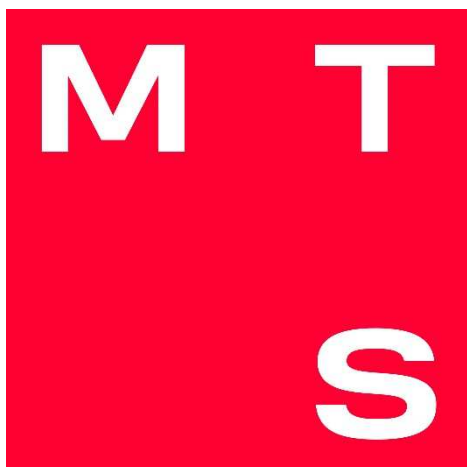


	Six months ended June 30, 2024	Six months ended June 30, 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit for the year	47 550	29 966
<b>Adjustments for:</b>		
Depreciation and amortization	53 851	57 933
Impairment of financial assets	16 553	15 220
Profit from sale of Armenia operations	(19 074)	-
Finance income	(2 394)	(1 240)
Finance costs	43 332	25 590
Income tax expense	7 168	7 264
Share of profit of associates and joint ventures	(4 793)	(3 280)
Net foreign exchange (gain) / loss and change in fair value of financial instruments	(6 980)	1 859
Inventory obsolescence expense	810	968
Change in provisions	(4 967)	3 598
Other non-cash items	(439)	(3 515)
<b>Movements in operating assets and liabilities:</b>		
(Increase)/Decrease in trade and other receivables and contract assets	(2 398)	75
Increase in bank deposits and loans to customers	(39 947)	(41 023)
Increase in inventory	(862)	(2 596)
Increase in advances paid and prepaid expenses	(15 800)	(11 958)
Decrease in VAT receivable	705	2 132
Decrease in trade and other payables, contract liabilities and other liabilities	(2 538)	(1 312)
Increase/(Decrease) in bank deposits and liabilities	5 799	(10 676)
Dividends received	2 835	2 591
Income tax paid	(7 549)	(10 913)
Interest received	1 483	902
Interest paid, net of interest capitalized	(40 879)	(25 571)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>31 466</b>	<b>36 014</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Acquisition of subsidiary, net of cash acquired	(279)	319
Purchases of property, plant and equipment	(29 919)	(14 676)
Purchases of other intangible assets	(30 674)	(22 731)
Purchases of investment property	(61)	(1 190)
Cost to obtain and fulfill contracts, paid	(2 537)	(2 148)
Proceeds from sale of property, plant and equipment and assets held for sale	3 767	2 125
Purchases of short-term and other investments	(17 367)	(3 962)
Proceeds from sale of short-term and other investments	10 795	1 419
Investments in associates and joint ventures	(4 637)	(800)
Net cash paid related to swap contracts	(7 972)	388
Proceeds from sale of subsidiaries, net of cash disposed	15 561	-
Other investing activities	-	(36)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(63 323)</b>	<b>(41 292)</b>



**CASH FLOWS FROM FINANCING ACTIVITIES:**

Repayment of loans	(61 214)	(36 344)
Proceeds from loans	60 875	41 018
Repayment of notes	(14 612)	(28 344)
Proceeds from issuance of notes	42 331	21 150
Notes and debt issuance cost paid	-	(35)
Lease obligation principal paid	(9 053)	(9 032)
Dividends paid	-	(25 525)
Proceeds from sales of treasury shares	-	3 370
Sale of non-controlling interests	11 278	482
Acquisition of non-controlling interests	(821)	(1 208)
Cash flows from transactions under common control	-	(84)
Other financing activities	(723)	1 198
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>28 061</b>	<b>(33 354)</b>
Effect of exchange rate changes on cash and cash equivalents	(368)	6 946
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4 164)</b>	<b>(31 686)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of the year</b>	<b>75 811</b>	<b>78 292</b>
<b>CASH AND CASH EQUIVALENTS, end of the period</b>	<b>71 647</b>	<b>46 606</b>

**CONTACTS**

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