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# FINANCIAL AND OPERATING RESULTS

1Q

2Q

**3Q**

4Q

2024

**S**

# CAUTIONARY STATEMENT



This presentation 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 nine months ended September 30, 2024.

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# 3Q 2024 RESULTS

## About MTS

MTS is a digital ecosystem and Russia's leading provider of mobile and fixed telecommunication services, data transmission and Internet connectivity, and cable and satellite television.

### 3Q highlights:

- MTS was named the leading provider of digital security solutions for users<sup>1</sup>
- My MTS was named one of the 3 best ecosystem apps in the Russian Federation<sup>2</sup>
- MTS was named the B2B-telecom leader in the IoT and Private LTE segments<sup>3</sup>

## Financial performance

**180.4** RUB bn Group revenue  
+15.3% y/y

**82.8** RUB bn Revenue from non-telecom services  
+34.6% y/y

**61.5** RUB bn Group OIBDA  
+4.5% y/y

**1.9x** Net debt / LTM OIBDA

## Our clients

**81.9** m Mobile subscribers  
+1.1 m y/y

**16.8** m Ecosystem clients  
+2.5 m y/y

**14.2** m Pay-TV users across all transmission formats  
+2.0 m y/y

**7.1** m MTS Urent unique users  
in 9M 2024



<sup>1</sup> According to a study by J'son & Partners Consulting   <sup>2</sup> According to a report by MarksWebb   <sup>3</sup> According to the analytical agency ONSIDE

# ECOSYSTEM CLIENT BASE GROWS CONSIDERABLY

## MTS Premium

**+30%**

Revenue growth  
(3Q 2024 vs. 3Q 2023)

**+90%**

Increase in number of customers  
(3Q 2024 vs. 3Q 2023)

## Ecosystem

**16.8 m**

Ecosystem clients  
+18.0% y/y and +1.7 m in 3Q 2024

**+16.1%**

Year-over-year growth in ecosystem revenue<sup>1</sup>

**+30%**

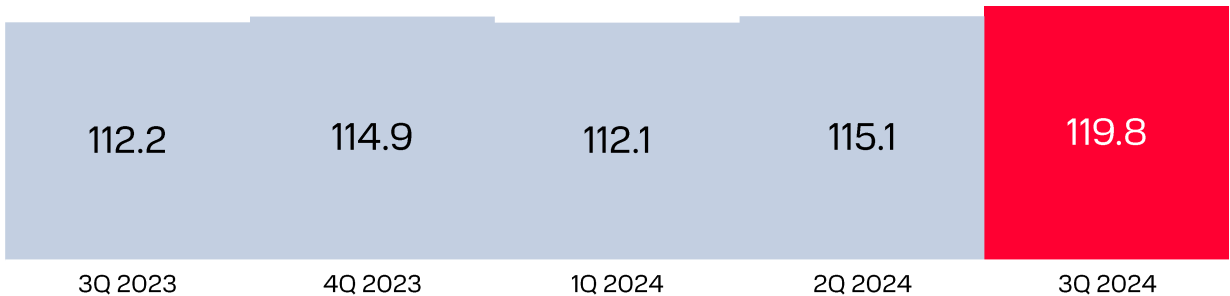
Increase in the number of ecosystem clients  
using 4 or more products (3Q 2024 vs. 3Q 2023)

<sup>1</sup>B2C revenue generated by ecosystem clients



# CONNECTIVITY REVENUE DEMONSTRATES ROBUST GROWTH

## Connectivity revenue, RUB bn



## Subscribers

**81.9 m** 3M mobile subscribers (+1.1 m y/y)

**+24%** Growth in the number of convergent<sup>1</sup> subscribers (in 3Q 2024 y/y)

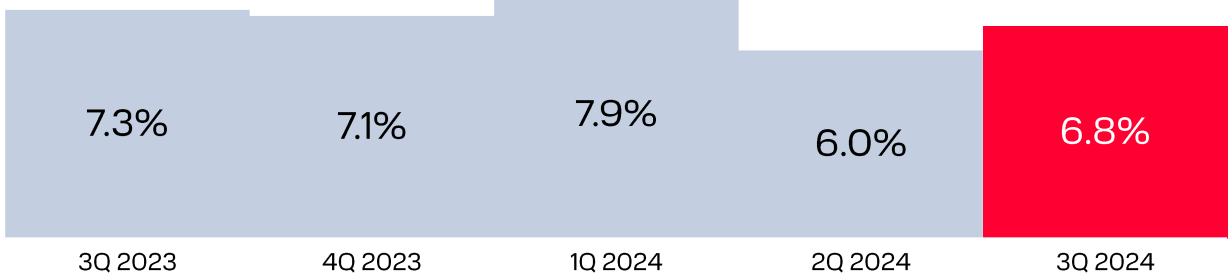
## B2B performance

**+10.1%** Increase in B2B revenue from connectivity services, including the results of IoT,<sup>2</sup> ICS<sup>3</sup> and fixed-line business (in 3Q 2024 y/y)

**+21%** Increase in B2B broadband revenue (in 3Q 2024 y/y)

**+55%** Increase in revenue from IoT-based vertical solutions (in 3Q 2024)

## Change in connectivity revenue y/y, %



<sup>1</sup> MTS's convergent subscription combines home Internet, television and mobile services

<sup>2</sup> IoT solutions for specific projects and tasks

<sup>3</sup> Our portfolio of intelligent communication systems (ICS) and CPaaS (communication platform as a service) services, which enable the incorporation of telecommunications functions into developers' integrated products through cloud-based platforms and APIs

# MTS'S AI TECHNOLOGIES ARE DRIVING MARKET-LEADING COMMUNICATIONS PLATFORMS

## MTS Link

# +49%

Increase in number of monthly active users (MAUs) in 3Q 2024 y/y

### New tools:

- **AI assistant:** gives users overviews of meetings
- **Chat summarizer:** provides a brief rundown in threads
- **Online whiteboards:** imports 100% of data created in Miro workspace

### Awards:

- “IT Leader in Education,” at Kazan Digital Week
- “Corporate Digital Solutions” at the Priority: Digital – 2024 awards



## Exolve

# 3x

Increase in registrations on the MTS Exolve platform in 3Q 2024 y/y

# No. 1

in the 2024 Telecom API market according to TMT Consulting<sup>1</sup>

### New services:

- Transcription of conversations
- API communications strategies (HLR)<sup>2</sup>



## Defender

# 13.8m

users of Defender's AI functionalities developed by MTS AI



<sup>1</sup>According to the 2024 Telecom API market rating prepared by experts from the IT marketplace Market.Cnews

<sup>2</sup>HLR (Home Location Register) — centralized database of mobile operators' subscribers

# MTS WEB SERVICES' CLOUD-BASED TECHNOLOGIES: MAIN PRODUCTS ENJOY DYNAMIC GROWTH

## Cloud business

**+42%**

Increase in revenue from cloud-based services (3Q 2024 vs. 3Q 2023)

**+40%**

Increase in OIBDA from cloud-based services (3Q 2024 vs. 3Q 2023)

## Revenue growth by business stream (3Q 2024 y/y)

**2.2x**

Disaster-resilient cloud infrastructure

**+42%**

Backup

**+78%**

Distributed network management software (SD-WAN)

**2.8x**

Cloud-based office solutions

## Main MWS launches in 3Q

**An AI cloud** was launched that will enable companies to accelerate and streamline the adoption of artificial intelligence, including MTS AI's LLM<sup>1</sup> Cotype.<sup>2</sup>

**An import substitution cloud** was launched that provides virtual infrastructure using Russian software and hardware.

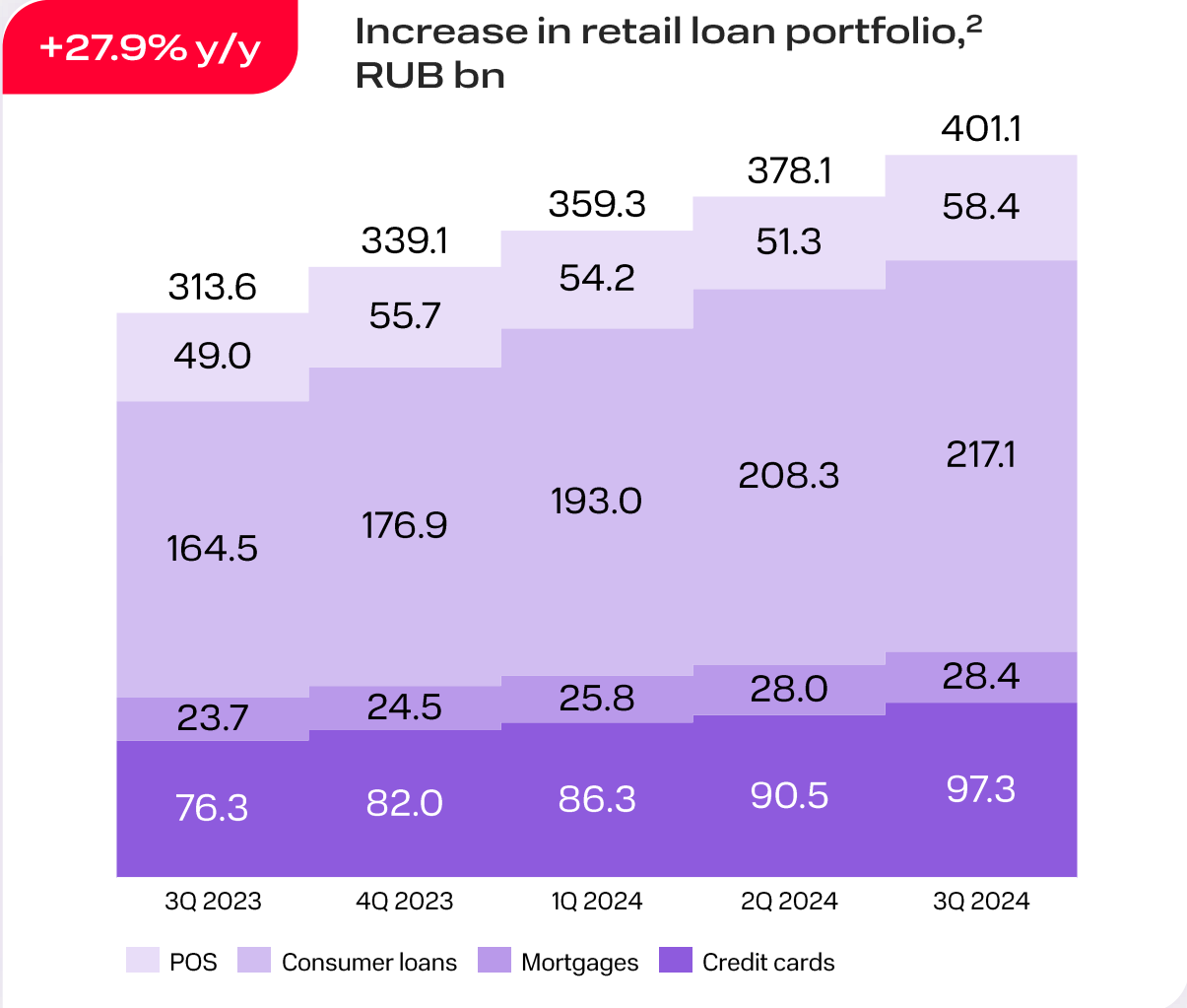
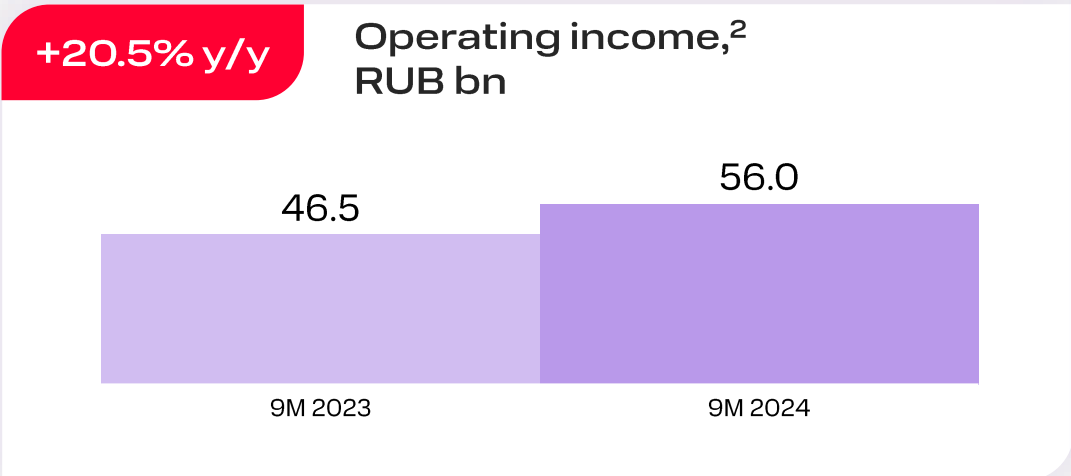
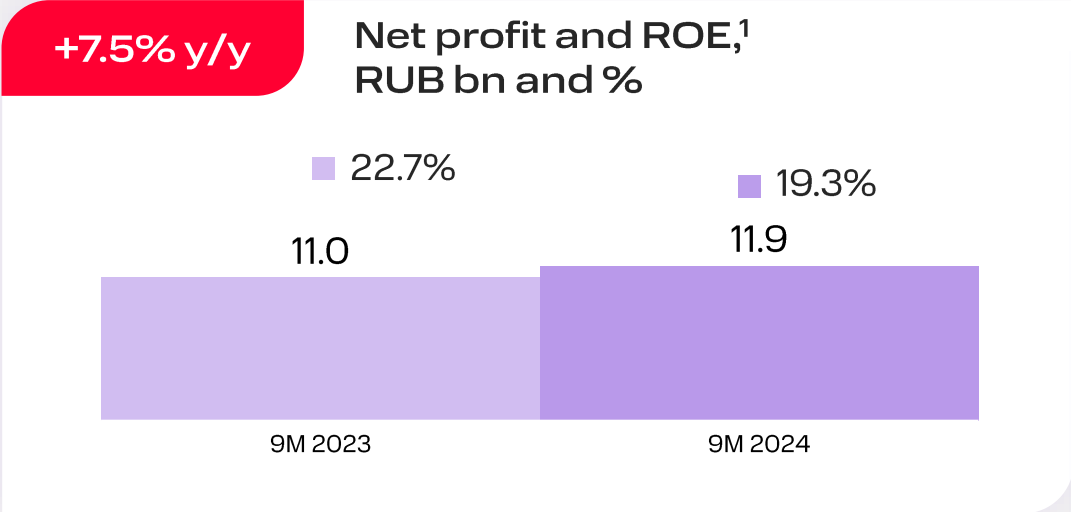
The number of virtual infrastructure availability zones with GPUs<sup>3</sup> increased **threefold**, and service capacity available to clients increased by 40%.

<sup>1</sup> Large language model

<sup>2</sup> A generative model that automates communications and operations involving documents and data and is among the top three Russian-language models, according to the MERA benchmark

<sup>3</sup> Graphics processing unit

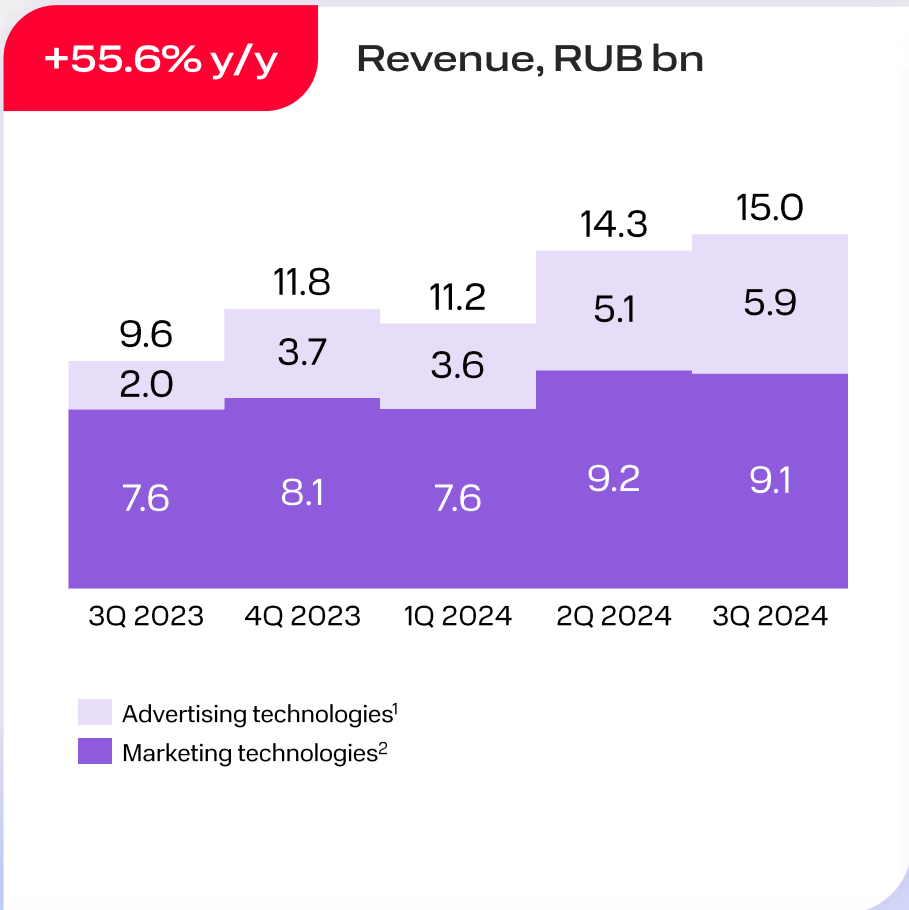
# CORE FINTECH PRODUCTS DEMONSTRATE ROBUST GROWTH



<sup>1</sup> Excluding subordinated bonds  
<sup>2</sup> Before provisions



## Key results in 3Q 2024



**Contracts**

**4x**

Increase in the number of unique contracts (3Q 2024 vs. 3Q 2023)

**Clients**

**3x**

Increase in the number of registered and confirmed clients (3Q 2024 vs. 3Q 2023)

**Campaigns**

**145 ths**

The number of advertising campaigns in 9M 2024 (+112 % y/y)

<sup>1</sup> Advertising in digital channels (digital advertising) and targeted mailings  
<sup>2</sup> A2P mailings (application-to-person) – SMS mailings from applications/systems to customers

# DYNAMIC GROWTH IN USER NUMBERS ACROSS ALL MEDIAHOLDING BUSINESSES

**KION**

**9.5 m**  
KION users (3Q 2024)

**On the 1st day of every month**  
A new series appears on KION

**22**  
New original projects released on KION (in 9M 2024)

**+29%**  
Increase in viewing time per user (3Q 2024 vs. 3Q 2023)

**44%**  
Percentage of MTS Premium subscribers among new KION viewers


**MTS Live**

**2x**  
GMV growth (3Q 2024 vs. 3Q 2023)




**MTS Music**

**3x**  
Increase in MAUs (3Q 2024 vs. 3Q 2023)



**MTS Label**

**250+ m**  
Number of times the MTS Label catalog was listened to (in 3Q 2024)



**Stroki**

**3x**  
Increase in content consumption time (3Q 2024 vs. 3Q 2023)




# MTS URENT: OVER 7 M UNIQUE USERS IN 2024 SEASON



## Highlights

**1m**

Paying users joined MTS Premium thanks to MTS Urent (in 9M 2024)

**+64%**

Increase in number of rides (in 9M 2024)

**10m**

Minutes exchanged by MTS subscribers for scooter rides through Tariff 24 plan

**175**

Locations in Russia (12 new locations in 3Q 2024)



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# GROUP FINANCIAL RESULTS

1Q

2Q

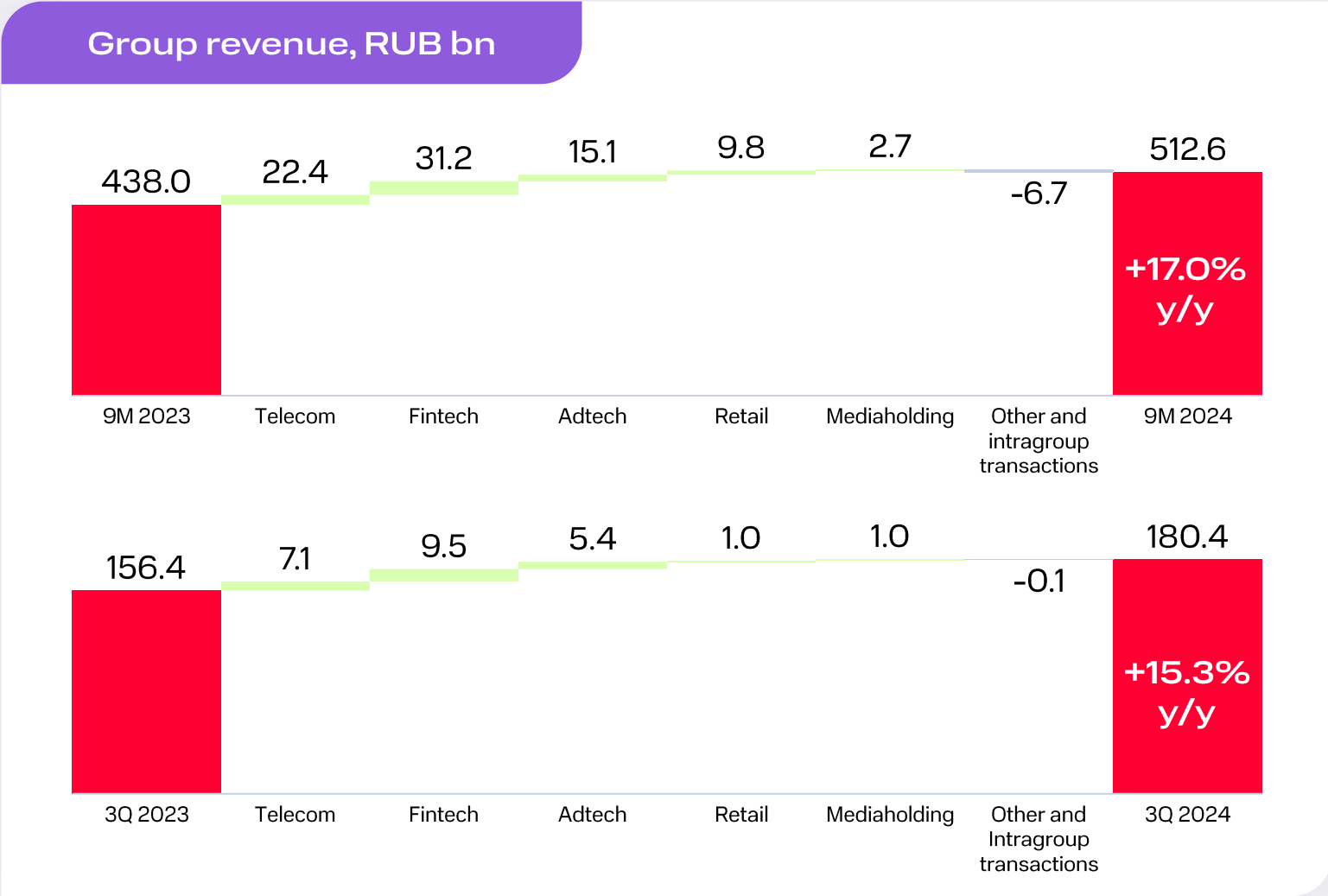
**3Q**

4Q

2024

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# HIGH REVENUE GROWTH DRIVEN BY INCREASES ACROSS ALL GROUP SEGMENTS



**Commentary**

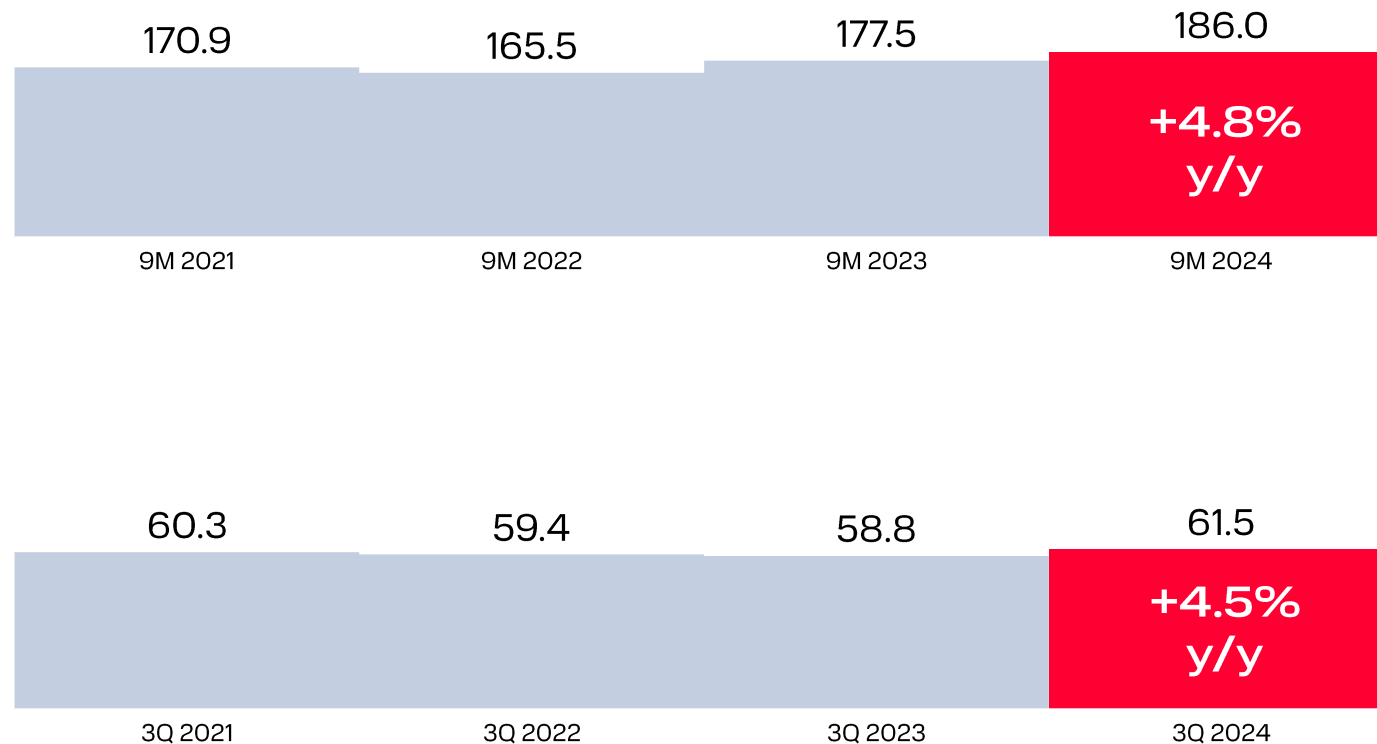
High revenue growth in 3Q 2024 was driven by the following factors:

- 6.8% year-over-year revenue growth from connectivity services
- In the Fintech segment, revenue grew 40.4% year-over-year thanks to increased retail lending and higher interest rates
- A 55.6% year-over-year increase in advertising business revenue thanks to higher traffic and active promotion through digital channels



# INCREASED REVENUE DRIVES STEADY OIBDA GROWTH

## Group OIBDA, RUB bn



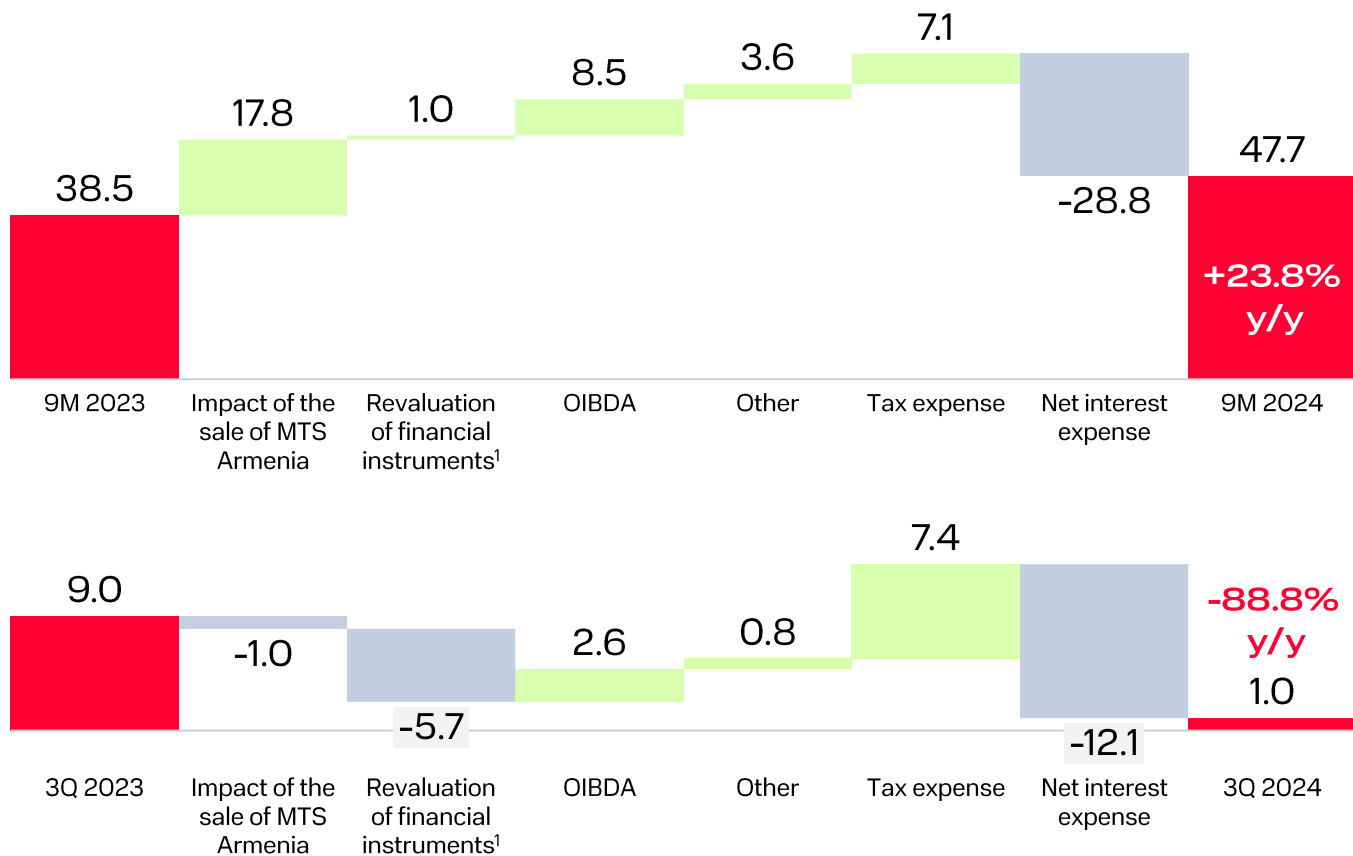
## Commentary

The steady upward trend in OIBDA is supported by revenue from connectivity services and Fintech.

OIBDA growth was constrained by investments in the development of new businesses, the ecosystem and staff as well as increased regulatory pressure on rates, bank capital and one-off expenses.

# GROUP NET PROFIT UNDER PRESSURE FROM HIGH INTEREST RATES

## Group net profit, RUB bn



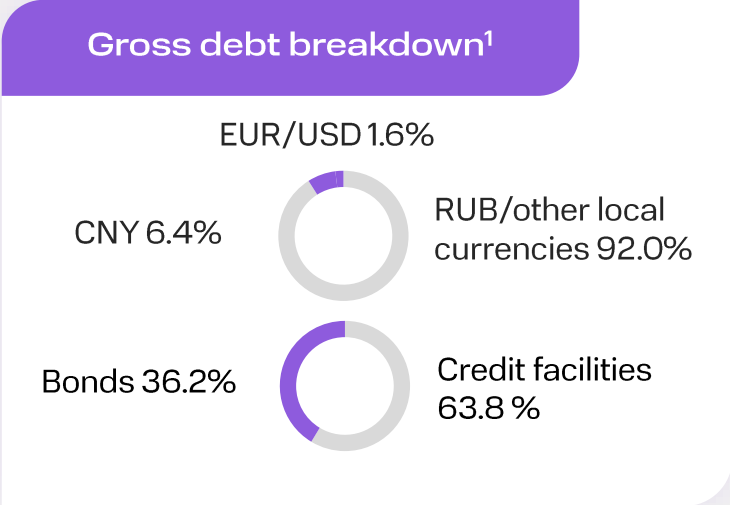
## Commentary

Net profit in 3Q 2024 contracted by 88.8% year-over-year due to an increase in interest expense in connection with a rise in the key rate as well as the revaluation of financial instruments and derivatives.

The decrease in profit tax reflected in the third quarter of 2024 is also related to the effect of recalculating temporary tax differences due to the increase in the profit tax rate in 2025.

<sup>1</sup>Including FX and operations with derivatives.

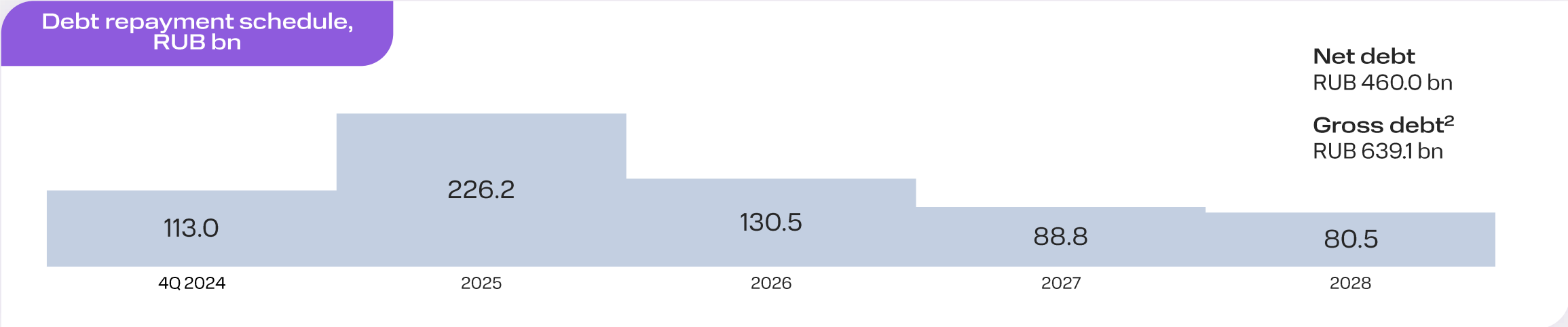
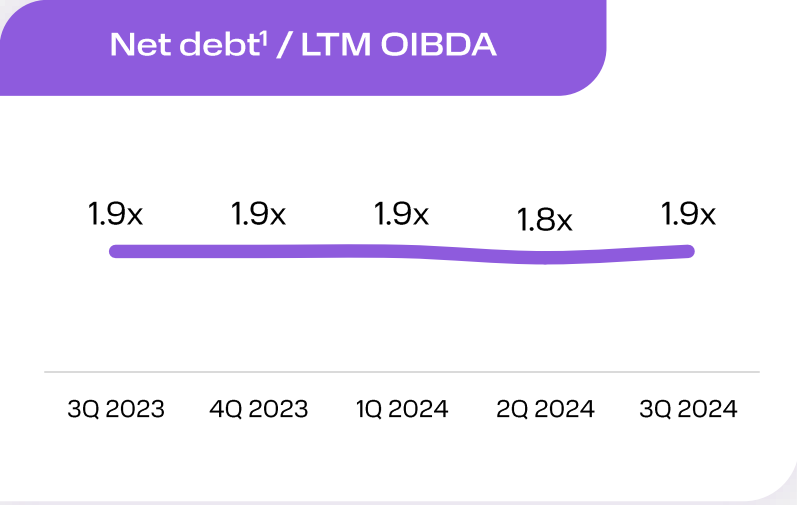
# MTS MAINTAINS A STABLE DEBT POSITION



### Top credit ratings

As confirmed by leading rating agencies:

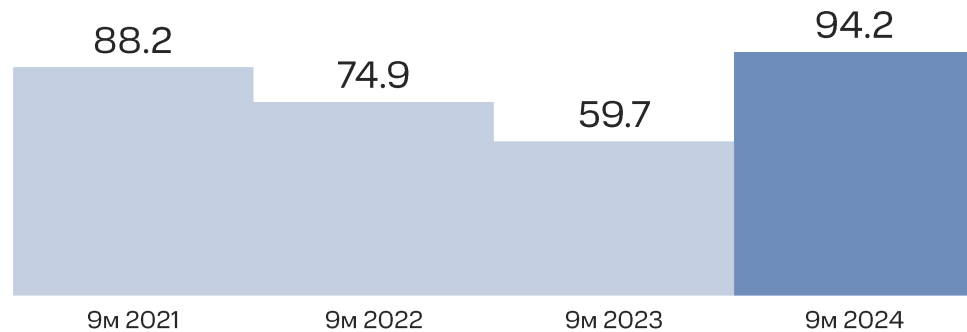
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- NCR AAA.ru
- ACRA AAA(RU)



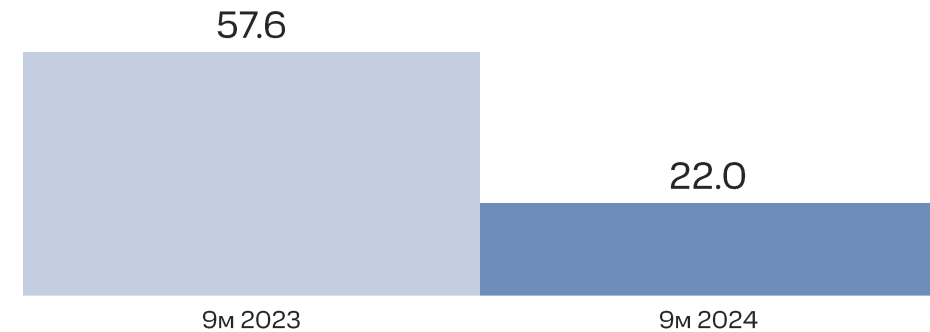
<sup>1</sup> Excluding IFRS lease liabilities. <sup>2</sup> Net of unamortized debt issuance cost adjustment; totals may not add up due to rounding.

# FUNDS EARMARKED FOR INVESTMENTS IN BUSINESS DEVELOPMENT

Group cash CAPEX,<sup>1</sup>  
RUB bn



Free cash flow ex-Bank, RUB bn



## Commentary

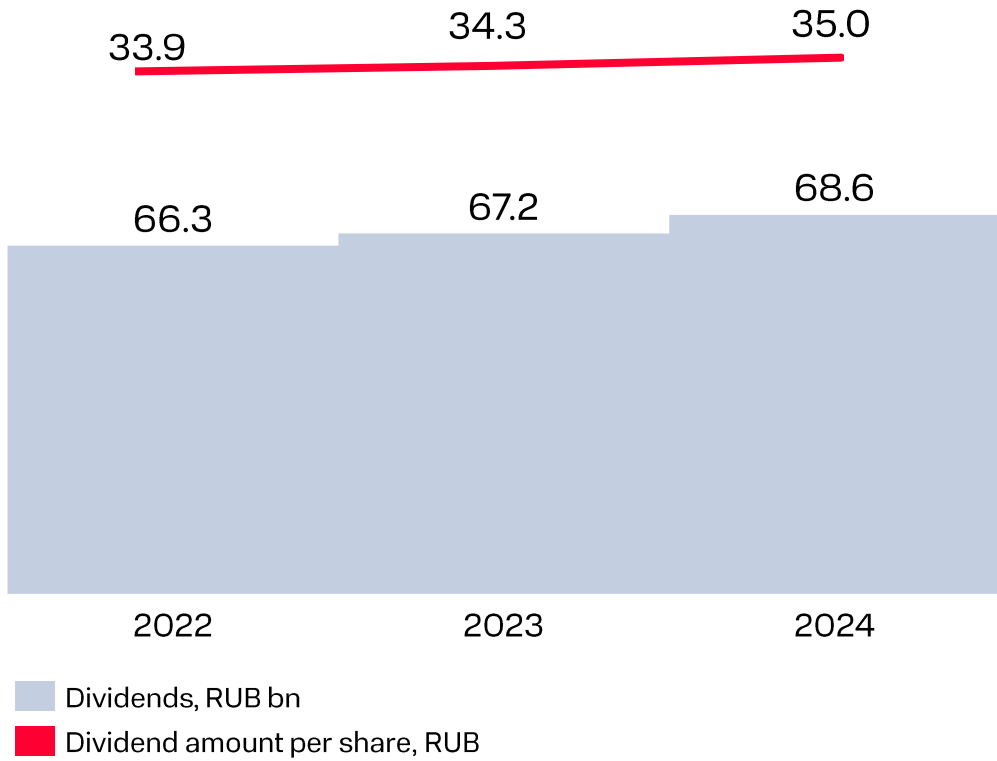
Group cash CAPEX increased in 9M 2024 due to intensive equipment procurement as well as investments in products and personnel in the reporting quarter.

The decrease in FCF excluding banking operations in 9M 2024 was the result of an increase in cash CAPEX and a decrease in operating cash flow due to higher interest expense.

<sup>1</sup>Cash CAPEX excluding purchases of 4G licenses and net of cash proceeds from shared infrastructure.

# DIVIDEND PAYMENTS

## Total dividends<sup>1</sup>



## Commentary

In June 2024, in accordance with the Company’s new dividend policy for 2024–2026, the Annual General Meeting of Shareholders approved dividends for 2023 in the amount of RUB 35.0 per share.

In August 2024, MTS paid out dividends for 2023.

<sup>1</sup> Includes dividends paid on quasi-treasury shares. Totals may not add up due to rounding



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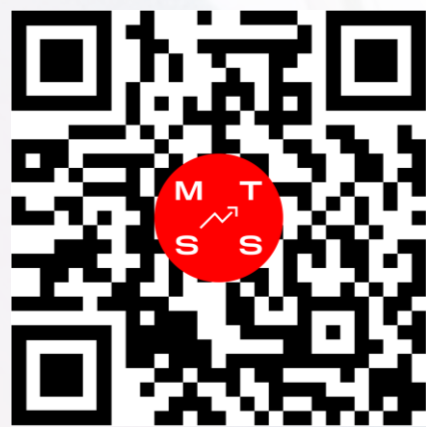
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