



# Financial & operational results

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# 1q 2021

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# Key achievements of 1q21

RUB bn	1q20	1q21	yoy
<b>Revenue</b>	<b>121.6</b>	<b>132.0</b>	<b>8.5%</b>
<b>OIBDA</b>	<b>47.1</b>	<b>55.4</b>	<b>17.7%</b>
OIBDA margin	38.7%	42.0%	3.3 pp
Net profit	7.5	11.8	58.5%
Free cash flow	-6.4	2.1	8.4
CAPEX	25.9	30.7	18.5%
CAPEX / Revenue	21.3%	23.3%	2.0 pp
<b>CAPEX excl. state programmes</b>	<b>21.9</b>	<b>27.2</b>	<b>24.3%</b>
CAPEX / Revenue excl. state programmes	18.0%	20.6%	2.6 pp
Net debt incl. LL <sup>(1)</sup>	471.2	470.7	-0.1%
Net debt incl. LL / OIBDA	2.7	2.3	-0.4

Notes:

(1) LL – lease liabilities. Hereinafter Net Debt = Long- and short-term loans and borrowings + Non-current and current lease liabilities – Cash & equivalents – Other current financial assets

(2) Due to clarifications under IFRS16, data for 2020 published earlier have been revised.

## Key stats

**+9%**

Group revenue growth

**+13%**

Mobile revenue growth

**+13%**

Revenue growth in digital services

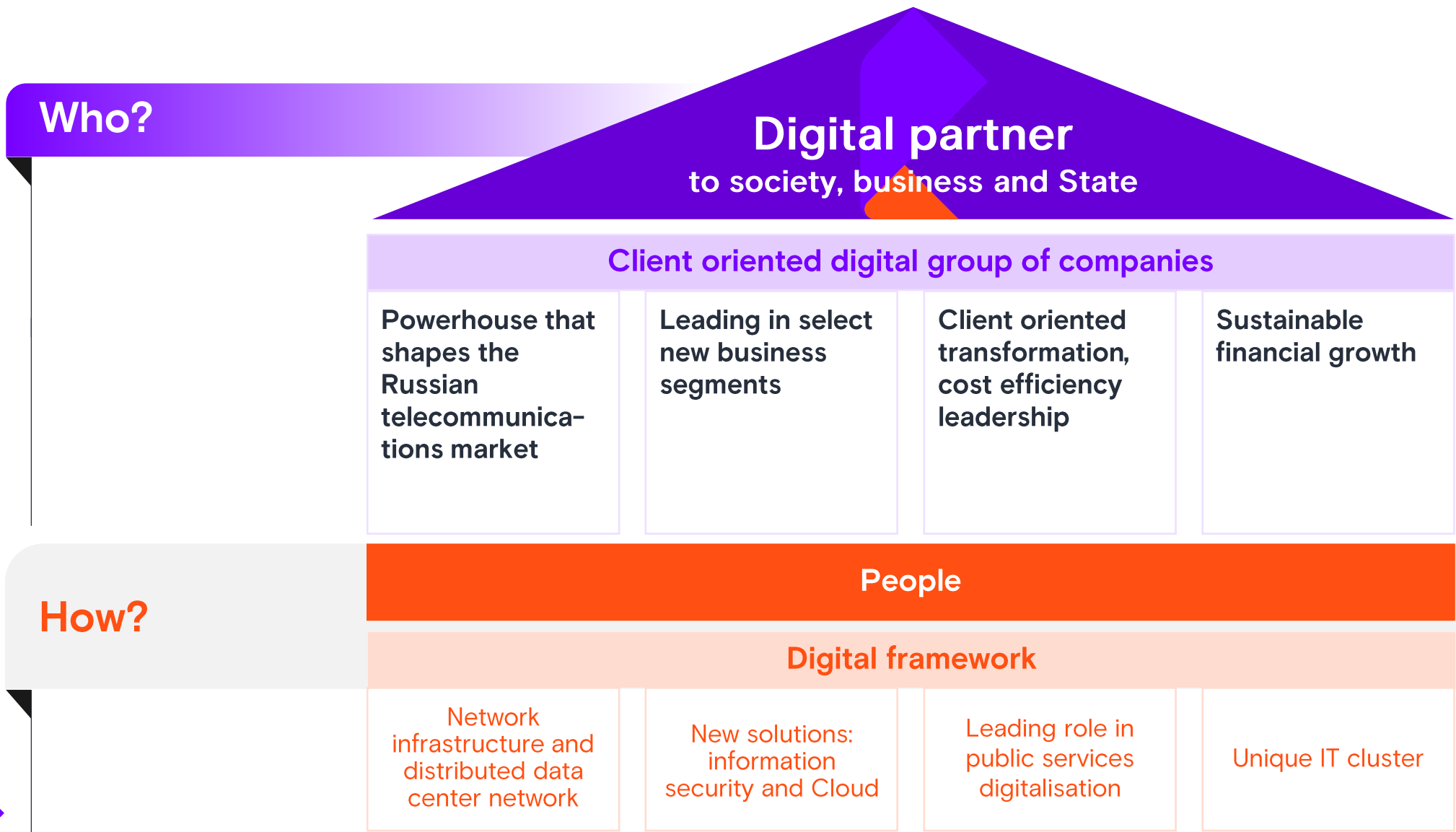
**+18%**

OIBDA growth

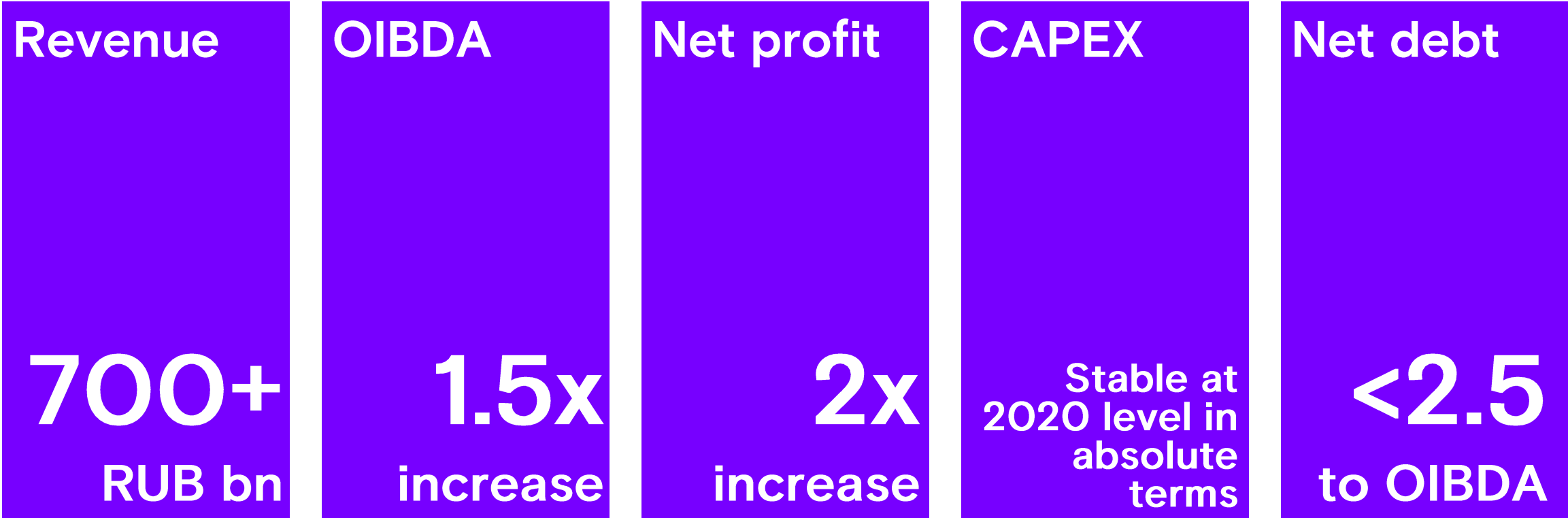
**+58%**

Net profit growth

# Update to Business Strategy 2021-2025



# 2025 Targets



Notes: Net Debt includes lease liabilities.

# Progressive dividend policy 2021–2023

Dividend increase  
y-o-y

$\geq 5\%$

Dividend per share

$\geq 5$   
RUB

Total dividend  
payout as share of  
Net Profit

$\geq 50\%$  &  
 $\leq 100\%$



# Operational performance

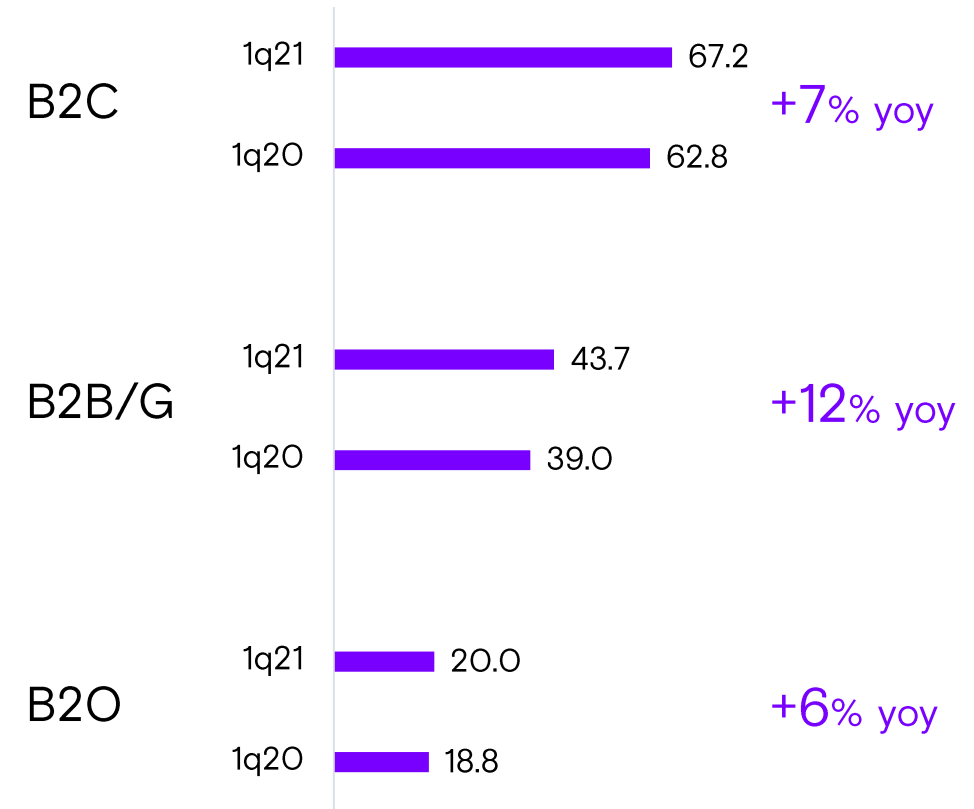


# Continued growth across all key services and customer segments

Revenue structure by services (RUB bn)

RUB bn	1q20	1q21	yoy
Mobile services	41.0	46.1	12.5%
Fixed broadband	22.0	24.0	9.3%
Digital services	12.5	14.1	13.0%
TV	9.5	9.9	4.8%
Wholesale	17.8	18.4	3.5%
Fixed telephony	14.2	12.7	-10.2%
Other	4.7	6.6	40.6%
<b>Total revenue</b>	<b>121.6</b>	<b>132.0</b>	<b>8.5%</b>

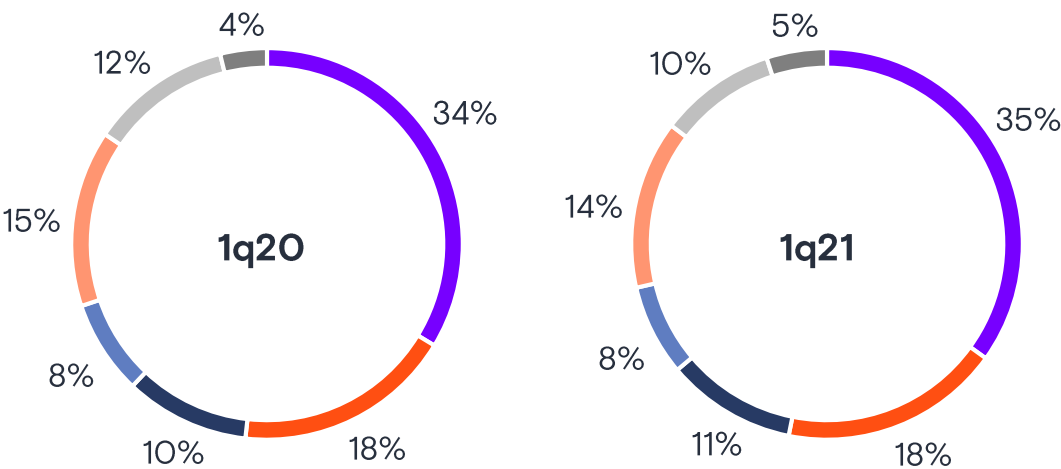
Revenue structure by segments (RUB bn)



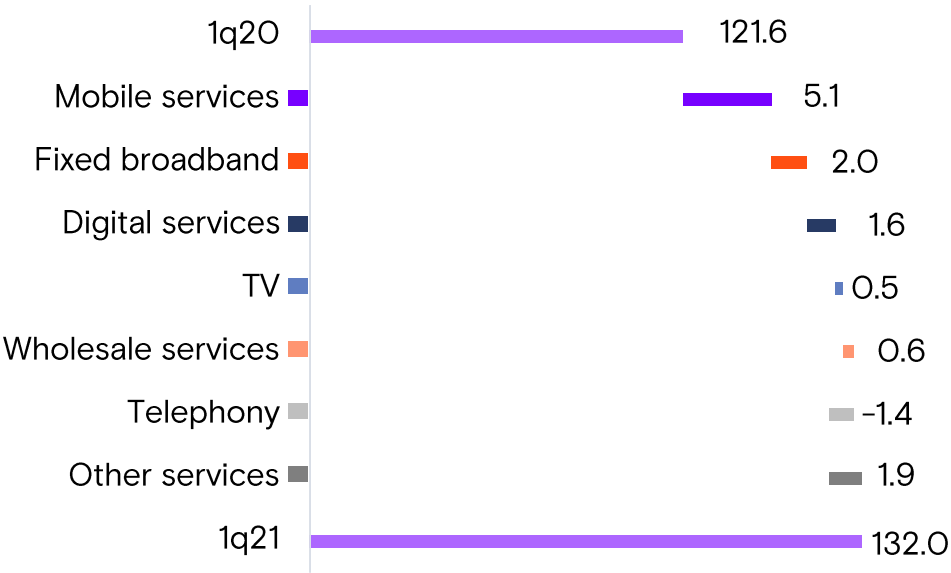


# Mobile and broadband – key revenue drivers in 1q21

Revenue structure



Revenue drivers (RUB bn)



# Mobile Internet driving the mobile business growth



**+13%**

Revenue growth from mobile services



**+20%**

Growth in active mobile Internet users



**+34%**

Increase in data traffic



**-1.0 p.p.**

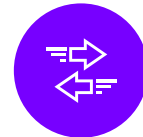
Decrease in quarterly churn to 8.2%



New options launched for B2C with WINK, MyBook, Clubhouse, Tele2 payment card, etc.



A new PBX format for B2B throughout Russia launched



Simplified number portability for subscribers in Moscow & St. Petersburg



Over 4k old phones collected for recycling

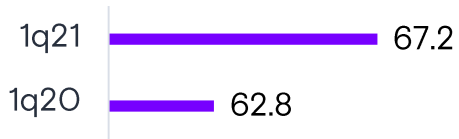
# Significant growth in B2C revenues from mobile, convergent and value-added services



**+7%**

Revenue growth in B2C segment

B2C revenue, RUB bn



**+2%**

Growth in broadband subscriber base



**+13%**

Fibre broadband revenue growth



**+12%**

Growth of the 'Convergent' product subscriber base qoq



**+13%**

Revenue growth from 'Gaming' tariff



**2 mn**

Clients watch WINK on two or more devices



**2.7x**

Service revenue growth from 'Smart Home' and 'Home CCTV' services

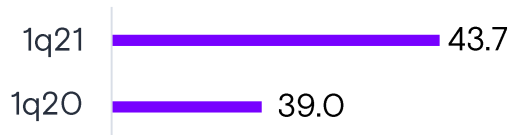
# Development of services for the corporate segment



## +12%

Revenue growth in  
B2B/G segment

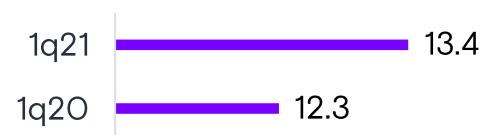
B2B/G revenue (RUB bn)



## +8%

Revenue growth from  
broadband & VPN

Broadband & VPN revenue  
(RUB bn)



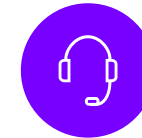
## +74%

Revenue growth from  
Videosurveillance



## 34%

Market share 8-800  
(toll-free) by revenue  
– Player #1 <sup>(1)</sup>



## 2.5x

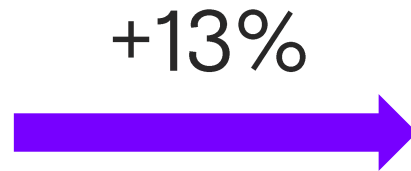
Revenue growth from  
“Contact-centre” service



## +60%

Revenue growth from  
WiFi

# Digital services growth in 1q21



Including:

- Smart City projects (incl. E-Government)
- Data centres, cloud services & Information security
- Other digital services

Revenue growth



+37%

from Data centres



+36%

from Virtual ATS



+28%

from Information security services (not incl. services within 'Digital Economy' programme)

# Steady organic development of the operator segment



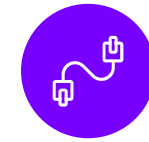
**+10%**

Growth in O2O project revenue



**+10 p.p.**

Increase in marginality of B2O segment



**>200 Gbit**

Channel capacities provided for the Europe – Asia direction

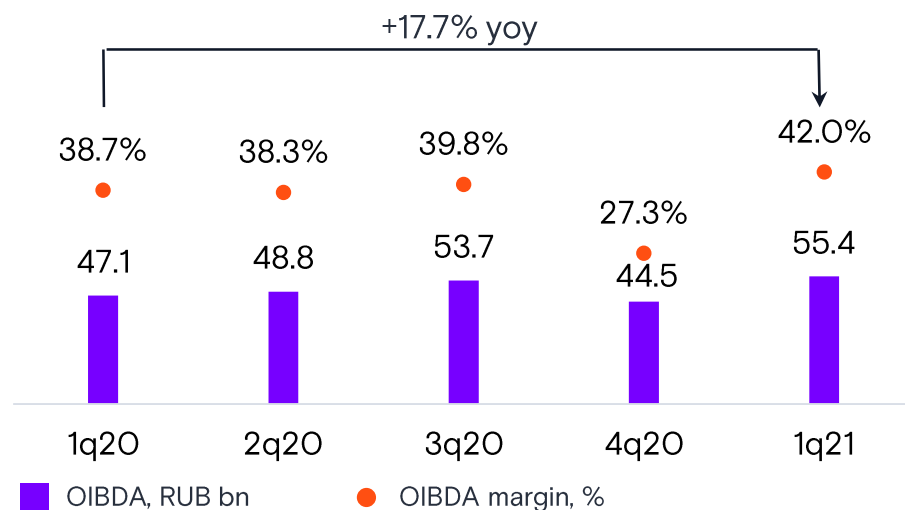


# Financial results



# Significant improvement in OIBDA and net profit

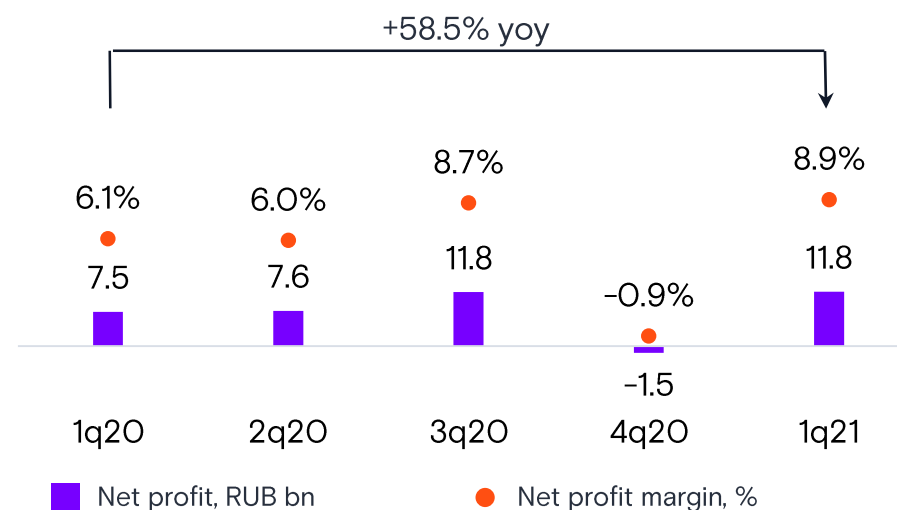
## OIBDA



OIBDA dynamics was influenced by:

RUB bn	1q21
Revenue growth	+10.3
Increase in personnel costs due to growth the digital business	-1.9
Increase in interconnection charges due to increased traffic caused by the pandemic and the transition of companies to remote operations	-2.2
Gain recognition for financial assets measured at amortised cost primarily due to the new provisioning methodology	+2.5
Growth in profit on disposal of PPE, mainly due to increased demand in the real estate market	+1.2
Other income / expenses	-1.6
<b>Total change in OIBDA</b>	<b>+8.4</b>

## Net profit



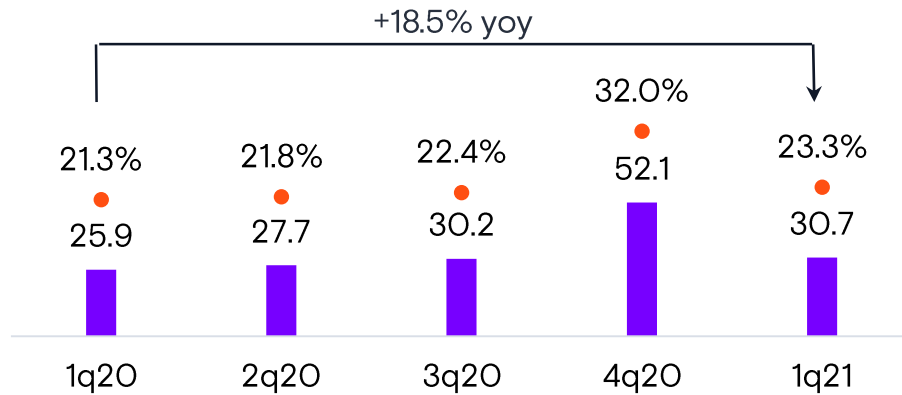
The net profit was impacted by:

RUB bn	1q21
OIBDA growth	+8.4
Increase in depreciation & amortisation due to commissioning of new facilities, intangible assets and lease assets	-4.9
Foreign exchange gain / loss	+1.6
Income tax	-1.1
Other income / expenses	+0.3
<b>Total change in Net profit</b>	<b>+4.3</b>

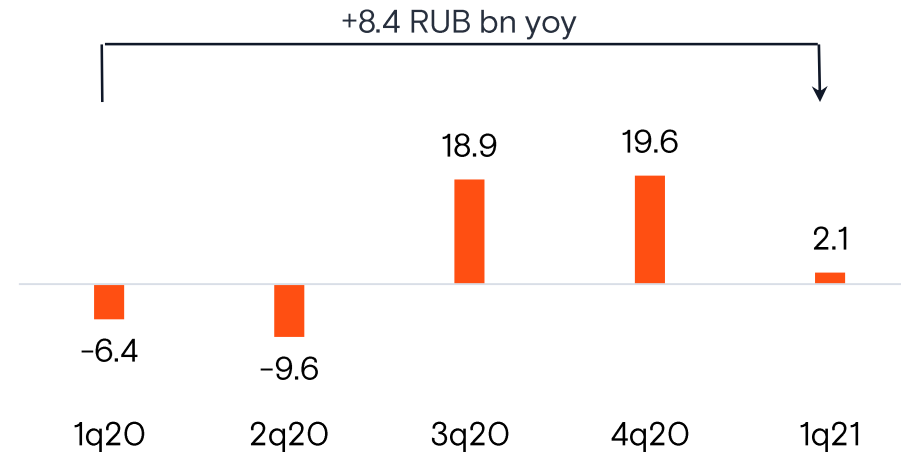


# Dynamics of capital expenditures and FCF

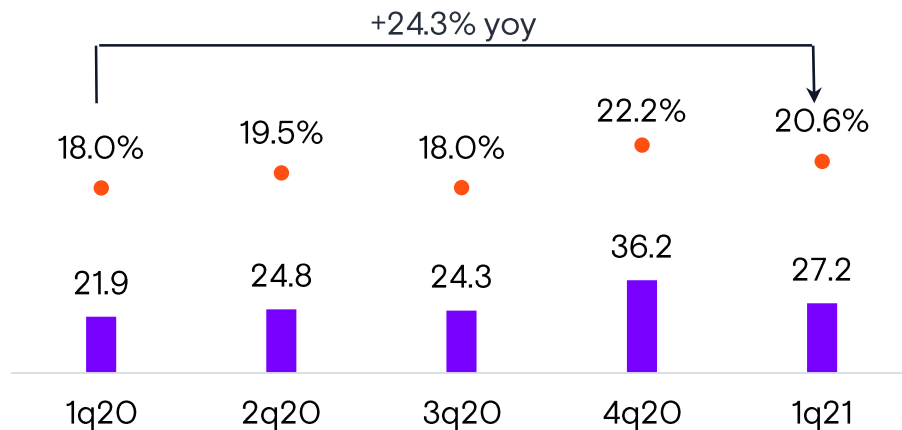
CAPEX total



Free cash flow (FCF)



CAPEX excl. state programmes <sup>(1)</sup>



FCF dynamics in 1q21 was influenced by :

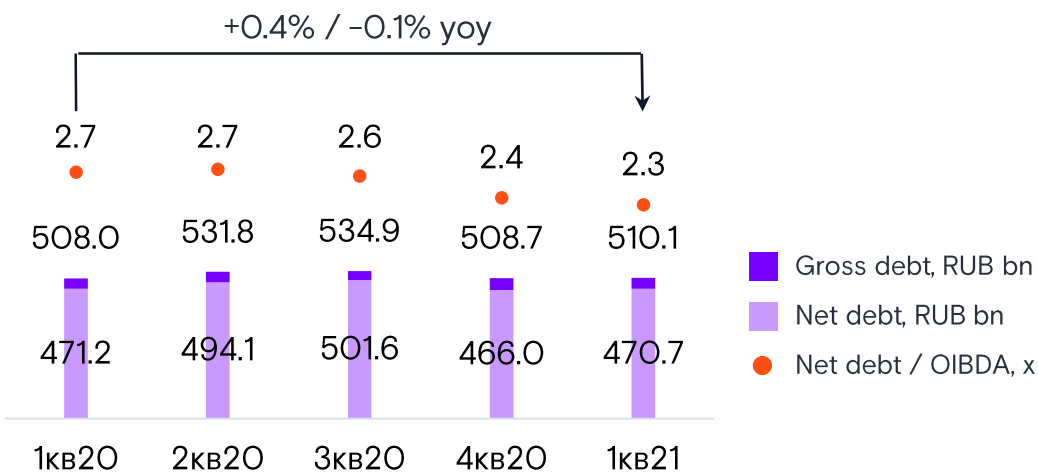
- + OIBDA growth;
- + Lower repayments of accounts payable vs. 1q20;
- + Increase in income from sale of real estate;
- Increase in capital expenditures.

■ Cash CAPEX, RUB bn    ● Cash CAPEX / Revenue, %    ■ FCF, RUB bn

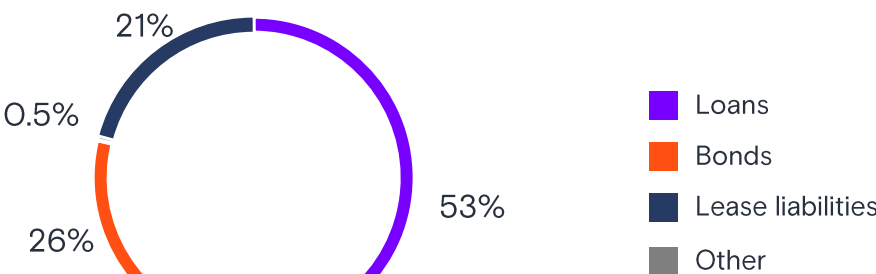
Note: (1) The state programmes for this context mean specialised projects / programmes commissioned by the state and sponsored from the state budget, namely the "Bridging Digital Divide", programme for connecting medical institutions and socially significant institutions to the Internet, network construction projects directly funded by government subsidies.

# Comfortable leverage profile

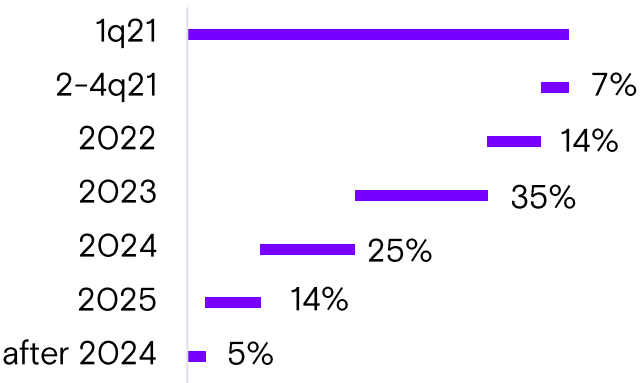
Gross & net debt incl. LL <sup>(1)</sup>



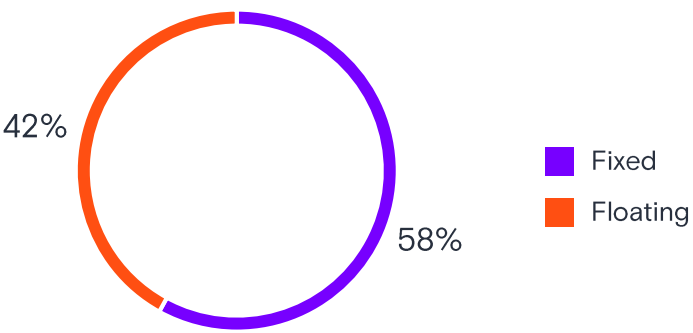
Debt structure by type of obligation



Loans & borrowings: maturity



Loans & borrowings: rate



Note: (1) LL – lease liabilities. Gross debt = Long- and short-term loans and borrowings + Non-current and current lease liabilities. Net debt = Gross debt – Cash & equivalents – Other current financial assets.

# Guidance for FY 2021 reiterated

Revenue growth

$\geq 5\%$

OIBDA growth

$\geq 5\%$

CAPEX excl. state  
programmes

110–115  
RUB bn

By providing this outlook, we reserve the right to revise or update it at any subsequent period in case of events which, in our opinion, can increase uncertainty, including but not limited to regulatory decisions, currency devaluation, consumer spending contraction, budget cuts, or any other macroeconomic events and decisions which can affect the Company's actual results.

# Financial & operational data



# Balance sheet: assets

RUB bn	31.03.20	30.06.20	30.09.20	31.12.20	31.03.21
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	523.191	529.047	545.235	575.356	573.428
Goodwill and other intangible assets	132.720	134.351	135.607	141.321	142.275
Right of use assets	72.338	80.134	84.244	95.733	96.642
Trade and other accounts receivable	6.553	6.887	7.308	6.317	6.337
Investment in associates and joint ventures	9.096	9.116	9.130	10.896	10.773
Other financial assets	4.116	4.087	4.258	0.815	0.784
Other non-current assets	11.295	12.342	11.513	12.698	13.037
Investment property	0.152	0.167	0.181	0.277	0.271
Deferred tax assets	10.666	10.496	10.399	8.970	9.128
Contract assets	1.001	1.090	1.506	0.972	1.054
Contract costs	15.108	15.382	15.730	16.326	16.190
<b>Total non-current assets</b>	<b>786.236</b>	<b>803.099</b>	<b>825.111</b>	<b>869.681</b>	<b>869.919</b>
<b>Current assets</b>					
Inventories	9.710	11.091	12.770	10.792	10.979
Contract assets	6.799	8.821	14.650	6.710	7.837
Contract costs	0.728	0.687	0.684	0.674	0.722
Trade and other accounts receivable	54.407	57.873	58.504	50.154	61.688
Prepayments	7.536	9.885	11.698	8.953	8.136
Prepaid income tax	3.395	2.419	0.961	1.377	1.633
Other financial assets	8.634	9.123	12.397	11.482	11.168
Other current assets	5.321	6.136	6.612	7.892	6.726
Cash & cash equivalents	28.223	28.515	20.879	31.215	28.297
Asset classified as held for sale	0.790	0.767	0.776	0.831	0.829
<b>Total current assets</b>	<b>125.543</b>	<b>135.317</b>	<b>139.931</b>	<b>130.080</b>	<b>138.015</b>
<b>Total assets</b>	<b>911.779</b>	<b>938.416</b>	<b>965.042</b>	<b>999.761</b>	<b>1,007.934</b>

Note: Due to clarifications under IFRS16, data for 2020 published earlier have been revised.

# Balance sheet: equity & liabilities

RUB bn	31.03.20	30.06.20	30.09.20	31.12.20	31.03.21
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	0.095	0.095	0.095	0.095	0.095
Treasury shares	(20.279)	(14.374)	(14.374)	(14.374)	(14.670)
Retained earnings and other reserves	195.062	197.382	193.120	194.409	206.710
<b>Total equity attributable to equity holders of the Group</b>	<b>174.878</b>	<b>183.103</b>	<b>178.841</b>	<b>180.130</b>	<b>192.135</b>
Non-controlling interest	4.766	4.896	4.201	37.546	38.086
<b>Total equity</b>	<b>179.644</b>	<b>187.999</b>	<b>183.042</b>	<b>217.676</b>	<b>230.221</b>
<b>Non-current liabilities</b>					
Loans and borrowings	374.903	384.364	396.838	372.406	352.693
Lease liabilities	65.193	73.305	78.015	86.392	87.965
Employee benefits	6.138	6.279	6.455	6.670	6.863
Deferred tax liabilities	41.258	41.249	42.452	41.494	44.916
Accounts payable and accrued expenses	1.509	1.240	8.775	1.580	1.204
Contract liabilities	16.308	14.885	15.681	15.811	14.986
Provisions	4.683	4.980	5.291	5.848	5.354
Other financial liabilities	–	–	–	10.912	10.926
Other non-current liabilities	20.289	22.404	24.064	32.831	36.572
<b>Total non-current liabilities</b>	<b>530.281</b>	<b>548.706</b>	<b>577.571</b>	<b>573.944</b>	<b>561.479</b>
<b>Current liabilities</b>					
Loans and borrowings	54.775	60.392	46.465	32.535	51.478
Lease liabilities	13.152	13.691	13.551	17.399	17.994
Accounts payable and accrued expenses	73.800	69.694	84.349	96.022	84.158
Income tax payable	2.073	1.875	2.046	3.023	1.196
Contract liabilities	31.995	31.213	33.399	34.680	29.913
Provisions	7.496	7.922	8.086	9.413	10.988
Other financial liabilities	0.146	1.172	0.898	1.914	1.474
Other current liabilities	18.417	15.752	15.635	13.156	19.033
<b>Total current liabilities</b>	<b>201.854</b>	<b>201.711</b>	<b>204.429</b>	<b>208.142</b>	<b>216.234</b>
<b>Total equity and liabilities</b>	<b>911.779</b>	<b>938.416</b>	<b>965.042</b>	<b>999.762</b>	<b>1,007.934</b>

Note: Due to clarifications under IFRS16, data for 2020 published earlier have been revised.

# Profit & loss statement

RUB bn	1q20	2q20	3q20	4q20	2020	1q21	yoy 1q21/20
<b>Revenue</b>	121.613	127.279	134.988	163.009	546.889	131.958	8.5%
<b>Operating expenses</b>	(102.304)	(108.341)	(111.565)	(155.714)	(477.924)	(109.286)	6.8%
Wages, salaries, other benefits and payroll taxes	(32.190)	(32.067)	(31.829)	(40.303)	(136.389)	(34.170)	6.2%
Depreciation, amortization and impairment losses	(26.765)	(28.440)	(29.252)	(35.245)	(119.702)	(31.656)	18.3%
Interconnection charges	(21.429)	(23.520)	(24.204)	(25.707)	(94.860)	(23.627)	10.3%
Materials, utilities, repairs and maintenance	(8.840)	(8.900)	(10.180)	(13.083)	(41.003)	(9.591)	8.5%
Gain on disposal of PPE and intangible assets	1.359	0.946	1.536	2.151	5.992	2.545	87.3%
Impairment loss of financial assets measured at amortised cost	(1.163)	(1.303)	(0.669)	(4.030)	(7.165)	1.295	-211.3%
Other operating income	5.657	4.655	4.968	6.603	21.883	5.202	-8.0%
Other operating expense	(18.933)	(19.712)	(21.935)	(46.100)	(106.680)	(19.284)	1.9%
<b>Operating profit</b>	<b>19.309</b>	<b>18.938</b>	<b>23.423</b>	<b>7.295</b>	<b>68.965</b>	<b>22.672</b>	<b>17.4%</b>
Operating profit margin	15.9%	14.9%	17.4%	4.5%	12.6%	17.2%	
Share of net profit/(loss) of associates and joint ventures	0.166	0.143	0.139	0.521	0.969	0.018	-89.2%
Finance costs	(8.859)	(10.500)	(8.502)	(8.809)	(36.670)	(8.893)	0.4%
Other Investing and financial gain/(loss), net	0.646	0.899	0.619	(0.238)	1.926	1.282	98.5%
Foreign exchange gain/(loss), net	(1.543)	0.422	(0.595)	0.533	(1.183)	0.053	-103.4%
<b>Profit before income tax</b>	<b>9.719</b>	<b>9.902</b>	<b>15.084</b>	<b>(0.698)</b>	<b>34.007</b>	<b>15.132</b>	<b>55.7%</b>
Income tax expense	(2.266)	(2.254)	(3.330)	(0.809)	(8.659)	(3.322)	46.6%
<b>Net profit</b>	<b>7.453</b>	<b>7.648</b>	<b>11.754</b>	<b>(1.506)</b>	<b>25.348</b>	<b>11.810</b>	<b>58.5%</b>
Net profit margin	6.1%	6.0%	8.7%	-0.9%	4.6%	8.9%	
Profit attributable to:							
Equity holders of the Group	7.250	7.365	11.454	(2.757)	23.311	11.594	59.9%
Non-controlling interests	0.203	0.283	0.300	1.251	2.037	0.216	6.4%

Note: Due to clarifications under IFRS16, data for 2020 published earlier have been revised.

# Cash flow statement: operating

RUB bn	1q20	2q20	6m20	3q20	9m20	4q20	2020	1q21
<b>Cash flows from operating activities</b>								
Profit before tax	9.719	9.902	19.621	15.084	34.705	(0.698)	34.007	15.132
Depreciation, amortization and impairment losses	26.765	28.440	55.205	29.252	84.457	35.245	119.702	31.656
Gain on disposal of PPE and intangible assets	(1.359)	(0.946)	(2.305)	(1.536)	(3.841)	(2.151)	(5.992)	(2.545)
Impairment loss of financial assets measured at amortised cost	1.163	1.303	2.466	0.669	3.135	4.030	7.165	(1.295)
Share of net profit/(loss) of associates and joint ventures	(0.166)	(0.143)	(0.309)	(0.139)	(0.448)	(0.521)	(0.969)	(0.018)
Finance costs excluding finance costs on employee benefit obligations	8.848	10.488	19.336	8.491	27.827	8.795	36.622	8.884
Other investing and financial (gain)/loss, net	(0.646)	(0.899)	(1.545)	(0.619)	(2.164)	0.238	(1.926)	(1.282)
Foreign exchange (gain)/loss, net	1.543	(0.422)	1.121	0.595	1.716	(0.533)	1.183	(0.053)
Share-based motivation program	0.772	1.042	1.814	0.772	2.586	1.273	3.859	0.788
<i>Changes in net working capital:</i>	<i>(19.634)</i>	<i>(22.394)</i>	<i>(42.028)</i>	<i>2.432</i>	<i>(39.596)</i>	<i>24.554</i>	<i>(15.042)</i>	<i>(11.499)</i>
(Increase) / decrease in accounts receivable and contract assets	(9.428)	(4.991)	(14.419)	(7.767)	(22.186)	14.908	(7.278)	(8.878)
(Decrease) / increase in employee benefits	0.257	0.141	0.398	0.176	0.574	(0.253)	0.321	0.193
(Increase) / decrease in inventories	0.407	(1.330)	(0.923)	(1.678)	(2.601)	2.358	(0.243)	(0.187)
(Decrease) / increase in accounts payable, provisions and accrued expenses	(10.807)	(4.743)	(15.550)	14.345	(1.205)	12.299	11.094	(2.528)
(Increase) / decrease in contract costs, prepayments and other assets	(1.488)	(5.915)	(7.403)	(5.388)	(12.791)	(4.082)	(16.873)	(0.622)
(Decrease) / increase in other liabilities	1.425	(5.556)	(4.131)	2.744	(1.387)	(0.676)	(2.063)	0.523
<b>Cash generated from operations</b>	<b>27.005</b>	<b>26.371</b>	<b>53.376</b>	<b>55.001</b>	<b>108.377</b>	<b>70.232</b>	<b>178.609</b>	<b>39.768</b>
Interest paid	(8.017)	(9.618)	(17.635)	(9.262)	(26.897)	(8.697)	(35.594)	(8.938)
Income tax refund	0.007	0.000	0.007	0.998	1.005	0.701	1.706	0.042
Income tax paid, net	(2.497)	(1.571)	(4.068)	(1.371)	(5.439)	(2.492)	(7.931)	(2.184)
<b>Net cash from operating activities</b>	<b>16.498</b>	<b>15.182</b>	<b>31.680</b>	<b>45.366</b>	<b>77.046</b>	<b>59.744</b>	<b>136.790</b>	<b>28.688</b>

Note: Due to clarifications under IFRS16, data for 2020 published earlier have been revised.



# Cash flow statement: investing & financing

RUB bn	1q20	2q20	6m20	3q20	9m20	4q20	2020	1q21
<b>Cash flows from investing activities</b>								
Purchase of PPE and intangible assets	(25.901)	(27.699)	(53.600)	(30.242)	(83.842)	(52.145)	(135.987)	(30.687)
Proceeds from sale of PPE and intangible assets	1.617	1.360	2.977	1.518	4.495	1.741	6.236	3.235
Acquisition of financial assets	(2.347)	(1.154)	(3.501)	(4.656)	(8.157)	(6.039)	(14.196)	(2.891)
Proceeds from disposals of financial assets	1.109	0.639	1.748	1.324	3.072	8.389	11.461	4.023
Interest received	0.199	0.152	0.351	0.143	0.494	0.225	0.719	0.424
Subsidy from Government	1.229	1.438	2.667	2.155	4.822	10.079	14.901	0.428
Dividends received	0.052	0.107	0.159	0.243	0.402	0.167	0.569	0.143
Distribution received from joint venture	-	-	-	-	-	1.665	1.665	-
Purchase of subsidiaries and business, net of cash acquired	(113.366)	(1.444)	(114.810)	(0.321)	(115.131)	(4.313)	(119.444)	(0.750)
Proceeds from disposals of subsidiaries, net of cash disposed	-	(0.074)	(0.074)	-	(0.074)	-	(0.074)	-
Acquisition of equity accounted investees	(0.025)	-	(0.025)	(0.100)	(0.125)	(1.449)	(1.574)	(0.176)
<b>Net cash used in investing activities</b>	<b>(137.433)</b>	<b>(26.675)</b>	<b>(164.108)</b>	<b>(29.936)</b>	<b>(194.044)</b>	<b>(41.680)</b>	<b>(235.724)</b>	<b>(26.251)</b>
<b>Cash flows from financing activities</b>								
(Purchase) of treasury shares	66.000	(66.000)	-	-	-	-	-	(0.314)
Issue of share capital	-	66.000	66.000	-	66.000	-	66.000	-
Proceeds from bank and corporate loans	342.307	159.511	501.818	200.153	701.971	145.243	847.214	110.177
Repayment of bank and corporate loans	(305.630)	(152.346)	(457.976)	(201.022)	(658.998)	(193.885)	(852.883)	(110.907)
Proceeds from bonds	30.000	10.000	40.000	0.000	40.000	10.000	50.000	-
Repayment of bonds	(0.004)	(1.857)	(1.861)	(0.173)	(2.034)	0.100	(1.934)	-
Repayment of vendor financing payable	(0.002)	-	(0.002)	-	(0.002)	0.002	-	-
Repayment of promissory notes	-	-	-	-	-	(0.002)	(0.002)	-
Proceeds from / (repayment of) other non-current financing liabilities	(0.007)	0.000	(0.007)	(0.022)	(0.029)	0.000	(0.029)	-
Proceeds from non-controlling shareholders of subsidiaries	-	-	-	-	-	35.000	35.000	-
Repayment of lease liabilities	(3.003)	(3.335)	(6.338)	(4.273)	(10.611)	(4.071)	(14.682)	(3.585)
Acquisition of non-controlling interest	(0.019)	(0.001)	(0.020)	(0.015)	(0.035)	(0.001)	(0.036)	-
Dividends paid to shareholders of the Group	-	-	-	(16.751)	(16.751)	0.087	(16.664)	0.072
Dividends paid to non-controlling shareholders of subsidiaries	(0.233)	(0.037)	(0.270)	(1.035)	(1.305)	(0.128)	(1.433)	(0.830)
<b>Net cash from financing activities</b>	<b>129.409</b>	<b>11.935</b>	<b>141.344</b>	<b>(23.138)</b>	<b>118.206</b>	<b>(7.655)</b>	<b>110.551</b>	<b>(5.387)</b>
Effect of exchange rate changes on cash and cash equivalents	(0.206)	(0.151)	(0.357)	0.074	(0.283)	(0.074)	(0.357)	0.032
Net (decrease)/increase in cash and cash equivalents	8.268	0.291	8.559	(7.634)	0.925	10.335	11.260	(2.918)
<b>Cash and cash equivalents at beginning of year</b>	<b>19.955</b>	<b>19.955</b>	<b>19.955</b>	<b>19.955</b>	<b>19.955</b>	<b>19.955</b>	<b>19.955</b>	<b>31.215</b>
<b>Cash and cash equivalents at the end of period</b>	<b>28.223</b>	<b>20.246</b>	<b>28.514</b>	<b>12.321</b>	<b>20.880</b>	<b>30.290</b>	<b>31.215</b>	<b>28.297</b>

Note: Due to clarifications under IFRS16, data for 2020 published earlier have been revised.

# Revenue structure

RUB bn	1q20	2q20	3q20	4q20	2020	1q21	yoy 1q21/20
<b>By services</b>							
Mobile services	40.964	42.908	45.813	47.274	176.959	46.100	12.5%
Fixed broadband	21.993	22.195	22.564	23.626	90.377	24.029	9.3%
Digital services	12.520	15.013	19.322	30.443	77.298	14.149	13.0%
TV	9.489	9.285	9.438	9.792	38.005	9.949	4.8%
Wholesale services	17.771	18.223	18.652	20.117	74.762	18.397	3.5%
VPN	7.026	7.105	7.375	8.216	29.722	7.554	7.5%
Interconnect and traffic transit	4.247	4.475	4.488	4.593	17.803	4.422	4.1%
Infrastructure services	4.064	4.155	4.191	4.732	17.142	3.945	-2.9%
Rent of channels	2.434	2.488	2.598	2.575	10.095	2.476	1.7%
Fixed telephony	14.190	13.675	13.400	13.356	54.621	12.741	-10.2%
Other services	4.686	5.980	5.799	18.403	34.868	6.593	40.7%
Mobile services	33.7%	33.7%	33.9%	29.0%	32.4%	34.9%	
Fixed broadband	18.1%	17.4%	16.7%	14.5%	16.5%	18.2%	
Digital services	10.3%	11.8%	14.3%	18.7%	14.1%	10.7%	
TV	7.8%	7.3%	7.0%	6.0%	6.9%	7.5%	
Wholesale services	14.6%	14.3%	13.8%	12.3%	13.7%	13.9%	
VPN	5.8%	5.6%	5.5%	5.0%	5.4%	5.7%	
Interconnect and traffic transit	3.5%	3.5%	3.3%	2.8%	3.3%	3.4%	
Infrastructure services	3.3%	3.3%	3.1%	2.9%	3.1%	3.0%	
Rent of channels	2.0%	2.0%	1.9%	1.6%	1.8%	1.9%	
Fixed telephony	11.7%	10.7%	9.9%	8.2%	10.0%	9.7%	
Other services	3.9%	4.7%	4.3%	11.3%	6.4%	5.0%	
<b>By management units:</b>							
B2C	62.807	63.719	65.944	67.311	259.782	67.164	6.9%
B2B/B2G	38.996	42.442	46.835	73.345	201.618	43.741	12.2%
B2O	18.845	20.184	20.563	21.438	81.030	19.973	6.0%
Other	0.964	0.933	1.646	0.916	4.459	1.079	11.9%
B2C	51.6%	50.1%	48.9%	41.3%	47.5%	50.9%	
B2B/B2G	32.1%	33.3%	34.7%	45.0%	36.9%	33.1%	
B2O	15.5%	15.9%	15.2%	13.2%	14.8%	15.1%	
Other	0.8%	0.7%	1.2%	0.6%	0.8%	0.8%	

# Operational data

	1q20	2q20	3q20	4q20	2020	1q21	yoy 1q21/20
<b>SUBSCRIBERS, MLN</b>							
<b>Local telephony</b>	<b>15.2</b>	<b>14.9</b>	<b>14.5</b>	<b>14.0</b>	<b>14.0</b>	<b>13.7</b>	<b>-10.0%</b>
B2C	12.3	12.0	11.7	11.3	11.3	11.0	-10.6%
B2B	2.9	2.9	2.8	2.7	2.7	2.7	-7.4%
<b>Hosted PBX</b>	<b>0.13</b>	<b>0.14</b>	<b>0.15</b>	<b>0.16</b>	<b>0.16</b>	<b>0.17</b>	<b>32.6%</b>
<b>Access</b>	<b>13.2</b>	<b>13.4</b>	<b>13.4</b>	<b>13.5</b>	<b>13.5</b>	<b>13.5</b>	<b>2.2%</b>
B2C: Broadband	12.2	12.3	12.3	12.4	12.4	12.4	1.9%
B2B: Broadband + VPN	1.1	1.1	1.1	1.1	1.1	1.1	5.5%
<b>Broadband by technology</b>	<b>13.0</b>	<b>13.1</b>	<b>13.2</b>	<b>13.2</b>	<b>13.2</b>	<b>13.3</b>	<b>2.1%</b>
Fibre (XPON, FTTx, etc.)	9.4	9.6	9.8	10.0	10.0	10.1	7.9%
xDSL	3.6	3.5	3.4	3.2	3.2	3.1	-13.2%
Fibre (XPON, FTTx, etc.)	72%	73%	74%	76%	76%	76%	
<b>Pay TV</b>	<b>10.5</b>	<b>10.7</b>	<b>10.7</b>	<b>10.8</b>	<b>10.8</b>	<b>10.8</b>	<b>3.3%</b>
IPTV	5.7	5.8	5.9	6.1	6.1	6.2	9.0%
Cable TV	4.8	4.8	4.8	4.7	4.7	4.6	-3.4%
IPTV	54%	55%	55%	56%	56%	57%	
<b>ARPU, RUB</b>							
<b>Access</b>							
B2C: Broadband	397	395	390	395	394	406	2.2%
B2B: Broadband + VPN	3,368	3,344	3,231	3,372	3,329	3,477	3.2%
<b>incl. Broadband Fibre</b>							
B2C	376	372	369	375	373	387	2.9%
B2B	1,981	2,015	1,837	1,835	1,917	2,812	41.9%
<b>Local telephony</b>							
B2C	229	226	221	227	226	225	-2.0%
B2B	575	563	578	587	576	570	-0.9%
<b>Hosted PBX</b>	<b>1,118</b>	<b>1,148</b>	<b>1,119</b>	<b>1,186</b>	<b>1,145</b>	<b>977</b>	<b>-12.6%</b>
<b>Pay TV (B2C)</b>	<b>257</b>	<b>248</b>	<b>245</b>	<b>250</b>	<b>250</b>	<b>254</b>	<b>-1.1%</b>
incl. IPTV	319	309	298	302	307	307	-3.7%
<b>Blended ARPU</b>	<b>551</b>	<b>545</b>	<b>537</b>	<b>546</b>	<b>545</b>	<b>563</b>	<b>2.1%</b>
<b>MOBILE</b>							
Data traffic (incl. MVNO), PB	1,087	1,216	1,351	1,442	5,096	1,457	34.0%
Churn, %	9.2%	9.0%	7.3%	8.1%	33.4%	8.2%	
Active mobile Internet users, change %	36.1%	28.1%	25.5%	20.0%	20.0%	19.9%	

# Additional metrics

RUB bn	1q20	2q20	3q20	4q20	2020	1q21	yoy 1q21/20
<b>OIBDA</b>							
Operating profit	19.309	18.938	23.423	7.295	68.965	22.672	17.4%
Depreciation, amortization and impairment losses	26.765	28.440	29.252	35.245	119.702	31.656	18.3%
Expenses related to long-term incentive programme	0.714	1.096	0.716	1.679	4.205	0.834	16.8%
Expenses related to pension program subject to adjustment	0.294	0.325	0.287	0.272	1.178	0.275	-6.5%
<b>OIBDA</b>	<b>47.082</b>	<b>48.799</b>	<b>53.678</b>	<b>44.491</b>	<b>194.050</b>	<b>55.437</b>	<b>17.7%</b>
OIBDA margin	38.7%	38.3%	39.8%	27.3%	35.5%	42.0%	
<b>NET DEBT</b>							
Loans & borrowings	429.678	444.756	443.303	404.941	404.941	404.171	
Lease liabilities	78.345	86.996	91.566	103.791	103.791	105.959	
<b>Gross debt</b>	<b>508.023</b>	<b>531.752</b>	<b>534.869</b>	<b>508.732</b>	<b>508.732</b>	<b>510.130</b>	<b>0.4%</b>
(-) Cash & cash equivalents	(28.223)	(28.515)	(20.879)	(31.215)	(31.215)	(28.297)	
(-) Other financial assets	(8.634)	(9.123)	(12.397)	(11.482)	(11.482)	(11.168)	
<b>Net debt</b>	<b>471.166</b>	<b>494.114</b>	<b>501.593</b>	<b>466.035</b>	<b>466.035</b>	<b>470.665</b>	<b>-0.1%</b>
Net debt / OIBDA LTM	2.7x	2.7x	2.6x	2.4x	2.4x	2.3x	
<b>FREE CASH FLOW</b>							
Net cash from operating activities	16.498	15.182	45.366	59.744	136.790	28.688	73.9%
Purchase of PPE and intangible assets	(25.901)	(27.699)	(30.242)	(52.145)	(135.987)	(30.687)	18.5%
Proceeds from sale of PPE and intangible assets	1.617	1.360	1.518	1.741	6.236	3.235	100.1%
Interest received	0.199	0.152	0.143	0.225	0.719	0.424	113.1%
Subsidy from Government	1.229	1.438	2.155	10.079	14.901	0.428	-65.2%
<b>Free Cash Flow (FCF)</b>	<b>(6.358)</b>	<b>(9.567)</b>	<b>18.940</b>	<b>19.644</b>	<b>22.659</b>	<b>2.088</b>	<b>-132.8%</b>
<b>CAPEX</b>							
CAPEX excl. state programmes	21.873	24.778	24.326	36.162	107.139	27.181	24.3%
CAPEX for state programmes	4.028	2.921	5.916	15.983	28.848	3.506	-13.0%
<b>Total CAPEX</b>	<b>25.901</b>	<b>27.699</b>	<b>30.242</b>	<b>52.145</b>	<b>135.987</b>	<b>30.687</b>	<b>18.5%</b>
Total CAPEX / Revenue	21.3%	21.8%	22.4%	32.0%	24.9%	23.3%	
CAPEX excl. state programmes / Revenue	18.0%	19.5%	18.0%	22.2%	19.6%	20.6%	

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