



MTS ECOSYSTEM: VECTORS AND RESULTS OF DEVELOPMENT

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365

KION



MTS ECOSYSTEM IN 2024

184.3 BRUB

ecosystem revenue in 2024

+16%

increase in customers involved
in the ecosystem

17.5 million

ecosystem customers

+47%

growth in participants in the MTS Premium
customer loyalty program

TELECOM

MTS.RU

82.4 million — mobile subscriber base

No. 1 in terms of mobile business revenue and
the number of subscribers

No. 2 in the fixed-line market²

+20% — growth of convergent subscribers



MTS DEFENDER

+38% — user growth (MAU)



MTS LINK

Online communication
and collaboration services

+68% — user growth (MAU)

MTS RETAIL NETWORK

No. 1 among telecom retailers

+14% — revenue growth



MTS EXOLVE

Communication services
for business

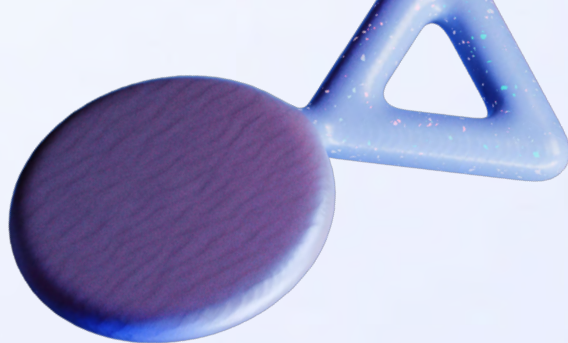
By 14 times — growth of registrations
on the platform

¹ According to ONSIDE analytical agency.

² According to TMT Consulting data.

[Omnichannel rating of retailers in 2024.](#)

Unless otherwise indicated, figures for 2024, base at the end of 2024, growth in 2024 against 2023.



MTS MEDIA HOLDING



A video streaming service
and entertainment content provide

10.3 million users

No. 5 by revenue in the Russian online cinema
market (reported by TMT consulting)

No. 5 among online cinemas by total
subscribers (according to GfK)

KIONFILM — production of original content



Development of entertainment projects:
managing a network of concert venues
in Moscow and the regions, MTS Live,
Ticketland, and Ticketscloud ticket ser-
vices, producing concerts, exhibitions,
theater productions, and other proprie-
tary events

800 thousand visitors to their own events for
the year

Launch of the Theater on Tsvetnoy

Launch of the MTS Live Hall for 1,450 viewers
in Nizhny Novgorod



MTS
MUSIC

A streaming service for
listening to music

Is among the **top 3** streaming
services in Russia

+268% growth in MAU users
(4Q24 to 4Q23)

+103% growth in DAU users
(4Q24 to 4Q23)



MTS
LABEL

A full-service music company
responsible for working with artists
using the 360 mode

+67.5% — +increase in the catalog volume

894 million listeners, increase of 600%



STROKI

A book service

250 thousand works in the catalog

Twofold growth of the active audience

FINTECH

MTSBANK.RU

127.9 BRUB — bank's income

3.5 million Bank customers

+20% — growth of the consumer loan portfolio

In 1.5 times — growth of individuals' current account volume



**MTS
INVESTMENTS**

Financial services, investments,
trust management



MTS WEB SERVICES (MWS)

MWS.RU

No. 1 in providers' rating IaaS Enterprise 2024 (CNews)

No. 5 on the cloud infrastructure service market (IaaS+PaaS) (iksconsulting.ru)

> 5000 customers build business on CloudMTS solutions

+31% — revenue growth from cloud business in general

CDN (Content Delivery Network) — in-house quick content delivery network has been expanded **in 2.5 times**

MTS Cloud

MTS Digital

Big Data

AI



**MTS
URENT**

URENT.RU

Electric scooter, bicycle and powerbank sharing service

7.6 million unique service users

No. 1 by trips in the Moscow region, integration with mos.ru in Moscow

187 locations — the geography of the service

150 thousand scooters — a fleet of scooters in Russia

ADTECH

Advertising technologies of MTS

2x

growth in multichannel revenue for key customers in Q4 2024

2x

growth in the number of registered and confirmed customers in Q4 2024

2x

growth in the number of unique contracts in Q4 2024

>470 thousand

advertising campaigns in Telegram Ads for the year

MTS MARKETER

A platform for self-launching targeted mailings and advertising in Telegram Ads based on MTS Big Data

MTS OMNICHANNEL

A service for mass mailing of messages on its own database for large and medium-sized businesses via SMS, push, e-mail, Viber, VK, Ok, chat center, chatbots

MTS ADS

A comprehensive platform solution for promoting large businesses

MEDIASCOU

A service for transmitting digital advertising data to Roskomnadzor in accordance with the requirements of Russian legislation

MARKETER PRO

A professional platform for agencies and advertisers

**MTS
BELARUS**



No. 1

in revenue and number of subscribers in Belarus

2024 HIGHLIGHTS

Record revenue and debt

By the end of 2024, MTS received about 704 BRUB in revenue, which is a record figure in the Company's 31-year history. MTS revenues are growing at double-digit rates mainly due to successful results in the B2B telecommunications business, MTS Fintech and MTS AdTech. High interest rates continue to put pressure on profit margins, but the Company's management is making every effort to offset the

negative effects. The Company maintains its debt burden at a stable level.

704 BRUB

MTS revenue by the end of 2024

Improving the efficiency

An important stage in the group's development was the decision to transform the corporate structure and optimize costs. According to the group's management, ecosystem businesses outside of telecom will focus on the MTS Ecosystem. Separating ecosystem businesses from telecom will create a

solid foundation for their further strategic development and improving the quality of corporate governance. Dedicated business verticals will become more independent, manageable, and focused on achieving specific results.

Share repurchase and dividends

MTS PJSC has launched tender offers for holders of the Company's ordinary shares. As part of the tender, MTS subsidiary Stream Digital LLC completed the purchase of more than 26.2 million shares in the summer of 2024, and another 1.60 million in the fall of the same year.

In April, MTS approved a new dividend policy for 2024–2026, according to which the target dividend yield is at least 35 rubles per share for each year.

35 rubles per share

is the target for the dividend yield for 2024–2026

Key M&A Deals

January

- MTS has closed a deal to sell 100% of shares of its subsidiary in Armenia, MTS Armenia CJSC.
- MTS became the main shareholder of the kick-sharing business Urentbike.ru (MTS Urent), having bought out the shares of the Company's founders.

November

- MTS acquired a controlling stake in the developer of video conferencing solutions Vinteo.

December

- MTS acquired the Getblogger platform to strengthen the advertising business
- MTS Urent acquired the Belarusian electric scooter development company Eleven

Innovation and Products

April

- **Urent 2.0.** MTS Urent presented its own electric scooter, which was developed in collaboration with Eleven. The model was named "Urent 2.0".
- **Trading Desk.** MTS has launched its own platform for purchasing ads in Telegram Ads. MTS' new Trading Desk is designed for professional traders. MTS has an exclusive contract with Telegram for targeted advertising in most categories.

May

- **DevX.** MTS has launched the DevX platform, an integrated development environment, the use of which will increase several times the speed of launching new products and services.

July

- **WordPulse.** MTS has launched a speech analytics service in all services of the ecosystem.

September

- **«Co-pilot».** MTS has introduced the "Co-pilot" function based on artificial intelligence (AI) in MTS Link online communication and collaboration services. The assistant can remind you of the results of past online meetings, find the necessary notes, compile summaries of information on a specific topic, and highlight key points of discussions in chat rooms.

November

- MTS summed up the results of the campaign to exchange minutes of conversations for bonus points for Urent scooter rides under Tariff 24. MTS subscribers exchanged more than 10 million minutes for bonus points and traveled more than 2 million km.

December

- **Membrana Kids.** MTS has launched a wide-scale digital safety space service for children, Membrana Kids. The service is able to protect children from harmful content in real time. The AI built into the solution analyzes every website visited by a child, determines whether it contains unacceptable or potentially dangerous information, and then blocks access to it, if necessary.
- **Domestic Base Stations.** MTS has announced the launch of domestic base stations. The equipment was developed and manufactured by IRTEYA LLC, a Russian telecom vendor. The architecture of the base stations is based on the concept of open standards Open RAN and the clustering of the radio subsystem, when part of the functionality of the base station is processed in data centers.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

In January 2025, MTS launched the Membrana mobile application, which allows you to control the filtering of Internet traffic and incoming voice calls, as well as the premium rate for communication. The application provides high-quality protection of the subscriber's digital footprint through patented high-tech ad blocking tools, profiling and behavior tracking scripts, protection against spam, viruses and unauthorized invasions of privacy. Privacy is ensured simultaneously in two areas — protection of customer data and voice traffic.

In February 2025, the outlines of the new business units were formed and the Board of Directors approved the formation of verticals within the MTS Ecosystem, as well as the management bodies. Inesa Galaktionova was appointed CEO of MTS PISC, and Rovshan Aliyev became President of MTS Ecosystem.

MTS RATINGS

Credit Ratings

**RA Expert
Rating Agency**

ruAAA

In December 2024, the **Expert RA Rating Agency** confirmed MTS' credit rating at the ruAAA level. Expert RA identified several factors, based on which MTS retained its credit rating:

- High level of liquidity. Operating flow, together with cash and unused credit facilities, is sufficient to cover interest expenses, upcoming repayments, capital expenditures and dividend payments.
- High level of corporate governance. The Agency notes the high quality of the organization of risk management and strategic planning. MTS also has a high level of information transparency.

**ACRA
Rating Agency**

AAA(RU)

In December 2024, the **ACRA Rating Agency** confirmed MTS' credit rating at the AAA(RU) level. The Rating Agency has confirmed MTS' credit rating based on its strong business profile, wide geography of operations, and high-quality corporate governance system. The assessment of the financial risk profile also remains at a high level due to high profitability and liquidity indicators, as well as a low debt burden with an average debt service assessment.

**NCR
Rating Agency**

AAA.ru

In January 2025, the **NCR Rating Agency** (National Credit Ratings LLC) confirmed the credit rating of the company and its bond issues at AAA.ru (highest level of creditworthiness) with a stable outlook. When making the decision, the agency relied on several factors:

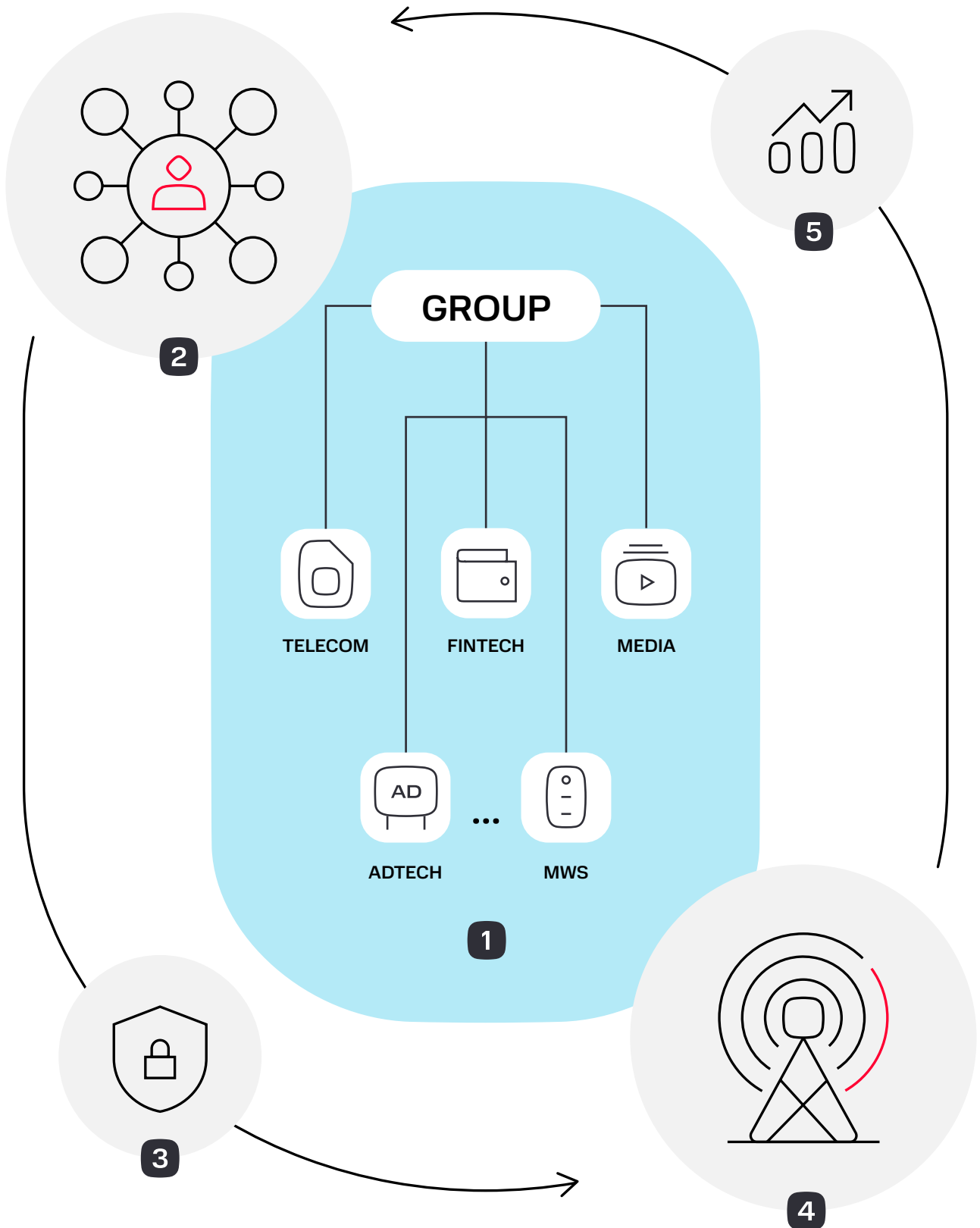
- Low systematic risk of MTS' business profile is due to the stability of the Company's key markets (provision of communication services) and moderate potential for their growth.
- The Company's markets in Russia are characterized by high geographical diversification and stable customer base: MTS services are used by a significant proportion of Russian households and enterprises from various sectors of the economy.

Assessment of the financial profile is supported by a moderate debt burden, sufficient margin of safety for debt servicing, high operating profitability, and sufficient liquidity.

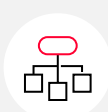
Sustainable Development Ratings

Assessed by	Rating date	Assessment tool and subject matter	Result	Reference
NCR	October 2024	ESG index of RBC	MTS was among the largest companies with a high level of introduction of ESG practices at year-end	https://ratings.ru/files/research/macro/NCR_ESG_Oct24.pdf
AK&M	October 2024	2024 Social Performance Rating of the largest Russian companies	MTS took third place in the social performance rating in the Information Technology category Ranked 3rd among the largest holdings	Social Performance Rating. (akmrating.ru)
AK&M	October 2024	2024 Rating of social responsibility	MTS took the second place in the ranking of social responsibility in the Information Technology category Ranked 11th among the largest holdings	Rating of social responsibility.
AK&M	December 2024	Rating of non-financial reporting of companies	AK&M Rating Agency confirmed the rating of non-financial reporting to MTS Group at — RESG 1, the highest level of information disclosure regarding sustainability in reports. The highest-level rating is assigned for the fourth year in a row. In accordance with the agency's methodology, MTS Group's reporting for 2023 received 95.6 points and was classified as the highest level.	ESG Reporting Rating
AK&M	October 2024	Carbon Footprint Rating	MTS ranked 3rd in the carbon footprint rating in Information Technology category Ranked 11th among the largest holdings	Carbon Footprint Rating
AK&M	March 2025	Sustainable Development Rating	AK&M Rating Agency confirmed MTS PJSC's highest sustainable development rating on the national scale "A++" — a fair state of sustainable development with a stable outlook	ESG Rating
Association of Grant-Providing Organizations "Donors Forum"	November 2024	Rating "Corporate Philanthropy Leaders"	MTS confirmed the highest A+ category of the socially responsible business rating	PROJECT-2024 — Activity — Donors Forum Association of Grant-giving Organizations
Forbes	November 2024	Rating of the best employers in Russia according to Forbes 2024	MTS is one of the two best employers in Russia according to Forbes. The company received platinum status in the categories "Ecology" and "Corporate Governance" and gold status in the category "Employees and Society"	Rating of the best employers — 2024 Forbes.ru
RA Expert Rating Agency	October 2024	ESG Transparency Ranking of Russian Companies and Banks	Ranked 37th (1.64)	raexpert.ru/rankingtable/esg/2024/tab1/
National Rating Agency	November 2024	Ranking of the consumer and non-financial services sectors	Ranked 18th	rjenking_esg_potrebitelskogo_sektora_2024.pdf

BUSINESS MODEL



- 1** The allocation and ipo of large business lines as part of the transformation strategy into the group **ensures an increase in their value and the entire group as a whole¹**
 - quality growth and flexibility of management through the autonomy of business lines while maintaining interaction within the Group
 - raising of external capital in business areas (strategic investors, IPO)
 - capital redistribution between business areas, including for M&A
- 2** **Investment in development² of ecosystem infrastructure and product portfolio**
 - development of ecosystem modules, mechanics, general competencies and technologies (for example, Big Data), as well as digital products (its own and partners'), it pays off through various ecosystem effects
- 3** The ecosystem provides a strategic reduction **in the cost of protection for the telecom business¹**
 - the outflow of multi-product ecosystem customers is significantly lower
- 4** **Financial efficiency and new growth points¹ in the core telecom business**
 - The high-margin but stagnating telecom business still has potential for growth, for example, in the B2B segment
- 5** Implementation of the CLV 2.0 ecosystem strategy **creates a new revenue¹**
 - ecosystem customers consume several services, while their pre-sale is quite effective, since we rely primarily on a large telecom base



Key elements of MTS business model complement each other, creating a cumulative effect of the group's value growth

¹ Red color

key points of the business model when group's value growth.

² Blue color

key points of the business model when group's value spend.

STRATEGY

The title of strategy — Customer Lifetime Value 2.0 (CLV 2.0) — means that we strive to maximize the time during which the customer uses our services by increasing his/her emotional commitment to our brand, as well as his/her satisfaction and loyalty through offering him/her a personalized seamless customer experience across a wide range of digital products. In this way, we strive to maximize the value that we broadcast to the customer, while simultaneously maximizing the value that we receive from them.

The main areas of our activity, which we perceive as "tools" for increasing shareholder value, are: building an ecosystem of digital products, transforming into a Group with the imple-

mentation of the "sum of the parts" principle, and achieving excellence in digital technologies and competencies.

Building an ecosystem of digital products

This is the key format of our market offer in the B2C segment. We are confident that our strong brand and deep customer knowledge, supported by advanced analytical tools (based on BigData and using AI technologies), will allow us to provide our customers with a seamless, deeply customized and personalized digital experience within the framework of the multi-product consumption of our and partner services. We clearly see that the customers, who use several our services, generate greater value and demonstrate higher levels of brand loyalty and satisfaction with services.

We will continue to build a portfolio of digital products based on our own developments, as well as complementing it with partner products. We now see with even greater clarity the fundamental role of partnerships in the development

of our ecosystem. Partnerships will allow us to bring more value to the lives of our customers, directly or indirectly providing them with a convenient customer experience in various fields. The main priority of our work with partners is to expand the possibilities of partner programs and create a value proposition that will allow us to become the best possible choice for our potential partners.

Our key priorities in terms of ecosystem development over the next few years are: increasing the ecosystem customer base, developing high-quality digital products and expanding the pool of partner companies. We focus on developing innovative products in existing and promising business areas through our own R&D, partnerships and M&A transactions.

Transforming into the Group with implementation of the sum of the parts principle

Some of our business areas have reached such a scale and level of maturity that they have the opportunity to become a driver of increasing the fundamental value of MTS Group. Therefore, we launched the process of gradual spin-off of such areas into separate companies that in the future could raise external funding and become full-fledged financial market entities with significant value for the investment community in the long run. In terms of investor perception, we are striving to move away from the image of MTS as a single and indivisible entity to the image of the Group as "a sum of the parts", where each part is valued fairly in accordance with

the results of its activities and by the multipliers accepted by the market for each specific business area.

We are confident that this approach will ensure capitalization growth for the Group as a whole, and for individual business lines, high motivation for their teams, will allow them to set up internal business processes in an optimal way, in accordance with the specifics of each business, and will also expand the possibilities of raising additional financial resources.

In December 2024, MTS announced the transformation of MTS PJSC into a holding company with the separation of the Company's business verticals into individual legal entities: Fintech, Media Holding, MTS AdTech, Urent, and MWS, where we plan to bring together all our IT-related competencies, including BigData and AI, to offer the market. The creation of separate legal structures will ensure transparency of the Group's activities, faster decision-making in individual businesses, and even clearer investment focus in an environment of increased key interest rates.

The telecommunications business will be concentrated in MTS PJSC. Non-telecom businesses are structured into

separate companies under the management of a new legal entity, MTS Ecosystem. Legally, MTS Ecosystem is a 100% subsidiary of MTS PJSC, but it will have greater independence in its activities.

It is important to say that we will remain a Group and continue to maintain and develop ecosystem links between individual areas. All of the above will be supported by clear and detailed agreements on interaction between the companies included in the Group. We also intend to ensure efficient corporate governance across all businesses of MTS Group following the uniform standards consistent with the best global practices.

Implementation of the Strategy in 2024

Digital Communications AWARDS-2024

In 2024, MTS received seven awards from the Digital Communications AWARDS-2024, established by the Association of Directors of Communications and Corporate Media of Russia (ACMR)

Innovation of the Year

MTS's DataOps Platform was recognized as the best platform for working with BigData by CNews in the Innovation of the Year nomination

TOP 5

MTS entered the top 5 of the TAdviser100: Largest Russian IT companies rating

The leader of the Russian Telecom API market

MTS Exolve is recognized as the leader of the Russian Telecom API market according to TMT Consulting

The leader of B2B Telecom

MTS has become the leader of B2B telecom in the IoT and Private LTE segments, according to the assessment of the analytical agency ONSIDE

TOP 3

MTS is in the top 3 in the ranking of the largest companies in the field of information and communication technologies according to the RAEX agency and in the CNews 300: Largest Russian IT companies rating

Achieving excellence in digital technology and competencies

It is a continuous process of introducing advanced technological competencies, tools and solutions into the Company's business processes and products. We are focused on developing and enhancing cutting-edge digital platforms that provide flexibility and high speed of development and launch of a wide range of internal and external products.

In order to improve the overall cost efficiency and reduce T2M, we are committed to using AI tools across all platforms, products and business processes. We are developing digital sales and communication channels (both external and internal), creating a digital corporate culture and digital consciousness among our personnel. We strive to shape the Company's technological image in the external and internal environment.

An important external context for our priority on developing digital competencies is the active growth in demand for digital services in the B2B/B2B2X markets. Recently, the

source of this growth is the companies' common commitment to technological transformation supported by the pandemic effect, the reduced offer of such services in Russia due to the fact that global players left the market, as well as development of AI technologies. We think that this market is a critical source of growth for digital service providers and its importance will only increase in the future.

We are confident that our IT and other digital technology competencies, which will be concentrated at MWS, will benefit our customers and partners, and we will be able to successfully monetize them in the market.

Ecosystem and digital competences

By the end of the year, MTS demonstrates stable performance in an ever-changing external environment. The number of ecosystem customers increased to 17.5 million, and ecosystem revenue increased by 22% in Q4 2024 year-on-year. The number of customers using four or more ecosystem products increased by 19%. Our MTS Premium ecosystem subscription has demonstrated a 47% increase in the number of participants and 1.6 times the involvement of participants in non-telecom products. MTS PJSC's non-telecom lines already account for almost half (45%) of the Group's revenue and are growing 4 times faster than the underlying telecom business. These indicators demonstrate the successful implementation of our ecosystem strategy aimed at synergy between the various business lines of the MTS Group.

As part of the retail network development, we opened the first ecosystem supermarket of a new format in Moscow with a focus on the Company's digital solutions. In the store, customers will not only be able to purchase the latest technological innovations, but also get to know more about the digital services of the MTS ecosystem.

In 2024, we launched MTS ID solutions, which made authorization on our partners' websites and applications much easier for the end user due to seamless authentication. Previously, MTS ID was integrated only into ecosystem products and successfully passed all testing stages.

19%

an increase in the number of customers using four or more ecosystem products

45%

of revenue is accounted for by non-telecom branches of MTS PJSC

The capabilities of Big Data play an important role in ensuring synergies within the MTS ecosystem. For example, in 2024, MTS BigData developed a new solution to combat telephone fraud, which allows banks to assess the likelihood of suspicious actions against their customers in real time and receive notifications. Using the MTS service, the accuracy of detecting fraudulent activities increased by 45%. One of the largest banks has already implemented the new technology.

The MTS ecosystem has successfully developed its digital competencies. In particular, the Company announced the launch of the DevX platform, an integrated development environment, the use of which will increase the speed

of launching new products and services several times. The potential economic effect of the implementation of the platform in the next five years is expected to amount to more than 6 BRUB. We have also implemented the WordPulse speech analytics tool developed by MTS AI in a number of services. Every day, neural networks will check hundreds of thousands of customer requests by phone or in chat rooms, as well as study feedback in messengers and social net-

works regarding issues related to communications, the KION online cinema, MTS Bank, and other products.

45%

an increase in the accuracy of detecting fraudulent actions by the MTS service

Telecom

Our core telecom business shows steady growth of 7% year-on-year in communication services, and also demonstrates synergy with ecosystem areas.

In March, we launched a new telecom platform that provides companies in our ecosystem with the ability to manage resources and services in the telecom industry. It will replace the Foris billing system, which the Company has been using for more than 20 years. During the year, 30% of subscribers were transferred to the new platform, and in the next three years, all MTS subscribers will switch to the Telecom Platform.

The Company has implemented nationwide a new automated system for monitoring the quality of transport, switching and cloud networks — Network Performance Monitoring (NPM) of its own design, and has also deployed high-quality voice transmission technology VoLTE (Voice over LTE) throughout the network. We have also put into trial operation on our existing network in 37 regions of Russia 200 domestic LTE base stations manufactured by IRTEYA, a Russian telecom vendor.

MTS launched the antispam Defender AI application, which makes it possible to identify who is calling the user, even if the phone number is not registered in the phone book, and also promptly report spam calls and prevent leak of personal data. The application, which is available to subscribers of

any Russian mobile operators, is already used by 18.3 million subscribers.

We are the first among Russian operators to launch the function of calls via Yandex Station together with Yandex. With it, MTS subscribers can make calls from smart speakers to any operator's numbers at their current rate and receive calls.

MTS has introduced an artificial intelligence-based "digital assistant" function in MTS Link online communication and collaboration services: the assistant can recall the results of past online meetings, find the necessary notes, compile summaries of information on a specific topic, and highlight key points of discussions in chat rooms.

7%

is the growth of the telecom business from MTS communications services

18.3 million

subscribers use the Defender AI application

Fintech

As part of the MTS Group's value disclosure strategy for shareholders, we conducted MTS Bank's IPO, which was successful based on the volume of demand and the number of investor applications. The market capitalization of MTS Bank, including shares issued as part of the IPO, at the time of the start of trading amounted to about 86.6 BRUB, and investor demand was approximately 15 times higher than the IPO volume at the upper limit of the price range.

MTS Bank's revenue in 2024 increased by 41%, and the retail loan portfolio grew by 14% in Q4 2024.

We continued to effectively expand the capabilities of our fintech products for ecosystem users and other customers. In April, the MTS Pay contactless payment service from bank cards became available to owners of smartphones running on the Android operating system. MTS introduced the Flex ecosystem service for paying for purchases without com-

mission and overpayments in equal payments from Russian bank cards. It is also possible to pay for goods and services at retail outlets and online stores using a QR code from a subscriber's personal account or a card of any Russian bank using the My MTS application on Android.

86.6 BRUB

The market capitalization of MTS Bank within the framework of the IPO amounted to 86.6 BRUB

14%

growth of MTS Bank's retail loan portfolio

MTS Media Holding

In May 2024, MTS completed the consolidation of the KION online cinema, the Stroki book service, MTS Music streaming, and MTS Live and MTS Label areas into a single vertical — MTS Media holding. In 2024, all businesses demonstrated dynamic growth in key indicators.

10.3 million

KION users

30

new original projects released by KION

894 million

listenings of the MTS Label catalog in 2024. 600% increase compared to 2023

46%

share of MTS Premium subscribers among KION viewers

33.4 billion

MTS Live's GMV increased by 33%, year-on-year

24.32%

an increase in the number of original projects of the Stroki service, year-on-year

3.8x

growth of the MAU of MTS Music

AdTech

By the end of 2024, the revenue of the MTS advertising vertical increased by 58% compared to the same period of the previous year and exceeded 58.7 BRUB.

In April, MTS launched its own next-generation platform for agencies and major businesses to purchase ads in Telegram Ads. A technology partnership agreement was also signed, under which MTS AdTech customers will be able to launch advertising campaigns on Avito.

58%

an increase in the MTS advertising vertical revenue

2x

growth of registered and confirmed customers

2x

growth of unique contracts

MTS Web Services (MWS)

During the year, MWS launched a number of new services and areas, including Russia's first cloud-based robotics platform, RPA CloudMTS (which accelerates routine workflows by 10–20 times), a virtual infrastructure based on Russian software, an AI cloud, and more than 30 new Enterprise-level cloud products.

31%

increase in cloud business revenue

MTS Urent

MTS Urent's business has been actively developing and demonstrating synergy with the MTS ecosystem. Thanks to the integration of MTS Urent with MTS ID and MTS Pay services, MTS users have the opportunity to seamlessly log into the application, quickly start and pay for trips using cashback points — as part of the 24 Tariff, MTS subscribers have already exchanged more than 10 million minutes for bonus points and traveled more than 2 million kilometers, and the My MTS application has also made available rent of powerbanks from MTS Urent. In total, over the year, unique users of our kick-sharing service made > 100 million trips, an increase of over 52%.

>100 million trips

were made by unique users of our kick-sharing service

52%

increase in the number of trips

MTS BRAND



The growing knowledge that MTS provides an ecosystem of digital services

In 2024, customer knowledge of the MTS digital services ecosystem increased. This is an important criterion that affects the recognition and willingness to use MTS ecosystem services.

Spontaneous market knowledge:

22%

call MTS an ecosystem

an increase of 10% points year on year

Spontaneous knowledge among customers:

30%

call MTS an ecosystem

an increase of 12% points year on year

People changing the familiar



For the first time, MTS formulated the value proposition of the employer's brand. The new EVP helps MTS stand out from competitors in the labor market by attracting talented specialists.

Our EVP — People changing the familiar It is supported by 4 advantages that are important to external applicants when choosing an employer, and is also noted as a strong point by a large number of employees and top management:

- Work on interesting tasks that develop you, the Company, and the world.
- A creative environment for enthusiastic teams.
- We welcome new ideas and appreciate everyone's contribution;
- We make sure that you feel good at work and in life.

Positive impact of the MTS brand on Urent



In 2024, the Urent kick-sharing service joined the MTS ecosystem. The name was changed and the brand identity was updated, now the service is called MTS Urent. During the 2024 season, spontaneous knowledge about the service increased by 12 percentage points year on year. 72% of Urent users are aware that the service now belongs to MTS. Of these, 40% improved their opinion of the service after the rebranding.

40%

of Urent users improved their opinion of the service after the rebranding

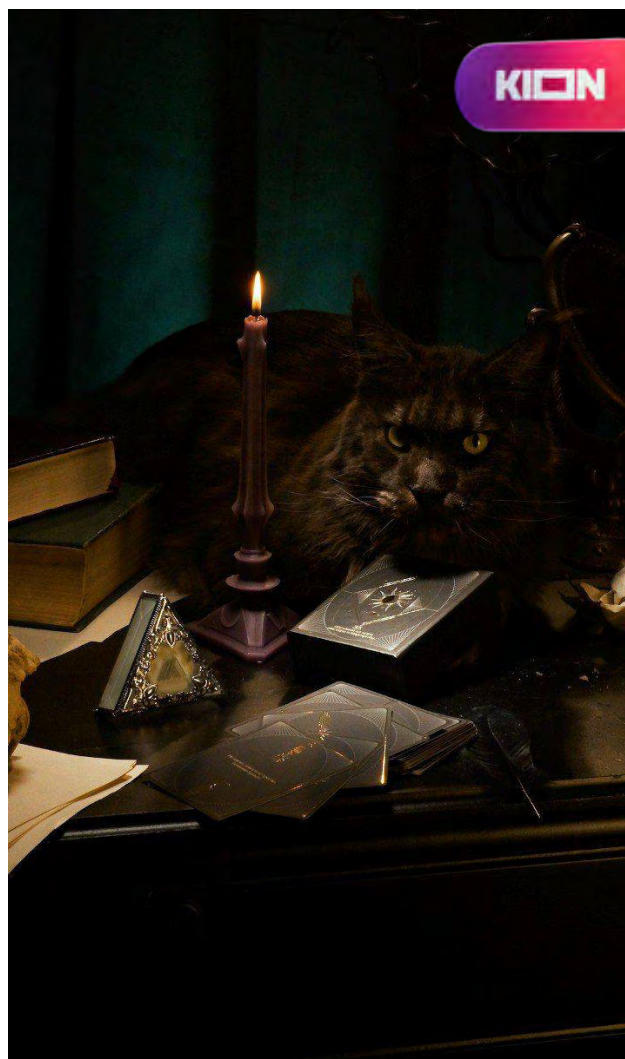
Perception of communication

MTS continues to lead in brand communication perception: we are the first in terms of advertising knowledge and the "I like its ads" indicator among direct competitors in the telecom category, as well as among ecosystem competitors. In telecom, we continue to maintain leadership in terms of "using the latest technologies", "setting trends in the market", "constantly evolving", "the operator takes care of my safety", "the operator offers additional services".

In continuation of the "Customer Lifetime Value 2.0" strategy, we are launching projects that visually combine different services in a single customer path and demonstrate a convenient experience of interacting with MTS products. In 2024, an advertising project was launched in support of the ecosystem's entertainment services, the Universe of the Master and Margarita. The campaign was built around the film of the same name, which was released exclusively in the online cinema KION. Other MTS content services have provided their own exclusive experience, immersing users in the atmosphere of the film and creating an integrated experience of exclusive content from MTS. For example, in the hotel on Patriarch's Ponds, with the participation of MTS Travel, a real Bad apartment was created in a design inspired by the aesthetics of the film. We have integrated mystical activities into the apartment. In MTS Music, you could listen to playlists inspired by the characters in the movie. MTS Live provided tickets for the performances of "The Master and Margarita" from various theaters of the country with a profitable cashback. In the Stroki book service, the user could listen to an audio novel in voiceover by Leonid Yarmolnik, who played one of the roles in the film.

In addition to ecosystem solutions, MTS' telecom business also continues to develop. In the Q4 2024, we introduced an innovative technology — VoiceTech and announced a new positioning of the telecom brand. MTS has announced a new generation of communication to the market, which changes the daily experience of communication, fills life with energy and helps to look at the world positively. The high-profile announcement about brand renewal and the introduction of

artificial intelligence-based technologies was accompanied by the launch of a large-scale advertising campaign, which helped consolidate MTS' perception as a technological and innovative leader in the telecom market.



PRODUCT TRANSFORMATION OVERVIEW

TELECOM

Mass Market

In 2024, we actively developed and marketed favorable tariffs, in which each customer could choose the optimal set of both standard telecom services and choose from a wide range of ecosystem digital products.

Cubes

In February, MTS launched CUBES, a constructor that will allow you to customize any MTS tariff according to your personal needs so that you can use the connection as comfortably and profitably as possible.

CUBES has collected the most useful services and options for personal tariff settings according to personal preferences. Each CUBE expands the possibilities of the tariff. For example, you can:

- increase the number of minutes included in the tariff;
- get unlimited internet access to selected areas;
- enjoy special privileges, and more.

Launching a youth tariff in partnership with Urent

In June, MTS introduced a unique youth tariff 24, which includes the MTS Music streaming service and offers new opportunities for active urban life: exchanging minutes of conversations for bonus points for trips on Urent scooters, fireproof gigabytes and unlimited connection to popular messengers and social networks.

One of the main advantages of the 24 Tariff is the exchange of unused call time for bonus points from the Urent electric scooter and bicycle rental service, which is part of the MTS ecosystem. Minutes for trips can be exchanged in the My MTS application or in your Personal Account by clicking on the Urent advertising banner.

Another feature of the new tariff is the ability to connect unlimited traffic to use any of the following services separately: VKontakte, Odnoklassniki, Rutube, YouTube, Telegram, Viber, Whatsapp, Discord, Snapchat, TikTok, Twitch, and Skype.

Comprehensive bundle of communication + smartphone

MTS goes on developing the area of operator mechanics with the leading vendors of subscriber equipment of the sector. The following offers are available to consumers:

- when purchasing the "smartphone with MTS SIM card" kit, you will receive a discount on your smartphone;
- when buying a subscription for communication complete with a smartphone, a smartphone discount is provided;
- when buying a smartphone from a certain vendor you receive communication services and accessories for a set amount of money as a gift;
- when buying a set, a tablet or router with a SIM card — 3 months of communication as a gift;
- partnership programs. When fulfilling the conditions of the promotion (for example, when buying a promotional product or when reaching a certain amount of the bill) and concluding a subscription agreement with MTS, the consumer received a unique promo code to activate a Premium subscription with a promotional period.

Reloading roaming options

Before the holiday season, MTS updated its products for international travel. The new "Abroad" option allows you to stay in touch even on vacation. In dozens of countries, this service provides unlimited Internet access and a package of minutes for receiving incoming calls to Russia until the end of the day. The fee for the option is daily, but it is charged only on the day of use.

Innovative VoiceTech technology

In 2024, MTS was recognized as No. 1 in digital subscriber security among the largest Russian ecosystems and telecom operators, according to a study by J'son & Partners Consulting. Since the beginning of the year, Defender has blocked 3.3 billion unwanted calls, and the MTS Secretary has received 250 million missed calls. There will be even more AI-based services in the future. MTS subscribers can already expand their capabilities with MTS VoiceTech.

Defender + contains three security services in one service:

- Defender will answer unwanted calls for you.
- "Safe call" will warn you about a conversation with a possible fraudster.
- "Insurance" against fraudsters up to 1.5 MRUB.

The MTS Secretary will answer if you declined the call or do not answer, introduce you by name and find out the details of the call, send a transcript in SMS, and a recording of the call in Telegram.

MTS is No. 1

in digital subscriber security among the largest Russian ecosystems and telecom operators, according to a study by J'son & Partners Consulting

Telecom. 2025 — focus on the security and privacy of MTS subscribers on the network

MTS Defender

Platform for comprehensive protection against spam and data leaks

18.3 million

MAU in 2024 (+38% YoY)

3.3 billion

blocked calls in 2024
(+50% YoY)

Membrana

An innovative solution to protect communication and privacy on the network

- Tariff integration with the application — a single control interface without additional charges
- Blocking threats, trackers and advertising
- Control of personal data leaks
- Control of incoming calls through an AI secretary
- The ability to use additional numbers

Safe call

AI assistant to control incoming calls

- Automatic call processing: target identification, recording details, subscriber notification
- Spam call filtering and robots

MTS Secretary

AI analytics for fraud prevention

- Voice warnings about potential fraudulent activities real-time
- Data analysis based on MTS BigData

VOICETECH

New service management platform

MTS launched a new telecom platform that provides companies in the ecosystem with the ability to manage resources and services in the telecom industry. It will replace the Foris billing system, which the company has been using for more than 20 years. During the year, 30% of subscribers will be transferred to the new platform, and in the next three years, all MTS subscribers will switch to the Telecom Platform.

The Telecom Platform allows you to create new opportunities for ecosystem development, launch personalized offers for customers, and offer ecosystem products to existing Telecom customers without having to switch to new tariffs. The platform also provides reliability and reduces the time to create and bring new products to market by up to 75% by 2025. Due to the reuse of implemented features, optimization of labor costs for new products can be up to 40%.

Launching secure communication — Membrana

At the end of the year, we have launched a mobile application, which allows you to control the filtering of Internet traffic and incoming voice calls, as well as the premium rate for communication. Membrana is a product developed by the MTS Future Crew Innovation Center. The application provides high-quality protection of the subscriber's digital footprint through patented high-tech ad blocking tools, profiling and behavior tracking scripts, protection against spam, viruses and unauthorized interference with the private life. Privacy is ensured simultaneously in two areas — protection of customer data and voice traffic.

The application uses its own unique algorithm to identify suspicious and malicious websites. Advertising is blocked in any form — images, videos and texts, so that the user can view website pages and video content without pop-up ads. In the Membrana application, you can view statistics on blocked threats and saved gigabytes of Internet traffic and time at any time. Unlike other offers on the market, the content filtering in Membrana is implemented not on the device, but on the network of the telecom operator, due to which it works much faster and does not discharge the smartphone battery. Membrana filters Internet traffic according to blacklists of web addresses. At the moment, there are about 500 thousand resources in the black list of Membrana, and their list is constantly expanding.

Membrana also provides protection for users during voice communications: the customer can select those contacts with whom he wants to communicate personally and define policies for all others. Incoming messages can be sent to an AI secretary who is able to maintain a conversation and make decisions on his own. The AI secretary knows how to prioritize calls — determines the caller, the subject of the call. If the call is critical, the secretary will transfer it to the customer, according to the settings of the profile and contact groups. While the product is available for connection in Moscow and the Moscow region, it is planned to expand the geography of users later.

Launching secure communication for the most important — Membrana Kids

Future Crew innovation center has launched a wide-scale digital safety space service for children, Membrana Kids. The solution has been tested and is now available to MTS subscribers in all regions of the digital ecosystem.

The Membrana Kids service is able to protect children from harmful content in real time. AI in-built in the solution analyzes every website visited by a child, determines whether it contains unacceptable or potentially dangerous information, and then blocks access to it, if necessary. Each website analyzed by AI receives one of the access categories ("safe", "dangerous" or "forever forbidden"), and then gets into the Future Crew database. This approach speeds up the subsequent analysis of content on the web and makes Membrana Kids even more effective, allowing it to fight even mirrors of malicious sites. The ML model developed by Future Crew specialists is responsible for the analysis and categorization of websites.

Parents who have connected their children to Membrana Kids also have the opportunity to see the top sites that the child visits every week. This will help parents keep abreast of their children's interests and experiences. In addition, Membrana Kids also contains a number of features that protect children from various threats and offline. For example, the Smart Filtering function analyzes calls to a child's device, checks phone numbers against a database of spam and scammers, and blocks it if the call is suspicious. The "trusted list" function allows parents to determine a list of phone numbers from which the child can receive incoming calls: for example, the numbers of his grandmother, mother, and brother. All other incoming messages will be blocked.

Retail Distribution

The MTS retail chain remains the main channel for attracting MTS subscribers. More than 40% of SIM card sales are carried out through MTS retail outlets. MTS own retail chain demonstrates high rates in the number and quality of SIM card activations.

At MTS offices, subscribers receive a full range of services provided by the operator, including the services of broad-

band access to the Internet and TV. Being points of contact with the MTS ecosystem, MTS retail outlets allow increasing cross-sales. Any new service released by the Company automatically becomes available for sale in the retail chain office.

Our own sales channel enables us to more efficiently manage the number and quality of activations, as well as to maintain our level of service.

Network Development

MTS continues to develop and upgrade the network to ensure a consistent level of coverage and a high quality of mobile Internet. In 2024, more than 17000 4G BSs were commissioned, +13% of the network. The main increase occurred in large regions of Russia: Krasnodar Territory and Moscow are in the lead. In St. Petersburg, the 2,100 MHz frequency spectrum has been fully converted to LTE technology.

In order to maintain and expand the network quality, MTS is increasing the number of regions, in which it is redistributing the frequency spectrum to LTE technology (60 regions by the end of 2024).

Projects

Bridging the Digital Gap Project 2.0

As a result of the implementation of the 1st stage of the project, mobile communication shall become available in 4.7 thousand small settlements with a population ranging from 100 to 500 inhabitants. In 2024, 2.2 thousand sites were launched in 72 regions of the RF. By the end of 2025, it is scheduled to implement 1.1 thousand sites more. The project will include 78 regions of the RF as its participants. In 2024, 16.7 thousand new customers were connected to the MTS network in the project locations and the quality of communication services was improved for 65 relevant MTS subscribers.

Refarming of the 900 MHz band in cities

MTS continues to expand coverage inside buildings by upgrading the 900 MHz LTE spectrum. Thanks to this refarming, in 2024 it was possible to improve the quality of communication inside buildings for 4.6 million people.

FHW coverage

In 2024, MTS completed comprehensive work to expand LTE mobile coverage along the M3, M3, M4, M11 and M12 federal highways (Moscow-Kazan section).

UMTS switch off

In 2024, 3.7 thousand BS were disconnected from outdated 3G technology (5% of the total number of MTS sites). 3G was completely switched off in St. Petersburg and Leningrad region, and a pilot was conducted in the Yaroslavl region in the city of Uglich.

Fixed-Line Business

B2C fixed-line business

The share of Internet BBA penetration into the telecom market in 2024 reached 56% (in 2023—54%) on average in the RF¹. In 2024, the subscriber base growth rate in the market was 1.9% (in 2023—1.4%): the main increase in physical terms was provided by the B2C segment, which accounts for almost 96% of the BBA subscriber base in the RF. The increase in the number of users is associated with the commissioning of new residential buildings, the expansion of operator networks in the suburbs of cities and the private sector. Despite the general decline in the population, there is a continuing trend towards an increase in the number of households due to a decrease in their size (an increase in the number of households consisting of one and two people), which also affects the growth of the market in physical terms.

Herewith, the fixed-line BBA market in the country remains saturated; further growth of users can be achieved due to cities (penetration of more than 70–80%), as well as coverage of the private sector in the city suburbs. In 2024, the trend towards expanding the geography of BBA providers using the FVNO model based on the networks of partner operators in the regions continued. MTS has significantly expanded its presence (plus 9 cities).

Based on the 2024 results, ARPU increased by 13.8 rubles and amounted to 391 rubles (as compared to RUB 378 in 2023). Western sanctions, inflation, and an increase in the cost of equipment and contractor services continue to affect the market and lead to an increase in the cost of services. In addition to the need to modernize equipment, expand network capacity and improve the quality of services, changes in tax legislation will be one of the additional burden factors.

For the second year in a row, the Russian pay-TV market has been under pressure from OTT video services caused by the proliferation of online cinemas and the expansion of the fleet of smart TVs. The penetration of the service has been maintained at 70% for the past two years. By the end of 2024, ARPU increased to 195 rubles (compared to 191 rubles in 2023). The market volume returned to positive dynamics, reaching 108.4 BRUB (an increase of 1.9% compared to 2023). The main reason for the growth was the numerous marketing promotions associated with a decrease in the outflow of users during the period of forced interruptions with broadcasts.

Despite multidirectional trends in the fixed-line business market in 2024, MTS continues to maintain a leading position in terms of growth rates. The combined base of broadband Internet subscribers and pay-TV subscribers is growing by 5% compared to 2023. In 2024, fixed-line business revenue also goes on growing steadily by 6%. Given the saturation of the broadband Internet market, as well as the slowing pay-TV market, MTS ensures growth by leading² the number of subscribers — individuals using converged tariff plans (an increase in the share by 5 percentage points during 2024). At the same time, the trend towards migration of users to higher home BBA connection speeds (including the speed of 1 Gbps) impacts MTS base and revenue³ indicators positively.

6%

an increase in the fixed-line business revenue in 2024

5%

an increase in the total base of BBA and pay-TV subscribers in 2024 (compared to 2023)

Fixed-line network

In 2024, MTS continued to implement a program of upgrade and construction of fixed-line networks. The share of the 1Gb network in Russia increased by 6% and amounted to 67% of the total fixed-line network coverage.

In addition to its own construction of fixed-line networks, MTS continues to expand coverage under the FVNO (Fixed Virtual Network Operator) model with federal partners Rostelecom, Vimpelcom, TTK, as well as with local operators. According to this scheme, MTS launched a broadband network in the cities of Saint Petersburg, Samara, Togliatti, Orenburg, Novotroitsk, Orsk, Yoshkar-Ola, Arkhangelsk, and Cherepovets. The increase in coverage amounted to more than 1 million households. It is planned to launch projects in the cities of Voronezh, Volgograd, as well as in the Republic of Bashkortostan and other regions of the Russian Federation.

¹ In early 2023, Rosstat (Federal State Statistics Service of the RF) published new data on the number of households in the RF obtained on the basis of the 2020 census. Previously, the last official data was the data provided by Rosstat on the basis of the 2010 census. Over 10 years, the number of households in the RF increased by 11.5 million, this led to a decrease in such an indicator as the BBA service penetration among households.

² According to the annual report "Research on the Russian Telecommunications Market — 2024", prepared by the independent consulting agency TMT Consulting.

The program of modernization and construction of fixed-line networks

>518 thousand

households built in the RF
(excluding the Moscow
Region)

>118 thousand

households built in the
Moscow Region

557 thousand

households modernized
in 2024

Convergent

The Company continues to develop a range of convergent data plans. In 2024, MTS maintained the growth rate of its convergent base at more than 20% year-on-year. MTS also improves the efficiency of the converged business, in 2024, paid speed options were introduced for customers of the converged TP line, about 30% of subscribers choose high-speed TP above the minimum base rate in the tariff, which effectively pays for the construction of Gb networks.

Additionally, subscribers have the opportunity to purchase subscription equipment in installments — more than 40% of subscribers buy MTS equipment when they connect new services.

In addition to classic converged solutions combining mobile and fixed-line services, in 2024 MTS entered a new segment

of converged products linking Telecom and Fintech services: when applying for an MTS Money debit card, along with the purchase of a new SIM card with an MTS More tariff or a Tariff 24, the subscriber receives a 100% discount on MTS mobile communications for the first two months, as well as 5 categories of increased cashback to choose from. Starting from the third month and in each subsequent month, a 100% discount on mobile communications and 1% cashback on card purchases (or choose 5 cashback categories) is provided when making at least 5 purchases per month using an MTS Money card.

>20%

increase in the converged base in 2024
(by 2023)

B2B/G

B2B

In 2024, MTS is showing record growth. Growth of revenue by 2023 was 20.2%. The main contribution to the growth of revenue was made by Equipment, IoT M2M, CCTV, ICS, Cloud. The record growth of mobile business and BBA revenues shall be noted as well.

49%

an increase in the revenue of non-core
products in 2024

B2G

MTS' shift in 2024 to work to strengthen the Company's participation in the regional and national digital agendas of the subjects, focusing on the outstripping growth in sales of non-core products, including work on import substitution in B2G, the supply of a full range of products and solutions of the group of companies, ensured a 49% increase in non-core revenue, while maintaining revenue growth dynamics for the core business.

MTS entered a new market in 2024 and successfully established itself in the field of environmental solutions, the first major contracts were signed, which also allowed to increase the service portfolio and form a funnel of projects for 2025 and 2026.

In the coming years, MTS will continue to increase revenue growth in the B2G segment by focusing on the Company's participation in national programs and the regional agenda of the entity, increasing the focus of regional teams on providing customers with integrated solutions, video surveillance solutions, IoT and other non-core products of the group of companies that meet and solve the needs of government customers.

B2B products

Marketplace B2B

In August, MTS launched its own marketplace of digital solutions for small and medium-sized businesses, which provides convenient product selection and online shopping in a "one-stop shop" mode. The window features more than 100 business services from the MTS digital ecosystem. Digital products powered by Big Data, AI, and IoT are divided into categories: geoservices, information security, communications and the Internet, cloud solutions, targeted mailings and advertising by MTS Marketer, artificial intelligence, collaboration, communications, and the Internet of Things.

The platform allows you to pay for goods immediately, or put them in the shopping cart to return and pay later. The technological platform guarantees the safety and reliability of all operations. The platform was developed by the MTS product team.

50%

of mobile communication purchases on the website go through online registration in 2024

2x

Sales revenue from the website doubled in 2024 (compared to 2023)

Mobile business

To increase the convenience and reduce business costs when receiving communication services and interacting with MTS, a number of projects have been implemented to develop online sales and automate service processes:

- The portfolio of tariffs and promotions that are available for purchase on the B2B marketplace and in the personal account of MTS Business without visiting the office or calling the manager has been expanded;
- The process of definitive online contract registration has been introduced without signing paper documents;
- The opportunity to reissue the number online has been launched.

The Smart Business tariff line includes more ecosystem opportunities:

- smart protection against spam calls and data leak,
- unlimited access to the MTS Link video conference,

- VK Video and Dzen platforms,
- unlimited messengers,
- navigation and translator when traveling around the world,
- several months of free use of the MTS Premium subscription and the Stroki book service,
- 30% discount on sports training at GoGym fitness sharing.

During the year, it was possible to connect a mobile communication with a refund of the entire amount to the mobile phone account as part of the "Annual Communication Bonus" promotion or double the packages of minutes and gigabytes without increasing the subscription fee for the "Doubling minutes and gigabytes forever" promotion.

The launch of convergent services is a part of the MTS ecosystem development program. In 2024, small businesses will be able to connect a package of essential services at a discount of up to 30% — mobile communications, virtual PBX, 8800, employee location monitoring, fixed Internet, CCTV, and Wi-Fi. For major businesses, there was a discount when connecting mobile communications in conjunction with the MTS Link video conferencing service.

MTS is the market leader in terms of mobile NPS in the corporate segment in 2024¹

Fixed-Line Business

In 2024, for the second year in a row, MTS demonstrated unprecedented revenue growth from fixed Internet access by 19.7% by 2023, which is more than three times faster than the market dynamics of +5.8%.

The results are driven by a 12.1% increase in the active base of corporate subscribers by 2023, thanks to the active automation of processes and the increased value of MTS' offerings achieved through focused work on the development of related services.

19.7%

an increase in the fixed-line Internet access revenue in 2024 (by 2023)

12.1%

growth of active corporate customer base in 2024 (by 2023)

¹ Research performed by MAGRAM MR LLC

CCTV

In 2024, MTS CCTV revenue growth was 73% by 2023, service revenue growth was +23%, and the number of contracts increased by 56% in 2023. Key updates of Sphere — a control system by MTS — were performed; it is a comprehensive solution for large CCTV and security systems. Major CCTV projects in the transport sector were implemented with national customers and large businesses in the field of monitoring cargo movement and safety. There have been major projects for calculating passenger traffic based on video analytics.

73%

increase in MTS CCTV revenue in 2024
(by 2023)

ICS and MTT JSC

In 2024, MTS Exolve, a subsidiary of MTS PJSC, achieved significant success in the field of business communication solutions. One of the key events was the recognition of the MTS Exolve platform as the "Communication Platform of the Year" at the CNews Awards 2024. This award highlights the efficiency and reliability of the communication infrastructure developed by the Company for business.

MTS Exolve also took the first place in the rating of virtual PBX and IP telephony providers compiled by CNews. This leadership is due to the broad functional and omnichannel capabilities of the platform, which make it possible to fulfill any business requests and ensure effective communications management. In particular, in 2024, the Company completely updated its Virtual PBX, providing customers with more than 40 tools to increase sales and automate the work of employees.

In 2024, MTS Exolve continued to expand the functionality of its platform. New features have been introduced, such as Speech Analytics, auto-informer detection, and the API Communication Strategy.

In the field of Telecom API, MTS Exolve continues to lead the Russian market. The Company is actively developing its solutions, offering businesses modern tools for effective and convenient customer communication. The Telecom API market is showing high growth rates, and MTS Exolve is playing a key role in its development.

MTS Exolve — "Communication Platform of the Year" according to CNews Awards 2024

MTS Exolve is the TOP 1 in the ranking of virtual PBX and IP telephony providers according to CNews

MTS Link

MTS Link's consolidated revenue increased by 65% compared to 2023. Revenue growth, excluding the results of Vinteo LLC, which joined the ecosystem in November 2024, amounted to 36% year-on-year. MTS Link's revenue growth rates exceed the market average.

In 2024, we focused on Unified Communications (UC): our goal is to offer MTS Link solutions for all scenarios of online and hybrid interaction. In April, we launched a new product, a corporate messenger of our own design, which became the basis of our UC offer and allowed us to transfer the organizational structure of the teams to the digital space. We have also implemented a number of artificial intelligence-based features, which have made our platform a tool for improving workflow efficiency.

In 2025, MTS Link will focus on improving operational efficiency, launching new services and integrations as part of the movement towards unified communications, as well as developing a comprehensive offering to equip companies with turnkey video conferencing equipment and software.

In 2024, the total number of active customers of MTS Link solutions — Meetings, Webinars, Chats, Whiteboards and Courses increased by 65% compared to 2023. At the same time, the number of customers grew in all priority sectors: in particular, in industry they increased by 92%, in healthcare — by 50%, in education and in finance and consulting — by 48%. The number of online events held in MTS Link services exceeded 35 million during the year.

In November 2024, Webinar LLC (MTS Link brand) completed the acquisition of 51% of VINTEO (Vinteo LLC). The purpose of the deal was to expand MTS Link's offering in the field of video conferencing server solutions and strengthen competitiveness in the B2B product market. Today, the MTS Link offer covers most of the cases of working with equipment in meeting rooms using the SIP protocol.

65%

an increase in the MTS Link's revenue in 2024
(by 2023)

Business in the Markets of Operation

Belarus

Mobile TeleSystems JLLC (MTS Belarus) was established in 2002 by MTS PJSC of Russia (49%) and Beltelecom RUE of Belarus. The Company operates under the MTS brand and is the largest mobile communication operator in the Republic of Belarus. Its main competitors are BeST CJSC ('life' trademark) and A1 UE (Unitary Enterprise).

In Belarus, MTS provides mobile communication services of GSM 900/1800, UMTS 900/2100 and 4G (including 2600/1800/800) standards, home Internet and TV services, offers cloud services and products for business, as well as financial services in partnership (MTS Money).

MTS Belarus' own retail chain is the main channel for attracting subscribers, together with single-brand stores of its partners. The network of sales and service offices includes 90 of its own offices and 215 retail facilities of MTS commercial representatives in 133 localities of the Republic of Belarus, which allows connecting subscribers and providing service operations in all regions and key cities of Belarus.

MTS Belarus maintained its leading positions, significantly outperformed its market competitors and completed 2024 with a market share of subscribers of about 48% and a market share of 50% in terms of revenue (according to the Q4 results). The share of subscribers to V&D tariff plans is 65.0%, and the share of subscribers using data transmission has reached 73.0%. The average volume of calls per MTS Belarus subscriber in Q4 2024 amounted to 571 minutes per month (+2.5% year-on-year) and the use of data transfer amounted to 19.0 gigabytes per month.

MTS Belarus holds the leading position in the telecommunication market of Belarus in terms of net promoter score (NPS)¹

In 2024, MTS Belarus continued to develop cloud services; revenue at the end of 2024 increased by 62% as compared to 2023.

MTS Belarus provides services that are in demand on the market: IaaS, SaaS, BaaS, Professional Service, Corporate Mail, Object Storage, information security services, and others. In 2025, the Company plans to further develop its services with an emphasis on information security services, as well as expand its market presence with products for small and medium-sized businesses. Special attention will be paid to the implementation of complex technical solutions focused on innovative industries and long-term cooperation.

In 2024, MTS continued to expand access to 4G network services throughout Belarus together with the infrastructure operator beCloud. In total, in 2024, the LTE network in Belarus increased by 918 new base stations: 595 — in the 800 MHz range, 163 — in the 1,800 MHz range and 160 — in the 2,600 MHz range.

Also, in 2024, MTS Belarus continued to expand its network coverage for the Internet of Things and networks in the 3G standard. Minsk, regional centers and cities/towns with a population exceeding 50 thousand people were provided with NB-IoT communication. In 2024, 74 NB IoT BSs, 146 3G BSs in the 2,100 MHz range and 128 BSs in the 900 MHz range were commissioned. Besides, MTS, together with the operator A1 UE, commissioned 123 BSs to improve the 3G coverage in rural areas using RAN-Sharing technology in the 900 MHz range.

¹ According to internal marketing research.



MTS Belarus is the leader in the mobile communication of Belarus with the largest market share in terms of the number of subscribers

MTS 2G

98.02%

of the territory of Belarus

99.91%

of the country's population

MTS 3G

97.20%

of the territory of Belarus

99.88%

of the country's population

MTS 4G-LTE

78.57%

of the territory of Belarus

99.26%

of the country's population

FINTECH

The past year has been a landmark one for the MTS financial vertical. In 2024, three key events took place in the life of the fintech area:

1. Holding the IPO of MTS Bank PJSC with raising of 11.5 BRUB.
2. Approval of the updated fintech development strategy for 2025–2027.
3. Launch of the flagship MTS Money card, which combines the bank's services and ecosystems.

IPO of MTS Bank

In April 2024, MTS Bank successfully conducted an initial public offering (IPO), giving investors the opportunity to enter the capital of one of the most promising and fastest-growing players in the fintech market. This event is of strategic importance not only for the Bank, but also for the entire MTS ecosystem, within which MTS Bank became the first public issuer, which underlines its leadership role in digital finance.

The total size of the IPO was 11.5 BRUB in the form of 100% cash-in (4.6 million new shares were sold at a price of 2,500 rubles per share). The Bank's market capitalization at the time of the IPO was 86.6 BRUB. MTS Bank's IPO became one of the largest in size in 2024.

Key indicators for the Bank's shares:

- Share of the Bank's shares in free float is more than 13% of the authorized capital.
- Average daily trading volume in 2024 — 144 MRUB.
- More than 96000 individuals are shareholders of the bank as of the end of 2024.
- The bank's shares are included in the first quotation list of the Moscow Stock Exchange, as well as in the broad market and financial sector indices.

Updated development strategy for 2025–2027

In November 2024, the Board of Directors of MTS Bank approved a new strategy aimed at strengthening the resilience of the credit institution to changes in monetary policy. The main goal of the strategy is to make commission and risk-free income a dominant part of the bank's operating income.

Key areas of the strategy

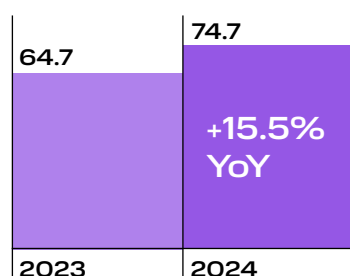
- Advanced development of frequency attraction products and Daily Banking.
- Increasing the frequency and profitability of lending.
- Expansion of cross-sales of passive and transactional services.

Ways to achieve your goals:

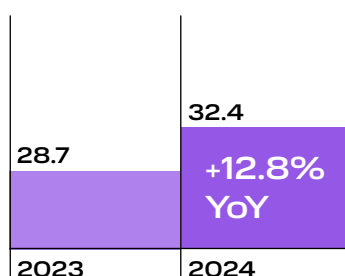
- Transformation of card products with an unprecedented value proposition and a focus on active transactional customer behavior.
- Launch of the Flex BNPL service to stretch the payment of purchases into several parts on the ecosystem's windows, as well as by QR in any store in the RF.
- Development of high-frequency lending with low average purchase amount and high returns, as well as entry into the segment of microcredit and car loans.
- Growth of customer balances and increased involvement of Private & Premium segment customers in Daily Banking.

Fintech increases operating income amid cooling lending...

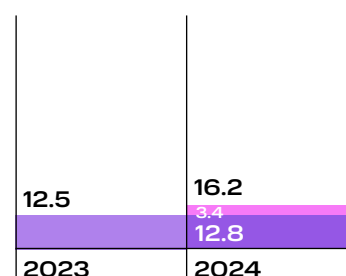
Operating income¹
BRUB



Net fee and commission income
BRUB



Net income²
BRUB



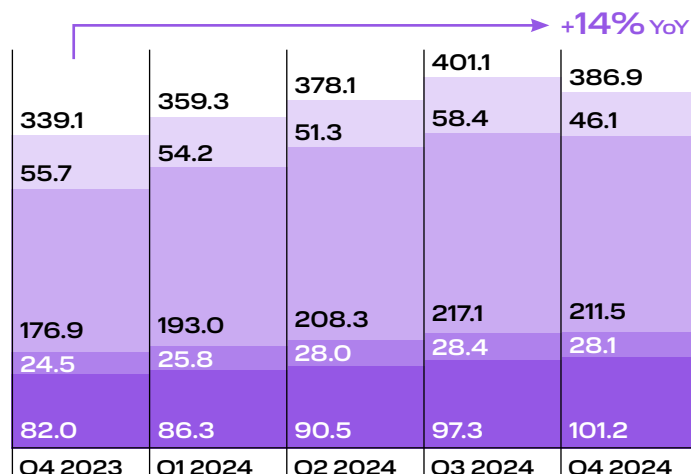
1.5x
up to 43 BRUB

the volume of current accounts of individuals has increased

Fintech is diversifying revenue by increasing transactional services for retail customers in assets and current accounts in liabilities

... and retains confident market positions

Growth of the retail loan portfolio¹
BRUB



TOP-3

in the POS credits market³

+20% YoY

growth of customer loans, flagship credit product

- POS
- Consumer loans
- Mortgage
- Credit cards

¹ Before deduction of reserves.

² Fintech's net profit in 2024 includes adjustments for one-time transactions. Excluding this adjustment, net profit is 12.8 BRUB.

³ POS credits — credits at points of sales. Frank RG in a Rating, end of 2024.



- Expansion of the product line of investment products, including the development of MTS Investment functionality.
- Creating targeted offers for different customer segments.
- Development of payment infrastructure for companies.

MTS Money card

In mid-2024, fintech launched its flagship product, the MTS Money debit card, which has become a real breakthrough due to its unique customer conditions. In just six months since the launch, 1.3 million cards have been sold, which confirmed the high demand and need for the product.

The MTS Money card offers customers exceptional benefits when using MTS services: payments for mobile communications, subscriptions to MTS Live, Stroki, Urent services, as well as when using cloud storage.

1.3 million

MTS Money cards have been sold since launch

Results of the fintech vertical's activities in 2024

The share of non-credit commission income increased from 33% to 43% of total net commission income.

The share of current savings accounts in customer funds increased from 19% to 24%.

The number of Daily Banking customers with debit card transactions (5+ transactions per month) increased by 35%.

Over 1.3 million MTS Money debit cards have been sold as part of the development of Daily Banking.

MTS customer base has been scored, and limits have been set for 45 million customers to use the BNPL product.

Revenues from operations related to the MTS ecosystem increased by 32% in 2024.

The "Money" section has been launched in the My MTS application with a monthly audience (MAU) of more than 3 million customers.



RETAIL

Revenue of the MTS Group's retail business segment increased by 14% to 78.6 BRUB in 2024, while OIBDA increased by 15% to 10.1 BRUB. The number of MTS own and partner BS was 4,214 at the end of 2024.

Achievements 2024:

- Revenue from the sale of goods increased by +14%.
- Share of online sales increased to 32% (year-on-year increase of +8 percentage points).
- Share of RTC in the Living 2M MTS subscribers reached 52% (year-on-year increase of +5 percentage points).
- Number of MTS Bank debit cards issued increased 2.8 times.
- Premium subscription sales increased 1.5 times.

In 2024, the tNPS of the MTS Retail network reached a historic maximum, year-on-year we showed an increase of +4.5 percentage points.

We have managed to significantly reduce paper consumption in our stores by eliminating paper applications and transferring the bulk of service operations to electronic

signing and self-service channels. By the end of 2024, 86% of service operations are performed without signing paper applications, and 6 times more operations were performed in the My MTS application compared to last year, thanks to the training of customers by retail employees to use this application.

We value the time of our customers and employees, so we are constantly working to optimize service procedures. Due to the simplification of a number of business processes, the total number of service operations performed in information systems decreased by 13%.

In 2024, a record number of pre-orders for top smartphone models were processed in the online store.

Based on the requests of our customers, we choose the most convenient communication channels. By the end of 2024, 60% of requests were processed in chat rooms.

86%

of MTS service operations are performed without signing paper documents by the end of 2024

MEDIA

MTS Media Holding

mtsmedia.ru

32%

growth in the total audience of MTS Media

800 thousand

the number of visitors to MTS Live's own events

+268% MAU

+103% DAU

MTS Music audience growth (4Q24 to 4Q23)

+24%

of books published by Stroki publishing house year-on-year

2x

growth of the audience of Stroki

+68%

MTS Label catalog volume growth

+600%

growth in streaming from MTS Label (894 million listeners compared to 128 million in 2023)

In February 2024, MTS' entertainment assets were separated into a single MTS Media vertical. The multidisciplinary holding has brought together businesses in various entertainment segments, from film production and online platforms to book publishing and concert venues. The media vertical includes the online cinema KION, MTS Live, the online book service Stroki, the streaming service MTS Music and the full-service music company MTS Label. By combining them, the media holding aims to create multi-format projects, search for and develop media franchises that can be monetized in different environments, thereby offering a voluminous immersion into the world of entertainment and emotions.

MTS Media's strategy is based on the 360 approach, where content is used on different platforms and services and uses all the capabilities of the ecosystem. In 2024, the holding implemented the following 360 projects:

"The Master and Margarita":

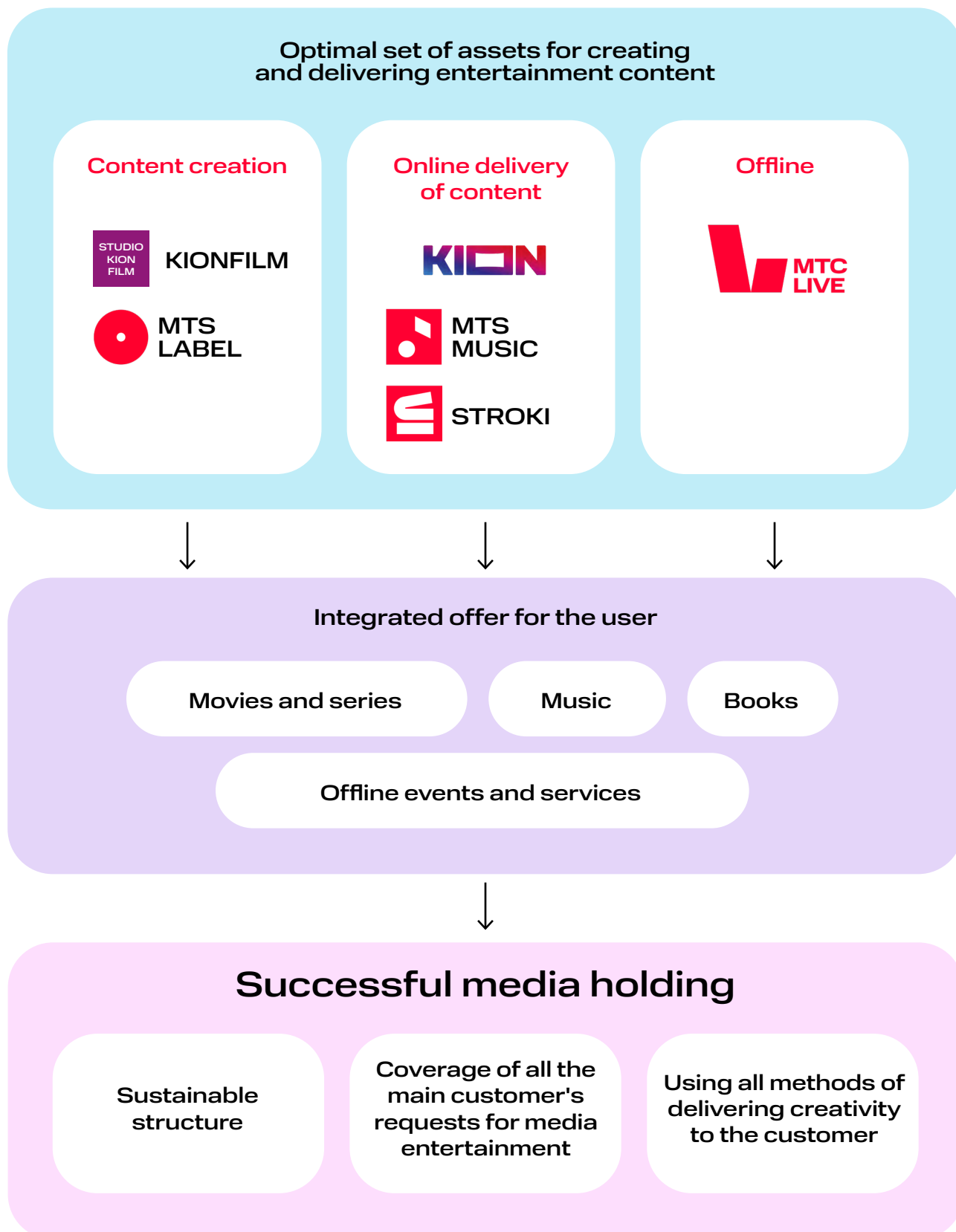
- film adaptation of Mikhail Bulgakov's novel was released exclusively in the online cinema KION,
- the audiobook, dubbed by Leonid Yarmolnik, who starred in the film, was released in Stroki,
- MTS Live has released a selection of performances on "The Master and Margarita",
- playlists of the novel's characters are available in MTS Music.

"Secrets of Karenina":

- the series "Secrets of Karenina" based on Pavel Basin-sky's book "The True Story of Anna Karenina" was released on KION,
- the premiere was timed to coincide with the release of this book in Stroki,
- MTS Live held a large-scale interactive exhibition at the Vitebsk Railway Station in St. Petersburg, which became a reinterpretation of the world-famous novel by Leo Tolstoy.



MTS Media Holding Structure



"Amura":

- inserts from animated manga created by the Stroki service's artists have been integrated into the series "Amura" on KION,
- for the premiere of "Amura" on KION, Stroki released a spin-off series — three original manga, complementing the main storyline, and a paper version of the comics was also released,
- with the support of MTS Label, a soundtrack was recorded performed by Tosya Chaikina and the band Three Days of Rain
- joint collection of figurines and tableware with the Gzhel brand was released.

"Arbenina":

- Diana Arbenina made her film debut in the series "Mutual Consent",
- the documentary "Arbenina" was released on KION,
- the singer performed at the MTS Live Summer festival.

KION

kion.ru

10.3 million

the number of KION online cinema users by the end of 2024

30 original projects

were released by KION in 2024, including a new season of the drama "Life on Call" starring Pavel Priluchny, a new season of Russia's first vertical series "Mutual Consent" and the series "Number One" based on a script by Sergey Minaev

TOP-5

include KION among the largest online cinemas in the Russian market by revenue in 2024 (Telecom Daily data)

TOP-5

include KION among online cinemas for total subscribers (according to GfK)



KION online cinema offers over 200 TV channels, thousands of films, serials, animated cartoons and documentaries. The flagship area of the platform is the originals line. Over the 4 years of its existence, KION has released more than 90 original projects, such as the dramedy "Kidney" with Lyubov Akseanova, the detective drama "Mutual Consent" directed by Valeria Guy Germanica, the psychological crime drama "Crystal" with Anton Vasiliev and many others. KION's original projects have won more than 50 Russian and international awards.

KION is developing technologically and offers stable secure service, customer support, children's accounts, user-friendly interface, and accessibility on any gadgets. In 2024, the KION online cinema launched many new features: a waiting rating for projects, a "Games" section with quizzes, the beginning of video playback with the best quality, Face ID and Touch ID login, and adaptive quality depending on the connection speed. Active work continues on the implementation of Big Data and AI, with which the recommendation system works and individual collections of content are created, which users appreciate so much.

KIONFILM

In 2024, MTS Media Holding separated the original content production unit into an independent business and began developing TV series under the brand of the new KIONFILM studio. The studio's main task will be to create projects for its own online cinema KION, as well as for other online platforms, TV channels and film distribution.

Dynamic growth of users of all businesses of the Media holding

KION

10.3 million **+49%**

KION users
(Q4 2024)

increase in the number
of viewing hours per
user (Q4 2024 YoY)

140+

new original movies
are being developed
and produced by KION
(Q4 2024)

1st day

of each month —
release of new series
on KION

30

new original projects
released by KION
(for 2024)

46%

share of MTS Premium
subscribers among
KION viewers

MTS Live

+33%

GMV growth
(Q4 2024 YoY)

MTS Music

3.8 times

MAU growth
(in December 2024
YoY)

MTS Label

267+
million

listens to the MTS
Label catalog
(Q4 2024)

Stroki

3.4 times

increase in content
consumption
time per user
(Q4 2024 YoY)

The most successful media projects of 2024

KION

TOP 3 new KION Original products
by popularity in 2024



KION's original projects have received more than
30 awards in 2024, including:

MAYAK Festival
(Gelendzhik)

the film "Summer will End"
in the Grand Prix nomination

Big Digit Award
(Moscow)

the film "I love you"
in the nomination "The best show
of original production"

Award of the Association
of Film and Television
Producers (Moscow)

The series "Ranevskaya"
in the nomination "Best actress"

PILOT Festival (Ivanovo)

The series "Killing vacation"
in the nomination "Best pilot of the
series. Viewers' choice"

The series "She's so cool"
in the nomination "Best actor"

MTS Live

90
thousand

tickets have been sold
for the new musical
before the premiere in
December 2024



MTS Label

26 million

listeners (Q4 2024)



MTS Live

live.mts.ru



MTS Live is engaged in producing and promoting its own events: concerts, musicals, theatrical productions, as well as ticket sales and manages a federal network of concert venues.

In 2024, MTS Live launched a new musical, "The Last Fairy Tale", and expanded its offline infrastructure. The Theater on Tsvetnoy was launched and new venues were opened in the MTS Live Hall network in St. Petersburg and Nizhny Novgorod. The MTS Live Summer festival was open-air in Luzhniki for two months and attracted 120,000 people.

MTS Live is the winner in the "For Partnership" nomination of the Musical Heart of the Theater festival

33.4 billion GMV

+67% growth year-on-year

800 thousand

visitors of their own events

The musical "Don't be afraid of anything, I'm with you"



- It was included in the Russian Book of Records in the nomination "The most visited musical in Russia"
- The winner of the award "Event of the Year" in the nomination "Cultural Event of the Year" and "Socio-cultural Event of the Year", the winner in the nomination "Private Theater Project of the Year" of the Art Platform award

MTS Music

music.mts.ru

A streaming service for listening to music with a collection of tens of millions of tracks. Available to subscribers of MTS and other operators.



+268% MAU

+103% DAU

User growth (4Q24 to 4Q23):

TOP-3

It is one of the top 3 streaming services in Russia

MTS Label

label.mts.ru

An ecosystem full-service music company responsible for working with artists using the 360 model.

Soundtracks have been created for the action drama "Amura" for KION and for the retelling collection "Tales of Sorrow and Joy" for Stroki



+67.5%

increase in the catalog volume YoY

894 million

listeners in 2024, an increase of 600% compared to 2023

Stroki

stroki.mts.ru

Stroki is a book service where you can read books, magazines, manga and comics, listen to audiobooks and podcasts. Stroki using artificial intelligence was the first on the market to bring the covers and illustrations inside e-books to life. In October 2024, Stroki integrated audio files into the e-book text — a player that plays audio is integrated into the updated format. Thereby, for the first time in the Russian market, Stroki combined all three book formats — paper, electronic and audio.



- There are 250 thousand works in the catalog, and about 57 thousand pieces of content were added in 2024.
- The active audience doubled in 2024.
- The number of original projects increased by 24.32% year on year.
- Original projects of the Stroki publishing house are finalists of the Book of the Year and Yasnaya Polyana awards.

ADTECH

MTS AdTech is the fastest growing vertical of the MTS group. The reporting year 2024 was a year of massive growth for MTS AdTech, which was made possible by continuous product development, successful M&A deals, the introduction of advanced technologies and strategic partnerships with major market players. By the end of 2024, MTS AdTech's revenue increased by 58% year-on-year, to 58.7 BRUB.

The launch of the MTS Ads Premium Video technology video seller and the Company's strategic partnership with the Ivi online cinema, the involvement of external data providers such as X5 and Magnit, as well as the creation of a unique Spy service to analyze competitors' creatives in Telegram together with WholsBlogger allowed MTS AdTech to strengthen its leading position in the advertising market.

A significant role in the revenue growth of MTS AdTech was played by the development of the technology platform for businesses and agencies Marketer PRO, as well as the introduction of artificial intelligence-based tools into the MTS Marketer platform for small and medium-sized businesses, which is used by more than 20 thousand customers. In the fourth quarter of 2024, MTS AdTech launched a beta version of an AI moderator for checking advertising messages in Telegram Ads and SMS newsletters, as well as an AI assistant author for small businesses that generates creative ad texts using artificial intelligence.

The number of unique contracts, as well as the number of registered and confirmed customers, doubled year-on-year in the fourth quarter of 2024. By the end of 2024, customers of the advertising vertical launched more than 470 thousand advertising campaigns in Telegram Ads.

Revenue from MTS DSP and digital inventory of companies and products included in the AdTech circuit, such as DSP

Segmento and Buzzoola, increased 3.2 times in the fourth quarter of 2024 compared to the same period in 2023. This is due to technological updates of platforms, the connection of external data providers, as well as strategic partnerships of the advertising vertical with major market players such as Avito.

The MarTech line showed a twofold increase in multichannel revenue for key customers in the fourth quarter of 2024 compared to the same period in 2023. This was due to an increase in the number of strategic direct customers in the banking sector, as well as in the retail sector.

58%

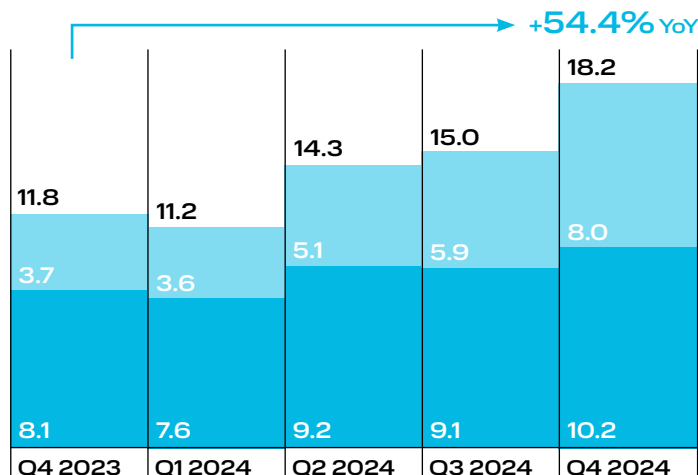
an increase in the MTS AdTech's revenue by the end of 2024

2x

increase in registered and confirmed customers in Q4 2024

Impressive results of the advertising direction building on partnerships with major players

Revenue BRUB



- Advertising technologies¹
- Marketing technologies²

Growth drivers

20%

of the revenue growth of the entire AdTech line is due to the launch of the new MTS Ads Premium Video format in Q4 2024 YoY

3.2x

increase in DSP³ revenue and digital inventory (MTS, Segmento, Buzzoola) in Q4 2024 YoY

2x

growth in multichannel revenue for key customers in Q4 2024 YoY

2.2x

revenue growth of advertising technologies¹ in Q4 YoY

Key events

- Ivi and MTS Ads Premium Video announced a strategic collaboration
- Jointly with X5 Group we added the ability to target retailer's data in **Telegram Ads**
- Partnership with **Avito** in the field of native advertising
- Joint **WholsBlogger** competitor analysis service in **Telegram Ads**
- We connected artificial intelligence to moderate the texts of advertisements

Recognition

No. 1

DSP programmatic² according to DMC Rus research

No. 1

advertising data operator according to ARIR survey

No. 2

omnichannel platform according to OnSide research

Customers

2x

growth in the number of unique contracts (Q4 2024 YoY)

2x

growth in the number of registered and confirmed customers (Q4 2024 YoY)

>470 thousand

advertising campaigns in Telegram Ads for 2024

¹ Advertising in digital channels (digital advertising) and targeted mailings

² A2P distribution (Application-to-Person) — SMS distribution from applications/ systems to customers

³ Demand Side Platform (DSP) — automated platform for the purchase of advertising spaces



URENT



In 2024, MTS Group became the controlling shareholder of the Urent kick-sharing service. As a result, MTS Urent has shown steady growth in all operational indicators over this period. The number of trips on the MTS Urent platform increased by 52.2% in 2024, to 100.3 million. At the same time, the MTS vertical continues to grow faster than the kick-sharing market, which grew by 39% in 2024 (according to the data of Truesharing).

In the reporting year, MTS Urent relied on the active expansion of the geography of its presence, as well as on the development of the MTS ecosystem, which significantly increased the user base. The number of active users on the platform (YAU) increased by 30% year-on-year, to 7.2 million people. Users who have made trips during the season are considered active. The inclusion of MTS Urent in the MTS Premium subscription has helped attract 1.2 million new customers to the ecosystem, with service users in second place after Telecom in terms of cashback write-off activity for scooters.

A 24-hour tariff has also been launched, which allows you to exchange unused minutes for scooter rides. As part of it, MTS subscribers exchanged more than 10 million minutes for bonus points and traveled more than 2 million kilometers on Urent scooters.

In 2024, the number of MTS Urent locations increased by 26% to 187. In 2024, the Company launched scooters in 6 new million-plus cities — Voronezh, Yekaterinburg, Chelyabinsk, Ufa, Novosibirsk, and Krasnoyarsk.

Another strategic decision was the creation of the RnD area. At the end of 2024, MTS Urent acquired Eleven, a developer of sharing technology. An RnD center was created on its basis, which develops its own solutions for sharing. In particular, these are its own electric scooter, cargo bike and other technologies that in the medium term will allow MTS Urent to improve operational efficiency and gain additional competitive advantages.

52.2%

an increase in the number of trips in 2024

30%

an increase in the number of active users

MTS Urent has successfully completed the 2024 season and is ready for a new one



Key results

>100 million

trips in 2024
(+52.2% YoY)

No. 1

by trips in the Southern Federal District

187

locations (+39 new ones in 2024) launched in Ural and Siberia

No. 1

by trips in the Moscow Region

Key events

- They have acquired Eleven, a developer of sharing equipment
- They have created an RnD center that will implement their own solutions for sharing
- They have launched self-driving developments
- They have launched the rental of powerbanks and electric bicycles
- They have integrated with mos.ru in Moscow

MWS



MTS Web Services is an MTS cloud business providing virtual infrastructure services, AI and network services, business applications and services for storing and processing large amounts of data. The provider's services are used by more than 5000 customers. The MWS virtual infrastructure includes 15 availability zones based on individual data centers of MTS and partners, thus ensuring minimal cross network delays and a high level of availability for customers.

The MWS virtual infrastructure complies with the requirements of the Russian law, is certified, can be used in organizations of various scale of operations, and any personal data and government information systems can be transferred to it.

MWS availability zones are deployed in Moscow and the Moscow region, St. Petersburg and the Leningrad region, Kazan, Novosibirsk and Vladivostok.

Revenue of the MWS cloud business grew by 31% in 2024, which corresponds to the growth rate of the market. The number of companies hosting their IT systems in the MWS cloud increased by 12%.

The main drivers of growth were the virtual infrastructure with a GPU for artificial intelligence training, sales of which almost doubled over the year, HaaS services — an increase of three times, cloud backup — 1.4 times, as well as virtual

workplaces — 1.5 times and the fast convention delivery service (CDN) — more than 10 times.

In 2024, MTS Web Services began creating its own public cloud platform. It is an ecosystem of infrastructure and network services, tools for data storage and processing, and PaaS services. In 2024–2025, the Company will invest 7.5 BRUB in its development.

Also in 2024, the Company launched a number of new areas and services, such as the AI cloud, which combines infrastructure and services for working with artificial intelligence, and the import-substituted cloud, a virtual infrastructure based on Russian software and hardware. In total, MWS launched more than 15 cloud services in 2024.

31%

an increase in the revenue of the MWS cloud business in 2024

12%

an increase in the number of companies hosting their IT systems in the MWS cloud

MTS Web Services cloud technologies: dynamic growth of core products



Cloud business in total

+31%

revenue growth from cloud services (in 2024)

+12%

growth in the number of customers in the cloud (in 2024 YoY)

Revenue growth by area (2024 YoY)

+41%

backup service

+132%

office products in the cloud

+29%

supercomputer GROM

+24%

object storage service

+99%

virtual infrastructure with GPU¹

+85%

distributed network management service "SD-WAN"

¹ Graphics processing unit — graphic processor

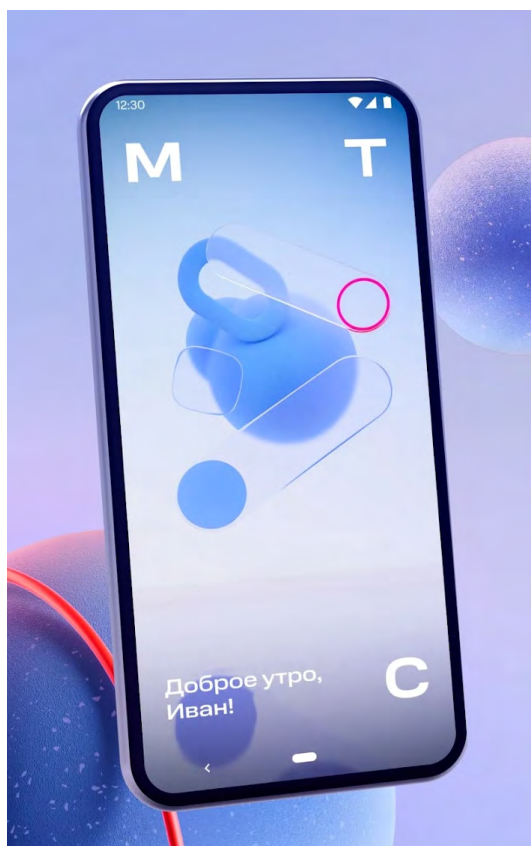
MTS WINDOWS AND ECOSYSTEM PARTNER PRODUCTS

MTS develops a wide ecosystem of digital products and services covering various aspects of users' lives, from security and financial services to entertainment and everyday tasks.

MTS windows are digital surfaces through which users can get to know and interact with a variety of ecosystem products and services. They provide convenient access to the Company's offerings, contributing to increased customer engagement and satisfaction.

My MTS effectively performs the functions of a window for the distribution of Telecom products and an Ecosystem with the activation of users in the consumption of these products, as well as develops a self-service surface for users, automating service operations and reducing support costs. The key focuses of My MTS in 2024 were the personalization of user experience with the introduction of AI technologies and the launch of new value-based transactional scenarios.

- Monthly active users +8.9% YoY (28 million vs 30.5 million).
- Monthly engaged users +9.3% YoY (12.9 million vs 14.1 million).



- Daily active users +17% YoY (4.7 million vs 5.5 million).
- Frequency in the ecosystem user segment +10.2% YoY (26.4% vs 29.1%).
- MTS Digital Stars is an annual internal corporate competition held jointly with the MTS League, aimed at recognizing and rewarding employees who demonstrate outstanding performance and contribute to the Company's technological leadership. The competition includes individual and team nominations such as "Ambassador of the Year", "Innovation of the Year", "Fastest Delivery" and others.
- Launch of Tariff 24 with a new mechanism for exchanging minutes for bonuses — 200 thousand users switched to the tariff through My MTS and 100 thousand minutes for bonuses were exchanged.
- Support for Cubes for tariffs within My MTS — we provide up to 1 million plug-in Cubes per month. Cubes are a constructor of additional benefits that allow you to customize the MTS tariff according to the user's personal needs, to increase comfort and benefits.
- The introduction of AI tools to personalize the user experience and a 1.9-fold increase in conversion to telecom and fintech product activation.
- Increased coverage of service operations inside the self-service window from 52% to 76%.

In 2024, the My MTS product became the winner in the "Best External Product" nomination according to Markswebb, ranking 2nd in the rating of digital ecosystems

MTS Launcher is a proprietary shell (launcher) for Android smartphones that provides a user-friendly interface and promotion of MTS services on partner devices.

- Pre-installed on 30,000 realme C63 smartphones in 2024 (new distribution channel through a vendor partner).
- User retention in the first month exceeded 80%.

- About 30% of new MTS Launcher users have started using other MTS services thanks to the built-in recommendations.

MTS VoiceTech is an innovative technology based on artificial intelligence aimed at providing comfortable and secure voice communication. VoiceTech services include a smart assistant that protects against spam and fraud, as well as provides new features for users.

MTS Defender ensures the security of subscribers by blocking spam calls, monitoring data leaks, warning about phone fraud during a call, and insuring against financial fraud.

- In 2024, the "Secure Call" feature was launched, which warns the subscriber about possible fraud using an AI-based voice assistant during a call.
- In 2024, Defender blocked 1.8 billion spam calls (twice as many as in 2023).
- The number of users of the service has increased by 80%.
- An additional 1.5 billion unwanted calls were stopped using the free "Basic Spam Protection" service.
- The Defender service is included in MTS Premium and MTS Junior subscriptions, as well as in the MTS Super tariff.

MTS Secretary is an intelligent answering machine based on AI that accepts calls for a subscriber when it is inconvenient for him to answer.

- A joint project with Yandex is a skill for the Alice smart speaker that allows you to make calls to regular phone numbers. MTS is the only operator in Russia offering such an opportunity.
- During the year, the service processed 293.3 million missed calls.
- As of December 2024, the skill's active user base was 79.8 thousand people, with almost half of users making more than 6 calls per month.
- The MTS Secretary service user base grew 2.3 times in 2024, and the average monthly income increased 2.2 times.

MTS ecosystem modules and end-to-end initiatives are integrated solutions and end-to-end initiatives aimed at providing a seamless and personalized user experience. These solutions make it possible to ensure the integrity

and efficiency of the ecosystem, as well as, in some cases, to offer ready-made modular solutions for the external market.

MTS ID for business provides a number of B2B services for various segments: classifieds, marketplaces, e-commerce platforms, fintech, and sharing services. Services include user authentication, data collection, identification, and data verification.

- Revenue increased by 88% compared to 2023.
- 140 new B2B projects have been implemented, including 24 integrations with the branded MTS ID button. Key partners include the largest marketplaces and digital ecosystems of the RF.
- MTS ID is the only solution on the Russian market that uses the best document and face recognition technologies (Vision Labs and Smart Engines) to authenticate users in mobile applications.
- MTS is the only telecom operator that performs remote identification using government sources to comply with the requirements of 115-FZ.

MTS Pay is a payment service that allows you to quickly and securely pay for purchases using your smartphone. Users can add up to 10 bank cards to the app and make contactless payments with one touch wherever such payment is supported. The service is available to customers of any Russian banks and telecom operators. For devices without NFC, MTS offers a Pay Tag payment sticker that provides similar functionality. The card data is securely protected by encryption, which prevents it from being passed on to third parties.

3.8 million

paying users per month (+30%)

16.8 million

transactions per month (+15%)

12 million

unique users per year (+22%)

540 BRUB

Cash turnover (+43%)

MTS Analytics provides comprehensive real-time data processing for web and mobile applications. The wide functionality of the services includes: tag manager, behavioral, marketing and technical analytics, A/B tests, verification of advertising with Brand Safety and anti-fraud, realtime segmentation and innovative COOKIELESS identification based on machine learning.

- The quality and accuracy of advertising verification is not inferior to the top3 verifiers in Russia.
- Verification of Yandex demonstrations with identification (except for us, there are 2–3 other companies in Russia).
- Own cookie-free identification service to improve coverage and segmentation quality of non-MTS subscribers.
- Integration into 142 windows of the MTS Ecosystem.
- Processing of 34 thousand events per second.
- Identification of 20 million users daily (of which only 3 million are MTS subscribers).

A set of integrated **SDK Support** modules for customer support services is integrated into more than 20 MTS products. Our own development has replaced outdated integrations of third-party vendors, which allows MTS ecosystem customers to receive a single UI/UX in support services, regardless of the application used.

6 million
chat conversations

17 million

customers used the help, and 80% solved their problems on their own

A successful pilot of the **media recommendation service** was conducted in 2024: an ecosystem module that integrates into the windows of the MTS ecosystem and provides personal recommendations in the field of entertainment, urban life, culture, and art. The module is based on MTS' knowledge of the user using the RECSYS platform.

Partnership projects continue to develop within the MTS ecosystem and with leaders of the Russian and international markets: in 2024, a Business Development and Partnership Chapter was created (100+ participants), strategic work was carried out with 30+ major partners (Big Tech: Yandex, VK / Retail: Sportmaster, Magnit, X5 / HoReCa: Rostics, DoDo / AFK: SDEK, Etalon).

>1 million

unique users in partner projects

>2 million

people involved in ecosystem projects with the integration of 10+ services and 15+ external partners

>200 million views

total coverage of initiatives

The Artificial Intelligence Competence Center coordinates the implementation and development of AI solutions in MTS ecosystem products, focusing on improving user experience and achieving strategic business goals.

- In 2024, the AI Maturity Index (AIMI) assessment methodology was introduced, which makes it possible to measure the actual use of AI functions by users at the level of products and the entire business unit. The index is calculated monthly, taking into account the percentage of users involved.
- A hybrid intent recognition system has been launched in MTS products, which has increased the relevance of responses to 89% (at a global level of 75–85%), which has led to an increase in the average duration of user interactions with AI services.
- The automatic speech recognition model has been upgraded, reducing the number of errors from 45% to 35%.
- Automatic moderation tools based on large language models (LLM) are integrated into the Clatch and Stroki products.
- The text2code model has been created for frontend platforms, which allows you to generate UI elements based on text queries without programming with an accuracy of over 70%.
- In progress is the development of the Copilot platform and the launch of PaaS solutions based on an intelligent assistant.

Experiments in digital products cover a wide range of B2C services developed using advanced technologies to meet the diverse needs of users and provide high-quality service.

MTS Fog Play allows owners of powerful PCs to rent them out virtually to other players for cloud gaming. The platform provides seamlessness and quality of user experience.

- The platform's revenue increased 4.7 times compared to 2023.
- The monthly audience has increased by more than 6 times (compared to 2023).
- The average user retention rate in the first month was 22% (compared to 17% in 2023).
- In December 2024, the MTS Fog Play Stick branded game console for TV was released (a pilot batch of 1000 devices); the entire edition sold out in 6.5 hours.

Clatch is a cycle and mood tracker for girls and women with an AI assistant named Klasha, an ability to share data with friends and family. The service has gathered a large user community around it; the application is free for users and is monetized using an advertising model.

- Audience growth by 7 times in 2024.
- Retention in the first month is 48%. Daily usage is 4 minutes (comparable to media services).
- Average number of messages to the assistant — more than 30 per month. TnPS — 51%.

No. 3

in terms of audience in Russia according to KAMA FLOW¹

¹ <https://kamaflow.com/ru/post/with-the-support-of-kama-flow-and-femtech-force-a-study-has-been-published-on-the-market-for-solutions-to-improve-womens-lives-and-health/>

QUALITY AND IMPROVEMENT OF CUSTOMER EXPERIENCE AND SERVICING

In 2024, MTS actively implemented advanced technologies in its customer service, including generative artificial intelligence and large language models (LLM). The key results were reflected in the growth of customer loyalty and the digital transformation of processes.

MTS Bridge's own contact center

As part of import substitution, we are creating our own set of systems that ensure customer communication with the Company. The active development of our own Contact Center in 2024 made it possible to fully transfer customer service to an internal product in the areas of chat and chat-bot. The IVR and voice bot were migrated to Bridge. In-house development allows integration with internal systems without involving external suppliers. The refinement has been completed and the replication of incoming voice in large business areas has begun. The MVP of automated calling was conducted as part of outgoing IVR campaigns.

These events made it possible to replicate the voice bot to a number of customer segments, increase the level of automation by 20 percentage points and maintain a high level of satisfaction. Currently, the voice bot effectively processes more than half of all traffic coming to the MTS customer service.

10 pp

an increase in the tNPS level of the Voice Bot

Voice bot

In 2024, the Contact Centers switched to a Voice bot, which was introduced to replace the outdated push-button IVR. The analysis shows that the tNPS customer satisfaction level is 10 percentage points higher on a voice bot than on an IVR with a comparable level of automation. During the year, several synthesis (TTS) and recognition (ASR) models were updated, which led to increased customer satisfaction.

Several key improvements have been implemented in voice and chatbots, which allows you to collect and analyze the emotional color of customer requests. In the second half of 2024, several maintenance scenarios powered by GenAI technologies were put into commercial operation. In addition, generative AI technologies are used to generate the highest quality and empathic bot replicas.

Knowledge Management System (KMS)

Smart search has been implemented, which has increased the proportion of articles found the first time by 20% and simplified the content creation process. Content managers use the GenAI web interface for rewriting, which has increased the clarity of the content by 5 percentage points NSAT¹. The integration of the knowledge base into the customer's card allows operators to quickly find tariff articles, reducing service time. These changes improved the customer experience and employee satisfaction with the knowledge management system by 13 percentage points relative to 2023.

13 pp

an increase in the employee satisfaction with the knowledge management system

¹ Satisfaction level.

Speech analytics

In 2024, migration to MTS AIC own WordPulse speech analytics solution was completed. More than 10 areas, such as mobile and fixed businesses, the B2B segment, digital products, and others, use speech analytics to improve the quality of service in contact centers. Thanks to the introduction of WordPulse, the tNPS of technical consultations increased by 10 percentage

10 pp

an increase in the tNPS of technical consultations

Automation of diagnostics of mobile and fixed-line communication services

The main focus is to independently check the quality of services in the My MTS mobile application.

Already now, the customer can check and eliminate restrictions on his number, find out about network problems and the timing of their elimination, as well as independently register an application for consideration by a technical specialist.

The new tool has reduced the burden of technical requests to the Voice and Chat channels by 20%.

20%

reduction of the burden of technical requests to the Voice and Chat channels

CRM Workspace

In 2024, 62% of B2C Contact Center operators transferred to customer service through their own CRM solution, Workspace. This allowed a reduction of 10 seconds average customer service time. The new CRM system serves customers with mobile communications, digital and converged products. Automated processes: the launch of the process of diagnosing the quality of communication and Internet in the My MTS application, as well as the launch of the application

management process and interaction with the installer in the Personal Account of a potential customer, which made it possible to reduce the workload and labor costs for the Contact Center.

10 seconds

a decrease in the average customer service time at the B2C Contact Center

Shared Customer Back Office Centre

In 2024, a set of measures was implemented to reduce application refusals and increase the percentage of resolved issues from 1 request from customers of the mobile and fixed business of the B2C segment. Changes have been made to the processes and algorithms of employees' actions when working with the application:

- powers of employees have been increased,
- processes have been implemented to request missing information from the customer and to study additional request history,
- feedback to customers on resolved requests has been revised, including the introduction of oral notification of rejected requests.

The bounce rate for fixed-line business customers decreased from 7% to 1% during this period, and for mobile business customers — from 12% to 4%.

In 2024, the main changes were focused on operations to verify the personal data of customers. 4 large processes were automated, which allowed more than 95% of data confirmation operations to be performed automatically, saving the department's resources and reducing the time required to complete a request for a customer. Automation in the B2C mobile business increased from 73% to 87.6% during peak load periods in 2024.

87.6%

is automation in the B2C mobile business area during peak load periods in 2024

The Tip Project

In 2024, MTS launched a pilot project — gratitude in the form of a "Tip" to the Contact Center operator, which is a fundamentally new approach in the telecom industry.

Pilot project results:

- Customers are ready to use this tool for gratitude. During the first month of the pilot, customers made 815 "Tip" transactions, and the maximum one-time amount was 1,551 rubles.
- According to the survey, 88% of CC operators noted that this is an opportunity for additional earnings, 61% of employees were satisfied with the amount received. The maximum additional income of an employee due to the Tip service was 4,469 rubles.

At the moment, the pilot covers more than 1000 Customer Service operators.

Key customer service

The increase in the size of the crisis management team led to an increase in the customer retention rate to 39% in the mobile business and 25% in the fixed business.

The introduction of a flexible system for informing customers about an unpaid bill reduced blocking requests by 35%, while simplifying the procedure for providing promised payment increased its use by 13% and allowed customers to avoid blocking and access services.

As part of the development of local B2B FB processes, diagnostics were launched in Inetcore, which increased the level of solvability of technical problems by 2% and reduced the dialogue time by 13%.

2%

an increase in the level of solvability of technical problems

13%

a decrease in the dialogue time

Voice of the customer

In 2024, regular meetings continued with the participation of all top managers, where current customer issues are discussed. During these meetings, tactical and strategic decisions are made on the development of products, services and processes in the Company.

Customer experience management system

In 2024, we developed our own digital solutions for evaluating and managing customer experience based on a data-driven approach. Work has begun with predictive analytics systems and ML models, and AI-based solutions have been introduced into operational business processes.

One of the annual focuses of the customer experience team was to improve the quality of the Company's products through collaboration in cross-functional teams.

More than 30 studies of customer paths in key MTS products have been conducted, as a result of which changes have been made to products that have had a positive impact on customer satisfaction. Together with the product teams, customer paths have been designed for 14 key areas of the Company, in particular, for the MTS24 and As You Wish! tariffs.

>30

studies of customer paths have been conducted in 2024

Work continued on improving the customer experience through effective communication management. Tools have been developed to analyze SMS costs, which will save ~ 100 MRUB on sending messages in 2025.

A project has been launched to use AI to manage the quality of customer communications. Based on the analysis of SMS communications on 6 tariff plans, message quality standards have been developed related to product metrics and aimed at improving them.

In 2024, we continued to expand the coverage of products aimed at collecting feedback. 147 digital windows participate in customer opinion polls and the collection of product metrics, which is 6 times more than in 2023. We simplified the survey launch process, which reduced the T2M of launching the survey by 4 times and in 1.5 months we were able to include 43 internal products in the customer opinion survey, and during the year we sent 218 surveys via e-mail

and messengers to external and internal users. By working with customer feedback, we enable the product team to get more information about product quality and improve the user experience.

>6x

digital windows participate in customer opinion polls (by 2023)

Surveys have been launched using voice bots to assess customer satisfaction at the point of contact. The response to surveys using this tool increased by 6 percentage points, compared with surveys via IVR.

Tools for non-invasive research have been developed: ML models for predicting tNPS and FCR estimates with an accuracy of 90%, which reduced the survey load on the customer by 18% at the points of contact.

18%

The survey load on the customer decreased by 18%

In 2024, our ambitious goal was to increase the number of products to be monitored on the Health Dashboard to 200. We have exceeded this target by 11%, and the total number of key user scenarios under monitoring has reached 1100. Currently, the Health Dashboard covers 58% of all products.

58%

of all products are covered by the Health Dashboard in 2024

In 2024, quality metrics covered 165 products, which is 2.75 times more than in 2023. This allows for comprehensive quality monitoring based on versatile metrics, which, in turn, contributes to a more detailed customer assessment of the product and the identification of areas for growth. For example, by receiving valuable customer feedback and using it for improvements, the MTS Launcher product was able to significantly increase its tNPS from 15% in December 2023 to 28% in December 2024. At the same time, the MTS Cashback product, working on customer requests, corrected transaction errors and implemented anti-fraud measures, which reduced the number of complaints by more than 2 times.

In 2024, the development of Alpha and Beta testing tools continued, with an emphasis on improving their effectiveness and participant engagement. The motivation system of testers has been redesigned, which has allowed to increase their activity and the quality of feedback.

In 2024, the automated testing platform for tariff plans and services was significantly improved. Its functionality has been expanded to support product testing on new target systems. This allowed us to maintain a high level of quality and accelerate the launch of new offers for our customers.

BIG DATA

In 2024, the team focused on integrating services and platforms into ecosystem businesses, as well as developing co-pilot assistants and AI-based processes.

The adaptation of Big Data platforms to simple use has made it possible to lower the qualification threshold and increase the penetration of data and tools into the products and services of MTS Group businesses.

Dynamic Pricing Platform

- We implemented the process of selecting a personal offer for Internet traffic packages (+9% of revenue and +16% of conversion).
- We have developed a new process for evaluating the non-optimal tariff and making offers for customers with a personal price (expanded the segment by 1.5 times).

Big Data Tools (DataOps)

- All platform tools have become available in the cloud, more than 230 internal products are connected, more than 5000 monthly active users, and open source versions of data processing tools have been published to increase the penetration and feedback of the Data Community. We have started scaling the tools to the AFK group of companies.

Recommender Systems (RecSys)

- In 2024, flexible search functionality with recommendations was created and integrated. A universal template for the process of collecting and preparing data for recommendations has been developed. Improved modeling functions (Underdog, a framework for training and inference models) and AB testing. Resources for developing recommendations have been reduced by 40% due to platform services. TOP 1 open source solution by MTS (due to recToolsMTS, it is among the top 10 Russian companies in terms of contribution to open source). More than 13 windows connected.

Scoring (Financial and Antifraud)

- We continued to develop new services and increase external revenue (+13%) due to an increase in data quality and an increase in the reliability of the infrastructure built on DataOps (99.97% service availability).
- In 2024, social engineering scoring was implemented for banks (MTSBank, SBER, Sovcombank) that help prevent theft from customers.
- We have launched piloting of new services in the TOP 7 largest banks in Russia.

Integration of Big Data into business:

Fintech

- Credit card conversion rate increased by 15% due to improved lead generation.
- Expanding the functionality of the insurance service by connecting CASCO products.
- 40% increase in payment and transfer conversions due to the transaction prediction model on the bank's window.

Marketer

- The automatic pipeline for searching for similar customers has been restarted (AutoLAL2.0).
- A new platform with segments for advertising (Segmentator) has been developed — we count segments faster and, as a result, requests grow by 110%.
- Rollout of models in DSP has been automated, which allowed to increase reliability and speed up the process.
- A new anti-fraud model has been built for advertising campaigns.

Telecom

- The integration of ML algorithms based on big data and AI technologies into the development processes of the telecom business continues.
- We have released an assistant for b2b sales, which allows you to receive up-to-date news on the portfolio of companies and form relevant communications through email messages. Next, the integration of the MTS Link service and other points of interaction.
- For b2b sales processes, an ML algorithm has also been developed for selecting the best offer with automatic calculation of CLV for non-core products (about telecom services without communication).
- Based on call transcription, network data, and Big Data AI algorithms, the Defender + Big Data team has developed a secure call service. Which allows you to identify fraudsters and notify the customer about it using the first few phrases. The spam number search service continues to be improved by speeding up data acquisition and developing a set of classification models.
- Optimizing retention algorithms — we have developed an AI robot to maintain the balance of MNP portations.
- We are integrating pricing platforms into Telecom windows and introducing hyper-personalization.
- We have improved the quality of network construction models and traffic and load forecasting (MAPE 4.5%).
- And also increased the accuracy of the model for detecting low-quality connections and fraud (MAPE 4%).

ARTIFICIAL INTELLIGENCE

Vertical AI (hereinafter referred to as MTS AI) is the competence center of the MTS ecosystem in the field of artificial intelligence. It was created in 2017. The Company's experts develop solutions based on computer vision, natural language processing and synthesis, generative AI for the MTS ecosystem, as well as for external customers.

In 2024, MTS AI actively created new products, integrated advanced developments into current solutions, participated in the development of the AI sector in Russia, conducted research aimed at studying innovative technologies and their subsequent implementation into its products.

Key areas:

- large language models;
- bots and virtual assistants,
- speech technologies,
- solutions for detecting digital fraud.

Large language models

Product-oriented development

In 2024, MTS AI released 7 large language models of the Cotype family (formerly MTS AI Chat), as well as the Kodify service for code generation and auto-completion. For almost the entire year 2024, one of the versions of LLM Cotype occupied a leading position in the MERA benchmark. The following was also released during the year:

- Cotype version in Tatar and Arabic languages,
- Cotype Nano open source model, capable of working on laptops and smartphones.

At the very end of 2024, MTS AI developers prepared the release of Cotype Preview (later renamed Cotype Pro 2). This LLM took the second place in the MERA benchmark.

MTS AI has also been actively developing the RAG (Retrieval Augmented Generation, generation based on search data) module to improve the accuracy of large language models and offer customers smart knowledge base search systems that allow them to find the necessary information in 3–5 seconds based on a natural language query.

MTS AI was actively involved in the creation of MWS GPT, a cloud-based B2B platform combining various large language models. Thanks to this platform, small, medium and large businesses will be able to simultaneously use different LLMs, as well as work with any open source models, train them, apply the functionality of function calling, and then implement and use ready-made solutions on the ecosystem infrastructure. The MWS GPT has built-in Cotype and Kodify models.

Projects

For the MTS Link service, MTS AI has improved the function of meeting video files. It makes it possible not to waste time watching the full video conference, but to study a short clip with the main fragments of the meeting: the agenda, the moments of making important decisions, agreement or objection, as well as the change of emotions.

Together with other companies, we have launched pilots to implement a large Cotype language model with the RAG module to enrich customer profiles, create smart database search systems and code generation and auto-completion services.

Bots and virtual assistants

Product-oriented development

In 2024, the MARS bot creation platform was released, and the MTS virtual assistant was implemented on its basis. MARS availability is 99.5%, latency (delay in processing information) is 2.5 seconds for 90% of requests. Further, during 2024, the product was refined and transformed. Work has begun on the creation of a copilot platform based on MARS and Audiogram.

Projects

For MTS products and services, MTS AI has developed a virtual assistant that answers subscribers' questions directly during a telephone conversation. For example, he can give you the weather forecast for tomorrow or suggest the addresses of the nearest shops or cafes. The assistant is able to summarize the content of the conversation and

send it to the messenger. The voice assistant also warns of possible fraud.

The NUUM streaming platform has implemented an AI content moderator, MTS AI, to detect scenes with military themes, smoking, pornography, prohibited symbols, alcohol and narcotic substances, and other sensitive content.

In 2024, significant work has been done to improve the quality of bots serving MTS PJSC customers in voice and text channels. ML models for recognizing emotions, intentions, and predicting customer satisfaction (tNpS) were implemented, and almost 670 versions of the models were trained for this purpose. The query classification quality increased by 13% for voice and 10% for text. Various data-driven practices have also been implemented, and own data infrastructure has been created, including a Replica storage with more than 300,000 tagged phrases. Operational improvements have reduced the time to market from 38 to 20 days, thanks to flexible methodologies and structured processes.

Speech technologies

Product-oriented development

The WordPulse service has been updated thanks to the introduction of a large language model, which makes it possible to search for information on a query in natural language and summarize the content of dialogues.

An anti-spoofing module has been introduced into the Audiogram speech synthesis and recognition platform, which allows detecting cloned, synthesized (never before existed) and recorded voice.

Projects

VisionService company has integrated the large Cotype language model and the Audiogram platform into the MAX

corporate communications system. The solution is able to record, transcribe and analyze corporate meetings. The AI platform helps to structure information and records all important aspects of meetings, so that managers receive accurate data for making managerial decisions.

For the tasks of Aeroflot PJSC, the Announce service was developed to promptly inform passengers. The solution allows you to create text messages, voice them in a synthesized voice, call customers and send them SMS messages.

Since 2024, the MTS Customer Service Department has been using the WordPulse speech analytics service to process voice and text communications with customers.

Solutions for detecting digital fraud

Based on VisionLabs' own developments and algorithms, MTS AI has created a service to protect against deepfake attacks, detect prohibited frames in photos and videos, and identify

AI-generated media materials. In 2024, active work began on combining VisionLabs and MTS AI solutions for anti-spoofing into a single service.

In 2024, the main part of the work on creating a content verification service was completed. The AI solution allows you to determine the likelihood of synthesized speech, recorded voice and deepfakes in audio messages, as well as signs of fraud in text messages and screenshots with text. The accuracy of the solution is 97%, and the response preparation time is 5–8 seconds.

Financial figures

In 2024, pilots were launched to implement a large Cotype language model with the RAG module to enrich customer profiles, create smart database search systems and code generation and auto-completion services for a number of financial and industrial enterprises.

By the end of 2024, MTS AI has signed eight contracts worth 208 million rubles with external clients. By the end of 2024, the external customer funnel had more than 50 leads totaling 1.455 billion rubles.

In 2024, MTS AI signed 17 partnership agreements with leading IT integrators and developers of corporate digital solutions.

4.36 BRUB

revenue of MTS AI in 2024

>20 projects

for external and internal customers implemented in 2024

208 MRUB

amount of MTS AI contracts with external customers in 2024

Artificial Intelligence Alliance

MTS AI actively participated in the development of the AI industry in Russia, in the projects of the Artificial Intelligence Alliance, which unites the country's largest AI developers. MTS AI has signed a declaration on responsible development of generative AI, which sets out ethical principles and recommendations for responsible treatment of this technology. The head of

the Kodify group, Valentin Malykh, joined the scientific council of the Artificial Intelligence Alliance. With the participation of the Company's experts, a textbook on artificial intelligence for grades 5–6 was prepared, and in 2025 the manual will appear in schools across the country.

Scientific activity

MTS AI actively developed its scientific activities: in 2024, the Company presented six studies at international Tier A conferences, including the largest in their fields CVPR 2024, NeurIPS 2024, EMNLP 2024. It is worth noting that MTS AI is the only Russian company that has managed to get two articles approved at once at EMNLP 2024, which is one of the largest and most authoritative conferences on NLP (natural language processing technologies). NLP developer Daria Galimzyanova (Efficient Active Learning with Adapters) and Head of MTS AI Search Group Nikita Krayko (Efficient Answer Retrieval System (EARS): Combining Local DB Search and WebSearch for Generative QA) presented their articles at the conference.

The Company's employees also won prizes in major international artificial intelligence competitions, including Image Matching Challenge 2024 by Google, and NASA's Pose Bowl: Detection Track 2024 competition driven by data. In addition, MTS AI specialists won two prizes in ASVspoof2024, one of the most prestigious international competitions in the field of biometrics and voice recognition. The Company's employees have the second place in the voice anti-spoofing competition and the third place in the voice verification track.

In 2024, MTS AI participated in leading Russian business conferences: CIPR, Finopolis, Retail Tech, AI Journey, and the Moscow Financial Forum. Top managers and specialists of the Company made 47 public appearances, the MTS AI Company's booth was present at 4 specialized events.

Employer's brand

MTS AI entered the top 3 key AI employers, along with Yandex Search and SBER AI. The rating was compiled by the TAdviser analytical center. MTS AI also received the IT Leader in Artificial Intelligence award for the development of the Cotype language model at the Kazan Digital Forum. Audiogram has entered the top 5 best speech synthesis solutions in contact centers according to an independent study by

ICT-Online. Audiogram's male voice in high quality mode was recognized as one of the highest quality on the market.

MTS AI in the TOP 3 key AI employers in the TAdviser Analytical Center ranking

LOOKING INTO THE FUTURE

Current trends in ecosystem development in Russia

After a period of adaptation to new economic and geopolitical conditions, the dynamics of ecosystem development in the country's consumer markets began to show certain signs of slowing down. Thus, this is reflected in the abandonment of unpromising areas and concentration on key ones, in a decrease in the growth rate of subscription penetration, and in general in greater pragmatism, caused, among other things, by the tightening of monetary and financial policy by the end of 2024. Of course, ecosystems will continue to improve consumer ecosystem-wide mechanics and existing services, but in building up product portfolios, we can expect efforts to shift from self-development and M&A to attracting partners and integrating their products into the integrated offerings of their ecosystems.

At the same time, most ecosystems have a new organizational and commercial focus — B2B, that is, a segment of services for companies: B2B product portfolios are being formed around basic, key competencies (for example, SBER, Yandex, VK, and, of course, ecosystem marketplaces with their "helping" services for sellers), plans have been announced even by completely separating such business areas from individual players. This trend is related both to

the great prospects in B2B compared to saturated consumer (B2C) markets in general (the growing demand for further digitalization, automation and robotization of internal business processes of companies and their sales channels, the transition to the so-called platform-based, as well as cloud-based solutions for the formation of industry marketplaces), and with the ability for ecosystems to reuse accumulated B2C market tools in the B2B segment, transferring "consumer" marketing and user mechanics there (using social networks, marketplaces and self-service sales channels, selling their advertising capabilities and capabilities of technology platforms and modules).

A certain transition from quantity to quality is observed in the field of AI: from the creation of experimental models and demonstration products, many ecosystems in Russia are moving to the practical implementation of large language and generative AI models in their basic products — or even to the creation of completely new products based on AI technologies. It should be expected that in Russia it is ecosystem companies with a wide range of both B2C and B2B products, human, technological and financial resources that will be able to develop AI most actively in the future.

Key development vectors: technological and business trends

In the telecom sector, the main trends have not changed over the year.

The growing penetration of 5G contributes to the unloading of mobile networks, but it still does not provide any clear advantages or any new products based on its base for ordinary consumers. Additional revenue from 5G is still expected to be driven by demand for new high-load services from B2B companies. At the same time, here in B2B, complex, integrated solutions are important (which include a "basic" high-speed mobile connection only as one of the components), which means that operators will have to compete not only with each other, but also with technological IT companies, and in Russia, with ecosystems that are beginning to be considered the business market as a new key area for itself. This applies not only to 5G, but also to other telecom and

near-telecom services that some operators (including MTS) are developing, such as UCaaS, Telecom API, private LTE \ 5G.

The number of partnership agreements between satellite (primarily Starlink) and mobile operators in the field of "non-terrestrial" networks (NTN) for direct satellite-standard smartphone communication continues to grow. So far, efforts are focused on ensuring the delivery of text messages (SMS), but data transmission is also already possible. In the medium term, the introduction of a separate substandard (5G NTN) seems to be the most promising, which will probably ensure both higher communication quality and a seamless transition between terrestrial and satellite network segments.

As an example of a technology that is developing at a slower pace than expected, but at the same time has discovered an interesting niche, it is necessary to note eSIM and roaming communications: the lack of need to spend time buying a physical SIM card at the airport, the ability to choose the optimal tariff in advance and "install" the card into the phone has created a new type of mobile communication service.

In the field of artificial intelligence (AI), there is an active search and targeted implementation of solutions with understandable commercial effect in internal business processes (integrated chatbots, advanced analytics and HR tools, automation of contact centers, robotics) and certain types of commercial products (for example, software development and working with legal documents). Separately, it is worth noting various types of activities in the field of content creation (including amateur one): the expansion of the use of AI tools can have a significant impact on other industries, such as film production and UGC video services, both by reducing cost and increasing the variety of offerings. In general, the key direction in the field of AI (primarily generative) in the medium term — in addition to the ongoing race

to increase the quality and capabilities of "ultimate" models — will be the search for ways to reduce the cost of training and retraining — in general, solving issues of economic efficiency and financial accessibility. Potentially, these areas can lead to the discovery of fundamentally new architectures and algorithms, which we can already see in the example of research in the fields of agent systems, specialized processors, the progress of "reasoning" models (which ensure an increase in quality and capabilities, including by "shifting" computational costs from the learning stage to the inference stage), and systematic use synthetic data from large models for training small ones. In addition, explosive growth in the field of robotics is possible due to synergies with generative and other types of AI models.

Issues of global politics, economics and demography — such as de-globalization, isolation of local markets, restrictions on the global Internet or the activities of digital giants, aging and population decline — already directly affect most companies on the path of technology development, creating well-known problems in supply, in attracting staff, but at the same time opening up new ones.