2019 ANNUAL REPORT \MTS.RU

HISTORY OF THE COMPANY

1993	MTS company was founded by the fixed-line communication operator MGTS, Deutsche Telekom, and Siemens companies and other investors.
1994	Launch of services in the Moscow licensed territory.
1997	Start of regional expansion in Russia.
2000	IPO on NYSE exceeded \$ 350 million to finance expansion in Russia and CIS countries.
2001	In August, the company's subscriber base exceeded 2 million users.
2002	Expansion in CIS and launch of operations in Belarus.
2003	Acquisition of UMS, leading Ukrainian mobile operator.
2004	Purchase of Uzdunrobita company, No. 1 mobile operator in Uzbekistan.
2005	Acquisition of VSP, mobile operator No. 1 in Turkmenistan.
2006	Deep Company re-branding.
2007	Acquisition of VtVaCeIL, the leading Armenian mobile operator.
2008	Conclusion of a strategic partnership with Vodafone. Obtaining a license for construction of UMTS network in Russia.
2009	Start of development of MTS mono-brand retail chain (RTC CJSC).
2010	Purchase of a number of regional BBA and CTV operators, start of consolidation of MTS fixed assets. Suspension of operation in Turkmenistan. Launch of the first LTE network in the CIS in Uzbekistan.
2011	Signing of a memorandum with Scartel, participation in the Union of Telecommunications Operators LTE. Conclusion of Komstar-OTS acquisition by MTS.

MANAGEMENT REPORT

2012	Obtaining frequencies and the federal license for provision
EUIE	of communication services of LTE standard in Russia, launch of home network in Moscow.
	Acquisition of Taskom CJSC. Resumption of activity in Turkmenistan, connection of about 1 million subscribers by the end of the year.
	Signing of indicative offer with MTS Bank and Sistema JSFC on acquisition of 25.095% of the authorized capital in MTS-Bank OJSC
	Suspension of operations in Uzbekistan.
2013	Conclusion of an agreement between Altimo, MTS, Nomihold Security Inc. and other related parties on settlement of disputes as to investments in Bitel LLC, former largest mobile communication operator in Kyrgyzstan.
	Approval of new revision of MTS dividend policy.
2014	Presentation of new 3D strategy with the main focuses on Data, Differentiation and Dividends.
2015	Strategic partnership with Vodafone in Ukraine, MTS Ukraine re-branding.
2016	Entering the market of tower infrastructure lease: creation of new business for management and further monetization of assets.
2017	Entrance to promising markets: market of cloud services for large business, services for cloud processing of large data arrays, launch of own IoT-platform for deployment of Internet of Things at enterprises, etc.
2018	Development of the digital ecosystem for customers within implementation of MTS digital-strategy.
2019	Approval of a new business strategy until 2022, focused on creating a digital ecosystem based on the main telecommunications business, continuation of investment in promising growing areas.