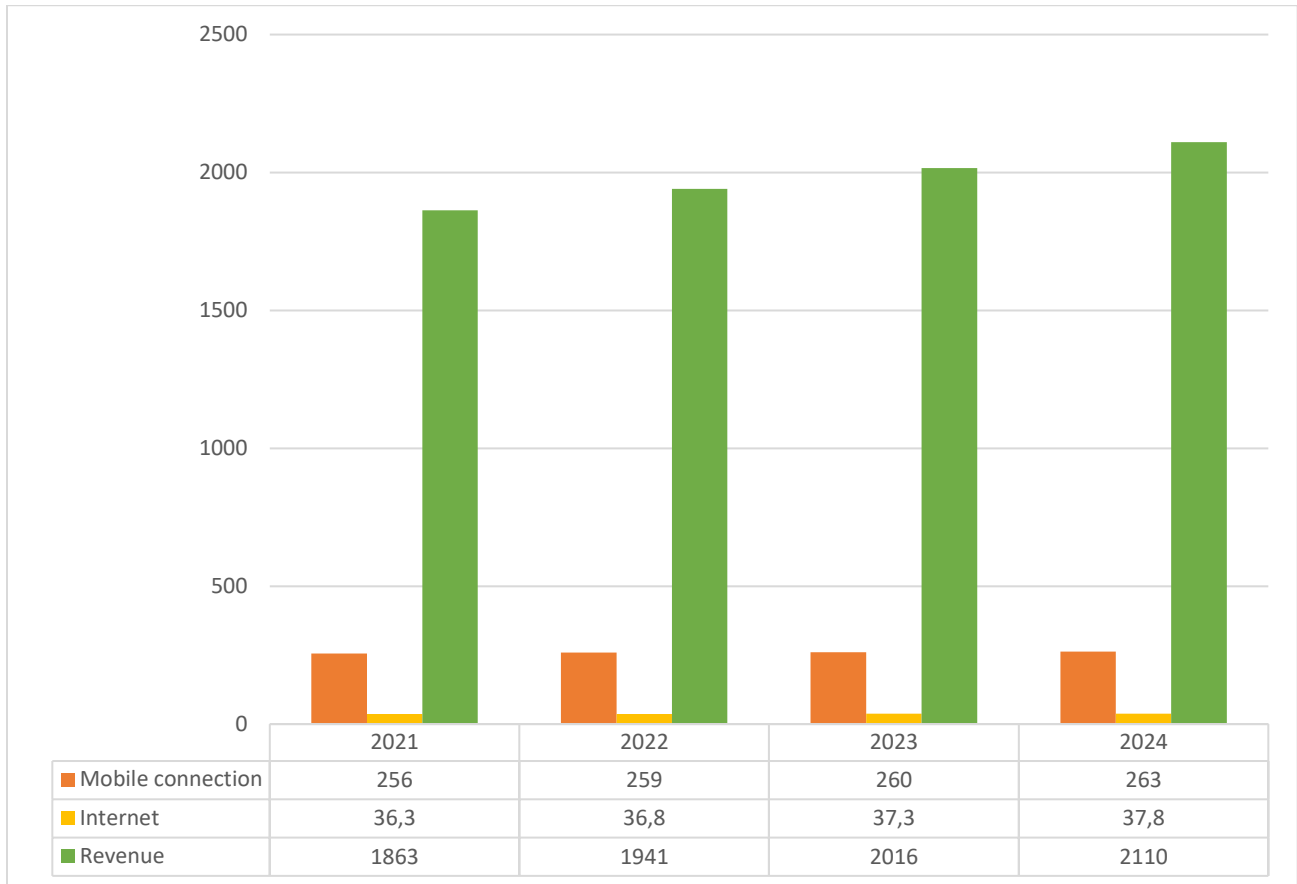


# Appendixes

## Appendix 1 Prediction of telecommunication industry in Russia



## Appendix 2 Balance sheet of MTS Company between 2017 to 2019

(Amounts in millions of RUB, except share amounts)	2017	2018	2019
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment	263063	276 443	265 479
Investment property	407	2 177	2 986
Right-of-use assets		149 007	138 817
Intangible assets	113678	135 069	118 404
Investments in associates	9452	10 735	6 450
Deferred tax assets	5545	11 190	9 975
Income tax assets		-	-
Other non-financial assets	2048	5 038	4 981
Other investments	1953	16 873	11 195
Accounts receivable, related parties	2	2 545	10 787
Bank loans to customers and interbank loans due from banks		30 653	53 472
Other financial assets	8890	7 329	6 776
<b>Total non-current assets</b>	<b>405038</b>	<b>647 059</b>	<b>629 322</b>
<b>CURRENT ASSETS:</b>			
Inventories	9995	18 654	15 515
Trade and other receivables	28017	34 543	35 595
Accounts receivable, related parties	11358	6 385	5 872
Bank loans to customers and interbank loans due from banks		32 385	39 370
Short-term investments	50757	47 863	25 618
VAT receivable	7165	7 415	9 350
Income tax assets	2838	3 887	4 301
Assets held for sale	1276	2 694	497
Advances paid and prepaid expenses, contract and other non-financial current assets	4040	5 546	5 842
Other financial current assets		25 487	14 558
Cash and cash equivalents	30586	84 075	38 070
<b>Total current assets</b>	<b>146032</b>	<b>268 934</b>	<b>194 588</b>
<b>Total assets</b>	<b>551070</b>	<b>915 993</b>	<b>823 910</b>
<b>EQUITY:</b>			
Equity attributable to owners of the Company*	120126	65 274	33 068
Non-controlling interests	4079	12 291	3 326
<b>Total equity</b>	<b>124205</b>	<b>77 565</b>	<b>36 394</b>
<b>NON-CURRENT LIABILITIES:</b>			

<b>Borrowings</b>	239096	365 072	271 573
<b>Lease obligation</b>		144 740	140 080
<b>Deferred tax liabilities</b>	23773	24 439	17 866
<b>Provisions</b>	2309	3 391	4 761
<b>Bank deposits and liabilities</b>		2 633	1 805
<b>Other financial liabilities</b>	1048	481	955
<b>Other non-financial liabilities</b>	3968	2 201	2 019
<b>Total non-current liabilities</b>	<b>270194</b>	<b>542 957</b>	<b>439 059</b>
<b>CURRENT LIABILITIES:</b>			
<b>Borrowings</b>	64474	3 063	71 746
<b>Lease obligation</b>		15 812	15 228
<b>Provisions</b>	9852	70 911	11 526
<b>Trade and other payables</b>	47314	53 623	71 808
<b>Accounts payable, related parties</b>	1102	1 301	558
<b>Bank deposits and liabilities</b>		108 821	136 147
<b>Income tax liabilities</b>	1150	1 792	784
<b>Other financial liabilities</b>	3036	4 648	1 424
<b>Other non-financial and contract liabilities</b>	29743	35 500	39 236
<b>Total current liabilities</b>	<b>156671</b>	<b>295 471</b>	<b>348 457</b>
<b>Total equity and liabilities</b>	<b>551070</b>	<b>915 993</b>	<b>823 910</b>

### Appendix 3 Income statement of MTS Company between 2017 to 2019

(Amounts in millions of RUB, except share and per share amounts)	2017	2018	2019
<b>Service revenue</b>	390 761	382 698	406 839
<b>Sales of goods</b>	52 150	68 768	69 267
<b>Total revenue</b>	<b>442 911</b>	<b>451 466</b>	<b>476 106</b>
<b>Cost of services</b>	-123 779	-104 929	-114 995
<b>Cost of goods</b>	-45 623	-63 253	-63 889
<b>Selling, general and administrative expenses</b>	-95 186	-83 427	-90 796
<b>Depreciation and amortization</b>	-79 912	-95 386	-96 279
<b>Other operating income / (expenses)</b>	-1 746	900	-690
<b>Operating share of the profit of associates</b>	3 210	3 799	4 583
<b>Impairment of non-current assets</b>	-3 775	149	148
<b>Provision for investments in distressed Ukrainian banks</b>			
<b>Impairment of goodwill in Armenia</b>			
<b>Operating profit</b>	<b>96 100</b>	<b>109 021</b>	<b>114188</b>
<b>Finance income</b>	5 548	5587	4356
<b>Finance costs</b>	-26 064	-36988	-47368
<b>Currency exchange gain or loss</b>	1 301	-4043	2106
<b>Other income / (expenses)</b>	-1 318	3542	-6409
<b>Profit before tax</b>	75 567	77119	66873
<b>Income tax expense</b>	-18 977	-15395	-15750
<b>Profit for the period from continuing operations</b>	<b>56 590</b>	<b>61724</b>	<b>51123</b>

### Appendix 4 Information for Ratio Analysis

	2017	2018	2019
<b>Current Assets</b>	146032	268934	194588
<b>Current Liabilities</b>	156671	295471	348457
<b>Cash and cash equivalent</b>	30586	84075	38070
<b>Account Receivables</b>	39375	40928	41467
<b>Marketable securities</b>	1276	2694	497
<b>Net Income</b>	56590	61724	51123
<b>Depreciation</b>	-79912	-95386	-96279
<b>Total Liabilities</b>	426865	838428	787516

## Appendix 5 Altman Z-score model

A	$\frac{\text{Working capital}}{\text{Total assets}}$ [ Measures the relative amount of liquid assets]
B	$\frac{\text{Retained earnings}}{\text{Total assets}}$ [Determines cumulative profitability]
C	$\frac{\text{Earnings before interest and taxes}}{\text{Total assets}}$ [measures earnings away from the effects of taxes and leverage]
D	$\frac{\text{Market value of equity}}{\text{Book value of total liabilities}}$ [incorporates the effects of a decline in market value of a company's shares]
E	$\frac{\text{Sales}}{\text{Total assets}}$ [measures asset turnover]

*Source: Accounting tool*