



GEARING UP FOR THE FUTURE

Investor Presentation

based on FY 2023

Rostelecom – driving growth as the digital leader in Russia

Rostelecom today

Advanced fiber infrastructure to facilitate nationwide digitalisation

High quality services to ensure digital transformation of the state, economy and society



Rostelecom

Building digital
Russia

The role we play

Reliable, protected and resilient infrastructure for all stakeholders

Services that shape lifestyles in today's digital economy

Digital services of the future for people, businesses and the state

Unrivaled fiber infrastructure is a pillar of digital service proposition



71.3Tbps

IP/MPLS backbone
network capacity



41.6m

Households passed by
fiber



85%

Of the population resides in
areas covered by LTE
mobile network
infrastructure



21k

Data centers racks



2023 financial highlights – meeting strategic targets ahead of schedule

RUB bn	2023	2022	YoY.%
Revenue	707.8	627.1	12.9%
OIBDA	283.2	251.4	12.6%
OIBDA margin	40.0%	40.1%	-0.1 pp
Net Profit	42.3	35.2	20.2%
Free Cash Flow (FCF)	56.8	45.2	11.6
Total CAPEX	147.2	116.9	25.9%
CAPEX / Sales	20.8%	18.6%	2.2 pp
Net debt (incl. lease liabilities)	563.3	502.0	12.2%
Net Debt / OIBDA ⁽¹⁾	2.0	2.0	0.0

Notes:

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

Key figures 2023 vs 2022

+13%

Revenue growth

+13%

OIBDA growth

2.0

Net Debt / OIBDA

Stable debt position

+20%

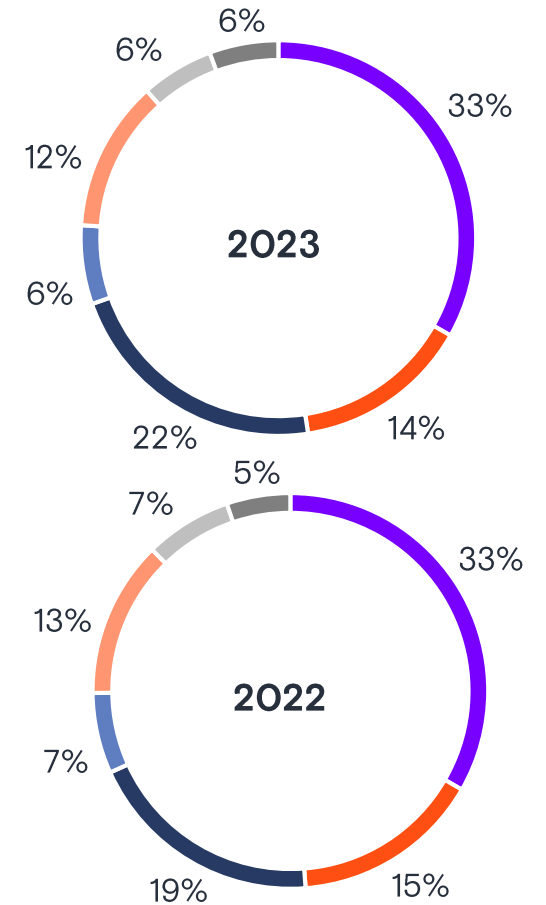
Net Profit growth

Digital services become #1 revenue growth driver, traditional services grow faster than the market

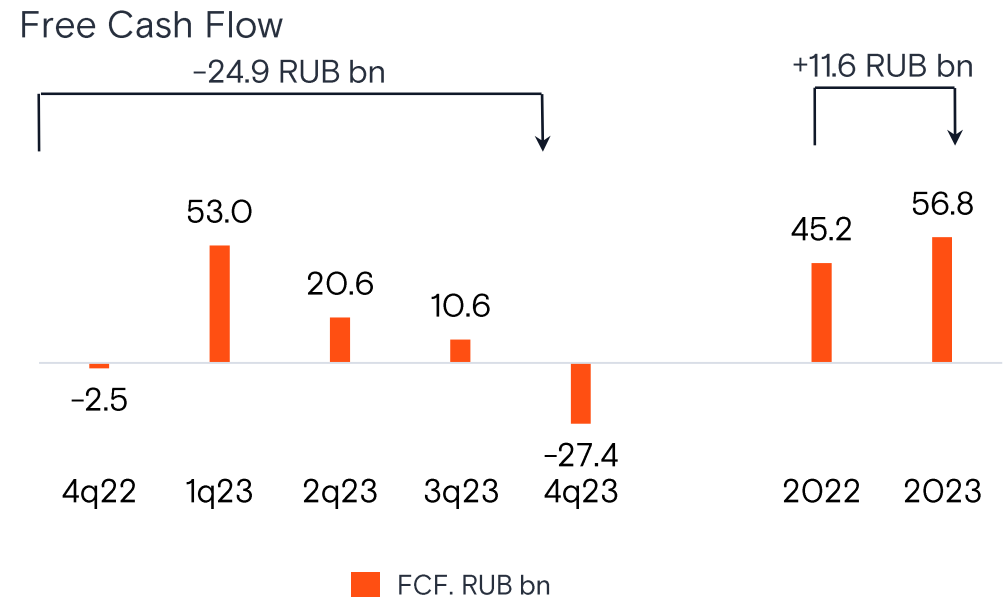
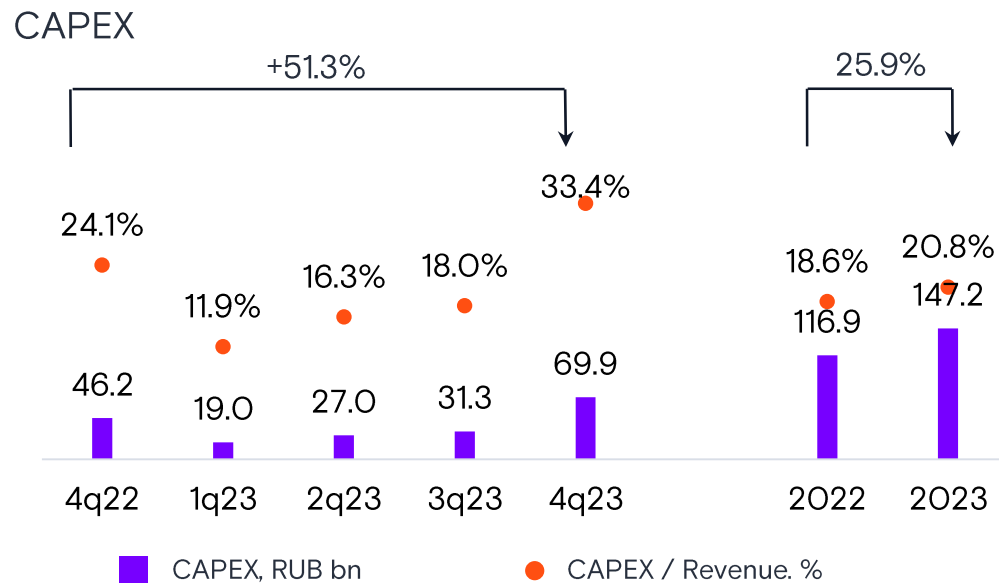
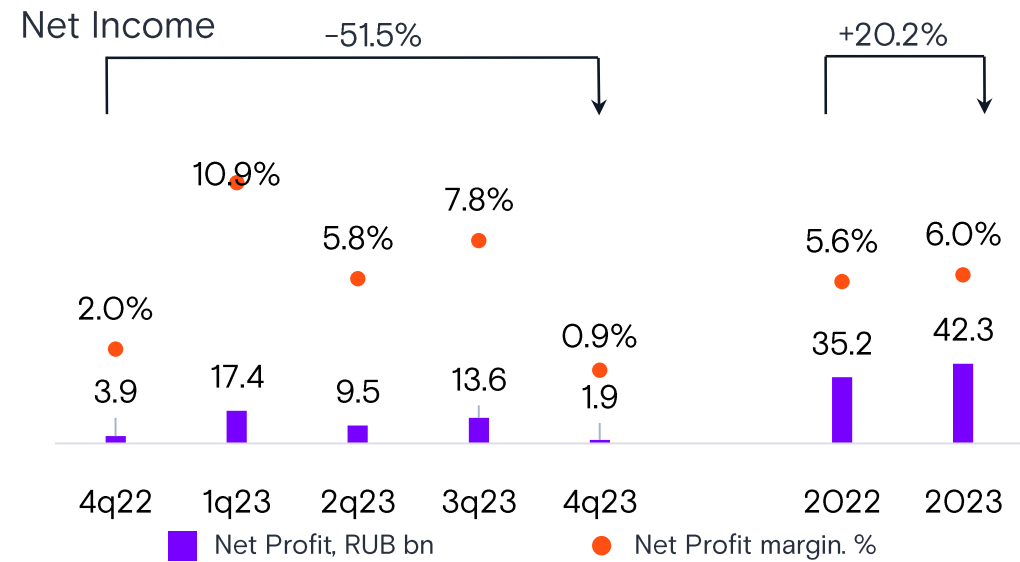
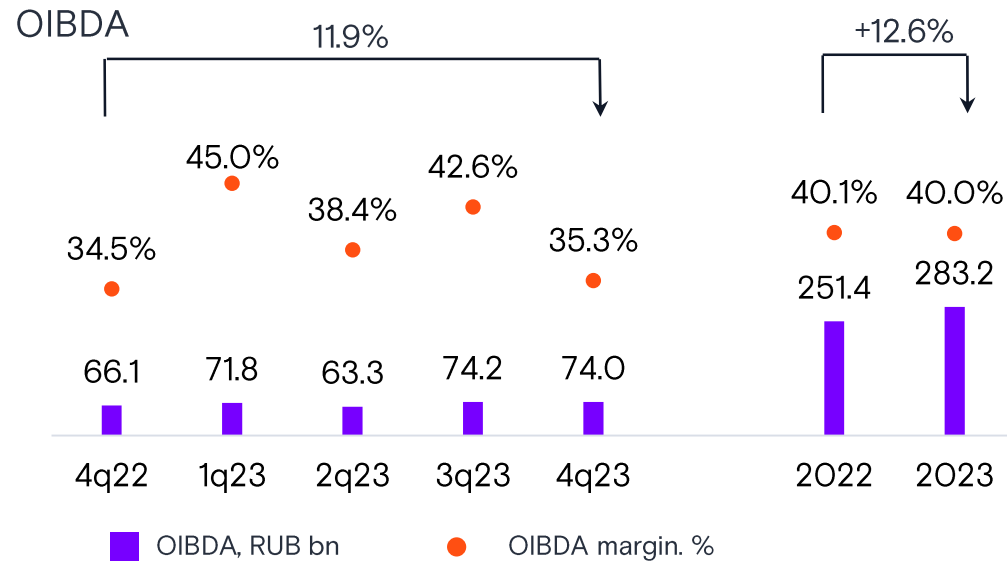
Revenue structure by services

RUB bn	2023	2022	YoY	YoY. %
Mobile services	234.9	208.3	26.6	12.8%
Fixed broadband	102.0	96.9	5.1	5.2%
Digital services	155.7	122.1	33.6	27.5%
Video services	45.7	42.0	3.7	8.8%
Wholesale services	87.4	80.5	6.9	8.6%
Fixed telephony	42.1	44.6	-2.5	-5.6%
Other services	40.0	32.7	7.3	22.4%
Total revenue	707.8	627.1	80.7	12.9%

Revenue structure by services

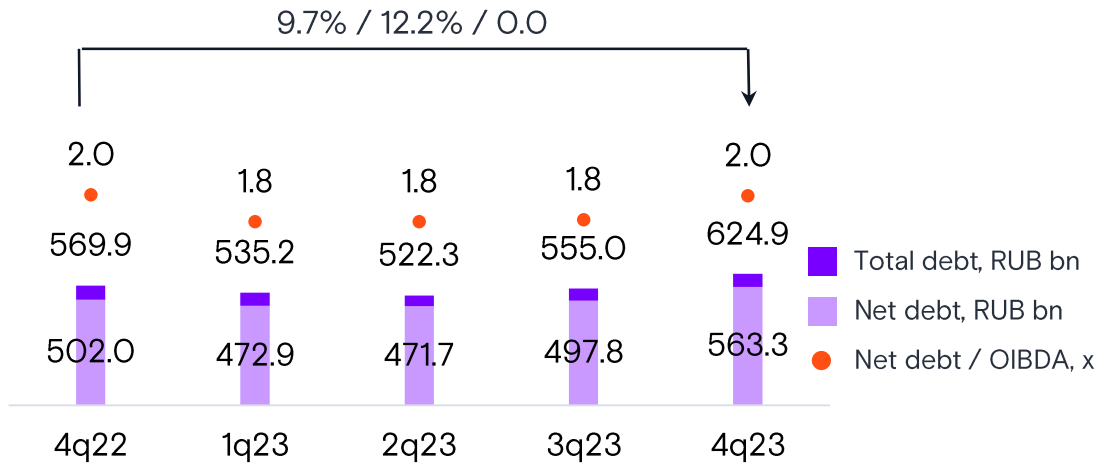


Key financial performance indicators

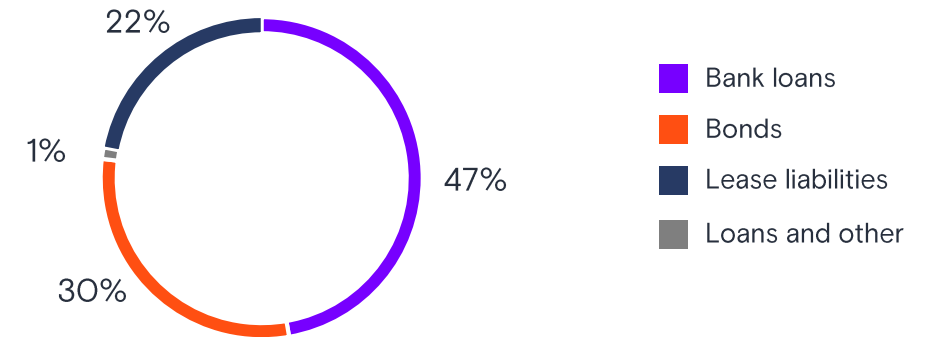


Comfortable debt position

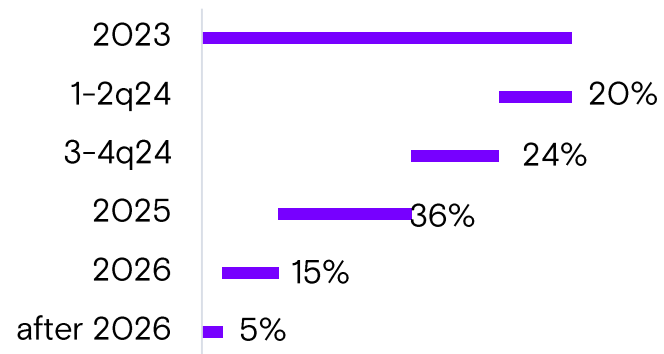
Debt profile



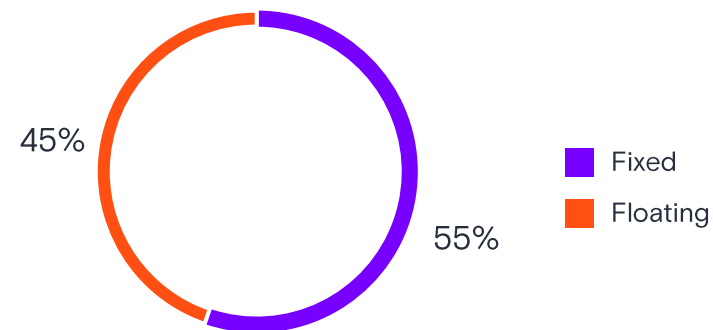
Gross debt composition



Debt repayment schedule



Debt composition by rates and currency



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Strategy 2021–2025 key focus areas

Smart growth of traditional business, ensuring an increase in return on investments and cash flows

01

Outstanding growth rates in selected new businesses – achieving leadership positions

02

Focus on expanding the role of a digitalisation partner to the state

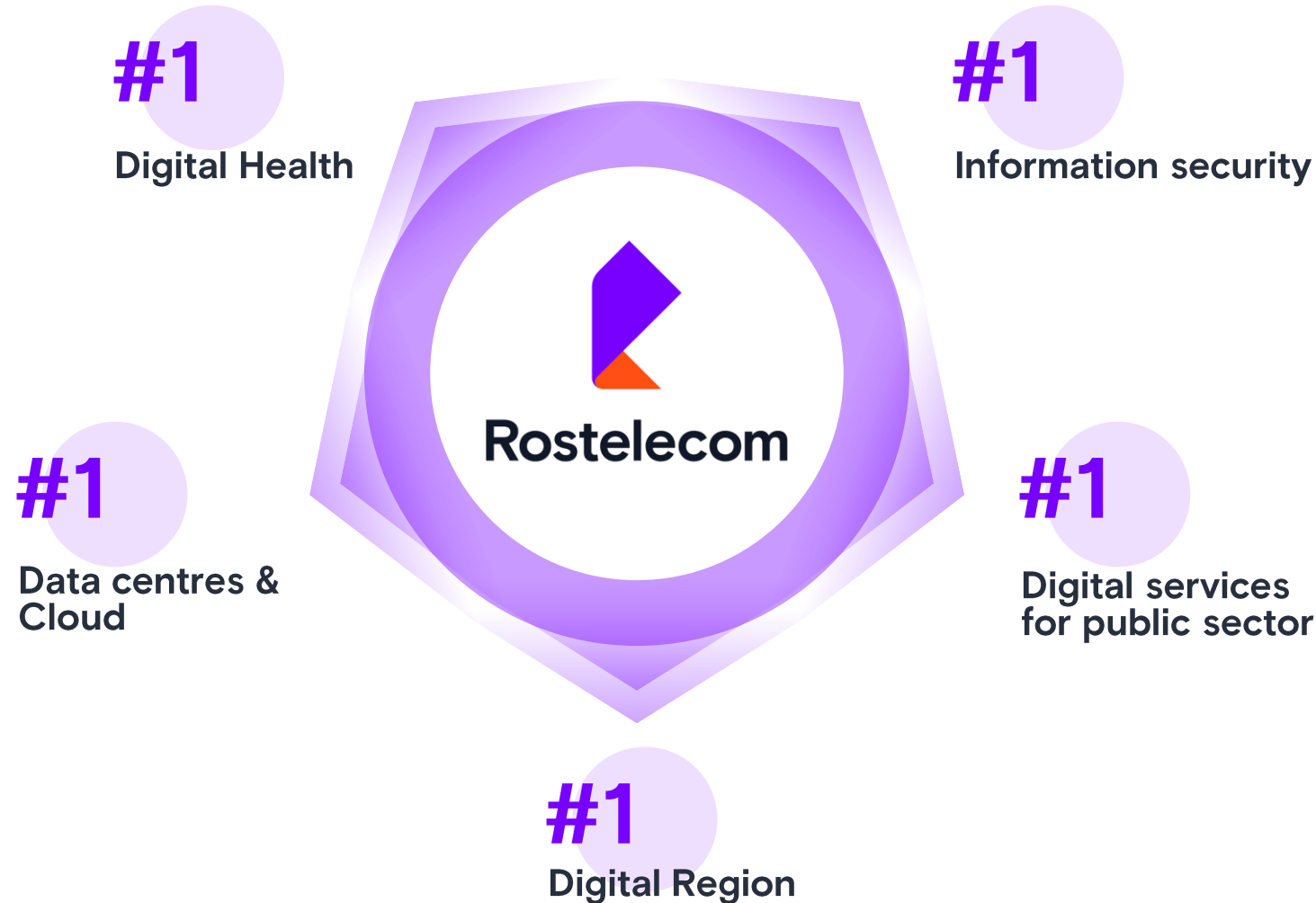
03

Efficiency increase in traditional business segments

04



Focus on new businesses



Targets 2025

#1 player

In each selected market

25%

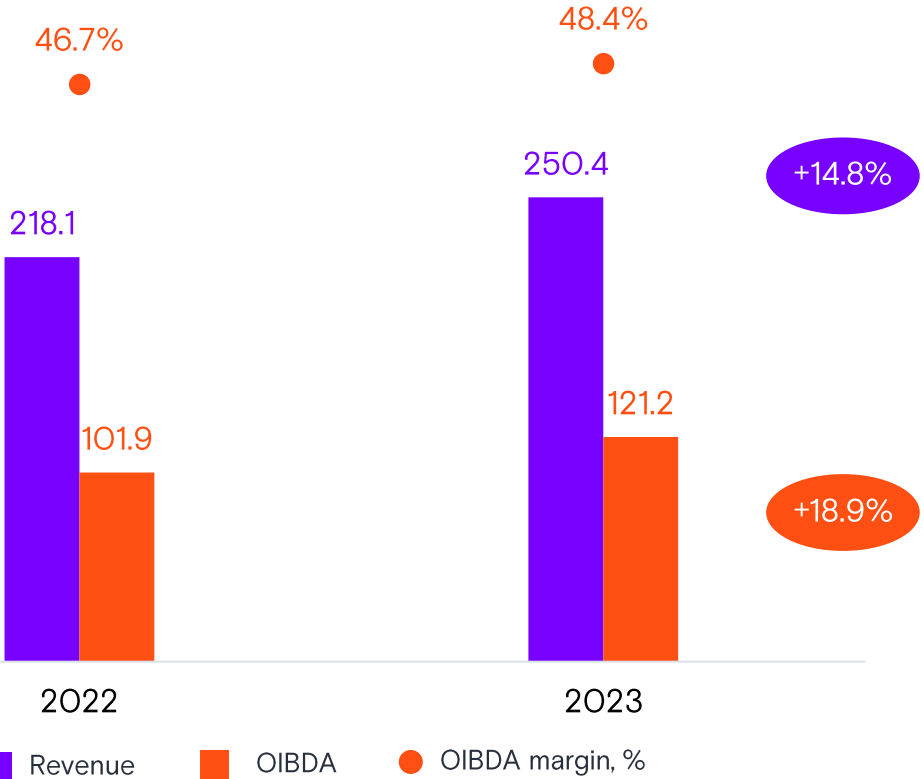
Share of revenue from clusters and new digital products

IPO

New strategic partners and listing of select business lines

Mobile business continues to grow at a double-digit rate enhancing customer loyalty and retention

Key financial indicators, RUB bn



48.1m

Total mobile subscribers



+5.9%

Active mobile data users growth



+13%

Tele2 Russia ARPU growth



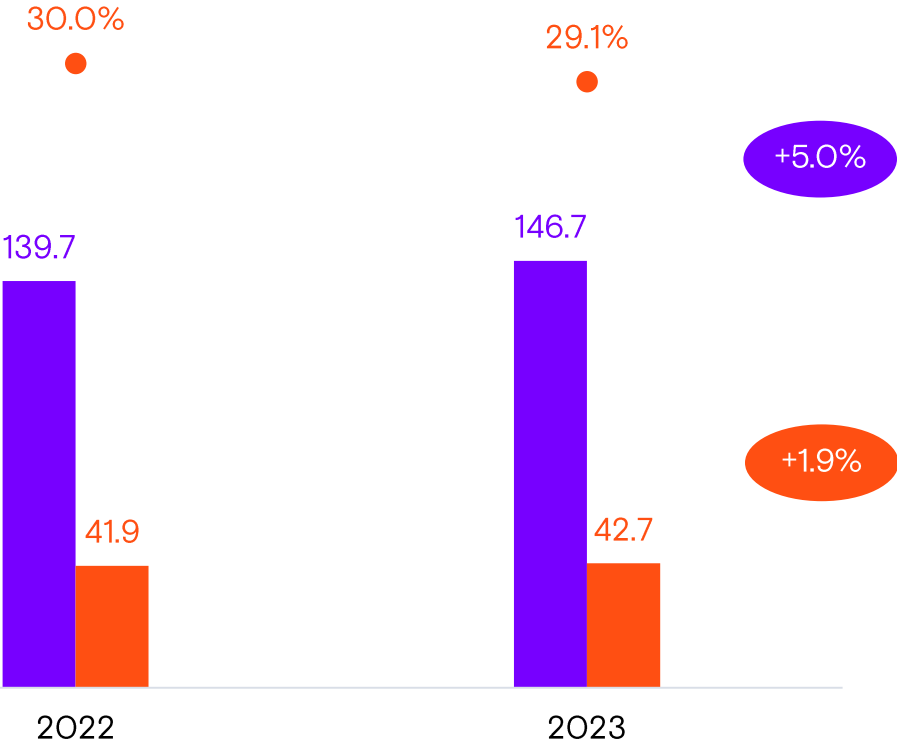
-1.6 pp

Total mobile churn rate reduction to 27%

Notes:
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 (2) Unless stated otherwise all data here and hereafter in the presentation are shown as of 2023 year end or in case of growth numbers - 2023 vs 2022 y-o-y.

Strong growth in B2C thanks to broadband fiber new adds and **WINK** > videoplatform successful premiers

Key financial indicators, RUB bn



■ Revenue
 ■ OIBDA
 ● OIBDA margin,%



11m

B2C Broadband subscribers



20.7m

WINK + more.tv combined video platform active users



+7%

B2C Broadband subscribers growth despite market maturity



23m

WINK users watched «A Fella’s Word» TV-series on the platform – a breakthrough in content production



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Solid growth in B2B/G thanks to the growing demand for additional digital services together with reliable connectivity services

Key financial indicators, RUB bn



1.1 m

B2B/G Broadband and VPN subscribers



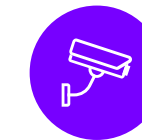
+24%

Virtual PBX revenue growth



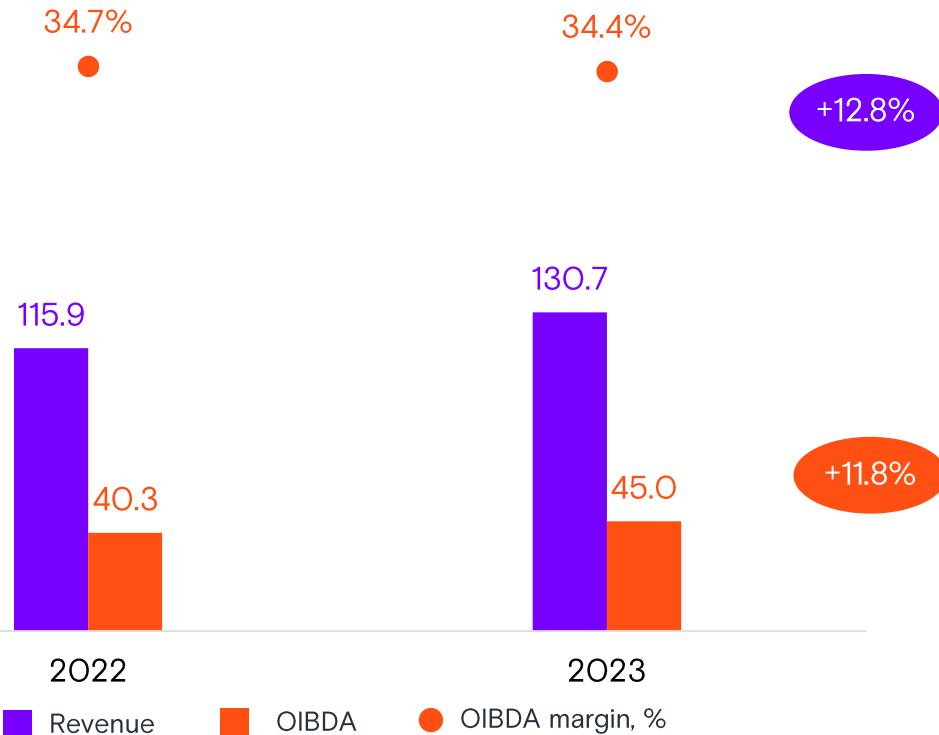
+10.2%

Broadband and VPN revenue growth (+RUB5.7 bn)



+66%

Video surveillance and video analytics revenue growth

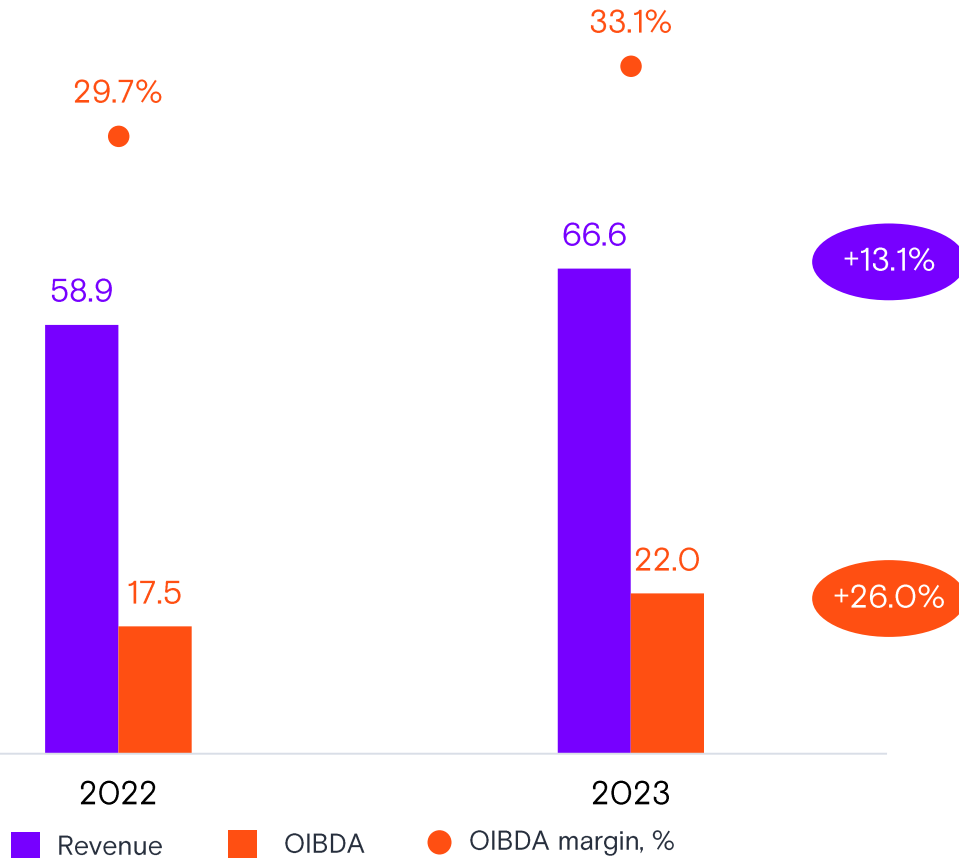


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B2O: stable demand for wholesale telecommunication services and the expansion of project portfolio

Key financial indicators, RUB bn



- ✓ Transit backbone telecommunication channels development
- ✓ International network backbone capacity upgrade
- ✓ Operator-to Operator project expansion ⁽³⁾
 - 2.3% - Operator-to-Operator project revenue growth
 - 113k+ - third party base stations in maintenance (+12% yoy)
 - 218k kilometres - third party fibre optics in maintenance
- ✓ TEA Next project development ahead of schedule

Notes:

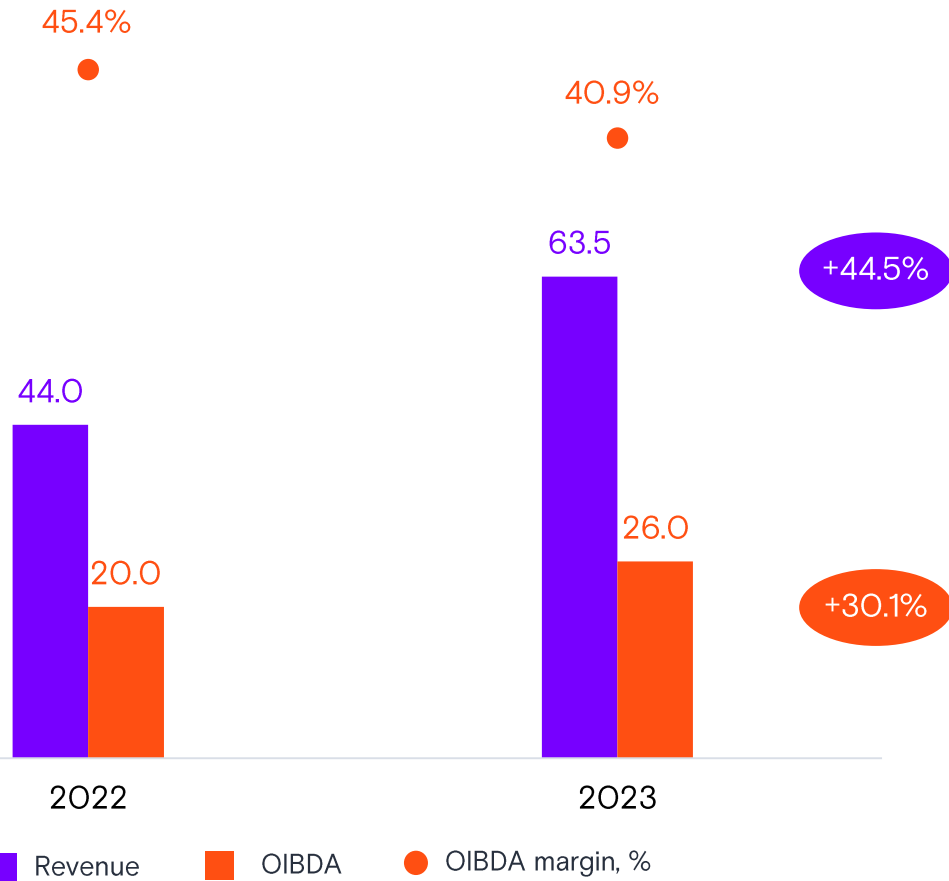
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(3) Operator-to-Operator (O2O) project - provision by the company of a range of services for the development and maintenance of network infrastructure owned by third-party telecom operators

Sound results of the Data Centers and Cloud Services cluster, #1 in Russia

Key financial indicators, RUB bn



+21%

Collocation services revenue growth



+36%

IaaS services revenue growth



Nº1

Leader of Data Centers and IaaS market in 2023 for the 7th consecutive year (market share 30% and 27% correspondingly)⁽²⁾



6.5k

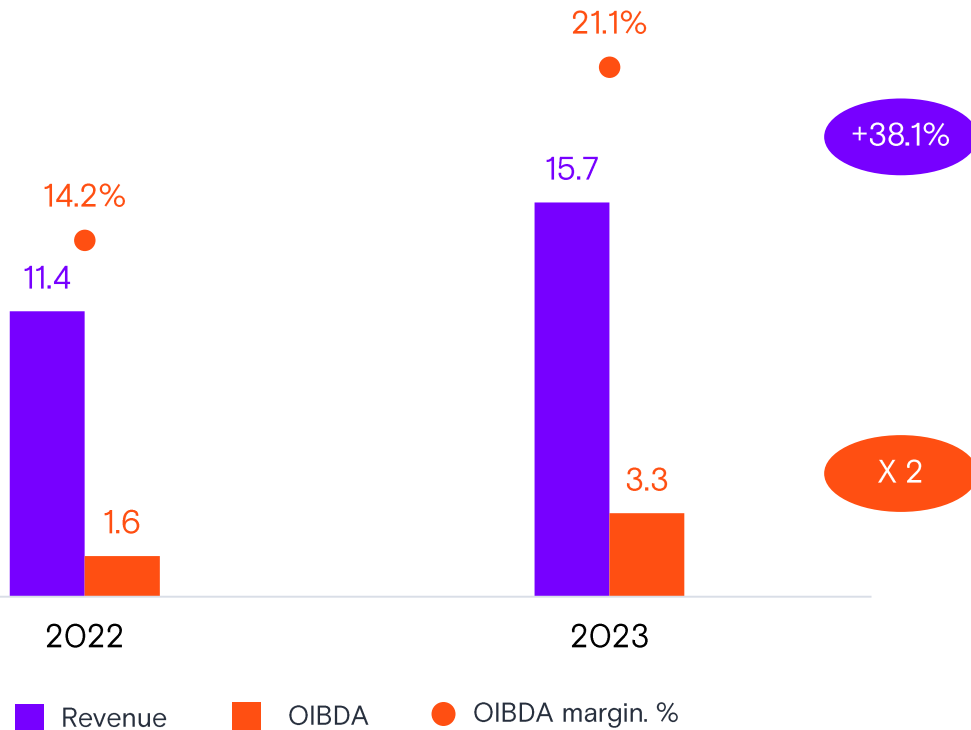
Data centers racks built in 2023 totaling 21k

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- (3) Source: iKS-Consulting

Solid performance of the Information Security cluster

Key financial indicators, RUB bn



+38%

Total cluster revenue growth



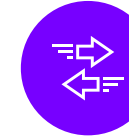
+46%

Cybersecurity services revenue growth



+50%

Cybersecurity products revenue growth



+33%

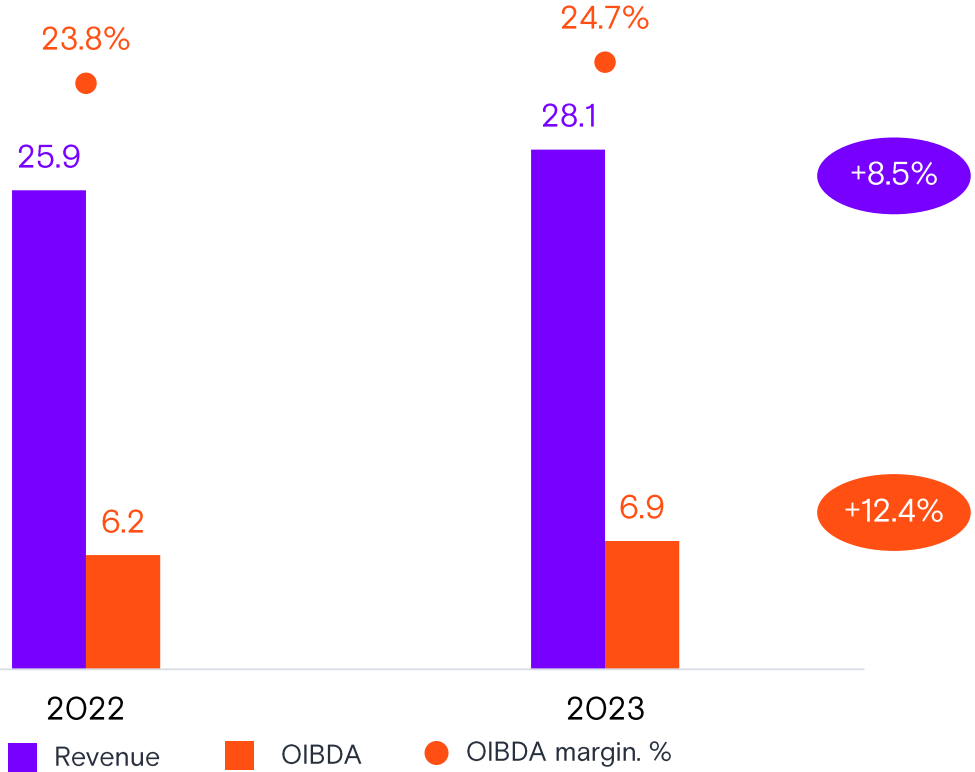
Integration services revenue growth

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Digital Region cluster: strong demand for complex digital solutions

Key financial indicators, RUB bn



400k

CCTV cameras in total



5,970

Traffic enforcement cameras in total



193

Automated weight and dimension compliance stations for cargo transportation in total



Expanding the Portfolio of Projects

- Smart Electricity systems
- Energy efficiency systems
- Eco-monitoring
- Regional Information systems for Utility services

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Investment highlights

Balanced progressive dividend policy

5.4465 RUB dividend per share paid in 2023 (almost 20% growth y-o-y)

Leading market position

№1 player in Russia on Broadband, IPTV, Data centers and IaaS markets
№3 mobile player in Russia

Major and unique nationwide fiber infrastructure

73.1 Tbit/s backbone capacity
41.6m households passed by fiber



Rostelecom

Sustainable growth and business digital transformation coupled with attractive dividend yield

Operational efficiency increase upside

RUB 6.2m revenue per employee, +17 % yoy
OIBDA margin – **40%+**

High addressable market growth potential

- Cybersecurity
- Collocation and XaaS
- Digital Services for B2B/G & B2C

Technological leadership and focus on IT

200+ in-house-made software products and solutions are included in the Registry of Russian Software

Contacts

Investor relations

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