



JOINT-STOCK FINANCIAL CORPORATION
SISTEMA

Sistema PJSFC Financial Results 4Q and FY 2020

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DISCLAIMER



Certain statements in this presentation may contain assumptions or forecasts in respect to forthcoming events within Sistema PJSC or its portfolio companies. The words “expect”, “estimate”, “intend”, “will”, “could” and similar expressions identify forward-looking statements. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements to reflect events and circumstances occurring after the above-mentioned date or to reflect the occurrence of unanticipated events. Many factors could cause Sistema’s actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, deteriorating economic and credit conditions, our competitive environment, risks associated with operating in Russia, rapid technological and market change in our industries, impact of COVID-19 pandemic on macroeconomic situation on the markets of presence and financial results of Sistema and its subsidiaries and associates, as well as many other risks specifically related to Sistema and its operations.



FINANCIAL REVIEW

STRONG PACE OF BUSINESS GROWTH, SUCCESSFUL CAPITAL MARKETS TRANSACTIONS AND PROGRESS IN ESG



Results of portfolio companies

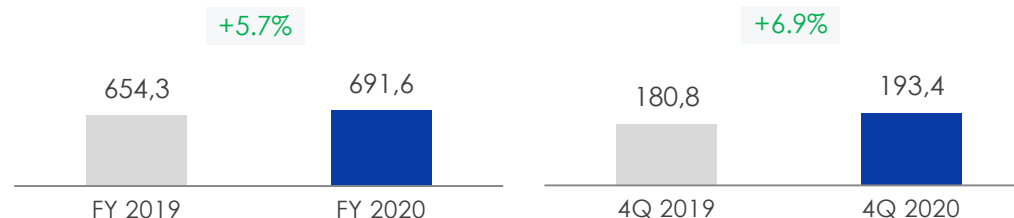
- **Revenue** in Q4 2020 and in FY 2020 grew significantly year-on-year¹ as a result of strong results from MTS, Segezha Group, Agroholding Steppe ("Steppe") and Medsi.
- **Adj. OIBDA** in 4Q 2020 and FY 2020 demonstrated significant growth year-on-year, driven by adj. OIBDA growth at MTS, Segezha Group, Steppe and Medsi.

Key events in 4Q 2020 and after the reporting period

- In November 2020 Ozon held an **IPO on NASDAQ** and obtained listing of its American Depositary Shares on Moscow Exchange. Gross proceeds to Ozon amounted to approximately **USD 1.25 bln**, including from the underwriters' overallotment option and the concurrent private placement through which Sistema invested **USD 67.5 mln**.
- With the aim of creating a **unified pharmaceutical holding**, in February 2021 Sistema and financial partner VTB contributed their 56.2% stake in OJSC Sintez to the equity of **Binnopharm Group**. Concurrently, Sistema, VTB and an investor consortium consisting of the Russia-China Investment Fund (created by RDIF and CIC) and leading Mideast funds contributed an 85.6% stake in JSC Alium to the equity of Binnopharm Group. As a result, **Sistema's effective stake in the holding, together with VTB, is 79%**, with the investor consortium owning 15.8%.
- In November 2020, Sistema attracted its first **ESG financing, a RUB 10 bln** credit line from Sber with the interest rate on each loan tied to sustainability performance.
- In December 2020, Sistema's Board of Directors approved new investment criteria, whereby the **investment process integrates ESG factors**, which was one of the KPIs under the Sber credit line agreement.

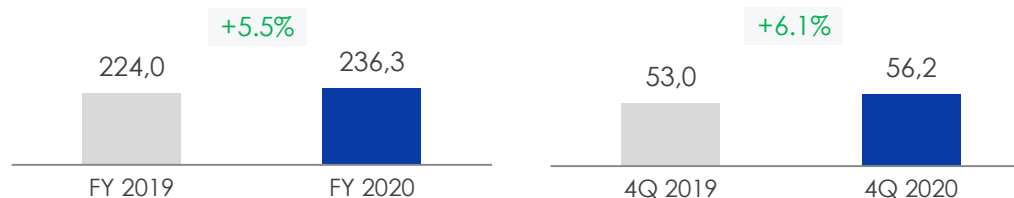
Consolidated revenue

RUB bln



Adj² OIBDA

RUB bln



Assets leading by revenue growth in 2020



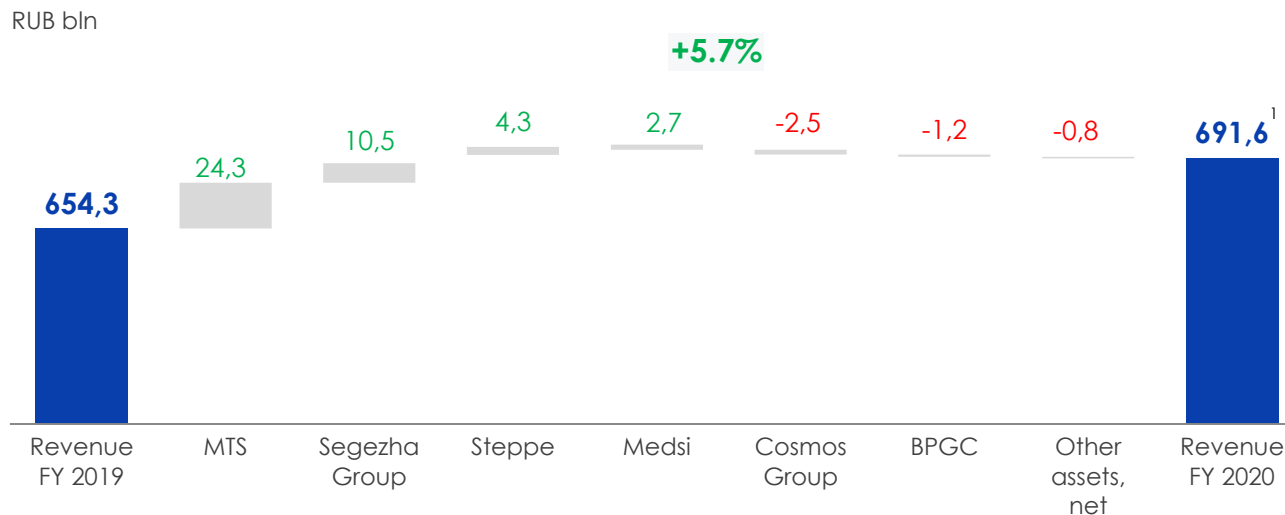
¹ Hereinafter results for 4Q 2020 and FY2020 are presented to reflect the divestiture of AGK Yuzhny and the results of previous periods have been recalculated to reflect the effect of divestiture.

² Hereinafter please see Appendix A of the financial results press release for 4Q 2020.

FINANCIAL REVIEW: FY 2020



Revenue: FY 2020

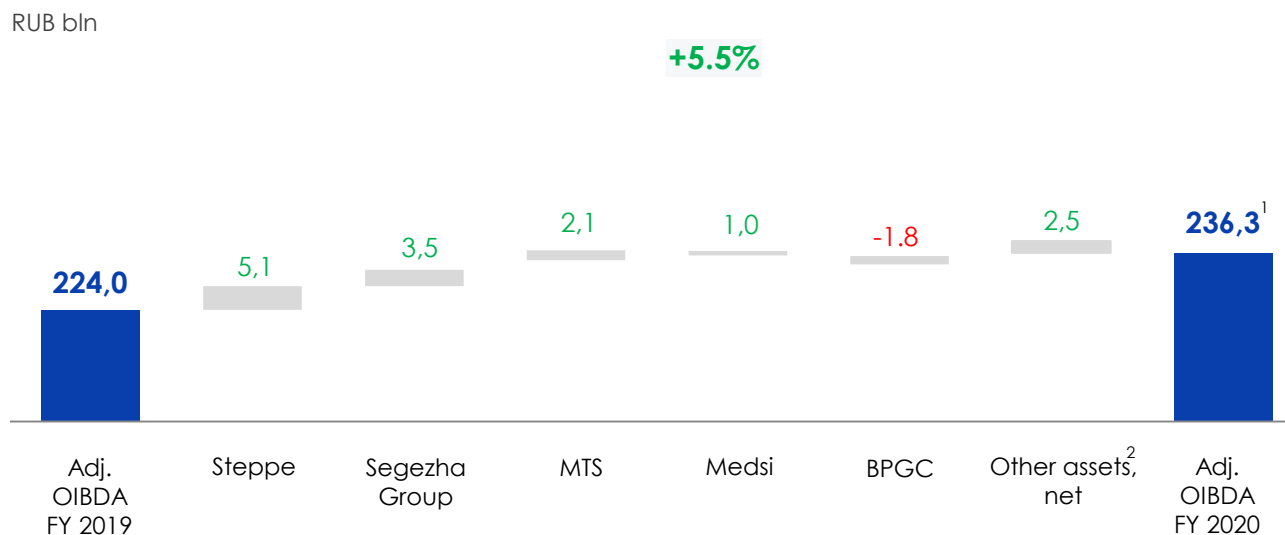


MTS: growth in revenue from mobile services as well as other segments (Fintech, Media and B2B Digital & Cloud services); adj. OIBDA grew on the back of revenue growth, despite a significant decrease in revenues from international roaming and the creation of provisions at MTS and MTS Bank.

Segezha Group: revenue grew due to increased sales volumes of paper packaging and sawn timber as well as higher prices for plywood and sawn timber; OIBDA rose following revenue despite higher prices for logistics services and price pressure on most products throughout the year.

Steppe: significant revenue and OIBDA growth on the back of higher revenue dynamics in the Field Crop and Agrotreading segments due the use of more effective sales strategies and an increase in grain prices; positive dynamics in the Dairy Farming segment were the result of an increase in the herd of dairy cows and increased productivity as well as sales growth in the Sugar and Grocery Product Trading segment.

Adj. OIBDA: FY 2020



Medsi: revenue growth resulted from a higher average cheque as Medsi delivered COVID-19 diagnostics and treatment, and also from expansion of the out-patient network in Moscow and the acquisition of a clinic in Izhevsk; positive OIBDA dynamics followed revenue growth and were positively impacted by participation in Project Michurinsky LLC, a JV with Capital Group to build the Nebo residential complex.

BPGC: the negative revenue dynamic was due to a reduction in capacity and net supply as a result of a decrease in energy consumption in the oil sector, as well as a slowdown of economic activity amid the COVID-19 pandemic; OIBDA declined on the back of revenue dynamics and due to an increase in costs.

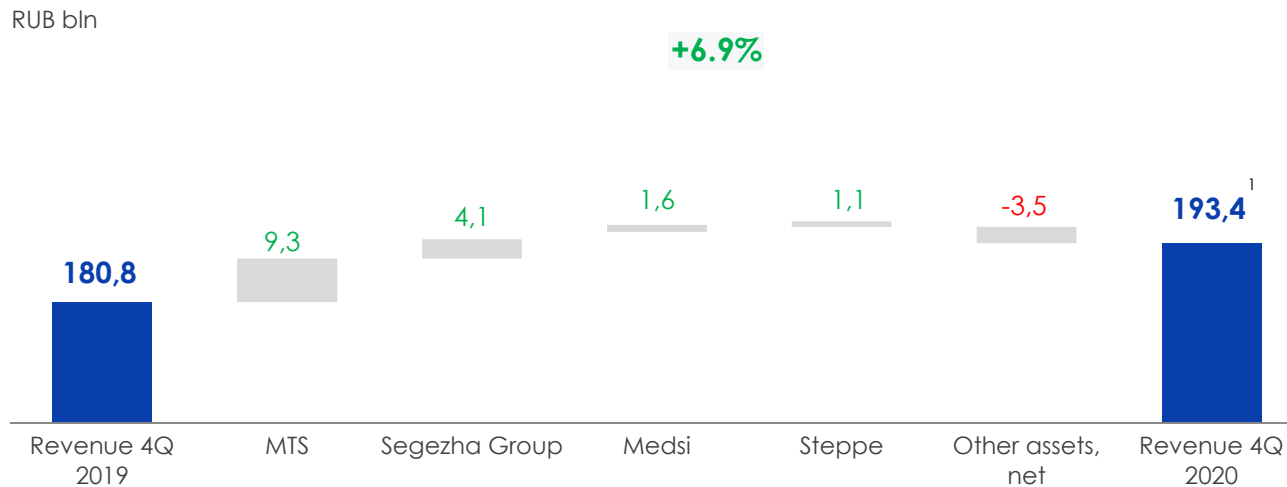
¹Numbers may not add up due to rounding.

²Group OIBDA in FY 2020 was impacted by reflection of the Group's share in the increase of Ozon's net loss in the amount of RUB 0.6 bln (FY 2020 net loss was RUB 8.4 bln, FY 2019 net loss was RUB 7.8 bln)

FINANCIAL REVIEW: 4Q 2020



Revenue: 4Q 2020

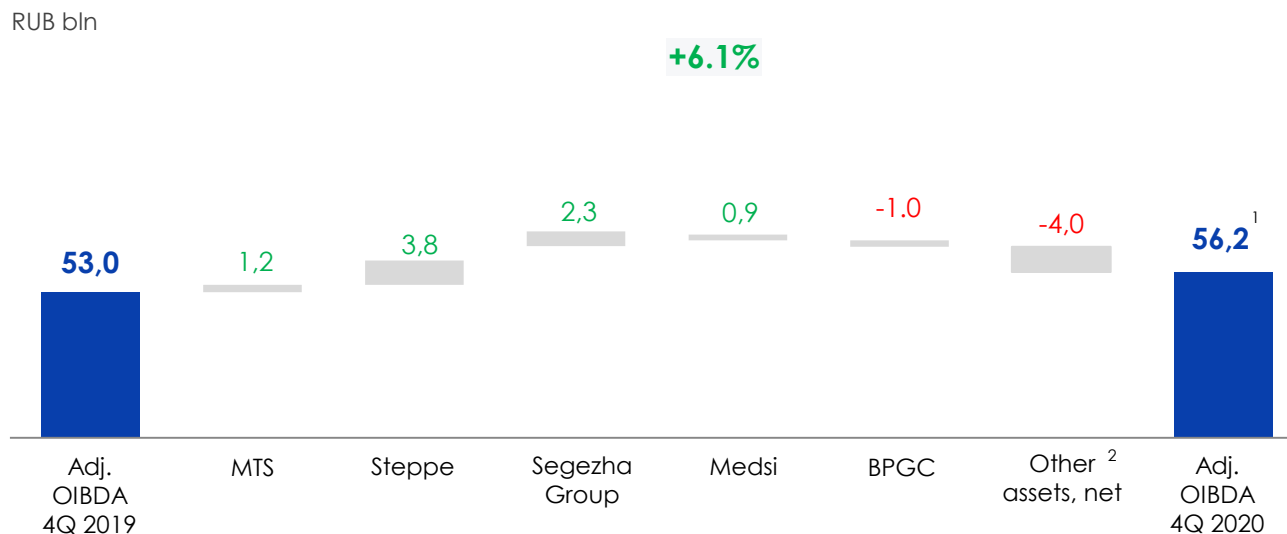


MTC: growth of mobile service revenue, handset sales, and increased revenue in the fixed-line segment; growth of adj. OIBDA following revenue growth, despite the creation of provisions.

Segezha Group: strong revenue and OIBDA growth were driven by increases of paper packaging sales volumes and higher prices for paper packaging, sawn timber and plywood as the construction sector recovered, and also as a result of weakening of the rouble.

Steppe: significant growth in revenue due to increased revenue in the Field Crop and Agrotrading segments, positive dynamics in the Dairy segment as a result of growth in the number of dairy cows and increased productivity; revenue also grew in the Sugar and Grocery Trading segment, OIBDA growth on the back of successful completion of agricultural product sales transactions, growth in sales volumes of high-margin niche crops and an increase in global prices for agricultural products.

Adj. OIBDA: 4Q 2020



Meds: increased revenue and OIBDA as a result of deferred demand for medical services, repurposing of the in-patient facility in Otradnoe to treat COVID-19 patients, growth of out-patient revenue from COVID-19 diagnostics and treatment as well as development of home and telemedicine services.

BPGC: the negative revenue dynamic was due to the reduction in capacity and net supply as a result of a decrease in energy consumption in the oil sector following the OPEC+ agreement, and also due to a slowdown in economic activity amid the COVID-19 pandemic; OIBDA declined following revenue dynamics and an increase in costs, including expenses for services provided by Federal Grid Company (FGC).

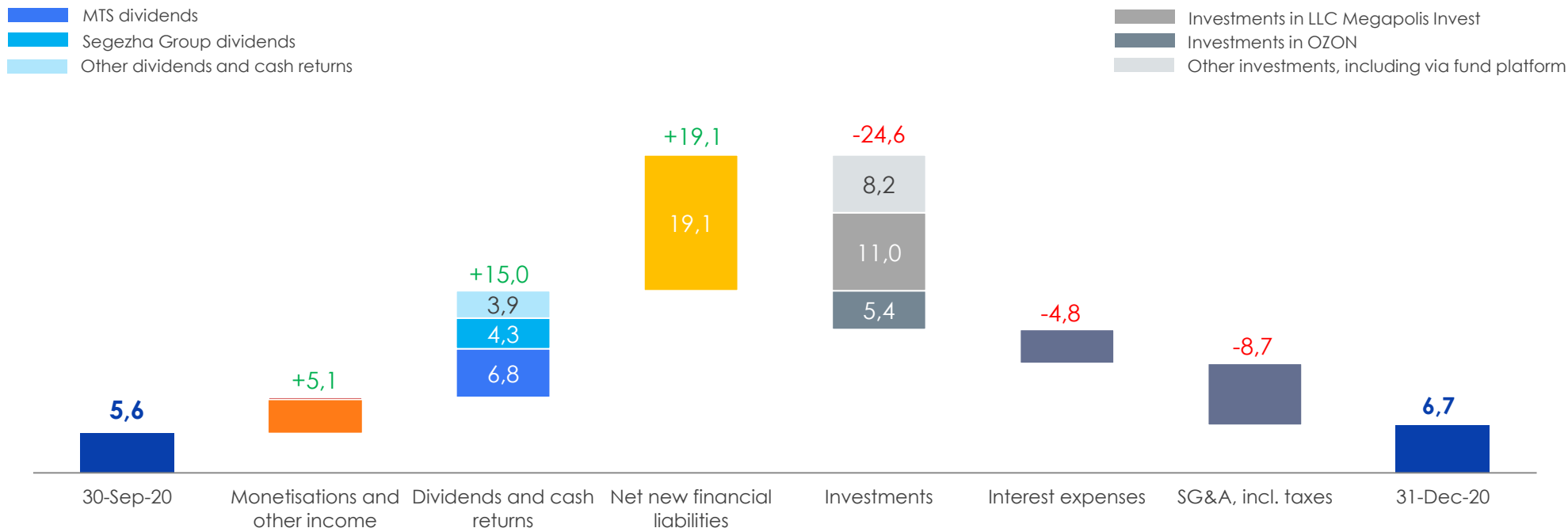
¹Numbers may not add up due to rounding.

² Group OIBDA in 4Q 2020 was impacted by reflection of the Group's share in the increase of Ozon's net loss in the amount of RUB 0.5 bln (4Q 2020 net loss was RUB 2.9 bln, 4Q 2019 net loss was RUB 2.4 bln)

CASH FLOWS AT THE CORPORATE CENTRE



RUB bln

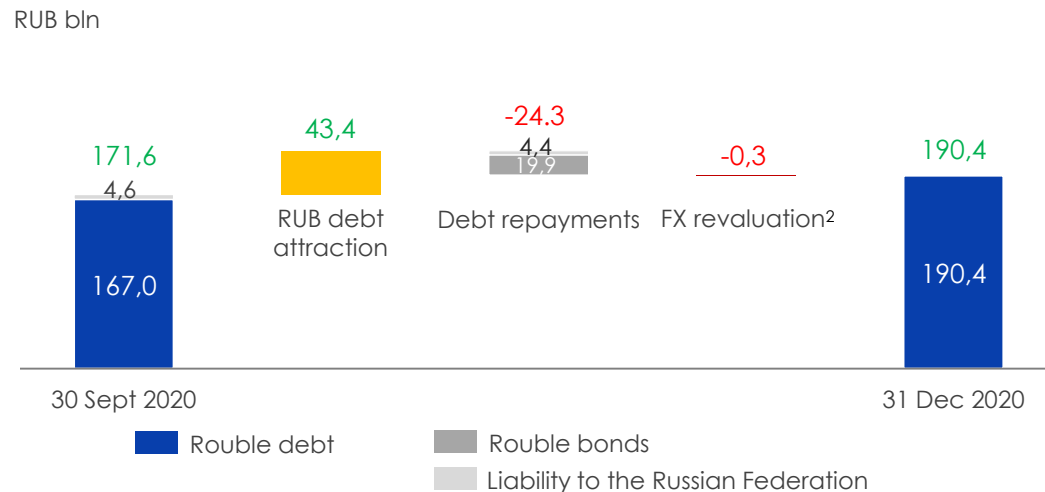


- **Cash inflows** in 4Q 2020 were driven primarily by participation in MTS's share repurchase programme (RUB 4.8 bln) and dividend payments from MTS (RUB 6.8 bln), Segezha Group (RUB 4.3 bln) and other assets including Etalon Group (RUB 0.9 bln).
- The change in **financial liabilities** was due to the issue of series 001P-16 (RUB 5 bln) and series 001P-17 (RUB 14 bln) bonds and the attraction of bank loans (RUB 24.4 bln) as well as repayment of bank loans totaling RUB 19.9 bln and repayment of liabilities to the Russian Federation totaling RUB 4.4 bln.
- **The total volume of investments** in 4Q 2020 amounted to RUB 24.6 bln, including the equity investment LLC Megapolis Invest, joint venture with Sber that acquired a stake in Elektroavod Group (RUB 11.0 bln), the purchase of Ozon shares (RUB 5.4 bln), the acquisition of IT services provider JSC NVision Group and investments in promising projects and start-ups, including through the platform of funds.
- **Interest expenses** were due to interest payments on loans and coupon payments on local rouble bonds.

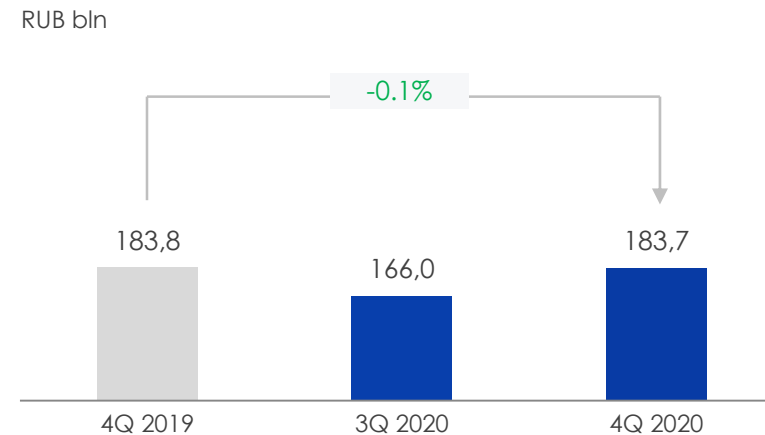
CORPORATE CENTRE'S FINANCIAL LIABILITIES



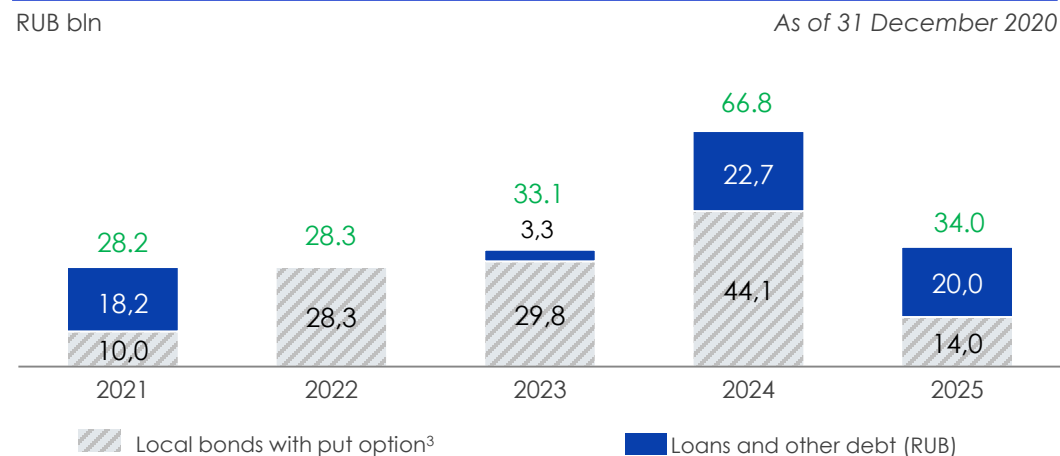
Corporate Centre's financial liabilities¹



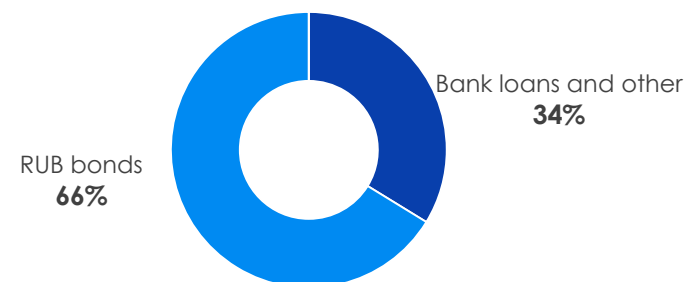
Net Corporate Centre financial liabilities^{4,5}



Comfortable repayment schedule



Structure analysis¹



¹ Hereinafter the Corporate Centre's financial liabilities are presented based on management accounts.

² Including other non-cash flows.

³ RUB series 001P-07 bonds with a put option in 2021 (tender offer and secondary placement was completed in February 2021); series 001P-01, series 001P-06, series 001P-09 and series 001P-10 with a put option in 2022; series 001P-04, series 001P-11, series 001P-14 and series 001P-16 with a put option in 2023; series 001P-05, series 001P-08, series 001P-12, series 001P-13 and series 001P-15 with a put option in 2024; series 001P-17 with a put option in 2025.

⁴ As per management accounts.

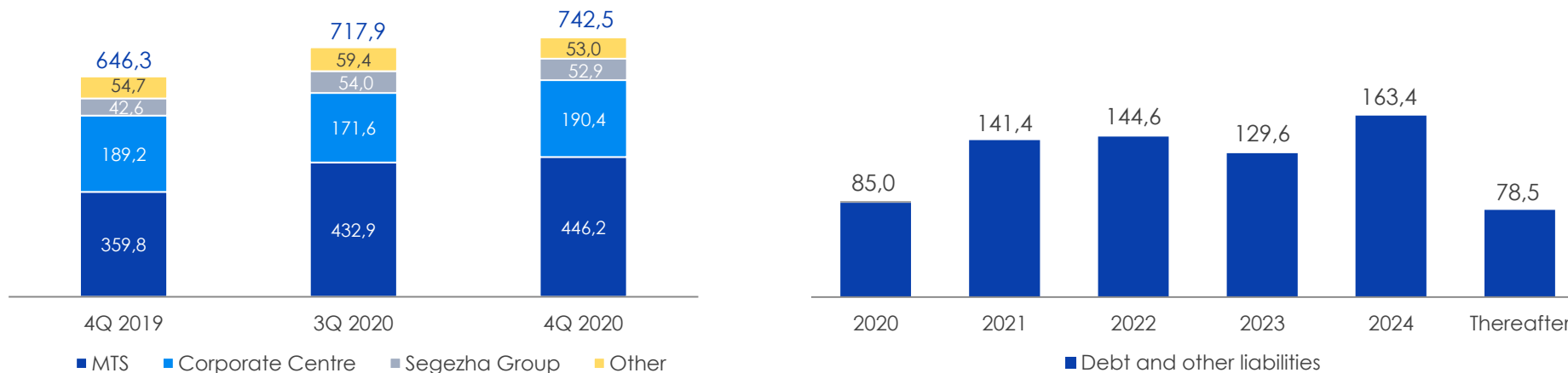
⁵ Including total volume of borrowing, liabilities to the Russian Federation, financial leases with the exception of cash and cash equivalents at the Corporate Centre level.

CONSOLIDATED FINANCIAL LIABILITIES



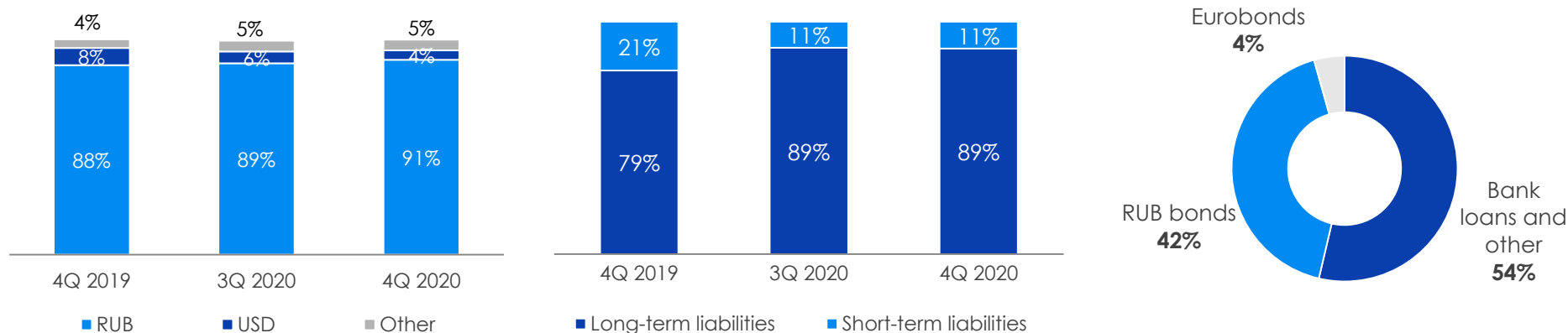
Consolidated financial liabilities^{1,2}: composition by borrower and maturity profile

RUB bln



Structure analysis^{1,2}

RUB bln



¹ Including financial liabilities at the Corporate Centre, financial leases and total borrowings of portfolio companies

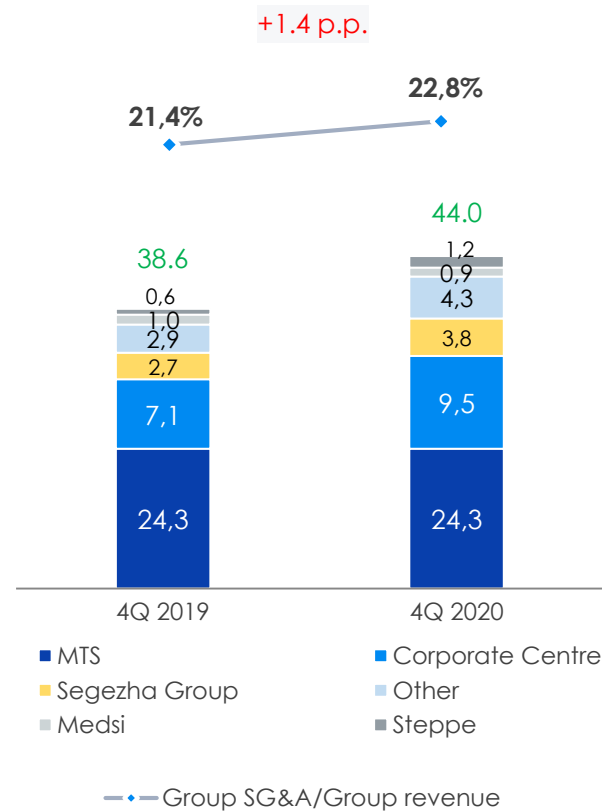
² Management accounts data is presented as of 31 December 2020.

SG&A expenses



Group SG&A expenses¹

RUB bln



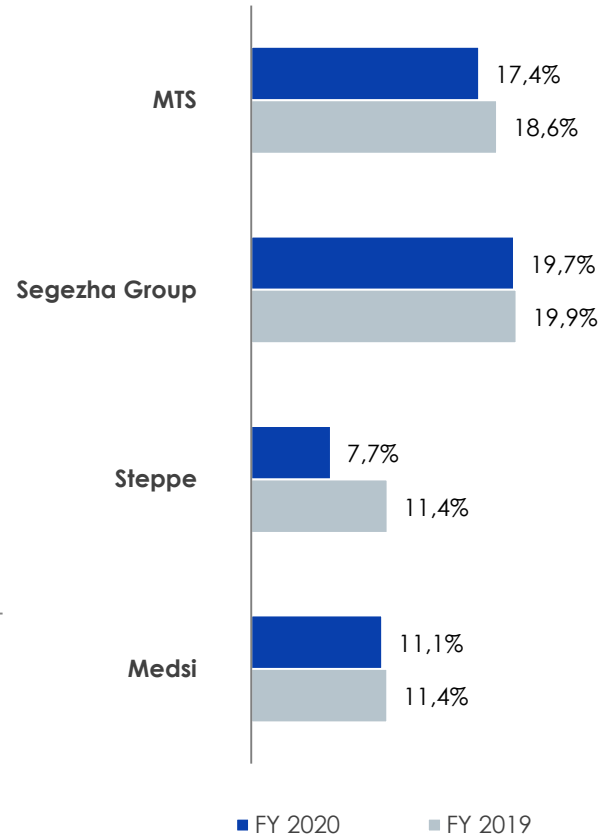
Group SG&A grew by **13.9%** in 4Q 2020 **primarily due to higher SG&A** at the Corporate Centre which was the result of monetisations, and additionally due to higher SG&A at Segezha Group as logistics provider fees rose on the back of the COVID-19 pandemic, and the effect of currency fluctuations.

The **Group SG&A/revenue** ratio increased year-on-year in 4Q 2020 by 1.4 p.p. to **22.8%**.

¹ Source: Management accounts.

SG&A expenses: portfolio companies¹

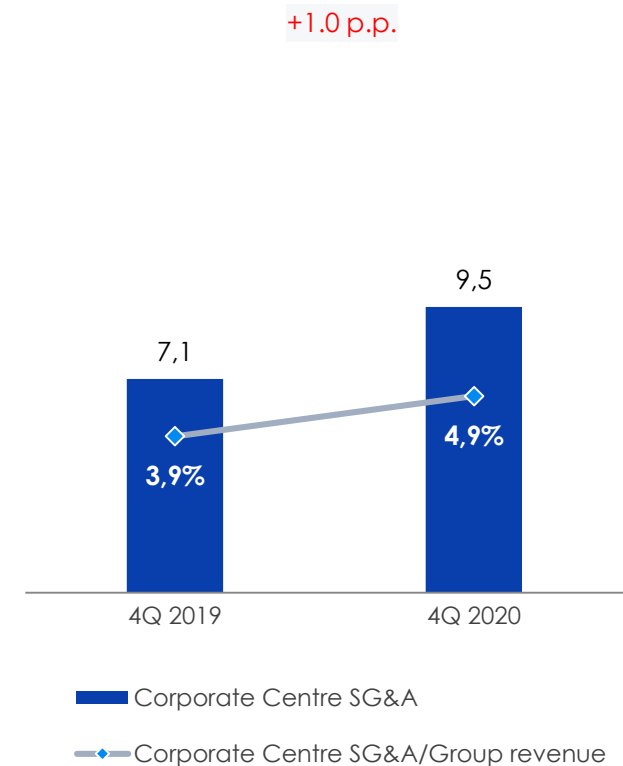
SG&A / Revenue, %



The **SG&A/revenue ratio declined** across most assets in FY 2020 year-on-year thanks to strict cost control.

SG&A expenses: Corporate Centre¹

RUB bln



The **Corporate Centre SG&A and the Corporate Centre SG&A/Group revenue ratio grew year-on-year** as a result of an increase in expenses and bonus payments related to monetisations and capital markets transactions, and additionally due to reinstatement of the LTI programme that had been suspended in 2018.



KEY PORTFOLIO ASSETS

MTS: SUSTAINABLE GROWTH OF FINANCIAL RESULTS AND RECORD HIGH DIVIDENDS



RUB bln ¹	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	133,7	124,4	7,4%	494,9	470,6	5,2%
Adj. OIBDA ²	52,1	50,9	2,3%	214,9	212,8	1,0%
Adj. OIBDA margin	39,0%	40,9%	(1,9) p.p.	43,4%	45,2%	(1,8) p.p.
Adj. net profit ³	6,9	2,8	149,9%	31,8	25,4	25,0%
Net debt ⁴	360,8	321,7	12,1%	360,8	321,7	12,1%
Capex	33,2	30,4	9,3%	97,4	91,7	6,2%

Revenue

increased year-on-year in 2020 due to growth in mobile services revenue in part on the back of a tariff increase in 1Q 2020. In addition to the key Telecom segment, growth was delivered across other business segments, including Fintech, Media and B2B Digital & Cloud, which accounted for approximately a third of MTS's revenue growth. In 4Q 2020, revenue **increased year-on-year**, driven by growth of mobile services revenue, sales of handsets and fixed-line revenue growth.

increased year-on-year in 2020 following revenue, despite a significant drop in revenue from international roaming and the creation of provisions at MTS and MTS Bank. Adj. OIBDA increased year-on-year in 4Q 2020 on the back of revenue growth, despite the creation of provisions.

Adj. net profit

increased year-on-year in 2020 due to stable revenue from the core telecom business, lower net interest expenses on the back of lower interest rates, and the effect of FX derivatives the company uses to manage FX risk. In 4Q 2020, net income grew significantly year-on-year due to the impact of non-cash losses from the sale of the business in Ukraine that was reflected in 4Q 2019, as well as FX revaluation and a positive effect from derivatives.

Capex

grew year-on-year in 2020 mainly due to increased investments in network development and due to the impact of the FX-denominated portion of capex during a period of rouble depreciation.

Outlook for 2021

MTS forecasts revenue growth of no less than **4%** in 2021, OIBDA growth of no less than **4%** and capital expenditures of **RUB 100-110 bln**.

High dividend payout ratio

In 2020, MTS paid regular dividends in the amount of **RUB 29.5** per ordinary share (RUB 59.0 per ADR), as well as special dividends in 1Q 2020 (due to the sale of VF Ukraine) in the amount of **RUB 13.25** per ordinary share (RUB 26.5 per ADR).

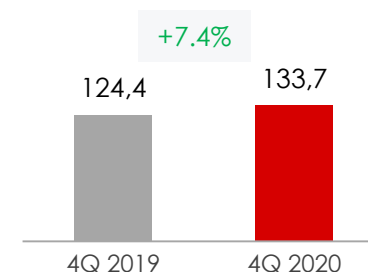
Key highlights

In March 2021, **MTS appointed Vyacheslav Nikolaev as its new President and CEO**. He was previously MTS's First Vice President of Customer Experience, Marketing, and Ecosystem Development.

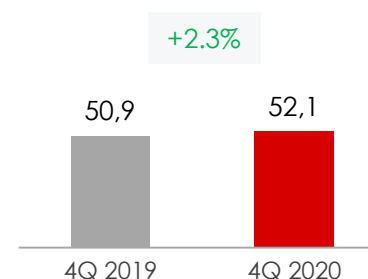
MTS announced **a partnership with Yandex Plus** allowing MTS Premium users access to Yandex Plus under special conditions, and Yandex Plus users access to MTS Premium.

In March 2021, MTS launched **Russia's first large-scale 5G pilot user network** in the 4.9GKz band at 14 popular locations across Moscow.

Revenue, RUB bln



Adj. OIBDA, RUB bln



¹ MTS results reflect the sale of NVision Group in 4Q 2020. The results for 2019 and 2020 have been restated to reflect the effect of the sale.

² Adjusted for an impairment of non-current assets of RUB 2 billion for FY 2020.

³ Hereinafter net profit is presented in Sistema's share.

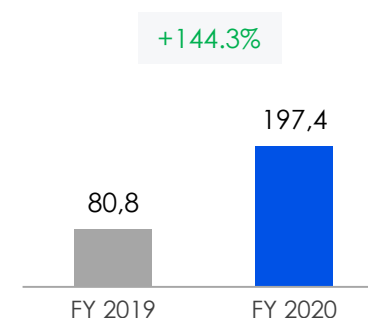
⁴ Hereinafter net debt includes financial lease.

OZON¹: IMPRESSIVE GMV GROWTH AND STRONG OPERATING CASH FLOW

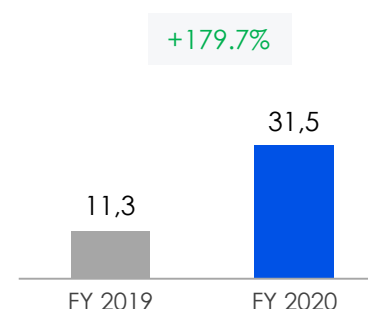


RUB bln	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
GMV incl. services ²	75,8	30,7	147,2%	197,4	80,8	144,3%
Revenue	37,8	20,9	80,2%	104,4	60,1	73,6%
Gross profit ³	11,6	4,0	191,6%	31,5	11,3	179,7%
Gross profit margin	15,3%	13,0%	2,3 p.p.	16,0%	13,9%	2,1 p.p.
Adj. EBITDA ⁴	(3,6)	(5,3)	n/a	(11,7)	(15,8)	n/a
as % of GMV incl. services	(4,7%)	(17,1%)	12,4 p.p.	(5,9%)	(19,6%)	13,7 p.p.
Net loss	(9,4)	(6,3)	n/a	(22,3)	(19,4)	n/a
Operating Cash Flow	10,6	(2,7)	n/a	6,6	(14,3)	n/a
Capex	2,1	1,6	27,0%	6,8	4,8	43,5%
Free Cash Flow ⁵	7,8	(4,7)	n/a	(2,6)	(19,9)	n/a
Cash and cash equivalents	103,7	3,0	3363,7%	103,7	3,0	3363,7%

GMV, incl. services, RUB bln



Gross profit, RUB bln



GMV, incl. services

in 4Q 2020 amounted to RUB 75.8 bln, representing growth of 147% year-on-year. GMV incl. services came in at RUB 197.4 bln in FY 2020, with growth of 140% year-on-year. Key growth drivers were (1) an increase in the Marketplace's share of GMV and a 4x increase in the number of marketplace sellers compared to 2019, which resulted in expansion of the product range and buyers' access to products; (2) expansion of Ozon's fulfilment, logistics and IT infrastructure, particularly in Russia's regions, which made it possible to process the increasing number of orders and reduce delivery times.

Adj. EBITDA

loss in 4Q 2020 was RUB (3.6) bln, compared with a loss of RUB (5.3) bln in 4M 2019. EBITDA as a percentage of GMV incl. services improved to minus (4.7%) in 4Q 2020, compared with minus (17.1%) in 4Q 2019. For the full year 2020, adjusted EBITDA as a percentage of GMV incl. services improved to (5.9)% from (19.6)% in 2019. The improved margin was due to infrastructure utilisation growth as a result of economies of scale, as well as the effect of operating leverage on IT and administrative costs.

Operating cash flow

turned positive in 4Q 2020 and reached RUB 10.6 bln, following RUB 2.7 bln in negative operating cash flow in 4Q 2019 due to a negative working capital cycle and business scale-up, and also due to currency revaluation and a positive effect from derivatives.

Orders

13.8 mln buyers (+75% year-on-year) placed 73.9 mln orders (+132% year-on-year) in 2020. Growth in purchase frequency came in above 30%, driven by both new and existing buyers.

Cash and cash equivalents

in 4Q 2020 Ozon raised RUB 90.5 bln through an IPO and private placement. As of 31 December 2020 cash and cash equivalents stood at RUB 103.7 bln.

¹ Ozon's financial results are not consolidated within Sistema's financial statements. Investments in Ozon are reflected in Sistema's financial reporting using the equity method. The share of Ozon's profit/loss attributable to Sistema is included in Sistema's operating results. Investments are reflected at book value adjusted for attributable share of profit/loss for the period, and are not marked to market.

² GMV incl. Services is the value of goods sold on Ozon together with revenue from other services provided to buyers and sellers, inclusive of VAT minus discounts, cost of returns and cancelled orders. This figure does not take into account sales from Ozon.Travel.

³ Gross profit is defined as revenue minus cost of sales

⁴ Adj. EBITDA is not an IFRS metric. Adj. EBITDA is treated as a pre-tax loss, prior to the deduction of non-operating income (expenses), depreciation and option programmes expenses

⁵ Free cash flow is not an IFRS metric. Free cash flow is calculated as operating cash flow minus any fixed-asset acquisitions, intangible assets and repayments made on the principal debt of lease liabilities.

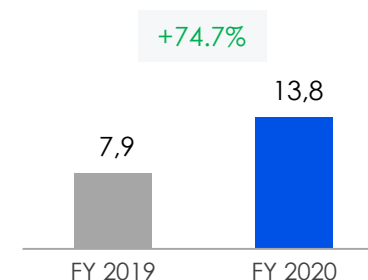
OZON¹: GROWTH IN ORDER FREQUENCY, DEVELOPMENT OF MARKETPLACE AND FINTECH PRODUCTS



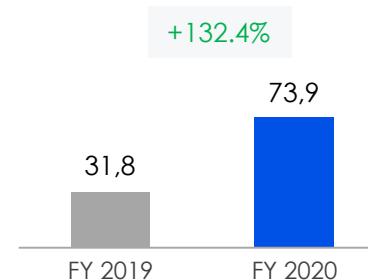
Key highlights:

- Development of the marketplace platform, with the number of **active sellers¹ increasing 4x year-on-year in 4Q 2020**. The share of GMV² accounted for by the marketplace reached 52.3% in 4Q 2020, up from 25.5% in 4Q 2019.
- The number of active buyers⁴ increased by 75% year-on-year to 13.8 mln in the 12 months ending 31 December 2020. The company has observed continued growth in purchase frequency and an improvement in cohort metrics: average order frequency per buyer increased to 5.4 in 2020 from 4.0 in 2019.
- In 4Q 2020, Ozon continued large-scale expansion of its logistics infrastructure in order to provide faster delivery to buyers in the regions and provide more logistics options to local sellers. Notably, in October, Ozon opened a new **fulfilment centre in Rostov-on-Don** with total floor space of more than **22,000 sq m**. Ozon is developing a network of branded pick-up points under a franchise scheme.
- Ozon actively invested in the development of its e-grocery segment and its own rapid delivery service Ozon Express. In 2020, the service opened a network of dark stores in Moscow and provided express courier delivery within an hour to the entire capital inside the Moscow Ring Road as well as a significant portion of the Moscow region. Ozon plans to expand this service into the regions in 2021.
- Ozon is developing its **financial services ecosystem**. As of 31 December 2020, approximately 450,000 active OZON.Cards had been issued. In December, Ozon began the release of digital OZON.Cards.
- The Group continued **actively expanding in the B2B segment**. Specifically, business customers were given access to purchase the assortment offered by marketplace sellers. And Ozon.Travel launched a service that allows medium-sized and large businesses to book business travel.
- In 1Q 2021 Ozon continued to **strengthen its platform for customers and sellers**. Notably, it introduced a **Group Buying** service that allows customers to purchase goods at wholesale prices and allows sellers to make volume sales and thus save on logistics costs. The company also launched the Ozon Services platform that allows customers to purchase services provided by verified providers. Finally, marketplace sellers now have the option to deliver orders via their own delivery services from their own warehouses.
- In February 2021 Ozon placed a \$750 mln **convertible bond**. The company plans to deploy the funds to support organic growth, expand into new business verticals and for general corporate purposes.

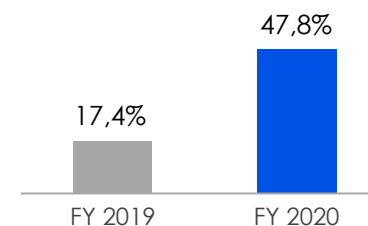
Number of active buyers⁴, mln



Number of orders, mln



Marketplace's share of GMV, %



¹ The number of active sellers is the number of sellers who sold at least one product on the Ozon.ru marketplace in the previous 12 months

² GMV incl. Services is the value of goods sold on Ozon and revenue from services rendered to buyers and sellers, inclusive of VAT, less discounts, cost of returns and canceled orders. The figure does not include Ozon.Travel sales and the value of cancelled orders and discounts provided

³ Marketplace's share of GMV is defined as the ratio of the total value of all orders made through the marketplace (including VAT, minus discounts, the cost of returns and canceled orders) to GMV incl. services.

⁴ The number of active buyers is the number of buyers who made at least one order (excluding refunds and canceled orders) on Ozon.ru in the previous 12 months

ETALON GROUP: MARGIN GROWTH AND STRONG FINANCIAL POSITION



RUB bln	12M 2020	12M 2019	YoY
Revenue	78,7	84,3	(6,7%)
Gross profit	21,9	20,1	9,3%
pre-PPA EBITDA ¹	16,5	11,2	47,5%
pre-PPA EBITDA margin	21,0%	13,3%	7,7 p.p.
Net profit	2,0	0,2	994,6%
Net corporate debt ²	19,6	21,5	(8,9%)
Net debt incl. escrow accounts	1,1	20,8	(94,7%)

Revenue **declined** year-on-year in 2020 as a result of lower revenue recognised in the first half of the year due to the temporary ban on construction in Moscow and the Moscow Region amid the COVID-19 pandemic. Revenue saw a positive impact from higher demand and significant growth in housing prices in Moscow and St. Petersburg.

Gross profit **increased** year-on-year in 2020 thanks to the company's balanced pricing policy and consistent efforts to increase its business efficiency. **The gross profit margin** in 2020 grew by 4 p.p. to 28% compared to 24% in 2019 due to a 21% year-on-year increase in the average sale price of real estate in 2020.

Pre-PPA EBITDA **grew** year-on-year in 2020 on the back of higher revenue and optimisation of administrative and commercial expenses in line with the company's strategic goals.

Net profit **increased** year-on-year in 2020 as a result of EBITDA growth and a lower effective tax rate due to a simplified organisational structure and reduction in the share of non-deductible expenditures.

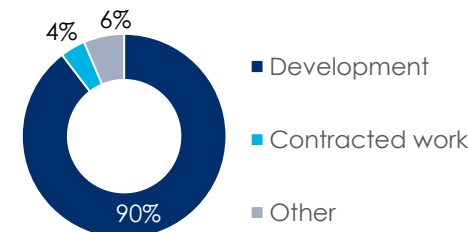
Net corporate debt **declined** as of year-end 2020 as a result of lower gross debt. At the same time, the net debt to Pre-PPA EBITDA ratio remained at the comfortable level of 1.2x. **Net debt taking into account funds in escrow accounts amounted to RUB 1 bln.**

Key highlights Etalon Group entered into a mediation agreement with the government of Moscow on the ZIL-Yug project, according to which **100% ownership of the rights to the project were assigned to Etalon Group in 2020**. The agreement allows the company **to begin construction and launch sales in the near future** and stipulates payments in instalments through 2024 with the majority of payment due in the last two years.

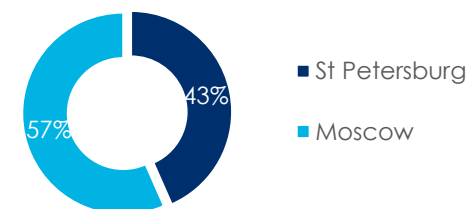
In 4Q 2020 Etalon Group launched sales of the Schastye na Sokole project and **delivered 347 thsd sq m of NSA** at five projects in Moscow and St. Petersburg.

In March 2021 Etalon Group's EGM passed a resolution authorising the Board of Directors to consider an increase in share capital for a potential share offering. In the event that the Board approves an offering, the proceeds will be used to **accelerate the pace of the investment programme and expansion of the business**.

Revenue by segment 2020



Development revenue by region 2020



¹ EBITDA before purchase price allocation (PPA).

² Net corporate debt does not include financing and funds in escrow accounts.

ETALON GROUP: RECORD OPERATING RESULTS IN 2020 DESPITE SLOWDOWN IN 1H 2020 DUE TO COVID-19



Cash collections

RUB 82 bln

New sales
thsd sq m

-2.8%

New sales
RUB bln

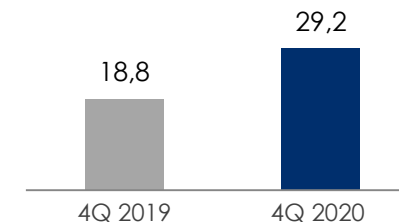
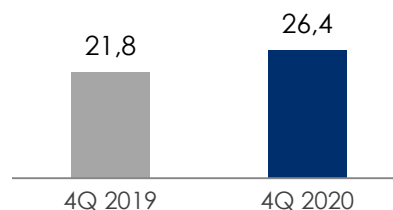
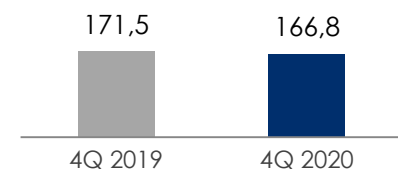
+21.2%

Cash collections
RUB bln

+55.4%

Asset value¹

RUB 204 bln



Deliveries

540 thsd sqm

New sales
thsd sq m

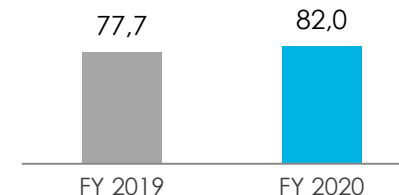
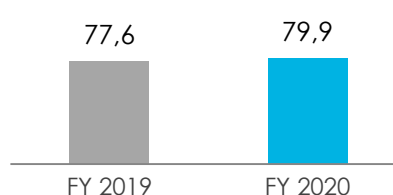
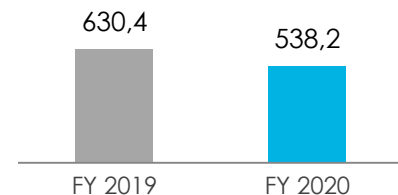
-6.6%

New sales
RUB bln

+3.0%

Cash collections
RUB bln

+5.5%



Average price growth²

+21%

- **The decline in new sales in sq m terms** was due to the implementation of the company's pricing policy aimed at maximising sales in monetary terms and increasing profit margins of the business.
- **Sales** in monetary terms for 2020 exceeded the company's ambitious forecast thanks to recovery in demand in 2H 2020 and consistent increases in sales prices.
- **Record volume of cash collections** was due to the high level of average down payments driven by the state mortgage support programme and significant share of business class projects in the portfolio, where buyers typically pay 100% at time of purchase.

¹ Overall value of the company's assets as of 31 December 2020 according to Colliers International

² Growth in average prices for 2020 year-on-year across all types of real estate

SEGEZHA GROUP: STRONG FINANCIAL PERFORMANCE AND PROFITABILITY



RUB bln	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	18,8	14,8	27,5%	69,0	58,5	17,9%
OIBDA	6,2	3,9	59,5%	17,5	14,0	24,8%
OIBDA margin	32,8%	26,2%	6,6 p.p.	25,3%	23,9%	(5,9 p.p.)
Adj. net profit / (loss)	4,1	0,8	397,1%	(1,3)	5,0	n/a
Net debt	49,2	39,4	24,9%	49,2	39,4	24,9%
Capex	2,2	2,1	6,0%	11,7	6,3	84,5%
FX-denominated rev., %	70,8%	73,9%	(3,1) p.p.	72,0%	73,1%	(1,1) p.p.
Own consumption, %	86,6%	65,7%	20,9 p.p.	80,2%	69,5%	10,7 p.p.
Total forestry, thsd cu m	1 284,2	1 205,7	6,5%	5 376,3	4 908,8	9,5%

Revenue

increased significantly in 4Q 2020 mainly due to growth in sales volumes of paper packaging and higher prices for paper packaging, sawn timber and plywood amid the construction industry's recovery. Revenue growth in FY 2020 was due to an increase in sales volumes of paper packaging and sawn timber, as well as an increase in prices for plywood and sawn timber. Export revenue dynamics were significantly impacted by the growth of the average FX rate year-on-year: EUR advanced by 14% against the RUB and the USD advanced by 11% against the RUB in 2020 (4Q advances for the EUR and USD were 29% and 20%, respectively).

OIBDA

in 4Q 2020 grew by 59.5% year-on-year as a result of growing revenues, modest production cost increases and a weakened rouble. **In 2020, OIBDA increased by 24.8%** year-on-year due to the prices of plywood and sawn timber rising despite increasing logistics costs and the majority of Segezha's products facing price pressure during the year.

Adj. net profit

in 4Q 2020 grew by 397% year-on-year due to OIBDA growth and FX rate changes that caused revaluation of foreign currency-denominated debt. **For the full year 2020**, Segezha recorded a net loss due to the revaluation of foreign currency debt. Excluding the effect of FX rate changes, net profit grew by **170%** year-on-year.

CAPEX

in 4Q 2020 amounted to RUB 2.2 bln, investments were focused on the construction of a CLT plant in Sokol, the purchase of logging equipment, the roll out of SAP S/4HANA, and modernisation of existing production and the purchase of converting lines.

Key highlights

In November 2020, Segezha installed a new **paper packaging production** line in the city of Segezha (Karelia), with the capacity to manufacture 87 mln paper sacks per year. The line uses a unique technology to digitally apply glue to packaging, which improves both the quality and speed of gluing as well as the environmental impact of the finished product.

In 4Q 2020, preparations began to install four new **consumer packaging** production lines in the city of Lobnya (Moscow region) with a combined manufacturing capacity of over 96 mln bags per year.

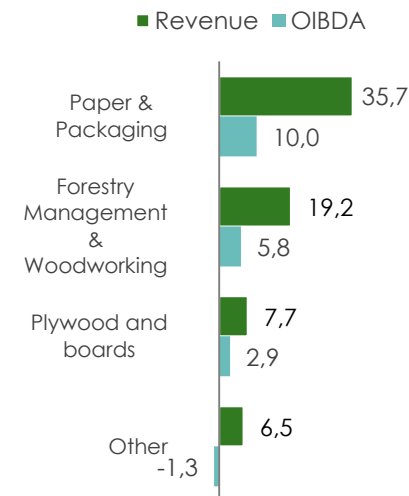
In February 2021, a new **CLT plant** with a capacity of **50,000 cu m** was launched at the Sokol plant in Vologda region. This represents the first major production facility manufacturing this modern material used in building construction in Russia.

In December, Segezha Group's Board of Directors approved a new **labour protection and industrial safety strategy, as well as a new environmental strategy** that aim to implement global best practices and standards in these areas.

Segezha Group **became a member of the UN Global Compact**, which brings together over 16,000 organisations hailing from over 160 different countries, whose strategies meet certain ESG criteria.

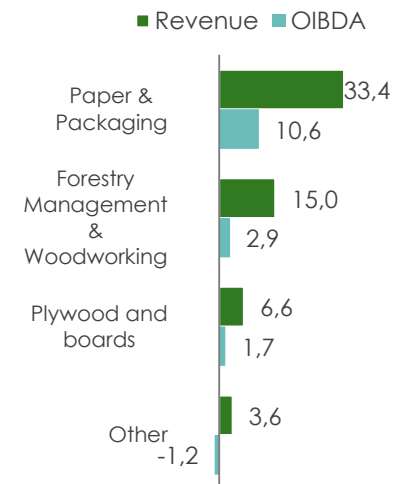
Revenue and OIBDA

by segment in 2020, RUB bln



Revenue and OIBDA

by segment in 2019, RUB bln



SEGEZHA GROUP: GROWTH IN SALES OF KEY PRODUCTS



Trends across key segments

Sack paper

In 2020, Segezha Group's paper production increased by 3.6% year-on-year to 402.0 thsd tonnes, mainly due to measures taken to improve efficiency. Paper sales volumes increased by 13.8% to 289.1 thsd tonnes following the growth in production volumes and due to sales of inventoried product. Additional volume was sold to both existing customers as well as to new customers in China, India, Chile, Argentina and other markets.

Paper sacks

In 2020, the sales volume increased by 5.1% year-on-year to 1,300.8 mln units due to increasing volumes sold by Segezha's European and Russian converting enterprises. In Russia, sales growth was mainly due to a shortage of imported products that made it possible to increase shipment prices. In Europe, growth was driven by increased demand, predominantly in the construction industry. Production volume increased by 2.3% year-on-year to 1,290.8 mln units in line with sales growth.

Plywood

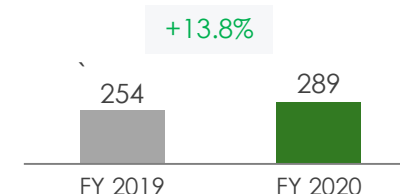
In 2020, birch plywood production amounted to 192.0 thsd cu m, maintaining its 2019 level. Sales volume in 2020 increased by 1.9% year-on-year to 185.6 thsd cu m. The company managed to increase its revenue from plywood sales due to higher prices, an increased share of high-margin products, and an increase in sales volumes.

Sawn timber

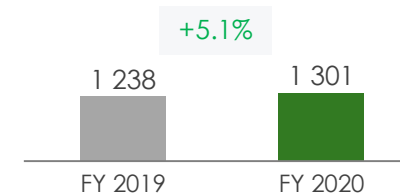
In 2020, sawn timber production grew by 17.5% year-on-year to 1,191.5 thsd cu m due to the acquisition of Karelian Wood Company LLC, a logging and woodworking enterprise, in early 2020 as well as an increase in production volumes of existing enterprises. Output was also significantly impacted by the reallocation of production capacity at the Sokol PPM from glulam products to sawn timber, due to the commissioning of a new splicing line that replaces an old line, which will increase the glulam production capacity of the Sokol PPM by 20%. Sawn timber sales volume in 2020 increased by 21.1% to 1,217.3 thsd cu m following an increase in production.

Sales

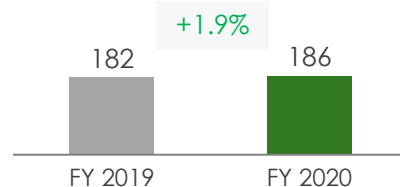
Sack paper¹, thsd tonnes



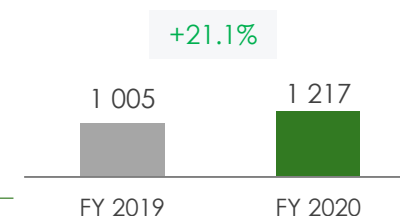
Paper sacks², mln units



Plywood, thsd cu m



Sawn timber, thsd cu m



¹ Apx. 29.1% of paper produced was supplied to Segezha Group's own converting facilities to produce paper packaging

² Including 67.6 mln consumer paper bags for FY 2020

STEPPE: RECORD REVENUE AND OIBDA DRIVEN BY INCREASED OPERATIONAL EFFICIENCY



RUB bln ¹	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	10,5	9,4	12,2%	32,8	28,5	15,2%
OIBDA ²	4,4	0,4	1010,1%	9,7	4,1	136,3%
OIBDA margin	42,0%	4,2%	37,8 p.p.	29,5%	14,4%	15,1 p.p.
Net profit / (loss)	2,3	(1,3)	n/a	3,9	(0,6)	n/a
Net debt	25,4	21,1	20,5%	25,4	21,1	20,5%
Capex	0,7	0,7	(6,8%)	2,5	1,9	30,6%
Actual OIBDA excl. AGK Yuzhny ³	4,4	0,6	606,0%	9,3	4,2	122,5%

Revenue

in 2020 increased by 15.2% year-on-year primarily as a result of:

- increased revenue in the Field Crops and Agrot trading segments driven by an effective sales strategy and higher grain prices;
- positive dynamics in the Dairy Farming segment thanks to an increase in the size of the high-yielding dairy herd as well as higher productivity;
- increased revenue from the Sugar and Grocery Products Trading segment.

OIBDA

in 2020 increased by 136.3% year-on-year primarily due to:

- increased operational efficiency at new land assets, implementation of an effective trading strategy and growth of sales prices for Steppe's own agricultural products;
- increased profitability in the Agrot trading segment and positive international trading dynamics;
- growth of production volumes in the Dairy Farming segment;
- successful implementation of the time arbitrage strategy in the Sugar and Grocery Products Trading segment;
- logistics optimisation.

in 4Q 2020 increased due to effective execution of agricultural product sales transactions, growth of sales volumes for high-margin niche crops and an increase in global prices for agricultural products.

Net profit

increased in 2020 and in 4Q 2020 following OIBDA dynamics.

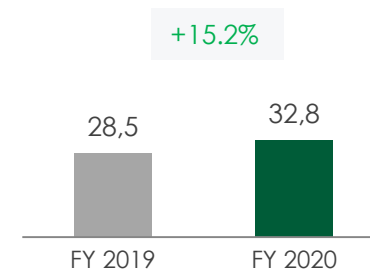
CAPEX

in 2020 **totalled** RUB 2.5 billion. The bulk of capital expenditure was allocated to upgrading agricultural machinery and infrastructure development, construction and modernisation of dairy farms, and acquisition of land plots.

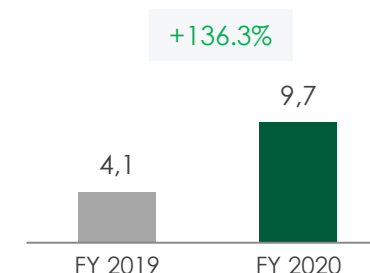
Net debt

in 2020 **increased** year-on-year due to the acquisition of assets in 1H 2020 and implementation of the capex programme.

Revenue, RUB bln



OIBDA, RUB bln



¹ RZ Agro is accounted for in Agroholding Steppe's IFRS financial statements as an investment in a joint venture

² Agroholding Steppe's OIBDA including OIBDA of AGK Yuzhny during period of ownership by Agroholding Steppe through May 2020, when AGK Yuzhny was divested from the Group

³ Agroholding Steppe's actual OIBDA excluding AGK Yuzhny due to its divestiture in May 2020.

STEPPE: GROWTH OF SALES PRICES AND FOCUS ON STRENGTHENING OPERATIONAL EFFICIENCY



Trends in key segments

Field crops
Land bank

565 thsd hectares

Steppe's gross harvest in 2020 totalled 1,253 thousand tonnes. Thanks to intelligent deployment of agricultural technologies amid challenging weather conditions, harvest volumes remained high.

Orchards
Orchard area

780 hectares

The average export price of wheat in the first half of the grain year increased by 25% year-on-year.

Dairy farming
Dairy cows

6,700 cows

Operating performance in the Dairy Farming segment **demonstrated solid growth**: gross milk yield in 4Q 2020 totalled 19 thousand tonnes (+17.1% year-on-year), while the dairy herd totalled 6,687 head of cattle as of the end of the reporting period. Average daily milk production per cow was 31 kg in 2020.

Agrotrading
Sales volumes

1,200 thsd tonnes

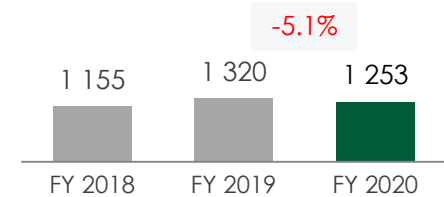
Sales volumes in the Agrotrading segment in 2020 totalled **1,200 thousand tonnes**. An effective trading strategy aimed at increasing operational efficiency, as well as positive dynamics in the international segment, drove the increase in OIBDA for the segment.

Sugar & Grocery
Product Trading
Sales volumes

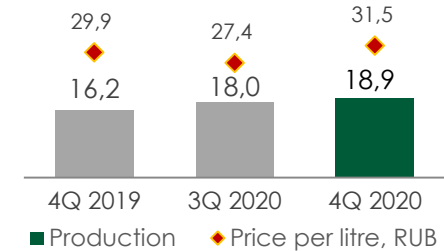
330 thsd tonnes

Sales volumes in the Sugar and Grocery Product Trading segment in 2020 totalled **330 thousand tonnes**, with high-margin transactions as part of the time arbitrage trading strategy supporting OIBDA growth for the segment.

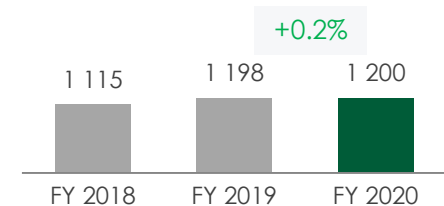
Gross harvest, thsd tonnes



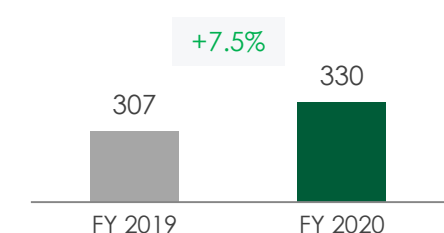
Milk production, thsd tonnes



Sales volumes, thsd tonnes



Sales volumes, thsd tonnes

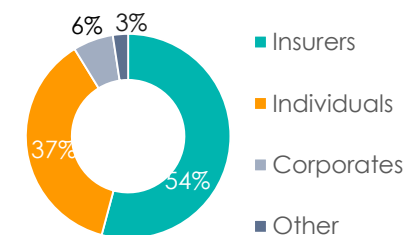


MEDSI: SUSTAINED GROWTH OF FINANCIAL RESULTS



RUB bln	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	7,8	6,2	25,0%	25,0	22,3	12,2%
Adj. OIBDA ¹	2,8	1,9	47,9%	6,9	5,9	16,4%
Adj. OIBDA margin ¹	35,7%	30,1%	5,5 p.p.	27,5%	26,5%	1,0 p.p.
Adj. net profit ¹	1,8	1,0	83,7%	3,5	2,9	18,6%
Net debt ²	3,2	3,4	(3,8%)	3,2	3,4	(3,8%)
Capex ³	1,8	1,4	29,2%	5,5	4,3	27,2%
Patient visits, thsd	2 465	2 572	(4,1%)	7 862	9 593	(18,0%)
Services provided, thsd	4 433	4 594	(3,5%)	13 932	17 334	(19,6%)
Average ticket, thsd RUB	3,2	2,4	29,9%	3,2	2,3	36,9%

Revenue by client type, 4Q 2020



Revenue

increased in 4Q 2020 year-on-year driven by deferred demand for medical services that had built up as a result of COVID-19 restrictions imposed in 2Q 2020, as well as resumption of routine medical care services, the repurposing of the Otradnoe hospital as an in-patient infectious diseases unit, and also increased demand for COVID-19 testing and development of home care and telemedicine. Revenue growth in 2020 year-on-year was supported by significant growth in the average cheque as a result of provision of COVID-19 diagnosis and treatment services, as well as expansion of the out-patient network in Moscow and the acquisition of the Izhevsk clinic.

Adjusted OIBDA

significantly increased in 4Q 2020 and FY 2020 year-on-year on the back of revenue growth and due to participation in LLC Project Michurinsky, a JV with Capital Group to construct the Nebo residential complex on Michurinsky Prospect (OIBDA contribution of RUB 1.6 billion in 2020 compared to RUB 1.1 billion in 2019). The net debt/adjusted OIBDA LTM ratio remained at a comfortable level of 0.47x. **Adjusted net profit** increased in 4Q 2020 year-on-year driven by adjusted OIBDA dynamics.

Key highlights

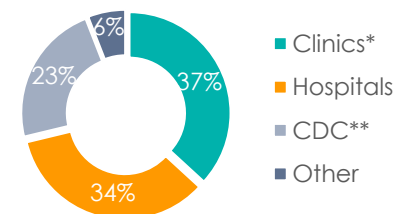
A project is being developed to **centralise laboratory work** and replace outsourcing.

Construction is nearing completion of the **multifunctional medical centre on Michurinsky prospect with total space of more than 34 thsd sq m**. Launch is planned for 2H 2021. The medical centre will include a CDC for children and adults, a daytime in-patient clinic, and a 24-hour in-patient clinic with a high-tech surgery centre.

In October 2020 the **Maryino CDC opened** with 4,400 sq m of space and a **Smart500 neighbourhood clinic** on ulitsa Aviatzionnaya in Moscow.

Downloads of the **SmartMed** telemedicine app and usage of the service are actively growing. The share of appointments made using the app has reached 35-40% of the total. In 2020 the number of telemedicine consultations increased more than 10x year-on-year.

Revenue by assets, 4Q 2020



* Primary care clinics

** Clinical-diagnostic centres

¹ Adjusted for allocations related to the LTI programme and the effect of the acquisition of the Izhevsk clinic

² Including loan from LLC Project Michurinsky of RUB 4.0 billion

³ Capex excluding M&A

MEDSI: GROWTH OF AVERAGE CHEQUE DUE TO COVID-19 DIAGNOSTICS AND TREATMENT



Number of facilities¹

49

Number of patient visits²

2.5 mln

Number of doctors

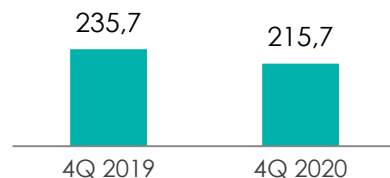
3,500

Capacity²

5 mln visits

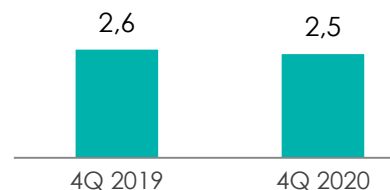
Floor space
thsd sq m

-8.4%



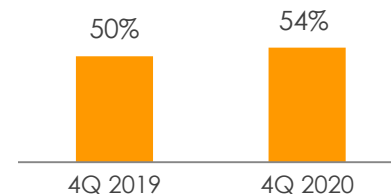
Patient visits
mln

-4.1%



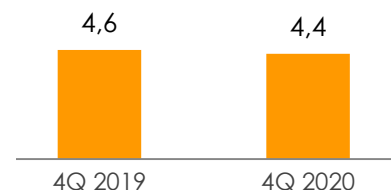
Utilisation, clinics³
%

+4 p.p.



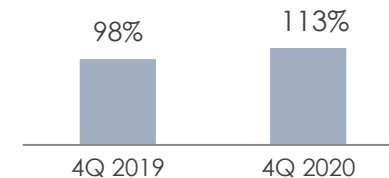
Services provided
mln

-3.5%



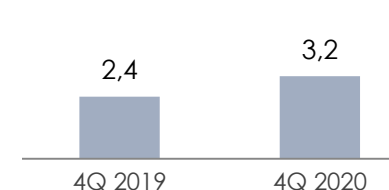
Utilisation, hospitals⁴
%

+15 p.p.



Average cheque
RUB thsd

+29.9%



- **Utilisation growth** was due to deferred demand and restoration of previous activity levels for routine services amid additional revenue from COVID-19 diagnostics and treatment.
- **The decrease in floor space** resulted from the non-core assets optimisation programme.
- **Growth of the average cheque** was driven by growth in the share of cost-intensive services for COVID-19 diagnostics (CT scans) as well as the higher average cheque for COVID-19 treatment at the Otradnoe hospital.

¹ Metrics in the table and elsewhere are shown as of 31 December 2020.

² Metrics are for 4Q 2020, with capacity calculated as the total number of possible outpatient visits at Medsi facilities and visits as the actual number of patient visits for the period.

³ Out-patient facilities in Moscow.

⁴ Utilisation accounts for multiple use of one in-patient bed at daytime in-patient facilities

BINNOPHARM GROUP¹: SIGNIFICANT GROWTH IN FINANCIAL PERFORMANCE AND DECREASED LEVERAGE



RUB bln	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	6,6	4,9	35,2%	21,4	16,4	30,1%
OIBDA	2,2	1,2	81,9%	5,5	3,9	38,6%
OIBDA margin	33,4%	23,8%	9,6 p.p.	25,5%	22,9%	2,7 p.p.
Net profit	0,8	0,4	113,2%	1,8	1,4	28,8%
Net debt	9,3	10,6	(12,6%)	9,3	10,6	(12,6%)

Revenue

in 4Q **grew by 35.2%** year-on-year as a result of significant growth in the hospital segment (+2.5x year-on-year), including strong sales of antibiotics and drugs used to treat COVID-19. Exports grew by 7%, with the biggest markets being Uzbekistan, Kazakhstan and Azerbaijan. In FY 2020 **sales growth was 30.1%**, also driven by strong demand for pharmaceutical products to treat COVID-19.

OIBDA

in 4Q 2020 **increased significantly** year-on-year on the back of revenue growth as well as strict control of commercial and administrative expenses and purchase prices of imported active pharmaceutical ingredients. The same trends were observed throughout the year, resulting in FY 2020 **OIBDA growth of 38.6%**.

Net income

in 4Q 2020 **increased by 113.2%**, and by **28.8% in FY 2020**, primarily driven by OIBDA growth.

Net debt

as of year-end 2020 **declined year-on-year** on the back of positive cash flow from operating activities and as a result of efficient management of working capital.

Production volumes of pharma products

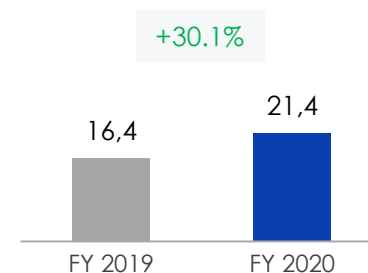
in 2020 **grew by 3.8% year-on-year** as a result of heightened demand for antibiotics and other drugs to treat COVID-19.

Key highlights

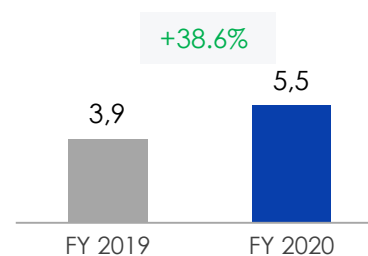
In February 2021 Sistema and VTB Group contributed their 56.2% stake in OJSC Sintez to the equity of Binnopharm Group. Concurrently, Sistema, VTB Group and an investor consortium consisting of the Russia-China Investment Fund and leading Mideast funds contributed an 85.6% stake in JSC Alium to the equity of Binnopharm Group. As a result, Sistema's effective stake in Binnopharm Group, together with VTB, is 79%.

In March 2021 Sistema acquired 32.4% of OJSC Sintez from JSC National Immunobiological Company, which is controlled by Rostec. Binnopharm Group owns a 56.2% stake in OJSC Sintez.

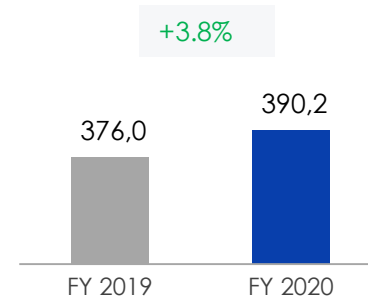
Revenue, RUB bln



OIBDA, RUB bln



Production volumes of pharmaceutical products mln units



¹Financial results of Binnopharm Group are presented to reflect the combination of the financial results of JSC Alium and JSC Sintez based on management accounts. Financial results of Binnopharm Group are not consolidated in the financial statement of Sistema PJSC. The data shows 100% net profit

POWER GRID NETWORK (BPGC) AND RENTAL ASSETS (BUSINESS NEDVIZHIMOST)



BPGC

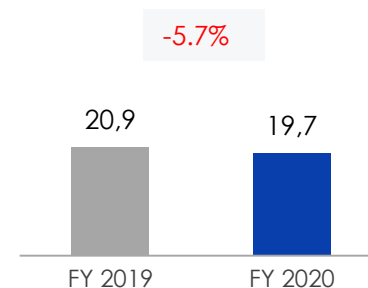
RUB bln	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	5,1	6,0	(15,9%)	19,7	20,9	(5,7%)
OIBDA	0,7	1,7	(57,3%)	4,4	6,2	(29,4%)
OIBDA margin	14,3%	28,2%	(13,9) p.p.	22,2%	29,6%	(7,4) p.p.
Net profit	0,0	0,7	(97,4%)	1,2	2,7	(56,5%)
Capex	1,0	1,1	(13,8%)	3,4	3,6	(4,9%)

Revenue declined in 4Q 2020 year-on-year as a result of a decrease in power supply volumes and net supply of electricity due to usage reductions in the oil sector on the back of the OPEC+ agreement, and also due to a slowdown in economic activity in the region amid the pandemic. **The revenue decline in FY 2020** was driven by these same factors.

OIBDA declined in 4Q 2020 year-on-year following revenue, and also due to cost growth, including payments for Federal Grid Company (FGC) services, wage indexation, and repair expenses. The decrease was also significantly affected by creation of provisions for accounts receivable following non-payment by a number of counterparties. The decline in **OIBDA in 2020** year-on-year was affected by negative revenue dynamics amidst cost growth. A positive factor impacting OIBDA was a reduction in expenditures from technical losses.

Net profit decreased in 4Q 2020 year-on-year on the back of the OIBDA decline and reduction in finance income. The **decline in net profit in 2020** was primarily driven by OIBDA dynamics, and also by growth in amortisation expenses and reduction in finance income.

Revenue, RUB bln



Business Nedvizhimost



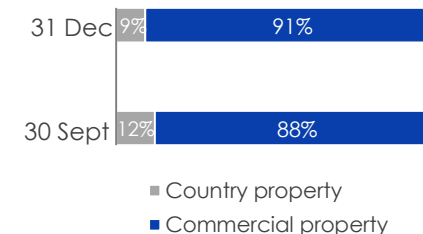
RUB bln	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	2,2	2,3	(3,9%)	6,3	7,1	(11,4%)
Adj. OIBDA	1,1	1,0	5,2%	2,4	4,5	(46,1%)
Adj. OIBDA margin	50,7%	46,3%	4,4 p.p.	38,5%	63,3%	(24,8) p.p.
Net profit	0,6	1,1	(42,9%)	1,4	3,3	(58,7%)
Net debt	2,7	1,1	135,5%	2,7	1,1	135,5%

Revenue in Q4 and FY 2020 declined year-on-year as a result of completion of the commercial real estate sales programme in 2019.

Adj. OIBDA and the OIBDA margin declined year-on-year in 2020 predominantly due to a change in revenue structure in favour of lower-margin rental revenue. **Adj. OIBDA** in 2020 was also impacted on a year-on-year basis by the sale of non-core assets in Q2 2019.

Key highlights As part of the **Territoria project**, 20 flexible offices are planned to open at the ATS buildings acquired from MGTS, for a total of approximately 8,000 individual workplaces. **Territoria** will become the first chain of co-working spaces with locations not only in Moscow's city centre but also in densely populated residential districts outside the centre, allowing companies to select an ideal location for their business. The first **Territoria** co-working space opened in November 2020.

Portfolio of assets under ownership, 2020

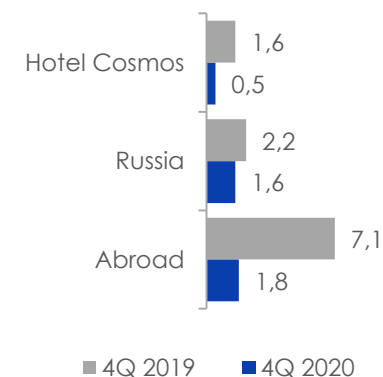


HOSPITALITY ASSETS¹ (COSMOS HOTEL GROUP)



RUB bln	4Q 2020	4Q 2019	YoY	12M 2020	12M 2019	YoY
Revenue	0,6	1,2	(49,3%)	2,5	5,0	(50,0%)
Adj. OIBDA ²	(0,2)	0,2	n/a	(0,1)	1,3	n/a
Adj. OIBDA margin ²	(31,4%)	15,0%	(46,3) p.p.	(3,4%)	24,9%	(28,2) p.p.
Adj. net loss ³	(0,5)	(0,1)	n/a	(1,2)	(0,2)	n/a
Net debt	4,1	3,5	18,2%	4,1	3,5	18,2%
Room capacity	4 162	4 132	0,7%	4 162	4 132	0,7%

RevPar⁴, RUB thsd



Revenue

significantly decreased in 2020 year-on-year due to a sharp drop in occupancy caused by the COVID-19 pandemic: at the peak of the pandemic, most hotels closed their doors. Following the partial lifting of restrictions in 3Q and 4Q 2020, the significant decline in tourist flows continued to negatively impact the business.

Adj. OIBDA

decreased in 2020 on the back of the drop in revenue, despite that the hotels maintained an austerity regime in order to minimise losses during the pandemic.

Adj. Net loss

Adj. net loss for the period was the result of negative OIBDA dynamics.

Key indicators

The share of revenue accounted for by hotels outside Russia in 4Q 2020 was 18.8% (versus 16.0% in 4Q 2019); for the full year this figure was in line with the prior year (22.9% versus 24.1% in 2019)

ADR⁵ for the Group's hotel portfolio in 4Q 2020 declined by 25.6% year-on-year and stood at RUB 2,500. For 2020, ADR was RUB 3,600, in line with 2019 primarily as a result of hotels outside Russia (with the average EUR exchange rate rising 29%).

RevPAR⁴ of the hotel portfolio declined year-on-year from RUB 2,200 to RUB 1,100 in 4Q 2020 and from RUB 2,400 in 2019 to RUB 1,300 in 2020, reflecting the dramatic decline in occupancy.

Average occupancy dropped by 19 p.p. to 44% on account of the substantial decline in demand for hotel services and the partial maintenance of restrictions on hotel and restaurant operations in 4Q 2020. For the FY 2020 occupancy stood at 36% a 30 p.p. decline versus 2019.

¹ Based on management accounts

² Presented without accounting for impairment of fixed assets (RUB 1.1 billion) in 2Q 2020.

³ Adjusted net loss is presented without provision for deferred tax asset (RUB 0.4 billion) in 4Q 2020 and impairment of fixed assets (RUB 1.1 billion) in 2Q 2020.

⁴ Revenue per available room per day

⁵ Average daily rate



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