MOBILE TELESYSTEMS PJSC
Form 6-K
February 19, 2019

FORM 6-K

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer
February 19, 2019

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

Commission file number: 333-12032

Mobile TeleSystems PJSC

(Exact name of Registrant as specified in its charter)

Russian Federation

(Jurisdiction of incorporation or organization)

4, Marksistskaya Street
Moscow 109147
Russian Federation

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F x Form 40-F o

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No x

MTS Agrees To Sell Its Stake In OZON

February 19, 2019

Moscow, Russian Federation PJSC MTS (NYSE: MBT, MOEX: MTSS), the leading telecommunications operator and digital service provider in Russia, announces that the Company has reached an agreement with Sistema PJSFC (LSE: SSA, MOEX: AFKS), a publicly traded diversified Russian holding company, to sell its 18.69% stake in Ozon Holdings Limited (OZON) for RUB 7.9 bln.

Under the terms of the agreements, the shares will be transferred to Sistema PJSFC through MTS s wholly-owned subsidiary Dega Retail Holding Limited.

MTS became the shareholder of OZON in April 2014 through acquisition of 10.8% shares for RUB 2.7 bln. Then MTS increased its stake to 18.69% throughout a number of transactions with minority shareholders and additional share issuance. In total, MTS invested RUB 5.9 bln in Ozon since 2014.

Alexander Gorbunov, Vice President, Strategy and Development, MTS, commented:

We are happy with the results of our cooperation with OZON, both in terms of insights and experience gained, as well as its financial performance as an investment. The current shareholder structure of OZON limits MTS s ability to increase its share to a controlling stake in the near future, hindering any further integration of OZON services into the MTS ecosystem.

That said, we remain committed to further development of our e-commerce capabilities, and see substantial growth potential in the market. We focus on developing assets that allow us to achieve maximum synergies through convergence with MTS products and services, and to create cross-selling opportunities. We see great potential in the on-going integration of our ticket operators Ticketland.ru and Ponominalu; we continue to increase sales through our MTS online store; and hope to realize substantial synergies from our investments in YouDo, where MTS holds a 13.7% stake.

Independent valuation of the subject equity interest in Ozon was carried out by KPMG.

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For further information, please contact in Moscow:

Investor Relations Department

Mobile TeleSystems PJSC

Tel: +7 495 223 2025

E-mail: ir@mts.ru

Learn more about MTS. Visit the official blog of the Investor Relations Department at www.ir.mts.ru/ir-blog

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Mobile TeleSystems PJSC (MTS - NYSE:MBT; MOEX:MTSS), the leading telecommunications group in Russia and the CIS, provides a range of mobile, fixed-line and digital services. We serve over 100 million mobile subscribers in Russia, Ukraine, Armenia, and Belarus, and about 9 million customers of fixed-line services, including fixed voice, broadband internet, and pay-TV. To keep pace with evolving customer

demand, MTS is redefining what telecommunications services are by offering innovative products beyond its core network-related businesses in various tech segments, including Big Data, financial and banking services, internet of things, OTT, cloud computing, systems integration and e-commerce. We leverage our market-leading retail network as a platform for customer services and sales of devices and accessories. MTS maintains its leadership in the Russian mobile market in terms of revenue and profitability. MTS is majority-owned by Sistema PJSFC. Since 2000, MTS shares have been listed on the New York Stock Exchange and since 2003 - on the Moscow Exchange. For more information, please visit: www.ir.mts.ru.

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Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of MTS, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify forward looking statements by terms such as expect, believe, anticipate, estimate, intend, will, c or might, and the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not undertake or intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. We refer you to the documents MTS files from time to time with the U.S. Securities and Exchange Commission, specifically the Company s most recent Form 20-F. These documents contain and identify important factors, including those contained in the section captioned Risk Factors that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the severity and duration of current economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; the impact of Russian, U.S. and other foreign government programs to restore liquidity and stimulate national and global economies, our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so, strategic actions, including acquisitions and dispositions and our success in integrating acquired businesses, potential fluctuations in quarterly results, our competitive environment, dependence on new service development and tariff structures, rapid technological and market change, acquisition strategy, risks associated with telecommunications infrastructure, governmental regulation of the telecommunications industries and other risks associated with operating in Russia and the CIS, volatility of stock price, financial risk management and future growth subject to risks.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MOBILE TELESYSTEMS PJSC

By:	/s/ Alexey Kornya	
	Name:	Alexey Kornya
	Title:	CEO

Date: **February 19, 2019**