



Contacts

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Public Joint-Stock Company MegaFon

Short name:

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Company Registrar:

CJSC Computershare Registrar

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Glossary

- 4G/LTE** fourth generation of wireless technology which provides greater access to data and services through enhanced download and upload speeds and enhanced use of spectrum.
- ARPDU**
(Average Monthly Revenue Per Data Services User) is calculated for a given period by dividing the Company's data services revenues for a given period by the average number of its data services users during that period, and further dividing the result by the number of months in that period.
- Big Data** represents the information assets characterized by such a high volume, velocity and variety to require specific technology and analytical methods for its transformation into value.
- Capital Expenditures**
(CAPEX) comprises the cost of purchases of new equipment, new construction, acquisition of new or upgrades to software, acquisition of spectrum and other intangible assets, and purchases of other long-term assets, together with related costs incurred prior to the intended use of the applicable assets, all accounted for as of the earliest time of payment or delivery. Long-term assets obtained through business combinations are not included in the calculation of capital expenditures.
- Data Services User** is defined as a subscriber who has consumed any amount of data traffic within preceding month.
- DSU**
(Monthly Average Data Services Usage per User) is calculated by dividing the total number of megabytes transferred by our network during a given period by the average number of data services users during such period and dividing the result by the number of months in such period.
- Free Cash Flow**
(FCF) means cash from operating activities, less cash paid for purchases of property, plant and equipment and intangible assets, increased by proceeds from sales of property, plant and equipment and interest paid. It is a financial measure which should be considered as supplementary but not as an alternative to the information provided in the Company's financial statements. This metric measures the Company's ability to generate cash after accruals required to maintain and expand the Company's assets.
- Machine-to-Machine**
(M2M) refers to technologies that allow both wireless and wired systems to communicate with other devices of the same type.
- IoT**
(Internet of Things) refers to interconnection via the Internet of computing devices embedded in everyday objects, enabling them to send and receive data.
- Net cash/Net debt position** means the difference between (a) cash, cash equivalents, and principal amount of deposits and (b) principal amount of loans and borrowings less unamortised debt issuance fees. It is a financial measure which should be considered as supplementary but not as an alternative to the information provided in the Company's financial statements. The Company believes that this metric provides useful information as to the liquidity position of the Company after debt repayments.
- Net Profit** is profit for the period attributable to equity holders of the Company.
- OIBDA**
(Operating Income Before Depreciation and Amortisation) is a financial measure which should be considered as supplementary, but not as an alternative to the information provided in the financial statements of the Company. OIBDA margin means OIBDA as a percentage of revenue. The Company believes that OIBDA provides a better measure of the Company's actual operational results including our ability to finance capital expenditures, acquisitions and other investments and our ability to incur and service debt. While it does not take into account depreciation of property and equipment, amortisation of intangible assets and gain/(loss) from disposal of non-current assets, which are considered as operating expenses in IFRS, these expenses primarily represent non-cash charges related to long-lived assets acquired or constructed in prior periods. OIBDA is widely used by investors, analysts and rating agencies as a measure to evaluate and compare current and future operating performance and to determine the value of companies within the telecommunications industry.
- Adjusted OIBDA** is OIBDA net of impairment charge.
- Wireless Subscriber** is defined as each SIM card that is activated in our billing system or has had at least one chargeable traffic event (that is, use of voice, VAS or data transfer services) within the preceding three months, whether chargeable to the subscriber or to a third party (for example, interconnection charges payable by other operators). Where an individual person holds more than one SIM card, each SIM card is included as a separate subscriber.



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