



## Seventh consecutive quarter of growth in average daily revenue and 4G subscribers; Annual revenue grows for first time since merger

### Highlights for the Quarter

- Average Daily Revenue up 1.4% QoQ with revenue at Rs. 105.3 billion
- 4G subscriber base increased to 122.6 million vs 121.6 million in Q3FY23
- EBITDA (pre IndAS116) improved to Rs. 20.7 billion, compared to Rs. 20 billion in Q3FY23
- Continued network capacity expansion supported by spectrum refarming and network upgrade
- Vi continued to offer best voice quality as per TRAI “MyCall” App data for 25 out of 29 months between November 2020 and March 2023

### Highlights for the Year

- Annual revenue improved by 9.5% from Rs. 385.2 billion in FY22 to Rs. 421.8 billion for the first time since merger; supported by tariff hikes, improving subscriber mix and 4G subscriber additions
- Annual EBITDA (pre IndAS116) increased from Rs. 66.8 billion to Rs. 83 billion registering strong growth of 24.1%; EBITDA margin (pre IndAS116) at 19.7%, highest post-merger
- Addition of 4.6 million 4G subscribers

### Financial Highlights

<b>Consolidated (Rs Mn)</b>	<b>Q3FY23</b>	<b>Q4FY23</b>
Revenue	106,206	105,319
EBITDA	41,808	42,103
<i>EBITDA%</i>	<i>39.4%</i>	<i>40.0%</i>
Depreciation & Amortisation	58,860	57,037
EBIT	(17,052)	(14,934)
Interest and Financing Cost (Net )	62,847	49,078
Exceptional Items	-	(224)
Share of Profit/(Loss) from JV & associates	2	-
PBT	(79,897)	(64,236)
<b>PAT</b>	<b>(79,900)</b>	<b>(64,189)</b>
Other Comprehensive Income (net of Tax)	20	51
<b>Total Comprehensive Income (Consolidated)</b>	<b>(79,880)</b>	<b>(64,138)</b>

**Akshaya Moondra, CEO, Vodafone Idea Limited**, said “We are pleased to report annual revenue growth for the first time post –merger on the back of consistently improving performance for last several quarters. Our annual revenue and EBITDA grew by 9.5% and 24.1% respectively compared to last financial year. We continue to see growth in ARPU and 4G subscribers. During the quarter, we have issued equity shares to the Government of India, against the loan representing the NPV of interest related to deferment of spectrum and AGR. We continue to remain engaged with our lenders for further debt fund raising as well as with other parties for equity or equity linked fund raising, to make required investments for network expansion, including 5G rollout.”



## **Financial highlights**

Revenue for the quarter stood at Rs. 105.3 billion. On a YoY basis, revenue grew by 2.9% aided by improvement in subscriber mix and 4G subscriber additions. On a reported basis, EBITDA for the quarter improved to Rs. 42.1 billion, up 0.7% and EBITDA margins were at 40%. EBITDA excluding IndAS116 impact, was up by 3.3% QoQ at Rs. 20.7 billion compared to Rs. 20 billion in Q3FY23, primarily due to lower network expenses and lower customer acquisition cost partially offset by the increase in roaming and access charges.

The annual revenue, for first time since merger, improved compared to last year. Revenue for the year grew by 9.5% from Rs. 385.2 billion to Rs. 421.8 billion supported by tariff hikes, improving subscriber mix and 4G subscriber additions. As a result, EBITDA for the year increased from Rs. 66.8 billion to Rs. 83 billion registering strong growth of 24.1%. EBITDA margin at 19.7% is the highest post-merger.

Capex spend for the quarter stood at Rs. 5.6 billion taking the capex spend for FY23 to Rs. 33.6 billion.

The total gross debt (excluding lease liabilities and including interest accrued but not due) as of Mar 31, 2023 stood at Rs. 2,092.6 billion vs Rs. 2,228.9 billion as of Dec 31, 2022 due to conversion of debt representing NPV of interest arising due to deferment of spectrum instalments and AGR dues into equity issued to Government of India. It comprises of deferred spectrum payment obligations of Rs. 1,307.1 billion and AGR liability of Rs. 655.5 billion that are due to the Government, debt from banks and financial institutions of Rs. 113.9 billion and Optionally Convertible Debentures amounting to Rs. 16.1 billion. With Cash & cash equivalents of Rs. 2.3 billion, the net debt stood at Rs. 2,090.3 billion.

## **Operational highlights**

We continue to focus on expanding our high speed broadband network coverage and capacity by rolling out new sites, upgrading our core and transmission network as well as by refarming 2G/3G spectrum to 4G. Our overall broadband site count stood at over 443,500 as of March 31, 2023 and during the quarter we added ~1900 4G sites. Till date, we have deployed ~74,800 TDD sites in addition to the deployment of ~13,800 Massive MIMO sites and ~13,100 small cells. Further, we continue to expand our LTE 900 presence in 14 circles at multiple locations, including through dynamic spectrum refarming, to improve customer experience. Our 4G network covers over 1 billion Indians (4G coverage is the population reached/covered by VIL with its 4G network).

Our relentless pursuit to offer better 4G experience to our customers is clearly visible through these network investment initiatives. We also have the highest rated voice quality in the country as per TRAI's "MyCall" App data for 25 out of 29 months between November 2020 and March 2023. Further, we are in discussion with various network vendors for finalisation of our 5G rollout strategy. Continuing with our efforts to develop the 5G ecosystem in the country, we partnered with leading OEMs Motorola and Xiaomi to test their extensive 5G smartphone portfolio on our network and with that we have now completed device testing of all major OEMs on our 5G network

ARPU improved to Rs. 135, up 9.3% YoY vs Rs. 124 in Q4FY22 primarily aided by migration of subscribers to higher ARPU plans. The 4G subscriber base continued to grow and with 1.1 million 4G customers addition in Q4, 4G subscriber base stood at 122.6 million. However, the overall subscriber base declined to 225.9 million vs 228.6 million



in Q3FY23. We continue to see high data usage per broadband customer at ~15.1 GB/month with the total data traffic for the quarter witnessing QoQ growth of 0.7%.

We continue to make progress on the marketing front by communicating key differentiators to consumers, entering into alliances and introducing various innovative products and services. With these initiatives, Vi won the award for best use of memes for marketing at the ET Brand Equity TRENDIES 2023. During the quarter, Vi was one of the buzziest brand during the first Women's Premiere League (WPL) 2023.

In line with our digital offering strategy, we continue to add to our array of content offerings, digital products and services through partnerships on Vi App. During the quarter, we launched an eSports platform in partnership with GamerJi, through which we are enabling the gaming enthusiasts, particularly, the youth to participate in eSports tournaments on popular titles like Free Fire Max, Call of Duty, Clash Royale, Asphalt 9, World Cricket Championship 3 and more. Adding eSports to gaming catalogue of Vi Games offering more than 1200 games to users is the natural progression towards making Vi App as the preferred destination for all gaming enthusiasts.

Vi Business continues to maintain strong positioning in IoT offerings which is an emerging segment. Vi Business has been chosen as the preferred partner of choice for SIP Trunk, Telecom Carrier (Mobile Access), Telecom Carrier (International Access), Managed Mobility Services and Cloud Telephony in CIO Choice 2023, on the basis of an extensive pan-India CIO referral voting process that spans across industry verticals. Vi Business Carrier services has been awarded with the A2P SMS Monetization of the Year Award (India) at Asian Telecom Awards 2023. Vi Business has been recognized for innovation and excellence in Customer Service and for Vi Business Hub, at Voice and Data Awards 2023. ReadyForNext campaign for MSME segment has been awarded at various platforms like e4m Indian Marketing Awards, ET BrandEquity DigiPlus Awards and Mint Marketing Awards.

### **Issuance of Equity shares to GoI**

In line with the Reforms and Support Package for Telecom Sector communicated on September 15, 2021, we had opted for the upfront conversion of interest arising due to deferment of spectrum instalments and AGR dues into equity. On February 3, 2023, Ministry of Communications, GoI has passed an order directing the Company to issue equity shares against the loan of Rs. 161.33 billion representing NPV of interest arising due to deferment. The Board of the Company has allotted 16.13 billion equity shares of the face value of Rs. 10 each at an issue price of Rs. 10 each. With this issuance, the Promoter shareholding stood at ~50% and GoI shareholding at ~33%.

### **About Vodafone Idea Ltd.**

Vodafone Idea Limited is an Aditya Birla Group and Vodafone Group partnership. It is amongst India's leading telecom service provider. The Company provides pan India Voice and Data services across 2G, 3G and 4G platforms. Company holds large spectrum portfolio including mid band 5G spectrum in 17 circles and mmWave 5G spectrum in 16 circles. To support the growing demand for data and voice, the Company is committed to deliver delightful customer experiences and contribute towards creating a truly 'Digital India' by enabling millions of citizens to connect and build a better tomorrow. The Company is developing infrastructure to introduce newer and smarter technologies, making both retail and enterprise customers future ready with innovative offerings, conveniently accessible through an ecosystem of digital channels as well as extensive on-ground presence. The Company's equity share are listed on National Stock Exchange (NSE) and the BSE in India.



**Vodafone Idea Limited (formerly Idea Cellular Limited)**

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