



Highest quarterly cash EBITDA since merger; Kickstarted network expansion Concluded mega \$3.6bn network equipment deal

Highlights for the Quarter

- Revenue for the quarter stood at Rs. 109.3 billion, a QoQ growth of 4%; Customer revenue growth of 5.6% (QoQ) supported by tariff hikes effective July 4, 2024
- Quarterly cash EBITDA (pre-Ind AS 116) of Rs. 23.2 billion grew by 10.5% on QoQ basis; highest quarterly cash EBITDA in last 6 years since merger
- Customer ARPU (ex M2M) for the quarter stood at Rs. 166 vs Rs. 154 in Q1FY25; QoQ growth of 7.8%
- Total subscriber base stood at 205 million and 4G subscriber base at 125.9 million
- Executed quick win capex, increased 4G data capacity by ~14%, 4G population coverage by ~22 million and 4G speed by 18%
- Capex spend for H1FY25 was Rs. 21.3 billion and expected capex for H2FY25 is Rs. 80 billion
- Concluded mega ~USD 3.6 billion deal for supply of network equipment over a period of 3 years with Nokia, Ericsson and Samsung; delivery and deployment commenced in October
- The debt from banks and financial institutions reduced to Rs. 32.5 billion as on September 30, 2024

Financial Highlights

| Consolidated (Rs Mn) | Q1FY25 | Q2FY25 |
|--|-----------------|-----------------|
| Revenue from Operations | 105,083 | 109,322 |
| EBITDA | 42,047 | 45,498 |
| EBITDA% | 40.0% | 41.6% |
| Depreciation & Amortisation | 53,691 | 54,040 |
| EBIT | (11,644) | (8,542) |
| Interest and Financing Cost (Net) | 52,623 | 63,136 |
| Share of Profit/(Loss) from JV & associates | 1 | (3) |
| PBT | (64,266) | (71,681) |
| PAT | (64,321) | (71,759) |
| Other Comprehensive Income (net of Tax) | (23) | (84) |
| Total Comprehensive Income (Consolidated) | (64,344) | (71,843) |

Akshaya Moondra, CEO, Vodafone Idea Limited, said “Post the successful capital raise, we kickstarted our 4G expansion drive on an accelerated trajectory. We expanded 4G data capacity by 14% and 4G population coverage by 22 million, and consequently our 4G speeds improved by 18%. In parallel, we worked on closure of long-term capex contracts and recently awarded capex deals worth USD 3.6 billion to three global partners Nokia, Ericsson and Samsung for the supply of network equipment over next 3 years. On the debt raise, we remain engaged with our lenders for tying up debt funding towards the execution of our network expansion with planned capex of Rs. 500 to 550 billion over next 3 years. The impact of recent tariff interventions can be seen in improved ARPUs and revenue for the quarter, though the full impact will be reflected over the next couple of quarters. Further tariff rationalization is needed for the industry to fully cover its cost of capital.”



Financial highlights

Revenue for the quarter was Rs. 109.3 billion, a QoQ improvement of 4%. The customer revenue increased by 5.6% vs last quarter aided by the recent tariff hikes undertaken by all private operators. On a reported basis, EBITDA for the quarter was Rs. 45.5 billion. Cash EBITDA excluding Ind AS 116 impact improved to Rs. 23.2 billion, highest since merger, growing by 10.5% QoQ.

Capex spend for Q2FY25 was Rs. 13.6 billion vs Rs. 7.6 billion in Q1FY25. The expected capex for H2FY25 is Rs. 80 billion.

The debt from banks and financial institutions reduced by Rs. 45.8 billion during the last one year (was at Rs. 78.3 billion in Q2FY24) and stood at Rs. 32.5 billion. The cash and bank balance was Rs. 136.2 billion as of September 30, 2024.

The payment obligations to the Government stood at Rs. 2,122.6 billion as of September 30, 2024 including deferred spectrum payment obligations of Rs. 1,419.4 billion and AGR liability of Rs. 703.2 billion.

Operational highlights

Immediately post the fund raise, we executed quick and impactful capex resulting in an increase of our 4G data capacity by ~14% and 4G population coverage by ~22 million reaching to 1.05 billion at the end of Sep'24 vs 1.03 billion in Mar'24.

During the quarter, we added ~42,000 4G sites, the largest ever addition in 4G sites in a quarter by the Company. We did significant network enhancement by deploying 4G on sub GHz 900 band across ~20,500 sites, including site expansion on recently acquired 900 MHz spectrum in some circles, offering superior indoor network experience as also increased coverage. We also added ~21,200 sites in the 1800 MHz and 2100 MHz bands mainly to increase the network capacity resulting in customers experiencing faster data speed on Vi GIGAnet network. We shut down ~19,700 3G sites and our overall broadband site count stood at ~439,600 as of September 30, 2024. Due to rapid shutting down of 3G sites across circles, 3G sites are present only in 8 circles as of September 30, 2024.

We have deployed ~74,750 TDD sites, ~13,950 Massive MIMO sites and ~13,250 small cells till date. Further, we expanded our LTE 900 presence to 16 circles out of 17 priority circles.

Post the conclusion of the mega deal with the three global equipment manufacturers in September, 2024, the delivery and deployment started in October, 2024. The 4G expansion is in progress and our target is to achieve 4G population coverage of 1.1 billion by March 2025 and 1.2 billion by September 2025. The rollout of 5G in key geographies will start in Q4FY25.

The subscriber base, including 4G subscriber, was impacted by the recent tariff hikes. The 4G subscriber base stood at 125.9 million at the end of Q2FY25 vs 126.7 million as of Q1FY25. However, in the postpaid segment, we have been able to increase our customer base on QoQ as well as YoY basis. While a larger part of this increase



is from M2M segment, we have seen consistent increase in retail postpaid customers over last one year, as we are providing optimum range of feature rich offerings to meet the diverse needs of postpaid customers.

We refreshed RED X Plan in postpaid at a monthly rental of Rs. 1,201 offering unlimited data for non-stop surfing, streaming, and connectivity in addition to complimentary offers like subscription to Netflix, Amazon Prime, Disney+Hostar, Sony Liv Premium, Sun NXT, EaseMyTrip benefits, airport lounge access, 7-day International Roaming pack, 3-month membership of SwiggyOne along with Priority customer service across all Vi touchpoints.

We are also witnessing good traction on 'Vi Movies & TV'. We have 18 OTT partners onboard including the likes of Disney+ Hotstar, SonyLiv, Zee5, SunNxt and a host of regional OTTs. We have our TV app for all TV OS including Google TV, Kaizen for Samsung TVs and Firestick. We have recently bundled Vi Movies & TV with some of our premium prepaid Unlimited packs and Vi Max Postpaid plans.

Customer ARPU (ex M2M) improved to Rs. 166 vs Rs. 154 in Q1FY25, up 7.8% on QoQ basis, driven by tariff hike.

In the recently concluded Indian Mobile Congress (IMC) 2024, our show themed 'Future is Live' highlighted how we are transforming the way businesses and people live, work, and connect with advanced technologies. We showcased Industry 4.0 solutions by integrating 5G, IoT, AI, and ML to connect human and non-human assets, digitise processes, and enable real-time monitoring. This was demonstrated through a fabricated Smart Mine with multiple use cases depicting real-time monitoring of worksites, rapid response during emergencies, smart wearables and safety management. We also exhibited 'Ready for Next' initiative for MSMEs, along with AI powered hybrid SD-WAN, CPaaS and CCaaS solutions. We also showcased our comprehensive mobile gaming platform – Vi Games through first ever grassroots eSports tournament 'Vi Game to Fame'. We had also set up a state-of-the-art 360-degree immersive dome that transports the audiences into a different world, bringing to life the power of technology that can make people experience places or events. Further, we had music bands performing LIVE at the IMC where some of the band members were at the Vi IMC booth and others were remotely connected over Vi's low latency, high speed network, and creating music in complete sync, showing how connectivity can enable the creators and the artists virtual ecosystem.

Vi Business partnered with US-based Genesys to enable Indian businesses with advanced cloud CX and telecom solutions, transforming their contact centre operations and strengthening customer engagement and services. This collaboration marks Vi's entry into the Contact Centre as a Service (CCaaS) sector, to introduce next-gen cloud CX and telecom solutions while offering a unified omnichannel customer experience.

Vi Business entered into a strategic partnership with Infinity Labs Ltd to introduce a Make-in-India SD-WAN solution as part of its Hybrid SD-WAN portfolio. The collaboration enhances the portfolio by integrating advanced AI-based security features, offering Indian enterprises a robust defence against the growing threat of cyber-attacks and demonstrating Vi Business's commitment to offer indigenous technology and nurture innovation.



Our brand continued to get more recognition and accolades. Vi won at the prestigious London International awards, the Asia Pacific, and the SAMMIE awards for the Human Network testing Network campaign with the Dabbawalas along with winning at Cannes Lion awards, Spikes Asia, D&AD awards. Vi won the Best Social media brand – Telecom and for the Be someone’s we Campaign at SAMMIE awards 2024. Our Dabbawala’s campaign, Be Someone’s We Campaign and Postpaid Choose your benefits have won multiple awards at the ET Brand Equity Shark awards, DG+ awards, e4m India Marketing awards and AFAQS BrandStoryz awards.

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 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 shares are listed on National Stock Exchange (NSE) and the BSE in India.

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