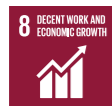


# Financial Capital



## SDGs impacted



## Material Topics included

- Network quality, expansion and transformation
- Innovation of product and services
- Digital inclusion and enhanced access to ICT
- Green ICT solutions

Note: This capital section and numbers reported herein, are on standalone basis

At Airtel, we maintain consistent focus on prudent capital allocation, strategically invest in businesses that enhance value, maximise opportunities, and drive future growth. In addition to driving revenue growth, we emphasise on improving cost efficiencies to generate robust operating cashflow.

This approach helps us create enduring value for our stakeholders and improve outcomes for our investors. Our sustained investments in strengthening network and building on vast infrastructure is tailored to create better customer experience and generate consistent returns for our stakeholders.

## Highlights for FY 2023-24

₹941,198 Mn  
Revenue

11.1%  
Revenue growth

54.3%  
EBITDA margin

₹49,882 Mn  
Profit After Tax

2.44x  
Net Debt to EBITDA

₹7,273 Bn  
Market Capitalisation

## Dividend

₹8  
Fully paid-up equity share

₹2  
Partly paid-up equity share

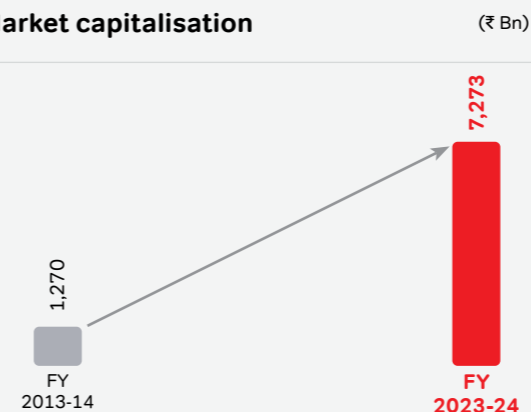
(Subject to the approval of shareholders at the ensuing AGM)

## Generating value for shareholders

The Company continued to have a strong relationship with investors giving them deep understanding of its business and strategy. Airtel continued its consistent growth trajectory, and recorded a lifetime high revenue market share across the businesses. In the last decade, market capital has moved from ₹1,270 million to ₹7,273 million, increased by almost 6x. This upswing can be attributed to a combination of strategic business decisions, strong stakeholder confidence in our business model, prudent capital allocation, strong cash generation and a consistently growing customer base. Airtel's demonstrated resilience and its ability to create new opportunities and generate superior shareholder returns, has positioned it as a key player in the global market.

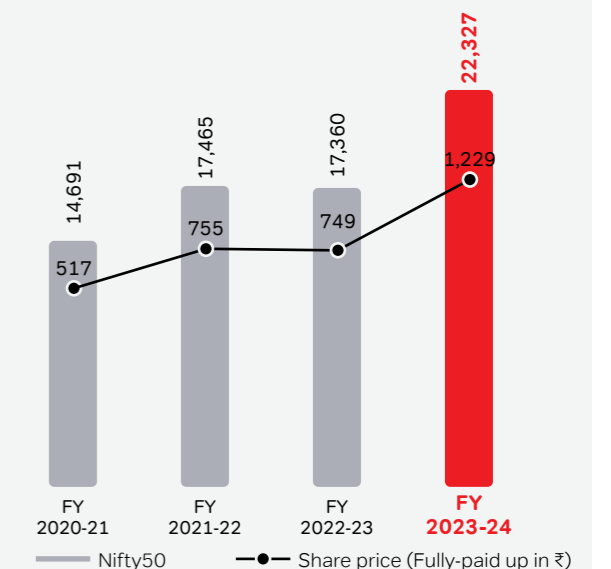
At Airtel, we have been creating sustained value for our investors by outperforming the markets consistently.

## Market capitalisation



## Airtel's share price vs. Nifty 50

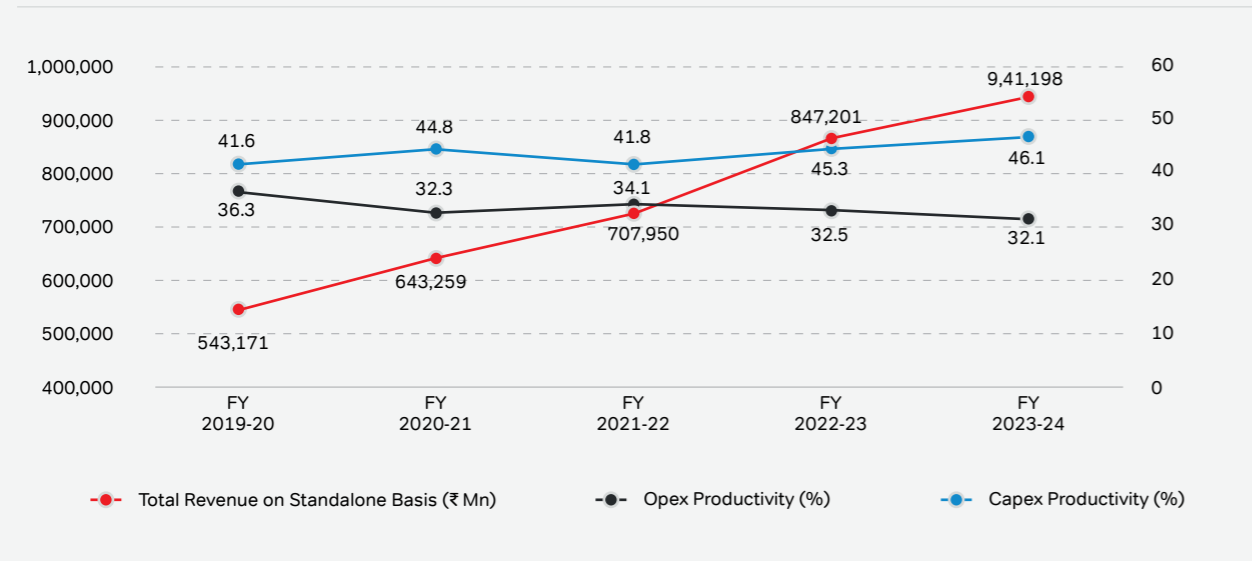
(As on last trading day of FY)



## Financial Capital

### Delivering greater value consistently

Airtel's three-line model for driving value creation



### Pillars to improve financial performance

#### Customer

Our culture of customer obsession and differential service has helped us win quality customers and propelled our revenue growth.

#### Digital platforms

Strong focus on digital platforms by delivering best-in-class customer experience has helped in building a new revenue streams to the portfolio.

#### War on Waste

Structural cost optimisation through our flagship "War on Waste" program helps in driving operational efficiencies and improving EBITDA margin.

#### Capex Investment

We continue to invest in the best of emerging technologies and network infrastructure to make our networks future ready.

### Customer growth and pricing interventions driving revenue growth

This year, performance continues to be driven by solid execution. The Company saw a strong growth across all businesses. On Mobility, our bet on expanding our footprint in rural areas has paid off well; we gained revenue market share and added 28.6 million new smartphone customers during the year. We continue to hold a premium position in the industry and delivered industry leading ARPU of ₹209, an increase of ₹16. Our Homes business also saw impressive double-digit growth, backed by sustained customer addition. Demand for seamless data connectivity and adjacency solutions in the B2B segment continued to drive growth. Double-digit growth in each of the above segments translated into highest-ever revenue of ₹941,198 million, an 11.1% growth from ₹847,201 million last year.

Our War on Waste (WoW) program continues to deliver outstanding results, with network opex growing at 9% Y-o-Y amid largest ever network rollout, indicating significant operational and financial efficiencies. As a result, EBITDA margins improved from 52.1% in FY 2022-23 to 54.3% in the current year.



### Prudent capex investment to build 5G network

We continue to focus on capex optimisation through various programmes like tower sharing, fiber sharing through IRU or co-build and more. During FY 2023-24, we concentrated our capex mainly on 5G rollout, rural expansion, fiberisation, data centers, home broadband and enterprise segment. Airtel's bold decision to deploy 5G on non-standalone network architecture paid off on all fronts, be that in customer experience, independent validation on the network quality or prudent capital allocation. The Company invested substantially on the network rollout across 43,102 network sites and 55,982 km of fiber. Leveraging data science and digital tools, we have significantly improved operational efficiency, with opex per site for rural expansion being lower than planned. During the year, we established experience centres in our stores to showcase 5G's capabilities. We remain committed to investing in cutting-edge technologies to enhance our services and fortify our network infrastructure.

### Strengthening the balance sheet through timely debt servicing

We remain focused on generating sustainable and strong cash flows backed by excellent operational and financial performance. As part of our recent efforts to reduce debt leverage to strengthen our balance sheet, we pre-paid ₹8,024 crores in July 2023 and ₹8,325 crores in January 2024, making a total repayment of ₹16,349 crores to the Department of Telecom (Government of India) towards part pre-payment of deferred liabilities pertaining to the spectrum acquired through the 2015 auction. These liabilities carried an interest rate of 10% and were paid off through strong free cash generated by the business.

The Company continues to aim towards sustained deleveraging and making the balance sheet stronger for future growth opportunities. Our ability to service debt together with strong EBITDA growth of ₹6,939 crores, up 15.7% Y-o-Y, have led to a further reduction in Net Debt to EBITDA ratio from 3.2x in FY 2022-23 to 2.4x in FY 2023-24. We continue to focus on our simple strategy of premiumisation, reducing debt, optimising our cost of capital and improving operating cash flows to support the development of Digital India.