

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Ascend Telecom Infrastructure Private Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Ascend Telecom Infrastructure Private Limited (the "Company") for the quarter ended June 30, 2023 and year to date from April 1, 2023 to June 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. As more fully discussed in Note 7 of the Statement, the figures for the corresponding quarter June 30, 2022 and for the preceding quarter ended March 31, 2023 as reported in these unaudited financial results have been approved by the Company's Board of Directors, but have not been subjected to any audit or review.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

6. Emphasis of Matter:

We draw attention to Note 6 of the Statement, which describes the material uncertainty on ability of a large customer of the Company to continue as a going concern and the corresponding impact on the business operations, receivables and financial position of the Company thereon.

Our opinion is not modified in this regard.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

HORMUZ
ERUCH
MASTER

Digitally signed by HORMUZ
ERUCH MASTER
DN: cn=HORMUZ ERUCH
MASTER, o=IN, c=Personal,
email=hormuz.master@srb.in
Date: 2023.08.10 13:28:08 +05'30'



per Hormuz Master

Partner

Membership No.: 110797

UDIN: 23110797BGYJVD7890

Mumbai

August 10, 2023

Ascend Telecom Infrastructure Private Limited

CIN : U70102TG2002PTC038713

Regd Office : 37-2, Plot No 332, Mani Mansion, Defence Colony, Sainikpuri, Secunderabad, Telangana, Pin code: 500094

Corporate Office : Sangeeta Towers, 3, 80 Feet Road, Indiranagar, Bangalore, Pin Code 560038

Tel : 080 61164555, Website: www.ascendtele.com

Statement of Standalone Financial Results for the quarter ended June 30, 2023

(All amounts are in Indian Rupees Million, unless otherwise stated)

| Sr.No | Particulars | Quarter ended | | | Year ended |
|-------|--|---------------------------|--|--|-------------------------|
| | | 30.06.2023 (Unaudited) | 31.03.2023 (Unaudited) (Also refer note 7) | 30.06.2022 (Unaudited) (Also refer note 7) | 31.03.2023 (Audited) |
| I | Income | | | | |
| | Revenue from operations | 2,604 | 2,408 | 2,296 | 9,631 |
| | Other income | 77 | 318 | 10 | 288 |
| | Total income | 2,681 | 2,726 | 2,306 | 9,919 |
| II | Expenses | | | | |
| | Power and fuel | 946 | 936 | 823 | 3,443 |
| | Operating and maintenance expense | 190 | 177 | 164 | 688 |
| | Employee benefits expense | 57 | 105 | 59 | 289 |
| | Other expenses (Refer Note-3) | 398 | 68 | 115 | 367 |
| | Total expenses | 1,591 | 1,286 | 1,161 | 4,787 |
| III | Profit before interest, tax, depreciation and amortisation | 1,090 | 1,440 | 1,145 | 5,132 |
| | Depreciation and amortization | 550 | 743 | 339 | 1,979 |
| | Finance cost (Refer Note-3) | 880 | 370 | 339 | 1,243 |
| | Profit / (loss) before exceptional items and tax from continuing operations | (341) | 327 | 467 | 1,910 |
| IV | Profit before tax | (341) | 327 | 467 | 1,910 |
| V | Tax expenses | | | | |
| | Current tax | - | 104 | - | 104 |
| | Deferred tax charge/ (credit) | (74) | 91 | 88 | 352 |
| | Profit after tax | (267) | 132 | 379 | 1,454 |
| VI | (Loss) / profit for the period/year | (267) | 132 | 379 | 1,454 |
| VII | Other comprehensive income | | | | |
| | Other comprehensive income not to be reclassified to profit or loss in subsequent periods | - | - | - | - |
| | Re-measurement gains / (losses) on defined benefit plans | (2) | 1 | - | 1 |
| | Income tax on above | - | - | - | - |
| | Total | (2) | 1 | - | 1 |
| | Net other comprehensive income not to be reclassified to profit or loss in subsequent periods | (2) | 1 | - | 1 |
| VIII | Total comprehensive income for the period/year | (269) | 133 | 379 | 1,455 |
| IX | Paid-up equity share capital [Face value of Rs 10/- (absolute amount) each] | 455 | 293 | 293 | 293 |
| X | Reserves (excluding Revaluation Reserve) | 19,167 | 6,096 | 5,022 | 6,096 |
| XI | Securities Premium Account (included in X above) | 18,090 | 4,752 | 4,752 | 4,752 |
| XII | Net Worth | 19,622 | 6,389 | 5,314 | 6,389 |
| XIII | Paid up Debt Capital (Long term and Short term borrowings) | 21,083 | 6,875 | 6,347 | 6,875 |
| XIV | Capital Redemption Reserve (included in X above) | - | - | - | - |
| XV | Debenture Redemption Reserve (included in X above) | - | - | - | - |
| XVI | Earnings per equity share (Rs.) (Nominal value of share Rs.10 each) | | | | |
| | Basic (Rs.) | (7.98) | 4.49 | 12.96 | 49.67 |
| | Diluted (Rs.) | (7.98) | 4.49 | 12.96 | 49.67 |




Notes

- 1 The above results of the Company have been prepared pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and the other accounting principles generally accepted in India.
- 2 The above standalone financial results for the quarter ended June 30, 2023 have been subjected to a limited review by the statutory auditors. These results have been approved by the Board of Directors at their respective meetings held on August 10, 2023.
- 3 The Company has allotted 1,62,25,962 equity shares at Rs 832 (absolute amount) per share aggregating to Rs. 13,500 million Rupees for cash on private placement on June 7, 2023, to GIP EM Ascend 2 Pte. Ltd and also allotted 1,33,600 unsecured, redeemable, listed, rated, fully paid non-convertible debentures ("NCD") having a face value of Rs. 100,000 (absolute amount) each aggregating to 13,360 million Rupees for cash at par on private placement basis on June 12, 2023, to GIP EM Ascend 2 Pte. Ltd. The Company has listed its NCD on Bombay Stock exchange on June 13, 2023. As part of its growth strategy, the company has utilized the proceeds from allotment of shares and NCD to make strategic investment by acquiring 83,17,11,987 equity shares of Tower Vision India Private Limited (92.7% of paid-up equity capital and voting rights) on June 14, 2023 which is also engaged in the business similar to that of the Company. This acquisition would bring in meaningful operational and financial synergies and enhance the business footprint of the Company by giving access to new markets where the Company is not currently present and also enable the company to participate in the early phase of 5G roll out. In the course of this transaction, during this period the Company had incurred Rs 505 Mn, which include loan arrangement fees of Rs 432 Mn disclosed under finance cost and legal and other expenses of Rs 73 Mn disclosed under other expenses.
- 4 Additional disclosure pursuant to Regulation 52(4) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended are as under:

| Sr. No | Ratios for Stock exchange | Quarterly | | | Year ended |
|--------|---|-------------|-------------|-------------|------------|
| | | 30.06.2023 | 31.03.2023 | 30.06.2022 | 31.03.2023 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| (i) | Debt equity ratio | 1.07 | 1.08 | 1.19 | 1.08 |
| (ii) | Debt service coverage ratio | 1.87 | 3.14 | 3.09 | 3.20 |
| (iii) | Interest service coverage ratio | 3.02 | 5.71 | 5.46 | 6.30 |
| (iv) | Current ratio | 1.05 | 1.51 | 1.82 | 1.51 |
| (v) | Long term debt to working capital | 58.48 | 2.51 | 1.87 | 2.51 |
| (vi) | Bad debts to Account receivable ratio | 0.00 | - | - | - |
| (vii) | Current liability ratio | 0.19 | 0.27 | 0.25 | 0.27 |
| (viii) | Total debts to total assets | 0.40 | 0.28 | 0.31 | 0.28 |
| (ix) | Debtors Turnover Ratio | 0.88 | 0.85 | 0.99 | 3.68 |
| (x) | Operating margin percent | 25% | 30% | 40% | 38% |
| (xi) | Net profit margin percent | (10%) | 5% | 17% | 15% |
| (xii) | Inventory turnover | NA | NA | NA | NA |
| (xiii) | Capital redemption reserve/debenture redemption reserve | - | - | - | - |
| (xiv) | Outstanding redeemable preference shares | - | - | - | - |
| (xv) | Net Profit after tax | (267) | 132 | 379 | 1,454 |
| (xvi) | Earnings per share | (7.98) | 4.49 | 12.96 | 49.67 |

NA means Not Applicable

Formula used for calculation of above ratios are as under:

- (i) Debt equity ratio = Paid up debt capital divided by total equity
- (ii) Debt service coverage ratio = [Profit before tax, depreciation and amortization, finance costs minus repayment of lease liabilities] divided by [finance costs (excluding interest on lease liabilities and one time charge including loan arrangement fees) plus loan repaid during the period]
- (iii) Interest service coverage ratio = [Profit before tax, depreciation and amortization, finance costs minus repayment of lease liabilities] divided by [finance costs (excluding interest on lease liabilities and one time charge including loan arrangement fees)]
- (iv) Current ratio = Total current assets divided by Total current liabilities
- (v) Long term debt to working capital = Long-term borrowings divided by working capital (Current assets- Current liabilities)
- (vi) Bad debts to account receivable ratio = Bad debts charged for the period/year divided by average (of opening and closing) trade receivables during the period/year.
- (vii) Current liability ratio = Total current liabilities divided by total liabilities as on date.
- (viii) Total debts to total assets = Total borrowings (i.e. long-term borrowings and short term borrowings excluding lease liabilities) divided by total assets as on date.
- (ix) Debtors' turnover ratio = Revenue from operations divided by average (of opening and closing) trade receivables during the period/year.
- (x) Operating margin = [Profit before tax, depreciation and amortization, finance costs (excluding other income) minus repayment of lease liabilities] divided by [revenue from operation for the period/year]
- (xi) Net profit margin = Net profit after tax divided by revenue from operation for the period/year.
- (xii) Net worth = Equity share capital plus Reserves and Surplus
- (xiii) Paid up debt capital = Long term borrowings plus Short term borrowings plus Current maturities of long term borrowings



- 5 The Company's business activities fall within one operating segment namely, "Passive Telecom Infrastructure Service Provider". Accordingly separate disclosure as per the requirements of Ind AS 108, Operating Segments, are not applicable. The Company operates only in India, hence, geographical disclosure is not applicable.
- 6 The Company has significant part of the 'revenue from operations' for the period ended June 30, 2023 and trade receivables outstanding (including unbilled revenue) as at June 30, 2023 from a large customer. The customer in its audited results for quarter the year ended March 31, 2023, has expressed its ability to continue as a going concern, to be dependent on raising additional funds as required, successful negotiations with lenders and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. Further, the results stated that as at March 31, 2023, the said customer has met all its debt obligations payable to its lenders / banks and financial institutions along with applicable interest and has utilized extended credit period to discharge some of its contractual obligations. The said customer continues to be in discussion with its vendors to agree to a payment plan for the outstanding dues. Also, during February 2023, the said customer allotted equity shares to the Department of Investment and Public Asset Management, Government of India (GOI), towards conversion of net present value of the interest amount relating to deferment of certain dues and accordingly GOI now holds 33.1% in the said customer. As at June 30, 2023, the gross amount of trade receivables (including unbilled revenue) from the said customer is Rs 1,685 million as on June 30, 2023. The Company believes that provision made as per policy of the Company is adequate to cover shortfall in recovery of dues from the Customer.
- 7 The financial results for the quarter ended June 30, 2023 is the first financial results being filed and published by the Company in compliance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and therefore, the financial results and other financial information for the quarters ended June 30, 2022 and March 31, 2023 have not been audited or reviewed by our statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results for these periods provide a true and fair view of the Company's affairs. Further figures of the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year ended on March 31, 2023 and the unaudited year to date figures upto the third quarter ended December 31, 2022.

For and on behalf of the Board of Directors of
Ascend Telecom Infrastructure Private Limited



Milind Joshi
Director
DIN: 02685576



Place: Mumbai
Date: August 10, 2023



Ascend Telecom Infrastructure Pvt. Ltd.

Annexure I to Statement of Standalone Financial Results for the quarter and year ended June 30, 2023

Disclosure in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2023

(All amounts are in INR Million, unless otherwise stated)

| Ratios | Description | As at June 30, 2023 (Reviewed) | As at March 31, 2023 (Audited) |
|---|--|--------------------------------|--------------------------------|
| Debt-Equity Ratio | Debt equity ratio = Paid up debt capital divided by total equity | 1.07 | 1.08 |
| Debt Service Coverage Ratio | Debt service coverage ratio = [Profit before tax, depreciation and amortization, finance costs minus repayment of lease liabilities] divided by [finance costs (excluding interest on lease liabilities and one time charge including loan arrangement fees) plus loan repaid during the period] | 1.87 | 3.20 |
| Interest Service Coverage Ratio | Interest service coverage ratio = [Profit before tax, depreciation and amortization, finance costs minus repayment of lease liabilities] divided by [finance costs (excluding interest on lease liabilities and one time charge including loan arrangement fees)] | 3.02 | 6.30 |
| Outstanding Redeemable Preference Shares (quantity and value) | | - | - |
| Capital Redemption Reserve / Debenture Redemption Reserve | | - | - |
| Net Worth | Share capital + Reserves and surplus | 19,622 | 6,389 |
| Net Profit After Tax | | (267) | 1,454 |
| Earnings Per Share (not annualised) | PAT / Weighted average number of shares | (8) | 50 |
| Current Ratio | Current ratio = Total current assets divided by Total current liabilities | 1.05 | 1.51 |
| Long Term Debt to Working Capital Ratio | Long term debt to working capital = Long-term borrowings divided by working capital (Current assets- Current liabilities) | 58.48 | 2.51 |
| Bad Debts to Account Receivable Ratio | Bad debts to account receivable ratio = Bad debts charged for the period/year divided by average (of opening and closing) trade receivables during the period/year. | 0.00 | - |
| Current Liability Ratio | Current liability ratio = Total current liabilities divided by total liabilities as on date. | 0.19 | 0.27 |
| Total Debts to Total Assets Ratio | Total debts to total assets = Total borrowings (i.e. long-term borrowings and short term borrowings excluding lease liabilities) divided by total assets as on date. | 0.40 | 0.28 |
| Debtors Turnover Ratio | Debtors' turnover ratio = Revenue from operations divided by average (of opening and closing) trade receivables during the period/year. | 0.88 | 3.68 |
| Inventory Turnover Ratio | | NA | NA |
| Operating Margin (%) | Operating margin = [Profit before tax, depreciation and amortization, finance costs (excluding other income) minus repayment of lease liabilities] divided by [revenue from operation for the period/year] | 25% | 38% |
| Net Profit Margin (%) | Net profit margin = Net profit after tax divided by revenue from operation for the period/year. | -10% | 15% |
| Sector Specific Equivalent Ratios | | NA | NA |

NA means Not Applicable

For Ascend Telecom Infrastructure Private Limited

J Rajagopalan

J Rajagopalan
Chief Financial Officer, Company Secretary & Compliance officer

