



**VODAFONE IDEA LIMITED**

**Chairman's Speech**

**Thirtieth Annual General Meeting**

**Monday, 25<sup>th</sup> August, 2025 | 4.00 p.m. (IST)**

**Through**

**Video Conferencing**

Dear Members,

It is an honor to address you today at the 30th Annual General Meeting of Vodafone Idea Limited to reflect on our achievements and envision the road ahead for our company.

Before I move to company-specific updates, allow me to share some thoughts on the mobile telecommunications sector, an industry that is not only integral to the Indian economy but also to the everyday lives of over a billion people.

Wireless connectivity is the backbone of India's digital ecosystem. Telecom companies have made significant investments to expand 4G coverage and roll out 5G services, enabling digital health, online education, fintech inclusion, and smart governance. From farmers using mobile apps for crop updates to students in Tier 3 towns attending virtual classrooms, telecom-led broadband has become the foundation of India's digital and social transformation.

Recent investments have also propelled India's global standing. Our country's mobile broadband speed ranking has improved dramatically from 118th to 15th position worldwide. India's ranking in the Network Readiness Index (NRI) 2024 has risen to 49th. Yet, broadband penetration remains below 65%, leaving significant room for growth.

However, challenges persist. Low ARPU continues to affect sustainability, innovation, and the ability to fully cover the cost of capital. The tariff interventions effective July 2024 were a necessary step toward creating a more sustainable pricing model and enabling better returns on investment for the Industry. We believe such tariff interventions at regular intervals will be essential to support the large investments required for next-generation technologies and data growth.

Moving to Company update, during the year, the Company has raised close to Rs. 615 billion in equity, through a combination of FPO of Rs. 180 billion, preferential issue of Rs. 40 billion to promoters, Rs. 25 billion to vendors Nokia and Ericsson and Rs. 370 billion to the Government of India.

These fundraises gave us the momentum to step up Capex investments, with a total of Rs. 96.2 billion invested in FY25. The 4G population coverage increased by 73 million during the year and we cover ~83% of the population based on our reporting. During the same period, 4G data capacity expanded by 23 Peta Byte per day, driving ~28% improvement in 4G speeds. The network investments led to improved coverage

and enhanced customer experience, resulting in significant reduction in subscriber loss. The latest quarterly results reflected 90% lower subscriber loss compared to Q2 and Q3 of FY25, recording lowest subscriber decline since merger. The ARPU has risen for 15 consecutive quarters, supported by tariff increases and consistent customer upgrades. Gross subscriber acquisition share has outperformed our subscriber market share for past several quarters. The 4G subscriber base also witnessed improvement during the year. We are encouraged by the momentum across the core business metrics.

Our financial results reflect this momentum. FY25 revenue stood at Rs. 435.7 billion, a 2.2% year-on-year increase, while cash EBITDA rose to Rs. 92 billion, up 9.5%. This marks the third consecutive year of annual growth in both revenue and cash EBITDA.

During the year, we repaid bank debt of Rs. 17.1 billion, bringing it down to Rs. 23.3 billion as of March 31, 2025. Encouragingly, both ICRA and CARE Ratings upgraded our credit rating to BBB- (Stable). Your Company remains engaged with lenders for debt fund raising to execute our strategy, which includes capex of ~Rs. 500 to 550 billion over 3 years.

Moving from the financial performance of last year, your Company has launched several consumer-first initiatives to improve its competitive positioning:

- Vi Guarantee Program in prepaid, providing 130GB of free data to new 5G and 4G handset users.
- Tailored offering for unlimited voice users providing 2-day extra validity on every unlimited voice recharge of Rs. 199
- Two innovative prepaid plans: Non-Stop Hero Plan across India offering Unlimited Data 24x7 and the Super Hero Plan in 12 markets offering Unlimited Data from midnight to noon
- Launched 'Vi Movies & TV' app offering various subscription options with access to 20+ OTTs across all major OS for both, Smartphones & Smart TVs, as well as laptops, PCs & tablets.
- Launched Vi Finance to expand our role in consumers' digital lives by foraying into financial services. This platform enables users to access personal loans, fixed deposits, and credit cards directly through a simple, app-based interface. With this, the Vi App has now expanded to include Vi Games, Vi Shop, Utility Bill Payment and now Financial Services.

We are also the only operator in India to offer truly unlimited voice and data across 40 international roaming destinations. Over the last one year, your Company has expanded international roaming footprint from 120 to 144 countries.

At Vi, we are utilizing advanced AI and ML models to detect spam and fraud patterns, ensuring a safer calling experience for our customers. From January to June this year, our AI engine flagged over 450 million SMSes as spam, protecting users from potential harm. In a pioneering move, we have introduced a feature that shows the country of origin for incoming international calls. This empowers users to make informed decisions about accepting calls and offers protection against the increasing threat of cyber fraud.

Our journey from a conventional telecom operator to a full-fledged Techco is well underway. Through Vi Business, among other services, we are delivering cloud, Internet of Things and Cloud-based Contact Center Service. We deepened our collaboration with Google Workspace for enterprise productivity and entered into a managed services agreement with HPE to provide future-ready wireless LAN solutions.

Most recently, we announced a strategic collaboration with AST SpaceMobile to deliver satellite-based broadband directly to smartphones. This will expand broadband coverage, particularly in rural and remote areas, without requiring specialized devices.

5G services have been launched in 22 cities across 13 circles with plans to expand to 17 circles by September 2025. In areas where Vi 5G is live, 60-70% of eligible users have already experienced the benefits of Vi's next-gen network, a clear indicator of positive reception and growing demand. Our attractive subscriber plans have received a positive response from the customers, driving growth in ARPU and subscriber base across major markets. I am confident that this positive trajectory will continue as your Company sustains the current pace of network investments, digital expansion, and operational excellence.

On the AGR matter, we are engaged with the Government to find a solution. With the Government now holding a 49% equity stake, its role as a key public shareholder underscores the sector's importance to India's digital growth.

I would also like to take this opportunity to welcome our new CEO, Abhijit Kishore. He has had an illustrious career in telecom spanning over three decades across various organizations and geography. He has been the Chief Operating Officer of the Company since November 2021, wherein he has created a steady and focused impact

on the business, and driven operational rigor. Prior to his current role, he was the Chief Enterprise Business Officer, where he led the business transformation from a Telco to Techco. Earlier, he also led our critical markets of Gujarat and Kerala. Abhijit is also currently serving as the Chairperson of the Cellular Operators Association of India (COAI) and the India Mobile Congress (IMC). I am sure Vodafone Idea will flourish under his able leadership.

As we move forward, our vision is clear - to embrace new opportunities, tackle emerging challenges with vigor, and remain a trusted partner in shaping the future of communication and connectivity.

None of this would have been possible without the relentless commitment of our people. To every employee, engineer, technician, and customer service representative, I extend my deepest gratitude. I also thank our customers for their loyalty, our partners for their collaboration, and our stakeholders for their continued support.

Together, we will navigate the future with confidence, ambition, and resilience, striving to make a meaningful impact on India's digital journey.

Thank you,

**Ravinder Takkar**