



VARUN BEVERAGES LIMITED



Corporate Off : Plot No.31, Institutional Area, Sec.-44, Gurgaon, Haryana-122002 (India)
Ph.: +91-124-4643100-500 • Fax: +91-124-4643303/04 • E-mail : info@rjcorp.in • Visit us at : www.varunbeverages.com
CIN No. : L74899DL1995PLC069839

July 29, 2025

To,

National Stock Exchange of India Ltd. Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Email: cmlist@nse.co.in Symbol: VBL	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Email: corp.relations@bseindia.com Security Code: 540180
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Sub: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Presentation on Unaudited Financial Results of the Company for the Quarter and Half Year ended June 30, 2025

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of the Presentation on Unaudited Financial Results of the Company for the Quarter and Half Year ended June 30, 2025.

The same is also being uploaded on website of the Company at www.varunbeverages.com.

You are requested to take the above on record.

Yours faithfully,
For Varun Beverages Limited

Ravi Batra
Chief Risk Officer & Group Company Secretary

Encl.: As above

July 29, 2025



(a PepsiCo franchisee)

Varun Beverages Limited

Q2 & H1 CY2025 Results Presentation



Disclaimer

This communication contains certain forward-looking statements relating to the business, financial performance, strategy and results of Varun Beverages Limited ("VBL" or the "Company") and/ or the industry in which it operates. Such forward-looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Neither the Company nor its affiliates or advisors or representatives nor any of its or their parent or subsidiary undertakings or any such person's officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this presentation or the actual occurrence of the forecasted developments. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise. Given these uncertainties and other factors, viewers of this communication are cautioned not to place undue reliance on these forward-looking statements.

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Company Overview



Chairman's Message



Q2 & H1 CY2025 Results Overview



Performance Highlights



Sustainability Initiatives

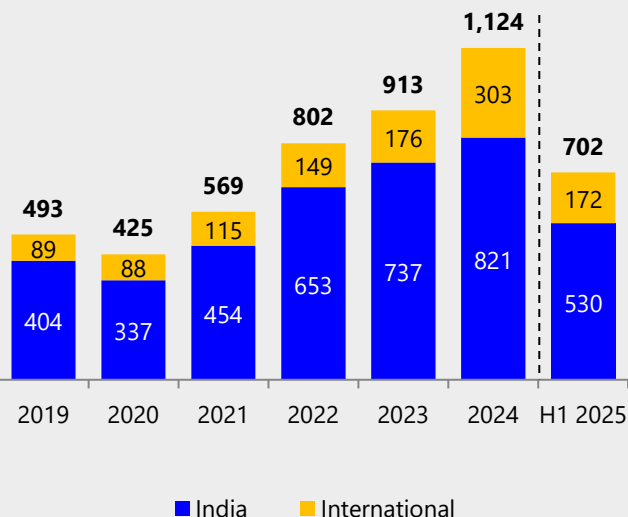
Company Snapshot



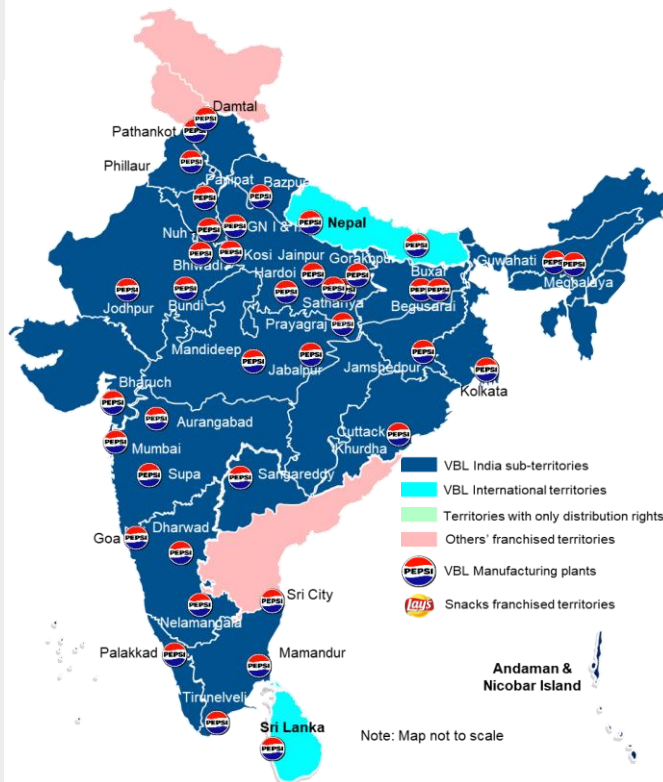
Key player in the global beverage industry and the second largest franchisee of PepsiCo in the world (outside US) with operations spanning across **10 countries** with franchise rights and additional **4 countries** with distribution rights.

Total Sales Volumes (mn Cases*)

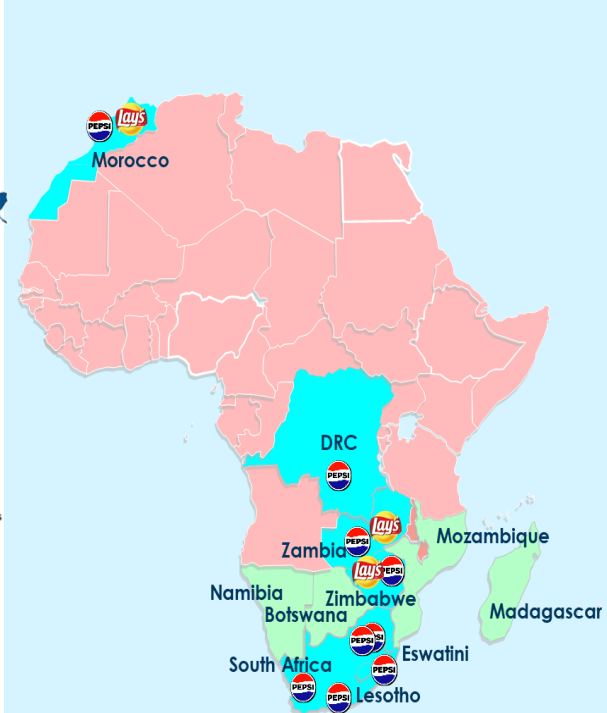
2019-2024: Sales Volume CAGR: ~18%



Note: *A unit case is equal to 5.678 liters of beverage divided in 24 bottles of ~ 237 ml each



Note: Map not to scale



Note: Map not to scale

Complete Brand Portfolio



Brands licensed by PepsiCo:

Carbonated Soft Drinks



Club Soda



Fruit Pulp / Juice Based Drinks



Energy Drink



Sports Drink



Carbonated Juice Based Drinks



Ice Tea



Packaged Water



Snacks#



Own Brands^:

Carbonated Soft Drinks



Energy Drink



Packaged Water



Dairy Based Beverages*



Manufacturing of Cheetos & Distribution of Frito Lay, Doritos and Cheetos in Morocco; Manufacturing (underway) & Distribution of Simba Munchiez in Zambia and Zimbabwe; Co-manufacturing of Kurkure Puffcorn in India.
^ Manufacturing & Distribution of own brands is restricted in select territories.
* "CreamBell" trademark has been licensed to be used by VBL for ambient temperature value added dairy based beverages.

Demand Delivery



Demand Creation

- Production Facilities
- Sales & Distribution – GTM & Logistics
- In-outlet Management – Visi-Coolers
- Consumer Push Management (BTL) - Market Share Gains

33+
Years of Association
(agreement in India valid till April, 2039)

90%+
of PepsiCo India Sales Volume

- Trademarks
- Formulation through Concentrate
- Product & Packaging innovation through investment in R&D
- Consumer Pull Management (ATL) - Brand Development

Key Player in the Beverage Industry – Business Model



VBL- END-TO-END EXECUTION ACROSS VALUE CHAIN



Chairman's Message



Commenting on the performance for Q2 & H1 CY2025, Mr. Ravi Jaipuria, Chairman – Varun Beverages Limited said:

“We delivered a resilient performance during the quarter. In spite of unusually early onset of monsoon rains in the peak summer months in India, we could keep our realizations per case and EBITDA margins intact. Due to growth in international markets supported by strong positive currency movement in Africa territories, Company ended the quarter with a positive PAT, in spite of 3% decline in consolidated sales volumes

In International markets, Varun Beverages Morocco has commenced commercial production of PepsiCo's snacks product 'Cheetos'. This marks another milestone in strengthening our presence in the high-potential snack category, complementing our beverage portfolio and diversifying our revenue streams.

We continue to focus on growth opportunities in South Africa market. We have enhanced capacity by setting up a can line in Durban, one of our existing production facilities. We are awaiting approval from Competition Commission of South Africa for land parcel purchase adjoining to our production facility in Boksburg to further enhance capacity & backward integration. These are few starting steps in our series of initiatives.

Strong currency and our efforts in implementing backward integration last year have resulted in enhanced profitability in all our African territories. We have further strengthened Zambia, DRC and South Africa subsidiary balance sheets and through in-process equity infusion raising our stake in Zambia from 90% to 95%.

In line with our dividend policy, the Board of Directors has approved a second interim dividend of 25% of face value, i.e., Rs. 0.50 per share, resulting in a total cash outflow of approximately Rs. 1,691 million.

Although unseasonal rains have impacted performance during the quarter, we have successfully navigated such challenges in the past and emerged stronger. We continue to strengthen our on-ground execution by adding more visi-coolers and ensuring wider product availability across retail touchpoints. With robust capacities now operational, an expanding product portfolio, and a sharply focused distribution network, we are well-positioned to capture emerging opportunities and drive sustainable, long-term value creation for all stakeholders.”

Key Developments

1. Commencement of Commercial Production facilities :

- We have commissioned new production facilities at ;
 - Prayagraj (UP) - 4 CSD Lines, 1 JBD Line , and 1 Water Line
 - Damtal (HP) - 2 CSD Lines, and 1 JBD Line
 - Buxar (Bihar) - 2 CSD Lines, 2 JBD Lines, and 1 Water Line
 - Mendipathar (Meghalaya) - 2 CSD Lines, and 2 JBD Lines

2. Commencement of Commercial Production of PepsiCo Snacks at Morocco :

- During the current quarter ended 30 June 2025, Varun Beverages Morocco SA (subsidiary of the Company) has started commercial production of PepsiCo's snacks product "Cheetos" in Morocco.

3. Acquisition of 50% stake in Everest Industrial Lanka (Private) Limited :

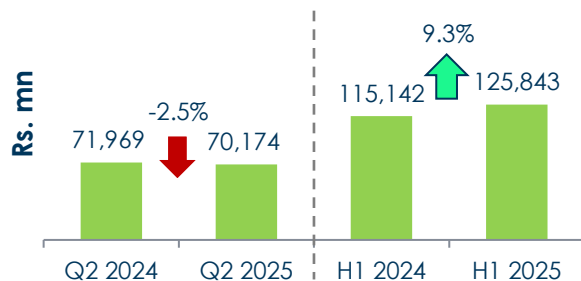
- The Company has Acquired 50% equity share capital of Everest Industrial Lanka (Private) Limited ("EIL"). EIL, a company in Sri Lanka is engaged in the business of production, manufacturing, distribution and selling of commercial visi-coolers and related accessories.

4. Dividend :

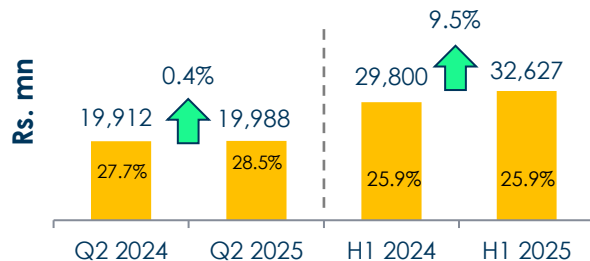
- In line with the guidelines of Company's dividend policy, the Board of Director's have approved an interim dividend @ 25% of face value i.e. Rs. 0.50 per share. Total cash outflow would be ~Rs. 1,691 million.

Results Overview

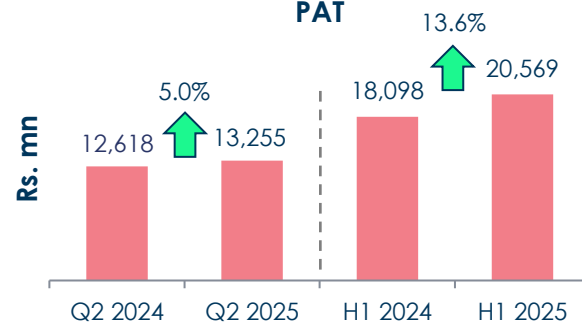
Revenue



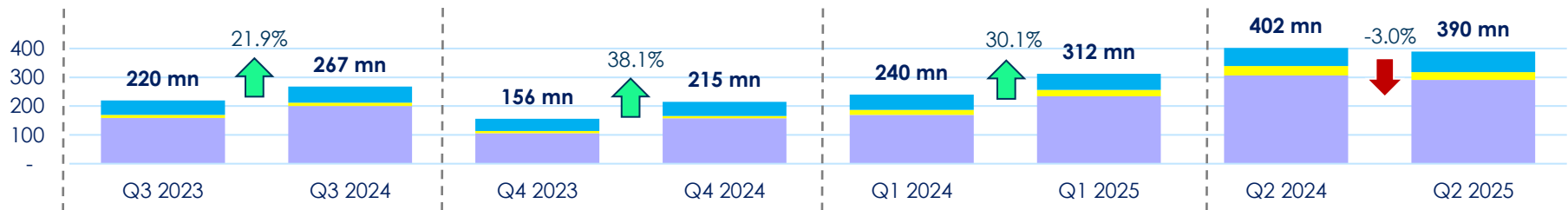
EBITDA



PAT



Quarterly Sales Volumes (Category-wise mn unit cases)



Period	Q3 2023		Q3 2024		Q4 2023		Q4 2024		Q1 2024		Q1 2025		Q2 2024		Q2 2025	
CSD	159	72%	200	75%	106	68%	158	73%	169	71%	234	75%	307	76%	291	75%
NCB	11	5%	11	4%	8	5%	8	4%	18	7%	22	7%	32	8%	28	7%
Water	50	23%	56	21%	42	27%	49	23%	53	22%	56	18%	63	16%	71	18%

Consolidated Profit & Loss Statement

Particulars (Rs. million)	Q2 2025	Q2 2024	YoY(%)	H1 2025	H1 2024	YoY (%)
1.Income						
(a) Revenue from operations	71,630.21	73,336.72	-2.3%	128,430.47	117,316.52	9.5%
(b) Excise Duty	1,456.50	1,368.10	6.5%	2,587.41	2,174.77	19.0%
Net Revenues	70,173.71	71,968.62	-2.5%	125,843.06	115,141.75	9.3%
(c) Other income	771.58	440.26	75.3%	1052.16	523.79	100.9%
2. Expenses						
(a) Cost of materials consumed	28,454.04	28,723.27	-0.9%	55,164.75	48,032.49	14.8%
(b) Purchase of stock-in-trade	991.23	1,600.16	-38.1%	1,703.07	3,952.31	-56.9%
(c) Changes in inventories of FG, WIP and stock-in-trade	2,465.75	2,282.36	8.0%	333.83	(503.52)	-166.3%
(d) Employee benefits expense	5,496.58	4,992.91	10.1%	10,611.60	8,929.63	18.8%
(e) Finance costs	365.47	1,291.59	-71.7%	776.71	2,228.46	-65.1%
(f) Depreciation and amortisation expense	3,061.51	2,424.77	26.3%	5,786.64	4,299.93	34.6%
(g) Other expenses	12,778.38	14,457.75	-11.6%	25,402.44	24,931.06	1.9%
Total expenses	53,612.96	55,772.81	-3.9%	99,779.04	91,870.36	8.6%
EBITDA	19,987.73	19,912.17	0.4%	32,627.37	29,799.78	9.5%
3. Profit before share of (loss)/profit of associates and joint ventures (1-2)	17,332.33	16,636.07	4.2%	27,116.18	23,795.18	14.0%
4. Share of loss of associates and joint ventures	(11.89)	(5.36)	-121.8%	(17.66)	(6.97)	-153.4%
5. Profit before tax (3+4)	17,320.44	16,630.71	4.1%	27,098.52	23,788.21	13.9%
6. Tax expense	4,065.56	4,012.37	1.3%	6,530.06	5,690.05	14.8%
7. Net profit after tax (5-6)	13,254.88	12,618.34	5.0%	20,568.46	18,098.16	13.6%

Consolidated Balance Sheet

Particulars (Rs million)	30-Jun-25	30-Jun-24	Particulars (Rs million)	30-Jun-25	30-Jun-24
Equity and liabilities			Assets		
Equity			Non-current assets		
(a) Equity share capital	6,763.83	6,497.20	(a) Property, plant and equipment	127,692.83	96,294.01
(b) Other equity	176,869.41	79,280.46	(b) Capital work in progress	5,907.39	9,420.85
(c) Non-controlling interest	1,433.28	1,681.50	(c) Right of Use of Assets	14,115.26	12,837.87
Total equity	185,066.52	87,459.16	(d) Goodwill / franchise rights	3,178.10	6,931.24
Liabilities			(e) Other intangible assets	11,329.89	6,638.98
Non-current liabilities			(f) Intangible assets under development	75.18	-
(a) Financial liabilities			(g) Investment in associates and joint ventures	1,267.53	392.27
(i) Borrowings	5,788.22	35,412.33	(h) Financial assets	1,414.20	1,147.19
(ia) Lease liabilities	4,150.89	3,885.47	(i) Deferred tax assets (Net)	206.77	-
(b) Provisions	2,072.31	2,245.97	(j) Other non-current assets	1,835.49	3,436.06
(c) Deferred tax liabilities (Net)	5,488.82	3,849.83	Total non-current assets	167,022.64	137,098.47
(d) Other non-current liabilities	9.91	65.92	Current assets		
Total non-current liabilities	17,510.15	45,459.52	(a) Inventories	30,733.39	27,960.18
Current liabilities			(b) Financial assets		
(a) Financial liabilities			(i) Trade receivables	11,988.24	10,254.84
(i) Borrowings	10,552.31	27,473.16	(ii) Cash and cash equivalents	19,738.03	2,121.61
(ia) Lease liabilities	891.10	838.20	(iii) Other bank balances	1,751.66	1,955.87
(ii) Trade Payables	13,698.16	14,086.54	(iv) Others	10,593.70	9,195.86
(iii) Other financial liabilities	7,727.97	6,729.20	(c) Current tax assets (Net)	68.82	55.50
(b) Other current liabilities	7,405.03	7,622.93	(d) Other current assets	5,260.02	5,159.24
(c) Provisions	780.19	952.28	Total current assets	80,133.86	56,703.10
(d) Current tax liabilities (Net)	3,525.07	3,180.58	Total assets	247,156.50	193,801.57
Total current liabilities	44,579.83	60,882.89			
Total liabilities	62,089.98	106,342.41			
Total Equity and liabilities	247,156.50	193,801.57			

Discussion on Financial & Operational Performance

Sales Volumes / Net Revenues

- Consolidated sales volume declined by 3.0% to 389.7 million cases in Q2 CY2025 from 401.6 million cases in Q2 CY2024, primarily due to abnormally high unseasonal rainfall through out the quarter in India.
- India volumes declined by 7.1% while International volumes grew by 15.1% (South Africa growing at 16.1%), partially offsetting the overall decline.
- The net realization per case at the consolidated level increased by 0.5% driven by 6.6% improvement in the International markets.
- Net Revenue from operations decreased by 2.5% in Q2 CY2025 to Rs. 70,173.7 million from Rs. 71,968.6 million in Q2 CY2024.
- CSD constituted 75%, NCB 7% and Packaged Drinking Water 18% in Q2 CY2025.

Gross Margins / EBITDA

- EBITDA margins increased by 82 bps in Q2 CY2025 to 28.5% from 27.7% in Q2 CY2024 in spite of increase in fixed overheads due to new capacity being commissioned at four greenfield plants in India which all are yet to yield incremental volumes.
- EBITDA margins increased on account of operational efficiencies and strong currency in international territories.
- Gross margins remained steady at 54.5% in Q2 CY2025 and EBITDA remained steady at Rs. 19,987.7 million.
- In H1 CY2025, mix of Low sugar / No added sugar products was ~ 55% of our consolidated sales volumes.

PAT

- PAT increased by 5.0% to Rs. 13,254.9 million in Q2 CY2025 from Rs. 12,618.3 million in Q2 CY2024 driven by operational efficiencies and lower finance cost.
- Depreciation increased by 26.3% on account of commissioning of new plants in India & DRC, as well as brownfield expansion in other international markets.
- Post repayment of debt from QIP proceeds, finance cost in India is negligible, in the International markets finance cost is primarily in South Africa which also includes the fair value adjustment of leases as per Ind AS 116.

Discussion on Financial & Operational Performance

Debt

- Company remained net debt free in the current quarter with free cash of Rs. 5,149 mn, which has helped in strengthening the Company's balance sheet and remain prepared for growth opportunities.
- Company's long-term rating for bank loan facilities from CRISIL (an S&P Global Company) is reaffirmed as CRISIL AAA/Stable.

Capex (capitalization)

- During H1 CY2025, the net capitalized capex amounted to ~Rs. 25,000 mn which includes –
 - ~Rs. 14,500 mn for setting up of four greenfield production facilities at Prayagraj (UP), Buxar (Bihar), Damtal (Himachal) & Mendipathar (Meghalaya).
 - ~Rs. 1,200 mn for brownfield expansion in Sricity (India).
 - ~Rs. 4,500 million in International territories (DRC – a CSD PET line and backward integration, Morocco – Snacks manufacturing plant & South Africa – a CAN line).
 - Balance capex comprises of visi-coolers, glass bottles, pallets, vehicles, etc..
- As on June 30, 2025, the CWIP of ~Rs. 6,000 mn are primarily towards balance capex in the phase II of above new greenfield plants in India and snacks manufacturing plant in Zimbabwe.

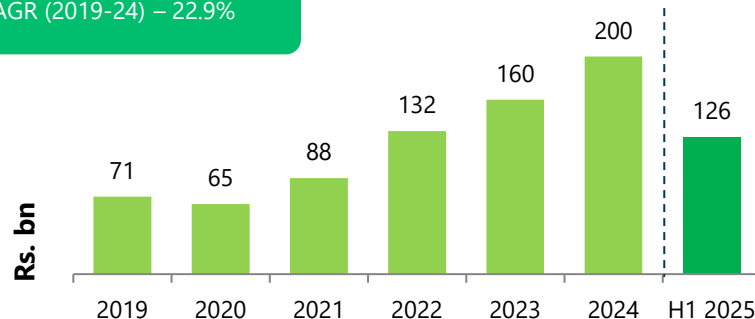
Working Capital

- Working capital days remained steady at ~ 35 days as on 30 June 2025 as compared to ~ 33 days as on 30 June 2024.

Performance Highlights (CY2019 – CY2024 & H1 CY2025)

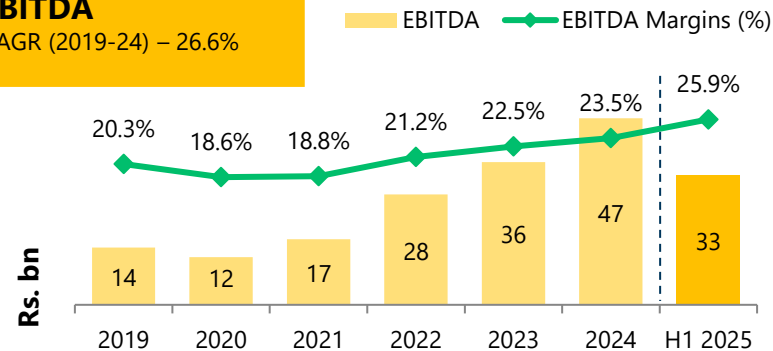
REVENUE

CAGR (2019-24) – 22.9%



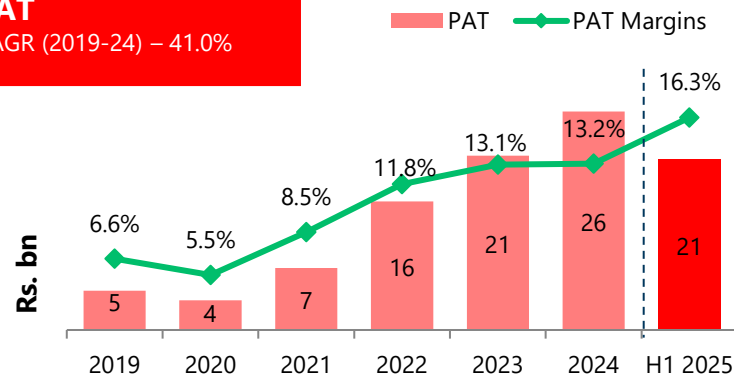
EBITDA

CAGR (2019-24) – 26.6%



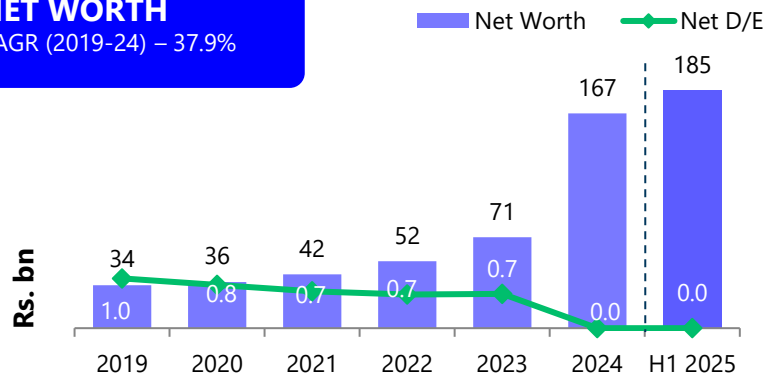
PAT

CAGR (2019-24) – 41.0%



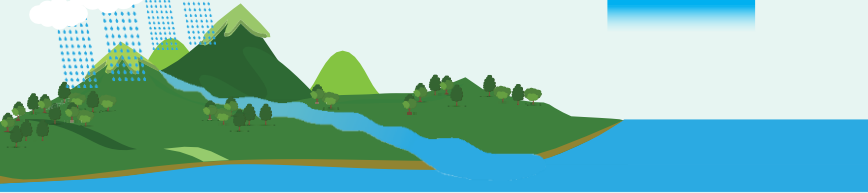
NET WORTH

CAGR (2019-24) – 37.9%



Increase ground water level

2x
WRR



190+ Water bodies (ponds & check dams) **maintained**



Using only half of recharged water for manufacturing



Reduce water usage (WUR)

-26%
by 2025

Water consumed Per liter of beverage produced



1.89

2021



1.70

2022



1.57*

2023



1.56*

2024



1.40

2025
Target

* Steady state WUR was 1.54 times in 2023 and 1.50 times in 2024, the differential is on account of stabilization of 2 new greenfield plants in 2023 and 3 new greenfield plants in 2024.

150+

Process Improvements



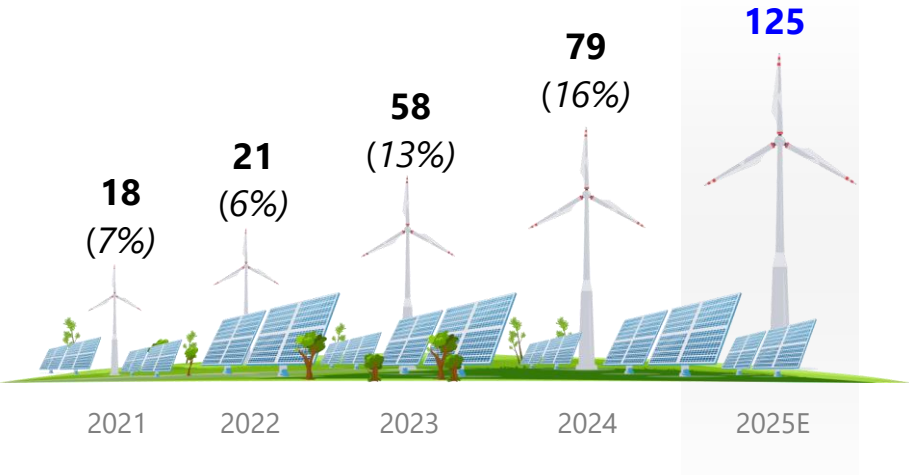
SUSTAINABILITY – Reducing Carbon Footprint (CDP climate rating: A)



Increase Renewable Energy

30%
by 2030

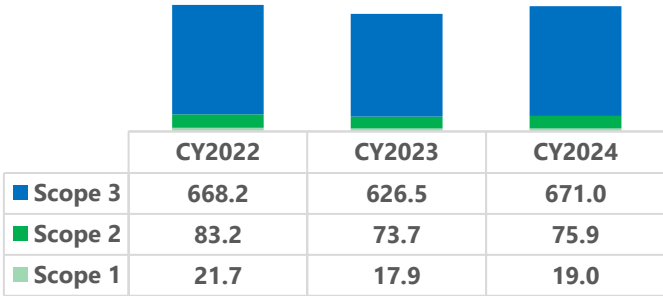
Solar (Rooftop + Captive Power Solution) & Windmill
RE Mix % & kWh million units



GHG Emissions

Net Zero
by 2050

GHG Emissions in million tons of CO₂e per liter



Note: The increase in GHG emissions is attributed to inorganic acquisitions in CY 2024.

POSITIVE CLIMATE ACTIONS



2,000+
EV in trade
for last mile



375K+ Plantations
(since 2020)



Efficient Visi Coolers – R290
(all new coolers starting 2023)



SUSTAINABILITY – Circular Economy

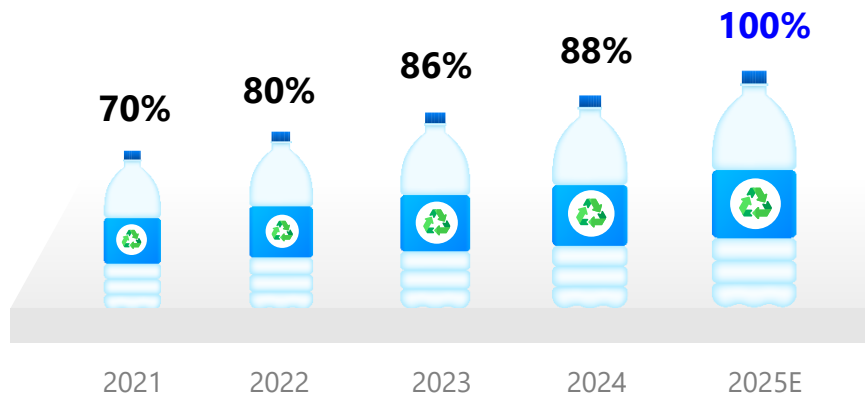
(CDP Supplier Engagement Assessment rating A)



Increase Plastic Waste Recycle



Ahead of EPR Regulations



←----- rPET -----→



Pepsi Zero Sugar and Sting energy come in rPET packaging



~7,000 MT used in 2024



30% rPET mix in packaging by 2025
INDORAMA JV

Reduce Plastic Usage



Packaging rationalization

- Removal of pads (20k MT of paper saving, equivalent to 400k trees)
- Shrink film and label rationalization (1.4 MT of material saving)



Closures by 20-25%

CSD/Juices/Water (2010 to-date)



Preforms by 10-20%

600ml to 2.25 liters (2010 to-date)

Varun Beverages Limited Q2 & H1 CY2025 Earnings Conference Call

Time

- Tuesday, July 29, 2025 at 2:30 PM IST

Conference dial-in Primary number

- +91 22 6280 1141 / +91 22 7115 8042

International Toll Free Number

- Hong Kong: 800 964 448
- Singapore: 800 101 2045
- UK: 0 808 101 1573
- USA: 1 866 746 2133

Varun Beverages Limited ("VBL" or the "Company") is a key player in beverage industry and one of the largest franchisee of PepsiCo in the world (outside USA). The Company produces and distributes a wide range of carbonated soft drinks (CSDs), as well as a large selection of non-carbonated beverages (NCBs), including packaged drinking water sold under trademarks owned by PepsiCo. PepsiCo CSD brands produced and sold by VBL include Pepsi, Pepsi Zero, Mountain Dew, Sting, Seven-Up, Mirinda, Seven-Up Nimbooz Masala Soda and Evervess. PepsiCo NCB brands produced and sold by the Company include Slice, Tropicana Juices (100% and Delight), Seven-Up Nimbooz, Gatorade as well as packaged drinking water under the brand Aquafina.

VBL has been associated with PepsiCo since the 1990s and have over three decades consolidated its business association with PepsiCo, increasing the number of licensed territories and sub-territories covered by the Company, producing and distributing a wider range of PepsiCo beverages, introducing various SKUs in the portfolio, and expanding the distribution network. As on date, VBL has been granted franchises for various PepsiCo products across 26 States and 6 Union Territories in India. India is the largest market and contributed ~72% of revenues from operations (net) in Fiscal 2024. VBL has also been granted the franchise for various PepsiCo products for the territories of Nepal, Sri Lanka, Morocco, Zambia, Zimbabwe, South Africa, Lesotho, Eswatini & DRC and distribution rights for Namibia, Botswana, Mozambique and Madagascar.

*For more information about us, please visit **www.varunbeverages.com** or contact:*

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Thank You!
