February 10, 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**

Sub: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Press Release

Dear Sir/Madam,

Please find attached herewith a copy of the Proposed Press Release to be issued by the Company.

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 Digitally signed by Ravi Batra
Date: 2025.02.10 12:04:59 +05'30'

Ravi Batra
Chief Risk Officer & Group Company Secretary

Encl.: As above

(a PepsiCo franchisee)

Varun Beverages' Q4 & CY2024 Financial Results

Q4 2024	CY 2024
Revenue grew 38.3% YoY to Rs. 36,887.9 mn	***Revenue grew 24.7% YoY to Rs. 200,076.5 mn***
EBITDA higher by 38.7% YoY to Rs. 5,799.7 mn	***EBITDA higher by 30.5% YoY to Rs. 47,110.7 mn***
PAT higher by 36.1% YoY to Rs. 1,956.4 mn	***PAT increased by 25.3% to Rs. 26,342.8 mn***

Gurgaon, February 10, 2025: Varun Beverages Limited *(BSE: 540180, NSE: VBL)*, a key player in the beverage industry, announced its financial results for the fourth quarter and year ended December 31, 2024.

Financial Performance Highlights*

Performance Review for CY2024 vs. CY2023

- Revenue from operations (net of excise / GST) grew by 24.7% YoY to Rs. 200,076.5 million in CY2024 as compared to Rs. 160,425.8 million in CY2023
    - Consolidated sales volume grew by 23.2% to 1,124.4 million cases in CY2024 from 912.9million cases in CY2023
- EBITDA increased by 30.5% to Rs. 47,110.7 million in CY2024 from Rs. 36,094.9 million in CY2023
    - EBITDA margin improved by 105 bps to 23.5% in CY2024, driven by improvement in gross margins which was partially offset by consolidation of SA market and fixed cost of new capex yet to the utilized to full potential
- PAT increased by 25.3% to Rs. 26,342.8 million in CY2024 from Rs. 21,018.1 million in CY2023 led by volume growth & improved margins
- In CY2024, mix of Low sugar / No sugar products increased to ~ 53% of our consolidated sales volumes from ~42% in CY2023

Performance Review for Q4 CY2024 vs. Q4 CY2023

- Revenue from operations (net of excise / GST) grew by 38.3% YoY to Rs. 36,887.9 million
- EBITDA increased by 38.7% to Rs. 5,799.7 million from Rs. 4,182.9 million
- PAT increased by 36.1% to Rs. 1,956.4 million from Rs. 1,437.6 million in Q4 2023 driven by volume growth & improved margins

Note 1: *VBL follows a calendar year of reporting (Jan to Dec);* ***Note 2:*** *Given the seasonality in the business, it is best to monitor the business on an annual basis as a significant portion of the revenues and profits are realized in the Apr-June quarter*

Commenting on the performance for Q4 & CY2024 Mr. Ravi Jaipuria, Chairman, Varun Beverages Limited said,

"We are pleased to conclude CY2024 on a strong note through adding geographical presence into new territories of South Africa along with distribution rights in Namibia, Botswana, Mozambique and Madagascar. We also started greenfield operations into a new country of Democratic Republic of Congo (DRC). The growth has been driven by organic volume growth and improved product mix.

India volumes grew 11.4%, reflecting the strength of our distribution network and operational execution. Consolidated volumes increased by 23.2%, largely led by new territories resulting in consolidated revenues increase by 24.7%, EBITDA growth of 30.5%, and PAT growth of 25.3% for the year.

We are progressing well in South Africa as we grew the sales volumes by 12.5% in the very first year of operations. We are consciously reducing our reliance on modern trade channel and enhancing our distribution network in general trade. As an enabler, we have placed more visi-coolers in the SA market in a single year than what was cumulatively placed till date by previous operators. We are working on plans for backward integration in the territory.

We also entered into share purchase agreement to acquire PepsiCo's business in Tanzania and Ghana, pending regulatory and other approvals. Integration of these acquisitions, along with our operations in South Africa, shall strengthen our presence in key international markets. This, coupled with the commissioning of new greenfield facilities in India and DRC, shall enhance our manufacturing and distribution capabilities, ensuring we are well-positioned to cater to growing consumer demand. Additionally, our foray into the snacks business with PepsiCo in Morocco, Zimbabwe and Zambia marks an important step in enriching our portfolio and leveraging synergies with our existing infrastructure.

In a significant development during the quarter, we successfully raised Rs. 75,000 million through a Qualified Institutional Placement (QIP). We appreciate the confidence and trust placed by leading domestic and foreign institutional investors, in our long-term strategy, business fundamentals, and execution capabilities. This capital raise strengthens our financial position, providing the flexibility to pursue strategic expansion opportunities, enhance our operational capabilities, and reinforce our balance sheet. Further, in line with our commitment to delivering value to shareholders, we are pleased to share that the Board has recommended a final dividend of ₹ 0.50 per equity share, subject to shareholders' approval.

Looking ahead, we remain focused on sustaining healthy growth in both Indian and international markets through deeper market penetration, strategic capacity expansion, and continued investments in technology and sustainability. Our focused efforts in strengthening last-mile distribution and deploying Visi Coolers in under-penetrated regions will enable us to reach a broader consumer base. With a strong foundation in place, we are confident in our ability to drive long-term value creation for all stakeholders in the years to come."

Key Developments

Acquisition of South Africa and neighboring territories:

- On 26 March 2024, VBL consummated the acquisition of The Beverage Company (Proprietary) Limited, South Africa along-with its wholly-owned subsidiaries ("BevCo"). Accordingly, Bevco became the subsidiary of the Company

- This acquisition allowed the Company to consolidate its presence in franchised territories in South Africa, Lesotho, and Eswatini, as well as territories with distribution rights in Namibia, Botswana, Mozambique, and Madagascar

Acquisition of Tanzania and Ghana territories:

- On 13 November 2024, VBL entered into a share purchase agreement with Tanzania Bottling Company SA and SBC Beverages Ghana Limited for purchase of 100% share capital, subject to regulatory and other approvals, including but not limited to PepsiCo Inc. at an Equity value of ~ USD 154.50 mn for Tanzania and ~ USD 15.06 mn for Ghana

- The acquisition is expected to be completed on or before 28 February 2025 for Ghana and 31 March 2025 for Tanzania

Exclusive Snacks Franchising Appointment with PepsiCo for Morocco, Zimbabwe and Zambia:

- Varun Beverages Morocco SA (a wholly owned subsidiary of the Company) entered into an Exclusive Snacks Appointment Agreement to manufacture and package Cheetos in the territory of Morocco. This appointment is in addition to the existing distribution agreement for PepsiCo's snacks portfolio consisting of Lays, Cheetos, Doritos in the territory of Morocco

- Varun Zimbabwe and Varun Zambia (subsidiaries of the Company) entered into an Exclusive Snacks Franchising Appointment with Premier Nutrition Trading LLC, Dubai (subsidiary of PepsiCo Inc.) to manufacture, distribute, and sell "Simba Munchiez" in the territory of Zimbabwe & Zambia

- Distribution in Zimbabwe and Zambia has started w.e.f. 1 Feb 2025. Manufacturing facilities are expected to be operational for Morocco on or before 1 May 2025, Zimbabwe on or before 1 Oct 2025 and for Zambia on or before 1 April 2026

Commencement of Commercial Production at 4 Greenfield facilities:

- For CY2024 season, the Company commissioned 3 new greenfield production facilities with backward integration in India at Supa; Maharashtra, Gorakhpur; Uttar Pradesh and Khordha; Odisha and 1 new greenfield production facility in Kinshasa, Democratic Republic of Congo

- Further, VBL set-up and expanded backward integration facilities at the Guwahati plant in India, as well as at plants in Morocco, Zambia, and Zimbabwe in international regions

Qualified Institutions Placement (QIP) Issue:

- The Company raised ~ Rs. 75,000 million through fresh issue of 132,743,362 equity shares

- The utilization of QIP proceeds (net of issue expenses) is primarily towards repayment of debt as well as acquisitions

Sub-division/split of existing equity shares of the Company:

- The Company on 12 September 2024 (“Record Date”), sub-divided/split of existing Equity Shares of the Company from 1 (one) equity share having face value of Rs. 5 each, fully paid-up, into such number of equity shares having face value of Rs. 2 each fully paid-up

Dividend:

- The Board of Directors in their meeting held on 10 February 2025 have approved a payment of final dividend of Rs. 0.50 (Fifty paise only) per equity share of the face value of Rs. 2 each, subject to the approval of equity shareholders in ensuing annual general meeting of the Company.

– ENDS –

About Varun Beverages Limited:

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 Black, 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 has 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 further information, please contact:

Raj Gandhi / Deepak Dabas / Manjit Singh Chadha
Varun Beverages Ltd
Tel: +91 124 4643100 /+91 9871100000 / +91 9810779979
Email: raj.gandhi@rjcorp.in /
deepak.dabas@rjcorp.in /
manjit.chadha@rjcorp.in

Anoop Poojari / Mitesh Jain
CDR India
Tel: +91 9833090434 / 96194 44691
Email: anoop@cdr-india.com /
mitesh@cdr-india.com