February 7, 2020

To,

<table>
<thead>
<tr>
<th>BSE Limited</th>
<th>National Stock Exchange of India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</td>
<td>Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051</td>
</tr>
<tr>
<td>Email: <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a></td>
<td>Email: <a href="mailto:cmlist@nse.co.in">cmlist@nse.co.in</a></td>
</tr>
<tr>
<td>Security Code: 540180</td>
<td>Symbol : VBL</td>
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**Sub:** Regulation 30: 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 the website of the Company at [www.varunpepsi.com](http://www.varunpepsi.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
Varun Beverages Ltd. Q4 & 2019 Financial Results

<table>
<thead>
<tr>
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<th>Q4 2019</th>
<th>2019</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>Revenue grows 55% YoY to Rs. 12,202.5 million</td>
<td>Revenue grows 40% YoY to Rs. 71,295.8 million</td>
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<tr>
<td>EBITDA</td>
<td>EBITDA increases 142% YoY to Rs. 1,157.4 million</td>
<td>EBITDA increases 44% YoY to Rs. 14,476.5 million</td>
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<tr>
<td>Net Profit</td>
<td>Net Profit expands 58% to Rs. 4,722.1 million</td>
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**Gurgaon, February 7, 2020:** 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, 2019.

**Financial Performance Highlights***

**Performance Review for 2019 vs. 2018**

- Revenue from operations (net of excise / GST) grew 39.7% YoY to Rs. 71,295.8 million as compared to Rs. 51,052.5 million
  
  - Total sales volumes were up 44.9% YoY at 492.7 million cases as compared to 340.0 million cases in 2018
  
  - Organic volume growth for the full year stood at 17.2% supported by robust performance in India (Organic Growth 13.1%) as well as International territories (Organic Growth 34%). Morocco, Zimbabwe and Sri Lanka have all grown in double digits during the year

- EBITDA increased by 43.8% to Rs. 14,476.5 million from Rs. 10,065.9 million

  - Even though gross margins declined by 120 bps during 2019 due to change in product mix and higher PET prices, EBITDA margins expanded by 59 bps in 2019 to 20.3% on account of operating leverage in the business

- PAT increased by 57.5% to Rs. 4,722.2 million from Rs. 2,998.6 million on the back of robust volume growth

**Performance Review for Q4 2019 vs. Q4 2018**

- Revenue from operations (net of excise / GST) grew 55.3% YoY to Rs. 12,202.5 million as compared to Rs. 7,856.2 million

  - Total sales volumes were up 80.7% YoY at 82.5 million cases in Q4 2019 as compared to 45.6 million cases in Q4 2018

- EBITDA increased by 142.2% to Rs. 1,157.4 million from Rs. 477.9 million

- Losses reduced to Rs. (539.5) million in Q4 2019 from Rs. (708.2) million in Q4 2018

  - Despite Q4 being a seasonally weak quarter, the losses were notably lower in comparison to Q4 2018 on account of better business efficiencies, cost containment strategies and integration of new territories that are relatively less seasonal
Commenting on the performance for Q4 & 2019 Mr. Ravi Jaipuria, Chairman, Varun Beverages Limited said, “I am happy to share that 2019 has been a year of solid operational and financial consolidation. We have delivered a topline growth of 40%, EBITDA growth of 44%, and PAT growth of 58% in 2019. The performance was primarily driven by robust volumes reported in both the Indian and International markets. Improved performance in underpenetrated territories acquired in 2017 and early 2018 resulted in a healthy domestic organic volume growth of 13%. Our international business also registered a solid growth of 34%, driven by double digit growth in the key markets like Morocco, Zimbabwe and Sri Lanka. In addition to this, the full year performance also includes the impact of South and West India sub-territories acquisition from May 2019 onwards.

While Q4 is typically a seasonally weak quarter, the losses were notably lower in comparison to Q4 2018 on account of better business efficiencies, cost containment strategies and integration of new territories that are relatively less seasonal. We expect this trend to sustain as we work on further fortifying our core strengths and aim to improve our penetration in these newly acquired territories.

Looking ahead, we will continue to build upon our key position in the beverage industry with presence in the fast growing markets, solid infrastructure and a well-entrenched distribution network. We are fully focused towards enhancing our market presence in the recently acquired territories in the upcoming year. Furthermore, we are constantly looking at opportunities to innovate and upgrade our product portfolio to tap the shift in consumer preferences across existing and new markets. This along with improving demand in our core markets should enable higher and sustained performance in the longer term.”

– ENDS –
About Varun Beverages Limited:

Varun Beverages Limited (VBL) 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, Diet Pepsi, Seven-Up, Mirinda Orange, Mirinda Lemon, Mountain Dew, Seven-Up Nimbooz Masala Soda, Evervess, Sting, Gatorade and Slice Fizzy Drinks. PepsiCo NCB brands produced and sold by the Company include Tropicana Slice, Tropicana Frutz, Tropicana Juices (100%, Delight, Essentials), Nimbooz, Ambient temperature value added dairy beverages as well as packaged drinking water under the brand Aquafina.

VBL has been associated with PepsiCo since the 1990s and have over two and half 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 27 States and 7 Union Territories in India. India is the largest market and contributed ~78% of revenues from operations (net) in Fiscal 2019. VBL has also been granted the franchise for various PepsiCo products for the territories of Nepal, Sri Lanka, Morocco, Zambia and Zimbabwe.

For more information, please visit www.varunpepsi.com or contact:

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Safe Harbor

Certain statements in this communication may be ‘forward looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company’s operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations. Varun Beverages Ltd (VBL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.