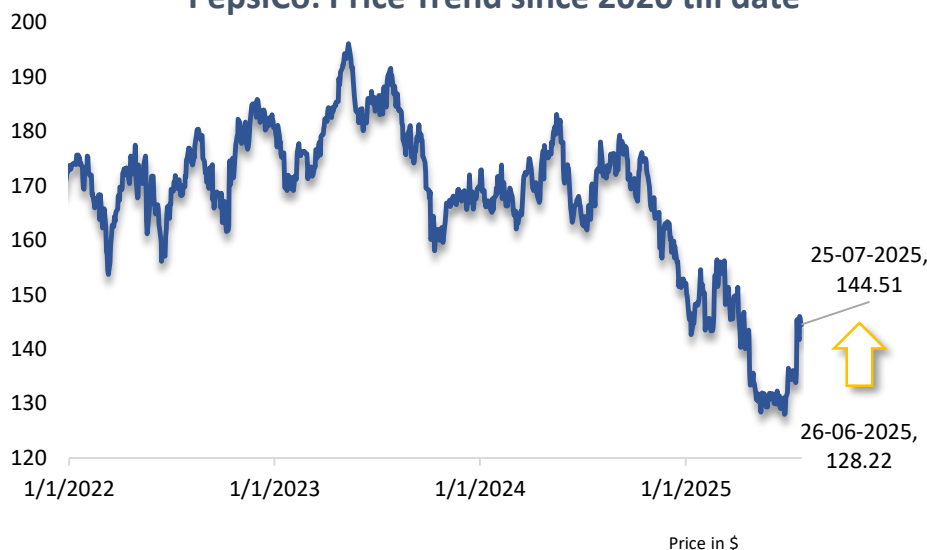




JULY 28, 2025

PepsiCo: Price Trend since 2020 till date



PepsiCo US Equity

CMP (\$)	144.50
YTD Returns (%)	-4.97
1 month Return (%)	12.9%
52 week high (\$)	180.91
52 week low (\$)	127.60
Mkt cap (\$)	197B

Source: Bloomberg (CMP as on 25-07-2025)

COMPANY OVERVIEW | NASDAQ: PepsiCo Inc

Category	Details
Origins	1965 (Merger of Pepsi-Cola & Frito-Lay)
Headquarters	Purchase (Harrison), New York, USA
Global Reach	Operations in over 200 countries
Major Brands	Pepsi, Lay's, Doritos, Cheetos, Gatorade, Tropicana, Quaker, Mountain Dew, Bubly, SodaStream
Innovations	Pepsi Prebiotic Cola, Lay's with olive/avocado oil, AI in supply chain
Future Growth Areas	Clean-label snacks, Improving supply chain by integration of AI

PepsiCo Stock Gains on Strong Q2 Earnings and Revised Outlook

PepsiCo stock jumped over 7% following its stronger-than-expected Q2 2025 earnings, reflecting a solid performance led by international demand, which now contributes to nearly 40% of total revenue. The company also revised its full-year guidance upward, now expecting a 1.5% decline in EPS, better than the previously estimated 3% drop. This modest decline, in a tough consumer environment, was seen positively by market participants. Company shared new plans to boost its North American business. This part of the business has struggled recently due to factors like changing customer tastes and the recall of Quaker Oats products.

Key Performance Metrics	
\$22.73B	\$2.12
Revenue	Core EPS
Surpassed forecast of \$22.25B	Exceeded forecast of \$2.03
2.1%	6.8%
Organic Growth	Stock Increase
Year-over-year increase	Rise by 12:12 p.m. ET post-

Prebiotic Beverage Launch & Clean-Label Snack Transformation

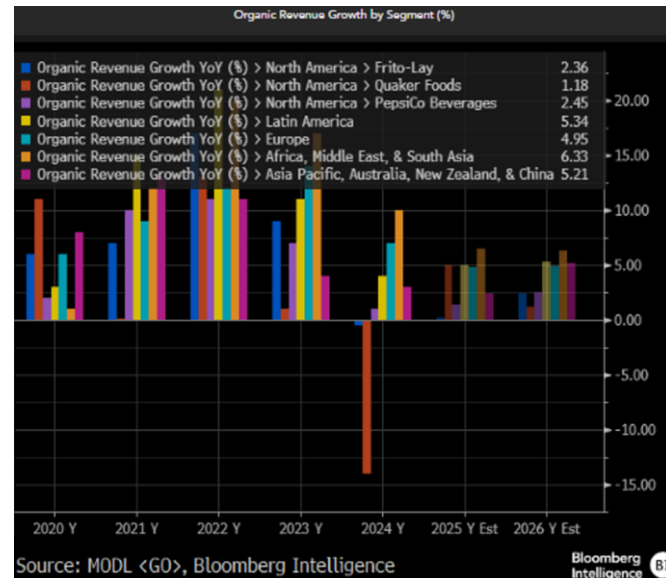
PepsiCo unveiled Pepsi Prebiotic Cola, its first major formula change in 20 years. Each 12-oz can contains only 5 g sugar, 30 calories, and 3 g prebiotic fiber, with no artificial sweeteners. The product is slated for online launch in fall 2025 and retail rollout in early 2026. It follows Pepsi's acquisition of the prebiotic soda brand Poppi. PepsiCo announced a rebranding of Lay's and Tostitos to remove artificial colors and flavors. It plans to use healthier oils (like avocado/olive oil) and natural dyes to appeal to health-conscious consumers, amid rising demand for cleaner-ingredient snacks.



Revised Sustainability Goals Amid Regulatory and Market Challenges

JULY 28, 2025

PepsiCo has revised several key sustainability goals under its PepsiCo Positive (pep+) strategy, reflecting challenges and regulatory constraints in global markets. The company scrapped its target of delivering 20% of beverages via reusable models by 2030 and reduced its virgin plastic reduction goal to 2% annually, rather than a 20% total cut. Its new targets include making 97% of packaging reusable, recyclable, or compostable by 2030 (down from a previous 100% by 2025), and using 40% recycled plastic content by 2035 (vs. 50% by 2030 earlier). Emission goals were also softened, with net-zero emissions now targeted by 2050 instead of 2040. PepsiCo emphasized the need to remain agile and transparent while focusing efforts where it can drive the most impact.



Global Sponsorship Deal with Formula 1

PepsiCo has entered a multi-year global partnership with Formula 1, effective until 2030, aimed at boosting global brand visibility and engaging younger, diverse audiences. The agreement makes Sting Energy the Official Energy Drink of F1, Gatorade the Official Partner of the F1 Sprint races, and Doritos the Official Savoury Snack Partner. The collaboration includes digital activations, retail campaigns, and co-branded offerings, with snack and beverage availability across F1 circuits starting in 2026. PepsiCo will also support the F1 Academy to promote female drivers and inclusivity in motorsport. Both organizations see the partnership as a strategic alignment of innovation, reach, and fan engagement.

Productivity Initiatives Driving Efficiency

- Manufacturing Optimization**
Closed two manufacturing plants and three mixing centers due to excess capacity, with headcount reductions to streamline operations.
- "One North America" Integration**
New initiative to integrate Frito-Lay and PBNA operations, optimizing distribution facilities and reducing duplicative costs across the value chain.
- Accelerated Savings**
70% increase in productivity initiatives expected in H2 2025, including procurement savings enabled by ERP investments and operating model changes.

Key Takeaways

PepsiCo's future outlook appears constructive as the company refocuses on core strengths amid shifting global dynamics. With steady international demand, a diversified product portfolio, and an adaptive approach to sustainability and consumer trends, PepsiCo is well-positioned to navigate near-term challenges while building long-term brand resilience. Its recent strategic moves, including expanding into functional beverages, revamping packaging goals to reflect regulatory realities, and forging high-impact global partnerships like Formula 1, underscore its intent to stay relevant and engaged with younger, more diverse audiences. While macroeconomic pressures persist, PepsiCo's ability to evolve operationally and align its sustainability, marketing, and innovation efforts may support steady growth and investor confidence over time.

The update and data points are compiled from Bloomberg, along with other media reports

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