



Anheuser-Busch InBev SA/NV
(Incorporated in the Kingdom of Belgium)
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Euronext Brussels Share Code: ABI
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NYSE ADS Code: BUD
JSE Share Code: ANH
ISIN: BE0974293251
("AB InBev" or the "Company")

Anheuser-Busch InBev reports Third Quarter and Nine Months 2020 Results

KEY FIGURES

- **Revenue:** Revenue grew by 4.0% in 3Q20, positively impacted by a healthy volume performance and revenue per hl growth of 2.3%. In 9M20, revenue declined by 6.8% with revenue per hl growth of 1.6%.
- **Volume:** Total volumes grew by 1.9% in 3Q20, with own beer volumes up by 2.6% and non-beer volumes down by 2.5%. In 9M20, total volumes declined by 8.2%, with own beer volumes down by 8.3% and non-beer volumes down by 5.9%.
- **Global Brands:** Combined revenues of our global brands, Budweiser, Stella Artois and Corona, increased by 6.8% globally and by 8.1% outside of their respective home markets in 3Q20. In 9M20, the combined revenues of our global brands declined by 7.2% globally and by 7.5% outside of their respective home markets.
- **Cost of Sales (CoS):** CoS increased by 9.6% in 3Q20 and by 8.3% on a per hl basis, driven primarily by supply chain adjustments implemented to meet evolving demand. In 9M20, CoS increased by 1.4% and increased by 10.8% on a per hl basis.
- **EBITDA:** EBITDA of 4 892 million USD represents a decrease of 0.8% in 3Q20, with EBITDA margin contraction of 188 bps to 38.2%. In 9M20, EBITDA declined by 16.7% to 12 254 million USD and EBITDA margin contracted by 432 bps to 35.9%.
- **Net finance results:** Net finance costs (excluding non-recurring net finance results) were 1 333 million USD in 3Q20 compared to 677 million USD in 3Q19. Net finance costs were 5 537 million USD in 9M20 compared to 2 047 million USD in 9M19. The increase in 9M20 was primarily driven by a mark-to-market loss of 1 747 million USD linked to the hedging of our share-based payment programs compared to a gain of 1 672 million USD in 9M19, resulting in a swing of 3 419 million USD.
- **Income taxes:** Normalized effective tax rate (ETR) increased from 22.6% in 3Q19 to 26.2% in 3Q20. Excluding the impact of gains and losses relating to the hedging of our share-based payment programs, our normalized ETR was 26.0% in 3Q20 compared to 26.8% in 3Q19. Normalized ETR increased from 22.8% in 9M19 to 37.2% in 9M20 and, excluding the impact of gains and losses relating to the hedging of our share-based payment programs, normalized ETR decreased from 27.2% in 9M19 to 24.3% in 9M20.
- **Non-recurring items:** Normalized EBIT excludes negative non-recurring items of 92 million USD in 3Q20 and 969 million USD in 9M20.
- **Profit:** Normalized profit attributable to equity holders of AB InBev was 1 578 million USD in 3Q20 compared to 2 412 million USD in 3Q19 and was 1 654 million USD in 9M20 versus 7 125 million USD in 9M19. Underlying profit (normalized profit attributable to equity holders of AB InBev excluding mark-to-market gains and losses linked to the hedging of our share-based payment programs and the impact of hyperinflation) was 1 601 million USD in 3Q20 compared to 1 870 million USD in 3Q19, and was 3 407 million USD in 9M20 compared to 5 462 million USD in 9M19.
- **Earnings per share (EPS):** Normalized EPS in 3Q20 was 0.79 USD, a decrease from 1.22 USD in 3Q19. Normalized EPS in 9M20 was 0.83 USD, a decrease from 3.59 USD in 9M19. Underlying EPS (normalized EPS excluding mark-

to-market gains and losses linked to the hedging of our share-based payment programs and the impact of hyperinflation) was 0.80 USD in 3Q20, a decrease from 0.94 USD in 3Q19, and was 1.71 USD in 9M20, a decrease from 2.76 USD in 9M19.

- **Interim Dividend:** While our business is delivering improving results, we continue to face uncertainty and volatility arising from the COVID-19 pandemic. In that context, our Board determined that it would be prudent and in the best interest of the Company to forgo the interim 2020 dividend payment. This decision is consistent with our financial discipline and prioritizes our deleveraging commitments, which have been impacted by the COVID-19 pandemic. The Board's proposal with respect to a full year 2020 dividend will be announced with our FY20 results on 25 February 2021.

SHORT FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the board of directors of AB InBev and is a summary of the information in the detailed financial results announcement and does not contain full or complete details. Any investment decision in relation to the Company's shares should be based on the full announcement.

The full announcement may be downloaded from

<https://senspdf.jse.co.za/documents/2020/jse/isse/anhe/Q32020.pdf>

or from the Company's website at www.ab-inbev.com

Copies may be requested, at no charge, from the Company's JSE Sponsor by calling +2711 011 9200 during business hours for a period of 30 calendar days following the date of this announcement.

29 October 2020

JSE Sponsor: Questco Corporate Advisory Proprietary Limited

Anheuser-Busch InBev is a publicly traded company (Euronext: ABI) based in Leuven, Belgium, with secondary listings on the Mexico (MEXBOL: ANB) and South Africa (JSE: ANH) stock exchanges and with American Depositary Receipts on the New York Stock Exchange (NYSE: BUD).