AB Inbev Denmark ApS

c/o SOHO, Flæsketorvet 68, 1711 Copenhagen W

CVR no. 39 27 12 65

Annual report 2018

(As of the establishment of the Company 9 January - 31 December 2018)

Approved at the Company's annual general meeting on 10 July 2019

Chairman:

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Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of AB Inbev Denmark ApS for the financial year as of the establishment of the Company 9 January -31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year as of the establishment of the Company 9 January - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen,
10 July 2019
Executive Board:

Christophe Stevens

Board of Directors:

Peter Cammaerts Chairman	Otto Sillanpää	Christophe Stevens

Independent auditor's report

To the shareholder of AB Inbev Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018, and of the results of the Company's operations for the financial year 9 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of AB Inbev Denmark ApS for the financial year 9 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the fi-nancial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 10 July 2019
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jan Wright State Authorised Public Accountant mne10053	Thomas Lauritsen State Authorised Public Accountant mne34342

Management's review

Company details

Name	AB Inbev Denmark ApS
Address, Postal code, City	c/o SOHO, Flæsketorvet 68, 1711 Copenhagen W
CVR no.	39 27 12 65
Established	9 January 2018
Registered office	Copenhagen
Financial year	9 January - 31 December 2018
Website	https://abinbev.dk
Board of Directors	Peter Cammaerts, Chairman Otto Sillanpää Christophe Stevens
Executive Board	Christophe Stevens
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44, 2900 Hellerup

Management commentary

Business review

The main business activity of the company is to distribute and market beverages in Denmark.

The company was incorporated 9 January 2018 and the annual report 2018 is the first financial year for the company.

Financial review

The income statement for 2018 shows a profit of DKK 776,519, and the balance sheet at 31 December 2018 shows an equity of DKK 826,519.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements for the period 9 January - 31 December 2018

Income statement

Note	DKK	2018
	Gross profit	1,050,163
2	Staff costs	0
	Profit before net financials	1,050,163
3	Financial expenses	-52,743
	Profit before tax	997,420
4	Tax for the year	-220,901
	Profit for the year	776,519
	Recommended appropriation of profit	776,519
	Retained earnings	776,519

Financial statements for the period 9 January - 31 December 2018

Balance sheet

Note	DKK	2018
	ASSETS	
	Fixed assets	
5	Intangible assets	
	Software	1,041,555
		1,041,555
	Total fixed assets	1,041,555
	Non-fixed assets	
	Inventories	
	Finished goods and goods for resale	13,506,875
		13,506,875
6	Receivables	
	Trade receivables	8,495,791
	Deferred tax assets	7,261
	Other receivables	3,281,678
		11,784,730
	Total non-fixed assets	25,291,605
	TOTAL ASSETS	26,333,160

Financial statements for the period 9 January - 31 December 2018

Balance sheet

Note	DKK	2018
	EQUITY AND LIABILITIES	
	Equity	
7	Share capital	50,000
	Retained earnings	776,519
	Total equity	826,519
	Liabilities other than provisions	
	Current liabilities other than provisions	
	Trade payables	2,647,368
	Payables to group enterprises	22,141,096
	Corporation tax payable	234,550
	Other payables	483,627
		25,506,641
	Total liabilities other than provisions	25,506,641
	TOTAL EQUITY AND LIABILITIES	26,333,160

1	Accounting policies
8	Contractual obligations and contingencies, etc.
9	Collateral
10	Related parties

Financial statements for the period 9 January - 31 December 2018

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Capital increase at establishment of legal entity	50,000	0	50,000
Transfer through appropriation of profit	0	776,519	776,519
Equity at 31 December 2018	50,000	776,519	826,519

Financial statements for the period 9 January - 31 December 2018

Notes to the financial statements

1 Accounting policies

The annual report of AB Inbev Denmark ApS for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The Company was incorproated in 2018 and hence the financial statements is the first financial year and no comparatives included.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Income statement

Revenue

The Company has chosen IFRS 15 as interpretation for revenue recognition.

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Company considers whether there are other promises in the revenue contracts that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., discounts and rebates).

In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Financial statements for the period 9 January - 31 December 2018

Notes to the financial statements

1 Accounting policies (continued)

Gross Profit

Gross profit includes net revenue deducted by cost of sales and other external expenses.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Intangible assets include software licences.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Financial statements for the period 9 January - 31 December 2018

Notes to the financial statements

1 Accounting policies (continued)

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash

Cash comprise cash which is subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Payables from group entities".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

2 Staff costs

The company holds no employees in Denmark, instead the company is charged with a service fee from group companies. These expenses has been presented as part of the other external expenses.

Financial statements for the period 9 January - 31 December 2018

Notes to the financial statements

	DKK	2018
3	Financial expenses	
	Interest expenses, group entities	57
	Exchange adjustments	43,872
	Other financial expenses	8,814
		52,743
4	Tax for the year	
	Estimated tax charge for the year	228,162
	Deferred tax adjustments in the year	-7,261
		220,901

5 Intangible assets

DKK	Software
Additions	1,041,555
Cost at 31 December 2018	1,041,555
Carrying amount at 31 December 2018	1,041,555
Amortised over	5 years

Intangible assets include software additions. At 31 December 2018, the software has not yet been implemented and hence amortisations has not been initiated.

6 Receivables

Out of the Company's total receivables, no trade receivables are due for payment more than one year after the balance sheet date.

7 Share capital

The Company's share capital has remained DKK 50,000 since the establishment.

8 Contractual obligations and contingencies	Due within 1 year	Due in 1-5 years	Total
Other commitments			
Service agreements	1,700,551 DKK	3,028,489 DKK	4 ,729,040 DKK

9 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2018.

Financial statements for the period 9 January - 31 December 2018

10 Related parties

AB Inbev Denmark ApS' related parties comprise the following:

Significant influence

Related party	Domicile	Basis for significant influence
AB InBev Western European Holding B.V	Postbox 3212, 4800 MA Breda, The Netherlands	Direct parent company

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
AB InBev Western European Holding B.V	Postbox 3212, 4800 MA Breda The Netherlands