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**Budweiser Brewing Company APAC Limited**

**百威亞太控股有限公司**

*(A company incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1876)**

**UNAUDITED INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2020  
AND  
THE SECOND QUARTER 2020 FINANCIAL INFORMATION**

The board of directors (the “**Board**”) of Budweiser Brewing Company APAC Limited (“**Budweiser APAC**” or the “**Company**”, together with its subsidiaries, the “**Group**”) announces the unaudited results of the Group for the six months ended 30 June 2020 as attached to this announcement.

The Board wishes to remind shareholders and investors that the unaudited results for the six months ended 30 June 2020 have been prepared based on the Group’s internal records and management accounts and have been reviewed but not audited by independent auditors.

**Shareholders and potential investors are advised not to place undue reliance on the unaudited results and to exercise caution in dealing in the securities of the Company.**

By Order of the Board  
**Budweiser Brewing Company APAC Limited**  
**Renrong Wang**  
*Joint Company Secretary*

Hong Kong, 30 July 2020

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. Jan Craps as Co-Chair and Executive Director, Mr. Carlos Brito as Co-Chair and Non-executive Director, Ms. Katherine Barrett (Mr. John Blood as her alternate) and Mr. Nelson Jamel (Mr. David Almeida as his alternate) as Non-executive Directors, and Mr. Martin Cubbon, Ms. Mun Tak Marjorie Yang and Ms. Katherine King-suen Tsang as Independent Non-executive Directors.*



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## Budweiser APAC Reports Six Months 2020 Results

### KEY FIGURES TO DATE<sup>1</sup>

- **Volume:** Total volumes decreased by 22.2% in the first half of 2020 (1H20) and 6.1% in the second quarter of 2020 (2Q20) year-on-year. The improvement in 2Q20 was primarily driven by a strong recovery in China to almost the same level as last year, including the highest monthly volume in our China history in June 2020
- **Revenue:** Revenue declined by 23.5% and revenue per hl declined by 1.7% in 1H20, resulting in a 26.9% decline on a reported basis after including currency impacts and scope changes. In 2Q20, revenue declined by 10.2% and revenue per hl declined by 4.4%, primarily driven by country mix, channel mix and a difficult comparable
- **Cost of Sales (CoS):** CoS decreased by 19.5% and CoS per hl increased by 3.4% in 1H20, resulting in a 23.6% decline on a reported basis including currency impacts and scope changes. In 2Q20, CoS decreased by 10.2% and CoS per hl decreased by 4.4%, as a result of our economies of scale in China and operational initiatives
- **Normalized EBITDA<sup>2</sup>:** Normalized EBITDA declined by 40.6% and normalized EBITDA margin was 27.0% in 1H20. Nonetheless, in 2Q20, the decline of our normalized EBITDA lessened to 17.2%. Our normalized EBITDA margin in 2Q20 improved to 32.3%, a comparable level to that of full-year 2019, driven by the significant volume recovery in China and strong cost control
- **Normalized Effective Tax Rate (ETR):** Normalized ETR increased from 27.7% in 1H19 to 38.7% in 1H20, primarily driven by withholding taxes on dividend payments and country mix. ETR on a reported basis was 47.3%, which included a provision made in 1H20 related to the settlement of a tax audit that covered our business in South Korea from 2014 through 2018
- **Normalized Profit:** Normalized profit attributable to equity holders of Budweiser APAC decreased from 651 million USD in 1H19 to 222 million USD in 1H20, due to our normalized EBITDA decline coupled with increased net financing costs primarily driven by unfavorable currency effects. Profit attributable to equity holders of Budweiser APAC followed a similar trend, decreasing from 606 million USD in 1H19 to 185 million USD in 1H20
- **Earnings per share (EPS):** Adjusted EPS<sup>3</sup> decreased from 4.92 cents USD in 1H19 to 1.68 cents USD in 1H20. Basic and diluted EPS decreased from 5.25 cents USD in 1H19 to 1.40 cents USD in 1H20

<sup>1</sup> Unless otherwise stated, the growth rates presented in this document are based on organic growth figures and refer to unaudited 1H20 and unaudited 2Q20 versus the same period of last year. Please refer to Annex 1 for unaudited 2Q20 financial information, and Annex 2 for further information on the calculation of organic growth figures. Please also refer to the end of this press release for important notes and disclaimers.

<sup>2</sup> Normalized EBITDA is a key financial measure regularly monitored by management in managing the Group's performance, capital and funding structure. Normalized EBITDA is calculated by excluding the following effects from profit attributable to equity holders of Budweiser APAC: (i) non-controlling interests; (ii) income tax expense; (iii) share of results of associates; (iv) net finance cost; (v) non-recurring net finance cost; (vi) non-recurring items above EBIT (including non-recurring costs) and (vii) depreciation, amortization and impairment. Please refer to the "Reconciliation between profit attributable to equity holders of Budweiser APAC and normalized EBITDA" section of this press release for further information.

<sup>3</sup> Adjusted basic earnings per share (Adjusted EPS) calculation for 1H20 uses the normalized profit attributable to equity holders of Budweiser APAC divided by the total number of shares outstanding as of 30 June 2020 deducting the shares held in trust held by a trustee (13,220,469,347 shares). Adjusted EPS calculation for 1H19 was calculated on the assumption that the shares issued by the Company for the initial public offering existed throughout the six months ended 30 June 2019 in which the normalized profit attributable to equity holders of Budweiser APAC was divided by the total number of shares issued as of 30 September 2019 (13,243,397,000 shares) deducting 23,000,000 shares held in trust by a trustee.



**Figure 1. Consolidated performance (million USD)**

	1H20	1H19	Organic growth <sup>4</sup>
<b>Total volumes (thousand hls)</b>	<b>38 733</b>	<b>50 229</b>	<b>-22.2%</b>
<b>Revenue</b>	<b>2 575</b>	<b>3 522</b>	<b>-23.5%</b>
<b>Gross profit</b>	<b>1 327</b>	<b>1 889</b>	<b>-26.9%</b>
Gross margin	51.5%	53.6%	-241 bps
<b>Normalized EBITDA</b>	<b>694</b>	<b>1 218</b>	<b>-40.6%</b>
Normalized EBITDA margin	27.0%	34.6%	-785 bps
<b>Normalized EBIT</b>	<b>383</b>	<b>875</b>	<b>-53.7%</b>
Normalized EBIT margin	14.9%	24.8%	-1002 bps
Profit attributable to equity holders of Budweiser APAC	185	606	
<b>Normalized profit attributable to equity holders of Budweiser APAC</b>	<b>222</b>	<b>651</b>	
EPS (cent USD)	1.40	5.25	
<b>Adjusted EPS (cent USD)</b>	<b>1.68</b>	<b>4.92</b>	

## MANAGEMENT COMMENTS

Although our business was affected by the COVID-19 pandemic during 1H20, it improved significantly in 2Q20, especially in China. After the announced 17% volume decline in April, our volumes in China grew by mid-single digits in both May and June, with the highest monthly volume in our China history being achieved in June 2020. While it remains difficult to predict how the COVID-19 pandemic may evolve, we are excited by the ongoing momentum of our business recovery in the region.

### *Committed to our people*

Our business continuity and recovery could not have been achieved without the dedication and resilience of our colleagues. Even though restrictions have been eased in many markets where we operate, the health and safety of our colleagues remain our top priority. We continue to implement protective measures to provide a safe working environment.

### *Engaging with our customers and consumers*

Our customer network has also been resilient throughout this crisis. Our key customers, especially those in China and South Korea, have resumed their business operations and have been working with us to elevate the passion for beer this summer.

<sup>4</sup> Unless otherwise stated, the growth rates presented in this document are based on organic growth figures and refer to unaudited 1H20 and unaudited 2Q20 versus the same period of last year. Please refer to Annex 1 for unaudited 2Q20 financial information, and Annex 2 for further information on the calculation of organic growth figures. Please also refer to the end of this press release for important notes and disclaimers.



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We have effectively re-allocated resources to the most relevant channels according to market conditions and consumer insights. Our brands leveraged digital platforms and relevant trade programs to engage with consumers and address new consumer trends. For example, during the 618 e-commerce shopping festival<sup>5</sup> in China, Budweiser continued to be the #1 beer brand, with Corona, Hoegaarden and Harbin also among the top 10, on both the Tmall and JD.com platforms. Our leadership in the China e-commerce channel grew to more than twice the market share of the next brewer in 2Q20, according to Nielsen. In the in-home channel, we continued to grow our market share year-on-year in both China and South Korea, according to Nielsen. We look forward to connecting with consumers even further through our captivating summer campaigns.

### ***Upholding our financial and operational discipline***

We maintained our strong balance sheet as a result of ongoing financial discipline and proactive liquidity management actions. As of 30 June 2020, our available cash and cash equivalents were approximately 1.3 billion US dollars. In addition, we have access to various internal and external funding sources to support our operations as needed.

We have not experienced any material disruption of our supply chain, although we have adjusted production levels according to market demand. Leveraging our scale and best practices, we have secured raw materials and implemented additional cost initiatives to alleviate the impact from the COVID-19 pandemic, especially in 2Q20. Our robust financial position and operational capabilities provide us with a strong foundation for shorter-term stability, and more importantly, longer-term prosperity.

### ***Building a sustainable future with our communities***

As we fight against the COVID-19 pandemic, we strive to be part of the solution for our communities. In China, we provided medical supplies to frontline workers as well as monetary support and clean drinking water to communities in need. In South Korea, we made monetary and other donations including masks and hand sanitizers to the Daegu branch of the Korean Red Cross. In India, we leveraged Budweiser x Home and #ONETEAM campaigns to raise funds to support individuals severely impacted by the COVID-19 pandemic, while also providing medical supplies to healthcare workers. In Vietnam, we launched Beck's Ice "My Home, My Stage" virtual rap contest campaign to amplify positive messages during the COVID-19 pandemic, in addition to donating purified water to people in quarantine.

Meanwhile, our 2025 Sustainability goals remain an important priority. We continued to make significant progress in these initiatives amid the COVID-19 pandemic:

- **Climate Action:** We are committed to reducing our carbon emissions by 25% and securing 100% of our purchased electricity from renewable sources by 2025. A recent example of this journey is our Ziyang brewery in China, our first brewery in China to use 100% renewable electricity and the first in the Chinese beer industry. We also installed a second-life battery energy storage system for the first time in our breweries in Suqian and Foshan, China. This energy storage system was developed through one of our previous "100+ Sustainability Accelerator" projects with Yushuo Energy that extends the useful life of electric-vehicle batteries by at least five years. In addition, the electricity generated by the ongoing onsite installations and the recently signed virtual power purchased agreement (VPPA) is expected to enable us to brew more than half of our annual Budweiser volumes in China through renewable energy in 2020. With a combination of different initiatives, we reduced our total purchased energy by 4% per hl of our volumes produced in 1H20.

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<sup>5</sup> One of the largest e-commerce shopping festivals in China that lasted from 1 June 2020 through 20 June 2020. Ranking measured by gross merchandise value (GMV) as disclosed by Tmall and JD.com.



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- **Water Stewardship:** Our goal is to measurably improve water availability and quality for our communities in high stress areas. To achieve this, in India, we are establishing watershed replenishment structures, ranging from on-farm ponds to check dams, and promoting conservation and management of water and soil for smart, sustainable agriculture. In addition, we are also working with Jaldhaara Foundation and WaterHealth India, to install WaterHealth Centers (WHCs) in under-served areas to provide drinking water. Over the past 1.5 years since its establishment, this project has provided approximately 7.2 million liters of safe and purified drinking water to over 100,000 citizens in the Bangalore municipality. In addition, we reduced our net water usage in our breweries by 3% per hl of our volumes produced in 1H20.
- **Circular Packaging:** By 2025, we aim to ensure 100% of our product is in packaging that is returnable or made largely from recycled content. To achieve this goal, we continuously explore new solutions with our suppliers to increase our recycled content of glass, cans and PET, while advocating for returnable solutions. For example, in South Korea, we modified the shrink wrap for our products, which is expected to save nearly 100 tons of plastic annually.
- **Smart Agriculture:** We continued to support local farmers and their communities. For example, we collaborated with scientists and researchers from the Indian Institute of Wheat & Barley Research (IIWBR) to train local farmers. From harvest to delivery of the barley, we stayed connected with the farmers even during the lockdown in India and advised them on when best to harvest and how to best store their barley when delivery logistics were delayed. The agility and resilience of our SmartBarley team enabled us to purchase over 4,000 tons of high-quality malting barley from these farmers, over-delivering on our target amid a challenging lockdown.
- **100+ Accelerator:** In the 2020 cohort, we have selected two start-ups to pilot within Budweiser APAC: (1) Ecopackers, who develops eco-resins with our suppliers and with whom we work on shrink alternatives in China and keg caps in India, and (2) Shianco, who uses by-products from our beer to make furniture for our offices and breweries in China.

With sustainability at the heart of our business, we remain dedicated to advancing the United Nations Sustainable Development Goals, to help our communities and environment thrive for the next 100 years and beyond.



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### BUSINESS REVIEW

#### APAC WEST

In 1H20, our revenue in the APAC West region declined by 25.5%, resulting in a 27.4% decline on a reported basis after including currency impacts and scope changes, driven by a volume decline of 23.2% and a revenue per hl decline of 3.1%. In 2Q20, revenue declined by 10.2% driven by a volume decline of 5.8% and a revenue per hl decline of 4.7%. Normalized EBITDA declined by 43.3% in 1H20 and 16.5% in 2Q20.

#### *China*

In 1H20, our revenue in China declined by 23.3% driven by a volume decline of 20.5% and a revenue per hl decline of 3.5%. In 2Q20, revenue declined by 4.6% primarily driven by a revenue per hl decline of 4.3%. Our volumes improved significantly month-over-month during 2Q20, from a 17% decline in April to mid-single digit growth in May and June, almost fully recovering to the same level as 2Q19 with a slight decline of 0.3%, despite a challenging comparable last year. In June 2020, we delivered the highest monthly volumes in our history in China, while still maintaining a healthy level of inventories in the trade.

During 2Q20, business recovery at the point-of-connection (POC) level continued its strong momentum. We estimate that almost all of POCs in the in-home channel, over 90% in the restaurant channel and over 80% in the nightlife channel had re-opened by the end of June 2020. The e-commerce channel continued to accelerate its growth. As a result of this channel mix shift, our total market share in 1H20 was negatively impacted.

We re-allocated our resources to the channels most relevant to our consumers during the COVID-19 pandemic and delivered positive results. According to Nielsen, we grew market share in the in-home channel in 1H20 and 2Q20. We also grew volume in this channel by high single digits in 2Q20, primarily driven by the strong performance in key accounts and e-commerce. In addition, our leadership in the e-commerce channel grew to more than twice the market share of the next brewer, according to Nielsen. During the 618 e-commerce shopping festival, Budweiser was the #1 beer brand, with Corona, Hoegaarden and Harbin also among the top 10, on both Tmall and JD.com platforms. In particular, Budweiser Pulse, an amber lager brewed from roasted crystal malt, was the best-selling stock keeping unit (SKU) in the beer category on Tmall where it was exclusively available.

Our revenue per hl in 2Q20 was negatively impacted by the slower recovery of the nightlife channel, where our Premium brand Budweiser has a strong leadership position, in addition to a challenging comparable last year. This was also due to the strong performance of our local brands in the Core/Value segment (e.g., Double Deer, BBOSS) in the quarter. Nonetheless, our Super Premium portfolio continued its momentum and grew volumes in 2Q20. It gained market share in the in-home channel once again in 2Q20, according to Nielsen. We believe that the long-term premiumization trend in China remains intact, given the continued healthy performance of the Super Premium segment<sup>6</sup>, strong indications of economic recovery and encouraging stimulus policies.

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<sup>6</sup> In 2Q20, the Super Premium segment outperformed all other segments in the in-home channel, according to Nielsen



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Normalized EBITDA declined by 37.2% in 1H20 and 10.1% in 2Q20. Although our normalized EBITDA margin was adversely impacted by the COVID-19 outbreak in 1Q20, it has since improved substantially in 2Q20 to a comparable level as that of full year 2019, driven by strong volume recovery and effective cost initiatives.

Since late May, we have launched exciting new products across different price segments and styles. In Guangdong, we have launched Bud Light, one of the top three most valuable brands globally according to BrandZ, with a differentiated and complementary positioning to Budweiser to further grow our leading position in the Premium segment. In the Core+ segment, we have launched Beck's, a world-renowned German beer with 100% pure malt, unlocking a unique and classic experience for Chinese consumers. In flavored beer, we have expanded Sedrin Lychee beer nationwide, infusing our regional champion brand with a popular summer fruit. We are excited by the early results of these innovations, which are valuable additions to our strong summer plans.

In the long run, we believe that our proven track record of consistently building successful brands that are loved by consumers, and exceptional route to market capabilities supported by our business partners, position us well to continue expanding our business in China.

### ***India***

In India, a national lockdown in response to the COVID-19 pandemic was implemented from 24 March through early May 2020. Although we observed an easing of restrictions initially in mid-May, many states reinstated complete or partial lockdown measures recently. In addition, several states imposed additional excise taxes, further impacting consumer demand.

As a result of these challenges, our volumes were significantly impacted in 2Q20. Although we have obtained permits to resume operations at our active breweries, we have adjusted our production levels according to demand.

### **APAC EAST**

Our revenue in the APAC East region declined by 15.4%, resulting in a 25.0% decline on a reported basis after including currency impacts and scope changes. The organic revenue decline was driven by a volume decline of 15.4% while our revenue per hl remained stable in 1H20. In 2Q20, revenue declined by 10.2%, driven by a volume decline of 8.8% and a revenue per hl decline of 1.6%. Normalized EBITDA declined by 29.8% in 1H20 and 20.6% in 2Q20.



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### South Korea

In 1H20, while businesses largely remained open throughout the COVID-19 pandemic, people actively practiced social distancing. Consumer sentiment, though soft, has been improving quarter-over-quarter<sup>7</sup>.

Our revenue per hl declined by low single digits during 2Q20, primarily driven by a difficult comparable resulting from the price increase implemented in April 2019, which was rolled back in October 2019 to revitalize the domestic beer industry. This impact was partially offset by the benefits from the tax reform implemented on 1 January 2020 that equalized excise taxes between domestic and imported beers.

We continued to leverage our full portfolio of brands to connect with consumers across channels. In 2Q20, even though our total market share declined year-on-year, it grew quarter-over-quarter once again based on our estimates, which was also the case in the Korean restaurant channel. In the in-home channel, we continued with our strong momentum and grew the most market share year-on-year among brewers, according to Nielsen.

Our Cass “Cheer Up” campaign with the famous culinary celebrity, Mr. Baek, was well recognized by consumers for its sincere, motivating message to restaurants and other local businesses impacted by the COVID-19 pandemic. In addition, based on consumer voting results, we engaged EXO-SC, from an influential K-Pop<sup>8</sup> band with a large fan base, as Cass’ next brand ambassador. The initial activations have shown exciting results; we look forward to driving this exciting momentum further for Cass in the summer and beyond.

In the Premium and Super Premium segments, Budweiser, Stella Artois and Hoegaarden continued to be among the top five beer brands in these segments in the country. In addition, we have also launched various innovations, such as Hoegaarden seasonal variants (e.g., green grape flavored), Hand & Malt SangSang Pale Ale (a pale ale beer made with local honey), and Goose Island Duck Duck Goose (a tropical, refreshing IPA), for consumers who are seeking differentiated products. As a result, we estimate that we grew market share in the Premium and Super Premium segments year-on-year in 2Q20.

In the growing Happoshu segment, Filgood has been consistently gaining market share quarter-over-quarter since its launch in February 2019, to a meaningful position in this segment. This was a result of effective commercial execution and increasing distribution, supported by our compelling marketing campaigns through social media influencers.

We continue to focus on our commercial strategy, which has already shown encouraging results, to further revitalize the domestic beer industry and reconnect with growth. We are encouraged by the ongoing recovery in the South Korea market and enthusiastic about its long-term growth potential.

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<sup>7</sup> Source: Composite Consumer Sentiment Index

<sup>8</sup> Korean popular music



**BUDWEISER APAC UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

The financial information of the Group has been reviewed by the Audit Committee of the Company and extracted from the Group's unaudited condensed consolidated interim financial statements, which have been reviewed by the Group's external auditor, PricewaterhouseCoopers, in accordance with International Standards on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

**UNAUDITED CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT**

	Notes	<b>30 June 2020</b>	<b>30 June 2019</b>
		<i>US\$'million</i>	<i>US\$'million</i>
<b>Revenue</b>	2	<b>2,575</b>	<b>3,522</b>
Cost of sales		(1,248)	(1,633)
<b>Gross profit</b>		<b>1,327</b>	<b>1,889</b>
Distribution expenses		(215)	(265)
Sales and marketing expenses		(575)	(618)
Administrative expenses		(205)	(223)
Other operating income	3	51	92
<b>Profit from operations before non-recurring items</b>		<b>383</b>	<b>875</b>
Non-recurring items	4	(10)	(39)
<b>Profit from operations</b>		<b>373</b>	<b>836</b>
Finance cost		(25)	(1)
Non-recurring finance cost		-	(7)
Finance income		9	13
<b>Net finance (cost)/income</b>		<b>(16)</b>	<b>5</b>
Share of results of associates		8	8
<b>Profit before tax</b>		<b>365</b>	<b>849</b>
Income tax expense	5	(169)	(245)
<b>Profit for the period</b>		<b>196</b>	<b>604</b>
Profit of the period attributable to:			
Equity holders of Budweiser APAC		185	606
Non-controlling interests		11	(2)
<b>Earnings per share from profit attributable to the ordinary equity holders of Budweiser APAC:</b>			
Basic earnings per share	6	1.40	5.25
Diluted earnings per share	6	1.40	5.25



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### UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
<b>Profit for the period</b>	<b>196</b>	<b>604</b>
<b>Other comprehensive (loss)/income:</b>		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	(291)	(176)
Gain on cash flow hedges	1	1
<b>Other comprehensive loss, net of tax</b>	<b>(290)</b>	<b>(175)</b>
<b>Total comprehensive (loss)/income</b>	<b>(94)</b>	<b>429</b>
Total comprehensive (loss)/income of the period attributable to:		
Equity holders of Budweiser APAC	(104)	431
Non-controlling interests	10	(2)



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### UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2020 US\$'million	31 December 2019 US\$'million
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		3,461	3,638
Goodwill		6,721	6,921
Intangible assets		1,633	1,708
Land use rights		240	247
Investment in associates		419	418
Deferred tax assets		240	215
Trade and other receivables		49	53
<b>Total non-current assets</b>		<b>12,763</b>	<b>13,200</b>
<b>Current assets</b>			
Inventories		439	438
Trade and other receivables	7	685	652
Derivatives		16	14
Cash pooling deposits to AB InBev		7	40
Cash and cash equivalents		1,281	952
Other current assets		17	12
<b>Total current assets</b>		<b>2,445</b>	<b>2,108</b>
<b>Total assets</b>		<b>15,208</b>	<b>15,308</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Issued capital		-	-
Share premium		43,591	43,591
Capital reserve		(36,213)	(36,213)
Other reserves		(836)	(556)
Retained earnings		2,862	3,014
<b>Equity attributable to equity holders of Budweiser APAC</b>		<b>9,404</b>	<b>9,836</b>
Non-controlling interests		43	48
<b>Total equity</b>		<b>9,447</b>	<b>9,884</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and borrowings		27	28
Deferred tax liabilities		448	484
Trade and other payables		26	135
Provisions		124	136
Income tax payable		99	110
Other non-current liabilities		26	38
<b>Total non-current liabilities</b>		<b>750</b>	<b>931</b>
<b>Current liabilities</b>			
Bank overdrafts		450	75
Cash pooling loans from AB InBev		172	50
Interest-bearing loans and borrowings		140	160
Trade and other payables	8	2,562	2,594
Payables with AB InBev	8	260	222
Consigned packaging and contract liabilities	8	1,198	1,260
Derivatives		10	10
Provisions		22	13
Income tax payable		197	109
<b>Total current liabilities</b>		<b>5,011</b>	<b>4,493</b>
<b>Total equity and liabilities</b>		<b>15,208</b>	<b>15,308</b>



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## NOTES TO UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 1. General Information and Basis of Presentation

#### 1.1 General information

The Company was incorporated in the Cayman Islands on 10 April 2019 as an exempted company with limited liability under the laws of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, PO Box 2681 Grand Cayman, KY1-1111, Cayman Islands. The Company's shares were listed on The Stock Exchange of Hong Kong Limited on 30 September 2019.

The Company is an investment holding company. The Group is principally engaged in the brewing and distribution of beer in the Asia Pacific region.

The immediate parent company of the Group is AB InBev Brewing Company (APAC) Limited which is a private company incorporated in the United Kingdom.

The ultimate parent company of the Group is Anheuser-Busch InBev SA/NV (referred to as "AB InBev"), which 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).

#### 1.2 Basis of presentation

These unaudited condensed consolidated interim financial statements for the six months ended 30 June 2020 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting issued by the International Accounting Standard Board (the "IASB"). They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the company as at and for the year ended 31 December 2019 and any public announcements made by the Group during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

A number of new or amended standards became applicable for the current reporting period. These standards did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

In line with many other Fast Moving Consumer Goods companies, the Group intentionally maintains a net current liabilities position as part of its business model despite strong operating cash flows. The Group has sufficient working capital and unutilized borrowing facilities to service operating activities and ongoing investments. Therefore, the Group's net current liabilities position is not indicative of any going concern issues, and the unaudited condensed consolidated interim financial statements have been prepared on a going concern basis.



## 2. Segment information

Segment information is presented by geographical segments, consistent with the information that is available and evaluated regularly by the chief operating decision maker.

The Group operates its business through two geographic regions: Asia Pacific East (primarily South Korea, Japan and New Zealand) and Asia Pacific West (China, India, Vietnam and exports elsewhere in Asia Pacific), which are the Group's two reportable segments for financial reporting purposes. Regional and operating Group management is responsible for managing performance, underlying risks and effectiveness of operations. Management uses performance indicators such as Normalized EBITDA as measures of segment performance and to make decisions regarding allocation of resources.

All figures in the tables below are stated in million US dollar, except volume (thousand hectoliter) and Normalized EBITDA margin (in %).

### For the six months ended 30 June 2020 and 2019

	Asia Pacific					
	East		West		Total	
	30 June		30 June		30 June	
	2020	2019	2020	2019	2020	2019
Volume (unaudited)	5,256	6,750	33,477	43,479	38,733	50,229
Revenue <sup>9</sup>	558	744	2,017	2,778	2,575	3,522
<b>Normalized EBITDA</b>	<b>163</b>	<b>263</b>	<b>531</b>	<b>955</b>	<b>694</b>	<b>1,218</b>
Normalized EBITDA margin %	29.2%	35.4%	26.3%	34.4%	27.0%	34.6%
Depreciation, amortization and impairment					(311)	(343)
<b>Normalized profit from operations (Normalized EBIT)</b>					<b>383</b>	<b>875</b>
Non-recurring items (Note 4)					(10)	(39)
<b>Profit from operations (EBIT)</b>					<b>373</b>	<b>836</b>
Net finance (cost)/income					(16)	5
Share of results of associates					8	8
Income tax expense					(169)	(245)
<b>Profit for the period</b>					<b>196</b>	<b>604</b>
Segment assets (non-current)	5,278	5,508	7,485	7,842	12,763	13,350
Gross capex	9	14	184	222	193	236

Normalized EBITDA is a key financial measure regularly monitored by management in managing the Group's performance, capital and funding structure. Normalized EBITDA is calculated by excluding the following effects from profit attributable to equity holders of Budweiser APAC: (i) non-controlling interests; (ii) income tax expense; (iii) share of results of associates; (iv) net finance cost; (v) non-recurring net finance cost; (vi) non-recurring items above EBIT (including non-recurring costs) and (vii) depreciation, amortization and impairment.

<sup>9</sup> Revenue represents sales of beer products recognized at a point of time.



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Normalized EBITDA and normalized EBIT are not accounting measures under International Financial Reporting Standards (the “IFRS”) by the IASB and should not be considered as an alternative to profit attributable to equity holders of Budweiser APAC as a measure of operational performance, or an alternative to cash flow as a measure of liquidity. Normalized EBITDA and normalized EBIT do not have a standard calculation method and the Group’s definition of normalized EBITDA and normalized EBIT may not be comparable to that of other companies.

The reconciliation between profit attributable to equity holders of Budweiser APAC and normalized EBITDA is as follows:

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
<b>Profit attributable to equity holders of Budweiser APAC</b>	<b>185</b>	<b>606</b>
Non-controlling interests	11	(2)
<b>Profit for the period</b>	<b>196</b>	<b>604</b>
Income tax expense (excluding non-recurring)	142	246
Share of results of associates	(8)	(8)
Net finance cost/(income) (including non-recurring finance cost)	16	(5)
Non-recurring income tax expense/(benefit)	27	(1)
Non-recurring items above EBIT	10	39
<b>Normalized EBIT</b>	<b>383</b>	<b>875</b>
Depreciation and amortization	311	343
<b>Normalized EBITDA</b>	<b>694</b>	<b>1,218</b>

### 3. Other operating income

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
Grants and incentives	39	72
Net (loss)/gain on disposal of property, plant and equipment, and intangible assets	(1)	8
Other operating income	13	12
<b>Other operating income</b>	<b>51</b>	<b>92</b>



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#### 4. Non-recurring items

The non-recurring items included in the unaudited condensed consolidated interim income statement are as follows:

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
Costs arising from COVID-19 response activities	(6)	-
Costs associated with initial public offering (the "Listing")	5	(35)
Restructuring	(9)	(4)
<b>Impact on profit from operations</b>	<b>(10)</b>	<b>(39)</b>
Non-recurring finance cost	-	(7)
Non-recurring income tax (expense)/benefit	(27)	1
<b>Net impact on profit</b>	<b>(37)</b>	<b>(45)</b>

The Group incurred additional costs due to the COVID-19 pandemic, for example masks, hand sanitizers and monetary donations, of 6 million US dollar for the six months ended 30 June 2020.

The Group incurred costs associated with the Listing of 35 million US dollar reported as non-recurring items and costs capitalized associated with the Listing of 4 million US dollar for the six months ended 30 June 2019.

The non-recurring restructuring charges primarily relate to organizational alignments. These changes aim to eliminate overlapping organizations or duplicated processes, taking into account the right match of employee profiles with the new organizational requirements. These one-time expenses, as a result of the series of decisions, provide the Group with a lower cost base in addition to a stronger focus on the Group's core activities, quicker decision-making and improvements to efficiency, service and quality.

The finance cost of Loans with AB InBev of 11 million US dollar for the six months ended 30 June 2019 is included in non-recurring finance cost given these loans were settled prior to or upon Listing.

Refer to Note 5 for further information on non-recurring income tax.



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### 5. Income tax expense

Income taxes recognized in the unaudited condensed consolidated interim income statement are as follows:

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
Current year	(179)	(258)
(Under)/overprovided in prior years	(41)	7
Current tax expense	(220)	(251)
Deferred tax expense	51	6
<b>Total income tax expense</b>	<b>(169)</b>	<b>(245)</b>
<b>Effective tax rate</b>	<b>47.3%</b>	<b>29.1%</b>
<b>Normalized effective tax rate<sup>10</sup></b>	<b>38.7%</b>	<b>27.7%</b>

During the period, one of the Group subsidiaries in South Korea, Oriental Brewery Co., Ltd., was involved in a tax audit covering all taxable items of the subsidiary from 2014 through 2018. Investigation by the local tax authority was completed by the end of the reporting period and the resulting assessment was included in the income tax expense for the six months ended 30 June 2020.

Normalized effective tax rate is not an accounting measure under IFRS and should not be considered as an alternative to the effective tax rate. Normalized effective tax rate method does not have a standard calculation method and the Group's definition of normalized effective tax rate may not be comparable to other companies.

<sup>10</sup> Normalized effective tax rate refers to effective tax rate adjusted for non-recurring items.



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### 6. Earnings per share

The calculation of basic and diluted earnings per share are computed in the tables below.

	<b>30 June 2020</b>	<b>30 June 2019</b>
Profit attributable to equity holders of Budweiser APAC (Million US Dollar)	185	606
Weighted average number of ordinary shares in issue	13,220,469,347	11,550,938,000
<b>Basic earnings per share (cent USD)</b>	<b>1.40</b>	<b>5.25</b>
	<b>30 June 2020</b>	<b>30 June 2019</b>
Profit attributable to equity holders of Budweiser APAC (Million US Dollar)	185	606
Weighted average number of ordinary shares in issue	13,220,469,347	11,550,938,000
Effect of share options and restricted stock units	667,646	-
Weighted average number of ordinary shares (diluted)	13,221,136,993	11,550,938,000
<b>Diluted earnings per share (cent USD)</b>	<b>1.40</b>	<b>5.25</b>

For the calculation of the weighted average number of ordinary shares in issue for the six months ended 30 June in 2019, the shares issued as part of the reorganization for the Listing were adjusted retrospectively on the basis that the new structure had been in issue throughout the six months ended 30 June 2019.

The calculation of adjusted basic and diluted earnings per share are computed in the tables below.

	<b>30 June 2020</b>	<b>30 June 2019</b>
Normalized profit attributable to equity holders of Budweiser APAC (Million US Dollar)	222	651
Adjusted weighted average number of ordinary shares in issue	13,220,469,347	13,220,397,000
<b>Adjusted basic earnings per share (cent USD)</b>	<b>1.68</b>	<b>4.92</b>



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	30 June 2020	30 June 2019
Normalized profit attributable to equity holders of Budweiser APAC (Million US Dollar)	222	651
Adjusted weighted average number of ordinary shares in issue	13,220,469,347	13,220,397,000
Effect of share options and restricted stock units	667,646	-
Adjusted weighted average number of ordinary shares (diluted)	13,221,136,993	13,220,397,000
<b>Adjusted diluted earnings per share (cent USD)</b>	<b>1.68</b>	<b>4.92</b>

Adjusted weighted average number of shares in issue for the six months ended 30 June 2019 and adjusted basic and diluted earnings per share for the six months ended 30 June 2019 are calculated on the assumption that the shares issued by the Company for the Listing existed throughout the six months ended 30 June 2019.

The reconciliation of basic and diluted earnings per share to adjusted basic and diluted earnings per share are shown in the tables below.

	30 June 2020	30 June 2019
<b>Basic earnings per share</b>	<b>1.40</b>	<b>5.25</b>
Non-recurring items, before tax	0.08	0.34
Non-recurring finance cost, before tax	0.00	0.06
Non-recurring taxes	0.20	(0.01)
Adjusted weighted average number of shares in issue	-	(0.72)
<b>Adjusted basic earnings per share</b>	<b>1.68</b>	<b>4.92</b>

	30 June 2020	30 June 2019
<b>Diluted earnings per share</b>	<b>1.40</b>	<b>5.25</b>
Non-recurring items, before tax	0.08	0.34
Non-recurring finance cost, before tax	0.00	0.06
Non-recurring taxes	0.20	(0.01)
Adjusted weighted average number of shares in issue	-	(0.72)
<b>Adjusted diluted earnings per share</b>	<b>1.68</b>	<b>4.92</b>



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### 7. Trade and other receivables

	<b>30 June 2020</b>	<b>31 December 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
Trade receivables and accrued income	469	412
Trade receivables with AB InBev	39	37
Indirect tax receivable	95	116
Prepaid expenses	58	48
Other receivables	24	39
<b>Current trade and other receivables</b>	<b>685</b>	<b>652</b>

Trade receivables and receivables with AB InBev are due on average less than 90 days from the date of invoicing. Impairment losses on trade receivables of 12 million US dollar and 1 million US dollar were recognized for the six months ended 30 June 2020 and 2019 respectively. The impairment loss recognized in the six months ended 30 June 2020 reflects an increase in the Group's estimate of credit losses from customers, due to the COVID-19 pandemic.

As of 30 June 2020 and 31 December 2019, the aging analysis of current trade receivables and trade receivables with AB InBev, based on due date, is as follows:

	<b>30 June 2020</b>	<b>31 December 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
<b>Not past due</b>	491	429
<b>Past due as of reporting date:</b>		
Less than 30 days	8	13
Between 30 and 59 days	3	3
Between 60 and 89 days	6	4
<b>Net carrying amount of trade receivables and trade receivables with AB InBev</b>	<b>508</b>	<b>449</b>



8. Trade and other payables, payables with AB InBev, consigned packaging and contract liabilities

	<b>30 June 2020</b>	<b>31 December 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
Trade payables and accrued expenses	1,645	1,930
Payroll and social security payables	94	89
Indirect taxes payable	544	328
Contingent and deferred consideration on acquisitions	113	110
Other payables	166	137
<b>Current trade and other payables</b>	<b>2,562</b>	<b>2,594</b>
	<b>30 June 2020</b>	<b>31 December 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
<b>Payables with AB InBev</b>	<b>260</b>	<b>222</b>

Trade payables and payables to AB InBev are on average due within 120 days from the invoice date. As of 30 June 2020 and 31 December 2019 trade payables and payables to AB InBev were 1,905 million US dollar and 2,152 million US dollar respectively.

As of 30 June 2020 and 31 December 2019, the aging analysis of current trade payables and payables with AB InBev, based on due date, is as follows:

	<b>30 June 2020</b>	<b>31 December 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
<b>Not past due</b>	1,809	1,940
<b>Past due as of reporting date:</b>		
Less than 30 days	11	74
Between 30 and 89 days	15	9
More than 90 days	70	129
<b>Net carrying amount of trade payables and payables with AB InBev</b>	<b>1,905</b>	<b>2,152</b>



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	<b>30 June 2020</b>	<b>31 December 2019</b>
	<i>US\$'million</i>	<i>US\$'million</i>
Consigned packaging	419	380
Contract liabilities	779	880
<b>Consigned packaging and contract liabilities</b>	<b>1,198</b>	<b>1,260</b>

Consigned packaging represents deposits paid by the Group's customers for use of the Group's returnable packaging which are assets controlled by the Group.

The majority of the contract liabilities balance at the beginning of the period was recognized as revenue for the year ended 31 December 2019 or has been recognized as revenue during the six months ended 30 June 2020.

### 9. Dividends

On 15 May 2020, a final dividend of US dollar 2.63 cents per share (equivalent to HK dollar 20.39 cents per share) was approved by the Board of Directors. This final dividend was paid out on 24 June 2020. The total dividend payment for the 2019 fiscal year of 363 million US dollar was recognized during the six months ended 30 June 2020 in the unaudited condensed consolidated interim financial statements.

No dividend was declared or proposed for the six months ended 30 June 2020.

## CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our shareholders. The Company has complied with the Code Provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules during the six months ended on 30 June 2020, save for code provision A.2.1 which provides that the roles of chair and chief executive should be separate and should not be performed by the same individual, as disclosed in further detail in the Corporate Governance Report in the Company's 2019 Annual Report.



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### PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2020, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### FURTHER INFORMATION

To facilitate the understanding of Budweiser APAC's underlying performance, the analyses of growth, including all comments in this press release, unless otherwise indicated, are based on organic growth and normalized numbers. In other words, financials are analyzed eliminating the impact of changes in currencies on translation of foreign operations, and scope changes. Scope changes represent the impact of acquisitions and divestitures, the start or termination of activities or the transfer of activities between segments, curtailment gains and losses and year over year changes in accounting estimates and other assumptions that management does not consider as part of the underlying performance of the business.

Whenever presented in this document, all performance measures (EBITDA, EBIT, profit, tax rate, EPS) are presented on a "normalized" basis, which means they are presented before non-recurring items, unless otherwise indicated. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of Budweiser APAC. They are presented separately because they are important for the understanding of the underlying sustainable performance of Budweiser APAC due to their size or nature. Normalized measures are additional measures used by management and should not replace the measures determined in accordance with IFRS as an indicator of Budweiser APAC's performance.

In particular, normalized EBITDA, normalized EBIT and normalized effective tax rate are not accounting measures under IFRS accounting. Normalized EBITDA and normalized EBIT should not be considered as an alternative to profit attributable to equity holders as a measure of operational performance, or an alternative to cash flow as a measure of liquidity. Normalized effective tax rate should not be considered as an alternative to the effective tax rate. Normalized EBITDA, normalized EBIT and normalized effective tax rate do not have a standard calculation method and the Group's definition may not be comparable to that of other companies.

Values in the figures and annexes may not add up, due to rounding.



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### **Legal Disclaimer**

This release contains “forward-looking statements”. These statements are based on the current expectations and views of future events and developments of the management of Budweiser APAC and are naturally subject to uncertainty and changes in circumstances. Forward-looking statements include statements typically containing words or phrases such as “will likely result”, “are expected to”, “will continue”, “is anticipated”, “anticipate”, “estimate”, “project”, “may”, “might”, “could”, “believe”, “expect”, “plan”, “potential”, “we aim”, “our goal”, “our vision”, “we intend” or similar expressions that are forward-looking statements. All statements other than statements of historical facts are forward-looking statements. You should not place undue reliance on these forward-looking statements, which reflect the current views of the management of Budweiser APAC, are subject to numerous risks and uncertainties about Budweiser APAC and are dependent on many factors, some of which are outside of Budweiser APAC’s control. There are important factors, risks and uncertainties that could cause actual outcomes and results to be materially different, including the risks and uncertainties relating to Budweiser APAC as described in the prospectus of Budweiser APAC’ dated 18 September 2019. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

The forward-looking statements should be read in conjunction with the other cautionary statements that are included elsewhere, including Budweiser APAC’s prospectus dated 18 September 2019 and any other documents that Budweiser APAC has made public. Any forward-looking statements made in this communication are qualified in their entirety by these cautionary statements and there can be no assurance that the actual results or developments anticipated by Budweiser APAC will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Budweiser APAC or its business or operations. Except as required by law, Budweiser APAC undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or developments or otherwise.

The Second Quarter 2019 (2Q19) and 2020 (2Q20) financial data set out in Annex 1 of this press release and the calculation of organic growth figures set out in Annex 2 of this press release are unaudited and prepared based on the Group’s internal records and management accounts and have not been reviewed or audited by independent auditors. Shareholders and potential investors are advised not to place undue reliance on the unaudited results.

The Half-Year (1H20) financial data set out in this press release are unaudited and prepared based on the Group’s internal records and management accounts and have been reviewed but not audited by independent auditors. Shareholders and potential investors are advised not to place undue reliance on the unaudited results.



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### CONFERENCE CALL

Thursday, 30 July 2020

11:30a.m. Hong Kong Time

Please refer to dial-in details on our website at <http://budweiserapac.com/en/Events.html>

#### About Budweiser Brewing Company APAC Limited

Budweiser Brewing Company APAC Limited is the largest beer company in Asia Pacific. It is also leading the premium and super premium beer segments in Asia. The company brews, imports, markets, distributes and sells a portfolio of more than 50 beer brands, which it owns or has licensed, including Budweiser®, Stella Artois®, Corona®, Hoegaarden®, Cass® and Harbin®. Its principal markets are China, South Korea, India and Vietnam. Budweiser Brewing Company APAC Limited is listed on the Hong Kong Stock Exchange and is a subsidiary of Anheuser-Busch InBev SA/NV. It is incorporated under the laws of the Cayman Islands with limited liability. Visit our website at: <http://www.budweiserapac.com>.

### ANNEX 1 – UNAUDITED 2Q20 FINANCIAL INFORMATION

The information below is prepared based on the Group's internal records and management accounts to provide additional information on our second quarter of 2019 (2Q19) and 2020 (2Q20) financial data. These data have not been reviewed or audited by independent auditors. Shareholders and potential investors are advised not to place undue reliance on the unaudited results.

#### Consolidated performance (million USD)

	2Q20	2Q19	Organic growth
<b>Total volumes (thousand hls)</b>	<b>25,961</b>	<b>28,113</b>	<b>-6.1%</b>
<b>Revenue</b>	<b>1,619</b>	<b>1,916</b>	<b>-10.2%</b>
<b>Gross profit</b>	<b>904</b>	<b>1,059</b>	<b>-10.2%</b>
Gross margin	55.8%	55.3%	0 bps
<b>Normalized EBITDA</b>	<b>523</b>	<b>660</b>	<b>-17.2%</b>
Normalized EBITDA margin	32.3%	34.4%	-276 bps
<b>Normalized EBIT</b>	<b>369</b>	<b>503</b>	<b>-23.0%</b>
Normalized EBIT margin	22.8%	26.3%	-383 bps
Profit attributable to equity holders of Budweiser APAC	226	366	
<b>Normalized profit attributable to equity holders of Budweiser APAC</b>	<b>228</b>	<b>392</b>	



**ANNEX 2 – UNAUDITED CALCULATION OF ORGANIC GROWTH FIGURES**

The information below is prepared based on the Group's internal records and management accounts to provide additional information on the calculation of organic growth figures included in the press release. This calculation has not been reviewed or audited by independent auditors. Shareholders and potential investors are advised not to place undue reliance on the unaudited results.

To facilitate the understanding of Budweiser APAC's underlying performance, the analyses of growth, including all comments in this press release, unless otherwise indicated, are based on organic growth and normalized numbers. In other words, financials are analyzed eliminating the impact of changes in currencies on translation of foreign operations, and scope changes. Scope changes represent the impact of acquisitions and divestitures, the start or termination of activities or the transfer of activities between segments, curtailment gains and losses and year over year changes in accounting estimates and other assumptions that management does not consider as part of the underlying performance of the business.

Budweiser APAC	1H19	Scope	Currency Translation	Organic Growth	1H20	Organic Growth
Total volumes (thousand hls)	50,229	(445)	-	(11,051)	38,733	-22.2%
<b>Revenue</b>	<b>3,522</b>	<b>(16)</b>	<b>(106)</b>	<b>(825)</b>	<b>2,575</b>	<b>-23.5%</b>
Cost of sales	(1,633)	24	47	314	(1,248)	19.5%
<b>Gross profit</b>	<b>1,889</b>	<b>8</b>	<b>(59)</b>	<b>(511)</b>	<b>1,327</b>	<b>-26.9%</b>
Normalized EBIT	875	11	(25)	(478)	383	-53.7%
<b>Normalized EBITDA</b>	<b>1,218</b>	<b>13</b>	<b>(36)</b>	<b>(501)</b>	<b>694</b>	<b>-40.6%</b>
Normalized EBITDA margin	34.6%				27.0%	-785 bps

Budweiser APAC	2Q19	Scope	Currency Translation	Organic Growth	2Q20	Organic Growth
Total volumes (thousand hls)	28,113	(461)	-	(1,691)	25,961	-6.1%
<b>Revenue</b>	<b>1,916</b>	<b>(31)</b>	<b>(73)</b>	<b>(193)</b>	<b>1,619</b>	<b>-10.2%</b>
Cost of sales	(857)	26	31	85	(715)	10.2%
<b>Gross profit</b>	<b>1,059</b>	<b>(5)</b>	<b>(42)</b>	<b>(108)</b>	<b>904</b>	<b>-10.2%</b>
Normalized EBIT	503	4	(21)	(117)	369	-23.0%
<b>Normalized EBITDA</b>	<b>660</b>	<b>5</b>	<b>(27)</b>	<b>(115)</b>	<b>523</b>	<b>-17.2%</b>
Normalized EBITDA margin	34.4%				32.3%	-276bps