



**ABInBev**

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**INVESTOR  
SEMINAR  
2018**



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# ABInBev

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PEDRO  
EARP

Chief  
ZX Ventures



- Born: Petropolis, Rio de Janeiro, Brazil
- Years in our Company: 18
- Favorite Beer: Blue Point
- I'm most proud of: our team's ability to dream big and deliver



# Disruptive Mindset



Source: Euromonitor

Categories = Value @ Manufacture Sales Price (MSP), Market size in 2017. Figures in USD – currency fixed base 2016



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# ZX Ventures

## Dream: Be #1 engine of Growth within AB Inbev

Created in  
2015 to accelerate  
innovation, develop  
new products

& businesses that  
address emerging  
consumer needs



**95 business in 30 countries** with more than  
**20 partners** and **35+ investments** through  
our Venture Capital Fund



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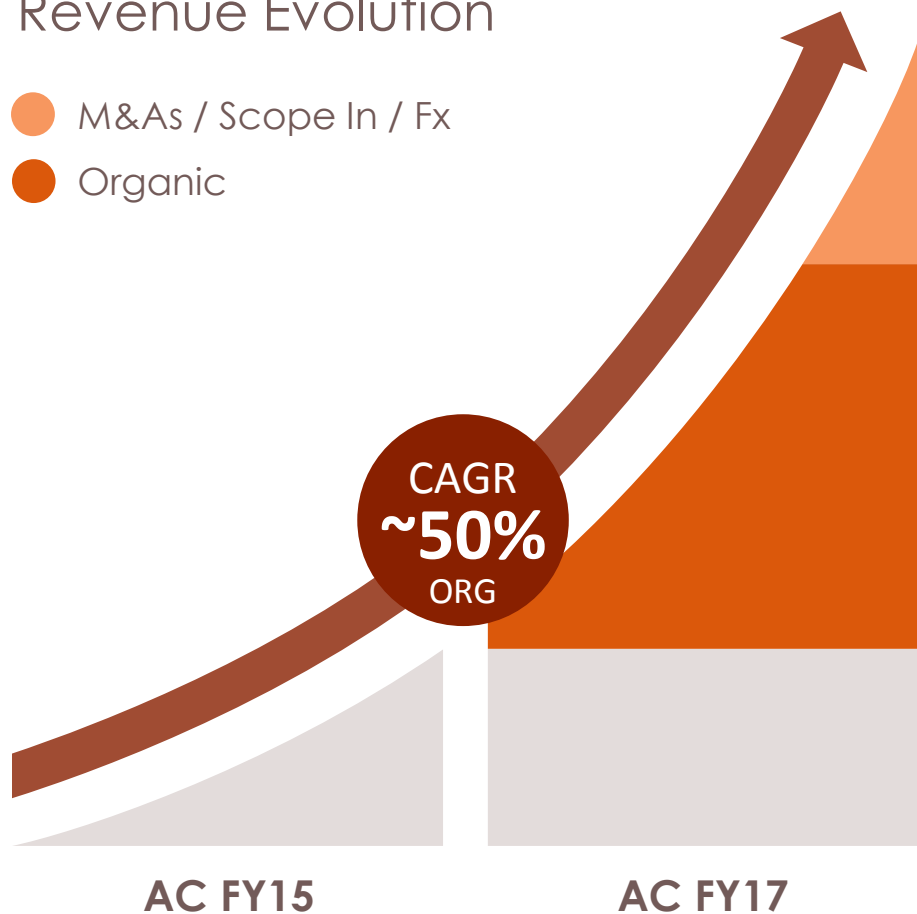




# ZX Ventures | Performance & Accomplishments

## Revenue Evolution

- M&As / Scope In / Fx
- Organic



## ZX Growth Revenue Organic Evolution



eCommerce

4.0x



AC 15

BU 18



Specialties

3.3x



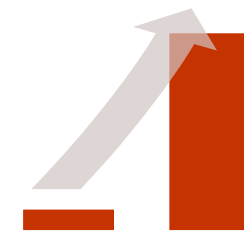
AC 15

BU 18



Brand Experience

5.9x



AC 15

BU 18



Explore

5.0x



AC 15

BU 18





# ZX Ventures | Ways of Working





# ZX Ventures | Organization



## eCOMMERCE

Inspiring & delighting the world's shoppers through exceptional experiences powered by technology



## SPECIALTIES

Igniting the world's love of beer



## BRAND EXPERIENCE

Enriching people's lives with great beer moments



## HOME BREWING

Making homebrewing popular and easy as cooking



## EXPLORATION

Creating and identifying new products to address evolving consumer needs











# eCommerce

Inspiring & delighting the world's shoppers through exceptional experiences powered by technology



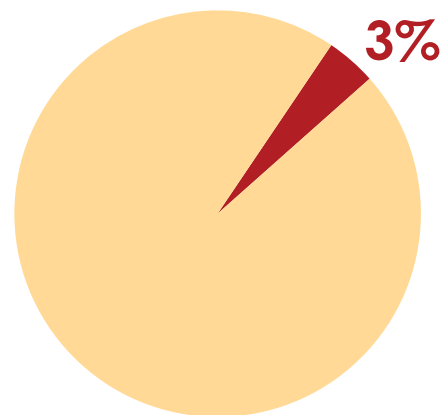


# The Opportunity | Digital World & The Need for Convenience

	% Online Retail Sales		Size in 2020 (\$Billions)
	2016	2020	
	8%	13%	\$696
	17%	23%	\$151
	19%	38%	\$2,655
	9%	16%	\$4,297

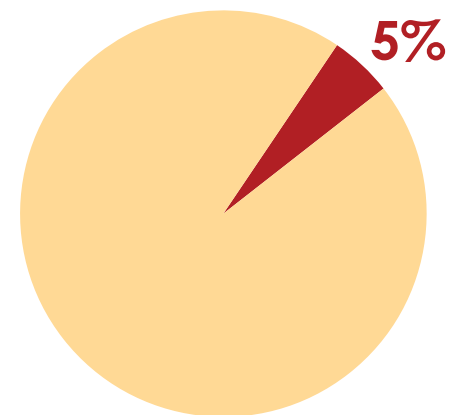
Source: eMarketer

## % eCommerce for Beer - Off-Trade Channel (2017)



Growth YoY  
Off trade: +4%  
**eRetail: +41%**

Source: Euromonitor



Growth YoY  
Off trade: -0.6%  
**eRetail: +34%**



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# eCommerce | Landscape



(1) Simple averages from Shopper Maps.

PREMIUM



# eCommerce | Business Update

 **>70  
eRetail**  
Partnerships  
in 12 countries

**16 owned  
platforms**   
in 17 countries

 **Healthy  
pipeline**  
for innovation



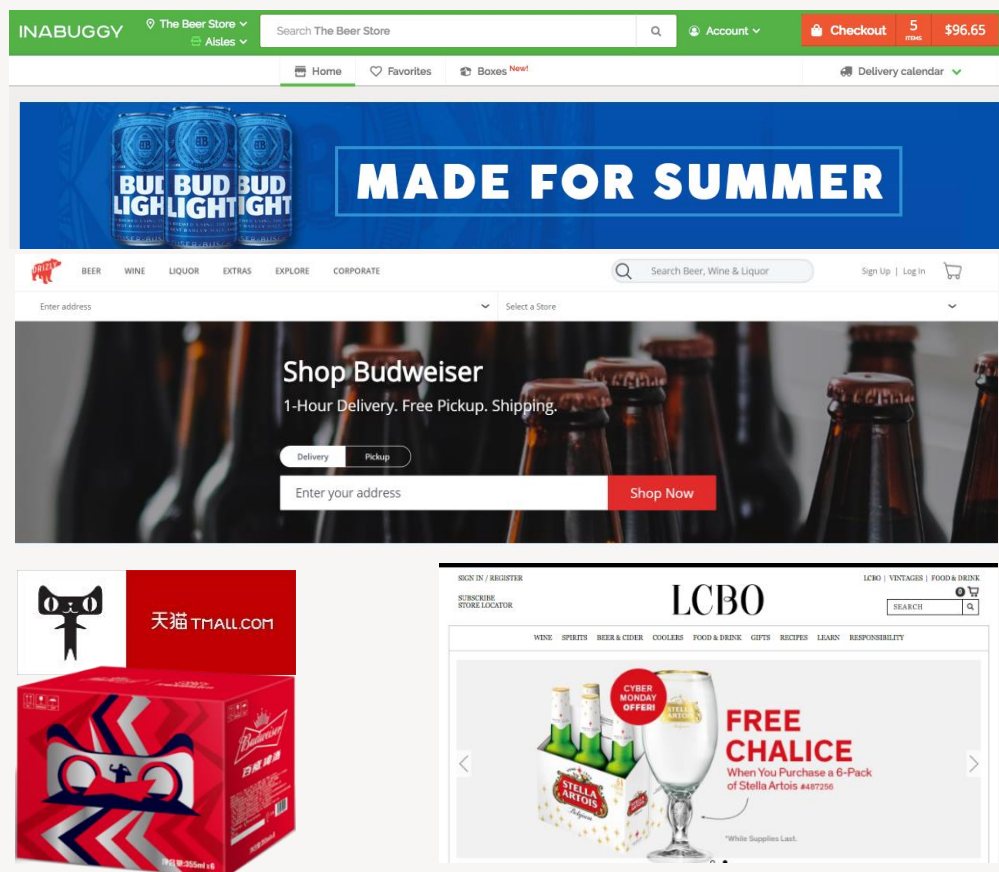
In 3 years, we have launched  
eCommerce operations in  
**20 countries**



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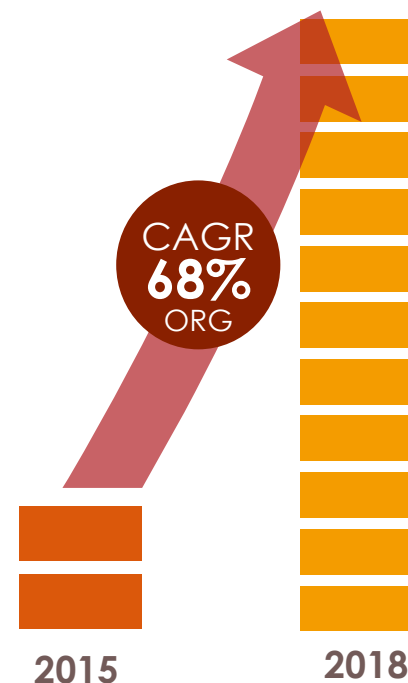


Partnering with **+70** eRetailer in **12** countries



while growing **Revenue +68% CAGR** and delivering online market share ahead of fair share

eRetail NR Org. Evolution



Source: Internal Reporting (data collected from retailers)

eRetail market share H1-18



**7** out of 12 markets we operate with share ahead of Ab InBev fair share





# eCommerce | Owned Platforms

## Craft and Specialty eStores

Inspiring individual discoveries



## On-demand Beer Delivery

Fast, fair priced, cold beer

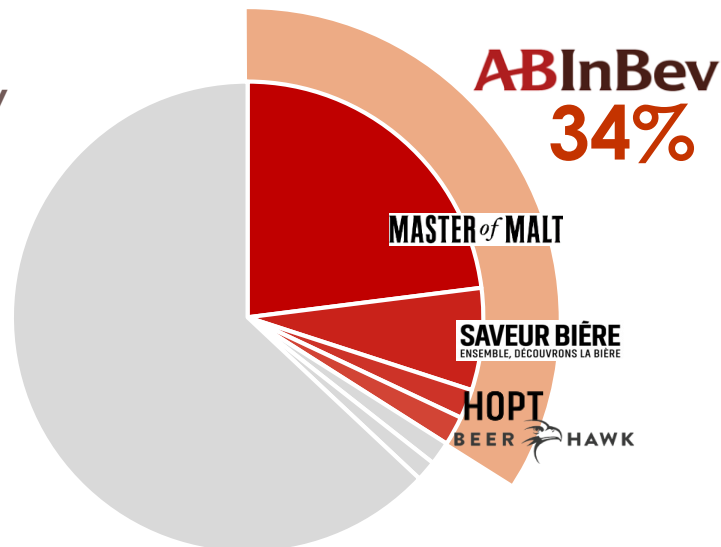


## Subscription Service

Delivered to your door, monthly at supermarket prices

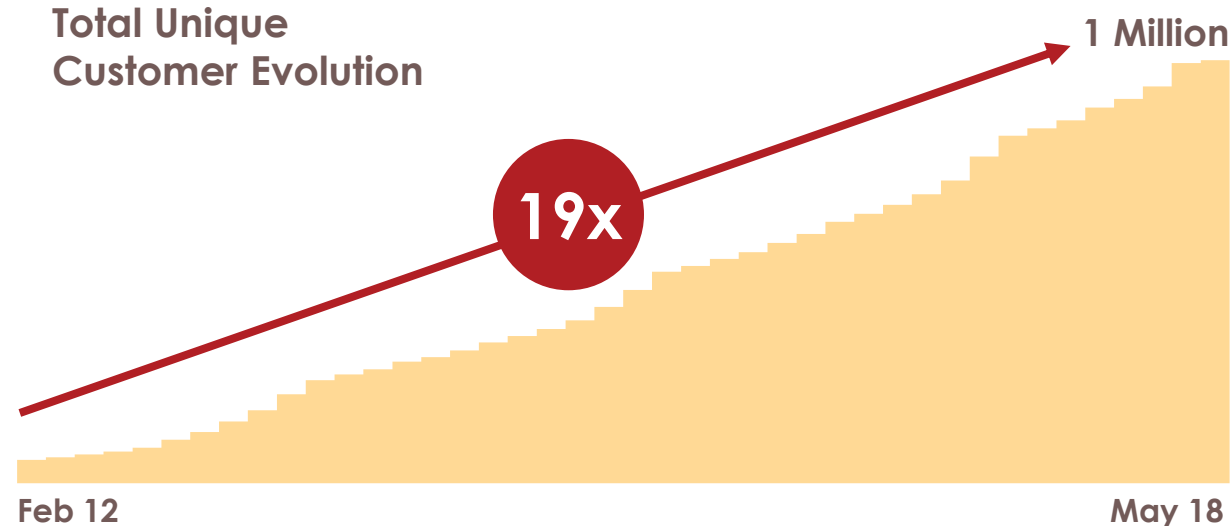


Traffic Share  
Top 28 Specialty  
(EUR)



Source: Similar Web, April 2018

Total Unique  
Customer Evolution



Source: Internal Data Source



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# eCommerce | Own relationship with consumers

Direct to Consumer  
(DTC) allow us to build more **meaningful relationships** with our consumers, **driving CLTV & marketing efficiency**





# Specialities

Igniting the world's love of beer







# The Opportunity | The Development of Specialties

% Specialties of Total Beer Sales in 2018

## Developed Markets

(Growth AC18 YoY)



+ 5%

20%



+10 %

14%



+ 4%

13%

Even though  
**Specialties are significant** in developed markets...

## Developing Markets



1.0%



1.4%



3.6%

Growth  
AC18 YoY

**+29%**

**+130%**

**+35%**

it is still **very small** in many countries, however showing a **very high rate of growth**

Source: Off Trade Sales - Nielsen, May 2018



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# Specialties | Business Update

17   
Partners

30   
Countries

Craft leader  
in **5 out of 9**  
key markets 



Gained **6.9 pp** in Off Trade  
**Market Share** over the last 3 years

Source: Market Share – Nielsen, June 2018

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Worldwide  
Beer  
Competition  
191  
Medals  
in 2017



Most awarded company  
overall across the **TOP 7**  
International Competition



41  
Awards



10 Awards



10 Awards



8 Awards



6 Awards



4 Awards



4 Awards



# Specialties | Best of Both Worlds Approach

Our contact strategy ways of working is based on the best of both, Crafts and AB InBev worlds

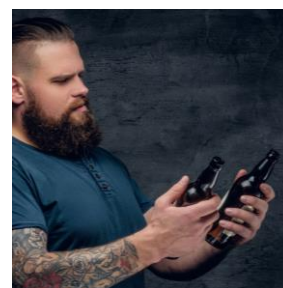


# Specialties | Winner portfolio

The first step of the success was define the right and powerful portfolio selecting the best brewers partners to work with



## How do we define the breweries to work with?



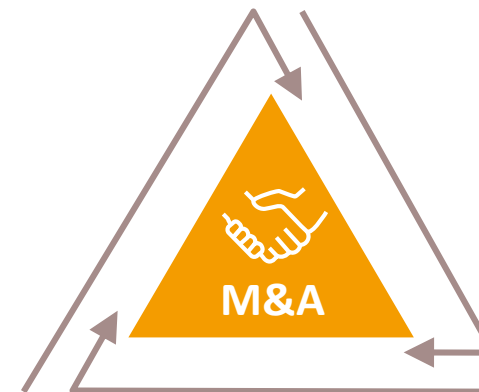
**Founders**

Entrepreneurship,  
culture alignment,  
business oriented and  
long term partnership

**Beers**



Amazing beers  
and creative  
variants



**Platform**

Possibility to integrate  
the brewery to our  
system

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# Specialties | Revenue Growth Engine

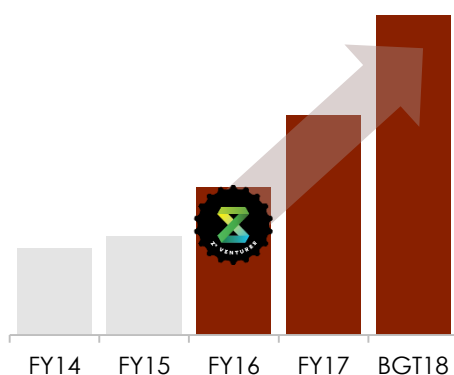
ZX Ventures has been responsible for speeding up the Revenue growth pace



Belgium

**3.5x**

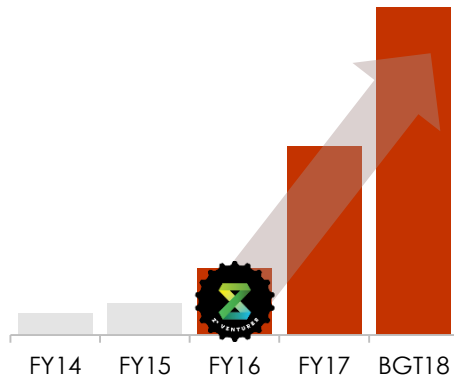
Hoegaarden Revenue (MM \$)  
growing CAGR 3.5x higher



Argentina

**2.5x**

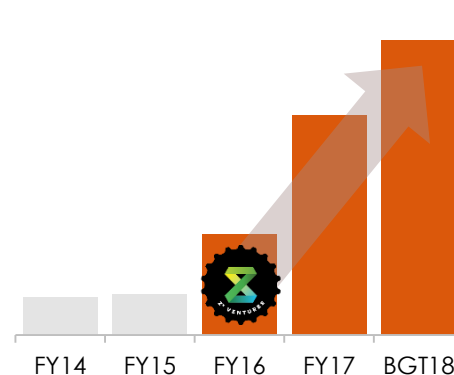
Patagonia Revenue (MM \$)  
growing CAGR 2.5x higher



Brazil

**10.2x**

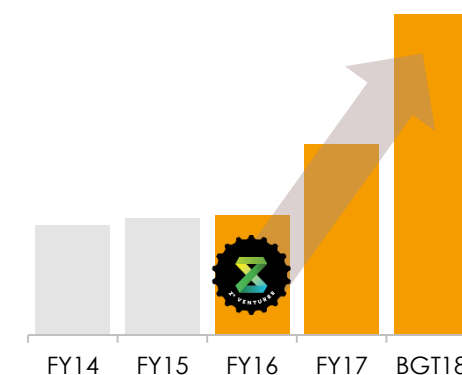
Colorado Revenue (MM \$)  
growing CAGR 10.2x higher



Italy

**6.8x**

Birra Del Borgo Revenue (MM \$)  
growing CAGR 6.8x higher







# Explore

Creating & identifying new products to address evolving consumer needs





# Explore | Strategic Pillars

Strategy

## Improve the Core

Solutions to solve some of AB InBev's biggest problems

### Freight/Delivery Optimization



### Customer data for better experiences



### Future retail channels/formats



## Address Disruption

Leverage sensibilities of beer to attack adjacencies

### Better for you NA manifesting as beer



### Wine manifesting as beer



### Liquids to experiences



## Create New Business

Address massive problems with our core capabilities to grow

### Valorize nutritional feedstock



### Better for you SD



### Better for you Energy



Platforms/  
Investments





























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# Explore | 2017 Venture Revenue\* by stage

	 <b>Seed</b> New Business, Unproven Model	 <b>Launch</b> Proven Business	 <b>Grow</b> Scale up Business
>\$50Mio			 
<\$50Mio			
<\$10Mio		       	
<\$1Mio		       	
Pre Revenue	  		

\* Includes full company Revenue (not just ZX share)



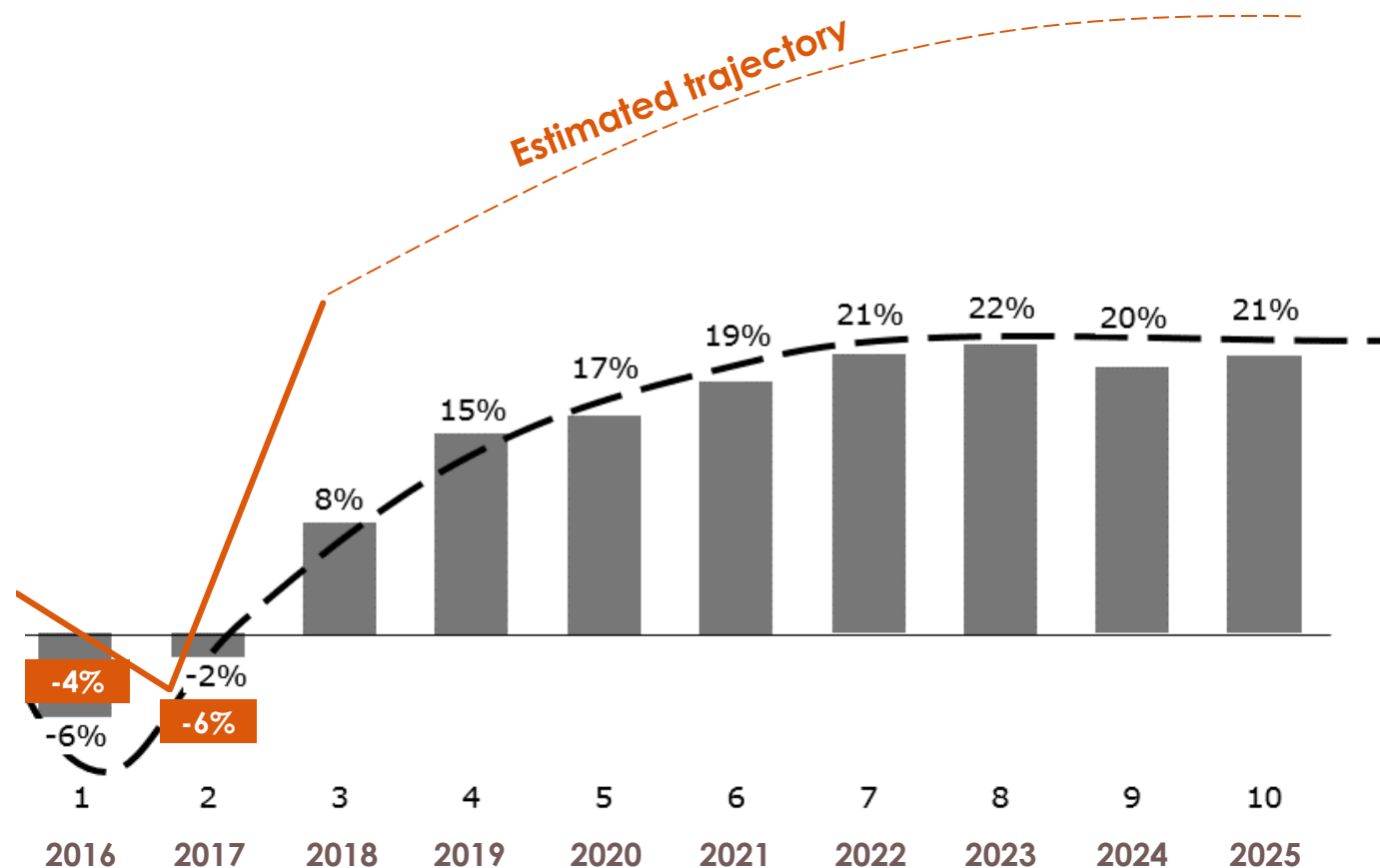
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# Explore | J-curve

Explore is ahead compared to the IRR J-Curve of the average top 25% VCs



Source: Pitchbook

With **35+** investments in three years, our deal activity is **higher than most other Food & Beverage CVCs**, and the CVC average cross-industry

Explore IRR

Benchmark IRR:

VC funds only (growth and early stage)  
All fund sizes  
Vintages from 2000-2015  
- Top 25% average performance

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“The best way to predict  
the future is to create  
it”

- Abraham Lincoln -

