

Anheuser-Busch InBev SA/NV

**Report of the statutory auditor on the
contemplated merger by absorption of
Anheuser-Busch InBev SA/NV by Newbelco
SA/NV**

(Free Translation of the original in French/Dutch)

22 August 2016

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1. INTRODUCTION

In this report, terms with capital letters, if not defined, have the meaning as indicated in the attached glossary (Appendix 3).

In accordance with Article 695 of the Belgian Companies Code, we have been mandated, in our capacity as statutory auditor, by the board of directors of AB InBev (the “**AB InBev Board**”) to report on the common draft terms of the merger dated 1 August 2016 between AB InBev, the absorbed company, and Newbelco, the absorbing company (the “**Merger Terms**”).

The proposed merger between Newbelco and AB InBev will take place as part of the proposed business combination between SABMiller and AB InBev, as announced on 11 November 2015 by both parties, updated on 26 July 2016 and to be implemented through the Proposed Structure (the “**Transaction**”), which is expected to be completed at a date on or around 10 October 2016. The proposed merger is one element of the Transaction, which is subject to several conditions and will be performed in several steps. As a result, the merger and our report on the merger should be considered within the framework of the Transaction as further explained in this report.

The Merger Terms were filed on 2 August 2016 with the clerk’s office of the Commercial Court in Brussels.

The administrative and accounting organization of the companies involved in the contemplated merger has allowed us to conclude on the appropriateness of the financial information that was used as a basis for the valuations. The other financial information included in the Merger Terms has also been analysed by us.

The objective of our report is to provide the AB InBev Shareholders with information regarding the application of the valuation methods adopted by the AB InBev Board in determining the exchange ratio of shares as part of the merger process and whether, considering the circumstances, such methods are appropriate, not arbitrary and result in an exchange ratio which is relevant and reasonable. Consequently, we do not perform a valuation, and we do not express an opinion on the lawfulness and fairness of the merger transaction.

This report has been prepared exclusively for the use by the AB InBev Shareholders in the context of the Merger Terms as described above. It cannot be used for any other purpose.

2. IDENTIFICATION OF THE COMPANIES INVOLVED

2.1. Newbelco SA/NV (absorbing company)

The limited liability company Newbelco SA/NV was incorporated on 3 March 2016 by a deed executed before Mr. Peter Van Melkebeke, notary in Brussels. The incorporation act was published in the Belgian State Gazette on 8 March 2016 under the numbers 2016.03.08-0305365 and 2016.03.08-0305366.

The Company has its registered office at 1000 Brussel, Koningsstraat 97, 4th floor and is registered with the Crossroads Bank for Enterprises under number 0649.641.563.

Newbelco's share capital at the date of this report amounts to 61,500.00 EUR, represented by 6,150,000 registered shares and without nominal value (the "*Newbelco Incorporation Shares*").

Upon incorporation act, the shareholding structure is as follows:

Shareholder	Number of shares
SABMiller International BV	6,149,999
Phidias Management NV	1
Total	6,150,000

The corporate purpose of Newbelco is defined in its bylaws as follows:

"The company's corporate purpose is:

- a) to produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, process and deal in all by-products and accessories, of whatsoever origin or form, of its industry and trade, and to design, construct or produce part or all of the facilities for the manufacture of the aforementioned products;*
- b) to purchase, construct, convert, sell, let and sublet, lease, license and operate in any form whatsoever all real property and real property rights and all businesses, movable property and movable property rights connected with its activities;*
- c) to acquire and manage participating interests and shares in companies or undertakings having a corporate purpose similar or related to, or likely to promote the attainment of, any of the foregoing corporate purposes, and in financial companies; to finance such companies or undertakings by means of loans, guarantees or in any other manner whatsoever; and to take part in the management of the aforesaid companies through membership of its board of directors or the like governing body; and*
- d) to carry out all administrative, technical, commercial and financial work and studies for the account of undertakings in which it holds an interest or on behalf of third parties.*

It may, within the scope of its corporate purpose, engage in all civil, commercial, industrial and financial transactions either within or outside Belgium.

It may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all undertakings, companies or associations having a corporate purpose similar or related to or likely to promote the furtherance of its corporate purpose."

As noted above, the proposed merger between Newbelco and AB InBev will take place as part of the proposed Transaction. There are a number of legal steps in the Proposed Structure, including a capital increase through contribution in kind and cancellation of the Incorporation Shares. We refer to section 3 for a description of Newbelco's share capital situation immediately prior to the proposed merger transaction.

2.2. Anheuser-Busch InBev NV/SA (absorbed company)

AB InBev is a limited liability company incorporated in Belgium, with its registered address at Grand Place 1, 1000 Brussels, Belgium and administrative office at Brouwerijplein 1, 3000 Leuven, Belgium and registered with the Crossroads Bank for Enterprises under number 0417.497.106 (Brussels). AB InBev is a publicly traded company (Euronext: ABI) based in Leuven, Belgium, with American Depositary Receipts on the New York Stock Exchange (NYSE: BUD).

The corporate purpose of AB InBev is defined in its bylaws as follows:

“The company's corporate purpose is:

- a) to produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, process and deal in all by-products and accessories, of whatsoever origin or form, of its industry and trade, and to design, construct or produce part or all of the facilities for the manufacture of the aforementioned products;*
- b) to purchase, construct, convert, sell, let and sublet, lease, license and operate in any form whatsoever all real property and real property rights and all businesses, movable property and movable property rights connected with its activities;*
- c) to acquire and manage participating interests and shares in companies or undertakings having a corporate purpose similar or related to, or likely to promote the attainment of, any of the foregoing corporate purposes, and in financial companies; to finance such companies or undertakings by means of loans, guarantees or in any other manner whatsoever; and to take part in the management of the aforesaid companies through membership of its board of directors or the like governing body; and*
- d) to carry out all administrative, technical, commercial and financial work and studies for the account of undertakings in which it holds an interest or on behalf of third parties.*

It may, within the scope of its corporate purpose, engage in all civil, commercial, industrial and financial transactions either within or outside Belgium.

It may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all undertakings, companies or associations having a corporate purpose similar or related to or likely to promote the furtherance of its corporate purpose.”

As at the date of this report, the share capital of AB InBev amounts to 1,238,608,344.12 EUR and is divided into 1,608,242,156 shares without nominal value held in registered or dematerialised form. All shares are freely transferable and fully paid up. AB InBev has only one class of shares.

As described in the Merger Terms, the major shareholders of AB InBev are as follows:

Major Shareholders	Number of shares
Stichting Anheuser-Busch InBev, a <i>stichting</i> incorporated under Dutch law	663,074,832
EPS Participations S.à.R.L., a company incorporated under Luxembourg law, affiliated to Eugénie Patri Sébastien (EPS) S.A., its parent company	130,257,459
Eugénie Patri Sébastien (EPS) S.A., a company incorporated under Luxembourg law, affiliated to the Stichting that it jointly controls with BRC S.à.R.L.	99,999
Rayvax Société d'Investissement S.A., a company incorporated under Belgian law	484,794
Fonds Voorzitter Verhelst SPRL, a company with a social purpose incorporated under Belgian law, affiliated to Fonds Verhelst SPRL with social purpose, that controls it	6,997,665
Fonds Baillet Latour SPRL, a company with a social purpose incorporated under Belgian law, affiliated to Stichting Fonds Baillet Latour under Dutch law, that controls it	5,485,415
BRC S.à.R.L., a company incorporated under Luxembourg law, affiliated to the Stichting that it jointly controls with Eugénie Patri Sébastien (EPS) S.A.	37,598,236
Sébastien Holding NV/SA, a company incorporated under Belgian law, affiliated to Rayvax Société d'Investissement S.A., its parent company	10
MHT Benefit Holding Company Ltd, a company incorporated under the law of the Bahamas, acting in concert with Marcel Herrmann Telles within the meaning of article 3, §2 of the Takeover Law	3,645,605
LTS Trading Company LLC, a company incorporated under Delaware law, acting in concert with Marcel Herrmann Telles, Jorge Paulo Lemann and Carlos Alberto Sicupira within the meaning of article 3, §2 of the Takeover Law	4,468

2.3. Description of the net assets of the absorbing company and the absorbed company

A description of the assets and liabilities of AB InBev can be found in the consolidated balance sheet of AB InBev as at 31 December 2015, which is attached as Schedule 2 to the Merger report of the AB InBev Board in Appendix 2.

Given the fact that, upon completion of the Capital Increase, Newbelco's sole asset will be its holding in SABMiller, a description of the assets and liabilities of Newbelco at the moment of the Belgian Merger can be derived from the consolidated balance sheet of SABMiller as at 31 March 2016, which is attached as Schedule 3 to the Merger report of the AB InBev Board in Appendix 2.

3. IDENTIFICATION OF THE TRANSACTION

The proposed merger between Newbelco and AB InBev takes place in the framework of the proposed Transaction.

The Transaction is intended to be implemented in a 3-stage process, being:

1. Step 1: A scheme of arrangement under Part 26 of the UK Companies Act 2006 (the “*UK Scheme*”);
2. Step 2: A voluntary and conditional takeover bid in cash by AB InBev on all the Newbelco shares outstanding on the date of such bid pursuant to the Belgian Law of 1 April 2007 on takeover bids and the Belgian Royal Decree of 27 April 2007 on takeover bids (the “*Belgian Offer*”); and
3. Step 3: A merger of AB InBev into Newbelco through a merger of absorption of AB InBev under the Belgian Companies Code, pursuant to which the AB InBev shareholders will become shareholders of Newbelco and Newbelco will be the surviving entity (the “*Belgian Merger*”). Step 3 is the subject of the Merger Terms and the objective of this report.

The following paragraphs describe each of the 3 steps in more detail.

Completion of the Transaction is subject to several conditions, including obtaining antitrust and other regulatory approvals, as well as the necessary shareholders and UK Court approvals as described in more detail in the Merger Terms.

Step 1: The UK Scheme

A UK scheme of arrangement is a statutory procedure in the United Kingdom that allows a company to reach a binding arrangement or compromise with its shareholders or creditors, under Part 26 of the UK Companies Act 2006.

Under the terms of the UK Scheme, each UK Scheme Shareholder will transfer its UK Scheme Shares to Newbelco in consideration for which each UK Scheme Shareholder will receive 100 Initial Newbelco Shares for each UK Scheme Share it owns, thereby becoming a Newbelco Shareholder.

To become effective, the UK Scheme requires approval at the UK Scheme Court Meeting, which is a meeting convened with the permission of the UK Court, from a majority in number of the holders of UK Scheme Shares (or any class of classes thereof) as at the Voting Record Time who are present and voting at the meeting, either in person or by proxy, and who represent not less than 75% in value of the UK Scheme Shares voted by them.

It is currently intended that the UK Scheme Court Meeting will be held on or around 28 September 2016. Implementation of the Transaction will also require the passing of the SABMiller Resolutions at the SABMiller General Meeting, which is expected to be held immediately after the UK Scheme Court Meeting.

Following the UK Scheme Court Meeting and the SABMiller General Meeting, the UK Scheme will need to be sanctioned by the UK Court. The UK Scheme Court Sanction Hearing is currently intended to be held on or around 4 October 2016.

The UK Scheme will only become effective once a copy of the UK Scheme Court Order is delivered to the UK Registrar of Companies. Upon the UK Scheme becoming effective, it will be binding on all UK Scheme Shareholders, irrespective of whether or not they attended or voted at the UK Scheme Court Meeting.

Following the UK Scheme becoming effective, the UK Scheme Shares will be legally transferred by the UK Scheme Shareholders to Newbelco, as part of the capital increase at Newbelco through the contribution in kind of all UK Scheme Shares (the “*Capital Increase*”), after which steps 2 and 3 will follow. The Capital Increase is currently expected to take place on or around 6 October 2016.

Cancellation of Newbelco Incorporation Shares

Under the terms of the UK Scheme, it is a condition to the UK Scheme becoming effective that Newbelco's shareholders have approved the cancellation of all the Incorporation Shares. It is intended that Newbelco's shareholders meeting will approve such cancellation at the same time as the decision to approve the contribution in kind. Such cancellation will have effect simultaneously with the completion of the Capital Increase.

As a result, after the Capital Increase and the cancellation of the Incorporation Shares, the UK Scheme Shareholders will be the only shareholders in Newbelco and will own all outstanding shares of Newbelco. The shareholders' register of Newbelco will mirror the register of member of SABMiller at the UK Scheme Record Time, with the only difference being that, for each UK Scheme Share previously held, each UK Scheme Shareholder will instead own 100 Initial Newbelco Shares.

Elections for Cash Consideration or the partial Share Alternative

Under the terms of the UK Scheme, each UK Scheme Shareholder will (subject to limited exceptions in relation to Restricted Overseas Shareholders) have the option to elect, by completing a hard copy form of election or making an equivalent electronic election, for:

- the Cash Consideration, i.e. cash proceeds in an amount of 45.00 GBP in respect of each UK Scheme Share it owns; or
- the Partial Share Alternative, i.e. cash proceeds in an amount of 4.6588 GBP as well as 0.483969 Restricted Newbelco Shares in respect of each UK Scheme Share it owns.

UK Scheme Shareholders (other than Nominee Shareholders) will only be able to elect for the Cash Consideration or the Partial Share Alternative in respect of their entire holding of UK Scheme Shares and not part only. Nominee Shareholders who hold UK Scheme Shares on behalf of more than one Underlying Shareholder may, in respect of their aggregate holding of UK Scheme Shares, elect for a mixture of the Cash Consideration and the Partial Share Alternative, provided certain conditions are met.

UK Scheme Shareholders who do not validly elect for the Partial Share Alternative, do not make a valid Election or any Election at all shall be deemed to have elected for the Cash Consideration in respect of their entire holding of UK Scheme Shares, unless this would be inconsistent with any contractual undertaking given to AB InBev to elect for the Partial Share Alternative (unless determined otherwise by AB InBev).

The Partial Share Alternative is limited to a maximum of 326,000,000 Restricted Newbelco Shares and 3,138,153,064 GBP in cash, which will be available in respect of approximately 40.67% of SABMiller's fully diluted share capital per 31 July 2016. To the extent that Elections for the Partial Share Alternative cannot be satisfied in full, they will be scaled back pro rata to the size of such Elections (or as near thereto as AB InBev in its absolute discretion considers practicable) and the UK Scheme Shareholders who have made such Elections will be deemed to have elected for Cash Consideration in respect of the balance of the UK Scheme Shares held by them.

AB InBev has received irrevocable undertakings from Altria and BEVCO, the largest shareholders in SABMiller, to elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares respectively, representing in aggregate approximately 39.54% of SABMiller's fully diluted share capital per 31 July 2016. If Elections for the Partial Share Alternative are scaled back as described above, the Election made by Altria and the Election made by BEVCO (or any relevant Nominee Shareholder that makes an Election on their respective behalf) will be scaled back on the same basis as each other UK Scheme Shareholder.

Step 2: The Belgian Offer

After completion of the UK Scheme (including the capital increase through contribution in kind at Newbelco), AB InBev will make the Belgian Offer, a voluntary cash takeover offer pursuant to the Belgian Law of 1 April 2007 on takeover bids and the Belgian Royal Decree of 27 April 2007 on takeover bids for all of the Initial Newbelco Shares.

It is currently intended that the Belgian Offer will be made on the working day following the date on which the Capital Increase occurs, i.e. on or around 6 October 2016 or as soon as reasonably practicable thereafter.

The Belgian Offer is expected to be open for one day only. UK Scheme Shareholders will, however, have had the opportunity to make an Election for the Cash Consideration or the Partial Share Alternative (and withdraw or revise that Election) and instruct the UK Agent during the UK Scheme process accordingly (from the time the UK Scheme Document is dispatched or made available to them).

Elections for the Cash Consideration or the Partial Share Alternative will continue to be capable of being made (and withdrawn or revised) following the UK Scheme becoming effective and the Capital Increase until the end of the Acceptance Period.

Acceptances by the UK Scheme Shareholders in respect of the Belgian Offer will be made by the UK Agent acting on behalf of such shareholders on the basis of the Elections (or deemed Elections) made by such UK Scheme Shareholders

After closing of the Belgian Offer and the subsequent Reclassification and Consolidation, and pending completion of the Belgian Merger, the shareholders of Newbelco will be AB InBev and the holders of the Restricted Newbelco Shares (being the UK Scheme Shareholders who elected for the Partial Share Alternative). For illustrative purposes, should only Altria and BEVCO elect for the Partial Share Alternative and all other UK Scheme Shareholders for the Cash Consideration, AB InBev would own approximately 64.55% of all shares in Newbelco. If sufficient UK Scheme Shareholders elect for the Partial Share Alternative so that the maximum of 326,000,000 Restricted Newbelco Shares are held by UK Scheme Shareholders, AB InBev would own approximately 63.54% of all shares in Newbelco.

Step 3: The Belgian Merger

Following closing of the Belgian Offer, AB InBev will merge into Newbelco through a merger by absorption under the Belgian Companies Code, pursuant to which AB InBev Shareholders will become shareholders in Newbelco and Newbelco will be the surviving entity and the holding company of the Combined Group. The terms and conditions of the Belgian Merger are further detailed in the Merger Terms as required by Article 693 of the Belgian Company Code, included in Appendix 1 to this report.

In accordance with Article 694 of the Belgian Companies Code, a special report has been prepared by the AB InBev Board, dated 22 August 2016, which will be presented at the extraordinary general meeting to proceed with the merger between Newbelco and AB InBev. This special report is included in Appendix 2 to this report.

The Merger Terms propose to compensate the shareholders of AB InBev with new shares of Newbelco at the Effective Time. The Merger Terms of the AB InBev and Newbelco boards of directors specifies the following on this matter:

- *“Newbelco will automatically substitute AB InBev in all its rights and obligations and all assets and liabilities of AB InBev will be transferred to Newbelco under universal succession of title; such transfer will relate to all assets and rights held by AB InBev, including any real estate and intellectual rights the transfer of which will be enforceable towards third parties upon completion of the formalities required for the transmission of such rights;*
- *the AB InBev Shareholders will become shareholders of Newbelco;*
- *holders of AB InBev ADSs will become holders of Newbelco ADSs; and*
- *AB InBev will cease to exist following its dissolution without liquidation.”*

The extraordinary general meeting convened to decide on the Belgian Merger, is scheduled on 28 September 2016. The notarial deed regarding the Belgian Merger will be executed before Tim Carnewal, notary in Brussels or another notary of the Berquin office and is intended to take place on or around 10 October 2016.

4. DESCRIPTION OF THE VALUATION METHODS

As mentioned in section 3, AB InBev, after the completion of the Belgian Offer, will hold approximately 64.55% of Newbelco Shares prior to the Belgian Merger (“*AB InBev Pre-Merger*”). Newbelco, after the completion of the UK Scheme, will have acquired all of the shares in SABMiller.

In order to determine the exchange ratio for the Belgian Merger, the AB InBev Board has considered the consequences of the Belgian Merger for both the AB InBev Shareholders and the Newbelco Shareholders. The AB InBev Board considered several generally accepted valuation methods of AB InBev Pre-Merger and Newbelco Pre-Merger and Post-Merger including (i) the discounted cash flow analysis based on projections with regard to the future performance of AB InBev including Ambev SA (owned for 62% by AB InBev), SABMiller and Newbelco and (ii) the selected public companies analysis. These are detailed below.

The analyses assume that 316,999,695 Restricted Newbelco Shares will be elected for by SABMiller Shareholders as Altria and BEVCO have each given irrevocable undertakings to elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares.

As described in section 3 and in the Merger Terms, the Transaction is subject to several conditions. It should be noted that the valuation methods applied and explained below are only relevant to the extent that the conditions summarized in section 3 are fulfilled at the date of the Merger.

4.1. AB InBev Pre-Merger

The valuation of AB InBev Pre-Merger reflects the value of the equity of AB InBev following completion of the Belgian Offer. The enterprise value of AB InBev Pre-Merger is defined as the cumulative enterprise values of AB InBev (pre-Transaction) and SABMiller Retained.

The equity value of AB InBev Pre-Merger is obtained by (i) adding the value of the disposal proceeds net of estimated tax payments as well as the value of AB InBev’s associates and joint-ventures and (ii) deducting the following items from the combined enterprise value of AB InBev and SABMiller Retained:

- AB InBev’s standalone net debt as of 30 June 2016;
- AB InBev’s standalone pensions as of 30 June 2016;
- AB InBev’s new acquisition debt;
- the non-controlling interests in Ambev SA not held by AB InBev;
- the non-controlling interests in SABMiller Retained’s controlled businesses not held (directly or indirectly) by SABMiller;
- SABMiller’s rolled-over standalone net debt as of 31 March 2016 adjusted for the payment of the August 2016 dividend;
- SABMiller’s stand-alone pensions as of 31 March 2016; and
- the non-controlling interests in SABMiller Retained not held by AB InBev after completion of the Belgian Offer

The AB InBev Board notes that SABMiller Retained’s enterprise value and multiples are presented as “group multiples”, which means that they include the value of associates. On the other hand, AB InBev’s enterprise value and multiples are presented as “controlled multiples”, which means that they exclude the value of associates and joint-ventures given the non-significant amount of investments in associates and joint-ventures.

4.1.1. DISCOUNTED CASH FLOW ANALYSIS

A discounted cash flow analysis aims at determining the enterprise value of a company by discounting the future free cash flows. From the enterprise value, the net financial debt and debt-like items are deducted and cash-like items are added to obtain the equity value. This valuation metric is strongly influenced by (i) the projections with regard to performance of the companies, (ii) the weighted average cost of capital used to discount the future cash flows and terminal values, and (iii) the terminal growth rate used to compute the terminal value.

The discounted cash flow analysis of AB InBev, SABMiller Retained and Ambev SA was performed by the AB InBev Board using information contained in public filings and internal business plans. AB InBev, Ambev SA and SABMiller Retained forecasts are based on AB InBev's internal developed models and business plans, as approved by the AB InBev Board.

The discounted cash flow analysis was performed as of 17 August 2016.

In performing the discounted cash flow analysis, the AB InBev Board applied a range of discount rates of 7.19% - 7.69%, 8.73% - 9.23% and 9.49% - 9.99% for AB InBev, Ambev SA and SABMiller Retained, respectively to (i) after-tax unlevered free cash flows expected to be generated during the calendar years 2016 through 2024 and (ii) estimated terminal values using a range of terminal growth rates of 1.75% - 2.25%, 2.75% - 3.25% and 3.00% - 3.50% for AB InBev, Ambev SA and SABMiller Retained, respectively.

This discounted cash flow analysis resulted in a range of implied value of AB InBev Pre-Merger of approximately 87.46 EUR – 113.97 EUR per AB InBev Pre-Merger Share.

4.1.2. SELECTED PUBLIC COMPANIES ANALYSIS

The selected public companies analysis aims at measuring the relative value of a company based on the market value of publicly trading peers.

This method applies the average enterprise value/EBITDA multiple 2016E of the selected peer group to AB InBev and SABMiller Retained's 2016E EBITDA:

- Enterprise value/EBITDA multiple: divide (i) the enterprise value (ii) by the EBITDA;
- Apply this multiple to AB InBev and SABMiller Retained's previously estimated 2016E EBITDA.

The selected public company analysis is focused on enterprise value/EBITDA multiples. The reference to sales multiples was disregarded for the purpose of this valuation as they do not take into account differences in profitability levels of the companies. Multiples based on operating income were also omitted due to the discrepancies in the amortization policies.

The AB InBev Board reviewed and compared certain financial information and commonly used valuation measurements for AB InBev and SABMiller Retained with corresponding financial information and valuation measurements for the following companies operating in the global consumer products industry:

- Coca-Cola Co.;
- Colgate-Palmolive Co.;
- Diageo Plc.;
- Heineken N.V.;
- Kraft Heinz Co.;
- L'Oréal SA;
- Mondelez International, Inc.;

- Nestlé S.A.;
- PepsiCo, Inc.;
- Procter & Gamble Co.;
- Reckitt Benckiser Group Plc.; and
- Unilever Plc.

Although none of these selected companies are considered to be directly comparable to AB InBev and SABMiller Retained, the companies included were selected because they are publicly traded companies with financial and operating characteristics that, for the purposes of analysis, may be considered similar to those of AB InBev and SABMiller Retained. Accordingly, the analysis of publicly traded companies was not purely mathematical. Rather, it involved complex considerations and qualitative judgments concerning differences in financial and operating characteristics of the selected companies and other factors that could affect the public trading value of such companies.

The value of the non-controlling interests in Ambev SA not held by AB InBev and the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller are also based on the selected public companies analysis methodology.

Based upon enterprise value/EBITDA multiples of the selected companies, ranges of estimated implied value per AB InBev Pre-Merger Share were calculated by applying relevant multiples of enterprise value to AB InBev, Ambev SA and SABMiller Retained's 2016 estimated EBITDA

It resulted in ranges of implied value of approximately 69.47 EUR – 88.68 EUR per AB InBev Pre-Merger Share.

4.2. Newbelco Pre-Merger

Newbelco's Pre-Merger valuation is based on the valuation of the UK Scheme Shares in the contribution in kind that will occur just prior to the Merger, considering that the UK Scheme Shares will represent all of Newbelco's net assets at that time. The value at which the UK Scheme Shares will be contributed has been determined by the AB InBev Board at an amount in EUR by converting 75.4 billion GBP to EUR at the GBP to EUR Reference rate. For purposes of this valuation the AB InBev Board has considered a spot rate of 0.8664 as of 17 August 2016 resulting in a valuation of 87 billion EUR.

The value of 75.4 billion GBP is supported by the valuation exercise performed for purpose of the contribution in kind of the UK Scheme Shares. As further detailed in the report of the Newbelco Board on the contribution in kind, the contribution value was determined based on a blended value of the Cash Consideration and the Partial Share Alternative.

The Cash Consideration of 45 GBP has been valued based on the Belgian Offer price of 0.45 GBP per Initial Newbelco share. The value of the Partial Share Alternative is the result of a combination of discounted cash flow analysis and a selected public companies analysis which resulted in a calculated value in a range of 41.25 GBP – 51.41 GBP per Initial Newbelco share. The blended value of the Cash Consideration and the Partial Share Alternative, weighted by the number of SABMiller Shares that will be satisfied with the Cash Consideration and with the Partial Share Alternative, based on the assumptions in the introduction to section 4, is referred to as the "Blended Offer Price". The resulting Blended Offer Price range is between 43.52 GBP and 47.53 GBP and has lead the Board to determine the value of the contribution in kind at 75.4 billion GBP.

The AB InBev Board has calculated an implied value per Newbelco Pre-Merger Share of 97.32 EUR by dividing the value of the contribution by the number of Initial Shares in Newbelco following consolidation and before the merger of 894,226,462. This number of shares results from the multiplication by 100 of SABMiller's number of fully diluted shares outstanding of 1,656,404,007 pursuant to the UK Scheme and dividing this by the Consolidation Factor.

4.3. Newbelco Post-Merger

The valuation of Newbelco Post-Merger reflects the value of the pro forma equity of Newbelco after completion of the Belgian Merger.

The equity value of Newbelco Post-Merger is obtained by (i) adding the value of the disposal proceeds net of estimated tax payments as well as the value of AB InBev's associates and joint-ventures and (ii) deducting the following items from the enterprise value of Newbelco Post-Merger:

- AB InBev's standalone net debt as of 30 June 2016;
- AB InBev's standalone pensions as of 30 June 2016;
- AB InBev's new acquisition debt;
- the non-controlling interests in Ambev SA not held by AB InBev;
- the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller;
- SABMiller's rolled-over standalone net debt as of 31 March 2016 adjusted for the payment of the August 2016 dividend; and
- SABMiller's standalone pensions as of 31 March 2016.

4.3.1. DISCOUNTED CASH FLOW ANALYSIS

The discounted cash flow analysis of Newbelco, SABMiller Retained and Ambev SA was performed using information contained in public filings and internal business plans. Newbelco, Ambev SA and SABMiller Retained forecasts are based on AB InBev's internal developed models and business plans, as approved by the AB InBev Board.

In performing the discounted cash flow analysis, the AB InBev Board applied a range of discount rates of 7.36% - 7.86%, 8.73% - 9.23% and 9.49% - 9.99% for Newbelco, Ambev and SABMiller Retained, respectively to (i) after-tax unlevered free cash flows expected to be generated during the calendar years 2016 through 2024 and (ii) estimated terminal values using a range of Terminal growth rates of 2.25% - 2.75%, 2.75% - 3.25% and 3.00% - 3.50% for Newbelco, Ambev and SABMiller Retained, respectively. The ranges of discount and terminal growth rates applied to Newbelco reflect the new geographic mix post Transaction.

This analysis resulted in a range of implied value of approximately 100.74 EUR – 130.88 EUR per Newbelco Post-Merger Share.

4.3.2. SELECTED PUBLIC COMPANIES ANALYSIS

The AB InBev Board reviewed and compared certain financial information and commonly used valuation measurements for Newbelco Post-Merger with corresponding financial information and valuation measurements for companies with operations in the beer industry/ global operations in the food/beverage industry described. The companies used for this purpose and the reasons for which they were selected are the same as mentioned under section 4.1.2.

On this basis, the AB InBev Board calculated ranges of estimated implied value per Newbelco Post-Merger Share by applying relevant multiples of enterprise value to Newbelco, Ambev SA and SABMiller Retained's 2016 estimated EBITDA.

It resulted in ranges of implied value of approximately 73.80 EUR – 92.08 EUR per Newbelco Post-Merger Share.

4.4. Ranges of exchange ratios

Based on the valuation methods described above, the AB InBev Board obtained the following ranges of exchange ratios.

4.4.1. AB INBEV PRE-MERGER VERSUS NEWBELCO POST-MERGER

(AB INBEV SHAREHOLDER PERSPECTIVE)

Discounted cash flow analysis:

- The low-end of the exchange ratio range of 0.67x was obtained by dividing the lowest value per AB InBev Pre-Merger Share implied in the discounted cash flow analysis of 87.46 EUR by the highest value per Newbelco Post-Merger Share implied in the discounted cash flow analysis of 130.88 EUR; and
- The high-end of the exchange ratio range of 1.13x was obtained by dividing the highest value per AB InBev Pre-Merger Share implied in the discounted cash flow analysis of 113.97 EUR by the lowest value per Newbelco Post-Merger Share implied in the discounted cash flow analysis of 100.74 EUR.

Selected public companies analysis:

- The low-end of the exchange ratio range of 0.75x was obtained by dividing the lowest value per AB InBev Pre-Merger Share implied in the selected public companies analysis of 69.47 EUR by the highest value per Newbelco Post-Merger Share implied in the selected public companies analysis of 92.08 EUR; and
- the high-end of the exchange ratio range of 1.20x was obtained by dividing the highest value per AB InBev Pre-Merger Share implied in the selected public companies analysis of 88.68 EUR by the lowest value per Newbelco Post-Merger Share implied in the selected public companies analysis of 73.80 EUR.

Relative weight of the different valuation methodologies:

The blended exchange ratios were obtained by applying an equal weight to the exchange ratios obtained in the relevant methodologies as described above in order to conclude on the valuation of the companies involved in the transaction and in the determination of the exchange ratio.

This resulted in an exchange ratio range between 0.71x and 1.17x when considering the value of AB-InBev Pre-Merger versus Newbelco Post-Merger.

4.4.2. NEWBELCO PRE-MERGER VERSUS NEWBELCO POST-MERGER (NEWBELCO SHAREHOLDER PERSPECTIVE)

Discounted cash flow analysis:

- The low-end of the exchange ratio range of 0.74x was obtained by dividing the value per shares of Newbelco Pre-Merger of 97.32 EUR by the highest value per Newbelco Share (Post-Merger) implied in the discounted cash flow analysis of 130.88 EUR; and
- the high-end of the exchange ratio range of 0.97x was obtained by dividing the value per shares of Newbelco Pre-Merger of 97.32 EUR by the lowest value per Newbelco Share (Post-Merger) implied in the discounted cash flow analysis of 100.74 EUR.

Selected public companies analysis:

- The low-end of the exchange ratio range of 1.06x was obtained by dividing the value per shares of Newbelco Pre-Merger of 97.32 EUR by the highest value per Newbelco Share (Post-Merger) implied in the selected public companies analysis of 92.08 EUR; and
- the high-end of the exchange ratio range of 1.32x was obtained by dividing the value per shares of Newbelco Pre-Merger of 97.32 EUR by the lowest value per Newbelco Share (Post-Merger) implied in the selected public companies analysis of 73.80 EUR.

Relative weight of the different valuation methodologies:

The blended exchange ratios were obtained by applying an equal weight to the exchange ratios obtained in the relevant methodologies as described above in order to conclude on the valuation of the companies involved in the transaction and in the determination of the exchange ratio.

This resulted in an exchange ratio range between 0.90x and 1.14x when considering the value of Newbelco Pre-Merger versus Newbelco Post-Merger.

4.4.3. PROPOSED EXCHANGE RATIO

On the basis of the range of exchange ratios obtained, the boards of directors of AB InBev and Newbelco consider that an exchange ratio of one Newbelco Ordinary Share for one AB InBev Share in the context of the Belgian Merger is reasonable. This means that Newbelco will be issuing 1,608,242,156 Ordinary Shares in the Belgian Merger, being the number of AB InBev Shares prior to the Belgian Merger.

As described in section 3 and in the Merger Terms, the Transaction is subject to several conditions. It should be noted that the valuation methods applied and explained below are only relevant to the extent that the conditions summarized in section 3 are fulfilled at the date of the Merger.

The Belgian Merger will result in (i) a capital increase of Newbelco by an amount of 1,238,608,344.12 EUR and (ii) the recordation by Newbelco of an amount of 13,186,369,502.01 EUR as share premium, being the amounts of share capital and share premium of AB InBev prior to the Belgian Merger.

5. PROCEDURES PERFORMED

Our procedures were performed in accordance with the relevant standards applicable in Belgium, as issued by the “Institut des Réviseurs d’Entreprises/Instituut van de Bedrijfsrevisoren”.

Within the framework of our assignment we have relied on the reports of the AB InBev Board and the Newbelco Board, prepared in accordance with the Belgian Companies Code article 693 and 694, dated 22 August 2016. We also relied on our ongoing audit work on the annual accounts of Newbelco for the year ending 31 December 2016. In addition, we relied on our ongoing audit work on the annual accounts of AB InBev for the year ending 31 December 2016, as well as our limited review procedures on the interim information of AB InBev group (consolidated) for the quarters ended 31 March 2016 and 30 June 2016.

We gave particular attention to the appropriateness of the valuation methods used by the AB InBev Board, taking into account the context of the Transaction, the shareholder structure and the activities of the companies, in order to conclude whether such valuation methods are appropriate and not arbitrary. In assessing the valuation methods used by the AB InBev Board we have involved valuation experts. In performing our procedures we have not performed a valuation of the companies involved in the transaction.

As is typically the case in similar transactions, none of the valuation methods retained is based on historical financial statements, therefore, no specific procedures were required relating to historical financial statements of both companies.

Under the given circumstances, we believe that the methods used for the valuation of the companies and the determination of the exchange ratio are economically justified, are appropriate in the present case and are properly applied.

6. DETERMINATION OF THE EXCHANGE RATIO

As specified in the Merger Terms, the merger of the two companies will take place through the issue of new ordinary shares of Newbelco. These new shares are intended to compensate the shares of the acquired company AB InBev held by existing AB InBev Shareholders.

In the context of the Belgian Merger, it is proposed that one New Ordinary Share will be issued to the AB InBev Shareholders in exchange for one AB InBev Share, without any additional cash compensation.

7. EVENTS AFTER THE DATE OF VALUATION

No subsequent events that would have a material impact on the proposed exchange ratio have been identified between the date of the determination of the exchange ratio, being 17 August 2016 and the date of this report.

8. CONCLUSIONS

Based on the procedures performed in accordance with the standards of the “Instituut van Bedrijfsrevisoren/Institut des Réviseurs d’entreprises” related to mergers, we conclude that:

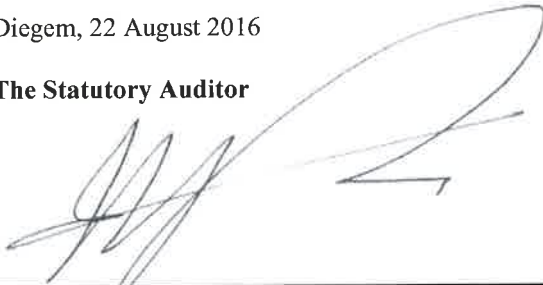
- The exchange ratio whereby one new ordinary share of Newbelco will be issued to the shareholders of AB InBev in exchange for one share in AB InBev is relevant and reasonable.
- The valuation methods applied by the board of directors of AB InBev and Newbelco to determine the value of AB InBev and Newbelco are relevant and reasonable.

We would like to point out that the Transaction and therefore the contemplated merger by absorption is subject to several conditions which are still outstanding at the date of this report. These conditions include (i) obtaining regulatory clearances approvals from applicable antitrust or competition law authorities, (ii) the UK Scheme becoming effective following the approval of the shareholders of SABMiller plc. and the sanctioning by the UK Court, (iii) the passing of various resolutions at the AB InBev General Meeting, the UK Scheme Court Meeting, the Newbelco General Meeting and the SABMiller General Meeting. Section 3 of the Merger Terms, as attached in Appendix 1 provides more details on these conditions. The valuation methods and the determination of the exchange ratio, as reflected in section 4 and 6 of this report, are only relevant to the extent that the conditions summarized above have been fulfilled.

Finally, we remind you that our mission does not include expressing an opinion on the lawfulness and fairness of the transaction.

Diegem, 22 August 2016

The Statutory Auditor



DELOITTE Bedrijfsrevisoren / Réviseurs d’Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Joel Brehmen

Appendix 1

Common draft terms of merger by the AB InBev Board and Newbelco Board as required by Article 693 of the Belgian Company Code

[please see separate document]



NEWBELCO

**MERGER
BETWEEN ANHEUSER-BUSCH INBEV SA/NV AND NEWBELCO SA/NV**

**COMMON DRAFT TERMS OF MERGER
PREPARED IN ACCORDANCE WITH ARTICLE 693 OF THE BELGIAN COMPANIES CODE**

These Merger Terms have been prepared jointly by the board of directors of AB InBev and the board of directors of Newbelco, in accordance with article 693 of the Belgian Companies Code in respect of the contemplated merger by absorption of AB InBev by Newbelco.

Capitalised terms used in these Merger Terms shall have the meaning set out in the glossary attached to these Merger Terms as Schedule 1.

1. OVERVIEW OF THE TRANSACTION

1.1 Announcement and Co-operation Agreement

On 11 November 2015, the AB InBev Board and the SABMiller Board announced in the Rule 2.7 Announcement that they had reached agreement on the terms of the Transaction.

On the same date, AB InBev and SABMiller entered into the Co-operation Agreement, pursuant to which AB InBev agreed to use its best efforts to secure the regulatory clearances and authorisations necessary to satisfy the pre-conditions and regulatory conditions of the Transaction.

In the Co-operation Agreement, AB InBev and SABMiller agreed, amongst other things, to certain undertakings to co-operate and provide each other with reasonable information, assistance and access in relation to the filings, submissions and notifications to be made in relation to such regulatory clearances and authorisations. AB InBev and SABMiller also agreed to provide each other with certain information, assistance and access for the preparation of the key shareholder documentation and in relation to the obtaining of certain other official authorisations or regulatory clearances required in relation to the implementation of the Transaction.

On 26 July 2016, AB InBev announced revised and final terms of the Transaction and on 29 July 2016, SABMiller announced that the SABMiller Board intends to recommend unanimously the Cash Consideration and that SABMiller Shareholders vote in favour of the UK Scheme at the UK Scheme Court Meeting and in favour of the SABMiller Resolutions to be proposed at the SABMiller General Meeting.

1.2 Conditions to the Transaction

The Transaction is subject to several pre-conditions and conditions that are described in detail in the Rule 2.7 Announcement. Such pre-conditions and conditions include amongst others:

- the obtaining of regulatory approvals from applicable antitrust or competition law authorities in the European Union, the United States, China, South Africa and other relevant jurisdictions; and
- the approval of the relevant aspects of the Transaction by the AB InBev Shareholders, the Newbelco Shareholders and the SABMiller Shareholders.

As at the date of these Merger Terms, the Transaction has already been approved by a number of antitrust or competition law authorities, including the European Commission, the US Federal Trade Commission, the Ministry of Commerce of the People's Republic of China and the Competition Tribunal of South Africa and the Financial Surveillance Department of the South African Reserve Bank. Accordingly, AB InBev confirmed on 29 July 2016 that all pre-conditions of the Transaction have been satisfied. In the remaining jurisdictions where regulatory clearance is still pending, AB InBev will continue to engage proactively with the relevant authorities to address their concerns in order to obtain the necessary clearances as quickly as possible.

The AB InBev General Meeting, the Newbelco General Meeting (composed of the holders of the Incorporation Shares) and the SABMiller General Meeting are each expected to be held on or around 28 September 2016 to vote on the aspects of the Transaction requiring shareholders' approval.

Please refer to section 3 of these Merger Terms for more detail on the conditions to the Transaction.

2. STRUCTURE OF THE TRANSACTION

2.1 Description and schematic overview

2.1.1 *Summary description*

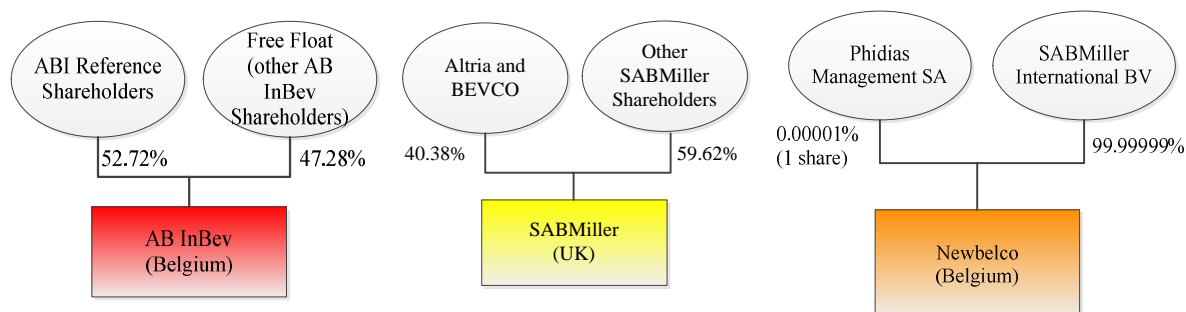
Under the terms of the Transaction, each UK Scheme Shareholder will have the option to elect for:

- the Cash Consideration, i.e. cash proceeds in an amount of £45.00 in respect of each UK Scheme Share it owns; or
- the Partial Share Alternative, i.e. cash proceeds in an amount of £4.6588 as well as 0.483969 Restricted Newbelco Shares in respect of each UK Scheme Share it owns.

2.1.2 Schematic overview of Transaction structure

2.1.2.1 Current simplified structure

The diagram below sets out the current simplified shareholder structures of AB InBev, SABMiller and Newbelco:

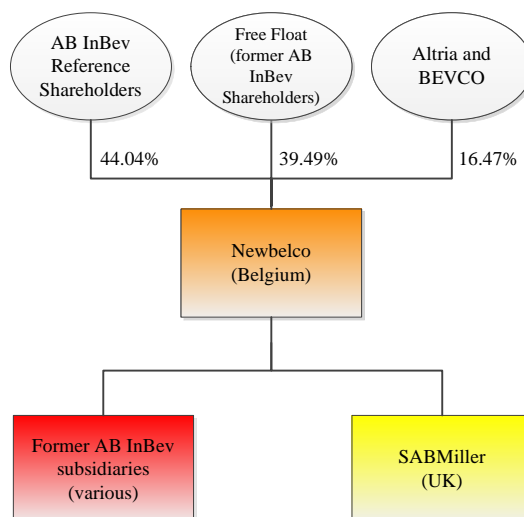


Notes:

- For purposes of the diagram above, “AB InBev Reference Shareholders” includes the AB InBev Reference Shareholder and the entities acting in concert with it, as set out in section 5.2.1.
- For purposes of the diagram above, “Free Float (other AB InBev Shareholders)” excludes the AB InBev Reference Shareholder and the entities acting in concert with it.
- The percentage numbers in the diagram above exclude any AB InBev Shares, SABMiller Shares or Newbelco Shares held in treasury.

2.1.2.2 Envisaged simplified structure post-Completion

The diagram below sets out the envisaged simplified shareholder structure of Newbelco upon Completion:



Notes:

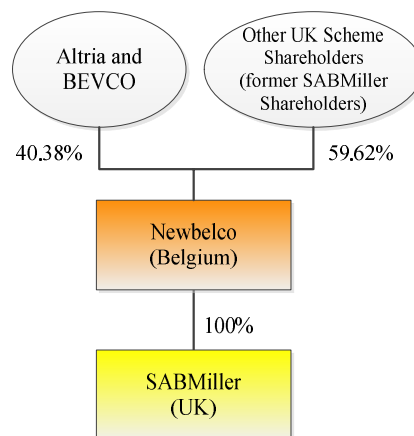
- For purposes of the diagram above, “AB InBev Reference Shareholders” includes the AB InBev Reference Shareholder and the entities acting in concert with it, as set out in section 5.2.1.
- For purposes of the diagram above, “Free Float (former AB InBev Shareholders)” excludes the AB InBev Reference Shareholder and the entities acting in concert with it.
- The percentage numbers in the diagram above (i) refer to the expected percentage of voting rights attached to, as applicable, New Ordinary Shares and Restricted Newbelco Shares upon Completion, on the assumption that the Partial Share Alternative is elected for in respect of 655,000,000 SABMiller Shares, representing the irrevocable undertakings of Altria and BEVCO, and (ii) exclude any Newbelco Shares expected to be held in treasury.

2.1.2.3 Three-stage Transaction structure summary

The Transaction will be implemented through the Proposed Structure which involves three principal steps as follows:

Step 1: the UK Scheme

First, the acquisition of SABMiller by Newbelco through the UK Scheme, a UK law court-sanctioned scheme of arrangement between SABMiller and the UK Scheme Shareholders under Part 26 of the UK Companies Act 2006, pursuant to which each UK Scheme Shareholder will receive 100 Initial Newbelco Shares in consideration for each of its UK Scheme Shares.



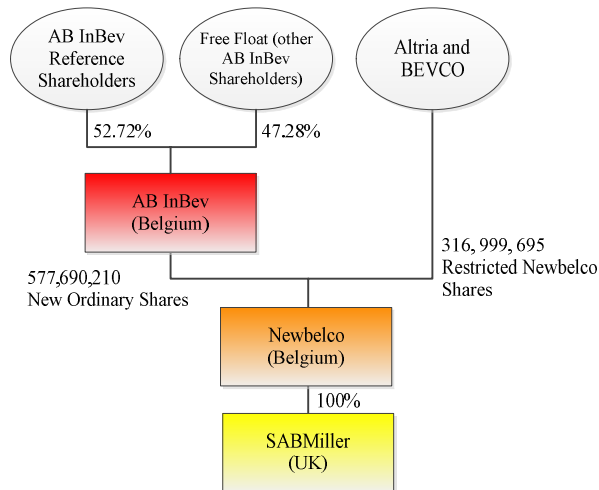
Notes:

- The percentage numbers in the diagram above exclude the Deferred Shares, which will be held by SABMiller in treasury.
- The Incorporation Shares held by Phidias Management SA and SABMiller International BV will be cancelled with effect simultaneously with the completion of the Capital Increase and are therefore not included in the diagram above.

Step 2: the Belgian Offer

Second, the Belgian Offer, a voluntary cash takeover offer made by AB InBev pursuant to the Takeover Law and the Takeover Royal Decree for all of the Initial Newbelco Shares, pursuant to which:

- UK Scheme Shareholders who validly elect (or are deemed to elect) for the Cash Consideration will tender all their Initial Newbelco Shares into the Belgian Offer for an offer price of £0.45 per Initial Newbelco Share in order to receive the Cash Consideration; and
- UK Scheme Shareholders who validly elect (or are deemed to elect) for the Partial Share Alternative will tender some of their Initial Newbelco Shares into the Belgian Offer for an offer price of £0.45 per Initial Newbelco Share, in order to receive the cash element of the Partial Share Alternative, and will retain the relevant proportion of their Initial Newbelco Shares which will become Restricted Newbelco Shares as a result of the subsequent Reclassification and Consolidation.

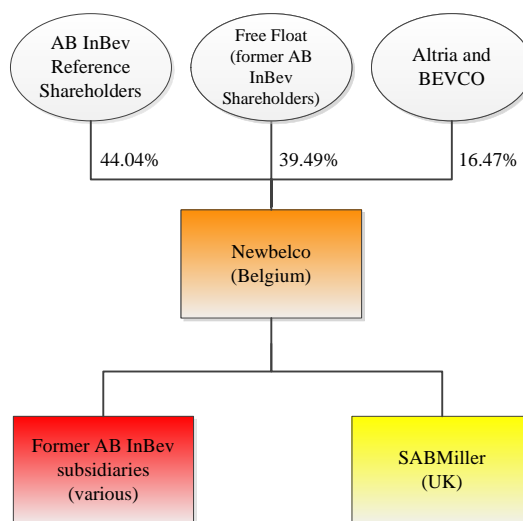


Notes:

- For purposes of the diagram above, “AB InBev Reference Shareholders” includes the AB InBev Reference Shareholder and the entities acting in concert with it, as set out in section 5.2.1.
- For purposes of the diagram above, “Free Float (other AB InBev Shareholders)” excludes the AB InBev Reference Shareholder and the entities acting in concert with it.
- The percentage numbers and absolute share numbers in the diagram above (i) exclude any AB InBev Shares, SABMiller Shares or Newbelco Shares held in treasury, (ii) refer to the expected holdings of Newbelco Shares after closing of the Belgian Offer on the assumption that the Partial Share Alternative is elected for in respect of 655,000,000 SABMiller Shares, representing the irrevocable undertakings of Altria and BEVCO, and (iii) take into account the Reclassification and Consolidation.
- The number of 577,690,210 New Ordinary Shares mentioned in the diagram above (i) assumes that, prior to or at the UK Scheme Record Time, there are 1,657,262,457 SABMiller Shares in issue (see footnote 1 for details on the basis on which this number is calculated), and (ii) is calculated taking 1,657,262,457 SABMiller Shares multiplied by 100 and divided by the Consolidation Factor (185.233168056448) less 316,999,695 (which assumes that the Partial Share Alternative is elected for in respect of 655,000,000 SABMiller Shares, representing the irrevocable undertakings of Altria and BEVCO).

Step 3: the Belgian Merger

Third, the Belgian Merger, the merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code, pursuant to which the AB InBev Shareholders will become Newbelco Shareholders and Newbelco will be the surviving entity and the holding company for the Combined Group.



Notes:

- For purposes of the diagram above, “AB InBev Reference Shareholders” includes the AB InBev Reference Shareholder and the entities acting in concert with it, as set out in section 5.2.1
- For purposes of the diagram above, “Free Float (former AB InBev Shareholders)” excludes the AB InBev Reference Shareholder and the entities acting in concert with it.

- The percentage numbers in the diagram above (i) refer to the expected percentage of voting rights attached to, as applicable, New Ordinary Shares and Restricted Newbelco Shares upon Completion on the assumption that the Partial Share Alternative is elected for in respect of 655,000,000 SABMiller Shares, representing the irrevocable undertakings of Altria and BEVCO, and (ii) exclude any Newbelco Shares expected to be held in treasury.

2.2 Three-stage Transaction structure

2.2.1 Step 1: the UK Scheme

It is intended that, on or around 26 August 2016, the UK Scheme Document will be despatched to SABMiller Shareholders. The UK Scheme Document will, among other things, incorporate a notice convening a meeting of SABMiller Shareholders for the purpose of approving the UK Scheme.

Under the terms of the UK Scheme:

- each UK Scheme Shareholder will transfer its UK Scheme Shares to Newbelco in consideration for which each UK Scheme Shareholder will receive 100 Initial Newbelco Shares for each UK Scheme Share it owns, thereby becoming a Newbelco Shareholder;
- no UK Scheme Shareholder shall be entitled to transfer any Initial Newbelco Shares, other than transfers made pursuant to the Belgian Offer for a period of 72 hours after the Capital Increase;
- each UK Scheme Shareholder will (subject to limited exceptions in relation to Restricted Overseas Shareholders) have the opportunity to elect for the Cash Consideration or the Partial Share Alternative by completing a hard copy Form of Election or making an equivalent Electronic Election;
- UK Scheme Shareholders (other than Nominee Shareholders) will only be able to elect for the Cash Consideration or the Partial Share Alternative in respect of their entire holding of UK Scheme Shares and not part only;
- Nominee Shareholders who hold UK Scheme Shares on behalf of more than one Underlying Shareholder may, in respect of their aggregate holding of UK Scheme Shares, elect for a mixture of the Cash Consideration and the Partial Share Alternative, provided certain conditions are met. In particular, a Nominee Shareholder may only make an Election for the Partial Share Alternative in respect of UK Scheme Shares it holds on behalf of an Underlying Shareholder if such Election is (i) in accordance with the instructions communicated to it by the Underlying Shareholder and (ii) in respect of all of the UK Scheme Shares held by the Nominee Shareholder on behalf of such Underlying Shareholder;
- UK Scheme Shareholders who do not validly elect for the Partial Share Alternative, do not make a valid Election or do not make any Election at all shall be deemed to have elected for the Cash Consideration in respect of their entire holding of UK Scheme Shares (or, in the case of a Nominee Shareholder, all of its UK Scheme Shares in respect of which no valid Election has been made). No UK Scheme Shareholder will, however, be deemed to have elected for the Cash Consideration in respect of any of its UK Scheme Shares (or, in the case of a Nominee Shareholder, in respect of any UK Scheme Shares it holds on behalf of an Underlying Shareholder), and any purported Election for the Cash Consideration will be invalid, if it would be inconsistent with any contractual undertaking given to AB InBev to elect for the Partial Share Alternative (unless determined otherwise by AB InBev). In such circumstances, the relevant UK

Scheme Shareholder (or relevant Nominee Shareholder on behalf of the relevant Underlying Shareholder) will be deemed to have elected for the Partial Share Alternative in respect of the UK Scheme Shares required to be elected for the Partial Share Alternative by the terms of such contractual undertaking;

- each UK Scheme Shareholder, in respect of all Initial Newbelco Shares issued to it under the UK Scheme, appoints the UK Agent to respond to the Belgian Offer on its behalf, in accordance with its Election (or deemed Election) and the provisions of the UK Scheme:
 - UK Scheme Shareholders (other than Nominee Shareholders) who (i) validly elect for the Cash Consideration; (ii) do not validly elect for the Partial Share Alternative; (iii) do not make a valid Election; or (iv) do not make any Election at all, will appoint the UK Agent in respect of all of their Initial Newbelco Shares to tender all such Initial Newbelco Shares into the Belgian Offer in exchange for £0.45 per Initial Newbelco Share;
 - Nominee Shareholders, to the extent that they (i) validly elect for the Cash Consideration; (ii) do not validly elect for the Partial Share Alternative; (iii) do not make a valid Election; or (iv) do not make any Election at all, in respect of all or part of their holding of UK Scheme Shares, will appoint the UK Agent in respect of all of the Initial Newbelco Shares issued to such Nominee Shareholders in consideration for the transfer of such UK Scheme Shares, to tender all such Initial Newbelco Shares into the Belgian Offer in exchange for £0.45 per Initial Newbelco Share;
 - UK Scheme Shareholders (other than Nominee Shareholders) who validly elect or are deemed to elect for the Partial Share Alternative will appoint the UK Agent to tender into the Belgian Offer such number of their Initial Newbelco Shares as is required to satisfy the cash element payable pursuant to the Partial Share Alternative (taking into account any pro rata scaling back, rounding and minor adjustments as described below), in exchange for £0.45 per Initial Newbelco Share, with the remaining Initial Newbelco Shares issued to such UK Scheme Shareholders to be retained by the relevant UK Scheme Shareholders (having become Newbelco Shareholders as a result of the UK Scheme) and (upon passing of the relevant notarial deed) automatically reclassified and consolidated into Restricted Newbelco Shares shortly after closing of the Belgian Offer as a result of the subsequent Reclassification and Consolidation; and
 - Nominee Shareholders, to the extent that they validly elect for the Partial Share Alternative or are deemed to elect for the Partial Share Alternative in respect of all or part of their holding of UK Scheme Shares (with such UK Scheme Shares constituting all of the UK Scheme Shares held by the relevant Nominee Shareholder on behalf of each Underlying Shareholder who has instructed it to elect for the Partial Share Alternative or in respect of whose UK Scheme Shares the Nominee Shareholder is deemed to have elected for the Partial Share Alternative), will appoint the UK Agent, in respect of all the relevant Initial Newbelco Shares issued to such Nominee Shareholders in consideration for the transfer of such UK Scheme Shares, to tender into the Belgian Offer such number of their Initial Newbelco Shares as is required to satisfy the cash element payable pursuant to the Partial Share Alternative (taking into account any pro rata scaling back, rounding and minor adjustments as described below), in exchange for £0.45 per Initial Newbelco Share, with the remaining Initial Newbelco Shares issued to such Nominee Shareholders to be retained by the relevant Nominee Shareholders

(having become Newbelco Shareholders as a result of the UK Scheme) and (upon passing of the relevant notarial deed) automatically reclassified and consolidated into Restricted Newbelco Shares shortly after closing of the Belgian Offer as a result of the subsequent Reclassification and Consolidation; and

- UK Scheme Shareholders who validly elect for the Partial Share Alternative, or who are deemed to have elected for the Partial Share Alternative, will be deemed to acknowledge, and to be bound by, the Reclassification and Consolidation and will be deemed to agree with Newbelco and AB InBev to be bound by the Belgian Merger in respect of all of their Restricted Newbelco Shares.

Holders of SABMiller ADSs who wish to elect for the Partial Share Alternative will be required to give notice to withdraw the SABMiller Shares underlying their SABMiller ADSs from SABMiller's deposit facility at least five US Business Days before the UK Scheme Record Time, and become holders of UK Scheme Shares prior to the UK Scheme Record Time, and make a valid Election for the Partial Share Alternative as described above.

Nominee Shareholders will be responsible for ensuring that Elections made by them are consistent with the instructions they have received (whether through the STRATE System or otherwise) from the relevant Underlying Shareholders and are validly completed (including as regards the giving of the representations and warranties described in the UK Scheme Document). None of SABMiller, AB InBev, Newbelco, the UK Agent or the Offer Agent shall (i) have any obligation to verify that an Election made by a Nominee Shareholder is consistent with the instructions given by its Underlying Shareholders or is validly completed by the Nominee Shareholder; or (ii) have any liability to Nominee Shareholders or Underlying Shareholders in the event that an Election by a Nominee Shareholder is rejected or treated as invalid. In accordance with the terms and conditions of the Belgian Offer (a) cash due to UK Scheme Shareholders under the terms of the Belgian Offer will not, for the avoidance of doubt, be paid by AB InBev to Underlying Shareholders directly; (b) payment to Nominee Shareholders in accordance with the terms of the Belgian Offer will be a complete discharge of AB InBev's payment obligations; and (c) none of SABMiller, AB InBev, Newbelco, the UK Agent or the Offer Agent will have any obligation in relation to the application of the monies so paid to the Nominee Shareholder under the terms of the Belgian Offer. Initial Newbelco Shares will be issued to (and, following the Reclassification and Consolidation, Restricted Newbelco Shares will be held by) Nominee Shareholders, rather than Underlying Shareholders and none of SABMiller, AB InBev, Newbelco, the UK Agent or the Offer Agent will have any obligation or liability in relation to the holding of Initial Newbelco Shares and/or Restricted Newbelco Shares by Nominee Shareholders on behalf of Underlying Shareholders.

The Partial Share Alternative is limited to a maximum of 326,000,000 Restricted Newbelco Shares and £3,138,153,064 in cash, which will be available in respect of approximately 40.65% of SABMiller's issued ordinary share capital¹. To the extent that Elections for the Partial Share Alternative cannot be satisfied in full, they will be scaled back pro rata to the

¹ This percentage calculation assumes that, prior to or at the UK Scheme Record Time, there are 1,657,262,457 UK Scheme Shares in issue. This number is calculated on the basis of (i) SABMiller's issued share capital as at the close of business on 30 June 2016 of 1,622,117,877 (excluding 57,976,623 treasury shares); and (ii) 46,228,377 SABMiller Shares which may be issued on or after 1 July 2016 on the exercise of options or vesting of awards under the SABMiller share plans (excluding 51,645 cash settled options and stock appreciation rights), netted off against 11,083,797 SABMiller Shares held in SABMiller's Employee Benefit Trust as at the close of business on 30 June 2016. For the avoidance of doubt, the exact number of UK Scheme Shares in issue as at the UK Scheme Record Time may end up being higher or lower than 1,657,262,457 shares. If the shares held by SABMiller's Employee Benefit Trust are not used to settle the outstanding options, up to an additional 11,083,797 SABMiller Shares will need to be issued (or transferred out of treasury).

size of such Elections (or as near thereto as AB InBev in its absolute discretion considers practicable) and the UK Scheme Shareholders who have made such Elections will be deemed to have elected for Cash Consideration in respect of the balance of the UK Scheme Shares held by them.

Initial Newbelco Shares will not be reclassified and consolidated into fractions of Restricted Newbelco Shares. Persons electing for the Partial Share Alternative will have their aggregate entitlement to Restricted Newbelco Shares rounded down to the nearest whole number of Restricted Newbelco Shares. As only whole numbers of Initial Newbelco Shares will be subject to the Reclassification and Consolidation, the number of Initial Newbelco Shares held by each UK Scheme Shareholder to be reclassified and consolidated into Restricted Newbelco Shares will be calculated by (i) first multiplying the rounded number of Restricted Newbelco Shares to which such UK Scheme Shareholder is entitled (taking into account any pro rata scaling back and minor adjustments as described below) by the Consolidation Factor of 185.233168056448 and (ii) then rounding the resulting number of Initial Newbelco Shares up to the nearest whole number. Any remaining Initial Newbelco Shares held by such UK Scheme Shareholders will be tendered into the Belgian Offer for cash.

Minor adjustments to the entitlements of UK Scheme Shareholders pursuant to Elections in respect of the Partial Share Alternative may be made by the SABMiller Registrars with the prior consent of SABMiller and AB InBev on such terms as SABMiller and AB InBev consider to be fair and reasonable to the extent necessary to satisfy all entitlements (subject to scale back and rounding as described above) pursuant to the Elections for the Partial Share Alternative as nearly as may be practicable. Such adjustments shall be final and binding on all UK Scheme Shareholders.

Where Nominee Shareholders have made aggregate Elections on behalf of Underlying Shareholders, such scale back, rounding and minor adjustments will be applied at the level of the Nominee Shareholder (as the UK Scheme Shareholder) and will not take account of the underlying instructions of Underlying Shareholders.

As a result, UK Scheme Shareholders who make a valid Election (or are deemed to elect) for the Partial Share Alternative will not know the precise number of Restricted Newbelco Shares, or the exact amount of cash, they will receive pursuant to the Transaction until the settlement of consideration for the Transaction.

AB InBev has received irrevocable undertakings from Altria and BEVCO, the largest shareholders in SABMiller, to elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares respectively, representing in aggregate approximately 40.38% of SABMiller's issued ordinary share capital². If Elections for the Partial Share Alternative are scaled back as described above, the Election made by or on behalf of Altria and BEVCO will be scaled back on the same basis as each other UK Scheme Shareholder.

It is currently intended that the UK Scheme will become effective on or around 5 October 2016. Upon the UK Scheme becoming effective, it will be binding on all UK Scheme Shareholders, irrespective of whether or not they attended or voted at the UK Scheme Court Meeting. Following the UK Scheme becoming effective, Newbelco will cancel all of the Incorporation Shares with effect simultaneously with the completion of the Capital Increase, such that the UK Scheme Shareholders will own the entire issued and outstanding share capital of Newbelco in the form of Initial Newbelco Shares following completion of the Capital Increase. Assuming that the legal transfer of the UK Scheme Shares from the UK

² As at 30 June 2016 and excluding any shares held in treasury.

Scheme Shareholders to Newbelco will be completed within one Business Day of the UK Scheme becoming effective, it is currently expected that the Capital Increase will occur on or around 6 October 2016.

It is expected that, as soon as reasonably practicable after the legal transfer of the UK Scheme Shares from the UK Scheme Shareholders to Newbelco, SABMiller will be re-registered as a private company under the relevant provisions of the UK Companies Act 2006.

2.2.2 Step 2: the Belgian Offer

After completion of the Capital Increase, AB InBev will make the Belgian Offer, a voluntary cash takeover offer pursuant to the Takeover Law and the Takeover Royal Decree for all of the Initial Newbelco Shares issued to the UK Scheme Shareholders as a result of the UK Scheme. The FSMA has granted, at AB InBev's request, certain derogations in the context of the Belgian Offer, including in respect of the duration of the Belgian Offer which will be open for one day only. It is currently intended that the Belgian Offer will be made on the day following the date on which the Capital Increase occurs (i.e. on or around 7 October 2016) or as soon as reasonably practicable thereafter.

Under the Belgian Offer, AB InBev will offer to purchase the Initial Newbelco Shares held by UK Scheme Shareholders immediately after the Capital Increase for cash consideration of £0.45 per Initial Newbelco Share.

Acceptances by the UK Scheme Shareholders in respect of the Belgian Offer will be made by the UK Agent acting on behalf of the UK Scheme Shareholders on the basis of the Elections (or deemed Elections) made by such UK Scheme Shareholders and the number of Initial Newbelco Shares to be tendered by each UK Scheme Shareholder will depend on their Election (or deemed Elections) as follows:

- in respect of UK Scheme Shareholders who have validly elected (or are deemed to have elected) for the Cash Consideration, AB InBev will purchase all of the Initial Newbelco Shares held by such UK Scheme Shareholders (or, in the case of Nominee Shareholders, all of the Initial Newbelco Shares issued to such Nominee Shareholders in consideration for the transfer of UK Scheme Shares in respect of which the Nominee Shareholders have validly elected (or are deemed to have elected) for the Cash Consideration); and
- in respect of UK Scheme Shareholders who have validly elected (or are deemed to have elected) for the Partial Share Alternative, in order to satisfy the cash element payable pursuant to the Partial Share Alternative (taking into account any pro rata scaling back, rounding and minor adjustments as described above), AB InBev will purchase the number of Initial Newbelco Shares equal to
 - the total number of Initial Newbelco Shares issued to each such UK Scheme Shareholder in consideration for the transfer of UK Scheme Shares in respect of which it validly elected (or is deemed to have elected) for the Partial Share Alternative (being (i) in the case of UK Scheme Shareholders other than Nominee Shareholders, all of the Initial Newbelco Shares held by such UK Scheme Shareholders; or (ii) in the case of Nominee Shareholders, all of the Initial Newbelco Shares held by such Nominee Shareholders on behalf of the relevant Underlying Shareholders),

minus

- the number of Initial Newbelco Shares (rounded up to the nearest whole number of Initial Newbelco Shares) that will be retained by such UK Scheme Shareholder to be reclassified and consolidated into Restricted Newbelco Shares. As it is only possible for whole numbers of Initial Newbelco Shares to be subject to the Reclassification and Consolidation, the number of Initial Newbelco Shares held by each UK Scheme Shareholder to be reclassified and consolidated into Restricted Newbelco Shares will be calculated by:
 - (i) first multiplying the rounded number of Restricted Newbelco Shares to which such UK Scheme Shareholder is entitled (being (a) the number of UK Scheme Shares in respect of which such UK Scheme Shareholder has validly elected (or is deemed to have elected) for the Partial Share Alternative, multiplied by (b) 0.483969, taking into account any pro rata scaling back and minor adjustments as described above) by the Consolidation Factor of 185.233168056448; and
 - (ii) then rounding the resulting number of Initial Newbelco Shares up to the nearest whole number.

The Belgian Offer is expected to be open for one day only, which is currently expected to be the day following that on which the Capital Increase occurs, or as soon as reasonably practicable thereafter.

UK Scheme Shareholders will, however, have had the opportunity to make an Election for the Cash Consideration or the Partial Share Alternative (and withdraw or revise that Election) and instruct the UK Agent during the UK Scheme process accordingly (from the time the UK Scheme Document is despatched or made available to them).

Elections for the Cash Consideration or the Partial Share Alternative will continue to be capable of being made (and withdrawn or revised) following the UK Scheme becoming effective and the Capital Increase until the end of the Acceptance Period. Even though the UK Scheme Shareholders will hold Initial Newbelco Shares following the Capital Increase and will no longer hold SABMiller Shares, the UK Agent will act as the agent of the UK Scheme Shareholders in their capacity as Newbelco Shareholders in the context of the Belgian Offer and will act only on the basis of their Elections or deemed Elections. Based on such Elections or deemed Elections, the UK Agent will complete and submit to the Offer Agent the Acceptance Form in two copies at the end of or as soon as practicable after the end of the Acceptance Period, on behalf of the UK Scheme Shareholders. Since the Belgian Offer is expected to be open for one day only, the UK Agent will only be able to respond to the Belgian Offer on such day.

The Cash Consideration and the cash element of the Partial Share Alternative are priced in pounds sterling. However, UK Scheme Shareholders registered on the South African Register will, as required, receive any cash proceeds due to them under the terms of the Transaction in South African rand.

Upon the passing of the notarial deed acknowledging the closing of the Belgian Offer, pursuant to the Reclassification and Consolidation, the Initial Newbelco Shares will be reclassified and consolidated as follows:

- all Initial Newbelco Shares retained by the former UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative will be reclassified and consolidated into Restricted Newbelco Shares on the basis of a ratio of one Restricted Newbelco Share for every 185.233168056448 Initial Newbelco Shares

retained (and the number of Restricted Newbelco Shares resulting from such reclassification and consolidation will be rounded down to the nearest whole number);

- as a result, the UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative will hold between 316,999,695 and 326,000,000 Restricted Newbelco Shares, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative;
- all Initial Newbelco Shares acquired by AB InBev pursuant to the Belgian Offer will be consolidated into New Ordinary Shares on the same ratio, on the basis of one New Ordinary Share for every 185.233168056448 Initial Newbelco Shares held by AB InBev (and the number of New Ordinary Shares resulting from such consolidation will be rounded down to the nearest whole number); and
- as a result, AB InBev will hold between 568,689,906 and 577,690,210 New Ordinary Shares (depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative).³

Following the closing of the Belgian Offer, and completion of the Reclassification and Consolidation, and pending Completion, the shareholders of Newbelco will be (i) AB InBev and (ii) the holders of the Restricted Newbelco Shares (being the UK Scheme Shareholders who validly elected or are deemed to have elected for the Partial Share Alternative).

2.2.3 Step 3: the Belgian Merger

Following closing of the Belgian Offer, AB InBev will merge into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code, pursuant to which AB InBev Shareholders and holders of AB InBev ADSs will become Newbelco Shareholders and holders of Newbelco ADSs, respectively, and Newbelco will be the surviving entity and the holding company for the Combined Group.

The Belgian Merger will be submitted to a vote of the AB InBev Shareholders at the AB InBev General Meeting and to a vote of the Newbelco Shareholders (i.e., at the time the approval will be sought, the holders of the Incorporation Shares) at the Newbelco General Meeting, both of which are scheduled to take place on 28 September 2016. If approved, it is currently expected that the Belgian Merger will become effective on or around 10 October 2016. AB InBev and SABMiller have received irrevocable undertakings from the AB InBev Reference Shareholder, EPS and BRC, who collectively held approximately 51.68% of the voting rights attached to AB InBev's shares outstanding as at 30 June 2016, to vote in favour of such resolutions of AB InBev as are necessary to approve the Belgian Offer and Belgian Merger at the AB InBev General Meeting.

As a consequence of the Belgian Merger, Newbelco will acquire all New Ordinary Shares held by AB InBev after the Belgian Offer and the Reclassification and Consolidation. Upon Completion, all such New Ordinary Shares will be cancelled, except for 85,000,000 of such New Ordinary Shares, which will be retained by Newbelco and held as treasury shares after Completion.

³ The number of shares mentioned in this paragraph assumes that, prior to or at the UK Scheme Record Time, there are 1,657,262,457 UK Scheme Shares in issue. See footnote 1 for the calculation of the number of 1,657,262,457 UK Scheme Shares.

Pursuant to the Belgian Merger:

- AB InBev Shareholders will receive one New Ordinary Share for each AB InBev Share they hold at the record date for the Belgian Merger; and
- upon the exchange of AB InBev Shares for New Ordinary Shares, the AB InBev ADSs, each currently representing one AB InBev Share, will instead each represent one New Ordinary Share, thereby becoming Newbelco ADSs.

Upon Completion, all assets and liabilities of AB InBev will be transferred to Newbelco and Newbelco will automatically be substituted for AB InBev in all its rights and obligations by operation of Belgian law. Such transfer will as a rule include all contractual undertakings of AB InBev (unless parties to such contracts have agreed otherwise). Upon Completion, AB InBev will be dissolved by operation of Belgian law.

The terms and conditions of the Belgian Merger are further detailed in section 5 of these Merger Terms.

2.2.4 Resulting capital structure and listings

Pursuant to the Proposed Structure:

- Newbelco will become the holder of the entire issued and to be issued share capital of SABMiller after the UK Scheme has become effective, as well as of all of the assets and liabilities of AB InBev upon Completion and will therefore become the new holding company for the Combined Group; and
- the shareholders of Newbelco upon Completion will be (i) the AB InBev Shareholders and (ii) those UK Scheme Shareholders who will hold Restricted Newbelco Shares after the Reclassification and Consolidation⁴.

Subject to Completion, Newbelco currently expects that the New Ordinary Shares will be admitted to listing (as primary listing) on Euronext Brussels, with the listing intended to occur on or about the first Business Day following Completion. It is also intended that the New Ordinary Shares will, at the same time, be listed (as secondary listings) on the Johannesburg Stock Exchange and the Bolsa Mexicana de Valores and that the Newbelco ADSs (each representing one New Ordinary Share) will be listed on the NYSE.

The Restricted Newbelco Shares will be unlisted, not admitted to trading on any stock exchange, not capable of being deposited in an ADR programme and will be subject to, among other things, restrictions on transfer until converted into New Ordinary Shares. The Restricted Newbelco Shares will be convertible at the election of the holder into New Ordinary Shares on a one-for-one basis with effect from the fifth anniversary of Completion. Restricted Newbelco Shares may also be subject to conversion earlier in certain specific limited circumstances detailed in the articles of association of Newbelco. From Completion, such Restricted Newbelco Shares will rank equally with the New Ordinary Shares as regards dividends and voting rights.

Depending on the number of UK Scheme Shareholders other than Altria and BEVCO that validly elect for the Partial Share Alternative, and assuming no additional AB InBev Shares are issued after the date of these Merger Terms, former AB InBev Shareholders and/or former holders of AB InBev ADSs are expected to own approximately between 83.14% and 83.53% of Newbelco's share capital immediately following the Belgian Merger and UK Scheme

⁴ Except for Newbelco and former AB InBev subsidiaries that will hold Newbelco Shares in treasury.

Shareholders are expected to own approximately between 16.47% and 16.86% of Newbelco's share capital immediately following the Belgian Merger. Accordingly, the dilution that will arise for holders of AB InBev Shares upon completion of the Belgian Merger is expected to be approximately between 16.47% and 16.86%.⁵

2.2.5 Value Reduction

Under the terms of the Transaction, if any dividend or other distribution is announced, declared, made or paid in respect of the SABMiller Shares on or after 11 November 2015 and before the UK Scheme Effective Time, other than a Permitted Dividend, or in excess of any Permitted Dividend, AB InBev shall reduce the value of the Cash Consideration and the Partial Share Alternative by the amount of all or part of any such excess, in the case of a Permitted Dividend, or otherwise by the amount of all or part of any such dividend or other distribution. In calculating the amount of any Value Reduction, the value of a Restricted Newbelco Share shall be calculated by reference to the value of 0.483969 multiplied by the price of an AB InBev Share (as at the close of business on the last Business Day prior to any announcement of any Value Reduction) and the amount of any dividend or distribution not denominated in sterling shall be converted into sterling at the prevailing exchange rate (as quoted by Bloomberg at 4.30 pm London time on the same date).

In the event of any Value Reduction, the price of the Belgian Offer shall be automatically reduced accordingly.

The SABMiller Board has proposed the Final Dividend for the year ended 31 March 2016. The Final Dividend was approved by SABMiller's annual general meeting on 21 July 2016 and will be payable on 12 August 2016. Both the Final Dividend and the interim dividend of US\$0.2825 declared by the SABMiller Board for the six-month period ended 30 September 2015 and paid on 4 December 2015 are Permitted Dividends.

2.3 Timetable and possible extensions

All dates given in these Merger Terms as dates on which the relevant steps of the Transaction are intended to take place are indicative. These dates may be changed and, if so, the boards of directors of AB InBev and Newbelco will inform the shareholders of AB InBev and Newbelco accordingly at, or prior to, respectively, the AB InBev General Meeting and the Newbelco General Meeting, without having to file any amended version of the Merger Terms.

⁵ The percentage calculations in this paragraph exclude treasury shares and are based on the number of AB InBev Shares outstanding as at 30 June 2016, excluding the treasury shares held by AB InBev and its subsidiaries Brandbrew S.A., Brandbev S.à.R.L. and Mexbrew S.à.R.L.

3. CONDITIONS PRECEDENT

The Transaction is subject to a certain number of pre-conditions and conditions. In addition, each of the three steps of the Transaction is conditional on completion of the preceding step. As noted above, AB InBev confirmed on 29 July 2016 that all pre-conditions to the Transaction have been satisfied. The paragraphs below describe the outstanding conditions of the Transaction.

3.1 The UK Scheme

To become effective, the UK Scheme requires approval at the UK Scheme Court Meeting, which is a meeting (or meetings) convened with the permission of the UK Court, from a majority in number of those holders of UK Scheme Shares (or any class or classes thereof) as at the Voting Record Time who are present and voting at the meeting, either in person or by proxy, and who represent not less than 75% in value of the UK Scheme Shares voted by them.

It will be necessary for SABMiller to determine with the UK Court whether, for the purposes of voting at such meeting, all of the shareholders of SABMiller should be treated as one class (in which case they would vote together in one meeting) or as part of a separate class or classes (in which case the different classes would vote separately). The UK Court will consider whether the legal rights of the shareholders of SABMiller under the UK Scheme are sufficiently similar or whether a difference in legal rights makes it more appropriate for particular shareholders of SABMiller to be distinguished as a separate class. SABMiller announced on 29 July 2016 that it intends to propose to the UK Court that Altria and BEVCO be treated as a separate class of shareholders.

It is currently intended that the UK Scheme Court Meeting will be held on or around 28 September 2016. Implementation of the Transaction will also require the passing of the SABMiller Resolutions at the SABMiller General Meeting, which is expected to be held immediately after the UK Scheme Court Meeting.

Implementation of the UK Scheme will furthermore require the Newbelco Shareholders (i.e., at the time the approval will be sought, the holders of the Incorporation Shares) to have approved the Capital Increase. It is currently intended that the Newbelco General Meeting to approve such matters will be held on or around 28 September 2016.

Following the UK Scheme Court Meeting and the SABMiller General Meeting, the UK Scheme will need to be sanctioned by the UK Court. The UK Scheme Court Sanction Hearing is currently intended to be held on or around 5 October 2016.

The UK Scheme will only become effective once a copy of the UK Scheme Court Order is delivered to the UK Registrar of Companies. Upon the UK Scheme becoming effective, it will be binding on all UK Scheme Shareholders, irrespective of whether or not they attended or voted at the UK Scheme Court Meeting.

Following the UK Scheme becoming effective, it is currently expected that the Capital Increase will complete on or around 6 October 2016 (assuming that the legal transfer of the UK Scheme Shares from the UK Scheme Shareholders to Newbelco will be completed within one Business Day of the UK Scheme becoming effective).

In addition to the shareholder approval requirements and sanction by the UK Court, as described above, the UK Scheme is subject to a number of other outstanding conditions and further terms. Such conditions include (i) obtaining certain regulatory clearances and (ii) the passing of the AB InBev Resolutions and the Newbelco Resolutions. In addition, all conditions to the Belgian Offer and the Belgian Merger (other than the UK Scheme becoming

effective and certain procedural conditions) must be satisfied in order for the UK Scheme to become effective.

3.2 The Belgian Offer

The Belgian Offer is conditional on:

- the AB InBev Resolutions being passed by the requisite majority of AB InBev Shareholders at the AB InBev General Meeting;
- the UK Scheme becoming effective no later than 11 May 2017 or such later date agreed upon between SABMiller and AB InBev (with the approval of the UK Panel and as the UK Court may approve, if such approval(s) is or are required);
- the UK Scheme Shares being registered in the name of Newbelco; and
- the Initial Newbelco Shares being issued by Newbelco to the UK Scheme Shareholders pursuant to the Capital Increase at the latest on the day before the Belgian Offer commences.

3.3 The Belgian Merger

The Belgian Merger is conditional on:

- the AB InBev Resolutions being passed by the requisite majority of AB InBev Shareholders at the AB InBev General Meeting;
- the Newbelco Resolutions being passed by the requisite majority of holders of Incorporation Shares at the Newbelco General Meeting;
- the Belgian Offer completing in accordance with its terms;
- the Initial Newbelco Shares tendered in the Belgian Offer being transferred to AB InBev no later than the day before the date of passing of the Final Notarial Deed (or such later date as AB InBev may determine); and
- the passing of the Final Notarial Deed.

Section 5.3 of these Merger Terms describes the conditions precedent to the Belgian Merger in more detail.

4. RATIONALE OF THE TRANSACTION

4.1 Strategic rationale for the Transaction

AB InBev believes the Transaction will allow both businesses to significantly accelerate their respective growth strategies and create enhanced value for the benefit of all stakeholders, as set out below.

4.1.1 A compelling opportunity

The combination of AB InBev and SABMiller will create a truly global brewer and one of the world's leading consumer products companies. Given the largely complementary geographical footprints and brand portfolios of AB InBev and SABMiller, the Combined Group will have operations in virtually every major beer market, including key emerging regions with strong growth prospects such as Africa, Asia, and Central and South America.

AB InBev believes that the Transaction is in the best interests of both companies' consumers, shareholders, employees, wholesalers, business partners and the communities they serve.

4.1.2 Combination to generate significant growth opportunities, benefiting stakeholders around the world

AB InBev believes that further significant growth opportunities will arise from marketing the Combined Group's joint brand portfolio through a largely complementary distribution network, and applying the best practices of both companies across the new organisation.

Strong brand building experience and success in developing global brands, national icons and local brands have been critical success factors for both AB InBev and SABMiller. The Combined Group's portfolio of complementary global and local brands will provide more choices for beer drinkers in new and existing markets. In addition, AB InBev believes that bringing together the capabilities of both companies will lead to further product and service innovations for its consumers around the globe.

The Combined Group will also have access to some of the most important sports, music and other marketing properties in the world. For example, Budweiser has been a sponsor of the FIFA World Cup™ since 1986.

4.1.3 Africa will play a unique role in the Combined Group

Africa, as a continent, has hugely attractive markets with increasing GDPs, a growing middle class and expanding economic opportunities. Africa is also growing in importance in the context of the global beer industry. It is expected that the African continent will represent approximately 8.1% of global beer industry by volumes by 2025, up from approximately 6.5% in 2014, with beer volumes in Africa being expected to grow at nearly three times the rate of global beer volumes between 2014 and 2025.

AB InBev does not currently have any significant operations in Africa and believes that the continent will play a vital role in the future of the Combined Group, building upon the strong history and success of SABMiller in the region dating back to the 19th century.

On 14 April 2016, AB InBev announced that it had entered into the EDD Agreement, an agreement with the South African Government in terms of which AB InBev made commitments to contribute to South Africa.

The commitments to South Africa made by AB InBev in the EDD Agreement relate to employment, agricultural development, enterprise development, local production and procurement, the maintenance of the Zenzele Scheme, the participation of small beer brewers

in the South African market, investment in initiatives aimed at promoting advancements in education, business and environmental sustainability and the reduction of harmful use of alcohol in South African society, and a commitment to locate the regional head office for Africa in Johannesburg.

AB InBev will make available over a five-year period commencing on Completion, through direct investments and through a fund to be established by AB InBev, an aggregate amount of ZAR1 billion for investment in the programmes in South Africa contemplated by the EDD Agreement.

As a sign of its commitment to South Africa, in January 2016, AB InBev completed a secondary (inward) listing of its ordinary shares on the Johannesburg Stock Exchange. It is intended that, upon or shortly after Completion, the New Ordinary Shares will be listed on the Johannesburg Stock Exchange, through a secondary listing, which will replace AB InBev's existing secondary listing.

AB InBev has also announced a partnership with the City of Johannesburg which is subject to Completion and the goal of which will be to reduce the harmful use of alcohol and promote enterprise development. As part of this partnership, AB InBev has committed to an investment of ZAR 50 million over five years.

4.1.4 Building a Better World Together

Both AB InBev and SABMiller strive to have a positive impact on the communities in which they work and live by providing opportunities all along the supply chain - from farmers to brew masters to truck drivers to customers - as well as by aspiring to the highest standards of corporate social responsibility. The Transaction will allow the two companies to benefit from, and build upon, each other's successes.

With the launch of the UN Sustainable Development Goals in September 2015, an expectation was set that business will play its part in addressing the world's challenges. Both companies have strong programmes that partner with stakeholders to encourage the responsible enjoyment of their products, to reduce the impact on the environment with a focus on water, energy, and recycling, and to improve the communities where they live and work. The Combined Group will consolidate these programmes and set stretching targets for its direct operations, in particular to reduce water use and carbon emissions. AB InBev also recognises the importance of looking beyond direct operations to the value chain and broader society.

AB InBev and SABMiller operate in many communities that face major social and environmental challenges, and they know that long-term business growth and success depends on the prosperity and resilience of these communities. Both companies have set global priorities around sustainable development, but also take a local approach to understanding how these challenges affect local communities. They have developed strong partnerships to benefit communities and the environment, and grow business value by helping to tackle these challenges.

For example, in order to accelerate growth and social development through its value chains, SABMiller has committed to support hundreds of thousands of small-scale farmers, retailers and entrepreneurs to prosper, in particular women-owned businesses. It works to identify value opportunities from reducing waste and carbon emissions, for example creating new employment in recycling businesses; and to ensure that locally sourced brewing crops are grown in a way that boosts farmer incomes and improves food and resource security. Through its Better Barley Better Beer programme in South Africa, SABMiller is working with the World Wildlife Fund (WWF) to improve the economic, environmental and social sustainability of barley production, and through Go Farming, SABMiller has pioneered

brewing with crops such as sorghum and cassava across Africa, driving growth through new affordable brands while creating new incomes for smallholder farmers.

Similarly, AB InBev is supporting local barley growers through its SmartBarley program, which provides a platform for exchanging malt barley best practices that helps growers improve their productivity, profitability and natural resource efficiency. It also invests in key partnerships in the areas of education, economic development, responsible drinking and environmental protection to support its local communities.

Both AB InBev and SABMiller have invested in understanding local water risks and establishing solutions based on collective action and partnerships, in order to secure water resources for all users, including local communities.

It is AB InBev's intention that following Completion, the Combined Group will consolidate these programmes where applicable, identify best practices and leverage the capabilities of both AB InBev and SABMiller.

4.1.5 Building the best global talent pool

AB InBev believes that the Transaction will bring together two companies with deep roots in some of the most historic beer cultures around the world, with strong heritage, cultures and a shared commitment to quality.

AB InBev believes that the Combined Group can build one of the world's pre-eminent consumer goods companies, benefitting from the skills, enthusiasm, commitment, energy and drive of the combined global talent base.

AB InBev and SABMiller are truly international organisations, with over 30 nationalities represented in the most senior management positions. The management teams have extensive market expertise offering management experience in complementary regions worldwide.

4.1.6 Generating attractive synergies and creating additional shareholder value

As noted in the Rule 2.7 Announcement, AB InBev believes that the Combined Group will generate attractive synergies and create additional shareholder value. Further details on such synergies and additional shareholder value will be made available in the UK Scheme Document.

4.2 Building on the strengths of both companies

The Transaction brings together two of the world's leading consumer products companies. AB InBev believes that AB InBev and SABMiller will be able to achieve more together than they could have achieved separately, by building on the strengths of both companies.

AB InBev believes and intends the following:

4.2.1 Global platform with strong market positions in key markets and geographic diversification

AB InBev believes the combination of the two companies will create a geographically diversified global platform, balancing the growth opportunities of developing markets with the stability and strength of developed markets. With significant operations in both the southern and northern hemispheres, AB InBev expects the Combined Group to benefit from the natural hedge against local or regional market, economic and seasonal volatility.

AB InBev is the world's largest brewer, holding leading positions in the majority of the markets where it has chosen to operate. As of the date of these Merger Terms, it holds the

number one position in terms of total market share of beer by volume, based on its estimates, in the United States, Mexico and Brazil, three of the top five most profitable beer markets in the world. AB InBev estimates that in China, the world's largest beer market by volume, it holds the number three position in total market share of beer by volume and the number one position by volume in the fast-growing premium beer category.

AB InBev believes SABMiller is also well placed. AB InBev believes SABMiller has the greatest exposure to developing markets of any international brewer, holding directly, or through its associates and joint ventures, the number one or two positions in terms of total market share of beer by volume in many countries across Africa and Latin America. In these developing markets AB InBev believes beer is seen as aspirational, with the primary growth drivers being affordability and availability of largely core brands. As these economies grow in future years, and disposable incomes rise, AB InBev expects the demand for beer will also grow, initially through local brands, but over time, through global and international premium brands.

The global distribution network of the Combined Group will, depending on the location, be operated either by the Combined Group or through strong partnerships with wholesalers and local distributors. AB InBev believes that the expanded reach of the Combined Group will provide a strong platform to grow its global and multi-country brands, while developing local brands tailored to regional tastes and trends.

4.2.2 Strong brand portfolio with global, multi-country and local brands

The Combined Group's brands will be its foundation and the cornerstone of its relationships with consumers.

Beer

The Combined Group will manage a portfolio of well over 400 brands of beer and non-beer, consisting of premium or high-end brands, core brands and value, discount or sub-premium brands, differentiated by quality and price.

The combined portfolio will comprise three brand categories:

- *Global brands:* AB InBev's three global brands, Budweiser, Corona and Stella Artois, will capitalize on common consumer values and experiences across borders, and have the strength to be marketed worldwide;
- *Multi-country brands:* These are brands with a strong consumer base in their home country, but which resonate with consumers in other selected markets. They include, for example, Beck's, Castle Lager, Castle Lite, Hoegaarden and Leffe; and
- *Local brands:* Offering locally popular tastes, local brands such as Aguila, Bud Light, Cristal, Victoria, Skol, Victoria Bitter, Cass and Harbin connect particularly well with consumers in their home markets.

The Combined Group will focus its attention on its core to premium brands, using a "Focus Brands" strategy. Focus Brands are brands which AB InBev believes have the best long-term growth potential, and in which the Combined Group will invest the majority of its resources (money, people and attention). These brands include AB InBev's three global brands, the Combined Group's multi-country brands and selected local brands.

As a result of this approach, the Combined Group will make clear brand choices and invest in those brands that build deep connections with consumers and meet their needs. From time to time, the Combined Group may also seek to dispose of certain brands which it determines no

longer fit within the ‘Focus Brands’ strategy. The Combined Group will seek to replicate its successful brand initiatives, market programs and best practices across multiple geographic markets, where relevant and applicable.

The Combined Group will invest in its brands to create a long-term and sustainable competitive advantage, by aiming to meet the various needs and expectations of consumers and by developing leading brand positions around the globe. This investment will aim to reinvigorate the Combined Group’s core brands so they remain relevant for today’s millennial consumers, and broaden beer’s appeal so that it is the drink of choice for more people on an increasing number of occasions.

Near Beer

Some of AB InBev’s recent innovations have stretched beyond typical beer occasions, such as the Best Damn and Lime-A-Rita families in the United States, and MixxTail in China and Argentina. These innovations are designed to grow the near beer category, and to improve the Combined Group’s share of the total alcohol market, by addressing changing consumer trends and preferences, including, for example, a preference for sweeter tasting beverages with higher alcohol content.

No alcohol beer and lower alcohol beer (NABLAB)

The Combined Group will also empower consumers to make smart drinking choices by expanding its product portfolio with the goal of ensuring that its no- and lower- alcohol beer products represent at least 20% of its global beer volume by the end of 2025.

Soft drinks

While its core business will be beer, the Combined Group will also have an important presence in the soft drinks market. SABMiller currently has soft drinks operations in Africa (through its majority shareholding in Coca Cola Beverages Africa, Africa’s largest soft drink beverage company), Central America and South America, and Ambev (the Brazilian subsidiary of AB InBev) has soft drinks operations in South America and the Caribbean. Soft drinks include both carbonated and non-carbonated soft drinks.

The Combined Group will also have interests in certain water bottling and distribution businesses in Mexico, Argentina, Brazil, Ecuador, El Salvador, Honduras, Panama, Peru, and throughout Africa.

The Combined Group will additionally produce non-alcoholic malt beverages throughout Africa, Central America and South America under brand names including Beta Malt, Grand Malt, ActiMalta, Malta Vigor and Pony Malta.

Other alcoholic beverages

The Combined Group will also have operations throughout Africa that produce relatively short-life traditional beer, brewed using sorghum under various brand names including Chibuku, Chibuku Super, Imvelo and Nzagamba.

The Combined Group will further have interests in wines and spirits operations and distribution businesses in Australia, Kenya, Mozambique, Nigeria and Tanzania.

4.2.3 Strong insights-driven brand development capabilities, and commercial excellence programs

As a consumer insights-driven company, the Combined Group will strive to understand the values, lifestyles and preferences of both today’s and tomorrow’s consumers. AB InBev

expects this will help to ensure its offerings remain relevant, as well as build fresh appeal and competitive advantage through innovative products and services tailored to meet evolving consumer needs. The Combined Group's approach to innovation will be disciplined, and aimed at reinvigorating the beer category.

The Combined Group will continue to develop the close relationship which exists between its insight and innovation teams, in order to enhance its understanding of current and expected market trends, drive consumer research processes, and trigger innovation concepts. Successful examples of products recently developed as a result of AB InBev's insights work include Skol Beats Senses and Brahma 0.0 (Brazil), the Rita family of products and a re-closeable 16-ounce aluminium bottle (United States), MixxTail (Argentina and China), Cubanisto (United Kingdom and France) and Budweiser Supreme (China).

In order to ensure the consumer gets the right brand on the right occasion, it is important to have coherent execution throughout the commercial process. The Combined Group will therefore seek to continue to develop and enhance its integrated marketing and sales excellence programs, in order to continuously improve the quality of its sales and marketing capabilities and processes, ensure they are fully understood by all relevant employees, and consistently followed.

4.2.4 Experienced management team with a strong track record of delivering synergies through business combinations

During the last two decades, the AB InBev management, including the management of its predecessor companies, has executed a number of combination transactions of varying size, with acquired businesses being successfully and smoothly integrated into AB InBev's operations, realizing significant synergies. Notable historical examples include the creation of Ambev in 2000 through the combination of Brahma and Antarctica, the acquisition of Beck's by Interbrew in 2002, the combination of Ambev and Quilmes in 2003, Ambev gaining control of Labatt in 2004 and the creation of InBev in 2004 from the combination of Interbrew and Ambev. More recent examples include the combination with Anheuser-Busch in November 2008, the combination with Grupo Modelo in June 2013, and the reacquisition of Oriental Brewery, the leading brewer in South Korea, in April 2014.

AB InBev's strong track record also extends to successfully integrating brands such as Budweiser, Corona and Stella Artois into its global brand portfolio and distribution network, including leveraging Ambev's distribution channels in Latin America and Canada.

The SABMiller management team also has a solid track record of successful integrations, including the Miller Brewing Company in 2002, Bavaria in 2005 and Foster's in 2011.

The Combined Group will utilise these skills and experiences with the goal of completing the integration of the two companies in a timely fashion, with minimal disruption to the business, and maximising the capture of cost synergies.

4.3 Combined Group strategy built on a clear and consistent business model

AB InBev intends that the business model for the Combined Group will be focused on organic revenue growth ahead of the industry, coupled with tight management of costs, which, if achieved, would lead to EBITDA margin expansion and long term, sustainable value creation for its shareholders and stakeholders. This business model will be supported by strict financial discipline regarding the generation and use of cash, and underpinned by AB InBev's powerful Dream, People, Culture platform.

AB InBev believes and intends the following:

4.3.1 *Dream, People, Culture*

The *Dream* is to be “the Best Beer Company Bringing People Together for a Better World”.

The “Best Beer Company” element relates primarily to the Combined Group’s aim of building and maintaining highly profitable operations, with leading brands wherever it chooses to operate.

With its strong brand portfolio, the Combined Group will be “Bringing People Together” in ways that few others can. By building common ground, strengthening human connections and helping its consumers share unique experiences, the Combined Group will be able to achieve something together that cannot be accomplished alone.

The term “Better World” articulates the belief that all stakeholders will benefit from good corporate citizenship, finding expression in the Combined Group’s work to promote responsible enjoyment of its products, protecting the environment and giving back to the communities in which the Combined Group will operate. The Combined Group will discourage consumers from excessive or underage drinking, and drinking and driving. It will achieve this through marketing campaigns and program initiatives, including AB InBev’s Smart Drinking Goals, often in partnership with governments, other private sector companies and community organizations, as well as ensuring that its marketing is directed to legal age consumers, as outlined in AB InBev’s Responsible Marketing and Communications Code.

AB InBev believes that *People* will be one of the greatest strengths of the Combined Group, and that its leaders should be judged by the quality of the teams they build. The Combined Group will seek to continue to recruit, develop and retain great people, give them the development opportunities and challenges to grow at the pace of their talent, and reward them accordingly. A strong target-related variable payment program will be an important element in the Combined Group’s compensation structure.

The *Culture* of the Combined Group will be based on an ownership mind set. AB InBev believes that owners take results personally. Owners are never completely satisfied with their results, and are always looking for continuous improvement. Owners recognise that consumers are at the centre of everything the Combined Group will do and that the Combined Group will need to offer them brand experiences that play a relevant and meaningful role in their lives, and always in a responsible way. Owners manage costs tightly in order to free up resources to support sustainable and profitable top line growth. Owners lead by example and never ask their people to do things they would not do themselves. Finally, owners believe in common sense and simplicity, rather than unnecessary sophistication and complexity, and never take shortcuts. AB InBev believes that an ownership mind set, coupled with informality, meritocracy, integrity, hard work, quality and responsibility, will be key to the long term success of the Combined Group.

4.3.2 *Organic revenue growth*

The Combined Group will aim to grow revenue organically ahead of the benchmark of industry volume growth plus inflation, on a country-by-country basis. To achieve this goal the Combined Group will build on the work by AB InBev and SABMiller in developing a deep understanding of both consumers’ needs and the occasions when they enjoy beer and other alcohol beverages. Some of AB InBev’s insights from this work include the following:

- consumers around the world are more similar than different;
- the Combined Group’s brands must remain relevant to existing consumers, be capable of winning new consumers, and secure their long-term brand loyalty. The Combined

Group should continue to invest to drive strong consumer preference for its brands and continued premiumization of its brand portfolio;

- opportunities exist to develop brands and offerings to gain share of alcohol on non-traditional beer occasions. The Combined Group should further strengthen brand innovation in order to stay ahead of market trends and maintain consumer appeal;
- the Combined Group should seek to build connections with its consumers at the point-of-sale, in partnership with distributors, off-trade retailers and on-trade points-of-sale, by further improving the quality of the consumer's shopping experience and consumption occasions; and
- the Combined Group must leverage social and digital media platforms to reach out to existing and potential consumers and build connections with its brands.

These insights will enable the Combined Group to better understand the key moments of consumption, and to focus its sales, marketing, product development and other brand-building activities on capturing a greater share of these consumption opportunities. AB InBev believes that, by understanding, embracing and enriching consumption moments and occasions, the Combined Group will have the opportunity to accelerate revenue growth and deliver increased shareholder value.

The insights AB InBev has gained have led to the identification of four global commercial priorities for the Combined Group:

- growing its global brands;
- premiumizing and invigorating beer;
- elevating the core; and
- developing the near beer segment.

Growing the Combined Group's global brands

Growing the Combined Group's global brands involves leveraging the strength of Budweiser, Stella Artois and Corona to form strong connections with consumers around the world. To reach that goal, the Combined Group will seek to increase its investments in sales and marketing programs that build on each brand's distinct image and consumer positioning.

Budweiser, a brand identified with celebration and optimism, has sponsored events as diverse as Chinese New Year celebrations, a visit by the Clydesdales to Moscow and St. Petersburg, an amateur soccer digital video contest in the UK, and the Made in America music festival.

In 2015, Stella Artois created unique, immersive experiences such as "Sensorium" in Toronto and "Stars" in New York City, that highlighted the values of sophistication and worth by emphasizing the brand's heritage, quality and craftsmanship. In 2016, more consumer experiences and events will be launched in different key countries for the brand.

Corona's brand essence of escapism and relaxation is reflected in its Corona SunSets top-tier festivals and local music events in more than 20 countries, as well as the sponsorship of the World Surf League. Strong execution in both on-trade and off-trade channels has also been critical. AB InBev's "Spiritual Homes" program for Corona, in which AB InBev creates a complete Corona-themed environment in a bar, is an example of how the Combined Group

will strive to bring its brands to life through consistent and unique experiences for its consumers, wherever they enjoy its products.

Premiumizing and invigorating beer

Premiumizing and invigorating beer involves creating more excitement and aspiration around beer, especially among millennial consumers. The development of the craft category in the US, and increasingly around the world, is a prime example of how new vigor and energy can be brought to the consumer's experience with beer. In recent years, AB InBev has been building a position in the craft space with acquisitions in the US. In 2015, AB InBev also expanded its global craft portfolio with acquisitions in other countries including the UK, Mexico, Canada, Colombia and Brazil. AB InBev expects the Combined Group to continue this trend.

Encouraging consumers to see beer in new and fresh ways means the Combined Group must seek to do the same. To encourage this behaviour, AB InBev has created a Disruptive Growth team to explore opportunities beyond the traditional areas of brands, brewing or marketing campaigns. One area being explored by the team is how technology can enhance distribution, packaging, and other aspects of the consumer's experience. The team has identified a number of initiatives which, while initially small in their individual impact, could eventually become game-changing in the years ahead. These initiatives include, for example, digital solutions and craft e-commerce platforms that allow consumers to order beer for quick delivery, and are being piloted in several countries, including Mexico, Brazil and Canada.

Elevating the core

Elevating the core will be focused on raising the perception and relevance of the Combined Group's core brands, which will deliver the majority of its volume and revenue. Compelling, differentiated messaging and large scale activations that convey the unique character, quality and emotional appeal of its core brands, are some of the tools AB InBev is already using to seek to elevate the core. One example is the "Brewed the Hard Way" campaign for Budweiser in the US. The campaign sent a strong message that evoked the brand's heritage of quality and craftsmanship — and connected with consumers who respect those values.

Updated visual identities for the Combined Group's brands are also expected to help to elevate the core. The Combined Group will continually invest in new eye-catching designs and packaging innovations such as aluminium bottles and new pack sizes that encourage consumers to take a fresh look at its brands. For example, in 2015, among other initiatives, AB InBev announced a bold new package design for Bud Light in the US, launched Negra Modelo in cans in Mexico, and increased its share of returnable glass bottles for many of its brands in Brazil, as part of an affordability strategy.

The Combined Group will also seek to elevate its core brands to win the hearts and minds of a new generation of consumers — young adults of legal drinking age. To do this, the Combined Group will aim to connect its core brands with the passion points that inspire millennials, by focusing on events where its brands can develop a strong connection in such areas as music, sports, food and film.

Developing the near beer segment

Developing the near beer segment is just one way in which the Combined Group will seek to respond to consumer demand for more choice and excitement. In particular, AB InBev believes it is currently competing more effectively for share of the total alcohol market by launching innovative products that offer malt beverage alternatives to wine and hard liquor. AB InBev views this near beer category as a major global opportunity for the Combined Group. For example, variants of AB InBev's MixxTail product are now sold in Argentina, the

U.S. and China. The success of Skol Beats Senses in Brazil led AB InBev to introduce Cass Beats in South Korea. The popularity of brands such as Cubanisto in the UK, France and Belgium also shows the potential of the flavored beer category.

4.3.3 *Cost management and efficiency*

The Combined Group will strive to continuously improve efficiency by unlocking the potential for variable and fixed-cost savings by seeking to:

- maintain long-term cost increases below inflation, benefiting from the application of cost efficiency programs such as Zero-Based Budgeting and Voyager Plant Optimization, internal and external benchmarking, as well as from the Combined Group's scale;
- leverage the Global Procurement Center, to generate further cost efficiencies, and build on the Combined Group's supplier relationships to bring new ideas and innovation to its business; and
- continue to share best practices across all functions, as well as benchmark performance externally against other leading companies.

AB InBev believes that cost management and efficiency will be part of an ongoing process, and fuelled by an ownership mind set.

4.3.4 *Financial discipline and capital allocation*

AB InBev intends that the Combined Group will exercise strict financial discipline in the generation and use of cash. This will include the goal of generating significant operating cash flow from growth in the Combined Group's operating activities, tight working capital management and a disciplined approach to capital expenditure. AB InBev expects that the sharing of working capital best practices between AB InBev and SABMiller will generate additional cash flow benefits which have not been quantified at this stage.

AB InBev believes that the Combined Group should target an optimised capital structure reflected in a long-term goal of achieving a Net Debt/EBITDA ratio of approximately 2 times. AB InBev intends for the priorities for capital allocation to be as follows:

- investing in the organic growth of the Combined Group's business;
- deleveraging to around the 2 times level; and
- investing in non-organic external growth. Non-organic external growth is a core competency and the Combined Group will continue to consider suitable opportunities as and when they arise, subject to its strict financial discipline.

AB InBev intends that the Combined Group's goal will be for dividends to grow in line with the non-cyclical nature of its business. Dividend yield, earnings pay-out and free cash flow pay-out, in comparison to other consumer products companies, will be an input to the decision on dividend payments. In light of the increased debt that would result from Completion, deleveraging will, however, remain a priority and may restrict the amount of dividends the Combined Group is able to pay.

4.4 *Forward-looking statements*

The statements made in this section 4 are "forward-looking statements" that are based on current expectations and view of future events and developments of AB InBev and Newbelco.

These statements are naturally subject to uncertainty and changes in circumstances and there can be no assurance that the actual results or developments anticipated by AB InBev and Newbelco will be realised or, even if substantially realised, that they will have the expected consequences to, or effect on, AB InBev, Newbelco or their business or operations.

5. THE BELGIAN MERGER

5.1 Rationale of the Belgian Merger

The Belgian Merger is part of the Transaction described above. For more detail on the rationale of the Transaction, please refer to section 4 of these Merger Terms.

5.2 Identification of the merging companies

5.2.1 Absorbed company: AB InBev

AB InBev is a limited liability company (*société anonyme / naamloze vennootschap*) incorporated under Belgian law with registered office at 1 Grand' Place, 1000 Brussels and registered in the Crossroads Bank for Enterprises under number 0417.497.106 RPM/RPR (Brussels). AB InBev's corporate purpose is set out in article 4 of its articles of association, which reads as follows:

“The company's corporate purpose is:

- a) to produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, process and deal in all by-products and accessories, of whatsoever origin or form, of its industry and trade, and to design, construct or produce part or all of the facilities for the manufacture of the aforementioned products;*
- b) to purchase, construct, convert, sell, let and sublet, lease, license and operate in any form whatsoever all real property and real property rights and all businesses, movable property and movable property rights connected with its activities;*
- c) to acquire and manage participating interests and shares in companies or undertakings having a corporate purpose similar or related to, or likely to promote the attainment of, any of the foregoing corporate purposes, and in financial companies; to finance such companies or undertakings by means of loans, guarantees or in any other manner whatsoever; and to take part in the management of the aforesaid companies through membership of its board of directors or the like governing body; and*
- d) to carry out all administrative, technical, commercial and financial work and studies for the account of undertakings in which it holds an interest or on behalf of third parties.*

It may, within the scope of its corporate purpose, engage in all civil, commercial, industrial and financial transactions either within or outside Belgium.

It may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all undertakings, companies or associations having a corporate purpose similar or related to or likely to promote the furtherance of its corporate purpose.”

Based on the latest notifications made to AB InBev and the FSMA in accordance with article 6 of the Belgian law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market and containing various provisions, implementing into Belgian law Directive 2004/109/CE and in accordance with article 74 of the Belgian Law of 1 April 2007 on takeover bids or information based on public filings with the SEC, the shareholding structure of AB InBev is as follows:

Major shareholders	Number of AB InBev's shares held	% of the voting rights attached to AB InBev's outstanding shares held
Stichting Anheuser-Busch InBev, a <i>stichting</i> incorporated under Dutch law (the <i>Stichting</i>).....	663,074,832	41.24%
EPS Participations S.à.R.L., a company incorporated under Luxembourg law, affiliated to Eugénie Patri Sébastien (EPS) S.A., its parent company ⁽¹⁾	130,257,459	8.10%
Eugénie Patri Sébastien (EPS) S.A., a company incorporated under Luxembourg law, affiliated to the Stichting that it jointly controls with BRC S.à.R.L. ⁽¹⁾	99,999	0.01%
Rayvax Société d'Investissement S.A., a company incorporated under Belgian law	484,794	0.03%
Fonds Verhelst SPRL, a company with a social purpose incorporated under Belgian law	0	0%
Fonds Voorzitter Verhelst SPRL, a company with a social purpose incorporated under Belgian law, affiliated to Fonds Verhelst SPRL with social purpose, that controls it.....	6,997,665	0.44%
Stichting Fonds Baillet Latour, a <i>stichting</i> incorporated under Dutch law	0	0%
Fonds Baillet Latour SPRL, a company with a social purpose incorporated under Belgian law, affiliated to Stichting Fonds Baillet Latour under Dutch law, that controls it ⁽²⁾	5,485,415	0.34%
BRC S.à.R.L., a company incorporated under Luxembourg law, affiliated to the Stichting that it jointly controls with Eugénie Patri Sébastien (EPS) S.A.....	37,598,236	2.34%
Sébastien Holding NV/SA, a company incorporated under Belgian law, affiliated to Rayvax Société d'Investissement S.A., its parent company.....	10	<0.01%
MHT Benefit Holding Company Ltd, a company incorporated under the law of the Bahamas, acting in concert with Marcel Herrmann Telles within the meaning of article 3, §2 of the Takeover Law	3,645,605	0.23%
LTS Trading Company LLC, a company incorporated under Delaware law, acting in concert with Marcel Herrmann Telles, Jorge Paulo Lemann and Carlos Alberto Sicupira within the meaning of article 3, §2 of the Takeover Law	4,468	<0.01%

Notes:

- (1) The percentages mentioned in the above table are based on the last notification made by the shareholders referred to in the table and take into account the number of AB InBev Shares outstanding as at 30 June 2016, excluding the treasury shares held by AB InBev and its subsidiaries as at such date.
- (2) On 18 December 2013, Eugénie Patri Sébastien (EPS) S.A. contributed to EPS Participations S.à.R.L. its certificates in the Stichting and the shares it held directly in AB InBev, except for 100,000 shares.
- (3) On 27 December 2013, Stichting Fonds Baillet Latour, under Dutch law, acquired a controlling stake in Fonds Baillet Latour SPRL with a social purpose.

The entities mentioned in the table act in concert (it being understood that (i) the first ten entities act in concert within the meaning of article 3, 13° of the Belgian law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market and containing various provisions, implementing into Belgian law Directive 2004/109/CE and (ii) the eleventh and twelfth entities act in concert with the first ten entities within the meaning of article 3, §2 of the Belgian Law of 1 April 2007 on takeover bids) and hold 847,648,483 of AB InBev Shares, representing 52.72% of the voting rights attached to AB InBev Shares outstanding as at 30 June 2016, excluding the treasury shares held by AB InBev and its subsidiaries Brandbrew S.A., Brandbev S.à.R.L. and Mexbrew S.à.R.L. Pursuant to AB InBev's articles of association, shareholders are required to notify AB InBev as soon as the amount of securities held giving voting right exceeds or falls below a 3% threshold.

5.2.2 *Absorbing company: Newbelco*

Newbelco is a limited liability company (*société anonyme / naamloze vennootschap*) incorporated under Belgian law with registered office at 97 rue Royale, 1000 Brussels and registered in the Crossroads Bank for Enterprises under number 0649.641.563 RPM/RPR (Brussels). Newbelco's corporate purpose is set out in article 3 of Newbelco's current articles of association, which reads as follows:

“The company's corporate purpose is:

- a) to produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, process and deal in all by-products and accessories, of whatsoever origin or form, of its industry and trade, and to design, construct or produce part or all of the facilities for the manufacture of the aforementioned products;*
- b) to purchase, construct, convert, sell, let and sublet, lease, license and operate in any form whatsoever all real property and real property rights and all businesses, movable property and movable property rights connected with its activities;*
- c) to acquire and manage participating interests and shares in companies or undertakings having a corporate purpose similar or related to, or likely to promote the attainment of, any of the foregoing corporate purposes, and in financial companies; to finance such companies or undertakings by means of loans, guarantees or in any other manner whatsoever; and to take part in the management of the aforesaid companies through membership of its board of directors or the like governing body; and*
- d) to carry out all administrative, technical, commercial and financial work and studies for the account of undertakings in which it holds an interest or on behalf of third parties.*

It may, within the scope of its corporate purpose, engage in all civil, commercial, industrial and financial transactions either within or outside Belgium.

It may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all undertakings, companies or associations having a corporate purpose similar or related to or likely to promote the furtherance of its corporate purpose.”

All shares of Newbelco currently outstanding are the Incorporation Shares held by SABMiller International B.V. (6,149,999 shares) and Phidias Management SA (1 share).

Following the Capital Increase and the cancellation of the Incorporation Shares, the UK Scheme Shareholders will be the only shareholders in Newbelco and will own all of the outstanding share capital of Newbelco.

After the closing of the Belgian Offer and the Reclassification and Consolidation, but before completion of the Belgian Merger, the share capital of Newbelco will therefore be held as follows:

- between 568,689,906 and 577,690,210 New Ordinary Shares will be held by AB InBev;⁶ and

⁶ The number of shares mentioned in this paragraph assumes that, prior to or at the UK Scheme Record Time, there are 1,657,262,457 UK Scheme Shares in issue. See footnote 1 for the calculation of the number of 1,657,262,457 UK Scheme Shares.

- between 316,999,695 and 326,000,000 Restricted Newbelco Shares will be held by the UK Scheme Shareholders having elected for the Partial Share Alternative,

in each case depending on the number of UK Scheme Shareholders having validly elected (or were deemed to have elected) for the Partial Share Alternative.

5.3 Conditions precedent to the Belgian Merger and procedure

5.3.1 AB InBev Resolutions

The Belgian Merger is conditional upon the AB InBev Resolutions being passed at the AB InBev General Meeting. The AB InBev Resolutions include the approval of the acquisition of the Initial Newbelco Shares pursuant to the Belgian Offer and the approval of the Belgian Merger.

Pursuant to article 23 of the articles of association of AB InBev, the acquisition of the Initial Newbelco Shares pursuant to the Belgian Offer requires the approval of the AB InBev Shareholders with a positive vote of 75% of the AB InBev Shares attending or represented at the AB InBev General Meeting, regardless of the number of AB InBev Shares attending.

Pursuant to article 699 of the Belgian Companies Code, the Belgian Merger requires the approval of the AB InBev Shareholders by a majority of 75% of the votes cast and the AB InBev Shareholders present at the meeting must represent at least 50% of AB InBev's share capital.

AB InBev and SABMiller have received irrevocable undertakings from the AB InBev Reference Shareholder, EPS and BRC, who collectively held approximately 51.68% of the voting rights attached to AB InBev's shares outstanding as at 30 June 2016, to vote in favour of such resolutions of AB InBev as are necessary to approve the Belgian Offer and the Belgian Merger at the AB InBev General Meeting.

AB InBev has agreed to pay or procure the payment to SABMiller of a break payment amounting to USD 3 billion if, amongst others, the AB InBev Resolutions are not passed at the AB InBev General Meeting, unless the Co-operation Agreement has already been terminated in accordance with its terms.

The AB InBev General Meeting is scheduled to take place on or around 28 September 2016.

5.3.2 Newbelco Resolutions

The Belgian Merger is also conditional upon the Newbelco Resolutions being passed at the Newbelco General Meeting (i.e., at the time the approval will be sought, by the holders of the Incorporation Shares). The Newbelco Resolutions include the approval of the Capital Increase, the Belgian Merger, the adoption of new articles of association of Newbelco and the cancellation of the Incorporation Shares.

Pursuant to articles 699 (with respect to the Belgian Merger), 581 (with respect to the Capital Increase), 558 (with respect to the adoption of new articles of association of Newbelco) and 612 (with respect to the cancellation of the Incorporation Shares) of the Belgian Companies Code, such resolutions require the approval of Newbelco Shareholders by a majority of 75% of the votes cast and the Newbelco Shareholders present at the meeting must represent at least 50% of Newbelco's share capital.

The Newbelco General Meeting is scheduled to take place on or around 28 September 2016.

5.3.3 Closing of the Belgian Offer and transfer of the Initial Newbelco Shares

The Belgian Merger is furthermore conditional on (i) the Belgian Offer completing in accordance with its terms and (ii) the Initial Newbelco Shares tendered in the Belgian Offer being transferred to AB InBev no later than the day before the date of passing of the Final Notarial Deed (or such later date as AB InBev may determine). It is intended that the Belgian Offer will open and close on the day following the date on which the Capital Increase occurs, i.e. on or around 7 October 2016. The transfer of the Initial Newbelco Shares tendered to AB InBev will take place by recordation in the share register of Newbelco promptly after the Belgian Offer has closed.

5.3.4 Final Notarial Deed

The Belgian Merger will take effect on the date on which the designated notary in Belgium (i) shall have received confirmation that all conditions to which the Belgian Merger is subject (except the passing of the Final Notarial Deed) have been satisfied or waived (as applicable) and (ii) further to the receipt of such confirmation, shall have certified that the Belgian Merger is completed by passing the Final Notarial Deed.

Based on the timetable contemplated at the date of these Merger Terms, the date intended for the passing of the Final Notarial Deed is on or around 10 October 2016.

5.4 Effect of the merger

The Belgian Merger is a merger by absorption under articles 693 and following of the Belgian Companies Code, whereby:

- Newbelco will automatically substitute AB InBev in all its rights and obligations and all assets and liabilities of AB InBev will be transferred to Newbelco under universal succession of title; such transfer will relate to all assets and rights held by AB InBev, including any real estate and intellectual rights the transfer of which will be enforceable towards third parties upon completion of the formalities required for the transmission of such rights;
- the AB InBev Shareholders will become shareholders of Newbelco;
- AB InBev ADSs, each representing one AB InBev Share, will instead represent one New Ordinary Share, thereby becoming Newbelco ADSs; and
- AB InBev will cease to exist following its dissolution without liquidation.

5.5 Exchange ratio

5.5.1 Exchange ratio

In the context of the Belgian Merger, it is proposed that one New Ordinary Share will be issued to the AB InBev Shareholders in exchange for one AB InBev Share, without any cash compensation.

5.5.2 Capital increase and number of shares resulting from the Belgian Merger

The Belgian Merger will result in (i) a capital increase of Newbelco by an amount of EUR 1,238,608,344.12 and (ii) the recordation by Newbelco of an amount of EUR 13,186,369,502.01 as issuance premium. Such capital increase shall be made through the

issue of 1,608,242,156 New Ordinary Shares to the AB InBev Shareholders, in accordance with the exchange ratio retained for the Belgian Merger.⁷

Taking into account the treasury shares that will be retained by Newbelco, upon Completion, the outstanding share capital of Newbelco will consist of:

- 1,693,242,156 New Ordinary Shares⁸; and
- between 316,999,695 and 326,000,000 Restricted Newbelco Shares, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative.

Further details relating to the level of the share capital and issue premium account of Newbelco after completion of the Belgian Merger (taking into account the reduction of the share capital and issue premium account which will take place upon completion of the Belgian Merger with a view to creating reserves in Newbelco) will be provided in the reports to be issued by the boards of directors of AB InBev and Newbelco pursuant to article 694 of the Belgian Companies Code.

5.6 Form of the Newbelco Shares issued as a result of the Belgian Merger

It is expected that the New Ordinary Shares to be issued to the former AB InBev Shareholders in the context of the Belgian Merger will be delivered (i) in registered form to the former AB InBev Shareholders that held their shares in AB InBev in registered form or (ii) in dematerialised form to the former AB InBev Shareholders that held their shares in AB InBev in dematerialised form. It is further expected that AB InBev Shareholders will no longer be entitled to request the conversion of their AB InBev Shares from registered to dematerialised form, and vice versa, as from a date which will be specified in the listing prospectus relating to the admission to trading and listing of all New Ordinary Shares on Euronext Brussels, prepared in accordance with the Belgian law of 16 June 2006, which will be published on or about the same date as the date on which the convening notices to the AB InBev General Meeting will be published. Please refer to the section entitled “*Listing and delivery of the shares*” in Part IX of such prospectus for further details.

The New Ordinary Shares will be issued promptly upon Completion by recordation in the share register of Newbelco and will be delivered as follows:

- the New Ordinary Shares to be delivered in registered form will be recorded in the name of the relevant shareholders in the share register of Newbelco; and
- the New Ordinary Shares to be delivered in dematerialised form will be recorded in the share register of Newbelco in the name of Euroclear, the Belgian central securities depository in its capacity as settlement institution; such shares will be delivered in book-entry form free of payment to the securities accounts of the relevant shareholders via Euroclear as soon as practicable following Completion.

The above description on the issuance and delivery of the New Ordinary Shares to the former AB InBev Shareholders may be amended or refined based on the finalisation of the practical

⁷ The amount of the capital increase and issue premium and the number of shares to be issued by Newbelco as a result of the Belgian Merger are based on the amount of capital and issue premium and the number of shares existing at the level of AB InBev prior to the Belgian Merger.

⁸ This number of shares results from the sum of (i) the 1,608,242,156 New Ordinary Shares that will be issued to the AB InBev Shareholders and (ii) the 85,000,000 New Ordinary Shares which will be retained by Newbelco upon Completion.

implementation of the Transaction. If the above description would need to be amended or refined, AB InBev and Newbelco will make available any relevant additional information in due course, without having to file any amended version of these Merger Terms.

Shareholders and investors who, after delivery, wish to have their dematerialised shares registered, should request that Newbelco record their shares in Newbelco's share register. Holders of registered shares may request that their registered shares be converted into dematerialised shares and vice versa, at their own cost.

5.7 Date as of which the Newbelco Shares issued as a result of the Belgian Merger entitle their owner to profits

All holders of New Ordinary Shares and all Restricted Newbelco Shareholders will be entitled to participate in the profits of Newbelco for each financial year, including the year ending on 31 December 2016.

5.8 Date as of which the transactions of AB InBev are deemed to be taken for the account of Newbelco

The Belgian Merger will not have any retroactive effect for accounting purpose. All acts and transactions of AB InBev shall be deemed to be effected by and for the account of Newbelco as from the date of the Final Notarial Deed.

5.9 Rights attributed by Newbelco to the shareholders of AB InBev who hold special rights, as well as to the holders of other securities of AB InBev

There are no shareholders or holders of other securities of AB InBev currently holding special rights. All shares of AB InBev are ordinary shares, all having the same rights.

After the closing of the Belgian Offer and the Reclassification and Consolidation, the AB InBev Reference Shareholder and the Restricted Newbelco Shareholders will have the following special nomination rights with respect to the composition of the board of directors of Newbelco:

- so long as the AB InBev Reference Shareholder (together with its affiliates and successors) owns more than 30% of shares with voting rights in the share capital of Newbelco, nine directors will be appointed by the shareholders' meeting upon proposal by the AB InBev Reference Shareholder; and
- so long as the Restricted Newbelco Shareholders (together with their affiliates and successors) own (subject to certain restrictions), more than 13.5%, 9% or 4.5% of shares with voting rights in the share capital of Newbelco, they will be entitled to propose for appointment by the shareholders' meeting, respectively, three, two or one directors.

Such rights will be further described in the articles of association of Newbelco.

5.10 Remuneration of the auditors of the merging companies

The remuneration of the auditors for the preparation of the report to be drafted pursuant to article 695 of the Belgian Companies Code in connection with the Belgian Merger amounted to EUR 82,000 for the auditor of AB InBev and EUR 82,000 for the auditor of Newbelco.

5.11 Special benefits granted to the members of the management bodies of the merging companies

No special benefits have been granted to directors of AB InBev or Newbelco in connection with the Belgian Merger.

5.12 Creditors' rights

Upon the Belgian Merger taking effect, the creditors of AB InBev will, as a result of the universal transfer of title, become direct creditors of Newbelco.

Pursuant to article 684 of the Belgian Companies Code, creditors of AB InBev and creditors of Newbelco can request additional security in relation to outstanding claims that existed prior to the publication in the Annexes to the Belgian State Gazette of the deed establishing completion of the Belgian Merger but have not yet matured or are subject to litigation or arbitration. Such additional security may be requested within two months from such publication in the Belgian State Gazette.

Newbelco can set aside any request by settling the claim at its fair value after deduction of a discount. In the absence of an agreement or if the creditors remain unpaid, the request is referred to the president of the commercial court in the judicial district of the debtor's registered office who will determine if a security is to be provided and the time limit within which such security must be set as the case may be. If the security is not provided within the set timeframe, the claim shall immediately become due and payable.

5.13 Availability of information

In accordance with article 693 of the Belgian Companies Code, these Merger Terms will be filed with the registry of the Commercial Court of Brussels and published in the Annexes to the Belgian State Gazette at least six weeks before the date of the respective shareholders' meetings of AB InBev and Newbelco that will be convened to decide on the Belgian Merger. These Merger Terms shall also be made available in due course on the website of AB InBev.

Since these Merger Terms are dated more than six months after 31 December 2015 (which is the end of the accounting period of AB InBev and Newbelco), an interim balance sheet of Newbelco as at 30 June 2016 will be available at the registered office of both merging companies pursuant to article 697, §2, 5° of the Belgian Companies Code (to the extent applicable). AB InBev is not required to provide any such interim balance sheet pursuant to article 697, §2, 5° of the Belgian Companies Code since it publishes a half-yearly financial report in accordance with Belgian law. The half-yearly financial report published by AB InBev on 29 July 2016 will be available at the registered office of both merging companies.

Pursuant to article 697, §2 of the Belgian Companies Code, the following documents shall be made available to the shareholders of the merging companies at the offices of each merging company at least one month prior to the shareholders' meetings of such companies that will be convened to decide on the Belgian Merger:

- the present Merger Terms;
- the reports of the boards of directors of each merging company on the Belgian Merger, drafted in accordance with article 694 of the Belgian Companies Code;
- the report of the statutory auditor of each merging company, drafted in accordance with article 695 of the Belgian Companies Code;

- the annual financial statements, the annual reports of the board of directors and the reports of the auditor of AB InBev of the last three financial years;
- the half-yearly financial report of AB InBev published on 29 July 2016
- financial statements of Newbelco as at its incorporation date;
- an interim balance sheet of Newbelco as at 30 June 2016; and
- the annual financial statements of SABMiller of the last three financial years.

5.14 Responsibility statement

The directors of AB InBev, whose names are set out in Schedule 2 to these Merger Terms, accept responsibility for the information contained in these Merger Terms, except for the information for which the directors of Newbelco accept responsibility in accordance with the paragraph below. To the best of the knowledge of the directors of AB InBev (having taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of Newbelco, whose names are set out in Schedule 2 to these Merger Terms, accept responsibility for the information contained in these Merger Terms relating to Newbelco. To the best of the knowledge of the directors of Newbelco (having taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

5.15 Languages

These Merger Terms have been drawn up in French, Dutch and English. The contents of these Merger Terms have been discussed and agreed by the merging companies in the English language. In case of differences between the French, Dutch and English versions of these Merger Terms, the English version will prevail.

5.16 Power-of-attorney

A special power of attorney is granted to Vincent Macq, Davina Devleeschouwer, Charles-Philippe Rase, Matthias De Witte, Philip Van Nevel and Els De Troyer of the law firm Freshfields Bruckhaus Deringer LLP, with professional address at 5 Place du Champ de Mars, 1050 Brussels, Belgium, each with power to act alone and to substitute: (i) to file the Merger Terms at the registry of the Commercial Court of Brussels; (ii) to request the publication of the Merger Terms in the Annexes of the Belgian State Gazette; and (iii) to proceed with any action required for the filing and publication of the Merger Terms in Belgium.

[signature page follows]

These Merger Terms have been executed on 1 August 2016 in six original copies. Two originals will be deposited in the files of AB InBev at the registry of the commercial court of Brussels, two originals will be deposited in the files of Newbelco at the registry of the commercial court of Brussels and one original will be kept at the registered offices of each of the merging companies.

For the board of directors of the absorbed company, Anheuser-Busch InBev SA/NV

Grégoire de Spoelberch
Director

Alexandre Van Damme
Director

For the board of directors of the absorbing company, Newbelco SA/NV

Wouter Vanmechelen
Director

Irene Florescu
Director

Schedules:

1. *Definitions*
2. *Directors of AB InBev and Newbelco*

Schedule 1 Definitions

<i>AB InBev</i>	Anheuser-Busch InBev SA/NV, a limited liability company (<i>société anonyme / naamloze vennootschap</i>) incorporated in Belgium, with its registered address at Grand'Place/Grote Markt 1, 1000 Brussels, Belgium and administrative office at Brouwerijplein 1, 3000 Leuven, Belgium and registered with the Crossroads Bank of Enterprises under number 0417.497.106 RPM/RPR (Brussels)
<i>AB InBev ADSs</i>	American Depositary Shares of AB InBev
<i>AB InBev Board</i>	the board of directors of AB InBev
<i>AB InBev General Meeting</i>	the general meeting of AB InBev Shareholders (and any adjournment thereof) to be convened in connection with the Belgian Offer, the Belgian Merger and the Transaction for the purpose of considering, and, if thought fit, approving, the AB InBev Resolutions
<i>AB InBev Group</i>	AB InBev and the group of companies owned and/or controlled by AB InBev
<i>AB InBev Reference Shareholder</i>	Stichting Anheuser-Busch InBev or any successor thereof
<i>AB InBev Resolutions</i>	any resolutions to be taken by the AB InBev General Meeting as are necessary or useful to approve, implement and effect (i) the Belgian Offer; (ii) the Belgian Merger; and (iii) any other step of the Transaction
<i>AB InBev Shareholders</i>	holders of AB InBev Shares and/or AB InBev ADSs from time to time
<i>AB InBev Shares</i>	AB InBev ordinary shares
<i>Acceptance Form</i>	the acceptance form to be attached to the Belgian Offer prospectus
<i>Acceptance Period</i>	the acceptance period to be indicated in the Belgian Offer prospectus
<i>ADR</i>	American Depositary Receipt
<i>ADS</i>	American Depositary Share
<i>Altria</i>	Altria Group, Inc.
<i>Ambev</i>	Ambev S.A.
<i>Belgian Companies Code</i>	the Belgian law of 7 May 1999, setting out the Companies Code, as amended from time to time
<i>Belgian Merger</i>	the merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian

	Companies Code, pursuant to which the AB InBev Shareholders will become Newbelco Shareholders and Newbelco will be the surviving entity and the holding company for the Combined Group
<i>Belgian Offer</i>	the voluntary cash takeover offer to be made by AB InBev for all of the Initial Newbelco Shares pursuant to the Takeover Law and the Takeover Royal Decree
<i>BEVCO</i>	BEVCO Ltd.
<i>BRC</i>	BRC S.à.r.l.
<i>Business Day</i>	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are open for business in each of London, Brussels, Johannesburg and New York
<i>Capital Increase</i>	the capital increase of Newbelco against the contribution in kind by the UK Scheme Shareholders of their UK Scheme Shares and the issue of Initial Newbelco Shares to such UK Scheme Shareholders in exchange for such contribution to be approved by the Newbelco General Meeting in connection with the implementation of the UK Scheme
<i>Cash Consideration</i>	the cash proceeds to be received by the UK Scheme Shareholders who do not elect (and are not deemed to elect) for the Partial Share Alternative under and subject to the terms of the Transaction
<i>Combined Group</i>	the enlarged group following the Transaction, comprising the AB InBev Group, the SABMiller Group and Newbelco
<i>Completion</i>	completion of the Belgian Merger (which will not occur until after (i) the UK Scheme has become effective; and (ii) the subsequent closing of the Belgian Offer)
<i>Consolidation Factor</i>	185.233168056448
<i>Co-operation Agreement</i>	the agreement dated 11 November 2015 between AB InBev and SABMiller and relating, among other things, to the implementation of the Transaction, as amended from time to time
<i>CREST</i>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the UK Uncertificated Securities Regulations 2001 (as amended)
<i>CSDP</i>	central securities depository participant, a participant as defined in the South African Financial Markets Act, 19 of 2012 (as amended)

<i>Deferred Shares</i>	the 50,000 deferred shares of £1.00 each issued by SABMiller, which will be repurchased and held in treasury by SABMiller prior to the UK Scheme Record Time in consideration of the payment of £1 for all such shares
<i>EBITDA</i>	profit from operations plus depreciation, amortisation and impairment, normalised to exclude exceptional items
<i>EDD Agreement</i>	the agreement entered into between AB InBev and the South African Government in terms of which AB InBev made commitments to contribute to South Africa, announced on 14 April 2016
<i>Election</i>	an election made for the Cash Consideration or the Partial Share Alternative, including both an Electronic Election and an election made by the Form of Election, and (where the context so requires) an election deemed to have been made pursuant to the terms of the UK Scheme
<i>Electronic Election</i>	an election made via CREST or the STRATE System for the Cash Consideration or the Partial Share Alternative by a UK Scheme Shareholder who holds UK Scheme Shares in uncertificated form
<i>EPS</i>	EPS Participations S.à.r.l.
<i>Euroclear</i>	CIK SA/NV (Euroclear Belgium)
<i>Euronext Brussels</i>	the regulated market operated by Euronext Brussels NV/SA, a regulated market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC (MiFID)
<i>Final Dividend</i>	the final dividend for the year ended 31 March 2016 of US\$0.9375 proposed by the SABMiller Board
<i>Final Notarial Deed</i>	the notarial deed acknowledging completion of the Belgian Merger
<i>Form of Election</i>	the form of election relating to the Cash Consideration and the Partial Share Alternative to be sent to SABMiller Shareholders who hold their SABMiller Shares in certificated form
<i>FSMA</i>	the Belgian Financial Services and Market Authority (<i>Autorité des Services et Marchés Financiers / Autoriteit voor Financiële Diensten en Markten</i>), which succeeded the Belgian Banking, Finance and Insurance Commission as the financial regulatory

	agency for Belgium on 1 April 2011
<i>Incorporation Shares</i>	the 6,150,000 registered shares without nominal value issued by Newbelco on 3 March 2016 and outstanding as at the date of these Merger Terms, which will be cancelled with effect simultaneously with the completion of the Capital Increase
<i>Initial Newbelco Shares</i>	the ordinary shares in the capital of Newbelco to be issued to UK Scheme Shareholders pursuant to the terms of the UK Scheme
<i>Johannesburg Stock Exchange</i>	the securities exchange operated by the JSE under the South African Financial Markets Act, 19 of 2012 (as amended)
<i>JSE</i>	JSE Limited, a public company incorporated in accordance with the laws of South Africa under registration number 2005/022939/06 and licensed to operate an exchange under the South African Financial Markets Act, 19 of 2012 (as amended)
<i>Merger Terms</i>	these common draft terms of merger dated 1 August 2016 as prepared by the respective boards of directors of AB InBev and Newbelco in relation to the Belgian Merger in accordance with Article 693 of the Belgian Companies Code
<i>Newbelco</i>	Newbelco SA/NV, a limited liability company (société anonyme/naamloze vennootschap) incorporated in Belgium, with its registered address at Rue Royale/Koningsstraat 97, 4th floor, 1000 Brussels, Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels)
<i>Newbelco ADS</i>	an ADS of Newbelco, represented by an ADR
<i>Newbelco General Meeting</i>	the general meeting of the Newbelco Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering, and, if thought fit, approving, the Newbelco Resolutions
<i>Newbelco Resolutions</i>	any resolutions to be taken by the Newbelco General Meeting (composed at the moment such resolutions are adopted of the holders of the Incorporation Shares) as are necessary or useful to approve, implement and effect (i) the Capital Increase; (ii) the Belgian Merger; (iii) the adoption of new articles of association of Newbelco with effect from closing of the Belgian Offer; (iv) the appointment of new board members of Newbelco nominated by AB InBev with effect from closing of the Belgian Offer; (v) the cancellation of the Newbelco Shares held by the incorporators of

	Newbelco; and (vi) any other step of the Transaction
<i>Newbelco Shareholders</i>	holders of Newbelco Shares and/or Newbelco ADSs from time to time
<i>Newbelco Shares</i>	the Incorporation Shares, the Initial Newbelco Shares, the Restricted Newbelco Shares or the New Ordinary Shares, as applicable
<i>New Ordinary Shares</i>	the ordinary shares in Newbelco (i) resulting from the consolidation of the Initial Newbelco Shares acquired by AB InBev in the context of the Belgian Offer, (ii) to be issued to AB InBev Shareholders pursuant to the Belgian Merger upon Completion, and (iii) to be issued from time to time following Completion and into which the Restricted Newbelco Shares can be converted in accordance with their terms
<i>Nominee Shareholder</i>	a UK Scheme Shareholder that holds UK Scheme Shares in a business or professional capacity for and on behalf of one or more persons
<i>NYSE</i>	the New York Stock Exchange
<i>Offer Agent</i>	BNP Paribas Fortis SA/NV
<i>Partial Share Alternative</i>	the alternative whereby UK Scheme Shareholders (other than Restricted Overseas Shareholders) may elect (or are deemed to elect) to receive Restricted Newbelco Shares and cash instead of the Cash Consideration under and subject to the terms of the Transaction
<i>Permitted Dividend</i>	<p>any dividend announced, declared or paid by SABMiller, in each case in the ordinary course (including on usual biannual declaration, record and payment dates), in respect of any completed six month period ending 30 September or 31 March prior to Completion, provided that:</p> <p>(a) any such dividend shall not exceed:</p> <p>(i) US\$0.2825 per SABMiller Share for the six month period ended 30 September 2015;</p> <p>(ii) US\$0.9375 per SABMiller Share for the six month period ended 31 March 2016 (with the sum of (i) and (ii) not to exceed US\$1.22 per SABMiller Share);</p> <p>(iii) in respect of any subsequent six month period ending 30 September, an amount representing the same ratio of the amount of the dividend per SABMiller Share to adjusted earnings per SABMiller Share (as reported by SABMiller for the relevant six month period)</p>

as compared to the ratio for the six month period ended 30 September 2015; and

(iv) in respect of any subsequent six month period ending 31 March, an amount representing the same ratio of the amount of the dividend per SABMiller Share to adjusted earnings per SABMiller Share (as reported by SABMiller for the relevant six month period) as compared to the ratio for the six month period ended 31 March 2016;

- (b) any relevant general meeting to declare any such dividend for the period ending on 31 March in any year shall not be held prior to 21 July in that year;
- (c) the record date for any such dividend shall be set no earlier than 25 November (in the case of a dividend for the period ending on 30 September in any year) or 5 August (in the case of a dividend for the period ending on 31 March in any year);
- (d) the payment date for any such dividend shall be set no earlier than 2 December (in the case of a dividend for the period ending on 30 September in any year) or 12 August (in the case of a dividend for the period ending on 31 March in any year); and
- (e) the resolution at the relevant general meeting or board meeting in respect of any such dividend shall provide that the dividend shall be payable on the relevant payment date only if the UK Scheme Effective Time has not occurred prior to that date

Phidias Management SA

Phidias Management SA, a limited liability company (*société anonyme / naamloze vennootschap*) incorporated under Belgian law with registered office at 97 rue Royale, 1000 Brussels and registered in the Crossroads Bank for Enterprises under number 0447.279.272 RPM/RPR (Brussels) and a subsidiary of Intertrust (Belgium) NV

Proposed Structure

the proposed structure of the Transaction, as set out in section 2 of these Merger Terms

Reclassification and Consolidation

- (a) the automatic reclassification and consolidation of any Initial Newbelco Shares which are retained after closing of the Belgian Offer by UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative on the basis of one Restricted Newbelco Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to

- the nearest whole number of Restricted Newbelco Shares) and;
- (b) the automatic consolidation of any Initial Newbelco Shares which are acquired by AB InBev in the context of the Belgian Offer on the basis of one New Ordinary Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of New Ordinary Shares),

in each case, upon the passing of the notarial deed acknowledging the closing of the Belgian Offer.

Restricted Newbelco Shareholders

the holders of Restricted Newbelco Shares

Restricted Newbelco Shares

restricted shares in the capital of Newbelco, which will come into existence as a result of the Reclassification and Consolidation

Restricted Overseas Shareholders

a UK Scheme Shareholder whom AB InBev requires SABMiller to treat as a Restricted Overseas Shareholder pursuant to the terms of the UK Scheme

Rule 2.7 Announcement

the joint announcement made by SABMiller and AB InBev dated 11 November 2015 in relation to the Transaction made pursuant to Rule 2.7 of the UK City Code on Takeovers and Mergers

SABMiller

SABMiller plc, a public limited company incorporated in England and Wales with its registered address at SABMiller House, Church Street West, Woking, Surrey GU21 6HS and company number 03528416

SABMiller ADSs

American Depositary Shares of SABMiller

SABMiller Board

the board of directors of SABMiller

SABMiller General Meeting

the general meeting of SABMiller Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering and, if thought fit, approving, the SABMiller Resolutions

SABMiller Group

SABMiller and the group of companies owned and/or controlled by SABMiller

SABMiller International BV

SABMiller International BV, a company incorporated under Dutch law, with registered office at 7548XA Enschede, Brouwerslaan 1, The Netherlands, registered with the companies' registry under number 24379935, and being a wholly owned indirect subsidiary of SABMiller

SABMiller Registrar

the SABMiller UK Registrar and/or the SABMiller South African Registrar

<i>SABMiller Resolutions</i>	such shareholder resolutions of SABMiller as are necessary to approve, implement and effect the UK Scheme, the Belgian Merger, changes to SABMiller's articles of association, and the buy-back of the Deferred Shares
<i>SABMiller Shareholders</i>	the holders of SABMiller Shares from time to time
<i>SABMiller Shares</i>	the ordinary shares of US\$0.10 each in the capital of SABMiller
<i>SABMiller South African Registrar</i>	Computershare Investor Services Proprietary Limited, the registrars of SABMiller in South Africa
<i>SABMiller UK Registrar</i>	Equiniti Limited, the registrars of SABMiller in the United Kingdom
<i>SEC</i>	the United States Securities and Exchange Commission
<i>South Africa</i>	the Republic of South Africa
<i>South African Register</i>	the branch register of members of SABMiller within the meaning of section 129 of the South African Companies Act and article 116 of SABMiller's Articles of Association kept and maintained on behalf of SABMiller by the SABMiller South African Registrar, in South Africa
<i>STRATE</i>	Strate Proprietary Limited, a private company incorporated in accordance with the laws of South Africa under registration number 1998/022242/07, being a registered central security depository in terms of the South African Financial Markets Act, 19 of 2012 (as amended), and which manages the electronic clearing and settlement system for transactions that take place on the Johannesburg Stock Exchange as well as off-market dealings of securities listed on the Johannesburg Stock Exchange
<i>STRATE System</i>	the system for electronic clearing and settlement and holding of uncertificated securities operated by STRATE for dealings that take place on the Johannesburg Stock Exchange as well as off-market dealings of securities listed on the Johannesburg Stock Exchange
<i>Takeover Law</i>	the Belgian law of 1 April 2007 on public takeover bids
<i>Takeover Royal Decree</i>	the Belgian Royal Decree of 27 April 2007 on public takeover bids
<i>Transaction</i>	the proposed business combination between SABMiller and AB InBev, to be effected by the Proposed Structure
<i>UK or United Kingdom</i>	the United Kingdom of Great Britain and Northern Ireland

<i>UK Agent</i>	a third party agreed by SABMiller and AB InBev, being the agent irrevocably appointed by the UK Scheme Shareholders pursuant to the UK Scheme
<i>UK Court</i>	the High Court of Justice in England and Wales
<i>UK Panel</i>	UK Panel on Takeovers and Mergers
<i>UK Registrar of Companies</i>	the Registrar of Companies in England and Wales
<i>UK Scheme</i>	the proposed scheme of arrangement under Part 26 of the UK Companies Act 2006 between SABMiller and UK Scheme Shareholders to implement the acquisition of SABMiller by Newbelco with or subject to any modification, addition or condition approved or imposed by the UK Court (and agreed to by AB InBev and SABMiller)
<i>UK Scheme Court Meeting</i>	the meeting or meetings of holders of UK Scheme Shares (or any class or classes thereof) convened pursuant to section 896 of the UK Companies Act 2006 to consider and, if thought fit, approve the UK Scheme, including any adjournment thereof
<i>UK Scheme Court Order</i>	the order of the UK Court sanctioning the UK Scheme pursuant to section 899 of the UK Companies Act 2006
<i>UK Scheme Document</i>	the document to be dispatched to SABMiller Shareholders, including the particulars required by section 897 of the UK Companies Act 2006 and incorporating the notice of the SABMiller General Meeting
<i>UK Scheme Effective Time</i>	the time and date at which the UK Scheme becomes effective in accordance with its terms
<i>UK Scheme Record Time</i>	the time and date specified as such in the UK Scheme
<i>UK Scheme Shareholders</i>	holders of UK Scheme Shares as at the UK Scheme Record Time
<i>UK Scheme Shares</i>	<ul style="list-style-type: none"> (a) the SABMiller Shares in issue at the date of the UK Scheme Document; (b) any SABMiller Shares issued after the date of the UK Scheme Document and prior to the Voting Record Time; and (c) any SABMiller Shares issued at or after the Voting Record Time and at or prior to the UK Scheme Record Time on terms that the holder thereof shall be bound by the UK Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by the UK Scheme, <p>in each case remaining in issue at the UK Scheme Record Time, but excluding any SABMiller Shares</p>

held by SABMiller in treasury

Underlying Shareholder

- (a) in respect of UK Scheme Shares held outside of the STRATE System by a Nominee Shareholder, the person on whose behalf the Nominee Shareholder is holding such UK Scheme Shares; and
- (b) in respect of UK Scheme Shares held in the STRATE System, the person on whose behalf the relevant CSDP is holding such UK Scheme Shares or, if held in own name dematerialised form, the person named in the STRATE System as the holder of such UK Scheme Shares

in each case irrespective of whether or not such person holds or may hold the beneficial interest in the relevant UK Scheme Shares

US

the United States of America

Value Reduction

the reduction of the value of the Cash Consideration and the Partial Share Alternative in case of any dividend or other distribution announced, declared, made or paid in respect of the SABMiller Shares on or after the date of the Rule 2.7 Announcement and before the UK Scheme Effective Time, other than a Permitted Dividend, or in excess of any Permitted Dividend

Voting Record Time

6.30 p.m. London time on the day which is two days prior to the date of the UK Scheme Court Meeting or, if the UK Scheme Court Meeting is adjourned, 6.30 p.m. on the day which is two days before the date of such adjourned meeting

Zenzele Scheme

SABMiller's Zenzele Broad-Based Black Economic Empowerment scheme

Schedule 2
Directors of AB InBev and Newbelco

1. Directors of AB InBev

Olivier GOUDET

Alexandre BEHRING

M. Michele BURNS

Paul CORNET de WAYS RUART

Stéfan DESCHEEMAEKER

Valentin DIEZ MORODO

Paulo Alberto LEMANN

Elio LEONI SCETI

Kasper RORSTED

Carlos Alberto da VEIGA SICUPIRA

Grégoire de SPOELBERCH

Marcel Herrmann TELLES

Alexandre VAN DAMME

Maria Asuncion ARAMBURUZABALA

2. Directors of Newbelco

Christophe TANS

Irene FLORESCU

Wouter VANMECHELEN

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Appendix 2

Special report by the AB InBev board of directors in accordance with Article 694 of the Belgian Company Code

[please see separate document]



Grand' Place/Grote Markt 1
1000 Brussels
0417.497.106 RPM/RPR (Brussels)

MERGER
BETWEEN ANHEUSER-BUSCH INBEV SA/NV AND NEWBELCO SA/NV

REPORT OF THE BOARD OF DIRECTORS
PREPARED IN ACCORDANCE WITH ARTICLE 694 OF THE BELGIAN COMPANIES CODE

The board of directors of AB InBev has prepared this Report in connection with the contemplated reverse merger of AB InBev and Newbelco pursuant to which AB InBev will merge into Newbelco, implemented in accordance with the Belgian Companies Code (the *Belgian Merger*). The terms and conditions of the Belgian Merger have been presented in the Merger Terms prepared by the respective boards of directors of AB InBev and Newbelco and attached to this Report as Schedule 1.

Capitalised terms used in this Report shall have the meaning set out in the glossary attached to this Report as Schedule 6.

1. OVERVIEW OF THE TRANSACTION AND RECOMMENDATION

1.1 DESCRIPTION OF THE TRANSACTION IN THE MERGER TERMS

The Belgian Merger is part of the proposed business combination of SABMiller and AB InBev announced on 11 November 2015 by AB InBev and SABMiller.

The Board refers to the following sections of the Merger Terms for a description of:

- the overview of the Transaction (section 1);
- the structure of the Transaction (section 2); and
- the rationale of the Transaction (section 4),

which are deemed to be incorporated in this Report as if they were reproduced herein.

1.2 RECOMMENDATION

After having taken all relevant considerations into account, the Board has concluded that the Transaction is in the best interests of AB InBev and the AB InBev Shareholders.

The Board considered many factors in reaching the decisions described above. In arriving at its decisions, the Board consulted with AB InBev's management, legal advisors, financial advisors, accounting advisors and other advisors, reviewed a significant amount of information, considered a number of factors in its deliberations and concluded that a number of factors supported its decision,

including that the Transaction is likely to result in significant benefits to AB InBev and its shareholders, as described in section 4 of the Merger Terms.

As further detailed in section 3.5 of this Report, the Board also believes that the Transaction will generate attractive synergies and create additional shareholder value.

The Board weighed these factors against a number of uncertainties, risks and potentially negative factors relevant to the Transaction and concluded that the uncertainties, risks and potentially negative factors relevant to the Transaction were outweighed by the potential benefits that it expected AB InBev and AB InBev shareholders would achieve as a result of the Transaction.

The Board therefore unanimously and unconditionally recommends that the AB InBev Shareholders vote in favour of the AB InBev Resolutions to be proposed at the AB InBev General Meeting.

1.3 TIMETABLE AND POSSIBLE EXTENSIONS

All dates given in this Report as dates on which the relevant steps of the Transaction are intended to take place are indicative. These dates may be changed and, if so, the boards of directors of AB InBev and Newbelco will inform the shareholders of AB InBev and Newbelco accordingly at, or prior to, respectively, the AB InBev General Meeting and the Newbelco General Meeting, without making an amended version of this Report available.

2. THE BELGIAN MERGER

2.1 TERMS OF THE BELGIAN MERGER

2.1.1 Legal nature of the Belgian Merger

The Belgian Merger constitutes a merger by absorption under articles 693 and following of the Belgian Companies Code, whereby:

- Newbelco will automatically substitute AB InBev in all its rights and obligations and all assets and liabilities of AB InBev will be transferred to Newbelco under universal succession of title; such transfer will relate to all assets and rights held by AB InBev, including any real estate and intellectual rights the transfer of which will be enforceable towards third parties upon completion of the formalities required for the transmission of such rights;
- the AB InBev Shareholders will become shareholders of Newbelco;
- AB InBev ADSs, each representing one AB InBev Share, will instead represent one New Ordinary Share, thereby becoming Newbelco ADSs; and
- AB InBev will cease to exist following its dissolution without liquidation.

2.1.2 Exchange ratio

In the context of the Belgian Merger, it is proposed that one New Ordinary Share will be issued to the AB InBev Shareholders in exchange for one AB InBev Share, without any cash compensation.

2.1.3 Financial situation of the merging companies

A description of the assets and liabilities of AB InBev can be found in the consolidated balance sheet of AB InBev as at 31 December 2015, which is attached as [Schedule 2](#) to this Report.

Given the fact that, upon completion of the Capital Increase, Newbelco's sole asset will be its holding in SABMiller, a description of the assets and liabilities of Newbelco at the time of the Belgian Merger can be derived from the consolidated balance sheet of SABMiller as at 31 March 2016, which is attached as Schedule 3 to this Report.

2.1.4 Report by the auditor

AB InBev has appointed Deloitte Bedrijfsrevisoren BV CVBA – Réviseurs d'Entreprises SC SCRL, represented by Mr Joël Brehmen in its capacity of auditor of AB InBev for the purpose of drafting the report required by article 695 of the Belgian Companies Code.

2.1.5 Capital increase and number of shares resulting from the Belgian Merger

The Belgian Merger will result in (i) a capital increase of Newbelco by an amount of EUR 1,238,608,344.12 and (ii) the recordation by Newbelco of an amount of EUR 13,186,369,502.01 as issuance premium. Such capital increase shall be made through the issue of 1,608,242,156 New Ordinary Shares to the AB InBev Shareholders, in accordance with the exchange ratio retained for the Belgian Merger.¹

Taking into account the treasury shares that will be retained by Newbelco, upon Completion, the outstanding share capital of Newbelco will consist of:

- 1,693,242,156 New Ordinary Shares²; and
- between 316,999,695 (assuming only Altria and BEVCO elect for the Partial Share Alternative) and 326,000,000 Restricted Newbelco Shares.

Further details relating to the level of the share capital and issue premium account of Newbelco after completion of the Belgian Merger (taking into account the reduction of the share capital and issue premium account which will take place upon Completion with a view to creating reserves in Newbelco) are provided in section 2.3.1.2.

2.2 BELGIAN MERGER PROCEDURE

2.2.1 Conditions precedent

The Transaction is subject to several pre-conditions and conditions that are described in detail in the Rule 2.7 Announcement. Such pre-conditions and conditions include amongst others:

- the obtaining of regulatory approvals from applicable antitrust or competition law authorities in the European Union, the United States, China, South Africa and other relevant jurisdictions; and
- the approval of the relevant aspects of the Transaction by the AB InBev Shareholders, the Newbelco Shareholders and the SABMiller Shareholders.

As at the date of this Report, the Transaction has already been approved by a number of antitrust or competition law authorities, including the European Commission, the US Federal Trade Commission, the Ministry of Commerce of the People's Republic of China and the Competition Tribunal of South

¹ The amount of the capital increase and issue premium and the number of shares to be issued by Newbelco as a result of the Belgian Merger are based on the amount of capital and issue premium and the number of shares existing at the level of AB InBev prior to the Belgian Merger.

² This number of shares results from the sum of (i) the 1,608,242,156 New Ordinary Shares that will be issued to the AB InBev Shareholders and (ii) the 85,000,000 New Ordinary Shares which will be retained by Newbelco upon Completion.

Africa and the Financial Surveillance Department of the South African Reserve Bank. Accordingly, AB InBev confirmed on 29 July 2016 that all pre-conditions of the Transaction have been satisfied.

The AB InBev General Meeting, the Newbelco General Meeting and the SABMiller General Meeting are expected to be held on or around 28 September 2016 to vote on the aspects of the Transaction requiring shareholders' approval.

As described in the Merger Terms, the Transaction will be implemented by way of a three stage process involving (i) the UK Scheme, a UK scheme of arrangement under Part 26 of the UK Companies Act 2006 between SABMiller and its shareholders through which Newbelco will acquire the entire share capital of SABMiller, (ii) the Belgian Offer, a Belgian law voluntary cash takeover offer by AB InBev for all of the shares of Newbelco and (iii) the Belgian Merger, a merger of AB InBev into Newbelco pursuant to which the AB InBev Shareholders will become Newbelco Shareholders and Newbelco will be the surviving entity. Each of the Belgian Offer and the Belgian Merger is conditional on completion of the preceding step of the Transaction.

The Board refers to section 3 of the Merger Terms for a description of the outstanding conditions of the UK Scheme and the Belgian Offer.

The Belgian Merger is conditional on:

- the AB InBev Resolutions being passed by the requisite majority of AB InBev Shareholders at the AB InBev General Meeting;
- the Newbelco Resolutions being passed by the requisite majority of Newbelco Shareholders at the Newbelco General Meeting;
- the Belgian Offer completing in accordance with its terms;
- the Initial Newbelco Shares tendered in the Belgian Offer being transferred to AB InBev no later than the day before the date of passing of the Final Notarial Deed; and
- the passing of the Final Notarial Deed.

Sections 2.2.2 to 2.2.5 of this Report describe the conditions precedent to the Belgian Merger in more detail.

2.2.2 AB InBev Resolutions

The Belgian Merger is conditional upon the AB InBev Resolutions being passed at the AB InBev General Meeting. The AB InBev Resolutions include the approval of the acquisition of the Initial Newbelco Shares pursuant to the Belgian Offer and the approval of the Belgian Merger.

Pursuant to article 23 of the articles of association of AB InBev, the acquisition of the Initial Newbelco Shares pursuant to the Belgian Offer requires the approval of the AB InBev Shareholders with a positive vote of 75% of the AB InBev Shares attending or represented at the AB InBev General Meeting, regardless of the number of AB InBev Shares attending.

Pursuant to article 699 of the Belgian Companies Code, the Belgian Merger requires the approval of the AB InBev Shareholders by a majority of 75% of the votes cast and the AB InBev Shareholders present at the meeting must represent at least 50% of AB InBev's share capital.

AB InBev and SABMiller have received irrevocable undertakings from the AB InBev Reference Shareholder, EPS and BRC, who collectively held approximately 51.68% of the voting rights attached to AB InBev's shares outstanding as at 31 July 2016, to vote in favour of such resolutions of AB

InBev as are necessary to approve the Belgian Offer and the Belgian Merger at the AB InBev General Meeting.

AB InBev has agreed to pay or procure the payment to SABMiller of a break payment amounting to USD 3 billion if, amongst others, the AB InBev Resolutions are not passed at the AB InBev General Meeting, unless the Co-operation Agreement has already been terminated in accordance with its terms.

The AB InBev General Meeting is scheduled to take place on or around 28 September 2016.

2.2.3 Newbelco Resolutions

The Belgian Merger is also conditional upon the Newbelco Resolutions being passed at the Newbelco General Meeting. The Newbelco Resolutions include the approval of the Capital Increase, the Belgian Merger, the adoption of new articles of association of Newbelco and the cancellation of the Incorporation Shares.

Pursuant to articles 699 (with respect to the Belgian Merger), 581 (with respect to the Capital Increase), 558 (with respect to the adoption of new articles of association of Newbelco) and 612 (with respect to the cancellation of the Incorporation Shares) of the Belgian Companies Code, such resolutions require the approval of Newbelco Shareholders by a majority of 75% of the votes cast and the Newbelco Shareholders present at the meeting must represent at least 50% of Newbelco's share capital.

The Newbelco General Meeting is scheduled to take place on or around 28 September 2016.

2.2.4 Closing of the Belgian Offer and transfer of the Initial Newbelco Shares

The Belgian Merger is furthermore conditional on (i) the Belgian Offer being closed in accordance with its terms and (ii) the Initial Newbelco Shares tendered in the Belgian Offer being transferred to AB InBev no later than the day before the date of passing of the Final Notarial Deed.

It is intended that the Belgian Offer will open and close on the day following the date on which the Capital Increase occurs, i.e. on or around 7 October 2016. The transfer of the Initial Newbelco Shares tendered to AB InBev will take place by recordation in the share register of Newbelco promptly after the Belgian Offer has closed.

2.2.5 Final Notarial Deed

The Belgian Merger will take effect on the date on which the designated notary in Belgium competent to scrutinise the legality of the Belgian Merger (i) shall have received confirmation that all conditions to which the Belgian Merger is subject (except the passing of the Final Notarial Deed) have been satisfied or waived (as applicable) and (ii) further to the receipt of such confirmation, shall have certified that the Belgian Merger is completed by passing the Final Notarial Deed.

Based on the timetable contemplated at the date of this Report, the date intended for the passing of the Final Notarial Deed is on or around 10 October 2016.

2.3 EXCHANGE RATIO

2.3.1 Share capital of the merging companies

2.3.1.1 AB InBev

As at the date of this Report, the share capital of AB InBev amounts to EUR 1,238,608,344.12 and the issue premium of AB InBev amounts to EUR 13,186,369,502.01.

The share capital is divided into 1,608,242,156 shares without nominal value held in registered or dematerialised form. All the shares are freely transferable and fully paid up. AB InBev has only one class of shares.

2.3.1.2 Newbelco

(a) Current share capital

As at the date of this Report, the share capital of Newbelco amounts to EUR 61,500 and is divided into 6,150,000 shares without nominal value held in registered form. All the shares are freely transferable and fully paid up.

(b) Share capital following the UK Scheme and the Capital Increase

Upon completion of the Capital Increase, the following steps will take place simultaneously:

- (i) the share capital of Newbelco will be increased by an amount in euro equal to GBP 7,540,000,000, and an issue premium will be recorded by Newbelco for an amount in euro equal to GBP 67,860,000,000, each such amount to be multiplied by the GBP-EUR Reference Rate;³
- (ii) 165,640,400,700 Initial Newbelco Shares⁴ will be issued to the UK Scheme Shareholders, each UK Scheme Shareholder receiving 100 Initial Newbelco Shares in respect of each UK Scheme Share; and
- (iii) the Incorporation Shares will be cancelled and the share capital of Newbelco decreased by EUR 61,500.

Following the Capital Increase and the cancellation of the Incorporation Shares, the UK Scheme Shareholders will be the only shareholders in Newbelco and own all outstanding shares of Newbelco.

³ The amounts mentioned in this paragraph for the capital increase and the issue premium assume that, prior to or at the UK Scheme Record Time, there are 1,656,404,007 UK Scheme Shares in issue. This number of UK Scheme Shares is calculated on the basis of (i) SABMiller's issued share capital as at the close of business on 31 July 2016 of 1,623,481,308 (excluding 57,769,932 treasury shares); and (ii) 43,987,236 SABMiller Shares which may be issued on or after 1 August 2016 on the exercise of options or vesting of awards under the SABMiller share plans (excluding 50,645 cash settled options and stock appreciation rights), netted off against 11,064,537 SABMiller Shares held in SABMiller's Employee Benefit Trust as at the close of business on 31 July 2016. If the shares held by SABMiller's Employee Benefit Trust are not used to settle the outstanding options, an additional 11,064,537 SABMiller shares will need to be issued (or transferred out of treasury).

The amounts of the capital increase and issue premium will remain at the same level even if the number of SABMiller Shares outstanding as at the UK Scheme Record Time exceeds 1,656,404,007, provided however that such amounts will be increased if the number of SABMiller Shares outstanding as at the UK Scheme Record Time was higher than 1,666,000,000.

⁴ This assumes that, prior to or at the UK Scheme Record Time, there are 1,656,404,007 UK Scheme Shares in issue which will be contributed to Newbelco in exchange for 100 Initial Newbelco Shares for each UK Scheme Share. See footnote 3 for the calculation of the number of 1,656,404,007 UK Scheme Shares.

(c) Share capital following the completion of the Belgian Offer

After completion of the Capital Increase, AB InBev will launch the Belgian Offer whereby it will offer to purchase all Initial Newbelco Shares held by the UK Scheme Shareholders. Upon completion of the Belgian Offer, AB InBev will own between 105,254,387,968 and 106,921,542,922 Initial Newbelco Shares, depending on the number of UK Scheme Shareholders having validly elected for the Partial Share Alternative.⁵

Upon the passing of the notarial deed acknowledging the completion of the Belgian Offer, pursuant to the Reclassification and Consolidation, the Initial Newbelco Shares will be reclassified and consolidated as follows:

- (i) all Initial Newbelco Shares retained by the UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative will be reclassified and consolidated into Restricted Newbelco Shares on the basis of a ratio of one Restricted Newbelco Share for every 185.233168056448 Initial Newbelco Shares retained (and the number of Restricted Newbelco Shares resulting from such reclassification and consolidation will be rounded down to the nearest whole number);
- (ii) as a result, the UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative will hold between 316,999,695 and 326,000,000 outstanding Restricted Newbelco Shares, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative;
- (iii) all Initial Newbelco Shares acquired by AB InBev pursuant to the Belgian Offer will be consolidated into New Ordinary Shares on the same ratio, a basis of one New Ordinary Share for every 185.233168056448 Initial Newbelco Shares held by AB InBev (and the number of New Ordinary Shares resulting from such consolidation will be rounded down to the nearest whole number); and
- (iv) as a result, AB InBev will hold between 568,226,463 and 577,226,767 New Ordinary Shares, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative.⁶

(d) Share capital, issue premium and reserves following completion of the Belgian Merger

The Belgian Merger will result in (i) a capital increase of Newbelco by an amount of EUR 1,238,608,344.12 and (ii) the recordation by Newbelco of an amount of EUR 13,186,369,502.01 as issuance premium. Such capital increase shall be made through the issue of 1,608,242,156 New Ordinary Shares to the AB InBev Shareholders.

At the same time, Newbelco's share capital and issue premium account will be reduced through the following steps decided on by the Newbelco General Meeting in the notarial deed approving the Belgian Merger, each such step to become effective simultaneously with the Belgian Merger upon Completion:

- (i) as a consequence of the Belgian Merger, Newbelco will have acquired all New Ordinary Shares held by AB InBev further to the Belgian Offer; a non-distributable reserve will be

⁵ The range of 105,254,387,968 to 106,921,542,922 Initial Newbelco Shares assumes that, prior to or at the UK Scheme Record Time, there are 1,656,404,007 UK Scheme Shares in issue. See footnote 3 for the calculation of the number of 1,656,404,007 UK Scheme Shares.

⁶ The shareholding figures included in this paragraph assume that, prior to or at the UK Scheme Record Time, there are 1,656,404,007 UK Scheme Shares in issue. See footnote 3 for the calculation of the number of 1,656,404,007 UK Scheme Shares.

created to account for the value of all such New Ordinary Shares, in accordance with article 623, 1st indent of the Belgian Companies Code, through the reduction of Newbelco's issue premium account; the amount of the reduction of the issue premium account and the corresponding amount of the non-distributable reserve to be created will be equal to an amount in euro ranging between GBP 47,364,474,585.60 and GBP 48,114,694,314.90⁷, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative;

- (ii) all such New Ordinary Shares will then be cancelled, except for 85,000,000 of such New Ordinary Shares which will be held as treasury shares by Newbelco after Completion; the cancellation of all such New Ordinary Shares except the 85,000,000 shares to be held in treasury will be imputed on the non-distributable reserve that will have been created for that purpose as set out in subparagraph (i) above, for an amount in euro ranging between GBP 40,279,305,903.87 and GBP 41,029,525,624.57⁸, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative; and
- (iii) with a view to creating a distributable reserve,
 - Newbelco's share capital will be reduced by an amount in euro equal to GBP 7,540,000,000; and
 - Newbelco's issue premium will be further reduced by an amount in euro ranging between GBP 19,745,305,685.10 and GBP 20,495,525,414.40⁹, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative.

In each of the cases referred to in subparagraphs (i) to (iii) above, the amounts in GBP shall be converted in euro by multiplying such amounts by the GBP-EUR Reference Rate.

The decisions to reduce Newbelco's share capital and issue premium account referred to in subparagraphs (i) and (iii) above will be taken by the Newbelco General Meeting in accordance with article 612 of the Belgian Companies Code and the decision to reduce Newbelco's share capital and issue premium account referred to in subparagraph (iii) above will be taken by the Newbelco General Meeting in accordance with article 613 of the Belgian Companies Code.

As a result of the above steps, upon Completion, Newbelco's share capital and issue premium will be equal to the AB InBev's current share capital and issue premium, i.e. respectively EUR 1,238,608,344.12 and EUR 13,186,369,502.01. The share capital will be represented by 1,693,242,156 outstanding New Ordinary Shares and between 316,999,695 and 326,000,000 outstanding Restricted Newbelco Shares, depending on the number of UK Scheme Shareholders who elect for the Partial Share Alternative.

(e) Rights and form of the Newbelco Shares

Restricted Newbelco Shares will have the same rights as New Ordinary Shares except as set out in the articles of association of Newbelco. Restricted Newbelco Shares will be held in registered form only

⁷ The range of GBP 47,364,474,585.60 to GBP 48,114,694,314.90 assumes AB InBev will own between 105,254,387,968 and 106,921,542,922 Initial Newbelco Shares and as a result between 568,226,463 and 577,226,767 New Ordinary Shares upon completion of the Belgian Offer. See also footnote 5.

⁸ The range of GBP 40,279,305,903.87 and GBP 41,029,525,624.57, assumes AB InBev will own between 105,254,387,968 and 106,921,542,922 Initial Newbelco Shares and, as a result, between 568,226,463 and 577,226,767 New Ordinary Shares upon completion of the Belgian Offer. See also footnote 5.

⁹ The range of GBP 19,745,305,685.10 to GBP 20,495,525,414.40 assumes the issue premium of GBP 67,860,000,000 upon Capital Increase is reduced by GBP 47,364,474,585.60 to GBP 48,114,694,314.90 upon merger per (i) above per the assumptions of footnote 7.

and will be unlisted, not admitted to trading on any stock exchange, not capable of being deposited in an ADR programme and will be subject to, among other things, restrictions on transfer until converted into New Ordinary Shares.

The Restricted Newbelco Shares will be convertible at the election of the holder into New Ordinary Shares on a one-for-one basis with effect from the fifth anniversary of Completion. Restricted Newbelco Shares will be convertible earlier in certain specific limited circumstances. From Completion, such Restricted Newbelco Shares will rank equally with the New Ordinary Shares as regards dividends and voting rights.

2.3.2 Valuation of AB InBev and Newbelco and exchange ratio

On the basis of the valuation methods described in Schedule 4 applied to the respective value of AB InBev Pre-Merger, Newbelco Pre-Merger and Newbelco Post-Merger, the boards of directors of AB InBev and Newbelco propose that one New Ordinary Share will be issued to the AB InBev Shareholders in exchange for one AB InBev Pre-Merger Share, without any cash compensation.

In order to support the proposed exchange ratio of one New Ordinary Share against one AB InBev Pre-Merger Share, the boards of directors of AB InBev and Newbelco have considered the consequences of the Belgian Merger for both the AB InBev Shareholders and the Newbelco Shareholders.

Based on the range of exchange ratios obtained using the methods set out in Schedule 4, the boards of directors of AB InBev and Newbelco consider that an exchange ratio of one Newbelco Share for one AB InBev Pre-Merger Share is reasonable.

2.3.3 Difficulties in determining the value of the merging companies and the exchange ratio

No particular difficulties were encountered in the valuation of the merging companies or in determining the exchange ratio.

3. CONSEQUENCES OF THE BELGIAN MERGER

3.1 LEGAL CONSEQUENCES FOR AB INBEV AND NEWBELCO

From the date the Belgian Merger is completed, the legal consequences as set out in article 682 of the Belgian Companies Code will apply. AB InBev will automatically be substituted for by Newbelco in all its rights and obligations. Upon being dissolved and without going into liquidation, all of AB InBev's assets and liabilities and all of its rights and obligations will transfer to Newbelco, including any real estate and intellectual rights the transfer of which will be enforceable towards third parties upon completion of the formalities required for the transmission of such rights.

As a consequence of the Belgian Merger, AB InBev will cease to exist.

In accordance with the Merger Terms, the Belgian Merger shall not have any retroactive effect for accounting purposes and shall be effective only as from the date of the Final Notarial Deed.

3.2 LEGAL CONSEQUENCES FOR THE AB INBEV SHAREHOLDERS

AB InBev Shareholders will become Newbelco Shareholders as a result of the Belgian Merger. As a result of the Belgian Merger, all AB InBev Shareholders will receive one New Ordinary Share for each AB InBev Share they hold. Consequently, upon completion of the Belgian Merger, the share capital of Newbelco will be held by the UK Scheme Shareholders who elected for the Partial Share Alternative (between 16.47% and 16.86% of the share capital) and the AB InBev Shareholders

(between 83.14% and 83.53% of the share capital), depending on the number of UK Scheme Shareholders having validly elected for the Partial Share Alternative.¹⁰

It is expected that the New Ordinary Shares to be issued to the former AB InBev Shareholders in the context of the Belgian Merger will be delivered (i) in registered form to the former AB InBev Shareholders that held their shares in AB InBev in registered form or (ii) in dematerialised form to the former AB InBev Shareholders that held their shares in AB InBev in dematerialised form. It is further expected that AB InBev Shareholders will no longer be entitled to request the conversion of their AB InBev Shares from registered to dematerialised form, and vice versa, as from a date which will be specified in the listing prospectus relating to the admission to trading and listing of all New Ordinary Shares on Euronext Brussels, prepared in accordance with the Belgian law of 16 June 2006, which will be published on or about the same date as the date on which the convening notices to the AB InBev General Meeting will be published. Please refer to the section entitled “*Listing and delivery of the shares*” in Part IX of such prospectus for further details.

The New Ordinary Shares will be issued promptly upon Completion by recordation in the share register of Newbelco and will be delivered as follows:

- the New Ordinary Shares to be delivered in registered form will be recorded in the name of the relevant shareholders in the share register of Newbelco; and
- the New Ordinary Shares to be delivered in dematerialised form will be recorded in the share register of Newbelco in the name of Euroclear, the Belgian central securities depository in its capacity as settlement institution; such shares will be delivered in book-entry form free of payment to the securities accounts of the relevant shareholders via Euroclear as soon as practicable following Completion.

The above description on the issuance and delivery of the New Ordinary Shares to the former AB InBev Shareholders may be amended or refined based on the finalisation of the practical implementation of the Transaction. If the above description would need to be amended or refined, AB InBev and Newbelco will make available any relevant additional information in due course, without having to update this Report.

Shareholders and investors who, after delivery, wish to have their dematerialised shares registered, should request that Newbelco record their shares in Newbelco’s share register. Holders of registered shares may request that their registered shares be converted into dematerialised shares and vice versa, at their own cost.

The former AB InBev Shareholders will be entitled to participate in the profits of Newbelco for each financial year, including the year ending on 31 December 2016.

3.3 CONSEQUENCES FOR THE EMPLOYEES OF AB INBEV

As a result of the Belgian Merger, the employees of AB InBev will be transferred to Newbelco.

3.4 CONSEQUENCES FOR THE CREDITORS OF THE MERGING COMPANIES

Upon the Belgian Merger taking effect, the creditors of AB InBev will, as a result of the universal transfer of title, become direct creditors of Newbelco.

Pursuant to article 684 of the Belgian Companies Code, creditors of AB InBev and creditors of Newbelco can request additional security in relation to outstanding claims that existed prior to the publication in the Annexes to the Belgian State Gazette of the deed establishing completion of the

¹⁰ These percentages exclude the treasury shares that will be retained by Newbelco upon Completion.

Belgian Merger but have not yet matured or are subject to litigation or arbitration. Such additional securities may be requested within two months from such publication in the Belgian State Gazette.

Newbelco can set aside any request by settling the claim at its fair value after deduction of a discount. In the absence of an agreement or if the creditors remain unpaid, the request is referred to the president of the commercial court in the judicial district of the debtor's registered office who will determine if a security is to be provided and the time limit within which such security must be set as the case may be. If the security is not provided within the set timeframe, the claim shall immediately become due and payable.

3.5 SYNERGIES AND CREATION OF SHAREHOLDER'S VALUE AS A RESULT OF THE TRANSACTION

The Combined Group will generate attractive synergies and create additional shareholder value. The constituent elements of synergies, which are expected to originate from the cost bases of both the AB InBev Group and the SABMiller Group and are in addition to savings initiatives already underway at the SABMiller Group, will comprise:

- procurement and engineering savings expected to be generated from third party cost efficiencies as a result of economies of scale through combined sourcing of raw materials and packaging and re-engineering of associated processes across the Combined Group's cost base;
- brewery and distribution efficiency gains expected to be generated from the alignment of brewery, bottling and shipping productivity including: reduced water, energy usage, and extract losses, as well as optimisation of other brewery and distribution processes across geographies;
- sharing best practices relating to cost management, efficiency improvements and productivity enhancements across the Combined Group's administrative operations; and
- administrative costs savings expected to be generated from the realignment of corporate headquarters and overlapping regional headquarters across the Combined Group.

AB InBev also believes that significant further value could be created through the utilisation of the combined global distribution network in order to expand brand portfolio sales worldwide and by leveraging the innovation successes of both the AB InBev Group and the SABMiller Group.

4. GOVERNANCE OF NEWBELCO UPON COMPLETION OF THE TRANSACTION

Pursuant to the Newbelco Resolutions and with effect from completion of the Belgian Offer, new articles of association of Newbelco will be adopted and a new governance structure will be put in place. Amongst others, the principles set out below will apply. For more detail, please refer to the draft articles of association of Newbelco that will be available on the website of AB InBev in due course.

4.1 CORPORATE PURPOSE

The corporate purpose of Newbelco reads as follows:

"The company's corporate purpose is:

- a) to produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, process and deal in all by-products and accessories, of whatsoever origin or form, of its industry and trade, and to design, construct or produce part or all of the facilities for the manufacture of the aforementioned products;*

- b) *to purchase, construct, convert, sell, let and sublet, lease, license and operate in any form whatsoever all real property and real property rights and all businesses, movable property and movable property rights connected with its activities;*
- c) *to acquire and manage participating interests and shares in companies or undertakings having a corporate purpose similar or related to, or likely to promote the attainment of, any of the foregoing corporate purposes, and in financial companies; to finance such companies or undertakings by means of loans, guarantees or in any other manner whatsoever; and to take part in the management of the aforesaid companies through membership of its board of directors or the like governing body; and*
- d) *to carry out all administrative, technical, commercial and financial work and studies for the account of undertakings in which it holds an interest or on behalf of third parties.*

It may, within the scope of its corporate purpose, engage in all civil, commercial, industrial and financial transactions either within or outside Belgium.

It may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all undertakings, companies or associations having a corporate purpose similar or related to or likely to promote the furtherance of its corporate purpose.”

Such corporate purpose will remain unchanged after the Belgian Merger.

4.2 CATEGORIES OF NEWBELCO SHARES

The capital of Newbelco will be divided in two categories of Newbelco Shares: New Ordinary Shares and Restricted Newbelco Shares.

4.3 TRANSFER AND CONVERSION OF NEWBELCO SHARES

4.3.1 New Ordinary Shares

New Ordinary Shares will be freely transferable.

4.3.2 Restricted Newbelco Shares – Transfer

No Restricted Newbelco Shareholder will be able, in each case directly or indirectly, to transfer, sell, contribute, offer, grant any option on, otherwise dispose of, pledge, charge, assign, mortgage, grant any lien or any security interest on, enter into any certification or depository arrangement or enter into any form of hedging arrangement with respect to, any of its Restricted Newbelco Shares or any interests therein or any rights relating thereto, or enter into any contract or other agreement to do any of the foregoing, for a period of five years from Completion, save as provided in this section 4.3.2.

As an exception to this rule, any Restricted Newbelco Shareholder may, in each case directly or indirectly, transfer, sell, contribute, offer, grant any option on, otherwise dispose of, pledge, charge, assign, mortgage, grant a lien or any security interest on, or enter into any form of hedging arrangement with respect to, its Restricted Newbelco Shares or any interests therein or any rights relating thereto, or enter into any contract or other agreement to do any of the foregoing, to or for the benefit of any person that is an Affiliate, a Successor and/or a Successor’s Affiliate, provided that if any such transferee ceases to be a member of the Restricted Shareholder Group (as defined in the Newbelco Articles) of the Restricted Newbelco Shareholder that initially made the transfer (or of its Successor), all such Restricted Newbelco Shares which such transferee owns or in which it holds an interest shall be automatically transferred to such Restricted Newbelco Shareholder (or to a person which, at the time of such transfer, is its Affiliate or its Successor) and shall therefore remain Restricted Newbelco Shares.

4.3.3 Restricted Newbelco Shares – Conversion

Each Restricted Newbelco Shareholder will have the right to convert all or part of its holding of Restricted Newbelco Shares into New Ordinary Shares at its election (i) at any time after the fifth anniversary of Completion, and (ii) in some limited other instances, including immediately prior to or at any time after entering into an agreement or arrangement to effect any permitted transfer, as set out in section 4.3.4 below.

The Restricted Newbelco Shares shall automatically convert into New Ordinary Shares (i) upon any transfer, sale, contribution or other disposal, except in the case of permitted transfers as set out in section 4.3.4 below, provided that, in such cases, the Restricted Newbelco Shares shall automatically be converted into New Ordinary Shares upon any subsequent transfer, sale, contribution or disposal to any party which is not an Affiliate, a Successor or a Successor's Affiliate of the Restricted Newbelco Shareholder (ii) immediately prior to the closing of a successful public takeover bid for all Newbelco Shares or the completion of a merger of Newbelco as acquiring or disappearing company, in circumstances where the shareholders directly or indirectly, controlling or exercising directly or indirectly joint control over Newbelco immediately prior to such takeover bid or merger will not directly or indirectly control, or exercise joint control over, Newbelco or the surviving entity following such takeover bid or merger, or (iii) upon the announcement of a squeeze-out bid for the outstanding Newbelco Shares, in accordance with article 513 of the Companies Code.

In the event that all the shares in Newbelco are acquired by a company which the shareholders of Newbelco, immediately prior to such acquisition, control or exercise joint control over, Restricted Newbelco Shareholders shall be treated in an equivalent manner to holders of New Ordinary Shares, save that there shall be equivalent differences between the rights and restrictions attaching to the shares to be issued to holders of the New Ordinary Shares and the shares to be issued to holders of Restricted Newbelco Shares to reflect the differences in rights and restrictions between the New Ordinary Shares and the Restricted Newbelco Shares.

Upon conversion, each Restricted Newbelco Share will be re-classified as one New Ordinary Share.

If at any time the New Ordinary Shares shall be changed into a different number of Newbelco Shares or a different class of Newbelco Shares by reason of any share dividend, subdivision, reorganisation, reclassification, recapitalisation, stock split, reverse stock split, combination or exchange of shares, or any similar event shall have occurred, there will be an equivalent share dividend, subdivision, reorganisation, reclassification, recapitalisation, stock split, reverse stock split, combination or exchange of shares or similar event with respect to the Restricted Newbelco Shares (such shares being **Revised Restricted Newbelco Shares**), provided that (i) nothing shall be deemed to permit Newbelco (including the Newbelco Board) to take any action with respect to its share capital that is otherwise prohibited by the Newbelco Articles, and (ii) if any such event would otherwise cause any Restricted Newbelco Shareholder to cease to hold at least one Revised Restricted Newbelco Share (by virtue of its entitlement, following such event, being to a fraction of less than one Revised Restricted Newbelco Share) its entitlement shall be rounded up to one Revised Restricted Newbelco Share.

4.3.4 Restricted Newbelco Shares – Pledge

Notwithstanding any restrictions on transfer in the Newbelco Articles or any provision herein to the contrary, any Restricted Newbelco Shareholder will be able:

- (a) with the prior written consent granted by the Newbelco Board (a **Pledge Consent**), to pledge, charge, assign, mortgage, or otherwise grant a lien over or grant any security interest on its Restricted Newbelco Shares or any interests therein and any rights relating thereto as security (in each case, a **Pledge**) in respect of any bona fide loans, credit facilities, notes, surety bonds (or other arrangements to secure a stay of execution on or the satisfaction of a judgment or order), letters of credit or any similar extensions of credit to such Restricted Newbelco Shareholder or any of its Affiliates, hedging, derivative or other financing transactions to which such Restricted Newbelco Shareholder or any of its Affiliates is a party or, in each

case, in respect of which such Restricted Newbelco Shareholder or any of its Affiliates is a guarantor or security provider, or a guaranty of any of the foregoing;

- (b) to transfer, sell, contribute, offer, grant any option on, or otherwise dispose of, in each case directly or indirectly, or enter into any contract or other agreement to do any of the foregoing in respect of all or part of (or any interest in) its holding of Restricted Newbelco Shares that are the subject of a Pledge (to which a Pledge Consent has been given):
 - (i) to, or as directed by or with the written consent of, the relevant pledgee, chargee, assignee, mortgagee, or other security interest holder (a *Pledgee*) or to, or as directed by or with the written consent of, a receiver, administrator or other similar official appointed in connection with an enforcement of a Pledge (a "Receiver"), simultaneously with, or at any time after, such Restricted Newbelco Shareholder, Pledgee or Receiver notifying Newbelco that such Pledgee or Receiver has enforced or commenced enforcement action with respect to such Pledge; or
 - (ii) to the extent the Restricted Newbelco Shareholder determines in good faith that such transfer is the only commercially reasonable alternative available to prevent an imminent enforcement by a Pledgee or a Receiver in respect of such Restricted Newbelco Shares (and the proceeds of the transfer are used to satisfy the underlying obligation secured by the Pledge) and has given written notice to the Newbelco Board in which the Restricted Newbelco Shareholder confirms that it has determined in good faith that such transfer is the only commercially reasonable alternative available to prevent an imminent enforcement by the relevant Pledgee or Receiver in respect of such Restricted Newbelco Shares.

Save where a Pledge Consent has previously been given (which is the case for the consent letters entered into by AB InBev with Altria and BEVCO on 11 November 2015 which constitute Pledge Consents), the Newbelco Board shall have absolute discretion as to whether to grant a Pledge Consent. The Newbelco Board shall adopt shortly after Completion a pledging policy that will set out the circumstances in which the Board of Directors will grant a Pledge Consent. Such pledging policy can be amended by the Newbelco Board from time to time.

The pledging policy to be adopted by the Newbelco Board (a copy of which is available on AB InBev's website) provides that the Newbelco Board will grant such a Pledge Consent if a Restricted Newbelco Shareholder provides to Newbelco (i) a request for a Pledge Consent containing certain specified information in relation to any proposed Pledge, and (ii) certain specified representations and warranties, including, amongst others, that the Pledge and the underlying arrangements which it secures are bona fide and are not being entered in order (whether in whole or in part) to circumvent the restrictions on transfer of the Restricted Newbelco Shares. The pledging policy available on AB InBev's website provides further details of the process for requesting a Pledge Consent, including the information and representations and warranties to be provided, as well as a copy of a Pledge Consent request form.

In the event that Restricted Newbelco Shares are converted (whether at the option of its holder after 10 October 2021 or in the other instances provided for in the Newbelco Articles), provided that the conditions set out in the Newbelco Articles are met, Newbelco will record the conversion of the Restricted Newbelco Shares into New Ordinary Shares and, if relevant, the transfer of the New Ordinary Shares resulting from the conversion of the Restricted Newbelco Shares, in Newbelco's share register on the same Business Day (if the notice relating to this conversion or transfer is received by Newbelco before 1.00 p.m. Brussels time) or the next Business Day (if the notice relating to this conversion or transfer is received by Newbelco after 1.00 p.m. Brussels time or on a day that is not a Business Day).

From the time of conversion, the New Ordinary Shares will be freely and unconditionally transferable by (or as directed by) the Restricted Newbelco Shareholder or Restricted Transferee or any transferee or transferees of such shares, free of any lock-up or other restriction.

On the same day as the recordation of the conversion, Newbelco will send to Euronext Brussels a request for admission to listing of such New Ordinary Shares and take all such steps that are within Newbelco's control to ensure that admission to listing occurs promptly thereafter. Neither the Restricted Newbelco Shareholder, the Restricted Transferee nor any other transferee shall be liable for any cost or expense of Newbelco or its registrar in connection with such conversion or transfer and Newbelco shall not be liable for any delay in conversion or transfer or admission to listing provided it complies with this paragraph.

4.4 MANAGEMENT STRUCTURE

The management structure of Newbelco will be a "one-tier" governance structure comprised of the Newbelco Board. The Newbelco Board will be in charge of approving the company's strategy, overseeing the company's principal objectives, and assuming ultimate responsibility for the oversight of the company's activities. The executive management will be entrusted with the CEO who will be assisted by the Newbelco EBM and be responsible for the day-to-day management. The Newbelco Board will be assisted by four committees: the Audit Committee, the Finance Committee, the Remuneration Committee, and the Nomination Committee.

4.4.1 The Newbelco Board

4.4.1.1 Composition of the Newbelco Board

Pursuant to article 19.1 of the Newbelco Articles, Newbelco will be managed by a board of directors comprising a minimum of three and a maximum of fifteen directors. The appointment and renewal of all directors will be subject to approval by Newbelco's shareholders' meeting. Pursuant to the Newbelco Articles, the directors may be natural persons or legal entities who may but need not be shareholders and are appointed by the shareholders' meeting and are dismissible by it at any time. The corporate governance charter of Newbelco will provide that members of the Newbelco Board will be expected to be natural persons.

Except in cases of resignation, dismissal, revocation or other vacancy, it is expected that the Newbelco Board will be comprised of fifteen directors. When comprising fifteen directors, the Newbelco Board will be composed as follows:

- three independent directors will be appointed by the shareholders' meeting of Newbelco upon proposal by the Newbelco Board; and
- so long as the AB InBev Reference Shareholder and/or any of its Affiliates, any of their respective Successors or Successors' Affiliates own in aggregate more than 30% of the shares with voting rights in the share capital of Newbelco, nine directors will be appointed by the shareholders' meeting of Newbelco upon proposal by the AB InBev Reference Shareholder (and/or any of its Affiliates, any of their respective Successors or Successors' Affiliates); and
- so long as the holders of Restricted Newbelco Shares together with their Affiliates and/or any of their Successors and/or Successor's Affiliates, own in aggregate:
 - o more than 13.5% of the shares with voting rights in the share capital of Newbelco, three Restricted Newbelco Share Directors will be appointed by the shareholders' meeting of Newbelco upon proposal by the Restricted Newbelco Shareholders;
 - o more than 9% but not more than 13.5% of the shares with voting rights in the share capital of Newbelco, two Restricted Newbelco Share Directors will be appointed by the shareholders' meeting of Newbelco upon proposal by the Restricted Newbelco Shareholders;
 - o more than 4.5% but not more than 9% of the shares with voting rights in the share capital of Newbelco, one Restricted Newbelco Share Director will be appointed by the shareholders' meeting of Newbelco upon proposal by the Restricted Newbelco Shareholders; and

- 4.5% or less than 4.5% of the shares with voting rights in the share capital of Newbelco, they will no longer have the right to propose any candidate for appointment as a member of the Newbelco Board and no Restricted Newbelco Share Directors will be appointed.

Please refer to articles 19.3, 20 and 21 of the Newbelco Articles for details of the mechanisms for calculating the number of Newbelco directors to be proposed by the AB InBev Reference Shareholder and/or the Restricted Newbelco Shareholders, the nomination of candidates for Restricted Newbelco Share Directors and voting on Restricted Newbelco Share Director candidates.

As an exception to the above, the composition of the first Newbelco Board that will be in place immediately following the closing of the Belgian Offer will be comprised of the following twelve members:

- nine directors proposed by the AB InBev Reference Shareholder (all of which are existing members of the AB InBev Board); and
- three independent directors (all of which are existing independent directors of the AB InBev Board).

With respect to the appointment of the Restricted Newbelco Share Directors, given the irrevocable undertakings of Altria and BEVCO to elect for the Partial Share Alternative, it is certain that, upon Completion, the holders of the Restricted Newbelco Shares will hold more than 13.5% of the shares with voting rights in the share capital of Newbelco, thereby allowing such holders to propose three directors for appointment to the Newbelco Board. Assuming Altria and BEVCO elect for the Partial Share Alternative for the entire share capital of SABMiller beneficially owned by them in accordance with their irrevocable undertakings and that all other UK Scheme Shareholders elect for the Cash Consideration, Altria and BEVCO will be able to effectively control the nomination of these three Restricted Newbelco Share Directors. Conversely, if all UK Scheme Shareholders, including Altria and BEVCO, elect for the Partial Share Alternative, Altria and BEVCO will hold only 40.38% of the Restricted Newbelco Shares following Completion and will not be able to effectively control the nomination of the three Restricted Newbelco Share Directors. On the date of the Newbelco General Meeting, the results of the Belgian Offer (and hence the number and identity of the holders of Restricted Newbelco Shares) will not yet be known. The Newbelco Shareholders will therefore not be in a position to appoint such remaining three directors on the date of the Newbelco General Meeting.

Provided all resolutions submitted to the Newbelco General Meeting, the AB InBev General Meeting and the SABMiller Meetings in connection with the Transaction are approved with the required quorum and majority, it is expected that SABMiller will cause the three initial Newbelco Directors to resign shortly after the date of the Newbelco General Meeting, subject to and with effect from closing of the Belgian Offer, creating three vacant seats on the Newbelco Board. Once the results of the Belgian Offer and the identities of the holders of the Restricted Newbelco Shares are known, such holders will be able to nominate three candidate directors. If all three candidate directors are nominated by such holders on the day following the Belgian Offer, it is expected that all three candidates will be appointed on such day by co-optation by the Newbelco Board (which, at that point in time, will be comprised of the twelve individuals described above) to fill those vacancies. If less than three candidate directors are nominated by the holders of the Restricted Newbelco Shares on such day, it is expected that the Newbelco Board will proceed to the co-optation of such candidate directors on such day and organise a meeting of the holders of Restricted Newbelco Shares in order to seek the nomination of the other candidate directors by the holders of the Restricted Newbelco Shares so that all three Restricted Newbelco Share Directors are appointed as soon as possible after Completion.

Under Belgian law and pursuant to the Newbelco Articles, the appointment of the three Restricted Newbelco Share Directors by way of co-optation will (i) be subject to confirmation at the next shareholders' meeting of Newbelco unless the holders of Restricted Newbelco Shares propose alternative candidates for appointment at such shareholders' meeting, and (ii) assuming their

appointment is confirmed at the next shareholders' meeting of Newbelco, be for a term equal to the remainder of the original term of the three initial Newbelco Directors (i.e. expiring at the ordinary shareholders' meeting of Newbelco to be held in 2017).

4.4.1.2 Term of office

As a general principle, the term of office of all directors of Newbelco, except the Restricted Newbelco Share Directors, will be four years and terminate immediately after the closing of the fourth ordinary shareholders meeting following the date of their appointment, unless the shareholders meeting sets a shorter term. As an exception to this general principle, it is expected that the nine directors proposed by the AB InBev Reference Shareholder will be appointed by the Newbelco General Meeting for a period of slightly less than two years expiring at the ordinary shareholders' meeting of Newbelco to be held in 2018.

As far as the Restricted Newbelco Share Directors are concerned, their term of office will be one year and terminate immediately after the closing of the next ordinary shareholders meeting following the date of their appointment.

All directors will be eligible for re-election.

4.4.1.3 Vacancy during a director's term

When a position on the Newbelco Board becomes vacant, the remaining directors shall have the right to temporarily fill the vacancy by appointing a candidate proposed by (i) the Newbelco Board in the case of a vacancy relating to an independent director, (ii) the AB InBev Reference Shareholder in the case of a vacancy relating to a director appointed upon proposal of the AB InBev Reference Shareholder, or (iii) in the case of a vacancy relating to a Restricted Newbelco Share Director, the Proposing Holder (if such Proposing Holder then holds a Sufficient Restricted Shareholding), a Requisite Majority of Restricted Shareholders acting by written resolutions, or a Restricted Shareholders' Meeting, as further set out in the Newbelco Articles.

Any such temporary appointment shall (i) be subject to confirmation at the next shareholders' meeting unless the Newbelco Board, the AB InBev Reference Shareholder or the Restricted Shareholders' Meeting (or a Requisite Majority of Restricted Shareholders) propose an alternative candidate, and (ii) subject to such confirmation, be for a term equal to the remainder of the original term of the director who held office prior to such vacancy arising.

The following capitalised terms used in this section 4.4.1.3 have the meanings given to them in the Newbelco Articles: "Proposing Holder", "Requisite Majority of Restricted Shareholders", "Restricted Shareholders' Meeting" and "Sufficient Restricted Shareholding".

4.4.1.4 Chairman of the Newbelco Board

The Newbelco Board will elect the Chairman from amongst its members who meet the criteria for an independent director.

The Chairman will be responsible for the proper and efficient functioning of the Newbelco Board. He will determine the calendar of the Newbelco Board and committee meetings and the agenda of the Newbelco Board after consultation with the CEO and will chair the meetings of the Newbelco Board. The Chairman will represent the Newbelco Board from a public relations standpoint to shareholders and the public at large and will chair the shareholders' meetings. The Chairman will also serve as interface between the Newbelco Board and major shareholders of Newbelco on matters of corporate governance.

4.4.1.5 Independent directors

Independent directors on the Newbelco Board will be required to meet specific requirements of independence that will be set out in the corporate governance charter of Newbelco. Such requirements are derived from but not fully identical to the requirements set out in the Belgian Companies Code and the Belgian Corporate Governance Code of March 2009 (when legally required, the criteria of independence provided by Belgian company law shall be applied by Newbelco). The requirements of independence contained in the corporate governance charter of Newbelco will be similar to the requirements currently included in the corporate governance charter of AB InBev.

4.4.2 Executive Management

4.4.2.1 CEO

The Newbelco Board will appoint and remove the CEO.

The CEO will be responsible for the day-to-day management of Newbelco and will oversee the organisation and efficient day-to-day management of subsidiaries, affiliates and joint ventures. The CEO will report to the Newbelco Board. The CEO will be responsible for the execution and management of all Newbelco Board decisions.

4.4.2.2 Executive Board of Management

The CEO will be supported by the Newbelco EBM which will report to the CEO. The Newbelco EBM will be comprised of the CEO, functional heads (or ‘chiefs’) and zone presidents. The Newbelco EBM will perform such duties as may be assigned to it from time to time by the CEO or the Newbelco Board.

Directors may not hold executive roles in Newbelco (be it as members of the Newbelco EBM or otherwise) or be employees of Newbelco.

4.5 DECISIONS OF THE SHAREHOLDERS’ MEETING

Each Newbelco Share will be entitled to one vote except for shares owned by Newbelco, or by any of its subsidiaries, the voting rights of which will be suspended. The shares held by Newbelco’s principal shareholders will not entitle such shareholders to different voting rights.

Save as provided in the Belgian Companies Code or the Newbelco Articles, there will be no quorum requirement at Newbelco shareholders’ meetings and decisions will be taken by a simple majority vote.

Resolutions relating to amendments of the Newbelco Articles or the merger or split of Newbelco will be subject to special quorum and majority requirements. Specifically, any resolution on these matters will require the presence in person or by proxy of shareholders holding an aggregate of at least 50% of the issued share capital of Newbelco, and the approval of at least 75% of the votes cast at the meeting. If there is no quorum, a second meeting must be convened. At the second meeting, the quorum requirement will not apply. However, the special majority requirement will continue to apply.

Resolutions relating to the modification of the rights attached to a particular class of Newbelco Shares will be subject to special quorum and majority requirements. Specifically, any resolution on these matters will require the presence in person or by proxy of shareholders holding an aggregate of at least 50% of the issued share capital in each class of Newbelco Shares and the approval of at least 75% of the votes cast at the meeting in each class of Newbelco Shares. If there is no quorum, a second meeting must be convened. At the second meeting, the quorum requirement will not apply. However, the special majority requirement will continue to apply.

Any modification of Newbelco's corporate purpose or legal form or any authorisation to repurchase shares will require a quorum of shareholders holding an aggregate of at least 50% of the share capital and approval by a qualified majority of at least 80% of the votes cast at the meeting. If there is no quorum, a second meeting must be convened. At the second meeting, no quorum will be required, but the relevant resolution must be approved by a qualified majority of at least 80% of the votes cast at the meeting.

Pursuant to article 40 of the Newbelco Articles, any acquisition or disposal of tangible assets by Newbelco for an amount higher than the value of one-third of Newbelco's consolidated total assets as reported in Newbelco's most recent audited consolidated financial statements shall be within the exclusive jurisdiction of Newbelco's shareholders' meeting and shall be adopted with a positive vote of 75% of the votes cast at the meeting, regardless of the number of shares attending or represented.

4.6 TRANSACTIONS WITH A MAJOR SHAREHOLDER

Pursuant to article 41 of the Newbelco Articles, in the event of (i) a contribution in kind to Newbelco with assets owned by any person or entity which is required to file a transparency declaration pursuant to applicable Belgian law or a subsidiary of such person or entity, or (ii) a merger of Newbelco with such a person or entity or a subsidiary of such person or entity, then such person or entity and its subsidiaries shall not be entitled to vote on the resolution submitted to the shareholders' meeting of Newbelco to approve such contribution in kind or merger.

5. TAX TREATMENT OF THE BELGIAN MERGER

A Belgian advance decision pursuant to article 20 of the law of 24 December 2002 amending the BITC has been obtained with respect to amongst others the Belgian tax treatment of the Belgian Merger (cf. advance decision no. P2016.0133 issued on 12 July 2016).

The Belgian Merger will not have Belgian tax evasion or tax avoidance as one of its principal objectives conform article 183bis of the BITC and will be performed tax-neutral in accordance with article 211, §1 BITC.

The cancellation of the own shares acquired by Newbelco as a result of the Belgian Merger in the merger deed will entirely be allocated to the issue premium of Newbelco qualifying as fiscal paid-up capital pursuant to article 184 BITC and will qualify as a reduction of the issue premium as a result of a genuine decision in conformity with the Belgian Companies Code in accordance with article 18, 2°bis BITC. As a result, no dividend will be deemed to be distributed by Newbelco in accordance with article 18, 2°ter BITC as the tax consequences of article 186 juncto 188 BITC will not apply. In addition, no fairness tax consequences will be triggered in accordance with article 219ter BITC.

To the extent that own shares are not cancelled as part of the merger process but would be maintained as treasury shares, an unavailable reserve will feature on Newbelco's opening balance sheet after the Belgian Merger. Such reserve will also be created through a reduction of the issue premium qualifying as fiscal paid-up capital pursuant to article 184 BITC and therefore no dividend distribution would be triggered. The creation of such reserve will not trigger any increase of the taxable reserves.

An additional reduction of Newbelco's capital or issue premium to create distributable reserves would result in an increase of the taxable reserves. Such increase of the reserves will not lead to taxable income as referred to in articles 183 and 185 BITC as it does not constitute an effective increase of Newbelco's equity and therefore would not trigger taxation.

The transfer of AB InBev's tax losses carried forward and dividend received deduction carried forward upon the Belgian Merger will be limited pursuant to article 206, §2 BITC proportionate to the net fiscal values of AB InBev and Newbelco determined in accordance with article 184ter, §3 BITC. This will result in a forfeiture of tax losses carried forward and dividend received deduction carried

forward of AB InBev upon the Belgian Merger. Based on the estimated tax position of AB InBev per 10 October 2016 and Newbelco's tax attributes at the time of the merger, AB InBev's available tax losses carried forward of approximately EUR 1.0 billion and excess dividend received deduction of approximately EUR 0.5 billion would transfer for approximately 30% to Newbelco. The available tax losses and excess dividend received deduction carried forward of AB InBev which remain available for Newbelco after the reverse merger can therefore be estimated at approximately EUR 0.3 billion and approximately EUR 0.15 billion respectively.

The Belgian Merger will be tax-neutral for VAT and registration duty purposes since the Belgian Merger will be carried out in accordance with article 11 and 18, §3 of the Belgian Value Added Tax Code and article 117, §1 of the Federal Registration Duties Code.

6. RESPONSIBILITY STATEMENT

The directors of AB InBev, whose names are set out in Schedule 5 to this Report, accept responsibility for the information contained in this Report, except for the information relating to Newbelco for which the directors of Newbelco accept responsibility in accordance with their responsibility statement included in the report of the Newbelco Board drafted in accordance with article 694 of the Belgian Companies Code.

To the best of the knowledge of the directors of AB InBev (having taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

7. RIGHT TO CONSULT THIS REPORT

In accordance with article 697, §2 of the Belgian Companies Code, the shareholders of AB InBev and Newbelco have the right to consult this Report at the registered office of AB InBev and of Newbelco, at least one month before the date of the AB InBev General Meeting.

The report of the auditor referred to in section 2.1.4 of this Report will be made available to the shareholders in the same way as this Report.

8. LANGUAGES

This Report has been drawn up in French, Dutch and English. The contents of this Report have been discussed and agreed by AB InBev in the English language. In case of differences between the French, Dutch and English versions of this Report, the English version will prevail.

[signature page follows]

This Report has been executed on 22 August 2016 in two original copies.

For the board of directors of Anheuser-Busch InBev SA/NV,

Elio Leoni Sceti

Director

Stéfan Descheemaeker

Director

Schedules:

1. *Common draft terms relating to the Belgian Merger*
2. *Consolidated balance sheet of AB InBev as at 31 December 2015*
3. *Consolidated balance sheet of SABMiller as at 31 March 2016*
4. *Methods used for the valuation of the merging companies and the determination of the exchange ratio*
5. *Directors of AB InBev*
6. *Definitions*

Schedule 1
Common draft merger terms

[please see separate document]

Schedule 2
Consolidated balance sheet of AB InBev as at 31 December 2015

As at Million US dollar	Notes	31 December 2015
ASSETS		
Non-current assets		
Property, plant and equipment	13	18 952
Goodwill	14	65 061
Intangible assets	15	29 677
Investments in associates and joint ventures		212
Investment securities	16	48
Deferred tax assets	17	1 181
Employee benefits	23	2
Derivatives	27H	295
Trade and other receivables	19	913
		116 341
Current assets		
Investment securities	16	55
Inventories	18	2 862
Income tax receivable		687
Derivatives	27H	3 268
Trade and other receivables	19	4 451
Cash and cash equivalents	20	6 923
Assets held for sale		48
		18 294
Total assets		134 635
EQUITY AND LIABILITIES		
Equity		
Issued capital	21	1 736
Share premium		17 620
Reserves		(13 168)
Retained earnings		35 949
Equity attributable to equity holders of AB InBev		42 137
Non-controlling interest		3 582
		45 719
Non-current liabilities		
Interest-bearing loans and borrowings	22	43 541
Employee benefits	23	2 725
Deferred tax liabilities	17	11 961
Derivatives	27H	315
Trade and other payables	26	1 241
Provisions	25	677
		60 460
Current liabilities		
Bank overdrafts	20	13
Interest-bearing loans and borrowings	22	5 912
Income tax payable		669
Derivatives	27H	3 980
Trade and other payables	26	17 662
Provisions	25	220
		28 456
Total equity and liabilities		134 635

The notes included in AB InBev Annual Report 2015 are an integral part of this balance sheet.

Schedule 3
Consolidated balance sheet of SABMiller as at 31 March 2016

As at Million US dollar	Notes	2016
ASSETS		
Non-current assets		
Goodwill	10	14 268
Intangible assets	11	6 526
Property, plant and equipment	12	7 750
Investments in joint ventures	13	5 512
Investments in associates	14	4 114
Available for sale investments		19
Derivative financial instruments	22	565
Trade and other receivables	16	121
Deferred tax assets	19	209
		39 084
Current assets		
Inventories	15	993
Trade and other receivables	16	1 742
Current tax assets		59
Derivative financial instruments	22	281
Cash and cash equivalents	17	1 430
		4 505
Total assets		43 589
LIABILITIES		
Current liabilities		
Derivative financial instruments	22	(213)
Borrowings	20	(2 926)
Trade and other payables	18	(3 870)
Current tax liabilities		(830)
Provisions	24	(270)
		(8 109)
Non-current liabilities		
Derivative financial instruments	22	(26)
Borrowings	20	(8,814)
Trade and other payables	18	(28)
Deferred tax liabilities	19	(2,250)
Provisions	24	(274)
		(11 392)
Total liabilities		(19 501)
Net assets		24 088
Equity		
Share capital	25	168
Share premium		6 849
Merger relief reserve		3 628
Other reserves	26b	(6 758)
Retained earnings	26a	19 005
Total shareholders' equity		22 892
Non-controlling interests		1 196
Total equity		24 088

The notes included in SAB Miller Annual Report 2016 are an integral part of this balance sheet.

Schedule 4

Methods used for the valuation of the merging companies and the determination of the exchange ratio

In order to support the proposed exchange ratio of one New Ordinary Share against one AB InBev Pre-Merger Share, the boards of directors of AB InBev and Newbelco have considered the consequences of the Belgian Merger for both the AB InBev Shareholders (section 1) and the Newbelco Shareholders (section 2).

For AB InBev Shareholders, the value per share of AB InBev Pre-Merger was calculated and compared with the value per share of Newbelco Post-Merger, whilst for Newbelco Shares, the value per share of Newbelco Pre-Merger was compared to the value per share of Newbelco Post-Merger, in order to support the proposed exchange ratio.

1. AB InBev Shareholders' perspective

1.1 Valuation methodology

The Board used a number of generally accepted valuation methods including: (i) the discounted cash flow analysis based on projections with regard to the future performance of AB InBev, including Ambev SA, SABMiller and Newbelco; and (ii) the selected public companies analysis.

The different valuation methodologies include a cost savings potential in excess of current SABMiller initiatives. The different valuation methodologies reflect the quantified financial benefits referred to in the UK Scheme Document.

The valuation methodologies have been applied on the following basis:

- given that SABMiller has a fiscal year-end on 31 March, SABMiller's financials have been calendarised to 31 December (in-line with AB InBev's fiscal year-end);
- the valuation of the merging companies and the determination of the exchange ratio have been carried out by the Board with the assistance of the management and the financial advisors of AB InBev;
- Altria and BEVCO elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares in accordance with the terms of the irrevocable undertakings they have given to AB InBev and all other UK Scheme Shareholders elect for the Cash Consideration;
- SABMiller's number of fully diluted shares outstanding of 1,656,404,007 as of 31 July 2016 is comprised of: (i) 1,612,416,771 basic shares (1,623,481,308 shares net of 11,064,537 shares held in SABMiller's Employee Benefit Trust); and (ii) 43,987,236 of other dilutive instruments (44,037,881 dilutive instruments net of 50,645 cash-settled shares). The valuation is not based on the Treasury Stock Method: the proceeds from the exercise of dilutive instruments are not assumed to be used to buy-back shares but are assumed to increase the cash balance instead; and
- exchange rates are based on spot rates as of 17 August 2016 (dollars to euros of 0.8873 and dollars to pounds sterling of 0.7688).

1.2 AB InBev Pre-Merger

1.2.1 Basis of valuation exercise

The valuation of AB InBev Pre-Merger reflects the value of AB InBev following completion of the Belgian Offer.

The Enterprise Value of AB InBev Pre-Merger is defined as the cumulative Enterprise Values of AB InBev (pre-Transaction) and SABMiller Retained (based on the valuation methodologies outlined below). AB InBev and SABMiller Retained Enterprise Values both include the share of synergies that are related to them. The different valuation methodologies reflect the quantified financial benefits referred to in the UK Scheme Document.

The equity value of AB InBev Pre-Merger is obtained by taking the aggregate Enterprise Value of AB InBev and SABMiller Retained and adding the following items:

- the value of the disposal proceeds net of estimated tax payments; and
- the value of AB InBev's associates and joint-ventures,

and deducting the following items:

- AB InBev's standalone net debt as of 30 June 2016;
- AB InBev's standalone pensions as of 30 June 2016;
- AB InBev's new acquisition debt;
- the non-controlling interests in Ambev SA not held by AB InBev;
- the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller;
- SABMiller's rolled-over standalone net debt as of 31 March 2016 adjusted for the payment of the August 2016 dividend;
- SABMiller's standalone pensions as of 31 March 2016; and
- the non-controlling interests in SABMiller Retained not held by AB InBev after completion of the Belgian Offer.

The Board notes that SABMiller Retained's Enterprise Value and multiples are presented as "group multiples", which means that they include the value of associates. On the other hand, AB InBev's Enterprise Value and multiples are presented as "controlled multiples", which means that they exclude the value of associates and joint-ventures given non-significant amount of investments in associates and joint-ventures.

1.2.2 Discounted cash flow analysis

A discounted cash flow analysis aims at determining the Enterprise Value of a company by discounting the future free cash flows of that company. From the Enterprise Value, the net financial debt and debt-like items are deducted and cash-like items are added to obtain the Equity Value. This valuation metric is strongly influenced by (i) the projections with regard to performance of the companies, (ii) the WACC used to discount the future cash flows and terminal values, and (iii) the Terminal Growth Rate used to compute the terminal value.

The discounted cash flow analysis of AB InBev, SABMiller Retained and Ambev SA was performed by the Board using information contained in public filings and internal business plans. AB InBev, Ambev SA and SABMiller Retained forecasts are based on internal models and business plans developed by AB InBev.

In performing the discounted cash flow analysis, the Board applied a range of discount rates of 7.19% - 7.69%, 8.73% - 9.23% and 9.49% - 9.99% for AB InBev, Ambev SA and SABMiller Retained, respectively to (i) after-tax unlevered free cash flows expected to be generated during the calendar years 2016 through 2024 and (ii) estimated terminal values using a range of Terminal Growth Rates of 1.75% - 2.25%, 2.75% - 3.25% and 3.00% - 3.50% for AB InBev, Ambev SA and SABMiller Retained, respectively.

This discounted cash flow analysis resulted in a range of implied Equity Value of approximately EUR 87.46 - EUR 113.97 per AB InBev Pre-Merger Share.

1.2.3 Selected public companies analysis

The selected public companies analysis aims at measuring the relative value of a company based on the market value of publicly trading peers.

The Board applied an Enterprise Value/EBITDA multiple based on the Enterprise Value/EBITDA multiple of a selected peer group to AB InBev and SABMiller Retained's 2016E EBITDA, as follows:

- The Enterprise value/EBITDA multiples were calculated by dividing (i) the Enterprise Value of the selected peer group companies; by(ii) the EBITDA of such selected peer group companies; and
- a multiple based on the Enterprise Value/EBITDA multiples of the selected peer group companies was then applied to AB InBev and SABMiller Retained's previously estimated 2016E EBITDA.

The selected public company analysis is focused on Enterprise Value/EBITDA multiples. The reference to sales multiples was disregarded for the purpose of this valuation as they do not take into account differences in profitability levels of the companies. Multiples based on operating income were also omitted due to the discrepancies in the depreciation and amortization policies.

The Board reviewed and compared certain financial information and commonly used valuation measurements for AB InBev and SABMiller Retained with corresponding financial information and valuation measurements for the following companies operating in the global consumer products industry:

- Coca-Cola Co.;
- Colgate-Palmolive Co.;
- Diageo Plc.;
- Heineken N.V.;
- Kraft Heinz Co.;
- L'Oréal SA;
- Mondelez International, Inc.;
- Nestlé S.A.;
- PepsiCo, Inc.;
- Procter & Gamble Co.;
- Reckitt Benckiser Group Plc.; and
- Unilever Plc.

Although none of these selected companies are directly comparable to AB InBev and SABMiller Retained, the companies included were selected because they are publicly traded companies with financial and operating characteristics that, for the purposes of analysis, may be considered similar to those of AB InBev and SABMiller Retained. Accordingly, the analysis of publicly traded companies was not purely mathematical. Rather, it involved complex considerations and qualitative judgments concerning differences in financial and operating characteristics of the selected companies and other factors that could affect the public trading value of such companies.

The value of the non-controlling interests in Ambev SA not held by AB InBev and the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller are also based on the selected public companies analysis methodology.

Based upon EV/EBITDA multiples of the selected companies, ranges of estimated implied value per AB InBev Pre-Merger Share were calculated by applying relevant multiples of Enterprise Value to AB InBev, Ambev SA and SABMiller Retained's 2016 estimated EBITDA.

It resulted in ranges of implied value of approximately EUR 69.47 - EUR 88.68 per AB InBev Pre-Merger Share.

1.3 Newbelco Post-Merger

1.3.1 Basis of valuation exercise

The valuation of Newbelco Post-Merger reflects the value of the pro forma equity of Newbelco after completion of the Belgian Merger.

The equity value of Newbelco Post-Merger is obtained by taking the Enterprise Value of Newbelco Post-Merger and adding the following items:

- the value of the disposal proceeds net of estimated tax payments; and
- the value of AB InBev's associates and joint-ventures,

and deducting the following items:

- AB InBev's standalone net debt as of 30 June 2016;
- AB InBev's standalone pensions as of 30 June 2016;
- AB InBev's new acquisition debt;
- the non-controlling interests in Ambev SA not held by AB InBev;
- the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller;
- SABMiller's rolled-over standalone net debt as of 31 March 2016 adjusted for the payment of the August 2016 dividend; and
- SABMiller's standalone pensions as of 31 March 2016.

1.3.2 Discounted cash flow analysis

The discounted cash flow analysis of Newbelco Post-Merger, Ambev SA and SABMiller Retained non-controlling interests was performed using information contained in public filings and internal business plans. Newbelco Post-Merger, Ambev SA and SABMiller Retained non-controlling interests forecasts are based on internal models and business plans developed by AB InBev.

In performing the discounted cash flow analysis, the Board applied a range of discount rates of 7.36% - 7.86%, 8.73% - 9.23% and 9.49% - 9.99% for Newbelco Post-Merger, Ambev and SABMiller

Retained non-controlling interests, respectively to (i) after-tax unlevered free cash flows expected to be generated during the calendar years 2016 through 2024 and (ii) estimated terminal values using a range of Terminal Growth Rates of 2.25% - 2.75%, 2.75% - 3.25% and 3.00% - 3.50% for Newbelco Post-Merger, Ambev and SABMiller Retained non-controlling interests, respectively. The ranges of discount and Terminal Growth Rates applied to Newbelco Post-Merger reflect the expected geographic scope of Newbelco's business after Completion.

This analysis resulted in a range of implied value of approximately EUR 100.74 - EUR 130.88 per Newbelco Post-Merger Share.

1.3.3 Selected public companies analysis

The Board reviewed and compared certain financial information and commonly used valuation measurements for Newbelco Post-Merger with corresponding financial information and valuation measurements for companies with global operations in the consumer products industry. The companies used for this purpose and the reasons for which they were selected are the same as mentioned under section 1.2.3 of this Schedule 4.

On this basis, the Board calculated ranges of estimated implied value per Newbelco Post-Merger Share by applying relevant multiples of Enterprise Value to Newbelco Post-Merger, Ambev SA and SABMiller Retained's 2016 estimated EBITDA.

It resulted in ranges of implied value of approximately EUR 73.80 - EUR 92.08 per Newbelco Post-Merger Share.

1.4 Range of exchange ratios

Based on the valuation methods described above, the Board obtained the following ranges of exchange ratios, reflecting the situation for the AB InBev Shareholders after the Belgian Merger compared with the situation before the Belgian Merger.

1.4.1 Discounted cash flow analysis

- The low-end of the exchange ratio range of 0.67x was obtained by dividing the lowest value per AB InBev Pre-Merger Share implied in the discounted cash flow analysis of EUR 87.46 by the highest value per Newbelco Post-Merger Share implied in the discounted cash flow analysis of EUR 130.88; and
- the high-end of the exchange ratio range of 1.13x was obtained by dividing the highest value per AB InBev Pre-Merger Share implied in the discounted cash flow analysis of EUR 113.97 by the lowest value per Newbelco Post-Merger Share implied in the discounted cash flow analysis of EUR 100.74.

1.4.2 Selected public companies analysis

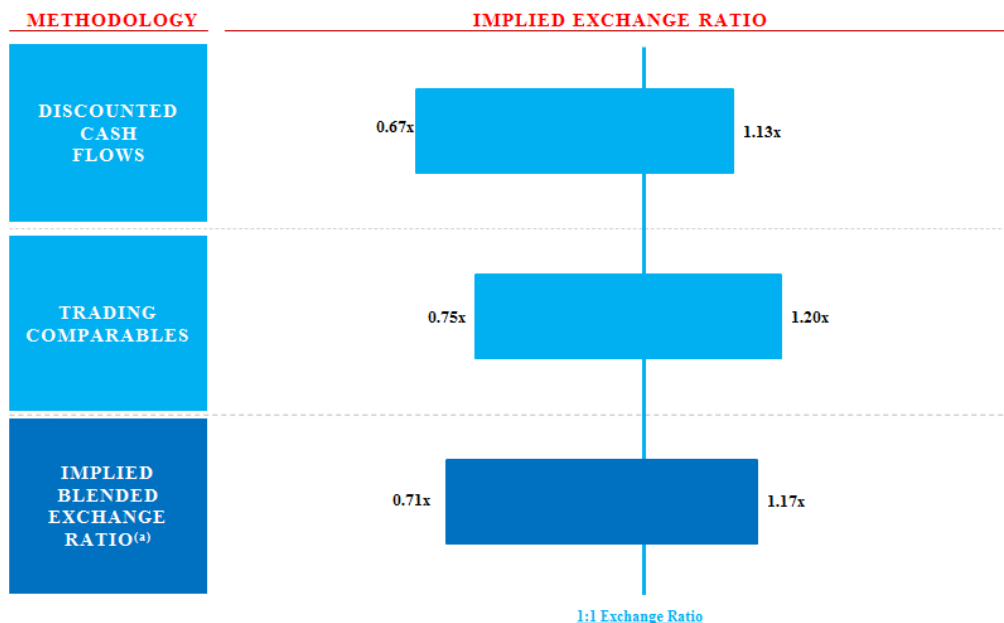
- The low-end of the exchange ratio range of 0.75x was obtained by dividing the lowest value per AB InBev Pre-Merger Share implied in the selected public companies analysis of EUR 69.47 by the highest value per Newbelco Post-Merger Share implied in the selected public companies analysis of EUR 92.08; and
- the high-end of the exchange ratio range of 1.20x was obtained by dividing the highest value per AB InBev Pre-Merger Share implied in the selected public companies analysis of EUR 88.68 by the lowest value per Newbelco Post-Merger Share implied in the selected public companies analysis of EUR 73.80.

1.4.3 Weighting

In arriving at its valuation and the determination of the exchange ratio, the Board did not assign specific weights to each valuation method. Blended exchange ratios were obtained by applying an equal weight to the exchange ratios obtained in the relevant methodologies.

The exchange ratio range of 0.71x - 1.17x is based on the equally-weighted exchange ratio ranges of 0.67x - 1.13x and 0.75x - 1.20x obtained in the discounted cash flow analysis and selected public companies analysis, respectively.

The range of exchange ratios obtained as per the various valuation methods used by the Board is summarised in the table below.



(a) Equal weight given to both methodologies.

2. Newbelco Shareholders' perspective

2.1 Valuation methodology

The valuation methodologies have been applied on the same basis as set out in section 1 of this Schedule 4.

2.2 Newbelco Pre-Merger

The valuation of Newbelco Pre-Merger is based on the valuation of the UK Scheme Shares in the contribution in kind that will occur just prior to the Belgian Merger, considering that the UK Scheme Shares represent all of Newbelco's net assets at that time. The value at which the UK Scheme Shares will be contributed has been determined by the Board at an amount in euros obtained by converting GBP 75.4bn to EUR at the EUR to GBP reference rate. For purposes of this valuation, the Board has considered a spot rate of 0.8664 as of 17 August 2016 resulting in a valuation of EUR 87.0bn.

The value of GBP 75.4bn is supported by the valuation exercise performed for purpose of the contribution in kind of the UK Scheme Shares. As further detailed in the report of the Newbelco Board on the contribution in kind, the contribution value was determined based on a blended value of the Cash Consideration and the Partial Share Alternative.

The Cash Consideration of GBP 45 has been valued based on the Belgian Offer price of GBP 0.45 per Newbelco share. The value of the Partial Share Alternative is the result of a combination of discounted cash flow analysis and a selected public companies analysis. The blended value of the Cash Consideration and the Partial Share Alternative, weighted by the number of SABMiller shares that will be satisfied with the Cash Consideration and with the Partial Share Alternative, based on the assumptions referred to in section 2.1 of this Schedule 4, is referred to as the “*Blended Offer Price*”. The resulting Blended Offer Price range is between GBP 43.52 and GBP 47.53 and has led the Board to determine the value of the contribution in kind at GBP 75.4bn.

The Board has calculated an implied value per Newbelco Pre-Merger Share of EUR 97.32 by dividing the value of the contribution by the number of Newbelco Shares that will exist following the Reclassification and Consolidation and before the Belgian Merger of 894,226,462. This is calculated based on the multiplication of SABMiller’s number of fully diluted shares outstanding of 1,656,404,007 by 100 and the division of the result by the Consolidation Factor.

2.3 Newbelco Post-Merger

2.3.1 Basis of valuation exercise

The valuation of Newbelco Post-Merger reflects the value of the pro forma equity of Newbelco after completion of the Belgian Merger. The methodology is set out in section 1.3.1 of this Schedule 4.

2.3.2 Discounted cash flow analysis

As noted above, the methodology set out in section 1.3.2 of this Schedule 4 resulted in a range of implied value of approximately EUR 100.74 - EUR 130.88 per Newbelco Post-Merger Share.

2.3.3 Selected public companies analysis

As noted above, the methodology set out in section 1.3.3 of this Schedule 4 resulted in ranges of implied value of approximately EUR 73.80 - EUR 92.08 per Newbelco Post-Merger Share.

2.4 Range of exchange ratios

Based on the valuation methods described above, the Board obtained the following ranges of exchange ratios.

2.4.1 Discounted cash flow analysis

- The low-end of the exchange ratio range of 0.74x was obtained by dividing the value of Newbelco Pre-Merger Share of EUR 97.32 by the highest value per Newbelco Post-Merger Share implied in the discounted cash flow analysis of EUR 130.88; and
- the high-end of the exchange ratio range of 0.97x was obtained by dividing the value of Newbelco Pre-Merger Share of EUR 97.32 by the lowest value per Newbelco Post-Merger Share implied in the discounted cash flow analysis of EUR 100.74.

2.4.2 Selected public companies analysis

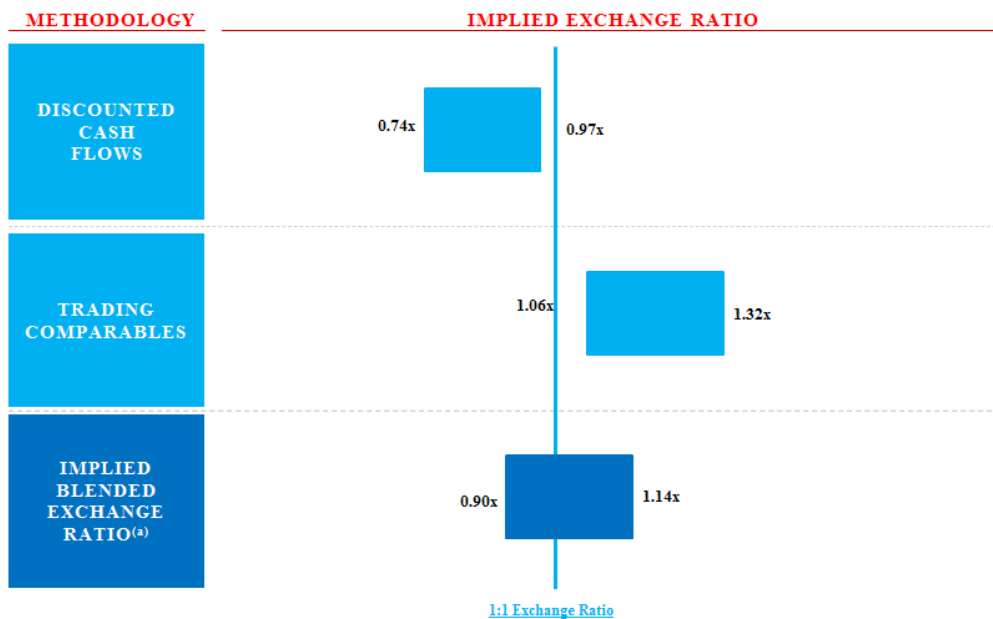
- The low-end of the exchange ratio range of 1.06x was obtained by dividing the value of Newbelco Pre-Merger Share of EUR 97.32 by the highest value per Newbelco Post-Merger Share implied in the selected public companies analysis of EUR 92.08; and
- The high-end of the exchange ratio range of 1.32x was obtained by dividing the value of Newbelco Pre-Merger Share of EUR 97.32 by the lowest value per Newbelco Post-Merger Share implied in the selected public companies analysis of EUR 73.80.

2.4.3 Weighting

In arriving at its valuation and the determination of the exchange ratio, the Board did not assign specific weights to each valuation method. Blended exchange ratios were obtained by applying an equal weight to the exchange ratios obtained in the relevant methodologies.

The exchange ratio range of 0.90x - 1.14x is based on the equally-weighted exchange ratio ranges of 0.74x – 0.97x and 1.06x - 1.32x obtained in the discounted cash flow analysis and selected public companies analysis, respectively.

The range of exchange ratios obtained as per the various valuation methods used by the Board is summarised in the table below.



(a) Equal weight given to both methodologies.

3. Conclusion on the exchange ratio

On the basis of the range of exchange ratios obtained, the Board considers that an exchange ratio of one Newbelco Share for one AB InBev Pre-Merger Share is reasonable.

Schedule 5
Directors of AB InBev

Olivier GOUDET

Alexandre BEHRING

M. Michele BURNS

Paul CORNET de WAYS RUART

Stéfan DESCHEEMAEKER

Valentin DIEZ MORODO

Paulo Alberto LEMANN

Elio LEONI SCETI

Kasper RORSTED

Carlos Alberto da VEIGA SICUPIRA

Grégoire de SPOELBERCH

Marcel Herrmann TELLES

Alexandre VAN DAMME

Maria Asuncion ARAMBURUZABALA

Schedule 6 Definitions

<i>2016E EBITDA</i>	estimated EBITDA for the 2016 calendar year
<i>AB InBev</i>	Anheuser-Busch InBev SA/NV, a limited liability company (<i>société anonyme / naamloze vennootschap</i>) incorporated in Belgium, with its registered address at Grand'Place/Grote Markt 1, 1000 Brussels, Belgium and administrative office at Brouwerijplein 1, 3000 Leuven, Belgium and registered with the Crossroads Bank of Enterprises under number 0417.497.106 RPM/RPR (Brussels)
<i>AB InBev ADSs</i>	American Depositary Shares of AB InBev
<i>AB InBev General Meeting</i>	the general meeting of AB InBev Shareholders (and any adjournment thereof) to be convened in connection with the Belgian Offer, the Belgian Merger and the Transaction for the purpose of considering, and, if thought fit, approving, the AB InBev Resolutions
<i>AB InBev Group</i>	AB InBev and the group of companies owned and/or controlled by AB InBev
<i>AB InBev Pre-Merger</i>	AB InBev following closing of the Belgian Offer, but prior to the Belgian Merger
<i>AB InBev Pre-Merger Share</i>	a share in AB InBev Pre-Merger
<i>AB InBev Reference Shareholder</i>	Stichting Anheuser-Busch InBev or any successor thereof
<i>AB InBev Resolutions</i>	any resolutions to be taken by the AB InBev General Meeting as are necessary or useful to approve, implement and effect: (i) the Belgian Offer; (ii) the Belgian Merger; and (iii) any other step of the Transaction
<i>AB InBev Shareholders</i>	holders of AB InBev Shares and/or AB InBev ADSs from time to time
<i>AB InBev Shares</i>	AB InBev ordinary shares
<i>ADR</i>	American Depositary Receipt
<i>ADS</i>	American Depositary Share
<i>Affiliate</i>	an affiliate within the meaning of Article 11 of the Belgian Companies Code
<i>Altria</i>	Altria Group, Inc.
<i>Ambev Business Exchange</i>	the transfer of SABMiller's Panamanian business from AB InBev to Ambev, and the transfer of Ambev's business in Colombia, Peru and Ecuador to AB InBev

<i>Belgian Companies Code</i>	the Belgian law of 7 May 1999, setting out the Companies Code, as amended from time to time
<i>Belgian Merger</i>	the merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code, pursuant to which the AB InBev Shareholders will become Newbelco Shareholders and Newbelco will be the surviving entity and the holding company for the Combined Group
<i>Belgian Offer</i>	the voluntary cash takeover offer to be made by AB InBev for all of the Initial Newbelco Shares pursuant to the Takeover Law and the Takeover Royal Decree
<i>BEVCO</i>	BEVCO Ltd.
<i>BITC</i>	Belgian income tax code
<i>Board</i>	the board of directors of AB InBev
<i>BRC</i>	BRC S.à.r.l.
<i>Capital Increase</i>	the capital increase of Newbelco against the contribution in kind by the UK Scheme Shareholders of their UK Scheme Shares and the issue of Initial Newbelco Shares to such UK Scheme Shareholders in exchange for such contribution to be approved by the Newbelco General Meeting in connection with the implementation of the UK Scheme
<i>Cash Consideration</i>	the cash proceeds to be received by the UK Scheme Shareholders who do not elect (or are deemed not to elect) for the Partial Share Alternative under and subject to the terms of the Transaction
<i>CEO</i>	the Chief Executive Officer of Newbelco upon Completion
<i>Combined Group</i>	the enlarged group following the Transaction, comprising the AB InBev Group, the SABMiller Group and Newbelco
<i>Completion</i>	completion of the Belgian Merger (which will not occur until after (i) the UK Scheme has become effective; and (ii) the subsequent closing of the Belgian Offer)
<i>Consolidation Factor</i>	185.233168056448
<i>Co-operation Agreement</i>	the agreement dated 11 November 2015 between AB InBev and SABMiller and relating, among other things, to the implementation of the Transaction, as amended from time to time
<i>CREST</i>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the UK Uncertificated Securities Regulations 2001 (as amended)

<i>CR Snow Divestiture</i>	the sale of SABMiller's 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow
<i>EBITDA</i>	Profit from operations plus depreciation, amortisation and impairment, normalised to exclude exceptional items
<i>EPS</i>	EPS Participations S.à.r.l.
<i>Equity Value</i>	the value determined as the product of the share price and the diluted number of shares outstanding at the relevant time
<i>Euroclear</i>	CIK SA/NV (Euroclear Belgium)
<i>European Divestitures</i>	the following divestitures: <ul style="list-style-type: none"> - the sale of SABMiller's Peroni, Grolsch and Meantime brand families and their associated businesses in Italy, the Netherlands, the UK and internationally, to Asahi; and - the envisaged sale of the entirety of assets of SABMiller in Central and Eastern Europe (Hungary, Romania, Czech Republic, Slovakia and Poland)
<i>Final Notarial Deed</i>	the notarial deed acknowledging completion of the Belgian Merger
<i>GBP – EUR Reference Rate</i>	the European Central Bank's euro foreign exchange reference rate GBP – EUR which will be published on the European Central Bank's website at around 16:00 CET on the business day prior to the date on which the Capital Increase will be effective
<i>Incorporation Shares</i>	the 6,150,000 registered shares without nominal value issued by Newbelco on 3 March 2016 and outstanding as at the date of this Report, which will be cancelled with effect simultaneously with the completion of the Capital Increase
<i>Initial Newbelco Shares</i>	the ordinary shares in the capital of Newbelco to be issued to UK Scheme Shareholders pursuant to the terms of the UK Scheme
<i>Johannesburg Stock Exchange</i>	the securities exchange operated by the JSE under the South African Financial Markets Act, 19 of 2012 (as amended)
<i>JSE</i>	JSE Limited, a public company incorporated in accordance with the laws of South Africa under registration number 2005/022939/06 and licensed to operate an exchange under the South African Financial Markets Act, 19 of 2012 (as amended)
<i>Merger Terms</i>	the common draft terms of merger dated 1 August 2016 as prepared by the respective boards of directors of AB

	InBev and Newbelco in relation to the Belgian Merger in accordance with Article 693 of the Belgian Companies Code
<i>MillerCoors Divestiture</i>	the sale of SABMiller's interest in MillerCoors and SABMiller's portfolio of Miller brands outside the U.S. to Molson Coors
<i>Newbelco</i>	Newbelco SA/NV, a limited liability company (société anonyme / naamloze vennootschap) incorporated in Belgium, with its registered address at Rue Royale/Koningsstraat 97, 4th floor, 1000 Brussels, Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels)
<i>Newbelco ADS</i>	an ADS of Newbelco, represented by an ADR
<i>Newbelco Articles</i>	the articles of association of Newbelco, to be adopted by the Newbelco General Meeting expected to be held on or around 28 September 2016 and which will be effective upon closing of the Belgian Offer, save for certain specific provisions that will only become effective upon the admission to listing and trading of the New Ordinary Shares on Euronext Brussels becoming effective
<i>Newbelco Board</i>	the board of directors of Newbelco
<i>Newbelco EBM</i>	the executive board of management of Newbelco upon Completion
<i>Newbelco 2016E EBITDA</i>	the sum of AB InBev estimated EBITDA for the 2016 calendar year, SABMiller Retained estimated EBITDA for the 2016 calendar year and the estimated run-rate impact of the synergies on the EBITDA for 2016 calendar year
<i>Newbelco General Meeting</i>	the general meeting of the Newbelco Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering, and, if thought fit, approving, the Newbelco Resolutions
<i>Newbelco Pre-Merger</i>	Newbelco following the Capital Increase and completion of the Reclassification and Consolidation, but prior to the Belgian Merger
<i>Newbelco Pre-Merger Share</i>	a share in Newbelco Pre-Merger
<i>Newbelco Post-Merger</i>	Newbelco immediately following Completion
<i>Newbelco Post-Merger Share</i>	a share in Newbelco Post-Merger
<i>Newbelco Resolutions</i>	any resolutions to be taken by the Newbelco General Meeting (composed at the moment such resolutions are adopted of the holders of the Incorporation Shares) as are necessary or useful to approve, implement and

effect (i) the Capital Increase; (ii) the Belgian Merger; (iii) the adoption of new articles of association of Newbelco with effect from completion of the Belgian Offer; (iv) the appointment of new board members of Newbelco nominated by AB InBev with effect from completion of the Belgian Offer; (v) the cancellation of the Newbelco Shares held by the incorporators of Newbelco; and (vi) any other step of the Transaction

Newbelco Shareholders

holders of Newbelco Shares and/or Newbelco ADSs from time to time

Newbelco Shares

the Incorporation Shares, the Initial Newbelco Shares, the Restricted Newbelco Shares or the New Ordinary Shares, as applicable

New Ordinary Shares

the ordinary shares in Newbelco (i) resulting from the consolidation of the Initial Newbelco Shares acquired by AB InBev in the context of the Belgian Offer, (ii) to be issued to AB InBev Shareholders pursuant to the Belgian Merger upon Completion, and (iii) to be issued from time to time following Completion and into which the Restricted Newbelco Shares can be converted in accordance with their terms

Partial Share Alternative

the alternative whereby UK Scheme Shareholders (other than Restricted Overseas Shareholders) may elect to receive Restricted Newbelco Shares and cash instead of the Cash Consideration under and subject to the terms of the Transaction

Proposed Structure

the proposed structure of the Transaction, as set out in section 2 of the Merger Terms

Report

this report, prepared by the board of directors of AB InBev in relation to the Belgian Merger in accordance with Article 694 of the Belgian Companies Code

Reclassification and Consolidation

- (a) the automatic reclassification and consolidation of any Initial Newbelco Shares which are retained after closing of the Belgian Offer by UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative on the basis of one Restricted Newbelco Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of Restricted Newbelco Shares) and;
- (b) the automatic consolidation of any Initial Newbelco Shares which are acquired by AB InBev in the context of the Belgian Offer on the basis of one New Ordinary Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of New Ordinary Shares),

	in each case, upon the passing of the notarial deed acknowledging the completion of the Belgian Offer.
<i>Restricted Newbelco Share Directors</i>	a director of Newbelco appointed upon proposal by the Restricted Newbelco Shareholders
<i>Restricted Newbelco Shareholders</i>	the holders of Restricted Newbelco Shares
<i>Restricted Newbelco Shares</i>	restricted shares in the capital of Newbelco, which will come into existence as a result of the Reclassification and Consolidation
<i>Restricted Overseas Shareholders</i>	a UK Scheme Shareholder whom AB InBev requires SABMiller to treat as a Restricted Overseas Shareholder pursuant to the terms of the UK Scheme
<i>Rule 2.7 Announcement</i>	the joint announcement made by SABMiller and AB InBev dated 11 November 2015 in relation to the Transaction made pursuant to Rule 2.7 of the UK City Code on Takeovers and Mergers
<i>SABMiller</i>	SABMiller plc, a public limited company incorporated in England and Wales with its registered address at SABMiller House, Church Street West, Woking, Surrey GU21 6HS and company number 03528416
<i>SABMiller General Meeting</i>	the general meeting of SABMiller Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering and, if thought fit, approving, the SABMiller Resolutions
<i>SABMiller Group</i>	SABMiller and the group of companies owned and/or controlled by SABMiller
<i>SABMiller Resolutions</i>	such shareholder resolutions of SABMiller as are necessary to approve, implement and effect the UK Scheme, the Belgian Merger, changes to SABMiller's articles of association, and the buy-back of the deferred shares of GBP 1 each in the capital of SABMiller
<i>SABMiller Retained</i>	entity which parameter represents SABMiller pro forma for the Transaction-related Divestitures except for the Ambev Business Exchange which is being ignored for immateriality reasons
<i>SABMiller Shareholders</i>	the holders of SABMiller Shares from time to time
<i>SABMiller Shares</i>	the ordinary shares of US\$0.10 each in the capital of SABMiller
<i>South Africa</i>	the Republic of South Africa
<i>Successor</i>	(i) in respect of any legal entity, any entity (x) to which such person transfers all of its assets and (y) which is (and continues to be) directly or indirectly controlled solely or jointly (within the meaning of articles 5, 8 and 9 of the Belgian Companies Code) by the same entities

(or their Successors) or individuals (or any heirs of such individuals) that exercised directly or indirectly sole or joint control over, such shareholder immediately prior to such transfer; or (ii) in respect of any individual, any heir of that individual following his or her death or any individual to whom the assets of such individual are required to be transferred by virtue of applicable law

<i>Takeover Law</i>	the Belgian law of 1 April 2007 on public takeover bids
<i>Takeover Royal Decree</i>	the Belgian Royal Decree of 27 April 2007 on public takeover bids
<i>Terminal Growth Rate</i>	the constant rate at which the free cash flows of a company are expected to grow in perpetuity beyond the final year of the projection period
<i>Transaction</i>	the proposed business combination between SABMiller and AB InBev, to be effected by the Proposed Structure
<i>Transaction-related Divestitures</i>	the MillerCoors Divestiture, the CR Snow Divestiture, the European Divestitures, and the Ambev Business Exchange (it being understood that the analysis disregards the Ambev Business Exchange as the delta of the marginal impact on AB InBev's minority leakage is not material)
<i>Treasury Stock Method</i>	the method assuming that the proceeds that a company receives from an in-the-money option exercise are used to repurchase common shares in the market
<i>UK or United Kingdom</i>	the United Kingdom of Great Britain and Northern Ireland
<i>UK Court</i>	the High Court of Justice in England and Wales
<i>UK Scheme</i>	the proposed scheme of arrangement under Part 26 of the UK Companies Act 2006 between SABMiller and UK Scheme Shareholders to implement the acquisition of SABMiller by Newbelco with or subject to any modification, addition or condition approved or imposed by the UK Court (and agreed to by AB InBev and SABMiller)
<i>UK Scheme Court Meeting</i>	the meeting (or meetings) of holders of UK Scheme Shares (or any class or classes thereof) convened pursuant to section 896 of the UK Companies Act 2006 to consider and, if thought fit, approve the UK Scheme, including any adjournment thereof
<i>UK Scheme Document</i>	the document to be dispatched to SABMiller Shareholders, including the particulars required by section 897 of the UK Companies Act 2006 and incorporating the notice of the SABMiller General Meeting

<i>UK Scheme Record Time</i>	the time and date specified as such in the UK Scheme
<i>UK Scheme Shareholders</i>	holders of UK Scheme Shares as at the UK Scheme Record Time
<i>UK Scheme Shares</i>	<p>(a) the SABMiller Shares in issue at the date of the UK Scheme Document;</p> <p>(b) any SABMiller Shares issued after the date of the UK Scheme Document and prior to the Voting Record Time; and</p> <p>(c) any SABMiller Shares issued at or after the Voting Record Time and at or prior to the UK Scheme Record Time on terms that the holder thereof shall be bound by the UK Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by the UK Scheme,</p> <p>in each case remaining in issue at the UK Scheme Record Time, but excluding any SABMiller Shares held by SABMiller in treasury</p>
<i>US</i>	the United States of America
<i>Voting Record Time</i>	6.30 p.m. London time on the day which is two days prior to the date of the UK Scheme Court Meeting or, if the UK Scheme Court Meeting is adjourned, 6.30 p.m. on the day which is two days before the date of such adjourned meeting
<i>WACC</i>	the Weighted Average Cost of Capital which is the average rate of return a company expects to compensate all its different investors (the weights being the fraction of each financing source in the company's target capital structure)

**Appendix 3
Glossary**

Capitalized terms used in this report shall have the meaning set out below:

2016E EBITDA	estimated EBITDA for the 2016 calendar year
AB InBev	Anheuser-Busch InBev SA/NV, a limited liability company (<i>société anonyme / naamloze vennootschap</i>) incorporated in Belgium, with its registered address at Grand'Place/Grote Markt 1, 1000 Brussels, Belgium and administrative office at Brouwerijplein 1, 3000 Leuven, Belgium and registered with the Crossroads Bank of Enterprises under number 0417.497.106 RPM/RPR (Brussels)
AB InBev Board	the board of directors of AB InBev
AB InBev Pre-Merger	AB InBev following closing of the Belgian Offer, but prior to the Belgian Merger
AB InBev Shareholders	holders of AB InBev Shares and/or AB InBev ADSs from time to time
Acceptance Period	the acceptance period to be indicated in the Belgian Offer prospectus
ADS	American Depositary Share
Altria	Altria Group, Inc.
Ambev Business Exchange	the transfer of SABMiller's Panamanian business from AB InBev to Ambev, and the transfer of Ambev's business in Colombia, Peru and Ecuador to AB InBev
Belgian Companies Code	the Belgian law of 7 May 1999, setting out the Companies Code, as amended from time to time
Belgian Merger	the merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code, pursuant to which the AB InBev Shareholders will become Newbelco Shareholders and Newbelco will be the surviving entity and the holding company for the Combined Group

<i>Belgian Offer</i>	the voluntary cash takeover offer to be made by AB InBev for all of the Initial Newbelco Shares pursuant to the Takeover Law and the Takeover Royal Decree
<i>BEVCO</i>	BEVCO Ltd.
<i>Capital Increase</i>	the capital increase of Newbelco against the contribution in kind by the UK Scheme Shareholders of their UK Scheme Shares and the issue of Initial Newbelco Shares to such UK Scheme Shareholders in exchange for such contribution to be approved by the Newbelco General Meeting in connection with the implementation of the UK Scheme
<i>Cash Consideration</i>	the cash proceeds to be received by the UK Scheme Shareholders who do not elect (or are deemed not to elect) for the Partial Share Alternative under and subject to the terms of the Transaction
<i>Combined Group</i>	the enlarged group following the Transaction, comprising the AB InBev Group, the SABMiller Group and Newbelco
<i>CR Snow Divestiture</i>	the sale of SABMiller's 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd.
<i>EBITDA</i>	Profit from operations plus depreciation, amortisation and impairment, normalised to exclude exceptional items
<i>Effective Time</i>	the time and date at which the UK Scheme becomes effective in accordance with its terms
<i>Election</i>	an election made for the Cash Consideration or the Partial Share Alternative, including both an Electronic Election and an election made by the Form of Election, and (where the context so requires) an election deemed to have been made pursuant to the terms of the UK Scheme
<i>Equity Value</i>	the value determined as the product of the share price and the diluted number of shares outstanding at the relevant time
<i>European Divestitures</i>	the following divestitures: <ul style="list-style-type: none">- the sale of SABMiller's Peroni, Grolsch and Meantime brand families and their associated businesses in Italy, the Netherlands, the UK and internationally, to Asahi; and

	<p>- the envisaged sale of the entirety of assets of SABMiller in Central and Eastern Europe (Hungary, Romania, Czech Republic, Slovakia and Poland)</p>
<i>GBP – EUR Reference Rate</i>	<p>the European Central Bank’s euro foreign exchange reference rate GBP – EUR which will be published on the European Central Bank’s website at around 16:00 CET on the business day prior to the date on which the Capital Increase will be effective</p>
<i>Incorporation Shares</i>	<p>the 6,150,000 registered shares without nominal value issued by Newbelco on 3 March 2016 and outstanding as at the date of this Report, which will be cancelled with effect simultaneously with the completion of the Capital Increase</p>
<i>Initial Newbelco Shares</i>	<p>the ordinary shares in the capital of Newbelco to be issued to UK Scheme Shareholders pursuant to the terms of the UK Scheme</p>
<i>MillerCoors Divestiture</i>	<p>the sale of SABMiller’s interest in MillerCoors and SABMiller’s portfolio of Miller brands outside the U.S. to Molson Coors</p>
<i>Merger Terms</i>	<p>the common draft terms of merger dated 1 August 2016 as prepared by the respective boards of directors of AB InBev and Newbelco in relation to the Belgian Merger in accordance with Article 693 of the Belgian Companies Code</p>
<i>Newbelco</i>	<p>Newbelco SA/NV, a limited liability company (<i>société anonyme / naamloze vennootschap</i>) incorporated in Belgium, with its registered address at Rue Royale/Koningsstraat 97, 4th floor, 1000 Brussels, Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels)</p>
<i>Newbelco Board</i>	<p>the board of directors of Newbelco</p>
<i>Newbelco General Meeting</i>	<p>the general meeting of the Newbelco Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering, and, if thought fit, approving, the Newbelco Resolutions</p>
<i>Newbelco Pre-Merger</i>	<p>Newbelco following the Capital Increase and completion of the Reclassification and Consolidation, but prior to the Belgian Merger</p>

<i>Newbelco Post-Merger</i>	Newbelco immediately following Completion
<i>Newbelco Resolutions</i>	any resolutions to be taken by the Newbelco General Meeting (composed at the moment such resolutions are adopted of the holders of the Incorporation Shares) as are necessary or useful to approve, implement and effect (i) the Capital Increase; (ii) the Belgian Merger; (iii) the adoption of new articles of association of Newbelco with effect from completion of the Belgian Offer; (iv) the appointment of new board members of Newbelco nominated by AB InBev with effect from completion of the Belgian Offer; (v) the cancellation of the Newbelco Shares held by the incorporators of Newbelco; and (vi) any other step of the Transaction
<i>Newbelco Shares</i>	the Incorporation Shares, the Initial Newbelco Shares, the Restricted Newbelco Shares or the New Ordinary Shares, as applicable
<i>Newbelco Shareholders</i>	holders of Newbelco Shares and/or Newbelco ADSs from time to time
<i>New Ordinary Shares</i>	the ordinary shares in Newbelco (i) resulting from the consolidation of the Initial Newbelco Shares acquired by AB InBev in the context of the Belgian Offer, (ii) to be issued to AB InBev Shareholders pursuant to the Belgian Merger upon Completion, and (iii) to be issued from time to time following Completion and into which the Restricted Newbelco Shares can be converted in accordance with their terms
<i>Nominee Shareholders</i>	a UK Scheme Shareholder that holds UK Scheme Shares in a business or professional capacity for and on behalf of one or more persons
<i>Partial Share Alternative</i>	the alternative whereby UK Scheme Shareholders (other than Restricted Overseas Shareholders) may elect to receive Restricted Newbelco Shares and cash instead of the Cash Consideration under and subject to the terms of the Transaction
<i>Proposed Structure</i>	the proposed structure of the Transaction, as set out in section 2 of the Merger Terms
<i>Reclassification and Consolidation</i>	(a) the automatic reclassification and consolidation of any Initial Newbelco Shares which are retained after closing of the Belgian Offer by UK Scheme

Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative on the basis of one Restricted Newbelco Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of Restricted Newbelco Shares) and;

- (b) the automatic consolidation of any Initial Newbelco Shares which are acquired by AB InBev in the context of the Belgian Offer on the basis of one New Ordinary Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of New Ordinary Shares),

in each case, upon the passing of the notarial deed acknowledging the completion of the Belgian Offer.

Restricted Newbelco Shares

restricted shares in the capital of Newbelco, which will come into existence as a result of the Reclassification and Consolidation

Restricted Overseas Shareholders

a UK Scheme Shareholder whom AB InBev requires SABMiller to treat as a Restricted Overseas Shareholder pursuant to the terms of the UK Scheme

SABMiller

SABMiller plc, a public limited company incorporated in England and Wales with its registered address at SABMiller House, Church Street West, Woking, Surrey GU21 6HS and company number 03528416

SABMiller General Meeting

the general meeting of SABMiller Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering and, if thought fit, approving, the SABMiller Resolutions

SABMiller Group

SABMiller and the group of companies owned and/or controlled by SABMiller

SABMiller Retained

entity which parameter represents SABMiller pro forma for the Transaction-related Divestitures except for the Ambev Business Exchange which is being ignored for immateriality reasons

SABMiller Resolutions

such shareholder resolutions of SABMiller as are necessary to approve, implement and effect the UK Scheme, the Belgian Merger, changes to SABMiller's articles of association, and the buy-back of the deferred shares of £1 each in the capital of SABMiller

<i>SABMiller Shareholders</i>	the holders of SABMiller Shares from time to time
<i>SABMiller Shares</i>	the ordinary shares of US\$0.10 each in the capital of SABMiller
<i>Terminal Growth Rate</i>	the constant rate at which the free cash flows of a company are expected to grow in perpetuity beyond the final year of the projection period
<i>Transaction</i>	the proposed business combination between SABMiller and AB InBev, to be effected by the Proposed Structure
<i>Transaction-related Divestitures</i>	the MillerCoors Divestiture, the CR Snow Divestiture, the European Divestitures, and the Ambev Business Exchange (it being understood that the analysis disregards the Ambev Business Exchange as the delta of the marginal impact on AB InBev's minority leakage is not material)
<i>Treasury Stock Method</i>	the method assuming that the proceeds that a company receives from an in-the-money option exercise are used to repurchase common shares in the market
<i>UK Agent</i>	a third party agreed by SABMiller and AB InBev, being the agent irrevocably appointed by the UK Scheme Shareholders pursuant to the UK Scheme
<i>UK Court</i>	the High Court of Justice in England and Wales
<i>UK Registrar of Companies</i>	the Registrar of Companies in England and Wales
<i>UK Scheme</i>	the proposed scheme of arrangement under Part 26 of the UK Companies Act 2006 between SABMiller and UK Scheme Shareholders to implement the acquisition of SABMiller by Newbelco with or subject to any modification, addition or condition approved or imposed by the UK Court (and agreed to by AB InBev and SABMiller)
<i>UK Scheme Court Meeting</i>	the meeting of holders of UK Scheme Shares convened pursuant to section 896 of the UK companies Act 2006 to consider and, if thought fit, approve the UK Scheme, including any adjournment thereof
<i>UK Scheme Court Order</i>	the order of the UK Court sanctioning the UK Scheme pursuant to section 899 of the Companies Act

<i>UK Scheme Document</i>	the document to be dispatched to SABMiller Shareholders, including the particulars required by section 897 of the UK Companies Act 2006 and incorporating the notice of the SABMiller General Meeting
<i>UK Scheme Record Time</i>	the time and date specified as such in the UK Scheme
<i>UK Scheme Shareholders</i>	holders of UK Scheme Shares as at the UK Scheme Record Time
<i>UK Scheme Shares</i>	<p>(a) the SABMiller Shares in issue at the date of the UK Scheme Document;</p> <p>(b) any SABMiller Shares issued after the date of the UK Scheme Document and prior to the Voting Record Time; and</p> <p>(c) any SABMiller Shares issued at or after the Voting Record Time and at or prior to the UK Scheme Record Time on terms that the holder thereof shall be bound by the UK Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by the UK Scheme,</p> <p>in each case remaining in issue at the UK Scheme Record Time, but excluding any SABMiller Shares held by SABMiller in treasury</p>
<i>UK Share Register</i>	the register of members within the meaning of section 113 of the UK Companies Act 2006 of SABMiller kept and maintained on behalf of SABMiller by Equiniti Limited
<i>Underlying Shareholders</i>	<p>(a) in respect of UK Scheme Shares held outside of the STRATE system by a Nominee Shareholder, the person on whose behalf the Nominee Shareholder is holding such UK Scheme Shares; and</p> <p>(b) in respect of UK Scheme Shares held in the STRATE system, the person on whose behalf the relevant CSDP is holding such UK Scheme Shares,</p> <p>in each case irrespective of whether or not such person holds or may hold the beneficial interest in the relevant UK Scheme Shares</p>
<i>Voting Record Time</i>	6.30 p.m. London time on the day which is two days prior to the date of the UK Scheme Court Meeting or, if the UK Scheme Court Meeting is adjourned, 6.30 p.m. on the day which is two days before the date of such adjourned meeting

WACC

the Weighted Average Cost of Capital which is the average rate of return a company expects to compensate all its different investors (the weights being the fraction of each financing source in the company's target capital structure