

## SOUTH AFRICAN PROSPECTUS

The definitions and interpretations commencing on page 8 of this Prospectus apply to this entire document, including this cover page, except where the context indicates a contrary intention.

On 11 November 2015, the boards of directors of SABMiller and AB InBev announced that they had agreed the terms of a recommended business combination between AB InBev and SABMiller, to be effected by way of the Proposed Structure.

The Transaction (including the Belgian Merger) is conditional upon the satisfaction of certain conditions as further detailed in this Prospectus. Further, in order to approve the Transaction, shareholders' meetings of AB InBev, Newbelco and SABMiller will be convened for the purpose of considering and, if thought fit, approving, any resolutions as are necessary to approve, implement and effect the requisite steps of the Transaction, including the approval of any relevant documents. The Transaction is currently expected to complete on or around 10 October 2016. The Transaction will be implemented through the Proposed Structure, which involves three principal steps, as follows:

- **Step 1:** 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;
- **Step 2:** 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 (i) 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 (ii) 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; and
- **Step 3:** 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.

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. a 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.

An application has been made for the admission to listing and trading of the New Ordinary Shares on Euronext Brussels, the regulated market operated by Euronext Brussels SA/NV, 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). It is expected that the Listing will occur on or about the first Business Day following the effective date of the Belgian Merger. Newbelco and Euronext Brussels do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the Listing or the (related) annulment of any transaction in the New Ordinary Shares on the regulated market of Euronext Brussels.

Newbelco will apply for listing of the Newbelco ADSs on the NYSE, and will also apply for secondary listings of the New Ordinary Shares on the Bolsa Mexicana de Valores and on the Johannesburg Stock Exchange.

As part of the implementation of the Transaction, SABMiller Shares will be delisted from the LSE and the Johannesburg Stock Exchange.

The Transaction could constitute an "offer to the public", in terms of section 95(1)(h) of the Companies Act. This Prospectus is therefore issued in terms of section 99(2) of the Companies Act.

AB InBev has published the AB InBev Transaction Documents which contain further details on the UK Scheme, the Belgian Offer, the Belgian Merger and the proposed listing of New Ordinary Shares on the regulated market of Euronext Brussels, secondary listings on the Johannesburg Stock Exchange and the Bolsa Mexicana de Valores and listing of Newbelco ADSs on the NYSE. SABMiller has published the UK Scheme Document which contains further details on the UK Scheme. This Prospectus should be read in conjunction with the UK Scheme Document and the AB InBev Transaction Documents which are available on the following websites: [www.ab-inbev.com](http://www.ab-inbev.com), [www.globalbrewer.com](http://www.globalbrewer.com) and [www.sabmiller.com](http://www.sabmiller.com) and any investment decision should be based on the documents relating to the UK Scheme, the Belgian Offer, the Belgian Merger and applicable advice and not this Prospectus.

This Prospectus was registered by CIPC on 19 August 2016 and is issued in compliance with the Companies Act and the Companies Regulations for the purpose of providing information to the UK Scheme Shareholders registered on the South African Register, and either accompanies the UK Scheme Document or will be provided to the relevant UK Scheme Shareholders and the relevant Underlying Shareholders separately. In view of the fact that the Transaction will be implemented in terms of the Proposed Structure, Newbelco has, notwithstanding that it is under no legal or regulatory obligation to do so, voluntarily included certain information in relation to AB InBev in this Prospectus, as disclosed by AB InBev in accordance with applicable law in the AB InBev Transaction Documents.

Joint Financial Advisors and Transaction  
Sponsor to AB InBev  
**Deutsche Securities (SA) Proprietary Limited**

Joint Financial Advisors and Transaction  
Sponsor to AB InBev  
**The Standard Bank of South Africa Limited**

**Deutsche Bank**  
Deutsche Securities (SA) Proprietary Limited  
(A non-bank member of the Deutsche Bank Group)



**Standard Bank**

Lead Financial Advisor to AB InBev  
**Lazard**

**LAZARD**

South African Legal Advisor to AB InBev

**Webber Wentzel**  
**WEBBER WENTZEL**  
in alliance with > Linklaters

Auditors to Newbelco

**Deloitte.**

South African Transfer Secretaries to AB InBev  
**Computershare Investor Services Proprietary Limited**

**Computershare**

**Date of Issue: 26 August 2016**

This Prospectus is only available in English. Copies of the registered Prospectus may be obtained during normal business hours from the registered offices of Newbelco, AB InBev, SABMiller and AB InBev's South African Transfer Secretaries, whose addresses are set out in the "Corporate Information and Advisors" section of this Prospectus from the date of issue hereof until 7 October 2016.



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## IMPORTANT INFORMATION

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The definitions and interpretations commencing on page 8 of this Prospectus apply to this section on Important Information.

### **IMPORTANT: YOU MUST READ THE FOLLOWING DISCLAIMER BEFORE READING THIS PROSPECTUS.**

The following disclaimer applies to this Prospectus and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of this Prospectus. In accessing the attached Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Newbelco.

If you sell or otherwise transfer or have sold or otherwise transferred all of your SABMiller Shares or SABMiller ADRs, as applicable, please send this document at once to the purchaser or transferee, or to the CSDP, bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you sell or have sold or otherwise transferred only part of your holding of SABMiller Shares, please retain these documents and consult the CSDP, bank, stockbroker or other agent through whom the sale or transfer was effected.

Distribution of this Prospectus may, in certain jurisdictions, be subject to specific regulations or restrictions. Persons in possession of this Prospectus are urged to inform themselves of any such regulations or restrictions which may apply in their jurisdiction and to observe them. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. Newbelco disclaims all responsibility for any violation of such restrictions by any person.

### **SPECIAL NOTE IN REGARD TO THE OFFER**

As noted above, the Transaction could constitute an “offer to the public”, in terms of section 95(1)(h) of the Companies Act. This Prospectus is therefore issued in terms of section 99(2) of the Companies Act. Notwithstanding that this document constitutes a prospectus issued in terms of section 99(2) of the Companies Act, it is only addressed to persons to whom it may lawfully be addressed.

The distribution of this Prospectus may be restricted by law. Persons into whose possession this Prospectus comes must inform themselves about, and observe any such restrictions. This Prospectus does not constitute an offer or an invitation or solicitation to receive the consideration available under the UK Scheme or the Belgian Offer, and the UK Scheme Document and the Belgian Offer Prospectus, respectively should be considered in this regard. Distribution of this Prospectus will not be made in any manner or jurisdiction where it is unlawful to do so, or requires further action for such purpose (other than as envisaged herein).

### **RESPONSIBILITY STATEMENT**

Newbelco, represented by its board of directors, assumes responsibility for the information contained in this Prospectus. To the best of the knowledge of Newbelco (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with relevant facts, is not misleading and is true, accurate and complete, and does not omit anything likely to affect the import of such information. Any information from third parties identified in this Prospectus as such, has been accurately reproduced and as far as Newbelco is aware and is able to ascertain from the information published by a third party, does not omit any facts which would render the reproduced information inaccurate or misleading.

Without prejudice to the preceding paragraph, all information relating to AB InBev, Newbelco, SABMiller and their subsidiaries contained in this Prospectus has been provided by representatives of AB InBev, it being understood that, insofar as information relating to SABMiller and its subsidiaries is concerned, such information has been obtained from documents disclosed or made available by SABMiller, which for the avoidance of doubt accepts no responsibility for the contents of this Prospectus. AB InBev, represented by its board of directors, assumes responsibility for the information relating to AB InBev, Newbelco, SABMiller and their subsidiaries contained in this Prospectus and has represented to Newbelco that to the best of the knowledge of AB InBev and the directors of AB InBev (having taken all reasonable care to ensure that such is the case and taking into account that, with respect to information relating to SABMiller and its subsidiaries contained in this Prospectus, such information is based solely on documents disclosed or made available by SABMiller), such information is in accordance with relevant facts, is not misleading and is true, accurate and complete, and does not omit anything likely to affect the import of such information.

The information contained in this Prospectus is up to date as of the date hereof unless expressly stated otherwise, and may be subject to subsequent change, completion and amendment without notice, save to the extent required by applicable law. The publication and delivery of this Prospectus shall not, under any circumstances, imply that there has been or will be no changes in the business or affairs of Newbelco, AB InBev and/or SABMiller, or that the information contained herein is correct as of any time subsequent to the date of this Prospectus. A supplement to the Prospectus will be published in the event of any material new matter, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the New Ordinary Shares and which arises or is noted between the time when this Prospectus is approved and the trading of the New Ordinary Shares on Euronext Brussels begins. Any supplement is subject to approval by the CIPC, in the same manner as this Prospectus and must be made public in the same manner as this Prospectus.

The contents of this Prospectus should not be construed as providing legal, business, accounting or tax advice. Each SABMiller Shareholder should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the shares of Newbelco.

### **WARNING**

SABMiller Shareholders must form their own opinions about Newbelco, the Transaction, the Restricted Newbelco Shares and the associated benefits and risks. The summaries and descriptions of legal provisions, taxation, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in this Prospectus may in no circumstances be interpreted as investment, legal or tax advice for SABMiller Shareholders. SABMiller Shareholders are urged to consult their own advisor, bookkeeper, accountant, or other advisors concerning the legal, tax, economic, financial and other aspects associated with Newbelco, the Transaction, the Restricted Newbelco Shares and the associated benefits and risks. In case of doubt about the contents and/or the meaning of the information in this Prospectus, SABMiller Shareholders should seek the advice of a person specialised in advice relating to the acquisition of financial securities. The Restricted Newbelco Shares have not been recommended by any authority in South Africa or abroad. SABMiller Shareholders are solely responsible for analysing and assessing the benefits and risks associated with Newbelco, the Transaction, the Restricted Newbelco Shares and the associated benefits and risks.

### **FOREIGN SHAREHOLDERS**

This Prospectus has been prepared for the purposes of complying with the Companies Act and the Companies Regulations published in terms thereof and the information disclosed may not be the same as that which would have been disclosed if this Prospectus had been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa.

The Transaction may be affected by the laws of the relevant jurisdictions of SABMiller Shareholders not resident in South Africa. Such non-resident SABMiller Shareholders should inform themselves about, observe, and advise Newbelco in writing of, any applicable legal requirements of such jurisdictions. Any failure to comply with such applicable requests or requirements may constitute a violation of the laws of such jurisdiction. It is the responsibility of any non-resident SABMiller Shareholder to satisfy itself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Transaction, including the obtaining of any governmental, exchange control or other consents or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes or other requisite payments due in respect of such jurisdiction.

This Prospectus is governed by the laws of South Africa (excluding the conflict of laws rules of that jurisdiction to the extent such rules require the application of the laws of any other country) and are subject to applicable South African laws and regulations, including the Companies Act and the Companies Regulations.

Any SABMiller Shareholder who is in doubt as to its position, including, without limitation, tax status and effects, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

#### **NOTICE TO US SHAREHOLDERS**

The New Ordinary Shares to be issued in connection with the Transaction outside the United States to non-U.S. persons (as defined in Regulation S under the Securities Act) have not been and will not be registered under the Securities Act. Subject to certain exceptions, such New Ordinary Shares may not be offered, held or sold within the United States or to, or for, the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act). Each of the Initial Newbelco Shares and the Restricted Newbelco Shares have not been and will not be registered under the Securities Act and are being issued in connection with the Transaction in reliance on the exemption from registration provided by Section 3(a)(10) of the Securities Act.

The Initial Newbelco Shares, the Restricted Newbelco Shares and the New Ordinary Shares have not been approved or disapproved by the SEC, any other federal or state securities commission in the U.S. or any other U.S. regulatory authority, nor has any such authority passed upon, confirmed the accuracy of or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the U.S.

This Prospectus is subject to the laws of South Africa. It is important for U.S. securities holders to be aware that this Prospectus is subject to disclosure laws and regulations in South Africa that are different from those in the U.S. In addition, U.S. securities holders should be aware that this Prospectus has been prepared in accordance with South African format and style, which may differ from the U.S. format and style.

#### **CONSENTS**

Each of the professional advisors listed in the "Corporate Information and Advisors" section of this Prospectus have given and have not, prior to the date of issue of this Prospectus, withdrawn their written consents to the inclusion in this Prospectus of their names and, where applicable, their reports, in the form and context in which they appear.

#### **DISCLAIMER**

Lazard Frères & Co. LLC and Lazard & Co., Limited ("**Lazard**") is acting exclusively as lead financial adviser to AB InBev and for no one else in connection with the Transaction and is not, and will not be, responsible to anyone other than AB InBev for providing the protections afforded to clients of Lazard, or for providing advice in connection with the Transaction or any other matters referred to in this document. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this Transaction, any statement contained herein or otherwise. Lazard is authorised and regulated in the United Kingdom by the Financial Conduct Authority.

Deutsche Securities (SA) Proprietary Limited, a non-bank member of the Deutsche Bank Group ("**Deutsche Bank**"), is acting for AB InBev and no one else in connection with the Transaction and will not be responsible to anyone other than AB InBev for providing the protections afforded to clients of Deutsche Bank or for providing advice in relation to any matter referred to herein.

Without limiting a person's liability for fraud, neither Deutsche Bank nor any of its subsidiary undertakings, branches or affiliates nor any of its or their respective directors, officers, representatives, employees, advisers or agents owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in delict, in tort, under statute or otherwise) to any person who is not a client of Deutsche Bank in connection with this Prospectus, any statement contained herein or otherwise.

The Standard Bank of South Africa Limited ("**Standard Bank**") is authorised under South African banking law and regulated by the SARB. Standard Bank is acting as joint financial adviser and joint transaction sponsor to AB InBev in relation to this Prospectus. Standard Bank is not acting for anybody else in connection with the matters referred to in this Prospectus. Standard Bank is not and will not be responsible to any person other than AB InBev for providing any of the protections afforded to clients of Standard Bank, nor for giving any advice in relation to any matter referred to in this Prospectus. Neither Standard Bank nor any of its subsidiary undertakings or affiliates (including the subsidiary undertakings and affiliates of its holding company), nor any of its or their respective directors, officers, representatives, employees, advisers or agents owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in delict, in tort, under statute or otherwise) to any person who is not a client of Standard Bank in connection with this Prospectus, any statement contained or referred to herein or otherwise.

#### **NO FORECASTS OR ESTIMATES**

No profit forecast or estimate is made.

#### **GENERAL**

This Prospectus should be read in its entirety (including the risk factors set out in Annexe E and the information incorporated herein by reference). This Prospectus has been prepared solely for purposes of complying with the applicable provisions of the Companies Act and the Companies Regulations in respect of the offer to the public which could result from the Transaction. In making any investment decision, whether in relation to the UK Scheme, the Combined Group, the Restricted Newbelco Shares, the Transaction or otherwise, UK Scheme Shareholders, prospective shareholders and investors should make investment decisions on the basis of the UK Scheme Document and the AB InBev Transaction Documents and applicable advice, and not on the basis of this Prospectus.

## NOTE ON PRESENTATION

All references to “USD”, “dollars”, “U.S. dollars”, “\$” and “cents” are to the lawful currency of the United States. All references to “pound sterling”, “sterling”, “GBP” and “£” are to the lawful currency of the United Kingdom. All references to “Argentine pesos” are to the lawful currency of Argentina. All references to “Colombian pesos” are to the lawful currency of Colombia. All references to “Mexican pesos” are to the lawful currency of Mexico. All references to “South African rand” and “ZAR” are to the lawful currency of the Republic of South Africa. All references to “Peruvian nuevos soles” are to the lawful currency of Peru. All references to “euro”, “Euro”, “€” and “EUR” are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended. All references to “Australian dollars” and “AUD” are to the lawful currency of the Commonwealth of Australia. All references to “Canadian dollars” are to the lawful currency of Canada. All references to “Russian rubles” and “RUB” are to the lawful currency of the Russian Federation. All references to “Ukrainian hryvnia” and “UAH” are to the lawful currency of Ukraine. References to “GAAP” mean generally accepted accounting principles.

### Exchange rate information

Fluctuations in the exchange rate between the euro, the U.S. dollar, the South African rand and the Mexican peso will affect the U.S. dollar, South African rand and/or Mexican peso amounts received by owners of New Ordinary Shares or Newbelco ADSs on conversion of dividends, if any, paid in euro on the New Ordinary Shares.

#### U.S. Dollar

The table below sets forth period end, average, high and low exchange rates of U.S. dollars per Euro for each year indicated regarding the daily reference exchange rates published by the European Central Bank (the “**ECB Daily Reference Rate**”) for the Euro and the U.S. Dollar.

U.S. dollars per EUR 1.00				
Year	Period End	Average <sup>(1)</sup>	High	Low
2013	1.3791	1.3281	1.3814	1.2768
2014	1.2141	1.3285	1.3953	1.2141
2015	1.0887	1.1095	1.2043	1.0552
2016 (through 30 June 2016)	1.1102	1.1159	1.1569	1.0742

(1) The average of the ECB Daily Reference Rates on each business day during the relevant period.

#### South African rand

The table below sets forth period end, average, high and low exchange rates of South African rand per Euro for each year indicated regarding the ECB Daily Reference Rate for the Euro and the South African rand.

South African rand per EUR 1.00				
Year	Period End	Average <sup>(1)</sup>	High	Low
2013	14.5660	12.8330	14.5660	11.2074
2014	14.0353	14.4037	15.2836	13.5636
2015	16.9530	14.1723	17.3954	12.7006
2016 (through 30 June 2016)	16.4461	17.1983	18.2896	16.0999

(1) The average of the ECB Daily Reference Rates on each business day during the relevant period.

#### Mexican peso

The table below sets forth period end, average, high and low exchange rates of Mexican peso per Euro for each year indicated regarding the ECB Daily Reference Rate for the Euro and the Mexican peso.

Mexican peso per EUR 1.00				
Year	Period End	Average <sup>(1)</sup>	High	Low
2013	18.0731	16.9641	18.1236	15.6385
2014	17.8679	17.6550	18.5391	16.8044
2015	18.9145	17.6157	19.6875	16.0487
2016 (through 30 June 2016)	20.6347	20.1731	21.6852	18.5798

(1) The average of the ECB Daily Reference Rates on each business day during the relevant period.

## MARKET AND INDUSTRY INFORMATION

### AB InBev

Market information (including market share, market position and industry data for the AB InBev Group’s operating activities and those of its subsidiaries or of companies acquired by it) or other statements presented in this Prospectus regarding the AB InBev Group’s position (or that of companies acquired by it) relative to its competitors largely reflect the best estimates of AB InBev’s management. These estimates are based upon information obtained from customers, trade or business organisations and associations, other contacts within the industries in which the AB InBev Group operates and, in some cases, upon published statistical data or information from independent third parties.

Except as otherwise stated, the AB InBev Group’s market share data, as well as its management’s assessment of its comparative competitive position, has been derived by comparing the AB InBev Group’s sales figures for the relevant period to its management’s estimates of its competitors’ sales figures for such period, as well as upon published statistical data and information from independent third parties, and, in particular, the reports published and the information made available by, among others, the local brewers’ associations and the national statistics bureaus in the various countries in which the AB InBev Group sells its products. The principal sources generally used include Plato Logic Limited and AC Nielsen, as well as internal estimations based on data from the Beer Institute and IRI (for the United States), the Brewers Association of Canada (for Canada), CIES (for Bolivia), AC Nielsen (for Argentina, Brazil, Chile, Dominican Republic, Guatemala, Paraguay, Russia, Ukraine and Uruguay), Cámara Nacional de la Industria de la Cerveca y de la Malta (for Mexico), Belgian Brewers Association (for Belgium), German Brewers Association (for Germany), Seema International Limited (for China), the British Beer and Pub Association (for the United Kingdom), Centraal Brouwerij Kantoor – CBK (for the Netherlands), Association des Brasseurs de France and IRI (for France), Plato Logic Limited (for Italy), the Korean International Trade Association (for South Korea) and other local brewers’ associations. You should not rely on the market share and other market information presented herein as precise measures of market share or of other actual conditions.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

There are statements in this Prospectus, such as statements that include the words or phrases “*will likely result*”, “*are expected to*”, “*will continue*”, “*is anticipated*”, “*anticipate*”, “*estimate*”, “*project*”, “*may*”, “*might*”, “*could*”, “*believe*”, “*expect*”, “*plan*”, “*potential*” or similar expressions that are forward-looking statements. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those suggested by these statements due to, among others, the risks or uncertainties listed below. See also Annexe E for further discussion of risks and uncertainties that could impact the business of the Combined Group.

These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside Newbelco’s or the Combined Group’s control and are difficult to predict, that may cause actual results or developments to differ materially from any future results or developments expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others:

- local, regional, national and international economic conditions, including the risks of a global recession or a recession in one or more of Newbelco’s or the Combined Group’s key markets, and the impact they may have on Newbelco or the Combined Group and Newbelco’s or the Combined Group’s customers, and Newbelco’s or the Combined Group’s assessment of that impact;
- financial risks, such as interest rate risk, foreign exchange rate risk (in particular as against the U.S. dollar, Newbelco’s or the Combined Group’s reporting currency), commodity risk, asset price risk, equity market risk, counterparty risk, sovereign risk, liquidity risk, inflation or deflation;
- continued geopolitical instability, which may result in, among other things, economic and political sanctions and currency exchange rate volatility, and which may have a substantial impact on the economies of one or more of Newbelco’s or the Combined Group’s key markets;
- changes in government policies and currency controls;
- continued availability of financing and Newbelco’s or the Combined Group’s ability to achieve its targeted coverage and debt levels and terms, including the risk of constraints on financing in the event of a credit rating downgrade;
- the monetary and interest rate policies of central banks, in particular the European Central Bank, the Board of Governors of the U.S. Federal Reserve System, the Bank of England, *Banco Central do Brasil*, *Banco Central de la República Argentina*, the Central Bank of China, the SARB, *Banco de la República* in Colombia and other central banks;
- changes in applicable laws, regulations and taxes in jurisdictions in which Newbelco or the Combined Group operates, including the laws and regulations governing Newbelco’s or the Combined Group’s operations and changes to tax benefit programs, as well as actions or decisions of courts and regulators;
- limitations on Newbelco’s or the Combined Group’s ability to contain costs and expenses;
- Newbelco’s or the Combined Group’s expectations with respect to expansion plans, premium growth, accretion to reported earnings, working capital improvements and investment income or cash flow projections;
- Newbelco’s or the Combined Group’s ability to continue to introduce competitive new products and services on a timely, cost-effective basis;
- the effects of competition and consolidation in the markets in which Newbelco or the Combined Group operates, which may be influenced by regulation, deregulation or enforcement policies;
- changes in consumer spending;
- changes in pricing environments;
- volatility in the prices of raw materials, commodities and energy;
- difficulties in maintaining relationships with employees;
- regional or general changes in asset valuations;
- greater than expected costs (including taxes) and expenses;
- the risk of unexpected consequences resulting from acquisitions, joint ventures, strategic alliances, corporate reorganisations or divestiture plans, and Newbelco’s or the Combined Group’s ability to successfully and cost-effectively implement these transactions and integrate the operations of businesses or other assets Newbelco or the Combined Group have acquired;
- the outcome of pending and future litigation, investigations and governmental proceedings;
- natural and other disasters;
- any inability to economically hedge certain risks;
- inadequate impairment provisions and loss reserves;
- technological changes and threats to cybersecurity;
- other statements included in this Prospectus that are not historical; and
- Newbelco’s or the Combined Group’s success in managing the risks involved in the foregoing.

The forward-looking statements contained in this Prospectus, including in documents that are incorporated by reference herein, include statements relating to the Transaction, the Transaction-related Divestitures and the financing of the Transaction, including the expected effects of the Transaction on the AB InBev Group and/or the SABMiller Group and the expected timing of the Transaction. These forward-looking statements may include statements relating to: the expected characteristics of the Combined Group; expected ownership of Newbelco by AB InBev Shareholders and UK Scheme Shareholders; expected customer reach of the Combined Group; the expected benefits of the proposed Transaction; and the financing of the Transaction and the Combined Group.

All statements regarding the Transaction, the Transaction-related Divestitures, the financing of the Transaction, and the Combined Group, other than statements of historical facts are forward-looking statements. You should not place undue reliance on these forward-looking statements, which reflect the current views of management, are subject to numerous risks and uncertainties about the AB InBev Group, the SABMiller Group, Newbelco and the Combined Group and are dependent on many factors, some of which are outside of Newbelco’s or the Combined Group’s

control. There are important factors, risks and uncertainties that could cause actual outcomes and results to be materially different, including the satisfaction of the conditions to the Transaction; the ability to realise the anticipated benefits and synergies of the Transaction, including as a result of a delay in completing the Transaction or difficulty in integrating the businesses of the companies involved; any failure to complete the Transaction or any disruption to the businesses of AB InBev and SABMiller resulting from management's focus on the Transaction; the ability to obtain the regulatory approvals related to the Transaction, the ability to satisfy any conditions required to obtain such approvals and the impact of any conditions imposed by various regulatory authorities on the AB InBev Group, the SABMiller Group, Newbelco and the Combined Group; the potential costs associated with the complex cross-border structure of the Transaction; the financial and operational risks in refinancing the Transaction and resulting from the AB InBev Group's increased level of debt; any change of control or restriction on merger provisions in agreements to which AB InBev or SABMiller or their respective subsidiaries, associates and/or joint ventures is a party that might be triggered by the Transaction; the impact of foreign exchange rates; the performance of the global economy; the capacity for growth in beer markets, alcoholic beverage markets and non-alcoholic beverage markets; the consolidation and convergence of the industry, its suppliers and its customers; the effect of changes in governmental regulations; disruption from the Transaction making it more difficult to maintain relationships with customers, employees, suppliers, associates or joint venture partners as well as governments in the territories in which the SABMiller Group and the AB InBev Group operate; the impact of any potential impairments of goodwill or other intangible assets on the financial condition and results of operations of the Combined Group; and the impact that the size of the Combined Group, contractual limitations to which it is subject and its position in the markets in which it operates may have on its ability to successfully carry out further acquisitions and business integrations and the success of the AB InBev Group, Newbelco and/or the Combined Group in managing the risks involved in the foregoing.

Statements regarding financial risks, including interest rate risk, foreign exchange rate risk, commodity risk, asset price risk, equity market risk, counterparty risk, sovereign risk, inflation and deflation, are subject to uncertainty. For example, certain market and financial risk disclosures are dependent on choices about key model characteristics and assumptions and are subject to various limitations. By their nature, certain of the market or financial risk disclosures are only estimates and, as a result, actual future gains and losses could differ materially from those that have been estimated.

Newbelco cautions that the forward-looking statements in this Prospectus are further qualified by the risk factors disclosed in Annexe E that could cause actual results to differ materially from those in the forward-looking statements. Subject to their obligations under applicable law in relation to disclosure and ongoing information, Newbelco, AB InBev and SABMiller disclaim any intent or obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

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## CORPORATE INFORMATION AND ADVISORS

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**Registered Office of Newbelco**

Rue Royale/Koningsstraat 97, 4<sup>th</sup> Floor  
1000 Brussels  
Belgium  
[Regulation 57]

**Joint Financial Advisors and Transaction Sponsor to AB InBev**

Deutsche Securities (SA) Proprietary Limited  
3 Exchange Square  
87 Maude Street  
Sandton  
Johannesburg, 2196  
South Africa  
[Regulation 58]

**Lead Financial Advisor to AB InBev**

Lazard Frères & Co. LLC  
30 Rockefeller Plaza  
New York NY 10112  
[Regulation 58]

**South African Legal Advisor to AB InBev**

Webber Wentzel  
90 Rivonia Road  
Sandton  
Johannesburg, 2196  
South Africa  
[Regulation 58]

**South African Transfer Secretaries to AB InBev**

Computershare Investor Services Proprietary Limited  
70 Marshall Street  
Marshalltown  
Johannesburg, 2001  
South Africa  
[Regulation 58]

**Place and date of incorporation of Newbelco**

Incorporated in Brussels, Belgium on  
3 March 2016  
[Regulation 57]

**Registered Office of AB InBev**

Grand Place/Grote Markt 1  
1000 Brussels  
Belgium

**Joint Financial Advisors and Transaction Sponsor to AB InBev**

The Standard Bank of South Africa Limited  
30 Baker Street  
Rosebank  
Johannesburg  
South Africa, 2196  
[Regulation 58]

**Auditors to Newbelco**

Deloitte Bedrijfsrevisoren – Réviseurs d'Entreprises  
Berkenlaan 8B  
1831 Diegem  
Belgium  
[Regulation 58]



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## DEFINITIONS AND INTERPRETATION

In this Prospectus and its appendices, unless otherwise stated or the context otherwise indicates, the words in the first column shall have the meanings stated opposite them in the second column and words in the singular shall include the plural and *vice versa*, natural persons shall include corporations and associations of persons and an expression denoting any gender shall include the other genders:

“£”	pounds sterling, being the lawful currency of the United Kingdom;
“2010 Senior Facilities Agreement”	the USD 17.2 billion of senior credit agreements, comprising a USD 13 billion senior facilities agreement and two term facilities totalling USD 4.2 billion, entered into by AB InBev on 26 February 2010;
“2014 Shareholders’ Agreement”	the shareholders’ agreement between the AB InBev Reference Shareholder, EPS SA, EPS Participations, BRC and Rayvax dated 18 December 2014;
“2015 Senior Facilities Agreement”	the unsecured USD 75.0 billion senior facilities agreement entered into by AB InBev on 28 October 2015;
“2015 Senior Facilities Syndicate”	(i) Australia and New Zealand Banking Group Limited; (ii) Bank of America, N.A.; (iii) The Bank of New York Mellon; (iv) Barclays Bank PLC; (v) BNP Paribas Fortis SA/NV; (vi) BNP Paribas SA; (vii) The Bank of Tokyo-Mitsubishi UFJ, Ltd.; (viii) Citibank, N.A.; (ix) Commerzbank Aktiengesellschaft, Filiale Luxemburg; (x) Deutsche Bank AG Filiale Luxemburg; (xi) HSBC Bank USA, N.A.; (xii) HSBC Bank plc; (xiii) ING Belgium SA/NV; (xiv) ING Bank NV; (xv) Intesa Sanpaolo S.p.A; (xvi) Mizuho Bank, Ltd.; (xvii) Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. “Rabobank Nederland”, New York Branch; (xviii) The Royal Bank of Scotland plc; (xix) Banco Santander, S.A.; (xx) Santander Bank, N.A.; (xxi) Société Générale, London Branch; (xxii) Sumitomo Mitsui Banking Corporation; (xxiii) The Toronto-Dominion Bank; (xxiv) TD Bank, N.A.; (xxv) UniCredit Bank AG; and (xxvi) Wells Fargo Bank, N.A.;
“2016 Shareholders’ Agreement”	the Amended and Restated New Shareholders’ Agreement dated 11 April 2016 between the AB InBev Reference Shareholder, EPS SA, EPS Participations, BRC and Rayvax, amending the 2014 Shareholders’ Agreement;
“ABIFI”	AB InBev’s subsidiary Anheuser-Busch InBev Finance Inc.;
“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 ADSs”	American Depositary Shares of AB InBev;
“AB InBev Board”	the board of directors of AB InBev;
“AB InBev General Meeting”	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;
“AB InBev Group”	AB InBev and the group of companies owned and/or controlled by AB InBev;
“AB InBev Listing Documents”	such documentation as is required to be prepared by AB InBev and/or Newbelco in relation to (i) the listing of the New Ordinary Shares on Euronext Brussels, (ii) the listing of ADSs (each representing one New Ordinary Share) on the NYSE, (iii) the JSE Secondary Listing and (iv) the Mexican Secondary Listing;
“AB InBev Reference Shareholder”	Stichting Anheuser-Busch InBev or any Successor thereof;
“AB InBev Resolutions”	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;
“AB InBev Shareholders”	holders of AB InBev Shares and/or AB InBev ADSs from time to time;
“AB InBev Shares”	AB InBev ordinary shares;
“AB InBev Transaction Documents”	the Belgian Offer Documents, this Prospectus, the Belgian Merger Documents, the Belgian Merger US Documents (including the F-4 Registration Statement), the AB InBev Listing Documents, the Belgian Share Issue Documents, the notice of the AB InBev General Meeting, for each of which AB InBev and the AB InBev directors and/or Newbelco and the Newbelco directors (as applicable) are responsible and which are available on AB InBev’s website at <a href="http://www.ab-inbev.com">www.ab-inbev.com</a> and at <a href="http://www.globalbrewer.com">www.globalbrewer.com</a> ;
“Acceptance Form”	the acceptance form attached to the Belgian Offer Prospectus;
“Acceptance Period”	the acceptance period to be indicated in the Belgian Offer Prospectus;
“ADR”	American Depositary Receipt;
“ADS”	American Depositary Share;
“Affiliate”	an affiliate within the meaning of Article 11 of the Belgian Companies Code;
“Altria”	Altria Group Inc.;
“Altria Irrevocable”	the irrevocable undertaking entered into by AB InBev with Altria on 11 November 2015;
“Ambev”	Ambev S.A.;
“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;

<b>“Amendment No.1”</b>	the amendment entered into on 25 March 2016 to the Molson Coors Purchase Agreement;
<b>“Asahi”</b>	Asahi Group Holdings, Ltd.;
<b>“Audit Committee”</b>	the audit committee of Newbelco from time to time appointed by the Newbelco Board in accordance with the Newbelco Articles;
<b>“Belgian Companies Code”</b>	the Belgian law of 7 May 1999, setting out the Companies Code, as amended from time to time;
<b>“Belgian Corporate Governance Code”</b>	the Belgian Code on Corporate Governance of 12 March 2009;
<b>“Belgian Merger”</b>	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;
<b>“Belgian Merger Documents”</b>	the Belgian documentation to be drawn up and made available to AB InBev Shareholders and Newbelco Shareholders (i.e., the holders of the Incorporation Shares at the time of consideration of the Newbelco Resolutions) in relation to the Belgian Merger in accordance with the Belgian Companies Code;
<b>“Belgian Merger U.S. Documents”</b>	the U.S. legal documentation to be drawn up and made available to AB InBev Shareholders, including the F-4 Registration Statement;
<b>“Belgian Offer”</b>	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;
<b>“Belgian Offer Documents”</b>	the Belgian documentation to be drawn up in connection with the Belgian Offer, including, without limitation, the Belgian Offer Prospectus and the Belgian Offer Response Memorandum;
<b>“Belgian Offer Prospectus”</b>	the prospectus relating to the Belgian Offer and made available to Newbelco Shareholders, drawn up pursuant to the Takeover Law and the Takeover Royal Decree and to be approved by the FSMA;
<b>“Belgian Offer Response Memorandum”</b>	the response memorandum to be adopted by Newbelco in the context of the Belgian Offer Prospectus;
<b>“Belgian Share Issue Documents”</b>	the Belgian legal documentation to be drawn up in connection with the Capital Increase (including relevant board and auditor reports);
<b>“BEVCO”</b>	BEVCO Ltd.;
<b>“BEVCO Irrevocable”</b>	the irrevocable undertaking entered into by AB InBev with BEVCO on 11 November 2015;
<b>“BEVCO Supplemental Irrevocable”</b>	the supplemental irrevocable undertaking entered into by AB InBev with BEVCO on 5 August 2016;
<b>“BITC”</b>	Belgian Income Tax Code;
<b>“BRC”</b>	BRC S.à r.l.;
<b>“Break Payment Event”</b>	has the meaning given in section 1, paragraph 7.2.1.3 of this Prospectus;
<b>“Broker”</b>	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the Financial Markets Act;
<b>“Business Day” or “business day”</b>	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;
<b>“Capital Increase”</b>	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;
<b>“Cash Consideration”</b>	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 and, as further described in section 2, paragraph 3.1.2 ( <i>Structure of the transaction – Summary description</i> ) of this Prospectus;
<b>“CCBA”</b>	Coca-Cola Beverages Africa (Pty) Ltd.;
<b>“CCBA Group”</b>	CCBA and its subsidiaries from time to time;
<b>“CCBA Transaction”</b>	the transaction announced by SABMiller on 27 November 2014 between SABMiller, The Coca-Cola Company and Gutsche Family Investments Proprietary Limited;
<b>“CEO”</b>	the Chief Executive Officer of Newbelco upon Completion;
<b>“certificated” or “in certificated form”</b>	not in uncertificated form (that is, not in CREST or the STRATE System);
<b>“Chairman”</b>	the chairman of the Newbelco Board upon Completion;
<b>“CIPC”</b>	the South African Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act;
<b>“Combined Group”</b>	the enlarged group following Completion of the Transaction, comprising the AB InBev Group, the SABMiller Group and Newbelco;
<b>“Common Monetary Area”</b>	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
<b>“Companies Act”</b>	the South African Companies Act, 71 of 2008, as amended;
<b>“Companies Regulations”</b>	the Companies Regulations, 2011, promulgated under the Companies Act, as amended;

<b>“Completion”</b>	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);
<b>“Consolidation Factor”</b>	185.233168056448;
<b>“Co-operation Agreement”</b>	the agreement dated 11 November 2015 between AB InBev and SABMiller relating, among other things, to the implementation of the Transaction, as amended from time to time;
<b>“CREST”</b>	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;
<b>“CR Snow”</b>	China Resources Snow Breweries Ltd.;
<b>“CR Snow Divestiture”</b>	the sale of SABMiller’s 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow;
<b>“CSDP”</b>	central securities depository participant, a participant as defined in the Financial Markets Act;
<b>“CTB Election”</b>	the entity classification election to be filed by SABMiller to be disregarded as an entity separate from Newbelco for U.S. Federal income tax purposes under Section 7701 of the Code and Treasury Regulation Sections 301.7701-1 through 301.7701-3;
<b>“Deferred Shares”</b>	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;
<b>“Deloitte”</b>	Deloitte Bedrijfsrevisoren BV CVBA – Réviseurs d’Entreprises SC SCRL (member of the <i>Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d’Entreprises</i> ), with registered office at Berkenlaan 8b, B-1831 Diegem, Belgium;
<b>“Deloitte UK”</b>	Deloitte LLP, the United Kingdom firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, whose member firms are legally separate and independent entities;
<b>“Director”</b>	a director of Newbelco, from time to time;
<b>“Distell Divestiture”</b>	the envisaged sale of SABMiller’s 26.5% shareholding in Distell Group Limited by AB InBev in the context of the Transaction;
<b>“EBITA, as defined”</b>	(and as it relates to the SABMiller Group or any SABMiller sub-groups) comprises operating profit before exceptional items and amortisation of intangible assets (excluding computer software) and includes the relevant group’s share of associates’ and joint ventures’ operating profit on a similar basis;
<b>“EDD Agreement”</b>	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;
<b>“Effective”</b>	in the context of the Transaction: <ul style="list-style-type: none"> <li>(a) if the Transaction is implemented by way of the UK Scheme, the UK Scheme having become effective pursuant to its terms; or</li> <li>(b) if the Transaction is implemented by way of a UK Offer, such UK Offer having been declared and become unconditional in all respects in accordance with the requirements of the UK City Code;</li> </ul>
<b>“Election”</b>	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;
<b>“Electronic Election”</b>	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;
<b>“EPS Participations”</b>	EPS Participations S.à r.l.;
<b>“EPS SA”</b>	Eugénie Patri Sébastien SA;
<b>“Equity Interests”</b>	shares, convertible bonds, bonds repayable in shares, subscription rights, and other financial instruments giving right to the shares;
<b>“EU” or “European Union”</b>	an economic and political union of 28 member states which are located primarily in Europe;
<b>“EU Parent-Subsidiary Directive”</b>	Council Directive (2011/96/EU) of 30 November 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States, as amended by Directive 2014/86/EU of 8 July 2014 and Directive 2015/121/EU of 27 January 2015;
<b>“EURIBOR”</b>	Euro Interbank Offered Rate;
<b>“Euro” “€” and “EUR”</b>	currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended;
<b>“Euroclear”</b>	CIK SA/NV (Euroclear Belgium);
<b>“Euronext Brussels”</b>	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);
<b>“European Divestitures”</b>	the following divestitures: <ul style="list-style-type: none"> <li>• the sale of SABMiller’s Peroni, Grolsch and Meantime brand families and their associated businesses in Italy, the Netherlands, the UK and internationally (excluding certain rights in the U.S.) to Asahi; and</li> </ul>

	<ul style="list-style-type: none"> <li>the sale of the entirety of assets of SABMiller in Central and Eastern Europe (Hungary, Romania, Czech Republic, Slovakia and Poland), subject to certain third party rights, to one or several purchasers;</li> </ul>
<b>“Exchange Act”</b>	The U.S. Securities Exchange Act of 1934, as amended;
<b>“Exchange Control Regulations”</b>	the South African Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the South African Currency and Exchanges Act, 9 of 1933, as amended;
<b>“F-4 Registration Statement”</b>	Newbelco’s SEC Registration Statement on Form F-4 dated on or around the date of this Prospectus;
<b>“Final Dividend”</b>	the final dividend for the year ended 31 March 2016 of USD 0.9375 proposed by the SABMiller Board;
<b>“Final Notarial Deed”</b>	the notarial deed acknowledging completion of the Belgian Merger;
<b>“Finance Committee”</b>	the finance committee of Newbelco from time to time appointed by the Newbelco Board in accordance with the Newbelco Articles;
<b>“Financial Markets Act”</b>	the South African Financial Markets Act, 19 of 2012, as amended;
<b>“Form of Election”</b>	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;
<b>“FSMA”</b>	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;
<b>“FTT”</b>	the EU financial transaction tax;
<b>“FTT Draft Directive”</b>	the proposal adopted by the European Commission for a Council Directive on a common financial transaction tax of 14 February 2013;
<b>“Grupo Modelo”</b>	Grupo Modelo, S. de R.L. de C.V.;
<b>“IFRS”</b>	International Financing Reporting Standards, as adopted by the EU;
<b>“Income Tax Act”</b>	the South African Income Tax Act, 58 of 1962, as amended;
<b>“Incorporation Shares”</b>	the 6,150,000 registered shares without nominal value issued by Newbelco on 3 March 2016 and outstanding as at the date of this Prospectus, which will be cancelled with effect simultaneously with the completion of the Capital Increase;
<b>“Independent Non-executive Directors”</b>	an “independent non-executive directors” of Newbelco, within the meaning of the Belgium Corporate Governance Code;
<b>“Initial Newbelco Directors”</b>	the members of the Newbelco Board at the date of this Prospectus, comprises of three directors associated with Phidias Management S.A., a wholly-owned subsidiary of Intertrust (Christophe Tans, Irène Florescu and Wouter Vanmechelen), who are expected to resign upon closing of the Belgian Offer;
<b>“Initial Newbelco Shares”</b>	the ordinary shares in the capital of Newbelco to be issued to UK Scheme Shareholders pursuant to the terms of the UK Scheme;
<b>“Intertrust”</b>	Intertrust (Belgium) NV/SA;
<b>“Intertrust Engagement Letter”</b>	the engagement letter referred to in paragraph 7.2.1.13(b) ( <i>Intertrust engagement letter</i> ) of this Prospectus;
<b>“January 2016 Notes”</b>	the January 2016 U.S. Notes and the January 2016 Taiwan Notes, collectively;
<b>“January 2016 Taiwan Notes”</b>	the USD 1.47 billion aggregate principal amount of notes issued by AB InBev’s subsidiary ABIFI on 29 January 2016;
<b>“January 2016 U.S. Notes”</b>	the USD 46 billion aggregate principal amount of bonds issued by AB InBev’s subsidiary ABIFI on 25 January 2016;
<b>“Johannesburg Stock Exchange”</b>	the securities exchange operated by the JSE under the Financial Markets Act;
<b>“JSE”</b>	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 Financial Markets Act;
<b>“JSE Listings Requirements”</b>	the listings requirements issued by the JSE under the Financial Markets Act, to be observed by issuers of equity securities listed on the Johannesburg Stock Exchange;
<b>“JSE Secondary Listing”</b>	the secondary listing and admission to trading of the New Ordinary Shares issued pursuant to the Belgian Merger upon Completion on the main board of the Johannesburg Stock Exchange;
<b>“Last Practicable Date”</b>	16 August 2016, being the last practicable date before the Prospectus was submitted to the CIPC for registration;
<b>“Lazard”</b>	Lazard Frères & Co. LLC and Lazard & Co., Limited;
<b>“LIBOR”</b>	London Interbank Offered Rate;
<b>“Listing”</b>	the admission to listing and trading of the New Ordinary Shares on Euronext Brussels;

<b>“Long Stop Date”</b>	the date falling 18 months after the date of the Rule 2.7 Announcement or such later date as may be agreed in writing by SABMiller and AB InBev (with the UK Panel’s consent and as the UK Court may approve (if such approval(s) is or are required));
<b>“LSE”</b>	London Stock Exchange;
<b>“LTI stock option(s)”</b>	long-term incentive stock option(s);
<b>“LTI Stock Option Plan Directors”</b>	the AB InBev long-term incentive stock option plan for directors, as further described in section 1, paragraph 5.2.1 ( <i>Overview of AB InBev existing plans</i> ) of this Prospectus;
<b>“LTI Stock Option Plan Executives”</b>	the AB InBev long-term incentive stock option plan for executives, as further described in section 1, paragraph 5.2.1 ( <i>Overview of AB InBev existing plans</i> ) of this Prospectus;
<b>“LTI Warrant Plan”</b>	the AB InBev long-term incentive warrant plan, as further described in section 1, paragraph 5.2.1 ( <i>Overview of AB InBev existing plans</i> ) of this Prospectus;
<b>“March 2016 Notes”</b>	the notes issued by AB InBev on 29 March 2016 under its Euro Medium-Term Note Programme of EUR 13.25 billion aggregate principal amount;
<b>“Member State”</b>	a member state of the European Union;
<b>“Mexican Secondary Listing”</b>	the secondary listing and admission to trading of the New Ordinary Shares on the Mexico Stock Exchange;
<b>“Mexican Secondary Listing Documents”</b>	the listing prospectus ( <i>folleto informativo</i> ) issued by Newbelco in accordance with the Mexican Securities Exchange Act ( <i>Ley del Mercado de Valores</i> ) relating to the public offer of instruments and the admission to trading on regulated markets, and to be approved by the Mexican Securities and Exchange Commission ( <i>Comisión Nacional Bancaria y de Valores</i> ) for the purpose of the Mexican Secondary Listing;
<b>“Mexico Stock Exchange”</b>	the Bolsa Mexicana de Valores, S.A.B de C.V.;
<b>“MillerCoors”</b>	MillerCoors LLC, a joint venture in the U.S. and Puerto Rico between SABMiller and Molson Coors;
<b>“MillerCoors Divestiture”</b>	the divestiture pursuant to the Molson Coors Purchase Agreement;
<b>“Molson Coors”</b>	Molson Coors Brewing Company;
<b>“Molson Coors Purchase Agreement”</b>	the purchase agreement entered into between Molson Coors and AB InBev on 11 November 2015 pursuant to which Molson Coors will acquire all of SABMiller’s interest in MillerCoors and certain assets (including trademarks, other intellectual property, contracts, inventory and other assets) related to SABMiller’s portfolio of Miller brands outside the U.S. for an aggregate purchase price of USD 12 billion in cash, subject to certain adjustments described in the Molson Coors Purchase Agreement, as amended by Amendment No. 1;
<b>“Newbelco”</b>	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, 4 <sup>th</sup> floor, 1000 Brussels, Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels);
<b>“Newbelco ADS”</b>	an ADS of Newbelco, represented by an ADR;
<b>“Newbelco Articles”</b>	the articles of association of Newbelco, to be adopted by the Newbelco General Meeting expected to be held 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 Listing becoming effective;
<b>“Newbelco Board”</b>	the board of directors of Newbelco;
<b>“Newbelco Board Committees”</b>	the four committees assisting the Newbelco Board, being the Audit Committee, the Finance Committee, the Remuneration Committee and the Nomination Committee;
<b>“Newbelco EBM”</b>	the executive board of management of Newbelco upon Completion;
<b>“Newbelco General Meeting”</b>	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;
<b>“Newbelco Governance Charter”</b>	the corporate governance charter of Newbelco, as it will be adopted by the Newbelco Board after Completion;
<b>“Newbelco Resolutions”</b>	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;
<b>“Newbelco Shareholders”</b>	holders of Newbelco Shares and/or Newbelco ADSs from time to time;
<b>“Newbelco Shares”</b>	the Initial Newbelco Shares, the Restricted Newbelco Shares or the New Ordinary Shares, as applicable;
<b>“New Ordinary Shares”</b>	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;

<b>"Nomination Committee"</b>	the nomination committee of Newbelco from time to time appointed by the Newbelco Board in accordance with the Newbelco Articles;
<b>"Nominee Shareholder"</b>	a UK Scheme Shareholder that holds UK Scheme Shares in a business or professional capacity for and on behalf of one or more persons;
<b>"Non-Executive Directors"</b>	the non-executive directors of Newbelco as at the date of this Prospectus;
<b>"NYSE"</b>	the New York Stock Exchange;
<b>"Offer Agent"</b>	BNP Paribas Fortis SA/NV;
<b>"Partial Share Alternative"</b>	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, as further described in section 2, paragraph 3.1.2 ( <i>Structure of the transaction – Summary description</i> ) of this Prospectus;
<b>"Permitted Dividend"</b>	<p>any dividend announced, declared or paid by SABMiller, in each case in the ordinary course (including on usual bi-annual 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> <ul style="list-style-type: none"> <li>(i) USD 0.2825 per SABMiller Share for the six month period ending 30 September 2015;</li> <li>(ii) USD 0.9375 per SABMiller Share for the six month period ended 31 March 2016 (with the sum of (i) and (ii) not to exceed USD 1.22 per SABMiller Share);</li> <li>(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) as compared to the ratio for the six month period ended 30 September 2015; and</li> <li>(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;</li> </ul> <p>(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;</p> <p>(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);</p> <p>(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</p> <p>(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;</p>
<b>"Phidias Management SA"</b>	Phidias Management SA, a limited liability company ( <i>société anonyme / naamloze vennootschap</i> ) 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;
<b>"Pledge"</b>	has the meaning given in section 1, paragraph 4.2.12.5 ( <i>Restricted Newbelco Shares – Pledge</i> ) of this Prospectus;
<b>"Pledge Consent"</b>	has the meaning given in section 1, paragraph 4.2.12.5 ( <i>Restricted Newbelco Shares – Pledge</i> ) of this Prospectus;
<b>"Pledgee"</b>	has the meaning given in section 1, paragraph 4.2.12.5 ( <i>Restricted Newbelco Shares – Pledge</i> ) of this Prospectus;
<b>"pound sterling", "sterling", "GBP" and "£"</b>	lawful currency of the United Kingdom;
<b>"Pre-Conditions"</b>	the pre-conditions to the Transaction set out in Appendix 1 to the Rule 2.7 Announcement and Pre-Condition shall be construed accordingly;
<b>"Preference Right"</b>	a preferential right to subscribe for any Equity Interests, in accordance with Article 592 of the Belgian Companies Code;
<b>"Proposed Directors"</b>	the proposed directors of Newbelco as set out in section 1, paragraph 2.2.2 of this Prospectus;
<b>"Proposed Structure"</b>	the proposed structure of the Transaction, as set out in section 2, paragraph 3.1.2 of this Prospectus;
<b>"Prospectus"</b>	this bound prospectus, issued on 26 August 2016 in terms of section 99(2) of the Companies Act;
<b>"Prospectus Directive"</b>	Directive 2003/71/EC of the European Parliament and of the Council of the European Union, as amended (including by Directive 2010/73/EU);
<b>"Rayvax"</b>	Rayvax Société d'Investissements S.A.;

<b>“Receiver”</b>	has the meaning given in section 1, paragraph 4.2.12.5 ( <i>Restricted Newbelco Shares – Pledge</i> ) of this Prospectus;
<b>“Reclassification and Consolidation”</b>	<p>(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</p> <p>(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 Restricted Newbelco Shares),</p> <p>in each case, upon the passing of the notarial deed acknowledging the closing of the Belgian Offer;</p>
<b>“Regulatory Information Service”</b>	any of the services authorised from time to time by the UK Financial Conduct Authority for the purposes of disseminating regulatory announcements;
<b>“Remuneration Committee”</b>	the remuneration committee of Newbelco from time to time appointed by the Newbelco Board in accordance with the Newbelco Articles;
<b>“Restricted Newbelco Share Directors”</b>	the Newbelco directors appointed by the shareholders’ meeting of Newbelco upon proposal by the Restricted Newbelco Shareholders;
<b>“Restricted Newbelco Shareholders”</b>	the holders of Restricted Newbelco Shares;
<b>“Restricted Newbelco Shares”</b>	restricted shares in the capital of Newbelco, which will come into existence as a result of the Reclassification and Consolidation;
<b>“Restricted Overseas Shareholders”</b>	a UK Scheme Shareholder whom AB InBev requires SABMiller to treat as a Restricted Overseas Shareholder pursuant to the terms of the UK Scheme;
<b>“Restricted Transferee”</b>	each of any Pledgee, Receiver, anyone to whom any Restricted Newbelco Shares (or any interest in those Restricted Newbelco Shares) are (or are agreed to be) transferred, sold, contributed, offered, granted any opinion on, or otherwise disposed of in accordance with article 7.3(b)(i)(aa) or 7.3(b)(i)(bb) of the Newbelco Articles, and any person referred to in Article 7.5(c) of the Newbelco Articles;
<b>“Revised Announcement”</b>	the announcement made by AB InBev dated 26 July 2016 in relation to the Transaction made pursuant to Rule 2.7 of the UK City Code;
<b>“Revised Restricted Newbelco Shares”</b>	has the meaning given in section 1, paragraph 4.2.12.3 ( <i>Restricted Newbelco Shares – Conversion</i> ) of this Prospectus;
<b>“Rule 2.7 Announcement”</b>	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;
<b>“SABMiller”</b>	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;
<b>“SABMiller ADS Depositary”</b>	the depositary from time to time for the SABMiller ADSs pursuant to a deposit agreement between it, SABMiller and the holders and beneficial owners of SABMiller ADSs;
<b>“SABMiller ADSs”</b>	American Depositary Shares of SABMiller;
<b>“SABMiller Board”</b>	the board of directors of SABMiller;
<b>“SABMiller Directors”</b>	the directors of SABMiller as at the date of this Prospectus or, where the context so requires, the directors of SABMiller from time to time;
<b>“SABMiller General Meeting”</b>	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 Resolution;
<b>“SABMiller Group”</b>	SABMiller and the group of companies owned and/or controlled by SABMiller;
<b>“SABMiller International BV”</b>	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, being a wholly-owned indirect subsidiary of SABMiller;
<b>“SABMiller Meetings”</b>	the UK Scheme Court Meeting and the SABMiller General Meeting;
<b>“SABMiller Registrar”</b>	the SABMiller UK Registrar and/or the SABMiller South African Registrar;
<b>“SABMiller Resolution”</b>	such shareholder resolution of SABMiller as is 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;
<b>“SABMiller Shareholders”</b>	the holders of SABMiller Shares from time to time;
<b>“SABMiller Share Award Plan”</b>	the SABMiller plc Executive Share Award Plan 2008 (including the China sub-plan);
<b>“SABMiller Share Option Plans”</b>	the SABMiller plc Executive Share Option Plan 2008; the SABMiller plc Approved Executive Share Option Plan 2008; the SABMiller plc South African Executive Share Option Plan 2008; the SABMiller plc Stock Appreciation Rights Plan 2008 (including the China sub-plan); the SABMiller plc South African Stock Appreciation Rights Sub-Plan 2008; the SABMiller plc Approved Share Option Scheme 1999; the SABMiller plc Executive Share Option (No. 2) Scheme 1999; the SABMiller plc International Employee Stock Appreciation Rights Scheme; the SABMiller plc International Employee Share Scheme; and the SABMiller plc Mirror Executive Share Purchase Scheme;



<b>“SABMiller Share Plans”</b>	the SABMiller Share Award Plan; the SABMiller Share Option Plans; and the SABMiller plc Employee Share Purchase Plan;
<b>“SABMiller Shares”</b>	the ordinary shares of USD 0.10 each in the capital of SABMiller;
<b>“SARB”</b>	the South African Reserve Bank;
<b>“SABMiller South African Registrar”</b>	Computershare Investor Services Proprietary Limited, the registrars of SABMiller in South Africa;
<b>“SABMiller UK Registrar”</b>	Equiniti Limited, the registrars of SABMiller in the United Kingdom;
<b>“SEC”</b>	the United States Securities and Exchange Commission;
<b>“SEC Registration Statements”</b>	any registration statement on Form F-4 (or, if applicable, on another appropriate form) required to be filed with and declared effective by the SEC in respect of (i) New Ordinary Shares to be issued pursuant to the terms of the Belgian Merger, or (ii) Restricted Newbelco Shares together with any amendments and supplements thereto, all exhibits thereto and all documents incorporated by reference therein;
<b>“Securities Act”</b>	the U.S. Securities Act of 1933, as amended, and the rules promulgated thereunder;
<b>“SENS”</b>	the stock exchange news service of the Johannesburg Stock Exchange;
<b>“Share-Based Compensation Plan”</b>	the AB InBev share-based compensation plan, as further described in section 1, paragraph 5.2.1.2 ( <i>Overview of AB InBev existing plans – Share-Based Compensation Plan</i> ) of this Prospectus;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“South African Rand” or “R” or “ZAR”</b>	South African Rand, the official currency of South Africa;
<b>“South African Register”</b>	the branch register of members of SABMiller within the meaning of section 129 of the UK Companies Act 2006 and article 116 of SABMiller’s articles of association kept and maintained on behalf of SABMiller by SABMiller South African Registrar;
<b>“South African Register Freeze Date”</b>	the last date for transfers between the UK Register and the South African Register, as set out in the expected timetable of principal events in section 2, paragraph 2 ( <i>Times and Dates</i> ) of this document (or such other date as may be notified to SABMiller Shareholders by announcement through a Regulatory Information Service, on SENS and in the usual South African business newspapers for announcements of this nature);
<b>“STRATE”</b>	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 depositary in terms of the Financial Markets Act 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;
<b>“STRATE System”</b>	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;
<b>“Successor”</b>	<ul style="list-style-type: none"> <li>(i) in respect of any legal entity, any entity: <ul style="list-style-type: none"> <li>(a) to which such person transfers all of its assets; and</li> <li>(b) 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</li> </ul> </li> <li>(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;</li> </ul>
<b>“Takeover Law”</b>	the Belgian law of 1 April 2007 on public takeover bids;
<b>“Takeover Royal Decree”</b>	the Belgian Royal Decree of 27 April 2007 on public takeover bids;
<b>“Tax Matters Agreement”</b>	the tax matters agreement entered into between Altria and AB InBev dated 11 November 2015, as amended from time to time;
<b>“Tax Opinions”</b>	opinions by Altria’s US counsel that (i) the “Reorganization”, as defined in the Tax Matters Agreement (being collectively the transfer of the UK Scheme Shares from the UK Scheme Shareholders to Newbelco, the issue of the Initial Newbelco Shares to the UK Scheme Shareholders, the registration of the UK Scheme Shareholders as Newbelco Shareholders in the share register of Newbelco, the reregistration of SABMiller as a private limited company and the CTB Election) and (ii) the Reclassification and Consolidation, will qualify as a tax-free reorganisations for U.S. Federal income tax purposes;
<b>“Transaction”</b>	the proposed business combination between SABMiller and AB InBev, to be effected by the Proposed Structure;
<b>“Transaction-related Divestitures”</b>	the MillerCoors Divestiture, the CR Snow Divestiture, the European Divestitures and the Distell Divestiture;
<b>“UK or United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“UK Agent”</b>	a third party agreed by SABMiller and AB InBev, being the agent irrevocably appointed by the UK Scheme Shareholders pursuant to the UK Scheme;
<b>“UK City Code”</b>	the UK City Code on Takeovers and Mergers;
<b>“UK Court”</b>	the High Court of Justice in England and Wales;

<b>“UK Offer”</b>	should the Transaction or a step thereof be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the UK Companies Act 2006, the offer to be made by or on behalf of AB InBev to acquire the entire issued and to be issued share capital of SABMiller and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
<b>“UK Panel”</b>	UK Panel on Takeovers and Mergers;
<b>“UK Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“UK Scheme”</b>	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);
<b>“UK Scheme Court Meeting”</b>	the meeting (or meetings) of holders of UK Scheme Shares (or any class or classes thereof) (other than Altria and BEVCO (or their nominees, if any), and any entity holding Scheme Shares on behalf of Altria and BEVCO to the extent of such holding) who will separately undertake to be bound by the UK Scheme, 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;
<b>“UK Scheme Court Order”</b>	the order of the UK Court sanctioning the UK Scheme pursuant to section 899 of the UK Companies Act 2006;
<b>“UK Scheme Court Sanction Hearing”</b>	the hearing of the UK Court to sanction the UK Scheme pursuant to section 899 of the UK Companies Act 2006, including any adjournment thereof;
<b>“UK Scheme Document”</b>	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;
<b>“UK Scheme Effective Time”</b>	the time and date at which the UK Scheme becomes Effective in accordance with its terms;
<b>“UK Scheme Record Time”</b>	the time and date specified as such in the UK Scheme;
<b>“UK Scheme Shareholders”</b>	holders of UK Scheme Shares as at the UK Scheme Record Time;
<b>“UK Scheme Shares”</b>	<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>and in each case remaining in issue at the UK Scheme Record Time, but excluding any SAB Miller Shares held by SABMiller in treasury;</p>
<b>“Ukrainian hryvnia” or “UAH”</b>	the lawful currency of Ukraine;
<b>“uncertificated” or “in uncertificated form”</b>	recorded on the relevant register as being held in uncertificated form in CREST or the STRATE System and title to or interests in which may be transferred by means of CREST or the STRATE System, respectively; and all references herein to the holding of SABMiller Shares or UK Scheme Shares (in uncertificated form) in the STRATE system must be read to mean the holding of interests in SABMiller Shares or UK Scheme Shares, as reflected in the STRATE system;
<b>“Underlying Shareholder”</b>	<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>
<b>“U.S.”, “USA”, or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
<b>“USD”, “dollars”, “U.S. dollars”, “\$” or “cents”</b>	the lawful currency of the United States;
<b>“U.S. GAAP”</b>	the generally accepted accounting principles adopted by the SEC;
<b>“U.S. Internal Revenue Code”</b>	the United States Internal Revenue Code of 1986, as amended;
<b>“US Shareholders”</b>	SABMiller Shareholders with a registered address in the United States;
<b>“Value Reduction”</b>	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;
<b>“Voting Record Time”</b>	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; and
<b>“Zenzele Scheme”</b>	SABMiller’s Zenzele Broad-Based Black Economic Empowerment scheme.

## **SOUTH AFRICAN PROSPECTUS**

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### **DOCUMENTS AND CONSENTS AVAILABLE FOR INSPECTION**

In terms of Regulation 53 of the Companies Regulations, certified copies of the following documents will be available for inspection at the South African head office of SABMiller located at 2 Jan Smuts Avenue, Braamfontein, Johannesburg, South Africa, as well as at the registered office of Newbelco, SABMiller and the registered office of AB InBev's South African Transfer Secretaries whose addresses are set out in the "Corporate Information and Advisors" section of this Prospectus from the date of this Prospectus until the 10th Business Day following the closing date of the Belgian Offer, namely:

- this Prospectus;
- the existing articles of association of Newbelco; and
- the written consent of each of the persons referred to in section 1, paragraphs 2.8 to 2.11 of this Prospectus, annexed hereto as Annexe D of this Prospectus.

### **DOCUMENT WEBSITE LINKS**

The below listed documentation has been referred to in this Prospectus. Such documentation shall be available for inspection, at no charge and during business hours, at the registered office of SABMiller and the registered office of AB InBev's South African Transfer Secretaries, from the date of this Prospectus until the 10<sup>th</sup> Business Day following the closing date of the Belgian Offer. Such documentation can also be accessed on the website links specified below.

- Belgian Offer Documents – [www.ab-inbev.com](http://www.ab-inbev.com);
- Belgian Merger Documents – [www.ab-inbev.com](http://www.ab-inbev.com);
- Belgian Merger US Documents – [www.ab-inbev.com](http://www.ab-inbev.com);
- AB InBev Listing Documents – [www.ab-inbev.com](http://www.ab-inbev.com);
- Belgian Share Issue Documents – [www.ab-inbev.com](http://www.ab-inbev.com);
- Belgian Offer Response Memorandum – [www.ab-inbev.com](http://www.ab-inbev.com);
- the Mexican Secondary Listing Documents – [www.ab-inbev.com](http://www.ab-inbev.com); and
- UK Scheme Document – [www.sabmiller.com](http://www.sabmiller.com).

Without limitation, the contents of the websites of AB InBev, Newbelco and/or SABMiller (or any other websites, including the content of any website accessible from hyperlinks on the websites of AB InBev, Newbelco and/or SABMiller) do not form part of this Prospectus.

## SECTION 1 – COMPANY INFORMATION [Regulation 56]

### 1. NAME, ADDRESS, INCORPORATION [Regulation 57]

#### 1.1 Name and registration number [Regulation 57(1)(a)]

Newbelco SA/NV, registration number 0649.641.563.

#### 1.2 Addresses [Regulation 57(1)(b)]

Registered office address: Rue Royale/Koningsstraat 97, 4<sup>th</sup> Floor, 1000 Brussels, Belgium.

Address of AB InBev's South African Transfer Secretaries: 70 Marshall Street, Marshalltown, Johannesburg, 2001

#### 1.3 Date of incorporation [Regulation 57(1)(c)]

Incorporated as a limited liability company in Belgium on 3 March 2016.

#### 1.4 Name of foreign jurisdiction in which Newbelco is incorporated [Regulation 57(2)(a)]

Incorporated in Brussels, Belgium, under the Belgian Companies Code.

#### 1.5 Name and registered address of holding company [Regulation 57(3)(a)]

As at the date of this Prospectus, the holding company (as such term is defined in the Companies Act) of Newbelco is SABMiller International B.V., having its registered office located at Brouwerslaan 1, 7548XA, Enschede (the Netherlands). Upon Completion, Newbelco will be the ultimate holding company of the Combined Group.

#### 1.6 Name, business and date and place of incorporation of each of the subsidiaries of Newbelco [Regulation 57(3)(b); 59(2)(a) & 59(3)(d)]

As at the date of this Prospectus, Newbelco does not have any subsidiaries.

### 2. DIRECTORS, MANAGEMENT AND OTHER OFFICE HOLDERS OR MATERIAL THIRD PARTIES [Regulation 58]

#### 2.1 Initial Newbelco Directors & management of Newbelco

The full names, positions, dates of appointment, nationalities, qualifications and experience of the Newbelco Directors as at the Last Practicable Date are set out below.

As of the date of this Prospectus, the Newbelco Board and management of Newbelco is comprised of three directors associated with Phidias Management SA, a company appointed to provide various corporate services and a wholly-owned subsidiary of Intertrust, namely Christophe Tans, Irène Florescu and Wouter Vanmechelen.

Name	Position	Date of appointment	Expiry of mandate
Christophe Tans	Director	3 March 2016	2017
Irène Florescu	Director	3 March 2016	2017
Wouter Vanmechelen	Director	3 March 2016	2017

**Christophe Tans** (Belgian) is the Managing Director of Intertrust (Belgium) NV/SA. He first joined Intertrust in 2006 after a career of more than three years as a tax lawyer and six years as a tax adviser in a leading audit and consulting firm. Mr. Tans first joined the management board of Intertrust (Belgium) in 2006, and in August 2010 he took up the position of Managing Director. He holds a Master's degree in Law from the University of Leuven and two Masters degrees in Tax Law from the University of Liège and Groep T. Leuven.

**Irène Florescu** (Belgian) is the Director of Finance at Intertrust (Belgium) NV/SA, and since 2003, she has been a member of the management board. Previously, she was a specialised accountant in Brussels and for several years worked for an international telecom company. She holds a Master's degree in Economics from the University of Bucharest.

**Wouter Vanmechelen** (Belgian) joined Intertrust (Belgium) NV/SA in January 2016, where he leads the legal team as the Business Unit Manager for Legal. Previously, he worked for seven years as an international tax manager at a leading audit and consulting firm. He holds a Master's degree in Law from the University of Leuven and a Masters in Tax Law from HUB.

The business address of the Initial Newbelco Directors is Rue Royale/Koningsstraat 97, 4<sup>th</sup> floor, 1000 Brussels (Belgium).

The Initial Newbelco Directors are expected to resign upon completion of the Belgian Offer.

#### 2.2 Overview of Newbelco's proposed board and management structure [Regulation 58(2)] [Regulation 58(3)(a)]

This paragraph 2.2 summarises the rules and principles according to which the Newbelco Board and management structure will be organised as from Completion, once the Newbelco Articles and the Newbelco Corporate Governance Charter will be effective. The Newbelco Articles will be adopted by the Newbelco General Meeting (composed of the holders of the Incorporation Shares) expected to be held on or around 28 September 2016 and will become effective subject to closing of the Belgian Offer. It is expected that the Newbelco Governance Charter will be adopted by the Newbelco Board shortly after Completion. The Newbelco Articles are available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com)) and will, upon or shortly after Completion, be available on Newbelco's website. The Newbelco Governance Charter will be available on Newbelco's website once adopted by the Newbelco Board.

The management structure of Newbelco will be a "one-tier" governance structure comprised of the board of directors. The Newbelco Board will be in charge of approving Newbelco's strategy, overseeing Newbelco's principal objectives, and assuming ultimate responsibility for the oversight of Newbelco'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.

## 2.2.1 Newbelco board of directors

### 2.2.1.1 Role and responsibilities of the Newbelco Board

The Newbelco Board will be the ultimate decision-making body, except for the powers reserved to Newbelco Shareholders exercisable at shareholders' meetings by law, or as specified in the Newbelco Articles.

Pursuant to the powers granted to it by law and the Newbelco Articles, the Newbelco Board will have the following exclusive powers and responsibilities:

- to approve Newbelco's strategy, as recommended by the CEO and to oversee Newbelco's principal objectives;
- to appoint and dismiss the CEO and the Company Secretary;
- to appoint and dismiss the members and the chairmen of the Newbelco Board Committees, and to monitor and review the effectiveness of the Newbelco Board Committees;
- to nominate independent director candidates for approval by the shareholders at the shareholders' meeting, upon recommendation of the Nomination Committee;
- to assume ultimate responsibility for the oversight of Newbelco's activities, and to work with the Audit Committee to ensure that the Newbelco EBM develops appropriate, adequate and cost-effective internal control and risk management mechanisms;
- to review and approve the annual, six-monthly, and if required quarterly, financial and consolidated statements, examine the financial position of any subsidiary of Newbelco if needed, and present at the ordinary shareholders' meeting a clear and complete evaluation of Newbelco's financial condition as prepared by the CEO;
- to review and approve all significant judgments concerning the application of International Financial Reporting Standards ("IFRS") in the preparation of Newbelco's financial statements upon the recommendation of the Audit Committee;
- to convene the shareholders' meetings and determine any resolutions to be submitted for approval, including, among other matters, resolutions relating to the allocation of annual corporate financial results, and requests to discharge the Newbelco Board; and
- to establish Newbelco's policy with respect to corporate communications and oversee all external means of communication, it being understood that communication on behalf of Newbelco to the outside world (after Newbelco Board approval) is reserved to the Chairman of the Newbelco Board and the CEO, with the right of delegation.

The Newbelco Board will also be vested with the following powers and responsibilities that it will exercise upon recommendation from the CEO:

- to determine the general corporate structure of Newbelco;
- to appoint and dismiss the members of the Newbelco EBM;
- for key subsidiaries and affiliates, for strategic partnerships, and for companies in which Newbelco holds a strategic minority interest, to nominate the statutory auditors and directors subject to the approval by the shareholders at the shareholders' meeting of the company concerned;
- to approve the annual budget and investment plans, approve the annual plan for capital expenditure, and approve all non-planned capital expenditure exceeding USD 75 million, in the aggregate, in any year, it being understood that the Newbelco Board may delegate this responsibility to the Finance Committee;
- to approve the acquisition or disposal of trademarks other than in the ordinary course of business;
- to approve finance transactions and financial commitments which exceed in the aggregate USD 150 million, in notional amount, in any year and which are not intra-group transactions, it being understood that the Newbelco Board may delegate this responsibility, in whole or in part, to the Finance Committee;
- to approve the opening, closing or transfer of facilities, registered offices or operating sites, either in whole or in part, other than in the ordinary course of business;
- to approve capital contributions, acquisitions, divestments, transfers/pledging of equity interests, or related guarantees, which exceed USD 75 million in value;
- to approve acquisitions, divestitures, transfers or mortgaging of rights in real property, or long-term leases (*baux emphytéotiques/erfpachten*), which exceed USD 75 million in value; and
- to approve all political contributions and gifts having a value exceeding EUR 10,000, to the extent permitted by law.

The role and responsibilities of the Newbelco Board will be described in detail in the Newbelco Governance Charter.

## 2.2.2 Structure and composition of the Newbelco Board

### 2.2.2.1 General

#### (i) Newbelco Board composition

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 Newbelco Governance Charter 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;
- 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 (9) directors will be appointed by the shareholders' meeting of Newbelco upon proposal by the 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 Successors' Affiliates own in aggregate:
  - 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;
  - 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;
  - 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.

For the purpose of calculating the percentages of Newbelco's share capital owned or controlled by the Reference Shareholder Group (as defined in the Newbelco Articles) in order to determine the number of directors to be appointed by the Reference Shareholder Group, any shares in Newbelco: (i) resulting from shares in AB InBev issued between 11 November 2015 and Completion; (ii) issued pursuant to stock option plans or other compensation plans; (iii) disposed of by Newbelco, to the extent such shares were owned by Newbelco upon Completion; or (iv) owned by Newbelco or any of its subsidiaries within the meaning of article 6 of the Belgian Companies Code, shall be disregarded for the purposes of calculating the total share capital of Newbelco.

For the purpose of calculating the percentages of Newbelco's share capital owned or controlled by the Restricted Newbelco Shareholders (together with their Affiliates, Successors and Successors' Affiliates) in order to determine the number of Restricted Newbelco Share Directors to be appointed:

- any Shares in Newbelco: (i) resulting from shares in AB InBev issued between 11 November 2015 and Completion; (ii) issued pursuant to stock option plans or other compensation plans after Completion; (iii) disposed of by Newbelco, to the extent such shares were owned by Newbelco upon Completion; or (iv) owned by Newbelco or any of its subsidiaries within the meaning of article 6 of the Belgian Companies Code, shall be disregarded for the purposes of calculating the total share capital of Newbelco; and
- with respect to each person who, as at Completion, owned Restricted Newbelco Shares in its own name, as long as such person or its Affiliates, Successors and/or Successors' Affiliates (together a "**Restricted Newbelco Shareholder Group**") still holds at least one Restricted Newbelco Share in its own name, any New Ordinary Shares owned by such Restricted Newbelco Shareholder Group shall be added to the number of remaining Restricted Newbelco Shares, provided that such New Ordinary Shares are held in registered form:
  - in the name of any member of such Restricted Newbelco Shareholder Group; or
  - in the name of a custodian holding such Ordinary Shares on behalf of any member of such Restricted Newbelco Shareholder Group and Newbelco has received a notice from each of the relevant custodian and the relevant member of such Restricted Newbelco Shareholder Group confirming that such Ordinary Shares were held by such custodian on behalf of such member of such Restricted Newbelco Shareholder Group,

provided that the Restricted Newbelco Shareholders shall never be entitled to appoint more than three directors.

The Newbelco Governance Charter will provide that it is expected that members of the Newbelco Board will be natural persons.

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): Mr. Grégoire de Spoelberch; Mr. Alexandre Van Damme; Mr. Carlos Alberto da Veiga Sicupira; Mr. Marcel Herrmann Telles; Mr. Stéfano Descheemaeker; Mr. Paul Cornet de Ways Ruart; Mr. Paulo Alberto Lemann; Mr. Alexandre Behring; and Ms. Maria Asunción Aramburuzabala; and
- three independent directors (all of which are existing independent directors of the AB InBev Board): Mr. Olivier Goudet; Ms Michele Burns; and Mr. Elio Leoni Sceti.

The Newbelco General Meeting will be requested to approve the appointment of the nine directors proposed by the AB InBev Reference Shareholder and the three independent directors, with such appointments becoming effective upon closing of the Belgian Offer.

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, while the three independent directors will be appointed by the Newbelco General Meeting for a period of slightly less than four years expiring at the ordinary shareholders' meeting of Newbelco to be held in 2020.

Name	Principal function (expected)	Nature of directorship (expected)	Start of mandate (expected)	Expiry of term (expected)
María Asunción Aramburuzabala	Director	Non-executive	8 October 2016	2018
Alexandre Behring	Director	Non-executive	8 October 2016	2018
M. Michele Burns	Independent director	Non-executive	8 October 2016	2020
Paul Cornet de Ways Ruart	Director	Non-executive	8 October 2016	2018
Stéfan Descheemaeker	Director	Non-executive	8 October 2016	2018
Olivier Goudet	Independent director, Chairman of the Board	Non-executive	8 October 2016	2020
Paulo Alberto Lemann	Director	Non-executive	8 October 2016	2018
Elio Leoni Sceti	Independent director	Non-executive	8 October 2016	2020
Carlos Alberto Sicupira	Director	Non-executive	8 October 2016	2018
Grégoire de Spoelberch	Director	Non-executive	8 October 2016	2018
Marcel Herrmann Telles	Director	Non-executive	8 October 2016	2018
Alexandre Van Damme	Director	Non-executive	8 October 2016	2018

Set out below is a short biography of the twelve individuals who are expected to be members of the Newbelco Board upon closing of the Belgian Offer and whose identities are known at the date of this Prospectus: **[Regulation 58(2)][Regulation 58(3)(a)]**

- **Ms. Aramburuzabala** will be a non-executive member of the Newbelco Board. Born in 1963, she is a citizen of Mexico and holds a degree in Accounting from ITAM (*Instituto Tecnológico Autónomo de México*). She has served as CEO of Tresalia Capital since 1996. She is currently chairman of the Boards of Directors of Tresalia Capital, KIO Networks, Abilia and Red Universalia. She is also a member of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo Board of Directors, and is currently on the Boards of Consejo Mexicano de Negocios, Fresnillo plc, Calidad de Vida, Progreso y Desarrollo para la Ciudad de México and El Universal, Compañía Periodística Nacional, and is an Advisory Board member of ITAM School of Business.
- **Mr. Behring** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in 1967, he is a Brazilian citizen and received a BS in Electrical Engineering from Pontifícia Universidade Católica in Rio de Janeiro and an MBA from Harvard Business School, having graduated as a Baker Scholar and Loeb Scholar. He is a co-founder and the Managing Partner of 3G Capital, a global investment firm with offices in New York and Rio de Janeiro, since 2004. Mr. Behring has served as Chairman of Restaurant Brands International since 3G Capital's acquisition of Burger King in October 2010 and following Burger King's subsequent acquisition of Tim Hortons in December 2014. Mr. Behring also serves as Chairman of the Kraft Heinz Company following the acquisition of H.J. Heinz Company by Berkshire Hathaway and 3G Capital in June 2013 and subsequent combination with Kraft Foods Group in July 2015. Additionally, Mr. Behring formerly served as a Director of CSX Corporation, a leading U.S. rail-based transportation company, from 2008 to 2011. Previously, Mr. Behring spent approximately ten years at GP Investments, one of Latin America's premier private-equity firms, including eight years as a partner and member of the firm's Investment Committee. He served for seven years, from 1998 through 2004, as a Director and CEO of one of Latin America's largest railroads, ALL (*América Latina Logística*).
- **Ms. Burns** will be an independent member of the Newbelco Board. Born in 1958, she is an American citizen and graduated *Summa Cum Laude* from the University of Georgia with a Bachelor's Degree in Business Administration and a Master's Degree in Accountancy. Ms. Burns was the Chairman and Chief Executive Officer of Mercer LLC from 2006 until 2012. She currently serves on the Boards of Directors of The Goldman Sachs Group, where she chairs the Risk Committee, Alexion Pharmaceuticals, where she chairs the Strategy and Risk Committee, Cisco Systems, Etsy, where she chairs the Audit Committee and Circle Online Financial, a private company. From 2003 until 2013, she served as a director of Wal-Mart Stores, where she chaired the Compensation and Nominating Committee and the Strategic Planning and Finance Committee. She also serves as the Center Fellow and Strategic Advisor to the Stanford Center on Longevity at Stanford University. Ms. Burns is on the Executive Board of the Elton John Aids Foundation, where she serves as Treasurer. Ms. Burns began her career in 1981 at Arthur Andersen, where she became a partner in 1991. In 1999, she joined Delta Air Lines, assuming the role of Chief Financial Officer from 2000 to 2004. From 2004 to 2006, Ms. Burns served as Chief Financial Officer and Chief Restructuring Officer of Mirant Corporation, an independent power producer. From March 2006 until September 2006, Ms. Burns served as the Chief Financial Officer of Marsh and McLennan Companies.
- **Mr. Cornet de Ways Ruart** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1968, he is a Belgian citizen and holds a Master's Degree as a Commercial Engineer from the Catholic University of Louvain and an MBA from the University of Chicago. He has attended the Master Brewer program at the Catholic University of Louvain. From 2006 to 2011, he worked at Yahoo! and was in charge of Corporate Development for Europe before taking on additional responsibilities as Senior Financial Director for Audience and Chief of Staff. Prior to

joining Yahoo!, Mr. Cornet was Director of Strategy for Orange UK and spent seven years with McKinsey & Company in London and Palo Alto, California. He is also a member of the Board of Directors of Bunge Limited, EPS, Rayvax, Adrien Invest, Floridienne S.A. and several privately held companies.

- **Mr. Descheemaeker** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1960, he is a Belgian citizen and graduated from Solvay Business School. He is the CEO of Nomad Food, a leader in the European frozen food sector. He joined Interbrew in 1996 as head of Strategy & External Growth, managing its M&A activities, culminating with the combination of Interbrew and Ambev. In 2004, he transitioned to operational management, first in charge of Interbrew's operations in the United States and Mexico, and then as InBev's Zone President Central and Eastern Europe and eventually, Western Europe. In 2008, Mr. Descheemaeker ended his operational responsibilities at AB InBev and joined the AB InBev Board as a non-executive Director. He was appointed Chief Financial Officer of Delhaize Group in January 2009 and served as Chief Executive Officer of Delhaize Europe from January 2012 until October 2013. He is a professor in Business Strategy at the Solvay Business School.
- **Mr. Goudet** will be an independent member of the Newbelco Board. Born in 1964, he is a French citizen, holds a degree in Engineering from l'Ecole Centrale de Paris and graduated from the ESSEC Business School in Paris with a major in Finance. Mr. Goudet is Partner and CEO of JAB Holding Company, LLC, a position he has held since June 2012. He started his professional career in 1990 at Mars, Inc., serving on the finance team of the French business. After six years, he left Mars to join the VALEO Group, where he held several senior executive positions, including Group Finance Director. In 1998 he returned to Mars, where he became Chief Financial Officer in 2004. In 2008, his role was broadened to become the Executive Vice President as well as CFO. Between June 2012 and November 2015 he served as an Advisor to the Board of Mars. Mr. Goudet is also a Board member of Jacobs Douwe Egberts, the world's leading pure play FMCG coffee and tea company; a Board member of Keurig Green Mountain, a leader in single-serve coffee and beverage technologies; Chairman of Peet's Coffee & Tea, a premier specialty coffee and tea company and of Caribou Einstein, a premium coffee and bagel restaurant chain; a Board member of Coty Inc., a global leader in beauty; a Board member of Espresso House, the largest branded coffee shop chain in Scandinavia; and a Board member of Jimmy Choo PLC, a luxury leather goods company.
- **Mr. Lemann** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in Brazil in 1968, he is a Brazilian citizen and graduated from Faculdade Candido Mendes in Rio de Janeiro, Brazil with a B.A. in Economics. Mr. Lemann interned at PriceWaterhouse in 1989 and was employed as an Analyst at Andersen Consulting from 1990 to 1991. Mr. Lemann also performed equity analysis while at Banco Marka and Dynamo Asset Management (both in Rio de Janeiro). From 1997 to 2004, he developed the hedge fund investment group at Tinicum Inc., a New York-based investment office that advised the Synergy Fund of Funds, where he served as Portfolio Manager. In May 2005, Mr. Lemann founded Pollux Capital and is currently the Portfolio Manager there. Mr. Lemann is a board member of Lojas Americanas, the Lemann Foundation and Ambev.
- **Mr. Leoni Sceti** will be an independent member of the Newbelco Board. Born in 1966, he is an Italian citizen who lives in the UK. He graduated *Magna Cum Laude* in Economics from LUISS in Rome, where he passed the Dottore Commercialista post-graduate bar exam. Mr. Leoni Sceti has over 25 years' experience in the fast-moving consumer goods and media sectors. He was CEO of Iglo Group, a European food business whose brands are Birds Eye, Findus & Iglo. Iglo group was sold in May 2015 to Nomad Foods. He previously served as CEO of EMI Music from 2008 to 2010. Prior to EMI, Mr. Leoni Sceti had an international career in marketing and held senior leadership roles at Procter & Gamble and Reckitt Benckiser. Mr. Leoni Sceti is a private early investor in Media & Tech, the Chairman of London based LSG holdings and a Counsellor and Trustee at One Young World.
- **Mr. Sicupira** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in 1948, he is a Brazilian citizen and received a Bachelor of Business Administration from Universidade Federal do Rio de Janeiro and attended the Owners/Presidents Management Program at Harvard Business School. He has been Chairman of Lojas Americanas since 1981, where he also served as Chief Executive Officer until 1992. He is a member of the Board of Directors of Restaurant Brands International Inc. and the Harvard Business School's Board of Dean's Advisors and a co-founder and Board member of Fundação Estudar, a non-profit organisation that provides scholarships for Brazilians.
- **Mr. de Spoelberch** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1966, he is a Belgian citizen and holds an MBA from INSEAD. Mr. de Spoelberch is an active private equity shareholder and his recent activities include shared Chief Executive Officer responsibilities for Lunch Garden, the leading Belgian self-service restaurant chain. He is a member of the board of several family owned companies, such as Eugénie Patri Sébastien S.A., Verlinvest and Cobehold (Cobepa). He is also an administrator of the Baillet-Latour Fund, a foundation that encourages social, cultural, artistic, technical, sporting, educational and philanthropic achievements.
- **Mr. Telles** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in 1950, he is a Brazilian citizen and holds a degree in Economics from Universidade Federal do Rio de Janeiro and attended the Owners/Presidents Management Program at Harvard Business School. He was Chief Executive Officer of Brahma and Ambev and has been a member of the Board of Directors of Ambev since 2000. He served as member of the Board of Directors of H.J. Heinz Company and now serves as member of the Board of Directors of the Kraft Heinz Company and of the Board of associates of Inspir. He is co-founder and Board member of Fundação Estudar, a non-profit organisation that provides scholarships for Brazilians and a founder and Chairman of Ismart, a non-profit organisation that provides scholarships to low-income students. He is also an ambassador for Endeavor, an international non-profit organisation that supports entrepreneurs in developing markets.
- **Mr. Van Damme** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1962, he is a Belgian citizen and graduated from Solvay Business School, Brussels. Mr. Van Damme joined the beer industry early in his career and held various operational positions within Interbrew until 1991, including Head of Corporate Planning and Strategy. He has managed several private venture holding companies and is currently a director of Patri S.A.



(Luxembourg), Restaurant Brands International (formerly Burger King Worldwide Holdings) and Jacobs Douwe Egberts (JDE) and Keurig Green Mountain (KGM). He is also an administrator of the Baillet-Latour Fund, a foundation that encourages social, cultural, artistic, technical, sporting, educational and philanthropic achievements, as well as a director of the charitable, non-profit organisation DKMS, the largest bone marrow donor centre in the world.

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 (see sections 7.2.1.7 (*Altria Irrevocable*) and 7.2.1.9 (*BEVCO Irrevocable*) below), 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).

As at the date of this Prospectus, the requisite corporate action to appoint the persons who will serve as directors of Newbelco following the closing of the Belgian Offer has not yet been effected. Accordingly the persons who will serve as directors of Newbelco following the closing of the Belgian Offer may differ from the persons currently expected to serve in such capacity.

The business address of the members of the Newbelco Board will be Brouwerijplein 1, 3000 Leuven, Belgium.

**(ii) Nomination of candidates for Restricted Newbelco Share Directors**

Any Restricted Newbelco Shareholder may propose to the other Restricted Newbelco Shareholders, for nomination as a Restricted Newbelco Share Director a number of persons (all such proposed persons being, the "**Candidates**") not exceeding the number of Restricted Newbelco Share Directors entitled to be appointed under 2.2.2.1(i), at a meeting to be held among the Restricted Newbelco Shareholders (a "**Restricted Newbelco Shareholders' Meeting**") prior to any Newbelco shareholders meeting at which the retirement, resignation, revocation, end of office for any reason, confirmation of co-optation or appointment of a Restricted Newbelco Share Director is to be acknowledged or decided.

Unless the nomination of the Candidates takes place by way of written resolutions in accordance with the Newbelco Articles, Newbelco will organise the Restricted Newbelco Shareholders' Meetings in accordance with the rules provided in the Newbelco Articles. The Restricted Newbelco Shareholders shall vote cumulatively to select the Restricted Newbelco Share Directors to be appointed from the Candidates in one single round of voting at such meeting of the Restricted Newbelco Shareholders, and the Candidate or Candidates with the highest number of votes up to the number of Restricted Newbelco Share Directors entitled to be appointed shall be put to the shareholders' meeting for appointment.

**(iii) Voting on Restricted Newbelco Share Director Candidates**

For the purposes of the above paragraph (Nomination of candidates for Restricted Newbelco Share Directors) each Restricted Newbelco Shareholder shall have one vote for:

- each Restricted Newbelco Share; and
- each New Ordinary Share referred to in paragraph section 1, paragraph 2.2.2.1(i) above (subject to the terms below),

(together the "**Restricted Newbelco Shareholder Voting Shares**") provided that:

- if the aggregate of the Restricted Newbelco Shareholder Voting Shares held by any Restricted Newbelco Shareholder Group exceeds 175% of the aggregate number of Restricted Newbelco Shares held by such Restricted Newbelco Shareholder Group at Completion (or the relevant adjusted number taking account of any change referred to in the definition of Revised Restricted Newbelco Shares), such Restricted Newbelco Shareholder Group shall together not be entitled to exercise more than the number of votes equal to 175% of the number of the Restricted Newbelco Shares held by such Restricted Newbelco Shareholder Group at Completion (or the relevant adjusted number taking account of any change referred to in the definition of Revised Restricted Newbelco Shares);

- if any Restricted Newbelco Shareholder Group wish to exercise the votes attaching to any New Ordinary Shares held by it ("**Additional Votes**"), such Restricted Newbelco Shareholder Group must cast all of the votes attaching to their Restricted Newbelco Shareholder Voting Shares in favour of no more than two Candidates; and
- no one Candidate shall be eligible to receive Additional Votes from more than one Restricted Shareholder Group (it being understood that, in the event any one Candidate receives Additional Votes from more than one Restricted Shareholder Group, such Candidate shall be deemed to have received the number of Additional Votes of the Restricted Shareholder Group casting the most Additional Votes in favour of such Candidate).

No vote in respect of any Restricted Newbelco Shareholder Voting Shares may be exercised more than once. Subject to the terms above, any vote may be cast in favour of any Candidate (but no vote may be used in respect of more than one Candidate) and a Restricted Newbelco Shareholder may spread its votes in any manner it chooses between the Candidates (including by exercising all votes in favour of a single Candidate).

**(iv) 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;
- all Restricted Newbelco Share Directors, the term of office shall terminate immediately after the closing of the next ordinary shareholders' meeting following the date of their appointment.

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 annual ordinary shareholders' meeting of Newbelco to be held in 2018, as set out in subparagraph (i) (*Newbelco Board composition*) above.

The directors will be eligible for re-election.

**(v) 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:

- the Newbelco Board in the case of a vacancy relating to an independent director;
- 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
- 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 Article

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' Shareholder's 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 sub-section (iii) (*Vacancy during a director's term*) have the meanings given to them in the Newbelco Articles: "Proposing Holder", "Requisite Majority of Restricted Shareholders", "Restricted Shareholders' Meeting" and "Sufficient Restricted Shareholding".

**(vi) Provision of information to directors**

All Newbelco directors will be provided with all information that the Newbelco Board considers necessary for the performance of its duties and all information that the Newbelco Board considers is material to Newbelco.

**(vii) Chairman of the Newbelco Board**

The Newbelco Board will elect the Chairman from amongst its members who meets the criteria for an independent director. The initial Chairman is expected to be the existing chairman of the AB InBev Board, i.e. Mr. Olivier Goudet.

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.

**(viii) Company Secretary**

The Company Secretary of Newbelco will ensure that the Newbelco Board procedures are complied with and that the Newbelco Board acts in accordance with its statutory obligations and its obligations under the Newbelco Articles. He/she shall advise the Newbelco Board on all governance matters and assist the Chairman in fulfilling his duties as detailed above, as well as in the logistics associated with the affairs of the Newbelco Board (information, agenda, etc.).

**(ix) Independent directors**

Independent directors on the Newbelco Board will be required to meet specific requirements of independence that will be set out in the Newbelco Governance Charter. These requirements are different to those as envisaged in the King Code on Corporate Governance for South Africa, 2009, but are applicable to Newbelco under Belgian

law. 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 Newbelco Governance Charter will be the following:

- the director is not an executive or managing director of Newbelco or an associated company, and has not been in such a position for the previous five years;
- the director has not served for more than three successive terms as a non-executive director on the Newbelco Board, or for a total term of more than 12 years;
- the director is not an employee of Newbelco or an associated company and has not been in such a position for the previous three years;
- the director does not receive significant additional remuneration or benefits from Newbelco or an associated company apart from a fee received as non-executive director;
- the director is not the representative of a controlling shareholder or a shareholder with a shareholding of more than 10%, or a director or executive officer of such a shareholder;
- the director does not have or has not had within the financial reported year a significant business relationship with Newbelco or an associated company, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship;
- the director is not or has not been within the last three years a partner or an employee of Newbelco's external auditor or the external auditor of an associated company; and
- the director is not a close family member of an executive or managing director or of persons in the situations described above.

When an independent director has served on the Newbelco Board for three terms, any proposal to renew his mandate as independent director must expressly indicate why the Newbelco Board considers that his independence as a director is preserved.

Independent directors on the Newbelco Board who serve on the Audit Committee will also be required to meet the criteria for independence set forth in Rule 10A-3 under the Exchange Act.

#### 2.2.2.2 General information on the directors

In relation to each of the twelve individuals who are expected to be members of the Newbelco Board upon closing of the Belgian Offer and whose identities are known at the date of this Prospectus (see paragraph 2.2.2.1 (i) (*Newbelco Board composition*) above), Newbelco is not aware of (i) any convictions in relation to fraudulent offences in the last five years, (ii) any bankruptcies, receiverships or liquidations of any entities in which such members held any offices, directorships or partner or senior management positions in the last five years, or (iii) any official public incrimination and/or sanction of such members by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

It is expected that none of the twelve individuals who are expected to be the members of the Newbelco Board upon closing of the Belgian Offer and whose identities are known at the date of this Prospectus (see paragraph 2.2.2.1 (i) (*Newbelco Board composition*) above) will have upon Completion:

- any conflicts of interest within the meaning of the Belgian Companies Code between any duties he/she owes to Newbelco and any private interests and/or other duties; or
- a family relationship with any other member of the Newbelco Board whose identity is known at the date of this Prospectus (see paragraph 2.2.2.1(i) (*Newbelco Board composition*) above) or any member of the Newbelco EBM listed in section 2.2.7.1.2 (*Executive board of management*) below.

Over the five years preceding the date of this Prospectus, the twelve individuals who are expected to be members of the Newbelco Board upon closing of the Belgian Offer and whose identities are known at the date of this Prospectus (see paragraph 2.2.2.1 (i) (*Newbelco Board composition*) above) hold or have held the following main directorships (apart from directorships they have held with AB InBev and its subsidiaries, or SABMiller and its subsidiaries) or memberships of administrative, management or supervisory bodies and/or partnerships.

Name	Current	Past
María Asunción Aramburuzabala	Tresalia Capital, Grupo Modelo, KIO Networks, Abilia, Red Universalia, Consejo Mexicano de Negocios, Fresnillo, plc, El Universal, Compañía Periodística Nacional, Calidad de Vida Progreso y Desarrollo para la Ciudad de México and Instituto Tecnológico Autónomo de México (ITAM) School of Business	Grupo Financiero Banamex, LLC, Banco Nacional de México, Telmex, América Móvil, Televisa, Cablevisión, Empresas ICA, Aeroméxico, Siemens, Tory Burch, LLC, Artega Automóvil, Diblo, Dirección de Fábricas, Filantropía Modelo, Consejo Asesor para las Negociaciones Comerciales Internacionales, Compromiso Social por la Calidad de la Educación, Latin America Conservation Council and Médica Sur
Alexandre Behring	3G Capital Partners., Restaurant Brands International and The Kraft Heinz Company	CSX Corporation
Michèle Burns	Cisco Systems Inc., The Goldman Sachs Group Inc., Alexion Pharmaceuticals Inc., Etsy Inc., and Circle Internet Financial	Wal-Mart Stores Inc.

Name	Current	Past
Paul Cornet de Ways Ruart	Bunge Ltd, Eugénie Patri Sébastien S.A., Rayvax Société d'Investissement S.A., Sebacoop SCRL, Adrien Invest SCRL, Floridienne S.A., and the AB InBev Reference Shareholder	Sparflex
Stéfan Descheemaeker	Nomad Foods, Eugénie Patri Sébastien S.A. and the AB InBev Reference Shareholder	Telenet Group Holding NV, Delhaize Group
Olivier Goudet	JAB Holding Company, Peet's Coffee & Tea Inc., Coty Inc., Jacobs Douwe Egberts (JDE) BV., Acorn Holdings B.V., Jimmy Choo PLC, Espresso House Holding AB, Keurig Green Mountain Inc. and Caribou Coffee Company Inc.	Mars Inc., Wm. Wrigley Jr. Company, Agence Française des Investissements Internationaux and the Washington Performing Arts Society
Paulo Alberto Lemann	Pollux Capital, Lojas Americanas S.A., Lemann Foundation, Ambev and Lone Pine Capital LLC	
Elio Leoni Sceti	LSG Holdings	EMI Music, Iglo Group, Beamly Ltd and Nomad Foods
Carlos Alberto Sicupira	Restaurant Brands International, Lojas Americanas S.A., 3G Capital Partners, Instituto de Desenvolvimento Gerencial – INDG, Fundação Estudar and the AB InBev Reference Shareholder	B2W Companhia Global do Varejo, São Carlos Empreendimentos e Participações S.A, Movimento Brasil Competitivo – MBC, ALL América Latina Logística S.A. and GP Investimentos
Grégoire de Spoelberch	Agemar S.A., Wernelin S.A., Fiprolux S.A., Eugénie Patri Sébastien S.A., the AB InBev Reference Shareholder, G.D.S. Consult, Cobehold, Compagnie Benelux Participations, Vervodev, Wesparc, Groupe Josi, <sup>(1)</sup> Financière Stockel, <sup>(1)</sup> Immobilière du Canal, <sup>(1)</sup> Verlinvest, <sup>(1)</sup> Midi Développement, <sup>(1)</sup> Solferino Holding S.A., Navarin S.A., Zencar S.A., Clearvolt S.A. and Fonds InBev Baillet Latour	Atanor, <sup>(1)</sup> Amantelia, <sup>(1)</sup> Demeter Finance, Lunch Garden Services, <sup>(1)</sup> Lunch Garden, <sup>(1)</sup> Lunch Garden Management, <sup>(1)</sup> Lunch Garden Finance, <sup>(1)</sup> Lunch Garden Concepts, <sup>(1)</sup> HEC Partners, <sup>(1)</sup> Q.C.C., <sup>(1)</sup> A.V.G. Catering Equipment, <sup>(1)</sup> Immo Drijvers-Stevens and <sup>(1)</sup> Elpo-Cuisinex Wholesale <sup>(1)</sup>
Marcel Herrmann Telles	3G Capital Partners, The Kraft Heinz Company, Instituto de Desenvolvimento Gerencial – INDG, Fundação Estudar, Instituto Social Maria Telles, Ambev and the AB InBev Reference Shareholder	Lojas Americanas S.A., São Carlos Empreendimentos e Participações S.A., Editora Abril S.A. GP Investimentos and Instituto Veris – IBMEC São Paulo, Burger King Worldwide Holdings, Inc., Itau/Unibanco International and Harvard Business School's Board of Dean's Advisors
Alexandre Van Damme	Jacobs Douwe Egberts (JDE), Restaurant Brands International, the AB InBev Reference Shareholder, Eugénie Patri Sébastien S.A. and Keurig Green Mountain (KGM)	UCB S.A.

(1) As permanent representative

### 2.2.3 Newbelco Board meetings

The Newbelco Board will meet as frequently as the interests of Newbelco may require. In addition, special meetings of the Newbelco Board may be called and held at any time upon the call of either the Chairman or at least two directors, by notice to each director at least three business days before the meeting. Where duly justified by emergency and by the corporate interest of Newbelco, this three business day notice period will be able to be waived by the unanimous consent of the directors expressed in writing.

The Newbelco Board will be able to meet by a conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. Moreover, where duly justified by emergency and by the corporate interest of Newbelco, decisions may be adopted, without a meeting, by the unanimous written consent of the directors. However, this procedure may not be used for the approval of the annual accounts and the use of the authorised capital.

Newbelco Board meetings will be based on a detailed agenda specifying the items for decision and those for information. The relative majority of physical Newbelco Board meetings in any one year will take place in Belgium.

Each director will be authorised to appoint another member of the Newbelco Board to represent him and vote in his name. One director shall not represent more than one other director. Except in cases of force majeure, the Newbelco Board will only be able to deliberate if the majority of its members are present or represented. Newbelco Board decisions will be made by a simple majority of the votes cast.

At the CEO's request, any member of the Newbelco EBM may be invited to attend the whole or any part of a Newbelco Board meeting.

The Company Secretary of the Newbelco Board will draft minutes of each meeting reflecting the issues which were discussed, the decisions which were taken and the reservations (if any) which were voiced by dissenting directors. The minutes will be signed by the majority of the directors present at the meeting.

## 2.2.4 Conflicts of interest and related party transactions

Newbelco directors will be required to arrange their personal and business affairs so as to avoid conflicts of interest with Newbelco within the meaning of article 523 of the Belgian Companies Code. Any director with a conflicting financial interest on any matter before the Newbelco Board will be required to bring it to the attention of both the statutory auditor and fellow directors, will not take part in any deliberation and vote related thereto, and will not be taken into account for the purpose of calculating the quorum for the vote by the Newbelco Board on such matter. Conflicts of interest within the meaning of article 523 of the Belgian Companies Code will be disclosed in accordance with the relevant legal provisions.

Any proposed related party transaction or arrangement falling within the scope of article 524 of the Belgian Companies Code shall be submitted to a committee of three independent directors in accordance with such article and shall only be entered into after review by such committee.

## 2.2.5 Newbelco Board committees

The Newbelco Board will be assisted by four committees: the Audit Committee, the Finance Committee, the Remuneration Committee and the Nomination Committee.

The existence of the Newbelco Board Committees will not decrease the responsibility of the Newbelco Board as a whole. Newbelco Board Committees will meet to prepare matters for consideration by the Newbelco Board. By exception to this principle, (i) the Remuneration Committee may make decisions on individual remuneration packages, other than with respect to the CEO and the Newbelco EBM, and on performance against targets, to the extent that these matters have been specifically delegated to it by the Newbelco Board, and (ii) the Finance Committee will be empowered to make decisions on matters specifically delegated to it by the Newbelco Board, in each case without having to refer to an additional decision of the Newbelco Board.

### 2.2.5.1 Audit Committee

The Audit Committee will consist of a minimum of three members. The Audit Committee's chairman and the Audit Committee's members will be appointed by the Newbelco Board from among the independent non-executive directors. The chairman of the Audit Committee will not be the Chairman of the Newbelco Board. The CEO, Chief Legal and Corporate Affairs Officer and Chief Financial and Technology Officer will be invited to the meetings of the Audit Committee, unless the chairman of the Audit Committee or a majority of the members decide to meet in closed session.

The Audit Committee will assist the Newbelco Board in its responsibility for oversight of (i) the integrity of Newbelco's financial statements, (ii) its compliance with legal and regulatory requirements and the environmental and social responsibilities, (iii) the statutory auditors' qualification and independence, and (iv) the performance of the statutory auditors and the internal audit function.

The Audit Committee will be entitled to review information on any point it wishes to verify, and is authorised to acquire such information from any of Newbelco's employees. The Audit Committee will be directly responsible for the appointment, compensation, retention and oversight of the statutory auditor (save to the extent that such matters are subject to the exclusive competence of a general shareholder's meeting in accordance with Belgian law). It will also establish procedures for confidential complaints regarding questionable accounting or auditing matters. It will also be authorised to obtain independent advice, including legal advice, if this is necessary for an inquiry into any matter under its responsibility. It will be entitled to call on the resources that will be needed for this task. It will be entitled to receive reports directly from the statutory auditor, including reports with recommendations on how to improve Newbelco's control processes.

The Audit Committee shall hold as many meetings as necessary with a minimum of four per year. The Audit Committee shall hold at least one of its physical meetings each year in Belgium.

Upon Completion, it is expected that the Newbelco Board will appoint the following persons as members of the Audit Committee:

- Ms. Michèle Burns, Chairman;
- Mr. Olivier Goudet, member; and
- Mr. Elio Leoni Sceti, member.

It should be noted, however, that as of the date of this Prospectus, the requisite corporate action to appoint the persons who will serve as members of the Audit Committee has not been effected; accordingly, the persons who will serve as members of the Audit Committee following Completion may differ from the persons currently expected to serve in such capacity.

### 2.2.5.2 Finance Committee

The Finance Committee will consist of at least three, but no more than six, members appointed by the Newbelco Board, all of whom will be non-executive directors. The Newbelco Board will appoint a chairman and, if deemed appropriate, a vice-chairman from among the Finance Committee members. The CEO and the Chief Financial and Technology Officer will be invited *ex officio* to the Finance Committee meetings unless explicitly decided otherwise. Other employees will be invited on an *ad hoc* basis as deemed useful.

The Finance Committee will meet at least four times a year and as often as deemed necessary by its chairman or at least two of its members. The Finance Committee shall hold at least one of its physical meetings each year in Belgium.

The Finance Committee will assist the Newbelco Board in fulfilling its oversight responsibilities in the areas of corporate finance, risk management, treasury controls, mergers and acquisitions, tax and legal, pension plans, financial communication and stock market policies and all other related areas as deemed appropriate.

Upon Completion, it is expected that the Newbelco Board will appoint the following persons as members of the Finance Committee:

- Mr. Alexandre Van Damme, Chairman;
- Mr. Alex Behring, member;

- Ms. Michèle Burns, member;
- Mr. Stéfán Descheemaeker, member; and
- Mr. Paulo Lemann, member.

It should be noted however that, as of the date of this Prospectus, the requisite corporate action to appoint the persons who will serve as members of the Finance Committee has not been effected; accordingly, the persons who will serve as members of the Finance Committee following Completion may differ from the persons currently expected to serve in such capacity.

#### 2.2.5.3 Remuneration Committee

The Remuneration Committee will consist of three members appointed by the Newbelco Board, all of whom will be non-executive directors. The chairman of the Remuneration Committee will be a representative of the AB InBev Reference Shareholder and the other two members will meet the requirements of independence as set out in the Newbelco Governance Charter and in the Belgian Companies Code. The CEO and the Chief People Officer will be invited *ex officio* to the meetings of the Committee unless explicitly decided otherwise.

The Remuneration Committee shall meet at least four times a year and more often if required, and shall be convened by its chairman or at the request of at least two of its members. The Remuneration Committee shall hold at least one of its physical meetings each year in Belgium.

The Remuneration Committee's principal role will be to guide the Newbelco Board with respect to all its decisions relating to the remuneration policies for the Newbelco Board, the CEO and the Newbelco EBM and on their individual remuneration packages. The Remuneration Committee will ensure that the CEO and members of the Newbelco EBM are incentivised to achieve, and are compensated for, exceptional performance. The Remuneration Committee will also ensure the maintenance and continuous improvement of Newbelco's compensation policy which is to be based on meritocracy with a view to aligning the interests of its employees with the interests of all shareholders.

Upon Completion, it is expected that the Newbelco Board will appoint the following persons as members of the Remuneration Committee:

- Mr. Marcel Herrmann Telles, Chairman;
- Mr. Olivier Goudet, member;
- Ms. Elio Leoni Sceti, member.

It should be noted however that, as of the date of this Prospectus, the requisite corporate action to appoint the persons who will serve as members of the Remuneration Committee has not been effected; accordingly, the persons who will serve as members of the Remuneration Committee following Completion may differ from the persons currently expected to serve in such capacity.

#### 2.2.5.4 Nomination Committee

The Nomination Committee will consist of five members appointed by the Newbelco Board, all of whom will be non-executive directors. The five members will include the Chairman of the Newbelco Board and the chairman of the Remuneration Committee. Four of the five Nomination Committee members will be representatives of the AB InBev Reference Shareholder. The CEO, the Chief People Officer and the Chief Legal and Corporate Affairs Officer will be invited *ex officio* to attend the meetings of the Nomination Committee unless explicitly decided otherwise.

The Nomination Committee's principal role will be to guide the Newbelco Board appointment process. The Nomination Committee will (i) identify candidates qualified to become independent directors, (ii) review candidate directors proposed by the AB InBev Reference Shareholder and the Restricted Newbelco Shareholders, and (iii) make recommendations in view of the appointment of directors at the shareholders' meeting. The Nomination Committee will also guide the Newbelco Board with respect to all its decisions relating to the appointment and retention of key talent within Newbelco.

The Nomination Committee shall meet at least two times a year, and more, if required. The Nomination Committee shall hold at least one of its physical meetings each year in Belgium.

Upon Completion, it is expected that the Newbelco Board will appoint the following persons as members of the Nomination Committee:

- Mr. Marcel Herrmann Telles, Chairman;
- Mr. Grégoire de Spoelberch, member;
- Mr. Olivier Goudet, member;
- Mr. Carlos Alberto da Veiga Sicupira, member;
- Mr. Alexandre Van Damme, member.

It should be noted however that, as of the date of this Prospectus, the requisite corporate action to appoint the persons who will serve as members of the Nomination Committee has not been effected; accordingly, the persons who will serve as members of the Nomination Committee following Completion may differ from the persons currently expected to serve in such capacity.

#### 2.2.6 Oversight of Newbelco Board

The existence of the Board Committees will not decrease the responsibility of the Newbelco Board as a whole. Board Committees will meet to prepare matters for consideration by the Newbelco Board. By exception to this principle, (1) the Remuneration Committee will be empowered to make decisions on individual remuneration packages, other than with respect to the CEO and the Newbelco EBM, and on performance against targets, to the extent that these matters have been specifically delegated to it by the Newbelco Board, and (2) the Finance Committee will be empowered to make decisions on matters specifically delegated to it by the Newbelco Board, in each case without having to refer to an additional decision of the Newbelco Board.

## 2.2.7 Executive management

### 2.2.7.1 Role and responsibilities, composition, structure and organisation

#### 2.2.7.1.1 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.

Upon Completion Mr. Carlos Brito, the existing chief executive officer of AB InBev, will serve as CEO of Newbelco.

#### 2.2.7.1.2 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.

The Newbelco EBM will be composed as follows:

<b>Carlos Brito</b> <b>CEO</b>			
<b>Functional heads (chiefs)</b>		<b>Zone presidents</b>	
<b>Sabine Chalmers</b>	Chief Legal & Corporate Affairs Officer	<b>Jan Craps</b>	Asia Pacific South
<b>Michel Doukeris</b>	Chief Sales Officer (effective January 2017) <sup>(1)</sup>	<b>Jean Jereissati</b>	Asia Pacific North (effective January 2017) <sup>(2)</sup>
<b>Felipe Dutra</b>	Chief Financial & Technology Officer	<b>Mauricio Leyva</b>	Middle Americas
<b>Pedro Earp</b>	Chief Disruptive Growth Officer	<b>Carlos Lisboa</b>	Latin America South (effective January 2017) <sup>(3)</sup>
<b>Claudio Garcia</b>	Chief People Officer	<b>Stuart MacFarlane</b>	Europe
<b>Peter Kraemer</b>	Chief Supply Officer	<b>Ricardo Moreira</b>	Latin America COPEC
<b>Tony Milikin</b>	Chief Procurement Officer	<b>João Castro Neves</b>	North America
<b>Miguel Patricio</b>	Chief Marketing Officer	<b>Bernardo Pinto Paiva</b>	Latin America North
		<b>Ricardo Tadeu</b>	Africa
<i>Transitional roles:</i>			
<b>David Almeida</b>	Chief Integration Officer		
<b>Claudio Braz Ferro</b>	Chief Supply Integration Officer		

Notes:

(1) Until January 2017, Luiz Fernando Edmond will be Newbelco's Chief Sales Officer. Michel Doukeris will replace Luiz Fernando Edmond as Newbelco's Chief Sales Officer as from January 2017.

(2) Until January 2017, Michel Doukeris will be Newbelco's Zone President Asia Pacific North. Jean Jereissati will replace Michel Doukeris as Newbelco's Zone President Asia Pacific North as from January 2017.

(3) Until January 2017, Marcio Froes will be Newbelco's Zone President Latin America South. Carlos Lisboa will replace Marcio Froes as Newbelco's Zone President Latin America South as from January 2017.

**Carlos Brito** will be Newbelco's CEO. Born in 1960, he is a Brazilian citizen and received a Degree in Mechanical Engineering from the Universidade Federal do Rio de Janeiro and an MBA from Stanford University. He held positions at Shell Oil and Daimler Benz prior to joining Ambev in 1989. At Ambev he had roles in Finance, Operations, and Sales, before being appointed Chief Executive Officer in January 2004. He was appointed Zone President North America at InBev in January 2005 and Chief Executive Officer in December 2005. He is also a member of the board of directors of Ambev and of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors.

**Sabine Chalmers** will be Newbelco's Chief Legal and Corporate Affairs Officer and Company Secretary. Born in 1965, Ms. Chalmers is a U.S. citizen of German and Indian origin and holds an LL.B. from the London School of Economics. She is qualified as a solicitor in England and is a member of the New York State Bar. Ms. Chalmers joined AB InBev in January 2005 after over 12 years with Diageo plc where she held a number of senior legal positions in various geographies across Europe, the Americas and Asia including as General Counsel of the Latin American and North American businesses. Prior to Diageo, she was an associate at the law firm of Lovells in London, specialising in mergers and acquisitions. Ms. Chalmers is a member of the advisory board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors. She also serves on several professional councils and not-for-profit boards, including the Association of Corporate Counsel and Legal Momentum, the United States' oldest legal defence and education fund dedicated to advancing the rights of women and girls.

**Michel Doukeris** will be Newbelco's Chief Sales Officer (effective January 2017). Born in 1973, he is a Brazilian citizen and holds a Degree in Chemical Engineering from Federal University of Santa Catarina in Brazil and a Master's Degree in Marketing from Fundação Getulio Vargas, also in Brazil. He has also completed post-graduate programs in Marketing and Marketing Strategy from the Kellogg School of Management and Wharton Business School in the United States. Mr. Doukeris joined AB InBev in 1996 and held sales positions of increasing responsibility before becoming Vice President, Soft Drinks of AB InBev's Latin America North zone in 2008. He was appointed President, AB InBev China in January 2010 and currently serves as Zone President, Asia Pacific of AB InBev, a position he has held since January 2013.

**Luiz Fernando Edmond** will be Newbelco's Chief Sales Officer (until January 2017). Born in 1966, he is a Brazilian citizen and holds a Degree in Production Engineering from the Universidade Federal do Rio de Janeiro. Mr. Edmond joined Brahma, which later became Ambev, in 1990 as part of its first Management Trainee Program. At Ambev, he held various positions in the commercial, supply and distribution areas. He was appointed Zone President, Latin America North and Ambev's Chief Executive Officer in January 2005 and held the position of Zone President, North America from November 2008 to December 2014. He was also a member of the board of directors of Ambev until December 2014. Effective 1 January 2015, he became AB InBev's Chief Sales Officer.

**Felipe Dutra** will be Newbelco's Chief Financial and Technology Officer. Born in 1965, Mr. Dutra is a Brazilian citizen and holds a Degree in Economics from Candido Mendes and an MBA in Controlling from Universidade de Sao Paulo. He joined Ambev in 1990 from Aracruz Celulose, a major Brazilian manufacturer of pulp and paper. At Ambev, he held various positions in Treasury and Finance before being appointed General Manager of one of AB InBev's subsidiaries. Mr. Dutra was appointed Ambev's Chief Financial Officer in 1999 and he became AB InBev's Chief Financial Officer in January 2005. In 2014, Mr. Dutra became AB InBev's Chief Financial and Technology Officer. He is also a member of the board of directors of Ambev and of the advisory board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors.

**Pedro Earp** will be Newbelco's Chief Disruptive Growth Officer. Born in 1977, he is a Brazilian citizen and holds a Bachelor of Science degree in Financial Economics from the London School of Economics. Mr. Earp joined AB InBev in 2000 as a Global Management Trainee in AB InBev's Latin America North Zone. In 2002, he became responsible for the Zone's M&A team and in 2005 he moved to AB InBev's global headquarters in Leuven, Belgium to become Global Director, M&A. Later, he was appointed VP, Strategic Planning in Canada in 2006, Global VP, Insights and Innovation in 2007, Global VP, M&A in 2009 and VP, Marketing for the Latin America North Zone in 2013. He was appointed Chief Disruptive Growth Officer of AB InBev in February 2015.

**Claudio Garcia** will be Newbelco's Chief People Officer. Born in 1968, he is a Brazilian citizen and holds a degree in Economics from the Universidade Estadual do Rio de Janeiro. Mr. Garcia joined Ambev as a management trainee in 1991 and thereafter held various positions in Finance and Operations before being appointed Information Technology and Shared Services Director in 2002. Mr. Garcia was appointed InBev's Chief Information and Services Officer in January 2005 and its Chief People and Technology Officer in September 2006. To ensure a greater focus on building the best people pipeline globally, Mr. Garcia was appointed AB InBev's Chief People Officer in 2014 focusing on AB InBev's People organisation globally. This includes the Global Management Trainee Program, Global MBA recruitment, executive education and training and engagement initiatives.

**Peter Kraemer** will be Newbelco's Chief Supply Officer. Born in 1965, he is a U.S. Citizen. A fifth-generation Brewmaster and a native of St. Louis, Peter holds a Master's degree in Business Administration from St. Louis University and a Bachelor's degree in Chemical Engineering from Purdue University. He joined AB InBev 27 years ago and has held various brewing positions over the years, including Group Director of Brewing and Resident Brewmaster of the St. Louis brewery. In 2008, Peter became VP, Supply, for AB InBev's North America Zone, leading all brewery operations, quality assurance, raw materials and product innovation responsibilities. He was appointed Chief Supply Officer of AB InBev in March 2016.

**Tony Milikin** will be Newbelco's Chief Procurement Officer. Born in 1961, he is a U.S. citizen and holds an undergraduate Finance Degree from the University of Florida and an MBA in Marketing from Texas Christian University in Fort Worth, Texas. Mr. Milikin joined AB InBev in May 2009 from MeadWestvaco, where he was Vice President, Supply Chain and Chief Purchasing Officer, based in Richmond, Virginia, since 2004. Prior to joining MeadWestvaco, he held various purchasing and supply chain positions with increasing responsibilities at Monsanto and Alcon Laboratories.

**Miguel Patricio** will be Newbelco's Chief Marketing Officer. Born in 1966, he is a Portuguese citizen and holds a Degree in Business Administration from Fundação Getulio Vargas in São Paulo. Prior to joining Ambev in 1998, Mr. Patricio held several senior positions across the Americas at Philip Morris, the Coca-Cola Company and Johnson & Johnson. At Ambev, he was Vice President, Marketing before being appointed Vice President, Marketing of InBev's North American zone based in Toronto in January 2005. In January 2006, he was promoted to Zone President, North America, and in January 2008 he moved to Shanghai to take on the role of Zone President, Asia Pacific. He became AB InBev's Chief Marketing Officer in July 2012.

**David Almeida** will be Newbelco's Chief Integration Officer (transitional role). Born in 1976, David is a dual citizen of the U.S. and Brazil and holds a Bachelor's Degree in Economics from the University of Pennsylvania. Most recently, he served as Vice President, U.S. Sales, a role he took on in 2011, having previously held the position of Vice President, Finance for the North American organisation. Prior to that, he served as InBev's head of mergers and acquisitions, where he led the combination with Anheuser-Busch in 2008 and subsequent integration activities in the U.S. Before joining InBev in 1998, he worked at Salomon Brothers in New York as a financial analyst in the Investment Banking division.

**Claudio Braz Ferro** will be Newbelco's Chief Supply Integration Officer (transitional role). Born in 1955, Mr. Ferro is a Brazilian citizen and holds a Degree in Industrial Chemistry from the Universidade Federal de Santa Maria, RS, and has studied Brewing Science at the Catholic University of Leuven. Mr. Ferro joined Ambev in 1977, where he held several key positions, including plant manager of the Skol brewery, Industrial



Director of Brahma operations in Brazil and later VP Operations at Ambev in Latin America. Mr. Ferro also played a key role in structuring the supply organisation when Brahma and Antarctica combined to form Ambev in 2000. He was appointed Chief Supply Officer of AB InBev in January 2007 and then Chief Supply Integration Officer of AB InBev in March 2016.

**Jan Craps** will be Newbelco's Zone President Pacific South. Born in 1977, Jan is a Belgian citizen and received a Degree in Business Engineering from KU Brussels and a Master's Degree in Business Engineering from KU Leuven, both in Belgium. Jan joined InBev in 2002 following two years as an associate consultant with McKinsey & Company and subsequently acquired a range of international experience in a number of senior marketing and sales executive positions in France and Belgium. In 2011, he relocated to Canada to lead AB InBev's Quebec Sales Region and was then appointed Head of Sales for Canada followed by his appointment as Business Unit President in 2014.

**Jean Jereissati** will be Newbelco's Zone President Asia Pacific North (effective January 2017). Born in 1974, Jean is a Brazilian citizen and earned a Bachelor's degree in Business Administration from Fundação Getúlio Vargas in Brazil. Jean joined Ambev in 1998 in the commercial area. Prior to his current appointment as AB InBev's Business Unit President China in 2013, he served as Business Unit President Hispanic Latin America during which time he led the integration of Cerveceria Nacional Dominicana. Jean also integrated Corona and Modelo Especial into AB InBev's portfolio in Guatemala.

**Mauricio Leyva** will be Newbelco's Zone President Middle Americas. Born in 1970, Mauricio is a Colombian citizen and received a Bachelor's Degree in Business Administration from Universidad de Los Andes in Colombia and an International Management Diploma from ICN Postgraduate Business School, University de Nancy in France. Mauricio joined SABMiller Colombia in January 2005 as Commercial Vice President. His background includes senior roles in Sales and Marketing. In 2009, he was appointed President of SABMiller Honduras and later moved to Peru as the President and CEO. In 2013 he was named Chairman and Managing Director for South Africa, which position he currently holds.

**Carlos Lisboa** will be Newbelco's Zone President Latin America South (effective January 2017). Born in 1969, Carlos is a Brazilian citizen and received a Degree in Business Administration from the Catholic University of Pernambuco and a Marketing specialization from FESP, both in Brazil. Carlos joined Ambev in 1993 and has built his career in Marketing and Sales. He was responsible for building the Skol brand in Brazil in 2001 and after that became Marketing Vice President for AB InBev's Latin America North Zone. Carlos then led the International Business Unit in AB InBev's Latin America South Zone for two years prior to becoming Business Unit President for Canada. In 2015, he was appointed Marketing Vice President for AB InBev's Global Brands.

**Marcio Froes** will be Newbelco's Zone President, Latin America South (until January 2017). Born in 1968, he is a Brazilian citizen and received a Degree in Chemical Engineering from the Universidade Federal do Rio de Janeiro and a Master's Degree in Brewing from the University of Madrid, Spain (in Industrial Technology). He joined Ambev in 1993 as a Management Trainee and has held roles in Supply, People and Sales, before being appointed Vice President, People for AB InBev's Canadian business in 2006. In Canada, he also served as Vice President, Supply and Sales prior to being appointed Business Unit President from 2008 to 2009. Most recently, he was Vice President, Supply in Latin America North and was appointed Zone President, Latin America South of AB InBev in January 2014.

**Stuart MacFarlane** will be Newbelco's Zone President Europe. Born in 1967, he is a citizen of the UK and received a Degree in Business Studies from Sheffield University in the UK. He is also a qualified Chartered Management Accountant. He joined AB InBev in 1992 and since then has held senior roles in Finance, Marketing and Sales and was Managing Director for AB InBev's business in Ireland. Mr. MacFarlane was appointed President of AB InBev UK & Ireland in January 2008, and, in January 2012, became AB InBev's Zone President, Central & Eastern Europe. In January 2014, he was appointed as Zone President, Europe to lead AB InBev's new single European zone.

**Ricardo Moreira** will be Newbelco's Zone President Latin America COPEC. Born in 1971, Ricardo is a Portuguese citizen and received a Degree in Mechanical Engineering from Rio de Janeiro Federal University in Brazil and a specialisation in Management from Chicago University in the U.S. Ricardo joined Ambev in 1995 and held various positions in the Sales and Finance organisations prior to becoming Regional Sales Director in 2001. He subsequently held positions as Vice President Logistics & Procurement for Latin America North, Business Unit President for Hispanic Latin America (HILA) and Vice President Soft Drinks Latin America North. In 2013, Ricardo moved to Mexico to head AB InBev's Sales, Marketing and Distribution organisations and lead the commercial integration of Grupo Modelo. Ricardo Moreira is currently AB InBev's Marketing Vice President for the Mexico Zone.

**João Castro Neves** will be Newbelco's Zone President North America. Born in 1967, Mr. Castro Neves is a Brazilian citizen and holds a Degree in Engineering from Pontifícia Universidade Católica do Rio de Janeiro and an MBA from the University of Illinois. He joined Ambev in 1996 and has held positions in various departments such as Mergers and Acquisitions, Treasury, Investor Relations, Business Development, Technology and Shared Services. He was Ambev's Chief Financial Officer and Investor Relations Officer before being appointed Zone President Latin America South in January 2007. He took on the role of Zone President Latin America North and CEO of Ambev in January 2009 and was appointed Zone President North America of AB InBev effective 1 January 2015. He is also a member of the board of directors of Ambev.

**Bernardo Pinto Paiva** will be Newbelco's Zone President, Latin America North. Born in 1968, he is a Brazilian citizen and holds a Degree in Engineering from Universidade Federal do Rio de Janeiro and an Executive MBA from Pontifícia Universidade Católica do Rio de Janeiro. Mr. Pinto Paiva joined Ambev in 1991 as a management trainee and during his career at AB InBev has held leadership positions in Sales, Supply, Distribution and Finance. He was appointed Zone President, North America in January 2008 and Zone President, Latin America South in January 2009 before becoming Chief Sales Officer in January 2012. Effective 1 January 2015, he became Zone President, Latin America North and CEO of Ambev.

**Ricardo Tadeu** will be Newbelco's Zone President Africa. Born in 1976, he is a Brazilian citizen, and received a law degree from the Universidade Cândido Mendes in Brazil and a Master of Law from Harvard

Law School in Cambridge, Massachusetts. He joined AB InBev in 1995 and has held various roles across the Commercial area. He was appointed Business Unit President for AB InBev's operations in Hispanic Latin America in 2005, and served as Business Unit President, Brazil from 2008 to 2012. He is also a member of the advisory board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors.

The business address for all the executives listed above will be Brouwerijplein 1, 3000 Leuven, Belgium.

## 2.2.7.2 General information on the members of Newbelco EBM

In relation to each of the individuals listed in paragraph 2.2.7.1.2 (*Executive board of management*) above, other than as set out above, Newbelco is not aware of (i) any convictions in relation to fraudulent offences in the last five years, (ii) any bankruptcies, receiverships or liquidations of any entities in which such members held any offices, directorships or partner or senior management positions in the last five years, or (iii) any official public incrimination and/or sanction of such members by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

It is expected that none of these executives will have upon Completion:

- any conflicts of interest within the meaning of the Belgian Companies Code between any duties owed to Newbelco and any private interests and/or other duties; or
- a family relationship with any member of the Newbelco Board whose identity is known at the date of this Prospectus (see section 2.2.2.1 (i) (*Newbelco Board composition*) above) or with any other member of the Newbelco EBM listed in section 2.2.7.1.2 (*Executive board of management*) above.

Over the five years preceding the date of this Prospectus, the individuals listed in paragraph 2.2.7.1.2 (*Executive board of management*) above, hold or have held the following main directorships (apart from directorships they have held with AB InBev and its subsidiaries, or SABMiller and its subsidiaries) or memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Current	Past
Carlos Brito	Member of the Board of Trustees and Finance Committee of the Greenwich Academy, Inc.; Member of the Advisory Board of the Tsinghua University School of Economics and Management; Chairman of the CEO Group at the International Alliance for Responsible Drinking (IARD); Member of the Global Brewers Initiative (GBI)	Advisory Council Member of Stanford Graduate School of Business; IAB Council Member of the China Europe International Business School (CEIBS)
Sabine Chalmers	Director of the Association of Corporate Counsel (ACC), Legal Momentum	–
Michel Doukeris	–	–
Luiz Fernando Edmond	–	–
Felipe Dutra	–	Director of Whitby School
Pedro Earp	–	Voxus
Claudio Garcia	Director of Lojas Americanas	–
Peter Kraemer	–	American Malting and Barley Association Inc.
Tony Milikin	–	Director of the Institute of Supply Management and Director of Supply Chain Council
Miguel Patricio	–	–
David Almeida	–	–
Claudio Braz Ferro	Member of the Board of Touch Foundation	–
Jan Craps	–	–
Jean Jereissati	–	–
Mauricio Leyva	–	–
Marcio Froes	–	–
Carlos Lisboa	–	–
Stuart MacFarlane	–	–
Ricardo Moreira	–	–
João Castro Neves	–	Director of Fundação Antonio e Helena Zerenner
Bernardo Pinto Paiva	Director of Fundação Antonio e Helena Zerenner	–
Ricardo Tadeu	–	–

## 2.2.7.3 Name and business address of Company Secretary [Regulation 58(2)(b)(iii)]

The Company Secretary of Newbelco will ensure that the Newbelco Board procedures are complied with and that the Newbelco Board acts in accordance with its statutory obligations and its obligations under the Newbelco Articles. He/she will advise the Newbelco Board on all governance matters and will assist the Chairman in fulfilling his duties as detailed above, as well as in the logistics associated with the affairs of the Newbelco Board (information, agenda, etc.).

The initial Company Secretary of the Newbelco Board is expected to be the existing secretary of AB InBev, i.e. Ms. Sabine Chalmers, whose details are as follows:

- Business Address: Brouwerijplein 1, 3000, Leuven, Belgium;
- Appointed: To be appointed shortly after Completion;

- Qualifications: LLB, London School of Economics; Qualified solicitor in England and Wales; and Member of the New York State Bar;
- Occupation: Company Secretary / Chief Legal and Corporate Affairs Officer; and
- Term of office: To be set by the Board following Completion.

## 2.3 Directors' remuneration and service contracts [Regulation 58]

### 2.3.1 Initial Newbelco Directors

The Initial Newbelco Directors have not entered into service contracts with Newbelco nor do they receive any remuneration from Newbelco in their capacity as Initial Newbelco Directors.

### 2.3.2 Compensation of proposed Newbelco directors and proposed members of the Newbelco EBM

The Newbelco Board will be comprised of fifteen members, as set out in section 1, paragraph 2.2.2 (*Structure and composition of the Newbelco Board*) of this Prospectus above. Among these members, twelve are expected to be existing members of the AB InBev Board while three members of the Newbelco Board will be Restricted Newbelco Share Directors (whose identities are not known at the date of this Prospectus).

Details on the remuneration and benefits paid in the last financial year by AB InBev to the twelve members of the AB InBev Board who will sit on the Newbelco Board upon closing of the Belgian Offer are provided below.

Unless otherwise specified, all compensation amounts in this paragraph are gross of tax.

#### Compensation of the existing members of the AB InBev board

##### (i) AB InBev remuneration policy

The current AB InBev directors receive fixed compensation in the form of annual fees and supplemental fees for physical attendance at board committee meetings or supplemental board meetings, and variable compensation in the form of LTI stock options. AB InBev's remuneration committee recommends the level of remuneration for directors, including the chairman of the board. These recommendations are subject to approval by the AB InBev Board and, subsequently, by AB InBev Shareholders at the annual shareholders' meeting. The remuneration committee benchmarks directors' compensation against peer companies to ensure that it is competitive. In addition, the AB InBev Board sets and revises, from time to time, the rules and level of compensation for directors carrying out a special mandate or sitting on one or more of the board committees and the rules for reimbursement of directors' business-related out-of-pocket expenses.

##### (ii) Compensation paid by AB InBev in 2015

The base annual fee for the AB InBev directors in 2015 amounted to EUR 75,000 based on attendance at ten board meetings. The base supplement for each additional physical board meeting or for each committee meeting attended amounted to EUR 1,500. The fees received by the chairman of the AB InBev Board in 2015 were double the respective base amounts. The annual shareholders' meeting of AB InBev on 29 April 2015 decided to increase the fixed annual fee for the chairman of the audit committee to an amount which is 70% higher than the fixed annual fee for the other directors (previously, the fixed annual fee for the chairman of the audit committee was 30% higher than the fixed annual fee for the other directors). In practice, this means that the fixed annual remuneration of the chairman of the audit committee increased from EUR 97,500 to EUR 127,500 as of 1 May 2015. The increase was motivated by the importance of the role, its risk exposure and the increasing responsibilities entrusted to the chairman of the audit committee.

All other directors received the base amount of fees. AB InBev does not provide pensions, medical benefits, benefits upon termination or end of service or other benefit programs to directors.

On 29 April 2015, the annual shareholders' meeting of AB InBev granted each director 15,000 LTI stock options. The chairman of the board of directors was granted 30,000 LTI stock options and the chairman of the audit committee was granted 25,500 LTI stock options. The LTI stock options have an exercise price of EUR 113.10 per share, which is the closing price of AB InBev's share on the day preceding the grant date, i.e., on 28 April 2015. The LTI stock options have a lifetime of ten years and cliff vest after five years, i.e., on 29 April 2020.

The table below provides an overview of the fixed and variable compensation that the twelve members of the AB InBev Board who will sit on the Newbelco Board upon closing of the Belgian Offer, received in 2015:

Name	Number of AB InBev Board meetings attended	Annual fee for AB InBev Board meetings (EUR)	Fees for AB InBev Committee meetings (EUR)	Total fee (EUR)	Number of AB InBev stock options granted <sup>(1)</sup>
María Asunción Aramburuzabala	10	75,000	0	75,000	15,000
Alexandre Behring	13	75,000	6,000	81,000	15,000
M. Michele Burns (as of 29 April 2015)	9	85,000	22,500	107,500	0
Paul Cornet de Ways Ruart	13	75,000	0	75,000	15,000
Stéfan Descheemaeker	13	75,000	6,000	81,000	15,000
Olivier Goudet (Chairman as of 29 April 2015)	13	132,500	33,000	165,500	25,500
Paulo Alberto Lemann	13	75,000	6,000	81,000	15,000
Elio Leoni Sceti	13	75,000	6,000	81,000	15,000
Carlos Alberto da Veiga Sicupira	13	75,000	6,000	81,000	15,000
Grégoire de Spoelberch	13	75,000	6,000	81,000	15,000
Marcel Herrmann Telles	13	75,000	27,000	102,000	15,000
Alexandre Van Damme	13	75,000	24,000	99,000	15,000
<b>Total</b>	<b>–</b>	<b>967,500</b>	<b>142,500</b>	<b>1,110,000</b>	<b>175,500</b>

Note:

<sup>(1)</sup> Stock options were granted under the LTI Stock Option Plan Directors on 29 April 2015. The stock options have an exercise price of EUR 113.10 (USD 125.79) per share, have a term of ten years and cliff vest after five years.

The table below sets forth, for each of the twelve members of the AB InBev Board who will sit on the Newbelco Board upon closing of the Belgian Offer, the number of LTI stock options they owned as of 31 December 2015:<sup>(1)(3)</sup>

	LTI 23 <sup>(2)</sup>	LTI 22 <sup>(1)(3)</sup>	LTI 21	LTI 20	LTI 19 <sup>(3)</sup>	LTI 18 <sup>(3)</sup>	LTI 17	Rights- Offering Compensation	LTI 14 <sup>(3)</sup>	LTI 13 <sup>(3)</sup>	Total options
Grant date	29 April 2015	30 April 2014	24 April 2013	26 April 2012	26 April 2011	27 April 2010	28 April 2009	28 April 2009	25 April 2006	26 April 2005	
Expiry date	28 April 2025	29 April 2024	23 April 2018	25 April 2017	25 April 2016	26 April 2015	27 April 2014	27 April 2014	24 April 2016	25 April 2015	
María Asunción Aramburuzabala	15,000	0	0	0	0	0	0	0	0	0	15,000
Alexandre Behring	15,000	0	0	0	0	0	0	0	0	0	15,000
M. Michele Burns	0	0	0	0	0	0	0	0	0	0	0
Paul Cornet de Ways Ruat	15,000	15,000	15,000	15,000	0	0	0	0	0	0	60,000
Stéfan Descheemaeker	15,000	15,000	15,000	15,000	0	0	0	0	0	0	60,000
Olivier Goudet	25,500	20,000	20,000	15,000	0	0	0	0	0	0	80,500
Paulo Alberto Lemann	15,000	0	0	0	0	0	0	0	0	0	15,000
Elio Leoni Sceti	15,000	0	0	0	0	0	0	0	0	0	15,000
Marcel Herrmann Telles	15,000	15,000	15,000	15,000	15,000	0	0	0	8,269	0	83,269
Grégoire de Spoelberch	15,000	15,000	15,000	15,000	0	0	0	0	0	0	60,000
Alexandre Van Damme	15,000	15,000	15,000	15,000	0	0	0	0	0	0	60,000
Carlos Alberto da Veiga Sicupira	15,000	15,000	15,000	15,000	15,000	0	0	0	8,269	0	83,269
<b>Strike price (EUR)</b>	<b>113.10</b>	<b>80.83</b>	<b>76.20</b>	<b>54.51</b>	<b>40.92</b>	<b>37.51</b>	<b>21.72</b>	<b>21.72</b>	<b>38.70</b>	<b>27.08</b>	<b>–</b>

Notes:

- (1) At the annual shareholders' meeting of AB InBev of 30 April 2014, all outstanding LTI warrants under AB InBev's LTI Warrant Plan were converted into LTI stock options, i.e. the right to purchase existing ordinary shares of AB InBev instead of the right to subscribe to newly issued ordinary shares of AB InBev. All other terms and conditions of the existing grants under the LTI Warrant Plan remained unchanged.
- (2) Stock options were granted under the LTI Stock Option Plan Directors in April 2015. The stock options have an exercise price of EUR 113.10 (USD 125.79) per share, have a term of ten years and cliff vest after five years.
- (3) In January 2015, Stéfan Descheemaeker exercised 15,000 options of the LTI 19 Series. In April 2015, Carlos Sicupira and Marcel Telles each exercised 15,000 options of the LTI 18 Series and 9,364 options of the LTI 13 Series, which both expired in April 2015. In April 2015, Grégoire de Spoelberch exercised 15,000 options of the LTI 19 Series. In December 2015, Alexandre Van Damme exercised 8,269 options of the LTI 14 Series and 15,000 options of the LTI 19 Series.

(iii) *Directors' share ownership in AB InBev*

The table below sets forth the number of AB InBev Shares owned by the twelve members of the AB InBev Board who will sit on the Newbelco Board upon closing of the Belgian Offer, as of 30 June 2016:

Name	Number of AB InBev Shares held	% of AB InBev outstanding shares
María Asunción Aramburuzabala	(*)	(*)
Alexandre Behring	(*)	(*)
M. Michele Burns	(*)	(*)
Paul Cornet de Ways Ruat	(*)	(*)
Stéfan Descheemaeker	(*)	(*)
Olivier Goudet	(*)	(*)
Paulo Alberto Lemann	(*)	(*)
Elio Leoni Sceti	(*)	(*)
Grégoire de Spoelberch	(*)	(*)
Marcel Herrmann Telles	(*)	(*)
Alexandre Van Damme	(*)	(*)
Carlos Alberto da Veiga Sicupira	(*)	(*)
<b>TOTAL</b>	<b>(*)5,436,680</b>	<b>&lt;1%</b>

(\*) Each director owns less than 1% of AB InBev's outstanding shares as of 30 June 2016.

Please refer to section 2, paragraph 3.1 (*Step 3: The Belgian Merger*) of this Prospectus for a description of the exchange of AB InBev Shares into New Ordinary Shares in the context of the Transaction.

(iv) *Directors' share ownership in SABMiller*

As at 30 June 2016, none of the twelve members of the AB InBev Board who will sit on the Newbelco Board upon closing of the Belgian Offer, held shares in SABMiller.

## Compensation of members of the Newbelco EBM<sup>1</sup>

### General

The Newbelco EBM will comprise some of the members of AB InBev's current executive board of management, as set out in paragraph 2.2.2.1 above.

It is expected that Newbelco will adopt a remuneration policy that is, in all material respects, identical to the current remuneration policy of AB InBev.

Details on the remuneration and benefits paid by AB InBev to the members of its executive board of management (some of which will become members of the Newbelco EBM upon Completion) in the last financial year are set out below.

Unless otherwise specified, all compensation amounts in this paragraph are gross of tax.

#### Compensation of the members of the executive board of management of AB InBev

##### *(i) AB InBev remuneration policy*

The main elements of the AB InBev executive remuneration are: (i) a fixed base salary; (ii) variable performance-related compensation; (iii) long-term incentive stock options; (iv) post-employment benefits; and (v) other compensation.

AB InBev's executive compensation and reward programs are overseen by AB InBev's remuneration committee. It submits recommendations on the compensation of AB InBev's chief executive officer to the AB InBev Board for approval. Upon the recommendation of AB InBev's chief executive officer, the remuneration committee also submits recommendations on the compensation of the other members of the executive board of management to the board of directors for approval. Such submissions to the AB InBev Board include recommendations on the annual targets and corresponding variable compensation scheme. Further, in certain exceptional circumstances, the remuneration committee or its appointed designees may grant limited waivers from lock-up requirements provided that adequate protections are implemented to ensure that the commitment to hold shares remains respected until the original termination date. The nomination committee of AB InBev approves the targets and individual annual targets and the remuneration committee approves the target achievement and corresponding annual and long-term incentives of members of AB InBev's executive board of management. The remuneration policy and any schemes that grant shares or rights to acquire shares are submitted to AB InBev's annual shareholders' meeting for approval.

AB InBev's compensation system is designed to support its high-performance culture and the creation of long-term sustainable value for its shareholders. The goal of the system is to reward executives with market-leading compensation, which is conditional upon both AB InBev's overall success and individual performance. It ensures alignment with shareholders' interests by strongly encouraging executive ownership of shares in the company and enables AB InBev to attract and retain the industry's best talent at global levels.

Through AB InBev's Share-Based Compensation Plan, executives who demonstrate personal financial commitment to the company by investing (all or part of) their annual variable compensation in AB InBev Shares will be rewarded with the potential for significantly higher long-term compensation.

##### *(ii) Compensation paid by AB InBev in 2015*

#### Base salary

In order to ensure alignment with market practice, base salaries of the members of the executive board of management of AB InBev are reviewed against benchmarks on an annual basis. These benchmarks are collated by independent compensation consultants, in relevant industries and geographies. For benchmarking, a custom sample of Fast Moving Consumer Goods peer companies ("**Peer Group**") is used when available. The Peer Group consists, among others, of British American Tobacco, Cargill Europe, Coca Cola Enterprises, Kimberly Clark, PepsiCo International, Phillip Morris and Unilever. If Peer Group data are not available for a given level in certain geographies, data from Fortune 100 companies are used. AB InBev's executives' base salaries are intended to be aligned to mid-market levels for the appropriate market. Mid-market means that for a similar job in the market, 50% of companies in that market pay more and 50% of companies pay less. Executives' total compensation is intended to be 10% above the 3<sup>rd</sup> quartile.

In 2015, based on his employment contract, the chief executive officer of AB InBev earned a fixed salary of EUR 1.47 million (USD 1.64 million). The other members of AB InBev's executive board of management earned an aggregate base salary of EUR 9.92 million (USD 11.04 million).

#### Variable performance-related compensation

The variable performance-related compensation element of remuneration for members of AB InBev's executive board of management is aimed at rewarding executives for driving its short- and long-term performance. The target variable compensation is expressed as a percentage of the annual market reference salary applicable to the executive based on Peer Group or other data (as described above). The effective pay-out of variable compensation is directly correlated with performance, i.e., linked to the achievement of total company, business unit and individual targets, all of which are based on performance metrics. Total company and business unit targets are based on four key performance metrics which focus on top-line growth, profitability and value creation. For 2015, these key performance metrics are market share, total revenue growth, EBITDA and cash flow.

Below a hurdle of achievement for total company and business unit targets, no bonus is earned. In addition, the final individual bonus pay-out percentage also depends on each executive's personal achievement of their individual performance targets. Individual performance targets of AB InBev's chief executive officer and the executive board of management may consist of financial and non-financial targets, such as sustainability and other elements of corporate social responsibility as well as compliance- and ethics-related targets. Typical performance measures in this area can relate to employee management, talent pipeline, "Better World" goals and compliance dashboards, among other metrics that are also important for sustainable financial performance. Targets achievement is assessed by AB InBev's remuneration committee on the basis of accounting and financial data.

<sup>1</sup> Figures in this section may differ from the figures in the notes to the AB InBev consolidated financial statements for the following reasons: (i) figures in this section are figures gross of tax, while figures in the notes to the AB InBev consolidated financial statements are reported as "cost for the Company"; (ii) the split "short-term employee benefits" vs. "share-based compensation" in the notes to the AB InBev consolidated financial statements does not necessarily correspond to the split "base salary" vs. "variable compensation" in this section. Short-term employee benefits in the notes to the AB InBev consolidated financial statements include the base salary and the portion of the variable compensation paid in cash. Share-based compensation includes the portion of the variable compensation paid in shares and certain non-cash elements, such as the fair value of the options granted, which is based on financial pricing models; and (iii) the scope for the reporting is different as the figures in the notes to the AB InBev consolidated financial statements also contain the remuneration of executives who left during the year, while figures in this section only contain the remuneration of executives who were in service at the end of the reporting year.

Variable compensation is generally paid annually in arrears after publication of AB InBev's full-year results. The variable compensation may be paid out semi-annually at the discretion of the AB InBev Board based on the achievement of semi-annual targets. In such cases, the first half of the variable compensation is paid immediately after publication of the half-year results, and the second half of the variable compensation is paid after publication of the full-year results. In 2015, in order to align the U.S. organisation against the delivery of specific targets for this market, the board of directors decided to apply semi-annual targets which resulted in a semi-annual payment of 50% of the annual incentive in August 2015 and in March 2016, respectively. The variable compensation for the remainder of executives will be paid in arrears after publication of AB InBev's full-year results in or around March 2016.

For the full year 2015, the chief executive officer of AB InBev earned variable compensation of EUR 2.96 million (USD 3.29 million). The other members of the executive board of management of AB InBev earned aggregate variable compensation of EUR 13.19 million (USD 14.67 million).

The amount of variable compensation is based on AB InBev's performance during the year 2015 and the executives' individual target achievement. The variable compensation was paid in March 2016. No variable compensation was paid to members of the executive board of management in August 2015 for performance in the first half of 2015.

#### Long-term incentive stock options

The following table sets forth information regarding the number of stock options granted in 2015 under AB InBev's 2009 Long-Term Incentive Stock-Option Plan to the chief executive officer of AB InBev and the other members of the executive board of management of AB InBev at that point in time.

Except where indicated otherwise in the table below, the options were granted on 22 December 2015, have an exercise price of EUR 113.00 (USD 125.68) and become exercisable after five years:

<b>Name<sup>(1)</sup></b>	<b>Long-Term Incentive options granted</b>
Carlos Brito – CEO	487,804
David Almeida <sup>(3)</sup>	12,977
Miguel Patricio	55,005
Sabine Chalmers	68,756
Michel Doukeris	45,837
Felipe Dutra	123,761
Pedro Earp	18,335
Luiz Fernando Edmond	82,507
Claudio Braz Ferro <sup>(3)</sup>	45,837
Marcio Froes <sup>(2)</sup>	0
Claudio Garcia	32,086
Stuart MacFarlane	36,670
Tony Milikin	22,918
João Castro Neves	82,507
Bernardo Pinto Paiva <sup>(2)</sup>	0
Ricardo Tadeu	34,378

#### Notes:

- <sup>(1)</sup> Peter Kraemer is not mentioned in this table as he was not yet a member of the executive board of management of AB InBev at the time the stock options were granted.
- <sup>(2)</sup> Bernardo Pinto Paiva, AB InBev's Zone President Latin America North, and Marcio Froes, AB InBev's Zone President Latin America South, participated in 2015 in the incentive plans of Ambev that are disclosed separately by Ambev.
- <sup>(3)</sup> The options were granted to David Almeida on 1 December 2015, have an exercise price of EUR 121.95 (USD 135.63) and become exercisable after five years.

#### Programs for maintaining consistency of benefits granted and for encouraging global mobility of executives

In 2015, in accordance with the decision of AB InBev's remuneration committee to approve a variant of AB InBev's Exchange Program and to allow the early release of the vesting conditions of the Series B Options granted under AB InBev's November 2008 Exceptional Grant for executives who are relocated, e.g. to the United States. Pedro Earp, a member of the executive board of management of AB InBev, has exercised 0.30 million Series B Options. The AB InBev Shares that resulted from the exercise of these options will remain blocked until 31 December 2023.

#### Post-employment benefits

AB InBev sponsors various post-employment benefit plans worldwide. These include pension plans, both defined contribution plans and defined benefit plans, and other post-employment benefits. See note 23 "Employee benefits" to AB InBev's audited consolidated financial statements as at and for the year ended 31 December 2015, incorporated by reference in this Prospectus, for further details on AB InBev's employee benefits.

AB InBev's executives participate in its pension schemes in either Belgium or their home country. These schemes are in line with predominant market practices in the respective geographic environments.

AB InBev's chief executive officer participates in a defined contribution plan. AB InBev's annual contribution to his plan in 2015 amounted to approximately USD 0.21 million. The total amount AB InBev had set aside to provide pension, retirement or similar benefits for members of its executive board of management in the aggregate was USD 2.0 million as of both 31 December 2015 and 31 December 2014. See note 31 "Related parties" to AB InBev's audited consolidated financial statements as at and for the year ended 31 December 2015, incorporated by reference in this Prospectus.

#### Other compensation

AB InBev also provides its executives with life and medical insurance and perquisites and other benefits that are competitive with market practice in the markets where such executives are employed. In addition to life and medical insurance, AB InBev's chief executive officer enjoys a schooling allowance in accordance with local market practice for a limited period of time.

## Employment agreements and termination arrangements

Terms of hiring of AB InBev's executive board of management are included in individual employment agreements. Executives are also required to comply with AB InBev's policies and codes such as the Code of Business Conduct and Code of Dealing and are subject to exclusivity, confidentiality and non-compete obligations.

The employment agreement typically provides that the executive's eligibility for payment of variable compensation is determined exclusively on the basis of the achievement of corporate and individual targets to be set by AB InBev. The specific conditions and modalities of the variable compensation are fixed by AB InBev in a separate plan which is approved by AB InBev's remuneration committee.

Termination arrangements are in line with legal requirements and/or jurisprudential practice. The termination arrangements for the members of AB InBev's executive board of management provide for a termination indemnity of 12 months of remuneration including variable compensation in case of termination without cause. The variable compensation for purposes of the termination indemnity shall be calculated as the average of the variable compensation paid to the executive for the last two years of employment prior to the year of termination. In addition, if AB InBev decides to impose upon the executive a non-compete restriction of 12 months, the executive shall be entitled to receive an additional indemnity of six months.

During the year 2015, Jo Van Biesbroeck, former Chief Strategy Officer, retired from the AB InBev Group. No termination indemnity was granted.

Carlos Brito was appointed to serve as AB InBev's Chief Executive Officer starting as of 1 March 2006. In the event of termination of his employment other than on the grounds of serious cause, he is entitled to a termination indemnity of 12 months of remuneration including variable compensation as described above. There is no "claw-back" provision in case of misstated financial statements.

### (iii) Options owned by AB InBev executives

The table below sets forth the number of LTI stock options and matching options owned by the members of AB InBev's executive board of management in aggregate as of 31 December 2015 under the LTI Stock-Option Plan Executives, the Share-Based Compensation Plans and the 2008 Exceptional Grant. Members of AB InBev's executive board of management do not hold any warrants or stock options relating to AB InBev Shares under AB InBev's other incentive plans.

Program	Options held in aggregate by AB InBev's executive board of management	Strike price (EUR)	Grant date	Expiry date
LTI Stock-Option Plan 2009	457,467	35.90	18 December 2009	17 December 2019
LTI Stock-Option Plan 2009	838,215	42.41	30 November 2010	29 November 2020
LTI Stock-Option Plan 2009	897,430	44.00	30 November 2011	29 November 2021
LTI Stock-Option Plan 2009	1,129,639	66.56	30 November 2012	29 November 2022
LTI Stock-Option Plan 2009	903,782	75.15	2 December 2013	1 December 2023
LTI Stock Option Plan 2009	717,679	94.46	1 December 2014	30 November 2024
LTI Stock Option Plan 2009	12,977	121.95	1 December 2015	30 November 2025
LTI Stock Option Plan 2009	1,136,401	113.00	22 December 2015	21 December 2025
Matching options 2007	0	33.59	2 April 2007	1 April 2017
Matching options 2008	61,974	34.34	3 March 2008	2 March 2018
Matching options 2009	80,765	20.49	6 March 2009	5 March 2019
Matching options 2009	414,431	27.06	14 August 2009	13 August 2019
Matching options 2010	15,296	36.52	5 March 2010	4 March 2020
November 2008 Exceptional Grant Options Series A	361,484	10.32	25 November 2008	24 November 2018
November 2008 Exceptional Grant Options Series A	542,226	10.50	25 November 2008	24 November 2018
November 2008 Exceptional Grant Options Series A – Dividend Waiver 09 <sup>(1)</sup>	0	33.24	1 December 2009	24 November 2018
November 2008 Exceptional Grant Options Series B	1,265,194	10.50	25 November 2008	24 November 2023
November 2008 Exceptional Grant Options Series B	4,337,809	10.32	25 November 2008	24 November 2023
November 2008 Exceptional Grant Options Series B – Dividend Waiver 09 <sup>(1)</sup>	2,635,349	33.24	1 December 2009	24 November 2023
November 2008 Exceptional Grant Options Series B – Dividend Waiver 11 <sup>(1)</sup>	243,901	40.35	11 July 2011	24 November 2023
November 2008 Exceptional Grant Options Series B – Dividend Waiver 13 <sup>(1)</sup>	286,977	75.82	15 May 2013	24 November 2023
Matching options 2007 – Dividend Waiver 09 <sup>(1)</sup>	0	33.24	1 December 2009	1 April 2017
Matching options 2008 – Dividend Waiver 09 <sup>(1)</sup>	0	33.24	1 December 2009	2 March 2018
Matching options 2008 – Dividend Waiver 13 <sup>(1)</sup>	49,468	75.82	15 May 2013	2 March 2018
Matching options 2009 – Dividend Waiver 13 <sup>(1)</sup>	74,869	75.82	15 May 2013	5 March 2019
Matching options 2009 – Dividend Waiver 13 <sup>(1)</sup>	37,131	75.82	15 May 2013	13 August 2019

<sup>(1)</sup> Options granted under the dividend waiver program.

Please refer to this section 1, paragraph 5.2.1 (*Overview of AB InBev existing plans*), for a description of how the AB InBev stock option plans will be treated upon Completion.

(iv) *Management's share ownership in AB InBev*

The table below sets forth the number of AB InBev Shares owned by the members of the executive board of management of AB InBev as of 30 June 2016.

Name	Number of AB InBev shares held	% of AB InBev outstanding shares
Carlos Brito	(*)	(*)
David Almeida	(*)	(*)
João Castro Neves	(*)	(*)
Sabine Chalmers	(*)	(*)
Michel Doukeris	(*)	(*)
Felipe Dutra	(*)	(*)
Pedro Earp	(*)	(*)
Luiz Fernando Edmond	(*)	(*)
Claudio Braz Ferro	(*)	(*)
Peter Kraemer	(*)	(*)
Marcio Froes	(*)	(*)
Claudio Garcia	(*)	(*)
Stuart MacFarlane	(*)	(*)
Tony Milikin	(*)	(*)
Miguel Patricio	(*)	(*)
Bernardo Pinto Paiva	(*)	(*)
Ricardo Tadeu	(*)	(*)
<b>TOTAL</b>	16,781,148	1.04%

(\*) Each member of AB InBev's executive board of management owns less than 1% of AB InBev outstanding shares as of 30 June 2016.

Please refer to section 2, paragraph 3.1 (*Step 3: the Belgian Merger*) of this Prospectus for a description of the exchange of AB InBev Shares into New Ordinary Shares in the context of the Transaction.

(v) *Management's share ownership in SABMiller*

As at 30 June 2016, none of the current members of the executive board of management of AB InBev held shares in SABMiller.

**2.4 Variation of Newbelco's Directors' remuneration [Regulation 58(3)(b)]**

There will be no variation in the remuneration receivable from Newbelco by any of the Initial Newbelco Directors in consequence of the Transaction. As at the date of this Prospectus, no service contracts have been entered into by Newbelco or any of its subsidiaries with any proposed director of Newbelco.

**2.5 Retirement or non-retirement of Directors under an age limit [Regulation 58(3)(a)]**

Newbelco does not currently have any age limits regarding the retirement of Directors.

It is expected that following Completion, except as approved by the Board in special cases, the maximum term of office of Directors shall end immediately after the annual shareholders' meeting of Newbelco following their 70th birthday.

**2.6 Extracts from the Newbelco Articles relating to the Directors [Regulation 58]**

Summaries of the relevant provisions of the Newbelco Articles concerning the qualifications, remuneration and appointment of the Directors are set out in section 1, paragraph 2.2 (*Overview of Newbelco's proposed board and management structure*).

Neither Belgian law nor the existing articles of association of Newbelco specifically regulates the borrowing powers of the Newbelco directors. Accordingly, the Newbelco Board's borrowing powers have not been exceeded since the date of incorporation of Newbelco.

Under the Newbelco Articles, the Newbelco Board shall have the powers (including borrowing powers) to do all that is necessary or useful to achieve the corporate purpose of Newbelco, with the exception of those powers reserved to Newbelco's shareholders' meeting by law or the Newbelco Articles.

Newbelco will be prohibited from making loans to members of the Newbelco Board and members of the Newbelco EBM, whether for the purpose of exercising options or for any other purpose.

Article 523 of the Belgian Companies Code provides that if one of Newbelco's directors directly or indirectly has a personal financial interest that conflicts with a decision or transaction that falls within the powers of the Newbelco Board, the director concerned must inform the Newbelco Board's other directors before the Newbelco Board makes any decision on such transaction. The statutory auditor must also be notified. The director may not participate in the deliberation nor vote on the conflicting decision or transaction. An excerpt from the minutes of the meeting of the Newbelco Board that sets forth the financial impact of the matter on Newbelco and justifies the decision of the Newbelco Board must be published in Newbelco's annual report. The statutory auditors' report to the annual accounts must contain a description of the financial impact on of each of the decisions of the Newbelco Board where director conflicts arise.

**2.7 Corporate governance [Regulation 54(1)(b)(i); 54(1)(b)(ii)]**

The corporate governance practices of Newbelco upon Completion will be reflected in the Newbelco Governance Charter, which will be available on Newbelco's website upon or shortly after Completion.

As a company incorporated under Belgian law and whose New Ordinary Shares will upon Completion be listed on Euronext Brussels, Newbelco will adhere to the principles and provisions of the Belgian Corporate Governance Code, published in March 2009 (<http://www.corporategovernancecommittee.be/en/about-2009-code>). These corporate governance rules are different to the King Code on Corporate Governance for South Africa, 2009, but are applicable to Newbelco under Belgian law. However, in order to reflect



Newbelco's specific shareholding structure upon Completion and the global nature of its operations, it is expected that the Newbelco Board will adopt certain rules which will depart from the Belgian Corporate Governance Code. In summary, it is expected that these rules will be the following:

- **Principle 5.3/1 (Appendix D) of the Belgian Corporate Governance Code: "the Board should set up a nomination committee composed of a majority of independent non-executive directors"**: it is expected that the Newbelco Board will appoint the chairman and members of the Nomination Committee from among the non-executive Newbelco directors, including at least one member from among the independent Newbelco directors. As the Nomination Committee will be composed exclusively of non-executive Newbelco directors who will be independent of management and free from any business relationship which could materially interfere with the exercise of their independent judgment, Newbelco considers that the composition of the Nomination Committee upon Completion will achieve the Code's aim of avoiding potential conflicts of interest.
- **Principle 7.7. of the Belgian Corporate Governance Code: "Non-executive directors should not be entitled to performance-related remuneration such as bonuses, stock-related, long-term incentive schemes, fringe benefits or pension benefits"**: it is expected that the remuneration of the members of the Newbelco Board will be composed of a fixed fee and a limited, pre-determined number of options, which will ensure the independence of the Newbelco Board members as well as aligning the Newbelco directors' interests with those of the shareholders. Newbelco considers it unlikely that the granting of options to the Newbelco Board members could affect their judgement as Newbelco Board members. As a consequence, Newbelco considers the principles of remuneration, as they will apply upon Completion, compatible with the recommendations of the Belgian Corporate Governance Code.

It should also be noted that, upon Completion, options may only be granted upon the recommendation of the Remuneration Committee. Any such recommendation must be subsequently approved by the Newbelco Board and then by the shareholders in a shareholders' meeting.

Further to the filing of the F-4 Registration Statement with regard to certain of the New Ordinary Shares and the NYSE listing of Newbelco ADSs (representing ordinary shares of Newbelco) with effect from or shortly after Completion, the NYSE Corporate Governance rules for Foreign Private Issuers will be applicable to Newbelco. Newbelco will also be subject to the U.S. Sarbanes-Oxley Act of 2002 and to certain other U.S. securities laws and regulations relating to corporate governance.

## 2.8 Name and address of AB InBev's South African legal advisors [Regulation 58(2)(b)(ii)]

The details of AB InBev's South African legal advisor is set out in the "Corporate Information and Advisors" section of this Prospectus. The consent letter by the South African legal advisor of AB InBev, as contemplated in section 102(2) of the Companies Act, is attached hereto in Annexe D of this Prospectus.

## 2.9 Name and address of AB InBev's financial advisors and sponsors [Regulation 58(2)(b)(ii)]

The details of AB InBev's financial advisors and sponsors are set out in the "Corporate Information and Advisors" section of this Prospectus. The consent letters by the financial advisors and sponsors of AB InBev, as contemplated in section 102(2) of the Companies Act, are attached hereto in Annexe D of this Prospectus.

## 2.10 Name and address of Newbelco's auditor [Regulation 58(2)(b)(i)]

The details of Newbelco's auditor are set out in the "Corporate Information and Advisors" section of this Prospectus. The consent letter by the auditor to Newbelco, as contemplated in section 102(2) of the Companies Act, is attached hereto in Annexe D of this Prospectus.

## 2.11 Name and address of AB InBev's South African transfer secretaries [Regulation 58(2)(b)(iii)]

The details of AB InBev's South African transfer secretaries are set out in the "Corporate Information and Advisors" section of this Prospectus. The consent letter by AB InBev's South African transfer secretaries, as contemplated in section 102(2) of the Companies Act, is attached hereto in Annexe D of this Prospectus.

It is expected that AB InBev's South African transfer secretaries will act as Newbelco's South African transfer secretaries post Completion.

## 2.12 Business carried on by third parties [Regulation 58(3)(d)]

Save in respect of Intertrust, which has provided and shall provide company secretarial, incorporation and administrative services to Newbelco up until Completion, no business of Newbelco or any subsidiary, or any part thereof, is managed or is proposed to be managed by a third party under a contract. Following Completion of the Transaction, it is not intended that the business of the Combined Group, or any part thereof, will be managed by a third party under contract.

## 2.13 Statement to be made if offer is not being underwritten [Regulation 54(3)(a)]

The Transaction is not being underwritten and is not conditional on the raising of a specified minimum amount.

# 3. HISTORY, STATE OF AFFAIRS AND PROSPECTS OF NEWBELCO [Regulation 59]

## INFORMATION ABOUT NEWBELCO AND ITS BUSINESS UPON COMPLETION

This section 1, paragraph 3 (*History, state of affairs and prospects of Newbelco*) contains information about Newbelco and the Combined Group following Completion, including without limitation information about the business expected to be carried out by the Combined Group following Completion, Newbelco's board and management structure following Completion and Newbelco's expected major shareholders following Completion.

Because Newbelco was incorporated in March 2016 for the purposes of effecting the Transaction and becoming the holding company of the Combined Group following Completion, no information can be provided in respect of Newbelco for historical periods. In such case, information has been provided separately for AB InBev and in certain instances SABMiller, for instance in section 1 paragraph 3.4 (*Principal immovable properties*), section 4, paragraph 2 (*Legal and arbitration proceedings of AB InBev*) and section 1, paragraph 7 (*Material contracts and arrangements*).

## 3.1 General description of the business carried on by Newbelco [Regulation 59(2)(b)]

### History of Newbelco and description of activities [Regulation 59(3)(a)]

Newbelco was incorporated in Belgium on 3 March 2016 as a limited liability company (*société anonyme / naamloze vennootschap*) under Belgian law for the purposes of effecting the Transaction and becoming the holding company of the Combined Group following Completion.

From the date of its incorporation until the date of this Prospectus, Newbelco's activities have been solely focused on preparation of the Transaction. Newbelco has not conducted any activities other than those incidental to its formation, the execution of documents in connection with the Transaction, the preparation of the applicable filings under the US securities laws and regulatory filings made in connection with the Transaction, the preparation and filing of this Prospectus and certain other related activities.

Upon Completion, Newbelco will be the holding company of the Combined Group.

Please refer to section 1, paragraph 1 (*Name, Address, Incorporation*) of this Prospectus for further information in relation to Newbelco's incorporation, place of registration, registration number, domicile and legal form and address at the date of this Prospectus. Upon Completion, it is expected that Newbelco will have its registered office at Grand'Place/Grote Markt 1, 1000 Brussels (Belgium) and that its principal place of business will be located at Brouwerijplein 1, 3000 Leuven (Belgium).

#### **History and description of activities of AB InBev (prior to Completion)**

The summary outlines, for the benefit of UK Scheme Shareholders reflected on the South African Register, certain information in respect of AB InBev as at the date of this Prospectus, i.e. before Completion.

##### **3.1.1 General**

AB InBev was incorporated on 2 August 1977 for an unlimited duration under the laws of Belgium under the original name BEMES. AB InBev has the legal form of a limited liability company (*société anonyme / naamloze vennootschap*). AB InBev's registered office is located at Grand Place/Grote Markt 1, 1000 Brussels, Belgium, and AB InBev is registered with the Crossroads Bank of Enterprises under the number 0417.497.106 RPM/RPR (Brussels). AB InBev's global headquarters are located at Brouwerijplein 1, 3000 Leuven, Belgium (tel.: +32 16 27 61 11).

AB InBev is a publicly traded company, a primary listing on Euronext Brussels under the symbol ABI. AB InBev also has secondary listings on the Johannesburg Stock Exchange under the symbol ANB and the Mexican Stock Exchange under the symbol ABI. ADSs representing AB InBev ordinary shares are listed and traded on the NYSE under the symbol BUD.

##### **3.1.2 History and development of AB InBev**

AB InBev's dedication to quality goes back to a brewing tradition of more than 600 years and the Den Hoorn brewery in Leuven, Belgium. In 1717 Sébastien Artois, master brewer of Den Hoorn, took over the brewery and renamed it Sébastien Artois. In 1987, the two largest breweries in Belgium merged: Brouwerijen Artois NV, located in Leuven, and Brasserie Piedboeuf SA, founded in 1853 and located in Jupille, resulting in the formation of Interbrew SA. Interbrew operated as a family-owned business until December 2000, the time of its initial public offering on Euronext Brussels. The period since the listing of Interbrew on Euronext Brussels has been marked by increasing geographical diversification.

2004 marked a significant event in AB InBev's history: the combination of Interbrew and Ambev, a Brazilian company listed (and currently still listed) on the NYSE and on the São Paulo Stock Exchange, resulting in the creation of InBev. Ambev was itself created from the combination of two Brazilian beer companies, Brahma and Antarctica, over the course of 1999 and 2000. As of 31 December 2015, AB InBev had a 62.0% voting and economic interest in Ambev.

In 2003, Ambev acquired its initial interest in Quilmes Industrial S.A., which is now 100% owned by Ambev.

On 13 July 2008, InBev and Anheuser-Busch announced their agreement to combine the two companies by way of an offer by InBev of USD 70 per share in cash for all outstanding shares of Anheuser-Busch. The total amount of funds necessary to consummate the 2008 Anheuser-Busch acquisition was approximately USD 54.8 billion, including the payment of USD 52.5 billion to shareholders of Anheuser-Busch. As a result of the merger, AB InBev changed its name to AB InBev and announced a plan to reduce debt taken on for the Anheuser-Busch combination by means of a formal divestiture program.

On 24 July 2009, AB InBev completed the sale of its South Korean subsidiary, Oriental Brewery, to an affiliate of Kohlberg Kravis Roberts & Co. L.P. for USD 1.8 billion, which resulted in USD 1.5 billion of cash proceeds and receipt of a USD 0.3 billion note receivable at closing. On 12 March 2010, the note receivable was sold for USD 0.3 billion in cash. Under the terms of the agreement, AB InBev continued its relationship with Oriental Brewery through granting Oriental Brewery exclusive licenses to distribute certain brands in South Korea including Budweiser, Bud Ice and Hoegaarden, and by having an ongoing interest in Oriental Brewery through an agreed earn-out. In addition, AB InBev retained the right, but not the obligation, to reacquire Oriental Brewery five years after the closing of the transaction based on predetermined financial terms. On 1 April 2014, AB InBev announced the completion of the reacquisition of Oriental Brewery as described in greater detail below.

On 2 December 2009, AB InBev completed the sale of its Central European operations to CVC Capital Partners for an enterprise value of USD 2.2 billion, of which USD 1.6 billion was cash, USD 448 million was received as an unsecured deferred payment obligation with a six-year maturity and USD 165 million represented the estimated value to minorities. Under the terms of the agreement, the operations in Bosnia and Herzegovina, Bulgaria, Croatia, The Czech Republic, Hungary, Montenegro, Romania, Serbia and Slovakia were sold. On 15 July 2011, the deferred payment obligation, including accrued interest, was sold for USD 0.5 billion in cash. At the time of the 2009 sale to CVC Capital Partners, AB InBev also received additional rights under a Contingent Value Right Agreement to a future payment that was contingent on CVC's return on its initial investments. On 15 June 2012, CVC sold the business to Molson Coors Brewing Company for an aggregate consideration of EUR 2.65 billion (USD 3.50 billion). AB InBev believes that as a result of the sale to Molson, the return earned by CVC Capital Partners triggered the right to a further payment. Following the conclusion in AB InBev's favour of a declaratory action initiated by CVC Capital Partners in the English Commercial Court, AB InBev received approximately EUR 32 million (USD 42 million) in 2013 and EUR 147 million (USD 197 million) in 2014 from CVC. Appeals related to the EUR 147 million (USD 197 million) received to date have not yet concluded.

In 2009, AB InBev undertook a series of other disposals, including Tennent's Lager brand, four metal beverage can and lid manufacturing plants and Busch Entertainment Corporation, and by the end of the year, AB InBev had completed its formal divestiture program resulting from the 2008 Anheuser-Busch acquisition, exceeding the target of USD 7.0 billion, with approximately USD 9.4 billion of asset disposals of which approximately USD 7.4 billion were realised cash proceeds.

On 11 May 2012, Ambev and E. León Jimenes S.A., which owned 83.5% of Cervecería Nacional Dominicana S.A., entered into a transaction to form a strategic alliance to create the leading beverage company in the Caribbean through the combination of their businesses in the region. Ambev's initial indirect interest in Cervecería Nacional Dominicana S.A. was acquired through a cash payment of USD 1.0 billion and the contribution of Ambev Dominicana. Separately, Ambev Brazil acquired an additional stake in Cervecería Nacional Dominicana S.A. of 9.3%, which was owned by Heineken N.V., for USD 237 million at the closing date. During 2012 and 2013, as part of the same transaction, Ambev acquired additional stakes from other minority holders. As of 31 December 2015, Ambev owns a total indirect interest of 55.0% in Cervecería Nacional Dominicana S.A.

On 4 June 2013, AB InBev announced the completion of the combination with Grupo Modelo in a transaction valued at USD 20.1 billion. The combination was the natural next step given the economic stake of more than 50% in Grupo Modelo prior to the transaction and the successful long-term partnership between the two companies. The combined company benefits from the significant growth potential that Grupo Modelo brands such as Corona have globally outside of the United States, as well as locally in Mexico, where AB InBev has had the opportunity to introduce AB InBev's brands through Grupo Modelo's distribution network. The combination was completed through a series of steps that simplified Grupo Modelo's corporate structure, followed by an all-cash tender offer by AB InBev for all outstanding Grupo Modelo shares that AB InBev did not own at that time for USD 9.15 per share. By 4 June 2013 and following the settlement of the tender offer, AB InBev owned approximately 95% of Grupo Modelo's outstanding shares. Once the tender offer was completed and fully paid, AB InBev established and funded a trust to accept further tenders of shares by Grupo Modelo shareholders at a price of USD 9.15 per share over a period of up to 25 months from the completion of the combination.

In a transaction related to the combination with Grupo Modelo, select Grupo Modelo shareholders purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013.

On 7 June 2013, in another transaction related to the combination with Grupo Modelo, Grupo Modelo completed the sale of its U.S. business to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to a post-closing adjustment of approximately USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014. The transaction included the sale of Grupo Modelo's Piedras Negras brewery, Grupo Modelo's 50% stake in Crown Imports and perpetual rights to certain of Grupo Modelo's brands in the United States. As a consequence, AB InBev has granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in the 50 states of the United States, the District of Columbia and Guam.

On 1 April 2014, AB InBev announced the completion of its reacquisition of Oriental Brewery, the leading brewer in South Korea, from KKR and Affinity Equity Partners. The enterprise value for the transaction was USD 5.8 billion, and as a result of an agreement entered into with KKR and Affinity Equity Partners in 2009, AB InBev received approximately USD 320 million in cash at closing from this transaction, subject to closing adjustments according to the terms of the transaction. This acquisition returns Oriental Brewery to AB InBev's portfolio after AB InBev sold the company in July 2009, following the combination of InBev and Anheuser-Busch in support of AB InBev's deleveraging target.

During 2014, AB InBev purchased USD 1.0 billion of Grupo Modelo shares through the trust established to accept further tender of shares and, during 2015, AB InBev performed a mandatory tender offer and purchased all outstanding Grupo Modelo shares held by third parties for a total consideration of USD 483 million. Once such purchases were completed, by August 2015 AB InBev owned 99.9% of Grupo Modelo's outstanding shares, and carried out a process with the Mexican Securities and Exchange Commission and the Mexican Stock Exchange pursuant to which Grupo Modelo (i) cancelled its registry of shares with the Mexican National Securities Registry, (ii) delisted its shares from the Mexican Stock Exchange, and (iii) as a consequence of the actions listed in (i) and (ii) above, as well as the resolutions adopted by its shareholders in October 2015, Grupo Modelo was transformed from a publicly listed Mexican company into a Mexican limited liability company (*sociedad de responsabilidad limitada*), and became 100% owned by AB InBev.

On 11 November 2015, AB InBev Board's and SABMiller Board's announced that they had reached agreement on the terms of a recommended business combination between AB InBev and SABMiller. The Transaction will be implemented through a series of stages including the acquisition of SABMiller by Newbelco. AB InBev will merge into Newbelco so that, following Completion, Newbelco will be the new holding company for the Combined Group.

Please refer to paragraph 7.2.1.13(c) (*Transaction-related Divestitures; Regulatory approvals and conditions*) of this section 1 for an overview of divestitures AB InBev has entered into with the goal of proactively addressing potential regulatory considerations regarding its combination with SABMiller.

### 3.1.3 Activities and assets

#### 3.1.3.1 General description

AB InBev is the world's largest brewer by volume and one of the world's top five consumer products companies by revenue. As a consumer-centric, sales-driven company, AB InBev produces, markets, distributes and sells a strong, balanced portfolio of well over 200 beer and other malt beverage brands. These include global brands Budweiser, Corona (except in the United States) and Stella Artois; multi-country brands such as Beck's, Leffe and Hoegaarden; and many local brands such as Bud Light and Michelob Ultra in the United States, Corona Light, Modelo Especial, Modelo Light, Negra Modelo, Victoria and Pacifico in Mexico, Skol, Brahma and Antarctica in Brazil, Quilmes in Argentina, Jupiler in Belgium and the Netherlands, Hasseröder in Germany, Klinskoye and Sibirskaya Korona in Russia, Chernigivske in Ukraine, Harbin and Sedrin in China and Cass in South Korea. AB InBev also produces and distributes soft drinks, particularly in Latin America, and other near beer products, such as Lime-A-Rita and other Rita family products in the United States and MixxTail in China, Argentina and other countries.

AB InBev's dedication to quality goes back to a brewing tradition of more than 600 years and the Den Hoorn brewery in Leuven, Belgium, as well as the pioneering spirit of the Anheuser & Co brewery, with origins in St. Louis, USA since 1852. As of 31 December 2015, AB InBev employed more than 150,000 people, with operations in 26 countries across the world. Given the breadth of the operations, AB InBev is organised into seven business segments: North America, Mexico, Latin America North, Latin America South, Europe, Asia Pacific and Global Export & Holding Companies. The first six correspond to specific geographic regions in which the operations are based. As a result, AB InBev has a global footprint with a balanced exposure to developed and developing markets and production facilities spread across AB InBev's six geographic regions, which are referred to as "**Zones**."

AB InBev has significant brewing operations within the developed markets in its North America zone (which accounted for 25.8% of the consolidated volumes for the year ended 31 December 2015) and in a significant majority of its markets in the Europe zone (which accounted for 9.4% of the consolidated volumes for the year ended 31 December 2015). AB InBev also has significant exposure to developing markets in Latin America North (which accounted for 27.0% of the consolidated volumes in the year ended 31 December 2015), Asia Pacific (which accounted for 19.3% of the consolidated volumes in the year ended 31 December 2015), Mexico (which accounted for 9.1% of the consolidated volumes in the year ended 31 December 2015) and Latin America South (which accounted for 7.9% of the consolidated volumes in the year ended 31 December 2015).

The 2015 volumes (beer and non-beer) were 457 million hectolitres and the revenue amounted to USD 43.6 billion.

### 3.1.4 Strengths

AB InBev believes that the following key strengths will drive the realisation of its strategic goals and reinforce its competitive position in the marketplace:

#### **Global platform with strong market positions in key markets**

AB InBev is the world's largest brewer and believes it holds leading positions in the majority of its key markets, based on strong brands and the benefits of scale. AB InBev believes this enables it to invest significant sales and marketing resources in its brands, achieve attractive sourcing terms, generate cost savings through centralisation and operate under a lean cost structure. Its global reach provides AB InBev with a strong platform to grow its global and multi-country brands, while developing local brands tailored to regional tastes and trends. AB InBev benefits from a global distribution network which, depending on the location, is either owned by AB InBev or is based on strong partnerships with wholesalers and local distributors.

AB InBev believes that in 2015 the approximate industry volumes and AB InBev's approximate market shares by volume in its top four markets were as follows:

	<b>Total industry volume (million hectolitres)<sup>(1)</sup></b>	<b>AB InBev's estimated market share (%)<sup>(1)</sup></b>
China	399.4	18.6%
United States	233.7	45.8%
Brazil	126.4	67.5%
Mexico	71.5	58.2%

Notes:

<sup>(1)</sup> Total industry volume figures are based on total beer industry sales or consumption volumes in the relevant market, except for the China volume figures, which are based on total industry production volumes. Sources for market share: China – Seema International Limited; United States – Beer Institute and SymphonyIRI; Brazil – AC Nielsen Audit Total Trade; Mexico – Cámara Nacional de la Industria de la Cerveza y de la Malta.

AB InBev has been the global leader in the brewing industry by volume for the past eight years, and, in 2015, was one of the largest consumer products companies worldwide, measured by EBITDA, as defined. AB InBev 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 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 in China, the world's largest beer market by volume.

AB InBev's management believes that it can realise significant upside potential by continuing to roll out AB InBev's brands using its global distribution platform.

#### **Geographic diversification**

AB InBev's geographically diversified platform balances 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 benefits from a natural hedge against market, economic and seasonal volatility.

Developed markets represented approximately 48% of AB InBev's 2015 revenue and developing markets represented 52% of AB InBev's 2015 revenue. AB InBev's developing markets include Brazil (which represents 18.5% of AB InBev's 2015 revenue), Argentina, China, Mexico, Russia, Bolivia, Paraguay, Ukraine and South Korea. AB InBev also has equity investments in brewers in China.

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

AB InBev's strong brand portfolio addresses a broad range of demand for different types of beer, comprising three brand categories:

- **Global brands:** Capitalising on common values and experiences which appeal to consumers across borders, AB InBev's three global brands, Budweiser, Corona and Stella Artois, have the strength to be marketed worldwide;
- **Multi-country brands:** With a strong consumer base in their home market, AB InBev's three multi-country brands, Beck's, Leffe and Hoegaarden, bring international flavour to selected markets, connecting with consumers across continents; and
- **Local brands:** Offering locally popular tastes, local brands such as Bud Light, Michelob, Victoria, Modelo Especial, Negra Modelo, Skol, Brahma, Antarctica, Quilmes, Jupiler, Klinskoye, Sibirskaia Korona, Chernigivske, Cass, Harbin and Sedrin connect particularly well with consumers in their home markets.

With well over 200 brands, of which 19 had an estimated retail sales value of over USD 1 billion in 2015, AB InBev believes its portfolio is the strongest in the industry. Six of AB InBev's brands – Bud Light, Budweiser, Corona, Skol, Stella Artois and Brahma – are ranked among the Global Top Ten most valuable beer brands by BrandZ™.

AB InBev's strategy is to focus its attention on its core to premium brands. As a result, AB InBev makes clear brand choices and seeks to invest in those brands that build deep connections with consumers and meet their needs. AB InBev seeks to replicate its successful brand initiatives, market programs and best practices across multiple geographic markets.

Focus brands are a small number of brands which AB InBev believes have the best long-term growth potential, and in which AB InBev invests the majority of its resources (money, people and attention). These brands include AB InBev's three global brands, its multi-country brands and selected local brands.

Focus brands represented 69.6% of AB InBev's own beer volume and grew by 0.4% in 2015. AB InBev's global brands grew 7.3% in 2015, led by growth in Budweiser, Corona and Stella Artois of 6.9%, 8.1% and 7.5%, respectively.

#### **Strong consumer insights-driven brand development capabilities**

As a consumer insights-driven company, AB InBev continues to strive to understand the values, lifestyles and preferences of both today's and tomorrow's consumers. AB InBev expects that this will allow it to remain relevant, as well as build fresh appeal and competitive advantage through innovative products and services tailored to meet evolving consumer needs. AB InBev believes that consumer demand can be best anticipated by a close relationship between its innovation and insight teams in which current and expected market trends trigger and drive research processes. Successful examples of recently developed

products include Bud Light Platinum, the Rita family of products and a re-closable 16-ounce aluminum bottle (United States), Skol Beats Senses and Brahma 0.0 (Brazil), MixxTail (Argentina and China), Cubanisto (United Kingdom and France) and Budweiser Supreme (China).

AB InBev believes that its internal excellence programs, such as its World Class Commercial Program, are a major competitive advantage. The World Class Commercial Program is an integrated marketing and sales execution program designed to continuously improve the quality of AB InBev's sales and marketing capabilities and processes by ensuring they are fully understood by all relevant employees and consistently followed.

#### ***Strict financial discipline***

World-class efficiency has been, and will remain, a long-term focus across all markets, all lines of business and under all economic circumstances. Avoiding unnecessary costs is a core competency within AB InBev's culture. AB InBev distinguishes between "non-working" and "working" expenses, the latter having a direct impact on its consumers and its customers, and therefore on AB InBev's sales volumes and revenues. As a result, AB InBev has implemented, and will continue to develop, programs and initiatives aimed at reducing non-working expenses. This strict financial discipline has allowed AB InBev to develop a "Cost-Connect-Win" model in which savings from reducing non-working expenses are used to fund sales and marketing investments designed to connect with AB InBev's consumers and customers and to win by achieving long-term, profitable growth.

AB InBev has a number of group-wide cost efficiency programs in place, including:

- Zero-Based Budgeting or ZBB: Under ZBB, budget decisions are unrelated to the previous year's levels of expenditure and require justification starting from a zero base each year. Employee compensation is closely tied to delivering on zero-based budgets. ZBB has been successfully introduced into all of AB InBev's major markets, as well as its global headquarters.
- Voyager Plant Optimization or VPO: VPO aims to bring greater efficiency and standardisation to AB InBev's brewing operations and to generate cost savings, while at the same time improving quality, safety and the environment. VPO also entails assessment of AB InBev's procurement processes to maximise purchasing power and to help it achieve the best results when purchasing a range of goods and services. Behavioural change towards greater efficiencies is at the core of this program, and comprehensive training modules have been established to assist AB InBev's employees with the implementation of VPO in their daily routines.
- Business Shared Services Centres: AB InBev has established a number of business shared services centres across its Zones which focus on transactional and support activities within the group. These centres help to standardise working practices and identify and disseminate best practices.

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

During the last two decades, AB InBev's management (or the management of its predecessor companies) has executed a number of merger and acquisition transactions of varying sizes, with acquired businesses being successfully integrated into AB InBev's operations, realising 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. Between 2008 and 2011, AB InBev delivered against the announced cost synergy target of USD 2.25 billion;
- the combination with Grupo Modelo in June 2013. By the end of 2015, AB InBev had realised cost synergies of approximately USD 940 million and expects to deliver the remaining cost savings toward AB InBev's USD 1 billion target during the first half of 2016;
- the reacquisition of Oriental Brewery, the leading brewer in South Korea, which was completed on 1 April 2014; and
- the proposed business combination with SABMiller, which was announced on 11 November 2015. Per the Rule 2.7 Announcement, AB InBev expects pre-tax cost synergies to reach a recurring annual run rate of USD 1.4 billion by the end of the fourth year following completion. Such synergies are expected to be incremental to the aggregate annual run rate cost-saving initiatives of at least USD 1.05 billion by 31 March 2020, announced by SABMiller on 9 October 2015.

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.

### **3.1.5 Strategy**

#### ***AB InBev's strategy is based on its Dream to be "the Best Beer Company Bringing People Together For a Better World"***

The guiding principle for AB InBev's strategy is a Dream to be "the Best Beer Company Bringing People Together For a Better World." The "Best Beer Company" element relates primarily to AB InBev's aim of building and maintaining highly profitable operations, with leading brands and market positions wherever it chooses to operate. With AB InBev's strong brand portfolio, AB InBev is "Bringing People Together" in ways that few others can. By building common ground, strengthening human connections and helping its consumers share unique experiences, AB InBev is able to achieve something together that cannot be accomplished alone. The term "Better World" articulates AB InBev's belief that all stakeholders will benefit from good corporate citizenship, finding its expression in its work to promote responsible enjoyment of its products, protecting the environment and giving back to the communities in which AB InBev operates. AB InBev discourages consumers from excessive or underage drinking and drinking and driving. AB InBev achieves 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 organisations, as well as ensuring that AB InBev's marketing is directed to legal age consumers, as outlined in AB InBev's Responsible Marketing and Communications Code.

#### ***A clear and consistent business model is fundamental to AB InBev's strategy***

AB InBev's business model is focused on organic growth and long-term, sustainable value creation for AB InBev's shareholders. This is achieved through revenue growth ahead of the industry, driven by deep consumer insights and solid market execution,

coupled with strong cost management and margin enhancement. This business model is supported by strict financial discipline in the generation and use of cash, including selective external growth opportunities, and is underpinned by AB InBev's powerful "Dream, People, Culture platform".

First, AB InBev aims to grow its revenue ahead of the benchmark of industry volume growth plus inflation, on a country-by-country basis.

- AB InBev aims to grow its revenue by investing to drive strong consumer preference for its brands and continued premiumisation of its brand portfolio.
- In a rapidly changing marketplace, AB InBev focuses on a deep understanding of consumer needs and aim to achieve high levels of brand preference by delivering against those needs. AB InBev seeks to remain relevant to existing consumers, win new consumers, and secure their long-term brand loyalty.
- AB InBev intends to further strengthen brand innovation in order to stay ahead of market trends and maintain consumer appeal.
- In partnership with distributors, off-trade retailers and on-trade points of sale, AB InBev seeks to build connections with its consumers at the point-of-sale by further improving the quality of the consumer's shopping experience and consumption occasions.
- AB InBev leverages social media platforms to reach out to existing and potential consumers and build connections with its brands. Social media is becoming increasingly important to the development of AB InBev's brands, and has become an important platform in building connections with digitally savvy, legal drinking age consumers.

Second, AB InBev strives to continuously improve efficiency by unlocking the potential for variable and fixed-cost savings.

- AB InBev aims to maintain long-term cost increases at 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 its scale.
- AB InBev aims to leverage the Global Procurement Center to generate further cost savings and build on its supplier relationships to bring new ideas and innovation to its business.
- AB InBev's management believes that cost management and efficiency are part of an ongoing process. AB InBev will continue to share best practices across all functions, as well as benchmark performance externally against other leading companies.
- A combination of revenue growth ahead of the industry and inflation, a more premium brand mix, and cost increases below inflation should enable AB InBev to deliver on its commitment of long-term margin enhancement.

Finally, AB InBev will continue to exercise strict financial discipline in the generation and use of cash.

- AB InBev has consistently generated significant operating cash flow from growth in its operating activities, tight working capital management and a disciplined approach to capital expenditure.
- While organic growth is the focus for AB InBev's management, external growth remains a core competency and AB InBev will continue to take advantage of opportunities as and when they arise.
- AB InBev's management has repeatedly demonstrated its ability to successfully integrate acquisitions and generate significant cost synergies and revenue growth opportunities.
- In terms of long-term capital allocation, AB InBev will continue to prioritise investment in the organic growth of its business. Non-organic, external growth is a core competency and AB InBev will continue to consider suitable opportunities as and when they arise. In the absence of appropriate external growth opportunities, surplus cash flow should be returned to shareholders, with dividends providing a predictable growing flow. 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. In addition, AB InBev's optimal capital structure is a net debt to EBITDA, as defined (adjusted for exceptional items), ratio of 2x, and around this level, the return of cash to shareholders should be comprised of both dividends and share buybacks. Net debt to EBITDA, as defined (adjusted for exceptional items), increased from 2.27x for the 12-month period ending 31 December 2014 to 2.51x for the 12-month period ending 31 December 2015, both on a reported basis. In 2015, AB InBev conducted a successful share buyback program in relation to AB InBev's various share delivery commitments under the stock ownership plan, in which 8,200,090 ordinary shares were repurchased for a total consideration of approximately USD 1 billion. AB InBev expects its net debt to EBITDA, as defined (adjusted for exceptional items) ratio to increase meaningfully in excess of 2x upon Completion.

#### ***General factors facilitate the implementation of AB InBev's corporate strategy***

AB InBev has identified a number of other factors which it believes will facilitate the implementation of its corporate strategy:

- a disciplined approach to innovation, aimed at invigorating the beer category and increasing its share of the beer and total alcohol markets;
- a strong company culture, investing in people and maintaining a strong target-related compensation structure;
- best-in-class financial discipline spread throughout the whole organisation; and
- a strong Better World platform, which links AB InBev's business objectives to its consumers and its social responsibility initiatives.

### **3.1.6 Principal activities and products**

#### **3.1.6.1 General**

AB InBev produces, markets, distributes and sells a strong portfolio of well over 200 beer and malt beverage brands. AB InBev has a global footprint with a balanced exposure to developed and developing markets and production facilities spread across its Zones.

AB InBev's production and distribution facilities and other assets are predominantly located in the same geographical areas as its consumers. AB InBev sets up local production when it believes that there is substantial potential for local sales that cannot be addressed in a cost-efficient manner through exports or third-party distribution into the relevant country. Local production also helps AB InBev to reduce, although it does not eliminate, AB InBev's exposure to currency movements.

The table below sets out the main brands AB InBev sells in the markets listed below as of 31 December 2015.

Market	Global brands	Multi-country brands	Local brands
<b>North America</b>			
Canada	Budweiser, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Alexander Keith's, Bass, Bud Light, Kokanee, Labatt, Lakeport, Lucky, Oland, Mike's Hard Lemonade, Okanagan, Palm Bay, Stanley Park, Mill Street
United States	Budweiser, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Bass, Bud Light, Busch, Goose Island, Michelob Ultra, Natural Light, Shock Top, Blue Point, Busch Light, Bud Light Lime-A-Rita Family, MixxTail, Oculito, 10 Barrel, Elysian, Golden Road Four Peaks
Mexico	Budweiser, Corona, Stella Artois	–	<b>Beer:</b> Bud Light, Modelo Especial, Victoria, Pacifico, Negra Modelo, Modelo Ambar, Modelo Light, Barrilito, Estrella, Leon, Montejo, Tropical, Ideal, Mexicali, Day of the Dead, Tijuana
<b>Latin America</b>			
Argentina	Budweiser, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Andes, Brahma, Norte, Patagonia, Quilmes, Iguana, Franziskaner, MixxTail, Lowenbrau, Pilsen, Negra Modelo <b>Non-beer:</b> 7UP, Pepsi, H2OH!, Mirinda, Paso de los Toros, Tropicana, Gatorade
Bolivia	Corona, Stella Artois	–	<b>Beer:</b> Paceaña, Taquiña, Huari <b>Non-beer:</b> 7UP, Pepsi
Brazil	Budweiser, Corona, Stella Artois	Hoegaarden, Leffe	<b>Beer:</b> Antarctica, Bohemia, Brahma, Skol, Colorado <b>Non-beer:</b> Guaraná Antarctica, Pepsi
Chile	Budweiser, Corona, Stella Artois	–	<b>Beer:</b> Baltica, Becker, Brahma
Colombia	Budweiser, Corona, Stella Artois	–	<b>Beer:</b> Bogota Beer Company, Modelo Especial, Bud Light
Dominican Republic	Budweiser, Corona, Stella Artois	Hoegaarden, Leffe	<b>Beer:</b> Brahma, Presidente, Bohemia, The One <b>Non-beer:</b> Pepsi, 7UP, Red Rock
Ecuador	Budweiser	–	<b>Beer:</b> Brahma, Biela
Guatemala	Budweiser, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Brahva, Modelo Especial, Bud Light
Paraguay	Budweiser, Corona, Stella Artois	–	<b>Beer:</b> Baviera, Brahma, Ouro Fino, Pilsen
Peru <sup>(1)</sup>	Budweiser, Corona, Stella Artois	–	<b>Beer:</b> Brahma, Lowenbrau
Uruguay	Budweiser, Corona, Stella Artois	–	<b>Beer:</b> Pilsen, Norteña, Patricia, Zillertal <b>Non-beer:</b> 7UP, Pepsi, H2OH!
<b>Europe</b>			
Belgium	Budweiser, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Belle-Vue, Jupiler, Vieux Temps
France	Budweiser, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Belle-Vue, Boomerang, Loburg
Germany	–	Beck's	<b>Beer:</b> Diebels, Franziskaner, Haake-Beck, Hasseröder, Löwenbräu, Spaten, Gilde, Lindener, Ratskeller
Luxembourg	Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Diekirch, Jupiler, Mousel
Netherlands	Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Dommelsch, Jupiler, Hertog Jan
United Kingdom	Budweiser, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Bass, Boddingtons, Brahma, Mackeson, Cubanisto, Camden Town
Italy	Budweiser, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Franziskaner, Löwenbräu, Spaten
Spain	Corona, Stella Artois	Beck's, Leffe	<b>Beer:</b> Franziskaner
Russia	Bud, Corona, Stella Artois	Hoegaarden, Leffe	<b>Beer:</b> Bagbier, Brahma, Klinskoye, Löwenbräu, Sibirskaia Korona, T, Tolstik, Spaten, Franziskaner
Ukraine	Bud, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Chernigivske, Rogan, Yantar
<b>Asia Pacific</b>			
China	Budweiser, Corona, Stella Artois	Beck's, Hoegaarden, Leffe	<b>Beer:</b> Harbin, Sedrin, Big Boss, Ginsber, MixxTail
South Korea	Budweiser, Corona, Stella Artois	Hoegaarden	<b>Beer:</b> Cass, OB

Notes:

(1) AB InBev divested its soft drink business in Peru in July 2015.

The table below sets out AB InBev's sales broken down by business segment for the periods shown:

Market	2015		2014		2013	
	Revenue <sup>(1)</sup> (USD million)	Revenue (% of total)	Revenue <sup>(1)</sup> (USD million)	Revenue (% of total)	Revenue <sup>(1)</sup> (USD million)	Revenue (% of total)
North America	15,603	35.8%	16,093	34.2%	16,023	37.1%
Mexico <sup>(2)</sup>	3,951	9.1%	4,619	9.8%	2,769	6.4%
Latin America North <sup>(4)</sup>	9,096	20.9%	11,269	23.9%	10,877	25.2%
Latin America South	3,458	7.9%	2,961	6.3%	3,269	7.6%
Europe <sup>(3)(4)</sup>	4,012	9.2%	4,865	10.3%	5,065	11.7%
Asia Pacific <sup>(5)</sup>	5,555	12.7%	5,040	10.7%	3,354	7.8%
Global Export & Holding Companies	1,929	4.4%	2,216	4.7%	1,839	4.2%
<b>Total</b>	<b>43,604</b>	<b>100.0%</b>	<b>47,063</b>	<b>100.0%</b>	<b>43,195</b>	<b>100.0%</b>

Notes:

- (1) Gross revenue (turnover) less excise taxes and discounts. In many jurisdictions, excise taxes make up a large proportion of the cost of beer charged to AB InBev's customers.
- (2) Following the combination with Grupo Modelo, AB InBev is fully consolidating Grupo Modelo in its financial reporting as of 4 June 2013 and is reporting the Grupo Modelo revenue in the reported revenue as of that date. Grupo Modelo results are reported according to their geographical presence in the following segments: the Mexico beer and packaging businesses are reported in the Mexico zone, the Spanish business is reported in the Europe zone and the Export business is reported in the Global Export & Holding Companies segment.
- (3) Effective 1 January 2014, AB InBev created a single Europe zone by combining two pre-existing Zones: Western Europe and Central & Eastern Europe.
- (4) As part of the creation of a single Europe zone, AB InBev's interest in a joint venture in Cuba through its subsidiary Ambev was moved from the Western Europe zone to the Latin America North zone. The figures for both Zones reflect this allocation from 1 January 2014.
- (5) Following the reacquisition of Oriental Brewery, AB InBev is fully consolidating Oriental Brewery in its financial reporting as of 1 April 2014 and is reporting the Oriental Brewery revenue in the reported revenue as of that date. Oriental Brewery results are reported in the Asia Pacific zone.

The table below sets out the breakdown between AB InBev's beer and non-beer volumes and revenue. Based on AB InBev's actual historical financial information for these periods, AB InBev's non-beer activities accounted for 9.6% of consolidated volumes in 2015, 10.2% of consolidated volumes in 2014 and 11.0% of consolidated volumes in 2013. In terms of revenue, AB InBev's non-beer activities generated 6.9% of consolidated revenue in 2015, compared to 8.4% in 2014 and 9.5% in 2013 based on AB InBev's actual historical financial information for these periods.

	Beer <sup>(1)(3)</sup>			Non-Beer <sup>(4)</sup>			Consolidated		
	2015	2014	2013	2015	2014	2013	2015	2014	2013
Volume (million hectolitres)	413	411	379	44	47	47	457	459	426
Revenue <sup>(2)</sup> (USD million)	40,595	43,116	39,080	3,009	3,947	4,115	43,604	47,063	43,195

Notes:

- (1) Beer volumes and revenue include not only brands that AB InBev owns or licenses, but also third-party brands that AB InBev brews or otherwise produces as a subcontractor and third-party products that AB InBev sells through its distribution network, particularly in Western Europe.
- (2) Gross revenue (turnover) less excise taxes and discounts. In many jurisdictions, excise taxes make up a large proportion of the cost of beer charged to its customers.
- (3) The beer category includes flavoured malt beverages, such as the Rita family of beverages and MixxTail.
- (4) The non-beer category includes soft drinks and certain other beverages, such as Stella Artois Cidre.

### 3.1.6.2 Beer

AB InBev manages a portfolio of well over 200 brands of beer. AB InBev's beer portfolio is divided into global brands, multi-country brands and local brands. AB InBev's brands are the foundation and the cornerstone of AB InBev's relationships with consumers. AB InBev invests in its brands to create a long-term and sustainable competitive advantage, by meeting the various needs and expectations of consumers and by developing leading brand positions around the globe.

On the basis of quality and price, beer can be differentiated into the following categories:

- Premium or high-end brands;
- Core brands; and
- Value, discount or sub-premium brands.

AB InBev's brands are positioned across all these categories. For example, a global brand like Stella Artois generally targets the premium category across the globe, while a local brand like Natural Light targets the sub-premium category in the United States. In the United States, Bud Light targets the premium light or mainstream category, which is equivalent to the core category in other markets. AB InBev has a particular focus on core to premium categories, but intends to be present in the value category if the market structure in a particular country necessitates this presence.

AB InBev makes clear category choices and, within those categories, clear brand choices. Examples of these choices include the focus on the core Quilmes brand in Argentina, on the core category in Brazil, on the core and premium categories in Canada, on core and premium brands in Russia and on the multi-country premium, domestic premium and core categories in China. The majority of AB InBev's resources are directed to AB InBev's "focus brands," those brands that AB InBev believes have the greatest growth potential in their relevant consumer categories. In 2015, AB InBev's focus brands accounted for 69.6% of AB InBev's own beer volume.



Consumer preferences can change over time, especially in the face of challenging economic circumstances, such as those faced in many markets between 2008 and 2015. However, AB InBev believes it is well placed to deal with short-term trend changes from a portfolio perspective, while continuing its long-standing strategy of driving growth in the core and premium beer categories. AB InBev aims to continue with its focus brands strategy, which addresses the desire of consumers to trade up from value to core and from core to premium brands.

AB InBev's portfolio includes three global brands with worldwide distribution:

- Budweiser is its largest global flagship brand accounting for 11.3% of AB InBev's total company own beer volumes in 2015. Globally, Budweiser volumes have grown every year since 2010, including growth of 6.9% in 2015, driven by strong growth in China and Brazil. Budweiser was a sponsor of the 2014 FIFA World Cup™ and has confirmed its sponsorship of the 2018 and 2022 FIFA World Cups™;
- Corona is the best-selling Mexican beer in the world and the leading beer brand in Mexico. Corona is available in more than 120 countries. In 2015, it was ranked number six in the BrandZ™ list of most valuable beer brands worldwide. AB InBev has granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in 50 states of the United States, the District of Columbia and Guam; and
- Stella Artois is the number one Belgian beer in the world according to Plato Logic Limited. Stella Artois is distributed in over 90 countries worldwide and has strong global potential. Stella Artois is a premium lager with a heritage dating back to AB InBev's foundations in 1366. AB InBev's top three markets for Stella Artois are currently the United Kingdom, United States and Argentina. Building upon the strength of this brand in the United Kingdom, AB InBev launched Stella Artois Cidre in 2011, Stella Artois Cidre Pear in 2012 and Stella Artois Cidre Raspberry in 2014. In the United States, Stella Artois Cidre was launched in 2013.

In addition, AB InBev has three multi-country brands, including:

- Beck's, the world's number one German beer, is renowned for uncompromising quality. It is brewed today, just as it was in 1873, with a rigorous brewing process and a recipe using only four natural ingredients. Beck's adheres to the strictest quality standards of the German Reinheitsgebot (Purity Law). Beck's is brewed in various countries, including the United States;
- Leffe, a rich, full-bodied beer that hails from Belgium, has the longest heritage in AB InBev's beer portfolio and is available in over 70 countries worldwide; and
- Hoegaarden, a high-end Belgian wheat (or "white") beer. Based on its brewing tradition dating back to 1445, Hoegaarden is top fermented and then refermented in the bottle or keg leading to its distinctive cloudy white appearance.

More locally, AB InBev manages numerous well-known "local champions," which form the foundation of AB InBev's business. The portfolio of local brands includes:

#### *North America*

- Bud Light is the best-selling beer in the United States and the leader in the premium light category. It is the official sponsor of the NFL (National Football League), with a six-year sponsorship agreement ending in 2016, which has been extended by six years to 2022. In the United States, its share of the premium light category is approximately 44.6%, more than the combined share of the next two largest core brands (based on IRI estimates).
- Michelob ULTRA was rolled out nationally in the United States in 2002 and is estimated to be the number nine brand in the United States according to Beer Marketer's Insights. Michelob ULTRA was the fastest growing beer brand in the United States in 2015, according to IRI.

#### *Mexico*

- Victoria is a Vienna-style lager and one of Mexico's most popular beers. The brand's fans appreciate its medium body and slight malt sweetness. Victoria was produced for the first time in 1865, making Victoria Mexico's oldest beer brand.
- Modelo Especial is a full-flavoured pilsner beer brewed with premium two-row barley malt for a slightly sweet, well-balanced taste with a light hop character and crisp finish. Brewed since 1925, it was created to be a "model" beer for all of Mexico and stands for pride and authenticity.
- AB InBev has granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in 50 states of the United States, the District of Columbia and Guam, including Victoria, Modelo Especial, Pacifico and Negra Modelo.

#### *Latin America*

- Skol is the leading beer brand in the Brazilian market according to Plato Logic Limited. Skol has been a pioneer and innovator in the beer category, engaging with consumers and creating new market trends, especially with entertainment initiatives such as music festivals.
- Brahma is the second-most consumed beer in Brazil according to Plato Logic Limited. It was one of the Brazilian official sponsors of the 2014 FIFA World Cup™.
- Antarctica is the third-most consumed beer in Brazil according to Plato Logic Limited.
- Quilmes is the leading beer in Argentina, according to Nielsen, and a national icon with its striped light blue and white label linked to the colors of the Argentine national flag and football team.

#### *Europe*

- Jupiler is the market leader in Belgium and the official sponsor of the most important Belgian professional football league, the Jupiler League. It is also the sponsor of the Belgian national football team.
- Klinskoye, AB InBev's largest brand in Russia, originated near Moscow.

- Sibirskaya Korona, first established as a local Siberian brand with proud Siberian values, has grown into a national premium brand sold throughout Russia.
- Chernigivske is the best-selling brand of beer in Ukraine and the sponsor of the Ukrainian national football team.

#### *Asia Pacific*

- Harbin is a national brand with its roots in the northeast of China. Harbin is AB InBev's largest brand in China and the 11th largest beer brand in the world according to Plato Logic.
- Sedrin is a strong regional brand that originated in China's Fujian province.
- Cass is the market leader in South Korea.

The branding and marketing of AB InBev's global brands, Budweiser, Corona and Stella Artois, is managed centrally within the group. Multi-country brands are managed at the zone and local levels for flexibility, while AB InBev's local brands are generally managed at a local level.

In certain markets, AB InBev also distributes products of other brewers.

#### *Non-Alcoholic Malt Beverages*

In the United States, AB InBev also produces non-alcoholic malt beverage products, including O'Doul's, O'Doul's Amber and related products.

AB InBev has also continued to expand its global portfolio of non-alcoholic beverages, including, for example, the launch of Hoegaarden 0.0% in Belgium for consumers who prefer non-alcoholic alternatives. In addition, in 2015, Brahma 0.0% became the number one non-alcoholic beer in Brazil, reaching 71.9% market share in the category according to AC Nielsen.

#### 3.1.6.3 **Near beer**

Some of AB InBev's recent innovations, which often involve other malt beverages, have stretched beyond typical beer occasions, such as the Rita family in the United States and MixxTail in China and Argentina. These innovations are designed to grow the near beer category and improve AB InBev's market share of alcoholic beverage categories other than beer, by addressing changing consumer trends and preferences, including, for example, a preference for sweeter tasting liquids with higher alcohol content.

#### 3.1.6.4 **Non beer**

While AB InBev's core business is beer, AB InBev also has a presence in the soft drink market in Latin America through AB InBev's subsidiary Ambev and in the United States through Anheuser-Busch. Soft drinks include both carbonated and non-carbonated soft drinks.

Ambev's soft drinks business includes both its own brands such as Guaraná Antarctica, as well as arrangements with PepsiCo related to bottling and distribution of PepsiCo brands such as Pepsi, 7UP and Gatorade. Ambev has long-term agreements with PepsiCo whereby Ambev has the exclusive right to bottle, sell and distribute certain brands of PepsiCo's portfolio of carbonated and non-carbonated soft drinks in Brazil, Argentina, Bolivia and the Dominican Republic. For example, the Brazil agreements will expire on 31 December 2017 and are automatically extended for an additional ten-year term subject to the satisfaction of certain conditions. Ambev is also a Pepsi bottler in Uruguay.

Apart from the bottling and distribution agreements with PepsiCo, Ambev also produces, sells and distributes its own soft drinks. Its main carbonated soft drinks brand is Guaraná Antarctica.

Since 2006, Anheuser-Busch has provided coordination services for the distribution of Monster Energy Company (Monster) energy drinks in portions of the United States, and certain wholly owned and independent Anheuser-Busch wholesalers have distributed the products in local markets. Additionally, Ambev sells and distributes Monster Energy drinks in Brazil pursuant to a distribution agreement executed in November 2012. In 2015 Monster entered into an investment and distribution arrangement with The Coca-Cola Company and The Coca-Cola Company became Monster's preferred global distributor, including in the United States. As a result, during 2015 Monster terminated most of its agreements with Anheuser-Busch wholesalers relating to local distribution of Monster products in the United States, including all such agreements with Anheuser-Busch's wholly owned wholesalers.

#### 3.1.7 **Main markets**

AB InBev is a global brewer, with sales in over 130 countries across the globe.

The last two decades have been characterised by rapid growth in fast-growing developing markets, notably in regions in Latin America North, Latin America South and Asia Pacific, where AB InBev has significant sales. The table below sets out AB InBev's total volumes broken down by business segment for the periods shown:

Market	2015		2014		2013	
	Volumes (million hectolitres)	Volumes (% of total)	Volumes (million hectolitres)	Volumes (% of total)	Volumes (million hectolitres)	Volumes (% of total)
North America	118	25.8%	121	26.4%	122	28.7%
Mexico <sup>(1)</sup>	42	9.1%	39	8.5%	22	5.3%
Latin America North <sup>(3)</sup>	123	27.0%	125	27.3%	119	28.0%
Latin America South	36	7.9%	37	8.0%	37	8.7%
Europe <sup>(2)(3)</sup>	43	9.4%	44	9.7%	47	11.2%
Asia Pacific	88	19.3%	83	18.0%	66	15.4%
Global Export & Holding Companies <sup>(4)</sup>	7	1.5%	10	2.1%	12	2.8%
<b>Total</b>	<b>457</b>	<b>100.0%</b>	<b>459</b>	<b>100.00%</b>	<b>426</b>	<b>100.0%</b>

Notes:

- (1) Following the combination with Grupo Modelo AB InBev is fully consolidating Grupo Modelo in its financial reporting as of 4 June 2013 and is reporting the Grupo Modelo volumes in the reported volumes as of that date. Grupo Modelo results are reported within the relevant zone where AB InBev has existing local operations. The Mexico beer and packaging businesses are reported in the Mexico zone. The remaining Export business is reported in the Global Export & Holding Companies segment.

- (2) Effective 1 January 2014, AB InBev created a single Europe zone by combining two pre-existing Zones: Western Europe and Central & Eastern Europe.
- (3) As part of the creation of a single Europe zone, AB InBev's interest in a joint venture in Cuba through its subsidiary Ambev was moved from the Western Europe zone to the Latin America North zone. The figures for both Zones reflect this allocation from 1 January 2014.
- (4) Following the reacquisition of Oriental Brewery, AB InBev is fully consolidating Oriental Brewery in its financial reporting as of 1 April 2014 and is reporting the Oriental Brewery volumes in the reported volumes as of that date. Oriental Brewery results are reported in the Asia Pacific zone.

On an individual country basis, AB InBev's largest markets by volume during the year ended 31 December 2015 were Argentina, Belgium, Brazil, Canada, China, the Dominican Republic, Germany, Mexico, Russia, South Korea, Ukraine, the United Kingdom and the United States, with each market having its own dynamics and consumer preferences and trends. Given the breadth of AB InBev's brand portfolio, AB InBev believes it is well placed to address changing consumer needs in the various categories (premium, core and value) within a given market.

### 3.1.8 Competition

Historically, brewing was a local industry with only a few players having a substantial international presence. Larger brewing companies often obtained an international footprint through direct exports, licensing agreements and joint venture arrangements. However, the last several decades have seen a transformation of the industry, with a prolonged period of consolidation. This trend started within the more established beer markets of Western Europe and North America, and took the form of larger businesses being formed through merger and acquisition activity within national markets. More recently, consolidation has also taken place within developing markets. Over the last decade, the global consolidation process has accelerated, with brewing groups making significant acquisitions outside of their domestic markets and increasingly looking to purchase other regional brewing organisations. As a result of this consolidation process, the absolute and relative size of the world's largest brewers has substantially increased. Therefore, today's leading international brewers have significantly more diversified operations and have established leading positions in a number of international markets.

AB InBev has participated in this consolidation trend and grown its international footprint through a series of mergers and acquisitions described in section 1, paragraph 3.1.2 (*History and development of AB InBev*), which include:

- the acquisition of Labatt in 1995;
- the acquisition of Beck's in 2002;
- the acquisition of Ambev and Quilmes Industrial S.A. in 2003;
- the creation of InBev in 2004, through the combination of Interbrew and Ambev;
- the Anheuser-Busch acquisition in November 2008;
- the combination with Grupo Modelo in June 2013; and
- the reacquisition of Oriental Brewery in April 2014.

Ten largest brewers in the world in 2014 in terms of volume are as set out in the table below.

Rank	Name	Volume (million hectolitres) <sup>(1)</sup>
1	AB InBev	411.9
2	SABMiller	291.7
3	Heineken	210.5
4	Carlsberg	129.4
5	Tsingtao (Group)	91.5
6	Molson Coors Brewing Company	63.4
7	Beijing Yanjing	53.2
8	Kirin	42.1
9	Castel BGI	30.7
10	Asahi	29.9

Notes:

- (1) Source: Plato Logic Limited report for the calendar year 2014 (published in December 2015). AB InBev volumes indicated here are Plato Logic Limited's estimates of AB InBev's beer-only volumes and do not include volumes of associates. AB InBev's own beer volumes for the year ended 2014 were 408 million hectolitres and were 410 million hectolitres for the year ended 31 December 2015.

In each of AB InBev's regional markets, AB InBev competes against a mixture of national, regional, local and imported beer brands. In many countries in Latin America, AB InBev competes mainly with local players and local beer brands. In North America, Brazil, and in other selected countries in Latin America, Europe and Asia Pacific, AB InBev competes primarily with large leading international or regional brewers and international or regional brands.

### 3.1.9 Financial information of AB InBev

#### 3.1.9.1 Financial statements

This Prospectus incorporates by reference the audited consolidated financial statements of AB InBev as at and for the years ended 31 December 2013, 2014 and 2015 as contained within AB InBev's annual reports for the years ended 31 December 2013, 2014 and 2015, prepared in accordance with International Financial Reporting Standards as adopted by the European Union (**AB InBev's IFRS EU financial statements**).

The unaudited condensed consolidated interim financial statements of AB InBev for the six-month period ended 30 June 2016 as contained within AB InBev's 2016 Half-Year Financial Report, are also incorporated by reference in this Prospectus.

### 3.2 Material changes in business [Regulation 59(3)(b)]

#### 3.2.1 Material changes in Newbelco's business position since the date of its incorporation

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, other than as a result of any activities required in connection with the Transaction or in satisfaction of any of the conditions to which the Transaction is subject, there have been no significant changes in Newbelco's business since the date of its incorporation.

### 3.2.2 Material changes in AB InBev's financial or trading position since 30 June 2016

For details on material changes to AB InBev's business over the past three years, please see section 1, paragraph 3.1.2 (*History and development of AB InBev*) of this Prospectus.

There have been no significant changes in AB InBev's financial or trading position since 30 June 2016.

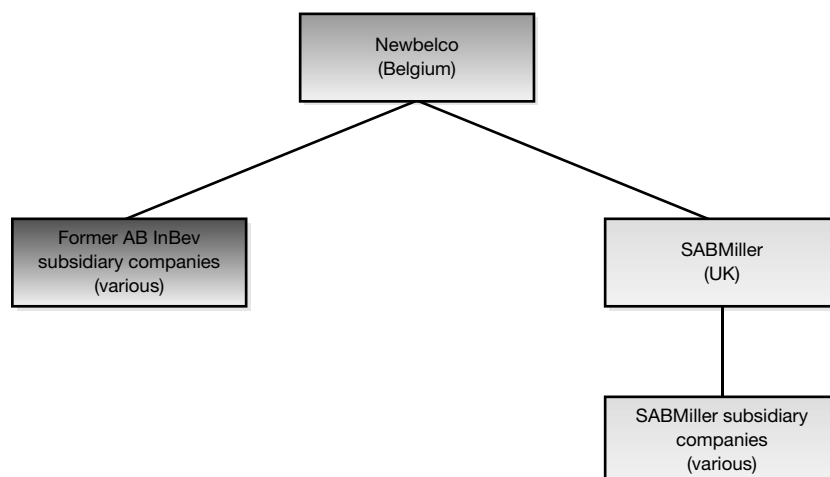
### 3.3 Prospects of the business [Regulation 59(3)(c) & (d)]

#### 3.3.1 Combined Group

The expected Prospects of the Combined Group (and hence Newbelco) post-Completion are set out below:

#### Organisation chart

The following diagram illustrates in simplified terms the expected structure of Newbelco and the Combined Group following Completion.



#### Information on subsidiaries

The following table presents Newbelco's expected significant subsidiaries upon Completion, together with the level of participation (in percentage) expected to be held, directly or indirectly, by Newbelco in these subsidiaries as well as the jurisdiction of incorporation of these subsidiaries. As at the date hereof, Newbelco has no subsidiaries.

Name of subsidiary	Jurisdiction of incorporation or residence	Proportion of ownership interest expected to be held by Newbelco	Proportion of voting rights expected to be held by Newbelco
<b>Former AB InBev subsidiary companies</b>			
Cerveceria y Malteria Quilmes Saica y G	Argentina	61.83%	61.83%
Brasserie de l'Abbaye de Leffe S.A.	Belgium	98.54%	98.54%
Brouwerij van Hoegaarden N.V.	Belgium	100.00%	100.00%
Cobrew N.V.	Belgium	100.00%	100.00%
InBev Belgium N.V.	Belgium	100.00%	100.00%
Cerveceria Boliviana Nacional S.A.	Bolivia	53.63%	53.63%
Ambev S.A.	Brazil	61.98%	61.98%
Labatt Brewing Company Limited	Canada	61.98%	61.98%
Cerveceria Chile S.A.	Chile	61.98%	61.98%
Anheuser-Busch InBev (Wuhan) Brewing Company Limited	China	97.06%	97.06%
Anheuser-Busch InBev (Harbin) Sales Company Ltd.	China	100.00%	100.00%
Anheuser-Busch InBev (Zhoushan) Brewery Co. Ltd.	China	100.00%	100.00%
InBev Baisha (Hunan) Brewery Co. Ltd.	China	100.00%	100.00%
InBev Double Deer Brewing Group Co. Ltd.	China	55.00%	55.00%
InBev Jinlongquan (Hubei) Brewery Co. Ltd.	China	60.00%	60.00%
InBev Jinlongquan (Xiaogan) Brewery Co. Ltd.	China	60.00%	60.00%
InBev Kk (Ningbo) Brewery Co. Ltd.	China	100.00%	100.00%
Anheuser-Busch InBev Sedrin Brewery Co. Ltd.	China	100.00%	100.00%
Anheuser-Busch InBev (Taizhou) Brewery Co. Ltd.	China	100.00%	100.00%
Anheuser-Busch InBev (Ningbo) Brewery Co. Ltd.	China	100.00%	100.00%
Anheuser-Busch InBev (Nanjing) Brewery Co. Ltd.	China	100.00%	100.00%
Siping Ginsber Draft Beer Co. Ltd	China	100.00%	100.00%
Anheuser-Busch InBev Big Boss (Jiangsu) Brewery Co. Ltd.	China	100.00%	100.00%

<b>Name of subsidiary</b>	<b>Jurisdiction of incorporation or residence</b>	<b>Proportion of ownership interest expected to be held by Newbelco</b>	<b>Proportion of voting rights expected to be held by Newbelco</b>
Anheuser-Busch InBev Big Boss (Yancheng) Brewery Co. Ltd.	China	100.00%	100.00%
Anheuser-Busch InBev Big Boss (Suzhou) Brewery Co. Ltd.	China	100.00%	100.00%
Bogota Beer Company Bbc S.A.S.	Colombia	61.98%	61.98%
Pivovar Samson a.s.	Czech Republic	100.00%	100.00%
Cerveceria Nacional Dominicana S.A.	Dominican Republic	34.09%	34.09%
Compañía Cervecería Ambev Ecuador S.A.	Ecuador	61.98%	61.98%
AB InBev France S.A.S.	France	100.00%	100.00%
Brauerei Beck GmbH & CO. KG	Germany	100.00%	100.00%
Brauerei Diebels GmbH & CO.KG	Germany	100.00%	100.00%
Brauergilde Hannover AG	Germany	100.00%	100.00%
Haake-Beck Brauerei GmbH & Co. KG	Germany	99.96%	99.96%
Hasseröder Brauerei GmbH	Germany	100.00%	100.00%
Anheuser-Busch InBev Germany Holding GmbH	Germany	100.00%	100.00%
Spaten - Franziskaner - Bräu GmbH	Germany	100.00%	100.00%
Brasserie De Luxembourg Mousel – Diekirch	Grand Duchy of Luxembourg	95.82%	95.82%
Crown Beers India Limited	India	100.00%	100.00%
Oriental Brewery Co., Ltd	South Korea	100.00%	100.00%
Grupo Modelo, S. de R.L. de C.V.	Mexico	100.00%	100.00%
Cerveceria Paraguaya S.A.	Paraguay	54.15%	54.15%
Compania Cervecería Ambev Peru S.A.C.	Peru	61.98%	61.98%
OJSC Sun InBev	Russia	99.95%	99.89%
InBev Nederland N.V.	Netherlands	100.00%	100.00%
Interbrew International B.V.	Netherlands	100.00%	100.00%
Sun InBev Ukraine PJSC	Ukraine	98.29%	98.29%
Anheuser-Busch Companies, LLC	United States	100.00%	100.00%
Anheuser-Busch International, Inc.	United States	100.00%	100.00%
Anheuser-Busch Packaging Group, Inc.	United States	100.00%	100.00%
Bass Beers Worldwide Limited	United Kingdom	100.00%	100.00%
AB InBev Uk Ltd	United Kingdom	100.00%	100.00%
Cerveceria Y Maltería Paysandu S.A.	Uruguay	61.94%	61.94%
Anheuser-Busch InBev Vietnam Brewery Company Limited	Vietnam	100.00%	100.00%
<b>Former SABMiller subsidiary companies</b>			
Foster's Group Pty Ltd	Australia	100%	100%
CUB Pty	Australia	100%	100%
FBG Finance Pty Ltd	Australia	100%	100%
FBG Treasury (Aust) Pty Ltd	Australia	100%	100%
Kgalagadi Breweries (Pty) Ltd	Botswana	31%	35%
Bavaria SA	Colombia	99%	99%
Cervecería Nacional (CN) SA	Ecuador	96%	96%
Industrias La Constancia, SA de CV	El Salvador	100%	100%
Accra Brewery Ltd	Ghana	60%	60%
Cervecería Hondureña, SA de CV	Honduras	99%	99%
SABMiller Breweries Private Ltd	India	100%	100%
Cervejas de Moçambique SA	Mozambique	49%	49%
SABMiller Africa B.V.	Netherlands	62%	62%
SABMiller Botswana B.V.	Netherlands	62%	62%
Intafact Beverages Ltd	Nigeria	38%	38%
International Breweries plc	Nigeria	36%	36%
Cervecería Nacional SA	Panama	97%	97%
Unión de Cervecerías Peruanas Backus y Johnston SAA	Peru	94%	99%
SABSA Holdings Ltd	South Africa	100%	100%
The South African Breweries (Pty) Ltd	South Africa	100%	92%
Coca-Cola Beverages Africa (Pty) Ltd	South Africa	54%	51%

<b>Name of subsidiary</b>	<b>Jurisdiction of incorporation or residence</b>	<b>Proportion of ownership interest expected to be held by Newbelco</b>	<b>Proportion of voting rights expected to be held by Newbelco</b>
SABMiller Procurement GmbH	Switzerland	100%	100%
Tanzania Breweries Ltd	Tanzania	36%	36%
Nile Breweries Ltd	Uganda	62%	62%
SABMiller Holdings	United Kingdom	100%	100%
SABMiller International Brands Ltd	United Kingdom	100%	100%
SABMiller Holdings Inc	USA	100%	100%
Zambian Breweries plc	Zambia	54%	54%

The entities listed in the table above have been sourced from (i) note 33 to AB InBev's audited consolidated financial statements as at and for the year ended 31 December 2015, incorporated by reference in this Prospectus, and (ii) except for CCBA, which was formed pursuant to a transaction which completed on 2 July 2016, note 33 to SABMiller's audited consolidated financial as at and for the year ended 31 March 2016, both incorporated by reference in this Prospectus, *provided however that* the entities which have been, or are expected to be, disposed of in the context of the Transaction have not been reproduced in the table.

### 3.3.2 Business overview of the Combined Group

As at the date of this Prospectus, Newbelco has no subsidiaries.

This section 1, paragraph 3.3.2 contains a general overview of the business expected to be carried out by the Combined Group following Completion. The statements set forth in this section 1, paragraph 3.3.2 are forward-looking statements. Please refer to page 4 of this Prospectus for a cautionary note regarding forward-looking statements, which must be read with the risk factors set out in Annexe E.

#### General description

The combination of the AB InBev Group and the SABMiller Group will create a truly global brewer and one of the world's leading consumer products companies. As a consumer-centric, sales-driven group, the Combined Group will produce, market, distribute and sell a strong and balanced portfolio of well over 400 beer and other malt beverage brands. These include brands with significant international distribution, such as Budweiser, Corona (except in the United States), Stella Artois, Beck's, Leffe, Hoegaarden, Castle Lager (except in the United States), Castle Lite (except in the United States) and Redd's (except in the United States); and brands primarily distributed to local markets such as Bud Light and Michelob Ultra in the United States, Corona Light, Modelo Especial, Modelo Light, Negra Modelo, Victoria and Pacifico in Mexico, Skol, Brahma and Antarctica in Brazil, Quilmes in Argentina, Jupiler in Belgium and the Netherlands, Franziskaner in Germany, Klinskoye and Sibirskaia Korona in Russia, Chernigivske in Ukraine, Harbin and Sedrin in China, Cass in South Korea, Carling Black Label and Hansa Pilsener in South Africa, Aguila and Poker in Colombia, Hero in Nigeria, Cristal and Pilsen Callao in Peru Victoria Bitter and Carlton Draught in Australia and Safari and Kilimanjaro in Tanzania. The Combined Group will also produce and distribute soft drinks, particularly in Central and South America and Africa, and other near beer products, such as Lime-A-Rita and other Rita family products in the United States and Mexico, and MixxTail in China, Argentina and other countries.

The Combined Group will inherit a long brewing tradition of more than 600 years, stretching back to the founding of the Den Hoorn brewery in Leuven, Belgium, as well as the pioneering spirit of the Anheuser & Co. brewery, with origins in St. Louis, USA since 1852, and the history of the South African Breweries (SAB), with its origins in Johannesburg in 1895.

The Combined Group will maintain a global footprint with a balanced exposure to developed and developing markets and production facilities spread across the regions in which it operates.

The Combined Group will have brewing operations within the developed markets in North America and in Europe. The Combined Group will also have exposure to key emerging regions with strong growth prospects such as Africa, Asia, and Central and South America.

#### Strengths and strategy

##### Strengths

##### ***A compelling opportunity***

Given the largely complementary geographical footprints and brand portfolios of the AB InBev Group and the SABMiller Group, 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.

##### ***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 the AB InBev Group and the SABMiller Group.

AB InBev believes that 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.

##### ***Africa will play a unique role in the Combined Group.***

AB InBev believes that 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 the SABMiller Group in the region dating back to the 19th century.

On 14 April 2016 AB InBev announced that it had entered into the EDD 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. Please see Annexe G of this Prospectus for further details on the Zenzele Scheme.

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 ZAR 1 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. The goal of the partnership will be to reduce the harmful use of alcohol and promote enterprise development and it is intended that the partnership will be subject to Completion. As part of this partnership, AB InBev intends to commit to an investment of ZAR 50 million over five years.

AB InBev will establish an African board in South Africa, on which Jabu Mabuza, chairman of the board of Telkom SA, Sphere Holdings and Business Unity South Africa, has agreed to serve as chairman. In the coming months, Jabu Mabuza and Carlos Brito, who will also join the African board, will work together to finalise the governance and constitution of the African board.

### ***Building a Better World Together***

Both the AB InBev Group and the SABMiller Group 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.

AB InBev believes 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.

The AB InBev Group and the SABMiller Group 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, the SABMiller Group 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, the SABMiller Group is working with the World Wildlife Fund to improve the economic, environmental and social sustainability of barley production, and through Go Farming, the SABMiller Group 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, the AB InBev Group 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 the AB InBev Group and the SABMiller Group 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 the AB InBev Group and the SABMiller Group.

### ***Building the best global talent pool***

The Combined Group will have 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.

The AB InBev Group and the SABMiller Group 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.

### ***Generating attractive synergies and creating additional shareholder value***

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.

### **Strategy**

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

AB InBev believes the combination of the AB InBev Group and the SABMiller Group 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.

The AB InBev Group is the world's largest brewer, holding leading positions in the majority of the markets where it has chosen to operate. As at the date of this Prospectus, the AB InBev Group 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. The AB InBev Group 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 as at the date of this Prospectus.

AB InBev believes the SABMiller Group is also well placed. AB InBev believes the SABMiller Group has the greatest exposure to developing markets of any international brewer, holding directly, or through its associates, 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.

#### ***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.

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: 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 the three global brands, the 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 develop 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 to broaden beer's appeal so that it is the drink of choice for more people on an increasing number of occasions.

Please see section 1, paragraph 3.1.6 (*Principal activities and products*) above for further details on the Combined Group's brand portfolio, including information on the Combined Group's near beer, no alcohol beer and lower alcohol beer (NABLAB) soft drinks and other alcoholic beverages categories.



### ***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 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 the AB InBev Group's insights work include Skol Beats Senses and Brahma 0.0 (Brazil), the Rita family of products and a re-closable 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.

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

During the last two decades, the management of the AB InBev Group, 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 the AB InBev Group's operations, realising 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.

The AB InBev Group'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 management team of the SABMiller Group 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.

### ***Combined Group strategy built on a clear and consistent business model***

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 the AB InBev Group's powerful Dream, People, Culture platform.

AB InBev believes and intends the following:

#### ***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 the AB InBev Group's Smart Drinking Goals, often in partnership with governments, other private sector companies and community organisations, as well as ensuring that its marketing is directed to legal age consumers, as outlined in the AB InBev Group'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.

#### ***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 the AB InBev Group and the

SABMiller Group in developing a deep understanding of both consumers' needs and the occasions when they enjoy beer and other alcohol beverages. Some of the AB InBev Group'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 premiumisation 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 the AB InBev Group has gained have led to the identification of four global commercial priorities for the Combined Group:

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

#### ***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.

#### ***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 the AB InBev Group and the SABMiller Group 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, the deleveraging will, however, remain a priority and may restrict the amount of dividends the Combined Group is able to pay.

#### ***Principal activities and products***

The Combined Group will produce, market, distribute and sell a strong portfolio of well over 400 beer and malt beverage brands. It will have a global footprint with a balanced exposure to developed and developing markets and production facilities spread across the regions in which it operates.

The production and distribution facilities and other assets of the Combined Group are predominantly located in the same geographical areas as its consumers. The Combined Group will set up local production when it believes that there is substantial potential for local sales that cannot be addressed in a cost-efficient manner through exports or third-party distribution into the relevant country.

The table below sets out the main brands the Combined Group expects to sell in the markets listed below at the date of Completion. The Combined Group expects that significant growth opportunities will arise from marketing the AB InBev Group's and the SABMiller Group's combined brand portfolio through a largely complementary distribution network, and applying the best practices of both groups across the new organisation.

Country by region	Brands
<b>Africa</b>	
Botswana	<b>Beer:</b> Carling Black Label, Carling Blue Label, Castle Lager, Castle Lite, Flying Fish, Hansa Pilsener, Redd's, St. Louis family <b>Non-Beer:</b> Appletiser, Bonaqua, Chibuku, Coca-Cola family, Fanta, Minute Maid, Powerade, Schweppes, Sprite, Tab
Ethiopia	<b>Non-Beer:</b> Ambo water
Ghana	<b>Beer:</b> Castle Milk Stout, Club Premium Lager, Club Shandy, Eagle, Stone Lager <b>Non-Beer:</b> Chibuku, Beta Malt, Voltic water
Kenya	<b>Beer:</b> Castle Lager, Castle Lite, Castle Milk Stout, Crown Lager, Nile Special, Redd's <b>Non-Beer:</b> Keringet water, Konyagi
Lesotho	<b>Beer:</b> Carling Black Label, Castle Lager, Castle Lite, Castle Milk Stout, Flying Fish, Hansa Pilsener, Maluti Premium Lager, Redd's <b>Non-Beer:</b> Bonaqua, Coca-Cola family, Fanta, Minute Maid, Powerade, Sprite
Malawi	<b>Beer:</b> Castle Lager, Carling Black Label <b>Non-Beer:</b> Chibuku, Chibuku Super, Maheu
Mayotte/Comores	<b>Non-Beer:</b> Coca-Cola family, Fanta, Minute Maid, O'Jiva, Orangina, Sprite,
Mozambique	<b>Beer:</b> 2M, Carling Black Label, Castle Lite, Flying Fish, Hansa Pilsener, Impala, Laurentina family, Manica, Redd's <b>Non-beer:</b> Chibuku, Chibuku Super, Dom Barril, Maheu, Paradise, Tentacao
Namibia	<b>Beer:</b> Carling Black Label, Castle Lager, Castle Lite, Flying Fish
Nigeria	<b>Beer:</b> Castle Lager, Castle Milk Stout, Eagle, Grand Lager, Hero, Redd's, Trophy <b>Non-Beer:</b> 1960 Rootz, Beta Malt, Chibuku, Grand Malt, Maheu, Royal Eagle spirits, Voltic water,
South Africa	<b>Beer:</b> Brutal Fruit, Carling Black Label, Carling Blue Label, Castle Lager, Castle Lite, Castle Milk Stout, Flying Fish, Hansa Marzen Gold, Hansa Pilsener, No 3 Fransen Street, Redd's family, Sarita <b>Non-Beer:</b> Appletiser, Bonaqua, Coca-Cola family, Fanta, Fuze, Glaceau, Grapetiser, Just Juice, Peartiser, Play, Powerade, Rani, Schweppes, Sprite, Sparletta, Stoney, Tab, Twist, Valpre
South Sudan	<b>Beer:</b> Castle Lite, Club Pilsener, Nile <b>Non-beer:</b> Club minerals, Konyagi
Swaziland	<b>Beer:</b> Carling Black Label, Castle Lager, Castle Lite, Castle Milk Stout, Flying Fish, Hansa Pilsener, Sibebe <b>Non-beer:</b> Appletiser, Bonaqua, Chibuku, Coca-Cola family, Fanta, Grapetiser, Imphilo, Imvelo, Minute Maid, Powerade, Schweppes, Sprite, Sparletta, Tab, Twist
Tanzania	<b>Beer:</b> Balimi, Bingwa, Castle Lager, Castle Lite, Castle Milk Stout, Eagle, Kilimanjaro, Ndovu Special Malt, Redd's, Safari <b>Non-beer:</b> Chibuku, Chibuku Super, Grand Malt, Konyagi, Nzagamba
Uganda	<b>Beer:</b> Chairman's ESB, Castle Lite, Castle Milk Stout, Club Pilsener, Eagle family, Flying Fish, Nile family, Redd's <b>Non-beer:</b> Chibuku, Rwenzori water
Zambia	<b>Beer:</b> Carling Black Label, Carling Blue Label, Castle Lager, Castle Lite Eagle, Flying Fish, Mosi, Redd's, Rhino <b>Non-beer:</b> Chibiku, Chibuku Super, Coca-Cola family, Fanta, Minute Maid, Schweppes, Sprite, Super Maheu, Twist
<b>Asia</b>	
China	<b>Beer:</b> Beck's, Big Boss, Budweiser, Corona, Ginsber, Harbin, Hoegaarden, Leffe, MixxTail, Sedrin, Stella Artois
India	<b>Beer:</b> Black Partridge, Budweiser, Foster's, Haywards 2000, Haywards 5000, Knock Out, Royal Challenge
South Korea	<b>Beer:</b> Budweiser, Cass, Corona, Hoegaarden, OB, Stella Artois, Victoria Bitter
Vietnam	<b>Beer:</b> Budweiser, Zima, Zorok
<b>Australia</b>	
Australia	<b>Beer:</b> Abbotsford Invalid Stout, Aguila, Alpha Pale Ale, Beck's, Beez Neez, Budweiser, Carlton family, Carlton Dry family, Cascade family, Corona, Crown Lager, Dogbolter, Yak family, Foster's family, Great Northern Brewing Co family, Helga, Hoegaarden, Leffe, Matilda Bay family, Melbourne Bitter, Minimum Chips, NT Draught, Pacific Radler, Powers Gold, Pure Blonde family, Redback, Redd's, Reschs, Sheaf Stout, Stella Artois, Victoria Bitter <b>Non-beer:</b> Black Douglas spirits, Bulmers family, Cougar spirits, Dirty Granny, Kopparberg family, Mercury family, Strongbow family
<b>Central America</b>	
Dominican Republic	<b>Beer:</b> Bohemia, Brahma, Budweiser, Corona, Hoegaarden, Leffe, Presidente, Stella Artois, The One <b>Non-beer:</b> 7UP, Pepsi, Red Rock
El Salvador	<b>Beer:</b> Barena, Camagua, Cantina, Golden Light, Pilsener family, Regia Extra, Suprema <b>Non-beer:</b> ActiMalta, Coca-Cola family, Cristal water, Fanta, Fresca, Jugos del Valle juices, Nestea, Oasis, Powerade, Sprite, Tropical
Guatemala	<b>Beer:</b> Beck's, Brahva, Bud Light, Budweiser, Corona, Hoegaarden, Leffe, Modelo Especial, Stella Artois
Honduras	<b>Beer:</b> Barena, Corona, Imperial, Port Royal, SalvaVida <b>Non-beer:</b> ActiMalta, Canada Dry, Coca-Cola family, Fanta, Fresca, Fuze tea, Jugos del Valle juices, Powerade, Sprite, Tropical family, Vital

Country by region	Brands
Panama	<b>Beer:</b> 507, Atlas, Balboa family <b>Non-beer:</b> 7UP, Agua Brisa, Canada Dry, Malta Alfa, Malta Vigor, Mirinda, Orange Crush, Pepsi family, Pony Malta, Schweppes family, Squirt
<b>Europe</b>	
Belgium	<b>Beer:</b> Beck's, Belle-Vue, Budweiser, Hoegaarden, Jupiler, Leffe, Stella Artois, Vieux Temps
France	<b>Beer:</b> Beck's, Belle-Vue, Boomerang, Budweiser, Corona, Hoegaarden, Leffe, Loburg, Stella Artois
Germany	<b>Beer:</b> Beck's, Diebels, Franziskaner, Haake-Beck, Hasseröder, Löwenbräu, Spaten
Italy	<b>Beer:</b> Beck's, Budweiser, Corona, Franziskaner, Hoegaarden, Leffe, Löwenbräu, Spaten, Stella Artois
Luxembourg	<b>Beer:</b> Beck's, Diekirch, Hoegaarden, Jupiler, Leffe, Mousel, Stella Artois
Netherlands	<b>Beer:</b> Beck's, Corona, Dommelsch, Hertog Jan, Hoegaarden, Jupiler, Leffe, Stella Artois
Russia	<b>Beer:</b> Bagbier, Brahma, Bud, Corona, Franziskaner, Hoegaarden, Klinskoye, Leffe, Löwenbräu, Sibirskaia Korona, Spaten, Stella Artois, T, Tolstiak
Spain	<b>Beer:</b> Beck's, Corona, Dorada family, Estrella Canaria, Franziskaner, Kelson, Leffe, Saturday, Stella Artois, Tropical family <b>Non-beer:</b> Appletiser
Ukraine	<b>Beer:</b> Beck's, Bud, Chernigivske, Corona, Hoegaarden, Leffe, Rogan, Stella Artois, Yantar
United Kingdom	<b>Beer:</b> Bass, Beck's, Boddingtons, Brahma, Budweiser, Camden Town, Corona, Cubanisto, Hoegaarden, Leffe, Mackeson, Stella Artois
<b>North America</b>	
Canada	<b>Beer:</b> Alexander Keith's, Bass, Beck's, Bud Light, Budweiser, Corona, Hoegaarden, Kokanee, Labatt Blue, Labatt Blue Light, Lakeport, Leffe, Lucky, Mike's Hard Lemonade, Mill Street, Okanagan, Oland, Palm Bay, Stanley Park, Stella Artois
Mexico	<b>Beer:</b> Barrilito, Bud Light, Budweiser, Corona, Day of the Dead, Estrella, Ideal, Leon, Mexicali, Modelo Ambar, Modelo Especial, Modelo Light, Montejo, Negra Modelo, Pacifico, Stella Artois, Tijuana, Tropical, Victoria
United States	<b>Beer:</b> 10 Barrel, Bass, Beck's, Best Damn, Blue Point, Breckenridge, Bud Light, Bud Light Lime, Budweiser, Busch, Busch Light, Elysian, Four Peaks, Golden Road, Goose Island, Hoegaarden, Leffe, Lime-A-Rita Family, Michelob Ultra, MixxTail, Natural Light, Oculito, Rolling Rock, Shock Top, Stella Artois
<b>South America</b>	
Argentina	<b>Beer:</b> Andes, Beck's, Brahma, Budweiser, Corona, Diosa Tropical, Franziskaner, Hoegaarden, Iguana, Isenbeck, Leffe, Löwenbräu, MixxTail, Negra Modelo, Norte, Patagonia, Pilsen, Quilmes, Stella Artois <b>Non-beer:</b> 7UP, Gatorade, H2OH!, Mirinda, Paso de los Toros, Pepsi, Tropicana
Bolivia	<b>Beer:</b> Corona, Huari, Mixxtail, Paceña, Stella Artois, Taquiña <b>Non-beer:</b> 7UP, Pepsi
Brazil	<b>Beer:</b> Antarctica, Bohemia, Brahma, Budweiser, Colorado, Corona, Hoegaarden, Leffe, Skol, Stella Artois <b>Non-beer:</b> Guaraná Antarctica, Pepsi
Chile	<b>Beer:</b> Baltica, Becker, Brahma, Budweiser, Corona, Stella Artois
Colombia	<b>Beer:</b> Bahía, Barena, Aguila family, Bogota Beer Company, Bud Light, Budweiser, Club Colombia family, Cola y Pola, Corona, Costeña family, Modelo Especial, Pilsen family, Poker family, Redd's, Stella Artois <b>Non-beer:</b> Pony Malta
Ecuador	<b>Beer:</b> Budweiser, Club, Conquer, Pilsener family <b>Non-beer:</b> Manantial water, Pony Malta
Paraguay	<b>Beer:</b> Baviera, Brahma, Budweiser, Corona, Mixxtail, Ouro Fino, Pilsen, Stella Artois
Peru	<b>Beer:</b> Arequipeña, Backus Ice, Barena, Brahma, Budweiser, Corona, Cristal, Cusqueña family, Fiesta Real, Löwenbräu, Pilsen Callao, Pilsen Polar, Pilsen Trujillo, San Juan <b>Non-beer:</b> Agua Tónica Backus, Cristalina Backus, Guarana Backus, Maltin Power, San Mateo water, Viva Backus
Uruguay	<b>Beer:</b> Pilsen, Norteña, Patricia, Zillertal <b>Non-beer:</b> 7UP, H2OH!, Pepsi

## Beer

The Combined Group will manage a portfolio of well over 400 brands of beer. The Combined Group's brands will be its foundation and the cornerstone of its relationships with consumers. The Combined Group will invest in its brands to create a long-term and sustainable competitive advantage, by meeting the various needs and expectations of consumers and by developing leading brand positions around the globe.

On the basis of quality and price, beer can be differentiated into the following categories:

- Premium or high-end brands;
- Core brands; and
- Value, discount or sub-premium brands.

The Combined Group's brands will be positioned across all of these categories. For example, a brand like Stella Artois generally targets the premium category across the globe, while a brand like Natural Light targets the sub-premium category in the United States. In the United States, Bud Light targets the premium light or mainstream category, which is equivalent to the core category in other markets. The Combined Group will have a particular focus on core to premium categories but will also be present in the value category if the market structure in a particular country necessitates this presence.

The Combined Group's portfolio will include:

#### International Distribution

- Beck's, the world's number one German beer, is renowned for uncompromising quality. It is brewed today, just as it was in 1873, with a rigorous brewing process and a recipe using only four natural ingredients. Beck's adheres to the strictest quality standards of the German Reinheitsgebot (Purity Law). Beck's is brewed in various countries, including the United States.
- Budweiser is one of the highest selling beers in the United States. Globally, Budweiser volumes have grown every year since 2010, including growth of 6.9% in 2015. Budweiser sales outside the United States represented over 63.9% of global Budweiser volume in 2015, driven by strong growth in China and Brazil. Budweiser was a sponsor of the 2014 FIFA World Cup™ and has confirmed its sponsorship of the 2018 and 2022 FIFA World Cups™.
- Castle Lager is popularly described as South Africa's national beer, first brewed in Johannesburg in 1895, using local hops, creating a somewhat dry taste with bitterness and undertones of malt. Castle Lager is the official sponsor to several South African sporting associations, including the national football and cricket teams.
- Castle Lite was first brewed in South Africa in 1994 with a mission to provide the coldest and most refreshing beer on the South African market. Today, it is an Africa-wide premium brand enjoyed in 11 countries and continues to innovate brewing techniques to keep its beer "extra cold".
- Corona is the best-selling Mexican beer in the world and the leading beer brand in Mexico. Corona is available in more than 120 countries. In 2015, it was ranked number six in the Brandz™ list of most valuable beer brands worldwide. The AB InBev Group granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in 50 states of the United States, the District of Columbia and Guam, including Victoria, Modelo Especial, Pacifico and Negra Modelo.
- Hoegaarden, a high-end Belgian wheat (or "white") beer. Based on its brewing tradition dating back to 1445, Hoegaarden is top fermented and then refermented in the bottle or keg, leading to its distinctive cloudy white appearance.
- Leffe, a rich, full-bodied beer that hails from Belgium, has the longest heritage in the Combined Group's beer portfolio and is available in over 70 countries worldwide.
- Redd's was originally launched in South Africa as a bold, crisp apple ale in 1996. It led South African Breweries' efforts to compete in the cider category in South Africa. As SABMiller expanded, Redd's has since launched in surrounding southern African countries, the United States, Poland, Russia, Romania, Colombia, and Australia. Flavour and alcohol by volume (ABV) extensions have characterised launches beyond South Africa.
- Stella Artois is the number one Belgian beer in the world according to Plato Logic Limited. Stella Artois is distributed in over 90 countries worldwide and has strong global potential. Stella Artois is a premium lager with a heritage dating back as early as 1366. The top three markets for Stella Artois are the United Kingdom, the United States and Argentina. Building upon the strength of this brand in the United Kingdom, the AB InBev Group launched Stella Artois Cidre in 2011, Stella Artois Cidre Pear in 2012 and Stella Artois Cidre Raspberry in 2014. In the United States, Stella Artois Cidre was launched in 2013.

#### North America

- Bud Light is the best-selling beer in the United States and the leader in the premium light category. It is the official sponsor of the NFL (National Football League) with a six-year sponsorship agreement, which has recently been extended by six years to 2022. In the United States, its share of the premium light category in 2015 was approximately 44.6%, more than the combined share of the next two largest core brands (based on IRI estimates).
- Michelob Ultra was rolled out nationally in the United States in 2002 and is estimated to be the number nine brand in the United States according to Beer Marketer's Insights. Michelob Ultra was the fastest growing beer brand in the United States in 2015, according to IRI.

#### Central America

- Modelo Especial is a full-flavoured pilsner beer brewed with premium two-row barley malt for a slightly sweet, well-balanced taste with a light hop character and crisp finish. Brewed since 1925, it was created to be a "model" beer for all of Mexico and stands for pride and authenticity.
- Victoria is a Vienna-style lager and one of Mexico's most popular beers. Victoria was produced for the first time in 1865, making Victoria Mexico's oldest beer brand.

#### South America

- Aguila is a classic Colombian beer and was first brewed in 1913.
- Antarctica is the third-most consumed beer in Brazil according to Plato Logic Limited.
- Brahma is the second-most consumed beer in Brazil according to Plato Logic Limited. It was one of the Brazilian official sponsors of the 2014 FIFA World Cup™ in Brazil.
- Cristal is Peru's leading beer. Brewed since 1922, it combines a light-bodied taste with strong Andean imagery
- Pilsen Callao, a native Peruvian beer, is a pale lager with a traditional taste and a balanced level of bitterness.
- Poker is a pale lager which has been enjoyed by Colombians since 1929 for its traditional, bitter sweet taste.
- Quilmes is the leading beer in Argentina, according to Nielsen, and a national icon with its striped light blue and white label linked to the colours of the Argentine national flag and football team.
- Skol is the leading beer brand in the Brazilian market according to Plato Logic Limited. Skol has been a pioneer and innovator in the beer category, engaging with consumers and creating new market trends, especially with entertainment initiatives such as music festivals.

## Europe

- Chernigivske is the best-selling brand of beer in Ukraine and the sponsor of the Ukrainian national football team.
- Jupiler is the market leader in Belgium and the official sponsor of the most important Belgian professional football league, the Jupiler League. It is also the sponsor of the Belgian national football team.
- Klinskoye, which will be the Combined Group's largest brand in Russia, originated near Moscow.
- Sibirskaia Korona, first established as a local Siberian brand with proud Siberian values, has grown into a national premium brand sold throughout Russia.

## Asia

- Cass is the market leader in South Korea.
- Harbin is a national brand with its roots in the northeast of China. Harbin was the 11th largest beer brand in the world in 2014 according to Plato Logic.
- Sedrin is a strong regional brand that originated in China's Fujian province.

## Africa

- Carling Black Label is a pale lager brewed in South Africa with a distinctive banana aroma.
- Hero, a Nigerian beer brewed using local sorghum and malted barley, reached sales of 1 million hectolitres within two years of launch.
- Hansa Pilsener is brewed in true pilsener style, using Saaz hops which are responsible for the brand's unique hoppy aroma.
- Kilimanjaro is a beer balanced by both malt and maize, reflecting its Tanzanian origins. Light in colour, it is a refreshing and light drinking beer.
- Safari is a full-flavoured, full bodied beer brewed in Tanzania with a rich golden colour and taste.

## Australia

- Carlton Draught is a traditional, full-strength lager and one of Australia's most popular selling tap beers.
- Victoria Bitter was first brewed in the 1850s by the founder of Victoria Brewery. Today, it is brewed with a unique combination of ingredients, including Australian pale malt, the brewery's own special yeast and "Pride of Ringwood" hops grown in Victoria and Tasmania.

In certain markets, the Combined Group will also distribute products of other brewers under licences, such as Kirin in the United States. Within Europe, Compañía Cerveçera de Canarias (in the Canary Islands) brews Carlsberg under license. Additionally Compañía Cerveçera de Canarias has an agreement to distribute Guinness in the Canary Islands. Compañía Cerveçera de Canarias will be a member of the Combined Group.

CASA Isenbeck in Argentina, which will be a member of the Combined Group, produces and distributes the Warsteiner brand under a long-term license agreement.

The Combined Group will also have an agreement for the long-term licensing of the family-owned Kopparberg cider products in selected markets where Kopparberg does not have an existing interest.

## ***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 will 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.

In the United States, Anheuser-Busch produces no alcohol malt beverage products, including O'Doul's, O'Doul's Amber and related products. In addition, in 2015, Brahma 0.0% became the number one no alcohol beer in Brazil, reaching 71.9% market share in the category according to AC Nielsen. SABMiller produces a number of no alcohol beers including Aguila Cero in Colombia.

## ***Non beer***

### ***Soft drinks***

While its core business will be beer, the Combined Group will have an important presence in the soft drink market. SABMiller currently has soft drinks operations in Africa and Latin America, and Ambev has soft drinks operations in South America and the Caribbean. Soft drinks include both carbonated and non-carbonated soft drinks.

As at 31 March 2016, the SABMiller Group bottled and distributed Coca-Cola products in Honduras, El Salvador, South Africa, Botswana, Comoros, Lesotho, Mayotte, Swaziland and Zambia.

On 2 July 2016, the SABMiller Group completed a transaction with The Coca-Cola Company and Gutsche Family Investments Proprietary Limited to combine the bottling operations of their non-alcoholic ready-to-drink beverages businesses in southern and east Africa, to form CCBA. CCBA is Africa's largest bottler, initially serving 10 countries. In addition, in a related transaction on 2 July 2016, the SABMiller Group's Appletiser brands were sold to The Coca-Cola Company and a further nine non-alcoholic ready to drink brands in Africa were acquired by or perpetually licensed to The Coca-Cola Company.

All of the CCBA businesses conduct essentially all of their business under five-year renewable franchise agreements with The Coca-Cola Company. This relationship with The Coca-Cola Company is fundamental to CCBA's business and has been enhanced by the recent transaction and The Coca-Cola Company's resultant 12% economic interest in CCBA. Each of the current franchise agreements in place between CCBA subsidiaries and The Coca-Cola Company expires on 1 July 2021.

In Panama, the SABMiller Group also produces and bottles PepsiCo soft drinks under an exclusive bottling agreement and also bottles Schweppes soft drinks under license.

Ambev's soft drinks business includes both its own brands, such as Guaraná Antarctica, as well as arrangements with PepsiCo related to bottling and distribution of PepsiCo brands such as Pepsi, 7UP and Gatorade. Ambev has long-term agreements with PepsiCo whereby Ambev has the exclusive right to bottle, sell and distribute certain brands of PepsiCo's portfolio of carbonated and non-carbonated soft drinks in Brazil, Argentina, Bolivia and the Dominican Republic. For example, the Brazil agreements will expire on 31 December 2017 and are automatically extended for an additional ten-year term subject to the satisfaction of certain conditions. Ambev is also a Pepsi bottler in Uruguay.

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, Latin America under brand names including Beta Malt, Grand Malt, ActiMalt, Malta Vigor, Maltin Power 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 have interests in wines and spirits operations and distribution businesses in Australia, Kenya, Mozambique, Nigeria and Tanzania.

### **Main markets and Zone Structure**

The Combined Group will be a global brewer, with sales across the globe in the markets listed in section 1, paragraph 3.1.6 (*Principal activities and products*) above.

The last two decades have been characterised by rapid growth in fast-growing developing markets, notably in regions in Africa, Asia, and Central and South America, where the AB InBev Group and the SABMiller Group have had significant sales.

Each market in which the Combined Group will operate will have its own dynamics and consumer preferences and trends. Given the breadth of its brand portfolio, AB InBev believes the Combined Group will be well-placed to address changing consumer needs in the various categories (premium, core and value) within any given market.

To maximise growth opportunities and build on the strengths of both the SABMiller Group and the AB InBev Group in their respective markets, from Completion, the Combined Group will be organised into nine geographical "Zones". This design has been carefully thought out to allow for focus on organic growth while positioning the Combined Group to be able to capture synergies from the Transaction.

The Zones and their corresponding countries will be:

- North America (headquartered in St. Louis): United States and Canada;
- Middle Americas (headquartered in Mexico City): Mexico, El Salvador and Honduras;
- Latin America North (headquartered in São Paulo): Brazil, the Dominican Republic, Guatemala, Panama, St. Vincent, Cuba, Puerto Rico, Barbados, Dominica and the Caribbean;
- Latin America South (headquartered in Buenos Aires): Argentina, Uruguay, Chile, Paraguay and Bolivia;
- Latin America COPEC (headquartered in Bogotá): Colombia, Peru and Ecuador;
- Europe (headquartered in Leuven): UK, Ireland, France, Italy, Spain, Germany, Belgium, Luxembourg, the Netherlands, Switzerland, Austria, Ukraine, Russia and Export Europe and Middle East (EEME);
- Asia Pacific North (headquartered in Shanghai): China, South Korea and Japan;
- Asia Pacific South (headquartered in Melbourne): Australia, New Zealand, India, Vietnam and other South and Southeast Asian countries; and
- Africa (headquartered in Johannesburg): South Africa, Botswana, Swaziland, Mozambique, Malawi, Namibia, Zambia, Lesotho, Uganda, Ethiopia, African Islands, Tanzania, South Sudan, Kenya, Nigeria and Ghana.

### **Competition**

AB InBev believes the Combined Group's largest competitors will be Heineken, Carlsberg, CR Snow, Tsingtao (Group) and Molson Coors based on information from the Plato Logic Limited report for the calendar year 2014 (published in December 2015).

### **Brewing process; raw materials and packaging; production facilities; logistics**

#### ***Brewing process***

The basic brewing process for most beers is straightforward, but significant know-how is involved in quality and cost control. The most important stages are brewing and fermentation, followed by maturation, filtering and packaging. Although malted barley (malt) is the primary ingredient, other grains such as unmalted barley, corn, rice or wheat are sometimes added to produce different beer flavours. The proportion and choice of other raw materials varies according to regional taste preferences and the type of beer.

#### ***Raw materials and packaging***

The main raw materials to be used in the Combined Group's beer and other alcoholic malt beverage production are malted barley, corn grits, corn syrup, rice, hops and water. For non-beer production (mainly carbonated soft drinks) the main

ingredients will be flavoured concentrate, fruit concentrate, sugar, sweetener and water. In addition to these inputs into the Combined Group's products, delivery of its products to consumers will require extensive use of packaging materials such as glass, PET and aluminium bottles, aluminium or steel cans and kegs, aluminium can stock, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

Prices and sources of raw materials are determined by, among other factors:

- the level of crop production;
- weather conditions;
- export demand; and
- governmental taxes and regulations.

#### **Production facilities**

See this section 1, paragraph 3.4.2 (*Principal immovable properties – AB InBev*) for further information on the production facilities of AB InBev.

#### **Logistics**

The Combined Group's logistics organisation will be composed of (i) a first tier, which will comprise all inbound flows into the plants of raw materials and packaging materials and all the outbound flows from the plants into the second drop point in the chain (for example, distribution centres, warehouses, wholesalers or key accounts), and (ii) a second tier, which will comprise all distribution flows from the second drop point into the customer delivery tier (for example, pubs or retailers).

The transportation mechanics of the Combined Group will vary by market depending on economic and strategic considerations. The Combined Group may outsource transportation to third-party contractors, retain such capability in-house, or implement owner-driver programmes, among other options.

Some of the Combined Group's breweries will have a warehouse that is attached to its production facilities. In places where its warehouse capacity is limited, external warehouses may be rented and some plants may share warehouse and other facilities with each other.

#### **Distribution of products**

The distribution of beer, other alcoholic beverages and non-beer drinks varies from country to country and from region to region. The nature of distribution reflects consumption patterns and market structure, geographical density of customers, local regulation, the structure of the local retail sector, scale considerations, market share, expected added-value and capital returns, and the existence of third-party wholesalers or distributors. In some markets, brewers distribute directly to customers (for example, in Belgium). In other markets, wholesalers may play an important role in distributing a significant proportion of beer to customers either for legal reasons (for example, in certain U.S. states and Canada where there may be legal constraints on the ability of a beer manufacturer to own a wholesaler), or because of historical market practice (for example, in China, Russia and Argentina). In some instances, third-party distributors may help the Combined Group self-distribute its products, for example, in Brazil and Mexico.

The Combined Group generally will distribute its products through (i) own distribution, in which it will deliver to points of sale directly, and (ii) third-party distribution networks, in which delivery to points of sale will occur through wholesalers and independent distributors. In certain cases, the Combined Group may own or have an ownership stake in a wholesaler. Third-party distribution networks may be exclusive or non-exclusive, and in certain countries, the Combined Group may enter into exclusive importer arrangements and may depend on its counterparties to these arrangements to market and distribute its products to points of sale. In certain markets, the Combined Group may also distribute the products of other brewers.

The Combined Group will seek to provide media advertising, point-of-sale advertising, and sales promotion programmes to promote its brands. Where relevant, the Combined Group will complement national brand strategies with geographic marketing teams focused on delivering relevant programming addressing local interests and opportunities.

#### **Licensing**

In markets where the Combined Group will have no local affiliate, it may choose to enter into license agreements or, alternatively, international distribution and/or importation agreements, depending on the best strategic fit for each particular market. License agreements, to which the Combined Group will be a party, grant the right to third-party licensees to manufacture, package, sell and market one or several of its brands in a particular assigned territory under strict rules and technical requirements. In the case of international distribution and/or importation agreements, the Combined Group may produce and package the products itself while the third party distributes, markets and sells the brands in the local market.

Stella Artois is licensed to third parties in various countries including Algeria, Australia, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Israel, Kosovo, Montenegro, New Zealand, Romania, Serbia and Slovakia while Beck's is licensed to third parties in Algeria, Australia, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Kosovo, Montenegro, New Zealand, Romania, Serbia, Slovakia, Tunisia and Turkey.

Budweiser is brewed and sold in Japan through license and distribution agreements with Kirin Brewery Company, Limited. A licensing agreement allows Diageo Ireland to brew and sell Budweiser and Bud Light in the Republic of Ireland and Northern Ireland. Budweiser is also brewed under license and sold by brewers in Spain (Sociedad Anonima Damm) and Panama (Heineken).

Corona is perpetually licensed to Constellation Brands, Inc. for production in Mexico and marketing and sales in 50 states of the United States, the District of Columbia and Guam. Corona is also distributed either through the Combined Group's own network or by third parties in over 120 other countries worldwide.

Molson Coors Brewing Company has rights to brew and/or distribute, under license, Beck's, Hoegaarden, Leffe, Löwenbräu, Spaten and Stella Artois, in Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Kosovo, Macedonia, Moldova, Montenegro, Romania, Serbia, Slovakia and Slovenia. The Combined Group will retain rights to brew and distribute Staropramen in Ukraine and Russia.

Aguila, Castle Lager, Castle Lite, Sheaf Stout, Victoria Bitter, Crown Lager, Pure Blonde, Carlton Draught, Carlton Dry, Cusqueña, Cristal, Foster's, Redd's, Cascade Brewery Company products, Matilda Bay Brewing Company products and certain



other brands will be perpetually licensed to Molson Coors Brewing Company in the 50 states of the United States, the District of Columbia and Puerto Rico. The Combined Group will retain rights to brew and distribute these beers outside of the United States, the District of Columbia and Puerto Rico.

Certain members of the Anadolu Efes group have the right to brew and/or distribute Redd's under licence in countries such as Russia, Ukraine, Kazakhstan, Moldova and Belarus.

Ambev also has a license agreement with AB InBev allowing it to exclusively produce, distribute and market Budweiser and Stella Artois in Brazil and Canada. Ambev also distributes Budweiser in Chile, Paraguay, Uruguay, Guatemala, the Dominican Republic, El Salvador, and Nicaragua and Corona in Argentina, Paraguay, Bolivia, Uruguay, Chile, Guatemala, El Salvador, Panama, Nicaragua and Canada.

#### **Regulations affecting the Combined Group's business**

The Combined Group's worldwide operations will be subject to extensive regulatory requirements regarding, among other things, production, distribution, importation, marketing, promotion, labelling, advertising, labour, pensions and public health, consumer protection and environmental issues. For example, in the United States, federal and state laws regulate most aspects of the brewing, sale, marketing, labelling and wholesaling of alcoholic beverage products. At the federal level, the Alcohol and Tobacco Tax and Trade Bureau of the U.S. Treasury Department oversees the industry, and each state in which the Combined Group will sell or produce products, and some local authorities in jurisdictions in which it will sell products, also have regulations that affect its business and other brewers and wholesalers. It will be the policy of the Combined Group to abide by the laws and regulations around the world that apply to it or to its business. The Combined Group will rely on legal and operational compliance programmes, as well as local in-house and external counsel, to guide its businesses in complying with applicable laws and regulations of the countries in which it operates.

*See Annexe E (Risk Factors – Risks relating to the business of the Combined Group – Certain of the Combined Group's operations depend on independent distributors or wholesalers to sell its products), (Risk Factors – Risks relating to the business of the Combined Group – Negative publicity, perceived health risks and associated governmental regulation may harm the business of the Combined Group's business), (Risk Factors – Risks relating to the business of the Combined Group – The Combined Group could incur significant costs as a result of compliance with, and/or violations of or liabilities under, various regulations that govern the Combined Group's operations), (Risk Factors – Risks relating to the business of the Combined Group – The Combined Group's operations will be subject to environmental regulations, which could expose it to significant compliance costs and litigation relating to environmental issues) and (Risk Factors – Risks relating to the business of the Combined Group – AB InBev's subsidiary Ambev operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and the AB InBev Group's operations in Cuba may adversely affect the Combined Group's reputation and the liquidity and value of its securities).*

Production, advertising, marketing and sales of alcoholic beverages are subject to various restrictions around the world, often based on health considerations related to the misuse or harmful use of alcohol. These range from a complete prohibition of alcohol in certain countries and cultures through the prohibition of the import of alcohol, to restrictions on the advertising style, media and messages used. In a number of countries, television is a prohibited medium for advertising alcohol products, and in other countries, television advertising, while permitted, is carefully regulated. Media restrictions may constrain the Combined Group's brand building potential. Labelling of the Combined Group's products will also be regulated in certain markets, varying from health warning labels to importer identification, alcohol strength and other consumer information. Specific warning statements related to the risks of drinking alcohol products, including beer, have also become prevalent in recent years. Introduction of smoking bans in pubs and restaurants may have negative effects on on-trade consumption (that is, beer purchased for consumption in a pub or restaurant or similar retail establishment), as opposed to off-trade consumption (that is, beer purchased at a retail outlet for consumption at home or another location). AB InBev believes that the regulatory environment in most countries in which the Combined Group will operate is becoming increasingly strict with respect to health issues and expects this trend to continue in the future.

The distribution of beer and other alcoholic beverage products by the Combined Group may also be regulated. In certain markets, alcohol may only be sold through licensed outlets, varying from government- or state-operated monopoly outlets (for example, in the off-trade channel of certain Canadian provinces) to the common system of licensed on-trade outlets (for example, licensed bars and restaurants) which prevails in many countries (for example, in much of the European Union). In the United States, states operate under a three-tier system of regulation for beer products from brewer to wholesaler to retailer, meaning that the Combined Group will usually work with licensed third-party distributors to distribute its products to the points of sale.

In the United States, both federal and state laws generally will prohibit the Combined Group from providing anything of value to retailers, including paying slotting fees or (subject to exceptions) holding ownership interests in retailers. Some states will prohibit the Combined Group from being licensed as a wholesaler for its products. State laws will also regulate the interactions among the Combined Group, its wholesalers and consumers by, for example, limiting merchandise that can be provided to consumers or limiting promotional activities that can be held at retail premises. If the Combined Group were found to have violated applicable federal or state alcoholic beverage laws, it could be subject to a variety of sanctions, including fines, equitable relief and suspension or permanent revocation of its licences to brew or sell its products.

Governments in most of the countries in which the Combined Group will operate also establish minimum legal drinking ages, which generally vary from 16 to 21 years, impose minimum prices on alcohol products or impose other restrictions on sales, which affect demand for its products. Moreover, governments may respond to public pressure to curtail alcohol consumption by raising the legal drinking age, further limiting the number, type or operating hours of retail outlets or expanding retail licensing requirements. The Combined Group will work both independently and together with other brewers and alcoholic beverage companies to limit the negative consequences of inappropriate use of alcohol products and actively promote responsible sales and consumption.

Similarly, the Combined Group may need to respond to new legislation curtailing soft drink consumption at schools and other government-owned facilities via sugar taxation and point of sale and advertising restrictions.

The Combined Group will be subject to antitrust and competition laws in the jurisdictions in which it operates and may be subject to regulatory scrutiny in certain of these jurisdictions. See Annexe E (*Risk Factors – Risks relating to the business of the Combined Group – The Combined Group will be exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws*).

In many jurisdictions, excise and other indirect duties, including legislation regarding minimum alcohol pricing, make up a large proportion of the cost of beer charged to consumers. In the United States, for example, the brewing industry is subject to significant taxation. The United States federal government currently levies an excise tax of USD 18 per barrel (equivalent to

approximately 117 litres) of beer sold for consumption in the United States. All states also levy excise taxes on alcoholic beverages. Proposals have been made to increase the federal excise tax as well as the excise taxes in some states. In the past few years, Argentina, Belgium, Mexico, Bolivia, Ecuador, Panama, Brazil, Peru, Chile, Australia, Vietnam, Singapore, the Netherlands, Russia and Ukraine, among others, have all adopted proposals to increase beer excise taxes. Rising excise duties could drive up the Combined Group's pricing to the consumer, which in turn could have a negative impact on its results of operations. See Annexe E (*Risk Factors – Risks relating to the business of the Combined Group – The beer and beverage industry may be subject to adverse changes in taxation*).

In most of the emerging world countries, high excise rates and lack of effective controls have generated illicit alcohol markets; these markets represent a significant public health risk and a source of fiscal leakage.

The Combined Group's products will generally be sold in glass or PET bottles, aluminium or steel cans or stainless steel kegs. Legal requirements apply in various jurisdictions in which the Combined Group will operate, requiring that deposits or certain eco-taxes or fees are charged for the sale, marketing and use of certain non-refillable beverage containers. The precise requirements imposed by these measures vary. Other types of beverage-container-related deposit, recycling, eco-tax and/or extended producer responsibility statutes and regulations also apply in various jurisdictions in which the Combined Group will operate.

The Combined Group will be subject to different environmental legislation and controls in each of the countries in which it operates. Environmental laws in the countries in which the Combined Group will operate mostly relate to (i) the conformity of its operating procedures with environmental standards regarding, among other things, the emission of gas and liquid effluents, (ii) the disposal of packaging, and (iii) noise levels. AB InBev believes that the regulatory climate in most countries in which the Combined Group will operate is becoming increasingly strict with respect to environmental issues and expect this trend to continue in the future. Achieving compliance with applicable environmental standards and legislation may require plant modifications and capital expenditures. Laws and regulations may also limit noise levels and the disposal of waste, as well as impose waste treatment and disposal requirements. Some of the jurisdictions in which the Combined Group will operate have laws and regulations that require polluters or site owners or occupants to clean up contamination.

The amount of dividends that will be payable to the Combined Group by its operating subsidiaries will, in certain countries, be subject to exchange control restrictions of the respective jurisdictions where those subsidiaries will be organised and operate. See also Annexe E (*Risk Factors*).

### 3.4 Principal immovable properties [Regulation 59(3)(e)]

#### 3.4.1 Newbelco

Save in respect of Newbelco's registered office, as at the Last Practicable Date, Newbelco does not hold or occupy any principal immovable properties.

#### 3.4.2 AB InBev

AB InBev's production facilities are spread across its Zones, giving it a balanced geographical footprint in terms of production and allowing it to efficiently meet consumer demand across the globe. AB InBev manages its production capacity across its Zones, countries and plants. It typically owns its production facilities free of any major encumbrances. AB InBev also leases a number of warehouses and other commercial buildings from third parties.

In addition to production facilities, AB InBev also maintains a geographical footprint in key markets through sales offices and distribution centres. Such offices and centres are opened as needs in the various markets arise.

##### 3.4.2.1 Beverage production facilities

AB InBev's beverage production facilities comprised 156 breweries and/or non-beer plants as of 31 December 2015 spread across its Zones. Of these 156 plants, 127 produced only beer and other alcoholic malt beverages, 12 produced only soft drinks and 17 produced beer, other alcoholic malt beverages and soft drinks. Except in limited cases (for example, the Hoegaarden brewery in Belgium), AB InBev's breweries are not dedicated to one single brand of beer. This allows it to allocate production capacity efficiently within its group.

The table below sets out, for each of AB InBev's Zones in 2015, the number of its beverage production plants (breweries and/or non-beer drink plants) as well as the plants' overall capacity and shipment volumes.

Zone	Number of plants <sup>(4)</sup>	2015 volumes <sup>(1)(4)</sup>		Annual engineering capacity as of 31 December 2015 <sup>(4)</sup>	
		Beer (khl) <sup>(2)</sup>	Non-Beer <sup>(3)</sup> (khl)	Beer (khl) <sup>(2)</sup>	Non-Beer <sup>(3)</sup> (khl)
North America	25	118,151	0	135,912	0
Mexico	9	41,629	0	64,232	0
Latin America North	35	92,366	31,102	144,781	56,998
Latin America South	22	23,229	12,756	31,296	20,489
Europe	23	42,955	0	75,235	0
Asia Pacific	42	88,218	0	156,260	0
<b>Total<sup>(5)</sup></b>	<b>156</b>	<b>406,548</b>	<b>43,858</b>	<b>607,717</b>	<b>77,487</b>

Notes:

<sup>(1)</sup> Reported volumes.

<sup>(2)</sup> For purposes of this table, the beer category includes near beer beverages, such as the Rita family of beverages and MixxTail.

<sup>(3)</sup> The non-beer category includes soft drinks and certain other beverages, such as Stella Artois Cidre.

<sup>(4)</sup> Excludes AB InBev's joint ventures.

<sup>(5)</sup> Excludes Global Export & Holding Companies with 2015 beer volumes of 6.911 million hectolitres.

##### 3.4.2.2 Non-beverage production facilities

AB InBev's beverage production plants are supplemented and supported by a number of plants and other facilities that produce raw materials and packaging materials for its beverages. The table below provides additional detail on these facilities as of 31 December 2015.

Type of plant / facility	Number of plants/facilities <sup>(1)</sup>	Countries in which plants / facilities are located <sup>(1)</sup>
Malt plants	14	Argentina, Brazil, Mexico, Russia, South Korea, United States, Uruguay
Rice mill	1	United States
Corn grits	5	Argentina, Bolivia, Brazil
Hop farms	2	Germany, United States
Hop pellet plant	1	Argentina
Guaraná farm	1	Brazil
Glass bottle plants	6	Brazil, Mexico, Paraguay, United States
Bottle cap plants	3	Argentina, Brazil, Mexico
Label plant	1	Brazil
Can plants	7	Bolivia, Mexico, United States
Can lid manufacturing plants	2	United States
Crown and closure liner material plant	1	United States
Syrup plant	2	Brazil
Sand quarries	1	Mexico

Notes:

<sup>(1)</sup> Excludes plants and facilities owned by joint ventures.

### 3.4.2.3 Capacity expansion

AB InBev continually assesses whether its production footprint is optimised to support future customer demand. Through footprint optimisation, adding new capabilities (such as plants, packaging lines or distribution centres) to its portfolio not only allows AB InBev to boost production capacity, but the strategic location often also reduces distribution time and costs so that its products reach consumers rapidly, efficiently and at a lower total cost. Conversely, footprint optimisation can lead to divesting of some assets, such as reducing some production and distribution capabilities as needed to maintain the most optimal operational network.

For example, in 2015 in China, AB InBev closed four older breweries, while opening three new breweries in the Heilongjiang, Yunnan and Jiangxi provinces. Additionally, AB InBev expanded further three existing breweries and continues scoping requirements for capacity additions and expansions to support this growing market. AB InBev also invested in additional brewing, packaging and distribution capacities in Brazil, Mexico, the U.S., Uruguay and Belgium to meet its future demand expectations in these countries.

AB InBev's capital expenditures are primarily funded through cash from operating activities and are for production facilities, logistics, administrative capabilities improvements, hardware and software.

AB InBev may also outsource, to a limited extent, the production of items which it is either unable to produce in its own production network (for example, due to a lack of capacity during seasonal peaks) or for which it does not yet want to invest in new production facilities (for example, to launch a new product without incurring the full associated start-up costs). Such outsourcing mainly relates to secondary repackaging materials that AB InBev cannot practicably produce on its own, in which case its products are sent to external companies for repackaging (for example, gift packs with different types of beers).

### 3.4.2.4 Environmental regulation affecting AB InBev's facilities

AB InBev is subject to different environmental legislation and controls in each of the countries in which it operates. Environmental laws in the countries in which AB InBev operates mostly relate to (i) the conformity of its operating procedures with environmental standards regarding, among other things, the emission of gas and liquid effluents, (ii) the disposal of one-way (that is, non-returnable) packaging, and (iii) noise levels. AB InBev believes that the regulatory climate in most countries in which it operates is becoming increasingly strict with respect to environmental issues and expects this trend to continue in the future. Achieving compliance with applicable environmental standards and legislation may require plant modifications and capital expenditures. Laws and regulations may also limit noise levels and the disposal of waste, as well as impose waste treatment and disposal requirements. Some of the jurisdictions in which AB InBev operates have laws and regulations that require polluters or site owners or occupants to clean up contamination.

## 3.5 Commitments for the purchase, construction or installation of buildings, plant, machinery [Regulation 59(3)(f)]

### 3.5.1 Newbelco

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, Newbelco does not have any commitments for the purchase, construction or installation of buildings, plant or machinery.

### 3.5.2 AB InBev

For information on commitments of AB InBev, see the material commitments section in the audited financial statements of AB InBev as at and for the year ended 31 December 2015, as incorporated by reference in this Prospectus.

## 3.6 Company financial particulars and dividend policy for each of the preceding three years [Regulation 59(3)(g)]

### 3.6.1 Newbelco

As Newbelco was incorporated on 3 March 2016, Newbelco does not have any particulars for the preceding three years relating to turnover, profits and losses before and after tax, any dividends that have been paid, the amount of dividends paid in cents per share and the dividend cover for each year.

It is expected that Newbelco's dividend policy will be to declare a dividend representing in aggregate at least 25% of its consolidated profit attributable to its equity holders, excluding exceptional items, such as restructuring charges, gains or losses on business disposals and impairment charges, subject to applicable legal provisions relating to distributable profit.

Any matter relating to Newbelco's dividend pay-out policy will be within the jurisdiction of Newbelco's shareholders' meetings in accordance with the Belgian Companies Code.

The dividends payable by Newbelco are expected to be paid on a semi-annual basis (i.e. dividends for any given fiscal year are expected to be paid in November of such year and in May of the following year). The dividend payable in November will be an advance amount decided by the Newbelco Board in the form of an interim dividend. The dividend payable in May of the following year will be decided by Newbelco Shareholders at a shareholders' meeting and will supplement the amount already distributed in November. In both cases, the dividends will be paid on the dates and at the places communicated by the Newbelco Board. It is expected that such semi-annual dividend payment will allow Newbelco to manage its cash flow efficiently throughout the year by matching dividend payments closely with operating cash flow generation.

### 3.6.2 AB InBev

The audited financial statements of AB InBev as at and for the three years ended 31 December 2015, 31 December 2014 and 31 December 2013 have been incorporated by reference in this Prospectus and contain information on, *inter alia*, turnover, profits and dividends.

## 4. SHARE CAPITAL AND SHARES OF NEWBELCO [Regulation 60]

### 4.1 History and form of share capital

At the date of this Prospectus, Newbelco's share capital amounts to EUR 61,500, divided into 6,150,000 Incorporation Shares.<sup>2</sup> The Incorporation Shares are issued in registered form, are freely transferable and are fully paid-up. Newbelco has only one class of Incorporation Shares. Each Incorporation Share in the capital of Newbelco entitles its holder to one vote at Newbelco's shareholders' meetings.

Newbelco has been incorporated by two shareholders, SABMiller International B.V., having its registered office located at Brouwerslaan 1, 7548XA, Enschede (the Netherlands) and Phidias Management SA, a wholly-owned subsidiary of Intertrust, having its registered office at 97 Rue Royale/Koningsstraat, 1000 Brussels. SABMiller International B.V. is acting in a capacity as founder of Newbelco.

The shareholding structure of Newbelco has remained unchanged since its incorporation so that as at the date of this Prospectus, SABMiller International B.V. holds 6,149,999 Incorporation Shares and Phidias Management SA holds 1 Incorporation Share.

Name	Amount of Incorporation Shares held
SABMiller International B.V.	6,149,999 Incorporation Shares
Phidias Management SA	1 Incorporation Share

Shortly after the UK Scheme has become effective, all of the Incorporation Shares will be cancelled with effect from and simultaneously with the completion of the Capital Increase. Immediately following the Capital Increase, the UK Scheme Shareholders will own all of the Initial Newbelco Shares, being all of the issued and outstanding shares of Newbelco at that point in time.

Through the Belgian Offer completing (prior to the Belgian Merger completing), AB InBev will acquire all of the Initial Newbelco Shares tendered into the Belgian Offer. All such Initial Newbelco shares acquired by AB InBev in the context of the Belgian Offer will be consolidated into New Ordinary Shares. The remaining Initial Newbelco Shares (held by UK Scheme Shareholders who validly elected or are deemed to elect for the Partial Share Alternative) will be reclassified as Restricted Newbelco Shares (through the Reclassification and Consolidation). Upon Completion, (i) Newbelco will issue 1,608,242,156 New Ordinary Shares to the AB InBev Shareholders, and (ii) the New Ordinary Shares held by AB InBev further to the Belgian Offer, which will all have been acquired by Newbelco as a consequence of the Belgian Merger, will be cancelled (except 85,000,000 of such New Ordinary Shares acquired by Newbelco which will be kept as treasury shares by Newbelco).

The cancellation of the New Ordinary Shares acquired by Newbelco as a consequence of the Belgian Merger (except for the 85,000,000 New Ordinary Shares which will be kept in treasury by Newbelco after Completion) will entirely be allocated to the issue premium of Newbelco qualifying as fiscal paid-up capital pursuant to article 184 BITC. In respect of the 85,000,000 New Ordinary Shares which will be kept in treasury by Newbelco after Completion, an unavailable reserve will feature on Newbelco's 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.

As a result of the above transactions, it is anticipated that the share capital of Newbelco will be allocated as follows upon Completion:

- 1,608,242,156 New Ordinary Shares will be allocated to the then existing AB InBev Shareholders and 85,000,000 New Ordinary Shares will be kept as treasury shares by Newbelco; and
- 100% of the Restricted Newbelco Shares will be allocated to UK Scheme Shareholders that validly elect for the Partial Share Alternative.

The number of Restricted Newbelco Shares that will be outstanding following Completion depends on the number of UK Scheme Shares for which the Partial Share Alternative is elected. For example, based on the number of AB InBev Shares in issue as at the date of this Prospectus, the share capital of Newbelco will upon Completion consist of:

- 2,010,241,851 shares without nominal value, comprised of 1,693,242,156 New Ordinary Shares and 316,999,695 Restricted Newbelco Shares, assuming Altria and BEVCO elect for the Partial Share Alternative in respect of the entire share capital of SABMiller beneficially owned by them (in accordance with the irrevocable undertakings described under section 1, paragraph 7.2 of this Prospectus), and all other UK Scheme Shareholders elect for the Cash Consideration only; or
- 2,019,242,156 shares without nominal value, comprised of 1,693,242,156 New Ordinary Shares<sup>3</sup> and 326,000,000 Restricted Newbelco Shares, assuming all UK Scheme Shareholders (including Altria and BEVCO) elect for the Partial Share Alternative.

Upon Completion, in addition to the 85,000,000 New Ordinary Shares which Newbelco will hold in treasury, subsidiaries of Newbelco are expected to hold 540,392 New Ordinary Shares in treasury (based on the number of AB InBev Shares expected to be held in treasury by AB InBev's subsidiaries, Brandbrew S.A., Brandbev S.à r.l. and Mexbrew S.à r.l. as of Completion). The Restricted Newbelco Shares and the New Ordinary Shares will have the same rights and benefits, except as set out in section 1, paragraph 4.2 (*Rights and Benefits attaching to the Newbelco Shares*). In particular, the New Ordinary Shares will be freely transferable, whereas 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. See section 1, paragraph 4.2.12 (*Transfer and conversion of shares*) below.

Restricted Newbelco Shares will, at all times, be and remain in registered form, while New Ordinary Shares will be in dematerialised form or in registered form. New Ordinary Shares in dematerialised form will be represented by an entry on a personal account of the

<sup>2</sup> Under Belgian law, a company is not required to have authorised share capital.

<sup>3</sup> Persons electing for the Partial Share Alternative will have their entitlement to Restricted Newbelco Shares rounded down to the nearest whole number of shares. As a result, the aggregate number of Restricted Newbelco Shares issued may sum to less than 326,000,000.

owner or holder, with a recognised account holder or clearing settlement institution. Holders of New Ordinary Shares may elect, at any time, at their own cost, to have their registered shares converted into dematerialised shares, and vice versa, as provided in the Newbelco Articles.

At the time of Completion, the New Ordinary Shares and the Restricted Newbelco Shares will be fully paid-up.

## **4.2 Rights and benefits attaching to the Newbelco Shares**

This paragraph 4.2 summarises certain matters relating to (the holding of) Newbelco Shares, certain rights of Newbelco Shareholders under Belgian law and the Newbelco Articles, as well as certain other matters relating to Belgian law, in each case as they will apply to Newbelco upon Completion.

Unless otherwise indicated, the descriptions in this paragraph 4.2 do not reflect the current articles of association of Newbelco in force as at the date of this Prospectus but reflect the Newbelco Articles, which will be adopted by the Newbelco General Meeting (composed of the holders of the Incorporation Shares) expected to be held on or about 28 September 2016 and which will be effective subject to closing of the Belgian Offer. The statements in this paragraph 4.2 are qualified in their entirety by reference to, and are subject to, the detailed provisions of the Newbelco Articles.

The description provided hereafter is only a summary and does not purport to give a complete overview of the Newbelco Articles, nor of all relevant provisions of Belgian law; nor should it be considered as legal advice regarding these matters. The Newbelco Articles are available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com)) and will, upon or shortly after Completion, be available on Newbelco's website.

### **4.2.1 Right to attend and vote at shareholders' meetings**

#### **4.2.1.1 Ordinary shareholders' meeting**

The ordinary shareholders' meeting of Newbelco will be held on the last Wednesday of April of each year, at 11:00 a.m. Belgian time, in one of the municipalities of the Brussels-Capital Region, in Leuven or in Liège, at the place which will be mentioned in the convening notice. If this date is a legal holiday, the meeting will be held on the next business day at the same time.

At this meeting, the Newbelco Board and the statutory auditor will present a report on the management and financial situation of Newbelco at the end of the previous accounting year, which shall run from 1 January to 31 December. The shareholders will then vote on the approval of the annual accounts, the allocation of Newbelco's profit or loss, the appointment or renewal, if necessary, of directors or statutory auditors, remuneration of the directors and the auditor and the release from liability of the directors and the statutory auditor.

#### **4.2.1.2 Special and extraordinary shareholders' meetings**

The Newbelco Board or the statutory auditor of Newbelco (or the liquidators, if appropriate) may, whenever Newbelco's interests so require, convene a special or extraordinary shareholders' meeting. Such shareholders' meeting must also be convened every time one or more of Newbelco's shareholders holding at least one-fifth of Newbelco's share capital so demand.

Such shareholders' meetings of Newbelco shall be held on the day, at the hour and in the place designated by the convening notice. They may be held at locations other than Newbelco's registered office.

### **4.2.2 Notices convening Newbelco shareholders' meetings**

Notices of Newbelco's shareholders' meetings will contain the agenda of the meeting and the recommendations of the Newbelco Board on the matters to be voted upon. Notices will be given in the form of announcements placed at least 30 days prior to the meeting in at least one Belgian newspaper and in the Belgian State Gazette (*Moniteur belge/Belgisch Staatsblad*). Notices will be sent 30 days prior to the date of Newbelco's shareholders' meeting to the holders of Newbelco's registered shares, holders of Newbelco's registered warrants and to Newbelco's directors and its statutory auditor.

Notices of all Newbelco's shareholders' meetings and all related documents, such as specific board and auditor's reports, will also be published on its website.

### **4.2.3 Admission to shareholders' meetings**

All Newbelco Shareholders are entitled to attend shareholders' meetings of Newbelco, take part in the deliberations and, within the limits prescribed by the Belgian Companies Code and the Newbelco Articles, vote, provided they have complied with the formalities for admission set out in the Newbelco Articles.

The right to participate in and vote at a shareholders' meeting of Newbelco will require shareholders to:

- (i) have the ownership of their shares recorded in their name on the fourteenth calendar day preceding the date of the meeting (the "**Record Date**") either through registration in the register of the registered shares of Newbelco, for holders of registered shares; or through book-entry in the accounts of an authorised account holder or clearing organisation, for holders of dematerialised shares; and
- (ii) notify Newbelco (or a person designated by Newbelco) at the latest on the sixth calendar day preceding the day of the meeting, of their intention to participate in the meeting, indicating the number of shares in respect of which they intend to do so. In addition, the holders of dematerialised shares must, at the latest on the same day, provide Newbelco (or a person designated by Newbelco) with an original certificate issued by an authorised account holder or a clearing organisation certifying the number of shares owned on the Record Date by the relevant shareholder and for which it has notified its intention to participate in the meeting.

### **4.2.4 Voting by proxy**

Any shareholder of Newbelco with the right to vote may either personally participate in the meeting or give a proxy to another person, who need not be a shareholder, to represent him or her at the meeting. A shareholder may designate, for a given meeting, only one person as proxy holder, except in circumstances where Belgian law allows the designation of multiple proxy holders. The appointment of a proxy holder may take place in paper form or electronically (in which case the form shall be signed by means of an electronic signature in accordance with applicable Belgian law), through a form which shall be made available by Newbelco. The signed original paper or electronic form must be received by Newbelco at the latest on the sixth calendar day preceding the meeting. Any appointment of a proxy holder shall comply with relevant requirements of applicable Belgian law in terms of conflicting interests, record keeping and any other applicable requirements.

#### 4.2.5 Remote voting in relation to the shareholders' meetings

Any shareholder may vote remotely in relation to the shareholders' meeting of Newbelco, by sending a paper form or, if permitted by Newbelco in the notice convening the meeting, by sending a form electronically (in which case the form shall be signed by means of an electronic signature in accordance with applicable Belgian law). These forms shall be made available by Newbelco. Only forms received by Newbelco at the latest on the sixth calendar day preceding the date of the meeting will be taken into account.

Shareholders voting remotely must, in order for their vote to be taken into account for the calculation of the quorum and voting majority, comply with the admission formalities.

#### 4.2.6 Right to request that items be added to the agenda and to ask questions at the shareholders' meetings

One or more shareholders that together hold at least 3% of Newbelco's share capital may request for items to be added to the agenda of any convened meeting and submit proposals for resolutions with regard to existing agenda items or new items to be added to the agenda, provided that (i) they prove ownership of such shareholding as at the date of their request and record their shares representing such shareholding on the Record Date, and (ii) the additional items to be added to the agenda and/or proposed resolutions have been sent in writing (by registered mail or e-mail) by these shareholders to the registered office of Newbelco no later than the twenty-second day preceding the date of the relevant shareholders' meeting. Such shareholdings must be proven by a certificate evidencing the registration of the relevant shares in the share register of Newbelco or by a certificate issued by the authorised account holder or the clearing organisation certifying the book-entry of the relevant number of dematerialised shares in the name of the relevant shareholder(s).

Newbelco shall acknowledge receipt of shareholders' requests within 48 hours and, if required, publish a revised agenda of the shareholders' meeting, at the latest on the fifteenth day preceding the date of the shareholders' meeting. The right to request that items be added to the agenda or that proposed resolutions in relation to existing agenda items be submitted does not apply in case of a second shareholders' meeting that must be convened because the quorum was not obtained during the first shareholders' meeting.

Within the limits of Article 540 of the Belgian Companies Code, the directors and the auditor of Newbelco shall answer, during the shareholders' meeting, any questions raised by shareholders. Shareholders may ask questions either during the meeting or in writing, provided that Newbelco receives the written question at the latest on the sixth day preceding the date of the shareholders' meeting.

#### 4.2.7 Quorum and majorities

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 and 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 shares attending or represented at the meeting, regardless of the number of shares attending or represented.

#### 4.2.8 Transactions with major shareholders

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.

#### 4.2.9 Rights of Restricted Newbelco Shares

##### ***Changes in Newbelco Shares***

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 Newbelco 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 Newbelco Shares or similar event with respect to the 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 such revised Restricted Newbelco Share by virtue of its entitlement following such event being to a fraction of less than one such revised Restricted Newbelco Share, its entitlement shall be rounded up to one such revised Restricted Newbelco Share.

#### **Modifications to the rights attached to Newbelco Shares**

As long as there remain any Restricted Newbelco Shares, any modification of the rights attached to the New Ordinary Shares or the Restricted Newbelco Shares shall be made in accordance with the quorum and majority requirements of article 560 of the Belgian Companies Code.

#### **Appointment or re-election of Restricted Newbelco Share Directors**

In advance of any shareholders' meeting of Newbelco where the appointment, re-election or confirmation of co-optation of a Restricted Newbelco Share Director is to be decided, unless the procedure of written resolutions foreseen in the Newbelco Articles applies, or in certain instances relating to the confirmation of a co-optation, the Newbelco Board shall convene a meeting of the Restricted Newbelco Shareholders in order for Restricted Newbelco Shareholders to vote for the candidates Restricted Newbelco Share Directors to be presented at a shareholders' meeting of Newbelco, as further set out in article 21 of the Newbelco Articles.

#### **4.2.10 Dividend rights**

All shares participate equally in Newbelco's profits. The New Ordinary Shares and Restricted Newbelco Shares will have the same rights in relation to dividends and other distributions.

The Belgian Companies Code provides that dividends can only be paid up to an amount equal to the excess of Newbelco's shareholders' equity over the sum of (i) paid-up or called-up share capital and (ii) reserves not available for distribution pursuant to law or the Newbelco Articles. Under Belgian law and the Newbelco Articles, Newbelco must allocate an amount of 5% of its annual net profit on an unconsolidated basis to a legal reserve in its unconsolidated financial statements until such reserve equals 10% of Newbelco's share capital.

In general, Newbelco may only pay dividends with the approval of the shareholders' meeting. The annual dividend payment (if any) will be approved by Newbelco's shareholders at the ordinary shareholders' meeting of Newbelco and will be paid on the dates and the places determined by the Newbelco Board. In addition, the Newbelco Board may declare interim dividends without shareholder approval, in accordance with the provisions of the Belgian Companies Code and article 44 of the Newbelco Articles. It is expected that the Newbelco Board will decide the payment of dividends on a semi-annual basis. For more information on the dividend policy of Newbelco, see this section 1, paragraph 3.6.1 above (*Company financial particulars and dividend policy for each of the preceding three years – Newbelco*).

#### **4.2.11 Rights regarding liquidation**

Newbelco can only be dissolved by a shareholders' resolution passed in accordance with the conditions laid down for the amendments of the Newbelco Articles (i.e., with a majority of at least 75% of the votes cast at an extraordinary shareholders' meeting where at least 50% of the share capital is present or represented).

If, as a result of losses incurred, the ratio of Newbelco's net assets (determined in accordance with Belgian legal and accounting rules) to share capital is less than 50%, the board of directors must convene an extraordinary shareholders' meeting within two months as of the date upon which the board of directors discovered or should have discovered this undercapitalisation. At this shareholders' meeting, the board of directors must propose either the dissolution of the company or the continuation of the company, in which case the board of directors must propose measures to redress the company's financial situation. Shareholders' resolutions relating to the dissolution of Newbelco are adopted in accordance with the conditions laid down for the amendments of the Newbelco Articles.

If, as a result of losses incurred, the ratio of Newbelco's net assets to share capital is less than 25%, the same procedure must be followed; provided however, that in this instance shareholders representing 25% of the votes validly cast at the relevant shareholders' meeting can decide to dissolve the company. If the amount of Newbelco's net assets has dropped below EUR 61,500 (the minimum amount of share capital of a Belgian limited liability company (*société anonyme / naamloze vennootschap*), any interested party is entitled to request the competent court to dissolve the company. The court can order the dissolution of the company or grant a grace period within which the company may remedy the situation.

In the event of the dissolution and liquidation of Newbelco, the assets remaining after payment of all debts and liquidation expenses shall be distributed to the holders of shares of Newbelco, each receiving a sum proportional to the number of Newbelco Shares held by them. The New Ordinary Shares and the Restricted Newbelco Shares will have the same rights in relation to all proceeds of a dissolution, liquidation or winding-up of Newbelco.

#### **4.2.12 Transfer and conversion of shares**

##### **4.2.12.1 New Ordinary Shares**

New Ordinary Shares will be freely transferable.

##### **4.2.12.2 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 depositary arrangement or enter into any form of hedging arrangement with respect to any of its Restricted Newbelco Shares or any interests therein, 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 paragraph 4.2.12 (*Transfer and conversion of shares*).

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, mortgage, pledge, charge, assign, 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, it its Affiliate or its Successor) shall therefore remain Restricted Newbelco Shares.

#### 4.2.12.3 **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 paragraphs 4.2.12.5 (*Restricted Newbelco Shares – Pledge*) (b)(i) and (ii) 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 paragraph 4.2.12.5 (*Restricted Newbelco Shares – Pledge*) 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 Belgian 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, 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.

#### 4.2.12.4 **Orderly disposal**

Any initial holder of New Ordinary Shares resulting from the conversion of Restricted Newbelco Shares which were previously held by such holder (other than a Restricted Transferee) or any of its Affiliates who contemplates selling such New Ordinary Shares on a stock exchange on which the New Ordinary Shares are listed (other than by a block trade or overnight placement in accordance with customary market practice for dispositions of such nature) in a single transaction or series of connected transactions in an amount in excess of 1% of the total share capital within 3 months of the date of conversion shall use reasonable endeavours to effect such sale in an orderly manner of disposition that is not likely to disrupt materially the market for the Newbelco Shares and shall consult with Newbelco in advance of such sale, subject to Newbelco consenting to being made an insider for these purposes. The provisions in this paragraph do not apply to transfers to any Restricted Transferee as set out in paragraph 4.2.12.5 (*Restricted Newbelco Shares – Pledge*) below.

#### 4.2.12.5 **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 the 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 from 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. Please see the copy of the pledging policy on AB InBev's website for further details of the process for requesting a Pledge Consent, including the information and representations and warranties to be provided, and 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) a 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.

#### **4.2.12.6 Relaxation of restrictions applicable to Restricted Newbelco Shares**

AB InBev and the individuals serving as directors of AB InBev as of the date of this Prospectus each intend, until the fifth anniversary of Completion (i) not to propose at any general meeting a resolution (or cause any other person to do so), and (ii) to vote against any resolution which would have the effect of:

- removing or relaxing the transfer restrictions in relation to the Restricted Newbelco Shares set out above; or
- allowing conversion of the Restricted Newbelco Shares into New Ordinary Shares,

in both cases prior to the fifth anniversary of the issuance of the Restricted Newbelco Shares, except under certain limited circumstances. The AB InBev Reference Shareholder also intends to procure (so far as it is able) the same. Furthermore, the statements in this paragraph are intended to be binding on Newbelco following Completion, although these intentions may be set aside in the event that (a) a tender offer is made for the whole of the issued share capital of Newbelco (excluding the Belgian Offer) and such offer becomes wholly unconditional, or (b) Newbelco implements a merger with a third party, in both cases in circumstances where the shareholders of Newbelco immediately prior to such tender offer or merger do not control (or exercise joint control over) Newbelco or the surviving entity (as applicable) following such tender offer or merger.

#### **4.2.13 Changes in share capital**

##### **4.2.13.1 Capital increase by the shareholders' meeting**

Changes to Newbelco's share capital will be decided by the shareholders' meeting. The shareholders' meeting may at any time decide to increase or decrease the share capital. Such resolution must satisfy the following quorum and majority requirements (i) a quorum of 50% of the issued share capital must be present or represented at the meeting, and (ii) the capital increase must be approved by at least 75% of the votes cast at the meeting. If there is no quorum, a second meeting must be convened where no quorum requirement applies but where the special 75% majority requirement applies.

##### **4.2.13.2 Capital increase by the Newbelco Board**

Subject to the same quorum and majority requirements, the shareholders' meeting may authorise the Newbelco Board, within certain limits, to increase the share capital of Newbelco without any further approval of shareholders by way of authorised capital. This authorisation needs to be limited in time (i.e., it can only be granted for a renewable period of a maximum of five years) and in scope (i.e. the increase by way of authorised capital may not exceed the amount of the share capital at the time of the authorisation).

It is expected that, if an authorisation to increase the capital is granted by the shareholders' meeting, such authorisation will be limited to an amount up to 3% of the capital of Newbelco.

##### **4.2.13.3 Preference right and anti-dilution**

In the event of a share capital increase by way of the issue of new shares, or in the event of an issue of Equity Interests, all Newbelco Shareholders will have a Preference Right to subscribe for any such Equity Interests as set out in and in accordance with article 592 of the Belgian Companies Code.

The Preference Right shall entitle each Newbelco Shareholder to subscribe for any new Equity Interests, in each case pro rata to the proportion of Newbelco's existing share capital that it holds immediately prior to such issue. Each Newbelco Shareholder may exercise its respective Preference Right in whole or in part.

The shareholders' meeting may restrict or cancel the Preference Right, in accordance with Article 596 of the Belgian Companies Code, for a purpose that is in the best interests of Newbelco, provided however that if the Preference Right is restricted or cancelled with respect to any issuance in which any Newbelco Shareholder acquires any such Equity Interests, all Newbelco Shareholders shall be given the same right and be treated in the same way. This requirement shall not apply when the Preference Right is restricted or cancelled with respect to issuances of Equity Interests issued solely pursuant to stock option plans or other compensation plans in the ordinary course of business. Where a shareholders' meeting has granted an authorisation to the Newbelco Board to effect a capital increase in the framework of the authorised capital and such authorisation allows the Newbelco Board to do so, the Newbelco Board may likewise restrict or cancel the Preference Right applying the same principles as set out in this paragraph.

Any decision to restrict or cancel the Preference Right will require a quorum at the first meeting of shareholders holding at least 50% of the share capital and, in any event, approval by a qualified majority 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 no quorum is required, but the relevant resolution must be approved by a qualified majority of at least 75% of the votes cast at the meeting.

If any Restricted Newbelco Shareholder exercises its Preference Right in respect of its holding of Restricted Newbelco Shares, Newbelco shall issue, at the election of the Restricted Newbelco Shareholder, either Restricted Newbelco Shares or New Ordinary Shares (or a combination thereof) to such Restricted Newbelco Shareholder. No Restricted Newbelco Shares shall be issued other than to a Restricted Newbelco Shareholder exercising its preferential subscription right. In case of any event referred to in article 8.1 of the Newbelco Articles, Restricted Newbelco Shareholders shall only be entitled or required to receive Restricted Newbelco Shares in respect of the Restricted Newbelco Shares held by them.

#### 4.2.14 Acquisition and disposal of own shares

Newbelco may only acquire its own shares pursuant to a decision by the shareholders' meeting taken under the conditions of quorum and majority provided for in the Belgian Companies Code. Such a decision requires a quorum at the first shareholders' meeting of shareholders holding 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 is required, but the relevant resolution must be approved by a qualified majority of at least 80% of the votes cast at the meeting.

It is expected that the Newbelco General Meeting will grant an authorisation allowing Newbelco to acquire, either on or outside of stock exchange, Newbelco Shares up to a maximum of 20% of the issued shares for a price which will not be lower than one Euro and not higher than 20% above the highest closing price on Euronext Brussels in the last 20 trading days preceding the transaction. This authorisation would be valid for a maximum of five years.

Newbelco may only dispose of its own shares pursuant to a decision by the shareholders' meeting taken under the conditions of quorum and majority provided for in the Belgian Companies Code. Such a decision requires a quorum at the first shareholders' meeting of shareholders holding at least 50% of the share capital and approval by a qualified majority of at least 80% of the votes. If there is no quorum, a second meeting must be convened. At the second meeting, no quorum is required, but the relevant resolution must be approved by a qualified majority of at least 80% of the votes cast at the meeting.

It is expected that the Newbelco General Meeting will grant an authorisation allowing Newbelco to dispose, either on or off exchange, of Newbelco Shares which were acquired by Newbelco under the conditions determined by the Newbelco Board. This authorisation would be valid for a maximum of five years.

With respect to the Newbelco Shares acquired by Newbelco as a result of the Belgian Merger, the Newbelco Board shall be entitled to dispose of such shares only in connection with (i) any share delivery obligations undertaken by AB InBev prior to 11 November 2015, (ii) any stock option plans or other compensation plans (including the Zenzele Scheme), or (iii) any stock lending agreement or similar arrangement in respect of which Newbelco used the Newbelco Shares for the purposes set out in items (i) and (ii).

#### 4.3 Code of dealing

A Code of Dealing will ensure that all employees, and particularly the members of the Newbelco Board or of the Newbelco EBM maintain the confidentiality of inside information that they may have or be thought to have and do not abuse, nor place themselves under suspicion of abusing such insider knowledge, especially in periods leading up to an announcement of financial results or of price-sensitive events or decisions.

In accordance with the Belgian and European regulations on the prevention of market abuse, Newbelco will establish and maintain lists of insiders. In addition, members of the Newbelco EBM and of the Newbelco Board will be required to notify all their trades to the FSMA, which will publish these notifications on its website.

#### 4.4 Authorised and issued share capital

##### 4.4.1 Newbelco

As a company incorporated under the Belgian Companies Code, Newbelco is not required to have, and, as at the date of this Prospectus does not have, an authorised share capital.

The issued share capital of Newbelco before the implementation of the UK Scheme, as at the Last Practicable Date, is set out in the table below:

	Number	Value
Issued Incorporation Shares without a nominal value	6,150,000	EUR 61,500

The shareholders of Newbelco as at the date of this Prospectus are SABMiller International B.V. (6,149,999 shares) and Phidias Management S.A. (1 share), a wholly-owned subsidiary of Intertrust.

Name	Amount of Newbelco Shares held
SABMiller International B.V.	6,149,999 Incorporation Shares
Phidias Management S.A.	1 Incorporation Share

There are no known arrangements under which financial rights are held by a person other than the holder of Newbelco's shares and, as at the date of this Prospectus, no known agreements on restrictions on share transfers or on voting rights.

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, among other things, will be subject to restrictions on transfer until converted into New Ordinary Shares. The Restricted Newbelco Shares will have an ISIN of BE6288397811 but will not be an enabled Euroclear UK & Ireland security within CREST. 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. From Completion, such Restricted Newbelco Shares will rank equally with the New Ordinary Shares as regards dividends and voting rights. In addition, the holders of the Restricted Newbelco Shares will collectively be entitled to appoint up to three directors of Newbelco. The terms of the Newbelco Shares (including the Restricted Newbelco Shares) are summarised in section 1, paragraph 4.2.12 (*Transfer and conversion of shares*) of this Prospectus.

## 4.5 Shareholding Structure

### 4.5.1 As at Last Practicable Date

As at the Last Practicable Date, the Controlling Shareholder of Newbelco is SABMiller International B.V.

Upon Completion, the AB InBev Reference Shareholder will be the largest shareholder of the Combined Group, holding a controlling interest. The AB InBev Reference Shareholder represents an important part of the interests of the founding families of AB InBev (mainly represented by EPS SA and EPS Participations) and the interests of the Brazilian families, previously shareholders of Ambev (represented by BRC).

Assuming no further issuances of AB InBev shares after the date of this Prospectus and Newbelco issues 316,999,695 Restricted Newbelco Shares, it is expected that upon Completion the AB InBev Reference Shareholder will own 663,074,832 New Ordinary Shares, representing 34.45% of the voting rights attached to the Newbelco Shares expected to be outstanding upon Completion.

### 4.5.2 Post completion

#### 4.5.2.1 Shareholding structure

The following tables set forth certain information, as of 30 June 2016, regarding the expected holding of voting rights in Newbelco, after giving effect to the proposed Transaction, by each person who, based on current ownership of AB InBev Shares or SABMiller Shares or otherwise, is expected to be a holder of more than 3% percent of the voting rights attached to Newbelco Shares, alone or together with any party acting in concert with them.

The number of Restricted Newbelco Shares that will be outstanding following Completion depends on the number of UK Scheme Shareholders who elect for the Partial Share Alternative. 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 capital as at 30 June 2016 (and excluding any shares held in treasury). See paragraph 7.2.1.7 (*Altria Irrevocable*) and paragraph 7.2.1.9 (*BEVCO Irrevocable*) of this Prospectus for a description of such irrevocable undertakings. If only Altria and BEVCO elect the Partial Share Alternative, 316,999,695 Restricted Newbelco Shares will be outstanding, which is the minimum amount of Restricted Newbelco Shares expected to be outstanding following Completion.

Conversely, the Partial Share Alternative is limited to 326,000,000 Restricted Newbelco Shares. As a result, if the Partial Share Alternative is elected by UK Scheme Shareholders (other than Altria and BEVCO) in respect of approximately 18.6 million UK Scheme Shares (or more), then the maximum amount of 326,000,000 Restricted Newbelco Shares will be outstanding upon Completion. 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 balance of the consideration due to UK Scheme Shareholders who elected for the Partial Share Alternative will be satisfied in cash in accordance with the terms of the Transaction. See section 2, of this Prospectus for further information in respect of the terms of the Transaction. Section 1 paragraph 3.1.2 (*Structure of the Transaction – Step 1: the UK Scheme*)

##### 4.5.2.1.1 Assuming only Altria and BEVCO elect for the Partial Share Alternative

The table below assumes that Altria and BEVCO will elect for the Partial Share Alternative for the entire share capital of SABMiller beneficially owned by them in accordance with their irrevocable undertakings, but that all other UK Scheme Shareholders elect for the Cash Consideration. As a result, the percentage of voting rights held (as set out in the table below) is based on 1,924,701,459 Newbelco Shares, calculated as follows:

- 2,010,241,851 Newbelco Shares expected to be outstanding immediately following the Belgian Merger (comprised of 1,693,242,156 New Ordinary Shares and 316,999,695 Restricted Newbelco Shares);
- minus*
- 85,540,392 New Ordinary Shares expected to be held in treasury by Newbelco and its subsidiaries immediately following the Belgian Merger, the voting rights of which will be suspended. Such number of treasury shares is calculated based on (i) the number of AB InBev Shares expected to be held in treasury by certain of AB InBev's subsidiaries on the date of the Belgian Merger (540,392 AB InBev Shares), plus (ii) the number of New Ordinary Shares expected to be kept as treasury shares by Newbelco after completion of the Belgian Merger (85,000,000 New Ordinary Shares). Please refer to section 4.1 (*History and form of share capital*) of this Prospectus for further details.

Upon Completion, it is expected that the first twelve entities mentioned in the table will act in concert (it being understood that it is expected that (i) the first ten entities will act in concert within the meaning of Article 3, §1, 13° of the Transparency Law, and (ii) the eleventh and twelfth entities will act in concert with the first ten entities within the meaning of Article 3, §2 of the Takeover Law) and will hold, in aggregate, 847,648,483 New Ordinary Shares, representing 44.04% of the voting rights attached to the Newbelco Shares expected to be outstanding following Completion, based on the assumptions set out in the preceding paragraph. On the same basis, all other former AB InBev Shareholders not included in the table below are expected to hold 760,053,281 New Ordinary Shares, representing 39.49% of the voting rights attached to the Newbelco Shares expected to be outstanding following Completion.

	Number of SABMiller Shares	Number of AB InBev Shares	Number of Newbelco Shares after the Transaction	% of voting rights attached to Newbelco Shares after the Belgian Merger <sup>(5)</sup> <sup>(6)</sup>
<b>Major shareholders</b>				
<b>Holders of New Ordinary Shares</b>				
<b>AB InBev Reference Shareholder</b> , a <i>stichting</i> incorporated under Dutch law	–	663,074,832	663,074,832	34.45%
<b>EPS Participations</b> , a company incorporated under Luxembourg law, affiliated to EPS SA, its parent company <sup>(1)</sup>	–	130,257,459	130,257,459	6.77%
<b>EPS SA</b> , a company incorporated under Luxembourg law, affiliated to the AB InBev Reference Shareholder that it jointly controls with BRC <sup>(1)</sup>	–	99,999	99,999	<0.01%
<b>Rayvax</b> , a company incorporated under Belgian law	–	484,794	484,794	0.03%
<b>Sébastien Holding NV/SA</b> , a company incorporated under Belgian law, affiliated to Rayvax, its parent company	–	10	10	<0.01
<b>Fonds Verhelst SPRL</b> , a company with a social purpose incorporated under Belgian law	–	0	0	0.00%
<b>Fonds Voorzitter Verhelst SPRL</b> , a company with a social purpose incorporated under Belgian law, affiliated to Fonds Verhelst SPRL with social purpose, that controls it	–	6,997,665	6,997,665	0.36%
<b>Stichting Fonds InBev-Baillet Latour</b> , a <i>stichting</i> incorporated under Dutch law	–	0	0	0.00%
<b>Fonds Baillet Latour SPRL</b> , a company with a social purpose incorporated under Belgian law, affiliated to Stichting Fonds InBev-Baillet Latour under Dutch law, that controls it <sup>(2)</sup>	–	5,485,415	5,485,415	0.29%
<b>BRC</b> , a company incorporated under Luxembourg law, affiliated to the AB InBev Reference Shareholder that it jointly controls with EPS SA	–	37,598,236	37,598,236	1.95%
<b>MHT Benefit Holding Company Ltd</b> , 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	3,645,605	0.19%
<b>LTS Trading Company LLC</b> , 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	4,468	<0.01
<b>Holders of Restricted Newbelco Shares</b>				
<b>Altria</b> <sup>(3)</sup>	430,000,000	–	208,106,670	10.81%
<b>BEVCO</b> <sup>(4)</sup>	225,000,000	–	108,893,025	5.66%

Notes:

- <sup>(1)</sup> On 18 December 2013, EPS contributed to EPS Participation its certificates in the AB InBev Reference Shareholder and the shares it held directly in AB InBev, except for 100,000 shares. On 16 January 2015, EPS transferred one AB InBev Share to the AB InBev Reference Shareholder for certification by the latter, so that on 16 January 2015 EPS held 99,999 AB InBev Shares.
- <sup>(2)</sup> On 27 December 2013, Stichting Fonds InBev-Baillet Latour, under Dutch law, acquired a controlling stake in Fonds Baillet Latour SPRL with a social purpose.
- <sup>(3)</sup> Represents ownership of 208,106,670 Restricted Newbelco Shares that will be convertible into New Ordinary Shares subject to the terms and conditions described elsewhere in this Prospectus.
- <sup>(4)</sup> Represents ownership of 108,893,025 Restricted Newbelco Shares that will be convertible into New Ordinary Shares subject to the terms and conditions described elsewhere in this Prospectus.
- <sup>(5)</sup> The percentage of Newbelco voting rights held is calculated based on 1,924,701,459 Newbelco Shares, as set out above. This also assumes that Altria and BEVCO will elect for the Partial Share Alternative in respect of 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.
- <sup>(6)</sup> Each New Ordinary Share and each Restricted Newbelco Share will be entitled to one vote at Newbelco's shareholders meetings 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.

4.5.2.1.2 Assuming all SABMiller Shareholders elect for the Partial Share Alternative

For the sake of comparison, the table below assumes that all UK Scheme Shareholders (including Altria and BEVCO) elect for the Partial Share Alternative. As a result, the percentage of voting rights in Newbelco held (as set out in the table below) is based on 1,933,701,764 Newbelco Shares, calculated as follows:

- 2,019,242,156 Newbelco Shares expected to be outstanding immediately following the Belgian Merger (comprised of 1,693,242,156 New Ordinary Shares and 326,000,000 Restricted Newbelco Shares);<sup>4</sup>

<sup>4</sup> Persons electing for the Partial Share Alternative will have their entitlement to Restricted Newbelco Shares rounded down to the nearest whole number of shares. As a result, the aggregate number of Restricted Newbelco Shares issued may sum to less than 326,000,000.

minus

- 85,540,392 New Ordinary Shares expected to be held in treasury by Newbelco and its subsidiaries immediately following the Belgian Merger, the voting rights of which will be suspended. Such number of treasury shares is calculated based on (i) the number of AB InBev Shares expected to be held in treasury by certain of AB InBev's subsidiaries on the date of the Belgian Merger (540,392 AB InBev Shares), plus (ii) the number of New Ordinary Shares expected to be kept as treasury shares by Newbelco after completion of the Belgian Merger (85,000,000 New Ordinary Shares). Please refer to this section paragraph 4.1 (*History and form of share capital*) of this Prospectus for further details.

	Number of SABMiller Shares	Number of AB InBev Shares	Number of Newbelco Shares after the Transaction	% of voting rights attached to Newbelco Shares after the Belgian Merger <sup>(3)</sup>
<i>Holders of New Ordinary Shares</i>				
<b>AB InBev Reference Shareholder and the eleven entities that act in concert with it</b> within the meaning of Article 3, §1, 13° of Transparency Law and Article 3, §2 of the Takeover Law <sup>(1)</sup>	–	847,648,483	847,648,483	43.84%
<b>Other former AB InBev Shareholders</b>	–	760,053,281	760,053,281	39.31%
<i>Holders of Restricted Newbelco Shares</i>				
<b>Altria</b>	430,000,000	–	84,585,274 <sup>(2)(4)</sup>	4.37%
<b>BEVCO</b>	225,000,000	–	44,259,736 <sup>(2)(4)</sup>	2.29%
<b>Other former SABMiller Shareholders<sup>(2)</sup></b>	1,002,262,457	–	197,154,988 <sup>(2)(4)</sup>	10.20%

Notes:

- <sup>(1)</sup> Comprises the first twelve entities listed in the table under section 1, paragraph 4.5.2.2 above. On this basis, the AB InBev Reference Shareholder would hold 34.29% of the voting rights attached to Newbelco Shares following Completion.
- <sup>(2)</sup> Based on the fully diluted share capital of SABMiller of 1,657,262,457 shares, calculated on the basis of:
- <sup>(3)</sup> SABMiller's issued share capital as of the close of business on 30 June 2016 of 1,622,117,877 SABMiller ordinary shares (excluding 57,976,623 treasury shares); and
- <sup>(4)</sup> 46,228,377 SABMiller ordinary shares (excluding 51,645 awards that will be settled in cash) which may be issued prior to completion of the Transaction on the exercise of options or vesting of awards under the SABMiller Share Award Plan and the SABMiller Share Option Plans, offset by 11,083,797 SABMiller ordinary shares held in SABMiller's Employee Benefit Trust as at the close of business on 30 June 2016.
- <sup>(5)</sup> The percentage of Newbelco voting rights held is calculated based on 1,933,701,764 Newbelco Shares, as set out above. This also assumes that all UK Scheme Shareholders (including Altria and BEVCO) elect for the Partial Share Alternative for the entire share capital of SABMiller beneficially owned by them and that no holders of UK Scheme Shares elect for the Cash Consideration.
- <sup>(6)</sup> Persons electing for the Partial Share Alternative will have their entitlement to Restricted Newbelco Shares rounded down to the nearest whole number of shares. As a result, the aggregate number of Restricted Newbelco Shares issued may sum to less than 326,000,000.

#### 4.5.2.2 Reference shareholder

Upon Completion, the AB InBev Reference Shareholder will be the largest shareholder of the Combined Group, holding a controlling interest. The AB InBev Reference Shareholder represents an important part of the interests of the founding families of AB InBev (mainly represented by EPS SA and EPS Participations) and the interests of the Brazilian families, previously shareholders of Ambev (represented by BRC).

Assuming no further issuances of AB InBev Shares after the date of this Prospectus and Newbelco issues 316,999,695 Restricted Newbelco Shares, it is expected that upon Completion the AB InBev Reference Shareholder will own 663,074,832 New Ordinary Shares, representing 34.45% of the voting rights attached to the Newbelco Shares expected to be outstanding upon Completion, see section 1, paragraph 4.5.2.1.1 (*Assuming only Altria and BEVCO elect for the Partial Share Alternative*) above.

#### 4.5.2.3 Shareholders' arrangements

##### 4.5.2.3.1 Shareholders' agreement with the AB InBev Reference Shareholder

In connection with the combination of Interbrew with Ambev in 2004, BRC, EPS SA, Rayvax and the AB InBev Reference Shareholder entered into a shareholders' agreement on 2 March 2004 which provided for BRC and EPS SA to hold their interests in AB InBev through the AB InBev Reference Shareholder (except for approximately 130 million AB InBev Shares held directly or indirectly by EPS SA and approximately 37 million AB InBev Shares held directly by BRC as of 31 December 2015). The shareholders' agreement was amended and restated on 9 September 2009. On 18 December 2013, EPS SA contributed to EPS Participations its certificates in the AB InBev Reference Shareholder and the ordinary shares it held in AB InBev except for 100,000 ordinary shares. Immediately thereafter, EPS Participations joined the concert constituted by BRC, EPS SA, Rayvax and the AB InBev Reference Shareholder and adhered to the shareholders' agreement. On 18 December 2014, the AB InBev Reference Shareholder, EPS SA, EPS Participations, BRC and Rayvax entered into a new shareholders' agreement (the "**2014 Shareholders' Agreement**") that replaced the previous shareholders' agreement of 2009. On 11 April 2016, the parties thereto entered into the 2016 Shareholders' Agreement.

The 2016 Shareholders' Agreement addresses, among other things, certain matters relating to the governance and management of both AB InBev and the AB InBev Reference Shareholder as well as (i) the transfer of the AB InBev Reference Shareholder certificates, and (ii) the de-certification and re-certification process for the AB InBev Shares and the circumstances in which the AB InBev Shares held by the AB InBev Reference Shareholder may be de-certified and/or pledged at the request of BRC, EPS SA and EPS Participations. Providing the Belgian Offer and the Belgian Merger complete by 31 December 2017, references to AB InBev in the paragraphs below shall be construed as including and referring to Newbelco.

The 2016 Shareholders' Agreement provides for restrictions on the ability of BRC and EPS SA/EPS Participations to transfer their AB InBev Reference Shareholder certificates.

Pursuant to the terms of the 2016 Shareholders' Agreement, BRC and EPS SA/EPS Participations jointly and equally exercise control over the AB InBev Reference Shareholder and the AB InBev Shares held by the AB InBev Reference Shareholder. The AB InBev Reference Shareholder is managed by an eight member board of directors and each of BRC and EPS SA/EPS Participations have the right to appoint four directors to the AB InBev Reference Shareholder board of directors. Subject to certain exceptions, at least seven of the eight AB InBev Reference Shareholder directors must be present or represented in order to constitute a quorum of the AB InBev Reference Shareholder board, and any action to be taken by AB InBev Reference Shareholder board of directors will, subject to certain qualified majority conditions, require the approval of a majority of the directors present or represented, including at least two directors appointed by BRC and two directors appointed by EPS SA/EPS Participations. Subject to certain exceptions, all decisions of the AB InBev Reference Shareholder with respect to the AB InBev Shares it holds, including how such shares will be voted at AB InBev shareholders' meetings, will be made by the AB InBev Reference Shareholder board of directors.

The 2016 Shareholders' Agreement requires the AB InBev Reference Shareholder board of directors to meet prior to each AB InBev shareholders' meeting to determine how the AB InBev Shares held by the AB InBev Reference Shareholder are to be voted. In addition, if Completion occurs by 31 December 2017, then, following Completion, prior to each meeting of the Newbelco Board at which certain key matters are considered, the AB InBev Reference Shareholder board of directors will meet to determine how the eight members of the Newbelco Board nominated exclusively by BRC and EPS SA/EPS Participations should vote.

The 2016 Shareholders' Agreement requires EPS SA, EPS Participations, BRC and Rayvax, as well as any holder of certificates issued by the AB InBev Reference Shareholder, to vote their AB InBev Shares in the same manner as the AB InBev Shares held by the AB InBev Reference Shareholder. The parties agree to effect any free transfers of their AB InBev Shares in an orderly manner of disposal that does not disrupt the market for AB InBev Shares and in accordance with any conditions established by AB InBev to ensure such orderly disposal. In addition, under the 2016 Shareholders' Agreement, EPS SA, EPS Participations and BRC agree not to acquire any shares of Ambev's capital stock, subject to limited exceptions.

Pursuant to the 2016 Shareholders' Agreement, prior to Completion, the AB InBev Reference Shareholder board of directors nominates and proposes to AB InBev's shareholders' meeting eight candidates for appointment to AB InBev's board of directors, amongst which each of BRC and EPS SA/EPS Participations has the right to nominate four candidates. In addition, the AB InBev Reference Shareholder board of directors proposes to AB InBev shareholders' meetings three to six candidates for appointment to AB InBev's board who are independent of AB InBev's shareholders. This mechanism (which is provided under the 2014 Shareholders' Agreement) shall remain applicable if the Transaction does not complete by 31 December 2017.

Pursuant to the 2016 Shareholders' Agreement, if Completions occurs by 31 December 2017, the AB InBev Reference Shareholder board of directors will, following Completion, propose to Newbelco's shareholders' meeting nine candidates for appointment to the Newbelco Board (instead of eight candidates under the 2014 Shareholders' Agreement), among which each of BRC and EPS SA/EPS Participations will have the right to nominate four candidates, and one candidate will be nominated by the AB InBev Reference Shareholder board of directors. The chairman of the Newbelco Board will be required not to be directly or indirectly related to EPS SA or BRC.

Subject to Completion by 31 December 2017, the 2016 Shareholders' Agreement will remain in effect for an initial term until 27 August 2034. If the Transaction does not complete prior to 31 December 2017, the initial term of the 2016 Shareholders' Agreement will remain 27 August 2024 (which is the initial term in effect under the 2014 Shareholders' Agreement). In either case, the 2016 Shareholders' Agreement will be automatically renewed for successive terms of ten years each unless, not later than two years prior to the expiration of the initial or any successive ten-year term, either party to the 2016 Shareholders' Agreement notifies the other of its intention to terminate the 2016 Shareholders' Agreement.

#### 4.5.2.3.2 **Voting agreement between the AB InBev Reference Shareholder and the foundations**

In addition, the AB InBev Reference Shareholder has entered into a voting agreement with Fonds Baillet Latour SPRL with a social purpose and Fonds Voorzitter Verhelst SPRL with a social purpose. This agreement provides for consultations between the three bodies before any of AB InBev's shareholders' meetings to decide how they will exercise the voting rights attached to AB InBev Shares. Under this voting agreement, consensus is required for all items that are submitted to the approval of any of AB InBev's shareholders' meetings. If the parties fail to reach a consensus, Fonds Baillet Latour SPRL with a social purpose and Fonds Voorzitter Verhelst SPRL with a social purpose will vote their shares in the same manner as the AB InBev Reference Shareholder. This agreement was most recently extended to 1 November 2034. Providing the Belgian Offer and the Belgian Merger complete by 31 December 2017, references to AB InBev in this paragraph shall be construed as including and referring to Newbelco.

#### 4.5.2.3.3 **Voting agreement with the Restricted Newbelco Shareholder**

Pursuant to the terms of the UK Scheme, each Restricted Newbelco Shareholder holding more than 1% of Newbelco's total share capital will be required to enter into an agreement on their behalf on Completion with the AB InBev Reference Shareholder, under which:

- the AB InBev Reference Shareholder would be required to exercise the voting rights attached to its New Ordinary Shares to give effect to the terms of section 1, paragraph 2.2.2 (*Structure and composition of the Newbelco Board*) of this Prospectus in relation to the appointment and resignation of directors;
- each Restricted Newbelco Shareholder would be required to exercise the voting rights attached to their New Ordinary Shares and Restricted Newbelco Shares, as applicable, to give effect to the terms of section 1, paragraph 2.2.2 (*Structure and composition of the Newbelco Board*) of this Prospectus in relation to the appointment and resignation of directors; and

- each Restricted Newbelco Shareholder would only be permitted to exercise the voting rights attaching to their New Ordinary Shares and Restricted Newbelco Shares, as applicable, in favour of any resolution which would be proposed to modify the rights attached to Restricted Newbelco Shares, if such resolution has been approved by the holders of at least 75% of the Restricted Newbelco Shares and the New Ordinary Shares resulting from the conversion of Restricted Newbelco Shares previously held by Restricted Newbelco Shareholders.

#### 4.6 Consents necessary for variation of rights attaching to Newbelco's shares

For information relating to the consents necessary for variation of rights attaching to Newbelco's share post Completion, please see section 1, paragraph 4.2 (*Rights and benefits attaching to the Newbelco Shares*).

#### 4.7 Particulars of alteration of capital during the preceding three years [Regulation 60(b)]

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, there have been no alterations to the capital of Newbelco during the preceding three years.

#### 4.8 Summary of offers of securities of Newbelco to the public for subscription or sale during the preceding three years [Regulation 60(c)]

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, there have been no offers of securities of Newbelco to the public for subscription or sale during the preceding three years.

#### 4.9 Summary of any consolidations or subdivisions of securities during the preceding three years

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, there have been no consolidations or sub-divisions of the securities of Newbelco during the preceding three years.

### 5. OPTIONS OR PREFERENTIAL RIGHTS IN RESPECT OF SHARES [Regulation 61]

#### 5.1 Newbelco

As at the Last Practicable Date, there are no options or preferential rights in respect of the Incorporation Shares, being the only shares of Newbelco in issue as at the Last Practicable Date, however, the options detailed in paragraph 5.2 (*Share-based payment plans*) below will be applicable to Newbelco on completion of the Transaction.

For further information in respect of the rights of participants to be issued Newbelco Shares, or have Newbelco Shares delivered to them, under the Zenzele Scheme, please refer to Annexe G.

#### 5.2 Share-based payment plans

Newbelco's share-based payment plans will be inherited from AB InBev's existing plans, as set out in this paragraph 5.2 (*Share-based payment plans*) below. The existing stock options plans and awards of SABMiller will be treated as set out in paragraph 5.2.3 (*Treatment of SABMiller stock options and awards*) below.

##### 5.2.1 Overview of AB InBev existing plans

AB InBev currently has three primary share-based payment plans, namely the LTI Warrant Plan, established in 1999 and replaced by the LTI Stock Option Plan Directors in 2014, the Share-Based Compensation Plan, established in 2006 (and amended as from 2010) and the LTI Stock Option Plan Executives, established in 2009.

In addition, from time to time, AB InBev makes exceptional grants to its employees and employees of its subsidiaries or grants of shares or options under plans established by AB InBev or by certain of its subsidiaries, as further set out below.

##### 5.2.1.1 LTI Warrant Plan

Before 2014, AB InBev regularly issued warrants (*droits de souscription/warrants*, or rights to subscribe for newly issued shares) under its LTI Warrant Plan for the benefit of its directors and, until 2006, for the benefit of members of its executive board of management and other senior employees.

Each LTI warrant gives its holder the right to subscribe for one newly issued share. Shares subscribed for upon the exercise of LTI warrants are ordinary registered AB InBev Shares. Holders of such shares have the same rights as any other registered shareholder. The exercise price of LTI warrants is equal to the average price of AB InBev Shares on the regulated market of Euronext Brussels during the 30 days preceding their issue date. LTI warrants granted in the years prior to 2007 (except for 2003) have a duration of ten years. From 2007 onwards (and in 2003), LTI warrants have a duration of five years. LTI warrants are subject to a vesting period ranging from one to three years. Except as a result of the death of the holder, LTI warrants may not be transferred. Forfeiture of a warrant occurs in certain circumstances when the holder leaves AB InBev's employment. At the annual shareholders' meeting of AB InBev of 30 April 2014, all outstanding LTI warrants under AB InBev's LTI Warrant Plan were converted into LTI stock options, i.e., the right to purchase existing shares of AB InBev instead of the right to subscribe to newly issued ordinary shares. All other terms and conditions of the existing grants under the LTI Warrant Plan remain unchanged.

Since 2007, members of AB InBev's executive board of management and other employees are no longer eligible to receive warrants under the LTI Warrant Plan, but instead receive a portion of their compensation in the form of shares and options granted under AB InBev's Share-Based Compensation Plan and LTI Stock Option Plan Executives. See paragraph 5.2.1.2 (*Share-Based Compensation Plan*) and paragraph 5.2.1.3 (*LTI Stock Option Plan Executives*) below. Since 2014, AB InBev's directors are no longer eligible to receive warrants under the LTI Warrant Plan. Instead, on 30 April 2014, the annual shareholders' meeting of AB InBev decided to replace the LTI Warrant Plan with the LTI Stock Option Plan Directors. As a result, grants to AB InBev's directors now consist of LTI stock options instead of LTI warrants, i.e., the right to purchase existing shares instead of the right to subscribe to newly issued shares. Grants are made annually at AB InBev's shareholders' meeting on a discretionary basis upon recommendation of AB InBev's remuneration committee.

LTI stock options have an exercise price that is set equal to the market price of AB InBev's shares at the time of granting, with a maximum lifetime of ten years and an exercise period that starts after five years. The LTI stock options cliff vest after five years. Unvested options are subject to specific forfeiture provisions in the event that the directorship is not renewed upon the expiry of its term or is terminated in the course of its term, both due to a breach of duty by the director.

The table below provides an overview of all of the options outstanding under AB InBev's LTI Warrant Plan as of 31 December 2015:

LTI Plan	Issue date of Options	Expiry date of options	Number of options granted <sup>(1)(2)</sup>	Number of options outstanding <sup>(1)</sup>	Exercise price	Number of options outstanding <sup>(1)</sup>	Exercise price
			<i>Unadjusted<sup>(3)</sup></i>		<i>As adjusted as a result of rights offering<sup>(4)</sup></i>		
			<i>(in millions)</i>	<i>(in millions)</i>	<i>(in EUR)</i>	<i>(in millions)</i>	<i>(in EUR)</i>
1	29 June 1999	28 June 2009	1.301	0	14.23	0	8.90
2	26 October 1999	25 October 2009	0.046	0	13.76	–	–
3	25 April 2000	24 April 2010	2.425	0	11.64	0	7.28
4	31 October 2000	30 October 2010	0.397	0	25.02	0	15.64
5	13 March 2001	12 March 2011	1.186	0	30.23	0	18.90
6	23 April 2001	22 April 2011	0.343	0	29.74	0	18.59
7	4 September 2001	3 September 2011	0.053	0	28.69	0	17.94
8	11 December 2001	10 December 2011	1.919	0	28.87	0	18.05
9	13 June 2002	12 June 2012	0.245	0	32.70	0	20.44
10	10 December 2002	9 December 2012	3.464	0	21.83	0	13.65
11	29 April 2003	28 April 2008	0.066	0	19.51	–	–
12	27 April 2004	26 April 2014	3.881	0	23.02	0	14.39
13	26 April 2005	25 April 2015	2.544	0	27.08	0	16.93
14	25 April 2006	24 April 2016	0.688	0.074	38.70	0.004	24.20
15	24 April 2007	23 April 2012	0.120	0	55.41	–	–
16	29 April 2008	28 April 2013	0.120	0	58.31	–	–
17	28 April 2009	27 April 2014	1.199 <sup>(5)</sup>	0	21.72	–	–
18	27 April 2010	26 April 2015	0.215	0	37.51	–	–
19	26 April 2011	25 April 2016	0.215	0.095	40.92	–	–
20	27 April 2012	26 April 2017	0.200	0.180	54.71	–	–
21	24 April 2013	23 April 2018	0.185	0.185	76.20	–	–
<b>Total</b>			<b>20.812</b>	<b>0.534</b>		<b>0.004</b>	

Notes:

- <sup>(1)</sup> At the annual shareholders' meeting of 30 April 2014, all outstanding LTI warrants under the LTI Warrant Plan (see section 1, paragraph 5.2.1.1 (*LTI Warrant Plan*)) were converted into LTI stock options, i.e., the right to purchase existing ordinary shares instead of the right to subscribe to newly issued AB InBev Shares. All other terms and conditions of the existing grants under the LTI Warrant Plan remained unchanged.
- <sup>(2)</sup> The number of stock options granted reflects the number of warrants originally granted under the LTI Warrant Plan, plus the number of additional warrants granted to holders of those warrants as a result of the adjustment resulting from AB InBev's rights offering in December 2008, as described in more detail below. The number of stock options remaining outstanding from such grants, and their respective exercise prices, are shown separately in the table based on whether or not the relevant warrants, which have subsequently been converted to stock options, were adjusted in connection with AB InBev's rights offering in December 2008.
- <sup>(3)</sup> Entries in the "unadjusted" columns reflect the number of stock options outstanding, and the exercise price of such stock options, in each case that were not adjusted as a result of AB InBev's rights offering in December 2008, as described in more detail below.
- <sup>(4)</sup> Entries in the "adjusted" columns reflect the adjusted number of stock options outstanding, and the adjusted exercise price of such stock options as a result of AB InBev's rights offering in December 2008, as described in more detail below.
- <sup>(5)</sup> 984,203 of the 1,199,203 warrants granted on 28 April 2009 were granted to persons whose outstanding warrants were not adjusted as a result of AB InBev's rights offering in December 2008 to compensate such persons for the effects of this non-adjustment as described in more detail below.

As of 31 December 2015, the total number of stock options and warrants granted under the LTI Warrant Plan, including the additional warrants granted to compensate for the effects of the December 2008 rights offering, is approximately 20.8 million. As of 31 December 2015, of the 0.538 million outstanding stock options, 0.349 million were vested.

The LTI Warrant Plan terms and conditions provide that, in the event that a corporate change decided upon by AB InBev and having an impact on its capital has an unfavourable effect on the exercise price of the LTI stock options, their exercise price and/or the number of AB InBev Shares to which they give rights will be adjusted to protect the interests of their holders. AB InBev's rights offering in December 2008 constituted such a corporate change and triggered an adjustment. Pursuant to the LTI Warrant Plan terms and conditions, AB InBev determined that the most appropriate manner to account for the impact of the rights offering on the unexercised warrants was to apply the "ratio method" as set out in the NYSE Euronext "Liffe's Harmonised Corporate Action Policy," pursuant to which both the number of warrants and their exercise price were adjusted on the basis of a (P-E)/P ratio where "E" represented the theoretical value of the December 2008 rights and "P" represented the closing price of AB InBev Shares on Euronext Brussels on the day immediately preceding the beginning of the relevant rights subscription period. The unexercised warrants were adjusted on 17 December 2008, the day after the closing of the rights offering. Based on the above "ratio method," AB InBev used an adjustment ratio of 0.6252. The adjusted exercise price of the warrants equals the original exercise price multiplied by the adjustment ratio. The adjusted number of warrants equals the original number of warrants divided by the adjustment ratio. In total, 1,615,453 new warrants were granted pursuant to the adjustment.

The adjustment was not applied to warrants owned by persons that were directors at the time the warrants were granted. In order to compensate such persons, an additional 984,203 warrants were granted under the LTI grant on 28 April 2009, as authorised by AB InBev's 2009 shareholders' meeting. The table above reflects the adjusted exercise price and adjusted number of warrants.



The table below provides an overview of all of the stock options outstanding under AB InBev's new LTI Stock Option Plan Directors as of 31 December 2015:

Grant date of stock options	Expiry date of stock options	Number of options granted (in millions)	Number of options outstanding (in millions)	Exercise price (in EUR)
30 April 2014	29 April 2024	0.185	0.185	80.83
29 April 2015	28 April 2025	0.236	0.236	113.10
<b>Total</b>		<b>0.421</b>	<b>0.421</b>	

As of 31 December 2015, the total number of stock options granted under the LTI Stock Option Plan Directors is 0.421 million. As of 31 December 2015, of the 0.421 million outstanding options, none were vested.

#### 5.2.1.2 Share-Based Compensation Plan

Since 2006, members of AB InBev's executive board of management and certain other senior employees have been granted variable compensation under AB InBev's Share-Based Compensation Plan. On 5 March 2010, the general structure of the compensation under the plan was modified.

##### Share-Based Compensation Plan through 2009

Pursuant to the Share-Based Compensation Plan through 2009, half of each eligible employee's variable compensation was settled in AB InBev Shares. These shares must be held for three years (that is, the shares are fully owned by the employee from the date of grant but are subject to a lock-up of three years, and failure to comply with the lock-up results in forfeiture of any matching options granted under the plan as described below).

Through 2009, pursuant to the Share-Based Compensation Plan, eligible employees could elect to receive the other half of their variable compensation in cash or invest all or half of it in AB InBev Shares. These shares must be held for five years. If an eligible employee voluntarily agreed to defer receiving part of their variable compensation by electing to invest in such shares, they would receive matching options (that is, rights to acquire existing shares) that will become vested after five years, provided that certain pre-defined financial targets are met or exceeded. These targets which required AB InBev return on invested capital less AB InBev weighted average cost of capital over a period of three to five years to exceed certain pre-agreed thresholds, were met for all matching options granted. The number of matching options received was determined based on the proportion of the remaining 50% of the eligible employee's variable compensation that he invested in such shares. For instance, if an eligible employee invested all of the remaining 50% of his variable compensation in AB InBev Shares, he received a number of options equal to 4.6 times the number of shares he purchased, based on the gross amount of the variable compensation invested. If the eligible employee instead chose to receive 25% of his total variable compensation in cash and invests the remaining 25% in AB InBev Shares, he would receive a number of options equal to 2.3 times the number of shares he purchased, based on the gross amount of the variable compensation invested.

The shares granted and purchased under the Share-Based Compensation Plan through 2009 were ordinary registered AB InBev Shares. Holders of such shares have the same rights as any other registered shareholder, subject, however, to a three-year or five-year lock-up period, as described above.

In addition, the shares granted and purchased under the Share-Based Compensation Plan through 2009 are:

- entitled to dividends paid as from the date of granting; and
- granted and purchased at the market price at the time of granting. Nevertheless, the AB InBev Board could, at its sole discretion, grant a discount on the market price.

The matching options granted under the Share-Based Compensation Plan have the following features:

- the exercise price is set equal to the market price of AB InBev Shares at the time of granting;
- options have a maximum life of ten years and an exercise period that starts after five years, subject to financial performance conditions to be met at the end of the second, third or fourth year following the granting;
- upon exercise, each option entitles the option holder to purchase one share; and
- specific restrictions or forfeiture provisions apply in case the grantee leaves AB InBev's employment.

The table below gives an overview of the matching options that were granted under the Share-Based Compensation Plan that were outstanding as of 31 December 2015:

Issue Date	Number of shares granted (in millions)	Number of matching Options granted <sup>(3)</sup> (in millions)	Number of matching options outstanding (in millions)	Exercise price (in EUR)	Expiry date of options
27 April 2006	0.28	0.98	0.005	24.78	26 April 2016
2 April 2007 <sup>(1)</sup>	0.44	1.42	0.009	33.59	1 April 2017
3 March 2008	0.42	1.66	0.105	34.34	2 March 2018
6 March 2009	0.16	0.40	0.135	20.49	5 March 2019
14 August 2009	1.10	3.76	0.787	27.06	13 August 2019
1 December 2009 <sup>(2)</sup>	–	0.23	0.002	33.24	26 April 2016
1 December 2009 <sup>(2)</sup>	–	0.39	0	33.24	1 April 2017
1 December 2009 <sup>(2)</sup>	–	0.46	0.004	33.24	2 March 2018
1 December 2009 <sup>(2)</sup>	–	0.02	0	33.24	5 March 2019
5 March 2010	0.28	0.70	0.305	36.52	4 March 2020
30 November 2010 <sup>(2)</sup>	–	0.03	0	42.41	26 April 2016
30 November 2010 <sup>(2)</sup>	–	0.02	0	42.41	1 April 2017
30 November 2010 <sup>(2)</sup>	–	0.02	0.002	42.41	2 March 2018
30 November 2010 <sup>(2)</sup>	–	0.03	0.003	42.41	13 August 2019
30 November 2010 <sup>(2)</sup>	–	0.03	0.025	42.41	4 March 2020
30 November 2011 <sup>(2)</sup>	–	0.01	0	44.00	26 April 2016
30 November 2011 <sup>(2)</sup>	–	0.01	0	44.00	1 April 2017
30 November 2011 <sup>(2)</sup>	–	0.01	0	44.00	2 March 2018
30 November 2011 <sup>(2)</sup>	–	0.01	0	44.00	5 March 2019
30 November 2011 <sup>(2)</sup>	–	0.03	0.002	44.00	13 August 2019
30 November 2011 <sup>(2)</sup>	–	0.01	0.006	44.00	4 March 2020
25 January 2013 <sup>(2)</sup>	–	0.01	0.005	67.60	2 March 2018
25 January 2013 <sup>(2)</sup>	–	0.01	0.008	67.60	13 August 2019
25 January 2013 <sup>(2)</sup>	–	0.01	0.009	67.60	4 March 2020
15 May 2013 <sup>(2)</sup>	–	0.05	0.049	75.82	2 March 2018
15 May 2013 <sup>(2)</sup>	–	0.04	0.042	75.82	5 March 2019
15 May 2013 <sup>(2)</sup>	–	0.08	0.078	75.82	13 August 2019
15 May 2013 <sup>(2)</sup>	–	0.01	0	75.82	4 March 2020
15 January 2014 <sup>(2)</sup>	–	0.002	0.002	75.29	2 March 2018
15 January 2014 <sup>(2)</sup>	–	0.005	0.003	75.29	5 March 2019
15 January 2014 <sup>(2)</sup>	–	0.005	0.005	75.29	13 August 2019
15 January 2014 <sup>(2)</sup>	–	0.007	0.007	75.29	4 March 2020
12 June 2014 <sup>(2)</sup>	–	0.006	0.006	83.29	13 August 2019
12 June 2014 <sup>(2)</sup>	–	0.002	0.002	83.29	4 March 2020
1 December 2014 <sup>(2)</sup>	–	0.002	0.002	94.46	4 March 2020
<b>Total</b>	<b>2.68</b>	<b>10.469</b>	<b>1.608</b>		

Notes:

<sup>(1)</sup> Certain matching options granted in April 2007 have an exercise price of EUR 33.79 (USD 41.02).

<sup>(2)</sup> Further to the establishment of AB InBev's New York functional support office, AB InBev has established a "dividend waiver" program, which aims at encouraging the international mobility of executives while complying with all legal and tax obligations. According to this program, where applicable, the dividend protection feature of the outstanding matching options owned by executives who moved to the United States, has been cancelled. In order to compensate for the economic loss which results from this cancellation, a number of new matching options have been granted to these executives with a value equal to this economic loss. The new options have a strike price equal to the share price on the day preceding the grant date of the options. All other terms and conditions, in particular with respect to vesting, exercise limitations and forfeiture rules of the new options, are identical to the outstanding matching options for which the dividend protection feature was cancelled. The table above includes the new options.

<sup>(3)</sup> The Share-Based Compensation Plan terms and conditions provide that, in the event that a corporate change decided by AB InBev and having an impact on its capital has an unfavourable effect on the exercise price of the matching options, the exercise price and/or number of AB InBev Shares to which the options relate will be adjusted to protect the interests of the option holders. AB InBev's December 2008 rights offering constituted such a corporate change and triggered an adjustment. Pursuant to the Share-Based Compensation Plan terms and conditions, the unexercised matching options were adjusted in the same manner as the unexercised LTI warrants (see section 1, paragraph 5.2.1.1 (*LTI Warrant Plan*) above), and 1.37 million new matching options were granted in 2008 in connection with this adjustment. The table above reflects the adjusted exercise price and number of options.

As of 31 December 2015, of the 1.61 million outstanding matching options, all were vested.

#### Share-Based Compensation Plan from 2010

On 5 March 2010, AB InBev modified the structure of the Share-Based Compensation Plan for certain executives, including members of its executive board of management and other senior management in its general headquarters. These executives receive their variable compensation in cash<sup>5</sup> but have the choice to invest some or all of the value of their variable compensation in AB InBev Shares to be held for a five-year period, referred to as voluntary shares. Such voluntary investment leads to a 10% discount to the market price of the shares. Further, AB InBev will match such voluntary investment by granting three matching shares for each voluntary share invested, up to a limited total percentage of each executive's variable compensation. The matching is based on the gross amount of the variable compensation invested. The percentage of the variable compensation that is entitled to get matching shares varies depending on the position of the executive. The Chief Executive Officer and members of AB InBev's executive board of management currently may take up to a maximum of 60% of their variable compensation with matching shares. The current maximum for executives below the executive board of management is 40% or less. From 1 January 2011, the new plan structure applies to all other senior management.

<sup>5</sup> Depending on local regulations, the cash element in the variable compensation may be replaced by options which are linked to a stock market index or an investment fund of listed European blue-chip companies.

Voluntary shares are:

- existing AB InBev Shares;
- entitled to dividends paid as from the date of granting;
- subject to a lock-up period of five years; and
- granted at market price. The discount is at the discretion of the AB InBev Board. Currently, the discount is 10%, which is delivered as restricted stock units subject to specific restrictions or forfeiture provisions in case of termination of service.

Matching shares and discounted shares are granted in the form of restricted stock units which will be vested after five years. In case of termination of service before the vesting date, special forfeiture rules will apply. No performance conditions apply to the vesting of the restricted stock units. However, restricted stock units will only be granted under the double condition that the executive:

- has earned a bonus, which is subject to the successful achievement of total company, business unit and individual performance targets (performance condition); and
- has agreed to reinvest all or part of his or her bonus in company shares that are locked for a five-year period (ownership condition).

In accordance with the authorisation granted in AB InBev's bylaws, as amended by the general shareholders' meeting of 26 April 2011, the variable compensation system deviates from article 520 of the Belgian Companies Code, as it allows:

- for the variable remuneration to be paid out based on the achievement of annual targets without staggering its grant or payment over a three-year period. However, executives are encouraged to invest some or all of their variable compensation in voluntary shares, which are blocked for five years. Such voluntary investment also leads to a grant of matching shares in the form of restricted stock units which only vest after five years, ensuring sustainable long-term performance; and
- for the voluntary shares granted under the share-based compensation plan to vest at their grant, instead of applying a vesting period of a minimum of three years. Nonetheless, as indicated above, the voluntary shares remain blocked for five years. On the other hand, any matching shares that are granted will only vest after five years.

During 2015, AB InBev issued 0.36 million of matching restricted stock units pursuant to the new Share-Based Compensation Plan as described above, in relation to the 2014 bonus. These matching restricted stock units are valued at the share price at the day of grant, representing a fair value of approximately USD 45.41 million.

During 2015, AB InBev also issued 0.07 million of matching restricted stock units pursuant to the new Share-Based Compensation Plan as described above, in relation to the 2015 half-year bonus for the North American Zone. These matching restricted stock units are valued at the share price at the day of grant, representing a fair value of approximately USD 8.83 million.

### 5.2.1.3 LTI Stock Option Plan Executives

As from 1 July 2009, senior employees are eligible for an annual long-term incentive to be paid out in LTI stock options (or, in the future, similar share-based instruments), depending on management's assessment of the employee's performance and future potential.

LTI stock options have the following features:

- upon exercise, each LTI stock option entitles the option holder to one share. As of 2010, AB InBev has also issued LTI stock options entitling the holder to one ADS;
- an exercise price that is set equal to the market price of AB InBev Share or AB InBev ADS at the time of granting;
- a maximum lifetime of ten years and an exercise period that starts after five years; and
- the LTI stock options cliff vest after five years. Unvested options are subject to specific forfeiture provisions in case of termination of service before the end of the five-year vesting period.

The table below gives an overview of the LTI stock options on AB InBev Shares that have been granted under the LTI Stock Option Plan outstanding as of 31 December 2015:

Issue Date	Number of LTI stock options granted (in millions)	Number of LTI stock options outstanding (in millions)	Exercise price (in EUR)	Expiry date of options
18 December 2009	1.54	0.80	35.90	17 December 2019
30 November 2010	2.80	1.76	42.41	29 November 2020
30 November 2011	2.85	2.29	44.00	29 November 2021
30 November 2012	2.75	2.45	66.56	29 November 2022
14 December 2012	0.22	0.18	66.88	13 December 2022
2 December 2013	2.48	2.32	75.15	1 December 2023
19 December 2013	0.37	0.34	74.49	18 December 2023
1 December 2014	2.48	2.41	94.46	30 November 2024
17 December 2014	0.53	0.53	88.53	16 December 2024
1 December 2015	1.70	1.70	121.95	30 November 2025
22 December 2015	1.90	1.90	113.00	21 December 2025
<b>Total</b>	<b>19.62</b>	<b>16.68</b>		

The table below gives an overview of the LTI stock options on AB InBev's American Depositary Shares that have been granted under the LTI Stock Option Plan outstanding as of 31 December 2015:

Issue Date	Number of LTI stock options granted (in millions)	Number of LTI stock options outstanding (in millions)	Exercise price (in USD)	Expiry date of options
30 November 2010	1.23	0.71	56.02	29 November 2020
30 November 2011	1.17	0.91	58.44	29 November 2021
30 November 2012	1.16	0.92	86.43	29 November 2022
14 December 2012	0.17	0.15	87.34	13 December 2022
2 December 2013	1.05	0.89	102.11	1 December 2023
19 December 2013	0.09	0.09	103.39	18 December 2023
1 December 2014	1.04	0.95	116.99	30 November 2024
17 December 2014	0.22	0.21	108.93	16 December 2024
1 December 2015	1.00	1.00	128.46	30 November 2025
22 December 2015	0.14	0.14	123.81	21 December 2025
<b>Total</b>	<b>7.27</b>	<b>5.97</b>		

#### 5.2.1.4 Long-Term Restricted Stock Unit Programs

As of 2010, AB InBev has in place three Restricted Stock Unit Programs.

*Restricted Stock Units Program:* This program allows for the offer of restricted stock units to certain employees in certain specific circumstances. Grants are made at the discretion of AB InBev's Chief Executive Officer. For example, grants may be made to compensate for assignments of expatriates in countries with difficult living conditions. The characteristics of the restricted stock units are identical to the characteristics of the Matching Shares that are granted as part of the Share-Based Compensation Plan. See paragraph 5.2.1.2 (*Share-Based Compensation Plan – Share-Based Compensation Plan from 2010*) above. The restricted stock units vest after five years and in the case of termination of service before the vesting date, specific forfeiture rules apply. In 2015, 0.12 million restricted stock units were granted under the program to AB InBev's senior management.

*Exceptional Incentive Restricted Stock Units Program:* This program allows for the exceptional offer of restricted stock units to certain employees at the discretion of AB InBev's Remuneration Committee as a long-term retention incentive for AB InBev's key employees. Employees eligible to receive a grant under the program will receive two series of restricted stock units. The first half of the restricted stock units vests after five years. The second half of the restricted stock units vests after ten years. In case of termination of service before the vesting date, specific forfeiture rules apply. In 2015, 0.21 million restricted stock units were granted under the program to AB InBev's senior management.

*Share Purchase Program:* This program allows certain employees to purchase AB InBev Shares at a discount. This program is a long-term retention incentive (i) for high-potential employees who are at a mid-manager level (*People Bet Share Purchase Program*), or (ii) for newly hired employees. A voluntary investment in AB InBev Shares by the participating employee is matched with a grant of three matching shares for each share invested. The discount and matching shares are granted in the form of restricted stock units which vest after five years. In case of termination before the vesting date, special forfeiture rules apply. In 2015, AB InBev employees purchased 0.01 million shares under the program.

#### 5.2.1.5 Ambev Exchange of Share-Ownership Program

The combination with Ambev in 2004 provided AB InBev with a unique opportunity to share best practices within its group and from time to time involves the transfer of certain members of Ambev's senior management to AB InBev. As a result, the AB InBev Board approved a Program that allows for the exchange by these managers of their Ambev shares for AB InBev shares. Under the ABI/Ambev Exchange Program, Ambev shares can be exchanged for AB InBev Shares based on the average share price of both the Ambev and AB InBev shares on the date the exchange is requested. A discount of 16.66% is granted in exchange for a five-year lock-up period for the shares and provided that the manager remains in service during this period.

In total, members of AB InBev's senior management exchanged 5.3 million Ambev shares for a total of 0.28 million of AB InBev Shares in 2015 (0.62 million in 2014 and 0.13 million in 2013). The fair value of these transactions amounted to approximately USD 5.90 million in 2015 (USD 12.01 million in 2014 and USD 2.2 million in 2013).

#### 5.2.1.6 Programs for Maintaining Consistency of Benefits Granted and for Encouraging Global Mobility of Executives

The AB InBev Board recommended to the AB InBev Shareholders for approval two programs that are aimed at maintaining consistency of benefits granted to executives and at encouraging the international mobility of executives while complying with all legal and tax obligations, which were approved at the annual shareholders' meeting of 27 April 2010.

*The Exchange Program:* Under this program, the vesting and transferability restrictions of the Series A Options granted under the November 2008 Exceptional Grant<sup>6</sup> and of the Options granted under the April 2009 Exceptional Grant<sup>7</sup> could be released, e.g. for executives who moved to the United States. These executives were then offered the opportunity to exchange their options against a number of AB InBev Shares that remain locked-up until 31 December 2018.

<sup>6</sup> The Series A Options have a duration of ten years from granting and vested on 1 January 2014. The Series B Options have a duration of 15 years from granting and vest on 1 January 2019. The exercise of the stock options is subject, among other things, to AB InBev meeting a performance test. This performance test has been met as the net debt/EBITDA, as defined (adjusted for exceptional items) ratio fell below 2.5 before 31 December 2013. Specific forfeiture rules apply in the case of termination of employment. The exercise price of the options is EUR 10.32 (USD 12.53) or EUR 10.50 (USD 12.75), which corresponds to the fair market value of the shares at the time of the option grant, as adjusted for the rights offering that took place in December 2008.

<sup>7</sup> The options have a duration of ten years from granting and vested on 1 January 2014. The exercise of the stock options is subject, among other things, to AB InBev meeting a performance test. This performance test has been met as the net debt/EBITDA, as defined (adjusted for exceptional items) ratio fell below 2.5 before 31 December 2013. Specific forfeiture rules apply in the case of termination of employment. The exercise price of the options is EUR 21.94 (USD 26.64) or EUR 23.28 (USD 28.26), which corresponds to the fair market value of the shares at the time of the option grant.

Because the Series A Options granted under the November 2008 Exceptional Grant and the Options granted under the April 2009 Exceptional Grant vested on 1 January 2014, the Exchange program is no longer relevant for these options. Instead, the Exchange program has now become applicable to the Series B Options granted under the November 2008 Exceptional Grant. Under the extended program, executives who are relocated, e.g., to the United States, can elect to exchange their options against a number of AB InBev Shares that remain locked-up until 31 December 2023.

In 2015, no exchanges were executed under this program.

The remuneration committee of AB InBev has also approved a variant of the Exchange program, which allows the early release of the vesting conditions of the Series B Options granted under the November 2008 Exceptional Grant for executives who are relocated, e.g. to the United States. The shares that result from the exercise of these options will remain blocked until 31 December 2023. In accordance with this approval, Pedro Earp, a member of the executive board of management of AB InBev, exercised 0.30 million options in 2015. Other members of the senior management have exercised approximately 0.66 million options.

*The Dividend Waiver Program:* The dividend protection feature of the outstanding options, where applicable, owned by executives who move to the United States will be cancelled. In order to compensate for the economic loss which results from this cancellation, a number of new options is granted to these executives with a value equal to this economic loss. The new options have a strike price equal to the share price on the day preceding the grant date of the options. All other terms and conditions, in particular with respect to vesting, exercise limitations and forfeiture rules of the new options are identical to the outstanding options for which the dividend protection feature is cancelled. As a consequence, the grant of these new options does not result in the grant of any additional economic benefit to the executives concerned. In 2015, no new options were granted under this program.

All other terms and conditions of the options are identical to the outstanding options for which the dividend protection was cancelled.

#### 5.2.1.7 **Exceptional Incentive Stock Options ("2020 Dream Incentive Plan")**

On 22 December 2015, approximately 4.8 million options were granted to a select group of approximately 65 members of AB InBev's senior management, who are considered to be instrumental in helping AB InBev achieve its ambitious growth target. Each option gives the grantee the right to purchase one existing share. The exercise price of the options is EUR 113.00, which corresponds to the closing share price on the day preceding the grant date.

The options have a duration of ten years from granting and vest after five years. The exercise of the exceptional incentive stock options is subject to a performance test under which AB InBev must meet an absolute net revenue target by 2022 at the latest.

No exceptional incentive stock options were granted to members of the executive board of management of AB InBev.

#### 5.2.1.8 **New Performance Related Incentive Plan for Disruptive Growth Function**

In 2016 AB InBev will implement a new performance related incentive plan, which will substitute the long-term incentive stock option plan for those executives in the Disruptive Growth Function. The Disruptive Growth Function was created in 2015 to accelerate new business development opportunities, focusing on initiatives in e-commerce, mobile, craft and branded experiences, such as brew pubs, and is headed by Pedro Earp, Chief Disruptive Growth Officer of AB InBev.

The new incentive plan, which is inspired by compensation models in technology and start-up businesses, aims at specifically linking compensation to the value creation and success of the disruptive growth business within the AB InBev Group.

Executives will be granted performance share units whose value will depend on the internal rate of return of their business area. The units will vest after 5 years, provided a performance test is met, which is based on a minimal growth rate of the internal rate of return. At vesting, the performance share units may be settled in cash or in AB InBev Shares. Specific forfeiture rules apply if the executive leaves the AB InBev Group.

#### 5.2.2 **Treatment of AB InBev stock options and restricted stock units**

Upon Completion, under the terms of each of the plans described above, the rights and obligations of AB InBev with regard to stock options and restricted stock units will be automatically transferred to Newbelco. Stock options in respect of AB InBev Shares will be converted into equivalent stock options in respect of Newbelco Shares. In accordance with the relevant rules of the plans, the number of shares to which each option will give rights and the exercise price thereof will be determined at the sole discretion of the AB InBev Board, taking into account various factors, including existing market practices, taxation and other applicable laws in the relevant jurisdictions to avoid material adverse tax implications resulting from such conversion for the holders of AB InBev stock options and restricted stock units. Additionally, the 2020 Dream Incentive Plan of AB InBev contains certain performance targets. These targets may be easier or more difficult to reach if the Transaction completes, which may affect holders of AB InBev stock options under the 2020 Dream Incentive Plan. Following the Transaction, holders of restricted stock units will no longer have the right to AB InBev Shares but will instead have the right to Newbelco Shares. The number of Newbelco Shares to which each restricted stock unit will give rights will be determined at the sole discretion of the AB InBev Board, taking into account various factors, including existing market practices, taxation and other applicable laws in the relevant jurisdictions.

#### 5.2.3 **Treatment of SABMiller stock options and awards**

Awards granted under the SABMiller share-based payment plans (other than the Zenzele Scheme described in Annexe G) will be treated as described below.

Performance share awards granted under the SABMiller Share Award Plan will vest on sanction of the UK Scheme by the UK Court in accordance with the rules of the SABMiller Share Award Plan and subject to time pro-rating. In accordance with SABMiller's previous practice, time pro-rating will be calculated over a 12-month period so that any awards granted or having a performance period beginning 12 months or more before the sanction of the UK Scheme by the UK Court will vest in full. SABMiller will satisfy all vested performance share awards outstanding under the SABMiller Share Award Plan prior to the UK Scheme Record Time.

Stock appreciation rights granted under the SABMiller Share Option Plans will vest and become exercisable on sanction of the UK Scheme by the UK Court in accordance with the rules of the relevant SABMiller Share Option Plans and subject to time pro-

rating calculated in the same manner as for performance share awards described above. Stock appreciation rights that are exercised prior to but conditional upon the UK Court sanctioning the UK Scheme will be satisfied prior to the UK Scheme Record Time. Stock appreciation rights that are not exercised prior to the UK Scheme Record Time may only be exercised, and will be satisfied, following Completion.

Share options granted under the SABMiller Share Option Plans will vest and become exercisable on sanction of the UK Scheme by the UK Court or following Completion in accordance with the rules of the relevant SABMiller Share Option Plans and subject to time pro-rating calculated in the same manner as for performance share awards described above. Options that become exercisable on sanction of the UK Scheme by the UK Court and are exercised prior to but conditional upon the UK Court sanctioning the UK Scheme will be satisfied prior to the UK Scheme Record Time. Options that are not exercised prior to the UK Scheme Record Time may only be exercised, and will be satisfied, following Completion. Options that become exercisable and are exercised following Completion will be satisfied following Completion.

Value share awards granted under the SABMiller Share Award Plan will vest on sanction of the UK Scheme by the UK Court in accordance with the rules of the SABMiller Share Award Plan and the number of shares which vest will be calculated in accordance with the applicable performance condition shortly before the UK Court sanctions the UK Scheme. SABMiller will satisfy all vested value share awards outstanding under the SABMiller Share Award Plan prior to the UK Scheme Record Time.

SABMiller Shares outstanding under the SABMiller plc Employee Share Purchase Plan will vest on sanction of the UK Scheme by the UK Court in accordance with the rules of the SABMiller plc Employee Share Purchase Plan and be released in full to participants prior to the UK Scheme Record Time.

Awards which vest and options and stock appreciation rights which vest and are exercised prior to the UK Scheme Record Time will be satisfied by an allotment, issue or transfer of SABMiller Shares prior to the UK Scheme Record Time. The UK Scheme will extend to such SABMiller Shares.

Options and stock appreciation rights which are not exercised prior to the UK Scheme Record Time may only be exercised, and will be satisfied, following Completion. Unless SABMiller and AB InBev agree otherwise, these options and stock appreciation rights will be satisfied by an allotment, issue or transfer of SABMiller Shares. Any SABMiller Shares issued, allotted or transferred following Completion in satisfaction of options or stock appreciation rights which are or first become exercisable in the period commencing with the UK Court sanctioning the UK Scheme and ending on Completion (and which are not in fact exercised and satisfied prior to the UK Scheme Record Time), will be immediately repurchased by SABMiller for £45.00 per SABMiller Share. Any SABMiller Shares issued, allotted or transferred following Completion in satisfaction of options or stock appreciation rights which first become exercisable on or after Completion will be immediately transferred to Newbelco in exchange for £45.00 per SABMiller Share. The terms of these repurchases and transfers are set out in the proposed amendments to SABMiller's articles of association which will be put forward for approval at the SABMiller General Meeting.

No option or stock appreciation right may be exercised and no allotment, issue or transfer of SABMiller Shares will take place in the period from and including the UK Scheme Record Time to and including Completion.

As at the close of business on 30 June 2016, up to 46,228,377 additional SABMiller Shares (excluding up to 51,645 awards that will be settled in cash, and assuming full-vesting of value share awards under the SABMiller Share Plans) which may be issued or transferred from treasury on or after the date of this Prospectus and prior to the UK Scheme Record Time on the exercise of options or vesting of awards under the SABMiller Share Plans, netted off against 11,083,797 SABMiller Shares held in SABMiller's Employee Benefit Trust. 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 may need to be issued or transferred from treasury.

The total number of SABMiller Shares in respect of which members of SABMiller's executive committee, two of whom are executive directors, hold unvested awards, options and stock appreciation rights under the above plans was 2,696,377 as at 30 June 2016. Such awards, options and stock appreciation rights will vest subject to time pro-rating as summarised above.

The numbers provided above assume full-vesting of value share awards under the SABMiller Share Award Plan. The actual number of SABMiller Shares released under such awards will be determined by reference to SABMiller's total shareholder return compared against a comparator group calculated at the end of three, four and five-year performance periods.

## **6. COMMISSIONS PAID AND PAYABLE IN RESPECT OF UNDERWRITING [Regulation 62]**

Subject to the below, no consideration has been paid by Newbelco since incorporation, and no commissions are payable in respect of the Transaction as commission, to any person for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any securities in Newbelco.

SABMiller International BV has paid and will continue to pay Intertrust for Intertrust's incorporation, company secretarial and administrative services relating to Newbelco for the period prior to Completion, which payments shall be reimbursed to SABMiller International BV by AB InBev in accordance with the terms of the Co-operation Agreement.

## **7. MATERIAL CONTRACTS AND ARRANGEMENTS [Regulation 63]**

### **7.1 Material Contracts of Newbelco**

The Initial Newbelco Directors have not entered into service contracts with Newbelco nor do they receive any remuneration from Newbelco in their capacity as Initial Newbelco Directors.

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, Newbelco has not entered into any Material Contracts.

SABMiller International BV has paid and will continue to pay Intertrust for Intertrust's incorporation, company secretarial and administrative services relating to Newbelco for the period prior to Completion, which payments shall be reimbursed to SABMiller International BV by AB InBev in accordance with the terms of the Co-operation Agreement.

### **7.2 Material contracts and arrangements of AB InBev**

The following contracts and arrangements have been entered into by AB InBev within the two years immediately preceding the date of this Prospectus or contain provisions under which AB InBev or another member of its group has an obligation or entitlement which is material to the AB InBev Group:

#### **7.2.1 Material contracts and arrangements relating to the Transaction**

##### **7.2.1.1 2015 Senior Facilities Agreement**

On 28 October 2015, AB InBev entered into an unsecured USD 75.0 billion senior facilities agreement with the 2015 Senior Facilities Syndicate. The 2015 Senior Facilities Agreement made the following five facilities available to AB

InBev and its wholly-owned subsidiaries, subject to certain conditions: (i) "Cash/DCM ('debt capital markets') Bridge Facility A", a 364-day bridge facility for up to USD 15.0 billion principal amount available, (ii) "Cash/DCM Bridge Facility B", a 364-day bridge facility, with an option to extend for an additional 12 months, for up to USD 15.0 billion principal amount available, (iii) "Disposals Bridge Facility", a 364-day bridge facility for up to USD 10.0 billion principal amount available, (iv) "Term Facility A", a two-year term facility, with an option to extend for an additional 12 months, for up to USD 25.0 billion principal amount available, and (v) "Term Facility B", a five-year term facility for up to USD 10.0 billion principal amount available. The facilities are to be drawn in USD, except that a portion of each facility may be drawn in euro at AB InBev's option.

On 27 January 2016, AB InBev cancelled USD 42.5 billion of commitments available under the 2015 Senior Facilities Agreement following the issuance of the January 2016 U.S. Notes, in which it received approximately USD 47.0 billion of net proceeds. Following the receipt of the proceeds from the issuance of the January 2016 U.S. Notes, AB InBev was required to cancel Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B in accordance with the mandatory cancellation and prepayment provisions described below. In addition, AB InBev elected to cancel USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement. On 4 April 2016, AB InBev cancelled the remaining USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement, as a result of the bond issuance of 29 March 2016.

Accordingly, as of the date of this Prospectus, the total committed amount under the 2015 Senior Facilities Agreement is USD 20.0 billion, comprised of USD 10.0 billion under Term Facility B and USD 10.0 billion under the Disposals Bridge Facility. AB InBev intends to use the net proceeds from the Transaction-related Divestitures to pay down and cancel the Disposals Bridge Facility in due course.

Each outstanding facility is available to be drawn until the earlier of (i) 28 October 2016, subject to an extension up to 28 April 2017, at AB InBev's option, (ii) two months after the settlement date of the Belgian Offer, and (iii) the date on which the UK Scheme or the Belgian Offer permanently lapses, terminates, is withdrawn or (in the case of the UK Scheme) is rejected by the UK Court without being implemented or, if the reason for such lapse, termination or withdrawal of the UK Scheme is a decision by AB InBev to proceed with the Transaction by way of a UK Offer, the date falling four weeks after the UK Scheme lapse or termination date or the date on which AB InBev presents the 2015 Senior Facilities Syndicate with an amendment consent request in relation to such UK Offer. For so long as the facilities are available to be drawn, the commitments under those facilities will be available on a certain funds basis, subject to certain customary limitations.

The 2015 Senior Facilities Agreement contains customary representations, covenants and events of default. Among other things and subject to certain thresholds and limitations, an event of default is triggered if any of AB InBev's or AB InBev's subsidiaries' financial indebtedness is accelerated following an event of default. AB InBev's obligations as borrower under the 2015 Senior Facilities Agreement will be jointly and severally guaranteed by AB InBev itself (in the event an additional borrower is added at a later date), Anheuser-Busch InBev Worldwide Inc., Anheuser-Busch Companies, LLC, ABIFI, Brandbrew S.A., Brandbev S.à.r.l. and Cobrew SA/NV. Within six months of the settlement date of the Belgian Offer, to the extent such entities remain obligors under SABMiller's existing publicly held debt securities (and subject to certain other conditions, including the absence of financial assistance, general statutory limitations, corporate benefit considerations, the absence of fraudulent preference or similar principles that may affect the ability of entities to provide a guarantee), SABMiller and certain of its key subsidiaries are required to accede as guarantors to the 2015 Senior Facilities Agreement.

All proceeds from the drawdown under the 2015 Senior Facilities Agreement must be applied to finance the cash consideration payable pursuant to the Belgian Offer, the settlement of any options of the SABMiller Share Plans exercised upon Completion and, following the settlement date of the Belgian Offer, for financing fees, costs and expenses incurred in connection with the Transaction and the refinancing of any existing SABMiller Group indebtedness.

The availability of funds under the 2015 Senior Facilities Agreement is subject to the satisfaction of customary conditions precedent. In addition to these conditions, the utilisations under the 2015 Senior Facilities Agreement also require that no major default is continuing or would result from the proposed utilisations and that certain representations made by the borrower and each guarantor remain true in all material respects.

The interest rates applicable under the 2015 Senior Facilities Agreement are equal to LIBOR (or EURIBOR, for euro-denominated loans) plus the applicable margin on each facility, based on ratings assigned by rating agencies to AB InBev's long-term debt. For Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B, the margin ranges between 0.85% per annum and 1.30% per annum, which margin would have increased in fixed increments of 0.20% per annum from the date falling three months after the settlement date of the Belgian Offer and on the last business day of each successive three-month period thereafter. For the Disposals Bridge Facility, the margin ranges between 0.85% per annum and 1.30% per annum. For Term Facility A, the margin ranges between 0.90% per annum and 1.35% per annum. For Term Facility B, the margin ranges between 1.00% per annum and 1.45% per annum, which margin will increase in fixed increments of 0.0625% per annum from the date falling thirty-six months after the settlement date of the Belgian Offer and on the last business day of each successive three-month period thereafter.

Prior to 15 September 2015, the date on which renewed public speculation relating to the possible business combination between AB InBev and SABMiller began, AB InBev had been assigned a rating of A (stable outlook) by S&P Global Ratings (formerly Standard & Poor's Ratings Services) and A2 (positive outlook) by Moody's Investors Service. Since 15 September 2015, S&P Global Ratings downgraded its rating for AB InBev's long-term debt obligations to A- with stable outlook. In September 2015, Moody's Investors Service changed AB InBev's outlook to "Developing", citing downward rating pressure if the Transaction completes due to higher leverage and certain integration risks, and stating that, if the Transaction does not complete, the rating could be affirmed or even raised. Moody's Investors Service also assigned a provisional rating of (P)A3 to AB InBev's January 2016 Notes at the time of issuance. The March 2016 Notes were assigned a rating of A- (stable outlook) by S&P Global Ratings and A2 Developing by Moody's Investors Service. In May 2016, Moody's Investors Service concluded its ratings review and assigned a rating of A3 (stable outlook) to AB InBev's long-term debt obligations, the January 2016 Notes and the March 2016 Notes.

Based on AB InBev's ratings as of the date of this Prospectus, the applicable margins for each facility were (i) for Cash/DCM Bridge Facility A, Cash/DCM Bridge Facility B and the Disposals Bridge Facility, 1.00% per annum, (ii) for Term Facility A, 1.10% per annum and (iii) for Term Facility B, 1.25% per annum. Customary ticking fees are payable on any undrawn but available funds under the facilities.

Mandatory prepayments are not required to be made under the 2015 Senior Facilities Agreement, except in certain limited circumstances, including (i) for Cash/DCM Bridge Facility A, Cash/DCM Bridge Facility B and the Disposals Bridge Facility, an amount equal to (a) the net proceeds of any disposal made by SABMiller or its subsidiaries or AB InBev or its subsidiaries and (b) 80% of the net proceeds received by AB InBev or its subsidiaries from funds raised in any public or private loan or debt capital markets, in each case subject to certain exceptions, and (ii) for all facilities, where a person or a group of persons acting in concert (other than the AB InBev Reference Shareholder or any of its certificate holders or any persons or group of persons acting in concert with such persons) acquires control of AB InBev.

Under the terms of the 2015 Senior Facilities Agreement, once borrowed, prepayments of the facilities are applied as follows:

- voluntary prepayments will be applied first to prepay the Disposals Bridge Facility until it is repaid in full and cancelled, then to the Cash/DCM Bridge Facility A until it is repaid in full and cancelled, then to the Cash/DCM Bridge Facility B until it is repaid in full and cancelled, then to Term Facility A until it repaid in full and cancelled and finally to Term Facility B until it is repaid in full and cancelled;
- the net cash proceeds from disposals (subject to certain exceptions) will be applied first to prepay the Disposals Bridge Facility until it is repaid in full and cancelled, then to the Cash/DCM Bridge Facility A until it is repaid in full and cancelled and finally to the Cash/DCM Bridge Facility B until it is repaid in full and cancelled; and
- 80% of the net cash proceeds from funds raised in any public or private loan or debt capital markets offerings will (subject to certain exceptions) be applied first to prepay the Cash/DCM Bridge Facility A until it is repaid in full and cancelled, then to Cash/DCM Bridge Facility B until it is repaid in full and cancelled. On 27 January 2016, AB InBev cancelled the commitments under Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B.

On 26 July 2016, AB InBev issued the Revised Announcement setting out the terms of a revised and final offer on the terms described in this document. In connection with the Revised Announcement, AB InBev obtained the consent of the majority lenders under the 2015 Senior Facilities Agreement to waive the requirement under the 2015 Senior Facilities Agreement that any increase in the Cash Consideration or the cash element of the Partial Share Alternative be funded from the proceeds of an equity raising.

#### 7.2.1.2 Replacement bond financing

##### (a) *January 2016 issuances*

On 25 January 2016, AB InBev's subsidiary ABIFI issued USD 46.0 billion aggregate principal amount of bonds guaranteed by AB InBev and certain other subsidiaries. The bonds comprise the following series (collectively, the **"January 2016 U.S. Notes"**):

<b>Title of Securities</b>	<b>1.900% Notes due 2019</b>	<b>2.650% Notes due 2021</b>	<b>3.300% Notes due 2023</b>	<b>3.650% Notes due 2026</b>	<b>4.700% Notes due 2036</b>	<b>4.900% Notes due 2046</b>	<b>Floating Rate Notes due 2021</b>
Aggregate principal amount sold:	USD 4 billion	USD 7.5 billion	USD 6 billion	USD 11 billion	USD 6 billion	USD 11 billion	USD 500 million
Maturity date:	1 February 2019	1 February 2021	1 February 2023	1 February 2026	1 February 2036	1 February 2046	1 February 2021
Public offering price:	99.729% of the principal	99.687% of the principal	99.621% of the principal	99.833% of the principal	99.166% of the principal	99.765% of the principal	100.00% of the principal
Interest payment dates:	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Quarterly, on each 1 February, 1 May, 1 August and 1 November, commencing on 2 May 2016
Interest Rate:	1.900%	2.650%	3.300%	3.650%	4.700%	4.900%	Three-month LIBOR plus 126 bps
Optional Redemption:	Make-whole call at treasury rate plus 15 bps	Prior to 1 January 2021, make-whole call at treasury rate plus 20 bps; par call at any time thereafter	Prior to 1 December 2022, make-whole call at treasury rate plus 25 bps; par call at any time thereafter	Prior to 1 November 2025, make-whole call at treasury rate plus 25 bps; par call at any time thereafter	Prior to 1 August 2035, make-whole call at treasury rate plus 30 bps; par call at any time thereafter	Prior to 1 August 2045, make-whole call at treasury rate plus 35 bps; par call at any time thereafter	None

The 2019 notes, the 2021 fixed and floating rate notes, the 2023 notes and the 2026 notes are subject to a special mandatory redemption at a redemption price equal to 101% of the initial price of such notes, plus accrued and unpaid interest to, but not including, the special mandatory redemption date if the Transaction is not consummated on or prior to 11 November 2016 (which date is extendable at AB InBev's option to 11 May 2017) or if, prior to such date, AB InBev announces the withdrawal or lapse of the Transaction and that it is no longer pursuing the Transaction. The January 2016 U.S. Notes were admitted to listing and trading on the NYSE effective 26 January 2016.

In addition, on 29 January 2016, ABIFI issued USD 1.47 billion aggregate principal amount of its notes due 2046 (the **"January 2016 Taiwan Notes"**, and together with the January 2016 U.S. Notes, the **"January 2016 Notes"**). The January 2016 Taiwan Notes were offered and sold in Taiwan to "professional institutional investors" as defined under Paragraph 2, Article 4 of the Financial Consumer Protection Act of the Republic of China. The January 2016 Taiwan Notes were admitted to listing and trading on the Taipei Exchange on 29 January 2016.

The January 2016 Notes are fully, unconditionally and irrevocably guaranteed by AB InBev, Brandbrew S.A., Brandbev S.à r.l., Cobrew NV/SA, Anheuser-Busch InBev Worldwide Inc. and Anheuser-Busch Companies, LLC. The January 2016 Notes are senior unsecured obligations of ABIFI and rank equally with all other existing and future unsecured and unsubordinated debt obligations of ABIFI. The January 2016 Notes are denominated in U.S. dollars, and both principal and interest will be paid in U.S. dollars.



Substantially all of the net proceeds of the January 2016 Notes will be used to fund a portion of the cash consideration under the Belgian Offer. The remainder of the net proceeds will be used for general corporate purposes.

(b) *March 2016 issuances*

On 29 March 2016, AB InBev issued EUR 13.25 billion aggregate principal amount of notes under its Euro Medium-Term Note Programme (the “**March 2016 Notes**”). The March 2016 Notes comprise the following series:

<b>Title of Securities</b>	<b>4-year 0.625% Notes due 2020</b>	<b>6-year 0.875% Notes due 2022</b>	<b>9-year 1.500% Notes due 2025</b>	<b>12-year 2.000% Notes due 2028</b>	<b>20-year 2.750% Notes due 2036</b>	<b>4-year Floating Rate Notes due 2020</b>
Aggregate principal amount sold:	EUR 1,750,000,000	EUR 2,000,000,000	EUR 2,500,000,000	EUR 3,000,000,000	EUR 2,750,000,000	EUR 1,250,000,000
Maturity date:	17 March 2020	17 March 2022	17 March 2025	17 March 2028	17 March 2036	17 March 2020
Interest payment dates:	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	Quarterly on 17 March, 17 June, 17 September and 17 December, Commencing 17 June 2016 up to and including the Maturity Date
Interest Rate:	0.625%	0.875%	1.500%	2.000%	2.750%	Three-month EURIBOR plus 75 basis points

The March 2016 Notes are fully, unconditionally and irrevocably guaranteed by Anheuser-Busch Companies LLC, Anheuser-Busch InBev Worldwide Inc., ABIFI, Brandbev S.a r.l, Brandbrew S.A. and Cobrew NV. The March 2016 Notes are senior unsecured obligations of AB InBev and rank equally with all other existing and future unsecured and unsubordinated debt obligations of AB InBev.

The 2020 fixed and floating rate notes, the 2022 notes and the 2025 notes are subject to a special mandatory redemption at a redemption price equal to 101% of the principal amount of such notes, together, if appropriate, with interest accrued to, but excluding the special mandatory redemption date if the Transaction is not completed on or prior to 11 November 2016 (which date is extendable at AB InBev's option to 11 May 2017) or if, prior to such date, AB InBev announces the withdrawal or lapse of the Transaction and that it is no longer pursuing the Transaction.

The proceeds of the offering will be applied for the realisation of the strategy of AB InBev, including to fund a portion of the cash consideration to be paid by AB InBev for each Initial Newbelco Share tendered into the Belgian Offer and for general corporate purposes. The notes were issued by AB InBev under its Euro Medium Term Note Programme base prospectus published on 13 January 2016, as supplemented by a first supplemental prospectus dated 22 January 2016 and a second supplemental prospectus dated 15 March 2016.

As of 30 June 2016, AB InBev has economically hedged GBP 46 billion of the purchase price for the Transaction at an average fixed exchange rate of USD 1.5276 per British pound sterling.

(c) *Impact of the January and March 2016 issuances on the 2015 Senior Facilities Agreement*

As a result of the debt capital markets issuances described above, on 27 January 2016, AB InBev cancelled USD 42.5 billion of available commitments under the 2015 Senior Facilities Agreement and on 4 April 2016, AB InBev cancelled a further USD 12.5 billion of the commitments available. Accordingly, as of the date of this Prospectus, the total committed amount under the 2015 Senior Facilities Agreement is USD 20.0 billion, comprised of USD 10.0 billion under a five-year term facility and USD 10.0 billion under a disposals bridge facility, which is expected to be repaid in full from the proceeds of the Transaction-related Divestitures.

### 7.2.1.3 Co-operation Agreement

#### Covenants and agreements in the Co-operation Agreement

On 11 November 2015, AB InBev and SABMiller entered into a Co-operation Agreement, pursuant to which AB InBev has agreed to use its best efforts to secure the regulatory clearances and authorisations necessary to satisfy the pre-conditions and regulatory conditions to the Transaction as set out in Appendix 1 and Appendix 2 to the Rule 2.7 Announcement.

AB InBev and SABMiller have agreed 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 have 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. AB InBev has agreed that if any clearance remains outstanding by the Long Stop Date, AB InBev will use its best endeavours to enter into any arrangements which may be necessary with the relevant regulatory authorities to maintain the relevant regulatory authorities' ability to obtain an effective remedy under the relevant merger control provisions including any conditions, undertakings or hold-separate arrangements.

AB InBev and SABMiller have agreed to work together in good faith to develop a proposal in relation to each of the participants in SABMiller's Zenzele Scheme as soon as reasonably practicable following the date of the Co-operation Agreement (and will provide each other with reasonable assistance to do so). For six months following the date of the Co-operation Agreement (or such longer period that SABMiller and AB InBev agree, each acting reasonably and in good faith) and, if applicable, from the date of agreement between AB InBev and SABMiller on any such proposals, SABMiller will not cause or give notice of an acceleration of the expiry of the Zenzele Scheme or any proposal without AB InBev's consent. Agreement has been reached on a proposal to amend the Zenzele Scheme, the key terms of which are set out in Annexe G.

AB InBev has agreed to indemnify and hold harmless SABMiller (and each member of the SABMiller Group) from losses, liabilities, and claims of whatever nature, and any costs and expenses suffered or incurred by SABMiller (or any member of the SABMiller Group) arising from actions taken by the SABMiller Group prior to the termination of the Co-operation Agreement in compliance with specific obligations under the Co-operation Agreement, including pursuant to any indemnification arrangements between the SABMiller Group and Intertrust, such as the Intertrust Engagement Letter.

AB InBev and SABMiller have also agreed in the Co-operation Agreement to certain retention and other arrangements for SABMiller employees (excluding executive directors and members of the executive committee). The Co-operation Agreement also contains provisions in relation to the SABMiller Share Plans.

For further information in respect of the rights of participants to be issued Newbelco Shares, or have Newbelco Shares delivered to them, under the Zenzele Scheme, please refer to Annexe G.

On 1 July 2016, AB InBev and SABMiller entered into a Deed of Amendment amending the Co-operation Agreement so as to clarify that the retention and other arrangements for SABMiller employees set out in Part B of Schedule 1 of the Co-operation Agreement shall not apply to employees of the CCBA Group, other than those individuals who were employees of a member of the SABMiller Group immediately before completion of the CCBA Transaction.

On 17 August 2016, AB InBev and SABMiller entered into a further deed of amendment amending the Co-operation Agreement in order to modify the transitional bonus arrangements for SABMiller employees in respect of the period following Completion to take account of the impact on bonus targets of the planned divestments of various SABMiller businesses by AB InBev on and following Completion. The deed of amendment will provide that:

- for those SABMiller employees (other than executive directors of SABMiller) who remain in employment after Completion, if completion occurs before 31 December 2016, bonuses for the nine-month period to 31 December 2016 (or to the date of termination of their employment, if earlier) will be calculated on a pro rata basis as follows:
  - (i) any part of a bonus dependent on business unit (including country) performance, where such performance is measurable for the period ending 31 December 2016, shall be determined by reference to the existing applicable performance targets pro-rated and adjusted for the shortened period; and
- any part of a bonus dependent on SABMiller regional performance and SABMiller group performance, and business unit (including country) performance where such performance is not measurable for the period ending 31 December 2016, shall be at 75% of the maximum bonus opportunity,
 

and such and such bonus payments shall be multiplied by 1.2, provided that business unit performance targets are met; and
- for those employees of the SABMiller Group (other than the SABMiller executive directors and members of the executive committee) who remain in employment on 1 January 2017 (or, if later, Completion), bonuses for the calendar year starting on that date will be determined by reference to targets set by AB InBev, and subject to a multiplier of 1.2 where company performance targets are achieved, provided that for those employees whose employment is terminated prior to 31 December 2017, bonus payments will be calculated on a pro rata basis to the date of termination.

#### **Termination of the Co-operation Agreement**

Subject to the following, the Co-operation Agreement shall terminate with immediate effect and all rights and obligations of the parties under the Co-operation Agreement shall cease forthwith, as follows:

- if agreed in writing between the parties;
- upon service of written notice by AB InBev to SABMiller, if one or more of the following occurs:
  - the relevant SABMiller Directors withdraw, adversely modify or adversely qualify the SABMiller board recommendation in respect of the Transaction or fail to publicly reaffirm such unanimous and unconditional recommendation within five business days of AB InBev's reasonable request to do so (it being agreed that any recommendation or views given or not given in respect of the Partial Share Alternative shall not constitute a change, modification or qualification of the recommendation in relation to the Cash Consideration); or
  - subject to certain limitations, if the Transaction is being implemented by way of the UK Scheme and the UK Scheme Court Meeting, the SABMiller General Meeting, the Newbelco General Meeting and the UK Scheme Court Sanction Hearing are not held by the specified dates;
- upon service of written notice by either party to the other, following a Break Payment Event (as defined below);
- upon service of written notice by AB InBev to SABMiller prior to the Long Stop Date stating that either:
  - any pre-condition or condition which has not been waived is (or has become) considered by AB InBev incapable of satisfaction by the Long Stop Date and, notwithstanding that AB InBev has the right to waive such pre-condition or condition, AB InBev will not do so; or
  - any pre-condition or condition which is incapable of waiver is considered by AB InBev incapable of satisfaction by the Long Stop Date,

in each case in circumstances where the invocation of the relevant pre-condition or condition (or confirmation that the pre-condition or condition is incapable of satisfaction, as appropriate) is permitted by the UK Panel;
- upon service of written notice by AB InBev to SABMiller if (i) the UK Scheme is not approved at the UK Scheme Court Meeting or the SABMiller Resolution is not passed at the SABMiller General Meeting, or (ii) the Newbelco Resolutions are not passed at the Newbelco General Meeting;
- upon service of written notice by AB InBev to SABMiller, if a competing proposal (i) is recommended in whole or part by the relevant SABMiller Directors, or (ii) completes, becomes effective or is declared or becomes unconditional in all respects;
- if the Transaction is, with the permission of the UK Panel and, when applicable, the FSMA, withdrawn or lapses in accordance with its terms prior to the Long Stop Date (other than where (i) such lapse or withdrawal is as a result

of the exercise of AB InBev's right to effect a switch from the UK Scheme to a UK Offer, or (ii) it is otherwise to be followed within five business days by an announcement under Rule 2.7 of the UK City Code made by AB InBev or a person acting in concert with AB InBev to implement the Transaction by a different offer or scheme on substantially the same or improved terms); or

- if Completion has not occurred by the Long Stop Date.

Termination of the Co-operation Agreement shall be without prejudice to the rights of any of the parties which have arisen at or prior to termination. Certain customary provisions of the Co-operation Agreement shall survive termination.

#### **Break Payment**

By way of compensation for any loss suffered by SABMiller or its shareholders on the occurrence of a Break Payment Event (as defined below), AB InBev has agreed to pay or procure the payment to SABMiller of USD 3.0 billion if prior to the termination of the Co-operation Agreement:

- those shareholder resolutions of AB InBev which are necessary to approve, implement and effect the Belgian Merger, the Belgian Offer and the Transaction, including to the extent necessary for the approval of any relevant AB InBev Transaction Documents, are not passed by a specified date;
- at or before the start of the AB InBev General Meeting (i) the AB InBev Board withdraws, adversely modifies or adversely qualifies the AB InBev Board recommendation in respect of the Transaction or fails to reaffirm or reissue the AB InBev Board recommendation within five business days of SABMiller's reasonable request to do so, and (ii) within ten business days, SABMiller confirms to AB InBev that it no longer intends to proceed with the Transaction (and the UK Panel and the FSMA, if applicable, confirm that AB InBev is no longer required to proceed with the Transaction); or
- any pre-condition and/or regulatory condition to the Transaction (as set out in the Rule 2.7 Announcement) has not been satisfied or waived by 11:59 p.m. on the date which is 14 days prior to the Long Stop Date or AB InBev invokes (and is permitted by the UK Panel to invoke) any pre-condition and/or regulatory condition on or prior to the Long Stop Date,

(each a "**Break Payment Event**").

In the event that a Break Payment Event occurs and AB InBev has paid the break payment (except with respect to (i) any amount payable by AB InBev pursuant to certain specific indemnity provisions in the Co-operation Agreement, and (ii) fraud), SABMiller's receipt of the break payment shall be the sole and exclusive remedy of the SABMiller Group in respect of any and all costs and expenses incurred by the SABMiller Group arising out of or in connection with the Co-operation Agreement, certain related agreements, and the Transaction, and for any and all losses and damages suffered arising out of or in connection with the Co-operation Agreement, certain related agreements or the Transaction (the "**Break Payment Limitation**").

#### **7.2.1.4 Deed of Indemnity**

It is expected that AB InBev and SABMiller will enter into a deed of indemnity on or about the date of this Prospectus (the "**Deed of Indemnity**"), pursuant to which, in consideration for SABMiller:

- (a) providing selected financial and commercial information and representation letters to AB InBev for various purposes, including certain regulatory filings made in connection with AB InBev's bond financing arrangements (described in further detail in this section 1, paragraph 7.2.1.2 (*Replacement bond financing*) above), assessments by certain ratings agencies of the potential credit rating of a new entity to be carved out of SABMiller in the event of completion of the Transaction under a range of different scenarios, the preparation of certain reports by Ernst & Young LLP at the instruction of AB InBev relating to Peroni, Grolsch and Meantime brands and their associated businesses in Italy, the Netherlands and the UK, (the "**PGM Business**") and for information purposes in connection with the proposed sale of the PGM Business;
- (b) agreeing to consider and/or conduct a bondholder consent solicitation process with regard to SABMiller's USD 300,000,000 6.625% guaranteed notes due 2033; and
- (c) entering into an engagement letter with and agreeing to indemnify the UK Agent and hold it and its connected persons harmless against any liabilities (other than those that are finally judicially determined to have arisen out of the gross negligence or wilful misconduct of the UK Agent) which arise out of matters contemplated by or consequent upon the Agent's engagement.

It is expected that AB InBev will agree to indemnify and hold SABMiller and its connected persons harmless from and against any losses, liabilities and claims made against SABMiller and its connected persons (and any costs and expenses stemming from such claims) in connection with the items mentioned above other than when finally judicially determined to have arisen from the gross negligence, wilful misconduct, bad faith or fraud by SABMiller or its connected persons, as well as to reimburse SABMiller for any expenses incurred in connection with the bondholder consent solicitation process. It is expected that SABMiller will consent to the ongoing inclusion and/or provision of such information and letters in certain places and/or situations.

It is expected that AB InBev will acknowledge and agree that any amounts payable in connection with the Deed of Indemnity shall be excluded for the purposes of the Break Payment Limitation and that the Deed of Indemnity shall survive the Co-operation Agreement.

#### **7.2.1.5 Confidentiality Agreements**

On 14 October 2015, AB InBev and SABMiller entered into a mutual confidentiality agreement, amended by a deed of amendment dated 15 June 2016, pursuant to which each of AB InBev and SABMiller has undertaken, among other things, to keep certain information relating to the Transaction and the other party confidential and not to disclose it to third parties (other than to authorised recipients) unless required by law or regulation. These confidentiality obligations will remain in force following completion of the Transaction.

AB InBev and SABMiller have also entered into a regulatory clean team confidentiality agreement dated 10 November 2015 which sets out how any confidential information that is competitively sensitive can be disclosed, used or shared for the purposes of merger control and any other competition law and regulatory clearance matters in connection with the Transaction.

In addition, AB InBev and SABMiller have also entered into a common interest, confidentiality and joint defense agreement dated 11 November 2015, the purpose of which is to ensure that the exchange and disclosure of certain materials relating to the parties and between their respective legal counsel preserves the confidentiality of such materials and does not result in a waiver of any privilege, right or immunity that might otherwise be available.

AB InBev and SABMiller have also entered into a disposals clean team confidentiality agreement dated 26 November 2015 which sets out how any confidential information that is competitively sensitive can be disclosed, used or shared for the purposes of scoping and organising disposals required or pertinent for the regulatory clearances in connection with the Transaction.

In addition, AB InBev and SABMiller have entered into a convergence planning clean team agreement dated 29 February 2016 which sets out measures, safeguards and an information sharing protocol to ensure compliance of the integration process with applicable competition laws.

AB InBev and SABMiller also entered into a separation clean team agreement on 8 March 2016, for the purpose of setting up an antitrust-compliant process for accessing commercially sensitive information in respect of the Peroni, Grolsch and Meantime brand families and associated businesses. A related confidentiality agreement was executed on 30 March 2016 between SABMiller, AB InBev and Asahi for the purpose of setting up an antitrust-compliant process for providing Asahi with access to commercially sensitive information in respect of the PMG Business.

AB InBev and Molson Coors have also entered into a confidentiality agreement dated 18 October 2015 pursuant to which AB InBev has undertaken, among other things, to keep certain information related to the MillerCoors Divestiture confidential and not to disclose it to third parties (other than to authorised representatives) unless required by law or regulation. These confidentiality obligations will remain in force for two years from the date the confidentiality agreement was signed.

In addition, AB InBev and Molson Coors have entered into a clean team confidentiality agreement dated 27 October 2015 which sets out how competitively sensitive and highly confidential information can be disclosed, used or shared for the purpose of performing due diligence and valuation work for the MillerCoors Divestiture.

AB InBev, SABMiller and Molson Coors have also entered into a clean team confidentiality agreement dated 9 February 2016 which sets out how competitively sensitive and confidential information can be disclosed, used or shared for the purpose of planning for certain transitional services and documenting commercial agreements in connection with the Transaction and the MillerCoors Divestiture. Asahi has entered into a joinder to this clean team confidentiality agreement dated 15 March 2016 which adds Asahi to the clean team confidentiality agreement for the purpose of documenting certain commercial agreements in connection with the acquisition by Asahi of the PGM Business and the MillerCoors Divestiture.

In addition, AB InBev, SABMiller and Molson Coors have entered into a clean team confidentiality agreement dated 19 April 2016 which sets out how competitively sensitive and confidential information can be disclosed, used or shared for the purpose of documenting certain transitional services and conducting integration planning in connection with the Transaction and the MillerCoors Divestiture.

AB InBev, SABMiller and Deloitte UK have entered into a clean team confidentiality agreement dated 8 August 2016 which sets out how confidential information can be disclosed, shared or used for the purpose of Deloitte UK reporting publicly and privately on the AB InBev Quantified Financial Benefits Statement (as defined in the UK Scheme Document).

#### 7.2.1.6 Tax Matters Agreement

On 11 November 2015, AB InBev entered into a Tax Matters Agreement with Altria, pursuant to which AB InBev (and, after Completion, Newbelco) will provide assistance and co-operation to, and will give certain representations and undertakings to, Altria in relation to certain matters that are relevant to Altria under U.S. tax legislation, including the structure and implementation of the Transaction.

In particular, AB InBev gives certain representations as to the structure and implementation of the Transaction that support the giving of opinions by Altria's U.S. counsel that (i) the "Reorganisation", as defined in the Tax Matters Agreement (being collectively the transfer of the UK Scheme Shares from the UK Scheme Shareholders to Newbelco, the issue of the Initial Newbelco Shares to the UK Scheme Shareholders, the registration of the UK Scheme Shareholders as Newbelco Shareholders in the share register of Newbelco, the re-registration of SABMiller as a private limited company and the CTB Election), and (ii) the reclassification and consolidation of Initial Newbelco Shares into Restricted Newbelco Shares, will qualify as tax-free reorganisations for U.S. Federal income tax purposes (the "**Tax Opinions**").

If Altria is unable to obtain the Tax Opinions from its U.S. counsel as a result of a change in law or an action taken by SABMiller, in certain circumstances an alternative set of representations may be given by AB InBev, which support the characterisation of the transfer of the UK Scheme Shares from the UK Scheme Shareholders to Newbelco and the issue of the Initial Newbelco Shares to the UK Scheme Shareholders (without the CTB Election) and the Belgian Merger (together) as a transaction that will qualify for non-recognition of gain and loss for U.S. Federal income tax purposes under section 351 of the United States Internal Revenue Code.

If certain of AB InBev's representations or undertakings are breached, including, potentially, because the structure of the Transaction is required to be amended, AB InBev (and, after Completion, Newbelco) may be required to indemnify Altria for certain tax costs it may incur in relation to the Transaction.

The Tax Matters Agreement sets out the framework for ongoing co-operation between AB InBev and Altria after Completion in relation to certain matters that are relevant to Altria under US tax legislation. The Tax Matters Agreement provides that, upon Completion, the existing tax matters agreement in place between Altria and SABMiller will be terminated.

It is expected that on or around the date of this Prospectus, AB InBev and Altria will enter into an amended and restated Tax Matters Agreement, in order to make certain adjustments to the representations as to the structure and implementation of the Transaction to reflect additional details that have developed since 11 November 2015. Under the terms of the Transaction, as stated in the Rule 2.7 Announcement, any UK Scheme Shareholder other than Altria will

be entitled, from Completion, to enter into an agreement with Newbelco on substantially the same terms as the Tax Matters Agreement, provided that it is able to demonstrate to the reasonable satisfaction of the Newbelco Board that it meets the following criteria:

- (i) it is a United States corporation;
- (ii) it owns (or is deemed to own for U.S. Federal income tax purposes) no less than 5% of the UK Scheme Shares; and
- (iii) it owns (or is deemed to own for U.S. Federal income tax purposes) no less than 10% of the Restricted Newbelco Shares at Completion.

#### 7.2.1.7 Altria Irrevocable

On 11 November 2015, AB InBev entered into the Altria Irrevocable with Altria, pursuant to which Altria has irrevocably undertaken to vote in favour of the Transaction and to elect for the Partial Share Alternative in respect of its entire beneficial holding of SABMiller Shares.

Pursuant to the terms of the Altria Irrevocable, Altria is permitted to pledge its holding of SABMiller Shares in the period prior to Completion provided that the relevant pledgee (meaning, the beneficiary of a pledge) provides an undertaking in favour of AB InBev which provides, in all material respects, equivalent undertakings to AB InBev as those undertakings set out in the Altria Irrevocable (or such other form as AB InBev may agree). In addition, pursuant to the terms of a letter of consent between AB InBev and Altria dated 11 November 2015 entered into in connection with the Altria Irrevocable, AB InBev has given its prior consent to Altria creating pledges (at any time and from time to time prior to the fifth anniversary of Completion) over any Restricted Newbelco Shares held by Altria after Completion, such consent being binding on Newbelco.

The Altria Irrevocable will remain binding if a higher competing offer for SABMiller is made but will cease to be binding:

- 18 months from the date of the Altria Irrevocable (or such later date as may be agreed by Altria);
- if AB InBev publicly announces (with the consent of the UK Panel) that it does not intend to proceed with the Transaction and no new, revised or replacement UK Scheme to which the Altria Irrevocable applies is publicly announced at the same time);
- if the UK Scheme is withdrawn or lapses in accordance with its terms and no new, revised or replacement UK Scheme to which the Altria Irrevocable applies is publicly announced in its place or at the same time);
- if the Newbelco Resolution to adopt the Newbelco Articles with effect from the closing of the Belgian Offer is not passed, or is amended or revoked prior to the UK Scheme becoming Effective;
- if there is an increase in the Cash Consideration and Altria has not given its consent to such increase in circumstances where the cash element of the Partial Share Alternative is not increased by an equal (or greater) amount;
- fourteen days following the date of the successful implementation of the Transaction in accordance with its terms;
- on written notice from Altria, if (i) changes are made to the Proposed Structure (including the provisions set out in paragraphs 10, 11, 12 and 14 and Appendix 6 of the Rule 2.7 Announcement or Schedule 3 of the Co-operation Agreement), or (ii) AB InBev agrees to, permits or in any way facilitates any action by SABMiller that would constitute "frustrating action" under Rule 21.1 of the UK City Code with respect to the Transaction, in each case other than with the consent of Altria and which would be reasonably expected to have certain material adverse effects on Altria; or
- on written notice from Altria, If AB InBev fails to deliver six business days prior to the UK Scheme Court Meeting and SABMiller General Meeting the certification it is required to deliver on such dates pursuant to the Tax Matters Agreement.

In the event that the Altria Irrevocable ceases to be binding in accordance with the last two paragraphs above, Altria is required to vote against the UK Scheme and the SABMiller Resolution in respect of its entire beneficial holding of SABMiller Shares. As a result of Altria's holding of SABMiller Shares, this requirement would be expected to result in the UK Scheme not becoming Effective.

In the event that AB InBev elects to implement the Transaction by way of a UK Offer (rather than the UK Scheme) and Altria has consented to such election, the provisions of the Altria Irrevocable will apply to such UK Offer *mutatis mutandis*.

On 25 July 2016, Altria and AB InBev entered into a deed confirming Altria's consent and agreement to: (i) the increase in the amount of the Cash Consideration; (ii) the increase in the amount of the cash element of the Partial Share Alternative; and (iii) the Altria Irrevocable remaining in full force and effect.

#### 7.2.1.8 Information Rights Agreement

On 11 November 2015, AB InBev and Altria entered into an information rights agreement, pursuant to which Newbelco will share certain information to enable Altria to comply with its financial reporting, financial controls and financial planning requirements as they apply to Altria's investment in Newbelco. Upon Completion, this Information Rights Agreement will replace the existing relationship agreement that is in place between Altria and SABMiller.

Under the terms of the Transaction, as stated in the Rule 2.7 Announcement, any UK Scheme Shareholder other than Altria will be entitled, from Completion, to enter into an agreement with Newbelco on substantially the same terms as the Information Rights Agreement, provided that it is able to demonstrate to the reasonable satisfaction of the Newbelco Board that it meets the following criteria:

- (i) it will be the sole legal and beneficial holder of no less than 10% of the share capital of Newbelco in issue from time to time;

- (ii) for the purposes of its financial reporting it accounts for its shareholding in Newbelco on the basis of the equity method of accounting in accordance with U.S. GAAP; and
- (iii) it is a U.S. listed company subject to the reporting requirements under the Exchange Act and section 404 of the Sarbanes-Oxley Act of 2002.

#### 7.2.1.9 BEVCO Irrevocable

On 11 November 2015, AB InBev entered into the BEVCO Irrevocable with BEVCO, pursuant to which BEVCO has irrevocably undertaken to vote in favour of the Transaction and to elect for the Partial Share Alternative in respect of its entire beneficial holding of SABMiller Shares.

BEVCO had 83,288,000 SABMiller Shares pledged as at the date of the BEVCO Irrevocable. Pursuant to the terms of the BEVCO Irrevocable, BEVCO is permitted to pledge additional SABMiller Shares in the period prior to Completion provided that the relevant pledgee provides an undertaking in favour of AB InBev which provides, in all material respects, equivalent undertakings to AB InBev as those undertakings set out in the BEVCO Irrevocable (or such other form as AB InBev may agree). In addition, pursuant to the terms of a letter of consent between AB InBev and BEVCO dated 11 November 2015 entered into in connection with the BEVCO Irrevocable AB InBev has given its prior consent to BEVCO or any of its Affiliates creating pledges over any Restricted Newbelco Shares held by BEVCO or any of its Affiliates from closing of the Belgian Offer, such consent being binding on Newbelco.

The BEVCO Irrevocable will remain binding if a higher competing offer for SABMiller is made but will cease to be binding:

- in respect of the Pledged Shares (as defined in the BEVCO Irrevocable) and in relation to certain undertakings in the BEVCO Irrevocable only, in the event of a foreclosure event;
- if the UK Scheme does not become Effective on a day falling eighteen months from the date of the BEVCO Irrevocable (or such later date as may be agreed by BEVCO);
- if AB InBev publicly announces (with the consent of the UK Panel) that it does not intend to proceed with the Transaction and no new, revised or replacement UK Scheme (to which the BEVCO Irrevocable applies) is publicly announced at the same time;
- if the UK Scheme is withdrawn or lapses in accordance with its terms (and no new, revised or replacement UK Scheme (to which the BEVCO Irrevocable applies) is publicly announced in its place or at the same time);
- on written notice of BEVCO if the Altria Irrevocable:
  - lapses in accordance with its terms; or
  - is varied or waived such that (in aggregate) there are commitments in force from or on behalf of holders of SABMiller Shares or Initial Newbelco Shares (excluding BEVCO's holding of SABMiller Shares or Initial Newbelco Shares) to elect for the Partial Share Alternative in respect of less than 400,000,000 SABMiller Shares;
- on written notice from BEVCO, if a relevant change to the structure of the Transaction (as set out in paragraphs 10, 11 and 12 of, and Appendix 6 to, the Rule 2.7 Announcement and Schedule 3 of the Co-operation Agreement) is publicly announced or published in any Transaction Document (as defined in the BEVCO Irrevocable) and BEVCO provides AB InBev with written notice (countersigned or accompanied by notices from relevant Secured Parties (as defined in the BEVCO Irrevocable)) confirming that there has been or that it is expected there would be a Material Pledge Enforcement Event (as defined in the BEVCO Irrevocable) as a result of the proposed structure change if the Transaction were to be implemented in the manner contemplated by the proposed structure change (any such change to the structure of the Transaction, whether or not required by applicable law, regulation or any applicable regulatory authority, being a "**Relevant Structure Change**") and the Relevant Structure Change is not required by applicable law, regulation (including the UK City Code) or any applicable regulatory authority (including the UK Panel or the FSMA); or
- on written notice from BEVCO, if a Relevant Structure Change is required by applicable law, regulation (including the UK City Code) or any applicable regulatory authority (including the UK Panel or the FSMA), provided that (other than in respect of the Current Pledged Shares (as defined in the BEVCO Irrevocable)), the obligation to elect for the Partial Share Alternative (and certain other obligations, but not the undertaking to vote in favour of the SABMiller Resolutions) will remain binding.

In the event that AB InBev elects to implement the Transaction by way of a UK Offer (rather than the UK Scheme), and BEVCO has consented to such election the provisions of the BEVCO Irrevocable will apply to such UK Offer *mutatis mutandis*.

On 26 July 2016, BEVCO and AB InBev entered into a deed confirming BEVCO's consent and agreement to: (i) the increase in the amount of the Cash Consideration; (ii) the increase in the amount of the cash element of the Partial Share Alternative; and (iii) the BEVCO Irrevocable remaining in full force and effect.

On 5 August 2016, AB InBev entered into a supplemental irrevocable undertaking with BEVCO (the "**BEVCO Supplemental Irrevocable**") pursuant to which, in respect of the undertakings in the BEVCO Irrevocable that will cease to be binding upon the occurrence of an event entitling Deutsche Bank to take an Enforcement Action (as defined below), equivalent undertakings have been provided by BEVCO in respect of the Deutsche Bank Pledged Shares (as defined below) covering the period from the occurrence of an event entitling Deutsche Bank to take an Enforcement Action (as defined below) until the occurrence of an Enforcement Action (as defined below). The undertakings and obligations contained in the BEVCO Irrevocable remain in full force and effect.

The BEVCO Supplemental Irrevocable will remain binding if a higher competing offer for SABMiller is made but will cease to be binding:

- if the BEVCO Irrevocable lapses or ceases to be effective in accordance with its terms;
- in respect of the Existing Deutsche Bank Pledged Shares (as defined below), if there is an Applicable Structure Change (as defined below); or

- in respect of the Further Deutsche Bank Pledged Shares (as defined below) and in relation to the undertaking to vote in favour of the Transaction (but not, for the avoidance of doubt, the obligation to elect for the Partial Share Alternative which will remain binding), if there is an Applicable Structure Change.

#### 7.2.1.10 Deutsche Bank

As at 11 November 2015, BEVCO had pledged 18,000,000 SABMiller Shares to Deutsche Bank (the “**Existing Deutsche Bank Pledged Shares**”).

On 5 August 2016, in connection with the pledge by BEVCO of an additional 10,000,000 SABMiller Shares to Deutsche Bank (the “**Further Deutsche Bank Pledged Shares**” and together with the Existing Deutsche Bank Pledged Shares, the “**Deutsche Bank Pledged Shares**”), AB InBev entered into an irrevocable undertaking with Deutsche Bank (the “**Deutsche Bank Irrevocable**”) pursuant to which Deutsche Bank has irrevocably undertaken to vote in favour of the Transaction and to elect for the Partial Share Alternative in respect of the Deutsche Bank Pledged Shares following the taking of any enforcement action by Deutsche Bank under the pledge arrangements relating to the Deutsche Bank Pledged Shares (any such action, an “**Enforcement Action**”).

The Deutsche Bank Irrevocable will remain binding if a higher competing offer for SABMiller is made but will cease to be binding:

- if AB InBev publicly announces that it does not intend to proceed with the Transaction (and no new, revised or replacement UK Scheme (to which the Deutsche Bank Irrevocable applies) is publicly announced at the same time);
- if the UK Scheme is withdrawn or lapses in accordance with its terms (and no new, revised or replacement UK Scheme (to which the Deutsche Bank Irrevocable applies) is publicly announced in its place or at the same time);
- if the BEVCO Irrevocable or the BEVCO Supplemental Irrevocable lapse or cease to be effective in accordance with their respective terms;
- on Completion;
- if the UK Scheme does not become Effective by the date falling eighteen months from the date of the Rule 2.7 Announcement (or such later date as may be agreed by AB InBev, SABMiller and BEVCO);
- in respect of the Existing Deutsche Bank Pledged Shares, if (a) a relevant change is made to the structure of the Transaction (as set out in paragraphs 10, 11 and 12 of, and Appendix 6 to, the Rule 2.7 Announcement (as supplemented by the Revised Announcement) and Schedule 3 of the Co-operation Agreement); (b) the change is required by applicable law, regulation (including the UK City Code) or applicable regulatory authority (including the UK Panel or FSMA); and (c) BEVCO provides AB InBev with written notice (countersigned or accompanied by notices from relevant Secured Parties (as defined in the BEVCO Irrevocable)) confirming that there has been or that it is expected there would be a Material Pledge Enforcement Event (as defined in the BEVCO Irrevocable) as a result of the proposed structure change if the Transaction were to be implemented in the manner contemplated by the proposed structure change (any such change in accordance with (a), (b) and (c) above, an “**Applicable Structure Change**”); or
- in respect of the Further Deutsche Bank Pledged Shares and in relation to the undertaking to vote in favour of the Transaction (but not, for the avoidance of doubt, the obligation to elect for the Partial Share Alternative which will remain binding), if there is an Applicable Structure Change;
- in respect of any Deutsche Bank Pledged Shares to the extent that such Deutsche Bank Pledged Shares are released from the relevant security arrangement in favour of Deutsche Bank;
- in respect of any Deutsche Bank Pledged Shares to the extent that such Deutsche Bank Pledged Shares are prior to the completion of the Transaction transferred to an Acceptable Transferee (as defined in the Deutsche Bank Irrevocable) in accordance with the terms of the Deutsche Bank Irrevocable. Any such transferee would be required to enter into an irrevocable undertaking in favour of AB InBev to vote in favour of the Transaction at the relevant court and shareholder meetings and to elect for the Partial Share Alternative in respect of the relevant Deutsche Bank Pledged Shares it acquires in the form set out as an appendix to the Deutsche Bank Irrevocable; or
- in respect of any Deutsche Bank Pledged Shares to the extent that Deutsche Bank transfers prior to the completion of the Transaction all or part of its interest in the loan facility secured by the Deutsche Bank Pledged Shares and simultaneously transfers its security interest in such Deutsche Bank Pledged Shares to an Acceptable Transferee in accordance with the terms of the Deutsche Bank Irrevocable. Any such transferee would be required to enter into an irrevocable undertaking in favour of AB InBev in substantially the same form as the Deutsche Bank Irrevocable.

In the event that AB InBev elects to implement the Transaction by way of a UK Offer (rather than the UK Scheme) and BEVCO has consented to such election, the provisions of the Deutsche Bank Irrevocable will apply to such UK Offer *mutatis mutandis*.

#### 7.2.1.11 AB InBev Shareholder Irrevocables

On 11 November 2015, AB InBev and SABMiller received irrevocable undertakings from each of the AB InBev Reference Shareholder, EPS Participations and BRC, who as at 30 June 2016 collectively held the voting rights in respect of approximately 51.68% of the issued share capital of AB InBev, to vote in favour of such shareholder resolutions of AB InBev as are necessary to approve the Belgian Offer and the Belgian Merger. The irrevocable undertakings from EPS Participations and BRC do not prevent them from disposing of their voting rights in AB InBev. As at 30 June 2016, EPS Participations and BRC collectively held the voting rights in respect of approximately 10.44% of AB InBev’s issued share capital. See section 1, paragraph 4.5.2.2 (*Reference shareholder*) for further details on the shareholdings of the AB InBev Reference Shareholder, EPS Participations and BRC.

These irrevocable undertakings remain binding if a higher competing offer for SABMiller is made, but cease to be binding: (a) 18 months from the date of the Rule 2.7 Announcement (or such later date as may be agreed by the AB InBev Reference Shareholder, EPS Participations or BRC (as applicable)), (b) on the date on which the UK Scheme lapses or is withdrawn in accordance with its terms and no new, revised or replacement UK Scheme has been

announced in its place or at the same time, (c) fourteen days following the date of the successful implementation of the Transaction in accordance with its terms, or (d) if the Newbelco Resolutions to (i) adopt the Newbelco Articles or (ii) appoint the Newbelco Board, are not passed, or (e) if the Newbelco Resolutions described in item (d) are revoked or amended prior to the UK Scheme becoming Effective.

#### 7.2.1.12 **Molson Coors Purchase Agreement**

On 11 November 2015, AB InBev and Molson Coors entered into the Molson Coors Purchase Agreement pursuant to which Molson Coors will acquire all of SABMiller's interest in MillerCoors, and certain assets (including trademarks, other intellectual property, contracts, inventory and other assets) related to SABMiller's portfolio of Miller brands outside the U.S. for an aggregate purchase price of USD 12.0 billion in cash, subject to certain adjustments as described in the Molson Coors Purchase Agreement. Following the closing of the MillerCoors Divestiture, Molson Coors will directly or indirectly own 100% of the outstanding equity interests of MillerCoors. The MillerCoors Divestiture is conditional upon, and will take effect shortly after, Completion.

On 20 July 2016, the U.S. Department of Justice approved the Transaction. As part of the U.S. Department of Justice's consent decree, AB InBev agreed to the MillerCoors Divestiture subject to the successful closing of the Transaction. The terms of the consent decree formalise prior commitments made by AB InBev's subsidiary Anheuser-Busch Companies LLC, including that Anheuser-Busch Companies LLC (i) will not acquire control of a distributor if doing so would result in more than 10% of its annual volume being distributed through AB InBev-controlled distributorships in the U.S., and (ii) will not terminate any wholesalers as a result of the combination with SABMiller. In addition, certain aspects of AB InBev's U.S. sales programs and policies will be reviewed and modified to conform to the consent decree.

The completion of the MillerCoors Divestiture is subject to the following closing conditions:

- the absence of any applicable and material law or government order prohibiting the consummation of the MillerCoors Divestiture or making it illegal; and
- Completion.

AB InBev and Molson Coors have agreed to use reasonable best efforts to consummate and make effective the MillerCoors Divestiture, including with respect to obtaining regulatory consents and approvals as described in the Molson Coors Purchase Agreement. AB InBev's obligation to use such efforts is subject to the limitations set forth in the Co-operation Agreement, and Molson Coors' obligation to agree to divestitures or other remedies to obtain regulatory consents and approvals is subject to certain limitations set forth in the Molson Coors Purchase Agreement.

Molson Coors has arranged committed debt financing to fund its acquisition of SABMiller's interest in MillerCoors and the related fees and expenses. Pursuant to the Molson Coors Purchase Agreement, Molson Coors has agreed to customary covenants to obtain its financing, and AB InBev has agreed to use its reasonable best efforts to cause SABMiller to provide reasonable co-operation with Molson Coors in Molson Coors' efforts to obtain its financing. There is no financing condition to the MillerCoors Divestiture.

The Molson Coors Purchase Agreement may be terminated by the mutual written consent of Molson Coors and AB InBev or by either party if the MillerCoors Divestiture has not closed before 11 November 2016, subject to an automatic extension for six months if all regulatory approvals necessary to consummate the MillerCoors Divestiture and the Transaction have not been obtained. The Molson Coors Purchase Agreement will automatically terminate if the Transaction has been withdrawn or has lapsed, except for certain withdrawals or lapses in connection with a change in the structure of the Transaction. In the event that the Molson Coors Purchase Agreement is terminated as a result of the Transaction having been withdrawn or lapsed as described in the Molson Coors Purchase Agreement, AB InBev has agreed to reimburse Molson Coors for certain out-of-pocket expenses incurred in connection with the MillerCoors Divestiture.

AB InBev has agreed to indemnify Molson Coors for losses arising out of (i) certain breaches of representations, warranties, covenants and agreements of AB InBev contained in the Molson Coors Purchase Agreement, (ii) all liabilities of AB InBev, SABMiller and any of their respective Affiliates that are not expressly assumed by Molson Coors in the MillerCoors Divestiture, and (iii) certain other liabilities (including in connection with actions required to be taken by Molson Coors to obtain necessary regulatory consents and approvals). AB InBev's indemnification obligations arising from breaches of its representations and warranties in the Molson Coors Purchase Agreement survive for twenty-four months after closing of the MillerCoors Divestiture and are subject to a USD 5.0 million deductible and a USD 750 million cap.

AB InBev has agreed to provide certain transition services to Molson Coors, including producing certain Miller-branded products in specified countries outside the U.S. for three years and providing certain other transition services for one year following the closing of the MillerCoors Divestiture. AB InBev has also agreed to enter into amendments to certain existing agreements between SABMiller and its Affiliates and MillerCoors in respect of the license and/or supply of certain brands owned by SABMiller and distributed by MillerCoors in the U.S. and Puerto Rico, including granting perpetual licences to such brands to MillerCoors and committing to supply product to MillerCoors under those brands for three years (plus two one-year extensions at Molson Coors' election).

The Molson Coors Purchase Agreement also contains other customary representations, warranties and covenants by each party that are subject, in some cases, to specified exceptions and qualifications contained in the Molson Coors Purchase Agreement.

On 25 March 2016, AB InBev and Molson Coors entered into Amendment No. 1 to the Molson Coors Purchase Agreement, pursuant to which AB InBev and Molson Coors (i) agreed to include in the MillerCoors Divestiture certain rights and assets relating to MillerCoors and SABMiller's business operations in the U.S. that were intended to be included in the MillerCoors Divestiture but were unintentionally omitted from the Molson Coors Purchase Agreement; (ii) clarified the process by which AB InBev and Molson Coors will seek certain third-party consents, approvals and assignments in connection with the MillerCoors Divestiture; (iii) clarified the inapplicability of certain restrictions on SABMiller's portfolio of Miller brands outside of the U.S.; and (iv) made certain acknowledgements to each other with respect to their respective pre-closing undertakings. In addition, in Amendment No. 1, Molson Coors irrevocably waived (i) its right prior to closing to require AB InBev to provide certain audited financial statements for SABMiller's portfolio of Miller brands, subject to certain exceptions, and (ii) its right to elect not to acquire the assets primarily related to SABMiller's portfolio of Miller brands outside the US.



On 18 May 2016, AB InBev, SABMiller and Molson Coors entered into an employee side letter which sets out certain procedures and restrictions for employee-related matters in connection with the MillerCoors Divestiture.

#### 7.2.1.13 Other Transaction-related agreements and arrangements

##### (a) Irrevocable undertakings by the SABMiller directors

The SABMiller Directors who have interests in SABMiller Shares have irrevocably undertaken to vote (or to procure, or to use reasonable endeavours to procure, the vote) in favour of the UK Scheme and the SABMiller Resolution in respect of all the SABMiller Shares of which they are the beneficial holders or in which they are interested, totalling 663,336 SABMiller Shares, representing approximately 0.0409% of SABMiller's issued ordinary share capital at the close of business on 31 July 2016.

The irrevocable undertaking from Alan Clark has been provided in respect of the SABMiller Shares held by The Clark Family Trust. Alan Clark has agreed to use reasonable endeavours to procure that the trustee of The Clark Family Trust complies with the provisions of the irrevocable undertaking, it being acknowledged that Alan Clark has no power to direct or control any actions by the trustee.

These irrevocable undertakings remain binding if a higher competing offer for SABMiller is made, but will cease to be binding if and on the date on which the Transaction is withdrawn or lapses in accordance with its terms.

##### (b) Intertrust engagement letter

On 19 April 2016 AB InBev and SABMiller International B.V., a subsidiary of SABMiller, entered into the Intertrust Engagement Letter pursuant to which Intertrust will provide certain incorporation and corporate services in relation to Newbelco.

Intertrust will ensure that Newbelco undertakes, among others, certain corporate actions in accordance with the timetable proposed by SABMiller International B.V. and agreed with AB InBev, including approving, signing or filing certain documents in the form agreed between SABMiller and AB InBev. In addition, Intertrust may not, without the prior written consent of both AB InBev and SABMiller International B.V. (i) provide any service that is not set out in the Intertrust Engagement Letter, or (ii) provide a service in a manner that is inconsistent with the terms of the Intertrust Engagement Letter. SABMiller International B.V. reserves the right (exercisable only with AB InBev's consent) to make any reasonable variation or addition to Intertrust's obligations under the Intertrust Engagement Letter which is necessary for the purposes of implementing the Transaction.

SABMiller International B.V. is principally responsible for paying Intertrust's fees and expenses in connection with the services. Depending on the service in question, Intertrust's fees are charged at a fixed rate or at a variable rate calculated on an hourly basis.

SABMiller International B.V. must indemnify and hold Intertrust and the directors procured by Intertrust harmless from and against any claims, proceedings, demands, liabilities, damages, losses, taxes, fines, costs, expenses and legal fees that Intertrust may incur directly or indirectly in connection with the services.

SABMiller International B.V. agrees to indemnify and hold harmless both Intertrust and the directors procured by Intertrust from and against any claims relating to:

- responsibility or liability of Newbelco and/or its directors which results from a director, other than a director procured by Intertrust, failing to properly perform his duties or any other act or omission of that director;
- untimely or improper bookkeeping, to the extent that Intertrust is not responsible for Newbelco's bookkeeping; or
- non-compliance with statutory obligations.

Intertrust shall not be liable for any error of judgment or damage, loss, claims, proceedings, demands, liabilities, costs or expenses incurred by SABMiller International B.V., any of its group members or any other person as a result of or in connection with the Intertrust Engagement Letter or the provision of the services, unless caused by, resulting from or contributed to, by the actual fraud, gross negligence or wilful default by Intertrust.

Either SABMiller International B.V. or Intertrust may terminate the Intertrust Engagement Letter at the end of any calendar month by giving three months' prior written notice to the other. Intertrust agrees not to exercise this right to terminate the Intertrust Engagement Letter for an initial period of 18 months commencing on 19 April 2016.

##### (c) Transaction-related Divestitures; Regulatory approvals and conditions

###### *MillerCoors Divestiture*

On 11 November 2015, AB InBev and Molson Coors entered into the Molson Coors Purchase Agreement pursuant to which Molson Coors will acquire all of SABMiller's interest in MillerCoors, and certain assets (including trademarks, other intellectual property, contracts, inventory and other assets) related to SABMiller's portfolio of Miller brands outside the U.S. for an aggregate purchase price of USD 12.0 billion in cash, subject to certain adjustments described in the Molson Coors Purchase Agreement. Following the closing of the MillerCoors Divestiture, Molson Coors will directly or indirectly own 100% of the outstanding equity interests of MillerCoors. Please refer to paragraph 7.2.1.12 (*Molson Coors Purchase Agreement*) above for further details on the Molson Coors Purchase Agreement, including the conditions to which the MillerCoors Divestiture is subject.

On 20 July 2016, the U.S. Department of Justice approved the Transaction. As part of the U.S. Department of Justice's consent decree, AB InBev agreed to the MillerCoors Divestiture subject to the successful closing of the Transaction. The terms of the consent decree formalise prior commitments made by AB InBev's subsidiary Anheuser-Busch Companies LLC, including that Anheuser-Busch Companies LLC (i) will not acquire control of a distributor if doing so would result in more than 10% of its annual volume being distributed through AB InBev-controlled distributorships in the U.S., and (ii) will not terminate any wholesalers as a result of the combination with SABMiller. In addition, certain aspects of AB InBev's U.S. sales programs and policies will be reviewed and modified to conform to the consent decree.

###### *CR Snow Divestiture*

On 2 March 2016, AB InBev announced that it had entered into an agreement to sell SABMiller's 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow. The agreement values SABMiller's 49% stake in CR Snow at USD 1.6 billion. The sale is conditional upon, and will take effect shortly after, Completion.

On 29 July 2016, the Ministry of Commerce of the People's Republic of China approved the Transaction conditional upon the CR Snow Divestiture.

#### *European Divestitures*

On 10 February 2016, AB InBev announced that it had received a binding offer from Asahi to acquire certain of the SABMiller Group's European premium brands and their related businesses (excluding certain rights in the U.S.). Asahi's offer values the Peroni, Grolsch and Meantime brand families and associated businesses in Italy, the Netherlands and the UK, respectively, at EUR 2,550 million on a debt-free/cash-free basis. On 19 April 2016, AB InBev announced it had accepted Asahi's binding offer following completion of the relevant employee information and consultation processes applicable to the sale of these brands and businesses. The acquisition by Asahi is conditional upon, and will take effect shortly after, Completion. On 24 May 2016, the European Commission approved Asahi as a suitable purchaser of the Peroni, Grolsch and Meantime brand families and related businesses.

In addition, on 29 April 2016, AB InBev announced that it had submitted an updated package of commitments to the European Commission, in line with its approach to proactively address potential regulatory considerations in the context of the Transaction. AB InBev has offered the entirety of the assets of SABMiller in Central and Eastern Europe (Hungary, Romania, the Czech Republic, Slovakia and Poland), subject to certain third party rights, for divestiture. The divestment of SABMiller's businesses in Central and Eastern Europe is conditional on the European Commission's approval of the purchaser(s) as suitable purchaser(s) and subject to Completion having occurred, is expected to take effect after Completion.

On 24 May 2016, the European Commission approved the Transaction in Phase I of the EU merger review process conditional upon compliance with the proposed commitments described above.

#### *Distell Divestiture*

AB InBev has agreed to sell SABMiller's 26.5% shareholding in Distell Group Limited in order to address regulatory considerations raised in the context of the Transaction by the Competition Commission of South Africa. The sale is expected to take effect after Completion in accordance with the approval (with conditions) given by the Competition Tribunal of South Africa.

#### *(d) Ambev Business Exchange*

On 13 May 2016, AB InBev announced that it had entered into an agreement with its subsidiary, Ambev, pursuant to which AB InBev has agreed to transfer SABMiller's Panamanian business to Ambev, in exchange for which Ambev has agreed to transfer to AB InBev its businesses in Colombia, Peru and Ecuador. The business transfers are conditional upon, and will take effect shortly after, Completion.

#### *(e) Public interest commitments in South Africa*

On 14 April 2016 AB InBev announced that it had entered into the EDD 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. Please see Annex G (Zenzele Scheme) of this Prospectus for further details on the Zenzele Scheme.

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 ZAR1.0 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. The goal of the partnership will be to reduce the harmful use of alcohol and promote enterprise development and it is intended that the partnership will be subject to Completion. As part of this partnership, AB InBev intends to commit to an investment of ZAR 50.0 million over five years.

AB InBev will establish an African board in South Africa, on which Jabu Mabuza, chairman of the board of Telkom SA, Sphere Holdings and Business Unity South Africa, has agreed to serve as chairman. In the coming months, Jabu Mabuza and Carlos Brito, who will also join the African board, will work together to finalise the governance and constitution of the African board.

### **7.2.2 Revolving facility**

On 26 February 2010, AB InBev entered into the 2010 Senior Facilities Agreement with a syndicate of 13 banks, and two term facilities totalling USD 4.2 billion, enabling AB InBev to fully refinance a previous senior facilities agreement related to its Anheuser-Busch merger in 2008. These facilities extended AB InBev's debt maturities while building additional liquidity, thus enhancing AB InBev's credit profile as evidenced by the improved terms under the facilities, which do not include financial covenants or mandatory prepayment provisions (except in the context of a change in control). The two term facilities totalling USD 4.2 billion were cancelled on 31 March 2010 before being drawn.

The 2010 Senior Facilities Agreement made the following two senior facilities available to AB InBev and its subsidiary, Anheuser-Busch InBev Worldwide Inc.: (i) the term facility, a three-year term loan facility for up to USD 5.0 billion principal amount available to be drawn in USD, and (ii) the "Revolving Facility," a five-year multi-currency revolving credit facility for up to USD 8.0 billion principal amount, which is also available to Cobrew NV and Brandbrew S.A.

The Revolving Facility contains customary representations and warranties, covenants and events of default. Among other things, an event of default is triggered if either a default or an event of default occurs under any of AB InBev's or its subsidiaries' financial indebtedness. The obligations of the borrowers under the 2010 Senior Facilities Agreement are jointly and severally guaranteed by the other borrowers, ABIFI, Anheuser-Busch Companies, LLC and Brandbev S.à.r.l.

Mandatory prepayments are required to be made under the 2010 Senior Facilities Agreement in circumstances where a person or a group of persons acting in concert (other than AB InBev's controlling shareholder, the AB InBev Reference Shareholder or any of its certificate holders or any persons or group of persons acting in concert with such persons) acquires control of AB InBev, in which case individual lenders are accorded rights to require prepayment in full of their respective portions of the outstanding utilizations.

Effective 25 July 2011, AB InBev amended the Revolving Facility under the 2010 Senior Facilities Agreement. The termination date of the Revolving Facility was amended to 25 July 2016. On 5 July 2011, in connection with the amendment, AB InBev fully prepaid and terminated the term facility under the 2010 Senior Facilities Agreement. Effective 20 August 2013, AB InBev amended the terms of the USD 8.0 billion five-year Revolving Facility extending the provision of USD 7.2 billion to a revised maturity of July 2018. Effective 28 August 2015, AB InBev amended the terms of its Revolving Facility to increase the total commitment to USD 9.0 billion and to extend the maturity to August 2020.

AB InBev borrows under the Revolving Facility at an interest rate equal to LIBOR (or EURIBOR for euro-denominated loans) plus a margin of 0.2250% per annum based upon the ratings assigned by rating agencies to AB InBev's long-term debt as of the date of this Prospectus. These margins may change to the extent that the ratings assigned to AB InBev's long-term debt are modified, ranging between 0.175% per annum and 0.70% per annum. A commitment fee of 35% of the applicable margin is applied to any undrawn but available funds under the Revolving Facility. A utilisation fee of up to 0.3% per annum is payable, dependent on the amount drawn under the Revolving Facility.

As of 31 December 2015, the Revolving Facility had been fully repaid and remained undrawn, with USD 9.0 billion remaining available to be drawn.

### **7.2.3 Grupo Modelo Transaction Agreement**

On 28 June 2012, AB InBev, Anheuser-Busch International Holdings, Inc., a Delaware corporation and predecessor of Anheuser-Busch International Holdings, LLC, Anheuser-Busch México Holding, S. de R.L. de C.V., a Mexican corporation and Grupo Modelo and Diblo, S.A. de C.V., then a subsidiary of Grupo Modelo, entered into a transaction agreement.

In a transaction related to, and following the settlement of, the tender offer for Grupo Modelo contemplated by the transaction agreement, two Grupo Modelo shareholders, María Asunción Aramburuzabala and Valentín Díez Morodo, purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev Shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013. María Asunción Aramburuzabala and Valentín Díez Morodo were appointed to the AB InBev Board in accordance with the terms of the Grupo Modelo combination with AB InBev. They have also agreed to a non-competition provision for three years following the completion of the tender offer for Grupo Modelo.

### **7.2.4 Crown Imports membership interest purchase agreement and Brewery sale and purchase agreement**

In a sale related to the completion of the combination with Grupo Modelo, AB InBev, Grupo Modelo and Constellation Brands, Inc. announced on 29 June 2012 that Grupo Modelo would sell its existing 50% stake in Crown Imports, the joint venture that imports and markets Grupo Modelo's brands in the 50 states of the United States, the District of Columbia and Guam, to Constellation Brands, Inc. for USD 1.85 billion, giving Constellation Brands, Inc. 100% ownership and control of Crown Imports.

Thereafter, on 14 February 2013, AB InBev, Grupo Modelo and Constellation Brands, Inc. announced a revised agreement that establishes Crown Imports as a fully owned entity of Constellation Brands, Inc., and provides Constellation Brands, Inc. with independent brewing operations, Grupo Modelo's full profit stream from all sales in the 50 states of the United States, the District of Columbia and Guam, and rights in perpetuity to certain of Grupo Modelo's brands in the United States. In addition, on 14 February 2013, AB InBev entered into an agreement to sell Compañía Cervecería de Coahuila, Grupo Modelo's state-of-the-art brewery in Piedras Negras, Mexico, and grant perpetual brand licences to Constellation Brands, Inc. for USD 2.9 billion, subject to a post-closing adjustment. Upon closing, AB InBev and Constellation Brands, Inc. also entered into a three-year transition services agreement to ensure the smooth transition of the operation of the Piedras Negras brewery, which is fully self-sufficient, utilises top-of-the-line technology and was built to be readily expanded to increase production capacity.

On 4 June 2013 AB InBev announced the completion of the combination with Grupo Modelo, and on 7 June 2013, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

### **7.2.5 Grupo Modelo settlement agreement**

On 19 April 2013 AB InBev, Grupo Modelo, Constellation Brands, Inc. and Crown Imports LLC, reached a final agreement with the U.S. Department of Justice on the terms of a settlement of the Department of Justice's litigation challenging AB InBev's acquisition of Grupo Modelo. The settlement required the divestiture to Constellation Brands, Inc. of Grupo Modelo's brewery in Piedras Negras, Mexico and Grupo Modelo's 50% stake in Crown Imports LLC, as well as the grant of perpetual brand licences to Constellation Brands, Inc. The final judgment was approved by the Court in October 2013.

Under the terms of the stipulation order and final judgment, (i) Constellation Brands, Inc. was joined as a party to the action for the purposes of settlement and for the entry of a final judgment, (ii) AB InBev and Grupo Modelo agreed to the prompt and certain divestiture of certain rights and assets held by them, (iii) AB InBev and Constellation Brands, Inc. agreed to amend certain agreements that were executed in connection with the acquisition of the equity interest in Crown Imports LLC and the brewery, (iv) Constellation Brands, Inc. is obligated to build out and expand the Brewery to a nominal capacity of at least 20 million hectolitres of packaged beer annually by 31 December 2016, and to use its best efforts to achieve certain construction milestones by specified dates, (v) the United States has approval rights, in its sole discretion, for amendments or modifications to the agreements between AB InBev and Constellation Brands, Inc., and (vi) the United States has a right of approval, in its sole discretion, of any extension beyond three years of the term of the interim supply agreement, which was executed by AB InBev and Constellation Brands, Inc. at the closing of the acquisition.

As part of the settlement with the U.S. Department of Justice, AB InBev completed the sale of its glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The sale price for all of these assets was approximately USD 300 million. AB InBev's transition services agreement and interim supply agreement with Constellation Brands, Inc. were amended as part of this sale and in 2015, the interim supply agreement was extended for an additional year.

## 8. INTERESTS OF DIRECTORS AND PROMOTERS [Regulation 64]

Subject to the below, no consideration has been paid by any person, within the preceding three years before the date of issue of this Prospectus to an Initial Newbelco Director or a related person, or any company in which an Initial Newbelco Director is beneficially interested or of which such Initial Newbelco Director is also a director, nor to any partnership, syndicate or other association of which the Initial Newbelco Director is a member, to induce such Initial Newbelco Director, related person or company to become an Initial Newbelco Director, or to qualify as an Initial Newbelco Director, or for services rendered by a company, partnership, syndicate or other association in connection with the promotion or formation of Newbelco.

SABMiller International BV has paid and will continue to pay Intertrust for Intertrust's incorporation, company secretarial and administrative services relating to Newbelco for the period prior to Completion, which payments shall be reimbursed to SABMiller International BV by AB InBev in accordance with the terms of the Co-operation Agreement.

The Initial Newbelco Directors have not received and will not receive any remuneration from Newbelco in their capacity as directors of Newbelco.

No Initial Newbelco Director or promoter has any direct or indirect material interest in:

- the promotion of Newbelco;
- any property proposed to be acquired by Newbelco; or
- any property acquired or proposed to be acquired by Newbelco during the three years immediately before the date of this Prospectus.

Furthermore, this Prospectus does not relate to an offer in terms of Regulation 55 of the Companies Regulations.

## 9. LOANS [Regulation 65]

### 9.1 Material loans received by Newbelco or its subsidiaries

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, Newbelco has not received any material loans nor has Newbelco issued any debentures.

Details of the material loans made to and/or notes issued by AB InBev and its subsidiaries are set out in section 1, paragraph 7.2 (*Material contracts and arrangements of AB InBev*) of this Prospectus.

### 9.2 Material loans made by Newbelco other than in the ordinary course of business

Newbelco was incorporated on 3 March 2016. As at the Last Practicable Date, Newbelco has not made any material loans.

Details of AB InBev's material loans are set out in section 1, paragraph 7.2 (*Material contracts and arrangements of AB InBev*) above.

## 10. SHARES ISSUED OR TO BE ISSUED OTHER THAN FOR CASH [Regulation 66]

Save for the Newbelco Shares to be issued in terms of the Transaction should it be implemented, since incorporation, Newbelco did not issue or agree to issue any other securities to any person other than for cash.

The options detailed in section 1, paragraph 5.2 (*Share-based payment plans*) above will, however be applicable to Newbelco on completion of the Transaction.

For further information in respect of the rights of participants to be issued Newbelco Shares, or have Newbelco Shares delivered to them, under the Zenzele Scheme, please refer to Annexe G.

## 11. PROPERTY ACQUIRED OR TO BE ACQUIRED [Regulation 67]

As Newbelco was incorporated on 3 March 2016, Newbelco has not in the three years preceding the date of this Prospectus, and does not propose to, acquire any material immovable property, any other material fixed asset or option to acquire such properties, and has not entered into any agreement to acquire any immovable property or material fixed assets. On implementation of the UK Scheme, Newbelco will become the sole shareholder of SAB Miller, whose subsidiaries do own certain immovable and fixed assets. Additionally, on implementation of the Belgian Merger, Newbelco will by operation of law assume the rights of AB InBev in relation to certain of AB InBev's subsidiaries which do own certain immovable property and fixed assets.

## 12. AMOUNTS PAID OR PAYABLE TO PROMOTERS [Regulation 68]

In relation to the issue of Newbelco Shares, no preliminary expenses have been paid or will be payable by Newbelco and no benefit has been or will be given to any promoter, or to any partnership, syndicate or other association of which a promoter is or was a member.

## 13. PRELIMINARY EXPENSES AND ISSUE EXPENSES [Regulation 69]

The transaction costs in connection with the Transaction, which include transaction taxes, advisory, legal, audit, valuation and other fees and costs (including, without limitation, costs and expenses relating to the issue of the New Ordinary Shares and the Listing), will amount to approximately USD 1.0 billion. In addition AB InBev expects to incur approximately USD 0.7 billion of costs in connection with the Transaction-related financing arrangements.

## SECTION 2: INFORMATION ABOUT THE OFFERED SECURITIES [Regulation 56]

*This section 2 contains a summary of the terms of the Transaction and is not intended to create an independent source of rights or obligations with respect to the Transaction. Full terms of the Transaction are set out in the UK Scheme Document and the AB InBev Transaction Documents.*

*If any conflict or inconsistency arises between the provisions of this section 2 and the provisions of the UK Scheme Document and/or the AB InBev Transaction Documents, as applicable, the provisions of the UK Scheme Document and/or the AB InBev Transaction Documents, as applicable, shall prevail to the extent of such conflict or inconsistency.*

### 1. PURPOSE OF THE OFFER [Regulation 70]

The Transaction will be implemented by means of the Proposed Structure, including:

- (i) **Step 1:** 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 Scheme Shareholder will receive 100 Initial Newbelco Shares in consideration for each of its UK Scheme Shares;
- (ii) **Step 2:** 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 (i) 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 in order to receive the Cash Consideration and (ii) UK Scheme Shareholders who validly elect (or are deemed to elect) for the Partial Share Alternative will tender some of their Initial Newbelco Shares in the Belgian Offer in order to receive the cash element of the Partial Share Alternative. Such UK Scheme Shareholders 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); and
- (iii) **Step 3:** 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.

The Transaction could constitute an “offer to the public” in terms of section 95(1)(h) of the Companies Act. This Prospectus is therefore issued in terms of section 99(2) of the Companies Act.

### 2. TIMES AND DATES [Regulation 71]

The following indicative timetable sets out expected dates for the implementation of principal events of the Transaction. All references to times are to London time unless otherwise stated. References to Forms of Proxy and Election Forms and other terms not defined in this prospectus pertain to those referred to in the UK Scheme Document provided to SABMiller Shareholders.

**No transfers of SABMiller Shares between the UK Register and the South African Register may take place after 19 September 2016.**

Event	Time and/or date <sup>(1)</sup>
Publication of this document	26 August 2016
Latest date and time for transfers between the UK Register and the South African Register	4.30 p.m. (South African standard time) on 19 September 2016
Latest time for lodging BLUE Forms of Proxy and registering proxy appointments electronically for the UK Scheme Court Meeting	9.00 a.m. on 26 September 2016 <sup>(2)</sup>
Latest time for lodging WHITE Forms of Proxy and registering proxy appointments electronically for the SABMiller General Meeting	9.15 a.m. on 26 September 2016 <sup>(3)</sup>
Latest time for receipt by the SABMiller ADS Depository of completed ADS Voting Instruction Cards	12.00 p.m. (New York time) on 26 September 2016 <sup>(4)</sup>
Voting Record Time	6.30 p.m. on 26 September 2016 <sup>(5)</sup>
Closure of SABMiller ADS Depository issuance and cancellation of books	12.00 p.m. (New York time) on 27 September 2016
Latest time for SABMiller ADS holders who wish to make an Election for the Partial Share Alternative to give notice to surrender their SABMiller ADSs to the SABMiller ADS Depository	12.00 p.m. (New York time) on 27 September 2016
AB InBev General Meeting	9.00 a.m. (Brussels time) on 28 September 2016
UK Scheme Court Meeting	9.00 a.m. on 28 September 2016
SABMiller General Meeting	9.15 a.m. on 28 September 2016 <sup>(6)</sup>
Newbelco General Meeting	11.00 a.m. (Brussels time) on 28 September 2016
Last day to trade in SABMiller Shares on the South African Register	29 September 2016
Suspension of listing of SABMiller Shares on the Johannesburg Stock Exchange	Before opening of markets on 30 September 2015 <sup>(7)</sup>
UK Scheme Court Sanction Hearing	4 October 2016 <sup>(7)</sup>
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, SABMiller Shares on the UK Register	4 October 2016
UK Scheme Record Time	6.00 p.m. on 4 October 2016
<b>Expected UK Scheme Effective Time</b>	<b>6.15 p.m. on 4 October 2016</b>
Delisting of SABMiller Shares on the London Stock Exchange and the Johannesburg Stock Exchange	by 8.00 a.m. on 5 October 2016
Capital Increase, issue of Initial Newbelco Shares to SABMiller Shareholders and the Re-registration	6 October 2016
Last day of trading in AB InBev Shares on the Johannesburg Stock Exchange	7 October 2016
Belgian Offer opens	8 a.m. (9 a.m. Brussels time) on 7 October 2016
Latest time for lodging, changing/amending the GREEN Form of Election or for making an Electronic Election	6 p.m. (7 p.m. Brussels time) on 7 October 2016 <sup>(8)</sup>
<b>Belgian Offer Closes</b>	<b>6 p.m. (7 p.m. Brussels time) on 7 October 2016</b>
Reclassification and Consolidation	By 11 a.m. (12 p.m. Brussels time) on 8 October 2016
Suspension of listing of AB InBev Shares on the Johannesburg Stock Exchange	By 8 a.m. (South African standard time) on 10 October 2016
Last day of trading in AB InBev Shares on Euronext Brussels	10 October 2016
Suspension of trading of AB InBev Shares on the Mexico Stock Exchange	11 a.m. (Mexico time) on 10 October 2016

Event	Time and/or date <sup>(1)</sup>
<b>Belgian Merger (between AB InBev and Newbelco) becomes effective</b>	<b>7 p.m. (8 p.m. Brussels time) on 10 October 2016</b>
Issue of New Ordinary Shares to AB InBev Shareholders and registration in Newbelco's share register	On or around 7 p.m. (8 p.m. Brussels time) on 10 October 2016
Delisting of AB InBev Shares from Euronext Brussels and the Mexico Stock Exchange	Before opening of markets on 11 October 2016
New Ordinary Shares listed and commencement of dealings in the New Ordinary Shares on Euronext Brussels, the Johannesburg Stock Exchange and the Mexico Stock Exchange and listing of Newbelco ADSs on the NYSE	At opening of markets on 11 October 2016
<b>Expected date for despatch of cheques, electronic funds transfers and crediting of CREST and the STRATE system accounts for cash proceeds due under the Belgian Offer</b>	<b>11 October 2016</b>
<b>Last date for despatch of cheques, electronic funds transfers and crediting of CREST and the STRATE system accounts for cash proceeds due under the Belgian Offer</b>	<b>13 October 2016</b>
Delisting of AB InBev Shares on the Johannesburg Stock Exchange Long Stop Date	By 8 a.m. (South African standard time) on 13 October 2016 11 May 2017 <sup>(9)</sup>

Notes:

- (1) All times shown in this document are London times unless otherwise stated. **The dates and times given are indicative only and are based on AB InBev's and SABMiller's current expectations and may be subject to change.** If any of the times and/or dates above change, the revised times and/or dates will be notified to SABMiller Shareholders by announcement through a Regulatory Information Service, on SENS and in the usual South African business newspapers for announcements of this nature.
- (2) The BLUE Form of Proxy for the UK Scheme Court Meeting may, alternatively, be handed to the SABMiller UK Registrar or the Chairman of the UK Scheme Court Meeting before the start of the UK Scheme Court Meeting (or any adjournment thereof). However, if possible, SABMiller Shareholders are requested to lodge the BLUE Forms of Proxy at least 48 hours before the time appointed for the UK Scheme Court Meeting.
- (3) The WHITE Form of Proxy for the SABMiller General Meeting must be lodged with the relevant SABMiller Registrar by no later than 9.15 a.m. on 26 September 2016 in order for it to be valid, or, if the SABMiller General Meeting is adjourned, no later than 48 hours before the time fixed for the holding of the adjourned meeting. If the WHITE Form of Proxy is not returned by such time, it will be invalid.
- (4) Only those SABMiller ADS holders who hold SABMiller ADSs at 6.00 p.m. (New York time) on 26 September 2016 will be entitled to instruct the SABMiller ADS Depositary to exercise voting rights in respect of the SABMiller Shares represented by their SABMiller ADSs at the SABMiller Meetings.
- (5) If either SABMiller Meeting is adjourned, the Voting Record Time for the adjourned SABMiller Meeting will be 6.30 p.m. on the date which is two days before the date set for the adjourned SABMiller Meeting.
- (6) To commence at the time fixed or, if later, immediately after the conclusion or adjournment of the UK Scheme Court Meeting.
- (7) SABMiller shares on the South African Register cannot be rematerialised or dematerialised from the commencement of trade on 30 September 2016.
- (8) Or, if later, not later than 30 Business Days after the satisfaction or waiver of all of the Conditions other than the Post Scheme Sanction Conditions and the Condition set out in paragraph (a)(iii) of Part (A) of Part V of the UK Scheme Document (or such later date as SABMiller and AB InBev may agree and the UK Court may allow). In such event, the events in this timetable which are scheduled to occur after the UK Scheme Court Sanction Hearing will be postponed accordingly.
- (9) As at the close of trading on the last day of dealings in SABMiller Shares prior to the UK Scheme Effective Time, there may be unsettled, open trades for the sale and purchase of SABMiller Shares within the CREST system. The SABMiller Shares that are the subject of such unsettled trades will be treated under the UK Scheme in the same way as any other SABMiller Share registered in the name of the relevant seller under that trade. Consequently, SABMiller Shareholders on the SABMiller Register at the UK Scheme Record Time with SABMiller Shares linked to an election for the Partial Share Alternative will receive the Initial Newbelco Shares in accordance with the terms of the UK Scheme. PLEASE NOTE THAT NO TRANSFERS OF RESTRICTED NEWBELCO SHARES WILL BE PERMITTED FOLLOWING COMPLETION TO SETTLE ANY UNSETTLED TRADES DUE TO THE RESTRICTIONS ON THE TRANSFERABILITY OF THE RESTRICTED NEWBELCO SHARES, AS DESCRIBED IN SECTION 1, PARAGRAPH 4.2.12 (TRANSFER AND CONVERSION OF SHARES) OF THIS PROSPECTUS. CONSEQUENTLY, PRIOR TO MAKING AN ELECTION FOR THE PARTIAL SHARE ALTERNATIVE, SABMILLER SHAREHOLDERS SHOULD NOTE THAT THEY WILL BE UNABLE TO FULFIL ANY OBLIGATION TO DELIVER RESTRICTED NEWBELCO SHARES TO A RELEVANT BUYER UNDER AN UNSETTLED TRADE IN THE CREST SYSTEM.
- (10) SABMiller Shares cannot be rematerialised or dematerialised on the JSE from commencement of trade on 30 September 2016.

### 3. PARTICULARS OF THE OFFER CONTEMPLATED IN THIS PROSPECTUS [Regulation 72]

#### 3.1 Terms of the Transaction and Rule 2.7 Announcement [Regulation 72(1)(a)-(e)]

##### 3.1.1 Rule 2.7 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 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.

### 3.1.2 Structure of the Transaction

#### Description and schematic overview

##### Summary description

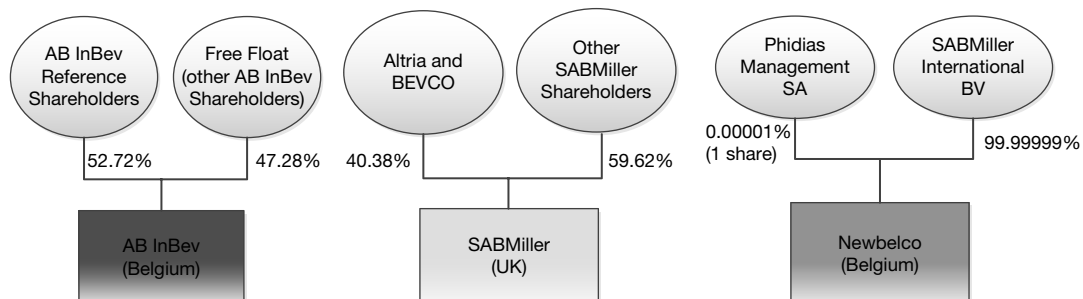
Under the terms of the Transaction, each UK Scheme Shareholder will have the option to elect to receive either:

- 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.

#### Schematic overview of Transaction structure

##### Current simplified structure

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

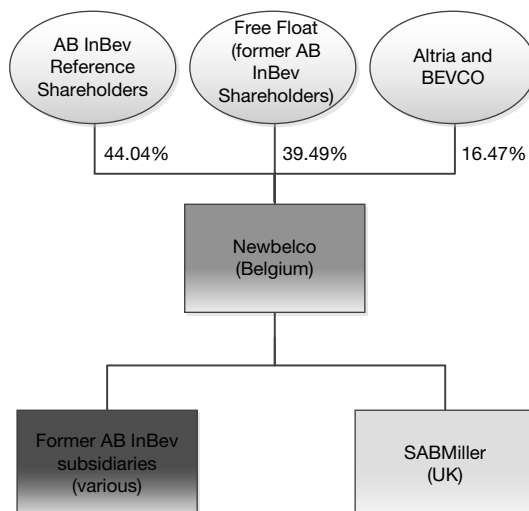


##### Notes:

- 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 1 paragraph 4.5.2.2 of this Prospectus.
- 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.

##### Envisaged simplified structure post-Completion

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



##### Notes:

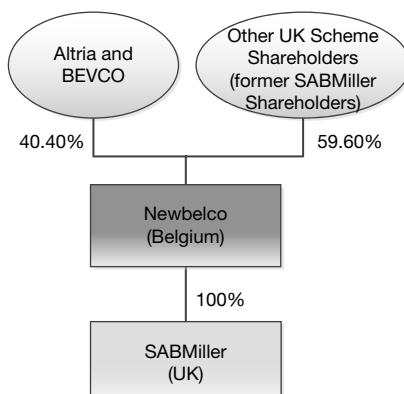
- For purposes of the diagram above, “AB InBev Reference Shareholders” includes the AB InBev Reference Shareholder and the entities acting in concert with it, as set out in section 1 paragraph 4.5 of this Prospectus.
- For purposes of the diagram above, “Free Float (former AB InBev Shareholders)” excludes 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.

### 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 Scheme Shareholder will receive 100 Initial Newbelco Shares in consideration for each of its UK Scheme Shares.



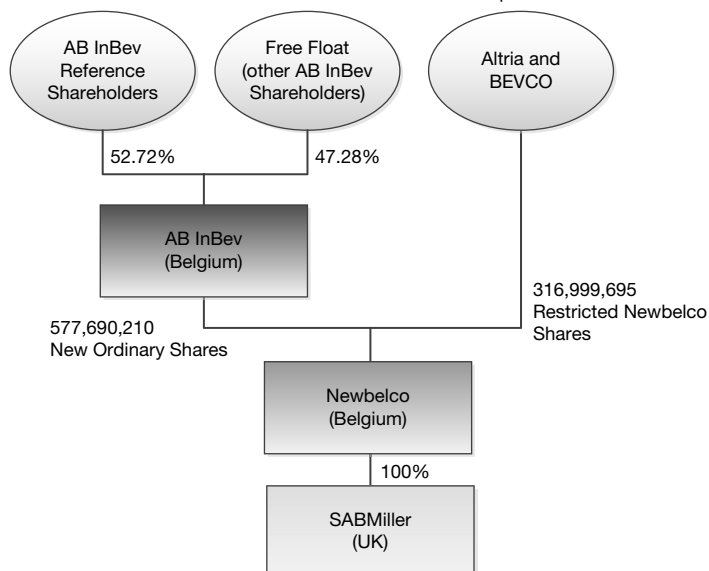
#### Notes:

- 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.



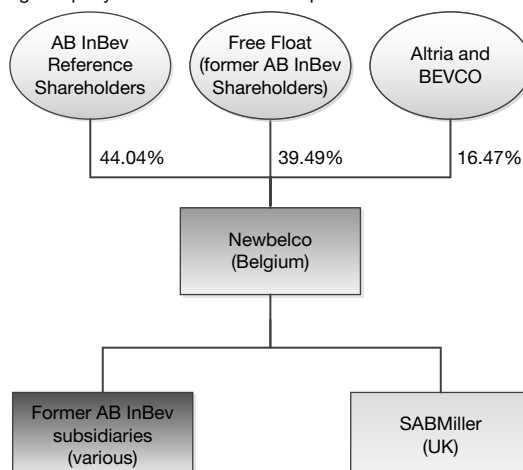
#### Notes:

- 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 1 paragraph 4.5 of this Prospectus.
- 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 8 below for details on the basis on which the 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 1 paragraph 4.5 of this Prospectus.
- 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.

### Three-stage Transaction structure

#### 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 U.S. 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 capital.<sup>8</sup> 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.

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

<sup>8</sup> 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 ordinary share capital as at the close of business on 30 June 2016 of 1,622,117,877 shares ordinary shares (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 may need to be issued (or transferred out of treasury).

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 and a supplemental irrevocable undertaking from 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 capital.<sup>9</sup> Please refer to section 1, paragraphs 7.2.1.7 (*Altria Irrevocable*) and 7.2.1.9 (*BEVCO Irrevocable*) of this Prospectus for a description of such irrevocable undertakings. 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 4 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 from and 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 immediately following completion of the Capital Increase. 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, 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.

SABMiller Shareholders are advised to review the UK Scheme Document for further information on the UK Scheme, including in particular for details of the action to be taken by them in respect of the UK Scheme and how to make Elections for the Cash Consideration or the Partial Share Alternative.

AS SET OUT ABOVE, AN ELECTION FOR THE PARTIAL SHARE ALTERNATIVE, OR THE CONTINUED HOLDING OF RESTRICTED SHARES, MAY BE AFFECTED BY THE LEGAL OR REGULATORY REQUIREMENTS OF CERTAIN JURISDICTIONS. SABMILLER SHAREHOLDERS SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY APPLICABLE LEGAL OR REGULATORY REQUIREMENTS OF THEIR JURISDICTION.

#### **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 terms of 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 Election) 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:
  - (A) 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*
  - (B) 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

<sup>9</sup> As at 30 June 2016 and excluding any shares held in treasury.

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 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. See section 4, paragraph 5 (*South African Exchange Control*) of this Prospectus.

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).<sup>10</sup>

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).

### **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 Participations 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.

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.

<sup>10</sup> 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 8 for the calculation of the number of 1,657,262,457 UK Scheme Shares.

## 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 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 Consolidation.<sup>11</sup>

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 Newbelco Articles. From Completion, such Restricted Newbelco Shares will rank equally with the New Ordinary Shares as regards dividends and voting rights. The terms of the Restricted Newbelco Shares are summarised in section 1, paragraph 4 of this Prospectus.

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 this Prospectus, 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 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%.<sup>12</sup> See section 1, paragraph 4.5.2 (*Post completion*) of this Prospectus for further information in respect of the expected ownership of former AB InBev Shareholders and UK Scheme Shareholders following the Belgian Merger.

### Value Reduction

Under the terms of the Transaction, following the announcement by AB InBev of its revised and final offer 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 reference to the amount of any such excess, in the case of a Permitted Dividend, or otherwise by reference to the amount 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 such 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 p.m. 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 Final Dividend was approved by SABMiller's annual general meeting on 21 July 2016 and was paid on 12 August 2016. Both the Final Dividend and the interim dividend of USD 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 within the terms set out above and their payment does not impact the Cash Consideration or the Partial Share Alternative.

### 3.1.3 Conditions Precedent to the Transaction

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 had been satisfied. The paragraphs below describe the outstanding conditions of the Transaction.

#### The UK Scheme

SABMiller proposed to the UK Court that Altria and BEVCO (and their nominees, if any) should constitute a separate class for the purposes of the UK Scheme Court Meeting and, on 23 August 2016, the UK Court agreed to the convening of the UK Scheme Court Meeting on this basis.

To become effective, the UK Scheme therefore requires approval at the UK Scheme Court Meeting from a majority in number of those holders of UK Scheme Shares (other than Altria and BEVCO (and their nominees, if any) who will separately undertake to be bound by the UK Scheme) 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 Resolution at the SABMiller General Meeting, which is expected to be held immediately after the UK Scheme Court Meeting. The SABMiller Shares held by Altria and BEVCO (and their nominees, if any) may be voted at the SABMiller General 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.

<sup>11</sup> Except for Newbelco and former AB InBev subsidiaries that will hold Newbelco Shares in treasury.

<sup>12</sup> 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 Brandbrev S.A., Brandbrev S.à.r.l. and Mexbrev S.à.r.l.

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, 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.

#### **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.

#### **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 the 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.

### **3.2 Previous issues of securities by Newbelco during the three years preceding the date of this Prospectus [Regulation 72(2)]**

As at the Last Practical Date, save for the issue of securities to SABMiller International B.V and Phidias Management S.A. as set out in section 1, paragraphs 4.1 (*History and form of share capital*) and 4.4.1 (*Authorised and issued share capital – Newbelco*), there have been no previous issues of securities by Newbelco in the three years preceding the date of this Prospectus.

### **3.3 Previous issues of securities for a premium by Newbelco during the three years preceding the date of this Prospectus [Regulation 72(3)]**

As at the Last Practical Date, there have been no previous issues of securities for a premium by Newbelco in the three years preceding the date of this Prospectus.

## **4. MINIMUM SUBSCRIPTION [Regulation 73]**

The Initial Newbelco Shares are being issued as consideration under the UK Scheme. Accordingly, no minimum amount for subscription, as contemplated in section 108(2) of the Companies Act, read with Regulation 73 of the Companies Regulations, will apply.

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## SECTION 3: STATEMENTS AND REPORTS RELATING TO THE OFFER [Regulation 56]

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### 1. STATEMENT AS TO ADEQUACY OF CAPITAL [Regulation 74]

The Newbelco Board is of the opinion that, should the Transaction become effective, taking into account the bank and other facilities available to the Combined Group, the Combined Group has sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this Prospectus.

### 2. REPORT OF DIRECTORS AS TO MATERIAL CHANGES [Regulation 75]

The Newbelco Board reports that, other than in the ordinary course of business and in terms of this Prospectus, as at the date of this Prospectus, there have been no material changes in the assets and liabilities of Newbelco that have occurred since the date of incorporation of Newbelco.

For material changes in AB InBev and its subsidiaries' financial and trading position which have occurred between the date of this Prospectus and 30 June 2016, SABMiller Shareholders are referred to section 1, paragraph 3.2.2 (*Material changes in AB InBev's financial or trading position since 30 June 2016*).

### 3. STATEMENT AS TO LISTING ON A STOCK EXCHANGE [Regulation 76]

No application for listing will be made in respect of the Initial Shares or Restricted Newbelco Shares, however, subject to Completion, the New Ordinary Shares will be admitted to primary listing on Euronext Brussels, with a first listing intended to occur on or about the first Business Day following the date of the Belgian Merger. It is also intended that they will, at the same time, be listed (as a secondary listing) on the Johannesburg Stock Exchange and the Bolsa Mexicana de Valores and that ADSs (each representing one New Ordinary Share) will be listed on the NYSE, upon which each holder of AB InBev ADRs would automatically become a holder of ADSs representing a fixed ratio of New Ordinary Shares.

### 4. REPORT BY THE AUDITOR WHERE BUSINESS UNDERTAKING TO BE ACQUIRED [Regulation 77]

Newbelco will not receive any cash proceeds from the issue of the Initial Newbelco Shares to UK Scheme Shareholders under the UK Scheme or from the issue of New Ordinary Shares pursuant to the Transaction and, accordingly, Newbelco does not intend to apply any funds derived from the issue of Newbelco Shares pursuant to the Transaction in order to acquire any business undertaking.

### 5. REPORT BY THE AUDITOR WHERE COMPANY WILL ACQUIRE A SUBSIDIARY [Regulation 78]

Newbelco will not receive any cash proceeds from the issue of the Initial Newbelco Shares to UK Scheme Shareholders under the UK Scheme or from the issue of New Ordinary Shares pursuant to the Transaction and hence will not apply any proceeds, or any part of the proceeds, of the issue of Newbelco Shares pursuant to the Transaction in any manner, whether directly or indirectly, resulting in the acquisition by Newbelco of securities of any juristic person, with the direct or indirect result that the other juristic person will become a subsidiary of Newbelco.

### 6. REPORT BY THE AUDITOR OF NEWBELCO [Regulation 79]

The opening balance sheet as of 3 March 2016 in respect of Newbelco is set out in Annexe B, and the report of the auditors of Newbelco thereon, as required by Regulation 79 of the Companies Regulations, is set out in Annexe C of this Prospectus.

The statutory auditor of Newbelco is Deloitte Bedrijfsrevisoren BV CVBA – Réviseurs d'Entreprises SC SCRL, with registered office at Berkenlaan 8B, 1831 Diegem, Belgium, represented by Mr. Joël Brehmen, auditor. Deloitte Bedrijfsrevisoren BV CVBA – Réviseurs d'Entreprises SC SCRL was appointed on 3 March 2016 as Newbelco's statutory auditor for a term of three years expiring after Newbelco's ordinary shareholders' meeting of 2019.

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## SECTION 4: ADDITIONAL MATERIAL INFORMATION [Regulation 56]

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### 1. LEGAL AND ARBITRATION PROCEEDINGS OF NEWBELCO

There are no legal or arbitration proceedings involving Newbelco, including any proceedings that are pending or threatened, of which Newbelco is aware, that may have or have had in the recent past, being at least the previous 12 months, a material effect on Newbelco's financial position.

### 2. LEGAL AND ARBITRATION PROCEEDINGS OF AB INBEV

Litigation is subject to uncertainty and AB InBev and each of its subsidiaries named as a defendant believe, and have so been advised by counsel handling the respective cases, that AB InBev has valid defences to the litigation pending against it, as well as valid bases for appeal of adverse verdicts, if any. All such cases are, and will continue to be, vigorously defended. AB InBev and its subsidiaries may, however, enter into settlement discussions in particular cases if AB InBev believes it is in its best interests to do so. Except as set forth herein, there have been no governmental, judicial or arbitration proceedings (including any such proceedings which are pending or threatened against AB InBev or its subsidiaries of which AB InBev is aware) during a period between 1 January 2015 and the date of this Prospectus which may have, or have had in the recent past, significant effects on its financial position and profitability.

#### 2.1 AB InBev

##### Grupo Modelo transaction

On 31 January 2013, AB InBev announced that the U.S. Department of Justice had filed an action seeking to block the combination with Grupo Modelo, and specifically, AB InBev's proposal at that time to acquire the remaining stake in Grupo Modelo.

Thereafter, on 19 April 2013, AB InBev announced that together with Grupo Modelo and Constellation Brands, Inc., AB InBev had reached a final settlement agreement with the U.S. Department of Justice. The terms of the settlement were substantially in line with the revised transaction announced on 14 February 2013, and included binding commitments to the revised transaction, designed to ensure a prompt divestiture of assets by AB InBev to Constellation Brands, Inc., the necessary build-out of the Piedras Negras brewery by Constellation Brands, Inc., as well as certain distribution guarantees for Constellation Brands, Inc. in the 50 states of the United States, the District of Columbia and Guam.

AB InBev announced the completion of the combination with Grupo Modelo on 4 June 2013, and on 7 June 2013, AB InBev announced that in a related transaction, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

As part of the settlement with the U.S. Department of Justice, AB InBev completed the sale of its glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The sale price for all of these assets was approximately USD 300 million. Please refer to this section 4, paragraph 2.3 (*Anheuser-Busch – Acquisition antitrust matters – United States*) below.

##### German antitrust investigation

In August 2011, the German Federal Cartel Office (*Bundeskartellamt*) launched an investigation against several breweries and retailers in Germany in connection with an allegation of anti-competitive vertical price maintenance by breweries *vis-à-vis* their trading partners in Germany. On 18 June 2015, the *Bundeskartellamt* announced that it partially concluded these proceedings and issued fines, as confirmed by a press release issued by the *Bundeskartellamt* on 9 May 2016. Due to its cooperation with the *Bundeskartellamt*, AB InBev received immunity from fines. Although the investigation of the *Bundeskartellamt* is partially continuing, AB InBev has reason to believe that it will not receive a fine and that AB InBev will have full immunity from fines at the end of the proceedings.

##### European Commission investigation

On 30 June 2016, the European Commission announced an investigation into alleged abuse of a dominant position by AB InBev through certain practices aimed at restricting trade from other EU countries to Belgium. The fact that an investigation has been initiated does not mean that the European Commission has concluded that there is an infringement. AB InBev is fully cooperating with the investigation. It is not possible to indicate how long the investigation will take or what the outcome will be and no provision has been made in connection therewith. There is no connection between this investigation and the recommended combination with SABMiller.

##### Budweiser trademark litigation

AB InBev is involved in a longstanding trademark dispute with the brewer Budejovický Budvar, n.p. located in Ceske Budejovice, Czech Republic. This dispute involves the BUD and BUDWEISER trademarks and includes actions pending in national trademark offices as well as courts. Currently there are approximately 80 pending disputes in around 40 jurisdictions. While there are a significant number of actions pending, taken in the aggregate, the actions do not represent a material risk to its financial position or profitability.

##### Starbev litigation

At the time of the 2009 sale of its Central European operations to CVC Capital Partners (CVC), AB InBev received rights under a Contingent Value Right Agreement (CVR Agreement) to a future payment that was contingent on CVC's return on its initial investments. On 15 June 2012, CVC sold the business to Molson Coors Brewing Company for an aggregate consideration of EUR 2.65 billion (USD 3.50 billion). AB InBev believed that as a result of the sale to Molson Coors, the return earned by CVC triggered AB InBev's right to a further payment under the CVR Agreement. On 25 October 2012, CVC issued proceedings against AB InBev in the English Commercial Court in relation to the CVR Agreement and sought a declaration that the return it received following the sale to Molson Coors did not trigger AB InBev's right to payment. AB InBev served its defence and counterclaim on 19 December 2012. In April 2014, the English Commercial Court ruled in favour of AB InBev and found that CVC had breached certain contractual obligations under the CVR Agreement. Under the CVR Agreement, AB InBev received approximately EUR 32 million (USD 42 million) in 2013 and EUR 143 million (USD 192 million) in 2014 from CVC. In May 2016, the English Court of Appeal dismissed an appeal relating to the Commercial Court's April 2014 judgment. No further appeals were filed and the matter is closed.

##### Investigations inquiring into Indian operations

AB InBev has been cooperating with the SEC and the U.S. Department of Justice in connection with their investigations into AB InBev's current and former affiliates in India, including a non-consolidated Indian joint venture that AB InBev exited in 2015,



AB InBev India Private Limited, and whether certain relationships of agents and employees were compliant with the U.S. Foreign Corrupt Practices Act (FCPA). On 8 June 2016, the U.S. Department of Justice notified AB InBev that it was closing its investigation and would not be pursuing enforcement action in this matter. AB InBev is continuing to cooperate in the SEC's ongoing investigation and is in discussion with the SEC to resolve the matter.

#### Alcohol-by-volume litigation

In the first quarter of 2013, nine lawsuits were filed against AB InBev relating to the alcohol-by-volume in several of AB InBev's beer brands. Eight of these lawsuits were filed in Federal Courts located in California, Colorado, New Jersey, Ohio, Pennsylvania and Texas. The ninth was filed in state court in Missouri. The lawsuits generally allege that such products contain lower alcohol-by-volume levels than what is stated on the labels, in violation of various federal and state laws. In June 2013, the lawsuits in federal courts were consolidated into a multi-district litigation in Ohio. In June 2014, the lawsuits in federal courts were dismissed with prejudice. Plaintiffs' appeal of the dismissal was denied on 22 March 2016. The Missouri case was stayed pending the appeal, and AB InBev has renewed its motion to dismiss based upon the appellate ruling. The hearing is set for 19 August 2016. AB InBev will vigorously defend itself against these lawsuits.

#### Belgian tax matters

In February 2015, the European Commission opened an in-depth state aid investigation into the Belgian excess profit ruling system. On 11 January 2016, the European Commission adopted a negative decision finding that the Belgian excess profit ruling system constitutes an aid scheme incompatible with the internal market and ordering Belgium to recover the incompatible aid from a number of aid beneficiaries. The Belgian authorities must now determine which companies have benefitted from the system and the precise amounts of incompatible aid to be recovered from each company. AB InBev has a Belgian excess profit ruling, but Belgium has not yet formally required any recovery. In addition, the European Commission decision was appealed to the European Union's General Court by Belgium on 22 March 2016 and AB InBev on 12 July 2016. The appeals do not suspend the recovery process, and AB InBev cannot at this stage estimate the outcome of such legal proceedings. Based on the estimated exposure related to the excess profit ruling applicable to AB InBev, the different elements referred to above, as well as the possibility that taxes paid abroad and non-recognised tax loss carry-forwards could eventually partly or fully offset amounts subject to recovery, if any, AB InBev has not recorded any provisions in connection therewith as of 30 June 2016.

#### SABMiller transaction

On 1 December 2015, a group of consumers filed an antitrust lawsuit in federal court in Oregon, seeking an injunction to block the Transaction. The court in this private litigation could enjoin the parties from completing the Transaction, or delay its implementation. AB InBev filed a motion to dismiss the lawsuit on 3 February 2016. The Court heard oral arguments on the motion to dismiss on 14 June 2016. On 22 July 2016, the Magistrate judge entered a report recommending that the lawsuit be dismissed. On 8 August 2016, the plaintiffs filed objections to the Magistrate's findings and recommendation. AB InBev will reply to these objections within the required time periods. Plaintiffs filed a motion for preliminary injunction which was stayed pending a ruling on AB InBev's motion to dismiss. AB InBev believes that it has strong defences to the plaintiffs' claims and intends to continue to defend against them vigorously.

## **2.2 Ambev and its subsidiaries**

#### Cervecería Bucanero trademark claim

In 2009, AB InBev received notice of a claim purporting to be made under the Helms-Burton Act relating to the use of a trademark by Cervecería Bucanero S.A., which is alleged to have been confiscated by the Cuban government and trafficked by AB InBev through its ownership and management of this company. Although AB InBev has attempted to review and evaluate the validity of the claim, due to the uncertain underlying circumstances, AB InBev is currently unable to express a view as to the validity of such claims, or as to the standing of the claimants to pursue them.

#### Tax matters

As of 30 June 2016, Ambev had several tax claims pending against it, including judicial and administrative proceedings. Most of these claims relate to ICMS value-added tax, IPI excise tax, and income tax and social contributions. As of 30 June 2016, Ambev had made a provision of R\$320 million (USD 100 million) in connection with those tax proceedings for which it believed there was a probable chance of loss.

Among the pending tax claims, there are claims filed by Ambev against Brazilian tax authorities alleging that certain taxes are unconstitutional. Such tax proceedings include claims for income taxes, ICMS value-added tax, IPI excise tax and taxes on revenues, such as the Social Integration Program Contribution (*Programa de Integração Social*), or the PIS Contribution, and the Social Security Funding Contribution (*Contribuição para Financiamento da Seguridade Social*), or COFINS. As these claims are contingent on obtaining favourable judicial decisions, the corresponding assets which might arise in the future are only recorded once it becomes certain that Ambev will receive the amounts previously paid or deposited.

As of 30 June 2016, there were also tax proceedings with a total estimated possible risk of loss of R\$40 billion (USD 12.5 billion). Approximately R\$20 billion (USD 6.2 billion) of this figure is related to income tax and social contributions. Approximately R\$11.5 billion (USD 3.6 billion) is related to ICMS value-added and IPI excise taxes, of which the most significant are discussed below.

#### ICMS value-added tax, IPI excise tax and taxes on net sales

Ambev has been party to legal proceedings with the state of Rio de Janeiro where it is challenging such State's attempt to assess ICMS value-added tax with respect to unconditional discounts granted by Ambev from January 1996 to February 1998. In 2015, these proceedings were before the Brazilian Superior Court of Justice and the Brazilian Supreme Court (Supremo Tribunal Federal). In 2013, 2014 and 2015, Ambev received similar tax assessments issued by the States of Pará and Piauí relating to the same issue, which are currently under discussion. In October 2015 and January 2016, Ambev paid the amounts related to the state of Rio de Janeiro's proceedings with discounts under an incentive tax payment program granted by that state in the total amount of R\$271 million (USD 84 million). After these payments, Ambev management estimates the possible losses involved in these proceedings to be approximately R\$514 million (USD 160 million) as of 30 June 2016. Ambev has not recorded any provisions in connection with these assessments.

In Brazil, goods manufactured within the Manaus Free Trade Zone (ZFM) intended for remittance elsewhere in Brazil are exempt from the Brazilian IPI excise tax. Ambev's subsidiaries have been registering IPI excise tax presumed credits upon the acquisition of exempted inputs manufactured in the Manaus Free Trade Zone. Since 2009, Ambev has been receiving a number of tax assessments from the Brazilian federal tax authorities relating to the disallowance of such presumed tax credits, which are under discussion before

the Brazilian Supreme Court. Ambev management estimates the possible losses in relation to these assessments to be approximately R\$2 billion (USD 0.6 billion) as of 30 June 2016. Ambev has not recorded any provision in connection with these assessments.

In 2014 and 2015, Ambev received tax assessments from the Brazilian federal tax authorities relating to IPI excise tax associated with remittances of manufactured goods to other related factories, with respect to which a decision from the Upper House of the Administrative Tax Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately R\$1.4 billion (USD 0.4 billion) as of 30 June 2016. Ambev has not recorded any provisions in connection with these assessments.

In June 2015, Ambev received a tax assessment issued by the State of Pernambuco, relating to ICMS value-added tax differences, based on alleged non-compliance with a state tax incentive agreement, PRODEPE, related to February 2014. In September 2015, Ambev was notified of a new tax assessment related to the periods spanning from March 2014 to July 2015 based on the fact that it presented a defence against the first assessment, in the amount of approximately R\$564 million (USD 176 million). In the fourth quarter of 2015, Ambev received other assessments related to the same tax incentive agreement. In March 2016, the fine applied in the first tax assessment was cancelled at the administrative court, in a definitive decision. Also, considering that the second proceeding discusses, in part, the same fine, Ambev has classified the correspondent amount as remote, considering it will probably be ruled in the same way by the administrative court. Ambev management estimates the possible losses related to this issue to be approximately R\$383 million (USD 119 million) as of 30 June 2016. Ambev has not recorded any provision in connection with these assessments.

Over the years, Ambev has received tax assessments relating to ICMS value-added tax differences that some Brazilian states consider due in the tax substitution system in cases where the price of the products sold by a factory reached levels above the price table basis established by such states. Ambev is currently challenging those charges before the courts. Ambev management estimates the possible losses related to this issue to be approximately R\$1.1 billion (USD 0.3 billion) as of 30 June 2016. Ambev has not recorded any provision in connection with these assessments.

#### Ambev profits generated abroad

During the first quarter of 2005, certain subsidiaries of Ambev received a number of assessments from Brazilian federal tax authorities relating to profits obtained by its subsidiaries domiciled outside Brazil. In December 2008, the Administrative Tax Court handed down a decision on one of the tax assessments relating to earnings of Ambev's foreign subsidiaries. This decision was partially favourable to Ambev, and in connection with the remaining part, Ambev filed an appeal to the Appellate Division of the Administrative Tax Court and is awaiting its decision. With respect to another of the tax assessments relating to foreign profits, the Administrative Tax Court rendered a decision favourable to Ambev in September 2011. In December 2013, Ambev received another tax assessment related to this matter. Ambev estimates its exposure to possible losses in relation to these assessments to be R\$4.7 billion (USD 1.5 billion) as of 30 June 2016 and its exposure to probable losses to be R\$40 million (USD 12 million) as of that date, for which Ambev has recorded a provision in the corresponding amount.

#### Income tax – tax loss offset

Ambev and certain of its subsidiaries received a number of assessments from Brazilian federal tax authorities relating to the offset of tax loss carry forwards arising in the context of business combinations. In February 2016, the Upper House of the Administrative Tax Court concluded the judgment of two tax assessments on this matter. In both cases the decision was unfavourable to Ambev. Ambev filed a judicial proceeding and awaits for the judgment. Ambev management estimates the total exposures of possible losses in relation to these assessments to be approximately R\$472 million (USD 147 million) as of 30 June 2016. Ambev has not recorded any provision in connection with this dispute.

#### State tax incentives of the National Council on Fiscal Policy (*Conselho Nacional de Política Fazendária* or "CONFAZ")

Many states in Brazil offer tax incentive programs to attract investments to their regions, pursuant to the rules of the CONFAZ, a council formed by all of the 27 Treasury Secretaries from each of the Brazilian states. Ambev participates in ICMS value-added tax credit programs offered by various Brazilian states which provide (i) tax credits to offset ICMS value-added tax payables, and (ii) ICMS value-added tax deferrals. In return, Ambev is required to meet certain operational requirements, including, depending on the state, production volume and employment targets, among others. All of these conditions are included in specific agreements between Ambev and the relevant state governments.

There is a controversy regarding whether these benefits are constitutional when granted without the prior approval of every Brazilian state participating in the CONFAZ. Some states and public prosecutors have filed direct actions of unconstitutionality (*Ação Direta de Inconstitucionalidade*) before the Brazilian Supreme Court to challenge the constitutionality of certain state laws granting tax incentive programs unilaterally, without the prior approval of the CONFAZ.

Since 2007, Ambev has received tax assessments from the states of São Paulo, Rio de Janeiro, Minas Gerais and other states in the aggregate amount of R\$1.7 billion (USD 0.5 billion) as of 30 June 2016, challenging the legality of tax credits arising from existing tax incentives received by Ambev in other states. Ambev has treated these proceedings as a possible (but not probable) loss. Such estimate is based on Ambev management assessments, but should Ambev lose such proceedings, the expected net impact on its income statement would be an expense for this amount. Moreover, Ambev cannot rule out the possibility of other Brazilian states issuing similar tax assessments relating to other of Ambev's state tax incentives. In 2011, the Brazilian Supreme Court ruled 14 Brazilian state laws granting tax incentives without the prior approval of the CONFAZ to be unconstitutional, including one granting incentives to Ambev in the federal district, which Ambev has ceased to benefit from since such decision. In a meeting held on 30 September 2011, the CONFAZ issued a resolution suspending the right of the states to claim the return of the tax incentives incurred by the beneficiaries of the state laws declared unconstitutional. There are a number of other lawsuits before the Brazilian Supreme Court challenging the constitutionality of incentives laws offered by some states without the prior approval of the CONFAZ, which may impact Ambev's state tax incentives.

In 2012, the Brazilian Supreme Court issued a binding precedent proposal (*Proposta de Súmula Vinculante* No. 69/2012), which would automatically declare as unconstitutional all tax incentives granted without prior unanimous approval of the CONFAZ. In order to become effective, such proposal must be approved by two-thirds of the members of the Brazilian Supreme Court. Ambev does not expect that the Brazilian Supreme Court will vote on this matter before the Brazilian Congress votes a bill of law aimed at regulating this issue. There are currently a number of different proposals before the Brazilian Congress, which generally provide for (i) existing tax incentives to be grandfathered for a number of years, (ii) new tax incentives to be approved by a majority of the Brazilian states (rather than unanimously), and (iii) a reduction on interstate ICMS value-added taxes in order to decrease the effect of tax benefits on interstate transactions. However, no assurance can be given that the Brazilian Supreme Court will not vote on the binding precedent proposal before the matter is ultimately legislated by the Brazilian Congress.

#### Tax amnesty and refinancing program

In December 2013, pursuant to Law No. 12,865/2013, which allowed the inclusion of additional disputed tax amounts in a tax amnesty and refinancing plan (the “**2013 Tax Amnesty and Refinancing Program**”) with the same characteristics of a 2009 tax refinancing program in which AB InBev had participated. Ambev included in the 2013 Tax Amnesty and Refinancing Program certain disputed tax amounts that had been previously litigated by Ambev and agreed to pay R\$188.7 million (USD 59 million). In August 2014, Law No. 12,996/14 was issued, which allowed the inclusion of additional disputed tax amounts in a new Tax Amnesty and Refinancing Program (the “**2014 Tax Amnesty and Refinancing Program**”) and Ambev agreed to pay R\$52.6 million (USD 20 million). In November 2014, Ambev paid the debts enrolled in the amnesty related to the 2013 Tax Amnesty and Refinancing Program, as well as the additional debts enrolled in the 2014 Tax Amnesty and Refinancing Program, in the amount of R\$201 million (USD 63 million), which included R\$83 million (USD 26 million) in cash, and R\$119 million (USD 37 million) using tax losses of related companies. As of 31 December 2014, Ambev paid the total amounts due under both the 2013 and 2014 Tax Amnesty and Refinancing Programs and awaits for homologation from the Brazilian federal tax authorities.

#### Special goodwill reserve

In December 2011, Ambev received a tax assessment from the Brazilian federal tax authorities related to the goodwill amortisation resulting from InBev Brazil's merger with Ambev. In June 2012, Ambev filed an appeal against the unfavourable first-level administrative decision. In November 2014 the Lower Administrative Tax Court concluded the judgment. The decision was partly favourable. Ambev was notified in August 2015 and presented an appeal to the Upper House of the Administrative Tax Court. No ruling has yet been issued on that appeal. In June 2016, Ambev received a new tax assessment charging the remaining value of the goodwill amortisation and will file a defence at the legal term. Ambev has not recorded any provisions for this matter and its management estimates possible losses in relation to this assessment to be approximately R\$7.4 billion (USD 2.3 billion) as of 30 June 2016. In the event that Ambev is required to pay these amounts, AB InBev will reimburse Ambev the amount proportional to the benefit received by it pursuant to the merger protocol, as well as the related costs.

In October 2013, Ambev also received a tax assessment related to the goodwill amortisation resulting from the merger of Beverage Associate Holding into Ambev. Ambev filed its defence in November 2013 and in November 2014 the Lower Administrative Tax Court published a decision unfavourable to Ambev. Ambev filed an appeal on 2 December 2014 and has been awaiting the decision of the Appeals Administrative Tax Court. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately R\$1.4 billion (USD 0.4 billion) as of 30 June 2016. Ambev has not recorded any provision in connection with this assessment.

#### Disallowance of expenses and deductibility of losses

In December 2014, Ambev received a tax assessment from the Brazilian federal tax authorities related to disallowance of alleged non-deductible expenses and certain loss deductions, mainly associated with financial investments and loans. Ambev's defence was presented on 28 January 2015. In July 2016, Ambev was notified of the unfavourable first level administrative decision and will file an appeal to the Upper House of the Administrative Tax Court at the legal term. Ambev's management estimates the amount of possible losses in relation to this assessment to be approximately R\$1.4 billion (USD 0.4 billion) as of 30 June 2016. Ambev has not recorded any provision in connection with this assessment.

In December 2015, Ambev also received a new tax assessment related to the same matter. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately R\$351 million (USD 109 million) as of 30 June 2016. Ambev has not recorded any provision in connection with this assessment.

#### Disallowance of taxes paid abroad

During 2014 and in the first quarter of 2015, Ambev received tax assessments from the Brazilian federal tax authorities related to the disallowance of deductions associated with alleged unproven taxes paid abroad, for which the decision from the Upper House of the Administrative Tax Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately R\$2.5 billion (USD 0.8 billion) as of 30 June 2016. Ambev has not recorded any provision in connection therewith.

#### Social contributions

In December 2015, Ambev received a tax assessment issued by the Brazilian federal tax authorities, relating to amounts allegedly due under “Integration Programme / Social Security Financing Levy” (PIS/COFINS) over bonus products granted to its customers in the first quarter of 2011. In March and June 2016, Ambev received new assessments related to the same issue, so that the total amount considered as possible loss was increased to R\$862.4 million (USD 269 million) as of 30 June 2016. Ambev filed defences against these assessments and currently awaits judgment by the Administrative Court. No related provision has been made.

#### Labour matters

Ambev is involved in more than 23,000 labour claims. Most of the labour claims facing Ambev relate to its Brazilian operations. In Brazil, it is not unusual for a large company to be named as a defendant in such a significant number of claims. As of 30 June 2016, Ambev has made provisions totalling R\$177.4 million (USD 55 million) in connection with approximately a fifth of the above labour claims involving former and current employees and relating mainly to overtime, dismissals, severance, health and safety premiums, supplementary retirement benefits and other matters, all of which are awaiting judicial resolution and have probable chance of loss.

#### Civil claims

As of 30 June 2016, Ambev was involved in more than 7,425 civil claims pending, including third-party distributors and product-related claims. Ambev has established provisions totalling R\$38 million (USD 12 million) reflecting applicable adjustments such as accrued interest, as of 30 June 2016 in connection with civil claims.

#### Subscription warrants

In 2002, Ambev decided to request a ruling from the CVM (*Comissao de Valores Mobiliarios*, the Securities and Exchange Commission of Brazil) in connection with a dispute between Ambev and some of its warrant holders regarding the criteria used in the calculation of the strike price of certain Ambev warrants. In March and April 2003, the CVM ruled that the criteria used by Ambev to calculate the strike price were correct. In response to the CVM's final decision and seeking to reverse it, some of the warrant holders filed separate lawsuits before the courts of São Paulo and Rio de Janeiro.

Although the warrants expired without being exercised, the warrant holders claim that the strike price should be reduced to take into account the strike price of certain stock options granted by Ambev under its then-existing stock ownership program, as well as for the strike price of other warrants issued in 1993 by Brahma.

Ambev has knowledge of at least seven claims in which the plaintiffs argue that they would be entitled to those rights. Two of them were ruled favourably to Ambev by the appellate court of the State of São Paulo. A third one was settled. Of the four other claims, all originated from the State of Rio de Janeiro, Ambev received a favourable ruling in one claim by a first level court in Rio de Janeiro, and the appellate court of the state of Rio de Janeiro ruled against Ambev in another three claims. Ambev has appealed to the Brazilian Superior Court of Justice with respect to the final decisions issued by the appellate court of the state of Rio de Janeiro. The Superior Court of Justice decided one of the Rio de Janeiro cases in favour of Ambev, but the decision is subject to appeal. The other three appeals are still pending judgment before the Superior Court of Justice.

The warrant holders of both claims that were denied by the appellate court of the State of São Paulo have also appealed to the Superior Court of Justice. The Superior Court of Justice decided in favour of Ambev in both claims. Both decisions were disputed by the plaintiffs and in both cases appeals are pending judgment by the Special Court of the Superior Court of Justice.

In the event the plaintiffs prevail in the above six pending proceedings, Ambev believes that the corresponding economic dilution for the existing shareholders would be the difference between the market value of the shares at the time they are issued and the value ultimately established in liquidation proceedings as being the subscription price pursuant to the exercise of the warrants. Ambev believes that the warrants which are the object of those six proceedings represented, on 30 June 2016, 172,831,574 common shares that would be issued at a value substantially below fair market value, should claimants ultimately prevail. The plaintiffs also claim they should receive past dividends related to these shares in the amount of R\$690 million (USD 215 million) as of 30 June 2016.

Ambev believes, based on its management assessments, that its chances of receiving unfavourable final decisions in this matter are either possible or remote, and therefore it has not established a provision for this litigation in its audited consolidated financial statements. As these disputes are based on whether Ambev should receive as a subscription price a lower price than the price that it considers correct, a provision of amounts with respect to these proceedings would only be applicable with respect to legal fees and past dividends.

#### Antitrust matters

Ambev had, in the past, a series of ongoing antitrust matters before the Conselho Administrativo de Defesa Economica (CADE) and Brazilian courts. In July 2015, Ambev settled its last material antitrust case, which dealt with its "Tô Contigo" customer loyalty program, which was discontinued several years ago. The controversy initiated in 2004 with an investigation conducted by the CADE and was being litigated in Brazilian federal court until its settlement in 2015. Pursuant to the terms of the in-court settlement, all legal actions against Ambev relating to this program have been terminated in exchange for Ambev's payment of a R\$229 million (USD 77 million) contribution in five instalments. Ambev currently has no antitrust matters pending against it before Brazilian antitrust authorities and Brazilian courts.

#### Environmental matters

##### Riachuelo

In 2004, an environmental complaint was initiated by certain neighbours residing in the Riachuelo Basin against the State of Argentina, the Province of Buenos Aires, the city of Buenos Aires and more than 40 corporate entities (including Cerveceria y Malteria Quilmes S.A.) with premises located in the Riachuelo Basin or that discharge their waste into the Riachuelo River. In this complaint, the Argentine Supreme Court of Justice ruled that the State of Argentina, the Province of Buenos Aires and the city of Buenos Aires remain primarily responsible for the remediation of the environment, and further resolved that the Riachuelo Basin Authority, an environmental authority created in 2006 pursuant to the Argentine Law No. 26, 168, would be responsible for the implementation of a remediation plan for the Riachuelo Basin. The Argentine Supreme Court of Justice has not yet decided on the issue of liability for environmental damages but has already decided that each party shall bear its own trial expenses.

#### Lawsuit against the Brazilian Beer Industry

On 28 October 2008, the Brazilian Federal Prosecutor's Office (*Ministério Público Federal*) filed a suit for damages against Ambev and two other brewing companies claiming total damages of approximately R\$2.8 billion (USD 0.9 billion) (of which approximately R\$2.1 billion (USD 0.7 billion) are claimed against Ambev). The public prosecutor alleges that (i) alcohol causes serious damage to individual and public health, and that beer is the most consumed alcoholic beverage in Brazil, (ii) defendants have approximately 90% of the national beer market share and are responsible for heavy investments in advertising, and (iii) the advertising campaigns increase not only the market share of the defendants but also the total consumption of alcohol and, hence, cause damage to society and encourage underage consumption.

Shortly after the above lawsuit was filed, a consumer-protection association applied to be admitted as a joint-plaintiff. The association has made further requests in addition to the ones made by the Public Prosecutor, including the claim for "collective moral damages" in an amount to be ascertained by the court; however, it suggests that it should be equal to the initial request of R\$2.8 billion (USD 0.7 billion) (therefore, it doubles the initial amount involved). The court has admitted the association as joint plaintiff and has agreed to hear the new claims. After the exchange of written submissions and documentary evidence, the lower Court Judge dismissed the case in May 2016, rejecting all claims filed by the Federal Prosecutor's Office.

The lower Court decision is subject to appeal and Ambev believes, based on management assessments, that its chances of loss remain remote and, therefore, has not made any provision with respect to such claim.

#### Class action Canada (Brewers Retail Inc. litigation)

On 12 December 2014, a lawsuit was commenced in the Ontario Superior Court of Justice against the Liquor Control Board of Ontario, Brewers Retail Inc. (known as The Beer Store or TBS) and the owners of Brewers Retail Inc. (Molson Coors Canada, Sleeman Breweries Ltd. and Labatt Breweries of Canada LP). The lawsuit was brought in Canada pursuant to the Ontario Class Proceedings Act, and sought, among other things (i) to obtain a declaration that the defendants conspired with each other to allocate markets for the supply of beer sold in Ontario since 1 June 2000, (ii) to obtain a declaration that Brewers Retail Inc. and the owners of Brewers Retail Inc. conspired to fix, increase and/or maintain prices charged to Ontario licensees (on-trade) for beer and the fees charged by TBS to other competitive brewers who wished to sell their products through TBS, and (iii) damages for unjust enrichment. As part of this third allegation, the plaintiffs allege illegal trade practices by the owners of Brewers Retail Inc. They are seeking damages not exceeding CAD \$1.4 billion (USD 1.1 billion), as well as, punitive, exemplary and aggravated damages of CAD \$5 million (USD 4 million) and changes/repeals of the affected legislation. Ambev has not recorded any provision in connection therewith.

## **2.3 Anheuser-Busch**

#### Dispositions pension litigation

On 1 December 2009, AB InBev, Anheuser-Busch Companies, LLC and the Anheuser-Busch Companies Pension Plan were sued in the United States District Court for the Eastern District of Missouri in a lawsuit styled Richard F. Angevine v. Anheuser-Busch InBev SA/NV, et al. The plaintiff sought to represent a class of certain employees of Busch Entertainment Corporation, which was divested on

1 December 2009, and the four Metal Container Corporation plants which were divested on 1 October 2009. He also sought to certify a class action and represent certain employees of any other subsidiary of Anheuser-Busch Companies, LLC that has been divested or may be divested during the three-year period from the date of the Anheuser-Busch acquisition, 18 November 2008 through 17 November 2011. Among other things, the lawsuit claimed that AB InBev failed to provide him and the other class members (if certified) with certain enhanced benefits, and breached AB InBev's fiduciary duties under the U.S. Employee Retirement Income Security Act of 1974. On 16 July 2010, the court dismissed the plaintiff's lawsuit. The court ruled that the claims for breach of fiduciary duty and punitive damages were not proper. The court also found that the plaintiff did not exhaust all of his administrative remedies, which he must first do before filing a lawsuit. On 9 August 2010, the plaintiff filed an appeal of this decision to the Eighth Circuit Court of Appeals, which was denied on 22 July 2011. No further appeals were filed.

On 15 September 2010, AB InBev and several of its related companies were sued in the Federal Court for the Southern District of Ohio in a lawsuit titled *Rusby Adams et al. v. AB InBev, et al.* This lawsuit was filed by four employees of Metal Container Corporation's facilities in Columbus, Ohio, Gainesville, Florida, and Ft. Atkinson, Wisconsin that were divested on 1 October 2009. Similar to the Angevine lawsuit, these plaintiffs seek to represent a class of participants of the Anheuser-Busch Companies Salaried Employees' Pension Plan (the "**Plan**") who had been employed by subsidiaries of Anheuser-Busch Companies, LLC that had been divested during the period of 18 November 2008 through 17 November 2011. The plaintiffs also allege claims similar to the Angevine lawsuit, namely, that by failing to provide plaintiffs with these enhanced benefits, AB InBev breached AB InBev's fiduciary duties under the U.S. Employee Retirement Income Security Act of 1974. AB InBev filed a Motion to Dismiss and obtained dismissal of the breach of fiduciary duty claims in April 2011, leaving only the claims for benefits remaining. On 28 March 2012, the Court certified that the case could proceed as a class action comprised of former employees of the divested Metal Container Corporation operations. On 9 January 2013, the Court granted AB InBev's Motion for Judgment on the Administrative Record. The plaintiffs appealed the decision on 5 February 2013. On 11 July 2014, the Sixth Circuit Court of Appeals reversed the lower court and remanded the case for judgment. On 16 September 2014, AB InBev's Motion for Rehearing En Banc was denied. A Final Order and Judgment was then entered by the district court on 24 December 2014, which ordered the Plan to provide the enhanced pension benefits to members of the certified class. AB InBev believes the total amount of the enhanced benefits is approximately USD 7.7 million.

On 10 January 2012, a class action complaint asserting claims very similar to those asserted in the Angevine lawsuit was filed in Federal Court for the Eastern District of Missouri, styled *Nancy Anderson et al. v. Anheuser-Busch Companies Pension Plan et al.* Unlike the Angevine case, however, the plaintiff in this matter alleges complete exhaustion of all administrative remedies. On 11 March 2013 the court consolidated the case with the Knowlton case mentioned below. A three-count consolidated complaint was filed on 19 April 2013. On 30 October 2013, the court dismissed Counts II and III, including the breach of fiduciary claims, but granted plaintiff leave to amend. On 19 November 2013, the plaintiff filed an amended Count III. AB InBev filed an Answer to amended Count III on 30 May 2014. On 16 May 2014, the Court granted the plaintiff's class certification motion on Count I, which certified a class of divested employees of Busch Entertainment Corporation.

On 10 October 2012, another class action complaint was filed against Anheuser-Busch Companies, LLC, Anheuser-Busch Companies Pension Plan, Anheuser-Busch Companies Pension Plan Appeals Committee and the Anheuser-Busch Companies Pension Plan Administrative Committee by Brian Knowlton and several other former Busch Entertainment Corporation Employees. It was filed in Federal Court in the Southern District of California, and was amended on 12 October 2012. Like the other lawsuits, it claims that the employees of any divested assets were entitled to enhanced retirement benefits under section 19.11(f) of the Plan. However, it specifically excluded the divested Metal Container Corporation facilities that were included in the Adams class action. On 11 March 2013 the court consolidated the case with the Nancy Anderson case mentioned above. A consolidated complaint was filed on 19 April 2013. On 30 October 2013, the court dismissed Counts II and III, including the breach of fiduciary claims, but granted plaintiff leave to amend. On 19 November 2013, the plaintiff filed an amended Count III. AB InBev filed an Answer to amended Count III on 30 May 2014. On 16 May 2014, the court granted the plaintiff's class certification motion on Count I, which certified a class of divested employees of Busch Entertainment Corporation. On 10 November 2014, the plaintiffs filed a Motion for Judgment on the Pleadings based on the decision by the Sixth Circuit Court of Appeals in the Adams case. On 8 July 2015, the court issued an order of partial judgment on the pleadings, holding that the employees of Busch Entertainment Corporation were entitled to enhanced retirement benefits under the Plan. The 8 July 2015 order, however, was not a final appealable order. On 21 August 2015, AB InBev filed a motion seeking entry of a final, appealable order as well as a stay pending appeal, both of which were granted on 9 October 2015. AB InBev subsequently appealed; that appeal remains pending. AB InBev believes that the total amount of enhanced pension benefit at issue in this case is approximately USD 66 million.

#### Tax matters

In early 2014, Anheuser-Busch InBev Worldwide Inc., an indirectly wholly-owned subsidiary of AB InBev, received a net proposed tax assessment from the U.S. Internal Revenue Service (IRS) of USD 306 million, predominately involving certain inter-company transactions related to tax returns for the years 2008 and 2009. In November 2015, the IRS issued an additional proposed tax assessment of USD 133 million for tax years 2010 and 2011. Anheuser-Busch InBev Worldwide Inc. has contested the proposed assessments for the 2008 to 2011 tax years with the IRS and intends to vigorously defend its position.

#### Acquisition antitrust matters

The combination with Grupo Modelo was subject to, and required approvals or notifications pursuant to various antitrust laws, including under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**Hart-Scott-Rodino Act**").

##### *United States*

Under the Hart-Scott-Rodino Act, before the combination with Grupo Modelo could be completed, Grupo Modelo and AB InBev were each required to file a notification and report form and to wait until the applicable waiting period had expired or been terminated. In July 2012, AB InBev and Grupo Modelo filed notification and report forms under the Hart-Scott-Rodino Act with the U.S. Federal Trade Commission and the Antitrust Division of the U.S. Department of Justice. The initial 30-day waiting period was extended on 17 August 2012 for a period of time necessary for AB InBev and Grupo Modelo to respond to requests for additional information AB InBev and Grupo Modelo received from the U.S. Department of Justice, plus an additional 30 days for the relevant U.S. authorities to review after both parties substantially complied with the requests.

On 31 January 2013, the U.S. Department of Justice filed suit in the U.S. District Court for the District of Columbia challenging the proposed combination with Grupo Modelo and seeking an injunction to block the transaction.

Thereafter, on 19 April 2013, AB InBev announced that together with Grupo Modelo and Constellation Brands, Inc., AB InBev had reached a final settlement agreement with the U.S. Department of Justice. The terms of the settlement were substantially in line with the revised transaction announced on 14 February 2013, and included binding commitments to the revised transaction, designed to ensure a prompt divestiture of assets by AB InBev to Constellation Brands, Inc., the necessary build-out of the Piedras Negras brewery by Constellation Brands, Inc., as well as certain distribution guarantees for Constellation Brands, Inc. in the 50 states of the United States, the District of Columbia and Guam.

AB InBev announced the completion of the combination with Grupo Modelo on 4 June 2013, and on 7 June 2013, AB InBev announced that in a related transaction, Grupo Modelo completed the sale of AB InBev's business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. The transaction included the sale of Grupo Modelo's 50% stake in Crown Imports and the sale of the Grupo Modelo's Piedras Negras brewery and perpetual rights to certain of Grupo Modelo's brands in the United States.

As part of the settlement with the U.S. Department of Justice, AB InBev completed the sale of its glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The sale price for all of these assets was approximately USD 300 million.

#### *Mexico*

The Mexican Antitrust Commission approved the combination with Grupo Modelo without any condition by resolution dated on 8 November 2012. The term of the Mexican Antitrust Commission's approval was extended on 19 February 2013 for an additional period of six months, effective until 19 August 2013. The combination with Grupo Modelo was completed on 4 June 2013.

On 7 June 2013, in a transaction related to the combination with Grupo Modelo, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

### **3. IMPLICATIONS OF A SECONDARY LISTING OF NEWBELCO ON THE JOHANNESBURG STOCK EXCHANGE**

No application for listing will be made in respect of the Initial Shares or Restricted Newbelco Shares, however, subject to Completion, the New Ordinary Shares will be admitted to primary listing on Euronext Brussels, with a first listing intended to occur on or about the first Business Day following the date of the Belgian Merger. It is also intended that they will, at the same time, be listed (secondary) on the Johannesburg Stock Exchange and the Bolsa Mexicana de Valores and that ADSs (each representing one New Ordinary Share) will be listed on the NYSE. Secondary Listing status on the Johannesburg Stock Exchange means that Newbelco will only be required to comply with the rules and requirements of the exchange where it has a primary Listing, being Euronext Brussels, save in respect of the following JSE Listings Requirements which must be complied with by Newbelco:

- the annual financial statements of Newbelco and any other communication with Shareholders must state where the primary and secondary Listings of Newbelco's Shares are;
- when Newbelco wishes to release any information on another exchange, it must ensure that such information is also released on SENS and that such release takes place no later than the equivalent release on any other exchange provided that, if the Johannesburg Stock Exchange is not open for business, it must ensure that such information is released through SENS at the commencement of business on the next Business Day. The announcement must be submitted via Newbelco's sponsor, albeit that the announcement does not require the approval of the sponsor;
- Newbelco will publish headline earnings per Share and diluted headline earnings per Share together with an itemised reconciliation between headline earnings and the earnings used in the calculation in South Africa at the time of publication of its interim and year end results;
- Newbelco is required to advise, and obtain approval from, the JSE with regard to the timetables for corporate actions stipulated in Schedule 18 of the JSE Listings Requirements. Newbelco must ensure that the JSE is notified in advance in order to ensure that the JSE can accommodate the processing of these corporate actions for Shareholders on the South African share register;
- Newbelco must submit to the JSE, together with Newbelco's annual financial statements, details of the volume and value of Shares traded (over the previous 12 months), on all exchanges where it has a listing, in order for the JSE to consider Newbelco's continued secondary listing status;
- if both the volume and value of Shares traded on the Johannesburg Stock Exchange exceeded 50% of the total volume and total value of those Shares (over the previous 12 months) traded on all exchanges where Newbelco has a listing, then Newbelco's listing status on the Johannesburg Stock Exchange in respect of those Shares may be converted to a primary listing. The converse would apply when both the volume and value of Shares traded on the Johannesburg Stock Exchange was 50% or below; and
- Newbelco must advise its Shareholders, by releasing an announcement on SENS, each time that its listing status is changed.

### **4. SOUTH AFRICAN TAXATION**

The following is a summary of the South African tax considerations which are relevant for South African Tax resident UK Scheme Shareholders which are to acquire, hold and dispose of New Ordinary Shares and Restricted Newbelco Shares (which may be convertible into New Ordinary Shares, in accordance with their terms as set out in section 1, paragraph 4.2 (*Rights and benefits attaching to the Newbelco Shares*) of this Prospectus). This summary is based on Newbelco's understanding of the applicable laws, treaties and regulatory interpretations in effect in South Africa on the date of this Prospectus, all of which are subject to change, including changes that could have a retrospective effect.

This summary does not purport to address all tax consequences associated with the acquisition, ownership and disposal of the Newbelco Shares, and does not take into account the specific circumstances of any particular investor or the tax laws of any country other than South Africa.

The summary of South African income tax consequences set out below is for general information only. All UK Scheme Shareholders should consult their tax advisers regarding the particular tax consequences applicable to them in relation to Newbelco Shares, including the applicability and effect of other tax laws and possible changes in tax law.

The South African income tax system is a residence based system of taxation, in terms of which South African tax residents are subject to tax in South Africa on their worldwide income. Persons that are non-resident for South African tax purposes are subject to tax on income derived from a South African source. This summary is based on the assumption that an investor is resident in South Africa for tax purposes, and that Newbelco is not resident in South Africa for tax purposes.

A natural person is a South African tax resident if he or she is "ordinarily resident" in South Africa or, if not "ordinarily resident" in South Africa, was physically present in South Africa for certain prescribed periods within a continuous six year period. These periods require a physical presence in South Africa of more than 91 days in each of the six years and more than 915 during the first five years.

A person other than a natural person (i.e. a juristic person or a trust) is a South African tax resident if it is incorporated, established or formed in South Africa or if its place of effective management is located in South Africa.

The definition of a resident specifically excludes any person who is deemed to be exclusively a resident of another country for purposes of an applicable agreement for the avoidance of double taxation entered into between South Africa and the other relevant jurisdiction. Prospective purchasers with questions regarding their tax residency should consult their tax advisers.

#### 4.1 Distributions

A monetary amount paid by Newbelco to a South African tax resident shareholder, in respect of a New Ordinary Share, will comprise of either a 'foreign dividend' or a 'foreign return of capital' for South African income tax purposes. The determination of which form the amount comprises is made with reference to the treatment of the amount according to Belgian tax law relating to companies (or in the absence of tax law, Belgian company law). In essence, an amount will comprise of a foreign dividend if treated as a dividend for purposes of Belgian tax laws applicable to companies. An amount will comprise of a foreign return of capital if it does not comprise of a foreign dividend (i.e. if treated as another form of distribution or similar payment for purposes of Belgian tax laws applicable to companies). The taxation of foreign dividends and foreign returns of capital differs and is set out below.

##### 4.1.1 Foreign dividend

It is understood that distributions made in respect of the New Ordinary Shares will generally comprise of dividends for Belgian income tax purposes, and will accordingly generally comprise of foreign dividends for South African income tax purposes.

A foreign dividend which is received or which accrues in respect of a share listed on the South African exchange is exempt from South African income tax. Any foreign dividend which is received or which accrues to a South African shareholder in respect of a share will accordingly be exempt from South African income tax. The exemption from income tax is applicable to all persons (i.e. natural persons and juristic persons).

South Africa imposes a 15% withholding tax on dividends ("**Dividends Tax**") paid in respect of shares in foreign companies if the shares are listed on a South African exchange. All dividends declared to South African shareholders (which hold their shares on the South African share register) by Newbelco will accordingly be subject to Dividends Tax, unless the recipient of the dividend qualifies for an exemption. A foreign dividend will be exempt from Dividends Tax if the beneficial owner is inter alia a company which is a South African tax resident, a public benefit organisation, a pension fund, a pension preservation fund, a provident fund, a provident preservation fund, a retirement annuity fund, a benefit fund and a collective investment scheme in securities. Natural persons do not qualify for an exemption from Dividends Tax.

Dividends Tax must be withheld by Newbelco or by the appropriate broker or transfer secretary unless the recipient of the dividend qualifies for an exemption. Certain prescribed legal formalities must be complied with by the beneficial owner of a dividend in order to facilitate the process whereby no Dividends Tax will be withheld (with the beneficial owners essentially being required to, by a date determined by Newbelco or, if Newbelco has not determined a date, by the date of payment of the dividend, submitted a declaration that the dividend is exempt from Dividends Tax and a written undertaking to inform Newbelco in writing should the circumstances affecting the change or should the beneficial owner cease to be the beneficial owner).

A South African shareholder who receives a foreign dividend which is subject to Dividends Tax may claim a rebate if any foreign taxes are imposed on the payment by the government of another country. The rebate shall be limited to the amount of Dividends Tax payable. A South African shareholder may also avail of the tax treaty between South Africa and Belgium for purposes of reducing Belgian withholding taxes.

##### 4.1.2 Foreign return of capital

Please see the discussion below for more information regarding the taxation of a foreign return of capital.

#### 4.2 Disposals

Persons which are tax resident in South Africa may be subject to capital gains tax ("**CGT**") upon the disposal of New Ordinary Shares, if they hold the New Ordinary Shares as capital assets. The determination of whether shares are held as capital assets is generally a question of fact and depends primarily upon the intention with which the shares were acquired and held. It is assumed that New Ordinary Shares will generally be acquired and held as capital assets.

The South African income tax legislation does include certain safe harbour provisions, however, which treat certain amounts (excluding dividends) received by or accruing to a shareholder from the disposal of shares to be of a capital nature and therefore subject to CGT, if the shareholder held those shares for a continuous period of at least three years immediately preceding the date of disposal. If the safe harbour provisions do not apply, the capital or revenue nature of the proceeds arising in respect of the disposal will be determined by applying South African common law principles.

##### 4.2.1 Capital gains tax

Upon a disposal of New Ordinary Shares, a South African shareholder may realise a capital gain or capital loss for South African tax purposes, depending on whether the proceeds from the disposal exceed the shareholder's base cost in the New Ordinary Shares. In general, the base cost of an asset will be the acquisition cost of the asset in question (i.e. the subscription price in the event that a person subscribed for shares or the purchase price paid in the event of an acquisition of shares).

A prescribed portion (ranging from 40% (in the case of a natural person) to 80% (in the case of a company or a trust)) of a net capital gain realised by a South African tax resident investor will be included in normal taxable income and subject to tax at the applicable rates. The effective tax rates applicable are 16.4% in the case of a natural person, 22.4% in the case of a company and 32.8% in the case of a trust.

Capital losses may only be set off against other capital gains realised in the same or any subsequent tax year. In the case of South African shareholders who are natural persons, an annual exclusion amount of R40,000 is deducted from any capital gain realised in any tax year.

In circumstances where a person receives a foreign return of capital (and receives such amount prior to the disposal of its New Ordinary Shares), such person must reduce their base cost for capital gains tax purposes by the amount received. If the amount received exceeds the base cost of the New Ordinary Shares, the excess portion will be treated as a capital gain in the hands of a holder of the New Ordinary Shares for the year of assessment in which the foreign return of capital is received by or accrues to the holder of the New Ordinary Shares, and will be subject to CGT.

##### 4.2.2 Income tax

South African tax residents will be subject to income tax on the proceeds arising upon the disposal of New Ordinary Shares, if the New Ordinary Shares are held for speculative purposes (i.e. as trading stock as opposed to capital assets) and disposed of pursuant to a scheme of profit making.

#### 4.3 Securities transfer tax

Securities Transfer Tax ("**STT**") is a tax levied on, *inter alia*, a transfer of beneficial ownership of a security issued by a company which is listed in South Africa. STT will accordingly be levied on the transfer of those SABMiller Shares that are listed on the Johannesburg Stock Exchange to Newbelco at a rate of 0.25%. The tax will be payable by the "member" or "participant" (as defined in the South African Securities Transfer Tax Act, 25 of 2007 (as amended)) but will be recoverable from Newbelco.

There is no STT payable on the issue of a share by a company.

STT will accordingly be payable upon a transfer of beneficial ownership of New Ordinary Shares.

In the context of listed shares, STT is normally payable by *inter alia* brokers and transfer secretaries (and recoverable from the transferee).

#### NOTE TO SOUTH AFRICAN TAX RESIDENT AB INBEV SHAREHOLDERS IN RESPECT OF SOUTH AFRICAN TAXATION

**The following is a summary of the South African tax considerations that are relevant for South African tax resident AB InBev Shareholders. This summary does not purport to address all tax consequences associated with the disposal of AB InBev Shares pursuant to the Belgian Merger, and does not take into account the specific circumstances of any particular AB InBev Shareholder or the tax laws of any country other than South Africa.**

**This summary is based on Newbelco's understanding of the applicable laws, treaties and regulatory interpretations in effect in South Africa on the date of this Prospectus, all of which are subject to change, including changes that could have a retrospective effect.**

**This summary is for general information only and pertains to AB InBev Shareholders and not to UK Scheme Shareholders. All AB InBev Shareholders should consult their tax advisers regarding the particular tax consequences applicable to them in relation to the AB InBev Shares (including the disposal of AB InBev Shares pursuant to the Belgian Merger), including the applicability and effect of other tax laws and possible changes in tax law.**

##### CAPITAL GAINS TAX

The Belgian Merger will constitute a disposal of AB InBev Shares for South African tax resident AB InBev Shareholders in terms of South African tax law. Subject to any specific exemptions that may otherwise apply to such AB InBev Shareholders, upon the disposal of AB InBev Shares pursuant to the Belgian Merger, a South African tax resident AB InBev Shareholder may realise a capital gain or capital loss for South African tax purposes, depending on whether or not the proceeds from the disposal exceed the AB InBev Shareholder's base cost in the AB InBev Shares. In general, the base cost of an asset will be the acquisition cost of the asset in question (i.e. the subscription price in the event that a person subscribed for AB InBev Shares or the purchase price paid in the event of an acquisition of AB InBev Shares). In respect of the disposal of the AB InBev Shares, the proceeds will be equal to the value of the New Ordinary Shares received pursuant to the Belgian Merger.

A prescribed portion (ranging from 40% (in the case of a natural person) to 80% (in the case of a company or a trust)) of a net capital gain realised by a South African tax resident AB InBev Shareholder will be included in their normal taxable income and subject to tax at the applicable rates. The effective tax rates applicable are 16.4% in the case of a natural person, 22.4% in the case of a company and 32.8% in the case of a trust.

Capital losses may only be set off against other capital gains realised in the same or any subsequent tax year. In the case of South African tax resident AB InBev Shareholders who are natural persons, an annual exclusion amount of R40,000 is deducted from any capital gain realised in any tax year.

In circumstances where a South African tax resident AB InBev Shareholder receives a foreign return of capital prior to the disposal of their AB InBev Shares, such AB InBev Shareholder must reduce their base cost for capital gains tax purposes by the amount received. If the amount received exceeds the base cost of the AB InBev Shares, the excess portion will be treated as a capital gain in the hands of the AB InBev Shareholder for the year of assessment in which the foreign return of capital is received by or accrues to the AB InBev Shareholder, and will be subject to CGT.

##### INCOME TAX

South African tax resident AB InBev Shareholders will be subject to income tax on the proceeds arising upon the disposal of the AB InBev Shares pursuant to the Belgian Merger if the AB InBev Shares are held for speculative purposes (i.e. as trading stock as opposed to capital assets) and disposed of pursuant to a scheme of profit making.

#### 5. SOUTH AFRICAN EXCHANGE CONTROL

This paragraph sets out a summary of the impact of the South African Exchange Control Regulations in the context of the Transaction for UK Scheme Shareholders registered on the South African Register and Underlying Shareholders who hold UK Scheme Shares in uncertificated form through the STRATE system.

In South Africa, the Transaction has been approved by the Financial Surveillance Department of the South African Reserve Bank, which included, *inter alia*, approval of the:

- UK Scheme Shareholders registered on the South African Register holding Initial Newbelco Shares to which they are entitled pursuant to the UK Scheme, which they will not be entitled to transfer for a period of 72 hours after their issue to such Scheme Shareholders other than pursuant to the Belgian Offer; and
- the delisting of SABMiller from the Main Board of the Johannesburg Stock Exchange.

Approval of the Transaction by the Financial Surveillance Department of the South African Reserve Bank is subject to the conditions that, *inter alia*:

- UK Scheme Shareholders registered on the South African Register at 4.30 p.m. (South African standard time) on the South African Register Freeze Date must receive any Initial Newbelco Shares to which they are entitled pursuant to the UK Scheme on the South African register of Newbelco; and
- UK Scheme Shareholders registered on the South African Register, who are residents of, or emigrants from, the Common Monetary Area, who elect (or are deemed to elect) for the Partial Share Alternative will be required to obtain approval from the Financial Surveillance Department of the South African Reserve Bank through their authorised dealer in foreign exchange in South Africa to hold Restricted Newbelco Shares.

Any conditions attaching to any approval which is granted by the Financial Surveillance Department of the South African Reserve Bank to hold Restricted Newbelco Shares must be capable of satisfaction by the applicant. None of SABMiller, AB InBev, Newbelco, the UK Agent or the Offer Agent (as defined in the Belgian Offer Prospectus) will have any obligation or liability in relation to the obtaining of any such approval or the satisfaction of any conditions attaching to any such approval.



#### *Residents of the Common Monetary Area*

In the case of:

- SABMiller Shareholders registered on the South African Register, whose registered addresses in the South African Register are within the Common Monetary Area and whose share certificates are not restrictively endorsed in terms of the South African Exchange Control Regulations, the Cash Consideration or the cash element payable pursuant to the Partial Share Alternative (as applicable) will be settled directly upon such UK Scheme Shareholders in accordance with the terms and conditions of the Belgian Offer as set out in paragraph section 2, paragraph 3.1.2 (*Structure of the Transaction*) of this document; and
- Underlying Shareholders who hold UK Scheme Shares in uncertificated form in the STRATE system, whose registered addresses are within the Common Monetary Area and who have not been restrictively designated in terms of the South African Exchange Control Regulations, the Cash Consideration or the cash element payable pursuant to the Partial Share Alternative (as applicable) will be credited directly to the accounts nominated for the relevant Underlying Shareholders by their duly appointed CSDP or broker in accordance with the provisions of the custody agreement with such CSDP or broker (following the crediting of the account(s) of such CSDPs with the relevant cash amount by STRATE on behalf of PLC Nominees (Proprietary) Limited, as the UK Scheme Shareholder registered on the South African Register that holds such UK Scheme Shares on behalf of such CSDP or broker).

#### *Emigrants from the Common Monetary Area*

In the case of:

- SABMiller Shareholders registered on the South African Register who are emigrants from the Common Monetary Area and whose UK Scheme Shares form part of their blocked assets, whose share certificates are restrictively endorsed in terms of the South African Exchange Control Regulations, the Cash Consideration or the cash element payable pursuant to the Partial Share Alternative (as applicable) will be forwarded to the authorised dealer in foreign exchange in South Africa controlling the relevant UK Scheme Shareholder's blocked assets in terms of the South African Exchange Control Regulations; and
- Underlying Shareholders who hold Scheme Shares in uncertificated form in the STRATE system who are emigrants from the Common Monetary Area and whose Scheme Shares form part of their blocked assets, the Cash Consideration or the cash element payable pursuant to the Partial Share Alternative (as applicable) will be credited directly by STRATE on behalf of PLC Nominees (Proprietary) Limited, as the Scheme Shareholder registered on the South African Register that holds such Scheme Shares on behalf of such Underlying Shareholders, to the blocked account of the Underlying Shareholders concerned nominated by their duly appointed CSDP or broker with their authorised dealer in foreign exchange in South Africa.

#### *All other non-residents of the Common Monetary Area*

In the case of:

- UK Scheme Shareholders that are registered on the South African Register who are non-residents of the Common Monetary Area and whose registered addresses are outside the Common Monetary Area, whose share certificates have been restrictively endorsed in terms of the South African Exchange Control Regulations, the Cash Consideration or the cash element payable pursuant to the Partial Share Alternative (as applicable) will be settled directly upon such UK Scheme Shareholders in accordance with the terms and conditions of the Belgian Offer as set out in paragraph section 2, paragraph 3.1.2 (*Structure of the Transaction*) of this document; and
- Underlying Shareholders who hold UK Scheme Shares in uncertificated form in the STRATE system who are non-residents of the Common Monetary Area and whose registered addresses are outside the Common Monetary Area, the Cash Consideration or the cash element payable pursuant to the Partial Share Alternative (as applicable) will be credited directly to the accounts nominated for the relevant Underlying Shareholders by their duly appointed CSDP or broker in accordance with the provisions of the custody agreement with their CSDP or broker (following the crediting of the account(s) of such CSDPs with the relevant cash amount by STRATE, on behalf of PLC Nominees (Proprietary) Limited, as the Scheme Shareholder registered on the South African Register that holds such Scheme Shares on behalf of such CSDP or broker).

#### *Restricted Newbelco Shares*

UK Scheme Shareholders registered on the South African Register who are residents of, or emigrants from, the Common Monetary Area, who elect (or are deemed to elect) for the Partial Share Alternative will be required to obtain approval from the Financial Surveillance Department of the South African Reserve Bank through their authorised dealer in the foreign exchange in South Africa to hold Restricted Newbelco Shares.

Any such UK Scheme Shareholder registered on the South African Register who wishes to elect for the Partial Share Alternative must provide the requested details relating to the exchange control approvals to make elections obtained through their authorised dealers, as explained in more detail in the UK Scheme Document.

Any such Underlying Shareholder on behalf of whom a Nominee Shareholder holds Scheme Shares in uncertificated form in the STRATE system who wishes to give an instruction to elect for the Partial Share Alternative must provide such details as are required by their appointed CSDP or broker in accordance with the provisions of the custody agreement with such CSDP or broker.

## SECTION 5: INAPPLICABLE OR IMMATERIAL MATTERS

For purposes of this Prospectus the following provisions of the Regulations are not applicable:

Regulation number	Regulation heading
54(2)	General Statement of required information
54(3)(a)	General Statement of required information
54(3)(b)	General Statement of required information
55	Specific matters to be addressed for a limited offer
57(2)(b)	Name, address and incorporation
57(3)(b)	Name, address and incorporation
59(2)(a)	History, state of affairs and prospects of the company
59(3)(f)	History, state of affairs and prospects of the company
59(3)(g)	History, state of affairs and prospects of the company
59(4)	History, state of affairs and prospects of the company
60(b)	Share capital of the company
60(c)	Share capital of the company
62	Commission paid or payable in respect of underwriting
63(1)(b)	Material Contracts
64	Interest of Directors and promoters
65	Loans
67	Property acquired or to be acquired
68	Amounts paid or payable to promoters
70(b)	Purpose of the offer
72(1)(d)	Particulars of the offer
72(1)(e)	Particulars of the offer
72(3)	Particulars of the offer
73	Minimum subscription
74(2)(b)	Statement as to adequacy of capital
77	Report by auditor where business undertaking to be acquired
78	Report by auditor where company will acquire a subsidiary
80	Requirements for prospectus of filing company

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## SIGNATURE PAGE

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By order of the Newbelco SA/NV Board of Directors

**Registered office**

Rue Royale/Koningsstraat 97, 4<sup>th</sup> Floor  
1000 Brussels  
Belgium

SIGNED AT BRUSSELS ON 17/8/2016 BY THE DIRECTORS OF NEWBELCO SA/NV



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**Christophe Tans**  
**Director**  
(duly authorised)



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**Irène Florescu**  
**Director**  
(duly authorised)



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**Wouter Vanmechelen**  
**Director**  
(duly authorised)

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## DOCUMENTS INCORPORATED BY REFERENCE

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The following documents, which have previously been published shall be deemed to be incorporated in, and form part of, this Prospectus:

**AB InBev documents:**

- the audited consolidated financial statements of AB InBev for the financial years ended 31 December 2013, 2014 and 2015, together, in each case, with the notes thereto and the audit reports thereon, as contained on pages 71 to 148 of AB InBev's 2013 annual reports, on pages 67 to 146 of AB InBev's 2014 annual report and on pages 67 to 142 of AB InBev's 2015 annual report, respectively, available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com));
- press release dated 4 May 2016 containing AB InBev's first quarter 2016 trading update, available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com));
- the audited statutory financial statements of AB InBev for the financial years ended 31 December 2013, 2014 and 2015, together, in each case, with the notes thereto and the audit reports thereon, available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com));
- the press release dated 29 July 2016 containing AB InBev's second quarter 2016 and half-year 2016 results, available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com)); and
- the unaudited condensed consolidated interim financial statements of AB InBev for the six-month period ended 30 June 2016, together with the notes thereto and the auditor's report thereon, as contained on pages 20 to 50 of AB InBev's 2016 Half-Year Financial Report available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com)).

**SABMiller documents:**

- the audited consolidated financial statements of SABMiller for the financial years ended 31 March 2014, 2015 and 2016, together, in each case, with the notes thereto and the audit reports thereon, as contained on pages 91 to 161 of SABMiller's 2014 annual report, on pages 102 to 175 of SABMiller's 2015 annual report and on pages 98 to 170 of SABMiller's 2016 annual report, respectively, available on SABMiller's website ([www.sabmiller.com](http://www.sabmiller.com)); and
- the press release dated 21 July 2016 containing SABMiller's first quarter 2016 trading update, available on SABMiller's website ([www.sabmiller.com](http://www.sabmiller.com)).

Any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute part of this Prospectus.

Where parts of documents are incorporated by reference into this Prospectus, the non-incorporated parts are either not relevant for the reader or are covered elsewhere in the Prospectus. No other documents or information, including the content of AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com)), the content of SABMiller website ([www.sabmiller.com](http://www.sabmiller.com)), or the websites accessible from hyperlinks on those websites, form part of, or are incorporated by reference into, this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the websites of AB InBev ([www.ab-inbev.com](http://www.ab-inbev.com)) and/or SABMiller ([www.sabmiller.com](http://www.sabmiller.com)).

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**OPENING BALANCE SHEET AS OF 3 MARCH 2016 IN RESPECT OF NEWBELCO**


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**Newbelco SA/NV – Opening Balance Sheet as of 3 March 2016****In thousand euros****ASSETS**

Cash	61.5
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<b>Total assets</b>	<b>61.5</b>
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**EQUITY AND LIABILITIES**

Common equity	61.5
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<b>Total equity and liabilities</b>	<b>61.5</b>
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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(A) BASIS OF PREPARATION AND MEASUREMENT**

Newbelco's financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and in conformity with IFRS as adopted by the European Union ("IFRS").

Depending on the applicable IFRS requirements, the measurement basis used in preparing the financial statements is cost, net realisable value, fair value or recoverable amount. Whenever IFRS provides an option between cost and another measurement basis (e.g. systematic re-measurement), the cost approach is applied.

**(B) FUNCTIONAL AND PRESENTATION CURRENCY**

Unless otherwise specified, all financial information included in these financial statements have been stated in euro. The functional currency of the company is the euro.

**(C) USE OF ESTIMATES AND JUDGMENTS**

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

No judgments, estimates and assumptions were required to prepare this opening balance sheet.

**(D) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include all cash balances and short-term highly liquid investments with a maturity of three months or less from the date of acquisition that are readily convertible into cash. They are stated at face value, which approximates their fair value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

**(E) SHARE CAPITAL**

Dividends are recognized in the financial statements on the date that the dividends are declared.

**REPORT OF INDEPENDENT REPORTING ACCOUNTANTS  
ON THE HISTORICAL FINANCIAL INFORMATION OF NEWBELCO IN TERMS OF  
REGULATION 79 OF THE COMPANIES REGULATIONS**

**Deloitte.**

Deloitte Bedrijfsrevisoren /  
Reviseurs d'Entreprises  
Berkenlaan 8b  
1831 Diegem  
Belgium  
Tel + 32 2 800 20 00  
Fax + 32 2 800 20 01  
www.deloitte.be

The Board of Directors  
on behalf of Newbelco SA/NV  
Koningsstraat 97  
1000 Brussel

22 August 2016

**Independent auditors' report on the historical financial information included in the prospectus**

Dear Madam / Dear Sir(s)

Deloitte Bedrijfsrevisoren BV o.v.v.e. CVBA / Reviseurs d'Entreprises SC s.f.d. SCRL ("Deloitte" or "we") are the appointed auditors of Newbelco SA/NV ("the Company"), a company incorporated in Belgium. The Company is issuing a prospectus on or about 26 August 2016 ("Prospectus"), to be prepared in terms of the South African Companies Act 71 of 2008 ("Companies Act"). Regulation 79 of the Companies Act of South Africa requires us to report on the stand-alone opening balance sheet of the Company as of the date of incorporation (being 3 March 2016), along with the note thereto and the summary of significant accounting policies (the "historical financial information"), which is included in the Prospectus.

We can report that in the context of the audit performed on the historical financial information, the historical financial information is not materially misstated and is prepared on a basis consistent with the Companies Act.

**Responsibility of the directors for the financial information**

The directors are responsible for the audited historical financial information and the presentation of the historical financial information in accordance with the requirements of the Companies Act.

**Report of factual findings on the material changes in the assets and liabilities**

In accordance with Regulation 79 (4)(b)(v) we are required to include a statement in our report, as to whether there have been any material changes in the assets and liabilities of the Company since its date of incorporation, being 3 March 2016.

As a result, we have performed the following procedures which were agreed with you:

- We reviewed the latest management accounts of the Company and compared the categories of assets and liabilities to the stand-alone opening balance sheet dated 3 March 2016. Where movements in the assets and liabilities were in excess of 20%, these have been reported in the findings below.
- We reviewed minutes of meetings of the board of directors of the Company since 3 March 2016 to identify any matters regarding material changes in the assets and liabilities, such as the sale or purchase of a significant asset.
- We obtained a letter of representation from the board of directors confirming that there have been no material changes in the assets and liabilities of the Company since 3 March 2016.

Our engagement was undertaken in accordance with the International Standard on Related Services ("ISRS") 4400 Engagements to Perform Agreed-Upon Procedures Regarding Financial Information. The procedures were performed solely to assist you in complying with Regulation 79 (4)(b)(v) of the Companies Act.

**Responsibilities of the directors**

The directors have the responsibility for the accuracy and completeness of the records, documents, explanations and other information provided to us for the purpose of performing the procedures and for determining whether the nature and scope of our work specified in this factual findings report is sufficient for the purposes of evaluating the material changes in the assets and liabilities of the Company.

Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises  
Burgerlijke vennootschap onder de vorm van een coöperatieve vennootschap met beperkte aansprakelijkheid /  
Société civile sous forme d'une société coopérative à responsabilité limitée  
Registered Office: Berkenlaan 8b, B-1831 Diegem  
VAT BE 0429.053.863 - RPR Brussel/RPM Bruxelles - IBAN BE 17 2300 0465 6121 - BIC GEBABEBB

Member of Deloitte Touche Tohmatsu Limited

## Responsibilities of the auditor

An agreed upon procedure engagement involves applying our expertise to perform procedures as agreed by us and the directors and reporting the factual findings from the procedures performed. We have complied with relevant ethical requirements, including the principles of integrity, objectivity, professional competence and due care.

Since an agreed upon procedure engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information management has provided to us to complete the agreed upon procedure engagement. Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the material changes in the assets and liabilities of the Company. Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported.

## Findings

We report our findings as follows:

On 22 August 2016 we compared the below categories of assets and liabilities per the management accounts for the period ended 30 June 2016 to the stand-alone opening balance sheet for the period ended 3 March 2016:

- Non-current assets;
- Current assets;
- Non-current liabilities;
- Current liabilities; and
- Non-current liabilities directly associated with assets held for sale.

For these categories of assets and liabilities no movements in excess of 20% were identified.

Our findings relate only to the accounts and items specified above and do not extend to any financial statements of the Company taken as a whole.

## Consent

We consent to the inclusion of this report, which will form part of the Prospectus to be issued by Newbelco SA/NV on or about 26 August 2016, in the form and context in which it appears. Our report should not be used for any other purpose or be distributed to any other parties.

Yours sincerely

The statutory auditor



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**DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises**  
BV o.v.v.e. CVBA / SC s.f.d. SCRL  
Represented by Joël Brehmen

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## CONSENT LETTERS OF ADVISORS

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Deutsche Securities (SA) Proprietary Limited  
A non-bank member of the Deutsche Bank Group

The Board of Directors  
on behalf of Newbelco SA/NV  
Rue Royale/Koningsstraat 97  
4th Floor  
1000 Brussels

Pat Egan  
3 Exchange Square, 87 Maude Street,  
Sandton, 2196  
Private Bag X9933, Sandton, 2146,  
South Africa  
Tel +27 (0) 11 775 7301  
pat.egan@db.com

16 August 2016

Dear Sir(s) / Madam(s)

**RE: Newbelco SA/NV- Prospectus**

1. We refer to the prospectus of Newbelco SA/NV, incorporated in Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels), ("Newbelco") prepared in terms of the South African Companies Act, 71 of 2008, as amended, to be issued to the shareholders of SABMiller plc ("SABMiller") on its South African branch register in connection with the proposed business combination between SABMiller and Anheuser-Busch Inbev SA/NV ("AB InBev") to be effected through (i) a UK law court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006, as amended; (ii) a Belgian law voluntary cash takeover offer pursuant to the Belgian law of 1 April 2007 on public takeover bids and the Belgian Royal Decree of 27 April 2007 on public takeover bids; and (iii) a Belgian law merger by absorption under the Belgian law of 7 May 1999, setting out the Companies Code, as amended, pursuant to which the AB InBev shareholders will become shareholders of Newbelco and Newbelco will be the surviving entity and holding company for the combined group ("Prospectus").
2. We, in our capacity as joint financial advisor and transaction sponsor to AB InBev, hereby consent to our name being stated, and to the reference thereto in the form and content, in which it appears in the Prospectus.
3. Provided that the Prospectus is not amended in any material way without our approval after the date of this letter, we undertake that we will not withdraw such consent prior to the issue of the Prospectus.

Yours faithfully

**Pat Egan**  
**Head of Sponsor Division**  
**Deutsche Securities (SA) Proprietary Limited**

**Samantha Forbes**  
**Director: Head of Corporate Broking**  
**Deutsche Securities (SA) Proprietary Limited**

A non-bank member of the Deutsche Bank Group  
Licensed Financial Services Provider – FSP No. 16701  
Directors: M Ismail, SJ Denny, R Visser, YS Miya  
Registered in South Africa No. 1995/011798/07 (Vat No. 4700159207)

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16 August 2016

The Board of Directors  
on behalf of Newbelco SA/NV  
Rue Royale/Koningsstraat 97  
4th Floor  
1000 Brussels

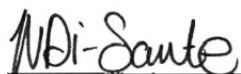
**Corporate and  
Investment Banking**

Dear Sir(s) / Madam(s)

**Newbelco SA/NV – Prospectus**

1. We refer to the prospectus of Newbelco SA/NV, incorporated in Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels), ("Newbelco") prepared in terms of the South African Companies Act, 71 of 2008, as amended, to be issued to the shareholders of SABMiller plc ("SABMiller") on its South African branch register in connection with the proposed business combination between SABMiller and Anheuser-Busch Inbev SA/NV ("AB InBev") to be effected through (i) a UK law court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006, as amended; (ii) a Belgian law voluntary cash takeover offer pursuant to the Belgian law of 1 April 2007 on public takeover bids and the Belgian Royal Decree of 27 April 2007 on public takeover bids; and (iii) a Belgian law merger by absorption under the Belgian law of 7 May 1999, setting out the Companies Code, as amended, pursuant to which the AB InBev shareholders will become shareholders of Newbelco and Newbelco will be the surviving entity and holding company for the combined group ("Prospectus").
2. We, in our capacity as joint financial advisor and transaction sponsor to AB InBev, hereby consent to our name being stated, and to the reference thereto in the form and content, in which it appears in the Prospectus.
3. Provided that the Prospectus is not amended in any material way without our approval after the date of this letter, we undertake that we will not withdraw such consent prior to the issue of the Prospectus.

Yours sincerely



Natalie Di-Sante

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Corporate and Investment Banking, 30 Baker Street, Rosebank  
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Tel. Switchboard: +27 60 123 000 Direct: +27 (0)11 721 6125 Fax: +27 (0) 865 876 82  
email: [Natalie.di-sante@standardbank.co.za](mailto:Natalie.di-sante@standardbank.co.za)

The Standard Bank of South Africa Limited (Reg.No. 1962/000738/06) Authorised financial services provider and registered credit provider (NCRCP15)  
**Directors:** TS Gcabashe (Chairman) SK Tshabalala\* (Chief Executive) Dr. A Daehnke\* RMW Dunne# BJ Kruger\* Adv. KD Moroka Dr. ML Oduor-Otieno## AC Parker ANA Peterside CON### MJD Ruck PD Sullivan#### BS Tshabalala EM Woods  
**Company Secretary:** Z Stephen – 01/05/2016  
\*Executive Director #British ##Kenyan ###Nigerian ####Australian

# LAZARD

12th August, 2016

The Board of Directors  
on behalf of Newbelco SA/NV  
Rue Royale/Koningsstraat 97  
4th Floor  
1000 Brussels

Dear Sir(s) / Madam(s)

**RE: Newbelco SA/NV – Prospectus**

1. We refer to the prospectus of Newbelco SA/NV, incorporated in Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels), ("Newbelco") prepared in terms of the South African Companies Act, 71 of 2008, as amended, to be issued to the shareholders of SABMiller plc ("SABMiller") on its South African branch register in connection with the proposed business combination between SABMiller and Anheuser-Busch Inbev SA/NV ("AB InBev") to be effected through (i) a UK law court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006, as amended; (ii) a Belgian law voluntary cash takeover offer pursuant to the Belgian law of 1 April 2007 on public takeover bids and the Belgian Royal Decree of 27 April 2007 on public takeover bids; and (iii) a Belgian law merger by absorption under the Belgian law of 7 May 1999, setting out the Companies Code, as amended, pursuant to which the AB InBev shareholders will become shareholders of Newbelco and Newbelco will be the surviving entity and holding company for the combined group ("Prospectus").
2. We, in our capacity as financial adviser to AB InBev, hereby consent to the inclusion in the Prospectus of the references to our name in the form and context in which they appear in the draft of the Prospectus provided to us as of the date hereof.
3. Provided that the Prospectus is not amended in any material way without our approval after the date of this letter, we undertake that we will not withdraw such consent prior to the issue of the Prospectus.

Yours faithfully

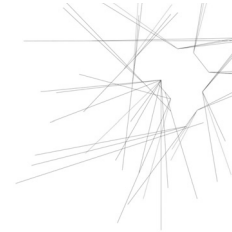
  
Lazard & Co., Limited

Authorised and regulated by the Financial Conduct Authority  
Registered in England no. 162175

**Lazard & Co., Limited**  
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+44 20 7187 2000  
[www.lazard.com](http://www.lazard.com)

# WEBBER WENTZEL

in alliance with > Linklaters



The Board of Directors  
on behalf of Newbelco SA/NV  
Rue Royale/Koningsstraat 97  
4<sup>th</sup> Floor  
1000 Brussels

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[www.webberwentzel.com](http://www.webberwentzel.com)

Your reference

Our reference

Date

J Watson  
3006485

17 August 2016

Dear Sirs / Madams

## Newbelco SA/NV – Prospectus

1. We refer to the prospectus of Newbelco SA/NV, incorporated in Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels), ("**Newbelco**") prepared in terms of the South African Companies Act, 71 of 2008, as amended, to be issued to the shareholders of SABMiller plc ("**SABMiller**") registered on its South African branch register in connection with the proposed business combination between SABMiller and Anheuser-Busch Inbev SA/NV ("**AB InBev**") to be effected through (i) firstly, a UK law court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006, as amended; (ii) secondly, a Belgian law voluntary cash takeover offer pursuant to the Belgian law of 1 April 2007 on public takeover bids and the Belgian Royal Decree of 27 April 2007 on public takeover bids; and (iii) lastly, a Belgian law merger by absorption under the Belgian law of 7 May 1999, setting out the Companies Code, as amended, pursuant to which the AB InBev shareholders will become shareholders of Newbelco and Newbelco will be the surviving entity and holding company for the combined group ("**Prospectus**").
2. We, in our capacity as South African legal advisor to AB InBev, hereby consent to our name being stated, and to the reference thereto in the form and content, in which it appears in the Prospectus.
3. Provided that the Prospectus is not amended in any material way without our approval after the date of this letter, we undertake that we will not withdraw such consent prior to the issue of the Prospectus.

Yours sincerely

**WEBBER WENTZEL**

Jesse Watson  
Partner  
Direct tel: +27 11 530 5811  
Direct fax: +27 11 530 6811  
Email: [jesse.watson@webberwentzel.com](mailto:jesse.watson@webberwentzel.com)

Document2

**Senior Partner:** JC Els **Managing Partner:** SJ Hutton **Partners:** RB Africa NG Alp OA Ampofo-Anti RL Appelbaum AE Bennett DHL Booysen AR Bowley PG Bradshaw EG Brandt JL Brink S Browne MS Burger RI Carrim T Cassim RS Coelho KL Collier KM Colman KE Coster K Couzyn CR Davidow JH Davies PM Daya L de Bruyn JHB de Lange DW de Villiers BEC Dickinson MA Diemont DA Dingley G Driver HJ du Preez CP du Toit SK Edmundson AE Esterhuizen MJR Evans AA Felekis GA Fichardt JB Forman KL Gawith MM Gibson SJ Gilmour H Goolam CI Gouws PD Grealy A Harley JM Harvey MH Hathorn JS Henning KR Hillis XNC Hlatshwayo S Hockey CM Holfeld PM Holloway HF Human AV Ismail KA Jarvis ME Jarvis CM Jonker S Jooste LA Kahn M Kennedy A Keyser PN Kingston CJ Kok MD Kota J Lamb L Marais S McCafferty V McFarlane MC McIntosh SJ McKenzie M McLaren SI Meltzer SM Methula CS Meyer AJ Mills JA Milner D Milo NP Mngomezulu J Moolman VM Movshovich M Mtshali SP Naicker RA Nelson BP Ngoepe A Ngubo ZN Ntshona MB Nzimande L Odendaal GJP Olivier N Paige AMT Pardini AS Parry S Patel GR Penfold SE Phajane MA Phillips HK Potgieter S Rajah D Ramjettan GI Rapson NJA Robb DC Rudman M Sader JW Scholtz KE Shepherd DMJ Simaan AJ Simpson J Simpson N Singh P Singh MP Spalding L Stein PS Stein MW Straeulil LJ Swaine Z Swanepoel A Thakor A Toefy PZ Vanda SE van der Meulen M van der Walt N van Dyk A van Niekerk JE Veeran D Venter B Versfeld MG Versfeld TA Versfeld DM Visagie J Watson KL Williams K Wilson RH Wilson M Yudaken **Chief Operating Officer:** SA Boyd

**Webber Wentzel is associated with ALN**

The Board of Directors  
on behalf of Newbelco SA/NV  
Rue Royale/Koningsstraat 97  
4th Floor  
1000 Brussels

16 August 2016

**RE: Newbelco SA/NV – Prospectus**

Dear Sir(s) / Madam(s)

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2. We, in our capacity as the auditor of Newbelco, hereby consent to our name being stated, and to the reference thereto in the form and content, in which it appears in the Prospectus.
3. Provided that the Prospectus is not amended in any material way without our approval after the date of this letter, we undertake that we will not withdraw such consent prior to the issue of the Prospectus.

Yours faithfully



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**DELOITTE Bedrijfsrevisoren/Reviseurs d'Entreprises**  
BV o.v.v.e. CVBA / SC s.f.d. SCRL  
Represented by Joël Brehmen

**Computershare Investor Services Proprietary Limited**

Reg No 2004/003647/07  
70 Marshall Street Johannesburg  
2001 South Africa  
PO Box 61051 Marshalltown  
2107 South Africa  
Telephone +27 11 370 5000  
+27 83 900 3755  
Facsimile +27 11 688 5200  
[www.computershare.com](http://www.computershare.com)

17 August 2016

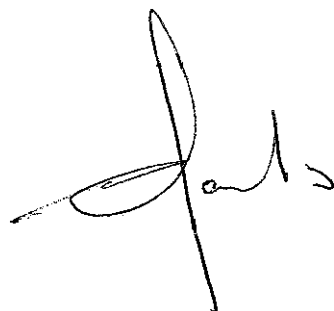
The Board of Directors  
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2. We, in our capacity as transfer secretaries to AB InBev, hereby consent to our name being stated, and to the reference thereto in the form and content, in which it appears in the Prospectus.
3. Provided that the Prospectus is not amended in any material way without our approval after the date of this letter, we undertake that we will not withdraw such consent prior to the issue of the Prospectus.

Yours faithfully



**Computershare Investor Services Proprietary Limited**

## RISK FACTORS

Existing shareholders and prospective shareholders of Newbelco should carefully consider the risk factors described below and the other information contained in this Prospectus. Any of the following risks, individually or together, could adversely affect the Combined Group and the Combined Group's business, financial condition and results of operations and, accordingly, the value of the New Ordinary Shares.

The risks and uncertainties described below are those relating to the Combined Group and its business and activities as if the Transaction had been completed.

The risks and uncertainties described below are those that Newbelco believes are material, but these risks and uncertainties may not be the only ones that the Combined Group faces. Additional risks and uncertainties, being those that Newbelco currently does not know about or deems immaterial may also result in decreased revenues, assets and cash inflows, increased expenses, liabilities or cash outflows, or other events that could result in a decline in the value of the New Ordinary Shares or which could have a material adverse effect on the Combined Group's business, financial condition, results of operations and future prospects.

### Risks relating to the Transaction

***The Transaction remains subject to the review and authorisation of various regulatory authorities which could impose conditions that could have an unfavourable impact on the Combined Group.***

Completion is subject to a number of conditions including receipt of regulatory clearances in certain jurisdictions. On the same day that AB InBev announced the Transaction, AB InBev announced the sale of SABMiller's interest in MillerCoors and SABMiller's portfolio of Miller brands outside the U.S. and Puerto Rico to Molson Coors (the "**MillerCoors Divestiture**"). On 2 March 2016, AB InBev announced that it had entered into an agreement to sell SABMiller's 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow (the "**CR Snow Divestiture**"). On 19 April 2016, AB InBev announced that it had accepted a binding offer from Asahi Group Holdings Ltd. to acquire SABMiller's Peroni, Grolsch and Meantime brand families and their associated business (excluding certain rights in the U.S.), and on 29 April 2016 AB InBev announced that it had offered the assets of SABMiller in Central and Eastern Europe (Hungary, Romania, Czech Republic, Slovakia and Poland), for divestiture, subject to certain third party rights (together the "**European Divestitures**"). AB InBev has also agreed to sell SABMiller's 26.5% shareholding in Distell Group Limited (the Distell Divestiture, and together with the MillerCoors Divestiture, the CR Snow Divestiture and the European Divestiture, the "**Transaction-related Divestitures**"). In each case, these divestitures are with the goal of proactively addressing potential regulatory considerations regarding the Transaction and are conditional on the successful Completion.

The terms and conditions of any authorisations, approvals and/or clearances to be obtained, or any other action taken by a regulatory authority following the closing of the Transaction may require, among other things, the divestiture of assets or businesses of either the AB InBev Group or the SABMiller Group to third parties, changes to operations in connection with Completion, restrictions on the ability of the Combined Group to operate in certain jurisdictions following the Completion, restrictions on the AB InBev Group and the SABMiller Group combining their operations in certain jurisdictions or other commitments to regulatory authorities regarding ongoing operations.

Any such actions could have a material adverse effect on the business of the Combined Group and diminish substantially the synergies and the advantages which AB InBev expects to achieve from the Transaction. Furthermore, AB InBev may not be able to effect any divestitures or other commitments at the time intended, or at all, or at the desired price, especially in challenging market conditions. Any event that prevents or delays the integration of the AB InBev Group and the SABMiller Group businesses and operations in any jurisdiction could have a material adverse effect on the AB InBev Group and/or the Combined Group and their results of operations.

In addition, divestitures and other commitments made in order to obtain regulatory approvals, if any, may have an adverse effect on the Combined Group's business, results of operations, financial condition and prospects. These or any conditions, remedies or changes also could have the effect of delaying Completion, reducing the anticipated benefits of the Transaction, reducing the price AB InBev is able to obtain for such disposals or imposing additional costs on or limiting the Combined Group's revenues following Completion, any of which might have a material adverse effect on the Combined Group following Completion.

On 29 July 2016, AB InBev announced that the regulatory pre-conditions (including regulatory clearance in the United States, the EU, China and South Africa) to the Transaction had been satisfied. Ultimately, however there is no guarantee that the outstanding conditions will be satisfied (or waived, if applicable). Failure to satisfy any of the regulatory conditions may result in the Transaction not being completed, and, in certain circumstances, including if any condition is not satisfied or waived by the date that is fourteen days prior to the Long Stop Date, AB InBev may be required to pay or procure the payment to SABMiller of a break payment of USD 3.0 billion. See section 1, paragraph 7.2.1.3 (Co-Operation Agreement) of this Prospectus.

***In addition to regulatory authorisations, the Transaction is subject to the satisfaction (or waiver, where applicable) of a number of other conditions.***

In addition to the outstanding conditions relating to regulatory authorities described above, the Transaction is subject to the satisfaction (or waiver, where applicable) of a number of other conditions as described in the Rule 2.7 Announcement. These include the acquisition of SABMiller by Newbelco through a UK law court-sanctioned scheme of arrangement between SABMiller and the applicable shareholders of SABMiller under Part 26 of the UK Companies Act 2006; the completion of AB InBev's voluntary cash takeover offer pursuant to the Takeover Law and the Takeover Royal Decree for all of the shares of Newbelco issued to the shareholders of SABMiller and the completion of the merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian Law of 7 May 1999, setting out the Companies Code, pursuant to which the shareholders of AB InBev will become shareholders of Newbelco and Newbelco will be the surviving entity and the holding company for the Combined Group; necessary shareholder resolutions of SABMiller, AB InBev and Newbelco being passed by the requisite majority of shareholders; the New Ordinary Shares having been approved for admission to listing and trading in Belgium, South Africa and Mexico; and the approval for the admission to trading of Newbelco ADSs on the NYSE.

There is no guarantee that these (or any other) conditions will be satisfied (or waived, if applicable). Failure to satisfy any of the conditions may result in the Transaction not being completed, and, in certain circumstances, AB InBev may be required to pay or procure the payment to SABMiller of a break payment of USD 3.0 billion, including if specified AB InBev shareholder resolutions are not passed by the relevant date or AB InBev's board withdraws its recommendation to AB InBev's shareholders to vote in favour of the specified AB InBev shareholder resolutions and is permitted to withdraw from the Transaction. See section 1, paragraph 7.2.1.3 (Co-Operation Agreement) of this Prospectus.

Any resolution proposed at the meeting of the relevant shareholders of SABMiller convened by the UK Court to approve the UK Scheme must be approved by a majority in number of shareholders of SABMiller (other than Altria and BEVCO (and their nominees, if any)) who are present and voting at the meeting, either in person or by proxy, and who represent not less than 75% of the relevant SABMiller Shares voted at such meeting. There is no guarantee that the required level of shareholder support will be achieved.

Furthermore, even if AB InBev desired to invoke a condition to prevent Completion, under the UK City Code, AB InBev is only able to invoke such conditions if the UK Panel is satisfied that the circumstances giving rise to such conditions not being satisfied are of material significance to AB InBev in the context of the Transaction (subject to limited exceptions). The UK Panel has historically determined that this is a high threshold, so even if some event were to occur which AB InBev believes means that a condition is not satisfied (such as a material adverse change affecting the SABMiller Group), AB InBev may not be permitted to invoke such condition and may be required to proceed with Completion in any event.

***Change of control, prohibition on merger or other restrictive provisions in agreements and instruments to which members of the AB InBev Group and/or the SABMiller Group are a party may be triggered upon Completion and may lead to adverse consequences for the Combined Group, including the loss of significant contractual rights and benefits, the possible termination of material agreements or the requirement to repay outstanding indebtedness.***

Members of both the AB InBev Group and the SABMiller Group are parties to joint ventures, distribution and other agreements, guarantees and instruments which may contain change of control or other restrictive provisions that may be triggered (or be alleged to be triggered) upon Completion. Some of these agreements may be material and some may contain change of control provisions which provide for or permit, or which may be alleged to provide for or permit, the termination of the agreement or other remedies upon the occurrence of a change of control of one of the parties or, in the case of certain debt instruments, entitle holders to require repayment of all outstanding indebtedness owed to them. In addition, the AB InBev Group and the SABMiller Group have each issued debt instruments and are party to other agreements that may contain restrictions on the merger of, or cessation of business or dissolution of, members of the AB InBev Group and/or the SABMiller Group. Certain of these provisions may be triggered (or be alleged to be triggered) upon consummation of the Transaction and the Transaction-related Divestitures.

If, upon review of these agreements, AB InBev and SABMiller determine that such provisions can be waived by the relevant counterparties, they may decide to seek such waivers. In the absence of such waivers, the operation of the change of control or other restrictive provisions, if any, could result in the loss of material contractual rights and benefits, the termination of the relevant agreements or the requirement to repay outstanding indebtedness or to make certain other payments. Alternatively, in respect of certain debt instruments, the parties may decide to seek to effect certain restructuring transactions or redeem the instruments in accordance with their terms. Both of these approaches may be subject to uncertainty and may result in significant costs to the Combined Group.

In addition, various compensation and benefit programs with members of SABMiller senior management and directors and other SABMiller Group employees contain change of control provisions providing for vesting of stock options and other share-based awards, accelerated pay-outs under certain pension and bonus plans and tax gross-ups to be paid following Completion. AB InBev has taken into account potential payments arising from the operation of change of control provisions, including compensation arising from change of control provisions in employment agreements, but such payments may exceed AB InBev's expectations.

***AB InBev intends for the Transaction to be implemented through a complex cross-border structure and failure to implement the Transaction in this manner may result in significant costs to the Combined Group.***

It is intended that the Transaction will be implemented by way of a three-stage process involving: (i) a UK law court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006; (ii) a Belgian law voluntary cash takeover offer pursuant to the Takeover Law and the Takeover Royal Decree; and (iii) a Belgian law reverse merger under the Belgian Companies Code (which is a merger in accordance with Belgian law whereby the holding company is merged into its subsidiary, with the subsidiary being the surviving company). See section 2 of this Prospectus.

This complex structure will involve a series of steps, in multiple legal jurisdictions. The implementation of the Proposed Structure is dependent on the actions and approval of a number of third parties, including governmental and regulatory bodies, which are beyond AB InBev's control, and on regulations and legislation in force as at the date of publication of the Rule 2.7 Announcement. It may eventually not be possible, whether as a result of a change in law or otherwise, to implement the Transaction as currently intended. However, AB InBev may be required to complete the Transaction in any event.

On 11 November 2015, AB InBev entered into a Tax Matters Agreement with Altria, pursuant to which it (and, after Completion, Newbelco) will provide assistance and co-operation to, and will give certain representations and undertakings to Altria in relation to certain matters that are relevant to Altria under U.S. tax legislation, including the structure and implementation of the Transaction. If certain of these representations or undertakings are breached, including, potentially, because the structure of the Transaction is required to be amended, AB InBev (and, after Completion, Newbelco) may be required to indemnify Altria for certain tax costs it may incur in relation to the Transaction.

***The AB InBev Group may not be able to successfully integrate the SABMiller Group or realise the anticipated benefits and synergies of the Transaction, including as a result of a delay in completing the Transaction or difficulty in integrating the businesses of the companies involved, and any such benefits and synergies will be offset by the significant fees and other costs the AB InBev Group incurs in connection with the Transaction.***

Achieving the advantages of the Transaction will depend partly on the rapid and efficient combination of the AB InBev Group's activities with the SABMiller Group, two groups of considerable size which functioned independently and were incorporated in different countries, with geographically dispersed operations, and with different business cultures and compensation structures.

The integration process involves inherent costs and uncertainties. These uncertainties are exacerbated because the SABMiller Group is active in new or developing markets in which the AB InBev Group does not have significant operations, and because AB InBev had little opportunity to perform detailed due diligence on the SABMiller Group prior to or after the announcement of the proposed Transaction. As compared to the AB InBev Group, the Combined Group may face increased exposure to certain risks as a result of the Transaction. For example:

- the SABMiller Group has entered into important strategic partnerships in a number of Eurasian and African countries. The Combined Group may face challenges in continuing to develop collaborative relationships with these partners in order to ensure that decisions are taken in such partnerships which promote the strategic and business objectives of the Combined Group; and
- the SABMiller Group operates its business and markets its products in developing markets that, as a result of political and economic instability, a lack of well-developed legal systems and potentially corrupt business environments, present it with political, economic and operational risks. The SABMiller Group is not subject to the same laws relating to corruption that the AB InBev Group is subject to, and there is a risk that improper actions taken by its employees or representatives of its subsidiaries, affiliates, associates, joint ventures or other business interests may expose the Combined Group to potential liability and the costs associated with investigating potential misconduct. In addition, any press coverage associated with such misconduct, even if unwarranted or baseless, could damage the reputation and sales of the Combined Group.

Furthermore, there is no assurance that the Transaction will achieve the benefits AB InBev anticipates from the integration. AB InBev believes that the consideration expected to be paid is justified, in part, by the procurement and engineering savings, brewery and distribution efficiency gains, best practice sharing and other cost savings, synergies and benefits that AB InBev expects to achieve by combining the SABMiller Group's



operations with the AB InBev Group's own. However, these expected savings, gains, synergies and other benefits may not be achieved, and the assumptions upon which AB InBev determined the consideration paid to former SABMiller shareholders in connection with the Belgian Offer may prove to be incorrect. The implementation of the Transaction and the successful integration of the SABMiller Group's operations into the AB InBev Group's will also require a significant amount of management time and, thus, may affect or impair management's ability to run the businesses effectively during the period prior to Completion and the integration of the businesses thereafter.

In addition, the AB InBev Group and the SABMiller Group have incurred, and will continue to incur, significant transaction fees and other costs associated with the Transaction. These fees and costs are substantial and include financing, financial advisory, legal and accounting fees and expenses. In addition, the Combined Group may face additional unanticipated costs as a result of the integration of the AB InBev Group and the SABMiller Group which would offset any realised synergy benefits resulting from the Transaction.

Finally, the Tax Matters Agreement AB InBev has entered into with Altria imposes some limits on the ability of the Combined Group to effect some group reorganisations after Completion, which may limit Newbelco's capacity to integrate the SABMiller Group's operations into those of the AB InBev Group.

***Disruption from the Transaction may make it more difficult to maintain relationships with customers, employees, suppliers, associates or joint venture partners as well as governments in the territories in which the Combined Group will operate.***

The uncertainty regarding the effect of the Transaction and any related asset divestitures could cause disruptions to the businesses of the AB InBev Group and the SABMiller Group. These uncertainties may materially and adversely affect the AB InBev Group's or the SABMiller Group's businesses and their operations and could cause customers, distributors, other business partners and other parties that have business relationships with the AB InBev Group or the SABMiller Group to defer the consummation of other transactions or other decisions concerning the AB InBev Group's or the SABMiller Group's businesses, or to seek to change existing business relationships with these companies.

The success of the Combined Group will depend, among other things, on its capacity to retain certain key employees of the AB InBev Group and the SABMiller Group. The key employees of either the AB InBev Group or the SABMiller Group could leave their employment because of the uncertainties about their roles in the Combined Group, difficulties related to the Transaction, or because of a general desire not to remain with the Combined Group. Moreover, the Combined Group will have to address issues inherent in the management of a greater number of employees in some very diverse geographic areas. Therefore, it is not certain that the Combined Group will be able to attract or retain its key employees and successfully manage them, which could disrupt its business and have an unfavourable material effect on its financial position, its income from operations and on the competitive position of the Combined Group.

***The Transaction is, and may in the future be, subject to litigation attempting to enjoin Completion.***

Members of the AB InBev Group are now and may in the future be party to legal proceedings and claims related to the Transaction. For example, certain private parties have brought a legal challenge to the Transaction, and the court in this private action could enjoin the parties from completing the Transaction or could delay it. AB InBev believes the claims in the current litigation are without merit and AB InBev intends to defend vigorously against current and any future legal proceedings.

#### **Risks relating to the business of the Combined Group**

***The Combined Group will be exposed to the risks of an economic recession, credit and capital market volatility and economic and financial crisis, which could adversely affect the demand for its products and adversely affect the market price of the Newbelco Shares.***

The Combined Group will be exposed to the risk of a global recession or a recession in one or more of its key markets, credit and capital market volatility and an economic or financial crisis, which could result in lower revenue and reduced profit.

Beer, other alcoholic beverage and soft drink consumption in many of the jurisdictions in which the Combined Group will operate is closely linked to general economic conditions, with levels of consumption tending to rise during periods of rising per capita income and fall during periods of declining per capita income. Additionally, per capita consumption is inversely related to the sale price of the Combined Group's products.

Besides moving in concert with changes in per capita income, beer and other alcoholic beverage consumption also increases or decreases in accordance with changes in disposable income.

Currently, disposable income is low in many of the developing countries in which the Combined Group will operate compared to disposable income in more developed countries. Any decrease in disposable income resulting from an increase in inflation, income taxes, the cost of living, unemployment levels, political or economic instability or other factors would likely adversely affect the demand for beer. Moreover, because a significant portion of the Combined Group's brand portfolio will consist of premium beers, the Combined Group's volumes and revenue may be impacted to a greater degree than those of some of its competitors, as some consumers may choose to purchase value or discount brands rather than premium or core brands.

Capital and credit market volatility, such as that experienced recently (for example, resulting from the June 2016 referendum in favour of the United Kingdom leaving the European Union), may result in downward pressure on stock prices and the credit capacity of issuers. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on the Combined Group's ability to access capital, on its business, results of operations and financial condition, and on the market price of the Newbelco Shares.

***The results of operations of the Combined Group could be affected by fluctuations in exchange rates.***

Although AB InBev reports its consolidated results in U.S. dollars, in 2015, it derived approximately 66% of its revenue from operating companies that have non-U.S. dollar functional currencies (in most cases, in the local currency of the respective operating company). After taking into account the effects of the Transaction-related Divestitures, the SABMiller Group derives the vast majority of its revenues from operating companies that have non-U.S. dollar functional currencies (in most cases, in the local currency of the respective operating company).

The Combined Group will report its consolidated results in U.S. dollars. After Completion, AB InBev and SABMiller expect that over 70% of the revenues of the Combined Group (not accounting for any possible divestitures other than the Transaction-related Divestitures) will be derived from operating companies that have non-U.S. dollar functional currencies. Consequently, any change in exchange rates between such operating companies' functional currencies and the U.S. dollar will affect the consolidated income statement and balance sheet when the results of those operating companies are translated into U.S. dollars for reporting purposes of the Combined Group, as translational exposures cannot be hedged. Decreases in the value of the Combined Group's operating companies' functional currencies against the U.S. dollar will tend to reduce those operating companies' contributions in dollar terms to the Combined Group's financial condition and results of operations.

During 2014 and 2015, several currencies, such as the Argentine peso, Mexican peso, the Brazilian real, the Canadian dollar, the Russian ruble, the euro and the South African rand, underwent significant depreciations compared to the U.S. dollar. Significant changes in the value of foreign currencies relative to the U.S. dollar could adversely affect the amounts the Combined Group records for its foreign assets, liabilities, revenues and expenses, and could have a negative effect on its results of operations and profitability.

For example, AB InBev's total consolidated revenue was USD 43.6 billion for the year ended 31 December 2015, a decrease of USD 3.5 billion compared to the year ended 31 December 2014. The negative impact of unfavourable currency translation effects on its consolidated revenue in the year ended 31 December 2015 was USD 6.0 billion, primarily as a result of the impact of the currencies listed above (other than the South African rand). In the six-month period ended 30 June 2016, currency translation effects negatively impacted AB InBev's consolidated revenue by USD 2.0 billion, mainly arising from currency translation effects in Latin America North, Latin America South, Mexico and Asia Pacific.

More than half of the unfavourable currency translation impact described above resulted from negative currency translation effects in AB InBev's Latin America North zone, predominately as the result of a depreciation in the Brazilian real relative to the U.S. dollar. AB InBev's 2015 annual results in Brazilian real were translated at an average rate of 3.26 Brazilian real per U.S. dollar, compared to its 2014 results, which were translated at a rate of 2.35 Brazilian real per U.S. dollar, representing a devaluation of 27.9% year over year.

Several currencies continue to undergo further significant depreciations. As an example, the Brazilian real reached an exchange rate of 3.90 Brazilian real per U.S. dollar on 31 December 2015, though by 30 June 2016 this rate had improved somewhat to 3.21 Brazilian real per U.S. dollar, and in December 2015, the Argentine peso underwent a severe depreciation and reached 13.00 Argentine pesos per U.S. dollar by 31 December 2015 (compared to an average translation rate of 9.11 Argentine pesos per U.S. dollar in 2015 and 8.12 Argentine pesos per U.S. dollar in 2014). In the first half of 2016, the Argentine peso continued to depreciate against the U.S. dollar. Consequently, AB InBev's results in Argentine pesos for the six-month period ended 30 June 2016 were translated at an average rate of 14.13 Argentine pesos per U.S. dollar. In addition, there has been considerable volatility in the exchange rate between the British pound sterling and the U.S. dollar (and, to a lesser extent, between the Euro and the U.S. dollar) following the June 2016 referendum in favour of the United Kingdom leaving the European Union.

In addition to currency translation risk, the Combined Group will incur currency transaction risks whenever one of its operating companies enters into transactions using currencies other than their respective functional currencies, including purchase or sale transactions and the issuance or incurrence of debt. Although the Combined Group may opt to have hedging policies in place to manage commodity price and foreign currency risks to protect its exposure to currencies other than its operating companies' functional currencies, there can be no assurance that such policies will be able to successfully hedge against the effects of such foreign exchange exposure, particularly over the long term.

In addition, AB InBev is committed to paying the Cash Consideration and the cash element of the Partial Share Alternative to holders of Initial Newbelco Shares in connection with the Belgian Offer in British pound sterling (and, for former SABMiller Shareholders registered on SABMiller's South African register who hold their SABMiller Shares in certificated form and for underlying holders of SABMiller Shares held in uncertificated form in the STRATE System, in South African rand), but the committed debt facilities AB InBev entered into are denominated in U.S. dollars and AB InBev expects that as of Completion, a significant majority of the AB InBev Group's debt will be denominated in U.S. dollars. The AB InBev Group has entered into, and may in the future enter into, financial transactions to mitigate exchange risk between U.S. dollars and British pound sterling, but these financial transactions and any other efforts taken to better hedge the AB InBev Group's exposure to the British pound sterling may result in increased costs.

As of 30 June 2016, AB InBev has economically hedged GBP 46.0 billion of the purchase price for the Transaction at an average fixed exchange rate of USD 1.5276 per British pound sterling. Although these derivative contracts are considered to be economic hedges, only a portion of such derivatives qualifies for hedge accounting under IFRS rules, as AB InBev's functional currency is the euro. As of 30 June 2016, a cumulative USD 9.0 billion negative mark-to-market adjustment related to such hedging has been recognised since the inception of the derivative contracts in 2015 (of which USD 5.9 billion has been recognised in changes in equity and USD 3.1 billion in the income statement), in part as a result of the movement in the exchange rate between the British pound sterling and the U.S. dollar following the June 2016 referendum in favour of the United Kingdom leaving the European Union. Furthermore, the majority of the AB InBev Group's U.S. dollar denominated debt will be borne by AB InBev, a euro functional currency company and the resulting currency mismatch may result in a material exchange impact on the AB InBev Group's and, following Completion, the Combined Group's results of operations.

Moreover, much of the Combined Group's debt will be denominated in U.S. dollars, while a significant portion of its cash flows are expected to be denominated in currencies other than the U.S. dollar. From time to time the Combined Group may enter into financial instruments to mitigate currency risk, but these transactions and any other efforts taken to better match the effective currencies of its liabilities to its cash flows could result in increased costs.

See note 27 to AB InBev's audited consolidated financial statements as at and for the year ended 31 December 2015, incorporated by reference in this Prospectus, for further details on AB InBev's approach to hedging commodity price and foreign currency risk. See note 21 to SABMiller's audited consolidated financial statements as at and for the year ended 31 March 2016, incorporated by reference in this Prospectus, for further details on SABMiller's approach to hedging foreign currency risk.

***Changes in the availability or price of raw materials, commodities and energy could have an adverse effect on the Combined Group's results of operations.***

A significant portion of the Combined Group's operating expenses will be related to raw materials and commodities, such as malted barley, wheat, corn grits, corn syrup, rice, hops, flavoured concentrate, fruit concentrate, sugar, sweetener, water, glass, polyethylene terephthalate (PET) and aluminium bottles, aluminium or steel cans and kegs, aluminium can stock, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

The supply and price of raw materials and commodities used for the production of the Combined Group's products could be affected by a number of factors beyond its control, including the level of crop production around the world, export demand, quality and availability of supply, speculative movements in the raw materials or commodities markets, currency fluctuations, governmental regulations and legislation affecting agriculture, trade agreements among producing and consuming nations, adverse weather conditions, natural disasters, economic factors affecting growth decisions, political developments, various plant diseases and pests.

It is not possible to predict future availability or prices of the raw materials or commodities required for the Combined Group's products. The markets in certain raw materials or commodities have experienced and may in the future experience shortages and significant price fluctuations. The foregoing may affect the price and availability of ingredients that the Combined Group may use to manufacture its products, as well as the cans and bottles in which its products are packaged. The Combined Group may not be able to increase its prices to offset these increased costs or increase its prices without suffering reduced volume, revenue and operating income.

To some extent, derivative financial instruments and the terms of supply agreements can protect against increases in materials and commodities costs in the short term. However, derivatives and supply agreements expire and upon expiry are subject to renegotiation and therefore cannot provide complete protection over the medium or longer term. To the extent the Combined Group fails to adequately manage the risks inherent in such volatility, including if its hedging and derivative arrangements do not effectively or completely hedge against changes in commodity prices, its results of operations may be adversely impacted. In addition, it is possible that the hedging and derivative instruments the Combined Group may use to establish the purchase price for commodities in advance of the time of delivery may lock the Combined Group into prices that are ultimately higher than actual market prices at the time of delivery.

The production and distribution of the Combined Group's products may require material amounts of energy, including the consumption of oil-based products, natural gas, biomass, coal and electricity. Energy prices have been subject to significant price volatility in the recent past and may be again in the future. High energy prices over an extended period of time, as well as changes in energy taxation and regulation in certain geographies, may result in a negative effect on operating income and could potentially challenge the Combined Group's profitability in certain markets. There is no guarantee that the Combined Group will be able to pass along increased energy costs to its customers in every case.

The production of the Combined Group's products will also require large amounts of water, including water consumption in the agricultural supply chain. Changes in precipitation patterns and the frequency of extreme weather events may affect the Combined Group's water supply and, as a result, its physical operations. Water may also be subject to price increases in certain areas and changes in water taxation and regulation in certain geographies may result in a negative effect on operating income which could potentially challenge the Combined Group's profitability in certain markets. There is no guarantee that the Combined Group will be able to pass along increased water costs to its customers in every case.

***The Combined Group may not be able to obtain the necessary funding for its future capital or refinancing needs and may face financial risks due to its level of debt (including as a result of the Transaction), uncertain market conditions and as a result of the potential downgrading of its credit ratings.***

The Combined Group may be required to raise additional funds for its future capital needs or refinance its current indebtedness through public or private financing, strategic relationships or other arrangements. There can be no assurance that the funding, if needed, will be available on attractive terms, or at all.

AB InBev has obtained financing for the Transaction under the 2015 Senior Facilities Agreement. These facilities comprised a USD 10.0 billion "Disposals Bridge Facility", a USD 15.0 billion "Cash/DCM Bridge Facility A", a USD 15.0 billion "Cash/DCM Bridge Facility B", a USD 25.0 billion "Term Facility A" and a USD 10.0 billion "Term Facility B".

In January 2016, AB InBev's subsidiary ABIFI issued bonds in debt capital markets offerings resulting in aggregate net proceeds of approximately USD 47.0 billion. As a result, AB InBev was required to cancel the two USD 15.0 billion bridge facilities under the 2015 Senior Facilities Agreement and in addition, AB InBev elected to cancel USD 12.5 billion of Term Facility A.

In March 2016, AB InBev issued bonds in a debt capital markets offering under its Euro Medium Term Note Programme resulting in aggregate net proceeds of approximately EUR 13.1 billion. As a result, AB InBev elected to cancel the remaining USD 12.5 billion of Term Facility A.

Accordingly, as of the date of this Prospectus, the total committed amount under the 2015 Senior Facilities Agreement is USD 20.0 billion, comprised of USD 10.0 billion under Term Facility B and USD 10.0 billion under the Disposals Bridge Facility.

Subject to certain exceptions, AB InBev is required to apply the entirety of the proceeds from any asset disposal in excess of USD 1.0 billion to cancel or repay the commitments or outstanding loans under the Disposals Bridge Facility. Upon or shortly following Completion, it is expected that the net proceeds of certain of the Transaction-related Divestitures will repay the Disposals Bridge Facility in full. If any such Transaction-related Divestitures fail to complete, however, then the remainder of the Disposals Bridge Facility will be required to be repaid from the proceeds of certain asset divestitures and/or debt capital markets offerings. Failure to complete the anticipated asset divestitures and debt capital markets offerings would constrain AB InBev's ability to refinance this indebtedness and require it to seek alternative refinancing sources, which may be unavailable or only available on unattractive terms resulting in higher costs. Whether or not AB InBev is able to refinance the indebtedness incurred in connection with the Transaction through asset disposals, the portion of its consolidated balance sheet that will be represented by debt will increase substantially as compared to its historical position.

The terms of the 2015 Senior Facilities Agreement are described in section 1, paragraph 7.2.1.1 (*Material contracts and arrangements of AB InBev – 2015 Senior Facilities Agreement*) of this Prospectus.

AB InBev expects the portion of its consolidated balance sheet represented by debt to remain significantly higher as compared to its historical position. A continued increased level of debt could have significant consequences, including:

- increasing the Combined Group's vulnerability to general adverse economic and industry conditions;
- limiting the Combined Group's ability to fund future working capital and capital expenditures, to engage in future acquisitions or development activities or to otherwise realise the value of its assets and opportunities fully;
- limiting the Combined Group's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;
- impairing the Combined Group's ability to obtain additional financing in the future, or requiring it to obtain financing involving restrictive covenants;
- requiring the Combined Group to issue additional equity (possibly under unfavourable conditions), which could dilute its existing shareholders' equity; and
- placing the Combined Group at a competitive disadvantage compared to its competitors that have less debt.

In addition, ratings agencies may downgrade the Combined Group's credit ratings below AB InBev's current levels, including as a result of the incurrence of the financial indebtedness related to the Transaction. Prior to 15 September 2015, the date on which renewed public speculation relating to the possible business combination between AB InBev and SABMiller began, AB InBev had been assigned a rating of A (stable outlook) by S&P Global Ratings (formerly Standard & Poor's Ratings Services) and A2 (positive outlook) by Moody's Investors Service. Since 15 September 2015, S&P Global Ratings (formerly Standard & Poor's Ratings Services) downgraded its rating for AB InBev's long-term debt obligations to A- with stable outlook. In September 2015, Moody's Investors Service changed AB InBev's outlook to "Developing", citing downward rating pressure if the Transaction completes due to higher leverage and certain integration risks, and stating that, if the Transaction does not complete, the rating could be affirmed or even raised. In May 2016, Moody's Investors Service concluded its ratings review and assigned a definitive rating of A3 (stable outlook) to AB InBev's long-term debt obligations. As of the date of this Prospectus, AB InBev's credit rating from S&P Global Ratings (formerly Standard & Poor's Ratings Services) was A- for long-term obligations and A-2 for short-term obligations, with a stable outlook, and its credit rating from Moody's Investors Service was A3 for long-term obligations and P-2 for short-term obligations, with a stable outlook. Any further downgrading of AB InBev's credit ratings would result in an increase to the interest rate applicable to each of the outstanding facilities under the 2015 Senior Facilities Agreement and may result in the need to refinance some of the outstanding indebtedness of SABMiller which provides holders with redemption rights at a premium when a change of control is accompanied by a rating downgrade below investment grade. Any credit rating downgrade could materially adversely affect the Combined Group's ability to finance its ongoing operations and its ability to refinance the debt incurred to fund the Transaction, including by increasing the Combined Group's cost of borrowing and significantly harming its financial condition, results of operations and profitability, including its ability to refinance its other existing indebtedness.

In recent years, AB InBev has given priority to deleveraging, with surplus free cash flow being used to reduce the level of outstanding debt. In light of the increased debt that would result from Completion, deleveraging will remain a priority and may restrict the amount of dividends the Combined Group is able to pay.

The Combined Group's ability to repay and renegotiate its outstanding indebtedness will depend upon market conditions. In recent years, the global credit markets experienced significant price volatility, dislocations and liquidity disruptions that caused the cost of debt financing to fluctuate considerably. The markets also put downward pressure on stock prices and credit capacity for certain issuers without regard to those issuers' underlying financial strength. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors reduced, and in some cases, ceased to provide funding to borrowers. If such uncertain conditions persist, the Combined Group's costs could increase beyond what is anticipated. Such costs could have a material adverse impact on the Combined Group's cash flows, results of operations or both. In addition, an inability to refinance all or a substantial amount of its debt obligations when they become due, or more generally a failure to raise additional equity capital or debt financing or to realise proceeds from asset sales when needed, would have a material adverse effect on the Combined Group's financial condition and results of operations.

***The Combined Group's results could be negatively affected by increasing interest rates.***

The AB InBev Group uses issuances of debt and bank borrowings as a source of funding and it carries a significant level of debt. Nevertheless, pursuant to its capital structure policy, AB InBev aims to optimise shareholder value through cash flow distribution to it from its subsidiaries, while maintaining an investment-grade rating and minimising cash and investments with a return below its weighted average cost of capital. There can be no assurance that the Combined Group will be able to pursue a similar capital structure policy.

Some of the debt instruments that the AB InBev Group and the SABMiller Group have issued or incurred were issued or incurred at variable interest rates, which will expose the Combined Group to changes in such interest rates. As of 31 December 2015, after certain hedging and fair value adjustments, USD 6.1 billion, or 12.4%, of the AB InBev Group's interest-bearing financial liabilities (which include loans, borrowings and bank overdrafts) bore a variable interest rate, while USD 43.3 billion, or 87.6%, bore a fixed interest rate. As at 31 March 2016, after taking into account interest rate derivatives, 40% of the SABMiller Group's net debt bore a fixed rate and the remainder bore a variable rate. Moreover, a significant part of the AB InBev Group's and the SABMiller Group's external debt is denominated in non-U.S. dollar currencies, including, with respect to the AB InBev Group, the euro, the pound sterling, the Brazilian real and the Canadian dollar and, with respect to the SABMiller Group, the Australian dollar, the euro and the South African rand. Although the AB InBev Group and the SABMiller Group enter into interest rate swap agreements to manage their interest rate risk, and also enter into cross-currency interest rate swap agreements to manage both their foreign currency risk and interest-rate risk on interest-bearing financial liabilities and the Combined Group may do the same following Completion, there can be no assurance that such instruments will be successful in reducing the risks inherent in exposures to interest rate fluctuations. See note 27 to AB InBev's audited consolidated financial statements as at and for the year ended 31 December 2015, incorporated by reference in this Prospectus, for further details on AB InBev's approach to foreign currency and interest rate risk. See also note 21 to SABMiller's audited consolidated financial statements as at and for the year ended 31 March 2016, incorporated by reference in this Prospectus, for further details on SABMiller's approach to foreign currency and interest rate risk.

***Certain of the Combined Group's operations will depend on independent distributors or wholesalers to sell its products.***

Certain of the Combined Group's operations will be dependent on government-controlled or privately owned but independent wholesale distributors for distribution of its products for resale to retail outlets. There can be no assurance as to the financial affairs of such distributors or that these distributors, who will often act both for the Combined Group and its competitors, will not give the Combined Group's competitors' products higher priority, thereby reducing their efforts to sell the Combined Group's products.

In the United States, for instance, the AB InBev Group sells substantially all of its beer to independent wholesalers for distribution to retailers and ultimately consumers. As independent companies, wholesalers make their own business decisions that may not always align themselves with the AB InBev Group's, or the Combined Group's, interests. If the Combined Group's wholesalers do not effectively distribute its products, its financial results could be adversely affected.

In addition, contractual restrictions and the regulatory environment of many markets may make it very difficult to change distributors in a number of markets. In certain cases, poor performance by a distributor or wholesaler is not a sufficient reason for replacement. The Combined Group's inability to replace unproductive or inefficient distributors could adversely impact its business, results of operations and financial condition.

***There may be changes in legislation or interpretation of legislation by regulators or courts that may prohibit or reduce the ability of brewers to own wholesalers and distributors.***

In certain countries the Combined Group will have interests in wholesalers and distributors, and such interests may be prohibited if legislation or interpretation of legislation changes. As a condition to receiving regulatory clearance for the Transaction in the United States, AB InBev and the U.S. Department of Justice entered into a consent decree on 20 July 2016, pursuant to which AB InBev's U.S. subsidiary, Anheuser-Busch Companies LLC, agreed not to not acquire control of a distributor if doing so would result in more than 10% of its annual volume being distributed through AB InBev-controlled distributorships in the U.S. This and any other such limitation imposed on the Combined Group's ability to purchase or own any interest in distributors could adversely impact its business, results of operations and financial condition.

***Competition could lead to a reduction in the Combined Group's margins, increase costs and adversely affect its profitability.***

The Combined Group will compete with both brewers and other drinks companies and its products will compete with other beverages. Globally, brewers, as well as other players in the beverage industry, compete mainly on the basis of brand image, price, quality, distribution networks and customer service. Consolidation has significantly increased the capital base and geographic reach of the Combined Group's competitors in some of the markets in which it will operate, and competition is expected to increase further as the trend towards consolidation among companies in the beverage industry continues. Consolidation activity has also increased along distribution channels – in the case of both on-trade points of sale, such as pub companies, and off-trade retailers, such as supermarkets. Such consolidation could increase the purchasing power of players in the Combined Group's distribution channels.

In addition to competition among brewers, the Combined Group will compete against alternative beverages on the basis of factors over which the Combined Group will have little or no control, which may result in fluctuations in demand for the Combined Group's products. Such factors include variation and perceptions in health consciousness, changes in prevailing economic conditions, changes in the demographic make-up of target consumers, changing social trends and attitudes regarding alcoholic beverages and changes in consumer preferences for beverages. Consumer tastes and behaviours are constantly evolving, and at an increasingly rapid rate. Competition in the beverage industry is expanding and becoming more fragmented, complex and sophisticated.

Competition with brewers and producers of alternative beverages in the Combined Group's various markets and an increase in the purchasing power of players in its distribution channels could cause it to reduce pricing, increase capital investment, increase marketing and other expenditures, and/or prevent it from increasing prices to recover higher costs, thereby causing it to reduce margins or lose market share. Any of the foregoing could have a material adverse effect on the Combined Group's business, financial condition and results of operations. Innovation faces inherent risks, and the new products the AB InBev Group and the SABMiller Group have introduced and the new products the Combined Group may introduce may not be successful, while competitors may be able to respond more quickly than the Combined Group to emerging trends, such as the increasing consumer preference for "craft beers" produced by smaller microbreweries.

Additionally, the absence of level playing fields in some markets and the lack of transparency, or even certain unfair or illegal practices, such as tax evasion and corruption, may skew the competitive environment in favour of the Combined Group's competitors, which could have a material adverse effect on the Combined Group's profitability or ability to operate.

***An inability to reduce costs could affect profitability.***

The Combined Group's future success and earnings growth depend in part on its ability to be efficient in producing, advertising and selling its products and services. The SABMiller Group is in the process of executing a major cost saving and efficiency programme and the AB InBev Group is pursuing a number of initiatives to improve operational efficiency. If the SABMiller Group, the AB InBev Group and/or the Combined Group fail for any reason to successfully complete these measures and programs as planned or to derive the expected benefits from these measures and programs, there is a risk of increased costs associated with these efforts, delays in benefit realisation, disruption to the business, reputational damage or a reduced competitive advantage in the medium term.

Failure to generate significant cost savings and margin improvement through these initiatives could adversely affect the Combined Group's profitability and its ability to achieve its financial goals.

***The Combined Group will be exposed to developing market risks, including the risks of devaluation, nationalisation and inflation.***

A substantial proportion of the Combined Group's operations will be carried out in developing markets, which may include Argentina, Bolivia, Brazil, China, Colombia, Ecuador, El Salvador, Honduras, India, Mexico, Paraguay, Peru, Russia, South Africa, South Korea, Ukraine and several other African countries. The AB InBev Group also has equity investments in brewers in China.

The Combined Group's operations and equity investments in these markets are subject to the customary risks of operating in developing countries, which include political instability or insurrection, external interference, financial risks, changes in government policy, political and economic changes, changes in the relations between countries, actions of governmental authorities affecting trade and foreign investment, regulations on repatriation of funds, interpretation and application of local laws and regulations, enforceability of intellectual property and contract rights, local labour conditions and regulations, lack of upkeep of public infrastructure, potential political and economic uncertainty, application of exchange controls, nationalisation or expropriation, empowerment legislation and policy, crime and lack of law enforcement. Such factors could affect the Combined Group's results by causing interruptions to its operations or by increasing the costs of operating in those countries or by limiting its ability to repatriate profits from those countries. The financial risks of operating in developing markets also include risks of illiquidity, inflation (for example, Brazil, Argentina, Turkey and Russia have periodically experienced extremely high rates of inflation), devaluation (for example, the Brazilian, Argentine, Colombian, Peruvian, Turkish and several African currencies have devalued frequently during the last several decades), price volatility, currency convertibility and country default.

These various factors could adversely impact the Combined Group's business, results of operations and financial condition. Moreover, the economies of developing countries are often affected by developments in other developing market countries and, accordingly, adverse changes in developing markets elsewhere in the world could have a negative impact on the markets in which the Combined Group will operate. Due to the Combined Group's expected geographic mix, these factors could affect the Combined Group more than its competitors with less exposure to developing markets, and any general decline in developing markets as a whole could impact the Combined Group disproportionately compared to its competitors.

***Economic and political events in Argentina may adversely affect the Combined Group's Argentine operations.***

AB InBev's subsidiary Ambev indirectly owns 100% of the issued share capital of a holding company with operating subsidiaries in Argentina and other South American countries. Net revenues from these operating subsidiaries in Argentina corresponded to 4.8% of AB InBev's total revenue and 5.4% of its EBITDA, as defined, for the year ended 31 December 2015. In addition, SABMiller indirectly owns 100% of the issued share capital of Cervecería Argentina SA Isenbeck, a brewer located in Argentina. In the past, the Argentine economic, social and political situation has deteriorated and may continue to do so. The political instability, fluctuations in the economy, governmental actions concerning the economy of Argentina, the devaluation of the Argentine peso, inflation, Argentina's selective default on its restructured debt in July 2014 and deteriorating macroeconomic conditions in Argentina could have a material adverse effect on the Combined Group's Latin American operations, its financial condition and its results.

During recent years, the Argentine government has increased its direct intervention in the Argentine economy, including the establishment of currency controls. However, on 16 December 2015, the Argentine government announced that it was lifting these currency controls, which led to a 26.5% devaluation against the U.S. dollar on 17 December 2015. Since December 2015, the Argentine peso has continued to depreciate against the U.S. dollar and the devaluation may lead to further unpredictable consequences for the value of the Argentine peso, including possible further depreciation. Further devaluations in the future, if any, may decrease the AB InBev Group's, the SABMiller Group's and/or the Combined Group's net assets in Argentina, with a balancing entry in their equity.

If the economic or political situation in Argentina further deteriorates, the Combined Group's Latin American operations may be subject to additional restrictions under new foreign exchange, export repatriation or expropriation regimes that could adversely affect its liquidity and operations, and its ability to access funds from Argentina.

***Political events in Ukraine, related sanctions adopted by the European Union and the United States targeting Russia and economic events in Russia may adversely affect the Combined Group's operations in Ukraine, Russia and elsewhere in the region.***

As of 31 December 2015, AB InBev indirectly owned 98.1% of the total issued capital of PJSC SUN InBev Ukraine in Ukraine, the net revenues of which accounted for less than 1% of its total revenues in 2015. The AB InBev Group also owns and operates beer production facilities in Ukraine. In addition, as of 31 December 2015 it indirectly owned 99.8% of the issued share capital of SUN InBev OJSC in Russia, the net revenues of which accounted for less than 2% of AB InBev's total revenues in 2015.

SABMiller has a strategic alliance with Anadolu Efes Biracılık ve Malt Sanayii AŞ ("**Anadolu Efes**") relating to brewing, soft drinks and export operations in Turkey, Russia and Ukraine through an indirect 24% effective interest in Anadolu Efes. SABMiller's ownership interest in Anadolu Efes is carried as an asset on SABMiller's balance sheet. In addition, Anadolu Efes purchases lager from SABMiller and pays royalties to SABMiller in connection with licences provided to it by SABMiller. As a result of its ownership interest, SABMiller receives dividends from Anadolu Efes (for the year ended 31 March 2016: USD 24.0 million, for the year ended 31 March 2015: USD nil). For the year ended 31 March 2015, SABMiller recorded a USD 63.0 million exceptional charge as a result of its share of Anadolu Efes' impairment charge relating to its beer businesses in Russia and Ukraine.

Severe political instability threatens Ukraine following civilian riots, which began in November 2013, the ousting of the Ukrainian President in February 2014, and subsequent military action in the destabilised country operating under a temporary government. As a result of ongoing conflict in the region, the United States and the European Union have imposed sanctions on certain individuals and companies in Ukraine and Russia. These sanctions are targeted at persons threatening the peace and security of Ukraine, senior officials of the Government of the Russian Federation and the energy, defence and financial services sectors of Russia, but they have had macroeconomic consequences beyond those persons and industries. In response, Russia instituted a set of reciprocal sanctions, and in August 2014 it imposed a one-year import ban on certain agricultural products, food and raw materials from countries that have imposed sanctions against Russia.

In December 2014, the United States imposed further sanctions aimed at blocking new investment in the Crimea region of Ukraine and trade between the United States or U.S. persons and Crimea. These sanctions also authorised the United States government to impose sanctions on any persons determined to be operating in the Crimea region of Ukraine. Both the United States and the European Union sanctions remain in place as of the date of this Prospectus. SUN InBev OJSC conducts, and in the past PJSC SUN InBev Ukraine has conducted, limited selling and distribution activities in the Crimea region. AB InBev continues to monitor its subsidiaries' activities in light of the restrictions imposed by these and any future sanctions.

Political instability in the region has combined with low worldwide oil prices to significantly devalue the Russian ruble and may continue to have a negative impact on the Russian economy. In addition, the Ukrainian hryvnia has also experienced significant devaluation since the beginning of 2014.

The possibility of additional sanctions implemented by the United States and/or the European Union against Russia or vice versa, continued political instability, civil strife, deteriorating macroeconomic conditions and actual or threatened military action in the region may result in serious economic challenges in Ukraine, Russia and the surrounding areas. This could have a material adverse effect on the Combined Group's operations in the region and on the results of operations of its Europe segment, and may result in impairment charges on goodwill or other intangible assets.

***The size of the Combined Group, contractual limitations it is subject to and its position in the markets in which it operates may decrease the Combined Group's ability to successfully carry out further acquisitions and business integrations.***

In the past, the AB InBev Group and the SABMiller Group have made acquisitions of, investments in and joint ventures and similar arrangements with, other companies and businesses. Much of the AB InBev Group's growth in recent years is attributable to such transactions, including the combination of Interbrew SA and Ambev in 2004, the combination of InBev and Anheuser-Busch in 2008 and the combination of AB InBev and Grupo Modelo, S. de R.L. de C.V. in 2013.

***The Combined Group may be unsuccessful in the implementation of future acquisitions, investments or joint ventures or alliances.***

The Combined Group will need to identify suitable acquisition targets and agree on the terms with them if it is to make further acquisitions. The size of the Combined Group and its position in the markets in which it operates may make it harder to identify suitable targets, including because it may be harder for the Combined Group to obtain regulatory approval for future transactions. If appropriate opportunities do become available, the Combined Group may seek to acquire or invest in other businesses; however any future acquisition may pose regulatory, antitrust and other risks.

In addition, after completion of any transaction in the future, the Combined Group may be required to integrate the acquired companies, businesses or operations into its existing operations. Such transactions may also involve the assumption of certain actual or potential, known or unknown liabilities, which may have a potential impact on its financial risk profile. These risks and limitations may limit the Combined Group's ability to implement its global strategy and its ability to achieve future business growth.

***An impairment of goodwill or other intangible assets would adversely affect the Combined Group's financial condition and results of operation.***

AB InBev has recognised significant goodwill on its balance sheet through acquisitions. For example, as a result of the combination with Grupo Modelo in 2013, AB InBev recognised USD 19.6 billion of goodwill on its balance sheet and recorded several brands from the Grupo Modelo business (including brands in the Corona brand family among others) as intangible assets with indefinite useful lives with a fair value of USD 4.7 billion. Similarly, as a result of the 2008 Anheuser-Busch acquisition, AB InBev recognised USD 32.9 billion of goodwill on its balance sheet and recorded several brands from the Anheuser-Busch business (including brands in the Budweiser brand family among others) as intangible assets with indefinite useful lives with a fair value of USD 21.4 billion.

Additionally, upon completion of the Transaction, the Combined Group will recognise a significant amount of incremental goodwill on its balance sheet. AB InBev's current estimate of this amount is USD 89.5 billion (as reflected in, and subject to the uncertainties described above regarding, the Combined Group's pro forma financial information).

AB InBev's accounting policy (and that of the Combined Group) considers brands and distribution rights for AB InBev's own products as intangible assets with indefinite useful lives, which are tested for impairment on an annual basis (or more often if an event or circumstance indicates that an impairment loss may have been incurred) and not amortised. After Completion, AB InBev will record brands and other intangibles from the SABMiller business as intangible assets with indefinite useful lives.

AB InBev's current estimate of the fair value of such brands and other intangibles is USD 17.3 billion.

As of 31 December 2015, AB InBev's goodwill amounted to USD 65.1 billion and intangible assets with indefinite useful lives amounted to USD 27.7 billion, while as at 31 March 2016, SABMiller's goodwill amounted to USD 14.3 billion. If the combination of AB InBev's and SABMiller's businesses meets with unexpected difficulties, or if the Combined Group's business does not develop as expected, impairment charges may be incurred in the future that could be significant and that could have an adverse effect on the Combined Group's results of operations and financial condition.

***The Combined Group will rely on the reputation of its brands.***

The Combined Group's success depends on its ability to maintain and enhance the image and reputation of its existing products and to develop a favourable image and reputation for new products. The image and reputation of its products may be reduced in the future and concerns about product quality, even when unfounded, could tarnish the image and reputation of its products. An event, or series of events, that materially damages the reputation of one or more of the Combined Group's brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business. Restoring the image and reputation of the Combined Group's products may be costly and may not be possible.

Moreover, the Combined Group's marketing efforts will be subject to restrictions on the permissible advertising style, media and messages used. In a number of countries, for example, television is a prohibited medium for advertising beer and other alcoholic beverage products, and in other countries, television advertising, while permitted, is carefully regulated. Any additional restrictions in such countries, or the introduction of similar restrictions in other countries, may constrain the Combined Group's brand building potential and thus reduce the value of its brands and related revenues.

***Negative publicity, perceived health risks and associated government regulation may harm the Combined Group's business.***

Media coverage, and publicity generally, can exert significant influence on consumer behaviour and actions. If the social acceptability of beer, other alcoholic beverages or soft drinks were to decline significantly, sales of the Combined Group's products could decrease materially. In recent years, there has been increased public and political attention directed at the alcoholic beverage and food and soft drinks industries. This attention is the result of health concerns related to the harmful use of alcohol, including drink driving, excessive, abusive and underage drinking

and drinking while pregnant, as well as health concerns such as obesity and diabetes related to the overconsumption of food and soft drinks. Negative publicity regarding beer, other alcoholic beverage or soft drink consumption, publication of studies that indicate a significant health risk from the consumption of beer, other alcoholic beverages or soft drinks, or changes in consumer perceptions in relation to beer, other alcoholic beverages or soft drinks generally could adversely affect the sale and consumption of the Combined Group's products and could harm its business, results of operations, cash flows or financial condition as consumers and customers change their purchasing patterns.

For example, in May 2013, the World Health Assembly endorsed the World Health Organisation's Global Action Plan for the Prevention and Control of Noncommunicable Diseases (NCDs) 2013–2020. The harmful use of alcohol has been cited as a risk factor for NCDs. The action plan for NCDs calls for at least a 10% relative reduction in the harmful use of alcohol, as appropriate, within national contexts.

As a further example, the Russian authorities have adopted legislative changes linked to concerns about the harmful use of alcohol. In 2012, Russia adopted bans on the sale of beer in kiosks and the sale of beer between the hours of 11:00 p.m. and 8:00 a.m., a ban on beer advertisements on television, internet, printed media, radio and outdoor beer advertisements and a further increase in excise taxes on beer. Between 2009 and 2016, the beer excise rate increased ten times – from RUB 3/litre to RUB 20/litre. Russia has also adopted prohibitions on the production of plastic beer bottles larger than 1.5 litres effective 1 January 2017. Sales of beer in plastic bottles of that size will be prohibited effective 1 June 2017. Other legislative proposals discussed in Russia include the imposition of production and turnover licensing requirements and a requirement that companies that engage in the production and marketing of beer and other malt beverages register under the Unified State Automated Information System. In addition, effective 1 January 2015, Russia now imposes a levy on manufacturers and importers that do not meet certain waste recycling targets.

Similarly, in Ukraine, from 2013 to 2014, the beer excise tax rate increased 42.5% to UAH 1.24/litre in 2014 and as of 1 January 2016, the excise tax rate for beer doubled to UAH 2.48/litre. At the end of December 2014, the Ukrainian Parliament significantly changed the regulatory environment for beer, making it legally equivalent to spirits. As of July 2015, beer cannot be advertised in printed media, by indoor or outdoor advertisement, on the metro and other public transportation, nor on radio and television between the hours of 6:00 p.m. and 11:00 a.m. In addition, production, wholesale and retail licensing requirements and wholesale, import and export certifications have been imposed. Effective 1 January 2015, Ukraine has also implemented a new excise tax of 5% for retailers on certain products, including beer and other alcoholic beverages.

Concerns over alcohol abuse and underage drinking have also caused governments, including those in Argentina, Brazil, Spain, Russia, the United Kingdom and the United States, to consider measures such as increased taxation, implementation of minimum alcohol pricing regimes or other changes to the regulatory framework governing the Combined Group's marketing and other commercial practices.

Key brand names will be used by the Combined Group, its subsidiaries, associates and joint ventures, and are licensed to third-party brewers. To the extent that the Combined Group or one of its subsidiaries, associates, joint ventures or licensees is subject to negative publicity, and the negative publicity causes consumers and customers to change their purchasing patterns, it could have a material adverse effect on the Combined Group's business, results of operations, cash flows or financial condition. As a significant portion of the Combined Group's operations will occur in developing and growth markets, there is a greater risk that the Combined Group may be subject to negative publicity, in particular in relation to labour rights and local work conditions. Negative publicity that materially damages the reputation of one or more of the Combined Group's brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business, which could adversely impact the Combined Group's business, results of operations, cash flows and financial condition.

***Demand for the Combined Group's products may be adversely affected by changes in consumer preferences and tastes.***

The Combined Group will depend on its ability to satisfy consumer preferences and tastes. Consumer preferences and tastes can change in unpredictable ways due to a variety of factors, such as changes in demographics, consumer health and wellness, concerns about obesity or alcohol consumption, product attributes and ingredients, changes in travel, vacation or leisure activity patterns, weather, negative publicity resulting from regulatory action or litigation against the AB InBev Group, the SABMiller Group, the Combined Group or comparable companies or a downturn in economic conditions. Consumers also may begin to prefer the products of competitors or may generally reduce their demand for products in the category. Failure by the Combined Group to anticipate or respond adequately either to changes in consumer preferences and tastes or to developments in new forms of media and marketing could adversely impact the Combined Group's business, results of operations and financial condition.

***Seasonal consumption cycles and adverse weather conditions may result in fluctuations in demand for the Combined Group's products.***

Seasonal consumption cycles and adverse weather conditions in the markets in which the Combined Group will operate may have an impact on its operations. This is particularly true in the summer months, when unseasonably cool or wet weather can affect sales volumes. Demand for beer is normally more depressed in major markets in the Northern Hemisphere during the first and fourth quarters of each year, and the Combined Group's consolidated net revenue from those markets will therefore normally be lower during this time. Although this risk is somewhat mitigated by the Combined Group's relatively balanced footprint in both hemispheres, the Combined Group will continue to be relatively more exposed to the markets in the Northern Hemisphere than to the markets in the Southern Hemisphere, which could adversely impact its business, results of operations and financial condition.

***Climate change, or legal, regulatory or market measures to address climate change, may negatively affect the Combined Group's business or operations, and water scarcity or poor quality could negatively impact its production costs and capacity.***

There is a growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. In the event that such climate change has a negative effect on agricultural productivity, the Combined Group may be subject to decreased availability or less favourable pricing for certain agricultural commodities that are necessary for its products, such as barley, hops, sugar and corn. In addition, public expectations for reductions in greenhouse gas emissions could result in increased energy, transportation and raw material costs and may require the Combined Group to make additional investments in facilities and equipment due to increased regulatory pressures. As a result, the effects of climate change could have a long-term, material adverse impact on the Combined Group's business and results of operations.

The Combined Group will also face water scarcity and quality risks. Clean water is a limited resource in many parts of the world, facing unprecedented challenges from climate change and the resulting change in precipitation patterns and frequency of extreme weather, over-exploitation, increasing pollution, and poor water management. As demand for water continues to increase around the world, and as water becomes scarcer and the quality of available water deteriorates, the Combined Group may be affected by increasing production costs or capacity constraints, which could adversely affect its business and results of operations.

The Combined Group is required to report greenhouse gas emissions, energy data and other related information to a variety of entities, and to comply with the wider obligations of the EU Emissions Trading Scheme. If the Combined Group is unable to measure, track and disclose information accurately and in a timely manner, it could be subject to civil penalties for non-compliance in the various EU member jurisdictions in which it will operate. In addition, the need for the Combined Group to comply with the EU Emissions Trading Scheme could result in increased operational costs if the Combined Group is unable to meet its compliance obligations and exceeds its emission allocations. There is also a risk of new environmental regulation in many geographies where the Combined Group will operate, including the EU, U.S. and China, among others. For

example, in May 2014, the State Council of the People's Republic of China issued a plan that sets compulsory reduction goals related to pollutant emissions, energy consumption and carbon emissions that could require additional investment, business capabilities or operational changes.

***If any of the Combined Group's products is defective or found to contain contaminants, the Combined Group may be subject to product recalls or other liabilities.***

The AB InBev Group and the SABMiller Group take, and the Combined Group will take, precautions to ensure that their beverage products and their associated packaging materials (such as bottles, crowns, cans and other containers) meet accepted food safety and regulatory standards. Such precautions include quality-control programs and various technologies for primary materials, the production process and their final products. The AB InBev Group and the SABMiller Group have established procedures to correct issues or concerns that are detected and the Combined Group will continue to implement those procedures.

In the event that contamination or a defect does occur in the future, it may lead to business interruptions, product recalls or liability, each of which could have an adverse effect on the Combined Group's business, reputation, prospects, financial condition and results of operations.

Although the AB InBev Group and the SABMiller Group maintain, and the Combined Group will maintain, insurance policies against certain product liability (but not product recall) risks, the AB InBev Group, the SABMiller Group and/or the Combined Group may not be able to enforce their rights in respect of these policies, and, in the event that contamination or a defect occurs, any amounts that the AB InBev Group, the SABMiller Group and/or the Combined Group recover may not be sufficient to offset any damage they may suffer, which could adversely impact their business, results of operations and financial condition.

***The Combined Group may not be able to protect its intellectual property rights.***

The Combined Group's future success depends significantly on its ability to protect its current and future brands and products and to defend its intellectual property rights, including trademarks, patents, domain names, trade secrets and know-how. The AB InBev Group and the SABMiller Group have been granted numerous trademark registrations covering their brands and products and have filed, and expect the Combined Group to continue to file, trademark and patent applications seeking to protect newly developed brands and products. The AB InBev Group, the SABMiller Group and/or the Combined Group cannot be sure that trademark and patent registrations will be issued with respect to any of their applications. There is also a risk that the AB InBev Group, the SABMiller Group and/or the Combined Group could, by omission, fail to renew a trademark or patent on a timely basis or that their competitors will challenge, invalidate or circumvent any existing or future trademarks and patents issued to, or licensed by, them.

Although the AB InBev Group and the SABMiller Group have taken appropriate action to protect their portfolio of intellectual property rights (including trademark registration and domain names), they cannot be certain that the steps they have taken will be sufficient or that third parties will not infringe upon or misappropriate proprietary rights. Moreover, some of the countries in which the Combined Group will operate offer less efficient intellectual property protection than is available in Europe or the United States. If the Combined Group is unable to protect its proprietary rights against infringement or misappropriation, it could have a material adverse effect on the Combined Group's business, results of operations, cash flows or financial condition, and in particular, on its ability to develop its business.

***The Combined Group will rely on key third parties, including key suppliers, and the termination or modification of the arrangements with such third parties could negatively affect the Combined Group's business.***

The Combined Group will rely on third-party suppliers for a range of raw materials for its beer and non-beer products, such as malted barley, corn grits, corn syrup, rice, hops, water, flavoured concentrate, fruit concentrate, sugar and sweeteners, and for packaging material, such as glass, PET and aluminium bottles, aluminium or steel cans and kegs, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

The Combined Group may seek to limit its exposure to market fluctuations in the supply of these raw materials by entering into medium- and long-term fixed-price arrangements. The Combined Group may have a limited number of suppliers of aluminium cans and glass bottles. Consolidation of the aluminium can industry and glass bottle industry in certain markets in which the Combined Group will operate has reduced local supply alternatives and increased the risk of disruption to aluminium can and glass bottle supplies. Although the Combined Group will generally have other suppliers of raw materials and packaging materials, the termination of or material change to arrangements with certain key suppliers, disagreements with suppliers as to payment or other terms, or the failure of a key supplier to meet the contractual obligations it owes to the Combined Group or otherwise deliver materials consistent with current usage would or may require the Combined Group to make purchases from alternative suppliers, in each case at potentially higher prices than those agreed with that supplier and this could have a material impact on its production, distribution and sale of beer, other alcoholic beverages and soft drinks and have a material adverse effect on its business, results of operations, cash flows or financial condition.

A number of the Combined Group's key brand names will be both licensed to third-party brewers and used by companies over which the Combined Group will not have control. If the Combined Group is unable to maintain these arrangements on favourable terms, this could have a material adverse effect on its business, results of operations, cash flows or financial condition.

The Combined Group will monitor brewing quality to ensure its high standards, but, to the extent that one of these key licensed brand names is subject to negative publicity, it could have a material adverse effect on the Combined Group's business, results of operations, cash flows or financial condition.

For certain packaging supplies and raw materials, the Combined Group will rely on a small number of important suppliers. In addition, certain companies within the Combined Group may purchase nearly all of their key packaging materials from sole suppliers under multi-year contracts. The loss of or temporary discontinuity of supply from any of these suppliers without sufficient time to develop an alternative source could cause the Combined Group to spend increased amounts on such supplies in the future. If these suppliers became unable to continue to meet the Combined Group's requirements, and the Combined Group is unable to develop alternative sources of supply, the Combined Group's operations and financial results could be adversely affected.

***The consolidation of retailers may adversely affect the Combined Group.***

The retail industry in Europe and in many countries in which the Combined Group will operate continues to consolidate. Large retailers may seek to improve profitability and sales by asking for lower prices or increased trade spending. The efforts of retailers could result in reduced profitability for the beer industry as a whole and indirectly adversely affect the Combined Group's financial results.

***The Combined Group could incur significant costs as a result of compliance with, and/or violations of or liabilities under, various regulations that govern the Combined Group's operations.***

The Combined Group's business will be highly regulated in many of the countries in which the Combined Group or its licensed third parties will operate. The regulations adopted by the authorities in these countries govern many parts of the Combined Group's future operations, including brewing, marketing and advertising (in particular to ensure the Combined Group's advertising is directed to individuals of legal drinking age), environmental protection, transportation, distributor relationships and sales. The Combined Group may be subject to claims that it has not



complied with existing laws and regulations, which could result in fines and penalties or loss of operating licences. The Combined Group will also routinely be subject to new or modified laws and regulations with which it must comply in order to avoid claims, fines and other penalties, which could adversely impact the Combined Group's business, results of operations and financial condition. The Combined Group may also be subject to laws and regulations aimed at reducing the availability of beer and other alcoholic beverage products in some of the Combined Group's markets to address alcohol abuse and other social issues. There can be no assurance that the Combined Group will not incur material costs or liabilities in connection with compliance with applicable regulatory requirements, or that such regulation will not interfere with the Combined Group's beer, other alcoholic beverage and soft drinks businesses.

Certain U.S. states and various countries have adopted laws and regulations that require deposits on beverages or establish refillable bottle systems. Such laws generally increase beer prices above the costs of deposit and may result in sales declines. Lawmakers in various jurisdictions in which the Combined Group will operate continue to consider similar legislation, the adoption of which would impose higher operating costs on the Combined Group while depressing sales volume.

The level of regulation to which the Combined Group's businesses will be subject can be affected by changes in the public perception of beer, other alcoholic beverage and soft drink consumption. In recent years, there has been increased social and political attention in certain countries directed at the beer, other alcoholic beverage and soft drink industries, and governmental bodies may respond to any public criticism by implementing further regulatory restrictions on advertising, opening hours, drinking ages or marketing activities (including the marketing or selling of beer at sporting events). Such public concern and any resulting restrictions may cause the social acceptability of beer, other alcoholic beverages or soft drinks to decline significantly and consumption trends to shift away from these products, which would have a material adverse effect on the Combined Group's business, financial condition and results of operations.

***If the Combined Group does not successfully comply with laws and regulations designed to combat governmental corruption in countries in which it sells its products, it could become subject to fines, penalties or other regulatory sanctions, as well as to adverse press coverage, which could cause its reputation, its sales or its profitability to suffer.***

The Combined Group will operate its business and market its products in emerging markets that, as a result of political and economic instability, a lack of well-developed legal systems and potentially corrupt business environments, present it with political, economic and operational risks. Although the Combined Group will be committed to conducting business in a legal and ethical manner in compliance with local and international statutory requirements and standards applicable to its business, there is a risk that employees or representatives of the Combined Group's subsidiaries, affiliates, associates, joint ventures or other business interests may take actions that violate applicable laws and regulations that generally prohibit the making of improper payments to foreign government officials for the purpose of obtaining or keeping business, including laws relating to the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, such as the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and Brazilian Law No. 12,846/13 (an anti-bribery statute that was enacted in January 2014). Such actions could expose the Combined Group to potential liability and the costs associated with investigating potential misconduct. In addition, any press coverage associated with misconduct under these laws and regulations, even if unwarranted or baseless, could damage the Combined Group's reputation and sales.

In respect of the U.S. Foreign Corrupt Practices Act, AB InBev has been cooperating with the SEC and the U.S. Department of Justice in connection with their investigations into the relationships of the AB InBev Group's current and former affiliates in India including its former non-consolidated Indian joint venture, which AB InBev exited during 2015. See section 4, paragraph 2.1 (*Legal and Arbitration Proceedings of AB InBev – AB InBev*) of this Prospectus. On 8 June 2016, the U.S. Department of Justice notified AB InBev that it was closing its investigation and would not be pursuing enforcement action in this matter. AB InBev is continuing to cooperate in the SEC's ongoing investigation and is in discussions with the SEC to resolve this matter.

In Brazil, governmental authorities are currently investigating consulting services provided by a firm part-owned by a former elected government official who has been subject to prosecution. AB InBev's subsidiary, Ambev, has, in the past, hired the services of this consulting firm. AB InBev has reviewed its internal controls and compliance procedures in relation to these services and has not identified any evidence of misconduct.

***The Combined Group will be exposed to the risk of litigation.***

The AB InBev Group and the SABMiller Group are now, and the Combined Group may in the future be, party to legal proceedings and claims and significant damages may be asserted against them. See section 4, paragraph 2 (*Legal and arbitration proceedings of AB InBev*) of this Prospectus and note 30 to AB InBev's audited financial statements as at and for the year ended 31 December 2015, incorporated by reference in this Prospectus, for a description of certain material contingencies which AB InBev believes are reasonably possible (but not probable) to be realised. See note 24 to SABMiller's audited consolidated financial statements as at and for the year ended 31 March 2016, incorporated by reference in this Prospectus, for a description of certain material contingencies for which SABMiller has stated that it believes it is probable that a transfer of economic benefits will be required to settle an obligation. Given the inherent uncertainty of litigation, it is possible that the AB InBev Group, the SABMiller Group and/or the Combined Group might incur liabilities as a consequence of the proceedings and claims brought against them, including those that are not currently believed by the AB InBev Group or the SABMiller Group to be reasonably possible.

Moreover, companies in the alcoholic beverage industry and soft drink industry are, from time to time, exposed to collective suits (class actions) or other litigation relating to alcohol advertising, alcohol abuse problems or health consequences from the excessive consumption of beer, other alcoholic beverages and soft drinks. As an illustration, certain beer and other alcoholic beverage producers from Brazil, Canada, Europe and the United States have been involved in class actions and other litigation seeking damages for, among other things, alleged marketing of alcoholic beverages to underage consumers. If any of these types of litigation were to result in fines, damages or reputational damage to the AB InBev Group, the SABMiller Group and/or the Combined Group or its brands, this could have a material adverse effect on the Combined Group's business, results of operations, cash flows or financial position. See section 4, paragraph 2 (*legal and arbitration proceedings of AB InBev*) of this Prospectus for additional information on litigation matters.

***AB InBev's failure to satisfy its obligations under the Grupo Modelo settlement agreement could adversely affect the Combined Group's financial condition and results of operations.***

The settlement agreement AB InBev reached with the U.S. Department of Justice in relation to the combination of the AB InBev Group with Grupo Modelo includes a three-year transition services agreement to ensure the smooth transition of the operation of the Piedras Negras brewery as well as certain distribution guarantees for Constellation Brands, Inc. in the 50 states of the United States, the District of Columbia and Guam. AB InBev's and, following Completion, the Combined Group's compliance with its obligations under the settlement agreement is monitored by the U.S. Department of Justice and the Monitoring Trustee appointed by them.

If either AB InBev or the Combined Group fails to fulfil its obligations under the settlement, whether intentionally or inadvertently, it could be subject to monetary fines. See section 1, paragraph 7.2.5 (*Grupo Modelo settlement agreement*) of this Prospectus.

***The beer and beverage industry may be subject to adverse changes in taxation.***

Taxation on beer, other alcoholic beverage and soft drink products in the countries in which the Combined Group will operate is comprised of different taxes specific to each jurisdiction, such as excise and other indirect taxes (such as VAT). In many jurisdictions, excise and other indirect taxes and duties, including additional duties resulting from legislation regarding minimum alcohol pricing, make up a large proportion of the cost

of beer charged to customers. Increases in excise and other indirect taxes applicable to the Combined Group's products either on an absolute basis or relative to the levels applicable to other beverages will tend to adversely affect the Combined Group's revenue or margins, both by reducing overall consumption of the Combined Group's products and by encouraging consumers to switch to other categories of beverages. These increases may also adversely affect the affordability of the Combined Group's products and its profitability. In 2014, Russia, Ukraine, Australia, South Africa, Egypt and Singapore, among others, increased beer excise taxes.

In Russia, between 2009 and 2016, the beer excise rate increased ten times – from RUB 3/litre to RUB 20/litre. Similarly, in Ukraine, from 2013 to 2014, the beer excise tax rate increased 42.5% to UAH 1.24/litre in 2014 and in 2015 an additional 5% excise tax was imposed on retailers of certain products, including beer and other alcoholic beverages. As of 1 January 2016, the beer excise tax in Ukraine doubled to UAH 2.48/litre. These tax increases have resulted in significant price increases in both countries, and continue to reduce sales of beer by the AB InBev Group and the SABMiller Group and their respective associates. See "Negative publicity, perceived health risks and associated government regulation may harm the Combined Group's business" above.

In the United States, the brewing industry is subject to significant taxation. The U.S. federal government currently levies an excise tax of USD 18 per barrel (equivalent to approximately 117 litres) on beer sold for consumption in the United States. All states also levy excise and/or sales taxes on alcoholic beverages. From time to time, there are proposals to increase these taxes, and in the future these taxes could increase. Increases in excise taxes on alcohol could adversely affect the Combined Group's United States business and its profitability.

Minimum pricing is another form of fiscal regulation that could affect the Combined Group's profitability. In 2012, the Scottish Government legislated to introduce a minimum unit price for alcoholic beverages (although its implementation was blocked by a decision of the Court of Justice of the European Union in December 2015). In November 2012, the UK Government published for consultation its own proposal to introduce a minimum unit price for alcoholic beverages; following the consultation, in July 2013, the UK government decided not to pursue minimum unit pricing. In October 2013, Northern Ireland and the Republic of Ireland decided to implement a cross-border minimum unit price for alcoholic beverages calculated on a sale price per gram of alcohol, although the question of legality under EU law remains to be determined.

Proposals to increase excise or other indirect taxes, including legislation regarding minimum alcohol pricing, may result from the current economic climate and may also be influenced by changes in the public perception regarding the consumption of beer, other alcoholic beverages and soft drinks.

To the extent that the effect of the tax reforms described above or other proposed changes to excise and other indirect duties in the countries in which the Combined Group will operate is to increase the total burden of indirect taxation on the Combined Group's products, the results of the Combined Group's operations in those countries could be adversely affected.

In addition to excise and other indirect duties, the Combined Group will be subject to income and other taxes in the countries in which it operates. There can be no assurance that the operations of the Combined Group's breweries and other facilities will not become subject to increased taxation by national, local or foreign authorities or that the Combined Group and its subsidiaries will not become subject to higher corporate income tax rates or to new or modified taxation regulations and requirements.

For example, the work being carried out by the Organisation for Economic Co-operation and Development on base erosion and profit shifting or initiatives at the European Union level (including the anti-tax avoidance directive adopted by the Council of the European Union on 12 July 2016) as a response to increasing globalisation of trade and business operations could result in changes in tax treaties, the introduction of new legislation, updates to existing legislation, or changes to regulatory interpretations of existing legislation, any of which could impose additional taxes on businesses. Any such increases or changes in taxation would tend to adversely impact the Combined Group's results of operations.

***The Combined Group will be exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws.***

The Combined Group will be subject to antitrust and competition laws in the jurisdictions in which it operates, and in a number of jurisdictions where the Combined Group will produce and/or sell a significant portion of the beer consumed. Consequently, the Combined Group may be subject to regulatory scrutiny in certain of these jurisdictions and in June 2016, the European Commission announced an investigation into alleged abuse of dominant position by AB InBev (see section 4, paragraph 2.1 (*Legal and Arbitration Proceedings – AB InBev – European Commission investigation*) of this Prospectus). For instance, AB InBev's Brazilian listed subsidiary, Ambev, has been subject to monitoring by antitrust authorities in Brazil (see section 4, paragraph 2.2 (*Legal and Arbitration Proceedings – Ambev and its subsidiaries*) of this Prospectus). There can be no assurance that the introduction of new competition laws in the jurisdictions in which the Combined Group will operate, the interpretation of existing antitrust or competition laws or the enforcement of existing antitrust or competition laws, or any agreements with antitrust or competition authorities, against the Combined Group or its subsidiaries, including Ambev, will not affect the Combined Group's business or the businesses of its subsidiaries in the future.

***The Combined Group's operations will be subject to environmental regulations, which could expose it to significant compliance costs and litigation relating to environmental issues.***

The Combined Group's operations will be subject to environmental regulations by national, state and local agencies, including, in certain cases, regulations that impose liability without regard to fault. These regulations can result in liability that might adversely affect the Combined Group's operations. The environmental regulatory climate in the markets in which the AB InBev Group and the SABMiller Group operate and in which the Combined Group will operate is becoming stricter, with a greater emphasis on enforcement.

While the AB InBev Group and the SABMiller Group have continuously invested in reducing their environmental risks and budgeted for future capital and operating expenditures to maintain compliance with environmental laws and regulations, there can be no assurance that they and/or the Combined Group will not incur substantial environmental liability or that applicable environmental laws and regulations will not change or become more stringent in the future.

***AB InBev's subsidiary Ambev operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and the AB InBev Group's operations in Cuba may adversely affect the Combined Group's reputation and the liquidity and value of its securities.***

On 28 January 2014, a subsidiary of AB InBev's subsidiary Ambev acquired from AB InBev a 50% equity interest in Cervecería Bucanero S.A., a Cuban company in the business of producing and selling beer. Consequently, AB InBev indirectly owns, through its subsidiary Ambev, a 50% equity interest in Cervecería Bucanero S.A. The other 50% equity interest is owned by the Government of Cuba. Cervecería Bucanero S.A. is operated as a joint venture in which Ambev appoints the general manager. Cervecería Bucanero S.A.'s main brands are Bucanero and Cristal, but it also imports and sells in Cuba other brands produced by certain of AB InBev's non-U.S. subsidiaries. In 2015, Cervecería Bucanero S.A. sold 1.5 million hectolitres, representing about 0.3% of the AB InBev Group's global volume of 457 million hectolitres for the year. Although Cervecería Bucanero S.A.'s production is primarily sold in Cuba, a small portion of its production is exported to and sold by certain distributors in other countries outside Cuba (but not in the United States).

The U.S. Treasury Department's Office of Foreign Assets Control and the U.S. Commerce Department together administer and enforce broad and comprehensive economic and trade sanctions based on U.S. foreign policy towards Cuba. Although the AB InBev Group's operations in Cuba

through its subsidiary Ambev are quantitatively immaterial, the Combined Group's overall business reputation may suffer or it may face additional regulatory scrutiny as a result of the AB InBev Group's activities in Cuba based on the identification of Cuba as a target of U.S. economic and trade sanctions.

In addition, the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (known as the **"Helms-Burton Act"**) authorises private lawsuits for damages against anyone who traffics in property confiscated without compensation by the Government of Cuba from persons who at the time were, or have since become, nationals of the United States. Although this section of the Helms-Burton Act is currently suspended by discretionary presidential action, the suspension may not continue in the future. Claims accrue notwithstanding the suspension and may be asserted if the suspension is discontinued. The Helms-Burton Act also includes a section that authorises the U.S. Department of State to prohibit entry into the United States of non-U.S. persons who traffic in confiscated property, and corporate officers and principals of such persons, and their families. In 2009, AB InBev received notice of a claim purporting to be made under the Helms-Burton Act relating to the use of a trademark by Cervecería Bucanero S.A., which is alleged to have been confiscated by the Cuban government and trafficked by AB InBev through its former ownership and management of Cervecería Bucanero S.A. Although AB InBev has attempted to review and evaluate the validity of the claim, due to the uncertain underlying circumstances, it is currently unable to express a view as to the validity of such claim, or as to the claimants' standing to pursue it.

***The Combined Group may not be able to recruit or retain key personnel.***

In order to develop, support and market its products, the Combined Group must hire and retain skilled employees with particular expertise. The implementation of the Combined Group's strategic business plans could be undermined by a failure to recruit or retain key personnel or the unexpected loss of senior employees, including in acquired companies.

The Combined Group will face various challenges inherent in the management of a large number of employees across diverse geographical regions. It is not certain that the Combined Group will be able to attract or retain key employees and successfully manage them, which could disrupt its business and have an unfavourable material effect on its financial position, income from operations and competitive position.

***The Combined Group will be exposed to labour strikes and disputes that could lead to a negative impact on its costs and production level.***

The Combined Group's success depends on maintaining good relations with its workforce. In several of its operations, a majority of the Combined Group's workforce will be unionised. For instance, a majority of the hourly employees at the AB InBev Group's and the SABMiller Group's breweries in several key countries in different geographies are represented by unions. The Combined Group's production may be affected by work stoppages or slowdowns as a result of disputes under existing collective labour agreements with labour unions. The Combined Group may not be able to satisfactorily renegotiate its collective labour agreements when they expire and may face tougher negotiations or higher wage and benefit demands. Furthermore, a work stoppage or slowdown at the Combined Group's facilities could interrupt the transport of raw materials from its suppliers or the transport of its products to its customers. Such disruptions could put a strain on the Combined Group's relationships with suppliers and clients and may have lasting effects on its business even after the disputes with its labour force have been resolved, including as a result of negative publicity.

The Combined Group's production may also be affected by work stoppages or slowdowns that affect its suppliers, distributors and retail delivery/logistics providers as a result of disputes under existing collective labour agreements with labour unions, in connection with negotiations of new collective labour agreements, as a result of supplier financial distress, or for other reasons.

A strike, work stoppage or slowdown within the Combined Group's operations or those of its suppliers, or an interruption or shortage of raw materials for any other reason (including but not limited to financial distress, natural disaster, or difficulties affecting a supplier) could have a material adverse effect on the Combined Group's earnings, financial condition and ability to operate its business.

***Information technology failures could disrupt the Combined Group's operations.***

The Combined Group will rely on information technology systems to process, transmit, and store electronic information. A significant portion of the communication between its personnel, customers, and suppliers will depend on information technology. As with all large systems, the Combined Group's information systems may be vulnerable to a variety of interruptions due to events beyond its control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers or other security issues.

The Combined Group will depend on information technology to enable it to operate efficiently and interface with customers, as well as to maintain in-house management and control. The Combined Group will also enter into various information technology services agreements pursuant to which its information technology infrastructure is outsourced to leading vendors.

In addition, the concentration of processes in shared services centres means that any technology disruption could impact a large portion of the Combined Group's business within the operating zones served. If it does not allocate, and effectively manage, the resources necessary to build and sustain the proper technology infrastructure, the Combined Group could be subject to transaction errors, processing inefficiencies, loss of customers, business disruptions, or the loss of or damage to intellectual property through a security breach. As with all information technology systems, the Combined Group's system could also be penetrated by outside parties intent on extracting information, corrupting information or disrupting business processes.

The Combined Group will take various actions with the aim of minimising potential technology disruptions, such as investing in intrusion detection solutions, proceeding with internal and external security assessments, building and implementing disaster recovery plans and reviewing risk management processes. Notwithstanding these efforts, technology disruptions could disrupt the Combined Group's business. For example, if outside parties gained access to confidential data or strategic information and appropriated such information or made such information public, this could harm the Combined Group's reputation or its competitive advantage. More generally, technology disruptions could have a material adverse effect on the Combined Group's business, results of operations, cash flows or financial condition.

While the Combined Group will continue to invest in new technology monitoring and cyber-attack prevention systems, it nonetheless may experience attempted breaches of its technology systems and networks from time to time. In 2015, as in previous years, the AB InBev Group experienced attempted breaches of its technology systems and networks. None of the attempted breaches of the AB InBev Group's systems (as a result of cyber-attacks, security breaches or similar events) had a material impact on its business or operations or resulted in material unauthorised access to its data or its customers' data.

***Natural and other disasters could disrupt the Combined Group's operations.***

The Combined Group's business and operating results could be negatively impacted by natural, social, technical or physical risks, such as a widespread health emergency (or concerns over the possibility of such an emergency), earthquakes, hurricanes, flooding, fire, water scarcity, power loss, loss of water supply, telecommunications and information technology system failures, cyber-attacks, labour disputes, political instability, military conflict and uncertainties arising from terrorist attacks, including a global economic slowdown, the economic consequences of any military action and associated political instability.

***The Combined Group's insurance coverage may not be sufficient.***

The AB InBev Group purchases insurance for director and officer liability and other coverage where required by law or contract or where considered to be in the best interest of the company. Under the Co-operation Agreement, AB InBev will procure the provision of directors' and officers' insurance for current and former directors and officers of SABMiller for a period of six years following Completion. Even though it maintains, and the Combined Group will maintain, these insurance policies, it self-insures, and the Combined Group will self-insure, most of its insurable risk. Should an uninsured loss or a loss in excess of insured limits occur, this could adversely impact the Combined Group's business, results of operations and financial condition.

***The Combined Group may be unable to influence its strategic partnerships.***

A portion of the Combined Group's global portfolio will consist of strategic partnerships in new or developing markets such as China, Turkey, countries in the Commonwealth of Independent States and a number of countries in Africa. There are challenges in influencing these diverse cultures to ensure that the Combined Group integrates these business interests successfully into its wider global portfolio. There can be challenges in ensuring that decisions are taken in such partnerships which promote the strategic and business objectives of the Combined Group.

***The ability of the Combined Group's subsidiaries to distribute cash upstream may be subject to various conditions and limitations.***

Newbelco will be organised as a holding company and its operations will be carried out through subsidiaries. The Combined Group's domestic and foreign subsidiaries' and affiliated companies' ability to upstream or distribute cash (to be used, among other things, to meet the Combined Group's financial obligations) through dividends, intercompany advances, management fees and other payments is, to a large extent, dependent on the availability of cash flows at the level of such domestic and foreign subsidiaries and affiliated companies and may be restricted by applicable laws and accounting principles. In particular, 32.8% (USD 14.3 billion) of AB InBev's total revenue of USD 43.6 billion in 2015 came from its Brazilian listed subsidiary Ambev, which is not wholly-owned and is listed on the São Paulo Stock Exchange and the New York Stock Exchange.

In addition to the above, some of the subsidiaries of AB InBev and SABMiller are subject to laws restricting their ability to pay dividends or the amount of dividends they may pay. If the Combined Group is unable to obtain sufficient cash flows from its domestic and foreign subsidiaries and affiliated companies, this could adversely impact its ability to pay dividends, and otherwise negatively impact its business, results of operations and financial condition.

***Risks relating to the Restricted Newbelco Shares***

***The remaining Initial Newbelco Shares will be converted into Restricted Newbelco Shares shortly after closing of the Belgian Offer. The Restricted Newbelco Shares will be unlisted, subject to a five year lock-up restriction and of uncertain value.***

Newbelco Shareholders who have elected (or are deemed to have elected) for the Partial Share Alternative will, after the Reclassification and Consolidation, hold Restricted Newbelco Shares.

The Restricted Newbelco Shares will be unlisted, not admitted to trading on any stock exchange, in registered form and not capable of being deposited in an ADR programme and therefore illiquid. Any assessment of the value of the Restricted Newbelco Shares should therefore take into account an individual shareholder's assessment of an appropriate liquidity discount. In addition the Restricted Newbelco Shares will be subject to a five year lock-up restriction. Certain shareholders may not be able to hold such securities under their investment mandates. The Restricted Newbelco Shares are further of uncertain value because their value will fluctuate with the Newbelco share price.

Pursuant to the terms of the UK Scheme, each Restricted Newbelco Shareholder holding more than 1% of Newbelco's total share capital upon Completion will appoint an agent, on its behalf, to enter into an agreement on Completion with the AB InBev Reference Shareholder in order to give effect to the rights relating to the director appointment rights relating to the New Ordinary Shares and Restricted Newbelco Shares.

Newbelco Shareholders should ascertain whether acquiring or holding the Restricted Newbelco Shares is affected by the laws of any relevant jurisdiction and consider whether Restricted Newbelco Shares are a suitable investment in light of their own personal circumstances and are, therefore, strongly recommended to seek their own independent financial, tax and legal advice in light of their own particular circumstances and investment objectives before deciding whether to elect for the Partial Share Alternative. Any decision to elect for the Partial Share Alternative should be based on independent financial, tax and legal advice and a full consideration of the UK Scheme Document and the AB InBev Transaction Documents, as applicable.

***Certain provisions of Belgian legislation and of the Newbelco Articles can have an impact on potential takeover attempts and the stock market price of the Restricted Newbelco Shares.***

There are several provisions of Belgian company law, and certain other provisions of Belgian law and of the Newbelco Articles, such as those in connection with the obligation to disclose major shareholdings, merger control and the authorised capital, which may be applicable to Newbelco and which may make it more difficult to succeed with a takeover bid, merger, change in management or change in control. These provisions could discourage potential takeover attempts that may be regarded by other shareholders as being in their best interest, and could negatively affect the market price of the Restricted Newbelco Shares. These provisions may also have the consequence that the shareholders will be deprived of the opportunity to sell their shares.

***As a Belgian company, Newbelco is not subject to certain corporate governance rules applicable to other companies.***

As a Belgian limited liability company, Newbelco follows Belgian corporate law, the Belgian Companies Code and, upon Listing, the Belgian Corporate Governance Code, which may differ in significant respects from the corporate governance requirements applicable to other companies, including U.S. companies listed on the NYSE and UK companies listed on the LSE.

***Holders of New Ordinary Shares rights as shareholders will be governed by Belgian law and differ in some respects from the rights of shareholders under the laws of other countries.***

Newbelco is a limited liability company (*société anonyme / naamloze vennootschap*) organised under the laws of Belgium. The rights of Newbelco Shareholders are governed by Belgian law and by Newbelco's Articles. These rights may differ in material respects from the rights of shareholders in companies organised outside Belgium.

***Investment and trading in general is subject to risks.***

All securities investments involve the risk of loss of capital. There can be no assurance that Newbelco's investment objectives will be met. Newbelco's results will probably fluctuate in the future. For this reason, Newbelco's results may not meet analysts' expectations analysts have predicted.

***Investors may not be able to recover damages in civil proceedings or to enforce in Belgium judgments of foreign courts of civil liabilities predicated solely upon foreign securities laws***

Newbelco's directors and members of senior management may not be resident in the jurisdiction of investors and Newbelco's assets and the assets of its directors and senior management may be located outside the jurisdiction of holders of investors. As a result, it may be difficult for

investors to prevail in a claim against Newbelco or to enforce liabilities predicated upon the securities laws of jurisdictions outside of Belgium and, in general, for investors outside of Belgium to serve process on or enforce foreign judgments against Newbelco, its directors or its senior management. In addition, there is uncertainty as to the enforceability in Belgium of original actions or of actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

#### **Risks related to New Ordinary Shares**

##### ***The market price of New Ordinary Shares may be volatile.***

The market price of New Ordinary Shares may be volatile as a result of various factors, many of which are beyond the control of the Combined Group. These factors include, but are not limited to, the following:

- market expectations for the Combined Group's financial performance;
- actual or anticipated fluctuations in the Combined Group's results of operations and financial condition;
- changes in the estimates of the Combined Group's results of operations by securities analysts;
- investor perception of the impact of the Transaction on the Combined Group and the holders of New Ordinary Shares;
- the conversion of Restricted Newbelco Shares into New Ordinary Shares;
- potential or actual sales of blocks of New Ordinary Shares in the market by any shareholder or short selling of New Ordinary Shares. Any such transaction could occur at any time or from time to time, with or without notice;
- the entry of new competitors or new products in the markets in which the Combined Group will operate;
- volatility in the market as a whole or investor perception of the beverage industry or of the Combined Group competitors; and
- the occurrence of any of the matters discussed in the risk factors mentioned in this section.

The market price of New Ordinary Shares may be adversely affected by any of the preceding or other factors regardless of the Combined Group's actual results of operations and financial condition.

In addition, stock markets have in the recent past experienced extreme price and volume fluctuations, which have not always been related to the performance of the specific companies whose shares are traded, and which, as well as general economic and political conditions, could have an adverse effect on the market price of New Ordinary Shares.

##### ***The Combined Group's largest shareholder may use its significant interest to take actions not supported by the Combined Group's other shareholders.***

Upon Completion, the AB InBev Reference Shareholder will remain the largest shareholder of Newbelco and will have the ability to effectively control the election of a majority of the Newbelco Board, as a result of which, under Belgian law, it will have control of Newbelco. It will also be able to have a significant influence on the outcome of corporate actions requiring shareholder approval, including dividend policy, mergers, share capital increases, going private transactions and other extraordinary items. See section 1, paragraph 4.2 (*Rights and benefits attaching to the Newbelco Shares*) of this Prospectus for further information in this respect.

Depending on the number of UK Scheme Shareholders that elect for the Partial Share Alternative, it is expected that the AB InBev Reference Shareholder will hold between 34.29% and 34.45% of the voting rights attached to Newbelco Shares following Completion. Furthermore, the shareholders' agreement and the voting agreement (or successors thereto) described under section 1, paragraph 4.5.1 (*Shareholding structure – As at Last Practicable Date*) of this Prospectus will continue to apply in respect of New Ordinary Shares upon Completion. The AB InBev Reference Shareholder and such other entities acting in concert with it (as described under section 1, paragraph 4.5.2.1 (*Post completion – Shareholding structure*) of this Prospectus) would hold on the same basis, in aggregate, between 43.84% and 44.04% of the voting rights attached to the Newbelco Shares following Completion. See section 1, paragraph 4.5.2 (*Post completion*) for further details.

The interests and time horizons of the AB InBev Reference Shareholder may differ from those of other shareholders. As a result of its influence on the Combined Group's business, the AB InBev Reference Shareholder could prevent the Combined Group from making certain decisions or taking certain actions that would protect the interests of the Combined Group's other shareholders. For example, this concentration of ownership may delay or prevent a change of control of the Combined Group even in the event that this change of control may benefit other shareholders generally. Similarly, the AB InBev Reference Shareholder could prevent the Combined Group from taking certain actions that would dilute its percentage interest in the Combined Group's shares, even if such actions would generally be beneficial to the Combined Group and/or to other shareholders. These and other factors related to the AB InBev Reference Shareholder's holding of a significant interest in the Combined Group's shares may reduce the liquidity of the Combined Group's shares and their attractiveness to investors.

##### ***The market price of the New Ordinary Shares may be negatively affected by actual or anticipated sales of substantial numbers of New Ordinary Shares.***

A sale of a significant number of New Ordinary Shares, or the perception that such sale will occur, may adversely affect the market price of the New Ordinary Shares. Newbelco cannot make any predictions as to the effect of such sale or perception on the market price of the New Ordinary Shares.

##### ***Newbelco may be unable to pay dividends.***

As a general matter, Newbelco cannot guarantee that it will pay dividends in the future. The payment of dividends will depend on factors such as Newbelco's business outlook, cash flow requirements and financial performance, the state of the market and the general economic climate and other factors, including tax and other regulatory considerations. In particular, in light of the increased debt that would result from Completion, deleveraging will remain a priority and may restrict the amount of dividends the Combined Group is able to pay. In addition, Newbelco must, under Belgian law and its articles of association, before it proceeds with any dividend payment, allocate an amount equal to 5% of its annual net profit on an unconsolidated basis to a legal reserve in its unconsolidated financial statements until the reserve reaches 10% of Newbelco's share capital, in accordance with Belgian accounting principles.

##### ***Fluctuations in the exchange rate between the euro, the South African rand, the Mexican peso and the U.S. dollar may increase the risk of holding New Ordinary Shares.***

Application has been made for the New Ordinary Shares to trade on Euronext Brussels in euros, and application will be made for the New Ordinary Shares to trade on the Johannesburg Stock Exchange in South African rand and on the Bolsa Mexicana de Valores in Mexican pesos. Application will also be made for Newbelco ADSs to trade on the NYSE in U.S. dollars. Fluctuations in the exchange rate between the euro, the South African rand, the Mexican peso and the U.S. dollar may result in temporary differences between the value of New Ordinary Shares trading

in different currencies and between the value of New Ordinary Shares and Newbelco ADSs, which may result in heavy trading by investors seeking to exploit such differences. Similarly, uncertainty over fiscal and budgetary challenges in the United States, Mexico, South Africa and/or Europe may negatively impact global economic conditions, and could trigger sharply increased trading and consequent market fluctuations, which would increase the volatility of, and may have an adverse effect upon, the price of New Ordinary Shares.

In addition, as a result of fluctuations in the exchange rate between the U.S. dollar, the euro, the South African rand and the Mexican peso, the U.S. dollar, South African Rand, Mexican peso, or other currency, equivalent of any cash dividends paid in euros on New Ordinary Shares or received in connection with any sale of New Ordinary Shares could be adversely affected by the depreciation of the euro against these other currencies.

***Future equity issuances may dilute the holdings of current shareholders and could materially affect the market price of New Ordinary Shares.***

Newbelco may in the future decide to offer additional equity to raise capital or for other purposes, in compliance with applicable Belgian legislation. Any such additional offering could reduce the proportionate ownership and voting interests of holders of New Ordinary Shares, as well as its earnings per share and net asset value per share, and any offerings by Newbelco or its main shareholders could have an adverse effect on the market price of New Ordinary Shares.

***Investors may suffer dilution if they are not able to participate in equity offerings.***

Newbelco's constitutional documents will provide for preference rights to be granted to its existing shareholders unless such rights are disappplied by resolution of its shareholders' or the board of directors. Newbelco shareholders' or its board of directors may disapply such rights in future equity offerings, while no preference rights apply to capital increases through contributions in kind. In addition, certain shareholders (including shareholders resident in, or citizens of, certain jurisdictions, such as the United States, Australia, Canada and Japan) may not be entitled to exercise such rights even if they are not disappplied unless the rights and related shares are registered or qualified for sale under the relevant legislative or regulatory framework. In particular, there can be no assurance that Newbelco will be able to establish an exemption from registration under the Securities Act, and Newbelco is under no obligation to file a registration statement with respect to any such preferential subscription rights or underlying securities or to endeavour to have a registration statement declared effective under the Securities Act. As a result, there is the risk that investors may suffer dilution of their shareholding should they not be permitted to participate in preference right equity or other offerings that Newbelco may conduct in the future.

***Certain provisions of Belgian legislation and of the Newbelco Articles can have an impact on potential takeover attempts and the stock market price of the New Ordinary Shares.***

There are several provisions of Belgian company law, and certain other provisions of Belgian law and of the Newbelco Articles, such as those in connection with the obligation to disclose major shareholdings, merger control and the authorised capital, which may be applicable to Newbelco and which may make it more difficult to succeed with a takeover bid, merger, change in management or change in control. Please see section 1, paragraph 4 (*Share capital and shares of Newbelco*) of this Prospectus. These provisions could discourage potential takeover attempts that may be regarded by other shareholders as being in their best interest, and could negatively affect the market price of the New Ordinary Shares. These provisions may also have the consequence that the shareholders will be deprived of the opportunity to sell their shares.

***As a Belgian company, Newbelco is not subject to certain corporate governance rules applicable to other companies.***

As a Belgian limited liability company, Newbelco follows Belgian corporate law, the Belgian Companies Code and the Belgian Corporate Governance Code, which may differ in significant respects from the corporate governance requirements applicable to other companies, including U.S. companies listed on the NYSE. These corporate governance rules are different to those as envisaged in the King Code on Corporate Governance for South Africa, 2009.

Shareholders rights will be governed by Belgian law which differ in some respects from the rights of shareholders under the laws of other countries.

Newbelco is a limited liability company (*société anonyme / naamloze vennootschap*) organised under the laws of Belgium. The rights of Newbelco Shareholders are governed by Belgian law and by Newbelco's articles of association. These rights may differ in material respects from the rights of shareholders in companies organised outside of Belgium.

***Newbelco is subject to the disclosure requirements applicable to companies with a secondary listing on the Johannesburg Stock Exchange. This may limit the information available to holders of equity interests in Newbelco.***

Newbelco is subject to the disclosure requirements applicable to companies with a secondary listing on the Johannesburg Stock Exchange and it is thus possible that there may be less publicly available information concerning the Combined Group than there is for a company with a primary listing on the Johannesburg Stock Exchange, as a result of the rules applicable in the jurisdiction of primary listing.

***Investment and trading in general is subject to risks***

All securities investments involve the risk of loss of capital. There can be no assurance that Newbelco's investment objectives will be met. Newbelco's results may fluctuate in the future. For this reason, Newbelco's results may not meet the expectations analysts have predicted.

Investors may not be able to recover damages in civil proceedings or to enforce in South Africa judgments of foreign courts of civil liabilities predicated solely upon foreign securities laws.

Newbelco's directors and members of senior management may not be resident in the jurisdiction of investors and Newbelco's assets and the assets of its directors and senior management may be located outside the jurisdiction of investors. As a result, it may be difficult for investors to prevail in a claim against Newbelco or to enforce liabilities predicated upon the securities laws of jurisdictions outside of South Africa and, in general, for investors outside of South Africa to serve process on or enforce foreign judgments against Newbelco, its directors or its senior management. In addition, there is uncertainty as to the enforceability in South Africa of original actions or of actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

***Risks relating to taxation***

***Newbelco Shareholders residing in countries other than Belgium may be subject to double taxation with respect to dividends or other distributions made by Newbelco.***

Any dividends or other distributions made by Newbelco to Newbelco Shareholders will, in principle, be subject to withholding tax in Belgium at a rate of 27%, except for shareholders which (i) qualify for an exemption from withholding tax such as, amongst others, qualifying pension funds or a company qualifying as a parent company in the sense of the EU Parent-Subsidiary Directive, (ii) qualify for a lower withholding tax rate or an exemption by virtue of a tax treaty, or (iii) qualify for the reduced Belgian withholding tax of 1.6995% on dividends paid or attributed to certain qualifying non-resident companies holding a participation in Newbelco with an acquisition value of at least EUR 2,500,000, but not reaching the

threshold for exemption under the EU Parent-Subsidiary Directive. Various conditions may apply and shareholders residing in countries other than Belgium are advised to consult their advisers regarding the tax consequences of dividends or other distributions made by Newbelco. Newbelco Shareholders subject to tax in countries other than Belgium may not be able to credit the amount of such withholding tax against any tax due on such dividends or other distributions outside Belgium. As a result, such shareholders may be subject to double taxation in respect of such dividends or other distributions.

***Any sale, purchase or exchange of New Ordinary Shares may become subject to the financial transaction tax.***

On 14 February 2013, the EU Commission adopted the FTT Draft Directive on a common FTT. The intention was for the FTT to be implemented via an enhanced co-operation procedure in eleven EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia, together, the “**Participating Member States**”). However, Estonia has since stated that it will not participate.

Pursuant to the FTT Draft Directive, the FTT will be payable on financial transactions provided at least one party to the financial transaction is established or deemed established in a Participating Member State and there is a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, or is acting in the name of a party to the transaction. Deemed establishment may occur in a broad range of circumstances, including any case where the security which is the subject of the transaction is issued in a Participating Member State. The FTT shall, however, not apply to (inter alia) primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

The rates of the FTT shall be fixed by each Participating Member State but for transactions involving financial instruments other than derivatives shall amount to at least 0.1% of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer, from the counterparty or a third party. The FTT shall be payable by each financial institution established or deemed established in a Participating Member State which is either a party to the transaction, or acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to the transaction, including persons other than financial institutions, shall be jointly and severally liable for the payment of the FTT due.

Investors should therefore note, in particular, that once the FTT enters into force, any sale, purchase or exchange of shares may become subject to the FTT at a minimum rate of 0.1% provided the abovementioned prerequisites are met. Investors may become liable to pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of New Ordinary Shares. The issuance of new shares should not be subject to the FTT.

However, the FTT Draft Directive is still subject to negotiation among the Participating Member States and therefore may be changed at any time. Moreover, once the FTT Draft Directive has been adopted, it will need to be implemented into the respective domestic laws of the Participating Member States and the domestic provisions implementing the final Directive might deviate from the final Directive itself.

Investors should consult their own tax advisors in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of New Ordinary Shares.

***Speculation tax may affect the liquidity of the New Ordinary Shares.***

For shares acquired as of 1 January 2016, a Belgian ‘speculation tax’ may be withheld on capital gains on such shares realised by Belgian resident and non-resident individuals within six months from the date of acquisition of the shares (the “**Speculation Tax**”). The introduction of this Speculation Tax may deter certain investors from actively trading the New Ordinary Shares and ultimately result in a reduction of the liquidity of the New Ordinary Shares.

***If it was determined that Newbelco was a Passive Foreign Investment Company under U.S. federal income tax laws, certain U.S. shareholders could be subject to adverse tax consequences.***

While Newbelco has determined that it is not a passive foreign investment company (“**PFIC**”) under U.S. federal income tax laws, it has not sought an advance ruling from the U.S. Internal Revenue Service (IRS) nor an opinion of counsel that it is not a PFIC. Such determinations are inherently factual and must be made annually based on an analysis of asset values and earnings. If it was determined that Newbelco was a PFIC, then a U.S. holder of Newbelco Shares and/or Newbelco ADSs could be subject to adverse tax consequences.

## SUMMARY OF THE ARTICLES OF ASSOCIATION OF NEWBELCO

Newbelco is a limited liability company (société anonyme / naamloze vennootschap) incorporated in Belgium. After completion of the Belgian Offer, Newbelco will have its registered office situated at Grand' Place 1, 1000 Brussels.

The articles of association of Newbelco that were adopted upon incorporation (the **"Initial Newbelco Articles"**) are briefly summarised in paragraph 1 of this Annexe F below. With effect from completion of the Belgian Offer, the articles of association of Newbelco (the **"Newbelco Articles"**) and the Corporate Governance Charter of Newbelco (the **"Charter"**) will be amended to reflect the terms set out in paragraph 2 of this Annexe F below. The Newbelco Articles and the Charter will reflect the governance structure currently in place in AB InBev, as amended to reflect the consequences of the Transaction.

### 1 The Initial Articles of Association

The corporate purpose of Newbelco is the same as the current corporate purpose of AB InBev.

Newbelco has been incorporated with the minimum capital of EUR 61,500.

In the event of a share capital increase for cash by way of the issue of new shares, the current shareholders have a preferential right to subscribe, pro rata, to the new shares.

The board of directors consists of a minimum of three directors, unless there are only two shareholders, in which case two directors are sufficient, until the number of shareholders increases to three again.

The Newbelco Board has the authority to undertake all actions necessary or useful for the fulfilment of Newbelco's purpose, with the exception of those reserved by law for the shareholders' meeting.

The ordinary shareholders' meeting will be held on the last Wednesday of April of each year at 11 a.m. Belgian time, in one of the in one of the municipalities of the Brussels-Capital Region, in Leuven or in Liège, at the place which will be mentioned in the convening notice. If this date is a legal holiday, the meeting is held on the next business day.

The general meeting has the powers reserved to it by law. There are no quorum requirement for a shareholders' meeting and decisions will be taken by a simple majority vote of shares present or represented unless more stringent conditions apply by law.

Each share is entitled to one vote at any shareholders' meeting.

The financial year starts on 1 January and will end on 31 December.

### 2 Newbelco Articles

The description provided hereafter is only a summary and does not purport to give a complete overview of the Newbelco Articles, nor of all relevant provisions of Belgian law; neither should it be considered as legal advice regarding these matters. The Newbelco Articles are available on AB InBev's website ([www.ab-inbev.com](http://www.ab-inbev.com)) and will, upon or shortly after Completion, be available on Newbelco's website.

The corporate purpose of Newbelco will be contained in article 4 of the Newbelco Articles and will be as follows:

- 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;
- 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;
- 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; to take part in the management of the aforesaid companies through membership of the Board of Directors or any similar governing body; and
- 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 in 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.

In addition to any shareholder notification thresholds under the applicable Belgian legislation (which notification is required at 5%, 10%, 15% and so on in five-percentage-point increments) and U.S. legislation (which notification is required at 5% and any material change thereafter), the Newbelco Articles will require holders of Newbelco Shares to disclose the number of shares held if their shareholding exceeds or falls below 3% or 7.5% of the outstanding shares with voting rights. Any obligation imposed by the applicable Belgian legislation to holders of 5% (or any multiple of 5%) of the total outstanding securities with voting rights shall also apply to the additional notification thresholds of 3% and 7.5%.

The management structure of Newbelco will be a "one-tier" governance structure composed of the board of directors. 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 Chief Executive Officer (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 main committees: the audit committee (the **"Audit Committee"**), the finance committee (the **"Finance Committee"**), the remuneration committee (the **"Remuneration Committee"**), and the nomination committee (the **"Nomination Committee"**).

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.

A summary of Newbelco's proposed board and management structure, as contemplated by the Newbelco Articles, is provided at section 1, paragraph 2.2. (Overview of Newbelco's proposed board and management structure) of this Prospectus.

A summary of the rights and benefits attaching to the Newbelco Shares, as contemplated by the Newbelco Articles, is provided at section 1, paragraph 4.2. (Rights and benefits attaching to Newbelco Shares) of this Prospectus.



## ZENZELE BROAD-BASED BLACK ECONOMIC EMPOWERMENT SCHEME

1. In 2010, SABMiller implemented a broad-based black economic empowerment transaction in South Africa, the Zenzele Scheme, through its South African subsidiary, The South African Breweries Proprietary Limited ("**SAB**").
2. The transaction resulted in the issue of three new classes of ordinary shares in SAB (comprising in aggregate 8.45% of SAB's enlarged issued share capital) to three investment entities, representing the interests of employees, black retailers and historically disadvantaged communities, as follows:
  - 2.1 18,532,491 E ordinary shares, representing 3.39% of SAB's enlarged issued share capital, to The SAB Zenzele Employee Trust, a trust registered by the Master of the High Court of South Africa;
  - 2.2 8,412,359 F ordinary shares, representing 1.54% of SAB's enlarged issued share capital, to The SAB Foundation, a trust registered by the Master of the High Court of South Africa; and
  - 2.3 19,228,250 R ordinary shares, representing 3.52% of SAB's enlarged issued share capital, to SAB Zenzele Holdings (RF) Limited ("**SAB Zenzele**"), a public company incorporated in South Africa,

together, the "**Participants**".

The E ordinary shares, F ordinary shares and R ordinary shares are together referred to as the "**Zenzele Scheme Shares**".
3. The Zenzele Scheme was funded principally through notional funding provided by SAB to the Participants, which notional funding increases at 85% of the prime lending rate of a major South African bank and is reduced by notional dividends from SAB on the Zenzele Scheme Shares. The notional funding is to be settled at the end of the transaction term through the repurchase by SAB, for nominal consideration, of Zenzele Scheme Shares equal in value to the outstanding balance of the notional funding.
4. In the ordinary course, the Zenzele Scheme is a ten-year scheme terminating in 2020. Termination may, however, occur earlier as a result of a change in control in SAB or its reference parent company, SABMiller, if SABMiller elects to accelerate termination of the Zenzele Scheme rather than to develop a Value Proposal (as defined below). On termination of the Zenzele Scheme, the remaining E ordinary shares and F ordinary shares and the shares in SAB Zenzele (and thus, indirectly, the remaining R ordinary shares) are transferred to SABMiller in exchange for SABMiller Shares, listed on the Johannesburg Stock Exchange. The exchange is a value-for-value exchange based on an agreed valuation methodology which, broadly speaking, determines (a) the value of the SABMiller Shares with reference to SABMiller's 60-day volume-weighted trading price ("**VWAP**") on the Johannesburg Stock Exchange and (b) the equity value of the Zenzele Scheme Shares by (i) deriving the market capitalisation of SABMiller from its 60-day VWAP on the Johannesburg Stock Exchange (adjusted to USD), (ii) determining the enterprise value ("**EV**") of SABMiller by adding the book value of minorities, preference share funding and net debt (as those terms are understood in the SABMiller accounts for the year ended 31 March 2009) to its market capitalisation, (iii) extracting SABMiller's operating profit before exceptional items and amortisation of intangible assets, excluding software, but including the relevant group's share of associations' and joint ventures' operating profit, on a similar basis ("**EBITA**") from its reference accounts and thus deriving an EV/EBITA multiple for SABMiller, (iv) determining the South African rand EV for SAB by applying this multiple to SAB's EBITA, (v) determining the equity value of SAB by deducting from its EV the book value of its minorities, its preference share funding and its net debt (as those terms are understood in the SAB accounts for the year ended 31 March 2009) and adding the value of its notional funding, and (vi) dividing the aggregate equity value of SAB by the total number of SAB shares in issue (including the Zenzele Scheme Shares).
5. The Transaction triggers provisions contained in the Zenzele Scheme scheme documents which regulate changes in control of SABMiller or SAB. These provisions give SABMiller an election to either accelerate or not accelerate settlement of the Zenzele Scheme. In the latter case, (a) SABMiller must develop a proposal (the "**Value Proposal**") which includes steps which SABMiller in its sole discretion considers necessary to ensure that the Participants enjoy a benefit at least equal to the benefit that would have accrued to them at the end of the transaction term absent the change in control (the "**equal benefit test**") and (b) in order for the Value Proposal to become binding, it must be certified by an expert appointed by SAB for this purpose (the "**Expert**"), who must apply the equal benefit test in making the assessment in respect of certification.
6. As envisaged in the Co-operation Agreement, SABMiller and AB InBev worked together to develop, and SABMiller then adopted, a Value Proposal for each of the Participants (the "**AB InBev Value Proposal**"). Following its adoption, the AB InBev Value Proposal has been reviewed by the Expert (being FirstRand Bank Limited (acting through its Rand Merchant Bank division), a public company and registered bank incorporated in accordance with the laws of South Africa with registration number 1929/001225/06). The Expert has certified to SAB that it considers that the AB InBev Value Proposal meets the equal benefit test.
7. In broad commercial terms, the AB InBev Value Proposal involves, amongst others, (a) the replacement of SABMiller with Newbelco under the Zenzele Scheme with effect from the completion of the legal transfer of the UK Scheme Shares from the SABMiller Shareholders to Newbelco (including as to the valuation methodology and share exchange), and (b) the following enhancements to the Zenzele Scheme upon (and subject to) Completion (i) a guaranteed minimum value for the net equity value of the Zenzele Scheme Shares, and (ii) subject to the taking of administrative steps by the Participants, an advance payment in an aggregate amount of ZAR1.5 billion (gross of taxation) to be paid by way of special dividends to the Participants, which advance payment will be notionally vendor funded, but will not increase.
8. The guaranteed minimum value will be calculated by applying the existing, agreed valuation formula for the net equity value of the Zenzele Scheme Shares, but with an accounts reference date of 26 August 2016 and the market capitalisation (and thus EV/EBITA multiple) being calculated using a fixed VWAP equal to the final value in GBP of the Cash Consideration payable under the Transaction to SABMiller Shareholders in respect of each SABMiller Share and with the net equity value then reduced by the initial, gross amount of the advance payment and thereafter escalated by South African rand inflation until settlement in 2020. In broad terms, the effect is thus to give Participants a guaranteed minimum value for their net equity equivalent to that which they would have received on an acceleration of the Zenzele Scheme immediately before Completion (using March 2016 reference accounts), less the advance payment, which amount is then escalated at inflation until settlement in 2020. The guaranteed minimum value is also reduced by any cash dividends paid to Participants during the term of the Zenzele Scheme which arise from the disposal by SAB (or any of its subsidiaries) of the whole or greater part of a business or its shareholding or other interests in a business designated by Newbelco.
9. To the extent that, at the termination of the Zenzele Scheme, the net value of the SAB shares which are the subject of an exchange is:
  - 9.1 greater than or equal to the guaranteed minimum value, the exchange will be into New Ordinary Shares, in full; or
  - 9.2 lower than the guaranteed minimum value, the exchange will be into New Ordinary Shares for the actual net value and, at Newbelco's election, in cash or New Ordinary Shares (or combination of the two) for the difference between the guaranteed minimum value and the actual net value.

10. In settling New Ordinary Shares under the exchange on settlement of the Zenzele Scheme, Newbelco may, in its discretion, choose to issue new New Ordinary Shares and/or procure the transfer of existing New Ordinary Shares to the Participants, or a combination of the two.
11. The AB InBev Value Proposal preserves the broad-based black economic empowerment of SAB, and gives expression to AB InBev's stated commitment to continuing SABMiller's contribution to meaningful broad-based black economic empowerment as set out in the Rule 2.7 Announcement. AB InBev believes that retaining SAB's broad-based black economic empowerment is a key element of the regulatory framework and the promotion of sustainable economic growth and social development in South Africa.



