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Budweiser Brewing Company APAC Limited

百威亞太控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1876)

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024, FINAL DIVIDEND RECOMMENDATION AND FOURTH QUARTER 2024 FINANCIAL INFORMATION

The board of directors (the “**Board**”) of Budweiser Brewing Company APAC Limited (“**Bud APAC**” or the “**Company**”, together with its subsidiaries, the “**Group**”) announces the results of the Group for the year ended 31 December 2024, as attached to this announcement.

The Board recommends that the Company increases the final dividend per share to the shareholders from 5.29 cents USD in 2023 to 5.66 cents USD in 2024.

Subject to the approval of the shareholders at the forthcoming 2025 annual general meeting and subject to further announcement(s) in respect to the book closure date, record date and payment date, the proposed 2024 final dividend is expected to be distributed to shareholders on or before 30 June 2025.

Shareholders registered under the principal register of members in the Cayman Islands will automatically receive their dividends in US dollars while shareholders registered under the Hong Kong branch register of members will automatically receive their dividends in Hong Kong dollars. The final dividend paid in Hong Kong dollars will be calculated with reference to the exchange rate of US dollars against Hong Kong dollars on the date of the annual general meeting of the Company (to be further announced) on which such dividends will be proposed to the shareholders of the Company for approval.

By Order of the Board
Budweiser Brewing Company APAC Limited
Shirley Zhu
Joint Company Secretary

Hong Kong, 26 February 2025

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



Bud APAC Reports FY2024 Results

“2024 was a year with mixed results. Our geographic footprint partially offset a weak industry and negative channel mix in China, with robust growth and commercial momentum in South Korea and India. In 2025, we have made clear portfolio and channel choices to lead and grow the category, while digitizing our strong route-to-market, to drive value creation. I am also pleased to announce that the Board has proposed a USD750 million dividend, which represents a 7% increase versus the prior year.”

– Jan Craps, CEO and Co-Chair

Volumes

84,811 thousand hl beer
-8.8%¹

Total volumes decreased by 8.8% in full year 2024 (FY24), impacted by a soft industry in China that was partially offset by our strong performance in South Korea and India.

Cost of Sales (CoS)

3,099 million USD
-8.1%

CoS decreased by 8.1% in FY24 or 8.9% on a reported basis, while CoS per hl increased by 0.7%, mainly driven by cost management initiatives and commodity tailwinds, offset by operational deleverage.

Normalized Effective Tax Rate (ETR)

35.3%

Normalized ETR increased from 33.5% in full year 2023 (FY23) to 35.3% in FY24, mainly due to our country mix.

Normalized EPS³

5.90 cents USD

Normalized EPS decreased from 6.94 cents USD in FY23 to 5.90 cents USD in FY24. Basic EPS decreased from 6.45 cents USD in FY23 to 5.51 cents USD in FY24.

Revenue

6,246 million USD
-7.0%

Revenue decreased by 7.0% or 8.9% on a reported basis and revenue per hl grew by 2.0% in FY24, mainly driven by revenue management initiatives in APAC East and a favorable brand mix across Asia, partially offset by a high base and negative channel mix in China.

Normalized EBITDA²

1,807 million USD
-6.3%

Normalized EBITDA decreased by 6.3% in FY24, or by 10.7% on a reported basis, mainly impacted by our topline performance. Normalized EBITDA margin increased by 21 bps to 28.9%.

Normalized Profit

778 million USD

Normalized profit attributable to equity holders of Bud APAC decreased from 917 million USD in FY23 to 778 million USD in FY24. Profit attributable to equity holders of Bud APAC decreased from 852 million USD in FY23 to 726 million USD in FY24.



MANAGEMENT COMMENTS

In 4Q24, our business in China was impacted by a proactive inventory management, soft industry and continued weakness in on-premise channels, which disproportionately affected our business. In South Korea, our market share growth continued to accelerate, once again supporting double-digit EBITDA growth. In India, we again delivered double-digit revenue growth led by our Premium and Super Premium portfolio.

Figure 1. Consolidated performance (million USD)

	FY24	FY23	Organic growth ¹
Total volumes (thousand hls)	84,811	92,767	-8.8%
Revenue	6,246	6,856	-7.0%
Gross profit	3,147	3,453	-5.8%
Gross margin	50.4%	50.4%	63 bps
Normalized EBITDA²	1,807	2,023	-6.3%
Normalized EBITDA margin	28.9%	29.5%	21 bps
Normalized EBIT	1,160	1,369	-10.5%
Normalized EBIT margin	18.6%	20.0%	-74 bps
Profit attributable to equity holders of Bud APAC	726	852	
Normalized profit attributable to equity holders of Bud APAC	778	917	
EPS (cent USD)	5.51	6.45	
Normalized EPS (cent USD)³	5.90	6.94	

In FY24, volumes decreased by 8.8%. Revenue decreased by 7.0%, while revenue per hl grew by 2.0%. Our normalized EBITDA decreased by 6.3%, while our normalized EBITDA margin increased by 21 bps.

In 4Q24, total volumes and revenue decreased by 12.7% and 11.0% respectively, impacted by our performance in China, partially offset by our strong performance in South Korea. Revenue per hl grew by 1.9%, driven by revenue management initiatives in APAC East and a favorable brand mix across Asia, partially offset by a high base and negative channel mix in China. Our normalized EBITDA decreased by 7.2%, while our normalized EBITDA margin increased by 84 bps.

¹ Unless otherwise stated, the growth rates presented in this document are based on organic growth figures and refer to audited FY24 and unaudited 4Q24 results versus the same period of last year. Please refer to Annex 1 for unaudited 4Q24 financial information, Annex 2 for further information on the calculation of organic growth figures and Annex 3 for a comparison between (i) organic and (ii) reported (after including currency impacts and scope changes) growth figures.

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

³ Normalized basic earnings per share (Normalized EPS) calculation uses the normalized profit attributable to equity holders of Bud APAC divided by the weighted average number of shares outstanding (13,187,234,556 shares in FY24 and 13,207,847,971 shares in FY23).



We maintained a sound balance sheet, in line with our disciplined financial practices and capital allocation priorities. As of the end of FY24, our net cash position⁴ decreased by 274 million USD to 2.9 billion USD as compared to the end of FY23. The Board recommends a dividend of 750 million USD, or 5.66 cents USD per share for FY24, representing a 7% increase versus the prior year.

SUSTAINABILITY

We continue to lead the industry as we work towards our Bud APAC 2025 Sustainability Goals and our ambition to achieve net zero across our value chain by 2040.

In 2024, we doubled the number of carbon neutral breweries in China, moving from three to six breweries, with the most recent additions including our Ziyang, Zhangzhou, and Jinshibai breweries. We further reduced our carbon emission intensity per hl within our operations (Scope 1 & 2) by approximately 65% against our baseline of 2017, and by approximately 32% across our value chain (Scope 1, 2, & 3). We also reduced our water usage from 2.03 hl per hl of beer produced in 2023 to 1.89 hl per hl of beer produced in 2024 across our APAC breweries, representing a 37% decrease compared to our 2017 water use efficiency ratio.

In 4Q24, we celebrated Global Beer Responsible Day with over 20 campaigns across APAC, which is the moment when we come together to celebrate beer as the beverage for moderation. In 2025, we obtained the APAC Blue Seal from the Top Employers Institute, which recognizes top employers across the APAC region. Our offices in China, India, South Korea, Japan, and Vietnam, and our headquarters in Hong Kong SAR, were also certified as top employers.

BUSINESS REVIEW

APAC WEST

In 4Q24, volumes decreased by 17.0%, while revenue and revenue per hl decreased by 17.0% and 0.1% respectively. Normalized EBITDA decreased by 20.4%.

In FY24, volumes decreased by 10.6%, while revenue and revenue per hl decreased by 11.4% and 0.9% respectively. Normalized EBITDA decreased by 14.0%.

China

In 4Q24, volumes decreased by 18.9%, as we proactively reduced inventory, which accounted for approximately one-third of our volume decline, and as we faced a soft industry and negative channel mix. Revenue declined by 20.1%, with revenue per hl declining by 1.4% in the quarter due to a high base and negative channel mix.

⁴ Our net cash position is calculated based on Cash and Cash Equivalents net of Bank Overdrafts on 31 December 2023 and 2024, respectively.



In FY24, volumes decreased by 11.8%, driven by weak consumer sentiment in a soft industry, with slower traffic and less spending in on-premise channels where our footprint is more pronounced. As a result, our total market share declined by 149 bps in FY24. Revenue and revenue per hl decreased by 13.0% and 1.4% respectively.

In this context, we are focused on the consistent execution of our strategy, with clear initiatives adapted to current consumption trends. We have made clear portfolio choices and prioritized specific channels: fully realizing the potential of Budweiser, growing Core++ innovations including Zero Sugar offerings, and accelerating in-home premiumization.

We are confident that with our industry-leading premium portfolio and route-to-market, we are well positioned to capture a disproportionate share of the category and profit growth in China.

Our geographic expansion strategy for the Budweiser brand remains on track. As of the end of the year, the distribution of Budweiser expanded from 220 cities in 2023 to 235 cities in 2024, while our Super Premium portfolio distribution covered 56 cities. In terms of channel expansion, volume and revenue contribution from the in-home channel increased as a result of our ongoing efforts to premiumize the channel as in-home consumption occasions continue to develop.

We have begun 2025 already with a clear focus on Budweiser and Harbin, reconnecting with consumers to drive market share growth:

- **With Budweiser**, an icon for premium, we celebrated the Chinese New Year, and ushered in the Year of the Snake. We unveiled a special “Everlasting Renewal” limited edition of Budweiser Brewmaster Reserve, featuring an exclusive design that blended traditional Chinese aesthetics with the theme of rebirth, inspiring Chinese consumers to “Shed Their Baggage and Embrace Renewal” as they stepped into the new year.
- **With Harbin**, we partnered with the NBA, tapping into the growing health and wellness trend in China, to drive the strong growth of Harbin Icy GD Zero Sugar. Sales volumes almost doubled in FY24, delivering expanded reach and engagement with young adults.

On the digitization front, BEES, our B2B wholesaler and customer engagement platform, has been expanded to more than 320 cities, representing approximately 80% of net revenue for China in the month of December 2024. With this successful scale up, we are focusing on leveraging technology to further enhance our commercial capabilities and drive value creation for all our stakeholders.

India

Our business in India continued to grow and net revenue from our Premium and Super Premium portfolio grew by almost 20% in both 4Q24 and FY24. Over the past five years, the market share of our Budweiser brand has more than doubled, with India cementing itself as one of Budweiser’s top-four markets globally.

APAC EAST

In 4Q24, volumes increased by 8.5%, with revenue increasing by 7.8%. Revenue per hl decreased by 0.6% mainly due to the lapping of one-off contract incentives outside South Korea in 4Q23. Normalized EBITDA increased by 17.0%, with EBITDA margin increasing by 245 bps.

In FY24, volumes increased by 3.6%, with revenue and revenue per hl increasing by 12.7% and 8.7%, respectively. Normalized EBITDA increased by 33.2%, with EBITDA margin increasing by 472 bps.

South Korea

In 4Q24, our growth momentum accelerated with volumes increasing by high-single-digits. Revenue increased by high-single-digits as we continued to lead the category through the strength of our brand portfolio. We achieved a further total market share gain, supported by share gains in both the on-premise and in-home channels, led by Cass, HANMAC and Stella Artois.



Budweiser Brewing Company APAC Limited
百威亞太控股有限公司

Press Release

Hong Kong / 26 February 2025 / 7.00am HKT

In FY24, our total market share expanded by 349 bps, reaching its highest level in at least 10 years, led by the growth of Cass. Revenue grew by double digits, while revenue per hl increased by high-single-digits, as we continued to benefit from our ongoing revenue management initiatives and a positive brand and packaging mix. Our EBITDA and EBITDA margin expanded substantially, driven by our strong commercial performance, revenue management initiatives, commodity tailwinds, and cost efficiencies.

According to Nielsen data, our leading domestic beer brand Cass ranked #1 among all Consumer Package Goods (CPG) in the in-home channel, and we ranked #3 among all CPG companies in 2024. Cass' market share also reached an all-time high as we continued to increase consumer participation via innovations such as Cass Light "Zero Sugar", Cass 0.0, and Cass Lemon Squeeze. These innovations target distinct audiences and occasions including health and wellness. Sales of Cass Light "Zero Sugar" grew by more than 30%, becoming one of the top-three domestic beers in the in-home channel. Meanwhile, sales of Cass 0.0 grew by more than 30% as well, and sales of Cass Lemon Squeeze almost doubled.

In terms of digitization, BEES accounted for 24% of our total net revenue in December 2024 in South Korea.



OUTLOOK

We are confident about medium to long-term growth opportunities and are well positioned to drive value creation via our geographic footprint:

- **Organic Growth Priorities:**

In 2025, our top priority in China is to reconnect with market share growth by leveraging our winning brand portfolio and premium route-to-market to drive the execution of our strategy. We firmly believe that China remains one of the most significant long-term profit pool growth opportunities globally, with the increasing number of middle-income households driving the growth of the Premium and Super Premium segments. The brand power of our portfolio, combined with the long-term growth potential arising from further geographic expansion and industry premiumization, continues to represent a compelling value creation opportunity.

In South Korea, multiple growth drivers are creating tailwinds for margin recovery. We will continue to invest behind Cass, expand consumer participation through innovation, and lead premiumization, which remains under-indexed compared to other developed markets. As the market leader, we are well-positioned to capture an outsized share of this growth.

We see India as our next growth engine. We remain focused on leading and growing the Premium segment with Budweiser and Budweiser Magnum, while further premiumizing the market with our Super Premium portfolio and unlocking the market potential arising from beer as the beverage of moderation.

We continue to digitize our route-to-market in China and South Korea and invest in digital capabilities through BEES, driving value for our customers and consumers by increasing sales per store, expanding distribution coverage, improving return on investments, and providing incremental services.

- **Inorganic Growth Catalyst**

We are also dedicated to our M&A agenda, as we see it as an attractive catalyst to expand our platform in the APAC region, including in Southeast Asia and other markets, for value creation. We will continue to explore suitable M&A opportunities and partnerships to accelerate growth.

- **Returning to Shareholders**

We remain disciplined with our cost efficiency and revenue management initiatives, and agile with our commercial investments. We plan to drive organic growth, complemented by strategic inorganic opportunities, and maximize total shareholder returns by aiming to sustain or grow dividend payout amount each year.



Bud APAC Consolidated Financial Information

The financial information of the Group has been reviewed by the Audit and Risk Committee of the Company, approved by the Board and agreed by the Group's external auditor, PricewaterhouseCoopers, to the amounts set out in the audited financial statements.

CONSOLIDATED INCOME STATEMENT

	Notes	2024	2023
		US\$'million	US\$'million
Revenue	3	6,246	6,856
Cost of sales		(3,099)	(3,403)
Gross profit		3,147	3,453
Distribution expenses		(496)	(520)
Sales and marketing expenses		(1,129)	(1,201)
Administrative expenses		(477)	(470)
Other operating income	4	115	107
Profit from operations before non-underlying items		1,160	1,369
Non-underlying items	5	(62)	(80)
Profit from operations		1,098	1,289
Finance cost		(35)	(52)
Finance income		66	62
Net finance income		31	10
Share of results of associates		31	28
Profit before tax		1,160	1,327
Income tax expense	6	(410)	(447)
Profit for the year		750	880
Profit for the year attributable to:			
Equity holders of Bud APAC		726	852
Non-controlling interests		24	28
Earnings per share from profit attributable to the equity holders of Bud APAC:			
Basic earnings per share (cent USD)	7	5.51	6.45
Diluted earnings per share (cent USD)	7	5.46	6.42



Budweiser Brewing Company APAC Limited
百威亞太控股有限公司

Press Release

Hong Kong / 26 February 2025 / 7.00am HKT

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Profit for the year	750	880
Other comprehensive income/(loss):		
<i>Items that will not be reclassified to profit or loss:</i>		
Re-measurement of post-employment benefits	3	(6)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	(703)	(299)
Gains on cash flow hedges	6	19
Other comprehensive loss, net of tax	(694)	(286)
Total comprehensive income	56	594
Total comprehensive income of the year attributable to:		
Equity holders of Bud APAC	33	567
Non-controlling interests	23	27



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	2024	2023
		<i>US\$'million</i>	<i>US\$'million</i>
ASSETS			
Non-current assets			
Property, plant and equipment		2,585	2,986
Goodwill		5,945	6,435
Intangible assets		1,456	1,572
Land use rights		199	210
Investment in associates		504	481
Deferred tax assets		198	231
Trade and other receivables		46	49
Other non-current assets		13	11
Total non-current assets		10,946	11,975
Current assets			
Inventories		376	444
Trade and other receivables	<i>8</i>	496	609
Derivatives		29	23
Cash pooling deposits to AB InBev		48	25
Cash and cash equivalents		2,867	3,141
Other current assets		16	17
Total current assets		3,832	4,259
Total assets		14,778	16,234
EQUITY AND LIABILITIES			
Equity			
Issued capital		–	–
Share premium		43,591	43,591
Capital reserve		(36,232)	(36,225)
Treasury shares		(80)	(95)
Other reserves		(1,793)	(1,157)
Retained earnings		4,698	4,671
Equity attributable to equity holders of Bud APAC		10,184	10,785
Non-controlling interests		56	65
Total equity		10,240	10,850



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	2024	2023
		<i>US\$'million</i>	<i>US\$'million</i>
Non-current liabilities			
Interest-bearing loans and borrowings		68	94
Deferred tax liabilities		375	421
Trade and other payables		13	18
Provisions		65	96
Income tax payable		24	43
Employee benefits		57	61
Other non-current liabilities		3	2
Total non-current liabilities		605	735
Current liabilities			
Interest-bearing loans and borrowings		136	237
Trade and other payables	<i>9</i>	2,228	2,638
Payables with AB InBev	<i>9</i>	91	104
Consigned packaging and contract liabilities	<i>9</i>	1,306	1,456
Derivatives		3	10
Provisions		9	71
Income tax payable		160	133
Total current liabilities		3,933	4,649
Total equity and liabilities		14,778	16,234



CONSOLIDATED STATEMENT OF CASH FLOWS

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
OPERATING ACTIVITIES		
Profit for the year	750	880
Depreciation, amortization and impairment	647	654
Impairment losses on receivables, inventories and other assets	35	11
(Decrease)/increase in provisions and employee benefits	(4)	93
Net finance income	(31)	(10)
Net gain on disposal of property, plant and equipment and intangible assets	(43)	(39)
Equity-settled share-based payment expenses	70	61
Income tax expense	410	447
Other non-cash items included in profit	(16)	6
Share of results of associates	(31)	(28)
Cash flow from operating activities before changes in working capital and use of provisions	1,787	2,075
Decrease/(increase) in trade and other receivables	76	(76)
Decrease in inventories	25	23
(Decrease)/increase in trade and other payables	(335)	237
Decrease in provisions and pensions	(99)	(47)
Cash generated from operations	1,454	2,212
Interest paid	(23)	(28)
Interest received	60	59
Dividends received	11	11
Income tax paid	(368)	(443)
CASH FLOW FROM OPERATING ACTIVITIES	1,134	1,811
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	(379)	(498)
Proceeds from sale of property, plant and equipment and intangible assets	11	21
Acquisition of subsidiaries, net of cash acquired	(24)	(8)
Proceeds from/(acquisition of) investment	6	(3)
(Placement of)/proceeds from cash pooling deposits to AB InBev	(23)	41
CASH FLOW USED IN INVESTING ACTIVITIES	(409)	(447)



CONSOLIDATED STATEMENT OF CASH FLOWS

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
FINANCING ACTIVITIES		
Dividends paid to equity holders of Bud APAC	(698)	(500)
Dividends paid to non-controlling interest holders	(32)	(29)
Repayments of borrowings	(131)	–
Proceeds from borrowings	47	84
Payments on purchase of treasury shares	–	(85)
Payments of lease liabilities	(61)	(56)
Cash net finance cost other than interest	(20)	(28)
Other financing cash flows	(8)	(7)
	<u>(903)</u>	<u>(621)</u>
CASH FLOW USED IN FINANCING ACTIVITIES		
	(178)	743
Net (decrease)/increase in cash and cash equivalents		
Cash and cash equivalents less bank overdrafts		
at beginning of the year	3,141	2,458
Effect of exchange rate fluctuations	(96)	(60)
	<u>2,867</u>	<u>3,141</u>
Cash and cash equivalents less bank overdrafts		
at end of the year		



NOTES TO CONSOLIDATED FINANCIAL INFORMATION

1. General information

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

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

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

The ultimate parent company of the Group is Anheuser-Busch InBev SA/NV (referred to as "AB InBev"), which is a publicly traded company (Euronext: ABI) based in Leuven, Belgium, with secondary listings on the Mexico (MEXBOL: ANB) and South Africa (JSE: ANH) stock exchanges and with American Depositary Receipts on the New York Stock Exchange (NYSE: BUD).

The announcement has been presented in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

The financial information relating to the year ended 31 December 2024 included in this announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements.

The Company's auditor has reported on the financial statements of the Group for the year ended 31 December 2024. The auditor's report is unqualified and does not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

2. Basis of presentation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards ("IFRSs") issued by the International Accounting Standards Board and the IFRS Interpretations Committee interpretations applicable to companies reporting under IFRS which are mandatory for the financial periods beginning on 1 January 2024 and the disclosure requirements of the Hong Kong Company Ordinance. The consolidated financial statements have been prepared under the historical cost convention unless otherwise stated.

In line with many other Fast Moving Consumer Goods companies, the Group intentionally maintains a net current liabilities position as part of its business model despite strong operating cash flows. Therefore, the Group's net current liabilities position is not indicative of any going concern issues, and the consolidated financial statements have been prepared on a going concern basis.

The principal accounting policies applied in the preparation of the consolidated financial statements have been consistently applied to all the years presented, unless otherwise stated.

A number of amendments to standards became mandatory for the first time for the financial year beginning on 1 January 2024 and have not been listed in these consolidated financial statements as they either do not apply or are immaterial to the Group's consolidated financial statements.



The IASB made amendments to IAS 12 Income taxes in May 2023 that (a) provide a temporary exception from accounting for deferred taxes arising from legislation enacted to implement the OECD's Pillar Two model rules, and (b) introduce additional disclosure requirements. The Group is within the scope of the OECD Pillar Two model rules as Pillar Two legislation has been enacted in the jurisdictions where the Group operates, and came into effect from 1 January 2024. The Group applied the exception from accounting for deferred taxes arising from legislation enacted. Based on the assessment and analysis made, the Group concluded the impact as immaterial.

3. Segment information

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

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

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

For the years ended 31 December 2024 and 2023

	Asia Pacific					
	East		West		Total	
	2024	2023	2024	2023	2024	2023
Volumes (unaudited)	11,960	11,539	72,851	81,228	84,811	92,767
Revenue⁵	1,352	1,243	4,894	5,613	6,246	6,856
Normalized EBITDA	406	323	1,401	1,700	1,807	2,023
Normalized EBITDA margin %	30.0%	26.0%	28.6%	30.3%	28.9%	29.5%
Depreciation, amortization and impairment					(647)	(654)
Normalized profit from operations (Normalized EBIT)					1,160	1,369
Non-underlying items (Note 5)					(62)	(80)
Profit from operations (EBIT)					1,098	1,289
Net finance income					31	10
Share of results of associates					31	28
Income tax expense					(410)	(447)
Profit for the year					750	880
Segment assets (non-current)	4,288	4,882	6,658	7,093	10,946	11,975
Gross capex	40	35	339	463	379	498

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

⁵ Revenue represents sales of beer products recognized at a point of time.



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

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

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Profit attributable to equity holders of Bud APAC	726	852
Non-controlling interests	24	28
Profit for the year	750	880
Income tax expense (excluding non-underlying)	420	462
Share of results of associates	(31)	(28)
Net finance income	(31)	(10)
Non-underlying income tax benefit	(10)	(15)
Non-underlying items above EBIT	62	80
Normalized EBIT	1,160	1,369
Depreciation and amortization	647	654
Normalized EBITDA	1,807	2,023

4. Other operating income

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Grants and incentives	55	59
Net gain on disposal of property, plant and equipment and intangible assets	43	39
Other operating income	17	9
Other operating income	115	107

Grants and incentives primarily related to various grants and incentives given by local governments, based on the Group's operations and developments in those regions.



5. Non-underlying items

The non-underlying items included in the consolidated income statement are as follows:

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Claims	–	(66)
Restructuring	(37)	(14)
Historical assets and provisions write-off	(21)	–
Others	(4)	–
Impact on profit from operations	(62)	(80)
Non-underlying income tax benefit	10	15
Net impact on profit	(52)	(65)

During the year ended 31 December 2023, Oriental Brewery Co., Ltd. in South Korea, received a tax audit claim related to customs duties covering transactions from 2018. Under South Korean Law, an assessment must be pre-paid prior to appealing an assessment. A relevant provision was included in the non-underlying items, and the tax assessment was paid in January 2024. Oriental Brewery Co., Ltd has appealed.

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

The non-underlying items for historical assets and provisions refers to write-off of historical assets in India, net of provisions.

Refer to Note 6 for further information on non-underlying income tax.



6. Income tax expense

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

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Current year	(402)	(429)
Overprovided/(underprovided) in prior years	8	(23)
Current tax expense	(394)	(452)
Deferred tax (charge)/credit	(16)	5
Total income tax expense	(410)	(447)
Effective tax rate (ETR)	36.3%	34.4%
Normalized ETR⁶	35.3%	33.5%

The Group's income tax expense included 1 million US dollar and 4 million US dollar in respect of Hong Kong profits tax for the years ended 31 December 2024 and 2023 respectively.

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

7. Earnings per share

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

	2024	2023
Profit attributable to equity holders of Bud APAC (Million US Dollar)	726	852
Weighted average number of ordinary shares in issue	13,187,234,556	13,207,847,971
Basic earnings per share (cent USD)	5.51	6.45
	2024	2023
Profit attributable to equity holders of Bud APAC (Million US Dollar)	726	852
Weighted average number of ordinary shares (diluted)	13,291,113,697	13,271,574,761
Diluted earnings per share (cent USD)	5.46	6.42

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

	2024	2023
Normalized profit attributable to equity holders of Bud APAC (Million US Dollar)	778	917
Weighted average number of ordinary shares in issue	13,187,234,556	13,207,847,971
Normalized basic earnings per share (cent USD)	5.90	6.94

⁶ Normalized ETR refers to ETR adjusted for non-underlying items.



	2024	2023
Normalized profit attributable to equity holders of Bud APAC (Million US Dollar)	778	917
Weighted average number of ordinary shares (diluted)	13,291,113,697	13,271,574,761
Normalized diluted earnings per share (cent USD)	5.85	6.91

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

	2024	2023
Basic earnings per share	5.51	6.45
Non-underlying items, before tax	0.47	0.60
Non-underlying taxes	(0.08)	(0.11)
Normalized basic earnings per share	5.90	6.94

	2024	2023
Diluted earnings per share	5.46	6.42
Non-underlying items, before tax	0.47	0.60
Non-underlying taxes	(0.08)	(0.11)
Normalized diluted earnings per share	5.85	6.91

The difference between the weighted average number of ordinary shares in issue and the diluted weighted average number of ordinary shares in issue is attributable solely to the effect of share options and restricted stock units.

8. Trade and other receivables

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Trade receivables and accrued income	346	419
Trade receivables with AB InBev	14	8
Indirect tax receivable	83	102
Prepayment	40	72
Other receivables	13	8
Current trade and other receivables	496	609

The carrying amount of trade and other receivables is a good approximation of their fair value as the impact of discounting is not significant.

Trade receivables and trade receivables with AB InBev are due on average less than 90 days from the date of invoicing. There is limited credit risk as the Group does not have significant uncollected amounts. Impairment losses on trade receivables of 12 million US dollar and 5 million US dollar were recognized for the years ended 31 December 2024 and 2023 respectively.



As of 31 December 2024 and 31 December 2023, the aging analysis of current trade receivables and trade receivables with AB InBev, based on due date, is as follows:

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Not past due	319	391
Past due as of reporting date:		
Less than 30 days	14	15
Between 30 and 59 days	3	8
Between 60 and 89 days	6	5
More than 90 days	18	8
Net carrying amount of trade receivables and trade receivables with AB InBev	360	427

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

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Trade payables and accrued expenses	1,633	1,997
Payroll and social security payables	110	118
Indirect taxes payable	301	335
Contingent consideration on acquisitions	7	7
Other payables	177	181
Current trade and other payables	2,228	2,638
	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Payables with AB InBev	91	104

The Group pays the outstanding balances to the creditors according to the credit terms. Trade payables and payables to AB InBev are on average due within 120 days from the invoice date. As of 31 December 2024 and 31 December 2023 trade payables and payables to AB InBev were 1,724 million US dollar and 2,101 million US dollar respectively.

As of 31 December 2024 and 31 December 2023, the aging analysis of current trade payables and payables with AB InBev, based on due date, is as follows:

	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Not past due	1,592	1,908
Past due as of reporting date:		
Less than 30 days	68	147
Between 30 and 89 days	19	15
More than 90 days	45	31
Net carrying amount of trade payables and payables with AB InBev	1,724	2,101



	2024	2023
	<i>US\$'million</i>	<i>US\$'million</i>
Consigned packaging	316	360
Contract liabilities	990	1,096
Consigned packaging and contract liabilities	1,306	1,456

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

The majority of the contract liabilities balance at the beginning of the period was recognized as revenue for the year ended 31 December 2023 or has been recognized as revenue during the year ended 31 December 2024.

10. Dividends

On 25 February 2025, a dividend of 5.66 cents US dollar per share or approximately 750 million US dollar was recommended by the Board of Directors. The proposed dividend is subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company. The dividend payable will be recognized in the consolidated financial statements on the date that the dividend is declared.

On 14 May 2024, a final dividend of US dollar 5.29 cents per share (equivalent to HK dollar 41.28 cents per share) was approved by the shareholders at the annual general meeting of the Company. This final dividend was paid out on 20 June 2024. The total dividend payment attributable to equity holders of Bud APAC for the 2023 fiscal year of approximately 698 million US dollar was recognized during the year ended 31 December 2024 in the consolidated financial statements.

CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of its shareholders. The Company has complied with the Code Provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the year ended 31 December 2024, save for code provision C.2.1 which provides that the roles of chair and chief executive should be separate and should not be performed by the same individual. For further details, please refer to page 36 of the Corporate Governance Report in the Company's 2023 Annual Report.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

For the year ended 31 December 2024, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares).



FURTHER INFORMATION

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

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

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

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



Legal disclaimer

This release contains “forward-looking statements”. These statements are based on the current expectations and views of future events and developments of the management of Bud APAC and are naturally subject to uncertainty and changes in circumstances. Forward-looking statements include statements typically containing words or phrases such as “will likely result”, “are expected to”, “will continue”, “is anticipated”, “anticipate”, “estimate”, “project”, “may”, “might”, “could”, “believe”, “expect”, “plan”, “potential”, “we aim”, “our goal”, “our vision”, “we intend” or similar expressions that are forward-looking statements. All statements other than statements of historical facts are forward-looking statements. You should not place undue reliance on these forward-looking statements, which reflect the current views of the management of Bud APAC, are subject to numerous risks and uncertainties about Bud APAC and are dependent on many factors, some of which are outside of Bud APAC’s control. There are important factors, risks and uncertainties that could cause actual outcomes and results to be materially different, including but not limited to, the effects of the COVID pandemic and uncertainties about its impact and duration and the risks and uncertainties relating to Bud APAC as described in the prospectus of Bud APAC dated 18 September 2019, 2023 Annual Report and other documents that Bud APAC has made public. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

The forward-looking statements should be read in conjunction with the other cautionary statements that are included elsewhere, including Bud APAC’s prospectus dated 18 September 2019, 2023 Annual Report and any other documents that Bud APAC has made public. Any forward-looking statements made in this communication are qualified in their entirety by these cautionary statements and there can be no assurance that the actual results or developments anticipated by Bud APAC will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Bud APAC or its business or operations. Except as required by law, Bud APAC undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or developments or otherwise.

The 4Q23 and 4Q24 financial data set out in Annex 1 of this press release and the calculation of organic growth figures set out in Annex 2 of this press release are unaudited and prepared based on the Group’s internal records and management accounts and have not been reviewed or audited by independent auditors. Shareholders and potential investors are advised not to place undue reliance on the unaudited results.

The FY24 financial data set out in this press release have been extracted from the Group’s audited consolidated financial statements for the year ended 31 December 2024, which have been audited by our auditors, PricewaterhouseCoopers in accordance with IFRS Accounting Standards (“IFRSs”) issued by the International Accounting Standards Board and the IFRS Interpretations Committee interpretations and resulted in an unqualified audit opinion.



Budweiser Brewing Company APAC Limited
百威亞太控股有限公司

Press Release

Hong Kong / 26 February 2025 / 7.00am HKT

CONFERENCE CALL

Wednesday, 26 February 2025

11:30am Hong Kong

Please refer to dial-in details on our website at <https://budweiserapac.com/Upcoming/index.html>

About Budweiser Brewing Company APAC Limited

Budweiser Brewing Company APAC Limited (“Bud APAC”) is the largest beer company in Asia Pacific, with leadership positions in Premium and Super Premium beer segments. It brews, imports, markets, distributes and sells a portfolio of more than 50 beer brands, including Budweiser®, Stella Artois®, Corona®, Harbin®, Hoegaarden® and Cass®. Through its local subsidiaries, Bud APAC operates in its principal markets, including China, South Korea, India and Vietnam. Headquartered in Hong Kong SAR, China, Bud APAC operates 47 breweries and employs more than 21,000 colleagues across APAC.

Bud APAC is listed on the Hong Kong Stock Exchange under the stock code “1876” and is a constituent stock of the Hang Seng Index. The company is a subsidiary of Anheuser-Busch InBev, the public company based in Leuven, Belgium and listed on Euronext which has over 600 years of brewing heritage and an extensive global presence.

For more details, please visit our website at: <http://www.budweiserapac.com>.



ANNEX 1 – UNAUDITED 4Q24 FINANCIAL INFORMATION

The information below is prepared based on the Group's internal records and management accounts to provide additional information on our fourth quarter of 2023 (4Q23) and 2024 (4Q24) financial data. These data have not been reviewed or audited by independent auditors. Shareholders and potential investors are advised not to place undue reliance on the unaudited results.

Consolidated performance (million USD)

	4Q24	4Q23	Organic growth
Total volumes (thousand hls)	13,613	15,667	-12.7%
Revenue	1,142	1,293	-11.0%
Gross profit	521	617	-14.0%
Gross margin	45.6%	47.7%	-161 bps
Normalized EBITDA	228	266	-7.2%
Normalized EBITDA margin	20.0%	20.6%	84 bps
Normalized EBIT	69	102	-20.9%
Normalized EBIT margin	6.0%	7.9%	-81 bps
Loss attributable to equity holders of Bud APAC	(16)	(23)	
Normalized (loss)/profit attributable to equity holders of Bud APAC	1	38	



ANNEX 2 – UNAUDITED CALCULATION OF ORGANIC GROWTH FIGURES

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

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

All figures in the tables below are stated in million US dollar, except volumes (thousand hectoliters), organic growth (in % or bps) and Normalized EBITDA margin (in%).

Bud APAC	FY23	Scope	Currency Translation	Organic Growth	FY24	Organic Growth
Total volumes (thousand hls)	92,767	201	–	(8,157)	84,811	-8.8%
Revenue	6,856	(8)	(128)	(474)	6,246	-7.0%
Cost of sales	(3,403)	(32)	60	276	(3,099)	8.1%
Gross profit	3,453	(40)	(68)	(198)	3,147	-5.8%
Normalized EBIT	1,369	(45)	(24)	(140)	1,160	-10.5%
Normalized EBITDA	2,023	(53)	(38)	(125)	1,807	-6.3%
Normalized EBITDA margin	29.5%				28.9%	21 bps

Bud APAC	4Q23	Scope	Currency Translation	Organic Growth	4Q24	Organic Growth
Total volumes (thousand hls)	15,667	(110)	–	(1,944)	13,613	-12.7%
Revenue	1,293	(15)	2	(138)	1,142	-11.0%
Cost of sales	(676)	1	–	54	(621)	8.2%
Gross profit	617	(14)	2	(84)	521	-14.0%
Normalized EBIT	102	(21)	7	(19)	69	-20.9%
Normalized EBITDA	266	(25)	5	(18)	228	-7.2%
Normalized EBITDA margin	20.6%				20.0%	84 bps



ANNEX 3 – ORGANIC AND REPORTED GROWTH FIGURES

Growth %	BUD APAC		APAC West		APAC East		China	
	Organic	Reported	Organic	Reported	Organic	Reported	Organic	Reported
Volume								
4Q24	-12.7%	-13.1%	-17.0%	-17.4%	8.5%	8.5%	-18.9%	-18.9%
FY24	-8.8%	-8.6%	-10.6%	-10.3%	3.6%	3.6%	-11.8%	-11.8%
Revenue per hl								
4Q24	1.9%	1.6%	-0.1%	0.6%	-0.6%	-3.0%	-1.4%	0.1%
FY24	2.0%	-0.4%	-0.9%	-2.8%	8.7%	4.9%	-1.4%	-3.5%
Revenue								
4Q24	-11.0%	-11.7%	-17.0%	-16.9%	7.8%	5.2%	-20.1%	-18.9%
FY24	-7.0%	-8.9%	-11.4%	-12.8%	12.7%	8.8%	-13.0%	-14.9%
Normalized EBITDA								
4Q24	-7.2%	-14.3%	-20.4%	-23.6%	17.0%	4.5%	-19.9%	-17.6%
FY24	-6.3%	-10.7%	-14.0%	-17.6%	33.2%	25.7%	-13.2%	-15.0%