



ABInBev

TO A FUTURE WITH MORE CHEERS

COMPANY OVERVIEW AND BUSINESS MODEL

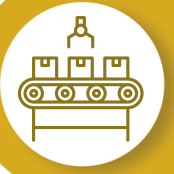
Global Brewing Leader

AB InBev is a Belgian-based multinational brewing company headquartered in Leuven. It is the world's largest brewer, with roughly 630 beer brands. The company operates in ~150 countries with ~175 major breweries and over 40 allied facilities (hops/malts) across the globe. As of 2024, AB InBev reported ~US\$59.8 billion in revenue and employs ~144,000 people worldwide.

COMPANY HIGHLIGHTS



2008 Merger:
The modern AB InBev was formed when InBev acquired U.S. giant Anheuser-Busch in 2008



PAB InBev alone accounts for ~30 % of global beer production, far exceeding most competitors..



It holds #1 market share in ~28 geographies and operates multiple billion-dollar brands.



Presence spans North America, Latin America, EMEA (Europe/Middle East/Africa), and Asia Pacific



AB InBev products include other local power brands tailored to regional tastes.

Value Proposition



- Anheuser-Busch InBev's value proposition lies in its ability to combine unmatched global scale with a diversified brand portfolio to serve a wide spectrum of consumers and occasions. As the world's largest brewer, AB InBev delivers consistent quality at scale, enabling cost efficiencies, competitive pricing, and strong margins across markets.
- The company creates value by owning powerful global and local brands that span mass, premium, and specialty segments, allowing it to capture consumers across income levels, geographies, and consumption moments. Its deep expertise in marketing, distribution, and execution ensures strong brand recall, high availability, and leadership at the point of sale.

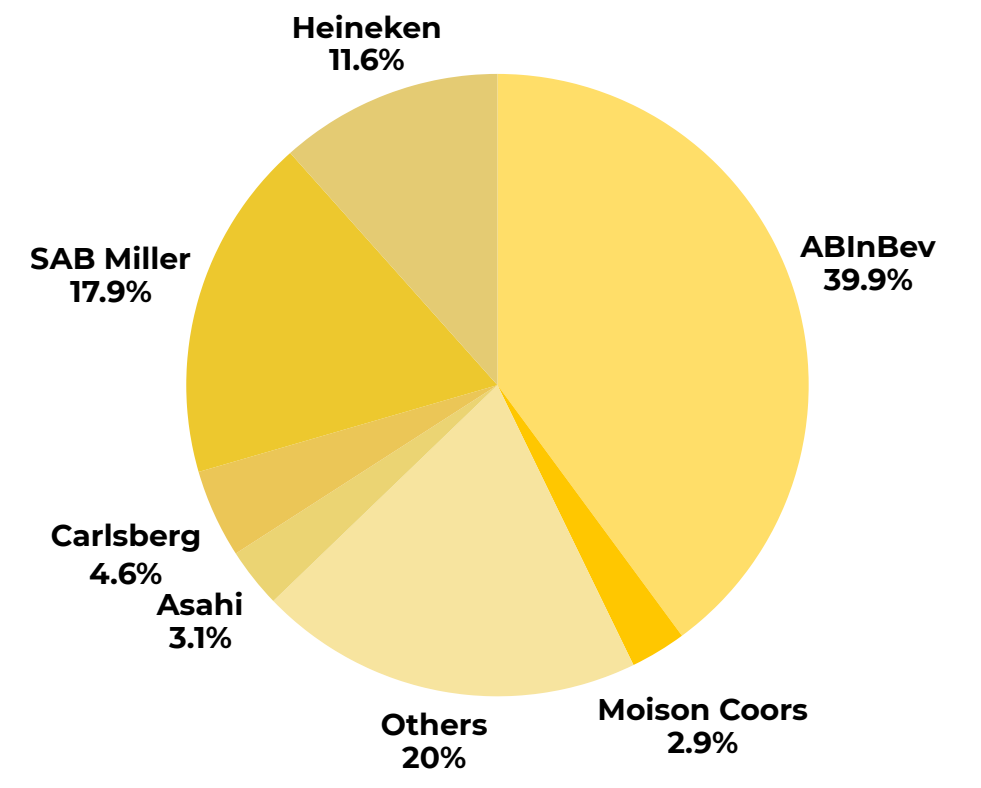
Flagship Brands

AB InBev's portfolio includes 630 beer brands globally.

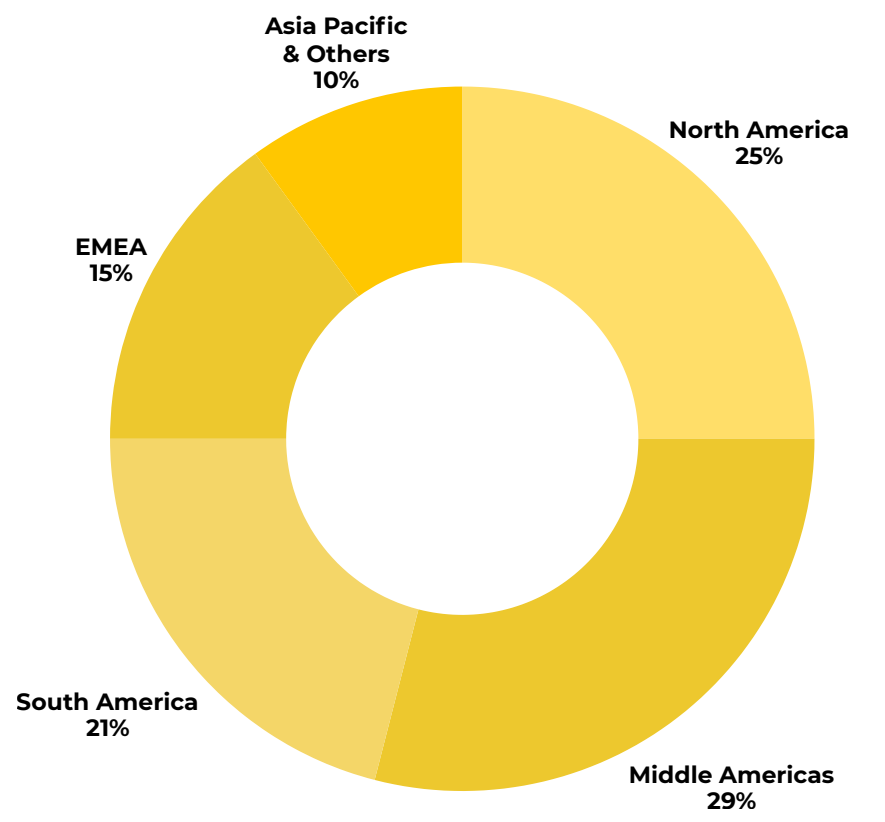
- **Budweiser** - Global flagship
- **Corona** – Ranked #1 most valuable beer brand globally in 2025
- **Stella Artois**- A top-tier Belgian lager often positioned as a premium, "reassuringly expensive" choice.
- **Michelob Ultra** – Top-selling beer in the US market 2025



Big 4 brewers dominate the global profit pool



Regional Revenue Breakdown (FY24)



BUSINESS MODEL & VALUE PROPOSITION



REVENUE STREAM

\$59.8 Billion

Revenue (FY2024)

57% **Megabrands**

- 57% of revenue driven by **top global brands** driving premiumisation.
- **Steady** revenue per hectolitre growth and **positive EBITDA** expansion

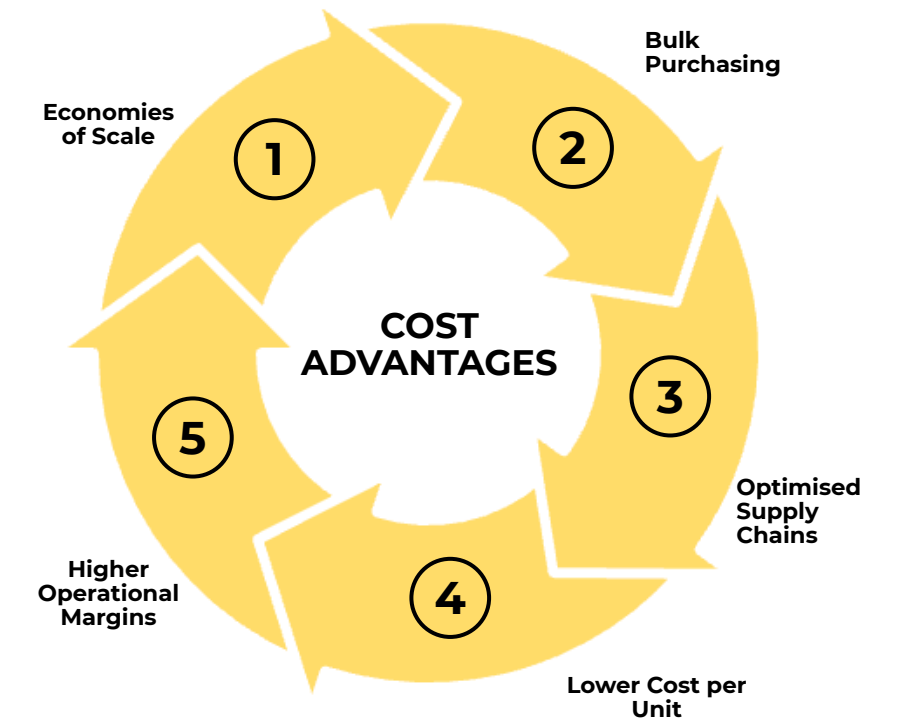
DISTRIBUTION & PARTNERSHIPS



- Global on-trade and off-trade presence in **over 100 countries**.
- **Millions of retail partners** ensure extensive market penetration.

COST ADVANTAGES

Scale advantage compounds lower cost.



Core Beer Sales

Core Beer Sales
Largest revenue driver from owned beer brands

Megabrands

Megabrands
Key brands driving revenue and growth

Beyond Beer

Beyond Beer
Growing streams of non-beer beverages

Route-to-Market

Route-to-Market
Monetization through digital and DTC initiatives

Channel & Geographic Sales

Channel & Geographic Sales
Revenue from on-trade and off-trade distribution

BEYOND BEER EXPANSION

RTDS
Ready-to-drink cocktails

Zero Alcohol
Growing portfolio of zero-alcohol beers like Corona Cero, Stella Artois 0.0

100+ countries

Hard Seltzers
hard seltzers, malt beverages

Energy Drinks
Non-alcoholic beer revenues grew significantly in recent quarters

This aligns with broader global consumer shifts toward healthier and lifestyle-oriented beverage choices.

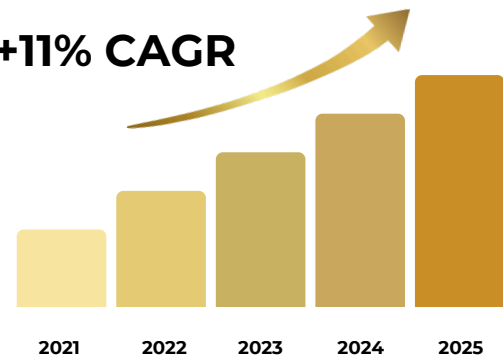
MARKET ANALYSIS



STRATEGIC INDUSTRY TRENDS

The "Lo-No" Revolution

+11% CAGR



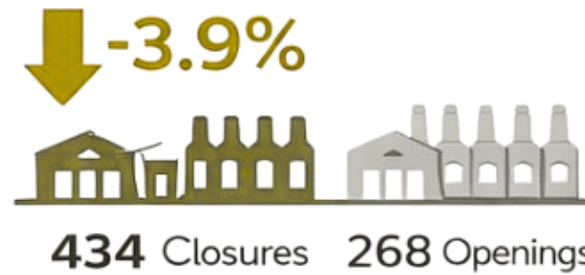
- Non-alcoholic beer is the fastest-growing segment
- Driven by health & moderation trends
- Brand Highlight: AB InBev's Corona Cero reported triple-digit volume growth in 3Q24.

Premiumization & "Mega Brands"



- Few global brands now drive majority of value
- Premium pricing offsets volume pressure

Craft Beer Maturation



- While global market size for craft is projected to grow to 242.79 billion by 2033, developed markets face headwinds.
- U.S. Performance: 2024 saw a 3.9% decrease in production volume.

BCG Matrix Analysis

STARS



Traditional mainstream brands like Budweiser and Stella Artois in developed markets. These provide the massive cash flow needed to pay down debt and fund dividends.

QUESTION MARK ?

The "Beyond Beer" portfolio (spirits-based RTDs) and the non-alcoholic segment (Corona Cero). These grew revenue by 27% in Q3 2025 but represent a smaller portion of the total volume.

CASH COW



Corona Extra and Michelob Ultra. Corona saw double-digit volume growth in over 33 markets in late 2025, and Michelob Ultra became the #1 brand by volume in the U.S. in 2025.

DOGS



Legacy value brands in declining developed markets. The company has begun divesting these, such as the sale of multiple craft brands to Tilray.

COMPETITION LANDSCAPE



- Heineken:** Focused on its "EverGreen" strategy, it saw 8.8% growth for its flagship brand in 2024.
- Carlsberg:** Is diversifying "beyond beer," notably acquiring the soft-drink producer BritVic in 2025 to bolster its non-alcoholic profile.
- Molson Coors:** Successfully premiumized its portfolio, with "Above Premium" brands now making up 22% of net revenue.

KEY COMPETITIVE FACTORS



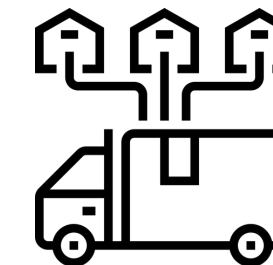
Scale & Efficiency



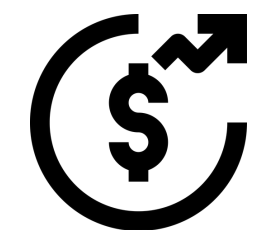
Brand Portfolio



Innovation (Lo-No)



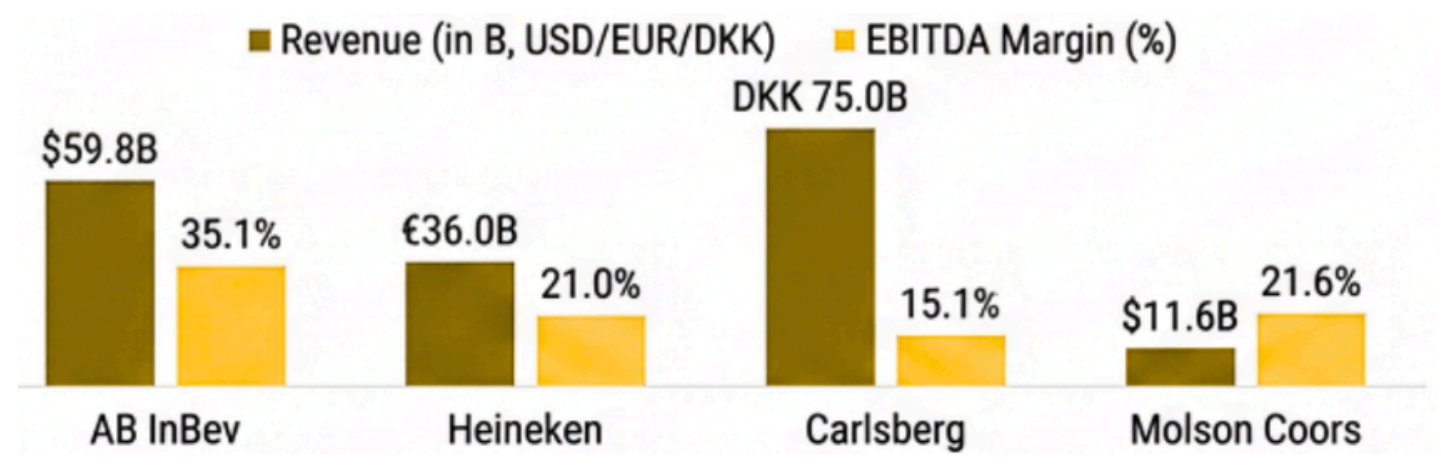
Distribution Network



Financial Discipline

FINANCIAL PERFORMANCE

Financial Performance



Digital Transformation

Reach 6M+ customers

Target - Total Ultimate Revenue

BEES Platform

Adoaption 75% of Total revenue via B2B

GMV Growth \$49B +19% yoy

Regional Revenue Breakdown

- Middle America**
 - Primary Profit Engine
 - 38% EBITDA
 - 9% organic vol. growth
- North America**
 - Michelob Ultra #1 US brand
 - 22 EBITDA, -8% vol.

EMEA
Premium portfolio = 60% revenue

- Asia Pacific**
 - Vol. -8.9%
 - China headwinds
- South America**
 - Brazils vols +1.5%
 - 2.0% organic growth

Region	Revenue	Percentage
EMEA	\$14.65B	24.5%
Asia Pacific	\$9.00B	10.4%
South America	\$12.42B	15.1%
North America	\$14.65B	15.1%
Middle America	\$17.07B	28.6%

Strategic Capital Allocation & Guidance

- Shareholders Return**
 - \$6B buyback
- Debt Target**
 - <2.0x (Currently 2.89x)
- Growth Outlook**
 - EBITDA +4.8%(2025)

Year	Debt Ratio
2025	2.89x
2026	19.7x
2027	13.2x
2028	<2.0x
2029	<2.0x
2030	<2.0x
2031	2.89x

WHY AB INBEV IS POSITIONED FOR FUTURE GROWTH

Revenue Management Efficiency

- All time revenue despite volume decline
- +4.3 % revenue per hectoliter

Premiumization Strategy

- 60% revenue from premium Potfolio in EMEA
- Michelob Ultra became #1 in U.S.

Digital Ecosystem Dominane

- BEES platform drives 75% of revenue and \$49B GMV connecting 6M+ customers.

Financial Discipline & Returns

- 60% revenue from premium Potfolio in EMEA
- Michelob Ultra became #1 in U.S.

CHALLENGES AND RISKS

COMMODITY COSTS

98% of US cans are produced domestically; tariffs pose a direct threat to COGS in the North American business.

50% ALUMINUM TARIFF

CURRENCY HEADWINDS

Significant exposure in emerging markets (Argentina/Brazil) continues to offset productivity gains.

TRANSACTIONAL FX

INTEREST RATES

High debt levels leave the company vulnerable to "higher-for-longer" interest rate environments, impacting free cash flow (FCF).

REFINANCING RISK

DEBT BURDEN

While down from \$70B+, the Net Debt/EBITDA remains at **3.1x-3.5x**, significantly higher than the industry median (1.78x).

\$62.4B In NET DEBT

VOLUME CONTRACTION & DEMAND ELASTICITY

Analysts (ING, Feb 2026) expect a transition year, with weak volume growth as consumers face price ceilings and shift to cheaper local alternatives.

Total Volume Decline:
Consolidated volumes fell **3.7%** in **Q3 2025**.

Segment Softness:
Beer volumes specifically dropped **3.9%**, with non beer down **2.2%**

Risk: Analyst consensus (ING, Feb 2026) suggests a "year of transition"

Regional Performance Volatility

AB InBev's global footprint is currently a double edged sword, with significant drag from two core markets.

THE CHINA CRISIS

↓ **15.2%** (Q2 2025) → ↓ **9.0%** (Q3 2025)

Causes: Slowing corporate hospitality, anti extravagance policies, and a structural shift toward at home consumption (lower margin).

BRAZIL

↓ **6.5%** BEER VOLUMES

Impacted by unseasonable weather and soft consumer environments

U.S. MARKET RECOVERY

While stabilising, Bud Light has still not "fully digested" the 2023-2024 boycotts, leaving the portfolio reliant on Michelob Ultra to maintain share.

STRATEGIC & STRUCTURAL CHALLENGES

Portfolio Cannibalization

Rapid expansion in No Alcohol (+27%) and Beyond Beer demands high CAPEX and marketing, risking cannibalisation

Taxation

FY25 ETR projected at 26%-28%, exposed to legislative volatility in key emerging markets.

INTERNAL

EXTERNAL

Water Scarcity

High-stress regions (Asia/Africa) face rising social and regulatory pressure over water use (2.38 hl/hl).

Competition

Competitors like Heineken gained share in Brazil and China amid AB InBev's recent volume declines.



FY2025 PERFORMANCE & 2026 OUTLOOK

ABI enters 2026 with a strategy focused on margin expansion over volume growth. While total volumes saw a slight decline in 2025, the company successfully offset this through aggressive pricing and a shift toward Beyond Beer and Premium portfolios.

TOTAL REVENUE (FY25)
\$59.32 B
 +2.0% YoY

NORMALIZED EBITDA
\$21.22 B
 +4.9% (35.8% Margin)

UNDERLYING EPS
\$3.73
 +6.0% (9.4% CC)

FREE CASH FLOW
\$11.3 B
 Unlocking Shareholder Return

NET DEBT/EBITDA
2.87x
 Improved from 2.89x

2026 FORWARD LOOKING GUIDANCE

Digital Ecosystem Evolution (BEES 2.0)

Marketplace GMV 2025



reached **\$3.5B in 2025** (up 61%). For 2026, the goal is to expand the **asset light model** where ABI distributes other companies products (snacks, other beverages) for a fee.

Ab InBev is beginning to monetize the anonymized data from the **3.7Mil monthly active users** on BEES, providing a new recurring revenue stream with near 100% gross margins.

Data Service Gross Margins

GROWTH CATALYSTS



FIFA World Cup 2026
As the primary sponsor, ABI expects massive volume spikes in the North America and Middle Americas (Mexico) segments.



Super Bowl & Winter Olympics
These are cited as specific moments of celebration where ABI's Megabrands (Budweiser, Michelob Ultra, Corona) typically gain 20-50 bps of market share.

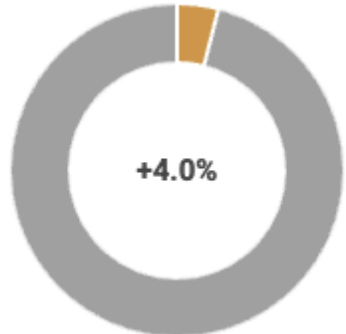


The 35% Threshold
Above core brands (Premium/Super Premium) now represent 35% of revenue. The outlook targets this reaching 40% by 2027, which would structurally lift EBITDA margins by another 100-150 bps.

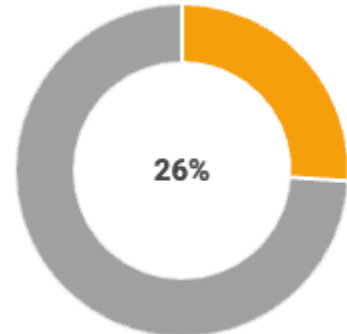


The Zero-Alcohol Pivot
No alcohol beer (e.g., Corona Cero) grew 34% in 2025. ABI expects this to be the fastest-growing sub-segment in 2026, targeting a balanced choices portfolio that addresses the Gen Z sober curious trend.

ESG / Sustainability Goals



Organic EBITDA Growth



Tax Rate



Net Debt/EBITDA 2026



ABI often includes "Smart Drinking" or "Water Stewardship" metrics in their guidance, especially alongside the "Zero-Alcohol Pivot" mentioned in the bottom right.

SHAREHOLDER RETURNS & CAPITAL ALLOCATION



Share Buyback Announcement
ABI launches \$6 billion share buyback program

Leverage Ratio Achieved
Net Debt/EBITDA ratio drops to 2.87x

Buyback Progress
Approximately \$635 million of buyback executed

Dividend Proposal
Board proposes €1.15 per share dividend for FY2025

Leverage Target Nearing
ABI aims to reach 2.4x–2.5x leverage ratio

Optimal Leverage Zone
ABI targets 2.0x Net Debt/EBITDA ratio

PRIORITIES

Debt reduction
– to maintain a strong balance sheet.

Dividends
to provide **direct cash returns** to shareholders.

Reinvestment
– in brands, **marketing, innovation, efficiency**.

How AB InBev Creates Value

Strong Global Brands
Brands like Budweiser, Corona, and Stella Artois allow premium pricing and steady demand.

Scale & Cost Efficiency
Global scale lowers production and distribution costs, improving margins.

Acquisition Synergies
Deals like SABMiller created cost savings and stronger global distribution.

Strong Cash Flow & Discipline
High cash flow supports debt reduction, dividends, and reinvestment.

A row of several beer bottles is shown in a dark, moody setting. The bottles are slightly out of focus, with the one in the foreground being more prominent. The lighting is low, creating a sense of depth and texture. The overall tone is dark and atmospheric.

THANK

YOU