

Registration number: 09492207

AB InBev UK Finance Company Limited

Report and Unaudited Financial Statements

31 December 2018

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COMPANIES HOUSE

AB InBev UK Finance Company Limited

Directors S J Turner
K JF Douws
S Jiang

Company secretary Brodies Secretarial Services Limited

Registered number 09492207

Registered office Bureau
90 Fetter Lane
London
EC4A 1EN

AB InBev UK Finance Company Limited

Directors' Report

for the Year Ended 31 December 2018

The directors present their report and the unaudited financial statements for the year ended 31 December 2018.

Results and dividends

The profit for the financial year, after taxation, amounted to \$72,705,000 (2017: \$42,334,000).

The Directors do not recommend the payment of a dividend (2017: \$nil).

Directors' of the company

The directors, who held office during the year, were as follows:

S J Turner

K JF Douws (appointed 25 June 2018)

S Jiang (appointed 25 June 2018)

Y N Bomans (resigned 25 June 2018)

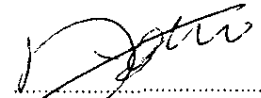
Deeds of indemnity

As at the date of this report and for the period, indemnities are in force under which AB InBev S.A, a fellow AB InBev group company, has agreed to indemnify the Directors of the Company, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company. These indemnities meet the definition of a qualifying third party indemnity provision.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 20/09/19 and signed on its behalf by:



K JF Douws
Director

AB InBev UK Finance Company Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- notify the shareholder in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AB InBev UK Finance Company Limited

Statement of Comprehensive Income for the Year Ended 31 December 2018

	<i>Note</i>	<i>2018</i> <i>\$ 000</i>	<i>2017</i> <i>\$ 000</i>
Administrative expenses		<u>(50)</u>	<u>(43)</u>
Operating loss	5	(50)	(43)
Interest receivable and similar income	6	72,798	43,083
Interest payable and similar charges	7	<u>-</u>	<u>(702)</u>
Profit before tax		72,748	42,338
Tax on profit	8	<u>(43)</u>	<u>(4)</u>
Profit for the year		<u>72,705</u>	<u>42,334</u>

The above results were derived from continuing operations.

The notes on pages 7 to 17 form an integral part of these financial statements.

AB InBev UK Finance Company Limited

Balance Sheet as at 31 December 2018

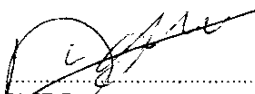
	Note	2018 \$ 000	2017 \$ 000
Fixed assets			
Investments	9	15,623,174	15,623,174
Current assets			
Debtors	10	3,110,143	3,037,448
Cash at bank and in hand		<u>17</u>	<u>(1)</u>
		3,110,160	3,037,447
Creditors: Amounts falling due within one year	11	<u>(62)</u>	<u>(54)</u>
Net current assets		<u>3,110,098</u>	<u>3,037,393</u>
Net assets		<u>18,733,272</u>	<u>18,660,567</u>
Capital and reserves			
Called up share capital	13	141,522	141,522
Capital contribution	14	(181)	(181)
Profit and loss account	14	<u>18,591,931</u>	<u>18,519,226</u>
Shareholders' funds		<u>18,733,272</u>	<u>18,660,567</u>

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 20/09/19 and signed on its behalf by:


JF Douws
Director

The notes on pages 7 to 17 form an integral part of these financial statements.

AB InBev UK Finance Company Limited

Statement of Changes in Equity

for the Year Ended 31 December 2018

	<i>Called up share capital \$ 000</i>	<i>Share premium account \$ 000</i>	<i>Capital contribution account \$ 000</i>	<i>Profit and loss account \$ 000</i>	<i>Total \$ 000</i>
At 1 January 2017	14,152,195	14,161,628	-	(9,695,409)	18,618,414
Profit for the year	-	-	-	42,334	42,334
Capital contribution	-	-	(181)	-	(181)
Reduction in share capital	(14,010,673)	-	-	14,010,673	-
Reduction in share premium	-	(14,161,628)	-	14,161,628	-
At 31 December 2017	141,522	-	(181)	18,519,226	18,660,567
Profit for the year	-	-	-	72,705	72,705
At 31 December 2018	<u>141,522</u>	<u>-</u>	<u>(181)</u>	<u>18,591,931</u>	<u>18,733,272</u>

The notes on pages 7 to 17 form an integral part of these financial statements.

AB InBev UK Finance Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

1 General information

AB In Bev UK Finance Limited is a private company limited by shares, incorporated and domiciled in England and Wales under the Companies Act 2006.

The address of its registered office is:

Bureau
90 Fetter Lane
London
EC4A 1EN
United Kingdom

These financial statements are presented in USD. The company's functional currency was determined by reference to the functional currency of its parent company. The company's functional currency is USD.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The financial statements are prepared on the historical cost basis of accounting, modified to include revaluation to fair value of certain financial instruments as outlined below, and in accordance with applicable accounting standards.

Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis.

A rounding level of \$000 has been applied to these financial statements.

Accounting policies have been applied consistently over the financial period and prior period.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

2 Accounting policies (continued)

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of i. paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 10(f) (statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' (inter group transactions).

Exemption from preparing group accounts

The financial statements contain information about AB InBev UK Finance Company Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent Anheuser-Busch InBev NV/SA, a company incorporated in Belgium.

AB InBev UK Finance Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

2 Accounting policies (continued)

Adoption of new and revised standards

New standards, interpretations and amendments effective

IFRS 9 and IFRS 15 are new accounting standards that are effective for the year ended 31 December 2018.

IFRS 9 Financial Instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The Company adopted IFRS 9 with a transition date of 1 January 2018. Management has performed an assessment of the intercompany loans held and believe that there is no difference between the contractual and expected future cash flows of those loans, which have all been documented. The loans are all repayable on demand and therefore the simplified approach under IFRS 9 has been followed with 12 month expected credit losses analysed. The impact of this is not material to these financial statements and therefore the loans have not been credit-impaired at the reporting date. Equity investments classified as available-for-sale financial assets under IAS 39 have been classified as being at Fair Value through Other Comprehensive Income (FVTOCI) under IFRS 9. All fair value gains in respect of those assets are recognised in other comprehensive income and are not recycled to profit or loss. Previously under IAS 39, impairment of such assets were recognised in profit or loss, and gains and losses accumulated in reserves were recycled to profit or loss on disposal. As a result of the adoption of IFRS 9 and the changes in the financial instruments accounting policy, there were no adjustments made to the Company's retained earnings as at 1 January 2018 or 1 January 2017 and there were no adjustments made to line items in the Profit and loss account and other comprehensive income statement for the year ended 31 December 2017 relating to the adoption of IFRS 9.

Investments

The investment has been classified as being Fair Value through Other Comprehensive Income (FVTOCI). Gains and losses arising from changes in the fair value are recognized in other comprehensive income. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised through other comprehensive income is reclassified to profit and loss.

Amounts due from group undertakings

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash at bank and in hand are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2018

2 Accounting policies (continued)

Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instrument transactions are explained below:

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

The Company seeks to use valuation techniques using inputs that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), but where such inputs are not observable, fair value is derived using valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Financial liabilities

Financial guarantees are initially recognised at fair value and are subsequently measured at the higher of (a) the amount determined in accordance with IFRS 9 and (b) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IFRS 9.

Creditors

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Interest receivable and similar income

Interest receivable and similar income is recognised in the statement of comprehensive income using the effective interest method.

AB InBev UK Finance Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

2 Accounting policies (continued)

Interest payable and similar costs

Interest expense is recognised as it accrues on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Tax

The tax currently receivable/payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's asset/liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Notes to the Unaudited Financial Statements
for the Year Ended 31 December 2018

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not feel there are any areas of estimation or accounting judgements which are required.

Available-for-sale financial assets

To determine the fair value of the investment, management have had regard to the underlying investments of ABI UK Holding 1 Limited, which holds the investment in the AB InBev group of companies.

Management have considered events that have occurred between 1 January 2018 and the financial statement reporting date at 31 December 2018 and concluded that there have not been any changes in the operations or operating environment of the AB InBev group or any other significant events that would materially affect the fair value of ABI UK Holding 1 Limited.

4 Directors' remuneration

None of the Directors received remuneration from the Company. The Directors acting during the year were remunerated by other AB InBev group companies. The services to this Company and to a number of fellow subsidiaries are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to other group companies. Accordingly, no further emoluments details are disclosed in this Company's financial statements.

AB InBev UK Finance Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

5 Operating profit

Arrived at after charging:

	<i>2018</i> <i>\$ 000</i>	<i>2017</i> <i>\$ 000</i>
Auditors remuneration	<u>46</u>	<u>7</u>

6 Interest receivable and similar income

	<i>2018</i> <i>\$ 000</i>	<i>2017</i> <i>\$ 000</i>
Interest receivable from group companies	72,798	42,657
Bank interest receivable	<u>-</u>	<u>426</u>
	<u>72,798</u>	<u>43,083</u>

7 Interest payable and similar charges

	<i>2018</i> <i>\$ 000</i>	<i>2017</i> <i>\$ 000</i>
Foreign exchange losses	-	670
Other interest payable	<u>-</u>	<u>32</u>
	<u>-</u>	<u>702</u>

AB InBev UK Finance Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

8 Income tax

Tax charged in the statement of comprehensive income

	2018 \$ 000	2017 \$ 000
Current taxation		
UK corporation tax	<u>43</u>	<u>4</u>

The tax on profit for the year is lower than the standard rate of corporation tax in the UK (2017 - lower than the standard rate of corporation tax in the UK) of 19.00% (2017 - 19.25%).

The differences are reconciled below:

	2018 \$ 000	2017 \$ 000
Profit before tax	<u>72,748</u>	<u>42,338</u>
Profit multiplied by standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	13,822	8,148
Group relief received for nil consideration	(13,822)	(8,148)
Foreign exchange	<u>43</u>	<u>4</u>
Total tax charge for the year	<u>43</u>	<u>4</u>

Under the Finance (No.2) Act 2016, which received Royal Assent on 15 September 2016, the UK corporation tax rate will be reduced to 17% effective from 1 April 2020. The reduction to the tax rate included in the Finance (No. 2) Act 2016 was enacted at the balance sheet date and the effect thereof is therefore reflected in these financial statements.

AB InBev UK Finance Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

9 Investments

\$ 000

Fair value

At 1 January 2017 and 31 December 2018

15,623,174

Details of investments as at 31 December 2018 are as follows:

<i>Name of company</i>	<i>Registered office</i>	<i>Holding</i>	<i>Proportion of ownership interest and voting rights held</i>	
			<i>2018</i>	<i>2017</i>
ABI UK Holding 1 Limited	Porter Tun House, 500 Capability Green, Luton, Bedfordshire, United Kingdom, LU1 3LS	Ordinary shares	13.56%	13.56%

10 Debtors

	<i>2018</i>	<i>2017</i>
	<i>\$ 000</i>	<i>\$ 000</i>
Amounts due from group undertakings	3,109,448	3,036,710
Corporation tax	<u>695</u>	<u>738</u>
	<u>3,110,143</u>	<u>3,037,448</u>

Interest receivable from group undertakings is charged at the average interest rate of 7.5% (2017: 7.5%).

AB InBev UK Finance Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

11 Creditors: Amounts falling due within one year

	2018 \$ 000	2017 \$ 000
Trade creditors	42	32
Accruals and deferred income	20	22
	<u>62</u>	<u>54</u>

12 Financial instruments

	2018 \$ 000	2017 \$ 000
Financial assets available for sale		
Available for sale investment (Note 9)	<u>15,623,174</u>	<u>15,623,174</u>
	<u>15,623,174</u>	<u>15,623,174</u>
Financial assets at amortised cost		
Amounts due from group undertakings at amortised cost	<u>3,109,448</u>	<u>3,036,710</u>
	<u>3,109,448</u>	<u>3,036,710</u>
	2018 \$ 000	2017 \$ 000
Financial liabilities at amortised cost		
Trade payables	42	32
Accrued expenses	20	22
	<u>62</u>	<u>54</u>

13 Share capital

	No. 000	2018 \$ 000	No. 000	2017 \$ 000
Ordinary shares of \$0.01 (2016 - \$1) each	<u>14,152,195</u>	<u>141,522</u>	<u>14,152,195</u>	<u>141,522</u>

Notes to the Unaudited Financial Statements
for the Year Ended 31 December 2018

14 Reserves

Capital contribution account

The capital contribution account represents the amounts given to other group companies with no consideration.

Profit and loss account

The balance in the profit and loss account represents the total distributable reserves of the Company.

15 Parent and ultimate parent undertaking

The ultimate parent company and controlling party is Anheuser-Busch InBev NV/SA and the immediate parent company is Ambrew S.à.r.l, a company incorporated in Luxembourg.

The largest and smallest group to consolidate these financial statements is Anheuser-Busch InBev NV/SA, incorporated in Belgium. The consolidated financial statements are available to the public and may be obtained from Anheuser-Busch InBev, Grand' Place 1, Brussels, Belgium.

AB InBev UK Finance Company Limited

Company Number: 09492207

Minutes of a meeting of the board of directors of AB InBev UK Finance Company Limited ("**Company**") held at Bureau, 90 Fetter Lane, London on *20 September* 2019 at

Present: Kevin Jean-Frederic Douws

Sibil Jiang

Stephen John Turner

1 Chairperson

KEVIN DOUWS was appointed chairperson of the meeting.

2 Notice and quorum

The chairperson reported that due notice of the meeting had been given and that a quorum was present. Accordingly, the chairperson declared the meeting open.

3 Declarations of interest

3.1 Each director present declared the nature and extent of his/her interest in the proposed business to be approved at the meeting in accordance with the requirements of section 177 of the Companies Act 2006 ("**Act**").

3.2 It was noted that, pursuant to the Company's articles of association, a director may vote and form part of the quorum in relation to any matter in which he is interested.

4 Business of the meeting

The chairman reported that the business of the meeting was to consider and, if deemed fit, approve the annual report of the Company for the year ended 31 December 2018 (the "**Annual Report**").

5 Documents produced to the meeting

The Annual Report was produced at the meeting.

6 Resolutions

6.1 The Chairman confirmed that he, in his capacity of chief financial officer of the Company, had reviewed the Annual Report and was satisfied of its accuracy and that it met with his approval. The Chairman further confirmed that all other directors had reviewed the Annual Report and, accordingly, IT WAS RESOLVED that the:

6.1.1 Annual Report be approved and that any director of the Company be authorised to execute the same on behalf of the Company; and

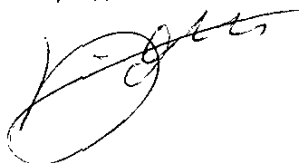
6.1.2 any director be authorised to execute such other documents and do such acts matters or things as he may deem necessary or desirable to give effect to the resolutions referred to herein.

7 Close

There was no further business and the chairman declared the meeting closed.

KEVIN DOUWES

Chairperson

A handwritten signature in black ink, appearing to be 'KEVIN DOUWES', written over a horizontal dotted line.