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Budweiser Brewing Company APAC Limited

百威亞太控股有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock code: 1876)

ADOPTION OF THE NEW RESTRICTED STOCK UNITS PLAN

The Board has adopted the New Restricted Stock Units Plan to, among other things, recognise the contributions by, and to attract, motivate and retain, employees of the Company or any member of the Group.

The New Plan will be valid and effective from the Adoption Date until its tenth anniversary (or such earlier date as the New Plan is terminated).

The Board considers it is in the best interests of the Company and its Shareholders to adopt the New Plan. The New Plan reflects the latest remuneration policy of the Group, which gives the Board and Remuneration Committee greater flexibility to specify the terms of RSUs to cater for different groups of Participants in relation to long term incentives. The other Share Award Schemes will continue to be in effect.

The New Plan does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules. No shareholders' approval is required to adopt the New Plan.

ADOPTION OF THE NEW RESTRICTED STOCK UNITS PLAN

(a) Purpose

The Board has adopted the New Plan. The purposes and the objectives of the New Plan are to attract skilled and experienced personnel, to incentivise them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

The Board considers it is in the best interests of the Company and its Shareholders to adopt the New Plan. The New Plan reflects the latest remuneration policy of the Group, which gives the Board and Remuneration Committee greater flexibility to specify the terms of RSUs to cater for different groups of Participants in relation to long term incentives. The other Share Award Schemes will continue to be in effect.

(b) Administration

The Board will be responsible for the administration of the New Plan. The Board may delegate part or all powers under the New Plan to the Remuneration Committee. In the case of a delegation of powers, the Board may retain full authority to exercise all the rights and obligations of the Remuneration Committee under the New Plan at any time whatsoever, or to delegate them to another committee constituted by the Board.

(c) Trustee

The Board has appointed a Trustee to assist with the administration and vesting of the RSUs to be granted pursuant to the New Plan. The Company may: (a) (subject to compliance with the Listing Rules) allot and issue Shares to the Trustee which will be used to satisfy the RSUs upon vesting; and/or (b) direct and procure the Trustee to make on-market purchases of Shares to satisfy the RSUs upon vesting. The Board will, to the extent permitted by applicable laws, provide sufficient funds to the Trustee by whatever means as the Board may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration and vesting of RSUs under the New Plan.

(d) Grants of RSUs

(i) Making an RSU Offer

Subject to the New Plan, the Board may, from time to time, at its absolute discretion make an offer of a grant of RSUs to a Participant. An offer of the grant of RSUs (an “**RSU Offer**”) is made to a Participant by an RSU offer letter (an “**RSU Offer Letter**”) requiring the Participant to undertake to hold the RSUs on the terms on which it is to be granted (which include the vesting date and performance conditions that must be satisfied before an RSU will vest in whole or in part) and to be bound by the terms of the New Plan and any other terms and conditions as contained in the RSU Offer Letter.

(ii) Acceptance of an RSU Offer

An RSU Offer is accepted by the Participant when the Participant returns the completed Acceptance Form to the Company before the expiry of the period specified in the RSU Offer Letter. A Participant who fails to return the completed Acceptance Form before the expiry of the confirmation period will be deemed to have refused the RSU Offer and the RSUs.

(iii) Restrictions

No offer of RSUs will be made to, nor will any RSU Offer be capable of acceptance by, any Participant at a time when the Participant would or might be prohibited from dealing in the Shares by the Listing Rules or any other applicable laws, regulations or rules (including the Code of Dealing of the Company). No RSU Offer may be made while the Company is in possession of inside information until such inside information ceases to be inside information. In particular, the Company may not make any RSU Offers during the period commencing one month immediately preceding the earlier of:

- (1). the date of a meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (2). the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

Where an RSU Offer is made to a Director who, because of his/her office or employment in the Company or any member of the Group, is likely to be in possession of unpublished price-sensitive information in relation to the Shares, no RSU Offer may be made on any day when the financial results of the Company are published and during the period of:

- (x). 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (y). 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

(iv) Offer to connected persons

Any RSU Offer to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, will be subject to the prior approval of the Independent Non-executive Directors (excluding the Independent Non-executive Director who is the proposed Participant of the RSU Offer in question) and all grants to connected persons will be subject to compliance with the requirements of the Cayman Companies Law and the Listing Rules, including where necessary the prior approval of the Shareholders.

(e) Maximum Limit

At any time during the term of the New Plan, the maximum aggregate number of Shares with respect to which RSUs may be granted pursuant to the New Plan will be the “**Plan Mandate Limit**” calculated in accordance with the following formula:

$$\text{Plan Mandate Limit} = A - B - C$$

Where:

A = 10% of the Shares in issue on the date the Company was listed or 10% of the Shares in issue as at the date of approval of the renewed limit (the “**New Approval Date**”);

B = the maximum aggregate number of Shares that may be transferred upon the vesting of RSUs that have already been granted pursuant to the New Plan; and

C = the maximum aggregate number of Shares that may be transferred upon the vesting or exercise of any awards that have already been granted pursuant to any other Share Award Schemes.

Shares in respect of RSUs which have lapsed in accordance with the terms of the New Plan (or awards that have lapsed under any other Share Award Schemes) will not be counted for the purpose of determining the maximum aggregate number of Shares in respect of which RSUs may be granted pursuant to the New Plan.

Shares in respect of which RSUs are granted pursuant to the New Plan (including those outstanding, lapsed or vested RSUs) prior to the New Approval Date will not be counted for the purpose of determining the maximum aggregate number of Shares in respect of which the RSUs may be granted following the New Approval Date under the limit as renewed.

(f) Vesting and Lapse

The RSUs are subject to a vesting period running from the grant date to the vesting date as described in an RSU Offer Letter. On or shortly after the vesting date, the Company will deliver (or procure the Trustee to deliver) the relevant number of Shares to the Participant, subject to the terms and conditions of the New Plan, the RSU Offer Letter and the Acceptance Form; provided, however, that in the case of any Participant that is a US taxpayer, the relevant number of Shares will be delivered to the Participant no later than the fifteenth day of the third month following the end of the taxable year of the Company in which the vesting date occurs, unless otherwise determined by the Board and expressly set forth in an applicable RSU Offer Letter.

Notwithstanding the foregoing, but in all events subject to the proviso above, if the Company, the Trustee or any Participant would or might be prohibited by the Listing Rules or by any other applicable laws, regulations or rules (including the Code of Dealing of the Company) from dealing in the Shares, the date on which the relevant Shares under the RSUs will be transferred to the Participant will occur as soon as possible after the date when such dealing is permitted.

(g) Rights Attached to the RSUs

During the vesting period, RSUs entitle their holders to a dividend equivalent, which represents an amount equal to the gross dividend paid by the Company on the Shares underlying the RSUs. This dividend equivalent will be granted to the Participants on or shortly before the vesting date of the RSUs in the form of additional RSUs with the same vesting conditions, including the same vesting date, and governed by the same terms and conditions as the original RSUs.

The additional Restricted Stock Units to which a Participant is entitled upon payment of dividends will be capitalised on a yearly basis up until the vesting date of the RSUs.

The number of additional RSUs to which a Participant is entitled upon payment of a dividend on the Shares underlying the RSUs will be calculated by the Company. The number of additional RSUs will be equal to the sum of each gross dividend divided by the market value on the Stock Exchange of the Shares on each relevant dividend payment date and multiplied by the number of compounded RSUs that the Participant holds on the vesting date. The final result will be rounded down to nearest unit.

(h) Transferability of the RSUs

The RSUs will be personal to the Participant and will not be assignable or transferable and the Participant will not in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to the RSUs, provided that, subject to the terms of the New Plan, the RSUs may be transferred upon the death of a Participant.

(i) Rights Attached to the Shares

The Shares to be delivered to the holders of RSUs upon vesting of RSUs will rank *pari passu* with existing ordinary Shares with all rights and benefits generally attached to such Shares. Unless agreed otherwise between the Participant and the Company, the Shares delivered upon vesting of RSUs are not subject to any transfer restrictions under the terms of the New Plan.

(j) Change of Control

If prior to the vesting date, any of the following events take place:

- (i) a general offer by way of a takeover or otherwise (other than by way of scheme of arrangement pursuant to the terms of the New Plan) which is made by any person to acquire all the Shares (other than those already owned by the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becoming or being declared unconditional; or
- (ii) a scheme of arrangement whereby an offer is made to all the Shareholders to acquire all their Shares and which is approved by the necessary number of Shareholders at the requisite meeting(s); or

- (iii) a compromise or arrangement (other than a scheme of arrangement contemplated pursuant to the terms of the New Plan) between the Company and the Shareholders and/or the creditors of the Company pursuant to the Cayman Companies Law is proposed for the purpose of or in connection with a plan for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iv) a voluntary winding-up of the Company is approved by the Shareholders,

the Board will have the sole discretion to determine whether any RSUs will be accelerated and the date and terms of any acceleration. Any RSUs which are not accelerated at the discretion of the Board will lapse immediately.

(k) Lapse of RSUs

Subject to the terms and conditions of the New Plan, the RSUs will lapse automatically and become null and void (to the extent not already vested) in accordance with certain events specified in the RSU Offer Letter of the relevant Participant. These events may include:

- (i) failure to achieve performance conditions that must be satisfied by the Participant before an RSUs will vest in whole or in part;
- (ii) occurrence of conduct which the Participant is responsible for that contributes to a material adverse decision being made against the Company or a member of the Group or a material breach of the Code of Business Conduct of the Company before the vesting date;
- (iii) termination for serious cause or due to divestiture or outsourcing of the Participant before the vesting date; and
- (iv) resignation before a Cumulated Age of 70.

(l) Changes to Capital Structure

In the event of changes to the capital structure of the Company by way of a capitalisation of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of shares or reduction of the share capital of the Company in accordance with applicable laws and the Listing Rules (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company or any member of the Group is a party or in connection with any share option, restricted share or other Share Award Schemes) or reclassifications of the Shares, mergers, (partial) demergers, as well as the right to amend the clauses in the articles of association governing the allocation of profits or liquidation, which have an unfavourable effect on the RSUs, the number of RSUs and/or the number of Shares to which the RSUs give rights will be adjusted for the purpose of safeguarding the interests of the holders of RSUs, in the manner determined at the sole discretion of the Board, subject to any required action by a meeting of Shareholders. The terms of such adjustment will be communicated to the Participants in due course.

(m) Modification to the New Plan

The Board may unilaterally modify at any time the practical and/or accessory modalities of the terms and conditions of the New Plan and any related documents. It may also unilaterally modify such terms and conditions at any time, including but not limited to when such modifications are required to comply with any changes in legislation, so long as such modifications comply with the requirements of the Cayman Companies Law and the Listing Rules, to the extent applicable. The Board may amend any performance or vesting conditions that apply to the RSUs if there is an event that causes it to consider that the performance or vesting conditions should be amended.

(n) Term and Termination of the New Plan

The New Plan will be valid and effective from the Adoption Date until its tenth anniversary (or such earlier date as the New Plan is terminated).

The Company may by ordinary resolution in general meetings, or the Board may at any time, terminate the New Plan and in such event, no further RSUs may be granted but in all other respects the terms of the New Plan will remain in full force and effect in respect of the RSUs which are granted during the term of the New Plan and which remain unvested immediately prior to the termination of the New Plan. Upon termination of the New Plan, any assets held by the Trustee for the purposes of the New Plan will be sold and the proceeds, together with any cash held by the Trustee under the New Plan, remitted to the Company, as settlor of the trust, for its absolute benefit provided that the Trustee will not be permitted to sell the assets held on trust by it to the extent that it would result in it holding insufficient assets to satisfy the Shares underlying any unvested RSUs.

LISTING RULES IMPLICATIONS

The New Plan does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules. No shareholders' approval is required to adopt the New Plan.

DEFINITION

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

Term	Definition
“Acceptance Form”	the form in which the Participant confirms, among other things, his/her acceptance of the RSU Offer and the terms and conditions of the New Plan and the RSU Offer Letter
“Adoption Date”	25 November 2020, being the date on which the New Plan is adopted by the Company
“Board”	the board of Directors of the Company
“Cayman Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of Cayman Islands, as amended and restated from time to time

“Company”	Budweiser Brewing Company APAC Limited, a limited liability company organised and existing under the laws of the Cayman Islands and whose Shares are listed on the Stock Exchange
“Cumulated Age”	sum, on the 31 st December of the year on which the end of employment or engagement takes place, of: (i) the age of the Participant; and (ii) the number of years of employment of the Participant within the Group
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Plan”	the New Restricted Stock Units Plan adopted by the Company on the Adoption Date
“Participant(s)”	any employee(s) of the Company or any member of the Group
“Remuneration Committee”	the remuneration committee of the Company from time to time
“RSU(s)”	restricted stock unit(s), being contingent rights to receive from the Company Share(s) which is/are granted pursuant to the New Plan
“Share(s)”	ordinary shares in the share capital of the Company with a nominal value of USD0.00001 each
“Shareholder(s)”	holder(s) of Shares
“Share Award Schemes”	(i) the New Plan and (ii) the Discretionary Restricted Stock Units Plan, the Share-Based Compensation Plan, the People Bet Plan, and the Discretionary Long-Term Incentive Plan of the Company, each of which was approved on 9 September 2019
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	the professional trustee from time to time of the New Plan appointed by the Company
“%”	per cent

By Order of the Board
Budweiser Brewing Company APAC Limited
Renrong Wang
Joint Company Secretary

Hong Kong, 26 November 2020

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. Carlos Brito as Co-Chair and Non-executive Director, Ms. Katherine Barrett (Mr. John Blood as her alternate) and Mr. Nelson Jamel (Mr. David Almeida as his alternate) as Non-executive Directors, and Mr. Martin Cubbon, Ms. Mun Tak Marjorie Yang and Ms. Katherine King-suen Tsang as Independent Non-executive Directors.