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)

CONTINUING CONNECTED TRANSACTIONS SETTING OF NEW ANNUAL CAPS FOR THE ABI LICENSES TO IMPORT

We refer to the sections headed "Connected Transactions — Non-Exempt Continuing Connected Transactions" and "Connected Transactions — Fully Exempt Continuing Connected Transactions" in the Prospectus and the Company's announcement dated 29 September 2023 (the "**Announcement**") in relation to, among other things, amendments to the Importation Framework Agreement entered into between the Company and AB InBev and the ABI Licenses to Import contemplated thereunder. Unless otherwise stated, capitalised terms used in this announcement shall have the same meaning ascribed in the Prospectus.

SETTING OF NEW ANNUAL CAPS FOR THE ABI LICENSES TO IMPORT

In accordance with Rule 14A.53 of the Listing Rules, the Directors (including the independent non-executive Directors but excluding the Directors who have abstained from voting) have agreed to set the new annual caps for the maximum aggregate fees payable for the sale to AB InBev under the ABI Licenses to Import at USD220 million and USD253 million for the years ending 31 December 2026 and 2027, respectively.

1. SETTING OF NEW ANNUAL CAPS FOR THE ABI LICENSES TO IMPORT

The major terms of the Importation Framework Agreement are as follows:

Subject matter

On 2 July 2019, the Company and AB InBev entered into the Importation Framework Agreement (as amended on 12 September 2019 and 29 September 2023), pursuant to which the Company agrees to procure members of the Group to grant, subject to limited exceptions, the relevant AB InBev Group members: (i) exclusive licenses to import for sale, sell and distribute and (ii) non-exclusive licenses to advertise and promote the Group's products and the AB InBev Products outside of the APAC Territories.

The licenses granted will be subject, in particular, to (i) the terms of agreements between the Group and third parties existing as of the date of the Importation Framework Agreement and (ii) any limitations in the licenses granted to the Group.

The respective Group member and AB InBev Group member shall enter into subsidiary agreements which will set out more specific terms and conditions based on the principles and terms of the Importation Framework Agreement. The subsidiary agreements will set out, among other terms, the licensee and licensor, license scope, territory, duration, import price, delivery and title transfer terms, payment and credit terms, and other license terms.

Term and Termination

The Importation Framework Agreement has a term of 25 years effective on the Listing Date.

The Importation Framework Agreement may be terminated by AB InBev if (a) AB InBev ceases to hold at least 30% of shares of the Company and (b) as to the application of the Importation Framework Agreement to any subsidiary of the Company only, sale or transfer of such Company subsidiary to a third party, or a third party otherwise holding, more than 10% of such subsidiary's shares.

Pricing policy

The import price (being the AB InBev Product's or the Group's product's cost per unit of volume imported for sale outside of the APAC Territories) will be determined among the respective parties from time to time on an arm's length basis.

When an AB InBev Product or a Group product is first introduced to a new territory under the Licenses to Import or if an existing license is renewed, AB InBev and the Company will agree on the import price of such product.

The import price for each product will be agreed by AB InBev and the Company based on (a) production cost of the imported product and (b) a mark-up, covering (i) an allocation of certain indirect costs (including logistics cost, overhead cost, depreciation, amortization and other costs as AB InBev and the Company may deem relevant), (ii) distribution royalty component determined using the pricing policies set out for royalty under the licenses to manufacture, and (iii) an exporter margin set by reference to a transfer pricing benchmark report, or by reference to a historical import agreement entered into between AB InBev and a third party considering such other factors as AB InBev and the Company may deem relevant in the end-market.

Adjustment of the pricing mechanism

The import price may be reviewed periodically and adjusted, including retrospectively, to the extent an adjustment is necessary to ensure that the payments are on an arm's length basis as mutually agreed by both parties based on adjustments in accordance with, among others, transfer pricing policies, consumer inflation in the relevant territory in which the product is imported, and producer price inflation.

Payment arrangement

Generally, invoices will be issued at each shipment of products which must be paid within 20 days following the month of invoice, but the parties may agree different payment arrangements depending on the specific circumstances of each subsidiary agreement.

Historical Transaction Amounts and Annual Caps

From the Listing Date until 29 September 2023, the transaction amounts under the Existing ABI Licenses to Import were below the de minimis thresholds under Rule 14A.76 of the Listing Rules.

During the period between 29 September 2023 and 31 December 2023, and the two years ended 31 December 2024 and 2025, the historical transaction amounts for the sale to AB InBev under the ABI Licenses to Import are USD52 million, USD55 million and USD74 million, respectively.

In accordance with Rule 14A.53 of the Listing Rules, the Directors (including the independent non-executive Directors but excluding the Directors who have abstained from voting) have agreed to set the new annual caps for the maximum aggregate fees payable for the sale to AB InBev under the ABI Licenses to Import at USD220 million and USD253 million for the years ending 31 December 2026 and 2027, respectively.

The annual caps were determined after taking into account: (a) the historical transaction amounts for the sale to AB InBev under the ABI Licenses to Import, and (b) an estimation of excess capacity to produce products for sale to AB InBev under the ABI Licenses to Import.

The terms of the Importation Framework Agreement will remain unchanged with the setting of the annual caps for the years ending 31 December 2026 and 2027.

2. REASONS FOR AND BENEFITS OF THE ABI LICENSES TO IMPORT

The Company produces, imports, markets, distributes and sells a portfolio of more than 50 beer brands which the Company owns or has been licensed. Through entering into the ABI Licenses to Import, the Company could further optimize the utilization of its excess capacity in APAC. In addition, the export of both AB InBev Products and the Group's products to the AB InBev Group pursuant to the ABI Licenses to Import would contribute to the Company's revenue, which is in the best interest of the Company and the Shareholders.

3. LISTING RULES IMPLICATIONS

As AB InBev is the controlling shareholder of the Company, AB InBev is a connected person of the Company. Accordingly, the transactions under the ABI Licenses to Import constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as set out in Rule 14.07 of the Listing Rules) with respect to the annual caps for the transactions contemplated under the ABI Licenses to Import is expected to be more than 0.1% but less than 5%, such transactions are exempt from the circular and independent shareholders' approval requirements but will be subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

Directors who are members of senior management of AB InBev have a material interest in the Importation Framework Agreement and the ABI Licenses to Import contemplated thereunder. Accordingly, they had abstained from voting on the resolutions of the Board to approve the setting of new annual caps for the ABI Licenses to Import. Except for such Directors, none of the Directors have a material interest in the Importation Framework Agreement and the ABI Licenses to Import contemplated thereunder.

The Directors (including the independent non-executive Directors but excluding the Directors who have abstained from voting) are of the view that (i) the Importation Framework Agreement and the ABI Licenses to Import contemplated thereunder have been and will be conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, and are fair and reasonable and in the interests of our Shareholders as a whole, and (ii) the proposed annual caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

4. GENERAL INFORMATION

The Company is a company incorporated under the laws of the Cayman Islands as an exempted company with limited liability and the Shares are listed on the main board of the Stock Exchange. The Company is an investment holding company. The Company and the Group are principally engaged in the brewing and distribution of beer in the Asia Pacific region.

AB InBev is the world's largest brewer by volume and by value and a publicly traded company (Euronext: ABI), with secondary listings on the Mexico (MEXBOL: ANB) and South Africa (JSE: ANH) stock exchanges and with American Depositary Receipts listed on the New York Stock Exchange (NYSE: BUD).

5. DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

"AB InBev"	Anheuser-Busch InBev SA/NV (Euronext: ABI; NYSE: BUD; MEXBOL: ANB; JSE: ANH) (which incorporated for an unlimited duration under the laws of Belgium), or the AB InBev Group, as the context requires. AB InBev is the controlling shareholder of the Company
"AB InBev Group"	AB InBev and its subsidiaries (excluding the Group)
"ABI Licenses to Import"	exclusive licenses granted to the AB InBev Group to import for sale, sell and distribute, and non-exclusive licenses granted to the AB InBev Group to advertise and promote, AB InBev Products and the Group's products outside of Asia Pacific pursuant to which the AB InBev Group will import the relevant products from the Group for sale outside of Asia Pacific under the Importation Framework Agreement
"Board"	the board of Directors of the Company
"Company"	Budweiser Brewing Company APAC Limited, a company incorporated under the laws of the Cayman Islands with limited liability on 10 April 2019, the shares of which are listed on the Main Board of the Stock Exchange
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Importation Framework Agreement"	the importation framework agreement entered into between the Company and AB InBev on 2 July 2019, as amended on 12 September 2019 and 29 September 2023, pursuant to which the Company agrees to procure members of the Group to grant, subject to limited exceptions, the relevant AB InBev Group members: (i) exclusive licenses to import for sale, sell and distribute and (ii) non-exclusive licenses to advertise and promote the Group's products and the AB InBev Products outside of the APAC Territories
"Listing Date"	30 September 2019, being the date on which the Shares were first listed and from which dealings in the Shares were permitted to take place on the main board of the Stock Exchange

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Prospectus"	the prospectus of the Company dated 18 September 2019
"Share(s)"	ordinary share(s) with a nominal value of US$0.00001 each in the share capital of the Company and a "Share" means any of them
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	U.S. dollars, the lawful currency of the United States of America

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

Hong Kong, 12 February 2026

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Yanjun Cheng as Co-Chair and Executive Director, Mr. Michel Doukeris as Co-Chair and Non-executive Director, Mr. Fernando Tennenbaum and Mr. Ricardo Tadeu as Non-executive Directors, and Mr. Martin Cubbon, Ms. Marjorie Mun Tak Yang and Ms. Katherine King-suen Tsang as Independent Non-executive Directors (with Mr. John Blood, Mr. David Almeida and Ms. Katherine Barrett acting as alternates for each of Mr. Yanjun Cheng, Mr. Michel Doukeris, Mr. Fernando Tennenbaum and Mr. Ricardo Tadeu).