

# INTERBREW PLC

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24 September, 2020.

Lefkosia, Cyprus

## ANNOUNCEMENT

**Re: Approval and Publication of the Half-Yearly Financial Report of Interbrew Plc, regarding the first semester of 2020 (non-audited results)**

The Board of Directors of Interbrew Plc (the "Company") at a meeting held today, considered and approved the Half-Yearly Financial Report of the Company and its subsidiaries (the "Group") for the first semester of 2020, which includes the interim financial statements with the half-yearly, consolidated, un-audited financial statements of the Group, regarding the six-month period which ended on 30 June 2020, pursuant to the Transparency Requirements (Securities Admitted to Trading on a Regulated Market) Laws of 2007 of the Republic of Cyprus, Law No. 190(I)/2007 as amended (the "Cypriot Transparency Law") (the "Report").

The full text of the Report is attached, and is noted that the Non-Audited, Interim Condensed Consolidated Financial Statements have been prepared in accordance with the International Accounting Standard (IAS) 34.

The full text of the Report will also be uploaded on the Company website ([www.interbrewplc.com/](http://www.interbrewplc.com/)) from where it may be downloaded, and will be published and made available according to the applicable Transparency legislation and stock exchange rules.

**Interbrew Plc contact:**

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NAP Regulatory Compliance Services Ltd

Regulatory Compliance Officer for the Company

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CC: Cyprus Securities and Exchange Commission

# **Interbrew Plc**

## **HALF YEARLY FINANCIAL REPORT 2020**

**which includes the**

**Non-Audited, Interim Condensed Consolidated  
Financial Statements  
for the six-month period ended 30 June 2020**

# INTERBREW PLC

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## **INTERBREW PLC**

### **BOARD OF DIRECTORS AND OTHER OFFICERS**

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#### **Board of Directors**

Denis Khrenov – Chairman of the Board, Director and Chief Executive Officer (“CEO”)  
Alexander Balakhnov - Director and Chief Legal Officer and member of Nominations and Remuneration Committee (“CLO”)  
Dmytro Shpakov - Director  
Inter Jura CY (Directors) Limited – Director and member of Nominations and Remuneration Committee  
Inter Jura CY (Management) Limited – Director  
Costas Melanides – Independent, non-executive Director and member of the Audit Committee  
Marios Chrysanthou – Independent, non-executive Director and Chairman of the Audit Committee  
Yuliia Ponomarenko - Director and Chief Financial Officer (“CFO”)  
Olga Romanova – Director

#### **Company Secretary**

Inter Jura CY (Services) Limited  
1 Lampousa Street  
CY-1095 Nicosia  
Cyprus

#### **Registered office**

1 Lampousa Street  
CY-1095 Nicosia  
Cyprus

**Registration number:** HE277915

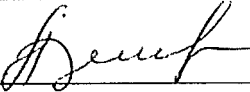
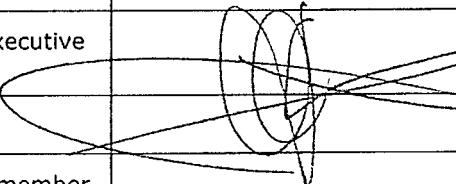
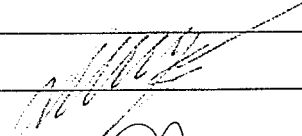

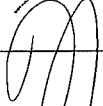
## INTERBREW PLC

### STATEMENT BY THE MEMBERS OF THE BOARD OF DIRECTORS AND OTHER RESPONSIBLE OFFICERS OF THE COMPANY FOR THE PREPARATION OF THE NON-AUDITED, INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020

In accordance with Section 10 sub-sections (3 (c) and (7) of the Transparency Requirements (Securities for Trading on Regulated Markets) Law of 2007 as amended (the "Law") we, the members of the Board of Directors and the other responsible persons for the consolidated financial statements of Interbrew Plc (the "Company") for the six-month period ended 30 June 2020, confirm that, to the best of our knowledge:

- a) the Interim Condensed Consolidated Financial Statements which are presented on pages 8 to 11:
- (i) have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and in accordance with the provisions of Section 10, sub-section (4) of the Law, and
  - (ii) give a true and fair view of the assets, liabilities, financial position and profit or loss of Interbrew Plc and of the undertakings included in the consolidated interim accounts as a whole, and
- (b) the Interim Management Report in pages 4 – 7 includes a fair review of the information required under Section 10, subsection 6 of the Law.

#### Members of the Board of Directors

Name and surname	Signature
Alexander Balakhnov - Director and Chief Legal Officer and member of Nominations and Remuneration Committee ("CLO")	
Inter Jura CY (Directors) Limited – Director and member of Nomination and Remuneration Committee	
Inter Jura CY (Management) Limited – Director	
Denis Khrenov – Chairman of the Board, Director and Chief Executive Officer ("CEO")	
Dmytro Shpakov – Director	
Costas Melanides – Independent, non-executive Director and member of the Audit Committee	
Olga Romanova - Director	
Marios Chrysanthou – Independent, non- executive Director and Chairman of the Audit Committee	
Yuliia Ponomarenko – Director and Chief Financial Officer ("CFO")	

1. The Board of Directors presents its Interim Management Report to be followed by the Non-Audited, Interim Condensed Consolidated Financial Statements for the Company and its subsidiaries (the "Group") for the six-month period ended 30 June 2020.

**Principal activities and departure from the going concern basis**

2. On 23 March 2018, the Group disposed its ownership interests in its significant, operating subsidiaries in Russia and Ukraine to a related party. Following this date, the Group engaged only in investment holding activities. The Consolidated Interim Financial Statements have been prepared on a non-going concern basis since management considers the option and feasibility to cease activities. For more information refer to Note 2.

During the six-month period ended 30 June 2020, the following changes to the group structure took place:

On 25 June 2020, the dormant Group subsidiaries, Breweries (CIS) Limited, Devize Investments Limited and Abberton Consultants Limited were liquidated with appropriate accounting of balances at the date of liquidation.

**Economic analysis with review of developments, position and performance of the Group's business**

3. The loss of the Group for the six-month period ended 30 June 2020 was EUR 3,232 thousand (for the six-month period ended 30 June 2019: EUR 841 thousand loss). This is mostly driven by general and administrative expenses and financial costs.

There was no other Comprehensive Income for the six-month period ended 30 June 2020.

On 30 June 2020 the Total Assets of the Group were EUR 852,592 thousand (at 31 December 2019: EUR 855,445 thousand) and the Net Assets were EUR 788,973 thousand (at 31 December 2019: EUR 792,208 thousand).

**Total Assets:** An asset is a present economic resource controlled by the entity as a result of past events. An economic resource is a right that has the potential to produce economic benefits. The amount of Total Assets was calculated as sum of the Group' current and non-current assets.

**Current assets:** Current assets are all the assets of the Group that are expected to be sold or used as a result of standard business operations over the next year. The Group's current assets include cash, cash equivalents, accounts receivable and other liquid assets (current income tax receivable).

**Non-current assets:** Non-current asset are assets whose value will be realized within a period of more than one year. The Group has no balances of any non-current assets as at 30 June 2020.

**Net Assets:** They are the residual interest in the assets of the entity after subtracting all its liabilities. The amount of Net Assets of the Group was calculated as the difference between the Group' Total Assets and Total liabilities. Total Liabilities are the aggregate debt and financial obligations owed by an entity to outside parties at any specific period of time.

Total Assets, Total Liabilities, and Net Assets are important performance measures. Net Assets, as the difference between Total Assets and Total Liabilities express the difference between what an entity owns and what it owes; and therefore the total value of an entity.

The Group did not carry out any research and development activities during six-month period ended 30 June 2020.

**Principal Risks and Uncertainties for the remaining part of the year**

4. Coronavirus: The Group, pursuant to a relevant Circular of its regulatory authority Cyprus Securities & Exchange Commission asking from issuers to assess the potential financial impact that a possible spread of Coronavirus may have on their business/operations and make a relevant announcement, released an announcement in March 2020, informing the investing public the following:

“In March 2018, the Group disposed its ownership interests in its significant, operating subsidiaries in Russia and Ukraine. Following this, and up to date, the Company Group engaged only in investment holding activities. The Company does not foresee any material financial impact to its business from a possible spread of Coronavirus.”

On the date of the approval of the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2020, this position remains the same and is not expected to change for the remaining part of the year.

**Use of financial instruments by the Group**

5. The Group is exposed to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

**Future developments of the Group**

6. The management of the Group currently considers the option and feasibility to cease the activities of the Group and distribute the cash held by the Group to its shareholders (possibly through a liquidation of the Company and its subsidiaries) and to seek a delisting of the shares/GDRs of the Group from the Luxembourg Stock Exchange.

**Results**

7. The Group's results for the six-month period ended 30 June 2020 are set out on page 8 of the Interim Condensed Consolidated Financial Statements.

**Dividends**

8. The Board of Directors has not made a decision for the payment of dividend. The Board of Directors may at a later stage consider the payment of interim dividends out of retained earnings, in accordance with the relevant provisions of the Companies Laws and the Articles of Association of the Company.

**Share capital**

9. The authorized share capital which amounts to GBP 1,552,786 is divided into 125,278,614 class A shares of GBP 0.01 each and 30,000,000 class B shares of GBP 0.01 each.
10. The current number of issued shares is 116,628,930 including A class shares (non-voting) of 88,832,710 and B class shares (voting) of 27,796,220. The titles issued by the Company and their ISIN number are as follows:

	ISIN
144A Class A GDR	US86677C1045
Regulation S EURO Class A GDR	US86677C4015
Regulation S Class A GDR	US86677C3025
144A Class B GDR	US86677C2035
Regulation S Class B GDR	US86677C7083
Class A share	GB0057139940
Class B share	GB0049659120

**INTERBREW PLC****CONSOLIDATED INTERIM MANAGEMENT REPORT (CONTINUED)**

- 11.** The shares/GDRs are listed on the Luxembourg Stock Exchange.
- 12.** The special rights, restrictions and provisions applicable to the Class A shares are as follows:
- (i) The dividends on the Class A shares in any year shall be paid in an amount not less than and in equal priority to the dividend payable to the holders of Class B shares.
  - (ii) On winding up of the Company, the surplus assets available for distribution shall be distributed proportionately among the holders of the Class A shares and the holders of Class B shares according to the amounts of their respective holdings of such shares in the Company.
  - (iii) The holders of the Class A shares have a right to receive notice of and to attend any shareholder meeting of the Company, but do not have a right to vote at shareholders' meetings, other than at class meetings of the holders of Class A shares, which are necessary in respect of certain matters affecting the rights of the holders of Class A shares.
- 13.** Class B shares have no restrictions on voting rights.
- 14.** There were no changes in the shareholders' structure for the six-month period ended 30 June 2020.
- 15.** As at 30 June 2020 the Group, which is effectively owned by Anheuser-Busch InBev, had the following shareholders' structure:

#	Name	Quantities			%
		A	B	Total	
1	Anheuser-Busch InBev N.V.	1	-	1	0.0000
2	InBev Belgium N.V.	1	-	1	0.0000
3	Brandbrew S.A.	1	-	1	0.0000
4	Interbrew International B.V.	-	1	1	0.0000
5	Worldoor Limited	73,014,377	12,285,318	85,299,695	73.1377
6	Hancock Venture Partners Inc.	30,545	30,545	61,090	0.0524
7	Bank of New York (Nominees) Limited - London	745,384	-	745,384	0.6391
8	Bank of New York (Nominees) Limited - New York	15,042,401	15,480,356	30,522,757	26.1708
		<b>88,832,710</b>	<b>27,796,220</b>	<b>116,628,930</b>	<b>100.0000</b>

The above shareholding remained unchanged as of five days before the date of approval of this Interim Condensed Consolidated Financial Statements

The shareholders' structure as at 31 December 2019 was as follows:

#	Name	Quantities			%
		A	B	Total	
1	Anheuser-Busch InBev N.V.	1	-	1	0.0000
2	InBev Belgium N.V.	1	-	1	0.0000
3	Brandbrew S.A.	1	-	1	0.0000
4	Interbrew International B.V.	-	1	1	0.0000
5	Worldoor Limited	73,014,377	12,285,318	85,299,695	73.1377
6	Hancock Venture Partners Inc.	30,545	30,545	61,090	0.0524
7	Bank of New York (Nominees) Limited - London	745,384	-	745,384	0.6391
8	Bank of New York (Nominees) Limited - New York	15,042,401	15,480,356	30,522,757	26.1708
		<b>88,832,710</b>	<b>27,796,220</b>	<b>116,628,930</b>	<b>100.0000</b>

- 16.** It is noted that for a valid transfer of shares to take place, the name of the transferee must be entered in the register of members in respect thereof.



**17. Related party transactions**

Related parties represent entities under common control and/or ownership.

The transactions of the Company with related parties are stated under note 14 of the Interim Condensed Consolidated Financial Statements.

**Board of Directors**

- 18.** The members of the Board of Directors for the six-month period ended 30 June 2020 and at the date of this Report are shown on page 2. All of them were members of the Board throughout the six-month period ended 30 June 2020. There were no other significant changes in the composition, distribution of responsibilities or compensation of the Board of Directors.
- 19.** There is no requirement in the Company's Articles of Association for retirement of Directors by rotation, and all the Directors remain in office.

**Directors' interests in the Company's share capital**

- 20.** Directors have no material direct or indirect shareholding in the Company's share capital or share options (including their spouse, children and companies in which they hold directly or indirectly at least 20% of the shares with voting rights in a general meeting) both at the end of 30 June 2020 and 5 days before the date the consolidated financial statements are approved by the board of Directors.

**Branches**

- 21.** The Group did not operate through any branches for the six-month period ended 30 June 2020.

**Events after the subsequent to the reporting date**

- 22.** Other than as disclosed in Note 16 to the Interim Condensed Consolidated Financial Statements, there were no material events after the reporting date, which have a bearing on the understanding of the Interim Condensed Consolidated Financial Statements.

**INTERBREW PLC****CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020****All Amounts are Expressed in Thousands of Euros Unless Otherwise Stated**

	Notes	6m 2020	6m 2019
<b>Continuing operations</b>			
Revenue		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
General and administrative expenses	5	(46)	(80)
<b>Results from operating activities</b>		<b>(46)</b>	<b>(80)</b>
Finance income	6	412	1,086
Finance costs	6	(3,598)	(1,847)
<b>Net finance costs</b>		<b>(3,186)</b>	<b>(761)</b>
<b>Loss before income tax</b>		<b>(3,232)</b>	<b>(841)</b>
Income tax		-	-
<b>Loss for the year</b>		<b>(3,232)</b>	<b>(841)</b>
<b>Other comprehensive income</b>			
<b>Total comprehensive loss for the year</b>		<b>(3,232)</b>	<b>(841)</b>
<b>Loss for the year attributable to:</b>			
Owners of the Company		(3,232)	(841)
Non-controlling interests		-	-
<b>Loss for the year</b>		<b>(3,232)</b>	<b>(841)</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		(3,232)	(841)
Non-controlling interests		-	-
<b>Total comprehensive loss for the year</b>		<b>(3,232)</b>	<b>(841)</b>
<b>Loss per share</b>			
Basic and diluted loss per share (EUR per share)		(0.03)	(0.01)

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 11.

## INTERBREW PLC

### CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

*All Amounts are Expressed in Thousands of Euros Unless Otherwise Stated*

	Notes	30 June 2020	31 December 2019
<b>Current assets</b>			
Current income tax assets		42	42
Trade and other receivables		103	103
Cash and cash equivalents	10	<u>852,447</u>	<u>855,300</u>
<b>Total current assets</b>		<u><b>852,592</b></u>	<u><b>855,445</b></u>
<b>Total assets</b>		<u><b>852,592</b></u>	<u><b>855,445</b></u>
<b>Capital and reserves and liabilities</b>			
<b>Capital and reserves</b>	11		
Share capital		1,809	1,809
Share premium		459,105	459,105
Retained earnings		<u>328,062</u>	<u>331,294</u>
<b>Total capital</b>		<u><b>788,976</b></u>	<u><b>792,208</b></u>
<b>Current liabilities</b>			
Loans and borrowings	12	63,609	63,200
Trade and other payables	13	<u>7</u>	<u>37</u>
<b>Total current liabilities</b>		<u><b>63,616</b></u>	<u><b>63,237</b></u>
<b>Total liabilities</b>		<u><b>63,616</b></u>	<u><b>63,237</b></u>
<b>Total equity and liabilities</b>		<u><b>852,592</b></u>	<u><b>855,445</b></u>

These consolidated financial statements were approved by the Board of Directors on 24 September 2020 and were signed on its behalf by:

Denis Khrenov – Chairman of the Board, Director and Chief Executive Officer ("CEO")

Yuliia Ponomarenko – Director and Chief Financial Officer ("CFO")

The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 8 to 11.

**INTERBREW PLC**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020**  
*All Amounts are Expressed in Thousands of Euros Unless Otherwise Stated*

	Attributable to equity holders of the Company					Non- controlling interests	Total
	Share capital	Share premium	Retained earnings	Translation reserve	Total		
<b>Balance at 1 January 2019</b>	1,809	459,105	334,529	-	795,443	-	795,443
Loss for the year	-	-	(841)	-	(841)	-	(841)
<b>Total comprehensive loss for the year</b>	-	-	(841)	-	(841)	-	(841)
Disposal of subsidiaries - derecognition	-	-	(150)	-	(150)	-	(150)
<b>Balance at 30 June 2019</b>	1,809	459,105	333,538	-	794,452	-	794,452
<b>Balance at 1 January 2020</b>	1,809	459,105	331,294	-	792,208	-	792,208
Loss for the year	-	-	(3,232)	-	(3,232)	-	(3,232)
<b>Total comprehensive loss for the year</b>	-	-	(3,232)	-	(3,232)	-	(3,232)
<b>Balance at 30 June 2020</b>	1,809	459,105	328,062	-	788,976	-	788,976

(1) Share premium is not available for distribution in the form of dividend.

(2) Share premium includes an amount of EUR 99,615 thousand which relates to issuance of shares of subsidiaries during a reorganization of the Group before the redomiciliation of the Company to Cyprus.

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 11.

**INTERBREW PLC**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020**  
*All Amounts are Expressed in Thousands of Euros Unless Otherwise Stated*

	Notes	6m 2020	6m 2019
<b>Cash flows from operating activities</b>			
Loss for the year		(3,232)	(841)
<i>Adjustments for:</i>			
Interest expense, net of interest income	6	1,549	1,544
Unrealized foreign exchange (gain)/loss	6	1,637	(783)
<b>Cash from operating activities before changes in working capital and provisions</b>			
Change in trade and other payables		(28)	(937)
<b>Cash flows from operations before income tax and interest paid</b>			
Interest paid		(1,961)	(1,847)
Income taxes paid		-	-
<b>Net cash used in/generated by operating activities</b>			
<b>Cash flows from investing activities</b>			
Loans granted		-	1,672
Interest received	6	412	303
<b>Net cash used in/generated in investing activities</b>			
<b>Cash flows from financing activities</b>			
Other financing costs		(2)	-
<b>Net cash (used in)/generated by financing activities</b>			
<b>Net increase in cash and cash equivalents</b>			
<b>Cash and cash equivalents at the beginning of the year</b>			
Effects of exchange rate changes on the balance of cash held in foreign currencies		(1,637)	-
<b>Cash and cash equivalents at the end of the six-month period ended 30 June</b>			

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 11.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020**

**1. BACKGROUND**

**Organisation and operations**

SUN Interbrew Plc (the "Company") was redomiciled in Cyprus in December 2010, as a public limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. The Company's registered office is 1 Lampousa Street, 1095 Nicosia, Cyprus. Before December 2010, the Company was registered under the name "SUN Interbrew Limited" and was incorporated in Jersey, the Channel Islands. During 2019 the Company was renamed as "INTERBREW PIC". The Company and its subsidiaries are collectively referred as the "Group". The Group is headed by Anheuser-Busch Inbev (the "Shareholder Group", "ABI").

The Company's interests in its subsidiaries, all of which are unlisted, were as follows:

Name	Country of incorporation	Principal activities	% interest held 2020	% interest held 2019
Breweries CIS Ltd	Cyprus	Dormant	–	100%
Abberton Consultants Ltd	Cyprus	Dormant	–	100%
Devize Investments Ltd	Cyprus	Dormant	–	100%

On 25 June 2020, the dormant Group subsidiaries, Breweries (CIS) Limited, Devize Investments Limited and Abberton Consultants Limited were liquidated with appropriate accounting of balances at the date of liquidation.

**Principal activities**

The principal activities of the Company, which are unchanged from last year, are to act as a holding and investments company for specific businesses belonging to the controlling shareholder of the Company. The Group's operations were primary located in the Russian Federation and secondarily in Ukraine. In 2018 the Board of Directors of the Company approved the sale of its operating subsidiaries to a related party and the sale transaction was executed in March 2018. From that date onwards, the Group engages primarily to investment holding of financial assets. The consolidated financial statements were prepared on a non-going concern basis because of management's intention to cease activities. For more information, refer to Note 2 below.

As at 30 June 2020 and 31 December 2019 99.16% of the Company's preference shares (Class A) and 100% of the ordinary shares (Class B) were effectively owned by Anheuser-Busch InBev, incorporated in Belgium which is the Company's ultimate parent company and ultimate controlling party (the "Parent"). The Company's immediate parent company is Worldoor Limited, incorporated in Cyprus (the "Immediate Parent"). The Company is listed on the Luxembourg Stock Exchange and has also a global depositary receipts program that is listed on the Luxembourg Stock Exchange.

The Company through a number of holding companies, incorporated in Cyprus, Netherlands and Germany, had controlling interests in the legal entities registered in Russia and Ukraine, which owned 5 breweries and 2 malt plants in the Russian Federation and 3 breweries in Ukraine till the 31 of March 2018. The Board of Directors of the Company approved the sale of its operating subsidiaries to a related party and the sale transaction was executed in March 2018.

The Group manufactured, marketed and distributed beers till the 31 of March 2018. The Group's operations were primary located in the Russian Federation and secondarily in Ukraine. The part of the Group's funding generated by cash from its normal operating activities. Additionally, and when necessary, the Group uses additional sources of support from its Shareholder' group companies. Thus, the Group is economically dependent on its Shareholder. Additionally, the activities of the Group are closely related to the requirements of the Shareholder Group.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020 (CONTINUED)**

**2. BASIS OF PREPARATION**

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), the requirements of the Cyprus Companies Law, Cap.113. and the Cyprus Transparency Requirements (Securities for Trading on Regulated Markets) Law of 2007 as amended. The consolidated financial statements have been prepared on a non-going concern basis for the current and prior year for the reasons explained below. There is no specific guidance in IFRS in respect to the preparation of consolidated financial statements on a non-going concern basis of accounting. Management has applied the guidance of IAS 1 "Presentation of Financial statements", the Framework of the preparation and presentation of the financial statements, IAS 10 "Events after the Reporting Period" and IAS 8 "Accounting policies" changes in accounting estimates and errors in developing the appropriate accounting policies for the specific facts and circumstance of the Group. Based on the above, management has assessed that the accounting policies for its assets, liabilities and profit or loss items are appropriate in the context of the non-going concern basis of accounting and there is no significant impact than those of going – concern basis of accounting.

As of the date of the authorization of the financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2019 and are relevant to the Company's operations have been adopted by the EU through the endorsement procedure established by the European Commission".

**(b) Departure from the Going concern basis**

In August 2017, the ultimate parent company, Anheuser-Busch Inbev ("AB InBev"), issued a press release announcing a non-binding agreement with Anadolu Efes, the leading brewer in Turkey, regarding a 50:50 merger of AB InBev's and Anadolu Efes' existing Russia and Ukraine businesses. This announcement followed AB InBev's acquisition of a 24% stake in Anadolu Efes as part of the AB InBev's combination with SABMiller, which was completed in October 2016. The merge transaction remained conditional on the completion of satisfactory due diligence and was subject to regulatory approvals in Russia, Ukraine and other regulatory authorities.

The combination of the companies' operations in Russia and Ukraine would strengthen the competitive position of both AB InBev's and Anadolu Efes' brands in these markets, with the potential for further growth. The combined business' ambitions will be as to lead on the Russian and Ukrainian markets, with a diverse portfolio of brands and a broader range of beers for consumers. During 2018, the merge transaction was approved by the regulatory authorities and the relevant Framework agreement was concluded and signed by AB InBev Group and Anadolu Efes. As a part of the merger process between AB InBev Group and Anadolu Efes in Russia and Ukraine, the Company disposed its ownership interests in Russia' and Ukraine' operating subsidiaries.

Despite the Group's initial intention to continue to explore investment opportunities for acquiring or transferring new operating subsidiaries to the Group, the Shareholder Group management decided to explore alternative options. On 9 November 2018, the Shareholder Group appointed legal counsels to advise on the steps required to delist and ultimately liquidate the Company. As a part of this process, a number of the Group's subsidiaries have been liquidated or are in the process of liquidation. The management of the Group currently considers the option and feasibility to cease the activities of the Group and distribute the cash held by the Group to its shareholders (possible through a liquidation of the Company) and to seek a delisting of the shares/GDRs of the Group from the Luxemburg Stock Exchange.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020 (CONTINUED)**

**2. BASIS OF PREPARATION (continued)**

Accordingly, the Group is not a going concern and the consolidated financial statements have been prepared on a non-going concern basis. The consolidated financial statements have been prepared in accordance with IFRSs as adopted by the EU and do not include any provision for the future costs of the liquidations of the Group except to the extent that such costs were committed at the reporting date; while there were no onerous contractual commitments as at the reporting date since the transfer of businesses was effective through the disposal of shares that owned the businesses. In management's opinion, the use of this basis result in the most relevant and reliable financial information which reflect the circumstances existing at the end of the reporting period.

**(c) Basis of measurement**

The consolidated financial statements are prepared on the historical cost basis.

**(d) Functional and presentation currency**

The Company's functional currency is the Euro. Items included in the Group's financial statements are measured using the currency of the primary economic environment in which each entity operates. All financial information is presented in thousands of Euro unless stated otherwise and has been rounded to the nearest thousand.

**(e) Use of estimates and judgements**

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company in its consolidated financial statements as at and for the year ended 31 December 2019.

**4. OPERATING SEGMENTS**

The Group's two reportable segments – breweries in the Russian Federation and breweries in Ukraine – were discontinued in 2018. The segment information reported below includes the investment activities of the Group which include the holding of cash and cash equivalents held in ABI cash pool (Note 10). The Group's reportable segment does not include any amounts relating to the Group's discontinued operations.

<b>Segment assets</b>	<b>30 June 2020</b>	<b>31 December 2019</b>
<b>For the six-month period ended</b>		
Investing activities	852,447	855,300
	<b>852,447</b>	<b>855,300</b>

**5. GENERAL AND ADMINISTRATIVE EXPENSES  
For the six-month period ended 30 June**

'000 EUR	<b>2020</b>	<b>2019</b>
Fixed administrative costs	(46)	(80)



(46)

(80)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020 (CONTINUED)**

**5. GENERAL AND ADMINISTRATIVE EXPENSES (CONTINUED)**

Fixed administrative costs includes tax, legal and financial services.

The number of employees as at 30 June 2020 for continued operations was NIL.

**6. FINANCE INCOME AND FINANCE COSTS**

**For the six-month period ended 30 June**

<b>'000 EUR</b>	<b>2020</b>	<b>2019</b>
Interest income on loans and receivables	-	-
Interest income on deposits	412	303
Net foreign exchange gain	-	783
<b>Finance income</b>	<b>412</b>	<b>1,086</b>
Interest expense on loans and borrowings	(1,961)	(1,847)
Net foreign exchange loss	(1,637)	-
Other	-	-
<b>Finance costs</b>	<b>(3,598)</b>	<b>(1,847)</b>
<b>Net finance costs recognised in profit or loss</b>	<b>(3,186)</b>	<b>(761)</b>

**7. INCOME TAX EXPENSE**

Income taxes are based on taxable income and the varying tax rates applicable in Netherlands and Cyprus.

The statutory income tax rate applicable to the Cyprus companies is 12.5% (six-months ended 30 June 2019: 12.5%)

**8. PROPERTY, PLANT AND EQUIPMENT**

**Acquisitions and disposals**

During the six-month period ended 30 June 2020 the Company did not acquire assets (six-month period ended 30 June 2019: the Company did not acquire assets).

**Capital commitments**

As at 30 June 2020 the Company had not contracts to purchase property, plant and equipment delivery is expected during one-year period.

**9. OTHER RECEIVABLES**

<b>'000 EUR</b>	<b>30 June 2020</b>	<b>31 December 2019</b>
Other receivables	103	103
	<b>103</b>	<b>103</b>

As a result of tax clearance process for Interbrew Plc, the tax refunds for the Group for 2012 and 2013 years in total amount of EUR 103 thousand were sent by Cyprus tax authorities to the bank account of its parent company Worldoor Ltd on the 30th of December 2019. In connection with this, an amount of EUR 103 thousand is presented in the consolidated financial statements within other receivables from related parties.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020 (CONTINUED)**

**10. CASH AND CASH EQUIVALENTS**

<b>'000 EUR</b>	<b>30 June 2020</b>	<b>31 December 2019</b>
Bank and other cash accounts	3	3
Demand deposits	852,444	855,297
<b>Cash and cash equivalents in the consolidated statement of financial position excluding overdrafts used for cash management purposes</b>	<b>852,447</b>	<b>855,300</b>
Overdrafts used for cash management purposes (Note 12)	(63,609)	(63,200)
<b>Cash and cash equivalents in the consolidated statement of cash flows</b>	<b>788,838</b>	<b>792,100</b>

The demand deposits comprise of:

	<u>Effective Interest</u>	<b>30 June 2020</b>	<b>31 December 2019</b>
Deposits with Cobrew S.A	1M market rate minus 0.20%	852,444	855,297
<b>Totals</b>		<b>852,444</b>	<b>855,297</b>

Demand deposits are part of a current account agreement that the Group signed with Cobrew S.A. (hereinafter «Cobrew»), who is a related party under common control. This agreement has no fixed maturity date and provides notification period for payments or deposits to this account of 2 to 5 days. Interest rate applied by Cobrew is based on 1 month market interest rate plus 0.20%.

The Group classifies the balance at Cobrew account as cash and cash equivalents. The net amount of outstanding balance at current account with Cobrew included into cash and cash equivalents in the statement of cash flows as at 30 June 2020 is EUR 788,838 thousand (as at 31 December 2019: EUR 792,100 thousand).

Cash and cash equivalents comprise the following currencies as at:

	<b>30 June 2020</b>	<b>31 December 2019</b>
EUR	840,674	842,504
RUB	11,772	12,796
USD	(63,608)	(63,200)
<b>Total cash and cash equivalents</b>	<b>788,838</b>	<b>792,100</b>

**11. CAPITAL AND RESERVES**

**a) Share capital**

<b>Number of shares unless otherwise stated</b>	<b>Ordinary shares (Class B)</b>		<b>Ordinary shares (Class A)</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Authorised shares	30,000,000	30,000,000	125,278,614	125,278,614
Par value	GBP 0.01	GBP 0.01	GBP 0.01	GBP 0.01
In issue at 1 January and 31 December, fully paid	27,796,220	27,796,220	88,832,710	88,832,710

There was no change in the owners of the Company's issued share capital during 2020. The number and value of the issued shares has not changed in comparison with prior year.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL  
STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020 (CONTINUED)**

**11. CAPITAL AND RESERVES (CONTINUED)**

**Ordinary shares (Class B)**

All shares rank equally with regard to the Company's residual assets.

The holders of Class B shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. In respect of the Company's shares that are held by the Group, all rights are suspended until those shares are reissued.

**Ordinary shares (Class A)**

The special rights, restrictions and provisions applicable to the Class A shares are as follows:

- The dividends on the Class A shares in any year shall be paid in an amount not less than and in equal priority to the dividend payable to the ordinary shareholders in such year;
- On winding up of the Company, the surplus assets available for distribution to its members shall be distributed proportionately amongst the holders of the Class A shares and the Class B shares according to the amounts of their respective holdings of such shares in the Company;
- The holders of the Class A shares do not have right to vote in shareholders' meeting, except for the matters affecting the rights of the holders of Class A shares, including "change of control" transaction as defined in the "Article of Association" of the Company.

**(b) Share premium**

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of shares. Share premium account can only be resorted to limited purposes, which do not include the distribution of dividends and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

**(c) Distributable reserves**

The amounts available for distribution to the Company's shareholders in the form of dividends are the distributable reserves of the Company presented within retain earnings.

The Board of Directors does not recommend the payment of dividend on the basis of 6 months of 2020 results. The Board of Directors may at a later stage consider the payment of interim dividends out of retained earnings, in accordance with the relevant provisions of the Companies Laws and the Articles of Association of the Company.

**12. LOANS AND BORROWINGS**

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortized cost.

<b>'000 EUR</b>	<b>30 June 2020</b>	<b>31 December 2019</b>
<b>Current</b>		
Bank loans and overdrafts	63,609	63,200
	<b>63,609</b>	<b>63,200</b>

Overdraft has no fixed maturity date. Interest rate changed based on 1M+0.20% market interest rate. In 2017 the Group signed a current account agreement with Cobrew, which also includes overdraft facilities.

During six-month of 2020 and 2019 the Group had no new loans or borrowings.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020 (CONTINUED)**

**13. TRADE AND OTHER PAYABLES**

'000 EUR	30 June 2020	31 December 2019
Trade payables	7	37
	<b>7</b>	<b>37</b>

**14. RELATED PARTY TRANSACTIONS**

The Company is controlled by Worldoor Limited, incorporated in Cyprus, which effectively owns 73.14% of the Company's shares ("Parent"). 26.22% are also effectively owned by other related companies within the Shareholder Group. The Company's ultimate controlling party is Anheuser-Busch InBev, incorporated in Belgium. Related parties represent fellow subsidiaries under common control within the Anheuser-Busch InBev Group, unless otherwise stated.

Related parties may enter into transactions, which unrelated parties may not and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties.

**(a) Management remuneration**

Key management received the following remuneration, which is included in personnel costs during 6 months:

'000 EUR	2020	2019
Other service benefits provided to non-executive directors	9	9
	<b>9</b>	<b>9</b>

The Company did not have any employees during 2020. 9,000 EUR was paid as Directors remuneration in for 6 months of 2020 (6 months of 2019: 9,000 EUR).

**(a) Transactions with related parties**

000 EUR	30 June 2020	30 June 2019
Interest income on demand deposit from entities under common control	412	1,086
Interest expense on overdraft and loans from entities under common control	(3,598)	(1,847)
	<b>(3,186)</b>	<b>(761)</b>

The outstanding balances with related parties, all of which are entities under common control were as follows:

'000 EUR	30 June 2020	31 December 2019
Other receivables	103	103
Trade and other payables	(7)	(37)
Demand deposits	852,447	855,300
Current borrowings	(63,609)	(63,200)
	<b>788,934</b>	<b>792,166</b>

**15. DISPOSAL OF SUBSIDIARIES**

On 25 June 2020, the subsidiaries Breweries (CIS) Limited, Devize Investments Limited and Abberton Consultants Limited were liquidated with appropriate accounting of balances at the date of liquidation.

**16. EVENTS AFTER THE BALANCE SHEET DATE**

There were no material post balance sheet events, which have a bearing on the understanding of the consolidated financial statements.