

A close-up photograph of several green hop cones, which are the flowers of the hop plant used in brewing. The cones are a vibrant green color and have a textured, scale-like appearance. They are arranged in a cluster, with some in sharp focus and others blurred in the background.

CERVEJARIA ambev

2Q19 Results
July 25, 2019

This presentation was prepared by Ambev S.A. (“Ambev” or “Company”) for the exclusive use in the earnings conference call of the second quarter of 2019 (2Q19). This presentation should not be considered as a complete document and should be analyzed together with the Company’s quarterly information form (ITR) for the second quarter and the respective press release, both available on the U.S. Securities and Exchange Commission – SEC and the CVM website. This presentation was prepared for informational purposes only and should not be considered as a solicitation or offer to buy or sell any securities of the Company, or as advice or recommendation of any nature. This presentation is not intended to be comprehensive, or to contain all the information that Ambev’s shareholders might need. No decisions on investment, disposal or any other financial decisions or actions shall be made solely on the basis of the information contained herein.

This presentation segregates the impact of organic changes from those arising from changes in scope or currency translation. Scope changes represent the impact of acquisitions and divestitures, the start up or termination of activities or the transfer of activities between segments, curtailment gains and losses and year over year changes in accounting estimates and other assumptions that management does not consider as part of the underlying performance of the business. Organic growth and normalized numbers are presented applying constant year-over-year exchange rates to exclude the impact of the movement of foreign exchange rates.

Unless stated, percentage changes in this presentation are both organic and normalized in nature. Whenever used in this document, the term “normalized” refers to performance measures (EBITDA, EBIT, Profit, EPS) before special items adjustments. Special items are either income or expenses which do not occur regularly as part of the normal activities of the Company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the Company due to their size or nature. Normalized measures are additional measures used by management and should not replace the measures determined in accordance with IFRS as indicators of the Company’s performance. Comparisons, unless otherwise stated, refer to the second quarter of 2018 (2Q18). Values in this presentation may not add up due to rounding.

Financial Highlights 2Q19

+7.2% Net Revenue

+6.3% Net Revenue per hL

+0.8% Volume

+0.3% EBITDA

-260 bps EBITDA Margin

+16.1% Normalized Net Profit



Beer Brazil

2Q19 Financial Highlights

Revenue +6.7%

Revenue per hL +3.7%

Volume +2.9%

Flattish industry, according to Nielsen

Cash COGS/hL +24.7%

Driven mainly by FX and higher commodities prices

Cash SG&A -0.2%

Higher variable compensation accruals were more than offset by initiatives on non-working money and phasing of expenses

EBITDA -8.5%

Margin **contraction of 620bps** to **37.5%**



Brazil NAB

2Q19 Financial Highlights

Revenue +14.2%

Revenue per hL +8.1%

Volume +5.6%

Industry growth of low single digits, according to Nielsen

Cash COGS/hL +0.1%

Lower sugar prices

Cash SG&A +30.1%

Variable compensation accruals and higher distribution expenses related to volume growth, partially offset by phasing of sales and marketing expenses

EBITDA +15.9%

Margin **expansion of 60bps to 41.8%**



Central America and the Caribbean

2Q19 Financial Highlights

Revenue +11.6%

Revenue per hL +5.6%

Volume +5.7%

Cash COGS/hL +8.8%

Additional temporary costs in order to supply the market in Panama with no disruption after continued strong volume evolution since 2017

Cash SG&A -20.1%

Savings in non-working money, an easy comparable in 2Q18 due to 2018 FIFA World Cup Russia™, and phasing of sales and marketing expenses

EBITDA +33.9%

Margin **expansion of 800bps to 48.1%**



Central America and the Caribbean

2Q19 Commercial Highlights

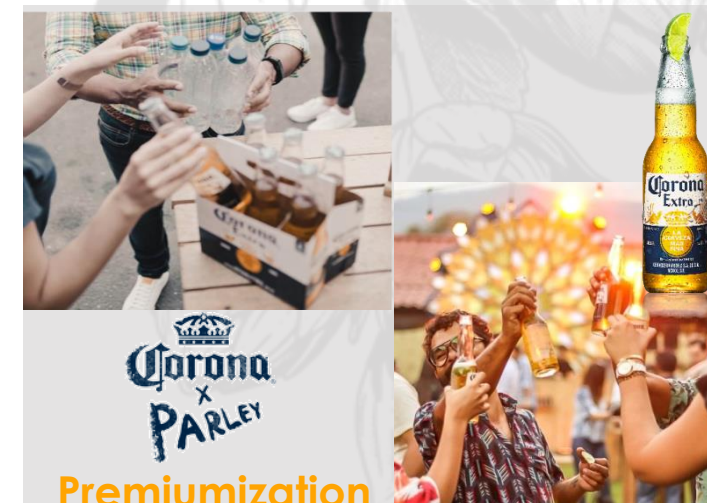
Dominican Republic

In the core segment, we continued to enhance **Presidente**, especially through trade activations during Easter, a key selling moment, and through a digital campaign that promoted consumers' pride of the brand.



Panama

Our core brands continue connecting with consumers, mainly through **Atlas Golden Light** campaign "Unete al Pacto de Sol a Sol", and Balboa Ice experiential events, such as concerts.



Premiumization

Roll out of our premiumization strategy in the region, developing our brands **Corona**, **Stella Artois**, **Modelo** and **Budweiser** through customized execution and experiential events. Corona engaged consumers to act on the protection of the oceans against plastic.

Latin America South

2Q19 Financial Highlights

Revenue +10.6%

Revenue per hL +21.2%

Volume -8.9%

Cash COGS/hL 21.9%

Mostly driven by favorable FX hedges

Cash SG&A +21.5%

Mainly driven by inflation and operational deleverage in Argentina

EBITDA +1.9%

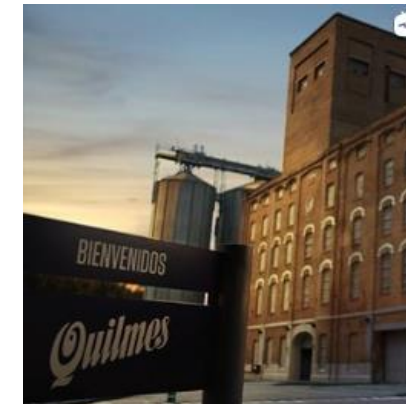
Margin **contraction of 290bps to 39.3%**



Latin America South

2Q19 Commercial Highlights

- In Argentina, we maintain our strategy of **differentiating the core**.
 - **Quilmes**, our classic lager, continues to enhance its national credentials.
 - **Brahma**, our easy drinking lager, re-launched its affordability campaign “Brahmás”.
- In the **core plus segment** in Argentina, **Budweiser** embraces music, promoting BUDX, and **Andes Origen** continues to outperform the market.
- Our **premium portfolio** continues to show promising results in the whole region. In Argentina, we continue to support better world initiatives: Stella Artois in favor of the Water cause, and Corona focusing on plastic.



Canada

2Q19 Financial Highlights

Revenue -1.2%

Revenue per hL +2.3%

Volume -3.4%

Mostly driven by a decline in the beer industry

Cash COGS/hL +6.2%

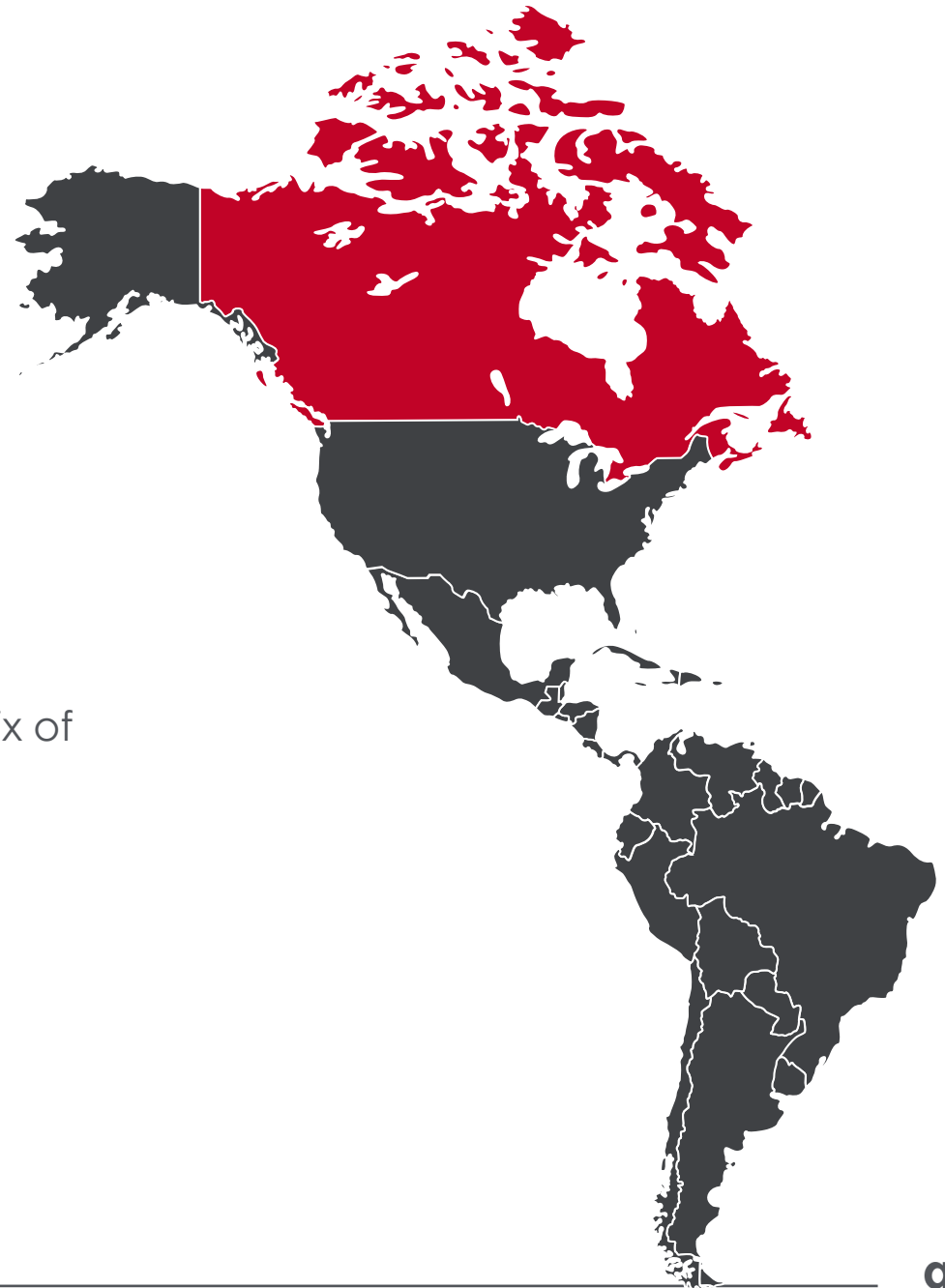
Increased commodities prices, especially aluminum, higher mix of imported beers and lower dilution of fixed costs

Cash SG&A +1.8%

Driven by increased logistics expenses and higher variable compensation accruals

EBITDA -8.8%

Margin **contraction of 260bps to 31.6%**

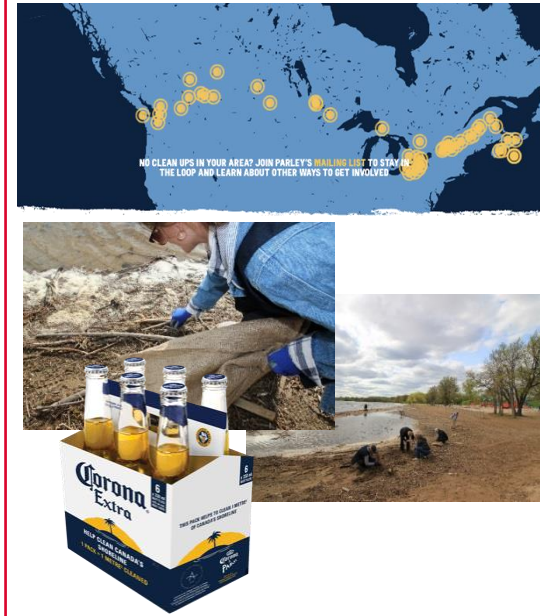


Canada

2Q19 Commercial Highlights

- Our **core and core plus** brands continued to deliver strong results:
 - **Michelob Ultra**, supported by a campaign on Global Running Day, remains the **fastest growing brand** in Canada.
 - **Bud Light**, strengthened by **Bud Light Orange** launch, maintained its momentum.
- In the **premium segment**, our portfolio grows ahead of the industry. **Corona** leads the way, supported, by better world initiative with Canadians beach clean up.

Corona



Michelob Ultra



Budweiser



2Q19 Financial Results

Net Financial Results totaled an **expense of 567 million reais**, **48.5% lower** than in 2Q18.

Financial Results (R\$ Million)	2Q19
Interest Income	156
Interest Expenses	-383
Derivative Instruments	-204
Non-derivative Instruments	-13
Taxes on Financial Transactions	-19
Other	-94
Exceptional financial expenses	-99
Impact of Hyperinflation Accounting	88
Total	-567

Strategic Platforms



BRAZIL BEER

Strategic Platforms

Category Framework & Portfolio Strategy



**Premiumize
at Scale**



**Differentiate
the Core**



**Drive Smart
Affordability**



Sustainability



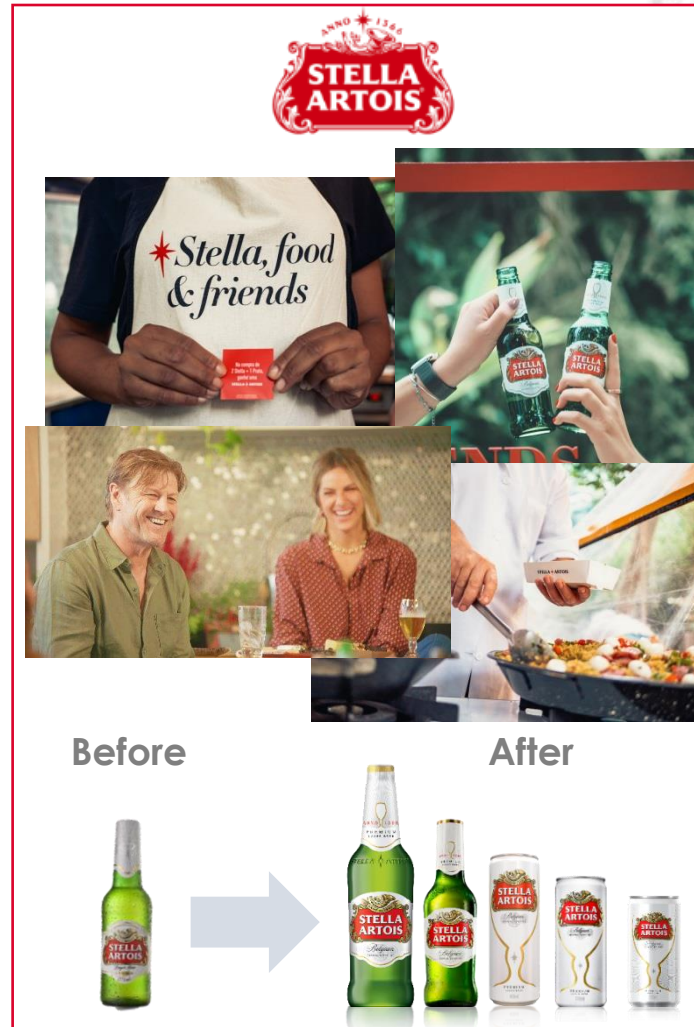
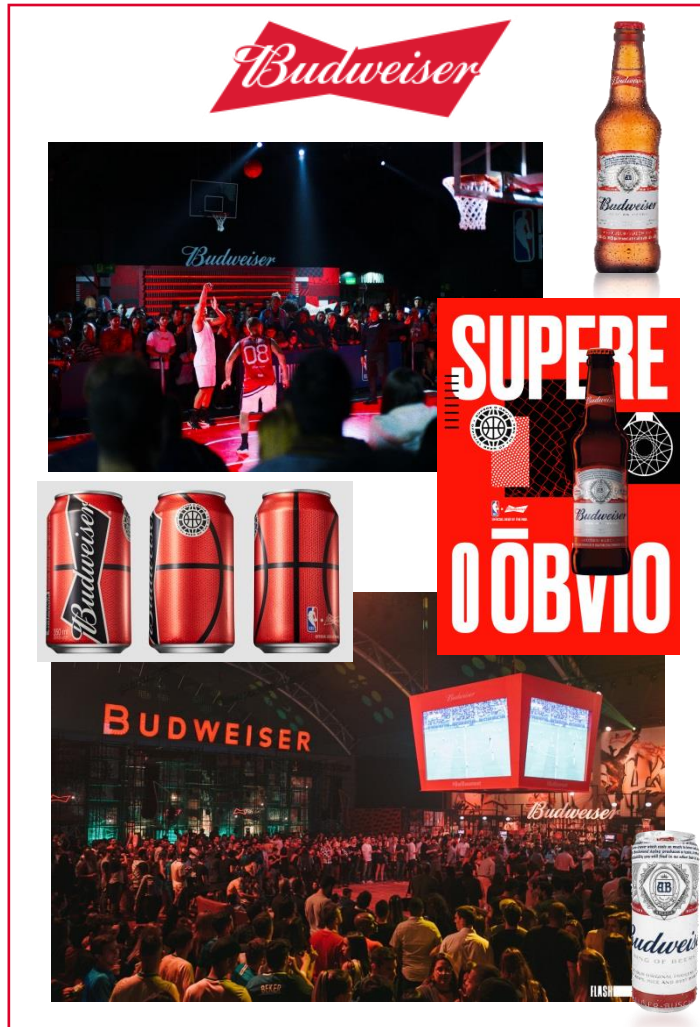
**Drive Operational
Excellence**



**Business Transformation
Enabled by Technology**



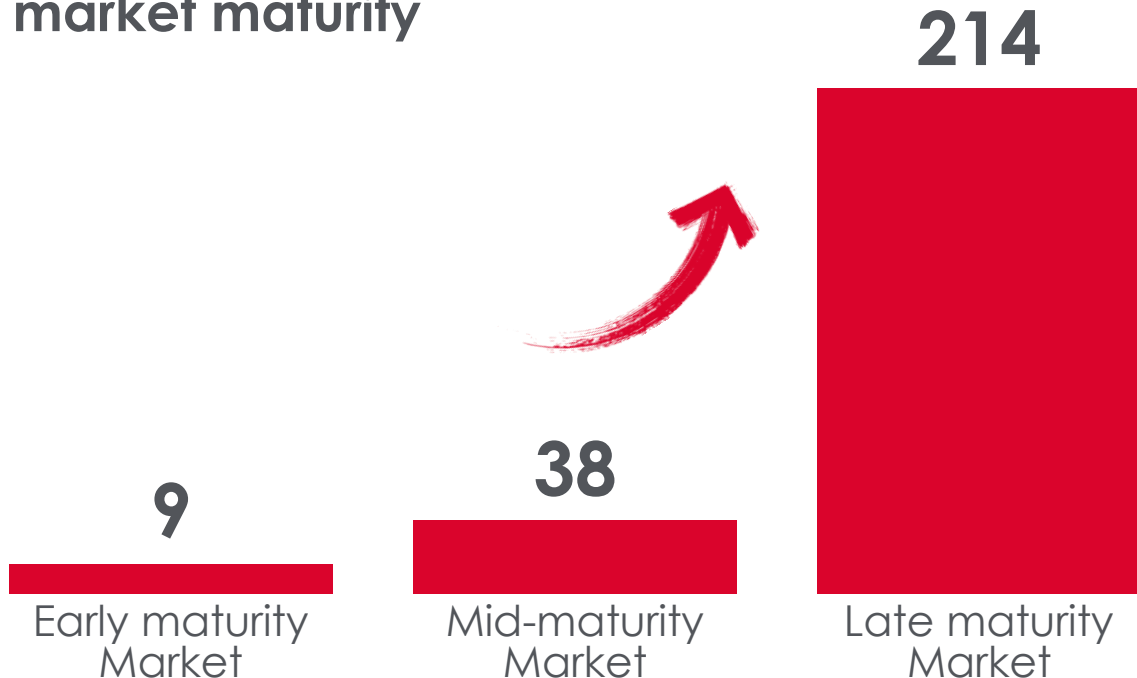
Premiumize at Scale



Premiumize at Scale

Premiumization is a portfolio game,
especially as market matures

Average of # of Premium
beer brands in each market,
by market maturity



Source: Canadean 2018 Data

2Q19 Highlights



Premium Brands grew double digit vs 2Q18



Launch of **Beck's** and **Colorado Ribeirão Lager**



Gaining market share in the past consecutive quarters



Corona, once again, **more than doubled** its volume vs 2Q18

Premiumize at Scale

Innovation as key driver: new packaging, visual brand identities (VBI) and brands...

THE HIGH END

ESTABLISHED NOW

New brands

New Cans

New cans

New VBI

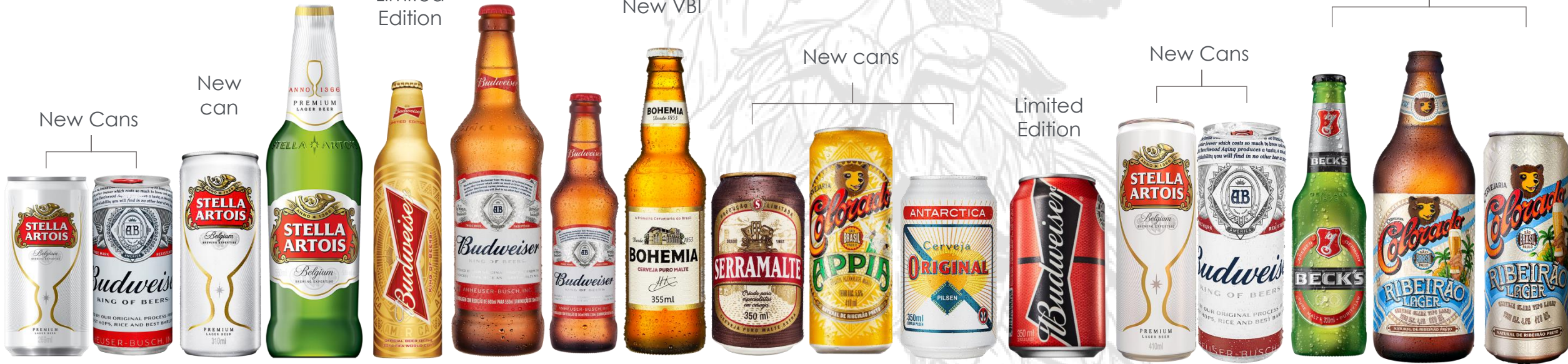
New VBI and
Long Neck

Limited
Edition

New
sharing
size bottle

New can

New Cans



2015

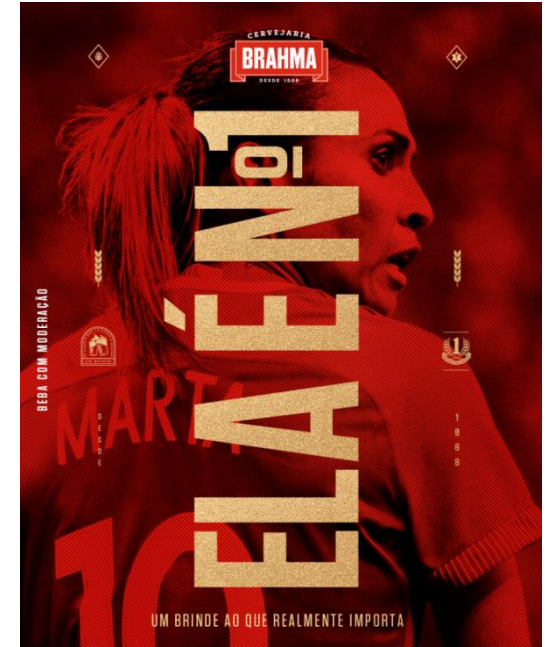
2019

... and there is more to come

Differentiate the Core



- Classic Lager
- Beer Expertise
- Heritage



Differentiate the Core

SKOL
Family

- Easy Drinking Lager
- Drinkability
- Innovation and Youth



Drive Smart Affordability

PACKAGING



REGIONAL BRANDS



Drive Operational Excellence

Improving Customers' Experience



Net Promoter Score

With the use of the Net Promoter Score (NPS), we can map customers' needs and pain points and focus on what adds value to the Point of Sales.



Wherever we call it Brazil there has to be Ambev

NPS and the use of technology enable us to best segment the market, building a differentiated strategy and sales structure for each of the segments.

Business Transformation enabled by Technology

Big Data

Big Data and sales algorithm fueled by machines learning to provide the ideal portfolio.

parceir⁶
ambev

Customer Experience

Enabling time to our sales team to focus even more in customer experience

Investment in Technology

Internalizing technology knowledge and expanding tech support to more areas of Ambev, with more agility and scale

draftline[®]

Connecting with consumers

Improving consumer intimacy, building a proprietary audience base, extracting real time consumer insights and delivering, thus, precise media

Sustainability

Bringing People together for a Better World



In our internal consulting company **VOA**, our people share their knowledge and experiences with NGOs in order to maximize their impact. We have started its **second edition**.



Our mineral water **AMA** converts all the profit to projects of access to potable water in the Brazilian semi-arid. Consumers have thus contributed to **30 projects, benefiting 30 thousand people**.

[illegible]