



MEDIA RELEASE

FOR IMMEDIATE DISSEMINATION

A STEADY FIRST HALF OF 2022 FOR BAT MALAYSIA

Bukit Damansara, 21 July 2022 – British American Tobacco (Malaysia) Berhad (BAT Malaysia or the Group) today announced its financial results for the second quarter ended 30 June 2022 (Q2 FY2022).

Q2 FY2022 Financial Highlights (compared to the same period last year):

- Revenue was recorded at RM637 million, with continued growth achieved for Dunhill and Value-For Money brands
 - Profit from operations for the quarter under review stood at RM109 million, largely driven by domestic volume growth
 - The Board of Directors have declared a second interim ordinary dividend of 25.0 sen per share, amounting to RM71 million to be paid out on 18 August 2022 to shareholders
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For the first half of the 2022 financial year (1H FY2022), BAT Malaysia recorded a revenue of RM1.16 billion which is flat against the same period last year. Profit from operations stood at RM191 million compared with RM193 million same period last year.

The Group's volume for the first half of 2022 remained consistent with the first half of 2021 due to the dip in demand during the onset of the Omicron variant in Q1 FY2022 offset by gradual consumption recovery during the endemic phase in Q2 FY2022.

The Group's strategic brands, continued to show encouraging share performances. Dunhill's share of premium segment grew by 0.9 percentage points (ppt) to 62%, further strengthening its market leadership position. The Group's Value-for-Money (VFM) brands also grew by 0.7ppt to 34.9% share of segment as compared to the same period last year. BAT Malaysia's share of Aspirational Premium segment has contracted by 3.3ppt to 41.2% as a result of the portfolio optimisation strategy in delisting Pall Mall during the first half of 2022.

Nedal Salem, Managing Director of BAT Malaysia, said, "BAT Malaysia has maintained a steady performance for the first half of this year, a clear indication that we are on the right path to enhance our prospects and maximise returns to our shareholders. For the second half of the year, we will continue our focus towards building A Better Tomorrow™, with an emphasis on reducing the health impact of our business."

"We are encouraged by the Government's commitment to regulate the vape industry in Malaysia. We strongly urge the Government to adopt policies that are evidence-based and data-driven, to ensure the over one million Malaysian vape users have access to reduced-risk products that are compliant with quality and safety standards. BAT Malaysia will strongly support any sensible, pragmatic regulations on vaping, in tandem with our purpose to build A Better Tomorrow™."



Nedal added that the Government must also continue its push towards curbing the tobacco black market in Malaysia. “The illegal cigarette trade currently commands around 60% of the total market in Malaysia. Over the last five years, the government has already lost some RM25 billion in tax leakages to the illegal cigarette market. Smugglers are now being more creative in smuggling via small coastal jetties. BAT Malaysia urges the Government to take effective enforcement actions to shut these channels down, whilst also addressing the affordability pressures faced by consumers.”

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For more information on British American Tobacco Malaysia’s financial results, please visit www.batmalaysia.com or the Company’s Annual Report.

About British American Tobacco (Malaysia) Berhad

British American Tobacco (Malaysia) Berhad is the leading tobacco company in Malaysia with a purpose to build A Better Tomorrow™ by reducing the health impact of its business. This strong position is built upon a portfolio of products designed to meet diverse consumer preferences. Our portfolio includes world-famous brands like DUNHILL, KENT, PETER STUYVESANT, PALL MALL, ROTHMANS and KYO. BAT Malaysia employs almost 400 employees who are involved in a wide spectrum of disciplines, from generating insights, developing brands and making these available on a national level. In addition, we also set leading edge talent development practices as well as ensure a strong foundation of corporate governance and shareholder relations. The company is part of the British American Tobacco group, which is a leading multi-category consumer goods business and the second largest stock market listed tobacco group by global market share.

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