



MEDIA RELEASE

FOR IMMEDIATE DISSEMINATION

BAT Malaysia on track to build A Better Tomorrow™

Kuala Lumpur, 30 October 2024 - British American Tobacco (Malaysia) Berhad (BAT Malaysia) today announced its financial results for the third quarter ended 30 September 2024 (Q3 FY2024).

Q3FY2024 Financial Highlights:

- Volume increased by 3.3% compared to same period last year leading to a 0.5% rise in revenue totalling RM609.9 million.
- Profit from operations for the quarter was RM99.5 million, 17.1% higher than same period last year.
- The Board of Directors has declared a third interim dividend of 22 sen per ordinary share amounting to RM62.8 million, payable on 27 November 2024 to shareholders.

For the quarter under review, BAT Malaysia saw a 3.3% increase in overall volume as compared to same period last year. As a result, the Group saw a 0.5% rise in revenue totalling RM609.9 million. The growth was largely attributed to a better product mix and increased sales from vapour products, partially offset by higher investment.

Although gross profit margin dipped by 1.3% due to the lower margin of vapour products, operating expenses were significantly reduced by 28.9% as compared to last year given the Group's substantial investment in the launch of Vuse in Malaysia last year. As a result, profit from operations for the quarter increased by 17.1% to RM99.5 million compared to the same period last year.

The Board of Directors has declared a third interim dividend of 22 sen per ordinary share amounting to RM62.8 million, payable on 27 November 2024 to shareholders.

Nedal Salem, Managing Director of BAT Malaysia, said, "Our financial performance for Q3FY2024 has been encouraging especially with the progress made by Vuse, the No. 1 global vaping brand*, in steering the Group's growth in Malaysia.

Our investments to-date are showing promising results as it has led to the Group having a better product mix and increase in volume. The Group remains optimistic that its performance will continue to strengthen, backed by its multi-category portfolio as the Group aims to continue growing Vuse. The progress positions us well to drive our ambition in Malaysia to build A Better Tomorrow™."

*Based on Vuse estimated value share of vapour pods and pre-filled devices from Recommended Retail Price in total measured retail in key vapour markets: USA, Canada, France, UK, Germany, Poland and Spain as of May 2024.



The Group also notes that the Control of Smoking Products for Public Health Act 2024 and its related regulations (Act 852) have been gazetted and taken effect with measures to be implemented in phases in 2024 and 2025.

“While the new Act 852 and its regulations have taken effect, it is still too early to make an assessment on the impact of the Act 852 and its regulations. Additionally, we believe that it is important for the industry to be given sufficient time to comply to the new regulations and we urge the Government to continue to have dialogues with the industry during this transition period to ensure there is no disruption to the market.”

Commenting on the recent Budget2025 announcement, Nedal said that while the Government has announced additional allocation for the enforcement authorities to address smuggling activities and that there has been success in addressing smuggling activities in the country, the incidence of tobacco black market remains at a high level and needs attention.

“We are encouraged by the recent intensified enforcement actions from the Royal Malaysian Customs Department in addressing the tobacco black market. While the incidence of tobacco black market has been on a declining trend since 2020, it continues to be at a high of 54.4%¹ in July 2024 and the Government needs to continue to focus its attention and resources to address the issue. Apart from the proactive work done on the enforcement front to curb the supply, the Government should also develop solutions that would address the issues to curb demand of black-market products.”

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For more information on British American Tobacco Malaysia’s financial results, please visit www.batmalaysia.com

About British American Tobacco (Malaysia) Berhad

British American Tobacco (Malaysia) Berhad is the leading tobacco company in Malaysia and a subsidiary of the BAT Group, which is driving its corporate purpose of building A Better Tomorrow™ by reducing the health impact of our business through a multicategory portfolio. BAT Malaysia’s portfolio includes world-famous brands like DUNHILL, PETER STUYVESANT, ROTHMANS, KYO, LUCKIES and VUSE. BAT Malaysia employs almost 280 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.

For more information, please contact British American Tobacco (Malaysia) Berhad:
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¹ *Illicit Cigarettes Study (ICS) In Malaysia, July 2024 Report*