



MEDIA RELEASE

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Dunhill Strengthens Leadership Position

Kuala Lumpur, 30 May 2025 – British American Tobacco (Malaysia) Berhad (BAT Malaysia) today announced its financial results for the first quarter ended 31 March 2025 (Q1 FY2025).

Financial Highlights:

- Gross profit margin rose by 2.9% compared to the same period last year, supported by a more effective portfolio mix strategy despite volume decline.
 - Revenue stood at RM322 million, 21.8% lower compared with the same period last year while profit from operations declined by 15.7% to RM39 million.
 - The Board of Directors has declared a first interim dividend of 7.5 sen per ordinary share amounting to RM21.5 million, payable on 3 July 2025 to shareholders.
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For the quarter under review, BAT Malaysia recorded a revenue of RM322 million, 21.8% lower compared to the same period last year. While profit from operations declined by 15.7% to RM39 million, the Group's gross profit margin rose by 2.9%, supported by a more effective portfolio mix strategy.

Despite the Group experiencing softened demand due to seasonality factors and the early start of the Ramadhan fasting period in 2025, which saw a 20.6% decline in the Group's volume, the Group's flagship brand, Dunhill grew its market share and continued to strengthen its leadership position.

The Board of Directors has declared a first interim ordinary dividend of 7.5 sen per ordinary share amounting to RM21.5 million, payable on 3 July 2025 to shareholders.

Nedal Salem, Managing Director of BAT Malaysia, said, "Our financial performance for Q1FY2025 reflects the challenging operating landscape in Malaysia where the industry continued to be impacted by the ongoing high incidence of tobacco black market and the softening demand driven by the early start of Ramadhan in 2025."

"Despite the challenging operating landscape, the Group's flagship brand, Dunhill continued to demonstrate strength, recording a 0.7 percentage point growth in market share compared to the same period last year. This reflects Dunhill's strength as the No. 1 brand in the country with 60 years of presence in Malaysia."



“We are confident that our financial performance in 2025 will strengthen as the Group continues to focus on growing Dunhill’s leadership in Malaysia as well as driving quality and sustainable growth in the Premium, Aspirational Premium and Value-For-Money segments.”

Commenting on the Control of Smoking Products for Public Health Act 2024 and its related regulations (Act 852) that have taken effect with measures to be implemented in phases in 2025, Nedal said, “We continue to view Act 852 as a crucial step in the right direction to regulate the tobacco and vapour industry in Malaysia. While 2025 will be a transitional year given the multiple measures that will take effect throughout the year, we are fully prepared to navigate the phased implementation of Act 852.”

Nedal also said that although the industry continued to be impacted by the tobacco black market, the Group is encouraged by the intensified enforcement actions undertaken by the law enforcement authorities, especially the Royal Malaysian Customs Department, that have resulted in the incidence of the tobacco black market reducing from 56.4% in January 2024 to 54.8% in January 2025.

“The incidence of tobacco black market has been on a declining trend which is a positive result from the intensified enforcement actions. However, at 54.8%, the industry continued to be impacted by the tobacco black market and we encourage the Government to continue intensifying its enforcement actions to address the issue in 2025.”

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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 over 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.

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