



Our purpose is to build a better tomorrow by reducing the health impact of our business

A BETTER
TOMORROW™

H2'25 Analyst Briefing

BAT Malaysia
12th February 2026



**Building
Sustainable
Value for
Shareholders**



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“FACTORY MADE CIGARETTES DUAL USE/POLY USE (FMC POLY USE)” – REFERS TO THE USE BY AN ADULT CONSUMER OF BOTH FMC PRODUCTS AND POTENTIALLY REDUCED RISK TOBACCO AND NICOTINE PRODUCTS WHICH FOR MANY SMOKERS IS PART OF A TRANSITIONAL PERIOD WHERE THOSE CONSUMERS MOVE TOWARDS A COMPLETE SWITCH TO POTENTIALLY REDUCED-RISK PRODUCTS BY REDUCING THE CONSUMPTION OF COMBUSTIBLE TOBACCO PRODUCTS AND REPLACING THEM WITH ONE OR MORE POTENTIALLY REDUCED-RISK PRODUCTS.

“NEW CATEGORIES POLY USE (NC POLY USE)” – REFERS TO THE CONSUMPTION OF TWO OR MORE POTENTIALLY REDUCED-RISK TOBACCO OR NICOTINE PRODUCT CATEGORIES BY ADULT CONSUMERS WHO DO NOT CONSUME ANY FMC PRODUCTS.

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NOTWITHSTANDING REFERENCES TO FMC POLY USE, BAT IS CLEAR THAT SMOKERS SHOULD NOT DELAY IN MAKING A COMPLETE SWITCH TO SMOKELESS PRODUCTS.

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CONSUMER RESEARCH

THIS DOCUMENT MAY CONTAIN REFERENCES TO CONVERSATIONS AND COMMENTS MADE BY ADULT CONSUMERS WHO SUBJECT TO THE RELEVANT BAT GROUP GUIDELINES AND/OR CRITERIA TOOK PART IN RESEARCH AND RELATED ACTIVITIES. INFORMATION OR ATTRIBUTIONS MAY HAVE BEEN INCORRECTLY NOTED OR INADVERTENTLY ATTRIBUTED. THESE CONVERSATIONS AND COMMENTS DO NOT REPRESENT THE VIEWS OR INTENTIONS OF THE BAT GROUP.

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Targeted at adult nicotine/tobacco consumers.

2025 BATM Strategy



Illicit vs Legal

Illicit Incidence trending down



Source: Nielsen Illegal Cigarettes Study

Legal Industry Volume (mns)



Monthly average volumes
Source: CMTM Industry Exchange

Legal volume decrease despite illicit declining driven by higher dual usage

Q4 '25 Business Performance – Highlights



54%

no changes vs Q4'24

**Illegal
Incidence**



+2%

vs. Q4 '24

**Legal Domestic
Volume**



+32%

vs. Q4 '24

**Total
BAT Volume**



Industry



2025 Regulation Updates



Vapor / Nicotine Concentration Limits



**Nicotine concentration limit :
20mg per mL**

**Volume limit in mL :
3mL**

Vuse transition out on
1 October 2025



Retail Display Ban



**Open display of tobacco & vape
products banned effective
1 October 2025**

Fully compliant by
1 October 2025



Pictorial Health Warning



**New labelling requirements :
Increase size to 65%
(Front & Back)**

Fully compliant by
1 October 2025



Excise Increase



Budget 2026 announcement

**Excise increase by
RM0.02per stick effective 1
November 2025**

New RSP in market on
21 November 2025

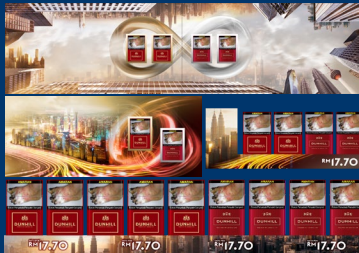
Regulatory changes have taken effect in-market

Portfolio Focus on the 3 Powerhouse brands

PREMIUM

Grow sustainable value

CELEBRATING DUNHILL 60 YEARS



Full year focus on DH via In-Store & On-ground touchpoints

ASP. PREMIUM

Effective D/T catcher

INTENSIFYING VISIBILITY SUPPORTED WITH PUG



Keeping up with the evolving consumer

BWAP

Create Future value

MORE FOCUS ON BIGGER BRANDS

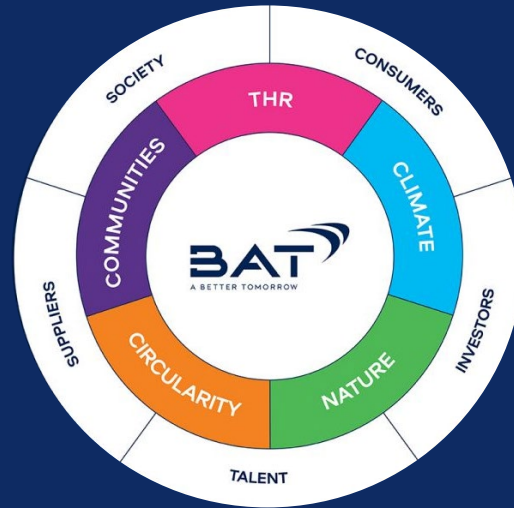


Deprioritize small SKUs to win SoW for flagship SKUs

Delivering Our Sustainability Agenda



BAT Malaysia Sustainability Strategy



FY 2025 Performance



-52% Reduction in Scope 1 & 2 Emissions

46% Renewable Energy Consumption



11% Increase in Water Withdrawn

AWS Certification Maintained



-33% Reduction in Waste Generation

98% Waste Recycled



40% Women in management roles

154K+ Beneficiaries supported through community investments

Q4 '25 Financial Performance – Highlights



SPLY

+32%
vs Q4 '24
FMC Volume



+45%
vs Q4'24
Revenue



+127%
vs Q4'24
Operating Profit

Q4 rebound driven by **regulatory phasing effective post-October'25** and **MPI impact**

FY25 Financial Performance – Highlights



FY

-5.5%

vs FY24
BAT Volume



-5.2%

vs FY24
Revenue



+9%

vs FY24
Operating Profit

Lower BAT volume due to regulatory changes during the year

Q4'25 Dividend Updates

	Q4'25	Q4'24	Var
Total BAT Volume (bn sticks)	1.3	1.0	+31%
Revenue (RM mn)	948	653	+45%
Operating Profit (RM mn)	174	77	+127%
Profit after tax (RM mn)	121	49	+147%
Earnings per share (sen)	42	17	1247%
Dividend (sen)	39 92% Payout ratio	15 87% payout ratio	+160%
	2025 FY 90% payout ratio	2024 FY 92% payout ratio	

Dividend for Board's Approval

39.0 sen per ordinary share
RM111.4mil, payable on 10th Apr 2026

Dividend Yield 14.3%*

Share Price (RM)



* Based on last 3 quarters dividend paid out and Fourth interim dividend 2025 declared (Share price is based on date of announcement)

