

Illicit Cigarettes Study (ICS) In Malaysia, Jan 2026 Report

Report Commissioned by CMTM member companies



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Illegal Cigarettes Criteria For Verification

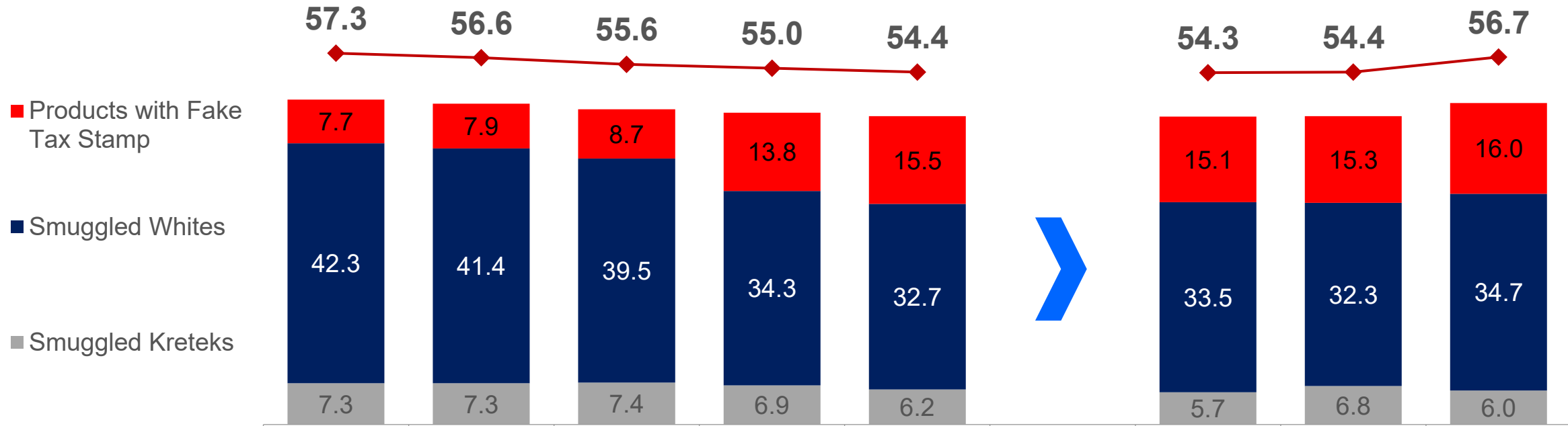
Packs with at least one (1) of the following features:

1. Absence of Registered Importers
2. Unregistered Importers*
3. Absence of Registered Manufacturers
4. Unregistered Manufacturers*
5. Packs with counterfeit (fake) Malaysian tax stamp**
6. Packs without Malaysian tax stamp
7. Packs with non-Malaysian tax stamp
8. Unregistered Brand*
9. Non Compliance to Ministry of Health's Control of Smoking Products for Public Health Act 2024
 - I. Absence or Non Compliance of Pictorial Health Warning Requirements
 - II. Pack Size other than 20 sticks
 - III. Absence or Non Compliance of mandated labeling requirements

Illegal Cigarettes Incidence At National Level :

Overall increase by 2.3 ppt. vs. Nov, 2025

Incidence (%)



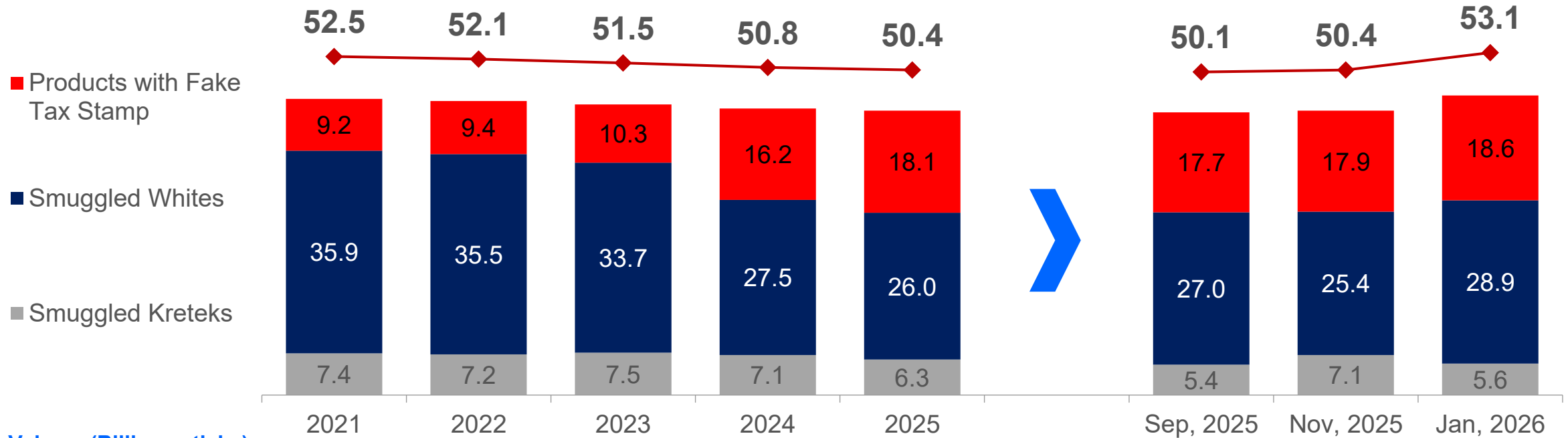
Volume (Billions sticks)

	2021	2022	2023	2024	2025	Sep, 2025	Nov, 2025	Jan, 2026
Legal Cigarettes	6.9	7.1	7.1	6.9	6.9	0.578	0.510	0.482
Illegal Cigarettes	9.1	9.3	8.9	8.5	8.2	0.686	0.609	0.631
Estimated Total industry	16.0	16.4	16.0	15.4	15.1	1.264	1.119	1.113
Incidence	57.3%	56.6%	55.6%	55.0%	54.4%	54.3%	54.4%	56.7%

Illegal Cigarettes Incidence In Pen. Malaysia :

Overall increase by 2.7 ppt. vs. Nov, 2025

Incidence (%)



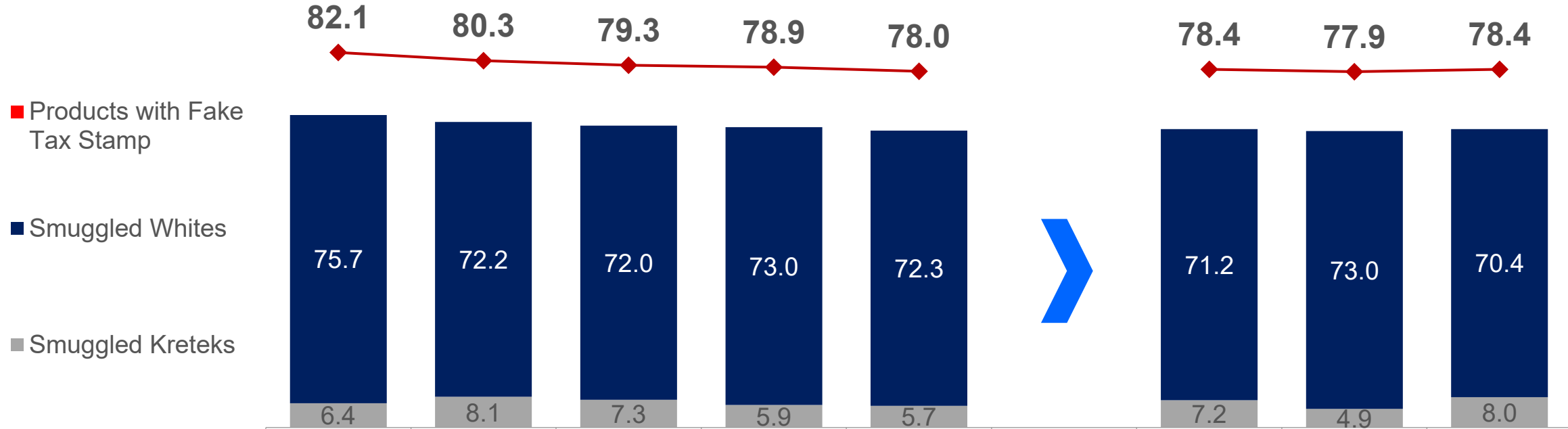
Volume (Billions sticks)

	2021	2022	2023	2024	2025	Sep, 2025	Nov, 2025	Jan, 2026
Legal Cigarettes	6.4	6.6	6.6	6.4	6.4	0.538	0.474	0.448
Illegal Cigarettes	7.0	7.2	7.0	6.7	6.5	0.540	0.483	0.507
Estimated Total industry	13.4	13.8	13.6	13.1	12.9	1.078	0.957	0.955
Incidence	52.5%	52.1%	51.5%	50.8%	50.4%	50.1%	50.4%	53.1%

Illegal Cigarettes Incidence In East Malaysia :

Overall increase by 0.5 ppt. vs. Nov, 2025

Incidence (%)



Volume (Billions sticks)

	2021	2022	2023	2024	2025	Sep, 2025	Nov, 2025	Jan, 2026
Legal Cigarettes	0.5	0.5	0.5	0.5	0.5	0.040	0.036	0.034
Illegal Cigarettes	2.1	2.1	1.9	1.8	1.7	0.146	0.126	0.124
Estimated Total industry	2.6	2.6	2.4	2.3	2.2	0.186	0.162	0.158
Incidence	82.1%	80.3%	79.3%	78.9%	78.0%	78.4%	77.9%	78.4%

Top 10 Illegal Cigarettes Brands

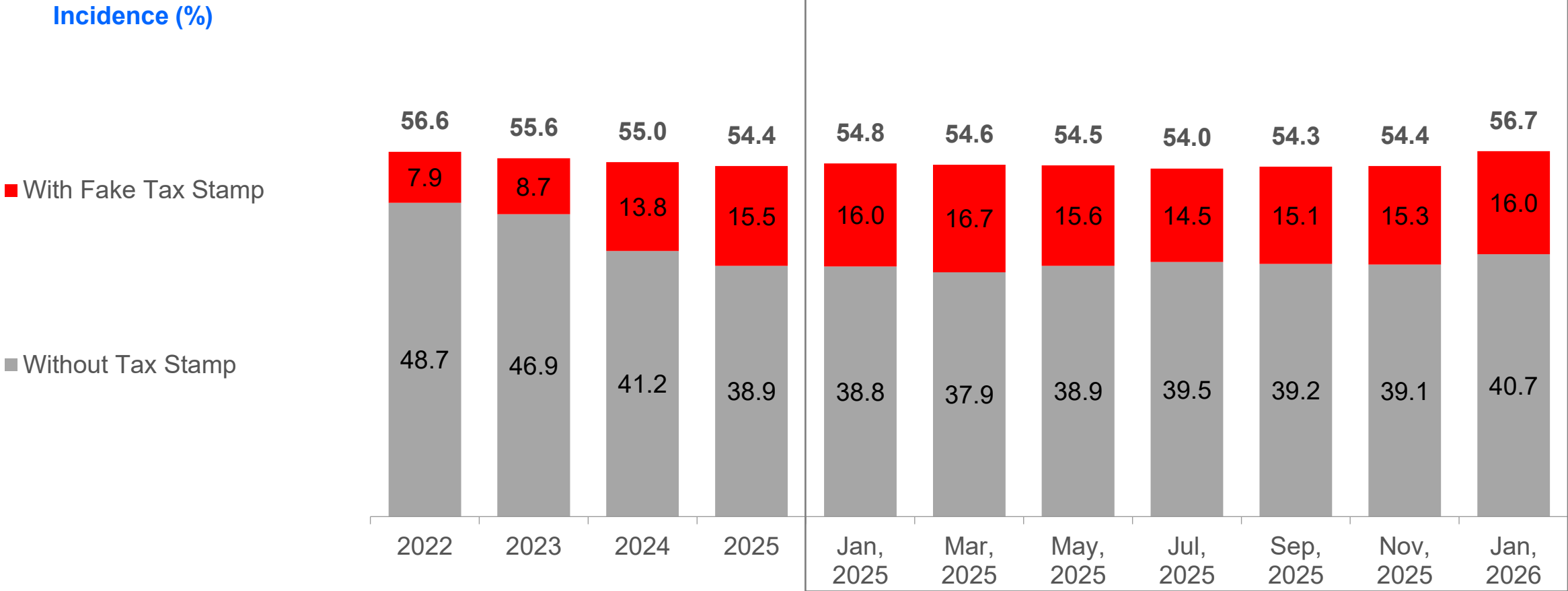
They account for approximately 77% of illegal cigarettes volume

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	13.5	12.0	12.2
2.	Era	7.5	7.6	7.5
3.	Canyon	6.0	5.0	4.0
4.	Bosston*	3.8	3.4	3.8
5.	Concept*	3.2	2.4	2.9
6.	Misto*	2.5	2.6	2.4
7.	L.A.	2.4	2.8	2.5
8.	Gudang Garam	1.9	2.5	2.5
9.	U2	1.6	1.6	2.1
10.	Promax*	1.5	1.8	1.4
Top 10 Total		43.9	41.7	41.3
<i>Other Illegal</i>		12.8	12.7	13.1
Total Illegal %		56.7	54.4	54.4



Tax Stamp Breakdown Of Illegal Cigarettes :

- 72% of illegal cigarettes are without tax stamps while remaining 28% are with fake tax stamps



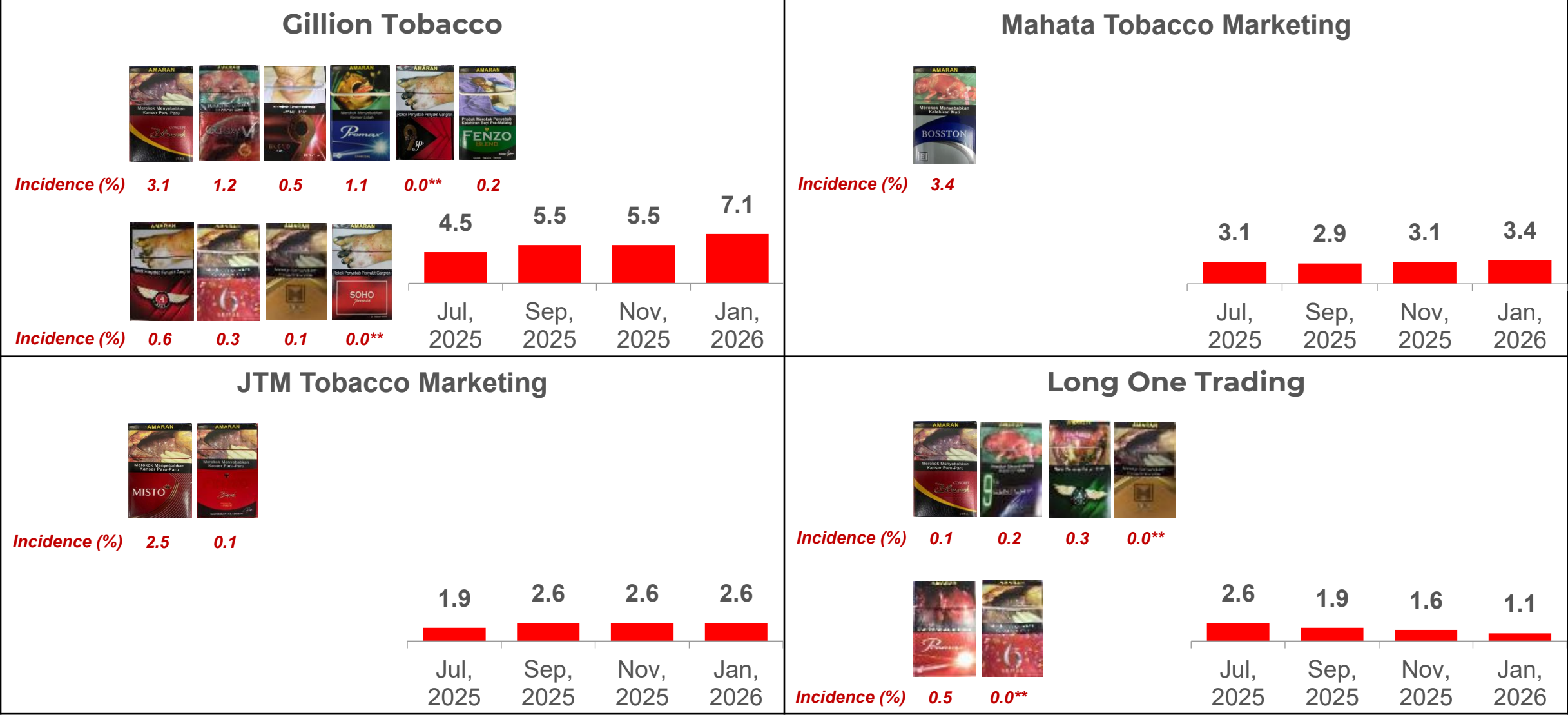
Top 10 Products With Fake Tax Stamp Cigarettes Brands

They account for approximately 94% of products with fake tax stamp cigarettes volume

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	Bosston*	3.8	3.4	3.8
2.	Concept*	3.2	2.4	2.9
3.	Mlsto*	2.5	2.6	2.4
4.	Promax*	1.5	1.8	1.4
5.	Galaxy*	1.2	1.1	0.9
6.	A380*	0.9	0.5	0.7
7.	9th Century*	0.7	0.9	0.7
8.	Pragon*	0.5	0.4	0.6
9.	Manchester*	0.4	0.5	0.8
10.	6th Sense*	0.3	0.2	0.3
Top 10 Total		15.0	13.8	14.5
Other Products With Fake Tax Stamp		1.0	1.5	1.0
Total Products With Fake Tax Stamp %		16.0	15.3	15.5

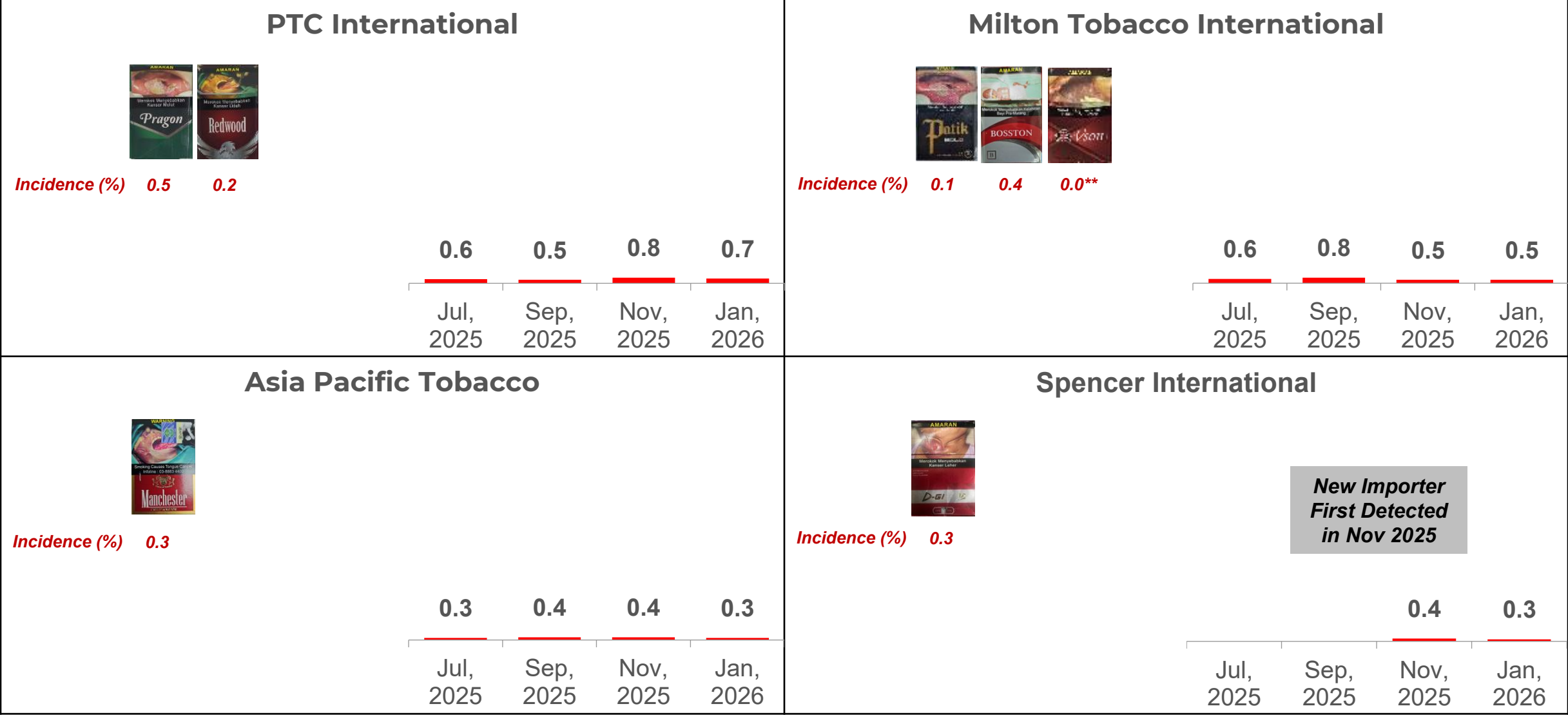


Fake Tax Stamp Breakdown By Importers :



0.0%** Incidence is less than 0.1%; figure is too small to feature.



Fake Tax Stamp Breakdown By Importers :



**New Importer
First Detected
in Nov 2025**

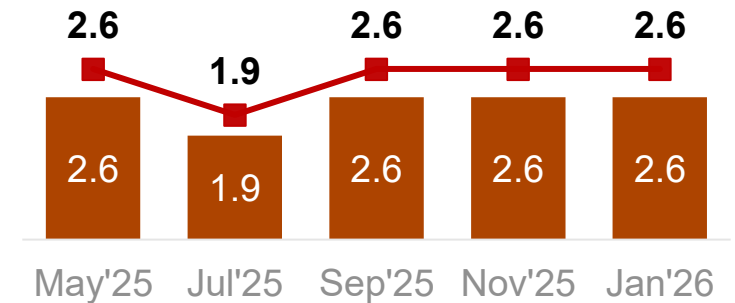
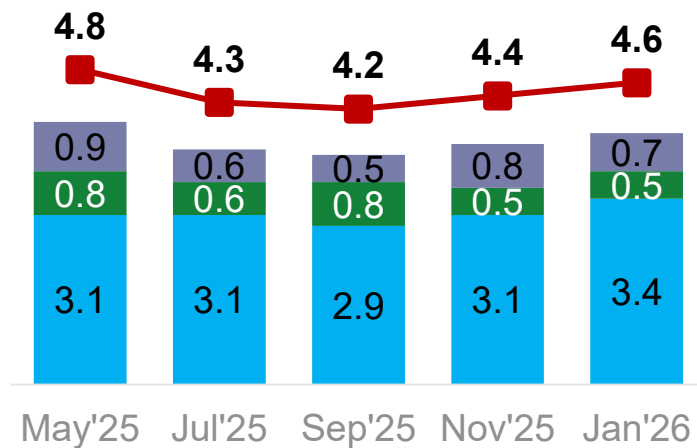
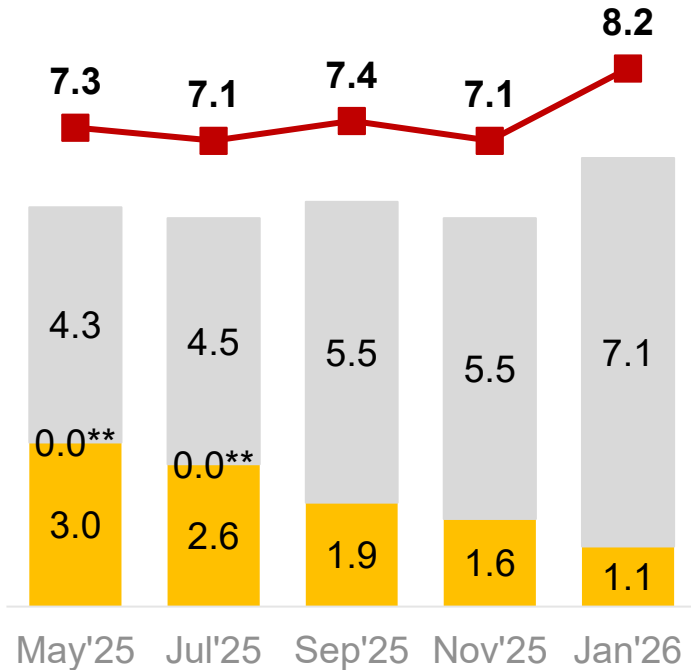
0.0%** Incidence is less than 0.1%; figure is too small to feature.

Fake Tax Stamp Breakdown By Importers :

VTI Marketing					Global 55 Resource				
 <p>Incidence (%) 0.1</p>					 <p>Incidence (%) 0.0**</p>				
	0.7	0.3	0.1	0.1		0.0**	0.1	0.2	0.0**
	Jul, 2025	Sep, 2025	Nov, 2025	Jan, 2026		Jul, 2025	Sep, 2025	Nov, 2025	Jan, 2026

Fake Tax Stamp Breakdown By Importers :

Incidence increased for packs imported by Gillion Tobacco (+1.6 ppt.) and Mahata Tobacco Marketing (+0.3 ppt.) in Jan'26



- Gillion Tobacco
- Global Tobacco Manufacturer
- Legasi Jutawan
- Long One Trading
- Total Incidence

- PTC International
- Neptune Tobacco International
- Milton Tobacco International
- Mahata Tobacco Marketing
- Total Incidence

- Azion Trade
- JTM Tobacco Marketing
- Total Incidence

0.0%** Incidence is less than 0.1%; figure is too small to feature.

Illegal Cigarettes Incidence By State :

15 States recording an increase vs. Nov 2025

	A Jan, 2026				B Nov, 2025				A minus B Variance (Jan'2026 vs. Nov'2025)				Volume Contribution
	Total Illegal	Fake Tax Stamp	Smuggled Whites	Smuggled Krettek	Total Illegal	Fake Tax Stamp	Smuggled Whites	Smuggled Krettek	Total Illegal	Fake Tax Stamp	Smuggled Whites	Smuggled Krettek	%
Johor	56.6	28.2	23.2	5.2	54.0	33.1	17.7	3.2	+2.6	-4.9	+5.5	+2.0	21%
Selangor	45.5	6.6	27.8	11.1	43.3	5.6	25.3	12.4	+2.2	+1.0	+2.5	-1.3	15%
Pahang	80.4	33.6	43.3	3.5	78.2	19.3	44.3	14.6	+2.2	+14.3	-1.0	-11.1	13%
Sarawak	80.1	0.0	67.1	13.0	79.7	0.0	72.1	7.6	+0.4	0.0	-5.0	+5.4	10%
Sabah	76.7	0.1	73.7	2.9	76.2	0.0	73.9	2.3	+0.5	+0.1	-0.2	+0.6	10%
WP KL	42.4	2.4	30.9	9.1	39.7	2.2	26.4	11.1	+2.7	+0.2	+4.5	-2.0	7%
Melaka	68.8	46.2	21.7	0.9	65.7	45.6	18.7	1.4	+3.1	+0.6	+3.0	-0.5	6%
Penang	45.2	13.1	30.0	2.1	44.6	17.0	24.3	3.3	+0.6	-3.9	+5.7	-1.2	4%
Terengganu	67.8	18.2	46.4	3.2	64.7	17.7	42.8	4.2	+3.1	+0.5	+3.6	-1.0	3%
Kedah	51.5	15.0	33.4	3.1	48.7	16.7	27.9	4.1	+2.8	-1.7	+5.5	-1.0	3%
N.Sembilan	41.3	18.7	20.6	2.0	42.5	15.5	22.6	4.4	-1.2	+3.2	-2.0	-2.4	3%
Perak	29.8	13.3	16.3	0.2	27.8	12.1	15.3	0.4	+2.0	+1.2	+1.0	-0.2	2%
Kelantan	47.6	4.6	41.2	1.8	38.0	3.2	33.5	1.3	+9.6	+1.4	+7.7	+0.5	2%
Perlis	55.4	2.2	47.7	5.5	48.7	1.6	42.1	5.0	+6.7	+0.6	+5.6	+0.5	1%
WP Labuan	78.4	0.0	73.1	5.3	76.4	0.0	74.6	1.8	+2.0	0.0	-1.5	+3.5	0%**
WP Putrajaya	40.5	1.5	27.1	11.9	37.2	0.5	26.8	9.9	+3.3	+1.0	+0.3	+2.0	0%**
National Incidence	56.7	16.0	34.7	6.0	54.4	15.3	32.3	6.8	+2.3	+0.7	+2.4	-0.8	100%

0.0%** Incidence is less than 0.1%; figure is too small to feature.

Illegal Cigarettes Incidence By State :

11 States recording an increase vs. 2025

	A Jan, 2026				B 2025				A minus B Variance (Jan'2026 vs. 2025)				Volume Contribution
	Total Illegal	Fake Tax Stamp	Smuggled Whites	Smuggled Kretex	Total Illegal	Fake Tax Stamp	Smuggled Whites	Smuggled Kretex	Total Illegal	Fake Tax Stamp	Smuggled Whites	Smuggled Kretex	%
Johor	56.6	28.2	23.2	5.2	51.9	32.8	16.5	2.6	+4.7	-4.6	+6.7	+2.6	21%
Selangor	45.5	6.6	27.8	11.1	43.7	6.3	25.0	12.4	+1.8	+0.3	+2.8	-1.3	15%
Pahang	80.4	33.6	43.3	3.5	77.7	23.2	45.3	9.2	+2.7	+10.4	-2.0	-5.7	13%
Sarawak	80.1	0.0	67.1	13.0	78.8	0.0	70.5	8.3	+1.3	0.0	-3.4	+4.7	10%
Sabah	76.7	0.1	73.7	2.9	77.3	0.0	73.9	3.4	-0.6	+0.1	-0.2	-0.5	10%
WP KL	42.4	2.4	30.9	9.1	39.7	2.9	25.7	11.1	+2.7	-0.5	+5.2	-2.0	7%
Melaka	68.8	46.2	21.7	0.9	63.5	40.7	20.7	2.1	+5.3	+5.5	+1.0	-1.2	6%
Penang	45.2	13.1	30.0	2.1	44.0	13.4	27.9	2.7	+1.2	-0.3	+2.1	-0.6	4%
Terengganu	67.8	18.2	46.4	3.2	69.4	22.0	43.4	4.0	-1.6	-3.8	+3.0	-0.8	3%
Kedah	51.5	15.0	33.4	3.1	53.1	15.8	33.9	3.4	-1.6	-0.8	-0.5	-0.3	3%
N.Sembilan	41.3	18.7	20.6	2.0	41.0	20.9	16.4	3.7	+0.3	-2.2	+4.2	-1.7	3%
Perak	29.8	13.3	16.3	0.2	29.8	13.0	16.0	0.8	0.0	+0.3	+0.3	-0.6	2%
Kelantan	47.6	4.6	41.2	1.8	53.1	6.0	45.3	1.8	-5.5	-1.4	-4.1	0.0	2%
Perlis	55.4	2.2	47.7	5.5	53.3	8.6	40.0	4.6	+2.1	-6.4	+7.6	+0.9	1%
WP Labuan	78.4	0.0	73.1	5.3	75.8	0.0	73.2	2.6	+2.6	0.0	-0.1	+2.7	0%**
WP Putrajaya	40.5	1.5	27.1	11.9	34.9	0.8	21.5	12.6	+5.6	+0.7	+5.6	-0.7	0%**
National Incidence	56.7	16.0	34.7	6.0	54.4	15.5	32.7	6.2	+2.3	+0.5	+2.0	-0.2	100%

0.0%** Incidence is less than 0.1%; figure is too small to feature.

Top 9 Illegal Cigarettes Brands For Perlis

- Volume contribution to National = 1%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	39.4	33.1	34.1
2.	Gudang Garam	5.5	4.9	4.6
3.	Vess	4.6	6.3	4.6
4.	Tiara	3.6	2.2	0.5
5.	Manchester*	1.4	0.7	1.2
6.	Promax*	0.7	0.2	0.1
7.	Canyon	0.1	-	0.1
8.	Pragon*	0.1	0.2	0.1
9.	Misto*	0.0**	-	0.0**
Top 9 Total		55.4	47.6	45.3
<i>Other Illegal</i>		-	1.1	8.0
Total Illegal %		55.4	48.7	53.3



Top 10 Illegal Cigarettes Brands For Kedah

- Volume contribution to National = 3%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	22.9	20.6	23.7
2.	A380*	6.6	6.2	5.1
3.	Vess	5.5	3.1	4.4
4.	Concept*	3.6	4.5	4.2
5.	Gudang Garam	3.1	4.1	3.2
6.	Tiara	2.6	2.0	2.5
7.	9th Century*	1.5	1.9	0.8
8.	Promax*	1.4	1.8	0.8
9.	Canyon	1.1	1.0	0.6
10.	Manchester*	0.7	0.3	0.7
Top 10 Total		49.0	45.5	46.0
<i>Other Illegal</i>		2.5	3.2	7.1
Total Illegal %		51.5	48.7	53.1



Top 10 Illegal Cigarettes Brands For Penang

- Volume contribution to National = 4%

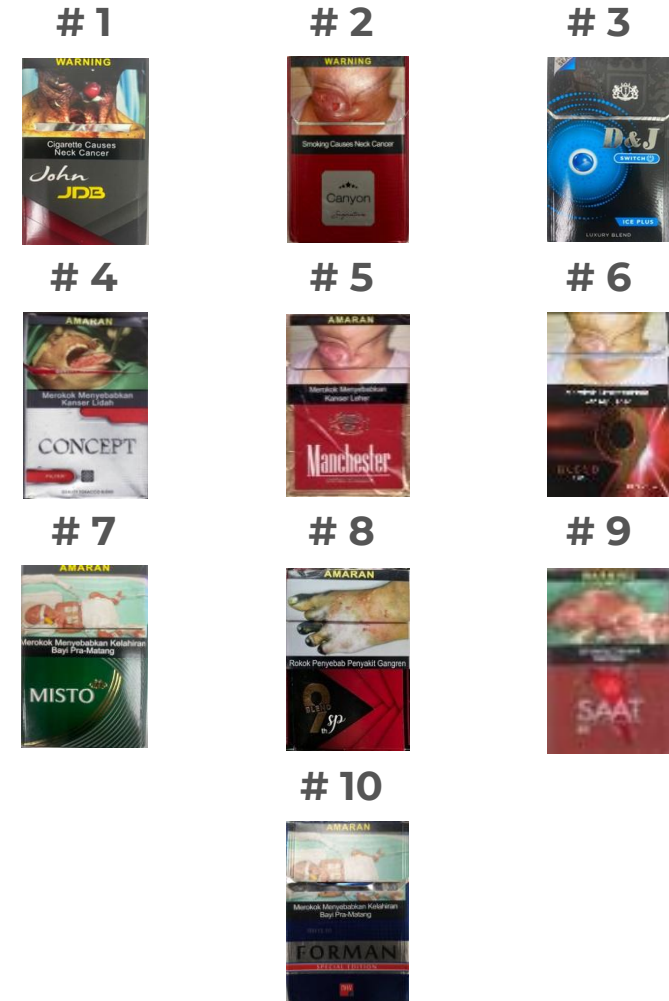
		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	19.8	21.4	25.0
2.	Canyon	5.0	1.4	1.1
3.	A380*	3.5	2.8	1.8
4.	Manchester*	2.6	4.3	3.2
5.	Gudang Garam	1.9	2.9	2.4
6.	Promax*	1.8	1.3	1.0
7.	Zon King	1.6	0.4	0.1
8.	Saat	1.1	0.2	0.2
9.	Concept*	1.1	2.5	2.5
10.	M*	1.0	1.4	1.9
Top 10 Total		39.4	38.6	39.2
<i>Other Illegal</i>		<i>5.8</i>	<i>6.0</i>	<i>4.8</i>
Total Illegal %		45.2	44.6	44.0



Top 10 Illegal Cigarettes Brands For Perak

- Volume contribution to National = 2%

	Illegal Brand	Jan, 2026	Nov, 2025	2025
		SOM (%)	SOM (%)	SOM (%)
1.	John	8.1	9.3	10.1
2.	Canyon	3.7	2.3	2.3
3.	D&J	3.1	2.8	2.5
4.	Concept*	2.9	2.3	3.3
5.	Manchester*	2.5	1.8	1.5
6.	9 th Century*	2.4	1.9	2.4
7.	Mlsto*	2.1	1.4	-
8.	9 th Blend*	1.3	1.8	0.3
9.	Saat	0.5	-	0.1
10.	Forman*	0.3	0.4	0.3
Top 10 Total		26.9	24.0	22.8
<i>Other Illegal</i>		2.9	3.8	7.0
Total Illegal %		29.8	27.8	29.8



Top 10 Illegal Cigarettes Brands For Selangor

- Volume contribution to National = 15%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	13.6	11.1	9.2
2.	Canyon	6.1	5.2	5.2
3.	L.A.	5.5	6.8	6.7
4.	U2	4.0	3.8	4.7
5.	Gudang Garam	3.7	3.1	4.1
6.	Zon King	3.1	3.6	4.1
7.	Mlsto*	1.6	1.6	1.4
8.	A380*	1.3	0.3	0.7
9.	Bosston*	1.3	0.8	1.0
10.	Luffman	0.9	1.7	1.6
Top 10 Total		41.1	38.0	38.7
<i>Other Illegal</i>		4.4	5.3	5.0
Total Illegal %		45.5	43.3	43.7



Top 10 Illegal Cigarettes Brands For WP KL

- Volume contribution to National = 7%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	13.4	11.5	9.4
2.	Canyon	7.7	6.0	5.9
3.	L.A.	6.3	8.1	6.9
4.	U2	5.5	4.2	4.2
5.	Zon King	3.6	3.8	4.3
6.	Gudang Garam	2.1	2.5	3.4
7.	Bosston*	0.9	0.5	0.7
8.	Luffman	0.7	0.9	1.7
9.	Class Mild	0.6	0.2	0.2
10.	Galaxy*	0.4	0.2	0.3
Top 10 Total		41.2	37.9	37.0
<i>Other Illegal</i>		1.2	1.8	2.7
Total Illegal %		42.4	39.7	39.7



Top 10 Illegal Cigarettes Brands For WP Putrajaya

- Volume contribution to National = 0%**

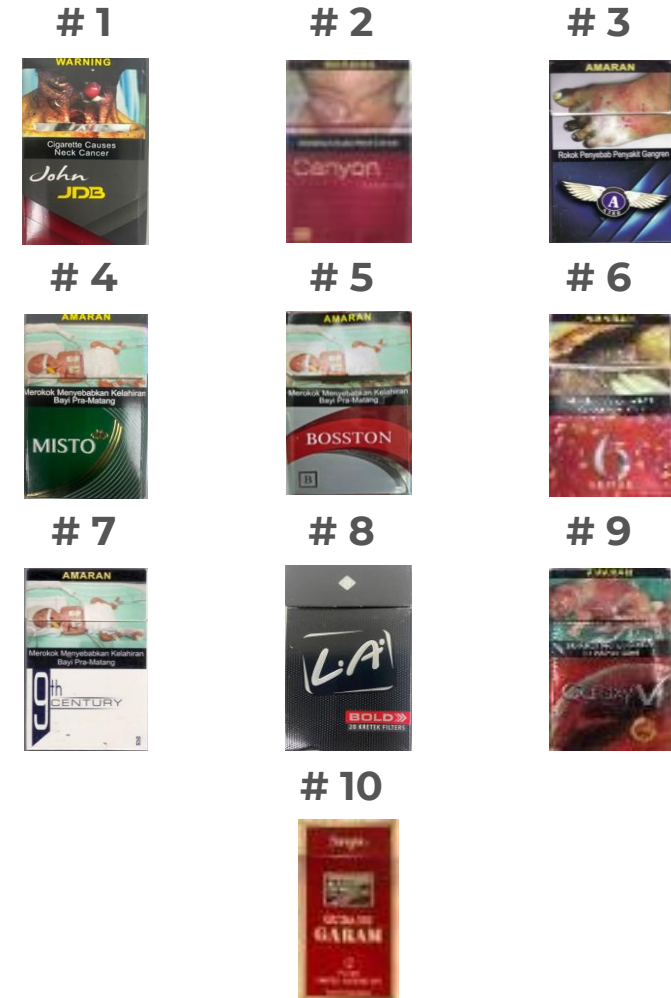
		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	9.7	12.9	8.1
2.	Canyon	8.2	10.6	8.6
3.	L.A.	6.8	5.8	7.1
4.	Zon King	5.1	1.8	2.9
5.	Gudang Garam	3.8	4.0	5.4
6.	U2	2.8	1.5	1.5
7.	Luffman	1.3	-	0.3
8.	Sampoerna	0.6	-	0.0**
9.	Bosston*	0.5	0.3	0.3
10.	Class Mild	0.4	-	-
Top 10 Total		39.2	36.9	34.2
Other Illegal		1.3	0.3	0.7
Total Illegal %		40.5	37.2	34.9



Top 10 Illegal Cigarettes Brands For Negeri Sembilan

- Volume contribution to National = 3%

	Illegal Brand	Jan, 2026	Nov, 2025	2025
		SOM (%)	SOM (%)	SOM (%)
1.	John	11.4	12.7	8.9
2.	Canyon	8.4	9.3	5.9
3.	A380*	6.3	1.9	3.7
4.	Misto*	4.6	5.8	6.9
5.	Bosston*	2.8	2.7	2.5
6.	6 th Sense	2.5	0.6	3.3
7.	9 th Century*	1.8	1.3	1.1
8.	L.A.	1.7	2.4	1.4
9.	Galaxy*	0.5	0.8	0.6
10.	Gudang Garam	0.3	1.2	1.8
Top 10 Total		40.3	38.7	36.1
<i>Other Illegal</i>		<i>1.0</i>	<i>3.8</i>	<i>4.9</i>
Total Illegal %		41.3	42.5	41.0



Top 10 Illegal Cigarettes Brands* For Melaka

- Volume contribution to National = 6%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	Bosston*	16.3	15.8	14.1
2.	John	14.2	12.6	14.3
3.	Misto*	13.0	11.8	10.7
4.	Canyon	6.3	5.7	5.6
5.	Galaxy*	5.9	3.0	1.7
6.	Concept*	3.2	3.9	4.2
7.	Promax	2.3	5.8	2.9
8.	Redwood*	2.1	3.0	0.6
9.	Pragon*	1.4	0.8	1.5
10.	Zon King	1.0	0.1	0.2
Top 10 Total		65.7	62.5	55.8
<i>Other Illegal</i>		3.1	3.2	7.7
Total Illegal %		68.8	65.7	63.5



Top 10 Illegal Cigarettes Brands For Johor

- Volume contribution to National = 21%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	Canyon	10.6	8.1	5.1
2.	John	7.4	6.0	5.7
3.	Promax*	5.6	6.1	4.9
4.	Bosston*	5.2	5.9	7.5
5.	Misto*	4.7	5.0	4.6
6.	Concept*	3.9	5.6	7.0
7.	Galaxy*	3.2	3.8	3.4
8.	Gudang Garam	2.2	1.7	1.5
9.	L.A.	1.8	0.8	0.5
10.	9th Century*	1.7	2.5	2.0
Top 10 Total		46.3	45.5	42.2
<i>Other Illegal</i>		10.3	8.5	9.7
Total Illegal %		56.6	54.0	51.9



Top 10 Illegal Cigarettes Brands* For Pahang

- Volume contribution to National = 13%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	33.1	30.9	31.2
2.	Concept*	17.9	4.1	5.5
3.	Bosston*	13.9	11.5	13.9
4.	Canyon	7.8	9.3	8.6
5.	U2	1.4	2.8	2.7
6.	Gudang Garam	1.3	9.2	6.3
7.	Pragon*	1.1	0.7	1.0
8.	L.A.	1.0	1.5	1.0
9.	Diplomat	0.5	0.1	0.1
10.	Zon King	0.3	0.5	0.6
Top 10 Total		78.3	70.6	70.9
<i>Other Illegal</i>		2.1	7.6	6.8
Total Illegal %		80.4	78.2	77.7



Top 10 Illegal Cigarettes Brands For Terengganu

- Volume contribution to National = 3%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	37.0	35.9	34.7
2.	Misto*	8.5	8.8	8.6
3.	Saat	4.3	2.7	3.2
4.	Pragon*	3.4	2.0	5.0
5.	Bosston*	2.8	1.9	1.7
6.	Concept*	2.0	2.2	4.4
7.	Gudang Garam	2.0	2.3	2.2
8.	Premium	1.7	0.8	1.4
9.	U2	1.7	1.1	2.2
10.	Canyon	0.8	1.2	1.0
Top 10 Total		64.2	58.9	64.4
<i>Other Illegal</i>		3.6	5.8	5.0
Total Illegal %		67.8	64.7	69.4



Top 10 Illegal Cigarettes Brands For Kelantan

- Volume contribution to National = 2%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	John	25.9	19.6	30.7
2.	Saat	12.9	13.8	13.5
3.	Concept*	3.1	1.2	2.1
4.	Gudang Garam	1.8	1.3	1.8
5.	Premium	1.6	0.1	0.6
6.	Bosston*	1.0	1.4	1.2
7.	Vess	0.7	-	-
8.	Pragon*	0.3	0.3	1.4
9.	Patik*	0.2	0.2	0.1
10.	Misto*	0.1	0.0**	0.0**
Top 10 Total		47.6	37.9	51.4
Other Illegal		0.0**	0.1	1.7
Total Illegal %		47.6	38.0	53.1



Top 10 Illegal Cigarettes Brands For WP Labuan

- Volume contribution to National = 0%**

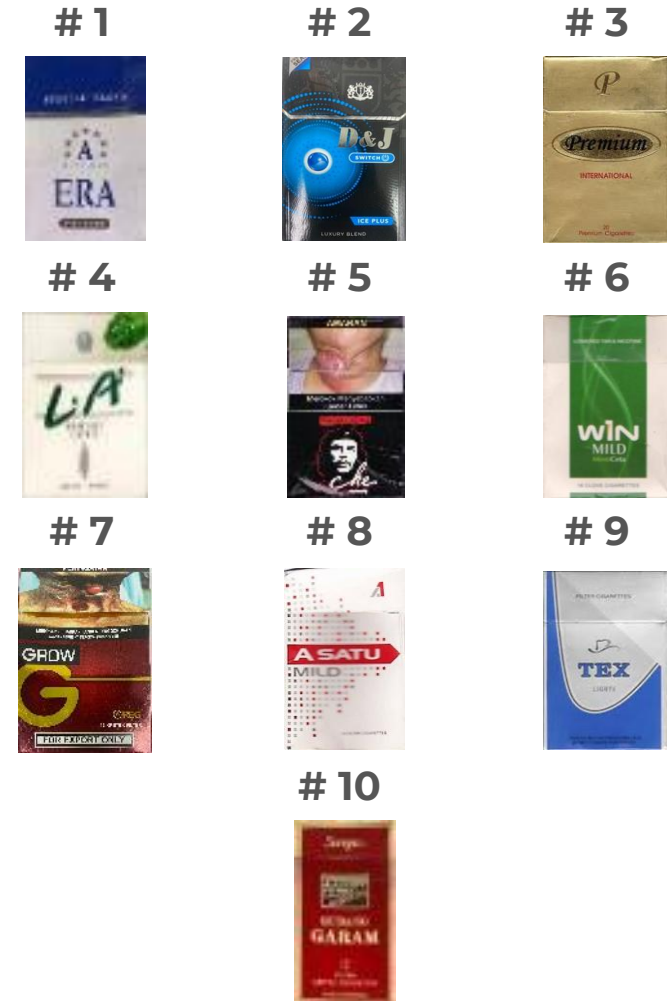
		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	Era	66.0	74.3	71.4
2.	D&J	3.6	-	-
3.	Premium	2.8	0.3	1.7
4.	L.A.	2.0	1.8	2.2
5.	Grow	1.3	-	0.0**
6.	Gudang Garam	1.0	-	-
7.	Win Mild	0.6	-	0.4
8.	John	0.5	-	-
9.	A Satu Mild	0.4	-	-
10.	Memory	0.2	-	-
Top 10 Total		78.4	76.4	75.7
<i>Other Illegal</i>		-	-	0.1
Total Illegal %		78.4	76.4	75.8



Top 10 Illegal Cigarettes Brands For Sabah

- Volume contribution to National = 10%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	Era	63.8	69.1	67.9
2.	D&J	4.5	1.9	2.0
3.	Premium	4.0	2.6	3.8
4.	L.A.	1.5	1.2	2.1
5.	Che	0.9	0.3	0.1
6.	Win Mild	0.6	0.1	0.2
7.	Grow	0.5	0.6	0.9
8.	A Satu Mild	0.3	0.3	0.1
9.	Tex	0.1	-	0.0**
10.	Gudang Garam	0.1	0.0**	0.1
Top 10 Total		76.3	76.1	77.2
<i>Other Illegal</i>		<i>0.4</i>	<i>0.1</i>	<i>0.1</i>
Total Illegal %		76.7	76.2	77.3

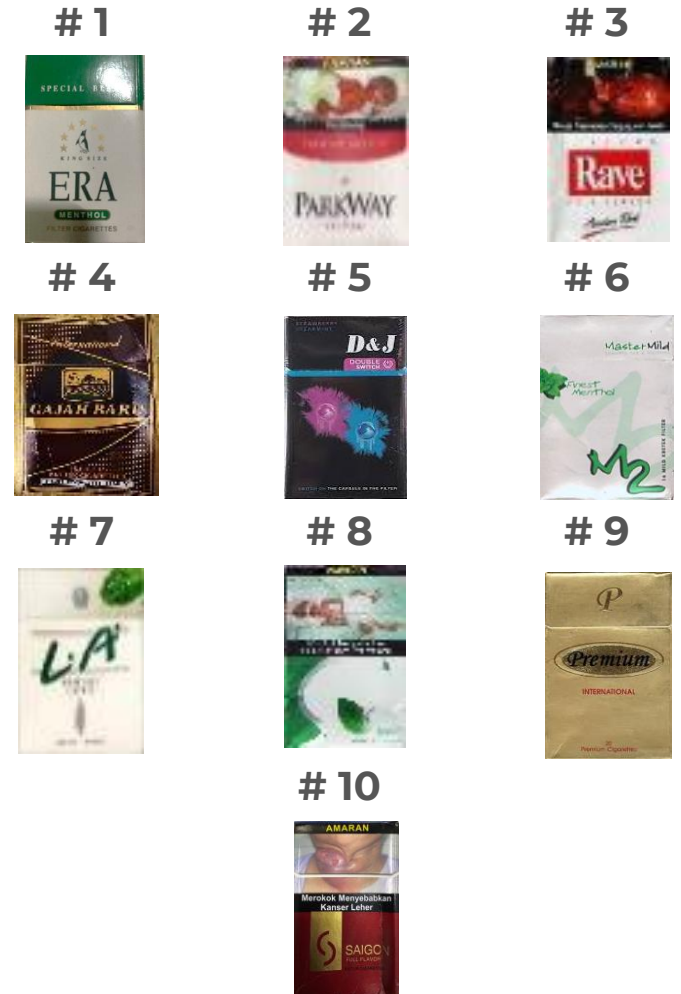


0.0%** Incidence is less than 0.1%; figure is too small to feature.

Top 10 Illegal Cigarettes Brands For Sarawak

- Volume contribution to National = 10%

		Jan, 2026	Nov, 2025	2025
		SOM	SOM	SOM
Illegal Brand		(%)	(%)	(%)
1.	Era	41.2	34.4	33.5
2.	Parkway	13.1	18.8	19.3
3.	Rave	6.3	12.7	9.9
4.	Gajah Baru	6.2	0.4	0.3
5.	D&J	4.7	4.4	4.2
6.	Master Mild M2	3.3	1.8	0.5
7.	L.A.	2.0	3.4	2.9
8.	S Super	0.8	0.9	4.1
9.	Premium	0.6	0.3	1.0
10.	Saigon	0.4	1.2	0.9
Top 10 Total		78.6	78.3	76.6
<i>Other Illegal</i>		1.5	1.4	2.2
Total Illegal %		80.1	79.7	78.8



Appendix: Nielsen's ICS Research Objective & Methodology



Research Objectives

1

Identify the **incidence & trend** of illegal cigarettes in Malaysia & at State Level

2

Identify the **illegal brands** available in Malaysia and at State Level

3

Identify the level of **compliance vs. non-compliance** on cigarette packs

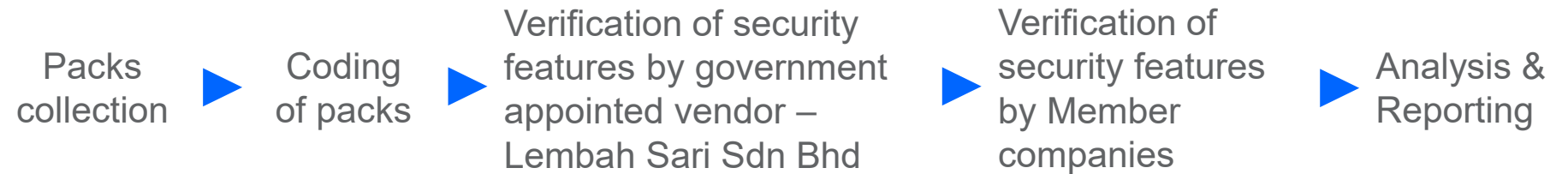
- I. Security features (Tax Stamps)
- II. Brands of Local Manufacturers and Importers registered with Royal Malaysian Customs
- III. Mandated Labeling Requirements (under Control of Tobacco Product Regulations, Trade Description Act, Price Control & Anti Profiteering Act)

Overview Of Study Framework

METHODOLOGY

- Method: **Litter collection of cigarette packs.**
- Frequency: **6 waves** in a year.
- Geographical coverage: Nationwide (Pen. M'sia and Sabah & Sarawak)
- Sample size: Nationwide **21,200 packs per wave** (Pen M'sia = A minimum of 1,200 packs per State, Sabah & Sarawak = 1,600 packs each, Putrajaya & Labuan = 400 packs each)

PROCESS



SAMPLING ERROR

- 0.6% at national level and minimum 5.0% at state level

ICS Research Methodology & Design

I. ICS Universe, Sample Size

II. Sampling Coverage Of ICS and Fieldwork

III. Coding Processes

IV. Data Processing

V. Weighting The Survey Data

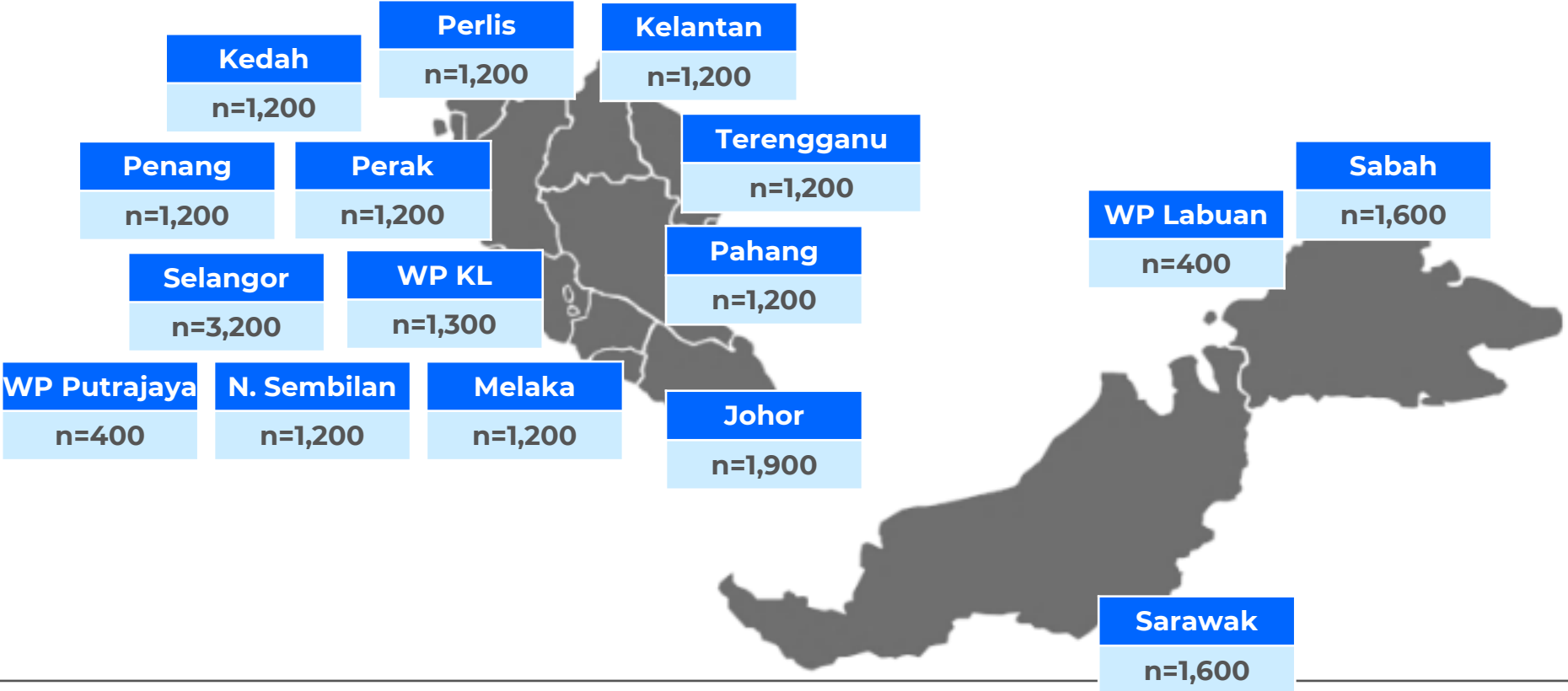
Why Sample Size of 20,000 packs?

Sample Size (n=)	Sampling Error @ 95% Confidence
n=50	14.9%
n=100	9.9%
n=250	5.9%
n=500	4.1%
n=1,000	2.8%
n=2,000	2.0%
n=3,000	1.6%
n=4,000	1.4%
n=10,000	0.8%
n=20,000	0.6%
n=50,000	0.4%

- The data accuracy for a sample size is dependent on the sample size of a study; **Sampling error declines** as **sample size** for a study is **increased**
- To ensure minimal sampling error at **National level**, **sample size of n=20,000** was chosen
- At State level, a minimum sample size of n=1,200 was chosen to optimize data accuracy without impacting the efficiency of fieldwork turnaround time. However, n=400 for Putrajaya and Labuan due to population size consideration.

Geographical Coverage & Sample Size For Each State

- State in Pen Malaysia, minimum sample size n=1,200
- State in East Malaysia, sample size n=1,600
- **These sample size are robust** taking into consideration geographical landscape, different cigarettes volume pattern and efficient turnaround of fieldwork



ICS Research Methodology & Design

I. ICS Universe, Sample Size

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Sampling Coverage of ICS

STATE	DISTRICT COVERED		
Perlis	Kangar		
Kedah	Kuala Muda	Kota Setar	Kulim
	Kubang Pasu	Baling	Pendang
Penang	Timur Laut	Seberang Perai Tengah	Seberang Perai Utara
Perak	Kinta	Larut & Matang	Manjung
	Hilir Perak	Kerian	
Selangor	Petaling	Ulu Langat	Klang
	Gombak	Kuala Langat	
WP	Spread across KL	Spread across Putrajaya	Spread across Labuan
N. Sembilan	Seremban	Jempol	Port Dickson
	Tampin		
Melaka	Melaka	Alor Gajah	
Johor	Johor Bahru	Batu Pahat	Kluang
	Kulai Jaya	Muar	Kota Tinggi
Pahang	Kuantan	Temerloh	Bentong
	Maran	Rompin	Pekan
Terengganu	Kuala Terengganu	Kemaman	Dungun
	Besut		
Kelantan	Kota Bharu	Pasir Mas	Tumpat
	Bachok	Tanah Merah	
Sabah	Kota Kinabau	Tawau	Sandakan
	Lahad Datu	Keningau	Semporna
	Papar	Penampang	Beluran
	Tuaran	Ranau	Kota Belud
Sarawak	Kuching	Miri	Sibu
	Bintulu	Serian	Samarahan
	Sri Aman	Sarikei	Kapit
	Bau	Limbang	Saratok

- Nationwide
- All 13 states in Peninsular and East Malaysia and 3 Federal Territories
- Covers each state's **top 50% most populous** districts
- The sampling approach ensure **both Urban & Rural** coverage reflects data released by Malaysia Department of Statistic (Census 2010)

Flow Chart For Pre-Fieldwork & Fieldwork

Establish starting point of collection



Collect 25 packs from the street each week

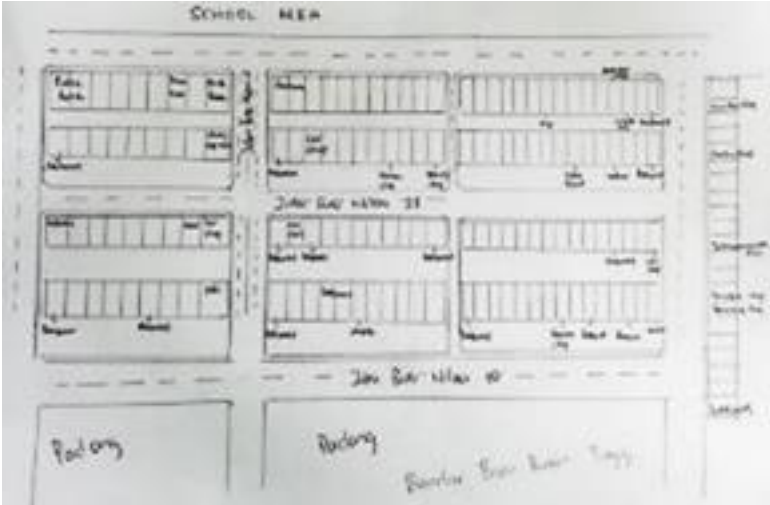


Attach label to bag: Standard label with the following:

- *State*
- *Location collected*
- *Area type*
- *Date of collection*



Packs will then be delivered to Nielsen's Head Office at KL for coding



Guidelines For Pack Collection

- All Packs collected from the collection points must be in decent condition. If not Lembah Sari Sdn. Bhd. will not be able to validate the authenticity of a pack if the packs are so badly damaged that certain key elements are missing
- Instruction to collectors is to collect pack in decent condition.
- No instruction on brand restriction is issued (hence, [rejection of packs in poor condition applies to all](#) brands)
- As such, collectors will have no preference on the packs being collected as long as it is in decent condition
- Remuneration for packs collected are standard across all pack type / brand



Visual Examples of Unacceptable Packs

ICS Research Methodology & Design

I. ICS Universe, Sample Size

II. Sampling Coverage Of ICS and Fieldwork

III. Coding Processes

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A Robust SOP For Pack Verification & Coding Process

The following diagram illustrates the pack verification & coding process



Coding & Storage Process At Nielsen HQ



1. Packs which arrive at Nielsen HQ are assigned a unique pack ID number



Pack Sample

A unique ID is assigned to each pack when it reach Nielsen HQ

Each cigarettes pack which arrive will have a sticker with details on when and where it is collected

Coding & Storage Process At Nielsen HQ



2. Once the pack ID number is assigned, data entry process will begins. All information on the pack will be captured

3. When data entry is completed, the packs are sorted by brands and types



Coding & Storage Process At Nielsen HQ

4. Once the sorting is complete, the cigarettes packs are stored on shelves with labeling for easy retrieval when required



Illegal Cigarettes Criteria For Verification

Packs with at least one (1) of the following features:

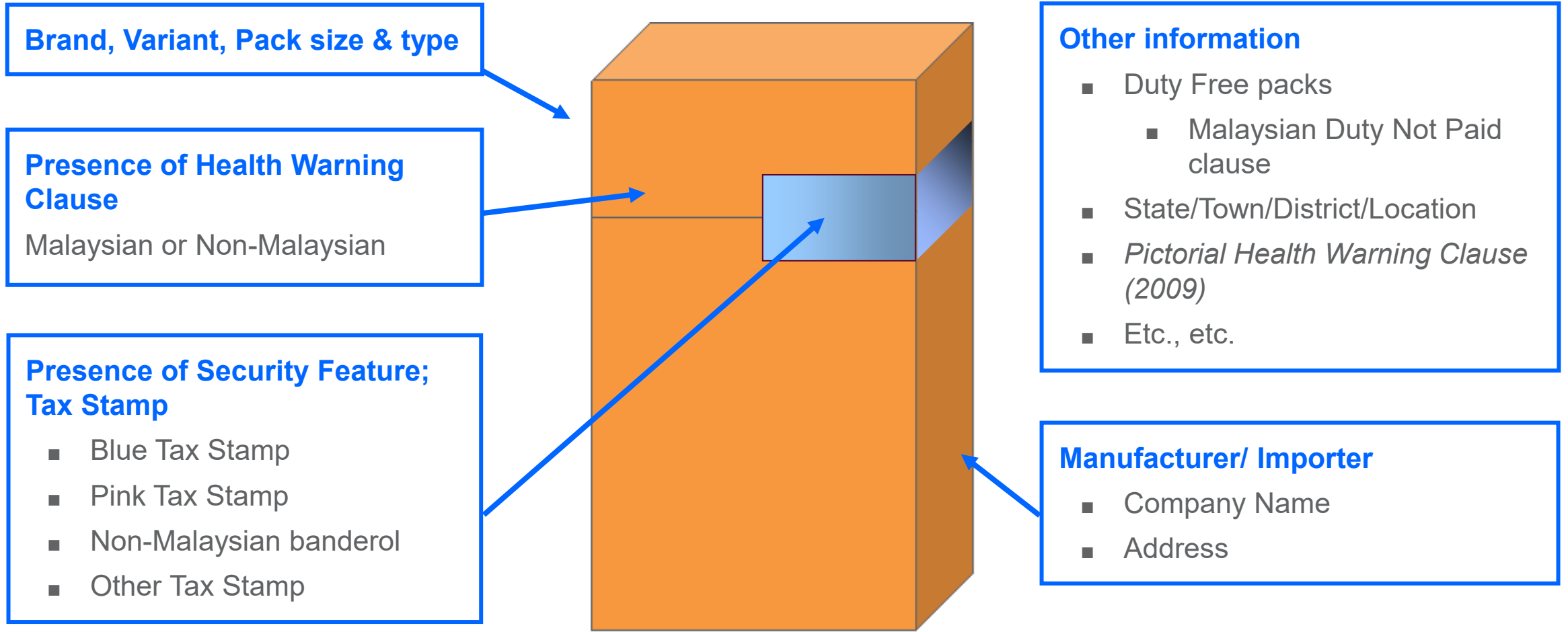
1. Absence of Registered Importers
2. Unregistered Importers*
3. Absence of Registered Manufacturers
4. Unregistered Manufacturers*
5. Packs with counterfeit (fake) Malaysian tax stamp**
6. Packs without Malaysian tax stamp
7. Packs with non-Malaysian tax stamp
8. Unregistered Brand*
9. Non Compliance to Ministry of Health's Control of Smoking Products for Public Health Act 2024
 - I. Absence or Non Compliance of Pictorial Health Warning Requirements
 - II. Pack Size other than 20 sticks
 - III. Absence or Non Compliance of mandated labeling requirements

Regulations Set By The Malaysian Government

- All locally manufactured cigarettes and imported cigarettes are required to meet the following criteria:
 - **Registered brand** with Customs
 - **Registered manufacturer** with Customs
 - **Registered importer** with Customs (if it is an imported pack)
 - **Malaysian labeling requirements** i.e. pictorial health warning clause, textual health warning clause, “no sales to under 18” clause, manufacturing date, name and address on manufacturer/importer
 - **Pack size** of not less than 20 sticks
- Additional security features for imported / manufactured packs for **domestic** consumption:
 - Blue tax stamp
- Additional security features for imported / manufactured packs for **duty free** consumption:
 - Pink tax stamp

Visible Elements Captured By ICS

The following visible elements is **checked & coded / captured** for **each** of the collected packs by Nielsen Malaysia



Information on registered brands, registered manufacturers/ Importers is provided by CMTM

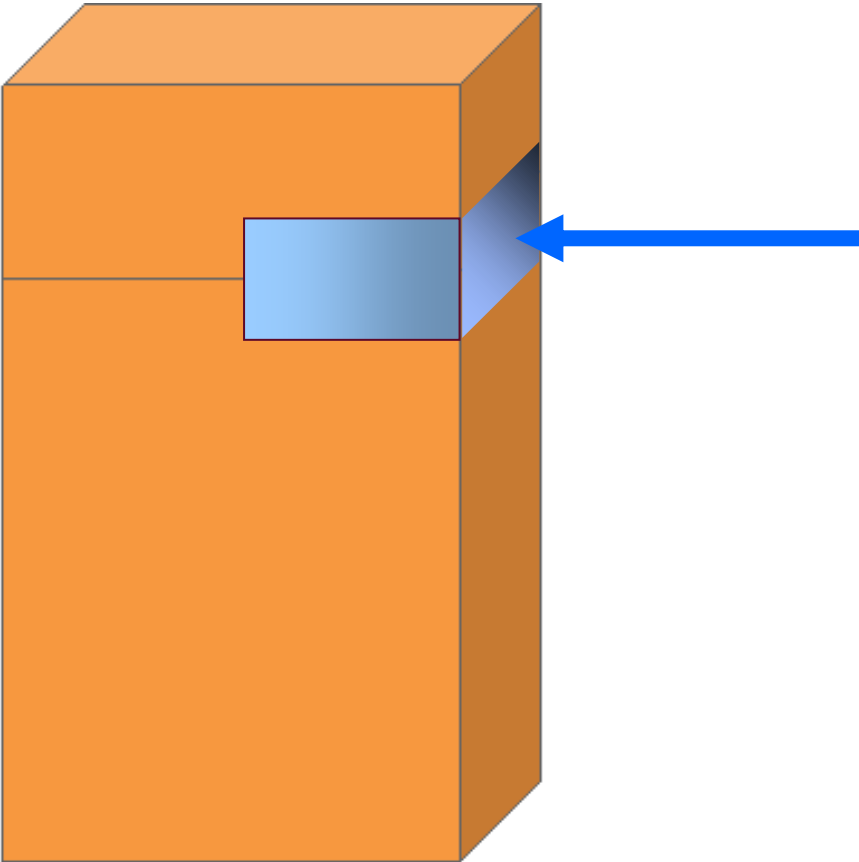
Verification Of Security Tax Stamp

- **Tax Stamps** are verified by Lembah Sari using the special reader/tool
- Verification outcome: **sign off by Lembah Sari** & Nielsen as witness

	A	B	C	D	E	H
1	Local Manufact		F = Fake	X = No Ink	G50 = genuine security ink, DF/MY - fake (tamp	
2						Remarks (by LSSB)
3	No	Pack ID System	Brand	Pack Size	Security Ink	Other Comments
10	7	30720	John	20	F	
11	8	111192	John	20	F	
12	9	110215	John	20	F	
13	10	101121	John	20	F	
14	11	40886	John	20	F	
15	12	40782	John	20	F	
16	13	121022	John	20	F	
17	14	100813	John	20	F	
18	15	121196	John	20	F	
19	16	110975	John	20	F	
20	17	60734	John	20	F	
21	18	110977	John	20	F	
22	19	41164	John	20	F	
23	20	40784	John	20	F	
24	21	40689	John	20	F	
25	22	40788	John	20	F	
26	23	40711	John	20	F	
27	24	10938	John	20	F	
28	25	41030	John	20	F	
29	26	40682	John	20	F	
30	27	40936	John	20	F	
31	28	4167	John	20	F	
32	29	111160	John	20	F	
33	30	41032	John	20	F	
34	31	40639	John	20	F	
35	32	120739	John	20	F	
36	33	40843	John	20	F	
37	34	4188	John	20	F	



Verification Of Security Tax Stamp



Blue Tax Stamp
(Domestic Market)

OR

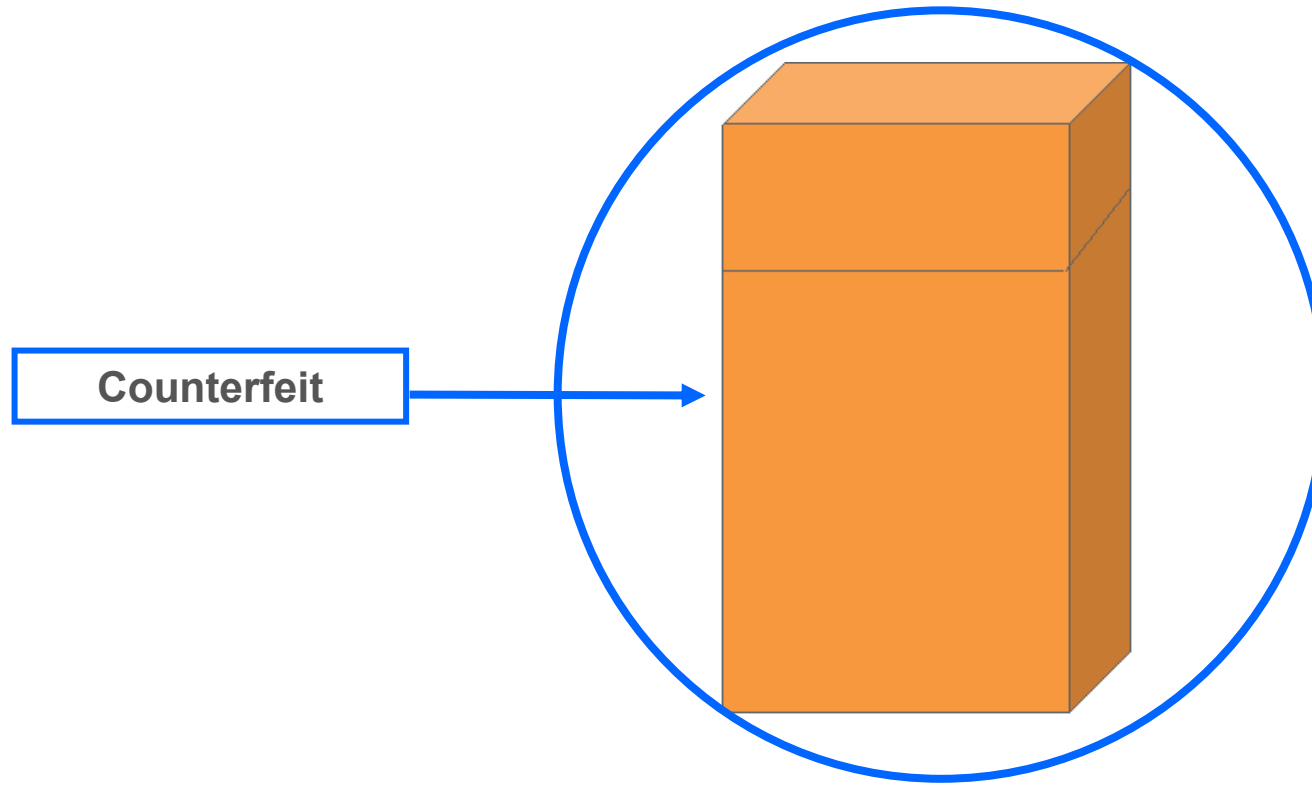


Pink Tax Stamp
(Duty Free Market)



Verification Of Non-Visible Elements

- Only applicable to CMTM members' brands
- **Verification** by the respective member companies' **technical experts**
- Pack **IDs of identified Counterfeit packs** are given to Nielsen Malaysia



ICS Research Methodology & Design

I. ICS Universe, Sample Size

II. Sampling Coverage Of ICS and Fieldwork

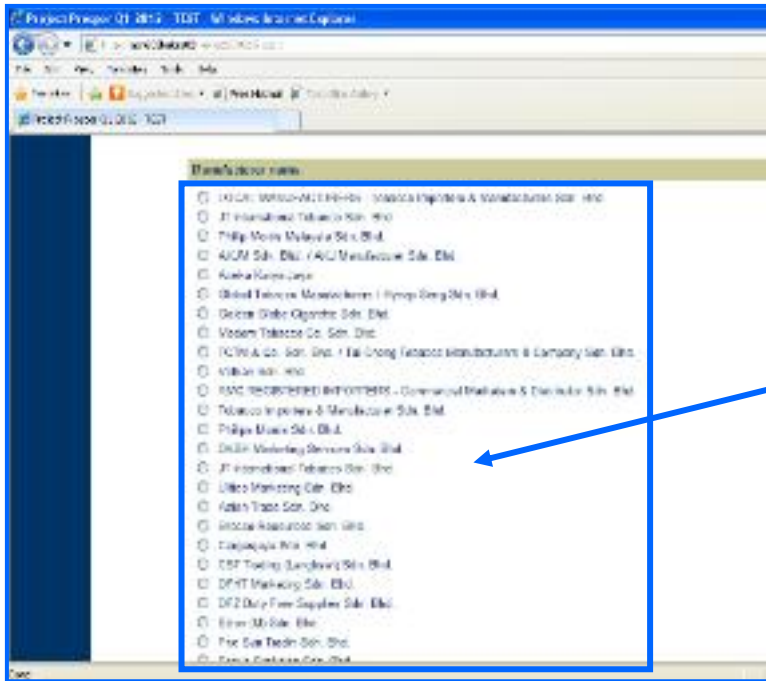
III. Coding Processes

IV. Data Processing

V. Weighting The Survey Data

Data Processing (Data Cleaning & Merging)

- Software program to ensure data accuracy
- Logic checks on brand and manufacturers
- Security feature verification results merged into data file



Control of Response List by Researchers

- Data entry can only input data as per the response list provided
- Any new information to be added to the response list is subject to Research Team approval
- Research Team will review and validate the new details before adding in any new response into the system

Data Processing (Quality Control)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33																																																																																		
Wave 3	Week 33	03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Peter Shy	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Dunhill Re	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Dunhill Re	Jin Paser	Jalan Pas East Mala	Dunhill Re	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Winston R	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Dunhill Re	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Dunhill Re	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Salora Ma	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Marlboro	Jin Paser	Jalan Pas East Mala	Premium	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Ero Prem	Jin Paser	Jalan Pas East Mala	Premium	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Winston R	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Marlboro	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Winston R	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Premium	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G
24003	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re																																																																																																												
5	Wave 3, Week 33, 03/10/20	Oct-12	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Peter Shy																																																																																																												
6003	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Dunhill Re																																																																																																												
56	Wave 3, Week 33, 03/10/20	Oct-12	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Dunhill Re																																																																																																												
6008	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Dunhill Re																																																																																																											
6004	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Winston R																																																																																																												
2404	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re																																																																																																												
2405	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re																																																																																																												
6005	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Dunhill Re																																																																																																												
2406	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Dunhill Re																																																																																																												
6040	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Dunhill Re																																																																																																											
6006	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G																																																																																																												
6007	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G																																																																																																												
678	Wave 3, Week 33, 03/10/20	Oct-12	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro																																																																																																												
6041	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Dunhill Re																																																																																																											
2407	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Winston R																																																																																																												
2408	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Winston R																																																																																																												
6042	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Premium																																																																																																											
6009	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G																																																																																																												
6	Wave 3, Week 33, 03/10/20	Oct-12	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Salora Ma																																																																																																												
679	Wave 3, Week 33, 03/10/20	Oct-12	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro																																																																																																												
6010	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Marlboro																																																																																																												
6043	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Premium																																																																																																											
6011	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Ero Prem																																																																																																												
6044	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Premium																																																																																																											
2409	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Winston R																																																																																																												
609	Wave 3, Week 33, 03/10/20	Oct-12	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro																																																																																																												
5	Wave 3, Week 33, 03/10/20	Oct-12	Perlis	Perlis - Ka Urban	Perlis, Kar Jalan Ara, North Per	Marlboro																																																																																																												
2410	Wave 3, Week 33, 03/10/20	Oct-12	Johor	Johor - Ba Urban	Johor, Bar Taman Bc South [Joh	Winston R																																																																																																												
6005	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Jin Paser	Jalan Pas East Mala	Premium																																																																																																											
6081	Wave 3, Week 33, 03/10/20	Oct-12	Kedah	Kedah - A Urban	Jalan Peg Jalan Peg North Per	Marlboro																																																																																																												
6006	Wave 3, Week 33, 03/10/20	Oct-12	Sabah	Sabah - K Urban	Sabah, Ko Likas - Tor East Mala	Gadang G																																																																																																												

10% of data entered into the database will be cross-check by a QC personnel to ensure data accuracy and coders are capturing the data correctly

QC personnel will randomly select 10% of packs which has been keyed into the system, cross-compare to ensure pack features is similar to what has been recorded in the system and rectify the data

Besides completing a 10% physical QC check, the database is reviewed to check for data discrepancy against known facts

- E.g. Dunhill belongs to BAT M'sia ,
- Legal packs comes only in pack size of 20s

If any data discrepancies are detected, the affected pack will be extracted and a physical validation process will be undergone

ICS Research Methodology & Design

- I. ICS Universe, Sample Size
- II. Sampling Coverage Of ICS and Fieldwork
- III. Coding Processes
- IV. Data Processing
- V. Weighting The Survey Data**

How Does Nielsen Weight The Data?

Step 1 : Establish the Estimated Legal Industry Volume

- The **estimated legal industry volume** is established based on the following information:
 - In-market sales** as provided independently by British American Tobacco Malaysia (BATM), Philip Morris Malaysia (PMM) and Japan Tobacco International (JTI)
 - Local manufacturers' **volume** and **Malaysian Duty Free** volume from Illicit Cigarettes Study (**ICS**)

	Jan, 2026	
	('000 sticks)	
CMTM Member Companies (BATM, PMM, JTI)	480,432	Derive from actual in-market sales as provided by CMTM member companies
Other Local manufacturers	0	
Malaysian Duty Free	1,366	ICS volume estimation is used as substitute since actual data is not available
Total Legal Cigarettes Sales	481,798	

Unit of measurement : thousand sticks

How Does Nielsen Weight The Data?

Step 2 : Establish the Legal Industry Volume contribution by State

- Using in-market sales (3 months average) as provided by CMTM member companies as a guideline, **establish each states' legal volume contribution** towards the national volume of 481,798,000 sticks

	IN-MARKET SALES BY CMTM	STATE'S LEGAL VOLUME CONTRIBUTION
PERLIS	2,921	0.5%
KEDAH	20,898	3.8%
PENANG	36,548	6.7%
PERAK	39,544	7.2%
SELANGOR	128,258	23.4%
WP KL	68,325	12.5%
WP PUTRAJAYA	326	0.1%
N.SEMBILAN	25,754	4.7%
MELAKA	19,560	3.6%
JOHOR	118,056	21.6%
PAHANG	23,181	4.2%
TERENGGANU	10,594	1.9%
KELANTAN	14,491	2.6%
WP LABUAN	208	0.0%
SABAH	20,797	3.8%
SARAWAK	17,952	3.3%
NATIONAL	547,413	

Step 2a. (Using In-Market Sales)

State Legal Volume = $\frac{\text{State's In-Market Volume}}{\text{National Volume}}$ Contribution
 (e.g. $128,258 / 547,413 = 23.4\%$)

	IN-MARKET SALES	STATE'S LEGAL VOLUME CONTRIBUTION	PROJECTED/ ESTIMATED STATE LEGAL VOLUME
SELANGOR	128,258	23.4%	112,885
NATIONAL	547,413		481,798

Step 2b.

Projected States Legal Volume
 = State Legal Volume Contribution X National Legal Volume
 (derived from In-Market Sales) (obtained from Step 1)
 (e.g. $23.4\% \times 481,798 = 112,885$)

How Does Nielsen Weight The Data?

Step 2 : Key Output

	IN-MARKET SALES BY CMTM	STATE'S LEGAL VOLUME CONTRIBUTION	PROJECTED/ ESTIMATED STATE LEGAL VOLUME
PERLIS	2,921	0.5%	2,571
KEDAH	20,898	3.8%	18,393
PENANG	36,548	6.7%	32,167
PERAK	39,544	7.2%	34,804
SELANGOR	128,258	23.4%	112,885
WP KL	68,325	12.5%	60,135
WP PUTRAJAYA	326	0.1%	287
N.SEMBILAN	25,754	4.7%	22,667
MELAKA	19,560	3.6%	17,216
JOHOR	118,056	21.6%	103,906
PAHANG	23,181	4.2%	20,402
T'GANU	10,594	1.9%	9,324
KELANTAN	14,491	2.6%	12,754
WP LABUAN	208	0.0%	183
SABAH	20,797	3.8%	18,304
SARAWAK	17,952	3.3%	15,800
NATIONAL	547,413		481,798

How Does Nielsen Weight The Data?

Step 3 : Establish the Incidence for Legal / Illegal Cigarettes

- Convert the data from “**packs collected**” to “**sticks**” (based on pack size)
- The **study’s unit of measurement** is based on consumption in **sticks**
 - Though CTPR prohibits the sales of cigarettes below the pack sizes of 20 sticks, **illegal cigarettes** (primarily for illegal kretek) could still be found **in pack sizes below 20 sticks**
 - The **calculation based on number of packs collected** will **create a false inflation** on illegal volume due to the presence of packs sizes below 20 sticks

State	Total packs collected (Jan'26)	Number of legal packs collected	(Unweighted) Volume of legal packs collected	Number of illegal packs collected	(Unweighted) Volume of illegal packs collected	Total volume (Legal + Illegal)	Incidence of legal cigarettes	Incidence of illegal cigarettes
			A		B	C = A + B	D = A / C	E = B / C
SELANGOR	3,200	1,708	34,160	1,492	28,484	62,644	54.5%	45.5%



Step 3a.

Sum up the number of sticks per pack for all legal packs collected to establish the estimated legal volume in sticks



Step 3b.

Repeat Step 3a to establish the estimated illegal volume in sticks



Step 3c.

Sum up the total consumption for both legal and illegal to establish The estimated total cigarette volume at state level



Step 3d.

Calculate the ratio of estimated legal vs. illegal volume

Top 10 Illegal Cigarettes Brands* For Sarawak

Step 3 : Incidence for Legal / Illegal Cigarettes Key Output

- Establish the level of legal vs. illegal cigarettes ratio in each respective state

State	Total packs collected (Jan'26)	Number of legal packs collected	(Unweighted) Volume of legal packs collected	Number of illegal packs collected	(Unweighted) Volume of illegal packs collected	Total volume (Legal + Illegal)	Incidence of legal cigarettes	Incidence of illegal cigarettes
			A		B	C = A + B	D = A / C	E = B / C
PERLIS	1,200	517	10,340	683	12,860	23,200	44.6%	55.4%
KEDAH	1,200	571	11,420	629	12,112	23,532	48.5%	51.5%
PENANG	1,200	651	13,020	549	10,719	23,739	54.8%	45.2%
PERAK	1,200	842	16,840	358	7,150	23,990	70.2%	29.8%
SELANGOR	3,200	1,708	34,160	1,492	28,484	62,644	54.5%	45.5%
WP KL	1,300	737	14,740	563	10,848	25,588	57.6%	42.4%
WP PUTRAJAYA	400	233	4,660	167	3,176	7,836	59.5%	40.5%
N.SEMBILAN	1,200	704	14,080	496	9,900	23,980	58.7%	41.3%
MELAKA	1,200	374	7,480	826	16,460	23,940	31.2%	68.8%
JOHOR	1,900	815	16,300	1,085	21,232	37,532	43.4%	56.6%
PAHANG	1,200	238	4,760	962	19,565	24,325	19.6%	80.4%
T'GANU	1,200	384	7,680	816	16,142	23,822	32.2%	67.8%
KELANTAN	1,200	622	12,440	578	11,304	23,744	52.4%	47.6%
WP LABUAN	400	85	1,700	315	6,180	7,880	21.6%	78.4%
SABAH	1,600	370	7,400	1,230	24,377	31,777	23.3%	76.7%
SARAWAK	1,600	311	6,220	1,289	25,052	31,272	19.9%	80.1%

How Does Nielsen Weight The Data?

Step 4 : Project Total Market Volume

- Once each states' estimated legal volume and legal incidence have been established, the numbers will be used to project total industry volume for each state

	STATE LEGAL VOLUME	LEGAL INCIDENCE	TOTAL MARKET VOLUME	STATE ILLEGAL VOLUME
	A	B	$C = A / B$	$D = C - A$
SELANGOR	112,885	54.5%	207,013	94,128



Step 4a.
 Based on the incidence for legal cigarettes of 56.5% in Selangor, project the total volume for the state
 (e.g. 112,885 divide by 54.5% = 207,013)



Step 4b.
 Illegal volume is established by subtracting the projected total state's volume with the legal volume
 (e.g. 207,013 – 112,885 = 94,128)

How Does Nielsen Weight The Data?

Step 4 : Key Output - Illegal Cigarettes Incidence @ National level

- Repeat the same process in Step 4 for all States

	STATE LEGAL VOLUME	LEGAL INCIDENCE	TOTAL MARKET VOLUME	STATE ILLEGAL VOLUME
PERLIS	2,571	44.6%	5,768	3,197
KEDAH	18,393	48.5%	37,900	19,507
PENANG	32,167	54.8%	58,649	26,482
PERAK	34,804	70.2%	49,582	14,777
SELANGOR	112,885	54.5%	207,013	94,128
WP KL	60,135	57.6%	104,393	44,257
WP PUTRAJAYA	287	59.5%	483	196
N.SEMBILAN	22,667	58.7%	38,604	15,937
MELAKA	17,216	31.2%	55,099	37,884
JOHOR	103,906	43.4%	239,250	135,345
PAHANG	20,402	19.6%	104,261	83,859
TERENGGANU	9,324	32.2%	28,923	19,598
KELANTAN	12,754	52.4%	24,344	11,590
WP LABUAN	183	21.6%	848	665
SABAH	18,304	23.3%	78,600	60,296
SARAWAK	15,800	19.9%	79,438	63,638
NATIONAL	481,798		1,113,155	631,357

Divide **National Illegal Volume 631,357** with **National Total Market Volume 1,113,155** **56.7%**

NIQ

NIQ