



AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors of British American Tobacco Kenya plc announce the results for the year ended 31 December 2024.

Revenue (KShs) 25.7bn +1%	Operating profit (KShs) 7.3bn -8%	Finance costs (KShs) 0.8bn +955%	Profit before tax (KShs) 6.5bn -19%	Cash generated from operations (KShs) 10.4bn +23%	Dividend per share (KShs) 50.00
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The results below have been extracted from the audited consolidated Financial Statements of British American Tobacco Kenya plc, for the year ended 31 December 2024. The Financial Statements have been audited by KPMG Kenya, who have expressed an unqualified audit opinion.

Condensed Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December

	2024 KShs' m	2023 KShs' m
Gross sales including indirect taxes	41,083	41,249
Excise Duty and Value Added Tax	(15,367)	(15,692)
Revenue	25,716	25,557
Cost of operations	(18,403)	(17,632)
Operating profit	7,313	7,925
Finance (cost) / income	(829)	97
Profit before tax	6,484	8,022
Income tax expense	(2,001)	(2,454)
Profit after tax	4,483	5,568
Other comprehensive income	-	-
Total comprehensive income	4,483	5,568
Dividend	5,000	5,000
Basic and diluted earnings per share (Shs)	44.83	55.68

Condensed Cash Flow Statement for the year ended 31 December

	2024 KShs' m	2023 KShs' m
Cash generated from operations	10,427	8,482
Net interest paid	(76)	(175)
Tax paid	(2,523)	(2,688)
Net cash from operating activities	7,828	5,619
Net cash used in investing activities	783	(439)
Net cash used in financing activities	(5,042)	(5,727)
Movement in cash & cash equivalents	3,569	(547)
At the start of the year	1,821	2,368
At the end of the year	5,390	1,821

Operating environment

2024 was a challenging year for the business, largely due to an unstable operating environment. The Company navigated a challenging macro-economic environment across both domestic and export markets.

In the domestic market, business performance was unfavorably impacted by cost inflation, lower consumer purchasing power driving downtrading to lower priced brands, and supply disruption of our modern oral nicotine pouches. The Company leveraged smart pricing, business simplification and brilliant commercial execution to drive revenue growth and partly cushion profitability from this impact.

Our export markets experienced headwinds including forex scarcity, adverse weather, supply chain disruptions and geopolitical tensions, which impacted sales volumes across various markets. Further, revenues from United States Dollar (USD) denominated export sales were adversely impacted, resulting in foreign exchange losses following the appreciation of Kenya shilling against the United States Dollar.

The Company continues to focus on addressing the following significant challenges, whose impact transcends the reported financial period.

- Illicit trade in tax evaded cigarettes (estimated at 37% based on third party research) continues to adversely impact domestic revenues and deprive the government of an estimated **KShs 9 billion** annually. We implore the Government to intensify enforcement efforts locally, and collaborate with relevant agencies of neighboring countries to eradicate the illicit trade menace at source.
- Prolonged regulatory uncertainty resulted in the suspension of our modern oral nicotine pouch sales in the domestic market, subsequently impeding our ability to commercialise our oral nicotine pouch factory in Nairobi. This resulted in the Company accepting offers for disposal of related machinery to protect shareholder value. We continue to engage transparently for a sustainable regulatory framework, that will facilitate the resumption of our modern oral nicotine category.

Nairobi
21 February 2025

Condensed Statement of Financial Position as at 31 December

	2024 KShs' m	2023 KShs' m
Capital and reserves		
Share capital	1,000	1,000
Revaluation surplus	2,661	2,762
Retained earnings	12,072	12,488
Shareholders' funds	15,733	16,250
Non-current liabilities	1,896	2,000
	17,629	18,250
Assets		
Non-current assets	10,061	11,807
Working capital		
Current assets	13,593	12,243
Current liabilities	(6,025)	(5,800)
Net working capital	7,568	6,443
	17,629	18,250

Condensed Statement of Changes in Equity

	Share capital KShs' m	Revaluation surplus KShs' m	Retained earnings KShs' m	Total KShs' m
As at 1 January 2023	1,000	2,800	12,582	16,382
Comprehensive income	-	(38)	5,606	5,568
Dividends	-	-	(5,700)	(5,700)
As at 31 December 2023	1,000	2,762	12,488	16,250
As at 1 January 2024	1,000	2,762	12,488	16,250
Comprehensive income	-	(101)	4,584	4,483
Dividends	-	-	(5,000)	(5,000)
As at 31 December 2024	1,000	2,661	12,072	15,733

Despite these challenges, our business demonstrated resilience, delivering strong results. We remain confident in navigating the operating environment and driving sustainable shareholder value.

Financial highlights

- Net revenue increased by 1% to KShs 25.7 billion driven by a strategic pricing benefit, partially offset by the impact of foreign exchange losses on our export sales.
- Total cost of operations increased by 4% to KShs 18.4 billion reflecting the higher cost of doing business, partially offset by benefits from cost saving initiatives implemented during the period.
- Finance costs rose sharply by 955%, a loss of KShs 0.8 billion in comparison to an income of KShs 0.1 billion in 2023. This was driven by exchange losses following c. 20% appreciation of the Kenya shilling against the United States Dollar in Q1 2024.
- Profit before tax was 19% lower at KShs 6.5 billion driven by the higher finance costs.
- Cash generated from operations increased by 23% to KShs 10.4 billion reflecting prudent working capital management and proceeds from sale of modern oral nicotine machinery.
- Proposed dividend payout reflects an increased yield (13% vs 12% in 2023) in line with our commitment to deliver sustainable shareholder value and underscoring our solid underlying business performance.

Dividend

The Board of Directors has proposed a final dividend in respect of the year ended 31 December 2024 of KShs 45.00 per share, to be recommended for approval by shareholders at the Annual General Meeting to be held on 25 June 2025.

The final dividend, when added to the interim dividend already paid, gives a total dividend of KShs 50.00 per share. The dividend, which is subject to withholding tax, will be paid on or about 25 June 2025 to shareholders on the register at the close of business on 23 May 2025.

By Order of the Board
Waeni Ngea (Ms)
Company Secretary