



PRESS RELEASE

BAT Kenya publishes 2024 performance report, posting growth in net revenue to KShs 25.7 billion and a strong dividend position.

- *Net revenue up 1% to KShs 25.7 billion.*
- *Profit before tax at KShs 6.5 billion.*
- *Cash generated from operations of KShs 10.4 billion; and*
- *Proposed Total Dividend for 2024 of KShs 50 per share.*

Nairobi, 21 February 2025: BAT Kenya has reported a strong underlying performance for the year ended 31 December 2024, on the back of a significantly challenging operating environment.

During the period, the Company navigated a 955% rise in financing costs due to forex losses, to post a net revenue increase of 1% to 25.7 billion and a 23% increase in cash generated from its operations. Whilst pre-tax profit dipped by 19% to 6.5 billion due to the rise in financing costs, the Company has maintained a strong dividend position, with an expected total dividend payout of KShs 50 per share for 2024. This indicates a 1% rise in dividend yield to 13%, cementing the BAT Kenya stock as one of the highest yielding on the Nairobi Securities Exchange (NSE).

Commenting on the performance, BAT Kenya Managing Director, Crispin Achola said:

“I am proud of BAT Kenya’s results published today for the full year 2024, following various headwinds across our domestic and export markets. In Kenya, this was characterised by geopolitical tensions marked by prolonged civic demonstrations which interrupted our supply chain and trading activities, foreign exchange losses, rising interest rates, cost of living pressures on consumers, regulatory uncertainty, and a surge in illicit trade cigarettes to 37% (third party research) by the end of the year. In our export markets, which contribute almost half of BAT Kenya’s turn over based on the Company’s business model, significant regulatory changes in some markets adversely impacted consumer purchase dynamics leading to volume decline. In others, forex scarcity prevailed for most of the year, leading to both delayed shipments and payments.

“To address these challenges, we implemented various interventions. These included driving distributor efficiencies, productivity and cost saving initiatives which helped offset inflationary cost pressures, and smart pricing to generate value.

“The Company remains resilient, maintaining solid fundamentals. This is further evidenced by the Board’s proposed final dividend payout of KShs 45 per share, in addition to the interim dividend of KShs 5 per share paid to shareholders in September 2024. This brings the total dividend for the 2024 Financial Year to KShs 50 per share, representing a 1% improvement in yield to 13% versus 2023. While this demonstrates our commitment to delivering sustainable shareholder value, it is an outstanding return in an extremely challenging environment.

“Our 2024 performance is a result of unwavering dedication by the BAT team and various stakeholders and demonstrates that we are stronger together. Looking forward as we accelerate business transformation to build A Better Tomorrow™, key focus areas for the Business continue to be: combatting illicit trade, contributing to national dialogue on building sustainable regulations that will enable commercialisation of our new category products; and building a great place to work for our People.”

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ABOUT BAT KENYA

BAT began operations in Kenya in 1907. BAT Kenya has been listed on the Nairobi Securities Exchange (NSE) since 1969. As of 31st December 2024, the total number of shareholders was 6001, where 5856 were local shareholders. The Company is in the business of tobacco farming and processing, manufacturing, sale and export of cigarettes and other tobacco and nicotine products. The Company has a manufacturing plant in Nairobi and a Green Leaf Threshing Plant in Thika. This is a strategic manufacturing hub for the BAT Group, exporting more than 65% of its output to over thirteen countries in Africa. The Company's tobacco growing operations partner with approximately 1,800 contracted farmers in the counties of Bungoma, Busia, Migori, Meru and Homa Bay. BAT Kenya generates direct and indirect employment opportunities for more than 80,000 Kenyans through tobacco farming, tobacco processing, cigarette manufacturing, tobacco product distribution, urban and rural retailing, wholesale trade, transport, logistics and domestic procurement. BAT Kenya is a major contributor to Kenya's economic growth, including through our year-on-year investments and payments over the last six years of over KShs 100 billion to national revenue in the form of various taxes (Excise Duty, Value Added Tax (VAT), Pay as You Earn (PAYE) and Corporation Tax). BAT Kenya places sustainability at the front and center of its operations and invests in various initiatives to reduce the impact of its business and contribute to the development and protection of the communities and ecosystems in which it operates. The Company drives various programmes in Sustainable Agriculture and Environmental Conservation, including afforestation activities through which it has recorded over 54 million surviving trees planted since 1978. BAT Kenya has been certified eight times in a row (2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025), as a Top Employer in Kenya and Africa by the global Top Employers Institute. The Company is also a member of the Kenya Business and Disabilities Network (KBDN), an organisation whose mandate is geared at championing workplace inclusivity for Persons with Disabilities.