

Building a Smokeless World

Interim Results 2024



Tadeu Marroco – Chief Executive | **Soraya Benchikh** – Chief Financial Officer

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In particular, among other statements: (i) certain statements in Tadeu Marroco's sections (slides 5, 6, 8, 31, 35, 38 and 44-46); and (ii) certain statements in Soraya Benchikh's section (slides 10-12, 14, 20-21, 23-24 and 27-29).

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Important Information



Forward-looking Statements (continued)

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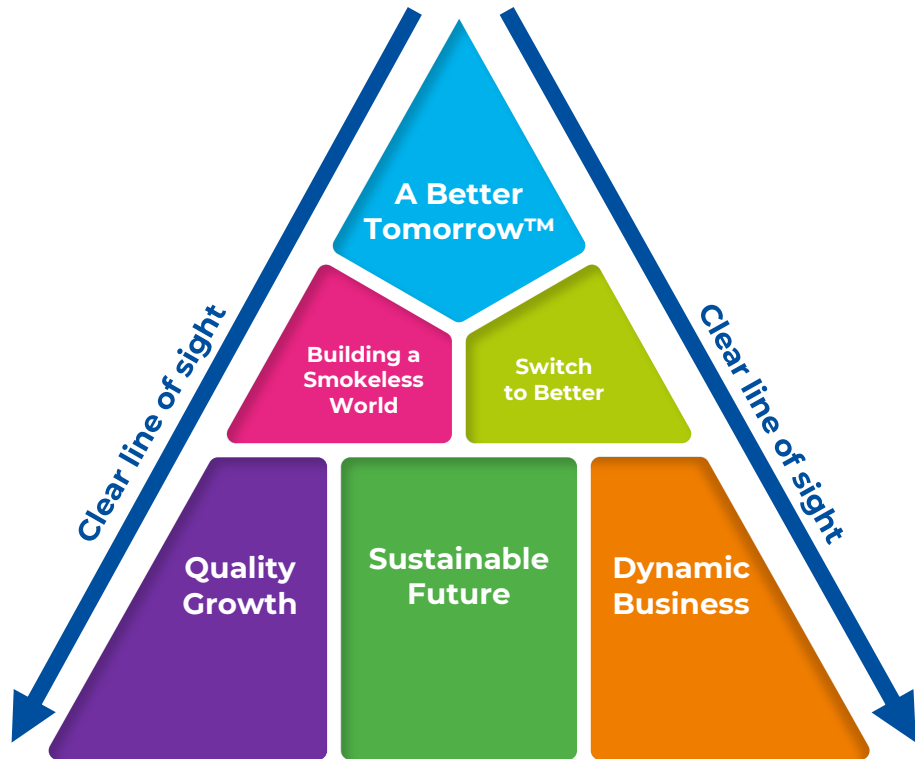
The way forward

Interim Results 2024

Tadeu Marroco – Chief Executive



Driving a sustainable transformation



- **Our transformation continued in H1**
 - Consumers of Smokeless* products up 1.4m to 26.4m
 - Smokeless represents 17.9% of Group revenue, up 1.4ppts
- **Driving returns on more targeted NC investment**
 - £165m increase in category contribution**
 - Contribution margin*** increased by +9.8ppts vs. HY23
- **Enhanced financial flexibility and returns to shareholders**
 - Strong operating cashflow on track for >90% conversion^
 - Initiated sustainable share buy-back
 - 2024: £700m; 2025: £900m
- **On track for FY24 guidance**
 - H1 delivery in line with expectations
 - Confident in H2 acceleration

Investing to deliver long-term value creation

Targeted investment year in 2024

H1 performance in line with expectations and guidance

(Negative low-single digit revenue* and APFO**)

Key factors:

- Adverse U.S. wholesaler inventory moves^
- Continued investments in our U.S. commercial plans:
 - Adjusted price indices and laddering strategy
 - Increased salesforce and retail coverage
- New Category launches phased through H1
 - Majority in market by end June
- Lapping a tough comparator in APMEA

Confident in H2 acceleration to deliver FY guidance

(Low-single digit revenue* and APFO** growth)

Key drivers:

- Reversal of U.S. wholesaler inventory moves^
- Majority of previously announced investments in U.S. commercial initiatives now completed
 - H1 volume/value share signs of recovery, led by premium
- Acceleration in New Category growth
 - Innovations in market in all three categories
- Softer comparator in APMEA
- Continued strong performance in AME


On track for full-year guidance

Sharper execution focus in six key areas

Sharpen execution

1

Drive profitability in New Categories



2

Consistent U.S. combustibles value growth



3

Significantly strengthen HP



4

Lead responsible New Category development



5

Enhance financial flexibility



6 Collaborative and inclusive culture

Good progress over the last 12 months... with more to do



Sharpen execution

1	2	3	4	5
Drive profitability in New Categories	Consistent U.S. combustibles value growth	Significantly strengthen HP	Lead responsible New Category development	Enhance financial flexibility
Increased NC contribution* and +10ppts margin**	Encouraging results from commercial plans	Patent settlement enables enhanced innovation	Proactive external affairs approach	Continued strong cash generation
Improving returns on targeted investment	H1 signs of volume/value share recovery led by premium	Sequential volume share recovery since December	MGOs^ for Vuse Alto device and tobacco flavours	Partial ITC stake sale
Vuse and Velo profitable	Further efficiency gains driving margin improvement	Driven by upgraded device and consumables	Active U.S. illicit Vapour engagement	Sustainable buy-back initiated

6 Collaborative and inclusive culture

New corporate values and Management/Board appointments

* Category contribution level: Profit from operations before the impact of adjusting items and translational foreign exchange, having allocated costs that are directly attributable to New Categories. On an organic, constant rate basis. See Appendices A1, A2 & A7. ** Margin refers to New Category contribution as a percentage of New Category revenue. ^MGOs refers to Marketing Granted Orders.

H1 performance in line; on track for FY24 guidance

Interim Results 2024

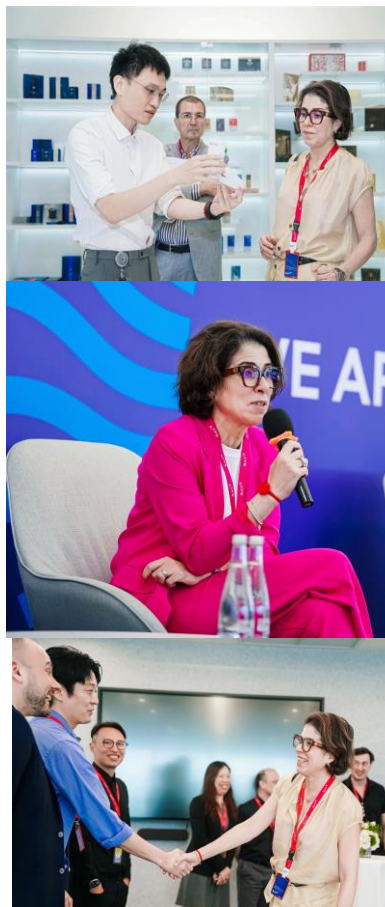
Soraya Benchikh – Chief Financial Officer



Returns-focused approach, enabled by empowered teams

Extensive global Finance/Management career

- **Various pivotal BAT roles**
 - Over two decades across three continents
- **Most recently: President for Europe at Diageo**
- **Proven track record of delivery**
- **Passion for transformative leadership**
- **Committed to fostering creative and empowered teams**



My Key Priorities

- **Quality Growth focus**
 - More balanced top and bottom-line performance
 - Targeting investment and resources to deliver better returns
- **Deliver consistent and sustainable results**
- **Enhanced cash returns for shareholders**

H1 performance in line with expectations

	Group Revenue	New Category Revenue	Profit from Operations	Diluted Earnings per Share
Reported	<p>-8.2% £12,340m</p>	<p>-0.4% £1,651m</p>	<p>-28.3% £4,258m</p>	<p>+13.8% 200.3p</p>
Adjusted Organic Constant Currency	<p>-0.8%* £12,944m</p>	<p>+7.4%* £1,709m</p>	<p>-0.9%** £5,809m</p>	<p>+1.3%** 177.7p</p>

On track for Full-Year guidance

H1 performance impacted by U.S. wholesaler inventory movements...

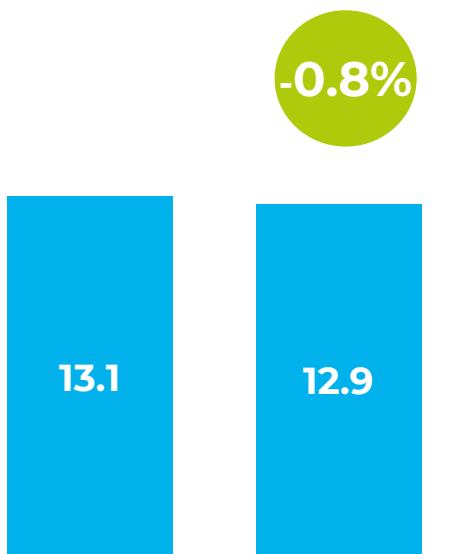
HY24 U.S.		HY24 Group	
Organic	Organic adjusted for U.S. inventory [^]	Organic	Organic adjusted for U.S. inventory [^]
-13.7% Volume*	-11.4% Volume*	-6.6% Volume*	-6.4% Volume*
-6.7% Revenue**	-4.8% Revenue**	-0.8% Revenue**	FLAT Revenue**
-5.1% APFO***	-2.6% APFO***	-0.9% APFO**	+0.5% APFO***

... Inventory movements expected to unwind in H2

Organic adjusted results in line with guidance

Organic Group Revenue*

£bn



-0.8%

HY23

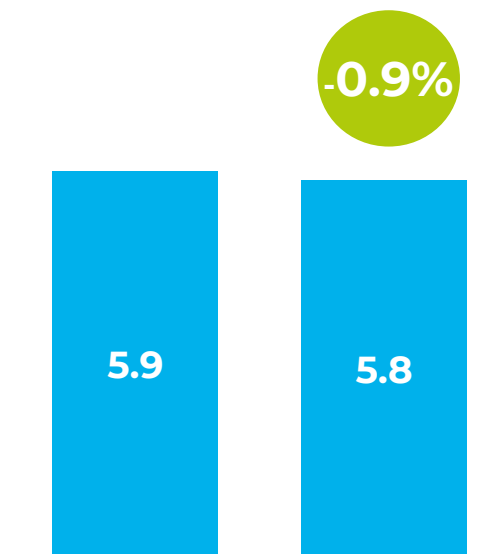
HY24

+3.2%

5 yr CAGR***

Organic Adjusted Operating Profit**

£bn



-0.9%

HY23

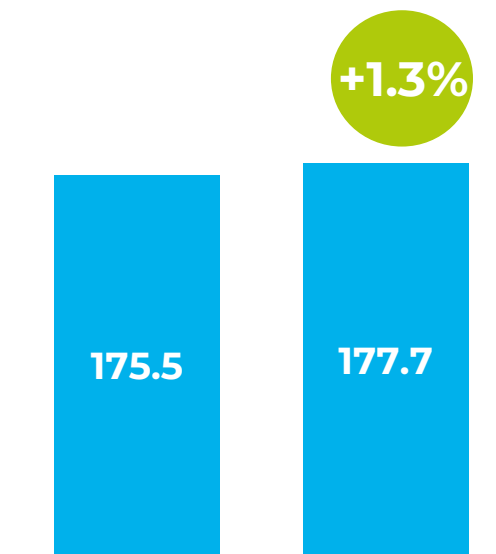
HY24

+3.2%

5 yr CAGR***

Organic Adjusted Diluted EPS**

Pence



+1.3%

HY23

HY24

+5.0%

5 yr CAGR***

Key performance drivers

NC revenue* +7.4%

Combustibles revenue* -2.6%

- Volume^ -6.9%
- Price^ +7.2%
- Mix^ -2.9%
- -1.6% revenue adjusted for U.S. inventory^^

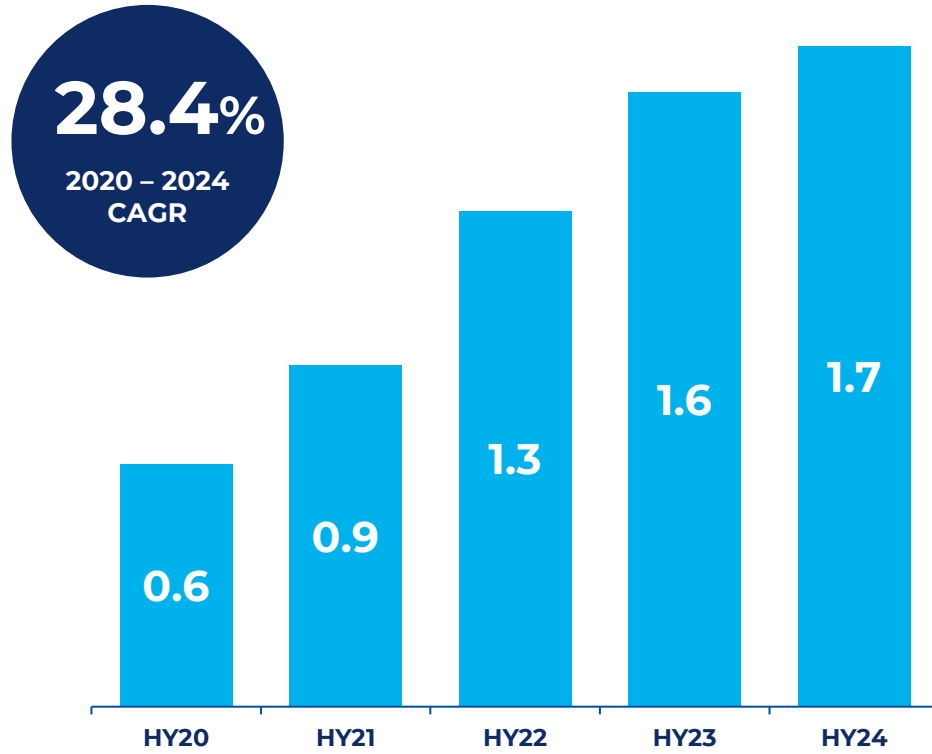
Operating margin flat at 44.9%**

- Incl. c.2% transactional FX

+2.2% EPS kickers:

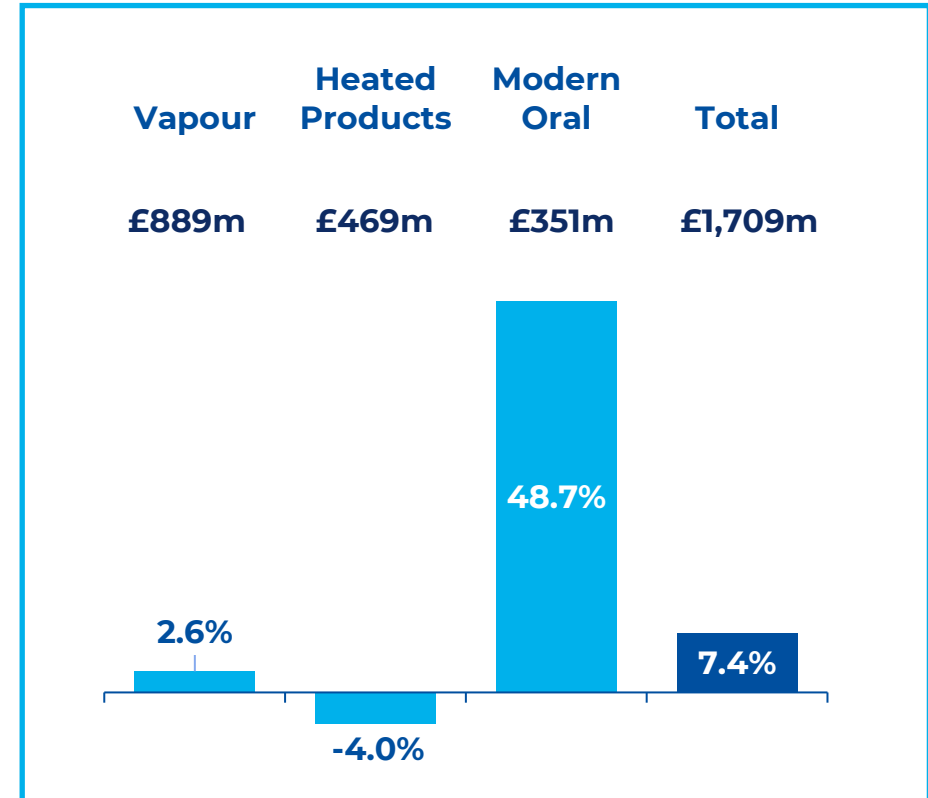
- Lower net finance costs, tax, share count
- Partially offset by lower share of ITC profits

New Category revenue growth driven by Velo



New Category revenue (£bn)

HY24 vs. HY23
breakdown by
Category

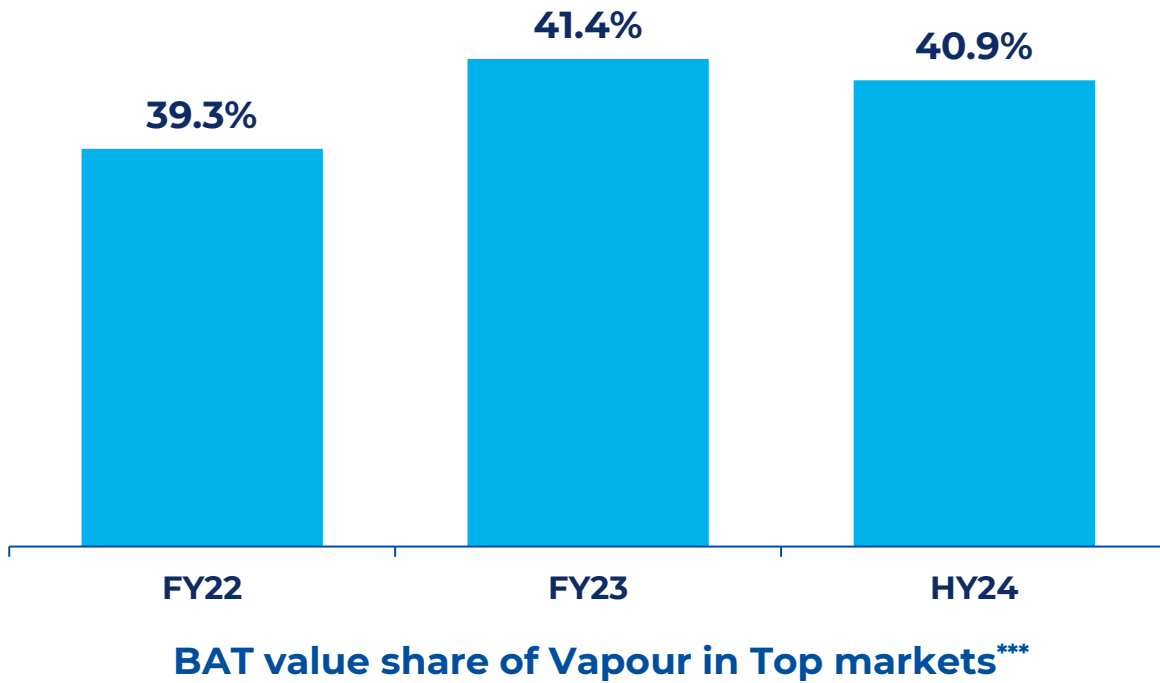


HY24 New Category revenue and growth*

H1 innovation launches expected to drive H2 acceleration

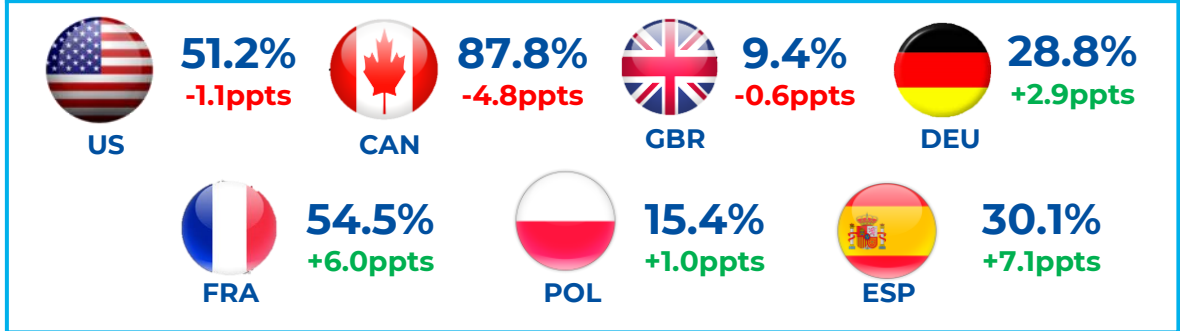
Vuse: Maintains global value share leadership*

-50bps
Value share
HY24 vs. FY23

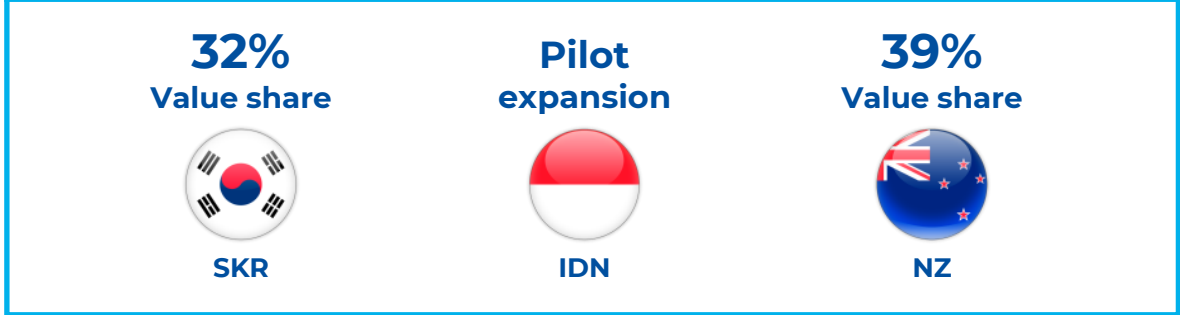


Vapour revenue up +2.6%**

Top Vapour markets share***

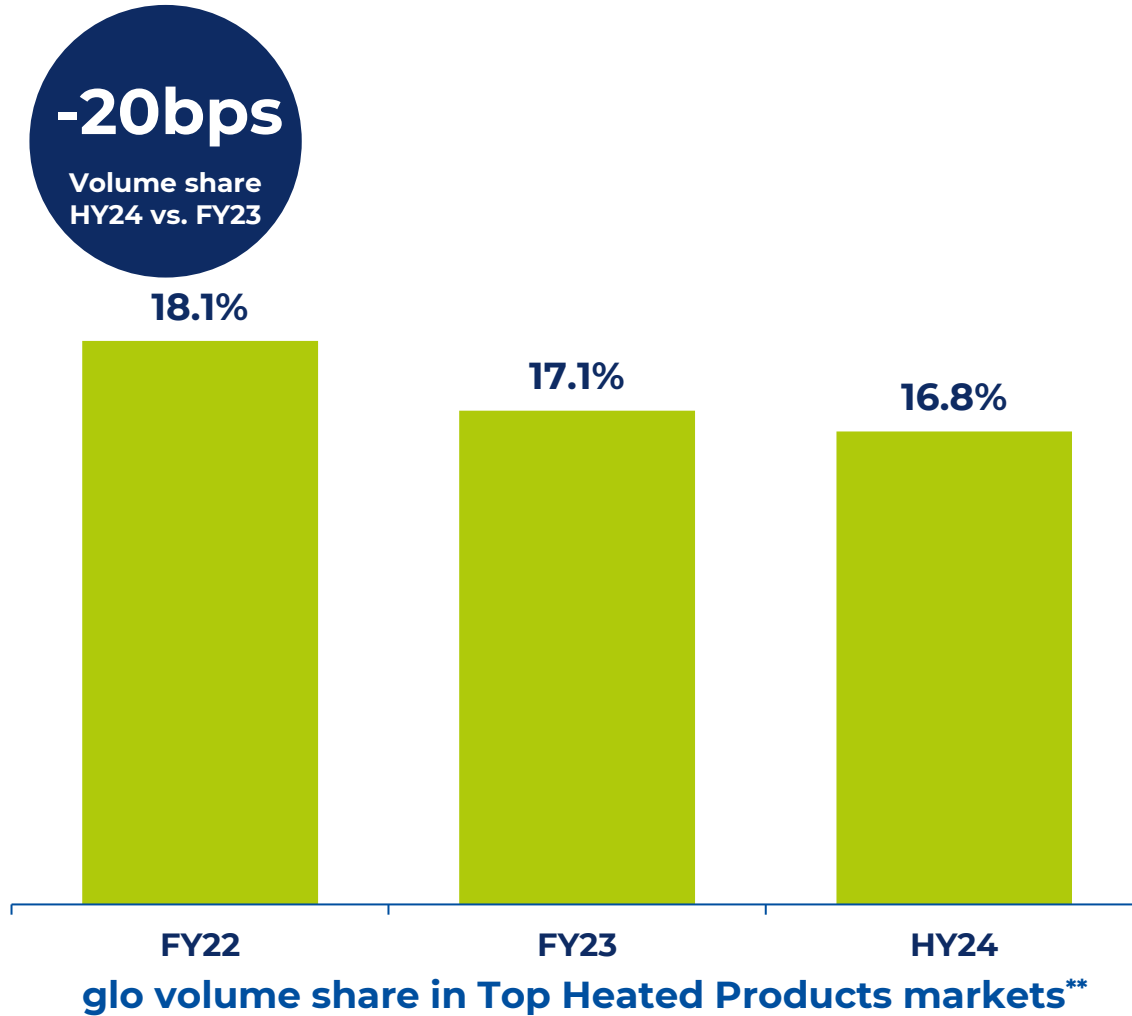


APMEA exciting developing opportunity



* Based on BAT estimated value share in measured retail for Vapour (i.e., value share of rechargeable closed systems consumables and disposables sales in retail) in the Top global markets. ** Revenue growth on a constant rate basis. See Appendix A2. Financial growth versus HY23. *** YTD BAT Vapour value share of rechargeable closed systems consumables and disposables in the Top global markets: U.S. - Marlin, Canada - Scan Data, UK - NielsenIQ, France - Strator, Germany - NielsenIQ, Poland - NielsenIQ, Spain - Logista RA. See Appendix A3. These Top markets accounted for c.90% of global Vapour industry (rechargeable closed systems consumables and disposables) revenue in 2023.

glo: innovation drives sequential share gains in H1 2024



glo revenue down -4.0%*

**Latest volume share gains in selected key markets
(growth vs. Dec'23***)**



New glo Hyper Pro and enhanced consumables

neo
TERRAZOLA TOBACCO
designed for glo

neo
Smooth Tobacco
Prigine

Health Warning

Financial growth vs. HY23. * On an organic, constant rate basis. See Appendices A2 & A7. ** YTD share of HP volume across Top HP markets: Japan - CVS-BC, South Korea - CVS, Italy - NielsenIQ, Germany - NielsenIQ, Greece - NielsenIQ, Hungary - SZTFH, Poland - NielsenIQ, Romania - NielsenIQ, Czech Republic - NielsenIQ. These Top markets account for c.80% of total industry HP revenue in 2023. See Appendix A3. *** Latest exit share Jun'24 for Japan and Italy and May'24 for Poland vs. Dec'23.

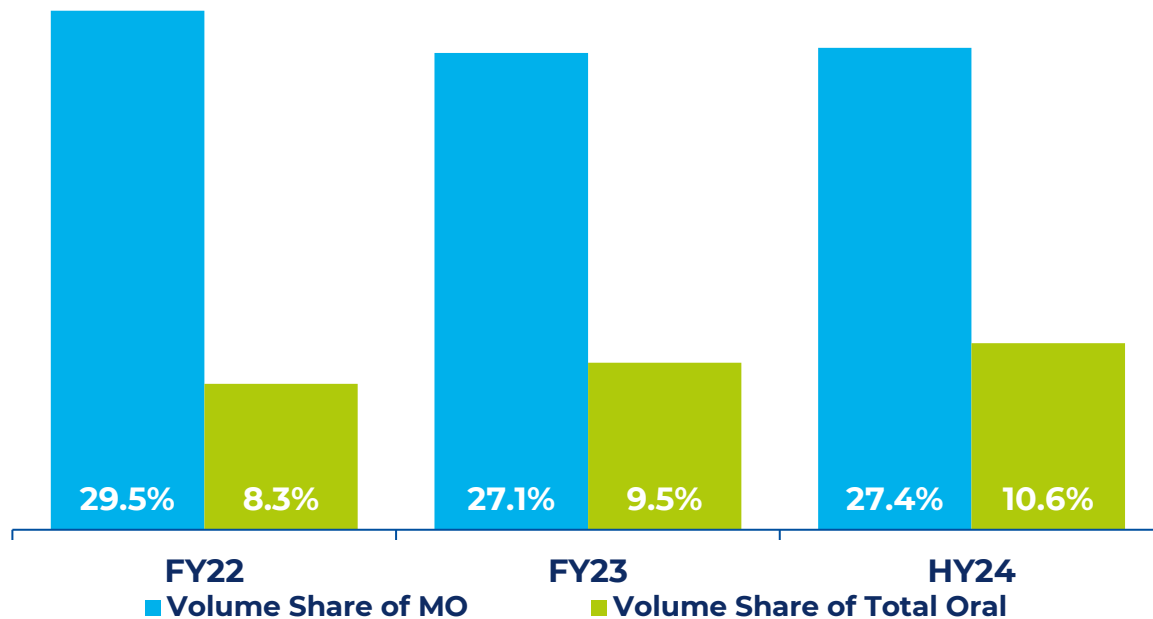
Velo: Strong category growth and continued AME leadership*

+30bps

Volume share of Modern Oral

+110bps

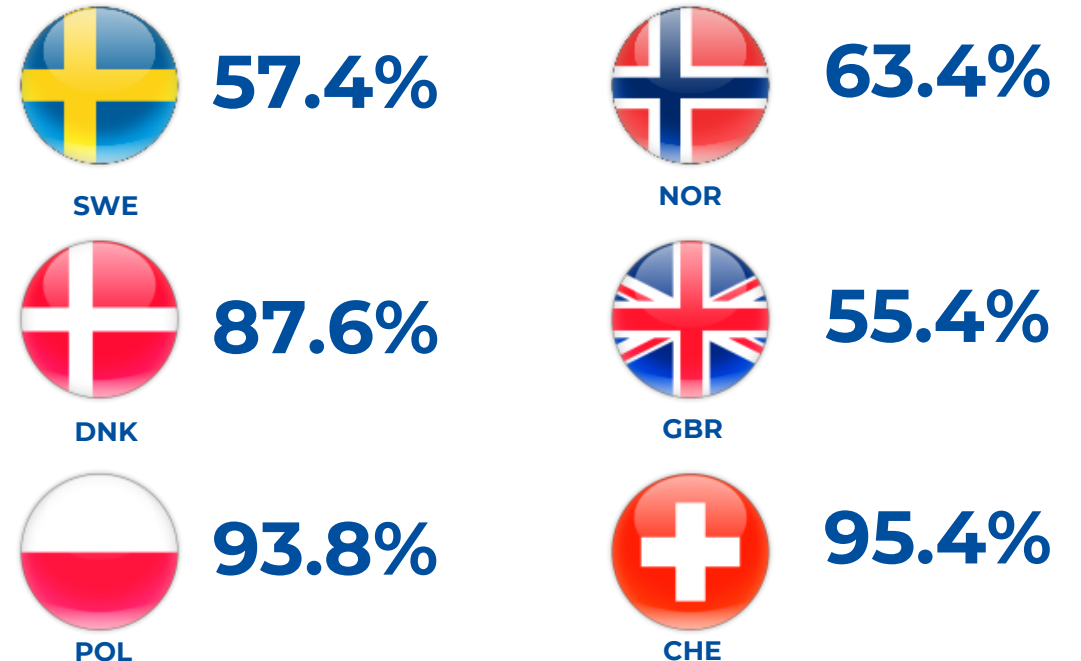
Volume share of Total Oral



MO volume share of Total and Modern Oral categories***

Modern Oral revenue up +48.7%**

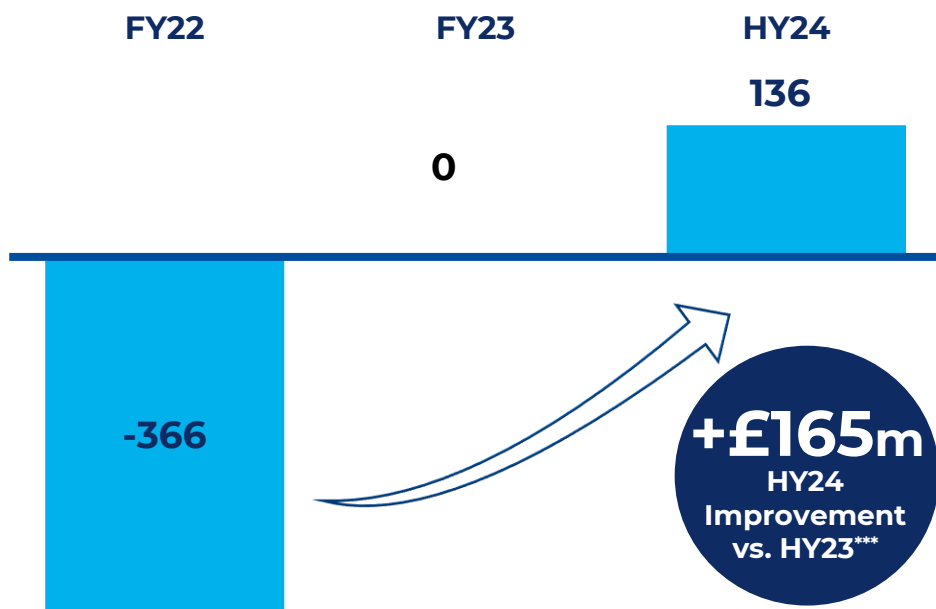
#1 in AME*



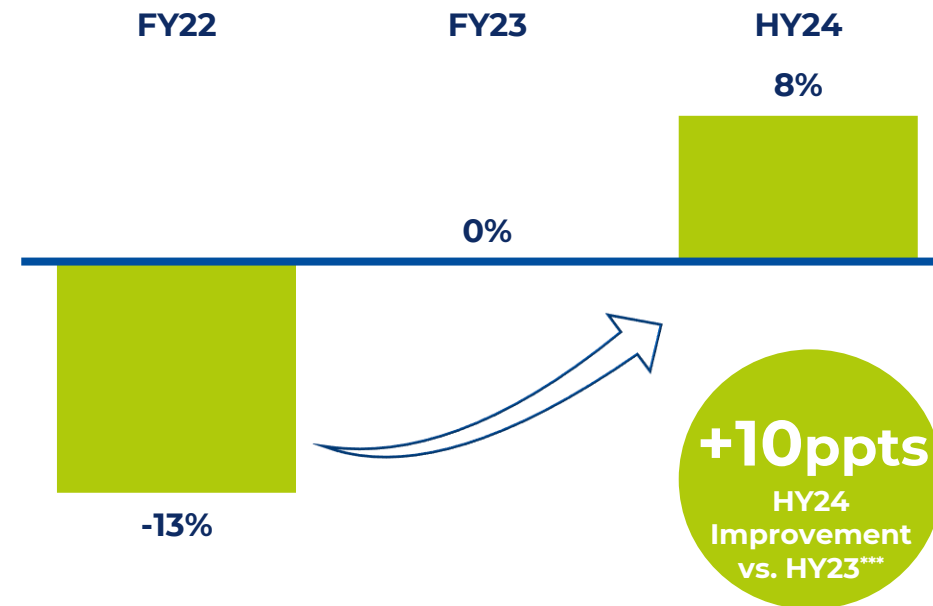
Quality Growth drives improved NC Contribution margin* and profitability**



New Category Contribution** (£m)



New Category Contribution Margin*



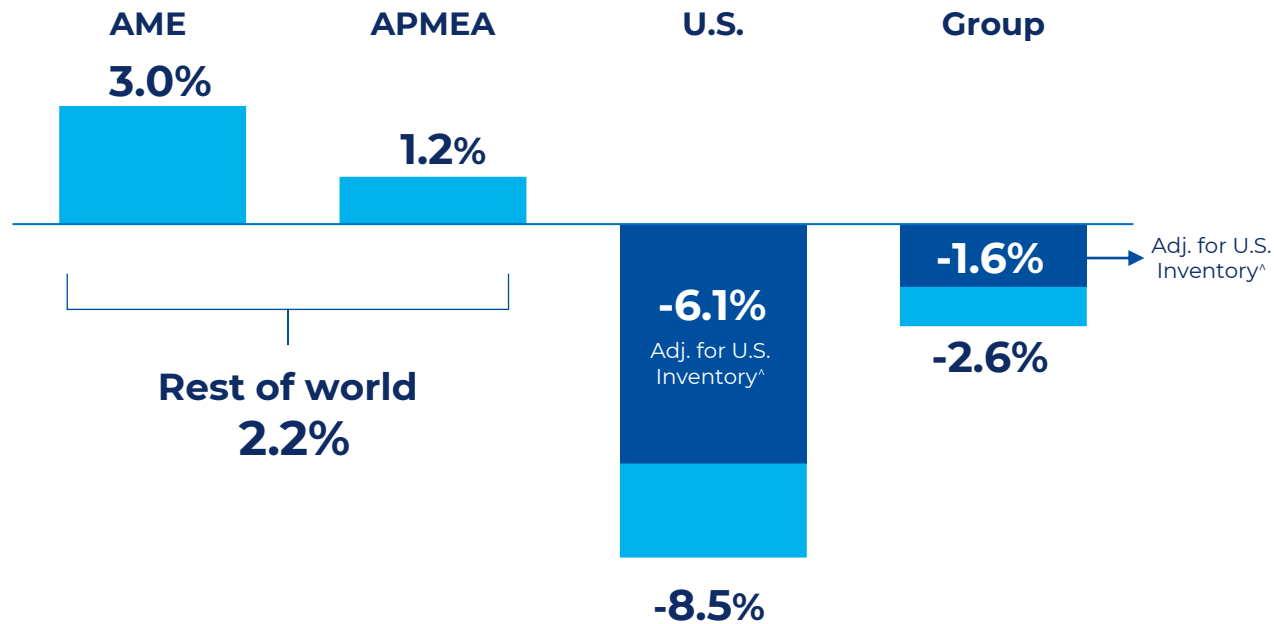
Improving contribution* across all three categories

Historical numbers FY22 presented as previously reported. FY23 and HY24 presented on an adjusted, organic, constant rate basis. See Appendices A1, A2 & A7. * Margin refers to New Category contribution as a percentage of New Category revenue. ** Profitability at category contribution level: Profit from operations before the impact of adjusting items and translational foreign exchange, having allocated costs that are directly attributable to New Categories. See Appendices A1 & A2. ***On an organic, constant rate basis. See Appendices A2 & A7.

Combustibles: AME and APMEA growth offset by the U.S.



Combustibles organic revenue** growth by region and globally



Key drivers

- YTD volume share* **+30bps**
 - AME +30bps, APMEA +70bps
- YTD value share* **-10bps** driven by the U.S.
 - AME & APMEA **+20bps**
- Organic combustibles revenue** **-2.6%**
- Organic Price/Mix*** **+4.3%**
- U.S. commercial plans have driven H1 signs of volume and value share recovery
- Continued revenue growth in AME
- APMEA impacted by Sudan disruption, market exits and strong comparator



U.S.: Macro-economic and illicit vape pressures persist



Revenue*	APFO**
-6.7%	-5.1%
£5,514m	£3,135m
<hr/>	
Adjusted for inventory movements^	
-4.8%	-2.6%



New Category Revenue* +2.2%

Vapour	Modern Oral
flat	+122%

Combustibles Revenue*

-8.5%

Adjusted for inventory movements^

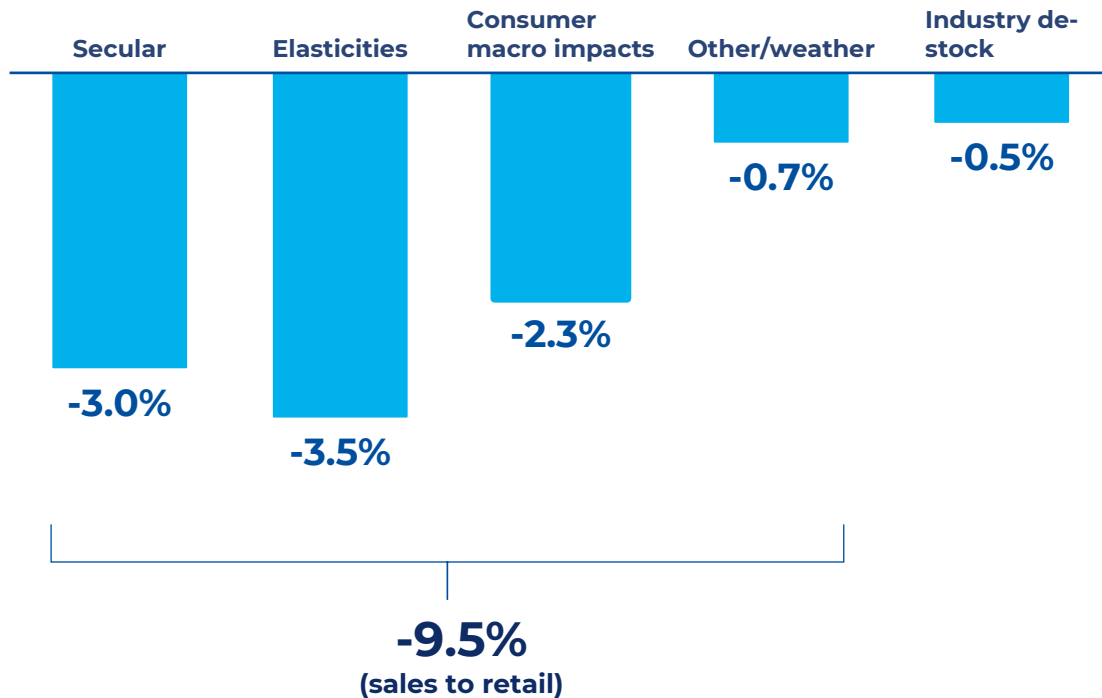
-6.1%

**Majority of previously announced investments completed;
inventory unwind expected in H2**

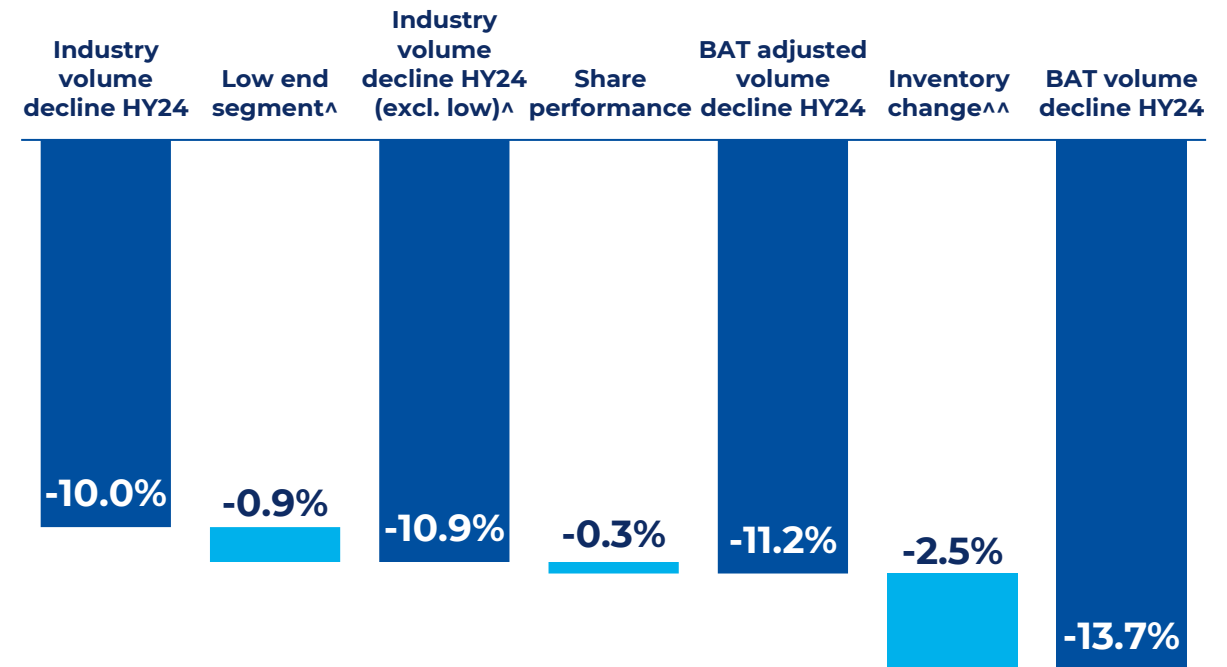
U.S. combustibles industry impacted by continued macro-economic pressures

HY24 drivers of industry volume decline

-10.0%* (includes c.-4% poly-usage)**



HY24 BAT volume* and drivers



U.S. commercial actions gaining traction



H1 volume share showing signs of recovery...

...to support sustainable value share delivery

BAT	HY23 vs. HY22	FY23 vs. FY22	HY24 vs. HY23
Volume share* basis points			
Total U.S. combustibles	-30	-10	+10
Premium brands	+10	+60	+90

BAT	HY23 vs. HY22	FY23 vs. FY22	HY24 vs. HY23
Value share* basis points			
Total U.S. combustibles	-90	-60	-20
Premium brands	-90	-50	+20

* Source: Marlin Combustibles Share. See Appendix A3. YTD share versus same period last year. U.S. volume share HY24 vs. FY23 -10bps.

AME: Strong H1 delivery

Revenue*

+5.4%

£4,580m

APFO**

+5.3%

£1,567m

Organic New Category revenue*

+15.8%

Vapour

+1%

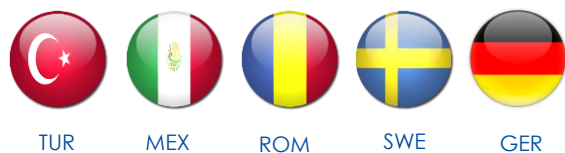
Modern
Oral

+47%

HP

+7%

Regional growth drivers:



25%

Smokeless[^] as a % of
AME revenue in markets
where we are present

Organic combustibles revenue*

+3.0%

Continued momentum expected in H2

APMEA: Resilient delivery

Revenue*

+1.8%

£2,850m

APFO**

+3.8%

£1,107m

New Category revenue* **-3.3%**

Vapour

+48%

Modern Oral

+24%

HP

-13%

Combustibles revenue*

+1.2%

Regional growth drivers:

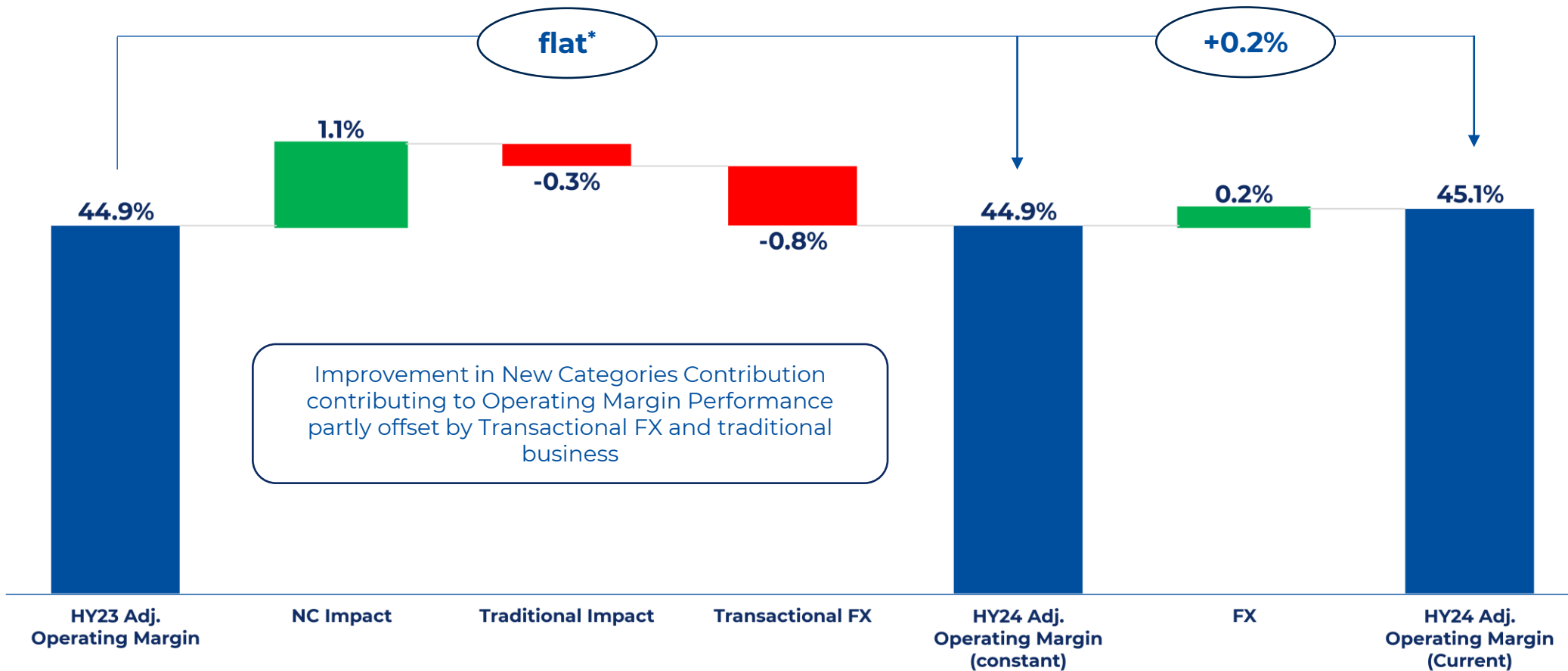


18%

Smokeless[^] as a % of APMEA revenue in markets where we are present

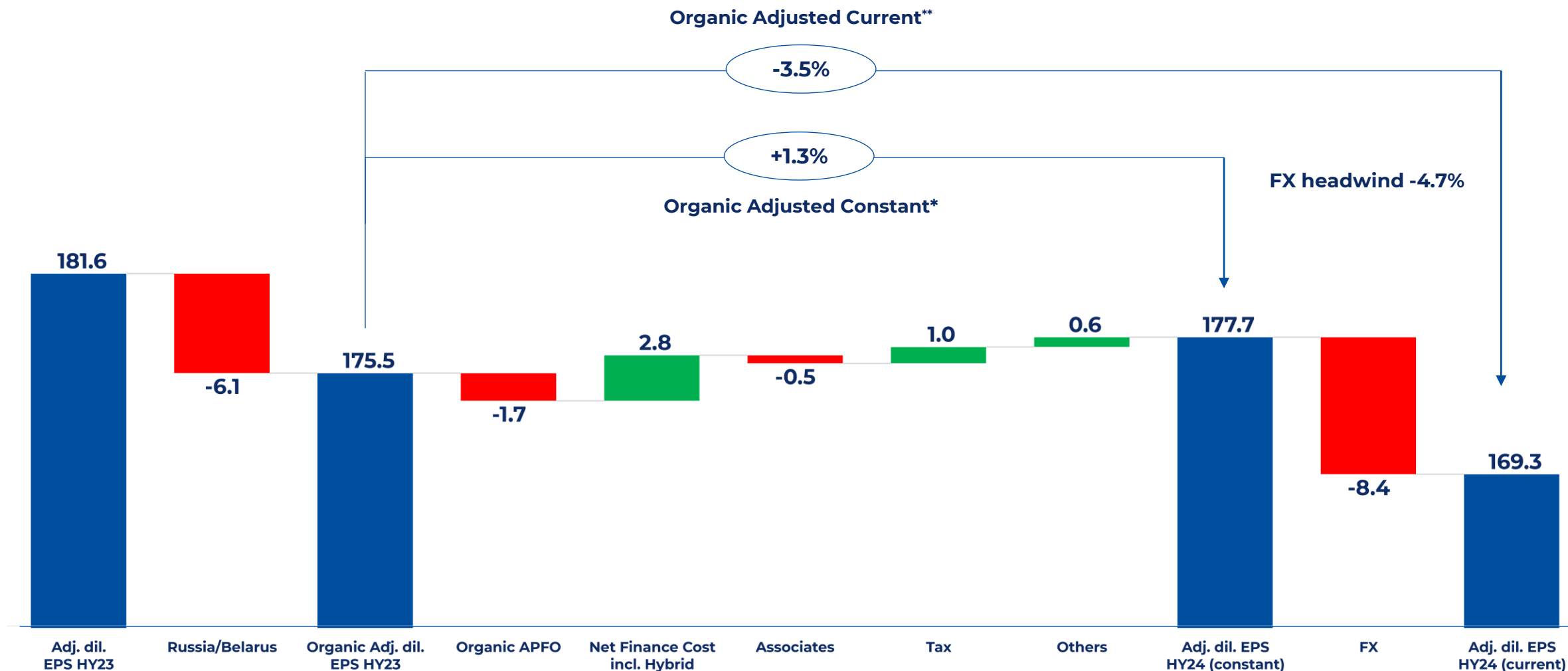
Expected H2 acceleration driven by innovations and softer comparator

Group margin: Successfully offsetting transactional FX and inflationary headwinds with NCs and efficiency gains



* On an organic, adjusted constant rate basis. See Appendices A1, A2 & A7.

Adjusted organic diluted EPS up 1.3%*

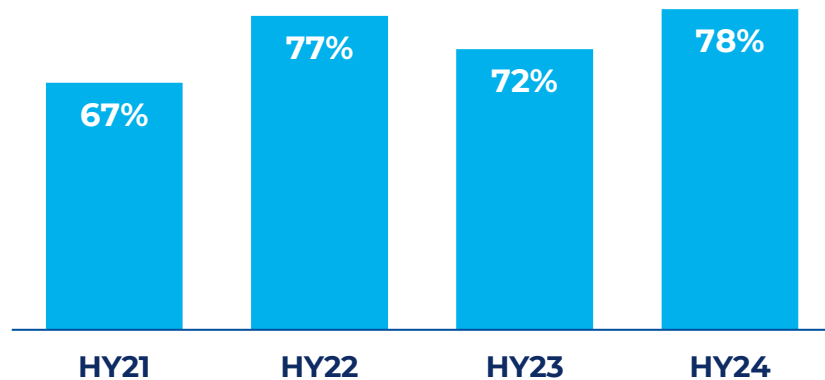


* Adjusted diluted EPS on an organic, constant rate basis. See Appendices A1, A2 & A7. **Adjusted diluted EPS on an organic, current rate basis. See Appendices A1 and A7.

Continued strong cash generation driving leverage reduction

Strong operating cash conversion*

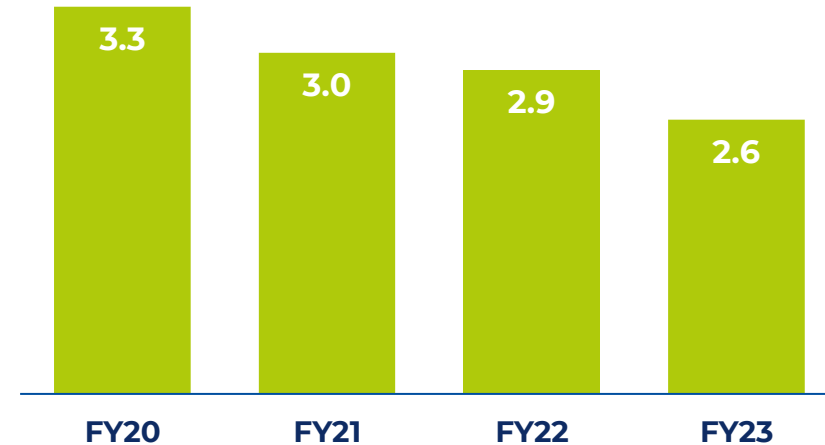
Expecting another year of strong operating cash conversion >90%*



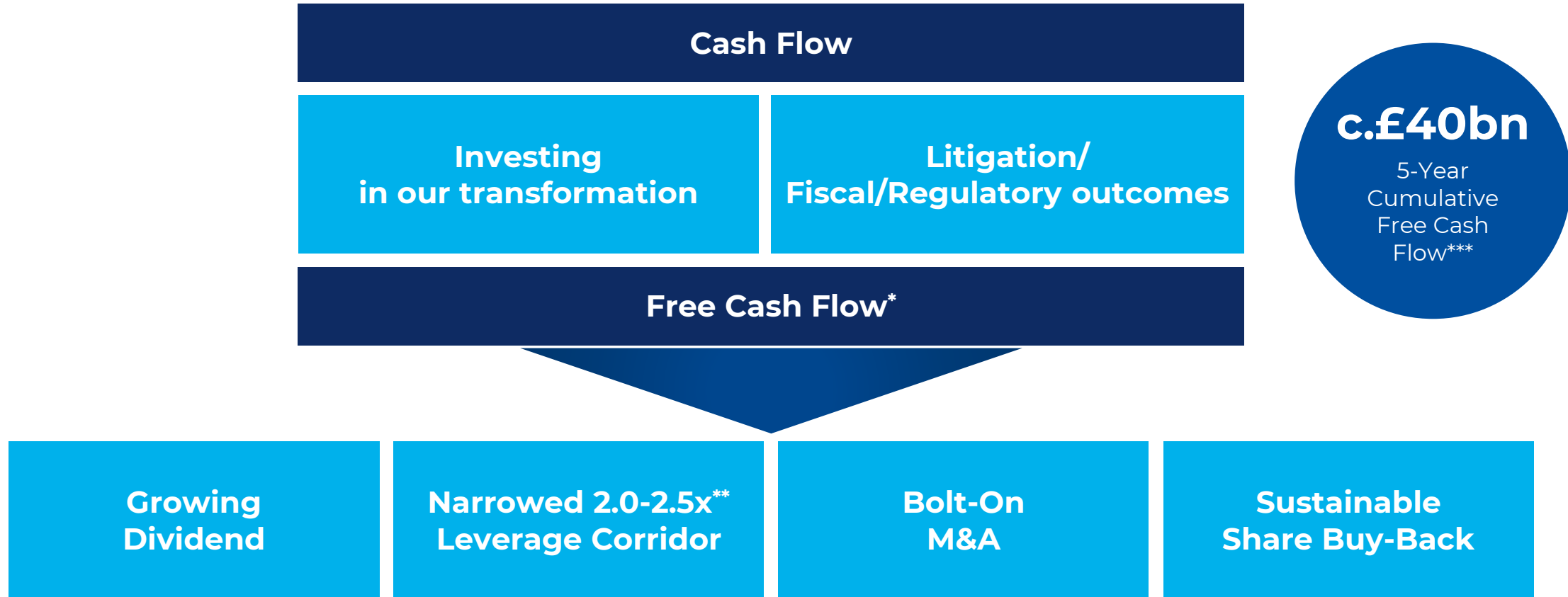
Cash flow weighted to H2, as normal

Strengthening our balance sheet alongside a manageable maturity profile

Expect to be within our narrowed 2-2.5x adj. net debt / adj. EBITDA corridor** by year-end

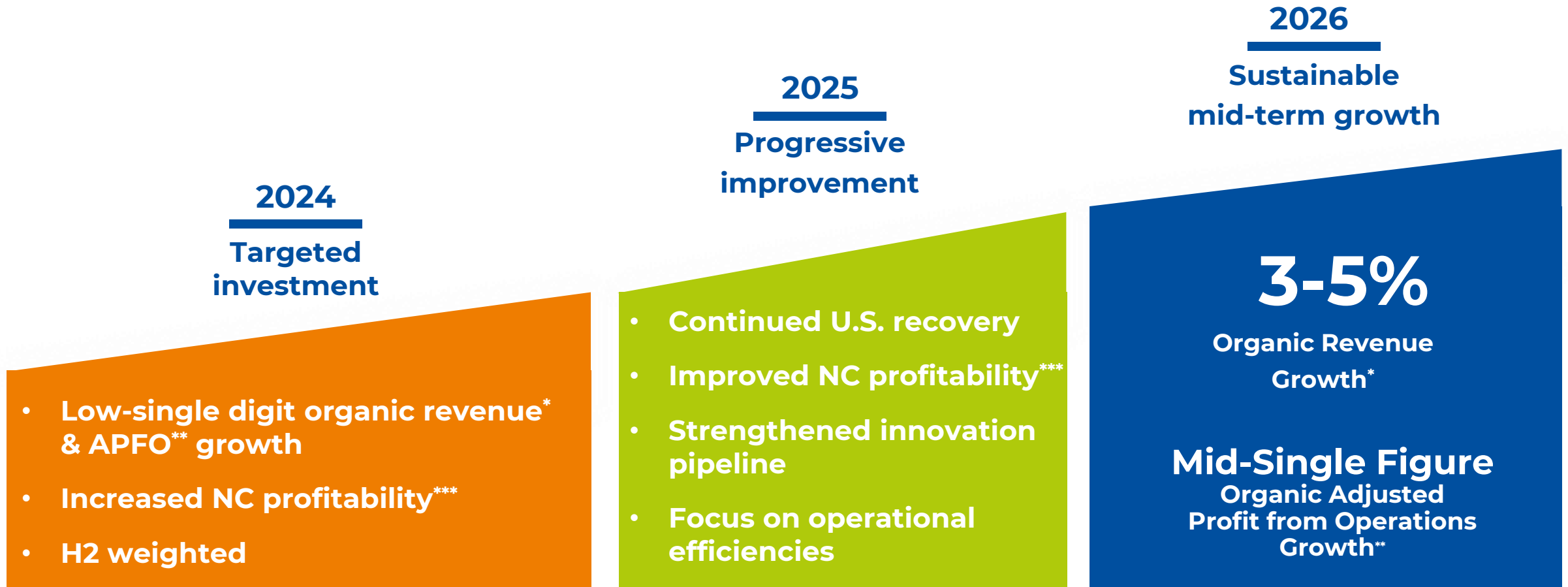


Dynamic approach to capital allocation as we transform



Committed to sustainably returning cash to shareholders

2024 is the first step in delivering our mid-term sustainable growth algorithm



Confident in H2 acceleration

Interim Results 2024

Tadeu Marroco – Chief Executive



Confident in our H2 performance acceleration

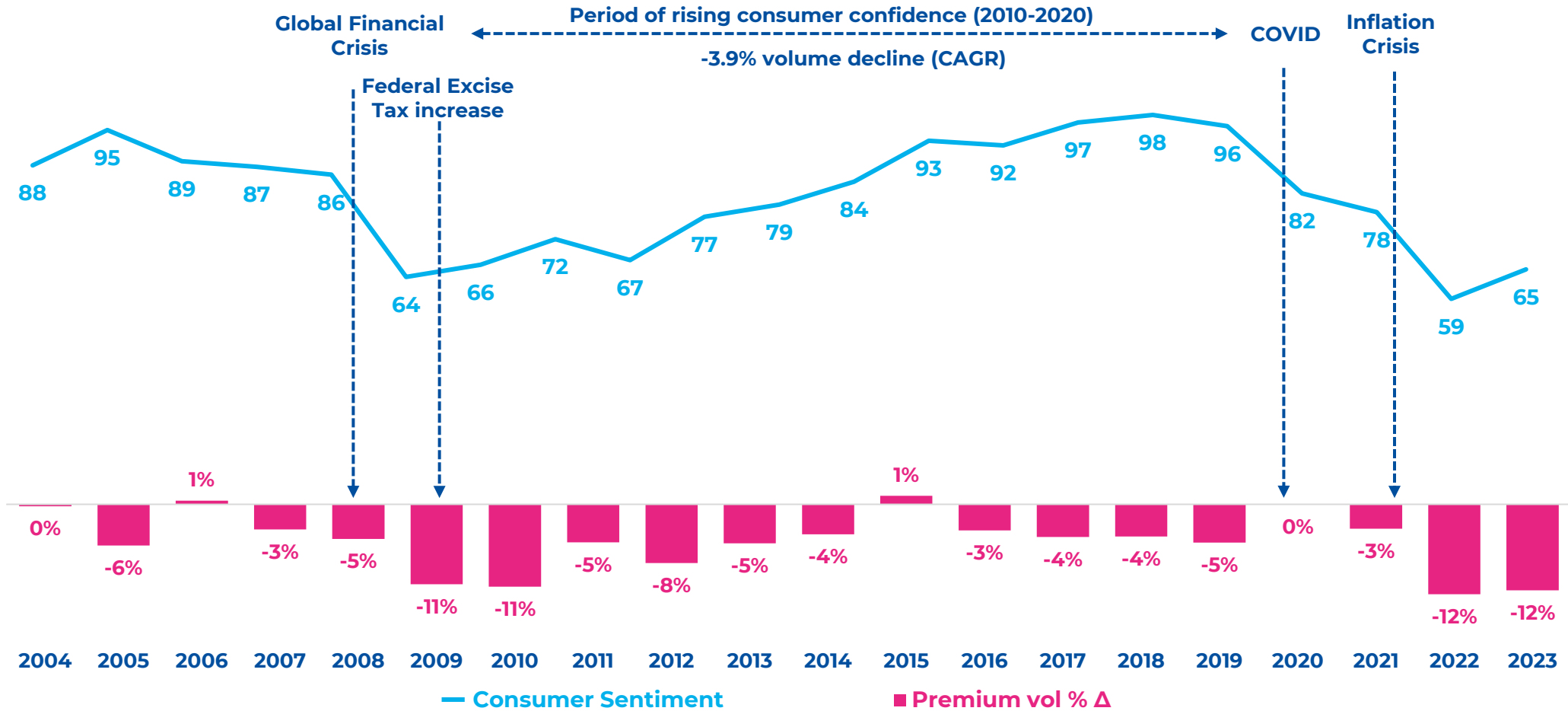
	H1 24 Results		H2 24 Acceleration	FY24 Guidance
	Organic	Organic adj. for U.S. inventory [^]		
Group revenue*	-0.8%	Flat		Low-single digit
New Category revenue*	+7.4%	n/a		Double-digit
Adjusted profit from operations**	-0.9%	+0.5%		Low-single digit

H2 expected accelerators

- **Improving U.S. performance**
 - Unwind of wholesaler inventory movements
 - Majority of previously announced commercial initiatives completed
 - Continued traction on commercial actions
 - H1 volume and value share signs of recovery, led by premium
- **Innovations in market for all three New Categories**
- **Lapping softer APMEA comparator**
- **Continued strong performance in AME**

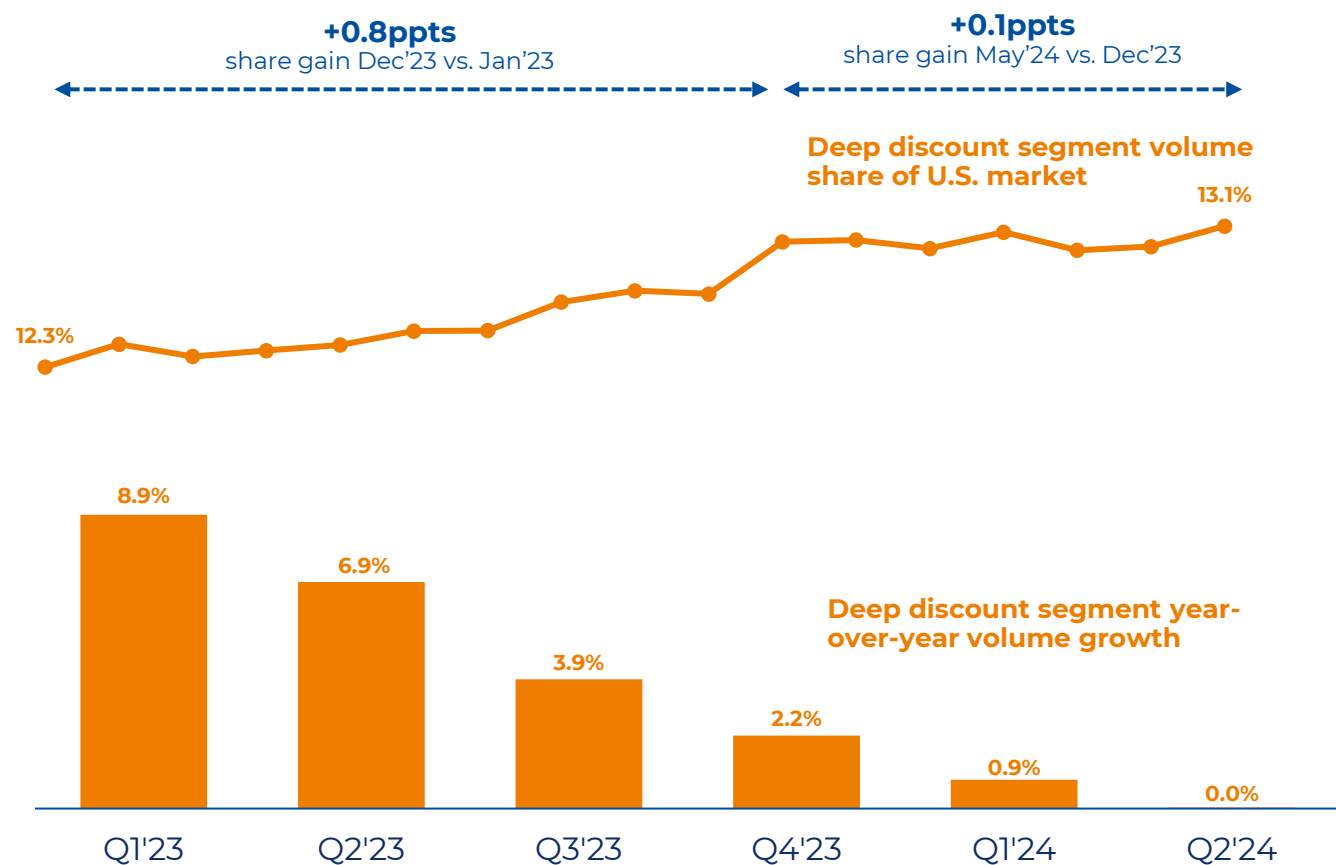
* On an organic, constant rate basis. See Appendices A2 & A7. ** On an adjusted, organic, constant rate basis. See Appendices A1, A2 & A7. ^ Refers to adjustments for wholesaler inventory movements relative to HY23.

U.S. consumer sentiment is a leading indicator of premium volume trends



Encouraged by early signs of improving consumer sentiment

U.S. deep discount segment stabilising while branded value starting to increase



Volume Share	HY24	vs. FY23	May'24 vs. Dec'23
Deep discount segment	13.0%	+0.4ppts	+0.1ppts
Branded value segment	21.0%	+1.1ppts	+0.5ppts
BAT share of branded value segment	42.4%	-0.2ppts	+0.7ppts

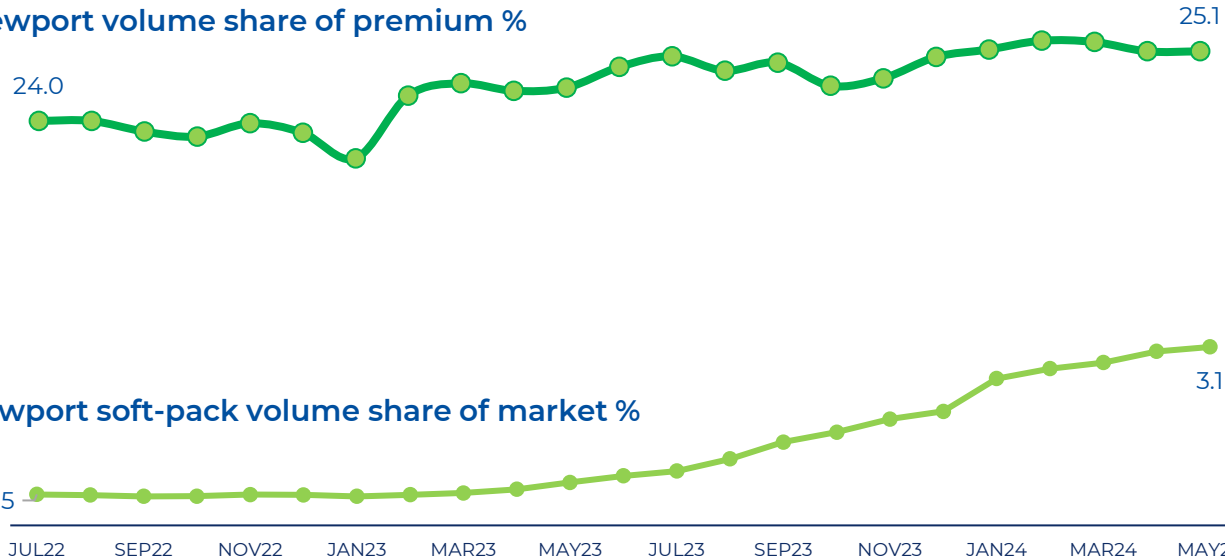
Early signs of stabilising lower-end consumer

Volume share gains in key investment states drive H1 national share recovery



Newport

Newport volume share of premium %



Newport soft-pack volume share of market %



Newport Menthol Soft-Pack Positive Impact

80%

Reduction in Low-End Growth*

vs. HY22

30%

Improvement in Newport Box Switch out**

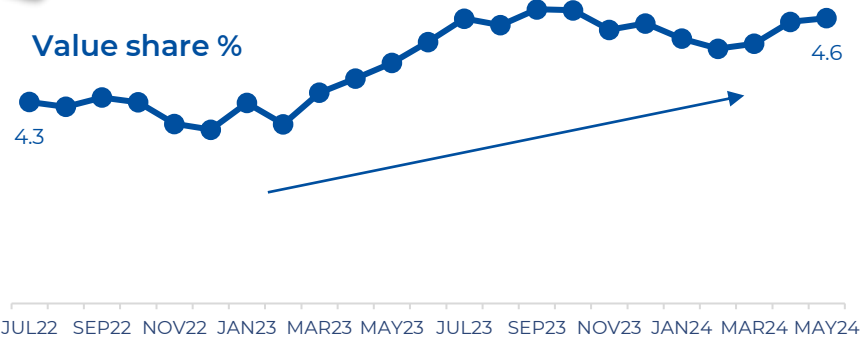
vs. HY22

Strengthening our portfolio for long-term delivery

- Balanced portfolio
- Expanded retail contract coverage
- Increased sales force by 10%
- Upgraded digital data analytics



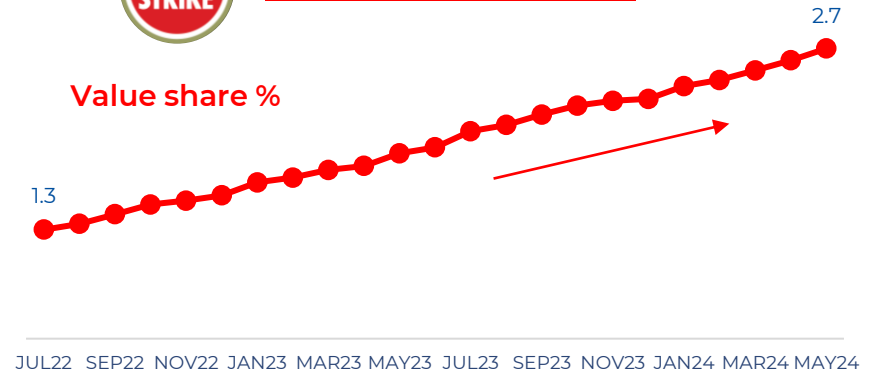
Natural American Spirit



Value Share	HY24	vs. HY23	vs. FY23
Natural American Spirit	4.5%	+0.2ppts	+0.1ppts



Lucky Strike



Value Share	HY24	vs. HY23	vs. FY23
Lucky Strike	2.6%	+0.8ppts	+0.5ppts

Investment in retail contract expansion driving growth

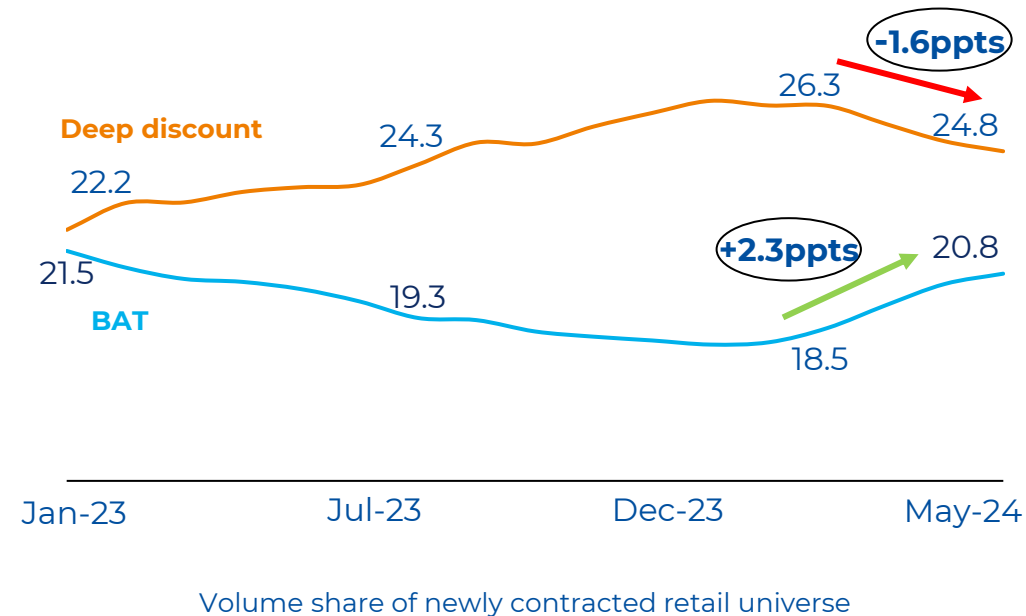


Through our expanded contract universe...

...we are driving volume share momentum

...with gains across our portfolio*

82% → **88%**
 Q3'23 → Q2'24
Coverage



- +1.2ppts
- +0.6ppts
- +0.5ppts
- +0.1ppts

Leading to deep discount segment share decline

Actively supporting more effective U.S. Vapour enforcement

Active Reynolds engagement

- **Raising awareness**
- **Sharing data**
- **Government engagement**



FDA

- Increasing fines, import refusals and seizures
- Creation of Federal Multi-Agency Task Force, including:
 - Department of Justice, Federal Trade Commission
- Vuse Alto tobacco Marketing Granted Orders received
- Advocating for PMTA process completion and PMTA list publication to provide clarity

International Trade Commission (ITC)

- Investigating unfair acts in the importation and sale of flavoured single-use vapes
 - Accepted our complaint in 2023
- Investigating foreign manufacturers, distributors and retailers of single-use illicit products for patent infringement
 - Accepted our complaint in HY24

Much more needs to be done to drive a meaningful impact

Encouraging progress on vapour enforcement at state level

Louisiana Vapour directory and enforcement actions drive legal market growth

Industry

Louisiana Vapour volume
+15.9%

Louisiana Vapour volume
+30%
vs. National Trend

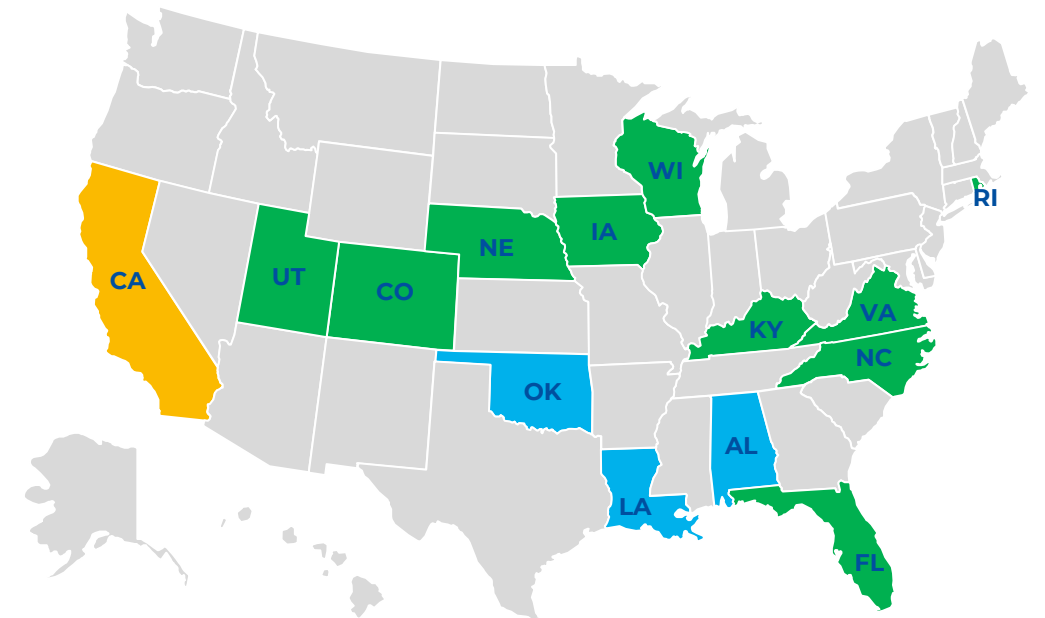
VUSE

Volume
+23.0%
vs. Pre-Enforcement*

+3.2ppts
Volume share
vs. Pre-Enforcement*



More directories to come



3 Implemented

10 Enacted

1 Pending

Expected implementation in enacted states in H2'24 and FY25

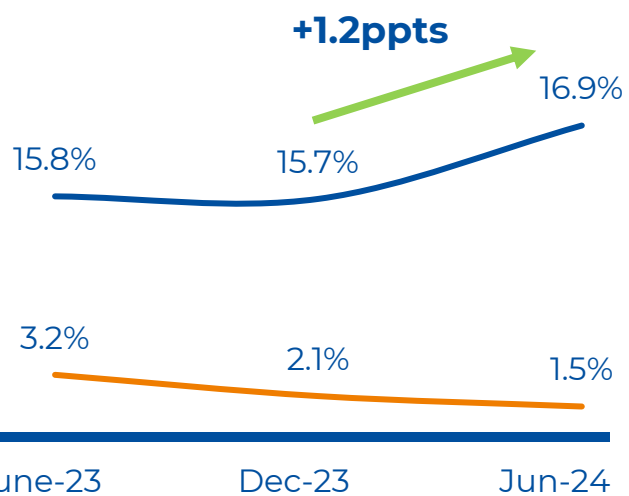
glo volume share turnaround driven by Hyper Pro



Japan

Volume Share of Category*

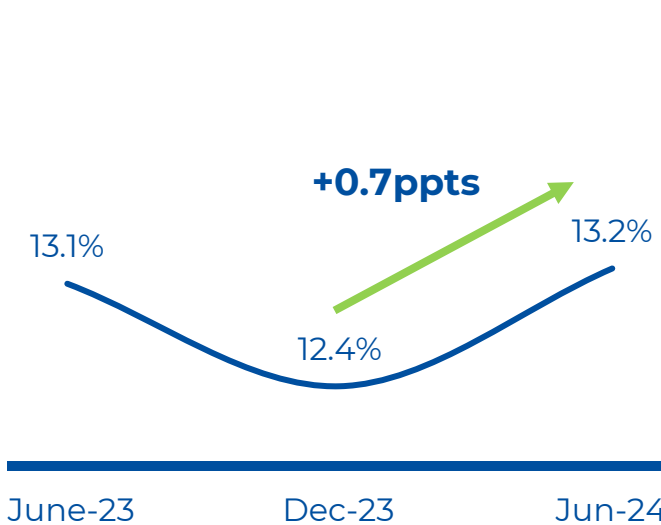
— glo DS — glo SS



Italy

Volume Share of Category

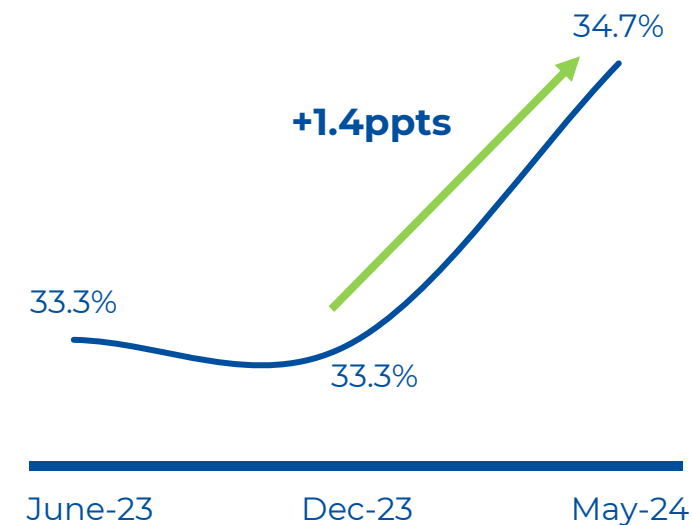
— glo



Poland

Volume Share of Category

— glo



Pro resonating strongly with consumers on key attributes

Stronger brand equity driven by Pro*

glo Brand Strength Score (May'24)



Total glo | pro consumers

Country	Total glo	pro consumers	Key Attributes
JPN	46	54	<ul style="list-style-type: none"> • Appealing Designs +15 • Premium +13 • High-quality +12
ITA	51	55	<ul style="list-style-type: none"> • Great Taste +8 • Appealing Design +8 • Premium +6
POL	59	71	<ul style="list-style-type: none"> • Innovation +18 • Modern +18 • Great Taste +17 • High Quality +17

Clearly improved perception post-trial**

Device Attribute Uplift (Post Trial)

Improved ADC*** for Pro consumers*

glo ADC Progression (May'24 vs. Dec'23)

Great taste | All other attributes


pro consumers | Total glo


Country	Great taste	All other attributes	pro consumers	Total glo
JPN	+22ppts	+8ppts	+20%	+3%
ITA	+17ppts	+10ppts	+20%	+7%
POL	+20ppts	+9ppts	+14%	~


Vuse Go 2.0: New single-use vape with removable battery*


Vuse Go 2.0


with superior heating technology


- 




Easy-view liquid **Improved Mouthpiece**
- 



**FeelM Max™ SA
Better Sensorials** **Boost / Intensity
Control**
- 



**Removable
Battery*** **Battery indicator**
- 

Device lock

11
market launches since May
significant
H2 roll-out



* Full Spec has removable battery for all versions. Default Spec only available on Pen & 1K Box and does not have removable battery. 3K devices are available in regular 8ml and 6ml (where regulatory cap exists).

Vuse Go Reload: Modi-style rechargeable device with upgraded pods

Vuse Go Reload device

Coupled with our best ever Vuse flavours

New And Improved 2ml Pod
Ready To Vape, Up To 1000 Puffs



Modi-like 

Device Lock
When Not In Use 

FeelM Max™ SA
Better Sensorials 

Long Lasting Battery 

Ergonomic Design 

USB-C Rechargeable 

8


market launches since May

significant

H2 roll-out



vuse




HAVE IT ALL WITH THE NEW VUSE GO RELOAD 950!


Swap your flavours. Keep the vape. 24 flavour pods to choose from. One reusable device. It's the best of both worlds.

DISCOVER MORE

MORE TASTE



LESS WASTE



Subscribe with Vuse
Vuse Subscriptions Deal. The smarter way to buy your vape to enable.

Vuse Care
Available 7am-7pm. 0800 1111 222. [vusecare.com](#)

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DISCOVER MORE FLAVOURS



MANY FLAVOURS ONE DEVICE



EASY SWAP



REUSABLE DEVICE



1 x easy-swap pod
1x reusable device
1x USB-C charging cable

Reinvigorating our Modern Oral portfolio in the U.S.

New York

14.5%

HY24 volume share
+3.9ppts vs. FY23

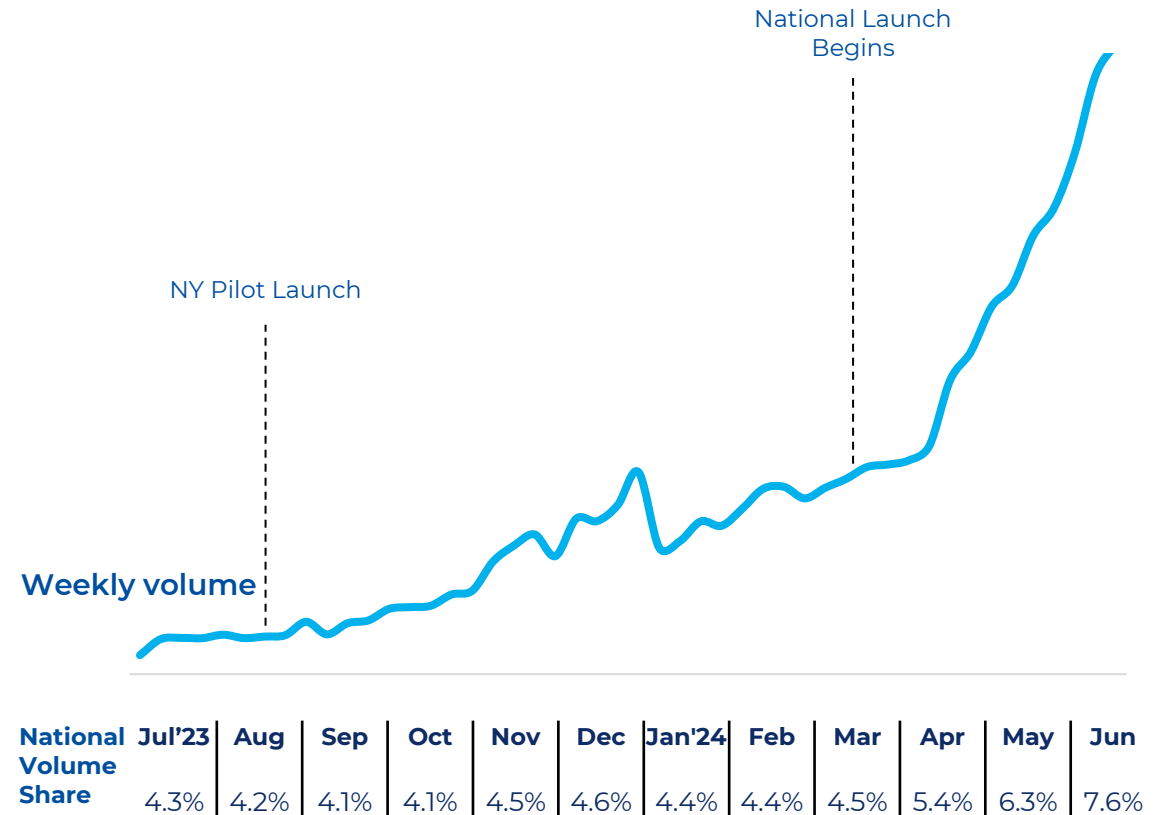
16.5%

June volume share
From 9.3% pre-pilot

National

+122%

HY24
Revenue*
growth
vs. HY23



Refresh of U.S. Velo gaining momentum

Additional Modern Oral launches expected to drive H2 performance

Grizzly Modern Oral U.S. nationwide roll-out underway

- **Insight:** Traditional Oral consumers are increasingly using Modern Oral
 - Driven by:
 - Flavour options
 - Convenience
 - Price
- Rolling-out from June with positive retailer feedback



Launches with added sensorial dimension across international markets

- **Insight:** Sensorial flavour experience drives higher product satisfaction
- Novel experience with new sensations



Heating



Cooling

Tingling

On track for full-year guidance

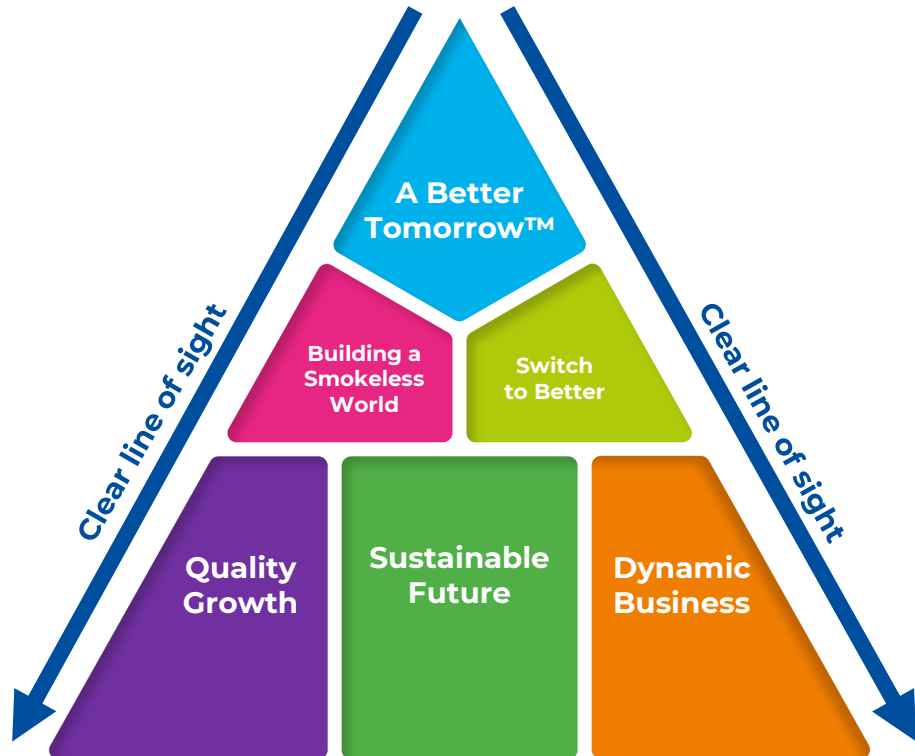
Key drivers

- **Reversal of U.S. wholesaler inventory moves[^]**
- **Majority of previously announced investment in U.S. commercial initiatives now completed**
 - H1 volume and value share signs of recovery, led by premium
- **Acceleration in New Category growth**
 - Innovations in market in all three categories
- **Softer comparator in APMEA**
- **Continued strong performance in AME**



**Confident in H2 acceleration
to deliver FY guidance**
(Low-single digit revenue* and APFO** growth)

Driving a sustainable transformation



- Our smokeless* transformation continued in H1
- Increasing NC returns on more targeted investment
- Making good progress on our six focus areas set out at HY23
- Enhanced financial flexibility and returns to shareholders
- **On track for FY24 guidance**
 - H1 delivery in line with expectations
 - Confident in H2 acceleration

Our investment today will drive our medium-term guidance

Q&A

Interim Results 2024

Tadeu Marroco – Chief Executive | **Soraya Benchikh** – Chief Financial Officer

BAT Capital Markets Day – 16 October, Southampton, UK



Click for **event preview video**: <https://www.bat.com/cmd2024>

Appendix

Interim Results 2024



Appendix: Our New Category shares in Top markets*

Cigarettes	Volume share of Cigarettes	
	HY24 volume share	Change HY24 vs. FY23 (ppts)
Group	45.7%	+0.3
U.S.	33.8%	-0.1
Germany	21.0%	-0.4
Japan	18.5%	-0.1
Romania	50.4%	+0.3
Brazil	68.5%	+0.9
Mexico	37.8%	+0.3
Bangladesh	87.3%	+1.6
Pakistan	80.0%	+1.0

Vuse	Value share of Total Vapour	
	HY24 value share	Change HY24 vs. FY23 (ppts)
Group	40.9%	-0.5
U.S.	51.2%	-1.1
U.K.	9.4%	-0.6
Canada	87.8%	-4.8
Poland	15.4%	+1.0
Germany	28.8%	+2.9
France	54.5%	+6.0
Spain	30.1%	+7.1

glo	Volume share of HP	
	HY24 volume share	Change HY24 vs. FY23 (ppts)
Group	16.8%	-0.2
Japan	18.0%	-0.3
Poland	34.6%	+1.4
South Korea	10.4%	-0.6
Italy	12.6%	0.0
Romania	17.3%	-0.6
Hungary	11.7%	-1.5
Greece	11.4%	-0.5
Czech Rep.	17.4%	+0.4
Germany	9.5%	-0.8

Velo	Volume share of Total Oral		Volume share of Modern Oral	
	HY24 volume share	Change HY24 vs. FY23 (ppts)	HY24 volume share	Change HY24 vs. FY23 (ppts)
Group	10.6%	+1.1	27.4%	+0.3
Sweden	17.2%	+2.2	57.4%	+0.3
Norway	25.8%	+1.6	63.4%	-0.3
U.S.	2.4%	+0.7	5.0%	+0.5
Denmark	84.6%	-2.2	87.6%	-2.7
Switz.	74.7%	+2.9	95.4%	-0.2
U.K.	55.4%	+0.2	55.4%	+0.2
Poland	93.8%	-0.5	93.8%	-0.5

* **Top Vapour markets:** U.S. – RSD, Canada – Scan Data, the UK – NielsenIQ, France – Strator, Germany – NielsenIQ, Poland – NielsenIQ, Spain – Logista RA. These seven markets account for c.90% of global closed systems consumable revenue. **Top HP markets:** Japan – CVS-BC, South Korea – CVS, Italy – NielsenIQ, Germany – NielsenIQ, Greece – NielsenIQ, Hungary – SZTFH, Poland – NielsenIQ, Romania – NielsenIQ, Czech Republic – NielsenIQ. These nine markets account for c.80% of total industry HP revenue. **Top Modern Oral markets:** U.S. – RSD, Sweden – NielsenIQ, Denmark – NielsenIQ, Norway – NielsenIQ, Switzerland – IMS, the UK – NielsenIQ, Poland – NielsenIQ. These seven markets account for c.90% of total industry Modern Oral revenue. **Top Cigarette markets:** U.S. – Marlin, Germany – NielsenIQ, Japan – CVS, Romania – NielsenIQ, Brazil – Scantech, Mexico – NielsenIQ, Bangladesh – NielsenIQ, Pakistan – Retail Access. These eight markets account for c.65% of cigarette industry revenue in 2023.

Appendix: Group Results excluding – Russia in H1

	Group excluding Russia/Belarus HY24	Group excluding Russia/Belarus HY23	Growth excluding Russia/Belarus HY24 v HY23	Total Group Growth HY24 v HY23
Volume FMC & HP	260bn	278bn	-6.6%	-12.7%
	(£ Millions)	(£ Millions)		
Revenue*	12,944	13,056	-0.8%	-3.7%
NC Revenue*	1,709	1,590	+7.4%	+3.1%
APFO**	5,809	5,860	-0.9%	-3.5%
	(Millions)	(Millions)	(Millions)	
Smokeless Consumers***	26.4	23.8	+3.9	n/a

* On a constant rate basis. See Appendix A2. ** Adjusted profit from operations on an adjusted constant rate basis. See Appendices A1 & A2. *** See Appendix A10.

Appendix



A1: Adjusting (Adj.)

Adjusting items represent certain items which the Group considers distinctive based upon their size, nature or incidence.

A2: Constant currency

Constant currency – measures are calculated based on the prior year's exchange rate, removing the potentially distorting effect of translational foreign exchange on the Group's results. The Group does not adjust for normal transactional gains or losses in profit from operations which are generated by exchange rate movements.

A3: Share metrics

Year to date basis through May 2024.

Volume share: The estimated number of units bought by consumers of a specific brand or combination of brands, as a proportion of the total estimated units bought by consumers in the industry, category or other sub-categorisation. Sub-categories include, but are not limited to, the total nicotine category, Modern Oral, Vapour, Traditional Oral or cigarettes. Corporate volume share is the share held by BAT Group. Except when referencing particular markets, volume share is based on our top markets.

Value share: The estimated retail value of units bought by consumers of a particular brand or combination of brands, as a proportion of the total estimated retail value of units bought by consumers in the industry, category or other sub-categorisation in discussion.

A4: Price/Mix

Price mix is a term used by management and investors to explain the movement in revenue between periods. Revenue is affected by the volume (how many units are sold) and the value (how much is each unit sold for). Price mix is used to explain the value component of the sales as the Group sells each unit for a value (price) but may also achieve a movement in revenue due to the relative proportions of higher value volume sold compared to lower value volume sold (mix).

A5: Free Cash Flow

Net cash generated from operating activities before the impact of trading loans provided to a third party and after dividends paid to non-controlling interests, net interest paid and net capital expenditure.

A6: Operating Cash Conversion

Net cash generated from operating activities before the impact of adjusting items and dividends from associates and excluding trading loans to third parties, pension short fall funding, taxes paid and net capital expenditure, as a proportion of adjusted profit from operations.

A7: Organic

To supplement the Group's results presented in accordance with International Financial Reporting Standards (IFRS), the Group's Management Board, as the chief operating decision maker, reviews certain of its results, including revenue and adjusted profit from operations, at constant rates of exchange, prior to the impact of businesses sold or held-for-sale. Although the Group does not believe that these measures are a substitute for IFRS measures, the Group does believe that such results excluding the impact of businesses sold or to be held-for-sale provide additional useful information to investors regarding the underlying performance of the business on a comparable basis and in the case of the divestment of the Group's businesses in Russia and Belarus, the impact these businesses had on revenue and profit from operations. Accordingly, the organic financial measures appearing in this document should be read in conjunction with the Group's results as reported under IFRS. The exits referred to in respect of other markets, including in Africa, are not deemed significant to the users' understanding.

A8: Poly-usage

Refers to a transitional period for smokers towards complete switching to potentially reduced risk nicotine products during which period such smokers reduce cigarette consumption and choose to consume one or more New Category products.

A9: Adjusted net debt to adjusted EBITDA

Net debt, excluding the impact of the revaluation of Reynolds American Inc. acquired debt arising as part of the purchase price allocation process, as a proportion of profit for the year (earnings) before net finance costs (interest), tax, depreciation, amortisation, impairment, associates and adjusting items

A10: Consumers of Smokeless Products

The number of consumers of Smokeless products is defined as the estimated number of Legal Age (minimum 18 years) consumers of the Group's Smokeless products - which does not necessarily mean these users are solus consumers of these products. In markets where regular consumer tracking is in place, this estimate is obtained from adult consumer tracking studies conducted by third parties (including Kantar). In markets where regular consumer tracking is not in place, the number of consumers of Smokeless products is derived from volume sales of consumables and devices in such markets, using consumption patterns obtained from other similar markets with adult consumer tracking (utilising studies conducted by third parties, including Kantar). The number of consumers is adjusted for those identified (as part of the consumer tracking studies undertaken) as using more than one BAT Brand – referred to as "poly users".

The number of Smokeless products consumers is used by management to assess the number of consumers using the Group's New Categories products as the increase in Smokeless products is a key pillar of the Group's ESG ambition and is integral to the sustainability of our business.

A11: Smokeless Products

Refers to Non-Combustibles, including Vapour products, Heated Products, Modern Oral and Traditional Oral.