



# UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The Directors of British American Tobacco Uganda Limited (the Company) announce the Company's unaudited results for the six months period ended 30 June 2025 as shown below:

Gross revenue (Ushs) <b>33.5bn</b>	Taxes (Ushs) <b>18.9bn</b>	Cost of operations (Ushs) <b>12.8bn</b>	Profit before tax (Ushs) <b>5.4bn</b>
---------------------------------------	-------------------------------	--	--

The condensed Financial Statements have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies Act, Cap.106 Laws of Uganda. These standards have been consistently applied to all years presented.

### Condensed Statement of Comprehensive Income for the six months ended 30 June

	2025 UShs' m	2024 UShs' m
Gross revenue	33,488	39,577
Excise Duty and Value Added Tax	(15,050)	(17,797)
Net revenue	18,438	21,780
Total cost of operations	(12,765)	(15,236)
Profit from operations	5,673	6,544
Finance costs	(300)	(8)
Profit before tax	5,373	6,536
Income tax expense	(1,612)	(2,026)
Profit after tax	3,761	4,510
Total comprehensive income	3,761	4,510
Basic and diluted earnings per share (Ushs)	77	92

### Condensed Statement of Financial Position as at:

	30 Jun 2025 UShs' m	31 Dec 2024 UShs' m
Capital and reserves		
Share capital	61	61
Revaluation surplus	14,286	14,410
Retained earnings	29,752	25,867
Shareholders' equity	44,099	40,338
Non-current liabilities	8,671	8,940
	52,770	49,278
Assets		
Non-current assets	15,232	15,735
Working capital		
Current assets	47,634	53,458
Current liabilities	(10,096)	(19,915)
Net working capital	37,538	33,543
	52,770	49,278

### Condensed Statement of Cash Flows for the six months ended 30 June

	2025 UShs' m	2024 UShs' m
Cash generated from operations	107	8,922
Net interest received	148	-
Tax paid	(2,815)	(2,521)
Net cash from operating activities	(2,560)	6,401
Net cash generated in investing activities	14,478	-
Net cash used in financing activities	(319)	(351)
Net increase in cash & cash equivalents	11,599	6,050
At the start of the period	24,842	11,757
Exchange loss on cash at bank	(95)	(12)
At the end of the period	36,346	17,795

### Condensed Statement of Changes in Equity

	Share capital UShs' m	Revaluation surplus UShs' m	Retained earnings UShs' m	Total UShs' m
At 1 January 2024	61	14,659	24,195	38,915
Profit for the period	-	-	4,510	4,510
Dividends 2025	-	-	96	96
At 30 June 2024	61	14,659	28,801	43,521
At 1 January 2025	61	14,410	25,867	40,338
Profit for the period	-	(124)	3,885	3,761
Dividends 2025	-	-	-	-
At 30 June 2025	61	14,286	29,752	44,099

### Operating environment

The Company demonstrated resilience amidst a challenging operating environment, characterised by a high prevalence of tax-evaded illicit cigarettes on the market.

Illicit trade remains the biggest threat to the sustainability of our business in Uganda, accounting for an estimated 34% of the Ugandan market as at the end of 2024, up from 25% in the prior year (according to third-party research). Sustained non-compliance with the provisions of the relevant laws relating to tax stamps, graphic and text health warnings and the quality mark on cigarette packs continues to create an unlevelled playing field for the legitimate industry. Illicit trade not only undermines legitimate industry revenues but deprives the Government of approximately US\$ 32 billion annually in taxes.

We recognise Government's efforts to combat illicit trade, especially by the URA. However, to effectively address the high prevalence of tax-evaded illicit cigarettes in the market, we reiterate our call for enhanced enforcement action through a multi-agency approach, to curb the menace and drive compliance with the tobacco control laws.

### Financial highlights

- Gross revenue reduced by 15% to US\$ 33.5 billion while Excise Duty and Value Added Tax (VAT) decreased by 15% to US\$ 15.1 billion, largely driven by lower sales volume. Consequently, net revenue dropped by 15% to US\$ 18.4 billion.

- Total cost of operations declined by 16% to US\$ 12.8 billion, in line with lower sales volume and prudent cost management initiatives.
- Finance costs of US\$ 0.3 billion were attributed to exchange losses on US Dollar balances following the appreciation of the Ugandan shilling against the US Dollar during the period.
- Profit before tax decreased by 18% to US\$ 5.4 billion primarily attributed to lower sales volume.
- Taxes in the form of Excise Duty, VAT and Income Tax decreased by 10% to US\$ 18.9 billion, driven by lower sales volume partly offset by capital gains tax from asset sale.

### Dividend

The Board does not recommend an interim dividend.

### Looking ahead

We are confident in our ability to navigate the challenging operating environment and deliver sustained shareholder value, supported by Uganda's projected stable macro-economic factors, our world class talent, consumer-centric brand portfolio, and trade partnerships. This is in line with our purpose to create A Better Tomorrow™ through accelerated business transformation, which is anchored on our strategic priorities of delivering quality growth, a sustainable future and a dynamic business.

Kampala  
31 July 2025

By Order of the Board  
Paul Mbuga  
S&L Advocates - DLA Piper Africa  
Company Secretary