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**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE QUARTER AND YEAR ENDED  
31 DECEMBER 2024**

**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**  
**Registration No. 196101000326 (4372-M)**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2024**

	Note	For the 3 months ended		Financial year ended	
		31.12.2024	31.12.2023	31.12.2024	31.12.2023
		RM'000	RM'000	RM'000	RM'000
Revenue		653,032	635,859	2,315,404	2,310,999
Cost of sales		(503,287)	(488,595)	(1,774,235)	(1,742,965)
Gross profit		149,745	147,264	541,169	568,034
Other operating income		2,865	210	3,460	1,103
Operating expenses		(75,952)	(83,493)	(266,112)	(288,505)
Profit from operations		76,658	63,981	278,517	280,632
Finance costs		(7,693)	(7,105)	(26,901)	(24,293)
Profit before tax	B2	68,965	56,876	251,616	256,339
Tax expense	B3	(19,999)	(9,512)	(68,474)	(61,591)
Profit after tax		48,966	47,364	183,142	194,748
Profit attributable to the shareholders of the Company		48,966	47,364	183,142	194,748
Effective tax rate		29.0%	16.7%	27.2%	24.0%
EPS	B10	17.1	16.6	64.1	68.2
<u>Dividends</u>					
- Interim 1		-	-	10	13
- Interim 2		-	-	12	16
- Interim 3		-	-	22	19
- Interim 4		15	15	15	15
		15	15	59	63

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2023.

**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**  
**Registration No. 196101000326 (4372-M)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2024**

	For the 3 months ended		Financial year ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
<b>Profit after tax</b>	48,966	47,364	183,142	194,748
<b>Other comprehensive income/(expense), net of tax</b>				
<b>Items that may be subsequently reclassified to income statement</b>				
- changes in fair value of cash flow hedges	16,517	(5,128)	(5,658)	3,541
- deferred tax on fair value changes of cash flow hedges	(3,965)	1,060	1,358	(850)
<b>Total other comprehensive income/(expense), net of tax</b>	<u>12,552</u>	<u>(4,068)</u>	<u>(4,300)</u>	<u>2,691</u>
<b>Total comprehensive income</b>	<u><u>61,518</u></u>	<u><u>43,296</u></u>	<u><u>178,842</u></u>	<u><u>197,439</u></u>
<b>Profit attributable to:</b>				
Shareholders of the Company	<u><u>48,966</u></u>	<u><u>47,364</u></u>	<u><u>183,142</u></u>	<u><u>194,748</u></u>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Company	<u><u>61,518</u></u>	<u><u>43,296</u></u>	<u><u>178,842</u></u>	<u><u>197,439</u></u>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2023.

**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**  
**Registration No. 196101000326 (4372-M)**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2024**

	Note	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
<b>Assets</b>			
Property, plant and equipment		50,299	65,692
Computer software		1,809	1,311
Goodwill		411,618	411,618
Deferred tax assets		12,565	6,587
<b>Total non-current assets</b>		<b>476,291</b>	<b>485,208</b>
Inventories	A13	10,538	44,910
Tax recoverable		2,245	2,321
Trade and other receivables		669,208	625,920
Derivative financial instruments		2,649	4,950
Cash and bank balances		35,385	27,849
<b>Total current assets</b>		<b>720,025</b>	<b>705,950</b>
<b>Total assets</b>		<b>1,196,316</b>	<b>1,191,158</b>
<b>Equity</b>			
Share capital		142,765	142,765
Cash flow hedge reserve		(1,445)	2,855
Retained earnings		246,617	231,939
<b>Total equity</b>		<b>387,937</b>	<b>377,559</b>
<b>Liabilities</b>			
Lease liabilities		26,357	34,136
<b>Total non-current liabilities</b>		<b>26,357</b>	<b>34,136</b>
Trade and other payables	A13	194,464	219,317
Borrowings	B5	558,000	543,000
Derivative financial instruments		4,183	809
Current tax liabilities		13,959	1,808
Lease liabilities		11,416	14,529
<b>Total current liabilities</b>		<b>782,022</b>	<b>779,463</b>
<b>Total liabilities</b>		<b>808,379</b>	<b>813,599</b>
<b>Total equity and liabilities</b>		<b>1,196,316</b>	<b>1,191,158</b>
Net assets per share (RM)		1.36	1.32

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2023.

**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**  
Registration No. 196101000326 (4372 M)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Non-distributable		Distributable		Total Equity RM'000
	Share Capital RM'000	Cash flow hedge reserve RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	
<b>At 1 January 2024</b>	142,765	2,855	-	231,939	377,559
Profit after tax	-	-	-	183,142	183,142
Other comprehensive (expense)/income:					
- changes in fair value of cash flow hedges	-	(5,658)	-	-	(5,658)
- deferred tax on fair value changes on cash flow hedges	-	1,358	-	-	1,358
<b>Total comprehensive (expense)/income</b>	-	(4,300)	-	183,142	178,842
Transaction with shareholders:					
Expense arising from equity-settled share based payment transactions	-	-	1,684	-	1,684
Recharge of share-based payment	-	-	(1,684)	-	(1,684)
Dividend for financial year ended 31 December 2023 - fourth interim	-	-	-	(42,830)	(42,830)
Dividend for financial year ended 31 December 2024 - first interim	-	-	-	(28,553)	(28,553)
- second interim	-	-	-	(34,264)	(34,264)
- third interim	-	-	-	(62,817)	(62,817)
Total transactions with shareholders of the Company	-	-	-	(168,464)	(168,464)
<b>At 31 December 2024</b>	142,765	(1,445)	-	246,617	387,937
<b>At 1 January 2023</b>	142,765	164	-	234,207	377,136
Profit after tax	-	-	-	194,748	194,748
Other comprehensive income/(expense):					
- changes in fair value of cash flow hedges	-	3,541	-	-	3,541
- deferred tax on fair value changes on cash flow hedges	-	(850)	-	-	(850)
<b>Total comprehensive income</b>	-	2,691	-	194,748	197,439
Transaction with shareholders:					
Expense arising from equity-settled share based payment transactions	-	-	2,524	-	2,524
Recharge of share based payment	-	-	(2,524)	-	(2,524)
Dividend for financial year ended 31 December 2022 - fourth interim	-	-	-	(59,961)	(59,961)
Dividend for financial year ended 31 December 2023 - first interim	-	-	-	(37,119)	(37,119)
- second interim	-	-	-	(45,685)	(45,685)
- third interim	-	-	-	(54,251)	(54,251)
Total transactions with shareholders of the Company	-	-	-	(197,016)	(197,016)
<b>At 31 December 2023</b>	142,765	2,855	-	231,939	377,559

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2023.

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Financial year ended	
		31.12.2024 RM'000	31.12.2023 RM'000
<b>Operating activities</b>			
Profit before tax		251,616	256,339
Adjustments for:			
- non-cash items		32,306	18,776
- interest income		(585)	(623)
- interest expense		26,901	24,293
Changes in working capital:			
- inventories		22,032	25,632
- trade and other receivables		(43,620)	177,242
- trade and other payables		(22,806)	(6,103)
<b>Cash from operations</b>		<b>265,844</b>	<b>495,556</b>
Income tax paid		(60,866)	(99,011)
<b>Net cash flow from operating activities</b>		<b>204,978</b>	<b>396,545</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(1,624)	(1,210)
Purchase of computer software		(1,796)	-
Proceeds from disposals of property, plant and equipment		247	2,208
Interest received		585	623
<b>Net cash flow (used in)/from investing activities</b>		<b>(2,588)</b>	<b>1,621</b>
<b>Financing activities</b>			
Dividends paid to shareholders		(168,464)	(197,016)
Interest expense paid		(25,355)	(22,871)
Net drawdown/(repayment) from revolving credit		15,000	(152,000)
Payment on lease liabilities		(14,489)	(13,644)
Interest paid in relation to lease liabilities		(1,546)	(1,422)
<b>Net cash flow used in financing activities</b>		<b>(194,854)</b>	<b>(386,953)</b>
<b>Net increase in cash and cash equivalents</b>		<b>7,536</b>	<b>11,213</b>
<b>Cash and cash equivalents as at 1 January</b>		<b>27,849</b>	<b>16,636</b>
<b>Cash and cash equivalents as at 31 December</b>		<b>35,385</b>	<b>27,849</b>

The unaudited Condensed Consolidated Cash Flows Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2023.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

**A1. BASIS OF PREPARATION**

These condensed consolidated financial statements ("Condensed Report") are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, the International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and the requirements of the Companies Act 2016 in Malaysia, where applicable. This Condensed Report has also been prepared in accordance with paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to the Condensed Report provide explanations of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

**A2. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted in the preparation of this Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2023. As at the date of authorisation of this Condensed Report, the following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

The Group plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

**A3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The results of the Group's operations are affected by economic cycles and festive seasons.

**A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no significant unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter ended 31 December 2024.

**A5. SIGNIFICANT CHANGES IN ESTIMATE**

There were no significant changes in estimates for prior periods that have had a material effect on the results for the current quarter and year ended 31 December 2024.

**A6. DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter ended 31 December 2024.



**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A7. SEGMENT REPORTING**

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Group's chief operating decision maker, which in this case is the Managing Director of the Group.

For the financial year ended 31 December 2024, the Group concluded that the operating segments determined in accordance with MFRS 8 are to be based on geographical areas as it forms part of the internal management reports regularly provided to the Group's chief operational decision maker.

The Group does not have any non-current assets that are located in countries other than Malaysia.

Segment assets and liabilities are not included in the internal management reports nor provided regularly to the Group's chief operating decision maker. Hence no such disclosures are provided below.

	For the 3 months ended 31.12.2024			Financial year ended 31.12.2024		
	West Malaysia RM'000	East Malaysia RM'000	Total RM'000	West Malaysia RM'000	East Malaysia RM'000	Total RM'000
<b>Segment revenue and results</b>						
Revenue from contracts with customers	610,406	41,514	651,920	2,129,693	184,599	2,314,292
Gross profit	141,865	6,768	148,633	499,141	40,916	540,057

	For the 3 months ended 31.12.2023			Financial year ended 31.12.2023		
	West Malaysia RM'000	East Malaysia RM'000	Total RM'000	West Malaysia RM'000	East Malaysia RM'000	Total RM'000
<b>Segment revenue and results</b>						
Revenue from contracts with customers	581,546	54,313	635,859	2,104,422	206,577	2,310,999
Gross profit	133,518	13,746	147,264	514,965	53,069	568,034

	2024 RM'000	2023 RM'000
<b>Reconciliation of reportable segment operating profits</b>		
Total gross profits for reporting segments	540,057	568,034
Other revenue – Management fee from related company	1,112	-
Depreciation and amortisation	(20,199)	(19,634)
Finance costs	(26,901)	(24,293)
Total unallocated operating expense	(242,453)	(267,768)
Consolidated profit before tax	251,616	256,339

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A8. EVENTS AFTER THE REPORTING PERIOD**

There were no material events subsequent to the end of the financial year under review that have not been reflected in the quarterly report.

**A9. CHANGES IN COMPOSITION OF GROUP**

There were no changes in the composition of the Group during the current quarter and year ended 31 December 2024.

**A10. CONTINGENT ASSETS AND LIABILITIES**

There were no contingent liabilities or contingent assets as at 30 January 2025 (the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report).

**A11. CAPITAL COMMITMENTS**

The Group has no capital commitments as at 31 December 2024.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A12. SIGNIFICANT RELATED PARTY TRANSACTIONS**

For the purposes of this quarterly report, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationships with its holding company, subsidiaries and key management personnel. Significant related party transactions are as follows:

	<b>For the 3 months ended</b>		<b>Financial year ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Purchase of leaf, cigarette packaging, wrapping materials and tobacco products from:				
PT Bentoel Prima	30,433	30,548	173,466	149,483
Purchase of vapour and tobacco heating product from:				
Nicoventures Trading Limited	174	23,949	21,936	53,397
Procurement of information technology services from:				
British American Shared Services (GSD) Limited	5,366	3,639	19,968	18,556
Royalties paid/payable to:				
British American Tobacco Exports Limited	21,345	18,947	74,578	73,037
Payment for technical and advisory support services fee to:				
British American Tobacco Investments Ltd.	4,495	1,513	13,795	13,134
BAT Aspac Service Centre Sdn. Bhd.	4,751	7,016	18,133	18,845
BAT South East Asia Pty Ltd	4,492	7,770	23,171	27,379

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A13. COMPARATIVE FIGURES**

Certain reclassifications were made to the comparatives to conform with current year presentation as below:

<b>Reclassification</b>	<b>As previously reported RM'000</b>	<b>2023 Reclassification RM'000</b>	<b>As restated RM'000</b>
<b>Statement of financial position</b>			
Inventories	32,570	12,340	44,910
Trade and other payables	<u>206,977</u>	<u>12,340</u>	<u>219,317</u>

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the annual financial statements of the Group for the year ended 31 December 2023 was unqualified.

**B2. PROFIT BEFORE TAX**

	For the 3 months ended		Financial year ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
<b>Profit before tax is arrived at after charging:</b>				
Finance costs:				
- lease liabilities	337	630	1,546	1,422
- borrowings	7,356	6,475	25,355	22,871
Property, plant and equipment:				
- depreciation	1,079	238	4,373	5,286
- depreciation of right-of-use assets	3,733	4,822	14,527	12,974
- write-off	1,234	-	1,649	199
Loss on derecognition of lease contracts	65	-	-	-
Computer software:				
- amortisation	386	305	1,299	1,218
Net loss on impairment of financial assets at amortised cost	62	72	37	-
Inventories written-off	2,041	5,233	8,045	15,137
Net increase in provision for market returns	2,094	-	-	-
Net foreign exchange loss	3,447	65	-	2,802
<b>and after crediting:</b>				
Interest income on deposits	158	155	585	623
Property, plant and equipment:				
- gain on disposal	-	-	166	480
Gain on derecognition of lease contracts	-	-	16	39
Gain on derivatives	1,889	1,214	286	2,343
Net reversal in provision for market returns	-	2,204	1,064	2,227
Net foreign exchange gain	-	-	1,955	-
Reversal on impairment of financial assets at amortised cost	-	-	-	177

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B3. TAX EXPENSE**

	For the 3 months ended		Financial year ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
<b>Current tax expense</b>				
- current tax	20,287	8,727	66,662	63,085
- under/(over) provision in prior year	6,432	(1,869)	6,432	(1,869)
	<u>26,719</u>	<u>6,858</u>	<u>73,094</u>	<u>61,216</u>
<b>Deferred tax expense</b>				
- (reversal)/origination of temporary differences	(2,616)	627	(516)	2,402
- (over)/under provision in prior year	(4,104)	2,027	(4,104)	(2,027)
	<u>(6,720)</u>	<u>2,654</u>	<u>(4,620)</u>	<u>375</u>
	<u>19,999</u>	<u>9,512</u>	<u>68,474</u>	<u>61,591</u>

The average effective tax rate of the Group for the fourth quarter 2024 and financial year ended 31 December 2024 were 29.0% (2023: 16.7%) and 27.2% (2023: 24.0%) respectively.

The average effective tax rate in the fourth quarter 2024 and financial year ended 31 December 2024 was higher than the 24% corporate rate mainly attributed to non-deductible expenses.

**B4. CORPORATE PROPOSAL**

There were no new corporate proposals announced as at 30 January 2025 (the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report).

**B5. BORROWINGS**

The Group's borrowings as at the end of the financial year are as follows:

	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
Borrowings – unsecured	<u>558,000</u>	<u>543,000</u>

The Group's borrowings have a maturity date between one month to three months. The Group's borrowings are denominated in Ringgit Malaysia.

**B6. MATERIAL LITIGATION**

There was no material litigation as at 30 January 2025 (the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report).

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B7. MATERIAL CHANGES IN THE QUARTERLY RESULTS AS COMPARED WITH THE PRECEDING QUARTER**

The Group's volume increased by 10.9% compared to the preceding quarter, primarily driven by year-end seasonal sales. In line with the volume growth, revenue grew by 7.1% from RM610 million to RM653 million. However, profit from operations declined RM23.5 million from RM99.5 million to RM76 million mainly driven by the Ringgit weakening against foreign currencies, as well as increased provision for returned sales (relating to new categories) due to regulatory changes in Malaysia.

**B8. REVIEW OF PERFORMANCE YEAR-TO-DATE YEAR 2024 VS YEAR-TO-DATE 2023**

The legal combustible industry experienced a 2.0% decline in volume for the year as compared to the previous year despite the lower incidence of tobacco black market by 0.6%, from 55.6% to 55.0% in the current year. Combustible products continued to face challenges as consumer preference shifted to reduced-risk \* alternative products.

The Group achieved a 0.8% increase in volume as compared to the previous year, leading to a 0.2% increase in total revenue, from RM2,311 million to RM2,315 million. This is largely driven by the product portfolio strategy in place. Despite the Group's continued efforts to actively manage and optimise operating expenses, the profit from operations declined by 0.8% to RM279 million, mainly impacted by lower margins associated with vapour products and the downtrading trend within the combustible industry.

*(\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk-free and are addictive.)*

**B9. CURRENT YEAR PROSPECTS**

The Malaysian economy expanded by 5.3% in the third quarter of 2024 (2Q2024: 5.9%), driven by strong investment activity and continued improvement in exports. Economists expect Malaysia's gross domestic product (GDP) growth to sustain in the final quarter of 2024, and to remain resilient at 4.5% in 2025. In line with this, the Group remains optimistic of its financial performance in 2025, backed by its resilient combustible business and its multicategory portfolio.

The Group considers 2025 to be a crucial year as the Control of Smoking Products for Public Health Act 2024 (Act 852) and its regulations will take effect in phases over the course of the year. The Group is fully prepared to navigate these changes effectively.

The tobacco black market has been on a declining trend from 56.4% in January 2024 to 54.3% in November 2024. The Group recognises the Government's ongoing efforts to tackle this issue and urges the Government to intensify its efforts and resources in continuing to tackle the tobacco black market in 2025.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B10. EARNINGS PER SHARE**

	For the 3 months ended		Financial year ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>Basic earnings per share</b>				
Profit for the financial period/year (RM'000)	<u>48,966</u>	<u>47,364</u>	<u>183,142</u>	<u>194,748</u>
Weighted average number of ordinary shares in issue ('000)	285,530	285,530	285,530	285,530
Basic earnings per share (sen)	<u>17.1</u>	<u>16.6</u>	<u>64.1</u>	<u>68.2</u>

The Group does not have in issue any financial instrument or other contract that may entitle its holders to ordinary shares and therefore, diluted earnings per share is not disclosed.

**B11. DIVIDENDS**

Dividends paid or declared in respect of the quarter and financial year ended 31 December 2024 are as follows:

	Sen per share	Total amount RM'000
<b>2024</b>		
Fourth interim dividend 2023	15.0	42,830
First interim dividend 2024	10.0	28,553
Second interim dividend 2024	12.0	34,264
Third interim dividend 2024	22.0	62,817
	<u>59.0</u>	<u>168,464</u>
<b>2023</b>		
Fourth interim dividend 2022	21.0	59,961
First interim dividend 2023	13.0	37,119
Second interim dividend 2023	16.0	45,685
Third interim dividend 2023	19.0	54,251
	<u>69.0</u>	<u>197,016</u>

The Board of Directors had on 6 February 2025 declared a fourth interim ordinary dividend of 15.0 sen per ordinary share (tax exempted under single-tier tax system) amounting to RM42,830,000 in respect of the financial year ended 31 December 2024, payable on 6 March 2025 to shareholders whose names appear on the Record of Depositors on 21 February 2025. This equates to a 87% payout on Q4 2024 earnings per share and dividend yield of 7.9%\*.



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B11. DIVIDENDS (CONT'D)**

A Depositor shall qualify for entitlement only in respect of:

- (a) Securities transferred to the Depositor's Securities Account before 4.30 p.m. on 21 February 2025, in respect of ordinary transfers; and
- (b) Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

*\* Based on last 3 quarters dividend paid out and fourth interim dividend 2024 declared*

**B12. AUTHORISED FOR ISSUE**

The quarterly report was authorised for issue by the Board in accordance with a resolution of the Directors on 6 February 2025.