

Audited Abridged Consolidated Financial Results

for the year ended 31 December 2025

FINANCIAL HIGHLIGHTS

Group summary (USD)

	YEAR ENDED 31 DECEMBER		
	2025 USD	Year on year USD	2024 Restated* USD
Revenue	29 094 279	(20%)	36 420 840
Operating Profit	16 121 190	195%	5 470 631
Monetary Gain	-	100%	6 360 721
Profit before income tax	16 128 778	582%	2 364 606
Profit/(Loss) attributable to shareholders	11 535 271	1623%	(757 432)
Total assets	27 854 740	27%	21 867 580
Basic earnings per share (USD)	0.56	1623%	(0.04)
Diluted earnings per share (USD)	0.56	1623%	(0.04)
Headline earnings per share (USD)	0.37	492%	(0.10)

*The comparative figures for 31 December 2024 and the opening balances as at 1 January 2024 (31 December 2023) have been restated to correct the prior-period error arising from the recognition of legacy foreign currency liabilities and readjustment of prepayments in accordance with IAS 8. These adjustments required retrospective restatement of the comparative period and the related opening balances. For further details, refer to Note 18.

Chairman's Statement

On behalf of the Board, Management and Employees, I am pleased to present BAT Zimbabwe's ("the Group") Abridged Financial Results for the year ended 31 December 2025. The Group continued to demonstrate resilience in a challenging operating environment, supported by a solid business foundation and a commitment to operational excellence throughout the year under review.

Operating Environment

The operating environment in Zimbabwe in 2025 reflected both opportunity and complexity. The African Development Bank projected a GDP growth of 3% for Southern Africa, while the Government of Zimbabwe anticipated domestic GDP growth of 6%, supported by ongoing fiscal discipline, regulatory reforms, and increased private-sector participation. Despite these positive indicators, persistent currency volatility remained a key challenge, although the Zimbabwe Gold (ZWG) unit stabilised at around ZWG25 from September 2024 and maintained this level through 2025.

In addition, power supply constraints, characterised by widespread load-shedding, increased production and operating costs across industry. However, the targeted Finance Facility introduced by the Reserve Bank of Zimbabwe continued to support the agricultural, mining and manufacturing sectors, contributing to improved capacity utilisation. However, the broader macroeconomic environment in Zimbabwe remained susceptible to external shocks, particularly global commodity price movements.

Despite these headwinds, BAT Zimbabwe navigated the year with resilience, supported by disciplined execution, efficiency gains, and proactive risk management.

Business Overview

In 2025, the Group continued to reinforce strategic priorities underpinned by operational efficiency, consumer-centricity, and responsible business practices. The route-to-consumer (RTC) model was strengthened through improved distributor partnerships and expanded retail visibility. Portfolio optimisation efforts ensured that our brands remained competitive and aligned with the ever-evolving consumer preferences, while manufacturing efficiencies supported stronger operational performance.

A significant development during the year was the transition by BAT South Africa from South African Rand ("ZAR") denominated invoicing to USD denominated invoicing, which reduced foreign exchange exposure and contributed to improved financial stability compared to prior periods.

Our transformation journey also advanced meaningfully during the year, supported by business simplification initiatives, enhanced process automation, and a continued focus on embedding a performance-driven, future-fit culture.

Board Resignations and Appointments

Several leadership transitions were made at BAT Zimbabwe during the course of the year, aligned to our transformation agenda.

Mr Kenneth Gitonga, Managing Director of BAT Zimbabwe, resigned effective 31 December 2025 after serving on the Board since March 2024. His contribution to organisational culture, market execution and strategic repositioning is acknowledged with appreciation. Ms Lucy Irungu, Finance Director, also resigned effective 31 December 2025, following her appointment in March 2024. She provided strong financial stewardship, strengthened liquidity management and enhanced the broader BAT Group's risk frameworks. The Board of Directors would like to thank Ken and Lucy for their contribution to the success of the business and wish them all the best in their future endeavours.

Effective 1 January 2026, the Board appointed Ms Rumbidzai Hondora as Managing Director and Mr Tumisang Lebogang as Finance Director. Both executives bring extensive experience from within the BAT Sub-Saharan Africa region and will lead the next phase of the Group's strategic evolution.

Blocked funds

The Reserve Bank of Zimbabwe approved and registered the Group's blocked funds amounting to USD 16.4 million. As part of the Government's broader programme to resolve legacy foreign currency obligations, the Group received Treasury Bills as a settlement mechanism. These instruments remain valid and are expected to be realised upon maturity, in accordance with the terms set by the authorities. While no redemptions were recorded during 2025, the Group remains engaged with the relevant institutions to ensure the orderly conclusion of this process. The Board recognises the on going efforts to regularise historical foreign currency exposures across the economy and continues to work closely with relevant institutions to support an orderly resolution of this process.

Contribution to the Government Treasury

BAT Zimbabwe remains a significant contributor to the national fiscus through the payment of excise and corporate taxes, as well as Value Added Tax (VAT), Pay-As-You-Earn (PAYE) tax, withholding taxes, and customs duties. Despite the challenging environment, the Group's total contributions increased by 9% compared to the prior year, demonstrating continued compliance and commitment to supporting the socio-economic development of Zimbabwe.

Financial Performance

The business experienced subdued consumer demand due to constrained affordability and broader economic pressures. Nonetheless, disciplined execution and cost-management initiatives supported improved operational performance.

Manufacturing efficiencies and tighter cost control measures contributed to a stronger operating result. The stabilisation of foreign currency exposures, particularly following USD-denominated invoicing from BAT South Africa, significantly reduced the foreign exchange losses experienced in the prior year. Overall, the Group delivered a markedly improved financial performance, reflecting the benefits of operational focus, enhanced efficiency, and a more stable currency environment.

Sustainable Future

Sustainability remains central to our purpose of building A Better Tomorrow™. Our initiatives continue to align with the BAT Group's sustainability strategy across five impact areas: Tobacco Harm Reduction, Climate, Nature, Circularity, and Communities. Highlights for 2025 include:

- Strong safety performance with three consecutive years without a lost-time injury.
- Award recognition from NSSA for Occupational Safety and Health and ESG best practices.
- Reinforcement of our zero-waste-to-landfill status through expanded recycling partnerships.
- Progress toward renewable energy adoption through the implementation of the rooftop solar blueprint.
- Continued efforts to minimise environmental impact and support community livelihoods.

Dividends

Despite the challenging operating conditions, and in recognition of the Group's commitment to delivering value to shareholders, the Board has recommended a final dividend of USD0.22 per share, subject to approval at the forthcoming Annual General Meeting.

Looking Ahead

While currency volatility, inflationary pressure, and power shortages remain key risks, ongoing regulatory reforms and policy stability create opportunities for sustainable growth. The Board remains cautiously optimistic and confident that the Group's strengthened operational foundations, enhanced governance structures, and sustainability focus will continue to drive long-term value creation.

Appreciation

I wish to extend my sincere gratitude to my fellow Directors, the Leadership Team, our employees, stakeholders, partners, and shareholders for their unwavering support and dedication throughout the year. Their collective efforts enabled the Group to deliver a resilient performance in a complex operating environment.



Lovemore T Manatsa
Chairman
31 March 2026

DIVIDEND NOTICE TO SHAREHOLDERS

ACTION	DATE
Announcement Date	31 March 2026
Last Date of Trade cum-dividend	6 May 2026
Share Trade Ex-dividend	7 May 2026
Record Date	8 May 2026
Payment Date	8 June 2026
Dividend per Share	USD0.22

By Order of the Board



Takudzwa Mashanda
Company Secretary
31 March 2026

AUDITED ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

Notes	YEAR ENDED 31 DECEMBER	
	2025 USD	2024 Restated* USD
Revenue	29 094 279	36 420 840
Cost of sales	(9 858 375)	(10 472 974)
Gross profit	19 235 904	25 947 866
Selling and marketing costs	(3 577 965)	(3 147 203)
Administrative expenses	(5 032 756)	(7 449 616)
Loss on impairment of trade receivables	(73 578)	(118 734)
Share-based payment expense	(224)	(247)
Sundry income	4 947 296	1 258 240
Other income/(losses)*	622 513	(17 380 397)
Monetary gain on hyperinflation adjustment	-	6 360 721
Operating Profit	16 121 190	5 470 632
Finance income/(costs)	7 588	(3 106 024)
Profit before income tax	16 128 778	2 364 606
Income tax expense	(4 593 507)	(3 122 038)
Profit/(Loss) for the year	11 535 271	(757 432)
Other Comprehensive income/(loss) for the year		
Foreign exchange impact of translating to presentation currency	-	(1 032 813)
Total comprehensive income/(loss) for the year	11 535 271	(1 790 245)
Attributable to:		
Owners of the parent	11 535 271	(757 432)
Total comprehensive income/(loss) for the year	11 535 271	(1 790 245)
Basic earnings per share (USD)	0.56	(0.04)
Diluted earnings per share (USD)	0.56	(0.04)
Headline earnings per share (USD)	0.37	(0.10)

*The comparative information is restated on account of correction of errors. For further details, refer to Note 18.

Audited Abridged Consolidated Financial Results

for the year ended 31 December 2025

AUDITED ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

Notes	Restated*		
	31 Dec 2025	31 Dec 2024	1 Jan 2024
	USD	USD	USD
ASSETS			
Non-current assets			
Property, plant and equipment	4 860 410	4 740 324	3 527 465
Investment property	34 323	35 721	24 277
Financial assets			
- at amortised cost	1 226 374	-	-
- at fair value through profit/loss	22 725	100 729	35 663
Deferred tax asset	-	1 287 443	266 160
	6 143 832	6 164 217	3 853 565
Current assets			
Inventories	6 213 370	6 915 227	4 330 974
Trade and other receivables	3 761 746	3 477 059	6 024 696
Prepayments*	1 620 931	1 902 562	2 272 223
Cash and cash equivalents	7 365 560	2 131 250	8 124 149
Current income tax asset	2 749 301	1 277 264	568 550
	27 854 740	21 867 579	25 174 157
EQUITY AND LIABILITIES			
Equity attributable to the owners of the parent			
Share capital	1 657 618	1 657 618	1 657 618
Non-distributable reserve	90 995	90 995	56 544
Retained earnings*	101 755	(2 819 915)	(318 848)
	1 850 368	(1 071 302)	1 395 313
Non-current liabilities			
Deferred income tax liabilities	703 719	-	-
Current liabilities			
Trade and other payables*	6 732 827	6 621 665	7 635 154
Staff benefits liability	709 397	1 067 229	991 856
Share based payment liability	1 327	1 103	856
Dividends payable*	17 857 102	15 248 884	15 150 978
	26 004 372	22 938 881	23 778 844
Total equity and liabilities	27 854 740	21 867 579	25 174 157

*The comparative figures for 31 December 2024 and the opening balances as at 1 January 2024 (31 December 2023) have been restated to correct the prior-period error arising from the recognition of legacy foreign currency liabilities and readjustment of prepayments in accordance with IAS 8. These adjustments required retrospective restatement of the comparative period and the related opening balances. For further details, refer to Note 18.

AUDITED ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	ATTRIBUTABLE TO OWNERS OF THE PARENT			
	Share Capital	Non distributable reserves	Retained earnings	Total
	USD	USD	USD	USD
Balance as previously stated 1 January 2024	1 657 618	56 544	16 033 291	17 747 452
Impact of restatement	-	-	(16 352 139)	(16 352 139)
Balance as at 1 January 2024 Restated*	1 657 618	56 544	(318 848)	1 395 313
Loss for the year	-	-	(757 432)	(757 432)
Dividends	-	-	(710 822)	(710 822)
Foreign exchange impacting translation of comparatives to functional and presentation currency	-	34 451	(1 032 813)	(998 362)
Balance at 31 December 2024-Restated*	1 657 618	90 995	(2 819 915)	(1 071 302)
Balance at 1 January 2025	1 657 618	90 995	(2 819 915)	(1 071 302)
Profit for the year	-	-	11 535 271	11 535 271
Dividends	-	-	(8 613 601)	(8 613 601)
Balance at 31 December 2025	1 657 618	90 995	101 755	1 850 368

*The comparative figures for 31 December 2024 and the opening balances as at 1 January 2024 (31 December 2023) have been restated to correct the prior-period error arising from the recognition of legacy foreign currency liabilities and readjustment of prepayments in accordance with IAS 8. These adjustments required retrospective restatement of the comparative period and the related opening balances. For further details, refer to Note 18.

AUDITED ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

Notes	YEAR ENDED 31 DECEMBER	
	2025	2024 Restated*
	USD	USD
Cash flows from operating activities		
Cash generated from operations*	15	13 912 056
Income tax paid		(4 030 201)
Net cash generated from operating activities		9 881 855
Cash flows from investing activities		
Purchase of property plant and equipment		(759 070)
Proceeds from sale of assets		537 926
Interest received		-
Dividends received from investments		-
Net cash (used)/generated in investing activities		(221 144)
Cash flows from financing activities		
Dividends paid to owners of the parent		(4 433 989)
Net cash used in financing activities		(4 433 989)
Net increase in cash and cash equivalents		5 226 722
Effect of movement in exchange rates on cash held		7 588
Effect of inflation on cash and cash equivalents*		(12 549 687)
Cash and cash equivalents at the beginning of the year		2 131 250
Cash and cash equivalents at end of the year		7 365 560

*The comparative figures for 31 December 2024 and the opening balances as at 1 January 2024 (31 December 2023) have been restated to correct the prior-period error arising from the recognition of legacy foreign currency liabilities and readjustment of prepayments in accordance with IAS 8. These adjustments required retrospective restatement of the comparative period and the related opening balances. For further details, refer to Note 18.

NOTES TO THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

1 GENERAL INFORMATION

British American Tobacco Zimbabwe (Holdings) Limited ("the Company") and its subsidiaries (together, "the Group") manufactures, distributes and sells cigarettes through a network of independent retailers, wholesalers and distributors. The Group and Company has a cigarette manufacturing plant in Zimbabwe and sells cigarettes entirely on the Zimbabwean market and exports cut rag outside Zimbabwe.

The consolidated financial statements are presented in United States Dollars (USD) which is the functional and presentation currency of the Company.

The Group and Company is a limited liability company incorporated and domiciled in Zimbabwe. The address of its registered office is Number 1 Manchester Road, Southerton, Harare, Zimbabwe. The Group and Company has its primary listing on the Zimbabwe Stock Exchange.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with IFRS @ Accounting Standards ("IFRS Accounting Standards as issued by the International Accounting Standards Board") in the manner required by the Companies and Other Business Entities Act (Chapter 24:31). These USD financial statements fully comply with IFRS@ Accounting Standards. A special purpose set of financial statements will be prepared in ZWG, which will comply with the requirements of the Monetary Policy Statement of 6 February 2025. The financial statements have been prepared under the historical cost convention except for financial assets and financial liabilities at fair value through profit and loss which are measured at fair value.

2.2 Consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31 December 2025. Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Audited Abridged Consolidated Financial Results

for the year ended 31 December 2025

NOTES TO THE FINANCIAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2025 (cont'd)

The Group controls the British American Tobacco Zimbabwe Employee Share Ownership Trust ("ESOT") and the British American Tobacco Zimbabwe Tobacco Empowerment Trust ("TET") which were both founded by British American Tobacco Zimbabwe and have fully satisfied the definition of control as documented above for purposes of being consolidated to the Group.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

2.3 Blocked Funds, Foreign Currency Translation and Recognition of Treasury Bill

The Group's functional and presentation currency remained the United States Dollar (USD) at the end of 2024 and throughout 2025. There was no change in functional currency during the current reporting period.

During 2025, management identified a prior period error relating to the treatment of a foreign currency denominated monetary liability of USD 16.4 million relating to registered blocked funds. This liability relates to dividends payable to the Group. The liability had not been re-translated at the closing exchange rate in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates in the prior year reporting period i.e. 2024, resulting in understatement of the liability, and unrecognised foreign exchange losses in profit or loss.

The Group has applied a retrospective restatement to correct the error, in compliance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The correction required re-translation of the foreign currency liability at the appropriate IAS 21 closing rates for 2023 and 2024, adjustment of retained earnings for the unrecognised exchange differences and presentation of a third statement of financial position as of 1 January 2024.

In addition, the Group received a zero-coupon Treasury Bill ("TB") from the Reserve Bank of Zimbabwe ("RBZ"), maturing on 19 September 2050, in settlement of registered blocked funds. In accordance with IFRS 9, the TB is initially recognised at fair value on 19 September 2025, being the date on which the Group became party to the contractual terms.

Following initial recognition, the TB is measured at amortised cost using the effective interest method, as the instrument meets the conditions for classification under the "hold-to-collect" business model and contains cash flows that are solely payments of principal and interest (SPPI). The carrying amount is increased over time to reflect the unwinding of the discount up to maturity.

The previously recognised blocked funds asset was derecognised, and the initial recognition of the TB resulted in a gain or loss in profit or loss, determined as the difference between the carrying amount of the blocked funds and the fair value of the TB at initial recognition.

Exchange rates used on the conversion of prior year balances.

IAS 21 requires determining the functional currency based on the economic environment. Due to the difference in exchange rates used to restate comparative, a "foreign exchange impact of translating to functional currency" arises through other comprehensive income.

The Group applied the interbank rate, as published by the Reserve Bank of Zimbabwe, as its spot rate as follows:

Period Ending	Exchange Rate
31 December 2025	25.98 (ZWG to USD)
31 December 2024	25.80 (ZWG to USD)
31 December 2023	6.104 ZWL to USD)

Exchange rates used on functional currency migration to ZWG.

For the period to 5 April 2024, the Group and Company applied the Willing Buyer Willing Seller rate, as published by the Reserve Bank of Zimbabwe. After the introduction of the ZWG and a refined Willing Buyer Willing Seller foreign currency auction, the Group then adopted the Reserve Bank interbank rate from 5 April 2024 onwards.

The following exchange rates were used to convert the transactions and balances to ZWG for the respective periods as at 5 April 2024.

Period Ending	Exchange Rate ZWL translated to ZWG)
31 December 2023	6.104
5 April 2024	2.499
31 July 2024	13.79

NOTES TO THE FINANCIAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2025 (cont'd)

2.4 ERP System Update

During the prior year, the Group commenced the implementation of upgraded ERP systems, which were not yet fully operational at that time and required the use of certain supplementary manual controls. The Group migrated to the SAP ERP system with effect from 1 October 2025. The system is now operational, and the Group continues to refine and optimise system driven controls as part of its ongoing financial reporting processes. These systems changes and transitional controls had no impact on the accuracy or integrity of the financial results.

2.5 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to foreign currency denominated transactions and balances are presented in the profit or loss within "other gains/ losses".

3 SEGMENT INFORMATION

The Group is currently organised into business units for management purposes. The Group has 2 operating segments which management uses to monitor performance and therefore decision making and these are:

Period ended 31 December 2025	Cigarettes	Leaf Cut-rag	Total
	USD	USD	USD
External revenue	40 522 849	345 874	40 898 723
Tobacco duties	(11 804 444)	-	(11 804 444)
Net Revenue	28 748 405	345 874	29 094 279
Profit before interest, taxation, depreciation & amortisation	16 737 715	31 443	16 769 158
Depreciation	(640 380)	-	(640 380)
Profit before income tax	16 097 335	31 443	16 128 778
Total assets	27 567 396	287 344	27 854 740
Total liabilities	26 004 372	-	26 004 372
Period ended 31 December 2024	Cigarettes	Leaf Cut-rag	Total
	USD	USD	USD
External revenue	50 636 170	314 278	50 950 447
Tobacco duties	(14 529 607)	-	(14 529 607)
Net Revenue	36 106 563	314 278	36 420 840
Profit before interest, taxation, depreciation & amortisation	2 942 746	28 570	2 971 316
Depreciation	(606 710)	-	(606 710)
Profit before income tax	2 336 036	28 570	2 364 606
Total Assets	21 786 338	81 241	21 867 579
Total Liabilities	22 938 881	-	22 938 881

4 REVENUE

Revenue from sale of goods in domestic market
Revenue from leaf and cut-rag exports to foreign market

	31 Dec 2025	31 Dec 2024
	USD	USD
Revenue from sale of goods in domestic market	28 748 405	36 106 562
Revenue from leaf and cut-rag exports to foreign market	345 874	314 278
Total	29 094 279	36 420 840

5 SELLING AND MARKETING COSTS

Brand Specific Expenses
Marketing Overheads
Route to market overheads

Brand Specific Expenses	-	47 112
Marketing Overheads	1 332 731	1 376 494
Route to market overheads	2 245 234	1 723 597
Total	3 577 965	3 147 203

6 OTHER INCOME / (LOSSES)

6.1 Other income

Rental Income
Profit on sale of property, plant and equipment
Sundry Income*

Rental Income	5 697	13 478
Profit on sale of property, plant and equipment	532 229	1 215 575
Sundry Income*	4 409 370	29 187
Total	4 947 296	1 258 240

*Sundry income comprises of intercompany write-offs arising from long-outstanding balances relating to goods received and services rendered between Group entities. These write-offs were recognised following a review and reconciliation of intercompany positions undertaken during the year. No similar income was recorded in the prior year as the write-off exercise was specific to the current reporting period.

Audited Abridged Consolidated Financial Results

for the year ended 31 December 2025

NOTES TO THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025 (cont'd)

6.2 OTHER GAINS/(LOSSES)

Financial assets

	31 Dec 2025 USD	31 Dec 2024 USD
- at fair value through profit/loss	(14 463)	(22 616)
- at amortised cost	1 162 358	-
Exchange losses*	(525 382)	(17 357 782)
	622 513	(17 380 398)

*Exchange losses were driven by amounts payable to BAT South Africa (Pty) Ltd. To mitigate exposure to future foreign exchange volatility, BAT South Africa (Pty) Ltd transitioned to invoicing the Group in USD during the year. The comparative information is restated on account of correction of errors. For further details, refer to Note 18.

7 INCOME TAX

The major components of income tax are included below:

	31 Dec 2025 USD	31 Dec 2024 USD
Current income tax on profit for the year	2 602 345	4 143 322
Deferred taxation charge/(credit)	1 991 162	(1 021 283)
	4 593 507	3 122 039

8 EARNINGS PER SHARE

Basic and diluted

	31 Dec 2025 USD	31 Dec 2024 USD
Profit attributed to equity holders of the Company	11 535 271	(757 432)
Weighted average number of ordinary shares in issue	20 633 517	20 633 517

Basic and diluted earnings per share

0.56 **(0.04)**

Headline Earnings

	31 Dec 2025 USD	31 Dec 2024 USD
Profit/(Loss) attributable to equity holders of the Company	11 535 271	(757 432)
Profit on sale of property, plant and equipment	532 229	1 215 575
Intercompany write offs	3 273 956	-
Headline earnings/(loss)	7 729 085	(1 973 007)

Headline earnings/(loss) per share

0.37 **(0.10)**

9 PROPERTY, PLANT AND EQUIPMENT

	31 Dec 2025 USD	31 Dec 2024 USD
Opening net book amount	4 740 323	3 527 465
Additions	759 070	286 465
Disposals	-	-
Depreciation charge	(638 983)	(605 098)
Foreign exchange impacting translation of comparatives to functional and presentation currency	-	1 531 491

Closing net book amount

4 860 410 **4 740 323**

Cost	10 508 728	9 749 658
Accumulated Depreciation	(5 648 318)	(5 009 335)

Net book amount

4 860 410 **4 740 323**

10 DEFERRED TAX

The deferred tax liability is made up of:

	31 Dec 2025 USD	31 Dec 2024 USD
Property, plant and equipment-accelerated depreciation	1 036 116	717 578
Provisions	(288 809)	(274 811)
Allowance for credit losses	(54 125)	(35 179)
Marketable securities- fair value	12 491	1 099
Unrealised exchange differences	(1 954)	(1 696 129)

Deferred income tax liabilities/(assets)

703 719 **(1 287 442)**

At 1 January

Charge/(credit) to the statement of comprehensive income	1 991 162	(1 021 283)
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703 719 **(1 287 443)**

11 TRADE AND OTHER RECEIVABLES

	31 Dec 2025 USD	31 Dec 2024 USD
Trade receivables	3 684 598	3 379 237
Less: Provision for impairment of trade debtors	(210 196)	(136 617)

Trade receivables - net

3 474 402 **3 242 620**

Other receivables*	-	22 578
Receivables from related parties	297 344	211 861

3 761 746 **3 477 059**

*Other receivables balance is made up of smaller independent distributors.

NOTES TO THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025 (cont'd)

12 TRADE AND OTHER PAYABLES

	31 Dec 2025 USD	31 Dec 2024 USD
Trade payables	340 834	220 519
Amounts due to related parties	3 027 817	4 294 984
Social security and other taxes	78 617	521 278
Accrued expenses	816 515	137 419
Other payables*	2 469 044	1 447 465
	6 732 826	6 621 665

*Other payables comprise of payroll related creditors, staff claims, and sundry creditors.

13 STAFF BENEFITS LIABILITY

At 1 January

	31 Dec 2025 USD	31 Dec 2024 USD
Utilised during the year	(1 067 229)	(991 856)
Charge to statement of comprehensive income	709 397	1 067 229

At 31 December

709 397 **1 067 229**

14 INVENTORIES

	31 Dec 2025 USD	31 Dec 2024 USD
Raw materials	5 054 117	4 071 593
Finished goods	692 642	2 369 007
Consumables	466 611	474 627

During the year, write downs amounting to USD 3 323 (2024: USD: nil) were recognised in cost of sales as an expense.

15 CASH GENERATED FROM OPERATIONS

	31 Dec 2025 USD	31 Dec 2024 USD
Profit before income tax*	16 128 778	2 364 606

Adjustment for:

- Depreciation	640 380	606 710
- Unrealised exchange losses*	525 382	17 357 782
- Profit on sale of property, plant and equipment	(532 229)	(1 215 575)
- Fair value (gains)/loss on financial assets	(1 147 895)	22 616
- Other non-cash items**	(4 828 924)	-
- Finance (income)/cost	(7 588)	3 106 024
- Impairment loss on trade receivables	73 578	118 734
- Monetary gain on hyperinflation adjustment	-	(6 360 721)

Changes in working capital:

- Decrease/(Increase) in inventories	701 856	(2 584 253)
- (Increase)/Decrease in trade and other receivables	(284 687)	2 547 637
- Decrease in prepayments*	281 633	369 659
- Increase/(Decrease) in trade and other payables*	2 719 382	(1 013 487)
- (Decrease)/Increase in provisions for other liabilities and charges	(357 832)	75 373
- Increase/(Decrease) in share-based payment provision	224	247

Cash generated from operations

13 912 056 **15 395 352**

*The comparative figures for 31 December 2024 have been restated to correct the prior-period error arising from the recognition of legacy foreign currency liabilities and readjustment of prepayments in accordance with IAS 8. Refer to Note 18.

** Other non cash items consist of intercompany write offs for long outstanding invoices and payroll recharges.

16 GOING CONCERN

The Group and Company recorded a profit after tax of USD 11.5 million for the year ended 31 December 2025 (2024: loss of USD 0.8 million). As at year end, the Group and Company reported a net current liability position of USD 3.5 million, which arises solely from the recognition of the prior year legacy debt liability. Excluding this reclassification, made only because the dividend is now overdue, the Group and Company continues to maintain a strong underlying liquidity position, with sufficient cash resources and operational cash flows to meet its obligations as they fall due.

During the year, the Reserve Bank of Zimbabwe ("RBZ") fully settled the previously registered blocked funds amounting to USD 16.4 million through the issuance of Treasury Bill No. 6831960, maturing on 19 September 2050. In accordance with IFRS, the Group and Company derecognised the blocked funds asset and recognised the Treasury Bill at amortised cost, as the instrument meets the requirements of the "hold-to-collect" business model and contractual cash flow characteristics under IFRS 9. This settlement removed the uncertainty previously associated with the recoverability of the blocked funds and eliminated the related liquidity and settlement risks.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the Group and Company recognised the legacy foreign currency liability relating to historical foreign obligations as a prior period error, with comparative information restated. Despite this adjustment, the Group and Company retained a net asset position and continues to have sufficient liquidity to meet its obligations as they fall due.

Audited Abridged Consolidated Financial Results

for the year ended 31 December 2025

NOTES TO THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025 (cont'd)

Foreign supplier obligations reduced during the year. The balance owed to British American Tobacco South Africa decreased from USD 4.1 million (ZAR 67.7 million) to USD 2.3 million (ZAR 36.9 million) as at 31 December 2025. The remaining balance is supported by a subordination agreement, and management expects to settle the outstanding amount through internally generated foreign currency.

The Group and Company continued to generate positive operating cash flows during the year, supported by stable domestic demand, effective working capital management, and improved access to foreign currency. The Group and Company has no overdraft facilities or external borrowings, and operational and capital expenditure requirements continue to be funded from internally generated resources. In addition, the Directors have obtained a formal Letter of Support from the shareholder confirming the availability of financial support through to 2026 further reinforcing the appropriateness of the going concern assumption.

The Directors have considered the Group and Company's financial performance, liquidity position, the settlement of blocked funds, the reduction in foreign liabilities, and expected cash-flow forecasts. Based on this assessment, the Directors believe that the Group and Company have adequate resources to continue in operational existence for the foreseeable future and are therefore a going concern. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

17 SUBSEQUENT EVENTS

Recent escalations in geopolitical tensions have contributed to heightened global market volatility, particularly affecting fuel costs, supply chains and foreign currency markets. The situation remains fluid, and the potential impact on BAT Zimbabwe continues to be assessed. These developments are considered non-adjusting events under IAS 10, and no adjustments have been made to the financial statements for the year ended 31 December 2025. Other than these matters, the directors are not aware of any further events requiring disclosure.

18 IAS 8 PRIOR PERIOD ADJUSTMENT

Legacy debt liability

Nature of the prior period error

During the current financial year, the Group identified a prior period error relating to the accounting for its foreign currency denominated liabilities of USD 16.4 million arising from approved blocked funds. In prior reporting periods, these liabilities were measured at a fixed exchange rate of US\$1: ZW\$1 on the basis that, at the time, no legally binding instrument had been issued by the Government of Zimbabwe to confirm the terms of settlement of the blocked funds. This historical accounting treatment was not compliant with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, which requires foreign currency denominated monetary liabilities to be translated at the closing spot exchange rate at each reporting date.

NOTES TO THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025 (cont'd)

The incorrect measurement of these liabilities also affected the determination of the Group's hyperinflation adjusted balances under IAS 29 *Financial Reporting in Hyperinflationary Economies*. The correction of this error has no impact on the total operating, financing and investing activities in the Group's Statement of cashflows.

18.1 Impact of correction of the Group's Statement of profit or loss and other comprehensive income

Year ended 31 December 2024

	USD
Increase in foreign exchange losses	(13 454 215)
Increase in monetary gain	23 431 716
Increase in profit for the year	9 977 501
Foreign exchange impact of translating to presentation currency (OCI)	9 977 501

18.2 Impact of correction of the Group's Statement of financial position

	2024 USD	2023 USD
Increase in trade and other payables	1 201 161	1 201 161
Increase in dividends payable	15 150 978	15 150 978
Increase in net liabilities	16 352 139	16 352 139
Decrease in retained earnings	16 352 139	16 352 139

18.3 Impact of correction of prior period error on the Group's Statement of changes in equity

	2024 USD	2023 USD
Increase/(decrease) in retained earnings	9 977 501	(16 352 139)

19 AUDITOR'S STATEMENT

The Abridged Financial Results should be read together with the full set of audited financial statements for the year ended 31 December 2025. These financial statements were audited by Messrs KPMG Chartered Accountants (Zimbabwe), who issued an unmodified audit opinion. A copy of the Auditor's Report is available for inspection at the Company's registered office. The engagement partner responsible for the audit is Vinay Ramabhai (PAAB Practising Certificate Number 0569).

DANGER: SMOKING IS HARMFUL TO HEALTH
15mg Tar 1.2mg Nicotine. As Per Government Agreement Method



NOT FOR SALE TO PERSONS UNDER THE AGE OF 18