

# Audited Consolidated Special Purpose Financial Results

for the year ended 31 December 2025

## 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 CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

Notes	Restated*		
	31 Dec 2025	31 Dec 2024	1 Jan 2024
	ZWG	ZWG	ZWG
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	126 276 870	123 156 914	91 646 001
Investment property	891 721	928 057	630 743
Financial assets			
- at amortised cost	31 862 055	-	-
- at fair value through profit/(loss)	590 411	2 617 021	926 538
Deferred tax asset	-	33 448 671	6 915 024
	<b>159 621 057</b>	<b>160 150 663</b>	<b>100 118 306</b>
<b>Current assets</b>			
Inventories	161 427 718	179 662 425	112 521 728
Trade and other receivables	97 732 792	90 336 429	156 525 819
Prepayments*	42 112 924	49 429 946	59 033 943
Cash and cash equivalents	191 362 405	55 371 354	211 071 069
Current income tax asset	71 428 767	33 184 223	14 771 325
	<b>723 685 663</b>	<b>568 135 040</b>	<b>654 042 190</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to the owners of the parent</b>			
Share capital	43 066 076	43 066 076	43 066 076
Non-distributable reserve	2 364 114	2 364 114	1 469 053
Retained earnings*	2 643 677	(73 263 366)	(8 283 894)
	<b>48 073 867</b>	<b>(27 833 176)</b>	<b>36 251 235</b>
<b>Non-current liabilities</b>			
Deferred income tax liabilities	18 283 114	-	-
	<b>18 283 114</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>			
Trade and other payables*	174 923 542	172 035 503	198 366 605
Dividend payable*	463 940 099	396 176 696	393 633 014
Staff benefits liability	18 430 568	27 727 355	25 769 111
Share based payment liability	34 473	28 662	22 245
	<b>675 611 797</b>	<b>595 968 205</b>	<b>617 790 975</b>
<b>Total equity and liabilities</b>	<b>723 685 663</b>	<b>568 135 040</b>	<b>654 042 190</b>

\*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.

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

Notes	YEAR ENDED 31 DECEMBER	
	2025	2024 Restated*
	ZWG	ZWG
<b>Revenue</b>		
4	755 889 734	946 238 924
<b>Cost of sales</b>		
	(256 127 495)	(272 095 193)
<b>Gross profit</b>	<b>499 762 239</b>	<b>674 143 731</b>
<b>Selling and marketing costs</b>		
5	(92 958 026)	(81 766 551)
<b>Administrative expenses</b>		
	(130 754 515)	(193 546 186)
<b>Impairment loss on trade receivables</b>		
	(1 911 577)	(3 084 790)
<b>Remeasurement of share based liability</b>		
	(5 811)	(6 417)
<b>Sundry income</b>		
6.1	128 534 181	32 689 944
<b>Other income/(losses)*</b>		
6.2	16 173 328	(451 554 889)
<b>Monetary gain</b>		
	-	165 255 979
<b>Operating Profit</b>	<b>418 839 819</b>	<b>142 130 823</b>
<b>Finance income/(costs)</b>		
	197 116	(80 696 691)
<b>Profit before income tax</b>	<b>419 036 935</b>	<b>61 434 132</b>
<b>Income tax expense</b>		
7	(119 342 526)	(81 112 750)
<b>Profit/(loss) for the year</b>	<b>299 694 409</b>	<b>(19 678 619)</b>
<b>Other Comprehensive income/(loss) for the year</b>		
<b>Foreign exchange impact of translating to presentation currency</b>		
	-	(26 833 204)
<b>Total comprehensive income/(loss) for the year</b>	<b>299 694 409</b>	<b>(46 511 822)</b>
<b>Attributable to:</b>		
<b>Owners of the parent</b>		
	299 694 409	(19 678 619)
<b>Total comprehensive income/(loss) for the year</b>	<b>299 694 409</b>	<b>(46 511 822)</b>
<b>Basic earnings per share (ZWG)</b>		
8	14.52	(0.95)
<b>Diluted earnings per share (ZWG)</b>		
8	14.52	(0.95)
<b>Headline earnings per share (ZWG)</b>		
8	9.73	(2.48)

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

# Audited Consolidated Special Purpose Financial Results

for the year ended 31 December 2025

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

	Notes	YEAR ENDED 31 DECEMBER	
		2025 ZWG	2024 Restated* ZWG
<b>Cash flows from operating activities</b>			
Cash generated from operations*	15	361 444 908	399 982 027
Income tax paid		(104 707 432)	(140 333 281)
<b>Net cash generated from operating activities</b>		<b>256 737 476</b>	<b>259 648 746</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(19 721 154)	(7 442 555)
Proceeds from sale of property, plant and equipment		13 975 692	10 588 434
<b>Net cash (used)/generated in investing activities</b>		<b>(5 745 462)</b>	<b>3 145 879</b>
<b>Cash flows from financing activities</b>			
Dividends paid to owners of the parent		(115 198 138)	(11 742 853)
<b>Net cash used in financing activities</b>		<b>(115 198 138)</b>	<b>(11 742 853)</b>
Effects of movement in exchange rates on cash held		197 175	(80 701 812)
<b>Net increase in cash and cash equivalents</b>		<b>135 793 888</b>	<b>219 844 769</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>55 371 354</b>	<b>211 071 068</b>
Effects of inflation on cash and cash equivalents		-	(326 049 666)
<b>Cash and cash equivalents at the end of the year</b>		<b>191 362 405</b>	<b>55 371 354</b>

\* 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 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
	ZWG	ZWG	ZWG	ZWG
<b>Balance as previously stated 1 January 2024</b>	<b>43 066 076</b>	<b>1 469 053</b>	<b>416 556 124</b>	<b>461 091 233</b>
Impact of restatement	-	-	(424 840 018)	<b>(424 840 018)</b>
<b>Balance as at 1 January 2024 Restated*</b>	<b>43 066 076</b>	<b>1 469 053</b>	<b>(8 283 894)</b>	<b>(36 251 215)</b>
Loss for the year	-	-	(19 678 619)	<b>(19 678 619)</b>
Dividends	-	-	(18 467 649)	<b>(18 467 649)</b>
Impact of translating to presentation currency	-	895 061	(26 833 204)	<b>(25 938 134)</b>
<b>Balance as at 31 December 2024 Restated*</b>	<b>43 066 076</b>	<b>2 364 114</b>	<b>(73 263 366)</b>	<b>(27 833 186)</b>
<b>Balance as at 1 January 2025</b>	<b>43 066 076</b>	<b>2 364 114</b>	<b>(73 263 366)</b>	<b>(27 833 186)</b>
Profit for the year	-	-	299 694 409	<b>299 694 409</b>
Dividends	-	-	(223 787 392)	<b>(223 787 392)</b>
<b>Balance as at 31 December 2025</b>	<b>43 066 076</b>	<b>2 364 114</b>	<b>2 643 677</b>	<b>48 073 831</b>

\* 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 SPECIAL PURPOSE CONSOLIDATED 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 the Company has a cigarette manufacturing plant in Zimbabwe and sells cigarettes entirely on the Zimbabwean market and exports cut rag outside Zimbabwe.

The special purpose consolidated financial results are presented in Zimbabwe Gold (ZWG).

The Group 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 has its primary listing on the Zimbabwe Stock Exchange.

The general purpose consolidated Financial Statements of the Group ("USD Statutory Financial Statements") were approved by the Directors on 31 March 2026 and an unmodified audit opinion was issued on the same day.

### 2 MATERIAL ACCOUNTING POLICIES

#### SPECIAL PURPOSE FINANCIAL RESULTS

The Reserve Bank of Zimbabwe (RBZ) through the Monetary Policy Statement (MPS) issued on 6 February 2025 mandated all entities to adopt a common presentation currency, ZWG, for reporting purposes, with effect from the pronouncement date, including for the 2025 audited Financial Statements. The Group's functional and presentation currency is USD, however to comply with the MPS the Group has published these special purpose Financial Statements. The principal accounting policies applied in the preparation of these special purpose Financial Results are set out below.

### 2.1 BASIS OF PREPARATION

The financial results have been prepared as a special purpose set of consolidated financial results in line with the Securities and Exchange Commission of Zimbabwe Notice SECZ070325, pursuant to paragraph 21 of the First Schedule of the Securities and Exchange Act [Chapter 24:25], paragraph 194 of the Monetary Policy Statement presented by the Reserve Bank of Zimbabwe Governor on the 6th of February 2025 and the Zimbabwe Stock Exchange Notice dated the 12th of March 2025.

The financial results have been prepared under the assumption that the group operates on a going concern basis. These Special Purpose Consolidated Financial Results are based on the statutory records that are maintained under the historical cost and are a direct translation of the primary statements included in the general-purpose Consolidated Financial Results which are in USD.

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

The exchange rate used to convert is the spot rate as at 31 December 2025 of USD1: ZWG25.98. Selected material notes have been included in these special purpose Financial Results to align with the notes from the general-purpose press release statement. The special purpose financial results have not been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board and therefore reading the special purpose Financial Results and the Auditor's Report thereon, is not a substitute for reading the audited general purpose consolidated Financial Results and the auditor's report thereon. The USD Financial Results comply with the requirements of IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards and the Companies and Other Business Entities Act (Chapter 24:31).

### 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.

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 ZWG 425 million (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 the general purpose Consolidated and Company Financial Statements.

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 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.

# Audited Consolidated Special Purpose Financial Results

for the year ended 31 December 2025

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

Period Ending	Exchange Rate ZWL translated to ZWG)
31 December 2023	6 104
5 April 2024	2 499
31 July 2024	13.79

### 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 recognized 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

	Cigarettes	Leaf Cut-rag	Total
	ZWG	ZWG	ZWG
<b>Period ended 31 December 2025</b>			
External Revenue	1 053 591 403	8 986 049	1 062 577 452
Tobacco duties	(306 687 718)	-	(306 687 718)
<b>Net Revenue</b>	<b>746 903 685</b>	<b>8 986 049</b>	<b>755 889 734</b>
<b>Profit before interest, taxation, depreciation &amp; amortisation</b>	<b>434 857 554</b>	<b>816 914</b>	<b>435 674 468</b>
Depreciation	(16 637 533)	-	(16 637 533)
<b>Profit before income tax</b>	<b>418 220 261</b>	<b>816 914</b>	<b>419 036 935</b>
<b>Total assets</b>	<b>716 220 269</b>	<b>7 465 394</b>	<b>723 685 663</b>
<b>Total liabilities</b>	<b>675 611 797</b>	<b>-</b>	<b>675 611 797</b>
<b>Period ended 31 December 2024</b>			
External revenue	1 315 563 134	8 165 150	1 323 728 284
Tobacco duties	(377 489 360)	-	(377 489 360)
<b>Net Revenue</b>	<b>938 073 774</b>	<b>8 165 150</b>	<b>946 238 924</b>
<b>Profit before interest, taxation, depreciation &amp; amortisation</b>	<b>76 454 590</b>	<b>742 287</b>	<b>77 196 877</b>
Depreciation	(15 762 745)	-	(15 762 745)
<b>Profit before income tax</b>	<b>60 691 845</b>	<b>742 287</b>	<b>61 434 132</b>
<b>Total assets</b>	<b>656 152 888</b>	<b>2 110 698</b>	<b>654 042 190</b>
<b>Total liabilities</b>	<b>617 790 975</b>	<b>-</b>	<b>617 790 975</b>

## 4 REVENUE

	31 DEC 2025	31 DEC 2024
	ZWG	ZWG
Revenue from sale of goods in domestic market	746 903 685	938 073 774
Revenue from leaf and cut-rag exports to foreign market	8 986 049	8 165 150
	<b>755 889 734</b>	<b>946 238 924</b>

## 5 SELLING AND MARKETING COSTS

Brand Specific Expenses	-	1 224 000
Marketing Overheads	34 625 275	35 762 286
Route to market overheads	58 332 751	44 780 265
	<b>92 958 026</b>	<b>81 766 551</b>

## 6 OTHER INCOME/(LOSSES)

### 6.1 Other income

Rental Income	148 008	350 164
Profit on sale of property, plant and equipment	7 489 049	31 581 489
Scrap and other stock sales	6 338 635	-
Sundry Income*	114 558 489	758 291
	<b>128 534 181</b>	<b>32 689 944</b>

\*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.

### 6.2 OTHER GAINS/(LOSSES)

#### Financial assets

- at fair value through profit/(loss)	(375 758)	(587 582)
- at amortised cost	3 023 062	-
Exchange losses*	(13 649 792)	(450 967 317)
	<b>16 173 328</b>	<b>(451 554 889)</b>

\*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.

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

### 7 INCOME TAX

The major components of income tax are included below:

Current income tax on profit for the year  
Deferred taxation charge/(credit)

31 DEC 2025	31 DEC 2024
ZWG	ZWG
67 610 742	107 646 397
51 731 784	(26 533 647)
<b>119 342 526</b>	<b>81 112 750</b>

### 8 EARNINGS PER SHARE

Basic and diluted

Profit attributed to equity holders of the Group  
Weighted average number of ordinary shares in issue  
**Basic and diluted earnings per share**

31 DEC 2025	31 DEC 2024
ZWG	ZWG
299 694 409	(19 678 619)
20 633 517	20 633 517
<b>14.52</b>	<b>(0.95)</b>

#### Headline Earnings

Profit attributable to equity holders of the Group  
Profit on sale of property, plant and equipment  
Intercompany write offs  
Headline earnings/(loss)  
**Headline earnings/(loss) per share**

299 694 409	(19 678 619)
13 827 684	31 581 489
85 059 668	-
<b>200 807 039</b>	<b>(51 260 107)</b>
<b>9.73</b>	<b>(2.48)</b>

### 9 PROPERTY, PLANT AND EQUIPMENT

Opening net book amount  
Additions  
Disposals  
Depreciation charge  
Impact of translating to presentation currency  
**Closing net book amount**  
Cost  
**Accumulated Depreciation**

31 DEC 2025	31 DEC 2024
ZWG	ZWG
123 156 914	91 646 002
19 721 154	7 442 555
-	-
(16 601 198)	(15 720 869)
-	39 789 226
<b>126 276 870</b>	<b>123 156 914</b>
273 024 088	253 302 934
<b>(146 747 218)</b>	<b>(130 146 020)</b>
<b>126 276 870</b>	<b>123 156 914</b>

### 10 DEFERRED TAX

The deferred tax liability is made up of:  
Property, plant and equipment-accelerated depreciation  
Provisions  
Allowance for credit losses  
Marketable securities- fair value  
Unrealised exchange differences  
**Deferred income tax liabilities/(assets)**

#### At 1 January

Charge/(credit) to the statement of comprehensive income

31 DEC 2025	31 DEC 2024
ZWG	ZWG
26 919 027	18 643 172
(7 503 471)	(7 139 794)
(1 406 210)	(913 975)
324 527	28 549
(50 757)	(44 066 623)
<b>18 283 114</b>	<b>(33 448 671)</b>
<b>(33 448 670)</b>	<b>(6 915 023)</b>
51 731 784	(26 533 647)
<b>18 283 114</b>	<b>(33 448 671)</b>

### 11 TRADE AND OTHER RECEIVABLES

Trade receivables  
Less Provision for impairment of trade debtors  
**Trade receivables - net**  
Other receivables\*  
Receivables from related parties

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

31 DEC 2025	31 DEC 2024
ZWG	ZWG
95 728 428	87 794 955
(5 461 008)	(3 549 416)
<b>90 267 420</b>	<b>84 245 539</b>
-	586 605
7 465 372	5 504 285
<b>97 732 792</b>	<b>90 336 429</b>

### 12 TRADE AND OTHER PAYABLES

Trade payables  
Amounts due to related parties  
Social security and other taxes  
Accrued expenses  
Other payables\*

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

31 DEC 2025	31 DEC 2024
ZWG	ZWG
8 855 112	5 729 233
78 664 779	111 586 701
2 042 523	13 543 159
21 213 631	3 570 256
64 147 497	37 606 154
<b>174 923 542</b>	<b>172 035 503</b>

### 13 STAFF BENEFITS LIABILITY

**At 1 January**  
Utilised during the year  
Charge to statement of comprehensive income  
**At 31 December**

31 DEC 2025	31 DEC 2024
ZWG	ZWG
<b>27 727 355</b>	<b>25 769 111</b>
(27 727 355)	(25 769 111)
18 430 568	27 727 355
<b>18 430 568</b>	<b>27 727 355</b>

### 14 INVENTORIES

Raw materials  
Finished goods  
Consumables

During the year, write downs amounting to ZWG 86 334.86 (2024: ZWG: nil) were recognised in cost of sales as an expense.

31 DEC 2025	31 DEC 2024
ZWG	ZWG
131 309 507	105 782 835
17 995 320	61 548 450
12 122 891	12 331 140
<b>161 427 718</b>	<b>179 662 425</b>

# Audited Consolidated Special Purpose Financial Results

for the year ended 31 December 2025

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

### 15 CASH GENERATED FROM OPERATIONS

	31 DEC 2025	31 DEC 2024
	ZWG	ZWG
Profit before income tax*	419 036 935	61 434 132
<b>Adjustment for:</b>		
Depreciation	16 637 533	15 762 745
Fair value gains/(loss) on financial assets	(29 823 120)	587 573
Profit on sale of property, plant and equipment	(13 827 684)	(31 581 489)
Unrealised exchange losses	13 649 792	450 967 317
Other non-cash items**	(125 458 826)	-
Finance costs/(income)	(197 116)	80 696 691
Impairment loss on trade receivables	1 911 577	3 084 790
Monetary gain		(165 255 979)
<b>Changes in working capital:</b>		
Decrease/(Increase) in inventories	18 234 708	(67 140 697)
(Increase)/Decrease in trade and other receivables	(7 396 363)	66 189 391
Decrease in prepayments*	7 317 023	9 603 997
Increase/(Decrease) in trade and other payables*	70 651 431	(26 331 102)
(Decrease)/Increase in provisions for other liabilities and charges	(9 296 787)	1 958 244
Increase/(Decrease) in share based payment provision	5 811	6 417
<b>Cash generated from operations</b>	<b>361 444 908</b>	<b>399 982 027</b>

\*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.

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

### 16 GOING CONCERN

The Group recorded a profit after tax of ZWG 300 million for the year ended 31 December 2025 (2024: loss of ZWG 20 million). As at year end, the Group reported a net current liability position of ZWG 909 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 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 ZWG 425 million (USD 16.4 million) through the issuance of Treasury Bill No. 6831960, maturing on 19 September 2050. In accordance with IFRS, the Group 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 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 retained a net asset position and continues to have sufficient liquidity to meet its obligations as they fall due.

Foreign supplier obligations reduced during the year. The balance owed to British American Tobacco South Africa decreased from ZWG 106.5 million (ZAR 67.7 million) to ZWG 60.53 million (ZAR36.9 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 continued to generate positive operating cash flows during the year and into the following year, supported by stable domestic demand, effective working capital management, and improved access to foreign currency. The Group 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'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 have adequate resources to continue in operational existence for the foreseeable future and are therefore a going concern. Accordingly, the special purpose consolidated financial results have been prepared on a going concern basis.

The directors have assessed the ability of the Group to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate.

### 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 ZWG 425 million (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. 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.

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

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

#### Year ended 31 December 2024

	ZWG
Increase in foreign exchange losses	(349 549 924)
Increase in monetary gain	608 772 384
<b>Increase in profit for the year</b>	<b>25 915 774</b>
<b>Foreign exchange impact of translating to presentation currency (OCI)</b>	<b>25 915 774</b>

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

	2024	2023
	ZWG	ZWG
Increase in trade and other payables	31 207 004	31 207 004
Increase in dividends payable	393 633 014	393 633 014
<b>Increase in net liabilities</b>	<b>424 840 018</b>	<b>424 840 018</b>
Decrease in retained earnings	424 840 018	424 840 018

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

	2024	2023
	ZWG	ZWG
<b>Increase/(decrease) in retained earnings</b>	<b>25 915 774</b>	<b>(424 840 018)</b>

### 19 AUDITOR'S STATEMENT

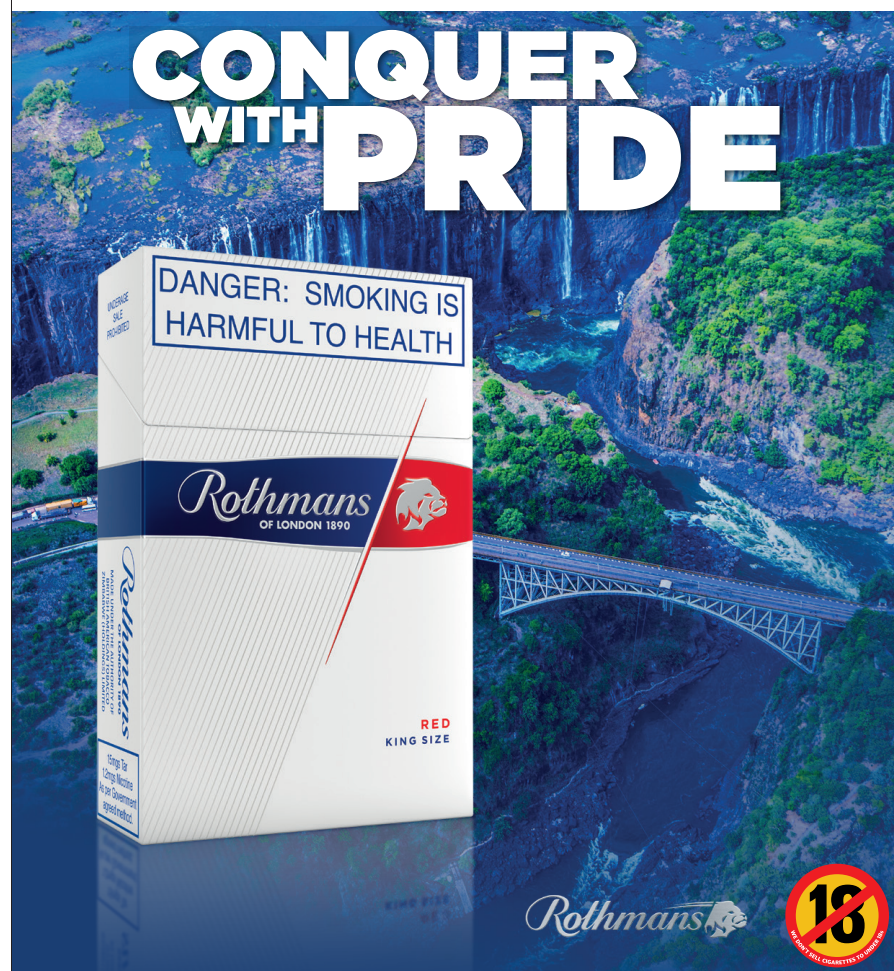
These special purpose consolidated Financial Results have been prepared, with the objective of satisfying the financial reporting requirements of the Securities and Exchange Commission of Zimbabwe Notice SECZ070325 in pursuant of paragraph 21 of the First Schedule of the Securities and Exchange Act [Chapter 24:25], paragraph 194 of the Monetary Policy Statement presented by the Reserve Bank of Zimbabwe Governor on the 6th of February 2025 and the Zimbabwe Stock Exchange Notice dated the 12th of March 2025. They have not been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board and therefore reading the Special Purpose Consolidated Financial Results and the Auditors Report thereon, is not a substitute for reading the audited general purpose consolidated Financial statements and the Auditors Report thereon.

The USD Statutory Financial Statements of the Group, which comply with the requirements of the IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards and the Companies and Other Business Entities Act (Chapter 24:31) were approved by the Directors on 31 March 2026 and an unmodified audit opinion was issued on the same day.

These are available for inspection at the Group's registered office, and group website [www.batzimbabwe.com](http://www.batzimbabwe.com).

The engagement partner for this audit is Vinay Ramabhai (PAAB Practising Certificate Number 0569).

**DANGER: SMOKING IS HARMFUL TO HEALTH**  
15mgs Tar 1.2mgs Nicotine. As per Government Agreed Method



**NOT FOR SALE TO PERSONS UNDER THE AGE OF 18**