



## TRADING UPDATE

### FOR THE THREE MONTHS ENDED 31 MARCH 2024

British American Tobacco Zimbabwe (Holdings) Limited (BAT Zimbabwe, the Company), provides the following trading update

### BUSINESS ENVIRONMENT

Zimbabwe's operating environment continues to face a wide range of challenges including currency volatility, high credit risk and hyperinflation. These challenges have severely impacted the business, its customers, and other stakeholders. However, BAT Zimbabwe has remained resilient, exploring different avenues to generate value for its shareholders, consumers, employees and society.

### BUSINESS PERFORMANCE

For the three months ended 31 March 2024, the Company experienced a 21% decline in sales volumes compared to the same period last year. This decline was attributed to fiscal policy changes and rising inflation which eroded consumer purchasing power. As a result of the reduced sales volumes, the Company recorded a 6% decline in revenue. The Company continues to implement strategic pricing and marketing initiatives to adapt to the changing trading environment.

### OUTLOOK

BAT is on a transformation journey anchored on our purpose to create **A Better Tomorrow™**, by building A Smokeless World. This is a focus on reducing the health impact of our business through offering adult smokers a greater choice of alternative products. With sustainability at the front and centre of everything that we do, this transformation is underpinned by our Environment, Social and Governance (ESG) priorities. We look forward to continuing to work with various stakeholders to achieve this.

Looking ahead, we are confident that our continued investment in the simplification of our business, our growing consumer-centric product portfolio and a winning culture, will enable us to deliver sustained shareholder value and contribute to the socio-economic growth, and the development of the country.

**By Order of the Board**

A handwritten signature in black ink, appearing to read 'Lovemore T. Manatsa', written over a white background.

**Lovemore T. Manatsa**  
Chairman  
13 May 2024