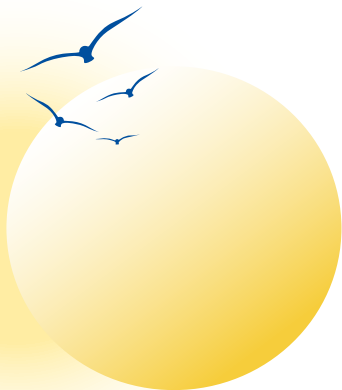


Un-audited interim condensed financial statements as at and for the period ended 31 March 2024



TRANSFORMING TOGETHER
for a better tomorrow



British American Tobacco Bangladesh Company Limited

Statement of financial position

<i>In thousands of BDT</i>	<i>Notes</i>	31 March 2024	31 December 2023
Assets			
Non-current assets			
Property, plant and equipment	4	36,783,243	36,860,089
Right of use (ROU) assets	5.1	3,332,795	3,251,843
Total non-current assets		40,116,038	40,111,932
Current assets			
Inventories	6	56,386,596	31,810,969
Trade and other receivables	7	166,943	11,904,577
Advances, deposits and prepayments	8	8,573,450	7,660,044
Investment asset	9	-	2,937,131
Cash and cash equivalents	10	4,926,924	9,440,371
Total current assets		70,053,913	63,753,092
Total assets		110,169,951	103,865,024
Equity and liabilities			
Equity			
Share capital	11	5,400,000	5,400,000
Capital reserve	12	64,896	64,896
Retained earnings		46,905,544	48,172,592
Total equity attributable to owners of the Company		52,370,440	53,637,488
Non-current liabilities			
Net defined benefit plans		167,447	150,302
Deferred tax	13	6,174,166	6,314,612
Lease liabilities	5.2	3,461,848	3,351,011
Total non-current liabilities		9,803,461	9,815,925
Current liabilities			
Borrowings under supplier financing arrangement		8,037,862	3,737,605
Trade and other payables	14	19,388,971	18,470,667
Unclaimed Dividend		5,470,021	2,820,957
Lease liabilities	5.2	475,512	451,061
Current tax liabilities	15	13,946,008	13,257,905
Provisions		677,676	1,673,416
Total current liabilities		47,996,050	40,411,611
Total liabilities		57,799,511	50,227,536
Total equity and liabilities		110,169,951	103,865,024

The notes on pages 5 to 17 are an integral part of these financial statements.

Sd /-
Wael Sabra
Acting Chairman

Sd /-
Shehzad Munim
Managing Director

Sd /-
A. K. M. Aftab Ul Islam FCA
Director

Sd /-
Nirala Singh
Finance Director

Sd /-
Syed Afzal Hossain
Company Secretary

British American Tobacco Bangladesh Company Limited

Statement of profit or loss and other comprehensive income

For the three-month period ended 31 March 2024

<i>In thousands of BDT</i>	<i>Notes</i>	2024	2023
Gross revenue		94,074,703	98,996,199
Supplementary duty and VAT		(74,128,917)	(76,312,143)
Net revenue from contracts with customers	16	19,945,786	22,684,056
Cost of sales		(10,157,729)	(11,088,986)
Gross profit		9,788,057	11,595,070
Operating expenses		(1,186,684)	(2,061,921)
Operating profit		8,601,373	9,533,149
Net finance income/(expenses)	17	(34,820)	(70,543)
Non-operating income/(expenses)		39,226	6,659
Profit before contribution to WPPF		8,605,779	9,469,265
Contribution to WPPF		(430,289)	(473,463)
Profit before tax		8,175,490	8,995,802
Current tax	18	(4,182,983)	(4,444,576)
Deferred tax		140,445	11,302
Income tax expense		(4,042,538)	(4,433,274)
Profit for the year		4,132,952	4,562,528
Total comprehensive income for the year, net of tax		4,132,952	4,562,528
<i>In BDT</i>			
Earnings per share	19	7.65	8.44

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Finance Director

Sd /-
Syed Afzal Hossain
Company Secretary

British American Tobacco Bangladesh Company Limited

Statement of changes in equity

For the three-month period ended 31 March 2024

<i>In thousands of BDT</i>	Attributable to owners of the Company			
	Share capital	Capital reserve	Retained earnings	Total equity
Balance at 1 January 2023	5,400,000	64,896	35,718,708	41,183,604
Profit for the year	-	-	4,562,528	4,562,528
Total comprehensive income for the year	-	-	4,562,528	4,562,528
Transactions with owners of the Company				
Contributions and distributions				
Final cash dividend 2022 (Declared but not paid)	-	-	(5,400,000)	(5,400,000)
Total transactions with owners of the Company	-	-	(5,400,000)	(5,400,000)
Balance at 31 March 2023	5,400,000	64,896	34,881,236	40,346,133
Balance at 1 January 2024	5,400,000	64,896	48,172,592	53,637,488
Profit for the year	-	-	4,132,952	4,132,952
Total comprehensive income for the year	-	-	4,132,952	4,132,952
Transactions with owners of the Company				
Contributions and distributions				
Final Cash Dividend 2023 (Declared but not paid)	-	-	(5,400,000)	(5,400,000)
Total transactions with owners of the Company	-	-	(5,400,000)	(5,400,000)
Balance at 31 March 2024	5,400,000	64,896	46,905,544	52,370,440

The notes on pages 5 to 17 are an integral part of these financial statements.

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Finance Director

Sd /-
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Company Secretary

British American Tobacco Bangladesh Company Limited

Statement of cash flows

For the three-month period ended 31 March 2024

<i>In thousands of BDT</i>	2024	2023
Operating activities		
Collection from distributors, leaf export and others	108,757,621	99,544,207
Payment for costs and expenses	(12,616,551)	(10,902,443)
Supplementary duty and VAT paid	(98,372,873)	(86,548,170)
Cash generated from operating activities	(2,231,803)	2,093,594
Income tax paid	(3,494,880)	(3,226,698)
Interest received/(paid)	64,173	4,475
Net cash flows from operating activities	(5,662,510)	(1,128,629)
Investing activities		
Purchase of property, plant and equipment	(732,675)	(975,684)
Proceeds from sale of property, plant and equipment	31,601	79
Net cash flows used in investing activities	(701,074)	(975,605)
Financing activities		
Borrowings under supplier financing arrangement	4,300,247	2,000,000
Lease movement	300,640	(188,957)
Dividend paid	(2,750,937)	(339,737)
Net cash flows from/(used in) financing activities	1,849,950	1,471,306
Net increase/(decrease) in cash and cash equivalents	(4,513,634)	(632,928)
Cash and cash equivalents at 1 January	9,440,371	4,912,340
Effect of exchange rate fluctuations on cash held	187	69,682
Cash and cash equivalents at 31 March	4,926,924	4,349,094

The notes on pages 5 to 17 are an integral part of these financial statements.

British American Tobacco Bangladesh Company Limited

Notes to the financial statements

as at and for the period ended 31 March 2024

1 Corporate information

1.1 Company profile

British American Tobacco Bangladesh Company Limited (the "Company" or "BATB") is a public limited company incorporated in Bangladesh and its shares are quoted on the Dhaka and Chittagong Stock Exchanges. The address of the Company's registered office is New D.O.H.S. Road, Mohakhali, Dhaka-1206, Bangladesh.

The immediate parent company of BATB is Raleigh Investment Co. Ltd. and the ultimate parent company of BATB is B.A.T plc.

1.2 Nature of business

The Company manufactures tobacco products and market brands including Benson & Hedges, John Player Gold Leaf, Capstan, Star, Royals, Lucky Strike, Derby, Pilot and Hollywood. The Company has its head office in Dhaka and the cigarette factories in Dhaka and Savar, a green leaf threshing plant in Kushtia, a green leaf redrying plant in Manikganj and a number of leaf and sales offices throughout the country.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

The financial statements have been prepared on a historical cost basis, except for financial assets and contingent considerations that have been measured at fair value where applicable. The financial statements provide comparative information in respect of the previous period and have been prepared on a going concern basis.

The condensed interim financial statements should be read in conjunction with the British American Tobacco Company Bangladesh Limited's annual statutory financial statements as at 31 December 2023

2.2 Date of authorisation

The financial statements were authorised for issue by the Board of Directors on 13 May 2024 for publication.

3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is both functional and presentational currency of the Company. The amounts in these financial statements have been rounded off to the nearest thousand BDT (000) unless otherwise indicated. Because of such rounding off, in some instances the total may not match the sum of individual balances.

4. Property, plant and equipment

In thousands of BDT	Freehold building	Freehold land	Furniture and fixtures	IT equipment	Laboratory equipment	Leasehold building	Office equipment	Plant and machinery	Vehicles	Assets under construction	
										(AUC)	Total
Cost											
Balance as at 1 January 2023	5,577,484	1,526,496	560,215	539,588	487,518	1,174,327	1,320,156	32,369,995	1,498,233	6,421,193	51,465,205
Additions	286,815	81,160	113,946	113,844	25,296	5,229	169,242	555,485	133,029	3,091,119	4,575,165
Disposals/transfers	-	-	(1,112)	(549)	-	(8,715)	(6,348)	-	-	(1,221,449)	(1,238,173)
Balance as at 31 December 2023	5,864,299	1,607,656	673,049	652,883	512,814	1,170,841	1,483,050	32,915,480	1,631,262	8,290,863	59,802,197
Balance as at 1 January 2024	5,864,299	1,607,656	673,049	652,883	512,814	1,170,841	1,483,050	32,915,480	1,631,262	8,290,863	59,802,197
Additions	8,058	-	6,530	1,478	34,616	-	(0)	57,662	-	457,577	565,921
Disposals/transfers	-	-	-	-	-	-	-	-	(76,987)	(66,532)	(143,519)
Balance as at 31 March 2024	5,872,357	1,607,656	679,579	654,361	547,430	1,170,841	1,483,050	32,973,142	1,554,275	8,681,908	55,224,999
Accumulated depreciation											
Balance as at 1 January 2023	526,341	-	351,885	359,362	262,599	334,646	946,970	12,011,958	883,442	-	15,677,203
Depreciation for the year	125,150	-	60,664	103,857	38,031	98,867	152,469	1,525,357	212,465	-	2,276,860
Disposals/transfers	-	-	(1,112)	(549)	-	(4,996)	(5,298)	-	-	-	(11,955)
Balance as at 31 December 2023	651,491	-	411,437	462,670	300,630	388,517	1,094,141	13,537,315	1,095,907	-	17,942,108
Balance as at 1 January 2024	651,491	-	411,437	462,670	300,630	388,517	1,094,141	13,537,315	1,095,907	-	17,942,108
Depreciation for the year	31,730	-	16,682	27,763	9,369	14,717	38,575	392,973	43,719	-	575,528
Disposals/transfers	-	-	-	-	-	-	-	-	(76,280)	-	(76,280)
Balance as at 31 March 2024	683,221	-	428,119	490,433	309,999	403,234	1,132,716	13,930,288	1,063,346	-	18,441,556
Net book value											
As at 31 December 2023	5,212,808	1,607,656	261,612	190,213	212,184	782,324	388,909	19,376,165	535,955	8,290,863	38,860,089
As at 31 March 2024	5,189,136	1,607,656	251,460	163,928	237,431	767,607	350,334	19,042,854	490,929	8,681,908	36,783,243

Notes to the financial statements (continued)

5 Schedule of leases

The Company has leases for warehouse, forklift, office, equipments and rented apartment which have been capitalised and accounted for in accordance with IFRS 16: *Leases*. Information related to right-of-use asset and lease liability are depicted below:

5.1 ROU assets

<i>In thousands of BDT</i>	Rented apartment	Forklift	Office	Warehouse	Equipments	Total
Cost						
Balance as at 1 January 2023	77,860	356,996	193,170	3,587,901	-	4,215,927
Additions/modifications	37,406	23,032	23,391	968,194	75,936	1,127,959
Disposals	(68,534)	-	(3,918)	(82,753)	-	(155,205)
Balance as at 31 December 2023	46,732	380,028	212,643	4,473,342	75,936	5,188,681
Balance as at 1 January 2024	46,732	380,028	212,643	4,473,342	75,936	5,188,681
Additions/modifications	10,718	-	128,422	125,205	-	264,345
Disposals	-	-	(5,356)	(96,453)	-	(101,809)
Balance as at 31 March 2024	57,450	380,028	335,709	4,502,094	75,936	5,351,217
Accumulated depreciation						
Balance as at 1 January 2023	57,017	82,705	71,555	1,213,883	-	1,425,160
Depreciation for the year	24,431	59,944	25,998	550,409	6,101	666,883
Disposals/modifications	(68,534)	-	(3,918)	(82,753)	-	(155,205)
Balance as at 31 December 2023	12,914	142,649	93,635	1,681,539	6,101	1,936,838
Balance as at 1 January 2024	12,914	142,649	93,635	1,681,539	6,101	1,936,838
Depreciation for the year	6,459	15,879	8,981	148,711	3,363	183,393
Disposals/modifications	-	-	(5,356)	(96,453)	-	(101,809)
Balance as at 31 March 2024	19,373	158,528	97,260	1,733,797	9,464	2,018,422
Net book value						
As at 31 December 2023	33,818	237,379	119,008	2,791,803	69,835	3,251,843
As at 31 December 2024	38,077	221,500	238,449	2,768,297	66,472	3,332,795

5.2 Lease liabilities

<i>In thousands of BDT</i>	31 March 2024	31 December 2023
Non-current		
Lease liabilities	4,760,652	4,645,187
Interest liabilities	(1,298,804)	(1,294,176)
	3,461,848	3,351,011
Current		
Lease liabilities	847,138	809,808
Interest liabilities	(371,625)	(358,747)
	475,512	451,061
Total lease liabilities	3,937,360	3,802,072

Notes to the financial statements (continued)
6 Inventories

<i>In thousands of BDT</i>	Note	31 March	31 December
		2024	2023
Inventories in hand	6.1	55,800,251	30,811,558
Inventories in transit	6.2	586,345	999,411
		56,386,596	31,810,969

6.1 Inventories in hand

<i>In thousands of BDT</i>	31 March	31 December
	2024	2023
Leaf	10,145,038	12,130,853
Wrapping materials	2,582,780	3,127,406
Work in process	117,552	169,319
Finished goods	41,473,483	13,939,372
Cost of finished goods	7,212,477	3,831,189
VAT, Supplementary Duty and HDS* on finished goods	34,261,006	10,108,183
Consumable stores	1,481,398	1,444,608
	55,800,251	30,811,558

*Health development surcharge

6.2 Inventories in transit

<i>In thousands of BDT</i>	31 March	31 December
	2024	2023
Leaf	-	46,666
Wrapping materials	431,810	800,472
Consumable stores	154,535	152,273
	586,345	999,411

7 Trade and other receivables

<i>In thousands of BDT</i>	31 March	31 December
	2024	2023
Trade receivables	5,546	11,384,901
Expected credit loss	(168)	(11,440)
Net trade receivables	5,378	11,373,461
Intercompany receivables	118,283	249,896
Sundry receivables	43,282	281,220
	166,943	11,904,577

8 Advances, deposits and prepayments

<i>In thousands of BDT</i>	Note	31 March	31 December
		2024	2023
Advances			
Advance to suppliers		5,610,341	4,798,948
Supplementary duty and VAT		2,773,036	2,681,902
Advance to employees		36,263	33,221
		8,419,640	7,514,071
Security deposit		-	-
Prepayments			
Insurance		153,810	145,973
		153,810	145,973
		8,573,450	7,660,044

9 Investment asset

<i>In thousands of BDT</i>	31 March	31 December
	2024	2023
91-Day Treasury Bill	-	2,937,131
	-	2,937,131

10 Cash and cash equivalents

<i>In thousands of BDT</i>	31 March	31 December
	2024	2023
Cash in hand	6	6
	6	6
Cash at bank		
Dividend account	10.1	70,020
Foreign currency accounts	565,135	536,077
Current accounts	3,834,360	2,195,062
Fixed deposit receipt (FDR) - Local	-	300,000
Short term deposit (STD)	457,403	6,338,867
	4,926,918	9,440,365
	4,926,924	9,440,371

All the above balances are held with scheduled and nationalised banks. Interest bearing accounts under cash at bank earns interest at floating rates based on daily bank deposit rates.

10.1 Restricted cash balance

Dividend account is used only to pay dividends to the shareholders. The balance of this account moves with dividend transactions only.

10.2 Banking facility arrangements

Short term running funded facilities available with the banks amount to BDT 17,016 million. Facilities are renewable on annual basis.

10.3 Reconciliation of net operating cash flow

<i>In thousands of BDT</i>	For the period ended 31 March	
	2024	2023
Profit after tax	4,132,952	4,562,528
Adjustment for:		
Depreciation and impairment	758,920	718,850
(Gain)/loss of sale of assets	(30,894)	4,691
Other adjustments	4,077,171	4,434,134
	8,938,150	9,720,203
Changes in:		
(Increase)/decrease in inventories	(24,575,627)	(13,078,071)
(Increase)/decrease in trade receivables and others	14,674,774	608,387
(Increase)/decrease in advances, deposits and prepayments	(1,208,811)	2,496,476
Increase/(decrease) in trade payables and others	918,304	3,768,732
Increase/(decrease) in net defined benefit plans	17,145	34,041
Increase/(decrease) in provisions	(995,737)	(1,456,174)
Income tax and interest payments	(3,430,707)	(3,222,223)
Net cash generated from operating activities	(5,662,510)	(1,128,628)

11 Share capital

<i>In thousands of BDT</i>	31 March	31 December
	2024	2023
Authorised:		
60,000,000 ordinary shares of BDT 10 each	600,000,000	600,000,000
480,000,000 ordinary shares of BDT 10 each	4,800,000,000	4,800,000,000
	5,400,000,000	5,400,000,000
Issued, subscribed and fully paid up:		
Issued for cash:		
3 ordinary shares of BDT 10 each	30	30
Issued for consideration other than cash:		
59,999,997 ordinary shares of BDT 10 each	599,999,970	599,999,970
120,000,000 bonus shares of BDT 10 each	1,200,000,000	1,200,000,000
360,000,000 bonus shares of BDT 10 each	3,600,000,000	3,600,000,000
	5,400,000,000	5,400,000,000

Notes to the financial statements (continued)

11.1 Shareholding position

Name of shareholder	31 March 2024			31 December 2023		
	No. of shares	Value (BDT)	Percentage	No. of shares	Value (BDT)	Percentage
Raleigh Investment Co. Ltd., UK	393,708,222	3,937,082,220	72.91%	393,708,222	3,937,082,220	72.91%
Investment Corporation of Bangladesh	30,670,791	306,707,910	5.66%	30,552,217	305,522,170	5.66%
Sacharan Bima Corporation	15,285,423	152,854,230	2.83%	15,285,423	152,854,230	2.83%
Bangladesh Development Bank Limited	1,808,863	18,088,630	0.33%	1,807,863	18,078,630	0.33%
Government of Bangladesh	3,481,416	34,814,160	0.64%	3,481,416	34,814,160	0.64%
Others	95,045,285	950,452,850	17.61%	95,164,859	951,648,590	17.63%
	540,000,000	5,400,000,000	100%	540,000,000	5,400,000,000	100%

11.2 Share distribution schedule

A distribution schedule of the shares at the reporting date is given below following the requirement of listing regulations:

Shareholder's range	31 March 2024			31 December 2023		
	Number of shareholders	Total number of shares	Percentage of holding	Number of shareholders	Total number of shares	Percentage of holding
Less than 501 shares	69,618	6,784,144	1.26%	73,988	6,983,195	1.29%
501 to 5,000 shares	10,784	16,083,352	2.98%	10,671	15,895,851	2.94%
5,001 to 10,000 shares	714	4,867,569	0.90%	745	5,338,328	0.99%
10,001 to 20,000 shares	432	5,798,335	1.07%	339	4,781,630	0.89%
20,001 to 30,000 shares	114	2,791,782	0.52%	106	2,591,621	0.48%
30,001 to 40,000 shares	45	1,549,109	0.29%	46	1,575,921	0.29%
40,001 to 50,000 shares	46	2,063,114	0.38%	49	2,218,939	0.41%
50,001 to 100,000 shares	85	6,024,099	1.12%	86	6,031,269	1.12%
100,001 to 1,000,000 shares	88	22,717,495	4.21%	86	22,548,967	4.18%
Over 1,000,000 shares	14	471,321,001	87.27%	14	472,034,279	87.41%
	81,940	540,000,000	100%	86,130	540,000,000	100%

12 Capital reserve

Capital reserve represents non-remittable reserve of BDT 64.9 million which is 90% of the cumulative post tax profit on disposal of property, plant and equipment as historically defined and directed by Bangladesh Bank. The requirement to create such special reserve on profit from sale of property, plant and equipment has been withdrawn since 1993.

Notes to the financial statements (continued)

13 Deferred tax

13.1 Deferred tax asset

<i>In thousands of BDT</i>	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
31 March 2024			
Provision for inventories	(167,448)	-	(167,448)
Provision for gratuity	(95,139)	-	(95,139)
Net temporary difference	(262,587)	-	(262,587)
Applicable tax rate			47.5%
Deferred tax asset			(124,729)

<i>In thousands of BDT</i>	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
31 December 2023			
Provision for inventories	(91,444)	-	(91,444)
Provision for gratuity	(150,303)	-	(150,303)
Net temporary difference	(241,747)	-	(241,747)
Applicable tax rate			47.5%
Deferred tax Asset			(114,830)

13.2 Deferred tax liabilities

<i>In thousands of BDT</i>	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
31 March 2024			
Property, plant and equipment excluding land.	26,237,800	12,372,406	13,865,394
Net, right of use assets	(604,564)	-	(604,564.14)
Net temporary difference	25,633,236	12,372,406	13,260,830.30
Applicable tax rate			47.5%
Deferred tax liabilities			6,298,894

<i>In thousands of BDT</i>	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
31 December 2023			
Property, plant and equipment excluding land.	26,684,601	12,598,705	14,085,896
Net, right of use assets	(550,230)	-	(550,230)
Net temporary difference	26,134,371	12,598,705	13,535,666
Applicable tax rate			47.5%
Deferred tax liabilities			6,429,442

13.3 Deferred tax liabilities, net

<i>In thousands of BDT</i>	31 March 2024	31 December 2023
Deferred tax asset		(114,830)
Deferred tax liabilities / (asset) (ROU Assets)		(261,359)
Deferred tax liabilities (other than ROU assets)		6,690,801
Net deferred tax liabilities	6,174,166	6,314,612

14 Trade and other payables

	31 March	31 December
<i>In thousands of BDT</i>	2024	2023
Trade payables	7,193,209	7,287,006
Intercompany payables	10,181,107	9,465,667
Workers' Profit Participation Fund (WPPF)	429,472	54,290
Wages and other benefits	648,606	751,999
Accrued expenses	175,387	489,824
Sundry payables	761,190	421,881
	19,388,971	18,470,667

15 Current tax liabilities

	31 March	31 December
<i>In thousands of BDT</i>	2024	2023
Opening Balance	13,257,905	10,391,270
Provision made during the year	4,182,983	17,754,032
	17,440,888	28,145,302
Advance payment of corporate tax	(3,494,880)	(14,887,397)
Closing Balance	13,946,008	13,257,905

16 Revenue from contracts with customers

Set out below is the disaggregation of the Company's revenue from contracts with customers:

<i>In thousands of BDT</i>	<i>Note</i>	For the period ended 31 March	
		2024	2023
Quantity in million sticks		16,125	17,996
Gross revenue from domestic sale		93,893,860	98,039,917
Supplementary duty and VAT		(74,128,917)	(76,312,143)
Revenue from domestic sale, net		19,764,943	21,727,774
Quantity in million sticks		-	-
Gross revenue from finished goods export		-	-
Revenue from export of finished goods, net		-	-
Quantity in million kgs		0.53	2.45
Gross revenue from tobacco leaf export		180,843	956,282
Revenue from leaf export, net		180,843	956,282
Total revenue from contracts with customers, net		19,945,786	22,684,056

17 Net finance income/(expenses)

	For the period ended 31 March	
<i>In thousands of BDT</i>	2024	2023
Finance income	110,215	12,864
Finance costs		
Debt and borrowing	(46,042)	(8,390)
Lease liabilities	(98,993)	(75,018)
	(34,820)	(70,543)

Notes to the financial statements (continued)
18 Income tax expenses

<i>In thousands of BDT</i>	<i>Note</i>	For the period ended 31 March	
		2024	2023
Current income tax:			
Current income tax charge		4,182,983	4,444,576
Deferred tax:			
Deferred tax (income)/expense relating to origination and reversal of temporary differences		(140,445)	(11,302)
Income tax expense reported in the statement of profit or loss		4,042,538	4,433,274

18.1 Reconciliation of effective tax rate

<i>In thousands of BDT</i>		For the period ended 31 March	
		2024	2023
Profit before tax		8,175,490	8,995,802
Current tax expense	51.16%	4,182,983	4,444,576
Deferred tax expense	-1.72%	(140,445)	(11,302)
Total tax expense	49.45%	4,042,538	4,433,274
Expected income tax using applicable tax rate	47.50%	3,883,358	4,273,006
Prior year adjustment	0.00%	-	-
Tax on non deductible expenses	3.66%	299,625	171,570
Effective current tax	51.16%	4,182,983	4,444,576
Effective deferred tax	-1.72%	(140,445)	(11,302)
		49.45%	4,433,274

19 Earnings per share
19.1 Basic earnings per share

Earnings Per Share (EPS) is calculated in accordance with the International Accounting Standard (IAS) 33: *Earnings Per Share*. The composition of EPS is given below:

<i>In thousands of BDT</i>	For the period ended 31 March	
	2024	2023
Total profit attributable to shareholders	4,132,952	4,562,528
Weighted average number of shares outstanding	540,000	540,000
Earning per share in BDT	7.65	8.44

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.

19.2 Diluted earnings per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year.

20 Net operating cash flows per share (NOCFPS)

<i>In thousands of BDT</i>	<i>Note</i>	For the period ended 31 March	
		2024	2023
Net cash flow from operating activities		(5,662,510)	(1,128,629)
Weighted average number of shares outstanding		540,000	540,000
Net operating cash flows per share in BDT		(10.49)	(2.09)

21 Net asset value (NAV) per share

<i>In thousands of BDT</i>	For the period ended 31 March	For the period ended 31 December
	2024	2023
Net asset value	52,370,440	53,637,488
Weighted average number of shares outstanding	540,000	540,000
NAV per share in BDT	96.98	99.33

Notes to the financial statements (continued)

22 Related party disclosures

The Company carried out a number of transactions with related parties in the normal course of business on arms length basis. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24: Related party disclosures.

<i>In thousands of BDT</i>	Relationship	Transaction values		Balance outstanding	
		31 March 2024	31 March 2023	31 March 2024	31 December 2023
Income					
a. Leaf, Cigarette export and sale of goods					
BAT (GLP) Limited	BAT Group company	55,469	696,190	(14,341)	593
BAT (Singapore) PTE LTD	BAT Group company	-	-	-	11,602
		55,469	696,190	(14,341)	12,195
b. Other fee					
Other fee received/to be received from:					
BAT Holdings Limited	BAT Group company	-	15,477	-	9,960
BAT INVESTMENTS LTD	BAT Group company	-	-	-	9,030
BAT PT. Export Leaf Indonesia, Malang	BAT Group company	-	-	835	835
BAT Japan	BAT Group company	-	-	10,256	10,256
British American Tobacco Exports Ltd	BAT Group company	1,162	-	1,465	302
BASS GSD Ltd	BAT Group company	-	-	1,450	1,450
BAT Global Travel Retail Limited	BAT Group company	-	722	-	-
BAT DENMARK A/S (HOP A/S)	BAT Group company	-	-	1,480	1,480
British American Tobacco Taiwan	BAT Group company	-	-	1,599	1,599
British-American Tobacco (Singapore)	BAT Group company	-	7,735	49,645	38,043
British American Tobacco (PNG) Ltd	BAT Group company	-	-	1,944	1,944
BAT Co. (HK) Ltd	BAT Group company	-	212	2,266	2,266
BAT AsPac Service Centre Sdn Bhd	BAT Group company	-	1,554	-	-
British American Tobacco ME DMCC	BAT Group company	-	-	(555,624)	3,239
Nicoventures Trading Limited	BAT Group company	2,680	-	5,419	2,739
PT Benteol Internasional Investama	BAT Group company	-	6,906	-	-
RAI Services Company	BAT Group company	-	-	3,923	3,923
British American Tobacco Kenya Ltd	BAT Group company	-	-	1,507	1,507
PAKISTAN TOBACCO CO LTD	BAT Group company	-	-	2,884	2,884
Ceylon Tobacco Company PLC	BAT Group company	-	-	600	600
		3,842	32,606	(470,351)	92,057
Total related party income and balance receivables		59,311	728,795	(484,692)	104,252

<i>In thousands of BDT</i>	Relationship	Transaction values		Balance outstanding	
		31 March 2024	31 March 2023	31 March 2024	31 December 2023
Expenses					
c. Procurement of services					
Procurement of information technology, products and other services:					
BASS GSD Limited	BAT Group company	49,339	61,200	(51,118)	(5,037)
BRITISH AMERICAN TOBACCO AUSTRALIA	BAT Group company	-	-	(9,455)	(9,455)
BAT Holdings Limited	BAT Group company	3,435	-	-	-
BAT AsPac Service Centre Sdn Bhd*	BAT Group company	73,502	75,055	33,012	106,514
BAT GSD (KL) Sdn Bhd	BAT Group company	-	-	(3,151)	(3,151)
BAT Investments LTD	BAT Group company	687	-	314,885	(39,480)
BAT PT. Export Leaf Indonesia, Malang	BAT Group company	-	-	(10,962)	(10,962)
PAKISTAN TOBACCO CO LTD (PTCL)	BAT Group company	-	-	(415)	(415)
Prerona Foundation	Social Foundation	5,163	-	(5,163)	-
Agami Limited	Prerona Controlled Entity	148,721	-	14,156	16,530
British American Tobacco Tutun	BAT Group company	-	-	(47,053)	(47,053)
BAT (GLP) Limited	BAT Group company	-	-	(103)	(103)
British American Tobacco Exports Ltd	BAT Group company	-	-	(7,918)	(9,188)
Ceylon Tobacco Company PLC	BAT Group company	2,449	-	(2,449)	-
Nicoventures Trading Limited	BAT Group company	440	-	(440)	-
BAT KOREA MANUFACTURING LTD	BAT Group company	-	-	(10,870)	(10,870)
BAT (Singapore) PTE LTD	BAT Group company	-	-	(1,788)	(1,788)
Souza Cruz Ltda.	BAT Group company	-	-	(1,817)	(1,817)
BAT Japan	BAT Group company	-	-	(10,094)	(10,094)
		283,736	136,255	199,257	(26,369)
d. Purchase of leaf & goods					
Purchase of leaf and wrapping materials from:					
BAT Singapore (Private) limited	BAT Group company	-	16,249	165,014	1,758
BAT (GLP) Limited	BAT Group company	45,000	46,029	(2,086)	19,466
BAT PT. Export Leaf Indonesia, Malang	BAT Group company	-	59,125	(37,592)	(61,609)
British American Tobacco Western Europe	BAT Group company	-	1,112	-	-
British American Tobacco Exports Ltd	BAT Group company	-	-	(1,112)	(1,112)
British American Tobacco South	BAT Group company	-	34,512	-	-
		45,000	157,027	124,224	(41,497)
e. Royalty					
Royalty paid/payable to:					
BAT Holdings Limited	BAT Group company	117,448	209,059	(4,302,544)	(4,181,661)
		117,448	209,059	(4,302,544)	(4,181,661)
f. Technical and assistance fee					
Payment of fees for technical and assistance support services to:					
BAT Investments Ltd	BAT Group company	352,933	-	(5,319,823)	(4,964,771)
		352,933	-	(5,319,823)	(4,964,771)
g. Donations					
Charitable contributions made to:					
Prerona Foundation	Social Foundation	58,164	-	-	-
		58,164	-	-	-
h. Purchase of equipment					
Purchase of equipment from:					
BRITISH AMERICAN TOBACCO CHILE	BAT Group company	-	-	(69)	(69)
BAT PT. Export Leaf Indonesia, Malang	BAT Group company	-	-	(3,332)	(3,332)
British American Tobacco Kenya Ltd	BAT Group company	-	-	(166)	(166)
BAT Nigeria Ltd	BAT Group company	-	-	(516)	(516)
BAT Romania Investment	BAT Group company	-	-	(1,093)	(1,093)
British American Tobacco Tutun	BAT Group company	67,295	-	(68,281)	(986)
BAT (Singapore) PTE LTD	BAT Group company	70,247	-	(169,305)	(99,058)
BAT KOREA MANUFACTURING LTD	BAT Group company	2,126	-	(2,126)	-
BAT SWITZERLAND SA	BAT Group company	24,859	-	(24,859)	-
British American Tobacco Mexico	BAT Group company	-	-	(181)	(181)
BAT GERMANY GMBH	BAT Group company	-	-	(327)	(327)
		164,527	-	(270,255)	(105,728)
Total related party expenses and outstanding balances		1,021,808	502,341	(9,569,141)	(9,320,026)

Notes to the financial statements (continued)**23 Commitments****23.1 Capital expenditure**

<i>In thousands of BDT</i>	31 March 2024	31 Dec 2023
Authorised but not provided for	2,914,446	3,391,097

23.2 Letter of credit

<i>In thousands of BDT</i>	31 March 2024	31 Dec 2023
Citibank, N.A.	2,017,617	1,482,229
Commercial Bank of Ceylon PLC	248,055	123,930
The Hongkong and Shanghai Banking Corporation Limited	669,286	182,206
Standard Chartered Bank	2,957,198	6,381,911
	5,892,156	8,170,276

24 Contingencies

Contingent liabilities of the Company that relate to bank guarantee to third parties as listed below:

<i>In thousands of BDT</i>	31 March 2024	31 Dec 2023
Bank Guarantee		
Standard Chartered Bank	262,621	262,621
Commercial Bank of Ceylon PLC	-	-
Eastern Bank Ltd.	29,303	29,303
Citibank, N.A.	2,000	2,000
	293,924	293,924

24.1 Litigation

The Company has various claims and legal actions arising in the ordinary course of business. Management believes that there is a strong defence against each of these claims and legal actions and is not expected to have a material impact on Company's financial statements. Such claims and legal actions include the following:

- a) In January 2019, a competitor filed a writ petition against Government and NBR by which it initially challenged the failure of Government to implement the closing budget speech of the Hon'ble Finance Minister dated 27 June 2018 and reserving low segment for local brands. Thereafter, the competitor instead challenged the exclusion of protection given to local brands of cigarette manufactured by local manufacturers and sought a direction to continue the protection so granted to the local manufacturers of cigarettes in pursuance of a 2017 Special Order. The competitor further challenged the legality of a 2018 Special Order of NBR through which the said protection was revoked. BATB was initially not a party to the writ petition, subsequently it became a party through an addition of party application. Upon hearing on multiple occasions, the High Court (HC) passed judgment in the matter on 21 September 2020. By holding the prospective portion of the 2018 Special Order legal, the court did not allow the discriminatory regime to continue. However, by holding illegal the retrospective portion of the 2018 Special Order, the Court revived the discriminatory regime for only one year, that is from 01 June 2017 to 06 June 2018 and held that any shortfall of revenue under the 2017 Special Order may be recovered from any party or manufacturer during the period of 01 June 2017 to 06 June 2018.

Subsequently, the LTU-VAT issued a Show Cause Notice dated 24 September 2020 following the High Court judgment claiming unpaid VAT & SD of BDT 24,371 million from 01 June 2017 to 06 June 2018. BATB appealed against the HC Judgment before the Appellate Division and obtained an order of stay. Since High Court judgment is stayed, the LTU proceeding shall also be deemed to have been stayed.

- b) LTU-VAT issued show-cause notice to BATB in March 2020 claiming BDT 2054 crore as unpaid VAT & SD for allegedly producing 18 bn more cigarettes than declared, using an undisclosed purchase of local leaf based on a 2016 Annual Report and VAT – 1 discrepancy. BATB participated in the LTU-VAT hearing and claim was withdrawn post full inquiry on 19 August 2021. However, NBR started re-investigating the matter on 14 August 2023 and informed BATB to attend a hearing post the 2 year time bar. As per the law, NBR does not have the authority to examine the records of any proceedings after expiry of two years from the date of decision or order.

Instead of attending hearing, BATB filed a writ petition challenging re-investigation based on time bar. Rule was issued, which means, the HC found prime facie merit in BATB's position that NBR's decision to call BATB for re-investigation beyond time bar was illegal. Court, however, did not stay NBR proceedings but directed NBR not to call BATB for re-investigation. Thereafter, through a letter dated 21.09.2023, NBR cancelled the Order dated 19.08.2021 passed by LTU-VAT Commissioner (through which the claim was withdrawn) and directed LTU-VAT to recover BDT 2054 crore as unpaid VAT & SD. Challenging the NBR's letter dated 21.09.2023, BATB filed another writ petition. The High Court, having found prima facie merit in our case, was pleased to issue a Rule, that is, a show cause as to why the NBR's letter dated 21.09.2023 shall not be declared to have been issued without lawful authority. Thereafter, LTU made a demand of BDT 2054 crore as unpaid VAT & SD. In response, BATB filed an application before High Court to stay the demand. High Court mentioned that it will consider stay application during final hearing. The matter is currently pending before the High Court for final hearing.

25 Significant deviations

Earning per share (EPS) decreased from same period last year driven by volume de-growth and lower leaf export. Net operating cash flow per share (NOCFPS) decreased from same period last year due to higher excise and tax payments.

26 Events after reporting period

There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.



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