

B.A.T Industries p.l.c.

Registered Number 00233112

Annual report and financial statements

For the year ended 31 December 2023

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B.A.T Industries p.l.c.

Strategic Report

The Directors present their Strategic Report on B.A.T Industries p.l.c. (the "Company") for the year ended 31 December 2023.

Principal activities

The Company acts as an investment holding company in subsidiary undertakings of the British American Tobacco p.l.c. group of companies (the "Group") which are active in the tobacco and nicotine industries.

Review of the year ended 31 December 2023

The profit for the financial year attributable to the Company's shareholder after deduction of all charges and the provision of taxation amounted to £5,041,973,000 (2022: £4,848,356,000).

The Directors expect the Company's activities to continue on a similar basis in the foreseeable future.

Key performance indicators

Given the nature of the Company's activities, the Company's Directors believe that key performance indicators are not necessary or appropriate for an understanding of the Company's specific development, performance, or the position of its business. However, key performance indicators relevant to the Group, and which may be relevant to the Company, are disclosed in the Strategic Report in British American Tobacco p.l.c.'s 2023 Annual Report and Form 20-F ("BAT ARA & 20-F") and do not form part of this report.

Principal risks and uncertainties

The principal risks and uncertainties of the Company, including financial risk management, are integrated with the principal risks of the Group, and are monitored by audit committees to provide a framework for identifying, evaluating and managing risks faced by the Group. Accordingly, the key Group risk factors that may be relevant to the Company are disclosed in the BAT ARA & 20-F and do not form part of this report.

UK Companies Act 2006: Section 172(1) Statement

The Company is part of the Group and is ultimately owned by British American Tobacco p.l.c.. As set out above in the Company's Strategic Report, the Company's principal activity is to act as an investment holding company in subsidiary undertakings of the Group which are active in the tobacco and nicotine industries.

Under Section 172(1) of the UK Companies Act 2006 (the "Act") and as part of the Directors' duty to the Company's shareholder to act as they consider most likely to promote the success of the Company, the Directors must have regard for the likely long-term consequences of decisions and the desirability of maintaining a reputation for high standards of business conduct. The Directors must also have regard for business relationships with the Company's wider stakeholders and the impact of the Company's operations on the environment and communities in which it operates. Consideration of these factors and other relevant matters is embedded into all Board decision-making and risk assessments throughout the year.

The Company's key stakeholders are Group undertakings, including its shareholder and members of the Group to which it provides finance-related services. The Company does not have any employees, or customers or suppliers outside of the Group.

The Company engages with other Group undertakings, including its shareholder through regular meetings, intra-group management activities and ongoing dialogue. There is also regular engagement within the Group on finance-related matters which is taken into account in the Company's decision-making.

Where the Directors do not engage directly with the Company's stakeholders, they are kept updated on stakeholder perspectives, including through the use of management reporting and Board notes relating to matters presented to the Board during the year which set out stakeholder considerations as applicable to matters under consideration. This enables the Directors to maintain an effective understanding of what matters to those stakeholders and to draw on these perspectives in Board decision-making.

In accordance with the Group's overall governance and internal controls framework and in support of the Company's purpose as part of the Group, the Company applies and the Directors have due regard to all applicable Group policies and procedures, including the Group Statement of Delegated Authorities ("SoDA"), and the Group Standards of Business Conduct, International Marketing Principles, Health and Safety Policy, and Environment Policy as set out on pages 72-23 and 139 of the BAT ARA & 20-F. As a Group company, the

B.A.T Industries p.l.c.

Strategic Report (continued)


Company acts in accordance with the Group's policies in relation to the safeguarding of human rights and community relationships, which are set out on page 72 of the BAT ARA & 20-F.

Certain authorities for decision-making are delegated to management under the SoDA, part of the Group's governance and internal controls framework through which robust corporate governance, risk management and internal control are promoted within the Group. Application of the SoDA does not derogate from any requirement for Board review, oversight or approval in relation to the Company's activities.

The Directors receive training in relation to their role and duties as a Director on a periodic basis. All newly appointed Directors receive training in respect of their roles and duties on appointment, including on Directors' duties under Section 172 of the Act. Director training is provided through the Company Secretary.

The principal decisions made by the Directors during the year included the review and approval of an interim dividend payment to the Company's shareholder as set out in the Directors' Report below. The Board considered, amongst other relevant factors, the Company's capital position, the amount of its distributable reserves, its cash position, and the Company's actual and contingent liabilities and its ability to pay its debts as they fell due. Principal decisions are those decisions and discussions by the Board that are strategic or material to the Company and those of significance to any of Company's key stakeholders.

By Order of the Board

DocuSigned by:

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Ms Ruth Wilson

Company Secretary

07 February 2024

B.A.T Industries p.l.c.

Directors' Report

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2023.

In accordance with section 414C(11) of the Act, the Directors have provided an indication of likely future developments in the business of the Company in the Strategic Report under the heading "Review of the year ended 31 December 2023".

Dividends

During the year the Company paid dividends amounting to £4,989,000,000 (2022: £4,840,000,000).

Board of Directors

The names of the persons who served as Directors of the Company during the period 1 January 2023 to the date of this report are as follows:

	Appointments in the period	Resignations in the period
Andrew James Barrett		01 November 2023
Steven Glyn Dale		31 August 2023
Caroline Ferland	01 November 2023	
John Fry	23 October 2023	
Paul McCrory		
Pablo Daniel Sconfianza	01 November 2023	
Neil Arthur Wadey		

Research and development

No research and development expenditure has been incurred during the year (2022: £nil).

Employees

The average number of employees employed by the Company during the year was nil (2022: nil).

Auditor

Pursuant to Section 487 of the Act, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report, and the financial statements in accordance with applicable law and regulations.

Applicable law requires the Directors to prepare financial statements for each financial year. Under applicable law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard ("FRS") 101 *Reduced Disclosure Framework*.

Under applicable law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

B.A.T Industries p.l.c.

Directors' Report (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Act. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

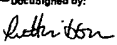
Directors' declaration in relation to relevant audit information

Having made appropriate enquiries, each of the Directors who held office at the date of approval of this report confirms that:

- (a) to the best of their knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) they have taken all steps that a Director might reasonably be expected to have taken in order to make themselves aware of relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Act.

By Order of the Board

DocuSigned by:

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Ms Ruth Wilson

Company Secretary

07 February 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF B.A.T Industries p.l.c.

Opinion

We have audited the financial statements of B.A.T Industries p.l.c. ("the Company") for the year ended 31 December 2023 which comprise the Profit and loss account, Statement of Changes in Equity, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.

- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no complex revenue transactions. We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those approved by an individual not authorized to approve postings, journal entries posted to seldom used accounts and period-end adjustments.
- Assessing whether the judgements made in making accounting estimates are indicative of potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- We have not identified material misstatements in the strategic report and the directors' report
- In our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- In our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4 and 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nicole Price (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, United Kingdom
E14 5GL

8 February 2024

DocuSigned by:
Nicole Price.
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B.A.T Industries p.l.c.**Profit and loss account for the year ended 31 December 2023**

	Notes	2023 £'000	2022 £'000
Continuing operations			
Other operating expenses	2	(2,337)	(1,767)
Operating loss		(2,337)	(1,767)
Income from shares in Group undertakings	3	4,989,000	4,840,000
Interest receivable and similar income	4	97,525	33,137
Interest payable and similar expenses	5	(42,215)	(23,014)
Profit before tax		5,041,973	4,848,356
Taxation	6	—	—
Profit for the financial year		5,041,973	4,848,356

There are no recognised gains or losses other than the profit for the financial year and therefore no Statement of other comprehensive income has been presented.

Statement of changes in equity for the year ended 31 December 2023

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total Equity £'000
1 January 2022	1,158,983	22,939,631	105,946	24,204,560
Profit for the financial year	—	—	4,848,356	4,848,356
Dividends paid	—	—	(4,840,000)	(4,840,000)
31 December 2022	1,158,983	22,939,631	114,302	24,212,916
Profit for the financial year	—	—	5,041,973	5,041,973
Dividends paid	—	—	(4,989,000)	(4,989,000)
31 December 2023	1,158,983	22,939,631	167,275	24,265,889

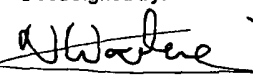
The accompanying notes are an integral part of the financial statements.

B.A.T Industries p.l.c.**Balance sheet as at 31 December 2023**

	Notes	2023 £'000	2022 £'000
Fixed assets			
Investments in Group undertakings	7	23,310,110	23,310,223
		23,310,110	23,310,223
Current assets			
Debtors: amounts falling due within one year	8a	1,810,504	1,755,945
Creditors: amounts falling due within one year	9a	(76,560)	(72,008)
Net current assets		1,733,944	1,683,937
Total assets less current liabilities		25,044,054	24,994,160
Creditors: amounts falling due after more than one year	9b	(565,106)	(599,903)
Provisions for liabilities and other charges	10	(213,059)	(181,341)
Net assets		24,265,889	24,212,916
Capital and reserves			
Called up share capital		1,158,983	1,158,983
Share premium account		22,939,631	22,939,631
Profit and loss account		167,275	114,302
Total shareholder funds		24,265,889	24,212,916

The accompanying notes are an integral part of the financial statements.

The financial statements on pages 10 to 33 were approved by the Directors on 07 February 2024 and signed on behalf of the Board.

DocuSigned by:

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Neil Arthur Wadey
Director

Registered number
00233112

B.A.T Industries p.l.c.

Notes to the financial statements for the year ended 31 December 2023

1 Accounting policies

Basis of accounting

The Company is a public limited company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 00233112 and the registered address is Globe House, 4 Temple Place, London, WC2R 2PG.

The financial statements of the Company have been prepared in accordance with the Act and in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted international accounting standards but makes amendments where necessary in order to comply with the Act, and has taken advantage of certain disclosure exemptions available under FRS 101, including those relating to the preparation of a cash flow statement and disclosures regarding financial instruments and transactions with related parties.

These financial statements have been prepared on a going concern basis under the historical cost convention. In performing its going concern assessment, the Directors considered forecasts and liquidity requirements within the going concern period.

The preparation of the financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. The key estimates and assumptions are set out in the accounting policies below, together with the related notes to the financial statements.

The most significant items include:

- the review of asset values and impairment testing of non-financial assets; and
- the estimation of amounts to be recognised in respect of taxation and legal matters.

Such estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable in the circumstances and constitute management's best judgment at the date of the financial statements. In the future, actual experience may deviate from these estimates and assumptions, which could affect the financial statements as the original estimates and assumptions are modified, as appropriate, in the year in which the circumstances change.

Foreign currencies

The functional currency of the Company is Sterling. Transactions arising in currencies other than Sterling are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities expressed in currencies other than Sterling are translated at rates of exchange ruling at the end of the financial year. All exchange differences are taken to the profit and loss account in the year except for differences arising on the retranslation of qualifying cash flow hedges, which are recognised in other comprehensive income.

Operating income

Income is recognised in the profit and loss account when all contractual or other applicable conditions for recognition have been met.

Operating expenses

Operating expenses are recorded in period they relate to and are generated in the normal business operations of the Company.

B.A.T Industries p.l.c.

Notes to the financial statements for the year ended 31 December 2023

Taxation

Taxation is that chargeable on the profits for the period, together with deferred taxation.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. As required under IAS 12 Income Taxes, deferred tax assets and liabilities are not discounted.

Deferred tax is determined using the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

Any liabilities or assets recognised for exposures in respect of the payment or recovery of a number of taxes are recognised at such time as an outcome becomes probable and when the amount can reasonably be estimated.

As a UK resident wholly-owned subsidiary of the Group, the Company is eligible to surrender tax losses to, or claim tax losses from, fellow members of the same UK group for the purposes of calculating corporation tax due in the UK ("Group Relief").

It is Group policy that tax losses are surrendered unless the entity generating the losses has a particular requirement to carry the losses forward. It is also Group policy not to reimburse entities for Group Relief surrendered unless, on a stand-alone basis and assuming the entity were not in the Group, those losses are judged to have value to the entity generating the loss.

Investments in Group undertakings

Investments in Group undertakings are stated at cost, together with subsequent capital contributions, less provisions for any impairment in value, where appropriate.

Financial instruments

The Company's business model for managing financial assets is set out in the BAT Group Treasury Manual which notes that the primary objective with regard to the management of cash and investments is to protect against the loss of principal. The majority of financial assets are held in order to collect contractual cash flows (typically cash and cash equivalents and loans and other receivables).

With the exception of investments in Group undertakings and derivative financial instruments, financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions. Such assets and liabilities are classified as current if they are expected to be realised or settled within 12 months after the balance sheet date. If not, they are classified as non-current. Financial instruments are initially recognised at fair value plus directly attributable transaction costs where applicable, with subsequent measurement set out below. The Company's receivable, Amounts owed by Group undertakings and Other debtors are non-derivative financial assets with fixed or determinable payments that are held in order to collect contractual cash flows and are subsequently carried at amortised cost. Non-derivative financial liabilities, including creditors, are subsequently carried at amortised cost using the effective interest method.

Where interest bearing receivables and payables have their floating rates based on benchmark rates, such as the London Interbank Offered Rate ("LIBOR"), the Company accounted for the application of replacement benchmark rates in accordance with the Amendments to International Financial Reporting Standard ("IFRS") 9 *Financial Instruments* published in 2019 (phase 1) and 2020 (phase 2) when applicable. The replacement rate Sterling Overnight Index Average ("SONIA") has been applied since August 2021.

B.A.T Industries p.l.c.

Notes to the financial statements for the year ended 31 December 2023

Impairment of financial assets held at amortised cost

Loss allowances for expected credit losses on financial assets which are held at amortized cost are recognised on the initial recognition of the underlying asset. As permitted by IFRS 9, the loss allowance on trade receivables arising from the recognition of revenue under IFRS 15 are initially measured at an amount equal to lifetime expected losses. Allowances in respect of loans and other receivables (debtors) are initially recognised at an amount equal to 12-month expected credit losses. Allowances are measured at an amount equal to the lifetime expected credit losses where the credit risk on the receivables increases significantly after initial recognition.

Provisions

Provisions are recognised when either a legal or constructive obligation as a result of a past event exists at the balance sheet date, it is probable that an outflow of economic resources will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

Contingent liabilities and contingent assets

The Company is a defendant in tobacco-related and other litigations. Provision for these litigations (including legal costs) would be made at such time as an unfavourable outcome became probable and the amount could be reasonably estimated. Contingent assets are possible assets whose existence will only be confirmed by future events not wholly within the control of the entity and are not recognised as assets until the realisation of income is virtually certain. Where a provision has not been recognised, the Company records its external legal fees and other external defence costs for tobacco-related and other litigations as these costs are incurred.

Contingent assets are possible assets whose existence will only be confirmed by future events not wholly within the control of the entity and are not recognised as assets until the realisation of income is virtually certain.

Dividends

Final dividend distributions to the Company's shareholder are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholder at the Annual General Meeting, while interim dividend distributions are recognised in the period in which the dividends are paid.

2 Other operating expenses

	2023	2022
	£'000	£'000
Expected credit loss allowance	35	356
Other expenses	1,947	1,411
Legal fees	355	—
	2,337	1,767

Auditor's fees of £2,500 were borne by a fellow Group undertaking (2022: £2,500).

There were no employees (2022: nil) and no staff costs during the period (2022: £nil).

None of the Directors received any remuneration in respect of their services to the Company during the year (2022: £nil). The Company considers that there is no practicable method to allocate a portion of the emoluments the Directors receive from their respective Group company employer for any qualifying services in respect of the Company, as these are considered to be incidental and part of the Directors overall management responsibilities within the Group.

B.A.T Industries p.l.c.

Notes to the financial statements for the year ended 31 December 2023**3 Income from shares in Group undertakings**

	2023 £'000	2022 £'000
Income from shares in Group undertakings	4,989,000	4,840,000

During the year the Company received dividends from British-American Tobacco (Holdings) Limited amounting to £4,989,000,000 (2022: £4,840,000,000).

4 Interest receivable and similar income

	2023 £'000	2022 £'000
Interest receivable from Group undertakings	97,528	33,128
Fair value (loss)/gain	(3)	9
	97,525	33,137

5 Interest payable and similar expenses

	2023 £'000	2022 £'000
Other costs	42,215	23,014
	42,215	23,014

6 Taxation**(a) Factors affecting the taxation charge**

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly.

The taxation charge for the year differs from the charge that would be expected based on the statutory 23.5% (2022: 19%) rate of corporation taxation in the UK. The major causes of this difference are listed below:

	2023 £'000	2022 £'000
Profit for the financial year	5,041,973	4,848,356
Total tax expense	—	—
Profit before tax	5,041,973	4,848,356
Tax using the UK corporation tax rate of 23.5% (2022: 19%)	1,184,864	921,188
Non-deductible expenses	456	275
Tax exempt revenues	(1,172,415)	(919,600)
Group Relief claimed for nil consideration	(12,905)	(1,863)
Total tax charge	—	—

The Company has gross deductible temporary differences of 54,110,000 in respect of tax losses which are not recognised in the balance sheet because it is not sufficiently probable that they will be utilised in the foreseeable future.

B.A.T Industries p.l.c.

Notes to the financial statements for the year ended 31 December 2023**7 Investments / (1) Shares in Group undertakings**

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
Argentina	San Martín 140, Floor 14, City of Buenos Aires, Argentina	BAT Operaciones S.A.U.	New Ordinary	0.00	100.00	50.00
Bahrain	Flat 2115, Building 2504, Road 2832, Block 428 Al Seef Area, Kingdom of Bahrain	British American Tobacco Middle East W.L.L	Ordinary	0.00	100.00	100.00
Benin	Ilôt: 202, Quartier: Sèdjro St Michel, Parcelle: D, Maison: Comtel Immeuble	British American Tobacco Benin SA (in Liquidation)	Ordinary	0.00	100.00	100.00
Cambodia	1121 National Road 2, Prek Tanou Village, Sangkat Chak Ang Re Leu, Khan Mean Chey, Phnom Penh, Kingdom of Cambodia	British American Tobacco (Cambodge) International Limited	Ordinary	0.00	100.00	100.00
Cambodia	516, National Road No. 2, Phum Prek Ta Nu, Sangkat Chak Ang Re Leu, Khan Mean Chey, Phnom Penh, Kingdom of Cambodia	British American Tobacco (Cambodia) Limited	Ordinary	0.00	71.00	71.00
Cayman Islands	Trident Trust Company (Cayman) Ltd., One Capital Place, PO Box 847, Grand Cayman, KY1-1103, Cayman Islands	R.J. Reynolds Tobacco (CI), Co.	Ordinary	0.00	100.00	100.00
Chile	Avenida Suiza 244, Cerrillos, Santiago, Chile	BAT Chile S.A.	Ordinary	0.00	100.00	50.00
Chile	Avenida Isidora Goyenechea 3000, Piso 19, of 1501, Las Condes, Santiago, Chile.	Inversiones Casablanca S.A.	Ordinary	0.00	100.00	100.00
Chile	Avenida Isidora Goyenechea 3000, Piso 15, of 1501, Las Condes, Santiago, Chile.	British American Tobacco Chile Operaciones S.A.	Ordinary	0.00	100.00	50.00
Denmark	Bernstorffsgade 50, 1577 Copenhagen, Denmark	British American Tobacco Denmark A/S (House of Prince A/S)	Ordinary	0.00	100.00	100.00
Denmark	Bernstorffsgade 50, 1577 Copenhagen, Denmark	Precis (1789) Denmark A/S	Ordinary	0.00	100.00	100.00
Egypt	Administrative unit no.1 , 5th Floor, Building S2B, Sector A, Downtown Mall Katameya, 5th settlement, New Cairo, Egypt	BETCO for General Services and Marketing LLC	Ordinary	0.00	100.00	100.00
Egypt	Administrative unit no.1 , 5th Floor, Building S2B, Sector A, Downtown Mall Katameya, 5th settlement, New Cairo, Egypt	BETCO for Trade and Distribution LLC	Ordinary	0.00	100.00	100.00
Egypt	Administrative unit no.1 , 5th Floor, Building S2B, Sector A, Downtown Mall Katameya, 5th settlement, New Cairo, Egypt	British American Tobacco Egypt LLC	Ordinary	0.00	100.00	100.00
Fiji	Lady Maria Road, Nabua, Suva, Fiji	British American Tobacco (Fiji) Marketing Pte Limited (in Liquidation)	Ordinary	0.00	100.00	50.00
Fiji	Lady Maria Road, Nabua, Suva, Fiji	Central Manufacturing Company Pte Limited	Ordinary	0.00	100.00	15.00

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Notes to the financial statements for the year ended 31 December 2023**7 Investments / (1) Shares in Group undertakings**

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
Hong Kong	LEHMAN, LEE & XU CORPORATE SERVICES, Suite 3313, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong	Reynolds Asia-Pacific Limited	Ordinary	0.00	100.00	100.00
Iraq	Empire Business Tower, Building C5, 2nd floor, Erbil, Kurdistan Region of Iraq	B.A.T. Iraqia Company for Tobacco Trading Limited	Ordinary	0.00	100.00	100.00
Isle of Man	2nd Floor, St Mary's Court, 20 Hill Street, Douglas, IM1 1EU, Isle of Man	Abbey Investment Company Limited	Ordinary	0.00	100.00	100.00
Italy	Via Amsterdam 147, 00144 Rome, Italy	British American Tobacco Italia S.p.A.	Ordinary	0.00	100.00	100.00
Italy	Località Bagnoli della Rosandra, snc, 34018 San Dorligo della Valle (TS), Italy	BAT Trieste S.p.A.	Ordinary	0.00	100.00	100.00
Japan	Midtown Tower 20F, 9-7-1 Akasaka, Minato-ku, Tokyo, Japan	British American Tobacco Japan, Ltd.	Ownership Interest	0.00	100.00	100.00
Jersey	22 Grenville Street, St Helier, JE4 BPX, Jersey	Pathway 5 (Jersey) Limited	Ordinary	100.00	0.00	100.00
Kenya	8 Likoni Road, Industrial Area, P.O. Box 30000- 00100, Nairobi, Kenya	British American Tobacco Area Limited	Ordinary	0.00	100.00	50.00
Kuwait	Unit 21, 35th Floor, Al Hamra Tower, Al Shohada St. Kuwait City, Kuwait	BAT Kuwait for Wholesale and Retail Trading Company (S.P.C)	Ordinary	0.00	10,000.00	10,000.00
Kuwait	Unit 21, 35th Floor, Al Hamra Tower, Al Shuhada St. Kuwait City, Kuwait	BAT Kuwait for Wholesale and Retail Trading Company (S.P.C)	Ordinary	0.00	100.00	100.00
Malaysia	12th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200, Petaling Jaya, Selangor Darul Ehsan, Malaysia	British American Tobacco GSD (Kuala Lumpur) Sdn Bhd	Ordinary	0.00	100.00	100.00
Malaysia	Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia British American Tobacco (Malaysia)	British American Tobacco (Malaysia) Berhad	Ordinary	0.00	50.00	32.00
Malaysia	Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia British American Tobacco (Malaysia)	Commercial Marketers and Distributors Sdn. Bhd.	Ordinary	0.00	100.00	32.00
Malaysia	Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia British American Tobacco (Malaysia)	Tobacco Importers and Manufacturers Sdn. Bhd.	Ordinary	0.00	100.00	50.00
Mali	DJEL/BOUGOU-Immeuble BASSARO- BP 2065, Bamako -Mali	British American Tobacco (Mali) sarl	Ordinary	0.00	100.00	100.00
Mexico	Constitucion 411, piso 22, 23 y 24, Colonia Centro, Monterrey, Nuevo Leon, C.P. 64000, Mexico	BAT DBS Mexico S.A De C.V	Class A Ordinary Share	0.00	100.00	100.00
Mexico	Constitucion 411, piso 22, 23 y 24, Colonia Centro, Monterrey, Nuevo Leon, C.P. 64000, Mexico	BAT DBS Mexico S.A De C.V	Class B Ordinary Share	0.00	100.00	100.00

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Notes to the financial statements for the year ended 31 December 2023**7 Investments / (1) Shares in Group undertakings**

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Holdings (Malaysia) B.V.	Ordinary	0.00	100.00	100.00
Norway	Dronning Eufemias gate 42, 0191 Oslo, Norway	British American Tobacco Norway AS	Ordinary	0.00	100.00	100.00
Pakistan	Serena Business Complex, Khayaban-e-Suhrwardy, Islamabad, Pakistan	Pakistan Tobacco Company Limited	Ordinary	0.00	95.00	95.00
Pakistan	Bun Khurma Chichian Road, Mirpur Azad Jammu & Kashmir, Pakistan	Phoenix (Private) Limited	Ordinary	0.00	97.00	92.00
Poland	Pulawska 180, 02-670, Warszawa, Poland	BAT DBS Poland sp. z o.o.	Ordinary	0.00	100.00	100.00
Poland	Krakowiakow 48, 02-255, Warszawa, Poland	British American Tobacco Pdska Trading sp. z o.o.	Ordinary	0.00	100.00	35.00
Poland	Ul. Tytoniowa 16, 16-300, Augustow, Poland	British-American Tobacco Polska S.A.	Ordinary	0.00	100.00	35.00
Qatar	PO Box 6689, 41 Floor, Tornado Tower, West Bay, Doha, Qatar	British American Tobacco Q _LC	Ordinary	0.00	100.00	100.00
Romania	319 Splaiul Independentei, Sema Parc "City Building", 1st Floor, 6th Sector, Bucharest, Romania	British American Shared Services (Europe) S.R.L.	Ordinary	0.00	100.00	100.00
Romania	319 Splaiul Independentei, Sema Parc "City Building", 6th Floor, 6th Sector, Bucharest, Romania	BRITISH American GBS Recruitment S.R.L.	Ordinary	0.00	100.00	100.00
Solomon Islands	Kukum Highway, Ranadi, Honiara, Honiara, Solomon Islands	Solomon Islands Tobacco Ccmpany Limited	Ordinary	0.00	100.00	50.00
Saudi Arabia, Kingdom of	7051 Al Amir Sultan-Al Salamah District, Unit 1302, Jeddah 23525 - 2661 Saudi Arabia	BAT Arabia for Trading	Ordinary	0.00	100.00	100.00
Saudi Arabia, Kingdom of	7051 Al Amir Sultan-Al Salamah District, Unit 1302, Jeddah 23525 - 2661, Saudi Arabia	BAT Saudia for Trading	Ordinary	0.00	100.00	100.00
Saudi Arabia, Kingdom of	*Office Pending*	Regional HQ of British American Tobacco Middle East - Single Person Company	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8002, South Africa	British American Tobacco GSD (South Africa) (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town, Western Cape 8002, South Africa	British American Shared Services Africa Middle East (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
Sudan	Byblos Tower, Al-Muk Nemer Street, Postal Code 11111, P.O Box 1381, Khartoum, Sudan.	Blue Nile Cigarette Company Limited	Ordinary	0.00	100.00	100.00
Sweden	Hyllie Boulevard 32, 215 32 Malmo, Sweden	Niconovum AB	Ordinary	0.00	100.00	100.00
Sweden	Vastra Tradgardsgatan 15, 111 53, Stockholm, Sweden	British American Tobacco Sweden AB	Ordinary	0.00	100.00	100.00
Sweden	Stenaldersgatan 23, 213 76 Malmo, Sweden	Fiedler & Lundgren AB	Ordinary	0.00	100.00	100.00
Switzerland	Route de France 17, 2926 Boncourt, Switzerland	British American Tobacco Switzerland SA	Ordinary	0.00	100.00	100.00
Switzerland	c/o British American Tobacco Switzerland S.A., Route de France 17, 2926 Boncourt, Switzerland	BAT Switzerland Vending SA	Ordinary	0.00	100.00	100.00
Switzerland	c/o NBA Fiduciaire S.A., Route de la Glane 107, c/o NBA Fiduciaire S.A. 1752 Villars-sur-Glane, Switzer/an	Intertab S.A.	Ordinary	0.00	50.00	50.00
Tanzania, United Republic of	Acacia Estate Building, Kinondoni Rd, P.O. Box 288, Dar es Salaam, Tanzania	British American Tobacco (Tanzania) Limited (In Liquidation)	Ordinary	0.00	100.00	100.00

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Notes to the financial statements for the year ended 31 December 2023**7 Investments / (1) Shares in Group undertakings**

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
Tanzania, United Republic of	Acacia Estate Building, Kinondoni Rd, P.O. Box 288, Dar es Salaam, Tanzania	International Cigarette Distributors Limited (TZA) (In Liquidation)	Ordinary	0.00	99.00	99.00
Tanzania, United Republic of	Acacia Estate Building, Kinondoni Rd, P.O. Box 288, Dar es Salaam, Tanzania	Zanzibar Distribution Company Limited (In Liquidation)	Ordinary	0.00	99.00	99.00
Trinidad and Tobago	Corner Eastern Main Road and Mt. D'or Road, Champs F/eurs, Trinidad and Tobago	The West Indian Tobacco Company Limited	Ordinary	0.00	50.00	50.00
Uganda	10th Floor, Lotis Towers, Plot 16 Mackinnon Road, Nakasero, Kampala, Uganda	British American Tobacco Uganda Limited	Ordinary	0.00	90.00	70.00
United Arab Emirates	2302-08, Smart Heights, Al Thanyah First, Dubai - UAE	BAT Middle East For Trading LLC	Ordinary	0.00	100.00	100.00
United Arab Emirates	Jumeriah Business Centre 3, 37th Floor, Jumeirah Lake Towers, Dubai, P.O. Box 337222, United Arab Emirates	British American Tobacco GCC DMCC	Ordinary	0.00	100.00	100.00
United Arab Emirates	Jumeriah Business Centre 3, 37th Floor, Jumeirah Lake Towers, Dubai, P.O. Box 337222, United Arab Emirates	British American Tobacco ME DMCC	Ordinary	0.00	100.00	100.00
United Arab Emirates	Unit# 2680, DMCC Business Center- Level # 1, Jewellery & Gemplex 3 Dubai United Arab Emirates	British American Tobacco International DMCC	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Advanced Technologies (Cambridge) Limited (in Liquidation)	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T Cambodia (Investments) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T (U.K. and Export) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T Services Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T Uzbekistan (Investments) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T Vietnam Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	BATUS Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Shared Services Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Shared Services (GSD) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco (AIT) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco (Investments) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco (Philippines) Limited	Ordinary	0.00	100.00	100.00

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Notes to the financial statements for the year ended 31 December 2023**7 Investments / (1) Shares in Group undertakings**

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco (South America) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Georgia Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Global Travel Retail Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Exports Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British-American Tobacco (Mauritius) p.l.c.	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Carreras Rothmans Limited	6% first pref.	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Carreras Rothmans Limited	6% secondary pref. shares	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Carreras Rothmans Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Powhattan Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Rothmans Exports Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Rothmans International Tobacco (UK) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Rothmans of Pall Mall (Overseas) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Ryservs (1995) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Ryservs (No.3) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Tobacco Exporters International Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Tobacco Marketing Consultants Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Westanley Trading & Investment Company Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	British American Tobacco Healthcare Trustee Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	Westminster Tobacco Company Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	B.A.T Additional Retirement Benefit Scheme Trustee Limited	Ordinary	0.00	100.00	100.00

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Notes to the financial statements for the year ended 31 December 2023

7 Investments / (1) Shares in Group undertakings

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	British American Global Shared Services Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	British-American Tobacco (Holdings) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	Louisville Securities Limited	Ordinary	0.00	100.00	100.00
United Kingdom	212-218 Upper Newtownards Road, Belfast, BT4 3ET, Northern Ireland	Murray, Sons & Company, Limited	Ordinary	0.00	100.00	100.00
United States	4583 Guthrie Hwy, Clarksville, TN 37040, United States	American Snuff Company, LLC	Membership Interest	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	B.A.T Capital Corporation	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	BATUS Holdings Inc.	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	BATUS Japan, Inc.	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	BATUS Retail Services, Inc.	Common	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	BATUS Retail Services, Inc.	Common - subscription agreement	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	British American Tobacco (Brands) Inc.	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	Brown & Williamson Holdings Inc.	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	BT DE Investments Inc.	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	BTI 2014 LLC	Ordinary	100.00	0.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Vuse Stores LLC	Membership Interest	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Conwood Holdings, Inc.	Common	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	EXP Homes, LLC	Membership Interest	0.00	100.00	100.00
United States	3700 Airpark Dr, Owensboro, KY 42301	KBio Inc.	Ordinary	0.00	100.00	0.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Lorillard Licensing Company L.C	Membership Interest	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Lorillard, LLC	Membership Interest	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808	Louisville Corporate Services, Inc.	Ordinary	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Modoral Brands Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Northern Brands International, inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	R. J. Reynolds Global Products, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	R. J. Reynolds Tobacco Company	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	R. J. Reynolds Tobacco International, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	R. J. Reynolds Vapor Company	Common Stock	0.00	100.00	100.00

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Notes to the financial statements for the year ended 31 December 2023**7 Investments / (1) Shares in Group undertakings**

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
United States	401 N. Main Street, Winston-Salem, NC 27101	R.J. Reynolds Tobacco Co.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	R.J. Reynolds Tobacco Holdings, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	RAI Innovations Company	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	RAI International, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	RAI Services Company	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	RAI Strategic Holdings, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Reynolds Marketing Servicing Company	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Reynolds American Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Reynolds Brands Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Reynolds Technologies, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	RJR Realty Relocation Services, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	RJR Vapor Co., LLC	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Rosswil LLC	Membership Interest	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	S.F. Imports, Inc.	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Spot You More, Inc.	Common Stock	0.00	100.00	100.00
United States	Farmers Bank Building, Suite 1402, 301 N. Market Street, Wilmington, DE 19801	Reynolds Finance Company	Common Stock	0.00	100.00	100.00
United States	401 N. Main Street, Winston-Salem, NC 27101	Santa Fe Natural Tobacco Company, Inc.	Common Stock	0.00	100.00	100.00
Uzbekistan	77 Minor Passage, Tashkent, 100084, Uzbekistan	JSC JV "UZBAT A.O."	Ordinary	0.00	97.00	97.00

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Notes to the financial statements for the year ended 31 December 2023**7 Investments****(2) Investments in Associated Undertakings**

Country	Address	Company	Share Class	Direct interest (%)	Subsidiary Interest (%)	Attributable interest (%)
Canada	35 English Drive, Moncton, New Brunswick, E1E 3X3, Canada	Organigram Holdings Inc.	Ordinary	0.00	18.80	18.80
Italy	Via Messina 38 20154 Milano (MI), Italy	Erion Care	Ordinary	0.00	25.00	25.00
Nepal	Shree Bal Sadan, Gha 2-513, Kantipath, Kathmandu, Nepal	Surya Nepal Pvt. Limited	Ordinary	0.00	61.00	2.00
Uzbekistan	Gulobod Village, Samarkand Region, 140100, Uzbekistan	Foreign Enterprise "SAMFRUIT" JSC	Ordinary	0.00	45.40	45.40
Yemen	P.O. Box 14, Sanna, Yemen	Kamran Industry and Investment Company	Ordinary	0.00	25.00	25.00

B.A.T Industries p.l.c.

Notes to the financial statements for the year ended 31 December 2023**7 Investments****(3) Shareholdings at cost less provisions**

	Investments in Group Companies £'000
Cost	
1 January 2023	23,461,787
31 December 2023	23,461,787
Impairment provisions	
1 January 2023	(151,564)
Charge in the year	(113)
31 December 2023	(151,677)
Net book value	
1 January 2023	23,310,223
31 December 2023	23,310,110

During the period, the Company has booked an impairment to the value of £113,000 in its subsidiary Pathway 5 (Jersey) Ltd.

(4) The Directors are of the opinion that the individual investments in the Group undertakings have a value not less than the amount at which they are shown in the Balance Sheet.

8 Debtors**(a) Amounts falling due within one year**

	2023 £'000	2022 £'000
Amounts due from Group undertakings - gross	1,811,519	1,756,925
Allowances account	(1,015)	(980)
Amounts due from Group undertakings - net of allowances	1,810,504	1,755,945

Included within amounts due from Group undertakings is an amount of £1,811,519,637 (2022: £1,749,546,741) which is unsecured, interest bearing and repayable on demand. The Company has amounts receivable from fellow Group subsidiaries where the variable interest rate is in accordance with the Group's intercompany lending agreements. During 2021, the standard lending agreements within the Group were revised to take account of global benchmark interest rate reform. Prior to 1 August 2021 the applicable rate was based on LIBOR and with effect from this date it is based on the SONIA. Management consider the replacement rates in the revised intercompany agreement to be economically equivalent to those used previously. The impact of the change in rates was not significant to the Company. Amounts due from Group undertakings also include interest free loans that have been fully provided for during the year.

Other amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

The movement in allowances accounts is as follows:

	2023 £'000
1 January 2023	980
Increase in allowance	35
31 December 2023	1,015

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Notes to the financial statements for the year ended 31 December 2023**9 Creditors****(a) Amounts falling due within one year**

	2023	2022
	£'000	£'000
FII GLO --	34,649	34,649
Amounts owed to Group undertakings	41,911	37,359
	76,560	72,008

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

(b) Amounts falling due after one year

	2023	2022
	£'000	£'000
FII GLO	564,569	599,218
Amounts owed to Group undertakings	537	685
	565,106	599,903

FII GLO represents the portion of the receipt related to the Franked Investment Income Global Litigation Order ("FII GLO") allocated to the Company. The total gross amount received from HM Revenue and Customs ("HMRC") by the Group during 2015 was £1,224,000,000 in two separate payments.

HMRC held back £261,000,000 on the second payment received by the Group, contending that it represents a new 45% tax on the interest component of restitution claims against HMRC. In 2016 a further £1,244,000 was received by the Group from HMRC. The total cash allocated to the Company was £668,516,000 after an apportioned deduction of £167,373,000 representing the 45% tax described previously. In 2023, a payment in the amount of £34,649,000 was made to HMRC(2022: £34,649,000) by another Group undertaking on behalf of the Company, therefore the total cash allocated to the Company, after the last payment, is £599,218,000. The Company settled the payable to the Group undertaking in January 2024.

Amounts falling due within one year related for FII GLO are £34,649,000.

Actions challenging the legality of the 45% tax have been lodged by both the Group and other participants in FII GLO.

Due to the uncertainty of the amount and eventual outcome, the Company has not recognised this receipt in the profit and loss account in the current or prior period.

10 Provisions for liabilities

	FII GLO	Fox River	Total
	£'000	£'000	£'000
1 January 2023	126,717	54,624	181,341
Provided during the year	42,215	—	42,215
Utilised in the year	—	(10,497)	(10,497)
31 December 2023	168,932	44,127	213,059

Fox River

The opening position relates to a provision raised in 2011 for a potential claim under the 19198 settlement agreement entered into by the Company in respect of the clean-up of sediment in the lower Fox River (note 13). Based upon the Funding Agreement, signed in September 2014 between the Company, BTI 2014 LLC (a wholly owned subsidiary of the Company), NCR Corporation ("NCR"), Appvion Inc. ("Appvion") and Windward Prospects Limited ("Windward"), the Company paid £113,000 towards the cost of the clean-up and £10,384,000 of legal fees in 2023. Amounts falling due within one year out of the Fox River provision are £15,004,435.

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Notes to the financial statements for the year ended 31 December 2023**10 Provisions for liabilities (continued)****FII GLO**

A further provision £42,215,000 was raised in the year in respect of interest accrued on the amount received from the HM Revenue and Customs related to FII GLO as described in note 9. This is not expected to be settled within one year.

11 Called up share capital

Ordinary shares of £0.25 each	2023	2022
Allotted, called up and fully paid		
- value	£1,158,983,137	£1,158,983,137
- number	4,635,932,547	4,635,932,547

The called up share capital account records the nominal value of shares issued.

Share Premium Account

	2023	2022
- value	£22,939,631,391	£22,939,631,391

12 Related party disclosures

As a wholly owned subsidiary the Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 from disclosing transactions with other subsidiary undertakings of the Group.

13 Contingent liabilities

As at 31 December 2023, the Company was named and served as a defendant in the actions set out below:

Fox River**Background to environmental liabilities arising out of contamination of the Fox River**

1. US authorities identified potentially responsible parties ("PRPs"), including NCR, to fund the clean-up of polluted sediments in the Lower Fox River, Wisconsin. Discharges of Polychlorinated Biphenyls ("PCBs") from paper mills and other facilities operating close to the river caused that pollution.
2. The Company's involvement with the environmental liabilities arises out of (i) indemnity arrangements which it became party to due to various transactions that took place from the late-1970s onwards and (ii) subsequent litigation brought by NCR against the Company and Appvion (a former Group subsidiary) in relation to those arrangements.
3. Following substantial litigation in the United States regarding the responsibility for the costs of the clean-up operations, and enforcement proceedings brought by the US Government against NCR and Appvion to ensure compliance with regulatory orders made relating to the Fox River clean-up, the District Court of Wisconsin approved (on 23 August 2017) a form of settlement with the US Government known as a Consent Decree.
4. A key term of that Consent Decree is that NCR was obliged to perform and fund all of the remaining Fox River remediation work by itself.
5. A cost breakdown filed in support of the motion to approve the Consent Decree estimates the total Fox River clean-up costs (including NRDs) to be US\$1,346 million (approximately £1,055.6 million).
6. A further Consent Decree between the US Government, P.H. Glatfelter Company and Georgia-Pacific Consumer Products LP ("Georgia-Pacific"), approved by the Wisconsin District Court on 14 March 2019, concluded all remaining litigation relating to the Fox River. In November 2019, an arbitral tribunal awarded approximately US\$10 million (approximately £7.8 million) to the remediation contractor engaged by a limited liability company formed by NCR and Appvion to perform the Fox River clean-up operation. NCR has stated (in its 2021 Annual Report on Form 10-K) that its indemnitors and co-obligors were responsible for the majority of the award, with its own share being approximately 25%.

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Notes to the financial statements for the year ended 31 December 2023

13 Contingent liabilities (continued)

7. On 3 October 2022, the United States Environmental Protection Agency issued a Certificate of Completion in respect of remedial action for the Lower Fox River.

The Company's involvement with environmental liabilities arising out of the contamination of the Fox River

8. NCR's position is that, under the terms of a 1998 Settlement Agreement between it, Appvion and the Company, and a 2005 arbitration award, the Company and Appvion had a joint and several obligation to bear 60% of the Fox River environmental remediation costs imposed on NCR and of any amounts NCR has to pay in respect of other PRPs' contribution claims. The Company has not acknowledged any such liability to NCR and has defences to such claims.
9. Until May 2012, Appvion and Windward Prospects Limited ("Windward") (another former Group subsidiary) paid a 60% share of the clean-up costs incurred by NCR. The Company was never required to contribute. Around that time, Appvion refused to continue to pay clean-up costs, NCR therefore demanded that the Company pay a 60% share of those costs. The Company resisted NCR's demand and commenced proceedings against Windward and Appvion seeking confirmation of indemnities provided to it in respect of any liability it might have to NCR (the "English Indemnity Proceedings") pursuant to a 1990 de-merger agreement between those parties.

Funding Agreement of 30 September 2014

10. On 30 September 2014, the Company entered into a Funding Agreement with Windward, Appvion, NCR and BTI 2014 LLC ("BTI") (a wholly owned subsidiary of the Company). Pursuant to the Funding Agreement, the English Indemnity Proceedings (and a related counterclaim) and NCR-Appvion arbitration were discontinued. The parties agreed a framework through which they would together fund the ongoing costs of the Fox River clean-up.
11. NCR agreed to accept funding by the Company at the lower level of 50% of the ongoing clean-up related costs of the Fox River (rather than the 60% referenced above). This remains subject to an ability to litigate at a later stage the extent of the Company's liability (if any) in relation to Fox River clean-up related costs (including in respect of the 50% of costs that the Company has paid under the Funding Agreement to date). Additionally, Windward has contributed US\$10 million (approximately £7.8 million) of funding. Appvion has contributed US\$25 million (approximately £19.6 million) for Fox River and agreed to contribute US\$25 million (approximately £19.6 million) for the Kalamazoo River (see further below). Appvion entered Chapter 11 bankruptcy protection on 1 October 2017.
12. The parties also agreed to cooperate in order to maximise recoveries from certain claims made against third parties, including (i) a claim commenced by Windward in the High Court of England & Wales (the "High Court") against Sequana S.A. ("Sequana") and the former Windward Directors (the "Windward Dividend Claim"), assigned to BTI under the Funding Agreement, and which relates to dividend payments made by Windward to Sequana of around €443 million (approximately £384 million) in 2008 and €135 million (approximately £117.0 million) in 2009 (the "Dividend Payments") and (ii) a claim commenced by the Company directly against Sequana to recover the value of the Dividend Payments alleging that the dividends were paid for the purpose of putting assets beyond the reach of Windward's creditors (including the Company) (the "BAT section 423 Claim") (together, the "Sequana Proceedings").
13. Pursuant to a judgment of the High Court handed down on 11 July 2016, the court upheld BAT's section 423 Claim. By way of a consequential judgment dated 10 February 2017, the High Court ordered that Sequana pay to BTI an amount up to the full value of the 2009 Dividend plus interest, equating to around US\$185 million (approximately £145.1 million). The Court dismissed the Windward Dividend Claim.
14. The parties pursued cross appeals on the judgment and payments in respect of the judgment were stayed. On 6 February 2019 the Court of Appeal gave judgment upholding the High Court's findings, with one immaterial change to the method of calculating the damages awarded. Sequana remains liable to pay approximately US\$185 million (approximately £145.1 million) and around £10 million in costs to the Company.

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Notes to the financial statements for the year ended 31 December 2023

13 Contingent liabilities (continued)

15. On 15 May 2019, the Nanterre Commercial Court made an order placing Sequana into formal liquidation proceedings. To date, Sequana has made no payments to the Company. Because of Sequana's ongoing insolvency process, execution of that judgment is stayed.
16. BTI subsequently appealed to the Supreme Court in respect of the Windward Dividend Claims. On 5 October 2022, the Supreme Court handed down its judgment, dismissing BTI's appeal.
17. BTI has brought claims against certain of Windward's former advisers, including Windward's auditors at the time of the dividend payments, PricewaterhouseCoopers LLP ("PwC") (which claims were also assigned to BTI under the Funding Agreement). BTI's claim against PwC is progressing in the High Court and the trial is scheduled to take place in the summer of 2024. An agreed stay is in place in respect of BTI's separate assigned claim against Freshfields Bruckhaus Deringer.
18. The sums the Company has paid under the Funding Agreement are subject to the reservation as set out in paragraph 11 above and ongoing adjustment. Clean-up costs can only be estimated in advance of the work being carried out and certain sums payable are the subject of ongoing US litigation. In 2019, the Company paid £32 million in respect of clean-up costs. In 2020, the Company paid £2 million in respect of clean-up costs. In 2021, the Company paid a further £1.8 million in respect of clean-up costs. In 2022, the Company has paid an additional £0.8 million in respect of clean-up costs. The Company is potentially liable for further costs associated with the clean-up. The Company has a provision of £44.1 million which represents the current best estimate of its exposure - see note 10.

Kalamazoo

19. Georgia-Pacific, a designated PRP in respect of the Kalamazoo River in Michigan, also pursued NCR in relation to remediation costs caused by PCBs released into that river. On 26 September 2013, the United States District Court, Michigan held that NCR was liable as a PRP on the basis that it had arranged for the disposal of hazardous material for the purposes of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"). Following further litigation, on 11 December 2019, NCR announced that it had entered into a Consent Decree with the US Government and the State of Michigan (subsequently approved by the Michigan Court on 2 December 2020), pursuant to which it assumed liability for certain remediation work at the Kalamazoo River. The payments to be made on the face of the Consent Decree in respect of such work total approximately US\$245 million (approximately £192 million). The Consent Decree also provides for the payment by NCR of an outstanding judgment against it of approximately US\$20 million (approximately £15.7 million) to Georgia-Pacific.
20. The quantum of the clean-up costs for the Kalamazoo River is presently unclear. It seems likely to exceed the amounts payable on the face of the Consent Decree.
21. On 10 February 2023, NCR filed a complaint in the United States District Court for the Southern District of New York against the Company, seeking a declaration that the Company must compensate NCR for 60% of costs NCR has incurred and incurs relating to the Kalamazoo River on the asserted basis that the Kalamazoo River constitutes a 'Future Site' for the purposes of the Settlement Agreement. The Funding Agreement described above does not resolve any such claims. On 23 June 2023, the Company filed its Defense and Counterclaims in these proceedings. On 2 October 2023, NCR filed a Motion for declaratory judgment on its complaint and to strike out the Company's affirmative Defenses and Counterclaims. The Company has filed its Reply to this Motion. The Motion is expected to be heard in February 2024.
22. The Company also anticipates that NCR will seek to recover from Appvion (subject to a cap of US\$25 million (approximately £19.6 million)) for 'Future Sites' under the Funding Agreement. The effect of Appvion's Chapter 11 bankruptcy proceedings on its liability for 'Future Sites' payments under the Funding Agreement is currently uncertain. NCR has indicated that if it is unable to obtain recovery from Appvion then it will seek to recover such from the Company as part of the 60% referred to in paragraph 21 above.
23. In summary, the Company is and has been taking active steps to protect its interests. These include preparation of all its defences and counterclaim, seeking to procure the repayment of the Windward dividends, pursuing the other valuable claims that are now within its control, and working with the other

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Notes to the financial statements for the year ended 31 December 2023

13 Contingent liabilities (continued)

parties to the Funding Agreement to maximise recoveries from third parties with a view to ensuring that amounts funded towards clean-up related costs are later recouped under the agreed repayment mechanisms under the Funding Agreement.

Canada

24. There is currently a stay of proceedings of all Canadian tobacco litigation pending against the Company. On 1 March 2019, the Quebec Court of Appeal handed down a judgment which largely upheld and endorsed the lower court's previous decision in two Quebec class actions (the "Quebec Class Actions"). The share of the judgment for Imperial Tobacco Canada Limited ("Imperial"), the British American Tobacco operating company in Canada, is approximately CAD\$9.2 billion (approximately £5.5 billion). As a result of this judgment, there were attempts by the Quebec plaintiffs to obtain payment out of the CAD\$758 million (approximately £451 million) on deposit with the court. JTI-MacDonald Corp (a co-defendant in the cases) filed for creditor protection under the Companies' Creditors Arrangement Act (the "CCAA") on 8 March 2019. A court order to stay all tobacco litigation in Canada against all defendants (including R. J. Reynolds Tobacco Company ("RJRT") and its affiliate R.J. Reynolds Tobacco International Inc. There is currently a stay of proceedings of all Canadian tobacco litigation pending against the Company. On 1 March 2019, the Quebec Court of Appeal handed down a judgment which largely upheld and endorsed the lower court's previous decision in two Quebec class actions (the "Quebec Class Actions"). The share of the judgment for Imperial Tobacco Canada Limited ("Imperial"), the British American Tobacco operating company in Canada, is approximately CAD\$9.2 billion (approximately £5.5 billion). As a result of this judgment, there were attempts by the Quebec plaintiffs to obtain payment out of the CAD\$758 million (approximately £451 million) on deposit with the court. JTI-MacDonald Corp (a co-defendant in the cases) filed for creditor protection under the Companies' Creditors Arrangement Act (the "CCAA") on 8 March 2019. A court order to stay all tobacco litigation in Canada against all defendants (including R. J. Reynolds Tobacco Company ("RJRT") and its affiliate R.J. Reynolds Tobacco International Inc. (collectively, the "RJR Companies")) until 4 April 2019 was obtained, and the need for a mediation process to resolve all the outstanding litigation across the country was recognised. On 12 March 2019 Imperial filed for creditor protection under the CCAA. In its application Imperial asked the Ontario Superior Court to stay all pending or contemplated litigation against Imperial, certain of its subsidiaries and all other Group companies that were defendants in the Canadian tobacco litigation, including the Company, British American Tobacco Plc, British American Tobacco (Investments) Limited ("Investments") and Carreras Rothmans Limited (collectively, the "UK Companies"). On 22 March 2019 Rothmans, Benson & Hedges Inc. also filed for CCAA protection and obtained a stay of proceedings (together with the other two stays, the "Stays"). The Stays are currently in place until 29 March 2024. While the Stays are in place, no steps are to be taken in connection with the Canadian tobacco litigation with respect to any of the defendants.
25. The below represents the state of the referenced litigation as at the advent of the Stays.
26. Following the implementation of legislation enabling provincial governments to recover health-care costs directly from tobacco manufacturers, 10 actions for recovery of health-care costs arising from the treatment of smoking and health-related diseases have been brought. These proceedings name various Group companies as defendants, including the UK Companies and Imperial as well as the RJR Companies. Pursuant to the terms of the 1999 sale of RJRT's international tobacco business to Japan Tobacco Incorporated ("JTI"), JTI has agreed to indemnify RJRT for all liabilities and obligations (including litigation costs) arising in respect of the Canadian recoupment actions. Subject to a reservation of rights, JTI has assumed the defence of the RJR Companies in these actions.
27. The 10 cases were proceeding in British Columbia, New Brunswick, Newfoundland and Labrador, Ontario, Quebec, Manitoba, Alberta, Saskatchewan, Nova Scotia and Prince Edward Island. The enabling legislation is in force in all 10 provinces. In addition, legislation has received Royal Assent in two of the three territories in Canada, but has yet to be proclaimed into force.

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Notes to the financial statements for the year ended 31 December 2023**13 Contingent liabilities (continued)**

Canadian province	Act pursuant to which Claim was brought	Companies named as Defendants	Current stage
British Columbia	Tobacco Damages and Health Care Costs Recovery Act 2000	Imperial, Investments, the Company, Carreras Rothmans Limited, the RJR Companies and other former Rothmans Group companies have been named as defendants and served.	The defences of Imperial, Investments, the Company, Carreras Rothmans Limited and the RJR Companies have been filed, and document production and discoveries were ongoing. On 13 February 2017 the Province delivered an expert report dated October 2016, quantifying its damages in the amount of CAD\$118 billion (approximately £70.2 billion). No trial date has been set. The federal government is seeking CAD\$5 million (approximately £3.0 million) jointly from all the defendants in respect of costs pertaining to the third-party claim, now dismissed.
New Brunswick	Tobacco Damages and Health Care Costs Recovery Act 2006	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	The defences of Imperial, the UK Companies and the RJR Companies have been filed and document production and discoveries are substantially complete. The most recent expert report filed by the Province estimated a range of damages between CAD\$11.1 billion (approximately £6.6 billion) and CAD\$23.2 billion (approximately £13.8 billion), including expected future costs. Following a motion to set a trial date, the New Brunswick Court of Queen's Bench ordered that the trial commence on 4 November 2019. On 7 March 2019, the New Brunswick Court of Queen's Bench released a decision which requires the Province to produce a substantial amount of additional documentation and data to the defendants. As a result, the original trial date of 4 November 2019 would have been delayed. No new trial date has been set.
Ontario	Tobacco Damages and Health Care Costs Recovery Act 2009	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	The defences of Imperial, the UK Companies and the RJR Companies have been filed. The parties completed significant document production in the summer of 2017 and discoveries commenced in the autumn of 2018. On 15 June 2018, the Province delivered an expert report quantifying its damages in the range of CAD\$280 billion (approximately £167 billion) – CAD\$630 billion (approximately £375 billion) in 2016/2017 dollars for the period 1954 – 2060, and the Province amended the damages sought in its Statement of Claim to CAD\$330 billion (approximately £196.3 billion). On 31 January 2019, the Province delivered a further expert report claiming an additional amount between CAD\$9.4 billion (approximately £5.6 billion) and CAD\$10.9 billion in damages (approximately £6.5 billion) in respect of environmental tobacco smoke. No trial date has been set.

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Notes to the financial statements for the year ended 31 December 2023**13 Contingent liabilities (continued)**

Canadian province	Act pursuant to which Claim was brought	Companies named as Defendants	Current stage
Newfoundland and Labrador	Tobacco Health Care Costs Recovery Act 2001	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	The case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the Province began its document production in March 2018. Damages have not been quantified by the Province. No trial date has been set.
Saskatchewan	Tobacco Damages and Health Care Costs Recovery Act 2007	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the Province has delivered a test shipment of documents. Damages have not been quantified by the Province. No trial date has been set.
Manitoba	Tobacco Damages Health Care Costs Recovery Act 2006	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and document production commenced. Damages have not been quantified by the Province. No trial date has been set.
Alberta	Crown's Right of Recovery Act 2009	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the Province commenced its document production. The Province has stated its claim to be worth CAD\$10 billion (approximately £5.9 billion). No trial date has been set.
Quebec	Tobacco Related Damages and Health Care Costs Recovery Act 2009	Imperial, Investments, the Company, the RJR Companies and Carreras Rothmans Limited have been named as defendants and served.	The case is at an early case management stage. The defences of Imperial, Investments, the Company, Carreras Rothmans Limited and the RJR Companies have been filed. Motions over admissibility of documents and damages discovery have been filed but not heard. The Province is seeking CAD\$60 billion (approximately £35.7 billion). No trial date has been set.
Prince Edward Island	Tobacco Damages and Health Care Costs Recovery Act 2009	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the next step was expected to be document production, which the parties deferred for the time being. Damages have not been quantified by the Province. No trial date has been set.
Nova Scotia	Tobacco Health Care Costs Recovery Act 2005	Imperial, the UK Companies and the RJR Companies have all been named as defendants and served.	This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed. The Province provided a test document production in March 2018. Damages have not been quantified by the Province. No trial date has been set.

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Notes to the financial statements for the year ended 31 December 2023

13 Contingent liabilities (continued)

Canadian Smoking and Health Class Actions

28. Seven putative class actions, described below, have been filed in various Canadian provinces against the Company and include various Canadian and non-Canadian tobacco-related entities, including the other UK Companies, Imperial and the RJR Companies. In these cases, none of which have quantified their asserted damages, the plaintiffs allege claims based on fraud, fraudulent concealment, breach of warranty of merchantability, and of fitness for a particular purpose, failure to warn, design defects, negligence, breach of a 'special duty' to children and adolescents, conspiracy, concert of action, unjust enrichment, market share liability and violations of various trade practices and competition statutes. Pursuant to the terms of the 1999 sale of RJRT's international tobacco business, and subject to a reservation of rights, JTI has assumed the defence of the RJR Companies in these seven actions (Semple, Kunka, Adams, Dorion, Bourassa, McDermid and Jacklin, discussed below).
29. In June 2009, four smoking and health class actions were filed in Nova Scotia (Semple), Manitoba (Kunka), Saskatchewan (Adams) and Alberta (Dorion) against various Canadian and non-Canadian tobacco-related entities, including the UK Companies, Imperial and the RJR Companies. In Saskatchewan, British American Tobacco Plc, Carreras Rothmans Limited and Ryeseeks p.l.c. have been released from Adams, and the RJR Companies have brought a motion challenging the jurisdiction of the court. There are service issues in relation to Imperial and the UK Companies in Alberta and in relation to the UK Companies in Manitoba. These actions were in abeyance and no dates were set for any certification hearings.
30. In June 2010, two further smoking and health class actions were filed in British Columbia against various Canadian and non-Canadian tobacco-related entities, including Imperial, the UK Companies and the RJR Companies. The Bourassa claim is allegedly on behalf of all individuals who have suffered chronic respiratory disease and the McDermid claim proposes a class based on heart disease. Both claims state that they have been brought on behalf of those who have 'smoked a minimum of 25,000 cigarettes.' The UK Companies, Imperial, the RJR Companies and other defendants objected to jurisdiction. Subsequently, British American Tobacco Plc, Carreras Rothmans Limited and Ryeseeks p.l.c. were released from Bourassa and McDermid. The Company, Imperial, Investments, and the RJR Companies remain as defendants in both actions. The plaintiffs did not serve their certification motion materials and no dates for certification motions were set.
31. In June 2012, a smoking and health class action was filed in Ontario (Jacklin) against various Canadian and non-Canadian tobacco-related entities, including the UK Companies, Imperial and the RJR Companies. The claim has been in abeyance.

Conclusion

32. While it is impossible to be certain of the outcome of any particular case or of the amount of any possible adverse verdict, the Company believes that the defences of the Company to all these various claims are meritorious on both the law and the facts, and a vigorous defence is being made everywhere. If an adverse judgment is entered against the Company, all avenues of appeal will be pursued. Such appeals could require the appellants to post appeal bonds or substitute security in amounts which could in some cases equal or exceed the amount of the judgment. At least in the aggregate, and despite the quality of defences available to the Company, it is not impossible that the Company's results of operations or cash flows in particular quarterly or annual periods could be materially affected by this and by the final outcome of any particular litigation.
33. Having regard to all these matters, with the exception of Fox River, the Company does not consider it appropriate to make any provision in respect of any pending litigation. The Company does not believe that the ultimate outcome of this litigation will significantly impair the Company's financial condition.

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Notes to the financial statements for the year ended 31 December 2023

14 Parent undertakings

The Company's ultimate parent undertaking and ultimate controlling party is British American Tobacco p.l.c. being incorporated in the United Kingdom and registered in England and Wales. The Company's immediate parent undertaking is Weston (2009) Limited. Group financial statements are prepared only at Group level and may be obtained from:

The Company Secretary
Globe House
4 Temple Place
London
WC2R 2PG