

## ALTERNATIVE PERFORMANCE MEASURES

### Use of alternative performance measures

Management believes that non-GAAP or alternative performance measures provide an important comparison of business performance and reflect the way in which the business is controlled. The alternative performance measures seek to remove the distorting effects of a number of significant gains or losses arising from transactions which are not directly related to the ongoing underlying performance of the business and may be non-recurring events or not directly within the control of management.

Accordingly, alternative performance measures exclude, where applicable, amortisation and impairment of acquired intangibles, profit/loss on disposal of subsidiaries, Russia, Ukraine and associated markets, restructuring costs, business acquisition and disposal costs, fair value adjustment and impairment of other financial assets, charges related to legal provisions, structural changes to defined benefit pension schemes, fair value and exchange gains and losses on financial instruments, post-employment benefits net financing cost, and related tax effects and tax matters. Other significant gains or losses which are not representative of the underlying business may also be treated as adjusting items where there is appropriate justification. The alternative performance measures in this report are not defined terms under IFRS and may not be comparable with similarly titled measures reported by other companies. The alternative performance measures that are used by the Group are defined and reconciled back to the associated IFRS metrics as detailed below.

### Summary of key adjusting items

The items excluded from adjusted performance results are those which are one-off in nature or items which arose due to acquisitions and are not influenced by the day to day operations of the Group, and the movements in the fair value of financial instruments which are marked to market and not naturally offset. Adjusted net finance costs also excludes all post-employment benefit net finance cost since pension assets and liabilities and redundancy and social plan provisions do not form part of adjusted net debt. This allows comparison of the Group's cost of debt with adjusted net debt. The adjusted performance measures are used by management to assess the Group's financial performance and aid comparability of results year on year.

### Consolidated income statement adjusting items

The following tables summarise the key items recognised within the consolidated income statement that have been treated as adjusting items:

#### Adjusting items recognised within administrative and other expenses

£ million	Notes	2023	2022
Russia, Ukraine and associated markets		(4)	(399)
Amortisation and impairment of acquired intangibles		(347)	(349)
Restructuring costs	5	-	(197)
Fair value adjustment and impairment of other financial assets		(36)	(37)
Loss on disposal of subsidiaries		(1)	(29)
Acquisition and disposal costs		-	(5)
Excise tax provision		-	9
Charges related to legal provisions		(85)	-
Structural changes to defined benefit pension schemes		(12)	(4)
Total adjusting administrative and other expenses		(485)	(1,011)
Total non-adjusting administrative and other expenses		(455)	(323)
Administrative and other expenses		(940)	(1,334)

### Russia, Ukraine and associated markets

In the current year the £4 million adjusted net charge relates to £18 million of costs relating to Ukraine partially offset by £14 million release of other market exit provisions. The Ukraine costs relates to factory repairs and the redeployment of the production facility to service only the domestic market. The release of the market exit provisions primarily relates to potential tax liabilities with insufficient certainty over the quantum of future charges.

In the comparative period, the portion of the loss on exit of the Russian and associated markets adjusted out of operating profit was £399 million comprising a loss on transfer of Russian operations of £364 million and impairment of assets and exit costs of the associated markets of £35 million.

### Amortisation and impairment of acquired intangibles

Acquired intangibles are amortised over their estimated useful economic lives where these are considered to be finite. Acquired intangibles considered to have an indefinite life are not amortised. Any negative goodwill arising is recognised immediately in the income statement. The Group exclude from our adjusted performance measures the amortisation and impairment of acquired intangibles, other than software and internally generated intangibles, and the deferred tax associated with amortisation of acquired intangibles. Gains and losses on the sale of intellectual property are removed from adjusted operating profit.

It is recognised that there may be some correlation between the amortisation charges derived from the acquisition value of acquired intangibles, and the subsequent future profit streams arising from sales of associated branded products. However, the amortisation of intangibles is not directly related to the operating performance of the business. Conversely, the level of profitability of branded products is directly influenced by day to day commercial actions, with variations in the level of profit derived from branded product sales acting as a clear indicator of performance. Given this, the Group's view is that amortisation and impairment charges do not clearly correlate to the ongoing variations in the commercial results of the business and are therefore excluded to allow a clearer view of the underlying performance of the organisation. The deferred tax arising on intangibles which are either being amortised or are fully amortised is excluded on the basis that amortisation of intangibles is not directly related to the operating performance of the business. The related current cash tax benefit is retained in the adjusted measure to reflect the ongoing tax benefit to the Group.

Total amortisation and impairment for the year is £392 million (2022: £394 million) of which £347 million (2022: £349 million) relates to acquired intangibles and is adjusting and £45 million (2022: £45 million) relates to internally generated intangibles and is non adjusting. In the year to 30 September 2023 adjusting items all relate to amortisation. £339 million (2022: £323 million) is attributable to Tobacco & NGP and £8 million (2022: £26 million) is attributable to distribution.

### Restructuring costs

Significant one-off costs incurred in integrating acquired businesses and in major rationalisation and optimisation initiatives together with their related tax effects are excluded from our adjusted earnings measures. These include restructuring costs incurred as part of fundamental multi-year transformational change projects but do not include costs related to ongoing cost reduction activity. These costs are all Board approved, and include impairment of property, plant and equipment which are surplus to requirements due to restructuring activity. These costs are required in order to address structural issues associated with operating within the Tobacco sector that have required action to both modernise and right-size the organisation, ultimately delivering an operating model suitable for the future of the business. The Group's view is that as these costs are both significant and one-off in nature, excluding them allows a clearer presentation of the underlying costs of the business.

No new restructuring programmes were initiated in the current financial year and no charges arose relating to historic restructuring programmes. As a consequence, no restructuring charge adjustments were made in the calculation of any alternative performance metrics within the current financial year.

### Fair value adjustment and impairment of other financial assets

As the movement in the fair value of loan receivables associated with the investment in Auxly Cannabis Group Inc. has the potential to be significant and does not show a fair representation of the day-to-day operational performance of the asset, it is treated as an adjusting item. The fair value adjustment also includes changes in the carrying value of certain financial assets held by ITG Brands.

### Loss on disposal of subsidiaries / acquisition and disposal costs

Adjusted performance measures exclude costs and profits or losses associated with major acquisitions and disposals as they do not relate to the day-to-day operational performance of the Group. Acquisition and disposal costs, and profits or losses on disposal of subsidiaries can be significant in size and are one-off in nature. Exclusion of these items allows a clearer presentation of the day-to-day underlying income and costs of the business. Where applicable and not reported separately, this includes changes in contingent or deferred consideration.

### Charges related to legal provisions

The adjusting item relates to legal provisions that the Group has provided for (see note 24). These are potential liabilities arising from a number of legacy legal disputes across the Group that have been in the courts for several years and which the Group have considered as being unrelated to ongoing business performance and therefore adjusted. The final settlement and agreement of these cases still remain uncertain but future outflows are still expected.

### Structural changes to defined benefit pension schemes

These are non-recurring pension scheme restructuring costs. They comprise £8m of net costs related to the closure of the UK defined benefit retirement scheme to future accrual and £4m settlement charge on the full closure of the New Zealand defined benefit scheme.

In 2022, there was a charge relating to the restructuring of the Irish defined benefit pension scheme of £4 million.

### Adjusting items recognised within share of profit/(loss) of investments accounted for using the equity method

£ million	2023	2022
Impairment of intangible assets held by Global Horizon joint venture	-	(24)
Other profits from investments accounted for using the equity method	7	9
Share of profits/(losses) of investments accounted for using the equity method	7	(15)

### Adjusting items recognised within tax

£ million	2023	2022
Deferred tax on amortisation of acquired intangibles	(4)	15
Tax on net foreign exchange and fair value gains and losses on financial instruments	89	(183)
Tax on post-employment benefits net financing cost	-	-
Tax on restructuring costs	-	49
Tax on disposal of subsidiaries	-	8
Tax on charges relating to legal provisions	26	-
Tax on structural changes to defined benefit pension schemes	3	-
Tax on fair value adjustment and impairment of other financial assets	5	-
Tax on interest settlements	2	-
Recognition of deferred tax assets	212	-
Provision for state aid tax recoverable	-	(101)
Uncertain tax positions	(207)	63
Deferred tax on unremitted earnings	-	26
Tax on unrecognised losses	-	(8)
Other non-adjusting taxation charges	(781)	(755)
Reported tax	(665)	(886)

### Tax adjustments related to other pre-tax adjusting items

The adjusted tax charge has been calculated to include the tax effects of a number of pre-tax adjusting items including the amortisation of acquired intangibles, net foreign exchange gains and losses, fair value movements on financial instruments, restructuring costs and post-employment benefits net financing cost. The tax effect of the result of the disposal of subsidiaries has also been adjusted.

### Significant one-off tax charges or credits

The adjusted tax charge also excludes significant one-off tax charges or credits arising from:

- prior period tax items (including re-measurement of deferred tax balances on a change in tax rates); or
- a provision for uncertain tax items not arising in the normal course of business; or
- newly enacted taxes in the year; or
- tax items that are closely related to previously recognised tax matters, and are excluded from our adjusted tax charge to aid comparability and understanding of the Group's performance.

The recognition and utilisation of deferred tax assets relating to tax losses and tax credits not historically generated in the normal course of business are excluded on the same basis.

### Uncertain tax positions

Significant one-off tax charges or credits arising from a provision for uncertain tax items not arising in the normal course of business are excluded from the adjusted tax charge.

### Recognition of deferred tax assets

Significant one-off tax charges or credits arising from prior period items, and arising due to a change of facts and circumstances in the current year, are excluded from the adjusted tax charge. The recognition of deferred tax assets relating to the uplifted value of intangibles in the Group's Dutch business are excluded from the adjusted tax charge on this basis.

### Provision for state aid tax recoverable

Significant one-off tax charges or credits arising from prior period items are excluded from the adjusted tax charge. The provision against the state aid tax recoverable is excluded from the adjusted tax charge on this basis.

### Deferred tax on unremitted earnings

Significant one-off tax charges or credits arising from prior period items are excluded from the adjusted tax charge. The tax effect of the release of a provision for deferred tax on unremitted earnings is excluded from the adjusted tax charge on this basis.

### Tax on unrecognised losses

The recognition and utilisation of deferred tax assets relating to losses not historically generated in the normal course of business are excluded from the adjusted tax charge.

## DEFINITIONS AND RECONCILIATIONS OF ALTERNATIVE PERFORMANCE MEASURES

### A) Net revenue Tobacco & NGP and net revenue excluding Russia

Tobacco & Next Generation Products (NGP) net revenue comprises associated revenue less duty and similar items, excluding peripheral products. Management considers this an important measure in assessing the performance of Tobacco & NGP operations.

The Group recognises revenue on sales to Logista, a Group company, within its reported Tobacco & NGP revenue figure. As the revenue calculation includes sales made to Logista from other Group companies but excludes Logista's external sales, this metric differs from revenue calculated under IFRS accounting standards. For the purposes of alternative performance measures on net revenue the Group treats Logista as an arm's length distributor on the basis that contractual rights are in line with other Third Party suppliers to Logista. Variations in the amount of inventory held by Logista results in a different level of revenue compared to that which is included within the income statement. For tobacco product sales, inventory level variations are normally not significant. For the purpose of showing comparable year-on-year metrics the Group have included a net revenue excluding Russia measure excluding the results of the Russia business in the comparative figures, following the disposal of that operation in April 2022.

#### Reconciliation from Tobacco & NGP revenue to Tobacco & NGP net revenue and net revenue excluding Russia

£ million	2023			2022		
	Tobacco	NGP	Total	Tobacco	NGP	Total
Revenue	22,114	299	22,413	23,232	224	23,456
Duty and similar items	(14,364)	(34)	(14,398)	(15,628)	(16)	(15,644)
Sale of peripheral products	(3)	-	(3)	(19)	-	(19)
Net Revenue	7,747	265	8,012	7,585	208	7,793
Russia net revenue	-	-	-	(56)	-	(56)
Net revenue excluding Russia	7,747	265	8,012	7,529	208	7,737

### B) Distribution gross profit

Distribution gross profit comprises the Distribution segment revenue less the cost of distributed products. Management considers this an important measure in assessing the performance of Distribution operations. Distribution gross profit was previously described as Distribution net revenue. There has been no change in calculation of this metric.

#### Reconciliation from distribution revenue to distribution gross profit

£ million	2023	2022
Revenue – Distribution	10,819	9,756
Cost of sales – Distribution	(9,353)	(8,710)
Distribution gross profit	1,466	1,046

### C) Adjusted operating profit and adjusted operating profit excluding Russia

Adjusted operating profit is calculated as operating profit amended for a number of adjustments; the principal changes are detailed below. This measure is separately calculated and disclosed for Tobacco, NGP and Distribution where appropriate. For the purpose of showing comparable year-on-year metrics we have included an adjusted operating profit measure excluding the results of the Russia business in the comparative figures, following the disposal of that operation in April 2022. For the year ending 30 September 2023 the previously combined adjusted operating profit metric for Tobacco and NGP has been split into its two component parts.

### Reconciliation from profit before tax to adjusted operating profit and adjusted operating profit excluding Russia

£ million	2023	2022
Profit before tax	3,111	2,551
Net finance costs	298	117
Share of (profit)/loss of investments accounted for using the equity method	(7)	15
Operating profit	3,402	2,683
Russia, Ukraine and associated markets	4	399
Amortisation and impairment of acquired intangibles	347	349
Restructuring costs	-	197
Fair value adjustment and impairment of other financial assets	36	37
Loss on disposal of subsidiaries	1	29
Acquisition and disposal costs	-	5
Excise tax provision	-	(9)
Charges related to legal provisions	85	-
Structural changes to defined benefit pension schemes	12	4
Total adjustments	485	1,011
Adjusted operating profit	3,887	3,694
Russia operating profit	-	5
Adjusted operating profit excluding Russia	3,887	3,689

### Reconciliation from tobacco & NGP operating profit to adjusted operating profit

£ million	2023			2022		
	Tobacco	NGP	Total	Tobacco	NGP	Total
Operating profit/(loss)	3,262	(156)	3,106	2,599	(127)	2,472
Russian, Ukraine and associated markets	4	-	4	399	-	399
Amortisation and impairment of acquired intangibles	334	5	339	320	3	323
Restructuring costs	-	-	-	197	-	197
Loss on disposal of subsidiaries	1	-	1	13	-	13
Fair value adjustment and impairment of other financial assets	20	16	36	-	37	37
Acquisition and disposal costs	-	-	-	5	-	5
Excise tax provision	-	-	-	(9)	-	(9)
Charges related to legal provisions	85	-	85	-	-	-
Structural changes to defined benefit pension schemes	12	-	12	4	-	4
Adjusted operating profit/(loss)	3,718	(135)	3,583	3,528	(87)	3,441
Russia operating profit	-	-	-	5	-	-
Adjusted operating profit/(loss) excluding Russia	3,718	(135)	3,583	3,523	(87)	3,436

### Reconciliation from distribution operating profit to distribution adjusted operating profit

£ million	2023	2022
Distribution operating profit	298	212
Loss on disposal of subsidiaries	-	16
Amortisation of acquired intangibles	8	26
Distribution adjusted operating profit	306	254

See note 11 for details on amortisation and impairment, note 10 for details of acquisition and disposal costs, and note 5 for details of restructuring costs.

### D) Adjusted operating profit margin

Adjusted operating profit margin is adjusted operating profit divided by net revenue expressed as a percentage. This measure is separately calculated and disclosed for the Tobacco & NGP and Distribution businesses where appropriate. There is no reconciliation required for this metric.

### E) Adjusted net finance costs

Adjusted net finance costs excludes the movements in the fair value of financial instruments which are marked to market and not naturally offset. This measure also excludes all post-employment benefit net finance costs since pension assets and liabilities and redundancy and social plan provisions do not form part of adjusted net debt. This allows comparison of the Group's cost of debt with adjusted net debt.

IFRS 9 requires that all derivative financial instruments are recognised in the consolidated balance sheet at fair value, with changes in the fair value being recognised in the consolidated income statement unless the instrument satisfies the hedge accounting rules under IFRS and the Group chooses to designate the derivative financial instrument as a hedge.

The Group hedges underlying exposures in an efficient, commercial and structured manner. However, the strict hedging requirements of IFRS 9 may lead to some commercially effective hedge positions not qualifying for hedge accounting. As a result, and as permitted under IFRS 9, the Group has decided not to apply cash flow or fair value hedge accounting for its derivative financial instruments. However, the Group does apply net investment hedging, designating certain borrowings and derivatives as hedges of the net investment in the Group's foreign operations, as permitted by IFRS 9, in order to reduce income statement volatility.

The Group excludes fair value gains and losses on derivative financial instruments and exchange gains and losses on borrowings from adjusted net finance costs. Fair value gains and losses on the interest element of derivative financial instruments are excluded as there is no direct natural offset between the movements on derivatives and the interest charge on debt in any one period, as the derivatives and debt instruments may be contracted over different periods, although they will reverse over time or are matched in future periods by interest charges. The fair value gains on derivatives are excluded as they can introduce volatility in the finance charge for any given period.

Fair value gains and losses on the currency element of derivative financial instruments and exchange gains and losses on borrowings are excluded as the relevant foreign exchange gains and losses on the instruments in a net investment hedging relationship are accumulated as a separate component of other comprehensive income in accordance with the Group's policy on foreign currency.

Fair value movements arising from the revaluation of contingent consideration liabilities are adjusted out where they represent one-off acquisition costs that are not linked to the current period underlying performance of the business. Fair value adjustments on loans receivable measured at fair value are excluded as they arise due to counterparty credit risk changes that are not directly related to the underlying commercial performance of the business.

The net interest on defined benefit assets or liabilities, together with the unwind of discount on redundancy, social plans and other long-term provisions are reported within net finance costs. These items together with their related tax effects are excluded from our adjusted earnings measures, as they primarily represent charges associated with historic employee benefit commitments, rather than the ongoing current period costs of operating the business.

### Reconciliation from reported net finance costs to adjusted net finance costs

£ million	2023	2022
Reported net finance costs	298	117
Fair value gains on derivative financial instruments	707	1,483
Fair value losses on derivative financial instruments	(568)	(1,213)
Exchange gains/(losses) on financing activities	10	(69)
Net fair value and exchange gains on financial instruments	149	201
Interest income on net defined benefit assets	178	107
Interest cost on net defined benefit liabilities	(165)	(99)
Post-employment benefits net financing income	13	8
Tax settlement interest cost	(50)	-
Adjusted net finance costs	410	326
Comprising:		
Interest income on bank deposits	(12)	(9)
Interest cost on lease liabilities	10	6
Interest cost on bank and other loans	412	329
Adjusted net finance costs	410	326

## F) Adjusted tax charge

The adjusted tax charge is calculated by amending the reported tax charge for significant one-off tax charges or credits arising from:

- prior period tax items (including re-measurement of deferred tax balances on a change in tax rates); or
- a provision for uncertain tax items not arising in the normal course of business; or
- newly enacted taxes in the year; or
- tax items that are closely related to previously recognised tax matters, and are excluded from our adjusted tax charge to aid comparability and understanding of the Group's performance.

The recognition and utilisation of deferred tax assets relating to losses not historically generated in the normal course of business are excluded on the same basis.

The adjusted tax rate is calculated as the adjusted tax charge divided by the adjusted profit before tax.

### Reconciliation from reported tax to adjusted tax

£ million	2023	2022
Reported tax	655	886
Deferred tax on amortisation of acquired intangibles	(4)	15
Tax on net foreign exchange and fair value gains and losses on financial instruments	89	(183)
Tax on post-employment benefits net financing cost	-	-
Tax on restructuring costs	-	49
Tax on disposal of subsidiaries	-	8
Tax on charges relating to legal provisions	26	-
Tax on structural changes to defined benefit pension schemes	3	-
Tax on fair value adjustment and impairment of other financial assets	5	-
Tax on interest settlements	2	-
Recognition of deferred tax assets	212	-
Provision for state aid recoverable	-	(101)
Uncertain tax positions	(207)	63
Deferred tax on unremitted earnings	-	26
Tax on unrecognised losses	-	(8)
Adjusted tax charge	781	755

## G) Adjusted earnings per share and adjusted earnings per share excluding Russia

Adjusted earnings is calculated by amending the reported basic earnings for all of the adjustments recognised in the calculation of the adjusted operating profit, adjusted finance costs and adjusted tax charge metrics as detailed above. Adjusted earnings per share is calculated by dividing adjusted earnings by the weighted average number of shares. For the purpose of showing comparable year-on-year metrics we have included an adjusted earnings per share measure excluding Russia which excludes the results of the Russia business in the comparative figures following the disposal of that operation in April 2022.

**Reconciliation from reported to adjusted earnings and earnings per share**

£ million unless otherwise indicated	2023		2022	
	Earnings per share (pence)	Earnings	Earnings per share (pence)	Earnings
Reported basic	252.4	2,328	165.9	1,570
Russia, Ukraine and associated markets	0.4	4	42.2	399
Amortisation and impairment of acquired intangibles	38.0	351	35.4	334
Restructuring costs	-	-	15.6	148
Fair value adjustment and impairment of other financial assets	3.4	31	3.9	37
Loss on disposal of subsidiaries	0.1	1	2.2	21
Acquisition and disposal costs	-	-	0.5	5
Excise tax provision	-	-	(1.0)	(9)
Charges related to legal provisions	6.4	59	-	-
Structural changes to defined benefit pension schemes	1.0	9	0.4	4
Brand impairment in equity accounted joint venture	-	-	2.5	24
Net fair value and exchange movements on financial instruments	(25.8)	(238)	(1.9)	(18)
Post-employment benefits net financing cost	(1.4)	(13)	(0.8)	(8)
Tax settlement interest costs	5.2	48	-	-
Recognition of deferred tax assets	(23.0)	(212)	-	-
Provision for state aid recoverable	-	-	10.7	101
Uncertain tax positions	22.4	207	(6.7)	(63)
Deferred tax on unremitted earnings	-	-	(2.7)	(26)
Tax on unrecognised losses	-	-	0.8	8
Adjustments above attributable to non-controlling interests	(0.3)	(3)	(1.8)	(18)
Adjusted	278.8	2,572	265.2	2,509
Adjusted diluted	277.1	2,572	263.3	2,509
Russia earnings per share	-	-	0.4	4
Adjusted excluding Russia	278.8	2,572	264.8	2,505
Adjusted diluted excluding Russia	277.1	2,572	262.9	2,505

**H) Return on invested capital (ROIC)**

Return on invested capital measures the effectiveness of capital allocation and is calculated by dividing adjusted operating profit after tax by the annual average of: intangible assets, property, plant and equipment, net assets held for sale, inventories, trade and other receivables and trade payables and other current liabilities.

The annual average is defined as the average of the opening and closing balance sheet values.

£ million unless otherwise stated	2023	2022	2021
Reported operating profit	3,402	2,683	3,146
Adjusting items (see section C)	485	1,011	427
Adjusted operating profit	3,887	3,694	3,573
Equivalent tax charge	(871)	(827)	(807)
Net adjusted operating profit after tax	3,016	2,867	2,766
Working capital	(2,567)	(2,823)	(2,523)
Intangibles	16,944	17,777	16,674
Property, plant and equipment	1,617	1,659	1,715
Invested capital	15,994	16,613	15,866
Average annual invested capital	16,304	16,240	16,741
Return on invested capital (%)	18.5	17.7	16.5



### I) Constant currency

Constant currency removes the effect of exchange rate movements on the translation of the results of our overseas operations. The Group translates current year results at prior year foreign exchange rates. An analysis of all key metrics can be found in the Group Financial Review on pages 92-99.

### J) Adjusted net debt

Management monitors the Group's borrowing levels using adjusted net debt which excludes interest accruals, lease commitments and the fair value of derivative financial instruments providing commercial hedges of interest rate risk. The adjusted net debt metric is used in monitoring performance against various debt management obligations including covenant compliance.

#### Adjusted net debt calculation

£ million	2023	2022
Reported net debt	(8,438)	(8,492)
Accrued interest	125	105
Lease liabilities	349	248
Fair value of interest rate derivatives	(62)	85
Adjusted net debt	(8,026)	(8,054)

Average adjusted net debt during the year was £9,574 million (2022: £9,198 million).

### K) Adjusted net debt to earnings before interest, taxation, depreciation and amortisation (EBITDA) multiple

This is defined as adjusted net debt divided by adjusted EBITDA. Adjusted net debt is measured at balance sheet foreign exchange rates, with a full reconciliation shown in table J above. Adjusted EBITDA is calculated as adjusted operating profit plus amortisation, depreciation and impairments. The reconciliation from adjusted operating profit to adjusted EBITDA is shown below.

£ million	2023	2022 (restated)
Adjusted operating profit (see section C above)	3,887	3,694
Depreciation, amortisation and impairments	270	244
Adjusted EBITDA	4,157	3,938

Note the comparative figure has been restated as it previously included a reconciliation from operating profit to EBITDA. This has been changed to a reconciliation from adjusted operating profit to adjusted EBITDA.

### L) Adjusted operating cash conversion

Adjusted operating cash conversion is calculated as cash flow from operations pre-restructuring and before interest and tax payments less net capital expenditure relating to property, plant and equipment, software and intellectual property rights as a percentage of adjusted operating profit.

#### Adjusted operating cash conversion calculation

£ million unless otherwise stated	2023	2022
Net cash flows generated from operating activities	3,129	3,186
Tax	590	681
Net capital expenditure	(254)	(177)
Restructuring	98	91
Cash flow post capital expenditure pre interest and tax	3,563	3,781
Adjusted operating profit	3,887	3,694
Adjusted operating cash conversion	92%	102%

### M) Free cash flow

Free cash flow is adjusted operating profit adjusted for certain cash and non-cash items. The principal adjustments are depreciation, working capital movements, net capex, restructuring cash flows, tax cash flows, cash interest and minority interest dividends.

#### Net cash flows generated from operating activities to free cash flow

£ million	2023	2022
Net cash flows generated from operating activities	3,129	3,186
Net capital expenditure	(254)	(177)
Cash interest	(407)	(358)
Minority interest dividends	(104)	(89)
Free cash flow	2,364	2,562

## GLOSSARY

### Financial terms

Adjusted closing net debt	Adjusted closing net debt is measured at balance sheet foreign exchange rates, with a full reconciliation shown within section J of the supplementary information.
Adjusted earnings per share	This is an alternative performance measure which is defined within section G of the supplementary information.
Adjusted earnings per share excluding Russia	This is an alternative performance measure which is defined within section G of the supplementary information.
Adjusted EBITDA	Adjusted EBITDA is calculated as adjusted operating profit plus amortisation, depreciation and impairments.
Adjusted net debt	This is an alternative performance measure which is defined within section J of the supplementary information.
Adjusted net debt to EBITDA multiple	This is an alternative performance measure. Adjusted net debt is defined within section J of the supplementary information. EBITDA is defined within section K of the supplementary information.
Adjusted net finance costs	This is an alternative performance measure which is defined within section E of the supplementary information.
Adjusted (Non-GAAP)	Non-GAAP measures provide a useful comparison of performance from one period to the next.
Adjusted operating cash conversion	This is an alternative performance measure which is defined within section L of the supplementary information.
Adjusted operating profit	This is an alternative performance measure which is defined within section C of the supplementary information.
Adjusted operating profit excluding Russia	This is an alternative performance measure which is defined within section C of the supplementary information.
Adjusted operating profit margin	Adjusted operating profit margin is calculated as adjusted operating profit divided by net revenue.
Adjusted tax charge	This is an alternative performance measure which is defined within section F of the supplementary information.
Aggregate priority market share	Aggregate weighted market volume share, based on our five priority markets (USA, Germany, UK, Spain and Australia). Market volume share is calculated based on a 12-month moving annual total (MAT) volume share position from October to September. The market volume size used in the weighting calculation is based on a constant prior year end actual market size.
All in cost of debt	Adjusted net finance costs divided by the average net debt in the year.
Cash conversion	Cash conversion is calculated as cash flow from operations pre-restructuring and before interest and tax payments less net capital expenditure relating to property, plant and equipment, software and intellectual property rights as a percentage of adjusted operating profit.
Constant currency	Removes the effect of exchange rate movements on the translation of the results of our overseas operations. The Group translate current year results at prior year foreign exchange rates.
Dividend per share	Dividend per share represents the total annual dividends, being the sum of the paid interim dividend and the proposed final dividend for the financial year.
EBITDA	Earnings before interest, taxation, depreciation and amortisation.
GAAP	Generally accepted accounting principles.
Market share	Market share data is presented as a 12-month moving average weighted across the markets in which we operate.
Net debt to EBITDA	Adjusted closing net debt divided by adjusted EBITDA.
Net revenue excluding Russia	This is an alternative performance measure which is defined within section A of the supplementary information.
Reported (GAAP)	Reported (GAAP) complies with UK-adopted International Accounting Standards and the relevant legislation.
Return on invested capital	This is an alternative performance measure which is defined within section H of the supplementary information.
Stick equivalent volumes	Stick equivalent volumes reflect our combined cigarette, fine cut tobacco, cigar and snus volumes but exclude any NGP volume such as heated tobacco, modern oral nicotine and vapour.
Tobacco & NGP Net revenue/ Distribution gross profit	This is an alternative performance measure which is defined within sections A and B of the supplementary information.
Total shareholder return	Total shareholder return is the total investment gain to shareholders resulting from the movement in the share price and assuming dividends are immediately reinvested in shares.

**Other**

AAACE	Africa, Asia and Australasia and Central & Eastern Europe.
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CO2E	Carbon Dioxide Equivalent
CSRD	The Corporate Sustainability Reporting Directive
DEI	Diversity, Equity and Inclusion
Distribution	Logistics Segment
ECLT	Eliminating Child Labour in Tobacco Growing Foundation
EFRAG	European Financial Reporting Advisory Group
ELT	Executive Leadership Team
EPR	Extended Producer Responsibility Scheme
ERG	Employee Resource Groups
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
EU	European Union
EVP	Electronic Vape Products
EY	Ernst & Young LLP
FCT	Fine Cut Tobacco
FDA	US Food and Drug Administration
FMC	Factory Made Cigarettes
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GWh / KWh	Gigawatt-Hour / Kilowatt-Hour
HRIA	Human Rights Impact Assessment
HT	Heated Tobacco
HTP	Heated Tobacco Products
ILO	International Labour Organisation
IOSH	Institution of Occupational Safety and Health
IPM	Integrated Pest Management
ISAE	International Standard for Assurance Engagements
ISO	International Organization for Standardization
IVMS	In Vehicle Monitoring System
KPI	Key Performance Indicators
LCWG	Leaf Compliance Working Group
Leaf CARE	Leaf Compliance and Response Program
LGBTQ+	Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, Intersex, Asexual, and More
LTA	Lost Time Accident
LTIP	Long Term Incentive Plans
MMC	Mass Market Cigars
MOND	Modern Oral Nicotine Delivery
MPI	Manufacturer's Price Increase
MSCI	Company Name
NGOs	Non-Government Organisation
NGP	Next Generation Products
NGP	Next Generation Products
NTM	Non-Tobacco Materials
NTM	Non Tobacco Materials

**GLOSSARY** *continued*

<b>Other</b>	
OHSE	Occupational Health Safety and Environment
OND	Oral Nicotine Delivery Category
PDCA	Plan Do Check Act
PG&S	Purchased Goods and Services
PPE	Personal Protective Equipment
Priority markets	Top 5 combustible markets USA, Germany, UK, Spain and Australia
PSHG	Product Stewardship and Health Group
RECs	Renewable Energy Certificates
SASB	Sustainable Accounting Standards Board
SBTi	Science Based Target Initiatives
SCIA	Supply Chain Impact Assessments
SDGs	Sustainable Development Goals
SE	Stick Equivalent (SE) volumes reflect our combined cigarette, fine cut tobacco, cigar and snus volumes
SECR	Streamlined Energy and Carbon Reporting
SER	Supplier Engagement Rating
STP	Sustainable Tobacco Programme
T&Cs	Terms and Conditions
TCFD	Task Force on Climate-Related Financial Disclosures
Tobacco & NGP	Tobacco & Next Generation Products
UK	United Kingdom
UN SDGs	United Nations Sustainable Development Goals
WDI	Workforce Disclosure Initiative

## IMPERIAL BRANDS PLC BALANCE SHEET

at 30 September 2023

£ million	Notes	2023	2022
<b>Fixed assets</b>			
Investments	iii	7,968	7,968
<b>Current assets</b>			
Debtors	iv	2,597	4,744
<b>Creditors: amounts falling due within one year</b>	v	(74)	(39)
<b>Net current assets</b>		2,523	4,705
<b>Net assets</b>		10,491	12,673
<b>Capital and reserves</b>			
Called up share capital	vi	97	103
Capital redemption reserve		10	4
Share premium account		5,833	5,833
Retained earnings – brought forward		6,733	5,047
Retained earnings – profit for the year		136	3,006
Retained earnings – dividends paid		(1,312)	(1,320)
Retained earnings – repurchase of shares		(1,006)	-
<b>Total shareholders' funds</b>		10,491	12,673

As permitted by section 408(3) of the Companies Act 2006, the profit and loss account of the Company is not presented. The profit attributable to shareholders, dealt with in the financial statements of the Company, is £136 million (2022: £3,006 million).

The financial statements on pages 247 to 262 were approved by the Board of Directors on 13 November 2023 and signed on its behalf by:



**Lukas Paravicini**  
Director

## IMPERIAL BRANDS PLC STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2023

£ million	Share capital	Share premium and capital redemption	Retained earnings	Total equity
<b>At 1 October 2022</b>	103	5,837	6,733	12,673
Profit for the year	-	-	136	136
<b>Total comprehensive income</b>	-	-	136	136
<b>Transactions with owners</b>				
Repurchase of shares	(6)	6	(1,006)	(1,006)
Dividends paid	-	-	(1,312)	(1,312)
<b>At 30 September 2023</b>	97	5,843	4,551	10,491
<b>At 1 October 2021</b>	103	5,837	5,047	10,987
Profit for the year	-	-	3,006	3,006
<b>Total comprehensive income</b>	-	-	3,006	3,006
<b>Transactions with owners</b>				
Repurchase of shares	-	-	-	-
Dividends paid	-	-	(1,320)	(1,320)
<b>At 30 September 2022</b>	103	5,837	6,733	12,673

Total distributable reserves were £4,537 million (2022: £6,720 million).

## NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC

### I. ACCOUNTING POLICIES

#### Basis of preparation and statement of compliance with FRS 101

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed in note 2 of the Group financial statements for the year ended 30 September 2023.

Imperial Brands PLC (the Company) is the ultimate parent company within the Imperial Brands group (the Group). The Company is a public company limited by shares, incorporated in England and Wales and its principal activity continued to be that of holding investments. The Company's registered number is 3236483 and its registered address is 121 Winterstoke Road, Bristol, BS3 2LL. The Company does not have any employees. The Directors of the Group manage the Group's risks at a Group level, rather than at an individual entity level. These risks are detailed in note 2 of the Group's financial statements (see pages 187-189).

These financial statements were prepared in accordance with the Companies Act 2006 as applicable to Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101), and applicable accounting standards.

The financial statements have been prepared on the historical cost basis, and as a going concern. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

As permitted by section 408(3) of the Companies Act 2006, no separate profit and loss account has been presented for the Company.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available in the preparation of the financial statements, as detailed below:

- Paragraph 38 of IAS 1 'Presentation of financial statements' – comparative information requirements in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1 'Presentation of financial statements':
  - (ii) 10(d) – statement of cash flows;
  - (iii) 10(f) – a statement of financial position as at the beginning of the preceding period when an entity applied an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements;
  - (iv) 16 – statement of compliance with all IFRS;
  - (v) 38A – requirement for minimum of two primary statements, including cash flow statements;
  - (vi) 38B-D – additional comparative information;
  - (vii) 40A-D – requirements for a third statement of financial position;
  - (viii) 111 – cash flow information; and
  - (ix) 134-136 – capital management disclosures;
- IAS 7 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8 'Accounting Policies, changes in accounting estimates and errors' – requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective;
- Paragraph 17 of IAS 24 'Related party disclosures' – key management compensation;
- The requirements in IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group;
- The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment';
- IFRS 7 'Financial Instruments: Disclosures'; and
- Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' – disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities.

The principal accounting policies, which have been applied consistently are set out below. The Directors do not consider there to be any critical accounting estimates or judgements in respect of the Company, see note 2 Accounting Estimates and Judgements of the consolidated financial statements for further detail.

## Investments

Investments held as fixed assets comprise the Company's investment in subsidiaries and are shown at historic purchase cost less any provision for impairment. An annual review of Investments is performed for indicators of impairment. If indicators of impairment are identified investments are tested for impairment to ensure that the carrying value of the investment is supported by their recoverable amount.

## Dividends

Final dividends are recognised as a liability in the period in which the dividends are approved by shareholders, whereas interim dividends are recognised in the period in which the dividends are paid. Dividends receivable are recognised as an asset when they are approved.

## Financial instruments

Receivables held under a hold to collect business model are stated at amortised cost.

The calculation of impairment provisions is subject to an expected credit loss model, involving a prediction of future credit losses based on past loss patterns. The revised approach involves the recognition of provisions relating to potential future impairments, in addition to impairments that have already occurred. The expected credit loss approach involves modelling of historic loss rates, and consideration of the level of future credit risk. Expected loss rates are then applied to the gross receivables balance to calculate the impairment provision.

Cash and cash equivalents include cash in hand and deposits held on call, together with other short-term highly liquid investments.

## Treasury shares

When the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity until the shares are reissued or disposed of. When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, increases shareholders' funds. When such shares are cancelled they are transferred to the capital redemption reserve.

## Income taxes

Judgement is involved in determining whether the Company is subject to a tax liability or not in line with tax law. Where liabilities exist, estimation is often required to determine the potential future tax payments. The Company recognises provisions for tax based on estimates of the taxes that are likely to become due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the period in which such determination is made.

## New accounting standards

The following amendments to the accounting standards, issued by the IASB or International Financial Reporting Standards Interpretations Committee (IFRS IC) and endorsed for use in the UK, have been adopted by the Company from 1 October 2022 with no impact on the Company's results, financial position or disclosures:

- Amendments to IAS 12 International Tax Reform – Pillar Two model rules. (The Company has applied the mandatory exception under IAS 12 in relation to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.)

## II. DIVIDENDS

### Distributions to ordinary equity holders

£ million	2023	2022	2021
Paid interim of 43.18 pence per share (2022: 42.54 pence, 2021: 42.12 pence)			
• Paid June 2021	-	-	199
• Paid September 2021	-	-	199
• Paid December 2021	-	-	458
• Paid June 2022	-	202	-
• Paid September 2022	-	202	-
• Paid December 2022	-	464	-
• Paid June 2023	196	-	-
• Paid September 2023	195	-	-
Interim dividend paid	391	868	856
Proposed third interim of 51.82 pence per share (2022: 49.31 pence, 2021: 48.48 pence)	-	-	-
• To be paid December 2023	466	-	-
Interim dividend proposed	466	-	-
Proposed final of 51.82 pence per share (2022: 49.32 pence, 2021: 48.48 pence)	-	-	-
• Paid March 2022	-	-	458
• Paid March 2023	-	457	-
• To be paid March 2024	465	-	-
Final dividend	465	457	458
Total ordinary share dividends of 146.82 pence per share (2022: 141.17 pence, 2021: 139.08 pence)	1,322	1,325	1,314

## NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC *continued*

The proposed third interim dividend for the year ended 30 September 2023 of 51.82 pence per share amounts to a proposed dividend of £466 million, which will be paid in December 2023.

The proposed final dividend for the year ended 30 September 2023 of 51.82 pence per share amounts to a proposed dividend payment of £465 million in March 2024 based on the number of shares ranking for dividend at 30 September 2023, and is subject to shareholder approval. If approved, the total dividend paid in respect of 2023 will be £1,322 million (2022: £1,325 million). The dividend paid during 2023 is £1,312 million (2022: £1,320 million).

### III. INVESTMENTS

#### Cost of shares in imperial tobacco holdings (2007) limited

£ million	2023	2022
At 1 October	7,968	7,968
At 30 September	7,968	7,968

The Directors confirm that the carrying value of the investment is supported by its underlying net assets.

A list of the subsidiaries of the Company is shown on pages 252-262.

### IV. DEBTORS

£ million	2023	2022
Amounts owed from Group undertakings	2,597	4,744

Amounts owed from Group undertakings are unsecured, interest bearing, have no fixed date for repayment and are repayable on demand.

### V. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

£ million	2023	2022
Amounts owed by Group undertakings	34	35
Bank overdrafts	2	2
Other creditors	38	2
	74	39

Amounts owed by Group undertakings are unsecured, interest bearing, have no fixed date for repayment and are repayable on demand.

### VI. CALLED UP SHARE CAPITAL

	2023		2022	
	Number	£ million	Number	£ million
Authorised, issued and fully paid:				
1 October	1,020,697,237	103	1,020,697,237	103
Shares cancelled	(52,107,043)	(6)	-	-
30 September	968,590,194	97	1,020,697,237	103

During the period a share buy back scheme was initiated and 52,107,043 10p shares were repurchased for a cost of £1,000 million. Upon completion of the purchase, these shares were cancelled and transferred to the capital redemption reserve. The stamp duty costs were £5 million and the fees charged for the share repurchase were £1 million.

On 6 March 2014, 31,942,881 shares held in treasury were cancelled creating the capital redemption reserve, and between September 2017 and December 2017, 4,973,916 shares were cancelled increasing this reserve.



## VII. RESERVES

### Treasury shares

Subject to authorisation by special resolution, the Group may purchase its own shares in accordance with the Companies Act. Any shares which have been bought back may be held as treasury shares or, if not so held, must be cancelled immediately upon completion of the purchase, thereby reducing the amount of Group's issued share capital. Shares held in treasury do not qualify for dividends. Shares purchased under the share buyback programme initiated on 7 October 2022 will be cancelled immediately on completion of the purchase. There were no movements in treasury shares during the year to 30 September 2023 (2022: reduced by 4.0 million shares).

£ million unless otherwise indicated	2023		2022	
	Millions of shares (number)	Value £	Millions of shares (number)	Value £
At 1 October	70.3	2,183	74.3	2,183
Gifted to Employee Share Ownership Trusts	-	-	(4.0)	-
At 30 September	70.3	2,183	70.3	2,183
Percentage of issued share capital	7.8	n/a	6.9	n/a

## VIII. GUARANTEES

The Company provides guarantees to the following subsidiaries under section 479A of the Companies Act 2006, whereby the subsidiaries, incorporated in the UK, are exempt from the requirements of the Act relating to the audit of individual accounts for the financial year ending 30 September 2023:

- Imperial Tobacco Holdings (2007) Limited
- Imperial Tobacco Ventures Limited
- Rizla UK Limited
- Imperial Tobacco Overseas (Polska) Limited
- La Flor de Copan UK Limited
- Tabacalera de Garcia UK Limited
- Imperial Brands Ventures Limited
- Nerudia Consulting Limited
- Imperial Brands Ventures Finance Limited
- Imperial Brands Ventures Holdings (1) Limited
- Imperial Brands Ventures Holdings (2) Limited

The Company has guaranteed various committed and uncommitted borrowings facilities and liabilities of certain UK and overseas undertakings. As at 30 September 2023, the amount guaranteed is £14,138 million (2022: £14,151 million).

Many of the committed revolving credit facilities remain undrawn as at 30 September 2023 but the maximum potential exposure under each facility has been included due to the ongoing commitment, only drawn utilised balances have been included for facilities that are uncommitted in nature.

The Company has also provided a parent guarantee to the Imperial Tobacco Pension Trustees Ltd (including their £300 million revolving credit facility), the main UK pension scheme.

The Directors have assessed the fair value of the above guarantees and do not consider them to be material. They have therefore not been recognised on the balance sheet.

## IX. RELATED PARTY DISCLOSURES

Details of Directors' emoluments and interests are provided within the Directors' Remuneration Report. The Directors Remuneration Report, on pages 142-163 includes details on salary, benefits, pension and share plans. These disclosures form part of the financial statements.

## RELATED UNDERTAKINGS

In accordance with Section 409 of the Companies Act 2006 a full list of subsidiaries, partnerships, associates, and joint ventures, the principal activity, the country of incorporation and the effective percentage of equity owned, as at 30 September 2023 are disclosed below. With the exception of Imperial Tobacco Holdings (2007) Limited, which is wholly owned by the Company, none of the shares in the subsidiaries is held directly by the Company.

NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC *continued***SUBSIDIARIES: REGISTERED IN ENGLAND AND WALES, WHOLLY OWNED**

<b>Name</b>	<b>Principal activity and registered address</b>
Altadis NewCo Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Attendfriend Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
British Tobacco Company Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Congar International UK Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Brands Enterprise Finance Limited	Provision of treasury services to other Group companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Brands Finance PLC	Provision of treasury services to other Group companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Brands Ventures Finance Limited (v)	Provision of finance to other Group companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Brands Ventures Holdings Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Brands Ventures Holdings (1) Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Brands Ventures Holdings (2) Limited (xi)	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Brands Ventures Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Investments Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Altadis Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Capital Assets (1)	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Capital Assets (2)	Provision of finance to other Group companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Capital Assets (3)	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Capital Assets (4)	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Group Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Holdings (1) Limited (iv)	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Holdings (2007) Limited (iv)	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Holdings Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Initiatives	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Lacroix Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Limited	Manufacture, marketing and sale of tobacco products in the UK 121 Winterstoke Road, Bristol BS3 2LL England
Imperial Tobacco Overseas (Polska) Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings (1) Limited (viii)	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings (2) Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings (3) Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings (4) Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England

Name	Principal activity and registered address
Imperial Tobacco Overseas Holdings Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Limited (x)	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Pension Trustees (Burlington House) Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Pension Trustees Limited (iv)	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Ventures Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
ITG Brands Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Joseph & Henry Wilson Limited	licensing rights for the manufacture and sale of tobacco products 121 Winterstoke Road, Bristol BS3 2LL England
Nerudia Limited	Research and development of e-vapour products Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England
Nerudia Consulting Limited	Research and development of e-vapour products Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England
La Flor de Copan UK Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Park Lane Tobacco Company Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Rizla UK Limited	Entity ceased trading 121 Winterstoke Road, Bristol, BS3 2LL, England
Tabacalera de Garcia UK Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England

#### SUBSIDIARIES: INCORPORATED OVERSEAS, WHOLLY OWNED

Name	Country of incorporation	Principal activity and registered address
1213509 B.C. Limited	Canada	Holding investments in subsidiary companies Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC. V6C 2X8, Canada
Altadis Canarias SAU (ii)	Spain	Marketing and sale of tobacco products in the Canary Islands C/Comandante Azcarraga 5, Madrid, 28016, Spain
Altadis Holdings USA Inc	United States of America	Holding investments in subsidiary companies 714 Green Valley Road Greensboro, NC27408 USA
Altadis Middle East FZCO	United Arab Emirates	Sales and marketing of tobacco products in the Middle East P.O. Box. No. 261718, Jebel Ali Free Zone, Dubai, 261718, United Arab Emirates
Altadis Ocean Indien SAS	France (La Reunion Island)	Sales and distribution of tobacco products in la Reunion Island ZI n° 2 – BP 256 – 97457 Saint Pierre Cedex, La Reunion
Altadis S.A.U.	Spain	Manufacture, sales and distribution of tobacco products in Spain C/Comandante Azcarraga 5, Madrid 28016, Spain
Altadis Shade Company LLC	United States of America	Manufacture and sale of tobacco products in the USA 217 Shaker Road, Somers, CT, 06071, USA
Athena IP Vermögensverwaltungs GmbH	Germany	Davidoff cigarette trademark owner Behringstrasse 122 A, 22763, Hamburg
Cacique, SA – Comércio, Importação e Exportação	Brazil	Dormant Rua Marechal Deodoro, 690 – Centro Arapiraca, Alagoas, Brazil
Commonwealth Brands Inc	United States of America	Manufacture and sale of tobacco products in the USA 714 Green Vally Road Greensboro, NC27408 USA
Congar International Corp (Delaware)	United States of America	Manufacturing and distribution of mass market cigars Road 14, Km. 72.2, Ave. Antonio R. Barcelo, Cayey, DE, PR 00736, USA
Connecticut Shade Corporation	United States of America	Holding investments in subsidiary companies 714 Green Vally Road Greensboro, NC27408 USA
Consolidated Cigar Holdings Inc (vii)	United States of America	Holding investments in subsidiary companies 714 Green Vally Road Greensboro, NC27408 USA
Coralma International SAS	France	Holding investments in subsidiary companies 122 Avenue Charles de Gaulle, Neuilly sur Seine, 92200, France
Dunkerquoise des Blends SAS	France	Tobacco processing 122 Avenue Charles de Gaulle, Neuilly sur Seine, 92200, France

**NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC** *continued*

<b>Name</b>	<b>Country of incorporation</b>	<b>Principal activity and registered address</b>
Ets L Lacroix Fils NV/SA	Belgium	Manufacture and sale of tobacco products in Belgium Sint-Bavostraat 66, 2610 Wilrijk, Belgium
Fontem (Beijing) Technology Solutions Limited (i)	People's Republic of China	Research and development Room 201, Floor 2, Building 6, Yuan Dong science and technology park, 6 Hepingli North Street, Dong Cheng District, Beijing, 100013, China
Fontem Canada Limited (vii)	Canada	Import and distribution of tobacco and tobacco related products in Canada C/O BDO Canada LLP, 6940 Mumford Road, Suite 510, Halifax, NS, B3L 0B8, Canada
Fontem US LLC	United States of America	Sales and marketing of tobacco products in the US 714 Green Valley Road Greensboro, NC27408 USA
Fontem Ventures B.V.	The Netherlands	Holding investments in subsidiary companies Radarweg 60, Amsterdam, 1043 NT, The Netherlands
Huotraco International Limited	Cambodia	Production and marketing of tobacco products No 299, Preah Ang Duong Street, Sangkat Wat Phnom, Khan Daunh Penh, Phnom Penh, Cambodia
Imperial Brands Bulgaria EOOD (i)	Bulgaria	Manufacture and sale of tobacco products in Bulgaria 15 Henrh Ibsen str, Floor 4, Office 4, Sofia, 1407, Bulgaria
Imperial Brands CR s.r.o.	Czech Republic	Sales and marketing of tobacco products in the Czech Republic Karla Engliše 3201/6, 15 00, Praha 5
Imperial Brands Finance Netherlands B.V.	The Netherlands	Provision of finance to other Group companies Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Imperial Brands Finland Oy	Finland	Sales and marketing of tobacco products in Finland Auriga Business Center, Juhana Herttuan Puistokatu 21, 20100 Turku
Imperial Brands Global Duty Free & Export S.L.	Spain	Sale and export of duty-free tobacco products C/Comandaute Azcarraga 5, Madrid 28016, Spain
Imperial Brands Hellas S.A.	Greece	Sales and marketing of tobacco products in Greece 300 Klithenous Str, 15344 Gerakas, Attikis, Athens, Greece
Imperial Brands Holdings International B.V.	The Netherlands	Provision of finance to other Group companies Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Imperial Brands Italia S.r.l.	Italy	Sales and marketing of tobacco products in Italy Via Luca Passi 22, Roma, 00166, Italy
Imperial Brands Japan G.K (v)	Japan	Sales and marketing of tobacco products in Japan Shiodome Shibarikyu Building 21, 1-2-3 Kaigan Minato-ku, Tokyo, Japan
Imperial Brands La Romana	Dominican Republic	Manufacture of cigars in the Dominican Republic Industrial Free Zone #1, La Romana, Dominican Republic
Imperial Brands Luxembourg sarl	Luxembourg	Sale of tobacco products in Luxembourg 56 Rue Charles Martel, L-2134, Luxembourg
Imperial Brands Malta Limited	Malta	Provision of finance to other Group companies Office 3, AX Business Centre, Ground Floor, Triq id-Difiza Civili Mosta, MST 1741, Malta
Imperial Brands Norway A.S.	Norway	Sales and marketing of tobacco products in Norway Ryensvingen 2-4, 0680, Oslo, Norway
Imperial Brands Portugal, Sociedade Unipessoal Lda	Portugal	Advertising and support management 144, 7 DT, Avenida da Liberdade, Lisbon, Portugal
Imperial Brands Services Polska spolka z.o.o	Poland	Central Manufacturing and Central Supply Chain Jankowice, Przemyslowa 1, 62-080 Tarnowo Padgorne, Poland
Imperial Brands Ventures LLC	United States of America	Holding investments in subsidiary companies 251 Little Falls Drive, Wilmington, DE 19808 USA
Imperial Finance Ireland Limited	Ireland	Provision of finance to other Group companies 21 Beckett Way, Park West, Nangor Road, Dublin, 12, Ireland
Imperial Finance Malta Ltd	Malta	Provision of finance to other Group companies Office 3, AX Business Centre, Ground Floor, Triq id-Difiza Civili Mosta, MST 1741, Malta
Imperial Nominees Limited (ii)	New Zealand	Trustee Company Level 24, 157 Lambton Quay, Wellington Central, Wellington 6011, New Zealand

<b>Name</b>	<b>Country of incorporation</b>	<b>Principal activity and registered address</b>
Imperial Tobacco (Asia) Pte. Ltd	Singapore	Trading of tobacco-related products 80 Robinson Road, #02-00, 068898, Singapore
Imperial Tobacco Australia Limited	Australia	Sales and marketing of tobacco products in Australia John Player Special House, Level 4, 4-8 Inglewood Place, Norwest, NSW 2153, Australia
Imperial Tobacco Austria Marketing Service GmbH	Austria	Marketing of tobacco products in Austria Zieglergasse 6, A-1070 Vienna, Austria
Imperial Tobacco BH doo (i)	Bosnia-Herzegovina	Marketing and distribution of tobacco products in Bosnia Adema Buce, Sarajevo, 71000, Bosnia & Herzegovina
Imperial Tobacco Distribution Romania srl	Romania	Marketing and distribution of tobacco products in Romania Nicolae Canea Street no. 140-160, EOS Business Park, 1st Floor North, 2nd District, Bucharest, Romania
Imperial Tobacco EFKA Management GmbH	Germany	Manufacture of tobacco products in Germany Behringstrasse 122 A, 22763, Hamburg
Imperial Tobacco España, S.L.U.	Spain	Holding investments in subsidiary companies C/Comandante Azcarraga 5, Madrid 28016, Spain
Imperial Tobacco Estonia OÜ	Estonia	Dormant Veskiposti 2, 10138 Tallinn, Tallinn, Estonia
Imperial Tobacco Holdings (Netherlands) B.V.	The Netherlands	Provision of finance to other Group companies Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Imperial Tobacco Holdings International B.V.	The Netherlands	Provision of finance to other Group companies Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Imperial Tobacco Intellectual Property Limited	Ireland	Ownership of trademarks 21, Beckett Way, Park West, Nangor Road, Dublin, 12, Ireland
Imperial Tobacco International GmbH	Germany	Export and marketing of tobacco products Behringstrasse 122 A, 22763, Hamburg
Imperial Tobacco Ireland Unlimited Company (v)	Ireland	Dormant 6th Floor, 2 Grand Canal Square, Dublin 2, Ireland
Imperial Tobacco Italy S.r.l.	Italy	Holding investments in subsidiary companies Via Luca Passi 22, Roma, 00166, Italy
Imperial Tobacco Kyrgyzstan LLC (i)	Kyrgyzstan	Marketing and distribution of tobacco products in Kyrgyzstan 115, Ibraimov Street, 10th Floor, Business Center 'Asyl-Tash', Bishkek, 720021, Kyrgyzstan
Imperial Tobacco La Romana S.A.S.	France	Manufacture of cigars in the Dominican Republic 320, Rue Saint-Honore, Paris, 75001, France
Imperial Tobacco Magyarország Dohányforgalmazó Kft (Imperial Tobacco Hungary)	Hungary	Sales and marketing of tobacco products in Hungary Váci út 141, 1138, Budapest, Hungary
Imperial Tobacco Management Luxembourg sarl	Luxembourg	Holding investments in subsidiary companies 56 Rue Charles Martel, L-2134, Luxembourg
Imperial Tobacco Marketing Sdn Bhd	Malaysia	Trading of tobacco products (in liquidation) 12th Floor Menara Symphony, No 5 Jalan Prof, Khoo Kay Kim, Seksyey, 46200 Petaling Jaya, Selangor, Malaysia
Imperial Tobacco New Zealand Limited	New Zealand	Manufacture and sale of tobacco products in New Zealand Level 24, 157 Lambton Quay, Wellington Central, Wellington 6011, New Zealand
Imperial Tobacco Polska Manufacturing SA	Poland	Manufacture of tobacco products in Poland Ul. Tytoniowa 2/6, Radom, 26-600, Poland
Imperial Tobacco Polska S.A.	Poland	Manufacture and sale of tobacco products in Poland Jankowice, ul. Przemyslowa 1, Pl-62-080, Tarnowo-Podgome, Poland
Imperial Tobacco Production Ukraine (i)	Ukraine	Manufacture of tobacco products in Ukraine ul. Akademika Zabolotnogo, 35, 03026, Kiev, Ukraine
Imperial Tobacco SCG doo Beograd (i)	Serbia	Marketing and distribution of tobacco products in Serbia Milutina Milankovica 11a, Novi Beograd, Serbia
Imperial Tobacco Sigara ve Tutunculuck Sanayi Ve Ticaret A.S.	Turkey	Manufacture of tobacco products in Turkey Kecilikoy OSB, Mah Ahmet Tutuncuoglu Cad. No.11, 45030 Yunusemre, Manisa, Turkey
Imperial Tobacco Slovakia A.S.	Slovak Republic	Sales and marketing of tobacco products in the Slovak Republic 7A Galvaniho, 824 53 Bratislava, Slovakia

**NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC** *continued*

<b>Name</b>	<b>Country of incorporation</b>	<b>Principal activity and registered address</b>
Imperial Tobacco Taiwan Co Limited	Taiwan	Sales and marketing of tobacco products in Taiwan 6F1-2 No.2 Sec. 3, Minsheng E road, Zhongshen District, Taipei, Taiwan, Province of China
Imperial Tobacco Taiwan Manufacturing Company Limited	Taiwan	Manufacture of tobacco products in Taiwan No 8 Cyunyi Road, Jhunan, MiaoLi County 350, Taiwan Province of China
Imperial Tobacco Tutun Urunleri Satis Ve Pazarlama A.S.	Turkey	Sales and marketing of tobacco products in Turkey Kecilikoy OSB, Mah Ahmet Tutuncuoglu Cad. No.11, 45030 Yunusemre, Manisa, Turkey
Imperial Tobacco Ukraine (i)	Ukraine	Sales and marketing of tobacco products in Ukraine ul. Akademika Zabolotnogo, 35, 03026, Kiev, Ukraine
Imperial Tobacco US Holdings BV	The Netherlands	Holding investments in subsidiary companies 121, Winterstoke Road, Bristol, BS3 2LL
Imperial Tobacco West Africa SAS (i)	Cote D'Ivoire	Holding investments in subsidiary companies Cocody-Nord, Quartier Gendarmerie, TF 5937, 01 B.P. 724 Abidjan
Imperial Tobacco Zagreb doo (i)	Croatia	Dormant (in liquidation) Julija Kniefera 7, HR-100, Croatia
IMPTOB South Africa (Pty) Limited	South Africa	Provision of services to other Group companies 5 Sandwood Hills, Dunkirk Estate, Zimbali, South Africa
ITG Brands Holdco LLC	United States of America	Holding investments in subsidiary companies 714, Green Valley Road, Greensboro, NC 27408, USA
ITG Brands LLC	United States of America	Marketing and distribution of tobacco products in the USA 714, Green Valley Road, Greensboro, NC 27408, USA
ITG Cigars Inc		United States of America
ITG Holdings USA Inc (ix)	United States of America	Holding investments in subsidiary companies 714 Green Valley Road Greensboro, NC27408 USA
ITL Pacific (HK) Limited	Hong Kong	Manufacture and sale of tobacco and tobacco related products Room 3905-06, 39th Floor, Hopewell Centre, 183 Queens Road East, Wanchai, Hong Kong
Imperial Ventures Malta Limited	Malta	Provision of finance to other Group companies Office 3, AX Business Centre, Ground Floor, Triq id-Difiza Civili Mosta, MST 1741, Malta
JAW-Invest Oy	Finland	Trademark owner Auriga Business Center, Juhana Herttuan puistokatu 21, 20100 Turku, Finland
John Player & Sons Limited	Ireland	Sales and marketing of tobacco products in the Republic of Ireland 21, Beckett Way, Park West, Nangor Road, Dublin, 12, Ireland
John Player Ireland Pension Trustee Limited	Ireland	Trustee company (Strike off Listed) 21, Beckett Way, Park West, Nangor Road, Dublin, 12, Ireland
JSNM SARL	France	Trademark owner 122 Avenue Charles de Gaulle, Neuilly sur Seine, 92200, France
MYBLU Spain S.L.	Spain	Marketing and sale of e-vapour products in Spain CR. Robledo de Chavela, S/N. San Lorenzo del Escorial, Madrid, 28200, Spain
Millennium Tobacco Unlimited Company	Ireland	Provision of finance to other Group companies 21, Beckett Way, Park West, Nangor Road, Dublin, 12, Ireland
Newglade International Unlimited Company	Ireland	Dormant 6th Floor, 2 Grand Canal Square, Dublin 2, Ireland
Petone Vapes Limited	New Zealand	Non-trading Russell McVeagh, Level 24, 157 Lambton Quay, Wellington Central, Wellington, 6011, New Zealand
Philippine Bobbin Corporation	Philippines	Manufacture of tobacco related products Cavite Economic Zone, Phase II, Rosario, Cavite, Philippines
Real Club de Golf la Herrería S.A.	Spain	Management of golf course CR. Robledo de Chavela, S/N. San Lorenzo del Escorial, Madrid, 28200, Spain
Reemtsma Cigarettenfabriken GmbH	Germany	Manufacture and sale of tobacco products in Germany Behringstrasse 122 A, 22763 Hamburg, Germany
Skruf Snus AB	Sweden	Manufacture, marketing, sales of tobacco products in Sweden PO Box 3068, Stockholm, SE-103 61, Sweden

<b>Name</b>	<b>Country of incorporation</b>	<b>Principal activity and registered address</b>
Société Centrafricaine de Cigarettes SA (i)	Central African Republic	Manufacture and distribution of cigarettes in Central African Republic Rue David Dacko, BP 1446, Bangui, Central African Republic
Société Centrafricaine de Distribution Sarl (i)	Central African Republic	Dormant Avenue Boganda Pk4, Bangui, Central African Republic
Société du Mont Nimba Sarl (i)	Guinee Conakry	In Liquidation BP 3391, Conakry, Guinea
Société Nationale d'Exploitation Industrielle des Tabacs et Allumettes S.A.S.	France	Manufacture and sale of tobacco products in France, and export of tobacco products 200-216 rue Raymond Losserand, Paris, 75014, France
Société pour le Développement du Tabac en Afrique S.A.S.	France	Purchasing company 122 Avenue Charles de Gaulle, Neuilly sur Seine, 92200, France
System Designed to Africa Sarl	Morocco	Distribution of tobacco products Km 17, Route national de Rabat, Ain Harrouda, Morocco
Tabacalera de Garcia Limited	Bermuda	Holding investments in subsidiary companies Claredon House, 2 Church Street, Hamilton, HM 11 Bermuda
Tahiti Tabacs SASU	France, Papeete (Tahiti)	Distribution of tobacco products in Denmark and Greenland PK 4, 300 Côté mer, 98701 Arue, BP 20692 Papeete, French Polynesia
Tobaccor S.A.S. (v)	France	Holding investments in subsidiary companies 122 Avenue Charles de Gaulle, Neuilly sur Seine, 92200, France
Tobačna 3DVA, trgovsko podjetje, d.o.o.	Slovenia	Retail of products in Slovenia Cesta 24., junija 90, SI 1231 Ljubljana – Črnuče, Slovenia
Tobačna Grosist d.o.o.	Slovenia	Marketing and distribution in Slovenia Cesta 24., junija 90, SI 1231 Ljubljana – Črnuče, Slovenia
Tobačna Ljubljana d.o.o. (v)	Slovenia	Sales and marketing tobacco products in Slovenia Cesta 24., junija 90, SI 1231 Ljubljana – Črnuče, Slovenia
Van Nelle Tabak Nederland B.V. (x)	The Netherlands	Manufacture and sale of tobacco products in the Netherlands Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Van Nelle Tobacco International Holdings B.V.	The Netherlands	Sale of tobacco and tobacco related products Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Von Erl. Gmbh (i)	Austria	Sale of e-vapour products in the US and Europe Hegelgasse 13/26, 1010 Vienna, Austria

NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC *continued*

## SUBSIDIARIES: INCORPORATED OVERSEAS, PARTLY OWNED

Name	Country of incorporation	Principal activity and registered address	Percentage owned
Be To Be Pharma, S.L.U	Spain	Distribution of pharmaceuticals C/ Trigo, 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Carbo Collbatalle, S.L.U.	Spain	Transportation of food at a controlled temperature Zona Franca, Sector E, Calle L, No 6-8. 08040 Barcelona, Spain	50.0
CDIL – Companhia de Distribuicao Integral Logista Portugal, SA.	Portugal	Marketing and sale of tobacco and other products, and payment services in Portugal Edificio Logista, Rua do Vale da Fote Coberta, 153 E 167, 2890-182, Alcochete, Portugal	50.0
Compagnie Agricole et Industrielle des Tabacs Africains S.A.S.	France	Management company 143 bd Romain Rolland, Cedex 14, Paris, 75685, France	99.9
Compagnie Réunionnaise des Tabacs S.A.S.	France, St Pierre (La Reunion Island)	Manufacture of cigarettes ZI n° 2 – BP 256 – 97457 Saint Pierre Cedex, La Reunion	98.9
Compañía de Distribución Integral de Publicaciones Logista S.L.U. (iv)	Spain	Distribution of published materials and other products Avenida de Europa No.2, Edificio Alcor Plaza/Ala Este Planta 4a – Modulo 3, Alcorcor, Madrid, 28922, Spain	50.0
Compañía de Distribución Integral Logista Holdings, S.A. (iii)	Spain	Holding investments in subsidiary companies C/ Trigo, 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Compañía de Distribución Integral Logista Polska, sp. Z o.o.	Poland	Distribution of tobacco products in Poland Avenida Jerozolimskie 96 – 7ª Planta, Edificio Equator II 133/131, 02-304 Warsaw, Poland	50.0
Compañía de Distribución Integral Logista S.A.U.	Spain	Distribution of tobacco products in Spain C/ Trigo, 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Distribuidora Valenciana de Ediciones S.A.U.	Spain	Distribution of published materials and other products in Valencia Pedrapiquers 5, Polígono Industrial Vara de Quart, Valencia, 46014, Spain	50.0
Dronas 2002, S.L.U.	Spain	Industrial parcel and express delivery service Energía, 25-29; Polígono Industrial Nordeste, Sant Andreu de la Barca, Barcelona, 08740, Spain	50.0
Gamma Farmaceutici S.r.l	Italy	The Logistic, storage and distribution throughout the Italian territory of pharmaceutical, cosmetics and sanitary products Via della Mola Saracena snc, 00065, Fiano Romano, Rome, Italy	50.0
Imperial Tobacco TKS a.d. (i)	Macedonia	Manufacture, marketing and distribution of tobacco products in Macedonia ul 11, Oktomvri 125, P O Box 37, 1000 Skopje, Macedonia	99.1
Imperial Tobacco TKS a.d. – Dege Kosove	Kosovo	Manufacture, marketing and distribution of tobacco products in Kosovo Rrafshi i Kosoves, Nr. 80 (Magjistralsa M2: Prishtine-Shkup, km i 2-te Vetermik) Prishtine, Republic of Kosovo	99.1
Imprimerie Industrielle Ivoirienne SA (i)	Cote D'Ivoire	Printing company Zone Industrielle du Banco, Lots No 147-149-150, 01 BP 4124, Yopougon/Abdjan, Cote d'Ivoire	78.8
La Mancha 2000, S.A., Sociedad Unipersonal	Spain	Distribution services Trigo 39, Poligno Industrial Polvoranca – 28914 Leganes, Madrid, Spain	50.0
Logesta Deutschland GmbH, Sociedad Unipersonal	Germany	Long haul transportation in Germany Pilotystrasse, 4, 80538 München, Germany	50.0
Logista France Holding S.A.	France	Holding investments in subsidiary companies Inmeuble Le Bristol, 27 Avenue des Murs du Parc, 94300 Vincennes, France	50.0
Logista France S.A.S.	France	Holding investments in subsidiary companies Inmeuble Le Bristol, 27 Avenue des Murs du Parc, 94300 Vincennes, France	50.0
Logesta Freight France Sarl	France	Long haul transportation in France Inmeuble Le Bristol, 27 Avenue des Murs du Parc, 94300 Vincennes, France	50.0
Logesta Lusa LDA	Portugal	Long haul transportation in Portugal Edificio Logista, Rua do Vale da Fonte Coberta, 153 E 167, 2890-182, Alcochete, Portugal	50.0
Logista Freight Italia S.R.L	Italy	Long haul transportation in Italy Via Valadier, 37 – 00193 Roma, Italy	50.0



Name	Country of incorporation	Principal activity and registered address	Percentage owned
Logista Freight Polska S.r.l.	Poland	Long haul transportation in Poland Av. Jerozolimskie 96 – 7 <sup>a</sup> Planta Edificio Equator II, Varsovia, Poland	50.0
Logista Freight, S.A.U	Spain	Long haul transportation services in Spain C/ Trigo, 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Logista Italia Spa	Italy	Long haul transportation in Italy Via Valadier, 37 – 00193 Roma, Italy	50.0
Logista Payments, SL	Spain	Provision of financial services C/ Trigo, 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Logista Pharma S.A.U.	Spain	Distribution of pharmaceuticals C/ Trigo Núm. 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Logista Pharma Canarias, S.A.U.	Spain	Pharmaceutical products logistics in Canary Islands C/ Entrerios Nave 3, Las Palmas de Gran Canaria, 35600, Spain	50.0
Logista Promotion et Transport S.A.S.	France	Marketing and distribution of tobacco products in France Immeuble Le Bristol, 27 Avenue des Murs du Parc, 94300 Vincennes, France	50.0
Logista Regional de Publicaciones, S.A.U.	Spain	Marketing, distribution and sale to points of sale in Spain. Avenida de Europa No.2, Edificio Alcor Plaza/Ala Este Planta 4a – Modulo 3, Alcorcor, Madrid, 28922, Spain	50.0
Logista Retail France S.A.S.	France	Long haul transportation in France Immeuble Le Bristol, 27 Avenue des Murs du Parc, 94300 Vincennes, France	50.0
Logista Retail Italia S.P.A	Italy	Wholesale to tobacconists in Italy Via Valadier, 37 – 00193 Roma, Italy	50.0
Logista Retail S.A.U	Spain	Sale of tobacco products in Spain C/ Trigo, 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Logista Strator, SLU	Spain	Distribution of POS software C/ Trigo, 39 – Polígono Industrial Polvoranca, Leganés, Madrid, 28914, Spain	50.0
Logista Transport Europe B.V.	The Netherlands	Holding Company Wijkermeerstaat 31. 2131 HB, Hoofddorp, The Netherlands	50.0
Logista, Transportes, Transitários e Pharma, Lda.	Portugal	Industrial parcel delivery and pharmaceutical distribution in Portugal Edificio Logista, Rua do Vale da Fonte Coberta, 153 E 167, 2890-182 Alcochete, Portugal	50.0
MABUCIG Industries SA	Burkina Faso	Manufacture of cigarettes in Burkina Faso No 55, Rue 19.14, , B.P. 94, Kodení, – Bobo Dioulasso, Burkina Faso	72.7
MABUCIG SA (Manufacture Burkinabe de Cigarette)	Burkina Faso	Manufacture of cigarettes in Burkina Faso Zone Industrielle de Bobo-Dioulasso, Secteur No 19, Rue 19.14 No adressage 55, B.P. 94 – Bobo Dioulasso, Burkina Faso	72.7
Macotab SAS (Manufacture Corse des Tabacs)	France, Bastia	Manufacture and sales of cigarettes Route Nationale 193, Furiani, 20600, France	99.9
Manufacture de Cigarettes du Tchad SA	Tchad	Manufacture and distribution of cigarettes in Chad 0502 rue 1039, Arrondissement 1, N'DJamena, Chad	95.0
Midsid – Sociedade Portuguesa de Distribuição, S.A.U	Portugal	Wholesale of tobacco and other products Edificio Logista, Pracetta do Vale Da Fonte, Coberta 153/167, Freguesia de Alcochete, Portugal	50.0
MTOA SA (i)	Senegal	Manufacture and sales of cigarettes in Senegal Km 2-5 Bld du Centenaire de la commune de Dakar, Dakar, Senegal	98.3
Publicaciones y Libros SA	Spain	Publishing company Avenida de Europa No.2, Edificio Alcor Plaza/Ala Este Planta 4a – Modulo 3, Alcorcor, Madrid, 28922, Spain	50.0
Reemtsma Kyrgyzstan OJSC (i)	Kyrgyzstan	In liquidation 115, Ibraimov Str., 10th Floor, Business Center "Asyl-Tash", Bishkek, Kyrgyzstan	99.7
S3T Pte Ltd (i)	Singapore	Holding investments in subsidiary companies 80 Robinson Road, #02-00, 068898, Singapore	51.0
SACIMEM SA (i)	Madagascar	Manufacture of cigarettes in Madagascar 110 Antsirabe – Madagascar, Route d'Ambositra, BP 128, Madagascar	65.4
SITAB Industries SA (i)	Cote D'Ivoire	Manufacture of cigarettes in Cote D'Ivoire Rue de l'Industrie – Lot No 19, 01 – BP 607, Bouake, Cote d'Ivoire	75.9

NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC *continued*

Name	Country of incorporation	Principal activity and registered address	Percentage owned
SITAR Holding SAS	France (La Reunion Island)	Holding investments in subsidiary companies Z.I n2, B.P. 256, 97457 Saint Pierre, Ile de la Reunion, France	99.0
Société Africaine d'Impression Industrielle SA (i)	Senegal	Manufacture and distribution of cigarettes in Senegal route de Bel Air – Km 2200, Dakar, Senegal	99.8
Société des Cigarettes Gabonaises SA (i)	Gabon	In liquidation 2381 bld Léon MBA, BP 2175, Libreville, Gabon	87.8
Société Industrielle et Agricole du Tabac Tropical SA (i)	Congo	Manufacture and distribution of cigarettes in Congo Avenue de la Pointe Hollandaise, Mpila, BP 50, Brazzaville, Congo	89.7
Société Ivoirienne des Tabacs SA (i) (iii)	Cote D'Ivoire	Manufacture and distribution of cigarettes in Côte d'Ivoire Cocody-Nord, Quartier Gendarmerie, TF 5937, 01 B.P. 724 Abidjan	74.9
Société Marocaine des Tabacs SA	Morocco	Manufacture and distribution of cigarettes in Morocco 87 Rue Hamed El Figuigui, Casablanca, 20500, Morocco	99.9
SOCTAM SA (i)	Madagascar	Manufacture and distribution of cigarettes in Mali 15 Rue Geoges V, Mahajanga, Madagascar	50.5
SOTCHADIS SAS	Chad	Non-trading 502 Rue 1039, BP 852, N'Djamena, Chad	95.0
Transportes J. Carbo Guijuelo, S.L.U.	Spain	Transportation of food at a controlled temperature Calle De la Sierra Ventosa, Parcela 38, Pologono Industrial Agroalimentario de Guijuelo. 37000, Salamanca	50.0

**ASSOCIATES: INCORPORATED OVERSEAS**

Name	Country of incorporation	Principal activity and registered address	Percentage owned
24 Hours B.V	The Netherlands	Courier express sector Wijkmeesterstraat 31, 2131 HB, Hoofddorp, The Netherlands	35.01
Albacetrans, S.L.U	Spain	Freight forwarding company Poligono Industrial Campollano, Avenida Sexta, 0.02007 Albacete, Spain	36.6
Alcome S.A.S.	France	Waste management 88 avenue des Ternes, Paris, 75017, France	24.0
Azur Finances SA	Cameroon	Holding investments in subsidiary companies B.P 1105, Douala, Cameroon	20.0
Compañía Española de Tabaco en Rama SA (Cetarsa) (i)	Spain	Production and sale of raw tobacco Avenida de las Angustias, 20, 10300 Naval Moral de la Mata, Cáceres, Spain	20.8
Distribuidora de Ediciones SADE, S.A	Spain	Distribution of published materials and other products in Spain Calle B, esquina calle 4, s/n. Sector B, Poligono Industrial Zona Franca, 08040 Barcelona, Spain	35.0
Distribuidora de Publicaciones del Sur, S.A.	Spain	Distribution of published materials and other products Poligono Industrial Pineda, Carretera De Cadiz A, Dos Hermanas KM.547, Nave B, Sevilla, 41014, Spain	25.0
Distribución de Publicaciones Siglo XXI, Guadalajara	Spain	Distribution of published materials and other products in Spain Francisco Medina y Mendoza, 2, 19171 Cabanillas del Campo, Guadalajara, Spain	40.0
Entreprises des Tabacs en Guinée (i)	Guinée Conakry	Dormant B.P 3391, Conakry, Guinea	34.0
German-Ex B.V.	The Netherlands	Courier express sector Wijkmeesterstraat 31, 2131 HB, Hoofddorp, The Netherlands	35.0
Herinvemol, S.L.	Spain	Freight forwarding company Carretera De Madrid, KM. 276. 30500 Molina De Segura (Murcia), Spain	36.6
Innoreste, S.L.U	Spain	Freight forwarding company Carretera De Madrid-Cartegena, KM. 376. 30500 Molina de Segura (Murcia), Spain	36.6
Lao Tobacco Limited	Laos	Manufacture and distribution of cigarettes in Laos KM 8, Thadeua Road, P O Box 181, Vientiane, Lao People's Democratic Republic	43.7
Logista Libros SL	Spain	Distribution of books Avda. Castilla La Mancha, 2 – Naves 3-4 del Poligono Industrial La Quinta, Cabanillas del Campo, Guadalajara, Spain	25.0
Mosca China Logistics Ltd	China	Freight forwarding company 603, no.32, Hong Kong Road, Nanfang district, Qingdao city	30.0
Mosca Italia, Srl	Italy	Transport activities Via Luigi Canepa 13, 16165, Genova, Italy	36.6
Mosca Maritimo Baleares, S.L.	Spain	Freight forwarding company Carretera De Madrid, S/N. 30500 Molina de Segura (Murcia), Spain	36.6

Name	Country of incorporation	Principal activity and registered address	Percentage owned
Mosca Maritimo, S.L.U.	Spain	Freight forwarding company Carretera De Madrid, S/N. 30500 Molina de Segura (Murcia), Spain	36.6
Mosca Portugal, Lda	Portugal	Freight forwarding company Santa Iria, Na Avenida Casal SA Serra No 9, Portugal	36.6
Ordimur, S.L.U.	Spain	Freight forwarding company Calle Argentina, Margen Izquierda, Poligono Industrial La Serreta, 30500 Molina de Segura, Murcia, Spain	36.6
Promotion et Distribution a Madagascar (i)	Madagascar	Distribution of cigarettes in Madagascar Tour ZITAL Ankorondrano, Antananarivo, Madagascar	33.4
SITABAC S.A	Cameroon	Manufacture and distribution of tobacco products in Cameroon 113 Rue Kitchener, 1067 Bonanjo, Douala, Cameroon	34.5
Sociedad Anonima Distribuidora De Ediciones	Spain	Publications distribution Calle B, esquina calle 4, s/n. Sector B, Polígono Industrial Zona Franca, 08040 Barcelona, Spain	35.0
Société Internationale des Tabacs Malgaches (i)	Madagascar	Leaf processing BP 270, 401 Mahajanga, Madagascar	47.9
Société Nationale des Tabacs et Allumettes du Mali SA (i)	Mali	Manufacture and distribution of cigarettes in Mali Route Sotuba – Z.I., BP 59, Bamako, Mali	28.0
Speedlink Worldwide Express B.V.	The Netherlands	Courier express sector Wijkermeerstraat 31, 2131 HB, Hoofddorp, The Netherlands	35.0
Transportes El Mosca Murcia, S.A.U.	Spain	Freight forwarding company Carretera Madrid-Cartagena, KM. 376.30500, Molina de Segura (Murcia), Spain	36.6
Transportes El Mosca, S.A.U.	Spain	Freight forwarding company Carretera Madrid-Cartagena, KM. 376.30500, Molina de Segura (Murcia), Spain	36.6

#### JOINT VENTURES: INCORPORATED OVERSEAS

Name	Country of incorporation	Principal activity and registered address	Percentage owned
Global Horizon Ventures Limited	Hong Kong	Sales and marketing of cigarettes in Asia Room 3907-08, 39th Floor, Hopewell Centre, 183 Queens Road East, Wanchai, Hong Kong	50.0
Intertab SA (i)	Switzerland	Holding investments in subsidiary companies Société Fiduciaire Suisse-Coopers & Lybrand S.A., Route de la Glâne 107, Villars-sur-Glâne, 1752, Switzerland	50.0
West Tobacco Pte Ltd (i)	Singapore	Dormant 1 Harbourfront Avenue #14-07, Keppel Bay Tower, 098632 Singapore	50.0

NOTES TO THE FINANCIAL STATEMENTS OF IMPERIAL BRANDS PLC *continued***PARTNERSHIPS**

The Group also owns the following partnerships:

<b>Name</b>	<b>Country</b>	<b>Principal activity, registered address and principal place of business</b>
Fabrica de Tabacos La Flor de Copan S de R.L. de CV	Honduras	Holding investments in subsidiary companies Registered address and principal place of business: Apartado Postal 209, Colonia Mejia-García, Santa Rosa de Copán, Honduras
Imperial Tobacco (Efka) GmbH & Co. KG	Germany	Manufacture of tubs in Germany Registered address and principal place of business: Behrinstrasse 122 A., Hamburg, 22763, Germany
Imperial Tobacco Kazakhstan LLP (i)	Kazakhstan	Marketing and distribution of tobacco products in Kazakhstan Registered address and principal place of business: 3rd Floor, Prime Business Park, 100/2 Nursultan Nazarbayev Avenue, Medeuskiy District, Almaty, 050000, Kazakhstan
ITG Brands Holdpartner LP	United States of America	Marketing and sale of tobacco products in United States of America Registered address and principal place of business: 714 Green Valley Road, Greensboro, NC27408, United States of America

The subsidiaries listed were held throughout the year and the consolidated Group financial statements include all the subsidiary undertakings identified. All dormant UK entities have taken the exemption available to not have an audit of their financial statements.

Unless otherwise stated the entities are unlisted, have 1 type of ordinary share capital and a reporting period ending on 30 September each year.

- (i) December year end
- (ii) March year end
- (iii) Listed entity
- (iv) Holding of one type of ordinary share only (where more than one type of share is authorised/in issue). Only applicable to partly owned entities. Percentage ownership is shown in the tables above.
- (v) Holding of two types of ordinary share (where more than one type of ordinary share is authorised/in issue). Only applicable to 100% owned subsidiaries.
- (vi) Holding of preference shares only
- (vii) Holding of ordinary and preference shares
- (viii) Holding of ordinary and redeemable shares
- (ix) Holding of ordinary and deferred shares
- (x) Holding of two types of ordinary share and redeemable shares

The percentage of issued share capital held by the immediate parent and the effective voting rights of the Group are the same except for Imperial Tobacco Italia Srl where the entire share capital, and therefore 100% of the voting rights, are held by a number of Group companies.