

WESTON INVESTMENT COMPANY LIMITED

Registered Number 00179244

Annual report and financial statements

For the year ended 31 December 2022

Contents

Strategic Report	2
Directors' Report	4
Independent Auditor's Report to the members of Weston Investment Company Limited for the year ended 31 December 2022	6
Profit and loss account for the year ended 31 December	9
Statements of changes in equity for the year ended 31 December	9
Balance Sheet as at 31 December	10
Notes to the financial statements for the year ended 31 December 2022	11

Strategic Report

The Directors present their Strategic Report on Weston Investment Company Limited (“the Company”) for the year ended 31 December 2022.

Principal activities

The Company’s principal activity is the holding of investments in companies operating in the tobacco and nicotine industries as members of the British American Tobacco p.l.c. group of companies (the “Group”).

Review of the year ended 31 December 2022

The profit for the financial year attributable to the Company’s shareholder after deduction of all charges and the provision of taxation amounted to £1,112,647,000 (2021: £1,277,244,000).

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

Key performance indicators

Given the nature of the Company’s activities, the Company’s Directors believe that key performance indicators are not necessary or appropriate for an understanding of the Company’s specific development, performance, or the position of its business. However, key performance indicators relevant to the Group, and which may be relevant to the Company, are disclosed in the Strategic Report in British American Tobacco p.l.c.’s 2022 Annual Report and Form 20-F (“BAT ARA & 20-F”) and do not form part of this report.

Principal risks and uncertainties

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

UK Companies Act 2006: Section 172(1) Statement

The Company is part of the Group and is ultimately owned by British American Tobacco p.l.c. As set out above in the Company’s Strategic Report, the Company’s principal activity is the holding of investments in companies operating in the tobacco and nicotine industries as members of the Group.

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

The Company’s key stakeholders are Group undertakings, including its shareholder. The Company does not have any employees, or customers or suppliers outside of the Group.

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

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

In accordance with the Group’s overall governance and internal controls framework and in support of the Company’s purpose as part of the Group, the Company applies and the Directors have due regard to all applicable Group policies and procedures, including the Group Statement of Delegated Authorities (“SoDA”), the Group Standards of Business Conduct, International Marketing Principles, Health and Safety Policy, and Environment Policy as set out on pages 45 and 91 of the BAT ARA & 20-F. As a Group company, the Company acts in accordance with the Group’s policies in relation to the safeguarding of human rights and community relationships, which are set out on page 45 of the BAT ARA & 20-F.

Strategic Report (continued)

UK Companies Act 2006: Section 172(1) Statement (continued)

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

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

The principal decisions made by the Directors during the year included the review and approval of the issuance of redeemable preference shares and interim dividend to its parent company, Weston (2009) Limited and liquidation of its subsidiary. Examples of how stakeholder considerations and other relevant factors have been taken into account during the decision-making process in these contexts are as follows:

The Board reviewed and approved the issuance of redeemable preference shares and payment of an interim dividend to its parent company Weston (2009) Limited. The Board considered, amongst other relevant factors, the Company's capital position, the amount of its distributable reserves, its cash position, and the Company's actual and contingent liabilities and its ability to pay its debts as they fell due.

The Board reviewed the activities and liquidation of the subsidiary, British American Tobacco Malaysia (Investments) Limited to drive greater efficiencies in the processes and ways of working within the Group. Key factors taken into consideration in this context included the anticipated benefits of the liquidation to the Company and its shareholders, as part of the wider Group.

Principal decisions are those decisions and discussions by the Board that are strategic or material to the Company and those of significance to any of Company's key stakeholders.

By Order of the Board

DocuSigned by:

E0FF2749709146F...
Ruth Wilson
Director

19 July 2023

Directors' Report

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2022.

In accordance with Section 414C(11) of the Act, the Directors have provided an indication of likely future developments in the business of the Company in the Strategic Report under the heading "Review of the year ended 31 December 2022."

Dividends

During the year, the Company paid dividends amounting to £980,000,000 (2021: £1,371,000,000) and a preference share dividend of £56,929,000 (2021: £49,588,000).

Financial risk management

The Company's operations expose it to a currency risk as income from shares in Group undertakings is denominated in foreign currencies other than Sterling. The exposure is hedged with forward foreign exchange contracts.

Board of Directors

The names of the persons who served as Directors of the Company during the period 1 January 2022 to the date of this report are as follows:

David Patrick Ian Booth
Steven Glyn Dale
Paul McCrory
Neil Arthur Wadey
Ruth Wilson

Research and development

No research and development expenditure has been incurred during the year (2021: £nil).

Employee

The average number of employees employed by the Company during the year was nil (2021: nil).

Auditor

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

Statement of Directors' Responsibilities

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

Directors' Report (continued)

Statement of Directors' Responsibilities (continued)

- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

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


Directors' declaration in relation to relevant audit information

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

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

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

By Order of the Board

DocuSigned by:

E0FF2749709146F...
Ruth Wilson

Director

19 July 2023

Independent Auditor's Report to the members of Weston Investment Company Limited

Opinion

We have audited the financial statements of Weston Investment Company Limited ("the Company") for the year ended 31 December 2022 which comprise the Profit and Loss account, Statement of changes in equity, Balance sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

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

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

Independent Auditor's Report to the members of Weston Investment Company Limited (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

- Enquiring of directors and inspection of policy documentation as to the Company's policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by an individuals who typically do not post journal entries or are not authorised to do so and posted to unrelated, unusual, or seldom used accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

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

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

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

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

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

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

Strategic report and directors' report

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

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

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

Independent Auditor's Report to the members of Weston Investment Company Limited (continued)

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

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

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at

www.frc.org.uk/auditorsresponsibilities.

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

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

DocuSigned by:



AC0B2E3C647841B...

Natalia Bottomley (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

19 July 2023

Profit and loss account for the year ended 31 December

	Notes	2022 £'000	2021 £'000
Continuing operations			
Other operating income	2	24,544	9,494
Other operating expenses	3	(125,697)	(2,503)
Operating (loss)/profit		(101,153)	6,991
Income from shares in Group undertakings	4	1,184,019	1,287,861
Interest receivable and similar income	5	114,156	68,556
Interest payable and similar expenses	6	(64,262)	(72,747)
Profit before tax		1,132,760	1,290,661
Taxation	7	(20,113)	(13,417)
Profit for the financial year		1,112,647	1,277,244

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

Statement of changes in equity for the year ended 31 December

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total Equity £'000
1 January 2021	7,443,335	1,549,032	4,229,971	13,222,338
Profit for the financial year	—	—	1,277,244	1,277,244
Dividends paid	—	—	(1,371,000)	(1,371,000)
Ordinary share capital issued	92,026	—	—	92,026
31 December 2021	7,535,361	1,549,032	4,136,215	13,220,608
Profit for the financial year	—	—	1,112,647	1,112,647
Dividends paid	—	—	(980,000)	(980,000)
Ordinary share capital issued(note 11a)	38,088	—	—	38,088
31 December 2022	7,573,449	1,549,032	4,268,862	13,391,343

Balance sheet as at 31 December

	Notes	2022 £'000	2021 £'000
Fixed assets			
Investments in Group undertakings	8	12,558,271	12,662,172
		12,558,271	12,662,172
Current assets			
Debtors: amounts falling due within one year	9a	1,298,651	989,438
Debtors: amounts falling due after one year	9b	413,921	388,550
Cash at bank and in hand		226	335
		1,712,798	1,378,323
Creditors: amounts falling due within one year	10a	(385,057)	(419,918)
Net current assets		1,327,741	958,405
Total assets less current liabilities		13,886,012	13,620,577
Creditors: amounts falling due after more than one year	10b	(494,282)	(399,651)
Provisions for liabilities and other charges		(387)	(318)
Net assets		13,391,343	13,220,608
Capital and reserves			
Called up share capital	11a	7,573,449	7,535,361
Share premium account	11b	1,549,032	1,549,032
Profit and loss account	11c	4,268,862	4,136,215
Total shareholder funds		13,391,343	13,220,608

The financial statements on pages 9 to 36 were approved by the Directors on 19 July 2023 and signed on behalf of the Board.

DocuSigned by:

 E0FF2749709146F...

Ruth Wilson
Director

Registered number
00179244

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

Notes to the financial statements for the year ended 31 December 2022

1 Accounting policies

Basis of accounting

The Company is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 00179244 and the registered address is Globe House, 4 Temple Place, London, WC2R 2PG.

The financial statements of the Company have been prepared in accordance with the Act and in accordance with FRS 101 *Reduced Disclosure Framework*.

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

The Directors have at the time of approving these financial statements a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months following the signing of these financial statements.

The Company is included in the consolidated financial statements of British American Tobacco p.l.c. which is incorporated in the United Kingdom and registered in England and Wales. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of Section 400 of the Act.

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

The most significant items include:

- the review of asset values and impairment testing of financial assets; and
- the estimation of amounts to be recognised in respect of taxation and legal matters ;and
- the recognition, classification and measurement of derivatives and other financial instruments.

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

The Company is included in the consolidated financial statements of British American Tobacco p.l.c. which is incorporated in the United Kingdom and registered in England and Wales. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of Section 400 of the Act.

The accounting policies set out below, have unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Foreign currencies

The functional currency of the Company is Sterling. Transactions arising in currencies other than Sterling are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities expressed in currencies other than Sterling are translated at rates of exchange ruling at the end of the financial year.

Operating expenses

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

Notes to the financial statements for the year ended 31 December 2022

1 Accounting policies (continued)

Income

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

Taxation

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

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

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

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

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

Tax is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or changes in equity.

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

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

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

Investments in Group undertakings

As permitted by International Financial Reporting Standard ("IFRS") 9, Investments in Group undertakings are stated at cost, together with subsequent capital contributions, less provisions for any impairment in value, and adjustments for the effect of fair value hedges, where appropriate.

Provisions

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

Financial instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions. Such assets and liabilities are classified as current if they are expected to be realised or settled within 12 months after the balance sheet date. If not, they are classified as non-current.

Notes to the financial statements for the year ended 31 December 2022

1 Accounting policies (continued)

Financial instruments are initially recognised at fair value plus directly attributable costs where applicable. The Company's financial assets (amounts owed by Group undertakings) are subsequently carried at amortised cost.

Investments in redeemable preference shares are classified as receivables in accordance with the substance of the contractual arrangement which represents a right to receive cash in respect of both the principle and the dividends due. Other debtors, which are non-derivative financial assets with fixed or determinable payments that are solely payments of principal and interest on the principal amount outstanding, that are primarily held in order to collect contractual cash flows. These balances are measured at amortised cost, using the effective interest rate method, and are stated net of allowances for credit losses.

Non-derivative financial liabilities, including creditors, are subsequently carried at amortised cost using the effective interest method. Financial guarantees are initially recorded at fair value, and subsequently carried at this fair value less accumulated amortisation changes in their fair values are recognised in profit and loss.

Redeemable preference shares are classified as creditors in accordance with the substance of the contractual arrangement which represents an obligation to pay cash in respect of both the principle and the dividends due.

For financial instruments that are designated as fair value hedges, the carrying value of the hedged item is adjusted for the fair value changes attributable to the risk being hedged, with the corresponding entry being made in the income statement. The changes in fair value of these financial instruments are also recognised in the income statement.

Derivative financial assets and liabilities are initially recognised, and subsequently measured, at fair value, which includes accrued interest receivable and payable where relevant. Changes in their fair values are recognised as follows:

- for derivatives that are designated as cash flow hedges, the changes in their fair values are recognised directly in other comprehensive income, to the extent that they are effective, with the ineffective portion being recognised in the income statement. Accumulated gains and losses are reclassified to the income statement in the same periods as the hedged item; and
- for derivatives that do not qualify for hedge accounting or are not designated as hedges, the changes in their fair values are recognised in the income statement in the period in which they arise.

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

Impairment of financial assets held at amortised cost

Loss allowances for expected credit losses on financial assets which are held at amortised cost are recognised on the initial recognition of the underlying asset. Allowances in respect of loans and other receivables (debtors) are initially recognised at an amount equal to 12-month expected credit losses. Where the credit risk on the receivables has increased significantly since initial recognition, allowances are measured at an amount equal to the lifetime expected credit loss.

Dividends

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

2 Other operating income

	2022	2021
	£'000	£'000
Other income	9,798	850
Reversal of expected credit loss	9,191	3,762
Guarantee fees	4,969	4,882
Exchange gains	586	—
	24,544	9,494

Other income of £9,798,000 mainly relates to reversal of provision for Far East loan in amount of £9,415,000 as Far East loan was fully reimbursed during the year. Reversal of expected credit loss of £9,191,000 relates to reversal of expected credit loss for other debtors (amounts owed by Group undertakings).

Notes to the financial statements for the year ended 31 December 2022

3 Other operating expenses

	2022	2021
	£'000	£'000
Exchange losses	—	390
Impairment of investment	124,785	—
Other	912	2,113
	125,697	2,503

As at year end the company assessed the carrying value of its investments and as result has booked a total impairment of £211,257,000 in the investment in Precis (1814) Limited. A total impairment of £18,342,000 was booked against the investment in Lord Extra Limited. A reversal of impairment in amount of £104,814,000 of the investment in British American Tobacco (Serbia) Limited was booked during the year.

Auditor's fees of £17,500 were borne by a fellow Group undertaking (2021: £12,500).

There were no employees (2020: nil) and no staff costs during the year (2021: £nil).

None of the Directors received any remuneration in respect of their services during the year (2021: £nil).

The Company considers that there is no practicable method to allocate a portion of the emoluments the Directors receive from their respective Group company employer for any qualifying services in respect of the Company, as these are considered to be incidental and part of the Directors overall management responsibilities within the Group.

4 Income from shares in Group undertakings

	2022	2021
	£'000	£'000
Income from shares in Group undertakings	1,184,019	1,287,861

Income from shares in Group undertakings received during the year mainly represents dividends received from British American Tobacco International (Holdings) B.V in amount of £1,011,000,000(2021: £887,000,000) and Others in amount of £173,019,000(2021: £400,861,000).

5 Interest receivable and similar income

	2022	2021
	£'000	£'000
Interest receivable from Group undertakings	72,884	48,018
Preference dividend income	23,855	19,624
Fair value gain on derivatives	—	39
Other similar income	156	875
Exchange gains	17,261	—
	114,156	68,556

The Company has preference dividends income in respect of the redeemable preference shares issued by Precis (1814) Limited.

6 Interest payable and similar expenses

	2022	2021
	£'000	£'000
Fair value loss	4	—
Exchange losses	—	22,608
Preference dividend payable	61,338	46,705
Interest payable to Group undertakings	2,851	3,392
Other similar charges	69	42
	64,262	72,747

The Company has preference dividends payable in respect to the redeemable preference shares issued to Weston (2009) Limited of which £56,929,000 were paid in the year (2021: £49,588,000).

Notes to the financial statements for the year ended 31 December 2022

7 Taxation

(a) Recognised in the profit and Loss account

	2022 £'000	£'000	2021 £'000	£'000
<i>UK corporation tax</i>				
Current tax on income for the period	8,591		6,696	
Double tax relief	(8,591)		(6,696)	
Current tax prior year adjustment	28		19	
		28		19
<i>Foreign tax</i>				
Current tax on income for the period	15,054		11,793	
Current foreign tax		15,054		11,793
Total current tax		15,082		11,812
<i>Deferred tax</i>				
Origination and reversal of temporary differences	5,927		2,528	
Effect of rate change	(896)		(923)	
Total deferred tax		5,031		1,605
Total income tax expense		20,113		13,417

(b) Factors affecting the taxation charge

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly. The deferred tax asset/liability at 31 December 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary differences.

The taxation charge for the year differs from the charge that would be expected based on the statutory 19% (2021: 19%) rate of corporation taxation in the UK. The major causes of this difference are listed below:

	2022 £'000	2021 £'000
Profit for the year	1,112,647	1,277,244
Total tax expense	20,113	13,417
Profit excluding taxation	1,132,760	1,290,661
Tax using the UK corporation tax rate of 19% (2021: 19%)	215,224	245,225
Adjustments in respect of prior years	28	55
Non-deductible expenses	35,397	13,261
Income not taxable	(236,145)	(249,298)
Transfer pricing adjustments	41	—
Tax rate changes	(896)	(923)
Effects of overseas tax rates	6,464	5,097
Total tax charge	20,113	13,417

Notes to the financial statements for the year ended 31 December 2022

8 Investments

(1) Shares in Group undertakings

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Albania	Rruga e Kavajes, Ish Kombinati Ushqimor, Tirana, Albania	British American Tobacco - Albania SH.P.K.	Ordinary	0.00	100.00	100.00
Algeria	Zone d'activité El Omran, Route de Ouled Fayet, Ilot 789- Lot 04, Cheraga, Alger, Algérie.	British American Tobacco (Algérie) S.P.A.	Ordinary	0.00	50.99	50.99
Angola	Viana Park, Polo Industrial, Viana, Luanda, Angola	British American Tobacco - B.A.T. Angola, Limitada	Ordinary	0.00	99.80	99.80
Angola	Viana Park, Polo Industrial, Viana, Luanda, Angola	Sociedade Industrial Tabacos Angola LDA	Ordinary	0.00	71.60	71.60
Angola	Viana Park, Polo Industrial, Viana, Luanda, Angola	Sociedade Unificada Tabacos Angola LDA	Ordinary	0.00	62.67	62.67
Angola	Viana Park, Polo Industrial, Viana, Luanda, Angola	Sociedade Geral de Distribuição e Comércio, Limitada	Ordinary	0.00	100.00	75.44
Argentina	San Martín 140, Floor 14, City of Buenos Aires, Argentina	British American Tobacco Argentina S.A.I.C.y F.	New Ordinary	0.00	99.98	99.98
Argentina	San Martín 140, Floor 14, City of Buenos Aires, Argentina	BAT Operaciones S.A.U.	New Ordinary	0.00	83.54	50.01
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	British American Tobacco Australasia Limited	Ordinary	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	British American Tobacco Australia Limited	Ordinary	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	British American Tobacco Australia Overseas Pty Limited	Ordinary	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	British American Tobacco South East Asia Pty Ltd	Ordinary	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	British American Tobacco Australia Services Limited	Ordinary	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	Rothmans Asia Pacific Limited	Ordinary	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	Rothmans Asia Pacific Limited	Red. Preference shares A\$ 1.00 each	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	The Benson & Hedges Company Pty. Limited	Ordinary	0.00	100.00	100.00
Australia	166 William Street, Woolloomooloo, NSW 2011, Australia	W.D. & H.O. Wills Holdings Limited	Ordinary	0.00	100.00	100.00
Austria	Dr. Karl Lueger Platz 5, 1010, Wien, Austria	British American Tobacco (Austria) GmbH	Ordinary	100.00	0.00	100.00
Bangladesh	New DOHS Road, Mohakhali, Dhaka 1206, Bangladesh	British American Tobacco Bangladesh Company Limited	Ordinary	0.00	72.91	72.91
Barbados	Chancery Chambers, Chancery House, High Street, Bridgetown, Barbados	Southward Insurance Ltd.	Common of no par value	0.00	100.00	100.00
Belarus	7th Floor, 3 Kuprevicha Str., Minsk, 220141, Belarus	Limited Liability Company "International Tobacco Marketing Services BY"	Ordinary	0.00	100.00	100.00
Belgium	Nieuwe Gentsesteenweg 21, 1702 Groot- Bijgaarden, Belgium	British American Tobacco Belgium N.V.	Ordinary	99.99	0.00	99.99
Belgium	Globe House, 4 Temple Place, London, WC2R, 2PG, United Kingdom	British American Tobacco Holdings Belgium N.V.	Shares of no value	100.00	0.00	100.00
Bolivia	Av. Ballivián entre calles 11 y 12 No. 555, Edificio El Dorial, Piso 19, Oficina E, zona de Calacoto, La Paz, Bolivia	BAT Bolivia S.R.L.	Ordinary	99.00	1.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Bosnia and Herzegovina	ul. Kolodvorska 12, 71000 Sarajevo-Novo Sarajevo, Bosnia and Herzegovina	INOVINE BH d.o.o.	Ordinary	0.00	100.00	100.00
Bosnia and Herzegovina	Fra Dominka Mandića 24 A, 88220 Široki Brijeg, Bosnia and Herzegovina	IPRESS d.o.o.	Ordinary	0.00	100.00	100.00
Bosnia and Herzegovina	ul. Azize Ša'cirbegović 1, 71000 Sarajevo-Novo Sarajevo, Bosnia and Herzegovina	TDR d.o.o. Sarajevo	Ordinary	0.00	100.00	100.00
Botswana	Plot 20774 Broadhurst Industrial Estate, Gaborone, Botswana	British American Tobacco Botswana (Pty) Limited	Ordinary	0.00	100.00	100.00
Botswana	Plot 20774 Broadhurst Industrial Estate, Gaborone, Botswana	Business Venture Investments Botswana 6773 (Pty) Ltd. (in Liquidation)	Ordinary	0.00	99.00	99.00
Brazil	Avenida República do Chile, nº 330, Bloco 1, Torre Leste, 30º andar, Centro, Rio de Janeiro/RJ - CEP 20.031-170	Souza Cruz LTDA	Quotas	0.00	100.00	100.00
Brazil	Avenida República do Chile, nº 330, Bloco 1, Torre Leste, 30º andar, Centro, Rio de Janeiro/RJ - CEP 20.031-171	Yolanda Participacoes S.A.	Ordinary	0.00	100.00	100.00
Bulgaria	115 M, Tsarigradsko Shose Blvd., Building D, Floor 5, Sofia, Mladost Municipality, 1784, Bulgaria	British American Tobacco Trading EOOD	Ordinary	0.00	100.00	100.00
Cameroon	Rue Njo Njo, Bonapriso - B.P. 259, Douala, Cameroon	British American Tobacco Cameroun S.A.	Ordinary	0.00	99.76	99.76
Canada	45 O'Connor Street, Suite 1500, Ottawa, Ontario, K1P 1A4, Canada	2004969 Ontario Inc.	Common of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Allan Ramsay and Company Limited	Common of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Cameo Inc.	Common of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Genstar Corporation	2nd Preferred shares	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Genstar Corporation	Series F	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Imperial Brands Limited	Common of no par value	0.00	100.00	100.00
Canada	30 Pedigree Court, Brampton, Ontario, L6T 5T8, Canada	Imperial Tobacco Canada Limited	Common of no par value	0.00	100.00	100.00
Canada	30 Pedigree Court, Brampton, Ontario, L6T 5T8, Canada	Imperial Tobacco Company Limited	Common of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Imperial Tobacco Products Limited	Common of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Imperial Tobacco Services Inc.	Common of no par value	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	John Player & Sons Limited	Common of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Liggett & Myers Tobacco Company of Canada Limited	Class 'A' of no par value	0.00	50.00	50.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Liggett & Myers Tobacco Company of Canada Limited	Class 'B' of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Marlboro Canada Limited	Common of no par value	0.00	100.00	100.00
Canada	3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada	Medaillon Inc.	Common of no par value	0.00	100.00	100.00
Chile	Isidora Goyenechea 3000, Piso 15, of 1501, Las Condes, Santiago, Chile.	BAT Chile S.A.	Ordinary	0.00	99.52	50.01
Chile	Isidora Goyenechea 3000, Piso 15, of 1501, Las Condes, Santiago, Chile.	British American Tobacco Chile Operaciones S.A.	Ordinary	50.01	0.00	50.01
China	Unit 1001 in 901, 9/F, Building 3, No.8 Guanghualongli, Chaoyang District Beijing, People's Republic of China	British American Consulting (Beijing) Co., Ltd	Ordinary	0.00	100.00	100.00
Colombia	Av. Cra. 72 # 80-94 Piso 10. Bogotá, Colombia	British American Tobacco Colombia S.A.S.	Ordinary	0.00	100.00	100.00
Colombia	Av. Cra. 72 # 80-94 Piso 10. Bogotá, Colombia	Vype Colombia S.A.S.	Ordinary	0.00	100.00	100.00
Congo, The Democratic Republic	1er étage, Immeuble du Centenaire, Gombe, Kinshasa, Democratic Republic of Congo	BAT Distribution SARL (in liquidation)	Ordinary	0.00	100.00	100.00
Congo, The Democratic Republic	1er étage, Immeuble du Centenaire, Gombe, Kinshasa, Democratic Republic of Congo	British American Tobacco Congo SARL (in liquidation)	Ordinary	0.00	100.00	100.00
Congo, The Democratic Republic	1st floor Immeuble L'horizon sis avenue Colonel, Lukusa n°50, Gombe, Kinshasa/DRC	British American Tobacco Services Congo SARL	Ordinary	0.00	100.00	100.00
Costa Rica	325 Metros este del Puente de la Firestone, Llorente, Flores, Heredia, Costa Rica	BASS Americas S.A.	Ordinary	0.00	100.00	100.00
Costa Rica	325 Metros este del Puente de la Firestone, Llorente, Flores, Heredia, Costa Rica	BATCCA Park Inversiones Inmobiliarias, S.A.	Ordinary	0.00	100.00	100.00
Costa Rica	325 Metros este del Puente de la Firestone, Llorente, Flores, Heredia, Costa Rica	BATCCA Servicios S.A.	Ordinary	0.00	100.00	100.00
Croatia	Avenija Dubrovnik 16, 10000 Zagreb, Croatia	BAT HRVATSKA d.o.o. (in Liquidation)	Ordinary	0.00	100.00	100.00
Croatia	Osječka 2, 33000 Virovitica, Croatia	HRVATSKI DUHANI d.d. Tobacco Leaf Processing	Ordinary	0.00	98.65	98.65
Croatia	Draškovica 27, 10000 Zagreb, Croatia	iNovine d.d.	Ordinary	0.00	93.42	93.42
Croatia	Obala V. Nazora 1, 52210 Rovinj, Croatia	TDR d.o.o.	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Cuba	Parcela nº 2 a noroeste do terminal de contêineres de Mariel, a 2,2 km do vértice nº 4, Município de Mariel, Província de Artemisa, na República de Cuba - temporarily in Calle Reyes nº 6 entre Calzada de Luyanó e Calle Princesa, Município de 10 de outubro, Província de Havana	Brascuba Cigarrillos S.A.	Ordinary	0.00	50.00	50.00
Cyprus	Photiades Business Centre, 5th Floor, 8 Stasinou Avenue, Nicosia, CY-1060, Cyprus	B.A.T (Cyprus) Limited	Ordinary	0.00	100.00	100.00
Cyprus	Photiades Business Centre, 5th Floor, 8 Stasinou Avenue, Nicosia, CY-1060, Cyprus	Rothmans (Middle East) Limited	Ordinary	0.00	99.99	99.99
Czech Republic	Karolinská 654/2, Prague 8 – Karlín, 186 00, Czech Republic	British American Tobacco (Czech Republic), s.r.o.	Ordinary	0.00	100.00	100.00
Egypt	Administrative unit no.1, 5th Floor, Building S2B, Sector A, Downtown Mall Katameya,5th settlement, New Cairo,Egypt	British American Tobacco North Africa LLC	Ordinary ERN500.00	0.00	100.00	100.00
Eritrea	P.O. Box 749, 62 Fel Ket Street, Asmara, Eritrea	British American Tobacco (Eritrea) Share Company	Ordinary ERN1000.00	0.00	100.00	100.00
Eritrea	P.O. Box 749, 62 Fel Ket Street, Asmara, Eritrea	British American Tobacco (Eritrea) Share Company	Preference US\$500.00	0.00	100.00	100.00
Eritrea	P.O. Box 749, 62 Fel Ket Street, Asmara, Eritrea	British American Tobacco (Eritrea) Share Company	Preference	0.00	100.00	100.00
Estonia	Tornimäe 7-10, 10145 Tallinn, Estonia	British American Tobacco Estonia AS	Ordinary	0.00	100.00	100.00
Fiji	Lady Maria Road, Nabua, Suva, Fiji	British American Tobacco (Fiji) Marketing Pte Limited	Ordinary	0.00	50.00	50.00
Fiji	Lady Maria Road, Nabua, Suva, Fiji	Central Manufacturing Company Pte Limited	Ordinary	0.00	85.00	85.00
Fiji	Lady Maria Road, Nabua, Suva, Fiji	Rothmans of Pall Mall (Fiji) Pte Limited	Ordinary	0.00	100.00	100.00
Finland	c/o Retail24, Olarinluoma 7, 02200 Espoo, Finland	British American Tobacco Finland Oy	Ordinary	0.00	100.00	100.00
France	Tour Légende, 20 place de la Défense, CS 80289, 92050 Paris La Défense Cedex	British American Tobacco France SAS	Ordinary EUR 15	0.00	100.00	100.00
France	111 Avenue Victor Hugo, 75016 Paris, France	Carreras France SAS	Ordinary	0.00	100.00	100.00
Germany	Alsterufer 4, 20354 Hamburg, Germany	BATIG Gesellschaft für Beteiligungen m.b.H.	Ordinary € 340,000,000.00	0.00	100.00	100.00
Germany	Alsterufer 4, 20354 Hamburg, Germany	British American Tobacco (Germany) GmbH	Ordinary	0.00	100.00	100.00
Germany	Alsterufer 4, 20354 Hamburg, Germany	British American Tobacco (Industrie) GmbH	Ordinary	0.00	100.00	100.00
Ghana	4th Floor, Volta Place, Airport Residential Area, Patrice Lumumba Street, Accra, Ghana	British American Tobacco Ghana Limited	Ordinary	0.00	97.09	97.09
Greece	27, Ag. Thoma Street, Maroussi, 151 24, Greece	British American Tobacco Hellas S.A.	Ordinary	0.00	100.00	100.00
Guernsey	St Martin's House, Le Bordage, St. Peter's Port, GY1 4AU, Guernsey	Belaire Insurance Company Limited	Ordinary	0.00	100.00	100.00
Guyana	Lot 122 Parade Street, Kingston, Georgetown, Guyana	Demerara Tobacco Company Limited	Ordinary	0.00	70.25	70.25

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Honduras	Boulevard del Sur, Zona El Cacao, San Pedro Sula, Depart. de Cortés, Honduras	Tabacalera Hondureña S.A.	Ordinary	0.00	83.64	83.64
Hong Kong	Level 30, 3 Pacific Place, 1 Queen's Road East, Wanchai, Hong Kong	British American Tobacco Asia-Pacific Region Limited	Ordinary shares of HK\$1 each	0.00	100.00	100.00
Hong Kong	11/F, One Pacific Place, 88 Queensway, Hong Kong	British American Tobacco China Investments Limited	Ordinary	0.00	100.00	100.00
Hong Kong	Level 30, 3 Pacific Place, 1 Queen's Road East, Wanchai, Hong Kong	British-American Tobacco Company (Hong Kong) Limited	Ordinary	0.00	100.00	100.00
Hong Kong	Level 24, Suites 2407-09, 3 Pacific Place, 1 Queen's Road East, Wanchai, Hong Kong	BAT Global Travel Retail Limited	Ordinary	100.00	0.00	100.00
Hungary	H-1124, Budapest, Csörsz utca 49-51. 3. em., Hungary	BAT Pécsi Dohánygyár Korlátolt Felelősségű Társaság	Ordinary	0.00	100.00	100.00
Indonesia	Capital Place Office Tower 6th Floor, Jl. Gatot Subroto Kav. 18, Jakarta 12710 Indonesia	PT Bentoel Internasional Investama, Tbk	Ordinary	0.00	99.96	99.96
Indonesia	Jl. Raya Karanglo, 1st Floor, Desa Banjararum, Kecamatan Singosari, Jawa Timur 65153 Indonesia	PT Bentoel Prima	Series A	0.00	99.96	99.96
Indonesia	Jl. Raya Karanglo, 1st Floor, Desa Banjararum, Kecamatan Singosari, Jawa Timur 65153 Indonesia	PT Bentoel Prima	Series B	0.00	99.96	99.96
Indonesia	Jl. Susanto No. 2B, Ciptomulyo, Sukun, Malang, Jawa Timur 65148 Indonesia	PT Bentoel Distribusi Utama	Ordinary	0.00	99.96	99.96
Ireland	Suite D, 2nd Floor, The Apex Building, Blackthorn Road, Sandyford Industrial Estate, Dublin 18, Republic of Ireland	Carroll Group Distributors Limited	Ordinary	0.00	100.00	100.00
Ireland	Suite D, 2nd Floor, The Apex Building, Blackthorn Road, Sandyford Industrial Estate, Dublin 18, Republic of Ireland	P.J. Carroll & Company Limited	A' Ordinary	0.00	100.00	100.00
Ireland	Suite D, 2nd Floor, The Apex Building, Blackthorn Road, Sandyford Industrial Estate, Dublin 18, Republic of Ireland	P.J. Carroll & Company Limited	B' Ordinary	0.00	100.00	100.00
Ireland	Suite D, 2nd Floor, The Apex Building, Blackthorn Road, Sandyford Industrial Estate, Dublin 18, Republic of Ireland	Rothmans of Pall Mall (Ireland) Limited	7% Preference	0.00	100.00	100.00
Isle of Man	2nd Floor, St Mary's Court, 20 Hill Street, Douglas, IM1 1EU, Isle of Man	The Raleigh Investment Company Limited	Ordinary	0.00	100.00	100.00
Isle of Man	2nd Floor, St Mary's Court, 20 Hill Street, Douglas, IM1 1EU, Isle of Man	Tobacco Manufacturers (India) Limited	Ordinary	0.00	100.00	100.00
Ivory Coast	Rue des Jardins -Immeuble Sayegh-Mezzanine, Abidjan, Cocody 2 plateaux, Côte d'Ivoire	British American Tobacco RCI SARL	Ordinary	0.00	100.00	100.00
Jamaica	13A Ripon Road, Kingston 5, Jamaica	Carreras Limited	Ordinary of JMD 0.25	0.00	50.40	50.40
Jamaica	13A Ripon Road, Kingston 5, Jamaica	Sans Souci Development Limited	Ordinary	0.00	100.00	50.40
Jamaica	13A Ripon Road, Kingston 5, Jamaica	Sans Souci Limited	Ordinary	0.00	100.00	50.40

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Jordan	Airport Road, Al Qastal Industrial Area, Air Cargo Road, Amman, Jordan	British American Tobacco - Jordan Private Shareholding Company Limited	Ordinary	0.00	100.00	100.00
Kazakhstan	240G, Nursultan Nazarbayev avenue, A26F8D4 Almaty, Republic of Kazakhstan	British American Tobacco Kazakhstan Trading Limited Liability Partnership	Ordinary	0.00	100.00	100.00
Kenya	8 Likoni Road, Industrial Area, P.O. Box 30000- 00100, Nairobi, Kenya	BAT Kenya Tobacco Company Limited	Ordinary	0.00	60.00	60.00
Kenya	8 Likoni Road, Industrial Area, P.O. Box 30000- 00100, Nairobi, Kenya	British American Tobacco Area Limited	Ordinary	0.00	50.00	50.00
Kenya	8 Likoni Road, Industrial Area, P.O. Box 30000- 00100, Nairobi, Kenya	British American Tobacco Kenya plc	Ordinary	0.00	60.00	60.00
Kenya	8 Likoni Road, Industrial Area P.O. Box 30000- 00100, Nairobi, Kenya	East African Tobacco Company (Kenya) Limited (In Liquidation)	Ordinary	0.00	60.00	60.00
Korea, Republic of	141, Gongdan1-ro, Sanam-Myun, Sacheon City, Kyungsangnamdo, Korea (the Republic of)	British American Tobacco Korea Manufacturing Limited	Ordinary	0.00	100.00	100.00
Kosovo, Republic of	Llapllaselle p.n., 10500 Gracanice, Republic of Kosovo	British American Tobacco Kosovo Sh.p.k.	Ordinary	0.00	100.00	100.00
Latvia	Mukusalas iela 101, Riga LV-1004, Latvia	British American Tobacco Latvia SIA	Ordinary	0.00	100.00	100.00
Lesotho	Mohokare Industrial Estate, Florida Area Extention, Ha Hoohle, Maseru, 100, Lesotho	British American Tobacco Lesotho (Pty) Ltd	Ordinary	0.00	100.00	100.00
Lithuania	J. Galvydzio g. 11-7, LT-08236 Vilnius Lithuania	UAB British American Tobacco Lietuva	Ordinary	0.00	100.00	100.00
Luxembourg	1, Rue Jean Piret, 2350 Luxembourg, Grand Duchy of Luxembourg	British American Tobacco Brands (Switzerland) Limited	Ordinary	100.00	0.00	100.00
Macedonia, Republic of	Bul. 8-mi Septemvri No. 18 Skopje, Republic of North Macedonia	TDR SKOPJE DOOEL Skopje	Ordinary	0.00	100.00	100.00
Malawi	Northgate Arcade Complex, Masauko Chipembere Highway, Blantyre, Malawi	British American Tobacco (Malawi) Limited	Ordinary	0.00	100.00	100.00
Malaysia	Level 11, Sunway Geo Tower, Jalan Lagoon Selatan, Sunway South Quay, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia	BAT Aspac Service Centre Sdn Bhd	Ordinary	0.00	100.00	100.00
Malaysia	Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia	British American Tobacco (Malaysia) Berhad	Ordinary	0.00	50.00	17.52
Malaysia	Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia	Commercial Marketers and Distributors Sdn. Bhd.	Ordinary	0.00	100.00	17.52
Malaysia	Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia	Rothmans Brands Sdn. Bhd. (In Liquidation)	Ordinary	0.00	100.00	17.52

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Malaysia	Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia	Tobacco Importers and Manufacturers Sdn. Bhd.	Ordinary	0.00	100.00	17.52
Malta	PM Building, Level 2, Bone Street, Zone 1, Central Business District, Birkirkara, CBD 1060, Malta	British American Tobacco (Malta) Limited	Ordinary	0.00	100.00	100.00
Malta	PM Building, Level 2, Bone Street, Zone 1, Central Business District, Birkirkara, CBD 1060, Malta	Central Cigarette Company Limited	Ordinary	0.00	100.00	100.00
Malta	PM Building, Level 2, Bone Street, Zone 1, Central Business District, Birkirkara, CBD 1060, Malta	Rothmans of Pall Mall (Malta) Limited	Ordinary	0.00	100.00	100.00
Mexico	Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico	British American Tobacco Mexico Comercial, S.A. de C.V.	Variable class	0.00	100.00	100.00
Mexico	Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico	British American Tobacco Mexico Comercial, S.A. de C.V.	Ordinary shares	0.00	100.00	100.00
Mexico	Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico	British American Tobacco Mexico, S.A. de C.V.	Ordinary series 'A'	0.00	100.00	100.00
Mexico	Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico	British American Tobacco Mexico, S.A. de C.V.	Ordinary series 'B'	0.00	100.00	100.00
Mexico	Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico	British American Tobacco Servicios S.A. de C.V.	Share Class "1"	0.00	100.00	100.00
Mexico	Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico	British American Tobacco Servicios S.A. de C.V.	Share Class "2"	0.00	100.00	100.00
Mexico	Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico	Cigarrera La Moderna, S.A. de C.V.	Ordinary	0.00	100.00	100.00
Mexico	Predio Los Sauces Sin número, Colonia Los Sauces, C.P. 63195, Tepic, Nayarit, Mexico	Procesadora de Tabacos de Mexico, S.A. de C.V.	Ordinary class 1	0.00	93.00	93.00
Mozambique	2289 Avenida de Angola, Maputo, Mozambique	British American Tobacco Mozambique Limitada	Ordinary	0.00	95.00	95.00
Myanmar	Min Aye Yar Street, Plot No. (55, 56), Survey Ward No. (14) Shwe Than Lwin Industrial Zone, Hlaing Tharyar Township Yangon Region, Myanmar	British American Tobacco Myanmar Limited	Ordinary MMK100,000	0.00	51.00	51.00
Myanmar	Min Aye Yar Street, Plot No. (55, 56), Survey Ward No. (14) Shwe Than Lwin Industrial Zone, Hlaing Tharyar Township Yangon Region, Myanmar	British American Tobacco Myanmar Limited	Ordinary MMK141,940	0.00	95.00	95.00
Myanmar	Min Aye Yar Street, Plot No. (55, 56), Survey Ward No. (14) Shwe Than Lwin Industrial Zone, Hlaing Tharyar Township Yangon Region, Myanmar	British American Tobacco Myanmar Services Limited	Ordinary	0.00	100.00	100.00
Namibia	Shop 48, Second Floor Old Power Station Complex, Armstrong Street, Windhoek, Namibia	British American Tobacco Namibia (Pty) Limited	Ordinary	0.00	100.00	100.00
Namibia	24 Orban Street, Klein Windhoek, Namibia	Twisp (Pty) Limited	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	Aruba Properties B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco European Operations Centre B.V.	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Exports B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Holdings (Australia) B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Holdings (Malaysia) B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Holdings (South Africa) B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Holdings (The Netherlands) B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Holdings (Venezuela) B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco Holdings (Vietnam) B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	British American Tobacco International (Holdings) B.V.	Ordinary	100.00	0.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	Molensteegh Invest B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	Precis (1790) B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	Rothmans Far East B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	Rothmans International Holdings B.V.	Ordinary EUR 0.15	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	Rothmans Tobacco Investments B.V.	Ordinary	0.00	100.00	100.00
Netherlands	Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands	Rothmans UK Holdings B.V.	Ordinary	100.00	0.00	100.00
New Zealand	2 Watt Street, Parnell, Auckland, 1052, New Zealand	BAT (New Zealand) Limited	Ordinary	0.00	100.00	100.00
New Zealand	2 Watt Street, Parnell, Auckland, 1052, New Zealand	BAT Holdings (New Zealand) Limited	Ordinary NZ\$	0.00	100.00	100.00
New Zealand	Mint Advisory Limited, Suite 6, 8 Turua Street, St Heliers, Auckland, 1071, NZ	New Zealand (UK Finance) Limited	Nonparticipating preference	0.00	100.00	100.00
New Zealand	Mint Advisory Limited, Suite 6, 8 Turua Street, St Heliers, Auckland, 1071, NZ	New Zealand (UK Finance) Limited	Ordinary	0.00	100.00	100.00
Nigeria	1, Tobacco Road, Oluyole Toll Gate, Ibadan, Nigeria	British American Tobacco (Nigeria) Limited	Ordinary	0.00	100.00	100.00
Nigeria	Rising Sun Building, 2 Olumegbon Road, Ikoyi, Lagos, Nigeria	British American Tobacco Marketing Nigeria Limited	Ordinary	0.00	80.00	80.00
Pakistan	First Floor, 26-FCC, Syed Maratab Ali Road, Gulberg IV, Lahore, Pakistan	British American Tobacco SAA Services (Private) Ltd	Ordinary	0.00	99.99	99.99
Panama	Vía Fernández de Córdoba, Corregimiento of Pueblo Nuevo, Panama City.	BAT Caribbean, S.A.	Ordinary Shares	0.00	100.00	100.00
Panama	Vía Fernández de Córdoba, Corregimiento of Pueblo Nuevo, Panama City.	British American Tobacco Panama, S.A.	Ordinary	0.00	100.00	87.65
Panama	Calle 54, Obarrio, PH Twist Tower, Piso 22, Oficina E-22, Corregimiento Bella Vista, Ciudad de Panamá, Panamá, Panama	British American Tobacco Central America S.A.	Ordinary of no par value	0.00	87.65	87.65
Panama	Calle 54, Obarrio, PH Twist Tower, Piso 22, Oficina E-22, Corregimiento Bella Vista, Ciudad de Panamá, Panamá, Panama	Tabacalera Istmena S.A.	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Papua New Guinea	Ashurst Png, Level 11 Mrdc Haus, Cnr Of Musgrave Street And Champion Parade, Port Moresby, National Capital District, Papua New Guinea	British American Tobacco (PNG) Limited	Ordinary	0.00	100.00	100.00
Papua New Guinea	Ashurst Png, Level 11 Mrdc Haus, Cnr Of Musgrave Street And Champion Parade, Port Moresby, National Capital District, Papua New Guinea	Rothmans of Pall Mall (P.N.G.) Limited	A' Ordinary	0.00	100.00	100.00
Papua New Guinea	Ashurst Png, Level 11 Mrdc Haus, Cnr Of Musgrave Street And Champion Parade, Port Moresby, National Capital District, Papua New Guinea	Rothmans of Pall Mall (P.N.G.) Limited	B' Ordinary	0.00	100.00	100.00
Paraguay	Roque Centurion Miranda 1635, AYMAG II, Piso 2, Asunción, Paraguay	British American Tobacco Productora de Cigarrillos S.A.	Ordinary	0.00	100.00	100.00
Peru	Av. El Derby N° 055, Torre 3, Oficinas 405-406-407-408, Urb. Lima Polo and Hunt Club, Santiago de Surco, Lima, Peru	British American Tobacco del Peru Holdings S.A.	Investment stock	0.00	98.98	98.98
Peru	Av. El Derby N° 055, Torre 3, Oficinas 405-406-407-408, Urb. Lima Polo and Hunt Club, Santiago de Surco, Lima, Peru	British American Tobacco del Peru Holdings S.A.	Ordinary	0.00	98.35	98.35
Peru	Av. El Derby N° 055, Torre 3, Oficinas 405-406-407-408, Urb. Lima Polo and Hunt Club, Santiago de Surco, Lima, Peru	British American Tobacco Del Peru, S.A.C.	Ordinary	0.00	100.00	100.00
Philippines	31 Tayuman Street, Tonda, Manila, Philippines	Alhambra Industries Inc.	Common Php 1,300 PAR	0.00	100.00	50.00
Philippines	31 Tayuman Street, Tonda, Manila, Philippines	Alhambra Industries Inc.	Pref Php 1,300 PAR	0.00	100.00	50.00
Poland	Krakowiakow 48, 02-255, Warszawa, Poland	British American Tobacco Polska Trading sp. z o.o.	Ordinary	0.00	65.36	65.36
Poland	Ul. Tytoniowa 16, 16-300, Augustow, Poland	British-American Tobacco Polska S.A.	Ordinary	0.00	65.36	65.36
Poland	Aleja Wojska Polskiego 23c, 63-500, Ostrzeszow, Poland	CHIC SP. ZO.O. (in liquidation)	Ordinary	0.00	100.00	100.00
Poland	Rubiez 46, 61-612, Poznan, Poland	eSmoking Institute sp z o.o.	Ordinary	0.00	100.00	100.00
Poland	Aleja Wojska Polskiego 23c, 63-500, Ostrzeszow, Poland	eSmoking Liquids sp. z o.o.	Ordinary	0.00	100.00	100.00
Portugal	Edificio Amoreiras, Square, Rua Carlos Alberto da Mota Pinto 17, 3e A 1070-313, Amoreiras, Lisboa, Portugal	COTAPO Empreendimentos Comerciais e Industriais S.A.	Ordinary	0.00	100.00	100.00
Portugal	Edificio Amoreiras, Square, Rua Carlos Alberto da Mota Pinto 17, 3e A 1070-313, Amoreiras, Lisboa, Portugal	Sociedade Unificada de Tabacos Limitada	Ordinary	0.00	100.00	100.00
Qatar	61 Al Funduq St., Al Dafna, 8th floor – AL Fardan Office Tower, P.O Box 31316, Doha, Qatar	BAT Gulf for Trading LLC	Ordinary	0.00	100.00	100.00
Réunion	5 Immeuble Cap 2000, Avenue Théodore Drouhet, ZAC Horizon 2000 - 97420 Le Port, La Réunion	B.A.T. La Réunion SAS	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Romania	Bucharest Business Park, Building A (3rd floor) and Building B2 (floors 3-4), 1A Bucuresti - Ploiesti (DN1) Road, Sector 1, Bucharest 013681, Romania	British-American Tobacco (Romania) Trading SRL	Ordinary	0.00	100.00	100.00
Romania	Ploiesti, 17-19 Laboratorului Street, Prahova County, Romania	British-American Tobacco (Romania) Investment S.R.L.	Ordinary	100.00	0.00	100.00
Russia	197229 Russia, Saint Petersburg, 3rd Konnaya lakhta, 38	Joint Stock Company "British American Tobacco-SPb""	Ordinary	0.00	100.00	100.00
Russia	197229 Russia, Saint Petersburg, 3rd Konnaya lakhta, 38	Joint Stock Company "British American Tobacco-SPb"	Preference	0.00	100.00	100.00
Russia	121614 Russia, Moscow, Krylatskaya st., 17, bld. 2	JSC 'International Tobacco Marketing Services'	Ordinary	0.00	100.00	100.00
Rwanda	SORAS Building, Boulevard de la Revolution P.O Box 650 Kigali, Rwanda	British American Tobacco Rwanda Limited	Issued	0.00	100.00	100.00
Saint Lucia	c/o ADCO Incorporated, 10 Manoel Street, Castries, Saint Lucia	Carisma Marketing Services Ltd. (In Liquidation)	Ordinary	100.00	0.00	100.00
Saint Lucia	Pointe Seraphine, Castries, Saint Lucia	Rothmans Holdings (Caricom) Limited	Ordinary	0.00	100.00	100.00
Samoa	Vaitele, Apia, Samoa. P.O.Box 1304.	British American Tobacco Company (Samoa) Limited	Ordinary	0.00	100.00	100.00
Serbia	Bulevar Milutina Milankovic 1ž, Belgrade, 11070, Serbia	British American Tobacco South-East Europe d.o.o. Beograd	Quota	100.00	0.00	100.00
Serbia	Kralja Stefana Provensanog 209, Vranje, 17500, Serbia	British American Tobacco Vranje a.d. Vranje	Ordinary-A	100.00	0.00	100.00
Serbia	Kralja Stefana Provensanog 209, Vranje, 17500, Serbia	British American Tobacco Vranje a.d. Vranje	Ordinary-B	100.00	0.00	100.00
Serbia	Kralja Stefana Provensanog 209, Vranje, 17500, Serbia	British American Tobacco Vranje a.d. Vranje	Ordinary-C	100.00	0.00	100.00
Serbia	Kralja Stefana Provensanog 209, Vranje, 17500, Serbia	British American Tobacco Vranje a.d. Vranje	Ordinary-D	100.00	0.00	100.00
Singapore	15 Senoko Loop, 758168, Singapore	British American Tobacco Sales & Marketing Singapore Pte. Ltd.	Ordinary	0.00	100.00	100.00
Singapore	15 Senoko Loop, Singapore, 758168	British-American Tobacco (Singapore) Private Limited	Ordinary	0.00	100.00	100.00
Singapore	15 Senoko Loop, Singapore, 758168	British-American Tobacco Marketing (Singapore) Private Limited	Ordinary	0.00	100.00	100.00
Singapore	Shenton Way, #33-00 OUE Downtown, Singapore 068809	RHL Investments Pte Limited (in Liquidation)	Ordinary	0.00	100.00	100.00
Singapore	Shenton Way, #33-00 OUE Downtown, Singapore 068809	RHL Investments Pte Limited (in Liquidation)	Redeemable Preference	0.00	100.00	100.00
Solomon Islands	Kukum Highway, Ranadi, Honiara, Honiara, Solomon Islands	Solomon Islands Tobacco Company Limited	Ordinary	0.00	50.00	50.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Agrega EEMEA (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Amalgamated Tobacco Corporation (South Africa) (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	American Cigarette Company (Overseas) (Pty) Ltd	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Benson & Hedges (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco GSD (South Africa) (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco Holdings South Africa (Pty) Ltd	A' redeemable preference	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco Holdings South Africa (Pty) Ltd	B' redeemable pref of R 0.01	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco Holdings South Africa (Pty) L Ltd	Ordinary Z A R 0.01 Each	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco Properties South Africa (Pty) Ltd.	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco Services South Africa (Pty) Ltd	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco South Africa (Pty) Ltd	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	British American Tobacco East and Southern Africa (Pty) Ltd	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Brown & Williamson Tobacco Corporation (Pty) Ltd	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Business Venture Investments No 216 (Pty) Ltd.	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Carlton Cigarette Company (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	John Chapman (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	John Player and Sons (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Kentucky Tobacco Corporation (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Martins of London (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Rembrandt Tobacco Corporation (Overseas) (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town, Western Cape 8002, South Africa	Twisp (Pty) Ltd	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Riggio Tobacco Corporation of New York (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Rothmans of Pall Mall London (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	St. Regis Tobacco Corporation (Pty) Ltd	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Thomas Bear's Son & Co (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Tobacco Research and Development Institute (Pty) Ltd	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	W.D. & H.O. Wills (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Westminster Tobacco Company (Cape Town and London) (Pty) Ltd (in Liquidation)	Ordinary ZAR 0.01 Each	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Winfield Tobacco Corporation (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
South Africa	Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa	Winston Tobacco Company (Pty) Ltd (in Liquidation)	Ordinary	0.00	100.00	100.00
Sri Lanka	178 Srimath Ramanathan Mawatha, Colombo, 15, Sri Lanka	Ceylon Tobacco Company Plc	Ordinary	0.00	84.13	84.13
Spain	Torre Espacio, Paseo de la Castellana, 259D, 28046 Madrid, Spain	British American Tobacco España, S.A.	Ordinary	0.00	100.00	100.00
Swaziland	213 King Mswati III Avenue West, Matsapha Industrial Site, Matsapha, eSwatini	British American Tobacco Swaziland (Pty) Limited	Issued	0.00	50.00	50.00
Switzerland	c/o Bright Law AG, Bundesplatz 9, 6302 Zug c, Switzerland	British American Tobacco International Limited (in Liquidation)	Ordinary	0.00	100.00	100.00
Turkey	Orjin Maslak İş Merkezi, Eski Büyükdere Caddesi, Kat 9-10, Maslak, Sarıyer, İstanbul	British American Tobacco Tütün Mamulleri Sanayi ve Ticaret Anonim Şirketi	Ordinary	0.00	100.00	100.00
Uganda	10th Floor, Lotis Towers, Plot 16 Mackinnon Road, Nakasero, Kampala, Uganda	British American Tobacco Uganda Limited	Ordinary	0.00	20.00	20.00
Ukraine	21 Nezalezhnosti Str, Chernihiv Oblast, Prylucky, 17502, Ukraine	PJSC "A/T B.A.T.- Prilucky Tobacco Company"	Ordinary	0.00	100.00	100.00
Ukraine	13-15 Bolsunovska Str, Kyiv, 01014 Ukraine	LLC "British American Tobacco Sales and Marketing Ukraine"	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Allen & Ginter (UK) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T Far East Holding Limited	Ordinary	0.00	99.00	99.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T Far East Leaf Limited	Ordinary	0.00	99.00	99.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T. (Westminster House) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	B.A.T. China Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	BAT Finance COP Limited	Ordinary	100.00	0.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Big Ben Tobacco Company Limited	ORDINARY	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	British American Tobacco (2009 PCA) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	British American Tobacco (Corby) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco (GLP) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco (Serbia) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco China Holdings Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco International Holdings (UK) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Investments (Central & Eastern Europe) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Italy Investments Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Italy Limited (in Liquidation)	Ordinary B	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Italy Limited (in Liquidation)	Ordinary C	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Korea (Investments) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Malaysia (Investments) Limited (in Liquidation)	Ordinary	0.00	99.99	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco Peru Holdings Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	British American Tobacco Taiwan Logistics Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Building 7, Chiswick Business Park, 566 Chiswick high Road, London, England. W4 5YG. United Kingdom	British American Tobacco UK Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	British American Tobacco UK Pension Fund Trustee Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Chelwood Trading & Investment Company Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Lord Extra Limited	Ordinary	100.00	0.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Myddleton Investment Company Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	Precis (1789) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	Precis (1814) Limited	Ordinary	100.00	0.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	Precis (1814) Limited	Redeemable Preference	100.00	0.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Precis (2396) Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Ridirectors Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	Rothmans International Enterprises Limited	Ordinary	0.00	100.00	99.99
United Kingdom	Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom	Rothmans International Enterprises Limited	SS£1	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Rothmans International Limited	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Rothmans International Services Limited (in Liquidation)	Ordinary	0.00	100.00	100.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Rothmans Trading Limited (in Liquidation)	Ordinary	0.00	99.00	99.00
United Kingdom	Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom	Venezuela Property Company Limited	Ordinary	0.00	100.00	100.00
United Kingdom	7 More London, Riverside, London, SE1 2RT, United Kingdom	Ryeseckks P.L.C. (in liquidation)	Ordinary	0.00	50.00	50.00
United States	CSC-Lawyers Incorporating Service, 2710 Gateway Oaks Drive, Suite 150N, Sacramento CA 95833-3505, United States	Genstar Pacific Corporation	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808, United States	Imasco Holdings Group, Inc.	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808, United States	Imasco Holdings, Inc.	Ordinary	0.00	100.00	100.00
United States	251 Little Falls Drive, Wilmington, DE 19808, United States	ITL (USA) Limited	Ordinary	0.00	100.00	100.00
Uruguay	Juncal 1392, Montevideo, Uruguay	Kellian S.A.	Ordinary	0.00	100.00	100.00
Venezuela	Registro Mecantil Primero de la Circunscripción, Judicial des Distrito, Capital y Estado, Miranda, Venezuela	Agrega de Venezuela, Agreven, C.A. (In Liquidation)	Ordinary	0.00	50.00	50.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Venezuela	Avenida Francisco de Miranda, Edificio Bigott, Los Ruices, Caracas – Estado Miranda, 1010, Venezuela	Compania Anonima Cigarrera Bigott Sucesores	Ordinary	0.00	100.00	100.00
Venezuela	Avenida Francisco de Miranda, Edificio Bigott, Los Ruices, Caracas – Estado Miranda, 1010, Venezuela	Distribuidora Bigott, C.A.	Ordinary	0.00	100.00	100.00
Venezuela	Avenida Francisco de Miranda, Edificio Bigott, Los Ruices, Caracas – Estado Miranda, 1010, Venezuela	Agrobigott, C.A.	Ordinary	0.00	100.00	100.00
Venezuela	Avenida Francisco de Miranda, Edificio Bigott, Los Ruices, Caracas – Estado Miranda, 1010, Venezuela	Proyectos de Inversion BAT 1902 CA	Ordinary	0.00	100.00	100.00
Vietnam	Area 8, Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam	British American Tobacco – Vinataba (JV)	Chartered Capital Contribution Units	0.00	70.00	70.00
Vietnam	20/F MPlaza Saigon, 39 Le Duan Street, Ben Nghe ward, District 1, Ho Chi Minh City, Vietnam	East Asia Area Services Company Limited	Register Charter Capital of USD 2,800,00	0.00	100.00	100.00
Vietnam	20/F MPlaza Saigon, 39 Le Duan Street, Ben Nghe ward, District 1, Ho Chi Minh City, Vietnam	VINA-BAT Joint Venture Company Limited	Register Charter Capital of USD 3,234,00	0.00	49.00	49.00
Zambia	Plot No. PH1 IND & 53 & 54, LS-MFEZ, Chifwema Road, Lusaka, Zambia	British American Tobacco (Zambia) plc	Ordinary	0.00	75.00	75.00
Zimbabwe	Manchester Road 1, Southerton, Harare, Zimbabwe	American-Cigarette Company (Overseas) (Private) Ltd	Ordinary	0.00	100.00	100.00
Zimbabwe	Manchester Road 1, Southerton, Harare, Zimbabwe	British American Tobacco Zimbabwe (Holdings) Limited	Ordinary	0.00	43.13	43.13
Zimbabwe	Manchester Road 1, Southerton, Harare, Zimbabwe	Rothmans Limited	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

(2) Indirect Investments in Associated Undertakings

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Greece	Filonos 107-109, 185 35, Piraeus, Greece	Alternative Management of Tobacco Products Filters Societe Anonyme	Ordinary	0.00	17.50	17.50
Hungary	H-6800 Hódmezővásárhely, Erzsébeti út 5/b, Hungary	Országos Dohányboltellátó Korlátolt Felelősségű Társaság	Ordinary	0.00	49.00	49.00
India	Virginia House, 37, J.L. Nehru Road, Kolkata, 700 071, India	ITC Limited	Ordinary shares of IR1 each	0.00	29.16	29.16
India	Azamabad, Andhra Pradesh, Hyderabad, 500020, India	VST Industries Limited	Ordinary	0.00	32.16	32.16
Nepal	Shree Bal Sadan, Gha 2-513, Kantipath, Kathmandu, Nepal	Surya Nepal Pvt. Limited	Ordinary	0.00	17.20	17.20
Yemen	P.O. Box 5302, Hoban, Taiz, Yemen	United Industries Company Limited	Ordinary	0.00	32.00	32.00

(3) Joint operations

Country	Address	Company	Share Class	Direct interest(%)	Subsidiary Interest(%)	Attributable interest(%)
Hong Kong	29/F, Oxford House, 979 King's Road, Taikoo Place, Quarry Bay, Hong Kong	CTBAT International Co. Limited	Ordinary	0.00	50.00	50.00

Notes to the financial statements for the year ended 31 December 2022

8 Investments (continued)

(4) Shareholdings at cost less provisions

	Investments in Group Companies £'000
Cost	
1 January 2022	15,025,346
Additions	153,585
Return of capital	(153,585)
Effect of fair value hedge: exchange gain on revaluation of Euro investment	20,884
31 December 2022	15,046,230
Impairment provisions	
1 January 2022	(2,363,174)
Impairment reversal	104,814
Charge in the year	(229,599)
31 December 2022	(2,487,959)
Net book value	
1 January 2022	12,662,172
31 December 2022	12,558,271

During the year, British American Tobacco (Serbia) Limited transferred to the company by way of distribution in specie its entire shareholding in British American Tobacco Vranje with an estimated fair value of £153,585,484. As a consequence, historical impairment in amount of £104,814,000 of the investment in British American Tobacco (Serbia) Limited was reversed during the year and the receipt of the dividend in specie shown as a return of capital on that investment.

As at year end the company assessed the carrying value of its investments and as result has booked a total impairment of £211,257,000 in the investment in Precis (1814) Limited. A total impairment of £18,342,000 was booked against the investment in Lord Extra Limited.

The Directors are of the opinion that the individual investments in the subsidiary undertakings have a value not less than the amount at which they are shown in the balance sheet and that the differences in fair value of investments which classify as other investments at fair value and their current book value is not material.

9 Debtors

(a) Amounts falling due within one year

	2022 £'000	2021 £'000
Amounts owed by Group undertakings - gross	1,297,319	975,343
Deferred tax asset	—	12,610
Other debtors	2,064	1,998
Allowances account	(732)	(513)
	1,298,651	989,438

Included within amounts due from Group undertakings is an amount of £900,991,000 (2021: £622,018,000) which is unsecured, interest bearing and repayable on demand. The Company has amounts receivable from fellow Group subsidiaries where the variable interest rate is in accordance with the Group's intercompany lending agreements. Included within amounts owed by Group undertakings there is also an amount of £nil (2021: £287,024,000 (ZAR 6,204,600,000)).

Included in amounts owed by Group undertakings as at 31 December 2022 there is a balance of £363,355,220 (BRL 2,307,673,000) (2021: £nil) which are due in 2023.

Notes to the financial statements for the year ended 31 December 2022

9 Debtors (continued)

(a) Amounts falling due within one year (continued)

During 2021, the standard lending agreements within the Group were revised to take account of global benchmark interest rate reform. Prior to 1 August 2021 the applicable rate was based LIBOR and with effect from this date it is based on SONIA. Management consider the replacement rates in the revised intercompany agreement to be economically equivalent to those used previously. The impact of the change in rates was not significant to the Company.

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

(b) Amounts falling due after one year

	2022 £'000	2021 £'000
Amounts owed by Group undertaking - gross	416,899	415,868
Allowances account	(10,557)	(27,318)
Deferred tax asset	7,579	—
Amounts owed by Group undertakings - net	413,921	388,550

Included in amounts owed by Group undertakings as at 31 December 2022 there are amounts owed by Group of £103,434,000 (CLP 106,000,000,000) (2021: £91,855,000 (CLP 106,000,000,000)) repayable in 2024.

Included in amounts owed by Group undertakings as at 31 December 2022 there is a balance of £nil (2021: £305,883,000 (BRL 2,307,673,000)).

Included within amounts owed by Group undertakings there is also an amount of £303,146,000 (ZAR 6,204,600,000) (2021: £nil), related to investment in redeemable preference shares in Precis (1814)Ltd which are due in 2025.

The expected credit loss allowance for aged receivables is related to the HKD 86,363,011 (£9,198,736) (2021: 174,764,000 HKD (£16,550,158)) provided to the Far East Group entities and the allowance for receivables.

The movement in allowances accounts is as follows:

	£'000 Due within one year	£'000 Due after one year	£'000 Total
1 January 2022	513	27,318	27,831
Far East provision Reversal*	—	(7,351)	(7,351)
Reversal of ECL	—	(9,410)	(9,410)
ECL Provided during year	219	—	219
31 December 2022	732	10,557	11,289

*The difference between the provision reversal of £7,351,000 presented in note 9 and the £9,415,000 amount presented in note 2 as reversal of Far East loan provision relates to the exchange gain for Far East loan provision in amount of £2,064,000 presented in note 5 - Interest receivable and similar income.

Amounts provided in the year mainly relate to the difference between the carrying value of debtors and the debtors discounted to present value.

Deferred tax Asset

1 January 2022	12,610
Deferred tax asset utilised during the year	(5,927)
Tax rate change	896
31 December 2022	7,579

The deferred tax asset has been recognised in respect of carried forward tax losses.

Notes to the financial statements for the year ended 31 December 2022

10 Creditors

(a) Amounts falling due within one year

	2022 £'000	2021 £'000
Amounts owed to Group undertakings	381,679	416,621
Other creditors	311	258
Taxation	2,962	2,934
FII GLO	105	105
	385,057	419,918

Included in amounts owed to Group undertakings as at 31 December 2022 there is a balance of £ nil (EUR nil (2021: £368,155,000(EUR 438,489,000)), which has been reclassified as non-current as a consequence of the maturity that was extended to November 2024.

Redeemable preference shares are classified as creditors in accordance with the substance of the contractual arrangement which represents an obligation to pay cash in respect of both the principle and the dividends due.

The amounts owed to Group undertakings include also preference shares issued to Weston (2009) Limited as follows: £nil (2021:£36,261,000 (IDR 700,000,000,000)). It has been redeemed during the year.

The amounts owed to Group undertakings represents preference shares issued to Weston (2009) Limited as follows: £363,355,000 (BRL 2,307,673,000) (2021: £ nil (BRL nil)), which are due in October 2023.

Amounts falling due within one year in amount of £105,000 represents the FII GLO amount that the Company is expected to pay in 2023. (Note 10 (b))

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

(b) Amounts falling due after more than one year

	2022 £'000	2021 £'000
Amounts owed to Group undertakings	492,474	397,739
FII GLO	1,808	1,912
	494,282	399,651

Redeemable preference shares are classified as creditors in accordance with the substance of the contractual arrangement which represents an obligation to pay cash in respect of both the principle and the dividends due.

The amounts owed to Group undertakings represents preference shares issued to Weston (2009) Limited as follows: £nil (BRL nil) (2021: £305,884,000 (BRL 2,307,673,000)); £103,434,000 (CLP 106,000,000,000) (2021: £91,855,000 (CLP 106,000,000,000)).

Included in amounts owed to Group undertakings as at 31 December 2022 there is a balance of £389,040,000 (EUR 438,489,000) (2021: £nil (EUR nil)) which is unsecured, interest bearing, repayable in November 2024. The interest rate is based on EUR LIBOR. The borrowing has been designated as a fair value hedge of the exchange portion of the fair value risk of the investment in British American Tobacco International (Holdings) B.V. (Note 8(4)).

FII GLO represents the portion of the receipt related to the Franked Investment Income Global Litigation Order allocated to the Company. The total gross amount received from HM Revenue and Customs ("HMRC") by the Group was £1,224,000,000 in two separate payments. HMRC held back £261,000,000 on the second payment received by the Group, contending that it represents a new 45% tax on the interest component of restitution claims against HMRC. The total cash allocated from the initial payment to the Company was £2,017,000. No cash was allocated to the Company from the second payment.

In 2022, a payment in amount of £105,000, disclosed in note 7(a) as amount due within one year, was made to HMRC by British-American Tobacco (Holdings) Limited on behalf of the Company, therefore the total cash allocated to the Company, after the last payment, is £1,913,000. The Company settled the payable to the Group undertaking in January 2023.

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

Notes to the financial statements for the year ended 31 December 2022

11 Capital and reserves

(a) Called up share capital

Ordinary shares of £1 each	2022	2021
Allotted, called up and fully paid		
- value	£7,573,449,197	£7,535,360,136
- number	7,573,449,197	7,535,360,136

The called up share capital account records the nominal value of shares issued. The increase in share capital in amount of £38,089,000 was related to conversion of redeemable preference shares issued by the Company to Weston (2009) Limited into ordinary shares.

(b) Share Premium

The share premium account includes the difference between the value of shares issued and their nominal value.

(c) Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

(d) Preference share capital

As explained in note 10, the Company has issued redeemable preference shares issued to Weston (2009) Limited as follows:

	2022	2021
	£'000	£'000
BRL 2,307,673,000 12.4% due October 2023	363,355	305,884
CLP 106,000,000,000 CLP reference rate + 2.43% due August 2024	103,434	91,855
IDR 700,000,000,000 IDR reference rate + 1.46% due May 2022	-	36,261
	466,789	434,000

The reference rate for the CLP shares is the 180 day Chile TAB Nominal Average Interbank Rate, and the reference rate for the IDR shares was the 6 month Jakarta Interbank Offered Rate (JIBOR). The subscription agreements include clauses for economically equivalent replacement rates if these reference rates are not available.

During the year, convertible shares of IDR 700,000,000,000 were converted on redemption into ordinary shares, as noted above.

(e) Dividends and other distributions

During the year, the Company paid dividends on ordinary shares amounting to £980,000,000 (2021: £1,371,000,000) and dividends on preference shares of £56,929,000 (2021: £49,588,000).

	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
	Paid	Paid	Charged to Profit and Loss account*	Charged to Profit and Loss account*
Dividends for BRL Preference shares	47,213	38,380	49,034	37,773
Dividends for CLP Preference shares	7,840	2,887	11,434	3,219
Dividends for IDR Preference shares	1,876	8,321	870	5,713
	56,929	49,588	61,338	46,705

*please refer to Note 6

12 Related party disclosures

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

Notes to the financial statements for the year ended 31 December 2022

13 Contingent liabilities

The Company provides guarantees to third parties in the normal course of business and at 31 December 2022 had given performance guarantees in respect of export and excise commitments, by Group undertakings and certain key suppliers of up to £1,094,676,980 (2021: £1,163,365,000). In addition, the Company has guaranteed the borrowings of certain subsidiaries and key suppliers of up to £92,273,000 (2021: £88,109,000). The fair values of these financial guarantees are not material and have not been provided for.

14 Parent undertakings

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

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