PAKISTAN TOBACCO COMPANY

Pakistan Tobacco Company Limited
Serena Business Complex
Khayaban -e- Suhrwardy
Sector G-5, Islamabad

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29th August 2025

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
KARACHI.

SUBJECT: CORPORATE BRIEFING SESSION - PRESENTATION

Dear Sir,

This is further to our post on PUCARS dated 22nd August 2025 regarding Corporate Briefing Session (CBS) for the year 2025.

Presentation for the CBS to be held virtually through MS Teams on 2nd September 2025 at 1:00 p.m. is attached.

You may inform the members of the exchange accordingly.

Thanking You.

Yours truly,
PAKISTAN TOBACCO COMPANY LIMITED

Sami Zaman
Company Secretary

Pakistan Tobacco Company

Corporate Briefing Session

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AGENDA

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1. **About PTC**
2. **Current Business Environment**
3. **2025 – H1 Financial Overview**
   a) *Profit & Loss*
   b) *Ratio Analysis*
4. **Outlook 2025**
5. **Q&A**

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Company Overview

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PTC's FOOTPRINT ACROSS THE COUNTRY

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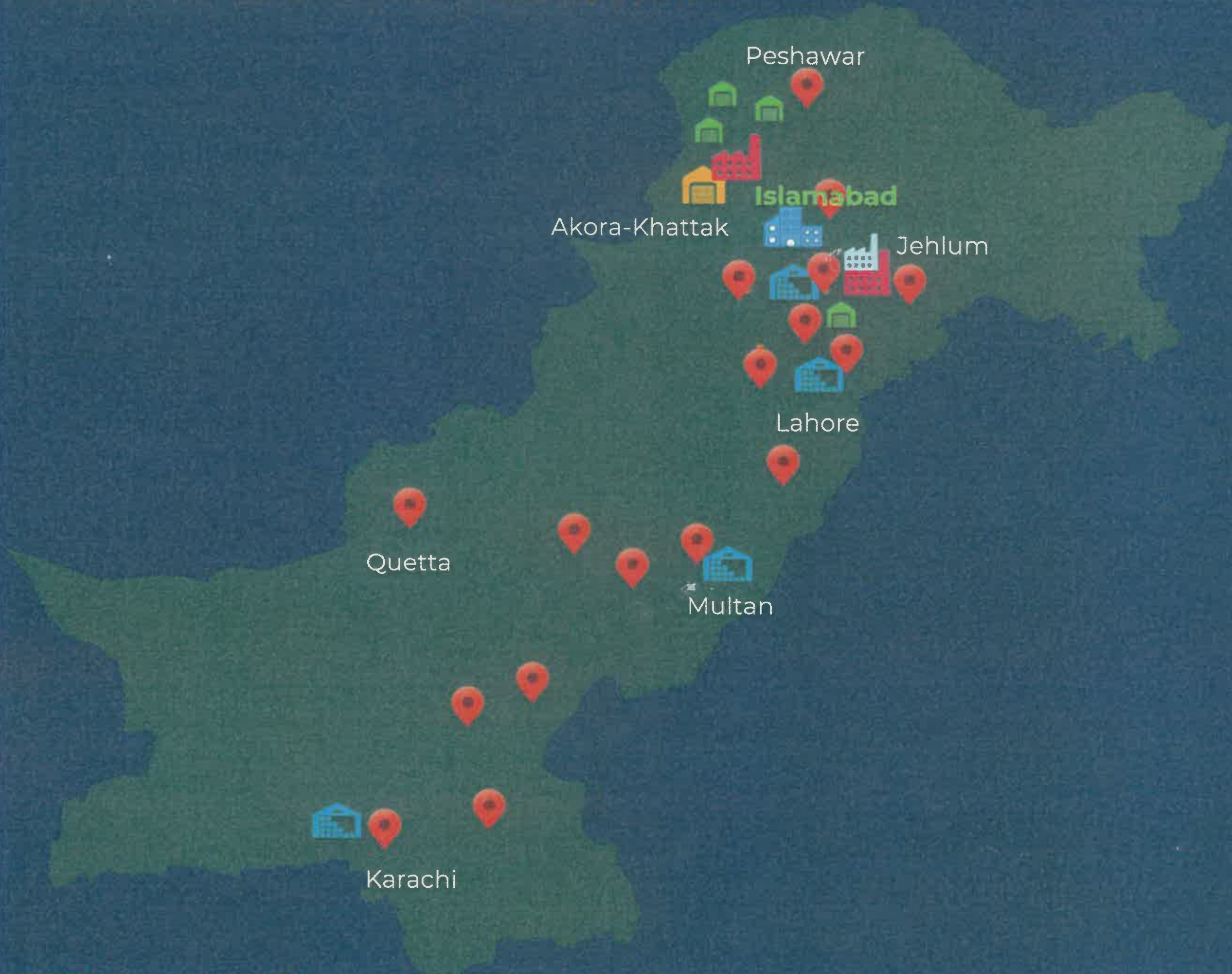
- HEAD OFFICE
- LEAF REGIONS
- GLT PLANT
- CIGARETTE FACTORY
- MO FACTORY
- TRADE REGIONAL OFFICE
- TRADE AREA OFFICE



3 Factories		
4 Regional Sales Offices		11 Area Sales Offices
3 Regional Leaf Offices	9 Warehouses	19 Leaf Depots

DUNHILL
B&H
JOHN PLAYER GOLD LEAF
GOLD FLAKE
VELO

A key subsidiary of BAT Group, PTC has evolved from a single warehouse to a leading FMCG company with a focus on reduced-risk products, aligning with BAT Group's vision of *a Smokeless World*.

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Current Business Environment

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MACRO-ECONOMIC STABILITY IS A CAUSE FOR OPTIMISM

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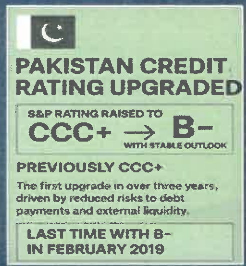
GDP Growing

Credit Rating Improving



Forex Reserves Shored-up

Budget Deficit Improving

Balance of Trade Improving

Interest Rates on a Decline

Reason to Believe

Political Stability

Improved Foreign Relations With Major World Powers

2025 Inflation is YTD & 2025 GDP is FC

INDUSTRY BUSINESS ENVIRONMENT

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HIGH EXCISE INCIDENCE

2023 EXCISE SHOCK RESHAPED INDUSTRY LANDSCAPE

EXCISE REFORMS REQUIRED TO ENABLE LEVEL PLAYING FIELD FOR LEGIT SECTOR

CONSUMER AFFORDABILITY

CONSUMER PURCHASING POWER

Trading Continues Below Minimum Legal Price for Illicit

ILLICIT MAKING SMOKING AFFORDABLE

GROWING ILLICIT TRADE

ILLICIT MARKET SHARE 58%

Track-and-Trace Ineffective in controlling illicit trade — PKR 300 Bn a Year

MORE HEADROOM FOR ENFORCEMENT

SMOKELESS WORLD

VELO ON THE RISE

Velo Hits 0.5M Consumers Driving 4% of PTC Turnover as Pakistan Moves Toward a Smokeless Future

30,000 NEW CONSUMERS ADDED

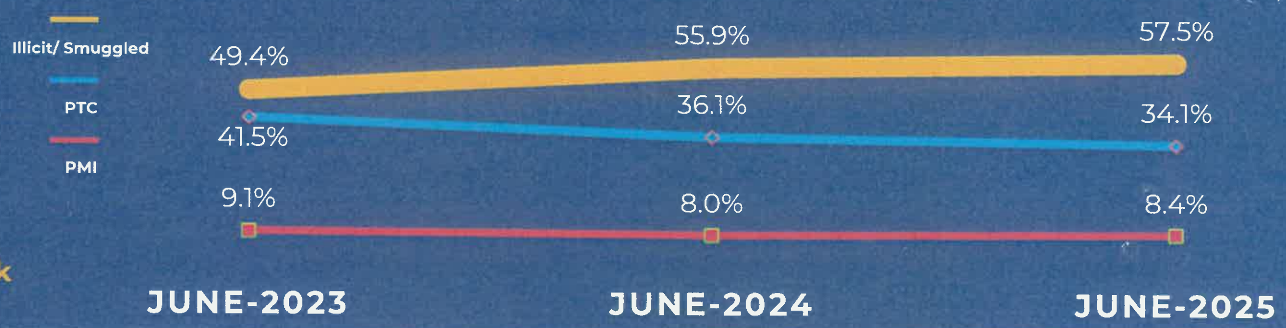
HIGH EXCISE INCIDENCE – THRIVING ILLICIT TRADE

PTC PAKISTAN TOBACCO COMPANY

MPPC Price Point: Rs. 232/Pack

Min. Legal Price: Rs. 162.3/Pack

Avg. Illicit Price Point: Rs. 156/Pack



GROWING SMUGGLED DISTRIBUTIONS & VOLUMES

~2.5X

2021/22 vs. 2024/25

3.9 BN → 9.8 BN

Rs. 70 to Rs. 600 Price Point

Distribution Expansion

500+ SKUs

Better Pack Semiotics – No GHW

GROWING ILLICT DISTRIBUTIONS & VOLUMES

~1.4X

2021/22 vs. 2024/25

26.1 BN → 36.2 BN

Rs. 65 to Rs. 200 Price Point

Taps Ban Violation

450+ SKUs

T&T Non-Compliance

Volumes: Internally Estimated

PTC FOCUS ON CONSUMER AND SHAREHOLDER VALUE

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SHARE HOLDER VALUE MAXIMIZATION

PKR **15.3** Bn Dividend
+101% VS SPLY

EXCISE STABILITY ACROSS CATEGORIES IN BUDGET '25-'26

GLT MONITORING | NON-T&T ILLEGAL | ENFORCEMENT POWERS FOR PROVINCIAL ADMIN. & REGULATORY AUTHORITY

EXPORTS ACCERELATION
FMC | MO | LEAF

$ 35 MILLION IN H1 2025
+350% VS SPLY

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Financial Overview

H1 2025

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PROFIT & LOSS REVIEW – H1 2025 (VS. SPLY)

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Net Turnover	Export Turnover
Rs 69.4 Bn	Rs 10.0 Bn
19% ▲	350% ▲

Profit After Tax	Earning Per Share (Rs.)
Rs 14.3 Bn	Rs 55.8
30% ▲	30% ▲

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Note: Above financials in PKR Bn

RATIO ANALYSIS – H1 2025

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Gross Profit Margin	Operating Profit Margin	Current Ratio	Dividend Per Share
47.3%	34.7%	1.9	100.0
H1'24 40.6%	H1'24 26.0%	FY'24 1.9	H1'24 60
(Gross Profit / NTO) * 100%	(Op. Profit / NTO) * 100%	Current Assets / Current Liabilities	Dividends Paid / No. of Shares

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Outlook 2025

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OUTLOOK

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FISCAL MEASURES

Excise Tax Reform and Fiscal Policy Stability

TRACK AND TRACE SYSTEM

Point of sale T&T compliance necessary to keep illicit trade in check

MODERN ORAL CAT. BUILDUP

Sustainable Category Growth and Consumer Centric Products

FMC CONSUMER NEEDS

Introducing options for untapped market segments

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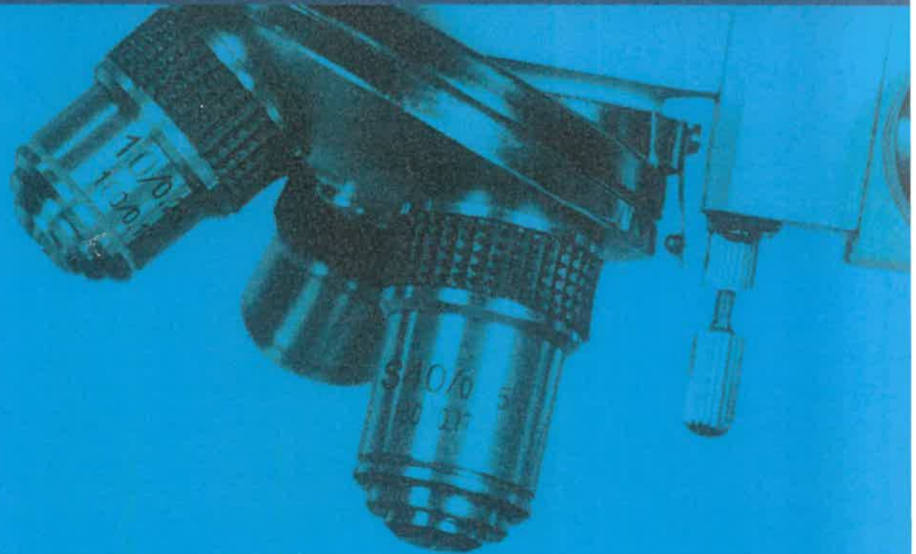
Q&A



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Thank You

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