

FINANCIAL YEAR 2019

BAT REPORTS 25pc DRO

Company wants shareholders to play role in stubbing out illicit cigarette trade

KUALA LUMPUR

BRITISH American Tobacco (M) Bhd (BAT) has urged its shareholders to play a more proactive role in speaking up against the tobacco black market as it has severely impacted the company's financial performance and the industry in general.

Managing director Jonathan Reed said legal players like BAT

were vital to the nation's economic recovery and growth.

"Last year, despite various initiatives by the government, the tobacco black market continued to grow. This forced the company to aggressively manage our cost base in order to deliver on shareholder value.

"This is not sustainable in the long term. To effectively stop the black market, more drastic actions are required," he said after

BAT's 59th annual general meeting yesterday.

The company reaffirmed its commitment to delivering shareholder value, drive commercial growth and investing for sustainable long-term growth.

BAT's profit declined 24.9 per cent to RM478 million in the financial year 2019 compared with RM637 million in 2018.

Its revenue declined RM31 million, or 11.1 per cent, due to the combination of legal market contraction and downtrading.

Operating expenses was 12 per cent lower at RM36 million as the group continued its co-