

GENERAL MEETINGS: Outcome of Meeting

BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD

Type of Meeting	Annual General Meeting
Indicator	Outcome of Meeting
Date of Meeting	18 Apr 2019
Time	10:30 AM
Venue	Connexion Conference & Event Centre, Nexus 2 & 3, Level 3A, Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur
Outcome of Meeting	The Board of Directors of British American Tobacco (Malaysia) Berhad wishes to announce that the resolutions tabled at the Fifty-Eighth Annual General Meeting held today was duly passed by poll.

The result of the poll was validated by Coopers Professional Scrutineers Sdn Bhd, the Independent Scrutineer appointed by the Company.

Please refer to the table below for the poll results in respect of the resolutions.

Voting Results

Resolution	Vote in favour		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
Ordinary Resolution 1 - Re-election of Mr Hendrik Stoel who retires pursuant to Article 97 (1) and (2) of the Constitution of the Company.	232,583,787	99.995800	9,800	0.004200	Carried
Ordinary Resolution 2 - Re-election of Mr Ricardo Martin Guardo who retires pursuant to Article 97 (1) and (2) of the Constitution of the Company.	232,517,487	99.967300	76,100	0.032700	Carried
Ordinary Resolution 3 - Re-election of Mr Eric Ooi Lip Aun who retires pursuant to Article 103 of the Constitution of the Company.	232,392,887	99.913700	200,700	0.086300	Carried
Ordinary Resolution 4 - Re-appointment of Datuk Zainun Aishah Binti Ahmad who retires pursuant to Article 107.1 of the Constitution of the Company.	214,446,774	92.198100	18,146,813	7.801900	Carried
Ordinary Resolution 5 - Approval of payment of Directors' fees and benefits to the Non-Executive Directors with effect from 19 April 2019 until next Annual General Meeting of the Company.	229,683,287	98.750500	2,906,200	1.249500	Carried

Ordinary Resolution 6 - Re-appointment of KPMG PLT as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Directors to fix their remuneration.	232,592,887	99.999700	700	0.000300	Carried
Ordinary Resolution 7 - Proposed Renewal of Shareholders' Mandate for the Company and its Subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties.	89,627,787	99.776600	200,700	0.223400	Carried
Special Resolution 1 - Proposed Adoption of the New Constitution of the Company.	232,592,887	99.999700	700	0.000300	Carried

Please refer attachment below.

Attachments

[58th AGM Poll Results and Press Release.pdf](#)

121.0 kB

Announcement Info

Company Name	BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD
Stock Name	BAT
Date Announced	18 Apr 2019
Category	General Meeting
Reference Number	GMA-18042019-00019

BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD
(4372-M)

Fifty-Eighth Annual General Meeting
Connexion Conference & Event Centre, Nexus 2 & 3, Level 3A,
Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur
On 18-April-2019 at 10:30AM

Result On Voting By Poll

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Ordinary Resolution 1	232,583,787	99.9958	9,800	0.0042	232,593,587	100.0000
Ordinary Resolution 2	232,517,487	99.9673	76,100	0.0327	232,593,587	100.0000
Ordinary Resolution 3	232,392,887	99.9137	200,700	0.0863	232,593,587	100.0000
Ordinary Resolution 4	214,446,774	92.1981	18,146,813	7.8019	232,593,587	100.0000
Ordinary Resolution 5	229,683,287	98.7505	2,906,200	1.2495	232,589,487	100.0000
Ordinary Resolution 6	232,592,887	99.9997	700	0.0003	232,593,587	100.0000
Ordinary Resolution 7	89,627,787	99.7766	200,700	0.2234	89,828,487	100.0000
Special Resolution 1	232,592,887	99.9997	700	0.0003	232,593,587	100.0000



2018 A YEAR OF BUSINESS STABILISATION FOR BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD DESPITE CHALLENGING MARKET ENVIRONMENT

Kuala Lumpur, 18 April 2019 – Malaysia’s leading legal tobacco company, British American Tobacco (Malaysia) Berhad (BAT Malaysia or the Company), today held its 58th Annual General Meeting to announce its financial performance for 2018. The results showed a stabilising business performance despite a continuously changing and challenging environment for the legal industry.

Full-year 2018 financial highlights:

- **Net Dividend:** 155 sen per share;
- **Revenue:** declined by 3.2% in 2018 when compared to the same period of last year with 1.6% of the decline attributed to the absence of contract manufacturing revenue following the closure of Virginia Park factory and the remaining 1.6% as a result of volume contraction;
- **Operating expenses** were at 4.5% (RM13 million) lower than the same period last year, attributed to overhead savings from cost base transformation initiatives the Company has undertaken;
- **Profit from Operations** registered a decline of 2.2% and **Profit after Tax** registered a decline of 4.9% when compared to the previous year. The reduction was mainly led by legal market contraction but partly offset by strong portfolio mix and cost efficiencies;
- **Volume:** legal tobacco still declined in 2018 at 4.6% with total illegal cigarettes incidence maintaining at around 60%. A strong performance in a pressurised market (as a result of high illegal trade) after two years of double-digit decline. As a result, a strong portfolio led by the Group’s premium led platform strategy increased value share by 1.1%.

Stabilised business on the back of strategic investments and operations

For BAT Malaysia, 2018 marks the first full year of operations at its new headquarters in Guoco Tower. The transition from Virginia Park saw the Company embrace the implementation of a new business model from production to import and begin to capitalise on the benefits of a new supply chain model. This allowed the Company to make strategic investments to strengthen its talent, brand and commercial capabilities.

Illegal cigarette trade continues to challenge legal industry

With the illegal cigarette trade having a majority market share at around 60%, Malaysia has gained the dubious reputation of being the world’s number one consumer of illegal cigarettes according to the Illicit Cigarette Study (ICS) 2018 Report by Nielsen. This shines a spotlight that the issue of the illegal cigarette trade is a national and complex matter which requires all affected stakeholders to do their part.

Erik Stoel, Managing Director for BAT Malaysia said:

“It is not acceptable that 60% of the market is made up of illegal cigarettes as these players do not and will not comply to any form of excise and tobacco control regulation. This remains

a big concern for the business and deserves immediate and higher attention by the Government. Better legislation has been put into place in the form of stricter penalties which now needs to be capitalised on”

“While it is encouraging that the Government has publicly stated its intention to fight the illegal cigarette trade and recover RM1bn in excise duty lost to illegal trade, it is critical that continuous and intensified enforcement actions by Royal Malaysian Customs in tandem with the other law enforcement agencies are maintained.”

“Besides increased and vigorous enforcement actions, another key driver of the illegal cigarette trade is affordability. Therefore, consideration also needs to be given by regulators to develop a solution that will allow consumers to move away from illegal cigarettes.”

“As a proactive corporate citizen, now is not a time to standby, stay idle and wait for the effect of the Government’s increased measures (to contain and stop the growth of illegal cigarette trade) to take place. As a legal company we are working hard to consider potential solutions and will do everything we rightfully can to complement the Government’s efforts in addressing this issue.”

“We also believe that we need to drive a higher awareness of the issue of the illegal cigarette trade across the different sectors of the Government and the public. We believe strongly in the adage that knowledge is power and to that effect we made public the findings of the Illicit Cigarette Study (ICS) 2018 Report by Nielsen.”

“If we can get more Malaysians to understand that the illegal cigarette trade has economic and social impact on the country, we are confident that in the long run, everyone would stand to gain – whether through recovering taxable revenue that could be invested in the development of the country and its people or through increased job opportunities in the legal industry.”

More information on British American Tobacco Malaysia’s financial results and the ICS 2018 Report by Nielsen can be found at www.batmalaysia.com

ENDS

About British American Tobacco (Malaysia) Berhad

British American Tobacco (Malaysia) Berhad is the leading tobacco company in Malaysia. The company markets high quality tobacco products designed to meet diverse consumer preferences. Our portfolio includes world-famous brands like DUNHILL, KENT, PETER STUYVESANT, PALL MALL and ROTHMANS

British American Tobacco Malaysia employs 497 employees who are involved in a wide spectrum of disciplines, from generating insights, developing brands and making these available on a national level. In addition, we also set leading edge talent development practices as well as ensure a strong foundation of corporate governance and shareholder relations.

The company is part of the British American Tobacco group, which is the world’s most international tobacco group and the second largest stock market listed tobacco group by global market share.

For more information, please contact British American Tobacco Malaysia:
Fairuz Helmi, Head of External Affairs at 03-27208188 or fairuz_helmi@bat.com
Melissa Hon, Corporate Affairs at 03-27208147 or melissa_hon@bat.com