

Kutna Hora, May 29th, 2026

Annual General Meeting of Shareholders

Philip Morris ČR a.s.

Fabio Costa

Chairman of the Board of Directors

A decorative graphic on the left side of the page consisting of several overlapping, semi-transparent blue leaf outlines with detailed vein patterns.

01

**Business
Performance**

02

**Sustainability
Highlights**

03

**Consolidated
Financial
Results**



Leading through challenges, building for resilience

- Consolidated revenues up by **0.4%** (1.1% excl. currency) to **CZK 21.7 billion**
- Profit from operations down by **7.1%** (-5.0% excl. currency) to **CZK 3.7 billion**
- Consolidated net income down by **9.2%** (-6.7% excl. currency) to **CZK 3.0 billion**
- Production volume in Kutná Hora plant continues at a high-level with **35.9 billion units** (cigarettes and other tobacco products)
- Investment into production facility and market launch of the new SFP category - **ZYN nicotine pouches**

A decorative blue leaf pattern with intricate vein details, positioned on the left side of the page.

01

**Business
Performance**

02

Sustainability
Highlights

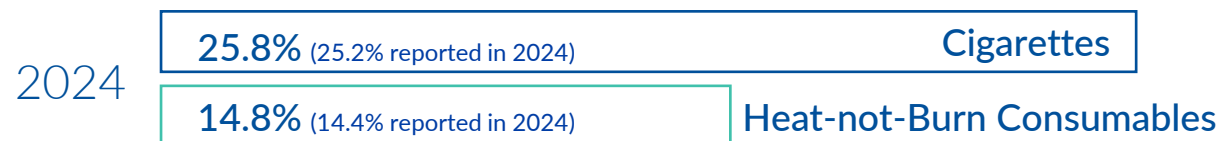
03

Consolidated
Financial
Results

Market Share



39.5%



40.6%
(39.6 % reported in 2024)

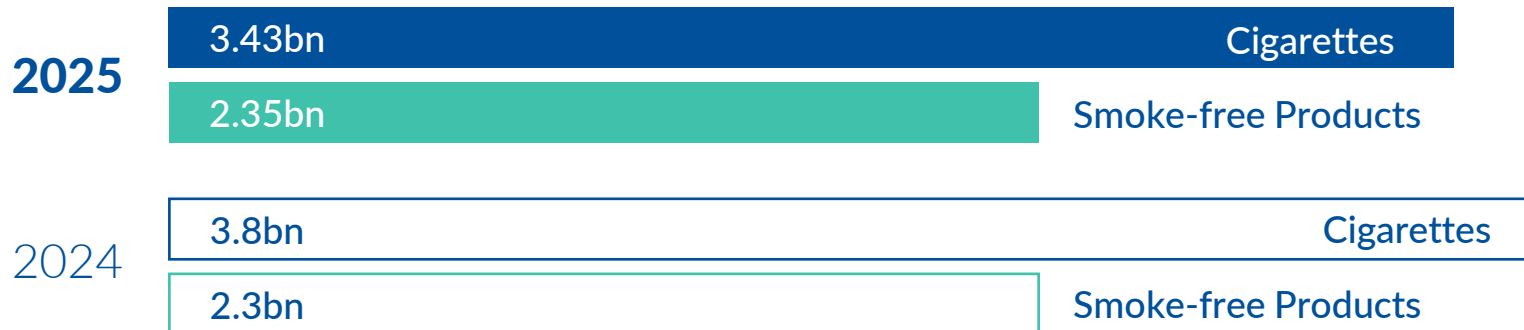


50.1%



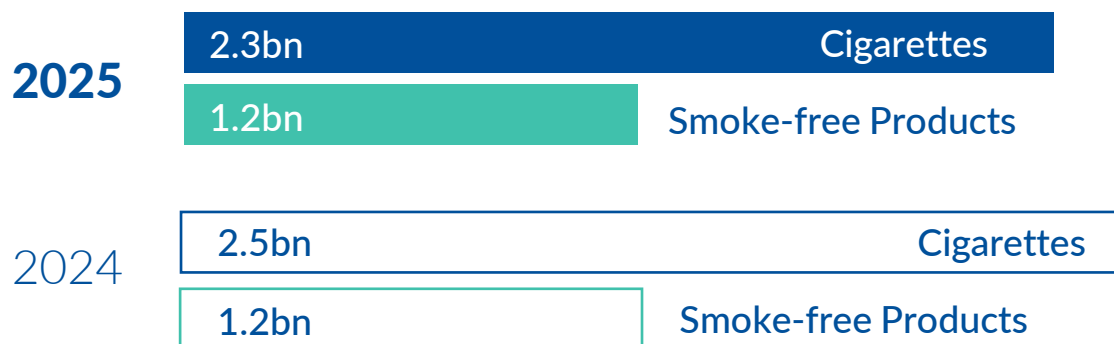
52.6%

Shipments (billion units)



5.8bn

6.1bn



3.5bn

3.7bn

Cigarettes in the Czech Republic include cigarettes and volume tobacco for make-your-own cigarettes (0.60 g is equivalent to 1 cigarette).

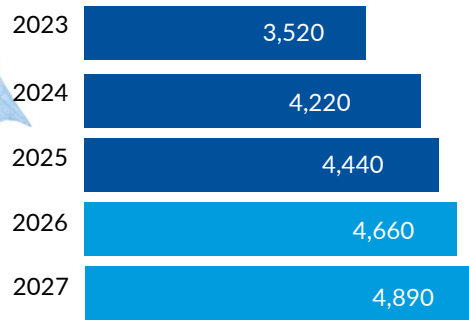
Smoke-free products include heated tobacco consumables (HEETS, TEREA, DELIA, Fiit), tobacco-free nicotine consumables (LEVIA), as well as e-cigarettes (VEEV ONE, VEEV inPRIME, VEEV NOW) and ZYN nicotine pouches (recalculated to cigarette equivalents).

Source: Philip Morris ČR a.s. and Philip Morris Slovakia s.r.o. Financials

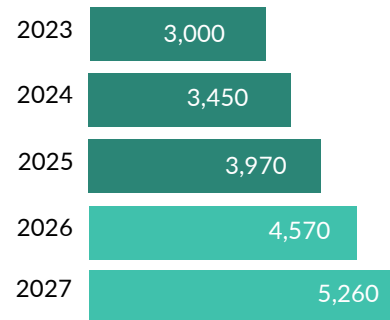
Fiscal Outlook



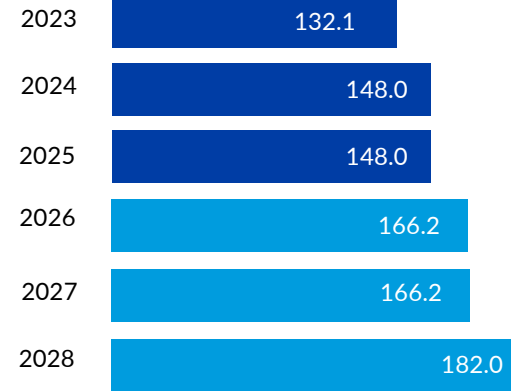
Cigarettes (CZK/'000)
Minimum Excise Tax



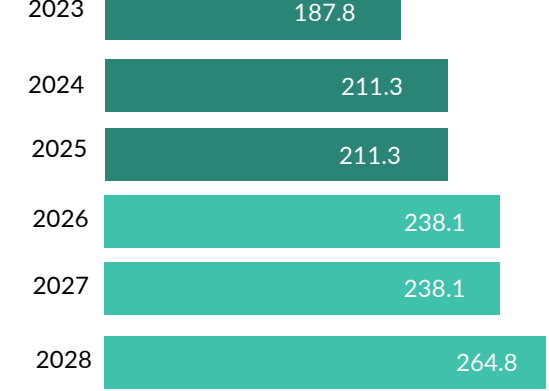
Heat-not-Burn
(CZK/kg of tobacco)



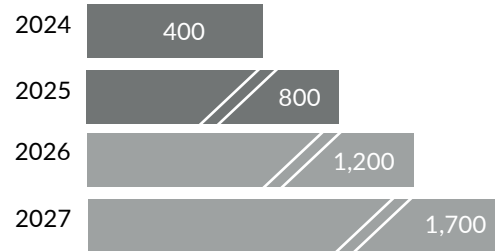
Cigarettes (€/’000 sticks)
Minimum Excise Tax



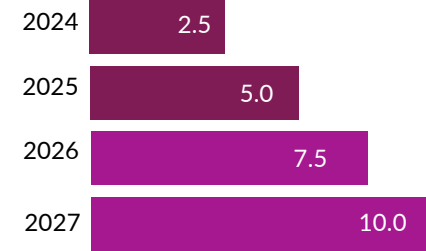
Heat-not-Burn
(€/kg of tobacco)*



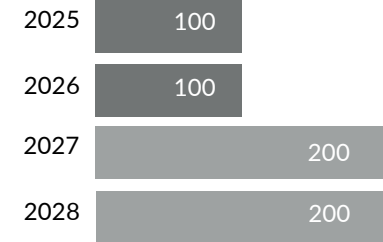
Nicotine Pouches
(CZK per kg)



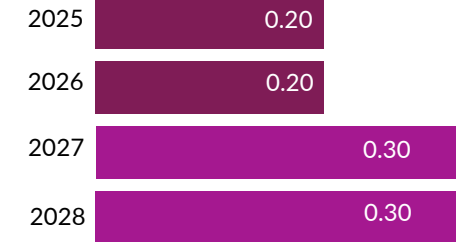
E-liquids for e-cigs
(CZK per ml)



Nicotine Pouches
(€ per kg)



E-liquids for e-cigs
(€ per ml)



Sources: Excise Taxes Act (CZ), Tobacco Products Excise Act (SK)

*The same rates apply for HnB without tobacco starting Feb 2025

Kutná Hora Production (billion units)



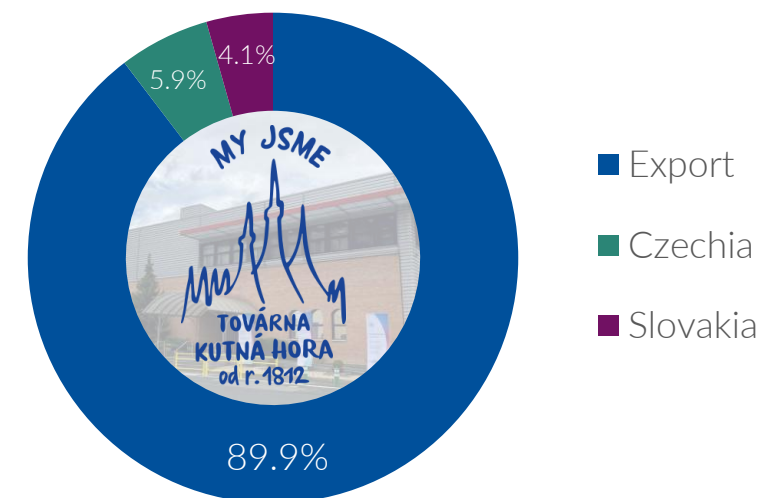
2025

32.6bn Cigarettes

3.4bn Other tobacco products

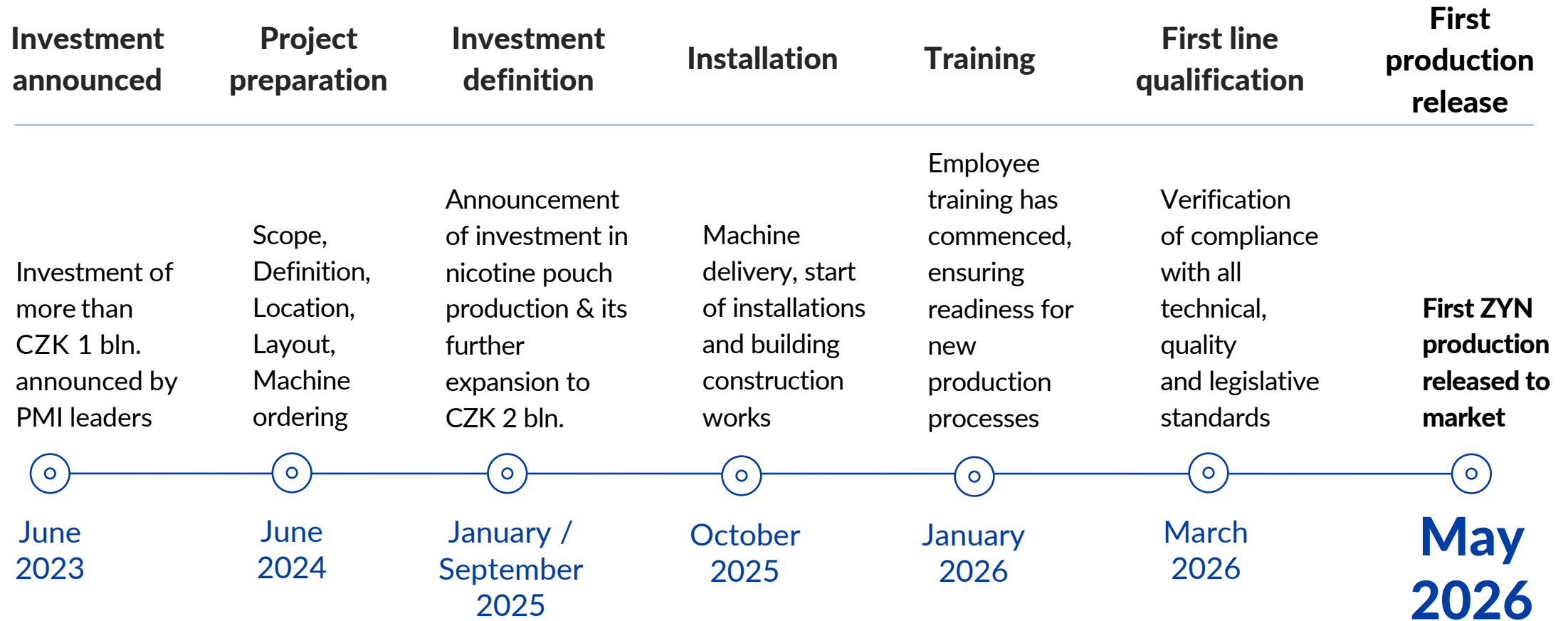
35.9bn

2025	2024	2023	2022	2021
35.9bn	37.7bn	38.8bn	36.7bn	32.7bn



Other tobacco products include products such as rolling tobacco (0.73 g is the equivalent of one cigarette) as well as multi-volume rolling tobacco (0.60 g is the equivalent of one cigarette).
Source: Philip Morris ČR a.s. internal data

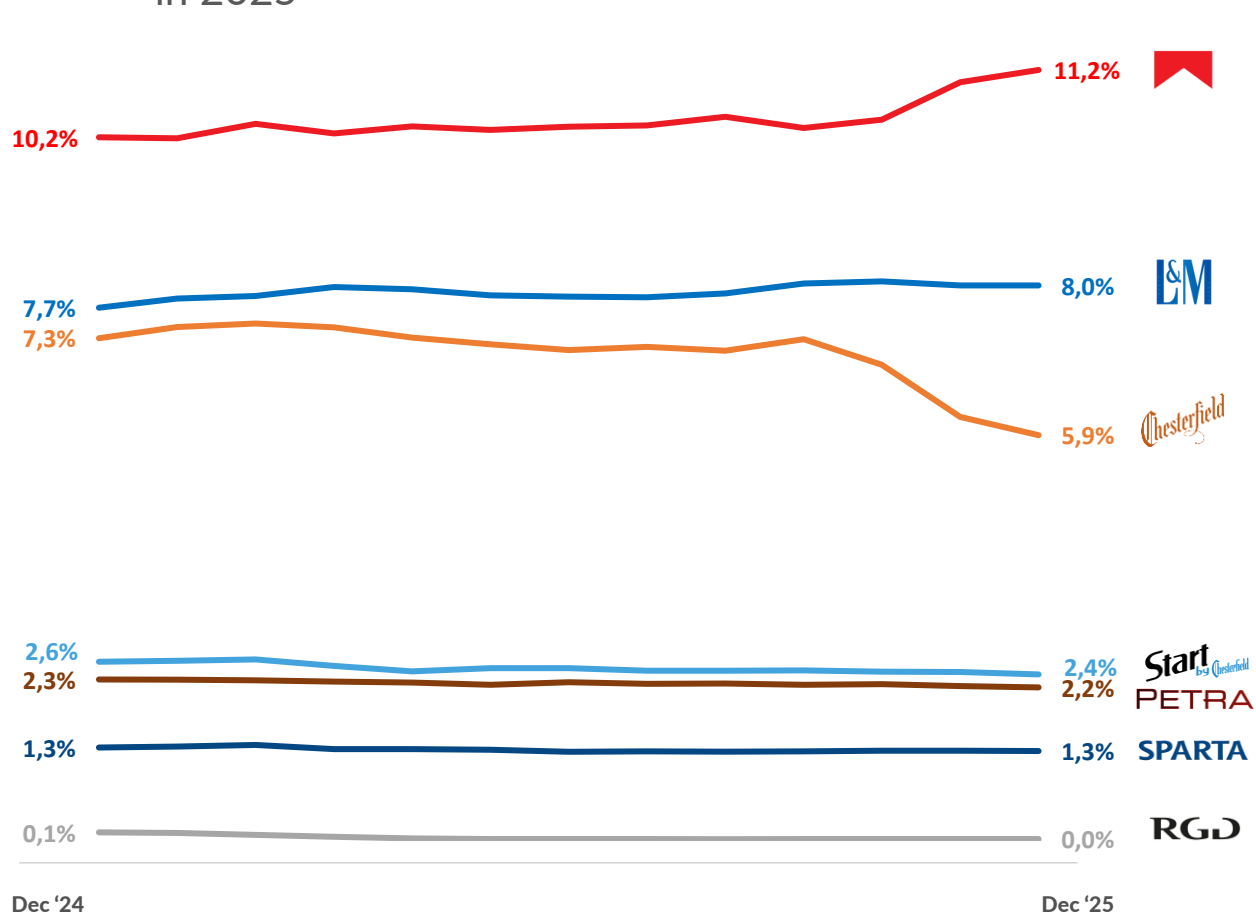
Kutná Hora on the Smoke-Free Journey



Performance of Individual Cigarette Brands



Market share development of individual brands in 2025

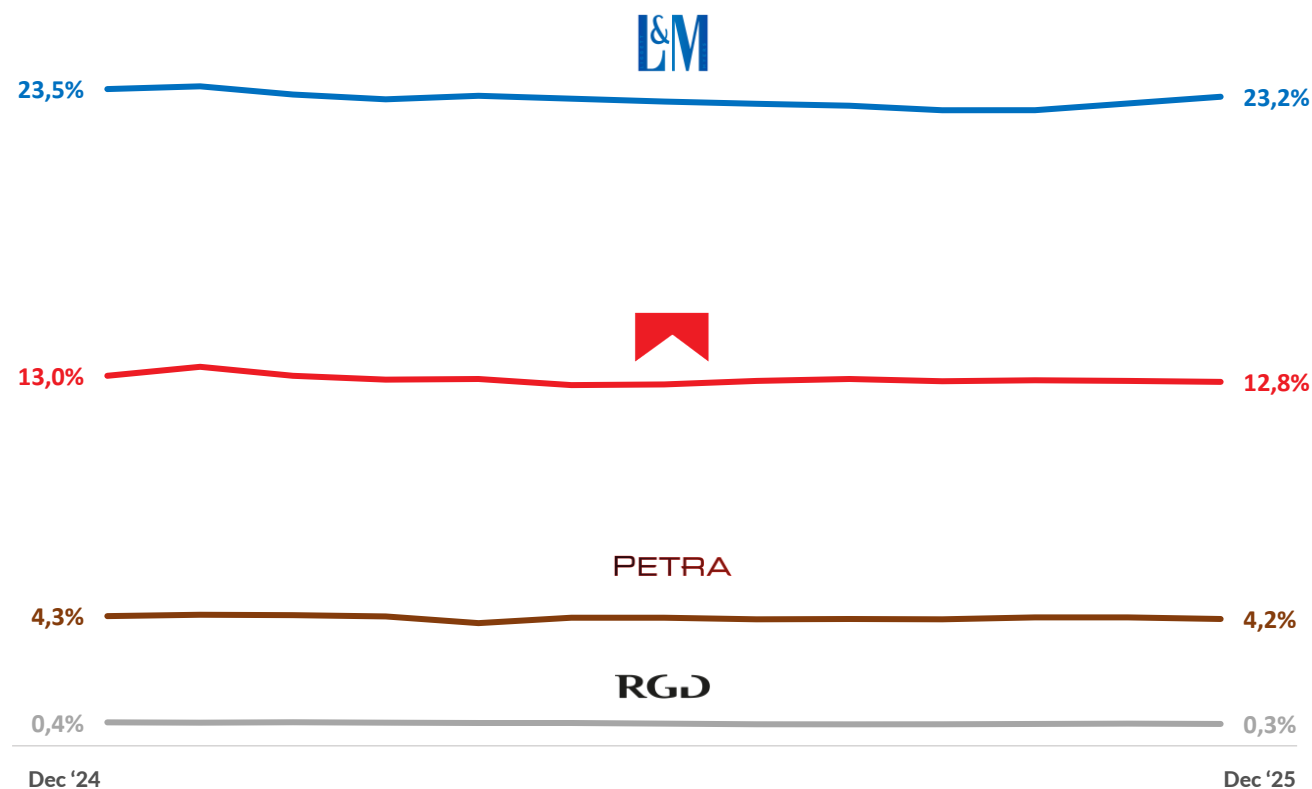


- Continued growth due to Marlboro Crafted's success & resilient Core
- Medium priced L&M stable, strengthened by portfolio expansion
- Erosion of Chesterfield due to morph to Marlboro Crafted
- Local brands showing long-term durability, Start and RGD impacted by portfolio optimization

Performance of Individual Cigarette Brands



Market share development of individual brands in 2025



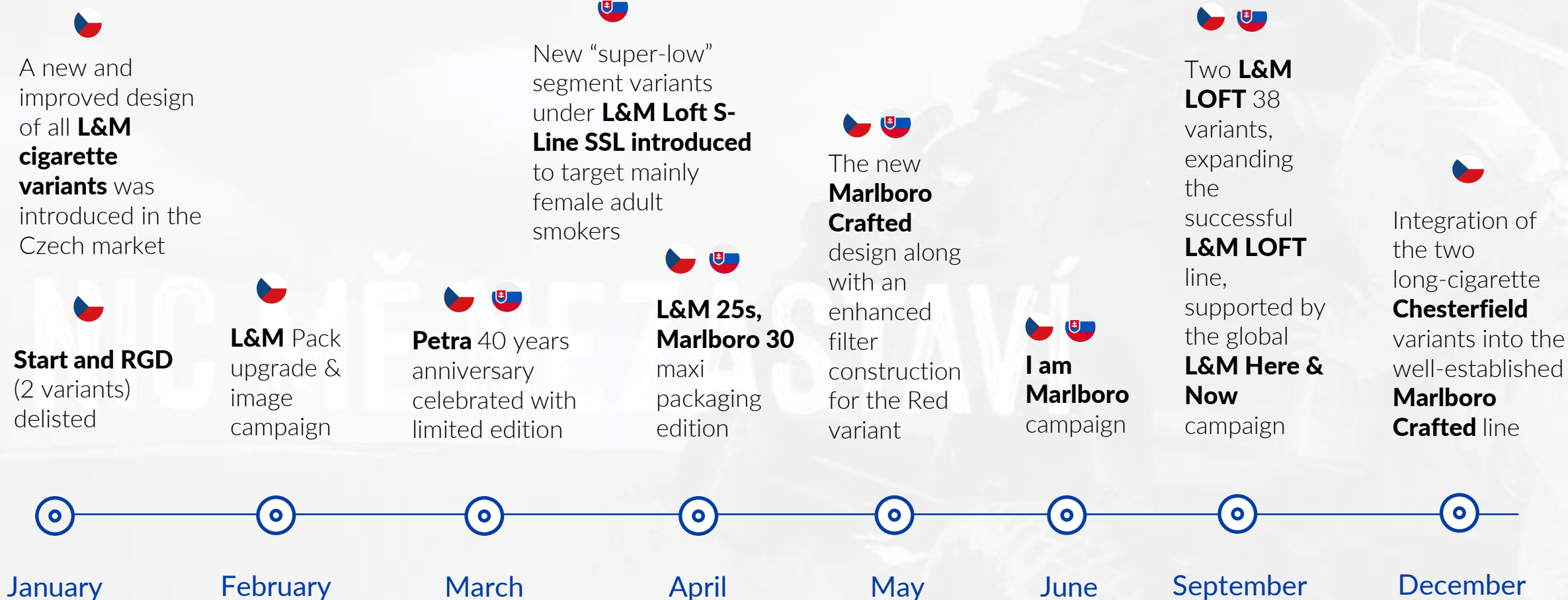
Market leader for more than 10 years

Premium segment leading brand with stable performance

Petra, local brand 40 years on the market with resistant performance



Key Cigarettes Portfolio Initiatives



Smoke-free Product Portfolio



IQOS ILUMA i PRIME
IQOS ILUMA i
IQOS ILUMA i ONE

VEEV
ONE

VEEV NOW
ULTRA

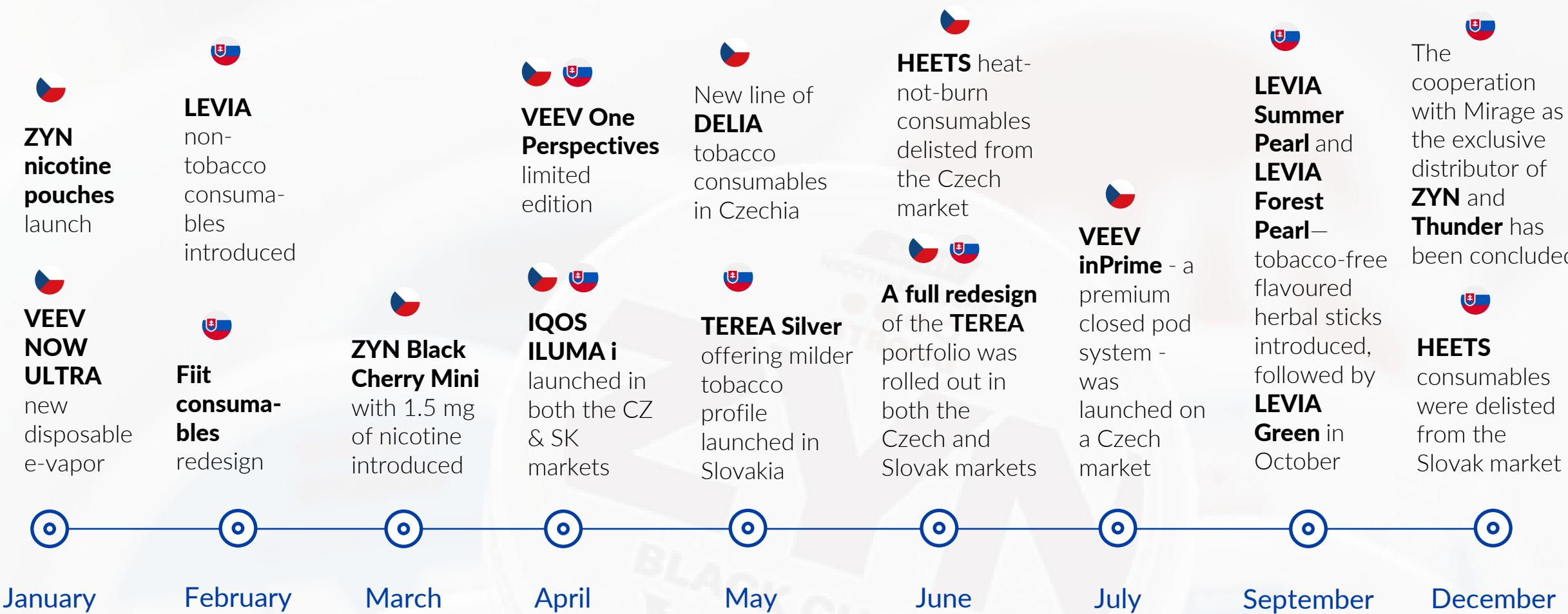
VEEV
inPRIME

lil SOLID EZ



ZYN

News in Smoke-Free Product Portfolio



A decorative blue leaf pattern with intricate vein details, positioned on the left side of the page.

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Business
Performance

02

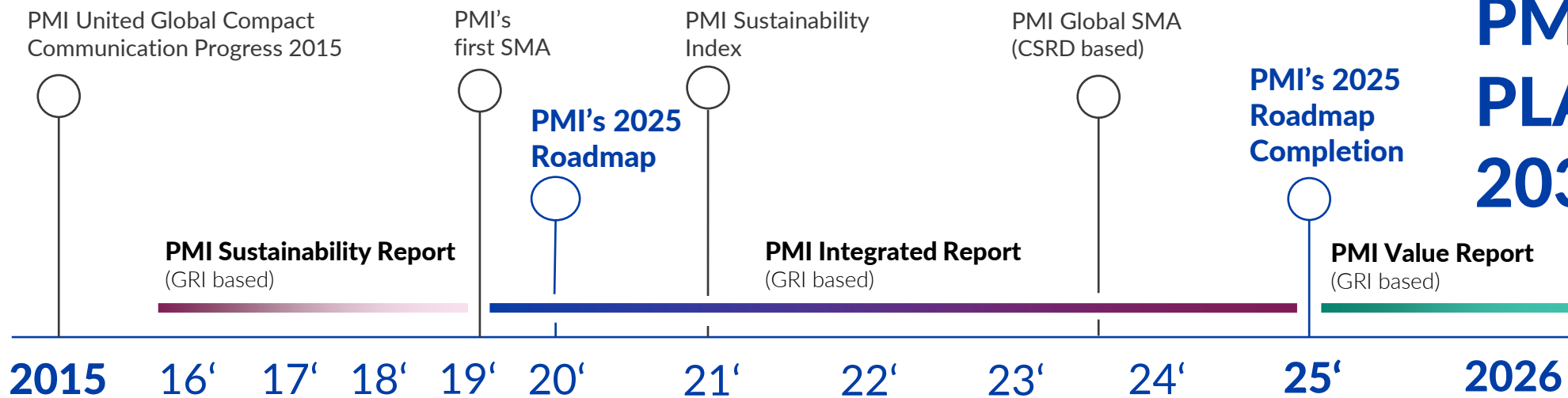
**Sustainability
Highlights**

03

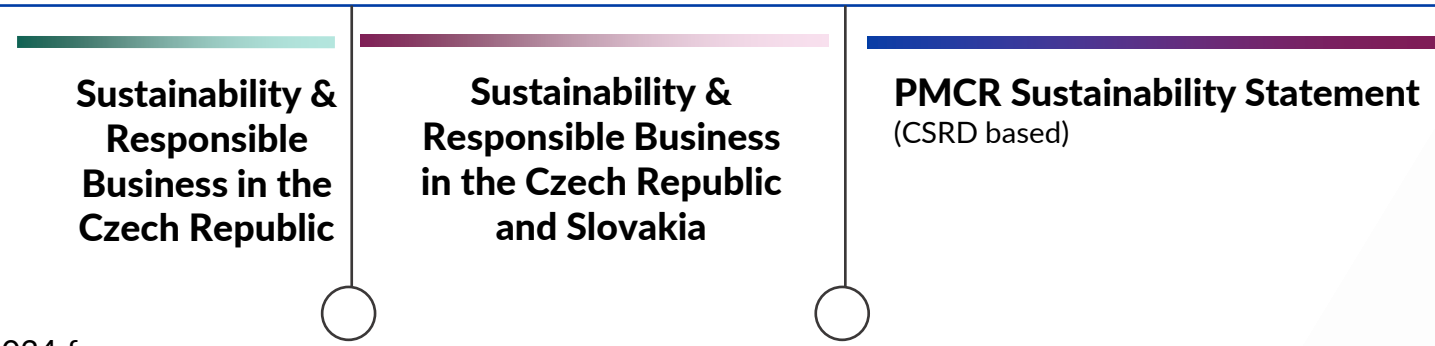
Consolidated
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Sustainability in PMI: New Era



PMI VALUE PLAN 2030+



Note:

Mandatory (CSRD compliant) as of 2024 for PMCR as publicly listed company, all other activities have been voluntary based

SMA – Sustainability Materiality Assessment

Localization of PMI SMA & 2025 Roadmap

Localization of PMI SMA (CSRD based)

Sustainability: Key Highlights



PMI ROADMAP 2025 Completion

Achievements evaluation:

- 36 out of 39 targets achieved
- 3 targets recalibrated

PMI VALUE PLAN 2030+ Creation

New strategy and targets with evolved framework created for next 5+ years, based on:

- comprehensive Sustainability (Double) Materiality Assessment (CSRD based) from 2024
- experience from 2025 Roadmap evaluation

SUSTAINABILITY at PMČR 2025

- CSRD based Sustainability Statement issued – second in a row
- activities performed in line with PMI strategies, significantly contributing to globally set targets
- achievements in the form of new or renewed certifications and high KPIs values



Sustainability: Performance

ENVIRONMENTAL

Climate Change

100% Green Energy at manufacturing

100% Low-carbon powertrain vehicles in Slovakia (2024: 94%)

96% Low-carbon powertrain vehicles in the Czech Republic (2024: 74%)

Circular Economy

92.3% Recyclable Content in SFP products (2024: 93.4%)

99.3% Recyclable Content in product packaging (2024: 99.5%)



Carbon Neutrality Certification

AWS Certification

EQUAL Salary Certification

New CLA signed

SOCIAL

Own Workforce

84% Collective bargaining agreement coverage (combined CZ/SK) (2024: 84%)

1.3% Gender Pay Gap (reported in avg pay/hour) => positive for male (2024: -1.8% positive for female)

86% / 82% / 81% Well-being rate in PMCR factory/PMCR market/PMSK (2024: 86%/77%)

Consumer

YAP Youth Access Prevention programme fully implemented

GOVERNANCE

Company's Bodies

29.4% Gender diversity within Administrative & Supervisory Bodies (combined CZ/SK) (2024: 35.3%)

42.9% Independent members ratio within Supervisory Bodies (2024: 42.9%)

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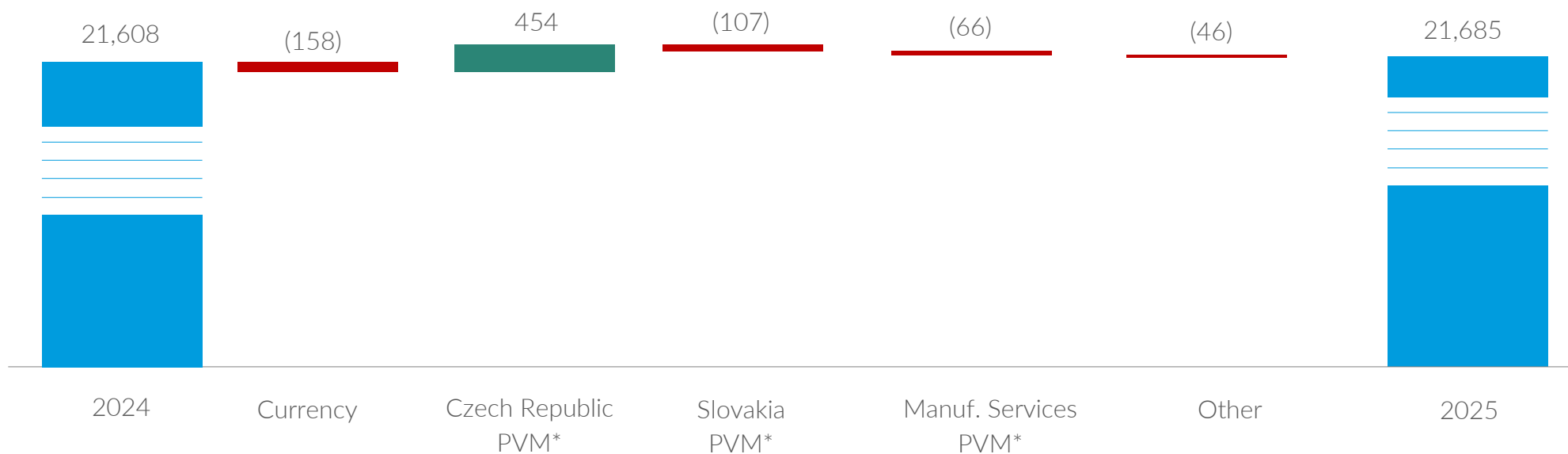
**Consolidated
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Net Revenues



(CZK million)	2024	2025	Change	Change in %	
				Actual	Excluding currency
Net Revenues	21,608	21,685	77	0.4%	1.1%



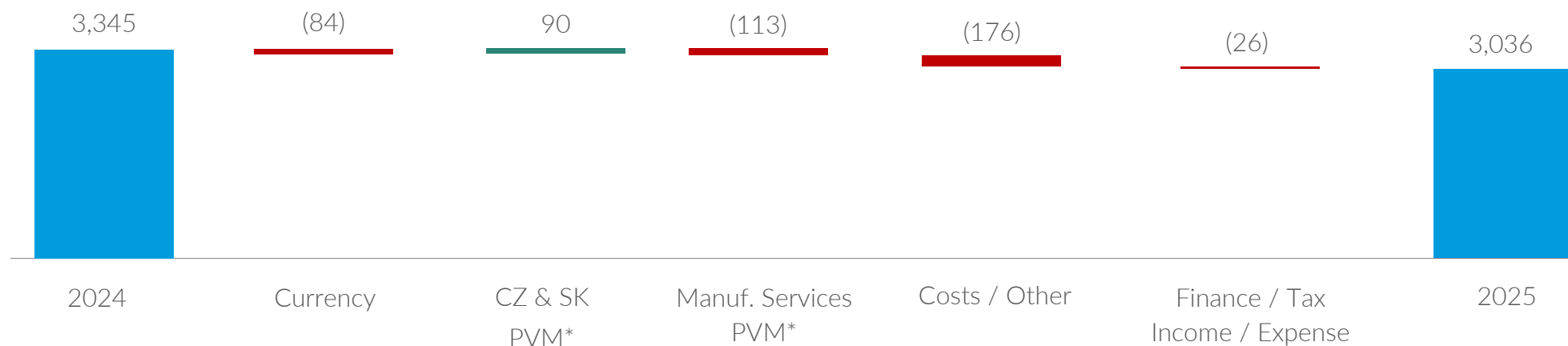
*PVM - Price, Volume and Mix variance

Source: Philip Morris ČR a.s. consolidated financial results

Net Income



(CZK million)	2024	2025	Change	Change in %	
				Actual	Excluding currency
Net Revenues	21,608	21,685	77	0.4%	1.1%
Operating income	4,003	3,720	(283)	(7.1)%	(5.0)%
Net income	3,345	3,036	(309)	(9.2)%	(6.7)%



*PVM – Price, Volume and Mix variance, incl. variable costs
 Source: Philip Morris ČR a.s. consolidated financial results

Assets & Liabilities

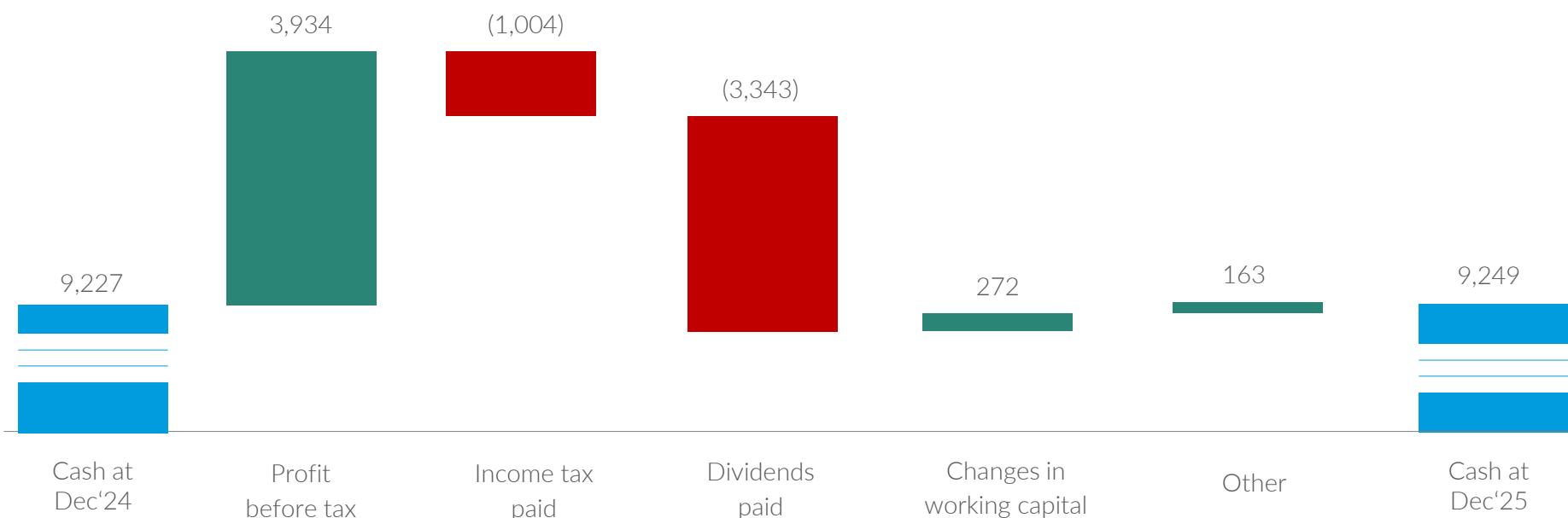


ASSETS (CZK million)	DEC 2025	DEC 2024	Change	LIABILITIES & EQUITY (CZK million)	DEC 2025	DEC 2024	Change
Cash & Equivalents	240	139	101	Trade and other financial liabilities	3,795	3,284	511
Receivables – cash pool	9,141	9,088	53	Excise tax liability	3,670	3,649	21
Receivables – others	991	963	28	Other tax liabilities	495	550	(55)
Inventories	1,613	1,583	30	Borrowings	442	348	94
Excise tax receivable	2,304	2,523	(219)	Other current liabilities	393	485	(92)
PP&E	2,552	2,463	89	Finance lease liability – long/short term	406	326	80
ROU assets	399	322	77	Deferred tax liability	127	139	(12)
Other non-current and current assets	301	226	75	Equity	8,213	8,526	(313)
Total Assets	17,541	17,307	234	Total Liabilities & Equity	17,541	17,307	234

Cash & Cash Equivalents



(CZK million)	Dec 2024	Dec 2025	Change	Change in %
Cash & Cash Equivalents*	139	108	-31	(22.3)%
Cash Pooling	9,088	9,141	53	0.6%
Total	9,227	9,249	22	0.2%



Source: Philip Morris ČR a.s. consolidated financial results
 * Including Bank Overdraft

Business Model



MANUFACTURING

 Producer

Philip Morris
Products S.A.

 Toll Manufacturer

Philip Morris ČR a.s.
Kutná Hora factory

Stable remuneration for all
manufactured products

COMMERCIALIZATION Combustible products

 Producer

Philip Morris
Products S.A.

 Entrepreneur

Philip Morris ČR a.s.
(CZ & SK markets)

Higher profit, but
also higher risk

COMMERCIALIZATION Smoke-free products

 Entrepreneur

Philip Morris
Products S.A.

 Limited Risk Distributor

Philip Morris ČR a.s. (CZ market)
Philip Morris Slovakia s.r.o. (SK market)

Significantly
lower risk, but
also lower profit

Important Reported Risk Factor



Our profitability, and consequently, the amount of our dividend payout reflects our dual role of being a full risk entrepreneur of combustible portfolio products and a limited risk distributor for smoke-free products.

Our remuneration for commercialization of smoke-free products is based on a set margin on revenues from sales. As a limited risk distributor, we do not own intellectual property rights for smoke-free products and therefore do not absorb all the costs or bear the risks associated with such ownership. As our return is proportionate to our risk for commercializing smoke-free products, the impact of the sales volume variances of such products on our profitability is limited.

Consequently, if the current consumer preference trend towards smoke-free products continues and volume declines of combustible portfolio products accelerate, we do not expect that over time the additional profit generated from increased sales of smoke-free products will offset the decreasing profits generated from the sales of combustible portfolio products.

Net earnings & EPS



Consolidated Earnings
per Share
(in CZK)

	2025	2024	2023	2022	2021
Current Year	1,106	1,218	1,218	1,324	1,281
Prior Years Retained	16	16	14	0	29
Total Retained Earning per Share	1,122	1,234	1,232	1,324	1,310
Dividend Proposed / Paid	1,100	1,220	1,220	1,310	1,310



Thank you