



PHILIP MORRIS ČR

ANNOUNCEMENT OF THE RESULTS OF THE ORDINARY GENERAL MEETING

of

Philip Morris ČR a.s.,

whose registered office is at Kutná Hora, Vítězná 1, Postal Code: 284 03,
identification number: 14803534,
registered in the Commercial Register maintained by the Municipal Court
in Prague, Section B, File 627

(the "**Company**"),

held

at the registered office

of the Company in

Kutná Hora, Vítězná 1, Postal Code: 284 03,

at 10 am on 26 April 2019

(the "**General Meeting**")

**Note: The English version of this document is published for informational purposes only.
The authoritative version of this document is the version published in the Czech language.**

1. Point 2 of the agenda of the General Meeting – Election of the Chairman of the General Meeting, Minutes Clerk, Minutes Verifiers and Scrutineers, and Approval of the Rules of Procedure and Voting Rules of the General Meeting:

1.1 The General Meeting elected Mr Martin Hájek as Chairman of the General Meeting, Ms Zuzana Dušková as Minutes Clerk of the General Meeting, Mr Milan Vácha and Mr Jakub Černický as Minutes Verifiers of the General Meeting and the following persons as Scrutineers of the General Meeting:

- (i) Petr Brant;
- (ii) Josef Nuhlíček.

2 287 648 valid votes (connected 2 287 648 shares of the company), were cast, which represents 83,33% share of the capital of the Company.

Election of Chairman of the General Meeting, Minutes Clerk of the General Meeting, Minutes Verifiers of the General Meeting and Scrutineers of the General Meeting

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 284 759	99,832866
AGAINST	0	0,000000
ABSTAINED	2 889	0,126235
Non-participating and invalid votes	936	0,040899

1.2 The General Meeting approved the Rules of Procedure and Voting Rules of the General Meeting as proposed by the Board of Directors and published on the website www.philipmorris.cz on 26 March 2019.

2 287 648 valid votes (connected with 2 287 648 shares of the company), were cast, which represents 83,33% share of the capital of the Company.

Approval of the Rules of Procedure and Voting Rules

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 284 759	99,832866
AGAINST	522	0,022809
ABSTAINED	2 367	0,103426
Non-participating and invalid votes	936	0,040899

2. Point 3 and 5 of the agenda of the General Meeting – Proposal for the approval of the Report of the Board of Directors on the Business Activities of the Company, the 2018 ordinary financial statements, the 2018 ordinary consolidated financial statements and the proposal for the distribution of profit for the year 2018, including an indication of the amount and method of payment of a profit share (dividend):

The General Meeting adopted the following resolutions:

"The Report of the Board of Directors on the Business Activities of the Company in the wording submitted by the Company's Board of Directors is hereby approved."

"The ordinary financial statements of the Company for the 2018 calendar year accounting period are hereby approved."

"The ordinary consolidated financial statements of the Company for the 2018 calendar year accounting period are hereby approved."

"The Company's after-tax profit for the 2018 calendar year accounting period in the amount of CZK 3,776,793,107.76 and a part of the retained earnings of the Company from prior years in the amount of CZK 615,824,492.24, i.e. in the total amount of CZK 4,392,617,600.00 will be paid to the Company's shareholders as a profit share (dividend). The retained earnings from prior years in the amount of CZK 250,598,136.70 will remain undistributed. A gross profit share (dividend) of CZK 1,600.00 will thus apply to each ordinary share of the Company with a nominal value of CZK 1,000, in view of the total number of these shares, i.e. 2,745,386. The Decisive Date for Exercising Profit (Dividend) Rights is 18 April 2019, i.e. profit shares (dividends) will be paid to shareholders who held shares of the Company as at 18 April 2019.

Shareholders will be paid profit shares (dividends) through Česká spořitelna, a.s., a company whose registered office is in Prague 4, Olbrachtova 1929/62, postcode: 140 00, identification number: 452 44 782, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 1171.

Česká spořitelna, a.s. will send a "Notification of the Payment of Proceeds from Securities" to each shareholder in the Czech Republic and abroad, to the shareholder's address specified in the extract from the Issue Register of the Company maintained by Central Securities Depository – Centrální depozitář cenných papírů, a.s. as at 18 April 2019 in the case of book-entered shares and to the shareholder's address specified in the list of the Company's shareholders as at 18 April 2019 in the case of certificated shares.

Profit shares (dividends) will be paid to the shareholders who are individuals during the payment period by bank money transfer to the shareholder's account specified in the list of the Company's shareholders. Profit share (dividend) will be paid to the shareholders who are individuals owning book-entered shares listed in the records of book-entered securities maintained pursuant to a special legal regulation by bank money transfer after the shareholder submits all the necessary documents, including a certificate of tax domicile and a declaration by the actual owner of the shares if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate. In the case of shareholders who are individuals with a permanent residence in the territory of the Czech Republic, the profit share (dividend) may also be paid at all branches of Česká spořitelna, a.s. in cash, subject to the presentation of a valid ID card. If a shareholder who is also a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate, this shareholder will be obliged to submit, along with presentation of their valid ID card, a certificate of their tax domicile and a declaration of the actual owner.

The payment period will be from 29 May 2019 to 31 March 2020. All information regarding the payment of a profit share (dividend) to shareholders will be provided at the branches of Česká spořitelna, a.s.

Shareholders who are legal entities will also be paid profit shares (dividends) through Česká spořitelna, a.s. in accordance with the rules defined above.

Profit shares (dividends) will be paid to the shareholders who are legal entities by bank money transfer to the bank account of the shareholder specified in the list of the Company's shareholders. Profit share (dividend) will be paid to the shareholders who are legal entities owning book-entered shares listed in the records of book-entered securities maintained pursuant to a special legal regulation by bank money transfer after the shareholder submits all the necessary documents, including a certificate of tax domicile and a declaration of the actual owner if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate.

Contact persons at Česká spořitelna, a.s.:

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Naděžda Šmídová

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Department 8430

Budějovická 1518/13b

140 00 Prague 4”

2 287 957 valid votes (connected with 2 287 957 shares of the company), were cast, which represents 83,34% share of the capital of the Company.

Approval of the Report of the Board of Directors on the Company's business activities

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 281 789	99,673215
AGAINST	1 301	0,056830
ABSTAINED	4 867	0,212601
Non-participating and invalid votes	1 313	0,057355

2 288 479 valid votes (connected with 2 288 479 shares of the company), were cast, which represents činí 83,36% share of the capital of the Company.

Approval of the 2018 ordinary financial statements

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 281 789	99,673215
AGAINST	1 823	0,079632
ABSTAINED	4 867	0,212601
Non-participating and invalid votes	791	0,034552

2 288 479 valid votes (connected with 2 288 479 shares of the company), were cast, which represents 83,36% share of the capital of the Company.

Approval of the 2018 ordinary consolidated financial statements

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 282 311	99,696017
AGAINST	1 301	0,056830
ABSTAINED	4 867	0,212601
Non-participating and invalid votes	791	0,034552

2 288 479 valid votes (connected with 2 288 479 shares of the company), were cast, which represents 83,36% share of the capital of the Company.

Approval of the proposal for the distribution of profit for 2018, including the amounts and method of payment of dividends

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 281 787	99,673127
AGAINST	1 301	0,056830
ABSTAINED	5 391	0,235490
Non-participating and invalid votes	791	0,034552

3. Point 6 of the agenda of the General Meeting – Amendment of the Articles of Association of the Company

The General Meeting adopted the following resolution concerning the amendment of the Company's Articles of Association proposed by the Board of Directors:

“The General Meeting decides about the amendments of the Company’s Articles of Association pursuant to the proposal of the Company’s Board of Directors:

The current wording of first sentence, paragraph (1) of Clause 14 (Composition of the Board of Directors, Term of Office, Meetings, and Decision-Making), is replaced by the following wording:

“The Board of Directors of the Company shall consist of six members, elected and recalled by the General Meeting. “

The current wording of first sentence, paragraph (12) of Clause 14 (Composition of the Board of Directors, Term of Office, Meetings, and Decision-Making), is replaced by the following wording:

“The Board of Directors shall be quorate if a simple majority of its members are present.”

The current wording of fourth sentence, paragraph (14) of Clause 14 (Composition of the Board of Directors, Term of Office, Meetings, and Decision-Making), is replaced by the following wording:

“The Board of Directors is quorate for outside-of-meeting voting if a simple majority of the members of the Board of Directors participate in the voting.”

2 288 294 valid votes (connected with 2 288 294 shares of the company), were cast, which represents 83,35% share of the capital of the Company.

Approval of the amendment of the Articles of Association of the Company:

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 284 784	99,804042
AGAINST	573	0,025030
ABSTAINED	2 937	0,128294
Non-participating and invalid votes	976	0,042634

4. Point 7 of the agenda of the General Meeting - Election of members of the Board of Directors and a member of the Supervisory Board and approval of the agreements on the performance of office by members of the Board of Directors and the agreements on the performance of office by members of the Supervisory Board

4.1 The General Meeting elected the following persons as members of the Board of Directors of the Company:

Árpád Könye, born on 10 May 1961, residing at Ave da Republica 1910, Lote 50, Alcabideche 2645-143, Portuguese Republic, is elected as a member of the Board of Directors of the Company;

2 287 892 valid votes (connected 2 287 892 shares of the company), were cast, which represents 83,34% share of the capital of the Company.

Election of **Árpád Könye** as member of the Board of Directors

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 284 026	99,772064
AGAINST	1 372	0,059932
ABSTAINED	2 494	0,108944
Non-participating and invalid votes	1 352	0,059059

Peter Piroch, born on 7 May 1970, residing at Štetinova 687/5, 811 06 Bratislava, Slovak Republic, is elected as a member of the Board of Directors of the Company;

2 288 414 votes (connected with 2 288 414 shares of the company), were cast, which represents 83,35% share of the capital of the Company.

Election of **Peter Piroch** as member of the Board of Directors

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 283 691	99,757431
AGAINST	2 331	0,101824
ABSTAINED	2 392	0,104489
Non-participating and invalid votes	830	0,036257

Zarina Maizel, born on 3 July 1974, residing at Na Maninách 1590/29, 170 00 Prague 7 - Holešovice;

2 288 414 valid votes (connected with 2 288 414 shares of the company), were cast, which represents 83,35% share of the capital of the Company.

Election of **Zarina Maizel** as member of the Board of Directors

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 238 731	97,793464
AGAINST	47 148	2,059545
ABSTAINED	2 535	0,110735
Non-participating and invalid votes	830	0,036257

Andrea Gontkovičová, born on 6 July 1973, residing at Suchá 13, 831 01 Bratislava, Slovak Republic;

2 288 414 valid votes (connected with 2 288 414 shares of the company), were cast, which represents 83,35% share of the capital of the Company.

Election of **Andrea Gontkovičová** as member of the Board of Directors

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 236 849	97,711253
AGAINST	48 598	2,122884
ABSTAINED	2 967	0,129606
Non-participating and invalid votes	830	0,036257

- 4.2 The General Meeting adopted the following resolutions regarding the approval of the Agreements on the Performance of Office by a Member of the Board of Directors:

2 288 029 valid votes (connected with 2 288 029 shares of the company), were cast, which represents 83,34% share of the capital of the Company.

Approval of the Agreement on the Performance of Office by a Member of the Board of Directors concluded between a member of the Board of Directors of Philip Morris ČR a.s. concluded between the member of

the Board of Directors of Philip Morris ČR a.s. Mr. Peter Piroch and Philip Morris ČR a.s. on 25 March 2019.

	<u>Number of</u> <u>votes</u>	<u>% of votes present at the</u> <u>General Meeting</u>
FOR	2 283 828	99,763415
AGAINST	1 809	0,079022
ABSTAINED	2 392	0,104489
Non-participating and invalid votes	1 215	0,053074

Approval of the Agreement on the Performance of Office by a Member of the Board of Directors concluded between a member of the Board of Directors of Philip Morris ČR a.s. concluded between the member of the Board of Directors of Philip Morris ČR a.s. Ms. Zarina Maizel and Philip Morris ČR a.s. on 25 March 2019.

	<u>Number of</u> <u>votes</u>	<u>% of votes present at the</u> <u>General Meeting</u>
FOR	2 237 879	97,756246
AGAINST	47 670	2,082347
ABSTAINED	2 480	0,108333
Non-participating and invalid votes	1 215	0,053074

Approval of the Agreement on the Performance of Office by a Member of the Board of Directors concluded between a member of the Board of Directors of Philip Morris ČR a.s. concluded between the member of the Board of Directors of Philip Morris ČR a.s. Ms. Andrea Gontkovičová and Philip Morris ČR a.s. on 25 March 2019.

	<u>Number of</u> <u>votes</u>	<u>% of votes present at the</u> <u>General Meeting</u>
FOR	2 236 519	97,696838
AGAINST	48 598	2,122884
ABSTAINED	2 912	0,127204
Non-participating and invalid votes	1 215	0,053074

- 4.3 The General Meeting elected the following person as member of the Supervisory Board of the Company:

2 241 131 valid votes (connected with 2 241 131 shares of the company), were cast, which represents 81,63% share of the capital of the Company.

Sergio Colarusso, born on 18 April 1972, residing at Chemin des Sarments 11bis, 1295 Tannay, Swiss Confederation;

Election of Sergio Colarusso as member of the Supervisory Board

	<u>Number of</u> <u>votes</u>	<u>% of votes present at the</u> <u>General Meeting</u>
FOR	2 191 835	95,744927

AGAINST	46 784	2,043644
ABSTAINED	2 512	0,109731
Non-participating and invalid votes	48 113	2,101698

4.4 The General Meeting adopted the following resolutions regarding the approval of the agreements on the Performance of Office by Members of the Supervisory Board:

2 241 135 valid votes (connected with 2 241 135 shares of the company), were cast, which represents 81,63% share of the capital of the Company.

Approval of the Agreement on the Performance of Office by a Member of the Supervisory Board concluded between a member of the Supervisory Board of Philip Morris ČR a.s. Mr. Sergio Colarusso and Philip Morris ČR a.s. on 25 March 2019.

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 187 941	95,574827
AGAINST	50 682	2,213919
ABSTAINED	2 512	0,109731
Non-participating and invalid votes	48 109	2,101523

Approval of the Agreement on the Performance of Office by a Member of the Supervisory Board concluded between a member of the Supervisory Board of Philip Morris ČR a.s. Mr. Tomáš Hilgard and Philip Morris ČR a.s. on 25 March 2019.

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 188 442	95,596712
AGAINST	50 160	2,191116
ABSTAINED	2 533	0,110648
Non-participating and invalid votes	48 109	2,101523

Approval of the Agreement on the Performance of Office by a Member of the Supervisory Board concluded between a member of the Supervisory Board of Philip Morris ČR a.s. Mr. Ondřej Süsser and Philip Morris ČR a.s. on 25 March 2019.

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 188 086	95,581161
AGAINST	50 160	2,191116
ABSTAINED	2 889	0,126199
Non-participating and invalid votes	48 109	2,101523

5. Point 8 of the agenda of the General Meeting – Appointment of the Company's Auditor

The General Meeting appointed PricewaterhouseCoopers Audit, s.r.o., whose registered office is at Hvězdova 1734/2c, Nusle, Prague 4, Postal Code 140 00, the Czech Republic, identification number: 407 65 521, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, File 3637, as an auditor of the Company for the 2019 calendar year accounting period.

2 288 075 valid votes (connected with 2 288 075 shares of the company) were cast, which represents 83,34% share of the capital of the Company.

Appointment of the auditor of the Company

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 278 790	99,543343
AGAINST	6 918	0,302196
ABSTAINED	2 367	0,103397
Non-participating and invalid votes	1 169	0,051065

In Kutná Hora on 26 April 2019

Árpád Könye
Chairman of the Board of Directors
Philip Morris ČR a.s.

Tomáš Korkoš
Member of the Board of Directors
Philip Morris ČR a.s.