



PHILIP MORRIS ČR

The Board of Directors of

Philip Morris ČR a.s.,

whose registered office is in Kutná Hora, Vítězná 1, postcode: 284 03,
identification number: 14803534,
registered in the Commercial Register maintained by the Municipal Court in Prague, File No. B 627
(the “**Company**”),

**informs the Company’s shareholders and the public of and confirms
its decision on the
DECISION-MAKING OF THE COMPANY’S GENERAL MEETING
TO BE PERFORMED OUTSIDE THE MEETING
 (“*per rollam*”)**

With regard to the safety and protection of health of shareholders, their representatives or other persons involved or participating in the preparation and holding of the General Meeting, and also with regard to the fact that further development of the COVID-19 pandemic and the measures taken cannot be predicted with certainty, the Board of Directors decided on 31 January 2022 and now confirms that **it will not convene the General Meeting approving, among other things, the Company’s financial results for 2021, and that the General Meeting will not be held with the personal participation of shareholders.**

The Board of Directors of the Company further decided, on 31 January 2022, and now confirms that the matters which the Board of Directors of the Company had originally intended to include in the agenda of the General Meeting will be, in accordance with Section 418 *et seq.* of Act No. 90/2012 Coll., on Companies and Cooperatives (the Act on Corporations), as amended (the “**Business Corporations Act**”), in conjunction with Article 8 (4) *et seq.* of the Articles of Association of the Company, **decided on outside the General Meeting of the Company (“*per rollam*” or within the “*per rollam* decision-making”). Similarly as in the past year, the shareholders will therefore be able to exercise their voting and other shareholder rights outside the General Meeting.**

The *per rollam* decision-making consists in the exercise of voting and other shareholder rights in writing without the personal participation of shareholders at the General Meeting, through written submissions delivered to the Company. The *per rollam* decision-making takes basically place in three steps: (1) distribution of the draft decisions; (2) delivery of the shareholders’ opinions on the draft decisions; and (3) announcement of the decision adopted *per rollam* including date of adoption of the decision to the shareholders. A decision adopted *per rollam* is a decision of the General Meeting as the supreme body of the Company, adopted outside the General Meeting.

In accordance with Article 8 (4) *et seq.* of the Articles of Association of the Company the Board of Directors set out more detailed conditions and instructions for the *per rollam* decision-making at the meeting of the Board of Directors of the Company held on 28 March 2022 (the “**Per Rollam Instructions**”). These *Per Rollam* Instructions are available to shareholders or, more precisely, are published in a manner allowing for remote access on the following website: <http://www.philipmorris.cz>, in section titled “For shareholders” (the “**Website**”).

The *per rollam* decision-making will apply to the following matters:

1. Approval of the Report of the Board of Directors on the Business Activities of the Company;
2. Report of the Supervisory Board;
3. Approval the 2021 ordinary financial statements, the 2021 ordinary consolidated financial statements and the proposal for the distribution of profit for the year 2021, including an indication of the amount of profit shares;

4. Approval of the 2021 Remuneration Report;
5. Election of Ms. Andrea Gontkovičová, Mr. Peter Piroch and Mr. Anton Kirilov Stankov to the office of members of the Board of Directors;
6. Approval of the agreement on the performance of the office of a member of the Board of Directors with Mr. Anton Kirilov Stankov;
7. Election of Mr. Sergio Colarusso to the office of a member of the Supervisory Board;
8. Approval of the agreement on the performance of the office of a member of Supervisory Board with Mr. Roman Grametbauer;
9. Election of Mr. Petr Šobotník to the office of a member of the Audit Committee;
10. Approval of the agreement on the performance of the office of a member of the Audit Committee with Mr. Petr Šobotník;
11. Appointment of the Company's auditor;
12. Amendment of the Company's Articles of Association.

The documents submitted by the Board of Directors of the Company to the shareholders also include the Supervisory Board Report, which is not to be approved and on which no decision will be taken. Nevertheless, the Supervisory Board Report, including a statement of the Board of Directors of the Company, is submitted to the shareholders for acknowledgment.

In view of the above, the Board of Directors would hereby like to point out to the Company's shareholders that the Board of Directors **does not convene the General Meeting with the personal participation of the shareholders at the Company's registered office** and that, therefore, **it does not send invitations to the shareholders to physically participate at the General Meeting**.

The General Meeting will thus not be held, but **the shareholders may**, in accordance with legal regulations, the Company's Articles of Association and the *Per Rollam* Instructions, **exercise their voting and other shareholder rights outside the General Meeting (*per rollam*)**.

Timetable for the *per rollam* decision-making:

1.	1 February 2022	Publication of the intention/decision of the Company's Board of Directors regarding the <i>per rollam</i> decision-making on the Website
2.	29 March 2022	Publication of the notification of the Board of Directors on the <i>per rollam</i> decision-making, draft decisions for the <i>per rollam</i> decision-making, instructions for the <i>per rollam</i> decision-making and the voting form on the Website
3.	6 April 2022	Decisive date for the <i>per rollam</i> decision-making (the "Decisive Date for the decision-making")
4.	13 April 2022	Sending notifications of the Board of Directors on the <i>per rollam</i> decision-making, draft decisions for the <i>per rollam</i> decision-making, instructions for the <i>per rollam</i> decision-making and the voting form to shareholders in writing (this day will hereinafter be referred to as the "sending of the draft decisions" or the "day on which the draft decisions are sent")
5.	13 April 2022	Beginning of the voting
6.	23 May 2022	Last day of the period set for the delivery of the shareholders' voting forms (opinions) on the draft decisions (the "Voting Period")
7.	24 May 2022	Adoption of the decisions of the General Meeting (<i>per rollam</i>)
8.	25 May 2022	Publication of the preliminary results of the <i>per rollam</i> decision-making on the Website
9.	30 May 2022	Publication of the final results of the decisions adopted <i>per rollam</i> on the Website
10.	30 May 2022	Sending notifications of the final results of the decisions adopted <i>per rollam</i> to the shareholders in writing
11.	1 June 2022	Decisive date for exercising the right to a share in the profit
12.	30 June 2022	Due date and beginning of payment period proposed by the Board of Directors for the payment of the shareholders' shares in the profit

The Board of Directors of the Company sends to the shareholders and publishes, along with this notification and in accordance with the above timetable for the *per rollam* decision-making, the **Draft Decisions for the *Per Rollam* Decision-Making including their justifications** and the ***Per Rollam* Instructions**, in a manner allowing for remote access on the Website. The Draft Decisions also include the Voting Form which can be downloaded starting on the date of the beginning of the vote and used for voting. Before the date of commencement of the vote, only a template voting form will be disclosed to shareholders for the purpose of their familiarisation with the wording and its form on the Website, which however will not yet be intended for voting. Voting will begin on 13 April 2022 upon the sending of the Draft Decisions to the Company's shareholders who were the Company's shareholders as at the Decisive Date for the decision-making, i.e. **6 April 2022**.

NOTE FOR SHAREHOLDERS REGARDING THE CONVOCAION OF FUTURE GENERAL MEETINGS

With regard to the proposed amendment of the Articles of Association, the Board of Directors would like to hereby point out to the shareholders that if the draft amendment to the Articles of Association is adopted by the General Meeting by the *per rollam* decision-making, General Meetings in the following years will no longer be convened by a written notice of (invitation to) the General Meeting sent to the addresses of the shareholders' registered offices or to their residential addresses.

The General Meeting (if the draft amendment to the Articles of Association is adopted) will be convened by publishing a notice of (invitation to) the General Meeting on the Company's website (as was the case to date), and newly (instead of delivering written notices of (invitations to) the General Meeting to shareholders) also in the Commercial Bulletin (*Obchodní věstník*).

THE DECISIVE DATE FOR THE *PER ROLLAM* DECISION-MAKING

The significance of the Decisive Date for the decision-making lies in the fact that it determines who is entitled to exercise voting and other shareholder rights within *per rollam* decision-making. In the case of the Company's book-entered shares, the shareholder entitled to exercise voting and other shareholder rights within the *per rollam* decision-making, directly or by proxy, is any shareholder listed in the extract from the Issue Register of the Company, i.e. in the Register of Book-Entered Securities maintained under a special legal regulation as at the Decisive Date for the decision-making, i.e. **6 April 2022**. In the case of the Company's certificated shares, the shareholder entitled to exercise voting and other shareholder rights within the *per rollam* decision-making, directly or by proxy, is any shareholder listed in the List of Shareholders of the Company as at the Decisive Date for the decision-making, i.e. **6 April 2022** (unless it is proven that the relevant entry in the List of Shareholders as at that date does not reflect the actual state of affairs).

The shareholder's representative (proxy) must be authorised to exercise the voting and other shareholder rights within the *per rollam* decision-making by a person who was a shareholder of the Company as at the Decisive Date for the decision-making, on the basis of a written Power of Attorney with an officially verified signature stating whether it was only granted for representation in the exercise of the voting and other shareholder rights of the principal as a shareholder of the Company within the *per rollam* decision-making and/or whether it was granted, at the same time, for representation at any future General Meetings to be held in the form of meetings with the personal participation of the shareholders as well as any future decision-makings by the Company's General Meeting to be performed outside the meetings (*per rollam*). The *Per Rollam* Instructions stipulate when it is possible to replace an officially verified signature with an electronic signature.

It is deemed that any person registered as at the Decisive Date for the decision-making in the Register of Investment Instruments or in the Issue Register of the Company, i.e. in the Register of Book-Entered Securities maintained under a special legal regulation, as an administrator or as a person authorised to exercise rights associated with shares, is entitled to represent the relevant shareholder in the exercise of rights associated with the shares of the Company maintained on the related account, including the exercise of voting and other shareholder rights within the *per rollam* decision-making. Instead of a Power of Attorney, such a person proves that person's identity with an extract from the Register of Investment Instruments. The authorisation of that person to represent and exercise the rights of a shareholder must follow from the relevant extract from the Register of Investment Instruments or an extract from the

Register of Book-Entered Securities. Details concerning representation by an administrator or a person authorised to exercise voting and other shareholder rights within the *per rollam* decision-making on behalf of a shareholder are set out in the *Per Rollam* Instructions.

The rules governing representation by an administrator or a person authorised to exercise voting and other shareholder rights within the *per rollam* decision-making contained above and in the *Per Rollam* Instructions will not apply if the Company is delivered, in a manner and to the addresses specified in the *Per Rollam* Instructions, a manifestation of the shareholder's will to recall or limit that shareholder's representation so that the representation in the *per rollam* decision-making is not permitted within the given scope, or if the shareholder exercises that shareholder's voting right directly and not through an administrator.

PROVING THE AUTHORISATION TO ACT ON BEHALF OF A SHAREHOLDER OR TO REPRESENT A SHAREHOLDER

Shareholders (who were the Company's shareholders as at the Decisive Date for the decision-making) or their representatives (proxies) prove their authorisation to exercise voting rights by an **officially verified signature** on the Voting Form. The *Per Rollam* Instructions stipulate when it is possible to replace an officially verified signature with an electronic signature. The person authorised to act on behalf of a shareholder – legal entity must further prove that person's identity by an up-to-date **extract related to that entity from the Commercial Register or any other relevant register** (not older than 3 months) or its verified copy **proving the existence of the legal entity and certifying that person's right to act on behalf of the legal entity, which the authorised person attaches to the Voting Form**. The proxy representing the shareholder on the basis of a Power of Attorney is obliged to attach to the Voting Form the written Power of Attorney with an officially verified signature stating whether it was only granted for representation in the exercise of voting and other shareholder rights of the principal as a shareholder of the Company within the *per rollam* decision-making or whether it was granted, at the same time, for representation at any future General Meetings, or any decision-makings by the Company's General Meeting performed outside the meetings (*per rollam*). The Board of Directors would like to point out to the shareholders that if a Power of Attorney is signed or an extract from the Commercial Register or any other relevant register is issued abroad, an apostille or a higher verification ("superlegalisation") must be attached to such a document depending on the country in which the Power of Attorney is signed or in which the extract from the Commercial Register or any other relevant register is issued. If any of the aforementioned documents, verification clauses, apostilles or higher verifications is made in a foreign language (with the exception of Slovak), an official translation thereof into the Czech language must also be attached to it. Further details on proving the authorisation to exercise voting and other shareholder rights are set out in the *Per Rollam* Instructions.

The Company's Board of Directors informs the shareholders that the Power of Attorney forms are published in a manner allowing for remote access on the Website. The Power of Attorney forms are also available in printed form at the Company's registered office. Any shareholder has the right to request the delivery of a Power of Attorney form in printed form or by electronic means at that shareholder's own expense and risk. The Company accepts notices on the granting of any Powers of Attorney as well as on their revocation in writing, either in printed form or in electronic form. The rules for the delivery of documents set out in the *Per Rollam* Instructions will apply to the delivery of notices on the granting or revocation of any Powers of Attorney. Further details on the representation of shareholders on the basis of Powers of Attorney are set out in the *Per Rollam* Instructions.

VOTING RIGHTS

The Company has issued 1,913,698 registered book-entered shares and 831,688 registered certificated shares, i.e. a total of 2,745,386 shares with a nominal value of CZK 1,000 each, as at the Decisive Date. Each share of the Company is associated with one vote for the *per rollam* decision-making, i.e. the total number of votes is 2,745,386 votes. The majority decisive for the adoption of all decisions (i.e. a two-third majority in the case of decisions on amendments of the Articles of Association, and the absolute majority in the case of any other decisions) is calculated from the total number of votes of all shareholders of the Company. When determining the total number of votes of all shareholders of the Company, neither the votes associated with the shares held by the Company (if any) nor votes of the shareholders unable to exercise their voting rights will be taken into account.

A condition for exercising the voting right by a shareholder is also the registration of that shareholder's beneficial owner in the Register of Beneficial Owners in accordance with Act No. 37/2021 Coll., on Register of Beneficial Owners (the “**Act on Register of Beneficial Owners**”), if the shareholder is obliged to arrange for the registration of the beneficial owner pursuant to the said Act.

The exercise of the voting right within the *per rollam* decision-making is only performed in writing, namely in printed form or in electronic form pursuant to the *Per Rollam* Instructions (due to the necessity of legal certainty in connection with the proper identification of shareholders, no other forms of voting using any other technical means, e.g. a telephone, are permitted). The shareholders or their representatives (proxies) express their opinions on the Draft Decisions and vote on them only using the Voting Form intended for the shareholders' opinions on the Draft Decisions, which forms part of the Draft Decisions. The Voting Form delivered to the Company's shareholder as well as the Voting Form published on the Website as at the date on which the Draft Decisions are sent to the Company's shareholders, i.e. **13 April 2022**, can be used for voting (not the template voting form published before that date).

Voting begins on the day on which the Draft Decisions are sent to the shareholders. Each of the shareholders votes on the Draft Decisions by completing the Voting Form and delivering the completed Voting Form to the Company in writing in accordance with the *Per Rollam* Instructions. **The signature on the Voting Form must be officially verified**. The *Per Rollam* Instructions stipulate when it is possible to replace an officially verified signature with an electronic signature. If the Voting Form is signed abroad, an apostille or a higher verification (“superlegalisation”) must also be attached to the official verification of the signature, depending on the country in which the document is signed. If any of the aforementioned documents, verification clauses, apostilles or higher verifications is made in a foreign language (with the exception of Slovak), an official translation thereof into the Czech language must be attached to it.

The proposal(s) of the Board of Directors or the Supervisory Board, or counter-proposal(s) of the Board of Directors or the Supervisory Board raised in connection with any proposal(s) of a shareholder or shareholders holding shares with an aggregate nominal value of at least 1% of the registered capital, are voted on first. A shareholder does not have to exercise the voting rights associated with all of that shareholder's shares in the same manner; this also applies to that shareholder's proxy. Details of the voting on the Draft Decisions are set out in the *Per Rollam* Instructions.

The period for delivery of the completed Voting Forms to the Company (the Voting Period) is 15 days from the date of delivery of the Draft Decisions to the shareholders. In accordance with Section 573 of Act No. 89/2012 Coll., the Civil Code, as amended, it is deemed that a consignment sent via a mail service provider reached the addressee on the third business day after its dispatch in the case of a consignment sent to an address in the Czech Republic and on the fifteenth business day after its dispatch in the case of a consignment sent to an address in another country. Irrespective of the date on which the Draft Decisions are delivered to the individual shareholders, the last day of the period for the delivery of the opinions of all shareholders of the Company is **23 May 2022**. With regard to the measures taken to date in connection with the occurrence of the COVID-19 disease and also with regard to the recent developments in the Central and Eastern Europe, the Board of Directors of the Company would like to point out to the shareholders that the delivery of the Voting Forms from them to the Company may be longer under these emergency circumstances (especially in the case of delivery from abroad) than under normal circumstances, and recommends that shareholders take this into account when exercising their voting rights. **Completed Voting Forms that are sent but not delivered to the Company within the Voting Period will not be taken into account.**

The last day of the period for delivery of the shareholders' opinions on the Draft Decisions (the Voting Period) is 23 May 2022, in accordance with the above rules. Any completed Voting Form must therefore be delivered to the Company no later than on 23 May 2022. No Voting Forms received later will be taken into account. If a shareholder does not submit that shareholder's consent to the Draft Decision(s) within the set Voting Period (i.e. by 23 May 2022), in accordance with Section 419 (1) of the Business Corporations Act, this means that the shareholder does not agree with the Draft Decision(s). Delivery is further governed by the rules set out in the *Per Rollam* Instructions.

The voting will be evaluated after its completion. The date on which the decision is adopted will be the day following the day of expiry of the Voting Period, i.e. **24 May 2022**. The shareholders of the Company will be informed of the results of the *per rollam* decision-making in accordance with the relevant legal regulations on **30 May 2022** (see the above timetable).

OTHER SHAREHOLDER RIGHTS

In accordance with the Company's Articles of Association and the Business Corporations Act, in conjunction with the *Per Rollam* Instructions, each shareholder has the right to exercise other shareholder rights in addition to that shareholder's voting rights. The exercise of those shareholder rights is only performed in writing. As of 29 March 2022, each shareholder will be entitled to request and receive from the Company explanations of matters concerning the Company or its controlled entities, if such explanations are necessary for the assessment of the content of matters included in the *per rollam* decision-making or for the exercise of shareholder rights related thereto.

The Company will provide explanations of matters related to the *per rollam* decision-making to the shareholder in writing, namely in the form of a letter sent to the shareholder's address or electronically by e-mail, depending on the manner in which the request for explanation(s) was submitted, by the end of the Voting Period. If this is not possible due to the complexity of the explanation, the Company will provide an explanation to all shareholders within 15 days of the end of the vote, even if this is no longer necessary for the assessment of matters intended for the *per rollam* decision-making or for the exercise of other related shareholder rights, in the form of a notification published on the Website. An explanation can be provided in the form of a summary answer to several questions of similar content. The explanation will also be published in a manner allowing for remote access on the Website. It will also be deemed that the explanation has been provided to the shareholder if the information was published on the Website no later than on the day preceding the date of expiry of the Voting Period. If the information is provided to a shareholder, any other shareholder has the right to request this information without following the procedure for exercising the right to receive an explanation described above.

The Board of Directors of the Company may refuse to provide an explanation in whole or in part if its provision could cause harm to the Company or its controlled persons, if it constitutes inside information or classified information under another legal regulation, or if the requested explanation is publicly available. The fulfilment of the conditions for the refusal to provide an explanation will be assessed by the Company's Board of Directors and the reasons will be communicated to the shareholder. A notice of refusal to provide an explanation will be published on the Website.

Each shareholder has the right to request that the Company's Supervisory Board determine that the conditions for refusing to provide an explanation have not occurred and that the Company's Board of Directors is obliged to provide an explanation to the shareholder. The Company's Supervisory Board will decide on the shareholder's request within the Voting Period (i.e. in this case by 23 May 2022), and if this is not possible, within 5 business days from the date of expiry of that period. If the Company's Supervisory Board does not agree with the provision of an explanation or does not express its opinion within the aforementioned period of 5 business days, or in a situation where the Company's Board of Directors has not provided the relevant information in spite of having been instructed to do so by the Supervisory Board of the Company, or where the Company's Board of Directors has informed the shareholder that it will submit the explanation after the end of the *per rollam* decision-making, and yet it has not submitted it, the court will decide whether the Company is obliged to provide the information, based on an application of the particular shareholder. More detailed rules on the right to receive explanations are set out the *Per Rollam* Instructions.

The raising of proposals and counter-proposals by a shareholder is not permitted, except for the rights of a qualified shareholder.

At the request of a shareholder or shareholders holding shares with an aggregate nominal value of at least 1% of the registered capital, the Board of Directors of the Company will include in the Draft Decisions a matter determined by that shareholder (those shareholders), provided that a draft decision is attached to each such particular matter or that the inclusion of each such particular matter is justified and that the request can be processed, with respect to the nature and course of the *per rollam* decision-making, without any unreasonable administrative burden, unreasonable costs or unreasonable efforts being incurred.

In accordance with Section 121i (1) of Act No. 256/2004 Coll., on Capital Market Undertakings, as amended (the "**Capital Market Undertakings Act**"), the Company will send to shareholders or their authorised persons, upon their request, information on whether and how the particular shareholder's votes were counted within the *per rollam* decision-making. The Company is not obliged to comply

with the request for information if the information is already available to the shareholder or its authorised person or if the Company receives the request for information more than 3 months after the date of the decision, i.e. after 24 May 2022.

PUBLICATION OF DOCUMENTS

All documents and information concerning the *per rollam* decision-making, including the Annual Report, the ordinary financial statements, the ordinary consolidated financial statements and the main data from such financial statements, which are to be published pursuant to Section 120b (1) (a), (b), (d) to (f) of the Capital Market Undertakings Act, as well as the Power of Attorney forms, are available for view and can be obtained at the Company's registered office, i.e. in Kutná Hora, Vítězná 1, postcode 284 03, on business days from 29 March 2022 to 23 May 2022, always between 2 p.m. and 5 p.m. All the above documents are also published in a manner allowing for remote access on the Website.

DISTRIBUTION OF PROFIT AND PAYMENT OF THE SHAREHOLDERS' SHARES IN THE COMPANY'S PROFIT

In accordance with the relevant legal regulations and the Company's Articles of Association, the Board of Directors of the Company has prepared and submits to the shareholders the Report on the Business Activities of the Company, the Summary Explanatory Report concerning matters pursuant to Section 118 (5) (a) to (k) of the Capital Market Undertakings Act, and the Report on Relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and the Entities Controlled by the Same Controlling Entity (the "**Report on Relations**"). The Report on Relations (which has been audited by the auditor) shows that, in the accounting period of 2021, the Company did not suffer any damage as a controlled entity as a result of the influence of Philip Morris Holland Holdings B.V. as the controlling entity. The above documents form part of the Company's Annual Report for the 2021 calendar year accounting period. More detailed information on the above documents is included in the Draft Decisions.

The Board of Directors also arranged for the preparation of the Company's ordinary financial statements for the 2021 calendar year accounting period and the Company's ordinary consolidated financial statements for the 2021 calendar year accounting period as well as their verification by an auditor, all in accordance with the relevant legal and accounting regulations requiring preparation of those documents. The above documents form part of the Company's 2021 Annual Report. The Board of Directors of the Company states that the economic result of the Company for the 2021 calendar year accounting period is a profit of CZK 3,596,735,140.26.

The text below also contains the main data of the ordinary financial statements for 2021, the main data of the ordinary consolidated financial statements for 2021, and the proposal for the distribution of the Company's profit for 2021.

The shares in the Company's profit for the year 2021 will be paid to the Company's shareholders as follows: in the case of book-entered shares, to the shareholders listed in the extract from the Issue Register of the Company, i.e. in the Register of Book-Entered Securities maintained under a special legal regulation as at the decisive date for exercising the right to a share in the profit, i.e. **as at 1 June 2022** (the "**Decisive Date for Payment of Profit Shares**"), and in the case of certificated shares, to the shareholders listed in the list of the Company's shareholders as at the Decisive Date for Payment of Profit Shares (unless it is proven that the relevant entry in the list of the Company's shareholders as at that date does not reflect the actual state of affairs).

The shareholders' shares in the Company's profit will be paid to the shareholders on the date and in the manner approved by the General Meeting within the *per rollam* decision-making. According to the proposal of the Board of Directors of the Company that the Board of Directors submits for approval, the profit shares will be paid to the shareholders via 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, File No. B 1171.

Shareholders will be invited to send settlement data and other supporting documents to Česká spořitelna, a.s. for the purpose of payment of profit shares via the "Notification of the Payment of Proceeds from Securities", which will be published on 10 June 2022 in a manner allowing for remote

access on the Company's website, and which will further stipulate more detailed instructions necessary for the payment of profit shares. **The Board of Directors would like to point out to the shareholders that Česká spořitelna a.s. will not send the “Notification of the Payment of Proceeds from Securities” by mail to the addresses of all shareholders, as was the case in the previous years, and hereby requests shareholders to follow the information regarding the manner of payment of profit shares on the Company’s Website.**

The profit shares will be paid to shareholders who are **individuals** during the determined payment period **only via wireless cash transfer**, in each case to the particular shareholder’s bank account specified in the List of Shareholders maintained by the Company, or in the Register of Book-Entered Securities in the case of book-entered shares. In case the relevant bank account number is not entered in the List of Shareholders or in the Register of Book-Entered Securities (or the number is not up-to-date), the relevant profit share will be sent to the bank account which the shareholder notifies to the Company through Česká spořitelna, a.s. for this purpose.

Profit shares will be paid to the shareholders who are individuals after submitting all the necessary supporting documents, including a declaration of the beneficial owner and also a certificate of tax domicile, where a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate. **The Board of Directors points out to the shareholders that profit shares may no longer be paid in cash at branches of Česká spořitelna, a.s. to shareholders who are individuals with their permanent residence in the territory of the Czech Republic, as all payments of profit shares will now only be effected via wireless cash transfers.**

The maturity date of the profit shares has been determined as **30 June 2022**. The payment period will last **from 30 June 2022 to 31 March 2023**. The “Notification of the Payment of Proceeds from Securities” and information on the required supporting documents will be published on the following website: <http://www.philipmorris.cz>, in section titled “For shareholders”, and will be also provided by Česká spořitelna, a.s.

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

Profit shares will be paid to the shareholders who are legal entities **only via a wireless cash transfer** in each case to the particular shareholder’s bank account specified in the List of Shareholders maintained by the Company, or in the Register of Book-Entered Securities in the case of book-entered shares. In case the relevant bank account number is not entered in the List of Shareholders or in the Register of Book-Entered Securities (or the number is not up-to-date), the relevant profit share will be sent to the bank account which the shareholder notifies to the Company through Česká spořitelna, a.s. for this purpose. Shareholders who are legal entities (or legal arrangements) will only be paid their profit shares after fulfilling the statutory conditions for the payment of profit shares (including the registration of the beneficial owner of each particular shareholder who is a legal entity (or legal arrangement) in the Register of Beneficial Owners (hereinafter referred to as the “**Czech Beneficial Owner Register**”) in accordance with Section 53 (2) of Act on Register of Beneficial Owners, if the shareholder is obliged to arrange for the registration of the beneficial owner or if the provisions of the above Act and the obligation to register the beneficial owner in the Czech Beneficial Owner Register applies to the shareholder), as well as after supplying all other required supporting documents, and also a certificate of tax domicile, 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 connection with the above, the Board of Directors hereby **requests the shareholders** who are obliged to register their beneficial owners in accordance with the Act on Register of Beneficial Owners to register their beneficial owners in the Czech Beneficial Owner Register and, at the same time, to make the data registered therein compliant with the requirements of the Act on Register of Beneficial Owners (unless they have done so earlier). Česká spořitelna, a.s. will be checking the registration in the Czech Beneficial Owner Register, and shareholders who have no beneficial owner registered as at the date of payment of profit shares by Česká spořitelna, a.s. will not be paid their profit shares. If a profit share is not paid to the relevant shareholder (legal arrangement) due to the absence of registration of its beneficial owner in the Czech Beneficial Owner Register **by 31 December 2022, the right to that profit share will cease to exist** (Sections 53 (2) and (3) of the Act on Register of Beneficial Owners).

A shareholder claiming a profit share or its payment within a payment period after 31 December 2022 must demonstrate and prove that its right to a profit share has not ceased to exist due to the absence

of registration of its beneficial owner in the Czech Beneficial Owner Register by 31 December 2022. Otherwise, the profit share will not be paid to that shareholder due to the fact that the shareholder's right to that payment has ceased to exist.

Contact persons at Česká spořitelna, a.s.:

Department A332_01

Naděžda Šmídová

E-mail: vyplatadividend@csas.cz

Milan Williams

E-mail: vyplatadividend@csas.cz

Contact telephone: 956 765 438

Contact address for the delivery of documents related to payment:

Česká spořitelna, a.s.

Department A332_01

Budějovická 1518/13b

140 00 Prague 4

MAIN DATA OF THE ORDINARY FINANCIAL STATEMENTS FOR THE YEAR 2021 (IN MILLIONS OF CZK)

Fixed assets:	3,171	Registered capital and funds:	5,112
Short-term assets:	13,428	Retained earnings from prior years:	6
.....		Net profit:	3,597
.....		Long-term liabilities:	309
.....		Short-term liabilities:	7,575
Total assets:	16,599	Total equity and liabilities:	16,599

MAIN DATA OF THE ORDINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2021
(IN MILLIONS OF CZK)

Fixed assets:	3,299	Registered capital and funds:	5,119
Short-term assets:	14,445	Retained earnings from prior years:	82
.....		Net profit:	3,516
.....		Long-term liabilities:	349
.....		Short-term liabilities:	8,678
Total assets:	17,744	Total equity and liabilities:	17,744

PROPOSAL FOR THE DISTRIBUTION OF PROFIT FOR THE YEAR 2021 (IN CZK)

After-tax profit for the year 2021	3,596,735,140.26
Share in profit from profit for the year 2021	3,596,455,660.00
Transfer of retained earnings for the year 2021 to the account of retained earnings from prior years	279,480.26
Retained earnings from prior years which remained undistributed	5,858,700.97

Profit shares will be paid to shareholders holding the Company's shares as at 1 June 2022.

The proposed gross amount of a profit share per share is CZK 1,310, with the total number of shares being 2,745,386.

In Kutná Hora, on 28 March 2022

Philip Morris ČR a.s.



Andrea Gontkovičová

Chairperson of the Board of Directors

Philip Morris ČR a.s.



Anton Stankov

Member of the Board of Directors