



PHILIP MORRIS ČR

In Kutná Hora, on March 29, 2022

PRESS RELEASE

The Board of Directors of Philip Morris ČR a.s. announces the deliberation of shareholders outside the Annual General Meeting (i.e. per rollam), announces Financial Results for the wholeyear 2021, and proposes profit distribution.

The Board of Directors of Philip Morris ČR a.s., in an effort to protect the health of its shareholders, employees and other associates, and also with respect to the fact that any further development of the COVID-19 pandemic and taken measures cannot be predicted with certainty, has decided to hold, instead of the General Meeting in Kutná Hora, shareholders' votes on the individual points of the General Meeting per rollam i.e. remotely, by ballot.

The decisive day for participation in the voting is April 6, 2022. This means that shareholders holding the company's shares as of April 6, 2022 will be entitled to vote.

The decisive date for the payment of dividends is June 1, 2022. This means that shareholders holding the company's shares as of June 1, 2022 will be entitled to receive the dividends.

Philip Morris ČR a.s. will send to shareholders all voting instructions, motions for resolutions as well as ballot papers by post on April 13, 2022. Voting by ballot papers will take place from April 13, 2022 to May 23, 2022. Preliminary results of shareholders' voting will be published on May 25, 2022, and final voting results will be published on May 30, 2022.

Proposal for a profit distribution

The Board of Directors of Philip Morris ČR a.s. proposes the payment of a gross dividend of 1310 CZK. The dividend has been reviewed and approved by the Supervisory Board and will be submitted for approval to shareholders.

Key business and financial data for 2021

"During an ongoing pandemic of COVID-19, our top priority remained ensuring the health and safety of our employees, their families, customers, and business partners. I am glad that the adequate protective measures were in place so that we did not have to interrupt the production in our factory in Kutná Hora. For the results achieved we are grateful for our employee's efforts as the company continued to support local communities in this difficult period, in which either our employees live or in which we conduct our business. I would like to express my special gratitude to all my colleagues who worked hard despite all the challenges we faced last year. The difficulties we experienced in 2021, however, pale in comparison with the war in Ukraine just close to our doorstep. We are going through a situation that is extremely difficult for our Ukrainian colleagues with whom we cooperate in both Prague and Kutná Hora. We do our utmost to help them and their families as much as possible in this grave situation and it is without doubt that circumstances in Ukraine are strongly affecting all of us," says Andrea Gontkovičová, Chairman of the Board of Directors and Managing Director of Philip Morris ČR a.s., an affiliate of Philip Morris International Inc., responsible for the business in the Czech Republic and Slovakia.

Philip Morris ČR a.s.

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- The total number of adult *IQOS* users in the Czech Republic and Slovakia increased by around 140.000 compared to 2020, reaching approximately 770.000 users (over 500.000 in Czech Republic and 260.000 in Slovakia) from which approximately 560.000 (370.000 in the Czech Republic and 190.000 in Slovakia) adult age smokers have switched to *IQOS* and stopped smoking.
- Consolidated revenues, net of excise tax and VAT increased by 5.5% to CZK 18.9 billion, or by 6.4% excluding the effect of the exchange rate.
- Consolidated net income decreased by 0.3 % to CZK 3.5 billion.
- Total combined sales of cigarettes and heated tobacco units in the Czech Republic has decreased by an estimated 7.3%, and by an estimated 4.6% in Slovakia.
- Total shipments of *HEETS* increased by 0.2 billion units in the Czech Republic and by 0.2 billion units in Slovakia.
- Total shipments of combustible tobacco products decreased by 1.0 billion units in the Czech Republic and by 0.5 billion units in Slovakia.

Key messages

In October last year, Philip Morris ČR a.s. launched a new heated tobacco product, *lil SOLID 2.0* on the Czech market.

“We listen to our consumers very carefully and realize that no single smoke-free product will satisfy the preferences of all adult smokers. I am therefore very pleased that IQOS has introduced lil SOLID 2.0 on the Czech and Slovak market. Next to our current science-based smoke-free alternatives, heated tobacco system IQOS 3 DUO brought to both markets and e-vapor product IQOS VEEV brought to the Czech Republic, lil is yet another innovative smoke-free solution that represents another milestone on our company’s path towards a smoke free future,” says Andrea Gontkovičová.

“Our ambition is that all adult smokers who would otherwise continue smoking cigarettes, will switch to smoke-free alternatives and quit smoking to improve both their and the public health,” added Andrea Gontkovičová.

The 2021 Annual Report along with all relevant documents are published and available at: <https://www.pmi.com/markets/czech-republic/en/investor-relations/shareholder-information>

The Board of Directors Philip Morris ČR a.s.

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Philip Morris ČR a.s.

Philip Morris ČR a.s., an affiliate of Philip Morris International Inc., is the largest manufacturer and distributor of tobacco products and also a limited risk distributor of the smoke-free products *HEETS* and *Fiit*, electronic devices *IQOS* and *lil SOLID*, *VEEV* e-liquid pods, e-cigarette vaping device *IQOS VEEV* and related accessories in the Czech Republic and is listed on the Prague Stock Exchange (Burza cenných papírů Praha). The company, which has been present in the country since 1992, employs more than 1,000 people across the Czech Republic. Philip Morris ČR a.s. has a 99% interest in Philip Morris Slovakia s.r.o. registered in the Slovak Republic. Over the past 30 years, Philip Morris ČR a.s. has supported numerous charitable projects, including the development of social programs aimed at improving living conditions in local communities. For more information, visit www.philipmorris.cz, or see the [Annual Report for the 2021 period](#).

Philip Morris International: Delivering a Smoke-Free Future

Philip Morris International (PMI) is a leading international tobacco company working to deliver a smoke-free future and evolving its portfolio for the long-term to include products outside of the tobacco and nicotine sector. The company's current product portfolio primarily consists of cigarettes and smoke-free products, including heat-not-burn, vapor and oral nicotine products, which are sold in markets outside the U.S. Since 2008, PMI has invested more than USD 9 billion to develop, scientifically substantiate and commercialize innovative smoke-free products for adults who would otherwise continue to smoke, with the goal of completely ending the sale of cigarettes. This includes the building of world-class scientific assessment capabilities, notably in the areas of pre-clinical systems toxicology, clinical and behavioral research, as well as post-market studies. The U.S. Food and Drug Administration (FDA) has authorized the marketing of a version of PMI's *IQOS* Platform 1 device and consumables as a Modified Risk Tobacco Product (MRTP), finding that an exposure modification order for these products is appropriate to promote the public health. As of December 31, 2021, PMI's smoke-free products are available for sale in 71 markets, and PMI estimates that approximately 15.3 million adults around the world have already switched to *IQOS* and stopped smoking. With a strong foundation and significant expertise in life sciences, in February 2021 PMI announced its ambition to expand into wellness and healthcare areas and deliver innovative products and solutions that aim to address unmet patient and consumer needs. For more information, please visit www.pmi.com and www.pmiscience.com

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