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PRESS RELEASE

Philip Morris International Launches New *IQOS ILUMA* in the Czech Republic to Accelerate the Achievement of a Smoke-Free Future

Pioneering SMARTCORE INDUCTION SYSTEM[™] that Introduces Bladeless Heating Technology

Prague, Czech Republic — **November 14, 2022** — Philip Morris International Inc. (PMI) (NYSE: PM) today announced the launch of *IQOS ILUMA*, the latest and most innovative addition to their growing portfolio of smoke-free products for adults who would otherwise continue to smoke or use nicotine products. Today, this range of better and satisfying alternatives to cigarettes includes multiple generations of the *IQOS* tobacco-heating system, the No. 1 heated tobacco product in the world.¹ Uniquely, the new *IQOS ILUMA* becomes the brand's first tobacco-heating system to introduce induction-heating technology, which utilizes no blade and requires no cleaning.

"Our objective is a world without cigarettes; a world where cigarettes are replaced by smoke-free alternatives that are a better choice than continued smoking," said PMI CEO Jacek Olczak. "We have launched several generations of our *IQOS* heated tobacco system; expanding our portfolio to offer constantly improved, science-backed solutions that take advantage of advancements in technology and address pain points heard from consumers. The launch of *IQOS ILUMA*, our most innovative device yet, gives adult smokers another better choice and represents an important leap forward in our efforts to accelerate the end of smoking."

The *IQOS ILUMA* series offers three devices in the Czech Republic: *IQOS ILUMA PRIME, IQOS ILUMA* and *IQOS ILUMA ONE*. Its breakthrough induction-heating technology heats tobacco from within, without burning, so there's no smoke, no ash and, like previous *IQOS* devices, it emits, on average, 95 % lower levels of harmful chemicals compared with cigarettes.^{2,3} All devices use new induction-heating technology but offer different designs to allow adult users to select the device that best suits their needs and preferences. Additionally, they generate no combustion and no smoke, and PMI's market research indicates that *IQOS ILUMA* provides a more pleasurable experience compared to previous *IQOS* generations.⁴

"IQOS ILUMA is our most innovative offering to-date and the new flagship in our portfolio of science-backed, smoke-free products," said Andrea Gontkovičová, CEO Philip Morris ČR. "However, unlike our previous tobacco-heating systems, *IQOS ILUMA* has no blade. That means no tobacco residue or cleaning—ever. With this, and other product features, we aim to address consumer pain points that may have hindered some adult smokers from beginning or maintaining their journey away from cigarettes in the past."

IQOS ILUMA PRIME, IQOS ILUMA and *IQOS ILUMA ONE* are available in the Czech Republic for order on <u>IQOS.com</u> and for purchase at IQOS stores on November 15, 2022 and from December 1, 2022 also in other selected places. The recommended retail price of the devices based on selected model is between CZK 1090 and CZK 2790, and the recommended retail price of the TEREATM tobacco sticks which are to be used only with *IQOS ILUMA* is CZK 112.

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¹ Source: PMI global estimate of total in-market sales of heated tobacco units as of December 2019 (excluding China and U.S.).

² Important information: It does not necessarily equal a 95% reduction in risk. *IQOS* is not risk-free and provides nicotine, which is addictive. Only for use by adults.

³ "95% less" represents the average reductions in levels of a range of harmful chemicals (excluding nicotine) compared to the smoke of a reference cigarette (3R4F). See Important Information on www. iqos.com.

⁴ Source: Studies conducted in Italy and Japan with a total of 714 *IQOS* users, November 2020 to March 2021.

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The innovative heating technology in these devices is the SMARTCORE INDUCTION SYSTEM[™] that heats the tobacco from within the new TEREA SMARTCORE STICK[™]. These newly designed sticks are to be used only with *IQOS ILUMA*,⁵ which features an auto-start function that detects when the TEREA[™] stick is inserted and automatically turns on the device. *IQOS ILUMA ONE* turns on only manually. These bladeless devices offer a cleaner way to heat tobacco from the core, without burning it, to provide a more consistent experience, no tobacco residue, and no need to clean the device.

As of September 30, 2022, PMI's smoke-free products are available in 70 markets.⁶ The company has stated its ambition to be present in 100 markets with its smoke-free products by 2025. There are more than 19,5 million users (excluding Russia and Ukraine) of the *IQOS* tobacco heating system globally, and PMI estimates that more than 69 % (approximately 13,5 million) of these men and women have switched completely to *IQOS* and stopped smoking with the balance in various stages of switching.⁷ PMI's ambition is that by 2025 at least 40 million PMI cigarette smokers who would otherwise continue to smoke will have switched to smoke-free products. Furthermore, the company's ambition is that more than half of its net revenues will come from smoke-free products by 2025.

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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 *Iil* 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 1 100 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 <u>www.philipmorris.cz</u>, or see the <u>Annual Report for the 2021 period</u>.

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 versions of PMI's IQOS Platform 1 devices and consumables as a Modified Risk Tobacco Products (MRTPs), finding that an exposure modification orders for these products are appropriate to promote the public health. As of September 30, 2022, excluding Russia and Ukraine, PMI's smoke-free products are available for sale in 70 markets, and PMI estimates that approximately 13,5 million adults around the world had 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 consumer and patient needs. For more information, please visit <u>www.pmi.com</u> and <u>www.pmiscience.com</u>.

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⁵ *IQOS ILUMA* is designed to be used only with TEREA SMARTCORE STICKS[™]. *IQOS ILUMA* and TEREA SMARTCORE STICKS[™] must not be used with previous *IQOS* generations, as this may cause damage to the device. As TEREA SMARTCORE STICKS[™] contain a sharp metal part that can cause serious injury if swallowed, they must be kept out of reach of children and pets, and must not be ingested or disassembled.

⁶ Source: Philip Morris International 2022 Third-Quarter Results.

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