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FOR IMMEDIATE RELEASE

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JT Group and Altria Group announce a joint venture to commercialize Ploom heated tobacco sticks products in the U.S.

- The Companies sign a strategic long-term global partnership in RRP -

Japan Tobacco (JT) (TSE: 2914) announced today that the JT Group, through its subsidiary JTI, has entered into a joint venture (JV) with Altria Group (Altria), through its subsidiary PM USA, to market and commercialize heated tobacco sticks (HTS) products in the U.S. with Ploom branded devices and Marlboro branded consumables. The two Groups also signed a long-term, non-binding global memorandum of understanding (MOU) to explore commercial opportunities for a wide range of potentially reduced-risk products (RRP).

“As part of our strategic focus on HTS, we’re very enthusiastic to launch our Ploom brand in the U.S., the world’s largest RRP market in value, through our partnership with the market leader, Altria. We also look forward to entering into a long-term strategic collaboration with Altria to further explore global commercial opportunities in the RRP category. I strongly believe that this cooperation will increase the global harm reduction possibilities for adult consumers and drive incremental value for the JT Group and Altria,” said Masamichi Terabatake, JT Group CEO and President of the Tobacco Business.

The JT Group believes that this newly formed partnership will support its strategic ambition to build a global presence in RRP, through a strong focus on HTS, and drive sustainable growth for all stakeholders of the 4S model. Joining forces with Altria, the leading U.S. tobacco company, to enter the nascent HTS segment in the U.S. will increase growth opportunities for both companies, enhancing the JT Group’s and Altria’s objectives to provide a wide range of harm reduction products to adult consumers around the world.

The JV is structured to exist in perpetuity and establishes Horizon Innovations LLC (Horizon) as the exclusive JV vehicle responsible for the U.S. commercialization of current and future HTS products owned and developed by either party. Horizon will commercialize HTS products in the U.S. under the Ploom and Marlboro trademarks.

JTI will have a 25% economic interest in Horizon to reflect its HTS product contribution. PM USA will have a 75% economic interest, reflecting the company’s strong distribution network and infrastructure, as well as its initial capital contribution of \$150 million to Horizon. Subsequent capital contributions

made to Horizon will be split according to the parties' respective economic interest. JTI and PM USA will both maintain independent ownership of their respective intellectual property (IP), including any IP acquired after the formation of the JV that supports the development of future HTS products.

As part of the JV, JTI and PM USA will combine their scientific and regulatory expertise to jointly prepare U.S. Food and Drug Administration (FDA) filings, including a Premarket Tobacco Product Application (PMTA) for the latest version of Ploom HTS products. The parties currently expect to submit the PMTA for these products in the first half of 2025. Upon PMTA authorization, JTI will supply HTS devices and PM USA will manufacture HTS consumables for Horizon. In addition, JTI and PM USA have agreed to commercialization milestones for Horizon, which include distribution requirements and minimum levels of cumulative marketing investments.

“By forming this JV, we are bringing together the marketing, innovation, R&D and science capabilities that JTI has developed over the years, with Altria’s science, U.S. regulatory experience and vast infrastructure, to create a very strong proposition for the U.S. adult smoker,” said Eddy Pirard, CEO of Japan Tobacco International.

Separate to the JV, the JT Group and Altria also announced the mutual signing of a non-binding MOU. Under this MOU, the parties aim to structure a strategic partnership over time to market and commercialize a wide range of potentially reduced-risk products and strengthen their shared development capabilities and geographic reach. The companies believe this collaboration will accelerate global tobacco harm reduction solutions and bring significant value to their respective businesses.

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Japan Tobacco Inc. is a leading international tobacco company selling its products in more than 130 countries and regions. With approximately 55,000 employees, it manufactures and sells some of the world’s best-known brands including Winston, Camel, MEVIUS and LD. The JT Group is committed to investing in Reduced-Risk Products (RRP) and currently markets its heated tobacco products under its Ploom brand and various e-cigarette products under its Logic brand. The Group is also present in the pharmaceutical and processed food businesses. For more information, visit <https://www.jt.com/>.

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