



JT Group - Tobacco Business 2023 Results & 2024 Outlook

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*Please be reminded that the figures shown on these slides may differ from those shown in the financial statements as they are intended to facilitate the reader's understanding of individual businesses.

FORWARD-LOOKING STATEMENTS

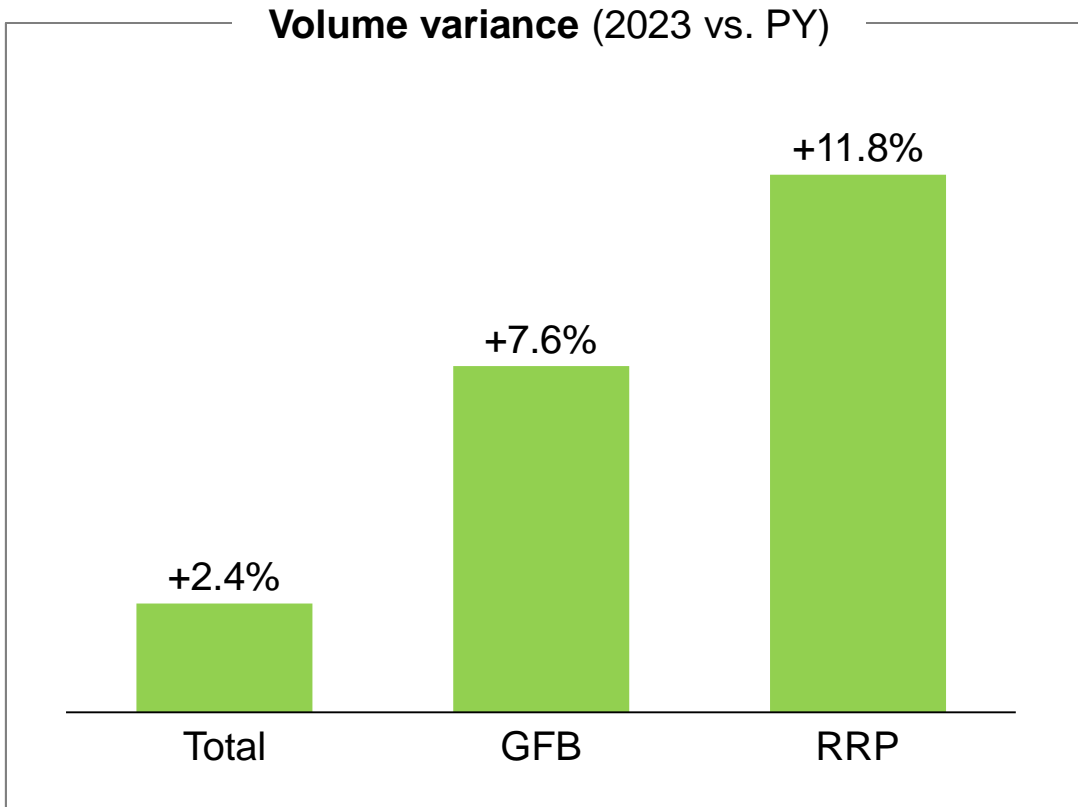


This presentation contains forward-looking statements. These statements appear in a number of places in this document and include statements regarding the intent, belief, or current and future expectations of our management with respect to our business, financial condition and results of operations. In some cases, you can identify forward-looking statements by terms such as “may”, “will”, “should”, “would”, “expect”, “intend”, “project”, “plan”, “aim”, “seek”, “target”, “anticipate”, “believe”, “estimate”, “predict”, “potential” or the negative of these terms or other similar terminology. These statements are not guarantees of future performance and are subject to various risks and uncertainties. Actual results, performance or achievements, or those of the industries in which we operate, may differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. In addition, these forward-looking statements are necessarily dependent upon assumptions, estimates and data that may be incorrect or imprecise and involve known and unknown risks and uncertainties. Forward-looking statements regarding operating results are particularly subject to a variety of assumptions, some or all of which may not be realized.

Risks, uncertainties or other factors that could cause actual results to differ materially from those expressed in any forward-looking statement include, without limitation:

1. increase in health concerns related to smoking;
2. regulatory developments; including, without limitation, tax increases and restrictions on sales, marketing, packaging, labeling and use of tobacco products, privately imposed restrictions and governmental investigations;
3. litigation around the world alleging adverse health and financial effects resulting from, or relating to, tobacco products;
4. our ability to further diversify our business beyond the traditional tobacco industry;
5. our ability to successfully expand internationally and make investments outside Japan;
6. competition, changing consumer preferences and behavior;
7. our ability to manage impacts derived from business diversification or business expansion;
8. economic, regulatory and political changes, such as nationalization, terrorism, wars and civil unrest, in countries in which we operate;
9. fluctuations in foreign exchange rates and the costs of raw materials; and
10. catastrophes, including natural disasters.

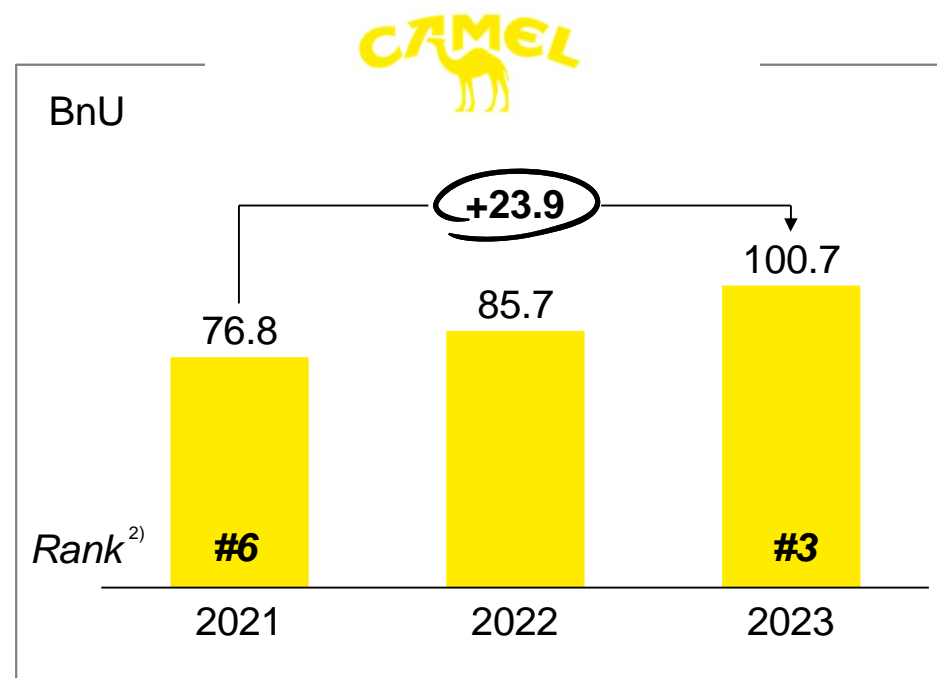
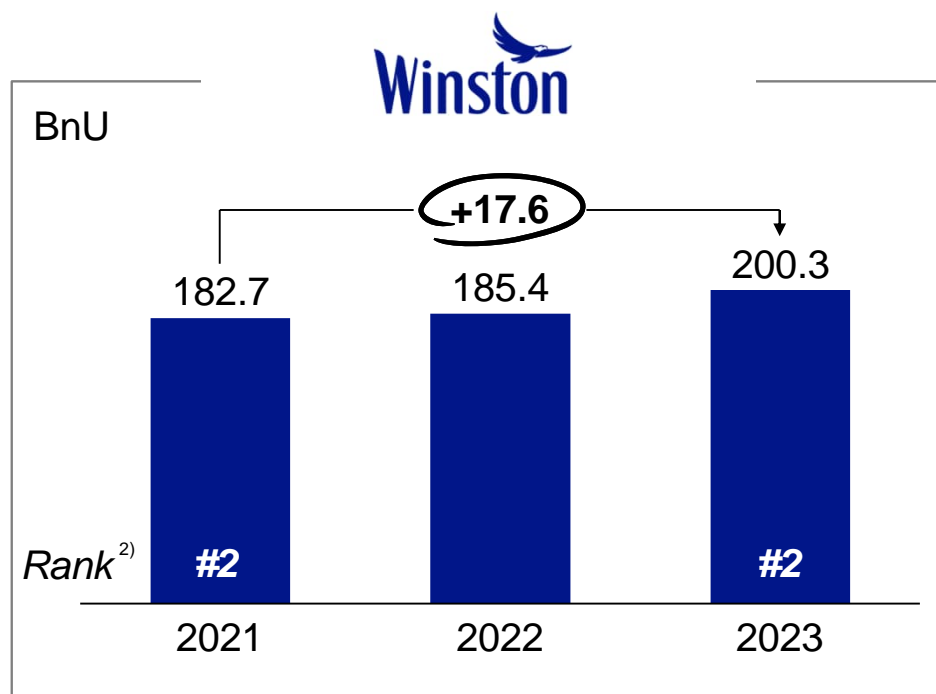
Outstanding volume performance driven by GFB and RRP



- Total volume grew despite industry volume declining at c. 1.4%¹⁾
 - Increased volume in 50+ markets
- GFB volume continued to grow to 72% of total volume:
 - Winston and Camel volume increased double-digit in 35+ markets
- RRP volume grew double-digit
 - Ploom X launched in 11 additional markets
 - Continued SoS gains in Japan

Note: 1) Based on cigarettes + fine cut + heated tobacco in 70+ markets representing 90%+ of our volume

Winston and Camel growth fueled the GFB volume expansion



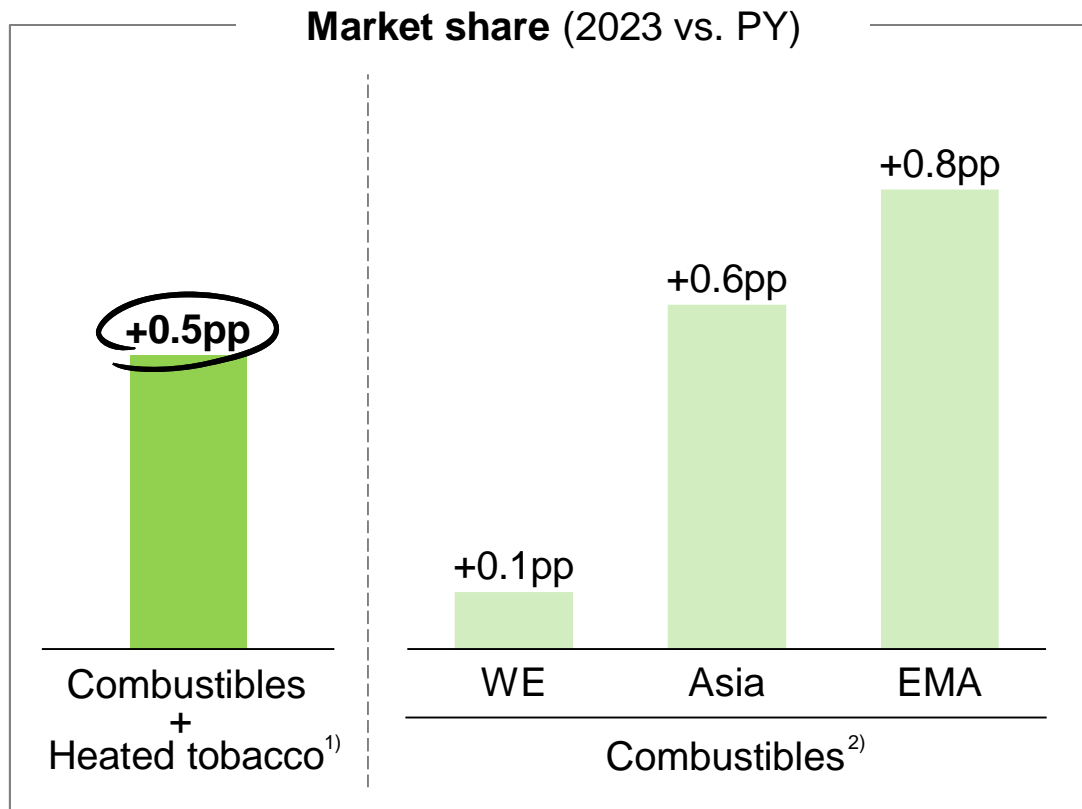
- Continued volume growth across the footprint
 - Volume increased 8.1% versus 2022
 - SoV up 0.7pp¹⁾ versus previous year

- Fastest growing brand in combustibles
 - Volume up 17.5% versus previous year
 - SoV increased by 0.7pp¹⁾ versus 2022

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Note: 1) Based on cigarettes + fine cut in 70+ markets representing 90%+ of our volume 2) International brands global ranking based on cigarettes + fine cut, excluding China

Market share gains continued across clusters



- Excellence in execution and brand building fueled another year of total share gains
- Total share reached record high
- Gains recorded in 50+ markets
- Key drivers by cluster were:
 - Western Europe | France, Germany & Italy
 - Asia | Japan, Philippines & Taiwan
 - EMA | Jordan, Kazakhstan & Romania

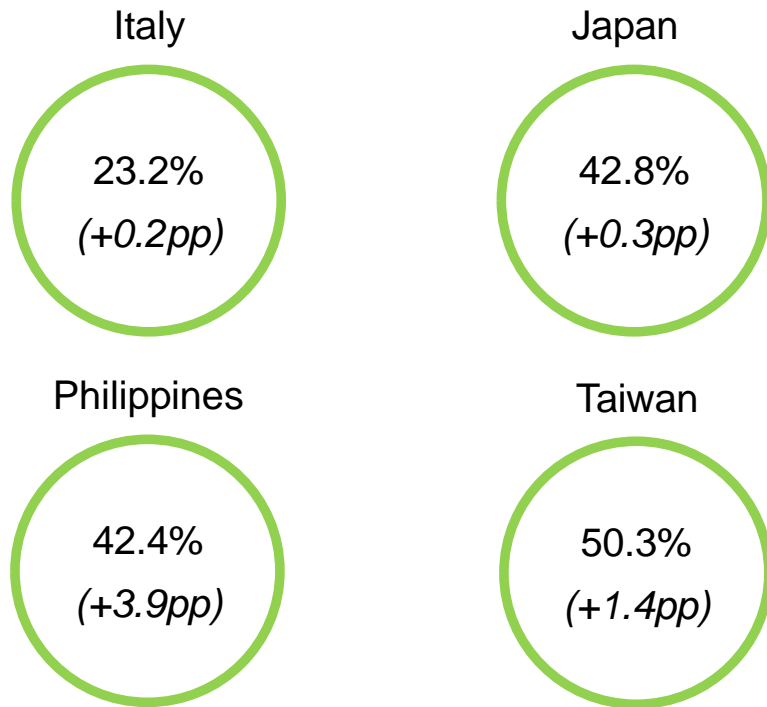
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Note: 1) Based on cigarettes + fine cut + heated tobacco in 70+ markets representing 90%+ of our volume 2) Based on cigarettes + fine cut in 70+ markets representing 90%+ of our volume

Robust performance in key markets



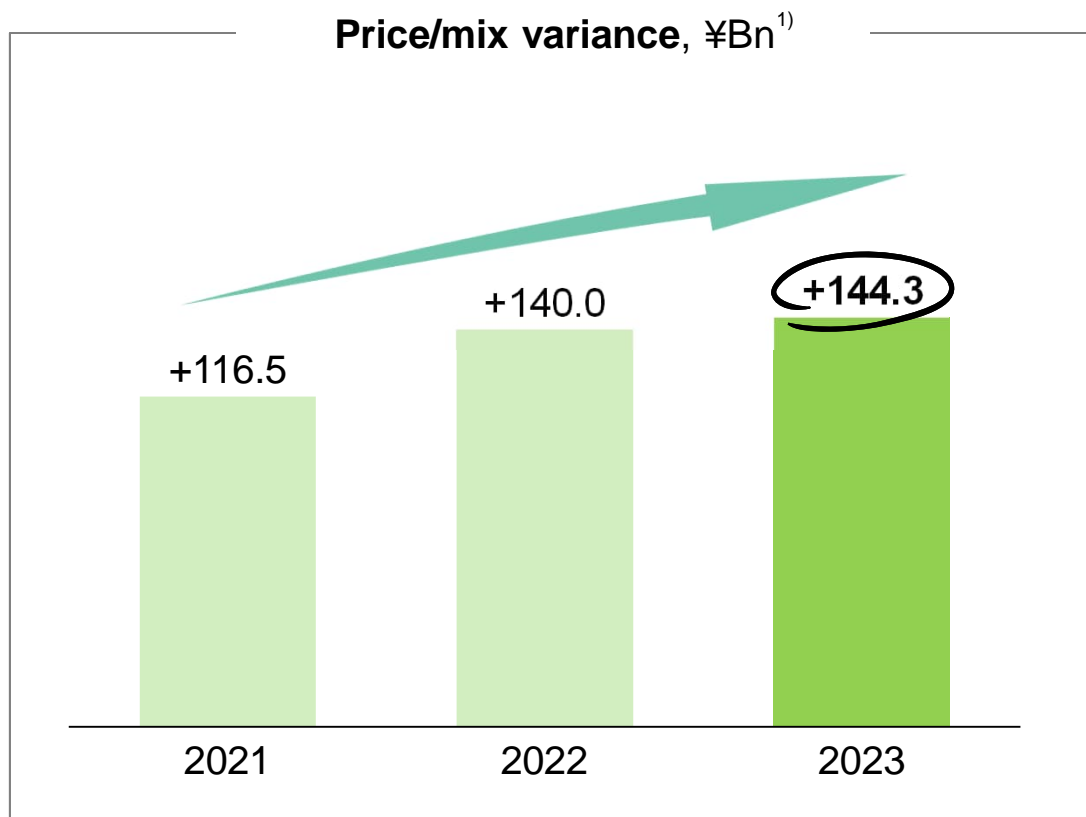
Selected key markets share (2023 vs. PY) ¹⁾



- In Italy, both combustibles and RRP grew share
- In Japan, share gains drove a positive volume variance, notably with continued share increase by Ploom
- The Philippines grew an impressive 3.9ppt in market share, fueled by Camel
- Taiwan exceeded the 50% market share level, thanks to Winston and LD
- In the UK, leadership position was maintained well above 40%

Note: 1) Based on cigarettes + fine cut + heated tobacco

Another record year for price/mix

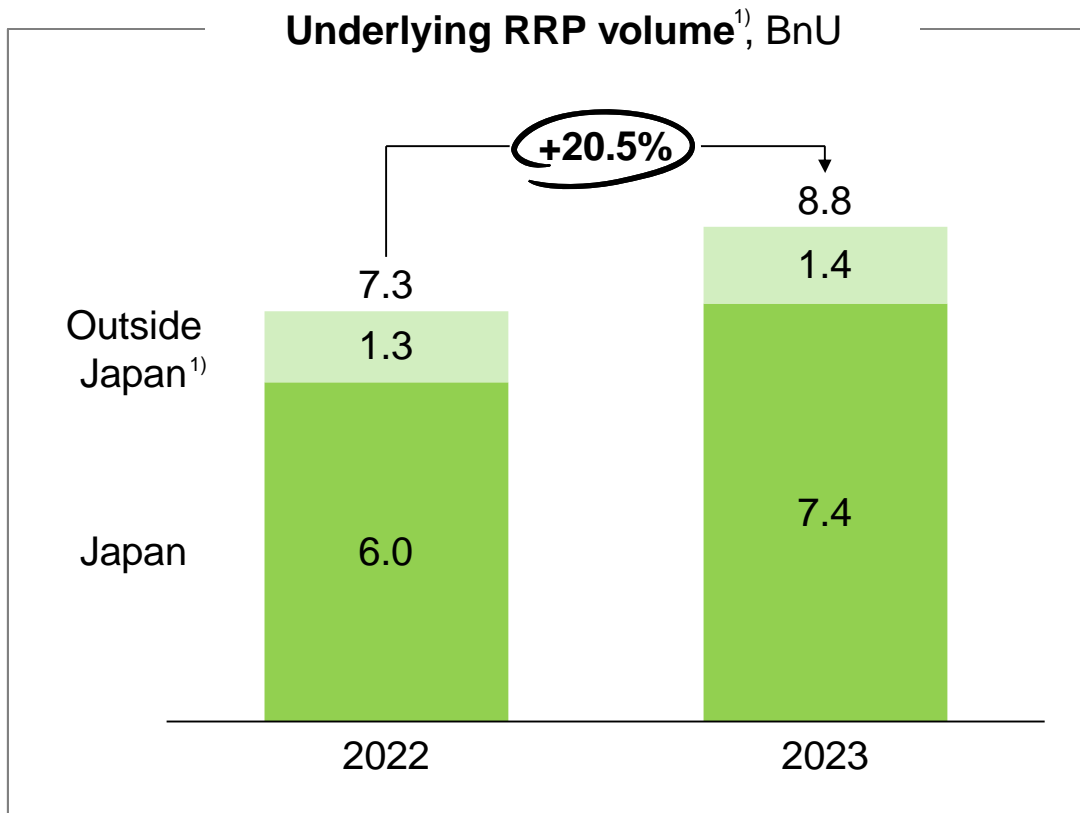


- Sustainable combustibles pricing more than compensated inflationary pressure
- Key contributors per cluster included:
 - Asia | Indonesia & Philippines
 - EMA | Canada, Romania, Russia & Turkey
 - Western Europe | Germany, Spain & UK
- Mix contribution to core revenue reflects ongoing downtrading and easing of travel restrictions

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Note: 1) Contribution to core revenue growth at constant FX. FY21 price/mix assumed equal to the sum of international and domestic price/mix for illustrative purposes

Underlying RRP volume increased double-digit



- Strong underlying RRP volume increase, driven by the success of Ploom X in Japan
- Ploom X now available in 13 markets
- Outside of Japan, second half weighted Ploom X market launches contributed to the growth
- HTS share of segment estimated at 6.7%²⁾, on track with ambition to reach mid-teen segment share by 2028

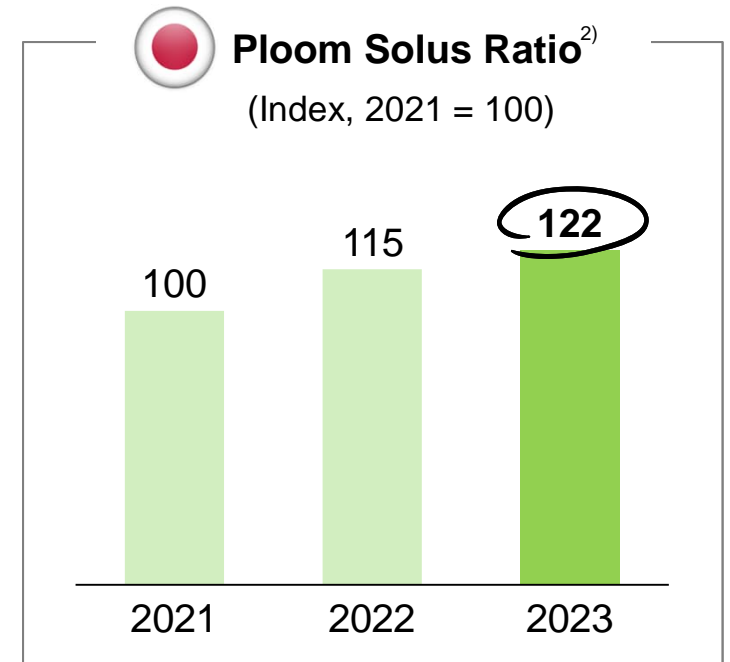
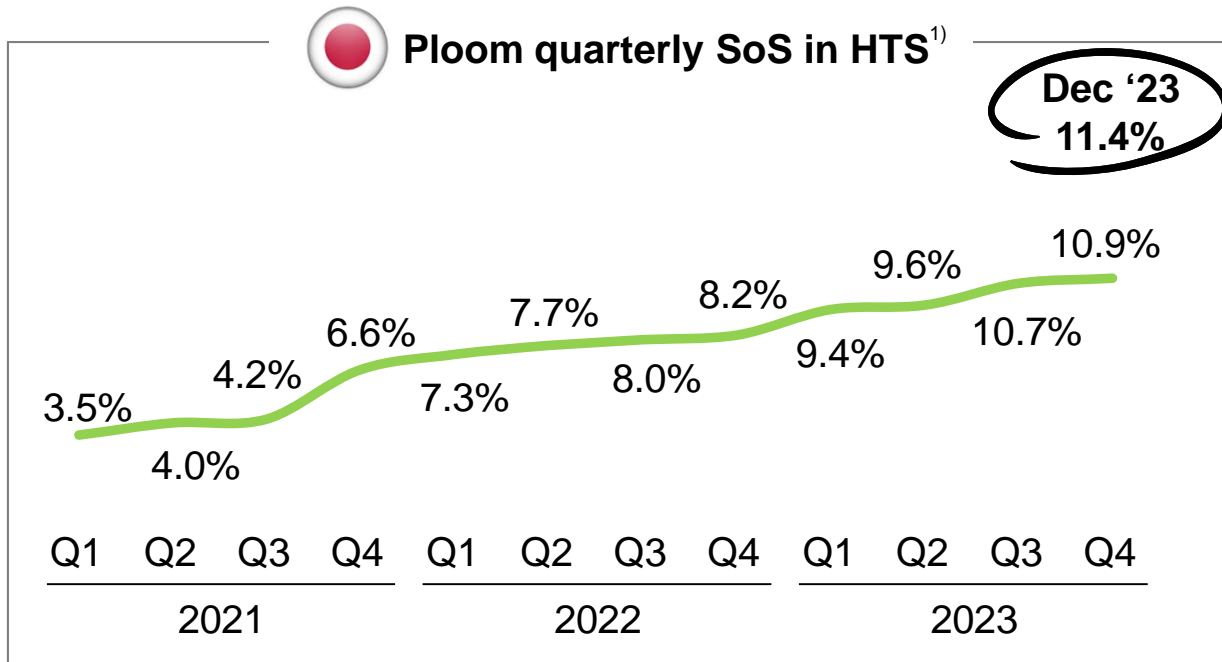
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Note: 1) Excluding discontinuation of Ploom S 2) Ploom X share of heated tobacco sticks segment in existing markets with available retail audit (Japan, United Kingdom, Italy, Lithuania, Czech Republic, Portugal, Switzerland, Hungary & Romania)

Ploom X continued to gain share in Japan



- Uninterrupted share gains in an increasingly competitive HTS segment, reaching an exit share of 11.4%
- Diversified portfolio of SKUs around MEVIUS and Camel, with flavors and tastes tailored to consumer needs
- Roll-out of Ploom X ADVANCED in November further strengthened consumer adoption and retention



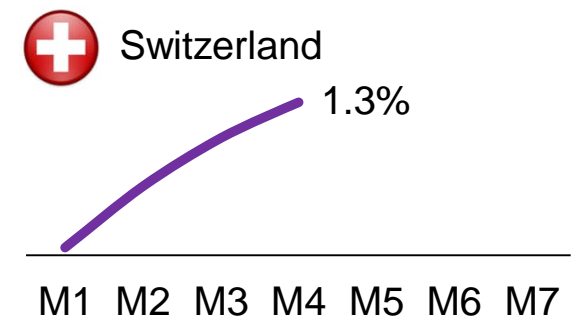
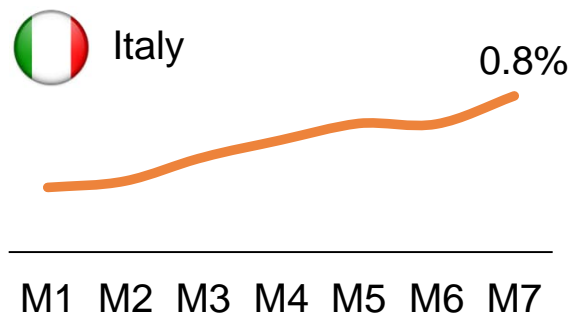
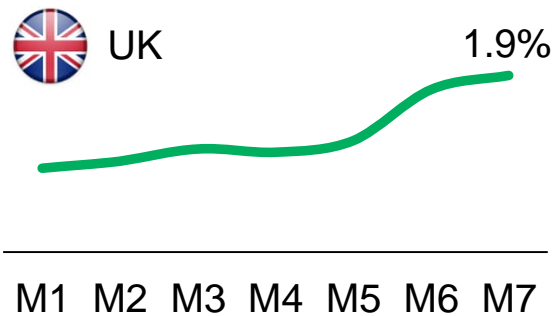
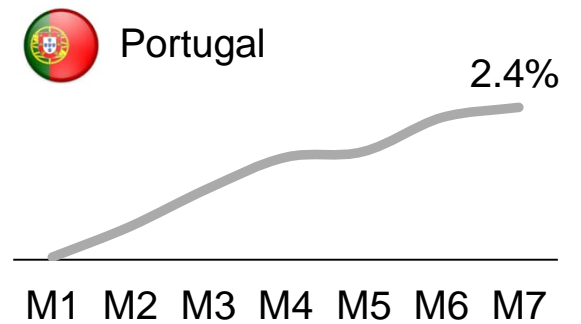
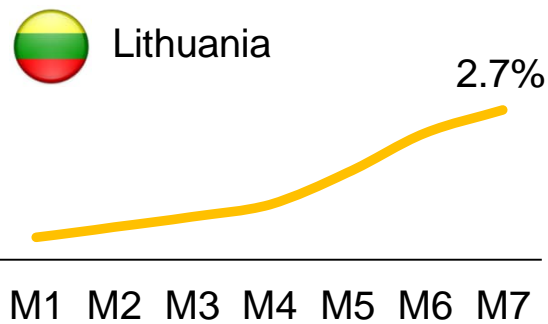
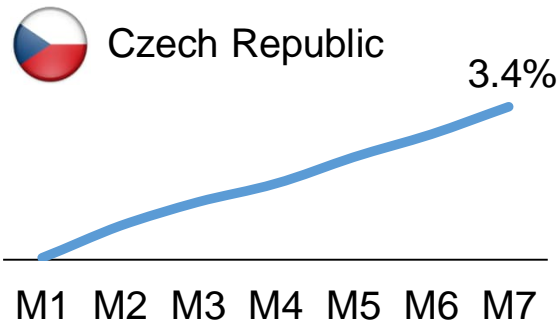
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Note: 1) Ploom shipment volume / HTS industry shipment volume 2) Percentage of Ploom users getting 100% of their tobacco consumption with Ploom over the last month

Encouraging early results from Ploom X outside Japan



Ploom SoS in HTS (Launch Area), %



Months from Ploom X launch

Outlook for the Tobacco business



Accelerate RRP investments in HTS

- Drive continuous share gains in Japan and existing footprint to support total volume
- Ploom X geo-expansion in additional markets to reach an HTS industry volume coverage of 80%

Continue to focus on growth and returns in combustibles

- Build on share of market momentum and GFB strong equity to offset industry volume contraction
- Fuel core revenue growth and margin improvement through sustainable pricing

Enhanced competitiveness

- Continued cost containment through efficiency initiatives