

Altria completes US\$2.75 billion acquisition of NJOY Holdings



The new President and CEO of NJOY is Shannon Leistra. Leistra held various operating leadership positions at Altria before her most recent role as Senior Vice President and Consumer Experience Officer (CXO), Altria Client Services LLC

Altria Group has announced that its acquisition of NJOY Holdings, Inc is now complete. Altria CEO Billy Gifford calls the transaction with the e-vapor company "... a transformative step in our goal of *Moving Beyond Smoking*."

The purchase was financed through a combination of a US\$2 billion term loan, commercial paper and available cash. As Altria will receive a final payment of \$1.7 billion (plus interest) from Philip Morris International Inc. (PMI) by July 15, 2023 as a part of the US\$2.7 billion transition agreement for the *IQOS Tobacco Heating System®*, the company will use these proceeds to reduce the outstanding term loan balance.

NJOY e-vapor products will be marketed by NJOY, LLC (NJOY), a wholly owned subsidiary of Altria. Immediately, Altria's team will focus on optimizing the *NJOY ACE (ACE)* brand proposition, including enhancing *ACE's* brand equity and identifying and addressing opportunities in existing stores. To begin the expansion of the NJOY ACE, Altria will focus on U.S. retail stores. The company will also work to strengthen NJOY's global supply chain, to support the anticipated volume increase.

"We are pleased to have received antitrust clearance and we are now fully focused on responsibly

accelerating U.S. adult smoker and adult vaper adoption of *NJOY ACE*, currently the only pod-based e-vapor product to receive marketing authorization from the FDA,” said CEO Gifford. “Our updated 2023 full-year EPS guidance range includes planned investments behind the U.S. commercialization of *NJOY ACE* and reflects our goal to deliver strong shareholder returns while making progress toward our Vision.”

“We are excited to combine our resources with NJOY’s talented team to benefit adult tobacco consumers across the country,” said Shannon Leistra, the new President and CEO of NJOY, LLC.