

Friday February 10, 2023.

Following our recent notice, we want to update you with the latest information concerning ELFBAR 600s.

Following a meeting with the Medicines & Healthcare products Regulatory Agency (MHRA) today, which was called by ELFBAR, we want to update you with the latest information concerning our products.

Recent press reports alleged questions around the compliance of the ELFBAR 600 on the UK market. Subsequent to these allegations, we immediately initiated a full investigation of the ELFBAR 600 in the UK market, and have found that some products exceeded the permitted e-liquid fill level. Although this issue means the products are not compliant in full with UK regulations, we did not find any issues with nicotine strength, or anything that might mean the products' safety is compromised in any way.

Today we met with the Medicines and Healthcare products Regulatory Authority to discuss the matter, and to ensure that corrective actions have been put in place to assure the compliance of the ELFBAR 600 on the UK market. We were supported in the meeting by the UKVIA and the IBVTA, the UK's two trade associations for the vape industry. Our obligations were made abundantly clear without equivocation, and we have admitted that we have fallen short in some areas. The MHRA agreed that despite these shortcomings, they did not believe that the non-compliance presents any issues of safety, but is nevertheless a contravention of UK regulations.

MHRA indicated that their recommendation is for the product to be withdrawn from the market. We agree with this recommendation, and will voluntarily carry out a withdrawal of non-compliant ELFBAR 600s from the UK market. We will be assisted in ensuring the withdrawal is carried out effectively, and without causing any unnecessary market disruption, by a Trading Standards Primary Authority. We will update all of our distribution and retail partners when we have agreed how this corrective action will be enacted.

Although the investigation and definition of corrective actions for the ELFBAR 600 has been undertaken, we have also committed to investigate all other vape products that we export to the UK. We will take any actions we deem to be required to ensure compliance across our entire product set.

We are grateful for the support of MHRA in this urgent and important matter, and for the opportunity to work collaboratively in bringing all our products fully in line with UK regulations. We have committed to further meetings with MHRA to assure our products' compliance.

ELFBAR