



## Company Announcement

No. 35/2022

Copenhagen, 19 May 2022

### Share buy-back programme increased to up to DKK 1,000 million

The Board of Directors of Scandinavian Tobacco Group A/S has decided to increase the DKK 700 million share buy-back programme that was initiated 10 March 2022 (see company announcement 16/2022) by DKK 300 million. Consequently, the on-going share buy-back programme now has a value of up to DKK 1,000 million.

As of 19 May 2022, Scandinavian Tobacco Group had purchased shares of a total value of DKK 128 million under the programme. Prior to the expansion of the share buy-back programme, Scandinavian Tobacco Group A/S holds a total of 1,338,431 treasury shares, corresponding to 1.44% of the total share capital.

The purpose of the share buy-back programme remains to adjust the Group's capital structure and meet obligations relating to the Group's share-based incentive programme. The Board of Directors intends to propose to the annual general meeting in 2023 that the shares acquired under the programme, that are not needed to meet the Group's obligations under the incentive programme, be cancelled.

The share buy-back programme is still expected to run to 28 February 2023 at the latest. The Company may terminate the programme at any time.

Part of the programme is intended to be conducted in accordance with Regulation No. 596/2014 of the European Parliament and Council of 16 April 2014 (the "Market Abuse Regulation") and Commission Delegated Regulation (EU) 2016/1052, also referred to as the Safe Harbour rules.

Chr. Augustinus Fabrikker Aktieselskab has informed Scandinavian Tobacco Group that it intends to maintain a long-term ownership share in the Company of between 25.0% and 30.0% and, therefore wishes to sell Shares to the Company under the share buyback programme. Consequently, Chr. Augustinus Fabrikker Aktieselskab has informed Scandinavian Tobacco Group that it will participate in the remaining part of the share buy-back programme on a pro-rata basis to keep its holding at approx. 27.0% of the outstanding share capital. C.W.Obel A/S has informed Scandinavian Tobacco Group that it intends to maintain a long-term ownership share in the Company of between 10.0% and 15.0% and, therefore wishes to sell Shares to the Company under the share buyback programme. Consequently, C.W. Obel A/S has informed Scandinavian Tobacco Group it will participate in the remaining part of the share buy-back programme on a pro-rata basis to keep its holding at approx. 12.5% of the outstanding share capital.

Accordingly, it has been agreed between Scandinavian Tobacco Group and Chr. Augustinus Fabrikker Aktieselskab and C.W. Obel A/S, respectively, that on a weekly basis each such shareholder will sell and transfer such number of shares to Scandinavian Tobacco Group that corresponds to each such shareholder's notional ownership share of the shares purchased by Scandinavian Tobacco Group in the share buy-back programme during the said week. The

price for the shares will be equal (on a per share basis) to the volume-weighted average purchase price for all the shares purchased in the market under the share buy-back programme during the relevant weekly trading period.

In case the purchase price per share calculated in accordance with the foregoing would be higher than 105% or lower than 90% of the closing price of the share quoted on Nasdaq Copenhagen A/S at the end of the relevant weekly trading period, no shares will be transferred for that weekly trading period.

Nordea Danmark, Filial af Nordea Bank Abp, Finland ("Nordea") acts as lead manager for the share buy-back programme.

**For further information, please contact:**

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**About Scandinavian Tobacco Group**

Scandinavian Tobacco Group A/S is a world-leading manufacturer of handmade and machine-rolled cigars with an annual production of more than four billion cigars. The Group holds market-leading positions in several categories and its products are sold in more than 100 markets.

Scandinavian Tobacco Group has its headquarters in Copenhagen, Denmark – and employs approximately 10,000 people in Europe, the US, Canada, the Dominican Republic, Honduras, Nicaragua, Indonesia and Sri Lanka. For more information please visit [www.st-group.com](http://www.st-group.com)