

**Company Announcement**

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Scandinavian Tobacco Group A/S revises outlook and reports key financial data for the second quarter and first half of 2023.

Full-year guidance for 2023 is lowered following a more volatile environment than expected and reflective of on-going inventory adjustments across customers and distributors, slower regain of market shares in Europe, delays in new store openings in US and changes in exchange rates.

For the financial year 2023, the guidance is revised to:

- Net sales in the range of DKK 8.7-9.0 billion (from DKK 9.0-9.3 billion)
- EBITDA margin before special items in the range of 23.5-24.5% (from 24-25%)
- Free cash flow before acquisitions in the range of DKK 1.1-1.3 billion (from DKK 1.2-1.4 billion)
- Adjusted EPS in the range of DKK 14.0-16.0 (from DKK 14.5-16.5)

For the second quarter of 2023, Scandinavian Tobacco Group A/S delivered 2.3% negative net sales growth, an EBITDA margin of 23.1%, a free cash flow before acquisitions of DKK 159 million and Adjusted Earnings Per Share of DKK 3.5. In the first 6 months of 2023, net sales decreased by 0.7%, the EBITDA margin was 23.6%, the free cash flow before acquisitions was negative by DKK 20 million and Adjusted Earnings Per Share were DKK 6.7.

The interim report for Q2 2023 will be published today on 29 August 2023 as planned, and a conference call will be held on 30 August 2023 at 10.00 CEST. Dial-in information and an accompanying presentation will be available at investor.st-group.com/investor around 09:00 CEST.

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