

**Company Announcement**

No. 30/2023

Copenhagen, 10 November 2023

Initiation of new share buy-back programme of up to DKK 850 million.

The Board of Directors of Scandinavian Tobacco Group A/S has decided to initiate a new share buy-back programme of up to DKK 850 million.

The purpose of the share buy-back programme is 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 no later than to the annual general meeting in 2025 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 will run from 13 November 2023 to 28 February 2025 at the latest. The Company may terminate the programme at any time. Scandinavian Tobacco Group will buy its own shares up to an aggregated price of DKK 850 million. Part of the programme will 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.

The programme is initiated based on the Company's articles of association which currently authorise the Company to acquire up to 10% of the Company's total share capital, i.e. currently up to nominally DKK 8.7 million own shares. Prior to the share buy-back, Scandinavian Tobacco Group holds a total of 381,749 own shares, corresponding to 0.44% of the current total share capital.

Scandinavian Tobacco Group has appointed Nordea Danmark, Filial af Nordea Bank Abp, Finland ("Nordea") as lead manager for the share buy-back programme. Nordea will make its own trading decisions independently of and without influence from Scandinavian Tobacco Group and execute the buy-back within the announced limits.

No shares may be bought at a price exceeding the higher of (i) the price of the last independent trade and (ii) the highest current independent purchase bid on the trading venue where the purchase is carried out.

The maximum number of shares that may be purchased on each business day may not exceed 25% of the average daily trading volume over the last 20 trading days prior to the date of purchase on the trading venue where the purchase is carried out.

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 buy-back programme. Consequently, Chr.

Augustinus Fabrikker Aktieselskab has informed Scandinavian Tobacco Group that it will participate in the share buy-back programme on a pro-rata basis reflecting its current holding of 27.30% 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 buy-back programme. Consequently, C.W. Obel A/S has informed Scandinavian Tobacco Group that it will participate in the share buy-back programme on a pro-rata basis reflecting its current holding at 12.59% 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 from Chr. Augustinus Fabrikker Aktieselskab or C.W. Obel A/S for that weekly trading period.

Nordea Danmark, Filial af Nordea Bank Abp, Finland ("Nordea") acts as lead manager for the share buy-back programme related to Chr. Augustinus Fabrikker Aktieselskab and C.W. Obel A/S.

Scandinavian Tobacco Group will report on trade activity under the share buy-back programme in weekly company announcements.

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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