



## Company Announcement

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### Scandinavian Tobacco Group A/S acquires the brand XQS

Scandinavian Tobacco Group A/S has today agreed on the terms and conditions for the acquisition of substantially all assets of the Swedish company XQS International AB ("XQS"). The transaction is expected to close shortly. The transaction value consists of an upfront payment as well as an earn-out agreement. Assuming all targets are met, the total purchase price will be about DKK 150 million and it will be fully financed by cash at hand and debt.

XQS is active in smoke-free products and its products are primarily sold in Sweden. In 2022, XQS' reported net sales were about DKK 50 million with a low single-digit EBITDA margin and a total volume of 3 million cans.

#### For further information, please contact:

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#### About Scandinavian Tobacco Group

Scandinavian Tobacco Group A/S is a world-leading manufacturer of cigars and pipe tobacco with an annual production of four billion cigars and 5,000 tonnes of pipe and fine-cut tobacco.

The Group holds market-leading positions in several categories and has a portfolio of more than 200 global and local brands.

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