



SCANDINAVIAN TOBACCO GROUP

INVESTOR PRESENTATION

JUNE 2026



IMPORTANT DISCLOSURES

FORWARD LOOKING STATEMENTS

All statements except for statements of historical fact in this presentation are forward-looking. Forward-looking statements refer to Scandinavian Tobacco Group's ("STG") current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance as well as business. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained therein. The presentation has not been independently verified and will not be updated.

MARKETING PRINCIPLES

Our Marketing Principles ensure that we develop, market and promote our products in accordance with the law and our core values. In the US, where the legal minimum age for purchasing tobacco is 21, the Group sells directly to consumer on our websites and in our retail stores. Our U.S. retail websites ensure legal age verification of all consumers, utilising a state-of-the-art third-party age verification solution to ensure compliance. We ensure compliance with the minimum age in our stores in the U.S. by requesting age verification. Our Marketing Principles are ingrained in the way we work and are front of mind in our consumer-focused teams. They are reviewed annually and revised as needed. We conduct training in the Marketing Principles to the relevant functions in the Group.

OUR VIEW ON SMOKING & MARKETING PRINCIPLES



Smoking is for adults only, and the health risk must be taken seriously by everybody. Every smoker should balance the pleasure of smoking against the risks involved and then make a personal choice whether to smoke or not.

We do not work to increase the number of smokers. We grow our business by growing our market share.

Our Marketing Principles ensure that we develop, market and promote our products in accordance with the law and our core values. In the US, where the legal minimum age for purchasing tobacco is 21, the Group sells directly to consumer on our websites and in our retail stores. Our U.S. retail websites ensure legal age verification of all consumers, utilising a state-of-the-art third-party age verification solution to ensure compliance.

We ensure compliance with the minimum age in our stores in the U.S. by requesting age verification. Our Marketing Principles are ingrained in the way we work and are front of mind in our consumer-focused teams. They are reviewed annually and revised as needed. We conduct training in the Marketing Principles to the relevant functions in the Group.



SCANDINAVIAN TOBACCO GROUP

WHO WE ARE

Scandinavian Tobacco Group is a global leader in cigars. For 275 years, we have been maker of rituals by providing premium tobacco products and experiences to consumers embedded by texture, flavours and aromas. With our portfolio of industry leading cigar brands, we deliver consumer experiences that really make a difference.

HANDMADE CIGARS

Market leader in the U.S

MACHINE-ROLLED CIGARS

Market leader in Europe

PIPE TOBACCO

Undisputed global leader

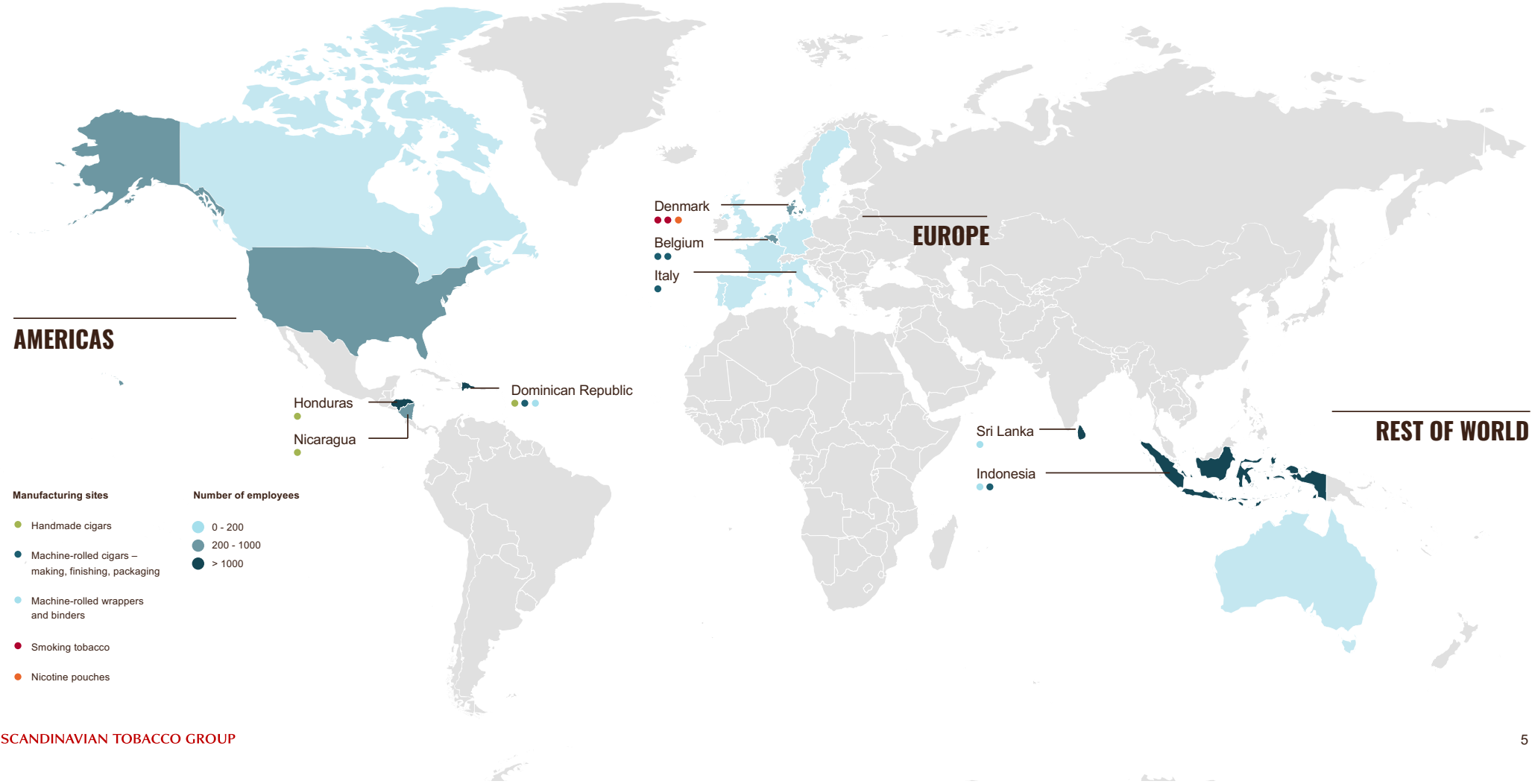
CASH FLOW

~DKK 1bn annually

CAPITAL ALLOCATION

DKK 6bn in 5 years

OUR GLOBAL WORKFORCE & PRODUCTION



SHAREHOLDER RETURN POLICY

**TARGET LEVERAGE
RATIO AT/OR BELOW
2.5X**

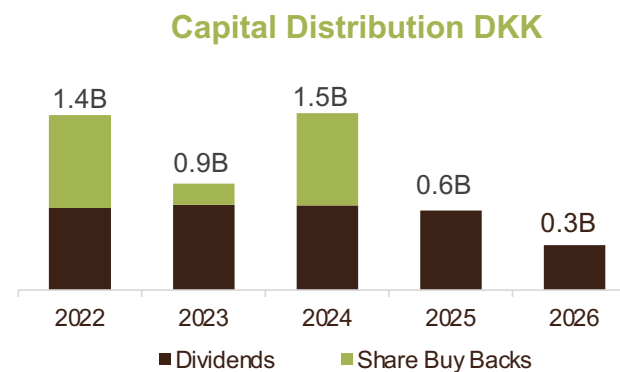
**DIVIDEND PAYOUT
RATIO
40-60%**

**DIVIDEND AND/OR
SHARE BUYBACK**

CAPITAL ALLOCATION & 2025 DIVIDEND PROPOSAL

- Proposed dividend of DKK 4.50 per share
- Payout ratio 42% of adjusted earnings per share of DKK 10.8

(in accordance with new payout ratio-based dividend policy)



FULL YEAR 2025 RESULTS

Net sales
DKK million

9,036

2025	9,036
2024	9,202

EBITDA margin
Before special items

19.8%

2025	19.8%
2024	22.6%

FCF before acquisitions
DKK million

595

2025	595
2024	931

Adjusted EPS
DKK

10.8

2025	10.8
2024	13.7



NEW FINANCIAL AMBITIONS PROVIDE FOUNDATION FOR ATTRACTIVE SHAREHOLDER RETURNS

ROIC

**2030 ambition:
>11%**

EBIT*

**2030 ambition:
Low single digit CAGR**

*before special items

**FREE CASH
FLOW***

**2030 ambition:
>1,200 DKK million**

*before acquisitions

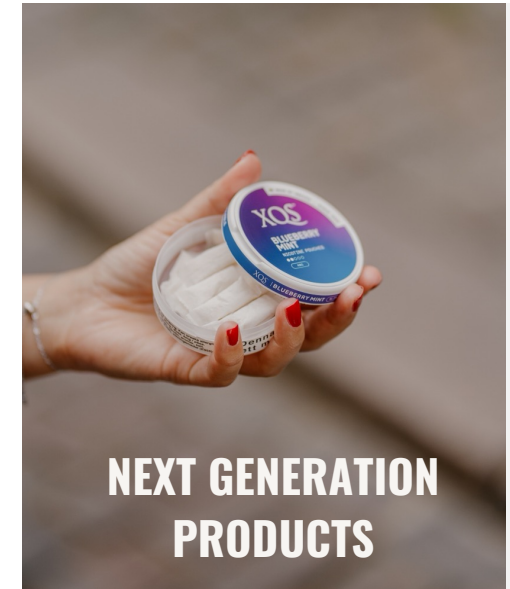
OUR PURPOSE

CRAFT THE RITUALS THAT MAKE US MORE

OUR VISION

**BE THE UNDISPUTED & SUSTAINABLE
GLOBAL LEADER IN CIGARS**

OUR POWER BRANDS ACROSS EACH CATEGORY



INVESTING IN OUR POWER BRANDS – RECENT EXAMPLES



**PACKAGING REBRAND TO
REFLECT HISTORICAL
CRAFTSMANSHIP**

MEHARI'S



**INTRODUCTION OF NEW
LIMITED EDITION SERIE M
RESERVA PLATA**

COHIBA®



**PARTNERSHIP WITH TEAM
PARKER RACING FOR 2026
PORSCHE CARRERA CUP**

XQS®



FINANCIAL RESULTS

FINANCIAL EXPECTATIONS FOR FULL YEAR 2026

**NET
SALES**

From -2% to 2%

Reported net sales growth at
constant currencies

EBIT

Range of 13.0%-14.5%

EBIT margin before special items

FCF

DKK 950-1,200 million

Free cash flow before acquisitions

EPS

DKK 9-11

Adjusted earnings per share

FIRST QUARTER 2026

DKK million	Q1 2026	Q1 2025	Change
Headline Financials			
Net sales reported	1,859	1,974	-6%
Gross profit before special items	824	867	
EBITDA before special items	320	317	1%
EBIT before special items	193	206	-6%
Net profit	43	52	
Free cash flow before acquisitions	158	156	1%
P&L details			
Other income	31	11	
Special items	-76	-70	
Net financials	-66	-73	
Key metrics			
Organic net sales growth	-0.6%	-8.8%	
Gross margin before special items	44.3%	43.9%	0.4%p
EBITDA margin before special items	17.2%	16.1%	1.1%p
EBIT margin before special items	10.4%	10.4%	0.0%P
Effective tax rate	23.0%	23.0%	
Earnings per share, adjusted	1.1	1.5	-27%
Return on invested capital (ROIC)	7.8%	8.8%	
Leverage ratio	3.0x	2.5x	

- Exchange rate impacts net sales by -5.2%
- EBIT before special items impacted by DKK 16 million increase in trademark amortization
- ROIC at 7.8% reflecting development in EBIT
- Leverage at 3.0 times

PRODUCT CATEGORIES: KEY FINANCIAL DATA

Q1 2026 RESULTS

MACHINE-ROLLED CIGARS & SMOKING TOBACCO

	Q1 2026	Q1 2025
Net sales (DKK million)	956	1,011
Organic growth	-3%	-
Gross margin before special items	52.8%	49.9%

HANDMADE CIGARS

	Q1 2026	Q1 2025
Net sales (DKK million)	660	673
Organic growth	8%	-
Gross margin before special items	41.2%	42.6%

NEXT GENERATION PRODUCTS

	Q1 2026	Q1 2025
Net sales (DKK million)	64	80
Organic growth	-23%	-
Gross margin before special items	35.2%	23.0%

OTHER*

	Q1 2026	Q1 2025
Net sales (DKK million)	179	210
Organic growth	-10%	-
Gross margin before special items	13.6%	27.5%

*Other includes contract manufacturing, sales of accessories and bar sales delivered



SCANDINAVIAN TOBACCO GROUP

THANK YOU

Scandinavian Tobacco Group A/S
Sandtoften 9, 2820 Gentofte, Denmark

st-group.com

CVR 31 08 01 85