

Silkeborg, September 1<sup>st</sup> 2020

Change of name in Silkeborg: V2 Tobacco becomes Swedish Match Denmark

Since Swedish Match became owners of V2 Tobacco in 2017, the number of employees has doubled to almost 100, and all indications are that the growth will continue, as more and more smokers are switching to Danish-produced smoke-free products.

The Silkeborg company V2 Tobacco, which was taken over by the Swedish Match group in September 2017, now puts its birthname behind and becomes Swedish Match.

With Swedish Match as owner, a large international sales force was opened, which together with significant investments in the production lines, has accelerated growth. Since 2017, the number of employees has doubled in the state-of-the-art and highly automated workplace, which today counts 12 nationalities.

The name change is a substantial milestone for the Silkeborg company to be a fully integrated part of the Swedish Match 'organization, and at the same time it is a significant signal that the tobacco name is 'put on the shelf', says CEO Bjarne Strandhave Hald, Swedish Match Denmark:

- As more and more people become aware of the negative consequences that comes with smoking, we are experiencing an increased demand for smoke-free tobacco and nicotine products as an alternative to the harmful cigarettes. In Swedish Match, we have a vision of a world without cigarettes, and our name change is the next step in living out this strategy. We are looking into a future where products are becoming increasingly refined and are moving in the direction of pure nicotine pleasure - and that tobacco plays a minor role, and one day may be completely phased out.

The latest products from Swedish Match in Silkeborg - nicotine pouches - are thus completely without tobacco.

- The demand is increasing significantly. Our research shows that many adult smokers want to quit their cigarettes. If we for example get one percent of German smokers to use smoke free alternatives, we will have to double our production here. This will create even more jobs, says Bjarne Strandhave Hald.

The chewing tobacco, that we will continue to produce, is manufactured under strict quality control and according to a method, where we minimize the proportion of unwanted substances. V2 Tobacco, which was established in 2006 by brothers Marc and Patrick Vogel, became known, among other things, for developing the so-called chew bags - small bags made in a stronger format that contain cut tobacco, which must be chewed, in the bag, before use. Chewing tobacco still has an audience in several European countries.

Today, Swedish Match in Denmark has a total of approximately 120 employees, of which almost 100 are employed in Silkeborg. The Danish-produced smoke-free products - snus, chewing tobacco and nicotine pouches - are exported to 25 countries, mainly in the EU and the USA. Swedish Match is also experiencing a growing Danish domestic market, where more and more adult smokers are switching to the far less harmful chewing tobacco and nicotine pouches. In Silkeborg, branded products such as Thunder, Offroad and Zyn will continue to be produced for both the Danish and foreign markets.



Swedish Match is internationally recognized for producing the gentlest nicotine products that have helped countries such as Sweden and Norway well on their way to phasing out cigarettes. In Norway today, e.g. less than one percent of adult women aged 18-25 years who smoke daily.

For more information contact Communications Director Rune Siglev