

Nasdaq Stockholm: SWMA

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FDA issues a response to application from Swedish Match

Swedish Match was informed earlier today by the FDA that General Snus will not, for the time being, be designated as a Modified Risk Tobacco Product - MRTP. The FDA did, however, outline the process forward and encouraged Swedish Match to continue its efforts to seek modified risk status for General Snus. Swedish Match interprets their position as wanting to further discuss on how to best communicate a modified risk message to the general public.

FDA/CTP has stated: "While the FDA is not authorizing modified risk orders for these products at this time, our guidance to the company will enable it to amend its applications if it chooses". This statement is encouraging to Swedish Match and the company feels FDA's guidance will be critical in helping to attain modified risk status.

Although the FDA has not yet approved Swedish Match's MRTP-application, the Agency had previously determined that the General Snus products are protective of the public health and contain significantly lower levels of harmful constituents compared to over 97% of the smokeless products on the US market. These findings are part of the premarket tobacco application (PMTA) decision announced by FDA in November 2015.

Swedish Match praises the open, active and constructive dialogue Swedish Match has had with the FDA and the dialogue will now continue.

"Swedish Match snus products in the US will maintain their current classification, and General Snus will continue to be sold under current regulations. Swedish Match is the first and, to date, the only tobacco company ever to have completed and thus accepted MRTP application filed with the FDA. That is a major achievement in itself and has encouraged employees of Swedish Match to work even harder towards Swedish Match's vision "A world without cigarettes", says Fredrik Peyron, Senior Vice President, Regulatory Affairs & Group Communication, Swedish Match.

"Our goal has been to work to communicate truthfully to consumers about our snus products and that snus is a less harmful alternative to cigarette smoking. We took a major step towards our vision "A world without cigarettes" by having the first MRTP application ever accepted as complete by the FDA, and we believe it's a sign that we're moving in the right direction. We will adhere to the invitation by the agency to continue our constructive dialogue in order to understand the next steps necessary for issuance of a modified risk order", says Fredrik Peyron.

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Swedish Match develops, manufactures, and sells quality products with market-leading brands in the product areas Snus and moist snuff, Other tobacco products (cigars and chewing tobacco), and Lights (matches, lighters, and complementary products). Production is located in six countries, with sales concentrated in Scandinavia and the US. The Group's global operations generated sales of 15,313 MSEK for the twelve month period ending 30 September 2016. The Swedish Match share is listed on Nasdaq Stockholm (SWMA).

Swedish Match's vision is a world without cigarettes. Some of its well-known brands include: *General, Longhorn, White Owl, Red Man, Fiat Lux, and Cricket.*

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