

Press release

NASDAQ OMX Stockholm: SWMA

17 March, 2015

Notice to the Annual General Meeting in Swedish Match AB (publ)

The shareholders of Swedish Match AB (publ), Reg. No. 556015-0756, are hereby notified of the Annual General Meeting to be held on Thursday, April 23, 2015, at 16.30 CET at Citykonferensen, Malmkillnadsgatan 46, Stockholm, Sweden.

Agenda

1. Opening of the Meeting and election of the Chairman of the Meeting.
2. Preparation and approval of the voting list.
3. Election of one or two persons to verify the minutes.
4. Determination of whether the Meeting has been duly convened.
5. Approval of the Agenda.
6. Presentation of the annual report and the auditor's report, the consolidated financial statements and the auditor's report on the consolidated financial statements for 2014, the auditor's opinion regarding compliance with the principles for remuneration to members of the executive management as well as the Board of Directors' proposal regarding the allocation of profit and motivated statement. In connection thereto, the President's and the Chief Financial Officer's speeches and the Board of Directors' report on its work and the work and function of the Audit Committee.
7. Resolution on adoption of the income statement and balance sheet and of the consolidated income statement and consolidated balance sheet.
8. Resolution regarding allocation of the Company's profit in accordance with the adopted balance sheet and resolution on a record day for dividend.
9. Resolution regarding discharge from liability in respect of the Board members and the President.
10. **a)** Resolution regarding the reduction of the share capital by means of withdrawal of repurchased shares, and the transfer of the reduced amount to a fund to be used pursuant to a resolution adopted by the General Meeting; and
10. **b)** Resolution regarding a bonus issue.
11. Resolution regarding authorization of the Board of Directors to resolve on acquisition of shares in the Company.

12. Resolution regarding principles for remuneration to members of the executive management. In connection thereto, presentation of the work and function of the Compensation Committee.
13. Resolution regarding the number of members of the Board of Directors to be elected by the Meeting.
14. Resolution regarding remuneration to the members of the Board of Directors.
15. Election of members of the Board, the Chairman of the Board and the deputy Chairman of the Board.
16. Resolution regarding the number of auditors.
17. Resolution regarding remuneration to the auditor.
18. Election of auditor.
19. Resolution on proposal from the shareholder Thorwald Arvidsson that the Annual General Meeting shall resolve to delegate to the Board of Directors to take necessary action to create a shareholders' association in the Company.

The Proposals of the Nominating Committee

Item 1: Björn Kristiansson, attorney at law, is proposed as the Chairman of the Meeting.

Item 13: The Board of Directors is proposed to consist of seven members and no deputies.

Item 14: Remuneration to the members of the Board of Directors is proposed to be paid as follows for the period until the next Annual General Meeting. The Chairman shall receive SEK 1,750,000, the deputy Chairman shall receive SEK 830,000 and the other Board members shall each receive SEK 700,000. It is further proposed that the Board, as remuneration for committee work, be allotted SEK 250,000 to each of the Chairmen of the Compensation Committee and the Audit Committee and SEK 125,000 to each of the other members of these committees. The fees are unchanged compared to fees decided at the 2014 Annual General Meeting.

Item 15: The following members of the Board of Directors are proposed for re-election: Andrew Cripps, Conny Karlsson, Wenche Rolfsen, Meg Tivéus and Joakim Westh. Karen Guerra and Robert Sharpe have declined re-election. The Nominating Committee proposes the election of Charles A. Blixt and Jacqueline Hoogerbrugge as new members of the Board. Conny Karlsson is proposed to be re-elected as Chairman of the Board and Andrew Cripps is proposed to be re-elected as deputy Chairman of the Board.

Item 16: The number of auditors is proposed to be one and no deputy auditor.

Item 17: Remuneration to the auditor is proposed to be paid according to approved accounts.

Item 18: The auditor company KMPG AB is proposed to be re-elected as auditor for the period as of the end of the Annual General Meeting 2015 until the end of the Annual General Meeting 2016.

The Proposals of the Board of Directors

Item 8: The Board of Directors proposes a dividend in the amount of SEK 7.50 per share to be paid to the shareholders and that the remaining profits are carried forward. The proposed record day for the right to receive a cash dividend is April 27, 2015. Payment through Euroclear Sweden AB is expected to be made on April 30, 2015.

Item 10 a): The Board of Directors proposes to reduce the Company's share capital with SEK 7,770,880 by means of withdrawal of 4,000,000 shares in the Company. The shares in the Company proposed for withdrawal have been repurchased by the Company in accordance with authorization granted by the General

Meeting. The Board of Directors further proposes that the reduced amount be allocated to a fund to be used pursuant to a resolution adopted by the General Meeting.

Item 10 b): Provided that the Meeting has passed a resolution in accordance with the Board's proposal in item 10 a) above, the Board of Directors proposes an increase in the Company's share capital of SEK 7,770,880 through a transfer from non-restricted equity to the share capital (bonus issue). The share capital shall be increased without issuing any new shares. The reason for the bonus issue is that if the Company transfers an amount to the share capital corresponding to the amount by which the share capital is reduced in accordance with the Board's proposal in item 10 a) above, the resolution to reduce the share capital may be passed without obtaining permission from the Swedish Companies Registration Office (*Bolagsverket*), or, in disputed cases, the court.

The effect of the Board of Directors' proposal in item 10 a) is a reduction of the Company's share capital of SEK 7,770,880. The effect of the Board of Directors' proposal in item 10 b) is a corresponding increase of the Company's share capital through a bonus issue, thereby restoring it to its balance prior to the reduction.

The resolution of the Annual General Meeting in accordance with the Board's proposal in item 10 a) is only valid if supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Item 11: The Board of Directors proposes that it be authorized to resolve on acquisition of the Company's own shares, on one or several occasions prior to the next Annual General Meeting, provided that the Company's holding does not at any time exceed 10 per cent of all shares in the Company. The shares shall be acquired on Nasdaq Stockholm at a price within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price. The purpose of the repurchasing right is primarily to enable the Company to adapt its capital structure to its capital needs over time, and thereby contribute to an increased shareholder value.

The resolution of the Annual General Meeting with regard to the Board's proposal under item 11 requires the support of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Item 12: The Board of Directors proposes that the 2015 Annual General Meeting adopts principles for remuneration and other terms of employment for members of executive management according to the following. Remuneration and other terms of employment shall correspond to market practice. In addition to the fixed salary, the members of the executive management may be entitled to variable remuneration. The variable remuneration may include an annual short term program to be paid out in the beginning of the following year, depending on the outcome of the program, and a long term program with a performance period which shall not be shorter than three years. The variable remuneration, which shall be capped in relation to the fixed salary, shall primarily be based on specific, clear, predetermined and measurable financial or operational objectives. The variable remuneration may include an obligation to purchase and hold shares in the Company. The proposed principles are unchanged compared to the principles adopted by the 2014 Annual General Meeting. Full details on the proposed principles for remuneration and other terms of employment for the executive management and its application in 2015 are available on the Company's website www.swedishmatch.com.

Item 19: Proposals from shareholders.

The proposal under item 19 is set out in the Agenda.

Documents

The annual report, the auditor's report, the auditor's opinion according to item 6 and full details of the proposals and statements regarding items 8, 10 a), 10 b), 11, 12, and 15 will be made available at Swedish Match headquarters (Legal Department) at Sveavägen 44, in Stockholm, Sweden, no later than April 2, 2015. The documents will be sent to shareholders upon request, provided that such shareholder states its address. All the above documents will be available on the Company's website, www.swedishmatch.com and be presented at the Annual General Meeting.

Number of shares and votes in the Company

The total number of shares and votes in Swedish Match AB (publ) on the issue date of this notice amounts to 200,500,000 of which 4,679,979 shares are presently repurchased own shares of the Company which may not be represented at the Meeting.

Right to participate in the Meeting

In order to participate in the Meeting you need to be registered as a shareholder in the share register kept by Euroclear Sweden AB on April 17, 2015. In addition, you need to notify Swedish Match of your intention to participate in the Meeting no later than April 17, 2015, at which time the notification shall have been received by Swedish Match. Shareholders who wish to be accompanied by one or two assistants at the Meeting shall also inform Swedish Match thereof within the appointed period of time.

Notice of participation

Notice of participation may be submitted in writing to Swedish Match AB (publ), "Årsstämman", P.O Box 7842, SE-103 98 Stockholm, Sweden, by telephone at +46 (0)8 402 90 42 (09:00 – 16:00 CET), or via the Internet at www.swedishmatch.com/agm. Upon giving notice of participation, the shareholder shall state his or her name/company name, civic ID/corporate registration number, address, telephone number (daytime) and the name(s) of assistant(s), if any. Receipt of notification will be confirmed by Swedish Match, which will issue an attendance card prior to the Meeting to be presented at the entrance to the venue where the Meeting is held.

Proxy form

Proxy forms are available upon request and on the Company's website www.swedishmatch.com.

Proxy

Shareholders who are represented by proxy shall issue a power of attorney for the proxy. If the power of attorney is issued by a legal entity, a copy of the corporate registration certificate for such legal entity shall be enclosed (or if no such document is available, an equivalent authorization document). The proxy is valid for one year from the date of issuance or the longer period of validity stated in the proxy, however not longer than five years from the date of issuance. To facilitate entry at the Meeting, the power of attorney in original as well as the corporate registration certificate and other authorization documents, if any, should be provided to the Company at the address stated above no later than Tuesday April 21, 2015.

Voting right registration

Shareholders whose shares are nominee registered and who wish to participate in the Meeting must temporarily re-register such shares in their own name (i.e. voting right registration). Request for re-registration shall be submitted to the nominee in sufficient time to allow the re-registration to be effective at Euroclear Sweden AB no later than Friday, April 17, 2015.

Information at the Annual General Meeting

The Board of Directors and the President shall, if any shareholder so requests and the Board of Directors considers that it may be done without significant harm to the Company, provide information regarding circumstances that may affect the assessment of an item on the Agenda, and circumstances that may affect the assessment of the Company's or its subsidiaries' financial position and the Company's relation to other companies within the Group.

The entrance to the venue for the Meeting will open at 15:30 (CET). Coffee will be served before the Meeting.

Stockholm, March 2015

SWEDISH MATCH AB (publ)

The Board of Directors

Contact:

Emmett Harrison, Senior Vice President Investor Relations and Corporate Sustainability
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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 13,305 MSEK for the twelve month period ending 31 December 2014. The Swedish Match share is listed on NASDAQ OMX 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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