
Swedish Match®

Annual Report
2025



ANNUAL REPORT

2025-01-01--2025-12-31

for

**Swedish Match AB (publ)
556015-0756**

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ANNUAL REPORT FOR SWEDISH MATCH AB (PUBL)

The Board of Directors and the CEO of Swedish Match AB (publ) hereby present the Annual Report for the financial year 2025-01-01--2025-12-31.

REPORT OF THE BOARD OF DIRECTORS

Ownership

Since February 2023, Swedish Match AB is a wholly-owned subsidiary of Philip Morris Holland Holdings B.V. (org.nr. 20028955), an indirect wholly-owned subsidiary of Philip Morris International Inc. (org.nr. 13-3435103).

Nature and focus of the activities

Swedish Match AB's revenues are mainly derived from dividends and received group contributions from subsidiaries. Profit before tax amounted to SEK 1,687 million (1,919) and net profit for the year amounted to SEK 1,318 million (1,487).

Net group contributions of SEK 2,200 million (2,680) were received.

Some treasury activities are part of Swedish Match's operations and include part of the Swedish Match Group's external borrowing. The majority of these loans are secured at fixed interest rates. No new bond loans were raised during the year and amortization of bond loans amounted to SEK 3,744 million (3,411).

Significant events during the financial year

In July 2025, a dividend in kind was paid in the form of all shares in Swedish Match Cigars Holding Inc. and Swedish Match USA Inc. to the parent company Philip Morris Holland Holdings B.V. (org.nr. 20028955).

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Development of operations, position and results

Financial overview

(MSEK)	2025	2024	2023	2022	2021
Net sales	0	0	18	34	32
Operating profit	-193	-346	-319	-984	-229
Profit or loss for financial items	-513	-731	-1 650	1 675	2 549
Balance sheet total	19 704	23 497	32 246	35 362	35 010
Equity (¹)	28,8%	29,4%	33,7%	30,0%	29,5%
Return on equity (²)	21,0%	16,7%	2,4%	37,9%	42,0%
Return on total capital (³)	-2,4%	-2,6%	-4,9%	4,8%	7,3%
Average number of employees	32	42	46	53	54

(¹) Adjusted equity / Balance sheet total. Adjusted equity refers to equity + untaxed reserves less deferred tax liability.

(²) Profit for the year / Average adjusted equity

(³) (Profit after financial income and expenses + interest expense) / Average balance sheet total

Risks and uncertainties

Swedish Match is exposed to a number of risks that could have a negative impact on the business. Significant risks that must be managed arise in areas such as regulation, currency and interest rates, as well as information security risks.

Suppliers

Losing an important supplier can hurt Swedish Match. Potential consequences include delivery or quality issues, or problems with relationships with other players, including sales to consumers.

Laws, rules and regulations

As a tobacco company, Swedish Match is subject to special laws and regulations regarding, among other things, tobacco tax, marketing, ingredients and reporting requirements to authorities.

Currency and interest rate risks

The dynamic financial market conditions are constantly changing with changing exchange rates, interest rates and access to capital. A weakening of certain important currencies, such as USD against SEK, may lead to a lower financial result reported in SEK as a result of translation of income from foreign operations. Higher interest rates can have a negative impact on net financial items.

Information security risks

IT systems help manage and streamline business processes, but it can also lead to higher risk for the organization. Important business processes such as production management, invoicing, customer support and financial reporting are dependent on IT systems. Increasingly sophisticated and frequent cybercrimes can lead to significant disruptions or application failures in our infrastructure, causing damage to the company's reputation, significant business disruption, or negative effects on business-critical data.

Information assets are of fundamental importance to the company's operations. Proper management of these assets is important for employee trust, customers, and partners. Swedish Match needs to ensure the confidentiality, integrity and availability of the information that is deemed most important.

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Sustainability Information**Introduction**

At the end of 2022, Swedish Match AB (Swedish Match), company registration number 556015-0756, was acquired by Philip Morris Holland Holdings B.V., an affiliate of Philip Morris International Inc. (PMI) (677 Washington Blvd., Ste. 1100 Stamford, CT 06901, USA). The process of integrating Swedish Match AB and its subsidiaries into PMI's global sustainability structure, strategy and policies began in 2023 as a result of the new ownership and continued in 2024 and 2025.

As the integration progresses, PMI's Value Report for 2025, published on March 31, 2026, and available on www.pmi.com/sustainability, is considered to provide information relevant to Swedish Match for the fiscal year 2025. This includes the obligations arising from the Annual Accounts Act to provide the sustainability information necessary to understand the company's development, position and results as well as the consequences of the business, including information on issues relating to the environment, social conditions, personnel, respect for human rights and anti-corruption.

The clarifications and additions outlined below complement PMI's 2025 Value Report and should be read alongside it. In this report and in related communications, the terms "materiality," "materiality," and similar terms are defined in the referenced sustainability standards and certain regulatory requirements and are not intended to correspond to the concept of materiality under U.S. securities law and/or disclosures required by the U.S. Securities and Exchange Commission.

Materiality analysis

PMI's view on sustainability and its 2025 Roadmap was guided by the results of the 2021 Materiality Sustainability Assessment, which was confirmed by a 2023 update that took into account the acquisition of Swedish Match. In 2024, PMI completed a comprehensive global sustainability assessment of materiality, in line with the principles of double materiality under the EU's Corporate Sustainability Reporting Directive (CSRD), which assessed both the impact of the business on society and the environment as well as the related financial risks and opportunities for the business. The results of this assessment were reviewed and validated in 2025 and published in PMI's Sustainability Materiality Report 2025, which forms the basis of PMI's post-2025 sustainability strategy and informs its Value Plan 2030+.

Environment

While Swedish Match's greenhouse gas (GHG) reporting was successfully integrated into PMI's value chain carbon footprint reporting in 2023, Swedish Match's activities in 2024 also began to be integrated into PMI's new Climate Transition Plan published in November 2025, and PMI is expanding its various mitigation and adaptation strategies. PMI and Swedish Match have been working on setting joint greenhouse gas emission reduction targets, which were revalidated by the Science Based Targets initiative (SBTi) in 2025. The science-based targets remain the same as those reported at the PMI level, but now also include Swedish Match data.

PMI's climate strategy, which includes Swedish Match, aims to accelerate the reduction of carbon emissions towards net zero across the value chain to strengthen resilience by prioritizing climate change mitigation and adaptation strategies that address evolving risks and seize opportunities. To achieve its climate ambitions, PMI relies on robust greenhouse gas emissions disclosure, regular analysis of risks and opportunities related to climate change, ambitious emission reduction targets, implementation of adaptation measures, clear governance structures, and key enablers such as internal carbon pricing. PMI prioritizes reducing absolute carbon emissions by optimizing efficiency and reducing consumption while minimizing the use of fossil fuels and promoting the transition to renewable energy.

PMI, including Swedish Match, measures and reports greenhouse gas emissions from its own facilities (Scope 1 direct emissions), emissions from energy used in its own operations (Scope 2 indirect emissions) and emissions in the value chain upstream and downstream in accordance with the Corporate Value Chain Standard (Scope 3 indirect emissions) of the Greenhouse Gas Protocol.

Compliance

Since the acquisition, the integration work between Swedish Match and PMI's Legal & Compliance function has focused on ensuring that PMI's standards and requirements are also applied within Swedish Match, including through the launch of PMI's Code of Conduct within Swedish Match's operations and an e-learning course for office-based employees as well as a location-based training on the Code of Conduct for Swedish Match's factory-based employees. In 2025, the global share of eligible employees who completed the annual certification of PMI's Code of Conduct was 96.9 percent and the total number of completed employee and third-party compliance training sessions was 412,775. While PMI's Code of Conduct sets clear standards and expectations and is closely aligned with the Group's business transformation strategy and industry best practices, PMI's internal policies provide more specific guidance on topics such as: anti-bribery and corruption, anti-competitive practices, conflicts of interest, information security and data protection, responsible marketing and sales, scientific integrity, supplier responsibility, and workplace integrity, among other areas.

Employees and social factors

Swedish Match is now fully covered by PMI's policies and standards. In particular, Swedish Match will continue to provide safe ergonomic workplaces. Specific activities, such as safety training and wellness activities, are implemented and carried out at the operational level to support the physical and mental well-being of our employees. In addition, periodic inspections are carried out by an independent party at our major production sites. These inspections include an assessment of the level to which our facilities meet the company's occupational safety standards and at the same time determine whether measures are required to reduce any risks. We work to maintain a workplace free from discrimination in all hiring practices, policies, benefits, and processes, and we place a strong focus on ensuring that all of our managers and employees understand that we have zero tolerance for discrimination. Neither current nor potential employees should feel that they are or may be subject to discrimination at Swedish Match.

As of December 31, 2025, Swedish Match AB had 30 employees, of which 40 percent were women.

Respect for human rights

Promoting, protecting, and continuously working to integrate human rights into strategies, policies, and business practices is not only the right thing to do; it also helps anticipate current and upcoming regulatory requirements and minimizes financial exposure and the risk of supply chain disruptions. It creates the fundamental environment and conditions in which our business can thrive and create value by recognizing, respecting and protecting our stakeholders, including our employees and workers throughout our value chain.

Protecting and promoting the rights of our stakeholders is paramount and PMI, including Swedish Match, is committed to applying business practices that respect internationally recognized human rights and uphold the principles set forth in the United Nations Guiding Principles on Business and Human Rights, as expressed in PMI's Commitment to Human Rights available on www.pmi.com.

Given the complexity, scope and diversification of our respective supply chains, Swedish Match is expected to be integrated into PMI's reporting of sustainability data around the supply chain, where essential, by 2026.

The policies and practices in place within Swedish Match prior to the acquisition continued to apply to Swedish Match's supply chain through 2025, including compliance with the company's Supplier Code of Conduct and participation in the Sustainable Tobacco Program (STP).

STP is an industry-wide initiative that aims to ensure standards in agricultural practices, environmental management, and key social and human rights issues. The integration process has created opportunities to accelerate alignment with PMI's sustainability ambitions, in particular through joint suppliers and by leveraging the expertise of PMI's central operations and procurement teams to accelerate supplier onboarding. As the integration progresses, PMI's due diligence framework will be expanded to include Swedish Match's supply chain. Given the complexity, scope and diversified nature of the respective supply chains, the expectation is that Swedish Match will gradually be integrated into PMI's reporting of sustainability data related to the supply chain, where essential, by 2026.

Until the integration is completed, Swedish Match will continue to maintain its current policies and targets in the areas where full integration into PMI's global sustainability structure has not yet been completed. In particular, Swedish Match respects human rights and supports international human rights conventions and guidelines.

Swedish Match plays an important role in ensuring that the human rights of people affected by our operations are upheld and respected, both in our own operations and in areas from which we source materials. The elimination of child labour is central to our efforts. Swedish Match does not accept child labor anywhere in the supply chain. We respect children's rights, including the right to education, the right to rest and play, and the right to have their basic needs met, in accordance with the UN Convention on the Rights of the Child.

1. Minimum age for employment and work

Swedish Match complies with the UN Convention on the Rights of the Child and ILO Convention No. 138 on the Minimum Age for Admission to Employment and Employment. The minimum age for work should not be lower than the age to complete compulsory schooling, which is generally 15 years, or 14 years in accordance with the exceptions for developing countries. Where the relevant national legislation specifies a higher age, that age shall apply.

2. Swedish Match's Supplier Code of Conduct

Swedish Match's Supplier Code of Conduct specifies what is expected and required of suppliers in terms of terms of employment and working conditions, ethical business principles and environmental management. The set requirements are based on and comply with international conventions and guidelines. Our Supplier Code of Conduct forms the basis of our relationship with suppliers and is an integral part of most of our significant business agreements.

3. Direct materials other than raw tobacco

For direct materials in addition to raw tobacco, Swedish Match continues to rely on its own due diligence programs to ensure compliance with our Supplier Code of Conduct. Due diligence mainly covers first-tier suppliers. First-tier suppliers are continuously monitored for risks in terms of business ethics, terms of employment and working conditions, including child labour. In addition, Swedish Match encourages its suppliers to develop their own supplier standards and review processes.

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Fact box:

At the end of December 2024, the media informed Swedish Match of allegations of suspected violations of labor law against one of its suppliers. While it was confirmed that the facility shown in the broadcast did not deliver to Swedish Match, targeted efforts were made in the nicotine supply chain in India to identify prominent risks and human rights impacts and evaluate existing mitigation measures and opportunities for improvement (see page 86 of PMI's Value Report).

Affected suppliers have developed specific and targeted action plans that will be followed up regularly to ensure that they are completed on time. An important focus area going forward will be to align these suppliers with the requirements of PMI's new standard for Sustainability Due Diligence for both manufacturing and agriculture-related supply chains (see page 86 of PMI's Value Report).

For the agriculture segment, best practices and learnings from PMI's established tobacco growing business are transferred, while introducing PMI's Agricultural Labor Practices (ALP) program, including key ALP principles such as the presence of child labor, safe working environment, and minimum wage payment. The intention is to successfully integrate this into PMI's reporting from 2026 onwards.

For the manufacturing segment, the priority will be to integrate relevant facilities so that they are subject to the application of the above-mentioned new standard for Sustainability Due Diligence. This approach will enable the identification of risks unique to the nicotine supply chain, the development and implementation of targeted measures, and strengthen supply chain performance through category-specific continuous monitoring and improvement.

Appropriation of earnings

Proposal for appropriation of profit (SEK)

At the disposal of the Annual General Meeting are the following earnings

Retained earnings	1 538 030 733
Fair value fund	-38 517 556
Profit for the year	1 318 047 419
	<u>2 817 560 596</u>

The Board of Directors proposes that:

To be carried forward,	<u>2 817 560 596</u>
	<u>2 817 560 596</u>

Regarding the company's profit and position in general, reference is made to the subsequent income statement and balance sheet, report on changes in equity, cash flow statement and notes. All amounts are expressed in SEK million unless otherwise stated.

INCOME STATEMENT

Amount in MSEK

	Note	2025-01-01 2025-12-31	2024-01-01 2024-12-31
Administrative expenses		-203	-345
Other operating income	2	24	1
Other operating expenses	4	<u>-13</u>	<u>-3</u>
Operating profit	3,5,6	-193	-346
Profit from financial investments			
Profit from participations in Group companies	7	-55	2
Other interest income and similar income	8	4	0
Interest costs and similar costs	9	<u>-269</u>	<u>-387</u>
Profit after financial items		-513	-731
Financial statement appropriations	10	2 200	2 650
Profit before tax		1 687	1 919
Tax on profit for the year	11	-369	-432
PROFIT FOR THE YEAR		1 318	1 487

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BALANCE SHEET

Amount in MSEK

	Note	2025-12-31	2024-12-31
ASSETS			
Fixed assets			
Tangible assets			
Property, plant and equipment		0	0
		<u>0</u>	<u>0</u>
Financial fixed assets			
Shares in Group companies	12, 13	17 005	19 661
Deferred tax asset	14	88	74
Other long-term receivables	15, 16	329	568
		<u>17 422</u>	<u>20 303</u>
Total fixed assets		17 422	20 303
Current assets			
Current receivables			
Receivables from Group companies		2 242	2 682
Other receivables		27	477
Deferred expenses and accrued income	17	13	25
		<u>2 283</u>	<u>3 184</u>
Cash and bank		0	10
Total current assets		2 282	3 194
TOTAL ASSETS		19 704	23 497

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BALANCE SHEET	Note	2025-12-31	2024-12-31
Amount in MSEK			
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	18	390	390
		390	390
Unrestricted equity			
Fair value fund	19	-39	-82
Retained earnings		1 538	2 639
Profit for the year		1 318	1 487
		2 817	4 043
Total equity		3 207	4 433
Untaxed reserves	20	3 110	3 110
Provisions			
Provisions for pensions and similar obligations	21	219	182
Other provisions	21	5	44
		224	226
Long-term liabilities			
Bond loans	22	4 001	6 492
		4 001	6 492
Current liabilities			
Bond loans	16	2 200	3 453
Trade payables	16	12	6
Liabilities to Group companies	16	6 800	5 531
Current tax liabilities		-15	25
Other current liabilities		5	2
Accrued expenses and deferred income	23	160	219
		9 162	9 236
TOTAL EQUITY AND LIABILITIES		19 704	23 497

REPORT ON CHANGES IN EQUITY

Amount in MSEK

	<i>Restricted equity</i>		<i>Unrestricted equity</i>		Total Equity
	Share capital	Fair value fund	Balanced Result	Profit for the year	
Opening balance as of 1 January 2024	390	-105	10 325	258	10 868
Appropriation of the previous year's profit			258	-258	–
Profit for the year		23		1 487	1 510
Dividend in kind			-7 944		-7 944
Closing balance as of December 31, 2024	390	-82	2 639	1 487	4 433

	<i>Restricted equity</i>		<i>Unrestricted equity</i>		Total Equity
	Share capital	Fair value fund	Balanced Profit	Profit for the year	
Opening balance as of 1 January 2025	390	-82	2 639	1 487	4 433
Appropriation of the previous year's profit			1 487	-1 487	–
Profit for the year		44		1 318	1 362
Dividends			-2 588		-2 588
Closing balance as of December 31, 2025	390	-38	1 538	1 318	3 207

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CASH FLOW STATEMENT

Amount in MSEK

	Note	2025-01-01 2025-12-31	2024-01-01 2024-12-31
Ongoing operations			
Operating profit		-193	-346
Adjustments for items that are not included in the cash flow:		-484	514
Accrual derivatives		-	-7
Change in accrued interest		-484	517
Profit from the sale of subsidiaries		-	4
Dividends received		-	900
Interest paid		-265	-387
Income tax paid		-426	-312
Cash flow from operating activities before changes in working capital		-1 367	369
Cash flow from changes in working capital			
Decrease(+)/increase(-) in receivables from Group companies		440	-2
Decrease(+)/increase(-) of other current receivables		462	142
Decrease(-)/increase(+) accounts payable		0	-28
Decrease(-)/increase(+) in other current liabilities		-161	49
Cash flow from operating activities		-627	530
Investment activities			
Sale of subsidiaries	13	14	-
Cash flow from investing activities		14	0
Financing activities			
Amortization of loans		-2 985	-3 411
Realized exchange rate differential loans		-337	14
Group contributions received		2 650	2 226
Changes in financial receivables/liabilities of Group companies		1 275	650
Other		-	-4
Cash flow from financing operations		603	-525
Cash flow for the year		-10	5
Cash and cash equivalents at the beginning of the year		10	5
Cash and cash equivalents at year-end	25	0	10

NOTES

Amount in MSEK unless otherwise stated

Note 1 Accounting policies

The Annual Report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).

Revenue

Income is recognized when the economic benefits associated with the transaction are likely to accrue to the entity and when the income can be reliably calculated.

Swedish Match's revenues consist of net sales, which relate to services to Group companies, and financial income, which mainly relates to dividends and group contributions received from subsidiaries.

Interest income is reported distributed over the maturity using the effective interest method. The effective interest rate is the interest rate that means that the present value of all future payments during the fixed interest period will be equal to the carrying amount of the receivable.

Dividends are recognised when the right to receive dividends is deemed certain and can be reliably calculated.

Leases

All leases are reported in accordance with the rules for operating leases.

Operating leases

Lease payments under operating leases, including increased first-time rent but excluding expenses for services such as insurance and maintenance, are reported as costs on a straight-line basis over the lease period.

Foreign Currency

The company's accounting currency is Swedish Krona (SEK).

Translation of items in foreign currency

Monetary items in foreign currency are converted at the exchange rate of the balance sheet date. Non-monetary items are not restated but are reported at the exchange rate at the time of acquisition.

Exchange differences arising from the adjustment or translation of monetary items are recognised in the income statement in the financial year in which they arise.

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Employee benefits

Compensation to employees in the form of salaries, bonuses, paid holidays, paid sick leave, etc., as well as pensions are reported in line with accrual. As regards pensions and other benefits after termination of employment, these are classified as defined contribution or defined benefit pension plans.

In the case of defined contribution plans, fixed contributions are paid to another company, normally an insurance company, and the company no longer has any obligation to the employee once the contribution has been paid. The amount of the employee's compensation after the end of the employment relationship depends on the fees paid and the return on capital that the fees provide.

In the case of defined benefit plans, the company has an obligation to provide the agreed remuneration to current and former employees. In all material respects, the company bears the risk that the remuneration will be higher than expected (actuarial risk) and the risk that the return on the assets deviates from expectations (investment risk). Investment risk exists even if the assets have been transferred to another company.

Defined contribution plans

The fees for defined contribution plans are reported as costs. Unpaid fees are reported as debts.

Defined benefit plans

The company has chosen to apply the simplification rules contained in BFNAR 2012:1.

Plans for which pension premiums are paid are reported as defined-contribution plans, which means that the contributions are expensed in the income statement (BFNAR 2012:1 Chapter 28.18).

In cases where the pension obligations are solely dependent on the value of an owned asset, the pension obligation is reported as a provision corresponding to the carrying amount of the asset (BFNAR 2012:1 Chapter 28.21).

Group contributions and shareholder contributions

Group contributions received/made are reported as a year-end appropriation in the income statement. The group contribution received/made has affected the company's current tax.

Shareholder contributions made without issued shares or other equity instruments being received in exchange are recognised in the balance sheet as an increase in the carrying amount of the share.

Shareholder contributions received without issued shares or other equity instruments being exchanged are recognised directly in equity.

Income taxes

Tax on profit for the year in the income statement consists of current tax and deferred tax. The tax in question is income tax for the current financial year, which refers to the year's taxable profit and the part of the previous financial year's income tax that has not yet been reported. Deferred tax is income tax on taxable profit for future financial years resulting from past transactions or events.

Current tax

Current tax is calculated on the taxable profit for the period. Taxable profit differs from the reported profit in the income statement as it has been adjusted for non-taxable income and non-deductible expenses as well as for income and expenses that are taxable or deductible in other periods. The current tax liability is calculated according to the tax rates that apply as of the balance sheet date.

Deferred tax

Deferred tax liability is recognized for all taxable temporary differences, however, deferred tax attributable to untaxed reserves is not reported separately because untaxed reserves are recognized as a separate item in the balance sheet. Deferred tax assets are reported for deductible temporary differences and for the possibility of using tax loss carry-forwards in the future. The valuation is based on how the carrying amount of the corresponding asset or liability is expected to be recovered or regulated. The amounts are based on the tax rates and tax rules decided on the balance sheet date and have not been calculated at present value.

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Tangible assets

Property, plant and equipment are recognised at cost less accumulated depreciation and impairment. In addition to the purchase price, the acquisition cost also includes expenses directly related to the acquisition.

Additional expenses that meet the asset criterion are included in the asset's carrying amount. Expenses for ongoing maintenance and repairs are reported as costs when they arise.

Depreciation occurs on a straight-line basis over the asset's estimated useful life, as it reflects the expected consumption of the asset's future economic benefits. Depreciation is recognized as an expense in the income statement.

	<i>Useful life</i>
Inventory, tools and installations	5 years

Write-downs of property, plant and equipment and participations in Group companies

At each balance sheet date, it is assessed whether there is any indication that an asset's value is lower than its carrying amount. If such an indication is present, the recoverable value of the asset is calculated.

The recoverable value is the highest of fair value less sales costs and value in use. When calculating the value in use, the present value is calculated of the future cash flows that the asset is expected to give rise to in the operating activities and when it is divested or scrapped. The discount rate used is pre-tax and reflects market-based assessments of the time value of money and the risks associated with the asset. A previous write-down is reversed only if the reasons on the basis for which the recovery value was calculated at the time of the last write-down have changed.

Shares in Group companies

Participations in subsidiaries are recognised at cost less accumulated impairment charges. In addition to the purchase price, the acquisition cost also includes expenses directly related to the acquisition.

Provisions

A provision is recognised in the balance sheet when the company has a legal or informal obligation as a result of an event that has occurred and it is likely that an outflow of resources is required to settle the obligation and a reliable estimate of the amount can be made.

At the first time of recognition, provisions are valued at the best estimate of the amount that will be required to settle the obligation on the balance sheet date. The provisions are reassessed every balance sheet date.

Restructuring reserve

A provision for business restructuring is recognised when the company has to complete the restructuring as a result of a legal or informal obligation, which means that the company has a defined and detailed restructuring plan and those affected have a well-founded belief that the restructuring will be carried out.

Contingent liabilities

A contingent liability is:

- A potential liability which, as a result of events that have occurred and the existence of which will only be confirmed by one or more uncertain future events, which are not entirely within the control of the company, occurs or does not materialise, or
- An existing liability resulting from events that have occurred, but which is not recognised as a liability or provision because it is not likely that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be calculated with sufficient reliability.

Contingent liabilities is a summary term for such guarantees, financial commitments and any liabilities that are not included in the balance sheet.

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Financial instruments

The Company has chosen to value financial instruments at fair value and apply accounting in accordance with the rules in Chapter 12 of Chapter C3.

A financial asset or financial liability is recognised on the balance sheet when the company becomes a party to the contractual terms and conditions of the financial instrument. A financial asset, or part of a financial asset, is booked off the balance sheet when the contractual right to the cash flow from the asset expires, is settled, or when the company loses control of it. A financial liability, or part of a financial liability, is booked off the balance sheet when the agreed obligation is fulfilled or otherwise terminated.

Financial assets and financial liabilities that are not measured at fair value in the income statement at the time of the subsequent accounting are recognised at fair value in the initial accounting with the addition and deduction of transaction costs.

Financial assets and financial liabilities that are measured at fair value in the subsequent accounting through the income statement are recognized at fair value in the initial recognition. Any transaction costs are recognized directly in the income statement.

In the subsequent financial statements, financial instruments are valued at amortised cost or at fair value, depending on the initial categorisation.

For the purposes of initial accounting, a financial instrument is classified into one of the following categories:

- a) Financial assets and liabilities held for trading
- b) Loan receivables and trade receivables
- c) Investments held to maturity
- d) Financial assets that can be sold
- e) Other financial liabilities
- f) Derivatives in hedge accounting

Fair value of financial instruments

The fair value of financial assets and liabilities is determined as follows:

- The fair value of financial assets and liabilities traded on an active market is determined by reference to the quoted market price.
- The fair value of other financial assets and liabilities is determined according to generally accepted valuation models such as discounting future cash flows and using information derived from current market transactions.
- For all financial assets and liabilities, the carrying amount is considered to be a good approximation of its fair value, unless otherwise specifically stated in the subsequent notes.

Amortized cost

Amortised cost means the amount to which the asset or liability was recognised less amortisation, additions or deductions for accumulated accruals according to the effective interest method of the initial difference between the amount received/paid and the amount to be paid/received at maturity and less impairment losses.

The effective interest rate is the interest rate that, when discounting all future expected cash flows over the expected maturity, results in the initially carrying amount of the financial asset or financial liability.

Cash and cash equivalents

Cash and cash equivalents include cash and cash equivalents, bank deposits, and short-term liquid investments that can be easily converted into a known amount and are exposed to a negligible risk of changes in value. In order to be classified as cash and cash equivalents, the maturity must not exceed three months from the date of acquisition. Cash and bank balances are categorised as "Loan receivables and trade receivables", which means valuation at amortised cost. Due to the fact that bank funds are payable on demand, the amortised acquisition value corresponds to the nominal amount.

Accounts receivable

Trade receivables are categorised as "Loan receivables and trade receivables", which means valuation at amortised cost. However, the expected maturity of trade receivables is short, which is why recognition is made at a nominal amount without discounting. Deductions are made for receivables that have been assessed as uncertain. Write-downs of trade receivables are recognised in operating expenses.

Trade payables

Trade payables are categorized as "Other financial liabilities", which means valuation at amortized cost. However, the expected maturity of the trade payables is short, which is why the debt is reported at a nominal amount without discounting.

Liabilities to credit institutions and other loan liabilities

Interest-bearing bank loans, overdraft facilities and other loans are categorised as "Other financial liabilities" and are valued at amortised cost according to the effective interest rate method. Any differences between the amount of the loan received (net of transaction costs) and the repayment or amortization of loans are recognized over the life of the loans.

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Derivative instruments in hedge accounting

The derivative instruments used are currency interest rate swaps, where derivative instruments are used to manage the currency risk when financing in foreign currency to SEK. For these transactions, hedge accounting is applied according to cash flow hedging. The derivative is recognised at fair value in the balance sheet. Unrealised changes in value, which are determined by market prices, and which correspond to an unrecognised change in the fair value of the hedged item, are recognised to the extent that they are highly effective in equity in the fair value fund.

Hedge accounting ceases when the hedging instrument matures, is sold, liquidated, or redeemed, and when the conditions are no longer met. The changes in value recognised in the fair value reserve will remain until the forecasted transaction affects the income statement or is no longer expected to occur. After that, the changes in value are transferred to the income statement.

For further information on hedge accounting, see *Note 17, Derivatives and Financial Instruments*.

Impairment testing for financial assets

At each balance sheet date, the company evaluates whether there are objective indications that a financial asset or group of financial assets, in addition to those assets that are measured at fair value through profit or loss, needs to be written down. Examples of such indications are significant financial difficulties on the part of the borrower, breach of contract or that it is likely that the borrower will go bankrupt.

An impairment of a financial asset measured at amortised cost is calculated as the difference between the asset's carrying amount and the present value of management's best estimate of future cash flows discounted by the asset's original effective interest rate.

Estimates and assessments

In order to prepare financial reports in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines, estimates, assessments and assumptions must be made that affect the reported amounts and consequently the actual outcome may deviate from the estimates made.

Shares in Group companies

The impairment requirement for participations in Group companies is tested when there are signs of impairment.

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Note 2 Other operating income

Other operating income mainly refers to fees for servicing subsidiaries.

Note 3 Employees and personnel costs

Average number of employees	2025	2024
Women	11	20
Men	21	22
Total	32	42

Salaries and other allowances and social security costs, including pension costs	2025	2024
Salaries and benefits	108	189
Social costs	37	72
Summa	145	261
Of which pension costs	2025	2024
For the Board of Directors and the CEO	-3	-3
For other employees	-31	-17
Total	-34	-20

Remuneration of the company management

The company management consists of the Chairman of the Board and other Board members. The Board of Directors in turn appoints the CEO. No Board fees are paid to Board members employed by the PMI Group. Board fees are paid for external Board members. The CEO's remuneration includes variable salary for short-term and long-term incentive programs.

Total remuneration to the 6 (5) senior executives, including the members of the Board of Directors, amounts to SEK 21 million (25) in 2025.

Other terms of employment

Between the company and the CEO, there is a mutual notice period of a maximum of 6 months. Severance pay is paid in an amount corresponding to a maximum of 18 months' fixed salary if the company terminates the employment contract.

Gender distribution among senior executives

Proportion of women on the board	17%	0%
Proportion of men on the board	83%	100%

Note 4 Other operating expenses

	2025	2024
Exchange losses	-13	-3
Other	0	0
Total	-13	-3

Note 5 Auditors' fees

Audit engagement refers to the auditor's remuneration for the statutory audit. The work includes the review of the annual report and accounting, the administration of the Board of Directors and the CEO, as well as fees for audit advice provided in connection with the audit assignment.

Öhrlings PricewaterhouseCoopers AB	2025	2024
Audit assignments	3	3
Total	3	3

Note 6 Leases

Operating leases - lessee

The company is a lessee through operational lease agreements for the rental of office space and storage rooms. The total of the year's expensed lease payments for operating leases amounts to SEK 24 (33) million. Future minimum lease payments for non-terminable operating leases are due as follows:

Due date:	2025	2024
Within a year	28	23
Later than one year but within five years	28	37
Total	56	60

Some parts of the leased premises are sublet to one of Swedish Match AB (publ)'s subsidiaries. Rental income in 2025 for the parts sublet to the subsidiary amounted to SEK 22 million (28).

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Note 7 Profit from participations in Group companies

	2025	2024
Profit from the sale of shares	–	4
Dividends	–	8 844
Impairment charges	-55	-8 846
Total	-55	2

Note 8 Other interest income and similar income

	2025	2024
Interest income	0	3
Exchange Differences	4	-3
Total	4	0

Note 9 Interest expenses and similar expenses

	2025	2024
Interest expenses	-170	-216
Interest expenses, Group companies	-95	-167
Other	-5	-4
Total	-269	-387

Note 10 Appropriations for financial statements

	2025	2024
Group contribution received	2 200	2 680
Change in accrual fund	0	-30
Total	2 200	2 650

Note 11 Tax on profit for the year

	2025	2024
Current tax	-383	-432
Deferred tax	14	0
Tax on profit for the year	-369	-432

Reconciliation of tax expense for the year

	2025	2024
Reported profit before tax	1 687	1 919
Tax calculated at tax rate 20.6%	-347	-394
Tax effect of non-deductible expenses	-14	-1 826
Tax effect of non-taxable income	0	1 823
Effect of the change in tax rate	4	-9
Flat rate on accrual fund	-13	-17
Total	-369	-423
Adjustments reported in the current year in respect of previous year's current tax	0	-9
Reported tax expense for the year	-369	-432

Deferred tax recognized directly against equity amounts to SEK -11 million (-6) and refers to the effective share of changes in the fair value of cash flow hedges.

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Note 12 Shares in Group companies

	2025-12-31	2024-12-31
Opening acquisition values	32 940	52 916
Divestment to Group companies	-2 601	-
Liquidation of companies ¹⁾	0	-19 976
Closing accumulated cost	30 339	32 940
Opening impairment charges	-13 279	-24 409
Impairment losses for the year	-55	-8 846
Liquidation of companies ¹⁾	-	19 976
Closing accumulated impairment charges	-13 334	-13 279
Closing carrying amount	17 005	19 661

¹⁾ In November 2024, three dormant companies were liquidated.

Note 13 The company's holding of shares in group companies

Company Name	Voting rights and equity	Number of shares	Carrying amount	
			2025-12-31	2024-12-31
Swedish Match North Europe AB	100%	1 000	16 689	16 689
Svenska matchsticksbolaget sales company	100%	34 403 000	105	105
Swedish Match Holding AB	0%	-	-	14
Swedish Match Industries AB	100%	30 853	40	95
Swedish Match US ¹⁾	0%	-	-	-
Swedish Match Cigars Holding Inc	0%	-	-	1 739
Swedish Match USA, Inc	0%	-	-	849
Swedish Match Dominicana S.A.S.	99.99%	9 249 907	171	171
SA Allumettiére Causemille ²⁾	100%	10 000	-	-
The Burma Match Co Ltd ³⁾	100%	300 000	-	-
Vulcan Trading Co Ltd ⁴⁾	100%	4 000	-	-
Total			17 005	19 661

Company name	Org.nr	Seat
Swedish Match North Europe AB	556571-6924	Stockholm, Sweden
Svenska matchsticksbolaget sales company	556012-2730	Stockholm, Sweden
Swedish Match Holding AB	556367-1253	Stockholm, Sweden
Swedish Match Industries AB	556005-0253	Tidaholm, Sweden
Swedish Match US ¹⁾	556013-4412	Stockholm, Sweden
Swedish Match Cigars Holding Inc	81-0733029	USA
Swedish Match USA, Inc	62-1257378	USA
Swedish Match Dominicana S.A.S. SA	55338STI	Dominican Republic Algeria
Allumettiére Causemille ²⁾		Myanmar
The Burma Match Co Ltd ³⁾		Myanmar
Vulcan Trading Co Ltd ⁴⁾		

¹⁾ Merged in 2025. ²⁾ Nationalized in 1963. ³⁾ Nationalized in 1968. ⁴⁾ Nationalized in 1969.

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Note 14 Deferred tax assets and deferred tax liabilities

	2025-12-31	2024-12-31
Deferred tax asset		
Hedging reserve	17	21
Provisions	71	52
Total deferred tax assets	88	74

Deferred tax assets are valued at no more than the amount that is likely to be recovered based on current and future taxable results. Deferred tax assets relate to deferred tax on hedging reserves of SEK 17 M (21) and provisions of SEK 71 M (52).

The tax rate for calculating deferred tax is 20.6% (20.6).

Note 15 Other long-term receivables

	2025-12-31	2024-12-31
Opening cost	585	697
Additional receivables	32	9
Settled receivables	-2	-3
Reclassifications of derivatives	-269	-119
Closing accumulated cost	346	585
Opening impairment charges	-17	-16
Impairment losses for the year	0	-1
Closing accumulated impairment charges	-17	-17
Closing carrying amount	329	568

Note 16 Derivatives and financial instruments

The Company holds derivative instruments to eliminate fluctuations in currencies in future cash flows to which it is exposed through its EUR and USD debt financing, issued under the Global EMTN program. As of 31 Dec 2025, the outstanding nominal amount of the loans was SEK 6,201 million. The loans are fixed-rate, as the goal is to have a steady and predictable interest cost, but cash flows are affected by changes in market interest rates and exchange rates. Average interest rates on outstanding bonds (including derivatives) on 31 December 2025 were 2.0 (2.0). The average fixed interest rate on the company's loans was 1.0 years (1.6 years) taking into account currency interest rate swaps. The interest maturity structure was as follows:

Year	Amount	Average interest rate
2026	2 200	2,0
2027	3 245	1,8
2028	457	4,4
2029	300	2,2
2030		
Total	6 201	2,0

Derivatives used to convert debt payments in EUR and USD to Swedish kronor are currency interest rate swaps and hedge accounting in accordance with the cash flow hedging technique is applied. The nominal amount of the derivatives affecting the company's The income statement and balance sheet amounted to SEK 3,508 million. There are no terms and conditions in these transactions that could cause material differences in the hedging relationship between these derivatives and the underlying liabilities and affect cash flow. No other exposure is hedged.

Changes in fair value from revaluation of derivatives included in cash flow hedging that are considered effective are recognised in the fair value fund, and any inefficient elements are recognised directly in the income statement. Changes in value reported under the fair value reserve item remain until the forecasted transaction affects the income statement, at which point they are transferred to the income statement. About the If the transaction is no longer expected to occur, and hedge accounting is therefore discontinued, any gains and losses are recognised in the income statement.

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Currency interest rate swaps in cash flow hedges reported in the Fair Value Fund

	<u>2025-12-31</u>	<u>2024-12-31</u>
Opening fair value	-103	-132
Change in fair value for the year	-727	-91
Redoubling and the result	<u>782</u>	<u>120</u>
Closing fair value	-48	-103

Maturity profile of interest payments on derivatives subject to cash flow hedging

	2026	2027	2028
Fixed interest payments in SEK	-72	-72	-15

Transactions in derivatives may only be made in counterparties with a high credit rating, and in order to limit credit risks on receivables related to banks, Swedish Match has entered into netting agreements with its counterparties. As of December 31, 2025, the credit exposure in derivative instruments amounted to SEK 127 million.

Swedish Match applies chap. 12 to classify and value financial instruments. The table below shows the book value and fair value by category of financial instruments. Derivatives related to cash flow hedges are reported at fair value in the Fair Value Fund. When assessing the fair value of these derivatives, different methods are used to make assumptions based on market conditions at each reporting time. Quoted market prices or dealer quotes for identical or similar instruments are used. Items that are not measured at fair value are recognised at amortised cost.

Carrying amount and actual by category of financial instruments

	<u>2025-12-31</u>	<u>2024-12-31</u>
Financial assets		
Fair value via fair value fund		
<i>Currency interest rate swaps (broken down by:)</i>		
EUR	10	657
USD	117	198
<i>Total currency interest rate swaps</i>	127	855
Amortized cost		
<i>Loan receivables and trade receivables - cash and cash equivalents</i>	0	10
<i>Loan receivables and trade receivables from Group companies</i>	2 242	2 682
Total financial assets	2 369	3 547
Financial liabilities		
Amortized cost		
<i>Other financial liabilities - bond loans</i>	6 201	10 034
<i>Other financial liabilities - supplier liabilities</i>	12	6
<i>Other financial liabilities of Group companies</i>	6 800	5 531
Total financial liabilities	13 013	15 571

Note 17 Deferred expenses and accrued income

	<u>2025-12-31</u>	<u>2024-12-31</u>
Prepaid rents	–	7
Other items	13	18
Total	13	25

Note 18 Share capital

The share capital consists of 1,520,714,190 number of Class A shares with a quota value of SEK 0.2561.

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Note 19 Fair value fund

	2025-12-31	2024-12-31
Opening balance at the beginning of the financial year	-82	-105
Effective share of changes in fair value of cash flow hedges	55	29
Tax	-11	-6
Closing balance at the end of the financial year	-39	-82

Note 20 Untaxed reserves

	2025-12-31	2024-12-31
Accrual fund tax 2020	-	600
Accrual fund tax 2021	475	475
Accrual fund tax 2022	550	550
Accrual fund tax 2023	410	410
Accrual fund tax 2024	475	475
Accrual fund tax 2025	600	600
Accrual fund tax 2026	600	-
Total	3 110	3 110

Note 21 Other provisions

2025-12-31	Pension commitments	Deferred compensation	Total
Opening balance at the beginning of the financial year	182	44	226
Additional provisions	39	-	39
Amounts claimed	-2	-7	-9
Reversal of unused amounts	-	-32	-32
At the end of the year	219	5	224

2024-12-31	Pension commitments	Deferred compensation	Total
Opening balance at the beginning of the financial year	175	24	199
Additional provisions	7	22	29
Amounts claimed	-2	-1	-3
Reversal of unused amounts	1	-1	0
At the end of the year	182	44	226

Note 22 Long-term liabilities

No bonds issued under the GMTN programme mature later than five years after the balance sheet date. Last year's amount amounted to SEK 0 million. For bonds issued in foreign currency, currency interest rate swaps are used to convert loans into SEK.

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Note 23 Accrued expenses and deferred income

	2025-12-31	2024-12-31
Accrued holiday pay	6	3
Accrued social security contributions	15	26
Accrued incentive programs, including social security contributions	23	72
Accrued interest expenses	108	115
Other items	8	3
Total	160	219

Note 24 Information on related parties

The Company is under the control of Philip Morris International Inc., org.nr 13-3435103 and exercises control over owned subsidiaries as noted in Note 13. Transactions between the company and its related parties have taken place on a market basis.

Note 25 Cash and cash equivalents in cash flow

	2025-12-31	2024-12-31
Cash	0	10
Total	0	10

Note 26 Pledged collateral and contingent liabilities

Collateral provided (for own liabilities and provisions)	2025-12-31	2024-12-31
Pension commitments	177	147
Total	177	147
Contingent liabilities		
Guarantees in favour of subsidiaries	3	3
Total	3	3

Note 27 Events after the balance sheet date

In May 2026, Swedish Match AB's wholly-owned Swedish subsidiary Svenska tändsticksbolaget försäljningsktiebolag (org.nr. 556012-2703) and the wholly-owned Dutch subsidiary Swedish Match Overseas BV (org. no. 17080061) have sold all shares in their respective subsidiaries that own the Group's global lighter business, including the match business in Brazil.

In May 2026, an agreement was also signed regarding the sale of Swedish Match AB's subsidiary Swedish Match Industries AB (reg. no. 556005-0253). In connection with this, the Parent Company has also made a shareholder contribution of SEK 110 million to Swedish Match Industries AB. The purpose of the contribution is for Swedish Match Industries AB to settle its intra-group long-term debt.

With these divestments, Swedish Match has divested all parts of the Swedish Match Group's former lighter and match business.

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Note 28 Group information

The company that is the parent company of a group of subsidiaries according to Note 13 does not prepare consolidated accounts with reference to Chapter 7, Section 2 of the Annual Accounts Act. The consolidated financial statements can be obtained from the parent company Philip Morris International Inc. (USA) at the following address: Philip Morris International Inc., 677 Washington Blvd., Ste. 1100, Stamford, CT 06901, USA.

The Annual Report has been prepared on 25 June, 2026.

Stockholm on 26 June, 2026

Joakim Tilly
Chairman of the Board

Nikolaus Ricketts
Managing Director

Caroline Kadri

Per Wallengren

Pär-Ola Olausson

Patrik Engelbrektsson

Our auditor's report has been submitted on 26 June, 2026

Öhrlings PricewaterhouseCoopers AB

Sebastian Ionescu
Certified Public Accountant

Auditor's report

To the general meeting of the shareholders of Swedish Match AB, corporate identity number 556015-0756

Report on the annual accounts

Opinions

We have audited the annual accounts of Swedish Match AB for the year 2025 except for the statutory sustainability report on pages 4-8.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Swedish Match ABs as of 31 December 2025 and its financial performance for the year then ended in accordance with the Annual Accounts Act. Our opinions do not cover the statutory sustainability report on pages 4-8. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the Swedish Match AB.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Swedish Match AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information than the annual accounts

This document also contains other information than the annual accounts and can be found on 4-8. It is the Board of Directors who is responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. It disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, cease operations or has no realistic alternative to doing any of this.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

A further description of our responsibility for the audit of the annual accounts is available on the Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Swedish Match AB for year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Swedish Match AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on the Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's opinion regarding the statutory sustainability report

It is the Board of Directors who is responsible for the statutory sustainability report for the year 2025 on pages 4-8 and that it is prepared in accordance with the Annual Accounts Act according to the prior wording that was in effect before 1 July 2024.



Our examination has been conducted in accordance with FAR's auditing standard RevR 12. The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm 26 June 2026

Öhrlings PricewaterhouseCoopers AB

Sebastian Ionescu
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Unofficial translation of the original auditor's report written in Swedish



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