

EXECUTION VERSION

24 SEPTEMBER 2020

STG GLOBAL FINANCE B.V.

EUR 300,000,000

1.375 PER CENT. GUARANTEED NOTES DUE 2025

GUARANTEED BY

SCANDINAVIAN TOBACCO GROUP A/S

DEED OF GUARANTEE

THIS DEED OF GUARANTEE is made on 24 September 2020

BY

(1) **SCANDINAVIAN TOBACCO GROUP A/S** (the "**Guarantor**")

IN FAVOUR OF

(2) **THE HOLDERS** for the time being and from time to time of the Notes referred to below (each a "**Noteholder**" or the "**holder**" of a Note).

WHEREAS

- (A) STG Global Finance B.V. (the "**Issuer**") has authorised the creation and issue of EUR 300,000,000 in aggregate principal amount of 1.375 per cent. Guaranteed Notes due 2025 (the "**Notes**").
- (B) The Notes will be in bearer form and in the denominations of EUR 100,000 plus integral multiples of EUR 1,000 in excess thereof. The Notes will initially be represented by a temporary global note (the "**Temporary Global Note**") which will be exchangeable for a permanent global note and interest coupons attached, in the circumstances specified in the Temporary Global Note.
- (C) The Issuer and the Guarantor will, in relation to the Notes, enter into a fiscal agency agreement (the "**Agency Agreement**") with Citibank, N.A., London Branch (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the other paying agents named therein.
- (D) The Guarantor has agreed to guarantee the payment of all sums expressed to be payable from time to time by the Issuer in respect of the Notes.

NOW THIS DEED OF GUARANTEE WITNESSES as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed of Guarantee the following expressions have the following meanings:

"**Conditions**" means the terms and conditions of the Notes (as scheduled to the Agency Agreement and as modified from time to time in accordance with their terms), and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof; and

"**person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

1.2 **Other Defined Terms**

Terms defined in the Conditions have the same meanings in this Deed of Guarantee.

1.3 **Clauses**

Any reference in this Deed of Guarantee to a Clause is, unless otherwise stated, to a clause hereof.

1.4 **Headings**

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed of Guarantee.

2. **GUARANTEE AND INDEMNITY**

2.1 **Guarantee**

The Guarantor hereby unconditionally and irrevocably guarantees to the holder of each Note the due and punctual payment of all sums from time to time payable by the Issuer in respect of such Note as and when the same become due and payable and accordingly undertakes to pay to such Noteholder, in the manner and currency prescribed by the Conditions for payments by the Issuer in respect of the Notes, any and every sum or sums which the Issuer is at any time liable to pay in respect of such Note and which the Issuer has failed to pay.

2.2 **Indemnity**

The Guarantor irrevocably and unconditionally agrees as a primary obligation to indemnify each Noteholder from time to time from and against any loss incurred by such Noteholder as a result of any of the obligations of the Issuer under or pursuant to any Note or any provision thereof being or becoming void, voidable, unenforceable or ineffective for any reason whatsoever, whether or not known to such Noteholder or any other person, the amount of such loss being the amount which such Noteholder would otherwise have been entitled to recover from the Issuer. Any amount payable pursuant to this indemnity shall be payable in the manner and currency prescribed by the Conditions for payments by the Issuer in respect of the Notes. This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give rise to a separate and independent cause of action.

3. **COMPLIANCE WITH CONDITIONS**

The Guarantor covenants in favour of each Noteholder that it will duly perform and comply with the obligations expressed to be undertaken by it in the Conditions.

4. **PRESERVATION OF RIGHTS**

4.1 **Principal obligor**

The obligations of the Guarantor hereunder shall be deemed to be undertaken as principal obligor and not merely as surety.

4.2 Continuing obligations

The obligations of the Guarantor herein contained shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the Issuer's obligations under or in respect of any Note and shall continue in full force and effect until all sums due from the Issuer in respect of the Notes have been paid, and all other actual or contingent obligations of the Issuer thereunder or in respect thereof have been satisfied, in full.

4.3 Obligations not discharged

Neither the obligations of the Guarantor herein contained nor the rights, powers and remedies conferred upon the Noteholders by this Deed of Guarantee or by law shall be discharged, impaired or otherwise affected by:

- 4.3.1 *Winding up*: the winding up, dissolution, administration, re-organisation or moratorium of the Issuer or any change in its status, function, control or ownership;
- 4.3.2 *Illegality*: any of the obligations of the Issuer under or in respect of the Notes being or becoming illegal, invalid, unenforceable or ineffective in any respect;
- 4.3.3 *Indulgence*: time or other indulgence (including, for the avoidance of doubt, any composition) being granted or agreed to be granted to the Issuer in respect of any of its obligations under or in respect of the Notes;
- 4.3.4 *Amendment*: any amendment, novation, supplement, extension, (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement, waiver or release of, any obligation of the Issuer under or in respect of any Note or the Deed of Covenant or any security or other guarantee or indemnity in respect thereof including without limitation any change in the purposes for which the proceeds of the issue of any Note are to be applied and any extension of or any increase of the obligations of the Issuer in respect of any Note or the addition of any new obligations for the Issuer under the Deed of Covenant; or
- 4.3.5 *Analogous events*: any other act, event or omission which, but for this subclause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantor herein or any of the rights, powers or remedies conferred upon the Noteholders or any of them by this Deed of Guarantee or by law.

4.4 Settlement conditional

Any settlement or discharge between the Guarantor and the Noteholders or any of them shall be conditional upon no payment to the Noteholders or any of them by the Issuer or any other person on the Issuer's behalf being avoided or reduced by virtue of any laws relating to bankruptcy, insolvency, liquidation or similar laws of general application for the time being in force and, in the event of any such payment being so avoided or reduced, the Noteholders shall be entitled to recover the amount by which

such payment is so avoided or reduced from the Guarantor subsequently as if such settlement or discharge had not occurred.

4.5 **Exercise of rights**

No Noteholder shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:

4.5.1 *Demand*: to make any demand of the Issuer, save for the presentation of the relevant Note;

4.5.2 *Take action*: to take any action or obtain judgment in any court against the Issuer; or

4.5.3 *Claim or proof*: to make or file any claim or proof in a winding up or dissolution of the Issuer,

and (save as aforesaid) the Guarantor hereby expressly waives presentment, demand, protest and notice of dishonour in respect of each Note.

4.6 **Deferral of Guarantor's Rights**

The Guarantor agrees that, so long as any sums are or may be owed by the Issuer in respect of the Notes or the Issuer is under any other actual or contingent obligation thereunder or in respect thereof, the Guarantor will not exercise any rights which the Guarantor may at any time have by reason of the performance by the Guarantor of its obligations hereunder:

4.6.1 *Indemnity*: to be indemnified by the Issuer;

4.6.2 *Contribution*: to claim any contribution from any other guarantor of the Issuer's obligations under or in respect of the Notes;

4.6.3 *Benefit of Security*: to take the benefit (in whole or in part) of any security enjoyed in connection with the Notes by any Noteholder; and/or

4.6.4 *Subrogation*: to be subrogated to the rights of any Noteholder against the Issuer in respect of amounts paid by the Guarantor under this Deed of Guarantee.

4.7 **Pari Passu**

The Guarantor undertakes that its obligations hereunder will at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. **DEPOSIT OF DEED OF GUARANTEE**

This Deed of Guarantee shall be deposited with and held by the Fiscal Agent until the date which is two years after all the obligations of the Issuer under or in respect of the Notes have been discharged in full. The Guarantor hereby acknowledges the right of every Noteholder to the production of this Deed of Guarantee.

6. **STAMP DUTIES**

The Guarantor shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of this Deed of Guarantee, and shall indemnify each Noteholder against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

7. **BENEFIT OF DEED OF GUARANTEE**

7.1 **Deed poll**

This Deed of Guarantee shall take effect as a deed poll for the benefit of the Noteholders from time to time.

7.2 **Benefit**

This Deed of Guarantee shall enure to the benefit of each Noteholder and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Guarantee against the Guarantor.

7.3 **Assignment**

The Guarantor shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Noteholder shall be entitled to assign all or any of its rights and benefits hereunder.

8. **PARTIAL INVALIDITY**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

9. **NOTICES**

9.1 **Address for notices**

All notices and other communications to the Guarantor hereunder shall be made in writing (by letter, fax or email) and shall be sent to the Guarantor at:

Scandinavian Tobacco Group A/S

Sandtoften 9

DK-2820 Gentofte

Denmark

Email: MarianneRorslev.Bock@st-group.com

Attention: Executive Vice President and CFO Marianne Rørslev Bock

with a copy to:

Kromann Reumert
Sundkrogsgade 5
DK-2100 Copenhagen OE
Denmark
Email: ahp@kromannreumert.com
Attention: Advokat, partner Andreas Hallas

or to such other address, email address or fax number or for the attention of such other person or department as the Guarantor has notified to the Noteholders in the manner prescribed for the giving of notices in connection with the Notes.

9.2 Effectiveness

Every notice or other communication sent in accordance with Clause 10.1 (*Address for notices*) shall be effective upon receipt by the Guarantor, *provided that* any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Guarantor.

10. CURRENCY INDEMNITY

If any sum due from the Guarantor under this Deed of Guarantee or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under this Deed of Guarantee or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Guarantor, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to this Deed of Guarantee, the Guarantor shall indemnify each Noteholder on demand against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Guarantor and shall give rise to a separate and independent cause of action.

11. LAW AND JURISDICTION

11.1 Governing law

This Deed of Guarantee and any non-contractual obligations arising out of or in connection with it are governed by English law.

11.2 English courts

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with this Deed of Guarantee (including a dispute relating to the existence, validity or termination of this Deed of Guarantee or any non-contractual obligation arising out of or in connection with this Deed of Guarantee) or the consequences of its nullity.

11.3 **Appropriate forum**

The Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

11.4 **Rights of the Noteholders to take proceedings outside England**

Notwithstanding Clause 11.2 (*English courts*), the Noteholders may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the Noteholders may take concurrent Proceedings in any number of jurisdictions.

11.5 **Service of Process**

The Guarantor agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Kromann Reumert at 65 St. Paul's Churchyard, London, EC4M 8AB, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Guarantor may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.

11.6 **Consent to enforcement etc**

The Guarantor consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings.

11.7 **Waiver of immunity**

To the extent that the Guarantor may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Guarantor or its assets or revenues, the Guarantor agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

12. **MODIFICATION**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of this Deed of Guarantee. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Noteholders.

IN WITNESS whereof this Deed of Guarantee has been executed by the Guarantor and is intended to be and is hereby delivered on the date first before written.

EXECUTED as a deed)
by **SCANDINAVIAN TOBACCO GROUP A/S**)
acting by)
)