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FOR IMMEDIATE RELEASE

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JT Group signs agreement to acquire tobacco brands BREAK and Moro

Japan Tobacco Inc. (JT) announced today that the JT Group signed an agreement on July 22 (local time) for EUR 176 million (approximately JPY 32.6 billion*) to acquire the trademarks and related intellectual property rights for the European Union and Switzerland of two fine cut tobacco brands, BREAK and Moro, from Scandinavian Tobacco Group A/S (STG).
The transaction is expected to be completed within 2026, upon receiving all regulatory clearances.

1. Strategic rationale for the acquisition

In alignment with JT Group's tobacco strategy, this acquisition will contribute to improving the return on investment in the Combustibles category, which in turn will support investments in Reduced-Risk Products and ensure sustainable profit growth over the medium to long term.
The transaction will also strengthen JT Group's business foundation in its Western Europe cluster, where the Company has been consistently growing market share.
The acquired brands, BREAK and Moro, will complement JT Group's existing fine cut portfolio and enable the Group to offer consumers a wide range of quality products and brands.

"The acquisition of BREAK and Moro fully aligns with our tobacco business strategy and reflects our disciplined approach to driving sustainable growth over the medium to long term. By strengthening our Combustibles portfolio, we are reinforcing our position in a key region and advancing our growth ambitions, while supporting continued investments in Reduced-Risk Products," said Gian Luigi Cervesato, JTI's Regional President, Western Europe+.

2. Impact on financial performance

The transaction will be funded by JT Group's existing cash and will not have any material impact on the Group's consolidated performance for the fiscal year 2026.

*The exchange rate in this release is as follows:
EUR 1 = JPY 185.031 (TTM rate mean in June 2026)

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Japan Tobacco Inc. (JT) is a global company headquartered in Tokyo, Japan. It is listed on the primary section of the Tokyo Stock Exchange (ticker: 2914.T). JT Group has approximately 53,000 employees and 61 factories worldwide, operating in two business segments: tobacco and processed food. Within the tobacco business, the largest segment, products are sold in over 130 markets and its flagship brands include Winston, Camel, MEVIUS, and LD. The Group is committed to investing in Reduced-Risk Products and markets its heated tobacco products

under its Ploom brand.
Consumers, shareholders, employees, and society are the four stakeholder groups (4S) at the heart of all of JT Group's activities. Inspired by its "Fulfilling Moments, Enriching Life" purpose, the Group aims to ensure sustainable and valuable contributions to its stakeholders over the long term. In addition to its two business segments, this goal is also supported by D-LAB, the JT Group's corporate R&D initiative, set up to search and create added-value business opportunities. For more information, visit https://www.jt.com/.

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