

The Licensing Unit of the City of Stockholm proposes to revoke the Swedish sales permit for traditional snus

The Licensing Unit within the Social Welfare Department of the City of Stockholm (the Licensing Unit) has drafted a proposal ahead of the Licensing Committee's meeting on September 18, 2024. The proposal sets out that Snusbolaget Norden's sales permit for tobacco products on the Swedish market be revoked. While snus in Sweden is not strategically important for the Group, at approximately 20% percent of Haypp Group's total net sales during the second quarter of 2024 and declining, our service remains critical to Swedish consumers in rural areas. Snusbolaget Norden, a subsidiary of Haypp Group, will submit its response to the proposal no later than September 13, 2024. Haypp Group believes that there is no basis for revoking Snusbolaget's sales permit for tobacco products but is confident it will be able to implement any further requirements should the Licensing Committee deem them appropriate.

The origin of the proposal is that the City of Stockholm's Social Welfare Department and Haypp Group have different interpretations regarding how customers should be age-verified when delivering tobacco products in Sweden.

"We have received, and are now analyzing an unexpected proposal from the Licensing Unit. Together with legal advisors, we are working to find a solution to comply with the Licensing Unit's concerns. Haypp Group is, and continues to be, a leader in preventing sales to minors, with a commitment to 100 percent compliance with age verification according to Swedish law," said Markus Lindblad.

"We are confident that we will be able to implement any additional age verification requirements that the Licensing Committee deems necessary. Haypp Group's transformation to tobacco-free nicotine products began in 2018. During the second quarter of 2024, this strategically important category, which remains unaffected by the Licensing Unit's proposal and accounted for 61 percent of Group volume, grew by 43 percent compared to the previous year. During the same period, the category of traditional snus decreased by circa 10 percent in volume and revenue," said Markus Lindblad.

MORE INFORMATION AND COMPANY CONTACT DETAILS

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Haypp in brief

Haypp Group spearheads the global transformation from smoking to healthier product alternatives. With origins in Scandinavia, extensive experience from pioneering markets in smoke-free alternatives, and being a leader in the e-commerce sector, Haypp Group is taking the vision of inspiring healthier enjoyment for millions to a global scale. With eleven e-commerce brands, the Haypp Group is present in seven countries, where we served more than 950,000 active customers in 2023. Haypp Group's e-commerce site collection includes, among others, <https://www.snusbolaget.se/> and <https://www.northerner.com/>.

This information is information that Haypp Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-09-03 20:45 CEST.

Attachments

[The Licensing Unit of the City of Stockholm proposes to revoke the Swedish sales permit for traditional snus](#)