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Mr. Ted Yu
Chief, Office of Mergers and Acquisitions

Ms. Christina Chalk
Senior Special Counsel, Office of Mergers and Acquisitions

Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Dear Mr. Yu and Ms. Chalk,

Pursuant to our conversations with Ms. Christina Chalk of the staff (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”), we are writing to you on behalf of our clients, Philip Morris International Inc., a Virginia corporation (“Philip Morris”), and its indirect wholly-owned subsidiary, Philip Morris Holland Holdings B.V., a limited liability company organized under the laws of The Netherlands (the “Offeror” and together with Philip Morris, the “Offering Parties”).

On May 11, 2022, the Offeror announced an all-cash tender offer (the “Offer”) for all issued and outstanding¹ ordinary shares (the “Ordinary Shares”) of Swedish Match AB, a public limited liability company organized under the laws of the Kingdom of Sweden (“Swedish Match”) and a foreign private issuer as defined in Rule 3b-4(c) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The Offer was announced through the publication of a public offer announcement (the “Offer Announcement”) issued by the Offeror as a press release in accordance with relevant Swedish rules, laws and regulations, including but not limited to the Takeover Act of Sweden (the “Takeover Act”) and the takeover rules (the “Takeover Rules”) of Nasdaq Stockholm (the “Exchange”).

As previously discussed with the Staff, we hereby request that the Staff grant exemptive relief to the Offering Parties under Rule 14e-1(d) and Rule 14e-5 under the Exchange Act. We further request that the Staff confirm that, based on the facts and circumstances described in this letter, it will not recommend any enforcement action to the Commission with respect to Rule 14e-1(c) under the Exchange Act if the Offering Parties conduct the Offer as described in this letter and in accordance with Swedish law and practice. In addition, we hereby request that the Staff confirm that it will not recommend any enforcement action to the Commission if the Offering Parties reduce or waive the Minimum Acceptance Condition (as defined below) without holding the Acceptance

¹ Excluding any treasury shares held by Swedish Match.

Period (as defined below) open for a minimum of five (5) U.S. Business Days² following the announcement of the reduction or waiver so long as the Offering Parties comply with all of the conditions set forth in this letter.

We are U.S. counsel to the Offering Parties in connection with the Offer. Certain lawyers from Roschier Advokatbyrå AB, who are members of the Swedish bar, have reviewed the representations in this letter concerning Swedish law and practice and are submitting a separate letter to the Staff in respect of this request.

Background Information

Swedish Match

Swedish Match is a public limited liability company organized under the laws of the Kingdom of Sweden with its head office in Stockholm, Sweden. Swedish Match develops, manufactures, and sells quality products with market leading brands in the product segments Smokefree, Cigars, and Lights. Production is located in seven countries, with the majority of Swedish Match's sales coming from the United States and Scandinavia.

Based on information contained in Swedish Match's Annual Report for the fiscal year ended December 31, 2021, during the fiscal year ended December 31, 2021, Swedish Match generated total revenues of approximately \$2.1 billion and had an average of 7,523 employees in over 11 operating locations worldwide.

Swedish Match is a foreign private issuer as defined in Rule 3b-4(c) promulgated under the Exchange Act. The Ordinary Shares are not currently registered under Section 12 of the Exchange Act and, based on public information sources available, Philip Morris has no reason to believe that such registration is currently required. To the best knowledge of Philip Morris, there are four unsponsored American Depositary Receipt ("ADR") programs currently in place with American Depositary Shares outstanding, representing the right to receive Ordinary Shares. As of the date hereof, Swedish Match has 1,525,000,000 Ordinary Shares issued (the "Issued Share Capital"), including 4,285,810 treasury shares.³ Accordingly, as of the date hereof, there are 1,520,714,190 Ordinary Shares issued and outstanding.

The Offering Parties

The Offering Parties consist of the following entities:

- The Offeror – a limited liability company organized under the laws of the Netherlands with corporate registration number 20028955, with its corporate seat and headquarters in Marconilaan 20, 4622RD, Bergen op Zoom, the Netherlands. The Offeror was incorporated on February 26, 1969. The Offeror is a financial holding company.
- Philip Morris – a Virginia corporation that indirectly owns all of the shares of the Offeror. Philip Morris is a domestic U.S. company whose equity securities are registered under Section 12 of the Exchange Act and is subject to the periodic reporting requirements of the Exchange Act. Philip Morris is a Virginia holding company incorporated in 1987. It is a leading international tobacco company whose current product portfolio primarily consists of cigarettes and reduced-risk products, including heat-not-burn, vapor and oral nicotine products, which are sold in markets outside the United States. In March 2008, Philip Morris became a U.S. public company listed on the New York Stock Exchange.

² A "U.S. Business Day" has the meaning ascribed to it in Rule 14d-1(g)(3) under the Exchange Act. A "Swedish Business Day" is any day on which banks in Stockholm, Sweden, are open for general business.

³ Based on current belief, the number of Ordinary Shares underlying the four ADR programs is expected to be less than 2.5% of the Issued Share Capital.

As disclosed in Philip Morris' Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the Commission on February 11, 2022, during the fiscal year ended December 31, 2021, Philip Morris generated net revenues of approximately \$31.4 billion and employed approximately 69,600 people worldwide of 133 different nationalities.

Governing Law

As discussed above, Swedish Match is organized under the laws of the Kingdom of Sweden and its Ordinary Shares are listed on the Exchange. Because the Ordinary Shares are listed on the Exchange, the Offer is subject to the terms and conditions of the Takeover Act and the Takeover Rules, in addition to general Swedish corporate law. The Takeover Act and the Takeover Rules are based on the European Union Takeover Directive (Directive 2004/25/EC). In addition, except to the extent permitted pursuant to the relief requested herein, the Offer will comply with all applicable U.S. federal securities laws.

Tier II Exemption Analysis

The Offering Parties have considered whether or not the Offer qualifies for the Tier II exemptions codified in the tender offer regulations promulgated under the Exchange Act (the "Tier II Exemptions"). Although Swedish Match is a foreign private issuer with a foreign home jurisdiction in Sweden, based on the information and inquiries regarding U.S. ownership of the Ordinary Shares summarized below, the Offering Parties believe that U.S. ownership of the subject securities exceeds 40% and therefore the Offer does not qualify for the Tier II Exemptions.

To determine the percentage of outstanding Ordinary Shares held by U.S. holders, the Offering Parties engaged Georgeson, a trading name of Computershare Investor Services PLC ("Georgeson"), to conduct an analysis of U.S. holders in accordance with the instructions to Rule 14d-1(d), including the application of Rule 12g3-2(a).

Georgeson reviewed Swedish Match's shareholders' register to determine, as of April 29, 2022, the total number of Ordinary Shares that were directly registered in the name of persons with registered addresses in the United States. Georgeson also performed a look-through analysis following the method prescribed by Instruction 2 to paragraphs (c) and (d) of Rule 14d-1 ("Instruction 2"), as of April 29, 2022, which is a date no more than 60 days before public announcement of the Offer. Georgeson conducted the look-through analysis by sending requests to all custodian banks and brokers holding Ordinary Shares and American Depositary Shares representing the right to receive Ordinary Shares in connection with the ADR programs ("ADSs"), wherever located, to obtain information regarding the registered addresses of the holders of such Ordinary Shares. In total, Georgeson sent requests to approximately 153 custodian banks and brokers. Georgeson received responses from 46 custodian banks and brokers. Based on the responses of these custodian banks and brokers and the review of Swedish Match's shareholders' register, Georgeson was able to identify holders of Ordinary Shares that included certain brokers, dealers, banks and other nominees with U.S. registered addresses and principal places of business in the United States. In accordance with Instruction 2, Georgeson assumed that such holders were U.S. residents. With respect to each of the remaining 107 custodians that did not respond to the request for information as of June 15, 2022, Georgeson assumed in accordance with Instruction 2 that its customers are residents of the jurisdiction in which the nominee has its principal place of business. In addition, in accordance with Instruction 2, Georgeson reviewed and took into account beneficial ownership reports that were provided to it or publicly filed. Based on this look-through analysis, Georgeson determined that 758,983,324 (or 49.91%) of the issued and outstanding Ordinary Shares as of April 29, 2022, were held by U.S. residents. The Offering Parties do not currently own any Ordinary Shares or ADSs.

Accordingly, the Offering Parties estimate that the percentage of outstanding Ordinary Shares held by U.S. residents is approximately 49.91%.

We recognize that the anticipated percentage exceeds the threshold for reliance upon the Tier II Exemptions. However, the Commission has stated that, even when U.S. ownership is greater than 40%, it will consider exemptive and no-action relief on a case-by-case basis when there is a direct conflict between U.S. laws and practice and those of the home jurisdiction.

The Offer

Structure of the Offer

The Offer will be made at a cash price of SEK 106 per Ordinary Share (the “Offer Price”) in accordance with the Offer Announcement issued as a press release in accordance with relevant Swedish rules, laws and regulations, including but not limited to the Takeover Act and the Takeover Rules. The Offer will be structured as a single voluntary offer made concurrently in Sweden, the United States and other jurisdictions where the Offer may be legally extended. The Offer will be structured to comply with the Takeover Act and the Takeover Rules and, except to the extent permitted pursuant to the relief requested herein, all applicable U.S. federal securities laws, including Section 14(e) of the Exchange Act and the rules and regulations promulgated thereunder. In accordance with customary practice in Sweden, the Offer in all relevant included jurisdictions will be made by the Offeror directly.

Commencement, Acceptance Period and Extension of the Offer

The Offer Announcement and the offer document (the “Offer Document”) used in connection with the Offer will be prepared in accordance with, and the Offer will be structured to comply with, the requirements of the Takeover Act, the Takeover Rules and, except as otherwise requested herein, all applicable U.S. federal securities laws, including Section 14(e) of the Exchange Act and the rules and regulations promulgated thereunder. Since Swedish Match has no class of equity securities registered under Section 12 of the Exchange Act, the Offer is not subject to compliance with Section 14(d) of the Exchange Act or Regulation 14D promulgated thereunder.

The Offer was announced, and became legally binding in relation to the Offeror in accordance with its terms, upon publication of the Offer Announcement on May 11, 2022. The Offer Announcement was made public and available through a press release issued by the Offeror. The Offer Announcement was the subject of coverage by various news agencies and articles regarding the Offer were published by agencies such as Reuters, Bloomberg, The Wall Street Journal, the Associated Press, and CNBC.com. We believe that the Offer will continue to be the subject of coverage by such news agencies. The Offer Announcement is available as of the date of this letter, and the Offer Document and further information about the Offer will be made available, on the Offer website at: www.smokefree-offer.com (the “Offer Website”). The Offer Website is not generally available and, consistent with Swedish and other applicable laws, requires certain acknowledgements by the user before the user can access information.

Following publication of the Offer Announcement, the Offer Document will be registered with Sweden’s financial supervisory authority (Sw. *Finansinspektionen*) and made public by the Offeror. Once the Offer Document is made public, the Acceptance Period may commence. As part of the commencement, the Offer Document will be mailed to all directly registered Swedish Match shareholders, including custodians that are registered as holders of Ordinary Shares on behalf of other shareholders, in Sweden, the United States and other jurisdictions where the Offer may be legally extended. Shareholders holding Ordinary Shares through a custodian will receive information about the Offer from their custodian. Each custodian’s method of

communication and level of information provided about the Offer will depend on the applicable agreement between such custodian and its underlying shareholders. Shareholders holding Ordinary Shares through a custodian will receive a physical copy of the Offer Document only if it is forwarded by such shareholder's respective custodian. More commonly, custodians provide shareholders holding Ordinary Shares through a custodian with notice, either by mail or electronic mail, about the Offer and instructions for how to tender Ordinary Shares through the custodian and direct such shareholders to the Offer Website for additional information. All shareholders in Sweden, the United States and other jurisdictions where the Offer may be legally extended, whether such shareholders hold their Ordinary Shares directly or through a custodian, will be able to access the Offer Document on the Offer Website.

On the date the Acceptance Period commences, the Offeror undertakes to publish a legal notice in the national print edition of a widely circulated publication in the United States, being either the Wall Street Journal or the New York Times, disclosing the identity of Swedish Match, the Offer Price, the total number of outstanding Ordinary Shares sought in the Offer, the Initial Acceptance Period (as defined below), that the Offer Document has been sent to directly registered shareholders, and that the Offer Document will be available on the Offer Website.

The Acceptance Period for the Offer will commence on the first Swedish Business Day following the publication of the Offer Document. The Offeror has been granted dispensation by the Swedish Securities Council (Sw. *Aktiemarknadsnämnden*) (the "Swedish Securities Council") for the initial acceptance period for the Offer to remain open for up to fifteen (15) weeks following the publication of the Offer Document.⁴ Based on the anticipated timing for obtaining regulatory clearances, the Offer will initially remain open for approximately fourteen (14) weeks following the publication of the Offer Document (the "Initial Acceptance Period").

The Initial Acceptance Period can, on one or several occasions, be extended for such additional period or periods (such additional periods, each an "Additional Acceptance Period" and together with the Initial Acceptance Period, the "Acceptance Period") as may be determined by the Offeror, subject to the relevant provisions of the Takeover Act and the Takeover Rules, only if (i) the Regulatory Clearance Condition is not satisfied or waived at the end of the Initial Acceptance Period or (ii) the Offeror is granted dispensation by the Swedish Securities Council to extend the Acceptance Period.⁵

If the Regulatory Clearance Condition is not satisfied or waived at the end of the Initial Acceptance Period, the Offeror has the right to extend the Acceptance Period through one or more Additional Acceptance Periods up to a maximum of nine (9) months from the commencement of the Initial Acceptance Period, or longer if approved by the Swedish Securities Council. To the extent necessary and permissible, the Offeror will exercise this right if the clearance process is not finalized as of the expiration of the Initial Acceptance Period or any Additional Acceptance Period. The Offeror will not, unless the Regulatory Clearance Condition remains outstanding, be able to extend the Acceptance Period in the Offer without receiving prior dispensation from the Swedish Securities Council.

As discussed below, shareholders who tender Ordinary Shares will be entitled to withdraw acceptance at any time during the Initial Acceptance Period and any Additional Acceptance Period.

⁴ The Takeover Rules provide for a maximum of ten (10) weeks for an initial acceptance period absent dispensation from the Swedish Securities Council. The Takeover Rules also provide that the Acceptance Period (i.e., the Initial Acceptance Period together with any Additional Acceptance Period(s)) may not exceed three (3) months absent outstanding regulatory conditions or dispensation from the Swedish Securities Council.

⁵ For the avoidance of doubt, a Subsequent Offering Period is not an Additional Acceptance Period.

As soon as possible after the expiration of the Initial Acceptance Period or any Additional Acceptance Period, the Offeror must calculate the level of acceptances and make an outcome announcement (an “Outcome Announcement”) stating, as applicable: (i) the outcome of the Offer (including the level of acceptances, acquisitions outside the Offer and the held and/or controlled shares and other securities, in all cases as to the number of Ordinary Shares and proportion of capital and voting rights), as well as any holdings of other financial instruments which give financial exposure equivalent to a shareholding; (ii) whether the conditions to the Offer have been satisfied; (iii) whether the Offeror has decided to declare the Offer unconditional despite the fact all of the conditions have not been satisfied; (iv) any decision to extend the Acceptance Period or grant a Subsequent Offering Period (as defined below); (v) the anticipated timing for payment of the consideration; and (vi) any decision to initiate minority squeeze-out proceedings in respect of remaining Ordinary Shares. Subject to the relief requested herein, the Offeror will issue an Outcome Announcement announcing any Additional Acceptance Period within two (2) Swedish Business Days following the expiration of the Initial Acceptance Period or any Additional Acceptance Period.

Subsequent Offering Period

If the Offeror declares the Offer unconditional, the Offeror would be able to grant a “courtesy” post-acceptance period (the “Subsequent Offering Period”) following the expiration of the Initial Acceptance Period or the expiration of a prior Additional Acceptance Period to allow Swedish Match shareholders the ability to tender Ordinary Shares in the unconditional Offer and avoid the minority squeeze-out procedures described below. The Subsequent Offering Period would commence immediately upon the publication of the Outcome Announcement declaring the Offer unconditional (*i.e.*, within two (2) Swedish Business Days following the expiration of the Acceptance Period). The duration of the Subsequent Offering Period can vary, but it is common in Sweden for such periods to extend for approximately two (2) weeks. The Offeror would offer the same form and amount of consideration to Swedish Match shareholders in both the Acceptance Period and the Subsequent Offering Period. Shareholders who tender their Ordinary Shares in the Subsequent Offering Period would not have withdrawal rights.

As discussed below, subject to the relief requested herein, the Offering Parties will pay for Ordinary Shares tendered in the Initial Acceptance Period or any Additional Acceptance Period as promptly as practicable following, and in any event within seven (7) Swedish Business Days following, the expiration of the Acceptance Period. Similarly, subject to the relief requested herein, the Offering Parties will make payment in respect of Ordinary Shares tendered in the Subsequent Offering Period as promptly as practicable following the expiration of the Subsequent Offering Period, and in any event within seven (7) Swedish Business Days following the expiration of the Subsequent Offering Period.

Conditions to the Offer

Completion of the Offer will be conditional on:

1. the Offer being accepted to such extent that the Offeror becomes the owner of Ordinary Shares representing more than 90% of the total number of outstanding Ordinary Shares (on a fully diluted basis)⁶ (the “Minimum Acceptance Condition”);
2. no other party announcing an offer to acquire Ordinary Shares on terms that are more favorable to the shareholders of Swedish Match than the Offer;

⁶ Excluding any treasury shares held by Swedish Match.

3. with respect to the Offer and completion of the acquisition of Swedish Match, receipt of all necessary regulatory, governmental or similar clearances, approvals, decisions and other actions from authorities or similar, including from competition authorities, in each case on terms which, in the Offeror's opinion, are acceptable (the "Regulatory Clearance Condition");
4. neither the Offer nor the acquisition of Swedish Match being rendered wholly or partially impossible or significantly impeded as a result of legislation or other regulation, any decision of a court or public authority, or any similar circumstance;
5. no circumstances having occurred which could have a material adverse effect or could reasonably be expected to have a material adverse effect on Swedish Match's financial position, business or operation, including Swedish Match's sales, results, liquidity, equity ratio, equity or assets;
6. no information made public by Swedish Match, or otherwise made available to the Offeror by Swedish Match, being inaccurate, incomplete or misleading, and the Offeror having made public all information which should have been made public; and
7. Swedish Match not taking any action that is likely to impair the prerequisites for making or completing the Offer.

The Offeror reserves the right to withdraw the Offer in the event that it is clear that any of the above conditions are not satisfied or cannot be satisfied. However, with regard to conditions 2–7 above, the Offer may only be withdrawn where the non-satisfaction of such condition is of material importance to the Offeror's transaction with Swedish Match or if otherwise approved by the Swedish Securities Council. The Offeror reserves the right to waive, in whole or in part, one or more of the conditions set out above (including, with respect to the Minimum Acceptance Condition, to complete the Offer at a lower level of acceptance).

The Takeover Rules permit the Offeror to declare the Offer unconditional and terminate withdrawal rights during the Acceptance Period by announcing that all conditions to the Offer have been satisfied. In practice, however, tender offers involving a Swedish target that are conditioned upon reaching a certain acceptance level are normally declared unconditional following the expiration of the acceptance period, in particular because a very large portion of shares are typically tendered by custodians during the final hours of the acceptance period, such that the offeror can only determine whether the minimum acceptance condition has been satisfied once the acceptance period expires. The Offeror hereby undertakes that if it declares the Offer unconditional during the Acceptance Period, it will provide withdrawal rights through the remainder of the Acceptance Period.

In general, if at the expiration of the Initial Acceptance Period or any Additional Acceptance Period, any offer condition remains outstanding, the Offeror can proceed as follows:

- i. Extend the Acceptance Period: At the end of the Initial Acceptance Period, the Offeror can extend the Offer through Additional Acceptance Periods if permitted by dispensation granted by the Swedish Securities Council. However, if at the end of the Initial Acceptance Period or any Additional Acceptance Period, the Regulatory Clearance Condition has not been satisfied or waived, the Offeror can extend the Offer through Additional Acceptance Periods such that the total Acceptance Period is a maximum of nine (9) months without needing to receive prior dispensation from the Swedish Securities Council. Any extension of the Acceptance Period beyond the maximum permitted nine (9) months would require dispensation granted by the Swedish Securities Council;

- ii. Waive the Relevant Condition: As noted above, the Offeror has reserved the right to waive one or more of the conditions. Under the Takeover Rules, unless the Offeror receives dispensation from the Swedish Securities Council, the Offeror is not permitted to provide withdrawal rights in the event the Offeror decides to waive or modify a condition so that the Offer becomes unconditional, including a waiver or reduction of the Minimum Acceptance Condition, after the expiration of the Acceptance Period; however, absent the relief being requested herein with respect to a waiver or reduction of the Minimum Acceptance Condition, U.S. tender offer rules may require that the Acceptance Period remain open for a certain period following a waiver; or
- iii. Withdraw the Offer: The Offeror could withdraw the Offer if the non-satisfaction of such condition is of material importance to the Offeror's transaction with Swedish Match⁷ or if otherwise approved by the Swedish Securities Council.

Under Swedish law, acquiring a simple majority (*i.e.*, in excess of 50%) of a Swedish public company's issued share capital is the threshold required to control the management and corporate governance of the company. Accordingly, if the Offeror waives the Minimum Acceptance Condition and completes the Offer at an acceptance level below 90%, the Offeror would control the management and corporate governance of Swedish Match so long as the Offeror acquires a simple majority of the Issued Share Capital. Specifically, acquiring a simple majority of the Issued Share Capital would allow the Offeror to approve ordinary matters at a shareholders meeting of Swedish Match, including appointment of directors, and also would allow the Offeror to instruct the board of directors regarding the business of Swedish Match, allocate Swedish Match's profits and losses, and approve certain transactions with related parties. In such a scenario, while the Offeror would control the management and corporate governance affairs of Swedish Match, it would not be able to (i) initiate a squeeze-out procedure (described below under the section "*Backend Transactions*"), as the commencement of squeeze-out proceedings requires that the Offeror is the holder of more than 90% of Ordinary Shares, or (ii) delist Swedish Match from the Exchange, as the Exchange normally will not consent to a delisting where a shareholder owns less than 90% of a company's shares. Moreover, certain limited corporate actions (*e.g.*, amendments of Swedish Match's articles of association, share repurchases, reduction of Swedish Match's share capital, and issuances of Ordinary Shares or equity securities without offering preemptive rights to other Swedish Match shareholders) require 66 2/3% shareholder approval (calculated based on votes cast and shares represented at a general meeting of shareholders).

If the Offer is completed at an acceptance level below 90%, the Offering Parties would be able to acquire Ordinary Shares in the open market and/or launch a new public offer for Ordinary Shares in order to reach the 90% threshold required to commence the squeeze-out procedure. The Offeror is aware that under Swedish law if it, its affiliates and any of its advisors, brokers or other persons acting on behalf of the Offeror or any agent of the Offeror, directly or indirectly, acquires Ordinary Shares during the six-month period following commencement of settlement of the Offer – in all cases on terms that are more favorable to the relevant sellers than the terms of the Offer – the Offeror is required to increase the Offer Price accordingly for those holders of Ordinary Shares who tendered their Ordinary Shares in the Offer. The Offeror will comply with the requirements of Swedish law if it, or its affiliates, undertake any such purchases during the relevant time period.

If it is clear that the Regulatory Clearance Condition will not be satisfied as a result of the relevant merger clearance processes not yet being concluded or waived by the end of nine (9) months from the commencement of the Initial Acceptance Period, the Offeror would be required to either request dispensation from the Swedish Securities Council to extend the Acceptance Period beyond the nine-month deadline or withdraw the Offer

⁷ A failure to satisfy the Minimum Acceptance Condition is considered to be of "material importance" to the transaction, *i.e.*, the Offeror can withdraw the Offer if the Minimum Acceptance Condition is below 90% at the expiration of the Initial Acceptance Period or any Additional Acceptance Period.

without delay and promptly return all previously tendered Ordinary Shares. If the board of directors of Swedish Match supports an application for dispensation at such time, it is possible that the Swedish Securities Council would grant the application for dispensation and allow for an extension of the Acceptance Period beyond the maximum nine (9) months.

Settlement

Subject to the relief requested herein, settlement for Ordinary Shares tendered during the Offer will occur as promptly as practicable following, and in any event within seven (7) Swedish Business Days following, the expiration of the Acceptance Period.

If the Offer is declared unconditional (upon all Offer conditions having been satisfied and/or waived), the Offeror will acquire all Ordinary Shares that have been validly tendered and initiate settlement of the cash consideration in respect of all such Ordinary Shares. The laws of Sweden require that the Offeror pay the consideration to the shareholders who have accepted the offer as soon as possible after the Offer has been declared unconditional.

A typical settlement schedule for a Swedish takeover offer is as follows. Within two (2) Swedish Business Days following the expiration of the acceptance period, the settlement agent determines the final acceptance level. Once the final acceptance level is known, the offeror discloses via press release the outcome of the offer, whether or not the offer is declared unconditional, as well as any extension of the acceptance period. If the offer is declared unconditional, the offeror then proceeds to fund the settlement account operated by the settlement agent, from which account payment to tendering shareholders is made through the Euroclear Sweden AB (“Euroclear”) system. Depending on the period required to drawdown funds under the offeror’s relevant financing arrangements, including time required to execute foreign exchange transactions to convert the offer proceeds and transfer such funds into the relevant settlement account, the settlement agent normally receives the funds on the settlement account within four (4) Swedish Business Days following the outcome announcement (*i.e.*, within six (6) Swedish Business Days following the expiration of the acceptance period). The settlement agent normally initiates settlement within the following Swedish Business Day (*i.e.*, within seven (7) Swedish Business Days following the expiration of the acceptance period). Directly registered shareholders normally receive funds on the same day that payments commence.⁸ For shareholders holding Ordinary Shares via a custodian, the timing of the underlying shareholder’s receipt of the funds will depend on the instructions and terms and conditions with each custodian.

With regard to the Offer, the Offering Parties will endeavor to complete the foregoing steps as promptly as practicable following, and in any event within seven (7) Swedish Business Days following, the expiration of the Acceptance Period.

Withdrawal Rights

The Takeover Rules permit the Offeror to terminate withdrawal rights during the Initial Acceptance Period by announcing that all conditions to the Offer have been satisfied. However, the Offering Parties intend to extend withdrawal rights until 5:00 pm local time in Sweden on the last day of the Initial Acceptance Period (which is the deadline for acceptances that will be counted by the settlement agent) regardless of whether the Offer is declared unconditional during the Initial Acceptance Period. Similarly, the Offering Parties intend to provide holders of Ordinary Shares with withdrawal rights during each Additional Acceptance Period (which, for the avoidance of doubt, shall not include any Subsequent Offering Period) until 5:00 pm local time in Sweden on

⁸ Payments may be delayed if a shareholder has not established a yield account, if the yield account is incorrect, or if the account is a postal giro account.

the last day of such Additional Acceptance Period. As noted above, unless it receives dispensation from the Swedish Securities Council, the Offeror is not permitted to extend the Acceptance Period or otherwise provide withdrawal rights in the event the Offeror decides to waive or modify a condition so that the Offer becomes unconditional, including a waiver or reduction of the Minimum Acceptance Condition, after the expiration of the Acceptance Period.

Holders of Ordinary Shares are also entitled to withdraw acceptance within at least five (5) Swedish Business Days from the announcement of a supplementary offer document. A supplementary offer document must be prepared, approved by Sweden's financial supervisory authority and published, if any significant new factor (e.g., release of Swedish Match's quarterly results), material mistake or material inaccuracy relating to the information included in the Offer Document which may affect the assessment of the Offer arises or is noted prior to the expiration of the Acceptance Period. The Offeror will issue a press release notifying holders of any supplementary offer document.

During the time between the expiration of the Initial Acceptance Period or any Additional Acceptance Period and the Outcome Announcement, Swedish Match shareholders do not have withdrawal rights with respect to acceptances submitted in the Offer.

Backend Transactions

Public tender offers in Sweden are typically followed by delisting the target company from its stock exchange and minority squeeze-out proceedings. Such delisting and proceedings are typically initiated by the offeror immediately after the offeror has announced that it controls more than 90% of the issued and outstanding shares in the target company and has declared the offer unconditional. Minority squeeze-out proceedings are initiated by an offeror presenting a written request to the board of directors of the target company. The request is normally made on the date of the settlement of the offer, which is the point in time when the target company is able to verify that the offeror has been recorded in the share register maintained by Euroclear as the legal owner of more than 90% of the issued and outstanding shares in the target company, which is required to commence the squeeze-out proceedings.

Minority shareholders who do not tender their shares are entitled to receive payment in cash for their shares (the "Purchase Price"). The Purchase Price per share in the target company is typically determined as the price for the shares in the target paid under the offer. In addition, certain interest may be payable on the Purchase Price. Interest on the Purchase Price will typically begin to accrue on the date the offeror presents the written request to the target company's board of directors. Minority squeeze-out proceedings are conducted as arbitration proceedings under the Swedish Companies Act and the Swedish Arbitration Act. The offeror may obtain so-called "advance title" to the minority shares, which means that the offeror becomes the legal owner of the minority shares and may be registered as legal owner in the Euroclear system (or other relevant central securities depository system). This requires that the offeror provide collateral – normally a bank guarantee or pledged funds – in favor of the minority shareholders as security for the Purchase Price and interest. The collateral is ultimately subject to the approval of the arbitral tribunal and must be delivered to the trustee of the minority shareholders before the offeror becomes the legal owner of the minority shares. In uncomplicated cases, advance title is normally granted within 4–8 months after the initiation of the squeeze-out proceedings. After obtaining advance title, the offeror will normally be required to pay a cash Purchase Price and interest based on the Purchase Price which has been offered by the offeror, in which case the collateral will normally be reduced accordingly. Thereafter, it may take a year or more to establish the final Purchase Price and interest payable in cash to the minority shareholders.

Discussion and Requests for Exemptive Relief

Rule 14e-5: Purchases Outside of the Offer

Under the laws of Sweden, purchases of a target's securities by a bidder or a person acting for the account or benefit of the bidder outside an offer are permitted, subject to certain limitations further discussed below, and such purchases are common in connection with offers for companies subject to the laws of Sweden.

Subject to certain exceptions, Rule 14e-5 under the Exchange Act prohibits a "covered person" from directly or indirectly purchasing or arranging to purchase any securities to be acquired in a tender offer for equity securities or any securities immediately convertible into, exchangeable for or exercisable for such securities, except pursuant to such offer. The prohibition continues from the time of the public announcement of the offer until the date that the offer expires, including any extension thereof. Rule 14e-5 defines a "covered person" as: (i) the offeror and its affiliates; (ii) the offeror's dealer-managers and any of their respective affiliates; (iii) any advisors to the parties described in (i) and (ii) above whose compensation is dependent on the completion of the offer; and (iv) any person acting in concert either directly or indirectly with any of the foregoing in connection with any purchase or arrangement to purchase of any subject securities or any related securities.

Historically, one of the purposes of Rule 14e-5 is to protect investors in order to ensure that the same consideration is paid to any and all holders of target securities that are purchased in connection with a tender offer. The Commission has previously granted flexibility with respect to purchases outside of a tender offer so long as U.S. holders are not treated less favorably than other holders, including holders in the home jurisdiction of the target company.

Rule 14e-5(b)(12)(i) under the Exchange Act permits purchases or arrangements to purchase securities subject to a tender offer by an offeror or its affiliates to be made in accordance with the laws of the target company's home jurisdiction(s), subject to certain conditions (including that the covered person reasonably expects that the tender offer is subject to the Tier II Exemptions). In the present case, subject to the exceptions noted below, the majority of such conditions will be satisfied, except that the Tier II Exemptions are not available. Because the Tier II Exemptions are not available in connection with the Offer, purchases of Ordinary Shares by the Offering Parties (or other covered persons acting for the account or benefit of the Offering Parties or their affiliates) outside the Offer may not fall within any of the excepted activities specifically outlined in Rule 14e-5. Accordingly, in the absence of exemptive relief being granted, such purchases may be prohibited after the public announcement of the Offer.

Any purchases of Ordinary Shares outside of the Offer will be regulated by Swedish securities laws. Under the Takeover Act and the Takeover Rules, the Offeror and its advisers and brokers are permitted to purchase Ordinary Shares in the open market or otherwise (including through derivative securities) prior to and during the conduct of, but outside, the Offer, subject to certain limitations as to price. The Takeover Rules state that if the Offeror, its affiliates and subsidiaries and any of its advisors, brokers or other persons acting on behalf of the Offeror or any agent of the Offeror, directly or indirectly, acquires Ordinary Shares during: (i) the six-month period preceding the Offer Announcement (as of the date hereof, no such Ordinary Shares have been acquired); (ii) the Acceptance Period; or (iii) the six-month period following commencement of settlement in the Offer – in all cases on terms that are more favorable to the relevant sellers than the terms of the Offer – the Offeror is required to increase the Offer Price accordingly.

The Takeover Rules provide protections similar to those noted by the Staff in prior requests by bidders seeking relief from the provisions of Rule 14e-5 in a number of different jurisdictions, making exemptive relief appropriate in the circumstances of the Offer. For example, the Takeover Rules require that the Offer Price be increased to the level of any higher purchase price outside the Offer as further described above. In addition,

any purchases outside the Offer by the Offeror or its closely related parties are required to be disclosed publicly in the Offer Announcement, the Offer Document and the Outcome Announcement. Further, to the extent the Offering Parties acquire Ordinary Shares outside of the Offer in excess of thresholds for notification of major shareholdings under the laws of Sweden (e.g., 5, 10, 15, 20 percent), the acquisitions will need to be publicly disclosed with the regulator in Sweden no later than three (3) Swedish Business Days after the date of the relevant transaction. Disclosures of these purchases attract significant publicity by their very nature, and they normally have a wide reach due to publication in Swedish business media and wire services.

Any such purchases would be subject to the following conditions:

- i. No purchases or arrangements to purchase Ordinary Shares except pursuant to the Offer will be made in the United States;
- ii. The Offer Document will disclose prominently the possibility of, or the intention to make, purchases or arrangements to purchase Ordinary Shares outside the Offer, and, if there will be public disclosures of such purchases, the manner in which information regarding such purchases will be disseminated;⁹
- iii. There will be public disclosure in the United States, to the extent that such information is made public in Sweden pursuant to the Takeover Act and the Takeover Rules, of information regarding all purchases of Ordinary Shares otherwise than pursuant to the Offer from the time of the public announcement of the Offer until its expiration;¹⁰
- iv. The Offering Parties will comply with the applicable requirements under Swedish law, including the Takeover Act and the Takeover Rules, the rules against insider trading and the rules regulating market conduct/market abuse, and other applicable Swedish laws;
- v. As set out under Swedish securities law and as further described above, if the Offering Parties purchase or make arrangements to purchase Ordinary Shares for consideration above the Offer Price, the Offer Price will be increased to match the highest price paid outside the Offer;
- vi. Upon request of the Division of Corporation Finance (the “Division”), the Offering Parties will disclose to the Division a daily time-sequenced schedule of all purchases of Ordinary Shares made from the time of public announcement of the Offer until the expiration, on a transaction-by-transaction basis, including (y) a description of the size, broker (if any), time of execution and purchase price; and (z) if not executed on the Exchange, the exchange, quotation system or other facility through which the purchase occurred;

⁹ All purchases of Ordinary Shares by the Offering Parties outside the Offer will be disclosed in the Outcome Announcement and, to the extent such purchases exceed thresholds for notification of major shareholdings under the laws of Sweden (e.g., 5, 10, 15, 20 percent), the acquisitions will be publicly filed with the regulator in Sweden no later than three (3) Swedish Business Days after the date of the relevant transaction. Any such disclosures will be announced in Swedish and in an English translation available to U.S. holders through relevant electronic media (e.g., press release in the case of the Outcome Announcement, filing with the Swedish regulatory for changes in major shareholdings) including the Offer website at www.smokefree-offer.com.

¹⁰ The public disclosure in the United States will be made solely through the Offer Website as described above in compliance with Swedish laws. The Offering Parties do not expect to undertake separate disclosure solely in the United States with respect to complying with Rule 14e-5.

- vii. Upon request of the Division, the Offering Parties will transmit the information specified in clauses (y) and (z) above to the Division at its offices in Washington, D.C. within thirty (30) days of such request;
- viii. The Offering Parties will maintain all documents and other information required to be maintained pursuant to this exemption for a period of not less than two (2) years from the date of the termination of the Offer;
- ix. Representatives of the Offering Parties will be made available (in person at the offices of the Division in Washington, D.C. or by telephone) to respond to inquiries relating to such records; and
- x. Except as otherwise exempted herein, the Offering Parties will comply with Rule 14e-5.

In addition, purchases or arrangements to purchase Ordinary Shares outside of the Offer by an affiliate of any financial advisor of the Offering Parties will satisfy the following additional conditions: (i) the financial advisor and the affiliate will maintain and enforce written policies and procedures reasonably designed to prevent the transfer of information among the financial advisor and the affiliate that might result in violation of U.S. federal securities laws and regulations through the establishment of information barriers; (ii) the financial advisor will have an affiliate that is registered as a broker or dealer under Section 15(a) of the Exchange Act; (iii) the affiliate will have no officers (or persons performing similar functions) or employees (other than clerical, ministerial, or support personnel) in common with the financial advisor that direct, effect, or recommend transactions in Ordinary Shares or related securities who will also be involved in providing the Offering Parties or Swedish Match with financial advisory services or dealer-manager services; and (iv) such purchases or arrangements to purchase will not be made to facilitate the Offer.

We hereby request, on behalf of the Offering Parties (and other covered persons acting for the account or benefit of the Offering Parties and their affiliates), an exemption to Rule 14e-5 to permit purchases of Ordinary Shares outside of the Offer as described above. In the context of the Offer, we believe that the requested relief is consistent with relief the Staff has afforded to offerors in similar circumstances in the past, including in transactions that did not separately qualify for the Tier II Exemptions. See *Tender Offer by Thermo Fisher Scientific Inc. for QIAGEN N.V.*, SEC No-Action Letter (May 15, 2020) (“QIAGEN”); *Cash Offer by Comcast Corporation for Sky plc* (Mar. 12, 2018) (“Sky”); *Offer by Stork Holdco L.P. for Songbird Estates Pie* (Dec. 19, 2014); *Oak Leaf B.V., Acorn 8.V. Offer for D.E. Master Blenders 1753 N.V.* (May 21, 2013) (“D.E. Master Blenders”); *Offer by UnitedHealth Group Inc. for all outstanding shares of Amit Participacoes S.A.* (Nov. 20, 2012); *Offer by BHP Billiton for all common shares of Potash Corporation of Saskatchewan Inc* (Aug. 26, 2010); *Offer by Vimpelcom Ltd., Altimio Holdings & Investments Ltd. and Telenor ASA for all outstanding common shares, preferred shares and American Depositary Shares Villpel-Communications* (Feb. 5, 2010); *Offer by Kraft Foods Inc. Offer for all outstanding ordinary shares and ADSs of Cadbury Pie* (Dec. 9, 2009); *KKR and Permira Offer for ProSiebenSat.1 Media AG* (Jan. 30, 2007); *Tender Offer by Pfleiderer AG for Pergo AB (publ)* (Jan. 12, 2007); *Offers by the Nasdaq Stock Market, Inc. for all Ordinary Shares and B Shares of London Stock Exchange Group plc* (Nov. 20, 2006) (“LSEG”); *Axel Springer AG Offer for ProSiebenSat.1 Media AG* (Sept. 12, 2005) (“Axel Springer”); *RWE Aktiengesellschaft Offer for Innogy Holdings* (July 22, 2002).

Request for Relief: Waiver or Reduction of Minimum Acceptance Condition

Rule 14d-4(d) promulgated under the Exchange Act provides that if a bidder makes a material change to the information published, sent or given to security holders about a tender offer, the bidder must publish, send or give the new information to security holders in a manner reasonably designed to inform them of such change. We understand that it is the Commission’s position that (a) the waiver or reduction of a minimum acceptance

condition is a material change for purposes of Rule 14d-4(d), (b) the adequate dissemination requirement implies that security holders must have sufficient time after receiving the information to absorb it and make a decision as to whether to accept or withdraw from the offer and (c) as a general rule, sufficient time requires a minimum of five (5) U.S. Business Days.¹¹ In the Regulation of Takeovers and Security Holder Communications release,¹² the Commission stated that it believed these time periods represent general guidelines that should be applied uniformly to all tender offers, including those subject only to Regulation 14E, such as the Offer.

In the Commission Guidance and Revisions to the Cross-Border Tender Offer, Exchange Offer, Rights Offerings, and Business Combination Rules and Beneficial Ownership Reporting Rules for Certain Foreign Institutions release,¹³ the Commission adopted an interpretation (the “Interpretation”) on the application of Rule 14d-4(d) to the reduction and waiver of a minimum acceptance condition by a bidder eligible for the Tier II Exemptions. The Interpretation provides that the Commission will not object if such a bidder reduces or waives a minimum acceptance condition without holding an offer open for a minimum of five (5) U.S. Business Days following the announcement of the reduction or waiver so long as it complies with the following conditions:

- At least five (5) U.S. Business Days prior to the scheduled expiration date of the offering period, the bidder must announce that it may waive or reduce the minimum acceptance condition.
- The bidder must disseminate this announcement through a press release and by other methods reasonably calculated to inform U.S. holders of the possibility of a waiver or reduction, which may include placing an advertisement in a newspaper of national circulation in the United States, which press release must (1) state the exact percentage to which the minimum acceptance condition would be reduced, (2) state that a waiver is possible and (3) advise shareholders to withdraw their tenders immediately if their willingness to tender into the offer would be affected by the reduction or waiver of the minimum acceptance condition.
- The bidder must declare its actual intentions once it is required to do so under the regulations of its home jurisdiction.
- During the five-day period after the bidder makes the announcement of a possible waiver or reduction, the offer must be open for acceptances, and shareholders who have tendered their securities must be entitled to withdraw their securities.
- The bidder must then hold an offer open for five (5) U.S. Business Days after the waiver or reduction of the minimum acceptance condition, which will occur through a subsequent offer period.
- The offer documents must also describe the procedure for waiving or reducing the minimum acceptance condition and the potential impact of the waiver or reduction of the minimum acceptance condition.
- All offer conditions are satisfied or waived when withdrawal rights are terminated.
- The bidder also may not waive or reduce the minimum acceptance condition below the percentage required for the bidder to control the target company after the tender offer under applicable foreign

¹¹ Interpretive Release Relating to Tender Offer Rules, Release No. 34-23296 (Apr. 3 1987).

¹² Release No. 33-7760 (Oct. 22, 1999).

¹³ Release No. 33-8957 (Oct. 9, 2008).

law, and in any case, may not reduce or waive the minimum acceptance condition below a majority of the outstanding securities of the subject class.

The Offering Parties understand that in tender offers based in Sweden, it is common for holders not to tender their securities until the very last hours of the Acceptance Period. As a result, the Offering Parties do not expect to know whether they will need to reduce or waive the Minimum Acceptance Condition until after the Initial Acceptance Period or any Additional Acceptance Period has expired and the Offering Parties have had the opportunity to determine how many Ordinary Shares have been tendered. Moreover, as discussed above, under the Takeover Rules, unless it receives dispensation from the Swedish Securities Council, the Offeror is not permitted to extend the Acceptance Period or otherwise provide withdrawal rights in the event the Offeror decides to reduce or waive the Minimum Acceptance Condition after the expiration of the Acceptance Period so that the Offer becomes unconditional. Absent the relief requested herein, the Offering Parties would be required to extend the Acceptance Period after the expiration of the Initial Acceptance Period or any Additional Acceptance Period if the Offering Parties decide to reduce or waive the Minimum Acceptance Condition.

As discussed above, the Offer will not qualify for the Tier II Exemptions. Accordingly, we hereby request that the Staff confirm that it will not recommend any enforcement action to the Commission if the Offering Parties reduce or waive the Minimum Acceptance Condition without holding the Acceptance Period open for a minimum of five (5) U.S. Business Days following the announcement of the reduction or waiver so long as the Offering Parties comply with the following conditions:

- At least five (5) U.S. Business Days prior to the scheduled expiration date of the Acceptance Period, the Offering Parties will announce that they may reduce or waive the Minimum Acceptance Condition.
- The Offering Parties will disseminate this announcement through a press release and by other methods reasonably calculated to inform U.S. holders of the possibility of a waiver or reduction, which will include placing an advertisement in a newspaper of national circulation in the United States, being either the Wall Street Journal or the New York Times.
- The press release will (1) state the exact percentage to which the Minimum Acceptance Condition may be reduced or waived, (2) state that a reduction or waiver is possible and (3) advise shareholders to withdraw their tenders immediately if their willingness to tender into the Offer would be affected by a waiver or reduction of the Minimum Acceptance Condition.
- The Offering Parties will declare their actual intentions once they are required to do so under applicable Swedish law.
- For a period of at least five (5) U.S. Business Days after the Offering Parties make the announcement of a possible waiver or reduction, the Offer will be open for acceptances, and shareholders who have tendered their Ordinary Shares will be entitled to withdrawal rights.
- The Offering Parties will grant a Subsequent Offering Period for at least five (5) U.S. Business Days after the waiver or reduction of the Minimum Acceptance Condition.
- The Offer Document will also describe the procedure for reducing or waiving the Minimum Acceptance Condition and will include a discussion of the implications of the reduction or waiver of the Minimum Acceptance Condition, specifically, the implications of the Offering Parties' ownership of less than the Minimum Acceptance Condition, if the Minimum Acceptance Condition is reduced.
- All conditions to the Offer will be satisfied or waived when withdrawal rights are terminated.

- The Offering Parties also undertake to not reduce or waive the Minimum Acceptance Condition below the percentage required for the Offering Parties to control Swedish Match after the Offer under Swedish law, which, as discussed above, is below 50% of the Issued Share Capital.

We believe that the relief requested hereby is consistent with relief previously granted by the Commission. *See D.E. Master Blenders; Barclays PLC tender offer for ABN AMRO Holding N.V.* (August 7, 2007); and *Royal Bank of Scotland plc tender offer for ABN AMRO Holding N.V.* (July 23, 2007).

Rule 14e-1(d): Delayed Notice of Extensions of Offer and Subsequent Offering Period

As noted above, the Initial Acceptance Period can, on one or several occasions, be extended through the announcement of Additional Acceptance Periods as may be determined by the Offeror, subject to the relevant provisions of the Takeover Act and the Takeover Rules, only if (i) the Regulatory Clearance Condition is not satisfied or waived at the expiration of the expiration of the Initial Acceptance Period or a prior Additional Acceptance Period or (ii) the Offeror is granted dispensation by the Swedish Securities Council to extend the Acceptance Period.

Rule 14e-1(d) under the Exchange Act, among other things, prohibits an offeror making a cash tender offer from extending the length of a tender offer without issuing a notice of such extension by press release or other public announcement, which notice must include disclosure of the approximate number of securities deposited to date and has to be issued no later than the earlier of (i) 9:00 a.m. Eastern time on the next U.S. Business Day after the scheduled expiration date of the offer or (ii) if the class of securities which is the subject of the tender offer is registered on one or more U.S. national securities exchanges, the first opening of any one of such exchanges on the next U.S. Business Day after the scheduled expiration date of the offer.

Pursuant to U.S. practice, an approximate, rather than a final, number is announced in connection with a notice of extension or subsequent offering period. In contrast, the applicable Swedish requirements and the Swedish market practice assume the publication of exact and final results. However, at the time of the expiration of the Acceptance Period, the Offering Parties will not be in a position to determine the exact and final number of Ordinary Shares tendered in the Offer. Following the expiration of the Acceptance Period, the settlement agent acting on behalf of the Offering Parties may be required to do manual work (including but not limited to contacting custodians with respect to their submitted tenders, counting and reporting of acceptances by a number of different custodians receiving acceptances from their respective clients, and the compilation, verification and matching of such acceptances by the Swedish bank acting as the settlement agent for the Offer in Sweden) to determine the number of Ordinary Shares tendered in the Offer, as there may be issues (technical or otherwise) with the Ordinary Shares tendered by custodians during the very last hours of such Acceptance Period. In light of the foregoing and taking into consideration the size of the Offer and the number of Swedish Match shareholders, the settlement agent would normally be able to arrive at the exact and final acceptance level within two (2) Swedish Business Days following the expiration of the Acceptance Period. This is consistent with market practice in Sweden as well as Swedish law, which requires that the Offeror announces the outcome of the Offer as soon as possible after the expiration of the Acceptance Period.

Based on the foregoing and in light of the requirements of Swedish law, we do not believe that delay in announcing the results of the Offer in order to comply with Swedish law constitutes a fraudulent, deceptive or manipulative act or practice. In the proposed Offer, notice of extension of the Acceptance Period or notice of the Subsequent Offering Period will be announced as promptly as practicable and in no event later than two (2) Swedish Business Days after the expiration of the Acceptance Period (or sooner to the extent practicable) in accordance with the laws and practice of Sweden. Moreover, notices of extension or a subsequent offering period made in the manner described above would be permitted under the Tier II Exemptions, if they were available, as they would be made in accordance with Swedish law and practice.

We hereby request an exemption to Rule 14e-1(d) to permit the Offering Parties to announce the results of the Acceptance Period and, to the extent such extension would be permitted under Swedish Takeover Rules as described above, any notice of extension of the Acceptance Period within two (2) Swedish Business Days after the expiration of the Initial Acceptance Period or any Additional Acceptance Period (or sooner to the extent practicable) in accordance with the laws and practice of Sweden, and, if necessary, commence the Subsequent Offering Period immediately following such announcement.

We believe that the relief requested under Rule 14e-1(d) is consistent with the relief granted by the Commission in *QIAGEN, Axel Springer and Bayer AG*, SEC No-Action Letter, File No. 5-59757 (April 28, 2006) (“Bayer I”).

Rule 14e-1(c): Payment of Offer Price and Subsequent Offering Period

Rule 14e-1(c) promulgated under the Exchange Act prohibits a person making a tender offer from failing to pay the consideration offered or to return the securities deposited by or on behalf of security holders promptly after the termination or withdrawal of such offer. In SEC Release 34-40678, the Commission has stated that “[this] ‘prompt’ payment standard is satisfied if payment is made in accordance with normal settlement periods.” This period is two (2) U.S. Business Days in the United States.

As described above, the Swedish tender offer settlement schedule includes manual work and counting and reporting of acceptances by a number of different custodians receiving acceptances from their respective clients, and the compilation, verification and matching of such acceptances by the Swedish bank acting as the settlement agent for the Offer in Sweden. For this reason, settlement in Swedish tender offers takes place following the expiration of the Acceptance Period or the Subsequent Offering Period, as applicable, and not on a rolling basis throughout the duration of the Subsequent Offering Period. This process is established market practice in Sweden and the market participants have adopted this timetable to their internal processes, so neither the Swedish settlement agent nor the Offeror is able to expedite the process. We have been informed that application of this process to provide for payment on a rolling basis during the Subsequent Offering Period would impose a significant administrative burden on both the market participants including chain of custodians, over which Offeror has no control, and the Swedish bank acting as the settlement agent for the Offer in Sweden and increase the risk of mistakes in the settlement process.

Accordingly, as permitted by the laws of Sweden and in accordance with Swedish market practice, payment for Ordinary Shares tendered during the Acceptance Period or the Subsequent Offering Period will be made as soon as practicable, but in any event no later than seven (7) Swedish Business Days following the expiration of the Acceptance Period or the Subsequent Offering Period, as applicable.

In the event that the Offer is terminated or withdrawn, the Offeror (and its agents) will comply with the laws of Sweden, and unrestricted legal rights to the Ordinary Shares tendered into the Offer will return to the shareholder by way of the tendered shares, having been placed by the settlement agent in a blocked account set up in the name of the directly registered shareholder, being returned to the ordinary securities account of the relevant shareholder. Normally this process takes two (2) Swedish Business Days to complete.

Based on the foregoing, we hereby respectfully request relief on two levels.

First, we request confirmation from the Staff that it will not recommend any enforcement action to the Commission under Rule 14e-1(c) if (i) payment is made in respect of tendered Ordinary Shares as soon as practicable, and in any event within seven (7) Swedish Business Days following the expiration of the Acceptance Period or the Subsequent Offering Period, as applicable or (ii) Ordinary Shares are returned within two (2) Swedish Business Days following the termination or withdrawal of the Offer.

We believe that the Offer will comply with the plain wording of Rule 14e-1(c) promulgated under the Exchange Act. Rule 14e-1(c) provides that “no person who makes a tender offer shall . . . fail to pay the consideration offered or return the securities deposited by or on behalf of security holders promptly after the termination or withdrawal of a tender offer.” Following the announcement declaring the Offer unconditional, the Offering Parties will accept the tendered Ordinary Shares and issue and deliver payment to the tendering shareholders as soon as practicable in accordance with Swedish law and market practice. As discussed above, the drivers for the settlement schedule of the Offer are: (i) the settlement agent’s review process and the required time to conclude on the final acceptance level following the expiration of the Acceptance Period, (ii) the required time for drawdown of funds under the Offeror’s credit facility, (iii) the time required for transferring funds into the settlement agent’s account and conducting foreign currency conversions, and (iv) the process for initiating settlement in the Euroclear system prior to commencement of payment.

In addition, the Commission has generally looked to the clearance and payment practices as well as the securities laws of the subject company’s home country in determining whether the consideration in a tender offer was paid promptly. A settlement schedule providing for payment within seven (7) Swedish Business Days following the expiration of the Acceptance Period is a well-established market practice in Sweden. Each of the participants in the series of events that results in the payment of consideration, including the settlement agent in Sweden, would expect to operate on such a settlement schedule.

We believe that the relief requested under Rule 14e-1(c) is generally consistent with the relief granted by the Commission in similar transactions. *See QIAGEN; Sky, AIXTRON SE*, SEC No-Action Letter, File No. 5-84994 (Aug. 17, 2016) (“AIXTRON”); *LSEG*; and *Bayer I*. The Staff granted relief under Rule 14e-1(c) on facts similar to those present in the Offer to allow shares tendered during the acceptance period or the additional acceptance period to be paid (a) no more than seven (7) banking days following the expiration of the acceptance period or additional acceptance period, in the case of QIAGEN, (b) no more than fourteen (14) calendar days following the expiration of the acceptance period or additional acceptance period, in the case of Sky, (c) no later than 4–12 banking days after the expiration of the acceptance period or additional acceptance period, respectively, in the case of AIXTRON, (d) no later than fourteen (14) calendar days after the expiration of the acceptance period or additional acceptance period, respectively, in the case of LSEG, and (e) no later than 4–8 banking days after the expiration of the acceptance period or additional acceptance period, in the case of Bayer I, assuming all conditions were satisfied.

Second, we request confirmation from the Staff that it will not recommend any enforcement action to the Commission under Rule 14e-1(c) if the Offeror provides for the potential Subsequent Offering Period while settling shares tendered in the Acceptance Period in the manner described above. We believe that the relief requested under Rule 14e-1(c) is generally consistent with the relief granted by the Commission in similar transactions. *See QIAGEN; AIXTRON; D.E. Master Blenders; and Bayer I*.

We also believe that such exemptive relief is consistent with relief previously granted. *See Cash Offer by Acorda Therapeutics, Inc. for Biotie Therapies Oyj* (Mar. 8, 2016); and *Offer by International Business Machines Corporation for all outstanding shares, ADSs and warrants of ILOG S.A.* (Oct. 9, 2008).

* * *

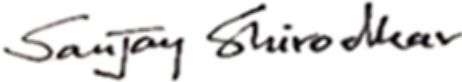
Based on the foregoing, we respectfully request that the Staff grant exemptive relief to the Offering Parties under Rule 14e-1(d) and Rule 14e-5 under the Exchange Act. We further request that the Staff confirm that, based on the facts and circumstances described in this letter, it will not recommend any enforcement action to the Commission with respect to Rule 14e-1(c) under the Exchange Act if the Offering Parties conduct the Offer as described in this letter. In addition, we request that the Staff confirm that it will not recommend any

Mr. Ted Yu, Ms. Christina Chalk
June 24, 2022
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enforcement action to the Commission if the Offering Parties reduce or waive the Minimum Acceptance Condition without holding the Acceptance Period open for a minimum of five (5) U.S. Business Days following the announcement of the reduction or waiver so long as the Offering Parties comply with all of the conditions set forth in this letter.

If you have any questions or comments relating to this request, or if it would facilitate your response in any way, please do not hesitate to contact the undersigned at 202.799.4184 or Jonathan Klein at 212.335.4902.

Sincerely,

A handwritten signature in black ink that reads "Sanjay Shirodkar". The signature is written in a cursive, slightly slanted style.

Sanjay M. Shirodkar

DLA Piper LLP (US)

Partner

Sanjay.Shirodkar@us.dlapiper.com

Attachment

Letter

Privileged and confidential

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June 24, 2022

Mr. Ted Yu
Chief, Office of Mergers and Acquisitions

Ms. Christina Chalk
Senior Special Counsel, Office of Mergers
and Acquisitions

Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, NE

Re: Request for exemptive and no-action relief under the Securities Exchange Act of 1934, as amended

Dear Mr. Yu and Ms. Chalk,

We are acting as Swedish counsel to Philip Morris Holland Holdings B.V., a limited liability company organized under the laws of The Netherlands (the "**Offeror**"), an indirectly wholly-owned subsidiary Philip Morris International Inc., a Virginia corporation, in connection with the recommended public cash offer to the shareholders of Swedish Match AB, a public limited liability company organized under the laws of the Kingdom of Sweden ("**Swedish Match**"), to tender all shares in Swedish Match¹ to the Offeror (the "**Offer**").

In such capacity, we have reviewed the letter requesting exemptive and no action relief from certain provisions of the Securities Exchange Act of 1934, as amended, prepared by DLA Piper LLP (US) and dated as of June 24, 2022 (the "**Letter**"). We confirm that in our opinion the descriptions of Swedish laws and regulations are fair, accurate and, as regards the aspects of the Offer described in the Letter for which relief has been requested therein, complete in all material respects. Further, in our view, the descriptions of Swedish tender offer practices contained therein are fair, accurate and, as regards the aspects of the Offer described in the Letter for which relief has been requested therein, complete in all material respects.

The foregoing confirmation is governed by the laws of Sweden and is not intended to be read as extending by implication to any other matters not referred to herein.

¹ Excluding any treasury shares held by Swedish Match.

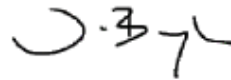
We hereby consent to the inclusion of this letter with any request for relief submitted by the Offeror to the United States Securities and Exchange Commission. It may not be used or relied upon by any other person for any other purpose.

Very truly yours,

Roschier Advokatbyrå AB



Ola Sandersson



Jens Bengtsson