

Vector Announces Notice of Conditional Redemption for Senior Notes

December 31, 2020

MIAMI--(BUSINESS WIRE)--Dec. 31, 2020-- Vector Group Ltd. (NYSE: VGR) ("Vector" or the "Company") announced today that it has delivered a conditional notice of redemption (the "Notice") to the trustee of the outstanding 6.125% Senior Secured Notes due 2025 (the "Notes") issued by the Company. The Notice calls for the redemption of all of the outstanding \$850 million aggregate principal amount of the Notes on February 1, 2021 (the "Redemption Date") and is conditioned on closing of a refinancing transaction in a principal amount of at least \$850,000,000 through one or more offerings of debt securities (the "Condition"), which condition the Company may waive at its discretion. The redemption price for the Notes is 101.531% of the principal amount redeemed, plus interest accrued and unpaid to the redemption date, in accordance with the provisions of the indenture governing the Notes.

This press release does not constitute a notice of redemption of the Notes. Information concerning the terms and conditions of the redemption are described in the Notice distributed to holders of the Notes by U.S. Bank, the trustee with respect to the Notes. Beneficial holders with any questions about the redemption should contact their respective brokerage firm or financial institution.

This press release does not constitute an offer to sell or a solicitation of an offer to purchase the Notes or any other security, and there will not be any offer, solicitation or sale of the Notes or any other security in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

Cautionary Note Regarding Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company has tried, whenever possible, to identify these forward-looking statements using words such as "anticipates", "believes", "estimates", "expects", "plans", "intends", "could" and similar expressions. These statements reflect the Company's current beliefs and are based upon information currently available to it. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause the Company's actual results, performance or achievements to differ materially from those expressed in, or implied by, such statements.

All information set forth in this press release is as of December 31, 2020. Vector does not intend, and undertakes no duty, to update this information to reflect future events or circumstances. Risk factors and uncertainties that may cause actual results to differ materially from expected results include, among others, our ability to successfully complete the proposed notes offering.

Vector Group is a holding company that indirectly owns Liggett Group LLC and Vector Tobacco Inc. and directly owns New Valley LLC, which owns a controlling interest in Douglas Elliman Realty, LLC.

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