

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF  
ROTHMANS, BENSON & HEDGES INC.

Applicant

THIRTEENTH REPORT OF THE MONITOR  
MARCH 22, 2023

INTRODUCTION

1. On March 22, 2019, Rothmans, Benson & Hedges Inc. (“**RBH**”, the “**Company**” or the “**Applicant**”) applied for and obtained an initial order (the “**Initial Order**”) under the *Companies' Creditors Arrangement Act* (“**CCAA**”) that, amongst other things, (i) granted a stay of proceedings in favour of the Applicant and a limited stay of proceedings in favour of members of the PMI Group from certain proceedings and Other Pending Litigation, and (ii) appointed EYI as Monitor of the Applicant in this CCAA proceeding (the “**CCAA Proceeding**”).
2. On April 25, 2019, this Court issued a further amended and restated Initial Order (the “**Second Amended and Restated Initial Order**”) that, amongst other things, extended a limited stay of proceedings to the Other Defendants.
3. Pursuant to an Order dated September 29, 2022, the Stay Period was extended to March 31, 2023.

PURPOSE

4. The purpose of this thirteenth report of the Monitor (the “**Thirteenth Report**”) is to provide information to this Court with respect to:
  - i) the status of the CCAA Proceeding;

- ii) the actual receipts and disbursements of the Applicant from September 5, 2022 to March 5, 2023 (the “**Reporting Period**”);
- iii) the Applicant’s updated cash flow forecast for the period from March 6, 2023 to October 1, 2023; and
- iv) the Applicant’s request for an order that the stay of proceedings be extended up to and including September 29, 2023 (the “**Extension Motion**”).

## **TERMS OF REFERENCE**

5. In preparing this Thirteenth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records and financial information prepared by the Applicant, the Affidavits (as defined below), and discussions with RBH management (collectively, the “**Information**”). Except as described in this Thirteenth Report:
  - i) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited, or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Auditing Standards (“**GAAS**”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and
  - ii) some of the information referred to in this Thirteenth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in Chartered Professional Accountants of Canada Handbook, has not been performed.
6. Future oriented financial information referred to in this Thirteenth Report was prepared based on the Company’s estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.

7. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Thirteenth Report concerning the Applicant and its business is based on the Information, and not independent factual determinations made by the Monitor.
8. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.
9. Capitalized terms used but not defined in this Thirteenth Report are defined in the affidavit of Mindaugas Trumpaitis sworn March 16, 2023 in connection with the stay extension request and his and Peter Luongo's prior affidavits filed in the CCAA Proceedings (collectively, the "**Affidavits**"), the Proposed Monitor's Pre-filing Report dated March 22, 2019 and the Monitor's prior reports (together, the "**Monitor's Reports**") and the Second Amended and Restated Initial Order.
10. Copies of the Monitor's Reports, including a copy of this Thirteenth Report, and all motion records and Orders in the CCAA Proceeding are available on the Monitor's website at [www.ey.com/ca/rbh](http://www.ey.com/ca/rbh). The Monitor has also established a toll-free phone number that is referenced on the Monitor's website so that parties may contact the Monitor if they have questions with respect to the CCAA Proceeding.

## OVERVIEW OF THE APPLICANT

11. The Applicant is a private company with its head office in Toronto, Ontario. The ultimate parent of the Applicant is PMI. The Applicant's two primary business segments include:
  - i) **Traditional Cigarette and Tobacco Product Business** – the Applicant is the second largest supplier of traditional tobacco products in the tax-paid Canadian market. It manufactures and sells cigarettes and fine-cut tobacco, and distributes pipe tobacco and cigar products; and
  - ii) **Reduced Risk Product Business: IQOS and Vaping Products** – the Applicant sells and distributes IQOS and vaping products to consumers via 3<sup>rd</sup> party retail outlets, as well as via an online platform. IQOS is an electronic device that generates a nicotine-containing aerosol by heating tobacco products manufactured for use with the IQOS

device. The Applicant imports reduced risk products from Europe and Asia for the Canadian duty-paid market.

12. The Applicant provides employment or consultant work to approximately 739 employees and 49 contractors in Canada.<sup>1</sup>

## **STATUS OF THE CCAA PROCEEDING**

### *Update on Mediation*

13. The Tobacco Applicants have continued to populate separate data rooms with financial information to continue advancing mediation discussions with key stakeholders. Stakeholder advisors have been admitted to the data rooms after execution of non-disclosure agreements. The Monitor continues to work with the Applicant to update the Applicant's data room with financial and other information, as requested.
14. Since the Eleventh Report, the Court-Appointed Mediator, with the assistance of the Tobacco Monitors, continues to conduct mediation meetings, facilitate the exchange of information, and engage in discussions with the Tobacco Applicants and key stakeholders. The mediation negotiations are confidential; however, the parties continue to work to advance the mediation process with the goal to facilitate a global settlement of the Tobacco Claims.

### *Leave Motion By The Heart and Stroke Foundation of Canada*

15. The Heart and Stroke Foundation of Canada (“**HSF**”) has brought a motion seeking leave (the “**HSF Leave Motion**”) to bring a motion to, among other things:
  - i) appoint Tyr LLP as representative counsel for the “Future Tobacco Harm Stakeholders”; and
  - ii) grant the proposed representative counsel “rights of participation” in the ongoing Court-ordered Mediation.

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<sup>1</sup> As of February 28, 2023

16. The motion advanced by HSF and the Monitor's recommendations related thereto are further described in the Twelfth Report. The HSF Leave Motion is scheduled to be heard on April 14, 2023.

*Notice of Opposition by the Quebec Class Action Plaintiffs*

17. On March 16, 2023, the Applicant filed a notice of motion to extend the Stay Period until and including September 29, 2023. On March 20, 2023, the Quebec Class Action Plaintiffs filed a notice of opposition to oppose the Applicant's Extension Motion and submitted that the extension should be limited to three months until June 30, 2023, rather than six months requested by the Applicant.
18. The Monitor has reviewed the notice of opposition dated March 20, 2023 and the affidavits attached thereto.

*Operational Update*

19. Since the granting of the Initial Order, the Applicant, with the assistance of the Monitor, has been operating on a business as usual basis, subject to the Second Amended and Restated Initial Order, and continues to operate its cash flow positive Business for the benefit of all stakeholders.
20. The Applicant, with the assistance of the Monitor, has responded to suppliers regarding the CCAA Proceeding as needed.
21. Pursuant to the Professional Fees Disclosure Order dated May 16, 2019, the Monitor continues to disclose, through its counsel, the Monitor's and its counsel's professional fees and disbursements and the Applicant's counsel's professional fees and disbursements to the requesting parties.

**ACTUAL RECEIPTS AND DISBURSEMENTS FOR THE PERIOD SEPTEMBER 5, 2022 TO MARCH 5, 2023**

22. For the period from September 5, 2022 to March 5, 2023, RBH had total receipts of approximately \$1,373.9 million and total disbursements of approximately \$1,052.8 million for net cash flow of approximately \$321.1 million.
23. Actual net cash flow was favourable to forecast by \$4.6 million. Significant items contributing to this overall favourable variance were as follows:
- i) an unfavourable timing variance of approximately \$30.5 million in Collection of Accounts Receivable primarily as a result of lower than forecast sales during the Reporting Period;
  - ii) a favourable permanent variance of approximately \$9.6 million in Other Receipts primarily due to a combination of higher than forecast interest income of \$8.9 million, and higher than forecast cost reimbursement for Risk Reduced Products of approximately \$0.7 million during the Reporting Period;
  - iii) an unfavourable variance in Third Party Operating Costs of approximately \$16.0 million primarily due to a combination of earlier than forecast payment of certain expenditures of approximately \$12.3 million and a foreign exchange loss on cash conversion of Canadian dollars to foreign currencies for supplier payments of approximately \$4.7 million;
  - iv) a favourable timing variance of approximately \$9.8 million in Leaf Purchases. Payments are expected to be made in the next forecast period;
  - v) a favourable permanent variance of approximately \$16.6 million in Net Intercompany Disbursements primarily due to a combination of lower than forecast costs for intercompany services of approximately \$5.9 million, lower than forecast intercompany finished goods prices of approximately \$5.2 million, and lower than forecast intercompany royalty charges of approximately \$2.9 million as a result of lower than forecast sales;

- vi) an unfavourable permanent variance of \$5.2 million in Corporate Income Taxes primarily as a result of higher than forecast 2022 corporate income taxes; and
  - vii) a favourable variance of approximately \$12.8 million in Taxes (Excise/Duty/GST/PTT) primarily due to the following variances:
    - a) a favourable permanent variance of approximately \$19 million primarily as a result of lower than forecast sales and production; partially offset by
    - b) an unfavourable permanent variance of approximately \$7.0 million primarily as a result of higher than forecast customs duties on the imports of reduced risk products and combustible cigarettes from RBH's Mexican affiliate;
24. A summary of the Applicant's actual receipts and disbursements as compared to the projection set out in the Eleventh Report for the period of September 5, 2022 to March 5, 2023, is attached hereto as Appendix "A".

#### **UPDATED CASH FLOW FORECAST**

25. The Applicant, with the assistance of the Monitor, has prepared a cash flow forecast (the "**March 2023 Cash Flow Forecast**") for the thirty (30) week period from March 6, 2023 to October 1, 2023 (the "**Cash Flow Period**"). A copy of the March 2023 Cash Flow Forecast is attached hereto as Appendix "**B**".
26. As at March 5, 2023, the Applicant had available cash and equivalents of approximately \$4.38 billion.
27. The March 2023 Cash Flow Forecast estimates the Applicant will have total receipts of approximately \$1.65 billion and total disbursements of approximately \$1.20 billion for net cash flow of approximately \$451.1 million during the Cash Flow Period.
28. The March 2023 Cash Flow Forecast has been prepared by the Applicant for the purpose of the CCAA Proceeding, using probable and hypothetical assumptions as set out below:

- i) Accounts receivable collections have been estimated by the Applicant based on revenue forecasts and historical customer collection;
- ii) Pre-filing intercompany amounts owing are stayed;
- iii) All post-filing goods and services from suppliers and service providers and all post-filing intercompany goods and services will be settled in the ordinary course;
- iv) All outstanding and future wages, salaries, commissions, compensation, vacation pay, bonuses, incentive plan payments, employee and retiree pension and other benefits and related contributions and payments (including, without limitation, expenses related to employee and retiree medical, dental, disability, life insurance and similar benefit plans or arrangements, employee assistance programs and contributions to or any payments in respect of the Registered Pension Plans, the Non-Registered Pension Plans and the RRSP), reimbursement expenses, termination pay, salary continuance and severance pay, all of which is payable to or in respect of employees, independent contractors and other personnel, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements or with Monitor approval will be paid;
- v) Restructuring Costs have been forecast based on anticipated run rates and includes an estimate of costs associated with the Court-Appointed Mediator and Representative Counsel. All outstanding fees and disbursements of the Assistants retained or employed by the Applicant will be paid;
- vi) Any payment under or in respect of any Trade Program operated by the Applicant will be paid;
- vii) Post-filing expenses and capital expenditures necessary for the preservation of the Property or the Business including, payments in respect of insurance (including directors' and officers' insurance), maintenance and security services, as well as, certain capital expenditures to replace or supplement the Property or that are otherwise a benefit to the business, will be paid;



- viii) All statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province or other taxing authority that are required to be deducted from employee wages including, in respect of employee insurance, Canada Pension Plan, Quebec Pension Plan and income taxes will be remitted;
  - ix) Corporate income tax installments and payments are made in normal course;
  - x) All pre-filing and post-filing Sales & Excise Taxes accrued or collected in connection with the sale of goods and services by the Applicant will be remitted;
  - xi) Any payments in respect of the Quebec Class Actions and the Other Pending Litigation (which includes an action brought by the Ontario Flue-Cured Tobacco Growers' Marketing Board) are stayed;
  - xii) The ongoing sourcing of a portion of finished goods from RBH's Mexico affiliate have been included in the March 2023 Flow Forecast; and
  - xiii) Certain amounts that have been re-timed from the Reporting Period and are now forecast to be disbursed during the Cash Flow Period.
29. The Monitor's review of the March 2023 Cash Flow Forecast consisted of inquiries, analytical procedures and discussions related to Information supplied to it by the Company. Since the probable and hypothetical assumptions need not be supported, the Monitor's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the March 2023 Cash Flow Forecast. The Monitor also reviewed the support provided by the Company for the probable and hypothetical assumptions, and the preparation and presentation of the March 2023 Cash Flow Forecast.
30. Based on the Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:
- i) the probable and hypothetical assumptions are not consistent with the purpose of the March 2023 Cash Flow Forecast;

- ii) as at the date of this Thirteenth Report, the probable and hypothetical assumptions developed by the Company are not suitably supported and consistent with the restructuring plans of the Applicant or do not provide a reasonable basis for the March 2023 Cash Flow Forecast, given the probable and hypothetical assumptions;  
or
  - iii) the March 2023 Cash Flow Forecast does not reflect the probable and hypothetical assumptions.
31. As described in the Terms of Reference above, the March 2023 Cash Flow Forecast is based on assumptions regarding future events and actual results will vary from the information presented even if the probable and hypothetical assumptions occur, and such variations may be material. Accordingly, the Monitor expresses no assurance as to whether the March 2023 Cash Flow Forecast will be achieved. In addition, the Monitor expresses no opinion or other form of assurance with respect to the accuracy of financial information presented in the March 2023 Cash Flow Forecast or relied upon by the Monitor in preparing this Thirteenth Report.
32. The March 2023 Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

#### **REQUEST FOR AN EXTENSION OF THE STAY PERIOD**

33. The Stay Period is currently set to expire on March 31, 2023. The Applicant is seeking the extension of the Stay Period up to and including September 29, 2023 in order for the Applicant to continue to operate its Business and participate in the process established by the Court-Appointed Mediator to resolve the Global Damages Award and all Other Pending Litigation claims.
34. As described above, the Applicant's March 2023 Cash Flow Forecast projects the Applicant will have sufficient liquidity and generate positive cash flow during the Cash Flow Period.
35. It is the Monitor's view that the Applicant has acted in accordance with the Second Amended and Restated Initial Order and is working diligently and in good faith.


## **CONCLUSION AND RECOMMENDATION**

36. For the reasons outlined in this Thirteenth Report, the Monitor supports the relief sought by the Applicant in their motion and respectfully recommends that this Court grant an order extending the Stay Period for a period of up to and including September 29, 2023.

All of which is respectfully submitted this 22nd day of March, 2023.

**ERNST & YOUNG INC.**  
**In its capacity as Monitor of**  
**Rothmans, Benson & Hedges Inc.**

Per:

A handwritten signature in black ink, appearing to read "Murray A. McDonald", written in a cursive style.

Murray A. McDonald  
Chairman

## Rothmans, Benson & Hedges Inc. - September 5, 2022 to March 5, 2023

### Forecast Cash Flow - Variances

CAD (Millions)

	Forecast	Actuals	Variances
Start of period	05-Sep-22	05-Sep-22	05-Sep-22
End of period	05-Mar-23	05-Mar-23	05-Mar-23

#### 1 . Receipts & Disbursements

##### Receipts

Collection of Accounts Receivable	1,307.0	1,276.5	(30.5)
Other Receipts	87.8	97.4	9.6

##### Total Receipts

1,394.8	1,373.9	(20.9)
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##### Disbursements

Payroll (Gross) and Benefits	60.5	58.6	1.9
Pension and PRB Contributions	5.6	5.0	0.6
Third Party Operating Costs	104.3	120.3	(16.0)
Leaf Purchases	10.5	0.7	9.8
Net Intercompany Disbursements	95.3	78.7	16.6
Capex	3.8	1.5	2.3
Corporate Income Taxes	111.4	116.6	(5.2)
Taxes (Excise / Duty / GST / PTT)	681.7	668.9	12.8
Restructuring Costs	5.2	2.5	2.7

##### Total Disbursements

1,078.3	1,052.8	25.5
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##### Net Cash Flow

316.5	321.1	4.6
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##### Opening Available Cash Balance

4,055.4	4,055.4	-
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##### Closing Available Cash Balance

4,371.9	4,376.5	4.6
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Restricted Cash	31.1	31.1	-
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Quebec Security Deposit	226.0	226.0	-
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##### Total Cash + Restricted Cash

4,629.0	4,633.6	4.6
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<b>Rothmans, Benson &amp; Hedges Inc.</b>	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Forecast Cash Flow</b>							
millions, CAD	6-Mar-23 12-Mar-23	13-Mar-23 19-Mar-23	20-Mar-23 26-Mar-23	27-Mar-23 2-Apr-23	3-Apr-23 9-Apr-23	10-Apr-23 16-Apr-23	17-Apr-23 23-Apr-23
<b>Receipts</b>							
Collection of Accounts Receivable	43.9	48.4	48.4	48.4	43.6	43.6	43.6
Other Receipts	10.8	2.8	0.0	0.0	1.7	0.0	8.6
<b>Total Receipts</b>	<b>54.7</b>	<b>51.2</b>	<b>48.4</b>	<b>48.4</b>	<b>45.3</b>	<b>43.6</b>	<b>52.2</b>
<b>Disbursements</b>							
Payroll (Gross) and Benefits	(0.5)	(2.8)	(1.5)	(1.9)	(2.6)	(2.9)	(1.5)
Pension and PRB Contributions	(0.3)	(0.1)	(0.1)	(0.3)	(0.3)	(0.1)	(0.1)
Third Party Operating Costs	(4.8)	(4.1)	(4.1)	(4.0)	(3.9)	(4.6)	(4.6)
Leaf Purchases	-	-	-	(5.1)	(0.4)	(1.2)	(0.4)
Net Intercompany Disbursements	(6.2)	(1.9)	(0.8)	(3.1)	-	(7.2)	(0.2)
Capex	-	-	-	-	(0.1)	(0.1)	(0.1)
Corporate Income Taxes	-	-	-	(20.1)	-	-	-
Taxes (Excise / Duty / GST / PTT)	(9.2)	(12.4)	(0.2)	(85.7)	-	(17.6)	(8.1)
Restructuring Costs	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
<b>Total Disbursements</b>	<b>(21.2)</b>	<b>(21.5)</b>	<b>(6.9)</b>	<b>(120.4)</b>	<b>(7.5)</b>	<b>(33.9)</b>	<b>(15.2)</b>
<b>Net Cash Flow</b>	<b>33.5</b>	<b>29.7</b>	<b>41.5</b>	<b>(72.0)</b>	<b>37.8</b>	<b>9.7</b>	<b>37.0</b>
<b>Opening Available Cash Balance</b>	<b>4,376.5</b>	<b>4,410.0</b>	<b>4,439.7</b>	<b>4,481.2</b>	<b>4,409.2</b>	<b>4,447.0</b>	<b>4,456.7</b>
<b>Closing Available Cash Balance</b>	<b>4,410.0</b>	<b>4,439.7</b>	<b>4,481.2</b>	<b>4,409.2</b>	<b>4,447.0</b>	<b>4,456.7</b>	<b>4,493.7</b>
Restricted Cash	31.1	31.1	31.1	31.1	31.1	31.1	31.1
Quebec Security Deposit	226.0	226.0	226.0	226.0	226.0	226.0	226.0
<b>Total Available, Restricted Cash &amp; Quebec Security Deposit</b>	<b>4,667.1</b>	<b>4,696.8</b>	<b>4,738.3</b>	<b>4,666.3</b>	<b>4,704.1</b>	<b>4,713.8</b>	<b>4,750.8</b>

<b>Rothmans, Benson &amp; Hedges Inc.</b>	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Forecast Cash Flow</b>							
millions, CAD	24-Apr-23	1-May-23	8-May-23	15-May-23	22-May-23	29-May-23	5-Jun-23
	30-Apr-23	7-May-23	14-May-23	21-May-23	28-May-23	4-Jun-23	11-Jun-23
<b>Receipts</b>							
Collection of Accounts Receivable	43.6	54.4	54.4	54.4	43.5	55.3	56.8
Other Receipts	25.7	1.8	0.0	3.0	0.0	0.3	11.8
<b>Total Receipts</b>	<b>69.3</b>	<b>56.2</b>	<b>54.4</b>	<b>57.4</b>	<b>43.5</b>	<b>55.6</b>	<b>68.6</b>
<b>Disbursements</b>							
Payroll (Gross) and Benefits	(3.2)	(1.7)	(1.3)	(2.1)	(1.5)	(3.3)	(0.4)
Pension and PRB Contributions	(0.3)	(0.1)	(0.4)	(0.1)	(0.1)	(0.3)	(0.3)
Third Party Operating Costs	(4.5)	(5.3)	(5.3)	(5.3)	(4.5)	(4.1)	(3.6)
Leaf Purchases	(3.8)	(0.1)	(0.1)	(4.2)	(0.1)	(0.6)	(0.6)
Net Intercompany Disbursements	(7.5)	-	(7.8)	-	(6.1)	-	-
Capex	(0.1)	(0.3)	(0.3)	(0.3)	(0.3)	(0.1)	(0.1)
Corporate Income Taxes	-	(20.1)	-	-	-	(20.1)	-
Taxes (Excise / Duty / GST / PTT)	(2.9)	(94.5)	(13.2)	(6.8)	(2.2)	(83.6)	-
Restructuring Costs	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
<b>Total Disbursements</b>	<b>(22.5)</b>	<b>(122.3)</b>	<b>(28.6)</b>	<b>(19.0)</b>	<b>(15.0)</b>	<b>(112.3)</b>	<b>(5.2)</b>
<b>Net Cash Flow</b>	<b>46.8</b>	<b>(66.1)</b>	<b>25.8</b>	<b>38.4</b>	<b>28.5</b>	<b>(56.7)</b>	<b>63.4</b>
<b>Opening Available Cash Balance</b>	<b>4,493.7</b>	<b>4,540.5</b>	<b>4,474.4</b>	<b>4,500.2</b>	<b>4,538.6</b>	<b>4,567.1</b>	<b>4,510.4</b>
<b>Closing Available Cash Balance</b>	<b>4,540.5</b>	<b>4,474.4</b>	<b>4,500.2</b>	<b>4,538.6</b>	<b>4,567.1</b>	<b>4,510.4</b>	<b>4,573.8</b>
Restricted Cash	31.1	31.1	31.1	31.1	31.1	31.1	31.1
Quebec Security Deposit	226.0	226.0	226.0	226.0	226.0	226.0	226.0
<b>Total Available, Restricted Cash &amp; Quebec Security Deposit</b>	<b>4,797.6</b>	<b>4,731.5</b>	<b>4,757.3</b>	<b>4,795.7</b>	<b>4,824.2</b>	<b>4,767.5</b>	<b>4,830.9</b>

<b>Rothmans, Benson &amp; Hedges Inc.</b>	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Forecast Cash Flow</b>							
millions, CAD	12-Jun-23	19-Jun-23	26-Jun-23	3-Jul-23	10-Jul-23	17-Jul-23	24-Jul-23
	18-Jun-23	25-Jun-23	2-Jul-23	9-Jul-23	16-Jul-23	23-Jul-23	30-Jul-23
<b>Receipts</b>							
Collection of Accounts Receivable	56.8	56.8	56.8	43.0	53.8	53.8	53.8
Other Receipts	3.2	0.0	0.0	2.1	0.0	12.4	23.3
<b>Total Receipts</b>	<b>60.0</b>	<b>56.8</b>	<b>56.8</b>	<b>45.1</b>	<b>53.8</b>	<b>66.2</b>	<b>77.1</b>
<b>Disbursements</b>							
Payroll (Gross) and Benefits	(2.9)	(1.5)	(2.0)	(2.0)	(2.9)	(1.5)	(0.5)
Pension and PRB Contributions	(0.1)	(0.1)	(0.3)	(0.3)	(0.1)	(0.1)	(0.1)
Third Party Operating Costs	(3.6)	(3.6)	(3.5)	(4.6)	(5.7)	(5.7)	(5.7)
Leaf Purchases	(0.6)	(0.6)	(0.6)	-	-	-	-
Net Intercompany Disbursements	(8.6)	-	(5.3)	-	(10.8)	-	(5.7)
Capex	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Corporate Income Taxes	-	-	(20.1)	-	-	-	-
Taxes (Excise / Duty / GST / PTT)	(18.8)	(9.1)	(102.7)	-	(19.3)	(9.1)	(3.1)
Restructuring Costs	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
<b>Total Disbursements</b>	<b>(34.9)</b>	<b>(15.2)</b>	<b>(134.8)</b>	<b>(7.2)</b>	<b>(39.1)</b>	<b>(16.7)</b>	<b>(15.4)</b>
<b>Net Cash Flow</b>	<b>25.1</b>	<b>41.6</b>	<b>(78.0)</b>	<b>37.9</b>	<b>14.7</b>	<b>49.5</b>	<b>61.7</b>
<b>Opening Available Cash Balance</b>	<b>4,573.8</b>	<b>4,598.9</b>	<b>4,640.5</b>	<b>4,562.5</b>	<b>4,600.4</b>	<b>4,615.1</b>	<b>4,664.6</b>
<b>Closing Available Cash Balance</b>	<b>4,598.9</b>	<b>4,640.5</b>	<b>4,562.5</b>	<b>4,600.4</b>	<b>4,615.1</b>	<b>4,664.6</b>	<b>4,726.3</b>
Restricted Cash	31.1	31.1	31.1	31.1	31.1	31.1	31.1
Quebec Security Deposit	226.0	226.0	226.0	226.0	226.0	226.0	226.0
<b>Total Available, Restricted Cash &amp; Quebec Security Deposit</b>	<b>4,856.0</b>	<b>4,897.6</b>	<b>4,819.6</b>	<b>4,857.5</b>	<b>4,872.2</b>	<b>4,921.7</b>	<b>4,983.4</b>

<b>Rothmans, Benson &amp; Hedges Inc.</b>	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Forecast Cash Flow</b>							
millions, CAD	31-Jul-23	7-Aug-23	14-Aug-23	21-Aug-23	28-Aug-23	4-Sep-23	11-Sep-23
	6-Aug-23	13-Aug-23	20-Aug-23	27-Aug-23	3-Sep-23	10-Sep-23	17-Sep-23
<b>Receipts</b>							
Collection of Accounts Receivable	55.8	45.0	56.3	56.3	55.4	41.5	51.9
Other Receipts	2.3	0.0	3.3	0.0	0.4	12.2	3.3
<b>Total Receipts</b>	<b>58.1</b>	<b>45.0</b>	<b>59.6</b>	<b>56.3</b>	<b>55.8</b>	<b>53.7</b>	<b>55.2</b>
<b>Disbursements</b>							
Payroll (Gross) and Benefits	(3.6)	(1.3)	(2.2)	(1.4)	(2.1)	(1.8)	(2.9)
Pension and PRB Contributions	(0.3)	(0.3)	(0.1)	(0.1)	(0.3)	(0.3)	(0.1)
Third Party Operating Costs	(5.0)	(4.0)	(5.0)	(5.0)	(4.9)	(3.9)	(4.8)
Leaf Purchases	-	-	-	-	-	-	-
Net Intercompany Disbursements	-	(0.6)	(10.2)	(0.3)	(5.5)	-	(7.6)
Capex	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)
Corporate Income Taxes	(20.1)	-	-	-	(20.1)	-	-
Taxes (Excise / Duty / GST / PTT)	(104.9)	(10.7)	(13.9)	(2.7)	(84.8)	-	(19.2)
Restructuring Costs	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
<b>Total Disbursements</b>	<b>(134.3)</b>	<b>(17.3)</b>	<b>(31.8)</b>	<b>(9.9)</b>	<b>(118.1)</b>	<b>(6.5)</b>	<b>(35.1)</b>
<b>Net Cash Flow</b>	<b>(76.2)</b>	<b>27.7</b>	<b>27.8</b>	<b>46.4</b>	<b>(62.3)</b>	<b>47.2</b>	<b>20.1</b>
<b>Opening Available Cash Balance</b>	<b>4,726.3</b>	<b>4,650.1</b>	<b>4,677.8</b>	<b>4,705.6</b>	<b>4,752.0</b>	<b>4,689.7</b>	<b>4,736.9</b>
<b>Closing Available Cash Balance</b>	<b>4,650.1</b>	<b>4,677.8</b>	<b>4,705.6</b>	<b>4,752.0</b>	<b>4,689.7</b>	<b>4,736.9</b>	<b>4,757.0</b>
Restricted Cash	31.1	31.1	31.1	31.1	31.1	31.1	31.1
Quebec Security Deposit	226.0	226.0	226.0	226.0	226.0	226.0	226.0
<b>Total Available, Restricted Cash &amp; Quebec Security Deposit</b>	<b>4,907.2</b>	<b>4,934.9</b>	<b>4,962.7</b>	<b>5,009.1</b>	<b>4,946.8</b>	<b>4,994.0</b>	<b>5,014.1</b>



<b>Rothmans, Benson &amp; Hedges Inc.</b>	Forecast	Forecast	Total
<b>Forecast Cash Flow</b>			
millions, CAD	18-Sep-23	25-Sep-23	6-Mar-23
	24-Sep-23	1-Oct-23	1-Oct-23
<b>Receipts</b>			
Collection of Accounts Receivable	51.9	51.9	1,523.1
Other Receipts	0.0	0.0	129.0
<b>Total Receipts</b>	<b>51.9</b>	<b>51.9</b>	<b>1,652.1</b>
<b>Disbursements</b>			
Payroll (Gross) and Benefits	(0.5)	(3.2)	(59.5)
Pension and PRB Contributions	(0.1)	(0.3)	(5.9)
Third Party Operating Costs	(4.8)	(5.1)	(137.6)
Leaf Purchases	-	-	(18.4)
Net Intercompany Disbursements	-	(6.0)	(101.4)
Capex	(0.3)	(0.3)	(4.7)
Corporate Income Taxes	-	-	(120.6)
Taxes (Excise / Duty / GST / PTT)	(9.1)	(3.1)	(746.9)
Restructuring Costs	(0.2)	(0.2)	(6.0)
<b>Total Disbursements</b>	<b>(15.0)</b>	<b>(18.2)</b>	<b>(1,201.0)</b>
<b>Net Cash Flow</b>	<b>36.9</b>	<b>33.7</b>	<b>451.1</b>
<b>Opening Available Cash Balance</b>	<b>4,757.0</b>	<b>4,793.9</b>	<b>4,376.5</b>
<b>Closing Available Cash Balance</b>	<b>4,793.9</b>	<b>4,827.6</b>	<b>4,827.6</b>
Restricted Cash	31.1	31.1	31.1
Quebec Security Deposit	226.0	226.0	226.0
<b>Total Available, Restricted Cash &amp; Quebec Security Deposit</b>	<b>5,051.0</b>	<b>5,084.7</b>	<b>5,084.7</b>

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ROTHMANS, BENSON & HEDGES INC.

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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
PROCEEDING COMMENCED AT TORONTO

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**THIRTEENTH REPORT OF ERNST & YOUNG INC.**

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