

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

TWENTY-FOURTH REPORT OF THE MONITOR
JANUARY 22, 2025

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 in relation to certain proceedings, 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 October 31, 2024, the Stay Period was extended to January 31, 2025.
4. On December 23, 2024, the Court issued an Order approving an insurance settlement between RBH and three insurers (the “**RBH Insurance Settlement and Bar Order**”), with the settlement payments to be held in trust by the Monitor.
5. Pursuant to an Order dated December 23, 2024, a hearing was set for the Court to consider a motion to approve and sanction the RBH Plan (defined below) (the “**Sanction Hearing**”), commencing on January 29, 2025.

PURPOSE

6. The purpose of this twenty-fourth report of the Monitor (the “**Twenty-Fourth 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 October 7, 2024 to January 5, 2025 (the “**Reporting Period**”);
 - iii) the Applicant’s updated cash flow forecast for the period from January 6, 2025 to June 29, 2025; and
 - iv) the Applicant’s request for an order that the Stay Period be extended up to and including February 28, 2025.

TERMS OF REFERENCE

7. In preparing this Twenty-Fourth 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 Twenty-Fourth 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 Twenty-Fourth 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.
8. Future oriented financial information referred to in this Twenty-Fourth 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.
 9. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Twenty-Fourth Report concerning the Applicant and its business is based on the Information, and not independent factual determinations made by the Monitor.
 10. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.
 11. Capitalized terms used but not defined in this Twenty-Fourth Report are defined in the affidavit of Milena Trentadue sworn January 15, 2025 (the "**Trentadue Affidavit**") in connection with the stay extension request, as well as the prior affidavits of Mindaugas Trumpaitis and Peter Luongo filed in the CCAA Proceedings (collectively, the "**Affidavits**"), the Monitor's prior reports (together, the "**Monitor's Reports**") and the Second Amended and Restated Initial Order.
 12. Copies of the Monitor's Reports, including a copy of this Twenty-Fourth Report, and all motion records and Orders in the CCAA Proceeding are available on the Monitor's website at 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.

STATUS OF THE CCAA PROCEEDING

13. Pursuant to Orders dated October 31, 2024, this Court, among other things, approved the filing of a plan of compromise or arrangement dated October 17, 2024 (the "**October 17 CCAA Plan**") in respect of the Applicant, set the meeting of Affected Creditors for December 12, 2024 to vote on the October 17 CCAA Plan and approved a claims procedure

to identify affected claims against the Applicant for purposes of voting on the October 17 CCAA Plan.

14. On December 5, 2024, the Monitor served the first amended and restated plan of compromise or arrangement in respect of the Applicant (the “**RBH Plan**”), amending and restating the October 17 CCAA Plan, on the Common Service List. The amendments were: (i) of an administrative nature required to better give effect to the implementation of the RBH Plan; or (ii) to cure any errors, omissions or ambiguities in the October 17 CCAA Plan, and in all cases were not materially adverse to the financial interests of the Affected Creditors or the Unaffected Creditors.
15. The Meeting to vote on the RBH Plan took place virtually on December 12, 2024 and the RBH Plan was unanimously approved by the Eligible Voting Creditors.
16. On January 15, 2025, the Monitor filed a notice of motion seeking various relief, including sanction of the RBH Plan. The relief sought in this notice of motion is discussed in the Twenty-Third Report of the Monitor, dated January 15, 2025 (the “**Twenty-Third Report**”).

Operational Update

17. 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.
18. The Applicant, with the assistance of the Monitor, has responded to suppliers regarding the CCAA Proceeding as needed.
19. 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.

Intercompany Update

20. As summarized in the Pre-filing Report of the Monitor, dated March 22, 2019, tobacco products produced by the Applicant are sold under a variety of registered trademarks, certain of which are subject to trademark license agreements with PMP and Philip Morris Global Brands Inc. (“**PM Global Brands**”). Under these agreements, PMP and PM Global Brands grant RBH the non-exclusive right to exploit specific trademarks in connection with the manufacture and sale of cigarettes in the Canadian market. The Applicant is required to meet strict specifications and standards in the manufacture of tobacco products bearing the specified trademarks.
21. The Monitor understands PM Global Brands entered into new trademark license agreements with its global licensees, including the Applicant, to revise certain of the royalty rates charged on certain of its trademarks. PMI has confirmed that all markets using the same trademark, including the Applicant, are charged the same royalty rate, and therefore treats the Applicant in a consistent manner to its global affiliates, and does not affect the Applicant in a manner that is materially less favourable as compared to similar licenses granted to other members of its tobacco company group. The Monitor reviewed the new trademark license agreement and notes that the agreement is consistent with the previous agreement and the rates are in line with the Applicant’s transfer pricing policies.

Insurance Settlement Update

22. Pursuant to the RBH Insurance Settlement and Bar Order, certain insurance settlement payments were due to be remitted to the Monitor within three business days of the RBH Insurance Settlement and Bar Order becoming a final Order. As of the date of this report, two of the three required payments have been received by the Monitor and are being held in an interest-bearing trust account for the Applicant in accordance with the RBH Insurance Settlement and Bar Order and are not reflected in RBH’s closing available or restricted cash balances. Following an administrative delay, the final required payment is anticipated to be received on January 23, 2025. The funds will be held and released pursuant to the terms of the RBH Insurance Settlement and Bar Order.

ACTUAL RECEIPTS AND DISBURSEMENTS FOR THE PERIOD FROM OCTOBER 7, 2024 TO JANUARY 5, 2025

23. For the Reporting Period, RBH had total receipts of approximately \$727.5 million and total disbursements of approximately \$533.7 million for net cash flow of approximately \$193.8 million.
24. Actual net cash flow was favourable to forecast by approximately \$27.3 million. Significant items contributing to this overall favourable variance were as follows:
- i) a favourable variance in Collection of Accounts Receivable of approximately \$3.1 million primarily as a result of higher than forecast cigarette sales volumes;
 - ii) a favourable variance in Other Receipts of approximately \$8.9 million primarily due to the following variances:
 - a) a favourable permanent variance of approximately \$4.0 million related to higher than forecast interest rates earned; and
 - b) a favourable timing variance of approximately \$4.0 million relating to RRP compensation;
 - iii) a favourable timing variance of approximately \$8 million in Net Intercompany Disbursements primarily due to the following variances:
 - a) a favourable variance of approximately \$5 million (of which approximately \$3 million is timing and \$2 million is permanent) due to lower intercompany purchases of risk-reduced products and finished goods;
 - b) a favourable timing variance of approximately \$2 million relating to the timing of a royalty payment; and
 - c) a favourable permanent variance of approximately \$1 million relating to certain expat recoveries;
 - iv) a favourable timing variance of approximately \$2 million in Capex due to a delay in certain projects; and

- v) a favourable variance of approximately \$7.1 million in Taxes (Excise/Duty/GST/PTT) primarily due to the following variances:
 - a) a favourable permanent variance of approximately \$20 million related to lower than forecast customs duty payments as a result of lower purchases and importations of tobacco products;
 - b) a favourable permanent variance of approximately \$4 million primarily relating to lower GST on sales volume; and
 - c) partially offset by an unfavourable permanent variance of approximately \$17 million relating to higher excise taxes due to higher than forecast domestic production.

25. A summary of the Applicant's actual receipts and disbursements as compared to the projection set out in the Seventeenth Report of the Monitor dated October 25, 2024 for the Reporting Period, is attached hereto as Appendix "A".

UPDATED CASH FLOW FORECAST

- 26. The Applicant, with the assistance of the Monitor, has prepared a cash flow forecast (the "**January 2025 Cash Flow Forecast**") for the twenty-five (25) week period from January 6, 2025 to June 29, 2025 (the "**Cash Flow Period**"). A copy of the January 2025 Cash Flow Forecast is attached hereto as Appendix "**B**".
- 27. As at January 6, 2025, the Applicant had available cash and equivalents of approximately \$5.73 billion.
- 28. The January 2025 Cash Flow Forecast estimates the Applicant will have total receipts of approximately \$1,236.8 million and total disbursements of approximately \$950.9 million for net cash flow of approximately \$285.9 million during the Cash Flow Period.
- 29. The January 2025 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 include 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 January 2025 Cash 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.
30. The Monitor's review of the January 2025 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 January 2025 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 January 2025 Cash Flow Forecast.
31. 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 January 2025 Cash Flow Forecast;

- ii) as at the date of this Twenty-Fourth 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 January 2025 Cash Flow Forecast, given the probable and hypothetical assumptions; or
 - iii) the January 2025 Cash Flow Forecast does not reflect the probable and hypothetical assumptions.
32. As described in the Terms of Reference above, the January 2025 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 January 2025 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 January 2025 Cash Flow Forecast or relied upon by the Monitor in preparing this Twenty-Fourth Report.
33. The January 2025 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

34. The Stay Period is currently set to expire on January 31, 2025. The Applicant is seeking the extension of the Stay Period up to and including February 28, 2025.
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. As described above, the Applicant's January 2025 Cash Flow Forecast projects that the Applicant will have sufficient liquidity and generate positive cash flow during the Cash Flow Period.
36. In the Monitor's view, significant progress has been made since the last Stay Period extension hearing on October 31, 2024. On December 12, 2024, the Monitor held the meeting of creditors in a virtual setting, where the RBH Plan was unanimously approved by the Eligible Voting Creditors. On December 23, 2024, the Court issued the Sanction Protocol

Order which, among other things, scheduled the Sanction Hearing. During the month of January, and in accordance with the Sanction Protocol Order, the parties engaged in this CCAA Proceeding have been diligently preparing for the Sanction Hearing.

37. As described in the Twenty-Third Report, the Sanction Hearing is scheduled to commence on January 29, 2025. Time is required to complete the Sanction Hearing and for a decision to be rendered in that respect. The Monitor is of the view that an extension of the Stay Period is necessary and appropriate and the Applicant's request for an extension of the Stay Period to February 28, 2025 is supported by the facts as noted in this Twenty-Fourth Report. However, this request is subject to the Court determining an appropriate and common date for the extension of the Stay Period for the three co-ordinated Tobacco Proceedings.

CONCLUSION AND RECOMMENDATION

38. For the reasons outlined in this Twenty-Fourth Report, the Monitor supports extending the Stay Period to a date to be determined by the Court.

All of which is respectfully submitted this 22nd day of January, 2025.

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

Per:



Matt Kaplan
Senior Vice President

Appendix “A”

Rothmans, Benson & Hedges Inc. - October 7, 2024 to January 5, 2025

Forecast Cash Flow - Variances

CAD (Millions)

	Forecast	Actuals	Variances
Start of period	07-Oct-24	07-Oct-24	07-Oct-24
End of period	05-Jan-25	05-Jan-25	05-Jan-25

1 . Receipts & Disbursements

Receipts

Collection of Accounts Receivable	657.0	660.1	3.1
Other Receipts	58.5	67.4	8.9

Total Receipts

715.5	727.5	12.0
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Disbursements

Payroll (Gross) and Benefits	24.4	23.8	0.6
Pension and PRB Contributions	1.9	1.7	0.2
Third Party Operating Costs	50.6	53.7	(3.1)
Leaf Purchases	-	-	-
Net Intercompany Disbursements	35.8	27.6	8.2
Capex	2.3	0.2	2.1
Corporate Income Taxes	75.0	74.9	0.1
Taxes (Excise / Duty / GST / PTT)	353.5	346.4	7.1
Restructuring Costs	5.5	5.4	0.1

Total Disbursements

549.0	533.7	15.3
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Net Cash Flow

166.5	193.8	27.3
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Opening Available Cash Balance

5,536.9	5,536.9	-
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Closing Available Cash Balance

5,703.4	5,730.7	27.3
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Restricted Cash	31.1	31.1	-
Quebec Security Deposit	226.0	226.0	-

Total Cash + Restricted Cash

5,960.5	5,987.8	27.3
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Appendix “B”

Rothmans, Benson & Hedges Inc.	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Forecast Cash Flow						
CAD (Millions)	6-Jan-25	13-Jan-25	20-Jan-25	27-Jan-25	3-Feb-25	10-Feb-25
	12-Jan-25	19-Jan-25	26-Jan-25	2-Feb-25	9-Feb-25	16-Feb-25
Receipts						
Collection of Accounts Receivable	34.5	32.0	32.0	27.1	45.4	45.4
Other Receipts	0.0	26.9	-0.4	0.0	0.2	0.0
Total Receipts	34.5	58.9	31.6	27.1	45.6	45.4
Disbursements						
Payroll (Gross) and Benefits	(0.2)	(4.4)	(1.8)	(1.9)	(1.9)	(3.0)
Pension and PRB Contributions	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)
Third Party Operating Costs	(6.5)	(4.7)	(4.8)	(4.8)	(5.3)	(5.3)
Leaf Purchases	-	-	-	-	(0.8)	(0.8)
Net Intercompany Disbursements	(16.9)	(3.1)	(0.9)	(2.6)	(6.2)	(2.7)
Capex	(0.2)	(0.2)	(0.2)	(0.2)	(0.5)	(0.5)
Corporate Income Taxes	-	-	-	(16.3)	-	-
Taxes (Excise / Duty / GST / PTT)	-	(7.6)	(6.7)	(65.6)	-	(5.0)
Restructuring Costs	(1.7)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Total Disbursements	(25.6)	(20.6)	(15.0)	(92.2)	(15.3)	(17.9)
Net Cash Flow	8.9	38.3	16.6	(65.1)	30.3	27.5
Opening Available Cash Balance	5,730.7	5,739.6	5,777.9	5,794.5	5,729.4	5,759.7
Closing Available Cash Balance	5,739.6	5,777.9	5,794.5	5,729.4	5,759.7	5,787.2
Restricted Cash	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
Total Available, Restricted Cash & Quebec Security Deposit	5,996.7	6,035.0	6,051.6	5,986.5	6,016.8	6,044.3

Rothmans, Benson & Hedges Inc.	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Forecast Cash Flow						
CAD (Millions)	17-Feb-25	24-Feb-25	3-Mar-25	10-Mar-25	17-Mar-25	24-Mar-25
	23-Feb-25	2-Mar-25	9-Mar-25	16-Mar-25	23-Mar-25	30-Mar-25
Receipts						
Collection of Accounts Receivable	36.3	45.4	44.8	44.8	44.8	44.8
Other Receipts	0.0	9.8	0.2	0.0	4.2	0.0
Total Receipts	36.3	55.2	45.0	44.8	49.0	44.8
Disbursements						
Payroll (Gross) and Benefits	(1.6)	(6.1)	(5.2)	(2.7)	(1.4)	(0.4)
Pension and PRB Contributions	(0.1)	(0.7)	(0.1)	(0.1)	(0.1)	(0.3)
Third Party Operating Costs	(4.3)	(5.3)	(4.9)	(4.9)	(4.9)	(4.9)
Leaf Purchases	(0.8)	(0.8)	(1.5)	(1.5)	(1.5)	(1.5)
Net Intercompany Disbursements	(0.4)	(1.0)	(7.6)	(3.4)	(0.6)	(1.3)
Capex	(0.5)	(0.5)	(0.2)	(0.2)	(0.2)	(0.2)
Corporate Income Taxes	-	(16.3)	-	-	-	-
Taxes (Excise / Duty / GST / PTT)	(3.9)	(94.5)	-	(6.6)	(5.2)	(7.1)
Restructuring Costs	(0.5)	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)
Total Disbursements	(12.1)	(125.7)	(19.9)	(19.8)	(14.3)	(16.1)
Net Cash Flow	24.2	(70.5)	25.1	25.0	34.7	28.7
Opening Available Cash Balance	5,787.2	5,811.4	5,740.9	5,766.0	5,791.0	5,825.7
Closing Available Cash Balance	5,811.4	5,740.9	5,766.0	5,791.0	5,825.7	5,854.4
Restricted Cash	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
Total Available, Restricted Cash & Quebec Security Deposit	6,068.5	5,998.0	6,023.1	6,048.1	6,082.8	6,111.5

Rothmans, Benson & Hedges Inc.	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Forecast Cash Flow						
CAD (Millions)	31-Mar-25	7-Apr-25	14-Apr-25	21-Apr-25	28-Apr-25	5-May-25
	6-Apr-25	13-Apr-25	20-Apr-25	27-Apr-25	4-May-25	11-May-25
Receipts						
Collection of Accounts Receivable	48.0	48.8	39.0	48.8	51.8	54.1
Other Receipts	0.2	0.0	24.4	5.5	0.0	2.2
Total Receipts	48.2	48.8	63.4	54.3	51.8	56.3
Disbursements						
Payroll (Gross) and Benefits	(6.3)	(0.3)	(2.8)	(1.4)	(1.7)	(2.3)
Pension and PRB Contributions	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)
Third Party Operating Costs	(4.7)	(4.7)	(3.8)	(4.7)	(2.9)	(6.6)
Leaf Purchases	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	-
Net Intercompany Disbursements	(0.4)	(7.5)	(3.7)	(0.4)	(1.0)	(8.1)
Capex	-	-	-	-	-	(0.1)
Corporate Income Taxes	(16.3)	-	-	-	(16.3)	-
Taxes (Excise / Duty / GST / PTT)	(95.4)	-	(12.9)	(0.1)	(107.0)	-
Restructuring Costs	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Total Disbursements	(123.8)	(13.2)	(23.9)	(7.3)	(129.8)	(17.6)
Net Cash Flow	(75.6)	35.6	39.5	47.0	(78.0)	38.7
Opening Available Cash Balance	5,854.4	5,778.8	5,814.4	5,853.9	5,900.9	5,822.9
Closing Available Cash Balance	5,778.8	5,814.4	5,853.9	5,900.9	5,822.9	5,861.6
Restricted Cash	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
Total Available, Restricted Cash & Quebec Security Deposit	6,035.9	6,071.5	6,111.0	6,158.0	6,080.0	6,118.7

Rothmans, Benson & Hedges Inc.	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Forecast Cash Flow						
CAD (Millions)	12-May-25	19-May-25	26-May-25	2-Jun-25	9-Jun-25	16-Jun-25
	18-May-25	25-May-25	1-Jun-25	8-Jun-25	15-Jun-25	22-Jun-25
Receipts						
Collection of Accounts Receivable	54.1	43.2	54.1	55.0	55.0	55.0
Other Receipts	19.8	0.0	0.0	2.4	0.0	2.2
Total Receipts	73.9	43.2	54.1	57.4	55.0	57.2
Disbursements						
Payroll (Gross) and Benefits	(3.2)	(1.6)	(2.2)	(1.8)	(3.0)	(1.4)
Pension and PRB Contributions	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)
Third Party Operating Costs	(4.8)	(3.9)	(4.8)	(4.7)	(4.7)	(4.7)
Leaf Purchases	-	-	-	-	-	-
Net Intercompany Disbursements	(3.9)	(0.7)	(1.4)	(3.7)	(5.2)	(4.8)
Capex	(0.1)	(0.1)	(0.1)	-	-	-
Corporate Income Taxes	-	-	-	(16.3)	-	-
Taxes (Excise / Duty / GST / PTT)	(13.6)	(0.2)	(15.1)	(98.1)	(8.4)	(6.7)
Restructuring Costs	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Total Disbursements	(26.1)	(7.0)	(24.3)	(125.1)	(21.8)	(18.1)
Net Cash Flow	47.8	36.2	29.8	(67.7)	33.2	39.1
Opening Available Cash Balance	5,861.6	5,909.4	5,945.6	5,975.4	5,907.7	5,940.9
Closing Available Cash Balance	5,909.4	5,945.6	5,975.4	5,907.7	5,940.9	5,980.0
Restricted Cash	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
Total Available, Restricted Cash & Quebec Security Deposit	6,166.5	6,202.7	6,232.5	6,164.8	6,198.0	6,237.1

Rothmans, Benson & Hedges Inc.	Forecast	Total
Forecast Cash Flow		
CAD (Millions)	23-Jun-25	6-Jan-25
	29-Jun-25	29-Jun-25
Receipts		
Collection of Accounts Receivable	55.0	1,139.2
Other Receipts	0.0	97.6
Total Receipts	55.0	1,236.8
Disbursements		
Payroll (Gross) and Benefits	(0.6)	(59.2)
Pension and PRB Contributions	(0.3)	(4.1)
Third Party Operating Costs	(4.8)	(120.4)
Leaf Purchases	-	(10.2)
Net Intercompany Disbursements	(1.2)	(88.7)
Capex	-	(4.0)
Corporate Income Taxes	-	(81.5)
Taxes (Excise / Duty / GST / PTT)	(11.1)	(570.8)
Restructuring Costs	(0.4)	(12.0)
Total Disbursements	(18.4)	(950.9)
Net Cash Flow	36.6	285.9
Opening Available Cash Balance	5,980.0	5,730.7
Closing Available Cash Balance	6,016.6	6,016.6
Restricted Cash	31.1	31.1
Quebec Security Deposit	226.0	226.0
Total Available, Restricted Cash & Quebec Security Deposit	6,273.7	6,273.7

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.

ONTARIO
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(COMMERCIAL LIST)
PROCEEDING COMMENCED AT TORONTO

**TWENTY-FOURTH REPORT OF ERNST & YOUNG
INC.**

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