

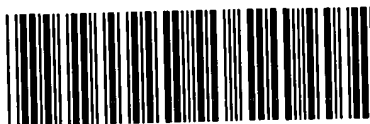
**Carreras Rothmans Limited**

**Registered Number 00083824**

**Financial Statements**

**For the year ended 31 December 2021**

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**Carreras Rothmans Limited****Balance sheet at 31 December 2021**

|  | Note | 2021<br>£       | 2020<br>£       |
|--|------|-----------------|-----------------|
| <b>Current assets</b>  |      |                 |                 |
| Debtors: amounts falling due within one year                   | 2    | 117,144         | 117,144         |
| <b>Current assets</b>  |      | <b>117,144</b>  | <b>117,144</b>  |
| <b>Creditors: amounts falling due after more than one year</b> | 3    | <b>(42,144)</b> | <b>(42,144)</b> |
| <b>Total assets less total liabilities</b>                     |      | <b>75,000</b>   | <b>75,000</b>   |
| <b>Capital and reserves</b>                                    |      |                 |                 |
| Called up share capital  | 4    | 75,000          | 75,000          |
| <b>Total shareholders' funds</b>                               |      | <b>75,000</b>   | <b>75,000</b>   |


For the year ended 31 December 2021 the Company was entitled to the exemption under section 480 of the Companies Act 2006.

Members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The Company was dormant throughout the year.

The financial statements on pages 2 to 7 were approved by the Directors on 10 February 2022 and signed on behalf of the Board.

DocuSigned by:  
  
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Mr Gregory Aris  
Director

**Registered number**  
**00083824**

The accompanying notes are an integral part of the financial statements.

**Carreras Rothmans Limited****Notes to the financial statements for the year ended 31 December 2021****1 Accounting policies****Basis of accounting**

The Company is dormant within the meaning of the Companies Act 2006 and in accordance with the requirements of FRS 102 paragraph 35.10(m) will retain its historic accounting policies for reported assets, liabilities and equity at the date of transition until there is any change to those balances or the company undertakes any new transaction.

**2 Debtors: amounts falling due within one year**

|                                     | 2021<br>£ | 2020<br>£ |
|-------------------------------------|-----------|-----------|
| Amounts due from Group undertakings | 117,144   | 117,144   |

Amounts due from Group undertakings are unsecured, interest free and repayable on demand.

**3 Creditors: amounts falling due after more than one year**

|  | 2021    | 2020    |
|--|---------|---------|
| <b>Preference share capital</b>                              |         |         |
| Cumulative first preference shares 6% (4.2% net) of £1 each  |         |         |
| Allotted, called up and fully paid                           |         |         |
| - value  | £30,000 | £30,000 |
| - number   | 30,000  | 30,000  |
| Cumulative second preference shares 6% (4.2% net) of £1 each |         |         |
| Allotted, called up and fully paid                           |         |         |
| - value  | £12,144 | £12,144 |
| - number   | 12,144  | 12,144  |
| Total allotted, called up and fully paid                     | 42,144  | 42,144  |

The Company amended its Articles of Association by special resolution on 25 March 1994, which removed the rights attached to the cumulative preference shares. They were further amended on 4 February 2010 introducing Article 108 which stated that no dividend or other moneys payable in respect of a share shall bear interest against the Company. No dividends were declared or paid during the period 1 April 1981 to 25 March 1994, resulting in arrears on the preference shares of £53,140.

**4 Called up share capital**

|                                    | 2021    | 2020    |
|------------------------------------|---------|---------|
| <b>Ordinary shares of £1 each</b>  |         |         |
| Allotted, called up and fully paid |         |         |
| - value                            | £75,000 | £75,000 |
| - number                           | 75,000  | 75,000  |

**Carreras Rothmans Limited**

**Notes to the financial statements for the year ended 31 December 2021**

**5 Contingent liabilities**

As at 31 December 2021, the Company was named and served as a defendant in the actions set out below:

1. On 1 March 2019, the Quebec Court of Appeal handed down a judgment which largely upheld and endorsed the lower court's previous decision in two Quebec class actions (the Quebec Class Actions), as further described below. The share of the judgment for Imperial Tobacco Canada Limited (Imperial), the British American Tobacco Group's operating company in Canada, is approximately CAD \$9.2 billion (approximately £5.4 billion). As a result of this judgment, there were attempts by the Quebec plaintiffs to obtain payment out of the CAD \$758 million (approximately £443 million) on deposit with the court. JTI-MacDonald Corp (a co-defendant in the cases) filed for creditor protection under the Companies' Creditors Arrangement Act (the CCAA) on 8 March 2019. A court order to stay all tobacco litigation in Canada against all defendants (including R. J. Reynolds Tobacco Co. (RJRT) and its affiliate R. J. Reynolds Tobacco International Inc. (collectively, the RJR Companies)) until 4 April 2019 was obtained, and the need for a mediation process to resolve all the outstanding litigation across the country was recognised. On 12 March 2019 Imperial filed for creditor protection under the CCAA. In its application Imperial asked the Ontario Superior Court to stay all pending or contemplated litigation against Imperial, certain of its subsidiaries and all other British American Tobacco Group companies that were defendants in the Canadian tobacco litigation, including the Company, British American Tobacco p.l.c. (BAT plc), British American Tobacco (Investments) Limited (Investments), B.A.T Industries p.l.c. (Industries) (collectively, the UK Companies). On 22 March 2019, Rothmans, Benson & Hedges Inc. also filed for CCAA protection and obtained a stay of proceedings (together with the other two stays, the Stays). The Stays are currently in place until 31 March 2022. While the Stays are in place, no steps are to be taken in connection with the Canadian tobacco litigation with respect to any of the defendants.
2. The below represents the state of the referenced litigation as at the advent of the Stays.
3. Following the implementation of legislation enabling provincial governments to recover health-care costs directly from tobacco manufacturers, 10 actions for recovery of health-care costs arising from the treatment of smoking- and health-related diseases have been brought. These proceedings name various British American Tobacco Group companies as defendants, including the UK Companies and Imperial as well as the RJR Companies. Pursuant to the terms of the 1999 sale of RJRT's international tobacco business to Japan Tobacco Incorporated (JTI), JTI has agreed to indemnify RJRT for all liabilities and obligations (including litigation costs) arising in respect of the Canadian recoupment actions. Subject to a reservation of rights, JTI has assumed the defence of the RJR Companies in these actions.
4. The 10 cases were proceeding in British Columbia, New Brunswick, Newfoundland and Labrador, Ontario, Quebec, Manitoba, Alberta, Saskatchewan, Nova Scotia and Prince Edward Island. The enabling legislation is in force in all 10 provinces. In addition, legislation has received Royal Assent in two of the three territories in Canada, but has yet to be proclaimed into force.

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**Notes to the financial statements for the year ended 31 December 2021**

**5 Contingent liabilities (continued)**

| <b>Canadian province</b> | <b>Act pursuant to which Claim was brought</b> | <b>Companies named as Defendants</b> | <b>Current stage</b> |
|--------------------------|--|--------------------------------------|----------------------|
|--------------------------|--|--------------------------------------|----------------------|

**Carreras Rothmans Limited**

|                  |   |   |   |
|------------------|---|---|---|
| British Columbia | Tobacco Damages and Health Care Costs Recovery Act 2000 | Imperial, Investments, Industries, the Company, the RJR Companies and other former Rothmans Group companies have been named as defendants and have been served. | The defences of Imperial, Investments, Industries, the Company and the RJR Companies have been filed, and document production and discoveries were ongoing. On 13 February 2017 the Province delivered an expert report dated October 2016, quantifying its damages in the amount of CAD\$118 billion (approximately £69 billion). No trial date has been set. The federal government is seeking CAD\$5 million (approximately £2.9 million) jointly from all the defendants in respect of costs pertaining to the third-party claim, now dismissed.  |
| New Brunswick    | Tobacco Damages and Health Care Costs Recovery Act 2006 | Imperial, the UK Companies and the RJR Companies have been named as defendants and served   | The defences of Imperial, the UK Companies and the RJR Companies have been filed and document production and discoveries are substantially complete. The most recent expert report filed by the Province estimated a range of damages between CAD \$11.1 billion (approximately £6.5 billion) and CAD \$23.2 billion (approximately £13.6 billion), including expected future costs. Following a motion to set a trial date, the New Brunswick Court of Queen's Bench ordered that the trial commence on 4 November 2019. On 7 March 2019, the New Brunswick Court of Queen's Bench released a decision which requires the Province to produce a substantial amount of additional documentation and data to the defendants. As a result, the original trial date of 4 November 2019 would have been delayed. No new trial date has been set.                      |
| Ontario          | Tobacco Damages and Health Care Costs Recovery Act 2009 | Imperial, the UK Companies and the RJR Companies have been named as defendants and served.  | The defences of Imperial, the UK Companies and the RJR Companies have been filed. The parties completed significant document production in the summer of 2017 and discoveries commenced in the autumn of 2018. On 15 June 2018, the Province delivered an expert report quantifying its damages in the range of CAD\$280 billion (approximately £163.7 billion) – CAD\$630 billion (approximately £368.2 billion) in 2016/2017 dollars for the period 1954 – 2060, and the Province amended the damages sought in its Statement of Claim to CAD\$330 billion (approximately £192.9 billion). On 31 January 2019, the Province delivered a further expert report claiming an additional amount between CAD \$9.4 billion (approximately £5.5 billion) and CAD\$10.9 billion in damages (approximately £6.4 billion) in respect of ETS. No trial date has been set. |

**Notes to the financial statements for the year ended 31 December 2021****5 Contingent liabilities (continued)**

| Canadian province | Act pursuant to which Claim was | Companies named as Defendants | Current stage |
|-------------------|---------------------------------|-------------------------------|---------------|
|-------------------|---------------------------------|-------------------------------|---------------|

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|                           | brought   |  |  |
|---------------------------|---|--|--|
| Newfoundland and Labrador | Tobacco Health Care Costs Recovery Act 2001                     | Imperial, the UK Companies and the RJR Companies have been named as defendants and served.                     | The case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the Province began its document production in March 2018. Damages have not been quantified by the Province. No trial date has been set.  |
| Saskatchewan              | Tobacco Damages and Health Care Costs Recovery Act 2007         | Imperial, the UK Companies and the RJR Companies have been named as defendants and served.                     | This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the Province has delivered a test shipment of documents. Damages have not been quantified by the Province. No trial date has been set.  |
| Manitoba                  | Tobacco Damages Health Care Costs Recovery Act 2006             | Imperial, the UK Companies and the RJR Companies have been named as defendants and served.                     | This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and document production commenced. Damages have not been quantified by the Province. No trial date has been set.  |
| Alberta                   | Crown's Right of Recovery Act 2009                              | Imperial, the UK Companies and the RJR Companies have been named as defendants and served.                     | This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the Province commenced its document production. The Province has stated its claim to be worth CAD\$10 billion (approximately £5.8 billion). No trial date has been set.   |
| Quebec                    | Tobacco Related Damages and Health Care Costs Recovery Act 2009 | Imperial, Investments, Industries, the RJR Companies and the Company have been named as defendants and served. | The case is at an early case management stage. The defences of Imperial, Investments, Industries, the Company and the RJR Companies have been filed. Motions over admissibility of documents and damages discovery have been filed but not heard. The Province is seeking CAD\$60 billion (approximately £35.1 billion). No trial date has been set. |
| Prince Edward Island      | Tobacco Damages and Health Care Costs Recovery Act 2009         | Imperial, the UK Companies and the RJR Companies have been named as defendants and served.                     | This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed and the next step was expected to be document production, which the parties deferred for the time being. Damages have not been quantified by the Province. No trial date has been set.                              |
| Nova Scotia               | Tobacco Health Care Costs Recovery Act 2005                     | Imperial, the UK Companies and the RJR Companies have been named as defendants and served.                     | This case is at an early case management stage. The defences of Imperial, the UK Companies and the RJR Companies have been filed. The Province provided a test document production in March 2018. Damages have not been quantified by the Province. No trial date has been set.  |

**Notes to the financial statements for the year ended 31 December 2021****5 Contingent liabilities (continued)**

5. Four putative class actions are pending against the Company (as well as BAT plc, Industries, Investments, Imperial and the RJR Companies) in Nova Scotia (Semple), Manitoba (Kunka) and Alberta (Dorion) and Ontario (Jacklin). In these cases, none of which have quantified their asserted damages, the plaintiffs

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allege claims based on fraud, fraudulent concealment, breach of warranty of merchantability, and of fitness for a particular purpose, failure to warn, design defects, negligence, breach of a "special duty" to children and adolescents, conspiracy, concert of action, unjust enrichment, market share liability and violations of various trade practices and competition statutes. Pursuant to the terms of the 1999 sale of RJRT's international tobacco business, and subject to a reservation of rights, JTI has assumed the defence of the RJR Companies in each of these actions.

No date was set in these cases with respect to the certification motion hearing and these cases have been in abeyance. There are service issues in relation to Imperial and the UK Companies in Alberta and in relation to the UK Companies in Manitoba.

### **Conclusion**

The outcome of these claims is uncertain and the Directors do not consider it appropriate to make any provision in respect of any pending litigation of the Company.

## **6 Related party disclosures**

As a wholly owned subsidiary the Company has taken advantage of the exemption under paragraph 3(c) of FRS 8 from disclosing transactions with other subsidiary undertakings of the British American Tobacco p.l.c. Group.

## **7 Parent undertakings**

The Company's ultimate parent undertaking is British American Tobacco p.l.c. being incorporated in the United Kingdom and registered in England and Wales. The Company's immediate parent undertaking is B.A.T (U.K. and Export) Limited. Group financial statements are prepared only at the British American Tobacco p.l.c. level and may be obtained from:

The Company Secretary  
Globe House  
4 Temple Place  
London  
WC2R 2PG