

3812495

DATED 24 SEPTEMBER

1999

BRITISH AMERICAN TOBACCO (INVESTMENTS)
LIMITED

- and -

PRECIS (1789) LIMITED

AGREEMENT

for the acquisition of Shares in
Skandinavisk Tobakskompagni A/S

WE HEREBY CERTIFY
THIS TO BE A TRUE AND
ACCURATE COPY OF
THE ORIGINAL

Herbert Smith
.....
HERBERT SMITH
Exchange House
Primrose Street
London EC2A 2HS

Date *11/9*..... 19*99*

Herbert Smith
Exchange House
Primrose Street
London EC2A 2HS
Tel: 0171-374 8000
Fax: 0171-374 0888
Ref: 2127/2312/30796729



EDS *E0UPJMHK* 0040
COMPANIES HOUSE 22/12/99
COMPANIES HOUSE 22/11/99

THIS AGREEMENT is made on 24 SEPTEMBER 1999

BETWEEN:

1. **BRITISH AMERICAN TOBACCO (INVESTMENTS) LIMITED** a company incorporated in England with registered number 74974 and whose registered office is at Globe House, 1 Water Street, London WC2R 3LA, (the "Vendor"); and
2. **PRECIS (1789) LIMITED** a company incorporated in England with registered number 3812495 and whose registered office is at Globe House, 4 Temple Place, London, WC2R 2PG (the "Purchaser").

WHEREAS:

- (A) Skandinavisk Tobakskompagni A/S (the "Company") is incorporated in Denmark with registered office at Tobaksvejen 4, DK-2860, Soborg, Denmark.

The issued share capital of the Company is DKK 311,049,160.

- (B) The shareholders in the Company are as follows:

- (i) British American Tobacco (Investments) Limited which holds 1 Series II share of DKK 100,000,000;
- (ii) Skandinavisk Holding A/S which holds 2 Series II shares, one of DKK 150,000,000 and one of DKK 50,000,000; and
- (iii) Other shareholders who hold 50,561 Series I Shares of varying denomination.

- (C) Pursuant to a Shareholders' Agreement dated 18th December 1998 (the "Shareholders' Agreement") all of the shareholders of the Company hold rights of pre-emption over existing shareholdings of the other shareholders (the "Pre-emption Rights").

- (D) The Vendor has agreed to sell and the Purchaser has agreed to purchase the beneficial and legal title to 1 Series II share of DKK 100,000,000, registered in the Vendor's name at the date of this Agreement (the "Sale Share") upon the terms and conditions hereinafter appearing.

- (E) By a Letter of Agreement dated 24 September 1999 the shareholders have agreed to waive their Pre-emption Rights in respect of the transfer of shares effected in this Agreement.

NOW IT IS AGREED as follows:

1. **SALE AND PURCHASE**

- 1.1 The Vendor shall sell with full title guarantee and the Purchaser shall purchase the Sale Share for the consideration specified in clause 2 below.
- 1.2 The Sale Share is sold free from any option, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights and together with all rights attached to it at the date of this Agreement or subsequently becoming attached to them save for the Pre-emption Rights of the Vendor, which shall remain vested in the Vendor.

2. **CONSIDERATION**

The consideration for the sale of the Sale Share shall be the aggregate sum of £230,000,000 which shall be satisfied by the allotment to the Vendor, credited as fully paid, of 58,959 Ordinary Shares of £1.00 each in the share capital of the Purchaser.

3. **TRANSFER OF SALE SHARES**

Forthwith upon the signing of this Agreement the Vendor shall procure the entry of the Purchaser in the register of members of the Company.

4. **NO WARRANTY**

Apart from clause 1.2 the Vendor shall give no warranties or representations in relation to the Sale Share and, save in the case of fraud, the Purchaser shall have no claim against the Vendor in respect of any express or implied representations or warranties in contract or tort (whether or not formulated in negligence), under statute or otherwise howsoever.

5. **POST TRANSFER**

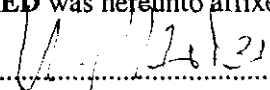
The Vendor shall after taking the steps specified in clause 3 above execute all such deeds and documents and do all such things as the Purchaser may reasonably require for perfecting the transactions intended to be effected under or pursuant to this Agreement and for vesting in the Purchaser the full benefit of the Sale Share, save as specified in clause 1.2 above.

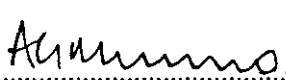
6. **GOVERNING LAW, JURISDICTION AND SERVICE OF PROCESS**

This Agreement shall be governed by, and construed in accordance with, English law and each party irrevocably agrees that the Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this Agreement and any matter arising therefrom.

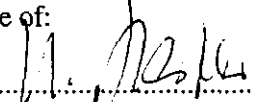
AS WITNESS the hands of the parties hereto the day and year first above written.

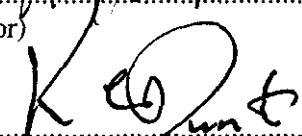
THE COMMON SEAL of **BRITISH**)
AMERICAN TOBACCO (INVESTMENTS))
LIMITED was hereunto affixed in the presence of:)


.....
(Director)


.....
(Director/Company Secretary)

THE COMMON SEAL of **PRECIS (1789)**)
LIMITED was hereunto affixed in the)
presence of:)


.....
(Director)


.....
(Director/Company Secretary)