

Pricing Supplement

DATE: 20 May 2020

PREMIUM TOBACCO HOLDINGS LIMITED

(Incorporated as a BVI business company in accordance with the laws of British Virgin Islands with company no. 517245)

Issue of up to USD 20,000,000 Fixed Rate Secured Notes Due 2023

UNDER THE USD 100,000,000

MULTICURRENCY MEDIUM TERM NOTE PROGRAMME

This document constitutes the Applicable Pricing Supplement relating to the issue of the Series of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set out in the Listing Particulars dated 23 September 2019 (as amended on 19 May 2020) and bearing the reference LEC/P/07/2019. The Notes described in this Pricing Supplement are subject to the Terms and Conditions in the Listing Particulars and this Pricing Supplement must be read in conjunction with such Listing Particulars. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Listing Particulars, the provisions of this Pricing Supplement shall prevail.

Applications will be considered only from persons to whom this Pricing Supplement has been sent by, or on behalf of, Premium Tobacco Holdings Limited. Only such persons have the right to apply for the Notes hereunder in terms of this Pricing Supplement and, therefore, such persons may not sell, transfer, cede, assign or renounce the right in favour of any other person. This Pricing Supplement will be published on the Stock Exchange of Mauritius Ltd.'s (SEM) website.

Description of the Notes		
1.	Issuer	Premium Tobacco Holdings Limited
2.	Tranche Number	01
3.	Series Number	02
4.	Specified Currency	United States Dollar ('USD')
5.	Aggregate Nominal Amount	USD 20,000,000
6.	Tranche 1	
	(a) Series 2	USD 20,000,000
7.	Status of the Notes	Senior secured Notes
8.	Issue Date	26 May 2020
9.	Specified Denomination of Notes	USD 10,000
10.	Issue Price	100% per cent of the Aggregate Nominal Amount

11. Security of the Notes	<p>1) A Bank Account Pledge Agreement between the Issuer and the Noteholder in favour of the Noteholder (the "Bank Account Pledge Agreement"); and</p> <p>2) A Corporate Guarantee from Premium Tobacco International DMCC (Company No. DMCC 2727) (the "Guarantor"), a company incorporated in Dubai, UAE, and whose registered office is at 3601, 36th Floor; Jumeirah Business Centre 5; Cluster W; Jumeirah Lakes Towers; Dubai, United Arab Emirates, being a wholly-owned subsidiary of the Issuer.</p>
12. Final Redemption Amount	USD 20,000,000
13. Form of Notes	Registered
14. Record Date	
15. Closing Date	
16. Notification of Allotment	Investec will be notified by (i) by delivery in person (ii) by a nationally recognized next day courier service, (iii) by registered mail (iv) by facsimile or (v) by electronic mail of its allotment by no later than 26 May 2020
17. Method of Sale	Private Placement pursuant to a Subscription Agreement dated 20 May, 2020 between the Issuer and the Noteholder (the "Subscription Agreement")
18. Use of proceeds	The proceeds of Series 2 will be used to finance the working capital requirements of the Group and for general business purposes.
19. Listing	The Notes will be listed on the Official List of the SEM
20. First day of Listing	28 May 2020
Provisions relating to Interest Payable	
21. Fixed Rate Note Provisions	
(a) Fixed Rate of Interest	5.75% per annum
(b) Broken Amount(s)	The first and last interest payments will be calculated as below: Fixed coupon amount*Actual/365 (Fixed)
(c) Fixed Rate Note Margin	Not Applicable
(d) Fixed Coupon Amount	Nominal Amount * Fixed Rate of Interest
(e) Day Count Fraction	Actual / 365 (Fixed)
(f) Interest Commencement Date	26 May 2020
(g) Interest Determination Date	The period during which the register is closed, being ten (10) Business Days as prior to each Interest Payment Date each year until the Redemption Date or such other periods as the Issuer may decide.
(h) Minimum Interest Rate	Not Applicable
(i) Maximum Interest Rate	Not Applicable

(j) Interest Payment Dates	Quarterly payment in arrears, on 31 December, 31 March, 30 June and 30 September each year
(k) Maturity Date	25 May 2023
(l) Default Rate	200 basis points + Fixed Interest Rate
(m) Other terms relating to the method of calculating interest for the Fixed Rate Notes.	<p>Margin reductions:</p> <p>(i) For the purposes of this clause:</p> <p>"COVID Market Disruption Period" means the period during which the club or syndicated international loan markets pursuant to which the Issuer traditionally finances its lending activities offers (in the opinion of the Issuer) the Issuer significantly higher interest rates in contrast to the time before the onset of the COVID 19 Crisis; and</p> <p>"Covid 19 Crisis" means the Novel Coronavirus (2019-nCov), an infectious viral disease declared a global pandemic by the World Health Organization in 2020.</p> <p>(ii) On or around each Interest Payment Date to occur following the end of the COVID Market Disruption Period the Noteholder shall use its reasonable endeavours to obtain one or more independent quotation(s) from banks or other financial institutions for the making of a three year term loan available to the Noteholder to finance its lending activities on customary terms and conditions.</p> <p>(iii) If it is evident to the Noteholder, following its receipt of and by reference to any such provided quotation(s), that the cost to it of funding its acquisition of the Notes (assuming for these purposes an Issue Date corresponding with the next following Interest Payment Date) would be at least 25 (twenty five) basis points lower than its prevailing funding costs for maintaining its position of the Notes, then the Noteholder shall advise the Issuer of same and, taking into account such reduced funding costs on the basis of such assumption holding true, the consequential reduced Fixed Coupon Rate achievable from and including the next following Interest Payment Date (the "Revised Fixed Coupon Rate").</p> <p>(iv) If directed by the Issuer in writing following the operation of sub-paragraph (iii) immediately above the Issuer and the Noteholder shall make the necessary arrangements for the reduction of the Fixed Coupon Amount to the Revised Fixed Coupon Rate. Such revised rate shall be effective from the Interest Payment Date to occur immediately after the amendment to the Applicable Pricing Supplement reflecting the new rate has been filed at the competent authorities in Mauritius.</p> <p>(v) The Fixed Coupon Rate shall, the operation of this clause notwithstanding, never fall below a fixed per annum interest rate 5% (five percent).</p>
Provisions regarding Redemption	
22. Issuer's Early Redemption	Not Applicable
23. Issuer's Optional Redemption	Not Applicable
24. Other terms applicable on Redemption	<p>Mandatory Prepayment (Illegality): If it becomes unlawful in any applicable jurisdiction for the Noteholder to fund or maintain the Notes then the Noteholder may:</p> <p>a) promptly notify the Issuer upon becoming aware of such an event ("Illegality Notice"); and</p>

b) the Issuer shall repay the Facility Outstandings on the later of the following:

- i. the date specified in the Illegality Notice; or
- ii. last day of any applicable grace period permitted by applicable law.

Mandatory Prepayment (Sanctions): If any member of the Group is or becomes a Sanctioned Entity, participates in any manner in any Sanctioned Transaction or is found by a Sanctions Authority to have acted in breach of any Sanctions, the Issuer shall immediately notify the Noteholder (any such notice a "Sanctions Notice") on becoming aware of same and the Noteholder may without prejudice to any other rights or remedies which may be available to it at law or otherwise, declare the Facility Outstandings to be immediately due and payable on the later of the following:

- (i) the date specified in a notice issued by the Noteholder to the Issuer after receipt of the Sanctions Notice; or
- (ii) last day of any applicable grace period permitted by applicable law.

Mandatory prepayment: Exit

For the purpose of this clause:

- a) "acting in concert" means, in respect of any person, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate to obtain or consolidate control of that person.
- b) "Control" means, in relation to any person:
 - (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (A) cast, or control the casting of, more than 50% (fifty percent) of the maximum number of votes that might be cast at a general meeting of that person;
 - (B) the holding beneficially and legally of more than 50% (fifty percent) of the issued share capital of that person (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital);
 - (C) appoint or remove all, or the majority, of the directors or other equivalent officers of that person; or
 - (D) give directions with respect to the operating and financial policies of that person with which the directors or other equivalent officers of that person are obliged to comply; and/or
 - (ii) the holding (beneficially or legally) of 50% (fifty percent) or more of the issued share capital of that person (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

	<p>c) "Control Event" means:</p> <p>(i) any person or group of persons acting in concert, other than pursuant to the listing of the shares in the Issuer on a public stock exchange, gains direct or indirect Control of the Issuer and/or the Guarantor; or</p> <p>(ii) there is a change in the legal or beneficial shareholdings of the Issuer (other than pursuant to the listing of the shares in the Issuer on a public stock exchange);</p> <p>d) "the whole or a greater part" means, at any time and from time to time, assets or businesses of the members of the Group which, in aggregate, directly or indirectly, contribute:</p> <p>(i) 25% (twenty five percent) or more of total assets (as determined in accordance with IFRS); and/or</p> <p>(ii) assets which generate 25% (twenty five percent) or more of consolidated EBITDA (as determined in accordance with IFRS) of the Group,</p> <p>in each case of the Issuer, as determined by reference to the Issuer's most recent set of (i) annual audited consolidated financial statements; or (ii) consolidated management accounts, delivered to the Noteholder under this Pricing Supplement.</p> <p>e) If, at any time a Control Event occurs and/or a disposal of the whole or a greater part of the business or assets of any member of the Group occurs, then the Issuer shall promptly notify the Noteholder of the same (any such notice, a "Control Notice") and the Noteholder may declare the Facility Outstandings to be immediately due and payable, whereupon all such amounts shall become immediately due and payable, no earlier than the date falling 30 (thirty) days from and including the date of the Control Notice.</p>
25. Attach pro forma put notices	Not Applicable
Distribution	
26. Provisions regarding distribution	Not Applicable
27. Method of distribution	Not Applicable
General	
28. Additional selling restrictions	Not Applicable
29. Financial Centre(s) or other provisions relating to payment dates:	Not Applicable
30. Settlement procedures and settlement instructions	By electronic funds transfer in immediately available funds

31. Details of bank account(s) to which payments are to be made in respect of the Notes Settlement Procedures and Settlement Instructions	Beneficiary Bank: Citibank NA, New York Bank Address: 701 East 60th Street North, Sioux Falls, SD 57104, USA Beneficiary name: Investec Bank (Mauritius) Limited (Swift code: IVESMUMU) Beneficiary account number: 36151986 Swift Code: CITIUS33 ABA Code: 021000089 For further credit: Premium Tobacco Holdings Limited, 9 Columbus Centre, Pelican Drive, Road Town, Tortola, British Virgin Islands and MU08IVES1601000700167002000USD Reference: 195471
32. ISIN Number	MU0652D11199
33. Business Centre(s)	P.O Box 213598, Units 3601-3606, 36 th Floor, Jumeirah Business Centre 5, Plot W, Jumeirah Lake Towers, Dubai, United Arab Emirates
Additional Information	
34. Specify Agents(s), if different from Listing Particulars.	Not applicable.
35. Registrar and Transfer Agent	SBM Fund Services Ltd. Of 1, Queen Elizabeth II Avenue, 11328 Port Louis, Mauritius
36. Paying Agent	The Issuer
37. Arranger	Safyr Capital Partners Ltd of 11th Floor Bramer House, Cybercity, Ebene, 72201 Ebene, Mauritius
38. Books Closed Period:	Not Applicable
39. Last Day to Register:	Not Applicable
40. Additional Business Centre:	Not Applicable
41. Offer opens:	Not Applicable
42. Offer closes:	Not Applicable
43. Allotment date:	Investec will be notified by email or telephone of its allotment by no later than 26 May 2020
44. Announcement date:	20 May 2020
45. Payment date:	Payment must be received by the Issuer by 26 May 2020.
46. Issue Date:	The Notes will be issued to the Registrar by 26 May 2020.
47. Delivery date:	The Registrar will make the Notes available for delivery or dispatch to Investec against cleared funds within 15 days of the Issue Date.
48. Financial Condition	The Issuer shall ensure that:

(a) Shareholders' Equity: the Shareholders' Equity is, at all times, at least USD 50,000,000 (fifty million US Dollars) (or its equivalent in any other currency or currencies);

(b) Senior Debt Service Cover Ratio: the Senior Debt Service Cover Ratio in respect of any Relevant Period shall not be less than 1.10:1;

(c) Senior Leverage Ratio: the Senior Leverage Ratio in respect of any Relevant Period shall not exceed 7.50:1;

(d) Current Ratio: the Current Ratio is at all times not be less than 1.00:1.00;

(e) Total Debt: the Total Debt is, at all times, not greater than USD450,000,000 (four hundred and fifty million US Dollars) (or its equivalent in any other currency or currencies).

For this section:

"Borrowings" means, at any time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of any indebtedness of members of the Group for or in respect of:

(a) moneys borrowed and debit balances at banks or other financial institutions;

(b) any acceptances under any acceptance credit or bill discount facility (or dematerialised equivalent);

(c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) any Finance Lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirements for de-recognition under IFRS);

(f) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition;

(g) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Termination Date or are otherwise classified as borrowings under IFRS;

(h) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind the entry into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or

(ii) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply;

(i) any amount raised under any other transaction (including any forward sale or purchase agreement, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under IFRS;

(j) any other amount owed on account of another form, type or category of Financial Indebtedness; and

(k) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in the preceding paragraphs.

“Capital Expenditure” means any expenditure or obligation in respect of expenditure (other than expenditure or obligations in respect of the acquisition of a company, business or undertaking (or any interest in the same) which, in accordance with IFRS, is treated as capital expenditure.

“Cash” means, at any time, cash denominated in US Dollars, Euro, Pound Sterling in hand or at bank and (in the latter case) credited to a bank account in the name of a member of the Group and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

(a) that cash is repayable on demand;

(b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;

(c) there is no Security over that cash (save in favour of the Noteholder under the Transaction Documents); and

(d) the cash is freely and immediately available to be applied in repayment or prepayment of the Facility Outstandings.

“Cash Equivalent Investments” means at any time:

(a) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;

(b) commercial paper not convertible or exchangeable to any other security:

(i) for which a recognised trading market exists;

(ii) issued by an issuer incorporated in the United States of America or the United Kingdom;

(iii) which matures within one year after the relevant date of calculation; and

(iv) which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating; or

(c) any other debt security approved by the Noteholder,

in each case, denominated US Dollars, Euro, Pound Sterling or any other currency approved by the Noteholder and to which any member of the Group is alone (or together with other members of the Group beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security (other than Security arising under the Transaction Documents).

"Consolidated Current Assets" means the aggregate consolidated amount of all assets of members of the Group realisable in the ordinary course of business within 12 months of such day which would be shown (in accordance with IFRS at that time) as current assets on a consolidated balance sheet of the Issuer.

"Consolidated Current Liabilities" means the aggregate consolidated amount of all liabilities of members of the Group payable within 12 months of such date which would be shown (in accordance with IFRS at that time) as current liabilities on a consolidated balance sheet of the Issuer.

"Current Assets" means the aggregate (on a consolidated basis) of all inventory, work in progress, trade and other receivables of each member of the Group including prepayments in relation to operating items and sundry debtors (but excluding Cash and Cash Equivalent Investments) expected to be realised within twelve months from the date of computation but **excluding** amounts in respect of:

(a) receivables in relation to tax;

(b) Exceptional Items and other non-operating items;

(c) insurance claims; and

(d) any interest owing to any member of the Group.

"Current Liabilities" means the aggregate (on a consolidated basis) of all liabilities (including trade creditors, accruals and provisions) of each member of the Group expected to be settled within twelve

months from the date of computation but **excluding** amounts in respect of:

- (a) liabilities for Borrowings and Finance Charges;
- (b) liabilities for tax;
- (c) Exceptional Items and other non-operating items;
- (d) insurance claims; and
- (e) liabilities in relation to dividends declared but not paid by a member of the Group in favour of a person which is not a member of the Group.

“**Current Ratio**” means the ratio of Consolidated Current Assets to Consolidated Current Liabilities.

“**Debt Service**” means, in respect of any Relevant Period, the aggregate of:

- (a) Finance Charges for that Relevant Period;
- (b) all scheduled and mandatory repayments of Borrowings falling due and any voluntary prepayments made during that Relevant Period but excluding:
 - (i) any amounts falling due under any overdraft or working capital facility and which were available for simultaneous redrawing according to the terms of that facility;
 - (ii) for the avoidance of doubt, any mandatory prepayment made pursuant to any Transaction Document; and
 - (iii) any such obligations owed to any member of the Group or in respect of Shareholder Subordinated Debt; and
- (c) the amount of the capital element of any payments in respect of that Relevant Period payable under any Finance Lease entered into by any member of the Group,

and so that no amount shall be included more than once.

“**EBITDA**” means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation (excluding the results from discontinued operations):

- (a) **before deducting** any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;

(b) **not including** any accrued interest owing to any member of the Group;

(c) **after adding back** any amount attributable to the amortisation, depreciation or impairment of assets of members of the Group (and taking no account of the reversal of any previous impairment charge made in that Relevant Period);

(d) **before taking into account** any Exceptional Items;

(e) **after deducting** the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;

(f) **plus or minus** the Group's share of the profits or losses (after finance costs and tax) of Non-Group Entities **after deducting** the amount of any profit of any Non-Group Entity to the extent that the amount of the profit included in the financial statements of the Group exceeds the amount actually received in cash by members of the Group through Distributions by the Non-Group Entity;

(g) **before taking into account** any unrealised gains or losses on any derivative or other financial instrument; and

(h) **before taking into account** any gain or loss arising from an upward or downward revaluation of any other asset;

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

"Exceptional Items" means any material items of an unusual or non-recurring nature which represent gains or losses including those arising on:

(a) the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring;

(b) disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write down or impairment; and

(c) disposals of assets associated with discontinued operations.

"Finance Charges" means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Borrowings paid or payable by any member of the Group (calculated on a consolidated basis) in cash in respect of that Relevant Period:

(a) **including** any upfront fees or costs;

(b) **including** the interest (but not the capital) element of payments in respect of Finance Leases;

(c) **including** any commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any member of the Group under any interest rate hedging arrangement; and

(d) taking no account of any unrealised gains or losses on any derivative or other financial instruments.

together with the amount of any cash dividends or Distributions paid or made by the Issuer in respect of that Relevant Period and so that no amount shall be added (or deducted) more than once.

"Finance Lease" means any lease or hire purchase contract, a liability under which would, in accordance with IFRS, be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with IFRS as applied to the Original Financial Statements have been treated as an operating lease).

"Financial Half Year" means each period commencing on the day after one Relevant Date and ending on the next Relevant Date.

"Financial Year" means the annual accounting period of the Group ending on or about 30 March in each year.

"Free Cash Flow" means, in respect of any Relevant Period, EBITDA for that Relevant Period after:

(a) adding the amount of any decrease (and deducting the amount of any increase) in Working Capital for that Relevant Period;

(b) adding the amount of any cash receipts (and deducting the amount of any cash payments) during that Relevant Period in respect of any Exceptional Items not already taken account of in calculating EBITDA for any Relevant Period;

(c) adding the amount of any cash receipts during that Relevant Period in respect of any tax rebates or credits and deducting the amount actually paid or due and payable in respect of taxes during that Relevant Period by any member of the Group;

(d) adding (to the extent not already taken into account in determining EBITDA) the amount of any dividends or other profit Distributions received in cash by any member of the Group during that Relevant Period from any entity which is itself not a member of the Group and deducting (to the extent not already deducted in determining EBITDA) the amount of any dividends paid in cash during the Relevant Period to minority shareholders in members of the Group;

(e) adding the amount of any increase in provisions, other non-cash debits and other non-cash charges (which are not Current Assets or Current Liabilities) and deducting the amount of any non-cash credits (which are not Current Assets or Current Liabilities) in each case to the extent taken into account in establishing EBITDA;

(f) deducting the amount of any Capital Expenditure actually made in cash during that Relevant Period by any member of the Group except to the extent funded by Borrowings; or (ii) the proceeds of equity subscriptions for ordinary shares in the Issuer or shareholder debt subordinated in right and payment to the Facility Outstandings, in the case of both (i) and (ii) raised solely for the purposes of such Capital Expenditure,

and so that no amount shall be added (or deducted) more than once.

“Non-Group Entity” means any investment or entity (which is not itself a member of the Group (including associates)) in which any member of the Group has an ownership interest.

“Relevant Period” means each period of twelve months, ending on or about the last day of the Financial Year and each period of twelve months ending on or about the last day of each Financial Half Year.

“Senior Debt Service” means, in respect of any Relevant Period, Debt Service for that Relevant Period.

“Senior Debt Service Cover Ratio” means, in respect of any Relevant Period, the ratio of Free Cash Flow to Senior Debt Service.

“Senior Leverage Ratio” means, in respect of any Relevant Period, the ratio of Total Debt as at the last day of that Relevant Period to EBITDA in respect of that Relevant Period.

“Shareholder Subordinated Debt” means any Borrowings owed by a member of the Group to any person holding (directly or indirectly) an ownership interest in any of the share capital of any member of Group where:

(a) no amount is scheduled to become due and payable prior to the date falling three months after the Termination Date; and

(b) the liabilities of any member of the Group in respect of such Borrowings are subordinated to the liabilities of the Issuer to the Noteholder under the Transaction Documents on terms acceptable to the Noteholder; and

(c) the Issuer has provided to the Noteholder, not less than 15 days prior to the incurrence by any member of the Group of such Borrowings, details of the purpose toward which the proceeds will be applied.

	<p>“Shareholders’ Equity” means, at any time, the aggregate of:</p> <p>(a) the amount paid up or credited as paid up on the issued share capital of the Issuer as shown in the Issuer’s consolidated financial statements; and</p> <p>(b) the aggregate amount of the consolidated reserves (including retained earnings) of the Issuer as shown in the Issuer’s consolidated financial statements,</p> <p>but adjusted by:</p> <p>(i) adding any credit balance on the profit and loss account of the Issuer (to the extent not included in paragraph (b) above) or, as the case may be, deducting any debit balance on the profit and loss account of the Issuer as shown in the Issuer’s consolidated financial statements; and</p> <p>(ii) deducting any dividend or other Distribution declared, recommended or made by the Issuer out of profits earned up to and including the date of the last balance sheet of the Issuer to the extent that such Distributions are not provided for in the latest balance sheet of the Issuer as shown in the Issuer’s consolidated financial statements.</p> <p>“Termination Date” means the third anniversary of the Issue Date.</p> <p>“Total Debt” means, at any time, the aggregate amount of all obligations of members of the Group for or in respect of Borrowings at that time but:</p> <p>(a) excluding any such obligations to any other member of the Group or in respect of Shareholder Subordinated Debt; and</p> <p>(b) including, in the case of Finance Leases only, their capitalised value,</p> <p>and so that no amount shall be included or excluded more than once.</p> <p>“Working Capital” means, on any date, Current Assets less Current Liabilities.</p>
49. Events of Default	<p>The following an Event of Default replace Conditions 11 of the Terms and Conditions under the Listing Particulars:</p> <p>1. Non-payment: An Obligor does not pay on the due date any amount payable pursuant to a Transaction Document at the place and in the currency in which it is expressed to be payable.</p>

2. **Financial Covenants:** An Obligor breaches a Financial Covenant.
3. **Other Obligations.** An Obligor does not comply with any provision of, or any of its obligations under any Transaction Document to which it is party (save for a Financial Covenant) provided that no Event of Default under this clause will occur if the failure to comply is capable of remedy and is remedied within 10 (ten) Business Days of the earlier of (A) the Noteholder giving notice to the Issuer of the failure to comply and (B) any Obligor becoming aware of the failure to comply.
4. **Misrepresentation:** Any representation or statement made or deemed to be made by an Obligor in the Transaction Documents or any other document delivered by or on behalf of the Issuer under or in connection with any Transaction Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.
5. **Cross Default**
 - (a) Subject to clause (b) below:
 - i) any Financial Indebtedness of any Obligor is not paid when due nor within any applicable grace period;
 - ii) any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);
 - iii) any commitment for any Financial Indebtedness of any Obligor is cancelled or suspended by a creditor as a result of an event of default (however described); or
 - iv) any creditor of any Obligor becomes entitled to declare any Financial Indebtedness of any Obligor due and payable prior to its specified maturity as a result of an event of default (however described).
 - (b) There shall be no Event of Default for the purposes of clause if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within the above sub-clauses is less than USD5 000 000,00 (five million US Dollars) (or its equivalent in any other currency or currencies).
6. **Credit events:** Any Obligor is or is deemed by any authority or legislation to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness. The value of the assets of any Obligor is less than its liabilities (taking into account contingent and prospective liabilities). A moratorium is declared in respect of any Financial Indebtedness of any Obligor.
7. **Insolvency:** Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - a) the suspension of payments, a moratorium of any indebtedness, bankruptcy, liquidation, insolvency, bankruptcy, administration (or analogous process) or

	<p>reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of a Obligor;</p> <p>b) a composition, compromise, assignment or arrangement with any creditor of any Obligor;</p> <p>c) the appointment of a liquidator, receiver, administrative receiver, administrator, trustee, trustee in bankruptcy, compulsory manager or other similar officer in respect of any of any Obligor's assets; or</p> <p>d) enforcement of any Security over any assets of any Obligor; or</p> <p>e) or any analogous procedure or step is taken in any jurisdiction (save for any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 21 days of commencement.</p> <p>8. BVI Insolvency: The Issuer is or becomes "insolvent" as that expression is specified in Section 8(1) of the BVI Insolvency Act, 2003 (as amended) of the British Virgin Islands, including circumstances where it is unable to pay its debts as they fall due or the value of its liabilities (including its contingent and prospective liabilities) exceeds the value of its assets.</p> <p>9. Unlawful: It is or becomes unlawful for an Obligor to perform any of its obligations under the Transaction Documents.</p> <p>10. Cessation of validity: Any obligation or obligations of an Obligor under the Transaction Documents are not or cease to be legal, valid, binding or enforceable.</p> <p>11. Authorisations: Any Authorisation necessary for the conduct of the business, trade or ordinary activities of any Obligor as carried out as of the date of this Applicable Pricing Supplement is revoked, lapses, ceases to be in full force and effect or is amended with the result that it can no longer lawfully conduct its business, trade or carry on its ordinary activities.</p> <p>12. Suspension of business: Any Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.</p> <p>13. Court orders: Any Obligor fails to comply with or pay by the required time any sum due from it under any final judgment or any final order made or given by a court or arbitral tribunal or other arbitral body, in each case of competent jurisdiction (and where for the purposes of this clause, "final" means that the judgment or order is not subject to further appeal).</p> <p>14. Audit Qualification: The auditors of an Obligor qualify the audited annual financial statements of the Issuer.</p> <p>15. Repudiation: An Obligor repudiates a Transaction Document or evidences an intention to repudiate a Transaction Document.</p> <p>16. Security Deposit: The credit balance of the Bank Account is at any time less than the Security Deposit.</p> <p>17. Material Adverse Effect: A Material Adverse Effect occurs.</p>
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	<p>18. Ownership The Issuer cease to hold, legally and beneficially, directly, 100% (one hundred percent) of the issued shares in the stated capital of the Guarantor, and/or (ii) to cast, or directly or indirectly Control (as defined in paragraph 19(b) of Schedule 6) the casting of, 100% (one hundred percent) of the votes that might be cast at a general meeting of the Guarantor.</p> <p>19. Acceleration</p> <p>On and at any time after the occurrence of an Event of Default the Noteholder may (without prejudice to any other rights which it may have under applicable law) by notice to the Issuer:</p> <ul style="list-style-type: none"> a) declare that all or part of the Notes and other Facility Outstandings be immediately due and payable, whereupon they shall become immediately due and payable; b) declare that all or part of the Notes and other Facility Outstandings be payable on demand, whereupon they shall immediately become payable on demand by the Noteholder; or c) exercise any or all of its rights, remedies, powers or discretions under the Transaction Documents.
50. Permitted distribution	The Issuer shall not without the prior consent of the Noteholder (such not consent to not be unreasonably withheld) make, declare or pay any Distribution other than a Permitted Distribution.
51. General indemnity	The Issuer will, within 7 (seven) Business Days after a demand, indemnify the Noteholder against any loss which it may have suffered as a result of (a) the Issue Date not occurring after the fulfilment of the Conditions Precedent (other than by reason of wilful default or gross negligence by the Noteholder alone); (b) the occurrence of a Default; or (c) any other breach of the Transaction Documents by the Issuer. In this clause " loss " means a proven loss or expense of any kind certified as such by the Noteholder, or any losses arising as a result of funding the Issue Price or re-employing deposits which are no longer required for such funding.
52. Currency indemnity	If any sum due from the Issuer under the Transaction Documents ("Sum"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency ("First Currency") in which that Sum is payable into another currency ("Second Currency") for the purpose of (a) making or filing a claim or proof against the Issuer; or (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings, then in either case the Issuer will as an independent obligation, within 7 (seven) Business Days of demand, indemnify the Noteholder against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum. The Issuer waives any right it may have in any jurisdiction to pay any amount under the Transaction Documents in a currency or currency unit other than that in which it is expressed to be payable.
53. Environmental Indemnity	The Issuer indemnifies the Noteholder against any proven loss or incurred by it (except to the extent caused by its gross negligence or wilful misconduct) which arises (i) by virtue of any actual breach of

	any Environmental Law by any member of the Group; or (ii) in connection with any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law which relates to the assets of any member of the Group or the operation of all or part of the business of any member of the Group.
54. Unwinding costs	If the Noteholder incurs any proven and cost, expense or loss as a result of the Issuer prepaying any Facility Outstandings otherwise than on the due dates therefor (including, without limitation, on account of prepayments, early redemptions (under any circumstance) or due to acceleration action), then the Issuer shall immediately pay to the Noteholder on the basis of an indemnity and on first written demand the amount that Noteholder from time to time notifies to the Issuer as being the amount of those costs, expenses and losses incurred. For these purposes " costs, expenses or losses " include (i) Break Costs; and/or (ii) any premium, penalty, fee or expense incurred to liquidate or obtain third party deposits, borrowings, hedges or swaps in order to make, maintain, fund or hedge all or any part of the Issue Price paid for the Notes or prepayment (or early redemption) of the Notes, or any payment of all or part of the Notes upon acceleration.
55. Exceptions to the Listing Particulars	This Pricing Supplement takes exception to the following Conditions of the Listing Particulars: <ol style="list-style-type: none"> 1. Any references to Security Agent in the Listing Particulars shall be disregarded on the basis that Noteholder shall receive its Security under the Transaction Documents for itself alone. Accordingly, Condition 12 (Secured Notes) of the Listing Particulars shall not apply; 2. Paragraph 8.7 (Payment) under Condition 8 (Redemption and Purchase) of the Listing Particulars shall be disregarded; and 3. Condition 20 (Modification) of the Listing Particulars shall be disregarded.
Definitions	
"Authorisations"	means an authorisation, consent, approval, resolution, licence, permit, exemption, filing, notarisation, lodgement or registration.
"Bank Account"	means the bank account pledged under and as described in the Bank Account Pledge Agreement.
"Break Costs"	means the amount (if any) by which (i) the interest which the Noteholder should have received for the period from the date of receipt of all or any part of its participation in a Note to the last day of the current Interest Period in respect of that Note, had the principal amount received been paid on the last day of that Interest Period; exceeds (ii) the amount which the Noteholder would be able to obtain by placing an amount equal to the principal amount on deposit with a leading bank in Mauritius for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.
"Compliance Certificate"	means a certificate provided by the Issuer which shall amongst other things, set out (in reasonable detail) computations as to compliance with the Financial Covenants, and shall be signed by two directors of the Issuer and, when delivered with the annual audited financial statements of the Issuer, shall be reported on by the Issuer's auditors in the form agreed by the Issuer and the Noteholder.

“Conditions”	means the terms and conditions of the Notes set out in the Listing Particulars, and Condition shall be construed accordingly.
“Corporate Guarantee”	means the corporate guarantee dated on or about the date of the Subscription Agreement between the Guarantor and the Noteholder, all on the terms set out therein.
“Distribution”	means in relation to a distribution by the Issuer to a shareholder, any payment (whether in cash or in specie) by way of interest or principal (whether in respect of an intercompany, shareholder loan or otherwise), dividend, fee, royalty or other distribution or payment whatsoever (including, without limitation, by way of the repurchase of any shares or the repayment of any shareholder loans or any debentures) by or on behalf of the Issuer or for the account of any shareholder or any person that directly or indirectly controls or is controlled by such shareholder.
“Dividend Policy”	is the copy of the Issuer’s board approved dividend policy dated 15 June 2017 and communicated to the Noteholder as a condition precedent of the Issue of Notes.
“Financial Covenants”	means the financial conditions set out in section 49 of this APS, and shall be calculated in accordance with IFRS and tested by the Noteholder by reference to each of the financial statements delivered by the Issuer and/or each Compliance Certificate delivered.
“Financial Indebtedness”	means indebtedness of any person in respect of (a) money borrowed and debit balances at banks; (b) any debt instrument or transaction which has the commercial or economic effect of a borrowing; (c) acceptance credit facilities; (d) receivables sold or discounted otherwise than on a non-recourse basis; (e) deferred payments for assets or services acquired (but not ordinary trade credit); (f) any liability in respect of Finance Leases; (g) a counter-indemnity in respect of a guarantee or indemnity given by a financial institution; (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value will be taken into account); and (i) any amount of any liability under an advance or deferred purchase agreement (j) guarantees or indemnities of indebtedness of any person falling within any of the foregoing described items, types or categories of indebtedness.
“Facility Outstandings”	means, at any time, the aggregate of all amounts of principal on account of the Notes, accrued interest, default interest fees and all other amounts of whatsoever nature outstanding to the Noteholder under the Transaction Documents.
“Group”	means the Issuer and its Subsidiaries for the time being.
“IFRS”	means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.
“Material Adverse Effect”	means, in the reasonable opinion of the Noteholder, the effect of any event or circumstance which is or is reasonably likely to be materially adverse to (a) the ability of any Obligor to comply with its obligations under the Transaction Documents, (b) the ability of any Obligor to carry on its business as being conducted as of the date of this Applicable Pricing Supplement, (c) the validity or enforceability of any Transaction Document, or (d) the assets, business or financial condition of any Obligor.
“Obligor”	means the Issuer and/or the Guarantor, as may be applicable.

"Permitted Distribution"	means: (i) a Distribution paid by the Issuer to one or more of its shareholders in accordance with the terms of the Dividend Policy; (ii) a Distribution made in repayment of outstanding principal (before the capitalisation of interest) of a Shareholder Loan; or (iii) any other Distribution made to a shareholder by the Issuer with the prior written consent of the Noteholder.
"Sanctioned Transaction"	means the use of the proceeds of any Note for the purpose of financing or any way in connection with military arms, prohibited narcotics, terrorist activities or in support of any person which intends to use the proceeds for any such activities, or providing any credit, directly or indirectly, to (a) a Sanctioned Entity; (b) any other person or entity, if the Issuer has actual knowledge that the person or entity proposes to use the proceeds of any Note for the purpose of financing or providing any credit, directly or indirectly, to a Sanctioned Entity, in each case to the extent that to do so is prohibited by, or would cause any breach of, Sanctions.
"Sanctions"	means trade, economic or financial sanctions, laws, regulations, embargoes or restrictive measures imposed, administered or enforced from time to time by any Sanctions Authority.
"Sanctions Authority"	means the United Nations, the European Union; the Council of Europe (founded under the Treaty of London, 1946); the government of the United States of America; the government of the United Kingdom; the government of the Republic of France, and in each case any of their governmental authorities, including, without limitation, the Office of Foreign Assets Control for the US Department of Treasury (OFAC), the US Department of Commerce, the US State Department or the US Department of the Treasury, Her Majesty's Treasury (HMT) and the French Ministry of Finance (MINEFI).
"Security"	means any charge, assignment, mortgage, pledge, hypothecation, lien, right of set off, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or be acquired or re-acquired.
"Security Deposit"	means USD2 640 000 (two million six hundred and forty thousand United States Dollars).
"Security Documents"	means the Bank Account Pledge Agreement between the Issuer and the Noteholder.
"Subordination Agreement"	means the subordination agreement dated on or about the date of the Subscription Agreement between the Issuer, the Noteholder and certain shareholders of the Noteholder, all on the terms set out therein.
"Subsidiary"	means, with respect to any person, any entity over 50% of whose capital is owned, directly or indirectly, by that person; or for which that person may nominate or appoint a majority of the members of the board of directors or persons performing similar functions; or which is otherwise effectively controlled by that person.
"Transaction Documents"	means the Listing Particulars, this Pricing Supplement, the Subscription Agreement, each Compliance Certificate, the Registrar and Transfer Agency Agreement, the Corporate Guarantee, the Subordination Agreement and the Security Documents.

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no significant change in the financial, trading position or prospects of the Issuer since 31 March 2019.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Listing Particulars and any supplementary Listing Particulars referred to above, contains all information that is material in the context of the issue of the Notes. The Issuer certifies that, to the best of its knowledge and belief, there are no facts that have been omitted from the Listing Particulars which would make any statement false or misleading; that all reasonable enquiries to ascertain such facts have been made; and that the Listing Particulars contains all information required by any applicable laws and in relation to any Series of Notes listed on the Official List of the Stock Exchange of Mauritius. The Issuer accepts full responsibility for the information contained in the Listing Particulars, the Pricing Supplements and the annual financial report and any amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

SIGNED and DELIVERED)
 by **Premium Tobacco Holdings Limited**)
on)
)
)
)

Per: _____
 For and on behalf of **Premium Tobacco Holdings Limited**
 Title: Director / Authorised Signatory
 Name:

SIGNED by **Premium Tobacco Holdings Limited**, acting by Authorised Signatory
 Authorised Signatory: